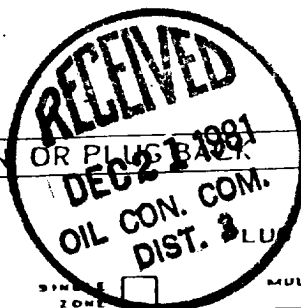


SA. INSPECTOR	
DISTRIBUTION	
SANTA FE	
FILE	
J.S.G.S.	
LAND OFFICE	
OPERATOR	

SANTA FE, NEW MEXICO 87501



STATE	☒
5. State Oil & Gas Lease No.	
7. Unit Agreement Name	
8. Farm or Lease Name	Red Mountain 29
9. Well No.	40
10. Field and Pool, or Whicor	Red Mountain M
12. County	McKinley
19. Proposed Depth	1400'
19A. Formation	Menefee
20. Policy or C.T.	Rotary
22. Approx. Date Work will start	December 30, 1981

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1. Type of Well: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK

2. Name of Operator: RED MOUNTAIN ASSOCIATES c/o M. Zenati

3. Address of Operator: 2626 Holly St., Denver Co 80207

4. Location of Well: UNIT LETTER B LOCATED 630 FEET FROM THE North LINE 2160 FEET FROM THE East LINE OF SEC. 29 TWP. 20N R. 3W

5. Evaluations (Show whether DF, RI, etc.): 6515 GL

6. 21A. Kind & Status Plug. bond

7. 21B. Drilling Contractor: Meztemp Drilling Co.

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 #	T.D	130	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

PLEASE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEVELOP NEW PRODUCTION, GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

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

(This space for State Use)

APPROVED BY: Jeff A. Schuster TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE: 12/21/1981

REMARKS OR APPROVAL, IF ANY: