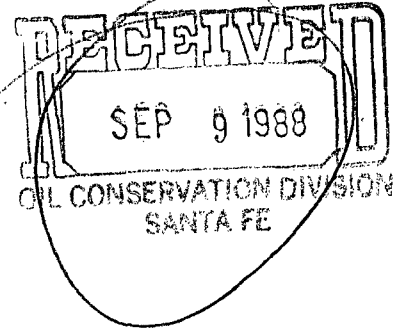


Greenwood
Holdings Inc.

5600 South Quebec Street
Suite 150-C
Englewood, Colorado 80111
(303) 773-6703
Facsimile: (303) 694-1154



September 1, 1988

Mr. Michael Stogner
Oil Conservation Division
P. O. Box 2088
Sante Fe, New Mexico 87501

Dear Mr. Stogner:

This is a request for an exception to Rule 104 Section F-III. The reason for the exception is topographical due to a bluff and residential development. An exception to Rule 104 was granted for the original Kirtland 1 at the same location due to topography.

We have enclosed the Form C-102, a topographical map, plat of offset operators and a copy of the certified letter sent to offset operators.

Sincerely,

Jim Ryder
Operations Manager

JR/te

Enclosures

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

Operator Greenwood Holdings		Lease Kirtland		Well No. #1-A	
Unit Letter A	Section 13	Township 29 North	Range 15 West	County San Juan	
Actual Footage Location of Well:					
1229	feet from the North	line and	635	feet from the East	line
Ground Level Elev. 5150	Producing Formation Fruitland		Pool	Dedicated Acres 160	

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.) Greenwood Holdings Inc. & Blair Petroleum Co. own fee leases north of

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.

Greenwood Holdings Inc. and Blair Petroleum Co. own fee lands north of mid-channel of the San Juan River.

Und. Twin Mounds Fr. / PC Pool (No Special Rules)

SECTION 13

Greenwood Holdings Inc. Kirtland Well No. 2 260' ENL - 2100' FGL Spud: 8/11/79 Cha-Cha Gallup Pool Production

1229'

635'

Greenwood Holdings Inc. Kirtland Well No. 1 1214' ENL - 650' FGL Spud: 4/17/79 Cha-Cha Gallup Production

Greenwood Holdings Inc., Blair Petroleum Co., and Conoco, Inc. own working interests in Navajo Lease south of the mid-channel of the San Juan River. A Communitization Agreement will be submitted to the Federal Authorities.

→ Pool 1 mile
CERTIFICATION

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

Name
A. D. Hutcheson, Jr.
Position
Vice President
Greenwood Holdings Inc.

Company
September 2, 1988

Date

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
August 29, 1988

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE ☐ FEE ☒
5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL ☒ DEEPEN ☐ PLUG BACK ☐		7. Unit Agreement Name
b. Type of Well OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐		8. Farm or Lease Name Kirtland
2. Name of Operator Greenwood Holdings Inc.		9. Well No. 1-A
3. Address of Operator 5600 S. Quebec St., Ste 150C, Englewood, CO 80111		10. Field and Pool, or Wildcat Wildcat
4. Location of Well UNIT LETTER <u>A</u> LOCATED <u>1229</u> FEET FROM THE <u>North</u> LINE AND <u>639</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>13</u> TWP. <u>29N</u> RGE. <u>15W</u> NMPM		12. County San Juan
19. Proposed Depth 400'		19A. Formation Fruitland Coal
20. Rotary or C.T. C.T.		
21. Elevations (Show whether DF, RT, etc.) 5150' GR	21A. Kind & Status Plug. Bond Pending	21B. Drilling Contractor Maness
		22. Approx. Date Work will start October 1, 1988

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11	8 5/8	24#	300'	140 sx	
8	5 1/2	Liner tied back to surface		0 Open hole	completion.

1. Drill surface hole to 50' of 13 3/8" in conductor pipe.
2. Drill 11" hole to surface casing point at $\pm$ 240', cement 8 5/8" 24#/ft J55 STC.
3. NU and test 90 series BOP to 500 psi.
4. Drill 8" hole to $\pm$ 380'.
5. Run Induction and Density - SNP Log.
6. See attached prognosis for balance of completion.

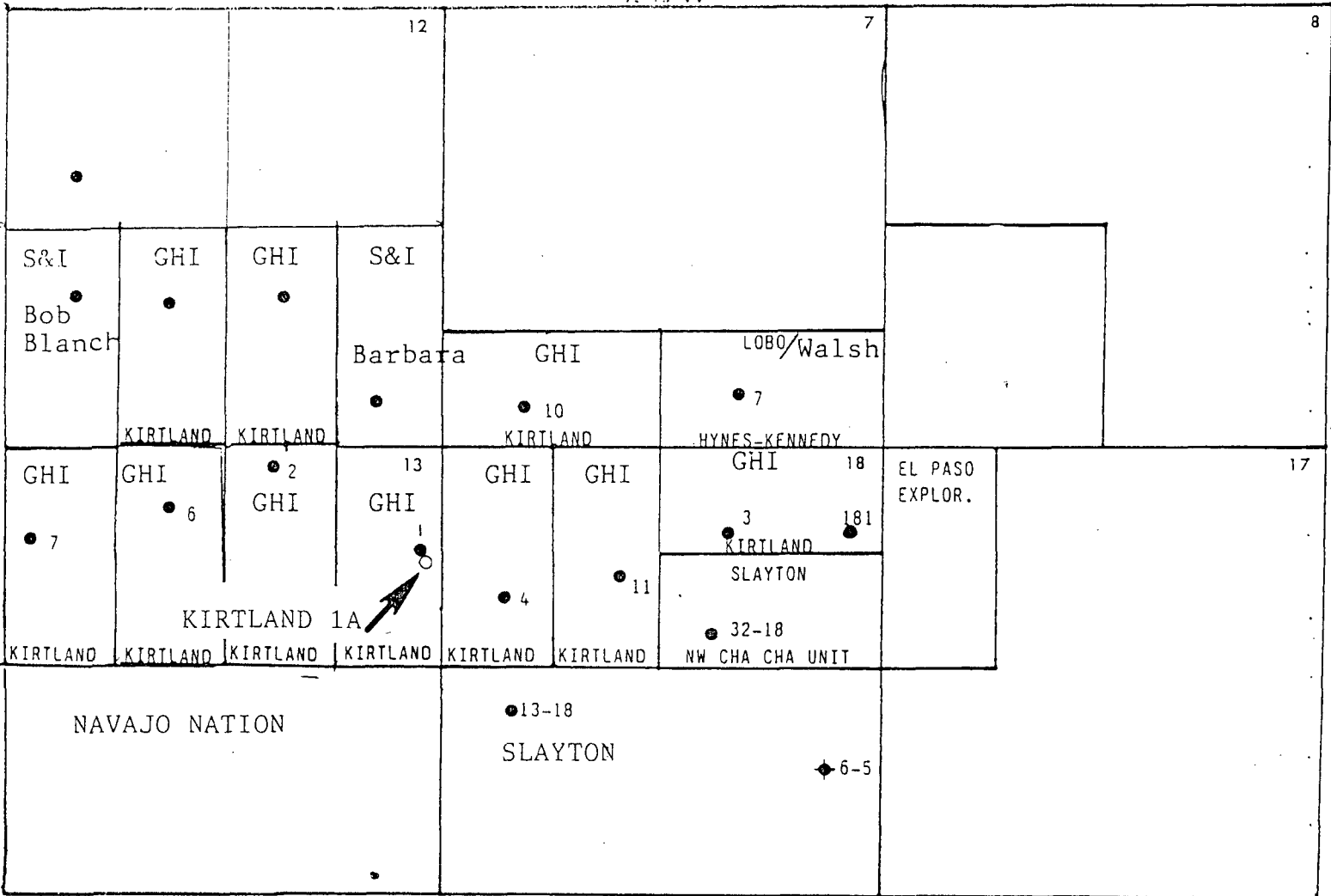
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed [Signature] Title Operations Manager Date 8-30-88
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

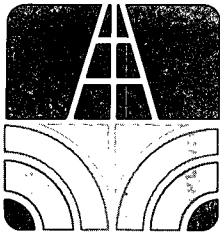
R 15 W





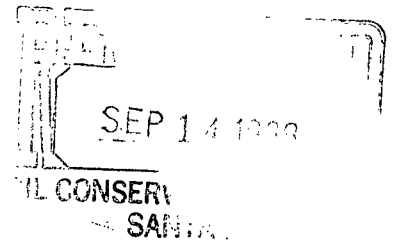
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

JOINT LEASE
Vicinity Map for
GREENWOOD HOLDINGS INC. # 1A KIRTLAND
1229FNL & 639 FEL Sec. 13-T29N-R14W
SAN JUAN COUNTY, NEW MEXICO



Greenwood
Holdings Inc.

5600 South Quebec Street
Suite 150-C
Englewood, Colorado 80111
(303) 773-6703
Facsimile: (303) 694-1154



August 30, 1988

✓ Mr. Paul Slayton
Slayton Oil Corporation
P. O. Box 150
Farmington, New Mexico 87499

Mr. Akhtar Zamon, Director
Navajo Nation
Navajo Tribal Mineral Dept.
Window Rock, Arizona 86515

Mr. Troy Strickland
S&I Oil Co.
#286 Highway 64
Route 3, Box 935
Farmington, NM 87401

RECEIVED
SEP 13 1988
OIL CON. DIV
DIST. 2

RE: Kirtland #1-A Well
1229' FNL, 639' FEL Sec. 13, T29N, R15W
San Juan County, New Mexico

Gentlemen:

Please be advised that Greenwood intends to drill a gas test well in an unorthodox location due to topographic conditions caused by residential development. It is felt this location is in the best interest of the land and mineral interests and will allow for the orderly development of this proration unit with a minimum of surface interference.

Pursuant to Oil Conservation Division Rules and Regulations, as an offsetting Operator or mineral owner, Greenwood hereby seeks your waiver of any objection to this proposed location to obtain the necessary drilling permit. Please forward one executed original of this letter to Mr. Ernie Busch, State of New Mexico, Oil Conservation Division, 1000 Rio Brazos Rd., Aztec, New Mexico 87401, in the event you have no objections. Please return the second original to Greenwood at the above letterhead address.

If you have any questions, please do not hesitate to contact this office.

Sincerely yours,

GREENWOOD HOLDINGS INC.

