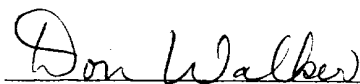


Multi-Point Surface Use Plan
San Juan 28-7 Unit #22A

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 Manzaneras Water Well.
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 high sandstone ledges and rolling hills with pinon and cedar growing. Deer are occasionally seen on the proposed project site.
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. C. Walker

Project Drilling Engineer

October 3, 1978

Operations Plan
San Juan 28-7 Unit #22A

I. Location: 1940'S, 1690'E, Section 17, T-28-N, R-7-W, Rio Arriba County, NM

Field: Blanco Mesa Verde

Elevation: 6638'GR

II. Geology:

| | | | | |
|--------------------|------------|----------|---------------|-------|
| A. Formation Tops: | Surface | San Jose | Lewis | 3340' |
| | Ojo Alamo | 2380' | Mesa Verde | 4920' |
| | Kirtland | 2476' | Menefee | 5066' |
| | Fruitland | 3037' | Point Lookout | 5445' |
| | Pic.Cliffs | 3273' | Total Depth | 5895' |

B. Logging Program: GR-Ind. and GR-Density at Total Depth.

C. Coring Program: none

D. Natural Gauges: 4910', 5055', 5435' 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 3540'. Gas from intermediate casing to Total Depth.

IV. Materials:

| | | | | |
|--------------------|------------------|--------------|--------------------|----------------------|
| A. Casing Program: | <u>Hole Size</u> | <u>Depth</u> | <u>Casing Size</u> | <u>Wt.&Grade</u> |
| | 13 3/4" | 200' | 9 5/8" | 32.3# H-40 |
| | 8 3/4" | 3540' | 7" | 20.0# K-55 |
| | 6 1/4" | 3390-5895' | 4 1/2" | 10.5# K-55 |

B. Float Equipment: 9 5/8" surface casing - Pathfinder guide shoe (Part #2006-1-012).

7" intermediate casing - Pathfinder guide shoe (Part #1003-1-007) and Pathfinder self-fill insert float valve (Part #2010-6-007), 5 Pathfinder stabilizers (Part #107-10) every other joint above shoe. Run float two joints above shoe.

4 1/2" liner - 4 1/2" liner hanger with neoprene packoff. Pathfinder geyser shoe (Part #2017-1-050) and Larkin flapper type float collar (fig. 404 M&F).

C. Tubing: 5895' 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" 900 x 9 5/8" casing head. 10" 900 x 6" 900 xmas tree.

Operations Plan - San Juan 28-7 Unit #22A

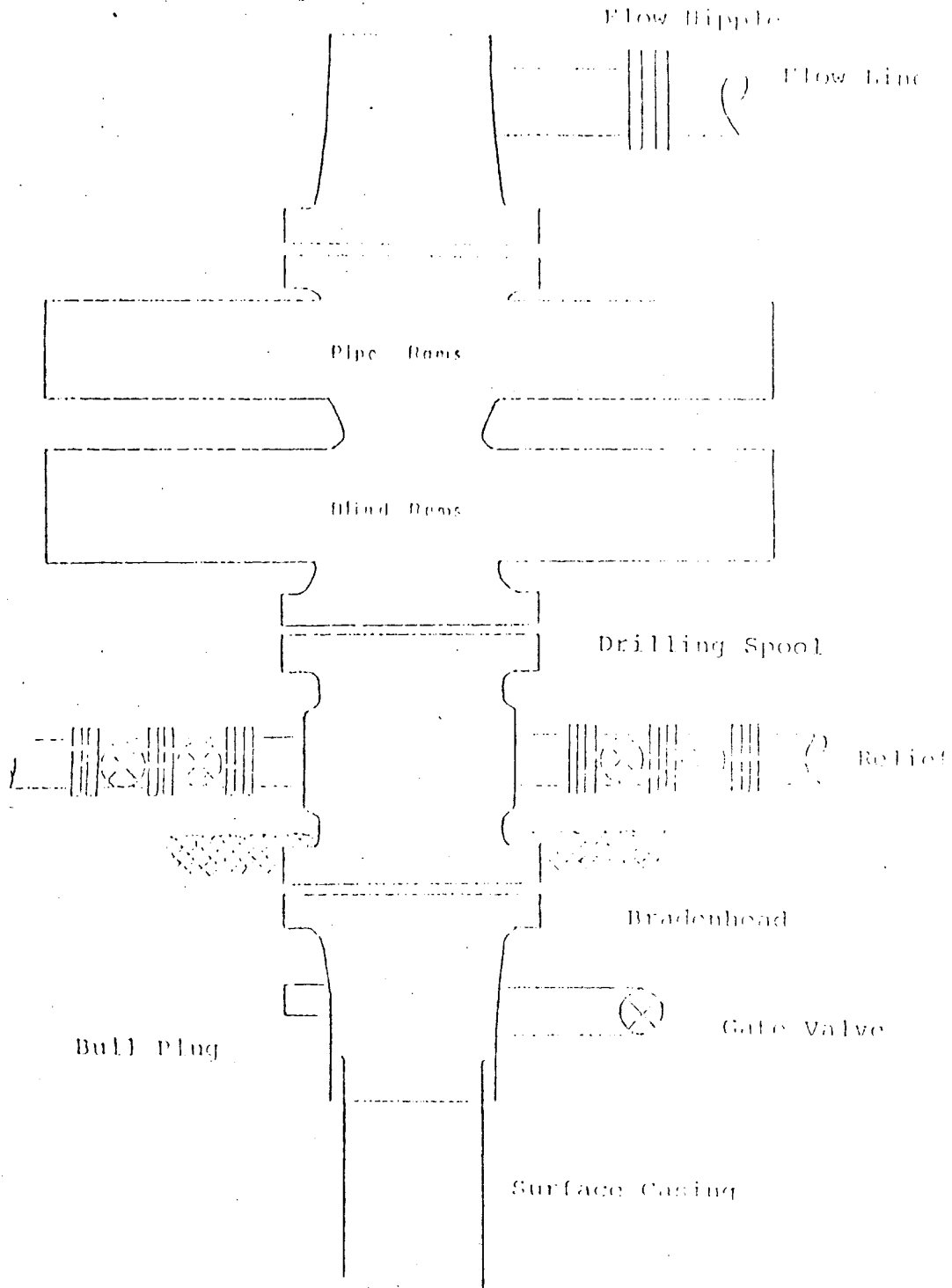
V. Cementing:

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.

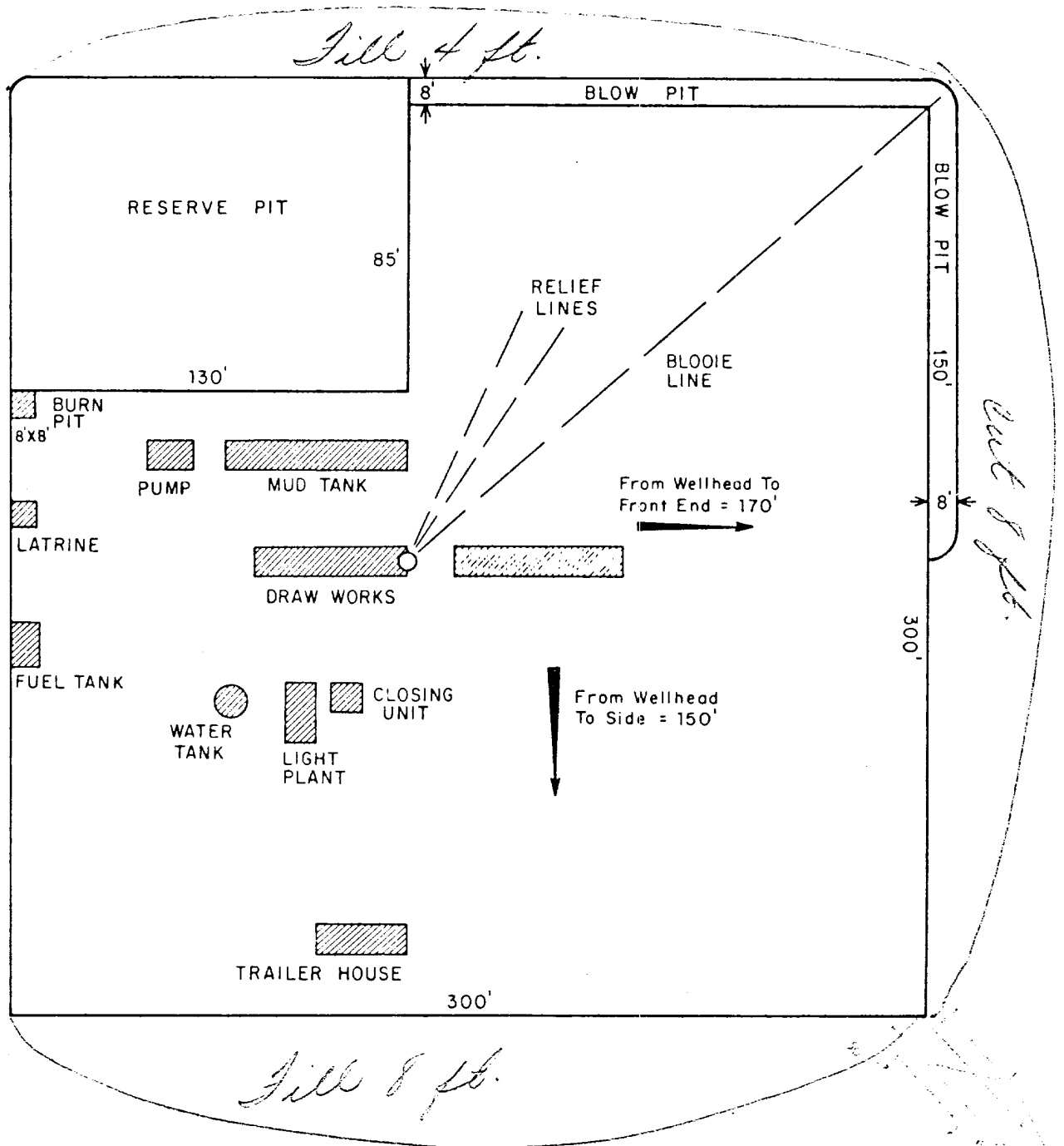
7" intermediate casing - use 89 sks. of 65/35 Class "B" Poz with 6% gel and 2% calcium chloride (8.3 gallons of water per sack) followed by 100 sks. of Class "B" with 2% calcium chloride (262 cu.ft. of slurry, 50% excess to cover Ojo Alamo). Run temperature survey at 8 hours. WOC 12 hours. Test casing to 1200#/30 minutes.

4 1/2" liner - precede cement with 20 barrels of gel water (2 sks. gel) Cement with 314 sks. of 50/50 Class "B" Poz with 2% gel, 0.6% Halad-9, 6.25# gilsonite plus 1/4# Flocele per sack (437 cu.ft. of slurry, 70% excess to circulate liner). WOC 18 hours.

Typical B.O.P. Installation for Mesa Verde Well



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.

