



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

August 4, 1992

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

Evergreen Operating Corporation
c/o A.R. Kendrick
P.O. Box 516
Aztec, New Mexico 87410

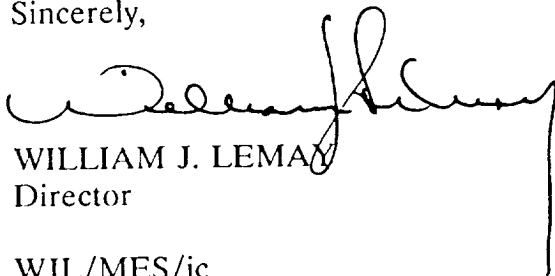
Administrative Order NSL-3143

Dear Mr. Kendrick:

Reference is made to your application dated July 7, 1992 on behalf of the operator, Evergreen Operating Corporation, for a non-standard coal gas well location for the **Chicosa "34" Well No. 1** to be located 590 feet from the North line and 1860 feet from the East line (Unit B) of Section 34, Township 31 North, Range 4 West, NMPM, Basin-Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The E/2 of said Section 34 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, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec ✓
U.S. BLM - Farmington
U.S. Forest Service - Blanco, New Mexico

RECEIVED
AUG 06 1992
OIL CON. DIV
DIST. 3



STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

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

Date: 8-5-92

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

RE: Proposed MC _____
Proposed NSL 8 _____
Proposed WFX _____
Proposed NSP _____

Proposed DHC _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Gentlemen:

I have examined the application received on 7-14-92
for the Evergreen Operating Corp. Chicoma 34#
OPERATOR LEASE & WELL NO.
B-34-31A-4W and my recommendations are as follows:
UL-S-T-R

[Signature]

Yours truly,

[Signature]

A. R. KENDRICK

P.O. BOX 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

JUL 07 1992

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

Re: Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 34 #1
590' FNL 1860' FEL Sec. 34-T31N-R4W
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

RECEIVED
JUL 14 1992
OIL CON. DIV.
DIST. 3

Gentlemen:

We, on behalf of Evergreen Operating Corporation, hereby make application for approval of the location of the Chicosa 34 #1 well to be located 590' FNL 1860' FEL of Section 34 Township 31 North, Range 4 West, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

The reason for the non-standard location is because of topography and at the request of the U.S. Forest Service to avoid further damage to the environment and wildlife habitat.

We believe that directional drilling should not be required because a beam pump and rods may be required to lift water from the wellbore to sustain production.

The distances between wells is within the footage parameters required by Order R-8759.

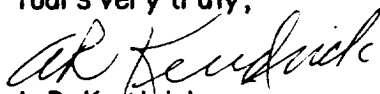
The attached exhibits show the situation at the location and surrounding area.

It is our belief that the information contained in this application is true and correct according to the information available to us.

All offset operators and lease owners are being notified by certified mail at this mailing. The Return Receipt Cards will be provided when they are returned.

If further information is needed, please contact us.

Yours very truly,


A. R. Kendrick

Enclosures

xc: Offset owners and interested parties as listed on Exhibit G

APPROVAL Recommended 7-13
CJ

Exhibits for Application for Non-Standard Location

Evergreen Operating Corporation Chicosa 34 #1

**590' FNL 1860' FEL Sec. 34-T31N-R4W
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico**

The following exhibits are enclosed :

- EXHIBIT A** Form C-102, Well Location and Acreage Dedication Plat, showing the location of the well with respect to the section lines, the dedicated acreage, and the proration unit.
- EXHIBIT B** Copy of Topographic Map showing the location.
(Notice that the Contour Interval is 40 feet.)
- EXHIBIT C** Ownership and Offset Well Location Plat showing the location and ownership and offset wells.
- EXHIBIT D** Location Windows Plat showing the "windows" for standard locations as provided by Order R-8768 with the #293 and #294 wells spotted in their approximate locations.
- EXHIBIT E** Copy of Application for Permit to Drill.
- EXHIBIT F** On-Site Inspection report showing the findings of the On-Site Inspection.
- EXHIBIT G** List of names and addresses of offset owners and other interested parties.

