

8/14/02 9/3/02

ENGINEER	M.S.	LOGGED IN	NV	TYPE	NSL	APP NO.	223139765
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify HORIZONTAL DRILLING

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

William F. Carr William F. Carr ATTORNEY August 13, 2002
 Print or Type Name Signature Title Date
wcarr@hollandhart.com
 e-mail Address

RECEIVED

AUG 14 2002

Oil Conservation Division

2002 AUG 12 PM 9:17
 Sunday 9-15 12:45 PM
 talked w/ Phil Carr
 about KVR 411's
 wells and
 shutting them
 in when
 CO₂
 completes
 the
 work.
 WJ RS

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D. C.

P. O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

August 14, 2002

HAND DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of CDX Rockies, L.L.C. for Administrative Approval of Horizontal Drilling and an Unorthodox Well Location in the Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.

Dear Ms. Wrotenbery:

Pursuant to the provisions of Rules 8 and 9 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as promulgated by Division Order No. R-8768 dated October 17, 1988, CDX Rockies, L.L.C. ("CDX") hereby files its application for an administrative exception to the requirements of Rule 7 as amended by Division Order No. R-8768-B, effective February 10, 2000, for the drilling of its BW Federal 33-29-8 Well No. 102 as an intentionally deviated horizontal wellbore on a 640-acre Project Area for this horizontal well comprised of two standard coalbed methane gas spacing units in Section 33, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico.

Rule 4 provides for 320-acre spacing and proration units in the Basin-Fruitland Coal Gas Pool and Rule 7 provides that wells in this pool shall be located in the NE/4 or SW/4 of a single governmental section and shall be located no closer than 660 feet to any outer boundary of the spacing unit nor closer than 10 feet to any interior quarter or quarter-quarter section line. The surface location for the proposed BW Federal 33-29-8 Well No. 102 is 748 feet from the North line and 660 feet from the East line of Section 33. The well location is at a standard setback from the outer boundary of the Project Area for the well, the surface location is in the quarter section authorized by Rule 7, however, the lateral portions of the wellbore will penetrate two standard spacing units and it is therefore unorthodox. The horizontal drilling techniques to be employed by CDX require the drilling of a service well at a location 400 feet north northeast of the BW Federal 33-29-8 Well No. 102. This well, the CDX BW Federal 33-29-8 Service Well No. 202, will not be used for the production of hydrocarbons and will be drilled at a location 463 feet from the North line and 369 feet from the East line of said Section 33.

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

August 14, 2002

Page 2

CDX Rockies, L.L.C. proposes to drill the service well to a kick-off point at a depth of 2,710 feet and build a curve until a 90 degree curve is achieved at a vertical depth of 2920 feet. CDX Rockies proposes to then drill a lateral in a southwesterly direction to a terminus in the SW/4 of Section 33. Additional laterals will be drilled from the initial lateral wellbore as shown on the attached Deviated Drilling Plan "A." All laterals will all times be within a Producing Area at least 660 feet from the outer boundary of the Project Area.

Attached to this application are the following documents:

Exhibit A. A plat showing the proposed spacing unit, and all offsetting operators;

Exhibit B. Oil Conservation Division Form C-102 which shows the surface locations of the BW Federal 33-29-8 Well No. 102 and the BW Federal 33-29-8 Service Well No. 202.

Exhibit C. Deviated Drilling Plan "A".

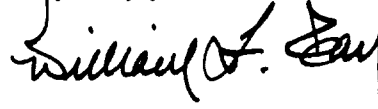
Exhibit D. A schematic drawing of the BW Federal 33-29-8 Well No. 102 and the BW Federal 33-29-8 Service Well No. 202 which fully describes the casing, openhole interval, and kick-off point for the initial directional drainhole; and

Exhibit E. List of offset operators/owners.

All operators or owners of undrilled tracts offsetting the proposed location have been notified of this application by certified mail-return receipt requested in accordance with Rule 7 of the Special Rules and Regulations for the Basin Fruitland Coal Gas Pool. These parties have been advised that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

Your attention to this application is appreciated.

Very truly yours,

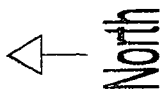


William F. Carr
Attorney for CDX Rockies, L.L.C.

Enclosures

cc: Oil Conservation Division-Aztec

<p>Kukui 29 Conoco</p> <p>HUGHES 19N #1</p> <p>HUGHES B #19</p>	<p>Conoco 32 Conoco</p> <p>FC STATE COM. #8</p> <p>FC STATE COM. #2</p> <p>FC STATE COM. #6</p>	<p>8 Richardson</p>	<p>17 Richardson</p> <p>FEDERAL 32-17 #2</p>	<p>FEDERAL 23-17 #1</p>
<p>Burlington 28 Conoco</p> <p>HARDIE B #212</p>	<p>HUGHES A #16</p>	<p>9 Richardson</p>	<p>10 Richardson</p> <p>FEDERAL 42-10 #2</p>	<p>FEDERAL 24-15 #1</p>
<p>Kukui 27 Kukui</p> <p>HUGHES 27L #5</p>	<p>Burlington/ 34 Kukui</p> <p>BOLIN A #2</p> <p>HUGHES 34B #6</p>	<p>10 Richardson</p> <p>FEDERAL 41-11 #2</p>	<p>15 Richardson</p> <p>FEDERAL 31-15 #2</p>	<p>FEDERAL 42-16 #2</p>



North

Scale = 2,430'

Fruitland Coal Seams:

Well Operators

EXHIBIT A

T29N - R8W, N.M.P.M.

San Juan County, New Mexico

CDX ROCKIES, LLC
679 EAST 2ND AVE. #3
DURANGO, CO 81301
(970)247-4126

DISTRICT I
1025 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name B.W. FED. 33-29-8			6 Well Number 202
7 OGRD No.		8 Operator Name CDX ROCKIES, LLC.			9 Elevation 6403

10 Surface Location

UL or lot no. A	Section 33	Township 29-N	Range 8-W	Lot Idn	Feet from the 463	North/South line NORTH	Feet from the 369	East/West line EAST	County SAN JUAN
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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
12 Dedicated Acres			13 Joint or Infill		14 Consolidation Code		15 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

16

17 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 _____

Title _____

Date _____

18 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 belief.

