

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

WELL API NO. 30-045-35349	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Property Name: McKay	
8. Well Number 1R	
9. OGRID Number 10715	
10. Pool name or Wildcat Basin Fruitland Coal, Aztec Pictured Cliffs	
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. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator McKay Oil and Gas, LLC	
3. Address of Operator P.O. Box 14738 Albuquerque, NM 87191-4738	
4. Well Location Unit Letter N : 381 feet from the South line and 2,255 feet from the West line Section 19 Township 29N Range 10W NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5,465 feet GR	

RCVD DEC 5 '13
OIL CONS. DIV.
DIST. 3

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Extension of Application for Permit to Drill ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

McKay Oil and Gas, LLC is respectfully requesting a 2-year extension of the approved Application for Permit to Drill (APD) McKay 1R Basin Fruitland Coal and Aztec Pictured Cliffs Gas Well. If natural gas prices increase significantly by the third quarter of 2014 McKay Oil and Gas, LLC may move forward with the drilling of the McKay #1R Well. If natural gas prices are at current levels in the third quarter of 2014 McKay Oil and Gas, LLC will wait until the third quarter of 2015 to drill the McKay 1R Well. Attached for your information are pages 1 through 4 of the approved APD McKay 1R Well.

APD EXTENDED ONE (1) YEAR TO 1/26/2015

Spud Date:

Rig Release Date:

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

SIGNATURE: Frank Welker

TITLE: Petroleum Engineer

DATE: 12-3-2013

Type or print name: Frank Welker

E-mail address: frank@mckayoilandgas.com

PHONE: 505.296.5508

For State Use Only

APPROVED BY: W. H. Hagg

TITLE: Deputy Oil & Gas Inspector,

District #3

DATE: DEC 18 2013

Conditions of Approval (if any):

RV