

DATE 8/13/02	SUPERVISOR 9/2/02	ENGINEER MS	LOGGED IN KW	TYPE NSL	APP NO. 223140588
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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]

**RECEIVED**

AUG 13 2002

Oil Conservation Division

- [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  
 Print or Type Name

William F. Carr  
 Signature

MANAGER  
 Title

AUGUST 13, 2002  
 Date

wcarr@hollandhart.com  
 e-mail Address

*Summary 9-15 (2:45 PM)  
 talked w/ Bill  
 Carr about  
 150KVE  
 well and  
 shutting it  
 in when  
 CBR  
 complete  
 its  
 work.  
 MS.*

**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 13, 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 Surface 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 29-29-8 Well No. 101 as an intentionally deviated horizontal wellbore on a standard coalbed methane gas spacing unit comprised of the W/2 of Section 29, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico. This spacing unit will be the Project Area for this horizontal well.

Rule 7 provides that wells in the Basin-Fruitland Coal Gas 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 29-29-8 Well No. 101 is 825 feet from the North line and 772 feet from the West line of Section 29. Although this well location is a standard setback from the outer boundary of the Project Area for the well, due to topographic conditions, the well is not located in the quarter section authorized by Rule 7 and is therefore off pattern and unorthodox. The horizontal drilling techniques to be employed by CDX require the drilling of a service well at a location 400 feet north northwest of the BW Federal 29-29-8 Well No. 101. This well, the CDX BW Federal 29-29-8 Service Well No. 201, will not be used for the production of hydrocarbons and will be drilled at a location 438 feet from the North line and 645 feet from the West line of said Section 29.

HOLLAND & HART<sup>LLP</sup>  
ATTORNEYS AT LAW

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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 southeasterly direction to a terminus in the SW/4 of Section 29. Additional laterals will be drilled from the initial lateral wellbore. Depending on data on the formation gained from the initial wellbore, the additional laterals will be drilled either as shown on the attached Deviated Drilling Plan "A" or Deviated Drilling Plan "A-1." All laterals will all times be within a Producing Area for the well 660 feet from the outer boundary of the Project Area.

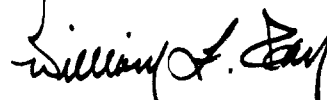
Attached to this application are the following documents:

- Exhibit A.** A plat showing the proposed spacing unit, and all offsetting operators;
- Exhibit B.** A topographic map which shows the surface conditions in the SW/4 of Section 29 which prohibit the drilling of this well from a standard surface location;
- Exhibit C.** Oil Conservation Division Form C-102 which shows the surface locations for the BW Federal 29-29-8 Well No. 101 and the BW Federal 29-29-8 Service Well No. 201-X;
- Exhibit D.** Deviated Drilling Plans "A" and "A-1" which show and the trajectories for the two alternative proposals for horizontal laterals for the well;
- Exhibit E.** A schematic drawing of the BW Federal 29-29-8 Well No. 101 and the BW Federal 29-29-8 Service Well No. 201 which fully describes the casing, openhole interval, kick-off point, for the initial directional drainhole; and
- Exhibit F.** 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 a 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

HOLLAND & HART<sup>LLP</sup>  
ATTORNEYS AT LAW

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Page 3

cc: Oil Conservation Division-Aztec



North

Scale = 2,400'

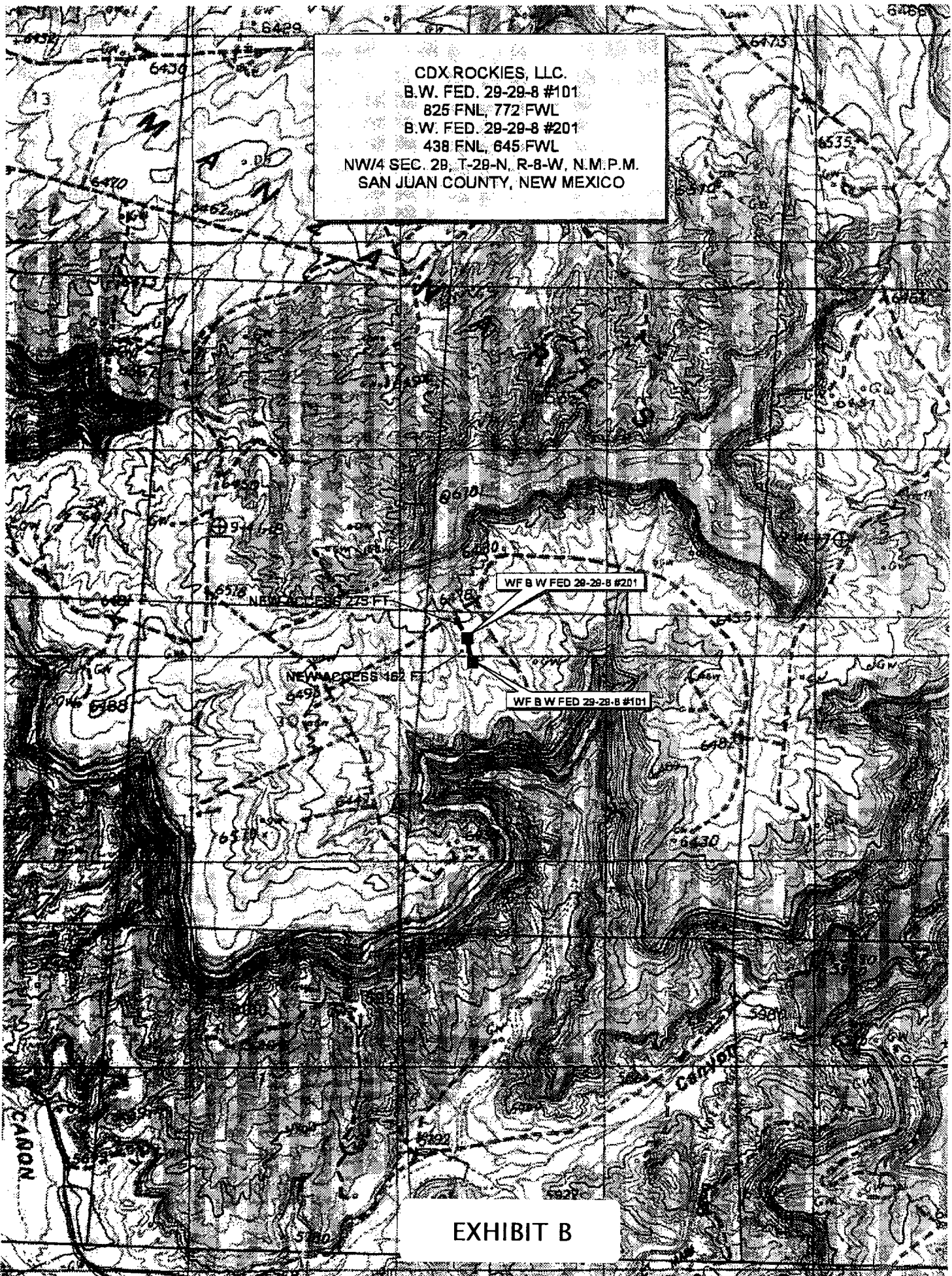
Fruitland Coal Seams:  
Well Operators

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

Kukui 19 Kukui HUGHES B #15 HUGHES 19N #2	Conoco 20 Conoco HUGHES B #16 HUGHES B #17	Conoco 21 Conoco HUGHES B #18 HUGHES B #20	HUGHES B #18R HUGHES B #18
Kukui 30Burlington	29 Conoco HUGHES B #19	Burlington28 Conoco HARDIE B #212	HUGHES A #16
West Largo Corp. FEDERAL COM 31 #1	31 Kukui FC STATE COM. #8 FC STATE COM. #2	Conoco 32 Conoco FC STATE COM. #6	HUGHES A #17 Kukui 33 Kukui HUGHES 33M #3



