

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
Hixon Development Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
920' FSL, 490' FEL, Section 17-T25N-R12W
At proposed prod. zone

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

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

16. NO. OF ACRES IN LEASE
360

17. NO. OF ACRES ASSIGNED
TO THIS WELL
40

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

19. PROPOSED DEPTH
4919'

20. ROTARY OR CABLE TOOLS
rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6248'

22. APPROX. DATE WORK WILL START*
12-15-78

5. LEASE DESIGNATION AND SERIAL NO.
NM-25445

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Black Hill Mesa

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
Bisti Lower Gallup

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 17-T25N-R12W

12. COUNTY OR PARISH
San Juan

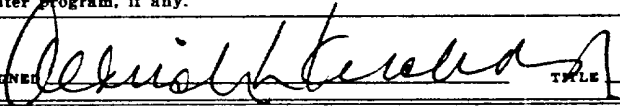
13. STATE
NM

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"	24#	200'	200 sacks
7-7/8"	4-1/2"	9.5#	TD	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, 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.  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:

OK Frank

*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.

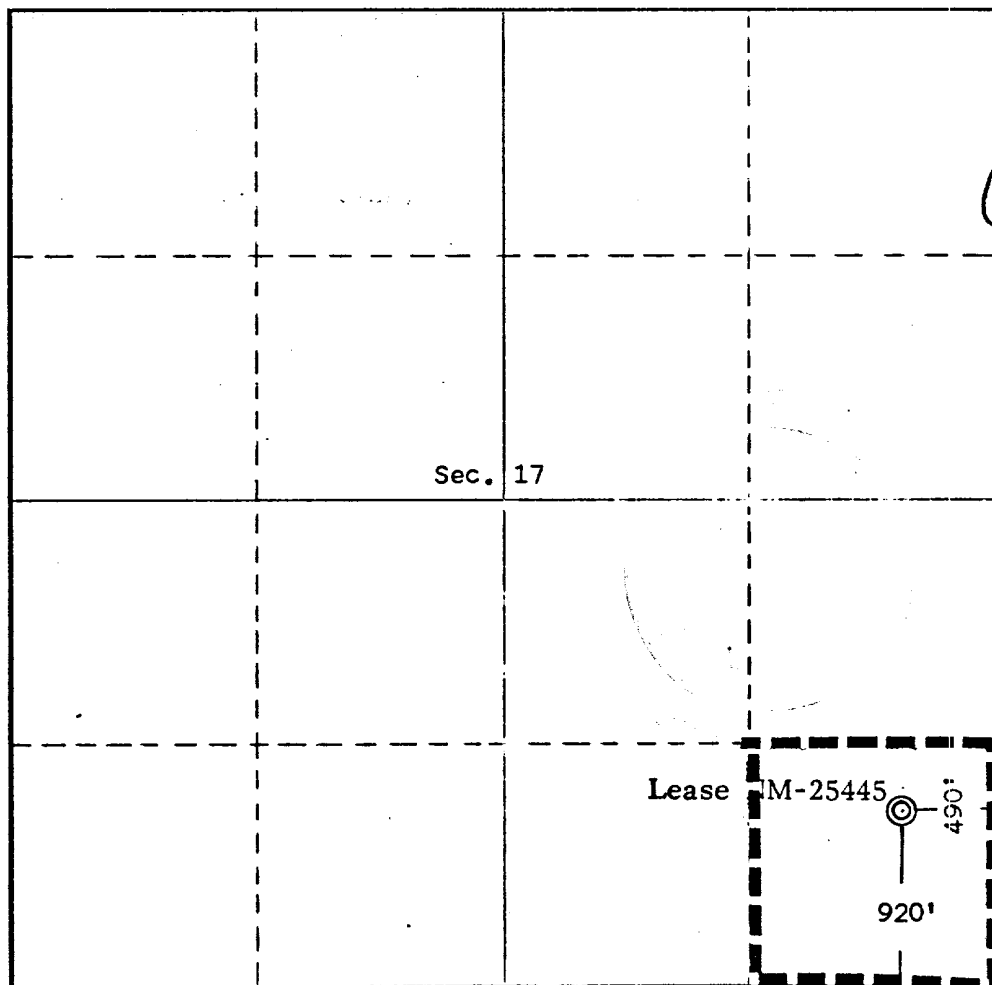
Operator Hixon Development Company			Lease (NM-25445) Black Hill Mesa		Well No. Black Hill Mesa #2
Unit Letter P	Section 17	Township 25 North	Range 12 West	County San Juan	
Actual Footage Location of Well: 920 feet from the South line and 490 feet from the East line					
Ground Level Elev. 6248	Producing 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 _____

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

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 31, 1978

I hereby certify that the 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.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Application for Permit to Drill
Hixon Development Company
Black Hill Mesa Well No. 2
Bisti Lower Gallup Field
SE 1/4 of SE 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 adjacent to 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 - An existing lease road will be extended by 800' to provide access to the subject well per the attached topographic map. The proposed road will run west northwest of CBU Well No. 49 and will be compacted sand with a maximum grade of 2%. It will be about 25 feet wide.
3. Location Existing Wells - Refer to attached map.
4. Location Tank Batteries, Production Facilities, etc. - The proposed well is located in the vicinity of an extensive oil and gas flowline and water injection system. A 2" flowline for the proposed well would run north to a flowline manifold at CBU Well No. 48 or to a new tank battery located in Section 16-T25N-R12W.
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 from Farmington.
6. Source of Construction Materials - Materials necessary for the construction of the access road and drilling pad will be obtained from the location.
7. Methods for 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 attached plat.
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 the USGS.

Application for Permit to Drill
Hixon Development Company
Black Hill Mesa Well No. 2
Bisti Lower Gallup Field
SE 1/4 of SE 1/4, Section 17-T25N-R12W
San Juan County, New Mexico
Page 2

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
Black Hill Mesa Well No. 2
Bisti Lower Gallup Field
SE 1/4 of SE 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	29'
Pictured Cliffs	1129'
Lewis	1269'
Point Lookout	3559'
Mancos	3709'
Gallup	4634'
Lower Gallup	4719'

2. Estimated depths of water, oil, and gas:

Fresh water	29'-129'
Gas	1129'-49'
Oil and gas	4634'-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.

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

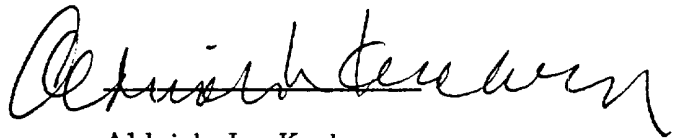
FARMINGTON, NEW MEXICO 87401

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.

