MIN 2008

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MECENED NO. 23

MORE CONS. DIV. 23

MARRIED NO. 23

MARRIED NO.

Form 3160-3 (August 1999)

RECEIVED

FORM APPROVED OMB NO. 1004-0136 Expires: November 30, 2000

DEPARTMENT OF THE INTERIOR	
BUREAU OF LAND MANAGEMENT	

UNITED STATES! /// fig fi

070 FARMINGTON

NO-G-9910-1366

5. Lease Serial No.

APPLICATION FOR PERMIT TO DRILL OR REENTER

6. If Indian, Allottee or Tribe Name

			Navajo Allotte	ed	
1a. TYPE OF WORK X DRILL	REENTER		or CA Agreement, Nam	e and No.	
b. TYPE OF WELL OIL X GAS WELL OTHER O	1	8. Lease Name and Well No. Juniper Com 5 #12			
2. Name of Operator			/ell No. 0-045-3	295	
Coleman Oil & Gas, Inc. 3a. Address 3b.	Phone No. (include area code)		and Pool, or Exploratory	702	
P.O. Drawer 3337, Farmington N.M. 87499	(505) 327-0356		Basin Fruitland Coal		
4. Location of well (Report location clearly and In accordance with any State r		11. Sec., 7	T., R., M., or Blk. And St		
At surface 1770' FNL, 950' FWL Latitude 36° 20' At proposed prod. zone	44", Longitude 107° 55' 27"	E	Section 5, T24	N, R10W	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR P	OST OFFICE*	12. Count	y or Parish	13. State	
South East of Farmington New Mexico on County I	RD. 7515 approximately 40 mile	es.	San Juan	NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any)	17. Spacing Unit de	edicated to this well 332.71 ACRE	- 		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. NA	20. BLM/BIA Bor	nd No. on file Blanket Bond	¥08510607		
21. ELEVATIONS (Show whether DF. RT, GR, etc.)	1655' 22. Aproximate date work will start*		Estimated Duration		
6760'	April-05		2 Weeks		
	24. Attachments				
The following, completed in accordance with the requirements of Onsho	re Oil and Gas Order No. 1 shall be attach	ned to this form:			
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). Bond to cover the operations unless covered by existing bond on file(see item 20 above). Operator certification. Such other site specific information and/ or plans as may be required by the a authorized officer. 					
25. Signature Nam T. // Nam Nam	ne (Printed/Typed) Michael T. Hanso		DATE	Mar-05	
Title Salaris	Michael 1. Hallso		2	war-us	
Operations Engineer					
Approved By (Signature) Offiginal Signed: Stephen Mason	me (Printed/Typed)		DATE	UN 1 2 2006	
Title Off	ice		· · · · · · · · · · · · · · · · · · ·		

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C.

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.

Application approval 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

*See Instructions On Reverse Side

operations thereon.

District I PO Box 1980, Hobbs, NM 88241-1980

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

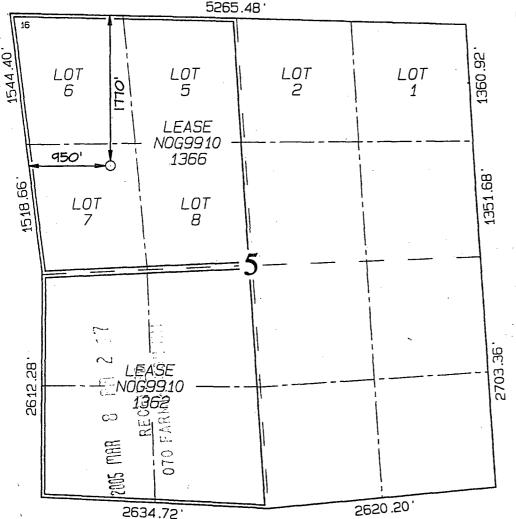
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504–2088 Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

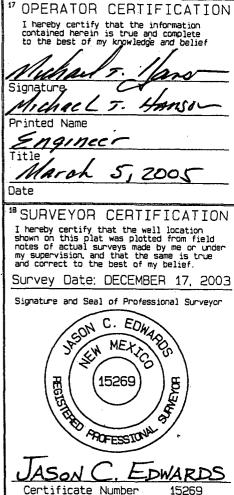
____ AMENDED REPORT

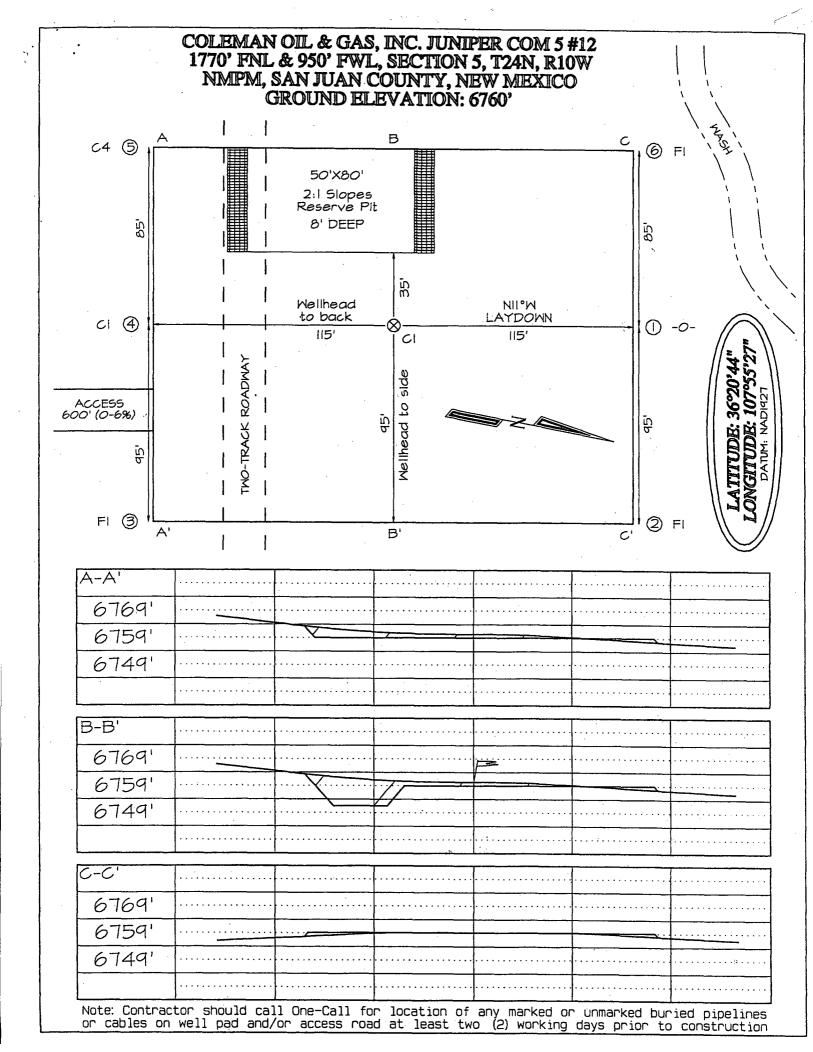
WELL LOCATION AND ACREAGE DEDICATION PLAT

· 'A	PI Number	<u> </u>		*Pool Cod	e	Pool Name			
30-045-32993 71629				BASIN FRUITLAND COAL					
1Property	Code				*Propert	y Name			Well Number
3320	3200 JUNIPER COM 5 12					12			
OGAID N	٧٥.			-	*Operato	r Name			*Elevation
4838	4838 COLEMAN OIL & GAS, INC. 6760					6760			
¹⁰ Surface Location									
UL or lat na.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	5	24N	10W		1770	NORTH	950	WEST	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	Dedicated Acres 332.71 Acres - (W/2) 330int or Infill Consolidation Code Code Consolidation Code Code Code Code Code Code Code Code								
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED									

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







OPERATIONS PLAN

Well Name:

Juniper Com 5 #12

Location:

1770' FNL, 950' FWL Section 5, T-24-N, R-10-W, NMPM

San Juan County, NM

Formation:

Basin Fruitland Coal

Elevation:

6760' GL

Formation:	Тор	Bottom	Contents
Nacimiento	Surface	610'	aquifer
Ojo Alamo	610'	705'	aquifer
Kirtland	705'	1245'	•
Fruitland	1245'	1480'	gas
Pictured Cliffs	1480'	1655'	gas
Total Depth	1655		•

Drilling Contractor: Availability

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	Fluid Loss
0' - 120'	Spud	8.4 - 9.0	40 - 50	no control
120' - 1655'	Non-dispersed	8.4 - 9.0	30 - 60	6cc or less

Logging Program:

Porosity Log - Triple Litho Density W/ GR and CAL.

Induction Log - Array Induction W/ GR and SP

Coring Program:

None

Casing Program:

<u>Hole Size</u> 12 1/4"	Depth Interval	<u>Csg. Size</u> 8 5/8"	<u>Wt.</u> 24#	<u>Grade</u> J-55 or K-55
7 7/8"	120' - 1655'	5 1/2"	2 4# 15.5#	J-55 or K-55
Tubing Program:	0' - 1480'	2 7/8"	6.50#	J-55

Float Equipment:

8 5/8" surface casing - saw tooth guide shoe. One Centralizer.

5 1/2" production casing – Cement guide shoe and self fill insert float collar. Place float one joint above shoe. Five centralizers spaced every other joint above shoe and five centralizers every other joint from top of well.

Wellhead Equipment: 8 5/8" x 5 1/2" Braiden Head and 5 1/2" x 2 7/8" Tubing Head. Independent Well Head assembly with a minimum rated working pressure of 1000 psig.

Cementing:

8 5/8" Surface Casing -

Cement with 92 sacks Class "B" cement with 1/4# celloflake/sx and 2% calcium chloride (108.56 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 750 psi/30 minutes.

