

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-631-21515

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 William G. Gill

3. ADDRESS OF OPERATOR
 430 Wilson Building, Corpus Christi, TX 78401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 2310' FNL, 330' FEL, Sec. 24, T16N, R10W, NMPM
 At proposed prod. zone
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 11 miles southwest of Hospah, N.M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'

16. NO. OF ACRES IN LEASE 320 ac.

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 660'

19. PROPOSED DEPTH 2050'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7191' G.L.

22. APPROX. DATE WORK WILL START*
 Upon approval

5. LEASE DESIGNATION AND SERIAL NO.
 NM 12201

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Marcelina

9. WELL NO.
 7

10. FIELD AND POOL, OR WILDCAT
 Marcelina/Dakota ~~exp~~

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 24-16N-10W NMPM

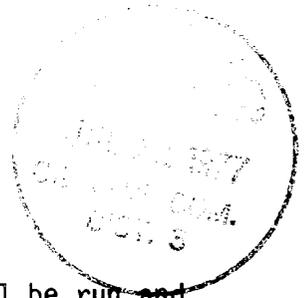
12. COUNTY OR PARISH
 McKinley

13. STATE
 N.M.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9 7/8"	7 5/8"	26.4 lbs.	100'	Suff. circulate to surface (20 sks)
6 3/4"	4 1/2"	9.5 lbs.	1800'	" " " " (222 sks)

This well will be an 1850' Dakota "A" sand development well.
 B.O.P. program: 10" Shaffer 3000 WP Hydraulic or equal.
 Mud program as necessary and prudent.
 Totco surveys every 250' to maintain less than 4° deviation.
 IE and GRN logs to TD.
 Conventional cores of Hospah and Dakota sands.
 If commercial oil or gas production is indicated, 4 1/2" casing will be run and cemented to surface and well treated as necessary to establish production.
 Open hole completion in Dakota "A" sand.



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.

24. SIGNED W. G. Gill TITLE Geologist DATE June 15, 1977

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED
 JUL 7 1977

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

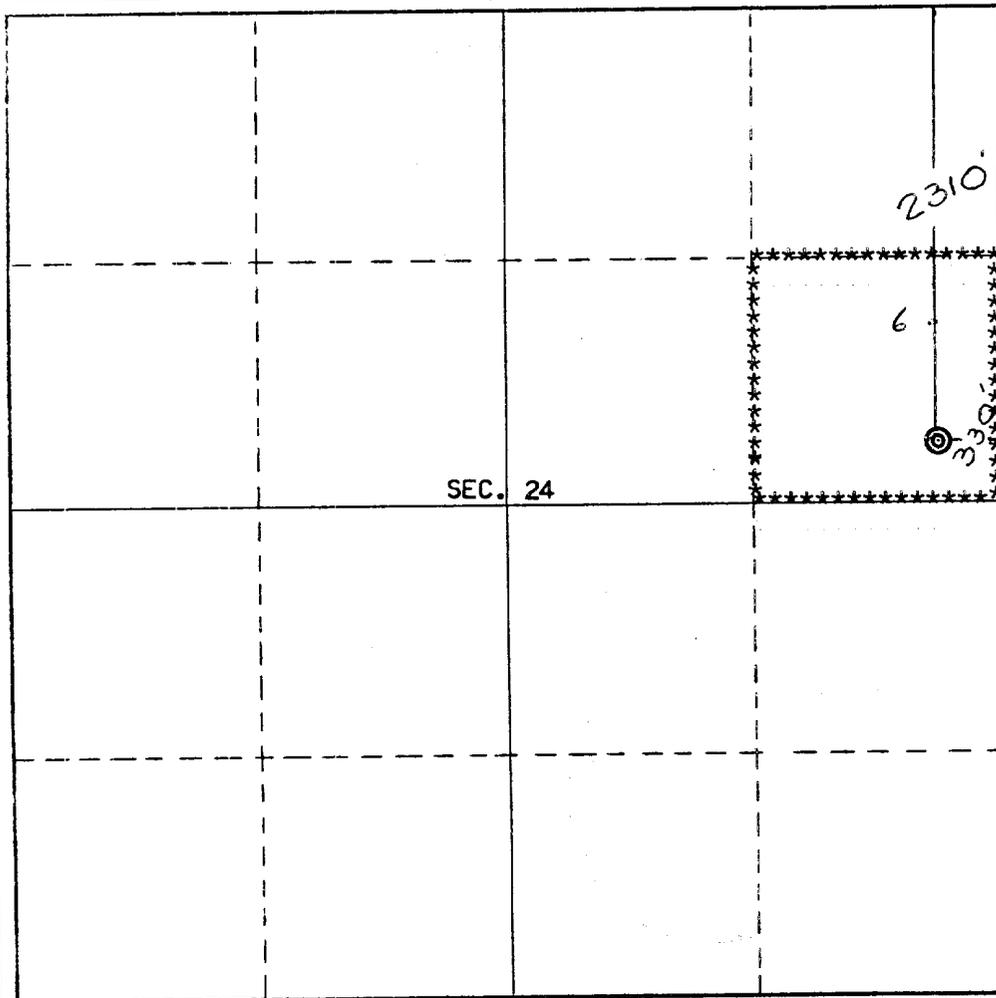
Operator William G. Gill		Lease Marcelina			Well No. 7
Unit Letter H	Section 24	Township 16 North	Range 10 West	County McKinley	
Actual Footage Location of Well: 2310 feet from the North line and 330 feet from the East line					
Ground Level Elev. 7119	Producing Formation Dakota "A"	Pool Unconsolidated Marcelina Dakota	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 Commission.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<i>Hugh Gill, Jr.</i> Hugh Gill, Jr.
Position	Geologist
Company	William G. Gill
Date	June 15, 1977
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 knowledge and belief.	
Date Surveyed	June 4, 1977
Registered Professional Engineer and/or Land Surveyor	
<i>E.V. Echohawk</i>	
Certificate No.	3602
E.V. Echohawk LS	



