

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30 045-25349

5. LEASE DESIGNATION AND SERIAL NO.

SF - 081230⁹

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

L. C. Kelly

9. WELL NO.

1 - E

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec. 5, T-30N, R-12W

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

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

M. R. Schalk

3. ADDRESS OF OPERATOR

P.O. Box 25825, Albuquerque, N. M. 87125

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

At surface NE/4 NW/4 Sec. 5

At proposed prod. zone

930' FNL; 1700' FWL; Sec. 5

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

Approximately 5 miles North of Farmington, N. M.

15. DISTANCE FROM PROPOSED*

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

930'

16. NO. OF ACRES IN LEASE

1480

17. NO. OF ACRES ASSIGNED

TO THIS WELL

W 285.62 320

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

2450'

19. PROPOSED DEPTH

6990'

20. ROTARY OR CABLE TOOLS

Rotary

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

5991' GL

22. APPROX. DATE WORK WILL START*

As soon as permitted

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"	23#	300'	300 sacks: Circ. to surface
7-7/8"	5-1/2"	15.5#	6990'	1st stage: 300 sacks
				2nd stage: 450 sacks
				3rd stage: 500 sacks

DV Collar to be run at 4700' and 2500' and cement to bottom of 8-5/8" surface casing with cement covering the Ojo Alamo formation.

Propose to drill this infill well in order to gain optimum gas recovery from the Basin Dakota field. No cores or DST's are planned. Logs will be run from surface casing to TD. Prospective zones will be perforated and fractured. Blowout preventer equipment will be as indicated on the attached exhibit, and will be tested at regular intervals. Necessary steps will be taken to protect the environment.

**ADDITIONAL Information on Reverse-----

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

TITLE

Agent

DATE

Feb. 26, 1982

(This space for Federal or State office use)

PERMIT NO.

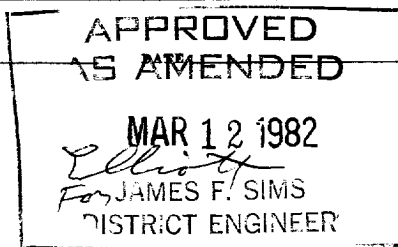
APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

Gas is dedicated

Write NW/4 for original + infill
Hold C104 for Operator Change
sh. 51

*See Instructions



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.

** #23 Additional Information

ESTIMATED FORMATION TOPS

Fruitland	2070'
Pictured Cliffs	2220'
Mesa Verde	3760'
Gallup	5830'
Dakota	6750'
TD	6990'

Estimated depths at which water, oil, gas or other minerals are expected to be encountered:

2070'; 3760'; 5830'; 6750'.

No anticipated abnormal pressure is expected.

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

Form O-107
Supersedes O-118
Effective 1-1-85

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

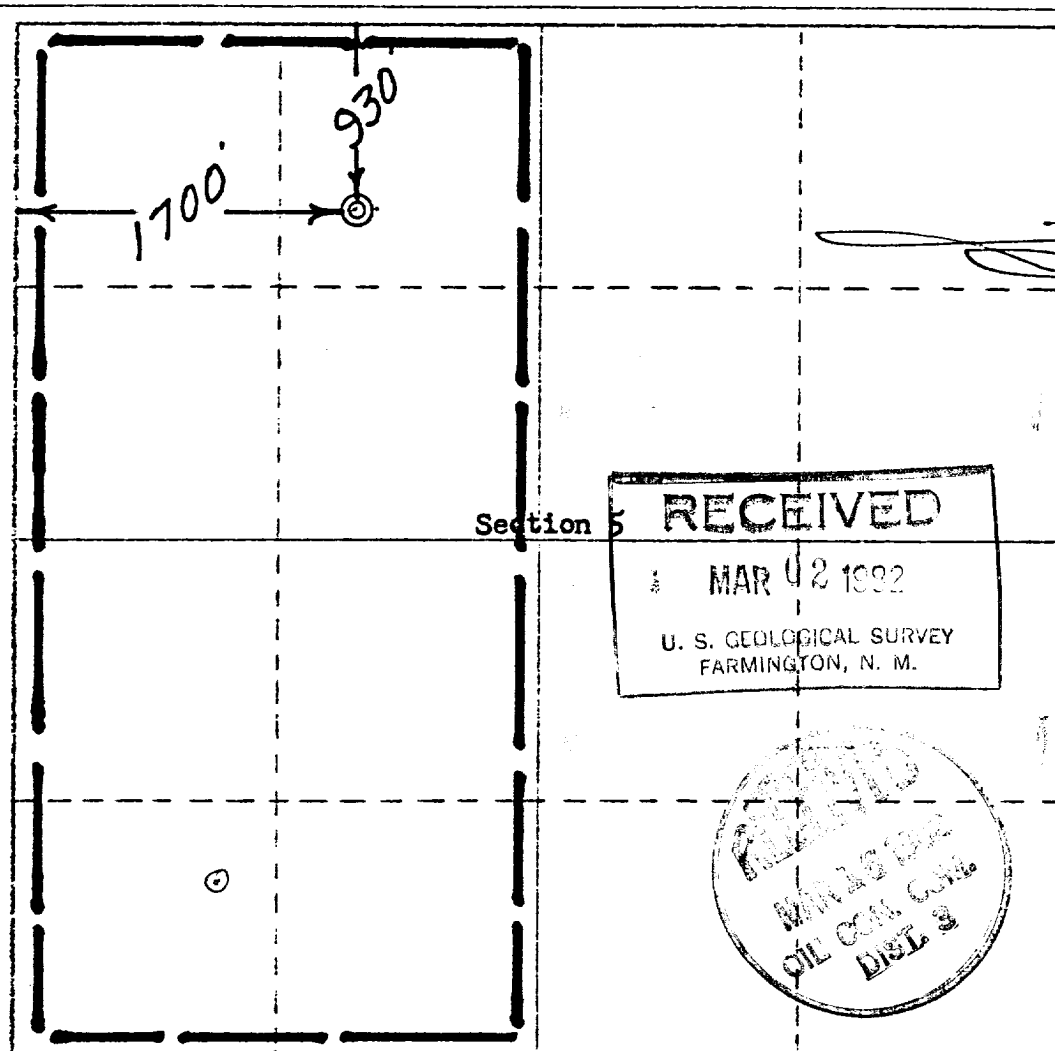
Operator M. R. Schalk		Lessee L. C. Kelly		Well No. 1 E
Unit Letter C	Section 5	Township 30 North	Range 12 West	County San Juan
Actual Footnote Location of Well:				
930	feet from the	North	line and	1700
				feet from the
				West
Ground Level Elev. 5991	Producing Formation Dakota		Pool Basin	Dedicated Acreage: 320 W 285.62 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).
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.



CERTIFICATION

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

[Signature]

Steve Schalk

Position
Agent

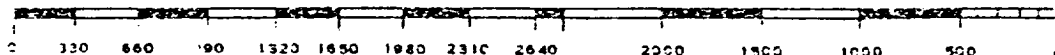
Company
M. R. Schalk

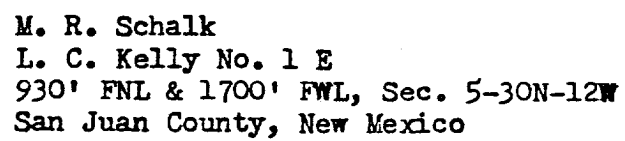
Date
Feb. 26, 1982

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
February 18, 1982

Registered Professional Surveyor
and
Certified





San Juan County, New Mexico