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SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

Form approved,
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OIL CON. DIV.

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

Union Texas Petroleum

3. ADDRESS OF OPERATOR

PO Box 2120 Houston, Texas 77252-2120

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

1590 FSL & 1760 FEL
At proposed prod. zone

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

5 miles West of Navajo Dam, NM

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drg. unit line, if any) 1018

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

2100'

16. NO. OF ACRES IN LEASE

2401.04

17. NO. OF ACRES ASSIGNED
TO THIS WELL

316.87 E/2

19. PROPOSED DEPTH

6260

20. ROTARY OR CABLE TOOLS

Rotary

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

6501 GR

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3

22. APPROX. DATE WORK WILL START*

July 1, 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL QUANTITY OF CEMENT
REQUIREMENTS"

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36.0	350	200 sxs (236 cu ft) B
8 3/4	7.00	23.0	3900	See below
6 1/4	4 1/2 liner	11.6	3750-6260	See below

Union Texas Petroleum, INC. wishes to advise that we intend to drill a 12 1/4" hole with spud mud to 350' and set 9-5/8", 36.0#, K-55 ST&C casing to 350' cementing to surface with 200 sxs (236 cu ft) Class B cement with 2% CaCl2. Wait on cement 12 hours. Nipple up and test BOP. Drill 8-3/4" hole out of surface to 3900' with mud. Log well. Set 7.00", 23.0#, K-55 ST&C production casing to 3900' cementing to surface with 370 sxs (681 cu ft) 65/35 POZ with 6% gel and 12 1/2# gilsonite/sk, tailed by 100 sxs (118 cu ft) Cl B w/ 2% CaCl2. Drill 6-1/4" hole with air/mist to 6260'. Log well Run 4-1/2" liner from 3750-6260 cementing into intermediate casing with 300 sxs (471 cu ft) 50/50 Poz with 4% gel, 6-1/4# gilsonite/sk. Perforate pay section and if necessary acidize and frac with 250,000# sand in 180,000 gal slick water. Clean up well and install standard production equipment. Test well to reserve pit for a period not to exceed 30 days. Connect well to a gathering system.

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

Ken White

TITLE

REG PERMIT COORD

DATE 5-24-90

(This space for Federal or State office use)

~~Approval of this action does~~

not warrant that the applicant APPROVES

holds legal or equitable right AS A

or title to this lease."

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

K@

NMOOD

JUN 27 1990

Ken Townsend

FOR AREA MANAGER

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator UNION TEXAS PETROLEUM			Lease TEEL		Well No. 1A
Unit Letter J	Section 13	Township 31N	Range 9W	County NMPM San Juan	
Actual Footage Location of Well: 1590 feet from the SOUTH line and 1760 feet from the EAST line					
Ground level Elev. 6501	Producing Formation Mesaverde		Pool Blanco	Dedicated Acreage: 316.65 E/2 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>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 interest, has been approved by the Division.</p>					
				OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Ken White</i> Printed Name: KEN WHITE Position: REG PERMIT COORD Company: UNION TEXAS PETROLEUM Date: 5-24-90	
				SURVEYOR CERTIFICATION 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: March 20, 1990 Signature: <i>B. Tull</i> Professional Surveyor: REGISTERED PROFESSIONAL SURVEYOR Certificate No.: 9672	
				Exhibit I	

TEEL #1A
NW $\frac{1}{4}$, SE $\frac{1}{4}$, Sec. 13 T31N R9W N.M.P.M.
San Juan Co., New Mexico

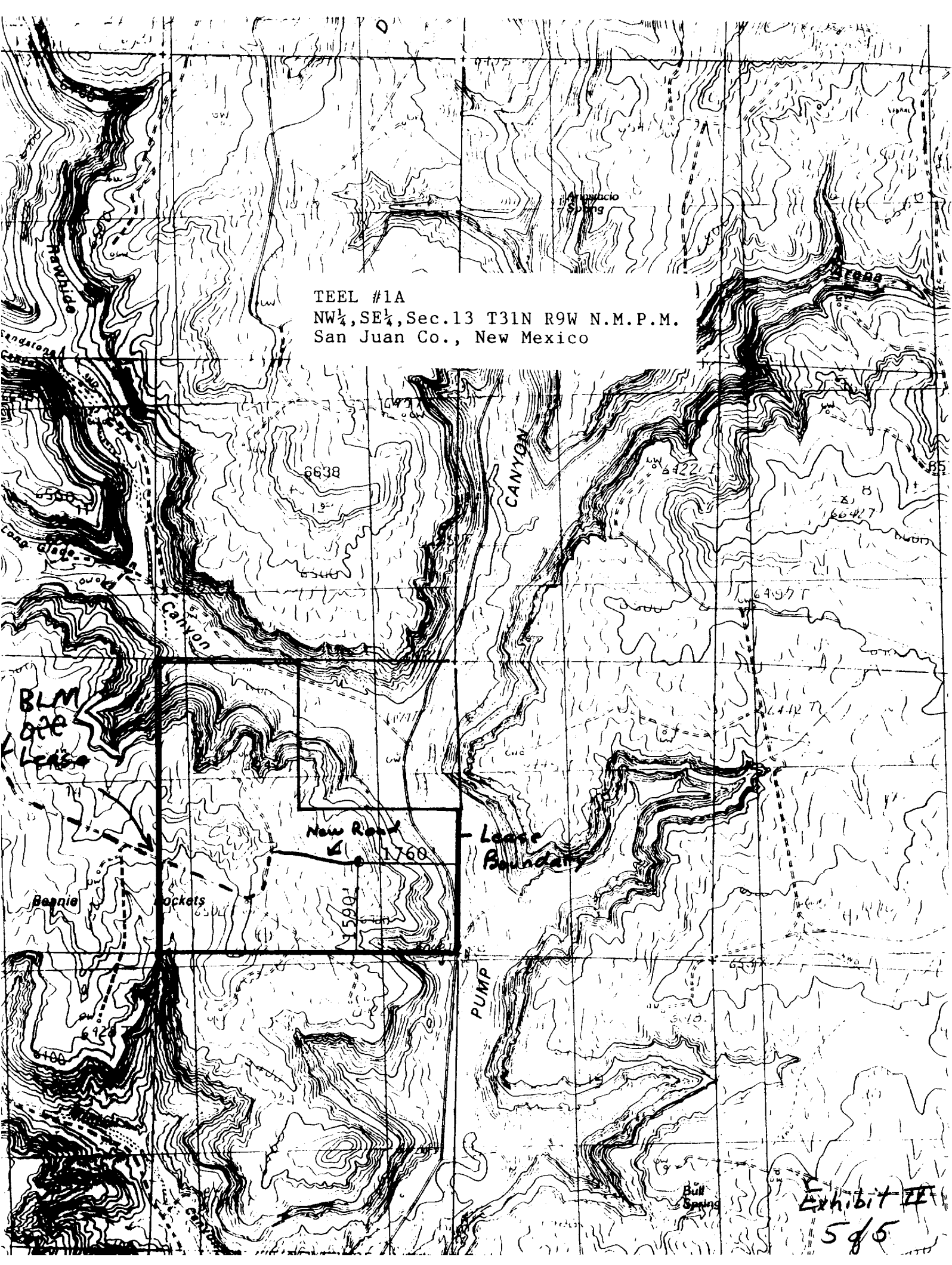


Exhibit II
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