

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

Koch Industries, Inc.

3. ADDRESS OF OPERATOR

P. O. Box 2256, Wichita, Kansas 67201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1095' FSL & 1120' FEL SE $\frac{1}{4}$ SE $\frac{1}{4}$

At proposed prod. zone

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

2-1/2 miles South and West from Navajo City, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

1095'

16. NO. OF ACRES IN LEASE

320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE. FT.

295'

19. PROPOSED DEPTH

7490'

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

GR 6222'

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13-3/4"	10-3/4"	40.5#	250'	250 Sx. Circulate
8-3/4"	7"	20#	3250'	500 Sx.
6-1/4"	4-1/2"	10.5#	7490'	275 Sx.

1. Set 18" conductor pipe at 30' and cement to surface.
2. Set new 10-3/4" 40.5# K-55 ST&C casing at 250' pressure test to 1,000#. Cement with enough cement to circulate it to surface. Wait on cement 24 hours.
3. Drill with native mud and water to approx. 1800'. Mud up with Gel-Benex type mud and drill thru the Picture Cliff formation (3400-3600'). Set 7" casing 20# K-55 LT&C casing at 3250'. Cement with enough cement to cover the Ojo Alamo and Picture Cliff formation. Wait on cement 12 hours. Pressure test casing and blow out preventor to 3,000 PSI before drilling out.
4. A double pipe and blind rams B.O.P. will be used. B.O.P. will be checked each tower and blinds ran each trip.
5. Drill 6-1/4" hole with gas to total depth. Set and cement 4-1/2" K-55 10.5# new casing from total depth to surface. Enough cement will be used to cover the Dakota and Mesa Verde formations.
6. Wellhead equipment will consist of 3,000# working pressure. *gas not tested* This action is subject to administrative appeal pursuant to 30 CFR 290. continued

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 [Signature] TITLE Asst. Operations Manager DATE March 4, 1980

(This space for Federal or State office use)

AS AMENDED

PERMIT NO.

APPROVAL DATE

APPROVED BY [Signature]

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT ENGINEER

ak 3m

WV 200

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.

Continued.....

7. Anticipated bottom hole pressure at total depth maximum 2500#, no abnormal pressures anticipated.
8. Aux. and B.O.P. equipment on rig as follows:
 - A. Double Ram Blow-out preventor
 - B. Kelly cocks
 - C. Rotating drilling head
 - D. Kill valve on rig floor
9. Complete well in the Dakota formation by perforating and frac with gelled Kcl water and sand.

EXHIBITS ATTACHED

- A. Location and elevation plat
- B. Ten point compliance program
- C. Blow-out preventor Diagram
- D. Multi-point requirement for surface use.
- E. Access road map into location
- F. Proposed access roads and radius map of well in area
- G. Drill pad layout and contours, cut-fill sections.
- H. Drill rig & production facilities lay out.

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

Lessor KOCH INDUSTRIES			Lease GONZALES		Well No. 1
Unit Letter P	Section 1	Township 29 NORTH	Range 8 WEST	County SAN JUAN	

Actual Footage Location of Well:

