

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-039-22792

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"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 23049
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Kenai Oil and Gas, Inc. 2000 Energy Center One		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 717-17th Street Denver, Colorado 80202		8. FARM OR LEASE NAME Federal-6
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 2040' FSL and 340' FEL At proposed prod. zone Same		9. WELL NO. #43
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 43 miles-Bloomfield, New Mexico		10. FIELD AND POOL, OR WILDCAT Lybrook Gallup Ext.
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 340'	16. NO. OF ACRES IN LEASE 120	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA I Sec.-6-23N-7W
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH 5500'	12. COUNTY OR PARISH San Juan
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7007' GL		13. STATE N.M.
20. ROTARY OR CABLE TOOLS Rotary		17. NO. OF ACRES ASSIGNED TO THIS WELL 40
22. APPROX. DATE WORK WILL START* 5-30-81		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	550'	300 sx-circulate
7 7/8"	4 1/2"	10.5#	5500'	815 sx-cover Ojo Alamo

Selectively test, perforate, and sandwater fracture the Gallup formation. A 3000 psi WP and 6000 psi test double gate preventor with blind and pipe rams will be used for blowout prevention.

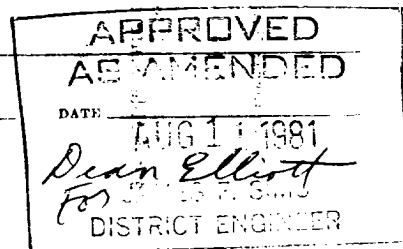
The NESE of Section 6 is dedicated to this well.



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 Joe F. Ellidge TITLE Agent DATE 5-1-81
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:



OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
OIL AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-107
Revised 10-1-78

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

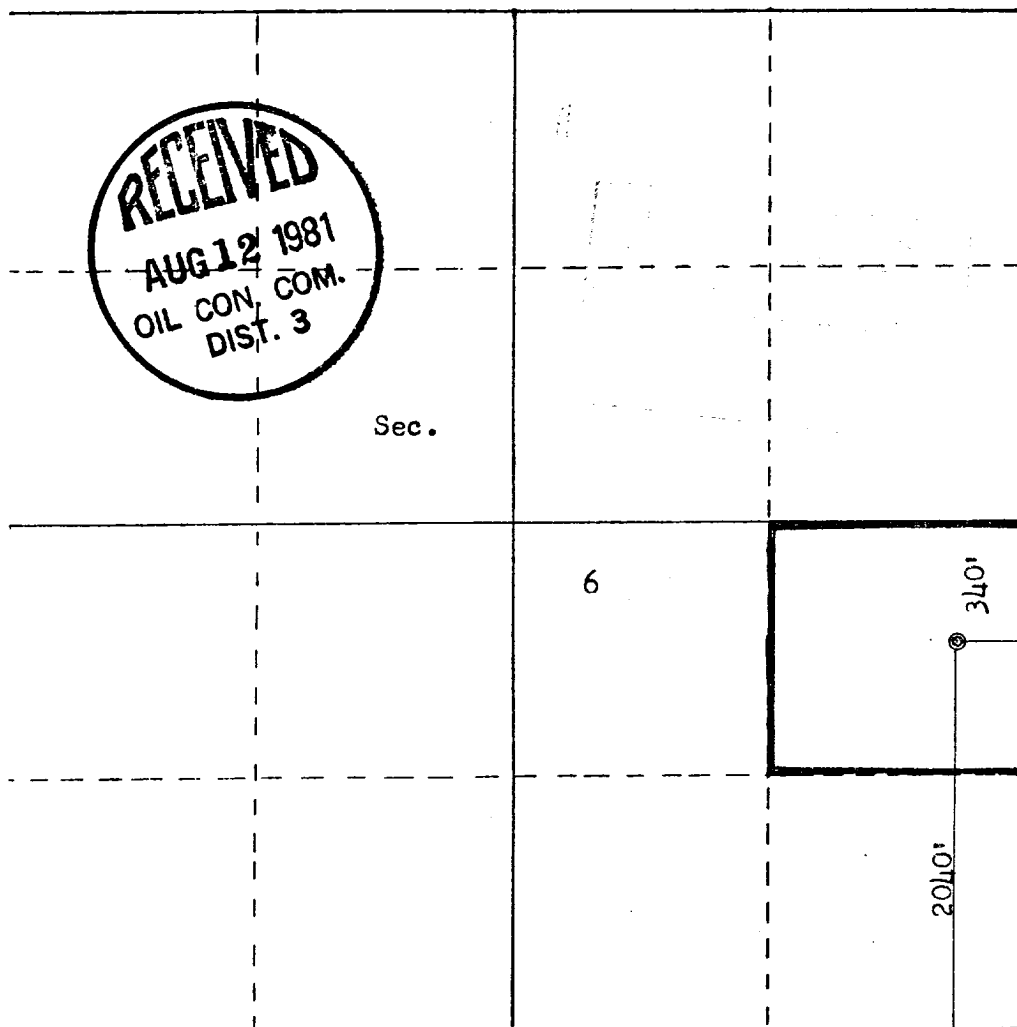
Operator KENAI OIL & GAS, INCORPORATED			Lease FEDERAL 6		Well No. 43
Unit Letter I	Section 6	Township 23N	Range 7W	County Rio Arriba	
Actual Footage Location of Well:					
2040 feet from the South line and 340 feet from the East line					
Ground Level Elev. 7007	Producing Formation Gallup	Pool Lybrook 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.) _____

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.



Scale: 1"=1000'

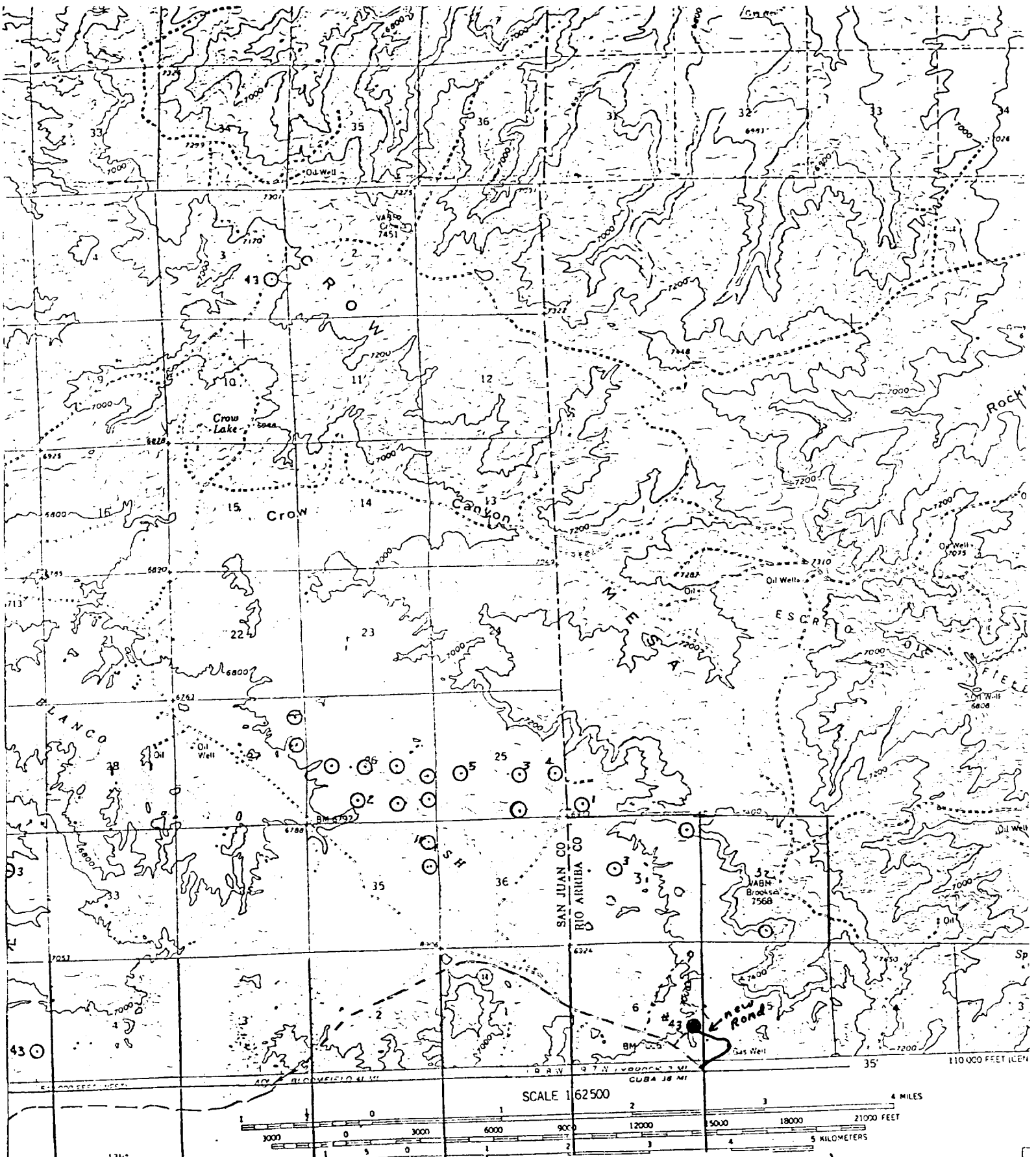
CERTIFICATION

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

Name J. F. Ellledge
Position Agent
Company Kenai Oil and Gas, Inc.
Date 5-1-81

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 April 28, 1981
Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
Certificate No. 3950



Vicinity Map for
 KENAI OIL & GAS, INC. #43 FEDERAL 6
 2040' FSL 340' FEL Sec. 6-T23N-R7W
 RIO ARRIBA COUNTY, NEW MEXICO

FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER 25, COLORADO OR WASHINGTON 25, D.C.
 A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST