

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

31-145-24793

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

DEPCO, Inc.

3. ADDRESS OF OPERATOR

1000 Petroleum Building--Denver, Colorado 80202

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

At surface

990' FNL, 1840' FWL, NE/4-NW/4, Sec. 32

At proposed prod. zone

Same

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

12 miles south of Bloomfield, NM

15. DISTANCE FROM PROPOSED*

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

1650'

18. DISTANCE FROM PROPOSED LOCATION*

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

400'

16. NO. OF ACRES IN LEASE

1920'

19. PROPOSED DEPTH

1825'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

6148' GR

6160' KB (Est)

22. APPROX. DATE WORK WILL START*

1-15-81 ⁺

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#, K55	120'	100 sx (Circulate)
7-7/8"	4-1/2"	10.5#, J55	1825'	375 sx

1. Drill 12 1/4" surface hole and set surface casing as above.
2. Drill 7-7/8" hole to 1825'.
3. Run DIL, CNL-FDC w/GR-Caliper Logs.
4. Set 4 1/2" casing string if warranted, or P&A in compliance with regulations.
5. The location will be reshaped to original topography. Stockpiled topsoil will be respread and the area reseeded.

Exhibits attached to this APD

"A" - Well Location Plat; "B" - Ten Point Compliance Program; "C" - Blowout Preventer Diagram; "D" - Multipoint Surface Use Requirements; "E" - Road Access Map to area; "F" - Topographic Map of area, Road Access, and wells within one mile radius; "G" - Drilling Location Plan, Contours, Cuts and Fills; "H" - Drilling Rig and Production Facilities Plan; "I" - Treatment Program Plan; "J" - Archeology Report.

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

W. F. Schwenn

TITLE Prod. Supt. So. Rky Mtn

DATE 12/16/80

(This space for Federal or State office use)

PERMIT NO.

AS AMENDED

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL IF ANY

TITLE

DATE

JAN 13 1981
JAMES F. SIMS
DISTRICT ENGINEER

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

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

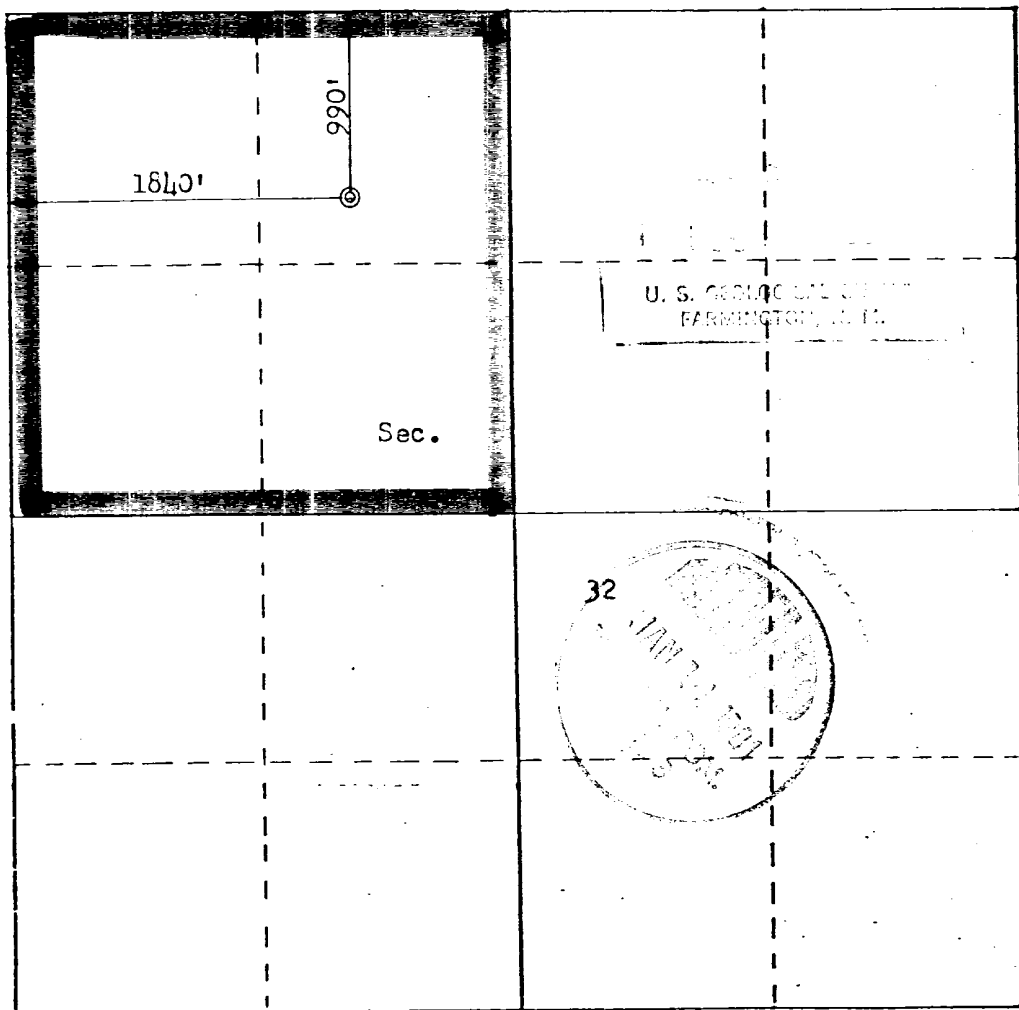
Operator DEPCO, INCORPORATED			Lease FEDERAL 32		Well No. 21
Unit Letter C	Section 32	Township 27N	Range 11W	County San Juan	
Actual Footage Location of Well: 990 feet from the North line and 1840 feet from the West line					
Ground Level Elev: 6118	Producing Formation Pictured Cliffs		Pool West Kutz		Dedicated Acreage: 160 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.



Scale: 1"=1000'

CERTIFICATION

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

Name Wm. S. Schwenn
Position _____
Prod. Supt. - So. Rky Mtn Dist.
Company
DEPCO, Inc.
Date
December 16, 1980

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
December 16, 1980
Registered Professional Engineer
and Land Surveyor
Fred B. Kerr Jr.
Certification No. 3950
FRED B. KERR, JR.

DEPCO, Inc.
Federal 32 No. 21
NE/4-NW/4, Sec. 32-T27N-R11W
San Juan County, New Mexico

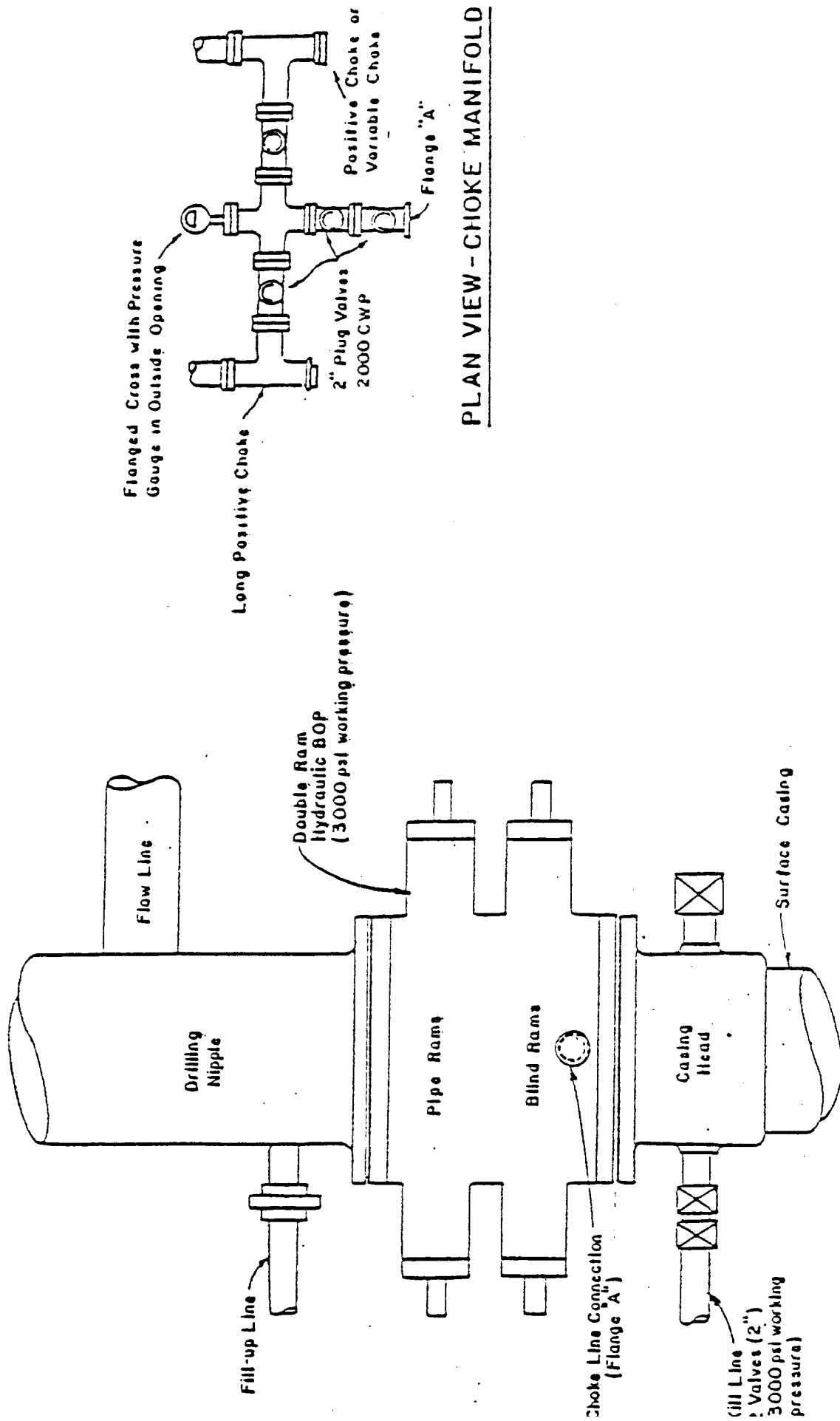
Lease No. SF-078896

1. Surface formation - Wasatch of Tertiary Age
2. Estimated geologic tops: Ojo Alamo - 575' KB
Pictured Cliffs - 1670' KB
3. Anticipated depth of oil, gas, water or other mineral-bearing formations:
Coal - 1618' KB
Coal - 1660' KB
Gas - 1688' KB
4. Proposed casing program:
Surface - 8-5/8" 24# K55 STC 0' - 120'
Production - 4-1/2" 10.5# J55 STC 0' - 1825'
5. Operators minimum specification for pressure control equipment requires a 10" - 3000 psi single hydraulic blowout preventer. The BOP will be hydraulically tested to full working pressure after nipping up surface pipe and after any use under pressure. Pipe rams will be operationally checked each 24 hour period. The blind rams and annulus preventer will be checked each time pipe is pulled out of the hole. All testing will be recorded on the daily drilling sheets. Accessories to the BOP will include upper and lower kelly cocks, floor safety valve, drill string BOP and choke manifold with pressure rating equivalent to the BOP stack.
6. Proposed mud program:

<u>DEPTH</u>	<u>TYPE MUD</u>	<u>WT.</u>	<u>VISC.</u>	<u>W.L.</u>
0' - 1500'	Inhibited water to control		heaving shales	
1500' - TD	Gel	9.8	40-50	-

7. Auxiliary equipment will consist of:
 - a. Kelly cock
 - b. Float above bit
 - c. Visual monitoring of mud tanks
 - d. Sub with valve to fit drill pipe and collars
