

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

6-013-20856

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

Samuel Gary Jr. & Associates *Veterana Explorations, Inc.*

3. ADDRESS OF OPERATOR

1775 Sherman Street, Suite 1925, Denver, CO 80203

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

At surface
928' FSL and 1176' FEL (SESE)

Surf-1545' 1400'
Set BHL-1340' FNL, 2130' FEL

At proposed prod. zone
1305' FNL and 1744' FEL (SWNE At TD of 6850' MD)

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

Approximately 10 miles west of Cuba, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 928'

16. NO. OF ACRES IN LEASE

1760

17. NO. OF ACRES ASSIGNED
TO THIS WELL

E/ 320 acres

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

N/A

19. PROPOSED DEPTH

6850' 3966'

20. ROTARY OR CABLE TOOLS

Rotary

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

6980' GL(ungraded) *6973*

22. APPROX. DATE WORK WILL START*

7/31/90

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16" Conductor		0-60'	4 yds Redi-Mix
12-1/4"	9-5/8"	36#, J-55, STC	0-3050'	920 sx Halliburton Lite
8-3/4"	4-1/2"	11.6#, K-55, LTC	0-6850' <i>4 1/2" @ TD of 3966'</i>	200 sx Class "G"* +200 sx Class "G"***

* Cement to be circulated to surface.

** Actual cement volume to be determined from caliper log.

Operator hereby proposes to drill a horizontal test well as above.

Anticipated kickoff point is $\pm 3400'$, at which time angle will be built at a rate of $12-14^\circ$ per 100 ft. It is desired to be horizontal by a TVD of $\pm 3966'$ and drill approximately 2500 ft. of lateral hole in a direction $N15^\circ W$ of the surface location.

Confidential

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OIL CON. D

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 *Mr. Hall* TITLE Operations Manager DATE 7/23/90
(This space for Federal or State office use)

PERMIT NO.

AREA MANAGER
RIO PUERCO RESOURCE AREA

APPROVED BY *Mike Abu*

TITLE

DATE

8/23/90

CONDITIONS OF APPROVAL, IF ANY:

OPERATOR

*See Instructions On Reverse Side

to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Box 1980, Hobbs, NM 88240

DISTRICT III
1700 N. Highway 24, Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

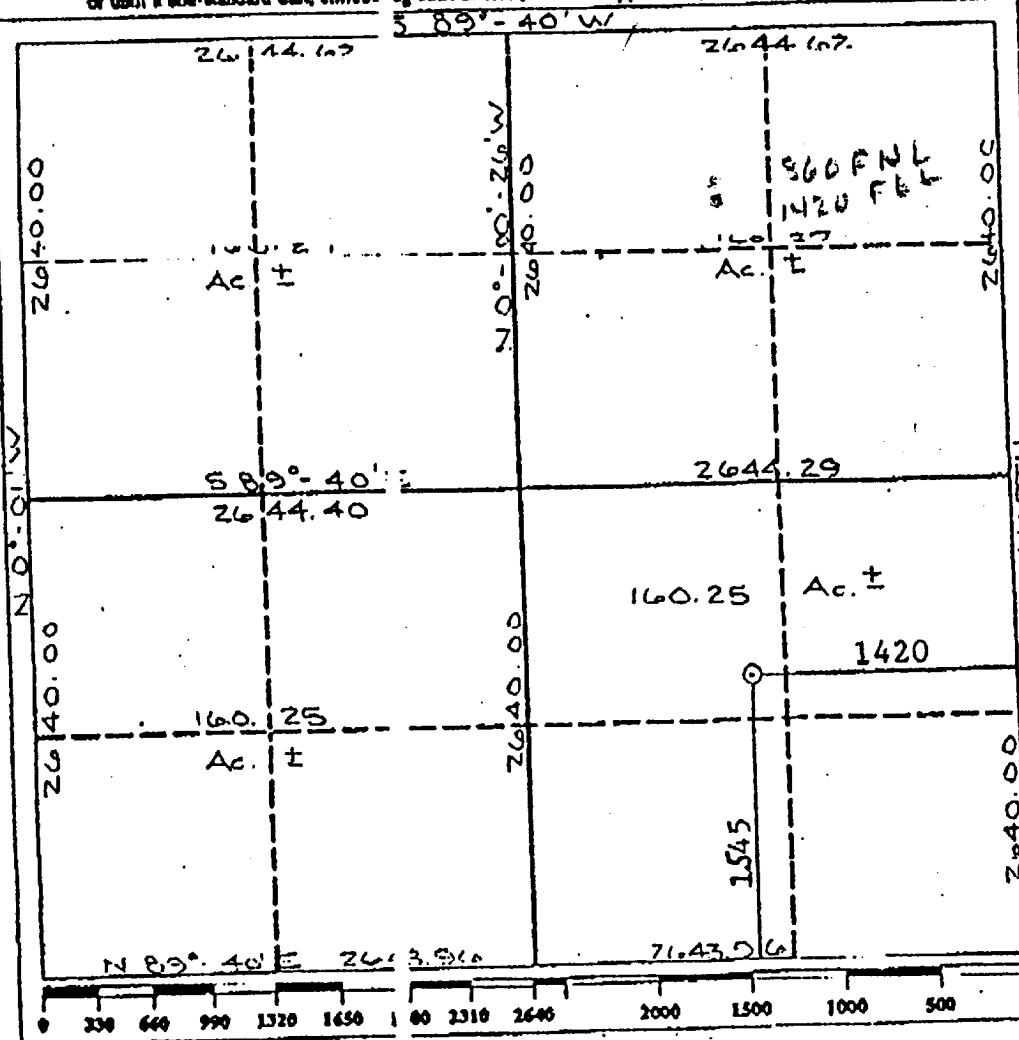
Operator VETERAN EXPLORATION			Lease SAN ISIDRO 12		Well No. 12-10
Unit Letter J	Section 12	Township 20N	Range 3W	County NMPM	SANDOVAL
Actual Footage Location of Well: 1545 feet from the South Ground level Elev. 6973 Producing Formation MANCOS/GALLUP Hole and 1420 East line Footage San Isidro 12 Section 12 Range 3W Township 20N County NMPM Well No. 12-10 Acres 320					

- Outline the acreage dedicated to this subject well by colored pencil or hatchure 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 interest 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 exact descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowance will be assigned in this or until a non-standard unit, eliminate well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) as such interest has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature *[Signature]*
Printed Name **ROBERT A. JACOBSEN**
Position **OWNER / PRESIDENT**
Company **VETERAN EXPLORATION INC.**
Date **10-22-90**

SURVEYOR CERTIFICATION

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 **OCT 18 1990**

Signature *[Signature]*
Professional Surveyor

Professional Surveyor

Certificate No. **9672**