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NEW MEXICO OIL CONSERVATION COMMISSION

30-045-22781  
Form O-101  
Revised 10-65

EXPIRES 1-29-78

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.	
LG-3876	
7. Unit Agreement Name	
8. Farm or Lease Name	
State	
9. Well No.	
3	
10. Field and Pool, or Wildcat	
Undesignated PC and S.	
Los Pinos Fruitland Ext.	
12. County	
San Juan	
19. Proposed Depth	19A. Formation
3700'	Pictured Cliffs
20. Rotary or C.T.	
Rotary	
21. Elevations (Show whether D.F.R.T., etc.)	21A. Kind & Status Plug Bond
6542' GL	Blanket
21B. Drilling Contractor	
22. Approx. Date Work will start	
November 7, 1977	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work	
DRILL <input checked="" type="checkbox"/>	DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
b. Type of Well	
OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	
Palmer Oil & Gas Company	
3. Address of Operator	
P. O. Box 2564, Billings, Montana 59103	
4. Location of Well	
UNIT LETTER 1	LOCATED 1620 FEET FROM THE South LINE
AND 800 FEET FROM THE East	LINE OF SEC. 2 TWP. 31N RGE. 7W NMPM
21. Elevations (Show whether D.F.R.T., etc.)	
6542' GL	
21A. Kind & Status Plug Bond	
Blanket	
21B. Drilling Contractor	
22. Approx. Date Work will start	
November 7, 1977	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24#	250'	225 sx	
7-7/8"	5-1/2"	14#	3700'	600 sx	

- Palmer will drill a 3700' Pictured Cliffs test in the NE $\frac{1}{4}$ SE $\frac{1}{4}$  Section 2, Township 31 North, Range 7 West.
- Well to be drilled by rotary tools. Set 250' of 8-5/8" casing and cement to surface; drill 7-7/8" hole to total depth.
- IES and Porosity Logs will be run at T.D. All potential zones will be analyzed from surface to T.D., and if potentially commercial, 5 $\frac{1}{2}$ " casing will be set, cemented and perforated.
- After perforating, the productive zones will be fractured, if necessary.
- The gas is dedicated.
- A Shaffer 8" - 3000' BOP with blind and pipe rams to be used.
- Spacing unit comprises the SE $\frac{1}{4}$  Section 2.
- Survey plat attached.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed James G. Routson Title Petroleum Engineer Date October 28, 1977  
(This space for State Use)

APPROVED BY Alfred J. Gendrich TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

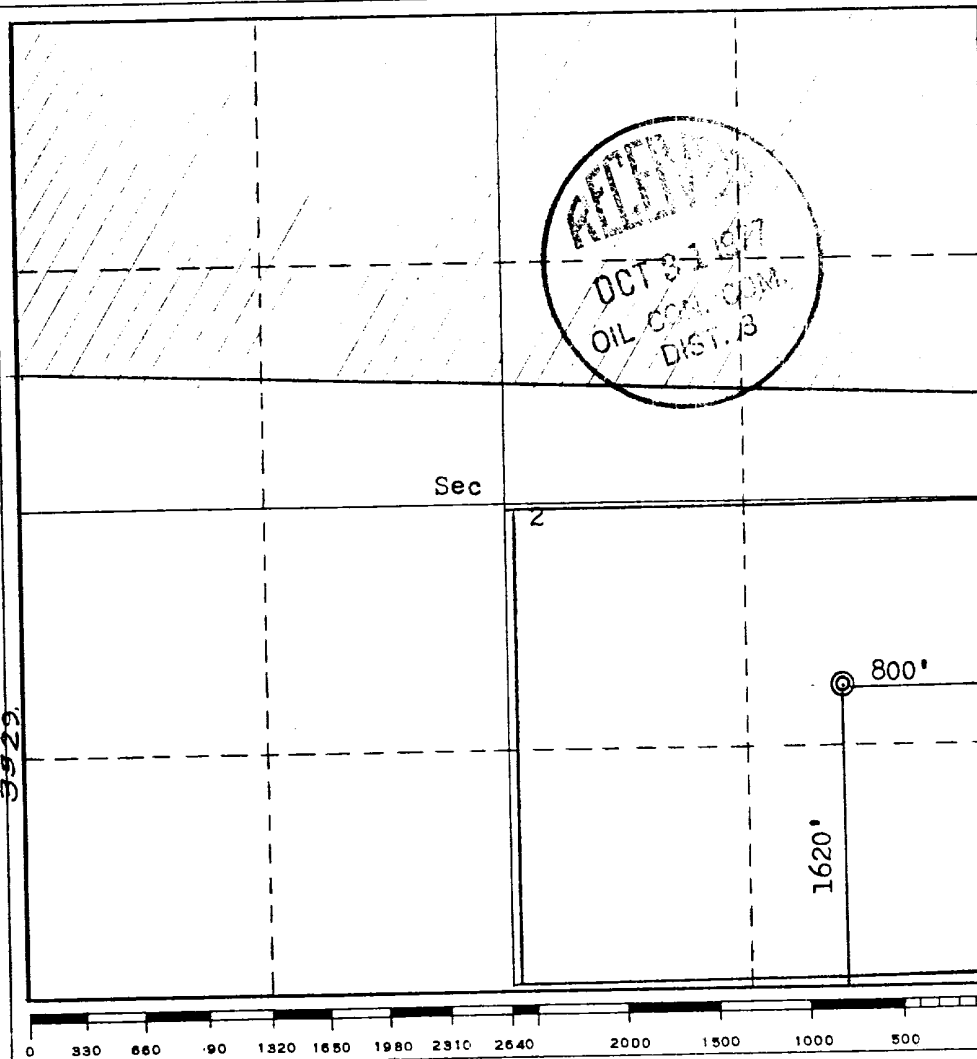
Operator <b>Palmer Oil &amp; Gas Company</b>			Lease <b>State</b>		Well No. <b>3</b>
Unit Letter <b>I</b>	Section <b>2</b>	Township <b>31N</b>	Range <b>7W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>1620</b> feet from the <b>South</b> line and <b>800</b> feet from the <b>East</b> line					
Ground Level Elev. <b>6542</b>	Producing Formation <b>Pictured Cliffs</b>	Pool <b>Undesignated Pictured Cliffs &amp; S. Los Pinos Fruitland Ext.</b>		Dedicated Acreage: <b>160.00</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name  
**James G. Routson**

Position  
**Petroleum Engineer**

Company  
**PALMER OIL & GAS COMPANY**

Date  
**October 28, 1977**

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  
**October 15, 1977**

Registered Professional Engineer and/or Land Surveyor

**Fred B. Kerr Jr.**

Certificate No.  
**3950**

