SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR

30-045-24422								
5. LEASE DES	IGNATION	AND SE	BIAL N	o				
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	GEOL	OGICAL SURV	ΕY			14-20-603-1			
APPLICATIO	6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo								
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D. TYPE OF WELL	AS X OTHER			INGLE MULTIP	LE-	S. FARM OR LEASE NA	ME		
2. NAME OF OPERATOR	VELD C. J. OTHER	- 1	In Ni Da Pah	1					
Hixon Dev		9. WELL NO.							
3. ADDRESS OF OPERATOR	IDDRESS OF OPERATOR								
P.O. Box	2810, Farmin	gton, New N	lex10	CO 87401 State requirements.*)	Landara V	10. FIELD AND POOL,	5234 J. 1884		
At surface			1	part Maton, N.		Pictured Cli	BLK.		
At proposed prod. 20	, 200' FEL, S	ection 4, T2	25N ,	R12W	et Production and 18 20 179 G. (Majori	Section 4, T			
14. DISTANCE IN MILES	AND DIRECTION FROM N	EAREST TOWN OR POS	T OFFIC	E*		12. COUNTY OR PARISH 13. STATE			
24 miles s	outh of Farmi	ngton				San Juan	NM		
15. DISTANCE FROM PROP LOCATION TO NEARES	OSED*		16. N	O. OF ACRES IN LEASE		OF ACRES ASSIGNED HIS WELL			
PROPERTY OR LEASE (Also to nearest dr)	LINE, FT.			100		160 acres	3		
18. DISTANCE FROM PRO TO NEAREST WELL, I	POSED LOCATION* ORILLING, COMPLETED,		ļ	ROPOSED DEPTH	1	RY OR CABLE TOOLS			
OR APPLIED FOR, ON TH	IIS LEASE, PT.		1 1	300'	l Ro	otary	ORK WILL STARTS		
21. ELEVATIONS (Show wh									
6183' GLE		PROPOSED CASI	NG ANI	D CEMENTING PROGRA	ΔM	5-15-80			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER F		SETTING DEPTH	1	QUANTITY OF CEME	NT		
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511	2-7/8"	6.5#		1300'	150	0 sacks			
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preventer program, if an 24.	den fr.	eng on	rle	Petroleum Engi	neer	A-25	5-80		
(This space for Fed	eral or State office use)	2			*	A SANCE AND A SECOND SE			
PERMIT NO.	1 1 TAI	\mathcal{A}		APPROVAL DATE		APPROVE	:D		
APPROVED BY	hurles Ith	Kon m	rle			<u>A</u> S AMENE)ED		
CONDITIONS OF APPRO	VAL, IF ANY:		1, 4, 5, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	MOCO!		James & Su	80 mr		
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NEC.	() 50 ×	80 mg				But I is the second of the sec	e marie (1988 - 1). Angalan yang dan		

All distances must be from the outer boundaries of the Section Well No. In Ni Dah Pah Hixon Development Company Township County Unit Letter Section San Juan 25 North 12 West Actual Footage Location of Wells 200 East South 1850 Icot from the line and feet from the Dedicated Acreoge: Producing Formation Ground Level Elev. 160 Pictured Cliffs WAW-Fruitland-PC Acres 6183 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 one ownership lease Yes Yes No 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 of my knowledge and belief. Aldrich L. Kuchera Position Petroleum Engineer Hixon Development Company Date 4-23-80 NUMBER AND AND THE PROPERTY OF Sec. RISENTO Shownion this plot was ployed from field dup Surveysemode by pervision, and the the and correct SAN CHAING SAN Propiest States Date Surveyed April 19, 1980 Registered Professional Engineer and/or Land Surveyor

Edgar L. Risenhoover, L.S.

