

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE

FORM APPROVED
OMB NO 1004-0136

Expedited new

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Koch Exploration Company

3. ADDRESS AND TELEPHONE NO.

20 E. Greenway Plaza Houston, TX 77046

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

At surface SW/4 Sec 20 T31N R10W

At proposed prod. zone 855' FSL & 733' FWL

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

Approx 15 miles NE of Bloomfield, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 733'

16. NO. OF ACRES IN LEASE 162.44

17. NO. OF ACRES ASSIGNED TO THIS WELL w/ 323.43

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THE LEASE, FT. 1,440'

19. PROPOSED DEPTH 5,150'

20. ROTARY OR CABLE TOOLS Rotary

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

6,012' GR

22. APPROXIMATE DATE WORK WILL START* 8/15/00

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8" J-55	36.0	200' +/-	to surface
8 3/4"	7" J-55	23.0	3,000' +/-	to surface
6 1/4"	4 1/2" J-55	10.5	2,900' - 5,150'	2,250'

(See attached)

This permit is issued pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

ALL RIGHTS RESERVED ARE
SUBJECT TO THE ATTACHED
"GENERAL REGISTRATION"

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

24

SIGNED: T. Coy AOJ TITLE: Proj Mgr

DATE: 6/15/00

(This space for Federal or State office use)

PERMIT NO.:

APPROVAL DATE:

10/3/00

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: _____ TITLE: _____

DATE: 10/3/00

AMOC

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
NM-02814

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.

6. If Indian, Allottee or Tribe Name
NA

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation
NA

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No
Cain 1B

2. Name of Operator
Koch Exploration Company

9. API Well No.

3. Address and Telephone No.
P.O. Box 489 Aztec, New Mexico 87410

10. Field and Pool, or Exploratory Area
Blanco Mesa Verde

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec. 20, T31N, R10W (M)
855' FSL & 733' FWL

11. County or Parish, State
San Juan County
New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Compelled 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.)*

We plan on completing the Lewis Shale Formation along with submitted Mesa Verde. To accommodate the Foam Frac for Lewis Shale we need to run 4 1/2", 10.5# casing from TD to surface. In doing so we plan on changing the following casing strings as follows:
Drill 12 1/4" hole. Run New 9 5/8", 36#, J-55 and set @ 220' and cement to surface. WOC 12 hrs. Test Csg to 1000# before drilling out.
Drill 8 3/4" hole. Run New 7", 20#, J-55 casing and set @ 3000' and cement to Surface. WOC 12 hrs. Run CBL & Test to 1000#.
Drill 6 1/4" hole. Run New 4 1/2", 10.5#, J-55 casing from surface to TD of 5200'. Will cement 4 1/2" casing up into 7" casing a minimum of 100' or TOC @ 2900' or higher. WOC 12 hrs. Run CBL and Test Casing to 80% or 3850 psig.
Along with the initial Mesa Verde completion we plan on adding the Lewis Shale in a 2 stage Foam Frac as Follows:
Lower Lewis Shale 3784' - 4221' and perforate 50 - .38" holes.
Upper Lewis Shale 3458' - 3784' and perforate 50 - .38" holes.
Initial APD has been submitted, and we plan on drilling well when BLM approval is granted and rig is available.

I hereby certify that the foregoing is true and correct

Signed [Signature]
(This space for Federal or State office use)

Title Operations Manager

Date 8/28/00

Approved by _____
Conditions of approval, if any:

Title _____

Date 10/13/00

*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.

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Revised February 1, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-30289		*Pool Code 72319	*Pool Name Blanco Mesa Verde	
*Property Code 5655	*Property Name CAIN		*Well Number 1B	
*OGRID No. 12807	*Operator Name KOCH EXPLORATION CO.		*Elevation 6012'	