DEVELOPMENT PLAN FOR SURFACE USE

To be attached to Application to Drill a test well for oil or gas to be located 2310' FNL and 330' FEL section 24, T16N-R10W, McKinley County, New Mexico. The Federal Lease number is NM 12201. The well is to be known as William G. Gill, No. 7 Marcelina.

This well will be drilled by a light-weight, truck-mounted Failing 1500 type rig.

1. Existing roads including location of the exit from the main highway.

On Map No. 1, the locatable reference point is the Albers Ranch Headquarters, approximately 11 1/2 miles southwest of Hospah, New Mexico, on the Borrego Pass - Hospah road. This is the main access road. The point of exit from this road is 1/2 mile northeast of the Albers Headquarters.

2. Planned access roads.

No new road construction is contemplated. If necessary, some slight grading in the vicinity of the well may be performed.

3. Location of existing wells.

Map 1 shows the location of the proposed well and all wells within a 1 mile radius.

4. Location of existing and proposed facilities controlled by operator.

A. A 500bbl tank is located about 70 feet North of #1 Marcelina well.

B. In the event of production the tank battery will be located some 50 feet North of the well and is shown on Map 2. Also shown is flow line from well to tanks.

C. Wellhead and pump jack will be fenced. All disturbed areas will be restored to natural state.

5. Location and Type of Water.

Water for drilling operations will be taken from the Tesoro Petroleum pond at Hospah. Trucks will haul water to the well. No water lines will be needed.

6. No construction materials will be needed.

7. Methods for Handling Waste Disposal.

Upon completion of the well, all waste material will be placed in the pit, covered over and buried. See map 2.

8. Location of Camps.

There will be no camp. Crews will travel daily back and forth to Grants, New Mexico. No airstrip will be constructed.

9. Location of Layout to Include Position of the Rig, Mud Tanks, Reserve Pits, Burn Pits, Pipe Rack, etc.

See map 2. The topography in the immediate vicinity of the well is flat. The drilling pad will not be compacted or surfaced.

10. Plans for Restoration of the Surface.

Upon completion of operations, the surface will be cleared of all junk, leveled and re-seeded per NTL-6 and BLM recommendations.

11. Other Information.

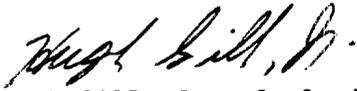
The topography of the general area is gently rolling and sandy. There is little grass and other vegetation. No cut and fill will be needed. Section 24 is Pena Rancho. No livestock has been seen. No water or occupied dwellings are known within 1 mile radius. No archeological, historical or cultural sites are identified by American School of Research, John D. Beal survey of 10/6/75.

12. Operator's Representative

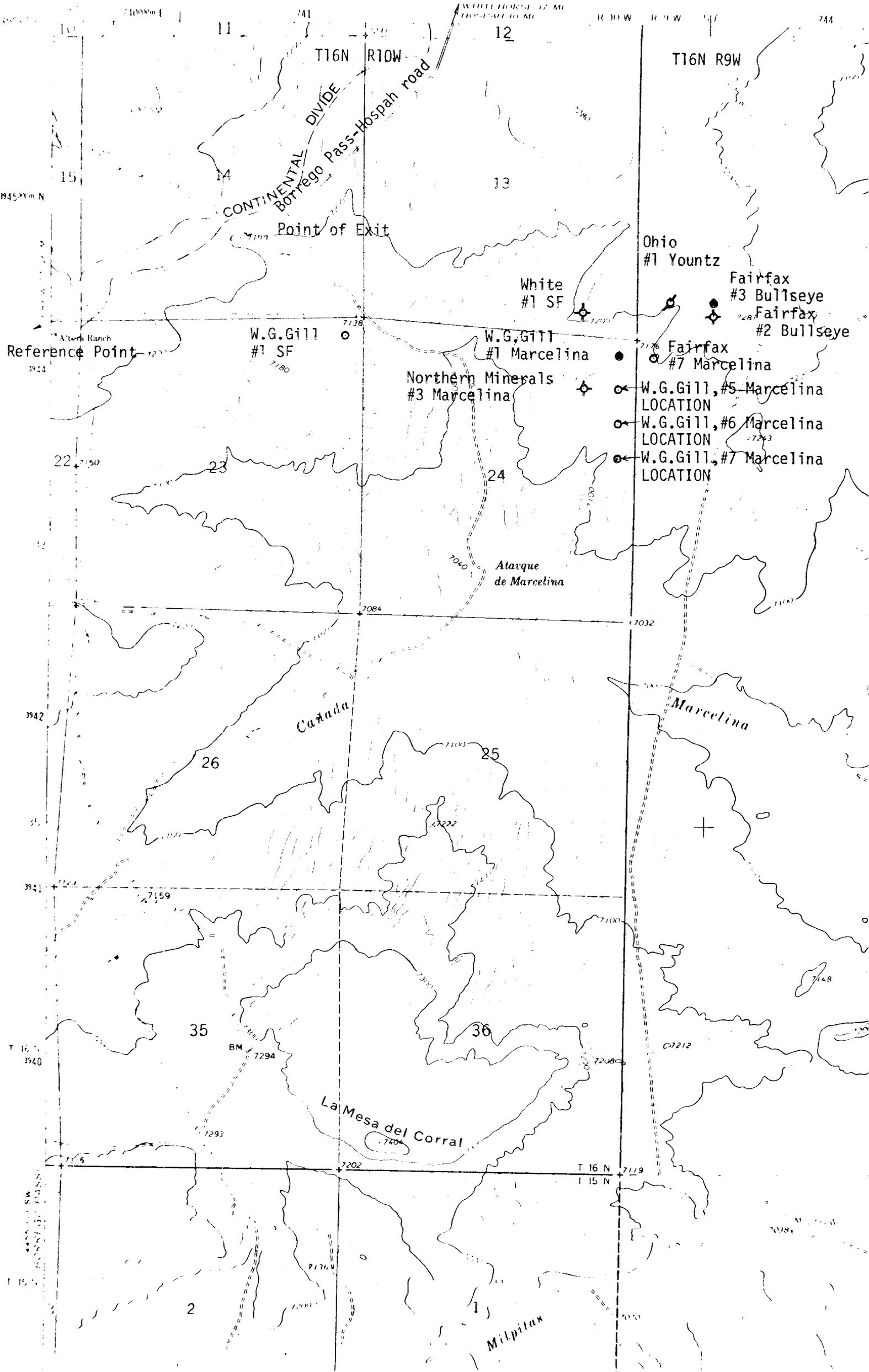
Hugh Gill, Jr.
430 Wilson Building
Corpus Christi, TX 78401
512/884-6692

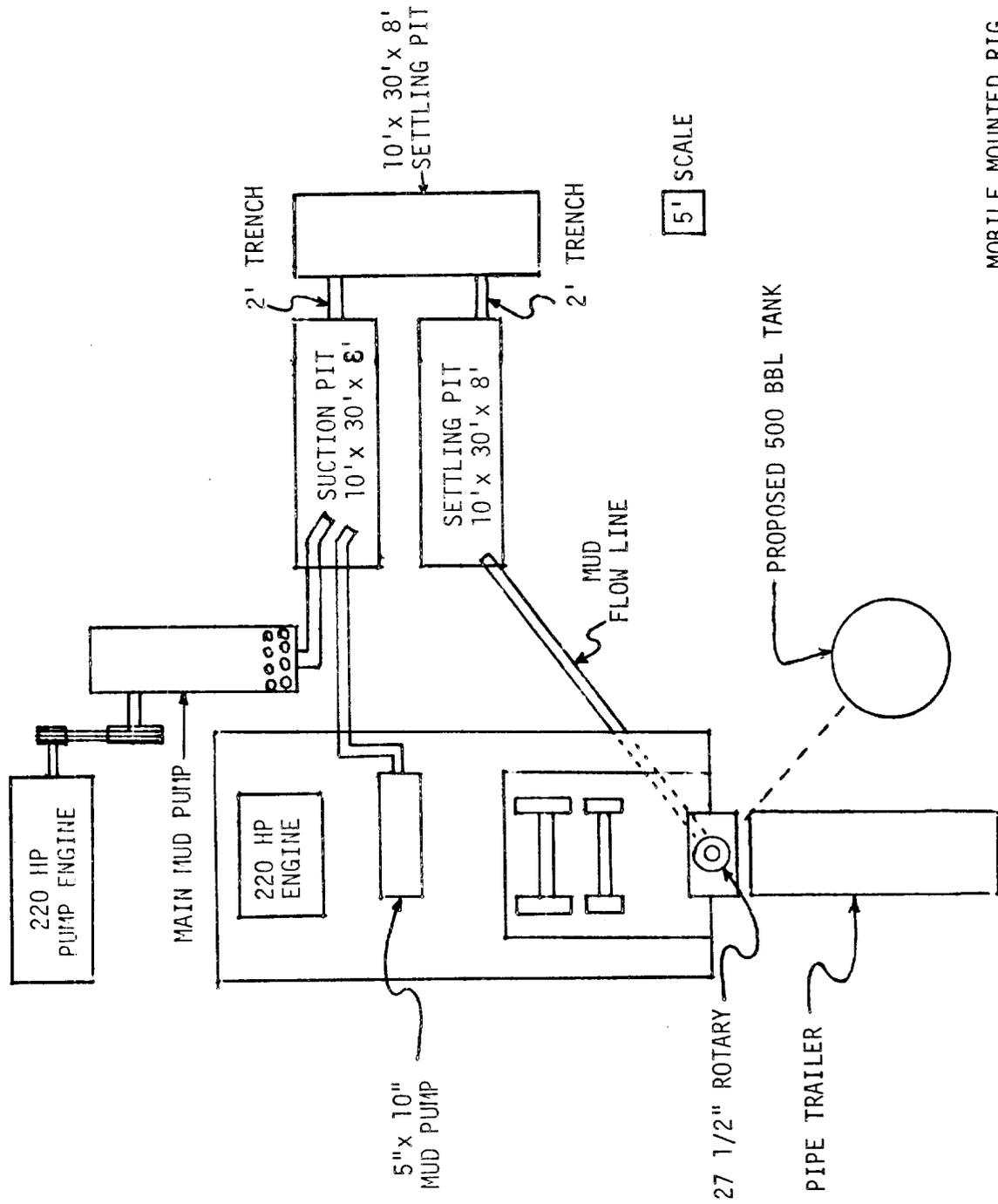
13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Allredge Drilling Co. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.


Hugh Gill, Jr., Geologist

July 1, 1977





MOBILE MOUNTED RIG
 WITH COOPER DOUBLE DRUM DRAWWORKS
 AND 59' TELESCOPING MAST
 2 7/8" DRILLPIPE, 20' JOINTS