SUBMIT IN TRIPLICATE*

Form approved. Budget Bureau No. 42-R1425.

(Other instructions on reverse side)

30-039-22374 5. LEASE DESIGNATION AND SERIAL NO.

UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

	GEOLOG	SICAL SURVEY			SF 079527
APPLICATION	Y FOR PERMIT T	O DRILL, DEEI	PEN, OR PLUG B	ACK	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
1a. TYPE OF WORK	LL 🔯	DEEPEN	PLUG BAC	~	7. UNIT AGREEMENT NAME
b. TYPE OF WELL	LL LA	DEEPEN	PLUG BAC	CK []	San Juan 27-4 Unit
	AS ELL OTHER		SINGLE X MULTIP	LE	8. FARM OR LEASE NAME
2. NAME OF OPERATOR					San Juan 27-4 Unit
El Paso No	atural Gas Co	mpany			9. WELL NO.
•	O The same described to	NM 07401			35A 10. FIELD AND POOL, OR WILDCAT
4. LOCATION OF WELL (R	9, Farmington eport location clearly and	in accordance with any	State requirements.*)		Blanco Mesa Verde
At surface	1110'N, 1	Company Compan	•		11. SEC., T., R., M., OR BLK.
/ At proposed prod. zon	·				Sec. 26, T-27-N, R-4-W
	same				NMPM
	AND DIRECTION FROM NEAR				12. COUNTY OR PARISH 13. STATE
19 MILES :	southeast of		NM NO. OF ACRES IN LEASE	1 17 No. 6	Rio Arriba NM OF ACRES ASSIGNED
LOCATION TO NEAREST PROPERTY OR LEASE I	INE, FT.	1050	unit		HIS WELL 320.00
(Also to nearest drlg 18. DISTANCE FROM PROP	OSED LOCATION*		PROPOSED DEPTH	20. пота	RY OR CABLE TOOLS
TO NEAREST WELL, D. OR APPLIED FOR, ON THE	RILLING, COMPLETED, IS LEASE, FT.	400'	6715 '	Rota	ary
21. ELEVATIONS (Show who	ether DF, RT, GR, etc.)			1	22. APPROX. DATE WORK WILL START*
7254'GL					
23.	Pl	ROPOSED CASING A	ND CEMENTING PROGRA	AM	· · · · · · · · · · · · · · · · · · ·
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH		QUANTITY OF CEMENT .
13 3/4"	9 5/8"	36.0#	200'	224	cu.ft. to circulate
8 3/4" 6 1/4"	7" 4 1/2"lin	20.0# er 10.5#	4430'		<pre>cu.ft.to cover Ojo Alam cu.ft.to circ.liner</pre>
A 3000 ps:	i WP and 6000	psi test d	ouble gate pro	evente	sa Verde formation. er equipped with
blind and	pipe rams wi	ll be used	for blow out p	preve	ntion on this well.
		i e	to the state of t		
This gas	is dedicated.	# 2 2	5.50.00		
		÷ ;	VDD 1 FINE		
				4	
Πhο 17/2 ο	F 0 26	: :	a i a i a a a a a a a a a a a a	, /	
The W/2 O	r Section 26	is dedicate	d to this wel	· / ,	JUN TELD
zone. If proposal is to preventer program, if an	or PROPOSED PROGRAM: If p drill or deepen directional y	roposai is to deepen or ly, give pertinent data	plug back, give data on proon subsurface locations ar	resent prod nd measure	Mytive zone and proposed n w productive d and true vertify depths. Give blowout
24.	4 0.			1	UST COM
SIGNED .	J. Gusco	TITLE	Drilling	a Clei	DATE
(This space for Fede	ral or State office use)				
PERMIT NO.			APPROVAL DATE		
			ALTROTAD DATE	, a least to	APPROVEE
APPROVED BY		TITLE		1	C ADMENUEL
conditions of approv				1	1080
UBJECT TO COMPLIANC	erregallost ARE Millia Autorionea	N	MOCC	and the second	Manual & Lines
GENERAL REQUIREMEN		٠ *c_ ،	. O D 0:1	4	JUNES E. SIMS
	an Sm	See Instruction	s On Reverse Side	10	DISTRUT ENGINEER
					and the second s

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

P. O. HO Y 2088

Form C-102 Kexises 10-1-78

LIVERSY MID MINERALS DELAM	TIMENT SANT	R FE, HEW MEXICO B	7501	Form C-102 Revised 10-1-12
	All distances must	be from the enter boundaries of	the Section	
Specialist		Lease		Well fic.
EL PASO NATURAL GAS	COMPANY I Township	SAN JUAN 27-L	UNIT (SF-079527)	35-A
D 25	27N	FM	Rio Arriba	
Actual Footage Location of Well		1 410	I RIO AFFIDA	
1110 test from		emi 1050 fee	et from the West	line
	ucing Formation	Pool		rested Acresse:
	esa Verde			320.00 Acres
2. If more than one lead interest and royalty) 3. If more than one lead	case is dedicated to the). (se of different ownershi	well, outline each and ide	entify the ownership there	of (both as to working
X Yes No If answer is "no," li this form if necessar No allowable will be	ist the owners and tract y.) assigned to the well unt	rpe of consolidation descriptions which have a il all interests have been ndard unit, eliminating suc	ctually been consolidated	itization, unitization.
		1	CE	RTIFICATION
1.050: SF-07952	27 Sec.		toined herein in best of my known best o	Natural Gas Co.
	7/35		show on this notes lot actua under my super	Shipson Layloury
0 320 640 90 1320 1	650 1860 2710 7643	2000 1500 1000	250 c 3950	
		AC. 1000 TUCO T	<u>6.1 (27.304) (</u>	المستخصصين والمارون والمستعلق والمراورة



P. O. BOX 289 FARMINGTON, NEW MEXICO 87401

PHONE: 505-325-2841

Multi-Point Surface Use Plan San Juan 27-4 Unit #35A

- 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 gas gathering lines. Map No. 1 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 Jicarilla Tapacito Water Hole.
- 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 least three feet (3'). A latrine, the location of which is also shown on Plat No. 1,

7. cont'd.

will be provided for human waste. If large amounts of liquids are 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 drainages; 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 The terrain is rolling hills with pinon, sage, yucca, and juniper growing. Cattle, horses, elk and deer are occasionally seen on the proposed location.
- 12. Operator's Representative W.D. Dawson, PO Box 990, Farmington, NM
- 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 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 El Paso Natural Gas Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

D. R. Read

Project Drilling Engineer

Operations Plan San Juan 27-4 Unit #35A

I. Location: 1110'N, 1050'W, Section 26, T-27-N, R-4-W, Rio Arriba County, NM

Field: Blanco Mesa Verde Elevation: 7754'

II. Geology:

A. Formation	Tops:	Surface	San Jose	Lewis	4232'	
			Ojo Alamo	3523'	Mesa Verde	5803'
			Kirtland	3773 '	Menefee	5930 '
		Fruitland	3893'	Point Lookout	6264'	
		Pic.Cliffs	4087'	Total Depth	6715'	

- B. Logging Program: GR-Ind. and GR-Density at Total Depth.
- C. Coring Program: none
- D. Natural Gauges: 5793', 5920', 6254' and at Total Depth. Also gauge any noticeable increase in gas. Record all gauges in daily drilling report and on morning report.

III. Drilling:

A. Mud Program: mud from surface to 4430'. Gas from intermediate casing to Total Depth.

IV. Materials:

Α.	Casing Program:		Depth	Casing Size	Wt.&Grade
		13 3/4"	2001	9 5/8"	36.0 K-55
		8 3/4"	4430'	7"	20.0# K-55
		6 1/4"	4280-6715'	4 1/2"	10.5# K-55

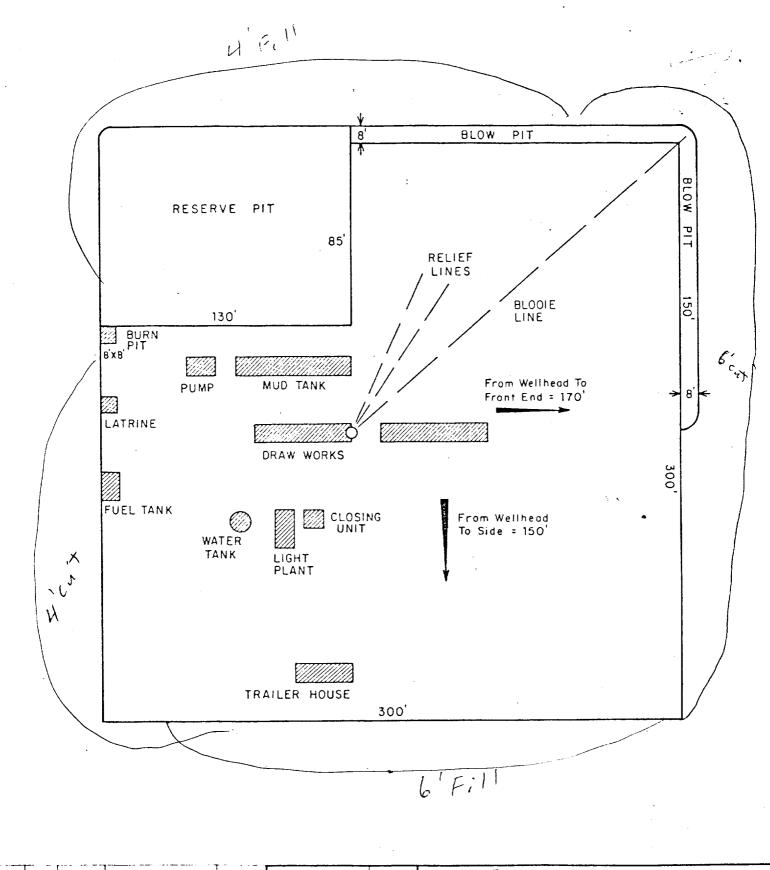
B. Float Equipment: 9 5/8" surface casing - cement guide shoe.

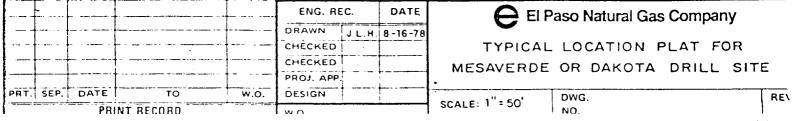
7" intermediate casing - cement guide shoe and self-fill insert float valve, 5 stabilizers every other joint above shoe. Run float two joints above shoe.

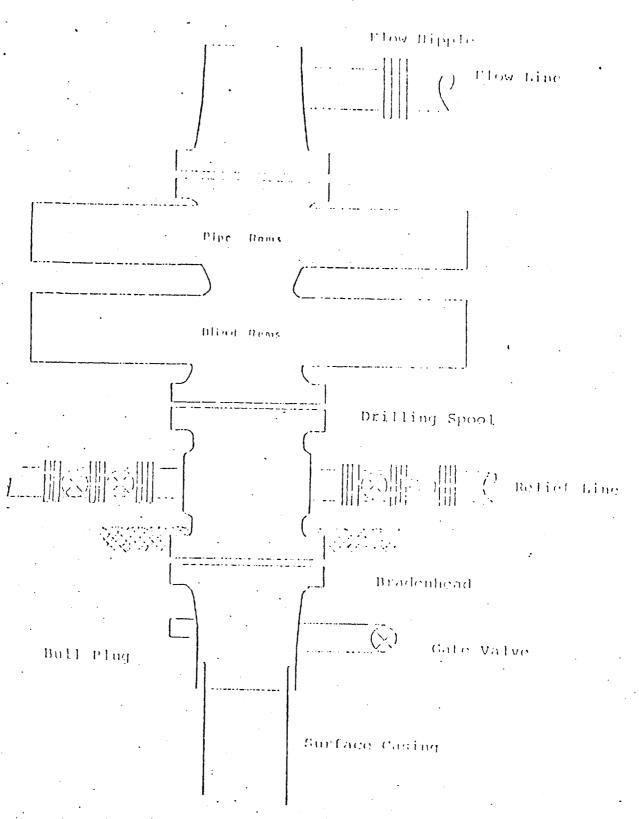
- 4 1/2" liner 4 1/2" liner hanger with neoprene packoff. Geyser shoe and plug latch-in collar assembly.
- C. Tubing: 6715' of 2 3/8", 4.7#, J-55 8rd EUE tubing with a common pump seating nipple one joint above bottom. Tubing will be open ended.
- D. Wellhead Equipment: 10" 2000 x 9 5/8" casing head. 10" 2000 x 6" 2000 xmas tree.

V. Cementing:

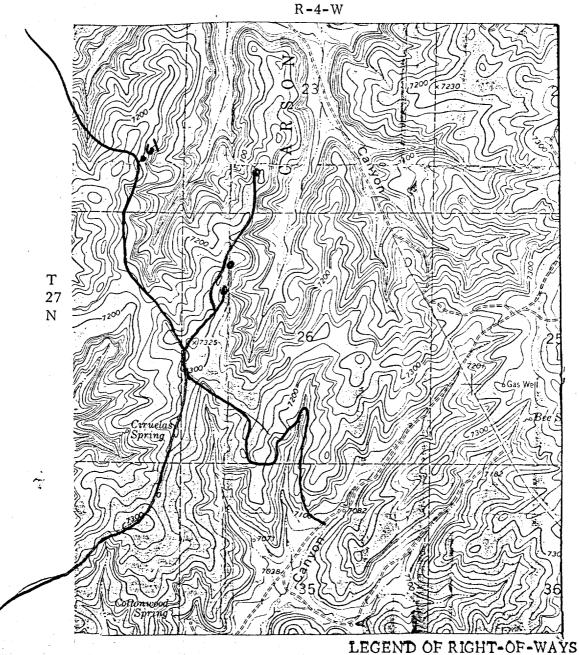
- 9 5/8" surface casing use 190 sks. of Class "B" cement with 1/4# gel-flake per sack and 3% calcium chloride (224 cu.ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600#/30 minutes.
- 7" intermediate casing use 55 sks. of 65/35 Class "B" Poz with 6% gel and 2% calcium chloride (8.3 gallons of water per sack) followed by 100 sks. of Class "B" with 2% calcium chloride (207 cu.ft. of slurry, 50% excess to cover Ojo Alamo). Run temperature survey at 8 hours. WOC 12 hours. Test casing to 1200#/30 minutes.
- 4 1/2" liner precede cement with 20 barrels of gel water (2 sks. gel) Cement with 305 sks. of 50/50 Class "B" Poz with 2% gel, 0.6% Halad-9, 6.25# gilsonite plus 1/4# Flocele per sack (425 cu.ft. of slurry, 70% excess to circulate liner). WOC 18 hours.







Series 900 Double Gate BOP, rated at 3000 psi Working Pressure
When gas drilling operations begin a Shaffer type 50 or equivalent rotating head is installed on top of the flow nipple and the flow line is converted into a blowie line.



MAP 1

EXISTING ROADS
EXISTING PIPELINES
EXISTING ROAD & PIPELINE
PROPOSED ROADS
PROPOSED PIPELINES
PROPOSED ROAD & PIPELINE

R-4-W

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31 NWP NW BLK	32 33	54	3 5/5	36(PM) 36
7 to 7 to 1	116 yf 37 16 37 17	2 91 12 0 34 1 P	1(PO) 22A 2(PM	36(PM) 68

MAP 2

Proposed Location •