

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

Consolidated Oil & Gas, Inc.

3. ADDRESS OF OPERATOR

1860 Lincoln Street, Denver, Colorado 80295

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

E Surface 1700' FNL & 900' FWL

At proposed prod. zone

Same

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

2.5 miles from LaPlata PO, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

900'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3400'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

GL 5821'

23. PROPOSED CASING AND CEMENTING PROGRAM

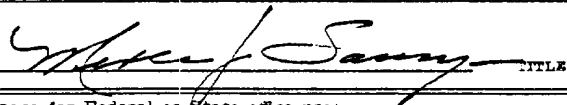
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 12-1/4" | 8-5/8" | 24.0 | 250' | 200 SX. |
| 7-7/8" | 5-1/2" | 15.5 | 6850' | |

1. Drill 12-1/4" hole to \pm 250'. Run and set 8-5/8" casing. Circulate cement to surface.
2. WOC 12 hours.
3. Install BOPs. Pressure test casing and preventors to 1000 psi.
4. Drill 7-7/8" hole to \pm 6850' with fresh water gel mud. Run electric and radioactive logs.
5. Run and set 5-1/2" casing with stage collars and cement.
6. Selectively perforate and stimulate Dakota formation and complete as required by regulations.

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



TITLE

Sr. Production Engineer

DATE

May 5, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS" *write down*

NMOC C

*ch 3 sub*RECEIVED
MAY 10 1980
AS AMENDEDAPPROVED
JANU 7 1980
G. J. L. L.

G. J. L. L.

30-045-24389

5. LEASE DESIGNATION AND SERIAL NO.

SF 078464

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Payne

9. WELL NO.

2-E

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec. 35, T31N, R13W

12. COUNTY OR PARISH 13. STATE

San Juan

New Mexico

16. NO. OF ACRES IN LEASE

325.22 2567.90

17. NO. OF ACRES ASSIGNED

TO THIS WELL

N

325.22

19. PROPOSED DEPTH

6850'

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

April 30, 1980

All distances must be from the outer boundaries of the Section.

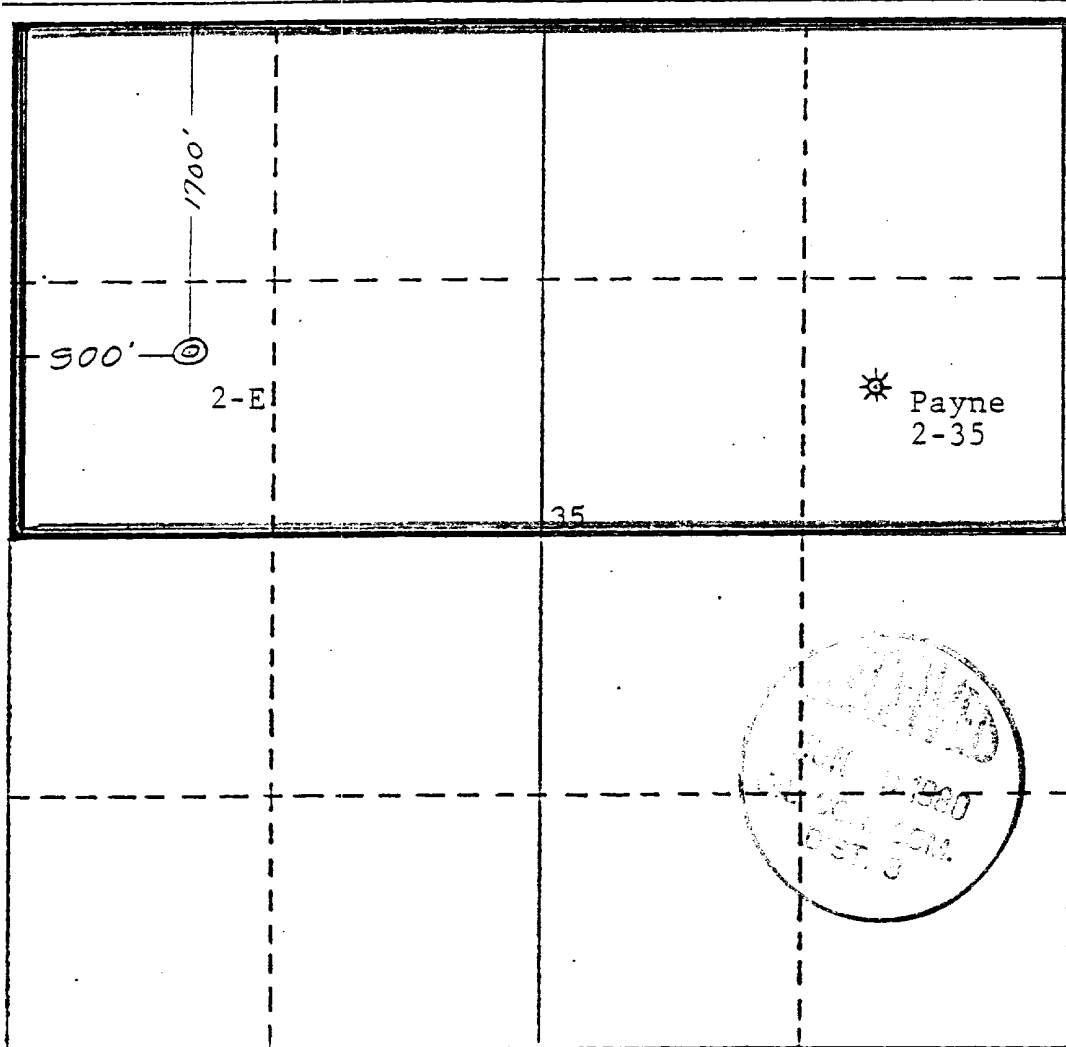
| | | | | | | | | |
|---|--------------------------------------|-----------------------------|-----------------------------|---------------------------|--|--|--|--|
| Operator CONSOLIDATED OIL & GAS, INC | | | Lease PAYNE | | | Well No. 2-E | | |
| Unit Letter E | Section 35 | Township 31 NORTH | Range 13 WEST | County SAN JUAN | | | | |
| Actual Postage Location of Well: 1700 feet from the NORTH line and 900 feet from the WEST line | | | | | | | | |
| Ground Level Elev. 5821 | Producing Formation Dakota | | Pool Basin Dakota | | | Dedicated Acreage 325.22 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?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitized

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 Division.



CERTIFICATION

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

Merle J. Savage
Name

Merle J. Savage

Position

Sr. Production Engineer

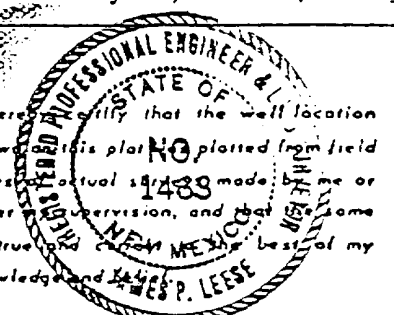
Company

Consolidated Oil & Gas, Inc.

Date

May 5, 1980

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



Date Surveyed

February 28, 1980

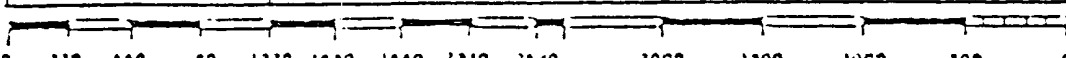
Registered Professional Engineer

For Land Surveyor

James P. Leese
James P. Leese

Certificate No.

1463



DEVELOPMENT PLAN FOR SURFACE USE

PAYNE No. 2-E

Consolidated Oil & Gas, Inc. - Operator

SF 078464

SW NW Sec. 35, T31N, R13W, NMPM

San Juan County, New Mexico

1. Existing Roads

See enclosed topographic map (Attachment "A") which shows existing improved and unimproved roads.

2. Planned Access Roads

See enclosed topographic map (Attachment "A"). The new road will be approximately 900' long and 12' wide approaching well from the north.

3. Location of Existing Wells

See enclosed lease map (Attachment "B").

4. Location of Existing and/or Proposed Facilities

See enclosed lease map (Attachment "B") showing location of wells and facilities operated by Consolidated Oil & Gas, Inc. If production is encountered, the tank battery and other required producing equipment will be located per attached completion plat (Attachment "C").

5. Location and Type of Water Supply

Water for drilling will be trucked approximately fifteen miles from an irrigation canal in Aztec, New Mexico or purchased locally and transported via irrigation pipe if water is available.

6. Source of Construction Materials

No additional construction material will be required.

7. Methods of Handling Waste Disposal

All waste material will be contained by earthen and steel pits. Earthen pits will be subsequently backfilled and buried. A portable chemical toilet will be furnished for drilling personnel.

8. Ancillary Facilities

No separate drill campsites are proposed.

