

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-045-28951

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 ☒

OTHER Coalbed Methane

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR 303/298-1400

1331-17th St., Suite 710

J.K. Edwards Associates Inc. #307

Denver, CO 80202

3. ADDRESS OF OPERATOR 303/452-8888

13585 Jackson Drive

Permitco Inc. - Agent

Denver, CO 80241

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

1570' FSL and 1570' FWL

At proposed prod. zone

NE SW Sec. 3

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

5 miles northeast of Farmington, New Mexico

15. DISTANCE FROM PROPOSED*

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

1570'

16. NO. OF ACRES IN LEASE

2400 2410.24

17. NO. OF ACRES ASSIGNED
TO THIS WELL

W 320.2+ 318.41

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

2800'

19. PROPOSED DEPTH

2200'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) This action is subject to technical and
procedural review pursuant to 43 CFR 3166.3
and appeal pursuant to 43 CFR 3166.4

5846' GR

22. APPROX. DATE WORK WILL START*

Immediately Upon approval

23. PROPOSED CASING AND CEMENTING PROGRAM DRILLING OPERATIONS AUTHORIZED ARE
of this application.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT ATTACHED
12-1/4"	8-5/8"	24#	300'	225 sx or suffic to circ to surf.
7-7/8"	5-1/2"	14#	2200'	500 sx or suffic to circ to surf.

J.K. Edwards Associates Inc. proposes to drill a well to 2200' to test the Fruitland Coal formation for Coalbed Methane. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of New Mexico requirements.

See Onshore Order No. 1 attached.

J.K. Edwards Associates Inc. has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding will be provided by J.K. Edwards Associates Inc.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give pertinent data on subsurface location and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Consultant for J.K. Edwards Associates Inc. DATE 11/18/92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*See Instructions On Reverse Side

DISTRICT MANAGER

APPROVED
AS AMENDED

RECEIVED

DISTRICT MANAGER

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED
Form C-102
Revised 1-1-89
BLM

OIL CONSERVATION DIVISION

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

92 NOV 20 AM 10:54

019 TARRINGTON, N.M.

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

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

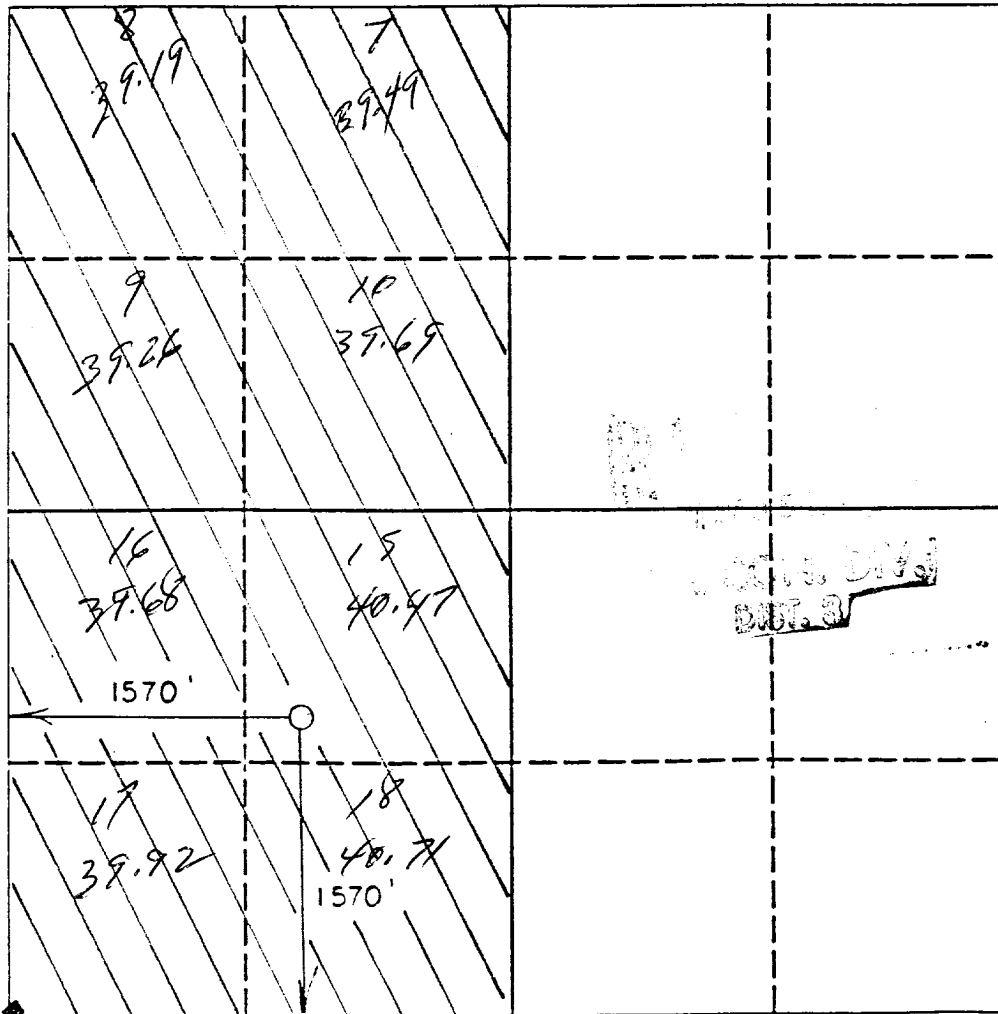
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator J.K. Edwards Associates		Lease Federal (SF=081239) 3		Well No. Fed. #3-2 FE
Unit Letter K	Section 3	Township 30 N.	Range 12 W.	County San Juan
Actual Footage Location of Well: 1570 feet from the South line and 1570 feet from the West line				
Ground level Elev. 5846'	Producing Formation Fruitland Coal	Pool Bur	Dedicated Acreage: 3/8.41 6/320.21 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). **100% Federal**
- 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 *Lisa L. Smith*

Printed Name
Lisa L. Smith

Position
Authorized Agent for

Company
J.K. Edwards Assoc. Inc.

Date
11/18/92

SURVEYOR CERTIFICATION

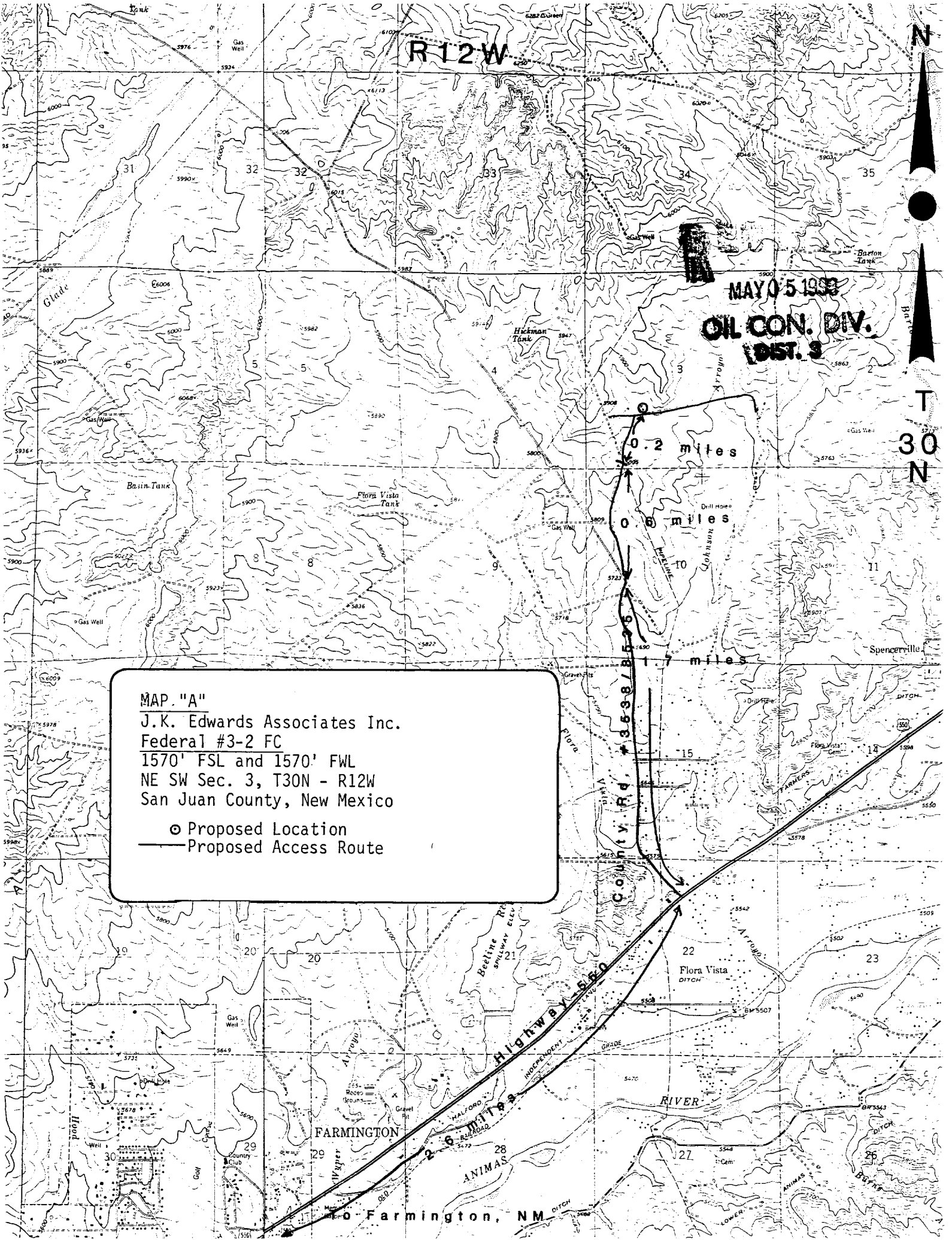
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **11/18/92**

