

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY30-045-28589  
5. LEASE DESIGNATION AND SERIAL NO.  
NM-33054

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

TRAIL CANYON

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

BMV and B Dakota

11. SEC., T., R., M., OR BLK.

AND SURVEY OR AREA  
Sec. 8-T32N-R8W NMPM

12. COUNTY OR PARISH

San Juan

13. STATE

NM

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

BIXCO, INC.

3. ADDRESS OF OPERATOR

c/o K &amp; A, Inc., 2360 Anaconda Tower, 555-17th. St., Denver, CO 80202

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

At surface

790' FNL (2361 FSL) 920' FEL Section 8

At proposed prod. zone

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

18 mi NW of Navajo Lake State Park

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

790'

16. NO. OF ACRES IN LEASE

375.07

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

375.07

18. DISTANCE FROM PROPOSED LOCATION\*

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

19. PROPOSED DEPTH

8,500'

20. ROTARY OR CABLE TOOLS

Rotary

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

6,639' GR

22. APPROX. DATE WORK WILL START\*

July 10, 1979

23.

## 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 (New)	24#	300'	250 sx
1 1/8	5 1/2 (New)	15.5 & 17#	8,500'	650 sx

Operator proposes to drill to 8,500 feet to test the Mesa Verde and Dakota formations. The surface formation is the Wasach. The Pictured Cliffs is anticipated at 3,540', Cliff House at 5,240', and Menefee at 5,690', Point Lookout at 5,860', Mancos at 6,040', and Dakota at 8,140'. Gas production is anticipated from the Mesa Verde and Dakota formations. Pressure control equipment will consist of dual ram 10" - 900 Series (3,000 psi W.P.) blowout preventors tested to 1000 psi before drilling the surface pipe shoe. Drilling mud will be used to total depth with viscosity and weight controlled as necessary. A full opening drill pipe valve will be available on the floor. No DST's or cores are anticipated, and the base log will be the Dual Induction Laterolog. No abnormal pressures or temperatures will be encountered. This well will require approximately 20 drilling days.

The dedicated acreage is as provided in New Mexico Energy and Minerals Dept., Oil Conservation Division Order No. R-3817.

*gas is dedicated*

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 W.E. Landry

Asst. Manager Operations

K &amp; A, Inc.

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

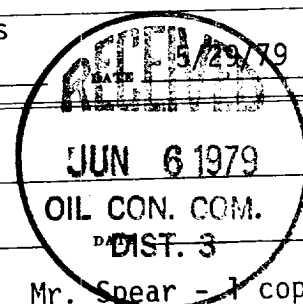
CONDITIONS OF APPROVAL, IF ANY:

Distribution: USGS - original + 5 copies Houston - 1 copy  
Bixco - 1 copy File - 1 copy

\*See Instructions On Reverse Side

NWU R-3817 MUDOK

YHMAC



Mr. Spear - 1 copy

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.

