

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY30-039-21667
LEASE NO. 12-1142

SF #079161

DATE OF INITIAL LEASE (SEE OTHER SIDE)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL

GAS

WATER

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

Polin Oil Company

3. ADDRESS OF OPERATOR

P. O. Box 400, Aztec, New Mexico 87410

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

1030' FBL / 1470' FEL (Unit B) Sec. 4 T26N R7W

At proposed pool zone

Mesaverde

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

25 miles SE of Blanco, New Mexico

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Give to nearest 1/4 mile line, if any)

1030'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DEPTH, COMPLETED

OR ADJACENT END OF THIS LEASE, FT.

506'

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

6643' GL

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#

300'

To circulate to surface.

7 7/8"

5 1/2"

15.5#

5300'

To circulate to surface.

Proposed drilling program:

Drill 12 1/4" hole to 300'. Set 8 5/8" csg. & circulate to surface.

W₂O, C, 12 hrs.

Drill 7 7/8" hole to estimated 5300'.

Run necessary logs for adequate evaluation.

Complete by setting 5 1/2" csg. & circulate cement to surface. Perforate & sand frac.

If dry, will P & A as per regulation.

Hydraulic B.O.P. will be installed & operated daily; results to be noted on daily drilling report. (Schematic diagram attached.)

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 directly, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24.

SIGNED

TITLE

agent

DATE

3/13/78

(This space for Federal or State office use)

APPROVAL DATE

RECEIVED

MAR 14 1978

APPROVED BY

COMMISSIONER OF OPERATIONS

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

*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.

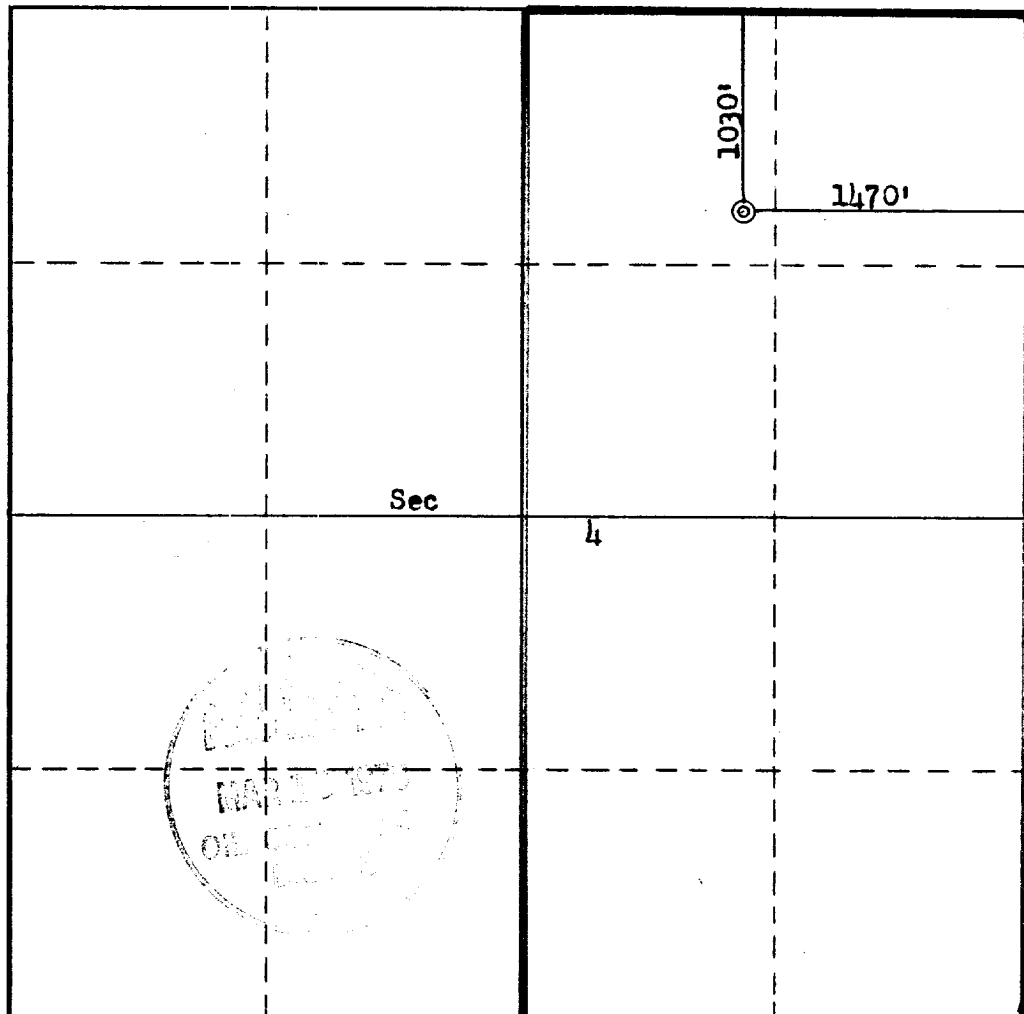
Operator Bolin Oil Company			Lease Candado		Well No. 21
Unit Letter B	Section 4	Township 26N	Range 7W	County Rio Arriba	
Actual Footage Location of Well: 1030 feet from the North line and 1470 feet from the East line					
Ground Level Elev. 6643	Producing Formation Mesa Verde		Pool Blanco	Dedicated Acreage 320 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.



CERTIFICATION

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

Name *F. P. Crum Jr.*
 Position **Geologist**

Company
BOLIN OIL COMPANY

Date
3/11/78

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.

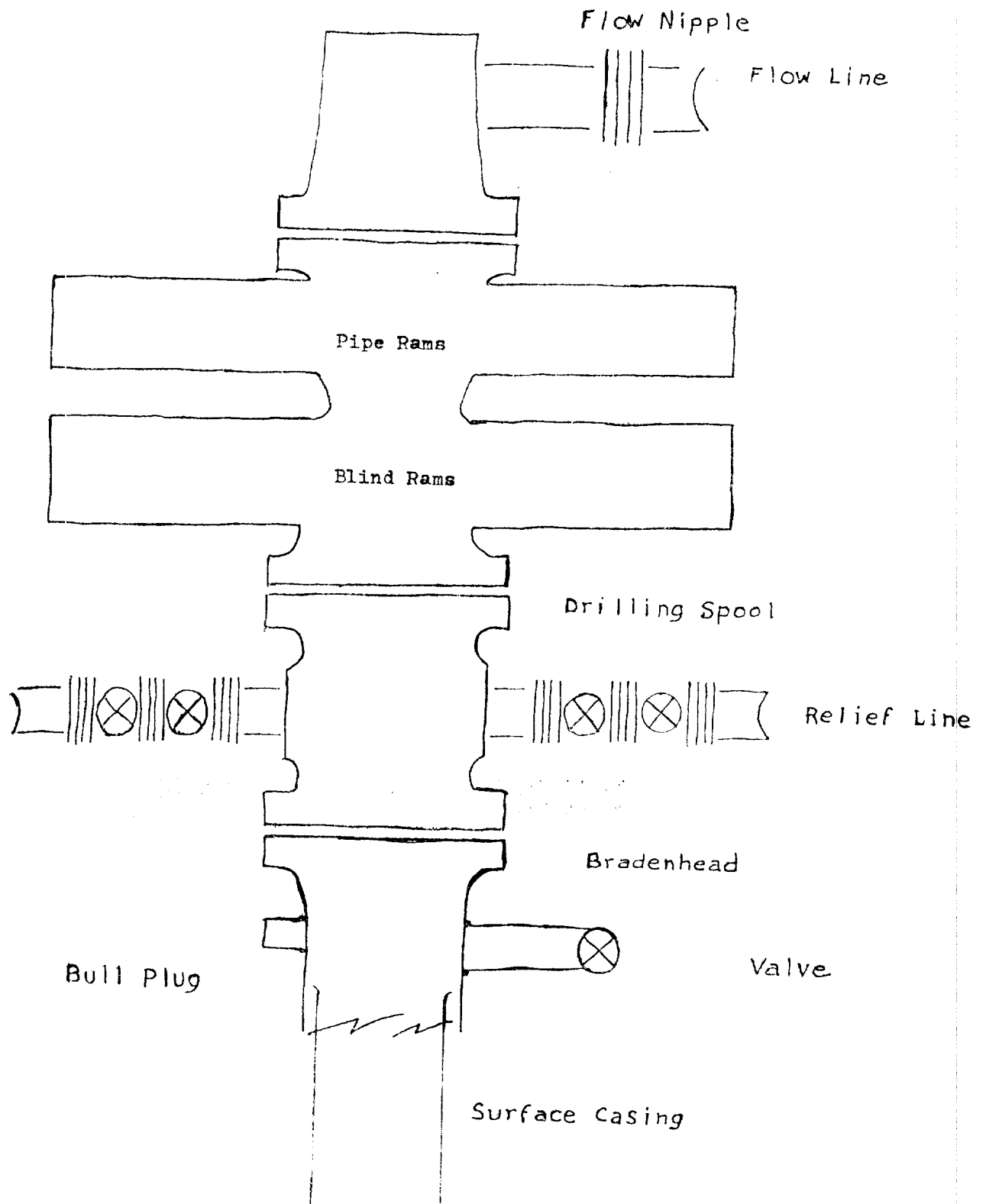
Date Surveyed
January 17, 1978
 Registered Professional Engineer
 and/or Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.
 Certificate No.

