

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 30-045-22236	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR ENERGY RESERVES GROUP, INC.		7. UNIT AGREEMENT NAME GALLEGOS CANYON UNIT-	
3. ADDRESS OF OPERATOR BOX 3280, CASPER WYOMING, 82602		8. FARM OR LEASE NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1650'FSL, 1090'FEL (SW NE SE) At proposed prod. zone		9. WELL NO. 276	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 6 miles south and 3 miles east of Torrington		10. FIELD AND POOL, OR WILDCAT West PICTURED CLIFFS	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) NA		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC 25-T28N-R13W	
16. NO. OF ACRES IN LEASE UNITIZED		12. COUNTY OR PARISH SAN JUAN	
17. NO. OF ACRES ASSIGNED TO THIS WELL 160		13. STATE NEW MEXICO	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2750'		20. ROTARY OR CABLE TOOLS ROTARY	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5799' GRD		22. APPROX. DATE WORK WILL START* DECEMBER 1976	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9 7/8"	7"	17"	100'	50 sks
6 1/4"	4 1/2"	9.5#	1680'	100 sks

Energy Reserves Group, Inc. proposes to drill the above well with rotary tools from surface to TD. The anticipated zone of completion is the Pictured Cliffs formation. No cores or DST's are planned. Copies of all logs run will be finished upon completion of the well. Copies of the location plat are attached. The estimated tops are as follows : Ojo Alamo 325', Kirtland 425', Pictured Cliffs ss 1540', TD 1680'. A Series 600 or 900 BOP will be used while drilling this well.

The gas is dedicated.

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 preventer program, if any.

24. SIGNED Huan B. Baines TITLE RMD Production Engineer DATE October 28, 1976

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

aka

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

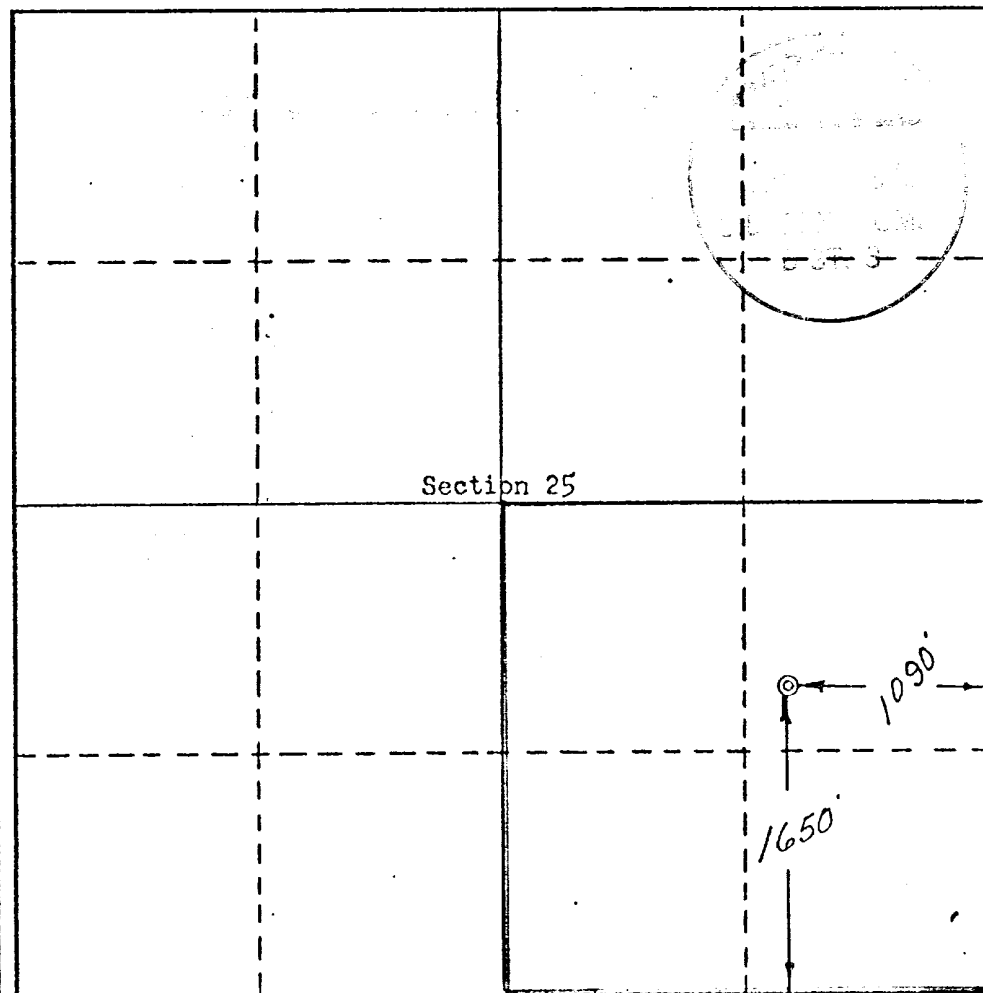
Operator Energy Reserves Group, Inc.			Lease Gallegos Canyon Unit- 1		Well No. 276
Unit Letter I	Section 25	Township 28 North	Range 13 West	County San Juan	
Actual Footage Location of Well: 1650 feet from the South line and 1090 feet from the East line					
Ground Level Elev. 5799	Producing Formation Pictured Cliffs	Pool West Kutz Pictured Cliffs	Dedicated Acreage: 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name
Hean B. Bawer
Position
RMD Production Engineer
Company
Energy Reserves Group, Inc.
Date
10-28-1976

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 knowledge and belief.

Date Surveyed
September 27, 1976
Registered Professional Engineer
and Land Surveyor
Certificate No. 3081

ENERGY RESERVES GROUP, INC.
G.C.U.-P.C. # 276 (TD 1680')

Attachment with Form 9 - 331 C.

1. The geologic name of this surface formation is the Nacimiento formation.
2. The estimated tops of the important geologic markers in this well are :

Ojo Alamo	325'
Kirtland	425'
Pictured Cliffs	
ss	1540'
TD	1680'

3. It is anticipated that the Pictured Cliffs formation will be gas bearing.
4. The proposed casing program is as follows :
Set 7" 17# used casing at 100' + and cement back to surface with 50 sks cement.
Set 4½", 9,5# secondhand casing at 1680' + (in a 6½" hole) and cement with 100 sks cement.
Estimated cement top at 1040' ±.
5. Pressure control equipment consists of the following :
A Shaffer type - double ram BOP - hydraulically operated - 10" 600 or 900 series. The BOP will be pressure tested to 400 psi after installation and prior to drilling out from under surface casing. See attachment #1.
6. Well is to be drilled with gel mud plus required additives for hole conditions and formations to be drilled. Normally, about 30-40 sacks of gel will be on location at any one time. There is no need for weighting material.
7. Auxiliary equipment - a float at the bit and a full opening floor valve to stab into the drill pipe.
8. No coring is planned. No DST's are planned. It is planned to run only the IES log from TD to base of surface casing.
9. No abnormal pressures or temperatures are anticipated. H₂S is not a potential problem in this area.
10. It is planned to commence drilling operations soon after regulatory approval has been received. It is planned to drill this well along with about ten (10) others yet this year. It is estimated it will take 6 days to drill and log this well.

NTL-6

1. Existing Roads :

- a. See attachment #2
- b. about 6 miles south and 3 miles east of Farmington
- c. Covered in a. and b.
- d. Not applicable - development well.
- e. See attachment #2
- f. Existing roads are in good condition.
No improvement or maintenance required.

2. Planned Access Roads :

It will be necessary to construct 100' of Access road up hill to location from Amoco Well #175.

- (1) Width of driving area limited to 16'±.
- (2) 6 % to 8% grades.
- (3) (4) (5) (6) (7) Not required.

3. Location of existing wells :

Wells indicated on Attachment #2 are producing wells operated by Energy Reserves Group, Inc.

4. Location of existing and/or Proposed Facilities :

- a. (1) None
- (2) At each well
- (3) None
- (4) El Paso has gathering lines to each well
- (5) None
- (6) None
- b. If well is productive El Paso will hook up each well. A meter house will be required at each well.

5. Location and type of Water Supply :

- a. It may be possible to dig a water hole with a cat in the Gallegos Canyon near proposed well #274. If enough water is not available from this source it will be necessary to haul it from the San Juan River near where you cross it after turning off the Bloomfield Highway.
- b. Hauling by Truck in either way.
- c. Not contemplated.

6. Source of Construction Material :

a.b.c.d. None Required.

7. Method for Handling Waste Disposal :

- (1) (2) (3) Reserve pit at drill site will be used to contain these items.
- (5) A small deep trash pit will be dug at drill site location.
- (6) Area will be policed up after drilling rig moves out and debris is placed in trash pit.

8. Ancillary Facilities :

None planned.

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9. Well Site Layout :

- (1) See attachment #3
- (2) See attachment #4
- (3) See attachment #4
- (4) It is not planned to line pits.

10. Plans for restoration of surface :

As soon as pit is dried up, it will be filled in and the surface leveled and contoured to surrounding terrain.

11. Other Information :

- (1) Topography at well site and access road has steep grades . Location is of side on sloping hill side.
A number of moderate size scrub trees will have to be knocked down.
- (2) Questimable for sheep grazing.
- (3) No water or dwellings nearby.

12. Lessee's or Operator's representative :

Mr. T.C. Durham is the Foreman who will represent Energy Reserves Group, Inc. during our drilling and clean up operations in connection with this well. He lives in Farmington, New Mexico. His address and phone no's are as follows :

Home	- 1205 Camino Largo	ph.505-325-7978
Office	- Box 977	ph.505-327-1639
Contact	- Unit 539	ph.505-325-1873

13. Certification :.

See attached certificate.

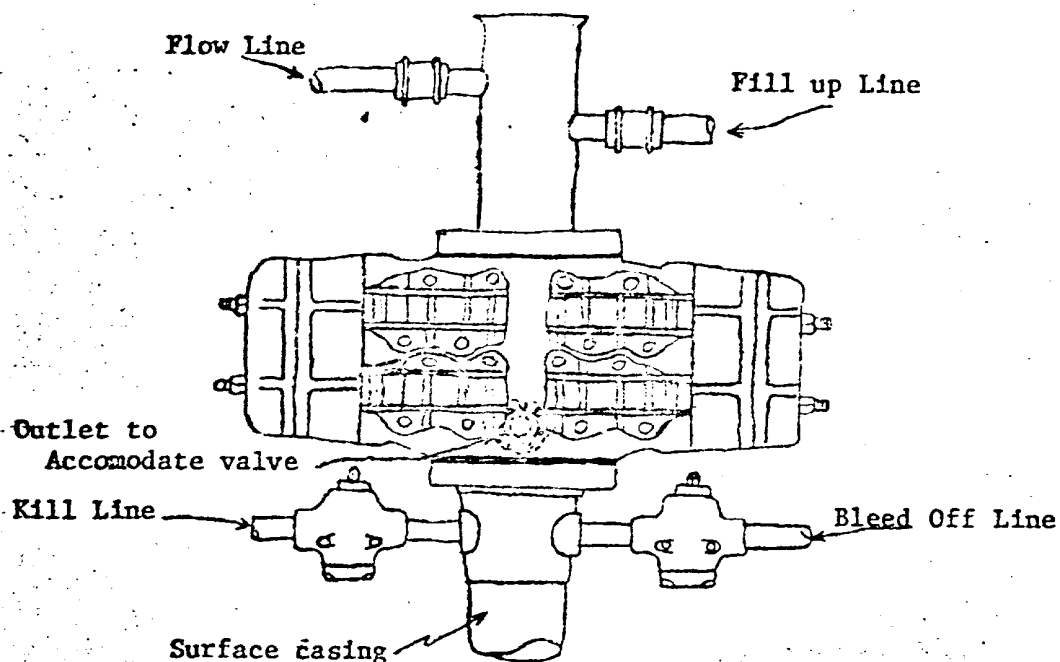
CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by _____

FRANK FORD JONES
and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

10-5-76
Date

Frank Ford Jones
Name and Title



Blowout preventer is Shaffer double hydraulic equipped with drill pipe rams in the top and blind rams in the bottom.

Blowout preventer closing unit is Kookey 30 gallon accumulator unit.

When choke manifold is used, it will be installed downstream from bleed off valve.

Kill line or bleed off line may be installed at flanged opening in blowout preventer.

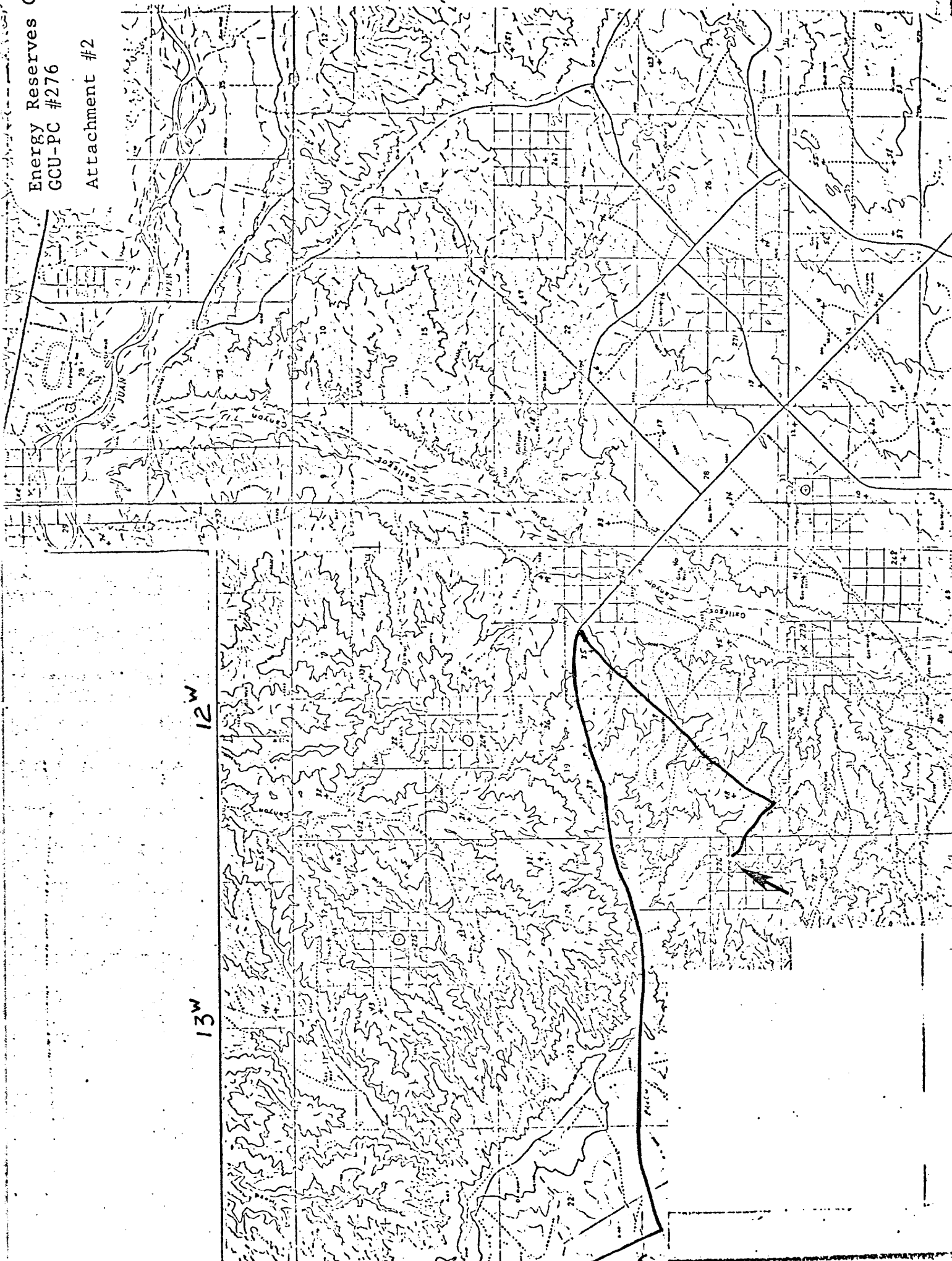
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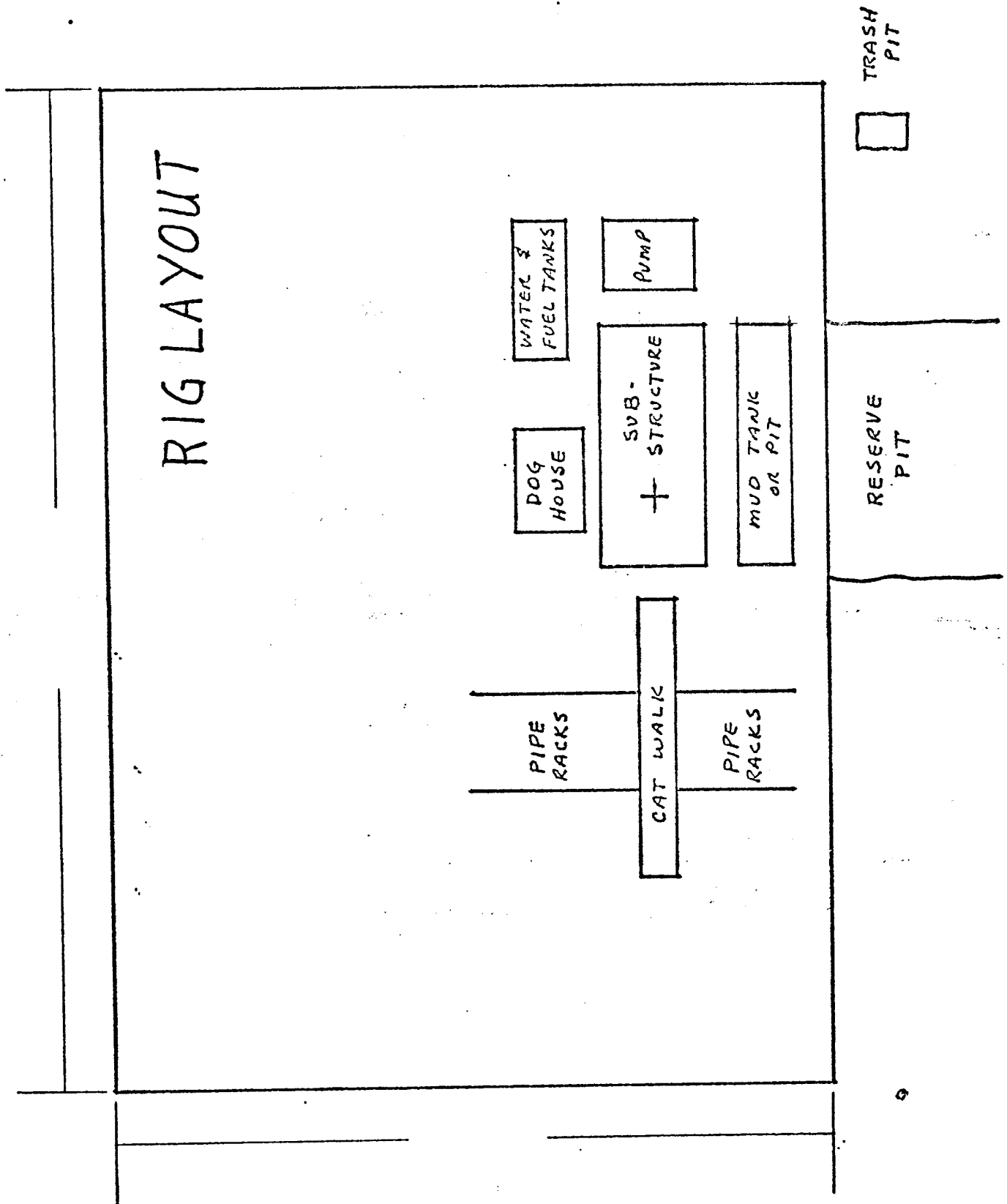
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12°W

