

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT *30-039-25300*

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work <b>DRILL</b>		5. Lease Number <b>NM-59695</b>	
1b Type of Well <b>GAS</b>		6. If Indian, Name of Tribe or Allottee	
2. Operator <b>Evergreen Operating Corporation</b> <i>7664</i>		7. Unit Agreement Name	
3. Address & Phone No. of Operator <b>SA. R. KENDRICK</b> <b>BOX 516, AZTEC, NM 87410</b> <b>(505) 334-2555</b>		8. Farm or Lease Name <b>CHICOSA 36</b>	
4. Location of Well <b>1174' FNL 790' FWL</b>		9. Well Number <b>1</b>	
14. Distance in Miles from Nearest Town <b>15 Airline miles north Gobernador, NM</b>		10. Field, Pool, or Wildcat <b>BASIN-FRUITLAND COAL GAS POOL</b> <i>71629</i>	
		11. Section, Township, & Range, Meridian, or Block <b>D - 36 - 31N - 4W</b>	
		12. County <b>RIO ARRIBA</b>	13. State <b>NEW MEXICO</b>
15. Distance from Proposed Location To Nearest Property Line or Lease Line. <b>790'</b>	16. Acres in Lease <b>476.11 ACRES</b>	17. Acres Assigned to Well <b>N-319.12</b>	
18. Distance From Proposed Location To Nearest Well Dr., Compl., Or Applied For On Lease. <b>4519'</b>	19. Proposed Depth <b>4050'</b>	20. Rotary or Cable Tools <b>ROTARY</b> <small>PERMIT OPERATIONS AUTHORIZED ARE FOR THE PURPOSES OF THE PERMIT AND ARE NOT TO BE USED FOR ANY OTHER PURPOSES</small>	
21. Elevations (DF, RT, GR, Etc.) <b>7059' GR est.</b>		22. Approximate Date Work Will Start <b>Fall, 1993</b>	

