

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

OIL CONSERVATION DIVISION

Santa Fe, New Mexico 87504-2088

DEC 30 1992

OIL CON. DIV  
DIST. 3

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

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

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

API NO. (assigned by OCD on New Wells)

30-045-28912

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

7. Lease Name or Unit Agreement Name

Shiotani

2. Name of Operator

Maralex Resources, Inc. Attn: A. M. O'Hare

8. Well No.

#7

3. Address of Operator

PO Box 421, Blanco NM 87412-0421

9. Pool name or Wildcat

Basin Fruitland

4. Well Location

Unit Letter K : 1700 Feet From The South Line and 1495 Feet From The West Line

Section 33

Township 30N

Range 12W

NMPM

San Juan

County

10. Proposed Depth

1650'

11. Formation

Fruitland Coal

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

5579' GR

14. Kind & Status Plug. Bond

Single well cash

15. Drilling Contractor

Walters

16. Approx. Date Work will start

as soon as permitted

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	23#, J-55	150'	150 Class B	surface
7-7/8"	5-1/2"	15.5#, J-55	1650'	180 65/35 Poz	surface
				100 Class B	

Maralex Resources, Inc., proposes to drill a vertical hole to develop the Fruitland Coal formation at the above described site. The well will be drilled with a fresh water LSND mud. A double ram type BOP will be used to maintain well control at all times during the drilling of the well. Sketches of the BOP and choke assembly are included as exhibits to this application. A full suite of logs will be run upon reaching TD. Both strings of casing will be cemented back to surface in single stage cement jobs. A high strength cement will be placed across the pay zone and at least 500' above the bottom of the hole. A minimum of six centralizers will be used to optimize placement of the cement around the pipe on the long string.

If there are any questions please contact A. M. O'Hare at (505) 325-5599.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE A. M. O'Hare TITLE President

DATE 12-29-92

TYPE OR PRINT NAME A. M. O'Hare

TELEPHONE NO.

(This space for State Use)

APPROVED BY

Charles J. Hulson

DEPUTY OIL & GAS INSPECTOR, DIST. #3

TITLE

DATE DEC 30 1992

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL EXPIRES 6-30-93  
UNLESS DRILLING IS COMMENCED.  
SPUD NOTICE MUST BE SUBMITTED  
WITHIN 10 DAYS.

