

LAW OFFICES

**TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.** IN DIVISION

621 WEST ARRINGTON  
FARMINGTON, NEW MEXICO 87401  
TELEPHONE: (505) 325-1801

RECEIVED  
'92 OCT 2 PM 9 49 TELECOPIER:  
(505) 325-4675

OF COUNSEL  
Charles M. Tansey

October 2, 1992

Douglas A. Echols  
Richard L. Gerding  
Connie R. Martin  
Michael T. O'Loughlin  
James B. Payne  
Tommy Roberts  
Haskell D. Rosebrough  
Robin D. Strother  
Karen L. Townsend

Mailing Address:  
P. O. Box 1020  
Farmington, N.M. 87499

State of New Mexico  
Energy, Minerals and Natural  
Resources Department  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501-2088

10589

Attn: William J. Lemay, Director

Re: Applications for Compulsory Pooling  
SG Interests I, Ltd.  
San Juan County, New Mexico

Gentlemen:

Enclosed please find Applications for Compulsory Pooling  
filed on behalf of SG Interests I, Ltd. for the following lands,  
all located in San Juan County, New Mexico:

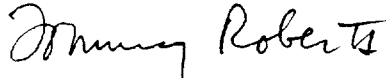
- 1) N/2 of Section 2, Township 29 North, Range 9 West
- 2) S/2 of Section 2, Township 29 North, Range 9 West
- 3) S/2 of S/2 of Section 19 and N/2 of Section 30,  
Township 29 North, Range 9 West
- 4) E/2 of Section 15, Township 29 North, Range 10 West
- 5) N/2 of Section 21, Township 29 North, Range 10 West
- 6) S/2 of Section 22, Township 29 North, Range 10 West
- 7) E/2 of Section 27, Township 29 North, Range 10 West
- 8) E/2 of Section 31, Township 29 North, Range 10 West
- 9) W/2 of Section 26, Township 29 North, Range 11 West
- 10) E/2 of Section 30, Township 30 North, Range 8 West

State of New Mexico  
Oil Conservation Division  
Page 2  
October 2, 1992

- 11) S/2 of Section 17, Township 30 North, Range 9 West
- 12) E/2 of Section 18, Township 30 North, Range 9 West
- 13) ~~S/2 of Section 25, Township 30 North, Range 9 West~~
- 14) N/2 of Section 25, Township 30 North, Range 9 West

Please place these applications on the October 29th, 1992 docket of the New Mexico Oil Conservation Division. Please advise should you require any additional information.

Sincerely,



---

Tommy Roberts,  
Attorney for  
SG Interests I, Ltd.

TR:tlm

cc: Supervisor, District III Office  
New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

cc: James B. Fullerton,  
Consulting Landman on behalf  
of SG Interests I, Ltd.  
1645 Court Place, Suite 406  
Denver, Colorado 80202

LAW OFFICES

**TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.** OIL CONSERVATION DIVISION  
RECEIVED

621 WEST ARRINGTON  
FARMINGTON, NEW MEXICO 87401  
TELEPHONE: (505) 325-1801

'92 OCT 5 PM 9 50

TELECOPIER:  
(505) 325-4675

OF COUNSEL  
Charles M. Tansey

October 2, 1992

Douglas A. Echols  
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P. O. Box 1020  
Farmington, N.M. 87499

State of New Mexico  
Energy, Minerals and Natural  
Resources Department  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501-2088

Attn: William J. Lemay, Director

Re: Application for Compulsory Pooling  
SG Interests I, Ltd.  
S/2 of Section 25, Township 30 North, Range 9 West  
San Juan County, New Mexico

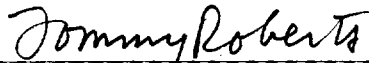
Gentlemen:

Please consider this letter the formal application of SG Interests I, Ltd. for an order of the New Mexico Oil Conservation Division force-pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the S/2 of Section 25, Township 30 North, Range 9 West, N.M.P.M., San Juan County, New Mexico, forming an approved non-standard 331.38 acre coal gas spacing and proration unit for said pool, to be dedicated to its E. Jacques Gas Com A #1 Well to be drilled at a standard coal gas well location 895 feet from the north line and 1,825 feet from the east line of said Section 25. SG Interests I, Ltd. requests that such order designate SG Interests I, Ltd. as the operator of the proposed well, and that it provide for the recovery by the joining working interest owners of the cost of drilling, completing, equipping and operating the proposed well, together with a reasonable charge for risk involved in drilling the well. In addition, SG Interests I, Ltd. requests that the order establish a reasonable charge for the supervision of the well during the drilling and production stages.

State of New Mexico  
Oil Conservation Division  
Page 2  
October 2, 1992

Please place this application on the October 29th, 1992 docket of the New Mexico Oil Conservation Division. Please advise should you require any additional information.

