

Bonneville Fuels Corporation
A Subsidiary of Bonneville Pacific Corporation

OIL CONSERVATION DIVISION
RECEIVED

August 2, 1990

89 AUG 6 AM 9 34

Mr. Michael Stogner
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87503

Re: Scott 'E' Federal #25-14 Well
1190' FSL, 360' FWL
Section 25, T27N-R11W
San Juan County, New Mexico

Gentlemen:

Bonneville Fuels Corporation hereby respectfully requests administrative approval for the captioned non-standard gas well location in the Fruitland Coal Pool. This request is submitted in triplicate and is due to the extreme nature of the topography and the fragile soil conditions found within the legal well location windows according to New Mexico Oil Conservation Division Rule #R-8768.

To address each requirement regarding the "Submittal Guidelines for Administrative Approval of Non-Standard Location Applications" (copy enclosed), Bonneville submits herewith the following for your approval of the subject non-standard location:

- I. The well is located on Fee Surface. Copy of Application for Permit to Drill package enclosed.
- II. C-102 enclosed
- III. A. Land plat enclosed
B. Certification enclosed
- IV. A. & B. Shown on enclosed topo map.
C. An existing well pad (Scott 'E' Federal #11) will be used to drill the proposed well.
- V. Enlarged topo map enclosed
 - A. Badlands type topography within circled area which encompasses all orthodox windows. The terrain is very steep with unstable clay and sandy soils.
 - B. Access roads to unorthodox location would be traverse terrain as displayed in IV A.
 - C. N/A
 - D. N/A
 - E. Rough terrain as per V. A.
- VI. N/A

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- VII. See V. A. above and also the enclosed BLM letter dated July 13, 1990, recommending an unorthodox location or slant hole.
- VIII. The proposed well is a Basin Fruitland Coal test which likely will recover significant quantities of water which will require the installation of a rod pump. Serious mechanical problems are likely as a result of attempting to pump a directional hole. In addition, it is estimated that a directional hole would increase the well cost by 25-30%, thereby rendering the well non-economic to drill.
- IX. Copy of affidavit enclosed. Certified mail return receipt cards will be provided when available.

A copy of this application is being submitted to all offset owners/operators by certified mail with the request that they furnish your Santa Fe office with an executed Waiver of Objection, and return one copy of same to Bonneville.

Very truly yours,

BONNEVILLE FUELS CORPORATION



L. D. Lillo
Senior Landman

WAIVER

_____ hereby waives objection to Bonneville Fuels Corporation's application for a non-standard location for the Scott 'E' Federal #25-14 Well as proposed above.

By: _____
Title: _____
Date: _____

cc/Meridian Oil Inc./El Paso Production Company
P. O. Box 4289
Farmington, NM 87499-4289
Attn: Mr. C. R. Owen
Regional Manager
Damson Oil Corporation
P. O. Box 4391
Houston, TX 77210
Attn: Mr. Tom Burdette
Land Manager
Oil Conservation Division
1000 Rio Brazos
Aztec, NM 87410

NEW MEXICO OIL CONSERVATION DIVISION

SUBMITTAL GUIDELINES FOR ADMINISTRATIVE APPROVAL
OF NON-STANDARD LOCATION APPLICATIONS

- I. If the well is located on Federal or Indian Lands, the Federal Surface Management Agency must be notified and an on-site inspection conducted prior to filing the application. If an Application for Permit to drill or a Notice of Staking has been prepared, a copy must be submitted.
- II. Completed C-102 showing the well location, proration unit, leases within the unit and other required information.
- III. Land plat showing offset operators and working interest owners and any offsetting wells producing from the same pool or formation.
 - A. This information may be shown on the topo map if it does not impair the readability of the map.
 - B. The operator should certify that the information is current and correct.
- IV. Original or clear copy of topographic map, preferably 7.5 minute quad, showing contours and other mapped features impacting the location, with the following information marked thereon (In order to be able to adequately show all of the necessary surface conditions it may be necessary to enlarge the relevant portion of the topo map to provide room for detail):
 - A. The proposed well location and proration unit;
 - B. An outline of the orthodox drilling windows as provided in the applicable rules for the subject application;
 - C. The location of any wells to any formation within the area of the proration unit and a statement as to whether an existing pad can be used to drill the proposed well;
- V. An enlargement of the topo map showing the subject area with the applicable additional information:
 - A. Terrain features not shown on the map which make an orthodox location unusable;
 - B. Proposed access roads and pipelines if they affect the location selection;
 - C. The location of any surface uses which prevent use of a legal location;

- D. The location of any archeological sites identified in the archeological survey;
 - E. The location and nature of any other surface conditions which prevent the use of an orthodox location.
- VI. If archeological sites are a reason for the unorthodox location request, a copy of the archeological survey, or a summary, identifying sites which cannot be disturbed or which must have any disturbance mitigated. In addition, the location of such areas should be marked on the enlarged topo so they can be clearly identified.
- VII. A narrative report of any on-site inspection of the potential locations. If such on-site has resulted in elimination of legal locations due to surface conditions, such information should also be noted on the enlarged topo.
- VIII. A statement of why directional drilling to reach a legal bottom-hole location is not feasible.
- IX. An affidavit that notice has been sent to all parties entitled thereto, under the Divisions Rules and Regulations with return receipt cards showing date of receipt of notice.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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
Bonneville Fuels Corporation

3. ADDRESS OF OPERATOR
1600 Broadway, Suite 1110, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1190' FNL, 360' FWL
At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
12 miles south of Bloomfield, New Mexico

16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any) 360

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 30

10. NO. OF ACRES IN LEASE 2560

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

19. PROPOSED DEPTH 2375

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATION (Show whether DF, RT, GR, etc.) 6529' GR

22. APPROX. DATE WORK WILL START* October 1, 1990

5. LEASE DESIGNATION AND SERIAL NO.
SF- 078089

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Scott 'E' Federal

9. WELL NO.
25-14

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 25, T27N-R11W

12. COUNTY OR PARISH
San Juan

13. STATE
New Mexico

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	24#	+ 300'	250 sx
7 7/8	4 1/2	11.60#	+ 2375'	500 sx

Exhibits Attached:

Exhibit 8 Production Facility Layout

Ten Point Compliance Program

Surface Use & Operation Plan

Exhibit 1 Blowout Preventer

- " 2 Location & Elevation
- " 3 Vicinity Map
- " 4 One Mile Radius Map
- " 5 Topography & Pad Layout
- " 6 Cross Sections & Volumes
- " 7 Rig Layout

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.

21.

SIGNED Harold D. Smith TITLE Operations Supervisor DATE July 31, 1990

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

TEN POINT COMPLIANCE PLAN

Attached to Form 9-331C
Bonneville Fuels Corporation
Scott 'E' Federal #25-14
1190' FSL & 360' FWL Sec. 25, T27N-R11W
San Juan County, New Mexico

1. GEOLOGIC NAME OF SURFACE FORMATION:

The surface formation at all locations is the Nacimient Formation.

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Ojo Alamo 1062'
Kirkland 1190'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Ojo Alamo 1062' (Water)
Fruitland 1665' (Gas)
Pictured Cliffs 2111' (Gas)

4. CASING PROGRAM:

<u>Hole</u> <u>Size</u>	<u>Depth</u>	<u>Casing</u> <u>OD</u>	<u>Weight, Grade</u> <u>Joint, Condition</u>	<u>Cement</u>
12 1/4	300'	8 5/8	24#, J-55, New or used (inspected)	250 sx
7 7/8	2375'	4 1/2	11.60#, J-55, New or used (inspected)	500 sx

5. MINIMUM SPECS FOR PRESSURE CONTROL:

Reference is made to Exhibit 1 showing the blowout preventer stack and choke manifold.

