Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-039-20012

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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: Benson-Montin-Greer Drilling Corp.

3. ADDRESS OF OPERATOR: 221 Petroleum Center Building, Farmington NM 87401

4. LOCATION OF WELL. (Report location clearly and in accordance with any State requirements.*)
At surface: 1085' FSL, 2052' FEL, Sec. 16, T27N R1W
At proposed prod. zone: Same

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

5. LEASE DESIGNATION AND SERIAL NO.: Contract 404

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Jicarilla Apache

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Jicarilla 404

9. WELL NO.: 1 (O-16)

10. FIELD AND POOL, OR WILDCAT: Puerto Chiquito, West

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 16, T27N R1W

12. COUNTY OR PARISH: Rio Arriba | 13. STATE: New Mexico

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: 320

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

19. PROPOSED DEPTH: 7750'

20. ROTARY OR CABLE TOOLS: Rotary

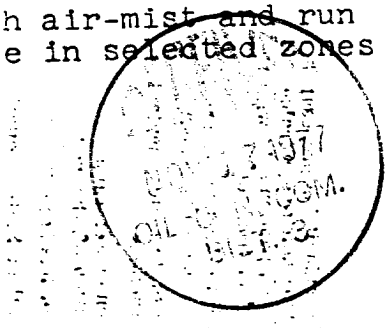
21. ELEVATIONS (Show whether DF, RT, GR, etc.): 7804' GR

22. APPROX. DATE WORK WILL START*: As soon as possible.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	335'	450 sacks, circulated
9 7/8"	7 5/8"	26.40#	6849'	400 sacks
6 3/4"	5 1/2" (liner)	15.5#	7250'-6700'	150 sacks

This application to re-enter plugged and abandoned hole formerly named Jicarilla 202 #1 (O-16).
13 3/8" surface casing in hole and cemented as above.
7 5/8" intermediate casing in hole and cemented as above.
Propose to drill cement plug from 6750' to 7250' with air-mist and run liner as indicated above. Completion attempt will be in selected zones in Niobrara.



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: Virgil E. Smith — TITLE: Engineer — DATE: November 10, 197

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACERAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
BENSON-MONTIN-GREER DRILLING CORP.	JICARILLA 404	1 (O-16)

Unit Letter	Section	Township	Range	County
O	16	27 NORTH	1 WEST	Rio Arriba

Actual Footage Location of Well: 1085 feet from the South line and 2052 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage
7804.0	Mancos	West Puerto Chiquito	320 Acres

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

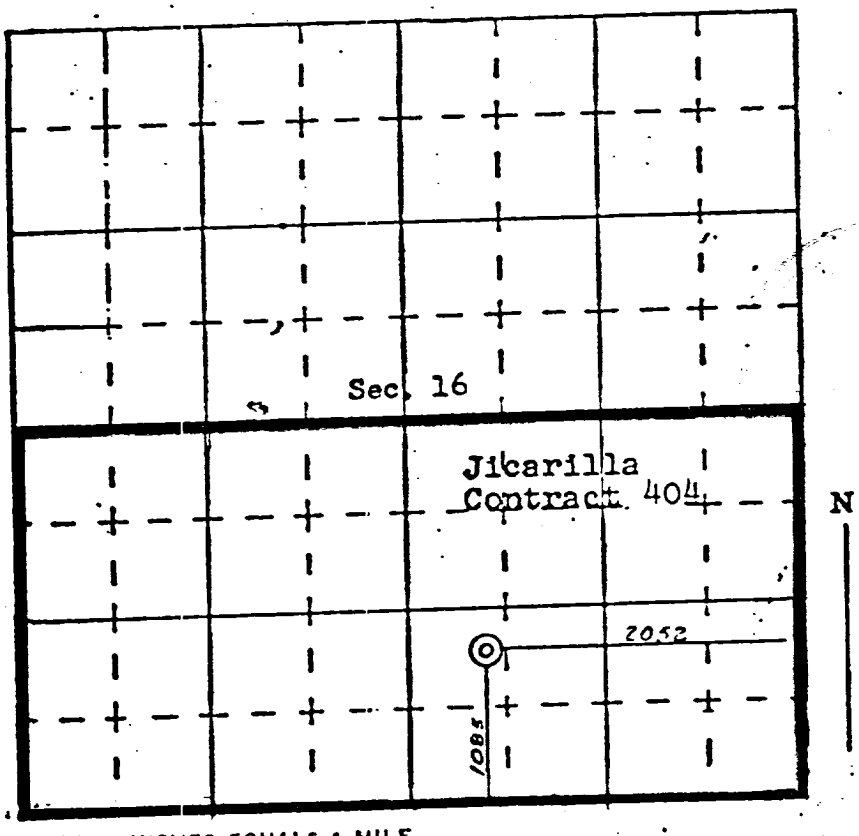
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 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—4 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

CERTIFICATION

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

Name _____

Position Engineer

Company Benson-Montin-Greer Drilling Corp.

