SUBMIT IN TRIPLICATE*

Form approved. Budget Bureau No. 42-R1425.

(Other instructions on reverse side)

| UNITED STATES | | | | | |
|---------------|----|-----|----------|--|--|
| DEPARTMENT | OF | THE | INTERIOR | | |

| | | ED STATES | | reverse si | de) | 30 -043 | -20360 |
|--|---|------------------|-------------------------------|--------------------|-----------------------|----------------------------|----------------|
| DEPARTMENT OF THE INTERIOR | | | | | 5. LEASE DESIGNATION | AND SERIAL NO. | |
| GEOLOGICAL SURVEY | | | | | NM 17008 | 3 | |
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | | | | | 6. IF INDIAN, ALLOTTE | E OR TRIBE NAME | |
| 1a. TYPE OF WORK | ILL 🛚 | DEEPEN | | PLUG BAG | CK 🗆 | 7. UNIT AGREEMENT N | AME |
| WELL W | AS OTHER | | SINGLE X | MULTIP ZONE | LE | 8. FARM OR LEASE NA | |
| 2. NAME OF OPERATOR | | | | | | Federal 20- | 22-6 |
| | al Group, Inc | · | | | | 9. WELL NO. | |
| 3. ADDRESS OF OPERATOR | | | | | | 1 | |
| 3200 Anacond | a Tower, 555 eport location clearly and | <u> 17th St.</u> | , Denver | <u>. CO 802</u> | 02 | 10. FIELD AND POOL, O | OR WILDCAT |
| 4. LOCATION OF WELL (R At surface | eport location clearly and | in accordance wi | in any State requ | rements. | | Wildcat C | ACTA |
| 1480' FSL & 1140' FWL Section 20-T22N-R6W | | | | | AND SURVEY OR AL | REA | |
| At proposed prod. zon | ne | | | | | Section 20- | ·T22N-R6W |
| | | THE MOWN OF THE | m ommicum\$ | | | SW 12. COUNTY OR PARISH | b/12 cm.m. |
| | AND DIRECTION FROM NEAR | | | | | | |
| | of Counselor | , New Me | XICO | DO THE PROPERTY. | 1 17 No. (| Sandoval | <u> </u> |
| 15. DISTANCE FROM PROPO LOCATION TO NEARES! | r | | | | тот | HIS WELL | ass'' |
| PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1140' 640 | | | . | 160 | | | |
| 18. DISTANCE FROM PROPOSED LOCATION* 19. PROPOSED DEPTH 20. ROT. | | | 20. ROTA | RY OR CABLE TOOLS | | | |
| OR APPLIED FOR, ON THIS LEASE, FT. NONE 2100 | | | | <u> </u> | Rotary | | |
| 21. ELEVATIONS (Show wh | ether DF, RT, GR, etc.) | | | | | 22. APPROX. DATE WO | BK WILL START* |
| 6917 GR | | | | | | As soon as | permitted |
| 23. | P | ROPOSED CASI | NG AND CEMEN | TING PROGRA | M | | |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER F | WEIGHT PER FOOT SETTING DEPTH | | | QUANTITY OF CEMENT | |
| 12½ | 7" used | 23 | 100 | | 1 | 100 sx. circ. | |
| 64 | 4½" new | 9.5 | 210 | 2100 220 sx. circ. | | | |
| | | | | | | | |
| | I | l . | ı | | • | | |

The above well is being drilled to evaluate the Chacra formation. Completion intervals and stimulation program will be determined from the study of logs. This acreage is not dedicated to a gas purchaser. Additional information required by NTL-6 for the application to drill and a Multi-Point Surface Use Plan are attached

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.

| preventer program, n any. | | |
|--|----------------------|-------------------------|
| 8IGNED Paul C. Filison | TITLE Production Man | ager DATE July 18, 1978 |
| (This space for Federal or State office use) | | |
| PERMIT NO. | APPROVAL DATE | |
| APPROVED BYCONDITIONS OF APPROVAL, IF ANY: | TITLE | JUE 2 0 1978 |

oh 5 rack

U. S. GEOLOGICAL SURVEY LUDALLED, COLO.

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Consult Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-122 Effective 1-1-65

All distances must be from the outer boundaries of the Section. Well Ho. Operator INC. FEDERAL 20-22-6 BENSON MINERAL GROUP, **Hait Letter** County 6W 20 22N Sandova] Actual Postage Location of Well: 1140 1480 South feet from the line and Ground Level Elev. Producing Formation Dedicated Acresses 160 Chacra Acres 6917 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? If answer is "yes," type of consolidation ._ Yes □ No 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. Paul C. Ellison Production Manager Fesition Benson Mineral Group, Inc. July 18, 1978 Sec 20 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 1110' knowledge and belief. Certificate No.

Federal 20-22-6 Well #1
1480' FSL & 1140' FWL Sec. 20-T22N-R6W
Sandoval County, N. M.

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 BENSON MINERAL GROUP, and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

July 18, 1978 Date

Paul C. Ellison

Production Manager

Benson Mineral Group Inc.'s Representative:

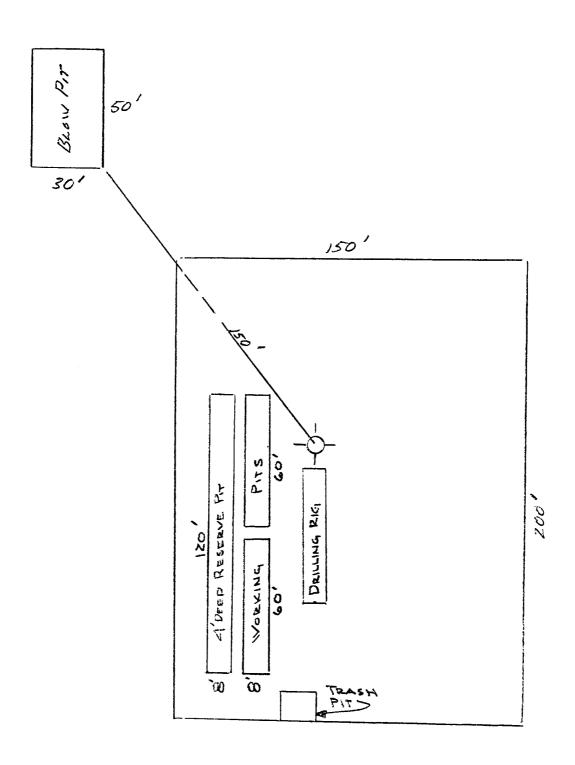
Paul C. Ellison

