

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT *9-045-28396*

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  
Bonneville Fuels Corporation

3. ADDRESS OF OPERATOR  
1600 Broadway, Suite 1110, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface 1190' FNL, 360' FWL  
FSL  
At proposed prod. zone same

11. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
12 miles south of Bloomfield, New Mexico

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dirg. unit line, if any) 360

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 30

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6529' GR

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4	8 5/8	24#	+ 300'
7 7/8	4 1/2	11.60#	+ 2375'

- Exhibits Attached:
- Ten Point Compliance Program
  - Surface Use & Operation Plan
  - Exhibit 1 Blowout Preventer
  - " 2 Location & Elevation
  - " 3 Vicinity Map
  - " 4 One Mile Radius Map
  - " 5 Topography & Pad Layout
  - " 6 Cross Sections & Volumes
  - " 7 Rig Layout

**RECEIVED**  
NOV 08 1990  
OIL CON. DIV  
DIST. 3

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.

SIGNED *Mauro D. Smith* TITLE Operations Supervisor DATE July 31, 1990

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:  
*NSL-2853*

5. LEASE DESIGNATION AND SERIAL NO.  
SF- 078089

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
N/A

7. UNIT AGREEMENT NAME  
N/A

8. FARM OR LEASE NAME  
Scott 'E' Federal 25

9. WELL NO.  
25-14

10. FIELD AND POOL, OR WILDCAT  
Basin Fruitland

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
M  
Sec. 25, T27N-R11W

12. COUNTY OR PARISH  
San Juan

13. STATE  
New Mexico

17. NO. OF ACRES ASSIGNED TO THIS WELL  
S/ 320

20. ROTARY OR CABLE TOOLS  
Rotary

22. APPROX. DATE WORK WILL START\*  
October 1, 1990

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS.

250 sx  
500 sx

RECEIVED  
NOV 07 1990 11:10:05  
OIL CON. DIV  
DIST. 3

OCT 11 1990

APPROVED

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

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

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

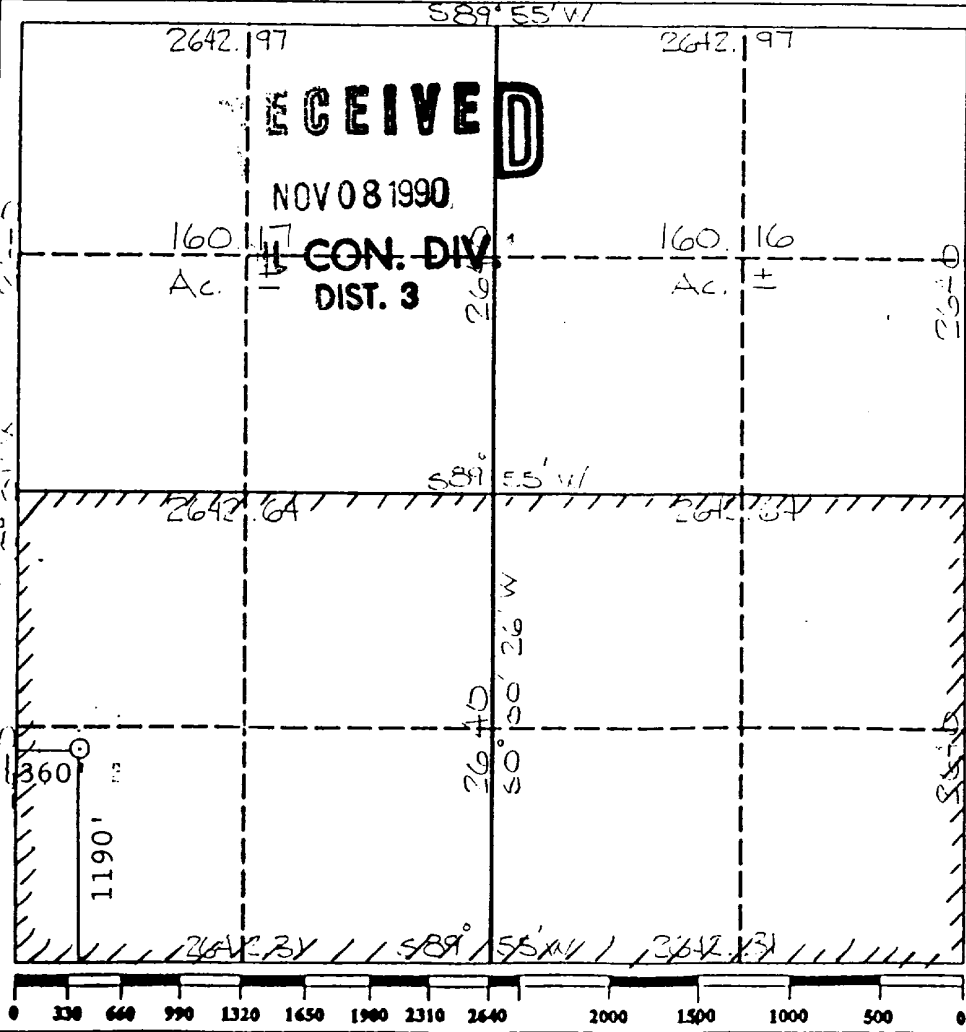
**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All Distances must be from the outer boundaries of the section

Operator <b>BONNEVILLE FUELS CORPORATION</b>			Lease <b>SCOTT "E" FEDERAL 25</b>		Well No. <b>25-14</b>
Unit Letter <b>M</b>	Section <b>25</b>	Township <b>27N</b>	Range <b>11W</b>	County <b>NMPM San Juan</b>	
Actual Footage Location of Well: <b>1190</b> feet from the <b>SOUTH</b> line and <b>360</b> feet from the <b>WEST</b> line					
Ground level Elev. <b>6529'</b>	Producing Formation <i>Fort Cool</i>		Pool <i>Basin</i>	Dedicated Acreage:  Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 \_\_\_\_\_
 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 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: *Gerald D. Gentry*

Printed Name: **Gerald D. Gentry**

Position: **Operations Supervisor**

Company: **Bonneville Fuels Corp.**

Date: **July 31, 1990**

**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 knowledge and belief.

Date Surveyed: **July 16, 1990**

Signature & Seal of Professional Surveyor: *G. B. Tullis*

Certificate No. **PROFESSIONAL LAND SURVEYOR 9672**



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

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

August 29, 1990

Bonneville Fuels Corporation  
1600 Broadway  
Suite 1110  
Denver, CO 80202

Attention: Mr. L. D. Lillo

RECEIVED  
AUG 30 1990  
OIL CON. DIV.  
DIST. 3

*Administrative Order NSL-2853*

Dear Mr. Lillo:

Reference is made to your application dated August 2, 1990 for a non-standard coal gas well location for your Scott "E" Federal Well No. 25-14 to be located 1190 feet from the South line and 360 feet from the West line (Unit M) of Section 25, Township 27 North, Range 11 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. The S/2 of said Section 25 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec  
US Bureau of Land Management - Farmington



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

1000 RIO HAZOS ROAD  
 AZTEC, NEW MEXICO 87410  
 (505) 334-6178

GARREY CARRUTHERS  
 GOVERNOR

Date: 9-4-90

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

*ATTN: JIM MORROW*

Re: Proposed MC \_\_\_\_\_  
 Proposed DHC \_\_\_\_\_  
 Proposed NSL X \_\_\_\_\_  
 Proposed SWD \_\_\_\_\_  
 Proposed WFX \_\_\_\_\_  
 Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated 7-6-90  
 for the Bonneville Fuel Corp. Scott 'E' Fed 25 #1-2  
 Operator Lease & Well No.

M-25-27N-11W and my recommendations are as follows:  
 Unit, S-T-R

*Approve*

-----  
 -----  
 -----  
 -----  
 -----

Yours truly,

*Ernie Busch*

*Look at it*

Bonneville Fuels Corporation  
A Subsidiary of Bonneville Pacific Corporation

August 2, 1990

Mr. Michael Stogner  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87503

Re: Scott 'E' Federal #25-14 Well  
1190' FSL, 360' FWL  
Section 25, T27N-R11W  
San Juan County, New Mexico

**RECEIVED**  
AUG 6 1990  
OIL CON. DIV.  
DIST. 3

Gentlemen:

Bonneville Fuels Corporation hereby respectfully requests administrative approval for the captioned non-standard gas well location in the Fruitland Coal Pool. This request is submitted in triplicate and is due to the extreme nature of the topography and the fragile soil conditions found within the legal well location windows according to New Mexico Oil Conservation Division Rule #R-8768.

