

SUPERVISOR, OIL AND GAS OPERATIONS:

**DESIGNATION OF OPERATOR**

State of New Mexico

The undersigned is, on the records of the ~~Bureau of Land Management~~, holder of oil and gas lease~~DISTRICT LAND OFFICE~~

SERIAL NO.: L 4661

and hereby designates

NAME: Reese &amp; Jones

ADDRESS: 900 Bank of New Mexico Building, Albuquerque, New Mexico 87102

as his operator and agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to (describe acreage to which this designation is applicable):

Southeast Quarter of Southeast Quarter of Section 36,  
Township 7 North, Range 3 West, N.M.P.M., Valencia County,  
New Mexico.

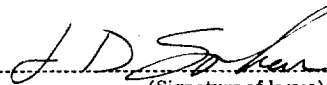
It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the oil and gas supervisor of any change in the designated operator.

NEW MEXICO AND ARIZONA LAND COMPANY

By



(Signature of lessee)

Suite 140-B, Camel Square  
4350 East Camelback Road  
Phoenix, Arizona 85018

(Address)

February 25, 1974

(Date)

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LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

API # 30-041-20005

Form C-101  
Revised 1-1-65

5A. Indicate Type of Lease  
STATE  FEE

5. State Oil & Gas Lease No.  
**L 4661**

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"/>		7. Unit Agreement Name <b>None</b>
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name <b>Incero</b>
2. Name of Operator <b>Moore &amp; Jones</b>		9. Well No. <b>1</b>
3. Address of Operator <b>900 Bank of New Mexico Building, Albuquerque, New Mexico 87102</b>		10. Field and Pool, or Wildcat <b>Wildcat</b>
4. Location of Well UNIT LETTER <b>P</b> LOCATED <b>660</b> FEET FROM THE <b>South</b> LINE AND <b>660</b> FEET FROM THE <b>East</b> LINE OF SEC. <b>36</b> TWP. <b>7 North</b> E. <b>3 West</b> MP		County <b>Valencia</b>
19. Proposed Depth <b>3500'</b>		19A. Formation <b>Pennsylvanian</b>
20. Rotary or C.T. <b>Rotary</b>		
21. Elevations (Show whether DF, RT, etc.) <b>5935' OH</b>	21A. Kind & Status Plug. Bond <b>\$5000 bond under separate cover</b>	21B. Drilling Contractor <b>Signal Oilfield Service</b>
		22. Approx. Date Work will start <b>March 15, 1974</b>

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
<b>10-3/4"</b>	<b>8-5/8"</b>	<b>32</b>	<b>100'</b>	<b>100</b>	<b>Surface</b>
<b>7-7/8"</b>	<b>5-1/2"</b>	<b>14</b>	<b>3500'</b>	<b>200</b>	

Plan to drill 10-3/4" hole to 100', set 8-5/8" casing to 100', circulate cement to surface. Will drill to approximate total depth of 3500' to test the Pennsylvanian. If production is encountered, plan to run 5-1/2" casing to total depth and complete by selective perforation.

APPROVAL VALID FOR 90 DAYS UNLESS OTHERWISE COMMENCED, EXPIRES **5/29/74**

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.  
Original Signed by **MORRIS B. JONES** Title **Partner** Date **February 19, 1974**

(This space for State Use)

APPROVED BY **Carl Wray** TITLE **SENIOR PETROLEUM GEOLOGIST** DATE **February 28, 1974**

CONDITIONS OF APPROVAL, IF ANY

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form No. 1  
Supersedes G-128  
Effective 1-1-67