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1980

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APPLICATION FOR PERMIT TO DRILL Hixon Development Company In Ni Da Pah No. 1-R 1850' FSL, 200' FEL, Section 4, T25N, R12W San Juan County, New Mexico

NTL-6 13 Point Requirement Outline is as follows:

- 1. Existing Roads Refer to the attached NIIP layout map and topographic map. The well will be located 500' east of an existing NAPI road. The location is inside the Hixon Development Company operated Central Bisti Unit oil field and also within the NIIP. Existing well location roads in the vicinity of the In Ni Da Pah location are maintained by company construction vehicles. The primary paved access road to this well will be maintained by the San Juan County.
- 2. Planned Access Roads Access to this well will be provided by the NIIP. Refer to the attached maps.
- 3. <u>Location of Existing Wells</u> A 1-mile radius map showing offset wells is attached.
- Location of Existing and/or Proposed Facilities The proposed well location is situated inside a developed oil and gas field containing an extensive system of oil and gas gathering lines, water injection lines, disposal lines, power lines, fuel gas lines etc.

Proposed facilities for the In Ni Da Pah 1-R well will consist of a well head assembly, meter house and an EPNG pipeline riser, i.e. a standard Pictured Cliffs well hookup. Risers, well head assemblies will conform to NIIP field requirements. All lines will be buried 5' deep. The pipeline riser, well head, meter run and meter building will all be located on the proposed well pad schematic. The facility will not pose any problems for any livestock.

Restoration of any disturbed areas no longer needed for operations after drilling will be graded, contoured and raked.

- 5. <u>Location and Type of Water Supply</u> Water for drilling will be obtained from the NIIP.
- 6. Source of Construction Materials Materials for the drilling pad will be obtained from the proposed well location, i.e. none will be hauled in.

- 7. Methods for Handling Waste Disposal Any waste material incurred while drilling will be buried in the mud pits, i.e. 5' deep. Cuttings, drilling fluid, well circulation and stimulation fluids (if any) will be contained in the mud pits. The mud pits will be allowed to dehydrate and will be filled and contoured per regulations. Well site will be properly cleaned up after rigging down rotary tools.
- 8. Ancillary Facilities Central Bisti Lower Gallup Unit existing facilities will be used. Additional facilities will not be required.
- 9. Well Site Layout Refer to attached plat.
- Plans for Restoration of Surface The mud pits will be back filled, area leveled and contoured, raked and wast materials disposed of by burying 5' deep. Revegetation will be carried out per any constructive stipulation.
- 11. Other Information Refer to Archeological Report to be submitted.
- 12. Operator's Representative -

Aldrich L. Kuchera
Hixon Development Company
Petroleum Center Building
Suite 101
501 Airport Drive
Farmington, New Mexico 87401

Office (505)325-6984 Home (505) 325-3448

13. Certification - See Attached.

APPLICATION FOR PERMIT TO DRILL Hixon Development Company In Ni Da Pah No. 1-R 1850' FSL, 200' FEL, Section 4, T25N, R12W San Juan County, New Mexico

Other NTL-6 Pertinent Data is as follows:

1. Estimated Log Tops -

Ojo Alamo - Surface Kirtland - 455' Fruitland - 810' Fruitland Coal - 1082' Pictured Cliffs - 1111'

2. Estimated Depths of Water, Oil and Gas -

Fresh Water - 0-60' (may not be present because the Ojo Alamo outcrops at this location). Surface casing hole drilling in this area using air will dust indicating limited if any fresh water.

Gas Sands - 180' - TD. Gas sands and 16,800 ppm NaCl water are dispersed from about 180' to TD.

3. Weight and Type of Mud to be Used -

Surface - 0-90'; drill with air. Should water be encountered an Aquagel/lime slurry will be mixed to a 40-50 sec/qt viscosity.

Production Hole - A Dextrid/Cellex low solids mud or equivalent will be used. Any hardness will be treated with soda ash. Mud weight and drilled solids will be controlled. Mud properties will be as follows:

Mud Weight - 8.4 - 8.8#/gal
Viscosity - 34-45 sec/quart
Plastic Viscosity - 4 - 8 cps
Yield Value - 3 - 6#/100 sq. ft.
Fluid Loss - 8 - 12 cc's/API
pH - 8.3 - 8.5
Solids Content - 5-1/2% maximum
Annular Velocity - 120 FPM

Note: Bottom hole pressure gradient is 3.40#/gallon. Fracture gradient is 19.2#/gallon. We do not anticipate any drilling problems.

- 4. Open Hole Logs Induction Electric Survey, Caliper Gamma Ray and Compensated Neutron-Density.
- 5. Cased Hole Logs Gamma Ray CCL and Cement Bond Log.
- 6. Casing Program Surface casing will be 90' 7" 20# J-55, 8rd, ST&C, Range 3, Smls, New casing.

Production casing will be 1300' 2-7/8" 6.5# J-55, 8rd, EUE, Range 1, Smls, New casing.

7. Cementing Program - Surface casing will be cemented to surface as follows: (1) break circulation with water (2) pump 75 sacks (400% excess Class B cement slurry with 2% CaCl (3) Drop wooden cement wiper plug and displace to casing shoe (4) WOC 12 hours.

Production casing will be cemented to surface as follows: (1) break circulation with mud (2) pump 20 bbl C-100 chemical wash (3) mix and pump 154 cubic feet (125 sacks) Litepoz 6 cement slurry weighing 13.5#/gal and containing 2% gel, 2% CaCl, 1/4 #/sack D-29 cellophane, 10#/sack Gilsonite (4) follow with 30 cubic feet Class B cement slurry with 2% CaCl (5) flush lines, drop Omega plug and displace plug with acetic acid and 2% KCl water (6) latch in plug with 2000 psi and WOC 48 hours or to a compressive strength of 1000 psi.

- 8. Drilling Hazards are minimal in this area. High pressure zones, high temperatures, sour gas or other abnormal deviations are not expected.
- 9. <u>Duration of Drilling Activity</u> will be about 15 days from spud date to completion.
- 10. Pressure Control Equipment will be either of the two attached BOP schematics.
- Casing Pressure Testing Surface casing will be tested for 30 minutes to 500 psi before drilling out shoe. Production casing will be tested to 2000 psi after Omega plug latches in. Both surface and production casing will be factory tested to API specifications and will be new.

Application for Permit to Drill Page 3

12. In the event the well is a dry hole, it will be plugged with prior USGS approval and the drill site restored in accordance with pertinent regulations.

HIXON DEVELOPMENT COMPANY

P. O. BOX 2810 FARMINGTON, NEW MEXICO 87401

CERTIFICATION

I, hereby certify that I, or 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 Hixon Development Company and its contractors and subcontractors in conformity with this plan and the terms and conditions which it is approved.

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April 25, 1980

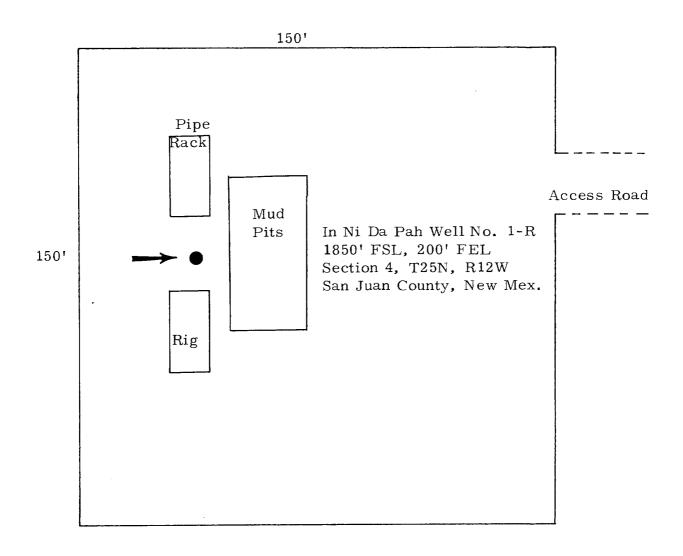
Aldrich L. Kuchera Vice President Date

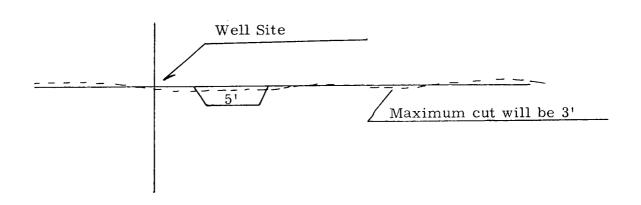
SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this 25th day of April 1980.

My Commission Expires: 7-25-83

Notary Public - Cindy Duncan

OFFICIAL SEAU
CINDY DUNCAN
NOTARY FUBLIC - NEW MEXICO
Notary Bond Filed with Secretary of State
My Commission Expires: 7-25-83



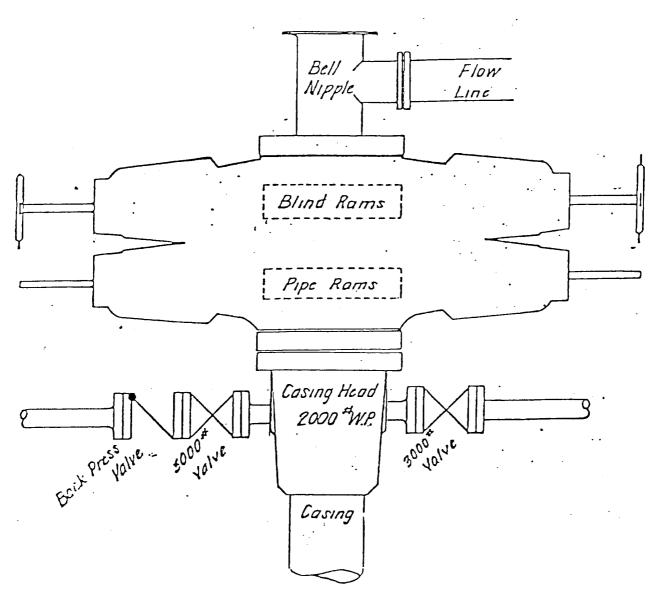


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TESTING PROCEDURES

Install BOP after setting surface pipe and pressure test to 1000 psi after drilling out from under surface pipe.



Shaffer Double Gate Blow Out Preventer 3000 W.P., 6000 Test, Type E

TESTING PROCEDURES

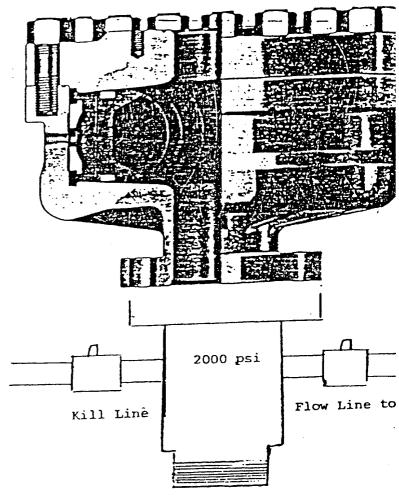
REGAN BLOWOUT PREVENTERS

rnstall BOF after setting surface pipe and pressure test to 1000 psi after drilling out from under surface pipe.

The Regan Torus Blowout Preventer is used primarily on production and workover rigs for well control up to 3000 PSI working pressure

DESIGN FEATURES

- a. The Torus Preventer is designed for minimum height to facilitate its use with production and workover rigs.
- b. The rubber packer will conform to any object in the well bore. Sealing ability is not affected by minor damage to the inner bore.
- c. The packer will seal on open hole at full working pressure.
- d. The dual packer design increases the relialdity f the preventer since the outer rubber is never exposed to the well bore. Under ordinary service, the outer packer is rarely replaced.



TORUS BLOWOUT PREVENTER

SPECIFICATIONS

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	 	DI	MENSIONS (II	n.)		£nd	R/RX	Side		
Nominal	Test Pressure (psi)	Outside '	Thru Bore	Overall Height	Weight (Ib.)	Flanges (1)	Ring Greoves	Dutlet		
<u> </u>	3000	27 22%	7½. 7½.	19% 21%	1360 1950	Nom, 6 Nom, 6	45 45	Nese 2" LP.		
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14 NON DEVELOPMENT COMPLAY

P. O. BOX 2810 FARMINGTON, NEW MEXICO 87401

April 24, 1980

Joe D. Ramey, Director State of New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87501

Subject: Request for Exception to Standard Location

In Ni Da Pah Well No. 1-R SE/4 of Section 4, T25N, R12W San Juan County, New Mexico

Dear Mr. Ramey:

Hixon Development Company requests administrative approval of an exception to standard WAW-Fruitland-Pictured Cliffs location for the subject gas well on the basis of topographic condition. Per the attached plat, we desire to drill the In Ni Da Pah No. 1-R at 1850' FSL, 200' FEL, Section 4, T25N, R12W in order to be outside the NAPI irrigated land. A standard 790' FSL, 790' FEL' location would put the subject well in the path of a proposed/existing irrigation sprinkling system.

Attached is a copy of a Bureau of Indian Affairs letter from Mr. Albert L. Keller supporting this request. Also attached is a Bureau of Reclamation plat showing the NAPI project boundary along with the proposed well location.

We have also notified offset lease holders (Dugan Production) of the proposed non-standard well location by certified mail with a copy of this letter.

en Landiern

Please give this request your earliest consideration.

Very truly yours,

Hixon Development Company

Aldrich L. Kuchera

April 24, 1980 Page 2

ALK:cd

Attachments

cc:

Hixon Development Company

341 Milam Building

San Antonio, Texas 78205

United States Department of the Interior

Geological Survey

P.O. Box 959

Farmington, New Mexico 87401

Dugan Production Company

P.O. Box 208

. Farmington, New Mexico 87401

Energy Reserves Group, Inc.

P.O. Box 1407

Denver, Colorado 80202



UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS
Navajo Indian Irrigation Project
3539 East 30th Street
Northwest Energy Bldg., Room 103
Farmington, New Mexico 87401

April 22, 1980

Mr. A. L. Kuchera, Petroleum Engineer Hixon Development Company P. O. Box 2810 Farmington, New Mexico 87401

Dear Mr. Kuchera:

You have contacted our office regarding the In Ni Da Pah #1 R well in Section 4, T.25N., R.12W. which is within the Navajo Indian Irrigation Project.

The proposed location of this well was 790' FSL, 790' FEL. This location falls within a field to be irrigated with a mechanical move sprinkler irrigation system and would cause serious problems with the operation of this system.

We request that, if possible, you change the location of this proposed well to 1850' FSL, 200' FEL and that any necessary production equipment be located south of the well. This will put the well and equipment northeast of the area to be irrigated and be of mutual benefit. The well will be located near an existing underground pipeline. Please use caution to not disturb this pipeline nor cross it with excessively heavy equipment during your drilling operation.

Your cooperation in this is appreciated.

Sincerely,

Project Manager

Alberth. Keller

		Il distances must be	from the outer bour	deries of the section	n.	
Operator			Lease	D 1		Well No.
Hixon Deve	iopment Company		In Ni Dah Pat-			
Unit Letter	Section Tow	mehilp 25 North	Hange 12 Wes	t County	in Juan	
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OFFSET OWNERSHIP PLAT R W R 13 12 26 Dugan• 25 CENTRAL BISTI UNIT BOUNDARY 25 85 75 KGS 7 107 8 25 85 HAVAJO 0-25-05 HIXON DEVELOPMENT COMPANY CENTRAL BISTI UNIT

