

GULF T-1489

SCHEDULE 1 — PROVISIONS APPLICABLE TO TEST WELLS

The person drilling any test well provided for in the agreement to which this Schedule is attached agrees in the drilling, testing and completion of any such test well:

1. To conduct all operations in accordance with approved and accepted practices prevailing in the field where the well is drilled.
2. To make adequate tests to determine if the well is capable of producing oil or gas in paying quantities from the objective formation and from all prospective shallower formations encountered.
3. To accord Gulf the freedom of the derrick floor and full and free access to the well and the records thereof at any and all times.
4. To give Gulf reasonable notice in sufficient time to have a representative present before testing or coring a prospective oil or gas zone at any depth in said well, if requested by Gulf.
5. To furnish Gulf, without cost to Gulf, the following reports, data and information:

DURING THE DRILLING OF THE TEST WELL

(1) Daily drilling report, showing the nature of all work done and depth and formations penetrated, and mailed to Gulf daily beginning with the date actual work is commenced at the location and continuing until initial daily potential has been established, or, if a dry hole, the well has been plugged and abandoned.

(2) Formation samples taken at intervals of ten (10) feet from the surface to the completion of the well or at less than ten (10) foot intervals, if requested by Gulf, and mailed weekly—and oftener if requested by Gulf—in receptacles furnished by it.

(3) Water samples recovered from a formation where this can be done in such manner as not to be mixed with water from other formations, to be mailed weekly—and oftener if requested by Gulf—in receptacles furnished by it.

UPON COMPLETION OF THE TEST WELL

- (4) Complete certified driller's log.
- (5) Samples and cuttings of formations saved in the course of drilling.
- (6) Electric log from the total depth to the bottom of the surface pipe. (One copy of a field print and three copies of a final print.)
- (7) Geophysical surveys, if any are made, other than seismographic velocity surveys.
- (8) Depth measurement of the well, if it is a dry hole, made by running a steel measuring line therein and taken after sufficient notice to Gulf to have a representative present at the measurement.
- (9) Certified copy or photoprint of the plugging record required by the governmental office or body having jurisdiction in the premises, if the well is a dry hole.
- (10) Copy of survey to determine the deviation of the hole from the vertical, if one is made or if requested by Gulf.
- (11) Two copies of any core analyses made.
- (12) Two copies of any bottom hole pressures taken.

SCHEDULE 1

Attached to and made part of agreement entitled:

Farmout Agreement

Dated August 15th, 1956

between the following parties:

Gulf Oil Corporation
and

Belco Petroleum Corporation