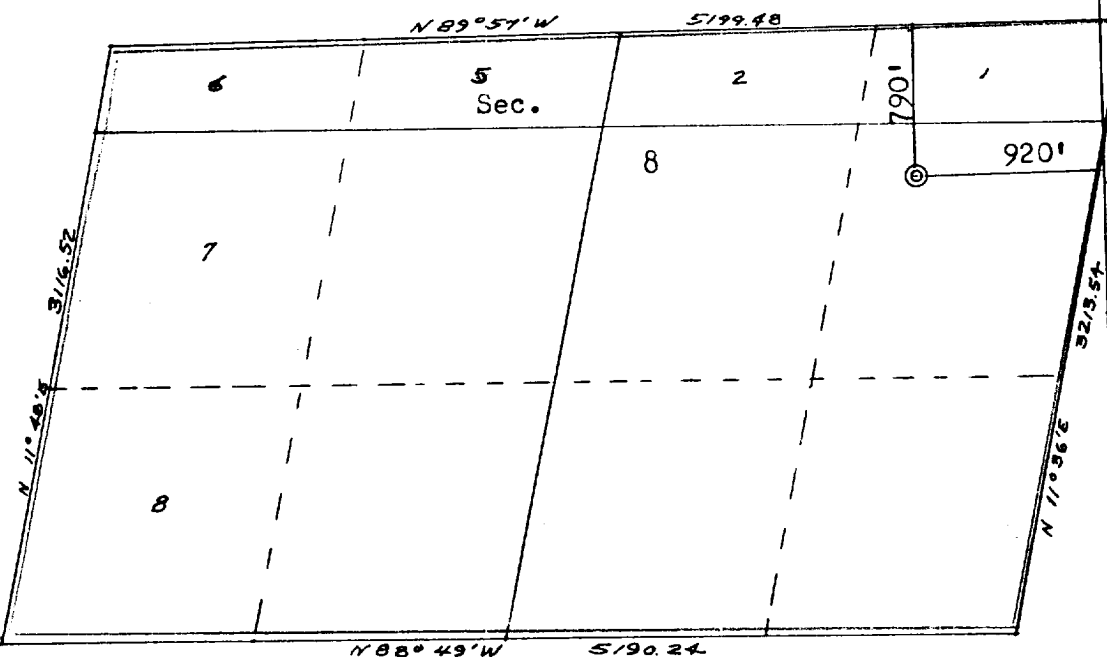
Operator <b>BIXCO, INCORPORATED</b>			Lease <b>TRAIL CANYON</b>		Well No. <b>1</b>
Unit Letter <b>I</b>	Section <b>8</b>	Township <b>32N</b>	Range <b>5W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>790</b> feet from the <b>North</b> line and <b>920</b> feet from the <b>East</b> line					
Ground Level Elev: <b>6639</b>	Producing Formation <b>Dakota &amp; Mesa Verde</b>		Pool <b>Basin Dakota - Blanco</b>		Dedicated Acreage: <b>375.07</b> 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 \_\_\_\_\_

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.



Scale: 1"=1000'

CERTIFICATION

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

Name  
**W. E. Landry**  
Position  
**Asst. Mgr. Operations**  
Company  
**K & A, Inc.**  
Date

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  
**May 22, 1979**  
Registered Professional Engineer  
and Land Surveyor

**Fred B. Kerr Jr.**

Certificate No.  
**3950**

Topographic map of the vicinity of Bixco, Incorporated #1 Trail Canyon. The map shows contour lines, roads, and various geographical features. Key locations include:
 

- Proposed Location**: Marked with a star in the upper left quadrant.
- Reese Canyon**: Located in the upper right quadrant.
- Wilmer Canyon**: Located in the middle right quadrant.
- Albino Canyon**: Located in the lower right quadrant.
- Blind Canyon**: Located in the lower right quadrant.
- Reflex Canyon**: Located in the lower left quadrant.
- Long Glade Canyon**: Located in the lower left quadrant.
- Gas Well**: Several locations marked with 'G' and elevations (e.g., 6594, 6590, 6546).
- VABM**: Several locations marked with 'V' and elevations (e.g., 6802, 6800, 6804).
- San Juan Co**: Labeled at the top center.
- New Mexico**: Labeled at the top right.
- 256000 E**: Grid coordinate at the top left.
- 70 000 FEET (CENTRAL)**: Grid coordinate at the top center.
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Vicinity Map for  
BIXCO, INCORPORATED #1 TRAIL CANYON  
790'FNL 920'FEL Sec 8-T32N-R8W  
SAN JUAN COUNTY, NEW MEXICO

