

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Kenai Oil & Gas Inc.

3. ADDRESS OF OPERATOR
2000 Energy Center One, 717-17th Street, Denver, Colo. 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
K 1760' FSL, 1785' FWL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
38 miles, Cuba, New Mexico

16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 1760' FSL

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

19. PROPOSED DEPTH
5400

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6905 G.L.

22. APPROX. DATE WORK WILL START*

5. LEASE DESIGNATION AND SERIAL NO.
NM-18463

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal-3

9. WELL NO.
23

10. FIELD AND POOL, OR WILDCAT
Wageezi Gallup

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
3-23N-8W

12. COUNTY OR PARISH
San Juan

13. STATE
N.M.

16. NO. OF ACRES IN LEASE
640.2243.16

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2	8 5/8"	24#	550'	300 sx (Circulate)
7 7/8"	4 1/2"	10.5#	5400'	500 sx Class "H"

Selectively test perforate and snadwater fracture the Gallup formation.
A 3000 psi WP and 6000 psi test double gate preventer equipped with
blind and pipe rams will be used for blow out prevention.

The NESW of Section 3 is dedicated to this well.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

This action is subject to administrative
appeal pursuant to 38 CFR 290.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present production 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 Harold W. Edwards TITLE Agent DATE 8-7-80

(This space for Federal or State office use)

PERMIT NO. AS AMENDED APPROVAL DATE AUG 27 1980

APPROVED BY James W. Sims TITLE DISTRICT ENGINEER DATE 8-7-80

CONDITIONS OF APPROVAL: SIMS
DISTRICT ENGINEER

*See Instructions On Reverse Side

NM000

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

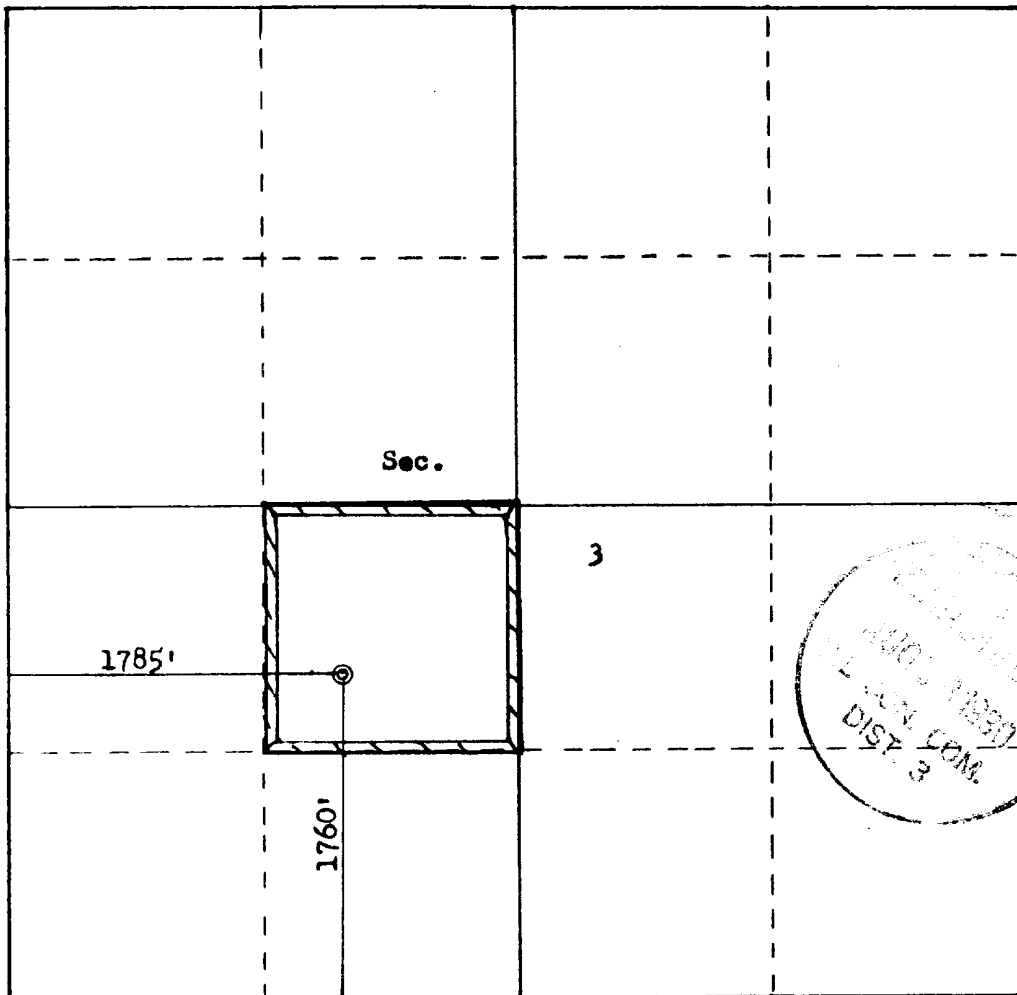
Operator KENAI OIL & GAS, INCORPORATED			Lease FEDERAL 3		Well No. 23
Unit Letter K	Section 3	Township 23N	Range 8W	County San Juan	
Actual Footage Location of Well: 1760 feet from the South line and 1785 feet from the West line					
Ground Level Elev. 6905	Producing Formation Gallup		Pool Nagazzi WC		Dedicated Acreage: 40 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 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. Elledge*
Position Agent
Company Kenai Oil & Gas Inc.
Date 8-7-80

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 August 1, 1980
Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
Certificate No. 3950
NEW MEXICO
FRED B. KERR, JR.
FORM 24-11

