

District I  
J625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

**ORIGINAL**

Form C-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address <b>Holcomb Oil and Gas, Inc. P.O. Box 2058 Farmington, NM 87499</b>		<sup>2</sup> OGRID Number <b>010605</b>
<sup>3</sup> Property Code <b>34959</b>	<sup>4</sup> Property Name <b>JB SULLIVAN</b>	<sup>5</sup> API Number <b>30-045-33224</b>
<sup>9</sup> Proposed Pool 1 <b>Fruitland Coal</b>		<sup>10</sup> Proposed Pool 2 <b>#2</b>

**7 Surface Location**

UL or lot no. <b>C</b>	Section <b>25</b>	Township <b>29N</b>	Range <b>11W</b>	Lot Idn	Feet from the <b>680</b>	North/South line <b>North</b>	Feet from the <b>1960</b>	East/West line <b>West</b>	County <b>San Juan</b>
---------------------------	----------------------	------------------------	---------------------	---------	-----------------------------	----------------------------------	------------------------------	-------------------------------	---------------------------

**8 Proposed 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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

**Additional Well Information**

<sup>11</sup> Work Type Code <b>N</b>	<sup>12</sup> Well Type Code <b>G</b>	<sup>13</sup> Cable/Rotary <b>R</b>	<sup>14</sup> Lease Type Code <b>P</b>	<sup>15</sup> Ground Level Elevation <b>5472</b>
<sup>16</sup> Multiple <b>no</b>	<sup>17</sup> Proposed Depth <b>1850'</b>	<sup>18</sup> Formation <b>Fruitland Coal</b>	<sup>19</sup> Completion <b>DRILLING</b>	<sup>20</sup> Spud Date <b>Sept 2005</b>
Depth to Groundwater <b>250'</b>		Distance from nearest fresh water well <b>1000'</b>		Distance from nearest surface water <b>1000'-2000'</b>
Pit: Liner: Synthetic <input checked="" type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
<b>8 3/4 "</b>	<b>7"</b>	<b>23#/ft</b>	<b>130'</b>	<b>40</b>	<b>Surf</b>
<b>6 1/4 "</b>	<b>4 1/2 "</b>	<b>10.5 #/ft</b>	<b>1820'</b>	<b>200</b>	<b>Surf</b>

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

**See Attached "Ten-Point Program" and its Attachments.**

**Exhibits Attached as Follows:**

**"A"** Well Location and Acreage Dedication Plat C-102; **"B"** Vicinity Map Access Roads; **"C"** Ten-Point Compliance Program; **"D"** Multi-Point Requirements for APD; **"E"** Blowout Preventer Schematic; **"F"** Location, Profile-Well Pad and Section; **"G"** Access Road and Pipeline R-O-W; **"H"** Drill Rig Layout; **"I"** Completion Rig Layout; **"J"** Production Facility Plat; **"K"** Wells within 1 mile.

<sup>23</sup> 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 NM OGD guidelines ☐, a general permit ☐, or an (attached) alternative OGD-approved plan ☐.

Printed name: **William J. Holcomb**

Title: **President**

E-mail Address: **Holcomb@digii.net**

Date: **7/12/05** Phone: **(505) 326-0550**

**OIL CONSERVATION DIVISION**

Approved by: \_\_\_\_\_

Title: **DEPUTY OIL & GAS INSPECTOR, DIST. #3**

Approval Date: **JUL 12 2005**

Expiration Date: **JUL 12 2006**

Conditions of Approval Attached ☐

## EXHIBIT "A"

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

DISTRICT II  
P.O. Drawer DD, Artesia, N.M. 88211-0719

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

## OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-33224	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Basin FrvHaud coal
<sup>4</sup> Property Code 34959	<sup>5</sup> Property Name J.B. SULLIVAN	<sup>6</sup> Well Number 2
<sup>7</sup> GRID No. 10605	<sup>8</sup> Operator Name HOLCOMB OIL AND GAS INC.	<sup>9</sup> Elevation 5472'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	25	29-N	11-W		680	NORTH	1960	WEST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

<p>16 SEC. CORNER FD. 3 1/4" BC 1992 BLM</p>	<p>N 89°-59'-55" E 5241.3'</p>	<p>SEC. CORNER FD. 3 1/4" BC 1999 BLM</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p>
<p>2600.7'</p> <p>1960'</p> <p>W</p>	<p>LAT: 36°42'08.1" N (NAD 83) LONG: 107°56'43.2" W (NAD 83)</p>	<p>25</p>	<p>Signature W. J. Holcomb Printed Name President Title 7/12/05 Date</p>
<p>QTR. CORNER FD. 3 1/4" BC LS. 9671, 1999</p>	<p>3456789101112131415161718192021222324</p> <p>JUL 2005</p>	<p>18 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.</p>	<p>JUNE 23, 2005 Date of Survey Signature JOHNA VUKONICH NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 14831 Certificate Number</p>

