

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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
Amoco Production Company

3. ADDRESS OF OPERATOR
2325 East 30th Street Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1750' FNL x 2200' FWL
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 13 miles northeast of Ojito

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 1750'

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

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7265' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	10-3/4"	40.5 #, K55	300'
9-7/8"	7-5/8"	26.4 #, K55	6750'
6-3/4"	5"	29.7 #, N80	7600'
		15 #, K55	

Lease Description: Sec 2: Lot 2, S/2 NE/4
Sec 3: Lots 3, 4, SE/NW

Amoco proposes to drill the above well to further develop the Gavilan Mancas Extension reservoir. The well will be drilled to the surface casing point using native mud. The well will then be drilled to TD with a low solids nondispersed mud system. Completion design will be based on open hole logs. Copies of all logs will be filed upon completion. Amoco's standard blowout prevention will be employed; see attached drawing for blowout preventer design. Upon completion the well site will be cleaned and the reserve pit filled and leveled.

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. SIGNED C. B. Douglas TITLE Adm. Supervisor

(This space for Federal or State office use)

"Approval of this action does not warrant that the applicant holds legal or equitable rights or title to this lease."

APPROVAL DATE

TITLE

APPROVED

AS AMENDED

SEP 23 1988

AREA MANAGER

CONFIDENTIAL

*See Instructions On Reverse Side

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

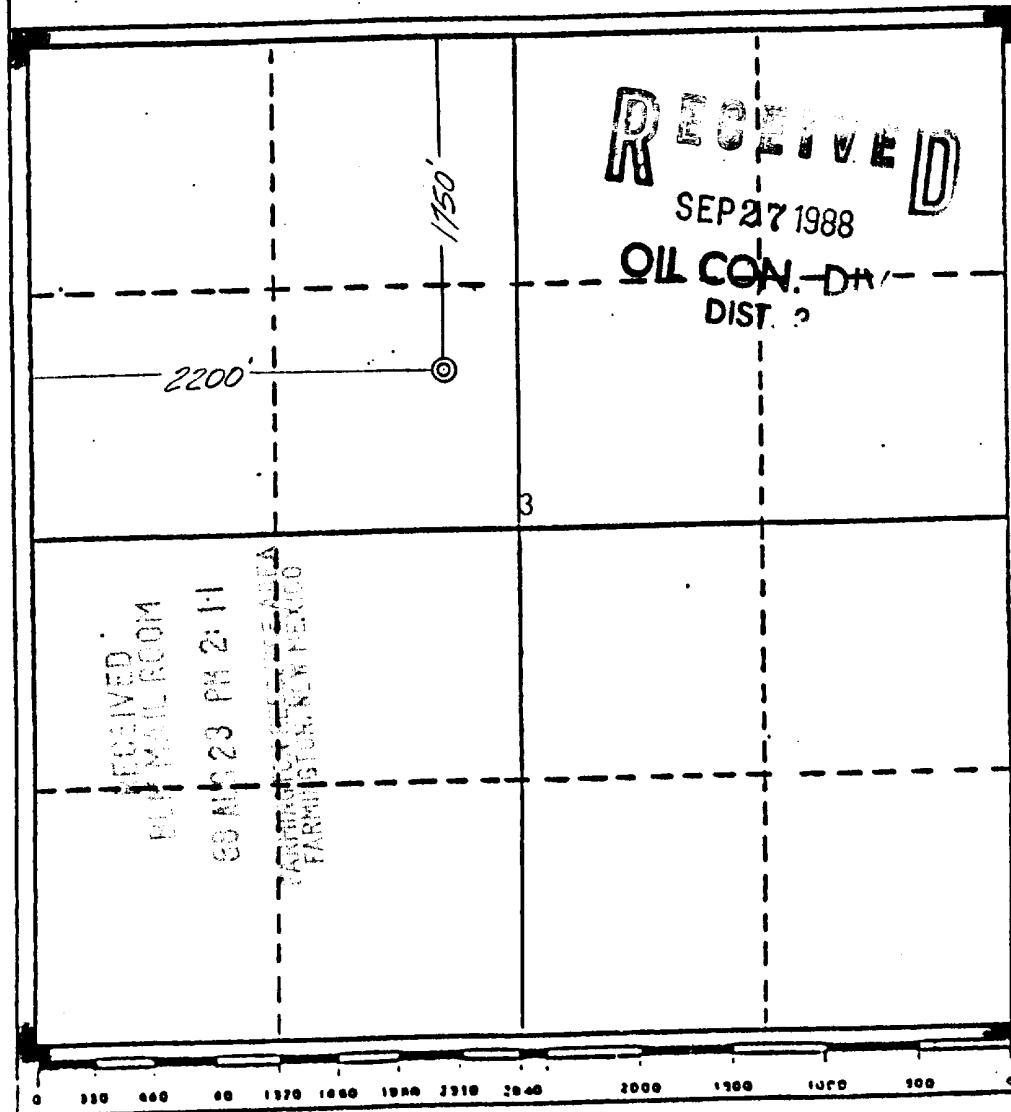
Operator AMOCO PRODUCTION COMPANY			Lessee SIMMONS FEDERAL COM		Well No. # 1
Unit Letter F	Section 3	Township 26 NORTH	Range 2 WEST	County RIO ARriba	
Actual Footage Location of Wells 1750 feet from the NORTH line and 2200 feet from the WEST line					
Ground Level Elev. 7265	Producing Formation Gallup	Pool Gavilan Mancos Extension		Dedicated Acres 636.80 440 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Communitization

