

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

ERNEST L. PADILLA
MARY JO SNYDER

FAX 988-7592
AREA CODE 505

(505) 988-7577

February 7, 1989

HAND-DELIVERED

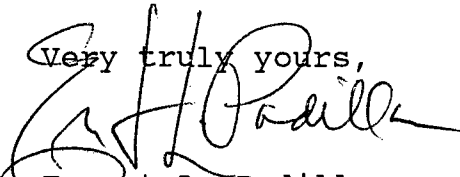
Mr. William Lemay
Director
New Mexico Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Dear Mr. Lemay:

Enclosed, in triplicate, is the Application of BCO, Inc. for nonstandard location which we request be approved administratively.

Thank you for consideration in this matter.

Very truly yours,



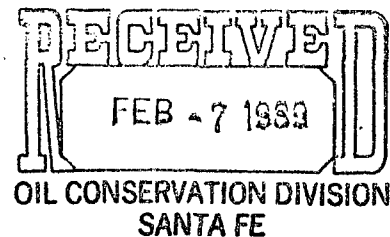
Ernest L. Padilla

ELP:crk

Enclosures as stated

cc: BCO, Inc. (W/Encl.)

Frank Chavez, Aztec District Supervisor (W/Encl.)



BEFORE THE OIL CONSERVATION DIVISION

RECEIVED

FEB 7 1989

IN THE MATTER OF THE
APPLICATION OF BCO, INC.
FOR ADMINISTRATIVE APPROVAL
OF A NONSTANDARD LOCATION,
SANDOVAL COUNTY, NEW MEXICO

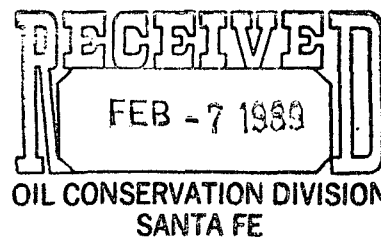
OIL CONSERVATION DIVISION

No. _____

APPLICATION

Applicant states:

1. It operates the Alamito Unit No. 1 well (Well) located in Unit O, 840 FSL and 1840 FEL of Section 32, Township 23 North, Range 7 West, NMPM, Sandoval County, New Mexico.
2. The Well was completed at a standard location in the Chacra formation in 1986 and has produced natural gas in paying quantities since its completion.
3. Applicant desires to test and complete the Fruitland formation for natural gas production.
4. During the testing and recompletion of the Well, applicant will adequately segregate the Chacra formation from the Fruitland formation by use of a retrievable bridge plug.
5. The recompletion of the well in the Fruitland formation is governed by the Division's Basin Fruitland Coal Gas Pool Rules (Special Pool Rules) promulgated under Division Order R-8768.
6. Rule 7 of the Special Pool Rules requires that wells drilled and completed in the Fruitland Coal Gas Pool be located in NE/4 or the SW/4 of a single governmental section.
7. By this application, Applicant seeks an exception to said Rule 7 by allowing recompletion of the well which is located in the SE/4 of Section 32 within the vertical limits of the Fruitland Coal Gas Pool.
8. Approval of this applicant is in the best interests of conservation of oil and gas.



9. Attached hereto in support of this application are:

- a. Surface ownership map;
- b. Pertinent well records of Alamito Unit No. 1;
- c. Copies of Notice of Application to offsetting operators and receipts for certified mail.

WHEREFORE, Applicant request that this application be approved administratively in its entirety, and for such other relief as the Division deems appropriate.

