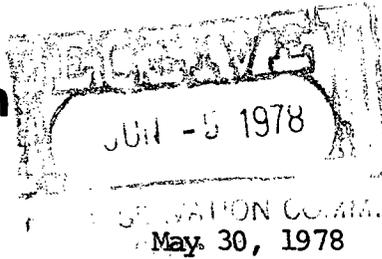


Mobil Oil Corporation



THREE GREENWAY PLAZA EAST - SUITE 800
HOUSTON, TEXAS 77046

*NSL - 958
Rule 104(F)
June 25, 1978*

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey

7.01
UNORTHODOX WELL LOCATION
MOBIL OIL CORPORATION'S
JICARILLA "H" LEASE, WELL #4-A
BLANCO-MESAVERDE POOL
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

Mobil Oil Corporation respectfully requests authority to drill the subject well at an unorthodox location due to topographical conditions existing on this lease.

Proposed Well #4-A is spaced as follows:

874' from the south line,
732' from the east line,
Unit P, Sec. 1, T26N, R3W,
Rio Arriba County, New Mexico

E/2 dedication

This well has been located at a site requiring the least amount of dirt work and utilizing an existing road. Well #4-A is located on Federally controlled Indian Lands and it is Mobil's desire to disturb as little of the natural terrain as possible.

In support of this request, the following information is submitted:

1. Form 9-331-C, "Application to Drill, Deepen or Plug Back on Federal Lands"
2. Form C-102, "Well Location and Acreage Dedication Plat"
3. Certified plat covering a portion of the lease and showing topography.

Palmer Oil & Gas Company, Box 2564, Billings, Montana 59103, is the only offset operator to this lease. They are being furnished a copy of this letter and attachments by certified mail as their notice of this application and request for their waiver.

Yours very truly,

J. A. Morris
Regulatory Engineering Supervisor

ADBond/dh
cc: Offset Operator
USGS-Durango

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Mobil Oil Corporation

3. ADDRESS OF OPERATOR
3 Greenway Plaza-East, Suite 800, Houston, Texas 77046

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 874' FSL & 732' FEL Section 1, T26N, R3W
 At proposed prod. zone Same as surface

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

5. LEASE DESIGNATION AND SERIAL NO.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla Contract #96

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Jicarilla H

9. WELL NO.
4-A

10. FIELD AND POOL, OR WILDCAT
Blanco Mesaverde

11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA
Sec. 1, T26N, R3W

12. COUNTY OR PARISH | 13. STATE
Rio Arriba | N. M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 732

16. NO. OF ACRES IN LEASE 2530.72

17. NO. OF ACRES ASSIGNED TO THIS WELL 320 (2 wells)

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1881'

19. PROPOSED DEPTH 6250

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7085' - Ground

22. APPROX. DATE WORK WILL START*
As soon as possible

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------------|
| 12-1/2" | 8-5/8" (new) | 20# - Misco | 0- 300' | (1) Circulate to surface |
| 7-7/8" | 4-1/2" (new) | 9.5# - K-55 | 0-6350' | (2) Circulate to surface |

CEMENTING PROGRAM

- (1) Class C cement with 2% CaCl₂
- (2) Cement in 2 stages using lite weight filler cement in the upper stage. In the lower stage a lite weight cement will be used tailed in with 250 sx. neat.

MUD PROGRAM

| Depth | Type of Mud | Weight | Viscosity | Water Loss |
|------------|-----------------|---------|-----------|------------|
| 0'- 300' | Spud | 8.8 | | |
| 300'-6350' | Fresh Water Gel | 8.8-9.1 | 30-50 | 10 c.c. |

BLOWOUT PREVENTER PROGRAM ATTACHED

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.

24. SIGNED A.D. Bond A.D. Bond TITLE Regulatory Engr. Coordinator DATE May 17, 1978

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

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.

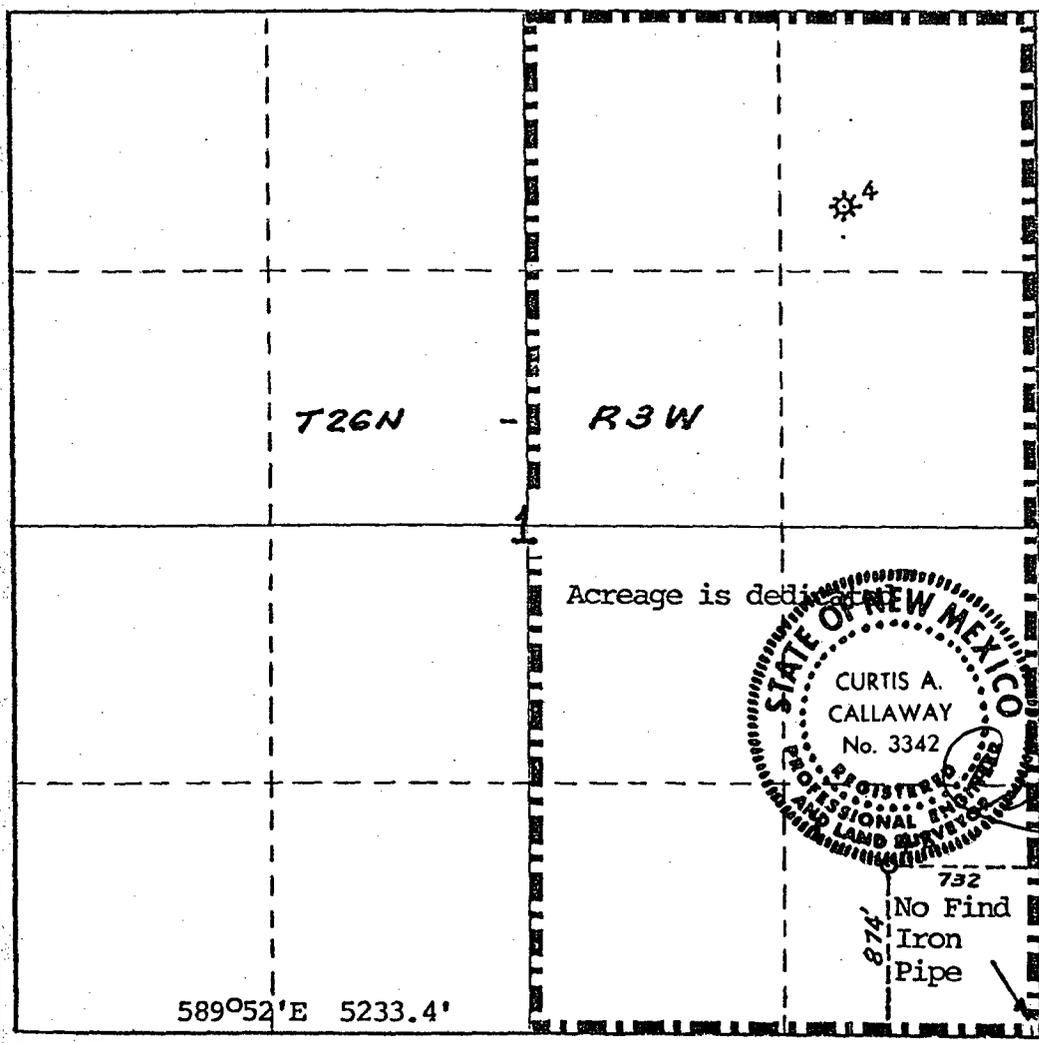
| | | | | | |
|--|---|-----------------------------|---------------------------------|---|------------------------|
| Operator Mobil Oil Corporation | | Lease Jicarilla H | | | Well No. 4-A |
| Unit Letter P | Section 1 | Township 26N | Range 3W | County Rio Arriba | |
| Actual Footage Location of Well: 874' feet from the South line and 732' feet from the East line | | | | | |
| Ground Level Elev. 7085' | Producing Formation Mesaverde | | Pool Blanco Mesaverde | Dedicated Acreages: 320 (2 wells) 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.



CERTIFICATION

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

A. D. Bond

Name
A. D. Bond

Position
Regulatory Engr. Coor.

Company
Mobil Oil Corporation

Date
May 17, 1978

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.

Curtis A. Callaway

Date Surveyed
Feb. 17, 1978

Registered Professional Engineer and/or Land Surveyor

Curtis A. Callaway

Certificate No.
3342

R - 3 - W

Palmer O & G

Mobil

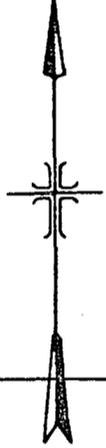
Jicarilla "G"

Mobil

T
26
N

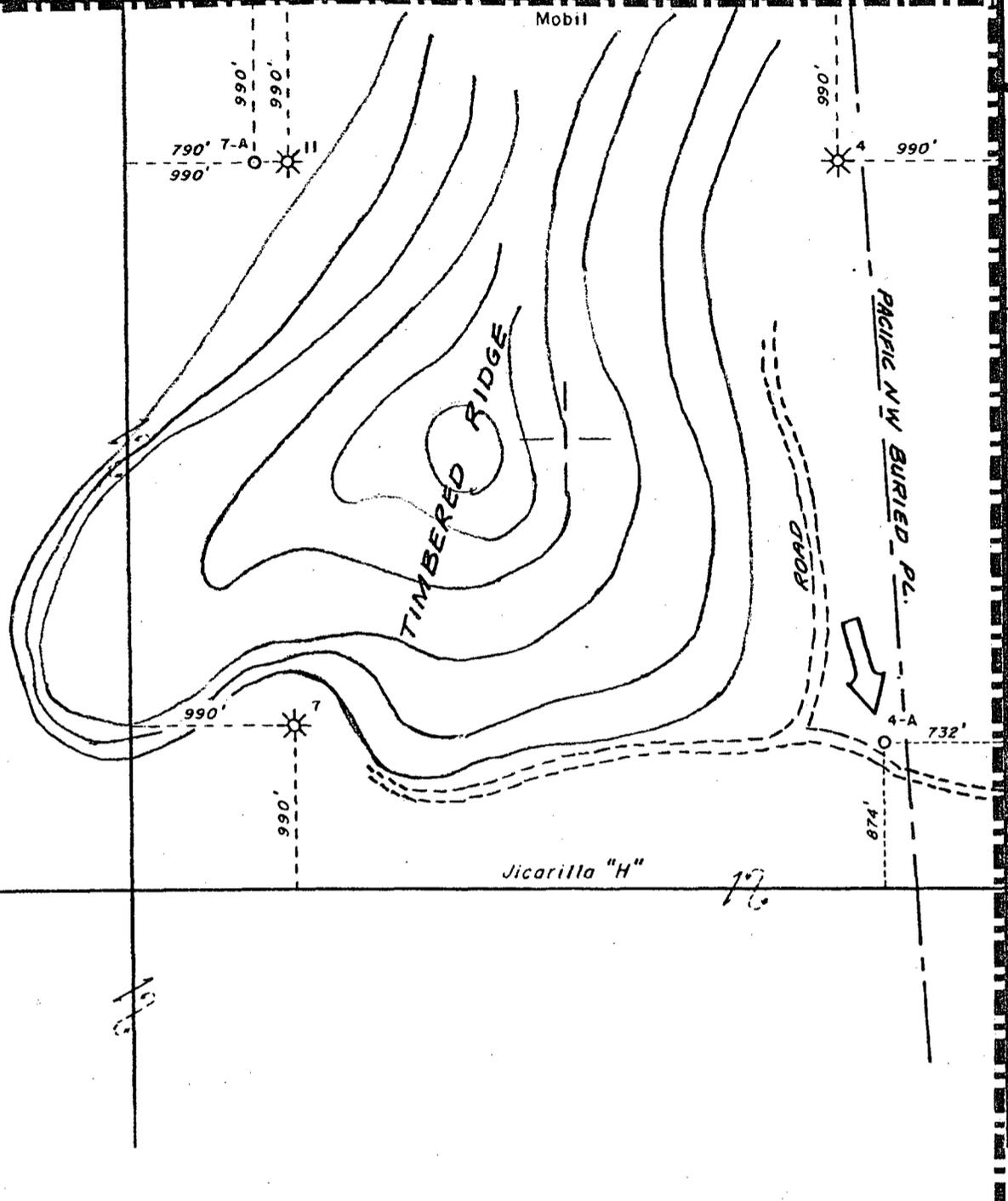
Palmer O. & G.

N.



Palmer Oil & Gas

Palmer Oil & Gas



Jicarilla "H"

Reserve _____ Permit depth _____

Special Instructions _____

Date work is commenced _____ 19 _____ Supt. _____

Location approved by _____ Plat by _____ Surveyed by _____

THE STATE OF **TEXAS**
COUNTY OF **HARRIS**

I hereby certify that this plat truly represents conditions as they actually exist on this lease; that said plat which is drawn to the scale indicated hereon, is to the best of my knowledge true and correct; that it accurately shows said lease with all wells on same; that number and locations of said wells are as indicated hereon; and that this plat correctly reflects all pertinent and required data.

Mobil Oil Corporation
Houston E & P Division

LEASE Jicarilla "H"

WELL NO. 4-A DATE _____ 19 _____

DIVISION Houston LEASE NO. NM 45

TOTAL ACRES IN LEASE 2530.72 ACRES COVERED BY PLAT _____

DESCRIPTION All of Sec. 1, 2, 11 & 12

T-26-N, R-3-W

Rio Arriba County, New Mexico

"Partial Plat"

DRAWN RAS DATE 5-13-76 FIELD Blanco - Mesaverde

SCALE 1" = 1000' FILE NO. 112

Mobil Oil Corporation

THREE GREENWAY PLAZA EAST - SUITE 800
HOUSTON, TEXAS 77046

June 13, 1978

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey

7.01
UNORTHODOX WELL LOCATION
MOBIL OIL CORPORATION'S
JICARILLA H LEASE, WELL #4-A
BLANCO MESAVERDE POOL
RIO ARriba COUNTY, NEW MEXICO

Gentlemen:

Attached are three copies of a waiver from the only operator offsetting the subject well. Accordingly, it is respectfully requested that the permit to drill this well be approved under the provisions of Rule 104F.

Yours very truly,



J. A. Morris
Regulatory Engineering Supervisor

ADBond/fg
Attachments

W A I V E R

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey

7.01
UNORTHODOX WELL LOCATION
MOBIL OIL CORPORATION'S
JICARILLA H LEASE, WELL #4-A
BLANCO MESAVERDE POOL
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

We have received a copy of Mobil Oil Corporation's application to drill the subject well at an unorthodox location because of terrain. Please be informed that, as an offset operator to Mobil's Jicarilla "H" Lease, we have no objection to this well being drilled at the following location:

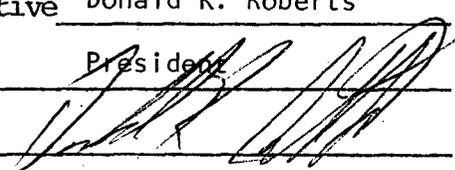
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732' from the east line,
Unit P, Sec. 1, T26N, R3W,
Rio Arriba County, New Mexico

Yours very truly,

PALMER OIL & GAS CO.

Representative Donald K. Roberts

Position: President

Signature: 

Date: June 6, 1978

W A I V E R

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey

7.01
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MOBIL OIL CORPORATION'S
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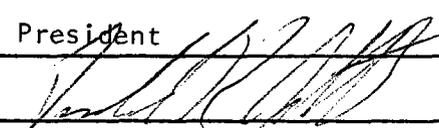
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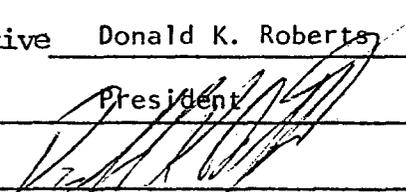
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Date: June 6, 1978