

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SG INTERESTS I LTD/MARALEX RESOURCES, INC. (303) 563-4000

3. ADDRESS OF OPERATOR

PO BOX 338, IGNACIO, COLORADO 81137 APT. 30-045-29082

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

At surface: 1167' 1514' FSL, 1174' FWL Sec 33-T31N-R10W
At proposed prod. zone: Same

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

Approx 8 miles northeast of Aztec, NM

15. DISTANCE FROM PROPOSED*

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

1028'

16. NO. OF ACRES IN LEASE

2538.18

18. DISTANCE FROM PROPOSED LOCATION*

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

3150'

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

GL 6308' ✓

This action is procedural rule and appeal period 30 days

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | GENERAL QUALITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--|
| 12-1/4" | 8-5/8" | 24# | 300' | 200 sx Class B plus 2% CaCl ₂ |
| 7-7/8" | 5-1/2" | 15.5# | 3150' | 177 SX CLASS B |

Maralex Resources, Inc. proposes to drill a vertical well to develop the Fruitland Coal Formation at the above described site in accordance with the attached drilling and surface use programs.

An archaeological survey will be conducted to determine any potential sites.

All of the access road for this well is located on this lease, so no right-of-way application is required.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on existing 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

A.M. O'Hare / Drn
A.M. O'Hare

TITLE

AGENT SCINT J, LTD
President, Maralex Resources, Inc.

December 6, 1993

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMCO

FEB 04 1994
DISTRICT MANAGER

*See Instructions On Reverse Side

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | |
|--|---------------------------------------|------------------------------|--|--------------------|
| Operator SG INTERESTS I, LTD | | Lease HART CANYON 33 | | Well No. 2 |
| Unit Letter N | Section 33 | Township 31 N | Range 10 W NMPM | County San Juan |
| Actual Footage Location of Well: 1167 feet from the South line and 1514 feet from the West line | | | | |
| Ground level Elev. | Producing Formation Fruitland Coal | Pool Basin Fruitland Coal | Dedicated Acreage: 5/320 311.86 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 interest 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 interest, has been approved by the Division.

