

Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-101  
 Revised 1-1-89

OIL CONSERVATION DIVISION  
 P.O. Box 2088

Santa Fe, New Mexico 87504-2088

**RECEIVED**

NOV 3 1991

API NO. (assigned by OCD on New Wells)

30-039-25137

5. Indicate Type of Lease

STATE  FEE

6. State Oil & Gas Lease No.

V-2258

7. Lease Name or Unit Agreement Name

STATE "J"

8. Well No.

5

9. Pool name or Wildcat

LYBROOK - Gallup

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1a. Type of Work:

DRILL  RE-ENTER  DEEPEN  PLUG BACK

b. Type of Well:

OIL WELL  GAS WELL  OTHER   
 SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator

BCO, INC.

3. Address of Operator

135 GRANT SANTA FE, NEW MEXICO 87501

4. Well Location

Unit Letter C : 1170 Feet From The NORTH Line and 2040 Feet From The WEST Line

Section 16 Township 23N Range 7W NMPM RIO ARRIBA County

10. Proposed Depth

5800'

11. Formation

GALLUP

12. Rotary or C.T.

ROTARY

13. Elevations (Show whether DF, RT, GR, etc.)

GL: 7295' KB: 7307'

14. Kind & Status Plug. Bond

50,000 BLANKET PLUGGING

15. Drilling Contractor

WALTERS DRILLING

16. Approx. Date Work will start

01 MARCH 1992

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12.250	8.625"	24# J-55	360'	275	SURFACE
7.875	4.500"	11.6# J-55	5800'	1550	SURFACE

Plan to drill a 12.250" hole and set 360' of 8.625" casing. Thence drill a 7 7/8" hole to total depth with gel-water mud program to test Gallup formation. Plan to run dual induction and density log. If productive, will set 4 1/2" casing and cement in two stages with stage tool at +/- 4900'. Cement volumes and location of the stage tool will be adjusted after logging to ensure that cement is successfully circulated.

Well will be perforated, fracture stimulated, and placed on production following the drilling process.

APPROVAL EXPIRES 5-14-92  
 UNLESS DRILLING IS COMMENCED.  
 SPUD NOTICE MUST BE SUBMITTED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON WELL TO BE DEEPENED OR PLUGGED 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.

SIGNATURE [Signature] TITLE PETROLEUM ENGINEER DATE 11/4/91

TYPE OR PRINT NAME \_\_\_\_\_ TELEPHONE NO. \_\_\_\_\_

(This space for State Use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE NOV 14 1991

CONDITIONS OF APPROVAL, IF ANY:

Hold C-104 for NSK

1911

1912

1913

1914

1915

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Rev. 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

RECEIVED

NOV 3 1991

OIL CON. DIV  
DIST. 3

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

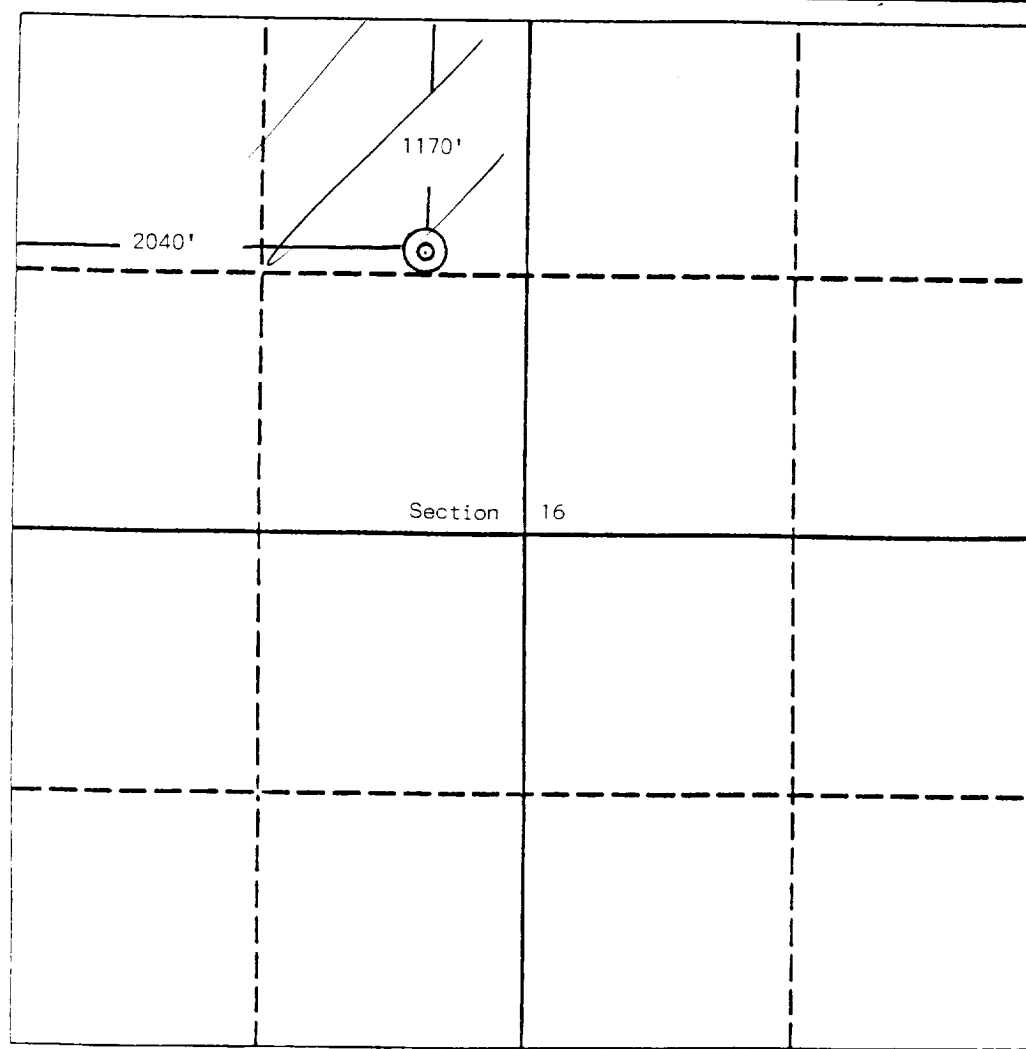
Operator BOC, Inc. <i>BCO INC.</i>		Lease State J		Well No. 5
Unit Letter C	Section 16	Township 23 North	Range 7 West	County Rio Arriba

Actual Footage Location of Well:

1170 feet from the North line and 2040 feet from the West line

Ground level Elev. 7240 Est.	Producing Formation <i>GALLUP</i>	Pool <i>LYBROOK</i>	Dedicated Acreage: <i>40</i> Acres
---------------------------------	--------------------------------------	------------------------	---------------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

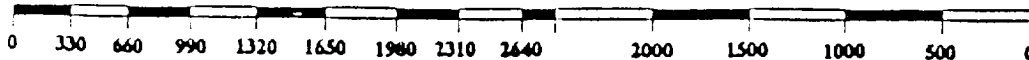
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

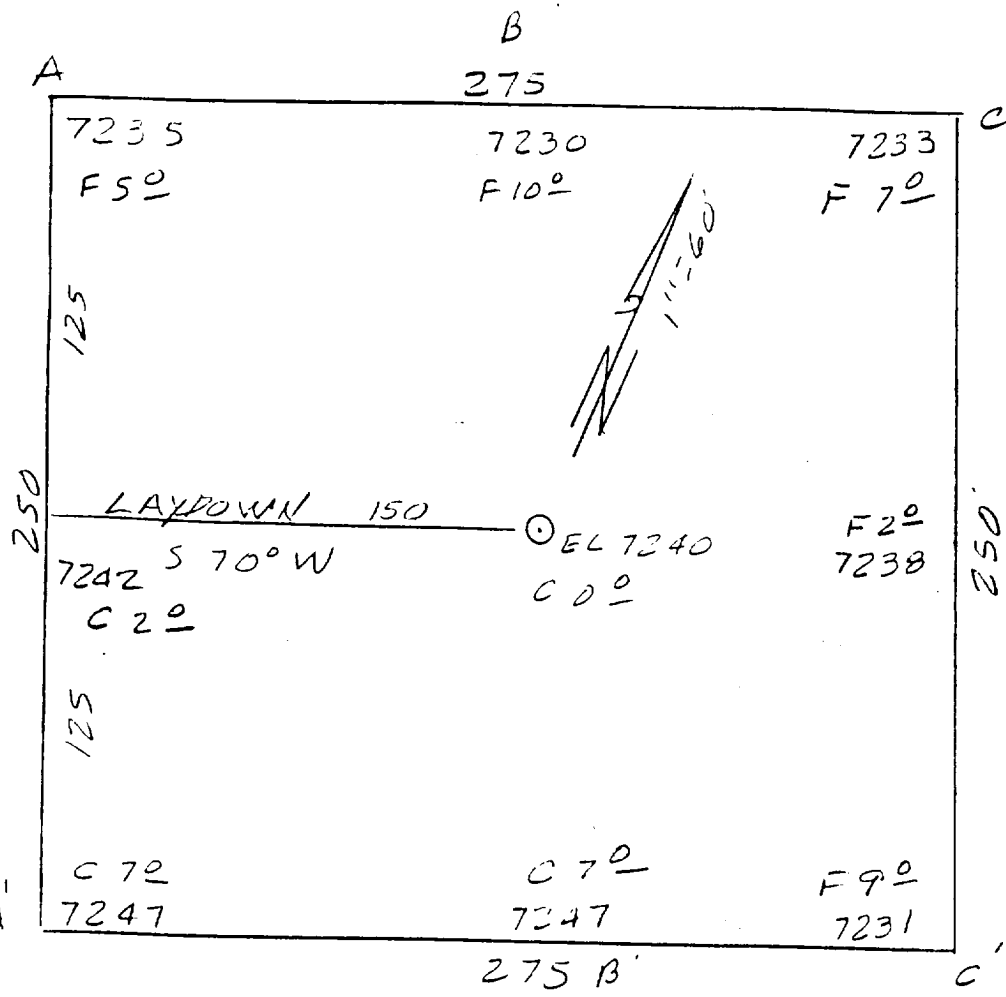
Signature <i>[Signature]</i>
Printed Name <i>NEEL L. DUNN</i>
Position <i>PETROLEUM ENGINEER</i>
Company <i>BCO INC</i>
Date <i>04 Nov 91</i>

SURVEYOR CERTIFICATION

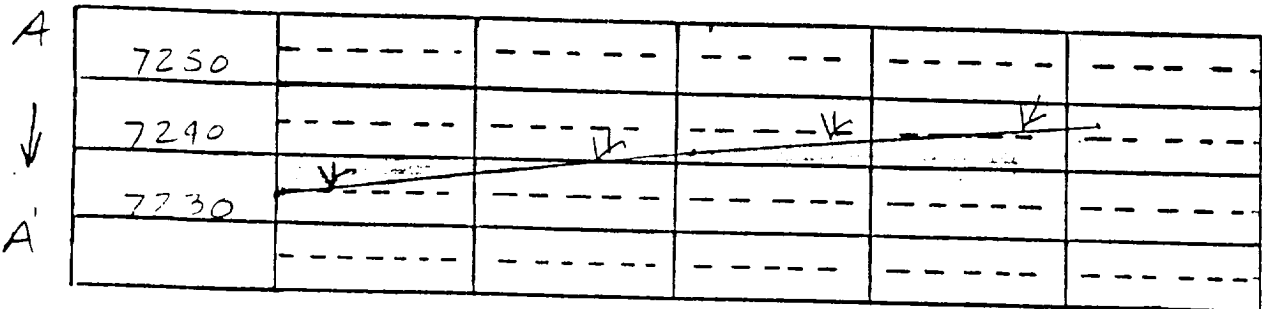
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed October 23, 1991
Signature & Seal of Professional Surveyor <i>[Signature]</i>
Certificate No. <i>5979</i>
Edgar L. Risenhoover, P.S.

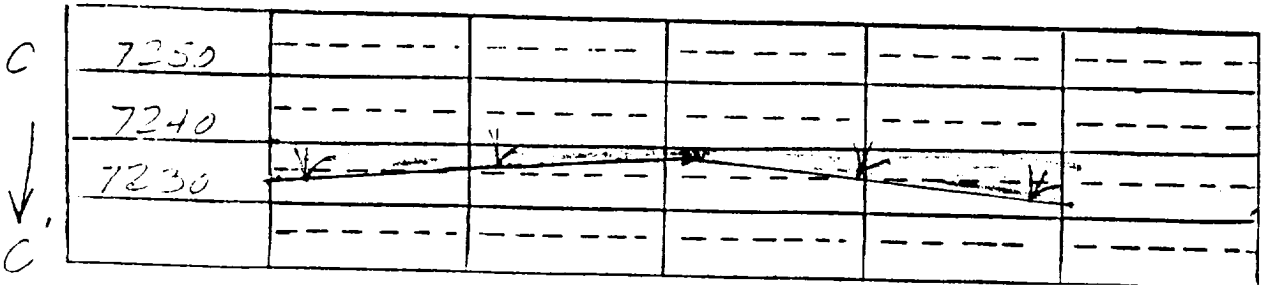
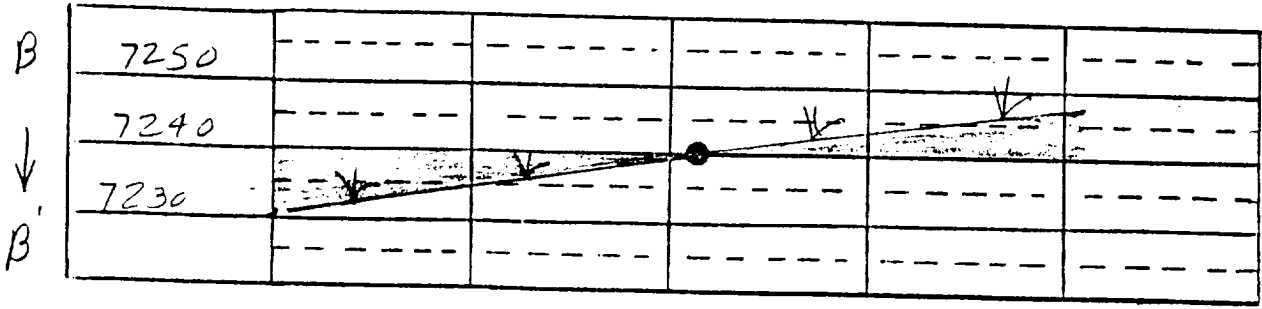


