

Form 9-8, 1-1
(May 1963)

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-B1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-25735

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. TYPE OF WORK
 DRILL ☒ DEEPEN ☐ PLUG BACK ☐
 b. TYPE OF WELL
 OIL WELL ☒ GAS WELL ☐ OTHER ☐
 c. NAME OF OPERATOR
 BCO, Inc.
 d. ADDRESS OF OPERATOR
 135 Grant, Santa Fe, NM 87501
 e. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 800 FNL 1850 FWL Sec 13 T24N R8W San Juan County
 At proposed prod. zone Same

5. LEASE DESIGNATION AND SERIAL NO.
 NM - 01409
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 7. UNIT AGREEMENT NAME
 8. FARM OR LEASE NAME
 Smith JUN 6 1983
 9. WELL NO.
 5 OIL CON. DIV.
 10. FIELD AND POOL, OR WILDCAT
 Escrito Gallup DIST. 3
 11. SEC., T., R., M., OR BLK.
 AND SURVEY OR AREA
 Sec 13 T24N R8W
 12. COUNTY OR PARISH
 San Juan
 13. STATE
 New Mexico

4. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 8 miles northwest of Escrito Trading Post, NM
 5. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 (Also to nearest drig. unit line, if any) 800 feet
 6. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 Smith 4 1300 feet
 16. NO. OF ACRES IN LEASE
 640 more or less
 17. NO. OF ACRES ASSIGNED TO THIS WELL
 80 acres Joint with Smith #4
 19. PROPOSED DEPTH
 6,200 feet
 20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 GR 7168
 DRILLING OPERATIONS AUTHORIZED ARE
 SUBJECT TO COMPLIANCE WITH ATTACHED
 22. APPROX. DATE WORK WILL START*
 6-1-1983
 23. GENERAL REQUIREMENTS
 This action is subject to administrative appeal pursuant to 30 CFR 290.
 QUANTITY OF CEMENT
 150 sacks-See Par.17 attached
 1000 + sacks-circulate to surface
 See Par.17 attached

As required by NTL-6 the following information is provided:
 1. LOCATION -- See #4 and #11 above. Registered surveyors plat attached.
 2. ELEVATION -- See #21 above.
 3. SURFACE GEOLOGIC FORMATION -- Tertiary
 4. TYPE OF DRILLING -- Rotary
 5. PROPOSED DEPTH -- 6200'
 6. ESTIMATED TOPS -- Ojo Alamo 1708, Kirtland 1899, Fruitland 2349, Pictured Cliffs 2440, Chacra 2850, Cliff House 3950, Menefee 4022, Point Lookout 4730, Mancos 4902, Gallup 5798.
 7. MINERAL BEARING -- It is anticipated water will be encountered from 100' below the surface to the base of the Ojo Alamo at about 1708'. It is our anticipation oil and/or gas will be found in the Gallup. Other formation tops listed in #6 above will probably carry water.
 8. PROPOSED CASING -- Shown above and paragraph 16 attached.
 (continued #'s 9 through 17 attached)

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 prevention program, if any.

24. SIGNED Harry R. Boyle TITLE President DATE April 29, 1983
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:
 Joint with Smith #4
 ohs
 NMOCC
 APPROVED
 AS AMENDED
 JAMES F. BIRD
 DISTRICT ENGINEER

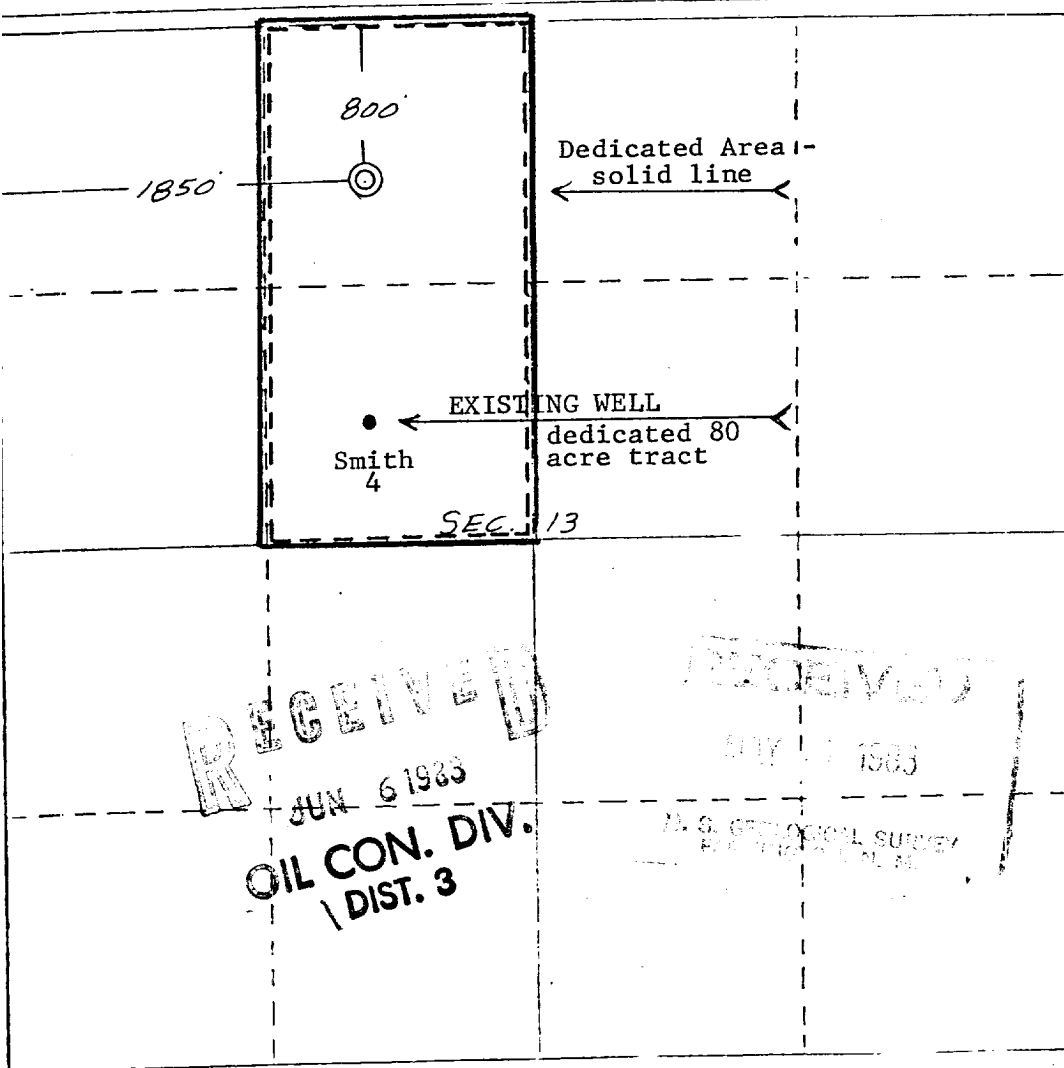
All distances must be from the outer boundaries of the section.

Operator BCO, Inc.		Lease Smith		Well No. 5	
Well Letter C	Section 13	Township 24 North	Range 8 West	County San Juan	
Actual Footage Location of Well:					
800	feet from the North	line and	1850	feet from the West	line
Ground Level Elev. 7168	Producing Formation Gallup		Pool Escrito Gallup		Dedicated Acreage: Joint - 80 Acres with Smith #4

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

Harry L. Bigbee

Name

Harry L. Bigbee

Position

Chairman

Company

BCO, Inc.