EXHIBIT #1  
*BOP Stack Arrangement*

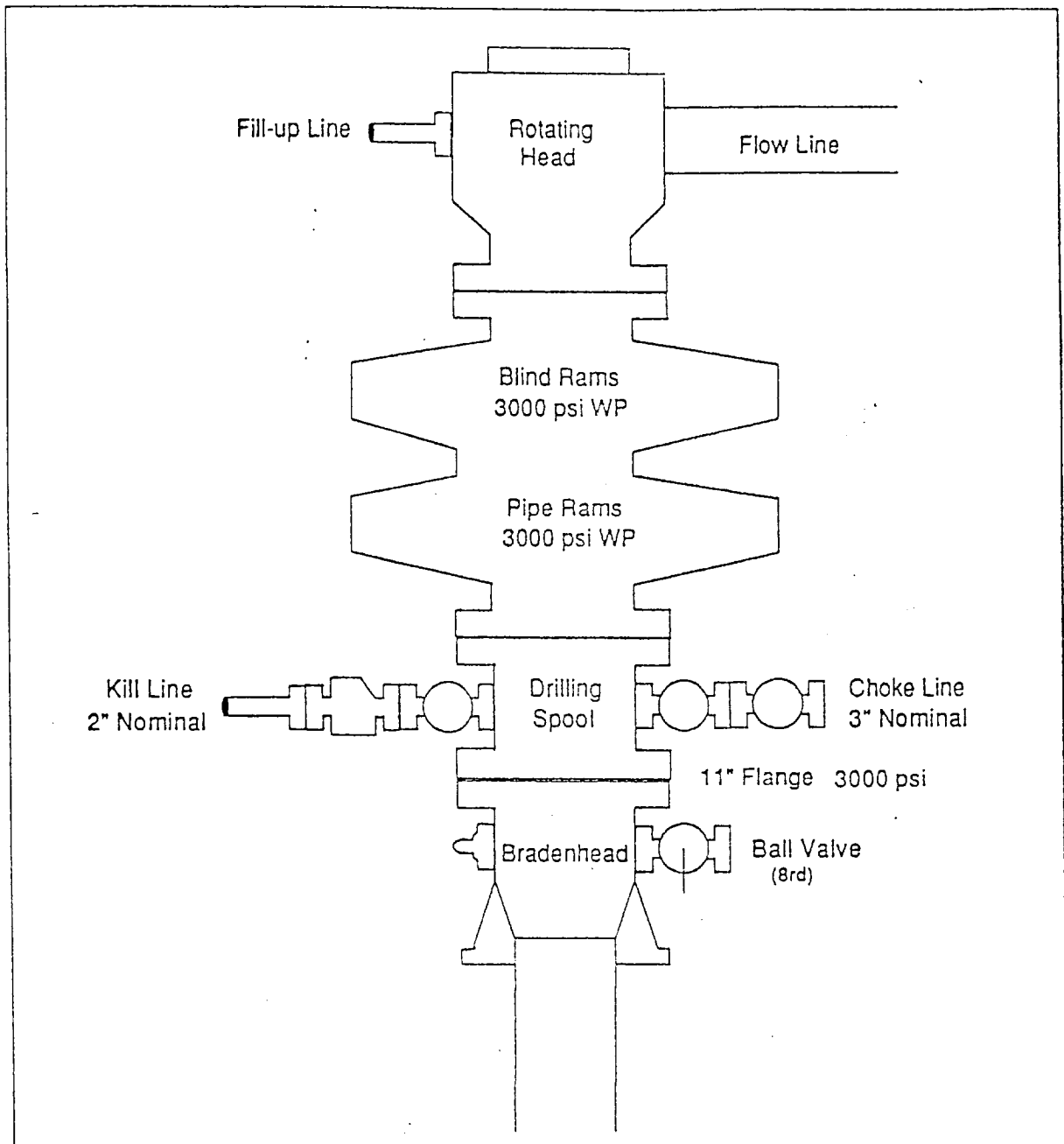


Exhibit #2  
*Choke Manifold & Accumulator Schematic*

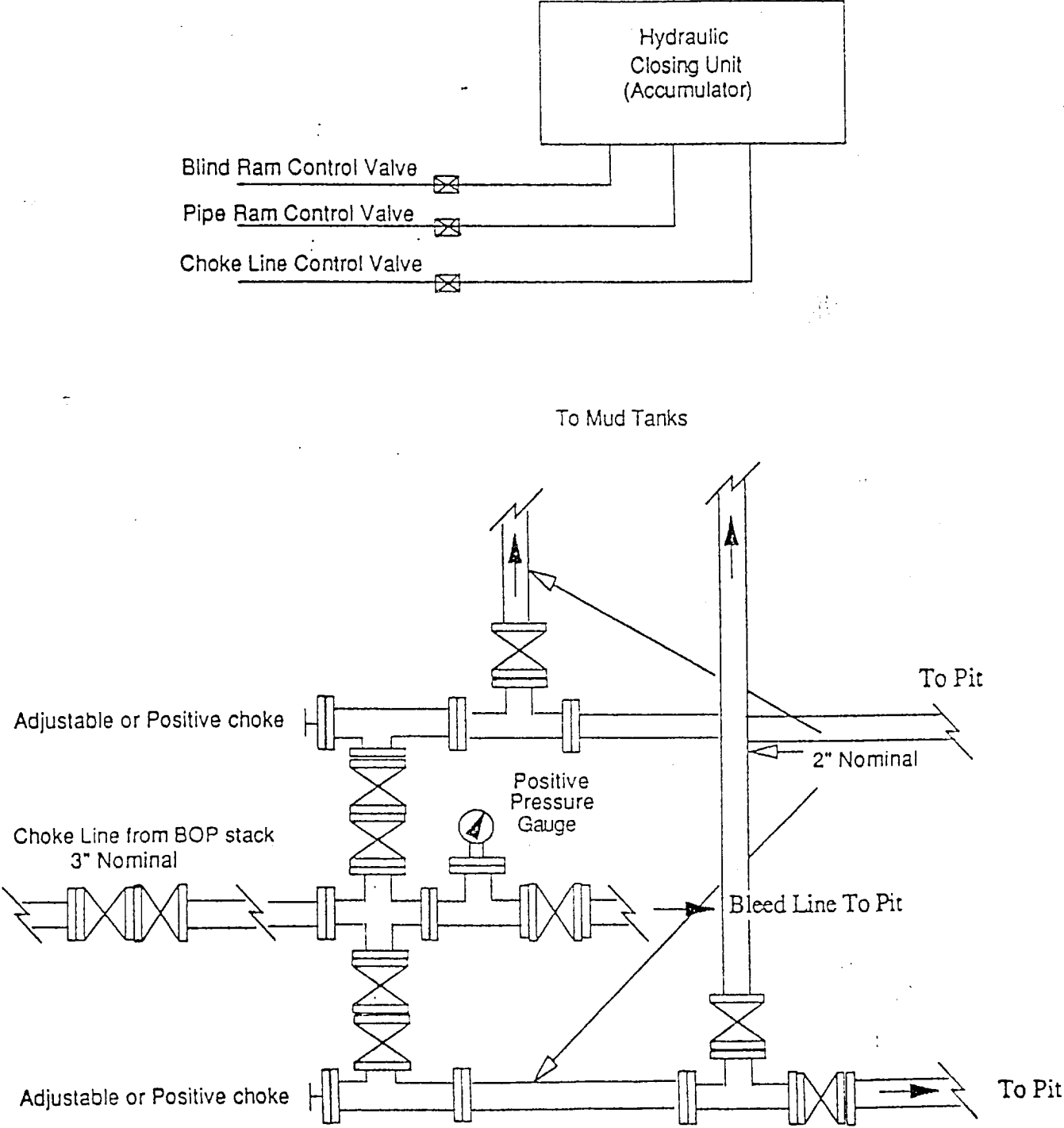


Exhibit #3  
Blowout Prevention Equipment Specifications

1. All BOP equipment shall be fluid and/or mechanically operated.
2. BOP's and all fittings will be in good working condition.
3. Equipment through which the bit must pass shall be at least as large as the casing size being drilled
4. The nipple above the BOP shall be at least the same size as the last casing set.
5. The upper kelly cock with handle and lower kelly cock shall be rated at the BOP working pressure.
6. A floor safety valve (full opening) or drill string BOP with appropriate pressure ratings shall be available on the rig floor with connections or subs to fit any tool joint in the string.
7. The minimum size choke line shall be 3 inches nominal diameter, with a minimum size for vent lines downstream of chokes of 2 inches nominal, and vent lines which by-pass shall be a minimum of 3 inches nominal and as straight as possible.
8. All valves, fittings and lines between the closing unit and the blowout preventer stack should be of steel construction with rated working pressure at least equal to working pressure rating of the stack. Lines shall be bundled and protected from damage.
9. Minimum size for kill line is 2 inches nominal.
10. Ram type preventers shall be equipped with extension hand wheels or hydraulic locks.

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Form 1-112  
Revised 1-1-89

OIL CONSERVATION DIVISION

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Santa Fe, New Mexico 87504-2088

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1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

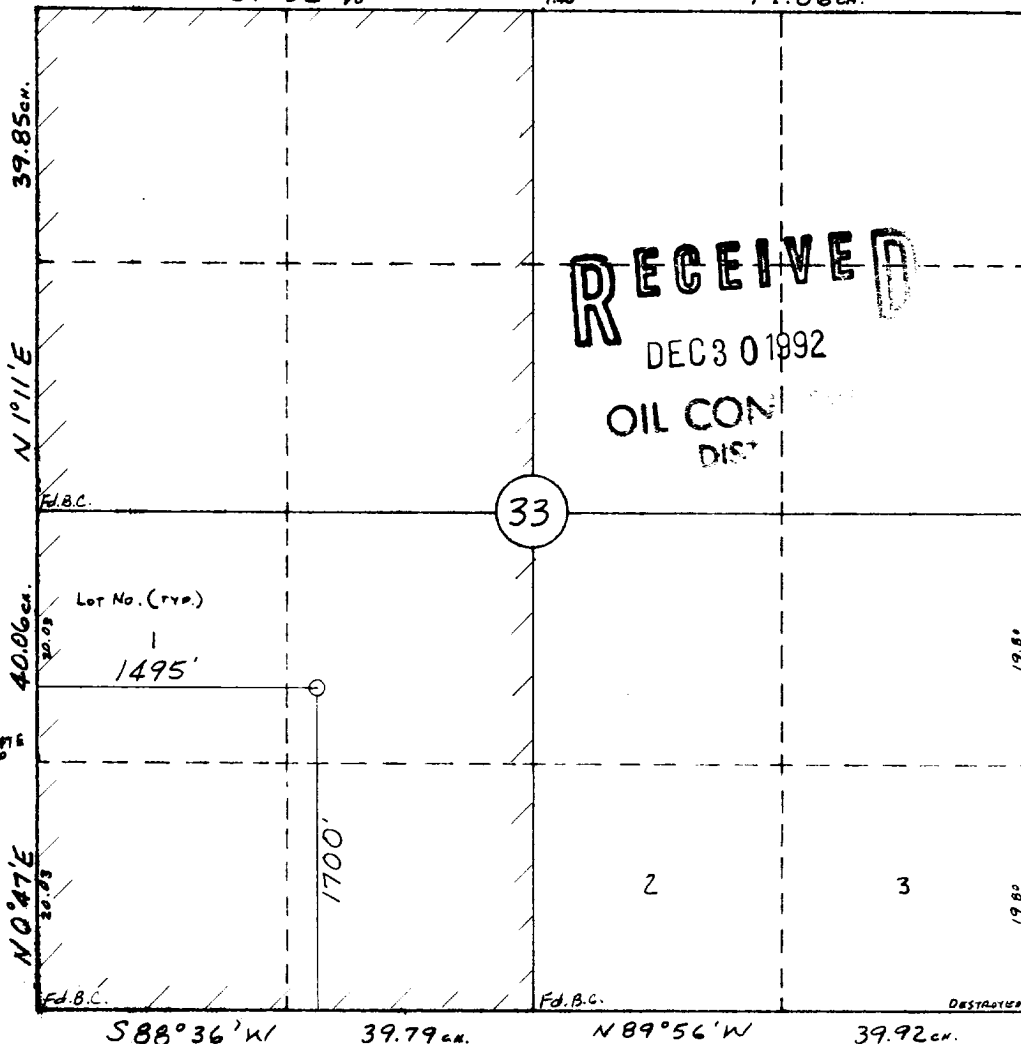
Operator <b>MARALEX RESOURCES, INC.</b>			Lease <b>SHIOTANI</b>		Well No. <b>7</b>
Unit Letter <b>K</b>	Section <b>33</b>	Township <b>30 N</b>	Range <b>12 W</b>	County <b>San Juan</b>	
Actual Footage Location of Well:					
1700 feet from the <b>South</b> line and		1495 feet from the <b>West</b> line			
Ground level Elev <b>5579</b>	Producing Formation <b>Basin Fruitland</b>		Pool <b>Fruitland Coal</b>	Dedicated Acreage <b>320</b> 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 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>					

