

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
Husky Oil Company

3. ADDRESS OF OPERATOR
600 So. Cherry Street, Denver, Colorado 80222

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
P 990' FSL and 990' FEL (SE-SE)
At proposed prod. zone
same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 12 miles south of Bloomfield, N.M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 990'

16. NO. OF ACRES IN LEASE 2401.76

17. NO. OF ACRES ASSIGNED TO THIS WELL E 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Approx. 660'

19. PROPOSED DEPTH 6700'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6284' GR

22. APPROX. DATE WORK WILL START* 3/15/80

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 or 28	+250'	+250 sx
7-7/8"	5-1/2"	15.5	+6700'	3 stage job - total cmt est. at 700 sx.

We propose to drill the captioned well to test the Dakota formation. We propose to test any shows deemed worthy of testing and to set casing, as above, or to plug and abandon in accordance with instructions received from the U.S.G.S. See attached BOPE schematic and multi-point requirements and attachments for drilling plan. Estimated top of Ojo Alamo - 870'.

gas is exhibited



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 Sheldon D. Stutley TITLE Drilling Engineer DATE Feb. 12, 1980

(This space for Federal or State office use)

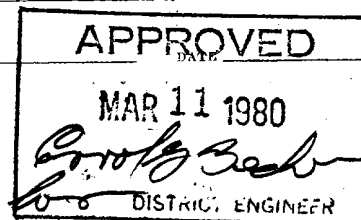
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

ak Zuh

NMCCC



All distances must be from the outer boundaries of the Section

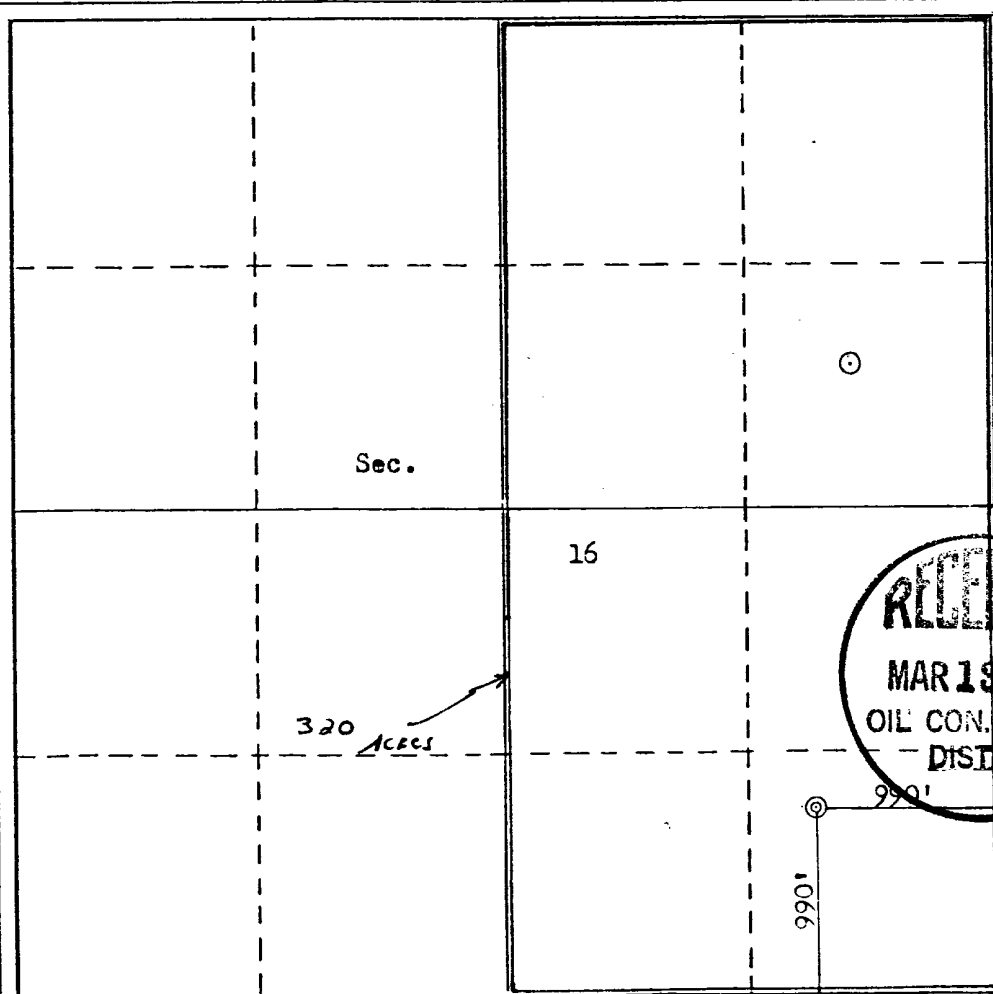
Operator HUSKY OIL LIMITED		Lease BOLACK		Well No. 1-E	
Unit Letter P	Section 16	Township 27N	Range 11W	County San Juan	
Actual Footage Location of Well: 990 feet from the South line and 990 feet from the East line					
Ground Level Elev. 6284	Producing Formation Dakota	Pool Basin Dakota	Dedicated Acreage: E 320 Acres		

