SUBMIT IN TRIPLICATE* (Other instructions on

Form approved. Budget Bureau No. 42-R1425.

HMITED STATES -

| | UNITED STATES | | | | | | - 20393 | | |
|---|----------------------------|------------------------|-----------------------|------------|---------------------------|------------------------------|-------------------------------------|--|--|
| DEPARTMENT OF THE INTERIOR | | | | | | | 5. LEASE DESIGNATION AND SERIAL NO. | | |
| GEOLOGICAL SURVEY | | | | | | | NM-6676 | | |
| APPLICATION | I FOR PERMIT T | O DRILL, I | DEEPEN, OR | PLUG BA | CK | 6. IF INDIAN, ALLOT | TEE OR TRIBE NAME | | |
| a. TYPE OF WORK DRI | | 7. UNIT AGREEMENT NAME | | | | | | | |
| b. TYPE OF WELL OIL CAS SINGLE MULTIPLE | | | | | | | 8. FARM OR LEASE NAME | | |
| WELL W | | Federal 29-22-6 | | | | | | | |
| Benson Miner | al Group, Inc | c | - 17 | | | 9. WELL NO. | | | |
| ADDRESS OF OPERATOR | | | | | | 2 | | | |
| 3200 Anacond | a Tower, 555 | 17th St. | , Denver, | CO 8020 | 2 | 10. FEID AN POOL OF WILDCAT | | | |
| LOCATION OF WELL (Re | eport location clearly and | in accordance wit | th any State requires | ments.*) | | Rusty Cha | cra | | |
| 1580' FNL & 830' FWL Section 29-T22N-R6W | | | | | | | R BLK. | | |
| At proposed prod. zon- | e | | | | | | | | |
| Same | | | | | | | Sec. 29-T22N-R6W | | |
| 4. DISTANCE IN MILES A | ND DIRECTION FROM NEAR | EST TOWN OR POS | T OFFICE* | | | 12. COUNTY OR PARI | SH 13. STATE | | |
| 7.5 miles so | uthwest of Co | ounselor, | New Mexic | co | | Sandoval | N.M. | | |
| 5. DISTANCE FROM PROPO LOCATION TO NEAREST | | | 16. NO. OF ACRES | IN LEASE 1 | | F ACRES ASSIGNED HIS WELL | | | |
| PROPERTY OR LEASE L (Also to nearest drig | 1160 160 | | | | | | | | |
| 18. DISTANCE FROM PROPOSED LOCATION* 19. PROPOSED DEPTH | | | | | 20. ROTARY OR CABLE TOOLS | | | | |
| TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2500 1 | | | | | | Rotary | | | |
| 21. ELEVATIONS (Show whe | ther DF, RT, GR, etc.) | | | | | 22. APPROX. DATE | WORK WILL START* | | |
| 6980 GR | | | | | | As soon | as permitt | | |
| 23. | P | ROPOSED CASI | NG AND CEMENTI | NG PROGRAM | | | | | |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER F | FOOT SETTING DEPTH | | | QUANTITY OF CEMENT | | | |
| 9-5/8" | 7" used | 23 | 100 | | 50 sx. circ. | | С. | | |
| 6¼" 4½" new | | 9.5 | 1960 | | | 05 sx. cir | | | |
| | | <u> </u> | | | | 7 | | | |
| i | | | | 1 | | | | | |

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.

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. 9-28-78 Production Manager

Paul C. Ellison (This space for Federal or State office use)

APPROVAL DATE PERMIT NO. _

TITLE CONDITIONS OF APPROVAL, IF ANY:

SIGNED

APPROVED BY

*See Instructions On Reverse Side U. S. GEOLOGICAL SURVEY BURANGO, COLO.

