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State of New Mexico

OIL CONSERVATION

Energy, Minerals and Natural Resource

Form C-101 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088 15 2 3 1990 Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells) 30-045-

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

5. Indicate Type of Lease STATE LX FEE

OIL CON. DIV.

| 1000 Rio Brazos Rd., Azze | sc, NM 87410 | | DIST. 3 | 6. State Oil | 6. State Oil & Gas Lease No. E 6348 | | | |
|---|--------------------------|--|--|--------------|--|------------------------------|--|--|
| | TION FOR PERMIT T | | | | | | | |
| la. Type of Work: | | 7. Lease Na | 7. Lease Name or Unit Agreement Name | | | | | |
| DRILL X RE-ENTER DEEPEN PLUG BACK D. Type of Well: | | | | | FC STATE COM | | | |
| WELL GAS WELL X | OTHER | SINCLE ZONE | X ZONE | | | | | |
| 2. Name of Operator MESA OPERATI | NG LIMITED PARTI | 8. Well No. | # 2 | 22 E/32 | | | | |
| 3. Address of Operator P.O. BOX 2009, AMARILLO, TEXAS 79189 | | | | | 9. Pool name or Wildcat BASIN FRUITLAND COAL | | | |
| 4. Well Location Unit Letter | : 2110 Feet Fr | om The North | Line and | 1355 Feet | From The | East Line | | |
| Section | 66 Towns | nip 29N Rau | nge 10W | NMPM | SAN JUA | N County | | |
| | | | | | | | | |
| | 10. Proposed Depth 2110' | | | | Coal | 12. Rotary or C.T. Rotary | | |
| 13. Elevations (Show whether DF, RT, GR, etc.) 5659 GR | | 4. Kind & Status Plug. Bond BLANKET | 15. Drilling Contractor NOT YET DETERMINED | | 16. Approx. Date Work will start | | | |
| PROPOSED CASING AND CEMENT PROGRAM | | | | | | | | |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | | | EST. TOP | | |
| 12 1/4" | 8 5/8" | 24# | 200' | 150 sx | | SURFACE | | |
| 7 7/8" | 5 1/2" | 15.5# | 2110' | 250 Poz/ | 150 'B' | SURFACE | | |
| | 2 3/8" | 4.7# | 2060' | | | | | |

Propose to spud well with 12 1/4" hole and drill to 200' and set $85/8"_2$ surface casing. Will cement with 150 sx (yield = 1.18 Ft³, 177 Ft³) of Class "B" and raise cement to surface. Will nipple up 3000 psi BOP assembly and drill 7 7/8" hole to TD of 2110 ' with fresh water mud system. Will then log well and evaluate for possible commercial production. If successful, will then run 5 1/2" casing to 2110' and cement with 250sx Pozmix (yield - 1.8 Ft^3 , 450 Ft^3) followed by 150 sx Class "B" cement (yield - 1.18 Ft^3 ,177 Ft^3). Will move off drilling rig and move in completion unit.

> APPROVAL EXPIRES_ UNLESS DRILLING IS COMMENCED.

| SPUD NOTICE XC: NMOCD-A (0+6) WF, Reg, Land, Expl., Drilling WITHIN 10 DA IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: F PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, F ANY. | MUST BE SUBMITTED Y S. ZONE AND PROPOSED NEW PRODUCTIVE |
|---|---|
| 1 hereby certify that the information above is thur and complete to the pest of my knowledge and belief. Stonature Sr. Regulatory Analyst | 8/20/90 |
| TYPE OR PRINT NAME Carolyn L. McKee | (806) 378~1000 TELEPHONE NO. |

(This space for State Use)

DEPUTY OIL & GAS INSPECTOR, DIST. #3

DATE AUG 2 4 1990

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT | P.O. Box 1980, Hobbs, NM 88240

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

| Operator | | | | 17 | | | | | |
|--------------------|------------------------|--|--------------------------------------|-----------------------|----------------------|-----------|-------------|---------------|--|
| • | PERATING L | IMITED PARTN | ERSHIP | | TE COM | | | Wei | 1 No. 22 |
| Unit Letter | Section | Township | | Range | | | County | , | |
| G | 36 | 29 N | | 10 W | | NMP | va | San Ju | lan |
| Actual Footage Loc | ation of Well: | | | | | | | | |
| 2110 | feet from the | | line and | 1355 | | feet from | n the | East | line |
| Ground level Elev. | i | - | | Pool | | | | | |
| 5659 | | | | 1 | | | L | E/ | |
| 1. Outin | e the screage dedicat | ed to the subject well b | y colored pen | cil or hachure marks | on the plat below. | | | | |
| 2 16 | - dhan ana lasar in da | المارية المارية المارية المارية المارية المارية | | | | | _ | | |
| 2. U mor | W LIME One lease is de | SCICILOG TO THE WELL, OLI | uine each and | identify the ownersh | sip thereof (both as | to work | ing intere | st and royalt | y). |
| 3. If mor | e than one lease of di | ifferent ownership is de | dicated to the | well, have the intere | et of all owners be | en cons | olidated b | v communiti | ration. |
| witiza | nion, force-pooling, e | <u>4c.</u> ? | | | | | | | |
| If an array | Yes [| | er is "yes" typ | e of consolidation | | | | | |
| | if necessary. | as and user description | a willed thate | actually seem common | KORROG. (USE FEVER | ne mae c | × | | |
| No allow | able will be assigned | to the well until all im | erests have be | en consolidated (by | communitization, t | mitizatio | on, forced- | pooling, or o | therwise) |
| or until a | pon-standard unit, el | North line and 1355 feet from the East Line with Line and 1355 feet from the United Coal Pool Basin Fruitland Coal Dedicated Acres at United Coal Sain Fruitland Coal E/2 320 Acres Caled to the subject well by colored peocil or backure marks on the plat below. It defferest coverabile is dedicated to the well, have the interest of all owners been consolidated by communitization. If against the seast and identify the coverability the owners and of all owners and of all owners and of acres and interest in the been consolidated. (Use inverse and on the interest of acres and interest in the plan was planted Partnership Date (West) MESA Dedicated the acres and royalty. Acres Company MESA MESA MESA MESA Text. Regulatory Analyst Company MESA MESA MESA MESA MESA Text. Regulatory and belief and belief from field some of actual traver and ownership and belief (6-20-90) Date Surveyed William E., Matrick II Signature & Said (6-20-90) Date Surveyed William E., Matrick II Signature & Said (6-20-90) Date Surveyed William E., Matrick II Signature & Said (6-20-90) Date Surveyed William E., Matrick II Signature & Said (6-20-90) Date Surveyed William E., Matrick II Signature & Said (6-20-90) Date Surveyed William E., Matrick II Signature & Said (6-20-90) | | | | | | | |
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