

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

Amoco PRODUCTION COMPANY

3. ADDRESS OF OPERATOR

501 Airport Drive, Farmington, New Mexico 87401

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

At surface

910' FSL & 870 FWL, Section 35, T-28-N, R-4-W

At proposed prod. zone

Same

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

Miles SE of Gobernador

15. DISTANCE FROM PROPOSED*

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

870'

18. DISTANCE FROM PROPOSED LOCATION*

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

250'

16. NO. OF ACRES IN LEASE

640.00

19. PROPOSED DEPTH

6700'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

S/ 320

20. ROTARY OR CABLE TOOLS

Rotary

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

7264' GL

22. APPROX. DATE WORK WILL START*

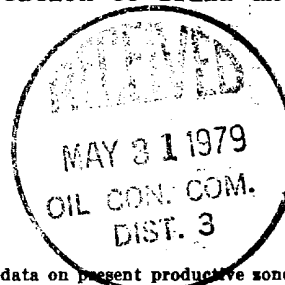
As soon as well permitt

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#	300'	225 sx
8-3/4"	7"	20.0#	4500'	760 sx
6-1/4"	4-1/2"	10.5#	4330-6700'	340 sx

The above well is being drilled to further develop the Blanco Mesaverde Field. The well will be drilled with a low solids non-dispersed mud system. Completion design will be based on open hole logs. This acreage is not dedicated. Additional information required by NTL-6 for the application to drill and a Multi-Point Surface Use Plan are attached.



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

B. E. Jacobell

TITLE

District Engineer

DATE

May 24, 1979

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

oh Ench

*See Instructions On Reverse Side

U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

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

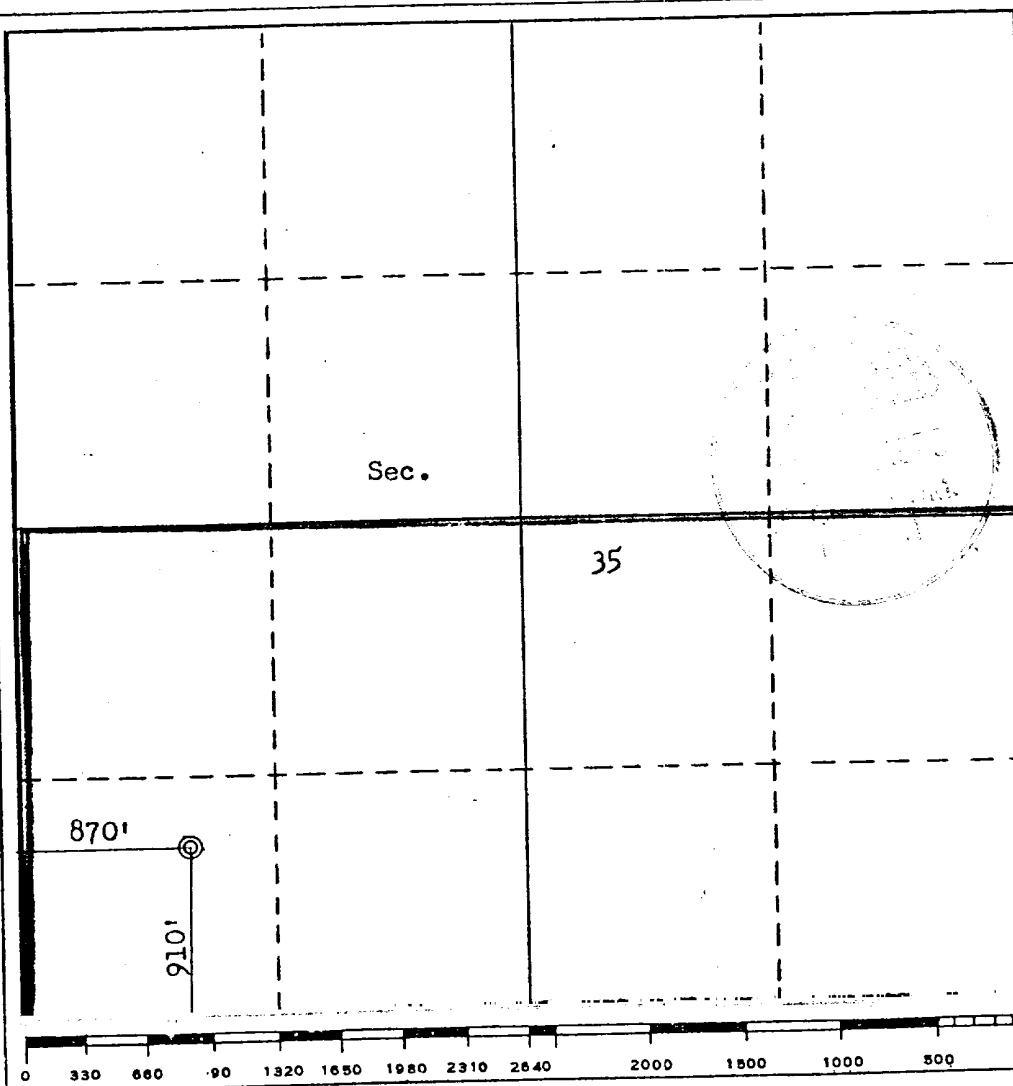
Operator AMOCO PRODUCTION COMPANY			Lease VALENCIA CANYON UNIT		Well No. 40
Unit Letter M	Section 35	Township 28N	Range 14W	County Rio Arriba	
Actual Footage Location of Well: 910 feet from the South line and 870 feet from the West line					
Ground Level Elev. 7264	Producing Formation Mesa Verde		Pool Blanco Mesaverde	Dedicated Acreage: 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?

☐ 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.



CERTIFICATION

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

B. E. Fackrell

Name
B. E. FACKRELL

Position
DISTRICT ENGINEER

Company
AMOCO PRODUCTION COMPANY

Date
APRIL 24, 1979

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
APRIL 24, 1979
Registered Professional Engineer
and/or Land Surveyor

Fred B. Kerr Jr.
Certification No. **3950**
B. KERR, JR.

SUPPLEMENTAL INFORMATION TO FORM 9-331C

REQUIRED BY NTL-6
VALENCIA CANYON UNIT NO. 40
910' FSL & 870' FWL, SECTION 35, T28N, R4W
RIO ARriba COUNTY, NEW MEXICO

The geologic name of the surface formation is the Paleozoic San Juan.

The estimated tops of important geological formations bearing hydrocarbons are:

<u>FORMATION</u>	<u>DEPTH</u>	<u>ELEVATION</u>
Pictured Cliffs	4097'	+3180
Cliffhouse	6042'	+1235
Menefee	6182'	+1095
Pointlookout	6482'	+ 795

TD 6700'

Estimated KB elevation is 7277'

The casing program to be used will include all new casing:

<u>EST. DEPTH</u>	<u>CSG SIZE</u>	<u>WEIGHT</u>	<u>HOLE SIZE</u>	<u>SACKS CEMENT - TYPE</u>
300'	9-5/8"	32.3#	12-1/4"	225 sx Class "B" 2% CaCl ₂
4500'	7"	20.0#	8-3/4"	660 sx Class "B" 50:50 Poz, 6% gel and 100 sx Class "B" Neat
4330-6700'	4-1/2"	10.5#	6-1/4"	240 sx Class "B" 50:50 Poz, 6% gel, 100 sx Class "B" Neat

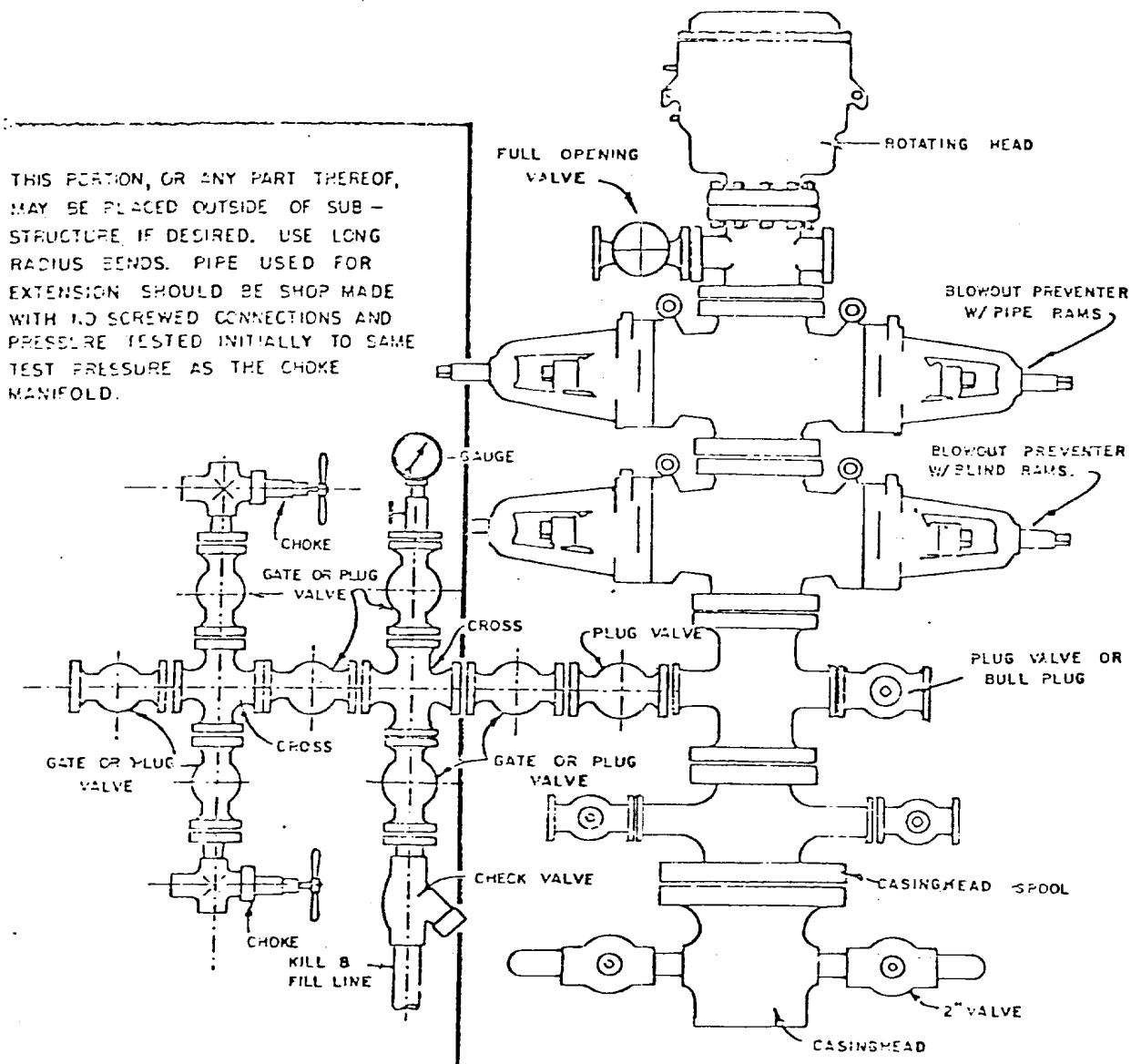
Amoco's standard blowout prevention will be employed; see attached drawing of our blowout preventer design.

Amoco will run an induction Electric Survey from TD to 300' and a Density-Gamma-Ray Log from TD to 300'. No cores or drill stem tests will be taken.

In the past, drilling in this area has shown that no abnormal pressures, temperatures, nor hydrogen sulfide gas will be encountered.

We will start operations as soon as well is permitted, and a three-week operation is anticipated.

THIS PORTION, OR ANY PART THEREOF, MAY BE PLACED OUTSIDE OF SUB-STRUCTURE IF DESIRED. USE LONG RADIUS BENDS. PIPE USED FOR EXTENSION SHOULD BE SHOP MADE WITH NO SCREWED CONNECTIONS AND PRESSURE TESTED INITIALLY TO SAME TEST PRESSURE AS THE CHOKE MANIFOLD.