All distances must be from the outer boundaries of the Section

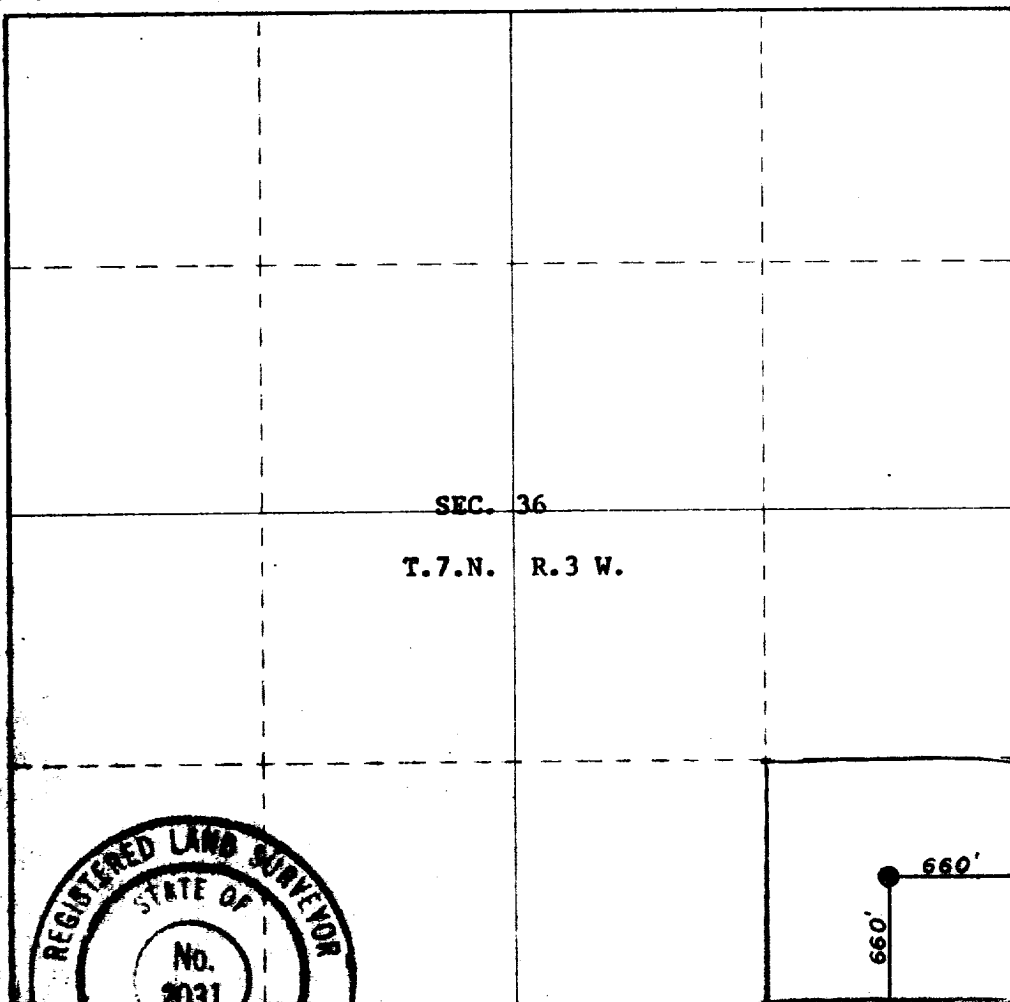
Operator <b>REESE &amp; JONES</b>		Lease <b>Lucero</b>		Well No. <b>1</b>
Unit Letter <b>P</b>	Section <b>36</b>	Township <b>7 NORTH</b>	Range <b>3 WEST</b>	County <b>VALENCIA</b>
Actual Footage Location of Well: <b>660</b> feet from the <b>SOUTH</b> line and <b>660</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>5935</b>	Producing Formation <b>Pennsylvanian</b>	Pool <b>Wildcat</b>	Dedicated Acreage: <b>40</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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).  
**One Lease Only**
- 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?  
**One Lease Only**

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 interests, has been approved by the Commission.