To address each requirement regarding the "Submittal Guidelines for Administrative Approval of Non-Standard Location Applications" (copy enclosed), Bonneville submits herewith the following for your approval of the subject non-standard location:

- I. The well is located on Fee Surface. Copy of Application for Permit to Drill package enclosed.
- II. C-102 enclosed
- III. A. Land plat enclosed  
B. Certification enclosed
- IV. A. & B. Shown on enclosed topo map.  
C. An existing well pad (Scott 'E' Federal #11) will be used to drill the proposed well.
- V. Enlarged topo map enclosed
  - A. Badlands type topography within circled area which encompasses all orthodox windows. The terrain is very steep with unstable clay and sandy soils.
  - B. Access roads to unorthodox location would be traverse terrain as displayed in IV A.
  - C. N/A
  - D. N/A
  - E. Rough terrain as per V. A.
- VI. N/A

03713039

027000A

NO 100 NO  
012

August 2, 1990

Page 2

VII. See V. A. above and also the enclosed BLM letter dated July 13, 1990, recommending an unorthodox location or slant hole.

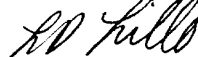
VIII. The proposed well is a Basin Fruitland Coal test which likely will recover significant quantities of water which will require the installation of a rod pump. Serious mechanical problems are likely as a result of attempting to pump a directional hole. In addition, it is estimated that a directional hole would increase the well cost by 25-30%, thereby rendering the well non-economic to drill.

IX. Copy of affidavit enclosed. Certified mail return receipt cards will be provided when available.

A copy of this application is being submitted to all offset owners/operators by certified mail with the request that they furnish your Santa Fe office with an executed Waiver of Objection, and return one copy of same to Bonneville.

Very truly yours,

BONNEVILLE FUELS CORPORATION



L. D. Lillo  
Senior Landman

WAIVER

\_\_\_\_\_ hereby waives objection to Bonneville Fuels Corporation's application for a non-standard location for the Scott 'E' Federal #25-14 Well as proposed above.

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

cc/Meridian Oil Inc./El Paso Production Company  
P. O. Box 4289  
Farmington, NM 87499-4289  
Attn: Mr. C. R. Owen  
Regional Manager  
Damsen Oil Corporation  
P. O. Box 4391  
Houston, TX 77210  
Attn: Mr. Tom Burdette  
Land Manager  
Oil Conservation Division  
1000 Rio Brazos  
Aztec, NM 87410

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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  
 Bonneville Fuels Corporation

3. ADDRESS OF OPERATOR  
 1600 Broadway, Suite 1110, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface 1190' FNL, 360' FWL  
 At proposed prod. zone same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 12 miles south of Bloomfield, New Mexico

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 360  
 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 30

10. NO. OF ACRES IN LEASE 2560  
 19. PROPOSED DEPTH 2375

17. NO. OF ACRES ASSIGNED TO THIS WELL 320  
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6529' GR

5. LEASE DESIGNATION AND SERIAL NO.  
 SF- 078089

9. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 N/A

7. UNIT AGREEMENT NAME  
 N/A

6. FARM OR LEASE NAME  
 Scott 'E' Federal

8. WELL NO.  
 25-14

10. FIELD AND POOL, OR WILDCAT  
 Basin Fruitland

11. SEC., T. R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 25, T27N-R11W

12. COUNTY OR PARISH  
 San Juan

13. STATE  
 New Mexico

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#	+ 300'	250 sx
7 7/8	4 1/2	11.60#	+ 2375'	500 sx

Exhibits Attached:

Exhibit 8 Production Facility Layout

- Ten Point Compliance Program
- Surface Use & Operation Plan
- Exhibit 1 Blowout Preventer
  - " 2 Location & Elevation
  - " 3 Vicinity Map
  - " 4 One Mile Radius Map
  - " 5 Topography & Pad Layout
  - " 6 Cross Sections & Volumes
  - " 7 Rig Layout

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. ISSUED Sheldon D. Barty TITLE Operations Supervisor DATE July 31, 1990

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:



TEN POINT COMPLIANCE PLAN

Attached to Form 9-331C  
Bonneville Fuels Corporation  
Scott 'E' Federal #25-14  
1190' FSL & 360' FWL Sec. 25, T27N-R11W  
San Juan County, New Mexico

1. GEOLOGIC NAME OF SURFACE FORMATION:

The surface formation at all locations is the Nacimiento Formation.

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Ojo Alamo 1062'  
Kirkland 1190'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Ojo Alamo 1062' (Water)  
Fruitland 1665' (Gas)  
Pictured Cliffs 2111' (Gas)

4. CASING PROGRAM:

<u>Hole</u> <u>Size</u>	<u>Depth</u>	<u>Casing</u> <u>OD</u>	<u>Weight, Grade</u> <u>Joint, Condition</u>	<u>Cement</u>
12 1/4	300'	8 5/8	24#, J-55, New or used (inspected)	250 sx
7 7/8	2375'	4 1/2	11.60#, J-55, New or used (inspected)	500 sx

5. MINIMUM SPECS FOR PRESSURE CONTROL:

Reference is made to Exhibit 1 showing the blowout preventer stack and choke manifold.

The BOP equipment will be a class III system consisting of a double gate hydraulic type with 3,000 psi minimum working pressure, equipped with a set of blind rams, 4 1/2" drill pipe rams and annular preventer. A 2" choke manifold with pressure rating equivalent to the BOP stack will be connected to the spool below the pipe rams, along with a 2" kill line.

The BOP and choke manifold will be nipped up on the surface casing and hydraulically tested for thirty minutes prior to drilling out cement, and after any use under pressure. Pipe rams will be operationally checked each 24 hour period, and the blind rams operationally checked each time pipe is pulled from the hole. These checks will be noted on the daily drilling report.

Prior to drilling out surface casing will be tested with rig pump to 70% of the internal yield of the surface casing. Pipe rams will be tested with drill pipe in hole, prior to drilling cement plug with rig pump to 1000 psi.

6. PROPOSED DRILLING FLUIDS:

A Freshwater gel Mud System with solids control equipment will be run with mud properties as follows:

<u>TYPE</u>	<u>MUD WEIGHT #/GEL</u>	<u>VISCOSITY</u>	<u>WATER LOSS</u>
FGM	8.5 - 9.0 (or as req'd.)	28-40 sec./qt.	8-20 cc

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

- A. A kelly cock will be used in the drillstring.
- B. A bit float will be used if severe lost circulation conditions exist.
- C. A stabbing valve will be available on the rig floor for immediate use when the kelly is not in the drillstring.

8. LOGGING, TESTING, AND CORING PROGRAM:

- A. The logging program will consist of GR/SP Dual Induction Spectral Density-Neutron log and GR/Caliper/Microlog from casing to total depth.
- B. No cores are planned.
- C. No drillstem tests are planned.

9. ABNORMAL CONDITIONS - PRESSURE - TEMPERATURE - POTENTIAL HAZARDS:

Normal pressures and temperatures are expected in the objective formation.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

Road and location work will begin as soon as all approval has been granted by BLM. The anticipated spud date is October 1, 1990, subject to rig availability. Once commenced, drilling operations should be finished within 5 days. If the well is productive, an additional 5 days will be required for completion.

SURFACE USE AND OPERATING PLAN

Attached to Form 9-331C  
Bonneville Fuels Corporation  
Scott 'E' Federal #25-14  
1190' FSL & 360' FWL, Sec. 25, T27N-R11W  
San Juan County, New Mexico

1. EXISTING ROADS:

- A. The proposed well site and elevation plats are attached.
- B. To reach the wellsite, proceed from Broomfield, New Mexico south on Hwy. #44 approximately 10 miles to GCNM West Kutz Compressor Station access road. Turn left and proceed 200 yards, turn right (SE) and proceed approximately 2 1/2 miles. Turn left and proceed approximately 1/2 mile to location.
- C. All roads to the location are shown in Exhibit #3 & #4. The existing roads described above are adequate for travel during the drilling and production activities.
- D. Not applicable.
- E. Existing roads, within a one-mile radius are shown on Exhibit #3.
- F. Existing roads are State of New Mexico and BLM controlled roads.

