

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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. SF-078049	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER Coalbed Meth. <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----	
2. NAME OF OPERATOR McKenzie Methane Corporation			7. UNIT AGREEMENT NAME -----	
3. ADDRESS OF OPERATOR 1911 Main Ave., #255, Durango, Colorado 81301			8. FARM OR LEASE NAME Hughes 33 M	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1070' FSL, 1050' FWL At proposed prod. zone Same			9. WELL NO. #3	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10 Miles SE of Blanco, NM			10. FIELD AND POOL, OR WILDCAT Basin Fruitland	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1050'		16. NO. OF ACRES IN LEASE 1920	17. NO. OF ACRES ASSIGNED TO THIS WELL w/ 320	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 250'		19. PROPOSED DEPTH 2910	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4. 6322 GR			22. APPROX. DATE WORK WILL START* 10-31-90	
PROPOSED CASING AND CEMENTING PROGRAM DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"				

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4	8-5/8	24	250	200 sx (236 cu ft)
7-7/8	4-1/2	10.5	2910	525 sx (872 cu ft)

NOTE: WELL NAME CHANGED FROM 33 N #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.

23. SIGNED <u>RJ Sagle / CS</u> TITLE <u>Operations Manager</u>		10-16-90
(This space for Federal or State office use)		APPROVED
PERMIT NO. _____ APPROVAL DATE _____		AS AMENDED
APPROVED BY _____ TITLE _____		NOV 08 1990
CONDITIONS OF APPROVAL, IF ANY:		AREA MANAGER

NMOCD

\*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

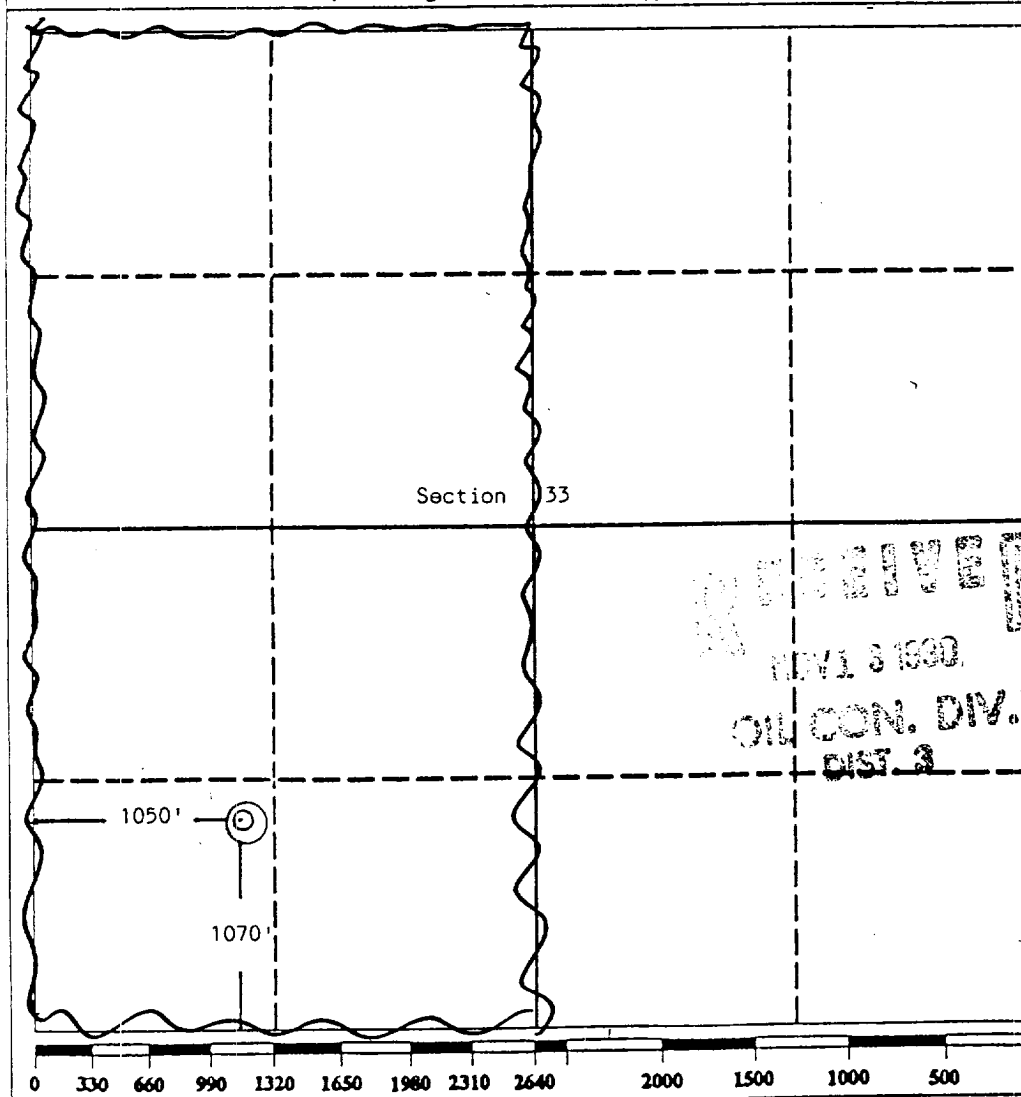
Operator McKenzie Methane Corporation		Lease Hughes 33 M		Well No. 3
Unit Letter M	Section 33	Township 29 North	Range 8 West NMPM	County San Juan

Actual Footage Location of Well:

1070 feet from the South line and 1050 feet from the West line

Ground level Elev. 6322	Producing Formation Fruitland Coal	Pool Basin Fruitland	Dedicated Acreage: w/2 320 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 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  
*R. J. Sayle*  
Printed Name  
R. J. Sayle  
Position  
OP. MGR  
Company  
McKenzie Methane  
Date  
10-15-90

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.

Date Surveyed  
October 1, 1990

Signature & Seal of  
Professional Surveyor

*Edgar L. Risenhoover*  
Certificate No. 5979  
Edgar L. Risenhoover  
REGISTERED LAND SURVEYOR  
NEW MEXICO