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

| Operator | EDAT ODOMO T | 10 | Lea | | | - | | Well No. | |
|--------------------------|---|---|---------------|---|-----------------|-------------|--|---|--|
| | ERAL GROUP, I | , | 1 | T | <u> 29-22-6</u> | | | 2 | |
| Unit Letter E | Section 29 | Township 22N | | Range 6W | | County | .7 | _ | • |
| Actual Footage Loc | | 22:1 | | I OW | | Sandova | 11 | | |
| 1580 | | rth | line and 8 | 30 | feet | from the W | lest | line | |
| Ground Level Elev. | 1 . | | Poo | 1 | Wil | deat | L | edicated Acreage | |
| 6980 | Cha | | | | Rusty | ondora. | CH! | 160 | Acres |
| 2. If more th | ne acreage dedica han one lease is nd royalty). | | - | | • | | | • | to working |
| | an one lease of decommunitization, u | | rce-pooling. | etc? | | ave the in | terests of a | all owners bee | n consoli- |
| this form i No allowa | is "no," list the if necessary.) ble will be assign ling, or otherwise) | ed to the well | until all int | erests ha | ave been co | onsolidated | l (by comm | unitization, u | mitization, |
| | 1 | | | ! | | — <u> </u> | | CERTIFICATION | ı |
| 830, | | | - | - | | | Name Paul C. Position | Ellison Manag | nplete to the lief. |
| | i ! ! | Sec | | 1 . | | 1 | Date | Mineral G | |
| | | | 29 | 1 | | | shown on the notes of ac- under my sc | ertify that the viss plat was plott tal surveys manapervision, and the correct to the and belief. | ed from field de by me or not the same |
| | | | | | | | Date Surveyed Septembre Registered Promd/or Loand S Fred B | oer 21 197 | 8 per |
| 0 330 660 | 90 1320 1650 196 | 0 2310 2640 | 2000 | 1500 | 1000 500 | · | 3950 | KEAR, She | # |

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

Federal 29-22-6 Well #1 1580' FNL & 830' FWL Section 29-T22N-R6W Sandoval County, New Mexico

The geologic name of the surface formation is: Tertiary Nacimiento

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

| Formation | Depth | Elevation |
|-------------|-------|-----------|
| Chacra | 1785 | +5195 |
| Total Depth | 1960 | |

Estimated K.B. elevation: 6980 GR

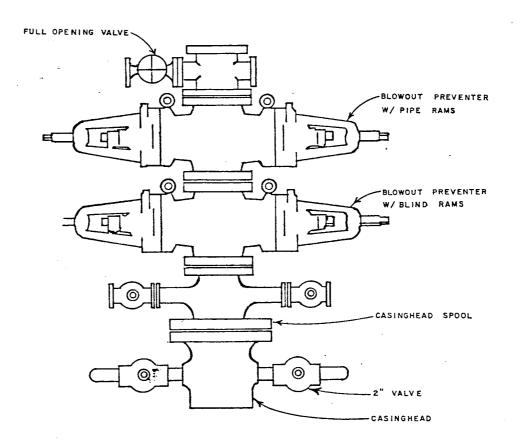
| Estimated Depth | Casing Size | Casing Weight | Hole Size | Sacks Cement | <u>Type</u> |
|-----------------|----------------|------------------|--------------|-------------------|--|
| 100 | 7" Used | 23 | 9 5/8" | 50 | Class "B" 2% CaCl ₂ |
| 1960 | 4½" New | 9.5 | 614" | 50 14 5 | Class "B" Class "B" 50-50 Poz mix, 6% gel with 装集 Celloflake/sack |

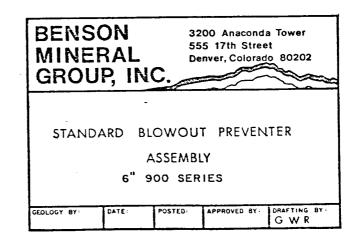
Benson Mineral Group Inc.'s standard blowout prevention will be employed, see the attached drawing of the preventor design.

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.