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 320 Acre Production Unit

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) Not Applicable

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.

Gerald D. Gentry
Name

DRILLING ENGINEER
Position

Husky Oil Company
Company

JANUARY 22, 1980
Date

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 are true and correct to the best of my knowledge and belief.

RECEIVED
MAR 18 1980
OIL CON. COM.
DIST 3

Date Surveyed

January 22, 1980

Registered Professional Engineer
and/or Land Surveyor

Fred B. Kerr Jr.
Certificate No. 3950

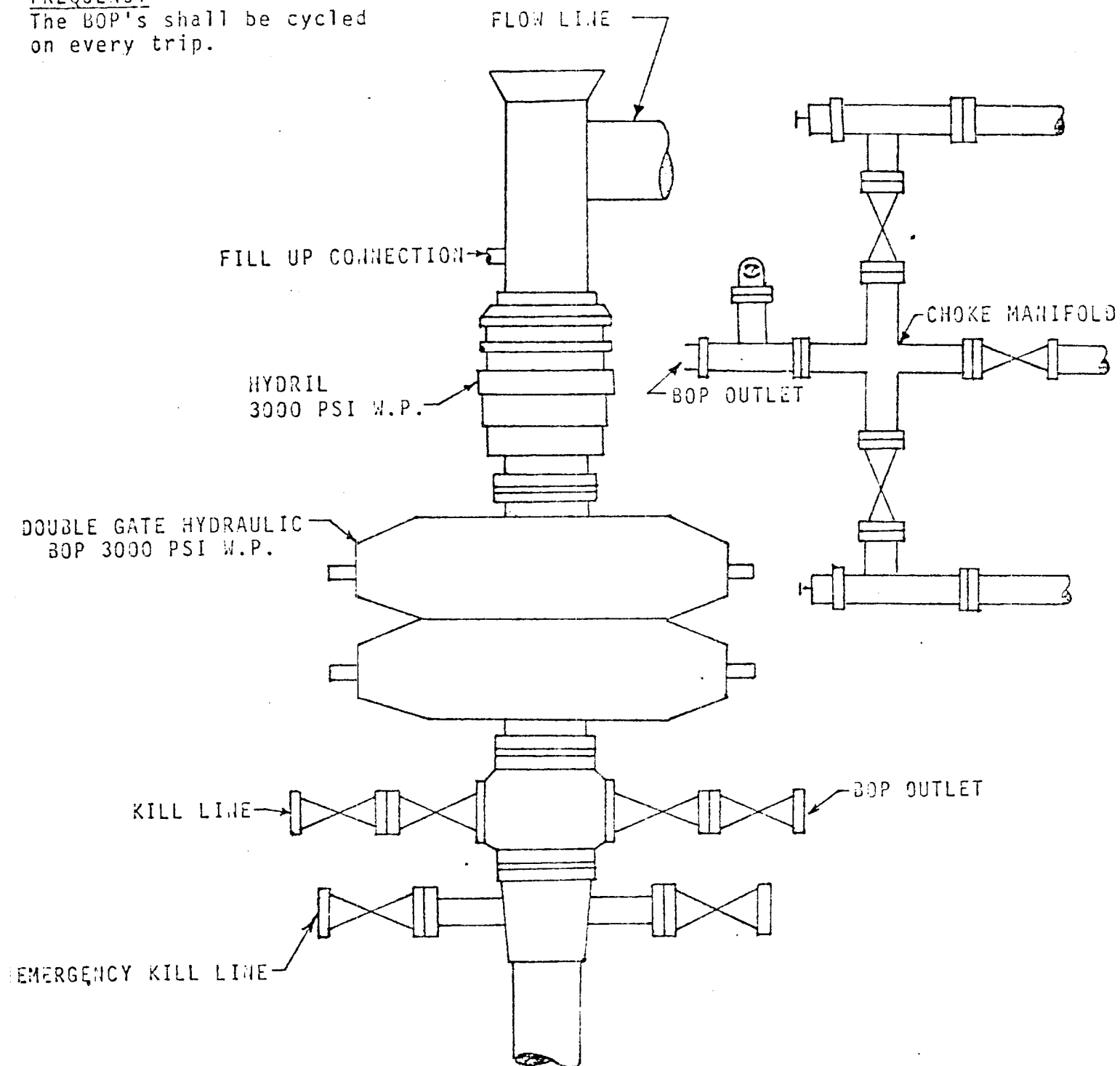
FRED B. KERR, JR.

TEST

After nipping up on surface pipe, but before drilling out the cement plug, the BOP's shall be tested to the rated working pressure.

FREQUENCY

The BOP's shall be cycled on every trip.



SCHEMATIC DRAWING

HUSKY OIL COMPANY
1-E Bolack 'D'
Attachment to APD (Form 9-331C)

1. Surface formation: Nacimiento

2. Important geological formations:

Kirtland	875'
Fruitland	1680'
Pictured Cliffs	1845'
Chacra	2770'
Mancos	4640'
Gallup	5460'
Greenhorn	6320'
Graneros Sh	6380'

3. Gas is anticipated in the Dakota formation at 6475'

4. Casing program:

8 5/8", 24 or 28 #/ft, K-55, ST&C new casing to I250'.
5 1/2", 15.50 #/ft, K-55, LT&C new casing to I6700'.

5. Pressure control:

10" x 8 5/8", 900 series casing head for drilling below surface casing.

10", 900 series 3000 #wp dual RAM hydraulic blowout preventers for drilling below surface casing. All choke lines, choke manifold, valves, fittings, etc., will have a minimum pressure rating of 3000 psi.

All BOPE will be pressure tested prior to drilling out the surface casing shoe and tested daily for mechanical operation.

6. Mud program:

0-250' - Mud at company discretion to maintain good hole conditions to run surface casing

2200' - 6200' - Low solids system with weight 8.8-9.0 ppg and viscosity of 28 - 30 sec./qt.

6200'-TD - Fresh water gel system with weight 8.8-9.2 ppg and viscosity of 35-65 sec./qt.

7. Auxilliary equipment:

Kelly cock with stabbing valve on floor.
Mud monitoring will be visual only.

8. Testing, logging and coring program:

Logging - Induction electric log from TD to base of surface casing.

Testing - No DST'S are planned

Coring - No cores are planned

9. Abnormal hazards:

Neither abnormal pressures, temperatures, nor potential hazards, such as H₂S has is expected. The maximum BHP should not exceed 2900 psi at TD.

