SUBMIT IN TRIPLICATE*

Form approved.
Rudget Rureau No. 42-R1425.

(Other instructions on reverse side)

| Duuget | Dureau | 110. 42 | -B1420. |
|--------|--------|---------|---------|
| 0 - 6 | 145 | - = | 35 |

| UNITE | ED S | STATI | <u> </u> |
|------------|--------|-------|----------|
| DEPARTMENT | OF | THE | INTERIOR |

| DEPARIMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. | | | | ND SERIAL NO. | | |
|--|---|--|---------------------------|--|---------------------|--|
| GEOLOGICAL SURVEY | | | | NM 8904 | | |
| APPLICATION FOR PERMIT T | O DRILL, DEEPEI | N, OR PLUG B. | ACK | 6. IF INDIAN, ALLOTTEE C | DE TRIBE NAME | |
| a. TYPE OF WORK DRILL X | TYPE OF WORK 7. UNIT AGREEMENT NAME | | | | | |
| b. TYPE OF WELL | SIN | GLE MULTIPI | ъ [] | 8. FARM OR LEASE NAME | | |
| WELL GAS WELL X OTHER | ZON | | | Beard Federa | | |
| DAVIS OIL COMPANY | | | | 9. WELL NO. | <u> </u> | |
| ADDRESS OF OPERATOR | | <u> </u> | | #1 | | |
| 410 Seventeenth Street | - Denver, Co | | | 10. FIELD AND POOL, OR WILDCAT | | |
| 4. LOCATION OF WELL (Report location clearly and | in accordance with any St | ate requirements.*) | | Wildcat Chacra | | |
| An surface NEWNEW Section 5-T | | | | 11. SEC., T., R., M., OR BI AND SURVEY OR ARE | A. | |
| | 1000 FSL + 16 | • | | 5-T22N-R8W | | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAR | FET TOWN OR POST DEFICE | | | 12. COUNTY OR PARISH | 13. STATE | |
| | BSI TOWN ON LOOP | | | San Juan | New Mexico | |
| 8 Miles N-NW to Nageizi 15. DISTANCE FROM PROPUSED* | | OF ACRES IN LEASE | | OF ACRES ASSIGNED | | |
| LOCATION TO NEAREST 56 PROPERTY OR LEASE LINE, FT. | 0' N | 2096.24 | 101 | o this well 160 | | |
| (Also to nearest drig, unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION* | .9, PRO | POSED DEPTH | 20. ROTA | RY OR CABLE TOOLS | | |
| OR APPLIED FOR, ON THIS LEASE, FT. | TO VELDEET WELL DRILLING COMPLETED. | | Ro- | tary | T WITH COLDER | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) | | | | | | |
| 6726' GR - 6736' KB | | | | lupon Governme | nt approval | |
| 23. P | ROPOSED CASING AND | CEMENTING PROGRA | AM | | | |
| SIZE OF HOLE SIZE OF CASING | WEIGHT PER FOCT SETTING DEPTH | | QUANTITY OF CEMEN | <u>r</u> | | |
| 12 1/4" 8 5/8" OD | 24#, K-55, STC | | . | cement to surface | | |
| 8 3/4" 5 1/2" OD | 15.5#, K-55, L | TC, New, 1750' | | 150_sxs. Est | | |
| Ì | | | | | • | |
| ' | • | | | | · • | |
| | | | | | | |
| (SEE TEN POINT PRO | GRAM) | | | | 2 | |
| College College | • | | | | | |
| | | | | A Bank Bank | | |
| | | , , , , , , , , , , , , , , , , , , , | - | .50 | | |
| | | • | EC 18 | 1518 | | |
| | | 1) | 4.4. 2. | AL STAND | ÷ | |
| gus not decla | 1/-1 | | 24.27 | all States | 5 | |
| and decla | ented | • | | • | | |
| | | | | | | |
| | | | | | | |
| | | | | | d name was duration | |
| IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If zone. If proposal is to drill or deepen direction | proposal is to deepen or p ally, give pertinent data o | dug back, give data on p n subsurface locations a | present pro and measur | ed and true vertical depth | as. Give blowout | |
| preventer program, if any. | | | | | | |
| 24. | e 20 | | | Doc | . 7, 1978 | |
| SIGNED Marie Smit | TIT.E | Chief Geologis | ; t | DATEDEC | 1, 1310 | |