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.

C. B. Douglas

Name

C. B. Douglas

Position

District Adm Supervisor

Company

Amoco Production

Date

August 22, 1988

I hereby certify that the location shown on this plat was plotted from field notes and true 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

May 20, 1988

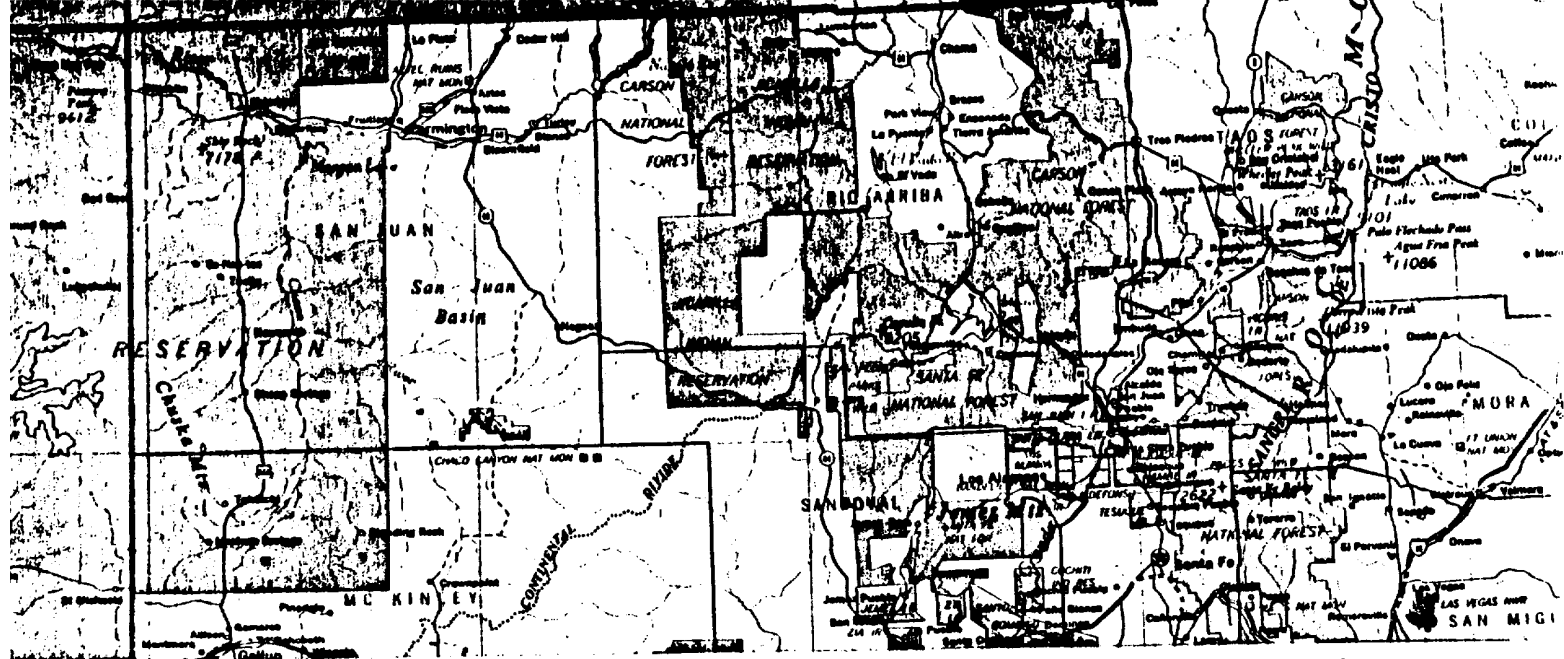
Registered Professional Engineer and/or Land Surveyor

