



LTR



Job separation sheet

30-045-27381

Form 3160-3
(November 1983)
(formerly 9-311C)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(Number instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

Coal Seam
OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Amoco Production Company

3. ADDRESS OF OPERATOR

2325 East 30th Street, Farmington NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

810' FSL x 1280' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

14 miles northeast of Aztec NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

810'

16. NO. OF ACRES IN LEASE

320.00

17. NO. OF ACRES ASSIGNED

TO THIS WELL

320 S/2

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
See attached plan
3020'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DP, RT, GR, etc.)

6054'

GR

DRILLING OPERATIONS AUTHORIZED ARE

SUBJECT TO COMPLIANCE WITH ATTACHED
PROPOSED CASING AND CEMENTING PROGRAM

GENERAL REQUIREMENTS

22. APPROX. DATE WORK WILL START*

As soon as permitted

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36# K55	250'	200 cf Class B
8-3/4"	7"	20# K55	2574'	723 cf Class B
6-1/4"	5-1/2"	23# P110	2757'	

Notice of Staking was submitted 4-17-89.

Lease description:

T30N-R9W, NMPM
Sec. 23: S/2

RECEIVED

JUN 26 1989

OIL CON. DIV.
DIST. 3

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

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED J. L. Hampton TITLE Admin. Supv. DATE 5/16/89
(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY _____

TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

Held C-104 for TA of
Florance #6. A Fruit Coal

*See Instructions On Reverse Side

APPROVED
AS AMENDED

JUN 22 1989

for AREA MANAGER

Amoco proposes to drill the well to further develop the Fruitland Coal reservoir. The well will be drilled to the surface casing point using native mud. The well will then be drilled to the intermediate casing point with a non-dispersed mud system. The attached modified 11" 3000 psi blowout preventer will be used. Amoco will attempt to complete the Fruitland coal by drilling the interval with water and air. A service unit will probably be used to drill into the coals using the attached modified 6" 3000 psi BOP. If commercial productivity is established, then a 5-1/2" uncemented liner will be run. Amoco reserves the right to utilize a drilling rig to drill this hole section.

Quantity	Size	Weight	Description	Cementing Program
<u>SURFACE CASING</u>				
250'	9-5/8"	36#	K55 ST&C	200 cf Class B, 2% CaCl ₂ 15.6 ppg
<u>INTERMEDIATE STRING</u>				
2574'	7"	20#	K55 ST&C	723 cf Class B, 65:35:6 10% salt, .25% dispersant 13.1 ppg 118 cf Class B, 2% CaCl ₂ 15.6 ppg
<u>LINER</u>				
300'	5-1/2"	23#	P110 LT&C	None

The above casing design is based upon a 9.0#/gallon mud weight.

CONTINGENCY OPERATIONAL PLAN

In the event the well does not yield commercial volumes of gas from the open hole completion, the water filled hole will be mudded-up and weighted-up as necessary (9-11#/gal.) for hole stability and well control. The well will then be deepened approximately 250' into the Pictured Cliffs formation to provide necessary footage for a cased and cemented completion technique. The Fruitland coals will then be perforated and fracture stimulated. The Pictured Cliffs formation will be isolated with cement.

CONTINGENCY LINER

650'	4-1/2"	11.6#	K-55 LT&C	250 cf Class B
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The contingency string is based upon a 11.0#/gallon mud weight.

Evaluation:

Mud logs will be the only logs run if the well is completed as an open hole. The log surveys (FDC/GR/CAL, DIL/SP/GR, Microlog, Mudlogger) will be run only if the well is drilled into the Pictured Cliffs formation, and only if well condition is suitable to allow proper wireline log interpretation.

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

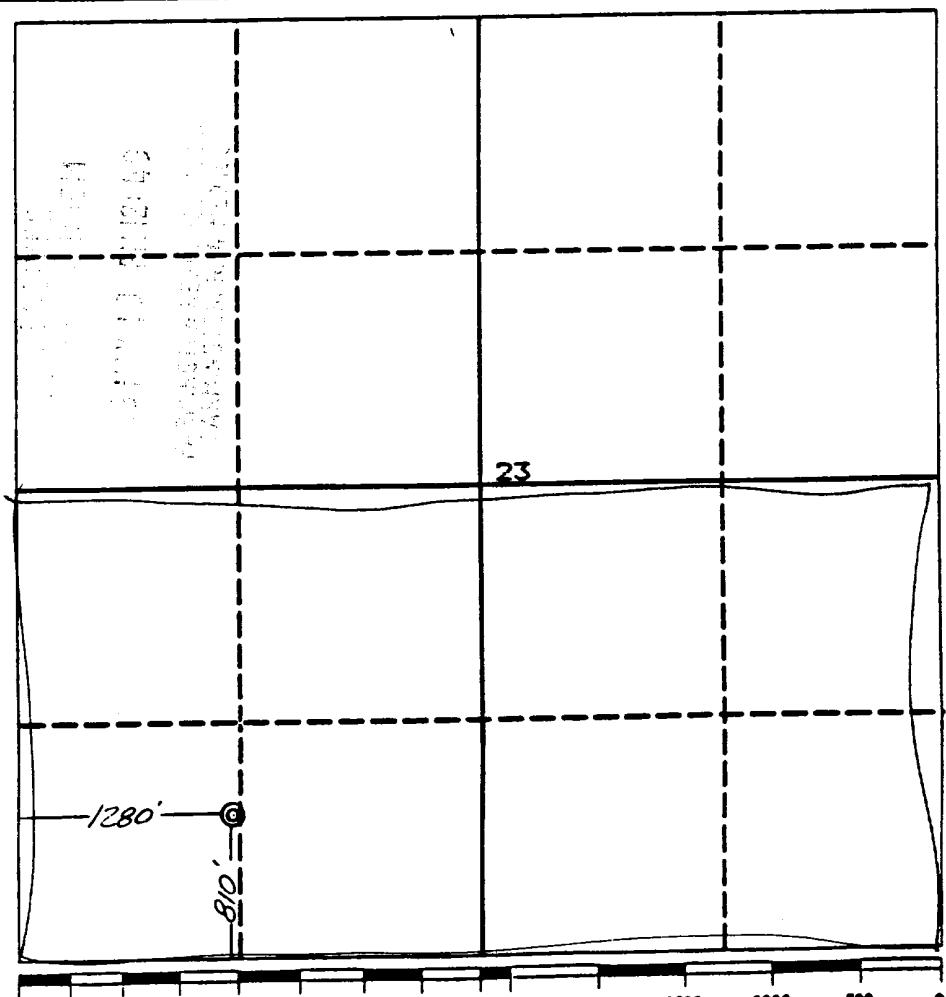
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

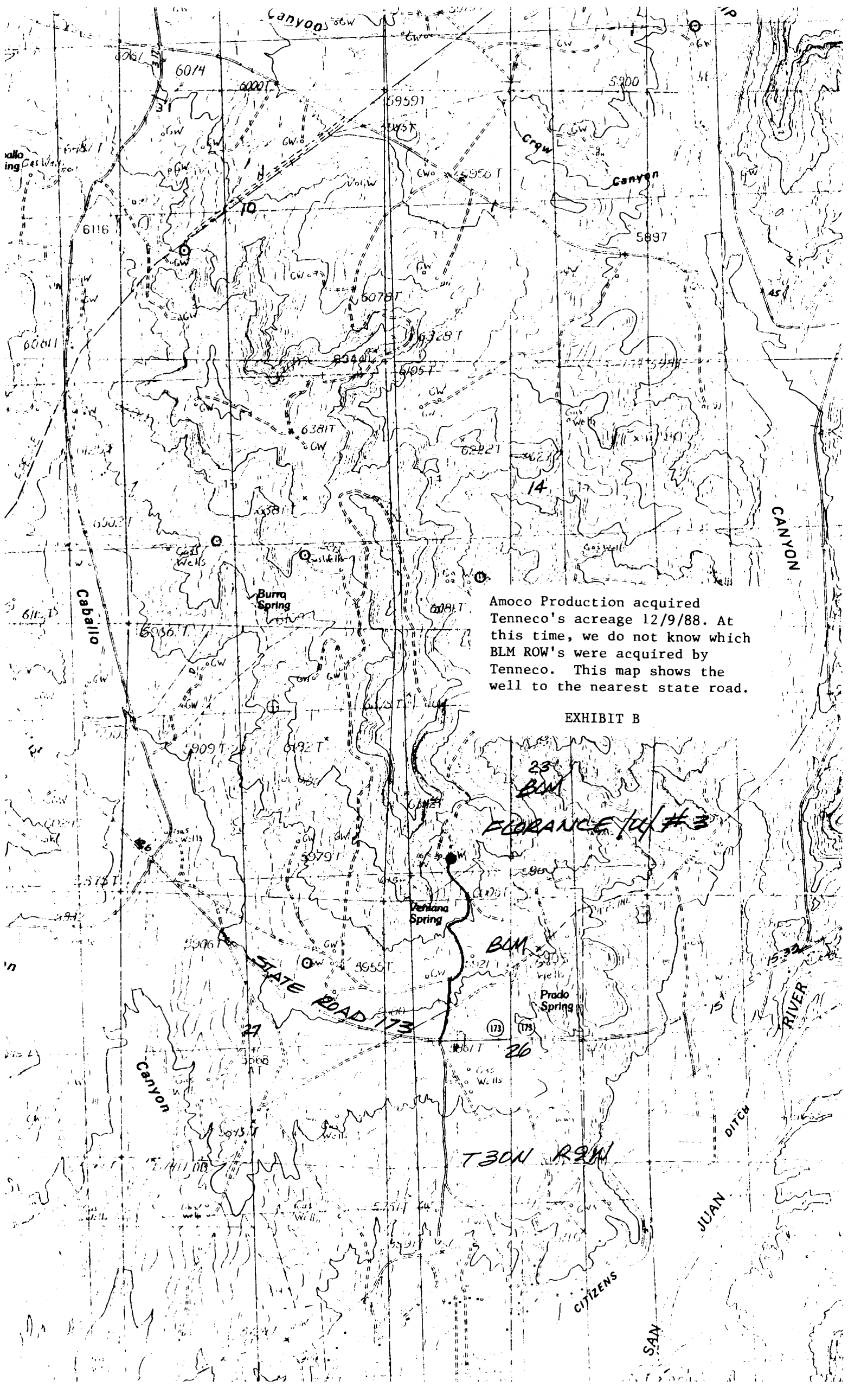
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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 AMOCO PRODUCTION COMPANY		Lease FLORANCE /U/		Well No. # 3
Unit Letter M	Section 23	Township 30 NORTH	Range 9 WEST	County SAN JUAN
Actual Footage Location of Well: B10 feet from the SOUTH line and 1280 feet from the WEST line				
Ground level Elev. 6054	Producing Formation Fruitland	Pool Basin Fruitland Coal Gas		Dedicated Acreage: 320 S/2 Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>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.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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.</p>				
			OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>B. D. Shaw</u> Printed Name: <u>B. D. Shaw</u> Position: <u>Adm. Supv.</u> Company: <u>Amoco Production</u> Date: <u>4-17-89</u>	
			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: <u>April 13, 1989</u> Signature & Seal of Professional Surveyor: <u>GARY D. VANN</u> Professional Surveyor No. <u>7016</u> Gary D. Vann 7016	



Amoco Production acquired Tenneco's acreage 12/9/88. At this time, we do not know which BLM ROW's were acquired by Tenneco. This map shows the well to the nearest state road.

EXHIBIT B