

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 080273	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR FOUR CORNERS EXPLORATION CO.		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P O Box 208, Farmington, NM 87499		8. FARM OR LEASE NAME Lybrook	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1570' FSL - 2390' FWL At proposed prod. zone		9. WELL NO. 4	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE approx. 7 miles NW of Counselors, NM		10. FIELD AND POOL, OR WILDCAT Lybrook Gallup	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) approx. 874' E of Byron Oil's Hanson Federal #1		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 3, T23N, R7W, NMPM	
16. NO. OF ACRES IN LEASE 160		12. COUNTY OR PARISH Rio Arriba	
17. NO. OF ACRES ASSIGNED TO THIS WELL 37.65		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 5765'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7130' GL; 7142' RKB		22. APPROX. DATE WORK WILL START* ASAP	
23. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS CEMENTING PROGRAM"			

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12-1/4"	8-5/8"	24#	200'	159 cf circulated to surface
7-7/8"	4-1/2"	10.5#	5765'	1877 cf circulated to surface

Plan to drill a 12 1/4" hole and set 200' of 8-5/8" OD, 24#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test Gallup formation. Plan to run IES and CDL logs. If determined productive, will run 4-1/2", 10.5#, J-55 casing, selectively perforate, frac, clean out after frac and complete well.

APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION WILL BE FILED WITH THE NMOCD.

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 Barbara Williams TITLE Petroleum Engineer DATE 2-3-86
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE APR 04 1986 DATE APR 07 1986
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:
Approval of this action does not warrant that the applicant holds legal or equitable rights or title to this lease.
NMOCC OIL CON. DIV. DIST. 3
See Instructions On Reverse Side
AREA MANAGER

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

Operator Four Corners Exploration Company		Lease Lybrook		Well No. 4
Unit Letter K	Section 3	Township 23 North	Range 7 West	County Rio Arriba
Actual Footage Location of Well: 1570 feet from the South line and 2390 feet from the West line				
Ground Level Elev. 7130	Producing Formation Gallup	Pool Lybrook Gallup	Dedicated Acreage: 37.6540 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Division.

RECEIVED

FEB 05 1986

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA

SEC. 3

FOUR CORNERS
EXPLORATION CO.
Ls# NM 080273

2390'

1570'

RECEIVED

APR 04 1986

OIL CON. DIV.
DIST. 3

CERTIFICATION

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

Name Sherman E. Dugan

Position
Geologist

Company
Dugan Production Corp.

Date
2-3-86

I hereby certify that the information 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.

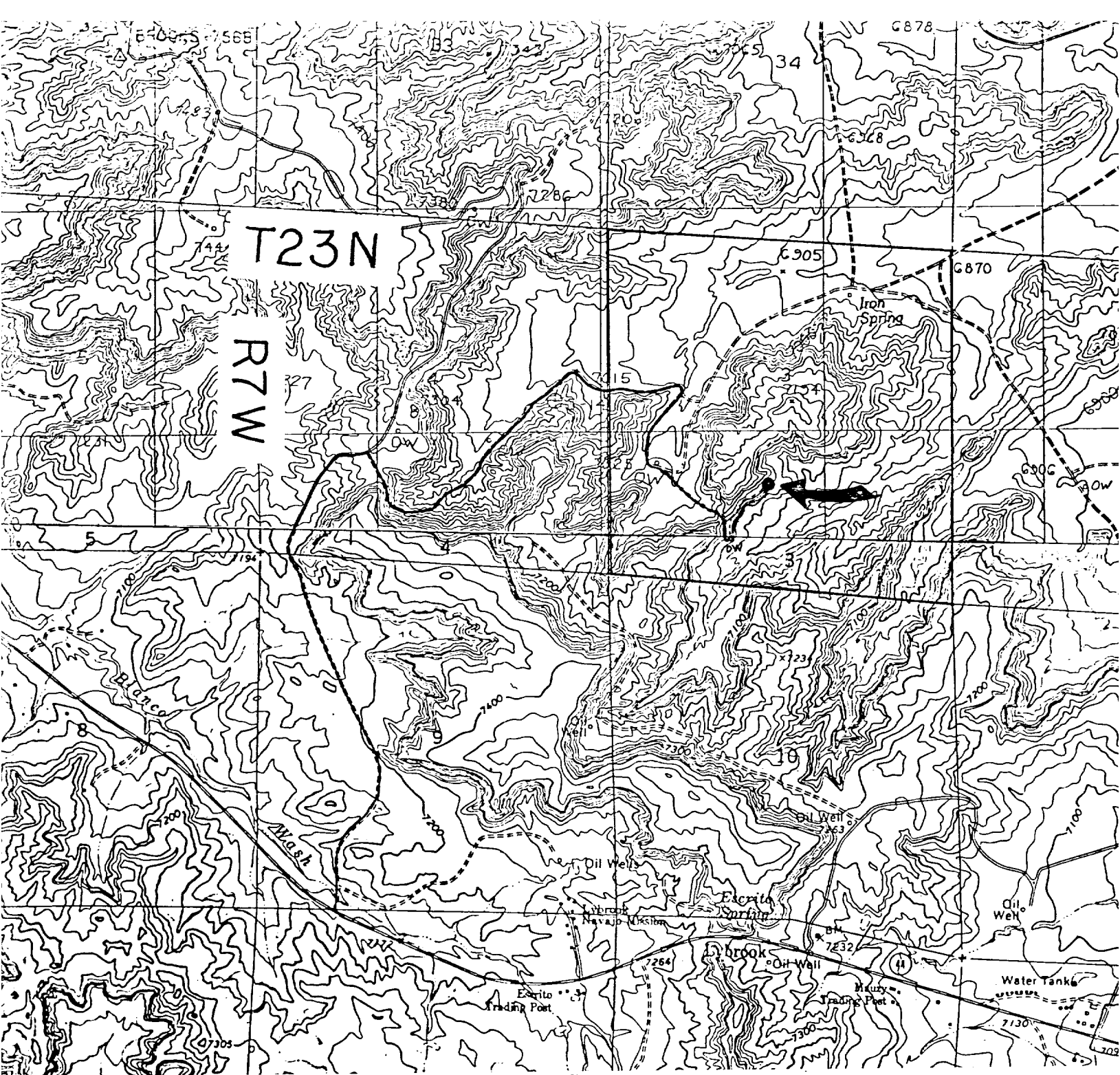
Date Surveyed
January 21, 1986

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, I.S.



FOUR CORNERS EXPLORATION CO. - Lybrook #4
Existing Roads Exhibit E

Distance from nearest town or reference pt.
Approx. 1½ miles North of Lybrook Trading Post

Type of surface dirt

Conditions good

Other

Reference Maps: USGS Crow Mesa East, NM
Provisional Edition 1985, 7.5 M n. & USGS

Lybrook, NM, 7.5 M n., 1966 Series

FOUR CORNERS EXPLORATION CO. - Lybrook #4
Planned Access Road(s) Exhibit E

Width 20' Maximum grades 5%

Drainage design as required

Cuts & Fills as required

Surfacing material none

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Access road(s) do/do not cross Fed/Ind land.