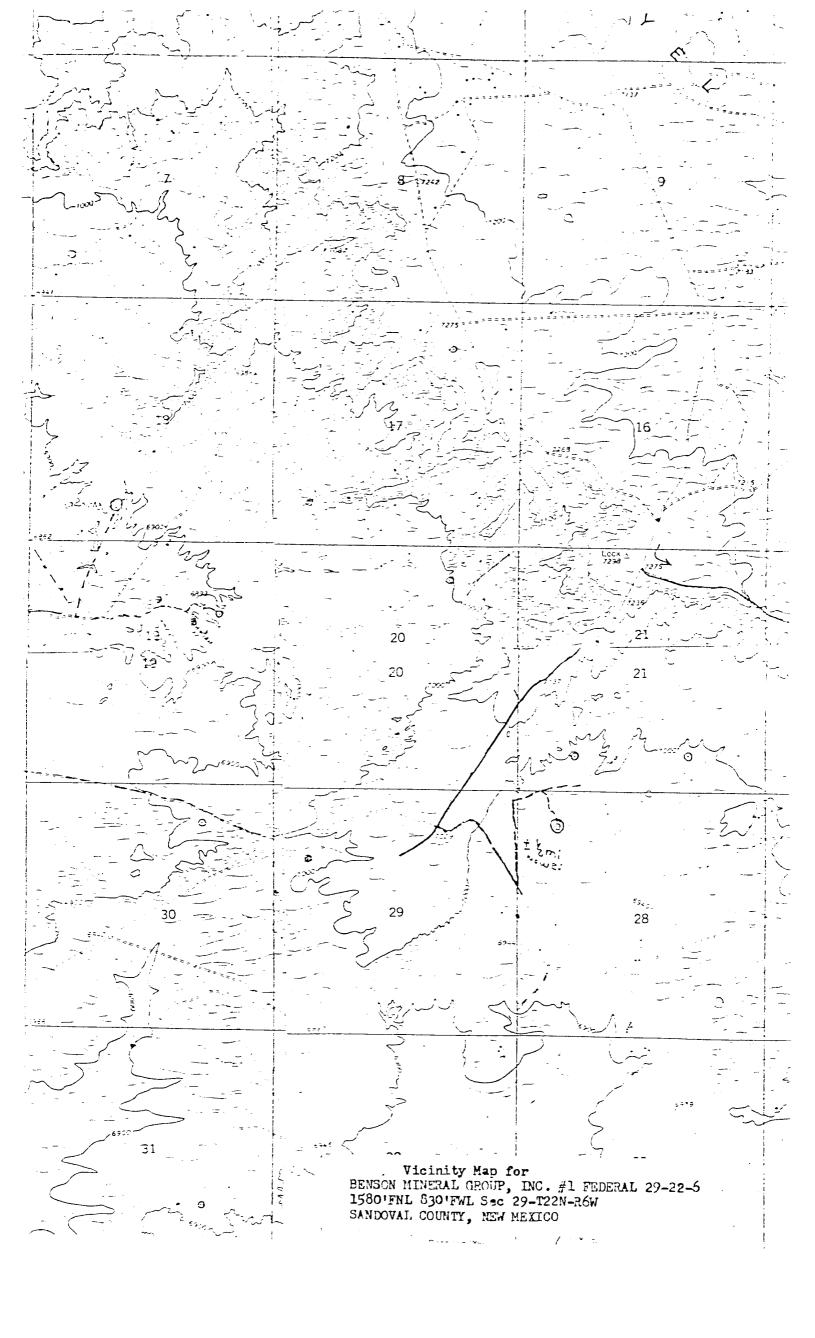


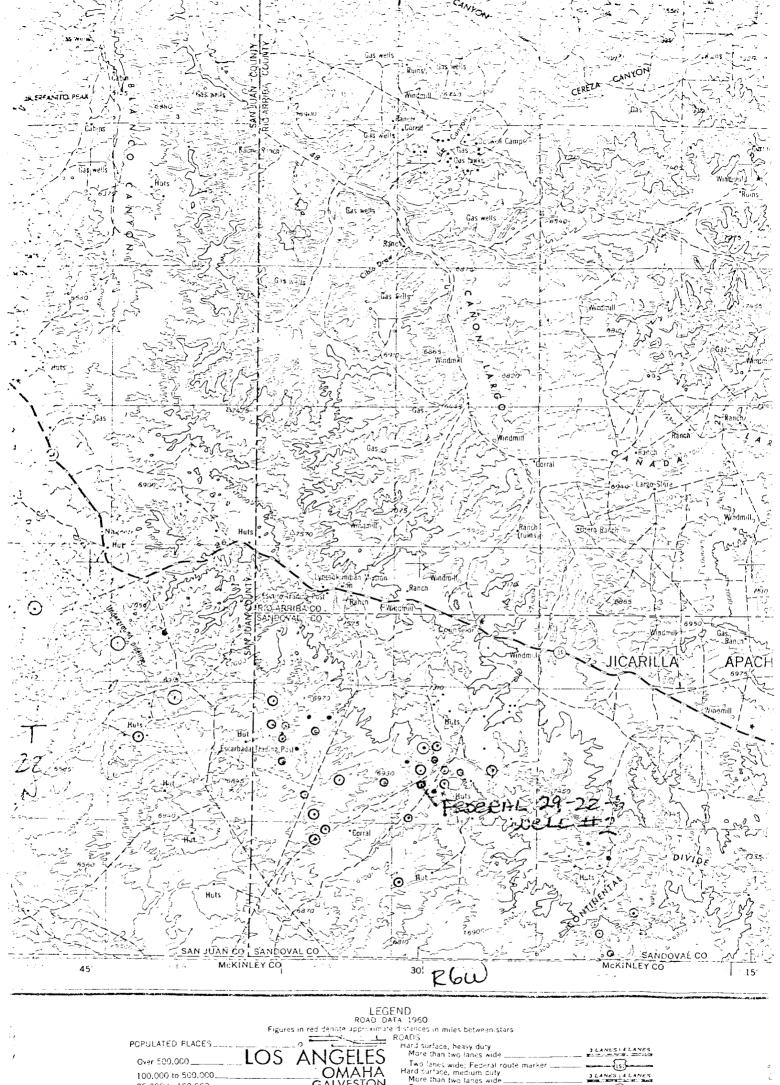


MULTI-POINT SURFACE USE PLAN

Federal 29-22-6 Well #1 1580' FNL & 830' FWL Section 29-T22N-R6W Sandoval County, New Mexico

- 1. The attached road map and sketch show the proposed route to the location and distances from towns.
- 2. An access road of 700 feet 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.
- 8. 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. Upon completion the reserve pit will be fenced and the drilling mud allowed to dry. The pits will then be back filled and seeded. Reseeding of the site will be carried out as detailed by the Surface Management Agency 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.

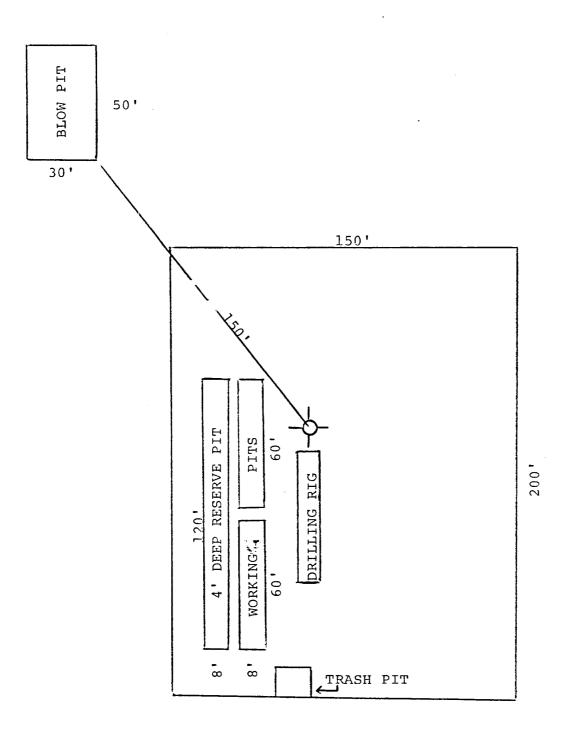


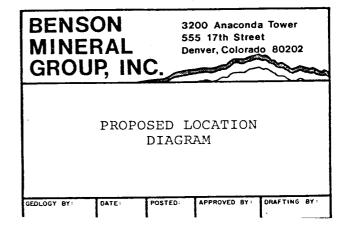


POPULATED PLACES
Over 500.000
LOS ANGELES
100,000 to 500.000
25,000 to 100,000
5,000 to 25,000
Larganie
1,000 to 5,000
Less than 1,000
Standard gauge
Narraw gauge
BOUNDARIES
BOUNDARIES
Landing area
Landing area

Landing area

Each of the proposition of the pro





Federal 29-22-6 Well #1 1580' FNL & 830' FWL Section 29-T22N-R6W Sandoval County, New Mexico

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.

September 28, 1978 Date

Production Manager

T

Benson Mineral Group Inc.'s Representative:

Paul C. Ellison

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

Address: 3200 Anaconda Tower

555 17th Street

Denver, Colorado 80202