

District I  
625 N. French Dr., Hobbs, NM 88240  
Phone (575) 393-6461 Fax (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone (575) 748-1283 Fax (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone (505) 334-6178 Fax (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised December 16, 2011

Permit

RCVD JAN 18 '12  
OIL CONS. DIV.  
DIST. 3

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address McKay Oil & Gas, LLC P. O. Box 14738, Albuquerque, NM 87191-4738		<sup>2</sup> OGRID Number 10715
		<sup>3</sup> API Number 30-045-35349
<sup>4</sup> Property Code 35679 6719	<sup>5</sup> Property Name McKay	<sup>6</sup> Well No 1 R

<sup>7</sup> Surface Location

UL - Lot N	Section 19	Township 29 N	Range 10 W	Lot Idn	Feet from 381	N/S Line South	Feet From 2255	E/W Line West	County San Juan
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<sup>8</sup> Pool Information

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Additional Well Information

<sup>9</sup> Work Type N	<sup>10</sup> Well Type G	<sup>11</sup> Cable/Rotary R	<sup>12</sup> Lease Type P	<sup>13</sup> Ground Level Elevation 5,465'
<sup>14</sup> Multiple Yes	<sup>15</sup> Proposed Depth 1,900'	<sup>16</sup> Formation Fruit. Coal & PC	<sup>17</sup> Contractor	<sup>18</sup> Spud Date
Depth to Ground water $\approx 3'$		Distance from nearest fresh water well 1,637'		Distance to nearest surface water 180'

<sup>19</sup> Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf.	8-3/4"	7"	20	120'	120 sx	GL
Prod.	6-1/4"	4-1/2"	10.5	1,900'	290 sx	GL

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
	2,000	500	

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

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature:

Printed name: Brian Wood

Title: Consultant

E-mail Address: brian@permitswest.com

Date: Jan. 14, 2012

Phone: (505) 466-8120

OIL CONSERVATION DIVISION

Approved By:

Title: SUPERVISOR DISTRICT #3

Approved Date: JAN 26 2012

Expiration Date: JAN 26 2014

Conditions of Approval Attached Requires OHC added to completion

JAN 26 2012 ca

NOTIFY AZTEC OGD 24 HRS.  
PRIOR TO CASING & CEMENT

District I  
1625 N. French Dr., Hobbs, NM 88240  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-35349		<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Basin Fruitland Coal (Gas)
<sup>4</sup> Property Code 35679	<sup>5</sup> Property Name McKay		<sup>6</sup> Well Number 1 R
<sup>7</sup> OGRID No. 10715	<sup>8</sup> Operator Name McKay Oil & Gas, LLC		<sup>9</sup> Elevation 5,465'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	19	29 N	10 W		381	South	2255	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 315.60	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. NSL-6515
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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.

	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Brian Wood</i> Date: 1-14-12</p> <p>Printed Name: Brian Wood</p> <p>E-mail Address: brian@permitswest.com</p>	
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b> 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> <p>October 3, 2011</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor.</p> <p>Original survey by Roy Rush attached</p>	
	<p>Certificate Number 8894</p>	

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OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
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Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-35349		<sup>2</sup> Pool Code 71680	<sup>3</sup> Pool Name Aztec Pictured Cliffs (Gas)
<sup>4</sup> Property Code 35679	<sup>5</sup> Property Name McKay		<sup>6</sup> Well Number 1 R
<sup>7</sup> OGRID No. 10715	<sup>8</sup> Operator Name McKay Oil & Gas, LLC		<sup>9</sup> Elevation 5,465'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	19	29 N	10 W		381	South	2255	West	San Juan

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 158.50	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. NSL-6515
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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.

