

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 TUBE ☐ MULTIPLE TUBE ☒

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.)
At surface 2050 ft. fr. South line, 430 ft. fr. East line

At proposed prod. zone Same

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

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any) 430 ft.

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

18. ELEVATION (SHOW WHETHER BP, RT, OR GR.)
6695' Gr

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13 1/4"	10 3/4", H40	32.75#	300 ft.	275 sx. Reg.
8 3/4"	7 5/8", K55	26.40#	3865 ft.	400 sx.
6 1/4"	5 1/2", K55	15.5 & 17.0#	8380 ft.	350 sx.

Operator proposes to drill a 8380' Dakota well to test Dakota & Mesaverde gas possibilities. A 13 1/4" hole will be drilled to 300 ft. and 10 jts of 10 3/4" surface casing will be set and cement circulated to surface. A dual ram, 10", 900 series BOP will be installed and pressure tested to 1000 psi before drilling surface casing shoe. An 8 3/4" hole will be drilled with gel-based mud to 3865 ft. into the Lewis shale where Induction-Electrical, Formation Density and Neutron Density logs with caliper will be run. No abnormal pressure zones are anticipated. If log interpretation indicates gas possibilities in the Fruitland or Pictured Cliffs, drill-stem tests are contemplated. 7 5/8" intermediate casing will be run to 3865 and set with sufficient cement to cover the Ojo Alamo Ss. A 6 1/4" hole will then be air gas drilled to a total depth of 8380' with tests of the natural flows of gas in the Mesaverde and Dakota Fms. being made. A dual induction-laterlog, formation density and sidewall neutron porosity log will be run to total depth and 5 1/2" casing run and cemented 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 a 2 3/8" tubing string. Estimated drilling time-24

24. APPROVE SPECIAL PRODUCTION PROGRAM: If proposal is to deepen or plug back, give well log and present production zone and proposed new production zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

SIGNED *William R. Greer* TITLE Agent

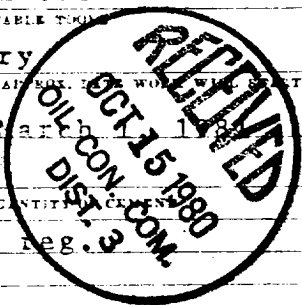
(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE

CONDITIONS OF APPROVAL, IF ANY

APPROVED DATE Sept. 29, 1980
AS AMENDED
OCT 14 1980
JAMES F. SIMS
DISTRICT ENGINEER



*Drilling and production unit provided for in NMOCD Order No. R-3817

NSL-1264 mit Sec.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-100
Supplemental Guide
Effective 10-1-85

All distances must be from the corner to the center of the well.

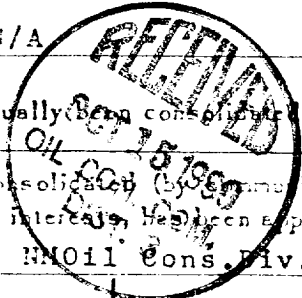
BIXCO, INCORPORATED		Lease		Well No.	
		TRAIL CANYON		3	
Section	Township	Range	County		
I	7	32N	EW	San Juan	
Actual Footage Location of Well:					
2050	feet from the	South	line and	430	feet from the East line
Ground Level Elev:	Producing Formation		Pool		Dedicated Acreage:
6695	Dakota/Mesaverde		Basin Bk./ Blanco MV		All - 314.78***

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 communitization, 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 communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. *Drilling and production Unit provided for in NM Oil Cons. Div. Order R-3817



CERTIFICATION

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

William R. Speer

Name
William R. Speer

Position
Agent

Company
Bixco, Inc.

Date
September 15, 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. Kerr Jr.
Certificate No. 6882 R. M. C. P. E. 1978