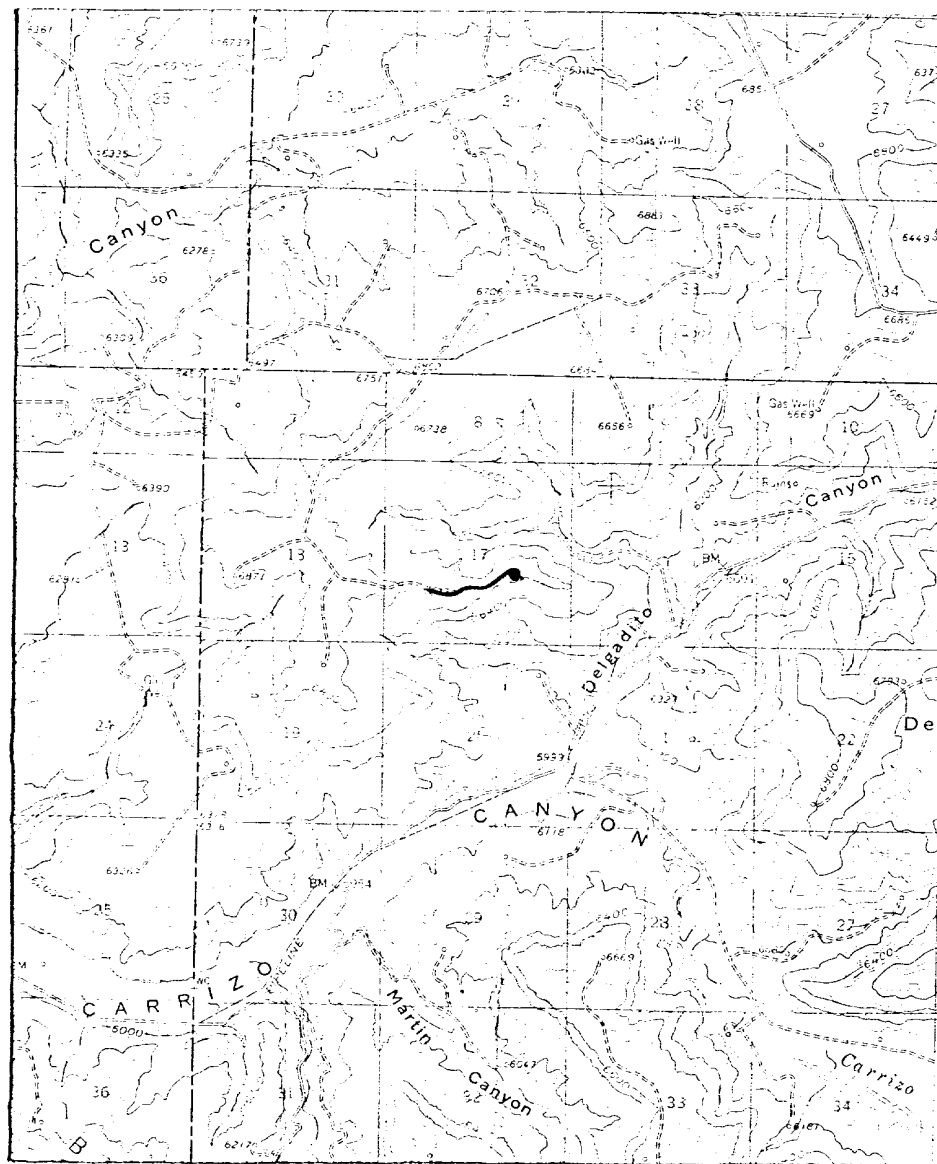


| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------|--|--|--|------------|--|--------|--|---|--|--|--|---------|--|--|--|------|--|--|--|--------|--|--|--|------|--|--|--|-----------------|--|--|--|----------|--|--|--|------|--|--|--|--|--|--|--|
| | | | | ENG. REC. | | DATE | | El Paso Natural Gas Company TYPICAL LOCATION PLAT FOR MESAVERDE OR DAKOTA DRILL SITE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | DRAWN | | J.L.H. | | | | | | 8-16-78 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | CHECKED | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | CHECKED | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | PROJ. APP. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PRT. | | | | SEP. | | | | DATE | | | | TO | | | | W.O. | | | | DESIGN | | | | W.O. | | | | SCALE: 1" = 50' | | | | DWG. NO. | | | | REV. | | | | | | | |
| PRINT RECORD | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

EL PASO NATURAL GAS COMPANY
San Juan 28-7 #22 A
SE 17-28-7

R-7-W

T
28
N



Map #1

LEGEND OF RIGHT-OF-WAYS

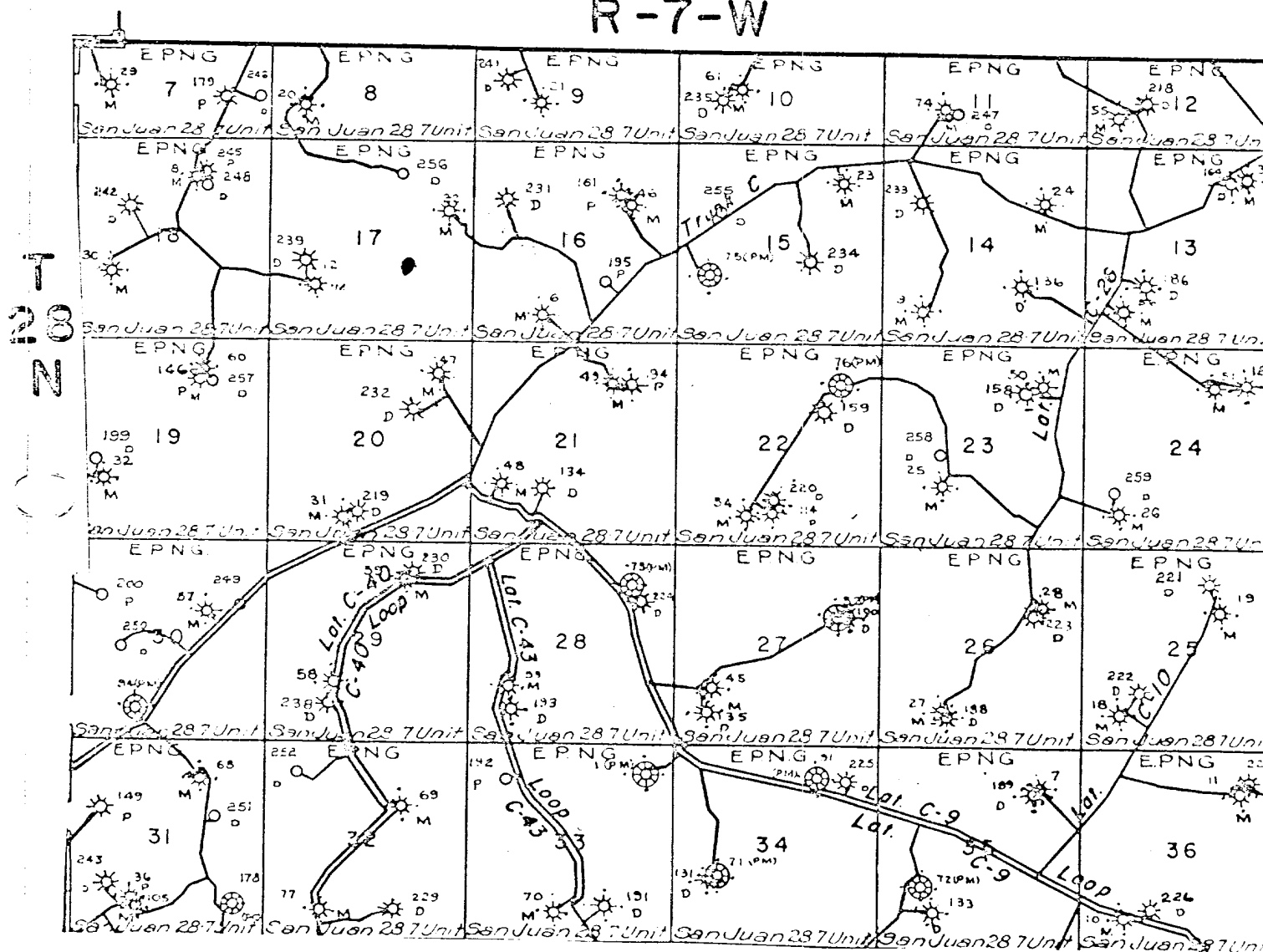
| | |
|--------------------------|-------|
| EXISTING ROADS | ————— |
| EXISTING PIPELINES | + + + |
| EXISTING ROAD & PIPELINE | + + + |
| PROPOSED ROADS | ————— |
| PROPOSED PIPELINES | + + + |
| PROPOSED ROAD & PIPELINE | + + + |

EL PASO NATURAL GAS COMPANY

San Juan 28-7 #22 A

SE 17-28-7

R-7-W



Map #2

Proposed Location