Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-039-22761

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: AMOCO PRODUCTION COMPANY

3. ADDRESS OF OPERATOR: 501 Airport Drive, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1800' FNL and 1520' FEL, Section 35, T28N, R4W
At proposed prod. zone: Same

5. LEASE DESIGNATION AND SERIAL NO.: NM 14923

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME: Valencia Canyon Unit

8. FARM OR LEASE NAME:

9. WELL NO.: 44

10. FIELD AND POOL, OR WILDCAT: Blanco Mesaverde

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SW/4, NE/4, Section 35, T28N, R4W

12. COUNTY OR PARISH: Rio Arriba

13. STATE: New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 11 miles Southeast of Gobernador, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 1520'

16. NO. OF ACRES IN LEASE: 640

17. NO. OF ACRES ASSIGNED TO THIS WELL: 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: 71'

19. PROPOSED DEPTH: 6710'

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 7298' GL

22. APPROX. DATE WORK WILL START*: As soon as permitted

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8" (New)	32.3# K-55	300'	250 sx Class B Neat w/2% CaCl2-circ
8-3/4"	7" (New)	20.0# K-55	4300'	730 sx See Note 1 below
6-1/4"	4-1/2" (New)	10.5# K-55	6710'	140 sx Class "B" Neat w/2% CaCl2 Circ to intermediate casing.

The above well is being drilled to further develop the Blanco Mesaverde Field. The well will be drilled with a low solids non-dispersed mud system. Completion design will be based on open hole logs. This acreage is not dedicated. Additional information required by NTL-6 for the application to drill and a multi-point surface use plan are attached.

NOTE 1: 630 sx Class B 50:50 POZ, 6% gel, 2# med tuf plug/sx, 0.2% friction reducer, 0.8% FLA and tail in with 100 sx Class B Neat-circ.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

RECEIVED
JUL 30 1980
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. 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 _____ TITLE District Engineer DATE June 13, 1980

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED AS AMENDED
DATE JUL 28 1980
JAMES F. SIMS
DISTRICT ENGINEER

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

ok 3rd

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

Operator	Lease	Well No.
AMOCO PRODUCTION COMPANY	VALENCIA CANYON UNIT	44

Unit Letter	Section	Township	Range	County
G	35	28N	4W	Rio Arriba

Actual Footage Location of Well:
1800 feet from the North line and 1520 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
7298	Mesa Verde	Blanco Mesa Verde	320 Acres

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

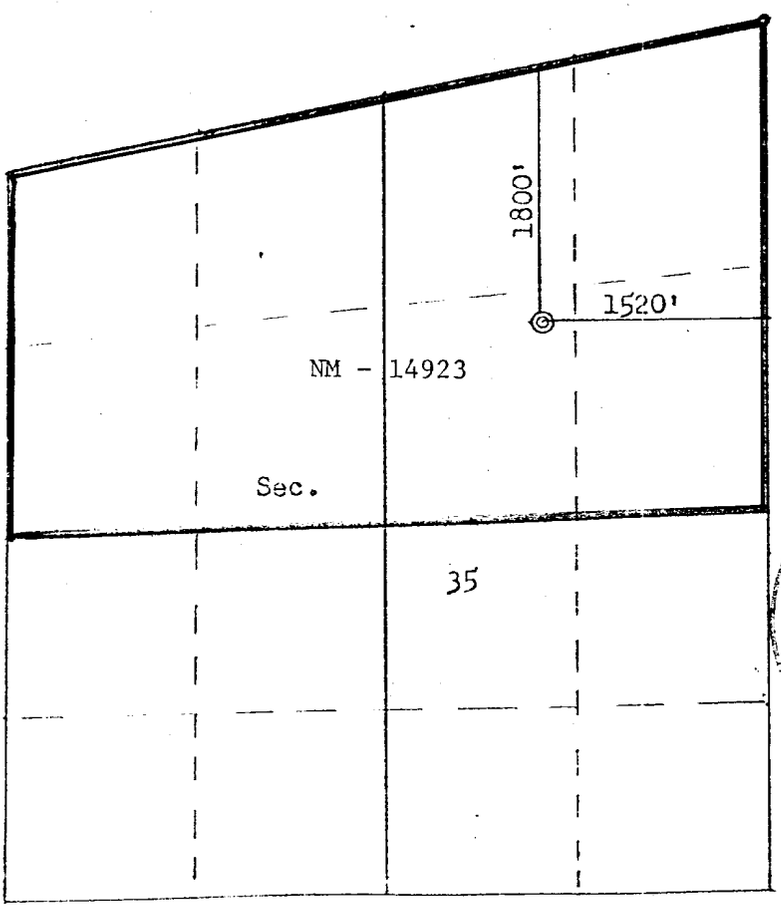
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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?

