

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-039-24896

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | |
|--|--|--|--|
| 1a. Type of Work DRILL | | 5. Lease Number SF-078887 | |
| 1b Type of Well GAS | | 6. If Indian, Name of Tribe or Allottee | |
| 2. Operator <i>Parker & Parsley Petr. Co.</i> Evergreen 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 D) 1030' FNL 900' FWL | | 9. Well Number 296 | |
| 14. Distance in Miles from Nearest Town 12 MILES WEST OF DULCE, NM | | 10. Field, Pool, or Wildcat BASIN-FRUITLAND COAL GAS POOL | |
| 15. Distance from Proposed Location To Nearest Property Line or Lease Line. 900' | | 11. Section, Township, & Range, Meridian, or Block D-12-31N-4W | |
| 16. Acres in Lease 2559.57 Acres | | 12. County RIO ARRIBA | |
| 17. Acres Assigned to Well W-320 Acres | | 13. State NEW MEXICO | |
| 18. Distance From Proposed Location To Nearest Well Dr, Compl., Or Applied For On Lease. 130' | | 19. Proposed Depth 4160' 4156 | |
| 20. Rotary or Cable Tools ROTARY DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS". | | 21. Elevations (DF, RT, GR, Etc.) 7006' GR | |
| 22. Approximate Date Work Will Start. As soon as Possible | | 23. Proposed Casing and Cementing Program: | |
| Exhibits attached as follows: "A" Location and Elevation Plat "B" Vicinity Map - Access Roads "C" Ten-Point Compliance Program "D" Multi-Point Requirements for APD "E" Blowout Preventer Schematic "F" Location Profile "G" Drill Rig Layout "H" Completion Rig Layout "I" Production Facility Schematic | | | |
| 24. Signed <i>AR Kendrick</i> Title _____ Agent _____ Date June 13, 1990 | | | |

RECEIVED

AUG 17 1990

OIL CON. DIV
DIST. 3

Permit No. _____ Approval Date _____
Approved By _____ Title _____ Date _____

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

NMOCD

*Hold C-104 FOR N5L (2)
Operator Change + DD*

*APPROVED
AS AMENDED
AUG 13 1990
J. S. Kelly
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

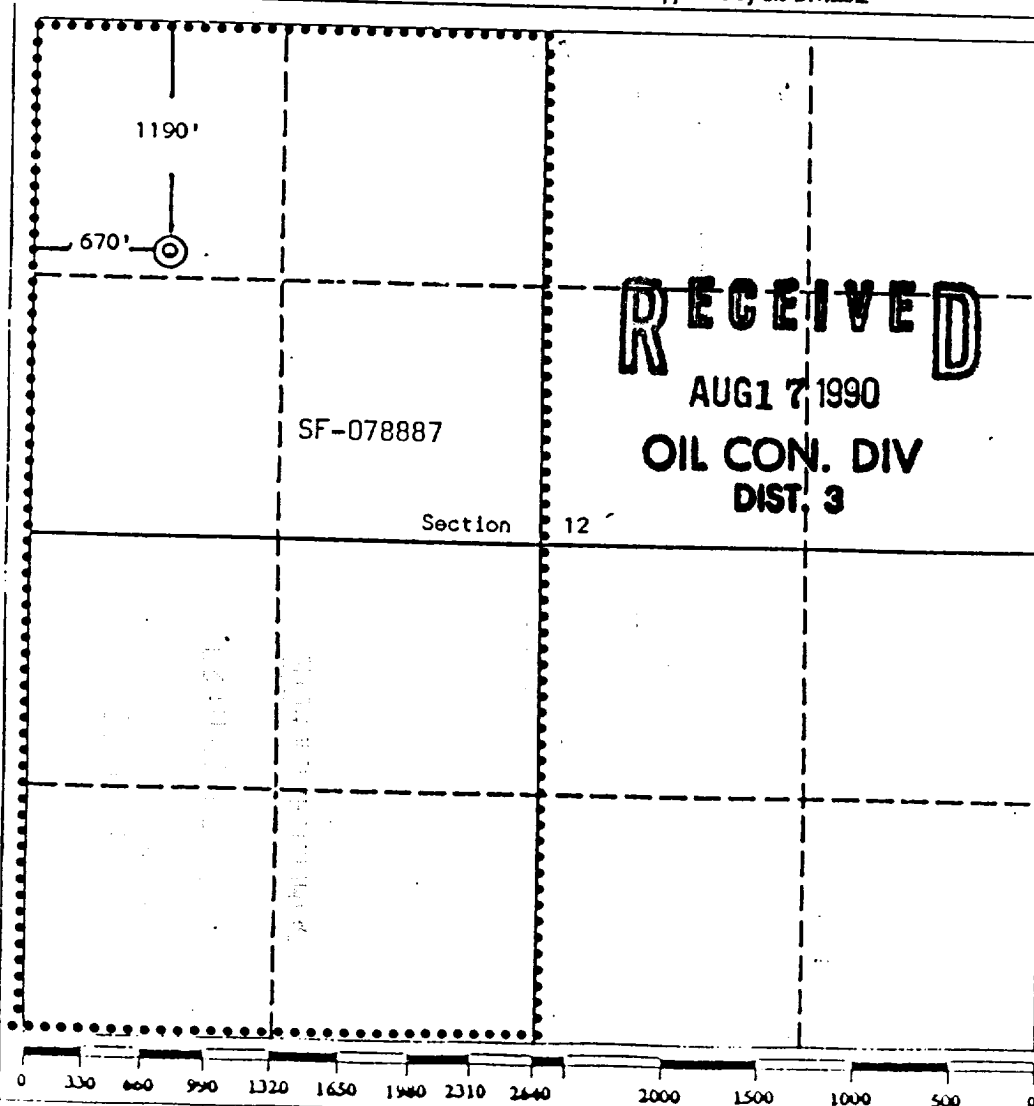
DISTRICT II
P.O. Drawer DD, Arama, NM 88210

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 Parker & Parsley Petroleum Company | | | Lease Rosa Unit | | Well No. 296 |
| Unit Letter D | Section 12 | Township 31 North | Range 4 West | County Rio Arriba | |
| Actual Footage Location of Well: 1190 feet from the North line and 670 feet from the West line | | | | | |
| Ground level Elev. 7000 | Producing Formation Fruitland Coal | | Pool Basin Fruitland Coal | | Dedicated Acreage: 320 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
A. R. Kendrick
Printed Name
A. R. Kendrick
Position
Agent
Company
Parker & Parsley Pet. Co.
Date
July 19, 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
June 26, 1990

Signature & Seal of Professional Surveyor
Edgar L. Risenhoover
EDGAR L. RISENHOOVER
NEW MEXICO
5979
Certificate No. **5979**
Edgar L. Risenhoover, R.S.



TEN-POINT COMPLIANCE PROGRAM**1**

Evergreen Operating Corp.
Rosa Unit #296
1030' FNL 900' FWL, Sec. 12-T31N-R4W
Elev. 7006' GR
Lease No. **SF-078887**

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

| | |
|-----------------|-------|
| Ojo Alamo | 3351' |
| Kirtland | 3431' |
| Fruitland | 3656' |
| Fruitland Coal | 3861' |
| Pictured Cliffs | 3906' |
| Total Depth | 4156' |

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

| <u>SUBSTANCE</u> | <u>FORMATION</u> | <u>ANTICIPATED DEPTH</u> |
|------------------|------------------|--------------------------|
| GAS | Fruitland Coal | 3861' |

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: 500 Sx Class B w/2% Calcium Chloride and 0.5 cubic feet per sack perlite followed by 222 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 E 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 C