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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

API # 30-049-20024

| |
|--|
| 5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 5. State Oil & Gas Lease No. |
| 7. Unit Agreement Name |
| 8. Farm or Lease Name Santa Fe Mining |
| 9. Well No. 1 |
| 10. Field and Pool, or Wildcat Wildcat |
| 12. County Santa Fe |
| 19. Proposed Depth 4000' |
| 19A. Formation Dakota |
| 20. Rotary or C.T. Rotary |
| 21. Elevations (Show whether DF, RT, etc.) 6183 |
| 21A. Kind & Status Plug. Bond State |
| 21B. Drilling Contractor Young or Aztec Drilling |
| 22. Approx. Date Work will start 1 November 1984 |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| |
|--|
| 1a. Type of Work b. Type of Well DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |
| 2. Name of Operator Pelto Oil Company |
| 3. Address of Operator Two Greenspoint Plaza, Suite 400, 16825 Northchase, Houston, TX 77060 |
| 4. Location of Well UNIT LETTER <u>I</u> LOCATED <u>990</u> FEET FROM THE <u>East</u> LINE (projected) AND <u>2010</u> FEET FROM THE <u>South</u> LINE OF SEC. <u>31</u> TWP. <u>14N</u> RGE. <u>8E</u> NMPM |
| 21. Elevations (Show whether DF, RT, etc.) 6183 |
| 21A. Kind & Status Plug. Bond State |
| 21B. Drilling Contractor Young or Aztec Drilling |
| 22. Approx. Date Work will start 1 November 1984 |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 10-1/4" | 9-5/8" | 40 # | 400' | | Surface |
| 8-1/2" | 7" | 29 # | 2100' | | Surface |
| 6-1/4" | 4-1/2" | 13.5 # | 4000' | | Surface |

We intend to drill a 10-1/4" hole to 400'. We will then run 400' of 9-5/8" surface pipe cement and install blowout preventor. We will then drill a 8-1/2" hole to approximately 2100' where we will run an intermediate string of 7" casing. We will then drill a 6-1/4" hole with air mist to T.D. at + 4000'. If we encounter significant oil or gas shows, we will then run 4-1/2" casing or a productive string and attempt a completion of the well.

COLLECT AND SACK SAMPLES FOR
NEW MEXICO BUREAU OF MINES, SOCORRO
AT AT LEAST TEN FOOT INTERVALS

APPROVAL VALID FOR 90 DAYS
PERMIT EXPIRES 1-7-85
UNLESS DRILLING UNDERWAY

RECEIVED

OCT 02 1984

OIL CON. DIV.
DIST. 3

ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION 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 Senior Consultant, Pelto Oil Co Date September 28, 1984

(This space for State Use)

APPROVED BY [Signature] TITLE DISTRICT SUPERVISOR DATE 10-9-84

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION COMMISSION TO BE NOTIFIED
WITHIN 24 HOURS OF BEGINNING OPERATIONS

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

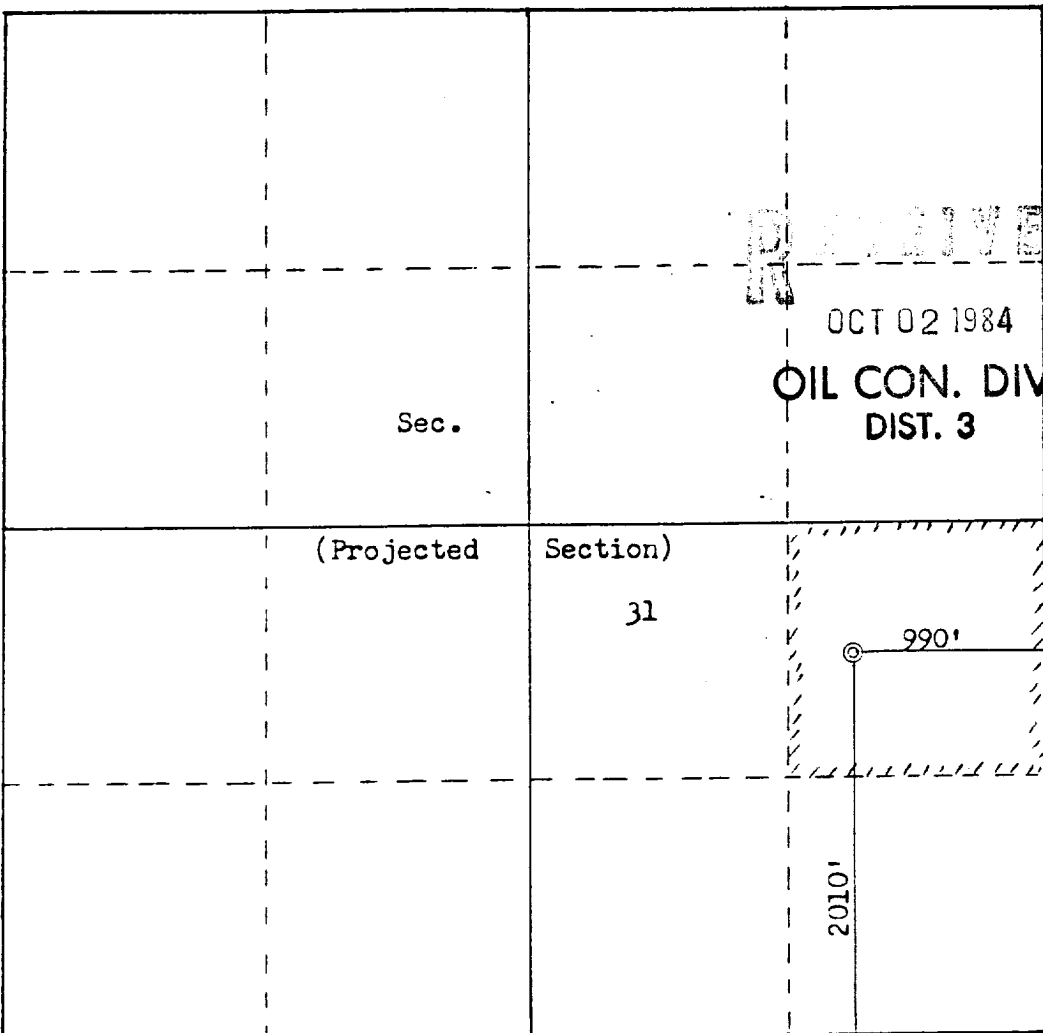
| | | | | |
|---|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------|
| Operator PELTO OIL COMPANY | | Lease Santa Fe Mining (SFM) | | Well No. 1 |
| Unit Letter I | Section 31 | Township 14N | Range 8E | County Santa Fe |
| Actual Footage Location of Well: 2010 feet from the South line and 990 feet from the East line | | | | |
| Ground Level Elev: 6183 | Producing Formation Dakota | Pool Wildcat | Dedicated Acreage: 40 Acres | |

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, 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 Commission.



Scale: 1"=1000'

| | |
|---|---------------------------|
| CERTIFICATION | |
| I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. | |
| Name | <i>D.A. Baker</i> |
| Position | D.A. Baker |
| Company | Senior Consultant |
| Date | Pelto Oil Company |
| Date | October 3, 1984 |
| 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 | September 25, 1984 |
| Registered Professional Engineer and Land Surveyor | |
| <i>Fred B. Kerr Jr.</i> | |
| Fred B. Kerr Jr. | |
| Certificate No. | 3950 |