DISTRICT I  
1925 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

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
<sup>4</sup> Property Code	<sup>5</sup> Property Name B.W. FED. 29-29-8	<sup>6</sup> Well Number 101
<sup>7</sup> OGRD No.	<sup>8</sup> Operator Name CDX ROCKIES, LLC.	<sup>9</sup> Elevation 6466

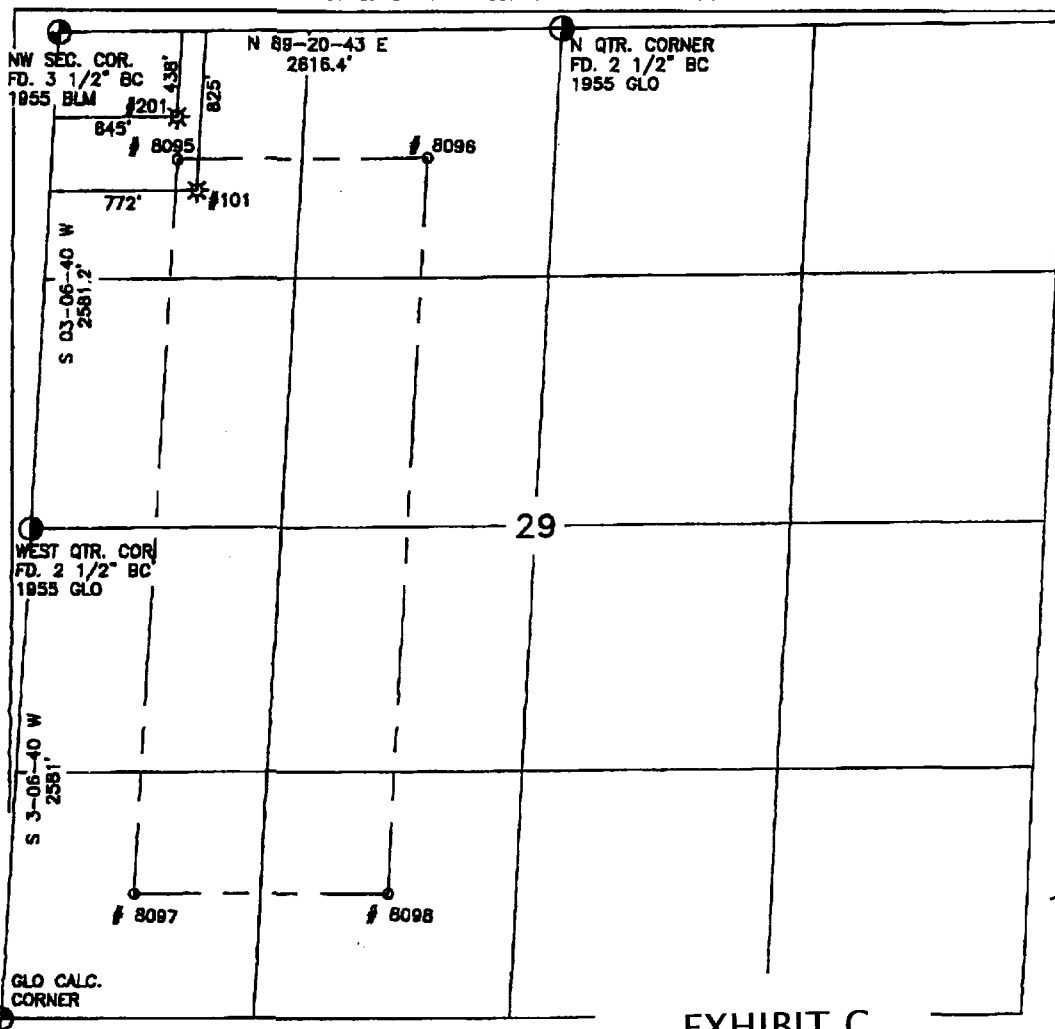
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	29	29-N	8-W		825	NORTH	772	WEST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres			<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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



## 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

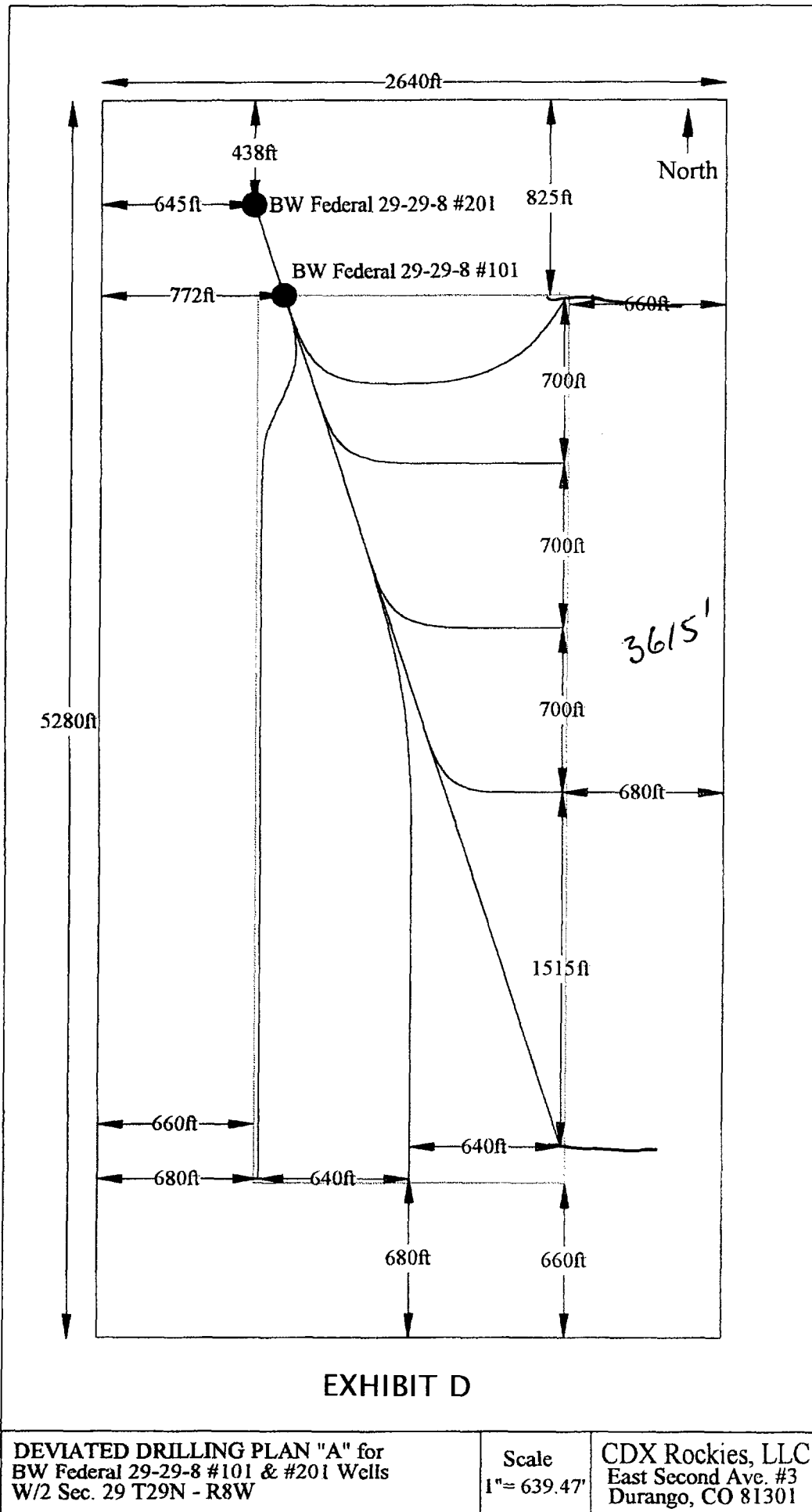
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