Date November 10, 1977

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 _____

Registered Professional Engineer and/or Land Surveyor

Certificate No. 1463

BENSON-MONTIN-GREER DRILLING CORP.
221 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO 87401
PHONE: 325-8874

ATTACHMENT TO APPLICATION FOR PERMIT TO DRILL
JICARILLA 404 #1 (O-16)

1. The geologic name of the surface formation is Animas.

2. The estimated tops of important geologic markers:
   Lewis @ 3315'
   Mesa Verde @ 5430'
   Mancos @ 5880'
   Gallup @ 6440'
   Niobrara "A" @ 6930'

3. The estimated depth at which anticipated water, oil, gas or other mineral-bearing formation is expected to be encountered is Niobrara "A" @ 6930'.

4. The proposed casing program will be:

13 3/8"	K-55	48# @ 335'
7 5/8"	N-80	26.40# @ 6849'
5 1/2"	K-55	15.5# @ 7250' to 6700'

5. Operator's minimum specifications for pressure control includes Schafer model LWP double hydraulic blowout preventer. See attached schematic diagram. Testing procedures will include opening and closing both sets of rams every tower plus pressure tests.

6. The type and characteristics of the proposed circulating medium to be employed is a water-gel type mud with a viscosity of 35 to 40 centipoises and density of 9 to 10# per gallon. Adequate supply of mud, water and weighting material will be maintained on location in the event it is required.

7. Auxiliary equipment to be used includes:

   A. Kelly cocks or valve arrangements for surface control of flow inside drill pipe.

   B. Float at the bit to eliminate the flow up the drill pipe.

   C. Monitoring of the mud system will be by crew members at regular intervals.

   D. Operator will have a sub on the floor with a full opening valve to be stabbed into drill pipe when the Kelly is not in the string.

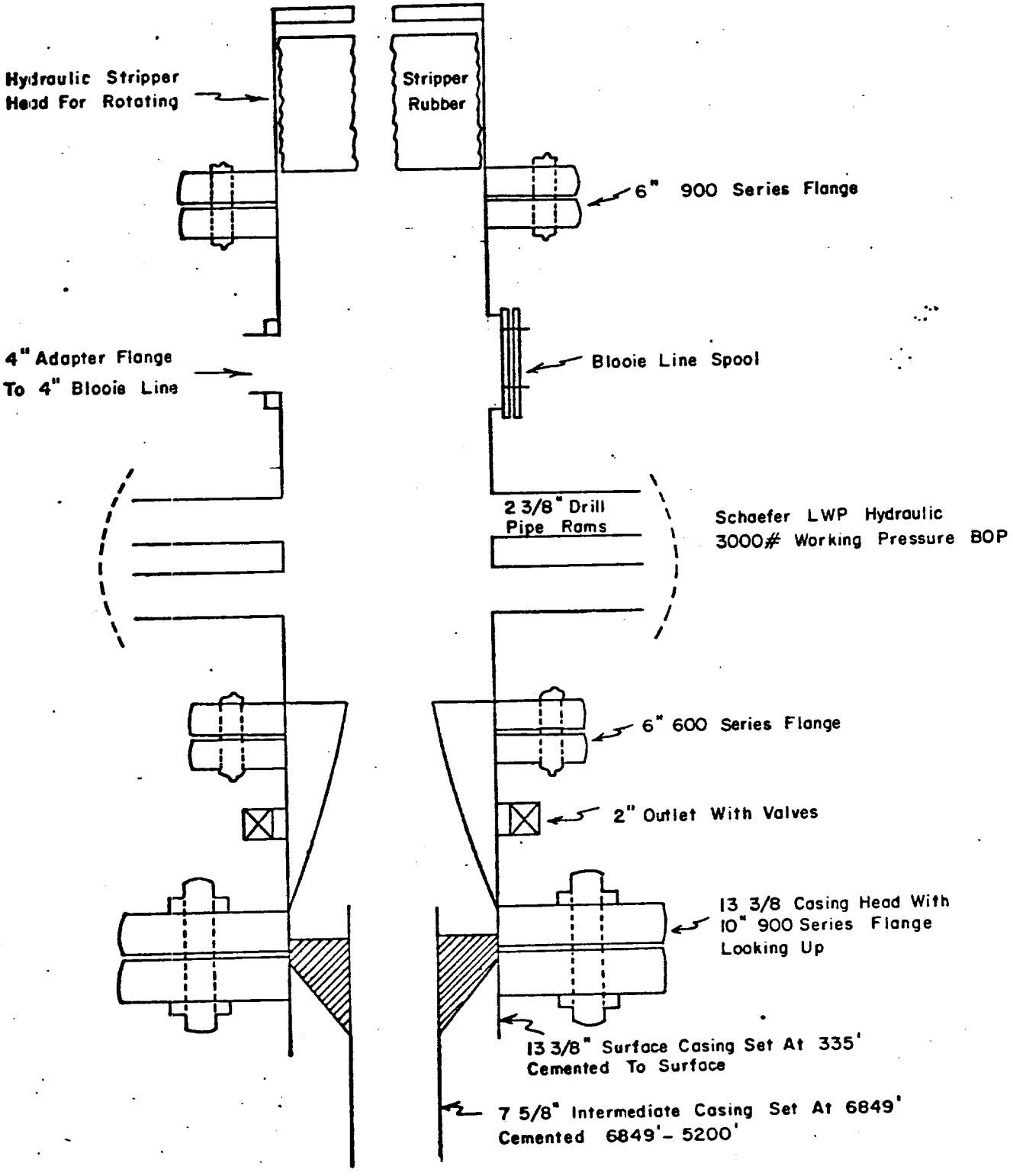
BENSON-MONTIN-GREER DRILLING CORP.