The BOP equipment will be a class III system consisting of a double gate hydraulic type with 3,000 psi minimum working pressure, equipped with a set of blind rams, 4 1/2" drill pipe rams and annular preventer. A 2" choke manifold with pressure rating equivalent to the BOP stack will be connected to the spool below the pipe rams, along with a 2" kill line.

The BOP and choke manifold will be nipped up on the surface casing and hydraulically tested for thirty minutes prior to drilling out cement, and after any use under pressure. Pipe rams will be operationally checked each 24 hour period, and the blind rams operationally checked each time pipe is pulled from the hole. These checks will be noted on the daily drilling report.

Prior to drilling out surface casing will be tested with rig pump to 70% of the internal yield of the surface casing. Pipe rams will be tested with drill pipe in hole, prior to drilling cement plug with rig pump to 1000 psi.

6. PROPOSED DRILLING FLUIDS:

A Freshwater gel Mud System with solids control equipment will be run with mud properties as follows:

<u>TYPE</u>	<u>MUD WEIGHT #/GEL</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>
FGM	8.5 - 9.0 (or as req'd.)	28-40 sec./qt.	8-20 cc

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

- A. A kelly cock will be used in the drillstring.
- B. A bit float will be used if severe lost circulation conditions exist.
- C. A stabbing valve will be available on the rig floor for immediate use when the kelly is not in the drillstring.

8. LOGGING, TESTING, AND CORING PROGRAM:

- A. The logging program will consist of GR/SP Dual Induction Spectral Density-Neutron log and GR/Caliper/Microlog from casing to total depth.
- B. No cores are planned.
- C. No drillstem tests are planned.

9. ABNORMAL CONDITIONS - PRESSURE - TEMPERATURE - POTENTIAL HAZARDS:

Normal pressures and temperatures are expected in the objective formation.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

Road and location work will begin as soon as all approval has been granted by BLM. The anticipated spud date is October 1, 1990, subject to rig availability. Once commenced, drilling operations should be finished within 5 days. If the well is productive, an additional 5 days will be required for completion.

SURFACE USE AND OPERATING PLAN

Attached to Form 9-331C
Bonneville Fuels Corporation
Scott 'E' Federal #25-14
1190' FSL & 360' FWL, Sec. 25, T27N-R11W
San Juan County, New Mexico

1. EXISTING ROADS:

- A. The proposed well site and elevation plats are attached.
- B. To reach the wellsite, proceed from Broomfield, New Mexico south on Hwy. #44 approximately 10 miles to GCNM West Kutz Compressor Station access road. Turn left and proceed 200 yards, turn right (SE) and proceed approximately 2 1/2 miles. Turn left and proceed approximately 1/2 mile to location.
- C. All roads to the location are shown in Exhibit #3 & #4. The existing roads described above are adequate for travel during the drilling and production activities.
- D. Not applicable.
- E. Existing roads, within a one-mile radius are shown on Exhibit #3.
- F. Existing roads are State of New Mexico and BLM controlled roads.

2. PLANNED ACCESS ROADS:

No new access road construction will be required.

3. LOCATION OF EXISTING WELLS:

For all existing wells within a one-mile radius of this well, see Exhibit #4.

- A. There are no water wells within a one-mile radius.
- B. There is one abandoned well within a one-mile radius.
- C. There is one temporarily abandoned well within a one-mile radius.
- D. There are no disposal wells within a one-mile radius.
- E. There are no wells presently being drilled within a one-mile radius. There are three staked proposed wells within a one-mile radius.

- F. There are seven producing wells within a one-mile radius.
- G. There are no shut-in wells within a one-mile radius.
- H. There are no injection wells within a one-mile radius.
- I. There are no monitoring or observation wells within a one-mile radius.

4. LOCATION OF EXISTING WELLS AND/OR PROPOSED FACILITIES:

- A. Owned or controlled by Lessee/Operator within 1 mile of Proposed Well:

- (1) Tank Batteries: Three
- (2) Production Facilities: Three
- (3) Oil Gathering Lines: none
- (4) Gas Gathering Lines: none
- (5) Injection Lines: none
- (6) Disposal Lines: none

- B. If the well is productive, contemplated facilities will be as follows:

- (1) Production facilities will be located on solid ground of the cut area of drill pad. All facilities will be contained on the well pad.

- (2) Refer to Exhibit #8 for the production facility schematic.

- (3) Dependent upon flow test results, a gas separator, 210 barrel tank and meter house may be required. All flowlines and piping will be installed according to API specifications. Construction material will consist of surface soil. No additional material from outside sources are anticipated.

- C. Rehabilitation Plans:

The plans for rehabilitation of the disturbed area no longer needed for operations after drilling and construction are completed are as follows:

- 1. The reserve pit will be backfilled after the contents of the pit are dry.

- 2. The area of the drill site not needed for production facilities will be recontoured to the natural contour as

nearly as possible and revegetated/reseeded by the contour method. Seed specifications to be determined by BLM.

- D. In the event that production is established, plans for gas gathering lines will be submitted to appropriate governmental agencies for approval.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water will be purchased from a well located at the Hilltop Store on Hwy. #44 (Sec. 26, T27N-R11W).
- B. Water will be hauled by tank truck to the drilling site as needed.
- C. No water well will be drilled on or near this well location.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. No construction materials are anticipated to be needed for drilling the wells or constructing the access roads into the locations. Native soil will be utilized for the drilling sites and access roads. If necessary, the surface materials (rock, gravel, etc.) will be purchased from the dirt contractor.
- B. Native construction materials only may be taken from Federal lands.
- C. Native surface soil materials for construction of access roads are anticipated to be sufficient.
- D. Exhibits #3 and #4 shows access roads. Federal Land is involved.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Cuttings not retained for evaluation purposes will be exhausted into the reserve pit (see Exhibit #5 & #6 for location).
- B. Drilling fluids will be contained in steel mud tanks. The reserve pits will contain any excess flow from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit, approximately 75' x 45' x 8'.
- C. Produced water if any, will be disposed into a reserve pit or a tank (depending on the rates). Produced oil, although not anticipated, will be collected in tanks or disposed into the reserve pit, depending on the volume and frequency of occurrence. If the volume of oil is sufficient during drilling, it will be trucked from the location. Water will be disposed of in the reserve pit.
- D. A portable chemical toilet will be provided on the location for human waste.
- E. Garbage and trash produced during drilling or testing will be handled in a trash cage. This garbage will be hauled to an approved disposal site after drilling is completed. Water and tailings will be disposed into the reserve pit. No toxic waste/chemicals will be produced by these proposed operations. If a trash cage is not available, a trash/burn pit will be constructed and fenced with woven wire.

- F. After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. Any dangerous open pit will be fenced during drilling and kept closed until the pit has dried. All pits will be filled and the well site will be leveled and reseeded, this will occur when pits are dry enough to fill and as weather permits. Only that part of the pad required for producing facilities will be kept in use. In the event of a dryhole, only a dryhole marker will remain.

8. ANCILLARY FACILITIES:

No air strip, campsite or other facilities will be built during drilling and completion operations of this well.

9. WELL SITE LAYOUT:

- A. Refer to Exhibits #5 & #7 for the Drill Pad layout as staked. Cuts and fills have been indicated per Exhibit #6 to show the planned cut across the proposed location. Topsoil will be stockpiled.
- B. Refer to Exhibit #7 for a planned location diagram of the proposed rig and drilling equipment, reserve pit, and pipe racks. No permanent living facilities are planned. There may be a trailer on site.
- C. The rig orientation, turn-around area, parking area, and access roads are shown in Exhibit #7. Existing wellhead and equipment on the Scott 'E' Federal #11 wellsite will be appropriately protected during drilling operations.
- D. The reserve pit will be lined.