A. D. Hutcheson, Jr.
A. D. Hutcheson, Jr.

ADH/llp

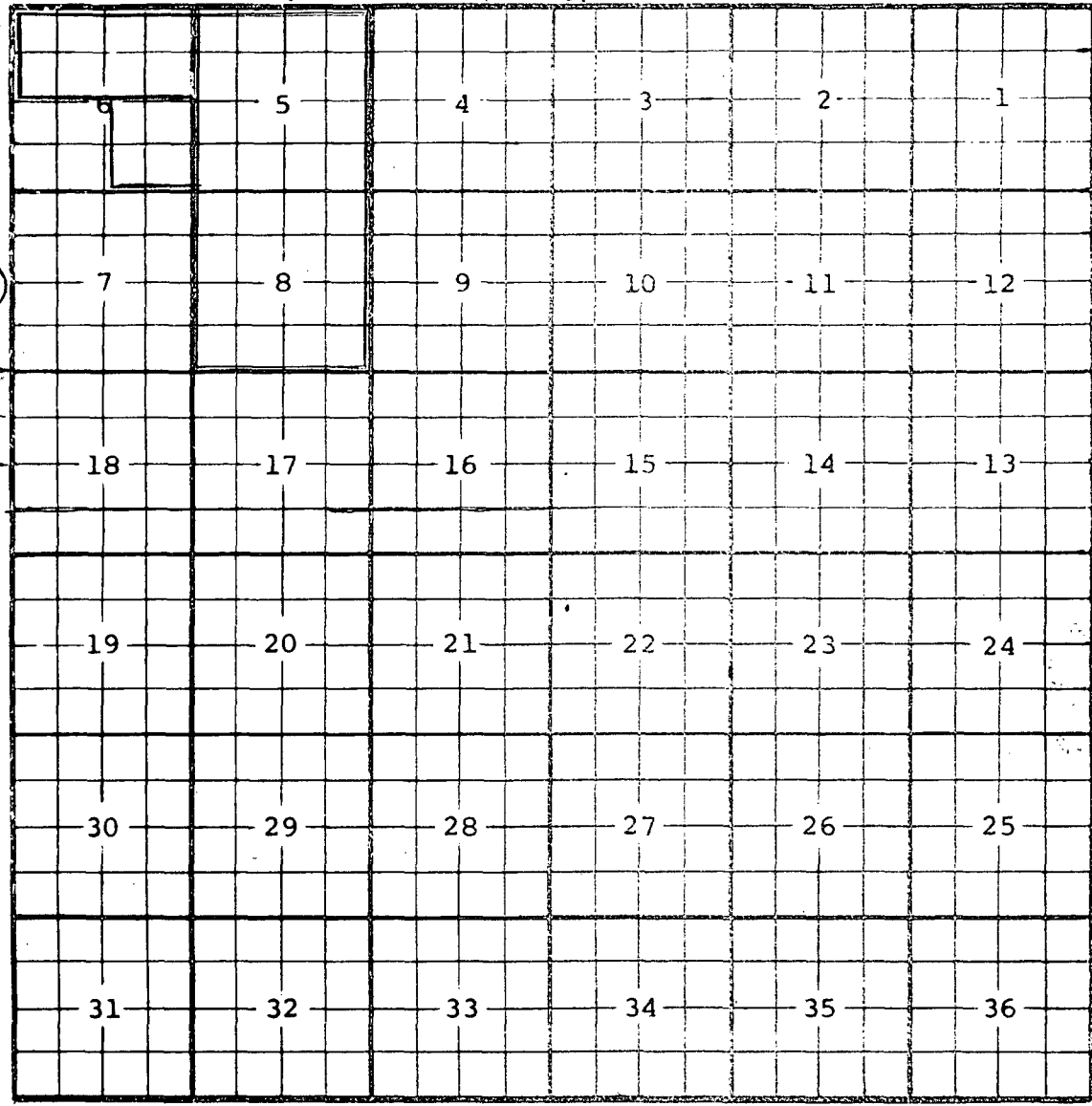
cc: Wilson Barber, Jr.
Bureau of Indian Affairs
✓ Ernie Busch

We herein waive any objection
to the above unorthodox location:

BY: *Paul Slayton*
Name/Title SOO. PRES.
Company: SLAYTON OIL CORP.
Date: SEPT. 9, 1988

COUNTY San Juan POOL Twin Mounds - Pictured Cliffs ^{Fruitland-}

TOWNSHIP 29 North RANGE 14 West NMFM

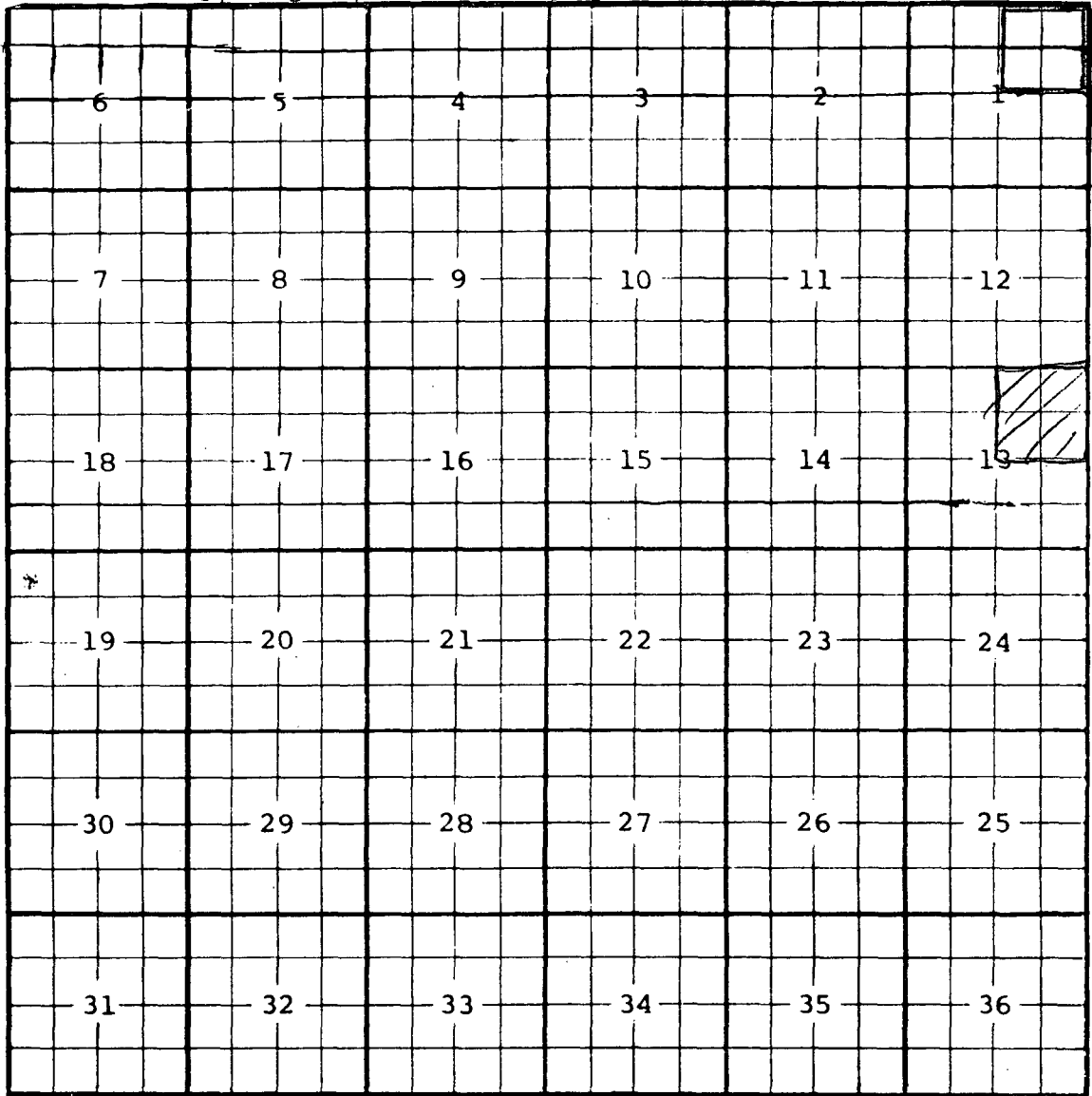


Ext: All Secs. 5 & 8 (R-5470, 7-1-77) 1/2 Sec. 6 (R-7277, 5-5-83)
Extend vertical limits to include Fruitland formation and redesignate
as Twin Mounds Fruitland - Pictured Cliffs Pool. Ext: SE 1/4 Sec. 6 (R-7495, 4-5-84)

Fruitland

County San Juan Pool Twin Mounds-Pictured Cliffs

TOWNSHIP 29 North Range 15 West NMPM

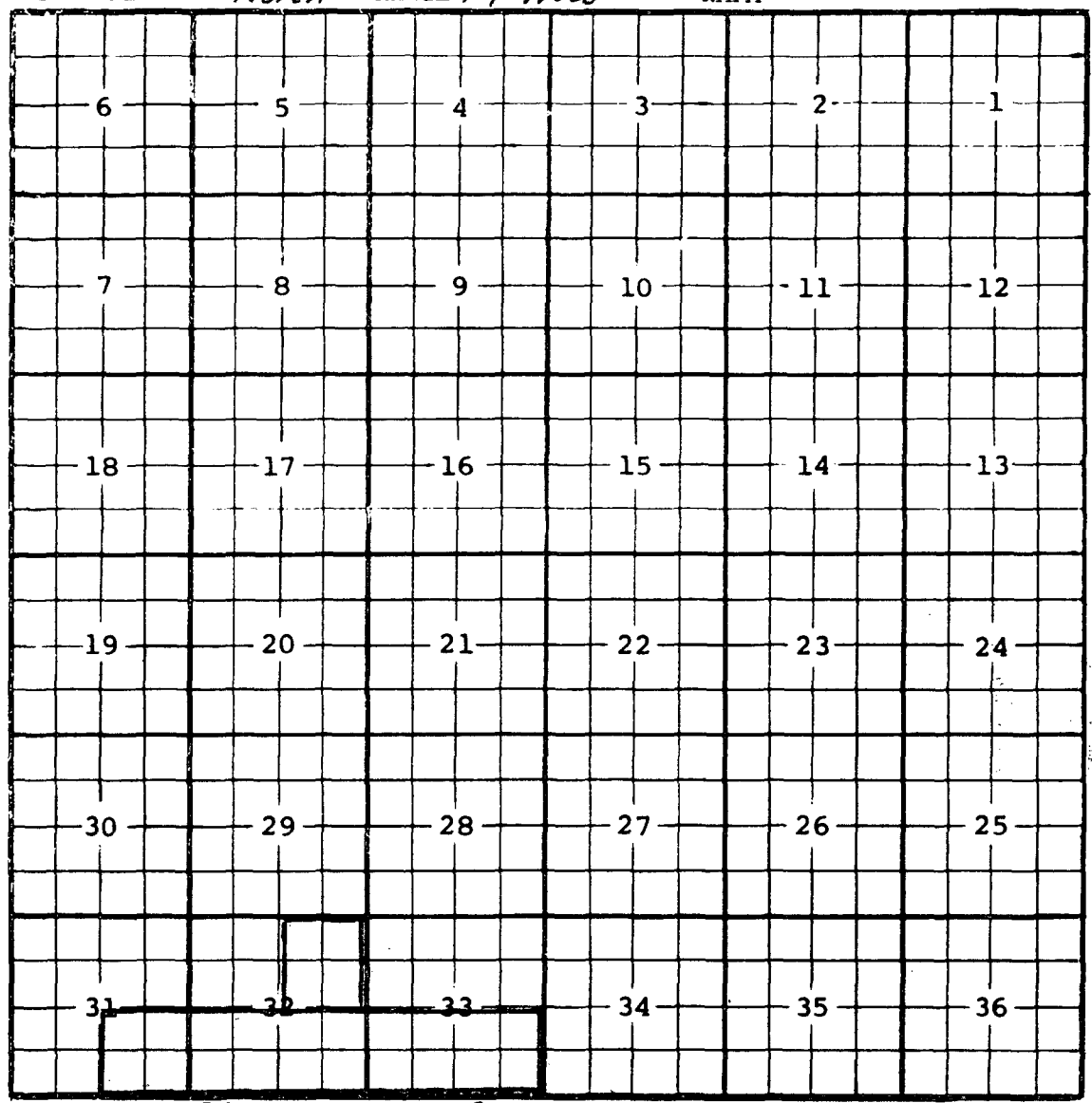


Ext. ~~NE~~ Sec. 1 (R-7277, 5-5-83)

Extend vertical limits to include Fruitland formation and redesignate
as Twin Mounds Fruitland-Pictured Cliffs Pool (R-7495, 4-5-84)