8. No coring or drill-stem tests are planned.
The anticipated logging program is as follows:
DIL - Surface pipe - TD
CNL-FDC w/GR - Surface pipe - TD

Casing will be set and perforated in the Pictured Cliffs formation. The perforated section will be treated with a 60,000 lb \pm foam frac. Tubing will be run and the well cleaned up and tested.
9. No abnormal pressures or temperatures, hydrogen sulfide or other hazards are expected or known to exist at these depths in this area.
10. The anticipated starting date is during the first quarter of 1981, depending upon rig availability. Drilling operations should be completed within four days and completion operations are anticipated to require an additional five days.



PLAN VIEW - CHOKER MANIFOLD

Multipoint Surface Use and Operations Plan

Federal 32 No. 21

1. Existing Roads:

- A. The proposed well site is shown on Exhibit "A".
- B. Exhibit "E" shows the existing access roads to the proposed location. The site is located 11 miles south of Bloomfield on Highway 44, then 3 miles southwest, and the 1 mile west to the location.
- C. Final access roads into the site are coded green.
- D. This well is classified as development and roads are shown on Exhibits "E" and "F".
- E. The existing gravel roads will be maintained during the drilling phase of this well. No improvements are planned.

2. Planned Access Roads:

Planned access roads are shown on Exhibit "F".

- (1) Width will not exceed 20 feet.
- (2) Maximum grades will not exceed 5%.
- (3) No turnouts are to be constructed.
- (4) No additional drainage construction is deemed necessary other than minor ditching.
- (5) No culverts, cuts, or fills are required.
- (6) The use of surfacing material is not planned at this time.
- (7) No gates, cattleguards, or fence cuts are necessary.
- (8) The new access road into the location is flagged.