10. PLANS FOR RESTORATION OF SURFACE:

- A. Upon completion of the proposed operations, and if the well is to be abandoned, the location will be backfilled, leveled, and contoured to as near the original topography as is feasible as soon as the pits have dried enough to support earth moving equipment. The location will be reseeded. All spoils materials will be hauled to an approved disposal site upon completion of the drilling operation.
- B. Revegetation and rehabilitation will be achieved by reseedling utilizing the contour method with a seed mixture of native grasses.
- C. Prior to rig release, the reserve pit will be fenced to prevent livestock or wildlife from being entrapped. The fencing will be maintained until leveling and the clean-up accomplished.

- D. If any oil is on the pits and cannot be immediately removed after operations cease, the pit containing the oil or other adverse substances will be overhead flagged and fenced. The entire location will be inspected for trash and other refuse, and additional clean-up will be done as deemed necessary.
- E. Time to complete rehabilitation depends upon the time for pits to dry. Planting and revegetation should occur by Fall 1991.

11. OTHER INFORMATION

- A. Wellsite access roads are located on a ridge top. The soil is sandy. Vegetation consists of sage brush and range grasses. The area has a sparse wildlife population.
- B. The wellsite and the access road to be built are on lands owned by U.S.A. The existing roads are BLM Right-of-way and state highway.
- C. Intermittent streams (i.e. flow during wet seasons of the year) do exist in the area.
- D. There are no reported restrictions or reservations noted on the oil and gas lease.
- E. Drilling is planned for October, 1990. It is anticipated that the casing point will be reached within 4 days after commencement of drilling.

12. LESSEE'S AND OPERATOR'S REPRESENTATIVE:

Bonneville Fuels Corporation
1600 Broadway, Suite 1110
Denver, CO 80202

(303) 863-1555

G. D. Gentry - Operations Supervisor

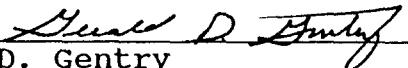
3005 Northridge, Suite C
Farmington, NM 87401
(505) 325-1922

Norm Woods - Production Foreman

13. CERTIFICATION:

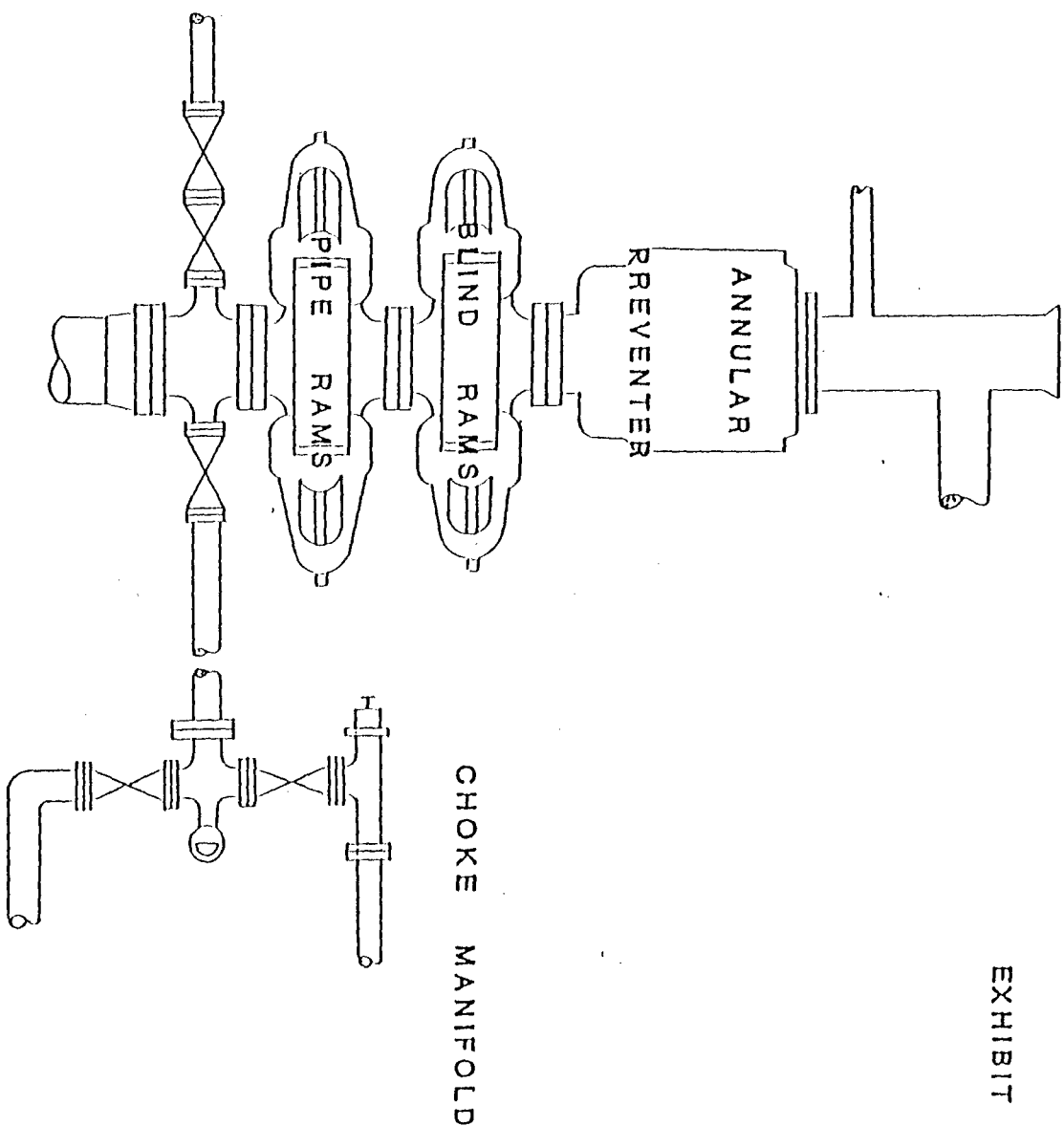
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access routes; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Bonneville Fuels Corporation and its contractors and subcontractors in conformity with this plan.

Date:


G. D. Gentry
Operations Supervisor

BOPE SCHEMATIC

EXHIBIT 1



OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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 BONNEVILLE FUELS CORPORATION		Lease SF-078089 SCOTT "E" FEDERAL		Well No. 25-14
Unit Letter M	Section 25	Township 27N	Range 11W NMPM	County San Juan
Actual Footage Location of Well:				
1190 feet from the SOUTH line and 360 feet from the WEST line				
Ground level Elev. 6529'	Producing Formation	Pool		Dedicated Acreage: Laydown 320 Acres

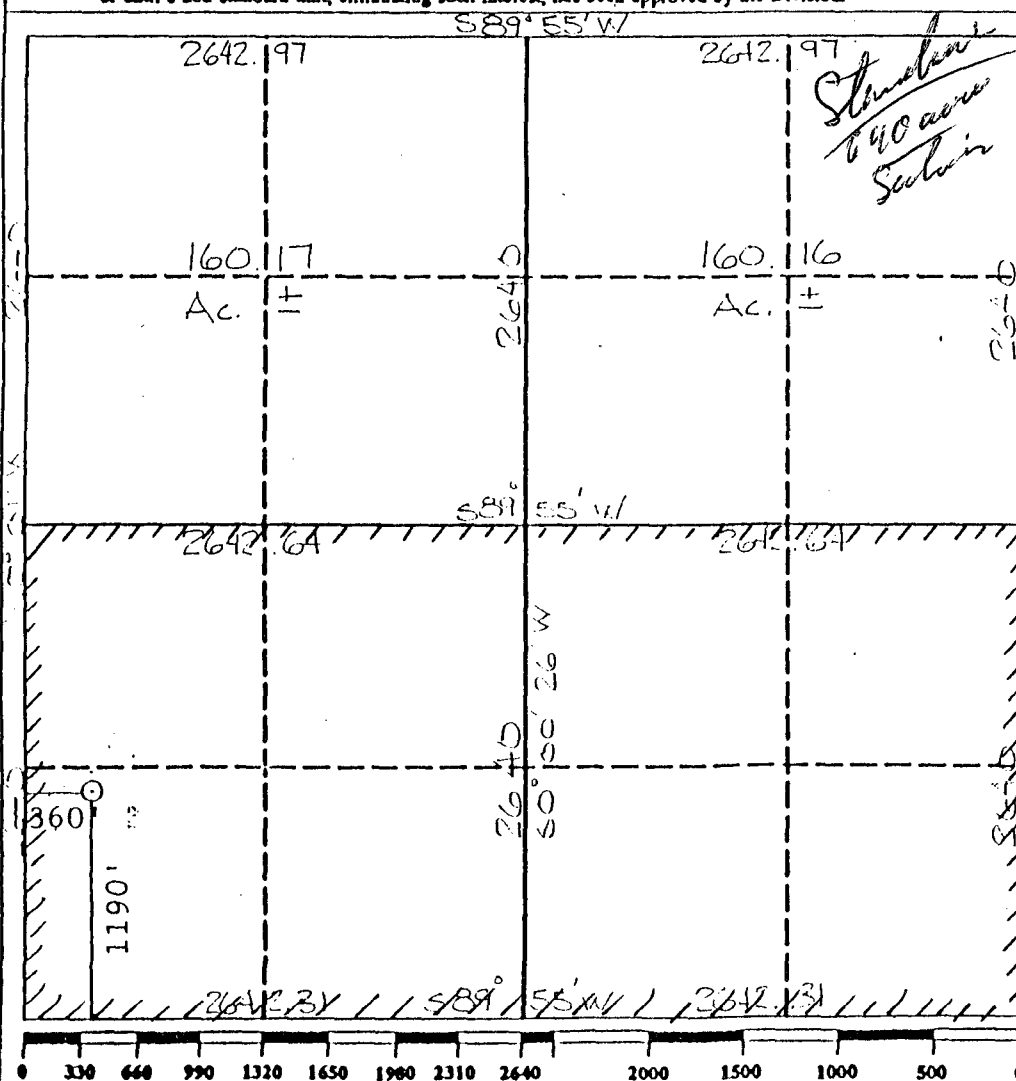
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization,

☐ Year☐ 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

Printed Name _____

Gerald D. Gentry

Position

Operations Supervisor

Company

Bonneville Fuels Corp.

Date _____

July 31, 1990

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.

Date Surveyed _____

July 16, 1990

Signature & Seal of Professional Surveyor

10

11

REF ID: A66666

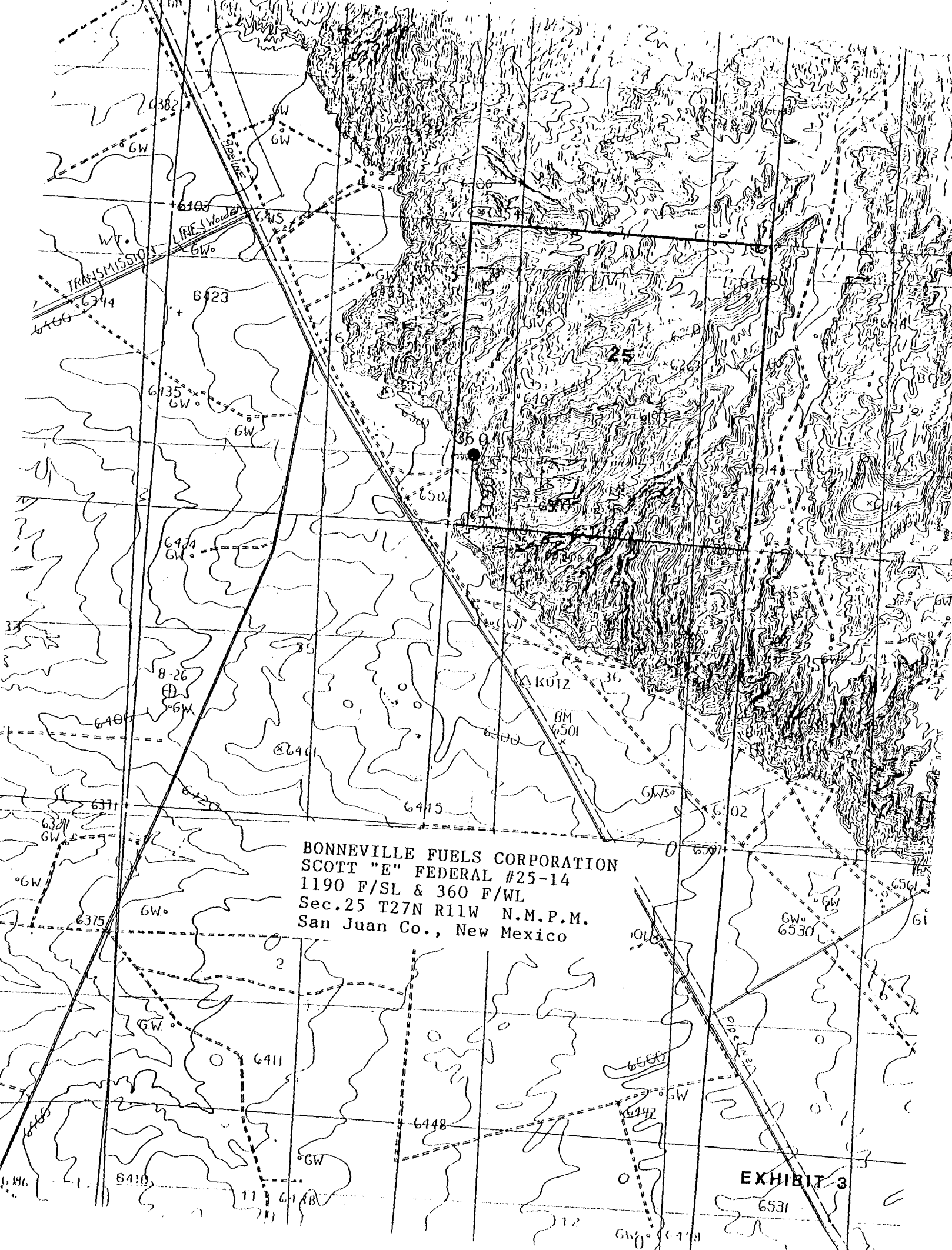
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~~SECRET~~