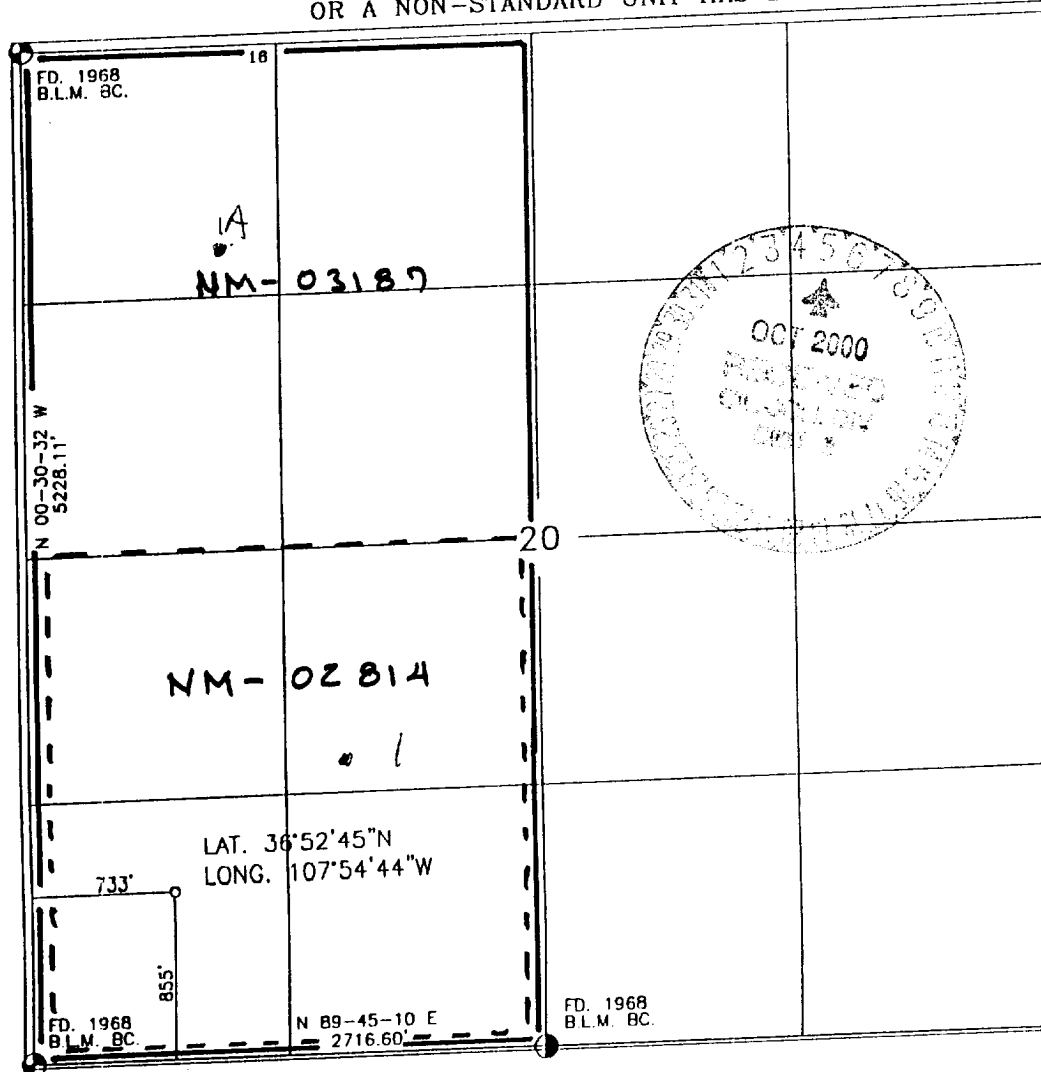
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	20	31-N	10-W		855'	SOUTH	733'	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres 323.22			*Joint or Infill I		*Consolidation Code		*Order No.		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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

Signature: Roy A. Ornelas
Printed Name: Roy A. Ornelas
Title: Sr. Engineer
Date: 6/15/00

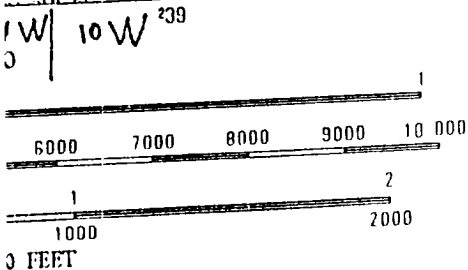
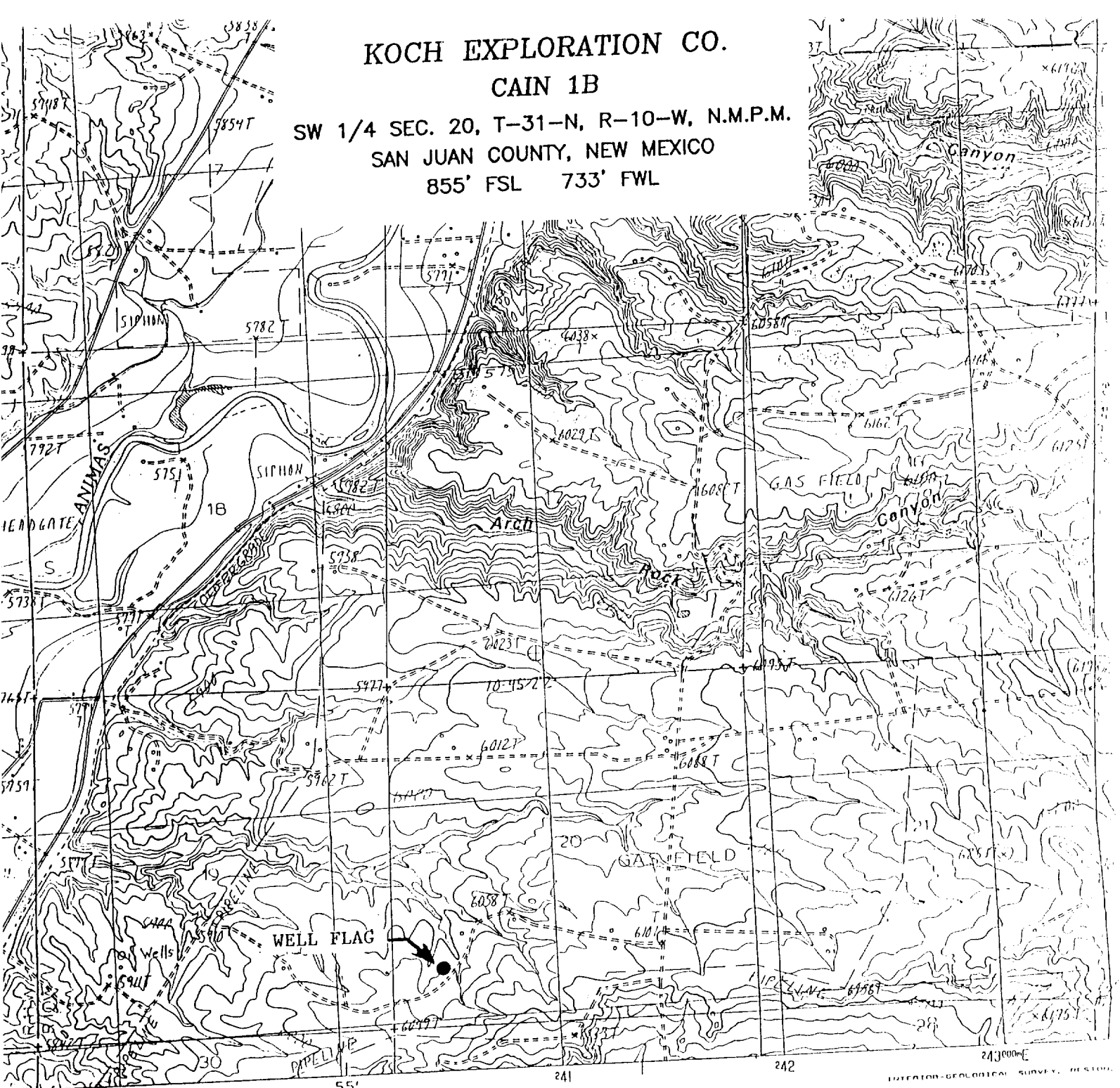
18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: 5-1-2000
Signature and Seal of Professional Surveyor: Roy A. Ornelas
Certificate Number: 8894

KOCH EXPLORATION CO.

CAIN 1B

SW 1/4 SEC. 20, T-31-N, R-10-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO
855' FSL 733' FWL



1	2	3	1 Pinkerton Mesa
			2 Long Mountains
4		5	3 Devil's Hill
			4 Adobe Downs Ranch
			5 Mount Nebo
6	7	8	6 Hore Vista
			7 Aztec
			8 Turley

ADJOINING 7.5' QUADRANGLE NAMES

ROAD LEGEND

Improved Road

Unimproved Road

Trail

○ Interstate Route □ U.S. Route

CEDAR HILL, N.
PROVISIONAL F.P.

36107-11B-TT