

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

OIL CONSERVATION DIVISION

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

P.O. Box 2008  
Santa Fe, New Mexico 87540

RECEIVED

NOV 16 1992

API NO. (assigned by OCD on New Wells) <u>3-045-2821</u> ✓
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name  Witten 31-11-32 ✓
8. Well No. 2 ✓ <u>W/32</u> ✓
9. Pool name or Wildcat Basin Fruitland <u>Coal</u> ✓

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK DIST. 3					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>					
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator SG Interests I, Ltd. <u>20572</u>					
3. Address of Operator P.O. Box 421, Blanco, NM 87412-0421					
4. Well Location Unit Letter <u>K</u> : <u>1955</u> Feet From The <u>South</u> Line and <u>1650</u> Feet From The <u>West</u> Line Section <u>32</u> Township <u>31N</u> Range <u>11W</u> NMPM <u>San Juan</u> County					
10. Proposed Depth <u>2400'</u>		11. Formation <u>Fruitland Coal</u>		12. Rotary or C.T. <u>Rotary</u>	
13. Elevations (Show whether DF, RT, GR, etc.) <u>✓ 5760' GL, 5773' KB</u>		14. Kind & Status Plug. Bond <u>Blanket</u>		15. Drilling Contractor <u>Four Corners</u>	
16. Approx. Date Work will start <u>Nov. 21, 1992</u>					
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>23#, J-55</u>	<u>250'</u>	<u>200 Class B</u>	<u>surface</u>
<u>7-7/8"</u>	<u>5-1/2"</u>	<u>15.5#, J-55</u>	<u>2400'</u>	<u>210 65/35 w/</u>	<u>surface</u>
				<u>6% gel &amp; 100</u>	
Class B tail					

SG Interests I, Ltd., proposes to drill a vertical hole to develop the Fruitland Coal formation at the above described site. The well will be drilled with a LSND mud. A double ram type BOP will be used to maintain well controll at all times during the drilling of the well. Sketches of the BOP and choke assembly are included as an Exhibit to this application. A full suite of logs will be run upon reaching TD. Both strings of casing will be cemented in single stage cement jobs back to surface. A high strength cement will be placed across the pay zones and at least 500' above the bottom of the hole. A minimum of ten centralizers will be used to optimize placement of the cement around the pipe on the long string.

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 A. M. O'Hare TITLE Agent for SG Interests I DATE Nov. 15, 1992  
(505) 632-8597  
TELEPHONE NO.

TYPE OR PRINT NAME A. M. O'Hare

(This space for State Use)

APPROVED BY [Signature]  
CONDITIONS OF APPROVAL, IF ANY:

DEPUTY OIL & GAS INSPECTOR, DIST. #3

APPROVAL EXPIRES 5-18-93  
UNLESS DRILLING IS COMPLETED.  
SPUD NOTICE MUST BE SUBMITTED  
WITHIN 10 DAYS.