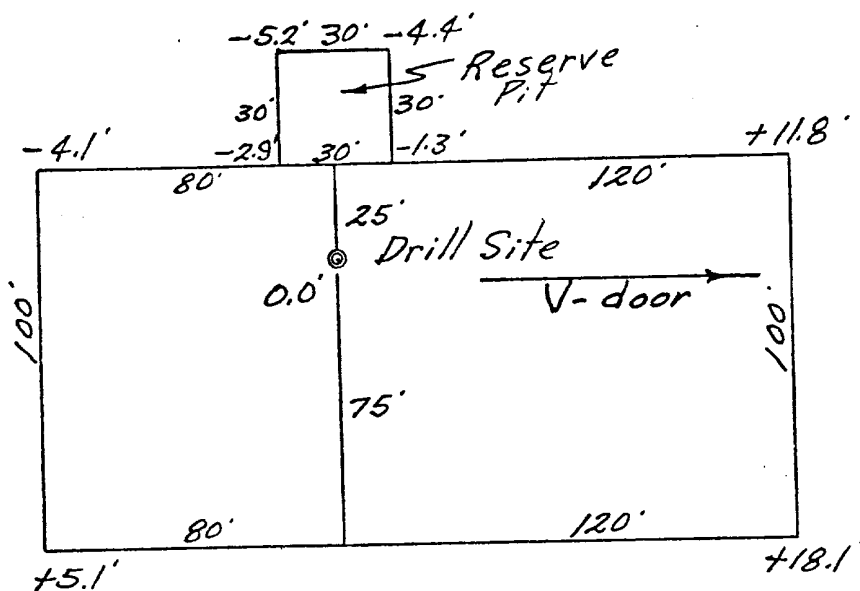
13°W

↑
Route H-371
to
FARMING





Energy Reserves Group, Inc.
GCU-PC # 276
1650' FS & 1090' FE Sec 25-26N-13W
San Juan County, New Mexico



RECEIVED
OCT 28 1976
RMD CASPER