ATTACHMENT TO APPLICATION FOR PERMIT TO DRILL
JICARILLA 404 #1 (O-16)

8. No drill stem testing is proposed - logs have been run previously (logs have well name as Jicarilla 202 #1 (O-16), run #1 dated 4/14/67 and run #2 dated 4/20/67) - no coring program is anticipated.

9. Operator does not anticipate abnormal pressures or temperature and there is no potential hazard of hydrogen sulfide gas.

10. The anticipated starting date is mid-November, 1977, with an estimated 30-45 days for completion.



JICARILLA 404 #1 (O-16)

SCHEMATIC DIAGRAM FOR

PRESSURE CONTROL EQUIPMENT

BENSON-MONTIN-GREER DRILLING CORP.

DEVELOPMENT PLAN FOR SURFACE USE

JICARILLA 404 #1 (O-16)
SW/4SE/4 SEC. 16, T27N R1W
RIO ARRIBA COUNTY, NEW MEXICO
CONTRACT 404

1. Existing Roads

A. See attached map entitled "Existing Roads".

B. East from Farmington, New Mexico on U.S. Highway 64 approximately 70 miles to Junction with State Highway 537; south on 537 approximately 10 miles to Junction with Jicarilla J-16 (Stinking Lake Road); east on Jicarilla J-16 approximately 10 miles to Junction with State Highway 95; south on 95 approximately 6 miles; left turn 1½ miles to location.

C. See attached map entitled "Existing Roads".

D. Not applicable.

E. See attached map entitled "Existing Roads".

F. Roads will be maintained and the access roads will be re-established to pre-drilling condition.

2. Planned Access Roads

A. Width of access roads will be 20 feet.

B. Maximum grades will be less than 6%.

C. There will be no turnout on access roads.

D. Drainage designs will be by crowning center line of road and draining into bar ditches.

E. There will be no culverts installed nor will there be any major cuts or fills.

F. Surfacing material will be native soil.

G. No gates, cattle guards or fence cuts will be involved.

DEVELOPMENT PLAN FOR SURFACE USE
JICARILLA 404 #1 (O-16)

3. Location of Existing Wells

A. All wells in the area are shown on the "Location of Existing Wells" plat attached hereto.

4. Location of Existing and/or Proposed Facilities

A. Existing facilities within 1-mile radius of location are shown on the plat "Location of and/or Proposed Facilities".

B. Contemplated facilities in the event of production are also shown.

C. Rehabilitation of disturbed areas, no longer needed for operations after construction is complated, includes reseeding in accordance with Jicarilla Tribe recommended procedures.