10. Anticipated Spud date: 3/15/80
Anticipated duration: 15 days for drilling

EXHIBITS

- A. Location with route marked
- B. Vicinity topographic map showing locations and roads within one mile radius
- C. Drilling layout and location cross sections

1. Existing roads:

- A. See Exhibits 'A' and 'B'
- B. Take Hwy #44 south out of Bloomfield 9 miles to NIIP road on right side of hwy. Turn right and proceed 100 yds. to dirt road on left side (south). Take dirt road 1.7 miles to tee. Follow lath left on existing road 1/3 mile. Staking for new access road will be on right side of road (at an existing well).
- C. See Exhibit 'B'
- D. NA
- E. See Exhibit 'B'
- F. We plan to grade the existing and access roads as necessary to provide access.

2. Planned access roads:

- A. Width: 18'
- B. Maximum grades: Less than 1%
- C. Turnouts: None needed
- D. Drainage design: Not required
- E. Culverts, cuts and fills: No culverts should be required and there are no major cuts or fills.
- F. Surfacing materials: None anticipated for drilling phase. Should materials be necessary they will be obtained from a commercial source.
- G. Gates, cattleguards or fence cuts: None
- H. New or reconstructed roads: Centerline flagged

3. Location of existing wells:

- A.-H. See exhibit 'B'

4. Location of existing and/or proposed facilities:

- A. Husky does not own existing facilities within 1-mile radius.
- B. Required production equipment will be determined following completion of well.
- C. Plans for rehabilitation: The facility area will be rehabilitated by filling the pit, levelling, spreading topsoil and reseedling according to NIIP stipulations.
(See Section 10)

5. Location and type of water supply:

- A. Water will be purchased from Hilltop Stone well.
- B. Water will be trucked via existing roads.
- C. No water well will be drilled on location.

6. Source of construction materials:

- A.-D. For the drilling operations, any construction materials will come from the site. Should additional materials be needed, they will be purchased from a commercial source.

7. Methods for handling waste disposal:

- A. Cuttings: Disposed of in reserve pit and buried.
- B. Drilling fluids: Disposed of in reserve pit and buried after the pit has dried.
- C. Produced fluids: Liquids produced during the completion operation will be produced into tanks, the water drained to the pit and the oil saved.
- D. Sewage: Portable toilets
- E. Garbage and other waste material: Disposal in a burn pit (enclosed with wire mesh screen) and ultimately buried.
- F. The location will be cleaned upon completion or abandonment of the well. All pits will be fenced. After the reserve pit has dried, it will be filled, waste buried and restoration done as per section 10.

8. Ancillary facilities: None

9. Well site layout:

- A.
- B. See exhibit 'C'
- C.
- D. Pits will be unlined

10. Plans for restoration of the surface:

- A. The topsoil will be stripped and stockpiled on the north side of the location. Upon completion or abandonment of the well, the pits will be fenced on all four sides and allowed to dry, then backfilled, burying waste and levelling and recontouring as is practical.
- B. The topsoil will be spread over that area and reseeded per NIIP specifications. The access road if not needed, will also be reseeded.
- C. Upon release of the rig, the pits will be fenced, and so maintained until clean-up (See A above)
- D. The pits will have overhead flagging installed if oil is present.
- E. Restoration should be completed during the fall of 1980.

11. Other information:

- A. The location falls on the side of a gently sloping hill. Vegetation is approximately 30% bare, 30% sage, and 40% grass and weeds.
- B. The location falls in the NIIP.
- C. There are no known archaeological, historical or cultural sites in the area.

