

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 ☐			5. LEASE DESIGNATION AND SERIAL NO. 30-045-20655 SP-078904-A		
b. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR PAN AMERICAN PETROLEUM CORPORATION			7. UNIT AGREEMENT NAME Gallager Canyon Unit		
3. ADDRESS OF OPERATOR 501 Airport Drive, Farmington, New Mexico 87401			8. FARM OR LEASE NAME		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 790' FSL & 790' FSL At proposed prod. zone Same			9. WELL NO. 263		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8 miles southwest of Bloomfield, New Mexico			10. FIELD AND POOL, OR WILDCAT Basin Dakota		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790			11. SEC., T., R., M., OR BLK. SW/4 Section 13 T-28-N, R-12-W		
16. NO. OF ACRES IN LEASE 640			12. COUNTY OR PARISH San Juan		
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			13. STATE New Mexico		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2750			19. PROPOSED DEPTH 6370'		
20. ROTARY OR CABLE TOOLS Rotary			21. APPROX. DATE WORK WILL START* 6-22-70		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) Will report later			22. APPROX. DATE WORK WILL START* 6-22-70		

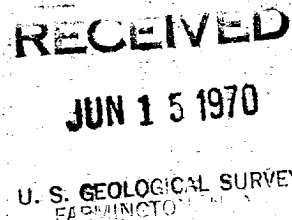
23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	350'	250 sacks
7-7/8"	4-1/2"	10.5#	6370'	1300 sacks

Completion will be determined upon reaching total depth.

Copies of Location Plat are attached.

Copies of all logs run will be furnished upon completion of well.



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. ORIGINAL SIGNED BY
SIGNED G. W. Eaton, Jr. TITLE Area Engineer DATE June 13, 1970

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY GA TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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.

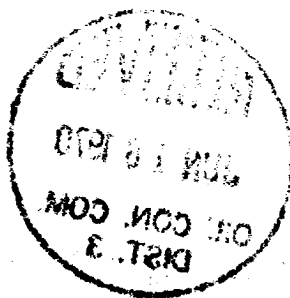
Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

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.

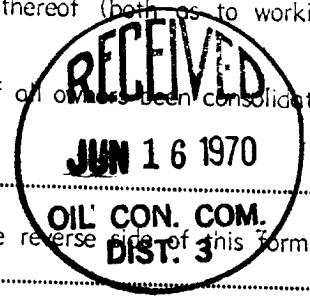


**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator PAN AMERICAN PETROLEUM CORPORATION			Lease GALLEGO CANYON UNIT			Well No. 265		
Unit Letter P	Section 25	Township 28 NORTH	Range 12 WEST	County SAN JUAN				
Actual Footage Location of Well: 790 feet from the SOUTH line and 790 feet from the EAST line								
Ground Level Elev.	Producing Formation Dakota	Pool Basin Dakota	Dedicated Average: 320			S/2 Acres		
Report Later								

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 Unitized
- If answer is "no," list the owners and tract descriptions which have actually 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.



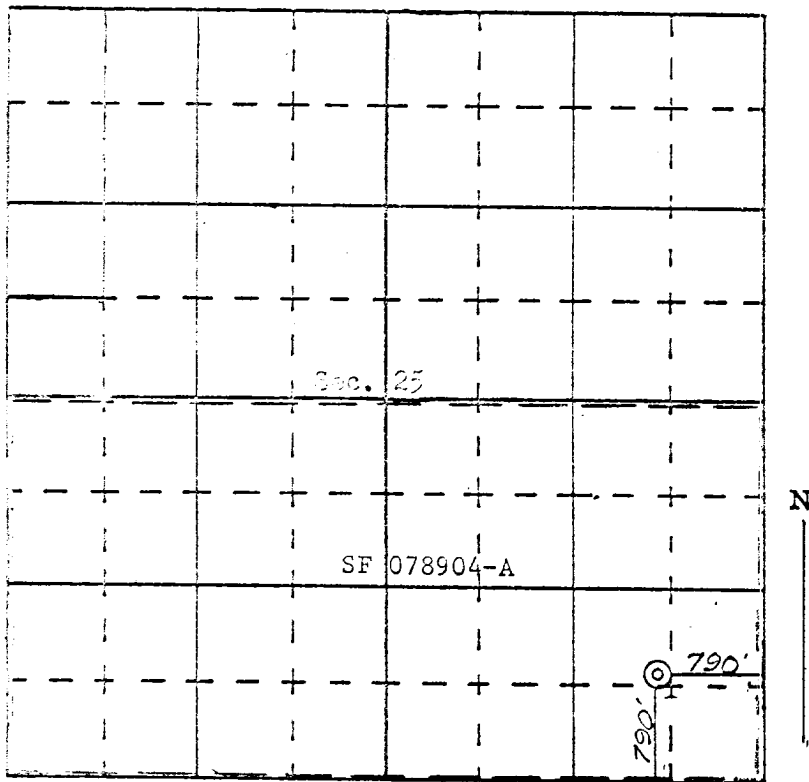
CERTIFICATION

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

Name G. W. Eaton, Jr.
 Position Area Engineer
 Company PAN AMERICAN PETR. CORP.
 Date June 12, 1970

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 June 12, 1970
 Registered Professional Engineer and/or Land Surveyor 03
 J. LOPEZ P. LEITE
 Certificate No. _____



SCALE—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.