

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

30-039-24056

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Jack A. Cole

3. ADDRESS OF OPERATOR
 P. O. Box 191, Farmington, N.M. 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 410' FNL, 2150' FEL
 At proposed prod. zone Same

5. LEASE DESIGNATION AND SERIAL NO.
 SF-078362

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 MARCUS

9. WELL NO.
 8

10. FIELD AND POOL, OR WILDCAT
 Lybrook Gallup

11. SEC., T., R. M., OR BLK. AND SURVEY OR AREA
 B
 NWNE Sec. 12-T23N-R7W

12. COUNTY OF PARTIAL 13. STATE
 Rio Arriba N.M.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 6 3/4 miles NW Counselors Trading Post

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 2900'

16. NO. OF ACRES IN LEASE
 2567.3

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 5875'

19. PROPOSED DEPTH
 5875'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6998' GR

22. APPROX. DATE WORK WILL START*
 April 1, 1986

23. PROPOSED CASING AND CEMENTING PROGRAM
 This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 1/4"	8 5/8"	24.0 J-55	250'
7 7/8"	4 1/2"	10.50 K-55	5875'

250 sks
 To be determined after logging.

All producing intervals in Gallup formation will be stimulated as necessary.

Exhibits:

- "A" Location and elevation plat
- "B" Ten point compliance program
- "C" Blowout preventor diagram
- "D" Multi-point requirements of APD
- "E" Access road to location
- "F" Drill rig layout
- "G" Fracturing program layout
- "H" Location profile
- "I" Proposed gas pipeline

The gas for this well is committed.

RECEIVED
AUG 04 1986

OIL CON. DIV.
DIST.

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

24. SIGNED Douglas Blount TITLE Production Superintendent DATE March 11, 1986

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE APPROVED

I warrant that the applicant _____ AS AMENDED

APPROVED BY _____ TITLE _____ DATE _____

or title to this lease."

NMOCC

Acting MANAGER

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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.

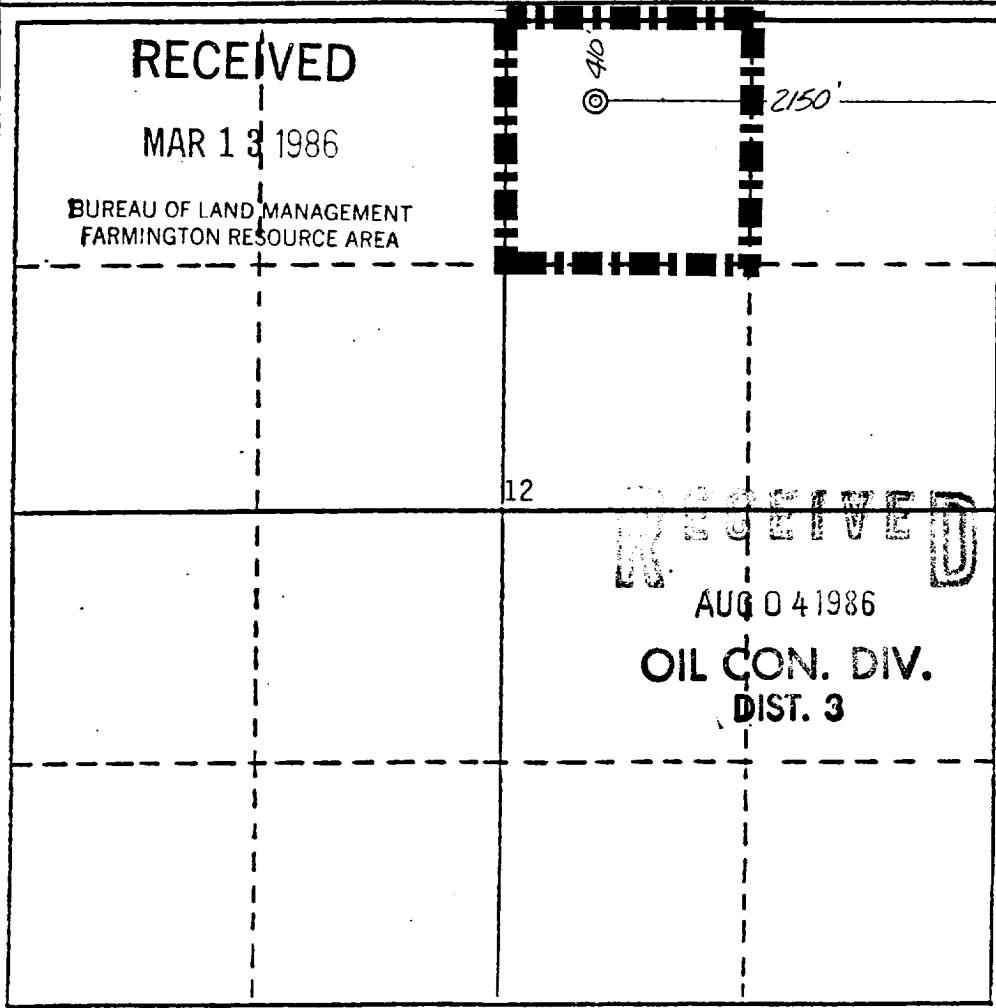
Operator JACK A. COLE		Lease MARCUS		Well No. # 8
Unit Letter B	Section 12	Township 23 NORTH	Range 7 WEST	County SAN JUAN Rio Arriba
Actual Footage Location of Well 410 feet from the NORTH line and 2150 feet from the EAST line				
Ground Level Elev. 6998	Producing Formation Gallup	Pool Lybrook Gallup ext	Dedicated Acreage 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.) _____

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 Division.



CERTIFICATION

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

Dewayne Blancett
Name

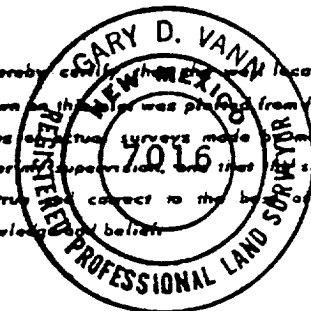
Dewayne Blancett
Position

Production Superintendent
Company

Cole Production
Date

March 11, 1986

I hereby certify that the 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
January 20, 1986

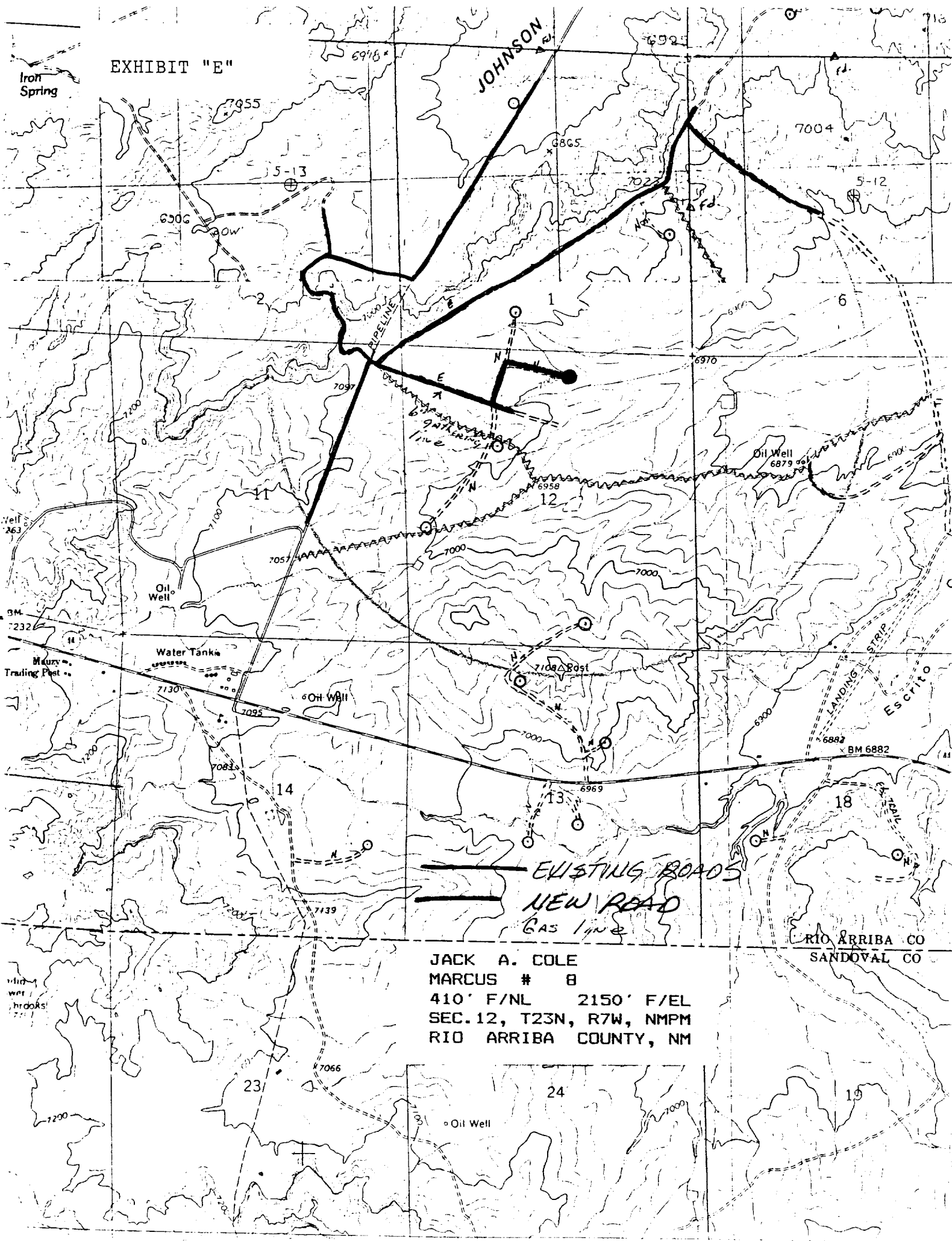
Registered Professional Engineer and/or Land Surveyor
Gary D. Vann

Gary D. Vann

Certificate No.
7016



EXHIBIT "E"



——— EXISTING ROADS
 ——— NEW ROAD
 - - - Gas line

JACK A. COLE
 MARCUS # 8
 410' F/NL 2150' F/EL
 SEC. 12, T23N, R7W, NMPM
 RIO ARRIBA COUNTY, NM

RIO ARRIBA CO
 SANDOVAL CO