

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

3. NAME OF OPERATOR
Hixon Development Company

4. ADDRESS OF OPERATOR
P.O. Box 2810, Farmington, NM 87401

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
1650' FNL, 1650' FEL; Section 17-T25N-R12W
At proposed prod. zone

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
25 miles from Farmington

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

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

9. ELEVATIONS (Show whether DF, RT, GR, etc.)
6264' GL

10. NO. OF ACRES IN LEASE
360'

11. NO. OF ACRES ASSIGNED
TO THIS WELL
40

12. ROTARY OR CABLE TOOLS
rotary

13. APPROX. DATE WORK WILL START*
December 4th, 1978

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	200 sacks
7-7/8"	4-1/2"	9.5#	4963'	300 sacks

It is proposed to drill a Bisti Lower Gallup pool step-out well. The well will offset the Central Bisti Lower Gallup Unit and will serve the purpose of delineating the reservoir. It will be evaluated on the basis of open hole logs, and perforated, fraced and put on pump into separate oil treating and storage facilities.

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. Desiree Kresch TITLE Petroleum Engineer DATE October 31, 1978

(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 ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

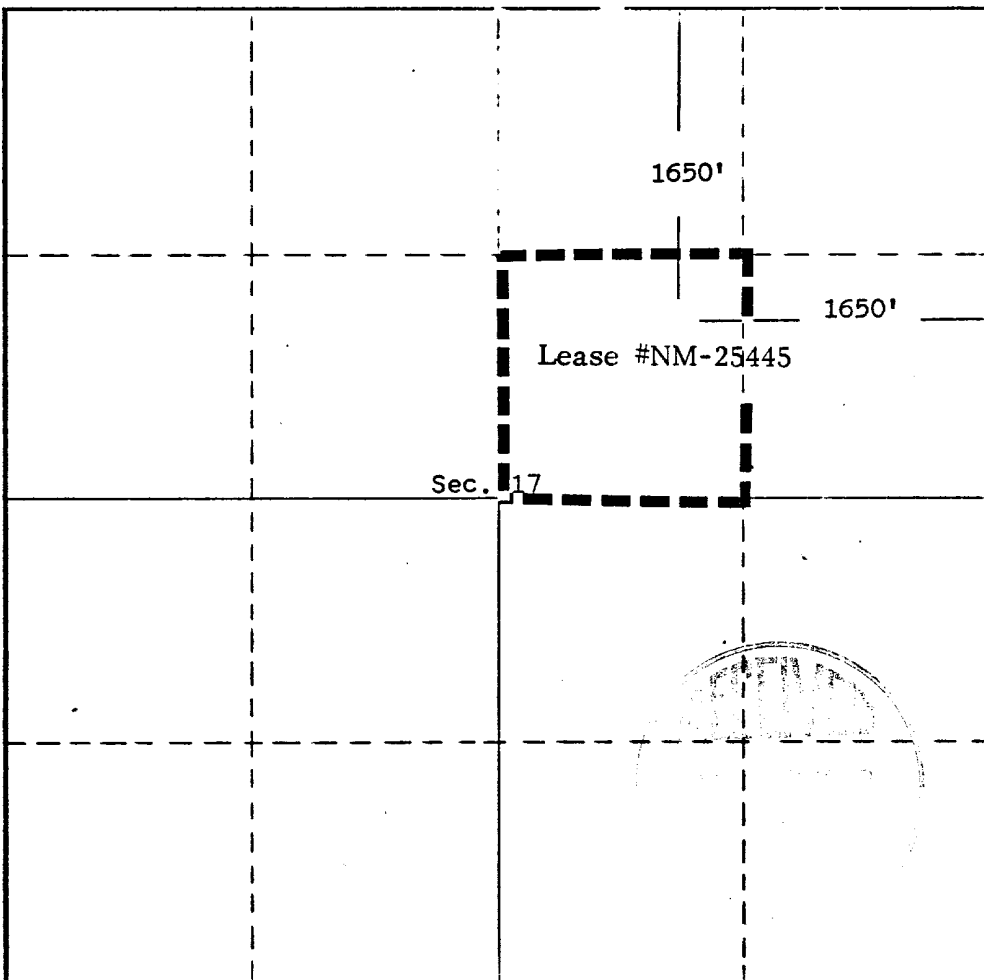
Operator Hixon Development Company			Lease (NM-25445) Black H. 11 Mesa		Well No. Black Hill Mesa #1
Unit Letter G	Section 17	Township 25 North	Range 12 West	County San Juan	
Actual Footage Location of Well: 1650 feet from the North line and 1650 feet from the East line					
Ground Level Elev. 6264	Producing Formation Lower Gallup		Pool Bisti Lower Gallup	Dedicated Acreage: 40 Acres	

