

## District I

1625 N. French Dr., Hobbs, NM 88249

## 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 CONSERV. DIV.  
DIST. 3

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 <b>Manana Gas, Inc. c/o Walsh Engineering</b> <b>7415 E. Main St., Farmington, NM 87402</b>		OGRID Number <b>13931</b>
Property Code <b>33158</b>	Property Name <b>Lucky Lindy</b>	Well No. <b>2</b>
Proposed Pool 1 <b>Basin Fruitland Coal</b>		Proposed Pool 2 <b>Aztec Pictured Cliffs</b>

## 7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	13	30N	12W		1350'	North	1640'	West	San Juan

## 8 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>5586'</b>
Multiple <b>Y</b>	Proposed Depth <b>2060'</b>	Formation <b>Pictured Cliffs</b>	Contractor	Spud Date
Depth to Groundwater <b>25'</b>		Distance from nearest fresh water well <b>&gt;1000'</b>		Distance from nearest surface water <b>125'</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"/>				

## 21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
<b>8-3/4"</b>	<b>7"</b>	<b>20.0#</b>	<b>120'</b>	<b>30 sx (36 cu.ft.)</b>	<b>Surface</b>
<b>6-1/4"</b>	<b>4-1/2"</b>	<b>10.5#</b>	<b>2060'</b>	<b>200sx &amp; 100sx</b>	<b>Surface</b>

22 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. An 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 celloflake. 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. 2160'. 4-1/2", 10.5# casing will be set and cemented to surface with 200 sx (412 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 13 (320 acres) is dedicated to the Fruitland and the NW/4 is dedicated to the Pictured Cliffs. Formation tops: Ojo Alamo - 475', Kirtland - 525', FT -1220', FT Coal - 11830, PC - 1865'.

23 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: Paul C. Thompson, P.E.

Title: Agent

E-mail Address: paul@walsheng.net

Date: 6/22/06

Phone: (505) 327-4892

## OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

Nosubgrade pits or tanks

☐ AMENDED REPORT

**Certificate Number**

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

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

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-33819	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name BASIN FRUITLAND COAL
<sup>4</sup> Property Code 33158	<sup>5</sup> Property Name LUCKY LINDY	<sup>6</sup> Well Number 2
<sup>7</sup> GRID No. 13931	<sup>8</sup> Operator Name MANANA GAS INC.	<sup>9</sup> Elevation 5586

<sup>10</sup> Surface Location

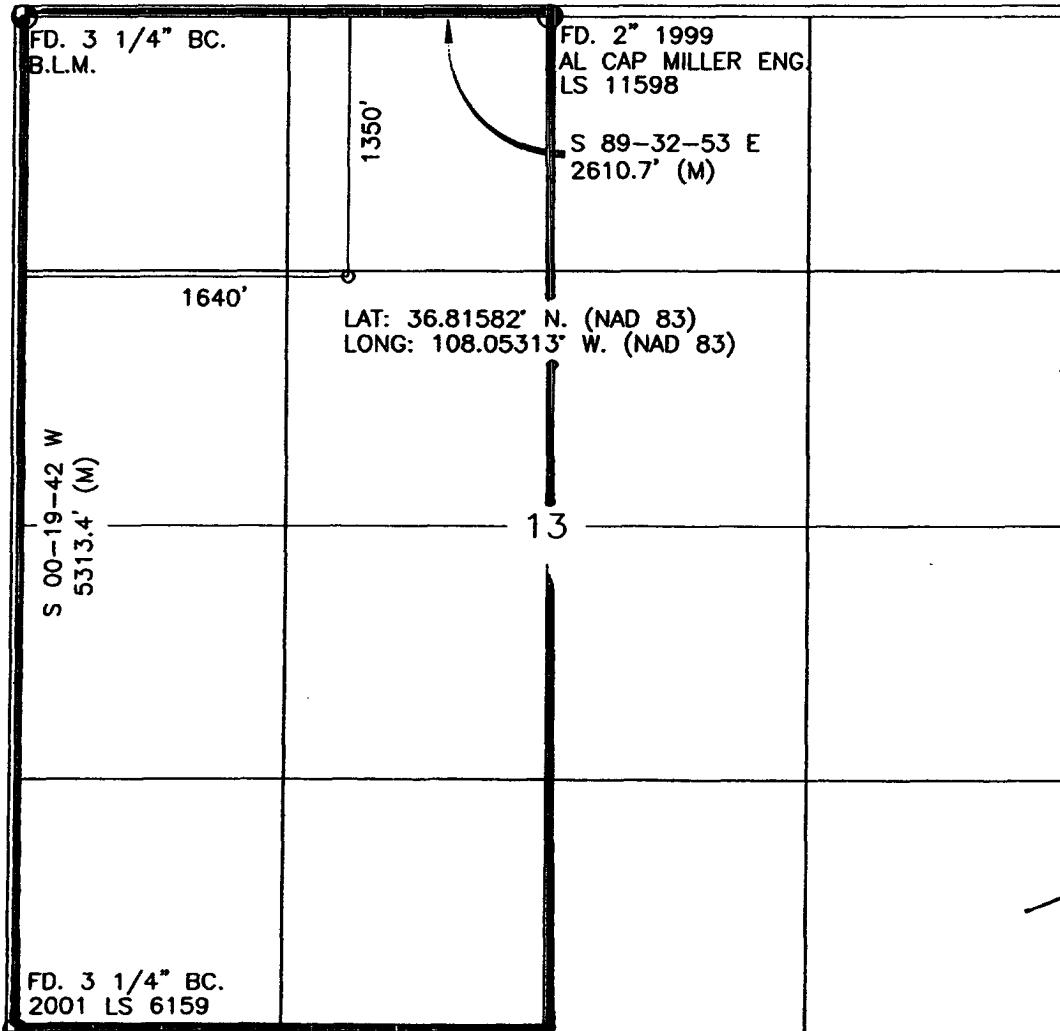
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	13	30-N	12-W		1350	NORTH	1640	WEST	SAN JUAN

<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
<sup>12</sup> Dedicated Acres W/2 320 ACRES			<sup>13</sup> Joint or Infill Y		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

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<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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

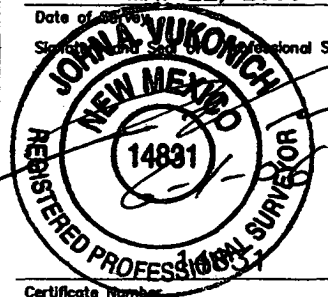
*Paul C. Thompson* 6/22/06  
Signature Date  
PAUL C. THOMPSON, AGENT  
Printed Name

<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.

MAY 22, 2006

Date of Survey  
Signature of Professional Surveyor:



Certificate Number