[X] Yes [ ] No If answer is "yes," type of consolidation Unitization

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 Commission.



Scale: 1"=1320'

CERTIFICATION

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

B. E. Fackrell

Name
B.E. FACKRELL

Position
DISTRICT ENGINEER

Company
AMOCO PRODUCTION COMPANY

Date
APRIL 7, 1980

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 21st 1980

Registered Professional Engineer and Land Surveyor.

Fred B. Kerr Jr.

Certificate No.
3950

SUPPLEMENTAL INFORMATION TO FORM 9-331C

VALENCIA CANYON UNIT NO. 44
1800' FNL & 1520' FEL, SECTION 35, T28N, R4W
RIO ARRIBA COUNTY, NEW MEXICO

The geologic name of the surface formation is the Tertiary San Jose.

Estimated tops of important geologic markers and potential water, oil, or gas bearing formations:

FORMATION	DEPTH	ELEVATION
Ojo Alamo	3487'	+3823'
Kirtland	'	'
Fruitland	3792'	+3518'
Pictured Cliffs	4130'	+3180'
Chacra (if present)	'	'
Mesaverde — Cliff House	6075'	+1235'
Mesaverde — Point Lookout	6515'	+ 795'
Gallup	'	'
Dakota	'	'
TD	6710'	+ 600'

Estimated KB elevation: 7310'

Drilling fluid to TD will be a fresh water, low solids non-dispersed mud system. Open hole logging program will include logs from TD to below surface casing:

SP-Induction-GR	BSC-Intermediate	GR-2000' to Surface
FDC-CNL-GR	BSC-Intermediate	
Induction-GR	Intermediate-TD	
SNP	Intermediate-TD	
FDC-GR	Intermediate-TD	

Completion design will be based on these logs. No cores or drill stem tests will be taken.

Operations will commence when permitted and last approximately 3 weeks.

Amoco's standard blowout prevention will be employed (see attached drawing).

In the past, drilling in this area has shown that no abnormal pressures, temperatures, nor hydrogen sulfide gas will be encountered.

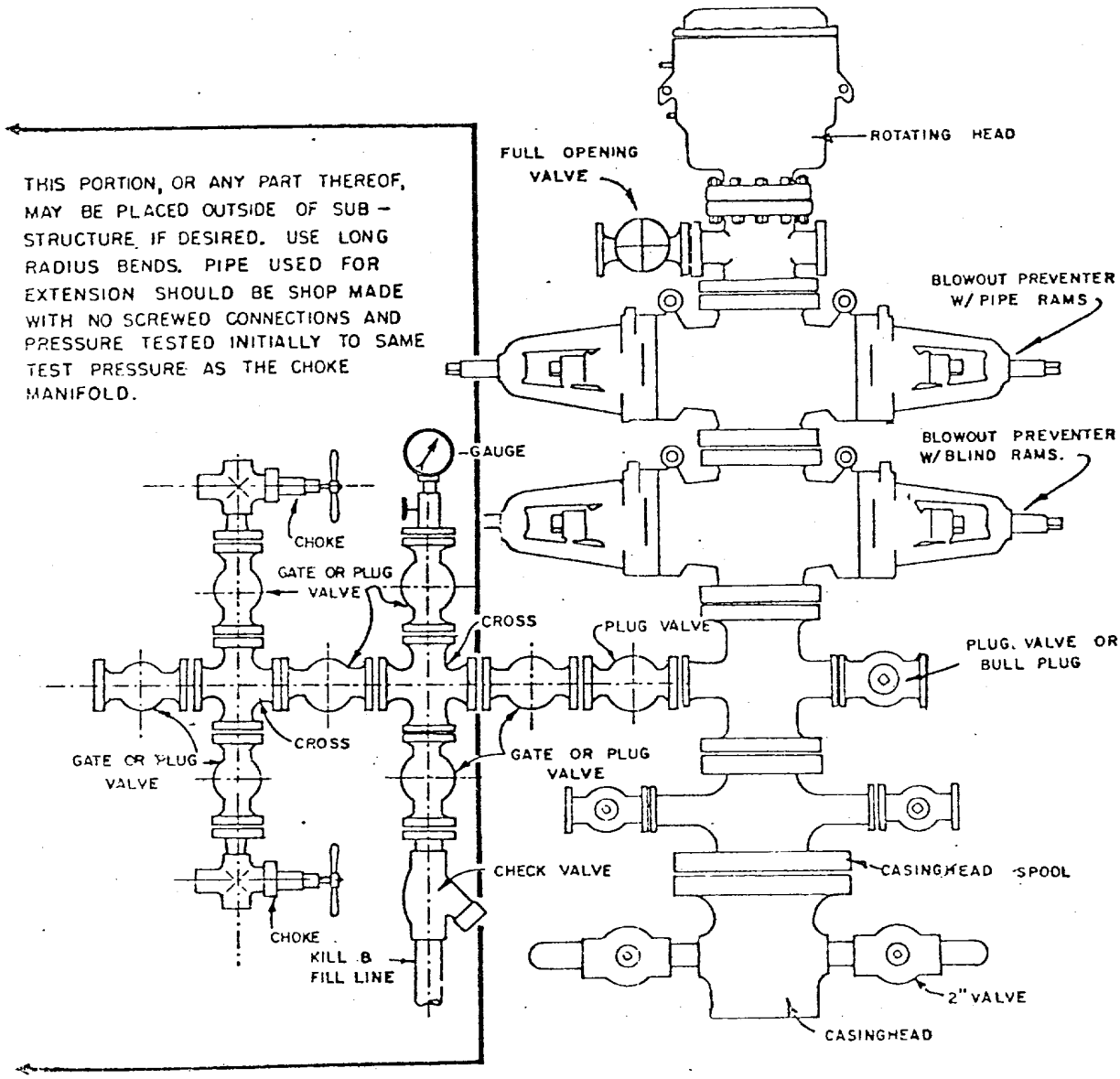
1. Blowout Preventers and Master Valve to be fluid operated, and all fittings must be in good condition.

2. Equipment through which bit must pass shall be as large as the inside diameter of the casing that is being drilled through.

3. Nipple above Blowout Preventer shall be same size or larger than BOP being drilled through.

4. All fittings to be flanged.

5. Omsco or comparable safety valve must be available on rig floor at all times with proper connection or sub. The I.D. of safety valve should be as great as I.D. of tool joints of drill pipe, or at least as great as I.D. of drill collars.



BLOWOUT PREVENTER HOOKUP

API Series # 900

EXHIBIT D-4

OCTOBER 16, 1969

Operation of BOP by closing both pipe and blind rams will be tested each trip or, on long bit runs, pipe rams will be closed once each 24 hours.

MULTI-POINT SURFACE USE PLAN

VALENCIA CANYON UNIT NO. 44
1800' FNL & 1520' FEL, SECTION 35, T28N, R4W
RIO ARRIBA COUNTY, NEW MEXICO

1. The attached topographic map shows the proposed route to the location.

2. It will be necessary to build an access road approximately 150 feet in length and 20 feet wide. Road to be bar ditched on two sides.

3. Existing oil and gas wells within a one-mile radius of our proposed well have been spotted on the lease road map.

4. There is a 300-barrel tank and facilities located at Valencia Canyon Unit Well No. 6, approximately 450 feet west.

5. Water will be hauled from Carrizo water holes.

6. No construction materials will be hauled in for this location.

7. A 125' by 125' pit will be built on location to hold all drilling waste. Upon completion of the well, pit will be fenced and waste and liquids left to dry, then pit will be filled and leveled. If any liquids remain, they will be hauled away prior to back filling.

8. There are neither airstrips nor camps in the vicinity.

9. The well site layout, reserve, turn and trash pits are shown on the attached Drill Site Specification Sheet. A 4-foot cut will be made on north side.

10. Restoration of the surface will be accomplished by cleaning up and leveling upon completion of the well. Reseeding of the site will be carried out as instructed by the U. S. Forest Service.

11. The general topography and soil characteristics are a flat area with sandy loam-type soil; vegetation consists of juniper and pine trees with native grasses.

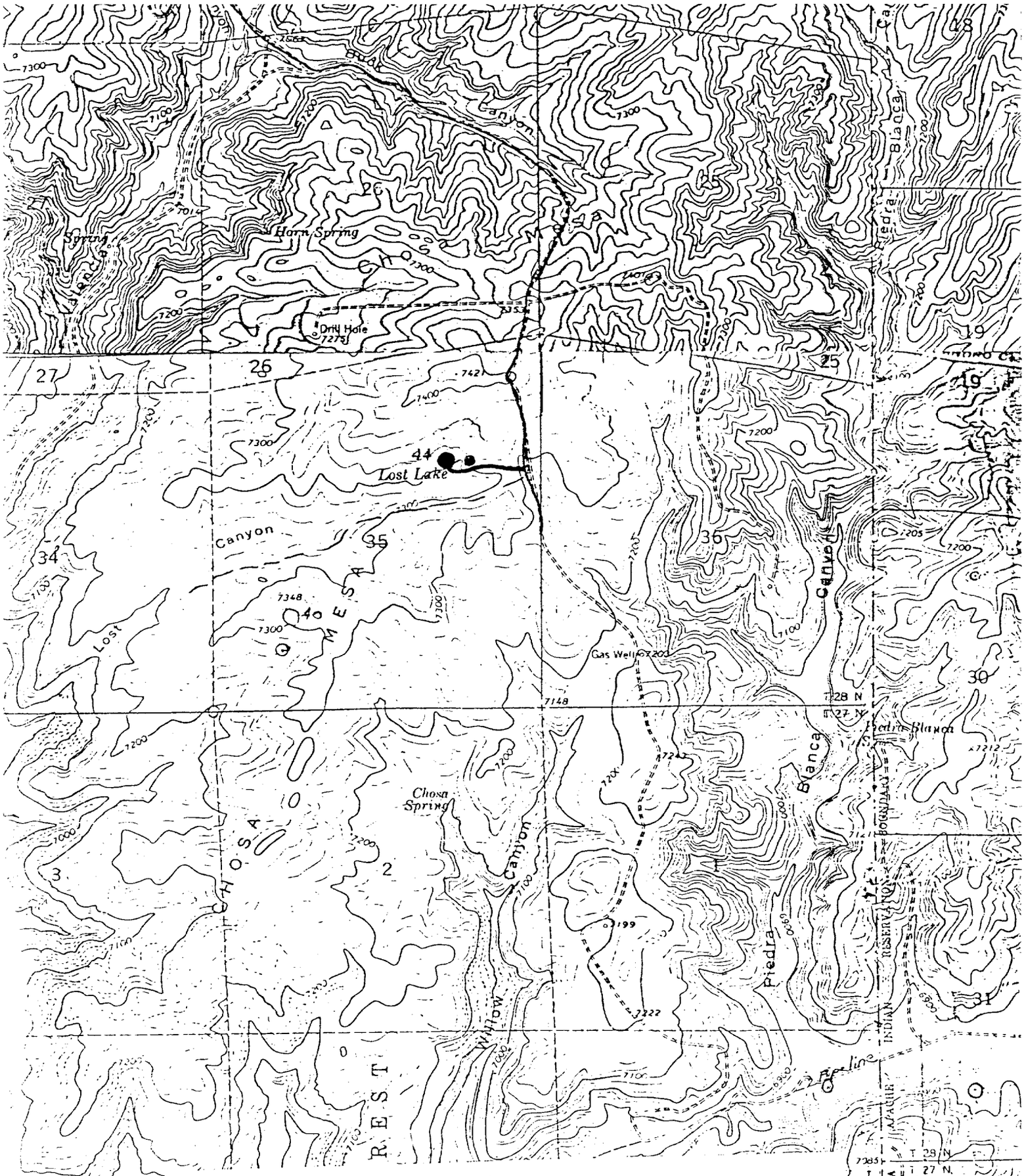
    Representatives of the U. S. Geological Survey's Farmington Office and the U. S. Forest Service inspected the site with Amoco personnel. Cultural resources inspection was conducted by an archaeologist from Salmon Ruins.

