RCVD OCT26'06 OIL CONS. DIV. DIST. 3

Lease Serial No.

Form 3160-3 (August 1999) 2005 APR 26 AM 11 40

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

UNITED STATES

DEPARTMENT OF THE INTERIOR RECEIVED BUREAU OF LAND MANAGEMENTO FARMINGTON MM

NM NM 104606

BUKEAU OF LAND MANAC	1	NM NM 104606				
APPLICATION FOR PERMIT TO DRILL OR REENTER				If Indian, Allottee or Tribe Na	me	
1a. TYPE OF WORK DRILL	[REENTER		If Unit or CA Agreement, Nan	ne and No.	
b. TYPE OF WELL OIL X GAS WELL OTHER		GLE ZONE MULTIPLE ZON	1	Lease Name and Well No. Juniper Com 10	#34	
2. Name of Operator			9.	API Well No.		
Coleman Oil & Gas, Inc.				30-045-	33046	
3a. Address	3b. Phor	ne No. (include area code)	10.	Field and Pool, or Exploratory		
P.O. Drawer 3337, Farmington N.M. 87499	l	(505) 327-0356		Basin Fruitland Coal 11. Sec., T., R., M., or Blk. And Survey or Area		
4. Location of well (Report location clearly and In accordance with any St At surface	ate requi	rements, *)]11.	Sec., T., R., M., or Blk. And S	urvey or Area	
1200' FSL, 2000' FEL Latitude 36° 1	19' 28"	, Longitude 107° 52' 51"		O Section 10, T24N, R10W		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN	OR POST	OFFICE*	12	. County or Parish	13. State	
South East of Farmington New Mexico on Coun	ty RD.			San Juan	NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any)		16. No. of Acres in lease	17. Spacing	320 ACRES	S S/2	
18. Distance from proposed location* to nearest well, drilling, completed,		19. Proposed Depth	20. BLM/1	BIA Bond No. on file		
applied for, on this lease, ft. NA		1815'		BLM Blanket Bond	#08510612	
21. ELEVATIONS (Show whether DF. RT, GR, etc.)		22. Aproximate date work will start*		23. Estimated Duration		
6883'		July-05		2 Weeks		
		24. Attachments				
The following, completed in accordance with the requirements of Or	nshore O	il and Gas Order No. 1 shall be attac	hed to this t	form:		
Well plat certified by a registered surveyor.			ns unless cov	ered by existing bond on file(see		
2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification.						
SUPO shall be filed with the appropriate Forest Service Office).	nc .		ormation and	or plans as may be required by t	he a	
25. Signature	Ixr. m	authorized officer.				
23. Signature Muller T. Marson	Name (F	Printed/Typed) Michael T. Hanso	n	DATE 20	-Apr-05	
Operations Engineer	J				<u></u>	
Approved By (Signature)	Name (F	Printed/Typed)		DATE		
Tim byoto				10/	25 06	
Title ATM M	Office			; (, , , , , , , , , , , , , , , , , , , 	
Application approval does not warrant or certify that the applicant holds legal operations thereon.	r equitable	e title to those rights in the subject lease w	hich would	entitle the applicant to conduct		
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 crim States any false, fictitious or fraudulent statements or representations as to any	e for any p	person knowingly and willfully to make to thin its jurisdiction.	any departm	ent or agency of the United		
*See Instructions On Reverse Side	14	- Fibrapplication	For A	pitpermit pri	orto	
	W	- Fir-application Constructing L	, c cat	ion	•	

MMOCD

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

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

Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

Certificate Number

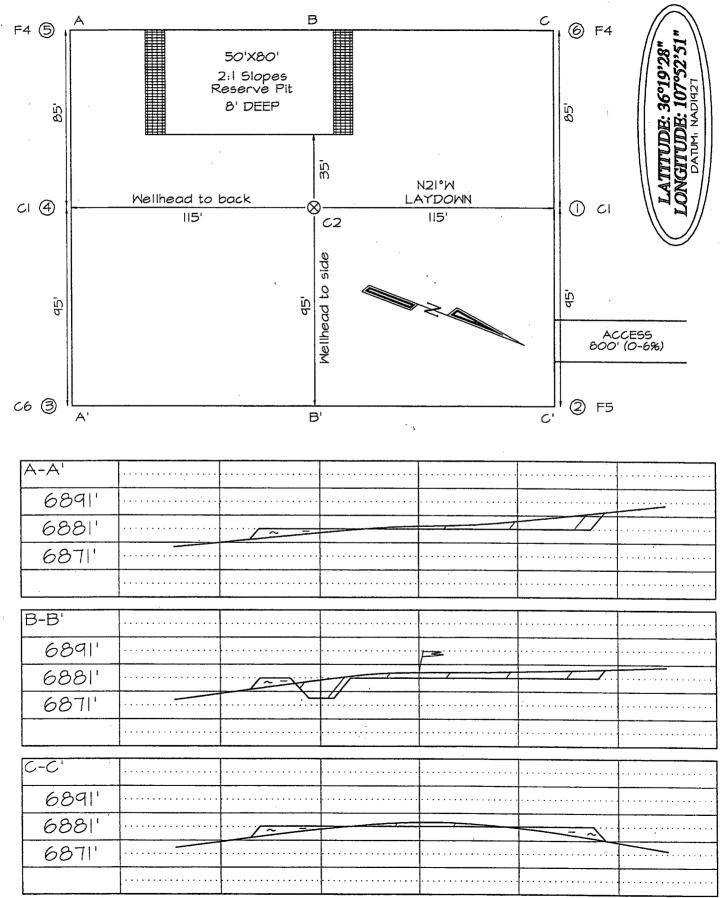
15269

AMENDED REPORT

Form C-102

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COLEMAN OIL & GAS, INC. JUNIPER COM 10 #34 1200' FSL & 2000' FEL, SECTION 10, T24N, R10W NMPM, SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 6883'



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

OPERATIONS PLAN

Well Name:

Juniper Com 10 #34

Location:

1200' FEL, 2000' FEL Section 10, T-24-N, R-10-W, NMPM

San Juan County, NM

Formation:

Basin Fruitland Coal

Elevation:

6883' GL

Formation:	Тор	Bottom	Contents
Nacimiento	Surface	795'	aquifer
Ojo Alamo	795'	925'	aquifer
Kirtland	925'	1360'	
Fruitland	1360'	1615'	gas
Pictured Cliffs	1615'	1815'	gas
Total Depth	1815'		

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' - 1815'	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:

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
12 1/4"	0' - 120'	8 5/8"	24#	J-55 or K-55
7 7/8"	120' - 1815'	5 1/2"	15.5#	J-55 or K-55
Tubing Program:				
	0' - 1650'	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, straddling Ojo Alamo.

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 193 sacks (503.73 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 617.13 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 and casing to 750 psig for 30 minutes; all pipe rams and choke assembly to 750 psig for 45 minutes each.

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

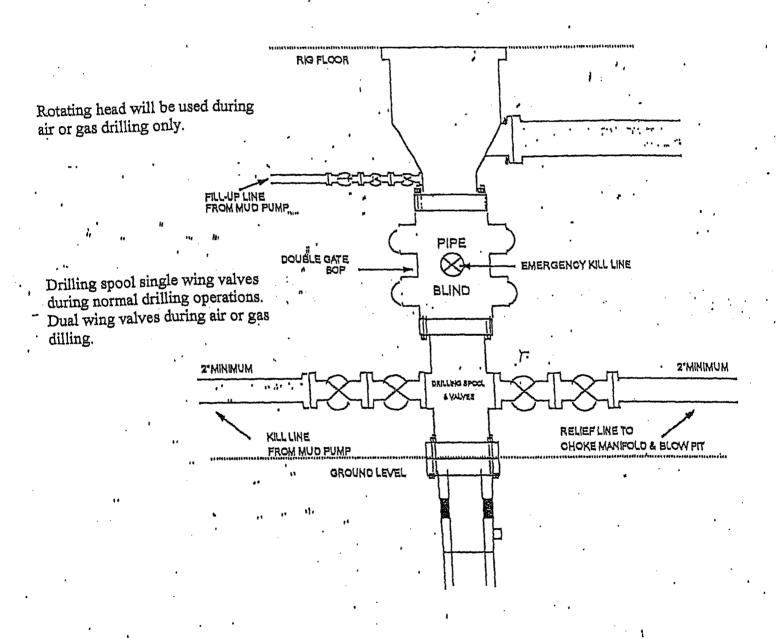
Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

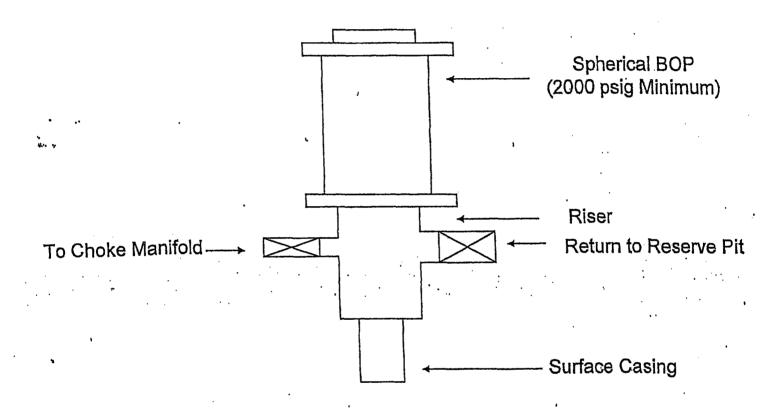
- The Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is 250 psi.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Date: 4/24/65 Drilling Engineer: Muhauf T. Jan

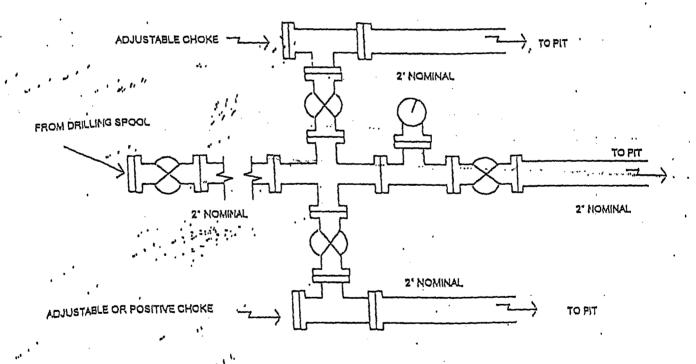
BOP Configuration 2M psi System



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.