

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

05-11-95
010 ALBUQUERQUE

1a. TYPE OF WORK
DRILL DEEPEN

b. TYPE OF WELL
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
THOMPSON ENGR. & PROD. CORP. 37581

3. ADDRESS AND TELEPHONE NO.
7415 E. Main Farmington, New Mexico 87402 505 327-4892

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 790'FSL & 1850'FEL
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
15 miles North of Lindreth, New Mexico

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 790'
16. NO. OF ACRES IN LEASE 441.95
17. NO. OF ACRES ASSIGNED TO THIS WELL 640 635.92

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 7500'
19. PROPOSED DEPTH 7500' P.B.
20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7175'GR
22. APPROX. DATE WORK WILL START* August 15, 1995

5. LEASE DESIGNATION AND SERIAL NO. NM-91515
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME, WELL NO. 17541
TAPACITOS CANYON #1
9. AN WELL NO. 30-039-24101
10. FIELD AND POOL, OR WILDCAT 27194
Gavilan Gallup MADOCOS
11. SEC., T., R., N., OR BLK. AND SURVEY OR AREA
Sec. 4, T26N, R2W
12. COUNTY OR PARISH Rio Arriba
13. STATE N.M.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	261'	140 sx circ to surface
7-7/8"	5-1/2"	17# 17#	8294'	380 sx 50/50 Poz circ to surface
				695 sx 65/35 Poz circ to surface

This well was originally drilled by Oryx in 1986 and plugged in 1990. Thompson Engineering proposes to re-enter this well and clean out the cement plugs to approximately 7500' and attempt a completion in the Gallup.

This application is also for an access road and pipeline right-of-way. The access road will be a new road approximately 1500' long that crosses the W/2 SE/4 and SW/NW/4 of Section 4, T26N, R2W where it joins with J30. The pipeline will go due south to the NW/NE of Section 9, T26N, R2W where it will connect to Williams Field Services.

RECEIVED
SEP - 6 1995

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 Paul C. Thompson TITLE Paul C. Thompson, President DATE 7/14/95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

(Original Signed) HECTOR A. VILLALOBOS

AREA MANAGER
RIO PUERCO RESOURCE AREA

SEP 1 1995

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

District I
 PO Box 1900, Hobbs, NM 88241-1900
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District 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 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <i>30-039-24101</i>		Pool Code <i>27194</i>	Pool Name Gavilan Gallup <i>MANCOS</i>
Property Code <i>17541</i>	Property Name Tapacitos Canyon		Well Number 1
OGRID No. 037581	Operator Name THOMPSON ENGR. & PROD. CORP.		Elevation 7175' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	4	26N	2W		790	South	1850	East	RA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

¹² Deduct : Acres <i>640/35.92</i>	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶ <table border="1"> <tr> <td><i>4</i> <i>38.90</i></td> <td><i>3</i> <i>38.96</i></td> <td><i>2</i> <i>39.00</i></td> <td><i>1</i> <i>39.06</i></td> </tr> <tr> <td colspan="4" style="text-align: center;"> RECEIVED SEP - 6 1995 OIL CON. DIV. DIST. 3 </td> </tr> <tr> <td colspan="4" style="text-align: center;"> </td> </tr> <tr> <td colspan="4"> ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Paul C. Thompson</i> Printed Name: Paul C. Thompson, P.E. Title: President Date: 7/10/95 </td> </tr> <tr> <td colspan="4"> 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. Date of Survey: Signature and Seal of Professional Surveyor: Certificate Number: </td> </tr> </table>	<i>4</i> <i>38.90</i>	<i>3</i> <i>38.96</i>	<i>2</i> <i>39.00</i>	<i>1</i> <i>39.06</i>	RECEIVED SEP - 6 1995 OIL CON. DIV. DIST. 3								¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Paul C. Thompson</i> Printed Name: Paul C. Thompson, P.E. Title: President Date: 7/10/95				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. Date of Survey: Signature and Seal of Professional Surveyor: Certificate Number:			
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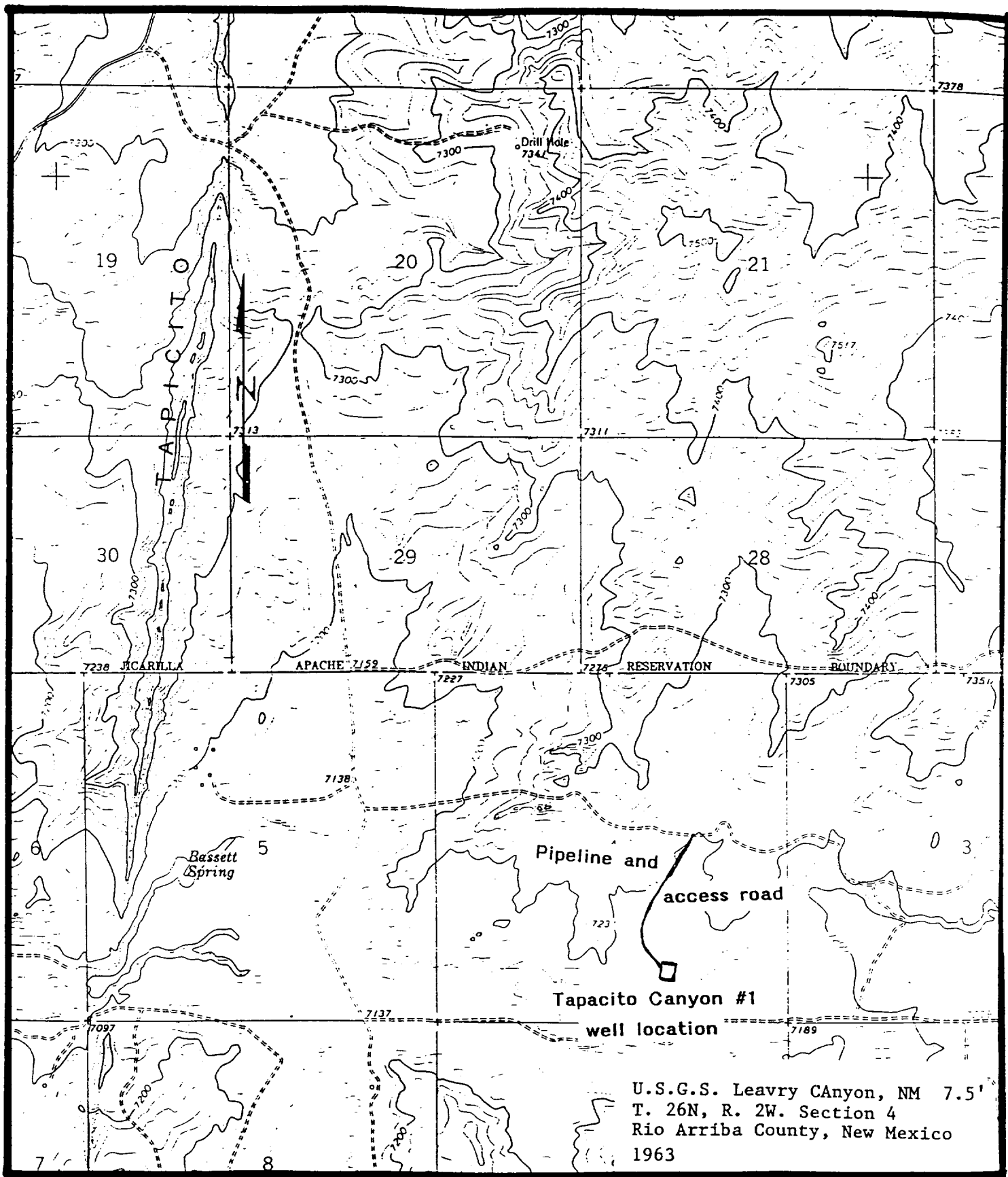


Figure 2

Thompson Engineering and Production Corp.

**Operations Plan for
Tapacitos Canyon #1**

I. Location: 790 FSL 1850 FEL Date: July 7, 1995
Sec 4 T26N R2W
Rio Arriba County, NM

Field: Gavilan Gallup Elev: GL 7175
Surface: BLM KB 7187
Minerals: BLM NM 91515

II. Geology: Surface formation _ Nacimiento

Formation Tops	Depths
Pictured Cliffs	3420
Mesa Verde	5468
Niobiara	7034
Dakota	8050

B. Logging Program: None

III. Drilling

A. Contractor: Big A Well Service

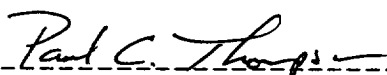
B. Mud Program: Cement plugs will be drilled with fresh water.
Hole will be circulated with 2% KCl water prior to drilling
CIBP at 6868. Final cleanout depth will be approximately
8000'.

C. BOP Testing: While drill pipe is in use the pipe rams will
be tested not less than once each day. The blind rams will
be tested once each trip. All tests are to be recorded on
the Daily Tour Reports as to time and date.

D. Potential Hazards: There are no over pressured or H2S zones
in this well.

IV. Materials

- A. Casing Program:
See attached wellbore diagram.
- B. Tubing Program: 7400' of 2-7/8" 6.4# 8 rd. EUE J-55 tubing with mud anchor, perforated sub and seating nipple on bottom.
- C. Wellhead Equipment: Weld 9-5/8" to 5-1/2" with 2 2" outlets. Weld 5-1/2" pup to 5-1/2" stub and install 2000# WP 5-1/2" X 2-7/8" tubing head assembly.



Paul C. Thompson, P.E.

Thompson Engineering Tapacitos Canyon #1

790 FSL 1850 FEL Sec 4 T26N R2W

