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NEW MEXICO OIL CONSERVATION COMMISSION

30-045-22341

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> 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"/>		8. Farm or Lease Name Federal 1	
2. Name of Operator Palmer Oil & Gas Company		9. Well No. No. 1A	
3. Address of Operator P. O. Box 2564, Billings, Montana 59103		10. Field and Pool, or Wildcat Blanco Mesaverde	
4. Location of Well UNIT LETTER <u>K</u> LOCATED <u>1820</u> FEET FROM THE <u>West</u> LINE AND <u>1525</u> FEET FROM THE <u>South</u> LINE OF SEC. <u>1</u> TWP. <u>31N</u> RGE. <u>13W</u> NMMP		12. County San Juan	
21. Elevations (Show whether DF, RT, etc.) 5759 grd		19. Proposed Depth 4800'	19A. Formation Mesaverde
21A. Kind & Status Plug. Bond blanket		21B. Drilling Contractor	20. Rotary or C.T. Rotary
22. Approx. Date Work will start January 1, 1978			

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	9-5/8"	36#	200'	185 sx	
8-3/4"	7"	20#	3875'	350 sx	
6-1/4"	4-1/2"	10.5#	4800'	350 sx	

- Palmer has communitized 240 acres of Federal Lease USA NM-10183 with 80 acres of fee acreage as illustrated and outlined in red on the attached plat.
- We plan to drill a 4800' Mesaverde test in the NE1/4SW1/4 Section 1-31N-13W.
- Well will be drilled with rotary tools. 200' of 9-5/8" surface casing will be set and cemented to surface. An 8-1/4" hole will be mud drilled to approximately 3875' and a string of 7" 23# intermediate casing will be set and cemented to surface. The hole will be reduced to 6-1/4" and gas drilled to approximate T.D. of 4800' to test the Mesaverde. 4-1/2", 9.5# liner will be set from 3800' to T.D. and cemented with approx. 350 sacks cement.
- The well will be perforated 2 JSPF and fraced in 2 stages utilizing 2% KCL water and 10/20 sand.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Robert D. Ballantyne Title Drilling Superintendent Date 11/8/77
 (This space for State Use)

APPROVED BY AK Benfield TITLE DATE
 CONDITIONS OF APPROVAL, IF ANY:

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

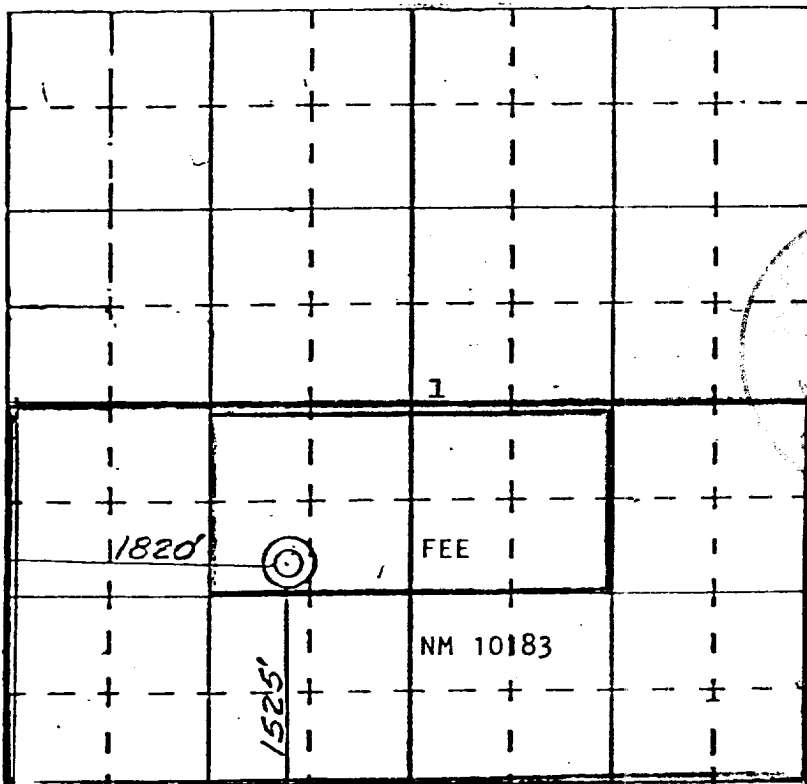
Operator PALMER OIL COMPANY			Lease Federal 1		Well No. 1A
Unit Letter K	Section 1	Township 31 NORTH	Range 13 WEST	County SAN JUAN	
Actual Footage Location of Well: 1525 feet from the South line and 1820 feet from the West line					
Ground Level Elev. 5759	Producing Formation Mesaverde		Pool Blanco Mesaverde		Dedicated Acreage: 320 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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

(X) Yes () No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually 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 L. C. Campbell
Position Land Manager
Palmer Oil & Gas Company
Company
Date January 28, 1977

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 21 December 1976
James P. Leese
Registered Professional Engineer
and/or Land Surveyor **James P. Leese**

1463

Certificate No.