3950

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

Schematic Diagram B.O.P.



Series 900 Double Gate BOP rated
at 3000 psi Working Pressure

BOLIN OIL COMPANY

1120 Oil and Gas Building — WICHITA FALLS, TEXAS 76301 — (817) 723-0733

Local address:

P. O. Box 400
Aztec, New Mexico 87410

United States Geological Survey
Federal Building
Camino Del Rio
Durango, Colorado 81301

Gentlemen:

BOLIN OIL COMPANY is filing this application for permit to drill a developmental gas well to be designated Candado #21 in the NE/4 of Section 4, Township 26 North, Range 7 West, Rio Arriba County, New Mexico. Some estimated tops of geologic markers in the area are as follows: Kirtland @ 2180', Pictured Cliffs @ 2800', Chacra @ 3720', and Point Lookout @ 5100'. Gas production is projected for the Chacra formation and the Point lookout member of this Mesa-verde test.

The proposed casing program is as stated on the accompanying Federal form 9-331 C. New pipe will be used in all instances and cemented to the surface.

Hydraulic blow-out preventors, as shown on the schematic diagram attached to the Application for Permit to Drill, will be used. The drilling medium will be fresh water and gel to 300' and fresh water and low water loss mud to total depth. Mud will be monitored through out operation. No abnormal pressures/temperatures are anticipated in this well.

The expected starting date of this operation is as soon as possible, as indicated on Form 9-331 C, subject to availability of equipment.

The following measures are proposed as a surface use plan:

- 1) Existing roads: The accompanying U.S.G.S. topographic Map I (2" = 1 mile) includes a readily identified reference point and the main access road as well as all existing access roads within a mile of the proposed location.

- 2) Planned access roads: The planned access road to the location is indicated on the accompanying Map I. It will leave an already existing access road used in servicing field wells. The road will be about 200' long and 15' wide. The maximum gradient is approximately 4%. Adequate drainage is easily accomplished by slightly elevating the center line of the road in this arid locale. The proposed route of the road has been inspected. There are no gates, cattle guards or fences involved in the construction of the planned road.
- 3) Location of existing wells: All existing wells within a mile radius of the proposed location are shown on the vicinity map included for your information. There are no abandoned wells or water wells in the area.
- 4) Location of tank batteries, production facilities, and production gathering and service lines: Please refer to vicinity map #2. Any tanks or production facilities needed by the operator will be situated on the wellsite. The applicant for this permit to drill does not own nor control any gathering facilities and consequently, only the location of the proposed flow line to the existing facility is shown on Map I; the line will be buried. Plans for rehabilitation of any disturbed areas are included in Step 10 of this plan for surface use and operations.
- 5) Location and type of water supply: Fresh water for drilling will be hauled by tank truck from ponds in Largo Canyon.
- 6) Source of construction materials: No additional materials will be required.
- 7) Methods for handling waste disposal: There are but small amounts of cuttings, drilling fluid, garbage and other waste involved in drilling a test of this type; such waste will be placed in the reserve pit. The pit will be filled and leveled immediately upon completion of drilling, when possible, or fenced and allowed to dry before filling. The material used in filling the pit will be the spoil resulting from constructing it.
- 8) Ancillary facilities: No camps or airstrips are to be constructed.
- 9) Well site layout: See attached Exhibit #3.

