

**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

## Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101

May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE**

Operator Name and Address <b>Manana Gas, Inc. c/o Walsh Engineering 7415 E. Main St., Farmington, NM 87402</b>		OGRID Number <b>13931</b>
Property Code <b>33160</b>	Property Name <b>Hidden Assets</b>	API Number <b>30-45-32880</b>
Proposed Pool 1 <b>Basin Fruitland Coal</b>		Proposed Pool 2 <b>Aztec Pictured Cliffs</b>

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	23	30N	12W		938'	South	635'	West	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

**Additional Well Information**

Work Type Code <b>N</b>	Well Type Code <b>G</b>	Cable/Rotary <b>R</b>	Lease Type Code <b>P</b>	Ground Level Elevation <b>5506'</b>
Multiple <b>Y</b>	Proposed Depth <b>1950'</b>	Formation <b>Pictured Cliffs</b>	Contractor	Spud Date
Depth to Groundwater <b>6'</b>		Distance from nearest fresh water well <b>500'</b>		Distance from nearest surface water <b>50'</b>
Pit: Liner: Synthetic <input checked="" type="checkbox"/> <b>12</b> mils thick Clay <input type="checkbox"/> Pit Volume: <b>1250</b> bbls Drilling Method: Closed-Loop System <input 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
8-3/4"	7"	20.0#	120'	30 sx (36 cu.ft.)	Surface
6-1/4"	4-1/2"	10.5#	1950'	145sx & 100sx	Surface

<sup>22</sup> 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.

Manana Gas, Inc. proposes to drill a vertical well at the above listed location and test the Fruitland Coal and Pictured Cliffs formations. A 8-3/4" surface hole will be drilled to approx. 120' with spud mud. 7", 20# casing will be set and cemented to surface with 30 sx (36 cu.ft.) of CI "B" with 3% CaCl<sub>2</sub> and 1/4#/sk CF. A double ram, 2000 psi rated BOP will be installed and pressure tested to 600 psi. A 6-1/4" hole will be drilled using a fresh water - polymer mud system to approx. 1950'. 4-1/2", 10.5# casing will be set and cemented to surface with 145 sx (292 cu.ft.) of CI "B" cement with 2% SMS, 1/4 #/sk. celloflake And 5 #/sk gilsonite followed by 100 sx (118 cu.ft.) of CI "B" with 2% CaCl<sub>2</sub>, 1/4 #/sk celloflake and 5 #/sk gilsonite. Open hole DIL and FDC/CNL/GR/SP logs will be run. Surveys will be run every 500'. The W/2 of Section 23 (320 acres) is dedicated to the Fruitland and the SW/4 is dedicated to the Pictured Cliffs. Formation tops: Ojo Alamo - 355', Kirtland - 405', FT -1375', PC - 1750'.

HOLD C104 FOR NSL

<sup>23</sup> 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 NMOC guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Paul C. Thompson, P.E.

Title: Agent

E-mail Address: paul@walsheng.net

Date: 2/8/05

Phone: (505) 327-4892

**OIL CONSERVATION DIVISION**

Approved by:

Title: **DEPUTY OIL & GAS INSPECTOR, DIST. #20**Approval Date: **FEB 10 2005**Expiration Date: **FEB 10 2006**Conditions of Approval Attached ☐

will be allowed on this well

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, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-045-32880</b>	<sup>2</sup> Pool Code <b>71629</b>	<sup>3</sup> Pool Name <b>Basin Fruitland Coal</b>
<sup>4</sup> Property Code <b>33160</b>	<sup>5</sup> Property Name <b>HIDDEN ASSETS</b>	<sup>6</sup> Well Number <b>2</b>
<sup>7</sup> GRID No. <b>13931</b>	<sup>8</sup> Operator Name <b>MANANA GAS, INC.</b>	<sup>9</sup> Elevation <b>5506.08</b>

<sup>10</sup> Surface Location

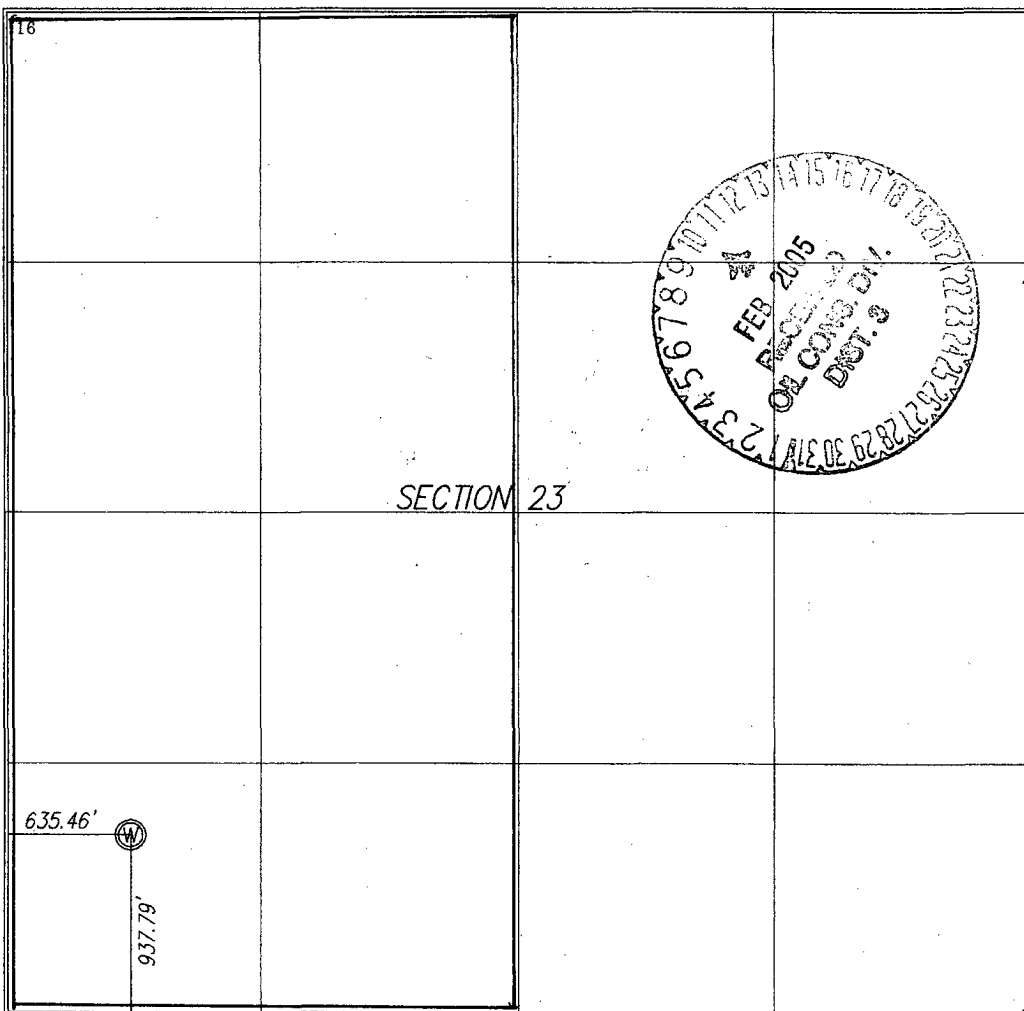
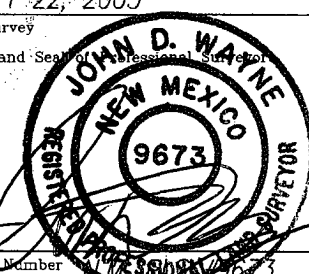
UL or lot no. <b>m</b>	Section <b>23</b>	Township <b>30N</b>	Range <b>12W</b>	Lot Idn	Feet from the <b>937.79</b>	North/South line <b>SOUTH</b>	Feet from the <b>635.46</b>	East/West line <b>WEST</b>	County <b>SAN JUAN</b>
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<sup>11</sup> Bottom Hole 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
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<sup>12</sup> Dedicated Acres <b>320 w/2</b>	<sup>13</sup> Joint or Infill <b>Y</b>	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<div><p>16</p></div>	<div><p><sup>17</sup> OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p><p><i>Paul C. Thompson</i> Signature <b>PAUL C. THOMPSON</b> Printed Name <b>AGENT</b> Title <b>2/9/05</b> Date</p></div>
	<div><p><sup>18</sup> SURVEYOR CERTIFICATION</p><p>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.</p><p><b>JANUARY 22, 2005</b> Date of Survey <i>John D. Wayne</i> Signature and Seal of Professional Surveyor  Certificate Number <b>9673</b></p></div>

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

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Energy, Minerals & Natural Resources Department

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-045-32880</b>	<sup>2</sup> Pool Code <b>71280</b>	<sup>3</sup> Pool Name <b>AZTEC PICTURED CLIFFS</b>
<sup>4</sup> Property Code <b>33160</b>	<sup>5</sup> Property Name <b>HIDDEN ASSETS</b>	<sup>6</sup> Well Number <b>2</b>
<sup>7</sup> GRID No. <b>13931</b>	<sup>8</sup> Operator Name <b>MANANA GAS, INC.</b>	<sup>9</sup> Elevation <b>5506.08</b>

<sup>10</sup> Surface Location

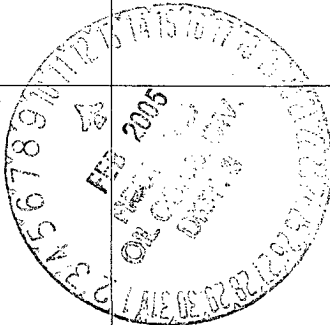
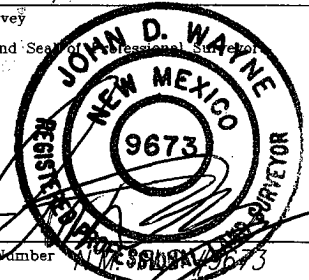
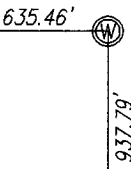
UL or lot no. <b>M</b>	Section <b>23</b>	Township <b>30N</b>	Range <b>12W</b>	Lot Idn	Feet from the <b>937.79</b>	North/South line <b>SOUTH</b>	Feet from the <b>635.46</b>	East/West line <b>WEST</b>	County <b>SAN JUAN</b>
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<sup>11</sup> Bottom Hole 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
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<sup>12</sup> Dedicated Acres <b>160 SW/4</b>	<sup>13</sup> Joint or Infill <b>Y</b>	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<sup>16</sup>				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  <b>Paul C. Thompson</b> Signature <b>PAUL C. THOMPSON</b> Printed Name <b>AGENT</b> Title <b>2/9/05</b> Date
<b>SECTION 23</b>				
				<sup>18</sup> 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.  <b>JANUARY 22, 2005</b> Date of Survey <b>JOHN D. WAYNE</b> Signature and Seal of Professional Surveyor  Certificate Number <b>9673</b>
				

OPERATOR

WELL NAME and NUMBER

FOOTAGES

SEC.

TWP.

RGE.

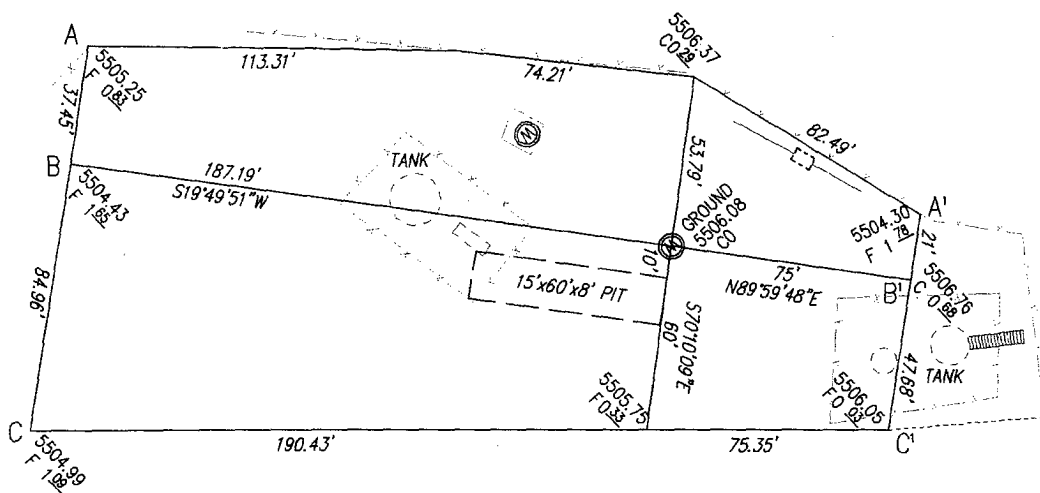
New Mexico  
STATE

January 22, 2005  
DATE

SCALE

Horiz. 1" - 50'

Vert. 1" = 30'


$$1'' = 60'$$
$$A - A'$$
[illegible]

5506

$$B - B'$$
[illegible]

5506

C - C'

[illegible]

5506