EXHIBIT C





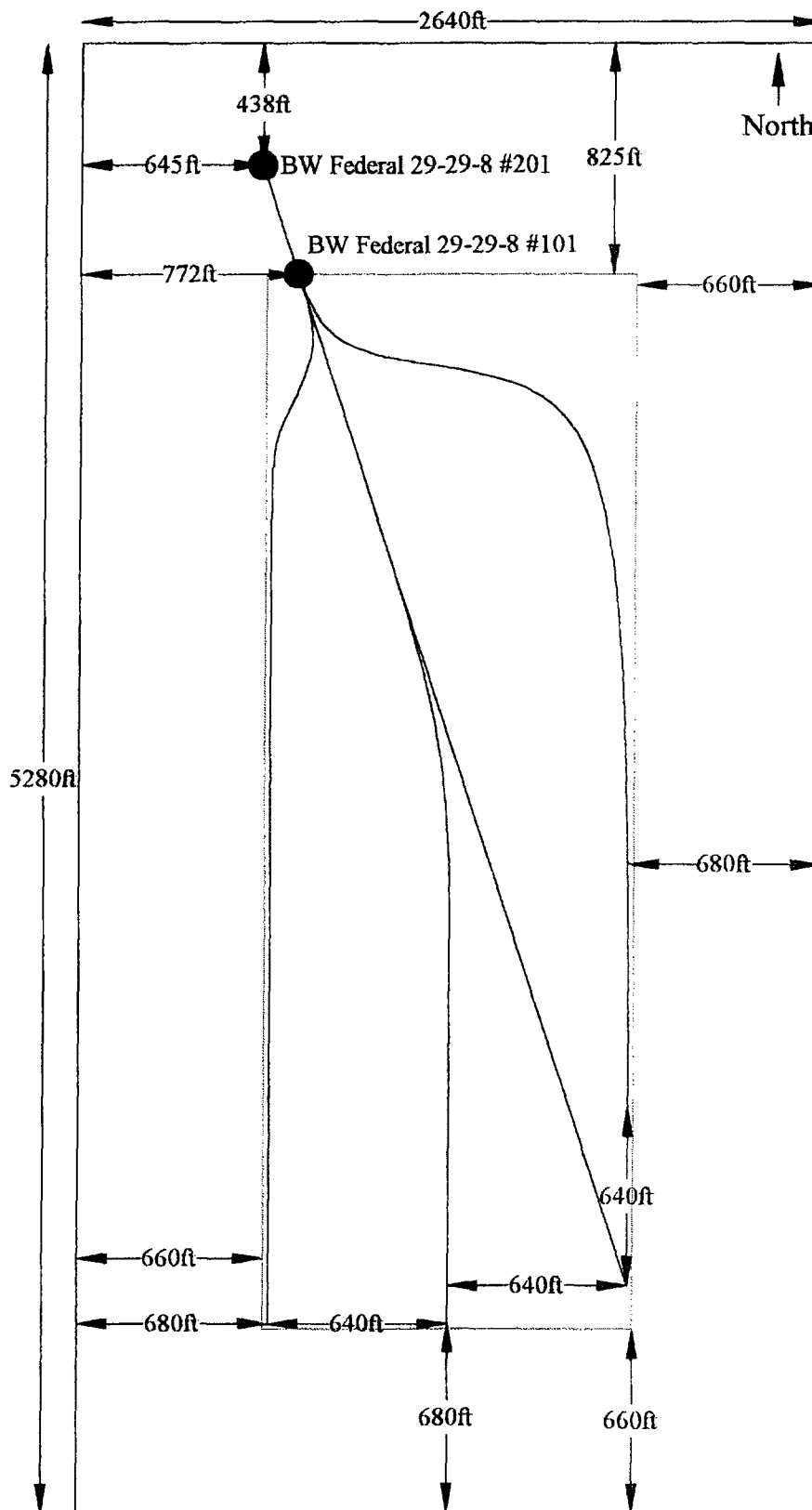


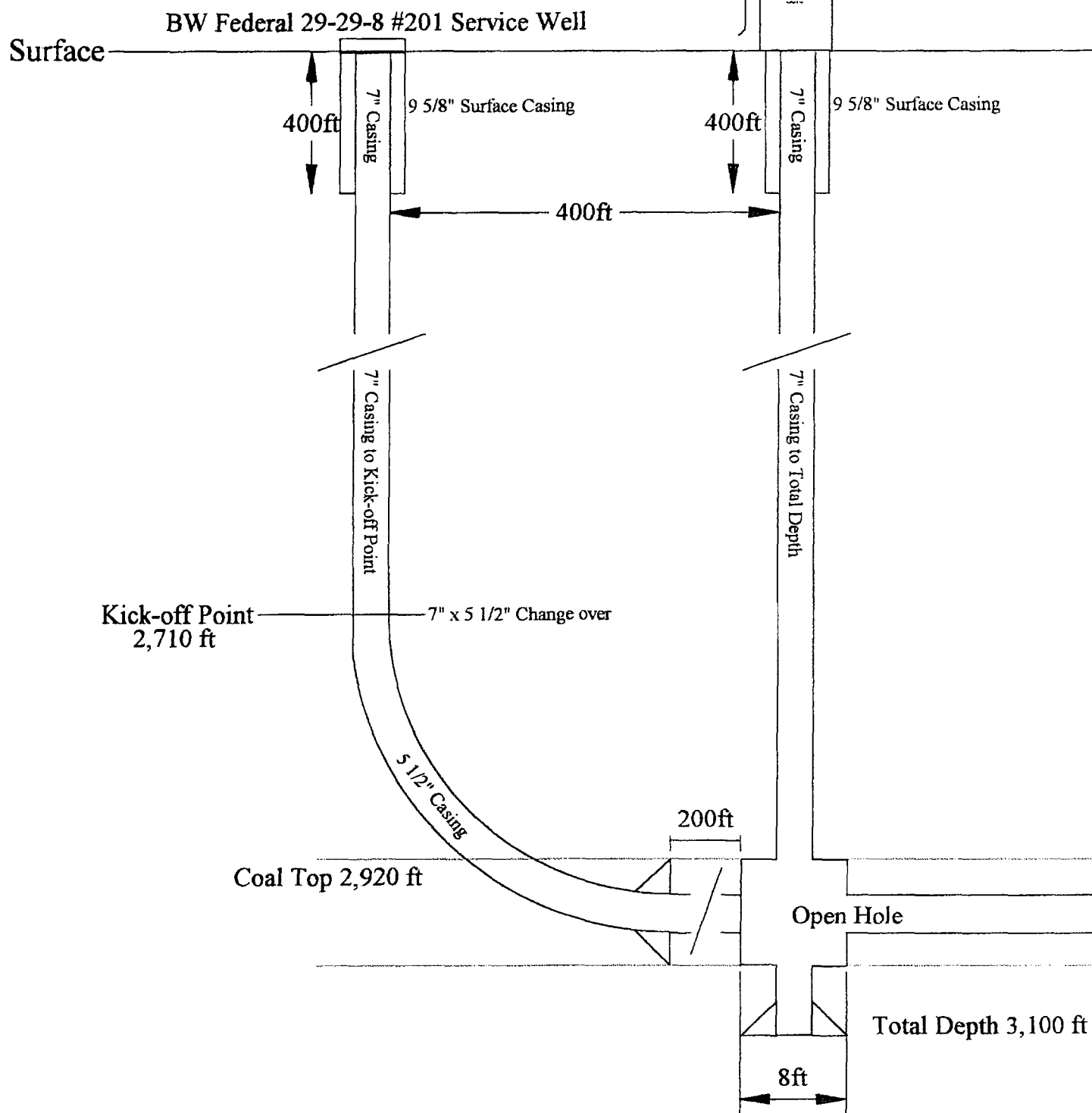
EXHIBIT D

DEVIATED DRILLING PLAN "A-1" for  
BW Federal 29-29-8 #101 & #201 Wells  
W/2 Sec. 29 T29N - R8W

Scale  
1" = 639.47'

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

## BW Federal 29-29-8 #101 Well



DEVIATED DRILLING PLAN "B" for  
BW Federal 29-29-8 #101 & #201 Wells  
W/2 Sec. 29 T29N - R8W, N.M.P.M.

NOT  
TO  
SCALE

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

HOLLAND & HART <sup>LLP</sup>  
ATTORNEYS AT LAW

**EXHIBIT F**

**NOTIFICATION LIST**

Application of CDX Rockies, LLC  
Horizontal Drilling and Unorthodox Well Location  
W/2 Section 29, 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

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

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

09/15/02 14:29:51  
OGOMES -TPFZ  
PAGE NO: 1

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

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

09/15/02 14:29:54  
OGOMES -TPFZ  
PAGE NO: 2

Sec : 29 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			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

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

F/2 380-00 00000000

CMD : ONGARD 09/15/02 14:31:00  
 OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPFZ

API Well No : 30 45 27887 Eff Date : 07-01-1991 WC Status : A  
 Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)  
 OGRID Idn : 5073 CONOCO INC  
 Prop Idn : 3198 HUGHES B

Well No : 019  
 GL Elevation: 6455

U/L Sec Township Range North/South East/West Prop/Act (P/A)  
 -----  
 B.H. Locn : H 29 29N 08W FTG 1950 F N FTG 790 F E P  
 Lot Identifier:  
 Dedicated Acre: 320.00  
 Lease Type : F  
 Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

E6317: No more recs. for this api well no.  
 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

09/15/02 14:31:07  
 OGOMES -TPFZ  
 Page No : 1

API Well No : 30 45 27887 Eff Date : 04-30-1991  
 Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)  
 Prop Idn : 3198 HUGHES B Well No : 019  
 Spacing Unit : 5695 OCD Order : Simultaneous Dedication:  
 Sect/Twp/Rng : 29 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	29	29N	08W		40.00	N	FD		
B	29	29N	08W		40.00	N	FD		
G	29	29N	08W		40.00	N	FD		
H	29	29N	08W		40.00	N	FD		
