

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SF079148
b. TYPE OF WELL 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
2. NAME OF OPERATOR McELVAIN OIL & GAS PROPERTIES, INC.		7. UNIT AGREEMENT NAME
3. ADDRESS AND TELEPHONE NO. P.O. Box 2148 Santa Fe, New Mexico 87504 (505) 982-1935		8. FARM OR LEASE NAME, WELL NO. 21011 Stateline Com #1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 800' FSL & 805' FWL Section 7, T32N, R9W, NMPM At proposed prod. zone		9. API WELL NO. 30-045-29464
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15.3 miles northeast of Aztec, New Mexico		10. FIELD AND POOL, OR WILDCAT Blanco Mesaverde
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 425'	16. NO. OF ACRES IN LEASE 389.40	11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Section 7 T32N, R9W, NMPM
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. NA	19. PROPOSED DEPTH 6433'	12. COUNTY San Juan
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6949' GL	20. ROTARY OR CABLE TOOLS ROTARY	13. STATE New Mexico
22. APPROX. DATE WORK WILL START* June, 1997		

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8" J/K-55	36	360'	195 sxs Class G..2%CaCl..1/4#/sk celloflake
8 3/4"	7" J/K-55	20	4148'	450 sxs 65/35 Class G Poz..100 sxs Class G
6 1/4"	4 1/2" J/K-55	10.5	6433'	175 sxs 65/35 Class G Poz..100 sxs Class G

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

McElvain Oil & Gas Properties, Inc. proposes to spud in the Nacimiento Formation and will drill a 12 1/4" hole to 360 feet. 9 5/8" casing will be run and cemented to surface. WOC 12 hours. Test casing and BOPE to 600 psig for 15 minutes. Drill a 8 3/4" hole to 4148' with fresh water mud. No abnormal pressures or poisonous gases are anticipated. Adequate weight material will be on location to control any unforeseen flows from the Fruitland sands. Log well from TD to the base of the surface casing. Run 7" intermediate casing and cement to surface. WOC for 12 hours. Pressure test casing and BOPE to 1500 psig for 15 minutes. Drill a 6 1/4" hole with air & mist to 6433'. Log well from TD to the base of the intermediate casing. Run a 4 1/2" liner from 4028' to TD and cement in place. Move out drilling rig and move in completion unit. Test casing to 2500 psig. Run cased hole correlation logs. Perforate the Mesaverde formation and stimulate with a fresh water based system.

Surface ownership is Federal (BLM).

Access road and pipeline right of way included with this application.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 true vertical depths. Give blowout preventer program, if any.

24. SIGNED James D. Stuebel TITLE AGENT DATE May 2, 1997
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE JUN 03 1997

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY /S/ Duane W. Spencer TITLE _____ DATE _____

Hold C-104 for WSP NMOC

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number 30-045-29464	' Pool Code 72319	' Pool Name Blanco Mesaverde
' Property Code 21011	' Property Name Stateline Com	' Well Number 1
' OGRID No. 22044	' Operator Name McELVAIN OIL & GAS PROPERTIES	' Elevation 6949'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
N	7	32-N	9-W		800	South	805	West	S.J.

