

NO. OF COPIES RECEIVED	5
DISTRIBUTION	
SANTA FE	1
FILE	1
U.S.G.S.	2
LAND OFFICE	
OPERATOR	1

NEW MEXICO OIL CONSERVATION COMMISSION

30-039-21313
Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
7. Unit Agreement Name
8. Farm or Lease Name Stevenson
9. Well No. No. 2
10. Field and Pool, or Wildcat Blanco-Mesaverde
12. County Rio Arriba
19. Proposed Depth 6300'
19A. Formation Mesaverde
20. Rotary or C.T. rotary
21. Elevations (Show whether DF, RT, etc.)
21A. Kind & Status Plug. Bond Oper. & Surety Bonds
21B. Drilling Contractor (negotiating)
22. Approx. Date Work will start February 1, 1977

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work	DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
b. Type of Well	OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>
2. Name of Operator	Palmer Oil & Gas Company
3. Address of Operator	P. O. Box 2564, Billings, Montana 59103
4. Location of Well	UNIT LETTER 1 LOCATED 1850 FEET FROM THE North LINE AND 1150 FEET FROM THE West LINE OF SEC. 8 TWP. 26N RGE. 2W NMPM
19. Proposed Depth	6300'
19A. Formation	Mesaverde
20. Rotary or C.T.	rotary
21. Elevations (Show whether DF, RT, etc.)	
21A. Kind & Status Plug. Bond	Oper. & Surety Bonds
21B. Drilling Contractor	(negotiating)
22. Approx. Date Work will start	February 1, 1977

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#	300'	225	Surface
7-7/8"	4-1/2"	10.5#	6,300'	250	4,750'

- Operator is in the process of communitizing the NW $\frac{1}{4}$ of Section 8 and the NE $\frac{1}{4}$ of Section 8.
- Palmer Oil & Gas Company will drill a 6,300' Mesaverde test in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 8-26N-2W.
- Well to be drilled by rotary tools. Set 300' of 8-5/8" casing and cement to surface; drill 7-7/8" hole to T.D.
- IES and Porosity Logs will be run at T.D. All potential zones will be analyzed from surface to T.D., and if potentially commercial, 4 $\frac{1}{2}$ " casing will be set, cemented and perforated.
- After perforating, the productive zones will be fractured, if necessary.
- The gas is not dedicated.
- A Shaffer 10" - 3000 psi BOP with blind and pipe ~~drilling to be used~~

APPROVAL VALID FOR 90 DAYS UNLESS
EXPIRES 4-10-77

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE. IF PROPOSAL IS TO DRILL IN A 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.

Signed Robert D. Ballantyne Title Drilling Superintendent Date December 30, 1976
(This space for State Use)

APPROVED BY AR Kendrick TITLE SUPERVISOR DIST. 3 DATE JAN 10 1977
CONDITIONS OF APPROVAL, IF ANY: approval of off-pattern well must be obtained prior to production.

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Operator PALMER OIL COMPANY			Lease STEVENSON		Well No. 2
Unit Letter E	Section 8	Township 26 NORTH	Range 2 WEST	County RIO ARriba	
Actual Footage Location of Well: 1850 feet from the NORTH line and 1150 feet from the WEST line					
Ground Level Elev. 7219	Producing Formation Mesaverde		Pool Blanco-Mesaverde		Dedicated Avereage: 320 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?

If answer is "no," list the owners and tract descriptions which have actually 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.

CERTIFICATION

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

Name L. C. Campbell
 Position Land Manager
Palmer Oil & Gas Company
 Company
 Date January 6, 1977



Date Submited 30 December 1976
 Registered Professional Engineer
 and/or Land Surveyor JAMES P. Leano

Certificate No. 1463

