

Gas produced from this well may not be vented or flared beyond an initial, authorized test period of ____*____ days or 50 MMcf following its (completion) (recompletion), whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the test period authorized above, you may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted, and you shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

* 30 days, unless a longer test period specifically is approved by the authorized officer. The 30 day period begins when the casing is FIRST perforated for cased holes, and when Total Depth (TD) is reached for open hole completion.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Union Texas Petroleum

3. ADDRESS OF OPERATOR

375 U.S. Highway 64, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1140' FNL & 1850' FEL

At proposed prod. zone

14. DISTANCE, IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

13 miles E of Aztec, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)

1140 from lease

790 from DU

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

145

16. NO. OF ACRES IN LEASE

734.92

19. PROPOSED DEPTH

3350

17. NO. OF ACRES ASSIGNED TO THIS WELL

NE/4 156.21 acres

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6399 (graded)

DRILLING OPERATIONS AUTHORIZED AND

SUBJECT TO COMPLIANCE WITH ATTACHED PROPOSED CASING AND CEMENTING "GENERAL REQUIREMENTS".

This action is subject to technical review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3166.4.

22. APPROX. DATE WORK WILL START*

July 10, 1988

23.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10-5/8	8-5/8"	24.0	590	225 sx (266 cu.ft.)
6-3/4	4-1/2"	11.6	3350	350 sx (829 cu.ft.)

Union Texas Petroleum wishes to advise we intend to drill a 10-5/8" hole with mud to 590' and set 8-5/8", 24#, J-55, ST&C csg to 590', cementing to surface with 225 sx (266 cu.ft.) Cl "B" w/2% CaCl2 and 1/4# flocele/sk. Wait on cement 12 hours.

Nipple up, test BOP. Drill 6-3/4" hole with mud out of surface to 3350'. Set 4-1/2", 11.6#, N-80, LT&C csg to 3350', cementing to surface with 215 sx (617 cu.ft.) 65/35 POZ with 12% gel and 12-1/4# gilsonite/sk, tailed by 135 sx (212 cu.ft.) Cl "B" w/2% CaCl2.

Following perforation and treatment of the Fruitland formation, standard production equipment will be installed. Install cathodic protection from Hunsaker 2R. A fiberglass water pipeline will be buried in the access road to the Seymour 10 evaporation pit.

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.

Permit Coordinator

5/16/88

24.

SIGNED

Robert C. Zand

TITLE

Permit Coordinator

DATE

5/16/88

(This space for Federal or State office use)

PERMIT NO.

at or this action does

not warrant that the applicant holds legal or equitable rights or title to this lease."

TITLE

JUN 23 1988

MON CON. DIV.

*See Instructions On Reverse Side

APPROVED

AS AMENDED

JUN 20 1988

AREA MANAGER

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 37501Form C-102
Revised 10-1-79

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

Operator UNION TEXAS PETROLEUM			Lease HUNSAKER		Well No. 4
Unit Letter B	Section 26	Township 31N	Range 9W	County San Juan	
Actual Postage Location of Well:					
1140 feet from the North line and		1850 feet from the East line			
Ground Level Elev. 6399	Producing Formation Fruitland	Pool Sedro Canyon Under	Dedicated Acreage: NE/4 156.21 Acres		

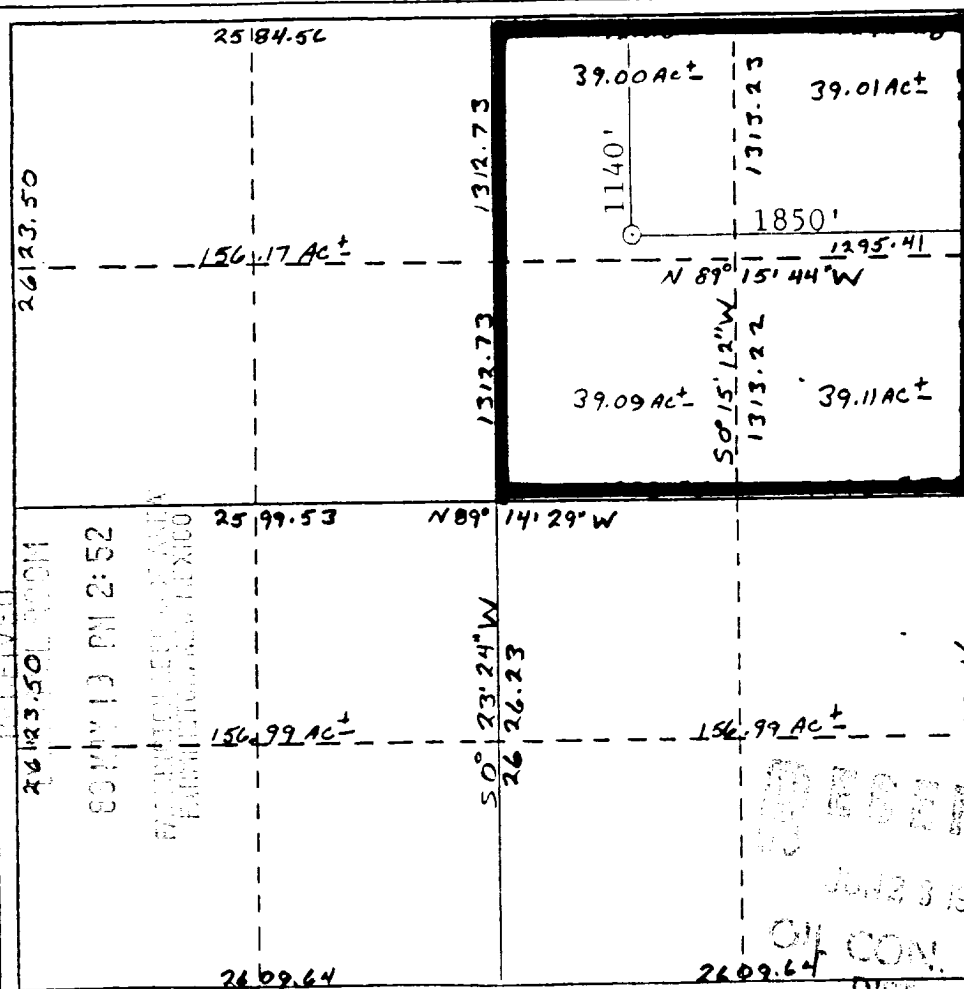
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the 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 Division.

N 89° 17' 00" W



CERTIFICATION

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

Robert C. Frank

Name
Robert C. Frank

Position
Permit Coordinator

Company
Union Texas Petroleum

Date
May 13, 1988

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

Cecil B. Tullis

Date Surveyed
November 17, 1987

Registered Land Surveyor

Cecil B. Tullis

Certificate No.

9672

N 89° 13' 00" W

Exhibit I

