

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy Minerals and Natural Resources

Form C-101

May 27, 2004

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Holcomb Oil and Gas Inc. P.O. Box 2058, Farmington, NM 87499		OGRD Number 000605
Property Code 34476	Property Name Ashcroft Travis	API Number 30-045-32701
Proposed Pool 1 Basin Fruitland Coal		Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	23	29N	11W		665	South	665	East	San Juan

Proposed 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
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Additional Well Information

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 5439'
Multiple N	Proposed Depth 1800'	Formation Fruitland Coal	Contractor L&B Speed Drill	Spud Date Dec. '04
Depth to Groundwater 250		Distance from nearest fresh water well 200-1000		Distance from nearest surface water 210-1000
Pit: Liner: Synthetic 12 mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	9 5/8"	32.3#/ft	30'	10	Surface
8 3/4"	7"	23#/ft	120'	80	Surface
6 1/4"	4 1/2"	11.6#/ft	1800'	180	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attached "Ten-Point Program" and its Attachments.

Exhibits Attached as Follows:

"A" Well Location and Acreage Dedication Plat C-102; "B" Vicinity Map-Access Roads; "C" Ten-Point Compliance Program; "D" Multi-Point Requirements for APD; "E" Blowout Preventer Schematic; "F" Location, Profile-Well Pad and Section; "G" Access Road and Pipeline R-O-W; "H" Drill Rig Layout; "I" Completion Rig Layout; "J" Production Facility Plat; "K" Wells Within One Mile.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: William J. Holcomb

Title: President

E-mail Address: Holcomb@digii.net

Date: Nov 23, 2004

Phone: (505) 326-0550

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Conditions of Approval Attached ☐

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

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

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

EXHIBIT A

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-065-32701		² Pool Code	³ Pool Name
⁴ Property Code 34476	⁵ Property Name ASHCROFT TRAVIS		⁶ Well Number 1
⁷ OGRID No. 10605	⁸ Operator Name HOLCOMB OIL AND GAS INC.		⁹ Elevation 5439'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	23	29-N	11-W		665	SOUTH	665	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

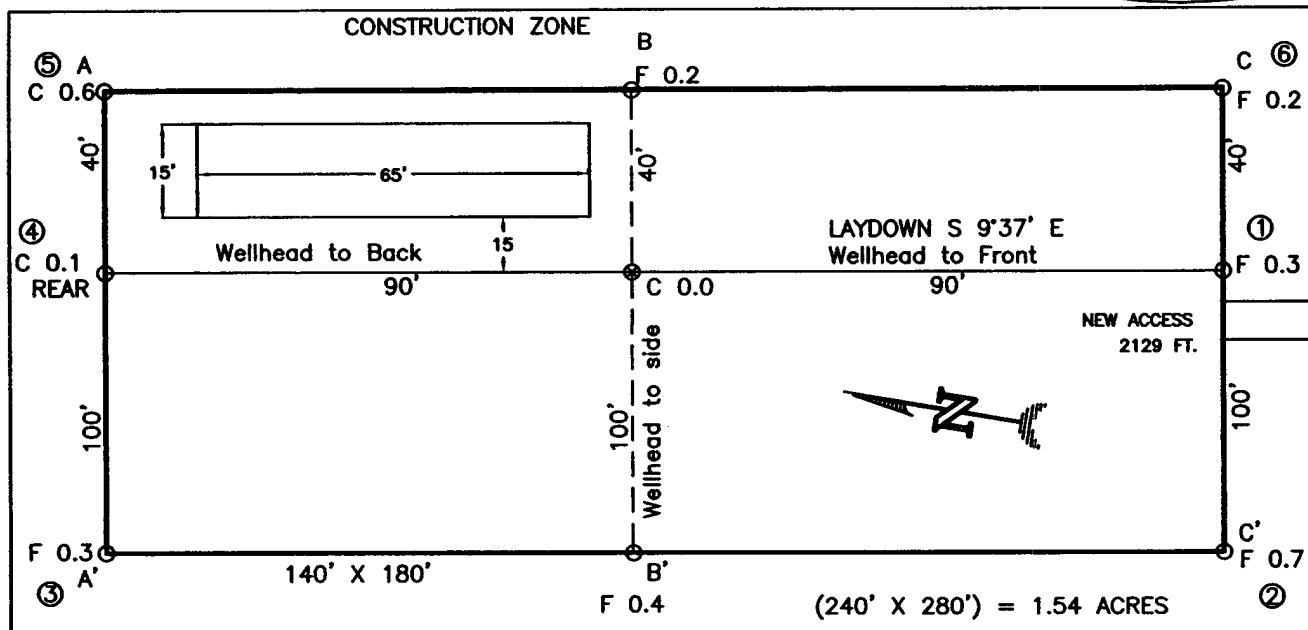
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320 5/2		¹³ Joint or Infill Y		¹⁴ Consolidation Code		¹⁵ Order No.			

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			NE SEC. CORNER FD. 2" ALCAP 1995 BLM	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>W.J. Holcomb</u> Printed Name: <u>W.J. Holcomb</u> Title: <u>President</u> Date: <u>Nov 22, 2004</u>
	23		LAT: 36°42'21" N (NAD 83) LONG: 107°57'15" W (NAD 83)	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: <u>Nov 22, 2004</u> Signature and Seal of Professional Surveyor: <u>JOHN A. VUKONICH</u> 14831 REGISTERED PROFESSIONAL SURVEYOR Certificate Number: <u>14831</u>
			SE SEC. CORNER FD. 3 1/4" BC 1992 BLM QTR. CORNER FD. 3 1/4" BC 1999 BLM N 89-29-23 W 2641.7'	

HOLCOMB OIL AND GAS INC.
 ASHCROFT TRAVIS No. 1, 665 FSL 665 FEL
 SECTION 23, T29N, R11W, N.M.P.M., SAN JUAN COUNTY, N. M.
 GROUND ELEVATION: 5439, DATE: SEPTEMBER 13, 2004

LAT. = 36°42'21" N
 LONG. = 107°57'15" W
 NAD 83



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

ELEV. A-A'	C/L				
5450					
5440					
5430					
5420					

ELEV. B-B'	C/L				
5450					
5440					
5430					
5420					

ELEV. C-C'	C/L				
5450					
5440					
5430					
5420					

NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

TEN-POINT PROGRAM
 Holcomb Oil and Gas, Inc.
 Ashcroft Travis #1
 665' FEL & 665' FNL, SE/4-SEC. 23-T29N-R11W
 San Juan County, New Mexico

1. THE GEOLOGICAL SURFACE FORMATION IS THE NACIMIENTO.
2. THE TOPS OF IMPORTANT GEOLOGICAL MARKERS: (BASED ON EXISTING LOG INFORMATION)

FRUITLAND	'	1400'
PICTURED CLIFFS	'	1620'
TOTAL DEPTH	'	1800'

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

<u>SUBSTANCE</u>	<u>FORMATION</u>	<u>ANTICIPATED DEPTH</u>
Water	OJO	380'
Gas	Fruitland Coal	1400'
	Pictured Cliffs	1620'

4. THE CASING PROGRAM:

<u>DEPTH</u>	<u>HOLE SIZE</u>	<u>CASING O.D.</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>TYPE</u>	<u>NEW/USED</u>
12¼	9⅝	32.3#	H-40	STxC	New	
8¾	7.0	23#	J-55	STxC	New	
6¼	4½"	11.6#	J-55	STxC	New	

PROPOSED CEMENT PROGRAM: To effectively isolate and seal off all water, oil, gas and coal-bearing Strata encountered by the utilization of spacers, centralizers and turbo-centralizers at the base of the Ojo Alamo Formation or the base of the lowest useable water zone and by using cement volumes as follows (exact volumes to be determined from caliper log):

CONDUCTOR: 12 cubic feet (10 sks) Standard Type II with 2% CaCl (30% excess)

SURFACE: 95 Cubic Feet (80 sacks) Class II w/0.25# flocele/sack plus 2% CaCl (100% excess).

PRODUCTION: 227 Cubic Feet (120 Sacks Halliburton Light Cement w/1% CaCl +0.25 lbs/sk flocele #5lb/sk Gilsonite mixed to 12.4 ppg followed by 73 Cubic Feet (60 Sacks) Standard Type Cement w/0.25#/sk flocele and 5lbs/sack Gilsonite mixed to 15.4 ppg w/caliper plus 50% excess in both slurries. Total 300 Cubic Feet + (218 Sacks).

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Exhibit E is a schematic of the blowout preventer used by our drilling contractor for other wells in the area.

TEN-POINT PROGRAM
Holcomb Oil and Gas, Inc.
Ashcroft Travis #1
665' FEL & 665' FNL, SE/4-SEC. 23-T29N-R11W
San Juan County, New Mexico

6. THE TYPE AND CHARACTERISTIC OF THE PROPOSED DRILLING MUD FLUIDS:

CONDUCTOR CASING: Water

SURFACE CASING: Native mud with bentonite and lime as needed for viscosity.

