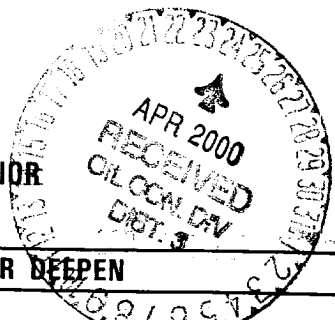


UNITED STATES
DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN



Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

1a. TYPE OF WORK
 DRILL DEEPEN
 b. TYPE OF WELL
 OIL WELL GAS WELL Other
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 AMOCO PRODUCTION COMPANY
 Attention: Mary Corley

3. ADDRESS AND TELEPHONE NO.
 P.O. BOX 3092 HOUSTON, TX 77253 281-366-4491

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)
 At surface 1120' FNL 2205' FWL
 At proposed prod. zone 1638' FNL 2485' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 16 Miles from Bloomfield, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)
 5701' GR

16. NO. OF ACRES IN LEASE
 320

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
 4974'

20. ROTARY OR CABLE TOOLS

21. ELEVATIONS (Show whether DF, RT, GR., etc.)

22. APPROX. DATE WORK WILL START*
 04-20-2000

5. LEASE DESIGNATION AND SERIAL NO.
 SF 078139

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
 Sandoval Gas Com A 1B

9. API WELL NO.
 30-045-30187

10. FIELD AND POOL, OR WILDCAT
 BLANCO MESAVERDE

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 35
 Township 30N Range 9W

12. COUNTY OR PARISH
 San Juan

13. STATE
 New Mexico

This action is subject to the usual and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3168.4.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	DENSITY (lb/gal)	YIELD (R3/ak)	WATER (gal/ak)	EXCESS %
12 1/4"	H 40 9 5/8"	32.3#	135'	125 SXS (149 CU.FT.) CLS B CIRC TO SURFACE	15.6	1.19	5.2	100%
8 3/4"	J-55 7"	20#	2158'	160 SXS (461 CU.FT.) CLS B - LEAD 134 SXS (159 CU.FT.) CLS B - TAIL	11.4 15.6	2.88 1.19	16.62 5.25	100%
6 1/4"	J-55 4 1/2"	10.5#	4941'	189 SXS (395 CU.FT.) CemPlus Blend (LiteCrete)	10	2.09	6.68	70%

NOTICE OF STAKING SUBMITTED 01/19/2000

OBJECTIVE: Drill 100' into the Mancos shale, set 4 1/2" Liner across MV, perf & stimulate Cliff House, Menefee, & Point Lookout.

METHOD OF DRILLING: Rotary/Top Drive DEPTH OF DRILLING: 0' - TD
 LOG PROGRAM TYPE: Cased Hole (GR-CCL-TDT) DEPTH INTERVAL: TDT - PBTD to Top of Liner GR & CCL - PBTD to 0'
 MUD PROGRAM: INTERVAL TYPE MUD WEIGHT, #/GAL
 0' - 135' (3 JTS) Spud 8.6 - 9.2
 135' - 2158' Water/LSND 8.6 - 9.2
 2158' - TD Gas/Air/Mist
 DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED 'GENERAL REQUIREMENTS'. Volume sufficient to maintain a stable and clean wellbore
 (1) Circulate Cement to Surface (2) Set Casing 50' above Fruitland Coal (3) Liner Lap should be a minimum of 100'

COMPLETION: Rigless, 2 - 3 Stage Limited Entry Hydraulic Frac

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Mary Corley TITLE SR BUSINESS ANALYST DATE 03-14-2000

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY /s/ Charlie Beecham TITLE MANAGER DATE APR 20 2000

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District I
 PO Box 1980, Hobbs NM 88241-1980
 District II
 PO Drawer KK, Artesia, NM 87211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised February 21, 1994

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30187		² Pool Code 72319		³ Pool Name Blanco Mesa Verde	
⁴ Property Code 1021		⁵ Property Name SANDOVAL GAS COM A			⁶ Well Number # 1B
⁷ OGRID No. 778		⁸ Operator Name AMOCO PRODUCTION COMPANY			⁹ Elevation 5701

¹⁰ Surface Location

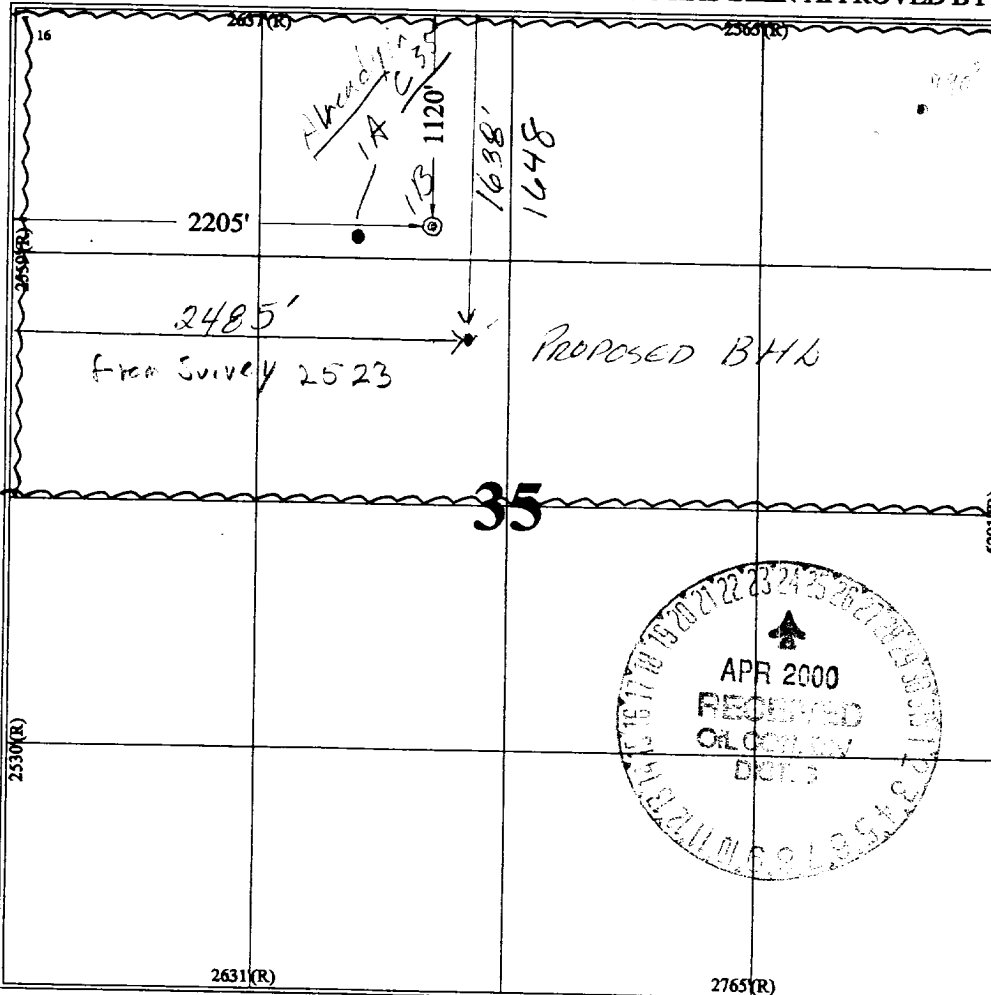
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	35	30 N	9 W		1120	NORTH	2205	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	35	30 N	9 W		1638	NORTH	2485	WEST	SAN JUAN

¹² Dedicated Acres 3.20	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Mary Corley*

Printed Name: Mary Corley

Title: Sr. Business Analyst

Date: 3/14/2000

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

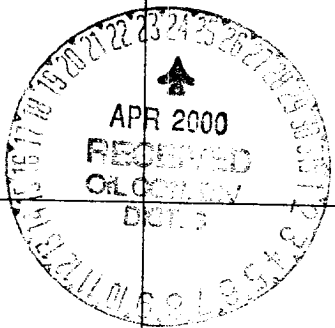
January 12, 2000

Date of Survey

Signature and Seal of Professional Surveyor

[Seal: GAY STANN, NEW MEXICO, REGISTERED PROFESSIONAL AND SURVEYOR, 7016]

7016
Certificate Number



**Amoco Production Company
BOP Pressure Testing Requirements**

Well Name: Sandoval Gas Com A 1B
 County: San Juan State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	1178'		
Kirtland	1354'		
Fruitland Coal	2141'		
Pictured Cliffs	2399'		
Lewis Shale	2502'		
Cliff House	4018'	500	0
Menefee Shale	4200'		
Point Lookout	6307'	600	0
Mancos	4772'		

** Note: Determined using the following formula: $ABHP - (.22 * TVD) = ASP$

Requested BOP Pressure Test Exception: 750 PSI

**SAN JUAN BASIN
Mesaverde Formation
Pressure Control Equipment**

Background

The objective Mesaverde formation maximum surface pressure is anticipated to be less than 1000 PSI, based on shut-in surface pressures from adjacent wells. Pressure control equipment working pressure minimum requirements are therefore 2000 PSI. Equipment to be used will conform to API RP-53 (Figure 2.C.2) for a 2000 PSI system per Federal Onshore Order No. 2. Due to available conventional equipment within the area, 3000 PSI rated pressure control equipment will typically be utilized in a double ram type arrangement. Regional drilling rights to be utilized have substructure height limitations which exclude the use of annular preventers; therefore a rotating head will be installed above these rams. This pressure control equipment will be utilized for conventional drilling below conductor to total depth. No abnormal temperature, pressure, or Hydrogen Sulfide gas is anticipated.

Equipment Specification

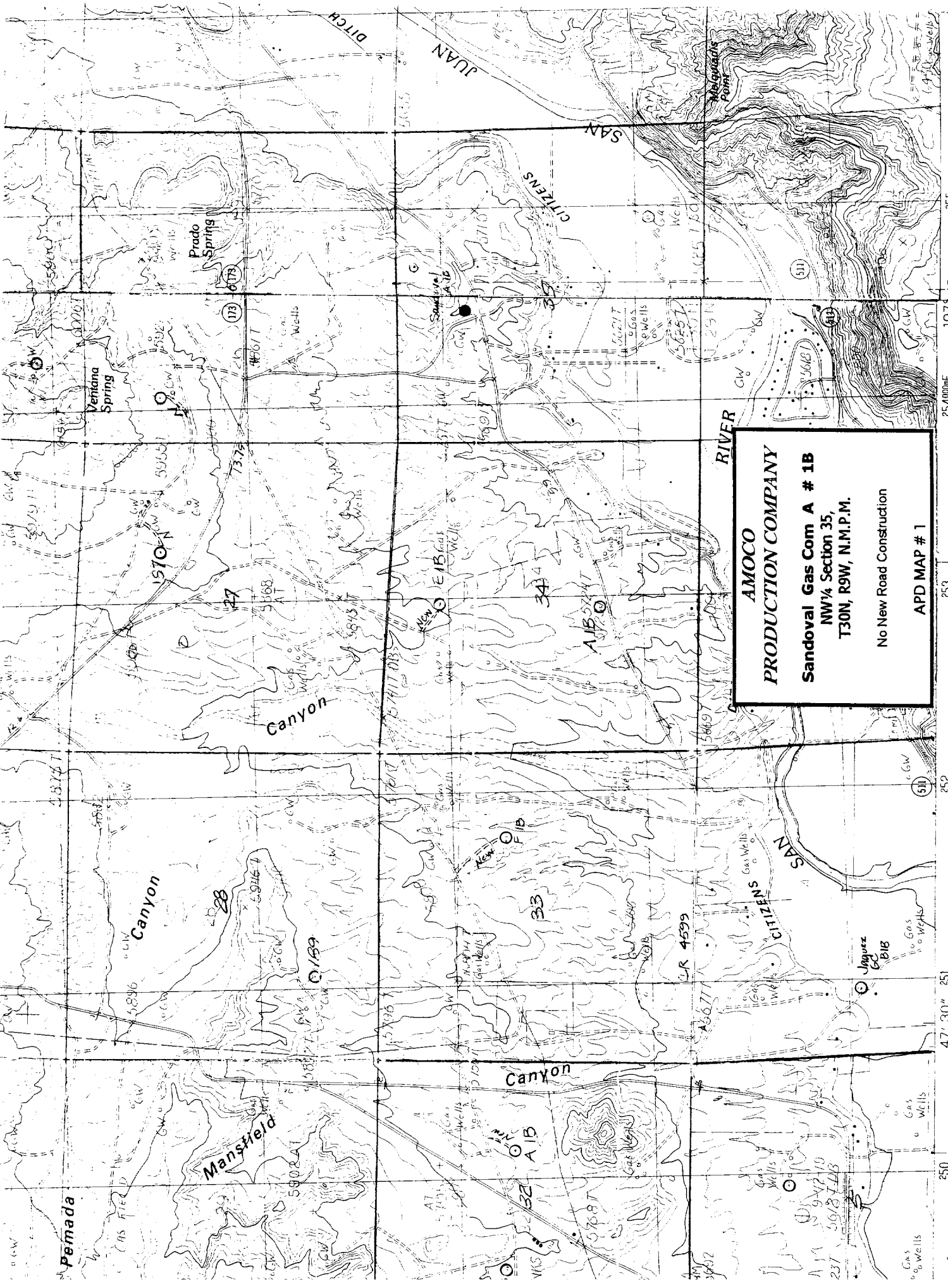
Interval

BOP Equipment

Below conductor casing to total depth

11" nominal or 7 1/16", 3000 PSI double ram preventer with rotating head.

All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 750 PSI (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include Kelly cock, upper Kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure at the appropriate intervals.



AMOCO
PRODUCTION COMPANY
Sandoval Gas Com A # 1B
 NW¼ Section 35,
 T30N, R9W, N.M.P.M.
 No New Road Construction
APD MAP # 1