# EXHIBIT "F"

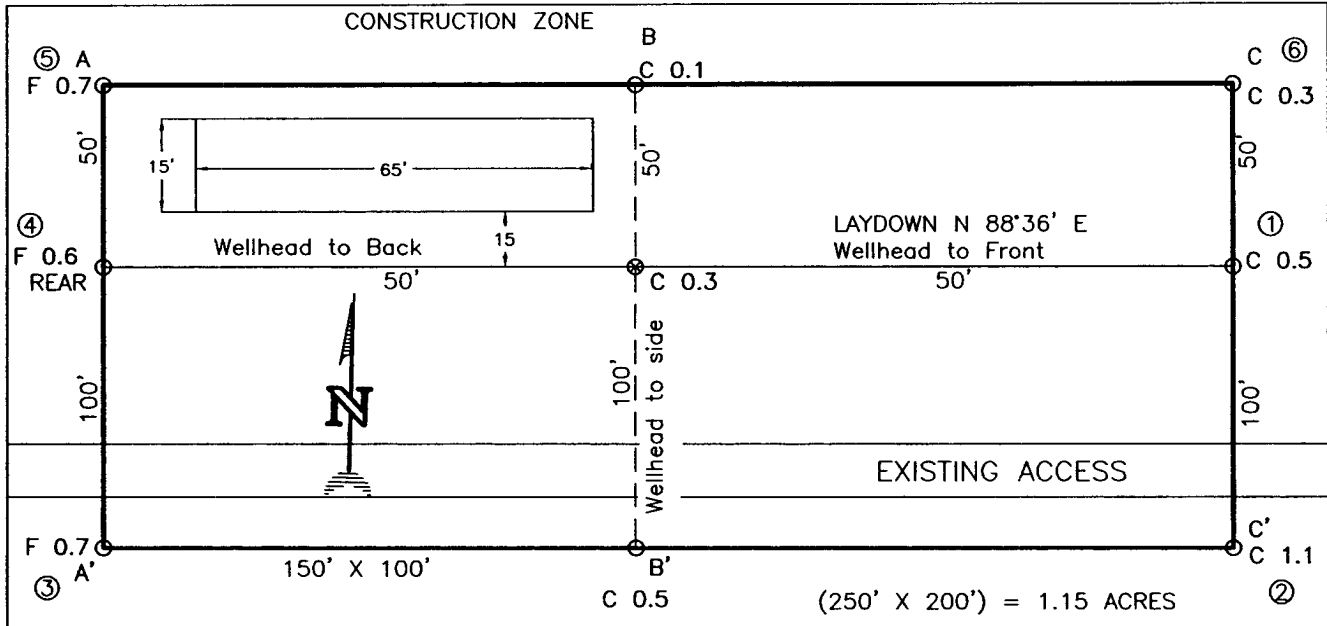
HOLCOMB OIL AND GAS INC.

J.B. SULLIVAN No. 2, 680 FNL 1960 FWL

SECTION 25, T29N, R11W, N.M.P.M., SAN JUAN COUNTY, N. M.

GROUND ELEVATION: 5472, DATE: JUNE 23, 2005

LAT. = 36°42'08.1" N  
LONG. = 107°56'43.2" W  
NAD 83



RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

ELEV. A-A'

C/L

5480					
5470					
5460					
5450					

ELEV. B-B'

C/L

5480					
5470					
5460					
5450					

ELEV. C-C'

C/L

5480					
5470					
5460					
5450					

NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

Daggett Enterprises, Inc.  
Surveying and Oil Field Services  
P. O. Box 15088 • Farmington, NM 87401  
Phone (505) 326-1772 • Fax (505) 326-6019  
NEW MEXICO L.S. No. 14831



REVISION: DATE: REVISED BY: DATE: REVISED BY:  
DRAWN BY: A.G. ROW#: HOG004  
DATE: 06/29/05

## EXHIBIT "C"

TEN-POINT PROGRAM  
Holcomb Oil and Gas, Inc.  
JB Sullivan #2  
NW/4, SEC.25, T29N, R11W  
San Juan County, New Mexico

1. THE GEOLOGICAL SURFACE FORMATION IS THE NACIMIENTO.
2. THE TOPS OF IMPORTANT GEOLOGICAL MARKERS: (BASED ON EXISTING LOG INFORMATION)

FRUITLAND	'	1400'
PICTURED CLIFFS	'	1620'
TOTAL DEPTH	'	1850'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

<u>SUBSTANCE</u>	<u>FORMATION</u>	<u>ANTICIPATED DEPTH</u>
Water	OJO	380'
Gas	Fruitland Coal	1400'
	Pictured Cliffs	1750'

4. THE CASING PROGRAM:

<u>DEPTH</u>	<u>HOLE SIZE</u>	<u>CASING O.D.</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>TYPE</u>	<u>NEW/USED</u>
8¾		7.0	23#	J-55	STxC	New
6¼		4½"	11.6#	J-55	STxC	New

PROPOSED CEMENT PROGRAM: To effectively isolate and seal off all water, oil, gas and coal-bearing Strata encountered by the utilization of spacers, centralizers and turbo-centralizers at the base of the Ojo Alamo Formation or the base of the lowest useable water zone and by using cement volumes as follows (exact volumes to be determined from caliper log):

SURFACE: 41.8 Cubic Feet (38 sacks) Class B w/0.25# Cello Flake/sack plus 2% CaCl (100% excess).

PRODUCTION: 210 Cubic Feet (102 Sacks Class B Cement w/2% SM CaCl +0.25 lbs/sk Cello Flake #3lb/sk Gilsonite mixed to 12.5 ppg followed by 56Cubic Feet (47 Sacks) Standard Class B Cement w/0.25#/sk Cello Flake and 3lbs/sack Gilsonite mixed to 15.6 ppg w/caliper plus 50% excess in both slurries. Total 266 Cubic Feet + (149 Sacks).

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Exhibit E is a schematic of the blowout preventer used by our drilling contractor for other wells in the area.

The BOP to be used is an Annular BOP with screwed connections with high pressure inlet and outlet hoses, all tested to 2,000 psig minimum.

TEN-POINT PROGRAM  
Holcomb Oil and Gas, Inc.  
JB Sullivan #2  
NW/4, SEC.25, T29N, R11W  
San Juan County, New Mexico

6. THE TYPE AND CHARACTERISTIC OF THE PROPOSED DRILLING MUD FLUIDS:

SURFACE CASING: Native mud with bentonite and lime as needed for viscosity.

PRODUCTION CASING: Fresh water, low solids native mud with polymer gel for viscosity as needed to clean the hole for logging, running casing and cementing.

<u>INTERVAL</u>	<u>MUD WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>PH</u>	<u>ADDITIVES</u>
0-20'	water		None		
20-120'	9.0	45	None	9	Gel Lime
120-1800'	8.6-9.0	30-50	15	9	Polymer

7. AUXILIARY EQUIPMENT TO BE USED IS AS FOLLOWS:

- a. Float valve above bit.
- b. Monitoring of mud systems will be visual.
- c. A safety valve and subs to fit all drill strings will be used.

8. TESTING, LOGGING AND CORING WILL BE AS FOLLOWS:

- a. Cores: none.
- b. Drill stem tests: none anticipated.
- c. Logging: Spectral Density Log, Dual Spaced Neutron will be run from TD to the surface casing shoe.