3. Location of Existing Wells:

All existing wells are shown on Exhibit "F".

- (1) Water wells - No shallow, domestic nor deep, high volume wells are known to be in the immediate area.
- (2) Abandoned wells - As shown on Exhibit "F"
- (3) Temporarily abandoned wells - none
- (4) Disposal wells - none
- (5) Drilling wells - none
- (6) Producing wells - as shown on Exhibit "F"
- (7) Shut in wells - none
- (8) Injection wells - none
- (9) Monitoring or observation wells for other resources - none

4. Location of Existing and/or Proposed Facilities:

- A. Existing facilities owned or controlled by operator within a one-mile radius of this location:
 - (1) No tank batteries
 - (2) One West Kutz Pictured Cliffs well - Federal 32 No. 41 (NE/4, Sec. 32)
 - (3) No oil gathering lines
 - (4) No gas gathering lines
 - (5) No injection lines
 - (6) No disposal lines
- B. Proposed facilities in the event of a producing well are shown on Exhibit "H".
 - (1), (2) - As shown on Exhibit "H"
 - (3) Area to be used will be levelled. Native material will be used in the construction of the location.
 - (4) The pit will be fenced and flagged to discourage the entry of livestock, wildlife and waterfowl.
- C. All disturbed areas not needed for operations will be rehabilitated in the manner described in Item 10.

5. Location and Type of Water Supply:

- A. Water will be obtained from the San Juan River or purchased from private sources.
- B. Water will be hauled by truck.
- C. No water well will be drilled on the lease.

7. Methods for Handling Waste Disposal:

- (1) Drill cuttings will be buried in the reserve pit.
- (2) Drilling fluids will be placed in the reserve pit and allowed to evaporate.
- (3) Produced fluids such as oil and formation water will be collected in a test tank.
- (4) Sewage will be contained and a suitable chemical will be used to decompose waste.
- (5) Garbage and other waste material will be placed in a trash pit and burned and later buried.
- (6) Upon completion of drilling, all trash and litter will be buried in the trash pit. The reserve pit will be fenced until dry at which time it will be backfilled.

8. Ancillary Facilities:

No camps or airstrips are planned

9. Well Site Layout:

- (1) See Exhibit "G"
- (2) See Exhibit "H"
- (3) See Exhibit "H"
- (4) The reserve pit will be unfenced

10. Plans for Restoration of Surface:

- (1) All topsoil that is stripped and stockpiled will be replaced and the site will be backfilled, levelled, and contoured. Waste will be buried or hauled away upon completion of drilling.
- (2) Rehabilitation will consist of respraying and contouring stockpiled topsoil. Revegetation will consist of seeding with mixture as specified by BLM or landowner. If the well is dry, a dry hole marker will be erected, and the access road will be plowed, ripped, and reseeded as requested.
- (3) Prior to rig release, the reserve pit will be fenced and so maintained until the pit is dry enough to backfill.
- (4) If oil is in the reserve pit, it will be removed or the pit will be flagged to discourage livestock, wildlife, and waterfowl from entering the area.
- (5) Rehabilitation will begin immediately after drilling operations are finished. It is expected that all rehabilitation will be completed during the fall of 1981.

11. Other Information:

- (1) The topography of the area generally slopes toward Gallegos Canyon approximately four miles in a southwesterly direction. The surface soils contain sand and shale of the Wasatch formation. Vegetation is comprised of grass, sagebrush, and rabbit brush.
- (2) The area is occasionally used for cattle grazing. The surface owner of record is: Navajo Tribe in Trust - U.S.A.
Drawer "E"
Window Rock, Arizona 86515
- (3) The Bureau of Indian Affairs has included this area within the Navajo Indian Irrigation Project. In order to avoid interference with sprinkler operation, the wellhead and adjacent facilities will conform to N.I.I.P. requirements.
- (3) The nearest known water source is the San Juan River north of this location. No known occupied dwellings, archaeological, historical, or cultural sites exist in the immediate area.

12. Lessee's or Operators Representative:


(1) Mr. Fred Crum
Box 400
Aztec, New Mexico 87410
(505) 334-6003

(2) Mr. W. F. Schwenn
DEPCO, Inc.
1000 Petroleum Building
Denver, Colorado 80202
(303) 292-0980

13. 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 the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by DEPCO, Inc. and its' contractors in conformity with this plan and the terms and conditions under which it is approved.

12 - 16 - 80
Date

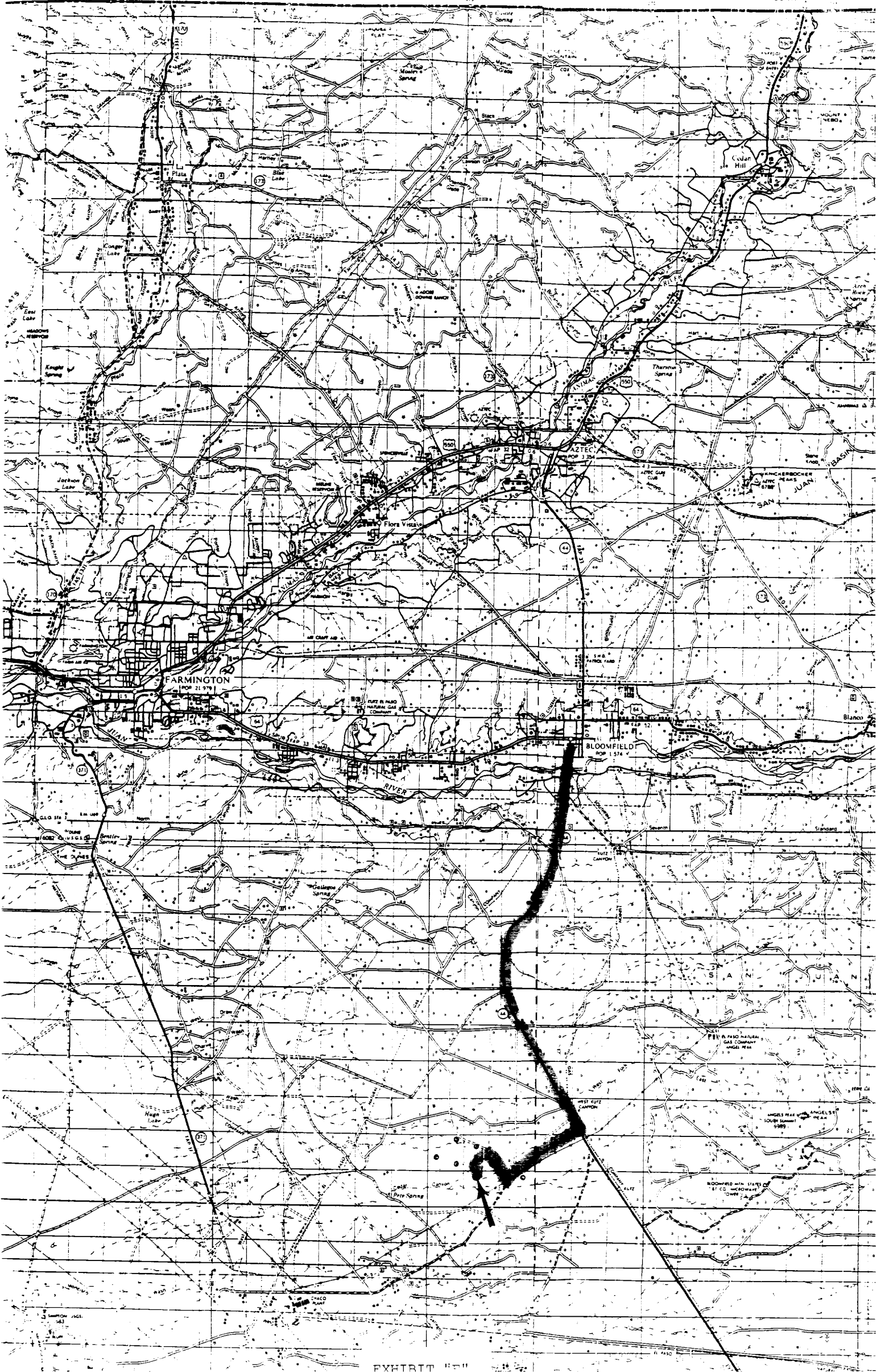

W. F. Schwenn

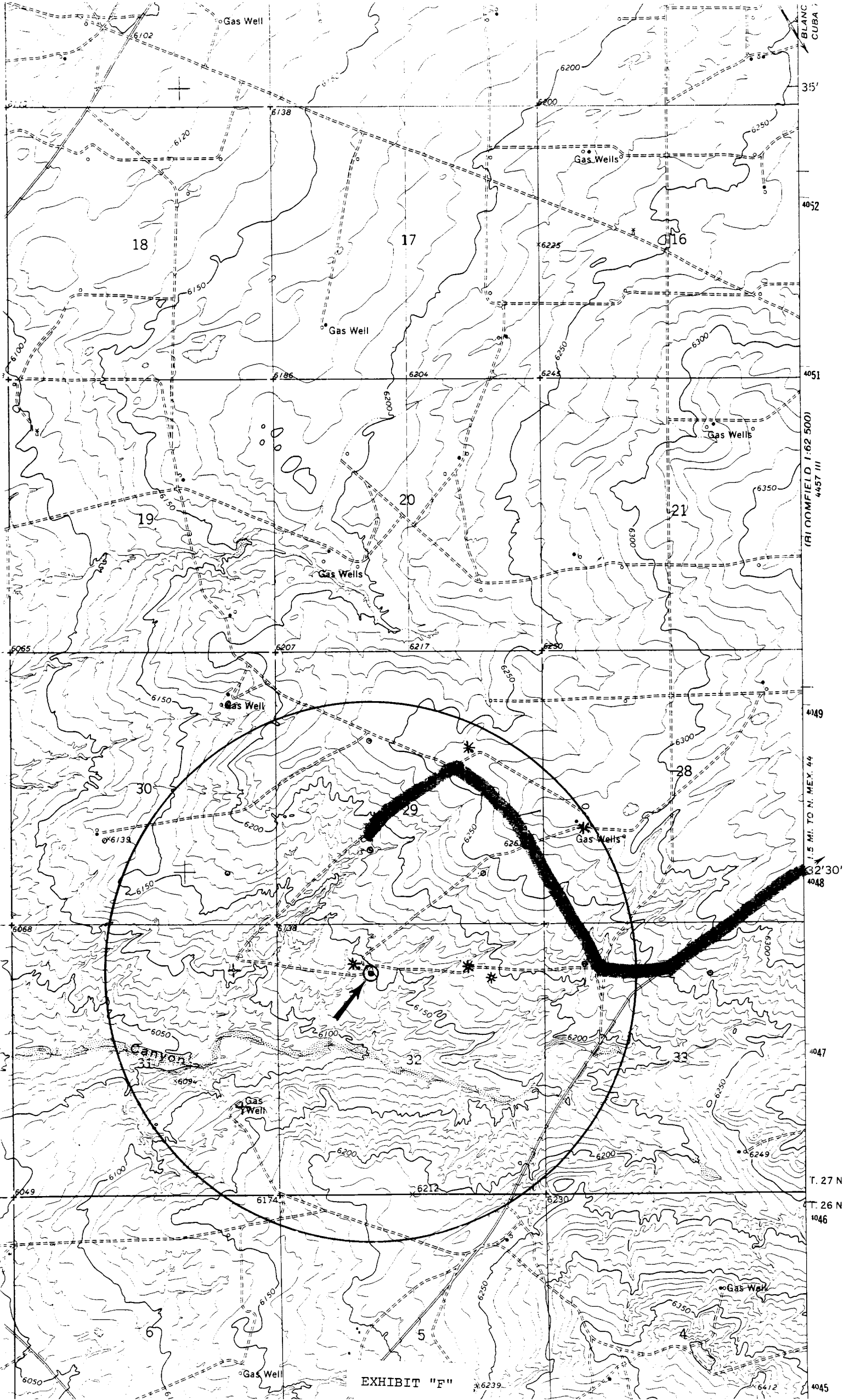
R.13W. To Durango, Colo.

R.12W.

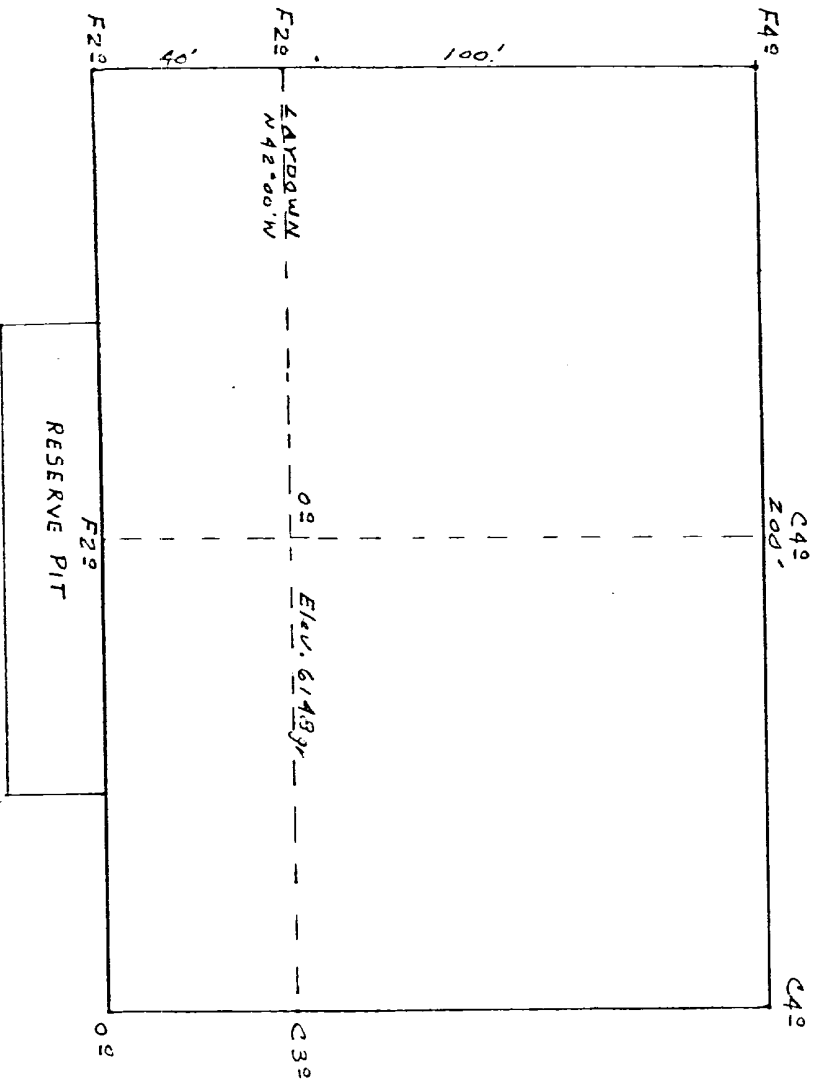
R.11W.

R.10W. To Durango, Colo.