Sincerely,



---

Tommy Roberts,  
Attorney for  
SG Interests I, Ltd.

TR:tlm

cc: Supervisor, District III Office  
New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

cc: James B. Fullerton,  
Consulting Landman on behalf  
of SG Interests I, Ltd.  
1645 Court Place, Suite 406  
Denver, Colorado 80202


① 40.60

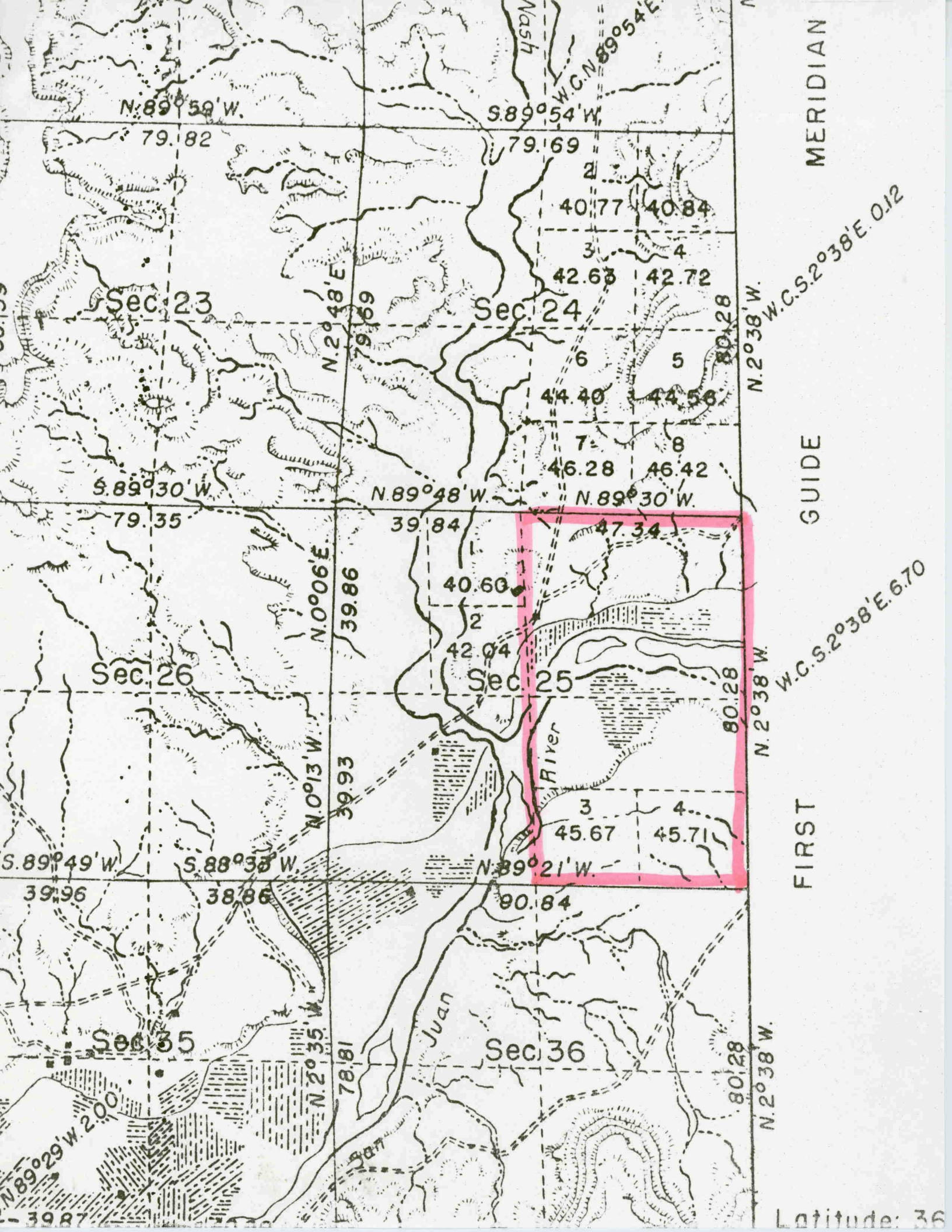
② 42.04

③ 45.67

④ 45.71

Proposed Easement  
 Jacques Bois Lane  
 "A" #1  
 1840' x 160' - 280' x 160'

SECTION 25 TOWNSHIP 30 North RANGE 9 West



N. 89° 59' W.

S. 89° 54' W.

79.82

79.69

40.77 40.84

Sec. 23

Sec. 24

N. 2° 48' E.

42.63 42.72

44.40 44.56

S. 89° 30' W.

N. 89° 48' W.

46.28 46.42

79.35

39.84

N. 89° 30' W.

47.34

N. 0° 06' E.

39.86

40.60

42.04

Sec. 26

Sec. 25

N. 0° 13' W.

39.93

80.28

45.67 45.71

S. 89° 49' W.

S. 88° 38' W.

N. 89° 21' W.

39.96

38.86

90.84

Sec. 35

Sec. 36

N. 2° 35' W.

78.81

80.28

N. 89° 29' W.

39.87

MERIDIAN

GUIDE

FIRST

N. 2° 38' W.

N. 2° 38' W.

N. 2° 38' W.

W.C. S. 2° 38' E. 0.12

W.C. S. 2° 38' E. 6.70

Latitude: 36

Submit 3 Copies  
to Appropriate  
District Office

OIL CONSERVATION DIVISION  
Energy, Minerals and Natural Resources Department

Form O-102  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION  
P.O. Box 2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

Santa Fe, New Mexico 87504-2088

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

WELL API NO.