- 10) Plans for restoration of the surface: Successful well - All waste material will be picked up and deposited in the reserve pit. The pit will be fenced until it can be filled and leveled. The location will be dressed with a dozer or blade. The access road will have borrow pits or other drainage facilities added, if necessary. Re-seeding operations will be carried out as prescribed using Mixture #1, Farmington Resource Area. Paint for surface equipment will be Gray #595 36357. Dry Hole: Waste material will be handled as stated above. In addition to filling and leveling the reserve pit, the access road will be dressed so the original contour is restored as much as possible. The road and drillsite will then be re-seeded using the time period, equipment and Mixture #1, as set forth in BLM "Requirements in the Farmington Resource Area".
- 11) Other information: Rocks of Eocene age are exposed at the surface throughout the general area. Individual sandstone members of the San Jose formation weather into a series of massive cliffs interspersed by plateaus receding from the drainage pattern. Largo Canyon and its tributaries comprise the major drainage system. It carries water only intermittently. Topographic relief in excess of 700 feet is present between the Canyon floor and the higher plateaus. The soil mantle, where present, is derived from the sandstones of the San Jose and the sparse vegetation. Juniper and Pinon are present on the table lands, as well as some native grasses and sagebrush. Wild life is not abundant in the area and consists mostly of coyotes, rabbits and occasionally deer. The surface land in this entire area is owned by the Federal government.
- There are no occupied dwellings in the vicinity. Water wells, permanent ponds and flowing streams are non-existent.
- The archeological aspects of the location are covered in the attached report by Dabney Ford, archeologist.
- 12) Lessee's or operator's representative: Mr. Fred Crum, P. O. Box 400, Aztec, New Mexico 87410. Phone: 505 / 334-6003. Please direct all correspondence regarding this application to this address.
- 13) Certification:
- I hereby certify that I, or persons under my direct supervision, 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,

U.S.G.S.
page 4

.....true and correct; and, that the work associated with the operations proposed herein will be performed by BOLIN OIL CO. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date 3/14/78

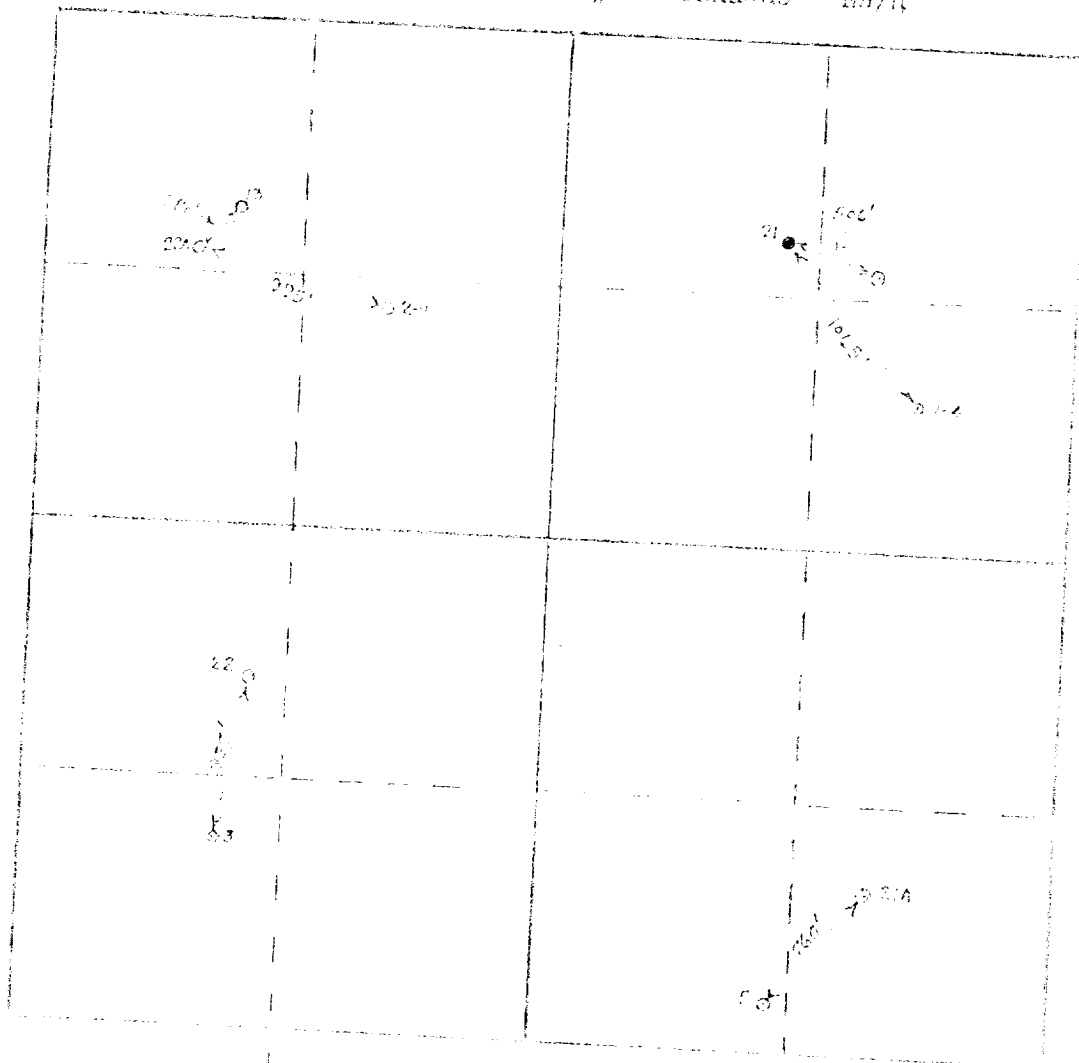
Name J. H. Brown Jr.

Title agent

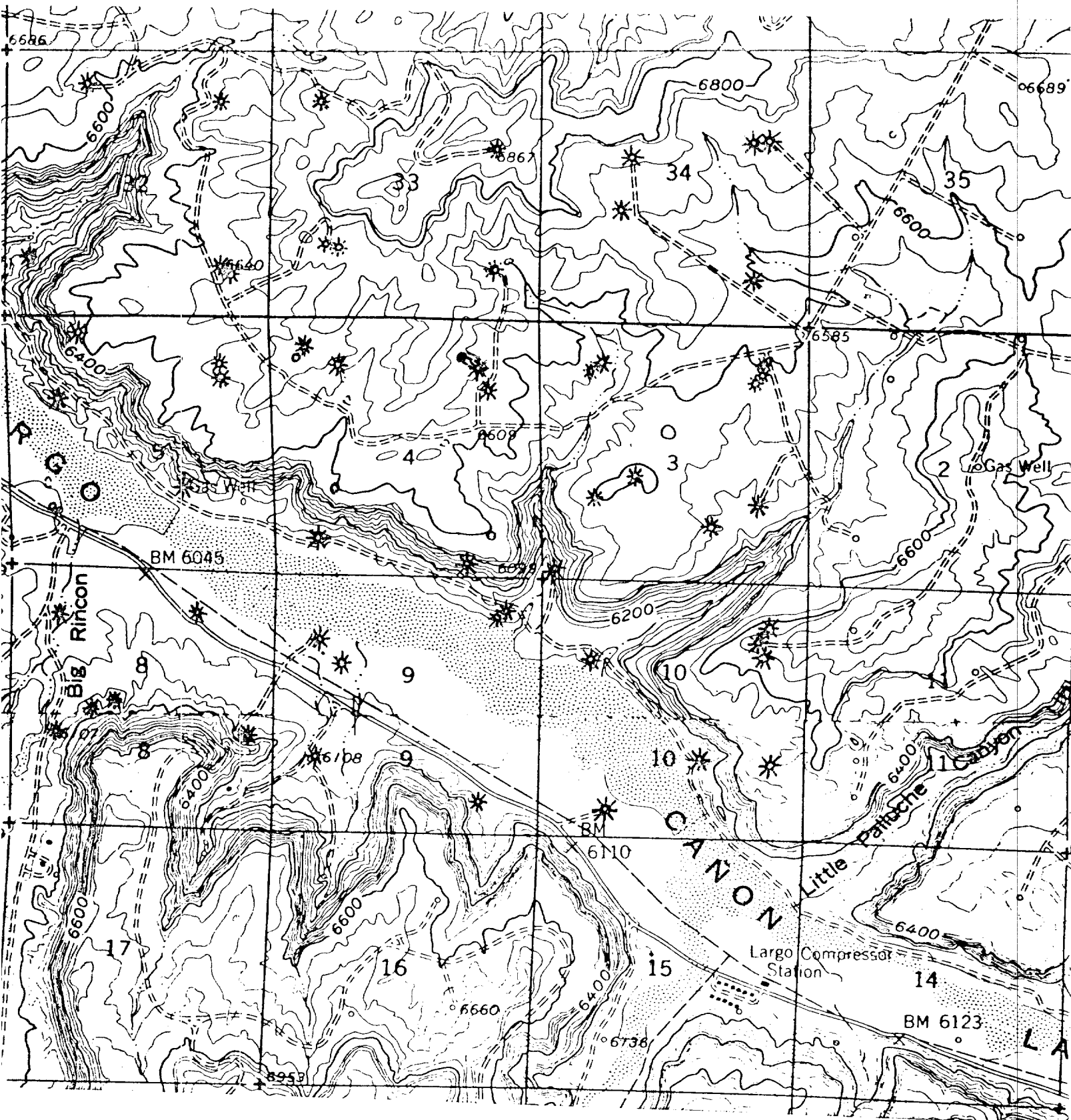
BOLIN OIL COMPANY

Plat to show the relationship to and distances from
new locations to existing wells in Section 4-T26N-R7E
Rio Arriba County, New Mexico

New Locations: ✓ #21 Candado NE/4
 #21A Candado SE/4
 #22 Candado SE/4
 #22A Candado NE/4



