

UNITED STATES

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved
Budget Bureau No. 1004-0136
Expires August 31, 1985

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 ☐ SINGLE ZONE ☒ OTHER ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

CAULKINS OIL COMPANY

3824

3. ADDRESS OF OPERATOR

P.O. BOX 340

BLOOMFIELD, NM 87413

Ph. (505) 632-1544

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

At surface

At proposed prod. zone 1980' F/S 1876' F/W (UNIT K)

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

45 miles southeast of Blanco NM post office

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY
OR LEASE LINE, FT.

(Also to nearest drif. unit line, if any)

764'

16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED TO THIS WELL

West 320 — designated 80 to east 1/2 of
SW 1/4

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

860'

19. PROPOSED DEPTH

7430'

20. ROTARY OR CABLE TOOLS

ROTARY

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

6607 GR

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"	36#	350'	140 sacks (197 cu. ft.)
7 7/8"	5 1/2"	15.5# & 17#	7430'	1121 sacks (2086 cu. ft.)

EXHIBITS attached as follows

"A" Location and Elevation Plat

"B" Ten-Point Compliance Program

"C" Blowout Preventer Schematic

"D" Multi-Point Requirements for APD

"E" Vicinity Maps — Access Roads

"F" Drill Rig Layout

"G" Production Facility Schematic

"H" Acreage Dedication Plat

"I" Archaeological Report

"J" El Paso Field Services' Pipeline Plat

This proposal has been reviewed and approved
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

PROPOSAL FOR PERMIT TO DRILL OR DEEPEN IS
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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 blow out preventer program if any.

24.

SIGNED Robert L. Vergara

TITLE SUPERINTENDENT

DATE June 6, 2001

PERMIT NO. _____

APPROVAL DATE _____

8/10/01

APPROVED BY _____

/s/ Joel Farrell

TITLE _____

DATE _____

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

EXHIBIT "I"
State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

2001 JUN -6 PM 3:58

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-26763	² Pool Code 72319	³ Pool Name Blanco Mesa Verde
⁴ Property Code 2463	⁵ Property Name SANCHEZ	⁶ Well Number 6
⁷ OGRID No. 3824	⁸ Operator Name CAULKINS OIL COMPANY	⁹ Elevation 6607'

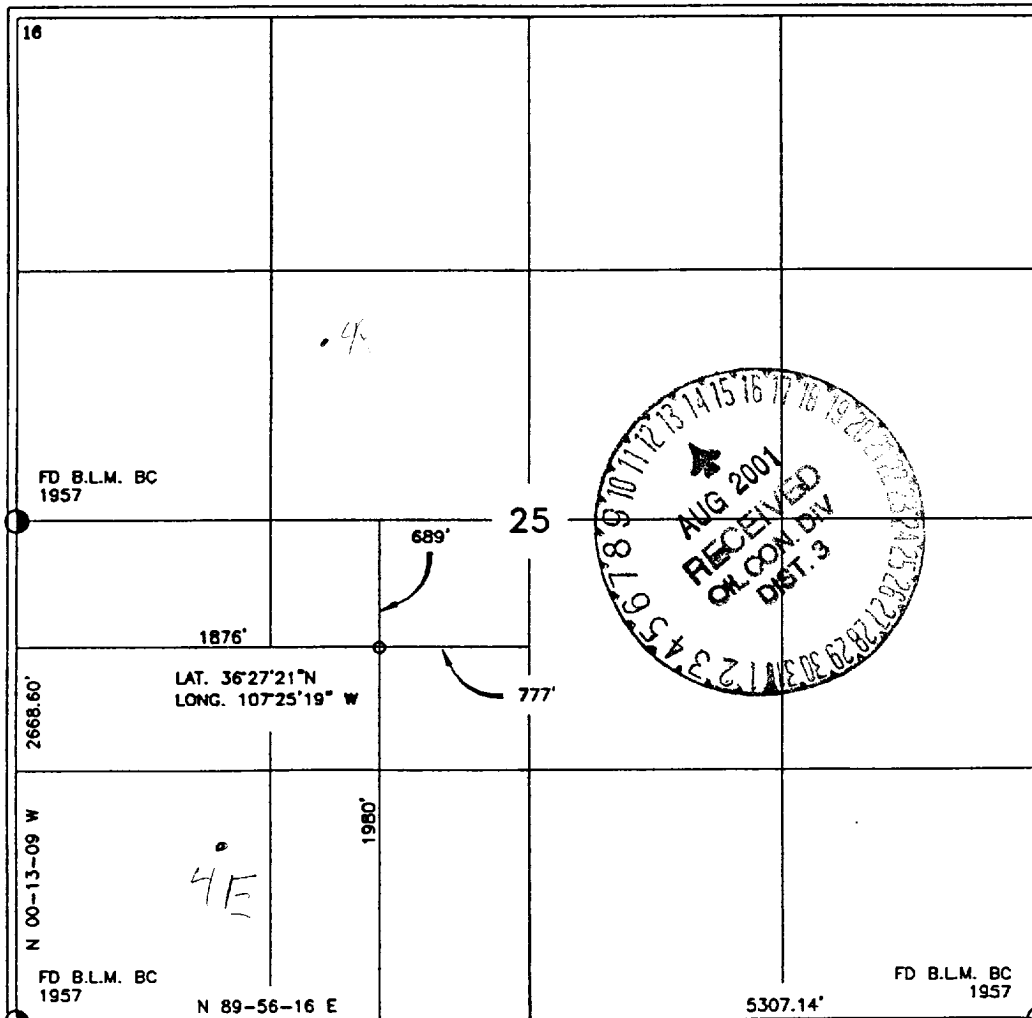
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	25	26-N	6-W		1980'	SOUTH	1876'	WEST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320 1/2			¹³ Joint or Infill I		¹⁴ Consolidation Code		¹⁵ Order No.		

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



17 OPERATOR CERTIFICATION

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

Robert L. Verquer
Signature
Robert L. Verquer
Printed Name
Superintendent
Title
6-6-01
Date

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.

ROY A. RHO
Date of Survey
Signature and Seal of Professional Surveyor:
8394
8894
Certificate Number

EXHIBIT "H"

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe NM 87505

Form C-102

Revised October 18, 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

¹ API Number 30039-26763		² Pool Code 72319	³ Pool Name MESA VERDE
⁴ Property Code 2463	⁵ Property Name SANCHEZ		⁶ Well Number 6
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company		⁹ Elevation 6607 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	25	26N	6W		1980'	South	1876'	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres 320	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


6					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and  Signature Printed Name Robert L. Verquer Title Superintendent Date 6-6-01
					¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by my supervision, and that the same is true and correct to the best of my knowledge and belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

EXHIBIT "E"
CAULKINS OIL COMPANY
SANCHEZ #6

SW/4 SEC. 25, T-26-N, R-6-W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO
1980' FSL 1876' FEL

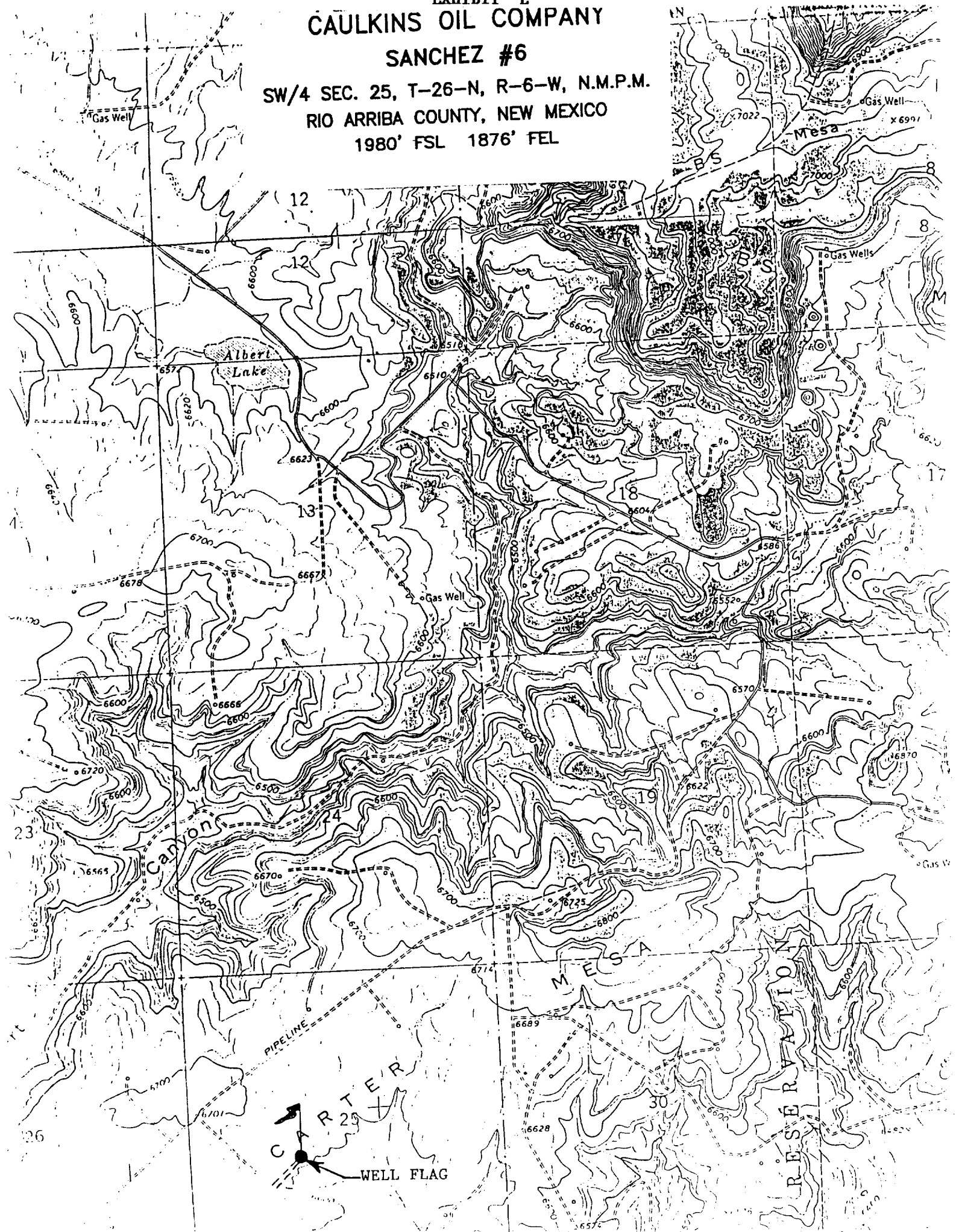


EXHIBIT "B"

TEN POINT COMPLIANCE PROGRAM

Caulkins Oil Company
 Sanchez - 6
 1980' FSL & 1876' FWL, Sec. 25, 26N, 6W
 Rio Arriba County, New Mexico
 Lease No. NM - 079304

1. The Geological Surface Formation is : San Jose.
2. The Estimated Tops of Important Geological Markers:

Ojo Alamo	2252'
Picture Cliffs	2880'
Cliff House	4531'
Greenhorn	7042'
Dakota	7224'
TD	7430'

3. Estimated Depths and pressures of Anticipated Water, Oil, Gas or Minerals:

Substance	Formation	Depth	Pressure
Water	Alamo	2462'	0
Gas	Pictured Cliffs	2959'	450
Gas	Cliff House	4584'	800
Gas	Dakota	7391'	1400

4. The proposed casing program will be as follows:

Depth	Hole Size	O.D.	Weight	Grade	Type	New/Used
0-350	12-1/4	9-5/8	36.00#	J55	LT&C	NEW
0-1000	7-7/8	5-1/2	17.00#	K55	LT&C	NEW
1000-6430	7-7/8	5-1/2	15.50#	K55	LT&C	NEW
6430-7430	7-7/8	5-1/2	17.00#	K55	LT&C	NEW

The proposed cement program will be as follows:

Surface: 142 sacks Type III with 1% CaCl
 and 1/4# per sack cellophane flake.

VOLUME CALCULATIONS

YIELD 1.39 350 ft x 0.3132 cu-ft/ft with 80% excess = 197 cu-ft *circ to surf*

PRODUCTION:

Cement will be run in three stages with stage tools set at approximately 3430' and 5430'. *circ at least 100' inside surf.*

1st stage Cement through shoe at approx. 7430' with 191 sacks Type III 35/65 poz + 6% gel (bentonite) + 1/4# /sk cellophane flake followed by 115 sacks Type III + 1% CaCl + 1/4# /sk cellophane flake.

VOLUME CALCULATIONS

YIELD 2.07 1342 ft x 0.1732 cu-ft/ft with 70% excess = 395 cu-ft
 YIELD 1.39 658 ft x 0.1732 cu-ft/ft with 40% excess = 160 cu-ft

2nd stage Cement through shoe at approx. 5430' with 191 sacks Type III 35/65 poz + 6% gel (bentonite) + 1/4# /sk cellophane flake followed by 115 sacks Type III + 1% CaCl + 1/4# /sk cellophane flake.

VOLUME CALCULATIONS

YIELD 2.07 1342 ft x 0.1732 cu-ft/ft with 70% excess = 395 cu-ft
 YIELD 1.39 658 ft x 0.1732 cu-ft/ft with 40% excess = 160 cu-ft

EXHIBIT "B"

TEN POINT COMPLIANCE PROGRAM

Caulkins Oil Company
Sanchez - 6
1980' FSL & 1876' FWL, Sec. 25, 26N, 6W
Rio Arriba County, New Mexico
Lease No. NM - 079304

3rd stage Cement through shoe at approx. 3430' with 394 sacks
✓ Type III 35/65 poz + 6% gel (bentonite) + 1/4# /sk
cellophane flake followed by 115 sacks Type III
+ 1% CaCl + 1/4# /sk cellophane flake.

VOLUME CALCULATIONS

YIELD 2.07 2772 ft x 0.1732 cu-ft/ft with 70% excess = 816 cu-ft
YIELD 1.39 658 ft x 0.1732 cu-ft/ft with 40% excess = 160 cu-ft

5. Operator's Minimum Specifications for Pressure Control:

EXHIBIT "C" is a schematic of a 2M blowout preventer system.
The BOP's will be hydraulically tested prior to drilling out
from under surface and operational checks will be made daily
thereafter and recorded in the drilling tour report.

Accessories to BOP will include following:

- A. 2" minimum kill line and valve.
- B. Choke line and valve.
- C. 2 chokes
- D. Upper kelly cock valve with handle available.
- E. Safety valve and subs to fit all drill strings.
- F. Pressure gauge on choke manifold.
- G. 2" minimum choke line.
- H. Fill-up line above the uppermost preventer.

6. The type and Characteristics of the Proposed Circulating Mud's:

Mud system will be gel-chemical with adequate stocks of
absorbent agents on location to handle possible spills of fuel
and oil on the surface. Heavier mud's will be on location to be
added if pressure requires.

Interval	Mud Wt	Vis	Fluid Loss	Ph	Additives
0- 350	9.0	50	----	9	Lime
350-TD	9.0	34-60	8cc	9	Chemicals

7. Auxiliary equipment to be used is as follows:

- a. Float valve above bit.
- b. Monitoring of mud system will be visual.
- c. A sub with a full opening valve will be on the floor when
the kelly is not in use.

8. Testing, logging and coring will be as follows:

- a. Cores - none will be taken.
- b. Drill stem tests - none anticipated.
- c. Logging - IEG and FDC from surface pipe to TD.

9. Anticipated Abnormal Pressures and Temperatures:

No abnormal pressure, temperatures or hydrogen sulfide gases
are anticipated during the course of drilling to TD. The
maximum bottom hole pressure to be expected is 1500 psi.

10. Anticipated Starting Date and Duration of the Operations:

The anticipated starting date is set for August 8, 2001,
or as soon as possible after examination and approval of
drilling requirements. Operations should be completed within 25
days.

EXHIBIT "C"

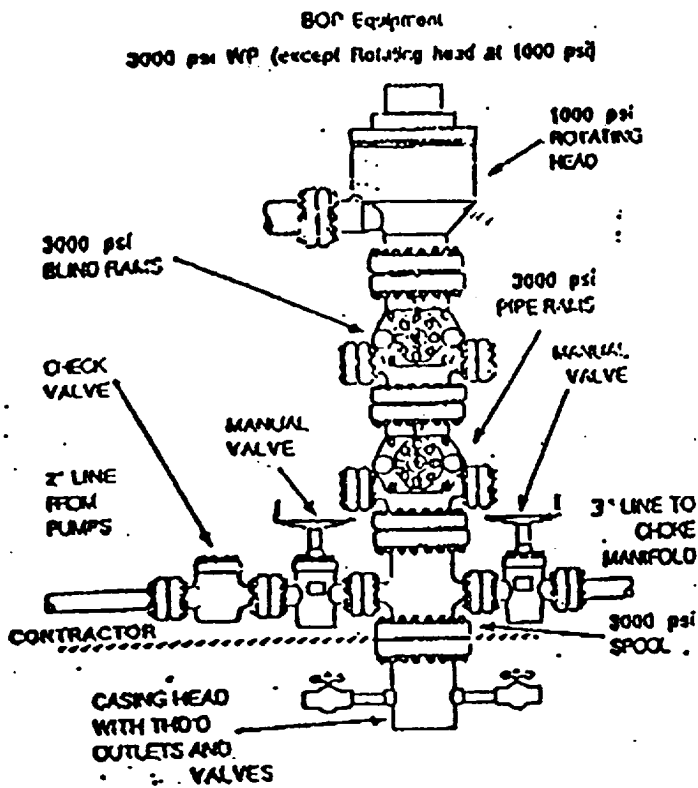


EXHIBIT "B" CHOKER MANIFOLD

