

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Hallwood Petroleum, Inc. 9812

303-850-7373

3. ADDRESS AND TELEPHONE NO.

P. O. Box 378111, Denver, CO 80237

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface
790' FNL 2510' FEL (SW NW NE); Unit B
At proposed prod. zone
same (straight hole)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

2 miles SE of LaPlata, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

790'

16. NO. OF ACRES IN LEASE

320+

17. NO. OF ACRES ASSIGNED

TO THIS WELL
320(+) N/218. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1090' WSW

19. PROPOSED DEPTH

2150

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5774' GRThis action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

22. APPROX. DATE WORK WILL START*

4/20/95

23. PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLETION OF ATTACHED
"GENERAL REQUIREMENT OF CEMENT"

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12-1/4	8-5/8	24	350	250 cubic feet Class "B"
7-7/8	5-1/2	15.5	2150	368 cubic feet 65/35 & 108 cubic feet Class "B"

1. The proposed Federal B2-12 well is located 1090' East North East of an existing deeper pool(s) Mexico-Federal-R-1-M well, a dual completed Mesa Verde/Dakota gas well.
2. A notice of staking form (Exhibit 13) was mailed on December 20, 1994 to the BLM, Farmington Resources Area office.
3. Hallwood proposes to spud this well with a 12-1/4" hole and drill to 350' where 8-5/8", 24#, J-55 surface casing will be set and cemented to surface. After WOC for 12 hrs, the BOP's will be installed and tested. The 7-7/8" hole will be drilled to TD of approximately 2150' with low weight (9-10 ppg) water based mud. The well will be electric logged with a density tool and 5.50", 15.5# K-55 casing will be run to total depth and cemented from the Fruitland Basin Coal to surface with approximately 350 sxs of cement. The Fruitland Basin Coal interval will then be fracture stimulated through perforations at approximately 1,950-1,990' with approximately 200,000# of 12/20 sand, swab or flow test to cleanup and put on conventional beam lift with a pump, rods and pumping unit.
4. A copy of the archaeological inventory report is enclosed (Exhibit 11).
5. Exhibit 14 is a plat of the proposed pipeline route and tie-in to Hallwood's existing gas gathering facilities.

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

Tonya K. Durham

TITLE

Production Technician

DATE

3/27/95

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or operate 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: N/A

APPROVED BY

TITLE

NMOCD

APPROVED
AS AMENDED

APR 05 1995

DISTRICT MANAGER

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plate, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill or deepen an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the operator elects to initiate drilling operation on an oil and gas lease.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alicemate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0136), Washington, D.C. 20503.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling operations on an oil and gas lease.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

RECEIVED

APR 10 1995

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088
DIST. 3

EXHIBIT 1

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <i>30-045-29232</i>		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code <i>16940</i>	Property Name FEDERAL <i>BZ</i>		Well Number <i>BZ-12</i>
OGRID No. 9812	Operator Name HALLWOOD PETROLEUM, INC.		Elevation 5774

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from th-	North/South line	Feet from the	East/West line	County
B	12	31N	13W		790	NORTH	2510	EAST	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
Dedicated Acres <i>320</i>		Joint or Infill		Consolidation Code		Order No.			

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