30-045-27937

5. Indicate Type of Lease

STATE

SEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

Eugene Jacquez Gas Com "A"

1. Type of Well:

OIL

WELL

GAS

WELL

OTHER

2. Name of Operator

SG Interests I, Ltd. Attn: A. M. O'Hare

8. Well No.

#1

3. Address of Operator

PO Box 421, Blanco NM 87412

9. Pool name or Wildcat

Basin Fruitland Coal Gas

4. Well Location

Unit Letter L : 1840 Feet From The South Line and 790 Feet From The West Line

Section 25 Township 30N Range 9W NMM San Juan County

10. Elevation (Show whether DP, RKB, RT, GR, etc.)

5655' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK

PLUG AND ABANDON

REMEDIAL WORK

ALTERING CASING

TEMPORARILY ABANDON

CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND ABANDONMENT

PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

OTHER: Change of Operator

OTHER:

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Amoco Production Company has turned over operatorship, effective immediately, to:

SG Interests I, Ltd.  
Attn: A. M. O'Hare  
PO Box 421  
Blanco NM 87412

RECEIVED  
AUG 06 1992  
OIL CON. DIV.  
DIST. 3

If there are any questions please contact A. M. O'Hare At 505-325-5599.

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

SIGNATURE

*A. M. O'Hare*

TITLE

DATE

TYPE OR PRINT NAME A. M. O'Hare

TELEPHONE 505-325-5599

(This space for State Use)

APPROVED BY

*Charles Holson*

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. #3

DATE

AUG 06 1992

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

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

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

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

WELL API NO. 30-045-27937
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Eugene Jacquez Gas Com "A"
8. Well No. #1
9. Pool name or Wildcat Basin Fruitland Coal Gas
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5655'

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL  GAS WELL  OTHER

2. Name of Operator  
Amoco Production Company Attn: J.L. Hampton

3. Address of Operator  
P.O. Box 800 Denver, Colorado 80201

4. Well Location  
Unit Letter L : 1840 Feet From The South Line and 790 Feet From The West Line  
Section 25 Township 30N Range 9W NMPM San Juan County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>PLUG AND ABANDON <input type="checkbox"/></p> <p>CHANGE PLANS <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <u>APD Extension</u> <input checked="" type="checkbox"/></p>	<p>ALTERING CASING <input type="checkbox"/></p> <p>PLUG AND ABANDONMENT <input type="checkbox"/></p>
--	--	--	--

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Amoco requests an extension on the subject well's APD that will expire on July 2, 1992.

APPROVAL EXPIRES 1-7-93  
UNLESS DRILLING IS COMMENCED.  
SPUD NOTICE MUST BE SUBMITTED  
WITHIN 10 DAYS.

**RECEIVED**  
JUN 25 1992  
OIL CON. DIV. I  
DIST. 3

Please contact Ed Hadlock @ (303) 830-4982 if you have any questions.

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

SIGNATURE J.L. Hampton / wsh TITLE Sr. Staff Admin. Supr. DATE 6/22/92

TYPE OR PRINT NAME J.L. Hampton TELEPHONE NO.

(This space for State Use)

APPROVED BY J.S. G TITLE SUPERVISOR DISTRICT # 3 DATE JUN 25 1992

CONDITIONS OF APPROVAL, IF ANY:



Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

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

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

10 36

WELL API NO. 30-045-27937
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	7. Lease Name or Unit Agreement Name Eugene Jacquez Gas Com "A"
2. Name of Operator Amoco Production Company Attn: J.L. Hampton	8. Well No. #1
3. Address of Operator P.O. Box 800 Denver, Colorado 80201	9. Pool name or Wildcat Basin Fruitland Coal Gas
4. Well Location Unit Letter <u>L</u> : <u>1840</u> Feet From The <u>South</u> Line and <u>790</u> Feet From The <u>West</u> Line Section <u>25</u> Township <u>30N</u> Range <u>9W</u> NMPM <u>San Juan</u> County	10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5655' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: APD Extension <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Amoco requests an extension on the subject well's APD that expired on January 2, 1992.

APPROVAL EXPIRES 7-2-92  
UNLESS DRILLING IS COMMENCED.  
SPUD NOTICE MUST BE SUBMITTED  
WITHIN 10 DAYS.

**RECEIVED**  
JAN 6 1992  
OIL CON. DIV.  
DIST. 3

Please contact Cindy Burton (303) 830-5119 if you have any questions.

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

SIGNATURE J.L. Hampton/CB TITLE Sr. Staff Admin. Supr. DATE 1/13/92

TYPE OR PRINT NAME J.L. Hampton TELEPHONE NO. (303) 830-5025

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE JAN 16 1992

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-103  
Revised 11/89

OIL CONSERVATION DIVISION

RECEIVED  
OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Grande Pk., Alameda, NM 87410

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

JUL 10 1991  
10:45

ALBUQUERQUE, N.M.

WELL APD NO.  
30-045-27937

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Eugene Jacquez Gas Com "A"

8. Well No.

#1

9. Pool name or Wildcat

Basin Fruitland Coal Gas

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

OR  
WELL

GAS  
WELL

OTHER

2. Name of Operator

Amoco Production Company Attn: John Hampton

3. Address of Operator

P.O. Box 800, Denver, Colorado 80201

4. Well Location

Unit Letter L : 1840 Feet From The South Line and 790 Feet From The West Line

Section 25 Township 30N Range 9W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

5655' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK

PLUG AND ABANDON

REMEDIAL WORK

ALTERING CASING

TEMPORARILY ABANDON

CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND ABANDONMENT

PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

OTHER:

OTHER: APD Extension

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Amoco requests an extension on the subject wells approved APD which is to expire on 7/2/91.

APPROVAL EXPIRES 1-2-92  
UNLESS DRILLING IS COMMENCED.  
SPUD NOTICE MUST BE SUBMITTED  
WITHIN 10 DAYS.

RECEIVED  
JUN 24 1991  
OIL CON. DIV. I  
DIST. 3

Please contact Cindy Burton (303)830-5119 if you have any questions.

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

SIGNATURE John Hampton

TITLE Sr. Staff Admin. Supr. DATE 6/13/91

TYPE OR PRINT NAME John Hampton

TELEPHONE NO. 303-830-5011

(This space for State Use)

APPROVED BY Charles Holm

TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE JUN 24 1991

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 11/87

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

OIL CONSERVATION DIVISION

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

WELL API NO. 30-045-27937
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name Eugene Jacquez Gas Com "A"	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Coal Seam <input type="checkbox"/>	2. Name of Operator Amoco Production Company Attn: John Hampton		8. Well No. #1
3. Address of Operator P.O. Box 800, Denver, Colorado 80201		9. Pool name or Wildcat Basin Fruitland Coal Gas	
4. Well Location Unit Letter <u>L</u> : <u>1840</u> Feet From The <u>South</u> Line and <u>790</u> Feet From The <u>West</u> Line Section <u>25</u> Township <u>30N</u> Range <u>9W</u> NMTM <u>San Juan</u> County			
10. Elevation (Show whether OF, RKB, RT, GR, etc.) 5655' GR			

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPHS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>APD extension</u> <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Amoco requests an extension on the subject wells approved APD.

**RECEIVED**  
JAN 08 1991  
OIL CON. DIST.

*Extension Request 7-2-91*

Please contact Cindy Burton (303)830-5119 if you have any questions.

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

SIGNATURE J. Hampton TITLE Sr. Staff Admin. Supt. DATE 1/7/91  
 TYPE OR PRINT NAME John Hampton TELEPHONE NO. 303-830-50

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT # 3 DATE JAN 08 1991  
 CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-101  
 Revised 1-1-89

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88201  
 DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210  
 DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)  
30-045-27437  
 5. Indicate Type of Lease  
 STATE  OCE   
 6. State Oil & Gas Lease No.

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work:  
 DRILL  RE-ENTER  DEEPEN  PLUG BACK

b. Type of Well:  
 OR. WELL  GAS WELL  OTHER coal seam  
 SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator  
 Anoco Production Company ATTN: J.L. Hampton

3. Address of Operator  
 P. O. Box 800 Denver, Co. 80201

4. Well Location  
 Unit Letter L : 1840 Feet From The South Line and 790 Feet From The West Line  
 Section 25 Township 30N Range 9W NMPM San Juan County

7. Lease Name or Unit Agreement Name  
 Eugene Jacquez Gas Com "A"

8. Well No.  
 #1 (S/33138)

9. Pool name or Wildcat  
 Basin Fruitland Coal Gas

10. Proposed Depth  
 2542' (TD)

11. Formation  
 Fruitland Coal

12. Rotary or C.F.  
 Rotary

13. Elevations (Show whether DF, RT, GR, etc.)  
 5655' GR

14. Kind & Status Plug. Bond  
 State-wide

15. Drilling Contractor  
 unknown

16. Approx. Date Work will start  
 As soon as permitted

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	250'	250 cf (cement to surface)	
7 7/8"	5 1/2"	17#	2542 (TD)	712 cf (cement to surface)	

see attached drilling program

**RECEIVED**  
 JUN 29 1990  
 OIL CON. D.  
 DIST. ?

APPROVAL EXPIRES 1-2-91  
 UNLESS DRILLING IS COMMENCED.  
 SPUD NOTICE MUST BE SUBMITTED  
 WITHIN 10 DAYS.