9. Wellsite Layout

The drilling site location will be graded and will approximate 200' x 250' with natural drainage to the northwest. Care will be taken while grading to control erosion.

10. Plans for Restoration of Surface

- A. Following drilling and completion operations, all equipment and material not needed for operations will be removed. Pits containing fluid will be fenced until filled with any additional pits filled and the location cleaned of all trash and junk.
- B. After abandonment, any special rehabilitation and/or revegetation requirements (reseed with seed mixture No. 2) will be complied with and accomplished as expeditiously as possible. All pits should be filled and leveled within 90 days after abandonment.

11. Other Information

The location is on the side of a slope in a rolling hills area, with sandy clay topsoil and vegetation consisting of scattered scrub cedar and pine as well as rabbit brush and native grasses. No residences or structures are nearby. The surface rights are leased by Warren Utton, Aztec, New Mexico. If, during operations, any historic or prehistoric ruin, monument or site, or any object of antiquity is discovered, work will be suspended and the discovery will be reported to the appropriate regulatory agency.

12. Operator's Representative

Consolidated Oil & Gas, Inc.
Merle J. Savage, Senior Production Engineer
1860 Lincoln Street, Suite 1300
Denver, Colorado 80295
Phone (303) 861-5252

13. 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 Consolidated Oil & Gas, Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