CONDITIONS OF APPROVAL, IF ANY: al Frak

PERMIT NO. ___

APPROVED BY ___

(This space for Federal or State office use)

TITLE ___

APPROVAL DATE ___

DATE ___

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. C) er itor Well No. Davis Oil Company Peard-Federal Unit Letter Section Township County 22 N San Juan Actual Footage Location of Well: 1000 feet from the Southline and Ground Level Elev: Producing Formation 6797 ChACRA 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 consulidated 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. shown on this pion was plotted from field notes of action sirreys moderby me or under my supervision, and that the same sed Location is true and correct to the knowledge and belief: Date Surveyed Dec. 22, 1978 Registered Professional Engineer 1000 Frederick H. Reed Certificate No. 3795 1320 1650 1980 2310

TEN POINT PROGRAM

1) GEOLOGIC OBJECTIVE: Mesaverde Formation.

2 & 3) ESTIMATED TOPS: (Water, Oil, Gas or Mineral bearing formations)

| Animas | Surface | Tite shale |
|----------------|---------|---|
| Ojo Alamo | 243' | Sandstone, fresh water, no oil or gas. |
| Kirtland | 463' | Tite shale |
| Picture Cliffs | 921' | Sandstone and some thin coals, brackish water, no oil or gas. |
| Chacra | 1293' | Interbedded sandstone and shale, possible gas productive. |
| Menefee | 1617' | Interbedded sandstone and shale, possible gas productive. |
| Cliff House | 1691' | Sandstone and thin interbedded coal, possible gas productive. |
| Total Depth | 1750' | |

4) CASING PROGRAM: 100', 8 5/8" OD, 24#, K-55, STC, New, cement to surface. 1750', 5 1/2" OD, 15.5#, K-55, LTC, New, 150 sxs. Est.

5) PRESSURE CONTROL EQUIPMENT: (See attached schematic diagram) BOP's and choke manifold will be installed and pressure tested before drilling out under surface casing and then will be checked daily as to mechanical operating condition.

6) MUD PROGRAM: 0-100' Spud Mud

100-1400' Treated Water

1400'-TD LSND, 9.0-9.5 ppg (Mud wt. as required to control formation

pressure), Vis 35-40, Less 10 cc WL, pH 10-10.5. Sufficient

mud materials to maintain mud properties, control lost circulation and to contain blowout will be available at wellsite.

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7) AUXILLIARY EQUIPMENT:

Kelly Cock.

2. Drill Pipe Float (Except for lost circulation drilling conditions)

3. Monitoring of Mud System will be visual unless otherwise specified.

4. A sub on the floor with a full opening valve to be stabbed into drill pipe when Kelly is not in the string.

8) LOGGING: Dual Induction Laterolog from base of surface casing to total depth.

Compensated Neutron Formation Density from base of surface casing to total depth.

TESTING: No testing.

CORING: No coring.

STIMULATION: Mesaverde Formation - Approx. 50,000 gals. gelled Kcl water frac. with

30,000# 10/20 sand. Actual volume of treatment will be dependent upon

thickness of pay and evaluation of zone of interest.

9) ABNORMAL PRESSURE: Abnormal pressures, temperatures of other hazards are not anticipated

during the drilling operations of this well.

ESTIMATED BOTTOMHOLE PRESSURE: 600 psi

10) ANTICIPATED STARTING DATE: Within 30 to 45 days from date of Government approval.

DURATION OF OPERATION: San Juan Basin 20-25 days

