

CONFIDENTIAL - T. T. HOLE

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

5. LEASE DESIGNATION AND SERIAL NO.

NM-23047

6. IF INDIAN ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Dugan

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

1b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☐

Coalbed Methane  
OTHER ☐

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

214/701-9106

5400 LBJ Freeway, Suite 500

TEXAKOMA OIL & GAS CORP.

Dallas, TX 75240

3. ADDRESS OF OPERATOR

303/452-8888

13585 Jackson Drive

PERMITCO INC. - Agent

Denver, CO 80241

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

At Surface

1050' FNL and 800' FEL

At proposed Prod. Zone

NE NE Sec. 3

CONFIDENTIAL

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

22 miles northeast of Gobernador, NM

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY  
OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)

800'

16. NO. OF ACRES IN LEASE

326.24

17. NO. OF ACRES ASSIGNED TO THIS WELL

N/ 320 326.24

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

Approx. 4000'

19. PROPOSED DEPTH

3700'

20. ROTARY OR CABLE TOOLS

Rotary

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

6865' GR

This action is subject to technical and  
procedural review pursuant to 43 CFR 3105.3  
and approval pursuant to 43 CFR 3105.6

23.

SIZE OF HOLE

12-1/4"

SIZE OF CASING

9-5/8"

WEIGHT/FOOT

32#

SETTING DEPTH

300'

7-7/8"

7"

23#

3525'

6-1/4"

5"

11.5#

3225-3700'

22. APPROX. DATE WORK WILL START\*  
Upon approval of this application.  
DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED

3170' - Circ to Surf.

450 sx - Circ to surf.

No cement.

Texakoma Oil & Gas Corp. proposes to drill a well to a depth of 3700' to test the Fruitland Coal formation for coalbed methane. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of New Mexico requirements.

See Onshore Order No. 1 attached.

Texakoma Oil & Gas Corporation has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by Texakoma Oil & Gas Corporation.

RECEIVED  
BLM  
93 MAY 19 PM 12:56  
070 FARMINGTON, NM

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

(This space for Federal or State official)

Consultant for:  
TITLE Texakoma Oil & Gas Corp.

Date: 05/18/93

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

OIL CON. D  
DIST. 3

\*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.

APPROVED  
AS AMENDED

JUN 22 1993  
DISTRICT MANAGER

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

CONFIDENTIAL - TIGHT HOLE

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>TEXAKOMA O &amp; G CO.</b>			Lease <b>DUGAN</b>		Well No. <b>#1</b>
Unit Letter <b>A</b>	Section <b>3</b>	Township <b>29 N.</b>	Range <b>5 W.</b>	County <b>NMPM Rio Arriba</b>	
Actual Footage Location of Well: <b>1050</b> feet from the <b>North</b> line and <b>800</b> feet from the <b>East</b> line					
Ground level Elev. <b>6865'</b>	Producing Formation <b>Fruitland Coal</b>		Pool	Dedicated Acreage: <b>17326.34</b> <b>320</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or nashure 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). 100% BLM

LOR - Phillips Petroleum - 100%

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

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 in true and complete to the best of my knowledge and belief.

Signature

Printed Name

**LISA L. SMITH**

Position

Consultant for

Company

Texakoma Oil & Gas Corp.

Date

5/17/93

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes or 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

28 April '93

Signature & Seal of Professional Surveyor

**NEWMEXICO**  
**REGISTERED LAND SURVEYOR**  
**68**

Certificate No.

68

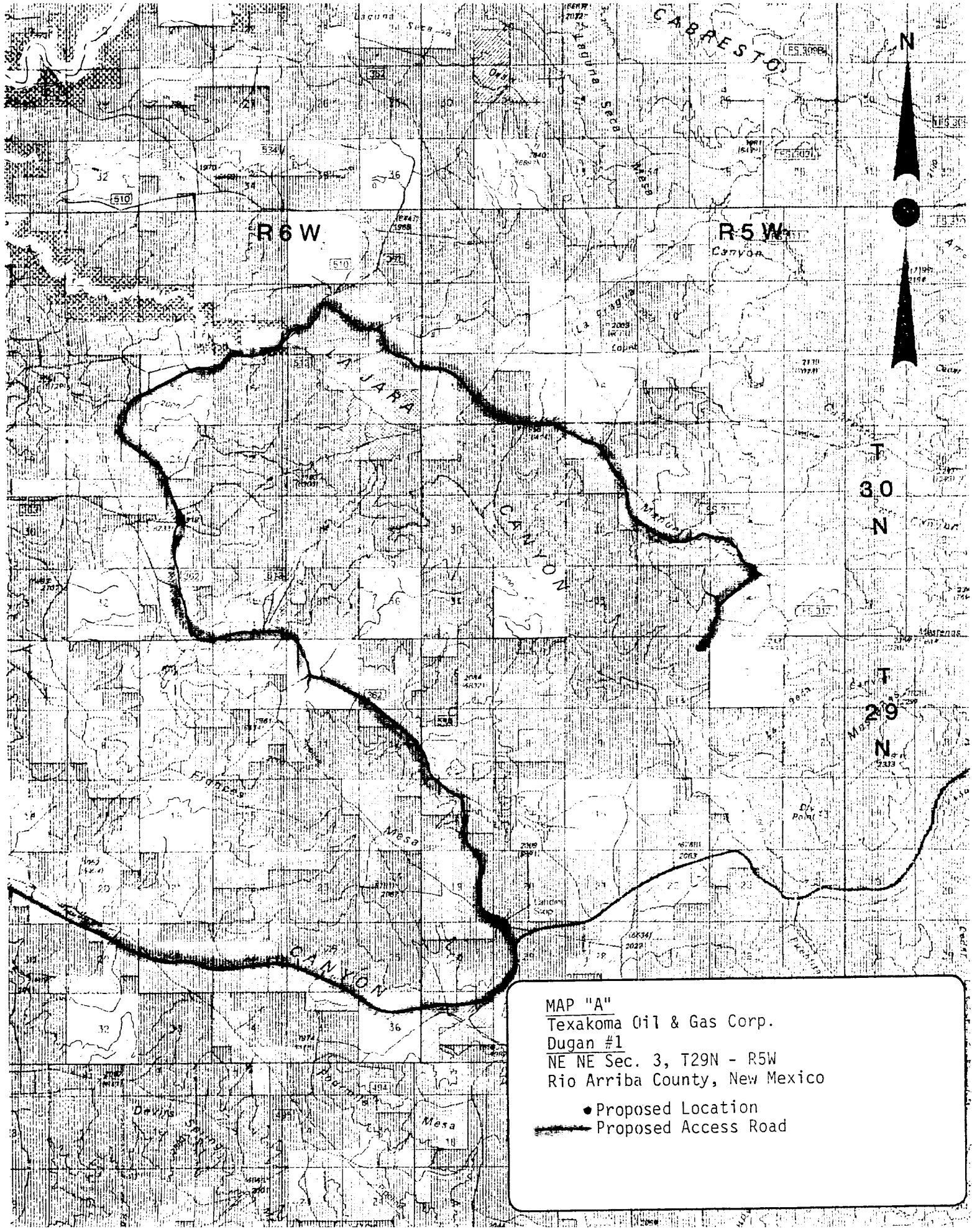
**RECEIVED**  
**AUG 20 1993**  
**OIL CON. DIV.**  
**DIST. 3**

070 FARMINGTON, NM

93 MAY 19 PM 12:56

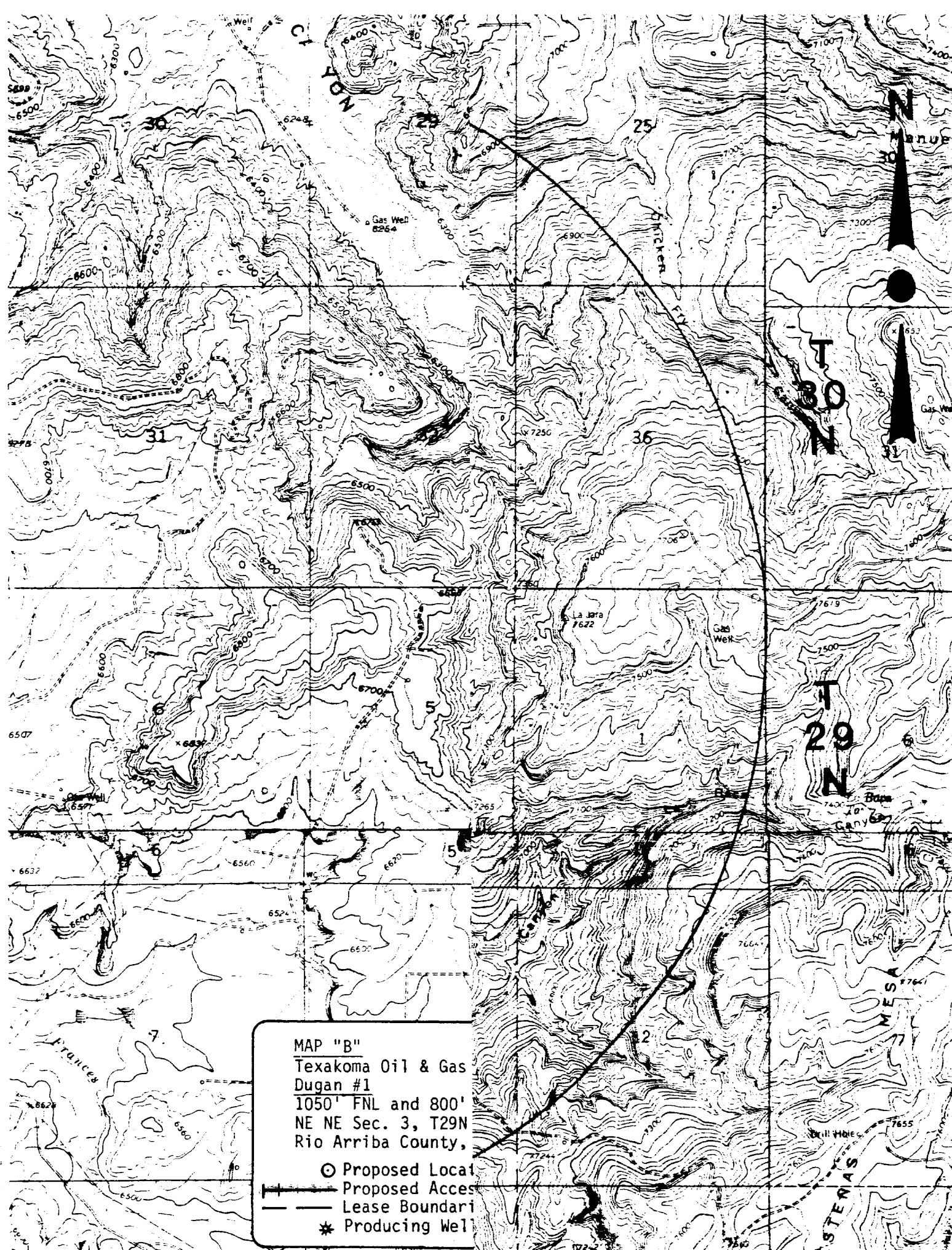
**RECEIVED**  
**BLM**

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



MAP "A"  
Texakoma Oil & Gas Corp.  
Dugan #1  
NE NE Sec. 3, T29N - R5W  
Rio Arriba County, New Mexico

- Proposed Location
- Proposed Access Road







UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
BLM

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well  
☐ Oil Well ☐ Gas Well ☒ Other Coalbed Methane

2. Name of Operator

TEXAKOMA OIL & GAS CORPORATION

3. Address and Telephone No.

5400 LBJ FREEWAY, SUITE 500, DALLAS, TX. 75240 214-701-9106

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1050' FNL & 800 FEL  
NE NE Sec 3 T29N, R5W

5. Lease Designation and Serial No.

NM-23047

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

NA

8. Well Name and No.

Dugan #1

9. API Well No.

300-39-70037

10. Field and Pool, or Exploratory Area

Basin / Fruitland Coal

11. County or Parish, State

Rio Arriba Co., NM

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other Drilling Summary

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Give pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

WELL SPUDDED 1:00 AM 7-3-93. DRILLED 12 1/4" HOLE TO 325'. RAN 306'- 9 5/8, 36 #, J-55 LT&C CASING TO 321' WITH GUIDE SHOE ON BOTTOM, INSERT FLOAT @ 277'. CENTRALIZERS @ 300', 195' & 112. CEMENTED W/170 SXS (202 FT<sup>3</sup>) STANDARD CEMENT & 2% CALCIUM CHLORIDE & .25#/SX FLOCELE. BUMP PLUG @ 3:36 PM 7-3-93 W/550 PSIG. CIRCULATED 11 BBLs CEMENT TO SURFACE. TEST CASING TO 1000 PSI. DRILL OUT & DOWN TO 3535'. RAN OPEN HOLE LOGS. RAN 3541' 7" 23#, J-55 LT&C CASING TO 3534' WITH GUIDE SHOE @ 3534', FLOAT COLLAR @ 3494' & CENTRALIZERS @ 3516', 3453, 3390', 3327', 3264', 3210', 3138', 3075', 3012', & 2949' (10 TOTAL). CEMENTED CASING WITH 300 SXS STANDARD CEMENT (750 FT<sup>3</sup>) & 2% ECONOLITE 1/2#/SX LCM. TAILED W/160 SXS STANDARD CEMENT & .6% HALAD 322 & 1/4#/SX LCM. BUMP PLUG WITH 1700 PSI @ 8:00 AM 7-9-93. CIRCULATED 78 SXS CEMENT TO SURFACE. TEST CASING TO 2000 PSI & DRILL OUT TO TD OF 3752'. RAN 359'- 5 1/2", 15.5#, J-55 LT&C CASING AS LINER WITH FLOAT SHOE ONLY. SET SHOE @ 3751' WITH TOP OF LINER @ 3386'. LEFT LINER UNCEMENTED. RAN GR - CCL & SHOT FOR PRODUCTION 3546' - 56', 3574' - 96', 3626' - 51', 3658' - 63', 3748' - 51' 4SPF (260 SHOTS).

14. I hereby certify that the foregoing is true and correct

Signed

Title Drilling Engineer

Date 7/21/93

(This space for Federal or State office use)

Approved by

Title

Conditions of approval, if any:

ACCEPTED FOR RECORD

AUG 02 1993

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.

\*See instruction on Reverse Side

NMCOO

BY

FARMINGTON DISTRICT OFFICE

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*

(See other In-  
structions on  
reverse side)FOR APPROVED  
OMB NO. 1004-0137  
Expires: December 31, 1991

5. LEASE DESIGNATION AND SERIAL NO.

NM-23047

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NA

7. UNIT AGREEMENT NAME

NA

8. FARM OR LEASE NAME, WELL NO.

Dugan #1

9. API WELL NO.

NA 300-29-70037

10. FIELD AND POOL, OR WILDCAT

Basin (Fruitland Coal)

11. SEC., T., R., M., OR BLOCK AND SURVEY  
OR AREA

Sec 3, T29N, R5W

12. COUNTY OR  
PARISH

Rio Arriba

13. STATE

NM

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ 93. IL CORBED MSTEAREb. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EX ☐ PLUG BACK ☐ DIFF. REVR. ☐ 070 FARMINGTON, NM

2. NAME OF OPERATOR

TEXAKOMA OIL &amp; GAS CORPORATION

3. ADDRESS AND TELEPHONE NO.

5400 LBJ Freeway, Suite 500, Dallas, TX. 75240

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

At surface 1050' FNL &amp; 800' FEL of Sec 3, T29N, R5W

At top prod. interval reported below Same

At total depth Same

14. PERMIT NO.

DATE ISSUED

12. COUNTY OR  
PARISH

Rio Arriba

13. STATE

NM

15. DATE SPUDDED

7/3/93

16. DATE T.D. REACHED

7/10/93

17. DATE COMPL. (Ready to prod.)

7/21/93

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

6865' GL ; 6879' KB

19. ELEV. CASINGHEAD

6865'

20. TOTAL DEPTH, MD &amp; TVD

3752'

21. PLUG, BACK T.D., MD &amp; TVD

3750'

22. IF MULTIPLE COMPL.,  
HOW MANY?23. INTERVALS  
DRILLED BY

ROTARY TOOLS

0-3752

CABLE TOOLS

none

24. PRODUCING INTERVAL(S). OF THIS COMPLETION—TOP, BOTTOM, NAME AND UNIT TYPE \*

Fruitland Coal 3550' - 3750'

26. TYPE ELECTRIC AND OTHER LOGS RUN

DIL - CAL; GR-CCL

AUG 20 1993

OIL CON. DIV

25. WAS DIRECTIONAL  
SURVEY MADE

No

27. WAS WELL CORED

No

## 28. CASING RECORD (All strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9 5/8" J-55	36#	321	12 1/4	Surf. 170 SX B & 2% CaCl <sub>2</sub>	
7" J-55	23#	3534	8 3/4	Surf. 300 SX H & 2% Econo <sub>1</sub> te & 1/4#/SX Flocele and 160 SX H & 0.6% Halad 322 & 1/4#/SX	

## 29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
5 1/2"	3386	3752	none	none	2 7/8"	3727	na

## 31. PERFORATION RECORD (Interval, size and number)

3546' - 56'	0.5" OD	40 Shots
3574' - 96'	0.5" OD	88 Shots
3626' - 48'	0.5" OD	88 Shots
3648' - 51'	0.5" OD	12 Shots
3658' - 63'	0.5" OD	20 Shots
3728' - 37'	0.5" OD	12 Shots

## 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3546 - 3663 3751	Natural

## 33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
	Flowing	SI

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
7/20/93	1 hr	NA		0	12	0.71	0

FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)
3 1/2 PSI	0		0	288	17	NA

34. DISPOSITION OF GAS (Bold, used for fuel, vented, etc.)

Vented

TEST WITNESSED BY  
Doug Endsley

35. LIST OF ATTACHMENTS

DIL-CAL Logs, Deviation Survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

PE

TITLE Operations Engineer

7/21/93

AUG 2 1993

\*(See Instructions and Spaces for Additional Data 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.

FARMINGTON DISTRICT OFFICE

### 38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Fruitland Coal	3,550	3,750	BROWN TO BLACK, EARTHY IN PART, VITREOUS IN PART, FAIR TO POOR CLEATING.	OJO ALAMO KIRTLAND FRUITLAND COAL PICTURE CLIFF	2978' 3147' 3550' 3750'	2978' 3147' 3750' 3750'



Submit 5 Copies  
Appropriate District Office  
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

OIL CONSERVATION DIVISION

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

Form C-104  
Revised 1-1-89  
See Instructions  
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

Operator TEXAKOMA OIL & GAS CORPORATION		Well API No. 30-039-25301
Address 5400 LBJ Freeway, Suite 500, Dallas, Tx. 75240		
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)		
New Well <input checked="" type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/>	Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/>	Condensate <input type="checkbox"/>

If change of operator give name and address of previous operator

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II. DESCRIPTION OF WELL AND LEASE

Lease Name Dugan	Well No. 1	Pool Name, including Formation Basin (Fruitland Coal)	Kind of Lease State, Federal or Fee	Lease No. NM23047
Location Unit Letter A . 1050 Feet From The North Line and 800 Feet From The East Line Section 3 Township 29N Range 5W, NMPM, Rio Arriba County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) NA
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) Williams Field Services, P.O. Box 58900 Salt Lake City, Utah 84158-0900
If well produces oil or liquids, give location of tanks. NA	Is gas actually connected? No

If this production is commingled with that from any other lease or pool, give commingling order number: No

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Rec'v	Diff Rec'v
		X	X					
Date Spudded 7/3/93	Date Compl. Ready to Prod. 7/21/93	Total Depth 3752'		P.B.T.D. 3750'				
Elevations (DF, RKB, RT, GR, etc.) 6865' GL; 6879' KB	Name of Producing Formation Fruitland Coal	Top Oil/Gas Pay 3550'		Tubing Depth 3727'				
Performances 3546 - 56; 3574 - 96; 3628 - 48; 3648 - 51; 3658 - 63	3550-3750		Depth Casing Shoe 3751'					
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12 1/4"	9 5/8"	36# J-55	321		170 SX Class B			
8 3/4"	7"	23# J-55	3534		460 SX			
6 1/4"	5 1/2"	15.5# J-55	3386 - 3752		none			
4.95"	2 7/8"	6.5# J-55	3727		none			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)			
Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift)	RECEIVED JUL 22 1993 OIL CON DIST.
Length of Test	Tubing Pressure	Casing Pressure	
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	

GAS WELL

Actual Prod. Test - MCF/D 288	Length of Test 1 hr	Bbls. Condensate/MMCF 0	Gravity of Condensate NA
Testing Method (pilot, back pr.) Pilot	Tubing Pressure (Shut-in) 0	Casing Pressure (Shut-in) 0	Choke Size NA

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature  
DENNIS CRONKHITE, P.E. OPERATIONS ENG.  
Printed Name  
7/21/93  
Date  
214-701-9106  
Telephone No.

OIL CONSERVATION DIVISION

Date Approved  
AUG 12 1993

By  
Title  
SUPERVISOR DISTRICT 13

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.