Gary D. Vann

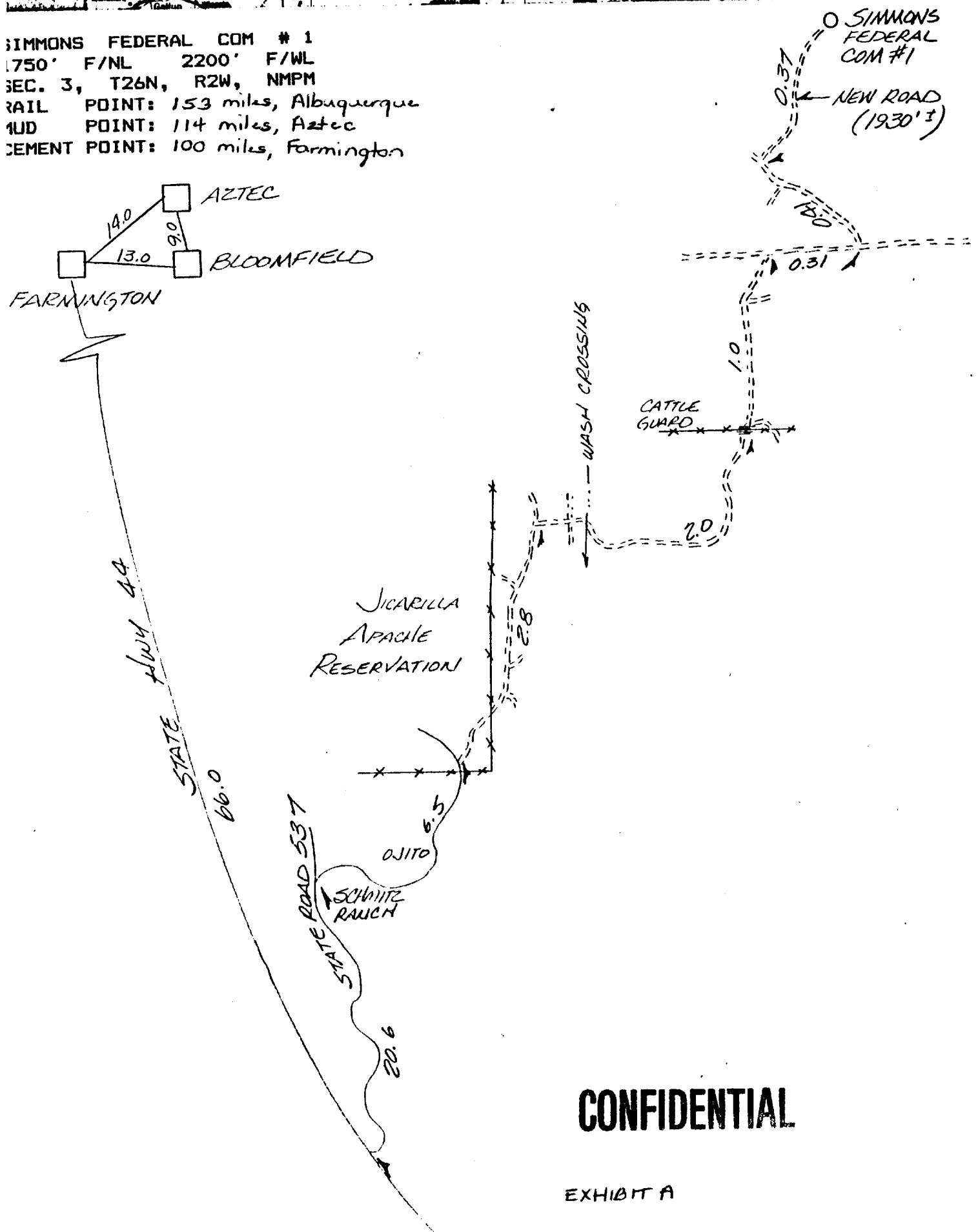
Gary D. Vann

Certificate No.

7016



SIMMONS FEDERAL COM # 1
1750' F/NL 2200' F/WL
SEC. 3, T26N, R2W, NMPM
RAIL POINT: 153 miles, Albuquerque
HUD POINT: 114 miles, Aztec
CEMENT POINT: 100 miles, Farmington



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EXHIBIT A