

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|   |                |  |                       |
|---|----------------|--|-----------------------|
| 1a. TYPE OF WORK<br>DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>  |                | 3. LEASE DESIGNATION AND SERIAL NO.<br>SF-080724-A                       |                       |
| b. TYPE OF WELL<br>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<br>N/A                              |                       |
| 2. NAME OF OPERATOR<br>Union Texas Petroleum  |                | 7. UNIT AGREEMENT NAME<br>N/A  |                       |
| 3. ADDRESS OF OPERATOR<br>375 U.S. Highway 64, Farmington New Mexico 87401  |                | 8. FARM OR LEASE NAME<br>ZACHRY  |                       |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)<br>At surface 1778' FSL & 676' FEL<br><br>At proposed prod. zone   |                | 9. WELL NO.<br>44  |                       |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br>3.5 miles SW of Blanco, New Mexico   |                | 10. FIELD AND POOL, OR WILDCAT<br>Otero Chacra                           |                       |
| 16. NO. OF ACRES IN LEASE<br>2284.30  |                | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA<br>I Sec 34, T29N, R10W |                       |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL<br>160<br>157.42 SE/4  |                | 12. COUNTY OR PARISH<br>San Juan   |                       |
| 18. PROPOSED DEPTH<br>3000'   |                | 13. STATE<br>NM  |                       |
| 19. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.<br>203'   |                | 20. ROTARY OR CABLE TOOLS<br>Rotary                                      |                       |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br>5582 GL   |                | 22. APPROX. DATE WORK WILL START*<br>October 15, 1986                    |                       |
| 23. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" PROPOSED CASING AND CEMENTING PROGRAM. This section is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4. |                |  |                       |
| SIZE OF HOLE  | SIZE OF CASING | WEIGHT PER FOOT  | SETTING DEPTH         |
| 9-7/8"  | 7-5/8"         | 26.40  | 200'                  |
| 6-3/4"  | 2-7/8"         | 6.50   | 3000'                 |
|   |                |  | 75 sxs. (89 cu.ft.)   |
|   |                |  | 450 sxs. (707 cu.ft.) |

Union Texas Petroleum wishes to advise that we intend to drill a 9-7/8" hole to 200'+. Set 7-5/8", 26.4#, K-55 ST&C to 200'+ and cement to surface w/75 sxs Class "B" w/2% CaCl2 and 1/4# flocele/sk. Wait on cement for 12 hours. Nipple up and test BOP. Drill 6-3/4" hole out of surface to 3000'. Log well. If commercial production is indicated, set 2-7/8", 6.5#, J-55 casing to 3000', cementing to surface with 450 sxs (707 cu.ft.) 50/50 POZ containing 4% gel and 6-1/4# gilsonite/sk. Perforate pay section in Chacra. Fracture stimulate, connect to pipeline just off location. Install cathodic protection.

Unorthodox location application submitted to N.M.O.C.D. September 9, 1986.

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. SIGNED Robert C. Frank TITLE Permit Coordinator DATE September 9, 1986

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

APPROVAL DATE

RECEIVED  
OCT 15 1986  
OIL CON. DIV.  
NMOCC DIST. 3

APPROVED  
AS AMENDED

DATE OCT 10 1986

/s/ J. Stan McKee  
FOR AREA MANAGER

\*See Instructions On Reverse Side 3

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-104  
Supersedes C-12  
Effective 1-1-83

All distances must be from the outer boundaries of the Section.

|   |                      |                             |                         |                           |                       |
|---|----------------------|-----------------------------|-------------------------|---------------------------|-----------------------|
| Owner<br><b>UNION TEXAS PETROLEUM CORPORATION</b> |                      |                             | Lease<br><b>ZACHRY</b>  |                           | Well No.<br><b>44</b> |
| 1/4 Corner<br><b>I</b>                            | Section<br><b>34</b> | Township<br><b>29 NORTH</b> | Range<br><b>10 WEST</b> | County<br><b>SAN JUAN</b> |                       |

