

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
 Incline Reserves, Inc.

3. ADDRESS OF OPERATOR
 1603 SW 37th Topeka, KS 66611

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 1500' FNL, 1450' FEL (SWNE)
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 12 miles from Blanco, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 5864' GR

16. NO. OF ACRES IN LEASE
 1349.88

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

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2340'

19. PROPOSED DEPTH
 2340'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

5. LEASE DESIGNATION AND SERIAL NO.
 SF 077123

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Federal 13

9. WELL NO.
 #1

10. FIELD AND POOL, OR WILDCAT
 Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 G 13, T28N, R9W

12. COUNTY OR PARISH 13. STATE
 San Juan NM

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

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

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	"GENERAL REQUIREMENTS"
12 1/4"	8 5/8"	20#	240'	150 sx (cement to surface)
7 7/8"	4 1/2"	10.5#	2340'	275 sx (cement to surface)

RECEIVED
 DEC 07 1990
 OIL CON. DIV. J
 DIST. 3

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

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 Dana Delventhal TITLE Agent DATE Oct. 22, 1990
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE NMOOD DATE NOV 27 1990
 CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1920, Hobbs, NM 88240

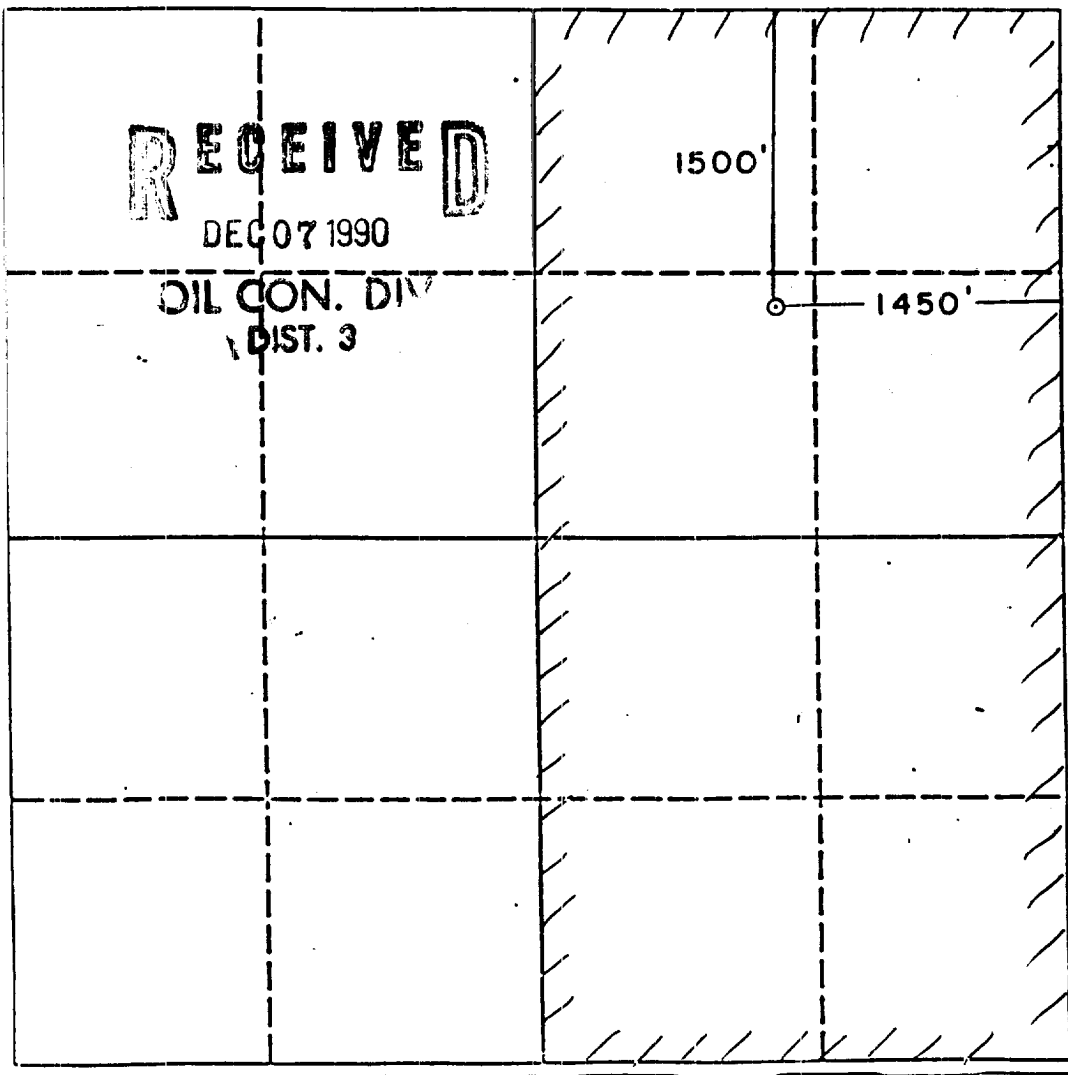
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator INCLINE RESERVES.			Lease <i>Federal 13</i>		Well Red. 13 #1
Unit Letter G	Section 13	Township 28 North	Range 9 West	County San Juan	
Actual Footage Location of Well: 1500 feet from the North line and 1450 feet from the East					
Ground level Elev. 5864'	Producing Formation Fruitland		Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interest of all owners been consolidated by communization, 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 communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