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

**OIL CON. DIV.**  
**DIST. 3**

24. Signed *SA R Kendrick* Title \_\_\_\_\_ Agent \_\_\_\_\_ Date *6-1-93*

Permit No. \_\_\_\_\_ Approval Date \_\_\_\_\_

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

*NEL-3272*

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

**DISTRICT MANAGER**

**AUG 13 1993**

**APPROVED  
AS AMENDED**

**AUG 17 1993**

**RECEIVED**

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

RECEIVED  
BLM

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

93 JUN -7 AM 7:52

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

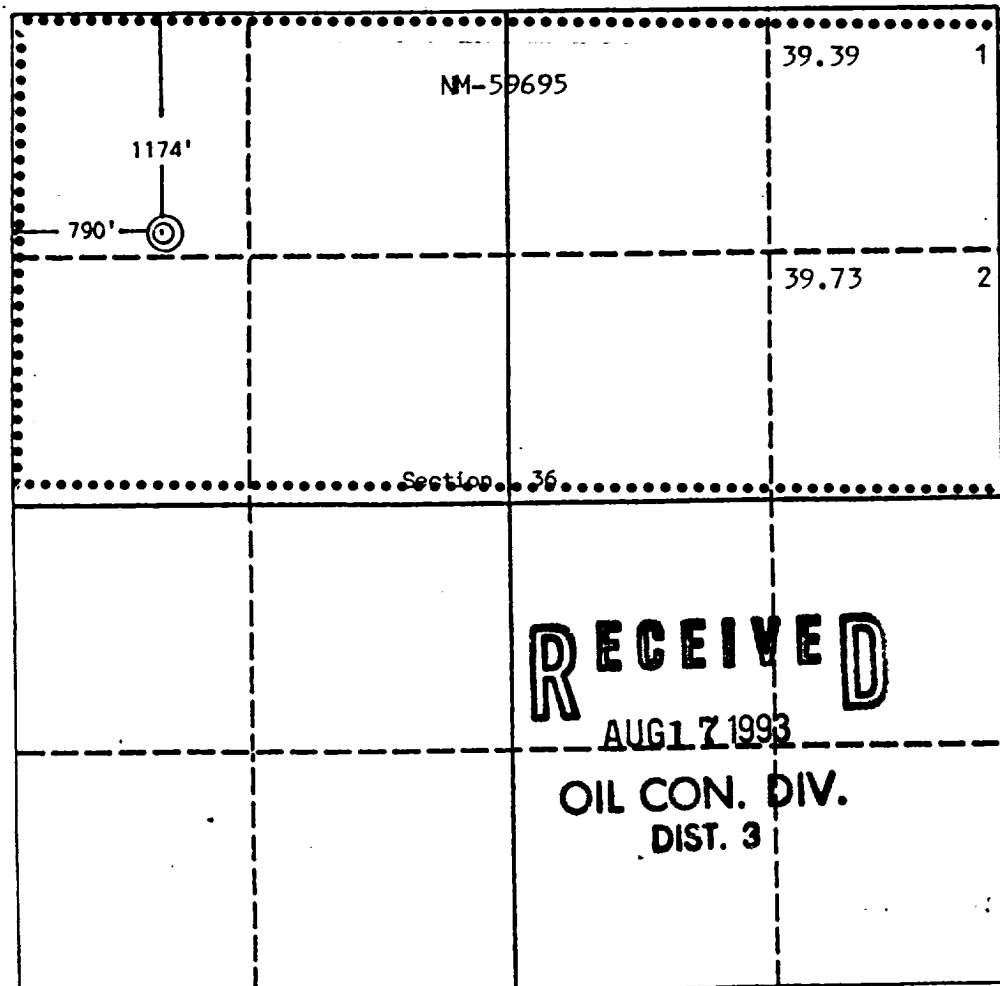
WELL LOCATION AND ACREAGE DEDICATION PLAT

070 FARMINGTON, NM

All Distances must be from the outer boundaries of the section

Operator Evergreen Operating Corporation			Lease Chicosa 36		Well No. 1
Unit Letter D	Section 36	Township 31 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 1174 feet from the North line and 790 feet from the West line					
Ground level Elev. 7059 Est.	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: N - 319.12 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 communization, 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 communization, 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

Evergreen Operating Corp.

