

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other Instructions on the reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coleman Oil & Gas, Inc.

3a. Address

P.O. Drawer 3337, Farmington, NM 87499

3b. Phone No. (include area code)

505-327-0356

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

950' FNL and 950' FWL SEC 26, T26N, R12W, NMPM

5. Lease Serial No.

NMNM-104610

6. If Indian, Allottee, or Tribe Name

7. If Unit or CA. Agreement Designation

8. Well Name and No.

Chipper #1

9. API Well No.

30-045-30297

10. Field and Pool, or Exploratory Area

WAW -Fruitland Sand PC

11. County or Parish, State

San Juan

NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Altering Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and abandon

☐ Plug back

☐ Production (Start/ Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-off

☐ Well Integrity

☒ Other

Infill Basin Fruitland Coal Well

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Coleman Oil & Gas, Inc. proposes to Temporarily Abandon the WAW Fruitland-PC perforations and recompleat this well as an infill well to the Darcy Ann #1 SWSW Sec 26, T26N, R12 W. Commingle Pictured Cliffs and Fruitland Coal formations.

See attached procedure and C-102 for the Darcy Ann #1 and Chipper #1.

No OHC order 11-3-02

14. I hereby certify that the foregoing is true and correct.

Name (Printed/ Typed)

MICHAEL T. HANSON

Title

ENGINEER

Signature

Date

November 7, 2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Original Signed: Stephen Mason

11/18/02

Conditions of approval, if any are attached. Approval of this notice 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 operations thereon.

Office

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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

NMOCD

RECEIVED
NOV 12 PM 1:52
Farmington, NM

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this

form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13 - Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present

productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c); and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

BLM would like you to know that you do not have to respond to this or any other Federal agency -sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington D.C. 20240 and the Office of Management and Budget, Interior Desk Officer, (1004-0135), Office of Information and Regulatory Affairs, Washington, D.C. 20503.

Coleman Oil & Gas, Inc.

Completion Procedure **Basin Fruitland Coal formation**

Thursday, November 07, 2002

Well:	Chipper #1	Field:	Basin Fruitland Coal
Location:	950' fnl & 950' fwl (nw nw) Sec 26, T26N, R12W, NMPM San Juan County, New Mexico	Elevation:	6198' RKB 6194' GL
By:	Michael T. Hanson	Lease:	NMNM-104610
		AFE No.:	

Procedure: *(Note: This procedure will be adjusted on site based upon actual conditions)*

Temporarily Abandon WAW Fruitland Sand – PC (1249-1255)

1. Order in frac & flow back test tanks w/ riser, working external gage & two good 4" valves. Fill frac tanks w/ \pm 380 bbls produced water.
2. MIRU Well Service Rig.
3. Install BOP equipment.
4. POOH with Rods Tubing. Tag up with tubing and clean out to PBTD if needed.
5. Set CIBP at \pm 1245 Ft. GL, correlate with Schlumberger Platform Express Triple Litho Density Log dated March 30, 2001, Nipple down BOP, Install frac valve on top of 4 1/2" casing and pressure test to 2700 psig.
6. Rig down Well Service Rig and move to Carrie #1.

Perforate Basin Fruitland Coal

1. MIRU Wireline, and mast truck. Run GR-CL-Correlation log from PBTD at 1307' GL to \pm 1000 Ft or above short joint at 1003 - 1025.
2. Perforate Basin Fruitland Coal with 3 3/8" HSD casing gun, 60° phasing per Chipper #1 Schlumberger Platform Express Triple Litho Density Log dated March 30, 2001 as follows:

1229-1241 ft	12 ft	6 spf	72 holes	0.45" diameter
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Total 72 holes with minimum 18" penetration.

Hydraulic Fracture Stimulation

- 1 Order in four frac tanks w/riser, working external gage & two good 4" valves. Fill frac tanks w/ \pm 380 barrels of 2% KCL water. Heat frac water for 80 degrees F.
- 2 Rig up Hydraulic Fracture Equipment and Pressure test and hold safety meeting. RU Acid Truck. Spearhead 1000 gal 7.5% HCl Acid w/ inhibitor with additives
- 3 Follow with 11,000 gallons of 20# cross linked gel pad. At \pm 9000 gallons of Pad start $\frac{1}{2}$ pound stage and leave $\frac{1}{2}$ pound through remainder of Pad.
- 4 Pump Proppant Laden fluid, 25,400 gallons 20# cross linked gel with 80,000# 20/40 Brady sand $\frac{1}{2}$ to 6# ramp. Flush with 20# Linear Gel, 100 feet above top perforation.
- 5 Record ISIP, 5 minute, 10 minute and 15 minute pressures.
- 6 Rig down hydraulic fracture equipment and move to the Carrie #1.
- 7 Flow back well if possible, If not MIRU Well Service Rig

NOTE: Maximum treating pressure 2700 psig.

Commingle Pictured Cliffs and Basin Fruitland Coal Formations

1. RIH with 2 3/8" tubing, Drill out CIBP and clean out to PBTD.
2. Land tubing at 1265' GL, \pm 30' below Pictured Cliffs perforations w/ SN, PS and MA on bottom. Nipple down BOPs, nipple up wellhead.
3. Run rods and pump. Put well on to production.

Attachments:

AFE

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

District II
PO Drawer 00, 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

210 JUN 30 PM 12:05 ☐ AMENDED REPORT

070 FARMINGTON, NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 87190	Pool Name WAW FRUITLAND SAND PICTURED CLIFFS
Property Code	Property Name CHIPPER		Well Number 1
GRID No. 004838	Operator Name COLEMAN OIL & GAS, INC.		Elevation 6194'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
0	26	26N	12W		950	NORTH	950	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 160		Joint or Infill Y		Consolidation Code		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

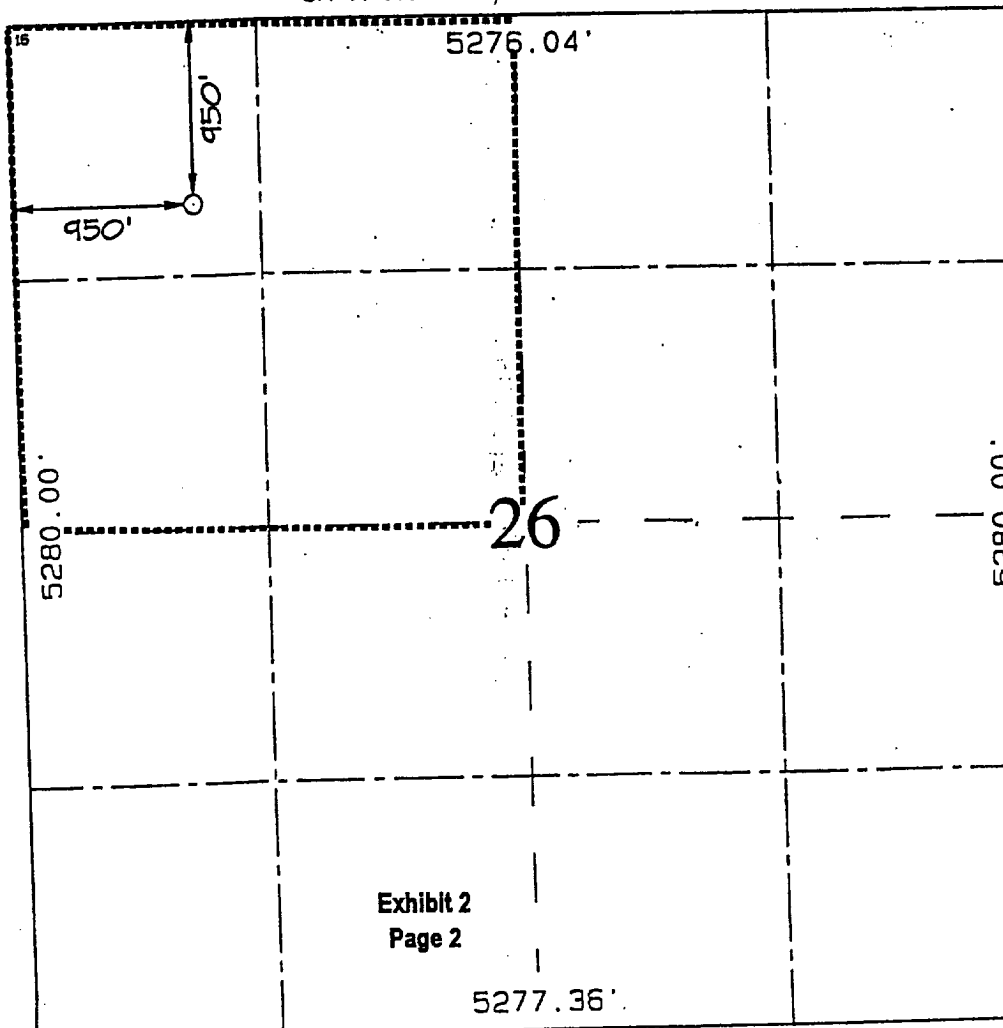
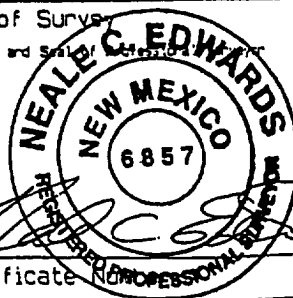
	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Paul C. Thompson</i> Signature Paul C. Thompson Printed Name Agent Title 6/28/00 Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify 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>MAY 26, 2000 Date of Survey <i>NEALE C. EDWARDS</i> Signature and Seal  Certificate No. 6857</p>

Exhibit 2
Page 2

District II:
PO Drawer DO, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

FIGURE 3A

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number' 30-045-29896	'Pool Code' 71629	'Pool Name' BASIN FRUITLAND COAL
'Property Code' 24807	'Property Name' DARCY ANN	'Well Number' 1
'OGAID No.' 004838	'Operator Name' COLEMAN OIL & GAS, INC.	'Elevation' 6231'

¹⁰ 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	26	26N	12W		1005	SOUTH	920	WEST	SAN JUAN

¹¹Bottom 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 320		13 Joint or Infill Y		14 Consolidation Code C		15 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

<div>5276.04'</div> <div>5280.00'</div> <div>NMNM</div> <div>NO-G</div> <div>104610</div> <div>9811-1309</div> <div>26</div> <div>920'</div> <div>1005'</div> <div>5277.36'</div> <div>5280.00'</div>		<div>17 OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div> <div>Signature</div> <div>Paul C. Thompson</div> <div>Printed Name</div> <div>Agent</div> <div>Title</div> <div>6/5/00</div> <div>Date</div>	
		<div>18 SURVEYOR CERTIFICATION</div> <div>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.</div> <div>DECEMBER 21, 1998</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor</div> <div><div>NEALE C. EDWARDS</div><div>NEW MEXICO</div><div>6857</div><div>6857</div></div> <div>Certificate No.</div>	