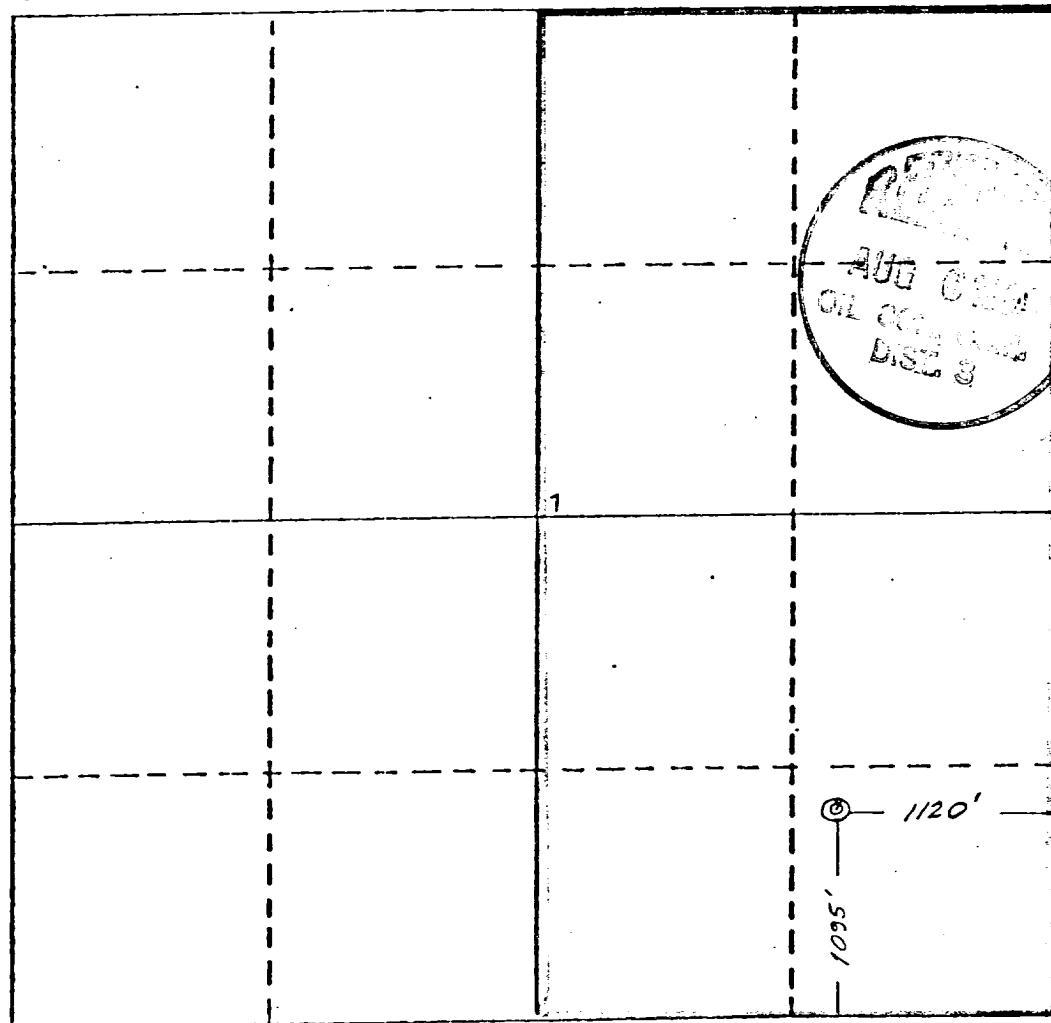
1095 feet from the SOUTH line and		1120 feet from the EAST line	
Ground Level Elev. 6222	Producing Formation agate	Pool BB-1C BB-1E	Dedicated Acres 1.320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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). **ONE LEASE**
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 Division.



CERTIFICATION

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

Vernon J. Lowe

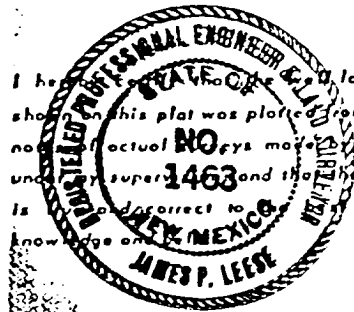
Name
Vernon J. Lowe

Position
Asst. Operations Manager

Company
Koch Industries, Inc.

Date
March 4, 1980

I hereby certify that the location shown on this plat was plotted from field notes, actual measurements made by me or under my supervision, and that the same is correct to the best of my knowledge and belief.



Date Surveyed
February 7, 1980

Registered Professional Engineer
and/or Land Surveyor

James P. Leese

James P. Leese

Certificate No.

1463