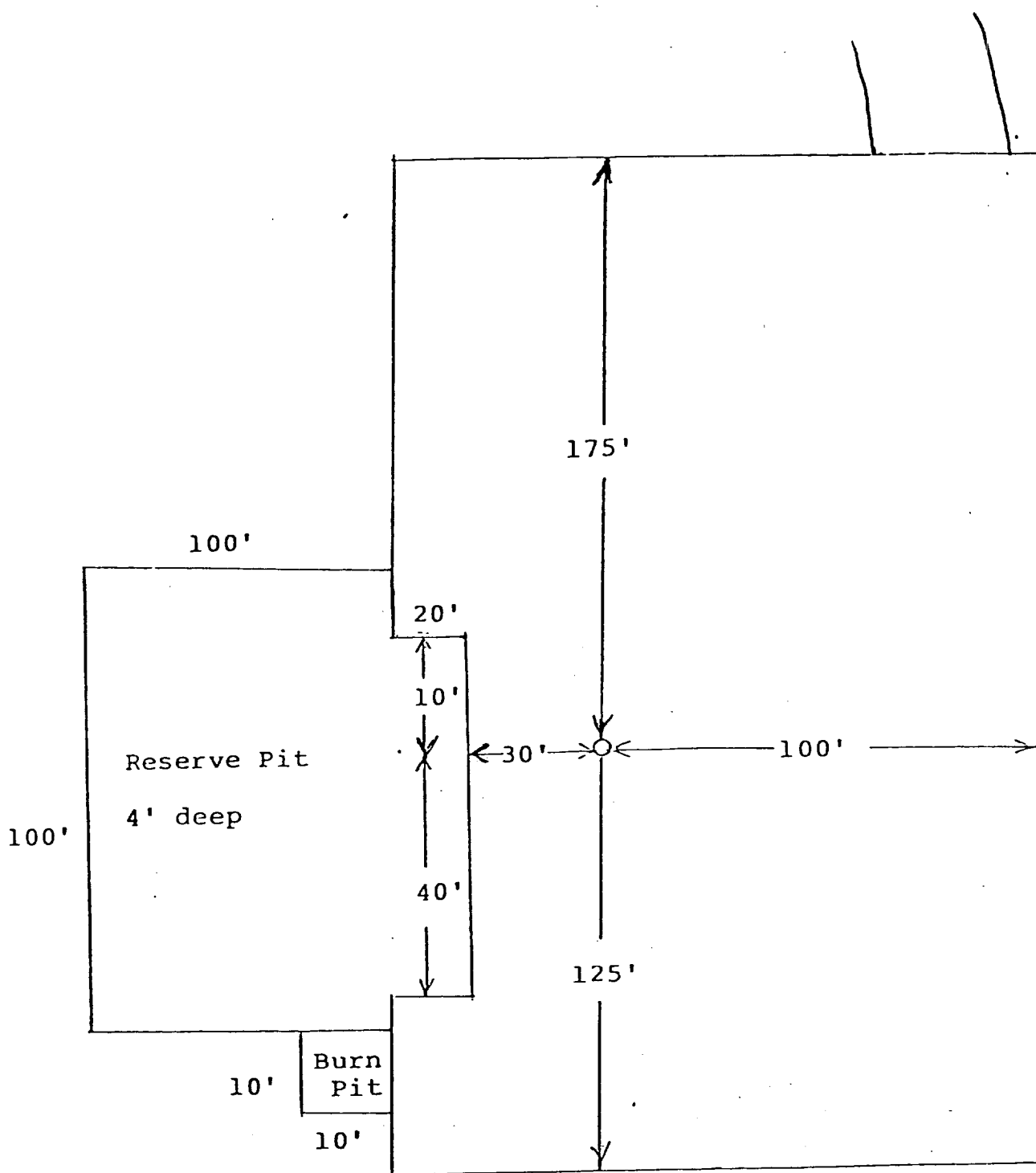


DIAGRAM OF WELL LOCATION



## DEVELOPMENT PLAN FOR SURFACE USE

BIXCO, INC.

TRAIL CANYON WELL NO. 1  
SECTION 8-T32N-R8W  
SAN JUAN COUNTY, NEW MEXICO

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### 1. Existing Roads

Existing roads are as shown on the attached topographic map. New Mexico State Highway Number 511 from Navajo Dam north toward Ignacio, Colorado to a point approximately 1 mile south of the New Mexico-Colorado border and gravel service roads to within 100 feet of the proposed location.

### 2. Planned Access Road

Approximately 100 feet of access road will be required to the location. This road will be 18 feet wide with adequate drainage.

### 3. Location of Existing Wells

Shown on the attached map of the area.

### 4. Location of Tank Batteries, Production Facilities and Production Gathering and Service Lines

No tank battery is planned. Production facilities will consist only of horizontal separators placed on location 150 feet from the wellhead for each producing zone. The nearest gathering system is Northwest Pipeline system in Section 23-T32N-R8W, La Plata County, Colorado.

### 5. Water Supply

Water will be hauled to location from the San Juan River as it passes through the La Boca Ranch in La Plata County, Colorado.

### 6. Source of Construction Materials

Not applicable.

### 7. Methods of Handling Waste Disposal

All garbage and trash that can be burned shall be burned. All trash that cannot be burned will be contained in a trash pit and covered with a minimum of 4 feet of cover. All production waste such as cuttings, chemicals, overflows of oil, water, and drilling fluids, shall be contained in the reserve pit and on completion of drilling

## Methods of Handling Waste Disposal (Cont'd.) ..

activities buried with a minimum of 4 feet of cover. The reserve pit will be fenced until cleanup operations are commenced. A portable toilet will be provided for human waste.

### 8. Ancillary Facilities

There are no ancillary facilities planned for this location.

### 9. Wellsite Layout

See attached location layout plat.

### 10. Plans for Restoration of the Surface

Cleanup of the well location will commence immediately following the removal of the drilling equipment. The reserve pit will be fenced until restoration operations are commenced. The well location will be returned to approximate natural contour and the access road will be returned to original contour if the well is not productive. Both the road and location will be restored and reseeded in accordance with BLM specifications.

Restoration has been discussed with the landowner as indicated by the signature on the attached Rehabilitation Plan.

### 11. Other Information

Impact on the environment will be minimal. The access road and well location is sparsely vegetated and minimal disturbance will be required.

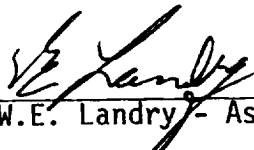
### 12. Operator's Representative

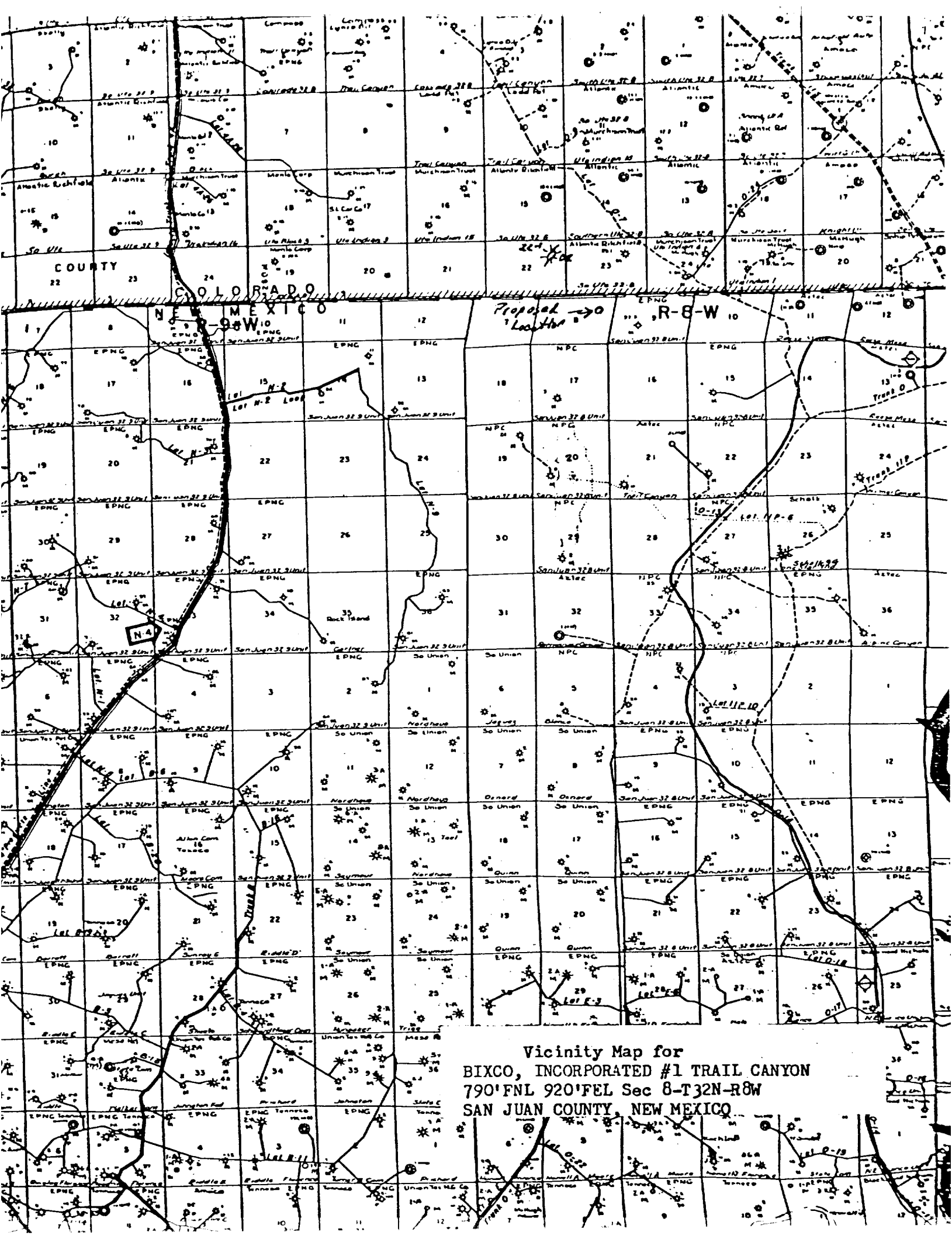
K & A, Inc.  
2360 Anaconda Tower  
555 - 17th. Street  
Denver, CO 80202