PRODUCTION CASING: Fresh water, low solids native mud with polymer gel for viscosity as needed to clean the hole for logging, running casing and cementing.

<u>INTERVAL</u>	<u>MUD WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>PH</u>	<u>ADDITIVES</u>
0-20'	water		None		
20-120'	9.0	45	None	9	Gel Lime
120-1800'	8.6-9.0	30-50	15	9	Polymer

7. AUXILIARY EQUIPMENT TO BE USED IS AS FOLLOWS:

- a. Float valve above bit.
- b. Monitoring of mud systems will be visual.
- c. A safety valve and subs to fit all drill strings will be used.

8. TESTING, LOGGING AND CORING WILL BE AS FOLLOWS:

- a. Cores: none.
- b. Drill stem tests: none anticipated.
- c. Logging: High Resolution Induction, Spectral Density Log, Dual Spaced Neutron will be run from TD to the surface casing shoe.

9. ANTICIPATED ABNORMAL PRESSURES AND TEMPERATURES:

No abnormal pressures, temperatures or Hydrogen Sulfide gases are anticipated during the completion of this well. The maximum bottom hole pressure is expected to be less than 600 psig.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

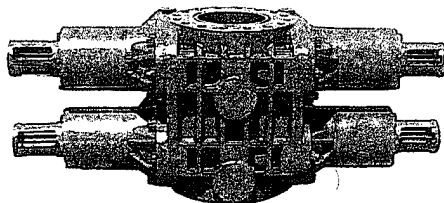
The anticipated starting date is December, 2004. The drilling operations should be completed with 7 days after Rig up. Completion will be done when equipment is available and weather permits.



EXHIBIT E

TYPE 82 RAM TYPE BOP

DIMENSIONS & SPECIFICATION DATA



DIMENSIONS					
SIZE	STYLE	7-1/16 X 5M	11 X 3M	11 X 5M	13-5/8 X 3M
OVERALL HEIGHT STUDDED (LESS STUDS)	SINGLE	15"	14-1/2"	17"	19-1/2"
	DOUBLE	26-3/4"	29-3/8"	33"	34-1/2"
	TRIPLE	37-1/2"	44-3/4"	49"	49-1/2"
OVERALL HEIGHT FLANGED	SINGLE	28-1/4"	27-1/8"	34-1/2"	30-5/8"
	DOUBLE	40"	42"	50-1/2"	48"
	TRIPLE	50-3/4"	56"	66-1/2"	67"
OVERALL LENGTH		58"	72-1/4"	89-1/4"	92-3/4"
OVERALL WIDTH		21-1/2"	25-7/8"	28-3/4"	30-7/8"
OPENING THROUGH PREVENTER		7-1/16"	11"	11"	13-5/8"
WORKING PRESSURE (LBS.)		5,000	3,000	5,000	3,000
TEST PRESSURE (LBS.)		10,000	6,000	10,000	6,000

BOP CAPACITIES				
SIZE	7-1/16 X 5M	11 X 3M	11 X 5M	13-5/8 X 3M
MAXIMUM OPERATING PRESSURE (TO OPEN & CLOSE) (PSI)	1,500	1,500	1,500	1,500
RECOMMENDED OPERATING PSI (TO OPEN & CLOSE) (PSI)	1,500	1,500	1,500	1,500
RATIO TO CLOSE	4.5:1	4.4:5	5.57	8:16
VOLUME OF FLUID TO OPEN (U.S. GALLONS)	1.18	1.45	2.62	5.30
VOLUME OF FLUID TO CLOSE	1.45	1.74	2.98	4.35
PISTON STROKE (TO OPEN & CLOSE) (INCHES)	4-1/18"	6-1/18"	6-1/18"	7-1/4"

WEIGHTS					
SIZE		7-1/16 X 5M	11 X 3M	11 X 5M	13-5/8 X 3M
SINGLE	STUDDED	1,513	2,400	5,600	4,300
	FLANGED	1,713	2,700	6,600	5,000
DOUBLE	STUDDED	2,632	4,500	7,650	7,500
	FLANGED	2,966	4,800	8,600	8,200
TRIPLE	STUDDED	3,618	6,300	9,700	9,700
	FLANGED	3,818	6,600	10,600	11,500