2. PLANNED ACCESS ROADS:

No new access road construction will be required.

3. LOCATION OF EXISTING WELLS:

For all existing wells within a one-mile radius of this well, see Exhibit #4.

- A. There are no water wells within a one-mile radius.
- B. There is one abandoned well within a one-mile radius.
- C. There is one temporarily abandoned well within a one-mile radius.
- D. There are no disposal wells within a one-mile radius.
- E. There are no wells presently being drilled within a one-mile radius. There are three staked proposed wells within a one-mile radius.

- F. There are seven producing wells within a one-mile radius.
- G. There are no shut-in wells within a one-mile radius.
- H. There are no injection wells within a one-mile radius.
- I. There are no monitoring or observation wells within a one-mile radius.

4. LOCATION OF EXISTING WELLS AND/OR PROPOSED FACILITIES:

A. Owned or controlled by Lessee/Operator within 1 mile of Proposed Well:

- (1) Tank Batteries: Three
- (2) Production Facilities: Three
- (3) Oil Gathering Lines: none
- (4) Gas Gathering Lines: none
- (5) Injection Lines: none
- (6) Disposal Lines: none

B. If the well is productive, contemplated facilities will be as follows:

(1) Production facilities will be located on solid ground of the cut area of drill pad. All facilities will be contained on the well pad.

(2) Refer to Exhibit #8 for the production facility schematic.

(3) Dependent upon flow test results, a gas separator, 210 barrel tank and meter house may be required. All flowlines and piping will be installed according to API specifications. Construction material will consist of surface soil. No additional material from outside sources are anticipated.

C. Rehabilitation Plans:

The plans for rehabilitation of the disturbed area no longer needed for operations after drilling and construction are completed are as follows:

1. The reserve pit will be backfilled after the contents of the pit are dry.

2. The area of the drill site not needed for production facilities will be recontoured to the natural contour as

nearly as possible and revegetated/reseeded by the contour method. Seed specifications to be determined by BLM.

- D. In the event that production is established, plans for gas gathering lines will be submitted to appropriate governmental agencies for approval.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water will be purchased from a well located at the Hilltop Store on Hwy. #44 (Sec. 26, T27N-R11W).
  - B. Water will be hauled by tank truck to the drilling site as needed.
  - C. No water well will be drilled on or near this well location.
-

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. No construction materials are anticipated to be needed for drilling the wells or constructing the access roads into the locations. Native soil will be utilized for the drilling sites and access roads. If necessary, the surface materials (rock, gravel, etc.) will be purchased from the dirt contractor.
- B. Native construction materials only may be taken from Federal lands.
- C. Native surface soil materials for construction of access roads are anticipated to be sufficient.
- D. Exhibits #3 and #4 shows access roads. Federal Land is involved.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Cuttings not retained for evaluation purposes will be exhausted into the reserve pit (see Exhibit #5 & #6 for location).
- B. Drilling fluids will be contained in steel mud tanks. The reserve pits will contain any excess flow from the well during drilling, cementing, and completion operations. The reserve pit will be an earthen pit, approximately 75' x 45' x 8'.
- C. Produced water if any, will be disposed into a reserve pit or a tank (depending on the rates). Produced oil, although not anticipated, will be collected in tanks or disposed into the reserve pit, depending on the volume and frequency of occurrence. If the volume of oil is sufficient during drilling, it will be trucked from the location. Water will be disposed of in the reserve pit.
- D. A portable chemical toilet will be provided on the location for human waste.
- E. Garbage and trash produced during drilling or testing will be handled in a trash cage. This garbage will be hauled to an approved disposal site after drilling is completed. Water and tailings will be disposed into the reserve pit. No toxic waste/chemicals will be produced by these proposed operations. If a trash cage is not available, a trash/burn pit will be constructed and fenced with woven wire.

F. After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. Any dangerous open pit will be fenced during drilling and kept closed until the pit has dried. All pits will be filled and the well site will be leveled and reseeded, this will occur when pits are dry enough to fill and as weather permits. Only that part of the pad required for producing facilities will be kept in use. In the event of a dryhole, only a dryhole marker will remain.

8. ANCILLARY FACILITIES:

No air strip, campsite or other facilities will be built during drilling and completion operations of this well.

9. WELL SITE LAYOUT:

- A. Refer to Exhibits #5 & #7 for the Drill Pad layout as staked. Cuts and fills have been indicated per Exhibit #6 to show the planned cut across the proposed location. Topsoil will be stockpiled.
- B. Refer to Exhibit #7 for a planned location diagram of the proposed rig and drilling equipment, reserve pit, and pipe racks. No permanent living facilities are planned. There may be a trailer on site.
- C. The rig orientation, turn-around area, parking area, and access roads are shown in Exhibit #7. Existing wellhead and equipment on the Scott 'E' Federal #11 wellsite will be appropriately protected during drilling operations.
- D. The reserve pit will be lined.

10. PLANS FOR RESTORATION OF SURFACE:

- A. Upon completion of the proposed operations, and if the well is to be abandoned, the location will be backfilled, leveled, and contoured to as near the original topography as is feasible as soon as the pits have dried enough to support earth moving equipment. The location will be reseeded. All spoils materials will be hauled to an approved disposal site upon completion of the drilling operation.
- B. Revegetation and rehabilitation will be achieved by reseeded utilizing the contour method with a seed mixture of native grasses.
- C. Prior to rig release, the reserve pit will be fenced to prevent livestock or wildlife from being entrapped. The fencing will be maintained until leveling and the clean-up accomplished.

- D. If any oil is on the pits and cannot be immediately removed after operations cease, the pit containing the oil or other adverse substances will be overhead flagged and fenced. The entire location will be inspected for trash and other refuse, and additional clean-up will be done as deemed necessary.
- E. Time to complete rehabilitation depends upon the time for pits to dry. Planting and revegetation should occur by Fall 1991.

11. OTHER INFORMATION

- A. Wellsite access roads are located on a ridge top. The soil is sandy. Vegetation consists of sage brush and range grasses. The area has a sparse wildlife population.
- B. The wellsite and the access road to be built are on lands owned by U.S.A. The existing roads are BLM Right-of-way and state highway.
- C. Intermittent streams (i.e. flow during wet seasons of the year) do exist in the area.
- D. There are no reported restrictions or reservations noted on the oil and gas lease.
- E. Drilling is planned for October, 1990. It is anticipated that the casing point will be reached within 4 days after commencement of drilling.

