

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-23187

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"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 13987	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Kenai Oil & Gas, Inc. O. C. D.		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 7540 LBJ Freeway, Suite 715 Dallas, Texas 75251		8. FARM OR LEASE NAME Cobb-Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 990' ENL & 330' FEL		9. WELL NO. 14	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 22 road miles southeast of Artesia, NM		10. FIELD AND POOL, OR WILDCAT Artesia Metex	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 330'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA U - H Sec. 22, T18S, R27E	
16. NO. OF ACRES IN LEASE 240		12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2,300'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3,451.9 GR		22. APPROX. DATE WORK WILL START* January 15, 1980	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	20 or 24#	450'	400 Sx--Class "C" Circulate
7 7/8"	4 1/2"	10.5#	2,300'	350 Sx--Class "C"

Casing and Mud Program: Move in R.V. Rotary, spud 11" hole, drill to 450', run 8 5/8" casing, cement with 400 Sx Class "C", WOC 18 hours, nipple up, test BOP and casing with 1000 PSI, drill 7 7/8" hole to 2,300', mud up at approx. 1,900' w/36 VIS, 9.5 wt., no WL control, run logs, if looks commercial, run 4 1/2" casing and cement with 300-350 Sx class "C".

BOP Program: Will use Shaffer Type E double hydraulic BOP 10" Series 900. See Exhibit "E".

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18. ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present production and any proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and proposed and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Agent for: Kenai Oil & Gas, Inc. DATE November 26, 1979

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE 2-5-80

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: