

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

September 17, 1990

RECEIVED
SEP 21 1990
OIL CON. DIV./
DIST. 3

D. J. Simmons Co.
P.O. Box 1469
Farmington, NM 87499

Attention: Roderick Pinkett

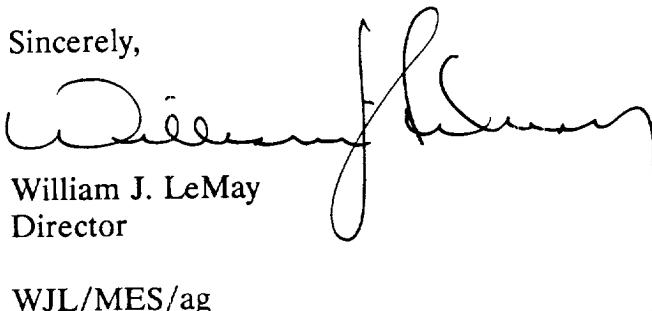
Administrative Order NSL-2865

Dear Mr. Pinkett:

Reference is made to your application dated July 20, 1990, as amended on July 26 and August 24, 1990, for a non-standard coal gas well location for your CAP Com "7" Well No. 1 to be located 1450 feet from the South line and 790 feet from the West line (Unit ~~K~~) of Irregular Section 7, Township 28 North, Range 10 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. All of said Irregular Section 7 shall be dedicated to the well forming a 257.95-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Meridian Oil, Inc. - Farmington

Leah

D. J. SIMMONS CO.
P. O. BOX 1469
FARMINGTON, NEW MEXICO 87499

JULY 26, 1990

NEW MEXICO GAS & OIL CONSERVATION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87504-2088

RECEIVED
JUL 31 1990
OIL CON. DIV.
DIST. 3

ATTN: MICHAEL STOGNER

It is intended to locate the D. J. Simmons Company's CAP Com 7 #1 at 1450' FSL & 790' FWL, Section 7, T28N, R10W, San Juan County, New Mexico. This well will be drilled and completed in the Fruitland Coal formation.

The existence of existing wells and pipelines make it impractical to build an orthodox location. The subject location is adjacent to and directly north of an existing well pad resulting in minimal surface disturbance. Also a deep arroyo northeast of the location makes this area undesirable.

The offset operators have been notified (see attached receipts) of the need for an unorthodox location for this well.

Should you have any questions please feel free to contact Roderick Pinkett at (505) 326-3753. Thank you in advance for your attention to this matter.

Sincerely yours,

D. J. SIMMONS CO.

Jesse Evans
Jesse Evans
Registered Petroleum Engineer

D. J. SIMMONS CO.
P.O. BOX 1469
FARMINGTON, N. M. 87499

July 20, 1990

NEW MEXICO GAS & OIL CONSERVATION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410

ATTN: ERNIE BUSH

It is intended to locate the D. J. Simmons Comany's CAP Com 7 #1 at 1450' FSL & 790' FWL, Section 7, T28N, R10W, San Juan County, New Mexico. This well will be drilled and completed in the Fruitland Coal formation. The existence of existing wells and pipelines make it impractical to build an orthodox location.

After reviewing the accompanying topographic map designating the orthodox window and the proposed well location, please sign and return this document within 20 days to Michale Stogner at the New Mexico Oil Conservation Commission in Santa Fe, New Mexico.

Should you have any questions please feel free to contact me at (505) 326-3753. I thank you in advance for your attention to this matter.

Sincerely yours,

D. J. SIMMONS CO.



RECEIVED

JUL 23 1990

OIL CON. DIV
DIST. 3

Roderick Pinkett
Registered Petroleum Engineer

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

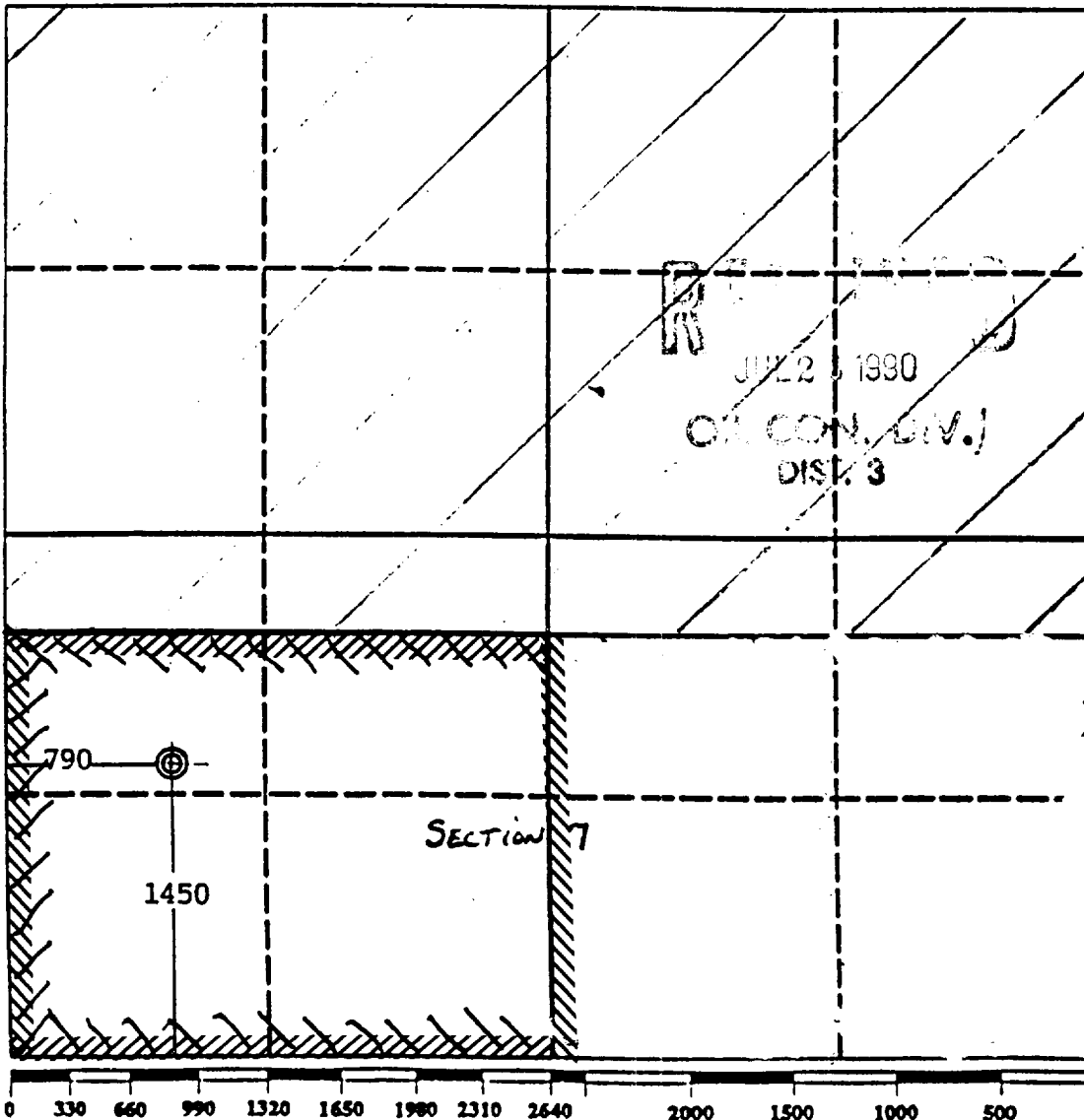
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator D. J. Simmons			Lease Cap Com.		Well No. 7 #1
Unit Letter	Section 7	Township 28 North	Range 10 West	County NMPM San Juan	
Actual Footage Location of Well: 1450 feet from the South line and 790 feet from the West line					
Ground level Elev. 5746	Producing Formation Fruitland		Pool Basin Fruitland		Dedicated Acreage: 128.03 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☒ No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). _____
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

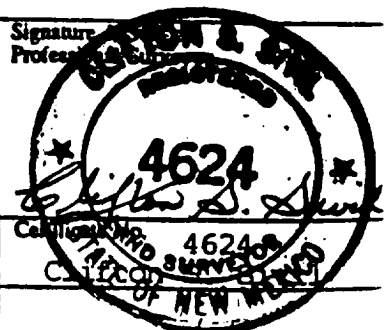
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Rod Pinkett
 Printed Name
Petroleum Engineer
 Position
D. J. Simmons Co.
 Company
June 13, 1990
 Date

SURVEYOR CERTIFICATION

I hereby certify that the well location on this plat was plotted from field notes, actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

June 8, 1990
 Date Surveyed
 Signature
 Professional Engineer



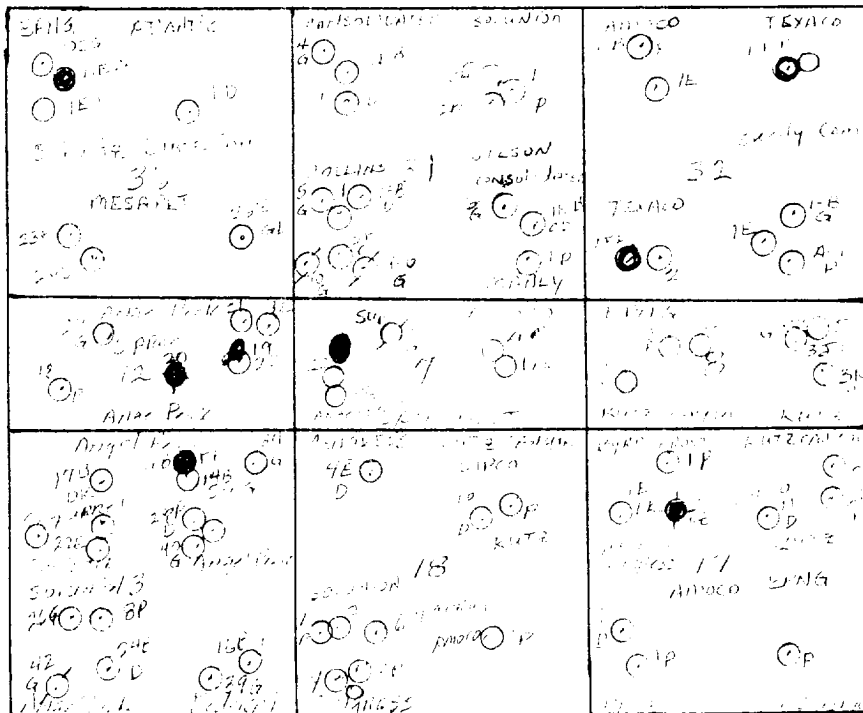
R-11W

R-10W

Ping Pong & Luchit 1300

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27
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27
N

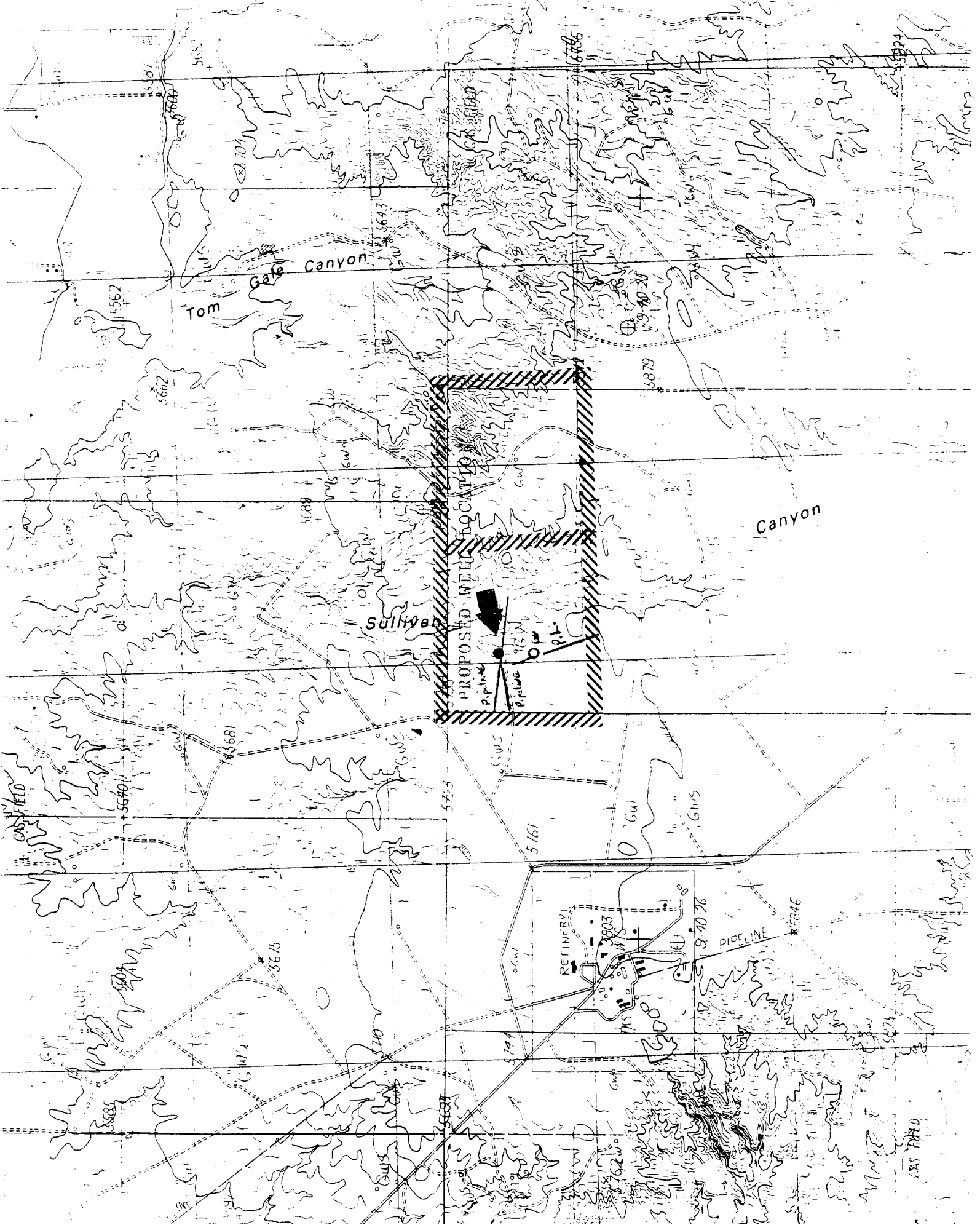


R-11W

R-10W

Creighton

Canyon



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐			5. LEASE DESIGNATION AND SERIAL NO. SF047039		
B. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER ☐			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR D.J. Simmons			7. UNIT AGREEMENT NAME		
3. ADDRESS OF OPERATOR P.O. Box 1469, Farmington, NM 87499			8. FARM OR LEASE NAME Cap Com 7		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1450' FSL, 790' FWL At proposed prod. zone			9. WELL NO. #1		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Three miles southeast of Bloomfield, N.M.			10. FIELD AND POOL OR WILDCAT Basin Fruitland		
13. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 790'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 7, T28N, R10W		
13. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 345'			12. COUNTY OR PARISH San Juan		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5746'			13. STATE N.M.		
16. NO. OF ACRES IN LEASE			17. NO. OF ACRES ASSIGNED TO THIS WELL		
19. PROPOSED DEPTH 1934'			20. ROTARY OR CABLE TOOLS Rotary		
22. APPROX. DATE WORK WILL START ASAP					

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	200'	140 sks. (circ.)
7 7/8"	4 1/2"	10.5#	1934'	482 sks. (circ.)

THE FRUITLAND FORMATION WILL BE COMPLETED

A 3000 PSI WP AND 6000 PSI TEST DOUBLE GATE PREVENTER EQUIPPED WITH
BLIND AND PIPE RAMS WILL BE USED FOR BLOWOUT PREVENTION ON THIS WELL.

THIS GAS IS DEDICATED

THE W/2 OF SECTION 7 IS DEDICATED TO THIS WELL.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout

SIGNED Peter R. [Signature] TITLE Petroleum Engineer DATE 6-18-90
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

See Instructions On Reverse Side

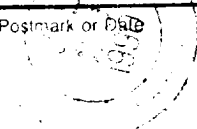
U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

P 565 399 433

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to	Southern Metal Exports	
Street and No	P.O. Box 1800 3001	
P.O. State and ZIP Code	Farmington, NM 87401	
Postage	\$	.25
Certified Fee		.85
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		.90
Return Receipt showing to whom Date and Address of Delivery		
TOTAL Postage and Fees		\$2.00
Postmark or Date		

P 565 399 434

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to	Anaco Prod. Company	
Street and No	P.O. Box 800	
P.O. State and ZIP Code	Denver, CO 80201	
Postage	\$	.25
Certified Fee		.85
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		.90
Return Receipt showing to whom Date and Address of Delivery		
TOTAL Postage and Fees		\$2.00
Postmark or Date		

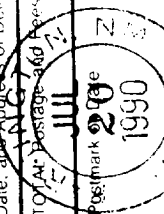
U.S.G.P.O. 1989-234-555

Form 3800, June 1985

P 565 399 435

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to	Mendocino Oil Inc.	
Street and No	3535 E. 30th Street	
P.O. State and ZIP Code	Farmington, NM 87499	
Postage	\$	.25
Certified Fee		.85
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		.90
Return Receipt showing to whom Date and Address of Delivery		
TOTAL Postage and Fees		\$2.00
Postmark or Date		

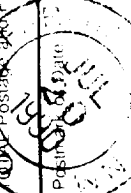
U.S.G.P.O. 1989-234-555

Form 3800, June 1985

P 565 399 431

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to	Union Texas Petroleum	
Street and No	P.O. Box 2120	
P.O. State and ZIP Code	Houston, TX 77252	
Postage	\$	.25
Certified Fee		.85
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		.90
Return Receipt showing to whom Date and Address of Delivery		
TOTAL Postage and Fees		\$2.00
Postmark or Date		

U.S.G.P.O. 1989-234-555

Form 3800, June 1985

P 565 399 437

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	
Armoco Prod. Company	
Street and No.	
P.O. Box 800	
P.O. State and ZIP Code	
Denver, CO 80201	
Postage	\$ 25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark Date	

P 565 399 436

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to	
Mendial Oil Inc.	
Street and No.	
P.O. Box 4289	
P.O. State and ZIP Code	
Farmington, NM 87499	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark Date	

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	
Section Mining Co	
Street and No.	
P.O. Box 3001	
P.O. State and ZIP Code	
Farmington, NM 87499	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark Date	

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

P 565 399 438

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	
Muda Operating LTD	
Street and No.	
P.O. Box 2009	
P.O. State and ZIP Code	
Laredo, Texas 79109-2009	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark Date	

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

P 565 399 439

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	
Chlorine Leasing Co.	
Street and No.	
P.O. Box 3120	
P.O. State and ZIP Code	
Lubbock, Texas 79402	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark Date	

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

P 565 399 440

P 565 399 429

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	Mesa Operating Ltd.	
Street and No.	P.O. Box 2009	
P.O. State and ZIP Code	Tulsa, OK 74109-2009	
Postage	\$	2.25
Certified Fee		.85
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		.90
Return Receipt showing to whom Date, and Address of Delivery		
TOTAL Postage and Fees	\$	2.00

P 565 399 430

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	Columbus Energy Corp.	
Street and No.	1860 Lincoln	
P.O. State and ZIP Code	Denver, CO 80245	
Postage	\$	2.25
Certified Fee		.85
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		.90
Return Receipt showing to whom Date, and Address of Delivery		
TOTAL Postage and Fees	\$	2.00

P 565 399 432

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	Price Oil & Gas Co.	
Street and No.	1816 E. Morgan	
P.O. State and ZIP Code	Farmington, NM 87409	
Postage	\$	2.25
Certified Fee		.85
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		.90
Return Receipt showing to whom Date, and Address of Delivery		
TOTAL Postage and Fees	\$	2.00