

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

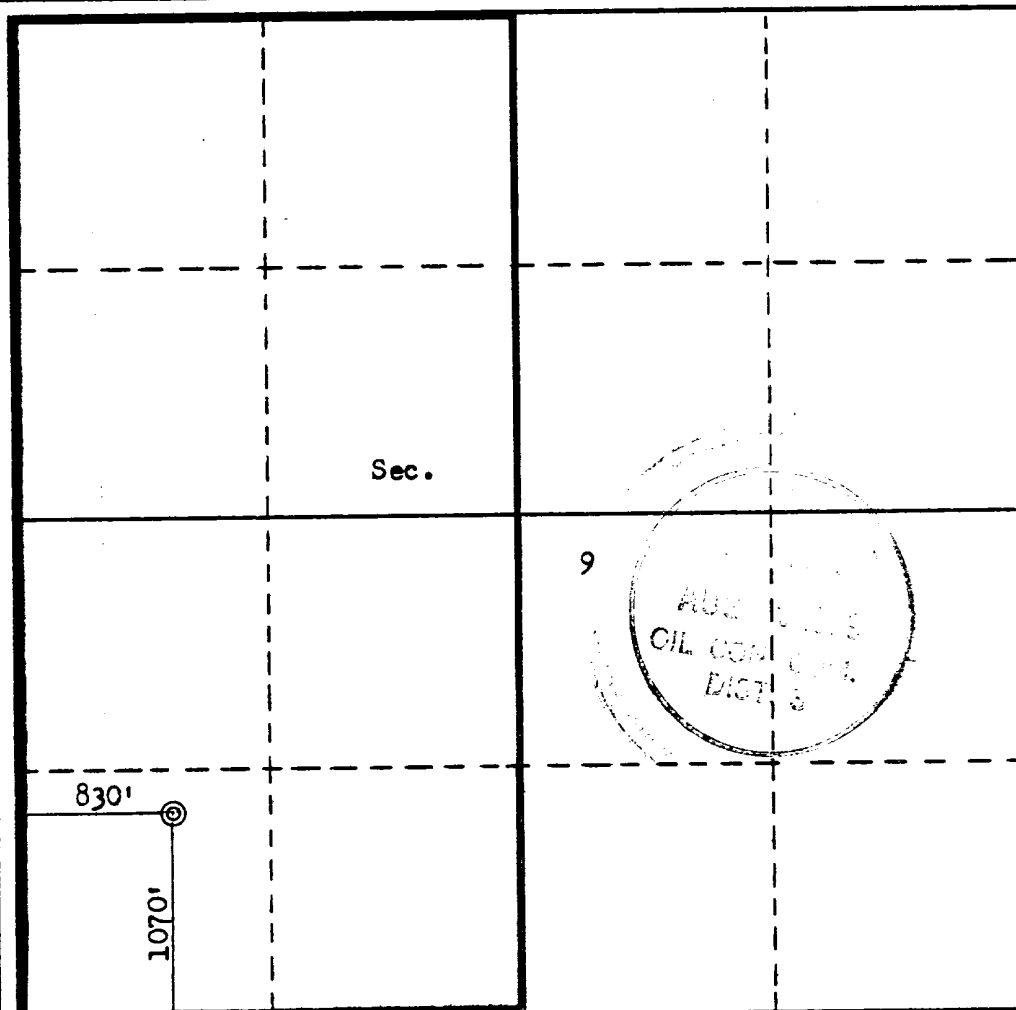
Operator BOLIN OIL COMPANY			Lease CANDADO		Well No. 24
Unit Letter M	Section 9	Township 26N	Range 7W	County Rio Arriba	
Actual Footage Location of Well: 1070 feet from the South line and 830 feet from the West line					
Ground Level Elev. 6120	Producing Formation Mesa Verde		Pool Blanco	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 *F. P. Crumley*
Position

Geologist

Company

BOLIN OIL COMPANY

Date

8/1/79

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.

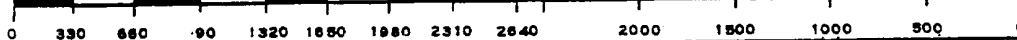
Date Surveyed

July 20, 1979

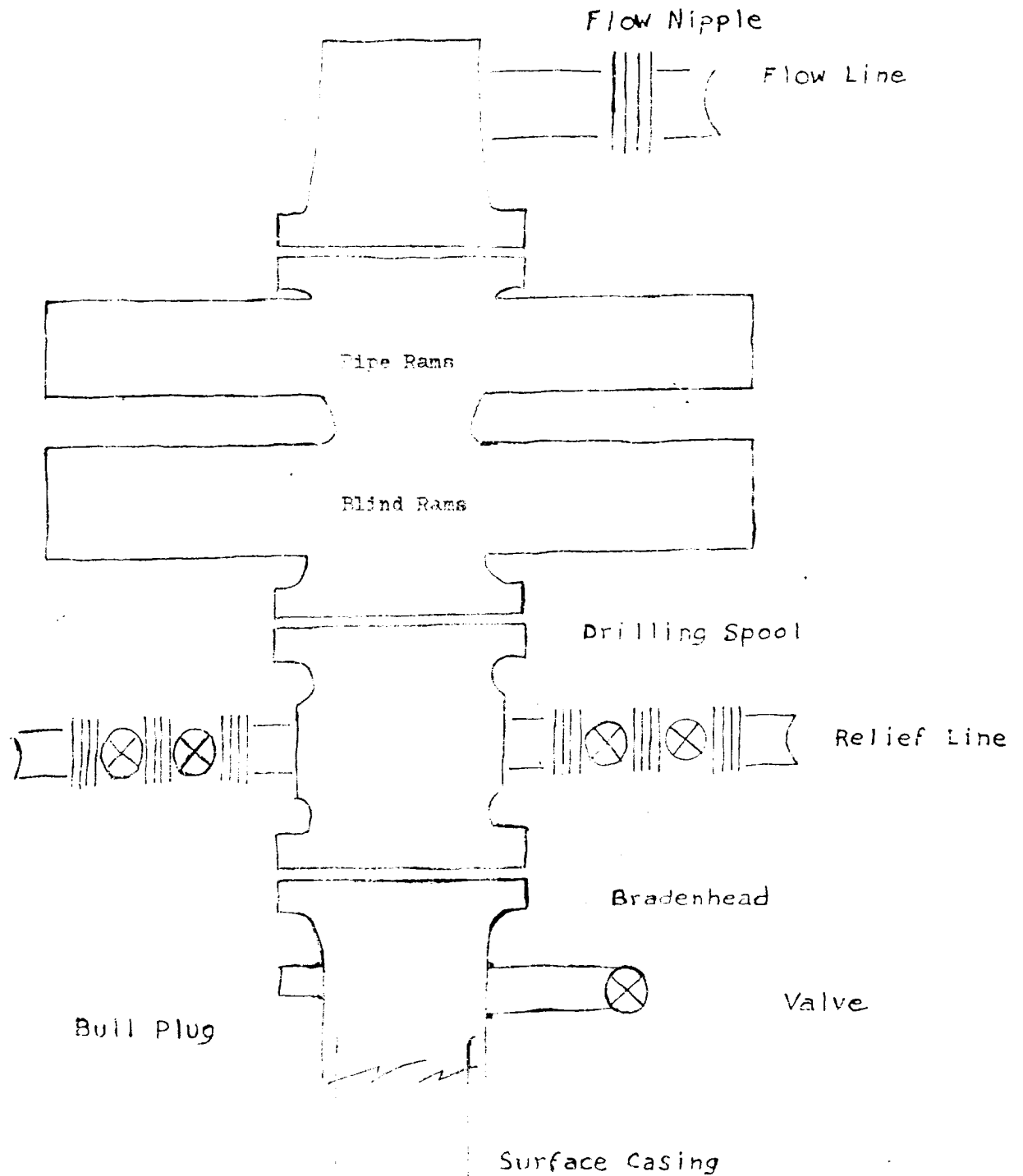
Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr, Jr.
Certificate No. 3950

3950



Schematic Diagram B.O.P.



Series 200 Double Gate BOP rated
at 3000 psi Working Pressure

BOLIN OIL COMPANY

1120 Oil and Gas Building — WICHITA FALLS, TEXAS 76301 — (817) 723-0733

Local address:

P. O. Box 400

Antec, New Mexico 87410

United States Geological Survey
Federal Building
701 Camino Del Rio
Durango, Colorado 81301

Proposed Candado #24

SW/4 Sec. 9 T26N R7W
Rio Arriba County, N. M.

Gentlemen:

BOLIN OIL COMPANY is filing this application for permit to drill the above captioned developmental gas well. Some estimated tops of geologic markers in the area are as follows: Kirtland @ 1660', Pictured Cliffs @ 2200', Chacra @ 3100' and Point Lookout @ 4475'. Gas production is projected for the Chacra formation and the Pt. Lookout member of this formation.

