

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

3-045-28500

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF-079938
2. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER Coalbed Meth. SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----
3. NAME OF OPERATOR McKenzie Methane Corporation		7. UNIT AGREEMENT NAME -----
4. ADDRESS OF OPERATOR 1911 Main #255, Durango, Colorado 81301		8. FARM OR LEASE NAME Jones 35 A
5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1050' FNL, 810' FEL At proposed prod. zone Same		9. WELL NO. #9
6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 miles east of Blanco, NM		10. FIELD AND POOL, OR WILDCAT Basin FT Coal
7. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 810'		11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA Sec35-T29N-R8W
8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 200'		12. COUNTY OR PARISH San Juan
9. NO. OF ACRES IN LEASE 936.20		13. STATE NM
10. PROPOSED DEPTH 2915		14. NO. OF ACRES ASSIGNED TO THIS WELL E/320
11. ELEVATIONS (Show whether DF, RT, GR, etc.) 6260' GL		15. ROTARY OR CABLE TOOLS Rotary
12. APPROX. DATE WORK WILL START* 11-30-90		

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	250	175 sx (207 cu ft)
7-7/8	4-1/2	11.6	2915	350/150 sx (826 cu ft)

"Approval of this action
not warrant or hold
holder legal or entitled to
or held to this lease."

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DIST. 3

12. 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 prevention program, if any.

SIGNED R/S Saha TITLE Operations Manager DATE 10-29-90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

de

JAN 03 1991
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

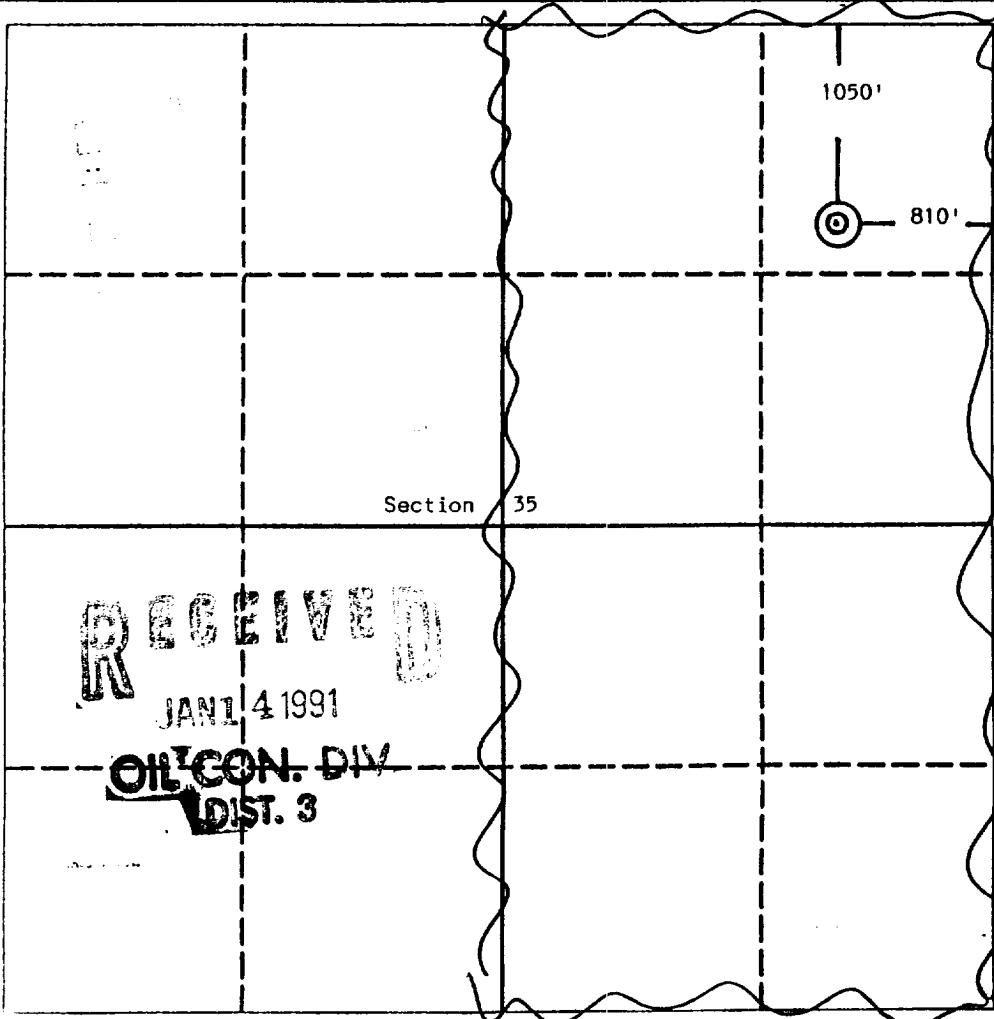
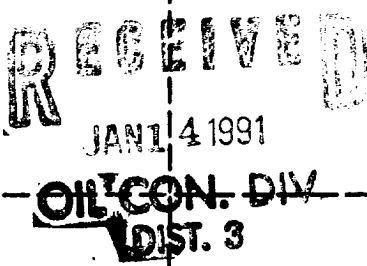
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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 McKenzie Methane Corporation			Lease Jones 35 A		Well No. 9
Unit Letter A	Section 35	Township 29 North	Range 8 West	County San Juan	
Actual Footage Location of Well: 1050 feet from the North line and 810 feet from the East line					
Ground level Elev. 6260	Producing Formation Fruitland Coal		Pool Basin FT COAL	Dedicated Acreage: 5 1/2 320 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.?</p> <p><input type="checkbox"/> Yes <input 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>					
				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. Sagle Printed Name R.J. SAGLE Position OP. MGR. Company McKenzie Methane Date 10-27-90	
				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 2, 1990 Signature & Seal of Professional Surveyor Edgar L. Risenhoover Certificate No. 5979 Edgar L. Risenhoover, P.S.	