Signature and Seal of Professional Surveyor: *DAVID A. JOHNSON*

Date of Survey: *8/9/02*

Professional Surveyor Seal: 14827

Certificate Number _____

EXHIBIT B

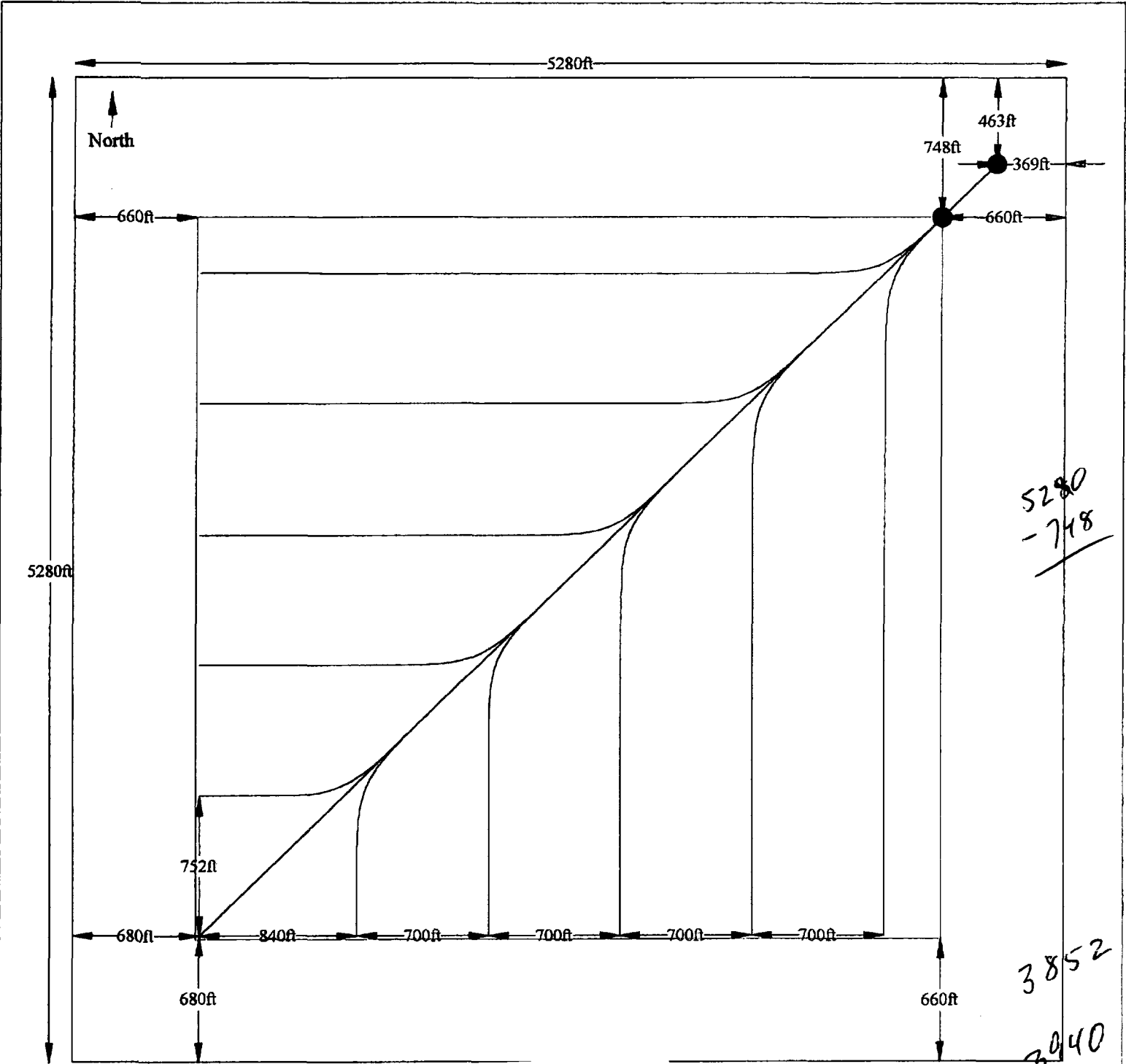
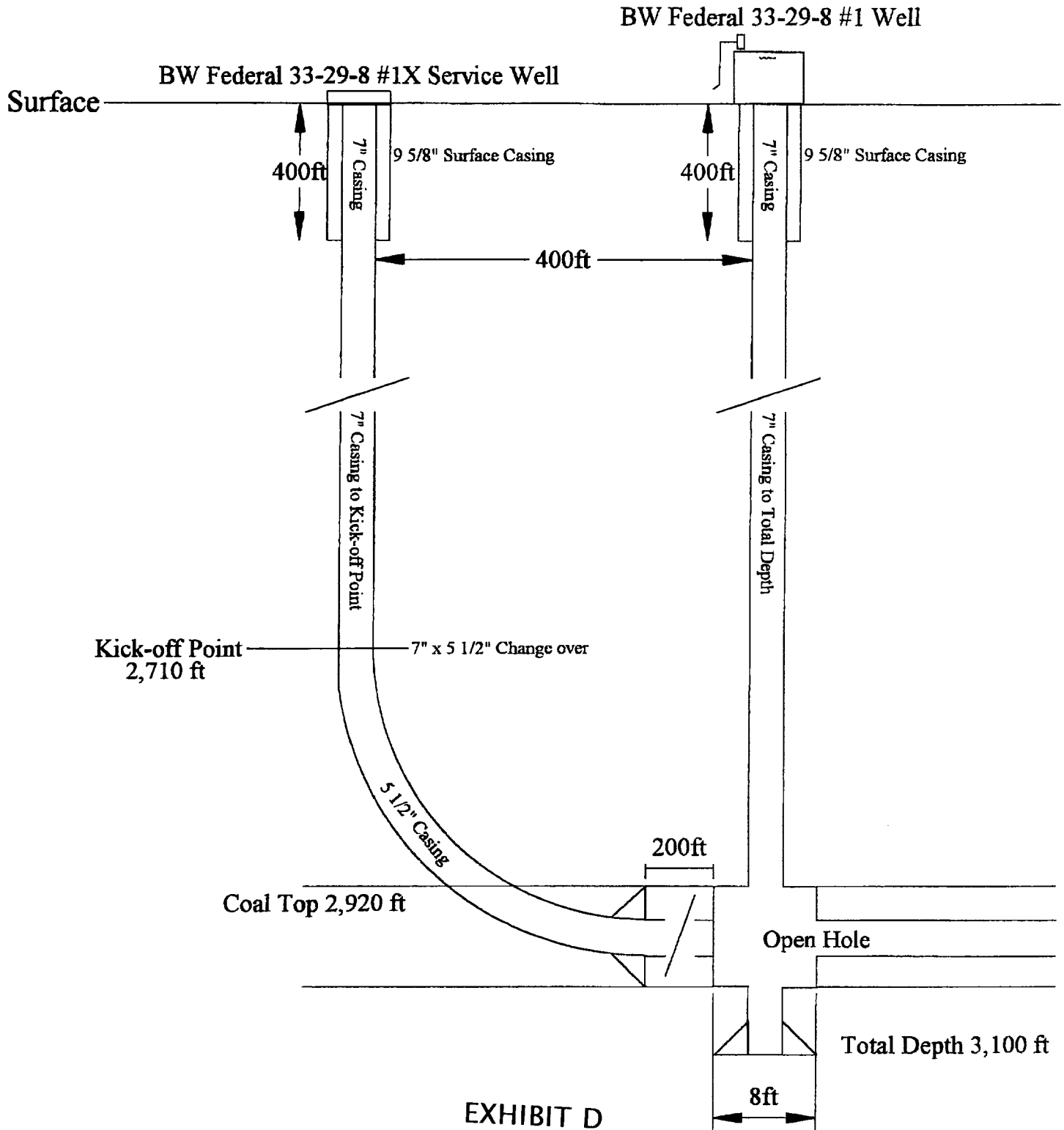


EXHIBIT C

DEVIATED DRILLING PLAN "A" for
BW Federal 33-29-8 #102 & #202 Wells
Sec. 33 T29N - R8W

Scale
1" = 750'

CDX Rockies, LLC
East Second Ave. #3
Durango, CO 81301



DEVIATED DRILLING PLAN "B" for
BW Federal 33-29-8 #102 & #202 Wells
Sec. 33 T29N - R8W, N.M.P.M.

NOT
TO
SCALE

CDX Rockies, LLC
679 East Second Avenue #3
Durango, Colorado 81301

HOLLAND & HART ^{LLP}
ATTORNEYS AT LAW

EXHIBIT E

Application of CDX Rockies, LLC
Horizontal Drilling and Unorthodox Well Location
Section 33, Township 29 North, Range 8 West, NMPM,
San Juan County, New Mexico.

Burlington Resources Oil & Gas Company
400 San Houston Parkway East, Suite 1200
Houston, Texas 77060

Burlington Resources Oil & Gas Company
3535 East 30th
Farmington, New Mexico 87402

Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, Texas 79705

Conoco, Inc.
3315 Bloomfield Highway
Farmington, New Mexico 87401

Energen Resources Corporation
2198 Bloomfield Highway
Farmington, New Mexico 87402

Kukui Operating Company
26 County Road 2965
Aztec, New Mexico 87410

Kukui Operating Company
1415 Louisiana, Suite 3650
Houston, Texas 77002-7354
Attention: Steve Sandlin

Richardson Operating Company
1770 Lincoln Street, Suite 1700
Denver, Colorado 80203

CMD : ONGARD 09/16/02 09:29:43
 OG6IWCW INQUIRE WELL COMPLETIONS OGOMES -TPQA

API Well No : 30 45 28413 Eff Date : 10-01-1995 WC Status : A
 Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
 OGRID Idn : 149678 KUKUI OPERATING COMPANY
 Prop Idn : 18227 HUGHES 33M

Well No : 003
 GL Elevation: 6322

U/L Sec Township Range North/South East/West Prop/Act (P/A)

 B.H. Locn : M 33 29N 08W FTG 1070 F S FTG 1050 F W P
 Lot Identifier:
 Dedicated Acre: 320.00
 Lease Type : F
 Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll
 PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
 PF07 PF08 PF09 PF10 NEXT-WC PF11 HISTORY PF12 NXTREC

CMD : ONGARD
 OG6ACRE C102-DEDICATE ACREAGE

09/16/02 09:29:49
 OGOMES -TPQA
 Page No : 1

API Well No : 30 45 28413 Eff Date : 04-30-1991
 Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
 Prop Idn : 18227 HUGHES 33M
 Spacing Unit : 5711 OCD Order :
 Sect/Twp/Rng : 33 29N 08W Acreage : 320.00 Revised C102? (Y/N) :
 Dedicated Land: Well No : 003
 Simultaneous Dedication:

S	Base U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
C	33	29N	08W	40.00	N	FD			
D	33	29N	08W	40.00	N	FD			
E	33	29N	08W	40.00	N	FD			
F	33	29N	08W	40.00	N	FD			
K	33	29N	08W	40.00	N	FD			
L	33	29N	08W	40.00	N	FD			
M	33	29N	08W	40.00	N	FD			
N	33	29N	08W	40.00	N	FD			

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

09/16/02 09:29:57
OGOMES -TPQA
Page No: 1

OGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 28413 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30	45 28413 HUGHES 33M	01 00 31	681	F
30	45 28413 HUGHES 33M	02 00 29	497	F
30	45 28413 HUGHES 33M	03 00 27	426	F
30	45 28413 HUGHES 33M	04 00 30	585	F
30	45 28413 HUGHES 33M	05 00 31	657	F
30	45 28413 HUGHES 33M	06 00 24	537	F
30	45 28413 HUGHES 33M	07 00 31	710	F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG6IPRD
ONGARD
INQUIRE PRODUCTION BY POOL/Well

09/16/02 09:30:01
OGOMES -TPQA
Page No: 2

OGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 28413 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 28413 HUGHES 33M		08 00 31	729	F
30 45 28413 HUGHES 33M		09 00 30	744	F
30 45 28413 HUGHES 33M		10 00 31	751	F
30 45 28413 HUGHES 33M		11 00 30	732	F
30 45 28413 HUGHES 33M		12 00 31	674	F
30 45 28413 HUGHES 33M		01 01 31	602	F
30 45 28413 HUGHES 33M		02 01 28	518	F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXPPOOL PF11 NXTOGD PF12

CMD :
OG6IPRD

09/16/02 09:30:02
OGOMES -TPQA
Page No: 3

ONGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 28413 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 28413	HUGHES 33M	03 01 31	669	F
30 45 28413	HUGHES 33M	04 01 30	627	F
30 45 28413	HUGHES 33M	05 01 30	616	F
30 45 28413	HUGHES 33M	06 01 23	402	F
30 45 28413	HUGHES 33M	07 01 31	861	F
30 45 28413	HUGHES 33M	08 01 31	1016	F
30 45 28413	HUGHES 33M	09 01 30	930	F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

09/16/02 09:30:03
OGOMES -TPQA
Page No: 4

OGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 28413 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prod. Days		Production Volumes			Well
		MM/YY	Prod	Gas	Oil	Water Stat	
30	45 28413 HUGHES 33M	10 01	31	852			F
30	45 28413 HUGHES 33M	11 01	30	870			F
30	45 28413 HUGHES 33M	12 01	31	817			F
30	45 28413 HUGHES 33M	01 02	31	873			F
30	45 28413 HUGHES 33M	02 02	28	751			F
30	45 28413 HUGHES 33M	03 02	31	889			F
30	45 28413 HUGHES 33M	04 02	30	853			F

Reporting Period Total (Gas, Oil) : -----

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG6IPRD

ONGARD
INQUIRE PRODUCTION BY POOL/WELL
09/16/02 09:30:04
OGOMES -TPQA
Page No: 5

OGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 28413 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water Stat	Well
30	45 28413 HUGHES 33M	05 02 31	864	F
30	45 28413 HUGHES 33M	06 02 25	644	F

Reporting Period Total (Gas, Oil) : 21377

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPPOOL PF11 NXTOGD PF12

CMD : ONGARD 09/16/02 09:28:03
 OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPQA

API Well No : 30 45 27936 Eff Date : 10-01-1995 WC Status : A
 Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
 OGRID Idn : 149678 KUKUI OPERATING COMPANY
 Prop Idn : 18221 HUGHES A

Well No : 017
 GL Elevation: 6339

U/L Sec		Township		Range		North/South		East/West		Prop/Act (P/A)	
B.H. Locn	:	B	33	29N		08W		FTG	920	F N	FTG 1620 F E
Lot Identifier:											P
Dedicated Acre:		320.00									
Lease Type	:	F									
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :											

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GOTO	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD
OG6ACRE C102-DEDICATE ACREAGE

09/16/02 09:28:09
OGOMES -TPQA
Page No : 1

API Well No : 30 45 27936 Eff Date : 04-30-1991
Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)
Prop Idn : 18221 HUGHES A
Spacing Unit : 5709 OCD Order :
Sect/Twp/Rng : 33 29N 08W Acreage : 320.00 Revised C102? (Y/N) :
Dedicated Land:

S	Base U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
A	33	29N	08W	40.00	N	FD			
B	33	29N	08W	40.00	N	FD			
G	33	29N	08W	40.00	N	FD			
H	33	29N	08W	40.00	N	FD			
I	33	29N	08W	40.00	N	FD			
J	33	29N	08W	40.00	N	FD			
O	33	29N	08W	40.00	N	FD			
P	33	29N	08W	40.00	N	FD			

E0005: Enter data to modify or PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/Well

09/16/02 09:28:20
OGOMES -TPQA
Page No: 1

OGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 27936 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 27936	HUGHES A	01 00 31	1528	1 F
30 45 27936	HUGHES A	02 00 29	1441	3 F
30 45 27936	HUGHES A	03 00 31	1449	3 F
30 45 27936	HUGHES A	04 00 30	1442	3 F
30 45 27936	HUGHES A	05 00 31	1455	1 F
30 45 27936	HUGHES A	06 00 25	1565	1 F
30 45 27936	HUGHES A	07 00 31	1596	2 F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

09/16/02 09:28:23
OGOMES -TPQA
Page No: 2

OGRID Identifier : 149678 KUKUI OPERATING COMPANY

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 27936 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30	45 27936 HUGHES A	08 00 31	1492	1 F
30	45 27936 HUGHES A	09 00 30	1436	1 F
30	45 27936 HUGHES A	10 00 31	1468	3 F
30	45 27936 HUGHES A	11 00 28	1516	3 F
30	45 27936 HUGHES A	12 00 31	1472	1 F
30	45 27936 HUGHES A	01 01 31	1451	3 F
30	45 27936 HUGHES A	02 01 28	1270	2 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXPPOOL PF11 NXTGCD PF12

CMD :
OG6IPRD

09/16/02 09:28:24
OGOMES -TPQA
Page No: 3

ONGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 27936 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30	45 27936 HUGHES A	03 01 30	1379	2 F
30	45 27936 HUGHES A	04 01 30	1399	1 F
30	45 27936 HUGHES A	05 01 31	1399	9 F
30	45 27936 HUGHES A	06 01 25	1462	1 F
30	45 27936 HUGHES A	07 01 31	1487	1 F
30	45 27936 HUGHES A	08 01 31	1443	3 F
30	45 27936 HUGHES A	09 01 30	1325	1 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/Well

09/16/02 09:28:25
OGOMES -TPQA
Page No: 4

OGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 27936 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30	45 27936 HUGHES A	10 01 31	1416	1 F
30	45 27936 HUGHES A	11 01 29	1380	2 F
30	45 27936 HUGHES A	12 01 31	1398	2 F
30	45 27936 HUGHES A	01 02 31	1371	1 F
30	45 27936 HUGHES A	02 02 28	1336	2 F
30	45 27936 HUGHES A	03 02 30	1572	F
30	45 27936 HUGHES A	04 02 30	1396	2 F

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.
PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD :
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

09/16/02 09:28:26
OGOMES -TPQA
Page No: 5

OGRID Identifier : 149678 KUKUI OPERATING COMPANY
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)
API Well No : 30 45 27936 Report Period - From : 01 2000 To : 08 2002

API Well No		Property Name	Prodn. Days MM/YY Prod	Production Volumes		Well
				Gas	Oil	Water Stat
30	45	27936 HUGHES A	05 02 31	1575		F
30	45	27936 HUGHES A	06 02 25	1245		F

Reporting Period Total (Gas, Oil) : 43164 57

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPool PF11 NXTOGD PF12

CMD : ONGARD 09/16/02 09:27:48
 OG5SECT INQUIRE LAND BY SECTION OGOSES -TPQA
 PAGE NO: 1

Sec : 33 Twp : 29N Rng : 08W Section Type : NORMAL

D	C	B	A
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
E	F	G	H
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
	A A A		A A

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
 PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/16/02 09:27:53
OGOMES -TPQA
PAGE NO: 2

Sec : 33 Twp : 29N Rng : 08W Section Type : NORMAL

L	K	J	I
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
A		A	
M	N	O	P
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
A A	A		A

PF01 HELP PF02 PF03 EXIT PF04 GOTO PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994

Instructions on back
Submit to Appropriate District Office
5 Copies

96 JAN 11 AM 3:52
RECEIVED
AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address KUKUI Operating Company 7880 San Felipe, Suite #207 Houston, TX. 77063		OGRID Number 149678
		Reason for Filing Code CH 16-1-95
API Number 30 - 045-27936	Pool Name Basin Fruitland Coal	Pool Code 71629
Property Code 18221	Property Name Hughes A	Well Number 17

II. 10 Surface Location

UL or lot no. B	Section 33	Township 29N	Range 8W	Lot Ida --	Feet from the 920	North/South Line N	Feet from the 1620	East/West Line E	County San Juan
--------------------	---------------	-----------------	-------------	---------------	----------------------	-----------------------	-----------------------	---------------------	--------------------

11 Bottom Hole Location

UL or lot no. B	Section 33	Township 29N	Range 8W	Lot Ida --	Feet from the 920	North/South line N	Feet from the 1620	East/West Line E	County San Juan
Lee Code F	Producing Method Code F	Gas Connection Date ---	C-129 Permit Number N/A	C-129 Effective Date N/A	C-129 Expiration Date N/A				

III. Oil and Gas Transporters

Transporter OGRID 007057	Transporter Name and Address El Paso Natural Gas P.O. Box 4990 Farmington, N.M. 87499	POD 1300130	O/G G	POD ULSTR Location and Description B, Sec. 33, T29N-R8W

RECEIVED
DEC - 8 1995

IV. Produced Water

POD 1300150	POD ULSTR Location and Description B, Sec. 33, T29N-R8W
----------------	--

OIL CON. DIV.
DIST. 3

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Steve Sandlin</i> Printed name: <i>STEVE SANDLIN</i> Title: <i>MANAGER - LAND</i> Date: <i>11-29-95</i> Phone: <i>713/784-1510</i>		OIL CONSERVATION DIVISION Approved by: <i>37.8</i> Title: <i>SUPERVISOR DISTRICT #3</i> Approval Date: <i>DEC - 8 1995</i>	
If this is a change of operator fill in the OGRID number and name of the previous operator 36436 Quintana Petroleum Services, Inc.		Previous Operator Signature: <i>J. M. Trotter</i> Printed Name: <i>J. M. Trotter</i> Title: <i>President</i> Date: <i>12/1/95</i>	

Submit 5 Copies
Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

RECEIVED

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Quintana Petroleum Services, Inc.		Well API No. 30-045-27936
Address P. O. Box 3331, Houston, Tx. 77253		
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)		
New Well <input type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/>	Dry Gas <input type="checkbox"/>
Change in Operator <input checked="" type="checkbox"/>	Casinghead Gas <input type="checkbox"/>	Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator McKenzie Methane Corp., 1911 Main, #255, Durango, Colo. 81301		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Hughes A	Well No. 17	Pool Name, Including Formation Basin FT Coal	Kind of Lease State, Federal or Fee	Lease No. SF-078049
Location Unit Letter B : 920 Feet From The N Line and 1620 Feet From The E Line Section 33 Township 29N Range 8W, NMPM, San Juan County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)					
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P. O. Box 4990, Farmington, NM. 87401					
If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected? No	When?

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

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
		X						
Date Spudded 10-7-90	Date Compl. Ready to Prod. 5-24-91		Total Depth 2985		P.B.T.D. 2938			
Elevations (DE, RKB, RT, GR, etc.) 6339 GL	Name of Producing Formation Fruitland Coal		Top Oil/Gas Pay 2759		Tubing Depth 2820			
Performances					Depth Casing Shoe			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12-1/4	8-5/8, 24#		266		200			
7-7/8	5 1/2, 17#		2984		420 + 100			
N/A	2-3/8, 4.7#		2820		None			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (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 Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	Choke Size
Length of Test	Tubing Pressure	Casing Pressure	Gas-MCF
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR 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 above is true and complete to the best of my knowledge and belief.

