

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

MITCHELL ENERGY CORPORATION

3. ADDRESS OF OPERATOR

555 Seventeenth Street Suite #3500
Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface

771' FSL, 1746' FEL, Sec 11, T31N-R5W
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

+63 miles from Blanco, 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
2560

17. NO. OF ACRES ASSIGNED
TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

300' Approx. 4000'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DE, RT, GR, etc.)
6603 GR

22. APPROX. DATE WORK WILL START*
August 30, 1991

23. PROPOSED CASING AND CEMENTING PROGRAM				DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS.
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24# K-55	500'	350 sxs - circ to surface
7-7/8"	5-1/2"	15.5# K-55	4000'	700 sxs - circ to surface

The operator proposes to drill to depth sufficient to test the Fruitland Formation. If productive, 5-1/2" casing will be run and set at +4000'. If non-productive, the well will be plugged and abandoned consistent with Federal Regulations. Any zones above the Fruitland may be tested for productivity prior to Abandonment.

EXHIBITS ATTACHED

Ten Point Compliance Program

Surface Use and Operating Plan

Exhibit No. 1 Proposed Cementing Program

Exhibit No. 2 Blowout Preventer Schematic

Exhibit No. 3 Location Elevation Plat (Form C-102)

Exhibit No. 4 One Mile Radius Map (includes existing & planned roads, sites, pipelines, and other facilities)

Exhibit No. 5 Production Facilities Layout

Exhibit No. 6 Drilling Rig Layout

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. SIGNATURE James C. Anderson TITLE Dist. Prod. Mgr. DATE 7/18/91
(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED
AUG 27 1991

TITLE

AUG 26 1991
AREA MANAGER

OIL CON. DIV. NMCCD
DIST. 3

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

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

EXHIBIT NO. 3
PAGE 1 OF 2

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

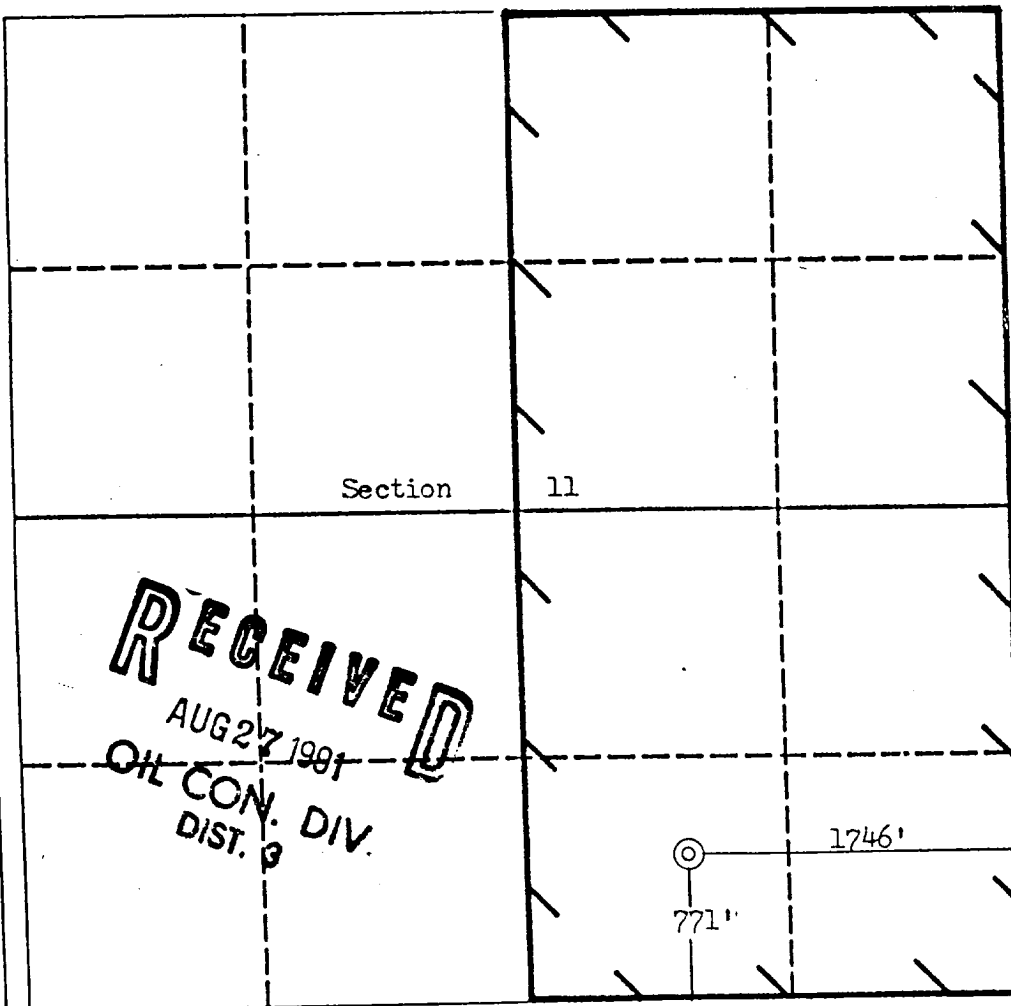
MITCHELL ENERGY CORPORATION
SANTA FE, NM 87504-2088
ROSA UNIT NO. 356

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 356
Unit Letter 0	Section 11	Township 31 North	Range 5 West	County Rio Arriba	
Actual Footage Location of Well: 771 feet from the South line and 1746 feet from the East line					
Ground level Elev. 6603	Producing Formation Fruitland		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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
Albert Libersat
Printed Name
Albert Libersat
Position
District Engineer
Company
Mitchell Energy Corp.
Date
7-17-91

SURVEYOR CERTIFICATION

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.

June 20, 1991

Date Surveyed
Frederick H. Reed
Signature & Seal of
Professional Surveyor

Certificate No.
3795

Frederick H. Reed

KEY:

Proposed Mitchell FC Gas Wells

Producing Wells

Existing Access Roads

Proposed Access Roads

Existing Pipeline Route



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

August 22, 1991

BRUCE KING
GOVERNOR

Mitchell Energy Corporation
c/o Trigon Engineering, Inc.
4100 East Main Street
Farmington, New Mexico 87402

Attention: Cristi Cline

RECEIVED
AUG 26 1991
OIL CON. DIV.
DIST. 3

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

Administrative Order NSL-3041

Dear Ms. Cline

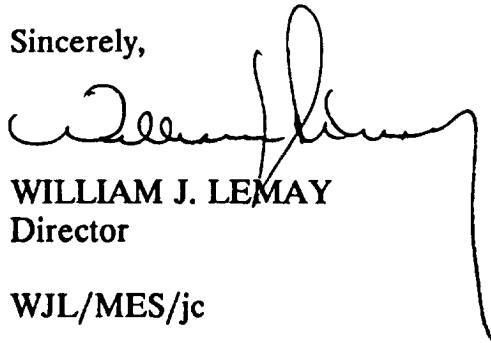
Reference is made to your applications of July/August 1991 on behalf of Mitchell Energy Corporation for exceptions to RULE 7 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, as amended allowing for the following described 10 unorthodox coal gas well locations within the Rosa Unit Area, Basin-Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico.

WELL NO.	FOOTAGE LOCATION	U-S-T-R	DEDICATED ACREAGE
314	1810' FNL - 2010' FEL	B-30-31N-4W	E/2 (320 Acres)
✓ 318	790' FSL - 2200' FWL	N-13-31N-5W	W/2 (320 Areas)
✓ 319	352' FNL - 1881' FEL	B-14-31N-5W	E/2 (320 Acres)
✓ 324	1800' FSL - 2050' FWL	K-24-31N-5W	W/2 (320 Acres)
345	110' FSL - 1622' FWL	N-19-31N-4W	Lots 3 & 4, E/2 SW/4, SE/4 (306.71 Acres)
352	1345' FNL - 1935' FEL	B-5-31N-4W	Lots 1 & 2, S/2 NE/4, SE/4 (326.47 Acres)
✓ 356	771' FSL - 1746' FEL	O-11-31N-5W	E/2 (320 Acres)
357	1835' FNL - 587' FWL	E-11-31N-5W	W/2 (320 Acres)
358	915' FSL - 600' FEL	P-13-31N-5W	E/2 (320 Acres)
359	2500' FSL - 1625' FEL	J-23-31N-5W	S/2 (320 Acres)

Administrative Order NSL-3041
Mitchell Energy Corporation
August 22, 1991
Page 2

By 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, as amended, the above-described unorthodox coal gas well locations are hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Lemay', with a long, sweeping horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec •
U.S. Bureau of Land Management - Farmington
U.S. Forest Service - Blanco



STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: August 2, 1991

ATTN:
M. Sfogner

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC _____
Proposed NSL X _____
Proposed WFX _____
Proposed NSP _____

Proposed DHC _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Gentlemen:

I have examined the application received on August 2, 1991
for the Mitchell Energy Corp. Rosa Unit # 356
OPERATOR LEASE & WELL NO.

0-11-31N-5W and my recommendations are as follows:
UL-S-T-R

Approve

Yours truly,

Eugene Basile



July 30, 1991

William J. LeMay, Director
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
Post Office Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver
Mitchell Energy Corporation Rosa Unit #356
Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 356. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

Cristi Cline

Cristi Cline
Senior Right-of-Way Agent

Attachment

RECEIVED
AUG 2 1991
OIL CON. DIV
DIST 2

WAIVER

_____ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 356.

BY: _____
TITLE: _____
Meridian Oil Gathering, Inc.
Operator, Rosa Unit

DATE _____

UNORTHODOX LOCATION APPLICATION
MITCHELL ENERGY CORPORATION
ROSA UNIT WELL NO. 356
Basin Fruitland Coal

SITE LOCATION:

Township 31 North, Range 5 West
Section 11: SWSE
771' FSL, 1746' FEL

FACTORS DETERMINING UNORTHODOX LOCATION:

The site for the Mitchell Energy Corporation Rosa Unit Well No. 356 has been located adjacent to the Northwest Pipeline Well No. 48 (Basin Dakota) at the request of the Carson National Forest Service.

This area has very heavy wildlife use and Forest Service Biologist, Joe Harper, has stipulated that no new access roads be built and that minimal disturbance be caused while building the location. The location of the site was chosen at the direct request of the Carson National Forest Service and has resulted in a slightly unorthodox location, however, due to the existing access roads and well pad - very little additional disturbance to wildlife will be caused.

OIL CONSERVATION DIVISION

P.O. Box 2088
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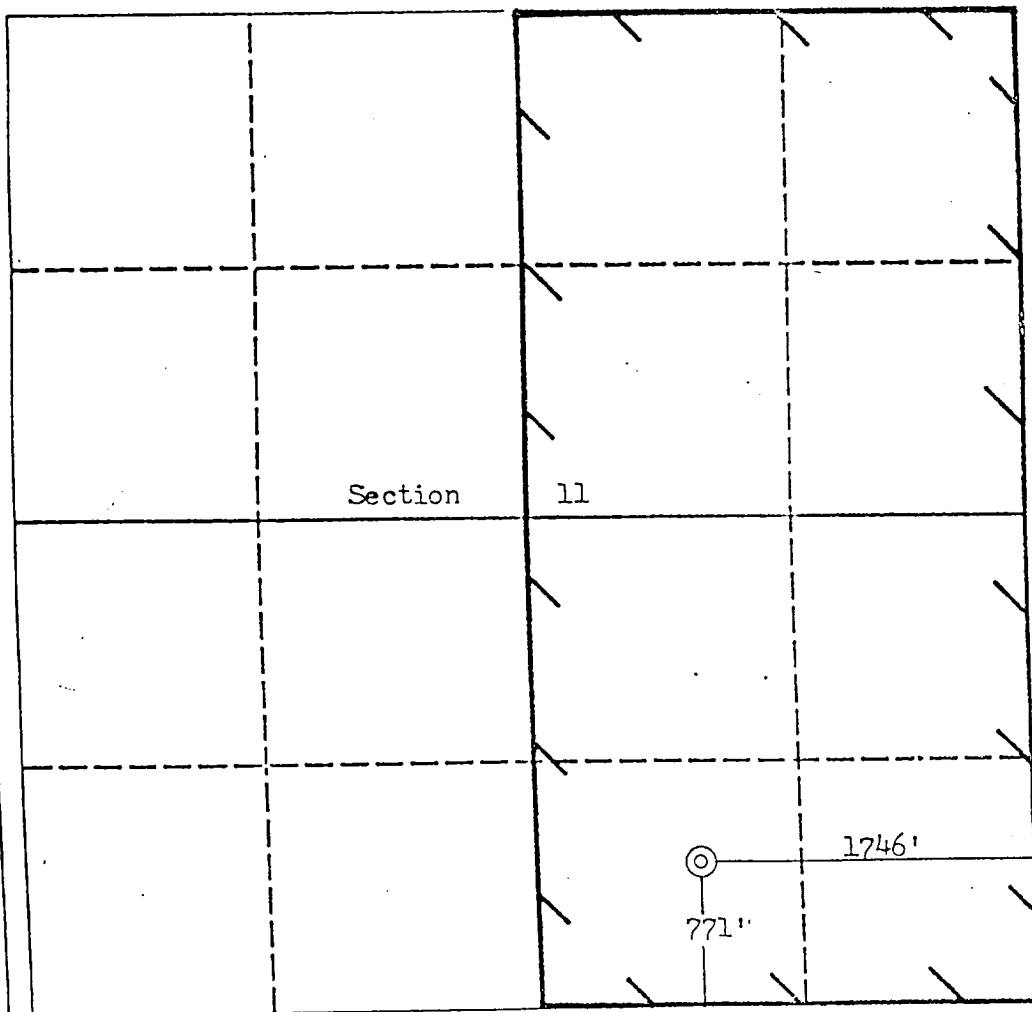
MITCHELL ENERGY CORPORATION
ROSA UNIT NO. 356

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 356
Unit Letter O	Section 11	Township 31 North	Range 5 West	County NMNM	Rio Arriba
Actual Footage Location of Well: 771 feet from the South line and 1746 feet from the East line					
Ground level Elev. 6603	Producing Formation Fruitland	Basin Fruitland Coal		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hardware marks on the plat below.
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☐ 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
Albert Libersat
Printed Name
Albert Libersat
Position
District Engineer
Company
Mitchell Energy Corp.
Date
7-17-91

SURVEYOR CERTIFICATION

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.

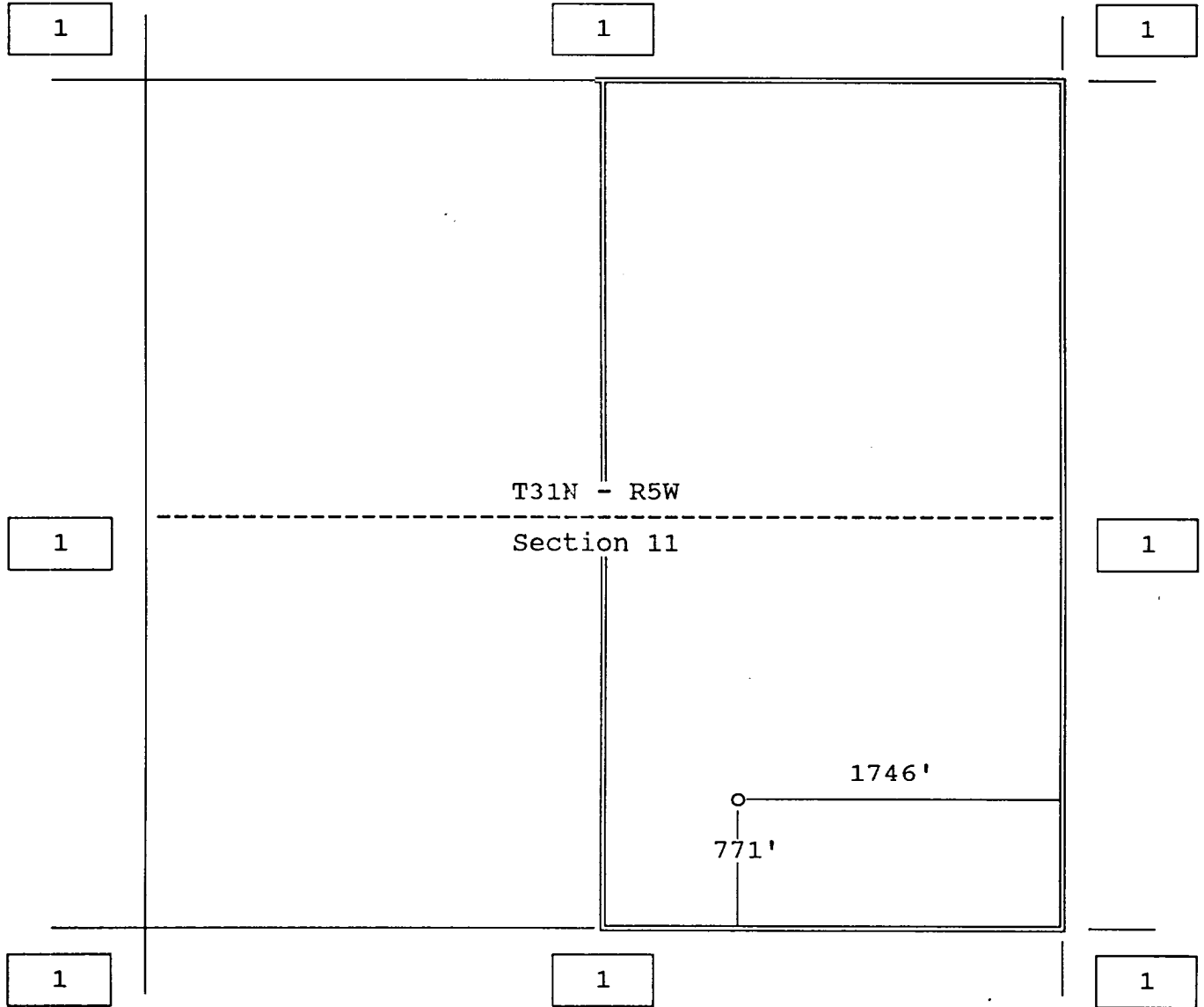
June 20, 1991
Date Surveyed
Frederick H. Reed
Signature & Seal of
Professional Surveyor

Certificate No.
3795

Frederick H. Reed

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation
Rosa Unit Well No. 356



1. Offset Owner - Meridian Oil Gathering, Inc.
Operator of the Rosa Unit

MITCHELL ENERGY-ROSA UNIT #356
31N, R5W, Sec. 11; SE 1/4
71 FSL 1746 FEL
Rio Arriba County, NM

KEY:

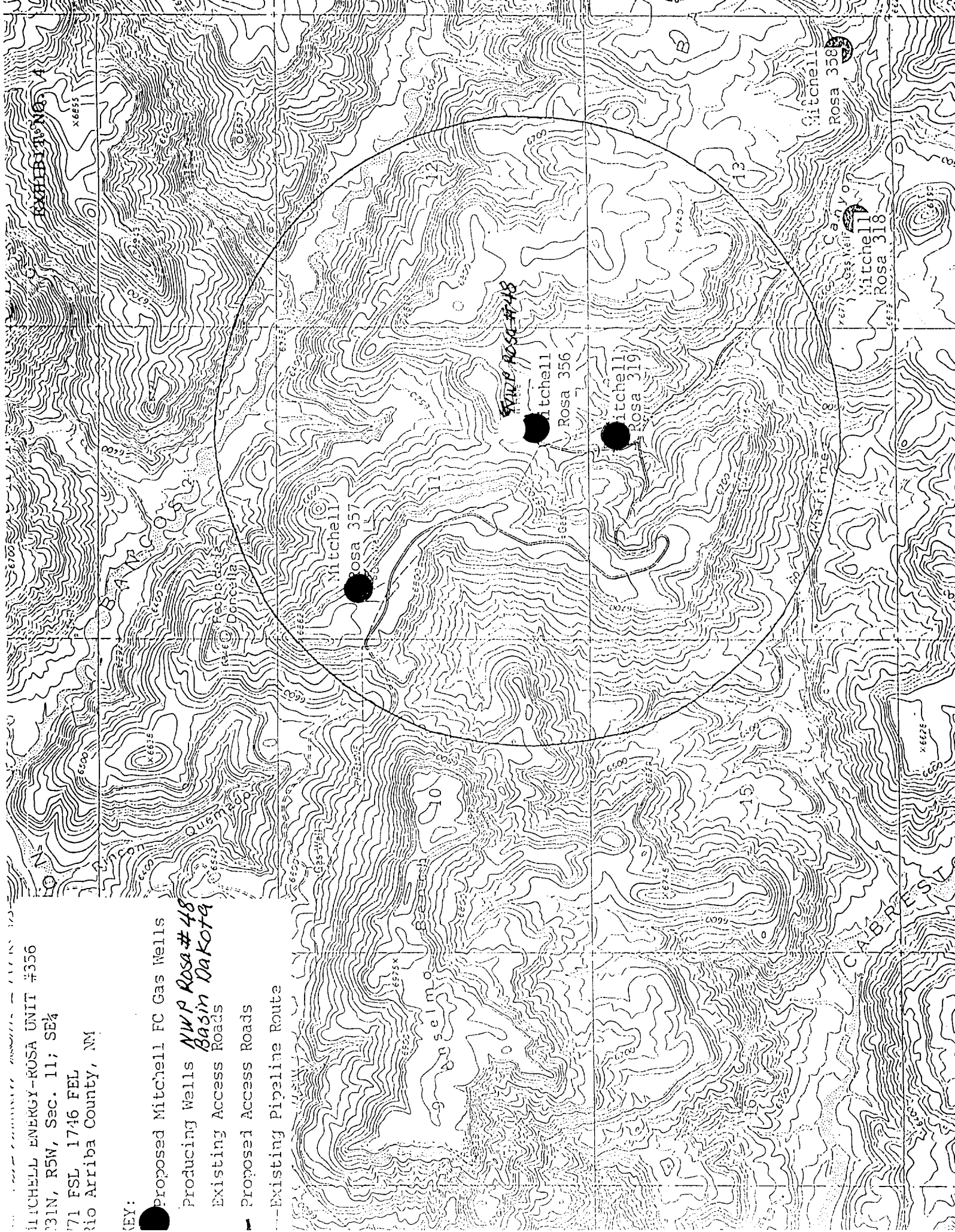
Proposed Mitchell FC Gas Wells

Producing Wells *NWP Rosa #48*
Basin Dakota

Existing Access Roads

Proposed Access Roads

Existing Pipeline Route



FILE COPY

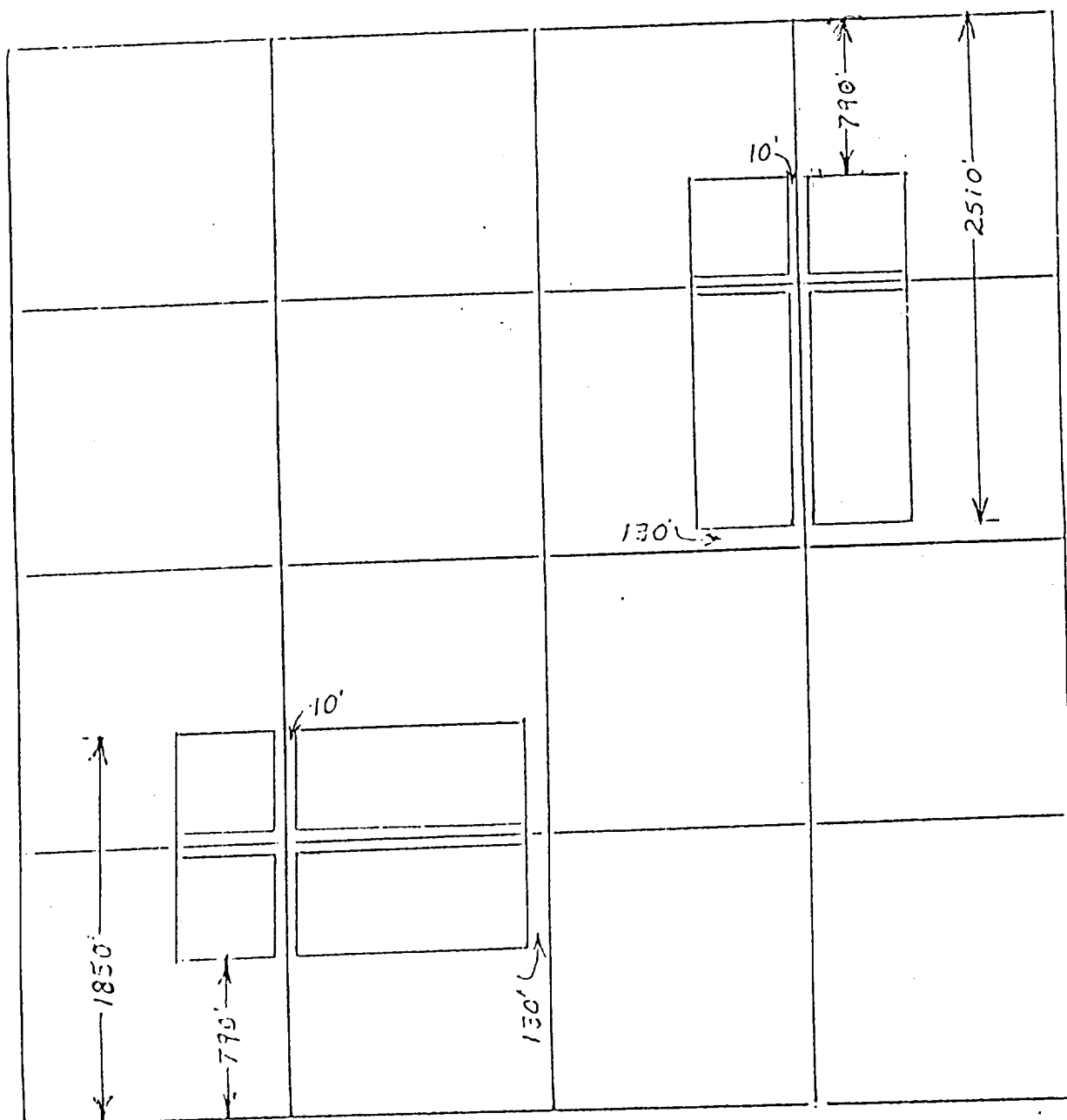
NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number SF 078762	
1. Oil well <input type="checkbox"/> Gas well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name N/A	
2. Name of Operator MITCHELL ENERGY CORPORATION		8. Unit Agreement Name ROSA	
3. Name of Specific Contact Person MARK SMITH, Agent TRIGON ENGINEERING		9. Farm or Lease Name N/A	
4. Address & Phone No. of Operator or Agent 4100 E. Main 505 Farmington, NM 87401 325-1266		10. Well No. #356	
5. Surface Location of Well Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other accept- able map showing location, access road, and lease boundaries.		11. Field or Wildcat Name FRUITLAND	
12. Sec., T., R., M., or Blk and Survey or Area T31N-R5W Sec. 11: SE $\frac{1}{4}$			
15. Formation Objective(s) Fruitland Coal	16. Estimated Well Depth 3900'	13. County, Parish or Borough Rio Arriba	14. State NM
17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number) Carson National Forest, Jicarilla Ranger District Gobenador Rt, Blanco, NM 87412			
18. Signed <u>James C. Anderson</u> Title <u>Dist. Perdr. Mgr.</u> Date <u>6/17/91</u>			

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H₂S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit

P



BASIN FRUITLAND COAL GAS POOL
SPECIAL GAS SPACING - - 320.00 CONTIGUOUS ACRES

No closer than 790' to the drill tract outer boundary.
 No closer than 130' to the inner boundary 1/4 section line.
 Wells must have a setback from the 1/4, 1/4, line of at least 10 feet.

The first well in a section must be located in either the NE/4 or SW/4. There is no provision for increased drilling density.