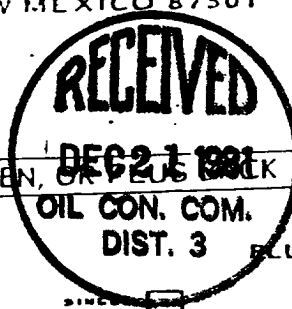


DISTRIBUTION	
SANT FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

SANTA FE, NEW MEXICO 87501



STATE	☐	FEE	☒
5. State Oil & Gas Lease No.			

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

type of work DRILL ☒ DEEPEN ☐ PLUG BACK ☐

type of Well OIL ☒ GAS WELL ☐ OTHER ☐

name of Operator RED MOUNTAIN ASSOCIATES c/o M. Zenati

address of Operator 2626 Holly St., Denver Co 80207

location of Well UNIT LETTER ~~C~~ C LOCATED 620 FEET FROM THE South LINE 1340 FEET FROM THE East LINE OF SEC. 20 TWP. 20N RCE. 9W

7. Unit Agreement Name
8. Farm or Lease Name Red Mountain 20
9. Well No. 1000 #1

10. Field and Pool, or Warrant Red Mountain MV

12. County McKinley

19. Proposed Depth 1400'	19A. Formation Menefee	20. Policy or C.T. Rotary
21A. Kind & Status Plug. bond 6461	21B. Drilling Contractor Meztemp Drilling Co.	22. Approx. Date Work will start December 30, 1981

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
6 3/4	4 1/2	10.5 #	TD	170	surface

Operator proposes to drill this well to test the Fino and Chaco Wash sands and deeper sands for oil production and development of secondary recovery potential

Water base mud will be used to remove cuttings

Resistivity logs will be used to evaluate the pay zones along with cores of selected intervals

Close spacing is required to obtain economical drainage of this very low pressure reservoir.

APPROVAL VALID FOR 90 DAYS UNLESS DRILLING COMMENCED, EXPIRES June 21, 1982

OVER SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

M. Zenati Title Petroleum Engineer Date 12/15/1981

(This space for State Use)

APPROVED BY Jeff A. Schmitz TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE DEC 21 1981

REMARKS OF APPROVAL, IF ANY:

All distances must be from the outer boundaries of the Section.

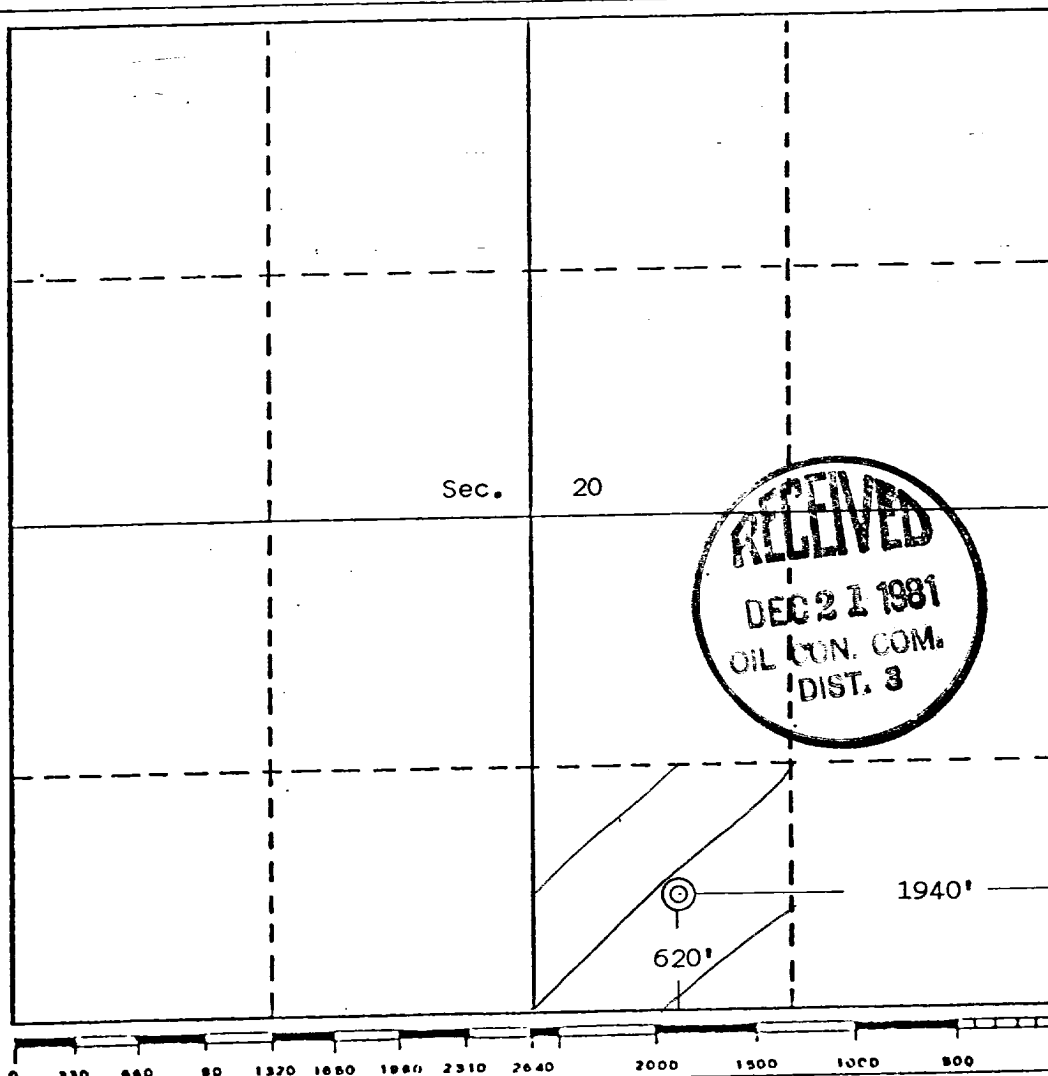
Operator Red Mountain Associates Ltd. Partners			Lease Red Mountain 20		Well No. 1
Unit Letter C	Section 20	Township 20 North	Range 9 West	County McKinley	
Actual Footage Location of Well: 620 feet from the South line and 1940 feet from the East line					
Ground Level Elev. 6461	Producing Formation MeneFee	Pool Red Mountain		Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests 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 interests, has been approved by the Division.



CERTIFICATION

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

Name
M. ZENATI

Position
Engineer

Company

Date
12/17/81

I hereby certify that the well location shown on the plat was plotted from field notes of actual measurements 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
December 7, 1981

Registered Professional Engineer and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.