Phone: Office: 303-893-0883; Home: 303-979-9021

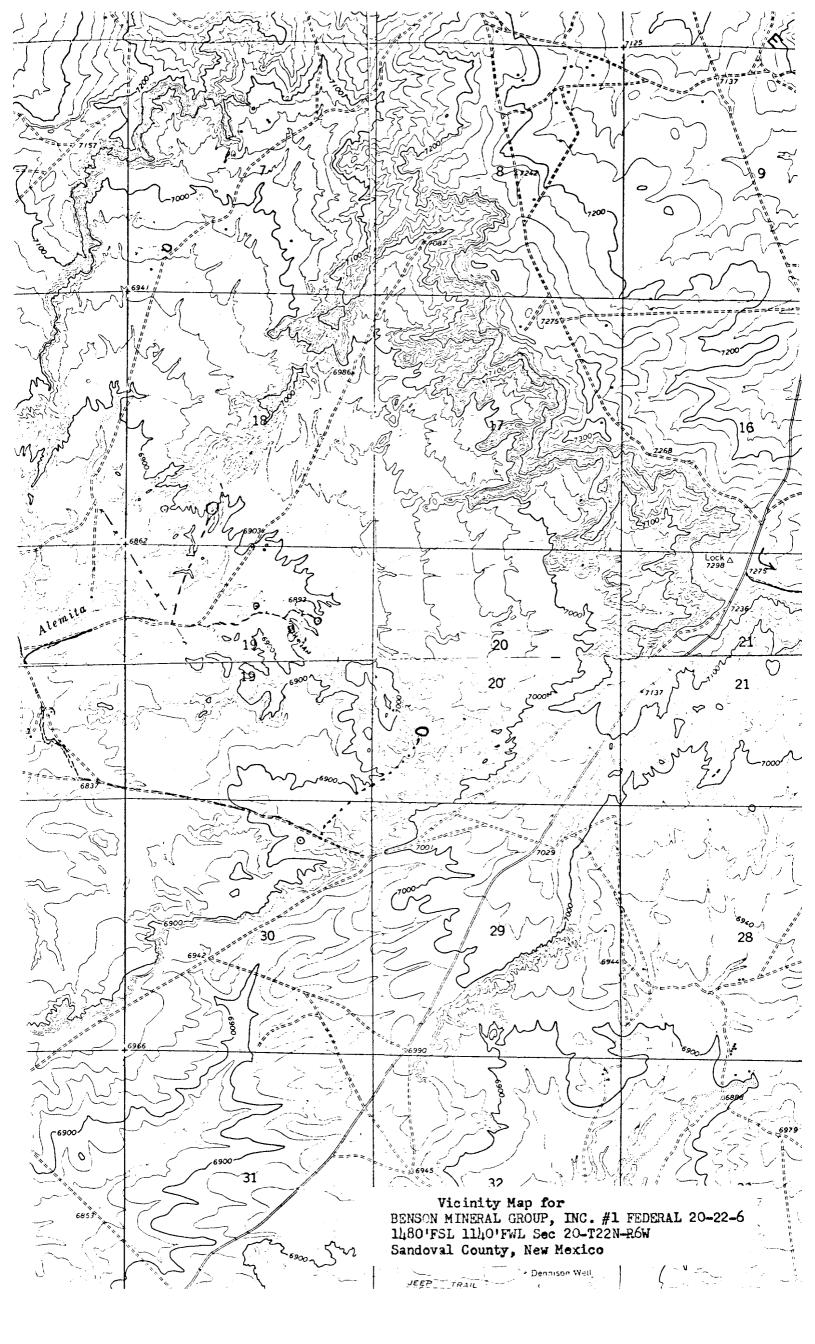
Address: 3200 Anacorda Tower

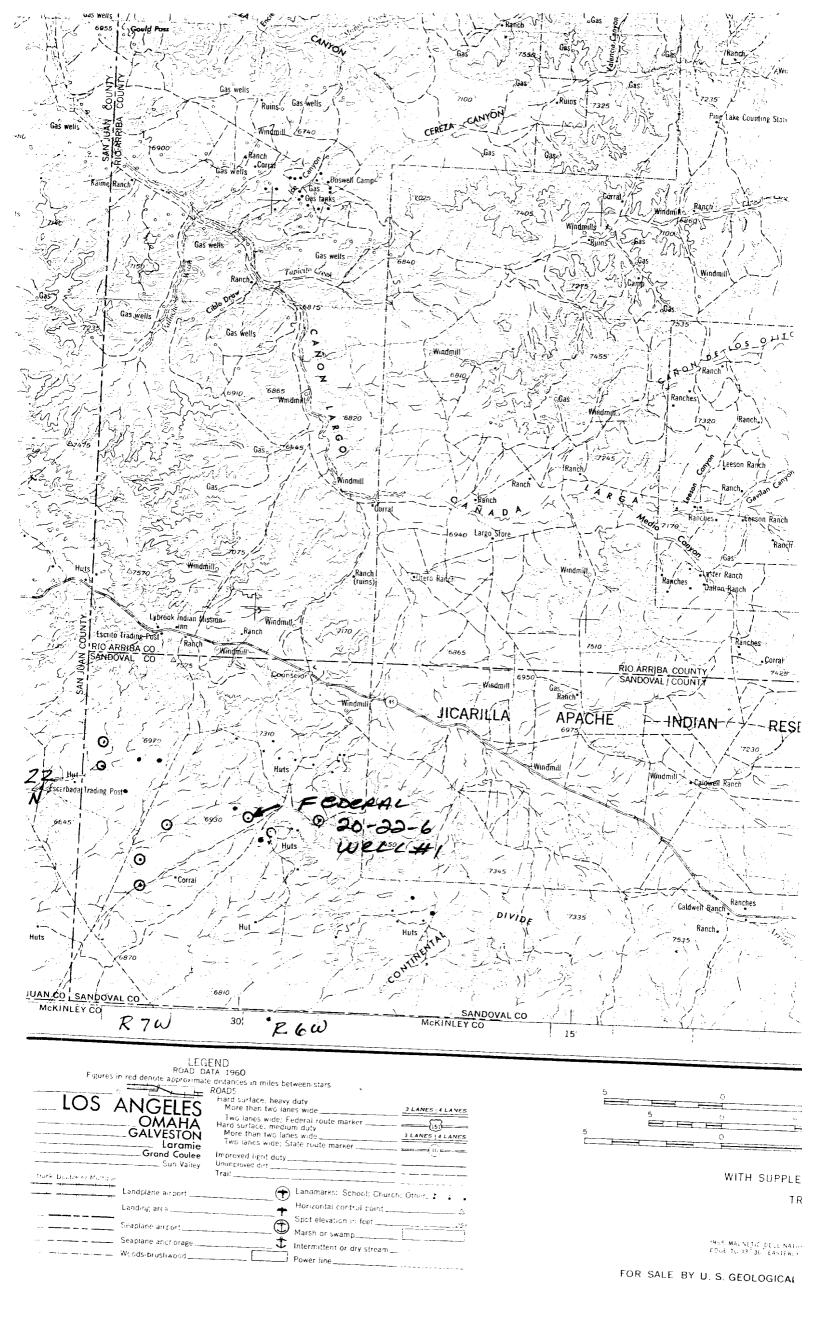
555 17th Street

Denver, Colorado 80202



PROPOSED LOCATION





SUPPLEMENTAL INFORMATION TO FORM 9-331C REQUIRED BY NTL-6

Federal 20-22-6 Well #1
1480' FSL & 1140' FWL Section 20-T22N-R6W
Sandoval County, N. M.

The geologic name of the surface formation is: Tertiary Paleocene

The estimated tops of important geological formations bearing hydrocarbons to be drilled are:

| Formation | Depth | Elevation |
|-------------|-------|-----------|
| Chacra | 1773 | +5150 |
| Total Depth | 2100 | |

Estimated K.B. elevation: 6923 KB

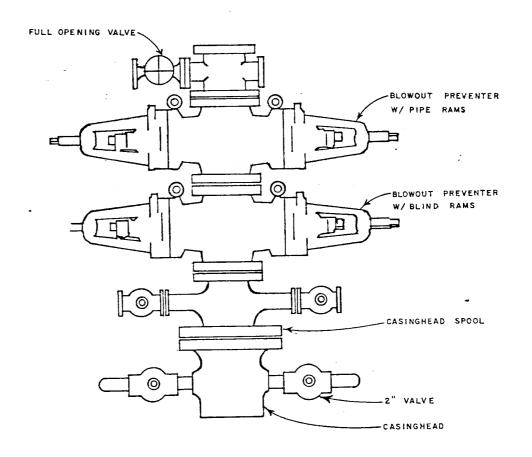
| Estimated Depth | Casing Size | Casing Weight | <u>Hole</u> Size | Sacks Cement | Type |
|--------------------|----------------|------------------|---------------------|-----------------|---|
| 100 | 7" Used | 23 | 12¼" | 100 | Class "B" 2% CaCl ₂ |
| 2100 | 4½" New | 9.5 | 6¾" | 50 170 | Class "B" Class "B" 50-50 Poz mix, 6% gel with ¼# Celloflake/sack |

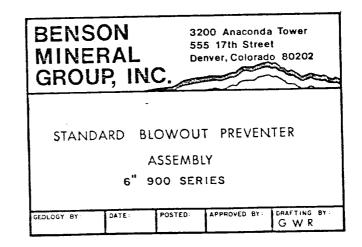
Benson Mineral Group Inc.'s standard blowout prevention will be employed, see the attached drawing of the preventor design.

Drilling fluid to be a low solids non-dispersed mud system.

The logging program will be as follows: Induction-Electric and Compensated Density-Gamma Ray from surface casing point to total depth.

Past experience in this area has shown that no abnormal pressures, temperatures, or hydrogen sulfide gas will be encountered.





MULTI-POINT SURFACE USE PLAN

Federal 20-22-6 Well #1
1480' FSL & 1140' FWL Sec. 20-T22N-R6W
Sandoval County, N. M.

- 1. The attached road map and sketch show the proposed route to the location and distances from towns.
- 2. An access road of 3/4 mile will be constructed as a new permanent road to location.
- 3. Existing oil and gas wells within a one-mile radius of our proposed well have been spotted on the vicinity map.
- 4. There are no storage tanks or facilities located within a one-mile radius of our proposed location.
- 5. Water will be hauled by truck from various existing private water sources over existing permanent roads.
- 6. No construction materials will be hauled in for this location. Material from high points on location will be used to level location for proper drilling.
- 7. A 20' X 120' pit will be built on location to hold all drilling waste. Upon completion of well, all waste and liquid will be hauled by truck and bladed into existing roads. All other waste will be covered in 20' X 120' reserve pit.
- There are neither airstrips nor camps in the vicinity.
- 9. The well site layout, reserve, burn and trash pits are shown on the attached Drill Site Specification Sheet.
- 10. Restoration of the surface will be accomplished by cleaning up and leveling upon completion of the well. Drilling mud will be hauled away and the reserve pit back filled. Reseeding of the site will be carried out as detailed by the Surface Management Agency at the time at the site examination.
- 11. The general topography and soil characteristics consist of fairly level terrain with vegetation of sagebrush and a few small pinion trees.
 - Representatives of the U.S. Geological Survey's Durango Office and Bureau of Land Management's Farmington Office will inspect the site. Cultural resources inspection will be conducted by an archaeologist from San Juan College or Salmon Ruins.
- 12. A Certification Statement by Benson Mineral Group, Inc.'s representative is included.