STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

30-031-20189

5A. Indicate Type of Lease: STATE [ ] FEE [X]

5. State Oil & Gas Lease No.: 09725

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

7. Unit Agreement Name: Miguel Creek

8. Farm or Lease Name: S.F.P.R.R.

2. Name of Operator: Capital Oil and Gas Corporation

9. Well No.: 70

3. Address of Operator: P. O. Box 2130, Kilgore, Texas 75662

10. Field and Pool, or Wildcat: Miguel Creek Gallup Extension

4. Location of Well: UNIT LETTER J LOCATED 1650 FEET FROM THE South LINE AND 1650 FEET FROM THE East LINE OF SEC. 20 TWP. 16N RGE. 6W NMPM

12. County: McKinley

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
1400'	Hospah-Gallup	Rotary

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
6830.23'	$50,000 Blanket	Alamo Drilling, Inc.	4/20/82

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#	80'	75	Surface
7-7/8"	5-1/2"	14#	1400'	75	800'

APPROVAL VALID FOR 60 DAYS UNLESS DRILLING COMMENCED
EXPIRES October 19, 1982

1. Drill 85' 12-1/4" hole.
2. Set 8-5/8" surface casing.
3. Circulate cement to surface.
4. Drill and core to a depth of 25' below Hospah Sand.
5. Run electric log.
6. Set 5-1/2" casing 20' below Hospah zone.
7. Cement with 75 sx.
8. Perforate and put on production.

RECEIVED
APR 19 1982
OIL CON. COM.
DIST. 3

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.

Signed Jean Hanston Title Agent Date 4/13/82

(This space for State Use)

APPROVED BY Frank T. Chavez TITLE SUPERVISOR DISTRICT # 3 DATE APR 19 1982

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

Operator	Lease	Well No.
Capital Oil and Gas Corporation	S.F.P.R.R.	S.F.P.R.R. #70

Unit Letter	Section	Township	Range	County
J	20	16N.	6W.	McKinley

Actual Footage Location of Well:

1650 feet from the South line and 1650 feet from the East line

Ground Level Elev:	Producing Formation	Pool	Dedicated Acreage:
6830.23'	Hospah	Miguel Creek Gallup Extension	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

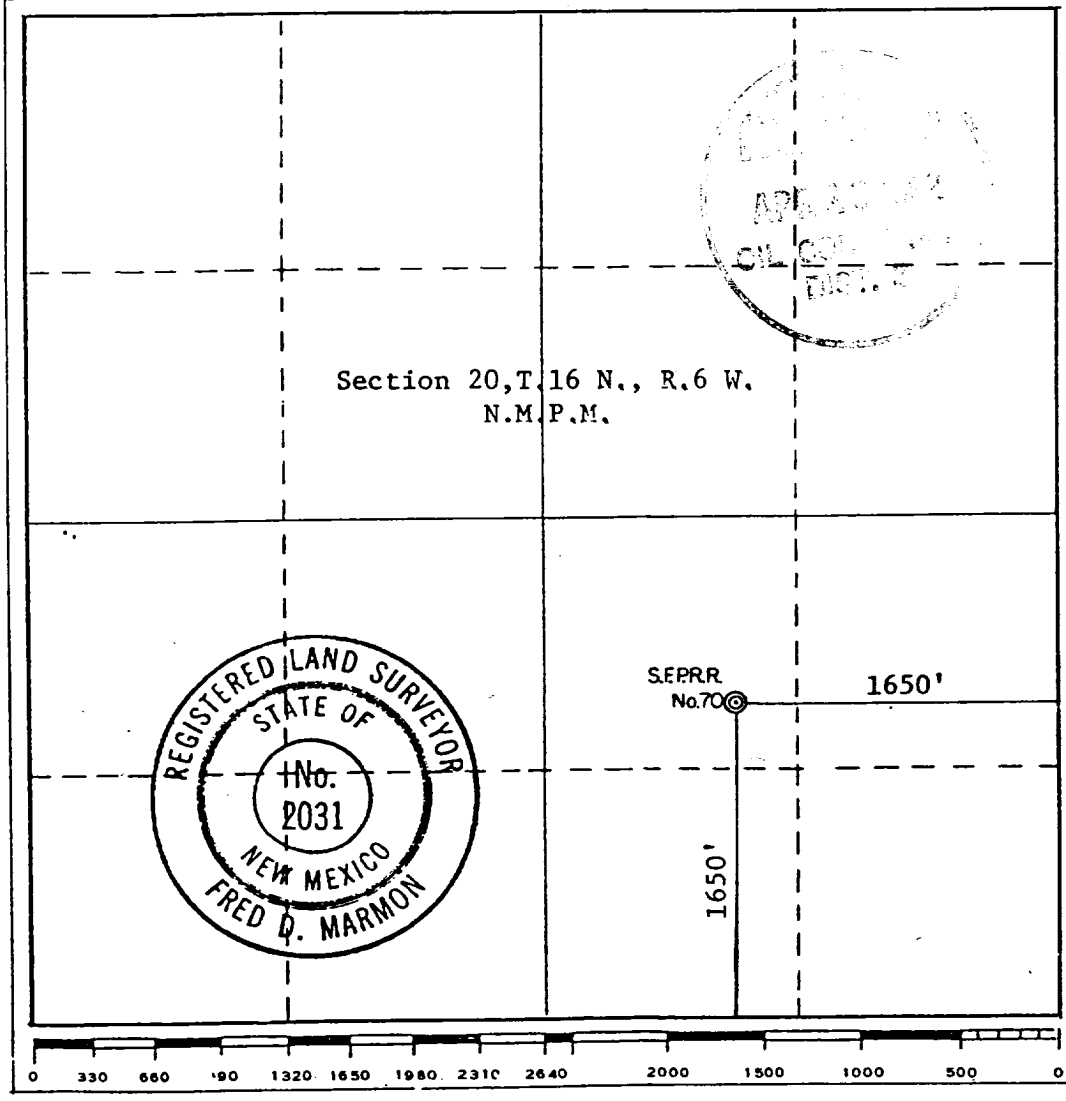
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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?

☐ 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.) Capital Oil and Gas Corporation and Zenith Energy Corporation own 100% working interest in the lease.

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.

Name: Jean Houston

Position: ~~Agent~~

Company: Capital Oil and Gas Corporation

Date: 4/13/82

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: March 11, 1982

Registered Professional Engineer and/or Land Surveyor

Fred B. Marmon

Certificate No. 2031