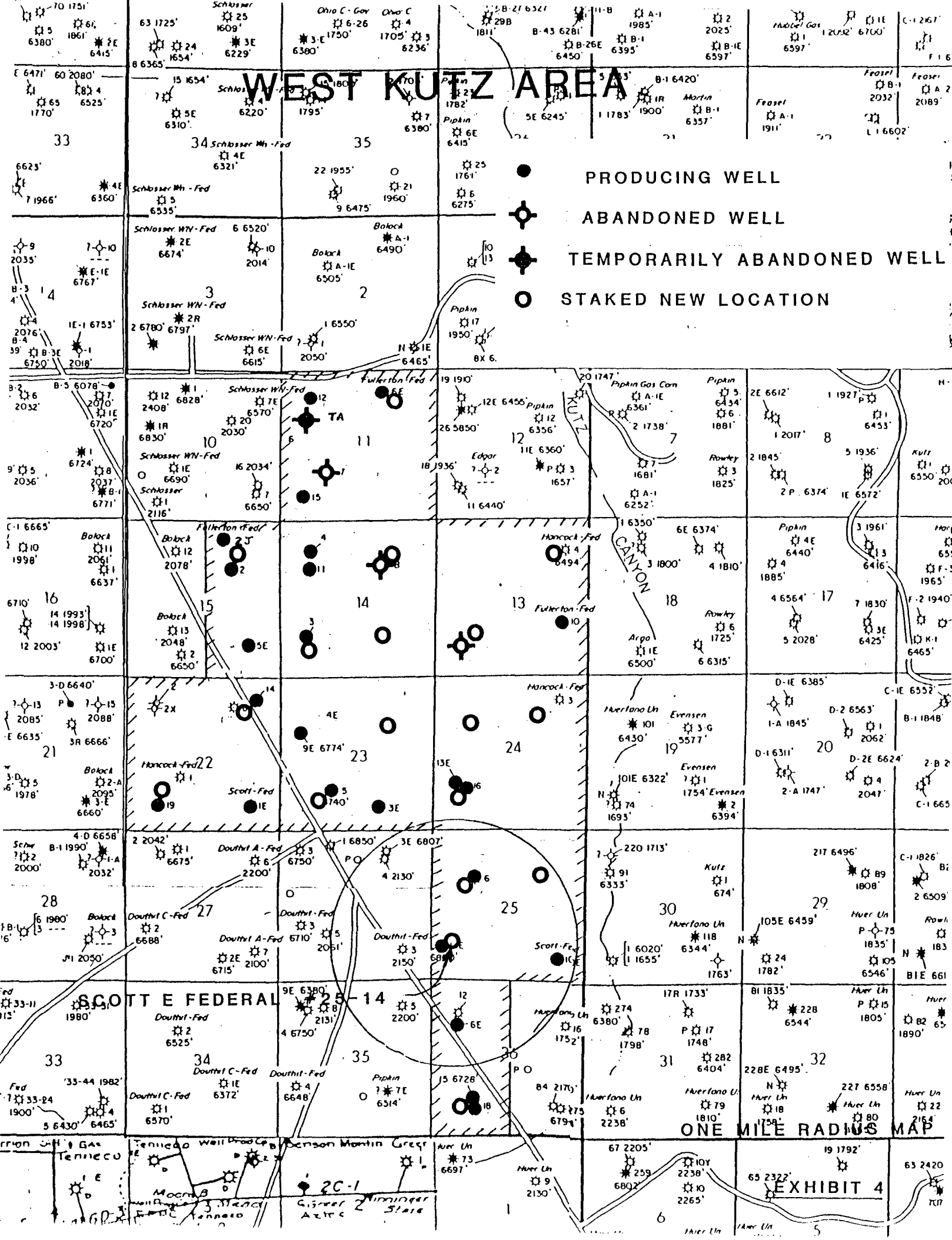
Certificate No. ~~PROF~~

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BONNEVILLE FUELS CORPORATION
SCOTT "E" FEDERAL #25-14
1190 F/SL & 360 F/WL
Sec. 25 T27N R11W N.M.P.M.
San Juan Co., New Mexico

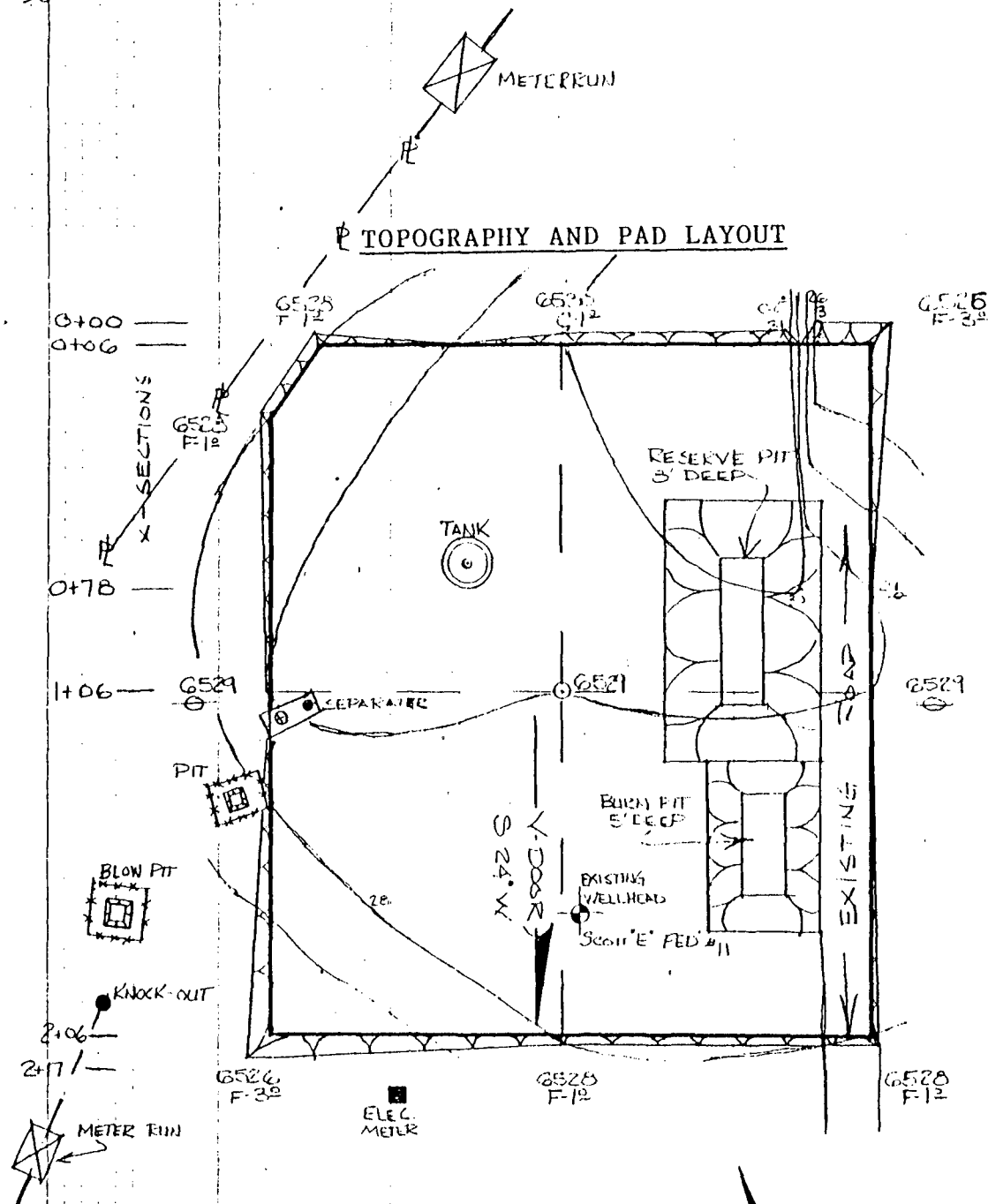
EXHIBIT 3



BONNEVILLE FUELS CORPORATION

SCALE: 1"=50'

CONTOUR INT. =1'



SCOTT "E" FEDERAL #25-14
 1190 F/SL& 360 F/WL
 Sec.25 T27N R11W N.M.P.M.
 San Juan Co., New Mexico

BONNEVILLE FUELS CORPORATION

SCOTT "E" FEDERAL #25-14

GROUND ELEV. 6529'

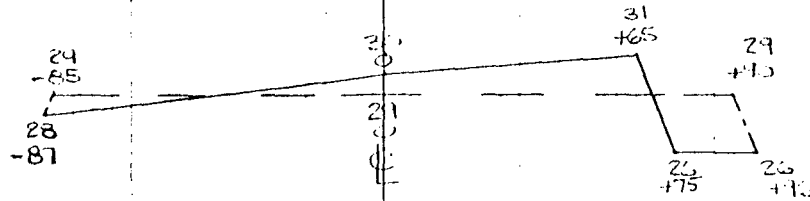
SCALE: HORZ. 1"=50'
VERT. 1"=10'

X-SECTIONS AND VOLUMES

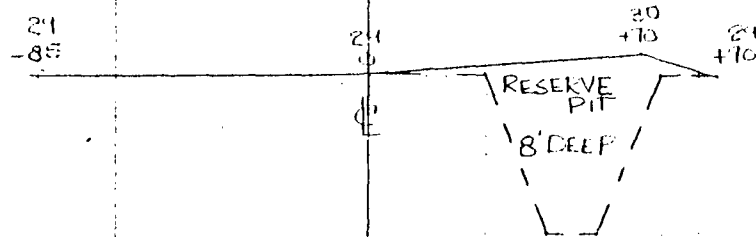
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ZERO CUT/FILL

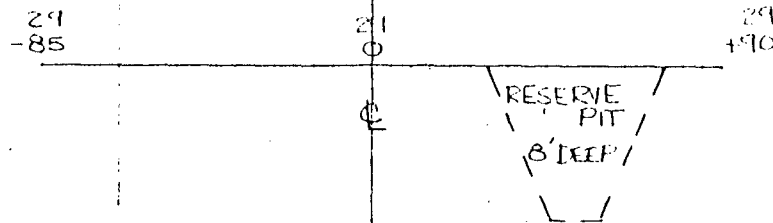
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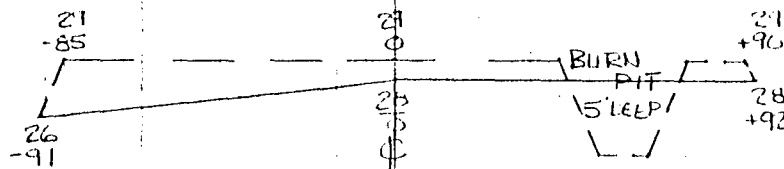
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1+06



2+06

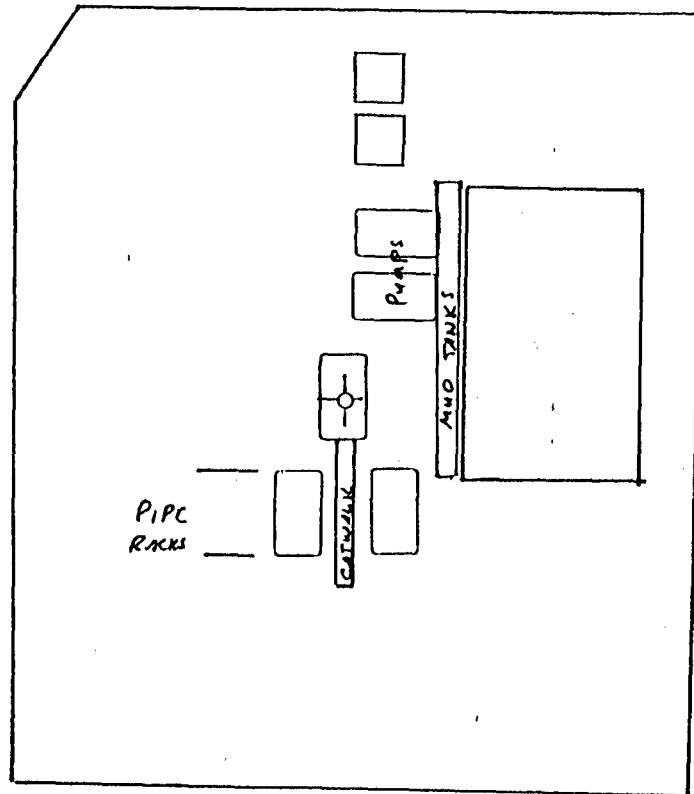


2+17

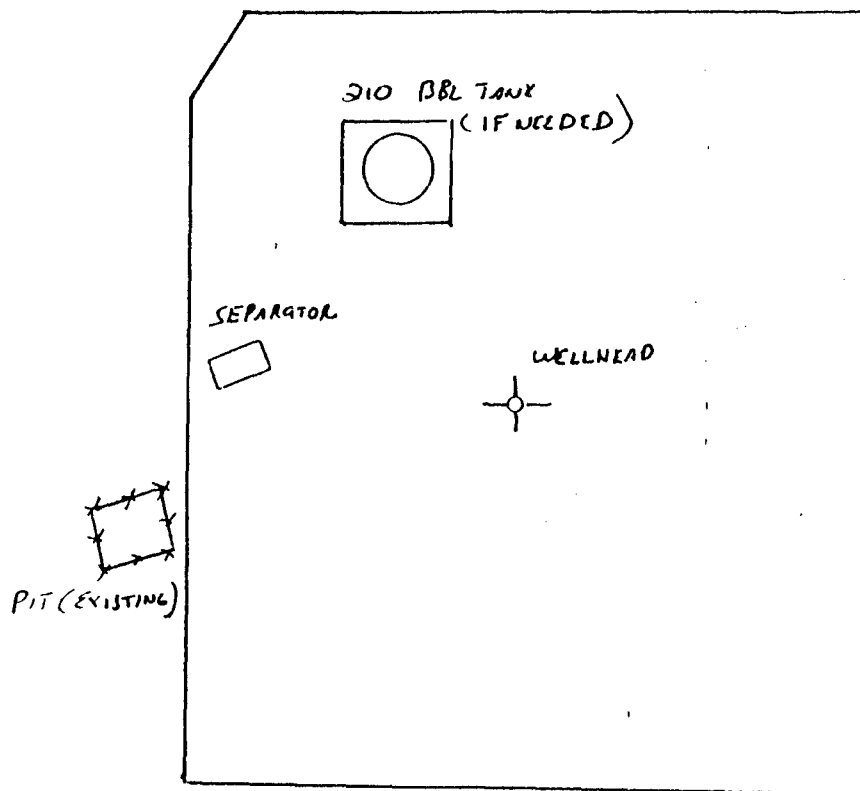
ZERO CUT/FILL

AVERAGE CUT.....	261 CU.YDS.
AVERAGE FILL.....	664 CU.YDS.
PIT EXCAVATION.....	670 CU.YDS.

RIG LAYOUT



PRODUCTION FACILITY LAYOUT



OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

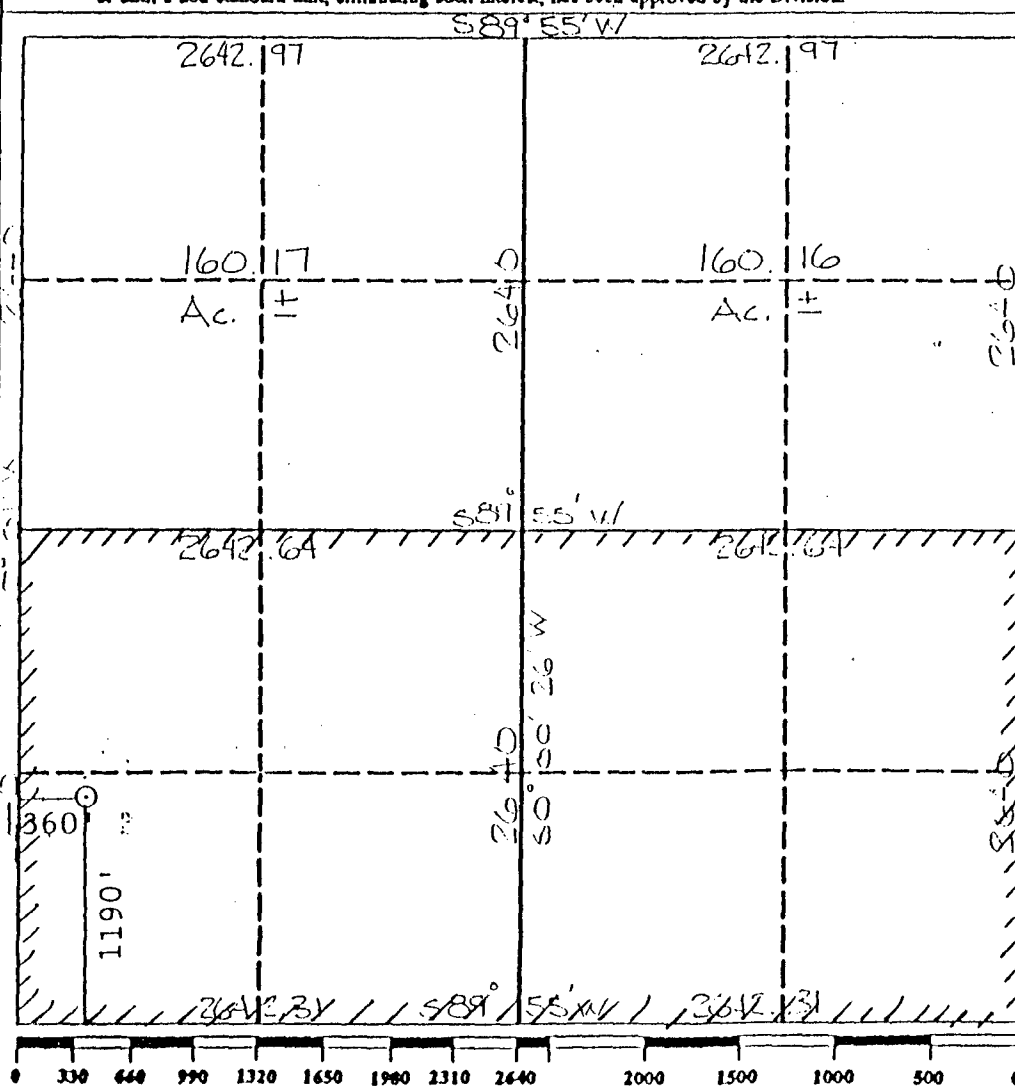
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BONNEVILLE FUELS CORPORATION			Lease SF-078089 SCOTT "E" FEDERAL		Well No. 25-14
Unit Letter M	Section 25	Township 27N	Range 11W	County NMPM	San Juan
Actual Footage Location of Well:					
1190 feet from the SOUTH		line and		360 feet from the WEST line	
Ground level Elev. 6529'	Producing Formation		Pool	Dedicated Acreage: Laydown 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 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 well 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

Printed Name _____

Gerald D. Gentry

Position

Operations Supervisor

Company

Bonneville Fuels Corp.

Date _____

July 31, 1990

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.

Date Surveyed _____

July 16, 1990

Signature & Seal of
Professional Surveyor

72

11-VE

R

133

12

REF

~~SECRET~~

Certificate No. 20.

78

96

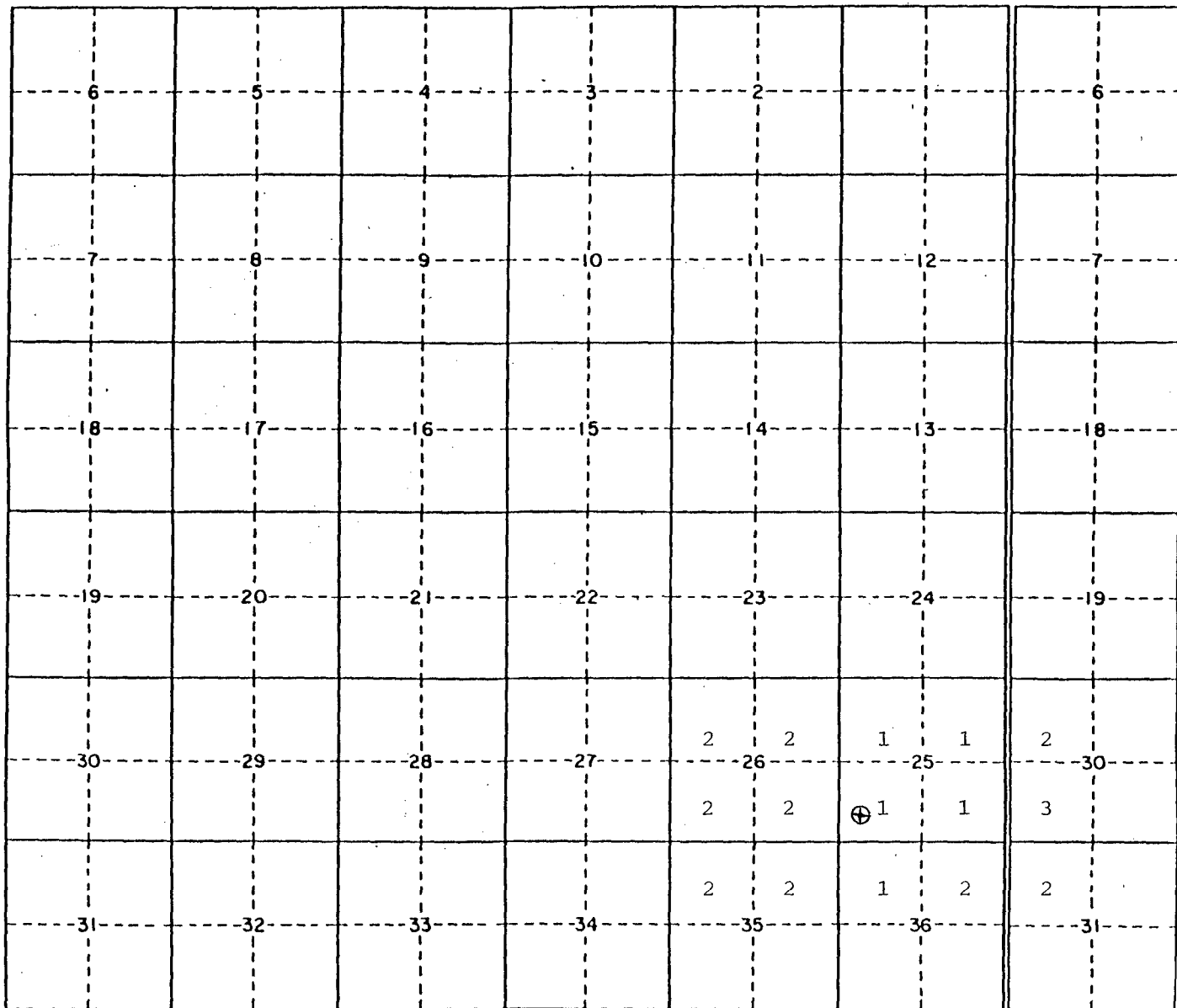
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APPLICATION FOR NON-STANDARD LOCATION

Scott 'E' Federal #25-14 Well

1190' OF SLE& 360' OF WLT Section 25 Township 27 North Range 11 West

County San Juan State New Mexico



SCALE: 1 inch = 1 mile

1. Bonneville Fuels Corporation
2. El Paso Production Co./Meridian Oil Inc.
3. Damson Oil Corporation

IV.

