

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Hixon Development Company

3. ADDRESS OF OPERATOR
P. O. Box 2810, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 705' FSL, 2080' FWL
At proposed prod. zone Section 14, T25N, R12W, NMPM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
23.5 miles southeast of Farmington, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 2080'

16. NO. OF ACRES IN LEASE 1680.00

17. NO. OF ACRES ASSIGNED TO THIS WELL 5/320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 184'

19. PROPOSED DEPTH 1400'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6414' GLE

22. APPROX. DATE WORK WILL START* March 7, 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	20#	110'	60 sks (1.18 ft ³ /sk) cmt to surface
6-1/4"	4-1/2"	10.5#	1400'	165 sks cmt to surface (85 sks - 2.06 ft ³ /sk) (80 sks - 1.18 ft ³ /sk)

It is proposed to drill the subject Basin Fruitland Coal Well. It will be evaluated on the basis of open hole logs. Please see attached Onshore Oil and Gas Order No. 1 data.

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OIL CON. DIV
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.

SIGNED John C. Corbett TITLE Vice President-Exploration March 1, 1990
(This space for Federal or State office use)

APPROVED
AS AMENDED

PERMIT NO. _____ APPROVAL DATE APR 11 1990

APPROVED BY _____ TITLE AREA MANAGER

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*See Instructions On Reverse Side

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

RECEIVED
 MAIL ROOM
 90 MAR -9 AM 10:44

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

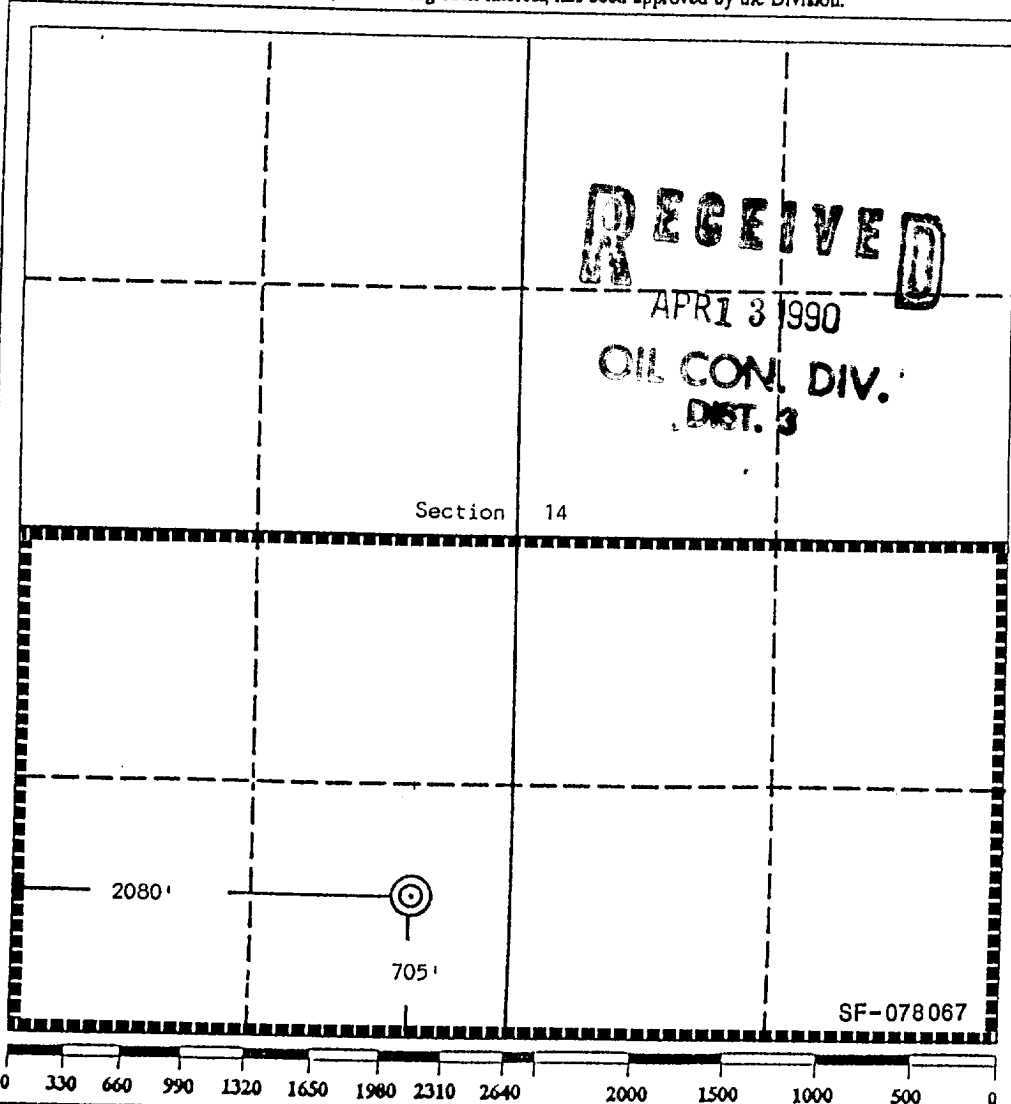
Operator Hixon Development Company			Lease Carson Unit 14		Well No. 324- 14
Unit Letter N	Section 14	Township 25 North	Range 12 West	County San Juan	
Actual Footage Location of Well: 705 feet from the South line and 2080 feet from the West line					
Ground level Elev. 6414	Producing Formation Fruitland	Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest 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 interest, has been approved by the Division.



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OPERATOR CERTIFICATION

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

Signature: *John C. Corbett*
 Printed Name: John C. Corbett
 Position: Vice President-Exploration Company
 Company: Hixon Development Company
 Date: February 26, 1990

SURVEYOR CERTIFICATION

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: February 13, 1990

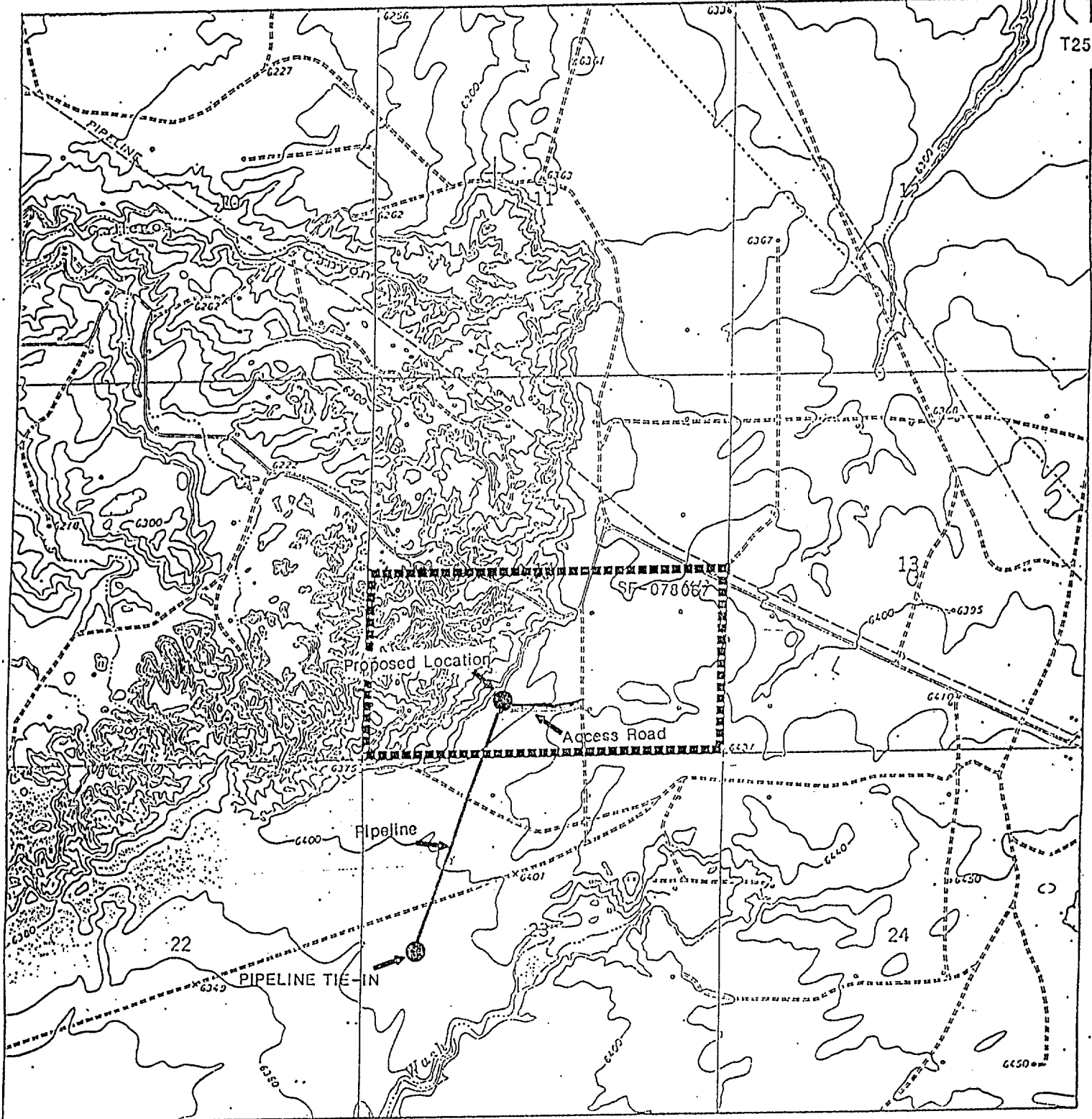
Signature & Seal of Professional Surveyor:

 Certificate No. 5079
 Edgar L. Risenhoyer

R 12 W

T26N

T25N



HIXON DEVELOPMENT COMPANY

CARSON UNIT 324-14

705' FSL 2080' FWL

Section 14, T25N, R12W

SAN JUAN COUNTY, NEW MEXICO