

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Maralex Resources, Inc.

3. ADDRESS OF OPERATOR

518 17th Street, Suite 1030, Denver, CO 80202

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

At surface

880' FNL and 1580 FEL (Unit Letter B)

At proposed prod. zone Same

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

Approximately 22 miles southeast of Blanco, NM

15. DISTANCE FROM PROPOSED*

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

880'

16. NO. OF ACRES IN LEASE

2560 1440

17. NO. OF ACRES ASSIGNED
TO THIS WELL

E/320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

190'

19. PROPOSED DEPTH

3100'

20. ROTARY OR CABLE TOOLS

Rotary

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

6623'GR, 6636'KB

This action is subject to technical and
procedural review pursuant to 43 CFR 3160.3
and appeal pursuant to 43 CFR 3160.4.
PROPOSED CASING AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL START*

November 1, 1990

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

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | "GENERAL REQUIREMENTS" |
|--------------|----------------|-----------------|---------------|---|
| 12-1/4" | 8-5/8" | 23# J-55 | 300' | 248 cuft/210 sx Class B w/2% CaCl ₂ |
| 7-7/8" | 5-1/2" | 23# J-55 | 3100' | 522 cuft/414 sx 50:50 POZ w/2% gel 118 cuft/100 sx Class B neat tail |

Maralex Resources, Inc. proposes to drill a 12-1/4" hole to 300' using a native fresh water mud. The 8-5/8" surface string will be cemented back to surface. Casing will then be drilled out with a 7-7/8" bit using a low solids, non-dispersed fresh water mud. Upon reaching TD, a full suite of open hole logs will be run and 5-1/2" production casing will be set and cemented back to surface. In accordance with "On Shore Oil and Gas Order #1", attached is the Drilling Plan and Surface Use Plan that we will follow in drilling the subject well.

Approval of this action does

not warrant that the applicant

holds legal title

or title to the land

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

A. P. O'Hare

TITLE President

DATE 10/5/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

NMOCD

NOV 20 1990
John S. Keller
AREA MANAGER

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

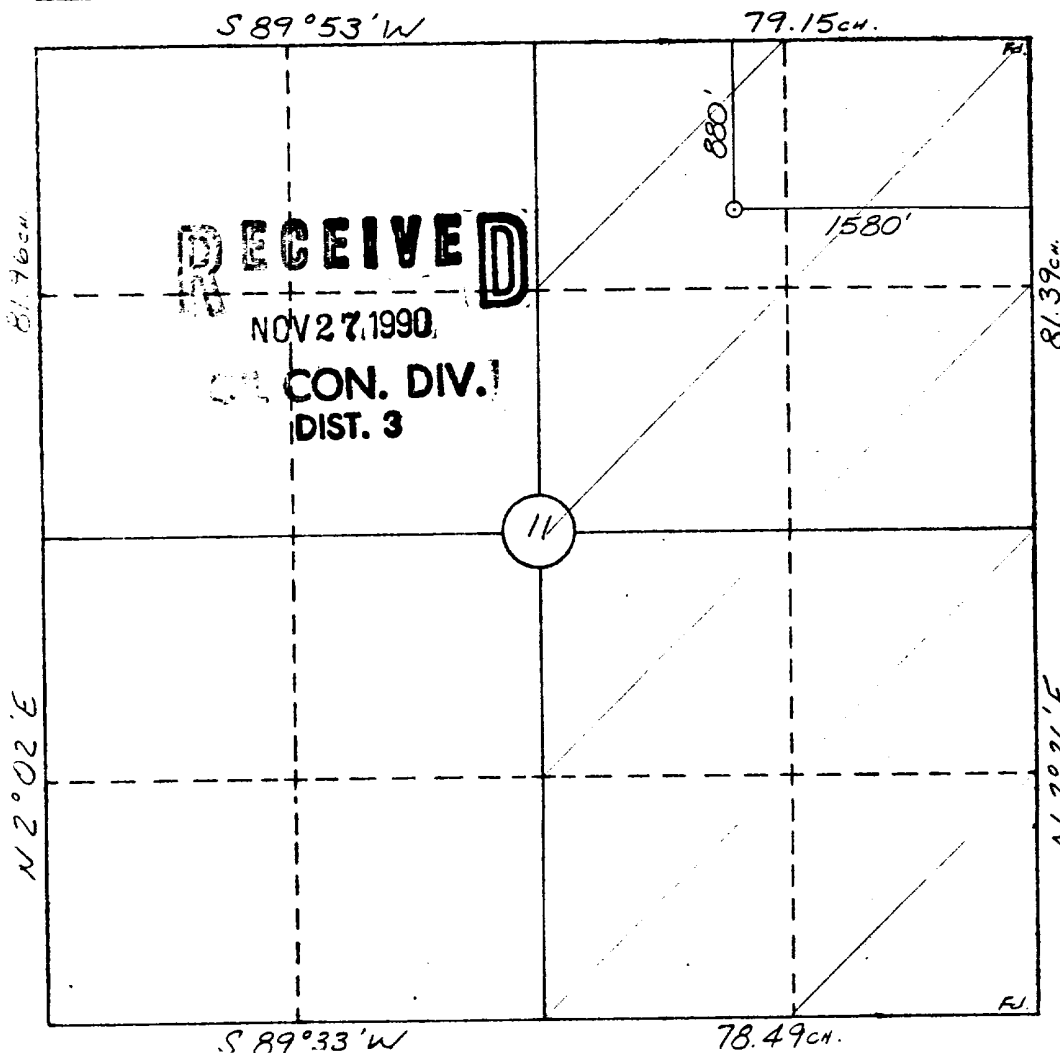
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

| | | | | | |
|--|---|-------------------------|---|---------------------------|--|
| Operator MARALEX RESOURCES, INC. | | | Lease OXNARD W.N. FEDERAL | | Well No. 12 |
| Unit Letter B | Section 11 | Township 27 N | Range 8 W | County San Juan | |
| Actual Footage Location of Well: 880 feet from the North line and 1580 feet from the East line | | | | | |
| Ground level Elev. 6623 | Producing Formation Fruitland | | Pool Basin Fruitland Coal Gas | | Dedicated Acreage: 320 Acres |
| <p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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 interest, has been approved by the Division.</p> | | | | | |

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



OPERATOR CERTIFICATION

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

Signature
A. M. O'Hare
Printed Name
A. M. O'Hare
Position
President
Company
Maralex Resources, Inc.
Date
10/5/90

SURVEYOR CERTIFICATION

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.

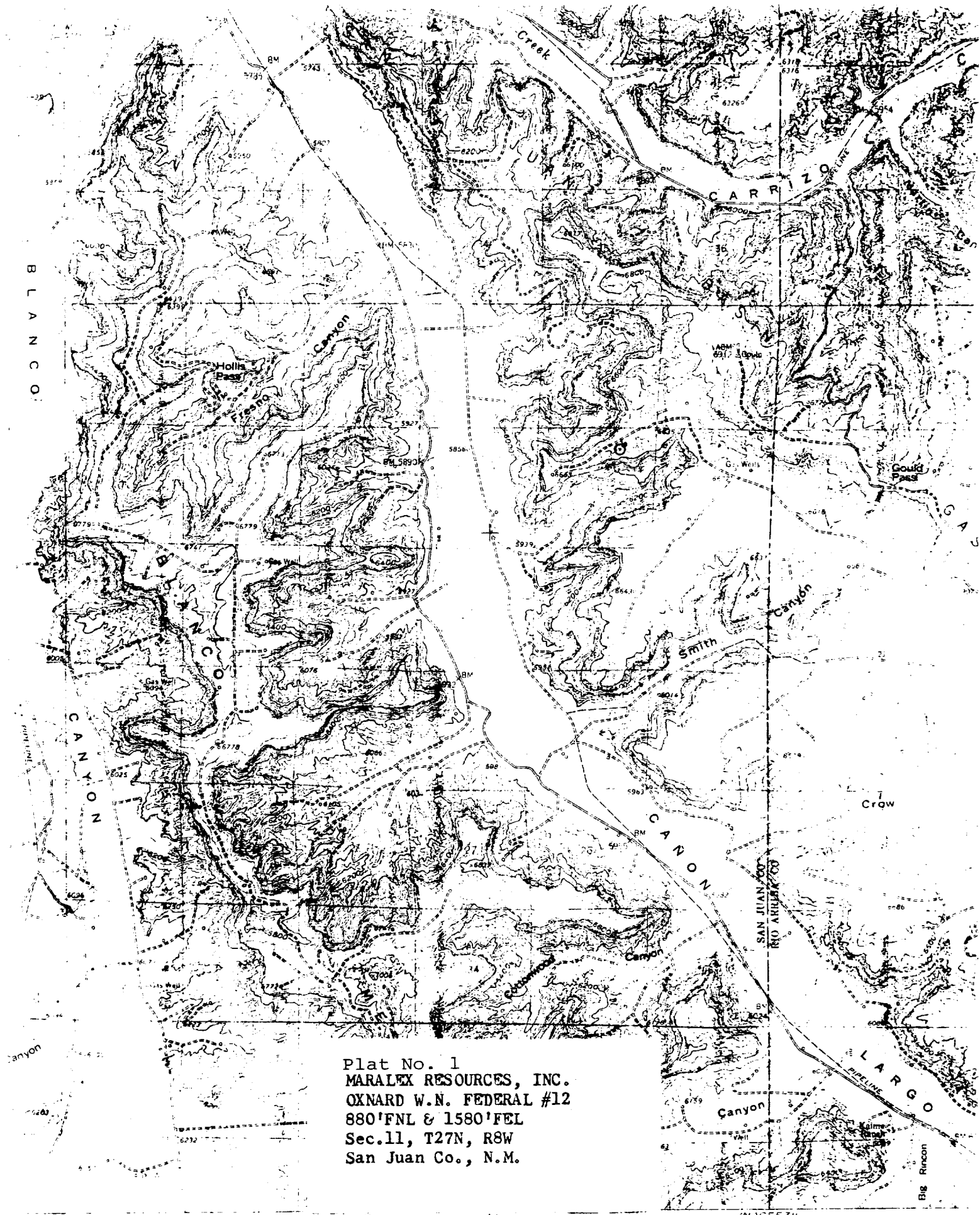
9-24-90

Date Surveyed
William E. Mahnke II

Signature & Seal of Professional Surveyor

#8466

Certificate No. **8466**



Plat No. 1
MARALEX RESOURCES, INC.
OXNARD W.N. FEDERAL #12
880'FNL & 1580'FEL
Sec.11, T27N, R8W
San Juan Co., N.M.

SCALE 1:50,000