

Submit to Appropriate
District Office
State Lease -- 6 copies
Fee Lease -- 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

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

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

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

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)

30-045-27804

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL
WELL ☐

GAS
WELL ☒

OTHER

coal seam

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. Name of Operator

Amoco Production Company ATTN: J.L. Hampton

3. Address of Operator

P. O. Box 800 Denver, Co. 80201

7. Lease Name or Unit Agreement Name

Elliott Gas Com "AA"

8. Well No.

#1 W/321.40

9. Pool name or Wildcat

Basin Fruitland Coal Gas

4. Well Location

Unit Letter M : 790' Feet From The south Line and 1100 Feet From The West Line

Section 19

Township 31N

Range 11W

NMPM San Juan

County

10. Proposed Depth

2680'

(TD)

11. Formation

Fruitland Coal

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

5958' GR

14. Kind & Status Plug. Bond

State-wide

15. Drilling Contractor

unknown

16. Approx. Date Work will start

As soon as permitted

17.

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|----------------|----------------|-----------------|-------------------|-----------------------------------|----------|
| <u>12 1/4"</u> | <u>8 5/8"</u> | <u>24#</u> | <u>250'</u> | <u>250 cf (cement to surface)</u> | |
| <u>7 7/8"</u> | <u>5 1/2"</u> | <u>17#</u> | <u>2680' (TD)</u> | <u>750 cf (cement to surface)</u> | |

RECEIVED

Lease Description:

JUN 22 1990

OIL CON. DIV.

DIST. 3

T31N-R11W:

Sec. 19: Lot 3, E/2 SW/4, Lot 4, Lots 1, 2, E/2 NW/4, NE/4 NE/4, W/2SE/4, SE/4
Sec. 5: Lots 5-12, S/2
Sec. 8: W/2
Sec. 17: W/2
Sec. 18: E/2

APPROVAL EXPIRES 12-25-90
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

RECEIVED

JUN 15 1990

OIL CON. DIV.

DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

J.L. Hampton

TITLE Sr. Staff Admin. Supv.

DATE 6/13/90
(303)

TYPE OR PRINT NAME

J.L. Hampton

TELEPHONE NO. 830-5119

(This space for State Use)

APPROVED BY

Ernest Buxel

DEPUTY OIL & GAS INSPECTOR, DIST. #3

TITLE

DATE

JUN 25 1990

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED
JUN 19 1963

U.S. AIR FORCE
OFFICE OF THE
JOINT CHIEFS OF STAFF

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | |
|---|--|-----------------------------|--|---------------------------|---|
| Operator AMOCO PRODUCTION COMPANY | | | Lease ELLIOTT GAS COM /AA/ | | Well No. # 1 |
| Unit Letter M | Section 19 | Township 31 NORTH | Range 11 WEST | County SAN JUAN | |
| Actual Footage Location of Well: 790 feet from the SOUTH line and 1100 feet from the WEST line | | | | | |
| Ground level Elev. 5958 | Producing Formation Fruitland Coal | | Pool Basin Fruitland Coal Gas | | Dedicated Acreage: W/2 321.40 Acres |
| <p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p> | | | | | |
| | | | OPERATOR CERTIFICATION I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief. | | |
| | | | Signature <i>J L Hampton</i> | | |
| | | | Printed Name J L Hampton | | |
| | | | Position Sr Staff Admin Supt | | |
| | | | Company Amoco Prod | | |
| | | | Date 6-14-90 | | |
| | | | 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 knowledge and belief. | | |
| | | | Date Surveyed May 31, 1990 | | |
| | | | Signature & Seal of Professional Surveyor GARY D. VANN | | |
| | | | Certification No. 7016 | | |

Amoco proposes to drill the well to further develop the Fruitland Coal reservoir. The well will be drilled to the surface casing point using native mud. The well will then be drilled to the total depth with a non-dispersed mud system. The attached modified 12" 3000 psi blowout preventer will be used (please see attached BOP information). The well will be completed in the Fruitland Coal with a fracture stimulation.

| <u>Quantity</u> | <u>Size</u> | <u>Weight</u> | <u>Description</u> | <u>Cementing Program</u> |
|----------------------------|-------------|---------------|--------------------|---|
| <u>SURFACE CASING</u> | | | | |
| 250' | 8-5/8" | 24# | K55 ST&C | 250 cf Class B, 2% CaCl ₂ 15.6 ppg |
| <u>INTERMEDIATE STRING</u> | | | | |
| 2680 | 5.5" | 17# | K55 ST&C | 750 cf Class B, 65:35:6 10% salt, .25% dispersant 13.1 ppg 118 cf Class B, 2% CaCl ₂ 15.6 ppg |

The above casing design is based upon a 11.0#/gal mud weight.