DATE NOV 18 1992

# 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 II

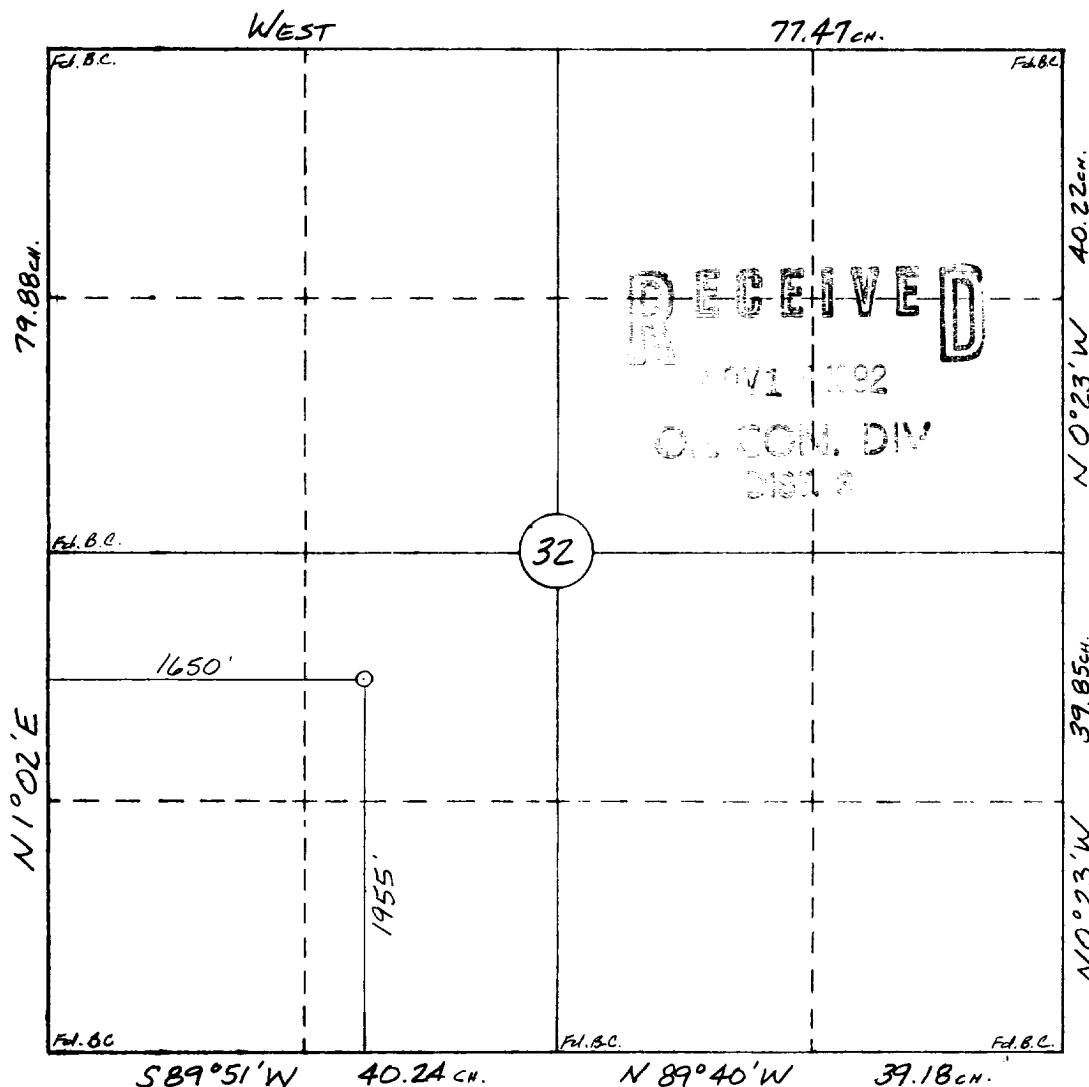
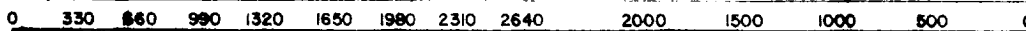
1000 Rio Brazos Rd., Aztec, NM 87410

# WELL LOCATION AND ACREAGE DEDICATION PLAT

**All Distances must be from the outer boundaries of the section**

Operator S G INTERESTS I, LTD.			Lease WITTEN 31-11-32		Well No. 2
Unit Letter K	Section 32	Township 31 N	Range 11 W	County NMPM	San Juan
Actual Footage Location of Well. 1955 feet from the South line and 1650 feet from the West line					
Ground level Elev. 5760	Producing Formation Fruitland Coal		Pool Basin Fruitland	Dedicated Acreage 320.0 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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).
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.?
- ☐ Yes      ☐ No      If answer is "yes" type of consolidation \_\_\_\_\_
- If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). \_\_\_\_\_
- 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.



### OPERATOR CERTIFICATION

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

Signature \_\_\_\_\_

*A. M. O'Hare*

Printed Name \_\_\_\_\_

A. M. O'Hare

Position

President/Agent

Company Maralex Resources, Inc.  
Agent for SG Interests I,

Date \_\_\_\_\_

November 15, 1992

### 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.

11-13-92

Date Surveyed \_\_\_\_\_

~~William E. Mahnke II~~

Signature & Seal of Professional Submitter

WIL  
NEW

REF #8466

5

~~Certificate No.~~

PROFESSIONAL

Exhibit #1  
*BOP Stack Arrangement*

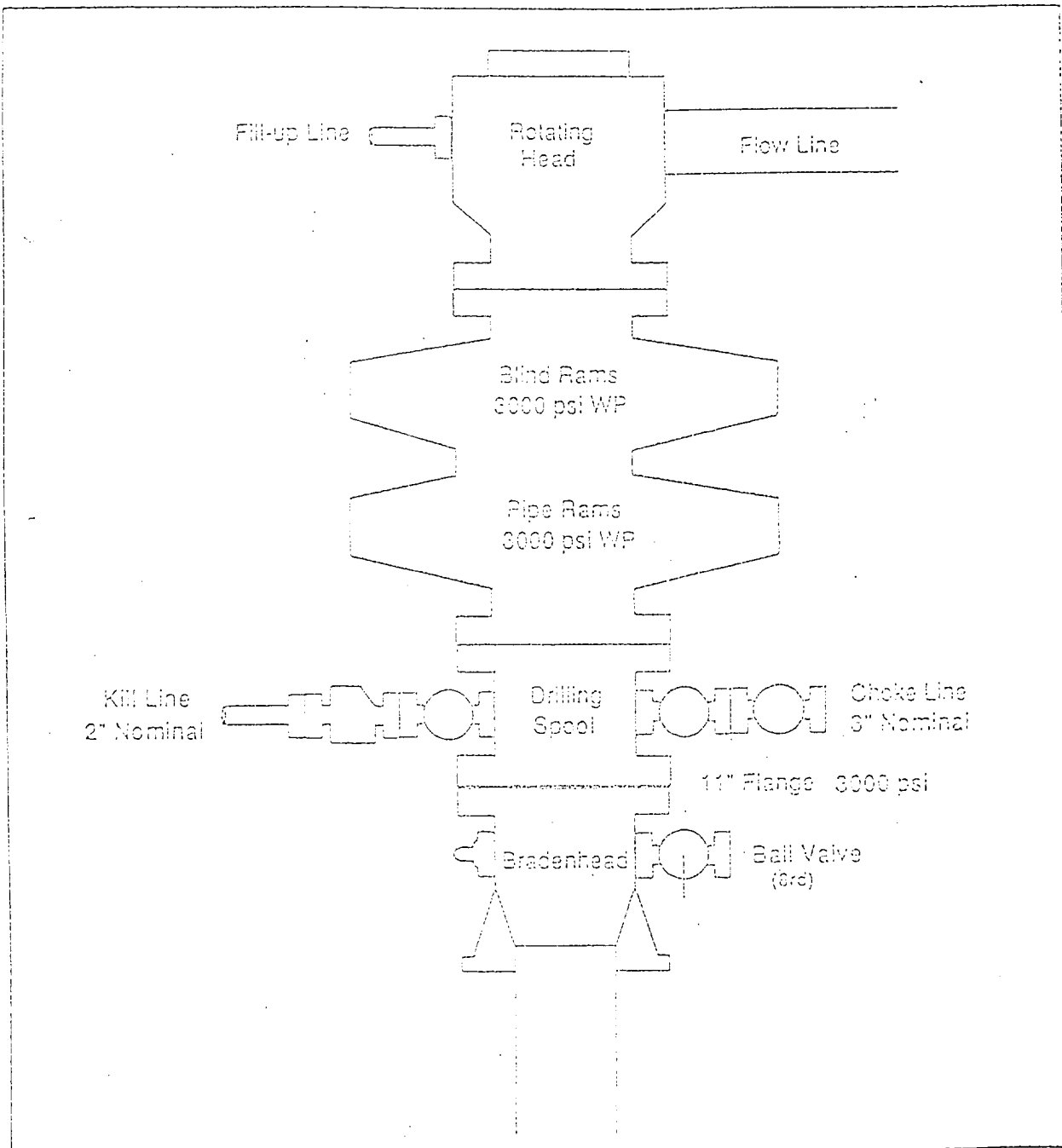


Exhibit #2  
*Choke Manifold & Accumulator Schematic*

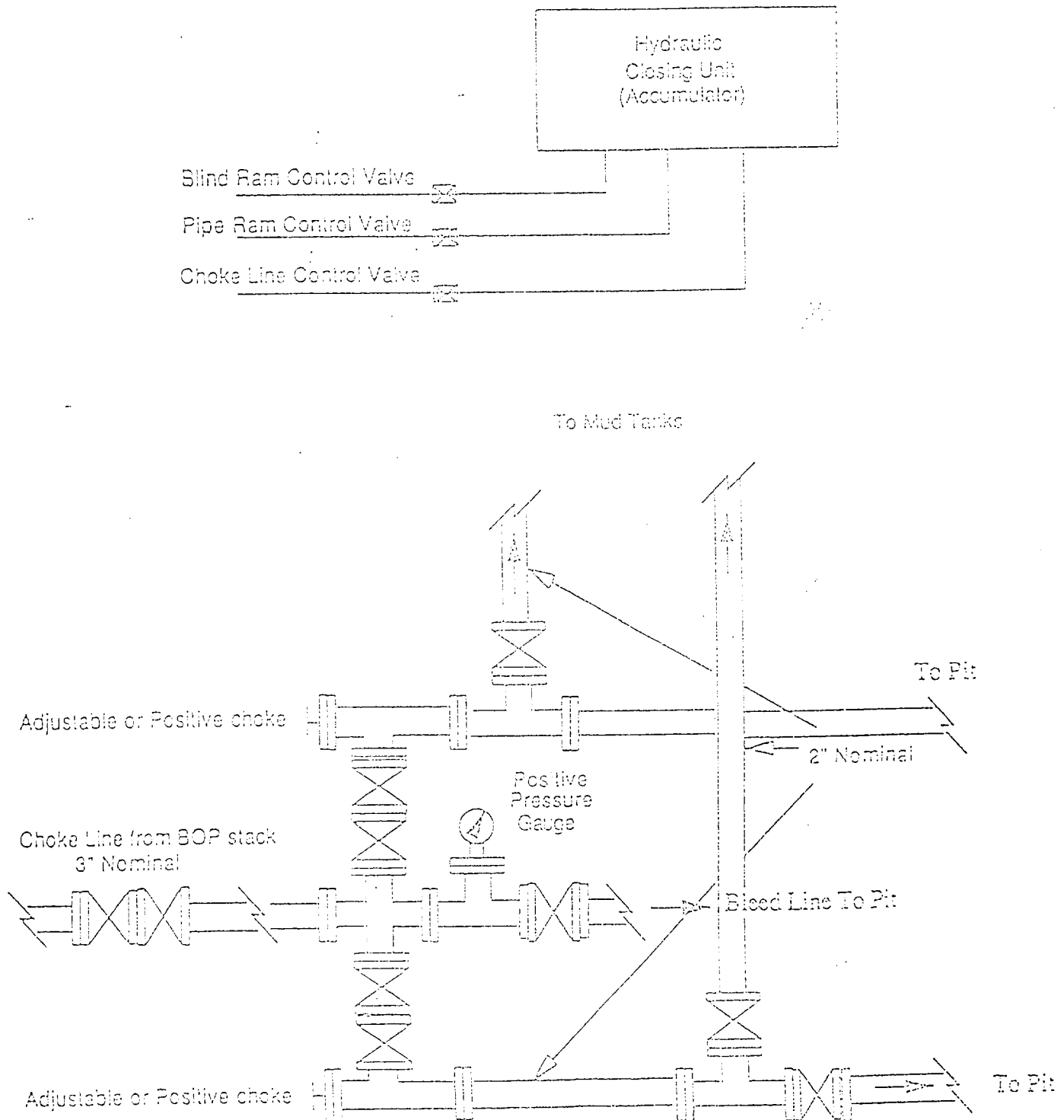


Exhibit #3  
Blowout Prevention Equipment Specifications

1. All BOP equipment shall be fluid and/or mechanically operated.
2. BOP's and all fittings will be in good working condition.
3. Equipment through which the bit must pass shall be at least as large as the casing size being drilled.
4. The nipple above the BOP shall be at least the same size as the last casing set.
5. The upper kelly cock with handle and lower kelly cock shall be rated at the BOP working pressure.
6. A floor safety valve (full opening) or drill string BOP with appropriate pressure ratings shall be available on the rig floor with connections or subs to fit any tool joint in the string.
7. The minimum size choke line shall be 3 inches nominal diameter, with a minimum size for vent lines downstream of chokes of 2 inches nominal, and vent lines which by-pass shall be a minimum of 3 inches nominal and as straight as possible.
8. All valves, fittings and lines between the closing unit and the blowout preventer stack should be of steel construction with rated working pressure at least equal to working pressure rating of the stack. Lines shall be bundled and protected from damage.
9. Minimum size for kill line is 2 inches nominal.
10. Ram type preventers shall be equipped with extension hand wheels or hydraulic locks.