5. Location and Type of Water Supply

A. Water supply for drilling operations will be Hayden Lake, approximately 9 miles northeast of well site location.

B. Water will be trucked to the well site location.

C. A water well will not be drilled.

6. Source of Construction Materials

A. No construction materials will be required for access road and location.

7. Methods for Handling Waste Disposal

1. Drill cuttings will be contained and disposed of in the reserve pit.

2. Drilling fluids will be contained and disposed of in the reserve pit.

3. It is not expected that there will be any produced fluids.

4. Sewage will be disposed of in earthen pits by chemical process.

5. Garbage and other excess material will be contained in a trash pit, fenced with small mesh wire to prevent wind scattering and will be burned or buried; in the event of burning there will be a minumum of twenty-four inches cover.

6. When drilling is completed and rig is moved out, location will be cleaned of all machinery and material.

8. Ancillary Facilities

A. No ancillary facilities will be required on this location.

9. Well Site Layout

A. See attached plat "Well Site Layout".

B. See attached plat "Well Site Layout".

C. See attached plat "Well Site Layout".

D. Pits used during drilling operations will be unlined.

10. Plans for Restoration of Surface

A. Following are plans for restoration program.

1. Pits and other evacuations will be backfilled and leveled with contouring as required to prevent erosion. Waste disposal and segregation will be conducted according to Jicarilla Tribe recommendations.

2. Revegetation and rehabilitation will be conducted according to Jicarilla Tribe recommendations.

3. Pits will be fenced and maintained until cleanup.

4. Any oil on pits will be removed or overhead flagging installed.

5. Timetable for commencement and completion of rehabilitation operations will be at the earliest time the pits can be worked without danger of overflowing drilling fluids into natural drainage.

11. Other Information

A. Following is a general description of other information.

1. Topography of the area is rocky ridges with clay type soil. Geological features include outcrops and structural features. Flora and fauna include desert flowers, sage brush, native grasses, deer, elk, and small desert animals in the area.

2. Other surface use activities include grazing of cattle and horses with the surface ownership by the Jicarilla Tribe.

3. Water in the area is Hayden Lake located approximately 9 miles northeast of proposed location and drainage (dry washes) streams. There are no occupied dwellings in the proximity of the well site. There are no known archaeological,historical or cultural sites in the area of the well site.

12. Lessee's or Operator's Representative

Virgil L. Stoabs
221 Petroleum Center Building
Farmington, NM 87401
505-325-8874
505-325-9772 residence

Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401
505-325-8874
505-325-2674 residence

BENSON-MONTIN-GREER DRILLING CORP.

DEVELOPMENT PLAN FOR SURFACE USE
JICARILLA 404 #1 (O-16)

13. Certification

The above statements and representations are true and correct to the best of my belief and knowledge. The operations will be conducted in a manner that will comply with the Jicarilla Tribe and United States Geological Survey rules and regulations, recommendations, advice and requirements.

BENSON-MONTIN-GREER DRILLING CORP.

BY: Virgil L. Stoabs
Vice-President

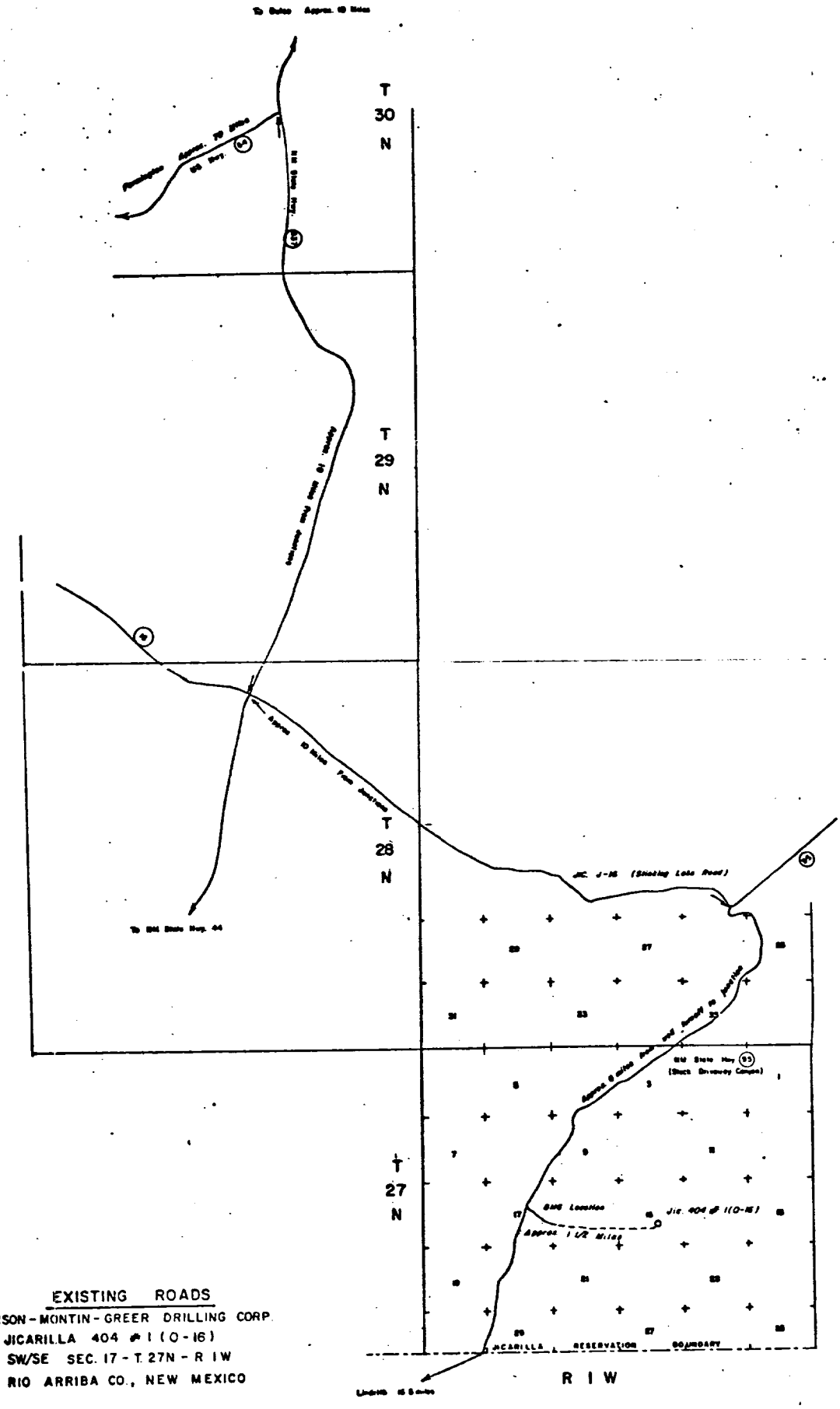
ACKNOWLEDGMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SAN JUAN)

On this 10th day of November, 1977, before me personally appeared Virgil L. Stoabs, known to me to be the Vice-President of the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.

Witness my hand and official seal.
My commission expires: 2-2-78

Notary Public



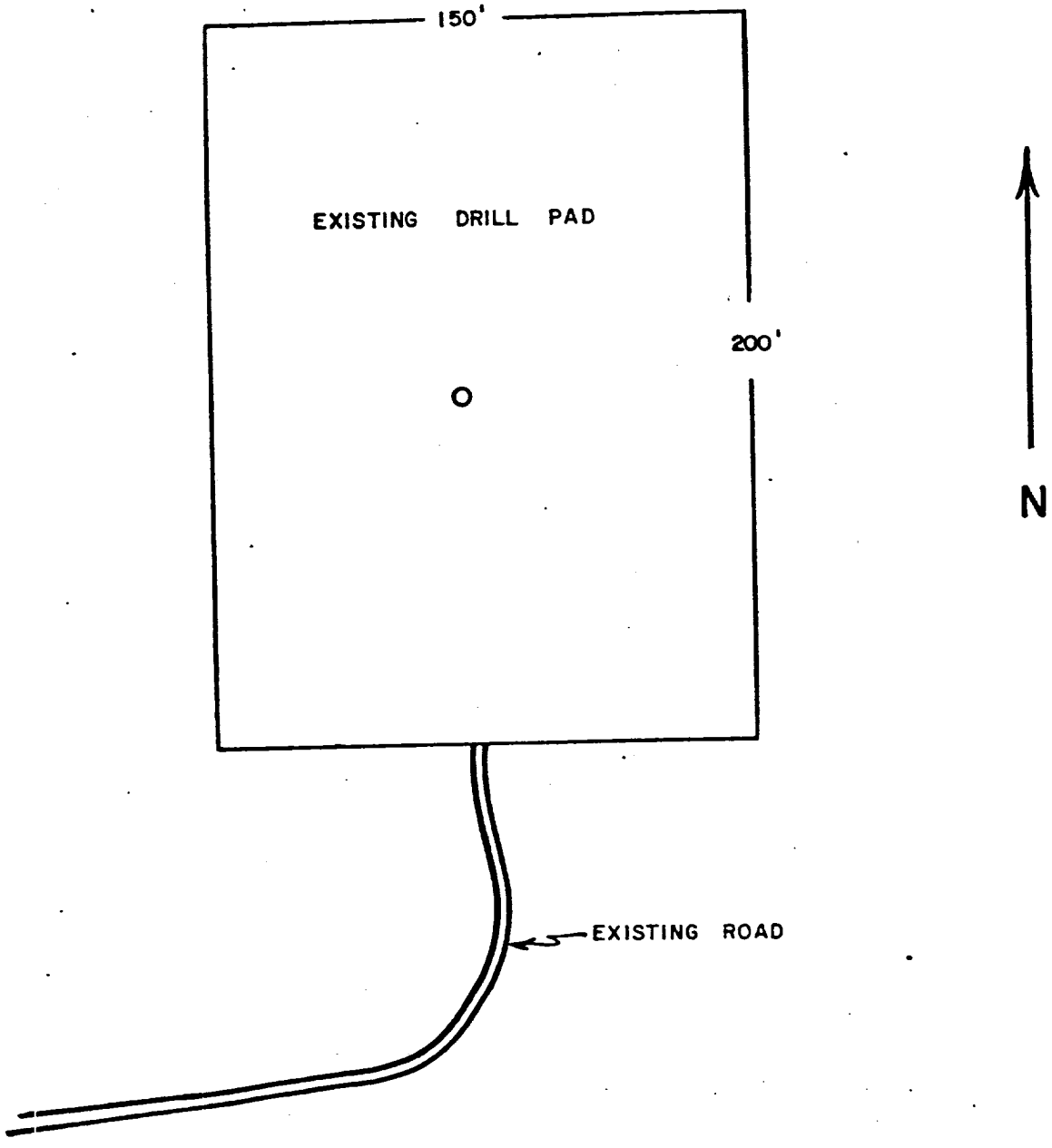
EXISTING ROADS

BENSON-MONTIN-GREER DRILLING CORP.

JICARILLA 404 # 1 (O-16)

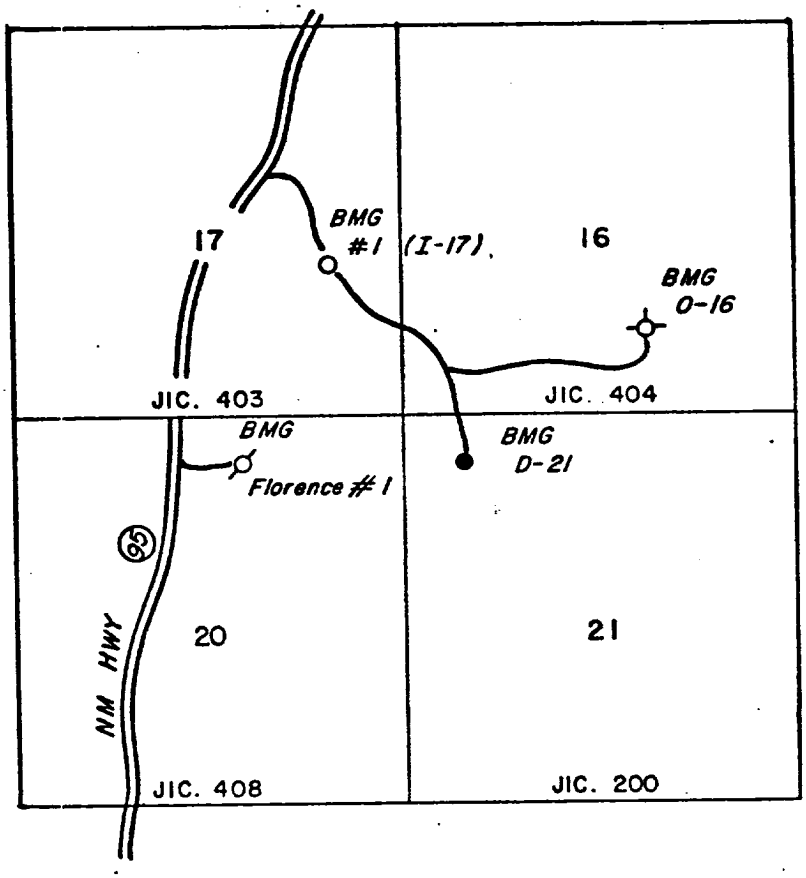
SW/SE SEC. 17 - T. 27N - R 1W

RIO ARRIBA CO., NEW MEXICO



EXISTING ROAD TO DRILLING PAD
JICARILLA 404 # (O-16)

