

~~CONFIDENTIAL~~

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

30-045-28960

RECEIVED  
BLM-081239

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. 41307 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 1510' FNL and 990' FEL  
At proposed prod. zone SE NE Sec. 3

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

6.00 miles northeast of Farmington, NM

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 990'

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2000'

21. ELEVATIONS (Show whether OF, RT, GR, etc.) 5842' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	8-5/8"	24#	300'
7-7/8"	5-1/2"	14#	2200'

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
7. UNIT AGREEMENT NAME  
8. FARM OR LEASE NAME  
9. WELL NO.  
10. FIELD AND POOL, OR WILDCAT  
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
12. COUNTY OR PARISH  
13. STATE

16. NO. OF ACRES IN LEASE 2400  
17. NO. OF ACRES ASSIGNED TO THIS WELL  
19. PROPOSED DEPTH 2200'  
20. ROTARY OR CABLE TOOLS Rotary

22. APPROX. DATE WORK WILL START\* Immediately upon approval

QUANTITY OF CEMENT  
225' sx or suffic to circ to surf.  
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.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

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 [Signature] TITLE Consultant for J.K. Edwards Assoc. Inc. DATE 11/17/92

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY JUN 7 1993 TITLE DATE

CONDITIONS OF APPROVAL, IF ANY: OIL CON. DIV. DIST. 3 NMOC DISTRICT MANAGER

SECRET

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

92 NOV 19 PM 12:26

019 FARMINGTON, N.M.

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

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

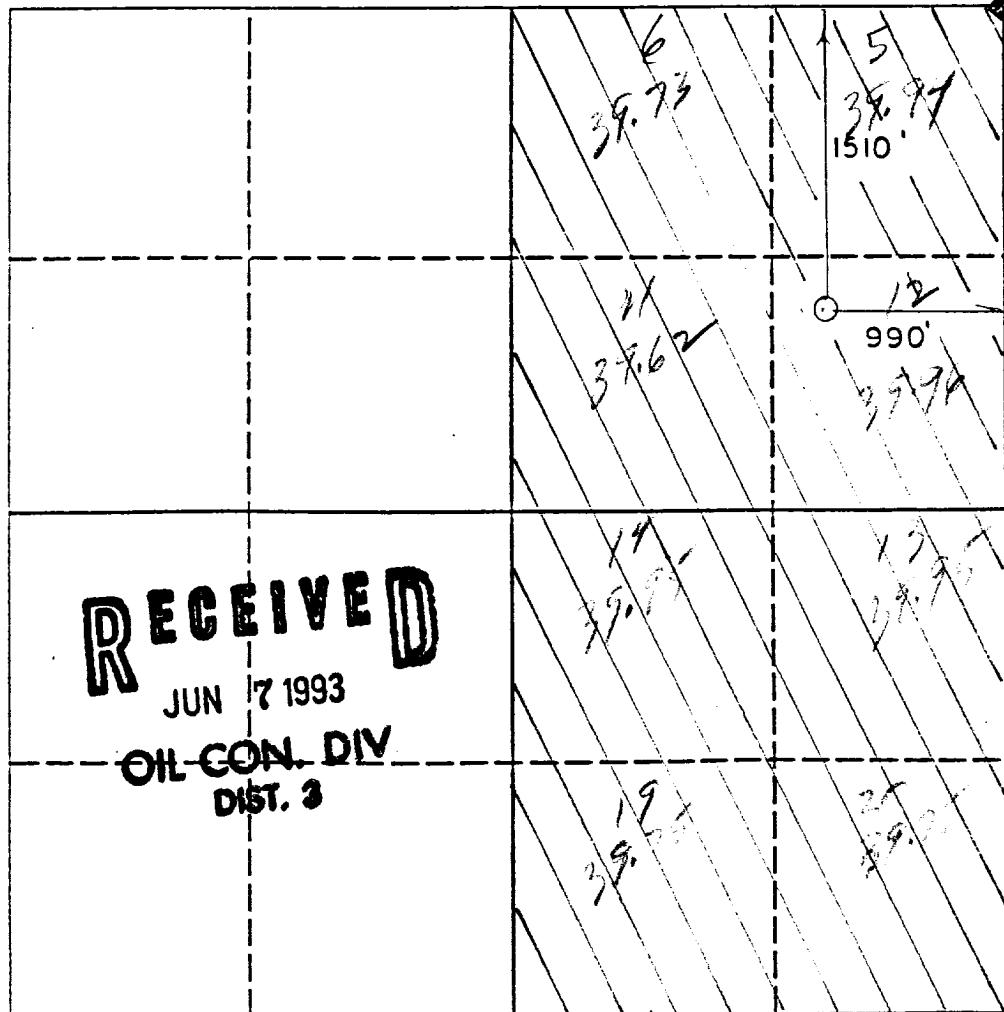
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>J.K. Edwards Associates</b>			Lease <b>Federal 3FC SF-081239</b>		Well No. <b>Fed #3-1 FC</b>
Unit Letter <b>H</b>	Section <b>3</b>	Township <b>30 N.</b>	Range <b>12 W.</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>1510</b> feet from the <b>North</b> line and <b>990</b> feet from the <b>East</b> line					
Ground level Elev. <b>5842'</b>	Producing Formation <b>Fruitland Coal</b>		Pool <b>Basin</b>	Dedicated Acreage: <b>320 3/8 65</b> 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  
**11/17/92**

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  
**7**  
Signature  
*Paul G. Huddleston*  
Professional Surveyor  
**6844**  
Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