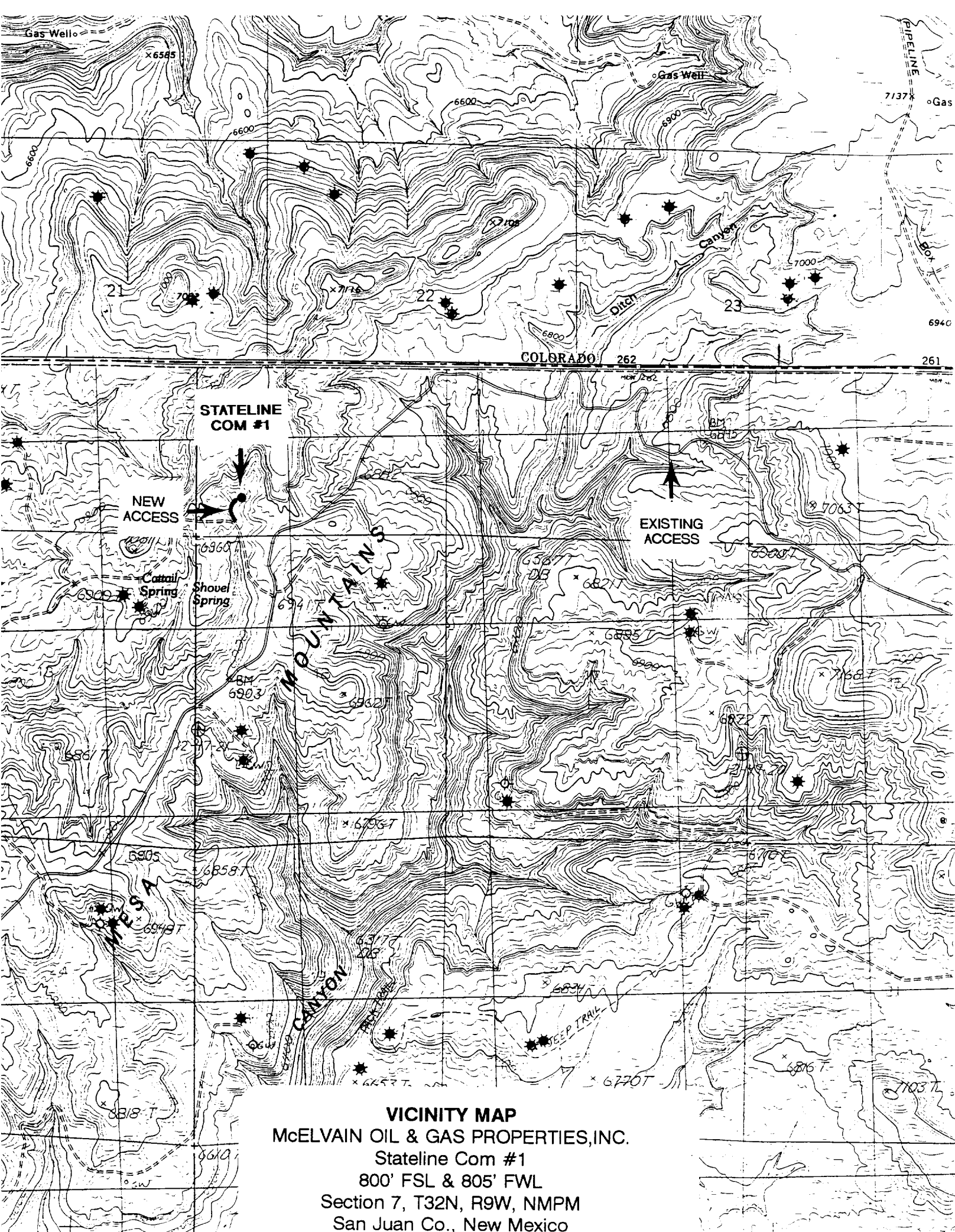
¹¹ Bottom Hole Location If Different From Surface

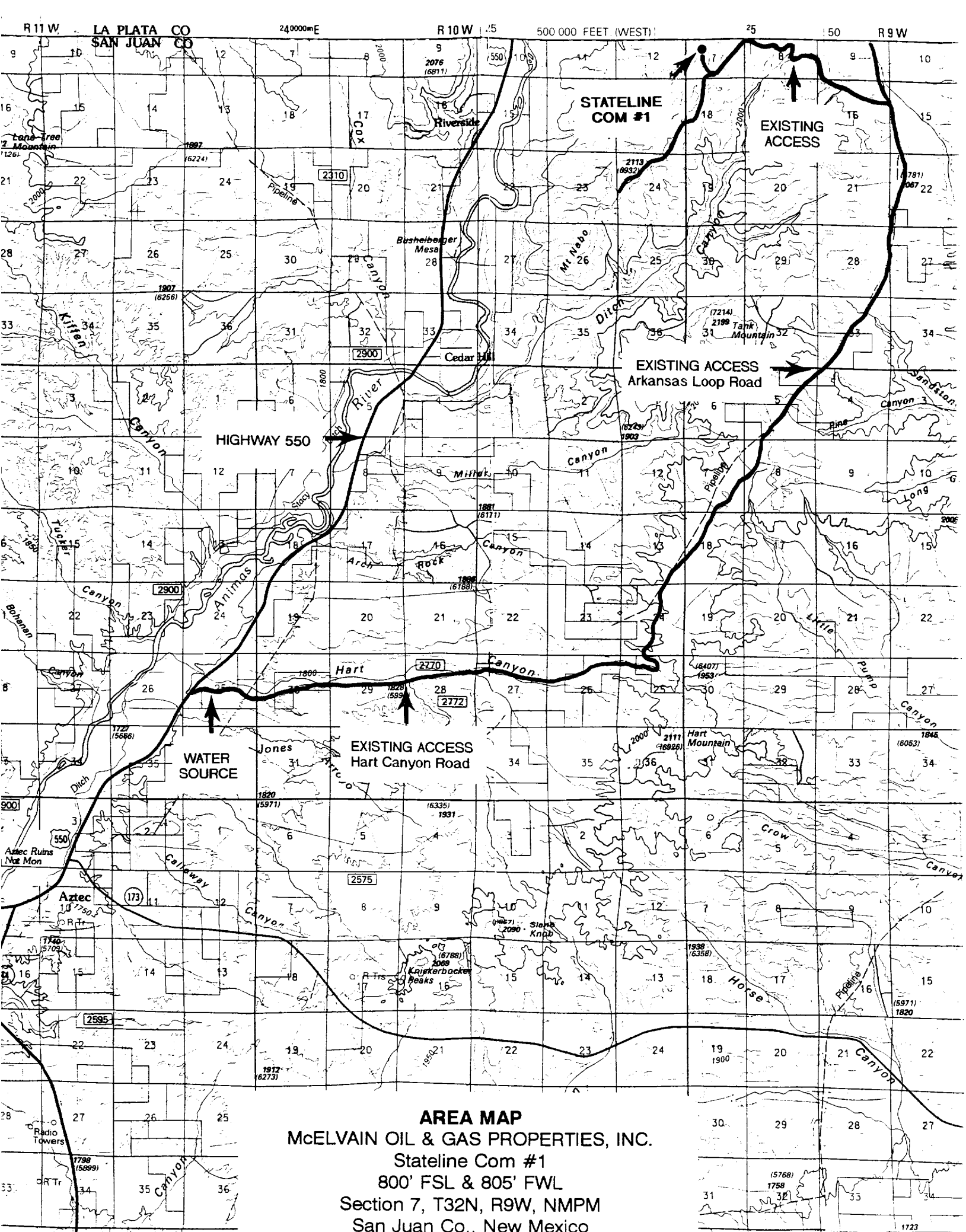
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 288.73	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="text-align: center; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="text-align: center;">JUN - 5 1997</div> <div style="text-align: center; font-weight: bold;">OIL CON. DIV.</div> <div style="text-align: center;">DIST. 3</div>	<div style="font-weight: bold; font-size: 1.2em;">17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <div style="border-bottom: 1px solid black; margin-top: 10px;"> <div style="text-align: center; font-size: 1.5em; font-family: cursive;">John D. Steuble</div> <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> Signature John D. Steuble </div> </div> <div style="border-bottom: 1px solid black; margin-top: 5px;"> <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> Printed Name Agent </div> </div> <div style="border-bottom: 1px solid black; margin-top: 5px;"> <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> Title 04/24/97 </div> </div> <div style="border-bottom: 1px solid black; margin-top: 5px;"> <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> Date </div> </div>
<div style="font-weight: bold; font-size: 1.2em;">18 SURVEYOR CERTIFICATION</div> <p>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 belief.</p> <div style="text-align: right; margin-top: 10px;">4/21/97</div> <div style="border-bottom: 1px solid black; margin-top: 5px;"> <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> Date of Survey </div> </div> <div style="border-bottom: 1px solid black; margin-top: 5px;"> <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> Signature and Seal of Professional Surveyor </div> </div>	<div style="text-align: center; font-weight: bold; font-size: 1.5em;">7</div> <div style="display: flex; justify-content: space-around; font-size: 0.8em; margin-top: 10px;"> SF079148 SF079048 </div> <div style="display: flex; justify-content: space-around; font-size: 0.8em; margin-top: 10px;"> SF079625 </div> <div style="text-align: center; margin-top: 10px;"> <div style="border: 1px solid black; border-radius: 50%; padding: 10px; display: inline-block;"> <div style="text-align: center; font-weight: bold;">NEALE C. EDWARDS</div> <div style="text-align: center; font-weight: bold;">NEW MEXICO</div> <div style="text-align: center; font-weight: bold;">6857</div> <div style="text-align: center; font-weight: bold;">REGISTERED PROFESSIONAL SURVEYOR</div> </div> <div style="margin-top: 10px;"> <div style="text-align: center; font-size: 1.2em;">6857</div> <div style="text-align: center; font-size: 0.8em;">Certificate Number</div> </div> </div>





AREA MAP
McELVAIN OIL & GAS PROPERTIES, INC.
Stateline Com #1
800' FSL & 805' FWL
Section 7, T32N, R9W, NMPM
San Juan Co., New Mexico