Actual Footage Location of Well

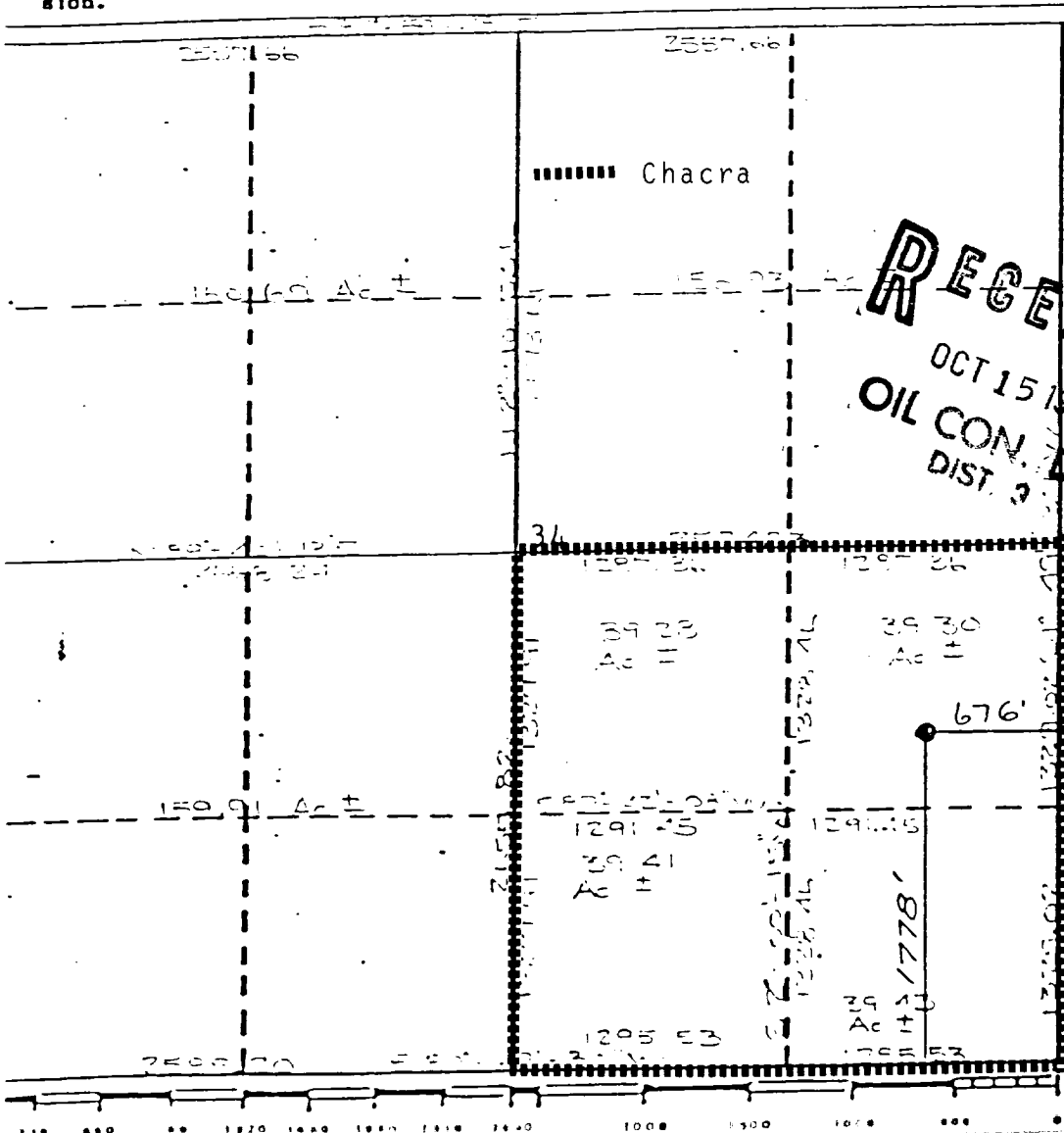
|   |   |   |
|---|---|---|
| <b>1778</b> feet from the <b>SOUTH</b> line and | <b>676</b> feet from the <b>EAST</b> line | Dedicated Acreage:<br><b>157.42/160</b> Acres |
| Ground Level Elev.<br><b>5582</b>               | Producing Formation<br><b>Chacra</b>      | Pool<br><b>Otero</b>                          |

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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name: Robert C. Frank  
 Title: Committee Coordinator  
 Company: Union Texas Petroleum  
 Date: September 9, 1986

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

Date Surveyed: August 21, 1984  
 Registered Professional Engineer and/or Land Surveyor

George R. Tompkins

Certificate No. 7259

Exhibit I