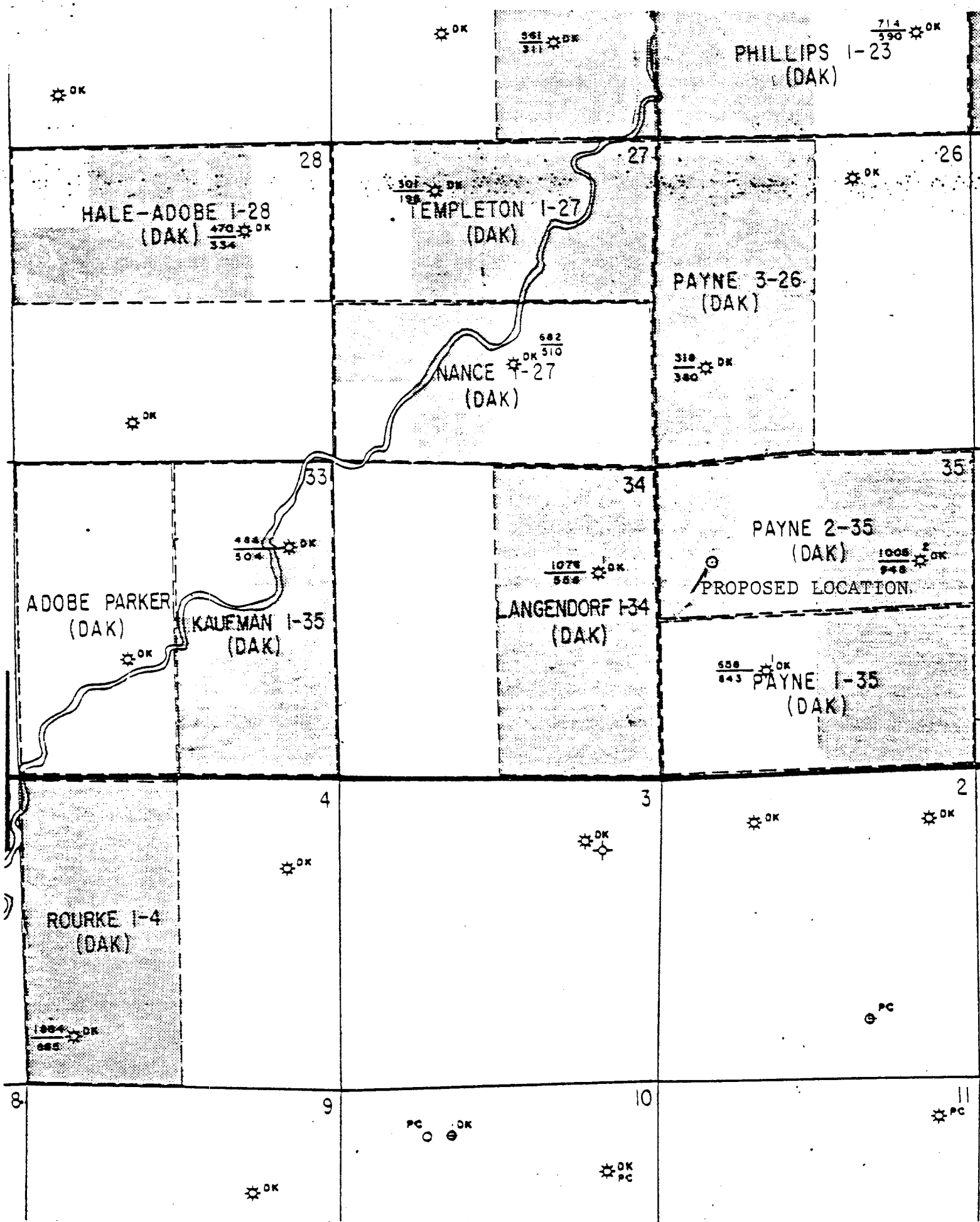
May 5, 1980

Date


Merle J. Savage
Senior Production Engineer

A detailed topographic map of a section of land in San Juan County, New Mexico. The map features contour lines indicating elevation, with labels such as 5700, 5800, 5900, and 6000 feet. A dashed line represents a "PROPOSED ROAD" running across the upper portion of the map. Another dashed line indicates a "PROPOSED LOCATION PAYNE No. 2-E". The map also shows several water bodies, including "Allen Arroyo" and "Pickering Arroyo". Other features include "Gas Well", "Cedar", and "Wash". A grid system is overlaid on the map, with coordinates like 749, 750, 751, 752, 753 along the top and 12, 13, 14, 15 along the bottom. A text box in the lower right corner provides specific information about the location: "Consolidated Oil & Gas Co. Payne #2-E NW 1/4 Sec. 35, T31N, R13W, N.M.P.M., San Juan County, New Mexico".

6



ATTACHMENT "B"

Development Plan for Surface Use

Consolidated Oil & Gas, Inc.

Payne No. 2-E

SF 078464

SW NW Sec. 35, T31N, R13W

San Juan County, New Mexico

ATTACHMENT "C"

DEVELOPMENT PLAN FOR SURFACE USE

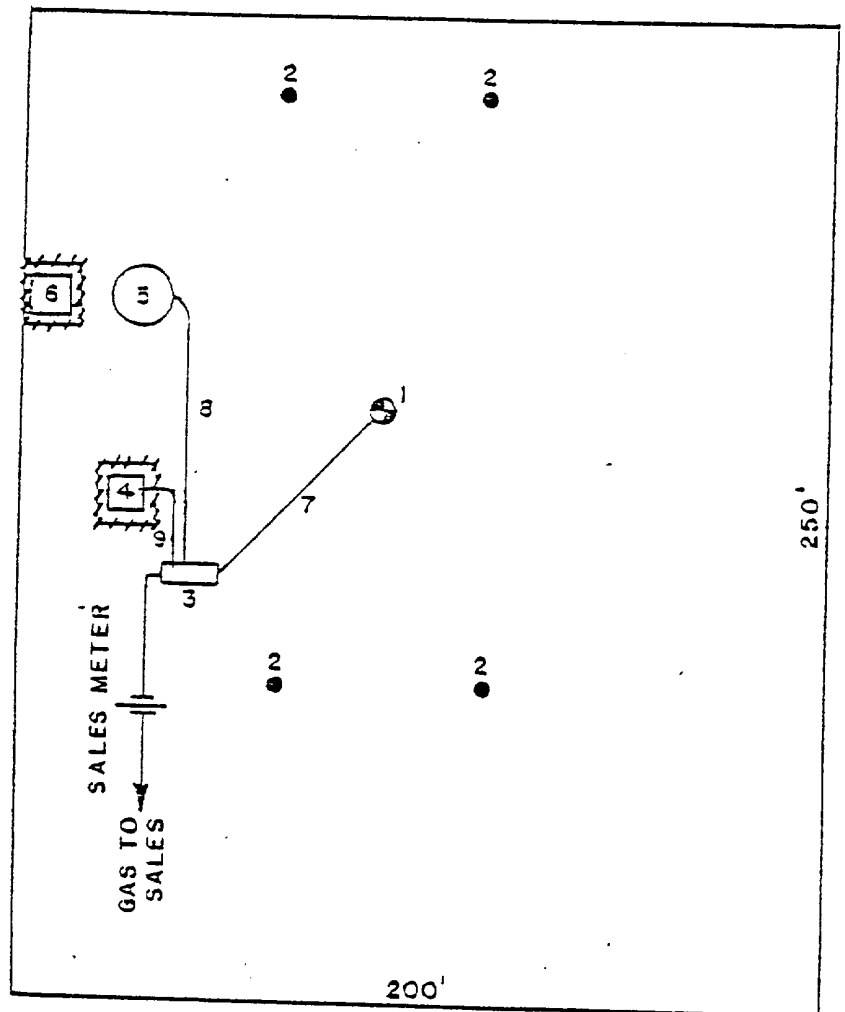
CONSOLIDATED OIL & GAS, INC. - OPERATOR

PAYNE No. 2-E

SF 078464

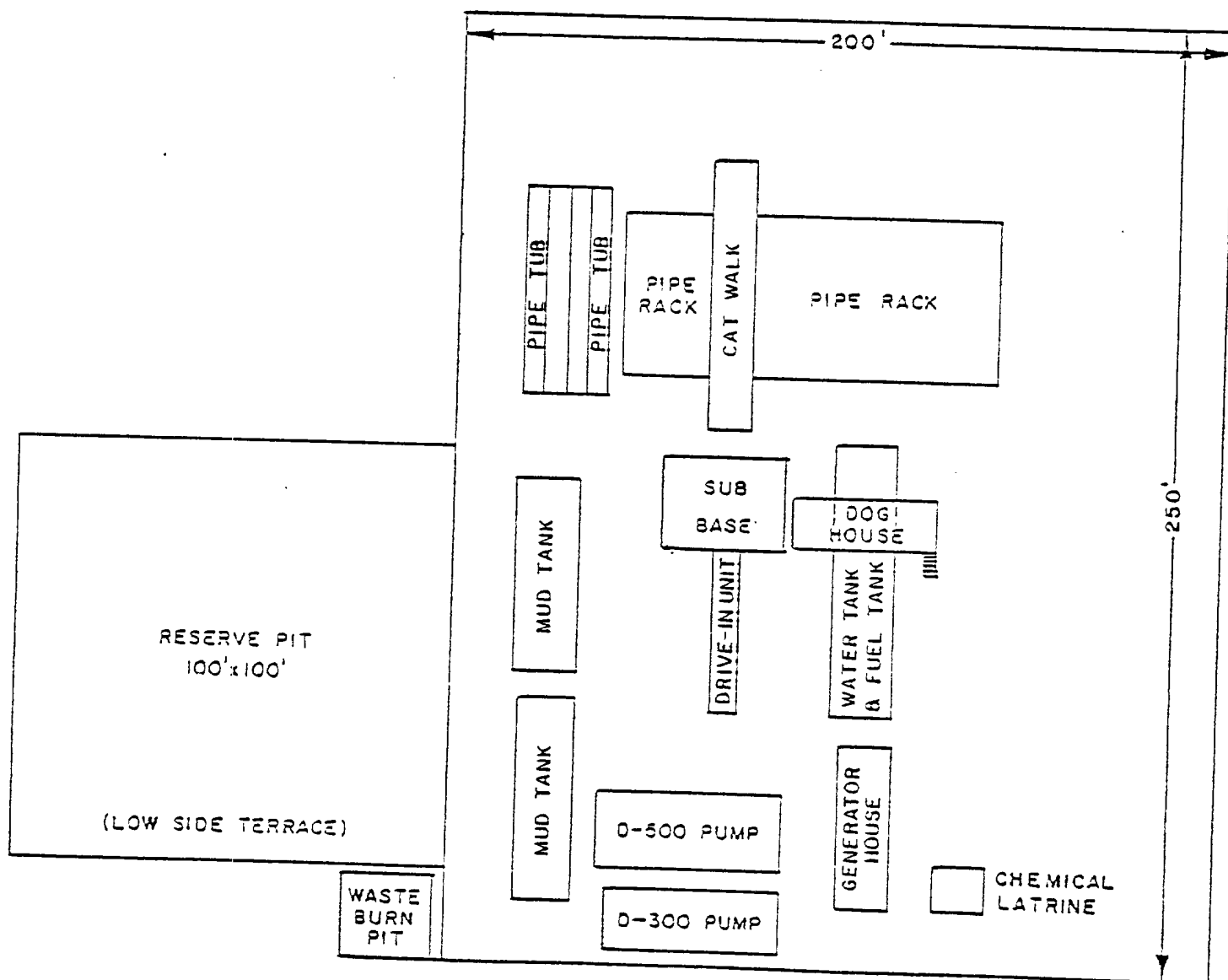
SW NW Sec. 35, T31N, R13W
San Juan County, New Mexico

