SUBMIT IN TRIPLICATE*

Form approved. Budget Bureau No. 42-R1425.

(Other instructions on reverse side) UNITED STATES

30-039-	72576
5. LEASE DESIGNAT	TION AND SERIAL NO.
Contract	#108

GEOLOGICAL SURVEY					5. LEASE DESIGNATION AND SERIAL NO. CONTRACT #108 6. IF INDIAN, ALLOTTEE OR TRIBE NAME				
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK									
la. TTPS OF WORK							Jicarilla		
b. TIPE OF WELL		DEEPEN	∐ .	- PL	UG BA	ok ∐	7. UNIT AGREEMENT N	AME	
	AS X OTHER			INGLE X	MULTIP Sone	"LE	8. FARM OR LEASE NAT	(E	
. NAME OF OPERATOR					•		Jacar	lla C	
Tenneco Oi	.1 Company						9. WELL NO.		
ADDRESS OF OPERATOR	2040 = 1 1		007.5				#7E		
P.O. BOX 3	249, Englewood, teport location clearly and	Colorado	th any f	5	ents •)		Basin Dakot		
At surface	0 FSL, 1670 FEL			one requirem					
At proposed prod. son	•	ı					11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA		
	ne as above						Sec. 13, T2	6N, R5W	
4. DISTANCE IN MILES	AND DIRECTION FROM NEAD	REST TOWN OR POS	T OFFIC	E.			12. COUNTY OR PARISH	13. STATE	
Approxi	mately 19 miles	NW of Line	drith	, N.M.			Rio Arriba	N.M.	
15. DISTANCE PROM PROPO LOCATION TO NEARES:			16. No	O. OF ACRES IN	LEASE		F ACRES ASSIGNED	·	
PROPERTY OR LEASE I (Also to nearest dr);	LIME, FT. g. unit line, if any)	960 ' .		2560			5/320		
 DISTANCE FROM PROP TO NEAREST WELL, D 	POSED LOCATION® DRILLING, COMPLETED,		19. PI	OPOSED DEPTH			BY OR CABLE TOOLS		
OR APPLIED FOR, ON TH	IIS LEASE, FT.		<u> </u>	±8350		Re	otary		
21. ELEVATIONS (Show who	ether DF, RT, GR, etc.)	7276 GR					22. APPROX. DATE WO		
<u> </u>							March 1	201	
	F	PROPOSED CASI	NG ANI	O CEMENTIN	G PROGRA	AM			
SIZE OF HOLE	BIZE OF CASING	WEIGHT PER F	TOOT	SETTING :	DEPTH		QUANTITY OF CEME	ST	
12 1/4"	9 5/8" new	36#		±30			late to surfac		
7 7/8"	4 1/2" new	11.6#, 10	<u>.5#</u>	±83	50	Cemen	t in two stage on is subject to admin ursuant in 30 USB co	<u>s</u>	
one. If proposal is to preventer program, if an	e PROPOSED PROGRAM: If a drill or deepen directions	proposal is to dee lly, give pertinen	pen or i	olug back, give on subsurface l	data on p	resent prod	CON 1987 OIST. SOM. uctive sone and processes and true work if depth	d new productive	
14. V)	17 10.	10							
вияво	. U. Mis	kler ri	TLE	r. Produc	ction A	Analyst	Decemb	er 10, 1980	
(This space for Fede	eral or State office use)			· · · · · · · · · · · · · · · · · · ·	·······				
BORNIN MA		ח		1886VA1. 5			•		
PERMIT NO.	AS OMEND	ED		APPROVAL DAT					
APPROVED BY	AS FINEINS	2.0 ===	TLE				DATE		
CONDITIONS OF APPROV	FORMES F. SIN DISTRICT ENGIN	81 Notes IS IEER See Instru	uctions	On Reverse	Side				

MMOCC

OIL CONSERVATION DIVISION

ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-107 Revised 10-1-78

All distances must be from the cuter boundaries of the Section.

Operator				Lease				Well No.		
TENNECO OIL COMPANY			JICARILLA C					7E		
Unit Letter	Section		Township	T	Rom	•	County	Ammi bo		
Actual Footage Loc	13 ention of		261	<u> </u>		5W	I VIO	Arriba		
1700	feet fi	rom the So	uth	line and	16	70 fee	t from the	East		line
Ground Level Elev:	F	roducing Form	nation		Pool				Dedico	ated Acreager 320
7276	ــــــــــــــــــــــــــــــــــــــ	Dakota	 -			sin Dakota			<u> </u>	Acres
2. If more the interest ar	 Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 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.										
	1					 		tained h	certify erein is my know	that the information con- true and complete to the riedge and belief.
	 		•		-	 		R. Position Sr Company Te	A. !	Mishler oduction Analyst o Oil Company er 10, 1980
				13	1700'	1 1670 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	AN COAY	bound in the survey of the sur	n this p f actual y super and ca ge and	2 1980
		Scal	le: 1"=	1000'				Certificate 3950	No.	R. J

TENNECO OIL COMPANY ROCKY MOUNTAIN DIVISION PENTHOUSE, 720 SOUTH COLORADO BOULEVARD DENVER, COLORADO 80222

DRILLING PROCEDURE

DATE: September	23,	1980	
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LEASE: Jicarilla

WELL NO.: C #7E

LOCATION: 1700 FSL, 1670 FEL Section 13, T26N, R5W

Rio Arriba County, New Mexico

FIELD: Basin Dakota

ELEVATION: 7276 (Est. G.L.)

TOTAL DEPTH: 8350

PROJECTED HORIZON: Dakota

DATE: September 23, 1980 SUBMITTED BY: David Kranz

CC: Administration DSB Well File Field File

ESTIMATED FORMATION TOPS

Ojo Alamo	3 065	Water
Pictured Cliffs	3855	Gas
Lewis	3875	Sha le
Mesaverde	5490	Gas
Mancos	6215	Shale
Greenhorn	7960	Lmy SS
Dakota	8050	Gas
TD	8350	

DRILLING, CASING AND CEMENTING PROGRAM

- 1. MIRURT
- 2. Drill a $12\frac{1}{4}$ " Hole to \pm 300' with Gel-Water Mud.
- RU and run 9 5/8", 36#, K-55, ST&C casing to TD. Cement with Class B + 2% CaCl in sufficient quantity to circulate cement to surface. WOC 12 hours.
- 4. Screw on 9 5/8 8rd x 11-3000 casing head, NU BOPS. Pressure test casing, lines and blinds to 1000 PSI for 30 minutes. GIH with drill pipe and test pipe rams to 1000 PSI for 30 minutes. Record all tests on IADC Report.
- Drill out using a 7 7/8" Bit to T.D. Log open hole as directed by G.E. Department.
- 6. Run 4½" 11.6 and 10.50# K-55 ST&C as designed.
- 7. Cement in two stages with sufficient volume to circulate cement to surface. Locate DV tool + 250' above Cliffhouse to prevent lost returns in Mesa Verde. Lead in first stage with light cement (pozmix, Halliburton lite, etc.). Tail in with sufficient volume of Class "B" cement to cover the Dakota. Circulate a minimum of four hours between stages. Lead in second stage with light cement.
- 8. MORT
- 9. Install tree and fence reserve pit.
- 10. If non-productive, P & A as required by the USGS.

Casing Program

Interval	Length	<u>Size</u>	Weight	Grade	Coupling
0-300	300	9 5/8	36#	K-55	STC
7030 - 8350	1320	4 1/2	11.6#	K-55	STC
0 - 7030	7030	4 1/2	10.5#	K-55	STC

MUD PROGRAM

0-300 Native solids. Have sufficient viscosity to gel chemical to clean hole and run casing.

Low solids. Gel chemical. 32 viscosity and 10-15 water loss down through the Mancos. Before reaching Gallup, add 6% LCM and run viscosity at 38-40 seconds. After penetrating Gallup, let LCM drop.

EVALUATION

Cores and DST's: None.

Deviation Surveys:

300-TD

١,

- 1. Survey surface hole at 100' intervals. Maximum allowable deviation at 500' is 1-1/2'.
- 2. From surface to toal depth, deviation surveys must be taken every 500' or each trip, whichever is first. The may entail running the TOTCO on wireline. Record each survey on the IADC Drilling Report Sheet. Maximum allowable change in deviation is 1° per 100'. Maximum deviation allowable is 5°.

Samples: As requested by Wellsite Geological Engineer.

Logs: 1. GR/IND FDC-GR-Cal TD to MV

BLOWOUT EQUIPMENT

11" - 3000 BOP with rotating head to comply with TOC requirements as shown in BOE arrangement, Figure C. Preventers must be checked for operation every 24 hours with each check recorded on the IADC Drilling Report Sheet.

REPORTS

Drilling reports for the past 24 hours will include depth, footage, time distribution, activity breakdown, mud properties, bit record, bottom hole assembly, daily and cumulative mud costs, plus any other pertinent information, will be called into Tenneco Oil Company, Denver, Colorado, between 7:30 a.m. and 8:00 a.m.

- 1. 303-758-7130 (Office) Don Barnes 303-758-7287 (Office) Don Barnes' private line, Monday-Friday (before 7:45 a.m.) 303-936-0704 (Home) Don Barnes, weekends and holidays.
- 2. John Owen (Home) 303-795-0221

The yellow sheet of the IADC Report is to be filled out completely. The original copy of the drilling time recorder, and copies of any invoices from this well, signed and received for Tenneco Oil Company, will be mailed daily to:

TENNECO OIL COMPANY
ROCKY MOUNTAIN DIVISION
PENTHOUSE, 720 SOUTH COLORADO BOULEVARD
DENVER, COLORADO 80222

ATTENTION: Drilling Department

IN CASE OF EMERGENCY, NOTIFY THE FOLLOWING:

- 1. Mr. Don Barnes, Division Drilling Engineer.
- 2. Mr. John W. Owen, Project Drilling Engineer.
- 3. Mr. Mike Lacey, Division Production Manager (Home 303-979-0509).

TENNECO OIL COMPANY - 10 POINT PLAN

1. The geological name of the surface formation:

2 & 3. Estimated Formation Tops:

(See Attached Drilling Procedure)

4. Proposed Casing Program:

(See Attached Drilling Procedure)

5. Blowout Preventors:

Hydraulic double ram. One set of rams will be provided each size drill pipe in the hole. One set of blind rams at all times. Fill line will be 2", kill line will be 2", choke relief line will be 2". BOP's, drills and tests will be recorded in the driller's log. BOP will be tested every 24 hours and recorded in IADC Log.

San Jose

6. Mud Program: (Sufficient quantity of mud and weight material will be available on location).

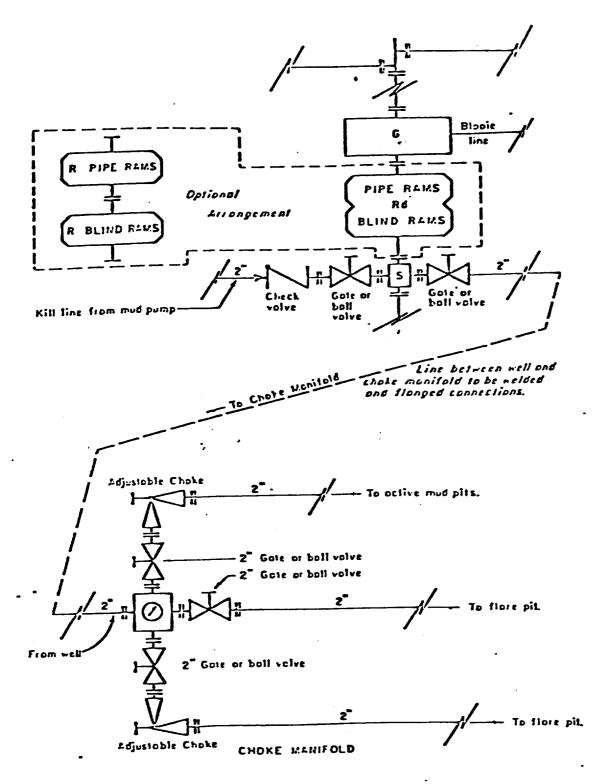
(See Attached Drilling Procedure.