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

S89°52'W

W.C. 1.40

79.86 CH.



OPERATOR CERTIFICATION

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

Signature

Printed Name

Position

Company Maralex Resources, Inc.  
Agent for SG Interests I

Date

SURVEYOR CERTIFICATION

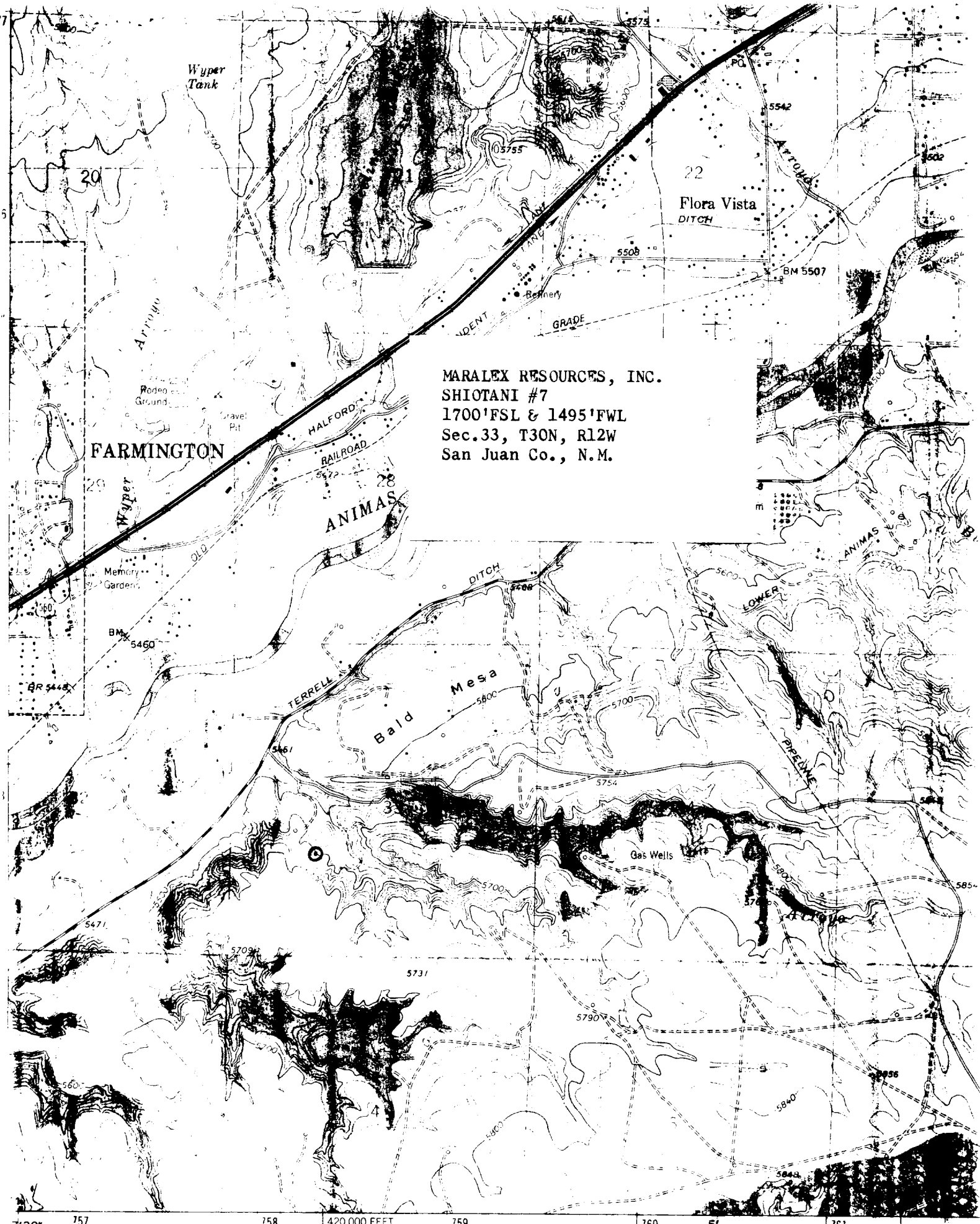
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

William E. Mahoke II

Signature & Seal of Professional Surveyor





MARALEX RESOURCES, INC.  
SHIOTANI #7  
1700'FSL & 1495'FWL  
Sec.33, T30N, R12W  
San Juan Co., N.M.

