

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		36-045-35160 LEASE DESIGNATION AND SERIAL NO.	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		SF-077754 UNIT AGREEMENT NAME	
2. NAME OF OPERATOR LAURENCE C. KELLY		UNIT AGREEMENT NAME Kelly Brothers	
3. ADDRESS OF OPERATOR c/o Walsh Engineering & Production Corp, P. O. Box 254, Farmington, New Mexico 87401		8. WELL NO. 1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1590' FSL, 1640' FWL At proposed prod. zone Same		10. FIELD AND POOL, OR WILDCAT Blanco Pictured Cliffs	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 5 miles NW of Aztec, New Mexico		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8-T30N-R10W K.N.M.P.M.	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1640		12. COUNTY OR PARISH San Juan	
16. NO. OF ACRES IN LEASE 320		13. STATE N.M.	
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 800		17. NO. OF ACRES ASSIGNED TO THIS WELL 160	
18. PROPOSED DEPTH 3280		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6289 'GL,		22. APPROX. DATE WORK WILL START* 6 - 15 - 81	

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	24.0	120'	150 sacks
7 7/8"	4 1/2"	10.50	3280'	350 sacks

All producing intervals in Pictured Cliffs Formation will be perforated and stimulated as necessary.

EXHIBITS

- "A" Location and Elevation Plat.
"B" Ten Point Compliance Program.
"C" Blowout Preventer Diagram.
"D" Multi-Point Requirements for A.P.D.

- THORIZED ARE
SEEKING ADVISANCE WITH ATTACHED
"GENERAL REQUIREMENTS"
"E" Access Road to Location.
"F" Radius Map of Field.
"G" Drill Rig Layout.
"H" Fracturing Program Layout.
"I" Profile Map

The gas from this well is committed.

The SW/4, Section 8 is dedicated to this 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. FOR: LAURENCE C. KELLY ORIGINAL SIGNED BY SIGNED: EWELL N. WALSH Ewell N. Walsh, P. E.	President, Walsh Eng. & Production Corp.	DATE: 5/18/81
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PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

*See Instructions On Reverse Side

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

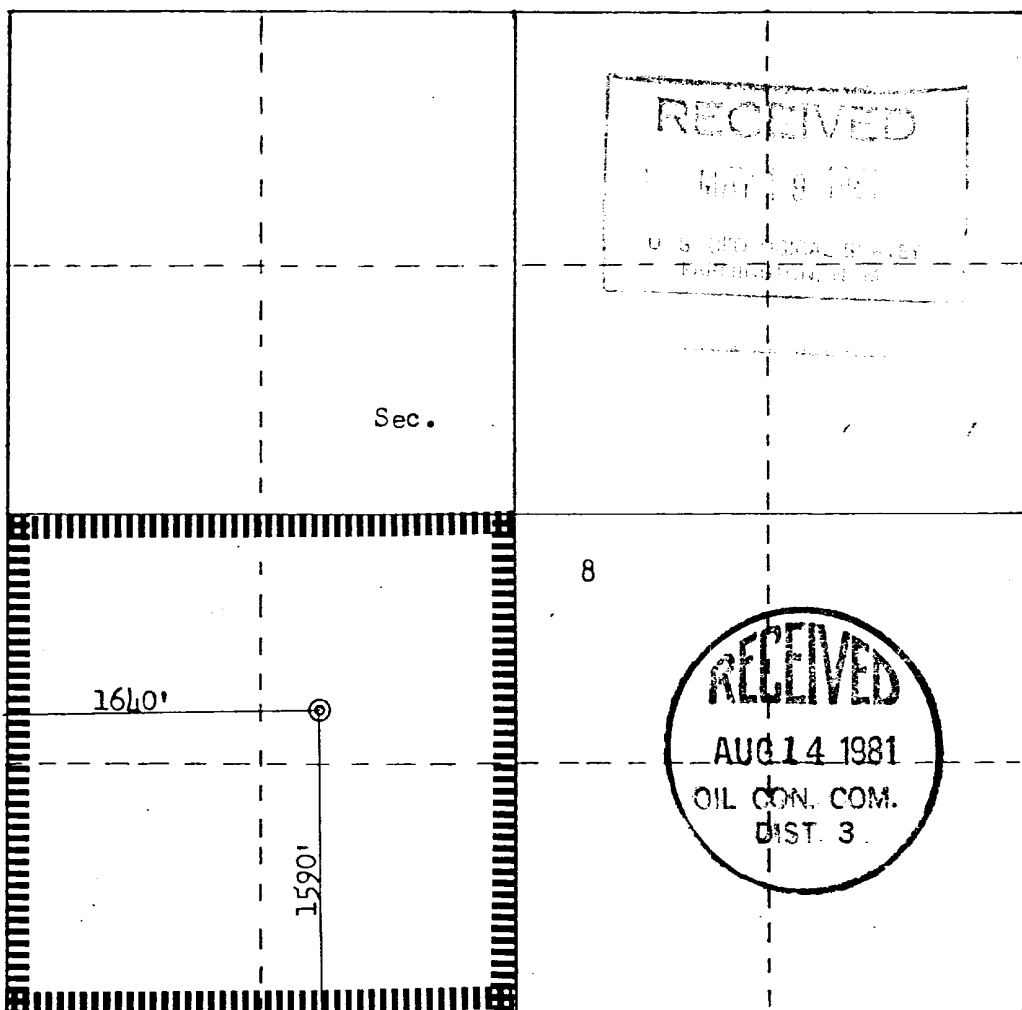
Operator LAURENCE C. KELLY			Lease KELLY BROTHERS		Well No. 1
Unit Letter K	Section 8	Township 30N	Range 10W	County San Juan	
Actual Footage Location of Well: 1590 feet from the South line and 1640 feet from the West line					
Ground Level Elev. 6289	Producing Formation Pictured Cliffs		Pool Blanco Pictured Cliffs		Dedicated Acreage: 160 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.



Scale: 1"=1000'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
FOR: **LAURENCE C. KELLY**
ORIGINAL SIGNED BY

Name **Ewell N. Walsh**
Ewell N. Walsh, P. E.
Position
President

Company
Walsh Engineering and Production Corporation
Date
May 18, 1981

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
May 5, 1981
Registered Professional Engineer and Land Surveyor
Fred B. Kerro, Jr.
Certificate No.
3950