Date

April 27, 1983



Date of Survey

April 21, 1983

Registered Surveyor and/or Land Surveyor

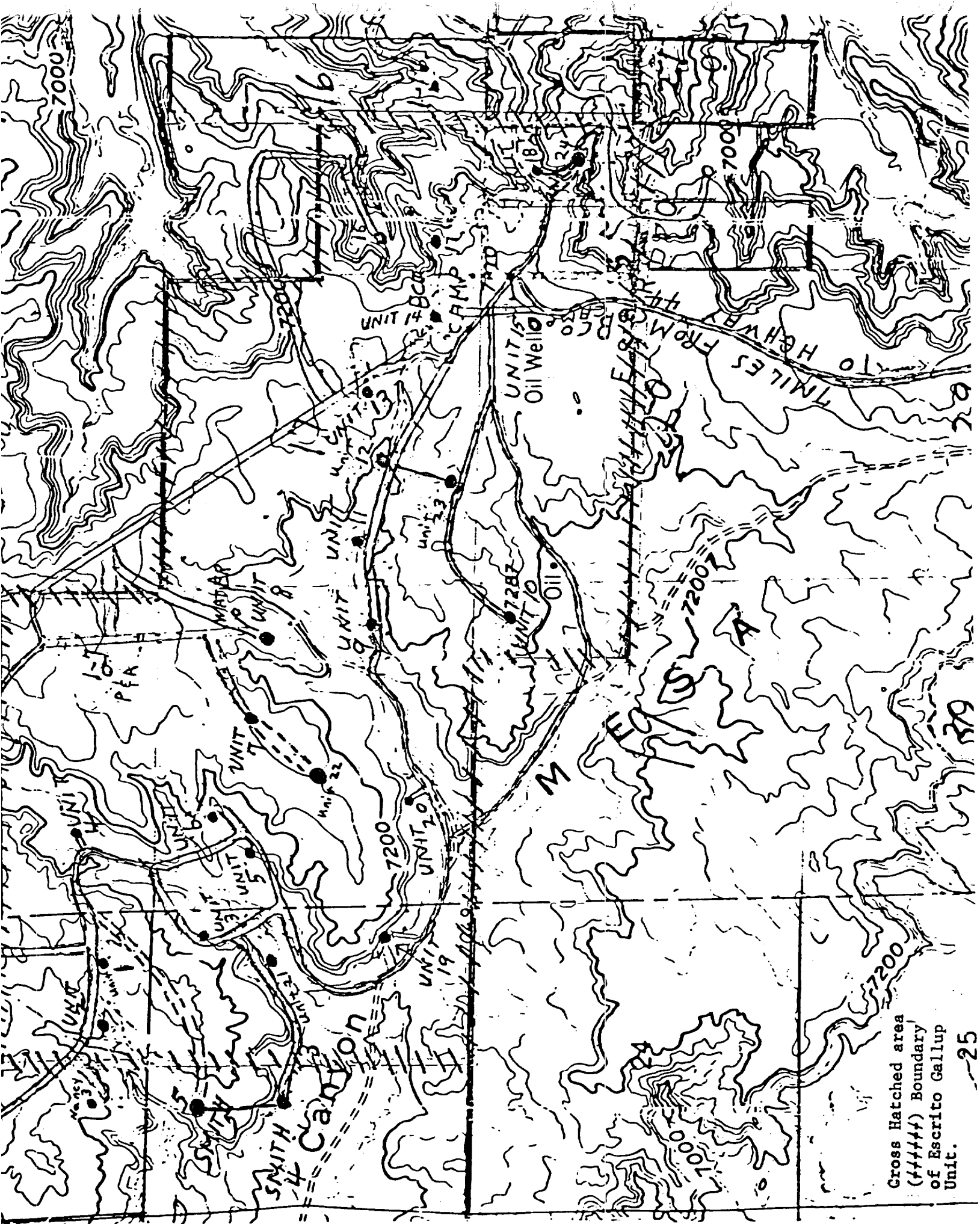
Edgar L. Risenhoover
5979

Edgar L. Risenhoover, L.S.

RECEIVED
JUN 6 1983
OIL CON. DIV.
DIST. 3

RECEIVED
MAY 17 1983

U.S. GEOLOGICAL SURVEY
RESTON, VA 20192



● NEW LOCATION --- NEW ROAD — FLOW LINE

Exhibit 1

Cross Hatched area
(+++++) Boundary
of Escrito Gallup
Unit.