

**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** ☐ **OTHER** ☐

b. TYPE OF WELL OIL ☐ GAS ☒ **SEP 2000** SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR **303/839-5504** **1660 Lincoln Street, Suite 2700**  
**HALLADOR PETROLEUM, LLP** **Denver, CO 80264**

3. ADDRESS AND TELEPHONE NO. **303/857-8999** **14421 County Road 10**  
**PERMITCO INC.** **Fort Lupton, CO 80621**

4. LOCATION OF WELL (Report location clearly and in accordance with this State requirements.)  
At Surface **1250' FSL and 1960' FWL**  
At proposed prod. zone **SE SW Section 34**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE **9.2 miles north of Aztec, NM**

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) **1250'**

16. NO. OF ACRES IN LEASE **320**

17. NO. OF ACRES ASSIGNED TO THIS WELL **320**

18. DISTANCE FROM PROPOSED LOCATION \* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. **Approx. 200'**

19. PROPOSED DEPTH **5,299'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **5987' GL**

22. APPROX. DATE WORK WILL START\* **Upon Approval**

5. LEASE DESIGNATION AND SERIAL NO.  
**SF-078051A**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**N/A**

7. UNIT AGREEMENT NAME  
**N/A**

8. FARM OR LEASE NAME, WELL NO.  
**Storey #1B**

9. API WELL NO.  
**30-045-30164**

10. FIELD AND POOL, OR WILDCAT  
**Blanco-Mesa Verde Pool**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**N Section 34, T32N - R11W**

12. COUNTY OR PARISH  
**San Juan**

13. STATE  
**NM**

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	200'	90 sx Premium & Lite to Surf.
8-3/4"	7"	20#	2911'	405 sx Poz & Lite to Surface
6-1/8"	4-1/2"	11.6#	5299'	300 sx Poz. TOC @ 2638'

Hallador Petroleum, LLP proposes to drill a well to 5299' to test the Mesa Verde formation. 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.

**CONFIDENTIAL - TIGHT HOLE**

Please be advised that Hallador Petroleum, LLP is considered to be the Operator of the above mentioned well. Hallador Petroleum, LLP agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

Hallador Petroleum, LLP has been designated by proper lease interest owners to conduct operations on the above mentioned lease. Bonding by Hallador Petroleum, LLP is covered under their Statewide Bond No. NM-2129.

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. **Lisa L. Smith** **Authorized Agent for:**  
SIGNED *Lisa L. Smith* TITLE **Hallador Petroleum, LLP** DATE **02/24/00**

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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 *E. G. S. /s/ Errol Becher* TITLE

DATE **MAR - 9 2000**

**\*See Instructions On Reverse Side**

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  
180 Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* All Number 30-045-30164		* Pool Code 172319	* Pool Name Blanco Masaveade
* Property Code 5620	* Property Name STOREY		* Well Number 1B
* OGRID No. 12672	* Operator Name HALLADOR PETROLEUM LLP		* Elevation 5987'

<sup>10</sup> Surface Location

UL or lot no. N	Section 34	Township 32N	Range 11W	Lot Idn	Feet from the 1250'	North/South line SOUTH	Feet from the 1960	East/West line WEST	County SAN JUAN
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<sup>11</sup> 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
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

16 S89°20'W 320 Acre Spacing Unit See Mineral Interest owners attached. 5318.28'		5056.26'	
Section 34		5291.88'	
N02°30'E 1960'		N01°18'E 5267.46'	
S89°1'W 1250'			

**17 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*  
Lisa L. Smith

Printed Name  
Agent

Title  
2/24/00

Date

**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.

01/24/2000

Date of Survey

Signature and Seal of Professional Surveyer:  
*Henry P. Broadhurst, Jr.*

Certificate Number

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 3000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.



R11W

N

**MAP B**

Hallador Petroleum, LLP

**Storey #1B**

1250' FSL and 1960' FWL

SE SW Sec. 34, T32N – R11W

San Juan County, New Mexico

⊙ Proposed Location

— Existing Oilfield Road

T  
32  
N

T  
31  
N

STOREY #1B

Pipeline Tie-In

Kiffen Canyon Road

Canyon

Flume

Deer

Canyon

Ruins Road

To Aztec, NM