

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. N.M. 36946		
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 Kenai Oil and Gas, Inc., 2000 Energy Center One			7. UNIT AGREEMENT NAME West Lybrook Unit		
3. ADDRESS OF OPERATOR 717-17th Street Denver, Colorado 80202			8. FARM OR LEASE NAME Federal-12		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1690' FSL and 1800' FEL At proposed prod. zone Same			9. WELL NO. 33		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 45 miles - Bloomfield, New Mexico			10. FIELD AND POOL, OR WILDCAT Undesignated Gallup		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1690'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA J-12-23N-8W		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1/2 mile			12. COUNTY OR PARISH San Juan		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7105 GL			13. STATE N.M.		
16. NO. OF ACRES IN LEASE 800			17. NO. OF ACRES ASSIGNED TO THIS WELL 40		
19. PROPOSED DEPTH 5500'			20. ROTARY OR CABLE TOOLS Rotary		
22. APPROX. DATE WORK WILL START* 5-20-81					

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY TO ORDER
12 1/2"	8 5/8"	24#	550'	300 sx-circulate
7 7/8"	4 1/2"	10.5#	5500'	815 sx-cover Ojo Alamo

Selectively test, perforate, and sandwater fracture the Gallup formation. A 3000 psi WP and 6000 psi test double gate preventor with blind and pipe rams will be used for blowout prevention.

The NWSE of Section 12 is dedicated to this well.



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 J. F. Elliot TITLE Agent DATE 5-1-81
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

JAN 19 1982
Dean Elliott
for

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

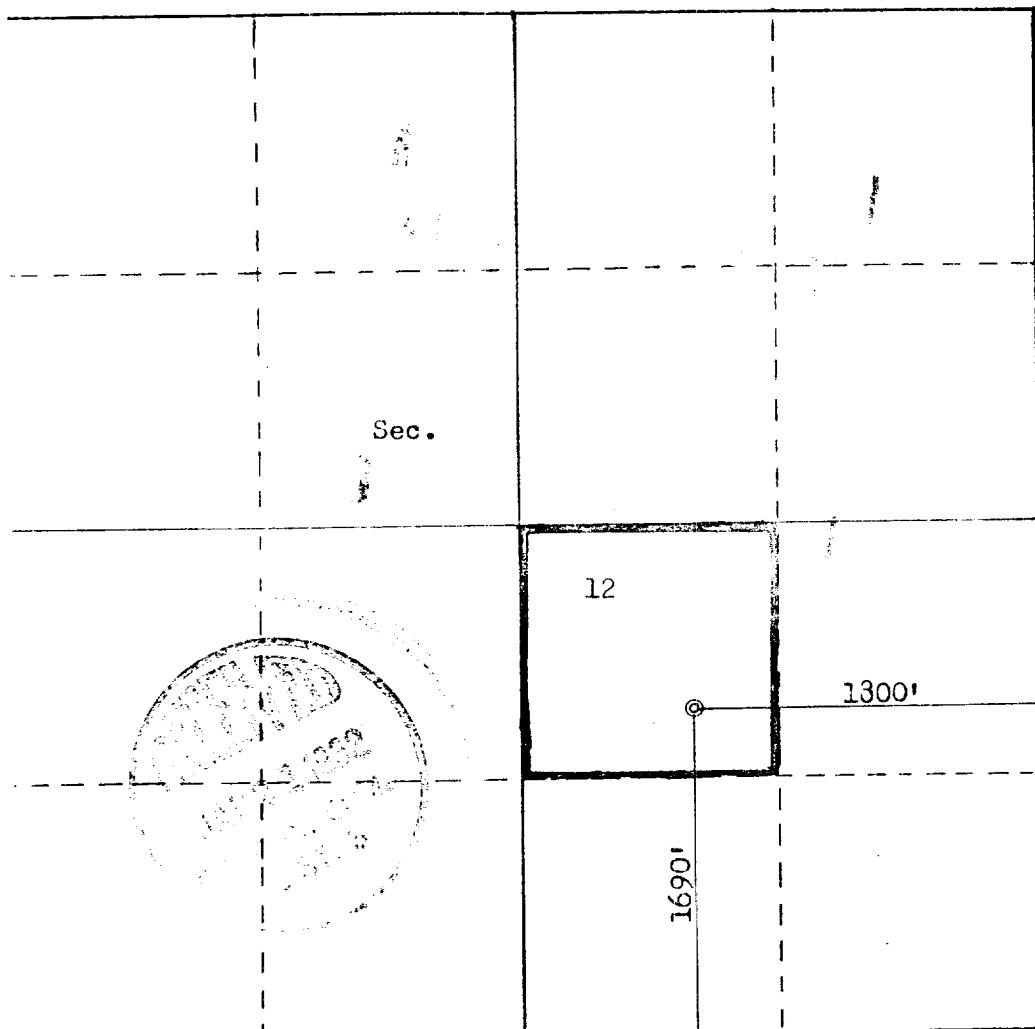
Operator KENAI OIL & GAS, INCORPORATED			Lease FEDERAL 12		Well No. 33
Unit Letter J	Section 12	Township 23N	Range 8W	County San Juan	
Actual Footage Location of Well:					
1690 feet from the South line and		1800 feet from the East line			
Ground Level Elev. 7105	Producing Formation Gallup	Pool Undesignated	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.

Name: *[Signature]*
Position: *[Signature]*
Agent:
Company: **Kenai Oil and Gas, Inc.**
Date: **5-1-81**

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: **April 26, 1981**
Registered Professional Engineer and Land Surveyor
[Signature]
Fred B. Kerr, Jr.
Certificate No. **3950**

