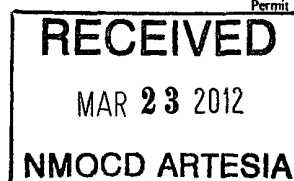


District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised December 16, 2011



**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

Operator Name and Address <b>KC Resources, Inc.</b> <b>P.O. Box 6749, Snowmass Village, CO 81615</b>		OGRID Number <b>122912</b>
Property Code <b>15318</b>		API Number <b>30-015-40091</b>
Property Name <b>Jones "D"</b>		Well No. <b>6</b>

Surface Location									
UL - Lot <b>H</b>	Section <b>13</b>	Township <b>18S</b>	Range <b>26E</b>	Lot Idn	Feet from <b>2310</b>	N/S Line <b>North</b>	Feet From <b>990</b>	L/W Line <b>East</b>	County <b>Eddy</b>

Pool Information	
<b>Atoka, San Andres</b>	<b>3610</b>

Additional Well Information				
Work Type <b>N</b>	Well Type <b>O</b>	Cable/Rotary <b>R</b>	Lease Type <b>P</b>	Ground Level Elevation <b>3292</b>
Multiple <b>N</b>	Proposed Depth <b>1800</b>	Formation <b>San Andres</b>	Contractor <b>UDI</b>	Spud Date <b>4/1/12</b>
Depth to Ground water <b>166</b>		Distance from nearest fresh water well <b>1/4 mi.</b>		Distance to nearest surface water <b>1/4 mile from Penasco R.</b>

Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
<b>J-55</b>	<b>12.25</b>	<b>8 5/8</b>	<b>24</b>	<b>400</b>	<b>250</b>	<b>Surface</b>
<b>J-55</b>	<b>7 7/8</b>	<b>4 1/2</b>	<b>9.5</b>	<b>1800</b>	<b>600</b>	<b>Surface</b>

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
<b>Riggen Annular</b>	<b>2000 psi</b>	<b>2000 psi</b>	<b>Riggen</b>

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		<b>OIL CONSERVATION DIVISION</b>	
Signature: <i>Gary Schelling</i> Printed name: <b>Gary Schelling</b>		Approved By: <i>J.C. Shepard</i> Title: <b>Geologist</b>	
Title: <b>Land Manager</b>		Approved Date: <b>3/23/2012</b> Expiration Date: <b>3/23/2014</b>	
E-mail Address: <b>gschelling@crystalriveroil.com</b>		Conditions of Approval Attached	
Date: <b>3/8/2012</b>		Phone: <b>970 927 2764</b>	

District I  
1625 N. French Dr., Hobbs, N.M. 88240  
Phone: (575) 393-6161 Fax (575) 393-0720  
District II  
811 S. First St., ARTESIA, NM 88210  
Phone: (575) 748-1283 Fax (575) 478-9720  
District III  
1000 Rio Brazes Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax (505) 334-6170  
District IV  
1000 Rio Brazes Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax (505) 334-6170

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised august 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APIA Number <b>30.015.40091</b>		Pool Code <b>3610</b>	Pool Name <b>ATOKA, SA</b>
Property Code <b>15318</b>	Property Name <b>JONES D</b>		Well Number <b>D-6</b>
GRID No. <b>122912</b>	Operator name <b>K.C. RESOURCES, INC,</b>		Elevation <b>3292.0'</b>

Surface Location

URL or lot no.	Section	Township	Range	Lot ISDN	Feet from the	North/South line	Feet from the	East/West line	County
H	13	18 S	26 E		2310	NORTH	990	EAST	EDDY

Bottom Hole Location If Different From Surface

URL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>40</b>	Joint or Infill	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.

<p>WELL LOCATION</p> <p>LAT. = N 32°44'55.37"</p> <p>LONG = W 104°19'47.99"</p> <p>N M S P C E (NAD83)</p> <p>N = 636,114.77</p> <p>E = 542,363.83</p>				<p>2310'</p> <p>990'</p>		<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased minerals interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by division</p> <p></p> <p><b>3-22-12</b></p> <p>Signature Date</p> <p><b>Phelps White</b></p> <p>Printed Name</p> <p><b>Pwiv@zianet.com</b></p> <p>E-mail Address</p>	
						<p><b>SURVEYOR CERTIFICATION</b></p> <p>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 are true and correct to the best of my belief.</p> <p>MARCH 27 2012</p> <p>Date of Survey</p> <p></p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p>Certificate Number <b>TERRY D. RAINS, JR.</b> <b>N.M.R.P.L.S. 12516</b></p>	

# SECTION 13, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.

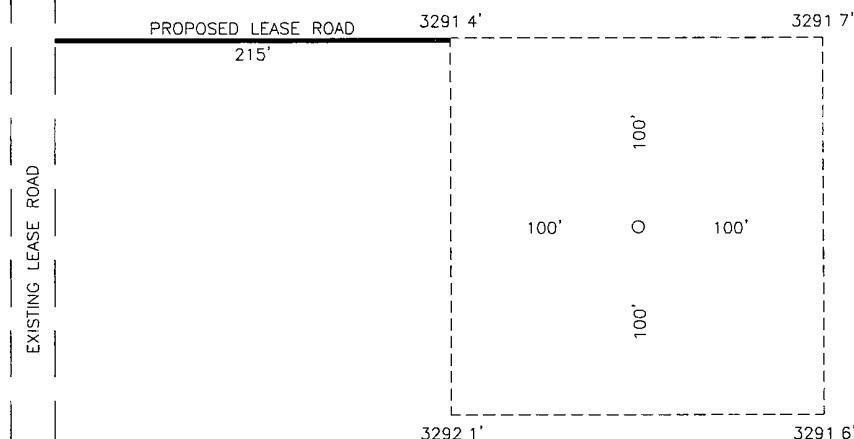
EDDY COUNTY

NEW MEXICO

K.C. RESOURCES, INC,  
JONES D-6  
3292.0'

LAT = N 32°44'55.37"  
LONG = W 104°19'47.99"

N M S P C E. (NAD83)  
N = 636,114.77  
E = 542,363.83



## DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF SEVEN RIVERS HIGHWAY (U.S. HIGHWAY 285) AND 4 DINKUS ROAD GO EAST 3.3 MILES TO AN EXISTING LEASE ROAD, THENCE GO SOUTH ON EXISTING LEASE ROAD 0.3 MILES, THEN GO SOUTHEAST ON EXISTING LEASE ROAD 0.1 MILES, THENCE GO EAST ON EXISTING LEASE ROAD 0.3 MILES, THENCE GO SOUTH ON EXISTING LEASE ROAD 0.1 MILES TO PROPOSED LEASE ROAD, THENCE GO EAST 215 FEET TO WELL PAD

SCALE: 1" = 100'



**RAINS**  
**SURVEYING** COMPANY

PROFESSIONAL LAND SURVEYING SERVICES • EST. 1996  
P.O. BOX 1474 • ROSWELL • NEW MEXICO • (575)622-8411

K.C. RESOURCES, INC,

REF: JONES D-6 - WELL PAD TOPO

JONES D-6  
LOCATED 2310' FROM THE NORTH LINE AND  
990' FROM THE EAST LINE OF SECTION 13  
TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.  
EDDY COUNTY, NEW MEXICO

DATE OF SURVEY: 03/07/2012

SHEET 1 of 1 SHEETS