12. LESSEE'S AND OPERATOR'S REPRESENTATIVE:

Bonneville Fuels Corporation  
1600 Broadway, Suite 1110  
Denver, CO 80202

(303) 863-1555

G. D. Gentry - Operations Supervisor

3005 Northridge, Suite C  
Farmington, NM 87401  
(505) 325-1922

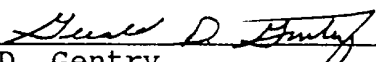
Norm Woods - Production Foreman



13. CERTIFICATION:

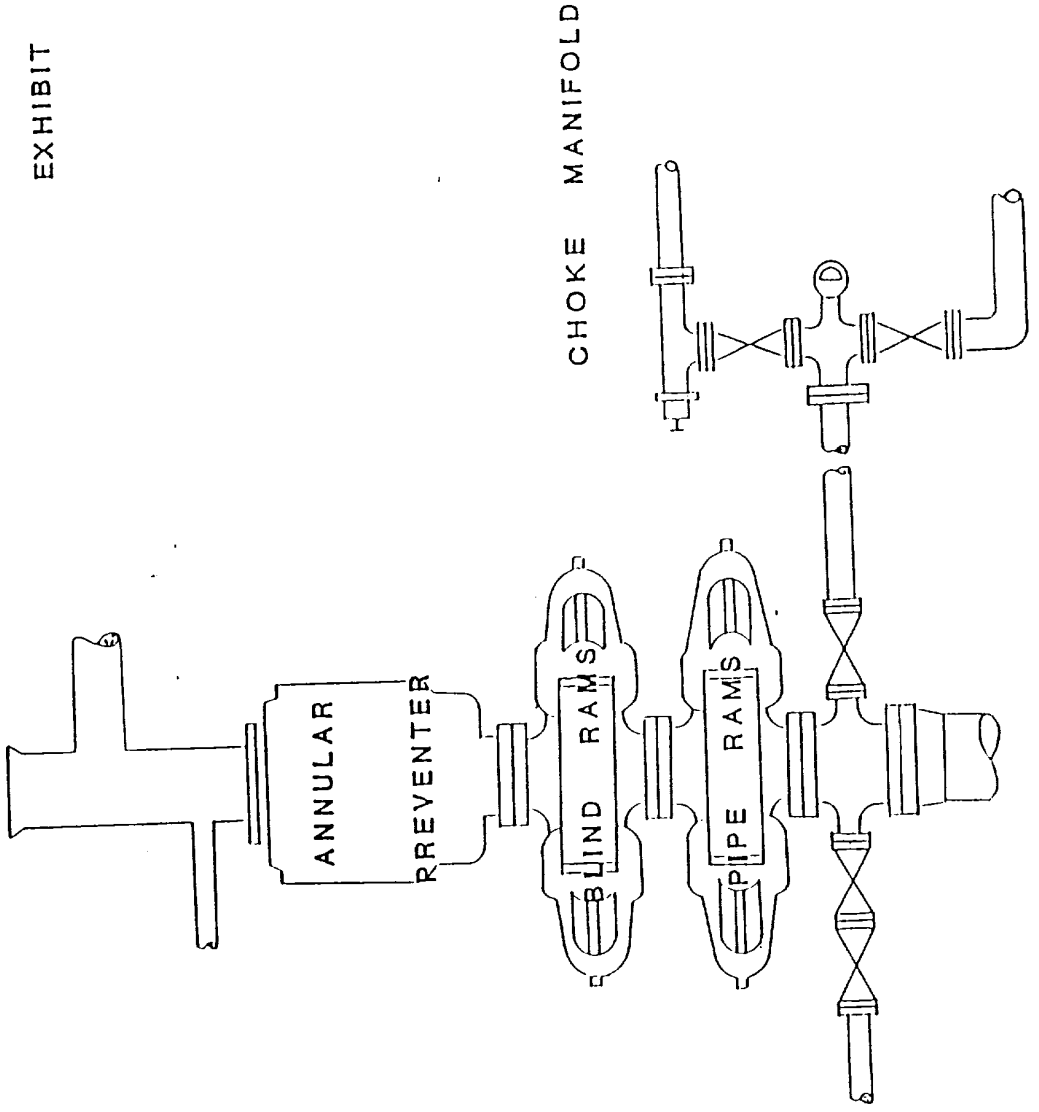
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access routes; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Bonneville Fuels Corporation and its contractors and subcontractors in conformity with this plan.

Date:

  
\_\_\_\_\_  
G. D. Gentry  
Operations Supervisor

# BOPE SCHEMATIC

EXHIBIT 1



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

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

**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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

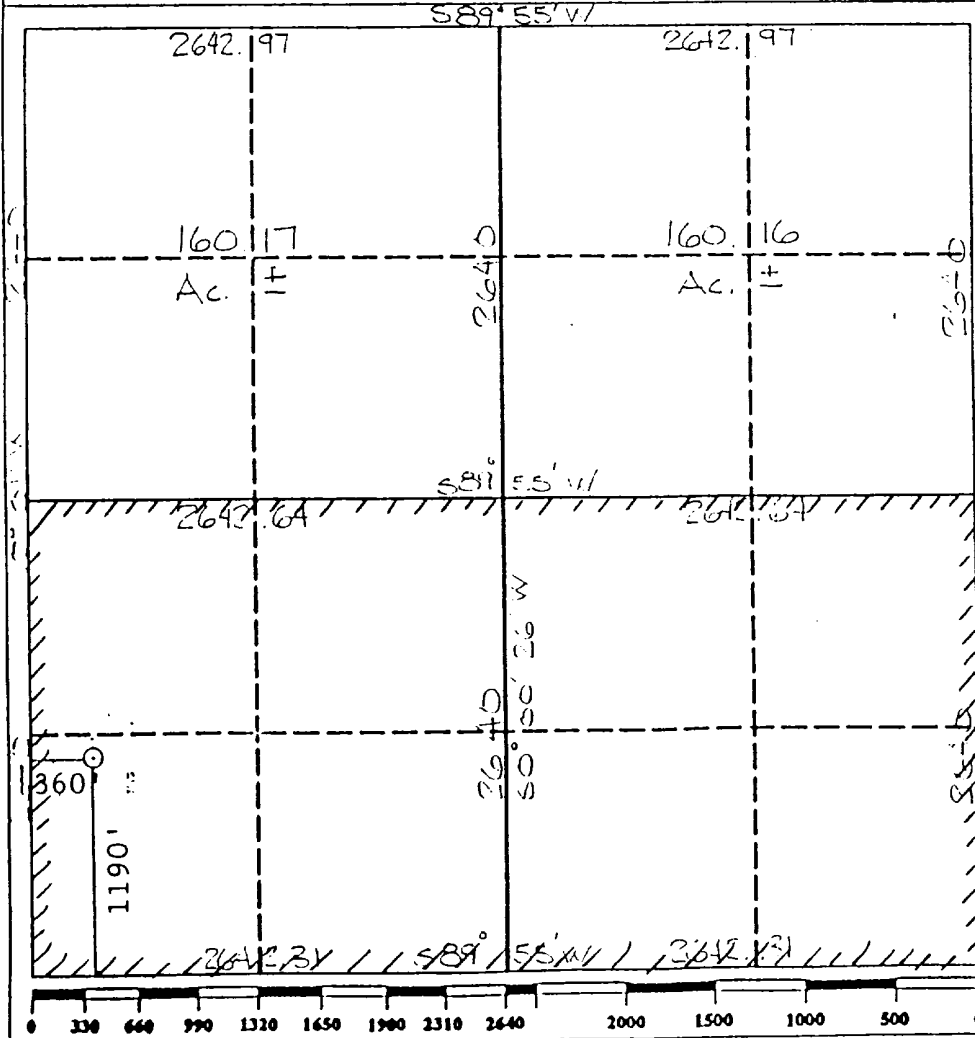
Operator <b>BONNEVILLE FUELS CORPORATION</b>			Lease SF-078089 <b>SCOTT "E" FEDERAL</b>		Well No. 25-14
Unit Letter M	Section 25	Township 27N	Range 11W	County San Juan	
Actual Footage Location of Well: 1190 feet from the SOUTH line and 360 feet from the WEST line					
Ground level Elev. 6529'	Producing Formation		Pool	Dedicated Acreage: Laydown 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 \_\_\_\_\_

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 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: *Gerald D. Gentry*

Printed Name: Gerald D. Gentry

Position: Operations Supervisor

Company: Bonneville Fuels Corp.

Date: July 31, 1990

---

**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 knowledge and belief.

Date Surveyed: July 16, 1990

Signature & Seal: *Gerald B. Tullis*

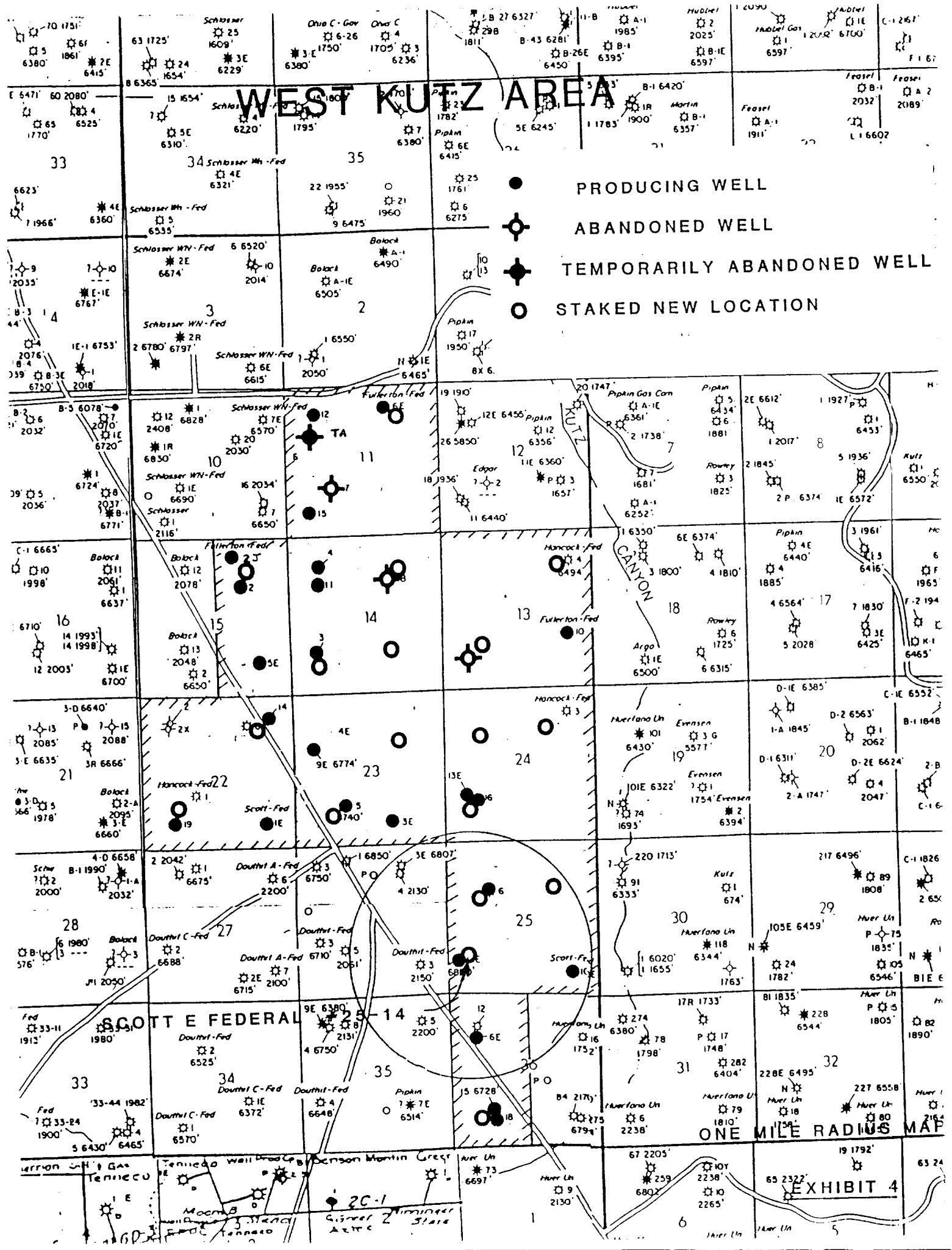
Professional Surveyor

**NEW MEXICO**  
 REGISTERED PROFESSIONAL LAND SURVEYOR  
 9672

Certificate No. \_\_\_\_\_

# WEST KUTZ AREA

- PRODUCING WELL
- ⊗ ABANDONED WELL
- ⊕ TEMPORARILY ABANDONED WELL
- STAKED NEW LOCATION



ONE MILE RADIUS MAP

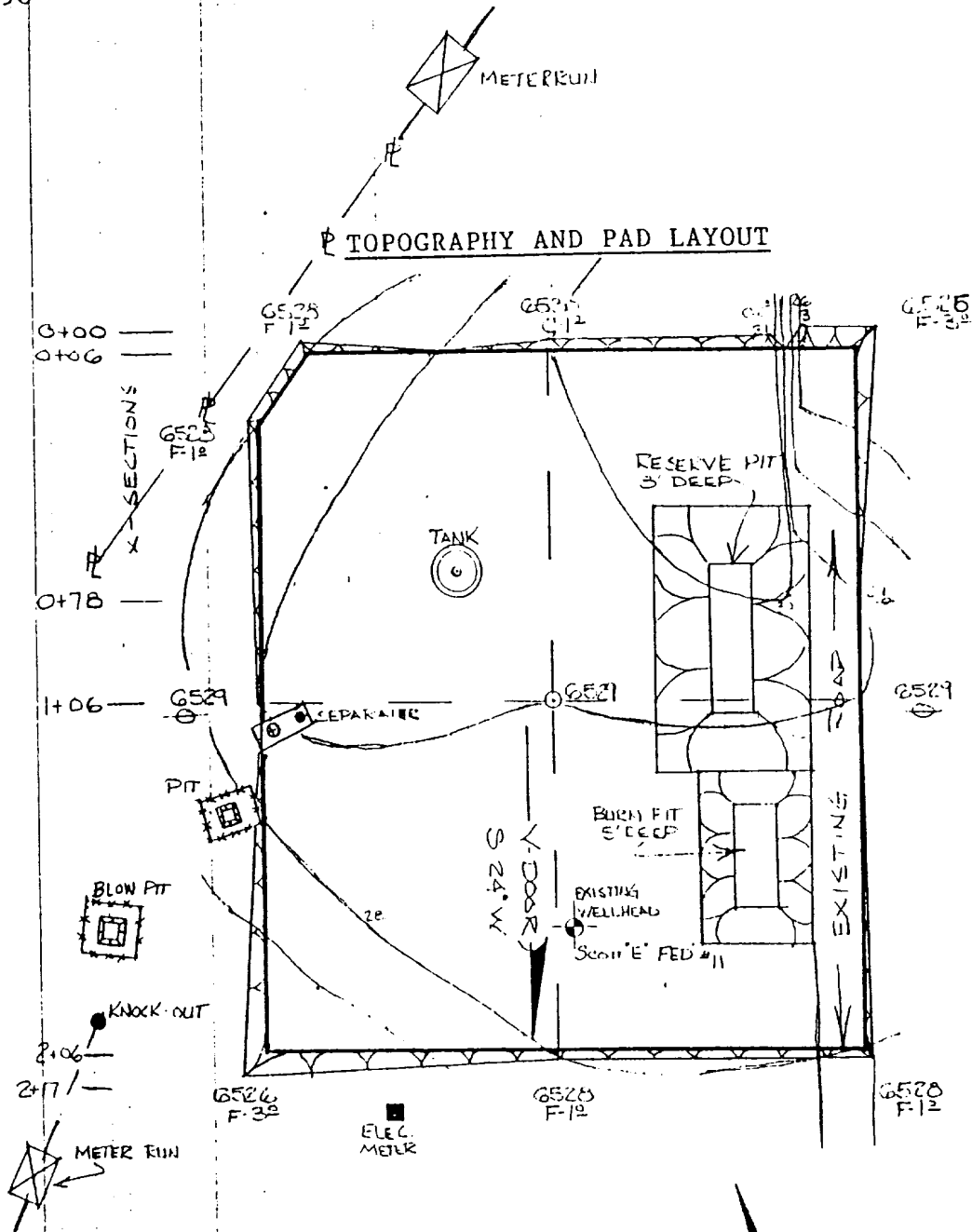
EXHIBIT 4

BONNEVILLE FUELS CORPORATION

SCALE: 1"=50'

CONTOUR INT. = 1'

TOPOGRAPHY AND PAD LAYOUT



SCOTT "E" FEDERAL #25-14  
1190 F/SL& 360 F/WL  
Sec.25 T27N R11W N.M.P.M.  
San Juan Co., New Mexico

BONNEVILLE FUELS CORPORATION

SCOTT "E" FEDERAL #25-14

SCALE: HORZ. 1"=50'  
VERT. 1"=10'

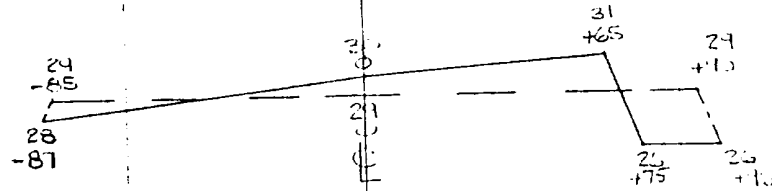
GROUND ELEV. 6529'

X-SECTIONS AND VOLUMES

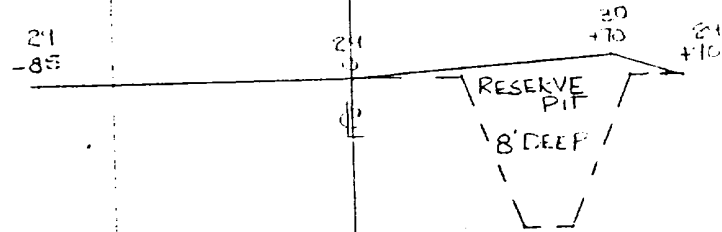
ZERO CUT/FILL

0+00

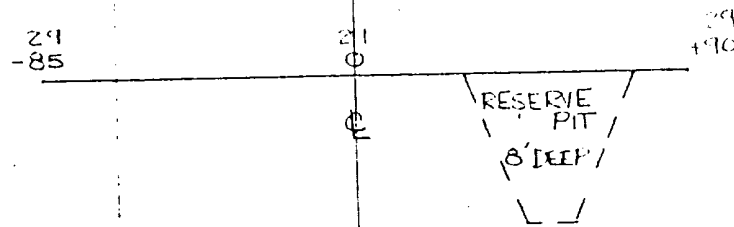
0+06



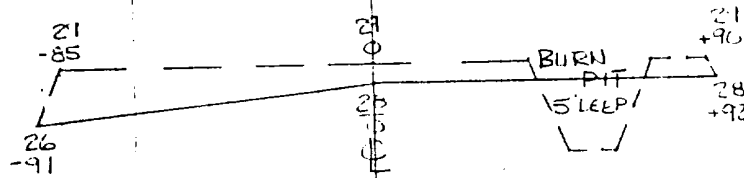
0+78



1+06



2+06

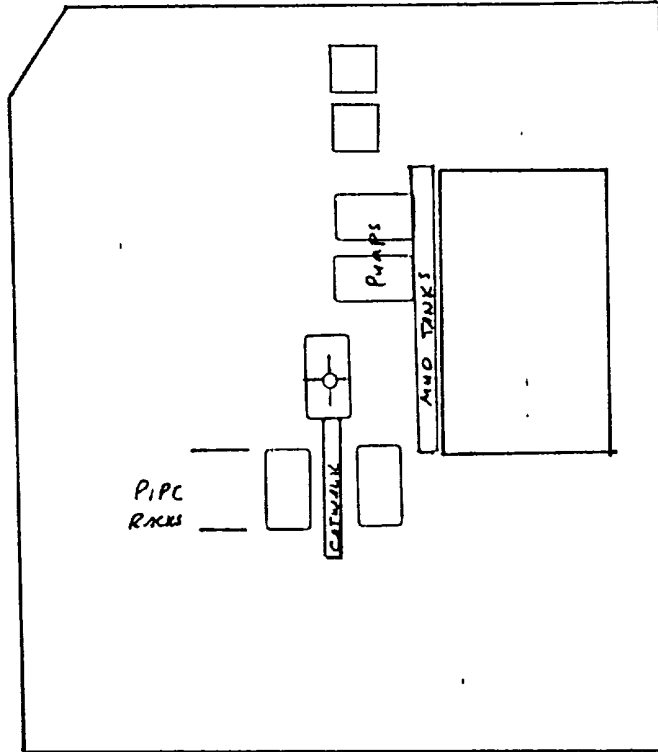


2+17

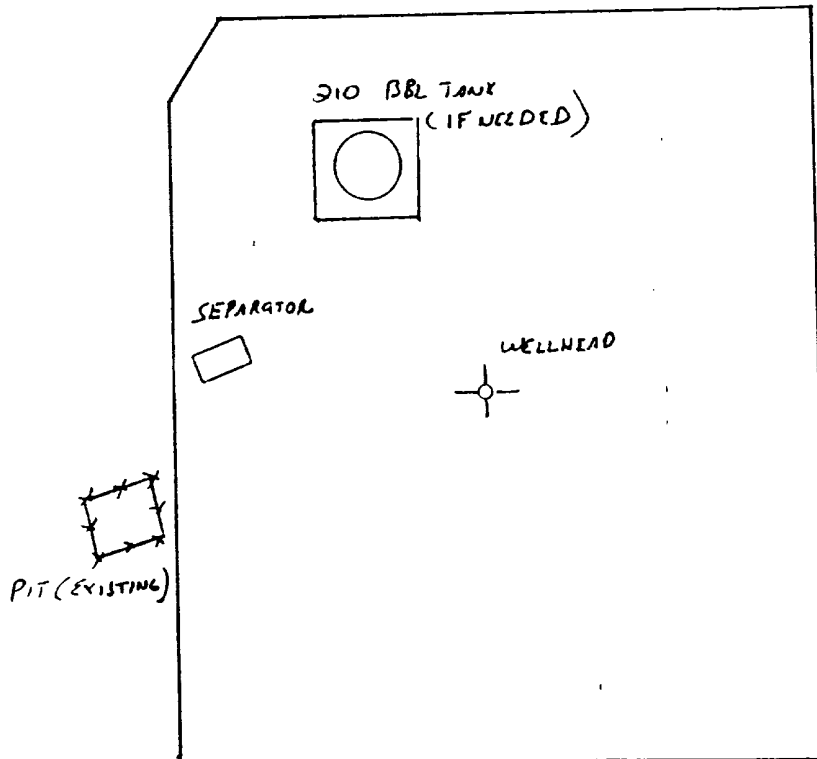
ZERO CUT/FILL

AVERAGE CUT.....	.....	261 CU.YDS.
AVERAGE FILL.....	.....	664 CU.YDS.
PIT EXCAVATION.....	.....	670 CU.YDS.

RIG LAYOUT



# PRODUCTION FACILITY LAYOUT







State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

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

**OIL CONSERVATION DIVISION**

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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

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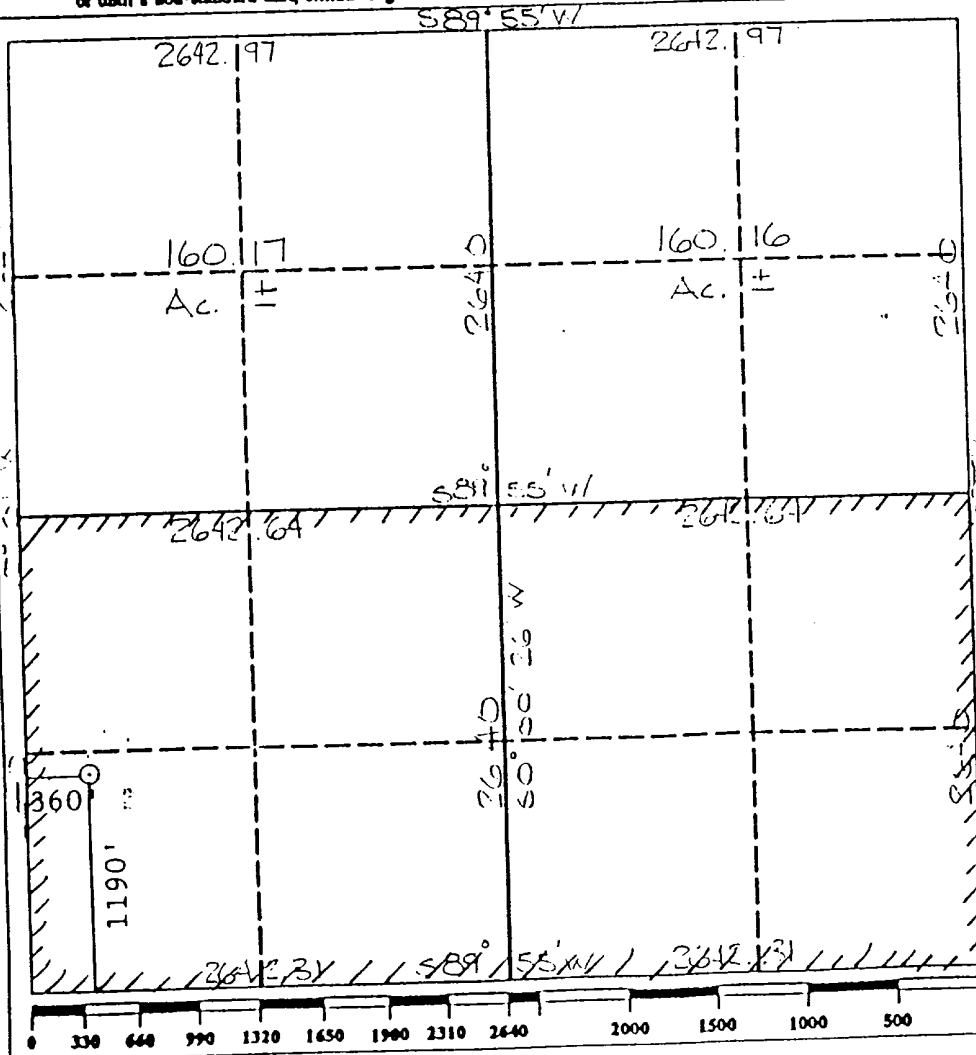
Operator <b>BONNEVILLE FUELS CORPORATION</b>			Lease SF-078089 <b>SCOTT "E" FEDERAL</b>		Well No. 25-14
Unit Letter M	Section 25	Township 27N	Range 11W	County NMPM	San Juan
Actual Footage Location of Well: 1190 feet from the SOUTH line and 360 feet from the WEST line					
Ground level Elev. 6529'	Producing Formation			Pool	Dedicated Acreage: Laydown 320 Acres