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.

SIGNATURE J. L. Hampton TITLE Sr. Staff Admin. Supv. DATE 6/27/90  
 (303)  
 TYPE OR PRINT NAME J.L. Hampton TELEPHONE NO. 830-5119

(This space for State Use)

APPROVED BY Enrico Busch DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE JUL 02 1990  
 7-2-90

CONDITIONS OF APPROVAL, IF ANY:  
 HOLD C-164 FOR CANCELLATION OF MERIDIAN WALKER COR. #2  
 4729

Submit to Appropriate District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

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

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

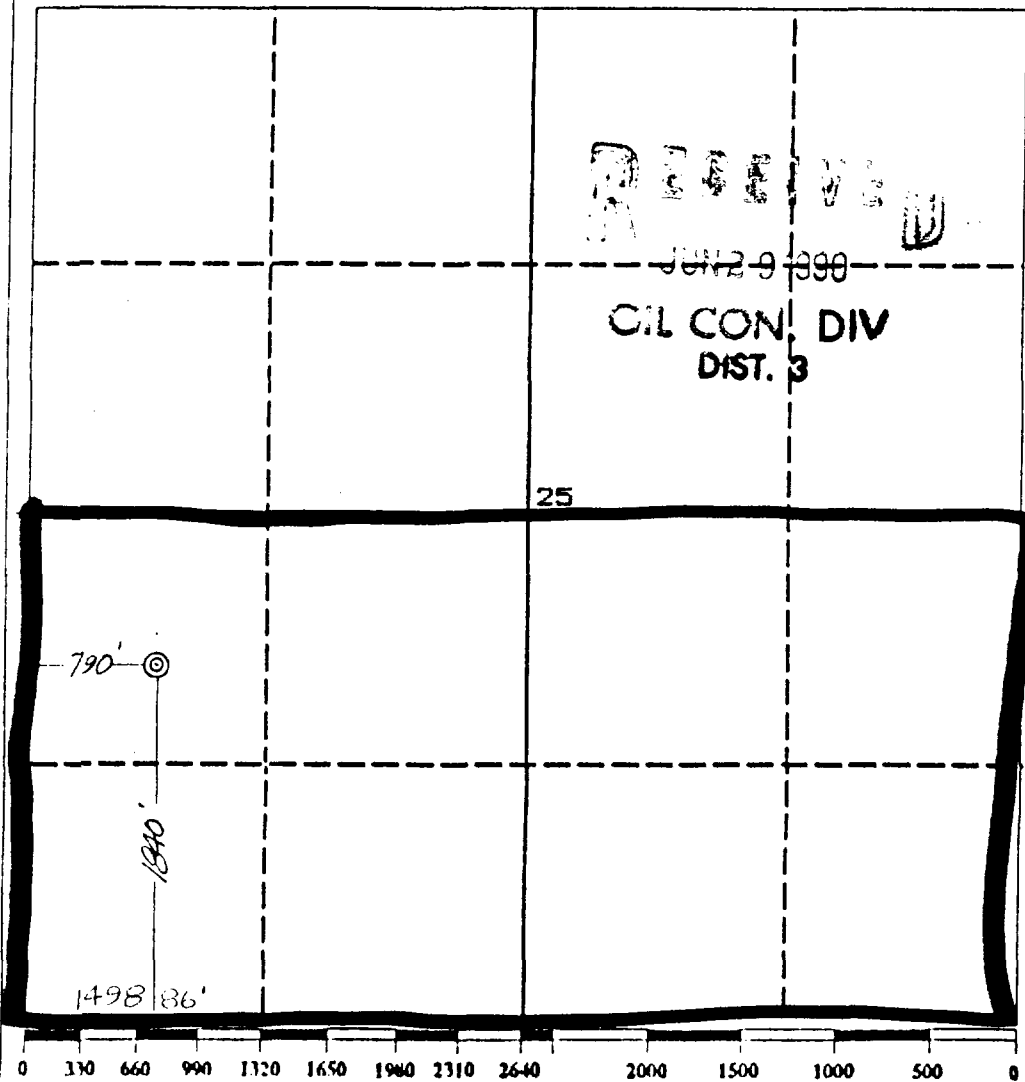
**DISTRICT III**  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator <b>AMOCO PRODUCTION COMPANY</b>			Lease <b>EUGENE JACQUEZ GAS COM /A/</b>		Well No. <b># 1</b>
Unit Letter <b>L</b>	Section <b>25</b>	Township <b>30 NORTH</b>	Range <b>9 WEST</b>	County <b>SAN JUAN</b>	
Actual Footage Location of Well: <b>1840</b> feet from the <b>SOUTH</b> line and <b>790</b> feet from the <b>WEST</b> line					
Ground level Elev. <b>5655</b>	Producing Formation <b>Fruitland Coal</b>		Pool <b>Basin Fruitland Coal Gas</b>	Dedicated Acreage <b>5/2</b> <b>331.38</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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: *[Signature]*  
 Printed Name: **L Hampton**  
 Position: **Sr. Staff Admin Supr**  
 Company: **Amoco Prod**  
 Date: **6-25-90**

