

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Balco Petroleum Corporation

3. ADDRESS OF OPERATOR
630 Third Ave. New York 17, New York

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface **2010 PNL 660 PSL See 32 T29N R1E**
 At proposed prod. zone **Rio Arriba County, New Mexico**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. line, if any)
2559.78

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
2200

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR 7338

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	32.30#	60'	30 Sack
8 3/4	7"	20#	1600	100 Sack

Drill 8 3/4" hole w/mud to approximately 1600' and set 7" casing.
 Drill 6 1/4" hole w/air to approximately 2200' or Gallup.
 Shoot open hole w/BNG - Clean out.
 Put on production or plug and abandon.

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 L. F. Stone TITLE President Stone Drilling, Inc. DATE October 1, 1964

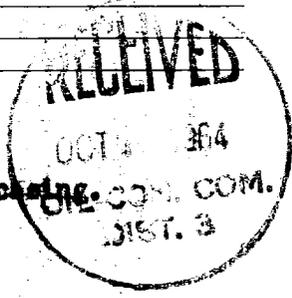
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

5. LEASE DESIGNATION AND SERIAL NO.
Jicarilla #296
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Jicarilla Apache
 7. UNIT AGREEMENT NAME
 8. FARM OR LEASE NAME
Jicarilla 29-1
 9. WELL NO.
1-32
 10. FIELD AND POOL, OR WILDCAT
Wildcat
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
See 32, T29N, 1E
 12. COUNTY OR PARISH
Rio Arriba 13. STATE
New Mexico



Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well. Consult local State or Federal office for specific instructions.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

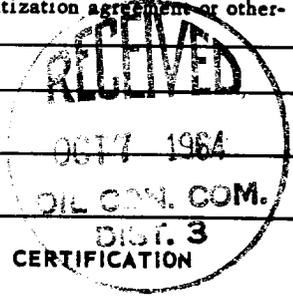
FORM C-128
 Revised 5/1/57

SECTION A

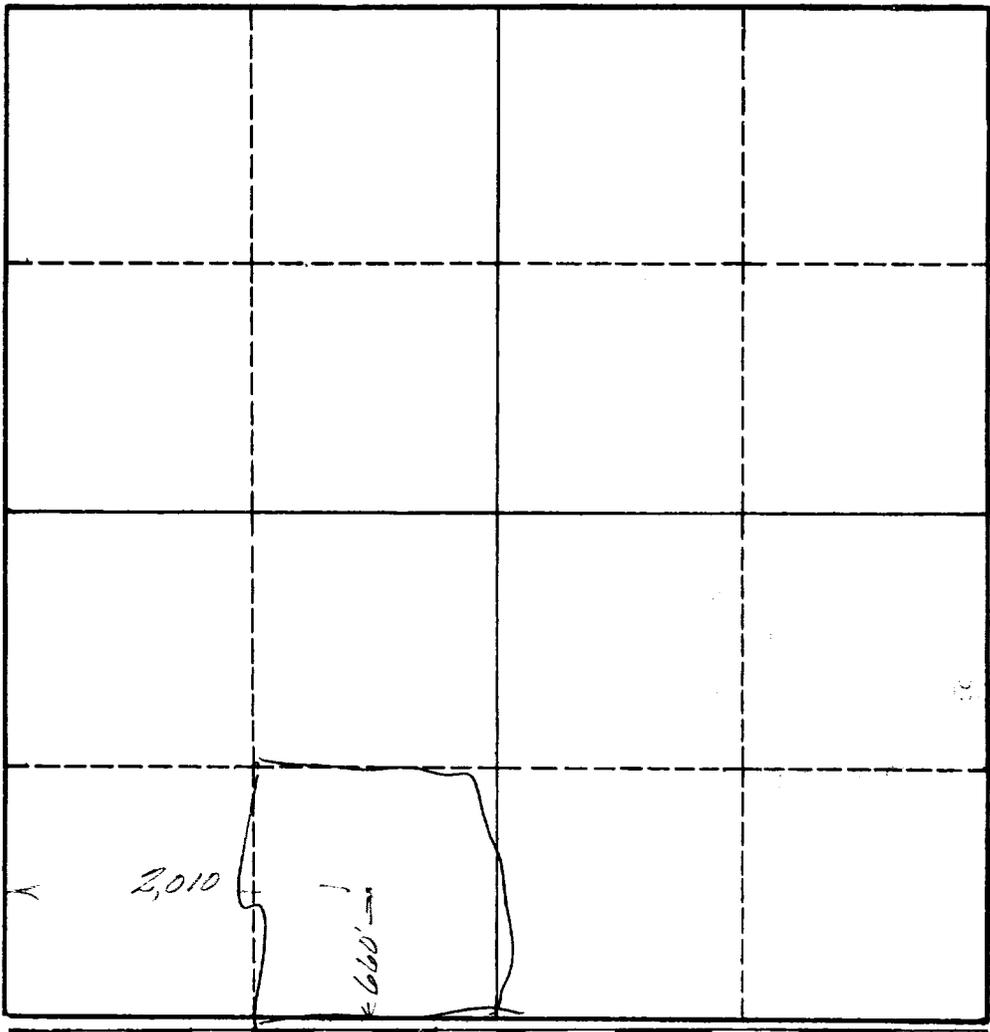
Operator		Lease Jicarilla No. 296		Well No.
Unit Letter	Section 32	Township 29 N	Range 1 E	County Rio Arriba
Actual Footage Location of Well: 2010 feet from the West line and 660 feet from the South line				
Ground Level Elev. 7338	Producing Formation	Pool	Dedicated Acreage: 40 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES _____ NO _____. ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES _____ NO _____. If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description S8 1/4 SW 1/4
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SECTION B

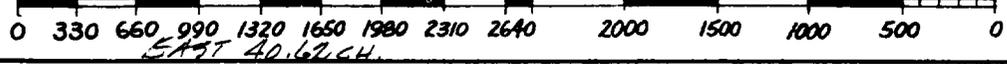


I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name	<i>L. J. Stone</i>
Position	<i>Agent</i>
Company	<i>Belco Petroleum Co.</i>
Date	<i>Oct. 1, 1964</i>

I hereby certify that the well location shown on the plat in SECTION B 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	Sept. 9 & 11, 1964
Registered Professional Engineer and/or Land Surveyor	<i>Paul Hall</i>
Certificate No. N.M.	636



INSTRUCTIONS FOR COMPLETION OF FORM C-128

1. Operator shall furnish and certify to the information called for in Section A.
2. Operator shall outline the dedicated acreage for *both* oil and gas wells on the plat in Section B.
3. A registered professional engineer or land surveyor registered in the State of New Mexico or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
4. All distances shown on the plat must be from the outer boundaries of the Section.
5. If additional space is needed for listing owners and their respective interests as required in question 3 of Section A, please use space below.