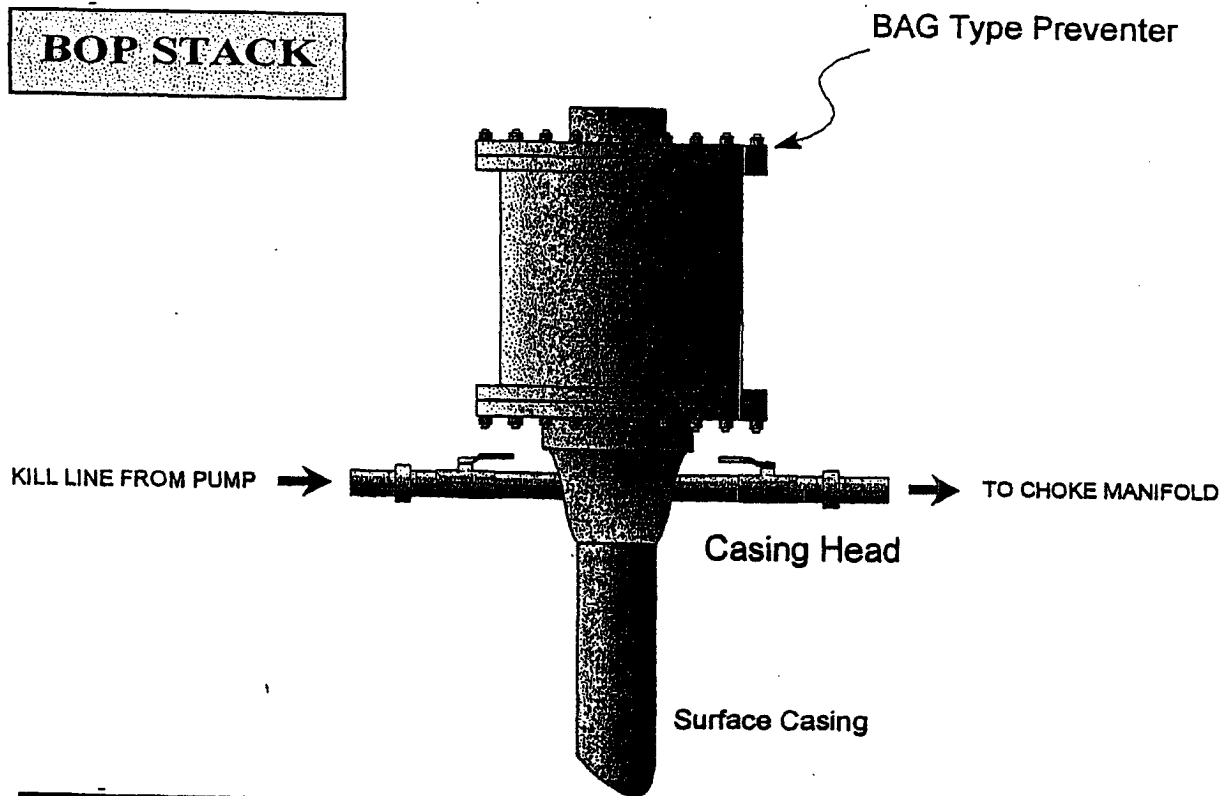
9. ANTICIPATED ABNORMAL PRESSURES AND TEMPERATURES:

No abnormal pressures, temperatures or Hydrogen Sulfide gases are anticipated during the completion of this well. The maximum bottom hole pressure is expected to be less than 600 psig.

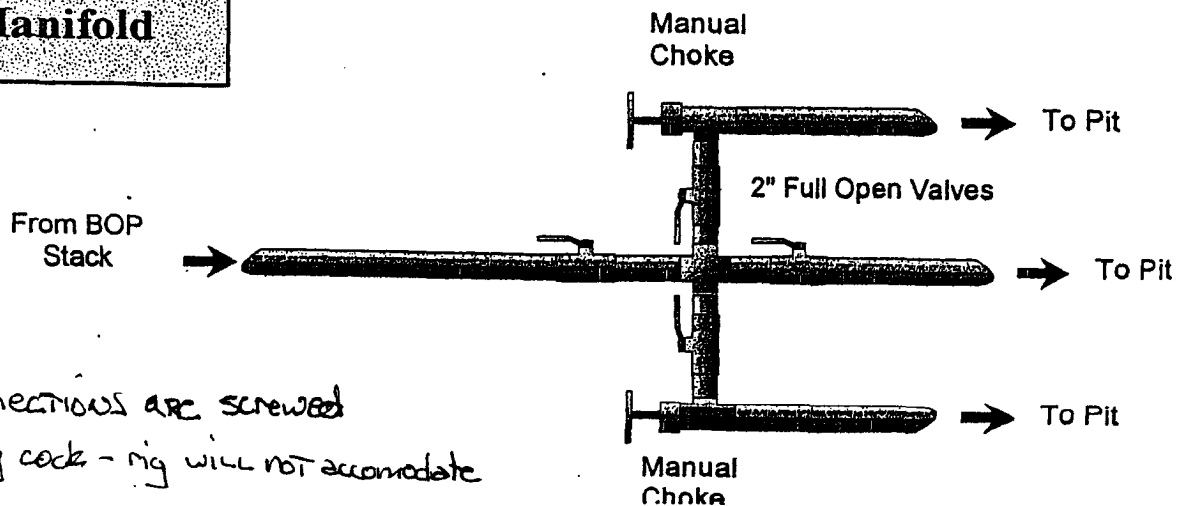
10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

The anticipated starting date is September, 2005. The drilling operations should be completed with 7 days after Rig up. Completion will be done when equipment is available and weather permits.

**BOP STACK**



**Choke & Kill Manifold**



All connections are screwed  
No kelly cock - rig will not accommodate