The proposed casing program is as stated on the accompanying Federal form 9-551 G. Casing will be used in all instances and cemented to the surface.

Hydraulic blow-out preventers, as shown on the schematic diagram attached to the Application for Permit to Drill, will be used. The drilling medium will be fresh water and gel to 300', and fresh water and low water loss mud to total depth. Mud will be monitored through out operation. Abnormal pressures/temperatures are anticipated in this well.

The expected start-up date of this operation is as soon as possible, as indicated on Form 9-551 G, subject to the availability of equipment.

The following measures are proposed as a surface use plan:

- 1.) Existing roads: The accompanying U.S.G.S. topographic Map #1 (2" = 1 mile) includes a readily identified reference point and the main access road as well as all existing access roads within a mile of the proposed location.

- 2) Planned access roads: There is no access road planned: the west edge of the proposed location borders on an existing road.
- 3) Location of existing wells: All existing wells within a mile radius of the proposed location are shown on the vicinity map included for your information. There are no abandoned wells or water wells in the area.
- 4) Location of tank batteries, production facilities, and production gathering and service lines: Please refer to vicinity map #2. Any tanks or production facilities needed by the operator will be situated on the wellsite. The applicant for this permit to drill does not own nor control any gathering facilities and consequently, only the location of the proposed flow line to the existing facility is shown on Map I; the line will be buried. Plans for rehabilitation of any disturbed areas are included in Map 10 of this plan for surface use and operations.
- 5) Location and type of water supply: Fresh water for drilling will be hauled by tank truck from ponds in Largo Canyon.
- 6) Source of construction materials: No additional materials will be required.
- 7) Methods for handling waste disposal: There are but small amounts of cuttings, drilling fluid, garbage and other waste involved in drilling a test of this type; such waste will be placed in the reserve pit. The pit will be filled and leveled immediately upon completion of drilling, when possible, or fenced and allowed to dry before filling. The material used in filling the pit will be the spoil resulting from constructing it.
- 8) Ancillary facilities: No camps or airstrips are to be constructed.
- 9) Well site layout: See attached exhibit #3.

- 10) Plans for restoration of the surface: Successful well - All waste material will be picked up and deposited in the reserve pit. The pit will be fenced until it can be filled and leveled. The location will be dressed with a dozer or blade.

Re-seeding operations will be carried out as prescribed using Mixture #1, Farmington Resource Area. Paint for surface equipment will be color #595 R-60. Dry Hole: Waste material will be handled as stated above. The reserve pit will be filled and leveled with the original contour maintained as closely as possible. With the surface thus dressed and restored, the entire drillsite will then be re-seeded using the time period, equipment and Mixture #1, as set forth in BLM "Requirements in the Farmington Resource Area".

- 11) Other information: Rocks of Eocene age are exposed at the surface throughout the general area. Individual sandstone members of the San Jose formation weather into a series of massive cliffs interspersed by plateaus receding from the drainage pattern. Largo Canyon and its tributaries comprise the major drainage system. It carries water only intermittently. Topographic relief in excess of 700 feet is present between the Canyon floor and the higher plateaus. The soil mantle, where present, is derived from the sandstones of the San Jose and the sparse vegetation. Juniper and Pinon are present on the table lands, as well as some native grasses and sagebrush. Wild life is not abundant in the area and consists mostly of coyotes, rabbits and occasionally deer. The surface land at the immediate well site is gently rolling and situated in the Largo canyon floor.

There are no occupied dwellings in the vicinity. Water wells, permanent ponds and flowing streams are non-existent.

The archeological aspects of the location are covered in the attached report by Bill Bayler, archeologist, NMSS, San Juan Campus.

- 12) Lessee's or operator's representative: Mr. Fred Crum, P. O. Box 400, Aztec, New Mexico 87410. Phone: 505 / 354-6003. Please direct all correspondence regarding this application to this address.

- 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,

U.S.G.S.
Page 4

.....true and correct; and, that the work associated with the operations proposed herein will be performed by POLIN OIL CO. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date 8/1/79

Name F. P. Crump Jr.

Title Agent

POLIN OIL COMPANY

Archaeology clearance

Proposed Well: CANDADO #24 ✓

Land Status: Bureau of Land Management

Location: 1070 feet from the South line and 830 feet from the West line of Section 9, Township 26 North, Range 7 West, N.M.P.M., in Rio Arriba County, New Mexico.
(Figure 1)

Pad size: 100 X 200 feet.

Access: Adjacent to existing road. No new access.

Area surveyed: 2.07 acres.

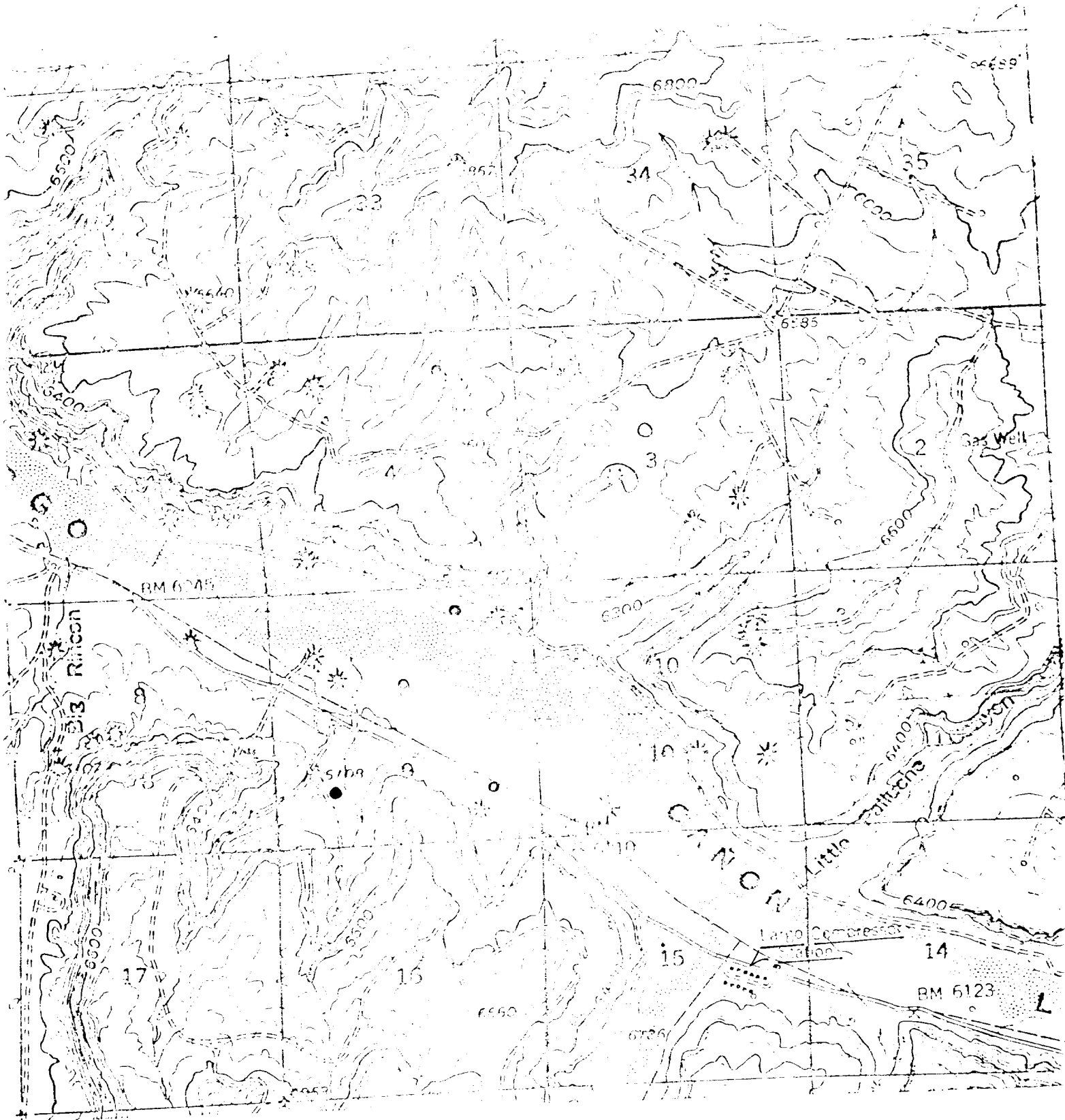
Terrain: Gently rolling slope of canyon floor.

Soil: Alluvial and aeolian sandy loam.

Vegetation: Sagebrush, Flendler, broom snakeweed, blue grama, prickly pear.

Cultural Resources: None found.

Recommendations: Clearance is recommended.



- KIY
- Locatable reference point
- - - Planned access road
- Proposed location
- ★ Producing wells

MAP I
 CANDADO #24 ✓
 BOLIN OIL COMPANY

[illegible]

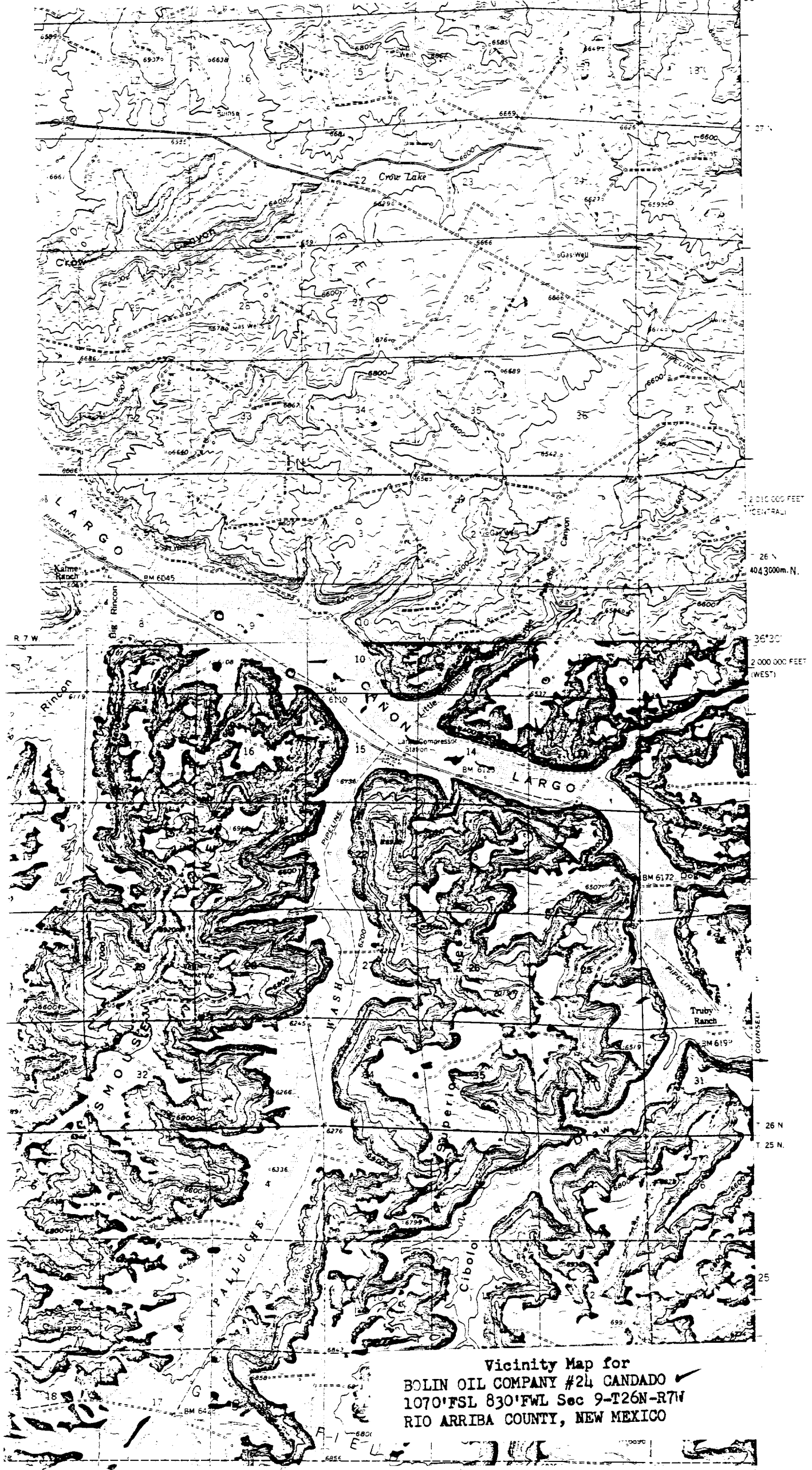
W. L. 2-10-1917

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Figure 1. The effect of the concentration of the H_2O_2 solution on the amount of the released H_2O from the H_2O_2 -loaded hydrogel.

DATE RECEIVED BY THE OFFICE OF THE SECRETARY OF THE ARMY *Mar 11*



Vicinity Map for
BOLIN OIL COMPANY #24 CANDADO ✓
107°0'TSL 83°0'FWL Sec 9-T26N-R7W
RIO ARRIBA COUNTY, NEW MEXICO