1. Well
2. Dead Men
3. Prod. Unit
4. Water Pit
5. 300 bbl. Oil Tank
6. Water Pit
7. 2" Buried flow line
8. 1½" Oil Line
9. 1½" Water Line



1" equals 50'

Fence - - - - -



ATTACHMENT "D"

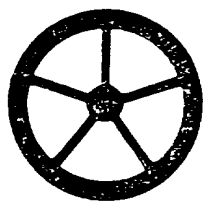
DEVELOPMENT PLAN FOR SURFACE USE

CONSOLIDATED OIL & GAS, INC. - OPERATOR

PAYNE No. 2-E

SF 078464

SW NW, Sec. 35, T31N, R13W
San Juan County, New Mexico



Consolidated Oil & Gas, Inc.

LINCOLN TOWER BUILDING
1860 LINCOLN STREET
DENVER, COLORADO 80295
(303) 861-5252

May 5, 1980

U. S. Geological Survey
P. O. Box 959
Farmington, New Mexico 87401

Re: Application for Permit to Drill
Payne No. 2-E
San Juan County, New Mexico

Gentlemen:

Following is the information requested in NTL-6 to accompany the permit to drill:

1. Location: 1700' FNL & 900' FWL, "E", Sec.35, T31N, R13W, NMPM
San Juan County, New Mexico
2. Elevation of Unprepared Ground: 5821'
3. Geologic Name of Surface Formation: Nacimiento
4. Type of Drilling Tools: Rotary
5. Proposed Drilling Depth: 6850'
6. Estimated Geologic Markers:
7. Anticipated Gas & Oil

| | | |
|-----------------|-------|---|
| Ojo Alamo | 370' | |
| Pictured Cliffs | 1875' | X |
| Cliff House | 3575' | X |
| Pt. Lookout | 4335' | X |
| Greenhorn | 6350' | |
| Dakota | 6510' | X |

8. Casing Program and Setting Depth:

| | <u>Size</u> | <u>Weight</u> | <u>Grade</u> | <u>Condition</u> | <u>Setting Depth</u> |
|------------|-------------|---------------|--------------|------------------|----------------------|
| Surface | 8-5/8" | 24.0# | K-55 | New | 250' |
| Production | 5-1/2" | 15.5# | K-55 | New | 6850' |

9. Casing Setting Depth and Cementing:

Surface casing will be set at 250'. Cement will be circulated to surface with approximately 200 sx. Class "B" neat cement containing 2% CaCl_2 .

Cementing Prognosis:

Production casing will be run to total depth. Two stage collars will be run in the casing string at approximately 1350' and 4900'. The casing will be cemented in three stages as follows:

1st Stage: 60 sx. 65/35 Pozmix with 12% gel, tailed in with 160 sx. 50/50 Pozmix with 4% gel and 0.5% FLA.

2nd Stage: 120 sx. 65/35 Pozmix with 6% gel, tailed in with 160 sx. 50/50 Pozmix with 4% gel and 0.4% FLA.

3rd Stage: 240 sx. 65/35 Pozmix with 12% gel, tailed in with 50 sx. 50/50 Pozmix with 2% gel and 0.4% FLA.

Note: Exact volume of cement to be determined after running Caliper log.

10. Pressure Control Equipment: See attached diagram "A".

11. Circulating Media: 0-250' fresh water spud mud; 250'-TD fresh water, low solid mud with following properties:

Viscosity 32-28 sec., water loss 20-6 cc, weight 8.5-9.0 ppg with heavier weights if required by well conditions.

12. Testing, Logging and Coring Programs:

a. Open hole logs will be run prior to running production casing.

b. Coring is not planned.

13. Abnormal Pressure or Temperature and Hydrogen Sulfide Gas:

We do not anticipate abnormal pressure, temperature or hydrogen sulfide gas; however, a remote control blowout preventer as shown on attached diagram "A" will be installed.

14. Anticipated Starting Date: Drilling operations should start shortly after April 30, 1980.

15. Other Facets of the Proposed Operations: None

Yours very truly,

CONSOLIDATED OIL & GAS, INC.



Merle J. Savage
Senior Production Engineer

MJS:lt
Attach.

DIAGRAM "A"

U.S.G.S. APPLICATION FOR PERMIT
TO DRILL

CONSOLIDATED OIL & GAS, INC - OPERA

PAYNE No. 2-E

SF 078464

SW NW Sec. 35, T31N, R13W

San Juan County, New Mexico