Signature & Seal of Professional Surveyor

CECIL B. HUDDLESTON
REGISTERED LAND SURVEYOR
6844

Certificate No.



R12W

MAY 05 1993

OIL CON. DIV.
DIST. 3

T
30
N

MAP "A"

J.K. Edwards Associates Inc.
Federal #3-2 FC
1570' FSL and 1570' FWL
NE SW Sec. 3, T30N - R12W
San Juan County, New Mexico

- Proposed Location
- Proposed Access Route

FARMINGTON

Farmington, NM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

SF-081239

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal #3-2 FC

9. API Well No.

10. Field and Pool, or Exploratory Area

Basin (Fruitland Coal)

11. County or Parish, State

San Juan, New Mexico

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other, Coalbed Methane

2. Name of Operator 303/298-1400 1331-17th Street, Suite 710

J.K. Edwards Associates Inc. Denver, CO 80202

3. Address and Telephone No. 303/452-8888 13585 Jackson Drive

Permitco Inc. - Agent Denver, CO 80202

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1570' FSL and 1570' FWL

NE SW Sec. 3, T30N - R12W

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

Cementing Program

(Note: Report results of multiple completion on Well Completion or
Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

As per your deficiency letter dated November 27, 1992, please note the following:

The proposed one stage cementing program will be as follows:

Surface casing to be cemented as follows:

250 sx (297 cubic feet) 1.19 volume factor, Class "B" w/2% CaCl₂ + 46% H₂O. Centralizers will be placed on 1st, 3rd and 5th collars. Preflush w/20 bbls. wtr (8.3 ppg) equivalent to a 2 washout factor (Circulated to surface). Will pump at 2-4 bbls./minute.

Equipment to be used is as follows:

1 - 8-5/8" insert float w/1 stop collar

1 small can of thread lock

1 - 8-5/8" guide shoe

Top wooden plug

(Continued on Page two)

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title

Consultant for
J.K. Edwards Associates Inc.

Date

12/8/92

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

cc: Mike Clark

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Page two

Production casing to be cemented as follows:

100 sx (222 cubic feet), volume factor 1.87), preflush poz w/2% gel (bentonite), 2.22 volume factor.

350 sx (654 cubic feet) Pacesetter Lite "B" (65/35 Poz) + 6% gel (bentonite) + 2% CaCl₂ + 1/4#/sk flocele.

100 sx (119 cubic feet), volume factor 1.19), Class "B" + 1% CF-14 + .4% Thriftylite + .25#/sk celloseal. Top of cement - circulated to surface. Will pump at 4-6 bbls/minute.

Float Equipment as follows:

6-5-1/2" centralizer on 1st, 3rd and 5th collars, and thereafter every fourth collar for a total of 6 collars.

1-5-1/2" guideshoe at btm. of string. Then 1 jt. up will put a differential fill float collar. A btm. rubber plug will be used.

Surety Bond - in progress