

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, New Mexico 87401

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

At surface

790' FSL, 1650' FEL, Section 8, T25N, R12W
At proposed prod. zone

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

24 miles south of Farmington

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any)18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

160

19. PROPOSED DEPTH

4950'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

5/80

20. ROTARY OR CABLE TOOLS

Rotary

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

6231' GLE

22. APPROX. DATE WORK WILL START*

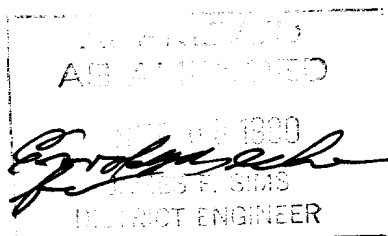
9-1-80

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"	10.5#	4950'	500 sacks

It is proposed to drill a Bisti Lower Gallup Pool replacement well. The well will replace CBU No. 34, in which the Lower Gallup has been plugged and abandoned. It will be evaluated on the basis of a mud log unit, open hole logs and DST if necessary.



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

TITLE Petroleum Engineer

DATE July 22, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Operator Hixon Development Company		Lease Central Bisti Unit		Well No. 72
Well Letter 0	Section 8	Township 25 North	Range 12 West	County San Juan
Actual Footage Location of Well:				
790	feet from the	South	line and	1650
				feet from the
				East
round Level Elev. 6231	Producing Formation Bisti Lower Gallup	Pool Lower Gallup	Dedicated Acreage: 80	
			Acre	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 One ownership lease

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.

	<p align="center">CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Aldrich L. Kuchera</i></p> <p>Name Aldrich L. Kuchera</p> <p>Position Petroleum Engineer</p> <p>Company Hixon Development Company</p> <p>Date July 22, 1980</p>
	<p align="center">RELAYED</p> <p align="center">SEP 10 1980</p> <p align="center">OIL CON. COM.</p> <p align="center">DIST. 3</p>
<p>Sec. 8</p> <p>790'</p> <p>1650'</p> <p>320 640 960 1280 1600 1920 2240 2560 2880 3200</p>	<p align="center">REGISTERED LAND SURVEYOR</p> <p align="center">EDGAR L. RISENHOVER</p> <p align="center">NEW MEXICO</p> <p align="center">5979</p> <p align="center">I hereby certify that the location shown on this plat was obtained from field notes and observations made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed June 21, 1980</p> <p>Registered Professional Engineer and/or Land Surveyor</p> <p><i>Edgar L. Risen Hoover</i></p> <p>Certificate No. 5979</p> <p>Edgar L. Risen Hoover, L.S.</p>

APPLICATION FOR PERMIT TO DRILL
HIXON DEVELOPMENT COMPANY
CBU WELL NO. 73
BISTI LOWER GALLUP FIELD
790' FSL, 1650' FEL,
SECTION 8, T25N, R12W
SAN JUAN COUNTY, NEW MEXICO

NTL-6 13 Point Outline is as follows:

1. Existing Roads - Refer to attached topographic map. The proposed well site is located inside an existing 25 year old oil field. The field has an extensive lease road system that is tied to State Highway 371 south of Farmington.
2. Planned Access Roads - Refer to attached topographic map.
3. Location of Existing Wells - Refer to the attached map.
4. Location of Tank Batteries, Production Facilities, and etc.-
The proposed well is located in the vicinity of an extensive oil and gas flowline and water injection system.
5. Location and Type of Water Supply - Water used for drilling 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 drilling pad will be obtained from the location, i.e. none will be hauled in.
7. Methods for Handling Waste Disposal - Any waste material incurred while drilling will be buried in the mud pits, i.e. 5' deep. Cuttings, drilling fluid, well circulation and stimulation fluids (if any) will be contained in the mud pits. The mud pits will be allowed to dehydrate and will be filled and contoured per regulations. Well site will be properly cleaned up after rigging down rotary tools.
8. Ancillary Facilities - Central Bisti Lower Gallup Unit existing facilities will be used.
9. Well Site Layout - Refer to attached plat.
10. Plans for Restoration of Surface - The mud pits will be back filled, area leveled and contoured, raked and waste materials disposed of by burying 5' deep. Revegetation will be carried out per any constructive stipulations.
11. Other Information - Refer to Archeological Report to be submitted.

12. Operator's Representative -

Aldrich L. Kuchera
Hixon Development Company
Petroleum Center Building
Suite 101
501 Airport Drive
Farmington, New Mexico 87401

Office (505) 325-6984
Home (505) 325-3448

13. Certification - See attached.

APPLICATION FOR PERMIT TO DRILL
HIXON DEVELOPMENT COMPANY
CBU WELL NO. 73
BISTI LOWER GALLUP FIELD
790' FSL, 1650' FEL,
SECTION 8, T25N, R12W
SAN JUAN COUNTY, NEW MEXICO

Other NTL-6 Pertinent Data is as follows:

1. Estimated Log Tops:

Animas	Surface
Ojo Alamo	97'
Pictured Cliffs	1109'
Lewis	1300'
Point Lookout	3668'
Mancos	3739'
Gallup	4663'
Lower Gallup	4751'

2. Estimated depths of water, oil and gas:

Fresh Water	97' - 147'
Gas	1109' - 1150'
Oil	4751' - 4900'

3. Weight and Type of Mud to be Used -

Surface - 0-200'; drill with spud mud. Spud mud will be an Aquagel/lime slurry mixed to a 40-50 sec/qt viscosity.

Production Hole - A Dextrid/Cellex low solids mud or equivalent will be used. Any hardness will be treated with soda ash. Mud weight and drilled solids will be controlled. Mud properties will be as follows:

Mud Weight - 8.4 - 8.8#/gal
Viscosity - 34 - 45 sec/quart
Plastic Viscosity - 4 - 8 cps
Yield Value - 3 - 6#/100 sq. ft.
Fluid Loss - 8 - 12 cc's/API
pH - 8.3 - 8.5
Solids Content - 5.5% maximum
Annular Velocity - 120 FPM

4. Open hole logs to be used:

Induction Electric
Compensated Neutron - Density Gamma Ray

Application for Permit to Drill

Page 2

5. Pressure control equipment will be a 10" Shaffer 3000 psi 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" 10.5# J-55 ST&C casing will be new and tested at the factory. Regular Class "B" cement will be circulated for the surface casing. Production casing will be cemented in two stages with 500 sacks total cement, a staging tool will be employed.
8. Duration of drilling activity from spud date to completion is expected to be about 15 days.
9. In the event that the well is a dry hole it will be plugged with prior USGS approval and the drilling site restored to its natural state.

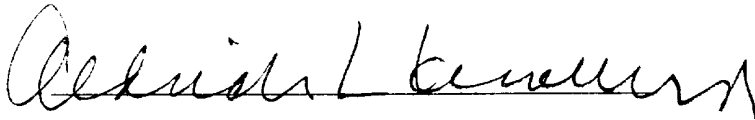
HIxon DEVELOPMENT COMPANY

P. O. BOX 2810

FARMINGTON, NEW MEXICO 87401

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 sub-contractors in conformity with this plan and the terms and conditions under which it is approved.



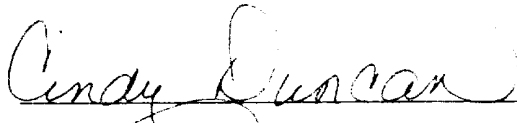
Aldrich L. Kuchera
Petroleum Engineer

July 22, 1980

Date

Subscribed and Sworn to before me this 22nd day of July 1980.

My Commission Expires: 7-25-83



Notary Public - Cindy Duncan

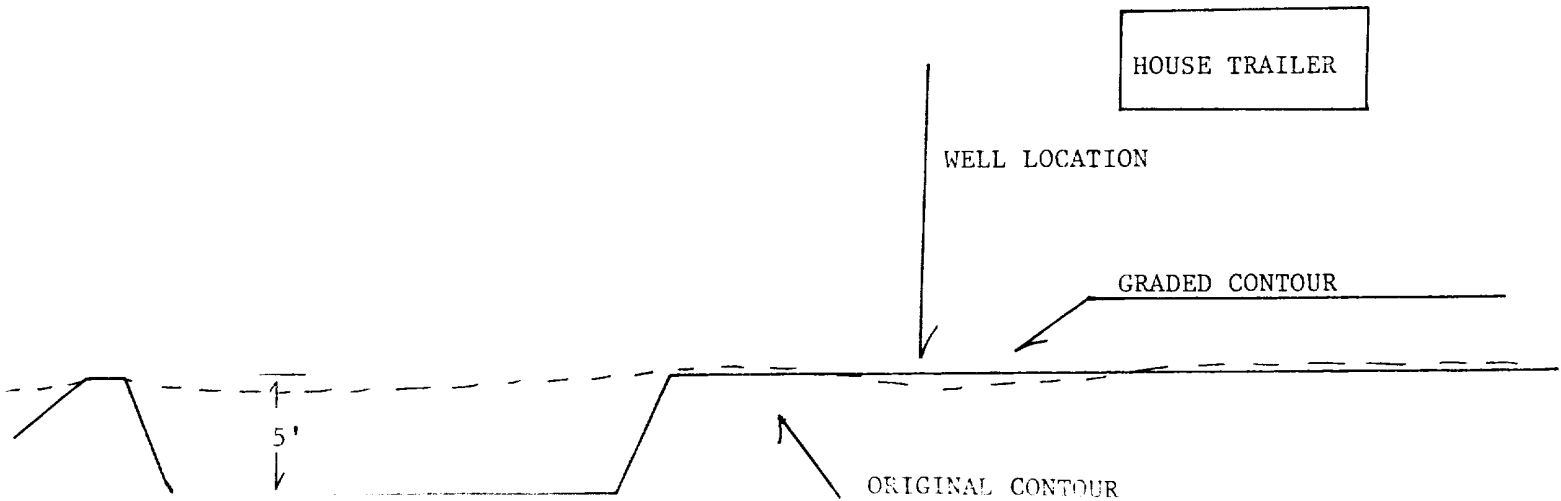
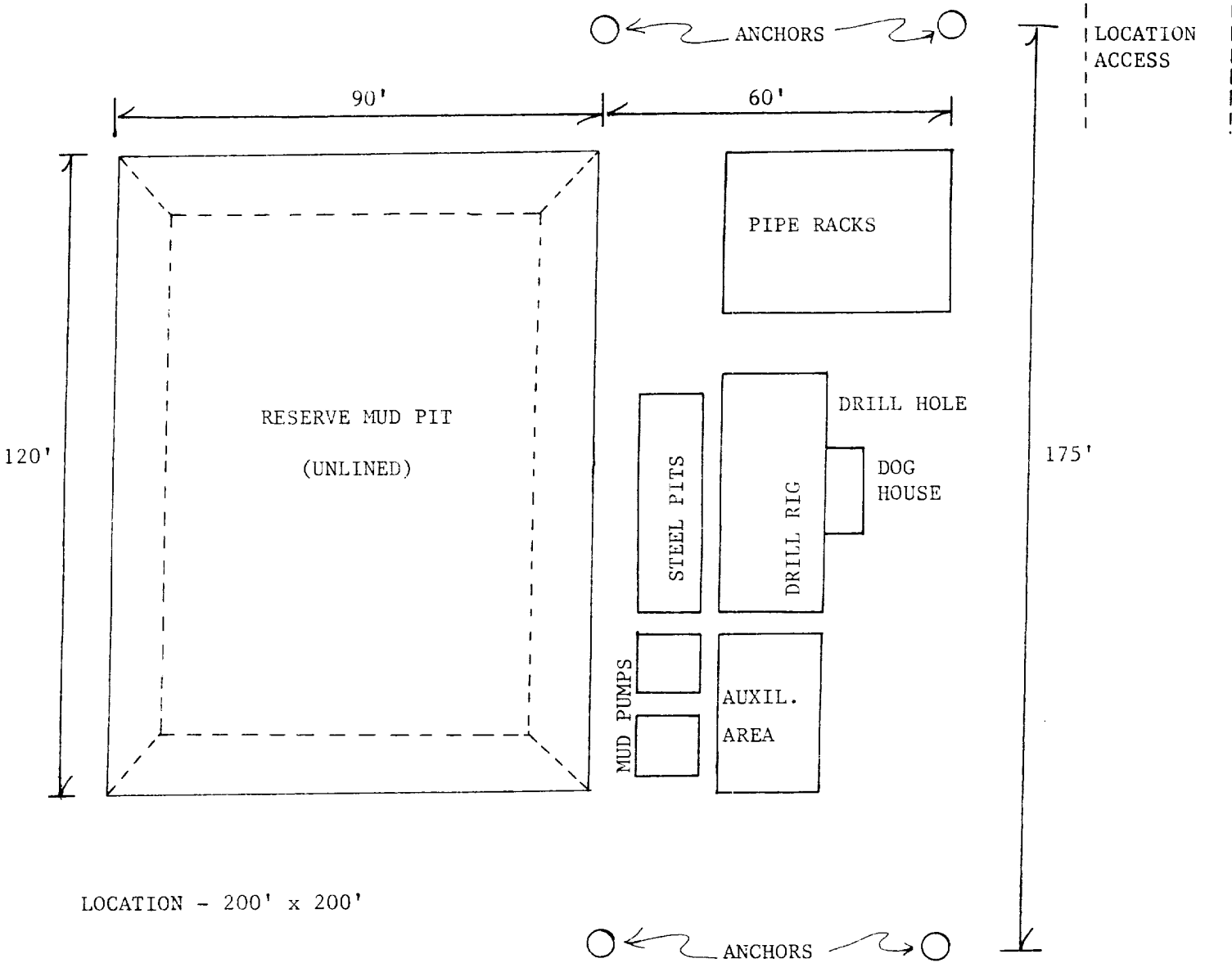


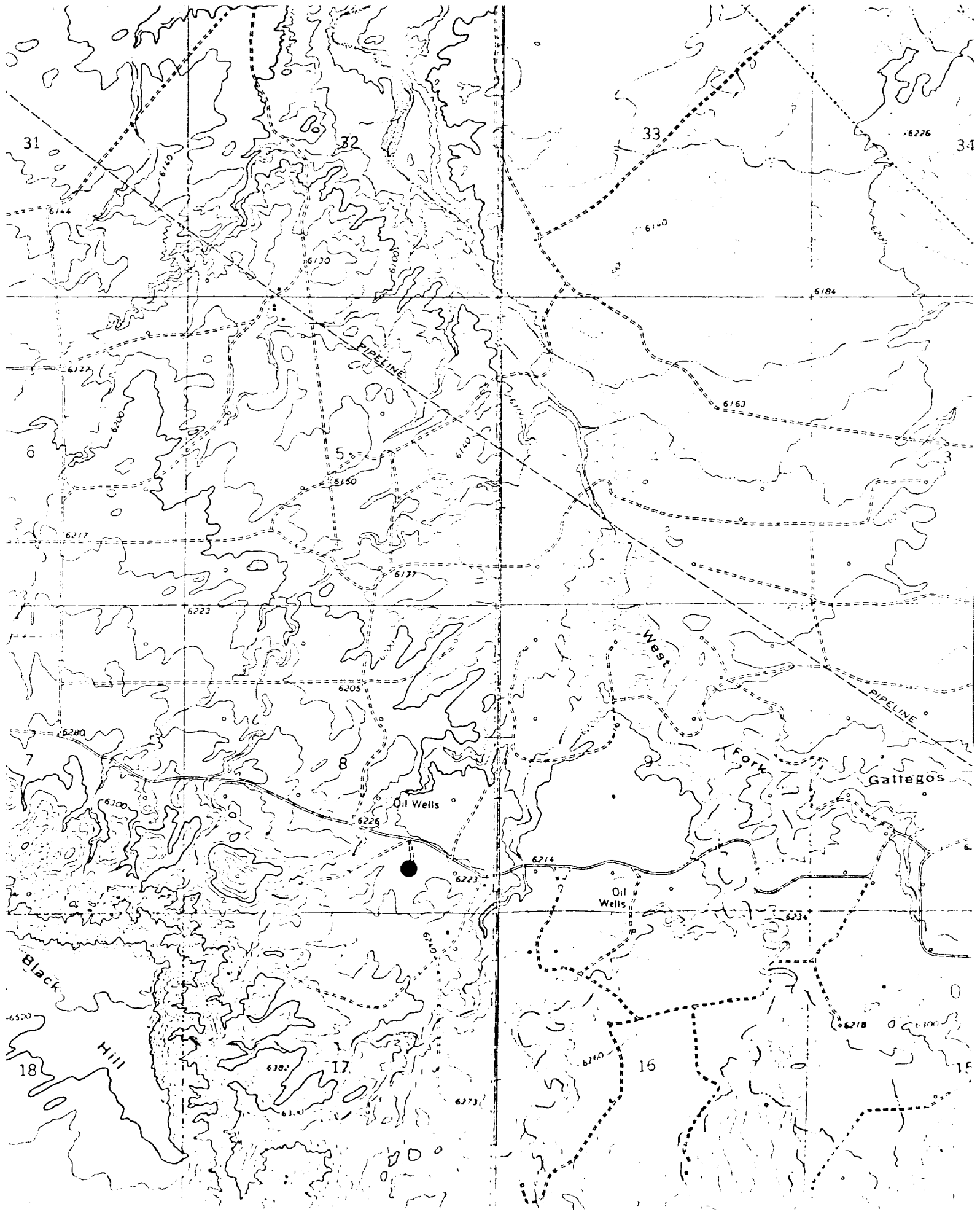
OFFICIAL SEAL
CINDY DUNCAN

NOTARY PUBLIC - NEW MEXICO
Notary Bond Filed with Secretary of State

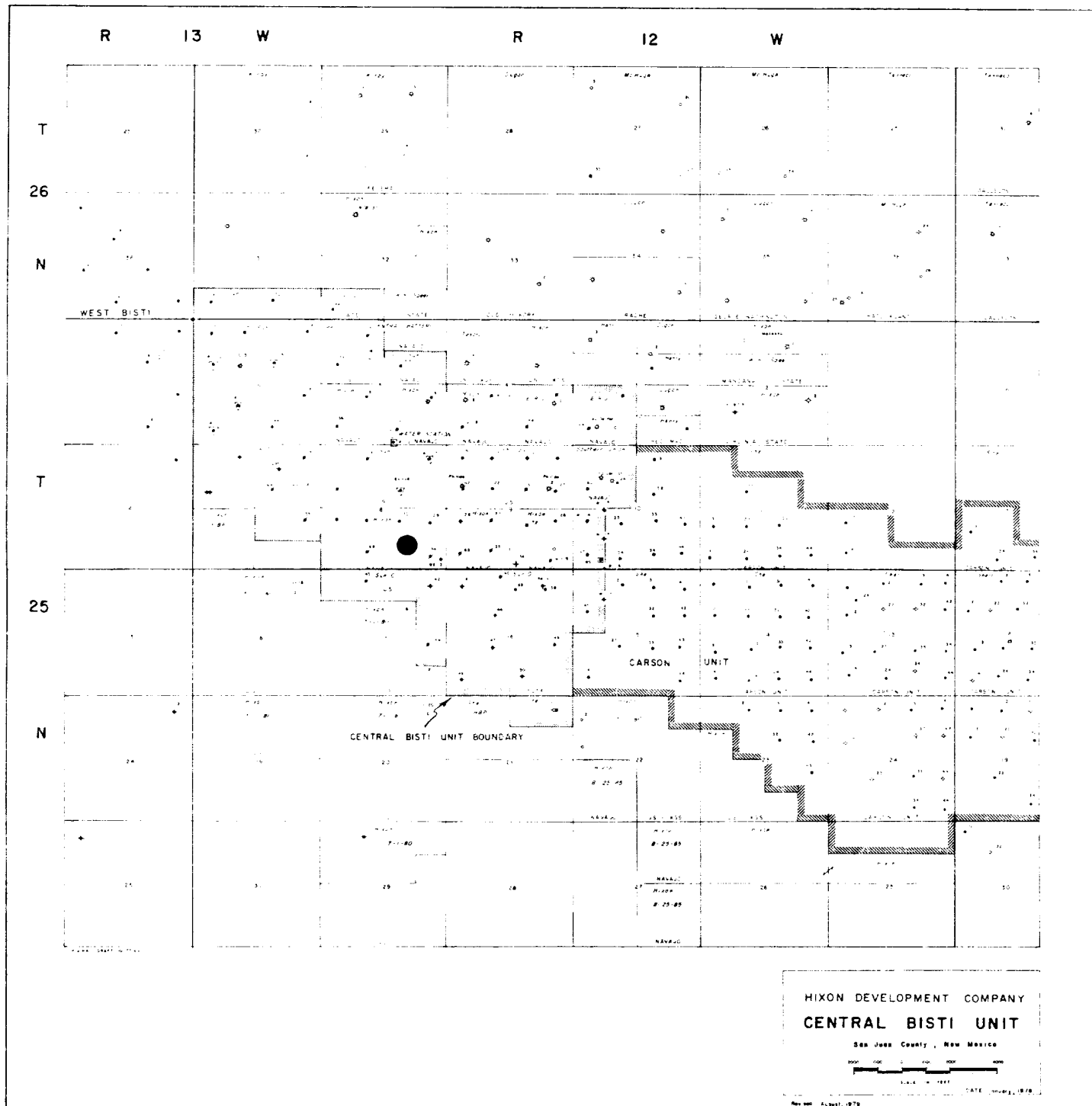
My Commission Expires: 7-25-83

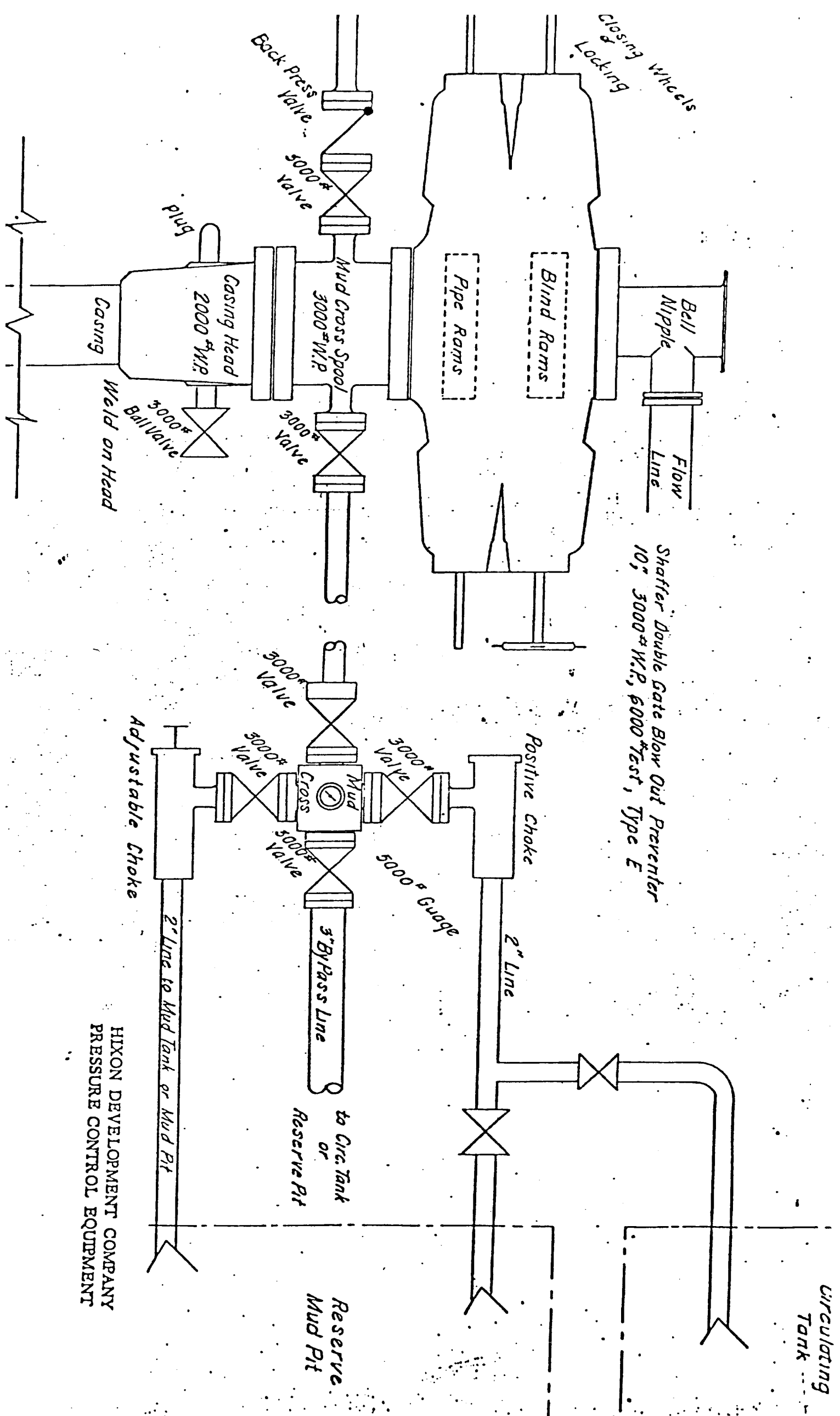
HIXON DEVELOPMENT COMPANY
 DRILLING LOCATION PLAT AND RIG LAYOUT
 CBU WELL NO. 73





CBU WELL NO. 73





Circulating Tank

Shafter Double Gate Blow Out Preventer
10", 3000# W.P., 6000# Test, Type E

Closing Wheels
Locking

HIXON DEVELOPMENT COMPANY
PRESSURE CONTROL EQUIPMENT