STATE OF NEW MEXICO 30-045-25718 ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION ---P. O. BOX 2088 DISTRIBUTION 5A. Indicate Type of Lease SANTA FE, NEW MEXICO 87501 SANTA FE STATE XX FILE 5. State Oil & Gas Lease No. U.S.G.S. LAND OFFICE OPERATOR APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK la. Type of Work 7. Unit Agreement Name DRILL X DEEPEN PLUG BACK b. Type of Well 8. Farm or Lease Name WELL X WELL X MULTIPLE ARCO State 2. Name of Operator 9. Well No. ARCO Oil and Gas Company, Division of Atlantic Richfield Company 101 3. Address of Operator 10. Field and Pool, or Wildcat P.O. Box 5540, Denver, Colorado 80217 Undesignated Gallup 4. Location of Well 512 В North UNIT LETTER 2050 East 3200 16 29N 10W 12. County San Juan 6140' Gallup Rotary 21A. Kind & Status Plug. Bond 21B. Drilling Contractor 22. Approx. Date Work will start 5658' GL Statewide Unknown at this time June, 1983 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" 8-5/8" 24# + 410 300 sx Surface 7-7/8" 4-1/2" 1325 sx 11.6# T.D. Surface 1st stage 3471 3371' Stage collar 2nd stage Surface Propose to drill well to sufficient depth to test the Gallup formation, setting surface casing and if productive, setting production casing. Gallup formation is productive, will perforate, test and treat, if necessary Attached are: Certified Location Plat Drilling Plan BOP schematic Location Layout and Cut and Fill Diagrams Topographic and Lease Maps A 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, K ANY.

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

Igned WA Walther

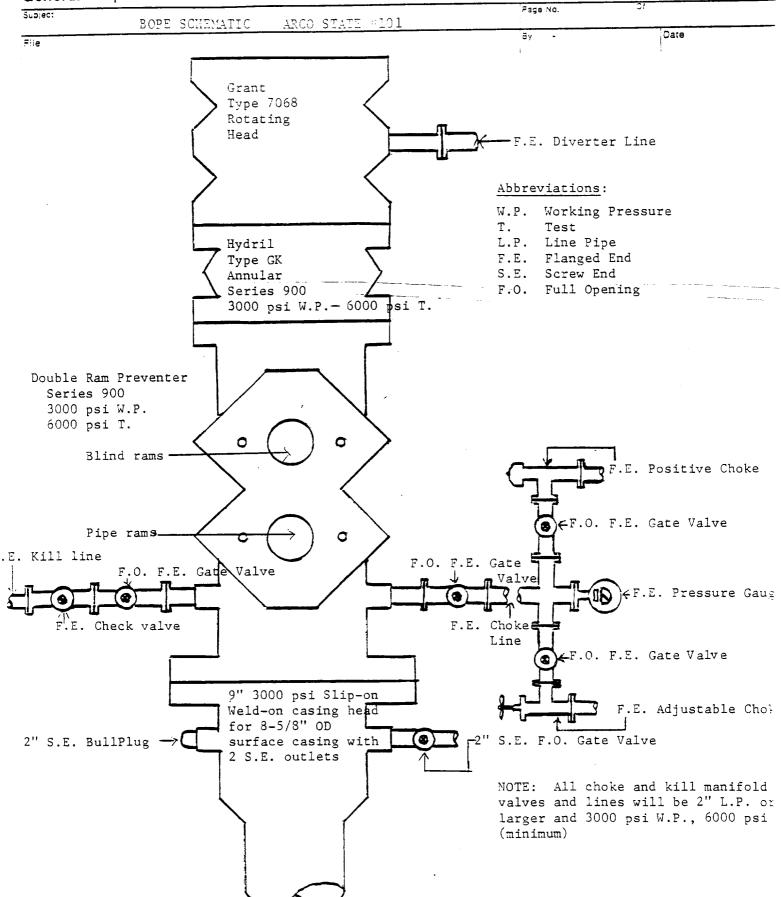
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ONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO P. O. BOX 2088 ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501