OPERATOR CERTIFICATION

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

Signature Dennis R. Reimers

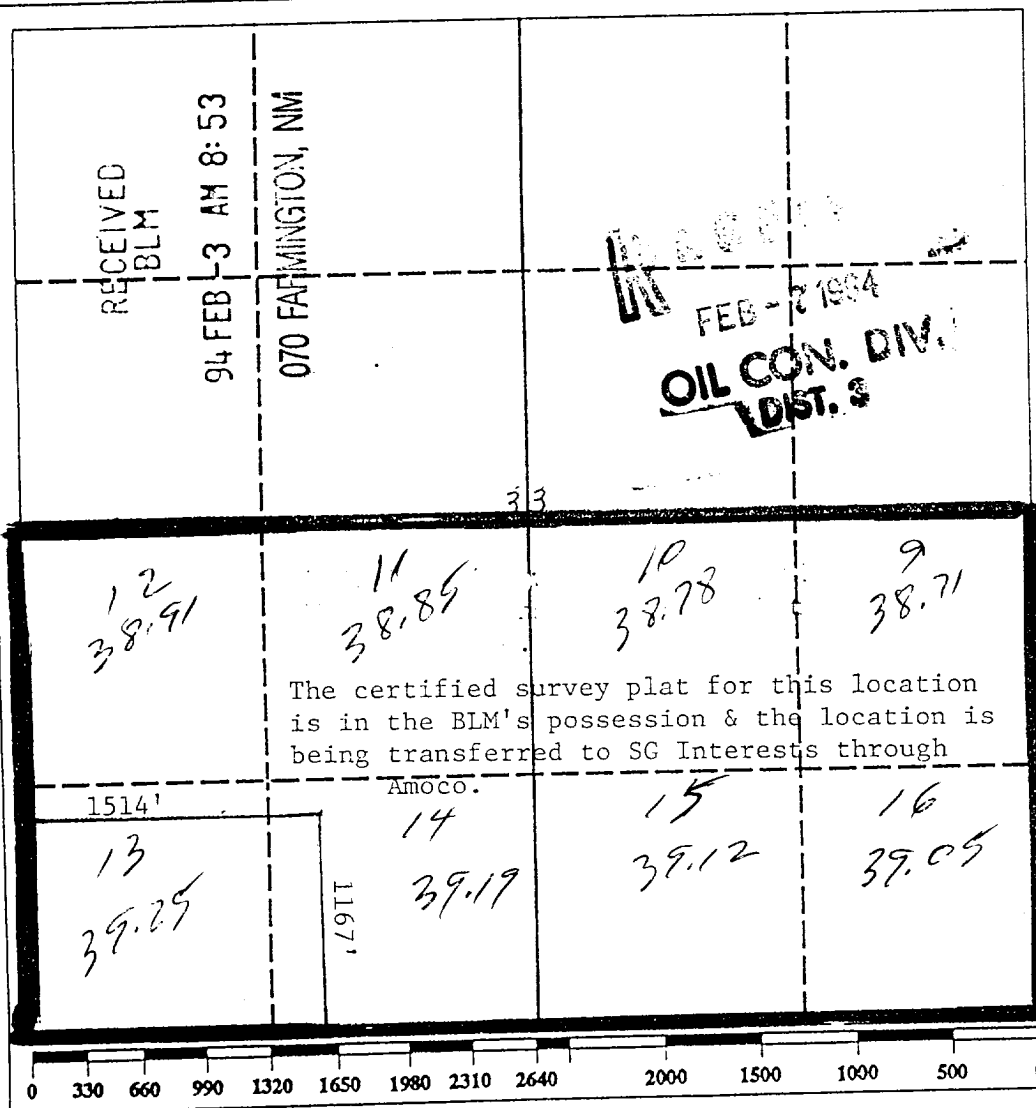
Printed Name
Dennis R. Reimers

Position
Agent

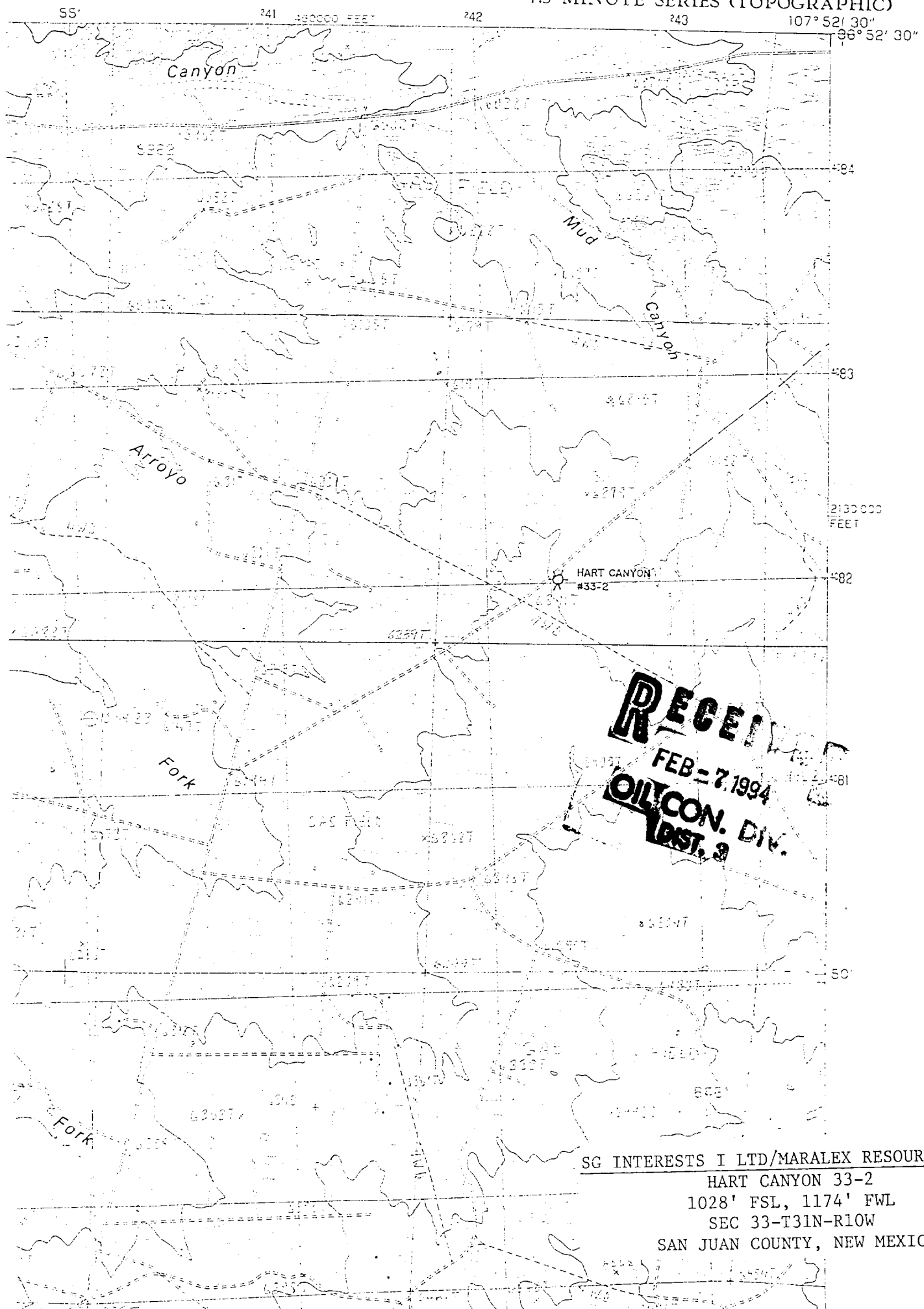
Company
SG Interests I, Ltd

Date
February 2, 1994

| 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 | |
| Signature & Seal of Professional Surveyor | |
| Certificate No. | |



7.5 MINUTE SERIES (TOPOGRAPHIC)



RECEIVED
FEB - 7, 1994
OILCON. DIV.
DIST. 3

SG INTERESTS I LTD/MARALEX RESOURCES, INC.

HART CANYON 33-2
1028' FSL, 1174' FWL
SEC 33-T31N-R10W
SAN JUAN COUNTY, NEW MEXICO