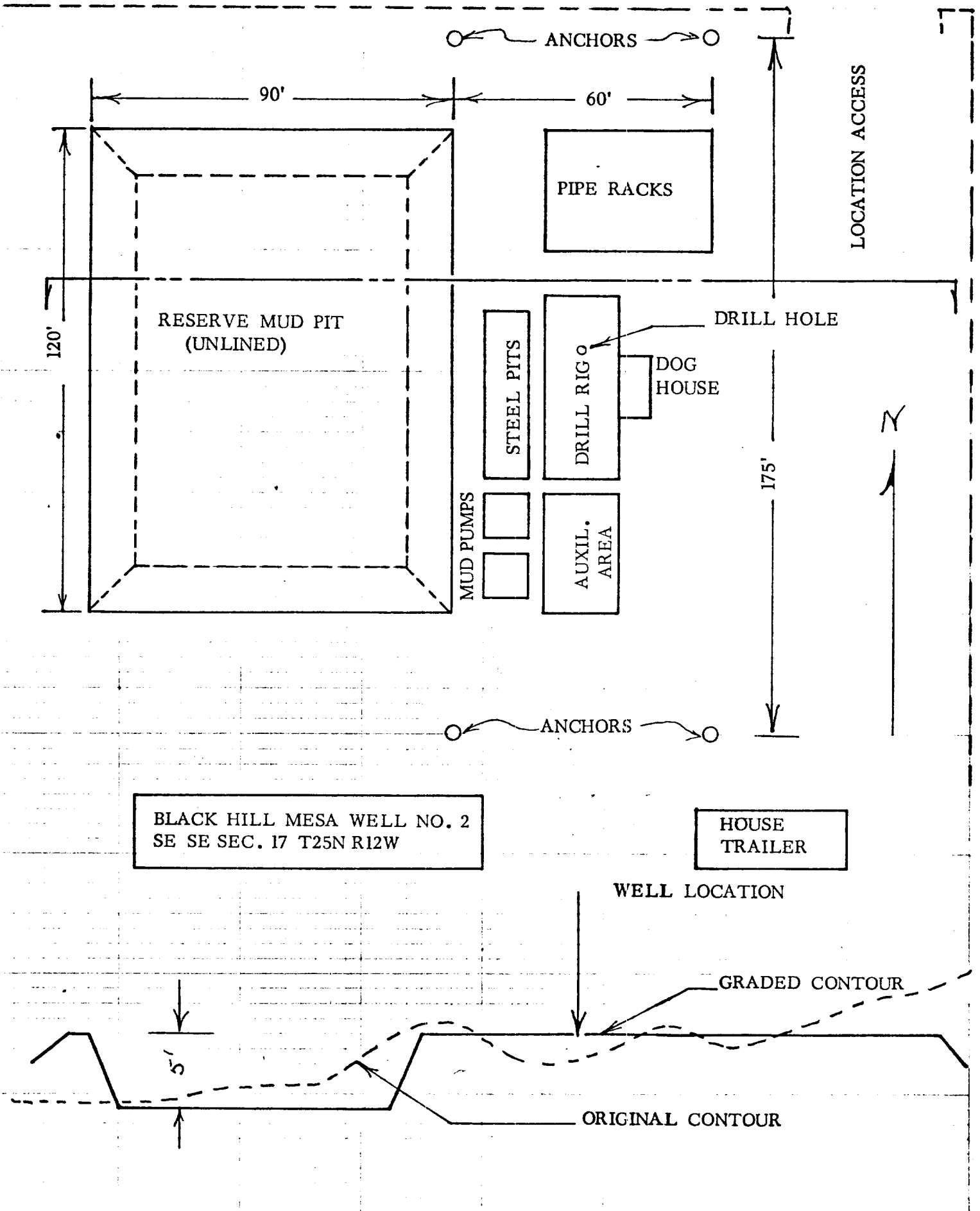
10/31/78



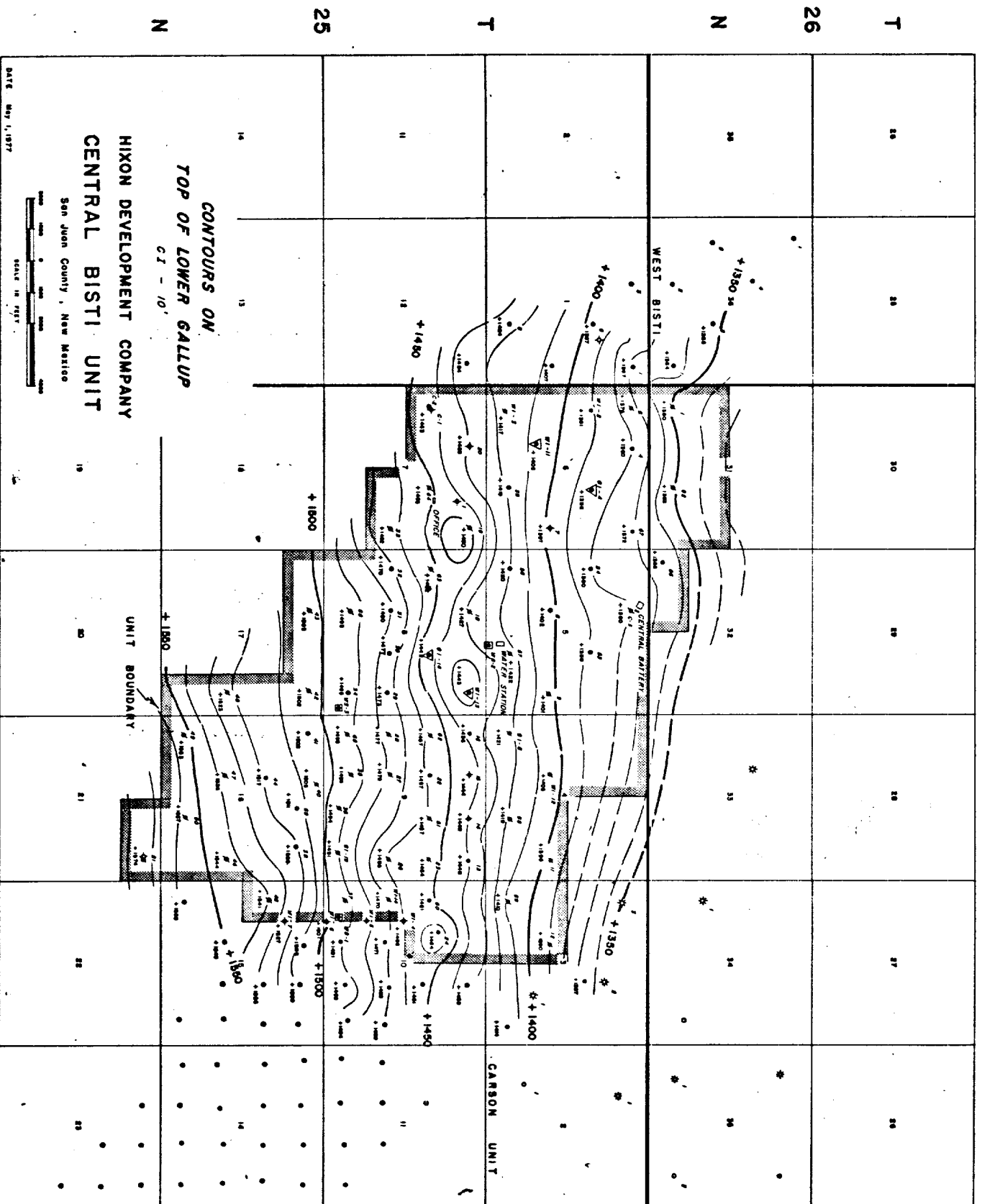
Aldrich L. Kuchera
Production Manager
Petroleum Engineer

ALK:dl

HIXON DEVELOPMENT COMPANY
DRILLING LOCATION PLAT AND RIG LAYOUT

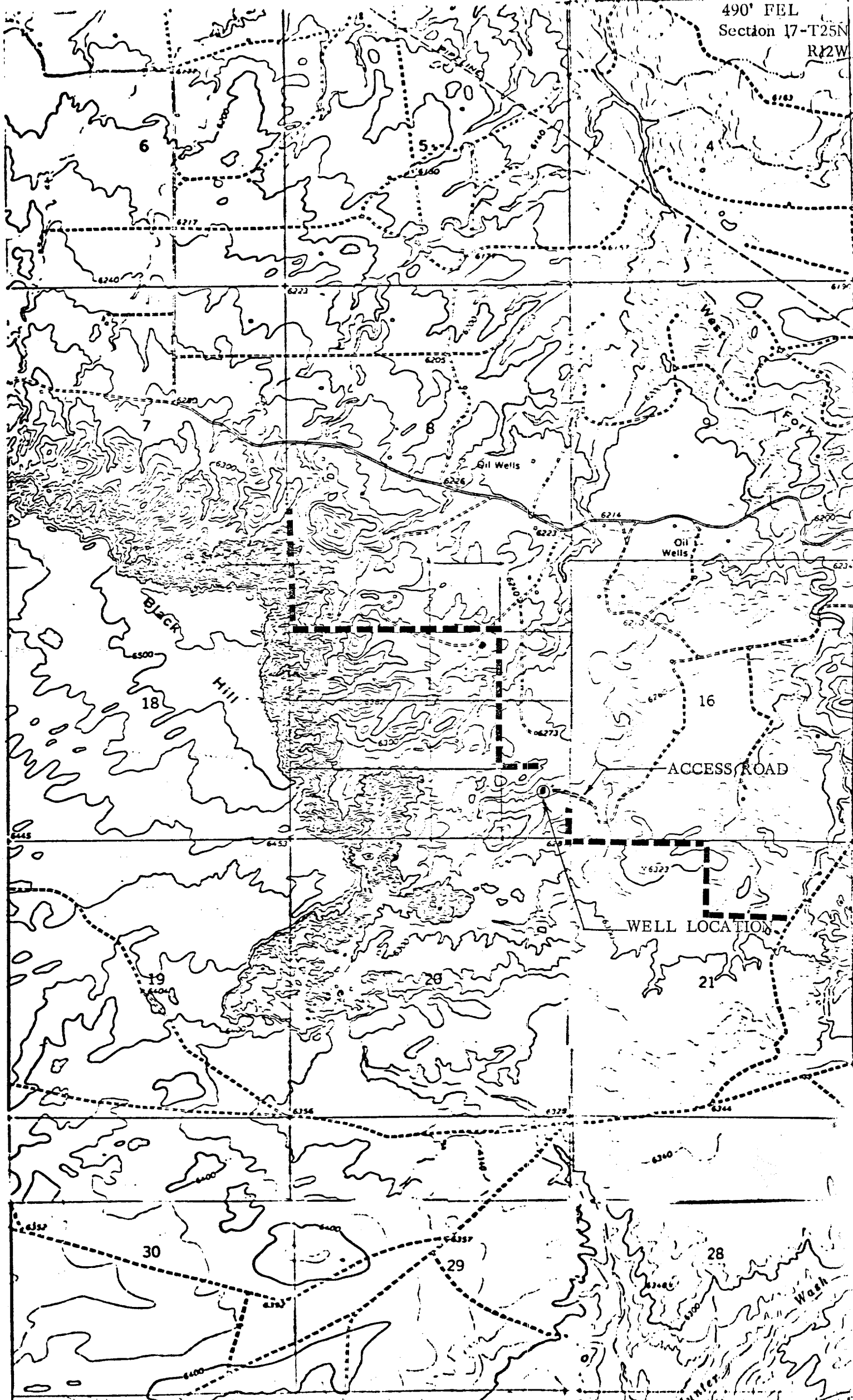


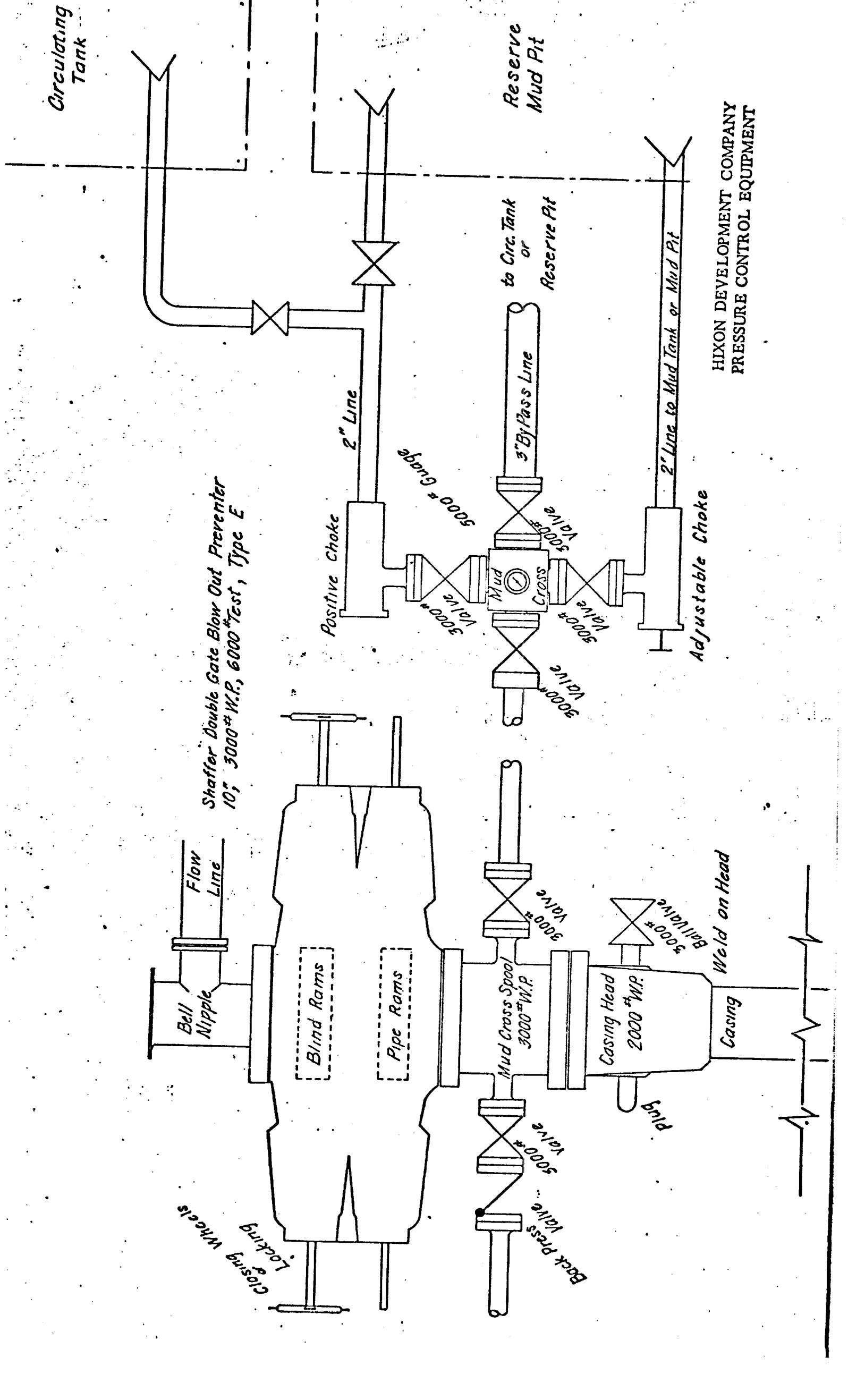
R 13 W R 12 W



CONTOURS ON
TOP OF LOWER GALLUP
C.T. - 10'