I	29	29N	08W		40.00	N	FD		
J	29	29N	08W		40.00	N	FD		
O	29	29N	08W		40.00	N	FD		
P	29	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

ONGARD  
INQUIRE PRODUCTION BY POOL/WELL

09/15/02 14:31:19  
OGOMES -TPFZ  
Page No: 1

OGRID Identifier : 5073 CONOCO INC  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 27887 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days		Production Volumes			Well Stat
		MM/YY	Prod	Gas	Oil	Water	
30 45 27887	HUGHES B	01 00	31	2155			F
30 45 27887	HUGHES B	02 00	29	1930			F
30 45 27887	HUGHES B	03 00	23	1565			F
30 45 27887	HUGHES B	04 00	27	1801			F
30 45 27887	HUGHES B	05 00	29	1824			F
30 45 27887	HUGHES B	06 00	24	1606			F
30 45 27887	HUGHES B	07 00	31	1882			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 : ONGARD  
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL

09/15/02 14:31:22  
OGOMES -TPFZ  
Page No: 2

OGRID Identifier : 5073 CONOCO INC  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 27887 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 27887	HUGHES B	08 00 17	889	F
30 45 27887	HUGHES B	09 00 23	2290	F
30 45 27887	HUGHES B	10 00 31	2482	F
30 45 27887	HUGHES B	11 00 30	2137	F
30 45 27887	HUGHES B	12 00 31	2207	F
30 45 27887	HUGHES B	01 01 31	2111	F
30 45 27887	HUGHES B	02 01 28	1840	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

09/15/02 14:31:25  
OGOMES -TPFZ  
Page No: 3

OGRID Identifier : 5073 CONOCO INC  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 27887 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 27887 HUGHES B	03 01 31	2006	F
30	45 27887 HUGHES B	04 01 30	1923	F
30	45 27887 HUGHES B	05 01 31	2014	F
30	45 27887 HUGHES B	06 01 26	1872	F
30	45 27887 HUGHES B	07 01 28	1983	F
30	45 27887 HUGHES B	08 01 31	2242	F
30	45 27887 HUGHES B	09 01 30	2066	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

09/15/02 14:31:30  
OGOMES -TPFZ  
Page No: 4

OGRID Identifier : 5073 CONOCO INC  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 27887 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 27887	HUGHES B	10 01 31	2078	F
30 45 27887	HUGHES B	11 01 30	2075	F
30 45 27887	HUGHES B	12 01 31	2167	F
30 45 27887	HUGHES B	01 02 31	2127	F
30 45 27887	HUGHES B	02 02 28	1918	F
30 45 27887	HUGHES B	03 02 31	1362	F
30 45 27887	HUGHES B	04 02 30	2270	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

09/15/02 14:31:32  
OGOMES -TPFZ  
Page No: 5

OGRID Identifier : 5073 CONOCO INC  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 27887 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	27887 HUGHES B	05 02 31	2135			F
30	45	27887 HUGHES B	06 02 26	1560			F
30	45	27887 HUGHES B	07 02 31	2346			F

Reporting Period Total (Gas, Oil) : 60863

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

10/2 addition

CMD :  
OG6IWCN

ONGARD  
INQUIRE WELL COMPLETIONS

09/15/02 14:31:50  
OGOMES -TPFZ

API Well No : 30 45 28427 Eff Date : 10-01-1995 WC Status : A  
Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)  
OGRID Idn : 149678 KUKUI OPERATING COMPANY  
Prop Idn : 18226 HUGHES 29L

Well No : 001  
GL Elevation: 6420

U/L Sec Township Range North/South East/West Prop/Act(P/A)  
-----  
B.H. Locn : L 29 29N 08W FTG 1465 F S FTG 1065 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

09/15/02 14:31:58  
OGOMES -TPFZ  
Page No : 1

API Well No : 30 45 28427 Eff Date : 04-30-1991  
Pool Idn : 71629 BASIN FRUITLAND COAL (GAS)  
Prop Idn : 18226 HUGHES 29L  
Spacing Unit : 5697 OCD Order :  
Sect/Twp/Rng : 29 29N 08W Acreage : 320.00 Revised C102? (Y/N) :  
Dedicated Land: Well No : 001  
Simultaneous Dedication:

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

09/15/02 14:32:07  
OGOMES -TPFZ  
Page No: 1

ONGRID Identifier : 149678 KUKUI OPERATING COMPANY  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 28427 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	28427 HUGHES 29L	01 00 28	1007			F
30	45	28427 HUGHES 29L	02 00 28	726			F
30	45	28427 HUGHES 29L	03 00 30	720			F
30	45	28427 HUGHES 29L	04 00 30	610			F
30	45	28427 HUGHES 29L	05 00 31	707			F
30	45	28427 HUGHES 29L	06 00 15	304			F
30	45	28427 HUGHES 29L	07 00 30	862			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

09/15/02 14:32:10  
OGOMES -TPFZ  
Page No: 2

ONGRID Identifier : 149678 KUKUI OPERATING COMPANY  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 28427 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 28427	HUGHES 29L	08 00 31	759	F
30 45 28427	HUGHES 29L	09 00 30	1114	F
30 45 28427	HUGHES 29L	10 00 27	979	F
30 45 28427	HUGHES 29L	11 00 30	892	F
30 45 28427	HUGHES 29L	12 00 31	1245	F
30 45 28427	HUGHES 29L	01 01 30	865	F
30 45 28427	HUGHES 29L	02 01 26	513	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

09/15/02 14:32:11  
OGOMES -TPFZ  
Page No: 3

OGRID Identifier : 149678 KUKUI OPERATING COMPANY

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 28427 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 28427 HUGHES 29L	03 01 30	1007	F
30	45 28427 HUGHES 29L	04 01 30	1219	F
30	45 28427 HUGHES 29L	05 01 18	396	F
30	45 28427 HUGHES 29L	06 01 22	403	F
30	45 28427 HUGHES 29L	07 01 31	930	F
30	45 28427 HUGHES 29L	08 01 29	827	F
30	45 28427 HUGHES 29L	09 01 30	839	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

09/15/02 14:32:12  
OGOMES -TPFZ  
Page No: 4

OGRID Identifier : 149678 KUKUI OPERATING COMPANY

Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)

API Well No : 30 45 28427 Report Period - From : 01 2000 To : 08 2002

API Well No	Property Name	Prodn. Days		Production Volumes			Well
		MM/YY	Prod	Gas	Oil	Water Stat	
30	45 28427 HUGHES 29L	10 01	28	1109			F
30	45 28427 HUGHES 29L	11 01	30	1140			F
30	45 28427 HUGHES 29L	12 01	31	1526			F
30	45 28427 HUGHES 29L	01 02	31	1196			F
30	45 28427 HUGHES 29L	02 02	27	724			F
30	45 28427 HUGHES 29L	03 02	31	716			F
30	45 28427 HUGHES 29L	04 02	30	623			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  
09/15/02 14:32:13  
OGOMES -TPFZ  
Page No: 5

OGRID Identifier : 149678 KUKUI OPERATING COMPANY  
Pool Identifier : 71629 BASIN FRUITLAND COAL (GAS)  
API Well No : 30 45 28427 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 28427 HUGHES 29L	05 02 31	775	F
30	45 28427 HUGHES 29L	06 02 23	288	F

Reporting Period Total (Gas, Oil) : 25021

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

District I  
PO Box 1940, Hobbs, NM 88241-1940  
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

☐ 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 30-045-28427	Pool Name Basin Fruitland Coal	Pool Code 71629
Property Code 18226	Property Name Hughes 29L	Well Number 1

II. <sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
L	29	29N	8W	--	1465	S	1065	W	San Juan

<sup>11</sup> Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	29	29N	8W	--	1465	S	1065	W	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	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
007057	El Paso Natural Gas P.O. Box 4990 Farmington, N.M. 87499	1298730	G	L, Sec. 29, T29N-R8W

RECEIVED  
DEC - 8 1995

IV. Produced Water

POD	POD ULSTR Location and Description
1298750	L, Sec. 29, 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: *Steve Sandlin*

Printed name: *STEVE SANDLIN*

Title: *MANAGER - LAND*

Date: *11-25-95*

Phone: *713/784-1510*

OIL CONSERVATION DIVISION

Approved by:

*37.8*

Title:

*SUPERVISOR DISTRICT #3*

Approval Date:

*DEC - 8 1995*

"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

Printed Name

Title

Date

*J. M. Trotter*

*President*

*12/1/95*

Submit 5 Copies  
Appropriate District Office  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

# OIL CONSERVATION DIVISION

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

OIL CONSERVATION DIVISION  
RECEIVED

53 OCT 29 AM 9 04

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

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

## REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator Quintana Petroleum Services, Inc.	Well API No. 30-045-28427
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 29 L	Well No. 1	Pool Name, including Formation Basin FT Coal	Kind of Lease State (Federal) or Fee	Lease No. SF-078046
Location Unit Letter L : 1465 Feet From The S Line and 1065 Feet From The W Line Section 29 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 11-20-90	Date Compl. Ready to Prod. 6-6-91	Total Depth 3020	P.B.T.D. 2975					
Elevations (DP, RKB, RT, GR, etc.) 6420 GR	Name of Producing Formation Fruitland Coal	Top Oil/Gas Pay 2753	Tubing Depth 2882					
Perforations 2753-59, 2798-2803, 2835-38, 2842-68, 2908-27.			Depth Casing Shoe					
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					
12-1/4	8-5/8, 24#	269	200					
7-7/8	4-1/2, 11.6#	3020	450 + 150					
N/A	2-3/8, 4.7#	2882	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	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

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

## OIL CONSERVATION DIVISION

Date Approved OCT 14 1993

By [Signature]  
Title SUPERVISOR DISTRICT 13

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  
OIL CONSERVATION DIVISION  
R.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 09/19/91                       
Date Initial Potential  
Reconnection            First Delivery                                            
Date Initial Potential  
Disconnection                                  
Date

for delivery of gas from the McKENZIE METHANE Corp.  
Operator

Hughes 29 L

Lease

97-026-01 05-480-01   #1     L   29-29-08  
Meter Code Site Code Well No. Unit Letter S-T-R

Basin - Fruitland Coal

Pool

was made on 09/19/91  
Date

800

AOF

800

Choke

**OCD use only**

County SG.

