

Submit to Appropriate
District Office
State Lease -- 6 copies
Fee Lease -- 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

NOV 23 1992

API NO. (assigned by OCD on New Wells)
30-045-28875
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐			7. Lease Name or Unit Agreement Name State Com 32		
b. Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐			8. Well No. #1		
2. Name of Operator Incline Reserves, Inc.			9. Pool name or Wildcat Basin Fruitland Coal		
3. Address of Operator 1603 SW 37th St., Topeka KS 66611-2563					
4. Well Location Unit Letter <u>K</u> : <u>1605</u> Feet From The <u>South</u> Line and <u>1730</u> Feet From The <u>West</u> Line Section <u>32</u> Township <u>29N</u> Range <u>9W</u> NMPM <u>San Juan</u> County					
10. Proposed Depth 2300'		11. Formation Fruitland		12. Rotary or C.T. Rotary	
13. Elevations (Show whether DF, RT, GR, etc.) 5887 GR		14. Kind & Status Plug. Bond		15. Drilling Contractor	
				16. Approx. Date Work will start 12/15/92	
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/2"	8-5/8"	20#	240'	250	surface
7-7/8"	4 1/2"	10.5#	2300'	525	surface

BOP systems will follow Onshore Order #2. The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known.

Once out from under the surface casing, a minimum 2,000 psi BOP and choke manifold system will be used. BOP controls will be installed before drilling the surface casing plug and used until the well is completed or abandoned.

Pressure tests to 1,500 psi will be conducted with a BOP tester. All BOP mechanical and pressure tests will be recorded on the driller's log. BOP's will be inspected and operated at least daily to assure good mechanical working order. The inspection will be recorded on the daily drilling report.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE J. P. Garrett TITLE Vice President DATE 11/20/92
TYPE OR PRINT NAME J. P. Garrett 913-267-5033 TELEPHONE NO.

(This space for State Use)

APPROVED BY [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE NOV 23 1992
CONDITIONS OF APPROVAL, IF ANY: APPROVAL EXPIRES 5-23-93
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT 1
P.O. Box 1940, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

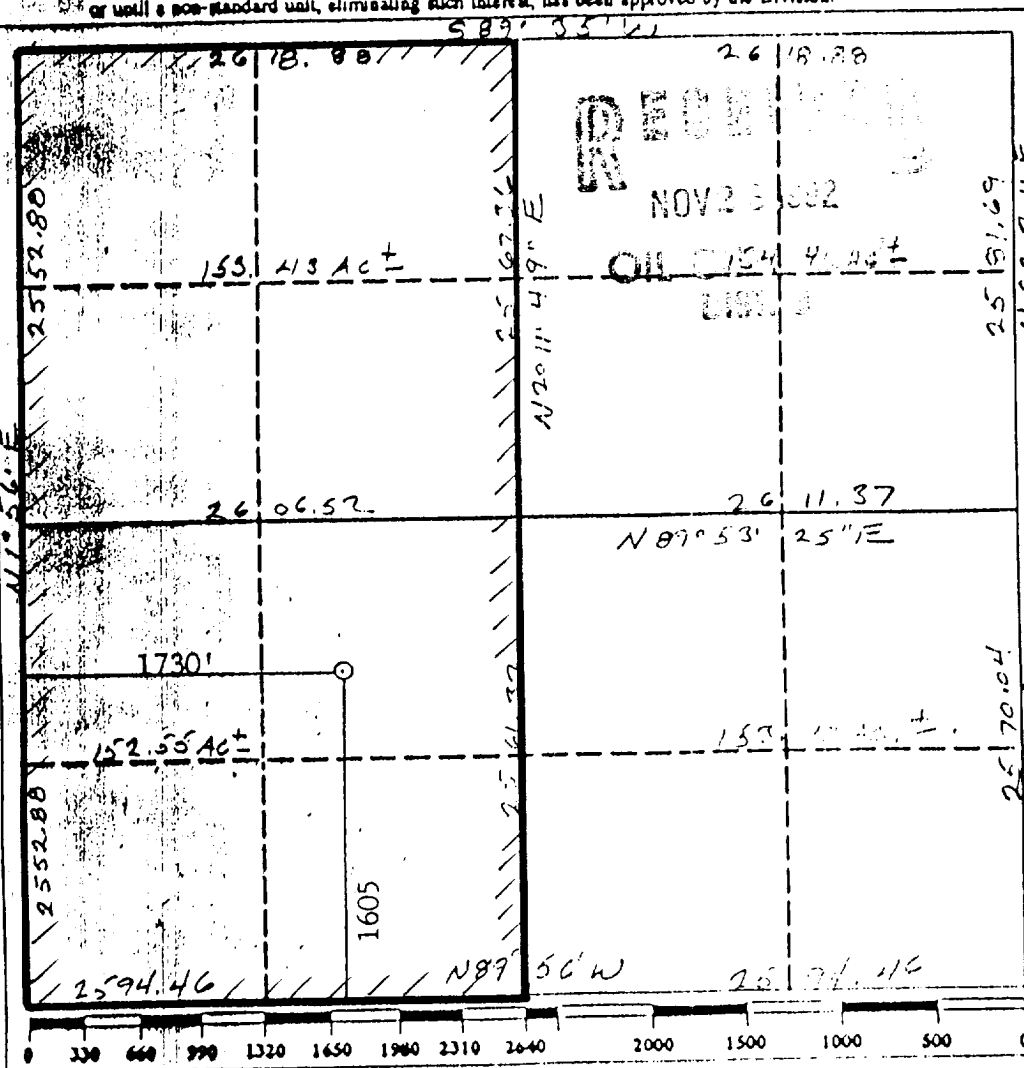
DISTRICT III
1000 N. G. Jones Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator INCLINE RESERVES, INC.		Lease STATE COM		Well No. 32-1
Unit Letter K	Section 32	Township 29N	Range 9W	County SAN JUAN
Actual Footage Location of Well: 1605 feet from the South line and 1730 feet from the West line				
Ground Level Elev. 5887	Producing Formation FRUITLAND	Pool BASIN FRUITLAND COAL	Dedicated Acreage: 305.98 Acres	

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 prill 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 _____

