

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Continental Oil Company

3. ADDRESS OF OPERATOR
P. O. Box 3312 - Durango, Colorado

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
810' FWL, 1825' FWL - NW/4
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. line, if any)
810'

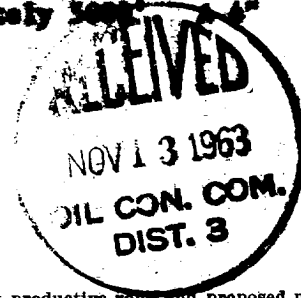
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1870'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7025' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|----------------|-------------------------|-----------------|--------------------|---|
| 12 1/4" | 8 5/8" | 24.4 | 300' | 150 sacks regular |
| 7 7/8" | 5 1/2" | 15.54 | 6575' | 300 sacks regular & 300 cu.ft. stratacrete |
| 4 5/8" | 4" Slotted Liner | 11.44 | 6475'-7100' | |

We propose to drill this well to an estimated depth of 7100' to test the Gallup formation. Approximately 300' of 8 5/8" O.D. surface casing will be run & cemented to surface. If commercial production is encountered, 5 1/2" casing will be run to approximately 6575' & cemented with stage collar at approximately 1000'. A 4" slotted liner will be hung in 5 1/2" casing from 6475'-7100'.



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. 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. Original Signed By:
SIGNED **H. D. HALEY** TITLE **District Manager** DATE **11-11-63**

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY *GM* TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

USGS(4) NMCC(2) EPNG GRC NLS HDH

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

| | |
|---------------------------|---------|
| NUMBER OF COPIES RECEIVED | |
| DISTRIBUTION | |
| SANTA FE | |
| FILE | |
| U.S.G.S. | |
| LAND OFFICE | |
| TRANSPORTER | OIL GAS |
| PRODUCTION OFFICE | |
| OPERATOR | |

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

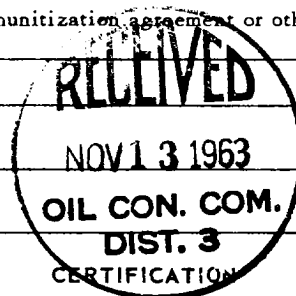
FORM C-128
 Revised 5/1/57

SECTION A

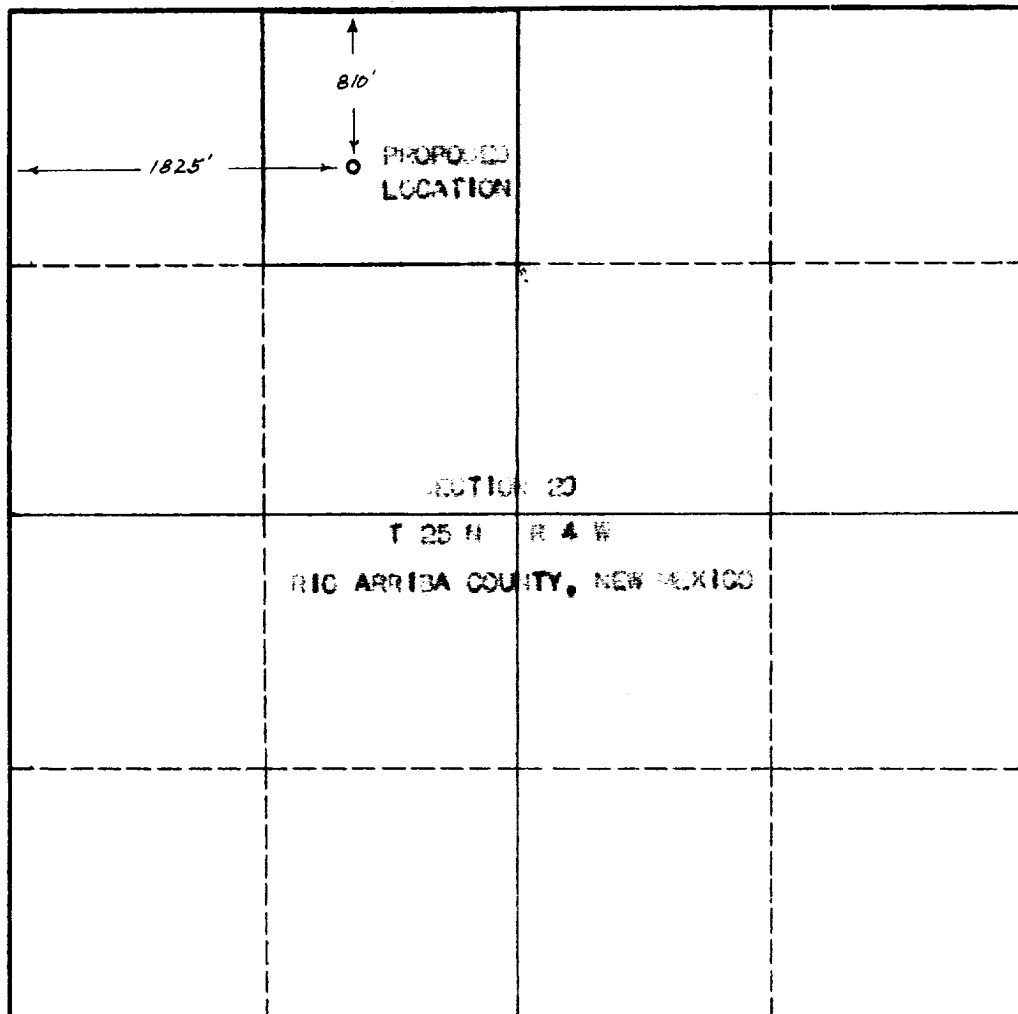
| | | | | |
|---|--------------------------------------|------------------------------------|---------------------------------------|-----------------------------|
| Operator Continental Oil Company | | Lease Hearilla 30 | | Well No. 2 |
| Unit Letter C | Section 29 | Township 25N | Range 4W | County Rio Arriba |
| Actual Footage Location of Well: 810 feet from the North line and 1825 feet from the West line | | | | |
| Ground Level Elev. 7025' | Producing Formation Gallup | Pool Undesignated Gallup | Dedicated Acreage: 40 Acres | |

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation ____
3. If the answer to question two is "no," list all the owners and their respective interests below:

| Owner | Land Description |
|-------|------------------|
| | |
| | |



SECTION B



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

| |
|---|
| Name |
| Position District Manager |
| Company Continental Oil Company |
| Date 11-11-63 |

I hereby certify that the well location shown on the plat in SECTION B 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 NOVEMBER 9, 1963 |
| Registered Professional Engineer and/or Land Surveyor <i>Ernest H. Reed</i> |
| Certificate No. 3795 |

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

INSTRUCTIONS FOR COMPLETION OF FORM C-128

1. Operator shall furnish and certify to the information called for in Section A.
2. Operator shall outline the dedicated acreage for *both* oil and gas wells on the plat in Section B.
3. A registered professional engineer or land surveyor registered in the State of New Mexico or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
4. All distances shown on the plat must be from the outer boundaries of the Section.
5. If additional space is needed for listing owners and their respective interests as required in question 3 of Section A, please use space below.