

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2-039-24835-

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-078891
1b Type of Well GAS	6. If Indian, Name of Tribe or Allottee NEW MEXICO
2. Operator Parker & Parsley Petroleum Co. Exogreen Operating Corporation	7. Unit Agreement Name ROSA UNIT
3. Address & Phone No. of Operator SA. R. KENDRICK BOX 516, AZTEC, NM 87410 (505) 334-2555	8. Farm or Lease Name ROSA UNIT
4. Location of Well (Unit K) 2000' FSL 1725' FWL	9. Well Number 282
14. Distance in Miles from Nearest Town 13 MILES WEST OF DULCE, NM	10. Field, Pool, or Wildcat BASIN-FRUITLAND COAL GAS POOL
	11. Section, Township, & Range, Meridian, or Block K-2-31N-4W
	12. County RIO ARRIBA
	13. State NEW MEXICO
15. Distance from Proposed Location To Nearest Property Line or Lease Line. 2000'	16. Acres in Lease 1965.72 Acres
	17. Acres Assigned to Well W-326.62 Acres
18. Distance From Proposed Location To Nearest Well Dr, Compl., Or Applied For On Lease. 2667'	19. Proposed Depth 4310'
	20. Rotary or Cable Tools ROTARY
21. Elevations (DF, RT, GR, Etc.) 7135' GR	22. Approximate Date Work Will Start. As soon as Possible.

23. Proposed Casing and Cementing Program

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

Exhibits attached as follows:

- | | |
|--------------------------------------|-----------------------------------|
| "A" Location and Elevation Plat | "F" Drill Rig Layout |
| "B" Ten-Point Compliance Program | "G" Completion Rig Layout |
| "C" Blowout Preventer Schematic | "H" Location Profile |
| "D" Multi-Point Requirements for APD | "I" Production Facility Schematic |
| "E" Vicinity Map - Access Roads | |

24. Signed AR Kendrick Title Agent Date 4-9-90

Permit No. RECEIVED Approval Date JUL 11 1990

Approved By AS AREA MANAGER Title AS AREA MANAGER Date JUL 11 1990

OIL CON. DIV.

NOTE: THIS FORM IS ISSUED IN LIEU OF U.S. BLM FORM 3160-3

AREA 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

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 <i>Parker & Parkey Petroleum Co.</i> Evergreen Operating Corporation			Lease Rosa Unit		Well No. 282
Unit Letter K	Section 2	Township 31 North	Range 4 West	County Rio Arriba	

Actual Footage Location of Well:

2000 feet from the South line and 1725 feet from the West line

Ground level Elev. 7135	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal Gas Pool	Dedicated Acreage: 326.62 Acres
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- 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.

RECEIVED

JUL 6 1990

OIL CON. DIV.
DIST. 3

Section 2

1725'

2000'

OPERATOR CERTIFICATION

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

Signature *A. R. Kendrick*
Printed Name
A. R. Kendrick
Position
Agent
Company
Evergreen Operating Corp.
Date
April 9, 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
April 5, 1990

Signature & Seal of Professional Surveyor
Edgar L. Risenhoover
EDGAR L. RISENHOOVER
NEW MEXICO
REGISTERED LAND SURVEYOR
Certificate No. 5970
Edgar L. Risenhoover

TEN-POINT COMPLIANCE PROGRAM**1**

Evergreen Operating Corporation
Rosa Unit #282
2000' FSL 1725'FWL Sec. 2-31N-4W
Rio Arriba County, NM Elev: 7135' GR
Lease No. **SF-078891**

1. THE GEOLOGICAL SURFACE FORMATION IS: Nacimiento.
2. THE ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Ojo Alamo	3455'
Kirtland	3610'
Fruitland	3840'
Fruitland Coal	4005'
Pictured Cliffs	4055'
Total Depth	4310'

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

<u>SUBSTANCE</u>	<u>FORMATION</u>	<u>ANTICIPATED DEPTH</u>
GAS	Fruitland Coal	4005'

4. THE PROPOSED CASING PROGRAM WILL BE AS FOLLOWS:

<u>DEPTH</u>	<u>HOLE SIZE</u>	<u>O.D.</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>TYPE</u>	<u>NEW/USED</u>
0-350'	12-1/4"	9-5/8"	36	K-55	ST&C	NEW
0-TD	7-7/8"	5-1/2"	15.5	K-55	ST&C	NEW

THE PROPOSED CEMENT PROGRAM WILL BE AS FOLLOWS:

Surface: 190 Sx Class B w/1/4# Flocele/Sx plus 2% CaCl.

Production: 485 Sx Class B w/2% Calcium Chloride and 0.5 cubic feet per sack perlite followed by 220 Sx Class B 50/50 poz w/2% gel, 0.4% NaCl and 1/4 pound/sack Flocele, possibly in two stages with the stage collar 200 to 300 feet above the coal.

Note: Sufficient cement volume to cover casing bottom to top to be determined after logging.

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Exhibit C is a schematic of the blowout preventer used by a local contractor for other wells in the area. The BOPs are to be test-operated before drilling out from under the surface casing, and operation checks will be made daily thereafter and recorded in the Daily Drilling Report. Accessories to BOP will include floor safety valve and choke manifold with pressure rating equivalent to the BOP stack.

EXHIBIT B

Evergreen Operating Corporation
Rosa Unit #282
2000' FSL 1725'FWL Sec. 2-31N-4W
Rio Arriba County, NM Elev: 7135' GR
Lease No. SF-078891

6. THE TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATING MUDS:

SURFACE CASING: Spun flocculating bentonite with lime.

PRODUCTION CASING: Low solids non-disbursing system.

<u>INTERVAL</u>	<u>MUD WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>pH</u>	<u>ADDITIVES</u>
0-350'	9.0	45	- - -	9	Gel, Lime
350-TD	8.6 to 9.2	30-50	<15 cc	9	Chemicals as needed

7. AUXILIARY EQUIPMENT TO BE USED IS AS FOLLOWS:

- a. Float valve above bit.
- b. Monitoring of mud system will be visual.
- c. A safety valve and subs to fit all drill strings will be used.

8. TESTING, LOGGING, AND CORING WILL BE AS FOLLOWS:

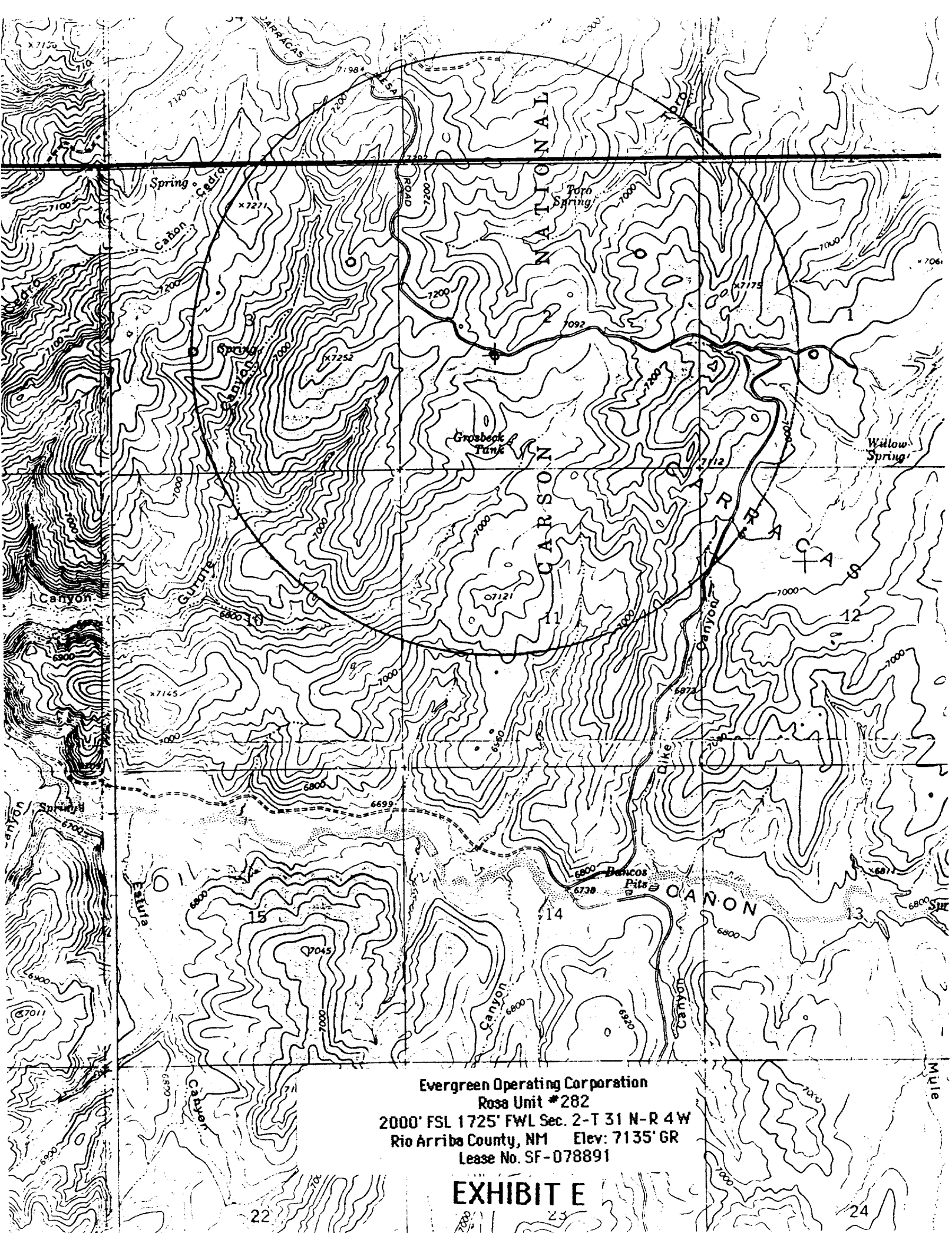
- a. Cores: none.
- b. Drill stem tests: none anticipated.
- c. Logging: IEC from 0' to TD. Micro Log and CNL/FDC over potential pay zones.
A mud logging unit will be utilized.

9. ANTICIPATED ABNORMAL PRESSURES AND TEMPERATURES:

No abnormal pressures, temperatures or Hydrogen Sulfide gases are anticipated during the drilling of this well. The maximum bottom hole pressure is expected to be less than 1500 psi.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

The anticipated starting date is set for as soon as possible after the approval of the Application for Permit to Drill is approved. The operations should be completed within 15 days after spud date.



Evergreen Operating Corporation
Rosa Unit #282
2000' FSL 1725' FWL Sec. 2-T 31 N-R 4 W
Rio Arriba County, NM Elev: 7135' GR
Lease No. SF-078891

EXHIBIT E

$$\begin{array}{r}
 43.27 \\
 43.35 \\
 \hline
 86.62 \\
 180000 \\
 240000 \\
 \hline
 326000
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