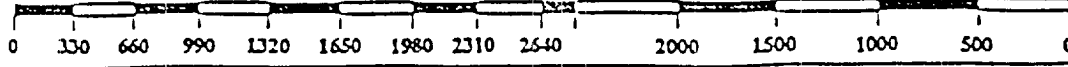


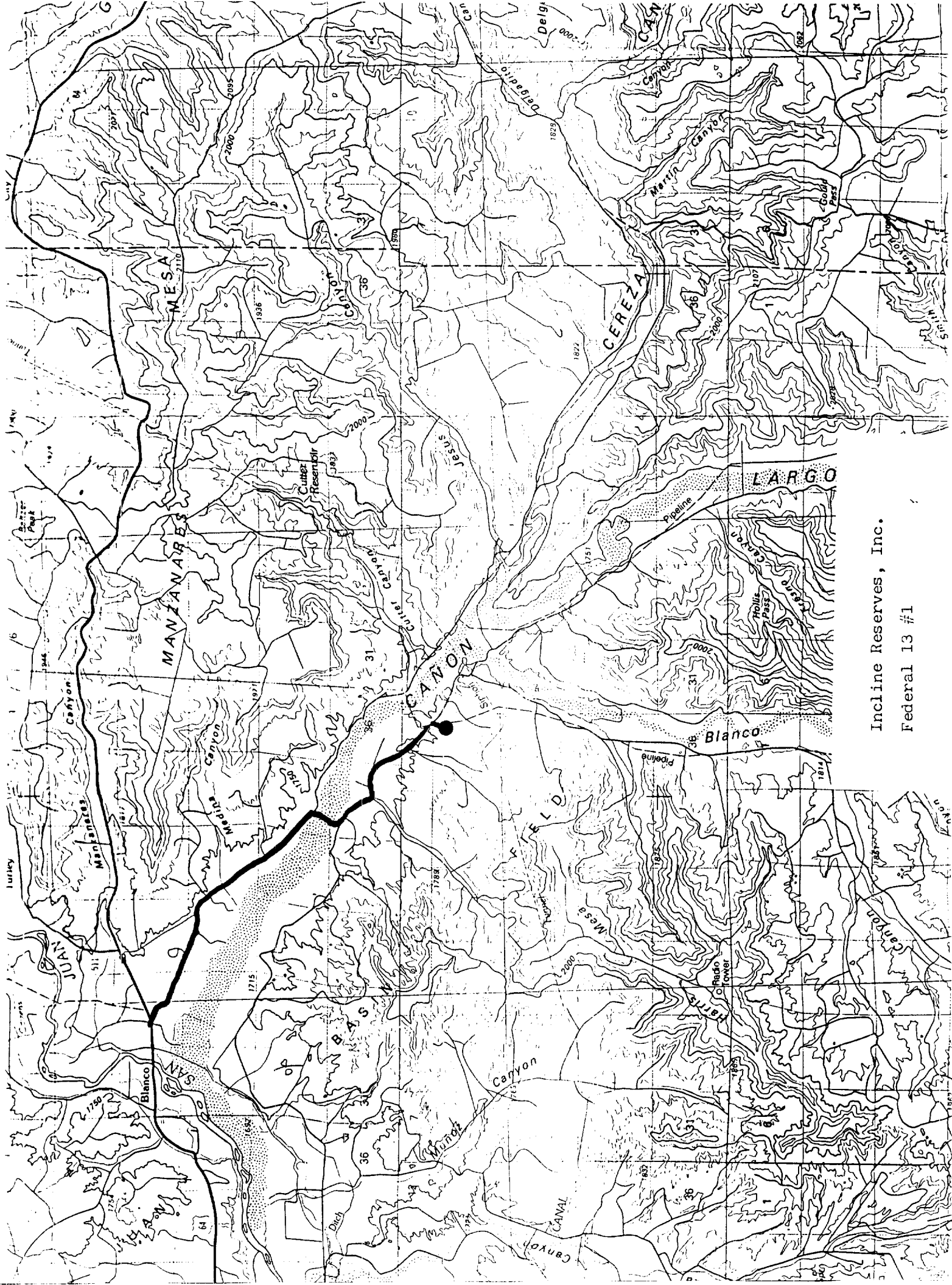
OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature <i>Dana Delventhal</i>
Printed Name Dana Delventhal
Position Agent
Company Incline Reserves, Inc.
Date October 22, 1990

SURVEYOR CERTIFICATION
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 2
Signature <i>[Signature]</i>
Professional Seal
Certificate No. 6844





Incline Reserves, Inc.

Federal 13 #1