Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-039-22552

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: Vista Resources, Inc.

3. ADDRESS OF OPERATOR: 800 Rio Grande Blvd. N.W., Suite 10, Albuquerque, NM 87104

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: I 2510' FSL 790' FEL Section 11, T24N - R7W
At proposed prod. zone: Same — Rio Arriba County, New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 12 northeast from Nageezi, NM

5. LEASE DESIGNATION AND SERIAL NO.: FED. N.M. 03010
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
7. UNIT AGREEMENT NAME: None
8. FARM OR LEASE NAME: John S. Dashko
9. WELL NO.: 1
10. FIELD AND POOL, OR WILDCAT: Basin Dakota
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 11, T24N-R7W
12. COUNTY OR PARISH: Rio Arriba
13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
790	800	E/320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
900	7000'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6899' GL

22. APPROX. DATE WORK WILL START*: Dec. 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	200 sx (est.) Circulated
7 7/8"	4 1/2"	10.5#	7000'	300 sx (est.)

1. Proposed project is to drill a 7000' Dakota test.
2. Surface pipe will be set at 300 feet and cemented to surface. If the well is productive, 4 1/2" casing will be set at TD.
3. This will be considered the first well in the unit for purposes of the Natural Gas Policy Act category determination.
4. The gas is dedicated under a contract to El Paso Natural Gas Company.
5. A 3000 psig WP BOP with pipe and blind rams will be used during drilling.
6. Survey plat is attached.

RECEIVED
NOV 1980
U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

This action is subject to administrative appeal pursuant to 30 CFR 290.

RECEIVED
DEC 9 1980
OIL CON. COM.
DIST. 3

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 C.D. Gritz TITLE Secretary-Treasurer DATE 11/6/80

(This space for Federal or State office use)

PERMIT NO. APPROVED AS AMENDED APPROVAL DATE

APPROVED BY TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

DEC 09 1980
for JAMES F. SIMS
DISTRICT ENGINEER

NMOCC

*See Instructions On Reverse Side

Hold C-104 for NSL

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-7

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

Operator	Lease	Well No.
VISTA RESOURCES, INC.	John S. Dashko Federal NM03010	1

Unit Letter	Section	Township	Range	County
I	11	24N	7W	Rio Arriba

Actual Footage Location of Well:
2510 feet from the South line and 790 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
6899	Dakota	Basin Dakota	320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

