



**WALSH**

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting  
Lease Management  
Contract Pumping

204 N. Auburn  
Farmington, New Mexico 87401  
(505) 327-4892

1993 MAR 30 AM 8 51

March 29, 1993

Mr. William J. LeMay  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Re: Non-Standard Location  
SG Interests I, Ltd.  
Florance Gas Com H #1  
2160' FSL, 410' FWL  
Section 30, T30N R9W  
San Juan County, NM  
Basin Fruitland Coal

Dear Mr. LeMay,

This is a request on behalf of SG Interests I, Ltd. for administrative approval of the above referred to non-standard location.

This non-standard location is necessitated by a variation in the legal subdivisions of the U.S Public Land Surveys and for topographic reasons. Exhibit 1 is a copy of the well location plat (Form C-102). The west half dedication for this well is 207.84 acres due to the irregular size of Section 30, T30N, R9W. Exhibit 2 is a copy of the APD for this location.

This location does not meet the minimum set back requirements for Fruitland Coal wells due steep cliffs in the southwest quarter of Section 30. Exhibit 3 is a topographic map showing the location for this well, the orthodox location window, and other wells in the SW/4 of section 30. Exhibit 4 is a list of wells in section 30 and their footage locations.

This location was inspected and approved by a Bureau of Land Management representative as part of the APD process. Due to the shallow depth of this well and the increased drilling costs, a directional well was not feasible for this location.

Also attached is a plat indicating the offset Fruitland Coal operators and existing Fruitland Coal wells (Exhibit 5) and a list of offset operators and their addresses (Exhibit 6).



The offset Fruitland Coal operators are being notified of this application by certified return receipt mail. Copies of these letters are enclosed as Exhibit 7.

Thank you for your consideration and approval of this application. If you have any questions please do not hesitate to call upon me.

Sincerely,

A handwritten signature in cursive script, reading "Paul C. Thompson", written in black ink.

Paul C. Thompson, P.E.  
President

cc: SG Interests I Ltd.  
NMOCD Aztec NM  
BLM Farmington NM

LIST OF EXHIBITS

EXHIBIT NO.

Well Location Plat (Form C-102)	1
APD for this Location	2
Topographic Map	3
List of Wells in Section 30	4
Offset Fruitland Coal Operators	5
List of Operators and their Addresses	6
Copies of Letters to Offset Operators	7

RECEIVED  
OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87501-2088

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

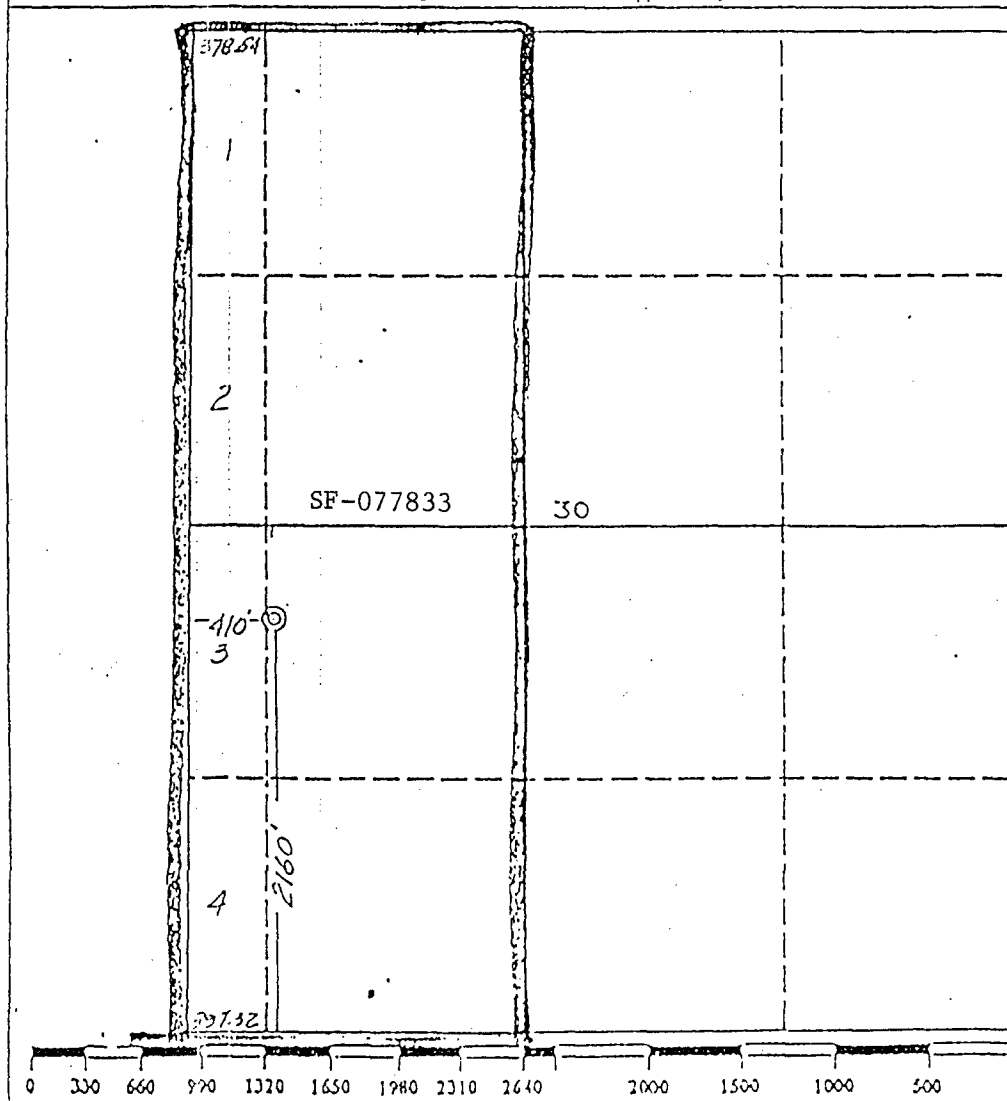
All Distances must be from the outer boundaries of the section

Operator <b>AMOCO PRODUCTION COMPANY</b>			Lease <b>FLORANCE GAS CDM /H/</b>		Well No. <b># 1</b>
Unit Letter <b>K</b>	Section <b>30</b>	Township <b>30 NORTH</b>	Range <b>9 WEST</b>	County <b>SAN JUAN</b>	

Actual Footage Location of Well:

2160 feet from the	<b>SOUTH</b> line and	410 feet from the	<b>WEST</b> line
Ground level Elev. <b>6080</b>	Producing Formation <b>Fruitland Coal</b>	Pool <b>Basin Fruitland Coal Gas</b>	Dedicated Acreage: <b>207.84</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).
- 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 *J. L. Hampton*  
Printed Name **J. L. Hampton**  
Position **Staff Admin. Supr.**  
Company **Amoco Prod. Company**  
Date **3/16/90**

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 **March 8, 1990**

Signature & Seal  
Professional **GARY D. VANN**  
Gar **2016**  
Certification No. **7016**

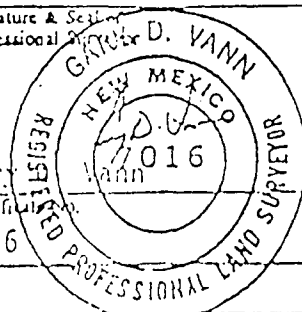


EXHIBIT NO. 1

APPLICATION NON-STANDARD LOCATION

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

SG Interests I, Ltd Attn: A. M. O'Hare

## 3. ADDRESS OF OPERATOR

PO BOX 421, Blanco NM 87412

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

At surface  
2160' FSL 410' FWL NE/SWAt proposed prod. zone:  
same

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

15 miles from Aztec, NM

## 16. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any) 410'

## 17. NO. OF ACRES IN LEASE

2972.24

18. NO. OF ACRES ASSIGNED  
TO THIS WELL

207.84 acres W/2

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

## 20. PROPOSED DEPTH

2882' TD

## 21. ROTARY OR CABLE TOOLS

Rotary

## 22. ELEVATIONS (Show whether DF, RT, GR, etc.)

6080' GR This action is subject to technical and

## 23. APPROX. DATE WORK WILL START\*

as soon as permitted

24. PROPOSED CASING AND CEMENTING PROGRAM\* OPERATIONS AUTHORIZED ARE  
and appeal pursuant to 43 CFR 3166.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT ATTACHED GENERAL REQUIREMENTS
12 1/4"	8 5/8"	24#	250'	250 cf (cement to surface)
7 7/8"	5 1/2"	17#	2882' TD	807 cf (cement to surface)

Notice of staking was submitted 3/20/90

## Lease Descriptions:

T30N-R9W

sec. 20: SE/4

sec. 30: lots 1,2,3,4, E/2 W/2, SE/4

T29N-R9W

sec. 3: S/2 S/2

sec. 4: SE/4 SE/4

sec. 7: NE/4 SW/4

sec. 8: SE/4, SW/4 NE/4, SE/4 SW/4, NE/4

sec. 9: S/2, S/2 NE/4, NE/4

sec. 17: all

Replacement for expired APD.

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. Dana M. Hyde

SIGNED

*Dana M. Hyde*

TITLE Agent

DATE 08-24-92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

FARMINGTON COPY

\*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.

EXHIBIT NO. 2  
APPLICATION NON-STANDARD LOCATION

EXHIBIT NO. 3

APPLICATION NON-STANDARD LOCATION

SG Interests I, Ltd.  
 Florance Gas Com H #1  
 2160'FSL, 410'FWL  
 Section 30, T30N, R9W  
 San Juan County, New Mexico  
 BASIN FRUITLAND COAL

FLORANCE GAS COM H #1  
 HEATH GAS COM C #1  
 FLORANCE 94

ORTHODOX WINDOW

Sanchez Spring  
 Pilares Canyon  
 Vereda Canyon  
 Pamada  
 Mansfield  
 Vaca  
 Bonnie Rock  
 Gas Wells  
 AT 5795

[illegible]

EXHIBIT NO. 3

APPLICATION NON-STANDARD LOCATION

SG Interests I, Ltd.  
 Florance Gas Com H #1  
 2160'FSL, 410'FWL  
 Section 30, T30N, R9W  
 San Juan County, New Mexico  
 BASIN FRUITLAND COAL

FLORANCE GAS COM H #1  
 HEATH GAS COM C #1  
 FLORANCE 94

ORTHODOX WINDOW

[illegible]

EXHIBIT NO. 3

APPLICATION NON-STANDARD LOCATION

SG Interests I, Ltd.  
 Florance Gas Com H #1  
 2160'FSL, 410'FWL  
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 San Juan County, New Mexico  
 BASIN FRUITLAND COAL

FLORANCE GAS COM H #1  
 HEATH GAS COM C #1  
 FLORANCE 94

ORTHODOX WINDOW

Sanchez Spring  
 Pilares Canyon  
 Vereda Canyon  
 Pamada  
 Mansfield  
 Vaca  
 Bonnie Rock  
 GAS FIELD

EXHIBIT NO. 4

EXISTING WELLS IN  
SW/4 SECTION 30, T30N, R9W

Florance 94	1370S	575W	NSL
Florance Gas Com H #1	2160S	410W	NSL
Heath Gas Com C #1	1860S	600W	NSL

## EXHIBIT NO. 5

## OFFSET FRUITLAND COAL OPERATORS

T30N

SG INTERESTS Florance AD #7		AMOCO Mansfield 1-A	
W.H. Riddle #8	SG INTERESTS	MERIDIAN	AMOCO
MERIDIAN Florance A #210	SG INTERESTS	AMOCO	
SG INTERESTS Florance AE #3			
TEXACO	AMOCO	Santa Rosa 31 #1 SG INTERESTS	

R10W R9W



EXHIBIT NO. 6

SG INTERESTS I, LTD.  
FLORANCE GAS COM #1  
2160'FSL, 410'FWL, SECTION 30, T30N, R9W  
San Juan County, New Mexico

OFFSET FRUITLAND COAL OPERATORS

Mr. Michael Cuba  
AMOCO PRODUCTION COMPANY  
P. O. Box 800  
Denver, Colorado 80201

Mr. Van Goebel  
Senior Landman  
MERIDIAN OIL, INC.  
P. O. Box 4289  
Farmington, New Mexico 87499

Mr. Ted Tipton  
Area Manager  
TEXACO EXPLORATION & PRODUCTION  
3300 N. Butler  
Farmington, New Mexico 87401

EXHIBIT NO. 7

LETTERS TO  
OFFSET FRUITLAND COAL OPERATORS

**WALSH**

ENGINEERING &amp; PRODUCTION CORP.

Petroleum Engineering Consulting  
Lease Management  
Contract Pumping204 N. Auburn  
Farmington, New Mexico 87401  
(505) 327-4892

March 10, 1993

CERTIFIED- RETURN RECEIPT

Mr. Michael Cuba  
Amoco Production Company  
P. O. Box 800  
Denver, Colorado 80201

Re: Application for Non-Standard Location  
SG Interests I, Ltd.  
Florance Gas Com H #1  
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San Juan County, New Mexico  
Basin Fruitland Coal

Dear Mr. Cuba:

Enclosed you will find a copy of the above referred to application that has been submitted to the New Mexico Oil Conservation Division for administrative approval.

If you desire to submit remarks concerning the application, please send them to Mr. William J. LeMay, Director, New Mexico Oil Conservation Division, Santa Fe, New Mexico. A copy of any remarks to the undersigned would be appreciated.

Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.

cc: SG Interests I, Ltd.

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Petroleum Engineering Consulting  
Lease Management  
Contract Pumping204 N. Auburn  
Farmington, New Mexico 874  
(505) 327-4892

March 10, 1993

CERTIFIED- RETURN RECEIPT

Mr. Van Goebel  
Senior Landman  
Meridian Oil, Inc.  
P. O. Box 4289  
Farmington, New Mexico 87499

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SG Interests I, Ltd.  
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San Juan County, New Mexico  
Basin Fruitland Coal

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Sincerely,

Paul C. Thompson, P.E.

cc: SG Interests I, Ltd.

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March 10, 1993

CERTIFIED- RETURN RECEIPT

Mr. Ted Tipton  
Area Manager  
Texaco Exploration & Production  
3300 N. Butler  
Farmington, New Mexico 87401

Re: Application for Non-Standard Location  
SG Interests I, Ltd.  
Florance Gas Com H #1  
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San Juan County, New Mexico  
Basin Fruitland Coal

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Paul C. Thompson, P.E.

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