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?

☐ Yes ☒ No If answer is "yes," type of consolidation one owner lease

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.

Aldrich L. Kuchera
Name

Aldrich L. Kuchera

Position

Petroleum Engineer

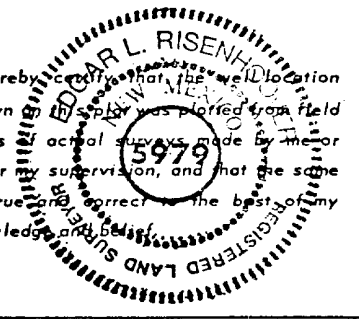
Company

Hixon Development Co.

Date

October 31st, 1978

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

October 27, 1978

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979

Edgar L. Risenhoover, L.S.

Application for Permit to Drill
Hixon Development Company
Black Hill Mesa Well No. 1
Bisti Lower Gallup Field
SW 1/4 of NE 1/4 Section 17-T25N-R12W
San Juan County, New Mexico

Recap of NTL-6 13-Point Outline is as follows:

1. Existing Roads - Refer to attached topographic map. The proposed well site is located inside an existing 25 year old oil field. The field has an extensive lease road system tied to State Highway 371 south of Farmington.
2. Planned Access Roads - Construction of an access road will not be necessary. Per the attached map, an access road already exists to this well site.
3. Location of Existing Wells - Refer to attached map.
4. Location of Tank Batteries, Production Facilities, etc. - The proposed well is located within an extensive oil and gas flowline and water injection system.
5. Location and Type of Water Supply - Will not be necessary. Any water used for workover purposes will be hauled in from a source well in Section 5, or else from Farmington.
6. Source of Construction Materials - None will be used.
7. Methods of Handling Waste Disposal - Any waste material incurred while drilling will be buried in the mud pits.
8. Ancillary Facilities - Will use existing Central Bisti Unit facilities.
9. Well Site Layout - Refer to plat attached.
10. Plans for Restoration of Surface - Area in the vicinity of well site is primarily sand. Very little of the well site area will be disturbed.
11. Other Information - Refer to Archaeological Report to be submitted to USGS.
12. Leasee's or Operator's Representative -

Aldrich L. Kuchera
Telephone- 325-6984 Office
 325-3448 Home
 325-1873 Unit #675 Car Telephone

13. See Attached

Application for Permit to Drill
Hixon Development Company
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Bisti Lower Gallup Field
SW 1/4 of NE 1/4, Section 17-T25N-R12W
San Juan County, New Mexico

Other NTL-6 pertinent data is as follows:

1. Estimated Log Tops:

Animas	Surface
Ojo Alamo	73'
Pictured Cliffs	1173'
Lewis	1313'
Point Lookout	3603'
Mancos	3753'
Gallup	4678'
Lower Gallup	4763'

2. Estimated depths of water, oil and gas:

Fresh Water	73'-173'
Gas	1173'-1193'
Oil and Gas	4678'-TD

3. Weight and type of mud to be used - 9.0-9.3#/gallon mud from below surface with low fluid loss-additives used across permeable zones.