Printed Name _____

J. P. Garrett

Position

Vice President

Company

Incline Reserves, Inc

Date _____

November 20, 1992

SURVEYOR CERTIFICATION

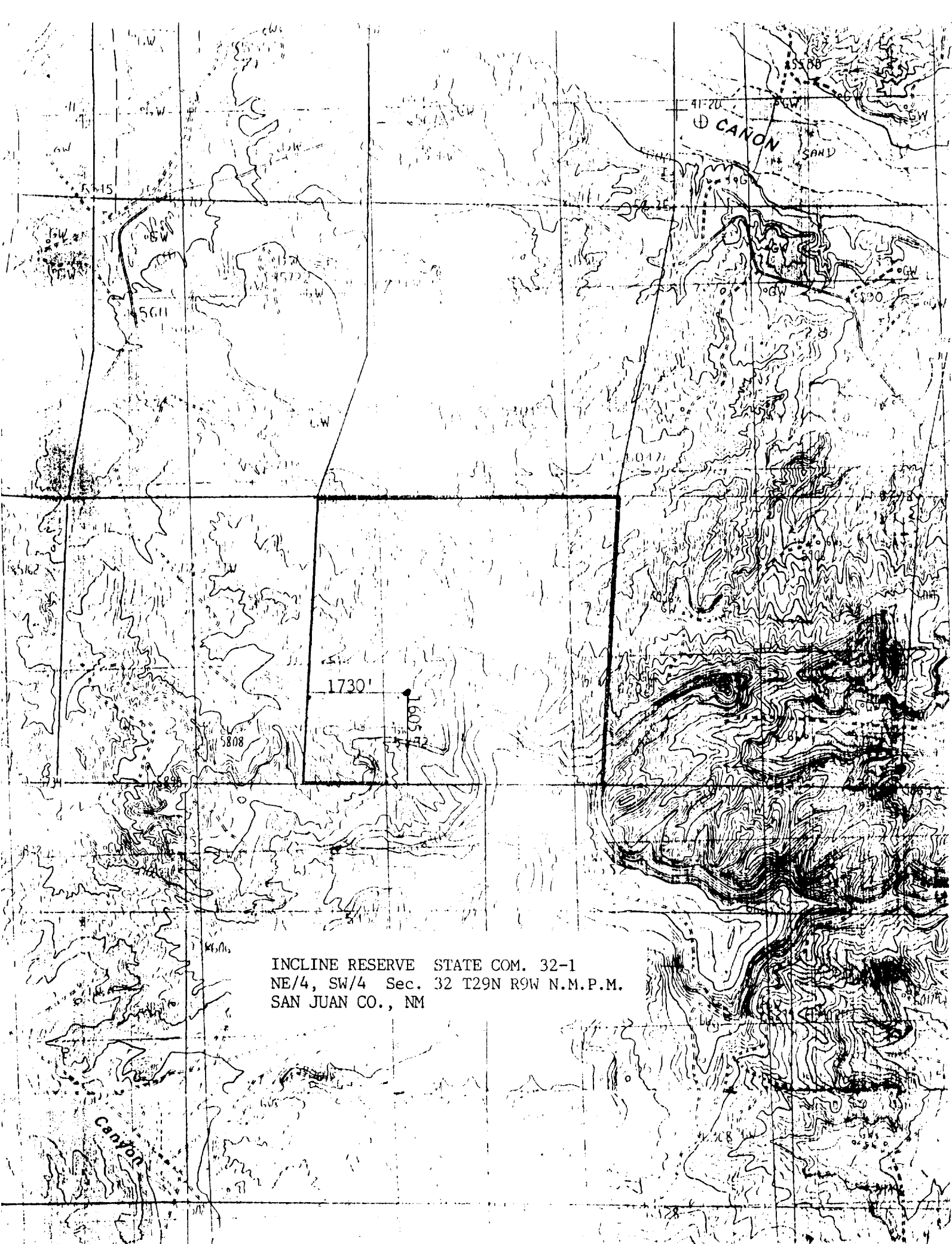
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

NOVEMBER 5, 1992

Date Surveyed _____

GREGORY B. TULLIS
Signature of _____
Professional Supervisor

A circular professional seal for a land surveyor in New Mexico. The outer ring contains the text "NEW MEXICO" at the top and "REGISTERED PROFESSIONAL LAND SURVEYOR" at the bottom. The inner circle contains the number "9672". A signature, which appears to be "J. M. [illegible]", is written across the seal.



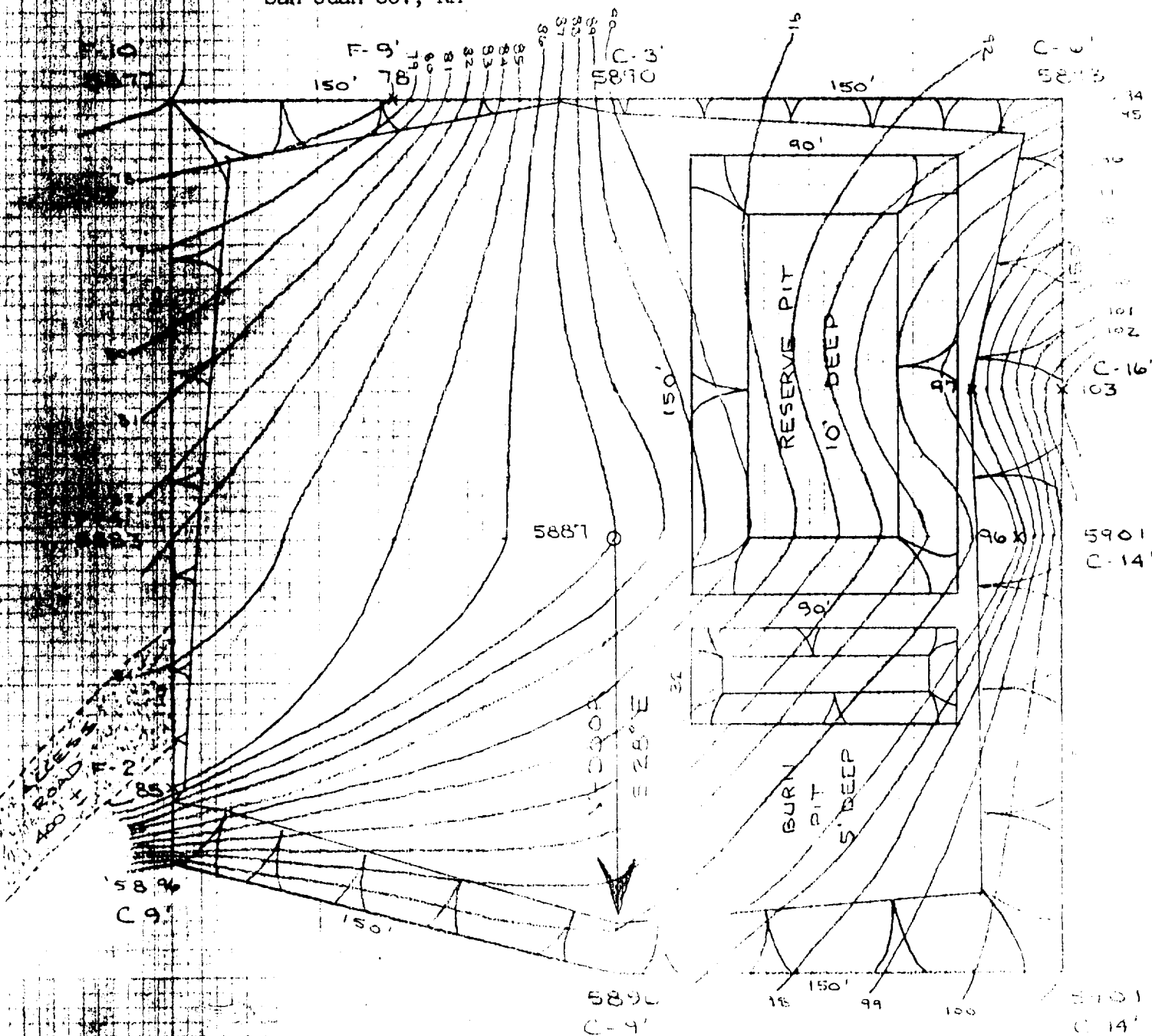
INCLINE RESERVE STATE COM. 32-1
NE/4, SW/4 Sec. 32 T29N R9W N.M.P.M.
SAN JUAN CO., NM

Scale: 1" = 50'

INCLINE RESERVE

Contour Int. = 1'

