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Form 3160-3  
(September 2001)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0136  
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SE-080245-B
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name NA
2. Name of Operator Koch Exploration Company, LLC		7. If Unit or CA Agreement, Name and No. NA
3a. Address 20 East Greenway Plaza Houston, Texas 77046	3b. Phone No. (include area code) 713-544-4318	8. Lease Name and Well No. AB Geren 6A
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface SE/4, Sec 29, T29N R9W, 1175' FSL & 1345' FEL At proposed prod. zone (Same)		9. API Well No. 30045 31388
14. Distance in miles and direction from nearest town or post office* 2 1/2 miles southeast of Blanco, NM		10. Field and Pool, or Exploratory Basin Fruitland Coal
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1175'	16. No. of Acres in lease 640	11. Sec., T., R., M., or Bk. and Survey or Area Sec. 29, T29N, R9W 0
17. Spacing Unit dedicated to this well 320 E/2	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2200'	12. County or Parish San Juan
19. Proposed Depth 2300'	20. BLM/BIA Bond No. on file 400 GH. 0471	13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5921' GR	22. Approximate date work will start* available rig	23. Estimated duration 30 days

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>[Signature]</i>	Name (Printed/Typed) Rolf A. Ornelas	Date Feb 07, '03
Title Sr Engineer		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

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 to 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)

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS".

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4

NMOC

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1984

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

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

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

P.O. Box 2088

State Lease - 4 Copies

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87504-2088

Santa Fe, NM 87504-2088

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-31388		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 18432	Property Name A.B. GEREN		Well Number 6A
OGED No. 12807	Operator Name KOCH EXPLORATION		Elevation 5921

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
0	29	29 N	9 W		1175	SOUTH	1345	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	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 S 89°45' W 2695.44' 2608.98' N 0°01' E 2692.14' N 18°35' E S 89°33' W		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: Lance F. Harmon Title: Vice President - Land Date: 12/11/02	
		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: 10/24/02 Signature and Seal of Professional Surveyor: Certificate Number: 11378	
		Existing Well A.B. Geren #6 965' FNL & 1690' FEL API #30-045-27362	
		SECTION 29 SF-080245-B 1175' 1345' 5237.76'	

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**SUNDRY NOTICES AND REPORTS ON WELLS**

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

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993	
5. Lease Designation and Serial No. SP080245B	
6. If Indian, Allottee or Tribe Name NA	
7. If Unit of CA, Agreement Designation NA	
8. Well Name and No. A B Geren 6A	
9. API Well No. 3004531388	
10. Field and Pool, or Exploratory Area Basin Fruitland Coal	
11. County or Parish, State San Juan County New Mexico	

*SUBMIT IN TRIPLICATE*

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Koch Exploration Company, LLC	
3. Address and Telephone No. 20 Greenway Plaza, Houston, Texas 77046 (713) 544-4318	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) S29, T29N, R9W (O) 1175 FSL & 1345 FEL	

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"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Supplement to APD	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Compelled 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.)\*

Additional information to APD Drilling Program (already submitted).

See Attached.

I hereby certify that the foregoing is true and correct

Signed David J. Mankiewicz  
(This space for Federal or State office use)

Title Senior Engineer

Date 3-26-03

Approved by David J. Mankiewicz

Title

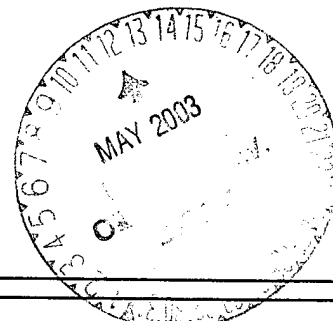
Date MAY - 7 2003

Conditions of approval, if any:

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.

NMOC

\*See Reverse Side



Koch Exploration Company, LLC  
Basin Fruitland Infill Well  
**Geren 6A**  
S29 - T29N - R9W  
**Sundry Notice APD Supplement**

**Casing Program:**

Hole Size	Grade, size of Casing	Weight per Foot	Setting Depth
12 1/4" Hole	8 5/8" J-55 ST&C	24.0#	150
7 7/8" Hole	4 1/2" J-55 LT&C	10.5#	2,425

Circulate 8-5/8" cement to surface - Volumes to be adjusted to new casings depths  
Circulate 4-1/2" cement to surface - Volumes to be adjusted to new casing depths

100% excess on surface casing  
50% excess on production casing

**Centralizer Program:**

**Surface Casing:** 3 Centralizers will be ran on the bottom 3 joints, starting at the shoe joint

**Production Casing:** 2 Centralizers will be ran on the bottom 2 joints, then every 10th joint thereafter or +/-400', and Centralizers to impact a swirling action will be placed just below and into the base of the Ojo Alamo.

**Estimated Formation Tops:**

San Jose	Surface
Ojo	1,183
Kirtland Shale	1,282
Fruitland Coal	2,013
Pictured Cliff	2,298
TD	2,425

**Estimated Formation Pressures:**

Fruitland Coal	600 PSI
Bottom Hole	200 psi

**Estimated depths of useable water, salt water and oil/gas bearing formations:**

Fresh/Useable Water	0 to 1,282
Salt Water	1,282 to 2,013
Oil and Gas	2,013 to 2,425

**AB Geren #6A**

Sec. 29-T29N-R9W, 1175' FSL & 1345' FEL

San Juan Co., New Mexico

Lease SF 080245B

**Drilling Program**

**1) Geological name of surface formation -**

Estimated tops of important geological markers:

San Jose	Surface
Ojo	1072'
Kirtland Shale	1132'
Fruitland Coal	1902'
Pict. Cliff	2172'
TD	2300'

**2) Estimated depths at which oil, gas, water, and mineral bearing formation will be found:**

Fresh Water	0' to 200'
Salt Water	201' to 1902'
Oil and Gas	1902' to 2300'

**3) Pressure Control Equipment:**

- a. 10-inch 900 series or 3,000 psi test double gate hydraulic with 4-1/2" pipe rams and 10-inch series 900 hydril above 10-inch series casinghead and cross spool with flanged outlets. See BOP diagram at **Exhibit F-1** for drawing of choke lines, kill lines and choke manifold. Procedures will include waiting on cement 12 hours, nipple up blowout preventer (BOP) assembly and test to 70% of yield of casing or 3,000 psi maximum. The production casinghead pressure rating will be 3,000 psi.
- b. Type of BOP rams: Blind rams and pipe rams are used as shown on the BOP diagram at **Exhibit F-1**. Occasionally, the position of the rams is reversed depending on the drilling contractor's methods.
- c. The choke manifold and header will have 2-inch choke outlets, a 2-inch straight through the line with 2-inch adjustable chokes installed. The inlet line will be a 2-inch line. All of the above are rated at 3,000 psi working pressure (WP). The choke manifold and header system will have manual control valves; no hydraulic valves will be installed. Casing testing procedure – Surface casing will be tested at 750 psi with 1,000 psi maximum after cementing in place and before drilling out of shoe. Intermediate and production casing will be tested to 3,000 psi after cementing in place and after drilling to the required depth.
- d. Hydraulic controls to close the BOPs are located on the rig floor; the hydraulic remote control is located in the bottom doghouse. There will be no manual controls on the BOP.