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 Evergreen Operating Corporation			Lease Chicoosa 34		Well No. 1
Unit Lease B	Section 34	Township 31 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 590 feet from the North line and 1860 feet from the East line					
Ground level Elev. 6860 Est.	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 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 allowables 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 Division.

RECEIVED

JUL 14 1992

OIL CON. DIST.

NM-86071

Section 34

590'

1860'

OPERATOR CERTIFICATION

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

Signature

Printed Name

A. R. Kendrick

Position

Agent

Company

Evergreen Operating Corp.

Date

June 11, 1992

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.

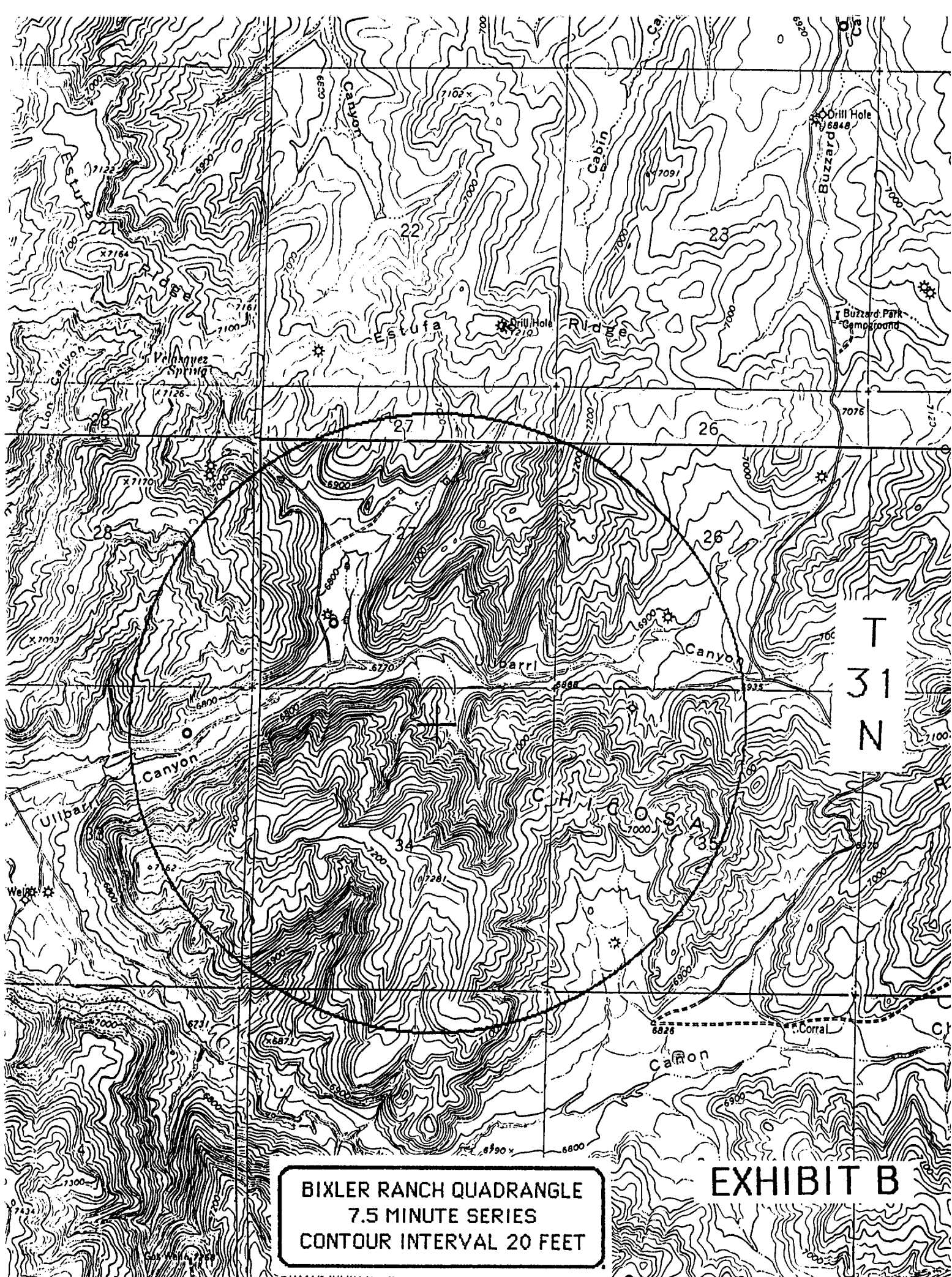
Date Surveyed

June 4, 1992

Signature & Seal of Professional Surveyor

EDGAR R. RISENHOOVER
NEW MEXICO
5999
Edgar R. Risenhoover, P.S.

EXHIBIT A



BIXLER RANCH QUADRANGLE
7.5 MINUTE SERIES
CONTOUR INTERVAL 20 FEET

EXHIBIT B

Non-Standard Location Chicosa 34 #1

590' FNL 1860' FEL, B-34-T31N-R4W

Basin Fruitland Coal Gas Pool

R 4 W

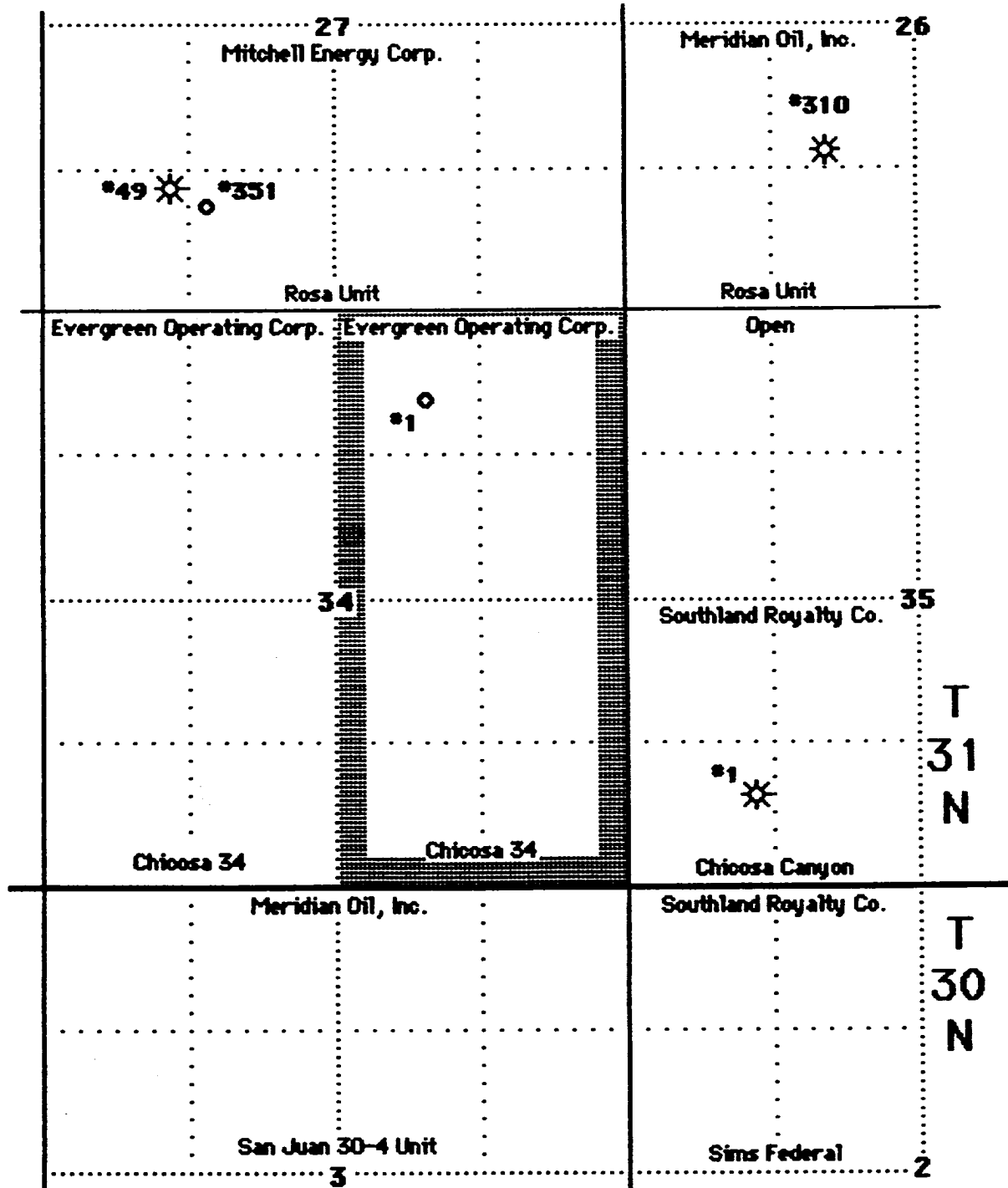


EXHIBIT C

2.

Basin Fruitland Coal Gas Pool

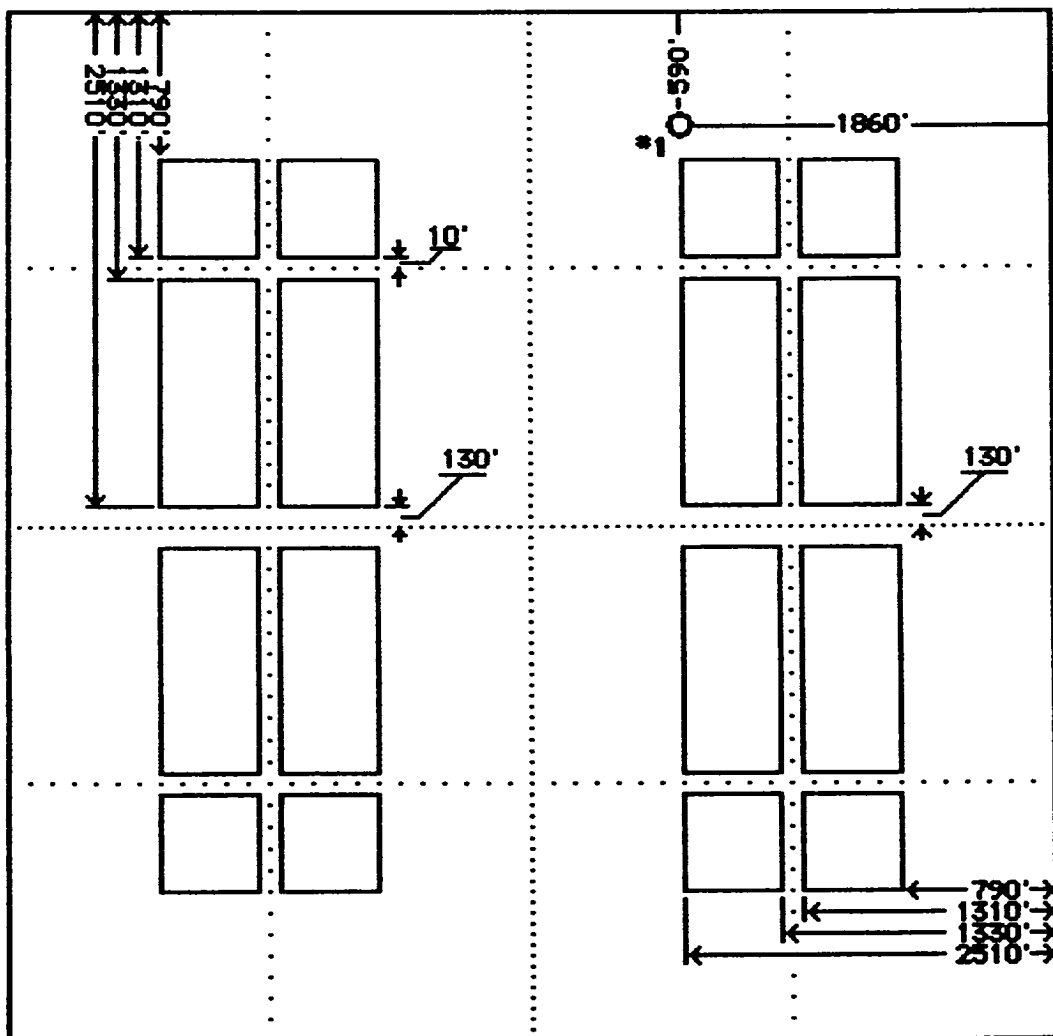


EXHIBIT D

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUL 14 1992
OIL CON. DIV.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL		5. Lease Number NM-86071	
1b Type of Well GAS		6. If Indian, Name of Tribe or Allottee	
2. Operator Evergreen Operating Corporation		7. Unit Agreement Name	
3. Address & Phone No. of Operator SA. R. KENDRICK BOX 516, AZTEC, NM 87410 (505) 334-2555		8. Farm or Lease Name CHICOSA 34	
4. Location of Well (UNIT B) 590' FNL 1860' FEL		9. Well Number 1	
14. Distance in Miles from Nearest Town 13 Airline miles north of Gasbuggy Site.		10. Field, Pool, or Wildcat BASIN-FRUITLAND COAL GAS POOL	
		11. Section, Township, & Range, Meridian, or Block B-34-31N-4W	
		12. County RIO ARRIBA	13. State NEW MEXICO
15. Distance from Proposed Location To Nearest Property Line or Lease Line. 590'	16. Acres in Lease 640 ACRES	17. Acres Assigned to Well N-320	
18. Distance From Proposed Location To Nearest Well Dr., Compl., Or Applied For On Lease. None	19. Proposed Depth 3850'	20. Rotary or Cable Tools ROTARY	
21. Elevations (DF, RT, GR, Etc.) 6860' GR		22. Approximate Date Work Will Start. September or October, 1992	

23. Proposed Casing and Cementing Program:

Exhibits attached as follows:

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

24. Signed *AR Kendrick* Title _____ Agent _____ Date JUL 07 1992

Permit No. _____ Approval Date _____

Approved By _____ Title _____ Date _____

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

EXHIBIT E

**LIST OF OFFSET OWNERS AND
OTHER INTERESTED PARTIES**

Evergreen Operating Corp.

Chicosa 34 #1

590' FNL 1860' FEL Sec. 34 - T 31 N - R 4 W

Lease No. NM-86071

Basin Fruitland Coal Gas Pool

Rio Arriba County, New Mexico

Amoco Production Company •
P. O. Box 800
Denver, Colorado 80201

Meridian Oil, Inc. •
P.O. Box 4289
Farmington, New Mexico 87499-4289

Mitchell Energy Corporation •
2001 Timberlock Place
The Woodlands, Texas 77380

Southland Royalty Company •
P.O. Box 4289
Farmington, New Mexico 87499-4289

U. S. Forest Service •
Jicarilla Ranger District
Gobernador Route
Blanco, New Mexico 87412

Bureau of Land Management
1235 La Plata Highway
Farmington, New Mexico 87401

Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

• Notified by certified mail Return Receipt.

EXHIBIT G