RCW 0C131'06

Lease Serial No.

Form 3160-3 (August 1999) 2005 APR 26 AM 11 43

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

UNITED STATES

DEPARTMENT OF THE INTERIOR RECEIVED BUREAU OF LAND MANAGEMENT ARMINGTON UM

NM NM-104606

APPLICATION FOR PERMIT	TO DRILL OF	R REENTER	0.	If Indian, Allottee or Tribe !	Name	
1a. TYPE OF WORK DRILL	,	REENTER		If Unit or CA Agreement, N	ame and N	Īo.
b. TYPE OF WELL COIL GAS WELL C	OTHER SIN	GLE ZONE MULTIPLE ZON	1	Lease Name and Well No. Juniper Com 1	8 #31	
2. Name of Operator				API Well No.	0 #31	
Coleman Oil & Gas,	Inc		J.	30-048	5-3	23745
3a. Address	***	ne No. (include area code)	10.	Field and Pool, or Explorate		200 K
P.O. Drawer 3337, Farmington N.M. 874	199	(505) 327-0356	1	Basin Fruitl	and Co	nal
4. Location of well (Report location clearly and In accordance	with any State requi		11.	11. Sec., T., R., M., or Blk. And Survey or Area		
At surface 1000' FNL, 1600' FEL NMPM La At proposed prod. zone	titude 36° 19'	04", Longitude 107° 55' 5	7"	B Section 18, T	24N, I	R10W
14. DISTANCE IN MILES AND DIRECTION FROM NEARE	ST TOWN OR POST	OFFICE*	112	County or Parish	lin d	5
				•	13. \$	
South East of Farmington New Mexico of 15. Distance from proposed*	County RD	16. No. of Acres in lease		San Juan Unit dedicated to this well		NM
location to negrest	000'	1120	-	315.41 ACI	RES N	1/2
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	27.4	19. Proposed Depth		IA Bond No. on file		
21. ELEVATIONS (Show whether DF. RT, GR, etc.)	NA	1405' 22. Aproximate date work will start*		BLM Blanket Bon	d #085	10612
6634' GR		July-05		23. Estimated Duration	2 Wee	lso.
003. 010		24. Attachments		<u> </u>	2 44 66	KS
The following, completed in accordance with the requires			hed to this fo	orm:	· · · · · · · · · · · · · · · ·	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Sys SUPO shall be filed with the appropriate Forest Service Office 	tem Lands, the	4. Bond to cover the operation item 20 above).5. Operator certification.	as unless cove			
25. Signature Linaul T. Manson	Name (I	Printed/Typed) Michael T. Hanso	n	DATE 2	25-Apr	-05
Operations Engineer Approved By (Signature)		D Va.		<u> </u>		
Title (Signature)	Name (1	Printed/ Typed)	-	DATE	31	06
A time HM Mi	1020 P					
Application approval deem not warrant or certify that the applicant operations thereon. Conditions of approval, if any, are attached.	holds legal or equitable	le title to those rights in the subject lease w	hich would en	ititle the applicant to conduct		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, n States any false, fictitious or fraudulent statements or representation			any departme	nt or agency of the United		
*See Instructions On Reverse Side						

File application for pit permit prov to starting construction of Location

MMOCD

District I PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

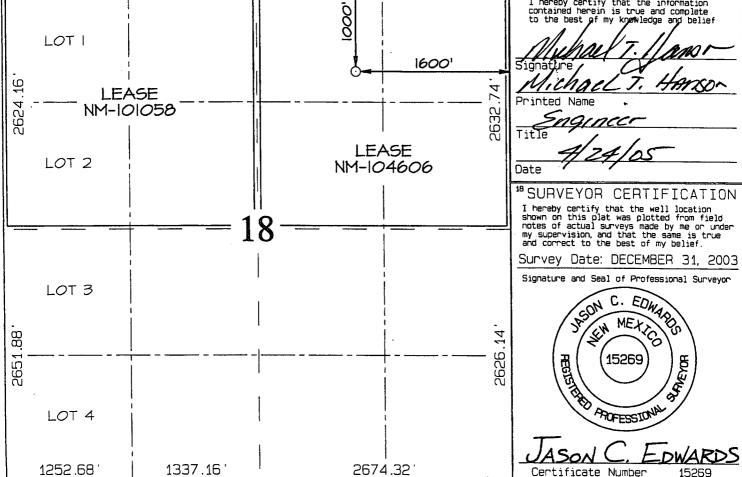
Oistrict III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department

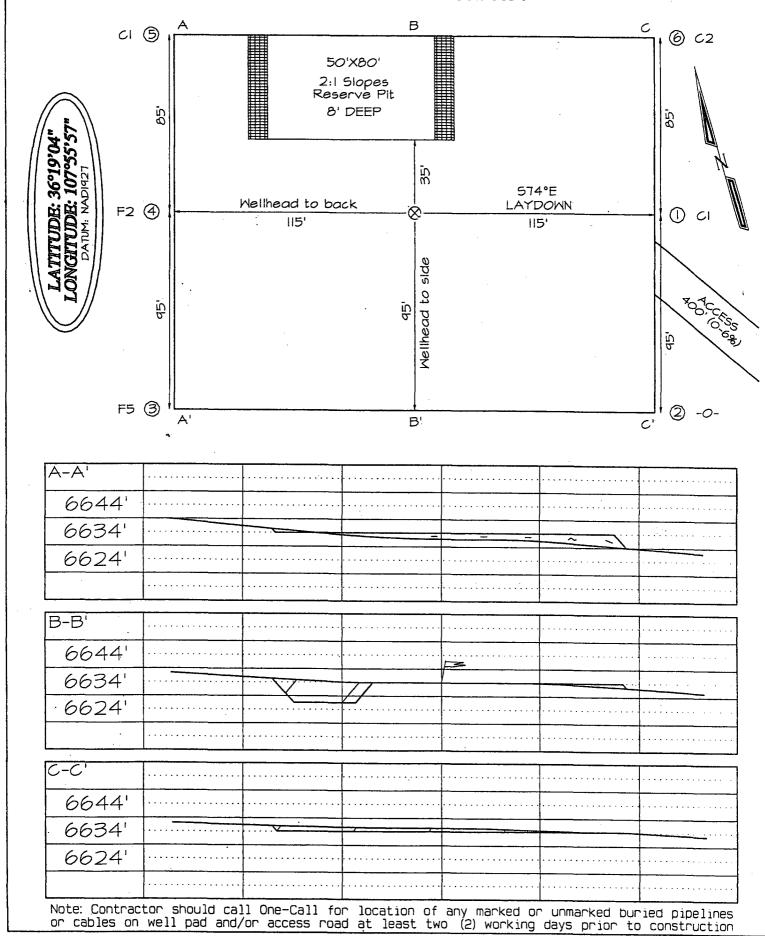
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

O DUX 2000, C	banca (e,	144 07304	2000							
			WELL	LOCAT]	ONA NO	ACREAGE DEDI	ICATION PL	_AT	•	
A ¹ A	'API Number Pool Code				е		³Pool Nam	е		
30-04	5-33	3045		71629		BASIN FRUITLAND COAL				
Property		Property Name JUNIPER COM 18					"Well Number 31			
OGRID N	lo.				*Operat	or Name		*Elevation		
4838				CO	LEMAN OIL	. & GAS, INC.		6634		
					¹⁰ Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West	tline	County
·B	18	24N	10W		1000	NORTH	1600	EAS	ST	SAN JUAN
	<u> </u>	11 B	ottom	Hole L	ocation	If Different	From Surf	ace		<u> </u>
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West	t line	County
¹² Dedicated Acres	315.	41 Acre	s - (N	1/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.			
NO ALLOW	ABLE W	ILL BE A	SSIGNE NON-SI	D TO TH	IS COMPLET UNIT HAS I	ION UNTIL ALL BEEN APPROVED	INTERESTS H BY THE DIVI	HAVE BEE	EN CON	SOLIDATED
2624.16°	l LE,	1356 1 45E 01058	3.28		,000	1600'	Signatur Frinted	y certify the defense is best of my	nat the strue arknowledge	FICATION information di complete e and belief
LOT	2					EASE	Title	4/24,	105	



COLEMAN OIL & GAS, INC. JUNIPER COM #31–18 1000' FNL & 1600' FEL, SECTION 18, T24N, R10W NMPM, SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 6634'



OPERATIONS PLAN

Well Name:

Juniper Com 18 #31

Location:

1000' FNL, 1600' FEL Section 18, T-24-N, R-10-W, NMPM

San Juan County, NM

Formation:

Basin Fruitland Coal

Elevation:

6634' GL

Formation:	Тор	Bottom	Contents
Nacimiento	Surface	420'	aquifer
Ojo Alamo	420'	530'	aquifer
Kirtland	530'	940'	
Fruitland	940'	1230'	gas
Pictured Cliffs	1230'	1405'	gas
Total Depth	1405'		

Drilling Contractor: Availability

Mud Program:

<u>Interval</u>	Type	<u>Weight</u>	<u>Vis.</u>	Fluid Loss
0' - 120'	Spud	8.4 - 9.0	40 - 50	no control
120' - 1405'	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' - 1405 '	5 1/2"	15.5#	J-55 or K-55
Tubing Program:				
	0' - 1280'	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, straddling Ojo Alamo.

