

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 13998
 MARALEX RESOURCES, INC. ✓ Attn: A. M. O'Hare

3. ADDRESS AND TELEPHONE NO.
 P. O. Box 421 Blanco, N.M. 87412-0421 (505) 325-5599

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface 820' FSL 820' FWL 71627
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 21 Miles South of Farmington, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)
 820'

16. NO. OF ACRES IN LEASE
 960

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2890'

19. PROPOSED DEPTH
 1425'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6179' GR This action is subject to technical and

22. APPROX. DATE WORK WILL START*
 As Soon As Permitted

5. LEASE DESIGNATION AND SERIAL NO.
 NM-7787

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
 Gallegos Federal 26-13-14 #1

9. API WELL NO.
 30-045-28919

10. FIELD AND POOL, OR WILDCAT
 Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 14, T26N, R13W

12. COUNTY OR PARISH
 San Juan

13. STATE
 N.M.

23. ~~PROPOSED CASING AND CEMENTING PROGRAM~~ DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	20# J-55	120'	59 ft ³ Class B w/2% CaCl
6-1/4"	4-1/2"	10.5# J-55	1425'	167 ft ³ Class B w/2% Meta Silicate
				89 ft ³ Class B Neat Tail

Maralex Resources Inc. proposes to drill a vertical well to develop the Fruitland Coal formation at the above described site in accordance with the attached drilling and surface use programs.

This APD also is serving as an application to obtain BLM road right-of-way. The right-of-way will be an existing road extending from County Road 7030 approximately 4 miles in length and 30' in width. The proposed right-of-way crosses the NE/NE, S2/NE, NW/SE, NE/SW, NW/SW, S2/SW of Section 35, T27N, R13W; W2/W2 of Section 2; SE/NE of Section 3; E2/NE, NE/SE, W2/SE of Section 10, E2/W2 of Section 15; NE/NW and N2/NE of Section 22; NW/NW of Section 23; and the SW/SW of Section 14 all of T26N, R13W San Juan County.

RECEIVED

JAN 2 1993

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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. A. M. O'Hare
 SIGNED *A. M. O'Hare* TITLE Agent DIST 3 DATE 12/30/92

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to operations thereon.

CONDITIONS OF APPROVAL: DEC 1 5 1992 APPROVED BY *[Signature]* OIL CON. DIV. TITLE _____ DATE DEC 14 1992

DIST. 3 *See Instructions On Reverse Side

APPROVED AS AMENDED

[Signature]
 AREA MANAGER

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 7504-2088

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

92 DEC -1 PM 12:23

Operator MARALEX RESOURCES INC.		Lease GALLEGOS FEDERAL 26-13-14		Well No. 1
Unit Letter M	Section 14	Township T.26 N.	Range R.13 W.	County SAN JUAN
Actual Footage Location of Well: 820 feet from the SOUTH line and 820 feet from the WEST line				
Ground level Elev. 6179	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachue marks on the plat below.
 - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 - 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.?
 - 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 interest, has been approved by the Division.

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 **11/30/92**

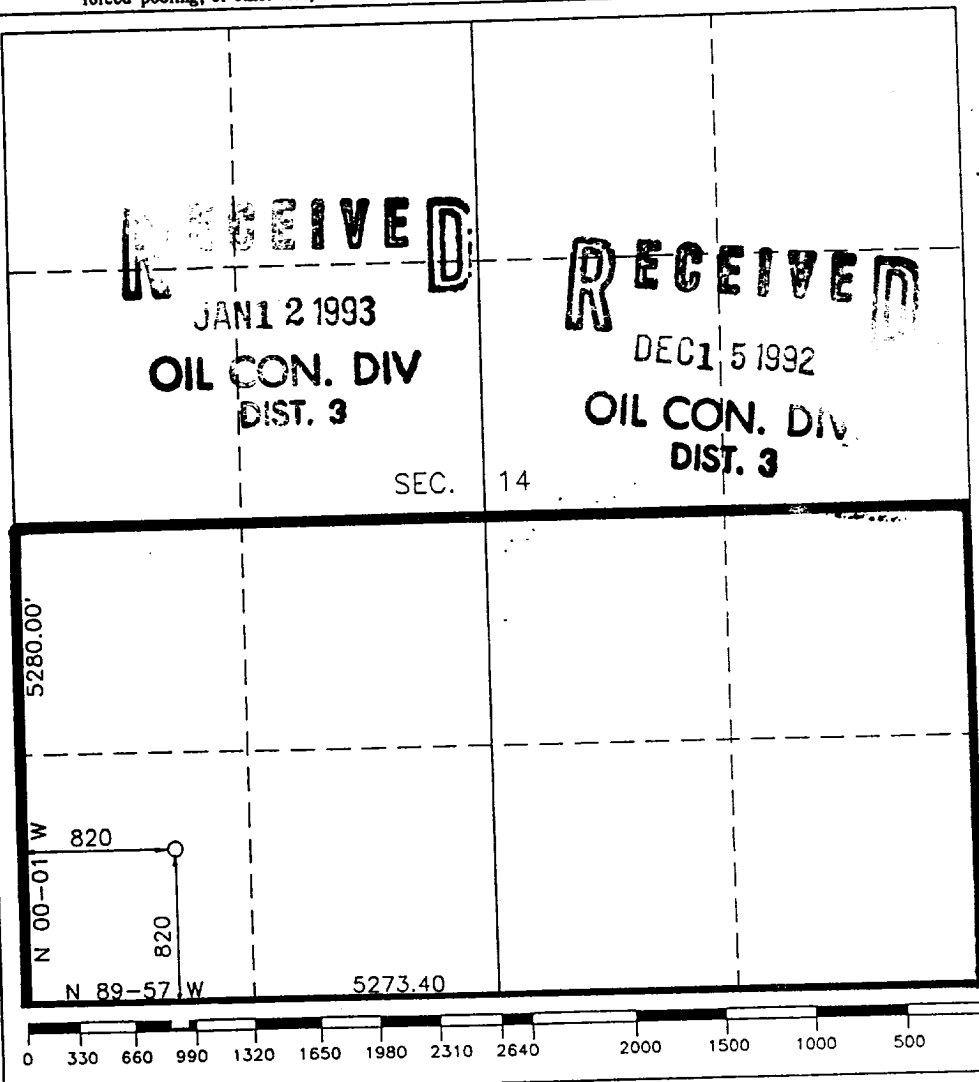
SURVEYOR CERTIFICATION

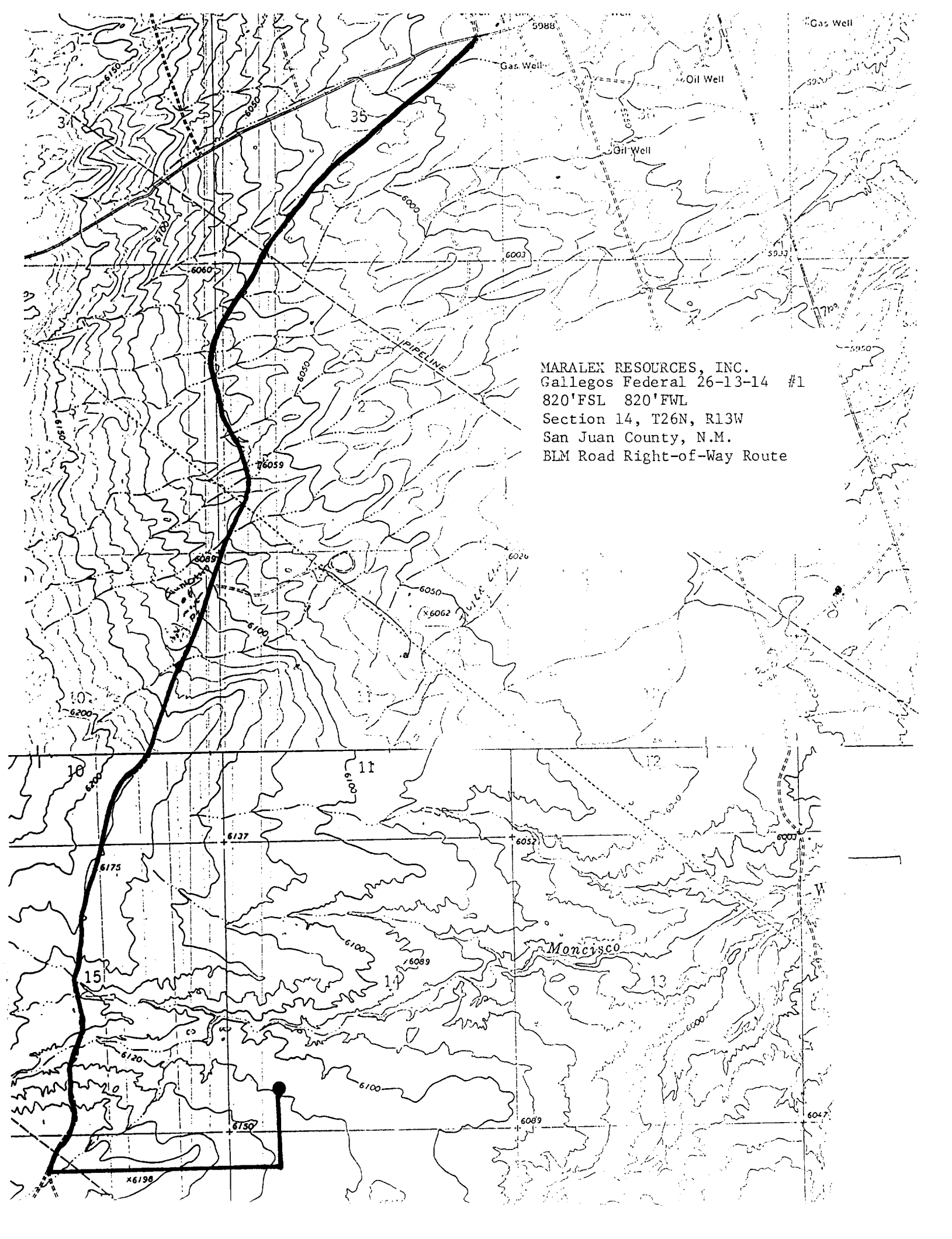
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **NOVEMBER 24, 1992**

Signature & Seal
Professional Surveyor
ROY A. RUSH
NEW MEXICO
8894

Certificate No. **8894**





MARALEX RESOURCES, INC.
Gallegos Federal 26-13-14 #1
820'FSL 820'FWL
Section 14, T26N, R13W
San Juan County, N.M.
BLM Road Right-of-Way Route