

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

2. NAME OF OPERATOR
 Morgan-Richardson Operating Co.

3. ADDRESS OF OPERATOR
 P. O. Box 1915 Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1330' FSL, 925' FWL (NWSW)
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 15 miles from Blanco, NM

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

16. NO. OF ACRES IN LEASE
 1360

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.

19. PROPOSED DEPTH
 2550'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5875' GR

22. APPROX. DATE WORK WILL START*
 As soon as permitted

5. LEASE DESIGNATION AND SERIAL NO.
 NM 013860 A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Federal 31-23

9. WELL NO.
 #2

10. FIELD AND POOL, OR WILDCAT
 Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 23, T28N, R8W, NMPM

12. COUNTY OR PARISH
 San Juan

13. STATE
 NM

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"	24	240'	150 sx (cement to surface)
7 7/8"	5 1/2"	15.5	2550'	400 sx (cement to surface)

TIGHT HOLE. PLEASE KEEP CONFIDENTIAL.

RECEIVED

JUL 02 1990

Notice of staking submitted June 8, 1990.

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA

RECEIVED

AUG 1 1990

OIL CON. DIST. 3

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.

SIGNED Bruce C. Delventhal TITLE Agent DATE June 25, 1990

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED

AS AMENDED

JUL 24 1990

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

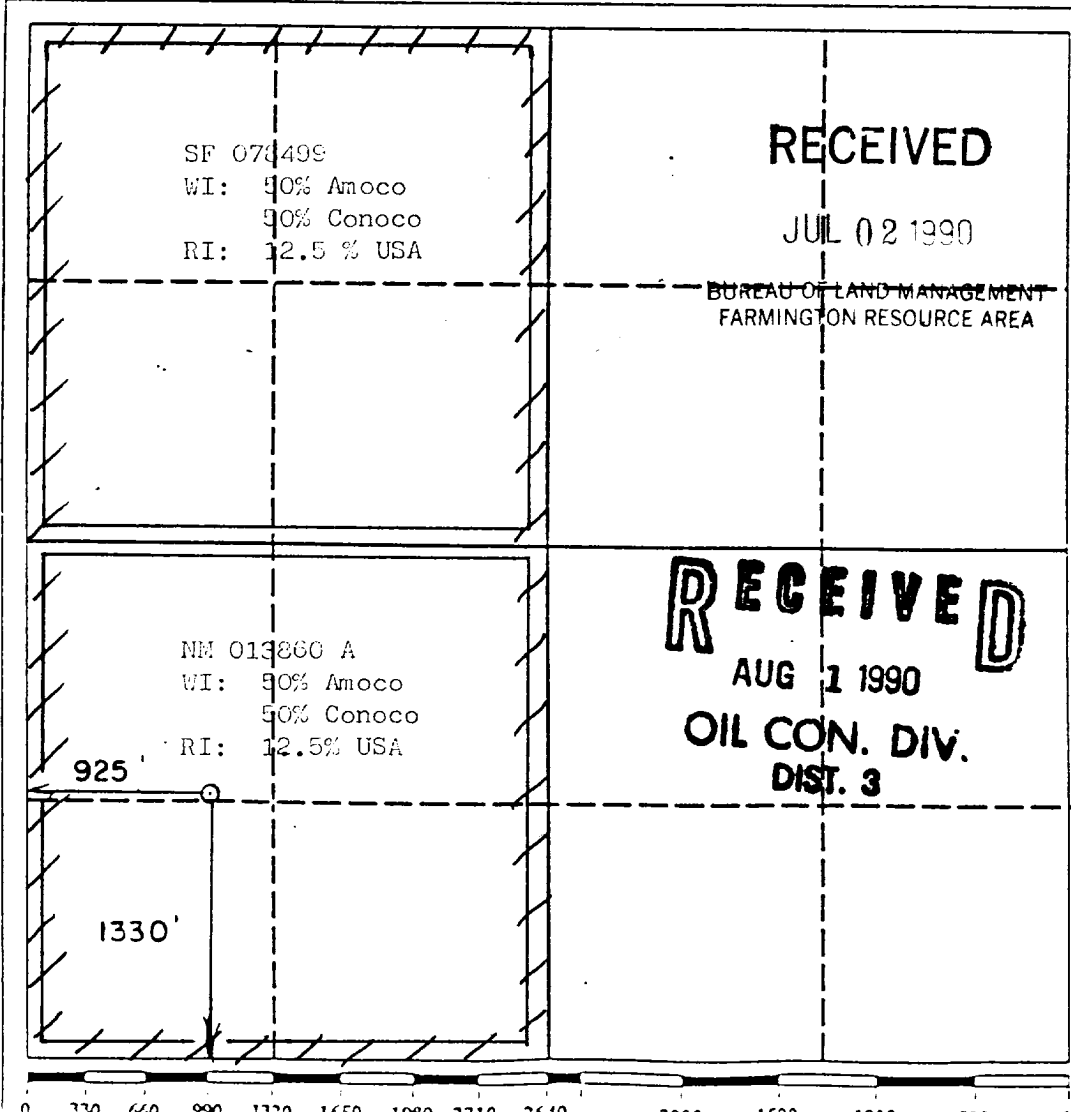
Operator MORGAN RICHARDSON OPERATING, CO.			Lease		Well No. Fed.31-23 #2
Unit Letter L	Section 23	Township 28 North	Range 8 West	County NMPM San Juan	
Actual Footage Location of Well: 1330 feet from the South line and 925 feet from the West line					
Ground level Elev. 5875'	Producing Formation Fruitland		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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.



