

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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 ☐  
SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR  
Quinoco Petroleum, INC.

3. ADDRESS OF OPERATOR  
PO Box 378111 Denver, CO 80237

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface  
2365 FNL & 910 FEL  
At proposed prod. zone  
1070 FNL & 1960 FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
3.5 miles SE of La Plata, NM

16. NO. OF ACRES IN LEASE  
2567.96

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.  
910'  
515'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
6014 Gr. This action is subject to technical and  
procedural review pursuant to 43 CFR 3185.3

23. AND CEMENTING PROGRAM  
and appeal pursuant to 43 CFR 3185.3

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4	8 5/8	28	300'
7 7/8	5 1/2	17	2490'

5. LEASE DESIGNATION AND SERIAL NO.

SF-078464

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Payne B3

9. WELL NO.

H3-35

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland Coal

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

Sec 35-T31N-R13W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

17. NO. OF ACRES ASSIGNED  
TO THIS WELL  
329.93 N/2  
325.22

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START\*

2/15/90

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
GENERAL REGULATION

Quinoco Petroeum, INC. wishes to advise that we intend to drill a 12 1/4" hole with spud mud to 300' and set 8 5/8", 28.0#, K-55 ST&C casing to 300' cementing to surface with 210 sxs (248 cu ft) Class B cement with 2% CaCl2. Wait on cement 12 hours. Nipple up and test BOP. Drill 7 7/8" hole out of surface to 2490' with mud. Log well. Set 5 1/2", 17.0#, J-55 ST&C production casing to 2490' cementing to surface with 200 sxs (368 cu ft) 65/35 POZ with 6% gel and 12 1/4# gilsonite/sk, tailed by 142 sxs Class B cement with 2% CaCl2. Perforate pay section in the Fruitland Coal, acidize perforations and frac with 100,000# sand in 65,000 gal 30# cross linked gel. Clean up well and install standard production equipment. Test well to reserve pit for a period not to exceed 30 days. Connect well to a gathering system.

"Approval of this action does  
not warrant that the applicant  
holds legal or equitable title  
or title to this lease."

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: 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 Robert C. Frank TITLE Agent 1/15/90

(This space for Federal or State office use)

PERMIT RECEIVED APPROVAL DATE APR 13 1990

APPROVED BY APR 09 1990 TITLE AREA MANAGER

CONDITIONS OF APPROVAL, IF ANY:

OIL CON. DIV.  
DIST. 2

\*See Instructions On Reverse Side

APPROVED  
FOR AMENDMENT

BY MANAGER

RECEIVED

APR 15 1950

OIL CON. DIV.  
DIST. 3

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

Form C-102  
Revised 1-1-89

50 MAR 22 PM 1:35

LAND IN THE AREA  
MEXICO

Operator <b>QUINOCO</b>			Lease <b>PAYNE</b>		Well No. <b>B3-35</b>
Unit Letter <b>B</b>	Section <b>35</b>	Township <b>31N</b>	Range <b>13W</b>	County <b>NMPM San Juan</b>	
Actual Footage Location of Well: <b>1070</b> feet from the <b>NORTH</b> line and <b>1960</b> feet from the <b>EAST</b> line					
Ground Level Elev. <b>5887</b>	Producing Formation <b>Fruitland</b>		Pool <b>Basin Fruitland Coal</b>		Dedicated Acreage: <b>326.93</b> Acres <b>N/2</b>

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

RECEIVED

APR 09 1990

OIL CON. DIV.

OPERATOR CERTIFICATION

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

Signature  
*Robert C. Frank*  
Printed Name  
**Robert C. Frank**  
Position  
**Agent**  
Company  
**Quinoco Petroleum, INC.**  
Date  
**March 16, 1990**

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  
**FEBRUARY 6, 1990**

Signature & Seal of Professional Surveyor  
*[Signature]*  
**REGISTERED PROFESSIONAL LAND SURVEYOR**  
**NEW MEXICO**  
**8672**

