NEW MEXICO OIL CONSERVATION DEPARTMENT

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

30-031-20820

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5A. Indicate Type of Lease: STATE [X] FEE [ ]

5. State Oil & Gas Lease No.: L-6469

7. Unit Agreement Name: Miguel Creek - Gallup

8. Farm or Lease Name: STATE

9. Well No.: State #18

10. Field and Pool, or Wildcat: ~~WILDCAT~~ Undes. Gallup

Type of Work: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

Type of Well: OIL [X] GAS WELL [ ] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

Name of Operator: CAPITAL OIL & GAS CORPORATION

Address of Operator: P. O. DRAWER M MILAN, NEW MEXICO 87021

Location of Well: UNIT LETTER E LOCATED 1650 FEET FROM THE North LINE AND 330 FEET FROM THE West LINE OF SEC. 16 TWP. 16N RGE. 6W NMPM

40

12. County: McKinley

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
1300'	Hospah-Gallup	Rotary

Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
5483.69	$50,000	Alamo Drilling, Inc.	10-22-82

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	90 ft.	85	Surface
7 7/8	5 1/2	15-50	TD	175	400

1. Drill 12 1/4 hole. Set 2 joints 8 5/8. Cement surface.
2. Drill to top of Hospah.
3. Core log. Drill 20' rat hole
4. If commercially productive, set 4 1/2 casing to total depth and cement with 175 sacks of cement.

RECEIVED NOV 8 1982 OIL CON. DIV. DIST. 3

APPROVAL VALID FOR ~~90 DAYS~~ 6 MONTHS UNLESS DRILLING COMMENCED,

EXPIRES 5-8-83

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.

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

Signed Jan Pepper Title Representative Date 10/22/82

(This space for State Use)

APPROVED BY [signature] TITLE DISTRICT #3 DATE NOV 8 1982

CONDITIONS OF APPROVAL, IF ANY:

Joint with wells # 13, 14, +17

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Milan Hice

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

Capital Oil & Gas		Lease State Lease -6469		Well No. State #18
Unit Letter	Section 16	Township 16N.	Range 6W.	County McKinley

Footage Location of Well:
1650' feet from the North line and 330' feet from the West line

Ground Level Elev. 6483.69'	Producing Formation Hospah-Gallup	Pool Undes	Dedicated Acreage: 40 Joint with wells # 13, 14, & 17 Acres

Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

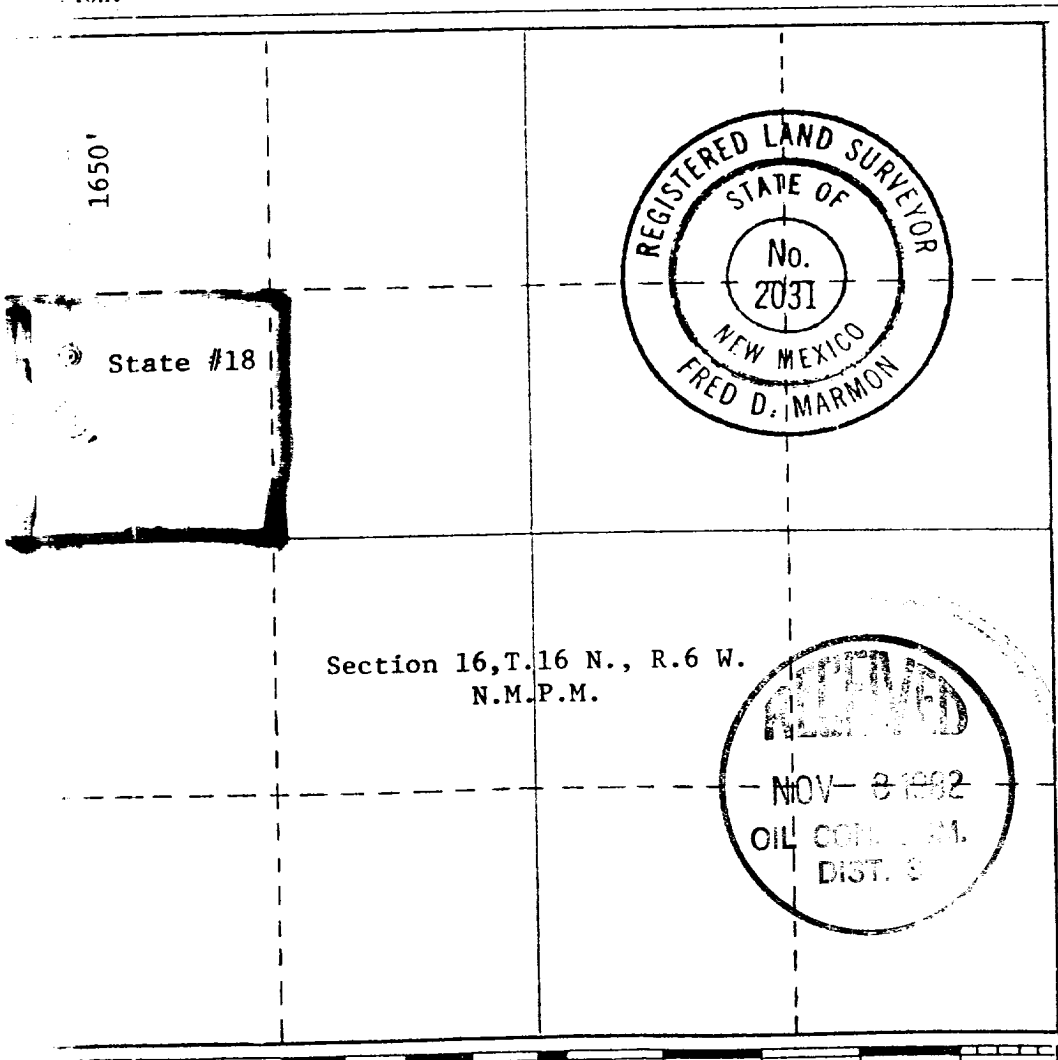
If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.) Golden Exploration, Inc. owns 100% interest

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: Representative

Position: Capital Oil & Gas

Company: October 22, 1982

Date:

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 21, 1982

Registered Professional Engineer and/or Land Surveyor

Fred D. Marmon

Certificate No. 2031