



WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

204 N. Auburn
P. O. Drawer 419
Farmington, New Mexico 87499
(505) 327-4892

'92 APR 10 AM 8 48

April 7, 1992

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

REF: Non-Standard Location
Breck Operating Corporation
Kutz Government No. 5-J
1710'FNL, 1820'FWL,
Section 2-T27N-R10W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Mr. LeMay:

This is a request on behalf of Breck Operating Corporation for administrative approval of the above-referred-to non-standard location.

Breck Operating Corporation desires to plugback the well from the Pictured Cliffs formation and complete the well in the Basin Fruitland Coal Interval.

This well is not located in the NE/4 or SW/4 of the section and therefore, is a non-standard well location.

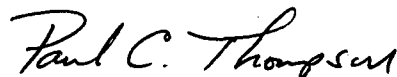
Attached you will find a copy of the Application for Permit to plugback and a copy of the Well Location Plat.

Also attached is a plat indicating the Offset Lease Owners and a List of Offset Lease Owners and addresses.

By copy of letter to offset lease owners, enclosed, they are being notified by certified return receipt mail, of this application.

Thank you for your consideration and approval of this application. If you have any questions, please do not hesitate to call upon me.

Sincerely,


Paul C. Thompson, P.E.

PCT:rr
cc: Breck Operating Corporation

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☐DEEPEN ☐

PLUGBACK X

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

BRECK OPERATING CORPORATION

3. ADDRESS AND TELEPHONE NO. C/O Walsh Engr. & Prod. Corp. 505 327-4892
204 N. Auburn Farmington, New Mexico 87401

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

At surface

1710'FNL, 1820'FWL, Unit Letter F

At proposed prod. zone

Same

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

8 miles Southeast of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED*

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

1710'

16. NO. OF ACRES IN LEASE

Unknown

17. NO. OF ACRES ASSIGNED
TO THIS WELL

322.64

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

19. PROPOSED DEPTH

PBSD - 1865'

20. ROTARY OR CABLE TOOLS

N/A

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

5912' - G.L.

5924' - D.F.

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24.0	140'	100 sxs. 118 ft.3
7-7/8"	4-1/2"	10.50	2051'	435 sxs. 816 ft.3

See Attached for Workover Procedure.

Note: All activity associated with this workover (including construction of pits) will be kept within the boundaries of the original well site.

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. FOR: BRECK OPERATING CORPORATION

SIGNED

Paul C. Thompson
Paul C. Thompson, P.E.

TITLE

Agent

DATE

4/7/92

(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

TITLE

DATE

*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.

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 BRECK OPERATING CORPORATION			Lease Kutz Government		Well No. 5-J
Unit Letter F	Section 2	Township 27N	Range 10W	County San Juan	
Actual Footage Location of Well: 1719 feet from the North line and 1820 feet from the West line					
Ground level Elev. 5912'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 322.64 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).

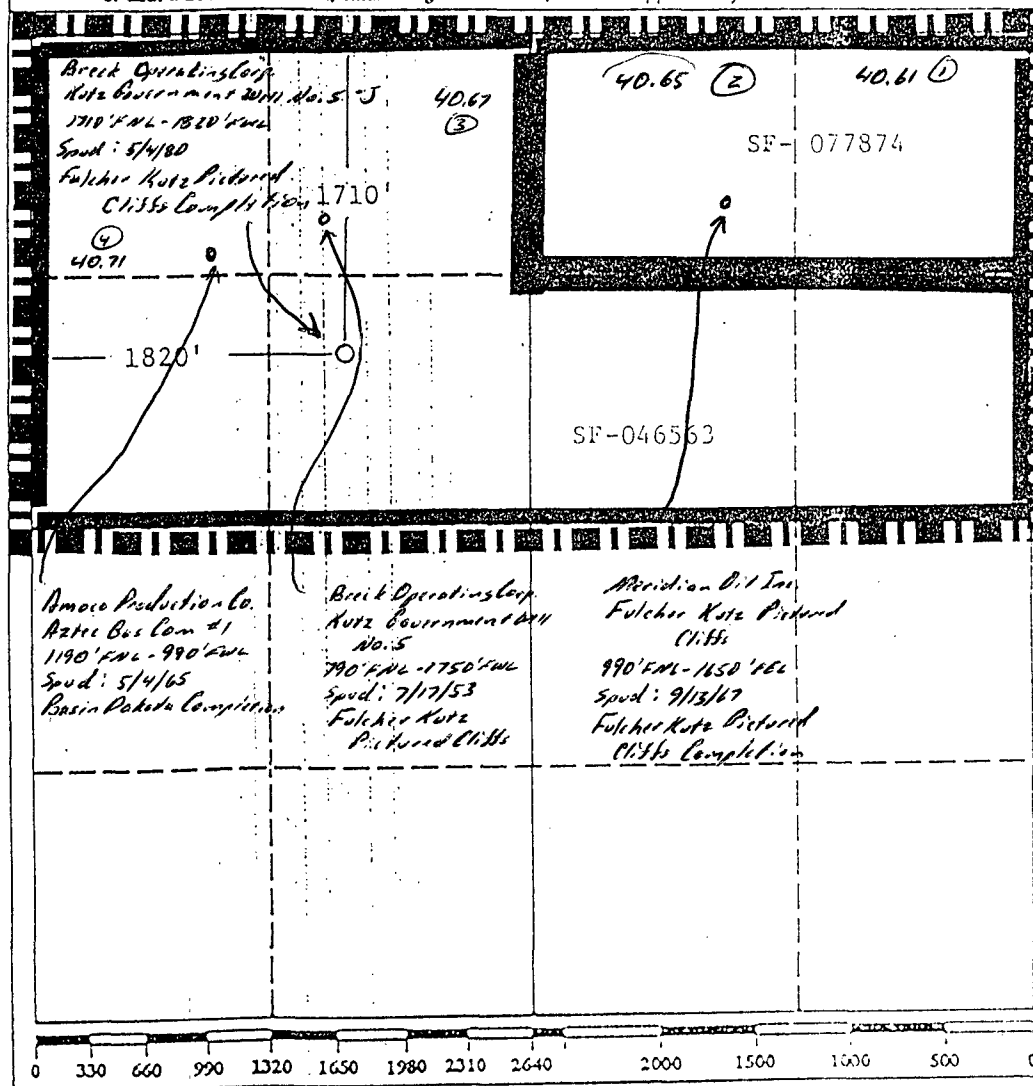
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☒ Yes ☐ No

If answer is "yes" type of consolidation Forth coming Communitization Agreement

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
Paul C. Thompson
Printed Name
Paul C. Thompson

Position
President

Company
Walsh Engr. & Prod. Cor.

Date
April 6, 1992

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes, 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

Signature & Seal of Professional Surveyor

NOTE: From Original Survey

Certificate No.

BRECK OPERATING CORPORATION
KUTZ GOVERNMENT NO. 5-J
1710' FNL, 1820' FWL, SECTION 2-T27N-R10W
San Juan County, New Mexico

OFFSET OPERATORS

Van L. Goebel
Meridian Oil, Inc.
P. O. Box 4289
Farmington, New Mexico 87499-4289

Michael Cuba
Amoco Production Company
P. O. Box 800
Denver, Colorado 80201

Ashton B. Geren, Jr.
D. J. Simmons
P. O. Box 1469
Farmington, New Mexico 87499

Jay J. Harris
801 Ridgecrest Dr. S.E.
Albuquerque, New Mexico 87108

Bob Sable
McKenzie Methane Corporation
1911 Main Avenue, Suite 255
Durango, Colorado 81301

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping204 N. Auburn
P. O. Drawer 419
Farmington, New Mexico 87497
(505) 327-4892

April 7, 1992

CERTIFIED-RETURN RECEIPT

Mr. Bob Sable
McKenzie Methane Corporation
1911 Main Avenue, Suite 255
Durango, Colorado 81301

REF: Application for
Non-Standard Location
Breck Operating Corporation
Kutz Government No. 5-J
1710' FNL, 1820' FWL
Section 2-T27N-R10W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Mr. Sable:

Enclosed you will find a copy of the above-referred-to application that has been submitted to the New Mexico Oil Conservation Division for administrative approval.

The Oil Conservation Division will wait for twenty (20) days, after receipt of the application, before taking action on the application.

If you desire to submit remarks concerning the application, please send the remarks to Mr. William J. LeMay, Director, New Mexico Oil Conservation Division, Santa Fe, New Mexico. A copy of such remarks to the undersigned would be appreciated.

Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.

PCT:rr
Enclosures

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting

Lease Management

Contract Pumping

204 N. Auburn
P. O. Drawer 419
Farmington, New Mexico 87491
(505) 327-4892

April 7, 1992

CERTIFIED-RETURN RECEIPT

Mr. Jay J. Harris
801 Ridgecrest
Albuquerque, New Mexico 87108

REF: Application for
Non-Standard Location
Breck Operating Corporation
Kutz Government No. 5-J
1710'FNL, 1820'FWL
Section 2-T27N-R10W
San Juan County, New Mexico
Basin Fruitland Coal

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Paul C. Thompson
Paul C. Thompson, P.E.

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ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping204 N. Auburn
P. O. Drawer 419
Farmington, New Mexico 87499
(505) 327-4892

April 7, 1992

CERTIFIED-RETURN RECEIPTMr. Ashton B. Geren, Jr.
D. J. Simmons
P. O. Box 1469
Farmington, New Mexico 87499REF: Application for
Non-Standard Location
Breck Operating Corporation
Kutz Government No. 5-J
1710'FNL, 1820'FWL
Section 2-T27N-R10W
San Juan County, New Mexico
Basin Fruitland Coal

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Paul C. Thompson, P.E.

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Contract Pumping204 N. Auburn
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Farmington, New Mexico 87499
(505) 327-4892

April 7, 1992

CERTIFIED-RETURN RECEIPTMr. Michael Cuba
Amoco Production Company
P. O. Box 800
Denver, Colorado 80201REF: Application for
Non-Standard Location
Breck Operating Corporation
Kutz Government No. 5-J
1710'FNL, 1820'FWL
Section 2-T27N-R10W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Mr. Cuba:

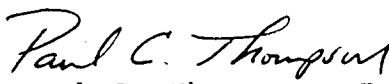
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Sincerely,


Paul C. Thompson, P.E.PCT:rr
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Contract Pumping204 N. Auburn
P. O. Drawer 419
Farmington, New Mexico 87499
(505) 327-4892

April 7, 1992

CERTIFIED-RETURN RECEIPTMr. Van L. Goebel
Meridian Oil, Inc.
P. O. Box 4289
Farmington, New Mexico 87499REF: Application for
Non-Standard Location
Breck Operating Corporation
Kutz Government No. 5-J
1710' FNL, 1820' FWL
Section 2-T27N-R10W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Mr. Goebel:

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Sincerely,

Paul C. Thompson, P.E.

PCT:rr
Enclosures

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE RECEIVED

10000 INDIANOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-0170

BY CAPRUTHERS
GOVERNOR

'92 APR 14 AM 10 35

Date: 4-13-92

Attn: Mike Stogner

Oil Conservation Division
P.O. Box 2000
Santa Fe, NM 87504-2000

Re: Proposed HC _____
Proposed DHC _____
Proposed HSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PHX _____

Gentlemen:

I have examined the application dated 4-9-92

for the Breck Operating Corp. Kutz Government
Operator Lease & Well No.

F-2-2TN-10W and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

Ernie Bush