Signature Steve Sandlin
Printed Name Steve Sandlin Land Manager
Date 10/8/93 (713) 651-8889
Telephone No.

OIL CONSERVATION DIVISION

OCT 14 1993

Date Approved
By Bill D. Chung
Title SUPERVISOR DISTRICT #3

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-135
Adopted 4-1-91

SEE FILING INSTRUCTIONS
BOTTOM OF PAGE

GAS WELL CONNECTION, RECONNECTION, OR DISCONNECTION NOTICE

This is to notify the Oil Conservation Division of the following:

Connection X First Delivery 09/05/91
Date Initial Potential

Reconnection _____ First Delivery _____
Date Initial Potential

Disconnection _____
Date

for delivery of gas from the MCKENZIE METHANE Cap.
Operator

Hughes A
Lease

97-029-01 05-469-01 17 B 33-29-08
Meter Code Site Code Well No. Unit Letter S-T-R

Basin - Fruitland Coal
Pool

was made on 09/05/91
Date

775 775
AOF Choke

RECEIVED
SEP 20 1991

OCD use only

County SJ.

Land Type F

Liq. Transporter _____

EL PASO NATURAL GAS COMPANY

Transporter

ED Marcum
Signature of Transporter Representative

ED MARCUM, MEASUREMENT SPECIALIST

Printed Name and Title

BOX 4990, FARMINGTON NM 87499, (505)599-2128

Address and Telephone Number

FILING INSTRUCTIONS:

Each transporter of gas from a prorated gas well shall submit this form in duplicate to the appropriate district office of the Division within 30 days following the connection, reconnection, or disconnection of a well from air gathering/transportation system, in accordance with Rule 1104, Rule 35, and R-8170 as amended.

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
P.O. Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

RECEIVED
AUG 26 AM 10 50

Operator McKenzie Methane Corporation		Well API No. 30-045-27936
Address 1911 Main Ave., Suite 255, Durango, Colorado 81301		
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)		
New Well <input checked="" type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>	
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	
If change of operator give name and address of previous operator		

I. DESCRIPTION OF WELL AND LEASE

Lease Name Hughes A	Well No. 17	Pool Name, including Formation Basin FT Coal	Kind of Lease State, Federal or Fed	Lease No. SF-078049
Location				
Unit Letter B	920	Feet From The N	Line and 1620	Feet From The E
Section 33	Township 29N	Range 8W	NMPM,	San Juan
County				

II. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
El Paso Natural Gas		P.O. Box 4990, Farmington, NM 87401
If well produces oil or liquids, give location of tanks.	Unit	Sec.
	Twp.	Rge.
	Is gas actually connected? When?	
	No	

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

V. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
		X	X					
Date Spudded 10-7-90	Date Compl. Ready to Prod. 5-24-91		Total Depth 2985		P.D.T.D. 2938			
Elevations (DIF, RKB, RT, GR, etc.) 6339 GL	Name of Producing Formation Fruitland Coal		Top Oil/Gas Pay 2759		Tubing Depth 2820			
Perforations 2759-83, 2830-55.					Depth Casing Shoe 2984			

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
12-1/4	8-5/8, 2 1/2	266	200
7-7/8	5 1/2, 17#	2984	420 + 100
N/A	2-3/8, 4 7/8	2820	None

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed allowable for this depth or below full 24 hours.)	
Date First New Oil Run To Tank	Date of Test
Length of Test	Tubing Pressure
Actual Prod. During Test	Oil - Bbls.
	Water - Bbls.
	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D 164	Length of Test 24 hours	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.) 2" prover	Tubing Pressure (Shut-in) 775 Psig	Casing Pressure (Shut-in) 775 Psig	Choke Size .500

VI. OPERATOR 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 above is true and complete to the best of my knowledge and belief.

Signature R. J. Sagle
Printed Name R. J. Sagle Operations Manager
Date 7-11-91
Telephone No. 303/385-4654

OIL CONSERVATION DIVISION
8-21-91
Date Approved 8-21-91
By S. J. S.
Title SUPERVISOR DISTRICT # 3

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104
1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
2) All sections of this form must be filled out for allowable on new and recompleted wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS RECEIVED

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

BLM

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		91 AUG 26 AM 10 43 JUL 31 PM		7. UNIT AGREEMENT NAME	SF-078049	
2. NAME OF OPERATOR		019 FARMINGTON		8. IF INDIAN, ALLOTTEE OR TRIBE NAME		
McKenzie Methane Corporation				9. WELL NO.		
3. ADDRESS OF OPERATOR				#17		
1911 Main #255, Durango, Colorado 81301				10. FIELD AND POOL, OR WILDCAT		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface				Basin ET Coal		
920' FNL, 1620' FEL				11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA		
				Sec33-T29N-R8W		
14. PERMIT NO.		15. ELEVATIONS (Show whether DF, RT, GR, etc.)		12. COUNTY OR PARISH		13. STATE
API 30-045-27936		6339' GR		San Juan		NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input checked="" type="checkbox"/> Drilling Report	

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SEE ATTACHED

RECEIVED
AUG 21 1991
OIL CON. DIV. 1
DIST. 3

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature] TITLE Operations Manager

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

DATE 7-30-91
ACCEPTED FOR RECORD

AUG 16 1991

FARMINGTON RESOURCE AREA

BY [Signature]

*See Instructions on Reverse Side

NMOCD

McKENZIE METHANE CORPORATION
DAILY DRILLING REPORT
Durango Office

10-7-90 Hughes A #17
NE/NE/4 Sec33-T29N-R8W, San Juan Co., NM
AART: DRLG DEPTH: 270'
DAILY: MIRU 4 States #1. Drill mouse & rat hole.
Spud 12-1/4" hole @ 12:00 AM 10-7-90. Drill to 270'.
TOOH. Run 6 jts (256') 8-5/8", 24#, K55 STG csg set @
266'. Cement w/200 sx (236 cu ft) class B, 2% CaCl,
1/4#/sx cellophane flakes. PD @ 5:00 PM 10/7/90.
Circ 10 bbl cmt. WOC. Cut off csg & weld on braden-
head. NUBOP & PT-OK. TIH w/7-7/8" bit & drill cmt&
openhole. MUD: spud. Surveys: 270' - 3/4

10/8/90 Hughes A #17
NE/NE/4 Sec33-T29N-R8W, San Juan Co., NM
AART: DRLG DEPTH: 1441'
DAILY: Drill to 1441' w/bit #2.
MW: 9.2 Vis: 32 Surveys: 822' - 1, 1411' - 1.

10/11/90 Hughes A #17
NE/NE4 Sec33-T29N-R8W, San Juan Co., NM
AART: Logging DEPTH: 2985'
DAILY: Drill to TD 10/11/90. Circulate, cond. hole,
TOOH for logs. MW: 9.0 VIS: 48 Surveys: 2548'-1,
2960' - 1-1/2.

10/12/90 Hughes A #17
NE/NE 4 Sec33-T29N-R8W, San Juan Co., NM
AART: Moving DEPTH: 2985'
DAILY: Log well. Microlog failed. TIH. Circ for
casing. TOOH. LDDP. Run 94 jts. (2974'), 5-1/2",
17#, J55, LTC casing set @ 2984'. Float collar @
2941. Cmt 420 sx (773 cu ft), 65/35 POZ, 6% gel, 10%
salt, 1/4#/sx cellophane, followed by 100 sx (118 cu
ft), class G, 2% CaCl, 1/4#/sx cellophane. PD 9:00 PM
10/11/90. Circ 15 bbl cmt. Set slips, cut off casing.
Release rig @ 11:00 PM. MUD: N/A Surveys: N/A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)

Form approved,
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELDER COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL: ☐ OIL ☐ GAS ☒ DRY ☐ Other _____
2. TYPE OF COMPLETION: ☐ WORK OVER ☐ REPAIR ☐ PATCH BACK ☐ DIFF. REPAIR ☐ Other _____

3. NAME OF OPERATOR: McKenzie Methane Corporation

4. ADDRESS OF OPERATOR: 1911 Main Ave., Suite 255, Durango, Colorado 81301

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface 920' FNL, 1620' FEL

At top prod. interval reported below Same

At total depth Same

14. PERMIT NO. 30-045-27936 DATE ISSUED 6-28-90

15. DATE REPORTED 10-7-90 16. DATE T.D. REACHED 10-11-90 17. DATE COMPL. (Ready to prod.) 5-24-91

18. ELEVATIONS (OF. RKB, RT. OR, ETC.): 6339 GL 19. ELEV. CASINGHEAD 6341

20. TOTAL DEPTH, MD & TVD 2985 21. PLUG, BACK T.D., MD & TVD 2938

22. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM (MD AND TVD):
Fruitland Coal: 2759-2855

23. TYPE ELECTRIC AND OTHER LOG RUN: GR/SP/CAL-Density/Microlog

24. CASING RECORD (Report all strings set in well):

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	24	266	12-1/4	236 cu ft circ cmt	
5 1/2	17	2984	7-7/8	891 cu ft "	

25. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

26. PERFORATION RECORD (Interval, size and number):
.40" holes: 4 SPF: 2759-83, 2830-55.

27. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH, INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
<u>2759-2855</u>	<u>62,000 gals + 50,000# SD</u>

28. PRODUCTION

29. FIRST PRODUCTION: WOPL PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump): Flowing WELL STATUS (Producing or shut-in): SI

IN OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
<u>5-29-91</u>	<u>24</u>	<u>.50</u>	<u>→</u>	<u>0</u>	<u>164</u>	<u>0</u>	

W. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
<u>30 Psig</u>	<u>30 Psig</u>	<u>→</u>		<u>164</u>		

30. INFORMATION OF GAS (Sold, used for fuel, vented, etc.): To Be Sold

31. LIST OF ATTACHMENTS: Fruitland Coal Test Data

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED: TJ/Sgt TITLE: Operations Manager DATE: 7-11-91

6. LEASE DENOMINATION AND RENTAL NO. RESE-078049

7. INDIAN ALLOTTEE OR TRIBE NAME INDIAN ROOM

8. THIS ADDRESS NAME 1911 Main Ave.

9. FARM OR LEASE NAME Basin FT Coal

10. WELL NO. #17

11. FIELD AND POOL, OR WILDCAT Basin FT Coal

12. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec33-T29N-R8W

13. COUNTY OR PARISH San Juan 14. STATE NM

15. DATE REPORTED 10-7-90 16. DATE T.D. REACHED 10-11-90 17. DATE COMPL. (Ready to prod.) 5-24-91

18. ELEVATIONS (OF. RKB, RT. OR, ETC.): 6339 GL 19. ELEV. CASINGHEAD 6341

20. TOTAL DEPTH, MD & TVD 2985 21. PLUG, BACK T.D., MD & TVD 2938

22. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM (MD AND TVD):
Fruitland Coal: 2759-2855

23. TYPE ELECTRIC AND OTHER LOG RUN: GR/SP/CAL-Density/Microlog

24. CASING RECORD (Report all strings set in well):

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	24	266	12-1/4	236 cu ft circ cmt	
5 1/2	17	2984	7-7/8	891 cu ft "	

25. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

26. PERFORATION RECORD (Interval, size and number):
.40" holes: 4 SPF: 2759-83, 2830-55.

27. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH, INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
<u>2759-2855</u>	<u>62,000 gals + 50,000# SD</u>

28. PRODUCTION

29. FIRST PRODUCTION: WOPL PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump): Flowing WELL STATUS (Producing or shut-in): SI

IN OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
<u>5-29-91</u>	<u>24</u>	<u>.50</u>	<u>→</u>	<u>0</u>	<u>164</u>	<u>0</u>	

W. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
<u>30 Psig</u>	<u>30 Psig</u>	<u>→</u>		<u>164</u>		

30. INFORMATION OF GAS (Sold, used for fuel, vented, etc.): To Be Sold

31. LIST OF ATTACHMENTS: Fruitland Coal Test Data

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED: TJ/Sgt TITLE: Operations Manager DATE: 7-11-91

RECEIVED

AUG 21 1991

OIL CON. DIV.
DIST. 3

ACCEPTED FOR RECORD

AUG 16 1991

FARMINGTON RESOURCE AREA

ANALYSIS OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all 1-ft. tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and overburden):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	GEOLOGIC MARKERS		
				NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Ojo Alamo	1860	
				Kirtland	2006	
				Fruitland	2640	
				Pictured Cliffs	2867	

MCKENZIE METHANE CORPORATION
HUGHES A #17
FRUITLAND COAL TEST DATA

Test Date: 5/29/91
STTP/SICP: 775/775 Psig (7 days)
Final FTP/FCP: 30/30 Psig (24 hours)
Flow Rate: 164 MCFD, 0 BWPD, 0 BOPD
Stabilized rate after 24 hours.
Measured through 2" prover with .50 orifice.
No separator was used since no fluid was
produced.



R. J. Sagie
Operations Manager

BUREAU OF LAND MANAGEMENT

SE-078049

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—" for such proposals.)

OIL CONSERVATION DIVISION
RECEIVED

RECEIVED
BLM

OIL WELL ☐ GAS WELL ☒ OTHER

NAME OF OPERATOR

McKenzie Methane Corporation

ADDRESS OF OPERATOR

1911 Main Ave., #255, Durango, Colorado 81301

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface

920' FNL, 1620' FEL

PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, OR, etc.)

PI 30-045-27936

6339' GR

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Hughes A

019 FARMINGTON, N.M.

#17

10. FIELD AND POOL, OR WILDCAT

Basin FT Coal

11. SEC., T., R., E., OR BLK. AND SURVEY OR AREA

Sec33-T29N-R8W

12. COUNTY OR PARISH 13. STATE

San Juan

NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Completion Report

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

X

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SEE ATTACHED

RECEIVED
AUG 21 1991
OIL CON. DIV.
DIST. 3

I hereby certify that the foregoing is true and correct

SIGNED *AD Style / CS*

TITLE Operations Manager

DATE 5/29/91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

AUG 16 1991

FARMINGTON RESOURCE AREA

BY *SEM*

*See Instructions on Reverse Side

NMOCD

The 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.

McKENZIE METHANE CORPORATION
DAILY COMPLETION REPORT
Durango Office

- 5-21-91 Hughes A #17 (NEW WELL COMPLETION)
 Sec33-T29N-R8W, San Juan Co., NM
 PBID: 2935' TD: 2985'
 AART: Run GR/CCL
 DAILY: MIRU Triple P Well Service. NDWH. NUBOP. Tally,
 PU & RIH w/ bit & tbq. PBID = 2935'. TOOH & SDON.
- 5-22-91 Hughes A #17
 Sec33-T29N-R8W, San Juan Co., NM
 PBID: 2938' TD: 2985'
 AART: Frac well.
 DAILY: Run GR/CCL from PBID to 2600'. PT csg to 4000#.
 TIH & spot 400 gals 7-1/2% DI HCl @ 2855'. TOOH. Perf
 coals w/ 4" csg gun 4 SPF from: 2759-83, 2830-55. TIH
 w/ "spit tool" & acidize perfs w/ 1000 gals 7-1/2% DI
 HCl. Total of 9 settings. Avg breakdown pressure 1835#.
 Avg ISIP = 330#. Grac gradient = .58 Psi/ft. Circ acid
 from hole & TOOH. SDON.
- 5-23-91 Hughes A #17
 Sec33-T29N-R8W, San Juan Co., NM
 PBID: 2938' TD: 2985'
 AART: TIH & C/O sand.
 DAILY: R/U Dowell & frac down csg w/ 62,000 gals 70 Q
 N2 foam & 50,000# 40/70 & 12/20 sand. Treated @ 40 BPM
 @ 2000#. Well screened out @ start of 3 PPG stage. Max
 pressure = 4200#. Shut well in for 1 hr & flow back to
 pit through 1/2" tapped bull plug.
- 5-24-91 Hughes A #17
 Sec33-T29N-R8W, San Juan Co., NM
 PBID: 2938' TD: 2985'
 AART: FWTCU
 DAILY: Kill well. TIH w/ 2-3/8" tbq. Tag sand below
 perfs @ 2900'. C/O to PBID w/ foam. PU & land tbq @
 2820'. NDBOP & NUWH. Kick well around w/ N2 & leave
 flowing to pit to clean up. RMOSU. FINAL REPORT.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1001-0115
Expires August 31, 1985

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..." for such proposals.)

OIL CONSERVATION

RECEIVED
SF DIVISION
INDIAN, ALLOTTEE OR TRIBE NAME

91 FEB 28 AM 9 59

GAS WELL ☒ OTHER Coalbed Methane

NAME OF OPERATOR

McKenzie Methane Corporation

ADDRESS OF OPERATOR

1911 Main Ave., #255, Durango, Colorado 81301

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)
At surface

920' FNL, 1620' FEL

14. WELL NO.

API 30-045-27936

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

6339' GR

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Hughes A

9. WELL NO.

#17

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND
SUBSURFACE OR AREA

Sec33-T29N-R8W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACURE TREAT

MULTIPLE COMPLETION

FRACURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANE

(Other)

(Other) Change in operator

(NOTE: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective 8/22/90, McKenzie Methane Corporation assumed operatorship of the subject well from Amoco Production Company, P.O. Box 800, Denver, Colorado 80201.

ILLEGIBLE

RECEIVED

FEB 13 1991

OIL CON. DIV.
DIST. 3

18. I hereby certify that the foregoing is true and correct

SIGNED

RJ Sagle /CS

TITLE Operations Manager

DATE 11/20/90

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

FEB 04 1991

*See Instructions on Reverse Side

NMOCD

FARMINGTON RESOURCE AREA

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

Coal Seam

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Amoco Production Company

ATTN: J. L. Hampton

3. ADDRESS OF OPERATOR

P. O. Box 800 Denver, Colorado 80201

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

At surface

920 ± 10' FNL, 1290' FEL, NE/NE

At proposed prod. zone

1620

same

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

15. DISTANCE FROM PROPOSED*

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

810'

16. NO. OF ACRES IN LEASE

1,920.0040

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320 acres E /2

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

3086 TD

20. ROTARY OR CABLE TOOLS

Rotary

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

6336' GR

22. APPROX. DATE WORK WILL START*

As soon as permitted

This action is subject to technical and

procedural review pursuant to 43 CFR 3165.3

and appeal pursuant to 43 CFR 3165.4

PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE

SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

	WEIGHT PER FOOT	SETTING DEPTH	"GENERAL REQUIREMENTS"
12 1/4"	8 5/8"	24#	250 cf (cement to surface)
7 7/8"	5 1/2"	17#	864 cf (cement to surface)
		250'	
		3086 (TD)	

Notice of Staking was submitted: 4/26/90

Lease Description:

T29N-R8W:

Sec. 27: A11

Sec. 28: E/2

Sec. 33: A11

Sec. 34: E/2

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JUL 2 1990

OIL CON. DIV
DIST. 3

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. J.L. Hampton

SIGNED

J.L. Hampton

TITLE Sr. Staff Admin. Supv.

DATE

4/27/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

JUN 28 1990

NMOCD

*See Instructions On Reverse Side

FOR

Ken Townsend
AREA MANAGER

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.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

RECEIVED
BLM MAIL ROOM

90 MAY 16 AM 8:42

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

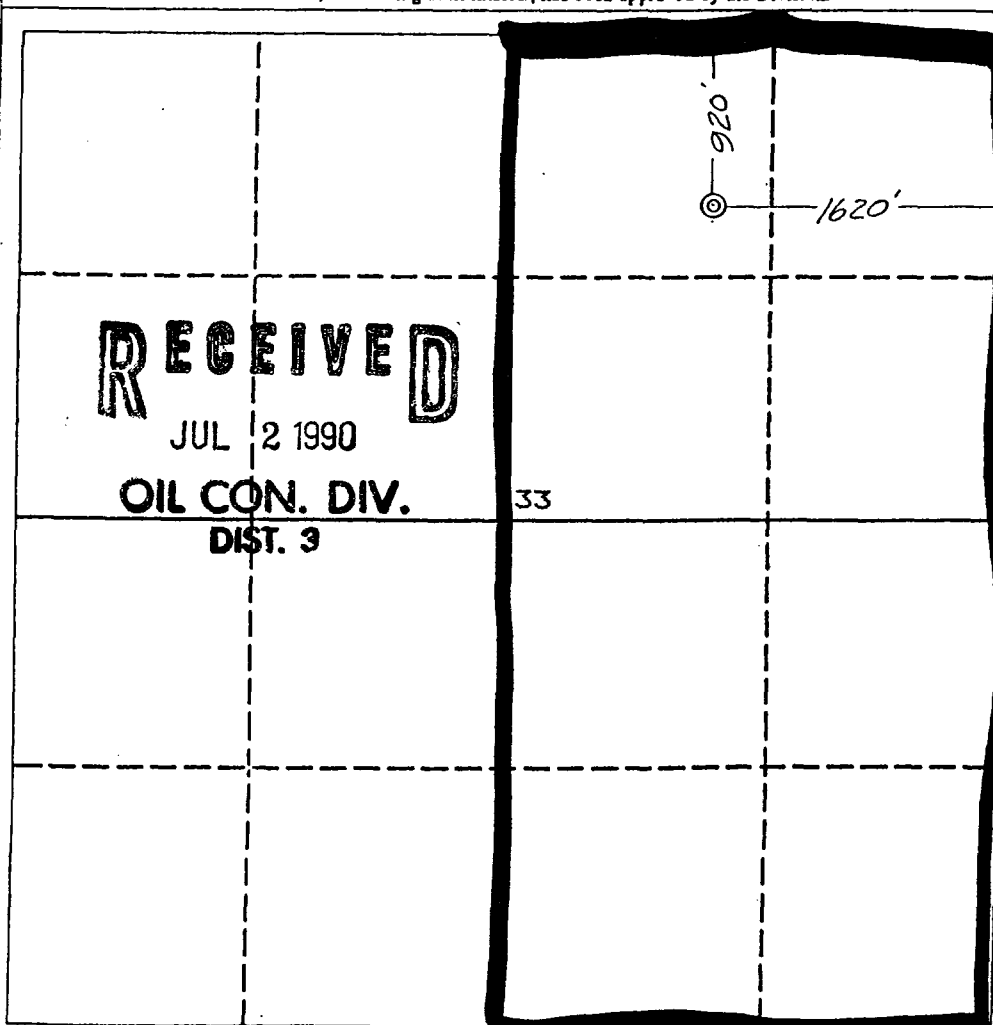
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

FARMING AND RESOURCE AREA
FARMINGTON, NEW MEXICO

Operator AMOCO PRODUCTION COMPANY			Lease HUGHES /A/		Well No. # 17
Unit Letter B	Section 33	Township 29 NORTH	Range 8 WEST	County SAN JUAN	
Actual Footage Location of Well: 920 feet from the NORTH line and 1620 feet from the EAST line					
Ground level Elev. 6339	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal Gas		Dedicated Acreage: E/2 320.00 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 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
TL Hampton
Printed Name
TL Hampton
Position
Sr Staff Admin Supr
Company
Amoco Prod
Date
5-15-90

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
May 7, 1990

Signature & Seal of
Professional Surveyor
GARY D. VANN
Registered Professional Land Surveyor
New Mexico
7016

District I
PO Box 1900, Hobbs, NM 88241-1900
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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

5 Copies

96 JAN 11 AM 8 52

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address KUKUI Operating Company 7880 San Felipe, Suite #207 Houston, TX. 77063		OGRID Number 149678
		Reason for Filing Code CH 10-1-95
API Number 30-045-28413	Pool Name Basin Fruitland Coal	Pool Code 71629
Property Code 18227	Property Name Hughes 33M	Well Number 3

II. Surface Location

UL or lot no. M	Section 33	Township 29N	Range 8W	Lot Ida --	Feet from the 1070	North/South Line S	Feet from the 1050	East/West Line W	County San Juan
--------------------	---------------	-----------------	-------------	---------------	-----------------------	-----------------------	-----------------------	---------------------	--------------------

Bottom Hole Location

UL or lot no. M	Section 33	Township 29N	Range 8W	Lot Ida --	Feet from the 1070	North/South Line S	Feet from the 1050	East/West Line W	County San Juan
Lee Code F	Producing Method Code F	Gas Connection Date --	C-129 Permit Number N/A	C-129 Effective Date N/A	C-129 Expiration Date N/A				

III. Oil and Gas Transporters

Transporter OGRID 007057	Transporter Name and Address El Paso Natural Gas P.O. Box 4990 Farmington, N.M. 87499	POD 1299730	O/G G	POD ULSTR Location and Description M, Sec. 33, T29N-R8W

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DEC - 8 1995

IV. Produced Water

POD 1299750	POD ULSTR Location and Description M, Sec. 33, T29N-R8W
----------------	--

OIL CON. DIV.
DIST. 3

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Cog. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Steve Sandlin</i> Printed name: <i>STEVE SANDLIN</i> Title: <i>MANAGER - LAND</i> Date: <i>11-25-95</i> Phone: <i>713/784-1510</i>		OIL CONSERVATION DIVISION Approved by: <i>37.8</i> Title: <i>SUPERVISOR DISTRICT #3</i> Approval Date: <i>DEC - 8 1995</i>	
If this is a change of operator fill in the OGRID number and name of the previous operator 36436 Quintana Petroleum Services, Inc.			
Previous Operator Signature <i>J. M. Trotter</i>		Printed Name J. M. Trotter	Title President
		Date 12/1/95	

Submit 5 Copies
Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-104
Revised 1-1-89
See Instructions
Bottom of Page

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93 OCT 29 AM 9 04

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Quintana Petroleum Services, Inc.		Well API No. 30-045-28413
Address P. O. Box 3331, Houston, Tx. 77253		
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)		
New Well <input type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/>	Dry Gas <input type="checkbox"/>
Change in Operator <input checked="" type="checkbox"/>	Casinghead Gas <input type="checkbox"/>	Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator McKenzie Methane Corp., 1911 Main #255, Durango, Colo. 81301		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Hughes 33 M	Well No. 3	Pool Name, Including Formation Basin FT Coal	Kind of Lease State (Federal) or Fee	Lease No. SF-078049
Location Unit Letter M : 1070 Feet From The S Line and 1050 Feet From The W Line Section 33 Township 29N Range 8W, NMPM, San Juan County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)					
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)					
El Paso Natural Gas	P. O. Box 4990, Farmington, NM. 87401					
If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When?
					No	
If this production is commingled with that from any other lease or pool, give commingling order number:						

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
		X						
Date Spudded 11-15-90	Date Compl. Ready to Prod. 5-29-91		Total Depth 2910		P.B.T.D. 2840			
Elevations (DF, RKB, RT, GR, etc.) 6322 GR	Name of Producing Formation Fruitland Coal		Top Oil/Gas Pay 2614		Tubing Depth 2761			
Performances 2614-18, 2646-51, 2706-30, 2778-96					Depth Casing Shoe 2910			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE 12-1/4	CASING & TUBING SIZE 8-5/8, 24#		DEPTH SET 235		SACKS CEMENT 200 SX			
7-7/8	4-1/2, 11.6#		2910		450 SX +150 SX			
N/A	2-3/8, 4.7#		2761		None			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (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 Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)
Length of Test	Tubing Pressure	Casing Pressure
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.

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OCT 14 1993

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pucc, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

OIL CON. DIV.]

VI. OPERATOR 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 above is true and complete to the best of my knowledge and belief.

Signature Steve Sandlin Land Manager
Printed Name Steve Sandlin Title
Date 10/8/93 Telephone No. (713) 651-8889

OIL CONSERVATION DIVISION

Date Approved OCT 14 1993

By Supervisor

Title SUPERVISOR DISTRICT #3

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-135
Adopted 4-1-91

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

SEE FILING INSTRUCTIONS
BOTTOM OF PAGE

GAS WELL CONNECTION, RECONNECTION, OR DISCONNECTION NOTICE

This is to notify the Oil Conservation Division of the following:

Connection X First Delivery 09/19/91
Date Initial Potential

Reconnection _____ First Delivery _____
Date Initial Potential

Disconnection _____
Date

for delivery of gas from the MCKENZIE METHANE Corp.
Operator

Hughes 33 M

Lease

97-028-01 05-479-01 #3 M 33-29-08
Meter Code Site Code Well No. Unit Letter S-T-R

Basin - Fruitland Coal
Pool

was made on 09/19/91
Date

260 260
AOF Choke

OCD use only

County Dg.

Land Type F

Liq. Transporter /

FILING INSTRUCTIONS:

Each transporter of gas from a prorated gas well shall submit this form in duplicate to the appropriate district office of the Division within 30 days following the connection, reconnection, or disconnection of a well from their gathering/transportation system, in accordance with Rule 1104, Rule 1135, and R-8170 as amended.

RECEIVED
SEP 27 1991
OIL CON. DIV
DIST.

