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NEW MEXICO OIL CONSERVATION COMMISSION
APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED

EXPIRES 1-22-78

Form C-101
 Revised 1-1-65

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. IG-3376
7. Unit Agreement Name
8. Farm or Lease Name
9. Well No. 2
10. Field and Pool, or Willcat St. Joe Pools, Trinitland Wildcat P.C.
12. County San Juan
19. Proposed Depth 3700
19A. Formation Pictured Cliff
20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 6555 G.L.
21A. Kind & Status Plug. Bond Blanket
21B. Drilling Contractor Cardinal Drlg. Co.
22. Approx. Date Work will start November 1, 1977

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	2. Name of Operator Palmer Oil and Gas Company	3. Address of Operator P.O. Box 2564 Billings, Montana 59103	4. Location of Well UNIT LETTER N LOCATED 4490 FEET FROM THE South LINE AND 1675 FEET FROM THE West LINE OF SEC. 2 TWP. 31N SE. 7W NMPM
21. Elevations (Show whether DF, RT, etc.) 6555 G.L.	21A. Kind & Status Plug. Bond Blanket	21B. Drilling Contractor Cardinal Drlg. Co.	22. Approx. Date Work will start November 1, 1977

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	24#	250'	250	Surface
7 7/8"	5 1/2"	14#	3700'	600	Surface

- Palmer, will drill a 3700' Pictured Cliffs test in SESEW quarter of Section 2, T31N, R7W.
- Well will be drilled by rotary tools. 250' of 8 5/8" casing will be set and cemented to surface. A 7 7/8" hole will be drilled to 3700' and 5 1/2" production casing set and cemented to surface.
- IES and Porosity Logs will be run at TD. All potential zones will be analyzed from surface to TD.
- The gas is dedicated.
- A Shaffer 8"-3000 psi BOP with blind and pipe rams will be used
- See Commission Order No. R-5364 for approval of unorthodox location.
- Spacing unit comprises the E 1/2 SW 1/4, lots 5, 6, 7, and 8 of Section 2.
- Survey Plat submitted October 3, 1977, for a Mesaverde well at this location will be used.

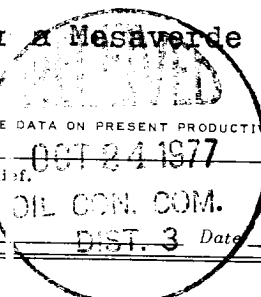
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed [Signature] Title Agent
 (This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR DESO

CONDITIONS OF APPROVAL, IF ANY:



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

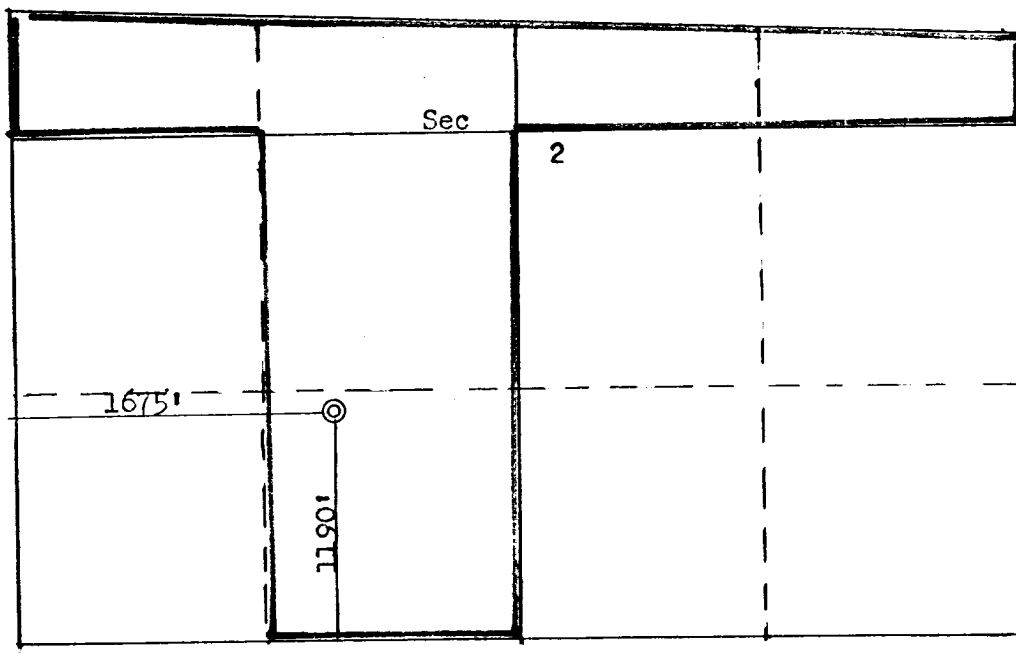
Operator Palmer Oil & Gas Company			Lease State		Well No. EB 2
Unit Letter N	Section 2	Township 31N	Range 7W	County San Juan	
Actual Footage Location of Well: 1190 feet from the South line and 1675 feet from the West line					
Ground Level Elev: 6555	Producing Formation <i>San Juan</i> Mesa Verde <i>Picture cliff</i> Indesignated			Dedicated Acreage: <i>150.48</i> 290.18 <i>150.48 Acres</i>	

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, ~~unitization~~ 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 *J. F. Hodge*
Position *Agent*
Company *Palmer Oil & Gas*
Date *10-12-77*

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 3, 1977
Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
Certificate No.
3950

SCALE: 1" = 1000'