**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.

Date Surveyed: **June 18, 1990**

Signature & Seal of Professional Surveyor: *[Signature]*  
**GARY D. VANN**  
**7016**

Gary D. Vann  
 Registered Professional Land Surveyor  
 7016

Amoco proposes to drill the well to further develop the Fruitland Coal reservoir. The well will be drilled to the surface casing point using native mud. The well will then be drilled to the total depth with a non-dispersed mud system. The attached modified 12" 3000 psi blowout preventer will be used (please see attached BOP information). The well will be completed in the Fruitland Coal with a fracture stimulation.

<u>Quantity</u>	<u>Size</u>	<u>Weight</u>	<u>Description</u>	<u>Cementing Program</u>
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SURFACE CASING

250'	8-5/8"	24#	K55 ST&C	250 cf Class B, 2% CaCl <sub>2</sub> 15.6 ppg
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INTERMEDIATE STRING

2542'	5.5"	17#	K55 ST&C	712 cf Class B, 65:35:6 10% salt, .25% dispersant 13.1 ppg 118 cf Class B, 2% CaCl <sub>2</sub> 15.6 ppg
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The above casing design is based upon a 11.0#/gal mud weight.

EVALUATION

The log surveys (FDC/GR/CAL, Microlog) will be run per attached drilling and completion program.

SAN JUAN BASIN  
FRUITLAND COAL DEGASIFICATION  
(DRILL THROUGH WELLS)  
PRESSURE CONTROL EQUIPMENT

Background

The objective Fruitland Coal formation maximum surface pressure is anticipated to be 1400 PSI, based on completion testing. 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 rigs to be utilized have substructure height limitations which exclude 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 surface to total depth in the Pictured Cliffs.

