

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on the reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. NMNM 104606
2. Name of Operator COLEMAN OIL & GAS, INC.	6. If Indian, Allottee, or Tribe Name
3a. Address PO DRAWER 3337 Farmington NM 87499-3337	7. If Unit or CA. Agreement Designation
3b. Phone No. (Include area code) (505) 327-0356	8. Well Name and No. JUNIPER #41-17
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 900' FNL AND 1140' FEL, SECTION 17, T24N, R10W	9. API Well No. 30-045-30635
	10. Field and Pool, or Exploratory Area Basin Fruitland Coal
	11. County or Parish, State SAN JUAN COUNTY, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SEE BELOW
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Coleman Oil & Gas, Inc., intends to dispose of produced water into the Juniper #1 SWD as per the conditions stated in the Department of the Interior Onshore Oil & Gas Order No. 7 for Off-Lease Water Disposal.



RECEIVED
2002 NOV - 1 AM 11:11
070 FARMINGTON, NM

14. I hereby certify that the foregoing is true and correct.	
Name (Printed/ Typed) WENDY ROGERS	Title PRODUCTION ACCT.
Signature <i>Wendy Rogers</i>	Date 10-30-02
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by	Title
Office	Date
Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	
Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	
(Instructions on reverse)	

NMUCD

JUNIPER #41-17

Onshore Order No. 7 and Title 43 CFR 3162.5-1.

The above noted lease/well disposes water without approval. Onshore Order No. 7 and Title 43 CFR 3162.5-1, requires the following information be submitted in order to process water disposal requests.

1. Name of formations producing water on the lease. BASIN FRUITLAND COAL
2. Amount of water produced from all formations in barrels per day. 243 for Spet. 2002
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates.
4. How water is stored on the lease. NONE
5. How water is moved to the disposal facility. GATHERING SYSTEM
6. Identify the Disposal Facility by :
 - a. Facility operators name. COLEMAN OIL & GAS, INC.
 - b. Name of facility or well name & number. JUNIPER #1 SWD
 - c. Type of facility or well (WDW)(WIW) etc. SWD
 - d. Location by 1/4 1/4 NW section 16 township 24N range 10N
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, the above required information on a Sundry Notice 3160-5. Submit 1 original and 2 copies. (You may also complete this form and attach it to the Sundry Notice.)

BACK UP DISPOSALS: ELM RIDGE - CBU
CARSON

BASIN DISPOSAL



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER SWD-806-A

APPLICATION OF COLEMAN OIL & GAS FOR SALT WATER DISPOSAL, SAN JUAN COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Coleman Oil & Gas made application to the New Mexico Oil Conservation Division on June 13, 2001, for permission to complete for salt water disposal its Juniper SWD Well No. 1 located 880 feet from the North line and 730 feet from the West line (Unit D) of Section 16, Township 24 North, Range 10 West, NMPM, San Juan County, New Mexico. On May 15, 2002, Coleman Oil & Gas applied by written request to both revise the previously approved perforation intervals and the deadline to commence injection operations.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

Coleman Oil & Gas is hereby authorized to complete its Juniper SWD Well No. 1 located

880 feet from the North line and 730 feet from the West line (Unit D) of Section 16, Township 24 North, Range 10 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the injection of produced water for disposal purposes into the Mesaverde formation from approximately 2176 feet to 3,974 feet through 2 7/8 inch plastic-lined tubing set in a packer located at approximately 2125 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

Prior to commencing injection operations into the well, the applicant shall obtain a formation water sample from the proposed Mesaverde injection interval, and shall provide to the Division, a chemical analysis of this formation water.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 435 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Mesaverde formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Aztec district office of the Division of the

Administrative Order SWD-806-A
Coleman Oil & Gas
May 20, 2002
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date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

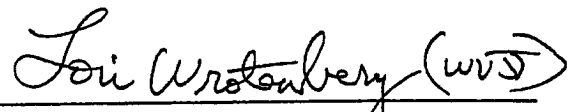
The operator shall immediately notify the supervisor of the Aztec district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations on Division Form C-120-A, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Revised application approved at Santa Fe, New Mexico, on this 20th day of May 2002.


LORI WROTENBERY, Director

LW/WVJ

cc: Oil Conservation Division – Aztec
Bureau of Land Management-Farmington