NIXON DEVELOPMENT COMPANY
CENTRAL BISTI UNIT
SAN JUAN COUNTY, NEW MEXICO





HIXON DEVELOPMENT COMPANY
PRESSURE CONTROL EQUIPMENT

N MEXICO OIL CONSERVATION COMMISS.
WELL LOCATION AND ACREAGE DEDICATION PLAT

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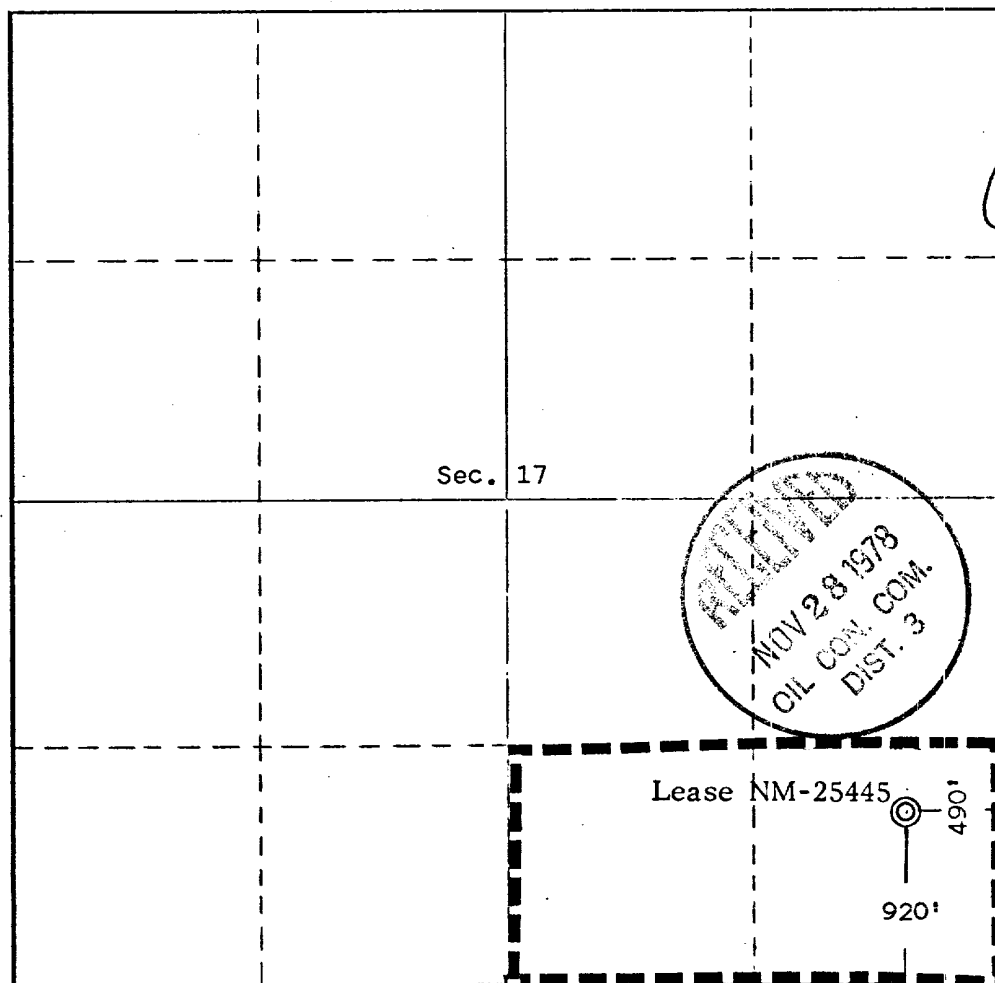
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Ground Level Elev. 6248	Producing Formation Lower Gallup	Pool Bisti Lower Gallup	Dedicated Acreage: 80 Acres		

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[Signature]
 Name

Aldrich L. Kuchera

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