Land Type F

Liq. Transporter                     

**RECEIVED**

SEP 27 1991

**OIL CON. DIV.**

**DIST. 3**

EL PASO NATURAL GAS COMPANY

Transporter

                      
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 their gathering/transportation system, in accordance with Rule 1104, Rule 1135, and R-8170 as amended.

Submit 5 Copies  
Appropriate District Office  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-104  
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

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

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

### REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

91 AUG 13 AM 9 13

Operator McKenzie Methane Corporation	Well API No. 30-045-28427
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	

### II. DESCRIPTION OF WELL AND LEASE

Lease Name Hughes 29 L	Well No. 1	Pool Name, including Formation Basin FT Coal	Kind of Lease State (Federal or Fed)	Lease No. SF-078046
Location Unit Letter L : 1465 Feet From The S Line and 1065 Feet From The W Line Section 29 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.	Rgt.
	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	X					
Date Spudded 11-20-90	Date Compl. Ready to Prod. 6-6-91	Total Depth 3020	P.D.T.D. 2975					
Elevations (DF, RKB, RT, GR, etc.) 6420 GR	Name of Producing Formation Fruitland Coal	Top Oil/Gas Pay 2753	Tubing Depth 2882					
Perforations 2753-59, 2798-2803, 2835-38, 2842-68, 2908-27.			Depth Casing Shoe 3020					
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					
12-1/4	8-5/8, 24#	269	200					
7-7/8	4-1/2, 11.6#	3020	450 + 150					
N/A	2-3/8, 4.7#	2882	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.

RECEIVED  
JUL 15 1991  
OIL CON. DIV.

### GAS WELL

Actual Prod. Test - MCF/D 264	Length of Test 24 hours	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.) 2" prover	Tubing Pressure (Shut-in) 800 Psig	Casing Pressure (Shut-in) 800 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. Bagle Operations Manager  
Printed Name R. J. Bagle  
Date 7-11-91 Telephone No. 303/385-4654

### OIL CONSERVATION DIVISION

8-8-91  
Date Approved AUG 08 1991

By J. S. G.  
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. REPAIR ☐ 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 1465' FSL, 1065' FWL  
At top prod. interval reported below Same

At total depth Same

14. PERMIT NO. 30-045-28427 DATE ISSUED 11-15-90

15. DATE T.D. REACHED 11-27-90 17. DATE COMPL. (Ready to prod.) 6-6-91 18. ELEVATIONS (OF, RKB, RT, GR, ETC.)\* 6420 GR 19. ELEV. CASINGHEAD 6422

20. DEPTH, MD & TYD 3020 21. FLUG. BACK T.D., MD & TYD 2975 22. IF MULTIPLE COMPL., HOW MANY 1 23. INTERVALS COMPLETED BY 1 24. ROTARY TOOL BIT 1 25. CABLE TOOLS

26. REDUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, (OF T.D. AND TYD)\*

27. WAS DIRECTIONAL SURVEY MADE No

28. WAS WELL CORRED No

29. WAS WELL CORRED No

30. WAS WELL CORRED No

31. WAS WELL CORRED No

32. WAS WELL CORRED No

33. WAS WELL CORRED No

34. WAS WELL CORRED No

35. WAS WELL CORRED No

36. WAS WELL CORRED No

37. WAS WELL CORRED No

38. WAS WELL CORRED No

39. WAS WELL CORRED No

40. WAS WELL CORRED No

41. WAS WELL CORRED No

42. WAS WELL CORRED No

43. WAS WELL CORRED No

44. WAS WELL CORRED No

45. WAS WELL CORRED No

46. WAS WELL CORRED No

47. WAS WELL CORRED No

48. WAS WELL CORRED No

49. WAS WELL CORRED No

50. WAS WELL CORRED No

51. WAS WELL CORRED No

52. WAS WELL CORRED No

53. WAS WELL CORRED No

54. WAS WELL CORRED No

55. WAS WELL CORRED No

56. WAS WELL CORRED No

57. WAS WELL CORRED No

58. WAS WELL CORRED No

59. WAS WELL CORRED No

60. WAS WELL CORRED No

61. WAS WELL CORRED No

62. WAS WELL CORRED No

63. WAS WELL CORRED No

64. WAS WELL CORRED No

65. WAS WELL CORRED No

66. WAS WELL CORRED No

67. WAS WELL CORRED No

68. WAS WELL CORRED No

5. LEASE DESIGNATION AND SERIAL NO.

SE-078046

6. INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. PARTIAL OR LEASE NAME

Hughes 29 L

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Basin FT Coal

11. SEC. T. R. M. OR BLOCK AND SURVEY OR AREA

Sec29-T29N-R8W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

14. PERMIT NO.

30-045-28427

15. DATE ISSUED

11-15-90

16. DATE T.D. REACHED

11-27-90

17. DATE COMPL. (Ready to prod.)

6-6-91

18. ELEVATIONS (OF, RKB, RT, GR, ETC.)\*

6420 GR

19. ELEV. CASINGHEAD

6422

20. DEPTH, MD & TYD

3020

21. FLUG. BACK T.D., MD & TYD

2975

22. IF MULTIPLE COMPL., HOW MANY

1

23. INTERVALS COMPLETED BY

1

24. ROTARY TOOL BIT

1

25. CABLE TOOLS

26. REDUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, (OF T.D. AND TYD)\*

27. WAS DIRECTIONAL SURVEY MADE

No

28. WAS WELL CORRED

No

29. WAS WELL CORRED

No

30. WAS WELL CORRED

No

31. WAS WELL CORRED

No

32. WAS WELL CORRED

No

33. WAS WELL CORRED

No

34. WAS WELL CORRED

No

35. WAS WELL CORRED

No

36. WAS WELL CORRED

No

37. WAS WELL CORRED

No

38. WAS WELL CORRED

No

39. WAS WELL CORRED

No

GR/SP/CAL-Density/Microlog OIL CON. DIV.