BLOWOUT PREVENTER HOOKUP

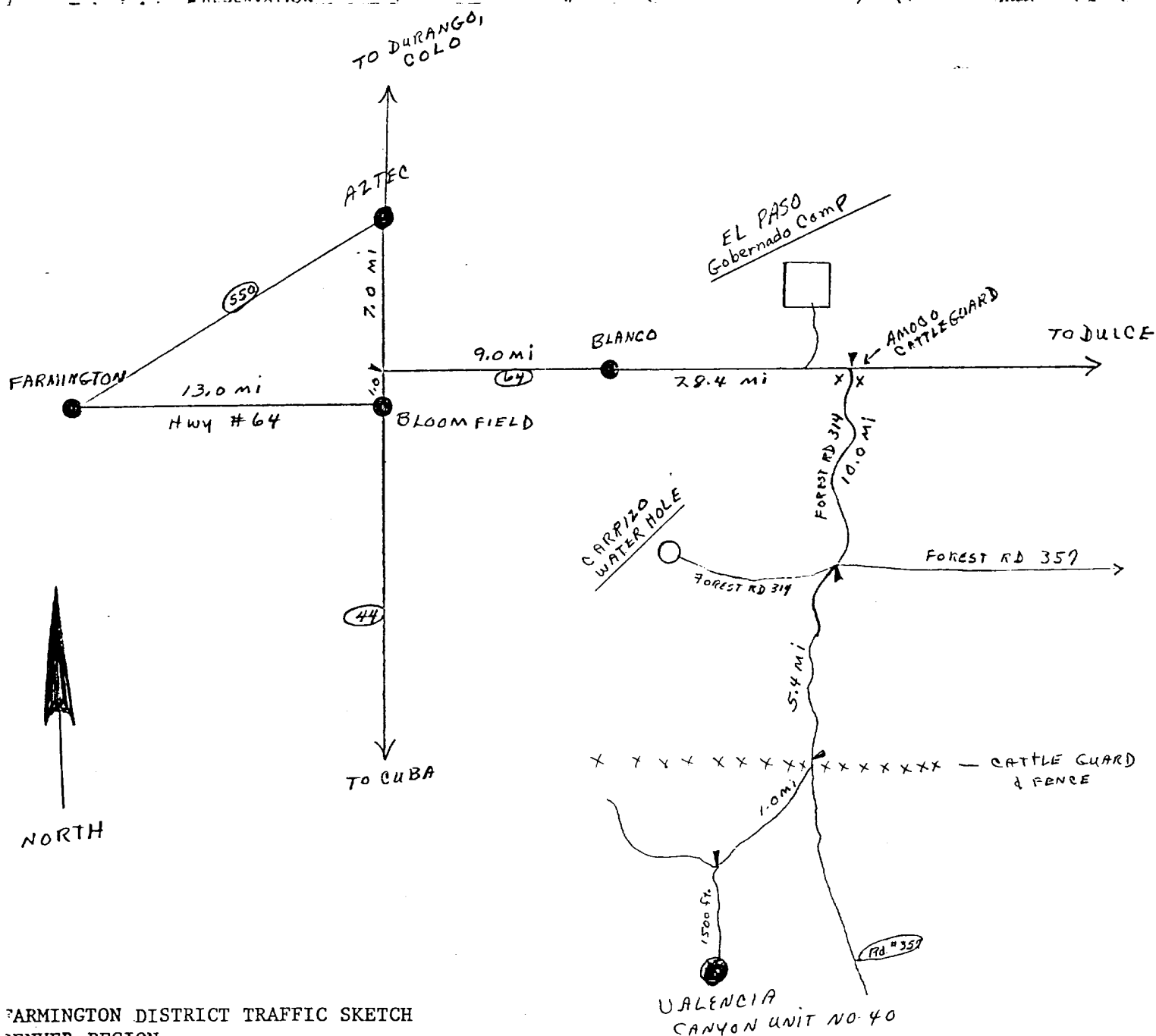
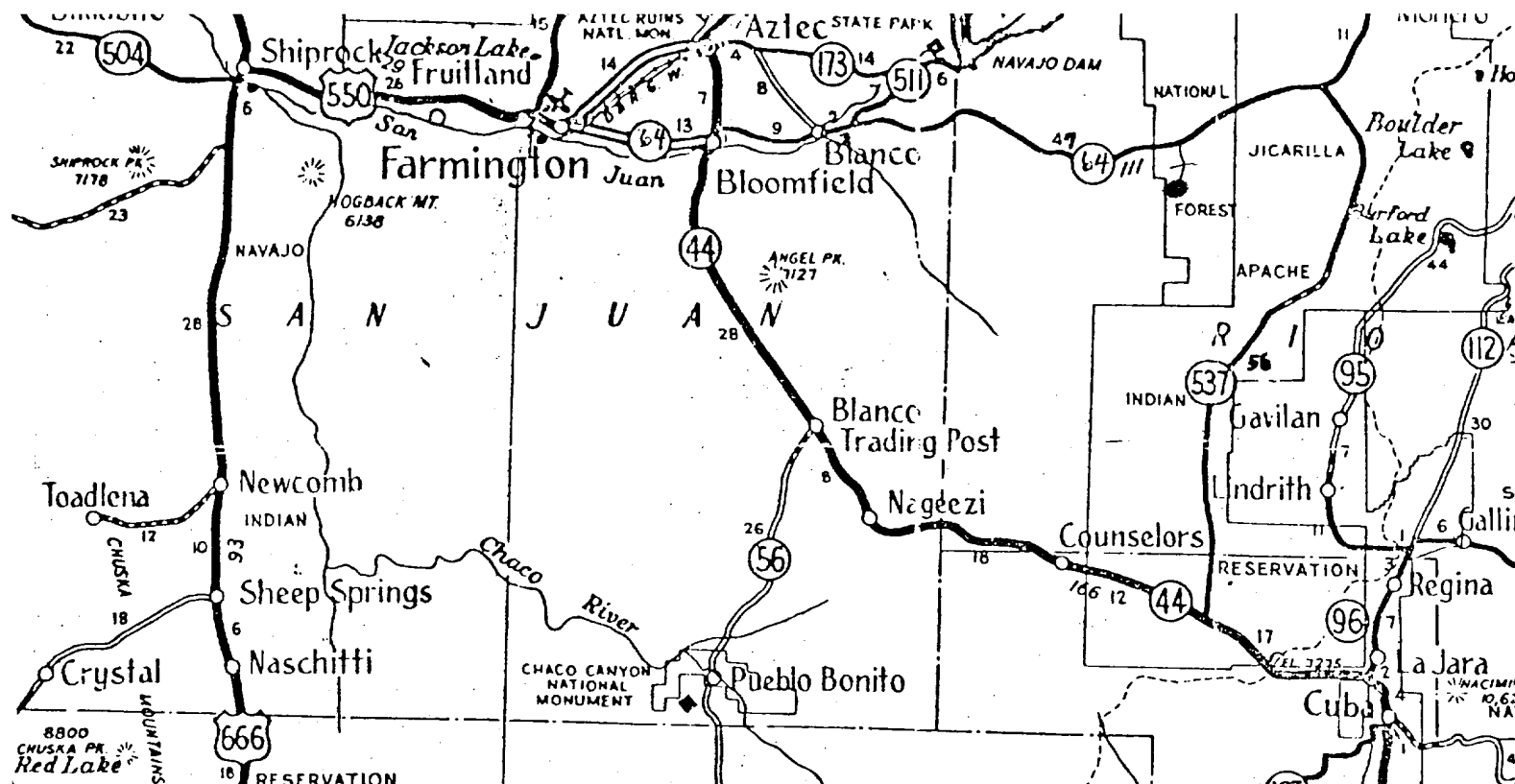
MULTI-POINT SURFACE USE PLAN

