

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-031-20600

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO.* NM-10522	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Terra Oil Corporation		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 8000 East Girard Ave. Suite 401, Denver, Colorado 80231		8. FARM OR LEASE NAME Michael	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' From the North Line and 1320' from the West line. At proposed prod. zone Same 1220'		9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 20 miles North of San Mateo, N.M.		10. FIELD AND POOL, OR WILDCAT Wildcat	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 660'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 20, T 15 N; R 6 W	
16. NO. OF ACRES IN LEASE 648.62		12. COUNTY OR PARISH 13. STATE McKinley New Mexico	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A	
19. PROPOSED DEPTH 3200'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6620 GR		22. APPROX. DATE WORK WILL START* January 31, 1980	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10 3/4"	8 5/8"	32#	100'	Cement to surface
7 7/8"	5 1/2"	15.5#	3200'	Cement to surface

APPROVED FOR A PERIOD
NOT TO EXCEED 1 YEAR

"APPROVAL TO FLARE GRANTED
WHILE DRILLING AND TESTING."
STIPULATIONS
ATTACHED

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.

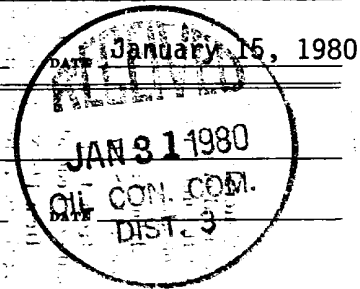
24. SIGNED [Signature] TITLE Consulting Geologist
(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY AS AMENDED
CONDITIONS OF APPROVAL, IF ANY:

[Signature]
JAMES F. SMO
DISTRICT ENGINEER

ah Smk
State



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Form Approved.
Budget Bureau No. 42-R1424

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☒ well ☒ gas well ☐ other

2. NAME OF OPERATOR
Terra Oil Corporation

3. ADDRESS OF OPERATOR
8000 East Girard Ave. Suite 401, Denver CO 80231

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 660' FWL, 1220
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: "

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
CHANGE ZONES ☐
ABANDON* ☐

SUBSEQUENT REPORT OF:

(other) Move location 100' west

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

As requested by Mr. Jerry W. Long, location will be moved 100' West to avoid the quarter/quarter boundary.

5. LEASE NM-10522	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME Michael	
9. WELL NO. 1	
10. FIELD OR WILDCAT NAME Wildcat	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 20, T 15 N; R 16 W	
12. COUNTY OR PARISH McKinley	13. STATE New Mexico
14. API NO.	
15. ELEVATIONS (SHOW DF, KDB, AND WD) 6620' GR	

(NOTE: Report results of multiple completion or zone change on Form 9-330.)



Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED _____ TITLE Consulting Geologist Date January 25, 1980

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

James F. Lewis
DIRECTOR

DURING OFFICE COPY
See Instructions on Reverse Side

State

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

Form C-102
Supersedes C-128
Effective 1-1-65

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

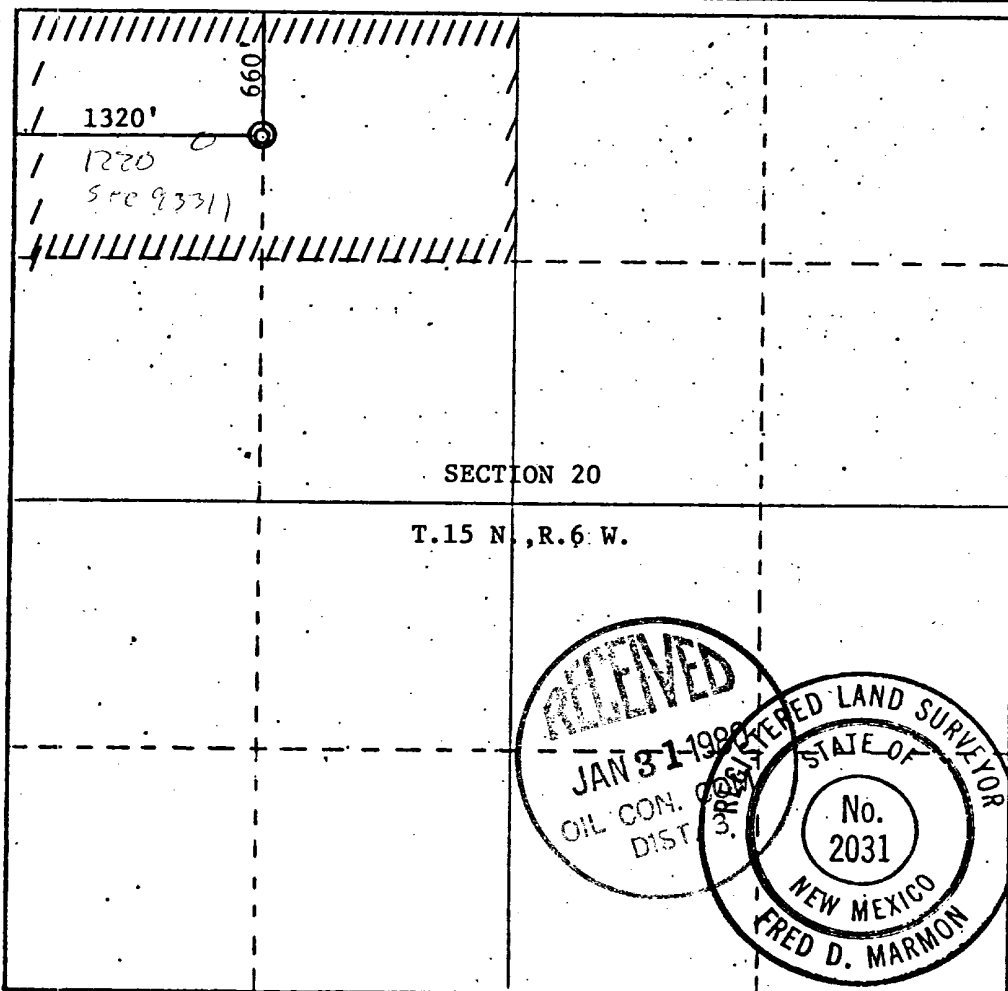
Operator Terra Oil Corporation			Lessee Michael		Well No. 1
Unit Letter C & D	Section 20	Township 15 North	Range 6 West	County Mc Kinley	
Actual Footage Location of Well: 660 feet from the north line and 1320 feet from the west line					
Ground Level Elev. 6620	Producing Formation Entrada	Pool Wildcat	Dedicated Acreage: 80 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

Name
Gene D. Wilson

Position
Consulting Geologist

Company
Terra Oil Corporation

Date
January 15, 1980

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
Jan. 11, 1980

Registered Professional Engineer and/or Land Surveyor
Fred Marmon

Certificate No.
2031



Drilling Plan
Terra Oil Corporation
Well No 1 Michael

Surface Formation: Ct. Footwall

Drilling Equipment: Truck Mounted
Rotary tools

Estimated Tops:

Hesperia	800'
Gallup	950'
Dakota	1750'
Entrada	3020'

Anticipated Water in Gallup
Anticipated Oil in Hesperia, Dakota, Entrada

Casing strings will be cemented with Neat
Cement.

Area of sub-normal pressure, BOP will
not be used.

Drilling fluid will be 10 #/gal mud,
sufficient to contain expected waterflow

No coring or DST's. Full suite of
logs will be run by GO International

This is area of sub-normal pressure
and temperatures. There is no
hydrogen sulfide anticipated.

Fossil Oil



301-B GRACELAND DRIVE, S.E. • ALBUQUERQUE, NEW MEXICO • TELEPHONE 268-9570

Janaury 15, 1980

Mr. Jerry W. Long
District Engineer
U.S. Geological Survey
P.O. Box 1809
Durango, Colorado 81301

Re: NTL-6

Dear Mr. Long:

The NTL-6 for Lease NM 10522 is as follows: (We consider this to be our most important lease, consequently we would appreciate your completing the approval on this one first)

1. Existing roads--

- A. See topographic map. Attached map #1
- B. Located 19 miles North of San Mateo, N.M. on county maintained farm roads.(Dirt). See attached map #2
- C. Access road to location is colored orange. (See map #1)
- D. This is an exploratory well, see map #1 for existing well within 3 miles.
- E. N/A
- F. We will maintain the ranch roads in accordance with the surface owners wishes. The county highway dept. and Gulf Oil Corp. are now repairing the stream crossing 0.5 miles west of the location. The existing roads are in suitable condition for drilling rig transit. The drilling contractors continously use these roads for mineral exploration.

2. P]anned access roads-- See map #3

- A. Width--12'
- B. Maximum grade--3-4%
- C. No turnouts will be necessary.
- D. Access road will drain into existing ranch road ditching.
- E. No culverts will be necessary.
- F. Surfacing material will be natural dirt surface.
- G. No gates or cattle guards will be necessary.

3. Location of existing wells-- See map #1
4. Location of existing and/or Proposed facilities
 - A. There are no existing facilities.
 1. See map #3 for proposed location of production tank, if necessary.
5. Location and type of water supply
 - A. See map #1 for location of water supply, two farm tanks and one well. There is adequate water in the tanks for and the land owner has offered us the water in the two tanks.
 - B. Water will be hauled by the drilling contractors water trucks.
 - C. No new water well will be needed.
6. Source of Construction materials --
 - A. No construction material will be needed.
 - B. & C. N/A
 - D. None. Surface is privately owned.
7. Methods for handling waste materials --
 - A.
 1. Drill cuttings will be left in settling pit until dry then properly buried. See map #3
 2. Drilling fluids will be allowed to dry in mud pits until properly dry then buried.
 3. Produced fluids (oil and Water) Water will be allowed to burn pit, since water is fresh. Oil will be contained in production tanks. Any oil on pits will be properly burned.
 4. Sewage disposal--Porta-Potti and sewage pit. See map #3.
 5. Garbage will be disposed of into a deep garbage pit burned and buried.
 6. All trash near location will be picked up and burned. All other materials will be hauled off by contractor.
8. Ancillary Facilities --
 - A. None will be needed.
9. Well site layout -- See detail map #3
10. Plans for restoration of the surface -- See attached rehabilitation plan.
11. Other Information -- See attached portion of archeological survey by Karol J. Klager. Entitled "Environmental Setting".

12. Lessee's or Operator's Representative

A. Bill Ballard
Terra Oil Corporation
1601 Pennsylvania N.E.
U-18
Albuquerque, N.M. 87110
Telephone -- 505-884-9160

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by The Chesney Drilling Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

January 15, 1980
Date

Bill Ballard
Bill Ballard

Title

If there is anything else that you need, please let me know.

Very truly yours:

Gene D. Wilson
Gene D. Wilson AIPG
Consulting Geologist

Lease No.: NM 10522; Well Name and No.: Terra Oil Corp. Michaels #1
 Location: 660' FNL, 1320' FWL N/2, NW, Sec. 20, T. 15 N., R. 6 W.

McKinley County, N.M. intends to drill a well on surface owned by Albert Michael. The ~~lessee~~ operator agrees to complete the following rehabilitation work if the well is a producer:

☒ Yes ☐ No Maintain access road and provide adequate drainage to road.

☒ Yes ☐ No Reshape and reseed any area not needed for maintenance of the pump and support facilities.

Other requirements: None

The following work will be completed when the well is abandoned:

☒ Yes ☐ No Pit will be fenced until dry, then filled to conform to surrounding topography.

☒ Yes ☐ No Water bars will be constructed as deemed necessary.

☐ Yes ☒ No Site will require reshaping to conform to surrounding topography.

☒ Yes ☐ No Entire disturbed area will be reseeded. If yes, the following seed mixture will be used.

Western Wheat Grass as suggested by Mr. Albert Michael.

☒ Yes ☐ No Access road will be closed, rehabilitated and reseeded using the same seed mixture as above.

☐ Yes ☒ No Access road will remain for surface owner's use.

☒ Yes ☐ No Water bars will be constructed on the access road as deemed necessary.

Other requirements: None

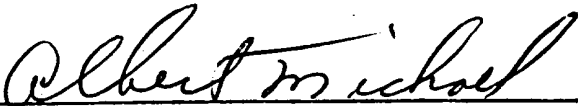
Surface Owner:

Name: Albert Michael
 Address: 619 West Santa Fe
 City: Grants
 State: New Mexico
 Telephone: 287-4292 AC 505
 Date: January 3, 1980

Operator/Lessee:

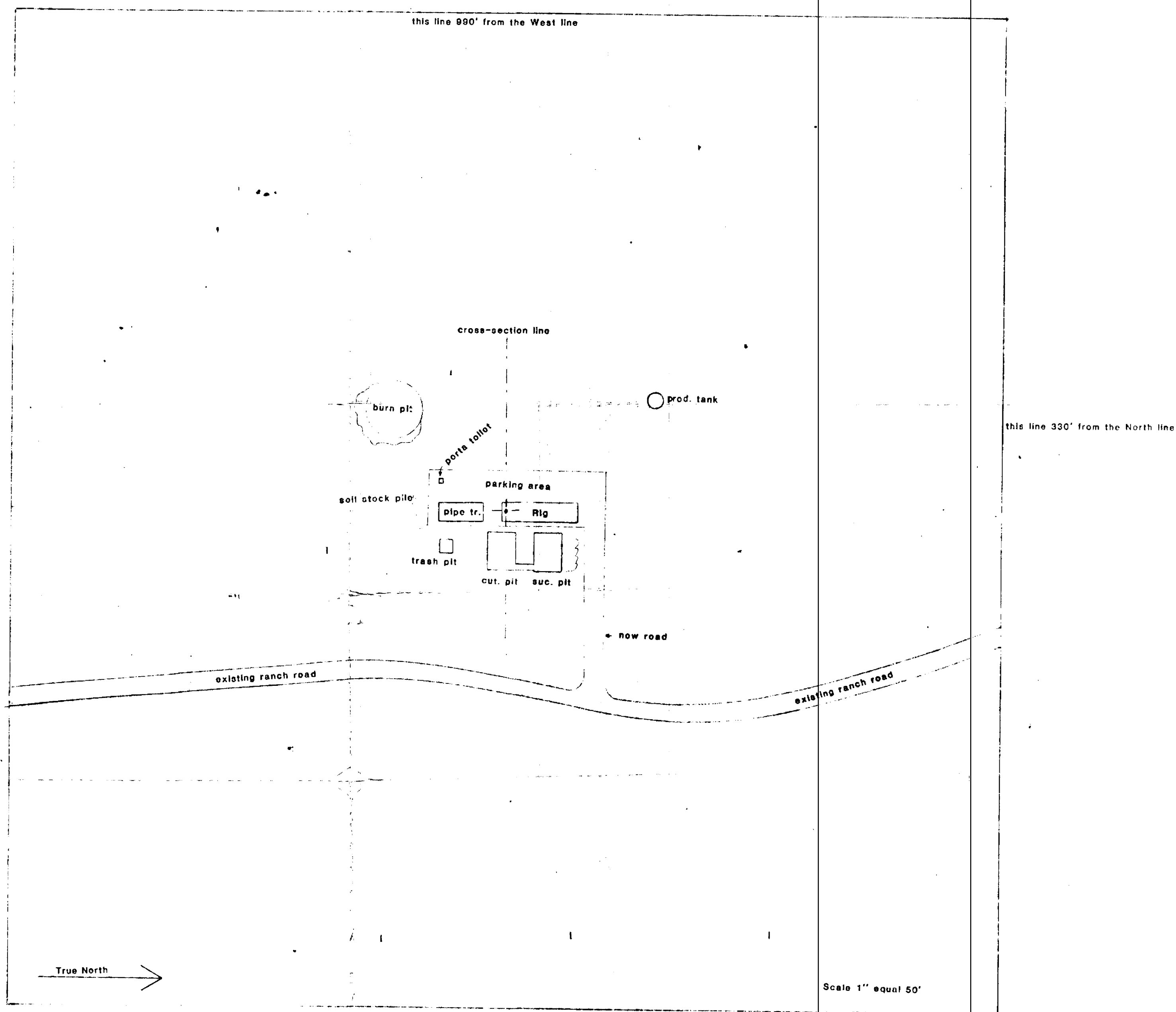
Name: Terra Oil Corporation
 Address: 8000 East Girard Avenue Suite 401
 City: Denver, Colorado 80231
 State: _____
 Telephone: 303-750-5531
 Date: January 3, 1980

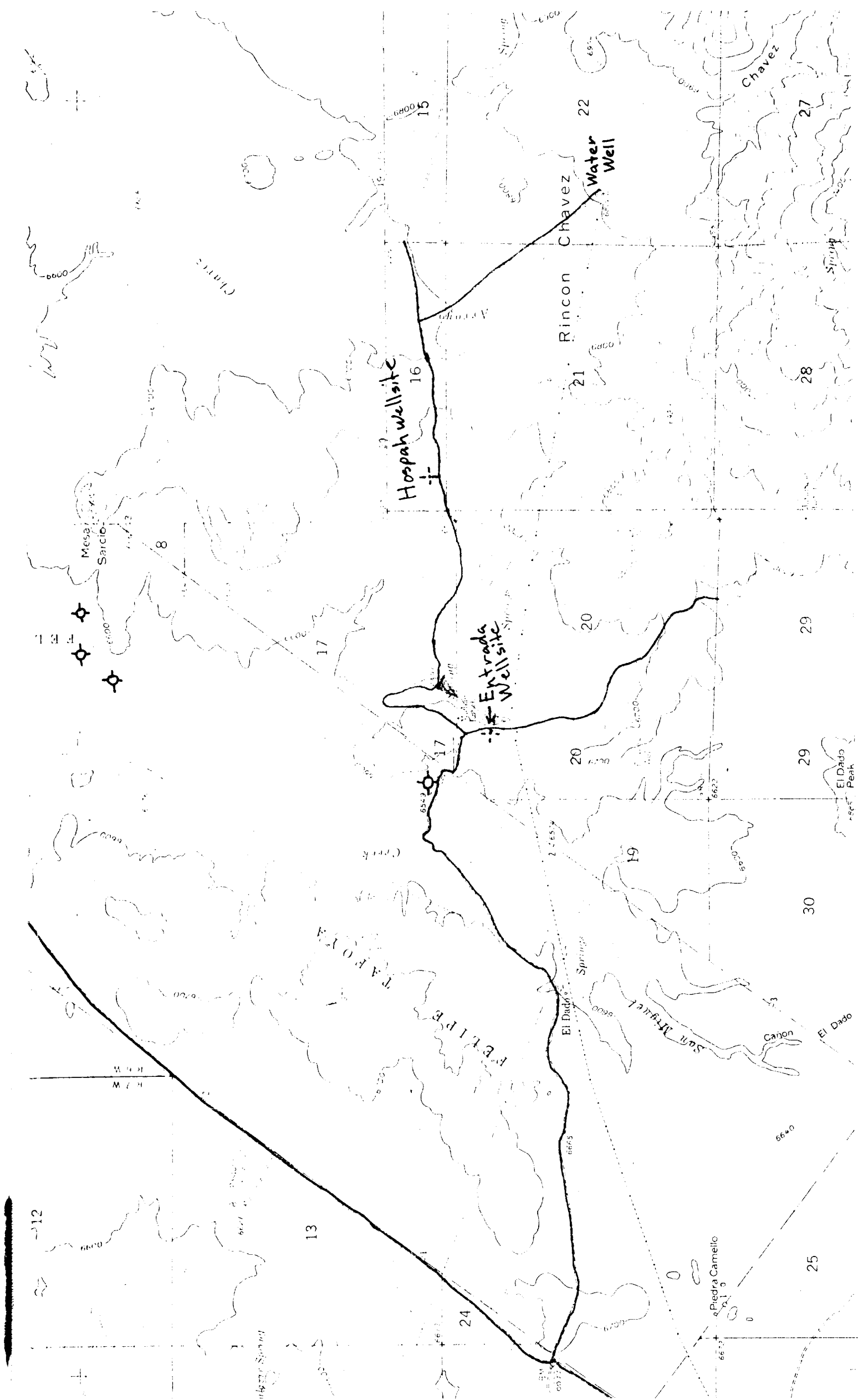
I CERTIFY that above rehabilitation plan is acceptable to me. I also waive an intensive Cultural Resource Field Inventory.


 (Surface owner's signature)

This plan does not affect any other agreements between the lessee/operator and surface owner.

Terra Oil Corp.
Entrada Well Location
T. 15 N. R. 6 W.
660' from the North line
1320' from the West line
Section 20





+

12

1/4 W
1/4 W

13

24

25

Piedra Camello

25

PELIPPE
FAHOLA

El Dado

Springs

San Miguel

6600

Canon

El Dado

30

29

29

28

27

Chavez

22

Rincon Chavez

Water Well

Entrada Well site

Hoshpah Well site

Mesa

Sarclo

8

17

20

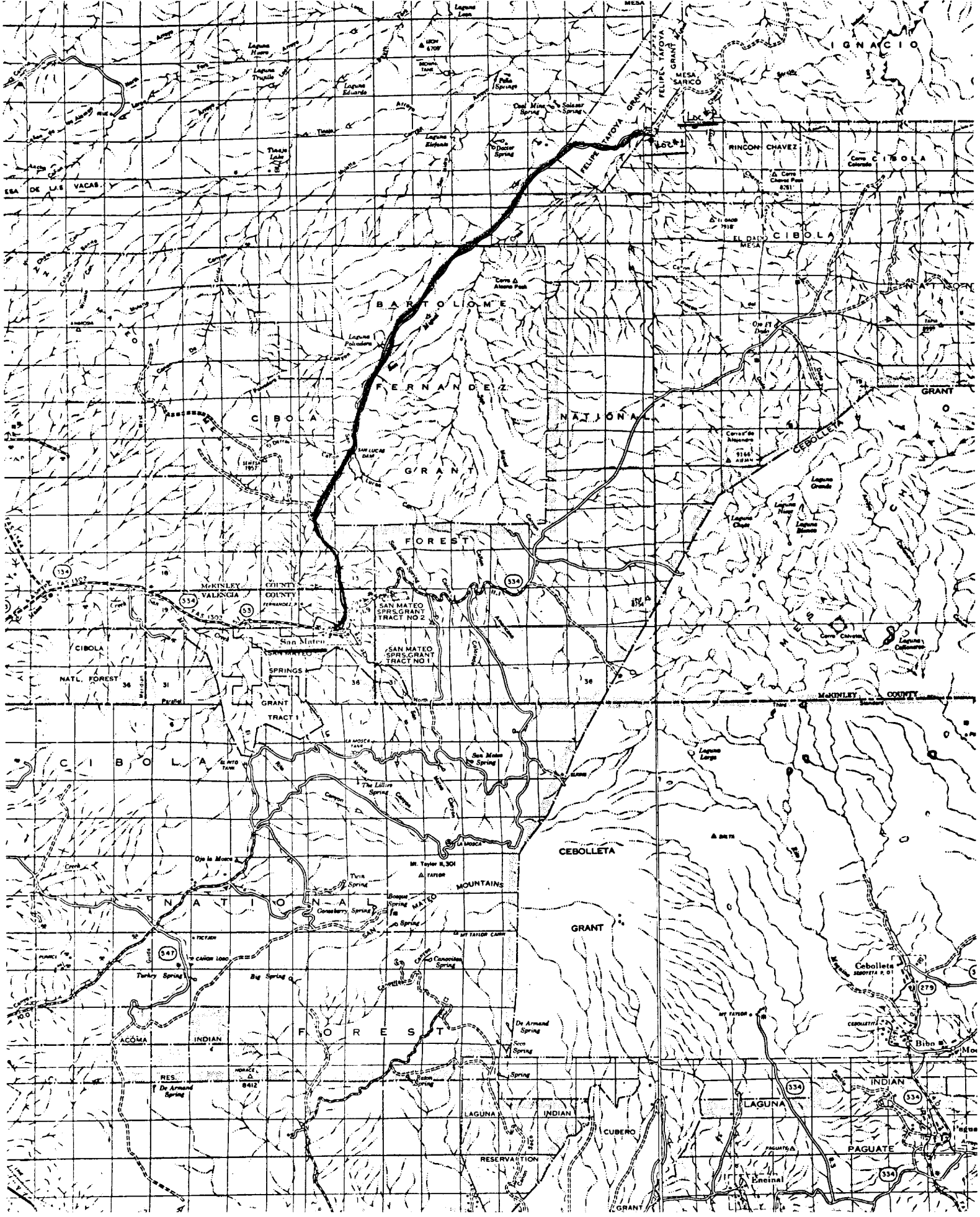
19

Creek

17

16

15



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

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AT TOTAL DEPTH: "

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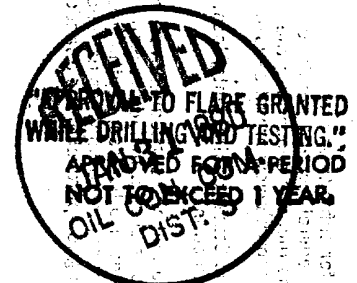
REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF	<input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>	<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>	<input type="checkbox"/>
(other) Move location 100' west		

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12. COUNTY OR PARISH McKinley 13. STATE New Mexico
14. API NO.
15. ELEVATIONS (SHOW DF, KDB, AND WD) 6620' GR

(NOTE: Report results of multiple completion or zone change on Form 9-330.)



STIPULATIONS
ATTACHED

Subsurface Safety Valve: Manu. and Type

Set @ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature] TITLE Consulting Geologist DATE January 25, 1980

(This space for Federal or State office use)

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE DATE

JAN 26 1980
James F. Sims
DISTRICT ENGINEER

*See Instructions on Reverse Side