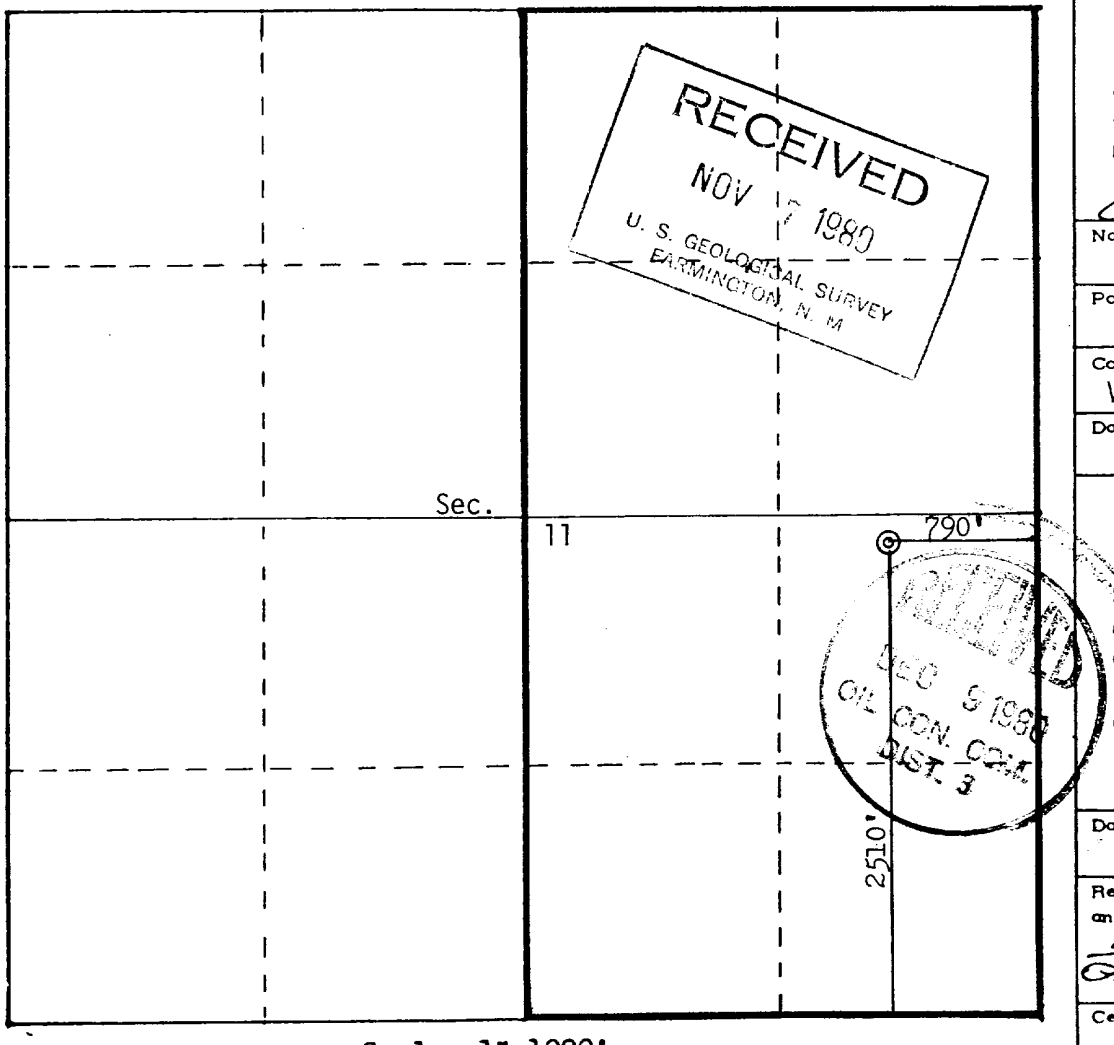
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.



Scale: 1"=1000'

CERTIFICATION

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

Name: Cecil D. Gritz

Position: Secretary-Treasurer

Company: Vista Resources, Inc.

Date: 11/6/80

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: October 24, 1980

Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr Jr.

Certificate No. 3950

FORM 24-11

ADDENDUM TO APPLICATION FOR PERMIT TO DRILL

Vista Resources, Inc.
John S. Dashko Federal No. 1 Dakota
Section 11, T 24 N - R 7 W
Rio Arriba County, New Mexico

1) The geologic name of the surface formation at the well site is Tertiary (recent gravel).

2) The estimated tops of important geologic markers are as follows:

Pictured Cliffs	2388
Lewis	2479
Mesaverde	3944
Mancos	4873
Gallup	5701
Lower Gallup	5941
Greenhorn	6635
Graneros Shale	6710
Dakota	6905

3) Water sands are present in the shallow formations down to approximately 2000 feet. Pictured Cliffs and Gallup are both considered to have marginal hydrocarbon potential due to prior production on the lease. Also we do not control the rights to either of these zones.

The Dakota sandstone below 6900 feet is the primary objective, and is expected to yield gas with small amounts of oil upon completion.

4) Our proposed casing and cementing programs are as follows:

New 8 5/8" K-55 24 ppf @ 300 feet
New 4 1/2" K-55 10.5 ppf @ 7000 feet

8 5/8" to be cemented with adequate slurry to circulate same to surface, estimated to be as follows:

Lead - 100 sacks Class B 50/50 litepoz 6 + 2% D-20 (Gel) + 6 1/4#/sk D-24 (Gilsonite) + 2% S-1 (Calcium chloride)
13.2 ppg - weight
1.32 cuft/sk - yield
5.55 gal/sk - water

Tail in - 100 sacks Class B Neat + 2% S-1 (Calcium chloride)
15.6 ppg - weight
1.18 cuft/sk - yield
5.2 gal/sk - water