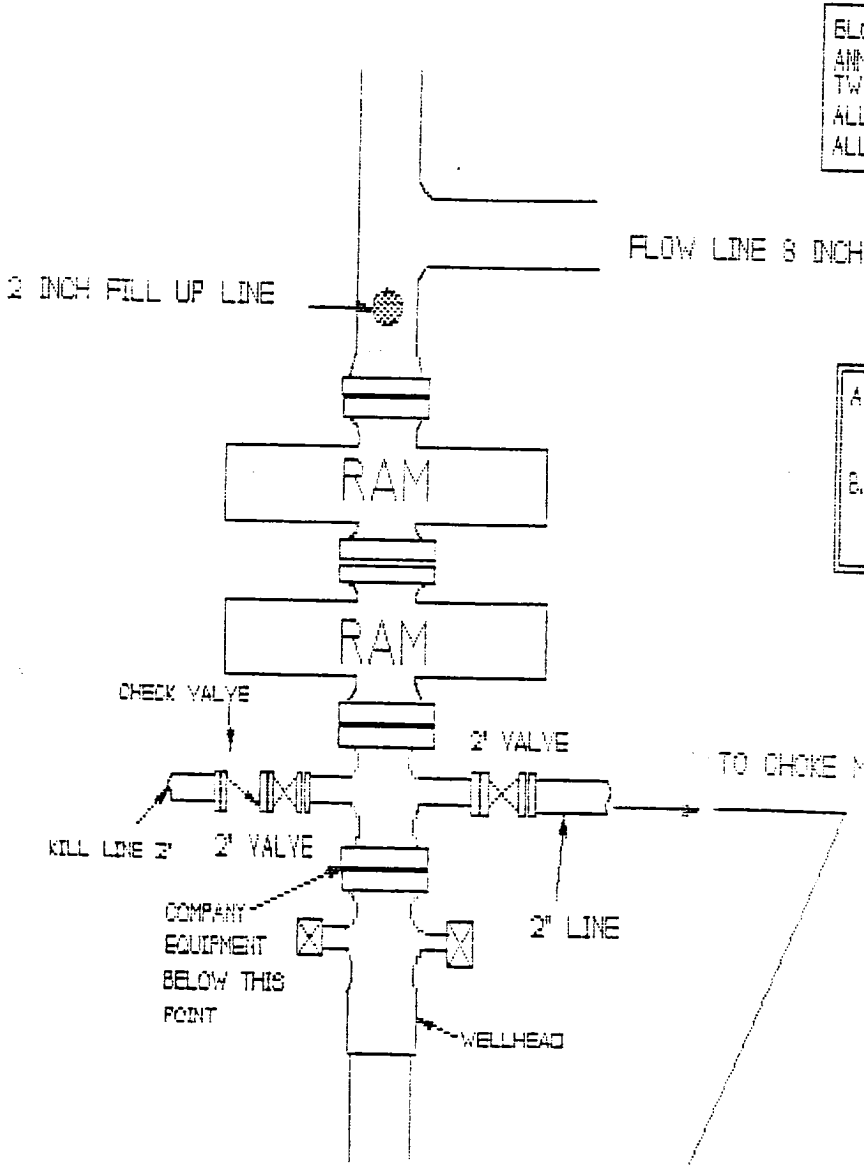


BCO, Inc.  
 OPERATOR  
 State J #5  
 WELL NAME and NUMBER  
 1170' F/NL      2040' F/WL  
 FOOTAGES  
 16      23N      7W  
 SEC.      TWP.      RGE.  
 Rio Arriba, New Mexico  
 COUNTY      STATE  
 October 23, 1991  
 DATE



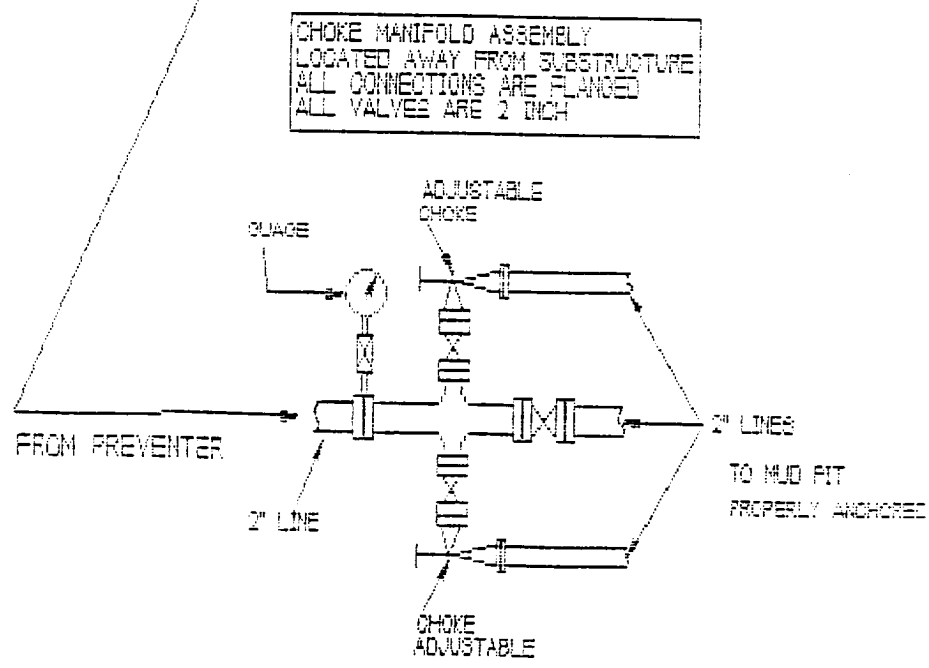
SCALE  
 Horiz. 1" = 60'  
 Vert. 1" = 30'





BLOWOUT PREVENTER ASSEMBLY  
 ANNULAR PREVENTERS CONSIST OF -  
 TWO RAMS - ONE PIPE RAM AND ONE BLIND RAM  
 ALL CONNECTIONS ARE FLANGED  
 ALL PORT VALVES ARE 2 INCH

A. NOTE UPPER KELLY COCK VALVE  
 WITH HANDLE WILL BE AVAILABLE  
 B. SAFETY VALE AND SUBS TO FIT ALL  
 DRILL STRING CONNECTIONS WILL BE  
 USED.



CHOKER MANIFOLD ASSEMBLY  
 LOCATED AWAY FROM SUBSTRUCTURE  
 ALL CONNECTIONS ARE FLANGED  
 ALL VALVES ARE 2 INCH