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**OPERATOR CERTIFICATION**

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

Signature  
*Gerald D. Gentry*

Printed Name  
Gerald D. Gentry

Position  
Operations Supervisor

Company  
Bonneville Fuels Corp.

Date  
July 31, 1990

**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 knowledge and belief.

Date Surveyed  
July 16, 1990

Signature & Seal of Professional Surveyor  
*G. B. Tolleson*

Certificate No. 9672

NEW MEXICO  
REGISTERED PROFESSIONAL LAND SURVEYOR

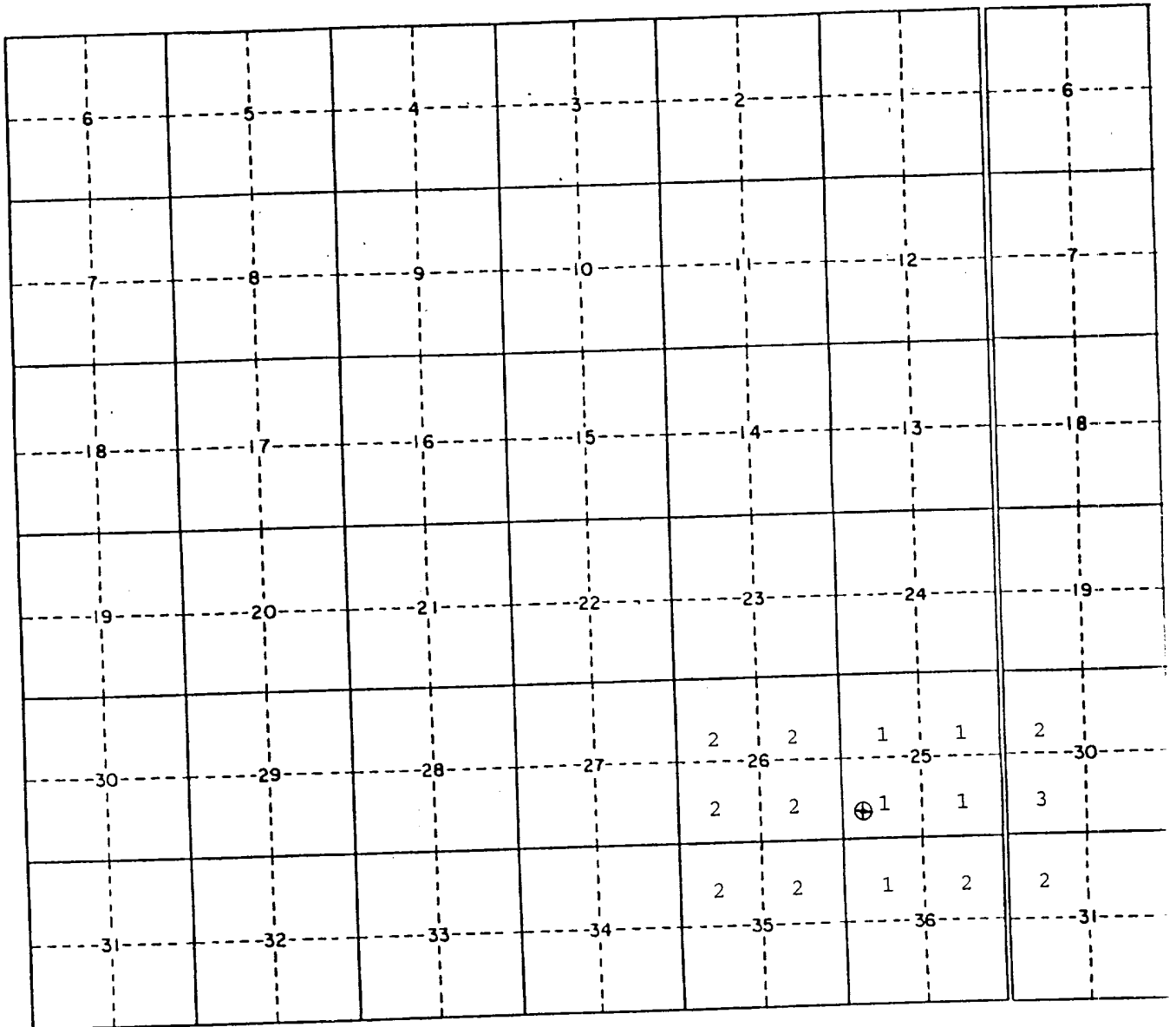
# III.A.