Respectfully submitted,

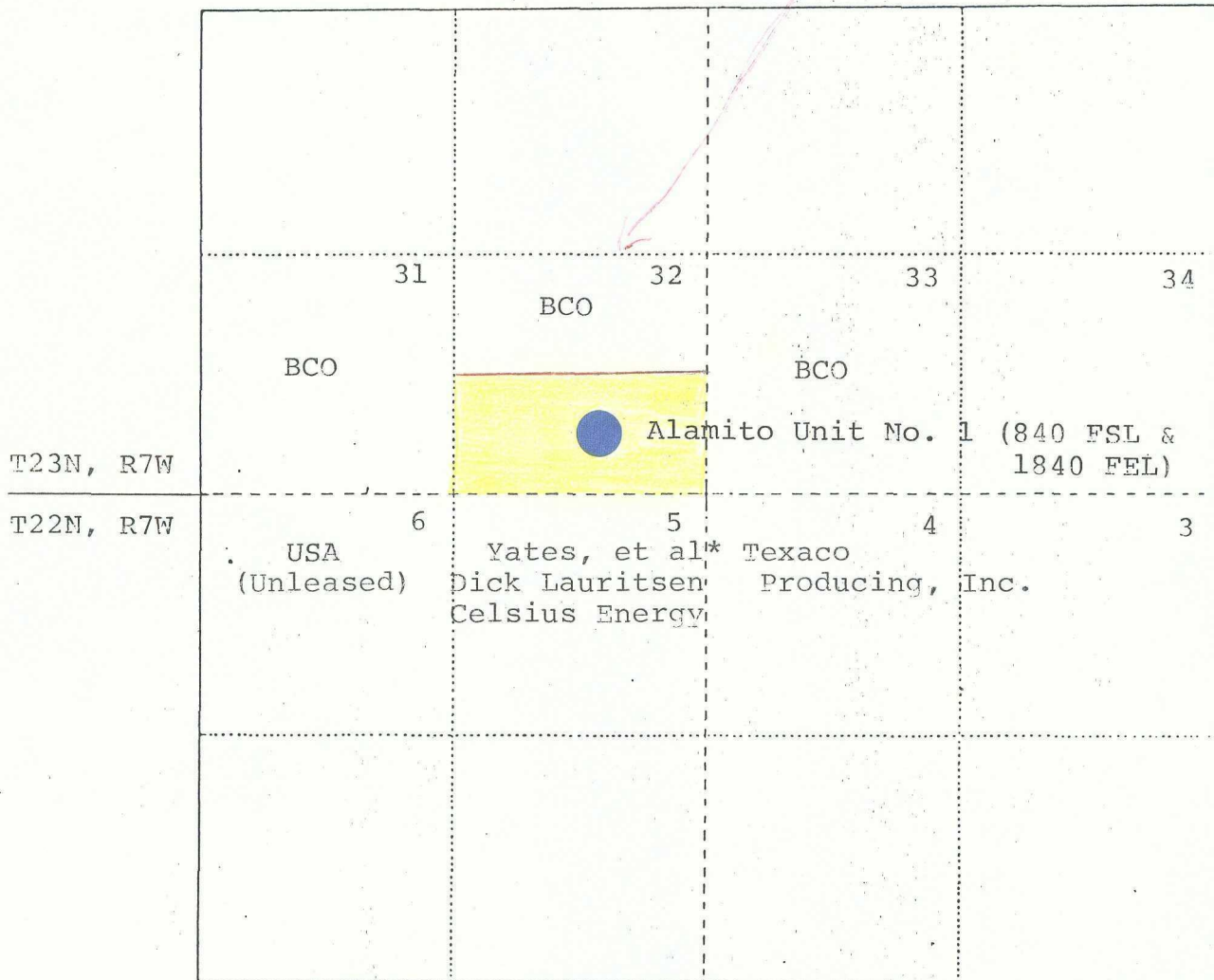
PADILLA & SNYDER

By: 
Ernest L. Padilla
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577

ATTORNEYS FOR APPLICANT

AREA MAP

*Standard
640 acre
Section*



OFFSET OPERATORS:

USA
Bureau of Land Management
Farmington Area Office
1235 La Plata Highway
Farmington, New Mexico 87401

*Yates, et al.
Yates Petroleum Corporation
Yates Drilling Company
Abo Petroleum Corporation
Myco Industries, Inc.
105 South Fourth Street
Artesia, New Mexico 88210

Dick Lauritsen
P. O. Box 2364
Farmington, New Mexico 87401

Celsius Energy Company
P. O. Box 11070
Salt Lake City, Utah 84147

Texaco Producing, Inc.
P. O. Box 2100
Denver, Colorado 80201

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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	GAS
OPERATOR	
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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

RECEIVED
OCT 27 1988
OIL CON. DIV.
DIST. 2

I. Operator
BCO, INC.

Address
135 Grant, Santa Fe, New Mexico 87501

Reason(s) for filing (Check proper box):
☒ New Well
☐ Recompletion
☐ Change in Ownership
 Change in Transporter of:
☐ Oil
☐ Gas
☐ Condensate
 Other (Please explain)

If change of ownership give name and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Alamito Unit	Well No. 1	Pool Name, including Formation Wildcat Chacra	Kind of Lease State, Federal or Fee State	Lease No. LG3924
Location Unit Letter 0 : 840 Feet From The South Line and 1840 Feet From The East Line of Section 32 Township 23N Range 7W NMPM Sandoval County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☐ or Condensate ☐	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Gas ☐ or Dry Gas ☒	Address (Give address to which approved copy of this form is to be sent)
BCO, Inc.	135 Grant, Santa Fe, N.M. 87501
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When
	yes 10/25/88

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Elizabeth B. Keeshan
(Signature)

Vice President

(Title)

10/25/88

(Date)

OIL CONSERVATION DIVISION OCT 27 1988

APPROVED _____, 19____
BY [Signature]
TITLE _____ SUPERVISOR DISTRICT # 5

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

IV. COMPLETION DATA

Designate Type of Completion - (X)		Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Resrv.	Diff. Res.
			X						
Date Spudded	Date Compl. Ready to Prod.		Total Depth		P.B.T.D.				
8/16/86	9/16/86		2033		1998				
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay		Tubing Depth				
6883 GR	Chacra		1784		1818				
Perforations						Depth Casing Shoe			
one .38" select fire shot at 1784, 1792, 1802, 1809, 1814, 1825, 1831						2009			
TUBING, CASING, AND CEMENTING RECORD									
HOLE SIZE		CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12 1/4"		8 5/8" 24#		120		75 sacks			
6 1/4"		4 1/2" 10.5#		2009		170 sacks			
4 1/2"		2 3/8"		1818					

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

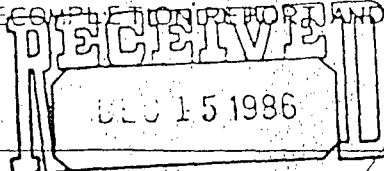
GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
204	3 hrs	none	none
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size
Back pressure	363	363	2" x 3/4"

See attached copy of Tefteller test.

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LAND OFFICE
OPERATOR

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG



5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.

LG3924

A. TYPE OF WELL

B. TYPE OF COMPLETION

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DRY ☐ GAS WELL ☒ OIL WELL ☐ DRY ☐ DIFF. RESVR. ☐ OTHER ☐

Name of Operator

BCO, Inc.

Address of Operator

135 Grant Avenue, Santa Fe, NM 87501

Location of Well:

0 840 South

East LINE OF SEC. 32 TWP. 23N RGE. 7W HMPM

13. Date Spudded 8/16/86 16. Date T.D. Reached 8/18/86 17. Date Compl. (Ready to Prod.) 9-16-86 18. Elevations (DF, RKB, RT, GR, etc.) 6883 GR 19. Elev. Casinghead 6886

20. Total Depth 2033 21. Plug Back T.D. 1998 22. If Multiple Compl., How Many NA 23. Intervals Drilled By Rotary Tools XX Cable Tools

24. Producing Interval(s), of this completion - Top, Bottom, Name

1784 - 1831 Chacra

25. Was Directional Survey Made Yes, re-ported to OCD 8-21-86

26. Type Electric and Other Logs Run Acoustic Cement Bond Micro-Seismogram with gamma Dual - Induction Guard Log, Spectral Density Dual spaced Neutron

27. Was Well Cored No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	24.0#	120'	12 1/4"	75 sacks 85	
4 1/2	10.5#	2009'	6 1/4"	170 sacks	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8	1818'	

31. Perforation Record (Interval, size and number)

.38", 7 shots at 1784, 1792, 1802, 1809, 1814, 1823, 1831

32. ACID, SHOT, FRACTURE, CEMENT/SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
1784 - 1831	1000 gals. acid, 83,200 # s of sand, 525,000 SCF nitrogen 11,130 foam gallons

33. PRODUCTION

Date First Production 11-21-86		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing				Well Status (Prod. or Shut-in) Shut-in	
Date of Test 11-21-86	Hours Tested 3 hours	Choke Size 3/4"	Prod'n. For Test Period →	Oil - Bbl.	Gas - MCF 51	Water - Bbl.	Gas - Oil Ratio
Flow Tubing Press. 18	Casing Pressure 167	Calculated 24- Hour Rate →	Oil - Bbl.	Gas - MCF 409	Water - Bbl.	Oil Gravity - API (Corr.)	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)

Vented

Test Witnessed By

35. List of Attachments

C-122

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

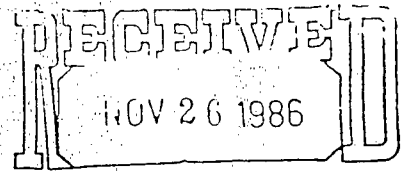
SIGNED Elizabeth B. Keeshan

TITLE Comptroller

DATE 12-1-86

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation

TEFTELLER, INC.
RESERVOIR ENGINEERING DATA
MIDLAND, TEXAS



B C O. INC.

Well : ALAMITA UNIT NO. 1

Page 1 of 2

Field : CHACRA

File 2-18338-AOF

CHRONOLOGICAL PRESSURE AND PRODUCTION DATA

1986 Date	Status of Well	Time	Elapsed Time		Daily Rate Gas Mcfd	Wellhead Pressure	
			Hrs.	Min.		Tbg (DWT)	Csg (DWT)
11/21	Arrived on location	09:30				363	363
	Well shut-in 9 days						
	Installed 3/4" positive Choke						
	Nipple - deadweight tubing and casing						
	Open well for 3 hour AOF test	10:00				363	363
		10:00	0	00			
	Light water mist to surface	10:15	0	15	1009	62	223
	Heavy mist	10:30	0	40	777	45	213
	Heavy mist	10:45	0	45	805	47	203
	Unloading water	11:00	1	00	655	36	194
		11:30	1	30	641	35	179
		12:00	2	00	587	31	174
		13:00	3	00	409	18	167
	Shut-in	13:00	0	00			

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G.S.		
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ERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes OLC
C-102 and C-103
Effective 1-1-85

5a. Indicate Type of Lease	
State ☒	Fee ☐
5. State Oil & Gas Lease No.	
LG3924	

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

OIL WELL ☐	GAS WELL ☒	OTHER ☐
Name of Operator		
BCO, Inc.		
Address of Operator		
135 Grant Avenue		
Location of Well		
UNIT LETTER	0	840
		FEET FROM THE South LINE AND 1840 FEET FROM
East	32	TOWNSHIP 23N RANGE 7W NMPM.

RECEIVED
OCT 07 1986
B C O, INC.