N

HWY #44

ORTHODOX WINDOWS

320 A. PRORATION UNIT

SCOTT E FEDERAL #10 (P. C.)

PROPOSED SCOTT E FEDERAL #25-14

SCOTT E FEDERAL #11 DAKOTA

KUTZ

BM 6501

6461

Fork

West

CANYON

27N

11W

KUTZ

6064

6221

6064

5915

6201

644

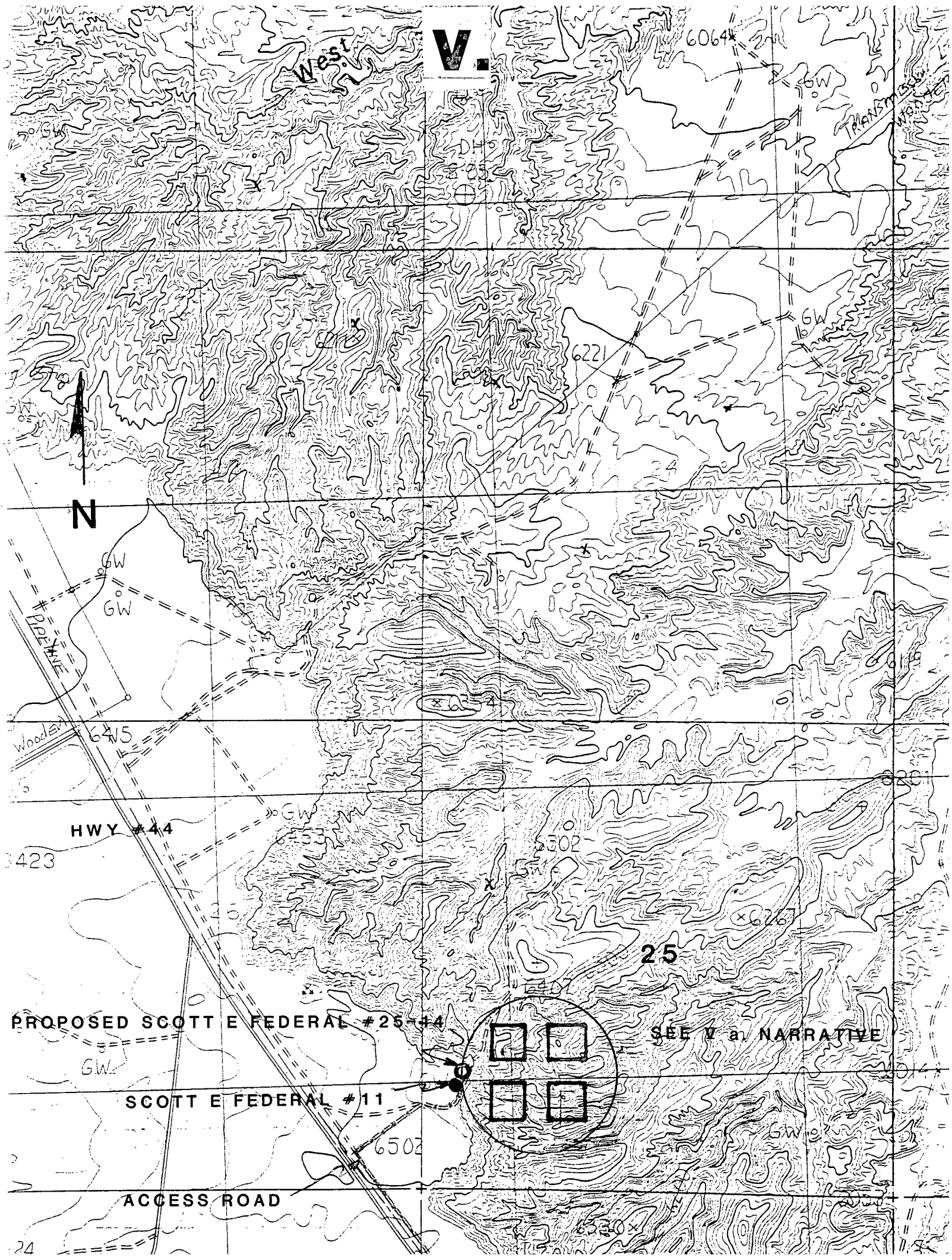
5987

5989

614

6150

GWS





VII.

IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 La Plata Highway
Farmington, New Mexico 87401

3162.5-1 (a) (019)

JUL 13 1990

CERTIFIED - RETURN RECEIPT REQUESTED
P 565 392 666

Bonneville Fuels Corporation
Attn: Gerald Gentry
1600 Broadway, Suite 1110
Denver, CO 80202

Dear Mr. Gentry:

Bonneville Fuels Corporation has proposed five new well site locations. Field inspections of these locations by yourself and Dale Wirth of my staff have found these sites to be in an environmentally sensitive area. Therefore, we are recommending the following changes due to the extreme nature of the topography and the fragile soil conditions of the area:

Fullerton Federal #14-34: Recommend the well location be moved to the NE/4 of the section for the Fruitland Coal or Pictured Cliffs formations to comply with the New Mexico Oil Conservation Division (NMOCD) spacing requirements and to better accommodate topographic relief; or move to the SW/4 and twin off of the existing #3 Fullerton Pictured Cliffs well if the proposed well is a Fruitland Coal.

Scott E. Federal #23-41: If this is a Fruitland Coal well it is recommended it be moved to the SW/4 of the section. However, if it is proposed to be a Fruitland/Pictured Cliffs well and remain in the NE/4 of section 23, then a full engineering design for the access road will be required, major reclamation stipulations will be required and a full environmental assessment (EA) will be conducted requiring a minimum of two or three months to complete.

Scott E. Federal #24-12: Recommend moving the well site to approximately 1850' FNL and 1850' FEL in section 24 or slightly unorthodox to accommodate the topography.

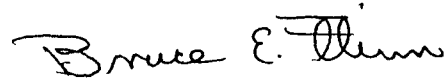
Scott E. Federal #25-12: Recommend moving the location to the existing access road to accommodate the topography, utilizing the existing access road as much as possible.

Scott E. Federal #25-23: Recommend moving to an unorthodox location by twinning off of the #11 E. Federal Scott or drilling a scant hole with a surface location near the #11 E. Federal Scott.

→ now #25-14

We will be available to discuss these recommendations and assist in location of suitable well sites. Should you have any questions, please contact Dale Wirth or Ilyse Gold at (505) 327-5344.

Sincerely,

A handwritten signature in cursive script that reads "Bruce E. Fellows".

Ron Fellows
for Area Manager

Scott 'E' Federal #25-14 Well
1190' FSL, 360' FWL
Section 25, T27N-R11W
San Juan County, New Mexico

I hereby certify that according to information supplied by Federal Abstract Company dated June 6, 1990, the below listed companies are the offset owners/operators and have been notified by certified mail of our application for administrative approval for a non-standard location for the above Fruitland Coal gas well.

Meridian Oil Inc./El Paso Production Company
P. O. Box 4289
Farmington, NM 87499-4289

Damson Oil Corporation
P. O. Box 4391
Houston, TX 77210

Lawrence D. Lillo
Lawrence D. Lillo
August 1, 1990

City & County of Denver)
) ss
State of Colorado)

Subscribed and sworn to before me this 2nd day of August, 1990.

My commission expires: 1-26-93
SEAL

Dolores L. Spirk
Notary Public
Address: 1600 Edwys.
Denver, CO 80202