## APPLICATION FOR NON-STANDARD LOCATION

Scott 'E' Federal #25-14 Well

1190' FSL & 360' FWL Section 25 Township 27 North Range 11 West

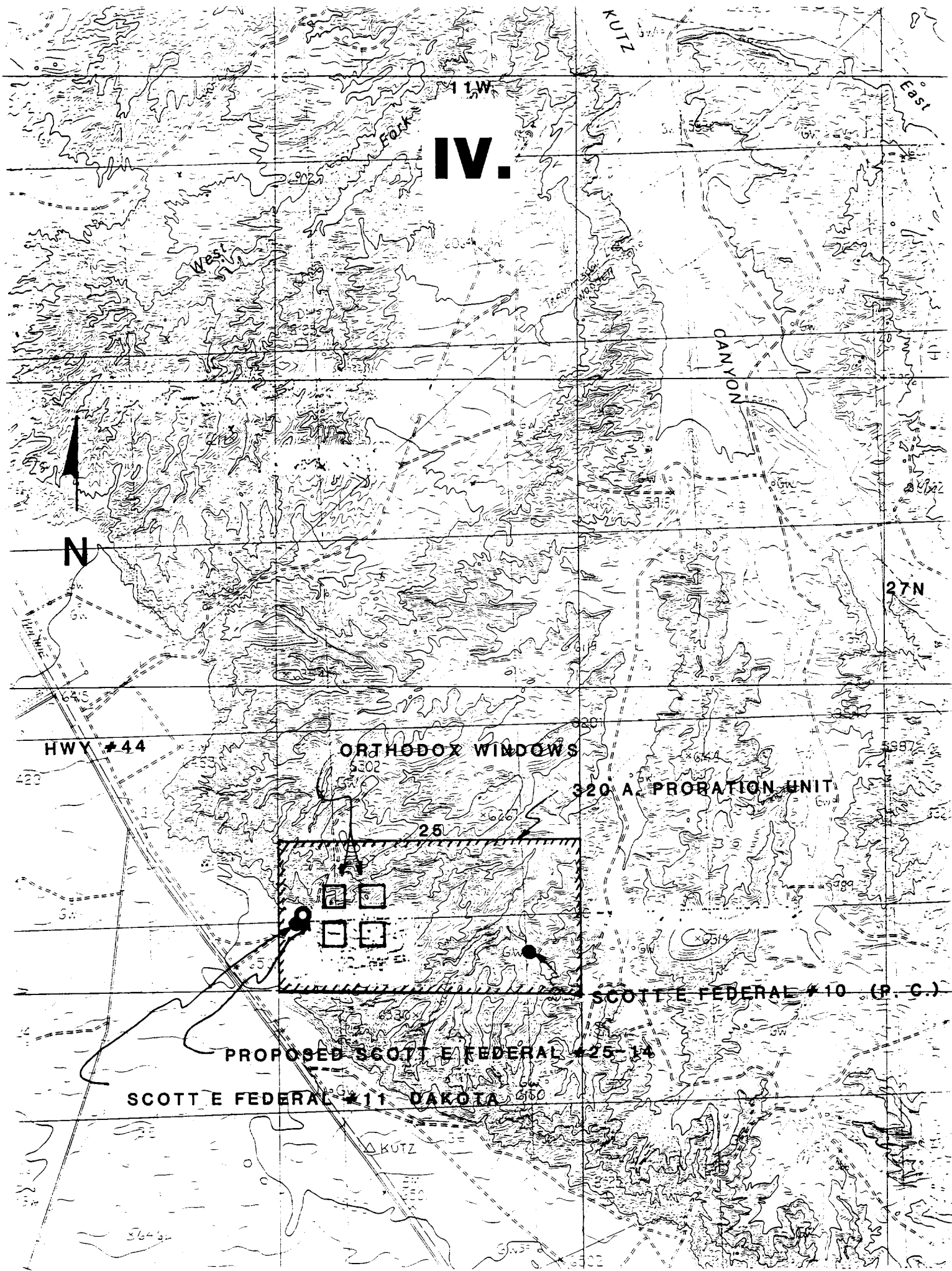
County San Juan State New Mexico



SCALE: 1 inch = 1 mile

1. Bonneville Fuels Corporation
2. El Paso Production Co./Meridian Oil Inc.
3. Damson Oil Corporation

# IV.



V.

WEST

6064

TRANSIT



N

6221

GW

GW

LIPSWINE

Wooda

6415

HWY #44

423

6302

25

PROPOSED SCOTT E FEDERAL #25-44

SEE V a NARRATIVE

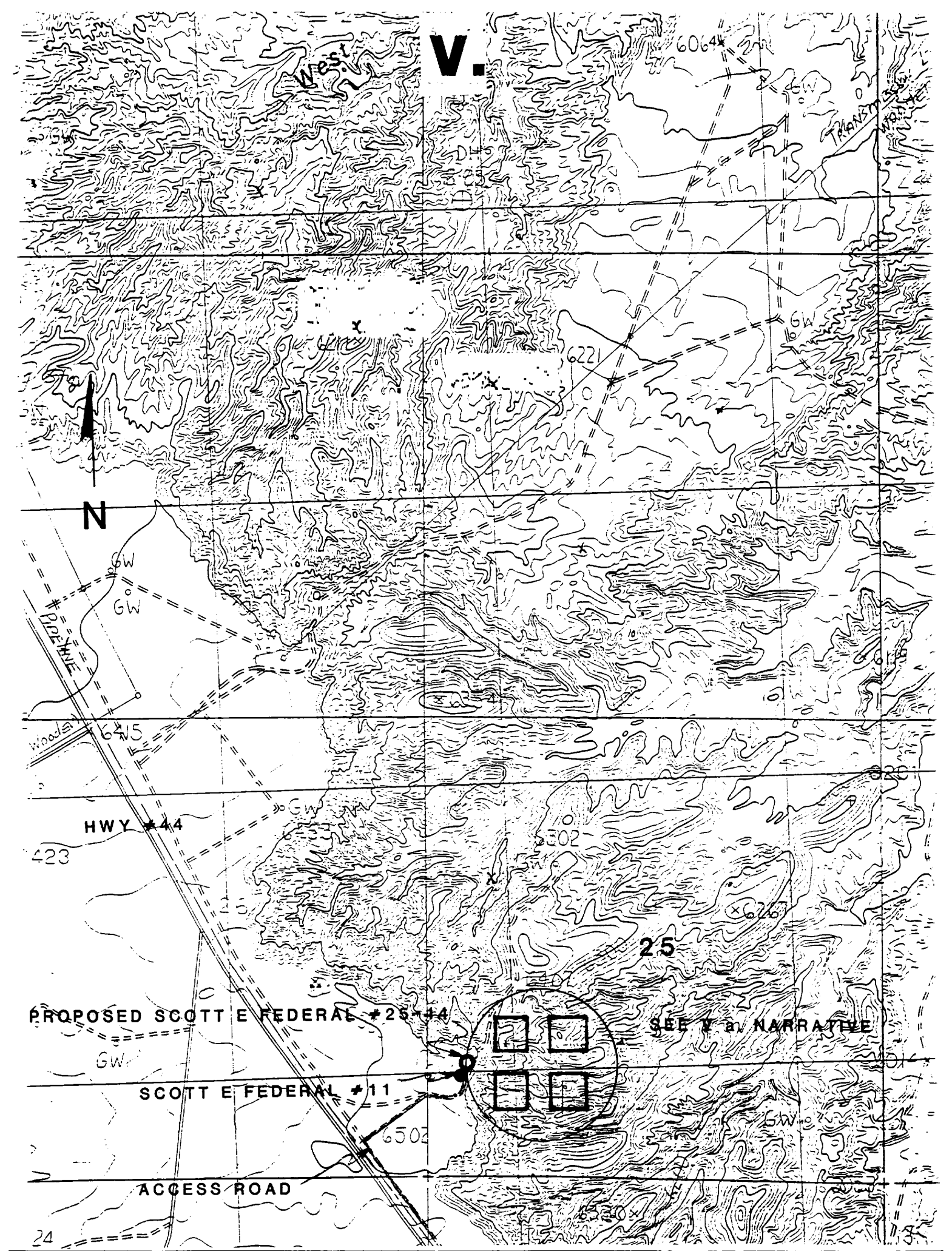
SCOTT E FEDERAL #11

ACCESS ROAD

24

6502

SW



# VII.

IN REPLY REFER TO:



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
FARMINGTON RESOURCE AREA  
1235 La Plata Highway  
Farmington, New Mexico 87401

3162.5-1 (a) (019)

JUL 13 1990

CERTIFIED - RETURN RECEIPT REQUESTED  
P 565 392 666

Bonneville Fuels Corporation  
Attn: Gerald Gentry  
1600 Broadway, Suite 1110  
Denver, CO 80202

Dear Mr. Gentry:

Bonneville Fuels Corporation has proposed five new well site locations. Field inspections of these locations by yourself and Dale Wirth of my staff have found these sites to be in an environmentally sensitive area. Therefore, we are recommending the following changes due to the extreme nature of the topography and the fragile soil conditions of the area:

Fullerton Federal #14-34: Recommend the well location be moved to the NE/4 of the section for the Fruitland Coal or Pictured Cliffs formations to comply with the New Mexico Oil Conservation Division (NMOCD) spacing requirements and to better accommodate topographic relief; or move to the SW/4 and twin off of the existing #3 Fullerton Pictured Cliffs well if the proposed well is a Fruitland Coal.

Scott E. Federal #23-41: If this is a Fruitland Coal well it is recommended it be moved to the SW/4 of the section. However, if it is proposed to be a Fruitland/Pictured Cliffs well and remain in the NE/4 of section 23, then a full engineering design for the access road will be required, major reclamation stipulations will be required and a full environmental assessment (EA) will be conducted requiring a minimum of two or three months to complete.

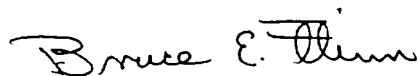
Scott E. Federal #24-12: Recommend moving the well site to approximately 1850' FNL and 1850' FEL in section 24 or slightly unorthodox to accommodate the topography.

Scott E. Federal #25-12: Recommend moving the location to the existing access road to accommodate the topography, utilizing the existing access road as much as possible.

Scott E. Federal #25-23: Recommend moving to an unorthodox location by twinning off of the #11 E. Federal Scott or drilling a scant hole with a surface location near the #11 E. Federal Scott. *→ new #25-14*

We will be available to discuss these recommendations and assist in location of suitable well sites. Should you have any questions, please contact Dale Wirth or Ilyse Gold at (505) 327-5344.

Sincerely,

A handwritten signature in cursive script that reads "Bruce E. Fellows".

Ron Fellows  
for Area Manager