CERTIFICATION

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

Original Signed By  
**MORRIS B. JONES**

Name  
**Morris B. Jones**

Position  
**Partner**

Company  
**Reese & Jones**

Date  
**February 19, 1974**

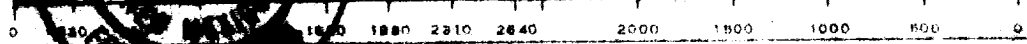
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
**AUG. 26, 1973**

Registered Professional Engineer and/or Land Surveyor

*Thos. D. Thompson*

Certificate No.  
**2031**



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OPERATOR		✓

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-65

5a. Indicate Type of Lease  
State  Fee   
5. State Oil & Gas Lease No.  
L 4661

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

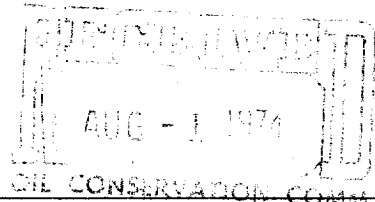
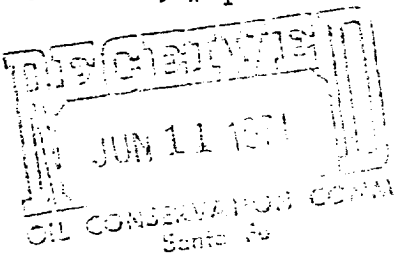
1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>	7. Unit Agreement Name None
2. Name of Operator Reese & Jones	8. Farm or Lease Name Lucero
3. Address of Operator 900 Bank of New Mexico Building, Albuquerque, New Mexico 87102	9. Well No. 1
4. Location of Well UNIT LETTER <u>P</u> <u>660</u> FEET FROM THE <u>south</u> LINE AND <u>660</u> FEET FROM THE <u>east</u> LINE, SECTION <u>36</u> TOWNSHIP <u>7 North</u> RANGE <u>3 West</u> NMPM.	10. Field and Pool, or Wildcat Wildcat
15. Elevation (Show whether DF, RT, GR, etc.) 5935' GR	12. County Valencia

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER <input type="checkbox"/>	OTHER <u>Supplemental</u> <input checked="" type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

Spudded well at 9:30 p.m. June 4, 1974. Drilled to 210'. Ran 5 jts 8-5/8" 21# K-55 casing (189.13') and set at 200'. Cemented with 100 sacks Class A with 2% calcium chloride. Plug on bottom at 2:00 p.m. June 6, 1974. Circulated cement and after 8 hours tested with 650# p.s.i. for 30 minutes. Held okay.



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

SIGNED [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
APPROVED BY Carl Woog TITLE SENIOR PETROLEUM GEOLOGIST DATE June 7, 1974  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

6/11/74

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LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-65

5a. Indicate Type of Lease  
State  Fee

5. State Oil & Gas Lease No.  
**1 1661**

7. Unit Agreement Name  
**None**

8. Farm or Lease Name  
**Lucero**

9. Well No.  
**1**

10. Field and Pool, or Wildcat  
**wildcat**

12. County  
**Valencia**

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL  GAS WELL  OTHER- **Dry**

2. Name of Operator  
**Reese & Jones**

3. Address of Operator  
**900 Bank of New Mexico Building, Albuquerque, New Mexico 87102**

4. Location of Well  
UNIT LETTER **P** **660** FEET FROM THE **south** LINE AND **660** FEET FROM THE **east** LINE, SECTION **36** TOWNSHIP **7 North** RANGE **3 West** NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)  
**5935' GR**

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Per verbal approval of Carl Ulvog on June 19, 1974, well was plugged and abandoned as follows:

Set 40 sack cement plug from 2962' - 2862'. Set 40 sack cement plug from 2250' to 2150'. Set 10 sack cement plug from 200' to 175'. Set 5 sack cement plug in surface. Plugging completed June 21, 1974.

Cleaned location and set dry hole marker July 29, 1974.

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

SIGNED Original Signed by MCRRIS B. JONES TITLE Petroleum Engineer DATE 8/8/74

APPROVED BY Carl Ulvog TITLE SENIOR PETROLEUM GEOLOGIST DATE 9/23/74

CONDITIONS OF APPROVAL, IF ANY: