

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

BCO, Inc.

3. ADDRESS OF OPERATOR

135 Grant, Santa Fe, NM 87501

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

At surface

480' FNL & 1980' FEL

At proposed prod. zone

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

approx. 5 miles SW of Lybrook, NM

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

480'

16. NO. OF ACRES IN LEASE

1120 more or less

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40.90

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.1332' from
Federal G #1

19. PROPOSED DEPTH

5040'

20. ROTARY OR CABLE TOOLS

Rotary

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

6850' GL

DEPT LINE AND LOCATION OF WELL ARE
SUBJECT TO A REVISION OF 100' ATTACHED

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to technical and
preapproval review pursuant to 40 CFR 3105.3
and appeal QUANTITY OF CEMENT

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	23#	200'	190 cf circ. to surface
7-7/8"	4-1/2"	11.6#	5040'	2165 cf circ. to surface

Plan to drill a 12-1/4" hole and set 200' of 8-5/8" OD, 23#, new surface casing;
then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test
Gallup formation. Plan to run IES and CDL logs. If determined productive, will
run 4-1/2", 11.6#, new J-55 casing, selectively perforate, frac, clean out after
frac and complete 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

Elizabeth B. Keeshan

TITLE

Vice President

DATE

May 6, 1988

(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

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

Operator BCO, Inc.		Lease Federal <i>G</i>		Well No. <i>#2</i>
Unit Letter B	Section 2	Township 22 North	Range 8 West	County San Juan
Actual Footage Location of Well:				
480	feet from the North	line and	1980	feet from the East line
Ground Level Elev. 6850	Producing Formation Gallup	Pool Alamito Gallup	Dedicated Acres 40.90 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 Division.

<p>RECEIVED BURNING ROOM 83 MAY -6 PM 2:46 SANTA FE, NEW MEXICO</p>		<p>480'</p> <p>1980'</p> <p>BCO, Inc. #NM-048989-A</p>	
		SECTION 2	

CERTIFICATION

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

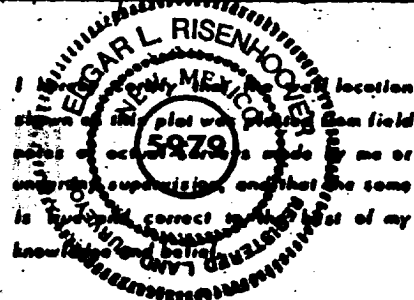
Elizabeth B. Keeshan

Name
Elizabeth B. Keeshan

Position
Vice President

Company
BCO, Inc.

Date
May 16, 1988

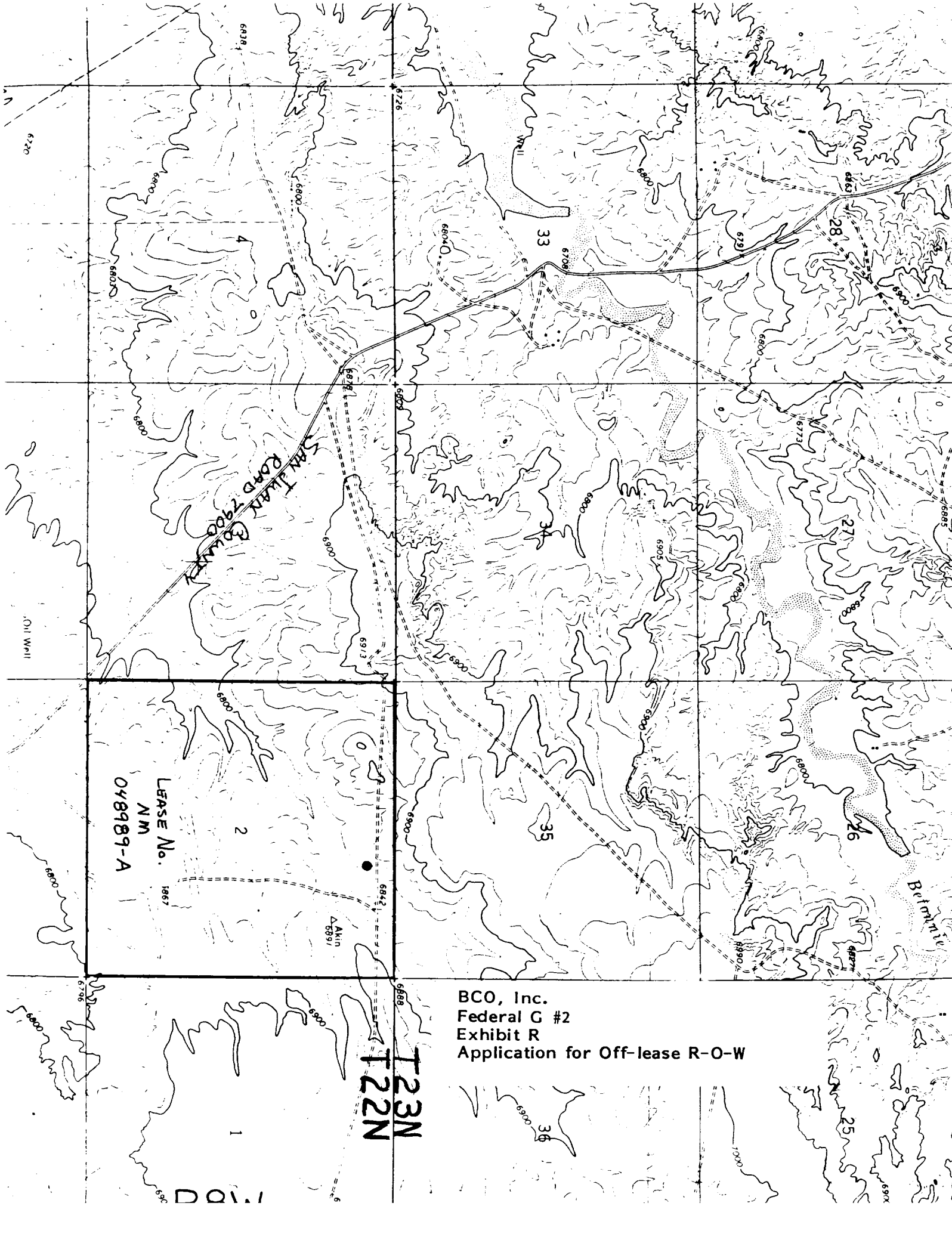


Date Surveyed
April 4, 1988

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979



BCO, Inc.
Federal G #2
Exhibit R
Application for Off-lease R-O-W