|  |   |                                       |   | 30,039-14064                                |
|--|---|---------------------------------------|---|---|
| Fo.m 5.60-3<br>(November 1983)<br>formerly 9-331C) | _   | ITED STATES                           | SUBMIT IN TRIPLICATE*  (Other instructions on reverse side) |   |
|  |   | NT OF THE INTERIO  OF LAND MANAGEMENT | K   | 5 LEASE DESIGNATION AND SERIAL NO. NM-43755 |
| APPLICATION  | Y FOR PERMIT                                      | TOPPHILL, DEEPEN,                     | OR PLUG BACK  | (. IF INDIAN, ALLOTTEE OR TRIBE NAME        |
| 1a. TYPE OF WORK                                   |   | DEFPEN                                | PLUG BACK [   | 7 UNIT AGREEMENT NAME                       |
|  | AS OTERS  | JUL 08 1986 SINGLE                    | X MULTIPLE ZONE   | 8 FARM OR LEAST NAME                        |
| 2. NAME OF OPERATOR  Mesa Gran                     | FAR<br>de Resources.                              | EAU OF LAND MANAGEMENT                |   | Federal Phantom  wall No.                   |
| 3. ADDRESS OF OPERATOR                             | #1_   |                                       |   |   |
| 1200 Phil 4. LOCATION OF WELL (R At surface        | Gavilan Mancos Ext                                |                                       |   |   |
| 1035   | 1 SEC., T., R., M., OR BLK.<br>AND SURVEY OR AREA |                                       |   |   |
| At proposed prod. zon                              | M. 16-25N-2W, N.M.P.M.                            |                                       |   |   |
| 14. DISTANCE IN MILES                              | AND DIRECTION FROM N                              | EAREST TOWN OR POST OFFICE®           |   | 1: . COUNTY OR PARISH   13. STATE           |

10. DISTANCE FROM PROPOSED\*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig, unit line, if any) 16. NO. OF ACRES IN LEASE NO. OF CRES ASSIGNED TO THIS WELL 80 2851 400 18. DISTANCE FROM PROPOSED LOCATION®
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. ROTARY )R CABLE TOOLS 8190' 6350'± Romary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) Some and the state of

3.5 miles SW of Ojito, N.M.

7238 GR

22. APPROX. DATI: WORK WILL START\* August 15, 1986

N.M.

Rio Arriba

PROPOSED CASING AND CEMENTING PROGRAMDRILLING ( PERATIONS AUTHORIZED ARE epined pursuant to 43 to 3 3 to 6. SUBJECT TO COMPLIANCE WITH ATTACHED SIZE OF HOLE WEIGHT PER FOOT SETTING DEPTH SIZE OF CASING 163 SX (196 ft<sup>3</sup> 12½" 500'± 8-5/8" 24# K-55 2300 SX (2760 ft<sup>3</sup> 7-7/8" 5⅓" 8190'± 17# J-55

## PROPOSED PROGRAM

- Proposed well will be drilled through the Dakota Formation and will evaluate the hydrocarbon potential of the Dakota, Graneros, Greenhorn, and Mancos zones. Completion program will be determined at total depth after log analysis.
- A BOP will be installed after surface casing is set and cemented. Prior to drilling out from under surface, BOP will be tested to 500 # S.P. subsequent work will be conducted through BOP.
- Drilling mud will be low solid non-dispersed; 35-45 visc., 8.5-9.2 lbs. 3.
- If well is found to be non-productive, all water zones and zones with hydrocarbon shows will be bridged and cemented prior to plugging the well.
- CEMENTING: 1st T.D. to  $6600'\pm 215 \text{ ft}^3 65/35 \text{ Poz w}/ 6\% \text{ Gel, } $\frac{1}{4}$ D-29 cello flake$ and 10% salt. Tail in  $\overline{w}/\overline{350}$  ft<sup>3</sup> RFC. TOC  $6500'\pm$ ; 2nd  $-\underline{6450'}$  to  $\underline{3800'\pm}$  DV tool @ 6450' w/ 280 ft3 65/35 Poz w/ 6% Gel, 1# D-29 cello flake and 10% salt. Tail in  $w/950 \text{ ft}^3 \text{ RFC. TOC } 3800'\pm; 3rd - 3600' \text{ to } 2000'\pm \text{ DV tool } 3600' \text{ } w/580 \text{ ft}^3$ 65/35 Poz w/ 6% Gel, 1 D-29 cello flake, 10% salt. Tail in w/ 465 ft3 RFC.

West Half of Section 16. T25N-R2W, is dedicated to this well and proposed new productive zone. If proposed is to drill or deepen directionally, give pertinent data on subsurface locations and measured at d true vertical depths. Give blowout

| preventer program, a any.                    |               |
|--|---------------|
| SIGNED Suggest Hilligs                       | June 30, 1986 |
| Gregory R. Phillips                          |               |
| (This space for Federal or State office use) | SEP 0 8 1986  |
| PERMIT NO.                                   | APPROVAL DATE |
| APPROVED BY                                  | DIST. 3 DIV.  |

NMOCC

\_/s/ J. Stan McKee

\*See Instructions On Reverse Side

## OIL CONSERVATION DIVISION

P. O. BGX 2088

Form (-102 Revised 10-1-78

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501

| 1035 feet from the Ground Level Elev. 7245! Producin 7245! G  1. Outline the acreage de  2. If more than one lease interest and royalty).  3. If more than one lease                         | Township 25 Nort (cardinal) South line of a Formation allup dicated to the subject e is dedicated to the v  | Pool Gar<br>Gar<br>well by col | 1125 free Civilan Man       | Ri<br>from the             |  | Mell Ho.  1  Hine Icrited Acreage: 320/626 Acrea   |
|--|---|--------------------------------|-----------------------------|----------------------------|--|--|
| M 16  Actual Footage Location of Well:  1035 feet from the  Ground Level Elev. 7245!  1. Outline the acreage de  2. If more than one lease interest and royalty).  3. If more than one lease | (cardinal) South line of a Formation allup dicated to the subject e is dedicated to the v   | Pool Gar<br>Gar<br>well by col | 1125 free Civilan Man       | from the                   | West Ded   | tented Acreage;  |
| 1035 feet from the Ground Level Elev. 7245! G  1. Outline the acreage de  2. If more than one lease interest and royalty).  3. If more than one lease  | South line of Formation allup dicated to the subject e is dedicated to the subject control of the subject control | Pool Gar<br>Well by col        | vilan Man<br>lored pencil o | COS EXT                    | X Ded  | tented Acreage;  |
| 7245' G  1. Outline the acreage de  2. If more than one lease interest and royalty).  3. If more than one lease  | allup dicated to the subject e is dedicated to the v  | well by col                    | vilan Man<br>lored pencil o | cos Ext                    |  |  |
| Outline the acreage de     .      If more than one lease interest and royalty).      If more than one lease  | dicated to the subject  | well by col                    | lored pencil o              |                            |  | <u>-                              </u>   |
| <ol> <li>If more than one lease interest and royalty).</li> <li>If more than one lease</li> </ol>  | e is dedicated to the v   |                                |                             |                            | and on the pr                                    | at below.  |
| 3. If more than one lease  |   |                                |                             |                            | eners) ip there                                  | of (both as to working   |
| dated by communitization   | on, unitization, force-po   | ooling.etc?                    |                             |                            | terests of all                                   | owners been consoli-   |
| Yes No   | If answer is "yes," typ   | e of consoli                   | dation                      |                            |  |  |
| If answer is "no;" list  | the owners and tract d  | escriptions v                  | which have ac               | tually been                | consolidated                                     | . (Use reverse side of   |
| this form if necessary.)<br>No allowable will be as  | signed to the well until  | all interests                  | s have been c               | onsolidated                | l (by commun                                     | itization, unitization,  |
| forced-pooling, or otherv  | vise) or until a non-stan   | dard unit, el                  | liminating suc              | h interests,               | has been app                                     | roved by the Division.   |
| 3.83   | ° 59' W 5280  | . 66'                          | <u> </u>                    |                            | CE   | RTIFICATION  |
| Mesa Grande, LTD<br>Arriba Co., LTD  | 95% 5%  | BUI<br>FA:                     | JUL 08                      | IVED<br>1986<br>PANAGEMENT | tain :d.herein<br>best of my kno                 | y that the information consist true and complete to the owledge and belief.  Ory R. Phillips esident                                 |
| NM-01355   | Sec.  | S                              | 1 3 8 1886<br>1 1897 DI     |                            | Positi >n  | de Resources, I  |
| 1 C U = (1 8 1 2 2 2 B .   |   | 16                             | †<br>!<br>!<br>!            | 3. 4.0%                    | shown on this<br>notes of actu-<br>under my supe | Ify that the well location plot was plotted from field of surveys made by me or crysion, and that the same correct to the best of my |
| SF-  | 081332  |                                | !                           | ]]                         | knowledge and                                    |  |
| 351  | Mesa Grande,Ltd<br>Arriba Co, Ltd   | 5 %                            |                             |                            |  | 4 9.966  |
|  | 5890 54 W 5287  | 2000 1500                      | 1000 5                      | 00 0                       | Certificate No.                                  |  |

