

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

30-045-2892

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Emerald Gas Operating Company 3645

3. ADDRESS OF OPERATOR

570 Turner Drive, Unit B, Durango, CO 81301

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

NESW, 1934' FSL & 1794' FWL

At proposed prod. zone Same

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

Eight miles east-northeast of La Plata, N.M.

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

820'

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

1018'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

19. PROPOSED DEPTH

2510'

20. ROTARY OR CABLE TOOLS

Rotary

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

GL: 6128'

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and added pursuant to 43 CFR 3165.4

22. APPROX. DATE WORK WILL START\*

December 20, 1992

23.

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT                |
|--------------|----------------|-----------------|---------------|-----------------------------------|
| 12 1/4"      | 9 5/8"         | 32.0 - J55      | 300'          | 200 sx Class 'B'                  |
| 8 3/4"       | 7"             | 23.0 - K55      | 2315'         | 325 sx (128 sx lead, 200 sx tail) |
| Cavity       | N/A            | N/A             | 2315'-2510'   |                                   |

Operator proposes to drill the well and complete open hole to test gas potential of the Fruitland formation coal zones. The following are attached:

- Exhibit 'A': Surveyors' Location and Elevation Plat
- Exhibit 'B': Drilling Program
- Exhibit 'C' 1, 2 and 3: Blowout Preventer Schematic
- Exhibit 'D': Surface Use Program
- Exhibit 'E' 1 and 2: Vicinity Map & Existing and Access Road Map
- Exhibit 'F': Radius Map of Field, Showing Existing Wells
- Exhibit 'G': Drill Pad Layout with Cut/Fill Diagram
- Exhibit 'H' - 1 and 2: Drilling Rig Layout and Layout of Anticipated Production Facilities
- Exhibit 'I': Surface Owner Damage Agreement

This APD will serve as an application for a right-of-way grant to travel on BLM roads in order to access the well site.

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. 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 Bradford C. Boyce

TITLE Manager Development

DATE December 2, 1992

(This space for Federal or State use only)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

OIL CON. DIV.  
DIST. 3

NMCO

\*See Instructions On Reverse Side

APPROVED  
AS AMENDED

DEC 11 1992

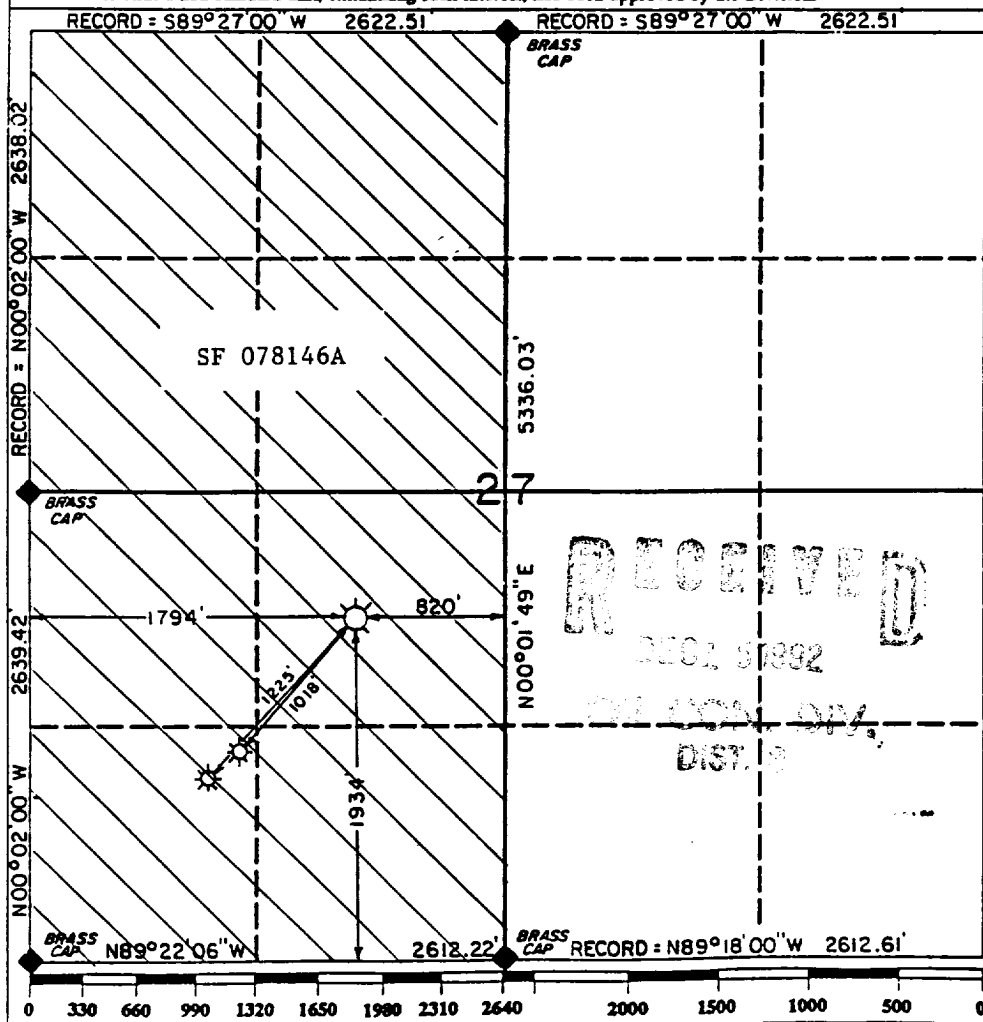
AREA MANAGER

EXHIBIT "A":  
SURVEYOR'S LOCATION & DEDICATION PLAT

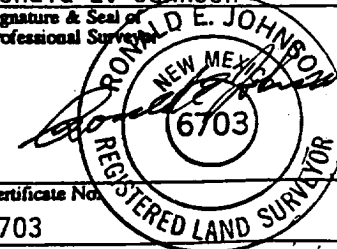
**All Distances must be from the outer boundaries of the section**

|  |  |                      |                               |                |                                 |
|--|--|----------------------|-------------------------------|----------------|---------------------------------|
| Operator<br>EMERALD GAS OPERATING COMPANY  |  |                      | Lease<br>HORTON FEDERAL CB-27 |                | Well No.<br>#1                  |
| Unit Letter<br>K   | Section<br>27                          | Township<br>32 North | Range<br>12 West              | County<br>NMPM | San Juan                        |
| Actual Footage Location of Well:<br>1934 feet from the South line and 1794 feet from the West line |  |                      |                               |                |                                 |
| Ground level Elev.<br>6128   | Producing Formation<br>Fruitland Coals |                      | Pool<br>Basin Fruitland Coal  |                | Dedicated Acreage:<br>320 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 N/A      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.



Certificate No.  
6703



**EMERALD GAS OPERATING COMPANY**  
**EXHIBIT "E-2": EXISTING ROAD AND ACCESS MAP**

**Horton Federal CB-27 #1**  
**NESW, Section 27, T32N-R12W**