EL PASO NATURAL GAS COMPANY

Transporter

ED Marcum
Signature of Transporter Representative

ED MARCUM, MEASUREMENT SPECIALIST

Printed Name and Title

BOX 4990, FARMINGTON NM 87499, (505)599-2128

Address and Telephone Number

Submit 5 Copies
to appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Arreda, NM 88210
DISTRICT III
P.O. Box Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89
See Instructions
at Bottom of Page

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

OIL CONSERVATION DIVISION
RECEIVED
AUG 13 AM 9 13

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator McKenzie Methane Corporation	Well API No. 30-045-28413
Address 1911 Main Ave., Suite 255, Durango, Colorado 81301	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
Change of operator give name and address of previous operator	

I. DESCRIPTION OF WELL AND LEASE

Lease Name Hughes 33 M	Well No. 3	Pool Name, including Formation Basin FT Coal	Kind of Lease State, Federal or Fed	Lease No. SF-078049
Location Unit Letter M : 1070 Feet From The S Line and 1050 Feet From The W Line Section 33 Township 29N Range 8W, NMPM, San Juan County				

II. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
El Paso Natural Gas	P.O. Box 4990, Farmington, NM 87401
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rgd. Is gas actually connected? When?
	No
If this production is commingled with that from any other lease or pool, give commingling order number:	

V. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Rec'v	Diff Rec'v
		X	X					
Date Spudded 11-15-90	Date Compl. Ready to Prod. 5-29-91	Total Depth 2910	P.D.T.D. 2840					
Elevations (DF, RKB, RT, GR, etc.) 6322 GR	Name of Producing Formation Fruitland Coal	Top Oil/Gas Pay 2614	Tubing Depth 2761					
Perforations 2614-18, 2646-51, 2706-30, 2778-96			Depth Casing Shoe 2910					

TUBING, CASING AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
12-1/4	8-5/8, 24#	235	200 sx
7-7/8	4-1/2, 11.6#	2910	450 sx +150 sx
N/A	2-3/8, 4.7#	2761	None

VI. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (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 Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)
Length of Test	Tubing Pressure	Casing Pressure
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.

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JUL 15 1991
OIL CON. DIV.
DIST 2

GAS WELL

Actual Prod. Test - MMCFD 283	Length of Test 24 hours	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.) 2" prover	Tubing Pressure (Shut-in) 260 Psig	Casing Pressure (Shut-in) 260 Psig	Choke Size .50

VI. OPERATOR 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 above is true and complete to the best of my knowledge and belief.

Signature R. J. Sagle Operations Manager
Printed Name R. J. Sagle Title 303/385-4654
Date 7-10-91 Telephone No. 303/385-4654

OIL CONSERVATION DIVISION
8-8-91
Date Approved AUG 08 1991
By J. S.
Title SUPERVISOR DISTRICT # 3

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104
1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
2) All sections of this form must be filled out for allowable on new and recompleted wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Budget Bureau No. 1001-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other ☐

TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ FILL BACK ☐ DIFF. REMOV. ☐ Other ☐

NAME OF OPERATOR

McKenzie Methane Corporation

ADDRESS OF OPERATOR

1911 Main Ave., Suite 255, Durango, Colorado 81301

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

At surface 1070' FSL, 1050' FWL

At top prod. interval reported below Same

At total depth Same

14. PERMIT NO.

DATE ISSUED

30-045-28413

11-8-90

DATE REFINED

18. DATE T.D. REACHED

19. DATE CONFL. (Ready to prod.)

5-29-91

12. ELEVATIONS (DP, RKB, RT, OR, ETC.)*

6322 GR

13. ELEV. CASINGHEAD

6324

TOTAL DEPTH, MD A TVD

2910

21. PLUG, BACK T.D., MD A TVD

2840

22. INTERVALS

23. INTERVALS

ROTARY TOOL

CABLE TOOLS

All

PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, (MD AND TVD)*

25. WAS DIRECTIONAL SURVEY MADE

No

Fruitland Coal: 2614-2796

TYPE ELECTRIC AND OTHER LOGS RUN

GR/SP/CAL-Density/Microlog

OIL CON. DIV.

DIST. 3

27. WAS WELL CORDED

No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	24	235	12-1/4	236 cu ft	
4 1/2	11.6	2910	7-7/8	1009 cu ft	

LINER RECORD

30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8	2761	

PERFORATION RECORD (Interval, size and number)

.40" holes: 4 SPF: 2614-18, 2646-51,
2706-30, 2778-96.

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

DEPTH, INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2614-2796	80,000 gals + 123,000# SD

PRODUCTION

FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)					WELL STATUS (Producing or shut-in)	
WOPL		Flowing					SI	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BDL.	GAS—MCF.	WATER—BDL.	GAS-OIL RATIO	
-30-91	24	.50	→	0	283	0		
TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BDL.	GAS—MCF.	WATER—BDL.	FT-API (CORR.)		
50 Psig	50 Psig	→		283	0	22 RECORD		

DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

To Be Sold

LIST OF ATTACHMENTS

Fruitland Coal Test Data

I hereby certify that the foregoing and attached information is complete and correct as determined from all available data.

SIGNED: TR/58 TITLE: Operations Manager

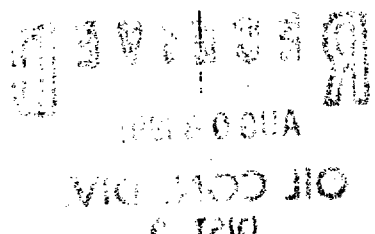
NMOCD

Steve 1991

ACCEPTED FOR RECORD
AUG 01 1991
FARMINGTON RESOURCE AREA
DATE 7-10-91

*(See Instructions and Spaces for Additional Data on Reverse Side)

SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION		TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
						MEAS. DEPTH	TRUE VERT. DEPTH
				<div style="text-align: center;">  </div>	Ojo Alamo	1820	
					Kirtland Shale	1955	
					Fruitland	2555	
					Pictured Cliffs	2805	

MCKENZIE METHANE CORPORATION
HUGHES 33 M #3
FRUITLAND COAL TEST DATA

Test Date: 5/30/91

STTP/SICP: 260/260 Psig (7 days)

Final FTP/FCP: 50/50 Psig (24 hours)

Flow Rate: 283 MCFD, 0 BWPD, 0 BOPD
Stabilized rate after 24 hours.
Measured through 2" prover with .50" orifice.
No separator was used since no fluid was
produced.



R. J. Sagle
Operations Manager

BUREAU OF LAND MANAGEMENT

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" for such proposals.)

OIL WELL ☐ GAS WELL ☒ OTHER ☐

NAME OF OPERATOR

McKenzie Methane Corporation

ADDRESS OF OPERATOR

1911 Main #255, Durango, Colorado 81301

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)

At surface

1070' FSL, 1050' FWL

PERMIT NO.

10-045-28413

15. ELEVATIONS (Show whether DF, RT, OR, etc.)

6322 GR

SF-078049

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Hughes 33 M

9. WELL NO.

#3

10. FIELD AND POOL, OR WILDCAT

Basin FT Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec33-T29N-R8W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other) Completion Report

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SEE ATTACHED

(OVER)

RECEIVED
JUN 21 1991
OIL CON. DIV. 1
DIST. 3

I hereby certify that the foregoing is true and correct

SIGNED

R. J. Doyle / CD

TITLE Operations Manager

DATE 5/30/91

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

DATE

JUN 20 1991

FARMINGTON RESOURCE AREA

BY *E. J. B.*

*See Instructions on Reverse Side

NMOCD

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.

MCKENZIE METHANE CORPORATION
DAILY COMPLETION REPORT
Durango Office

RECEIVED
BLM

91 MAY 91 AM 10:33
019 FARMINGTON, N.M.

- 5-24-91 Hughes 33 M #3 (NEW WELL COMPLETION)
Sec33-T29N-R8W, San Juan Co., NM
PBID: N/A TD: 2910'
AART: SD for holiday weekend.
DAILY: MIRU Triple P Well Service. NDWH & NU 5000#
BOP. Tally, PU & RIH w/ 3-7/8" bit & tbg. Tag PBID &
TOOH. SDON.
- 5-28-91 Hughes 33 M #3
Sec33-T29N-R8W, San Juan Co., NM
PBID: 2840' TD: 2910'
AART: TIH & C/O
DAILY: Run GR/CCL/CBL from PBID to 2200'. PT csg to
4000#. TIH & spot 300 gals 7-1/2% DI HCl @ 2796'. TOOH.
Perf coals w/ 3-1/8" csg gun, 4 SPF as follows: 2614-18
2646-51, 2706-30, 2778-96. Frac well down csg w/ 80,000
gals 70 Q N2 foam & 123,000# 40/70 & 12/20 sand.
Treated @ 50 BPM @ 2200#. Max pressure = 2450#. Flush
to top perf & SD. ISIP = 1590#. Shut well in for 1 hr.
& flow back to pit through 1/2" tapped bullplug. SDON.
- 5-29-91 Hughes 33 M #3
Sec33-T29N-R8W, San Juan Co., NM
PBID: 2840' TD: 2910'
AART: FWTCU
DAILY: Kill well. TIH w/ 2-3/8" tbg open-ended. Tag
sand @ 2741'. C/O to PBID w/ N2 foam. PU & land tbg @
2764'. NDWH & NUWH. Kick well around w/ N2 & leave
open to pit to clean-up. RMOSU. FINAL REPORT.

Form approved.
Budget Bureau No. 1004-0115
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(Other instructions on reverse side)

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 for such proposals.

91 JAN 75 PM 9 21

☒ GAS WELL ☒ OTHER Coalbed Methane

JAN 29 PM 12: 37

NAME OF OPERATOR

McKenzie Methane Corporation

ADDRESS OF OPERATOR

1911 Main #255, Durango, Colorado 81301

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)

At surface

1070' FSL, 1050' FWL

5. LEASE DESIGNATION AND SERIAL NO.

SF-078049

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Hughes 33 M

9. WELL NO.

#3

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland

11. SEC., T., R., W., OR BLK. AND SURVEY OR AREA

Sec33-T29N-R8W

12. COUNTY OR PARISH 13. STATE

San Juan

NM

14. PHONE NO.

30-045-28413

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

6322 GR

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other) Drilling Rept.

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

ILLEGIBLE

RECEIVED

JAN 4 1991

OIL CON. DIV.
DIST. 3

SEE ATTACHED

18. I hereby certify that the foregoing is true and correct

SIGNED

H. J. Sagle

TITLE Operations Manager

DATE 11-28-90

(This space for Federal or State office use)

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

DATE

JAN 09 1991

NMOCD

FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side

BY

[Signature]

MCKENZIE METHANE CORPORATION
DAILY DRILLING REPORT
Durango Office

11-16-90 Hughes 33 M #3
SW 4/Sec33-T29N-R8W, San Juan Co., NM
AART: Waiting on drilling rig.
DAILY: MIRU spud unit. Spud 12-1/4" hole 10:00 A.M.
11-15-90. Drill to 12'. TOOH. RDSU.

11-18-90 Hughes 33 M #3
SW 4/Sec33-T29N-R8W, San Juan Co., NM
AART: Running 8-5/8" csg DEPTH: 247'
DAILY: MIRU 4 States Drilling. Drill to 247'. Run
5 jts (223') 8-5/8", 24#, K55 STC csg set @ 235'.
MUD: spud Surveys: 247' - 3/4.

11-19-90 Hughes 33M #3
SW 4/Sec33-T29N-R8W, San Juan Co., NM
AART: TFB #3 DEPTH: 1097'
DAILY: Cmt 8-5/8" csg w/ 200 sx (236 cu ft)
Class B, 2% CaCl, 1/4#/sx cellophane. Circ 10 bbl cmt
(56 cu ft) to surf. PD @ 7:30 A.M. 11-18-90. WOC.
NUBOP. Drill out @ 9:00 P.M. w/2-7/8" bit.
MUD: Benex & water. Surveys: 731' - 1/2.

11-20-90 Hughes 33M #3
SW 4/Sec33-T29N-R8W, San Juan Co., NM
AART: Stuck DEPTH: 1895'
DAILY: TIH. Drill to 1895'. Stuck @ 12:45 A.M.
MUD: N/A Surveys: N/A

11-21-90 Hughes 33M #3
SW 4/Sec33-T29N-R8W, San Juan Co., NM
AART: Drlg DEPTH: 2440'
DAILY: Work pipe free @ 12:45 P.M. Drill to 2440'.
MW: 9.0 Vis: 33 Surveys: 2040' - 1.

-cont.-

MCKENZIE METHANE CORPORATION
DAILY DRILLING REPORT
Durango Office

11-22-90 Hughes 33M #3
SW 4/Sec33-T29N-R8W, San Juan Co., NM
AART: Attempting to log. DEPTH: 2910'
DAILY: Drill to 2910' @ 7:30 P.M. 11-21. Attempt
to log. Bridge @ 960'. RIH to +/- 1100 & attempt
to log. Bridge /fill @ 2830'. RIH to 2910'.
MW: 9.0 Vis: 40 Surveys: 2550' - 2-1/4,
2910' - 1-1/2.

11-23-90 Hughes 33M #3
SW 4/Sec33-T29N-R8W, San Juan Co., NM
AART: Rig released @ 11:00 P.M. 11-22-90.
DEPTH: 2910'
DAILY: Complete trip & circ 1-1/2 hrs. Log w/
Atlas. TTH & Circ, LDDP/ . R&C 68 jts.(2898'),
4-1/2", 11.6#, K55 LTC csg set @ 2910' w/ top
FC @ 2865'. Cmt w/ 450 sx (828 cu ft), 65/35 POZ,
+ 1/4#/sx cellophane, followed by 150 sx (181 cu ft)
50/50 POZ + 1/4#/sx cellophane. PD @ 10:30 P.M. 11-22.
Circ 20 bbl cmt to surf.NDBOP. Set slips, & cut off
csg. Rig released @ 11:00 P.M. 11-21-90.
MW: N/A Surveys: N/A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-28413

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK

DRILL ☒ DEEPEN ☐ PLUG BACK ☐

1B. TYPE OF WELL

OIL WELL ☐ GAS WELL ☒ OTHER Coalbed Meth. SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

McKenzie Methane Corporation

3. ADDRESS OF OPERATOR

1911 Main Ave., #255, Durango, Colorado 81301

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

At surface

1070' FSL, 1050' FWL

At proposed prod. zone

Same

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

10 Miles SE of Blanco, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1050'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 250'

16. NO. OF ACRES IN LEASE

1920

19. PROPOSED DEPTH

2910

17. NO. OF ACRES ASSIGNED TO THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary

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

This action is subject to technical and procedural review pursuant to 43 CFR 3105.2

6322 GR

and appeal pursuant to 43 CFR 3105.4.

PROPOSED CASING AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL START*

10-31-90

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

200 sx (236 cu ft)

525 sx (872 cu ft)

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4	8-5/8	24	250
7-7/8	4-1/2	10.5	2910

NOTE: WELL NAME CHANGED FROM 33 N #3.

Approved for
Release
of this information
to the public

RECEIVED

NOV 13 1990

OIL CON. DIV.
DIST. 8

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

RJ Sagbe / CS

TITLE

Operations Manager

DATE

10-16-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*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.

APPROVED
AS AMENDED

NOV 08 1990
AREA MANAGER

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

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

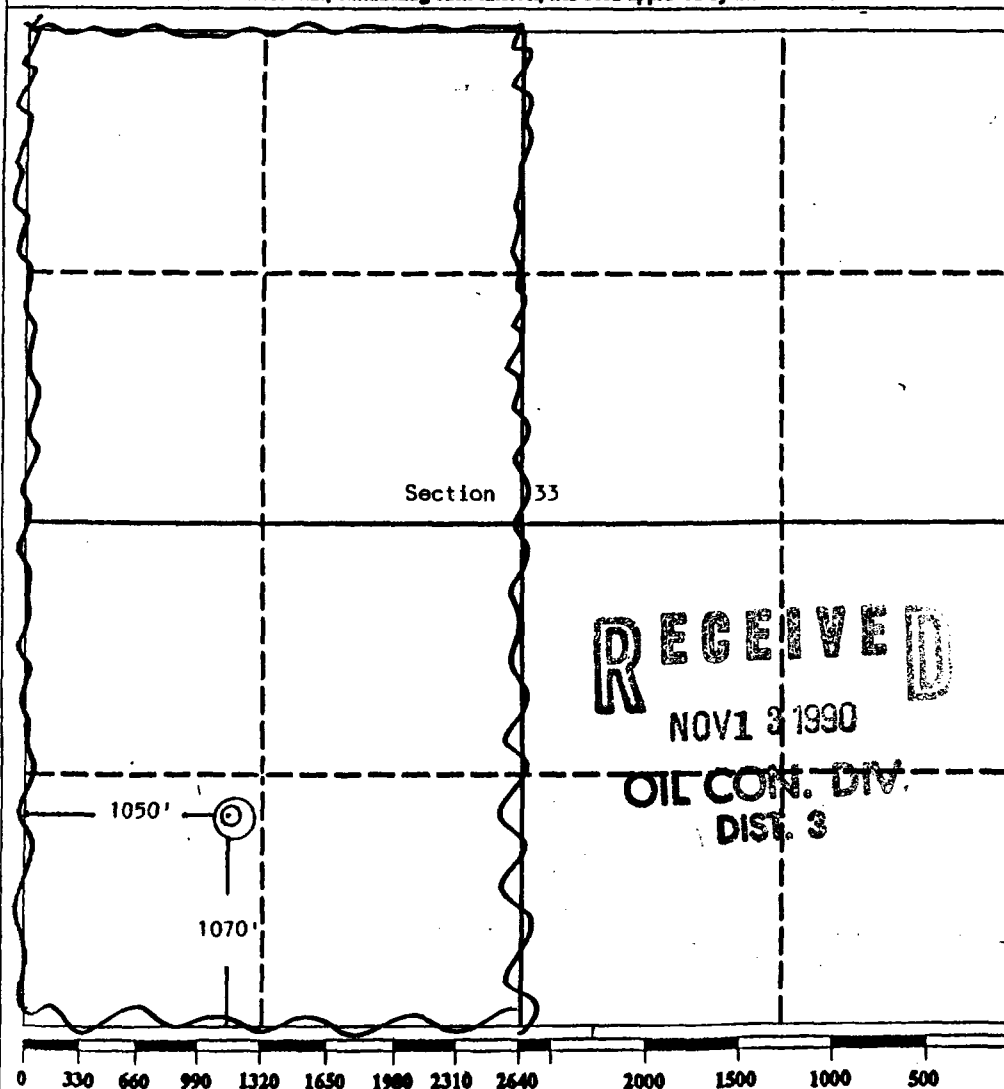
Operator McKenzie Methane Corporation			Lease Hughes 33 M		Well No. 3
Unit Letter M	Section 33	Township 29 North	Range 8 West	County San Juan	

Actual Footage Location of Well:

1070 feet from the South line and 1050 feet from the West line

Ground level Elev. 6322	Producing Formation FRUITLAND COAL	Pool Basin Fruitland	Dedicated Acreage: w/2 320 Acres
----------------------------	---------------------------------------	-------------------------	-------------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 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
R.J. Sayle
Printed Name
R.J. Sayle
Position
OP. M&R
Company
McKenzie Methane
Date
10-15-90

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
October 1, 1990

Signature & Seal of Professional Surveyor
Edgar L. Risenhoover
Edgar L. Risenhoover
Certificate No. 5990
REGISTERED LAND SURVEYOR
NEW MEXICO