### 13. Certification

I hereby certify that I have inspected the proposed drillsite 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 Bixco, Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

May 29, 1979  
(Date)

  
W.E. Landry - Asst. Mgr. Operations  
K & A, Inc.  
(Company)



Vicinity Map for  
BIXCO, INCORPORATED #1 TRAIL CANYON  
790'FNL 920'FEL Sec 8-T32N-R8W  
SAN JUAN COUNTY, NEW MEXICO

# REHABILITATION PLAN

Lease No.: 33054; Well Name and No.: Trail Canyon Well No. 1  
Subdivision: NE SE (I), Section 8, T. 32 N., R. 8 W.,  
County San Juan, State New Mexico  
Bixco Inc. Oil Company intends to drill a well on  
surface owned by Kendall & Associates. The lessee/operator  
agrees to complete the following rehabilitation work if the well is a producer:

☒ Yes ☐ No Maintain access road and provide adequate drainage from road.

☒ Yes ☐ No Reshape and seed any area not needed for maintenance of the  
production facilities.

Other requirements: \_\_\_\_\_

The following work will be completed when the well is abandoned/dry hole:

## WELL LOCATION

☒ Yes ☐ No Pit will be fenced until dry, then filled to conform to surround-  
ing topography.

☒ Yes ☐ No Water bars will be constructed as deemed necessary.

☒ Yes ☐ No Site will require reshaping to conform to surrounding topography.

☒ Yes ☐ No Entire disturbed area will be seeded with the following seed  
mixture:

as per BLM specifications

## ACCESS ROAD

☒ Yes ☐ No Access road will be closed, rehabilitated and seeded using the  
same seed mixture as above.

☒ Yes ☐ No Water bars will be constructed on the access road as deemed  
necessary.

Other requirements: \_\_\_\_\_

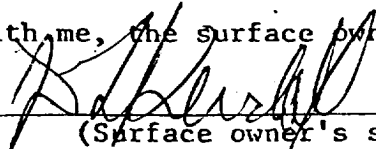
## SURFACE OWNER

Name: Kendall & Associates  
Address: 719 W. Apache  
City: Farmington,  
State: New Mexico 87401  
Phone: 505-325-7513  
Date: May 23, 1979

## OPERATOR/LESSEE

Name: Bixco Inc. c/o K & A, Inc.  
Address: Suite 2360, 555 17th Street  
City: Denver  
State: Colorado 80202  
Phone: (303) 825-7722  
Date: May 23, 1979

I CERTIFY rehabilitation has been discussed with me, the surface owner:

  
(Surface owner's signature)

This plan covers rehabilitation requirements only and does not affect any other  
agreements between the lessee/operator and surface owner.