4 1/2" production casing to be cemented with adequate slurry to bring cement to approximately 4800 feet calculated fillup as follows:

20 bbl. CW100 (Chemical Wash)
440 sacks Class B 50/50 litepoz 6
+ 2% D-20 (Gel)
13.5 ppg - weight
1.26 cuft/sk - yield
5.84 gal/sk - water

5) Our minimum specifications for pressure control equipment to be used will be installation of a hydraulic operated 900 series (3000 psig WP) double gate (blind and pipe rams) preventor after the running and cementing of surface casing. This will be installed on a 900 series casinghead containing two 2" line pipe outlets. All fill, kill, and choke lines and manifold will be a minimum of 2" 2000 psig working pressure. There will be a daily check on the BOP rams and closing unit. Crew training will be conducted with BOP, closing unit, and manifold.

6) The well will be drilled with a water base mud system, 8.8 - 9.1 ppg weights. Viscosity will be 35-50 sec. to allow for adequate hole cleaning and running of logs. The water loss will be lowered to less than 10 cc through the Dakota interval.

7) No DST's are planned. No full hole cores are planned. Adequate logs will be run to allow for a complete petrophysical evaluation of all potential producing horizons. An induction together with compensated neutron, compensated density, gamma ray, and caliper will be run as a minimum program to provide complete definition of rock and formation fluid characteristics.

8) No abnormal pressures or temperatures or potential hazardous substances are expected to be encountered. Anticipated bottom hole pressure is no more than 2000 psig at 7000 feet or a gradient of 0.286 psi/ft.

9) Upper and lower kelly cocks, string float if required, mud system monitoring equipment, and a sub on the floor with a full opening valve to be stabbed into the drill pipe when the kelly is not on the string will be items incorporated in the operations as auxiliary equipment.

10) Our anticipated starting date is late December 1980 for location preparation with move in of drilling equipment to occur as soon thereafter as same becomes available. Actual drilling operations are expected to last two weeks with completion operations if any, to follow.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Vista Resources, Inc.
John S. Dashko Federal No. 1 Dakota
Section 11, T 24 N - R 7 W
Rio Arriba County, New Mexico

1) Existing dirt roads which were built to service drilling and producing wells in the area will be used. The location is approximately 12 miles northeast of Nageesi Trading Post and is reached by an existing road which was built to the John S. Dashko "B" #2 in the northeast 1/4 of Section 11 (see attached Exhibit A). 1500 feet of this road will be improved to support traffic necessary for the drilling operations.

2) The planned access roads are shown on the topographic map enclosed as Exhibit A. No major reconstruction or new construction of roads is contemplated.

3) The location of all known existing wells in the area are shown on the map enclosed as Exhibit B.

4) Operator does not have any existing facilities within a one mile radius of the location.

Should commercial production be obtained in this well, a skid mounted production unit will be set together with storage tanks as necessary. All such equipment will be installed on gravel pads. Livestock and wildlife will be protected by guards constructed around the wellhead and surface equipment as required. The area designated for such production equipment will be within the cleared drill site.

All unused disturbed area remaining from the original location construction will be rehabilitated as necessary to conform to the surrounding terrain.

5) Water for drilling and completion purposes will be transported to the location by truck via existing access roads.

No water source well is planned at the location.

6) All required construction materials such as gravel, sand, timbers, lumber, etc. will be purchased and transported to the site by truck.

7) During drilling operations a reserve pit will be used to dispose of cuttings, waste drilling fluids, and any produced fluids. An earthen pit will be dug adjacent to the reserve pit to serve as a burn/trash pit for general garbage. Both pits will be fenced as necessary to protect wildlife and livestock. Upon completion of drilling operations and completion operations if any,

the entire well site area will be cleaned up and trash disposed of in the appropriate pit. All pits will be covered with a minimum of 3' of soil.

8) No camps or airstrips are proposed.

9) The well site layout is proposed as shown on the enclosed Exhibit C. The pits which are shown are intended to be unlined.

10) Upon completion of well operations, fences will be removed and all pits will be backfilled and top soil replaced and recontoured to conform to the surrounding terrain. The surface facilities if required will be installed on level areas on top of gravel pads.

Reserve pit backfilling will be done as soon as liquids have evaporated enough to permit the activity. If the well is drilled as planned in late 1980 and early 1981, the complete restoration and clean up will be finished by late summer 1981.

In the event that any oil accumulates on the reserve pit, it will be removed or overhead flagging will be installed to protect wildlife.

Any necessary reseeding of the well site will be done per USGS requirements.

11) The well site is located on one of the many mesas in the area. Sandy soil is predominant on the surface and is partly covered with sage brush. Some small trees are present as is sparce grass coverage.

It is believed that the surface ownership is BLM and that the use activity is grazing.

No known reservoir or water source is present on the lease.

Also there are no known archeological, cultural, or historical sites on this lease.

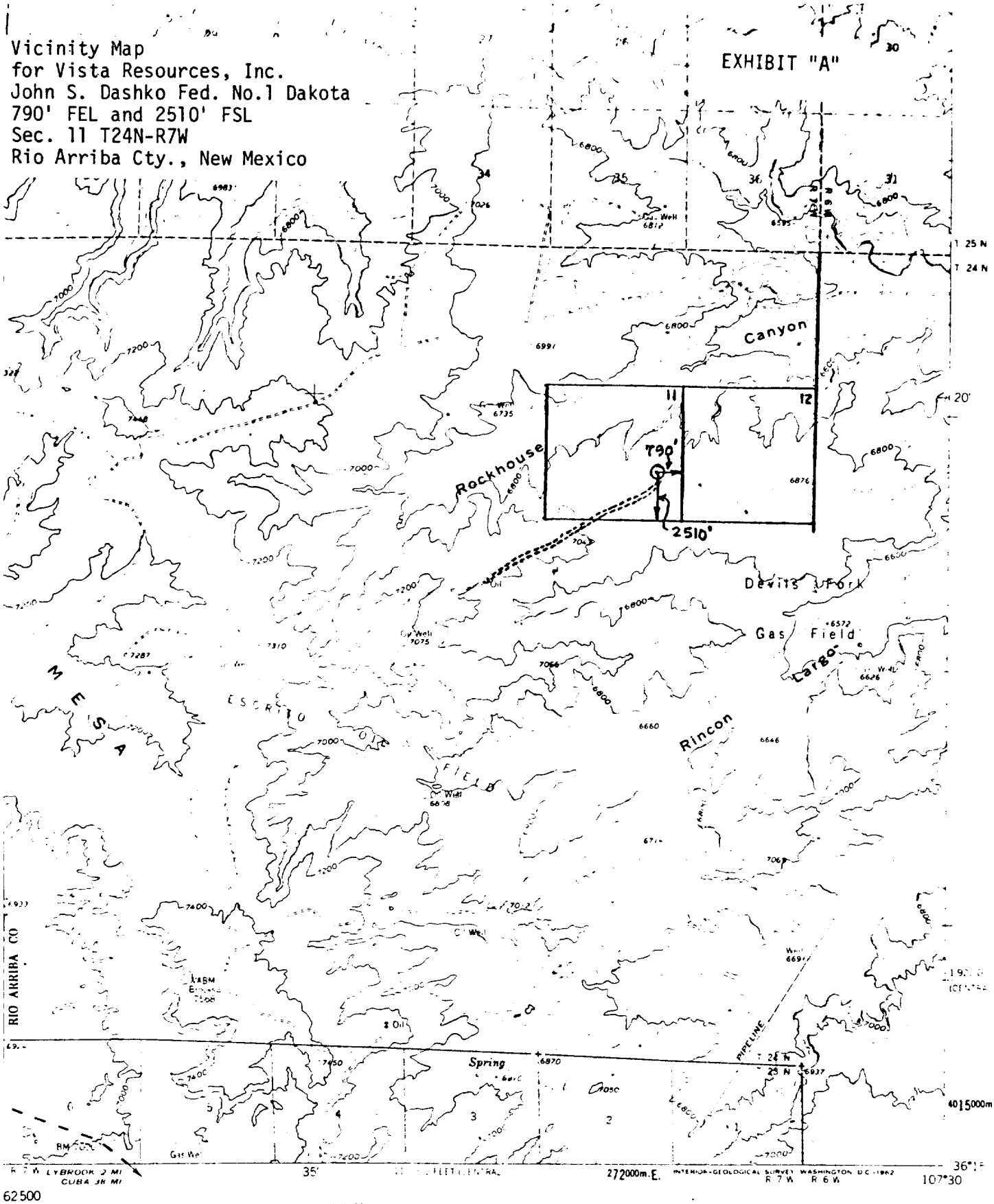
12) Operators representative:

Cecil D. Gritz
800 Rio Grande Boulevard N.W., Suite 10
Albuquerque, New Mexico 87104
(505) 247-3323

13) I hereby certify that persons under my direct supervision have inspected the proposed drill site 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 Vista Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

11/6/80
Date

C.D. Gritz, Secretary-Treasurer



MAP ACCURACY STANDARDS
R 25, COLORADO OR WASHINGTON 25, D.C.

EXHIBIT "B"

EL PASO
96 CANYON LARGO
TD 2000
PB 2591
Kpc IPF 835 3/4
SICP 613

EL PASO
88 CANYON LARGO
TD 2574
PB 2545
Kpc IPF 1339 3/4

EL PASO
97 CANYON LARGO
TD 2590
PB 2577
Kpc IPF 515 3/4
SICP 630

EL PASO
8 CANYON LARGO
TD 2589
PB 2550
Kpc IPF 3047 3/4

3

2

1

6

EL PASO
104 CANYON LARGO
TD 2625
PB 2616
Kpc IPF 2518 3/4
SICP 624

T.H. MC ELVAIN
FELERAL 1
TD 2555
PB 2522
Kpc IPF 2.7 3/4

EL PASO
128 CANYON LARGO
TD 5884
PB 5853
Kg IPF 4380 15/64

EL PASO
CANYON LARGO
TD 2650
sd w/x frac
2474 - 2552

EL PASO
60 CANYON LARGO
TD 2321
PB 2288
Kpc IPF 3008 3/4
SICP 1384

J.G. MERRION
3 EDNA
TD 6055
PB 6020
Kpc IPF 5280 3/4

J.G. MERRION
4 EDNA
TD 5963
PB 5843

10

11

12

7

T 24 N

PROPOSED LOCATION

PAN AM
DASHKO 3
TD 7000

T.H MC ELVAIN
MILLER 85
TD 6981
PB 6944
Kg IPF 2580
Kd IPF 1200 3/4

RUTLEDGE
MILLER 84
TD 5900
Kg IPF 3080 6/64

MERRION TRUSTS
EDNA 1
TD 6927
PB 5931

J.G. MERRION
2 EDNA
TD 5950
PB 5926
Kpc IPF 3985 3/4
Kg IPF

PAN AM
DASHKO
TD 6051
PB 6004
Kg IPF 319 80

T.H. MC ELVAIN
MILLER 82
TD 6024
IPF 295 1/2

T.H. MC ELVAIN
MILLER A-1
TD 6900
PB 6870
Kg IPF 410 12/64
Kd IPF 2878 1/2

SKELLY
N.MEX. FED. G
TD 6727
PB 6692
IPF 2821 3/4
SICP 1509

15

14

13

18

REDFERN & HERD
LARGO SPUR 1A
TD 6650
Kpc IPF 1865 3/4
SICP 1609

REDFERN & HERD
LARGO SPUR 2
TD 6581
PB 5668
Kpc IPF 6942 3/4
SICP 1731

REDFERN & HERD
LARGO SPUR 1
TD 6650
PB 6370
IPF 6517 3/4

R7W

R6W

VISTA RESOURCES INC.

JOHN S. DASHKO PROSPECT

RIO ARRIBA CO., NEW MEXICO

△ DAKOTA TESTS

● PROPOSED LOCATION
VISTA RESOURCES INC.
DASHKO FED. NO. 1 DAKOTA

WELL SITE LAYOUT

EXHIBIT "C"