

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-085-22480

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. NM-0559974	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Kirby Exploration Company		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 1745, Houston, Texas 77001		8. FARM OR LEASE NAME Armour Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface 1190' FNL & 1500' FEL		9. WELL NO. 2	
At proposed prod. zone Same		10. FIELD AND POOL, OR WILDCAT WAW Pictured Cliff	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 24 miles south of Farmington, New Mexico		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 5, T26N, R13W	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		12. COUNTY OR PARISH San Juan	
16. NO. OF ACRES IN LEASE 1755.6		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1500'		17. NO. OF ACRES ASSIGNED TO THIS WELL 160.10	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6194 GL		20. ROTARY OR CABLE TOOLS Rotary	
		22. APPROX. DATE WORK WILL START* April 22, 1977	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	20#	50'	50 sacks class "B" + 2% CaCl ₂
6 3/4	4 1/2	9.5#	1500'	200 sacks class "B"

Move in rotary tools. Drill 12 1/4 hole to 50 feet. Set 50 feet of new 8 5/8" casing and cement as above. Wait on cement 12 hours. Install 6" 900 series blow out preventers and test. Drill 6 3/4" hole to 1500 feet. No abnormal pressure or temperature is expected. Mud system will be gel-chem weighing 9-9.2# per gallon, W. L. 8-10 c.c. and viscosity of 30-40 seconds per quart. Open hole logging will consist of IES, FDC-CNL and GR Caliper logs. If commercial, 4 1/2" casing will be run and cemented as above. If non-commercial, plug and abandonment will follow U.S.G.S. specifications.

Gas under this lease is not committed to a contract.

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 John Alexander TITLE Agent DATE 3-30-77
(This space for Federal or State office use)

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

RECEIVED

DATE
APR 5 1977

*See Instructions On Reverse Side

U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Operator KIRBY EXPLORATION COMPANY			Lease ARMOUR FEDERAL		Well No. 2
Unit Letter B	Section 5	Township 26 NORTH	Range 13 WEST	County SAN JUAN	
Actual Footage Location of Well: 1190 feet from the NORTH line and 1500 feet from the EAST line					
Ground Level Elev. 6194	Producing Formation Pictured Cliff	Pool WAW Pictured Cliff Ex +		Dedicated Acreage: 160 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 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.

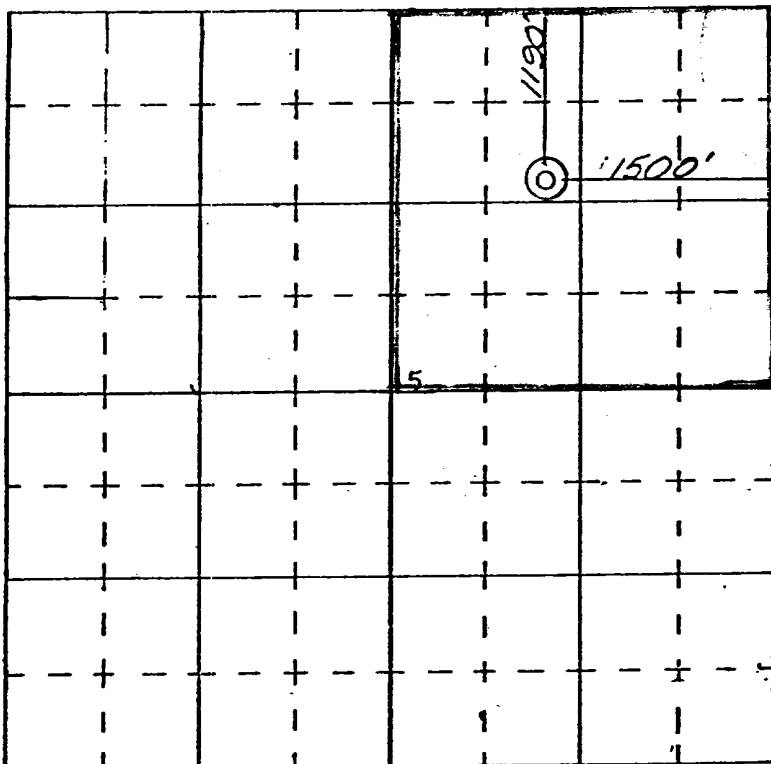
CERTIFICATION

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

John Alexander
 Name
Agent
 Position
Kirby Exploration Company
 Company
3-30-77
 Date

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.

10 March 1977
 Date Surveyed
James P. Leese
 Registered Professional Engineer
 and/or Land Surveyor **James P. Leese**

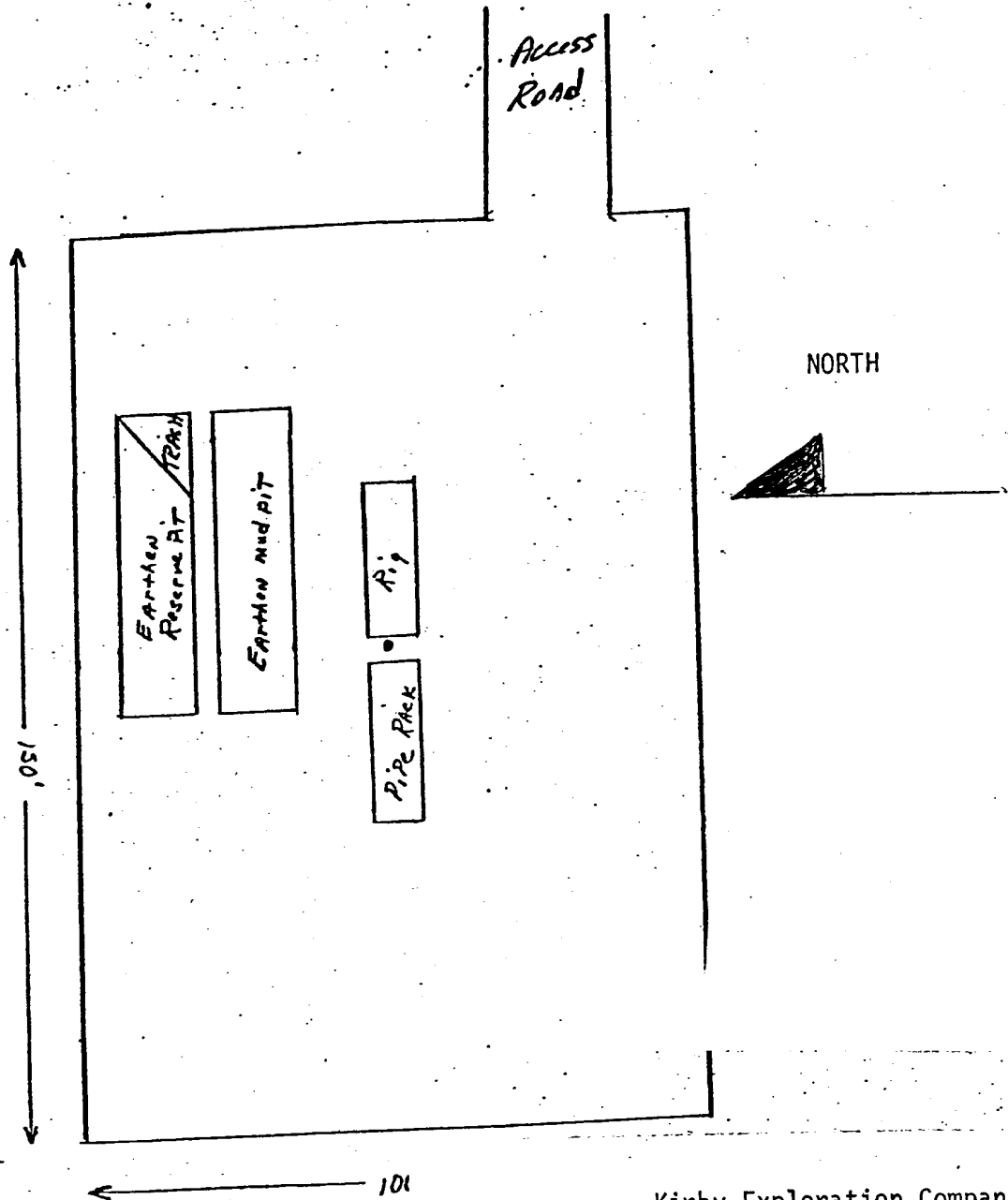


SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

1463
 Certificate No.

Well site PLAT



Scale 1" = 30'

Kirby Exploration Company
Armour Federal #2
1190' FNL & 1500' FEL
Sec 5, T26N, R13W
WAW Pictured Cliff
San Juan County, New Mexico

3E COMPANY, INC.

Engineering • Energy • Exploration

P. O. Box 190 —:— 505/327-4020

FARMINGTON, NEW MEXICO 87401

March 30, 1977

U.S. Department of Interior
Geological Survey
P.O. Box 959
Farmington, NM 87401

Attention: Mr. P. T. McGrath
District Engineer

RE: Development Plan for Surface Use
Kirby Exploration Company
Armour Federal #2
1190' FNL & 1500' FEL
Sec 5, T26N, R13W
WAW Pictured Cliff
San Juan County, New Mexico

Gentlemen:

Attached is the "Application for Permit to Drill" (form #9-331C) for the subject well. Also enclosed are the following items: surveyor's plat, drill site plat and vicinity map. The archaeological report will follow under separate cover. Ms. Zarnowski gave oral approval of location. Mr. Bob Moore of Bureau of Land Management, Mr. Don Miller of the United States Geological Survey and Ms. Pat Zarnowski of the Agency of Conservation Archaeology have inspected the site.

The development plan for surface use is as follows:

Points 1, 3, 4, 6, & 9 Vicinity map and drill site plat attached.

Point 2. Water bars will be used on all roads where necessary.

Point 5. Water for drilling will be trucked from the San Juan River approximately 24 miles to the north.

Point 7. A waste disposal pit will be provided for the garbage and trash. Location shown on drill site plat. Drilling fluids will be contained in reserve pit until such time as evaporation occurs and then pits will be covered.

Point 8. No camps or airstrip.

- Point 10. Should the well be a commercial producer, it will be equipped to facilitate producing operations with all drilling pits filled, location leveled and well site reseeded in compliance with current Bureau of Land Management seeding requirements. During dry out time required for the reserve pit it will be fenced to eliminate livestock entry. All facilities will be painted sandstone: Federal Standard 595-30318.
- Point 11. The location is on a level plain covered by native vegetation and no trees. Access to the location may be gained by using approximately 2000 feet of fence line road, then 1500 feet of new road over level ground.
- Point 12. I hereby certify that I or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Kirby Exploration Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

3-30-77


John Alexander

Should further information be desired, please advise.

Yours very truly,


John Alexander

JA:st

Attachments