Fred E. Hinkley
Fred E. Hinkley
New Mex. Eng. #3950



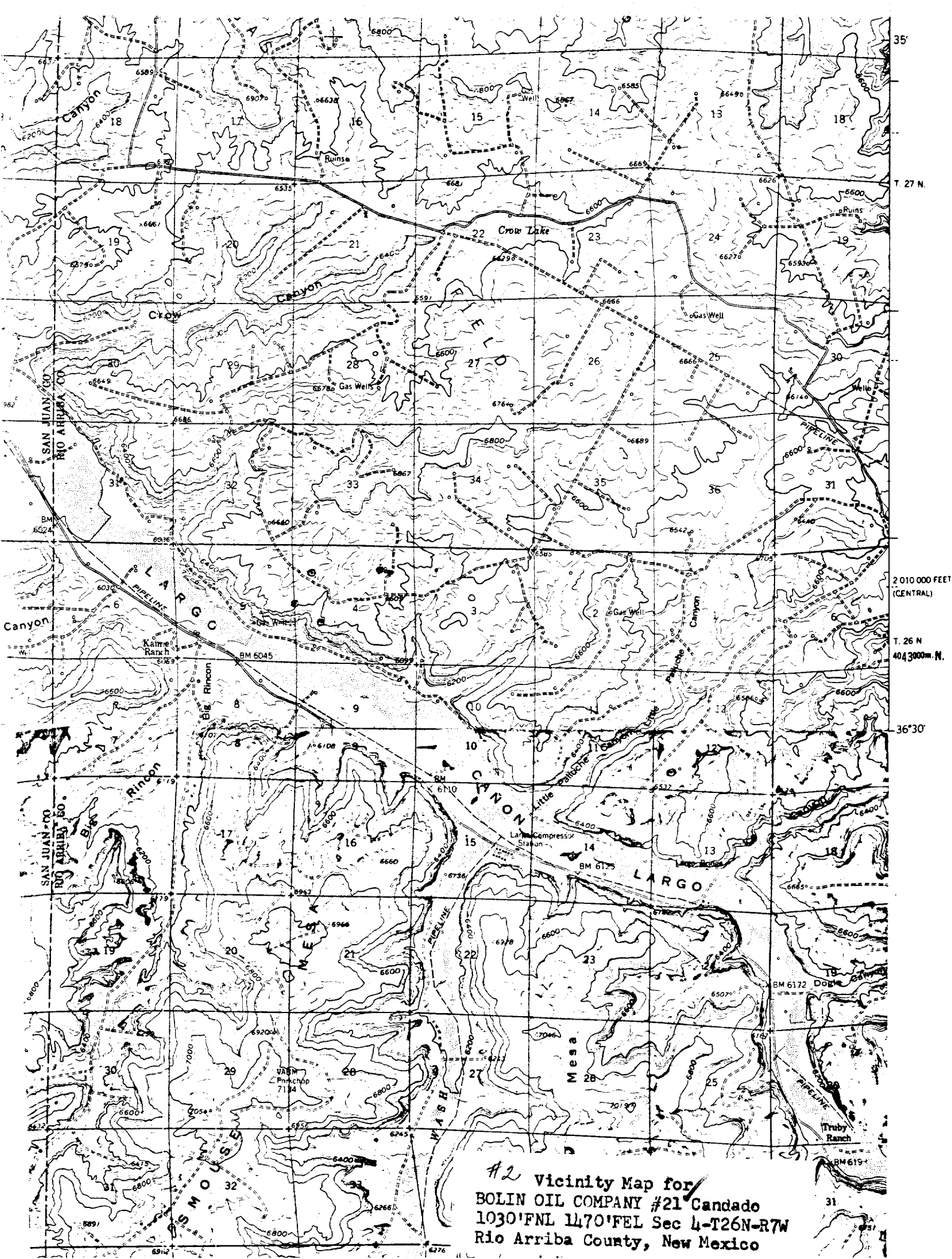
KEY

- Locatable reference point
- Planned access road
- Existing road
- Proposed location
- Producing wells as far as known
- Route of proposed flow line to existing gathering line (EPNG)

MAP I

CANDADO #21

BOLIN OIL COMPANY



#2 Vicinity Map for
BOLIN OIL COMPANY #21 Candado
1030'FNL 1470'FEL Sec 4-T26N-R7W
Rio Arriba County, New Mexico



An Archaeological Clearance Survey of
Three Proposed Well Locations & Two
Access Roads Conducted for Bolin Oil Company

Dabney Ford

✓ #21 Candado
#22 Candado
#22A Candado

Report 78-SJC-015
of the
Cultural Resource Management Program
San Juan Campus
New Mexico State University

28 February 1978

Report 78-SJC-015
Permit 75-NM-013

An Archaeological Clearance Survey of
Three Proposed Well Locations & Two
Access Roads Conducted for Bolin Oil Company

Dabney Ford
Cultural Resource
Management Program
San Juan Campus
N. M. State University
28 February 1978

An Archaeological Clearance Survey of
Three Proposed Well Locations & Two
Access Roads Conducted for Bolin Oil Company

On February 27, 1978 Dabney Ford of the Cultural Resource Management Program, NMSU, San Juan Campus, conducted an archaeological clearance survey at the request of Mr. Fred Crum of Bolin Oil Co. Present during the survey were Mr. Crum, Mr. Don