

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address SAN JUAN RESOURCES, INC. 1499 BLAKE ST, 10C DENVER, CO 80202		2. OGRID Number 20208
		3. API Number 30-045-34514
4. Property Code 35732	5. Property Name MEMGEM WALTERS 34	6. Well No. 001A

7. Surface Location

UL - Lot J	Section 34	Township 32N	Range 13W	Lot Idn J	Feet From 1575	N/S Line S	Feet From 2520	E/W Line E	County SAN JUAN
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8. Pool Information

BLANCO-MESAVERDE (PRORATED GAS)	72319
BASIN DAKOTA (PRORATED GAS)	71599

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 5813
14. Multiple Y	15. Proposed Depth	16. Formation Dakota Formation	17. Contractor	18. Spud Date 12/15/2007
Depth to Ground water 25		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> miles thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	320	200	0
Int1	8.75	7	23	3540	564	0
Prod	6.25	4.5	11.6	7000	400	6000
Prod	6.25	4.5	11.6	6000	400	3340

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

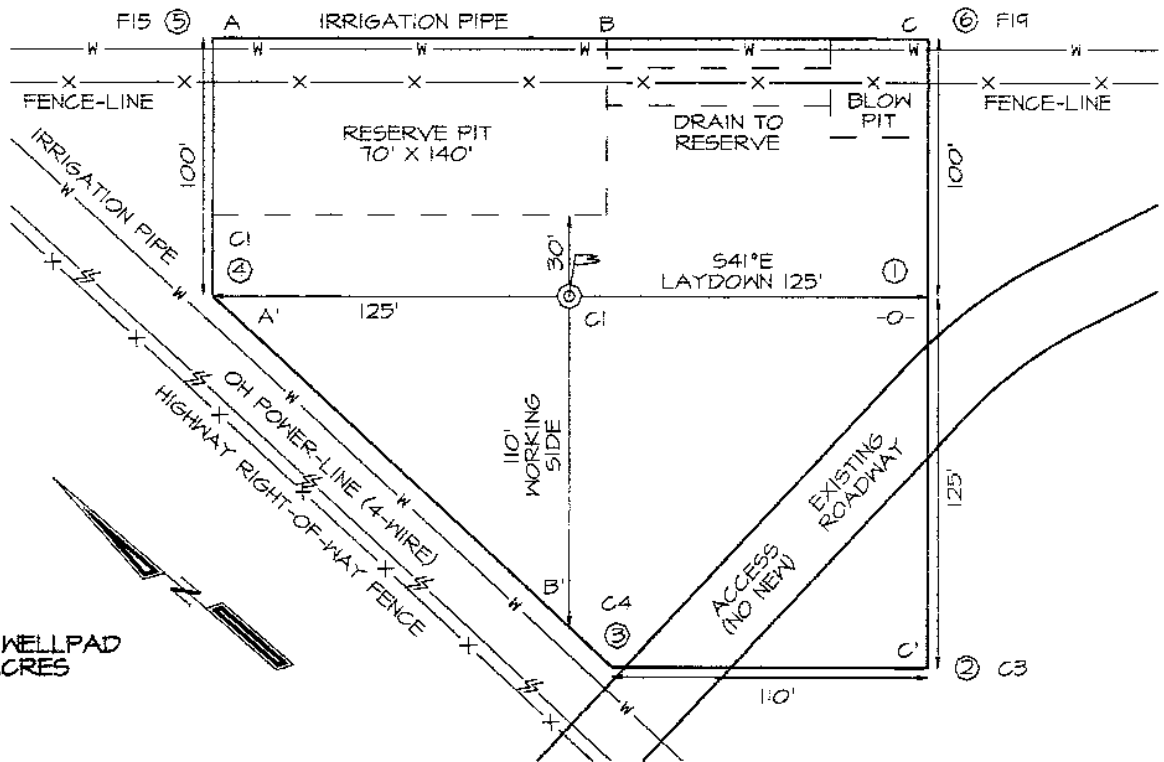
Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Charlie Perrin	
	Title: District Supervisor	
	Approved Date: 11/21/2007	Expiration Date: 11/21/2008
	Conditions of Approval Attached	

