

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

Giant Explor. & Prod. Co.
Hixon Development Company

3. ADDRESS OF OPERATOR

P. O. Box 2810, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

2310' FSL, 790' FWL

At proposed prod. zone

Section 22, T25N, R12W, NMPM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

24.5 miles southeast of Farmington, NM

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

160.00

17. NO. OF ACRES ASSIGNED
TO THIS WELL

w/ 320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

130'

19. PROPOSED DEPTH

1300'

20. ROTARY OR CABLE TOOLS

Rotary

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

6378' GLE

22. APPROX. DATE WORK WILL START*

March 7, 1990

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH |
|--------------|----------------|-----------------|---------------|
| 8-3/4" | 7" | 20# | 110' |
| 6-1/4" | 4-1/2" | 10.5# | 1300' |

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

QUANTITY OF CEMENT
60 sks (1.18 ft³/sk)
cmt to surface
140 sks cmt to surface
(75 sks - 2.06 ft³/sk)
(65 sks - 1.18 ft³/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.

RECEIVED
SEP 24 1990

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.

24.

SIGNED *John C. Corbett*

TITLE Vice President-Exploration

DATE February 6, 1990

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

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

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

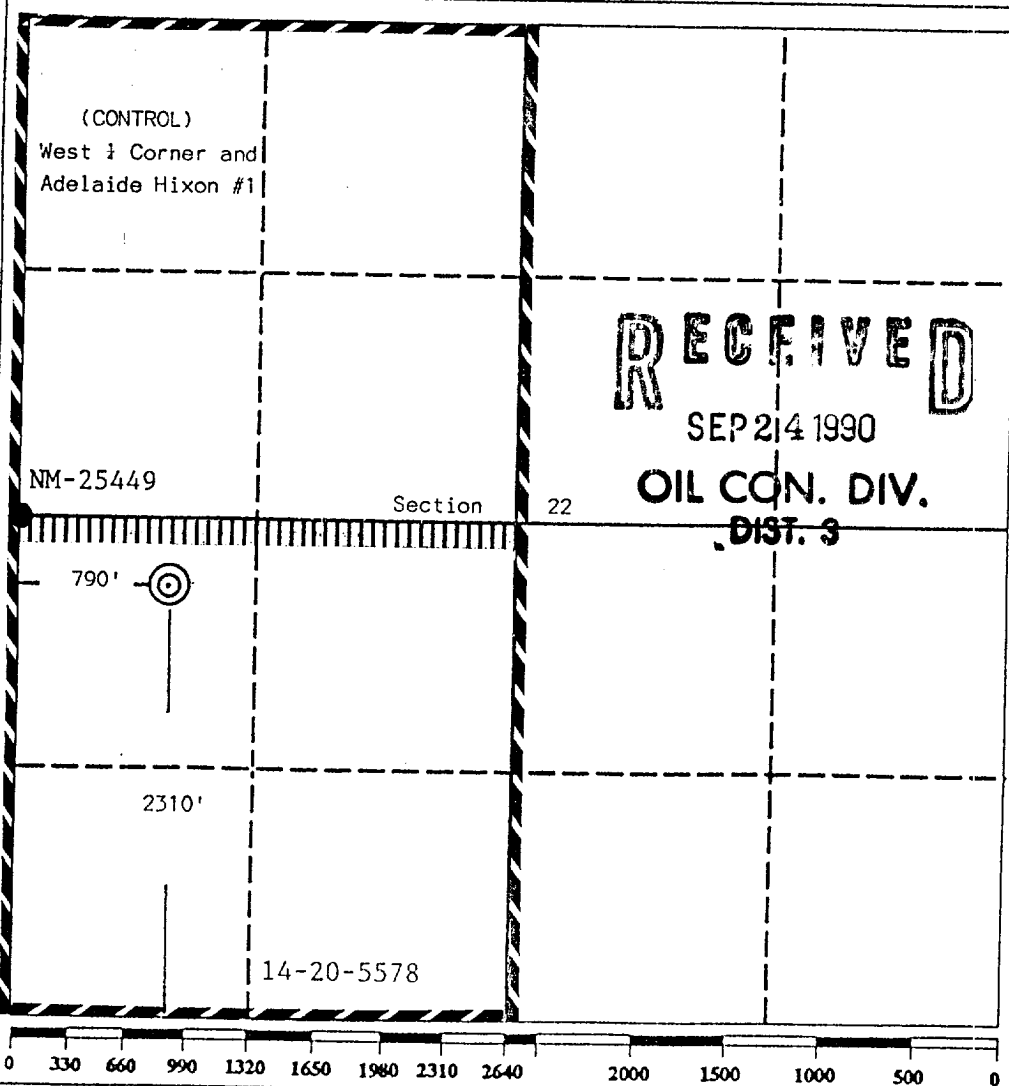
All Distances must be from the outer boundaries of the section

| | | | | |
|---|----------------------------------|------------------------------|---------------------------------|--------------------|
| Operator <i>Hixon Development Company</i> | | Lease Bisti Coal 22 | | Well No. 2 |
| Unit Letter L | Section 22 | Township 25 North | Range 12 West | County San Juan |
| Actual Footage Location of Well: 2310 feet from the South line and 790 feet from the West line | | | | |
| Ground level Elev. 6378 | Producing Formation Fruitland | Pool Basin Fruitland Coal | Dedicated Acreage: 320 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 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.



OPERATOR CERTIFICATION

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

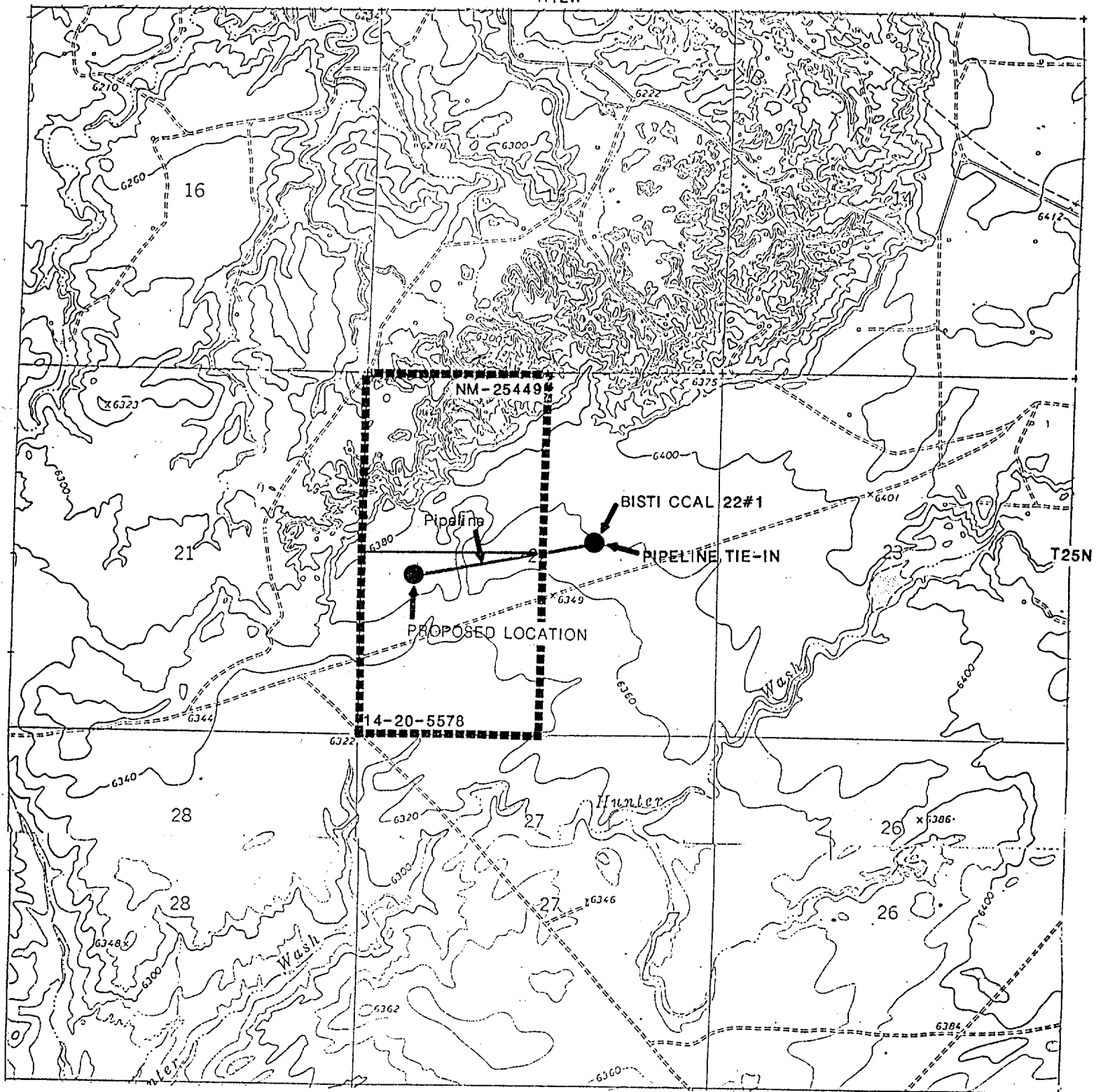
Signature
John C. Corbett
Printed Name
John C. Corbett
Position
Vice President-Exploration
Company
Hixon Development Company
Date
January 30, 1990

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
January 17, 1990

Signature & Seal of
Professional Surveyor
Edgar A. Risenhoover
Certificate No. 5979
Edgar A. Risenhoover, P.S.



HIXON DEVELOPMENT COMPANY

Bisti Coal 22 No. 2

2310' FSL, 790' FWL

Section 22, T25N, R12W

SAN JUAN COUNTY, NEW MEXICO