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1A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
3. State Oil & Gas Lease No.
7. Unit Agreement Name
8. Form of Lease Name Lobato Gas Com "E"
9. Well No. IE
10. Field and Pool, or Wildcat Basin Dakota
12. County San Juan

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER INFILL <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
2. Name of Operator AMOCO PRODUCTION COMPANY	
3. Address of Operator 501 Airport Drive, Farmington, New Mexico 87401	
4. Location of Well UNIT LETTER <u>D</u> LOCATED <u>1220</u> FEET FROM THE <u>North</u> LINE <u>910</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>3</u> TWP. <u>29N</u> RGE. <u>9W</u> NMPM	
11. Proposed Depth 6867'	19A. Formation Dakota
20. Rotary or C.T. Rotary	21. Elevations (Show whether DF, RT, etc.) 5602' GL
21A. Kind & Status Plug. Bond Statewide	21B. Drilling Contractor Unknown
22. Approx. Date Work will start June 15, 1980	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	9-5/8" (New)	32.3# H-40	300'	300	Surface
8-3/4"	7" (New)	20# K-55	2607'	470	Surface
4-1/2"	4-1/2" (New)	10.5# K-55	6867'	500	2457'

Amoco proposes to drill the above well to further develop the Basin Dakota reservoir. The well will be drilled to the surface casing point using native mud. The well will then be drilled to intermediate point with a low solids nondispersed mud system and then to TD with gas. Completion design will be based on open hole logs. Copy of all logs will be filed upon completion. Amoco's standard blowout prevention will be employed; see attached drawing for blowout preventer design.

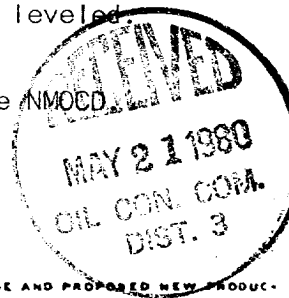
Upon completion the well location will be cleaned and the reserve pit filled and leveled.

Gas produced from this well is dedicated to El Paso Natural Gas Co.

An unorthodox location application has been filed with the Santa Fe office of the NMOC.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 8-19-80



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSED 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 B. E. FACKRELL Title District Engineer Date May 16, 1980

(This space for State Use)

SUPERVISOR DISTRICT # 3

APPROVED BY [Signature] TITLE [Signature] DATE MAY 21 1980

CONDITIONS OF APPROVAL, IF ANY:

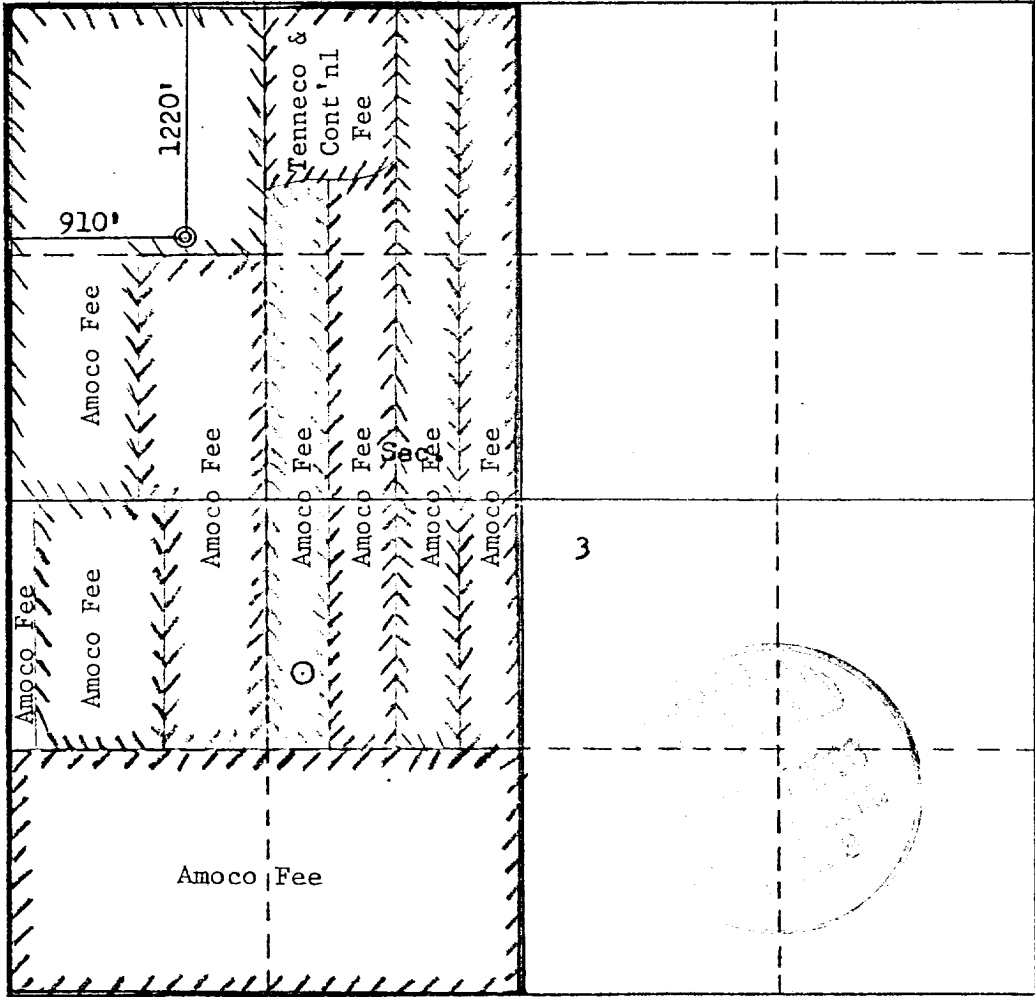
SV 11/10/80/1-1-30

OIL CONSERVATION DIVISION

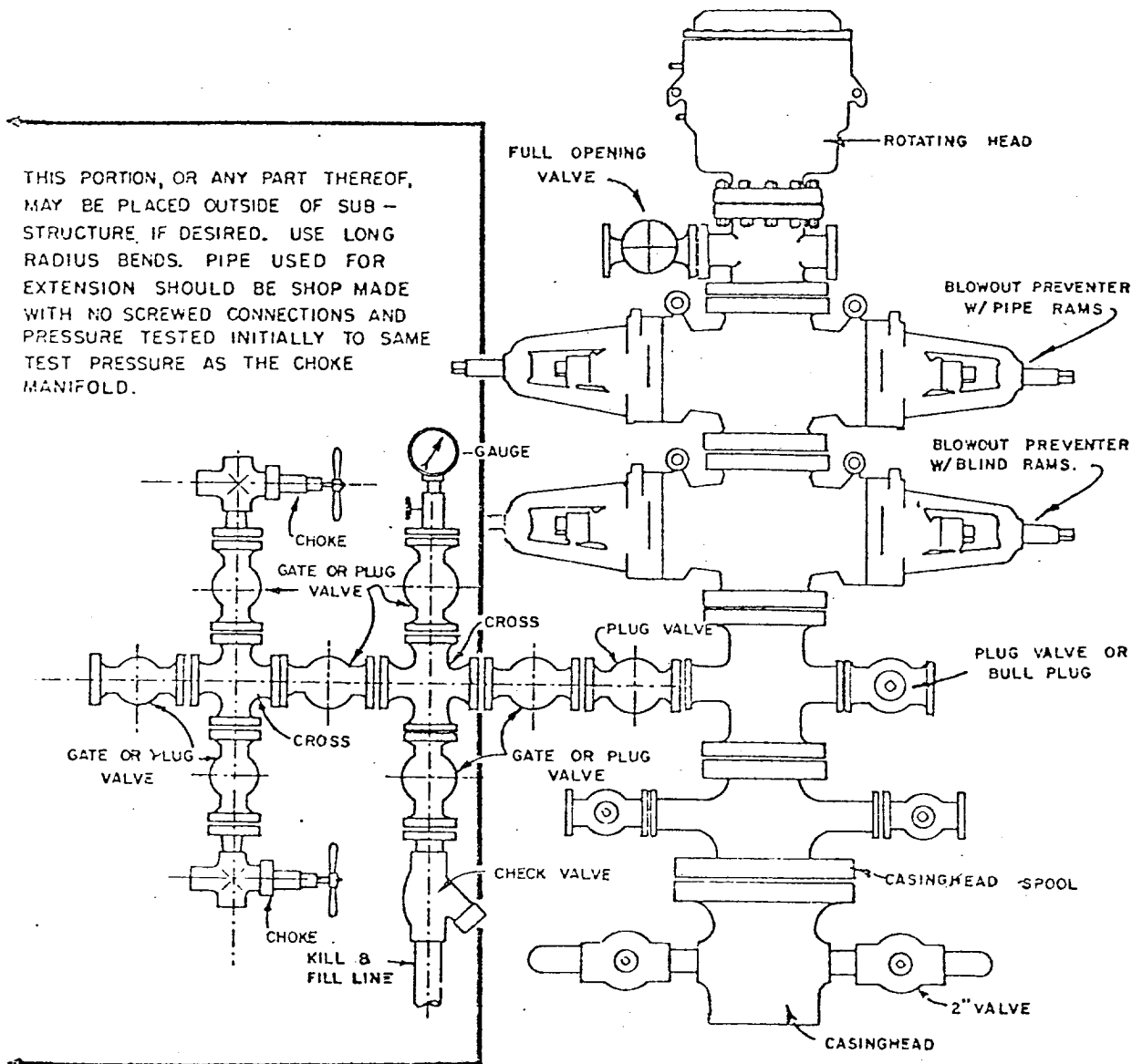
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-107
Revised 10-1-78

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

Operator AMOCO PRODUCTION COMPANY			Lease LOBATO GAS COM "E"		Well No. 1E
Unit Letter D	Section 3	Township 29N	Range 9W	County San Juan	
Actual Footage Location of Well: 1220 feet from the North line and 910 feet from the West line					
Ground Level Elev. 5602	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: W 320.60 Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.</p> <p>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).</p> <p>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?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes," type of consolidation <u>Communitization and operating agreements.</u> Amoco owns all acreage in W/2 of Section 3 Except 14.68 acres in NE/4 NW/4 which is owned by Tenneco and Conventional, both of whom have approved drilling the well. If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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.</p>					

	CERTIFICATION	
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
	B. E. Fackrell	
	Name B. E. FACKRELL	
	Position DISTRICT ENGINEER	
	Company AMOCO PRODUCTION COMPANY	
Date MAY 7, 1980		
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 May 5, 1980		
Registered Professional Engineer and/or Land Surveyor Fred B. Kerr Jr.		
Certificate No. 3950		

1. Blowout Preventers and Master Valve to be fully operated, and all fittings must be in good condition.
2. Equipment through which bit must pass shall be as large as the inside diameter of the casing that is being drilled through.
3. Nipple above Blowout Preventer shall be same size or larger than BOP being drilled through.
4. All fittings to be flanged.
5. Omsco or comparable safety valve must be be available on rig floor at all times with proper connection or sub. The I.D. of safety valve should be as great as I.D. of tool joints of drill pipe, or at least as great as I.D. of drill collars.



BLOWOUT PREVENTER HOOKUP

API Series # 900

EXHIBIT D-4

OCTOBER 16, 1969

Operation of BOP by closing both pipe and blind rams will be tested each trip or, on long bit runs, pipe rams will be closed once each 24 hours.