4. Open hole logs to be used:

Induction Electric
Compensated Neutron-Density

5. Pressure control equipment will be a 10" Shaffer 3000 WP hydraulic BOP stack per the attached inventory sheet. Surface casing will be tested to 750 psi for 30 minutes prior drilling out cement. Production casing will be tested to 1000 psi for 30 minutes prior perforating.

6. On the basis of offset drilling data we do not foresee any drilling hazards such as high pressure gas zones, high temperatures, sour gas or other abnormal deviations.

7. Surface 8-5/8" 24# J-55 ST&C and production 4-1/2" 9.5# J-55 ST&C casing will be new and tested at the factory. Regular Class B cement will be used for the surface casing. Production casing will be cemented with Class B cement with 10# gilsonite per sack and 2% CaCl.

8. Duration of drilling activity from spud date to completion is expected to be about 15 days.

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Black Hill Mesa Well No. 1
Bisti Lower Gallup Field
SW 1/4 of NE 1/4, Section 17-T25N-R12W
San Juan County, New Mexico

9. In the event the well is a dry hole it will be plugged with prior USGS approval and the drill site restored.

HIXON DEVELOPMENT COMPANY

P. O. BOX 2810

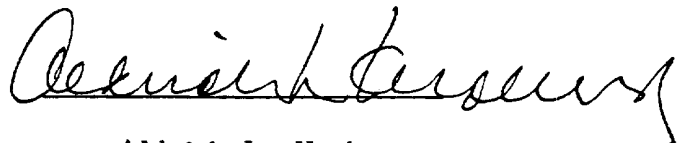
FARMINGTON, NEW MEXICO 87401

October 31, 1978

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 under which it is approved.

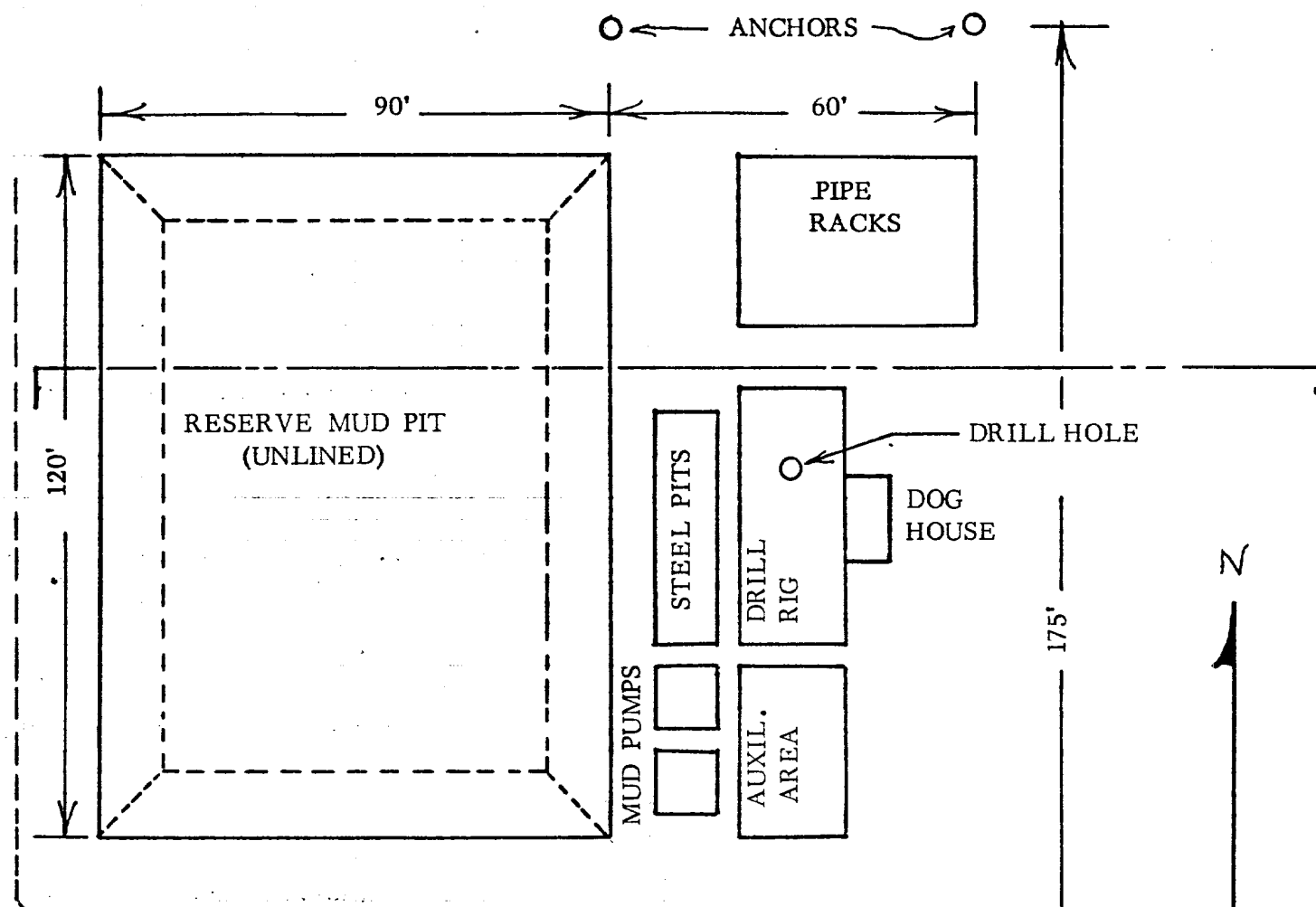
10/31/78



Aldrich L. Kuchera
Production Manager and
Petroleum Engineer

ALK:dl

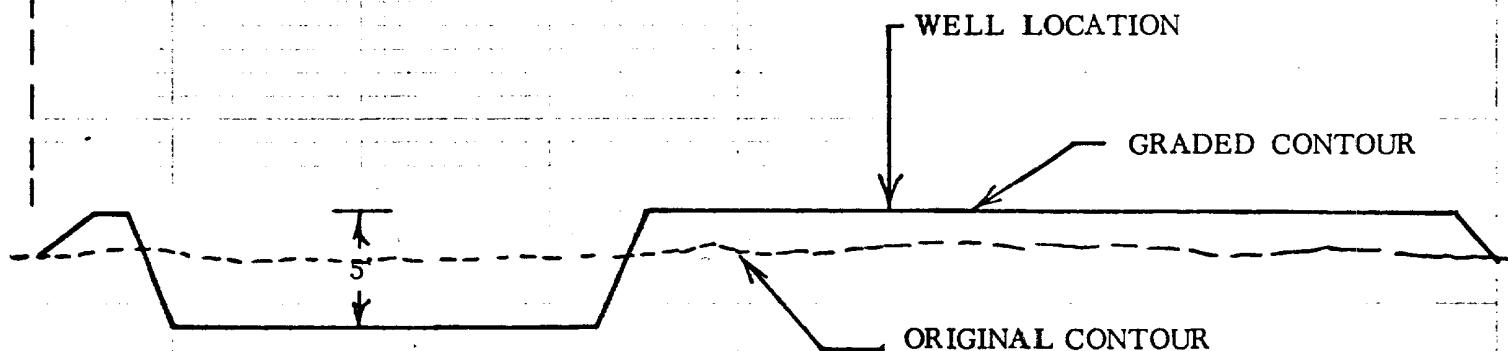
HIXON DEVELOPMENT COMPANY
DRILLING LOCATION PLAT AND RIG LAYOUT



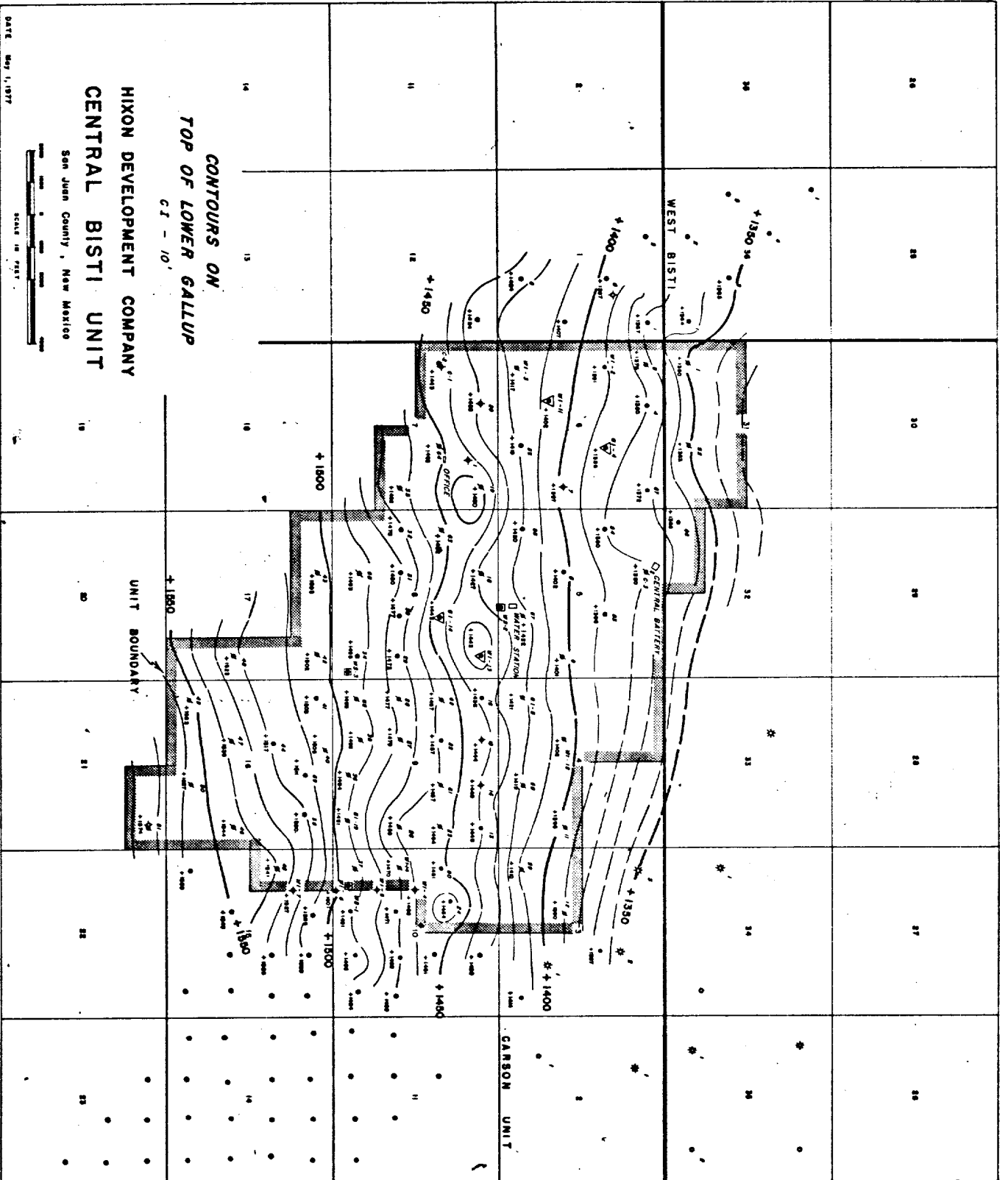
LOCATION ACCESS

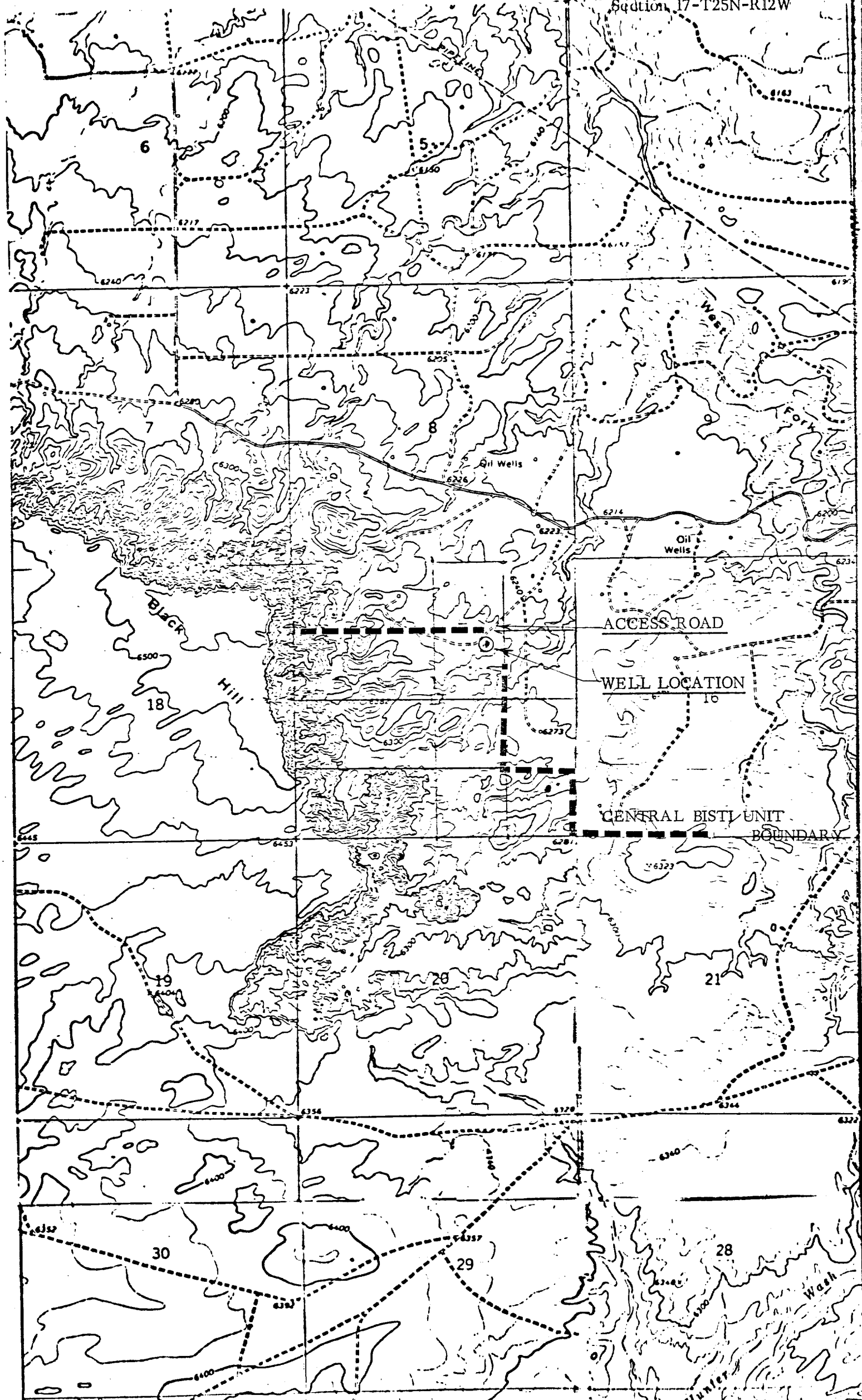
BLACK HILL MESA WELL NO. 1
SW NE SEC. 17 T25N R12W

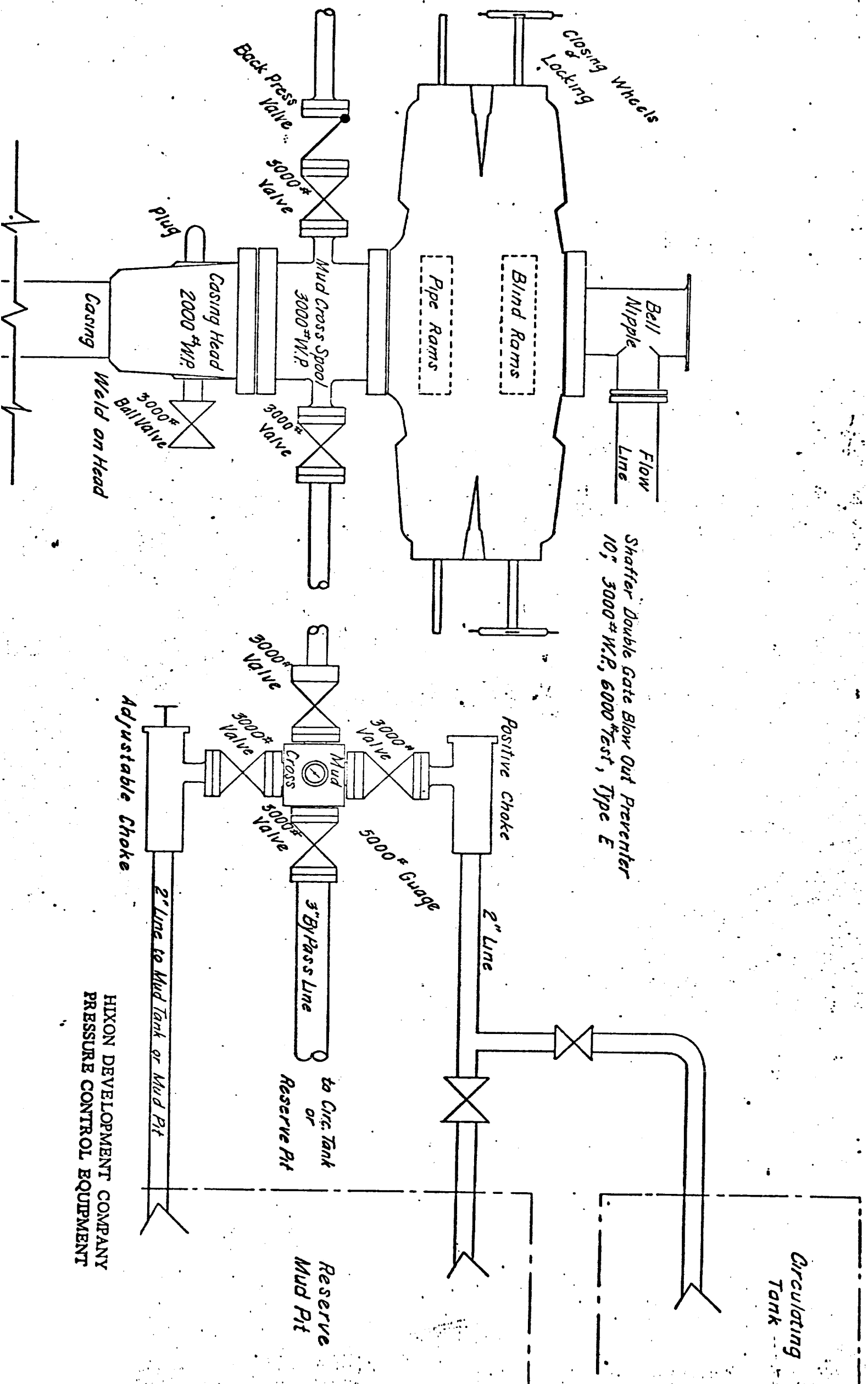
HOUSE
TRAILER



R 13 W R 12 W







HIXON DEVELOPMENT COMPANY
 PRESSURE CONTROL EQUIPMENT