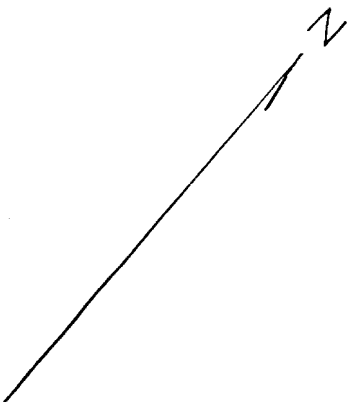




Profile for
 DEPCO, INCORPORATED #21 FEDERAL 32
 990' FNL 184.0' FWL Sec. 32-T27N-R11W
 SAN JUAN COUNTY, NEW MEXICO



RESERVE PIT

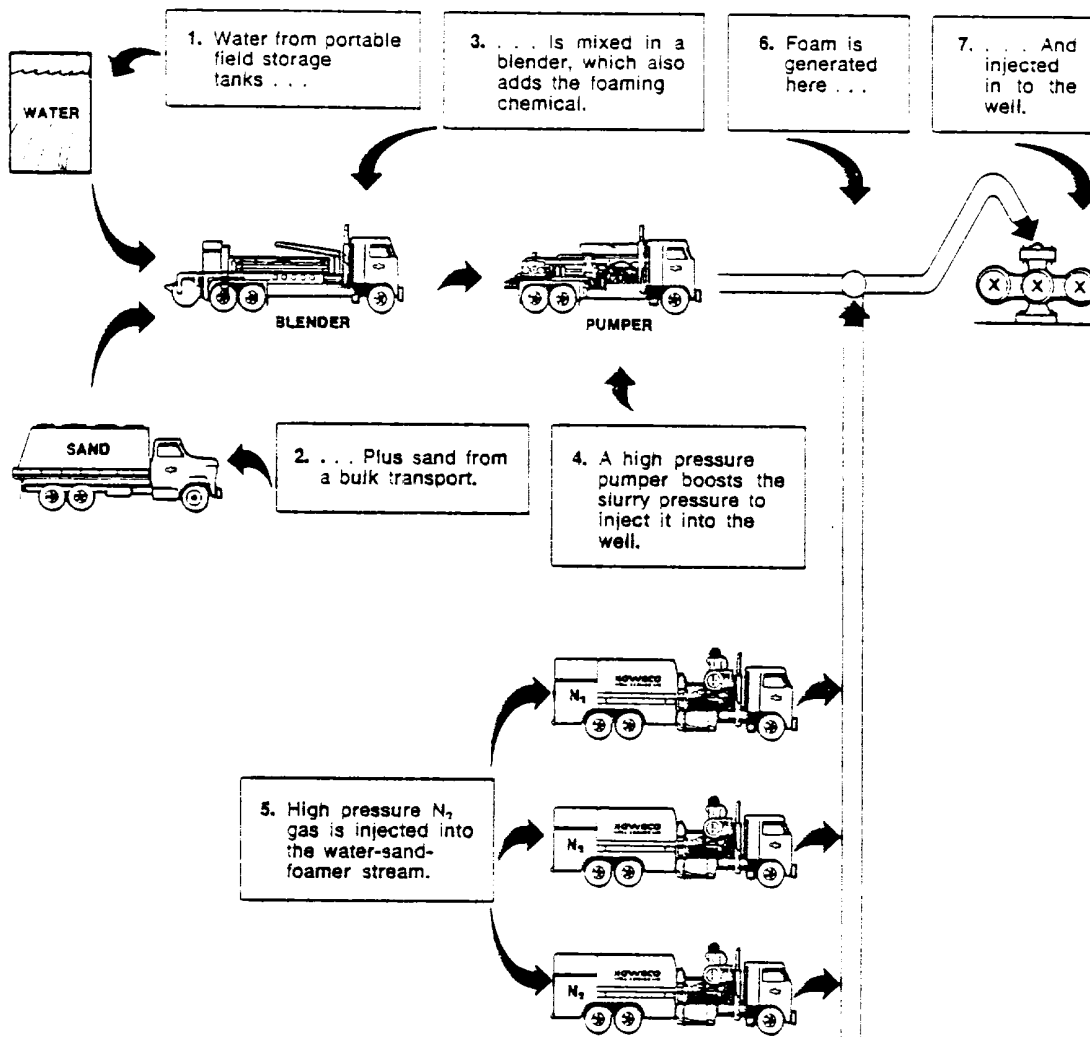


Scale: 1"=40'

Date: December 2, 1980

Date: December 9, 1980

SCHEMATIC FOAM FRAC OPERATION



NEW MEXICO OIL CONSERVATION COMMISSION
MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Form C-122
Revised 9-1-55

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special						Test Date 8/25/81			
Company DEPCO, INC.				Connection not connected					
Pool West Kutz				Formation Pictured Cliffs				Unit	
Completion Date 8/17/81		Total Depth 1875' KB		Plug Back TD 1840' KB		Elevation 6148' GL		Farm or Lease Name Federal	
Csg. Size 4.5"	Wt. 10.5#	d	Set At 1859' KB	Perforations: From 1672' To 1682'				Well No. 32 #21	
Tbg. Size 1.315"	Wt. 1.7#	d	Set At 1673' KB	Perforations: From To				Unit Sec. Twp. Rge. C 32 27N 11W	
Type Well - Single - Bradenhead - G.G. or G.O. Multiple Single						Packer Set At -		County San Juan	
Producing Thru Csg.		Reservoir Temp. °F @		Mean Annual Temp. °F		Baro. Press. - P _a		State New Mexico	
L	H	Gg	% CO ₂	% N ₂	% H ₂ S	Prover	Meter Run	Taps	

FLOW DATA						TUBING DATA		CASING DATA		Duration of Flow	
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.		Temp. °F
SI							408#		408#		7 day SI
1.	2	X	3/4"				-		299#		3 hrs.
2.											
3.											
4.											
5.											

RATE OF FLOW CALCULATIONS							
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor Fg	Super Compress. Factor, Fpv	Rate of Flow Q, Mcfd
1.							
2.							
3.							
4.							
5.							

NO.	P _t	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio _____ Mcf/bbl.
1.					A.P.I. Gravity of Liquid Hydrocarbons _____ Deg.
2.					Specific Gravity Separator Gas _____ X X X X X X X X
3.					Specific Gravity Flowing Fluid _____ X X X X X
4.					Critical Pressure _____ P.S.I.A. _____ P.S.I.A.
5.					Critical Temperature _____ R _____ F

P _c 420	P _c ² 176,400					
NO.	P _t ²	P _w	P _w ²	P _c ² - P _w ²	(1) $\frac{P_c^2}{P_c^2 - P_w^2} =$	(2) $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n =$
1	-	311	96,721	79,679	2.2139	1.9651
2						
3						
4						
5						

$AOF = Q \left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 1,034$			
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Absolute Open Flow	1,034	Mcfd @ 15.02°	Angle of Slope θ	Slope, n .85
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Remarks:			
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Approved By Commission:	Conducted By:	Calculated By:	Checked By:
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