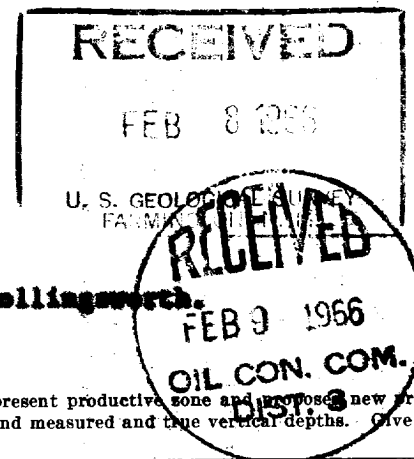


UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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. SP 078109		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR PAN AMERICAN PETROLEUM CORPORATION		7. UNIT AGREEMENT NAME Callegos Canyon Unit		
3. ADDRESS OF OPERATOR P. O. Box 480, Farmington, New Mexico		8. FARM OR LEASE NAME		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 2445' FEL & 1690' FEL At proposed prod. zone Same		9. WELL NO. 221		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 4 miles southeast of Farmington, New Mexico		10. FIELD AND POOL, OR WILDCAT Basin Dakota		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1690'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NE/4 NE/4 Section 31, T-22-N, R-12-W		
16. NO. OF ACRES IN LEASE 43,146.62		12. COUNTY OR PARISH San Juan		
17. NO. OF ACRES ASSIGNED TO THIS WELL 380		13. STATE New Mexico		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2800'		19. PROPOSED DEPTH 6,500'		
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* February 7, 1966		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) To be reported later		22. APPROX. DATE WORK WILL START*		
23. 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"	240	350'	200 sacks
7-7/8"	4-1/2"	10.50	6500'	1500 sacks (Two stage tool set 100' below base of Manoverde)

Completion will be determined upon reaching total depth.
Copies of location plat are attached.



Vertically approved February 7, 1966, R. B. Krahle to F. E. Hollingsworth.

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. ORIGINAL SIGNED BY
SIGNED C. W. Eaton, Jr. TITLE Area Engineer DATE February 7, 1966
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator PAN AMERICAN PETROLEUM COMPANY			Lease GALLEGOS CANYON UNIT (DAKOTA)		Well No. 221
Unit Letter # 6	Section 31	Township 29 North	Range 12 WEST	County SAN JUAN	
Actual Footage Location of Well: 2445 feet from the NORTH line and 1690 feet from the EAST line					
Ground Level Elev.	Producing Formation Dakota		Pool Basin Dakota	Dedicated Acreage: 320 Acres	
Report Later					

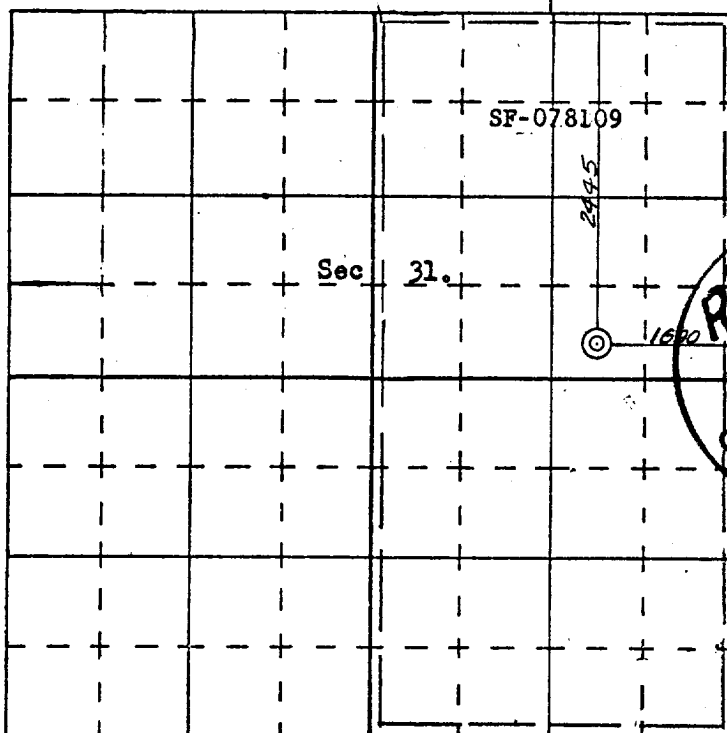
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty);
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

(☒) Yes () No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually 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 interests, has been approved by the Commission.

Ref: Glo plat dated April 19, 1881.



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

CERTIFICATION

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

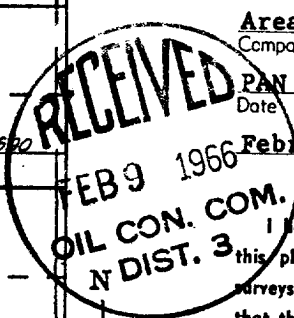
G. W. Eaton, Jr.
Name

G. W. Eaton, Jr.
Position

Area Engineer
Company

PAN AMERICAN PETROLEUM CORP.
Date

February 7, 1966



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.

February 4, 1966.
Date Surveyed

James P. Leese
Registered Professional Engineer
and/or Land Surveyor

James P. Leese
Certificate No. 1463

San Juan Engineering Company