



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

April 30, 1992

Breck Operating Corporation
c/o Walsh Engineering & Production Corp.
P.O. Drawer 419
Farmington, New Mexico 87499

Attention: Paul C. Thompson

RECEIVED
MAY 05 1992
OIL CON. DIV.]
DIST. 3

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Administrative Order NSL-3112

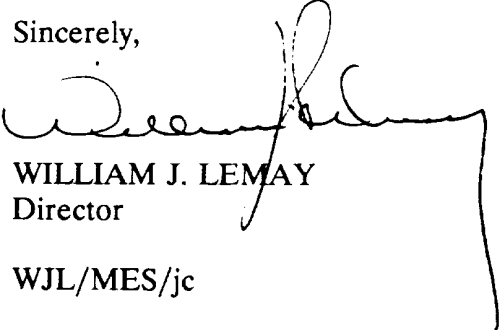
Dear Mr. Thompson:

Reference is made to your application on behalf of Breck Operating Corporation dated April 7, 1992 for a non-standard Basin-Fruitland coal gas well location for the existing Kutz Government Well No. 5-J which was drilled in May 1980 and completed in the Fulcher Kutz Pictured Cliffs Pool at a standard gas well location 1710 feet from the North line and 1820 feet from the West line (Unit F) of Section 2, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal Gas Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R 8768, as amended, is unorthodox. Further, Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of said Section 2 shall be dedicated to the well forming standard 322.64-acre gas spacing and proration unit for said pool.

By authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, as amended, the above described unorthodox coal gas well location is hereby approved.

Sincerely,


WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec ✓
U.S. BLM - Farmington



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

JOSEPH E. CAPRUTHERS
GOVERNOR

10000 THE HAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-0170

Date: 4-13-92

Attn: Mike Stogner

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed HC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PHX _____

Gentlemen:

I have examined the application dated 4-9-92
for the Breck Operating Corp. Kutz Government
Operator Lease & Well No.

F-2-RTN-10W and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

Ernie Bush

**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping204 N. Auburn
P. O. Drawer 419
Farmington, New Mexico 87498
(505) 327-4892

April 7, 1992

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

REF: Non-Standard Location
Breck Operating Corporation
Kutz Government No. 5-J
1710' FNL, 1820' FWL,
Section 2-T27N-R10W
San Juan County, New Mexico
Basin Fruitland Coal

Dear Mr. LeMay:

This is a request on behalf of Breck Operating Corporation for administrative approval of the above-referred-to non-standard location.

Breck Operating Corporation desires to plugback the well from the Pictured Cliffs formation and complete the well in the Basin Fruitland Coal Interval.

This well is not located in the NE/4 or SW/4 of the section and therefore, is a non-standard well location.

Attached you will find a copy of the Application for Permit to plugback and a copy of the Well Location Plat.

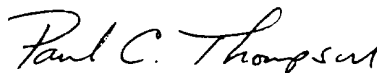
Also attached is a plat indicating the Offset Lease Owners and a List of Offset Lease Owners and addresses.

By copy of letter to offset lease owners, enclosed, they are being notified by certified return receipt mail, of this application.

RECEIVED
APR 9 1992
OIL CON. DIV.
DIST. 3

Thank you for your consideration and approval of this application. If you have any questions, please do not hesitate to call upon me.

Sincerely,


Paul C. Thompson, P.E.

PCT:rr

cc: Breck Operating Corporation

Enclosures

BRECK OPERATING CORPORATION
KUTZ GOVERNMENT NO. 5-J
1710'FNL, 1820'FWL, SECTION 2-T27N-R10W
San Juan County, New Mexico

OFFSET OPERATORS

Van L. Goebel
Meridian Oil, Inc.
P. O. Box 4289
Farmington, New Mexico 87499-4289

Michael Cuba
Amoco Production Company
P. O. Box 800
Denver, Colorado 80201

Ashton B. Geren, Jr.
D. J. Simmons
P. O. Box 1469
Farmington, New Mexico 87499

Jay J. Harris
801 Ridgecrest Dr. S.E.
Albuquerque, New Mexico 87108

Bob Sable
McKenzie Methane Corporation
1911 Main Avenue, Suite 255
Durango, Colorado 81301

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUGBACK <input checked="" type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. SF-046563
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR BRECK OPERATING CORPORATION			7. UNIT AGREEMENT NAME
3. ADDRESS AND TELEPHONE NO. C/O Walsh Engr. & Prod. Corp. 505 327-4892 204 N. Auburn Farmington, New Mexico 87401			8. FARM OR LEASE NAME, WELL NO. Kutz Government 5-J
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1710'FNL, 1820'FWL, Unit Letter F At proposed prod. zone Same			9. API WELL NO. 30-045 24267
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8 miles Southeast of Bloomfield, New Mexico			10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1710'	16. NO. OF ACRES IN LEASE Unknown	17. NO. OF ACRES ASSIGNED TO THIS WELL 322.64	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 2-T27N-R10W N.M.P.M.
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH PBSD - 1865'	20. ROTARY OR CABLE TOOLS N/A	12. COUNTY OR PARISH San Juan
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5912' - G.L. 5924' - D.F.		13. STATE N.M.	
22. APPROX. DATE WORK WILL START* ASAP			

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24.0	140'	100 sxs. 118 ft.3
7-7/8"	4-1/2"	10.50	2051'	435 sxs. 816 ft.3

See Attached for Workover Procedure.

Note: All activity associated with this workover (including construction of pits) will be kept within the boundries of the original well site.

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. FOR: BRECK OPERATING CORPORATION
SIGNED Paul C. Thompson TITLE Agent DATE 4/7/92
Paul C. Thompson, P.E.
(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 there.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section.

Operator BRECK OPERATING CORPORATION			Lease Kutz Government		Well No. 5-J
Unit Letter F	Section 2	Township 27N	Range 10W	County San Juan	
Actual Footage Location of Well: 1719 feet from the North line and 1820 feet from the West line					
Ground level Elev. 5912'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 322.64 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

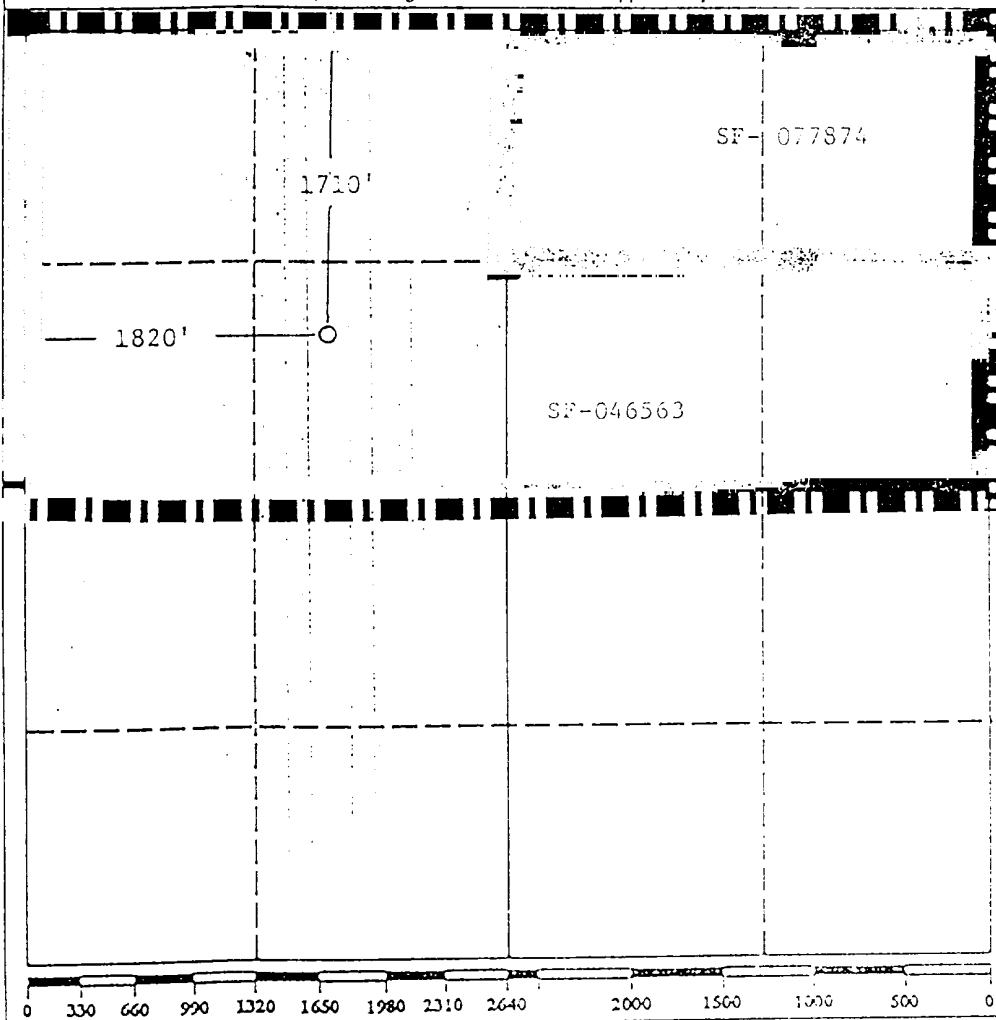
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☒ Yes ☐ No If answer is "yes" type of consolidation North coming Communitization Agreement

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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Paul C. Thompson
Printed Name
Paul C. Thompson

Position
President
Company
Walsh Engr. & Prod. Cor
Date
April 6, 1992

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes 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
Signature & Seal of
Professional Surveyor

NOTE: From Original
Survey

Certificate No.

BRECK OPERATING CORPORATION
 OFFSET OWNERSHIP TO
 KUTZ GOVERNMENT NO. 5-J
 1710'FNL, 1820'FWL, SECTION 2-T27N-R10W
 San Juan County, New Mexico

○ Pictured Cliffs

□ Fruitland Coal

R10W

												T 28 N
34	Breck					Meridian						
	D. J. Simmons	AMOCO	Jay J. Harris			Meridian □						
3	Breck	Breck 50	Meridian			McKenzie						
	McKenzie	5-JO	AMOCO			McKenzie □						
												T 27 N