12. Operator's Representative: R. W. Schroeder
    Phone: Office: 505-325-8841; Home: 505-325-6164
    Address: 501 Airport Drive, Farmington, NM 87401

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by AMOCO PRODUCTION COMPANY and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

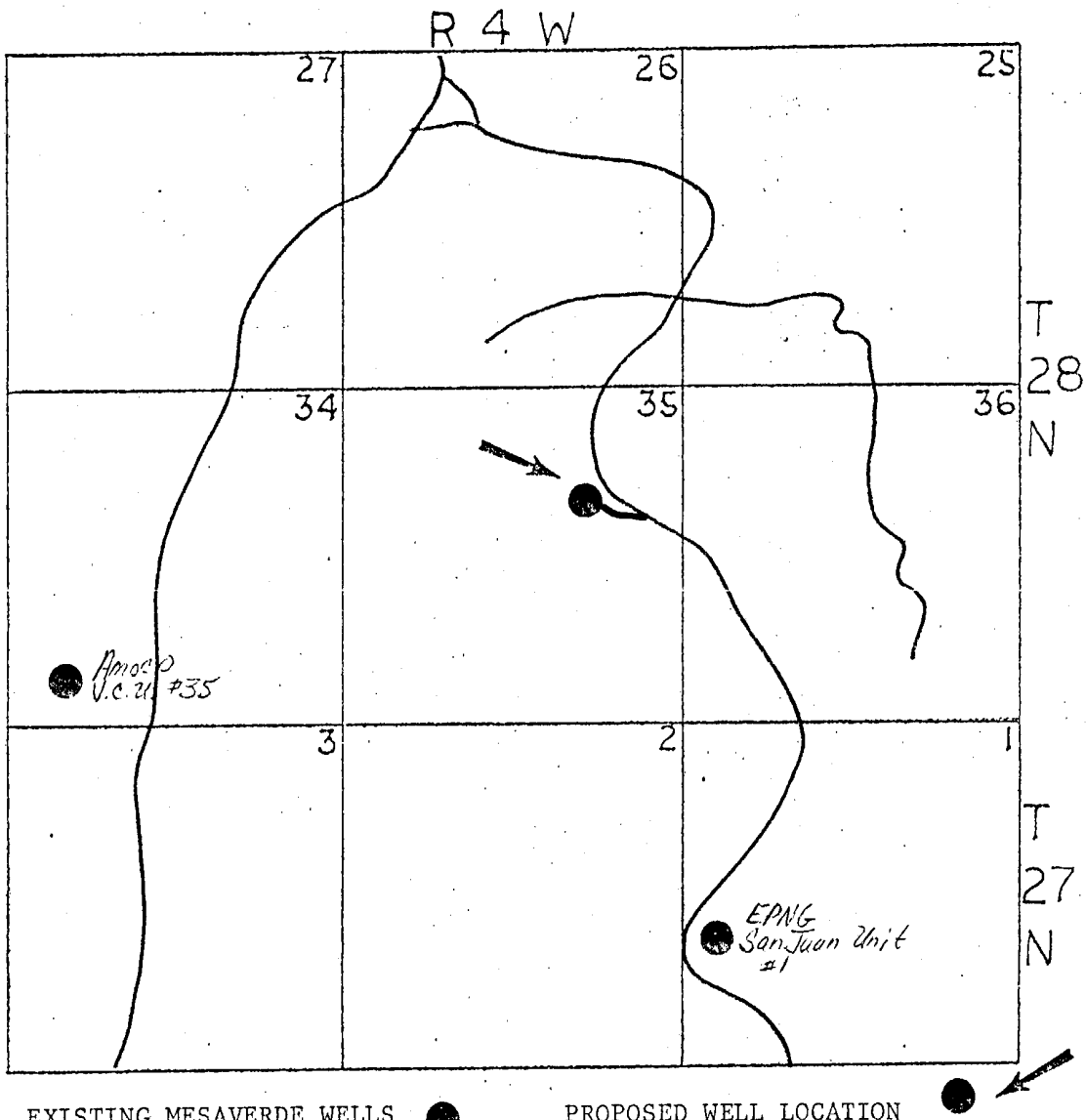
Date June 11, 1980

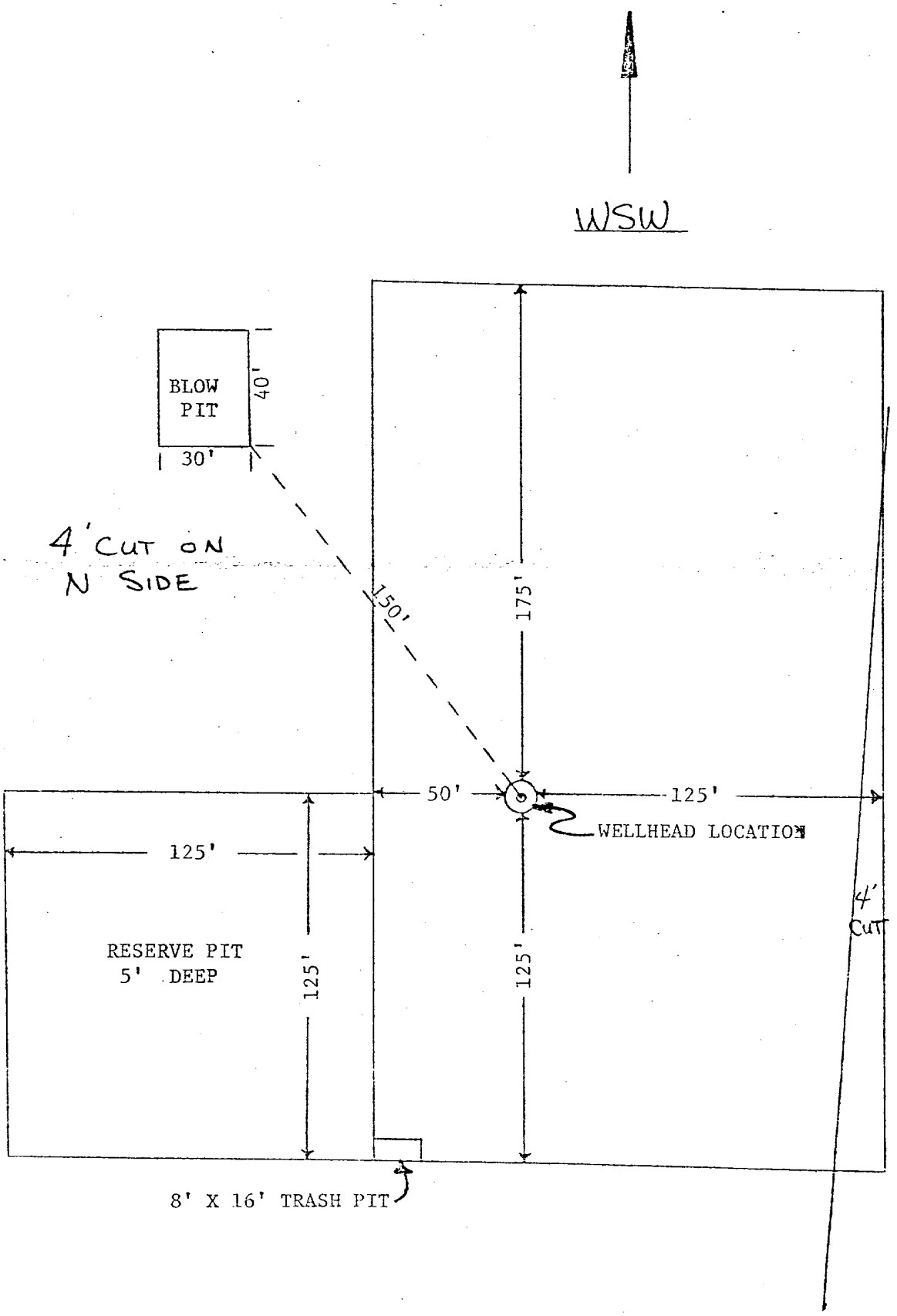
R. W. Schroeder RDD
R. W. Schroeder, District Superintendent



Vicinity Map for
AMOCO PRODUCTION CO. #44 VALENCIA CANYON UNIT
1800'FNL 1520'FEL Sec. 35-T28N-R4W
RIO ARRIBA COUNTY, NEW MEXICO

V. C. U. #44


R 4 W
27
26
25
34
35
36
T 28 N
3
2
1
T 27 N
Amoco V.C.U. #35
EPNG San Juan Unit #1
EXISTING MESAVERDE WELLS
PROPOSED WELL LOCATION
ROADS



APPROXIMATELY 1.2 ACRES

Amoco Production Company	SCALE: 1"=50'
DRILLING LOCATION SPECIFICATIONS	
VALENCIA CANYON UNIT # 44	DRG. NO.