12. Leasee's of operators representative

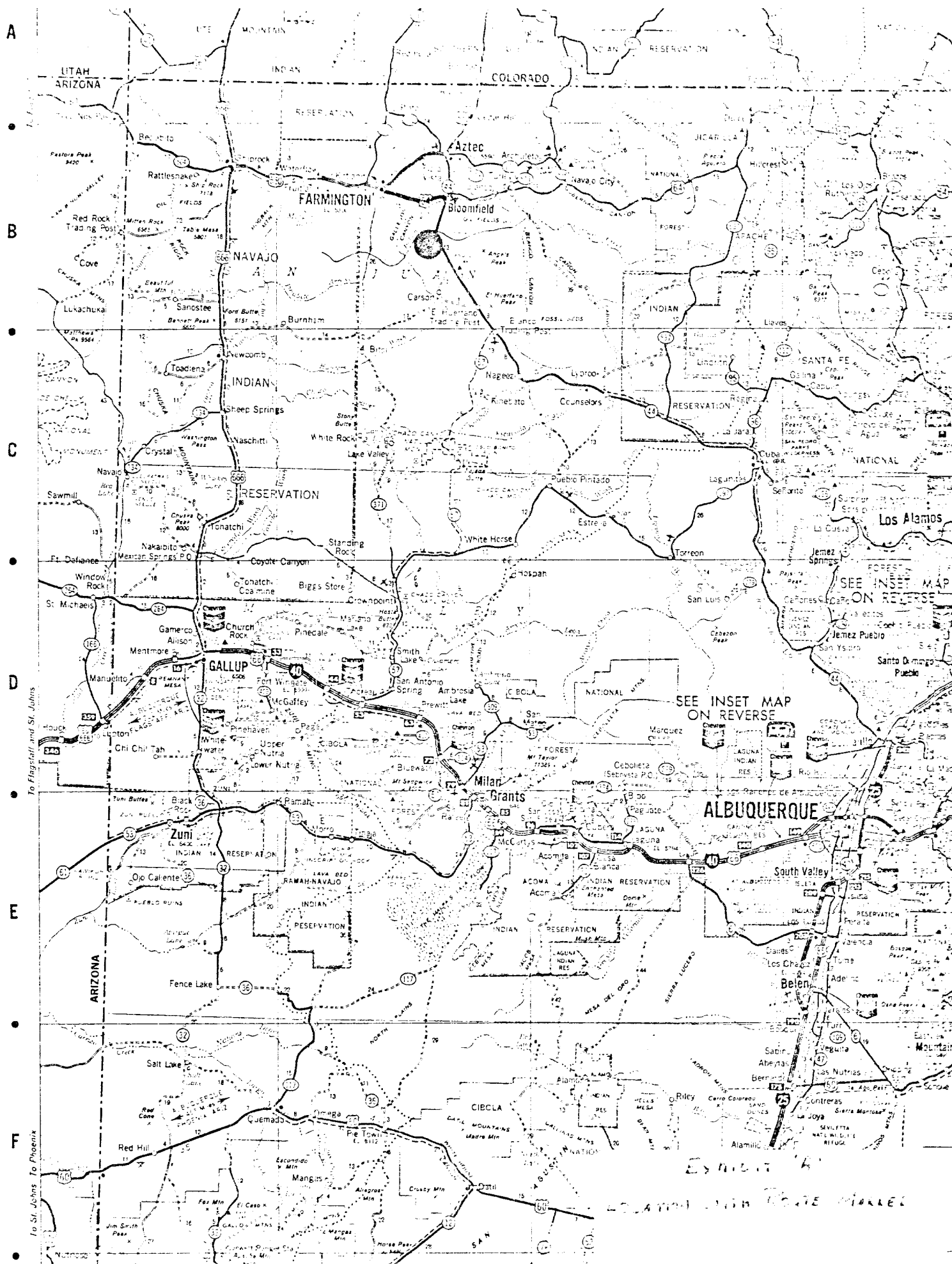
Gerald D. Gentry
600 So. Cherry St.
Denver, Co. 80222

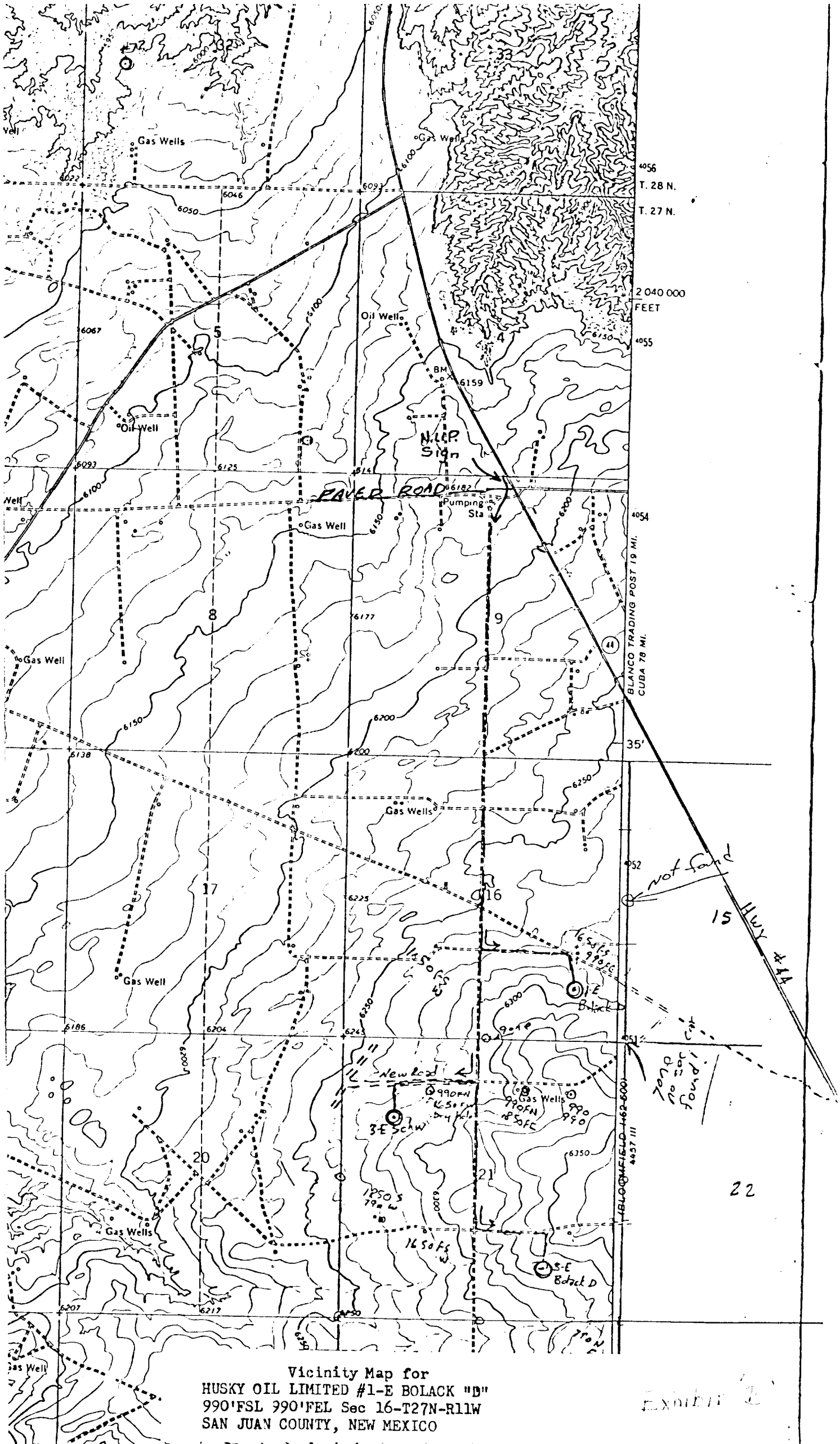
Phone: 303/320-4040

13. Certification:

I hereby certify that I, or persons under my direct supervision have inspected the drill site and access road; that I am familiar with the conditions that presently exist; that my 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 Husky Oil Company and its contractors and subcontractors in conformity with this plan and conditions under which it is approved.

