

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 GEOLOGICAL SURVEY

30-045-25969

5. LEASE DESIGNATION AND SERIAL NO.
 NM 013861

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Lively

9. WELL NO.
 2E

10. FIELD AND POOL, OR WILDCAT
 Basin Dakota

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec 21 T28N R8W

12. COUNTY OR PARISH | 13. STATE
 San Juan | NM

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
 Lively Exploration Company

3. ADDRESS OF OPERATOR
 Box 208, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface 1120' FNL - 790' FEL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 12 miles southeast of Blanco, New Mexico

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL
 N/320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3550'

19. PROPOSED DEPTH 6750'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5891' GR

22. APPROX. DATE WORK WILL START*
 12-15-79

23. PROPOSED CASING AND CEMENTING PROGRAM

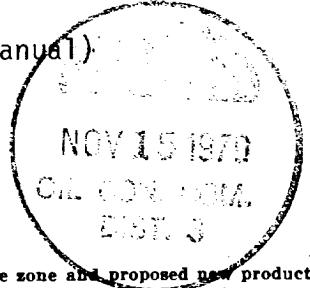
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13-3/4"	9-5/8"	36#	325'	210 sx
8-3/4"	7"	23#	2800'	300 sx 1st stage
6-1/4"	4-1/2"	10.5#	6750'	360 sx 2nd stage

Plan to drill to test the Dakota Formation. Plan to run IES and CCL logs to TD. If productive, will set 4-1/2" csg, cement in two stages, selectively perforate, frac, clean out after frac, run 1-1/4" tbg and complete well.

Plan to use BOP furnished by rig while drilling (10" 3000 psi hydraulic)

Plan to use BOP rental while completing (6" 3000 psi double gate manual)

NMERB: Gas Dedicated to El Paso



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 Thomas A. Dugan TITLE Agent DATE 11-7-79
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

NMOCC

ok Smith

*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes L-128
Effective 1-1-65

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

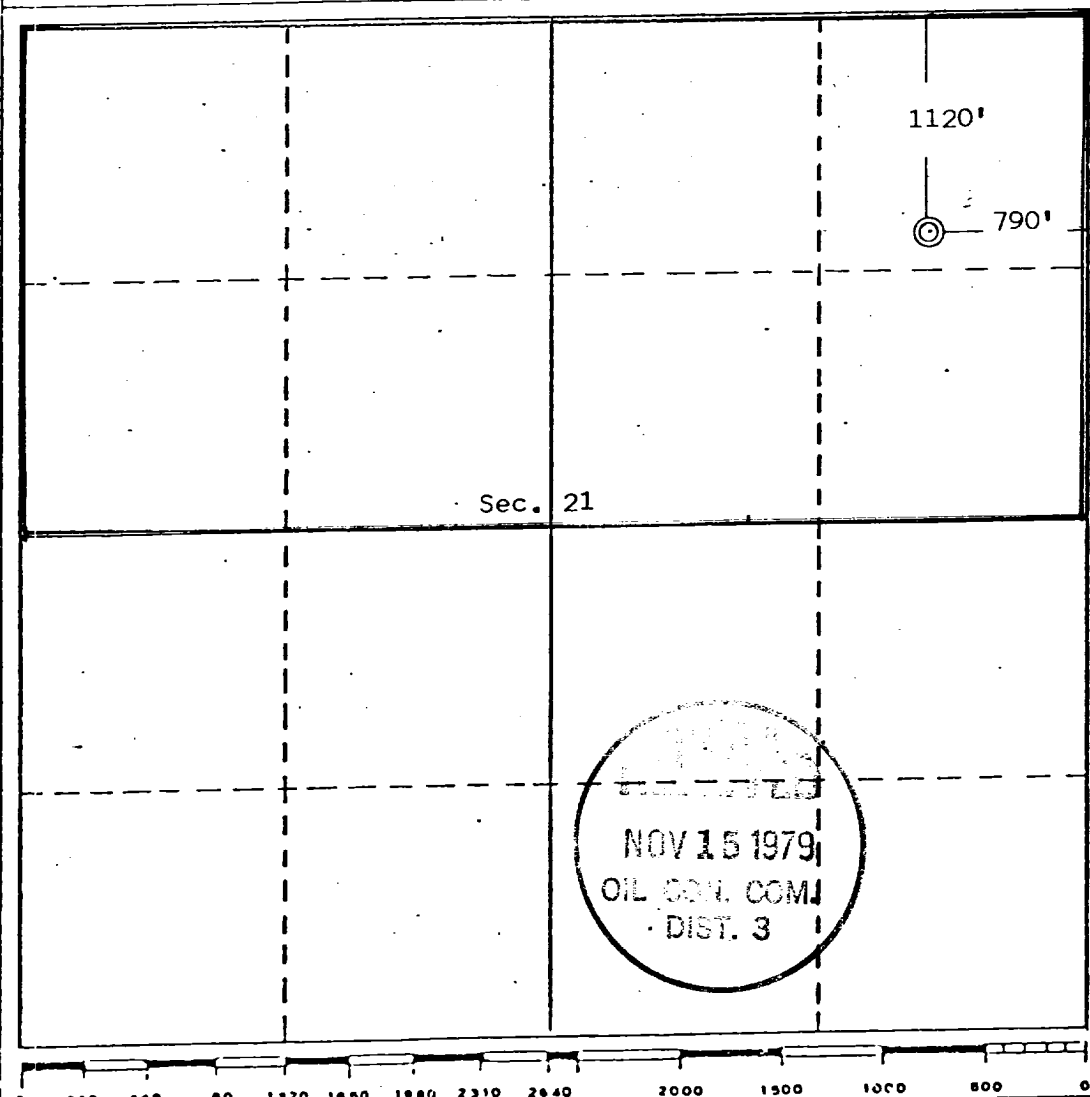
Operator Lively Exploration Company			Lease Lively		Well No. 2E
Unit Letter A	Section 21	Township 28 North	Range 8 West	County San Juan	
Actual Footage Location of Well: 1120 feet from the North line and 790 feet from the East line					
Ground Level Elev. 5891	Producing Formation Dakota	Pool Basin		Dedicated Acreage: 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?

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 Commission.



CERTIFICATION

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

Thomas A. Dugar

Name
Thomas A. Dugar

Position
Agent

Company
Lively Exploration Co.

Date
11-7-79

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.

EDGAR L. RISENHOVER
REGISTERED LAND SURVEYOR
NEW MEXICO
5979

Date Surveyed
October 29, 1979

Registered Professional Engineer and/or Land Surveyor

Edgar L. Risenhover

Certificate No. **5979**
Edgar L. Risenhover, L.S.