

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Lewis Energy Corporation % K & A/Helton

3. ADDRESS OF OPERATOR

2200 Security Life Building, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

M 990 FSL, 990 FWL, Section 8, T20N, R4W
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

4,400

20. ROTARY OR CABLE TOOLS

Rotary and Cable Tools

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6,834 G.R.

22. APPROX. DATE WORK WILL START*

23.

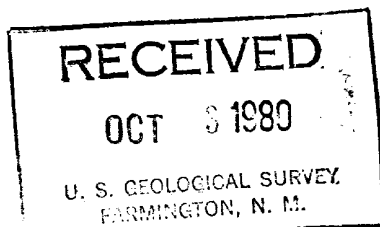
PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	32.3	200	To Surface
8 3/4	7	20	3,840	200 sx
6 1/4	4 1/2	10.5	Liner to TD*	Per caliper, if required

Operator proposes to drill a test of the Gallup sandstone.

Details are attached in the Supplemental Data Sheet.

The Gallup formation may be produced open hole. If interbedded shale becomes a problem, the liner will be run.



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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

Asst. Mgr. Operations
K & A/Helton

DATE

10-1-80

(This space for Federal or State office use)

PERMIT NO.

AS AMENDED

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL

DEC 4 1980

for JAMES F. SIMS
DISTRICT ENGINEER

TITLE

DATE

ch 3 m

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-107
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

Operator LEWIS ENERGY CORPORATION			Lease LOPEZ		Well No. 1
Unit Letter M	Section 8	Township 20N	Range 4W	County Sandoval	
Actual Footage Location of Well: 990 feet from the South line and 990 feet from the West line					
Ground Level Elev. 6834	Producing Formation Gallup	Pool Wildcat		Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Commission.

Scale: 1"=1000'

CERTIFICATION

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

Name
W.E. Landry

Position
Asst. Mgr. Operations

Company
K & A/Helton

Date
10-1-80

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
September 11, 1980

Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.

Certificate No.
3950

SUPPLEMENTAL DATA
APPLICATION FOR PERMIT TO DRILL
LEWIS ENERGY CORPORATION
LOPEZ
WELL NO. 1
990' FSL, 990' FWL, SECTION 8-T20N-R4W
SANDOVAL COUNTY, NEW MEXICO

1. The surface formation is Nacimiento.
2. Estimated surface formation is:

<u>Formation</u>	<u>Depth</u> (ft.)
Base of Ojo Alamo	360
Pictured Cliffs	710
Cliff House	1,118
La Ventana	1,578
Lower Menefee	2,082
Point Lookout	2,984
Mancos Shale	3,104
Gallup Sandstone	3,928

3. Fresh water may be found in the Ojo Alamo sands and will be protected from contamination behind the intermediate casing.

4. The proposed casing program is presented on the face of the APD.
5. Minimum pressure control equipment will consist of 2,000 psi W.P. double ram blowout preventers with hydraulic closing apparatus. In the event cable tools are elected as the mode to drill the pay interval, a 2,000 psi W.P. gate will be mounted on the 7" casing.

The BOP will be installed on the surface casing and tested to 1,000 psi before drill out. Pipe rams will be operated daily and the blind rams will be operated whenever the drill pipe is out of the hole. A schematic sketch of the BOP is attached.

6. Water base drilling mud will be used to drill the well to the intermediate (7") casing point with weights of 8.5 to 9.6 ppg and viscosity of 29 to 45 sec. Oil will be used to drill the Gallup formation or it will be drilled dry using cable tools.
7. Auxiliary equipment will consist of a drill pipe sub with a full-opening valve in the open position is to be maintained on the floor at all times. A drill pipe float is optional to the drilling contractor.
8. No drill stem tests are anticipated. The section of the hole between surface casing and intermediate casing point will be logged with the following:

Dual Induction Logtool
Compensated Neutron, Formation Density
Bore Hole Corrected Acoustic - G.R.

The section below the intermediate casing will be logged in a similar manner, if possible.

9. No abnormal pressures, temperatures or toxic gases are anticipated in these wells.
10. Starting date for this well is on or about November 1.

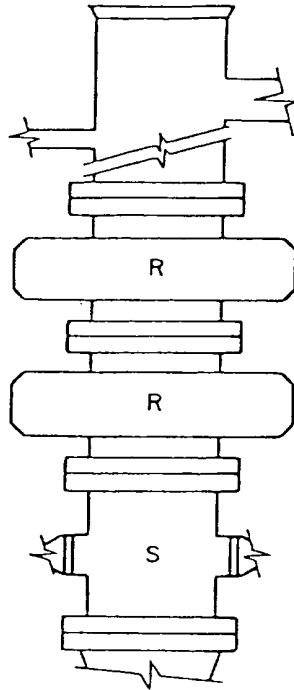


FIG. 2.C.2

ARRANGEMENT SRR
Double Ram Type Preventers, R_d , Optional.

MINIMUM
PRESSURE CONTROL
EQUIPMENT

PROPOSED LAND USE AND DEVELOPMENT PLAN
LEWIS ENERGY CORPORATION
LOPEZ WELL NO. 1
990' FSL, 990' FWL, SECTION 8, T20N-R4W
SANDOVAL COUNTY, NEW MEXICO

1. Existing Roads

Existing roads are indicated on the vicinity map. The area is approached via highway 44 from Farmington to Cuba, New Mexico, thence to the west 10 miles via state highway 197 and into section 16 via BLM road 7104 and existing roads into section 8, as shown by the dashed line.

2. Access Roads

Access to the location will be as shown on the vicinity map leaving the existing road at the power-line junction and running approximately 500 feet to the west.

3. Existing Wells

Existing wells are shown on the attached map of the area.

4. Location of Tank Batteries

In the event production is developed, the tank battery and storage facilities will be constructed on the well site. The heater treater and tanks will be sized to accommodate the total well production. Storage facilities will handle a minimum of three days production. Disturbed areas not required for production and shipping operations will be restored to natural contour and reseeded as per BLM stipulations.

5. Location and Type of Water Supply

Water will be hauled to location. Source of water will be the Encino water well, if arrangements can be made for same. Alternate sources of water would be Media and Eagle Mesa Fields.

6. Source of Construction Materials

Road and location will be constructed of on-site cut and fill materials.

7. Methods of Handling Waste Disposal

Well cuttings will be placed in the reserve pit. All flammable waste will be burned and sewage will be buried. Upon completion of the well, non-flammable waste will be dumped into the fenced reserve pit until such pit is dried out. At this time, the fence will be removed and all waste buried with adequate cover.

8. Ancillary Facilities

No ancillary facilities are proposed for this location.

9. Well Site Layout

The well site layout is presented in the attached schematic sketch.

10. Plans for Restoration of Surface

Immediately upon well completion, the reserve pit will be fenced to protect livestock. The location will then be cleaned of all waste pending the time that it becomes practical to clean up the pit. The fence will then be

10. Plans for Restoration of Surface (Cont'd.) ..

removed and all waste buried with adequate cover. All sections of the location not required for production operations will be reseeded in accordance with BLM stipulations after re-establishing the natural contour of the area.

11. Other Information

The immediate area of the well-site is in a rather rough region bearing shale ridges throughout the generally sandy loam. Vegetation at the site consists of galleta, blue grama, snake weed, rabbit bush and isolated junipers. Surface management is a responsibility of the BLM.

12. Operators Representative

K & A/Helton Engineering and Geological Services
2200 Security Life Building
1616 Glenarm
Denver, Colorado 80202
(303) 825-7722

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Lewis Energy Corporation and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

10-1-80
Date

W.E. Landry
W.E. Landry
Asst. Oper. Mgr.
K & A/Helton

