

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: Bixco, Inc.

3. ADDRESS OF OPERATOR: P.O. Box 255, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
1560 ft. From North Line, 830 Ft. From East
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:
19 miles north northeast of Navajo Dam

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit lde, if any) 830 ft.

16. NO. OF ACRES IN LEASE: 271.65

17. NO. OF ACRES ASSIGNED TO THIS WELL: 271.65*

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None

19. PROPOSED DEPTH: 8375 ft.

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6720 ft.

22. APPROX. DATE WORK WILL START: October 1, 1980

30-045-24590

5. LEASE DESIGNATION AND SERIAL NO. NM-33055

6. IF INDIAN, ALLOTTEE OR TRIBE NAME None

7. UNIT AGREEMENT NAME None

8. FARM OR LEASE NAME Trail Canyon

9. WELL NO. 2

10. FIELD AND POOL, OR WILDCAT Blanco MV - Basin Dk

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA S18-T32N-R8W, N.M.P.M.

12. COUNTY OR PARISH San Juan

13. STATE New Mexico

23. PROPOSED CASING AND CEMENTING PROGRAM This action is subject to administrative appeal pursuant to 30 CFR 200.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13 1/4"	10 3/4"	32.75#, K55	300 ft.	275 sx.
8 3/4"	7 5/8"	26.4#, K-55	3885 ft.	400 sx.
6 1/4"	5 1/2"	15.5&17#K55	8375 ft.	350 sx.

Operator proposed to drill a Dakota test well to 8375' to test Dakota & Mesaverde gas possibilities. 10 1/4" hole will be drilled to 300' and 10 jts of 10 3/4" surface casing will be set with 275 sx reg. cement circulated to surface. A dual ram 10", 900 series, 3,000 psi test blow-out preventer will be installed and pressure tested to 1000 psi before drilling surface casing shoe. An 8 3/4" hole will be drilled to 3885' into the Lewis shale. The circulating medium will be a gel-based mud with properties of 8.8 to 9.6#, 30-45 viscosity & low water loss. No abnormal pressure zones are anticipated. IES, Form. Density and Neutron Density logs with caliper will be run. If interpretation of these logs indicate gas possibilities in the Fruitland or Pictured Cliffs formations, drill stem tests will be run of the likely zones. 7 5/8" intermediate casing will be run to 3885' and cemented with 400 sx. The hole will then be gas or air-drilled to a total depth of 8375' with tests of natural flows from the Mesaverde fm made. A dual-induction later-log, form. density-gamma log and sidewall neutron porosity log will be run to TD. 5 1/2" casing will then be run to total depth and cemented

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 location, measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: William R. Beer TITLE: agent DATE: Sept. 8, 1980
(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY: Bruce Wambsler TITLE: DATE: NWU

*Drilling and proration unit provided for in NMOCDC Order R-3817

ok 3rd

NMOCDC

conducting population surveys, population projections, and other demographic research. A good knowledge of state laws and regulations, and a familiarity with the number of persons employed in various occupations and professions, whether full-time or part-time, are essential to the proper conduct of such surveys.

[illegible][illegible]

from 14: No need only with a mention of a defendant residing beyond the land or lease question. A part of your report of on this report ship, show the same to find the survey location of the well and any other pertinent information should be furnished when requested by the oil or state agency offices.

Tables 13 and 14 will be for the two different types of direct drive bearings for submersible bearings of hole in eye or seal on hole type of design.

Part 22. Clearly in this case, the proposed amendments to the proposed before operations are started.

cont'd.

Back up to the intermediate casing. Possible production zones will be perforated, acidized and stimulated with appropriate sand/water frac treatments as required and produced through separate 2 3/8" and 1 1/2" tubing strings with packer. Estimated drilling time-24 days.

All distances must be from the center line of the Section.

INCORPORATED

Lease

TRAIL CANYON

Well No.