- 7. Auxiliary Equipment:
 - a. Kelly cock will be in use at all times.
 - b. Stabbing valve to fit 'drill pipe will be present on floor at all times.
 - c. Mud monitoring will be visual. No abnormal pressures are anticipated.
 - d. Floats at bits.
 - e. Drill string safety valve(s) to fit all pipe in drill string will be maintained on the rig floor while drilling operations are in progress.
- 8. Coring, Logging, and Testing Program:

(See Attached Drilling Procedure)

- 9. No abnormal pressures, temperatures or potential hazards such as ${\rm H}_2{\rm S}$ are expected to be encountered.
- 10. The drilling of this well will start approximately (Much 9) and continue for 10 to 12 days.

Your office will be notified of spudding in sufficient time to witness cementing operations. Immediate notice will be given on blowouts, fires, spills, and accidents involving life threatening injuries or loss of life. Prior approval will be obtained before appreciably changing drilling program or commencing plugging operations, plug back work, casing repair work or corrective cementing operations.



All equipment to be 3,000 psi working pressure except as noted.

- Rd Double com type preventer with two sets of roms.
- R Single rom type preventer with one set of roms.
- S Drilling spool with side outlet connections for choke and kill lines.
- 6 Rotating head 150 psi working pressure minimum

ARRANGEMENT C

TENNECO OIL COMPANY ROCKY MOUNTAIN DIVISION

REQUIRED MINIMUM
BLOWOUT PREVENTER AN
CHOKE MANIFOLD
J. MAGILL 10-26-70 EVI

- 1. Existing Road Please refer to Map No. 1 which shows the existing roads. New roads which will be required have been marked on this map. All existing and new roads will be properly maintained during the duration of this project.
- 2. Planned Access Roads Please refer to Map No. 1. The grade of the access roads will be consistent with that of the local terrain. The road surface will not exceed twenty feet (20') in width. Upon completion of the project, the access road will be adequately drained to control soil erosion. Drainage facilities may include ditches, water bars, culverts or any other measure deemed necessary by trained Company personnel to insure proper drainage. Gates and/or cattleguards will be installed if necessary.
- 3. Location of Existing Wells Please refer to Map No. 2.
- 4. Location of Tank Batteries, Production Facilities, and Production Gathering and Service Lines Please refer to Maps No. 1 and No. 2. Map No. 2 shows the existing roads and new proposed access roads. All known production facilities are shown on these two maps.
 - 5. Location and Type of Water Supply Water for the proposed project will be obtained from a private source.
 - 6. Source of Construction Materials No additional materials will be required to build either the access road or the proposed location.
- 7. Methods of Handling Waste Materials All garbage and trash materials will be put into a burn pit shown on the attached Location Plat No. 1. When clean-up operations are begun on the proposed project, the burn pit with its refuse will be buried to a depth of at lease three feet (3'). A latrine, the location of which is also shown on Plat No. 1. will be provided for human waste. If large amounts of liquids are J left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying any of these materials into the watershed. No earthen pit will be located on natural drainage; all earthen pits will be so constructed as to prevent leakage from occurring.

- 8. Ancillary Facilities No camps or airstrips will be associated with this project.
- 9. Wellsite Layout Please refer to the attached Plat No. 1.
- 10. Plans for Restoration of the Surface After completion of the proposed project
 the location will be cleaned and leveled. The location will be
 left in such a condition that will enable reseeding
 operations to be carried out. Seed mixture as designated
 by the responsible government agency will be used. The
 reseeding operation will be performed during the time
 period set forth by the regulatory body. The location
 production equipment will be painted as designated by the
 responsible government agency.
- 11. Other Information Location is on broken mesa top. Soil is sandy clay. Location will drain off on all sides. Vegetation includes pinon and juniper, sage, mountain mahogany, bitterbrush, snakeweed, and native grasses.
- 12. Operator's Representative See drilling prognosis.
- 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 mad 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 Tenneco Oil Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

R. A. Mishler

Sr. Production Analyst