R 1 W



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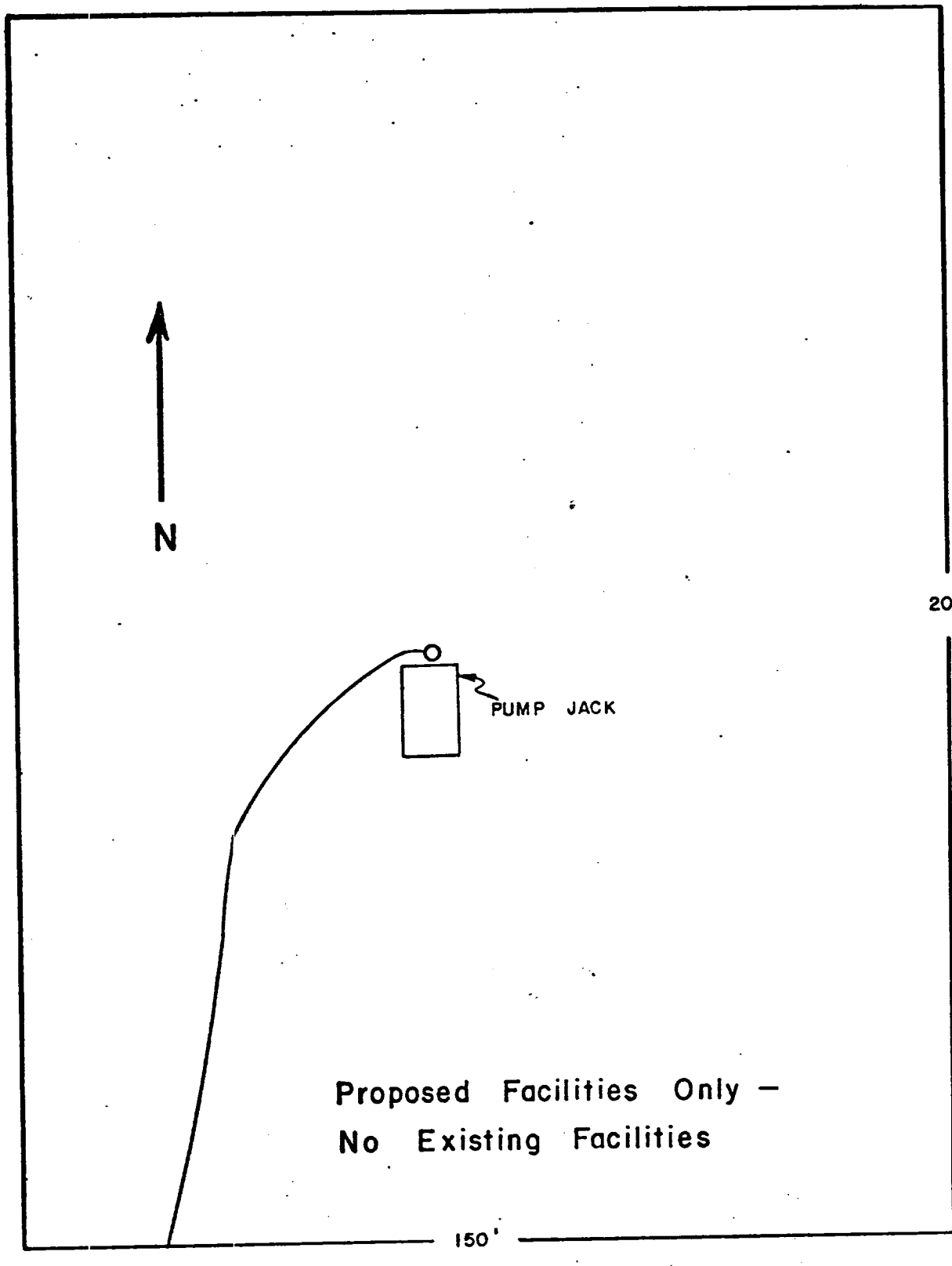
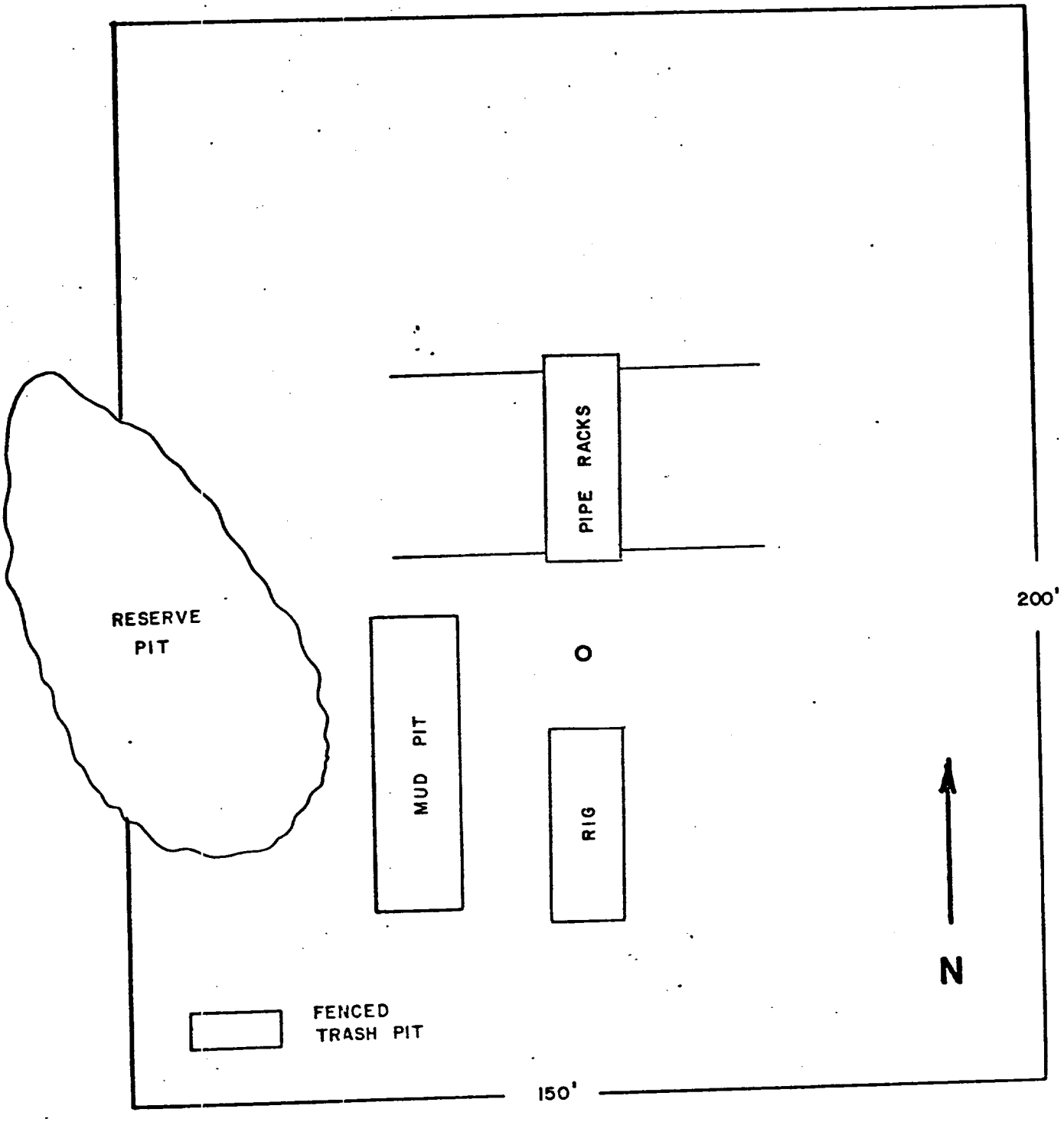
LOCATION OF EXISTING WELLS
FOR
BENSON-MONTIN-GREER DRLG. CORP.
JICARILLA 404 #1 (O-16)



LOCATION OF EXISTING AND/OR PROPOSED FACILITIES
FOR
JICARILLA 404 # 1 (O-16)



WELL SITE LAYOUT

JICARILLA # 404 (O-16)

(EXISTING PAD)