

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Include instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

2. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

3. NAME OF OPERATOR AMOCO PRODUCTION COMPANY
P.O. BOX 3092
HOUSTON, TX 77079

4. ADDRESS AND TELEPHONE NO.
MARY CORLEY
SUBMITTING CONTACT

PHONE 281.366.4491

EXT:

FAX: 281.366.0700

EMAIL: corleyml@bp.com

ENTERED

AFMSS

JAN 25 2001

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

At Surface

890FSL AND 2310FEL SWSE SEC 18 T31N R10W

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM THE NEAREST TOWN OR POST OFFICE
7 MILES FROM AZTEC, NM

BY ML

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

16. NO. ACRES IN LEASE
320.00

17. NO. OF ACRES ASSIGNED
TO THIS WELL
~~320.00~~ 318.81 5/2

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

19. PROPOSED DEPTH
7330 MD / TVD

20. ROTARY OR CABLE TOOLS
ROTARY

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

5914 GL

22. APPROX. DATE WORK WILL START*
04/01/2001

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

Notice of Staking Submitted 10-02-2000 as Canepie Gas Com Well # 1B. Please change well # to 1M. Amoco Production Company respectfully request permission to drill the subject well to a total depth of approximately 7330', complete in the Basin Dakota Pool, produce the well for approximately 90 to 120 days to establish production rate, then add the Blanco Mesaverde Pool and commingle production downhole. Application for downhole commingling authority (NMOCD order R-11363) will be submitted to all appropriate parties for approval after production has been established in the Basin Dakota Pool and prior to completion of and downhole commingling with the Blanco Mesaverde. In support of our application for permit to drill we have attached 8 documents (1 .doc and 7 .pdf files).

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.8
and appeal pursuant to 43 CFR 3165.4.

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed 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. ELECTRONIC SUBMISSION #2350 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
FOR AMOCO PRODUCTION COMPANY SENT TO THE FARMINGTON FIELD OFFICE

SIGNED MARY CORLEY

TITLE SUBMITTING CONTACT

DATE 01/15/2001

10-2-00

PERMIT NO.

APPROVAL DATE

11/7/01

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

HOLD C104 FOR NSL in Basin Dakota NMOCD

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
311 South First, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

Form C-102
Revised October 18, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-30578	Pool Code 71588 & 72319	Pool Name Basin Dakota & Blanco Mesaverde
Property Code 000355	Property Name CANEPLA GAS COM	Well Number 1M
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 5814' GR

Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
UNIT O	18	31N	10W		890'	SOUTH	2310'	EAST	San Juan

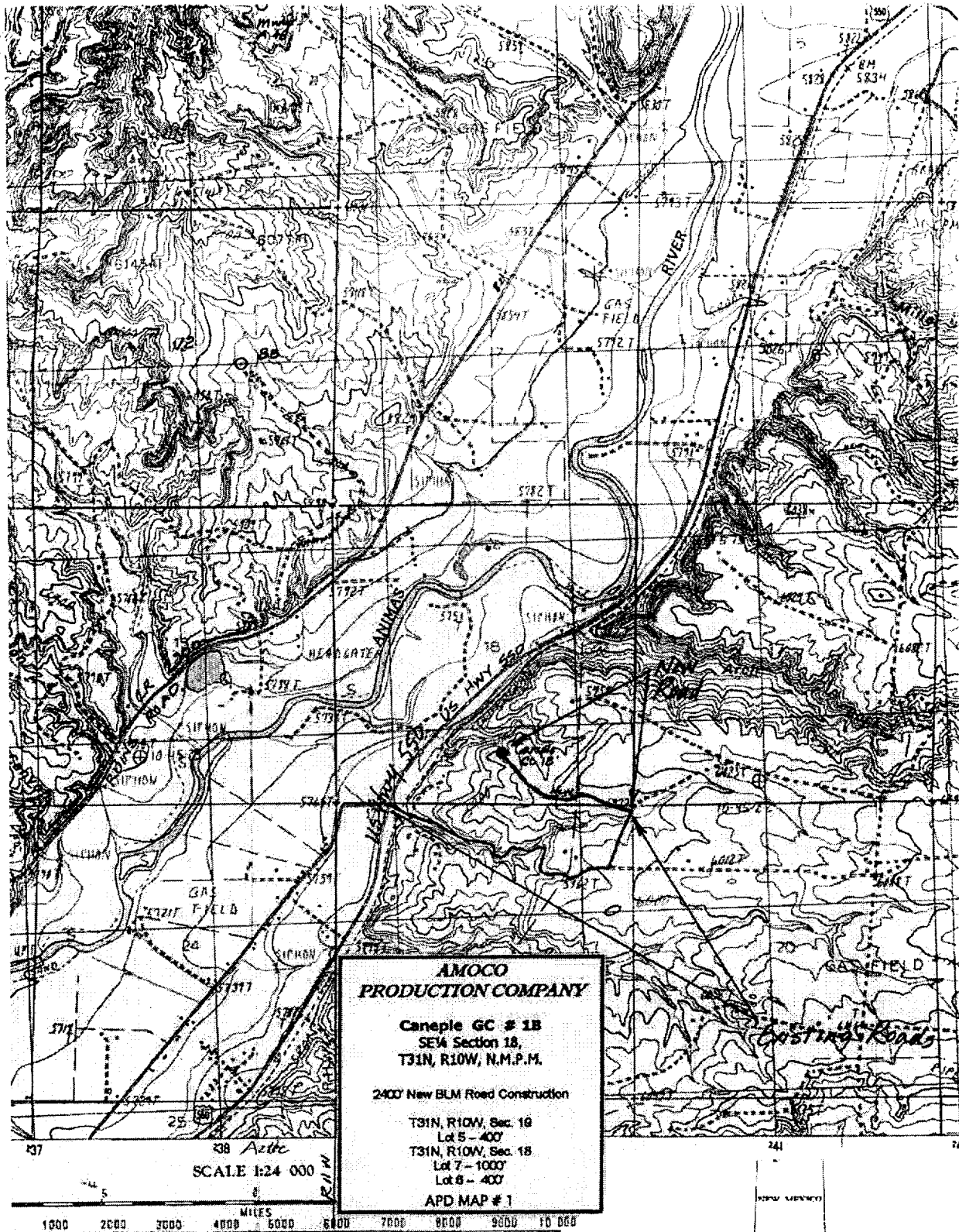
Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
Dedicated Acreage: 3/8.81 846.04									
Joint or Infill		Consolidation Code		Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT 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: <i>Mary Copley</i> Printed Name: Mary Copley Position: Sr. Regulatory Analyst Date: 01/22/2001
	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 belief. Date of Survey: September 25, 2000 Signature and Seal of Registered Surveyor: 7016 Certificate Number

(R) - BLM Record



**AMOCO
PRODUCTION COMPANY**

Canepile GC # 1B
SE1/4 Section 18,
T31N, R10W, N.M.P.M.

2400' New BLM Road Construction

T31N, R10W, Sec. 18
Lot 5 - 400'
T31N, R10W, Sec. 18
Lot 7 - 1000'
Lot 8 - 400'

APD MAP # 1

SCALE 1:24 000

1000 2000 3000 4000 5000 6000 7000 8000 9000 10 000
MILES

**AMOCO PRODUCTION COMPANY
DRILLING AND COMPLETION PROGRAM**

Lease: CANEPL GAS COM
County: San Juan
State: New Mexico
Date: January 15, 2001

Well No: 1M
Surface Location: 18-31N-10W, 890 FSL, 2310 FEL
Field: Blanco Mesaverde/Basin Dakota

OBJECTIVE: Drill 400' below the base of the Greenhorn Limestone, set 4" Liner across Dakota, Stimulate LS, CH, MF, PL and DK intervals

METHOD OF DRILLING		APPROXIMATE DEPTHS OF GEOLOGICAL MARKER			
TYPE OF TOOLS	DEPTH OF DRILLING	Estimated GL: 5914		Estimated KB: 5928	
Rotary	0 - TD	MARKER		SUBSEA	MEAS. DEPTH
LOG PROGRAM		Ojo Alamo		4932	996
TYPE	DEPTH INVERAL	Fruitland Coal	*	3749	2179
OPEN HOLE		Pictured Cliffs	*	3297	2631
GR-Induction	TD to 5 1/2" shoe	Lewis Shale	#	3223	2705
Density/Neutron	TD to 5 1/2" shoe	Cliff House	#	1584	4344
Sonic	TD to 5 1/2" shoe	Menefee Shale	#	1493	4435
CASED HOLE		Point Lookout	#	1045	4883
GR-CCL-TDT	TDT - PBTD-7 5/8" shoe	Mancos		930	4998
	GR-CCL - PBTD-0'	Greenhorn		-979	6907
CBL	Top of 4" - 50' above 7 5/8 "shoe	Bentonite Marker		-1002	6930
REMARKS:		Two Wells	#	-1060	6988
- Please report any flares (magnitude & duration).		Cubero	#	-1170	7098
		Burro Canyon	*	-1280	7208
		Morrison	*		
		TOTAL DEPTH		-1402	7330
		# Probable completion interval		* Possible Pay	
SPECIAL TESTS		DRILL CUTTING SAMPLES		DRILLING TIME	
TYPE		FREQUENCY	DEPTH	FREQUENCY	DEPTH
None		10 feet	Production hole	Geograph	0-TD
REMARKS:					

MUD PROGRAM:							
Approx. Interval			Type Mud	Weight, #/gal	Vis, sec/qt	W/L cc's/30 min	Other Specification
0	-	120-135	3 jts.	Spud	8.6-9.2		
120-135	-	2129	(1)(2)	Water/LSND	8.6-9.2	✓	
2129	-	6930		Gas/Air/Mist	Volume sufficient to maintain a stable and clean wellbore		
6930		7330		LSND	8.6-9.2		

REMARKS:

- (1) The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency.
(2) Top set Fruitland Coal to minimize lost circulation, air volume to maintain hole stability.

CASING PROGRAM: (Normally, tubular goods allocation letter specifies casing sizes to be used. Hole sizes will be governed by Contract)

Casing String	Estimated Depth	Casing Size	Grade	Weight	Hole Size	Landing Pt, Cmt, Etc.
Surface/Conductor	120-135	10 3/4"	J-55 ST&C	40.5#	14.75"	1 —
Intermediate 1	2129	7 5/8"	K-55 LT&C	26.4#	9.875"	1,2 —
Intermediate 2	6930	5 1/2"	K-55 LT&C	15.5#	6.75"	4 —
Production (liner)	7330	4"	K-55 H 511	11#	4.75"	3 —

REMARKS:

- (1) Circulate Cement to Surface
(2) Set casing 50' above Fruitland Coal
(3) Liner Lap should be a minimum of 100'
(4) Bring cement 200' above 7 5/8" shoe

CORING PROGRAM:

None

COMPLETION PROGRAM:

Rigless, 4-6 Stage Limited Entry Hydraulic Frac

GENERAL REMARKS:

Notify BLM/NMOCD 24 hours prior to Spud, BOP testing, and Casing and Cementing.

Form 46 Reviewed by: Logging program reviewed by: N/A

PREPARED BY: **APPROVED:** **DATE:**
December 21, 2000

**Amoco Production Company
BOP Pressure Testing Requirements**

Well Name: Canepile Gas Com 1M
County: San Juan

State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	996		
Fruitland Coal	✓ 2179		
PC	2631		
Lewis Shale	2705		
Cliff House	4344	500	0
Menefee Shale	4435		
Point Lookout	4883	600	0
Mancos	4998		
Dakota	6988	2600	1500

** Note: Determined using the following formula: $ABHP - (.22 * TVD) = ASP$

Requested BOP Pressure Test Exception: 3000 PSI

**SAN JUAN BASIN
Dakota Formation
Pressure Control Equipment**

Background

The objective Dakota formation maximum surface pressure is anticipated to be less than 1000 PSI, based on shut-in surface pressures from adjacent wells. Pressure control equipment working pressure minimum requirements are therefore 2000 PSI. Equipment to be used will conform to API RP-53 (Figure 2.C.2) for a 2000 PSI system per Federal Onshore Order No. 2. Due to available conventional equipment within the area, 3000 PSI rated pressure control equipment will typically be utilized in a double ram type arrangement. Regional drilling rights to be utilized have substructure height limitations which exclude the use of annular preventers; therefore a rotating head will be installed above these rams. This pressure control equipment will be utilized for conventional drilling below conductor to total depth in the Basin Dakota. No abnormal temperature, pressure, or H2S anticipated.

Equipment Specification

Interval

Below conductor casing to total depth

BOP Equipment

11" nominal or 7 1/16", 3000 PSI
double ram preventer with rotating
head.

✓ All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 2000 PSI (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include kelly cock, upper kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure.