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P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

30-031-20783

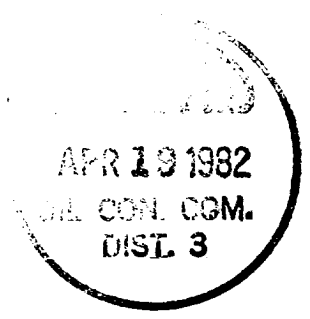
3A. Indicate Type of Lease
STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
09725
7. Unit Agreement Name
Miguel Creek
8. Name of Lessee Name
S.F.P.R.R.
9. Well No.
72
10. Field and Pool, or Wildcat
Miguel Creek Gallup Extension
12. County
McKinley

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work	
DRILL <input checked="" type="checkbox"/>	DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
b. Type of Well	
CIL <input checked="" type="checkbox"/> WFL <input type="checkbox"/>	SAB WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	
Capital Oil and Gas Corporation	
3. Address of Operator	
P. O. Box 2130, Kilgore, Texas 75662	
4. Location of Well	
UNIT LETTER <u>I</u>	LOCATED <u>1980</u> FEET FROM THE <u>South</u> LINE
<u>AND 660</u>	FEET FROM THE <u>East</u> LINE OF SEC. <u>20</u> TWP. <u>16N</u> R. <u>6W</u> NMPM
15. Proposed Depth	
1400'	
19A. Formation	
Hospah-Gallup	
2C. Rotary or C.T.	
Rotary	
21. Elevations (Show whether D.F., R.I., etc.)	21A. Kind & Status Plug. Bond
6800.00'	\$50,000 Blanket
21B. Drilling Contractor	
Alamo Drilling, Inc.	
22. Approx. Date Work will start	
4/20/82	

23. PROPOSED CASING AND CEMENT PROGRAM
- | SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 12-1/4" | 8-5/8" | 24# | 80' | 75 | Surface |
| 7-7/8" | 5-1/2" | 14# | 1400' | 75 | 800' |
1. Drill 85' 12-1/4" hole.
 2. Set 8-5/8" surface casing.
 3. Circulate cement to surface.
 4. Drill and core to a depth of 25' below Hospah Sand.
 5. Run electric log.
 6. Set 5-1/2" casing 20' below Hospah zone.
 7. Cement with 75 sx.
 8. Perforate and put on production.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,
EXPIRES October 19, 1982



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM IF PROPOSAL IS TO DEEPEN OR PLUG BACK. GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODU-
TIVE 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.

Signed Jean Houston Title Agent Date 4/13/82

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT #3 DATE APR 19 1982

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

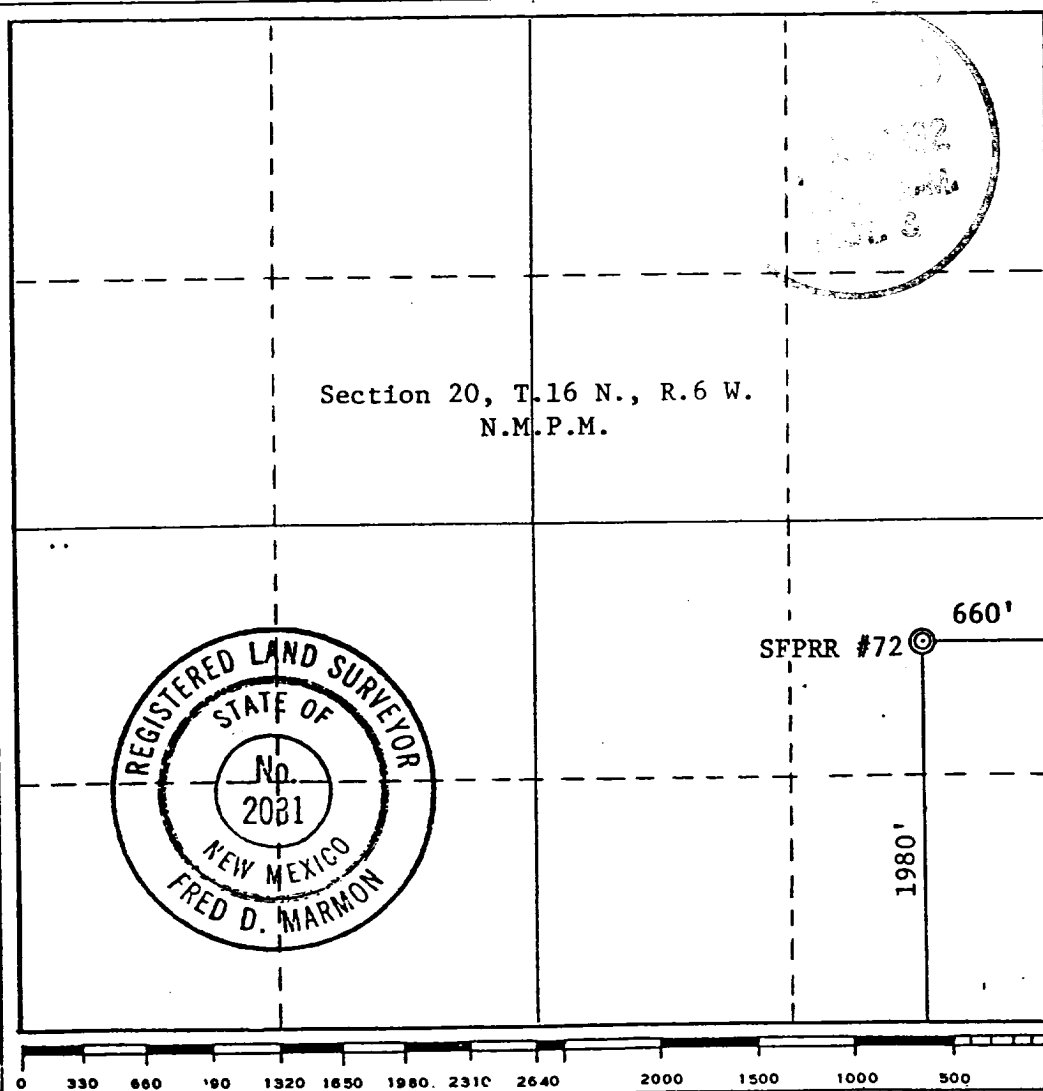
All distances must be from the outer boundaries of the Section.

Operator Capital Oil and Gas Corporation		Lease S.F.P.R.R.		Well No. S.F.P.R.R. #72	
Unit Letter I	Section 20	Township 16N.	Range 6W.	County McKinley	
Actual Footage Location of Well: 1980' feet from the South line and 660' feet from the East line					
Ground Level Elev. 6800.00'	Producing Formation Hospah		Pool Miguel Creek Gallup Extension		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. 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.) Capital Oil and Gas Corporation and Zenith Energy Corporation own 100% working interest in the lease.
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 Commission.



CERTIFICATION

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

Name Jean Houston
Position Agent
Company Capital Oil and Gas Corporation
Date 4/13/82

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 12, 1982

Registered Professional Engineer
and/or Land Surveyor

Fred D. Marmion
Certificate No. 2031