Date

6-1-93

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

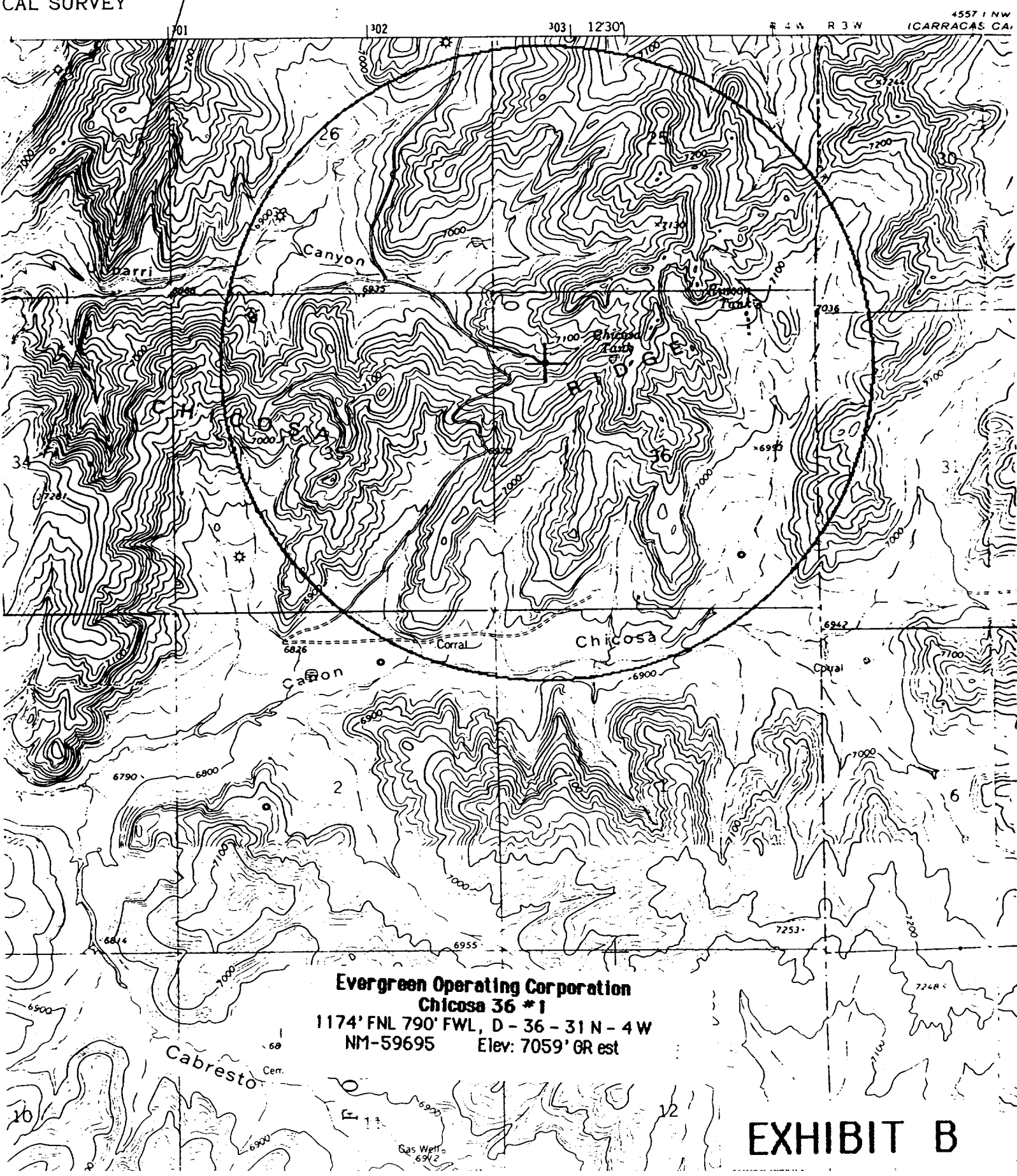
April 28, 1993

Signature & Seal of  
Professional Surveyor

*Edgar E. Risen*  
Certificate No. 5978

EXHIBIT A

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND SURVEY



Evergreen Operating Corporation  
Chicosa 36 #1  
1174' FNL 790' FWL, D - 36 - 31 N - 4 W  
NM-59695 Elev: 7059' GR est

EXHIBIT B

## TEN-POINT COMPLIANCE PROGRAM

Evergreen Operating Corp.  
Chicosa 36 #1  
1174' FNL 790' FWL Sec. 36 - T 31 N - R 4 W  
Elev: 7059' GR est  
Lease No. NM-59695

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

Ojo Alamo	3109'
Kirtland	3359'
Fruitland	3579'
Fruitland Coal	3609'
Pictured Cliffs	3799'
Total Depth	4050'

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

<u>SUBSTANCE</u>	<u>FORMATION</u>	<u>ANTICIPATED DEPTH</u>
GAS	Fruitland Coal	4050'

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

PROPOSED CEMENT PROGRAM: To effectively isolate and seal off all water, oil, gas and coalbearing strata encountered by the utilization of spacers, centralizers and swirling centralizers at the base of the Ojo Alamo formation as specified by NTL-FRA 90-1 III.B and API standards; and by using cement volumes as follows:

Surface: 265 CuFt (225 Sx) Class B w/1/4" Flocele/Sx plus 2% CaCl.

Production: 1st stage: 30 CuFt (25 Sx) 50/50 pozolon, 2% gel and 1/2"/Sx Flocele plus 118 CuFt (100 Sx) Class B w/4% Halad-344 and 1/2"/Sx Flocele. 1st stage Totals: 148 CuFt (125 Sx). 2nd stage: 1160 CuFt (628 Sx) Halliburton Lite w/2% CaCl plus 118 CuFt (100 Sx) Class B w/2% CaCl. 2nd stage totals: 1501 CuFt (905 Sx). Grand Totals: 1649 CuFt (1030 Sx). (Exact volumes to be determined from logs.)

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