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 139 sacks (362.79 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 476.19 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).

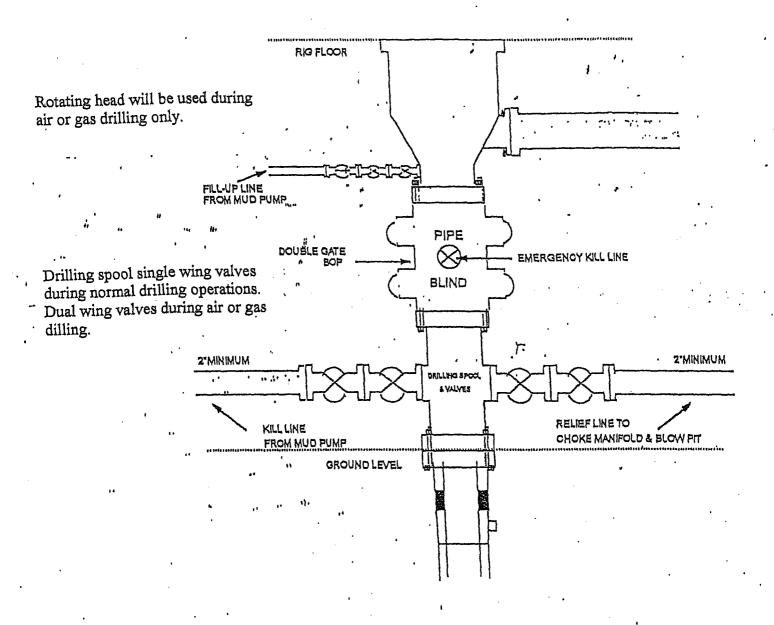
Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

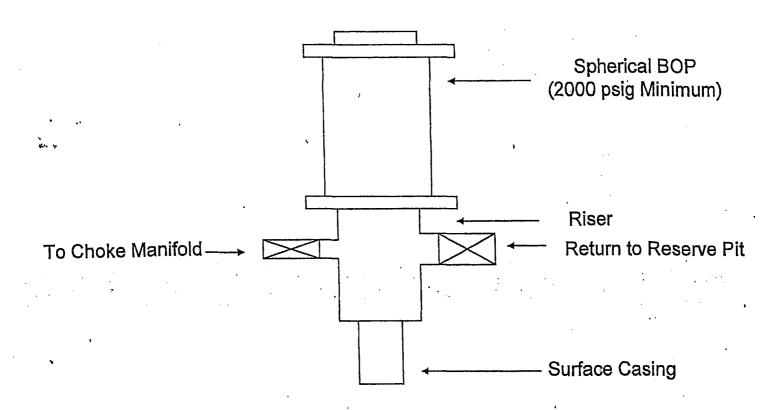
- The Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is 250 psi.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Date: 4/24/05 Drilling Engineer: Mullaft. Jans

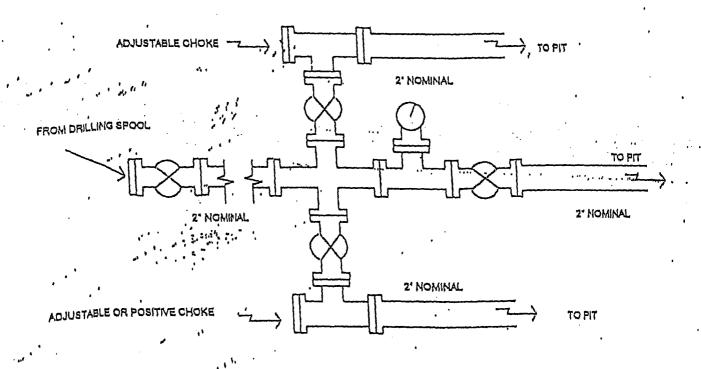
BOP Configuration 2M psi System



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.