STATE COM 32-1
1605 F/SL & 1730 F/WL
Sec. 32 T29N R9W N.M.P.M.
San Juan Co., NM

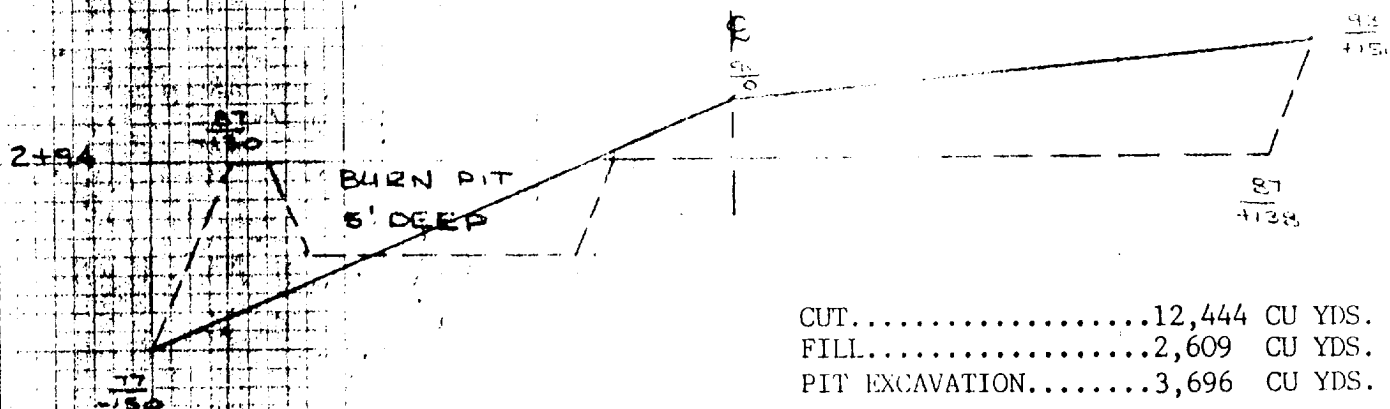
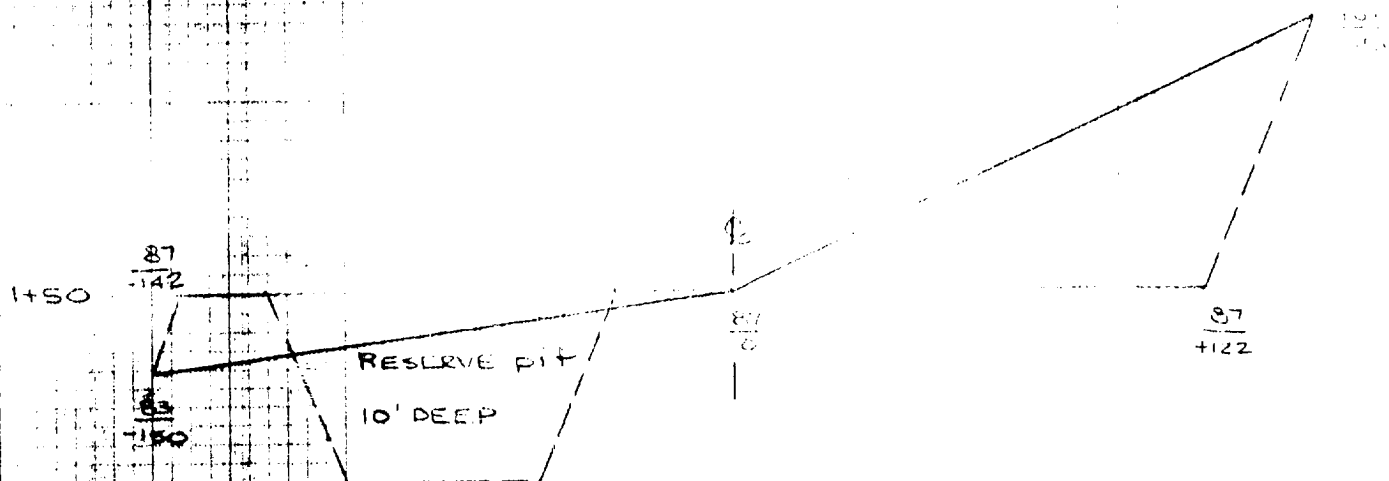
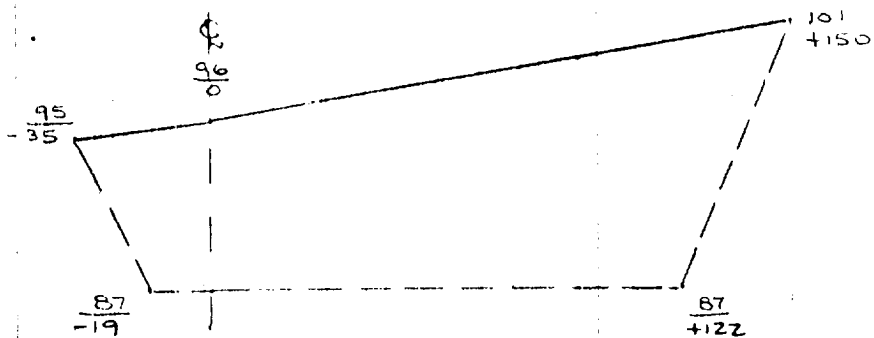


PAD LAYOUT AND TOPOGRAPHY

STATE COM. 32-1

$$0 + 2 + 3$$

0-12



CUT.....	12,444	CU YDS.
FILL.....	2,609	CU YDS.
PIT EXCAVATION.....	3,696	CU YDS.

ZERO CUT/FILL SECTION

3400