7. Unit Agreement Name	Alamito Unit
8. Form or Lease Name	Alamito Unit
9. Well No.	#1
10. Field and Pool, or Wildcat	Wildcat Chacra
11. Elevation (Show whether DF, RT, GR, etc.)	6883 GR
12. County	Sandoval

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

REFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPS. ☐	PLUG AND ABANDONMENT ☐
WILL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☐	Perforation and fracturing ☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9/9/86 Welex ran Acoustic Cement Bond micro-seismogram with gamma log. Welex to mail copy of log to OCC, Aztec. Determined PBTD is 1998'. Pressure tested casing at 3000 #s for 30 minutes. Casing held. Perforated with one .38" shot at 1784, 1792, 1802, 1809, 1814, 1823, 1831. Spotted 1000 gallons of 7½% HCL acid. Broke down perforations with a straddle packer.

9/16/86 Treated 31,000 gallons of water in two frac tanks with 23 gallons LP55 scalecheck, 5600 #s KCL. 110 gallons of HowCo Suds for sand water foam frac (70%) 1784-1831 with 56,700 gallons of foam, 83,200 pounds of 10-20 sand, 525,000 scf of nitrogen. Average treating pressure 1900 #s at 25 foam barrels per minute. Well sanded off.

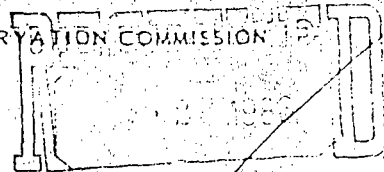
9/17/86 Landed well at 1786' with J-55 2 3/8" tubing. Will potential well at later date.

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

Elizabeth B. Keeshan TITLE Comptroller DATE September 25, 1986
SUPERVISOR DISTRICT #3
SEP 26 1986

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U.S.G.S.
LAND OFFICE
OPERATOR

NEW MEXICO OIL CONSERVATION COMMISSION



Form C-103
Supersedes OIL
C-101 and C-102
Effective 1-1-81

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
LG3924

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

OIL WELL ☐ GAS WELL ☒ OTHER ☐
Name of Operator: BCO, Inc.
Address of Operator: 135 Grant Avenue
Location of Well: DIST. 3
UNIT LETTER 0 840 FEET FROM THE South LINE AND 1840 FEET FROM East THE LINE, SECTION 32 TOWNSHIP 23N RANGE 7W NUPM.

7. Unit Agreement Name
Alamito Unit
8. Farm or Lease Name
Alamito Unit
9. Well No.
#1
10. Field and Pool, or Willacat
Wildcat Chacra
15. Elevation (Show whether DF, RT, GR, etc.)
12. County

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐
PULL OR ALTER CASING ☐
OTHER ☐
PLUG AND ABANDON ☐
CHANGE PLANS ☐
OTHER ☐
SUBSEQUENT REPORT OF:
REMEDIAL WORK ☐
COMMENCE DRILLING OPER. ☒
CASING TEST AND CEMENT JOBS ☐
OTHER ☐
ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

August 16, 1986 Drilled 12 1/4" hole and ran 136 feet 24# 8 5/8" surface pipe. Cemented with 85 sacks (100% excess) Class B 2% CACL cement at 6:00 p.m.

August 17, 1986 Allowed cement to harden and spudded 6 1/2" hole at 2:30 a.m.

August 17-18, 1986 Drilled 6 1/2" inch hole to 2030 (8' KB adjustment). Bits run as follows:

Bit #	Type	Date Out	Footage Out	Rotate hours	Feet Drilled	Avg. per hour	Deviation
1	DH	8/16	146	3 1/2	146	42	1 1/4"
2	DTJ	8/17	1060	15 1/4	914	60	1 1/4"
3	DTJ	8/18	2030	15	970	65	1"

August 18, 1986 Ran Welex Dual Induction Guard Log and Spectral Density Dual-Spaced Neutron Log. Welex will mail 1 copy to OCC directly.

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

SIGNED Elizabeth B. Keeshan TITLE Comptroller DATE August 21, 1986
APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT 3 DATE AUG 22 1986
CONDITIONS OF APPROVAL, IF ANY:

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No.: LG3924
Alamito Unit #1
Wildcat Chacra
Page Two

August 19, 1986 Ran 2009' feet of 4½" 10.5# J-55 casing. Ran 10 barrels of fresh water, 10 barrels CaCl water, 10 barrels fresh water, 20 barrels of flocheck, 10 barrels of fresh water. The lead cement was 120 sacks of 65/35 Class H POZ 3% gel, 12½# gilsonite per sack, 5.6# salt per sack, 8.2# calseal per sack, mixed at 13 lbs. with a yield of 1.78 cubic feet per sack or 214 cubic feet. This was followed by 50 sacks Class H 2% CaCl, 8# salt per sack, ½# floseal per sack, 6½# gilsonite per sack mixed at 15.2# with a yield of 1.36 cubic feet per sack or 68 cubic feet. Circulated approximately 6½ barrels cement to surface.

August 19, 1986 Moved off location. Intend to complete in September.

BEFORE THE OIL CONSERVATION DIVISION

IN THE MATTER OF THE
APPLICATION OF BCO, INC.
FOR ADMINISTRATIVE APPROVAL
OF A NONSTANDARD LOCATION,
SANODVAL COUNTY, NEW MEXICO

NO. _____

WAIVER

The undersigned operator or entity, by its authorized representatives, hereby waives any objection to the application of BCO, Inc. for nonstandard location in the Basin Fruitland Coal Gas Pool.

By: _____

Title: _____

P 176 152 929

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to	
Dick Lauritsen	
Street and No.	
P. O. Box 2364	
P.O., State and ZIP Code	
Farmington, NM 87401	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

CERTIFIED

P 176 152 929

MAIL

P 176 152 931

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to	
Bureau of Land Mgmt.	
Farmington Area Ofc.	
Street and No.	
1235 La Plata Hwy	
P.O., State and ZIP Code	
Farmington, NM 87401	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

CERTIFIED

P 176 152 931

MAIL

PS Form 3800, Feb. 1982

★ U.S.G.P.O. 1984-446-014

Sent to	
Celsius Energy Company	
Street and No.	
P. O. Box 11070	
P.O., State and ZIP Code	
Salt Lake City, Utah 84147	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

CERTIFIED

P 176 152 928

MAIL

P 176 152 928

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

P-484 032 734

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Yates Petroleum Corp.
Yates Drilling Co., Abo
Petroleum Corp., MycoStreet and No. Industries, Inc
105 S. Fourth St.P.O., State and ZIP Code
Artesia, NM 88210

Postage

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt showing
to whom and Date DeliveredReturn Receipt showing to whom,
Date, and Address of Delivery

TOTAL Postage and Fees

Postmark or Date

U.S.G.P.O. 153-506

PS Form 3800, June 1985

CERTIFIED

P-484 032 734

MAIL

P 176 152 927

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to
Texaco Producing, Inc.Street and No.
P. O. Box 2100P.O., State and ZIP Code
Denver, Colo. 80201

Postage \$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing
to whom and Date DeliveredReturn receipt showing to whom,
Date, and Address of Delivery

TOTAL Postage and Fees \$

Postmark or Date

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

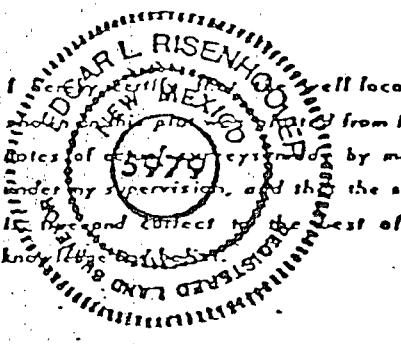
CERTIFIED

P 176 152 927

MAIL

All distances must be from the outer boundaries of the Section

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 interests, has been approved by the Division.

CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Elizabeth B. Keeshan</i>	
Name	Elizabeth B. Keeshan
Position	Comptroller
Company	BCO, Inc.
Date	August 4, 1986
	
Date Surveyed	July 29, 1986
Registered Professional Engineer and/or Land Surveyor	
<i>Edgar L. Risenhoover</i> Certificate No. 5979 Edgar L. Risenhoover, L.S.	

20-043-20807

Form 5-101
Revised 10-1-75

STATE OF NEW MEXICO
NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 7084
SANTA FE, NEW MEXICO 87501

NAME OF OPERATOR	
LOCATION	
DATE	
FILE	
U.S.O.I.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
State ☒ Fee ☐

5. State Oil & Gas Lease No.
LG-3924

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

Type of Work
Type of Well
DRILL ☒ DEEPEN ☐ PLUG BACK ☐
SINGLE TONG ☒ MULTIPLE TONG ☐
Name of Operator
BCO, Inc.
Address of Operator
135 Grant Avenue, Santa Fe, NM 87501
Location of Well
UNIT LETTER 0 LOCATED 840 FEET FROM THE South LINE
1840 FEET FROM THE East LINE OF SEC. 32 TWP. 23N R. 7W SUPD

7. Unit Agreement Name
Alamito Unit
8. Name of Lease Name
Alamito
9. Well No.
#1
10. 160' Foot. or Wildcat
Kasey Chacra
12. County
Sandoval

13. Proposed Depth
2020'
13A. Formation
Chacra
13B. Casing Contractor
New Mexico Drilling
13C. Cement
6883 GR
13D. Blanket on file at OCD
13E. Rotary
August 15, 1986

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TO
12 1/4"	8-5/8 new	24.0 #	120' 140'	75	Circulate
6 1/2"	4-1/2 new J55	10.5 #	2020'	190	Circulate

Propose to drill 12 1/4" hole 135' and run 120' of 8-5/8 surface casing which will be cemented with approximately 75 sacks of cement. We will drill 6 1/2" hole to about 2020'. Intend to run Induction Electrical log and Density Neutron log. Will cement approximately 2020' of J55 casing with approximately 190 sacks of cement. Will perforate and frac Chacra formation as determined after reviewing logs. Attached is a copy of a topographic map showing the location of the well.

APPROVAL EXPIRES 2-5-87
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

RECEIVED
AUG 05 1986
OIL CON. DIV.
DIST. 3

ABOVE SPACE DESCRIBE PROPOSED PROGRAM IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED PROGRAM, IF ANY.
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Approved Elizabeth B. Keeshan Title Comptroller Date August 4, 1986
(This space for Spud Use)
APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT #3 DATE AUG 05 1986
CONDITIONS OF APPROVAL, IF ANY:

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

ERNEST L. PADILLA
MARY JO SNYDER

FAX 988-7592
AREA CODE 505

February 7, 1989

CERTIFIED-RETURN RECEIPT REQUESTED

NOTICE OF APPLICATION

TO: Offsetting Operators on Exhibit A, attached hereto

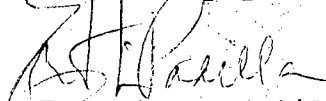
RE: Application for Nonstandard Location -
Basin Fruitland Coal Gas Pool

Ladies and Gentlemen:

Enclosed please find a copy of the application of BCO, Inc., for nonstandard location in the S/2 of Section 32, Township 23 North, Range 7 West, N.M.P.M., Sandoval County, New Mexico. The application results from rework of an existing well which is located in the SE/4 of Section 32. The special pool rules for the Basin Fruitland Coal Gas Pool require that wells be located in the SW/4 or the NE/4 of a governmental section.

If this application meets with your approval, please execute the enclosed waiver form and return it to us for submission to the Oil Conservation Division.

Very truly yours,



Ernest L. Padilla

ELP:crk

Enclosure as stated

cc: BCO, Inc.

OFFSETTING OPERATORS

USA
Bureau of Land Management
Farmington Area Office
1235 La Plata Highway
Farmington, New Mexico 87401

Yates, et al.:
Yates Petroleum Corporation
Yates Drilling Company
Abo Petroleum Corporation
Myco Industries, Inc.
105 South Fourth Street
Artesia, New Mexico 88210

Dick Lauritsen
P. O. Box 2364
Farmington, New Mexico 87401

Celsius Energy Company
P. O. Box 11070
Salt Lake City, Utah 84147

Texaco Producing, Inc.
P. O. Box 2100
Denver, Colorado 80201

PADILLA & SNYDER

ATTORNEYS AT LAW

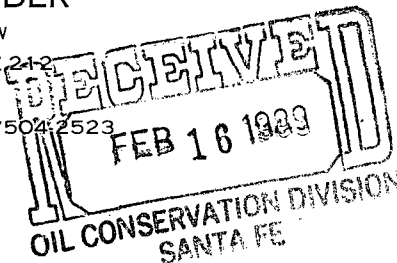
200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

ERNEST L. PADILLA
MARY JO SNYDER



FAX 988-7592
AREA CODE 505

February 14, 1989

Mr. William Lemay, Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87503

Re: BCO, Inc. Application for Nonstandard
Location - Basin Fruitland Coal Gas Pool

Dear Mr. Lemay:

Enclosed are copies of the return receipts from the offsetting operators in the above-entitled case, with the exception of Dick Lauritsen's, whose certified correspondence was returned to us undelivered. Our further efforts of locating the whereabouts of Mr. Lauritsen met without success.

The enclosed materials are intended to supplement our filing for nonstandard location filed on February 7, 1989.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ernest L. Padilla".

Ernest L. Padilla

ELP:crk
Enclosure as stated
cc: BCO, Inc.

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:	4. Article Number
Texaco Producing, Inc. P. O. Box 2100 Denver, Colorado 80201	P 176 152 927
Type of Service:	
☐ Registered ☐ Insured ☒ Certified ☐ COD ☐ Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Addressee	8. Addressee's Address (ONLY if requested and fee paid)
X	Box 2100 80201
6. Signature — Agent	
X	
7. Date of Delivery	
2/10/89	

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:	4. Article Number
Celsius Energy Company P. O. Box 11070 Salt Lake City, Utah 84147	P 176 152 928
Type of Service:	
☐ Registered ☐ Insured ☒ Certified ☐ COD ☐ Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Addressee	8. Addressee's Address (ONLY if requested and fee paid)
X	
6. Signature — Agent	
X	
7. Date of Delivery	
2/10-89	

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

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1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:	4. Article Number
Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Mycro Industries, Inc. 105 S. Fourth Street Artesia, New Mexico 88210	P 484 032 734
Type of Service:	
☐ Registered ☐ Insured ☒ Certified ☐ COD ☐ Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Addressee	8. Addressee's Address (ONLY if requested and fee paid)
X	
6. Signature — Agent	
X	
7. Date of Delivery	
2/9/89	

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:	4. Article Number
Bureau of Land Management Farmington Area Office 1235 La Plata Highway Farmington, New Mexico 87401	P 176 152 931
Type of Service:	
☐ Registered ☐ Insured ☒ Certified ☐ COD ☐ Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Addressee	8. Addressee's Address (ONLY if requested and fee paid)
X	
6. Signature — Agent	
X	
7. Date of Delivery	
2/9/89	

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

OIL CONSERVATION DIVISION

SANTA FE, NEW MEXICO

TELECOPIER TRANSMITTAL SHEET

DATE: March 14, 1989

TO: Ernest L. Padilla

FROM: Michael E. Stogner

PHONE NUMBER: 827-3511

NUMBER OF PAGES (INCLUDING TRANSMITTAL SHEET): 2

IF YOU HAVE ANY PROBLEMS WITH THE TRANSMISSION, PLEASE CALL
(505) 827-5806.

FAX NUMBER: (505) 827-5741



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

10001 BLUE HAZARD ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6170

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 2-13-89

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

Gentlemen:

I have examined the application dated 2-10-89
for the B.C.O. INC. ALAMITO UNIT #1 C-32-23-710
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approved

Yours truly,

E. R. Burch

