SUBMIT IN TRIPLICATE*

| Form 3160-3 (November 1983) | IINII | TED STATE | \$ | (Other for | structions on se side) | Budget Bureau Expires August | No. 1004-0136 |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------|-------------------|----------------------|---------------------------|-----------------------------------------------------------------------------|-----------------|
| (formerly 9-331C) | NTERIC | | | 5. LEASE DEHIGNATION | | | |
| BUREAU OF LAND MANAGEMENT | | | | | | SF-078387-A | |
| APPLICATION | 6. IF INDIAN, ALLOTTES OR TRIBE NAME | | | | | | |
| la. TIPE OF WORK | 11011111111 | | | | | | |
| DRILL & DEEPEN PLUG BACK DEEPEN PLUG BACK | | | | | | 7. UNIT AGREEMENT NAME | |
| OIL WELL W | Coal Sear | 8. FARM OR LEASE NAME | | | | | |
| 2. NAME OF OPERATOR | | | | | | Kernaghan B | |
| Amoco Production Company | | | | | | P. WELL NO. | |
| 3. ADDRESS OF OPERATOR | | | | | | 10. FIELD AND POOL, OR WILDCAT | |
| 2325 East 30th Street, Farmington NM 87401. | | | | | | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface 1.280 FNL x 1800 FEL | | | | | | Basin Fruitland Coal Gas 11. SEC., T., E., M., OR BLK. AND SURVET OR AREA | |
| At proposed prod. zone Same | | | | | | NWNE Sec 29, T31N, R8W 12. COUNTY OR PARISH 13. STATE | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE® | | | | | | 12. COUNTY OR PARISH | 13. STATE |
| 23 miles nort | heast of Aztec | NM | | | | San Juan | NM |
| 15. DISTANCE FROM PROPUSED* 16. NO. OF ACRES IN LEASE 17. NO LOCATION TO NEAREST TO | | | | | | OF ACRES ASSIGNED THIS WELL | |
| (Also to nearest drig. unit line, if any) 1280 | | | | | |) E /2 | |
| 13. DISTANCE FROM PEOPOSED LOCATIONS TO NEARRST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. | | | See attached plan | | | RY OR CABLE TOOLS | |
| 21. ELEVATIONS (Show wh | ether DF, RT, GR, etc.) | DRILLING OP | ERATIONS / | AUTHORIZED ARE | | 22. APPROX. DATE WO | RE WILL START |
| 6581' GR | | | | E WITH ATTACH | | HASIOSOSPOR PO | rmitted |
| 23. | | | | | | rel review pursuant | ట 43 CFR 3185.3 |
| SIZE OF HOLE | BIZE OF CASING | WEIGHT PER F | | SETTING DEPTH | | been. Shtaddh to both we | |
| 1.2-1./4'' | 9-5/8" | 36# K55 | | 250 ' | 200 | cf Class B | |
| 8-3/4" | 7" | 20# K55 | | 3239' | | Ocf Class B | |
| 6-1/4" | 5-1/2" | 23# PllC |) | 3449' | | | |
| | 1 | 1 07 106 100 | • | | • | | |

Notice of Staking submitted 04/06/89.

This well was formerly named Kernaghan LS 1-4, 1A-4A #6

Lease description:

T31N-R8W, NMPM Sec. 28: E/2 Sec. 29: E/2 Sec. 30: E/2

Sec. 33: W/2

MAY2 41981

OIL CON. DIT.

| | and measured and true vertical depths. Give b |
|---------------|-----------------------------------------------|
| Admin. Supv. | 5/3/89 |
| | APPROVED |
| APPROVAL DATE | AS AMENDED |
| | MAY 4 - 4000 |
| TITLE | |
| MMOOO | MAREA MANAGER |
| · - · | • |
| | APPROVAL DATE |

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe. New Mexico 87504-2088

P.O. Box 1980, Hobbs, NM 88240

P.O. Drawer DD, Artesia, NM 88210

WELL LOCATION AND ACREAGE DEDICATION PLAT

DISTRICT III
1000 Rio Brizos Rd., Aziec, NM 87410 All Distances must be from the outer boundaries of the section Well No. Operator # 6 AMOCO PRODUCTION COMPANY KERNAGHAN B County Range Township Unit Letter Section SAN JUAN 8 WEST 31 NORTH NMPM Actual Footage Location of Well: EAST line 1800 feet from the NORTH line and 1280 feet from the Dedicated Acreage: Producing Formation Ground level Liev. Fruitland Basin Fruitland Coal Gas 320 E/2 Acres 6581 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? ∐ No If answer is "yes" type of consolidation Yes If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neccessary. 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 interest, has been approved by the Division. OPERATOR CERTIFICATION I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief. Douglas Printed Name Dist. Admin. Supv Amoco Production Company April 6, 1939 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 supervison, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed 1989 March 31, Signature & Sea Professional SURVEYOR 7016 9 Gar Certifi AND 7016 POFESSIONAL 1000 500 0 2000 1500 2640 660 1320 1650 1980 2310

EXHIBIT B