COUNTY *San Juan* POOL *Twin Mounds - Pictured Cliffs* *Fruitland*

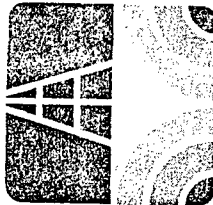
TOWNSHIP *30 North* RANGE *14 West* NMFM



Description: $\frac{SE}{4}$ Sec. 31; $\frac{S}{2}$ Sec. 32; $\frac{S}{2}$ Sec. 33 (R-4311, 6-1-72)

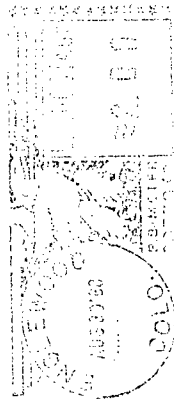
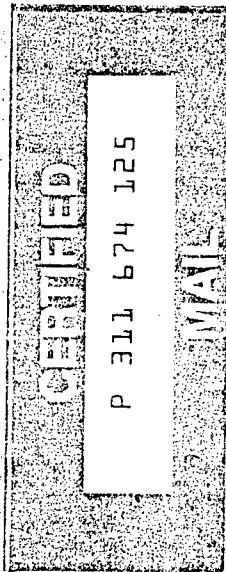
Extend vertical limits to include Fruitland formation and redesignate as Twin Mounds Fruitland-Pictured Cliffs Pool (A-7495, 4-5-84)

Ext: $\frac{NE}{4}$ Sec. 32 (A-8417, 3-24-87)



Greenwood
Holdings Inc.

5600 South Quebec Street
Suite 150-C
Englewood, Colorado 80111

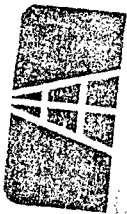


Mr. Paul Slayton
Slayton Oil Corporation
P. O. Box 150
Farmington, New Mexico 87499

PS Form 3811, July 1983 447-845

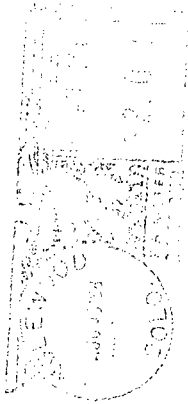
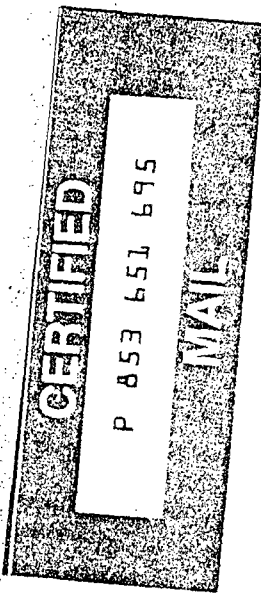
SENDER: Complete items 1, 2, 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery.</u> For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.	
1. ☒ Show to whom, date and address of delivery.	
2. ☐ Restricted Delivery.	
3. Article Addressed to: Mr. Paul Slayton, Slayton Oil Corp. P. O. Box 150 Farmington, New Mexico 87499	
4. Type of Service: ☐ Registered ☐ Insured ☒ Certified ☐ COD ☐ Express Mail	Article Number P311 674 125
Always obtain signature of addressee <u>or</u> agent and DATE DELIVERED.	
5. Signature — Addressee X	
6. Signature — Agent X	
7. Date of Delivery	
8. Addressee's Address (<i>ONLY if requested and fee paid</i>)	

DOMESTIC RETURN RECEIPT



Greenwood
Holdings Inc.

5600 South Quebec Street
Suite 150-C
Englewood, Colorado 80111



Mr. Troy Strickland
S & I Oil Co.
286 Highway 64
Route 3, Box 935
Farmington, New Mexico 87401

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☒ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Troy Strickland, S&I Oil Co.
286 Highway 64
Route 3, Box 935
Farmington, New Mexico 87401

4. Type of Service:	Article Number
☐ Registered	P 853 651 695
☒ Certified	
☐ Express Mail	
☐ Insured	
☐ COD	

Always obtain signature of addressee or agent and
DATE DELIVERED:

5. Signature - Addressee

X

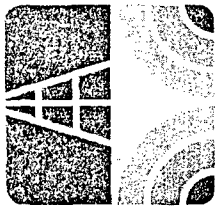
6. Signature - Agent

X

7. Date of Delivery

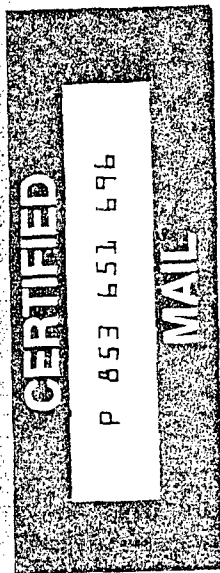
8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT



Greenwood
Holdings Inc.

5600 South Quebec Street
Suite 150-C
Englewood, Colorado 80111

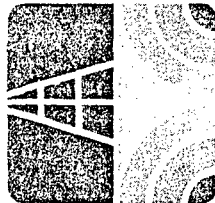


Mr. Akhtar Zamon, Director
Navajo Nation
Navajo Tribal Mineral Department
Window Rock, Arizona 86515

SENDER: Complete items 1, 2, 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.		1. ☒ Show to whom, date and address of delivery. 2. ☐ Restricted Delivery.	
3. Article Addressed to: Mr. Akhtar Zamon, Director Navajo Nation, Navajo Tribal Mineral Department Window Rock, Arizona 86515		4. Type of Service: ☐ Registered ☐ Insured ☐ Certified ☐ COD ☐ Express Mail Article Number P 853 651 696	
Always obtain signature of addressee or agent and DATE DELIVERED.			
5. Signature - Addressee X		6. Signature - Agent X	
7. Date of Delivery		8. Addressee's Address (ONLY if requested and fee paid)	

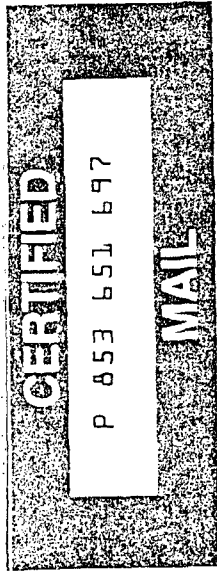
PS Form 3811, July 1983 447-845

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



Greenwood
Holdings Inc.

5600 South Quebec Street
Suite 150-C
Englewood, Colorado 80111



Mr. Wilson Barber, Jr.
Navajo Area Director
P. O. Box M
Window Rock, Arizona 86515

ATTENTION: Minerals Section

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.	
1. ☒ Show to whom, date and address of delivery.	
2. ☐ Restricted Delivery.	
3. Article Addressed to: Mr. Wilson Barber, Jr. Navajo Area Director P. O. Box M Window Rock, Arizona 86515	
4. Type of Service: ☐ Registered ☐ Insured ☐ Certified ☐ COD ☐ Express Mail	Article Number P 853 651 697
Always obtain signature of addressee or agent and DATE DELIVERED:	
5. Signature — Addressee X	
6. Signature — Agent X	
7. Date of Delivery	
8. Addressee's Address (ONLY if requested and fee paid)	

DOMESTIC RETURN RECEIPT



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

STATE DISTRICT HEADQUARTERS
AZTEC, NEW MEXICO 87410
(505) 334-6170

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 9-7-88

RE: Proposed MC _____
Proposed DHC _____
Proposed HSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PHX _____

Gentlemen:

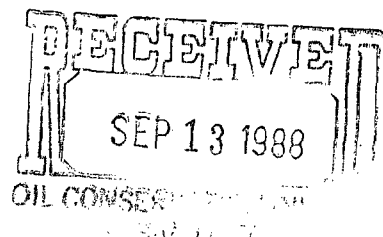
I have examined the application dated 9-7-88
for the GREENWOOD RESOURCES KERTLAND #1A A-1529N-15W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

APPROVE

Yours truly,

Em Bach



9/29/88