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
	Signature  Date Brian Wood 1-14-12	
	Printed Name brian@permitswest.com E-mail Address	
<sup>18</sup> 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 supervision, and that the same is true and correct to the best of my belief.	October 3, 2011 Date of Survey Signature and Seal of Professional Surveyor Original survey by Roy Rush attached	
	Certificate Number 8894	

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised July, 16, 2010  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-045-35349</b>		<sup>2</sup> Pool Code <b>71629 / 71280</b>	<sup>3</sup> Pool Name <b>Basin Fruitland Coal / Aztec Pictured Cliffs</b>
<sup>4</sup> Property Code <b>6719</b>	<sup>5</sup> Property Name <b>McKAY</b>		<sup>6</sup> Well Number <b>IR</b>
<sup>7</sup> GRID No. <b>010715</b>	<sup>8</sup> Operator Name <b>McKAY OIL &amp; GAS</b>		<sup>9</sup> Elevation <b>5465'</b>

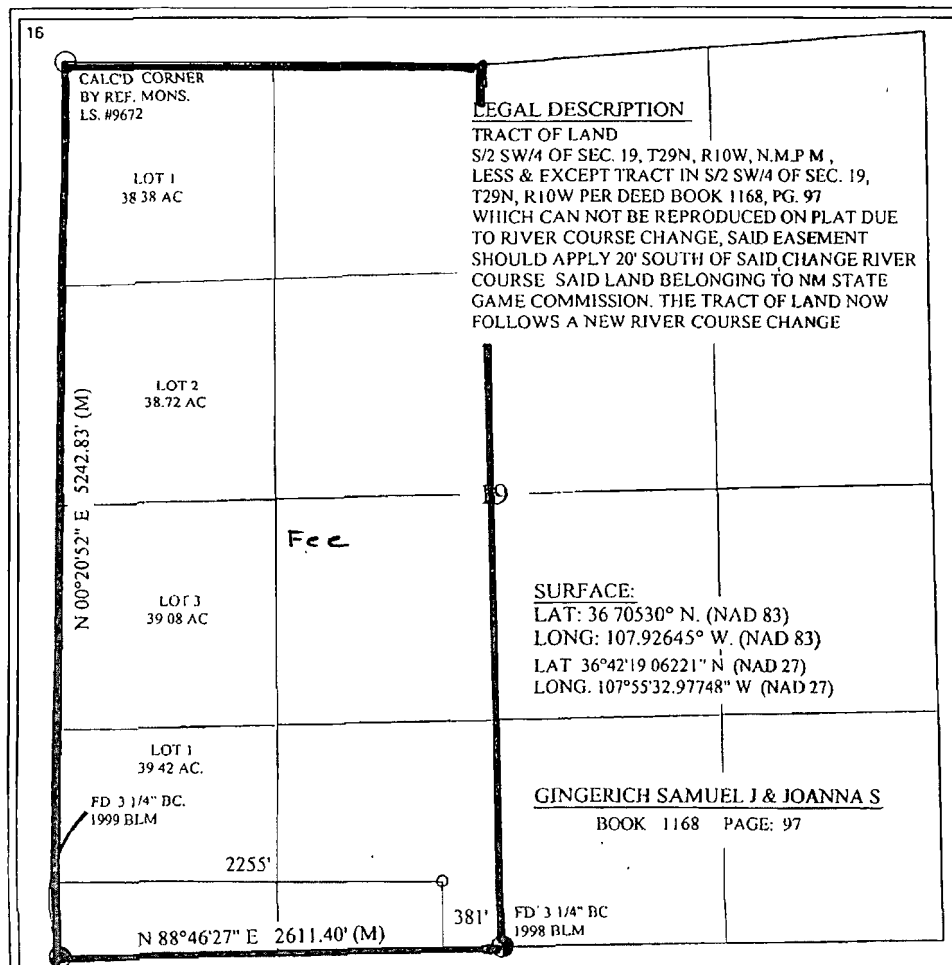
<sup>10</sup> Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	19	29-N	10-W		381	SOUTH	2255	WEST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres <b>315.60</b> <del>220.160</del> <b>158.50</b>				<sup>13</sup> Joint or Infill <b>J</b>		<sup>14</sup> Consolidation Code <b>C</b>		<sup>15</sup> Order No.	

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



17

**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Dana Delventhal*  
Signature  
Date **10/27/11**

**Dana Delventhal, Agent**  
Printed Name  
**ddelventhal@qwest.net**  
E-mail Address

18

**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 supervision, and that the same is true and correct to the best of my belief.

OCTOBER 3 2011  
Date of Survey  
Signature and Seal of Professional Surveyor:  
*ROY A. RUSH*  
NEW MEXICO  
8894  
REGISTERED PROFESSIONAL LAND SURVEYOR  
Certificate Number