2

Section

18

Township

32N

Range

8W

County

San Juan

Approximate Location of Well:

feet from the North

line and

830

feet from the East

line

Level Elev.

5720

Producing Formation

Dakota/Mesaverde

Pool

Basin Dakota, Blanco MV

Dedicated Acres:

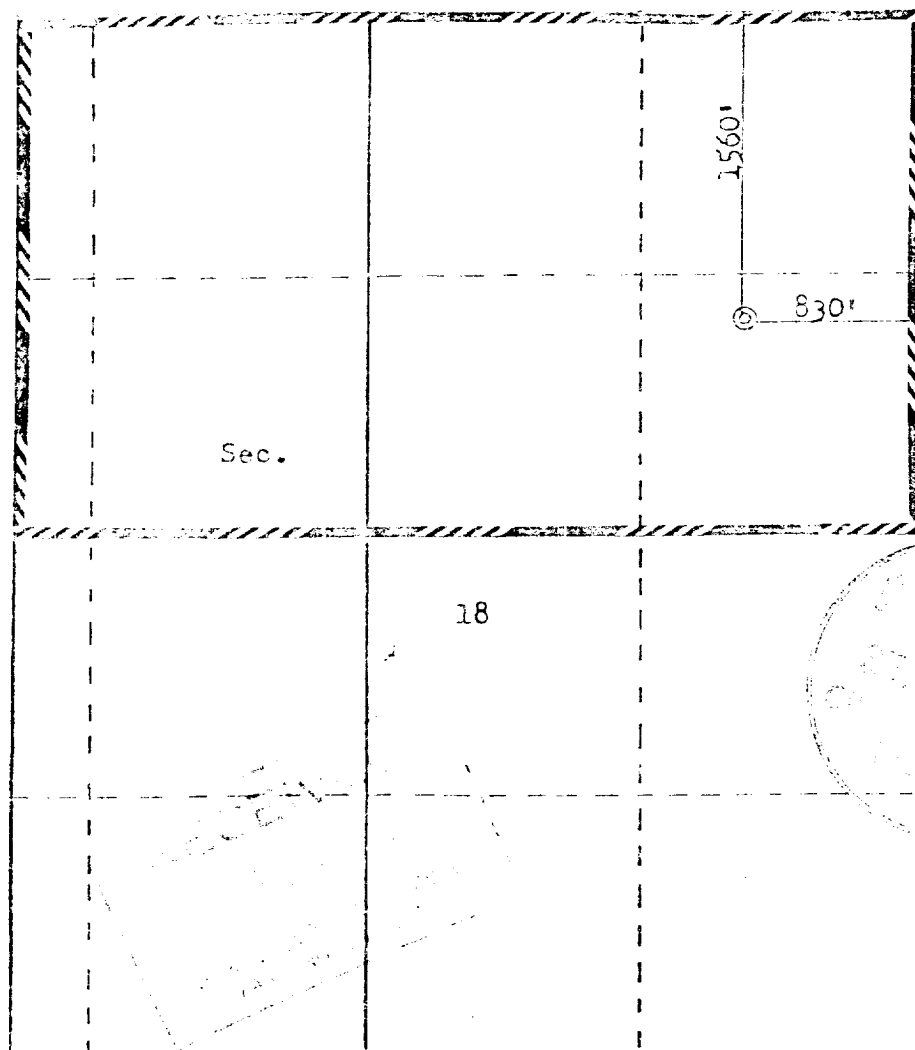
N/2-271.65 Acres *

1. Outline the acreage dedicated to the subject well by colored pencil or lecture 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 communization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation N/A

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) N/A

No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. *Drilling and proration unit provided for in N.M.Oil Cons.Div. Order R-381



CERTIFICATION

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

William R. Speer

William R. Speer

Position

Agent

Company

Bixco, Inc.

Date

Sept. 8, 1980

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

August 29, 1980

Registered Professional Engineer and Land Surveyor

Fred B. Kesteven

Certified Notary Public

NEW MEXICO