Englishman; U. S. Geological Survey representative - Durango office, and Mr. Tim Kreager; Bureau of Land Management representative - Farmington office. All three well locations and access roads are on Bureau of Land Management lands and were surveyed under Federal Antiquities permit 75-NM-013.

METHODOLOGY

The locations were surveyed by walking transects 75 feet apart over the entire easement. The access routes were surveyed by walking down the centerline the length of the right-of-way.

GENERAL RECOMMENDATIONS

No cultural resources were found on the proposed constructions and full archaeological clearance is recommended.

BOLIN OIL - #21 CANDADO ✓

Land Status: Bureau of Land Management

Location: SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 4, Township 26 North, Range 7 West, N.M.P.M., in Rio Arriba County, New Mexico (Figure 1). The well will be 1030 feet from the north line and 1470 feet from the east line of Section 4. A 300 X 300 foot area was surveyed.

Access: 20 feet wide and 200 feet long, approaching the location from the East.

Terrain: Level mesa top with south southeasterly drainage, alluvial surface deposits, and sandstone outcrops.

Soil: Sandy clay loam.

Vegetation: Sagebrush, blue grama, juniper, tumbleweed, snakeweed, prickly pear, wolfberry, and Yucca baccata.

Cultural Resources: None found

Recommendations: Clearance is recommended.