5 1/2" Production Casing -

Before cementing circulate hole with at least 1 1/2 hole volumes of mud. Precede cement with 20 bbls of fresh water. Lead with 172 sacks (448.92 cu. ft) of Class "G" with 3% D79 and 1/4# Per sack D29. (Yield = 2.61 cu. ft. /sack; slurry weight = 11.7 PPG). Tail with 90 sacks (113.4 cu. ft.) of Class "G" 50/50 POZ with 2% GEL D-20, 5# Per sack Gilsonite, .1% D46, 1% S-1 and 1/4# Per sack D29. (Yield = 1.26 cu. ft./sack; slurry weight = 13.5 PPG). Total cement volume is 562.32 cu. ft. (100% excess on open hole, calculated on cement volumes).

BOP and Tests:

Surface to Surface Total Depth - None

Surface TD to Total Depth – Annular or Double Ram Type 2000 psi (minimum) double gate BOP stack (Reference Figure #1, #2, #3). Prior to drilling out surface casing, test blind rams BOPE and casing to 750 psig for 30 minutes; all pipe same and chake accomply to 750 psig for 45

From Surface TD to Total Depth - choke manifold (Reference Figure #3).

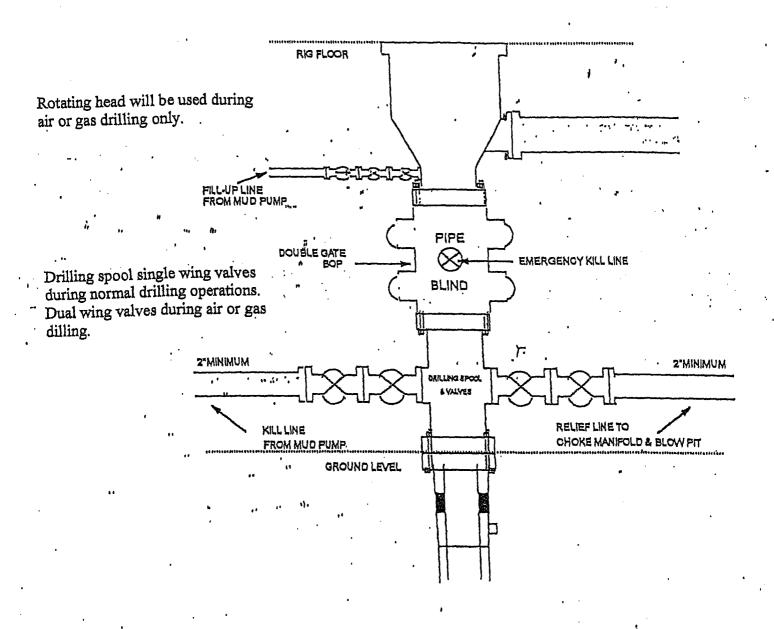
Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

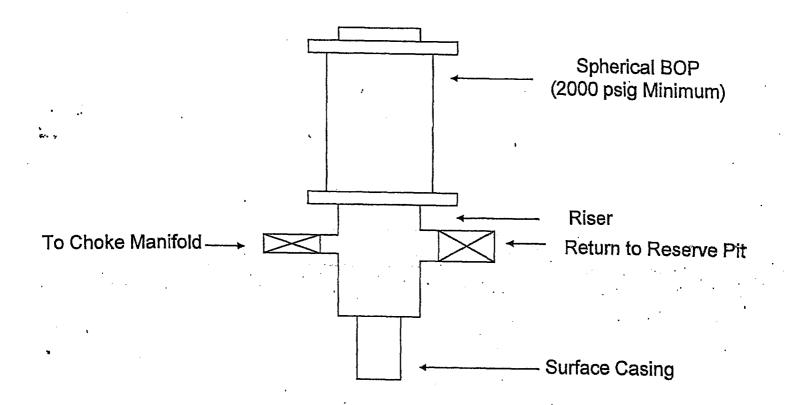
- The Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is 250 psi.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Date: March 5,2005 Drilling Engineer: Mulhaul T. Jans

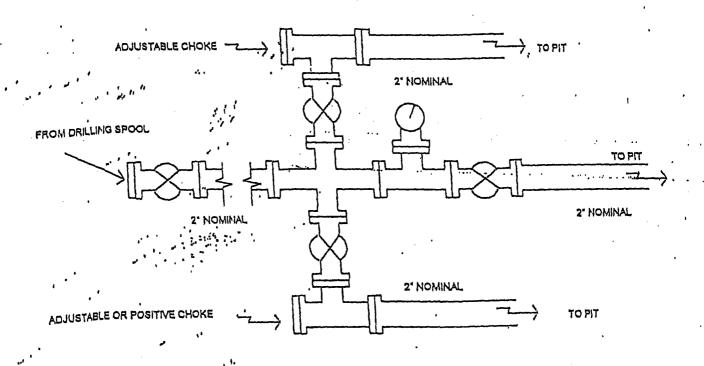
BOP Configuration 2M psi System



13 5/8" and 11" Bore, 2000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams: A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 2000psi working pressure/ or greater.



Choke Manifold Configuration 2M System



Minimum choke manifold installation from surface to Total Depth. 2" minimum, 2000psi working pressure equipment with two chokes.