VALENCIA CANYON UNIT NO. 40
910' FSL & 870' FWL, SECTION 35, T28N, R4W
RIO ARriba COUNTY, NEW MEXICO

1. The attached road map and sketch show the proposed route to the location and distances from towns.
2. A new access road 1500 feet in length and 20 feet wide will be built.
3. Existing oil and gas wells within a one-mile radius of our proposed well have been spotted on the vicinity map.
4. There is a 300-barrel storage tank and facilities located at Valencia Canyon Unit No. 10 which is spotted on the vicinity map.
5. Water will be hauled from Carrizo Wash or from El Paso's water hole approximately 10 miles on existing roads.
6. No construction materials will be hauled in for this location.
7. A 75' X 75' pit will be built on location to hold all drilling waste. Upon completion of well, all waste and liquid will be pumped out and fluids will be bladed into roads. The Forest Ranger will be notified.
8. There are neither airstrips nor camps in the vicinity.
9. The well site layout, reserve, burn and trash pits are shown on the attached Drill Site Specification Sheet. A 6-foot cut will be made on southeast side.
10. Restoration of the surface will be accomplished by cleaning up and leveling upon completion of the well. Drainage ditches will be built to handle run-off. Reseeding of the site will be carried out as detailed in the attached seeding plan.
11. The general topography and soil characteristics are a level slope with easterly and southeasterly drainage, alluvial surface deposits, sandstone outcrops, with the soil a sandy clayey loam. Vegetation consists of sage, pinon, juniper, pine and native grasses.

Representatives of the U. S. Geological Survey's Durango Office (John Keller) and Amoco's office inspected the site. Cultural resources inspection was conducted by Pam Smith, Archaeologist from San Juan College.