CASING RECORD (Report in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
5/8	24	269	12-1/4	236 cu ft-circ.cmt	
2	11.6	3020	7-7/8	1010 cu ft. "	

LINER RECORD				TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)
					2-3/8	2882

ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
DEPTH, INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2753-2927	117,000 gals + 153,000# SD

PRODUCTION							
FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
Flowing						SI	
DATE	HOURS TESTED	CHOKED SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
11-91	24	.500	→	0	264	0	
TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
48 Psig	48 Psig	→		264	0		

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

ACCEPTED FOR RECORD  
Steve Layne

DATE OF ATTACHMENTS

Fruitland Coal Test Data

AUG 08 1991

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

DATE 7-11-91 BY DATE 7-11-91

TITLE Operations Manager

DATE 7-11-91

DATE 7-11-91

DATE 7-11-91

DATE 7-11-91

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

15 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to obstruct



SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all well-stem, tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries);				38. GEOLOGIC MARKERS			
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
			<p>1914</p> <p>2090</p> <p>2753</p> <p>2936</p>	Ojo	1914		
				Kirtland	2090		
				Fruitland	2753		
				Pictured Cliffs	2936		

MCKENZIE METHANE CORPORATION  
HUGHES 29 L #1  
FRUITLAND COAL TEST DATA

Test Date: 6/11/91

SIIP/SICP: 800/800 Psig (7 days)

Final FTP/FCP: 48/48 Psig (24 hours)

Flow Rate: 264 MCFD, 0 BWPD, 0 BOPD  
Stabilized rate after 24 hours.  
Measured through 2" prover with .500 orifice.  
No separator was used since no fluid was  
produced.

  
\_\_\_\_\_  
R. J. Sagie  
Operations Manager

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. SF 078046	
2. NAME OF OPERATOR McKenzie Methane Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 1911 Main Ave., #255, Durango, Colorado 81301		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface  1465' FSL, 1065' FWL		8. FARM OR LEASE NAME Hughes 29 L	
14. PERMIT NO. API 30-045-28427		9. WELL NO. #1	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6420' GL		10. FIELD AND POOL, OR WILDCAT Basin FT Coal	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec29-T29N-R8W	
		12. COUNTY OR PARISH San Juan	
		13. STATE NM	

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

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"/>	

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 checked="" type="checkbox"/>
(Other) Completion Report <input type="checkbox"/>	

(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  
JUN 25 1991  
OIL CON. DIV.  
DIST. 3

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

SIGNED R. J. Sagle / JCS

TITLE Operations Manager

DATE 6-10-91

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

ACCEPTED FOR RECORD  
DATE \_\_\_\_\_

JUN 21 1991

\*See Instructions on Reverse Side  
NMOCD

FARMINGTON RESOURCE AREA

BY JCS

**McKENZIE METHANE CORPORATION**  
**DAILY COMPLETION REPORT**  
**Durango Office**

- 6-4-91      Hughes 29 L #1 (NEW WELL COMPLETION)  
              Sec29-T29N-R8W, San Juan Co., NM  
              PBID: N/A            TD: 3020'  
              AART: Log, perf, frac.  
              DAILY: MIRU Triple P Well Service. NDWH & NU 5000# BOP.  
              Tally, PU & TIH w/ tbg & bit. Tag PBID & TOOH. SDON.
- 6-5-91      Hughes 29 L #1  
              Sec29-T29N-R8W, San Juan Co., NM  
              PBID: 2975'          TD: 3020'  
              AART: TIH w/ tbg.  
              DAILY: Run GR/CCL/CBL from PBID to 2500'. PT csg to  
              4000#. Perf coals w/ 3-1/8" csg gun 4 SPF as follows:  
              2753-59, 2798-2803, 2835-38, 2842-68, 2908-27'. Frac  
              down csg w/ 117,000 gals 70Q N2 foam & 153,000# 40/70 &  
              12/20 sand. Treated @ 60 BPM & 2600#. Max pressure =  
              2800#. Flush to top perf & SD. ISIP = 1320#. 5 minute  
              ISIP = 1164#. Shut well in for 1 hr. & flow to pit  
              through 1/2" tapped bullplug. SDON.
- 6-6-91      Hughes 29 L #1  
              Sec29-T29N-R8W, San Juan Co., NM  
              PBID: 2975'          TD: 3020'  
              AART: FWICU  
              DAILY: Kill well. TIH w/ 2-3/8" tbg & tag sand @ 2930'.  
              C/O to PBID w/ N2 foam. Pull up & land tbg @ 2882'.  
              NDBOP. NUWH. Kick well around w/ N2 & leave flowing to  
              pit to clean up. RDMOSU. **FINAL REPORT.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

Expires August 31, 1991

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back into different reservoirs. Use APPLICATION FOR PERMIT TO DRILL for such proposals.)

5. LEASE DESIGNATION AND SERIAL NO.  
SE 078046

6. IF INDIAN, ALLOTTEE OR TRIBE

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

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

12. COUNTY OR PARISH 13. STATE

San Juan NM

NAME OF OPERATOR  
McKenzie Methane Corporation

ADDRESS OF OPERATOR  
1911 Main #255, Durango, Colorado 81301

019 FARMINGTON

# 1

Basin FT COAL

1465' FSL, 1065' FWL

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

6420' GL

API 30-045-28427

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETION

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON\*

SHOOTING OR ACIDIZING

ABANDONMENT\*

REPAIR WELL

CHANGE PLANE

(Other) Drilling Report

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

16. 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

SEE ATTACHED

RECEIVED  
MAR 04 1991  
OIL CON. DIV.  
DIST. 3

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

SIGNED

TITLE Operations Manager

DATE 2-12-91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

FEB 20 1991

\*See Instructions on Reverse Side

FARMINGTON RESOURCE AREA

18. 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.

NMOCD

**MCKENZIE METHANE CORPORATION  
DAILY DRILLING REPORT  
Durango Office**

11-21-90      Hughes 29 L #1  
SW 4/Sec29-T29N-R8W, San Juan Co., NM  
AART: Waiting on drlg rig.      DEPTH: 24'  
DAILY: MIRU spud unit. Spud 12-1/4" hole @ 10:00  
A. M. 11/20/90. Drill to 24' KB & SD. Move off  
spud unit. Mud: N/A      Surveys: N/A

11-24-90      Hughes 29 L #1  
SW 4/Sec29-T29N-R8W, San Juan Co., NM  
AART: WOC      DEPTH: 274'  
DAILY: MIRU 4 States Drilling. Drill to 274'.  
Circ. TOH. R & C 6 jts (257') 8-5/8, 24#, K 55,  
csg set @ 269'. Cmt w/ 200 sx (236 cu ft) Class  
B, + 2% CaCl + 1/4#/sx cellophane. PD @ 3:15 A.M.  
11-24-90. Circ 15 bbl cmt to surf. WOC.  
MUD: spud      Surveys: 274' - 1-1/4.

11-25-90      Hughes 29 L #1  
SW 4/Sec29-T29N-R8W, San Juan Co., NM  
AART: TFB #4      DEPTH: 1557'  
DAILY: WOC. NUBOP -test same- OK. Drill 7-7/8" hole  
@ 3:15 P.M. 11-24-90. TFB #3. Drilling TFB #4 in-  
complete @ report time.  
MUD: Benex & water.      Surveys: 784'-1-1/2,  
1124' - 2-1/2, 1500' - 3/4, 1557' - 2-1/4.

11-26-90      Hughes 29 L #1  
SW 4/Sec29-T29N-R8W, San Juan Co., NM  
AART: Drilling      DEPTH: 2200'  
DAILY: Drilling  
MUD: 8.9      Vis: 33  
Surveys: 2049' - 2-1/4.

11-27-90      Hughes 29 L #1  
SW 4/Sec29-T29N-R8W, San Juan Co., NM  
AART: Drilling      DEPTH: 2955'  
DAILY: Drill to 2955'. MW: 8.9      Vis: 40  
Surveys: 2535' - 2.

-cont.-

**McKENZIE METHANE CORPORATION**  
**DAILY DRILLING REPORT**  
**Durango Office**

11-28-90

Hughes 29 L #1

SW 4/Sec29-T29N-R8W, San Juan Co., NM

AART: RR @ 7:00 A.M. DEPTH: 3020'

DAILY: Drill to TD 3020' 9:45 A.M. 11-27-90.

Circ, TOOH, & log w/ Atlas. TTH & circ. LDDP & drill collars. Run 71 jts (3008') 4-1/2, 11.6#, K55, LTC csg set @ 3020'. Cmt w/ 450 sx (828 cu ft) 65/35 POZ, 1/4#/sx cellophane flakes, followed by 150 sx (182 cu ft) 50/50 POZ, 1/4#/sx cellophane. BP @ 1500 PSI -OK. PD @ 5:30 A.M. 11-28-90. Circ 7 bbl cmt to surf. NDBOP, set slips, cut off csg. RR 7:00 A.M. Surveys: 3020' - 1.

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 ☐  
WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

McKenzie Methane Corporation

3. ADDRESS OF OPERATOR

1911 Main #255, Durango, Colorado 81301

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

At surface 1465' FSL, 1065' FWL  
At proposed prod. zone SAME

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

Approx. 8 Miles East of Blanco, N.M.

16. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any) 1065'

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT. 250'

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

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3 6420' GL

and appeal pursuant to 43 CFR 3165.4.

PROPOSED CASING AND CEMENTING PROGRAM

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#	3020'

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"  
200 sx B (236 cu ft)  
550 sx (940 cu ft)

5. LEASE DESIGNATION AND SERIAL NO.  
SF- 078046

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Hughes 29L

9. WELL NO.  
#1

10. FIELD AND POOL, OR WILDCAT  
Basin Fruitland Coal

11. SEC. T., E., M., OR BLK.  
AND SURVEY OR AREA  
2 Sec 29-T29N-R8W

12. COUNTY OR PARISH  
San Juan

13. STATE  
NM

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

*R/Syke*

TITLE

Operations Manager

DATE 9/26/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

*OK*

TITLE

NMOCD

APPROVED  
AS AMENDED

*John D. Kelly*  
AREA MANAGER

\*See Instructions On Reverse Side



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

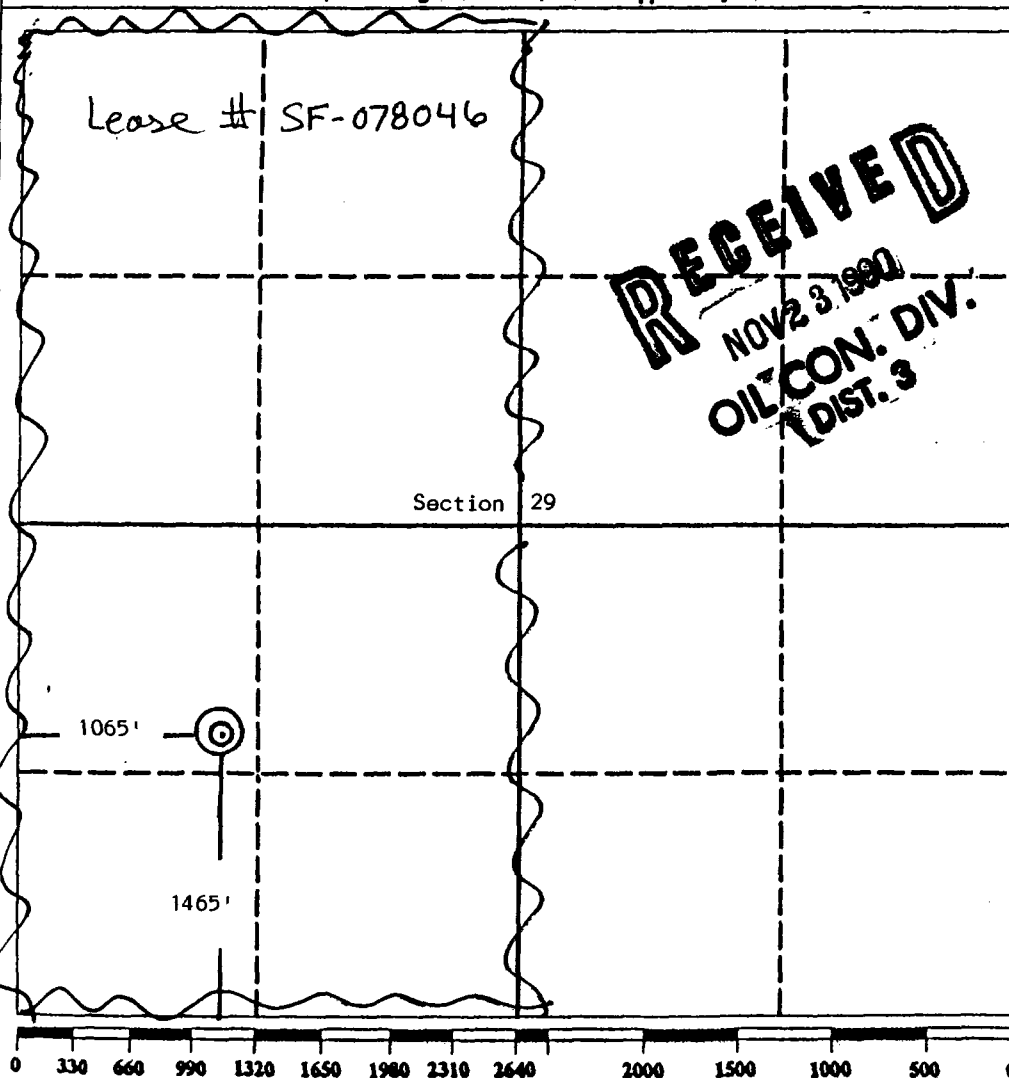
Operator McKenzie Methane Corporation			Lease 29 L		Well No. 1
Unit Letter L	Section 29	Township 29 North	Range 8 West	County San Juan	
NMPM					

Actual Footage Location of Well:

1465 feet from the South line and 1065 feet from the West line

Ground level Elev. 6420	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: w/2 320 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 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. Sagle
Printed Name R.J. Sagle
Position Operations MGR
Company McKenzie Methane
Date 9-28-90

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 September 20, 1990
Signature & Seal of Professional Surveyor Edgar L. Risenhoover, P.S.
Certificate No. 5879
Edgar L. Risenhoover, P.S.