Form 3160-3 (August 1999) 2006 FEB 14 PM 12,43

FORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

UNITED STATES DEPARTMENT OF THE INTERIOR

RECEIVED 070 FARMINGTON SINLease Serial No.

BUKEAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

NO-G-0311-1705

APPLICATION FOR PERMIT TO	6.	6. If Indian, Allottee or Tribe Name			
			-	Navajo Alloti	ted
			7.	If Unit or CA Agreement, Na	ne and No.
la. TYPE OF WORK DRILL		REENTER	L		
	<u> </u>	, ,	8.	Lease Name and Well No.	41
b. TYPE OF WELL OIL X GAS WELL OTH	ER ↓↓↓ SIN	GLE ZONE MULTIPLE ZON		Juniper West Com	24 #22
2. Name of Operator			9.	API Well No.	
Coleman Oil & Gas, In				30-045	
3a. Address	3b. Pho	ne No. (include area code)	10.	Field and Pool, or Exploratory	,
P.O. Drawer 3337, Farmington N.M. 8749		(505) 327-0356	<u> </u>	Basin Fruitla	
4. Location of well (Report location clearly and In accordance wi	th any State requi	rements.*)	11.	Sec., T., R., M., or Blk. And S	Survey or Area
	6° 18' 03.6	", Longitude 107° 57' 29.0)"	F Section 24, T2	4N, R11W
At proposed prod. zone					
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST	TOWN OR POST	OFFICE*	12.	County or Parish	13. State
South East of Farmington New Mexico on	County RD	. 7610 approximately 50 mil	es.	San Juan	NM
15. Distance from proposed*	"	16. No. of Acres in lease	17. Spacing	Unit dedicated to this well	
location to nearest property or lease line, ft. 1012	2'	160		320 ACRES	S W/2
(Also to nearest drlg unit line, if any) 18. Distance from proposed location*		19. Proposed Depth	20 BIM/I	BIA Bond No. on file	
to nearest well, drilling, completed,		15. Troposed Depar	ZO. DLIVI I	SIA Dona No. on the	
applied for, on this lease, ft.	A	1215'		BIA Blanket Bond	#08510607
21. ELEVATIONS (Show whether DF. RT, GR, etc.)		22. Aproximate date work will start*		23. Estimated Duration	
6469'		May-06	May-06 2 Weeks		Weeks
		24. Attachments			
The following, completed in accordance with the requirement	ts of Onshore C	oil and Gas Order No. 1 shall be attac	hed to this i	form:	
Well plat certified by a registered surveyor.		4. Bond to cover the operation	ns unless cov	ered by existing bond on file(se	
2. A Drilling Plan.		item 20 above).		,	
3. A Surface Use Plan (if the location is on National Forest System	Lands, the	Operator certification.			
SUPO shall be filed with the appropriate Forest Service Office).		 Such other site specific info authorized officer. 	ormation and	or plans as may be required by	the a
25. Signature/ ///	Name (Printed/Typed)		IDATE	
Mallar Tollans		Michael T. Hanso	n	i i	2-Feb-06
Title				2	
Operations Engineer					
Approved By (Signature) Manles (D)	Name (Printed/Typed)		DATE	8/06
Title ASM	Office	Œ.			
Application approval does not warrant or certify that the applicant hole	is legal or equitab	le title to those rights in the subject lease v	vhich would e	ntitle the applicant to conduct	
operations thereon. Conditions of approval, if any, are attached.	J	 21 212 227 300 10030 ¥		apprount to continue	
	X				
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make States any false, fictitious or fraudulent statements or representations	is to any matter w	person knowingly and willfully to make to thin its jurisdiction.	any departm	ent or agency of the United	

*See Instructions On Reverse Side

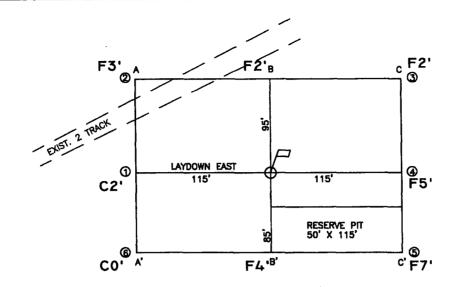
DISTRICT I P.O. Box 1980, Hobbs, N.M. 88241-1980 DISTRICT II

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised Febuary 21, 1994
Instructions on back
Appropriate District Office
State Lease – 4 Copies
Fee Lease – 3 Copies

811 South First, Artesia, N.M. 88210 DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 OIL CONSERVATION, DIVISION 4 P.O. Box 2088

1000 Rio Brazos	Rd., Aztec,	N.M. 87410		Se	anta Fe, 1	VM 87	7504-2088 REC	FIVE	F D	F	'ee Leas	se - 3 Copies
DISTRICT IV 2040 South Pack	neco, Santa	Fe, NM 87504	-2088				070 FAR	AINO	MH HOTE		AMEN]	DED REPORT
		W	ELL I	OCATIO	N AND	AC	REAGE DED					
30-04	Number 5-33	693		Pool Code			Basin	Fr	Pool Name			
Property C	75		•			perty :	Name EST COM 24					ell Number 22
OGRID N	lo.				*Op	erator	Name	·				⁹ Elevation
4838	<u> </u>			COL			B GAS, INC.					6469
UL or lot no.	Section	Township	Range	Lot Idn	Suri Feet from		Location	Feet	from the	East/We	et line	T. Connection 1
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from		North/South line		from the	East/We	st line	County
12 Dedicated Acre	s ¹⁵ Join	t or Infill 14	Consolidat	lion Code	Order No.	· · · · · · · · · · · · · · · · · · ·		l				
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	1078 W.	OR A NO	ON-STA	ANDARD	UNIT HA	S BE	EN APPROVED	BY	THE DIV	ISION	2.7	
16 N 89°37	/ 23 W	:		Ì			5232.32'	1.				TIFICATION
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15.2	:									[型]	(17)	18 (87U
N 0°15'26"								N 0°17		LICENSEL	7-2	078) 000 5-05 45
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N 89°32	'40" W	2614	.84'	N 8	9°30'36"	W	2617.78'		Certificate Nu	mber		





EVATION A-A'	& .
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B-B'	Q
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LEASE: JUNIPER WEST COM 24 #22

FOOTAGE: 1850' FNL, 1605' FWL

SEC. 24 TWN. 24-N RNG. 11-W N.M.P.M.

LATITUDE: 36°18'03.6" LONGITUDE: 107°57'29.0"

ELEVATION: 6469

COLEMAN OIL & GAS, INC. FARMINGTON, NEW MEXICO

.	SURVEYED: 5/23/05	REV. DATE:	APP. BY M.L.
۱۰	DRAWN BY: A.D.	DATE DRAWN: 5/31/05	FILE NAME: 5800C01

FIELD SERVICES INC.

P.O. BOX 3651 FARMINGTON, NM 87499 OFFICE: (505) 334-0408

OPERATIONS PLAN

Well Name:

Juniper West Com 24 #22

Location:

1850' FNL, 1605' FWL Section 24, T-24-N, R-11-W, NMPM

San Juan County, NM

Formation:

Basin Fruitland Coal

Elevation:

6469' GL

Formation:	Тор	Bottom	Contents
Nacimiento	Surface	205'	aquifer
Ojo Alamo	205'	315'	aquifer
Kirtland	315'	725'	
Fruitland	725'	1015'	gas
Pictured Cliffs	1015'	1215'	gas
Total Depth	1215'		

Drilling Contractor: Availability

Mud Program:

Interval	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	Fluid Loss
0' - 120'	Spud	8.4 - 9.0	40 - 50	no control
120' - 1215'	Non-dispersed	8.4 - 9.0	30 - 60	6cc or less

Logging Program:

Porosity Log - Triple Litho Density W/ GR and CAL.

Induction Log - Array Induction W/ GR and SP

Coring Program:

None

Casing Program:

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
12 1/4"	0' - 120'	8 5/8"	24#	J-55 or K-55
7 7/8"	120' - 1215'	5 1/2"	15.5#	J-55 or K-55
Tubing Program:				•
	0' - 1075'	2 7/8"	6.50#	J-55

Float Equipment:

8 5/8" surface casing - saw tooth guide shoe. One Centralizer.

5 1/2" production casing – Cement guide shoe and self fill insert float collar. Place float one joint above shoe. Five centralizers spaced every other joint above shoe and five centralizers every other joint from top of well.

Wellhead Equipment: 8 5/8" x 5 1/2" Braiden Head and 5 1/2" x 2 7/8" Tubing Head. Independent Well Head assembly with a minimum rated working pressure of 1000 psig.

Cementing:

8 5/8" Surface Casing -

Cement with 92 sacks Class "B" cement with 1/4# celloflake/sx and 2% calcium chloride (108.56 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 750 psi/30 minutes.

5 1/2" Production Casing -

Before cementing circulate hole with at least 1 1/2 hole volumes of mud. Precede cement with 20 bbls of fresh water. Lead with 114 sacks (297.54 cu. ft) of Class "G" with 3% D79 and 1/4# Per sack D29. (Yield = 2.61 cu. ft. /sack; slurry weight = 11.7 PPG). Tail with 90 sacks (113.4 cu. ft.) of Class "G" 50/50 POZ with 2% GEL D-20, 5# Per sack Gilsonite, .1% D46, 1% S-1 and 1/4# Per sack D29. (Yield = 1.26 cu. ft./sack; slurry weight = 13.5 PPG). Total cement volume is 410.94 cu. ft. (100% excess on open hole, calculated on cement volumes).

BOP and Tests:

Surface to Surface Total Depth - None

Surface TD to Total Depth – Annular or Double Ram Type 2000 psi (minimum) double gate BOP stack (Reference Figure #1, #2, #3). Prior to drilling out surface casing, test blind rams and casing to 750 psig for 30 minutes; all pipe rams and choke assembly to 750 psig for 15 minutes each.

From Surface TD to Total Depth - choke manifold (Reference Figure #3).

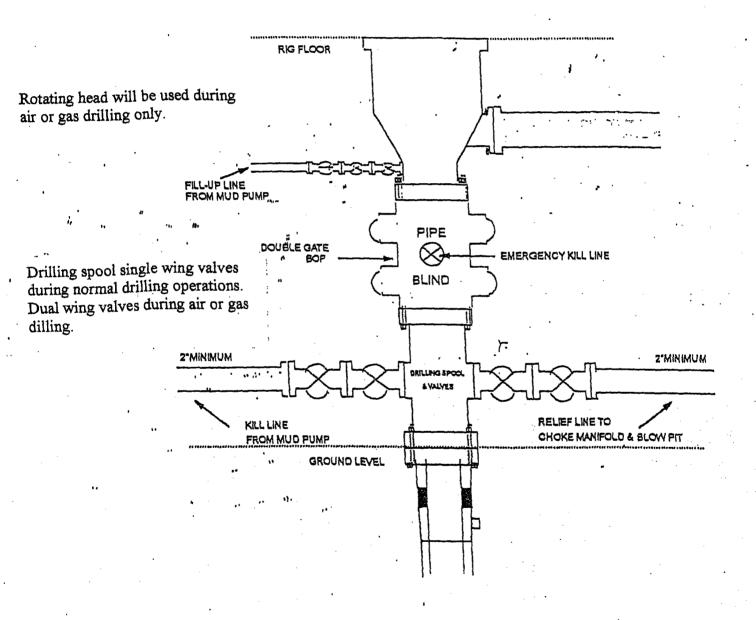
Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

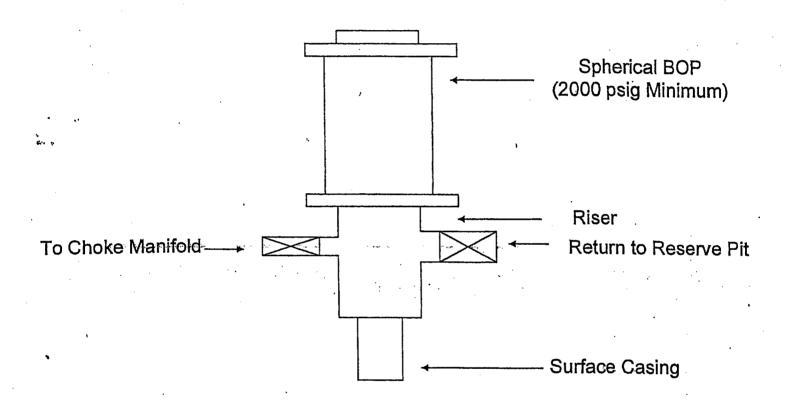
- The Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is 250 psi.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Date:	2/12/06	Drilling Engineer:_	Muhal I	Janson
				/

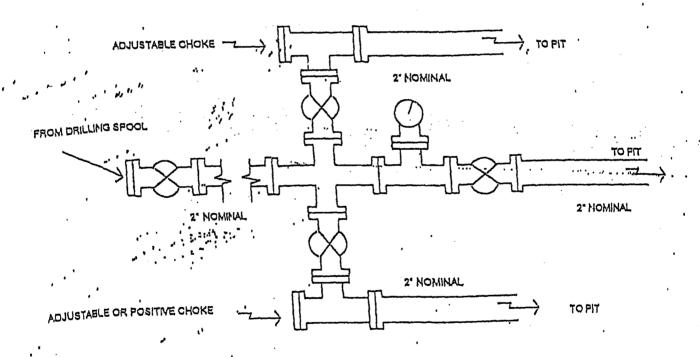
BOP Configuration 2M psi System



13 5/8" and 11" Bore, 2000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 2000psi working pressure/ or greater.



Choke Manifold Configuration 2M System



Minimum choke manifold installation from surface to Total Depth. 2" minimum, 2000psi working pressure equipment with two chokes.