

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

5. Lease Serial No.
COC 36139

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA Agreement, Name and No.
N/A

8. Lease Name and Well No.
Pinto 1-7

9. API Well No.

1a. Type of work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator D. J. Simmons, Inc.

3a. Address 1009 Ridgeway Place, Suite 200
Farmington, NM 87401

3b. Phone No. (include area code)
(505) 326-3753

10. Field and Pool, or Exploratory
Papoose Canyon

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 2,832' FSL & 2,840' FEL, SE/NW Section 7, T39N, R19W, NMPM
At proposed prod. zone Upper Ismay, Desert Creek

11. Sec., T. R. M. or Blk. and Survey or Area
SE/NW Sec. 7, T39N, R19W, NMPM

14. Distance in miles and direction from nearest town or post office*
12 miles Southwest from Dove Creek, CO

12. County or Parish
Dolores County

13. State
CO

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
176 ft. (South)

16. No. of acres in lease
217.38 acres

17. Spacing Unit dedicated to this well
NW 1/4 Section 7, T39N, R19W -
Lots 6-11 & portion of Tract 52

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
1,930 ft. (Santa Fe Canyon Federal 42-7)

19. Proposed Depth
6,325 ft.

20. BLM/BIA Bond No. on file
CO 38420

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
6,608' GL

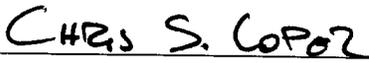
22. Approximate date work will start*
12/30/2012

23. Estimated duration
90 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the BLM. |
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25. Signature 	Name (Printed/Typed) Chris S. Lopez	Date 10/31/2012
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Title
Regulatory Specialist

Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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*(Instructions on page 2)