| <u></u> | | All distances must be | from the outer houndaries | of the Section. | |
|----------------------------|--------------------------------------|---|--|--|--|
| Operator | | | Lease | | Well No. |
| | GAS COMPAN | | STATE | | 101 |
| Unit Letter | Section | Township | Range | County | |
| B | 16 | 29 NORTH | 10 WEST | SAN JUAN | |
| Actual Fastage Loc | cation of Well: | | 2080 | East | - |
| 512 | feet from the | NORTH line and | , | Icet from the WEST | line |
| Ground Level Elev. | 1 | | Pool | | Dedicated Acreage: |
| 5658 | Gallup |) | Undesignate | ed Gallup | 40 Acres |
| 1. Outline th | ne acreage dedica | ted to the subject we | ell by colored penci | l or hachure marks or | the plat below. |
| 2. If more the interest as | nan one lease is nd royalty). | dedicated to the wel | l, outline each and i | dentify the ownership | o thereof (both as to working |
| 3. If more that dated by c | communitization, u | ifferent ownership is on itization, force-pooli swer is "yes," type o | ng. etc? NA | | of all owners been consoli- |
| If answer | is "no," list the c f necessary.) | owners and tract desc | riptions which have | actually been consol | idated. (Use reverse side of |
| No allowab | ole will be assigne | d to the well until all or until a non-standard | interests have been l unit, eliminating s | consolidated (by couch interests, has be | ommunitization, unitization, en approved by the Division |
| | | | | | CERTIFICATION |
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| | 13200 | ó | | | |
| | | | 1 | 1 1 | y certify that the information con- |
| | i | • | | 1 1 | herein is true and complete to the |
| | | .] | | best of | my knowledge and belief. |
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| | 1 | | 1 | Position | ions Manager |
| | ; ! | | 1 | 1 1 | ARCO Oil and Gas Co, Atlantic Richfield Co |
| | i | | 1 | 11 | May 18, 1983 |
| | 1 | | į | Date | Hay 18, 1983 |
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| | ! | | i | | Professional Engineer |
| | i | | 1 | and/or Lan | |
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| | | | i | Mic | hael Daly |
| - | F# 1347 | ** | | Certificate | No. |
| 330 060 80 | 1370 1650 1980 | 2310 2640 2000 | 1500 1000 5 | . 599 | 2 . |



TEN POINT DRILLING PLAN

Attach to APD Form 9-331-C ARCO Oil and Gas Company ARCO STATE #101 NW NE Section 16-29N-10W San Juan County, New Mexico

1. Surface Geological Formation: Nacimiento

2. Estimated Tops of Geological Markers:

| Ojo Alamo | - 798' | Cliff House | - | 3671' |
|-----------------|-----------------|---------------|---|-------|
| Kirtland | - 930' | Menefee | - | 3701' |
| Fruitland | - 1708 ' | Point Lookout | - | 4315' |
| Pictured Cliffs | - 2005' | Upper Mancos | - | 4811' |
| Lewis | - 2084 ' | Gallup | | 5538' |
| Chacra | - 3121' | Lower Mancos | - | 6056' |

3. Estimated Tops of Possible Water, Oil, Gas or Minerals:

Ojo Alamo - 798' (Water)
Fruitland - 1708' (Gas & Water)
Pictured Cliffs - 2005' (Gas & Water)
Chacra - 3121' (Gas,Oil & Water)
Cliff House - 3671' (Gas)
Menefee - 3701' (Gas)
Point Lookout - 4315' (Gas)
Gallup - 5538' (Oil & Gas)

4. Proposed Casing Program:

| Casing | Hole Size | Interval | Section Length | Size OD | Weight Grade and Joint | New Used |
|--------------|--------------|----------|-------------------|------------|---------------------------|-------------|
| Conductor | | | | | | |
| Surface | 12-1/4" | 0- 430' | 430' | 8-5/8" | 24#,K-55,STC | New |
| Intermediate | | | | | | |
| Production | 7-7/8" | 0-6140' | 6140' | 4-1/2" | 11.6#,N-80, LTC | New |
| Liner | | | | | | |

Cement Program

Intermediate ----

Surface Cement to surface with 100% volometric excess with an estimated 300 sx Class "B" with 2% CaCl₂ + 1/4#/sx

Flocele (yield 1.18 cu ft/sx).

