

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.

NM 28741

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Lu-Lu

9. WELL NO.

1

10. FIELD AND POOL OR WILDCAT

Lybrook Pool Extension

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec 29, T23N, R6W

12. COUNTY OR PARISH

Sandoval

13. STATE
N.M.

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

Aztec Energy Corporation

3. ADDRESS OF OPERATOR

P.O. Box 2637, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

790' FNL & 950' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

2 miles southwest of Counselor, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

790'

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

-

16. NO. OF ACRES IN LEASE

480

19. PROPOSED DEPTH

5667'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7078'GR

22. APPROX. DATE WORK WILL START*

October 15, 1981

23.

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"	24.0#	250'	200 sx, circ to surface
7-7/8"	5-1/2"	15.5#	5667'	See operations plan

1. Drill 12-1/4" hole to + 250'. Run and set 8-5/8" casing. Circulate cement to surface.
2. Wait on cement 12 hours.
3. Install BOP. Pressure test casing and BOP to 1000 psig.
4. Drill 7-7/8" hole to 5667' with fresh water gel mud. Run electric and radioactive logs.
5. Run and set 5-1/2" casing with stage collars and cement.
6. Selectively perforate and stimulate Gallup formation and complete as required by regulations.



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

Seyl F. Moore

TITLE

President

DATE

9-11-81

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

AMOCO

(Orig. Sgd.) RAYMOND W. VINYARD

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY 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 AZTEC ENERGY CORPORATION			Lease LU-LU		Well No. 1
Unit Letter D	Section 29	Township 23N	Range 6W	County Sandoval	
Actual Footage Location of Well:					
790 feet from the North line and		950 feet from the West line			
Ground Level Elev. 7078	Producing Formation Gallup	Pool Lybrook Pool - Ext.		Dedicated Acreage: 40 Acres	

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

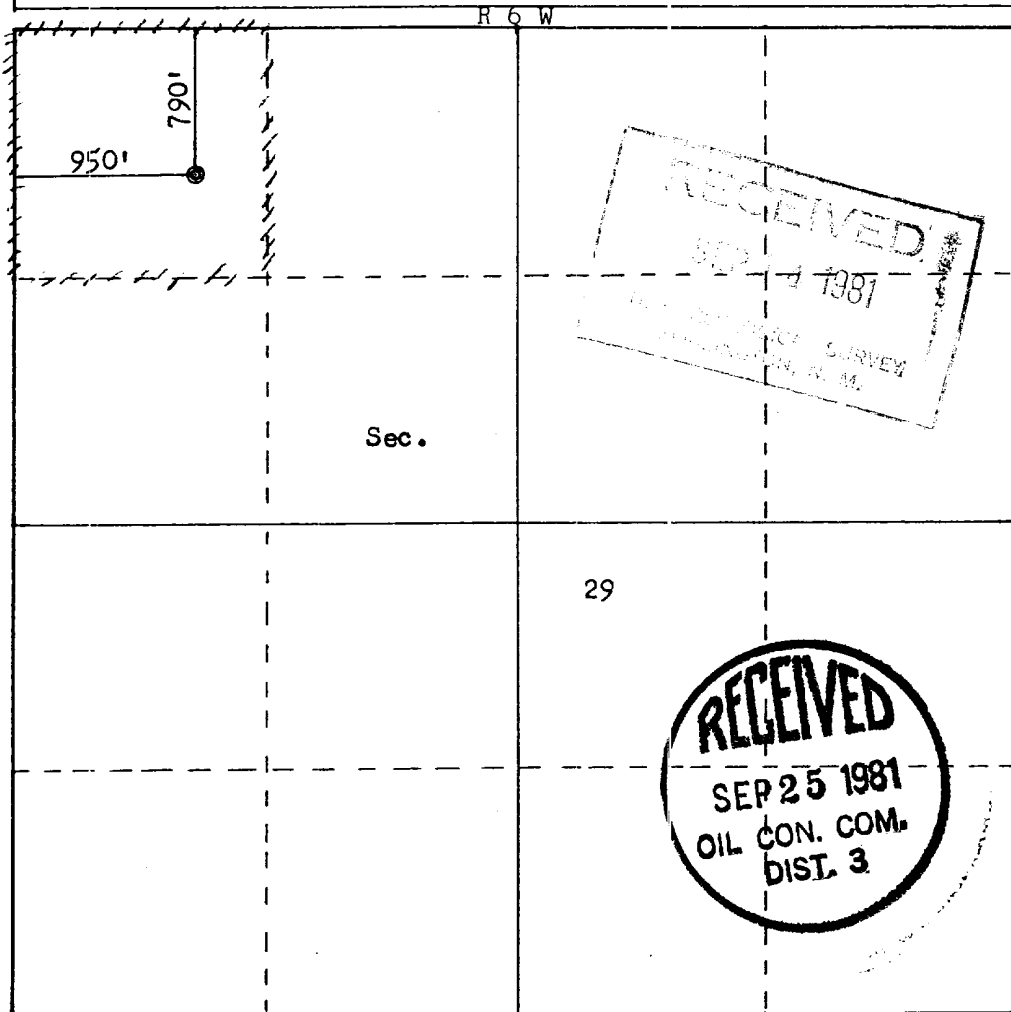
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.	
<i>Veryl F. Moore</i>	
Name Veryl Moore	
Position President	
Company Aztec Energy Corp.	
Date September 11, 1981	
T 23 N	
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	September 9, 1981
Registered Professional Engineer and Land Surveyor	<i>Fred B. Kerr Jr.</i>
Certificate No.	3950

DEVELOPMENT PLAN FOR SURFACE USE

AZTEC ENERGY CORPORATION
Lu-Lu #1
NW/4 Sec 29, T23N, R6W
Sandoval Co., New Mexico
Lease NM 28741

1. Existing Roads

See enclosed topographic map (Attachment "A") which shows existing improved and unimproved roads.

2. Planned Access Roads

600' west of existing roads.

3. Location of Existing Wells

See enclosed lease map (Attachment "B"). N/A

4. Location of Existing and/or Proposed Facilities

See enclosed lease map (Attachment "B") showing location of wells and facilities operated by (NOT APPLICABLE).
If production is encountered, the tank battery and other required producing equipment will be located per attached completion plat (Attachment "C").

5. Location and Type of Water Supply

Water for drilling will be trucked approximately 5 miles from existing water tanks in the immediate area.

6. Source of Construction Material

No additional construction material will be required.

7. Methods of Handling Waste Disposal

All waste material will be contained by earthen and steel pits. Earthen pits will be subsequently backfilled and buried. A portable chemical toilet will be furnished for drilling personnel.

8. Ancillary Facilities

No separate facilities are proposed.