Equipment Specification

Interval

Below Surface Casing  
to  
Total Depth

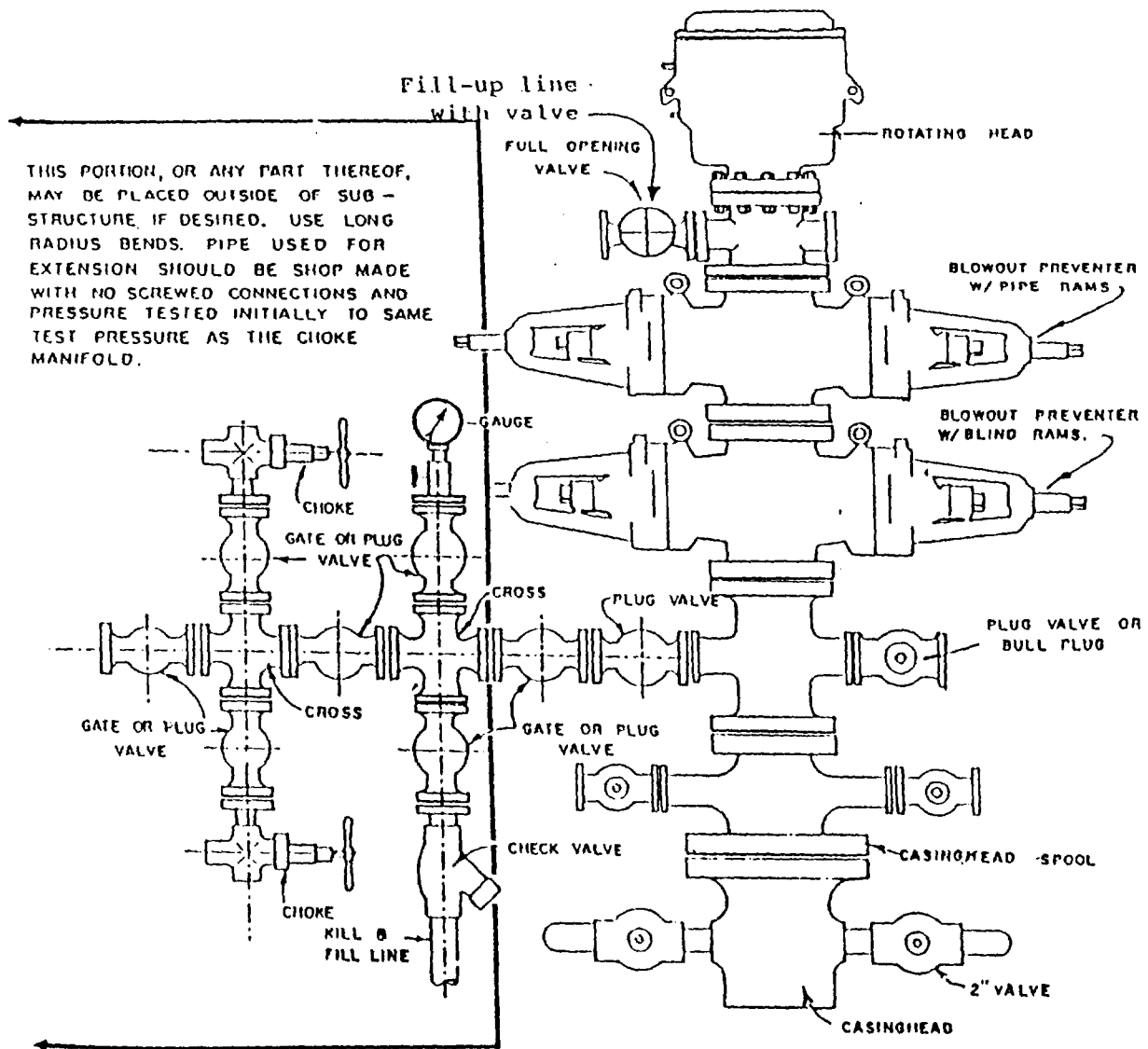
BOP Equipment

12" nominal, 3000 PSI double ram  
preventer with rotating head (see  
Exhibit No. 1 - BOPE)

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, floor safety valves and choke manifold which will also be tested to equivalent pressure.

Please direct any questions to George Gray at (303) 830-5190 in our Denver office.

EXHIBIT NO. 1 - BOPE



THIS PORTION, OR ANY PART THEREOF, MAY BE PLACED OUTSIDE OF SUB-STRUCTURE IF DESIRED. USE LONG RADIUS BENDS. PIPE USED FOR EXTENSION SHOULD BE SHOP MADE WITH NO SCREWED CONNECTIONS AND PRESSURE TESTED INITIALLY TO SAME TEST PRESSURE AS THE CHOKER MANIFOLD.

Fill-up line with valve

Gauge

Choke

Gate or Plug Valve

Cross

Plug Valve

Plug Valve or Bull Plug

Gate or Plug Valve

Cross

Gate or Plug Valve

Choke

Kill & Fill Line

Check Valve

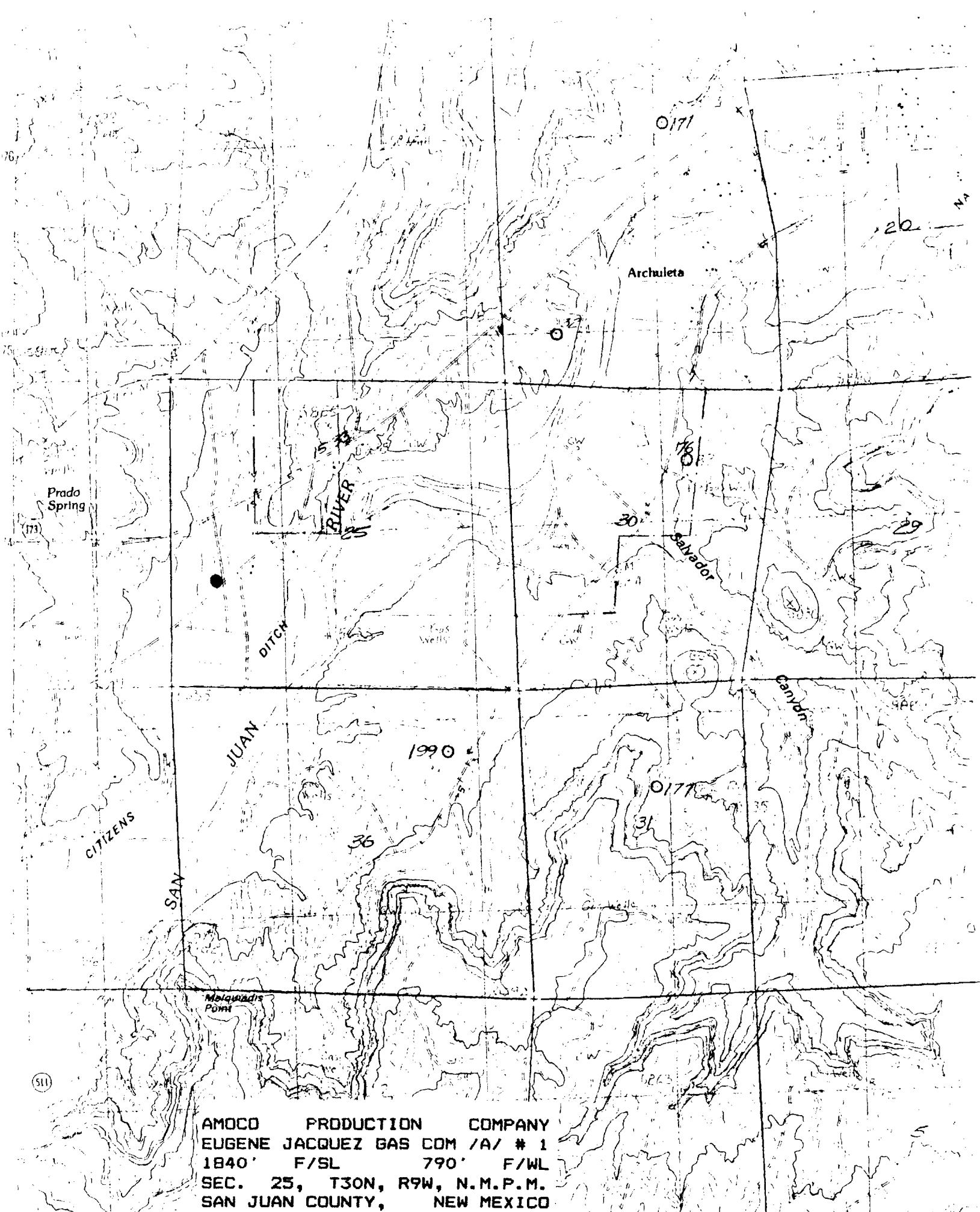
Casinghead Spool

2" Valve

Casinghead

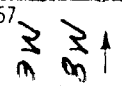
BLOWOUT PREVENTER HOOKUP

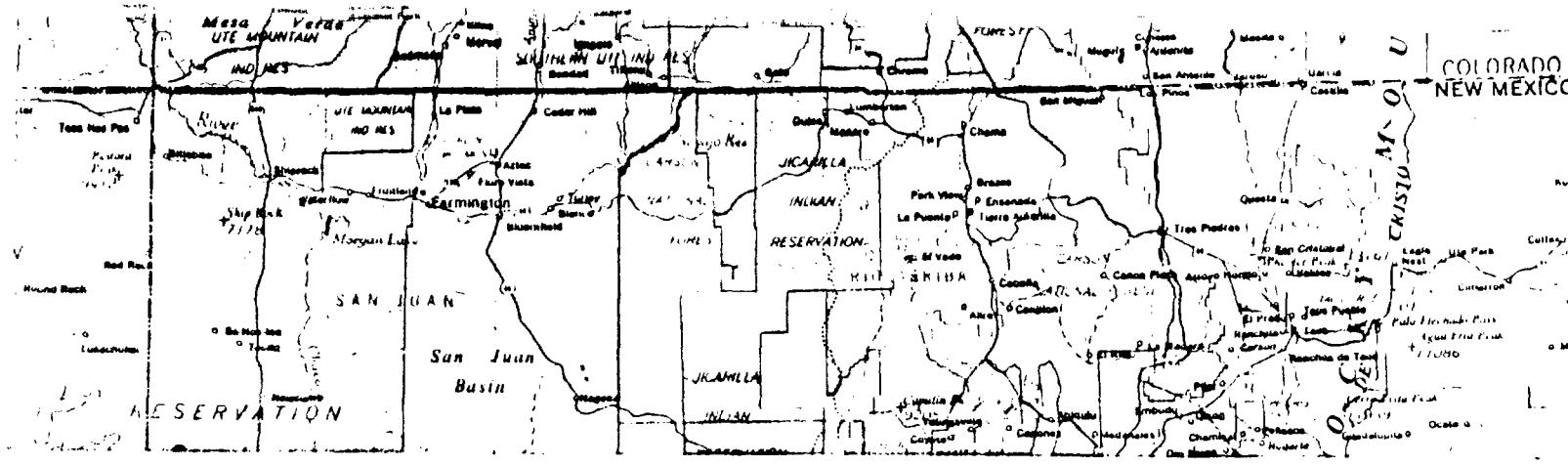




AMOCO PRODUCTION COMPANY  
 EUGENE JACQUEZ GAS COM /A/ # 1  
 1840' F/SL 790' F/WL  
 SEC. 25, T30N, R9W, N.M.P.M.  
 SAN JUAN COUNTY, NEW MEXICO

15' 55 530000 FEET 57 258 42' 30" 59





EUGENE JACQUEZ GAS COM /A/ # 1  
 1840' F/SL      790' F/WL  
 SEC. 25, T30N, R9W, N.M.P.M.  
 RAIL POINT: 158 miles - Montrose, Co.  
 MUD POINT: 15 miles - Aztec, NM  
 CEMENT POINT: 29 miles - Farmington