Gerald D. Gentry
Drilling Engineer
Husky Oil Company

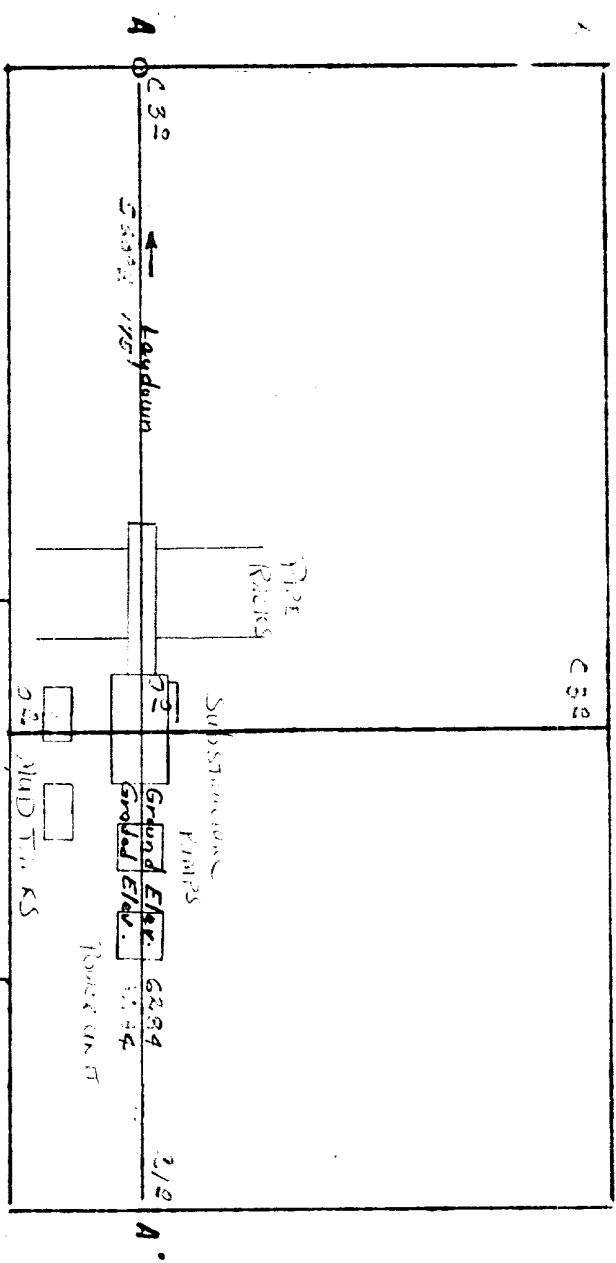
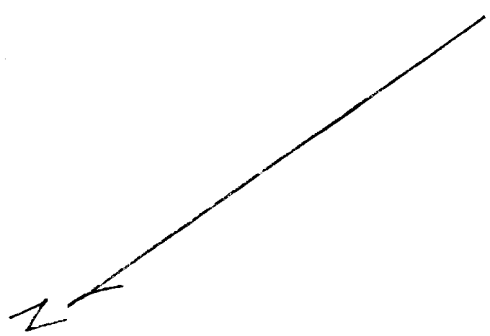




Vicinity Map for
HUSKY OIL LIMITED #1-E BOLACK "B"
990'FSL 990'FEL Sec 16-T27N-R11W
SAN JUAN COUNTY, NEW MEXICO

Exhibit 3

LOCATION LOTS FOR
 HUSKY OIL LIMITED # 1-E BOLACK "D"
 9901FSL 9901FEL Sec 16-T27N-R11W--SAN JUAN COUNTY, NEW MEXICO



Vert. 1"=40' A-A' Horiz: 1"=100'

6290				
6280				
6270				

B-B'

6290				
6280				
6270				

Vert. 1"=40' C-C' Horiz: 1"=100'

D-D'

KERR LAND SURVEYING
 Date: 1/16/80

[Handwritten signature]