12. A Certification Statement by Amoco's representative is included.

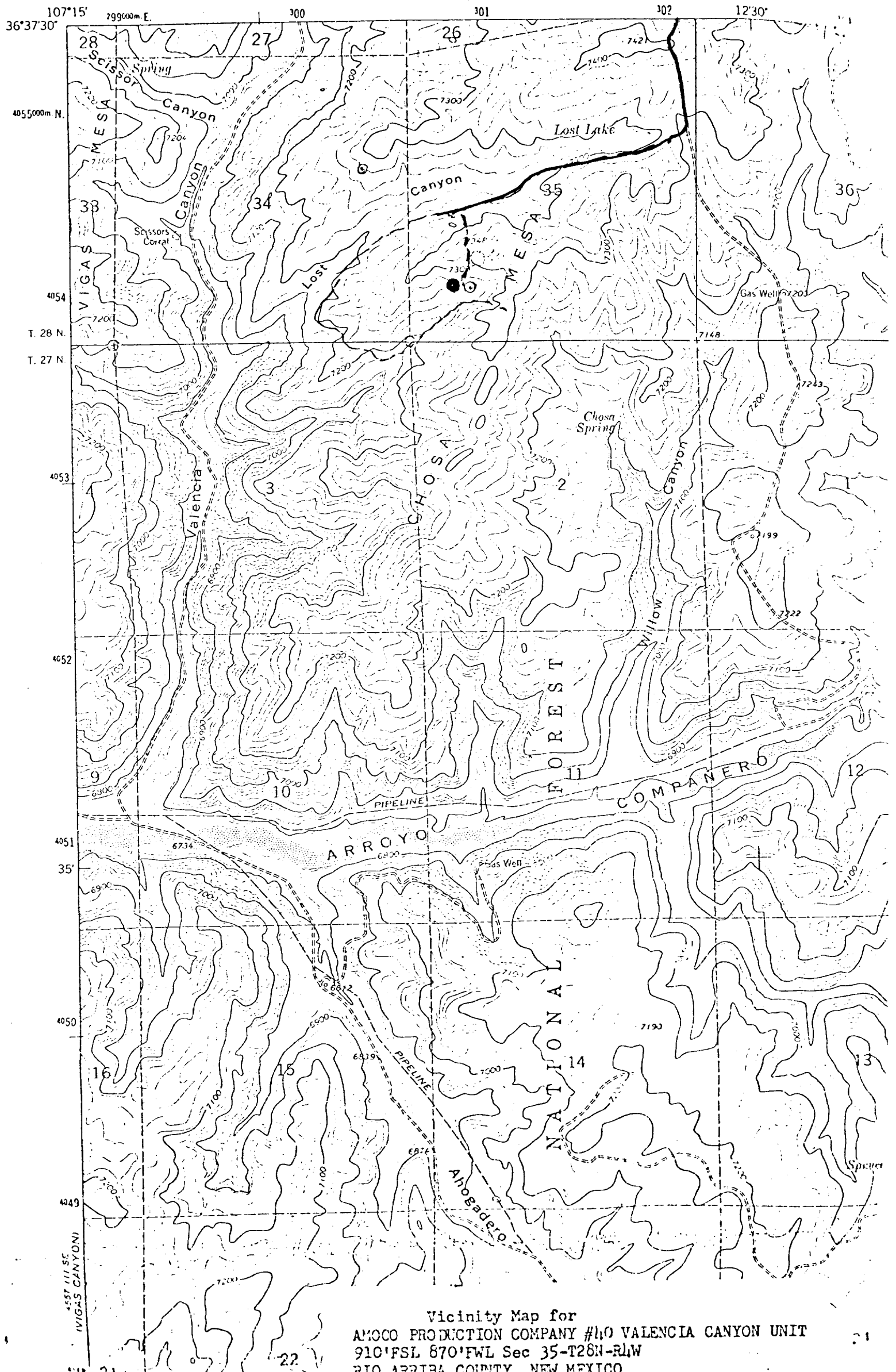


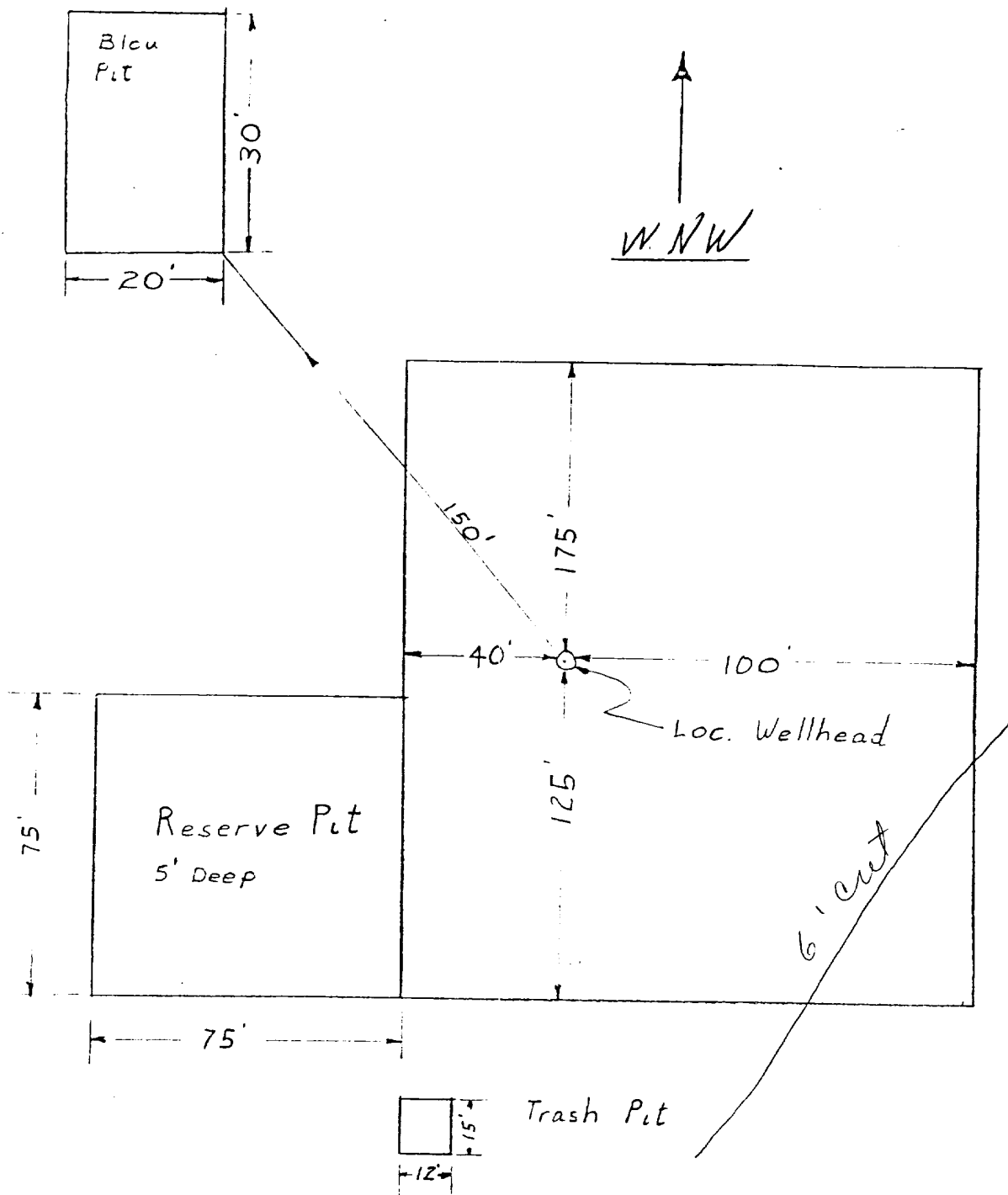
FARMINGTON DISTRICT TRAFFIC SKETCH
DENVER REGION
VALENCIA CANYON UNIT NO. 40
RIO ARriba COUNTY, NEW MEXICO
MOCO WI: 100%

Mail Point, Aztec - 61 miles
Lud Point, Aztec - 61 miles
Cement Point, Farmington - 68 miles

35° 11' N
107° 11' W
GERRADOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY





APPROXIMATELY 1.2 Acres

Amoco Production Company

SCALE: NONE

DRILLING LOCATION SPECS
VALENCIA CANYON UNIT NO. 40

DRG.
NO.

SEEDING PLAN

1. TIME:

All seeding will take place between July 1 and September 15, or as required by the U. S. Forest Service.

2. EQUIPMENT:

Seeding will be done with a disc-type drill with two boxes for various seed sizes. The drill rows will be eight to ten inches apart. The seed will be planted not less than one-half inch deep or more than one inch deep. The seeder will be followed with a drag, packer, or roller to insure uniform coverage of the seed, and adequate compaction. Drilling will be done on the contour where possible, not up and down the slope. Where slopes are too steep for contour drilling, a "cyclone" hand seeder or similar broadcast seeder will be used. Seed will then be covered to the depth described above by whatever means is practical.

3. SPECIES TO BE PLANTED IN POUNDS PURE-LIVE-SEED PER ACRE:

CRESTED WHEATGRASS	0.71 lbs.
RUSSIAN WILD RYE	0.86 lbs.
ORCHARD GRASS	0.298 lbs.
PERENNIAL RYE GRASS	0.57 lbs.
WESTERN WHEAT GRASS	1.43 lbs.
SMOOTH BROME	1.14 lbs.
INTERMEDIATE WHEAT	0.91 lbs.
PUBESCENT WHEAT GRASS	1.09 lbs.

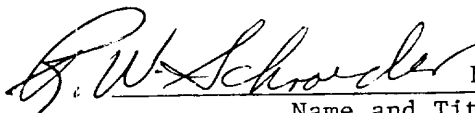
VALENCIA CANYON UNIT NO. 40
910' FSL & 870' FWL, SECTION 35, T28N, R4W
RIO ARriba COUNTY, NEW MEXICO

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 be best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by AMOCO PRODUCTION
COMPANY and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

May 23, 1979

Date



District Supt.

Name and Title

Amoco Production Company's Representative:

R. W. Schroeder

Phone: Office: 505-325-8841; Home: 505-325-6164.

Address: 501 Airport Drive
Farmington, NM 87401