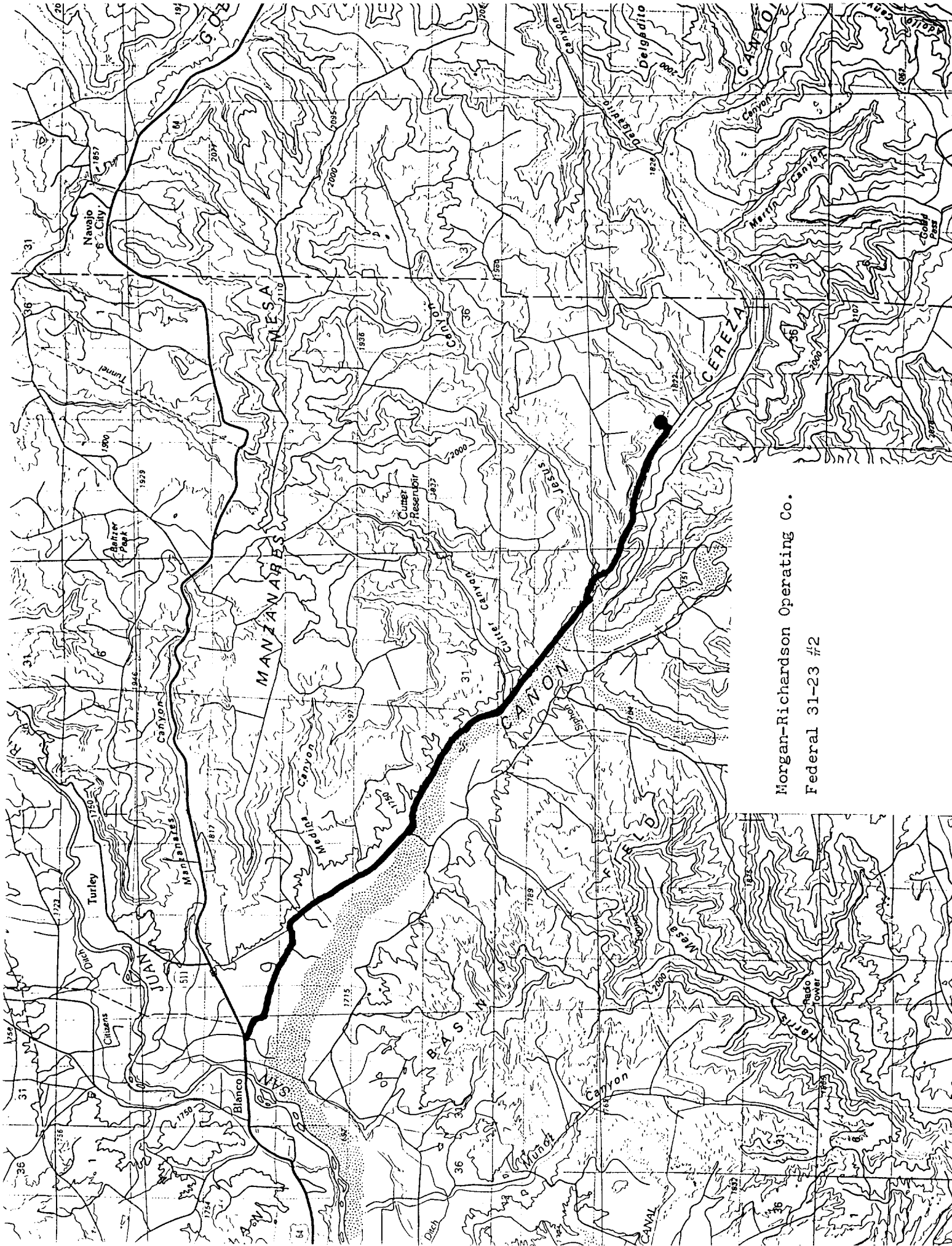
OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Bruce E. Delventhal
 Printed Name
 Bruce E. Delventhal
 Position
 Agent
 Company
 Morgan-Richardson Op.
 Date
 June 25, 1990

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
 Signature & Seal of Professional Surveyor

 Certificate No.
 6844



Morgan-Richardson Operating Co.

Federal 31-23 #12