EVALUATION

The log surveys (FDC/GR/CAL, Microlog) will be run per attached drilling and completion program.

**SAN JUAN BASIN
FRUITLAND COAL DEGASIFICATION
(DRILL THROUGH WELLS)
PRESSURE CONTROL EQUIPMENT**

Background

The objective Fruitland Coal formation maximum surface pressure is anticipated to be 1400 PSI, based on completion testing. 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 rigs to be utilized have substructure height limitations which exclude 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 surface to total depth in the Pictured Cliffs.

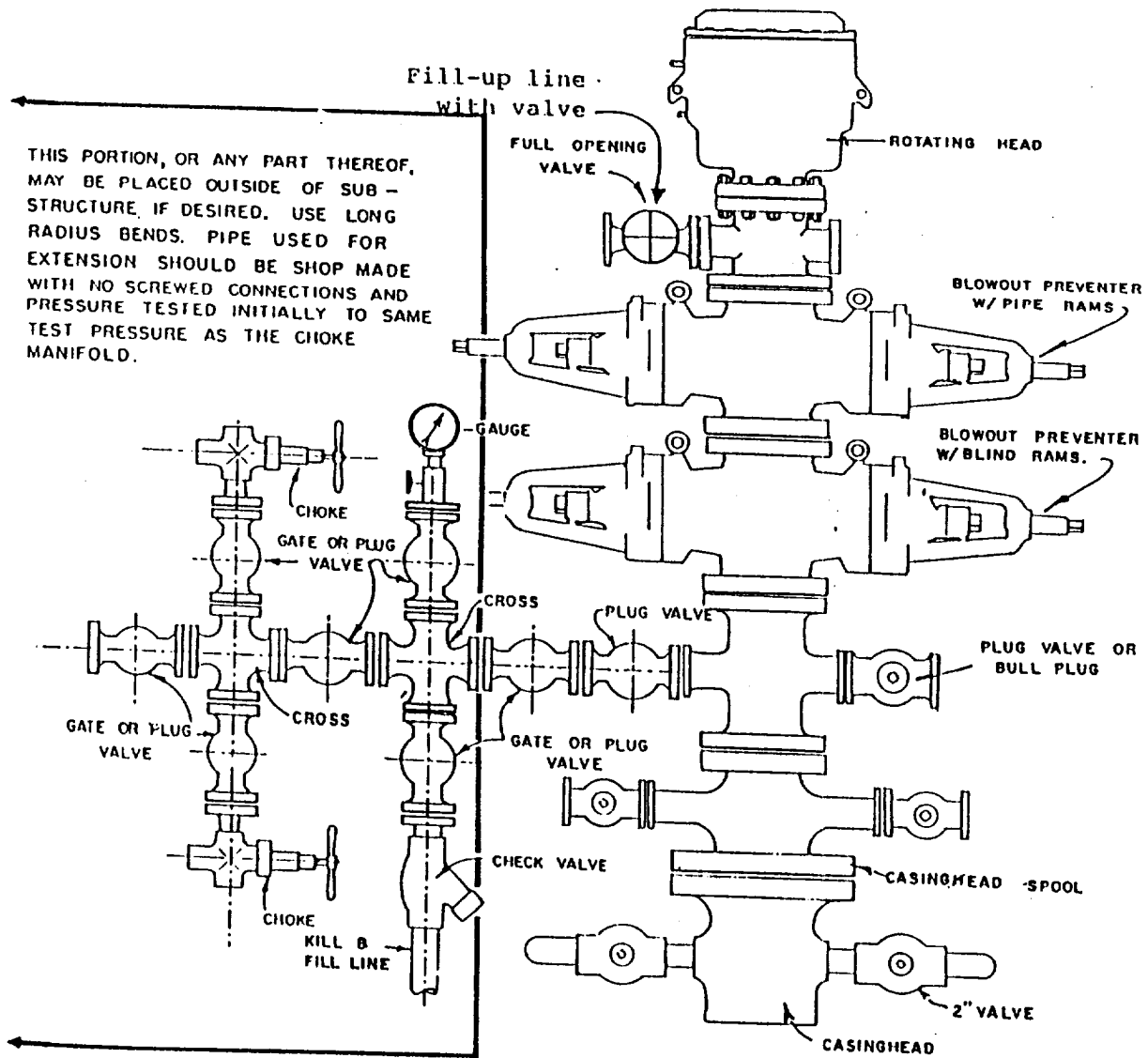
Equipment Specification

| <u>Interval</u> | <u>BOP Equipment</u> |
|---|--|
| Below Surface Casing to Total Depth | 12" nominal, 3000 PSI double ram preventer with rotating head (see Exhibit No. 1 - BOPE) |

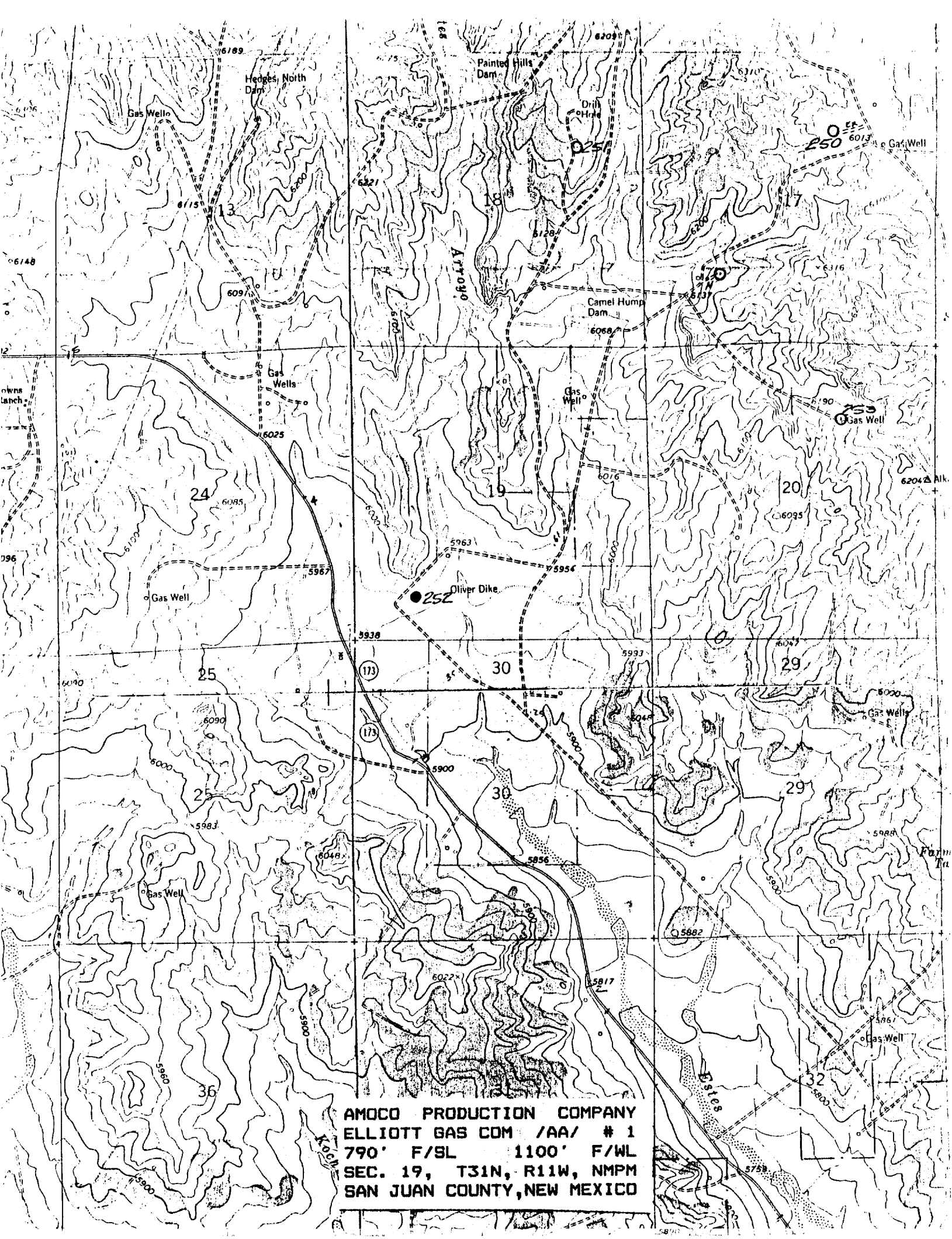
All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 2000 PSI (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include kelly cock, floor safety valves and choke manifold which will also be tested to equivalent pressure.

Please direct any questions to George Gray at (303) 830-5190 in our Denver office.

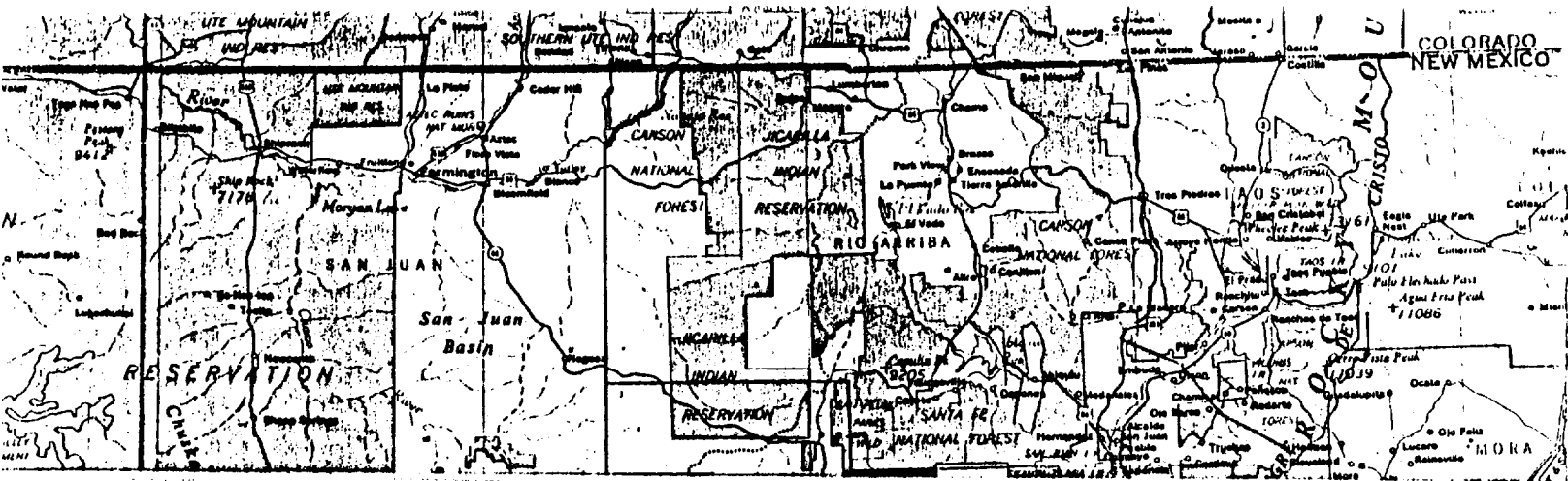
EXHIBIT NO. 1 - BOPE



BLOWOUT PREVENTER HOOKUP



AMOCO PRODUCTION COMPANY
ELLIOTT GAS COM /AA/ # 1
790' F/S L 1100' F/W L
SEC. 19, T31N, R11W, NMPM
SAN JUAN COUNTY, NEW MEXICO



ELLIOTT GAS COM /AA/ # 1
 790' F/SL 1100' F/WL
 SEC. 19, T31N, R11W, NMPM
 RAIL POINT: 147 miles - Montrose, Co
 MUD POINT: 4 miles - Aztec, NM
 CEMENT POINT: 28 miles - Farmington, NM