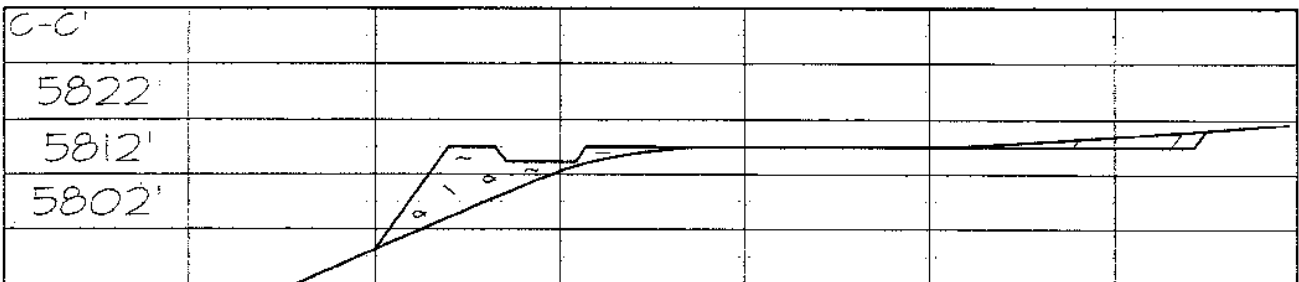
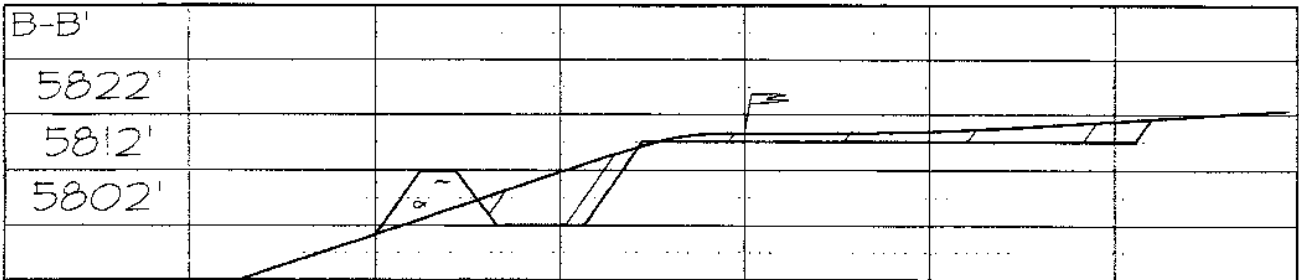
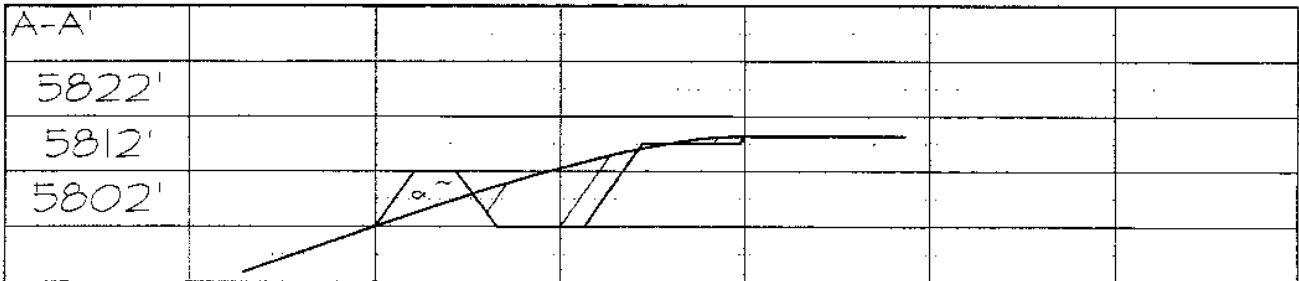
Printed Name: Electronically filed by Lori Walters	
Title: Manager	
Email Address: accounting@sanjuanbasin.com	
Date: 11/19/2007	Phone: 303-573-6333

**SAN JUAN RESOURCES, INC. MEMGEM WALTERS 34 #1A**  
**1575' FSL & 2520' FEL, SECTION 34, T32N, R13W, NMPM**  
**SAN JUAN COUNTY, NEW MEXICO ELEVATION: 5813'**

**LATITUDE: 36.94050° N**  
**LONGITUDE: 108.19048° W**  
 DATUM: NAD1983



**AREA OF WELLPAD**  
**1.09 ACRES**



District I  
1625 N. French Dr., Hobbs, NM 88240

District II  
1301 W. Grand Avenue, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 35732	*Property Name MEMGEM WALTERS 34		*Well Number 1A
*OGRID No. 20208	*Operator Name SAN JUAN RESOURCES, INC.		*Elevation 5813'

<sup>10</sup> Surface Location



U. or lot no. J	Section 34	Township 32N	Range 13W	Lot Idn	Feet from the 1575	North/South line SOUTH	Feet from the 2520	East/West line EAST	County SAN JUAN
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<sup>11</sup> Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 320.0 Acres - S/2	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code C	<sup>15</sup> Order No.
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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

<sup>16</sup> 2652.44'	2662.44'	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.  Signature Date Dean C. Collins Printed Name
5306.40'	34	<sup>18</sup> 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. Survey Date: OCTOBER 15, 2007 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269
2632.08'	2632.08'	

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 71599	*Pool Name BASIN DAKOTA
*Property Code 35732	*Property Name MEMGEM WALTERS 34		*Well Number 1A
*OGRIID No. 20208	*Operator Name SAN JUAN RESOURCES, INC.		*Elevation 5813'


<sup>10</sup> Surface Location

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<sup>16</sup>		2662.44'		2662.44'		<sup>17</sup> OPERATOR CERTIFICATION	
5306.40'		34		2520'		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
						Signature <u>Dean C. Collins</u> Date <u>11/19/2007</u>	
						Printed Name <u>Dean C. Collins</u>	
2632.08'		1575'		2520'		<sup>18</sup> 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.	
						Survey Date: <u>OCTOBER 15, 2007</u>	
						Signature and Seal of Professional Surveyor	
							
						Certificate Number <u>15269</u>	

## Permit Comments

Operator: SAN JUAN RESOURCES, INC. , 20208

Well: MEMGEM WALTERS 34 #001A

API: 30-045-34514

Created By	Comment	Comment Date
LWALTERS	San Juan Resources is considering using a closed loop system to drill for the intermediate casing.	11/19/2007
SHAYDEN	This is a vulnerable area, no below grade pits or tanks. Closed loop system to be used for drilling.	11/21/2007

Permit Conditions of Approval

Operator: SAN JUAN RESOURCES, INC. , 20208  
Well: MEMGEM WALTERS 34 #001A  
API: 30-045-34514

OCD Reviewer	Condition
SHAYDEN	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
SHAYDEN	Closed loop system to be used for drilling.