SUBMIT IN TRIPLICATE*

Form approved. Budget Bureau No. 42-R1425.

(Other instructions on reverse side)

20-045-22720

DATE

UNITED STATES

		PLIMIL	IT OF THE I	IAITI	LIOIL		5. LEASE DESIGNATION AND SERIAL NO.		
GEOLOGICAL SURVEY							SF 078499A		
API	PLICATIO	N FOR PERMIT	TO DRILL, I	DEEPE	N, OR PLUG B	ACK	6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
la. TYPE	of work	RILL 🖾	DEEPEN [PLUG BAC		7. UNIT AGREEMENT NAME		
b. TYPE OIL	OF WELL	GAS X OTHER			NGLE MULTIPE	LE	8. FARM OR LEASE NAME		
WELL 2. NAME	OF OPERATOR	WELL OTHER	•	20	NE CES ZONE		Hardie E		
El	Paso 1	Natural Gas C	Company				9. WELL NO.		
	S OF OPERATO						1A		
PC	Box 2	89, Farmingto	10. FIELD AND POOL, OR WILDCAT						
		(Report location clearly a		h any S	tate requirements.*)		Blanco Mesa Verde		
At surface 1800'S, 1110'E At proposed prod. zone same							11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 16, T-28-N, R-8-W NMPM		
4. DISTA	NCE IN MILE	S AND DIRECTION FROM NI	EAREST TOWN OR POS	T OFFICE	*		12. COUNTY OR PARISH 13. STATE		
9	miles :	southeast of	Blanco, NM	1			San Juan NM		
LOCA' PROP	DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)				0. OF ACRES IN LEASE 857.8	17. NO. OF ACRES ASSIGNED TO THIS WELL 320.00			
18. DISTA	ISTANCE FROM PROPOSED LOCATION®		400'	1		L .	20. ROTARY OR CABLE TOOLS ROtary		
	TIONS (Show)	whether DF, RT, GR, etc.)					22. APPROX. DATE WORK WILL START*		
23.	•		PROPOSED CASI	NG ANI	CEMENTING PROGRA	M			
SIZ	E OF HOLE	SIZE OF CASING	WEIGHT PER F	оот	SETTING DEPTH		QUANTITY OF CEMENT		
1:	3/4"	9 5/8"	36.0	#	200'	224	cu.ft. to circulate		
	, -	7 0/0							
	3/4"	7"	20.0		2670' 2520-4975'		cu.ft.to cover Ojo Alam		
6	3 3/4" 5 1/4"	7" 4 1/2"lir	20.0s	#	2520-4975'	428	cu.ft.to cover Ojo Alar cu.ft.to circ.liner sa Verde formation.		
Se A bl	3/4" 5 1/4" elective 3000 p	7" 4 1/2"lir ely perforate si WP and 600	20.0ser 10.5ser and sandy	vate	r fracture the cate property out	he Mes	cu.ft.to circ.liner sa Verde formation. er equipped with ntion on this well.		
Se A bl	3/4" elective 3000 p ind an	7" 4 1/2"lir ely perforate si WP and 600 d pipe rams w	20.0s ner 10.5s a and sandv 00 psi test vill be us	vate AUG OIL	r fracture the rate property out posts of the rate posts of the	he Mes	cu.ft.to circ.liner sa Verde formation. er equipped with ntion on this well.		
Se A bl Th Th	3/4" elective 3000 p ind and his gas	7" 4 1/2"lir ely perforate si WP and 600 d pipe rams w is dedicated of Section 16	20.0s ner 10.5s e and sandv 00 psi test vill be use 1. 6 is dedicate for proposal is to dee	vate	r fracture the present of the pate present out process of the pate present out process of the pate of	he Meseventoprevento	cu.ft.to circ.liner sa Verde formation. er equipped with ntion on this well.		
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CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY __

*See Instructions On Reverse Side

nynoce

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
LIVERGY AND MINERALS DEPARTMENT

P. O. BOK 2088 SANTA FE, NEV MEXICO 87501

Form C-102 Revised 10-1-78

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

		All distances must be from	1	unamiet ii th	e section.		[w-11 s.
Operator FI PASO NA	TURAL GAS COM	IPANY	Lease HARDI	E uEn	(SF-078)	+99-A)_	Well No.
Unit Letter	Section Section	Township	Range		County		
I	16	28N	8	พัง	San Jua	in	
Actual Footage Loc							
1800		outh line and	1110	fee	t from the Ea	st	line
Ground Level Elev.			Pool			De	edicated Acreage:
5860	Mesa Ver	rde		Blanco Me	sa Verde		320.00 Acres
 Outline th If more th interest a 	nan one lease is nd royalty).		l, outline	each and ide	ntify the own	ership the	reof (both as to working
dated by o	Communitization,	unitization, force-pool	ing.etc? of consolid	ation			ll owners been consoli-
this form	if necessary.) ble will be assign	ed to the well until al	l interests	have been	consolidated	(by commi	ed. (Use reverse side of unitization, unitization, pproved by the Commis-
			#1 O SF-07	 '8499-A	– – <u>D</u> E C	thereby certained hereined hest of my large rilling rilling rosition l Paso company	certification tify that the information continuis true and complete to the knowledge and belief. Clerk Natural Gas Co. 13, 1979
	AUG 2819 OIL DIST.	16 19 20 ^M · 3		0001	X-	shown on the notes of acunder my sistrue and knowledge	d 1979 ptessional Engineer
		200 2010 2010	00 1500	1000	500	Certificate N 3950	2 (1/20 2 1/2)



P. O. BOX 990 FARMINGTON, NEW MEXICO 87401 PHONE: 505-325-2841

Multi-Point Surface Use Plan

Hardie E #1A

- 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 Grambling 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 rolling hills and cedar trees growing. Cattle and ceer 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.

L. A. Aimes

Project Drilling Engineer

Operations Plan Hardie E #1A

I. Location: 1800'S, 1110'E, Section 16, T-28-N, R-8-W, San Juan County, NM

Field: Blanco Mesa Verde Ele

Elevation: 5870'GL

II. Geology:

- A. Formation Tops: Surface San Jose Lewis 2470' Ojo Alamo 1387' Mesa Verde 3941' 1470' Kirtland Menefee 4034' Fruitland 2020**'** Point Lookout 4525' Pic.Cliffs 2297' Total Depth 4975'
- B. Logging Program: GR-Ind. and GR-Density at Total Depth.
- C. Coring Program: none
- D. Natural Gauges: 3930', 4025', 4515' 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 2670'. Gas from intermediate casing to Total Depth.

IV. Materials:

A. Casing	g Program:	Hole Size	Depth	Casing Size	Wt.&Grade
		13 3/4"	2001	9 5/8"	32.3# H-40
		8 3/4"	2670'	7"	20.0# K-55
		6 1/4"	2520-4975 '	4 1/2"	10.5# K-55

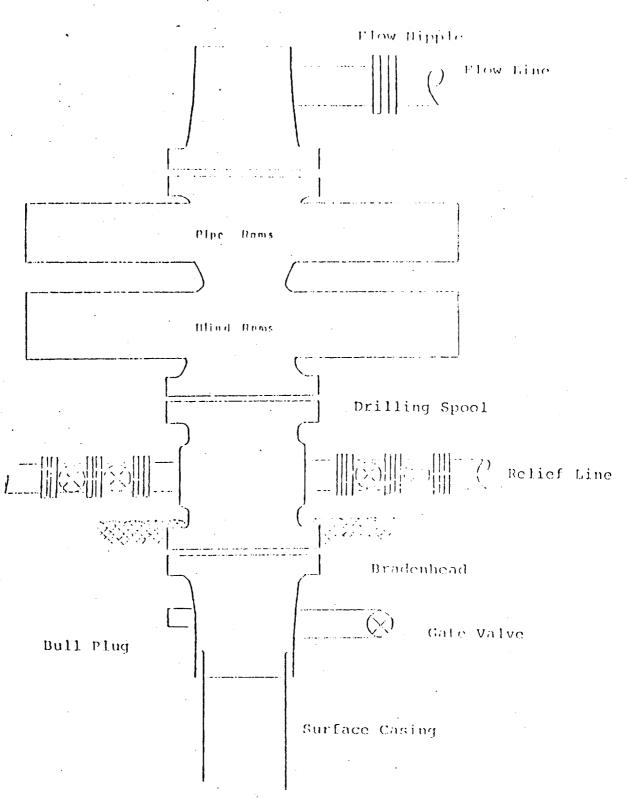
B. Float Equipment: 9 5/8" surface casing - B & W guide shoe
 (Prod. No. FC 06-09611-0200)

7" intermediate casing - Pathfinder guide shoe (Part #1003-1-007) and Howco self-fill insert float valve (Price Ref.36A&37), 5 Pathfinder stabilizers (Part #107-10) every other joint above shoe. Run float two joints above shoe.

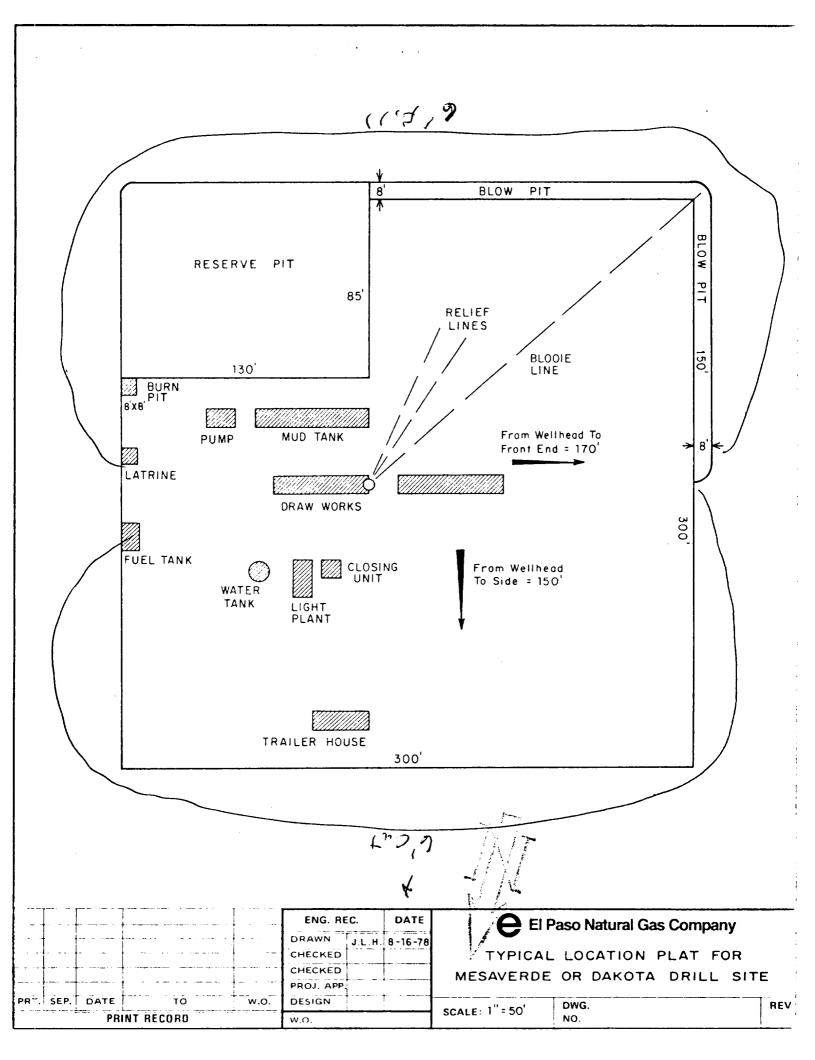
- 4 1/2" liner 4 1/2" liner hanger with neoprene packoff. Larkin geyser shoe (Fig. 222) and Larkin flapper type float collar(fig. 404 M&F).
- C. Tubing: 4975' of 2 3/8", 4.7#, J-55 8rd EUE tubing with a common pump seating nipple one joint above bottom. Tubing will be open ended.
- D. Wellhead Equipment: 10" 900 x 9 5/8" casing head. 10" 900 x 6" 900 xmas tree.

V. Cementing:

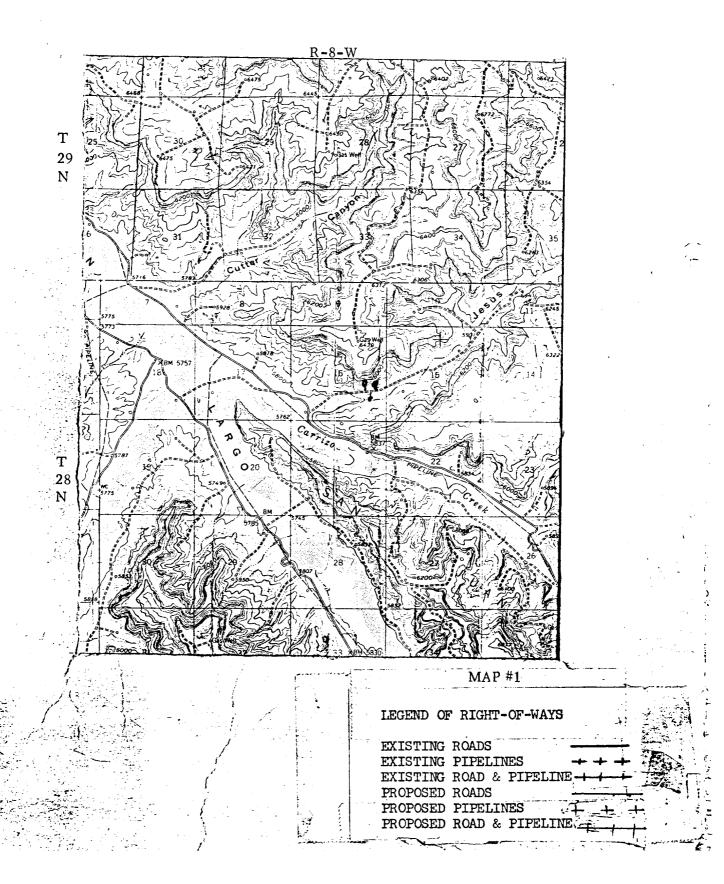
- 9 5/8" surface casing use 190 sks. of Class "B" cement with 1/4# gel-flake per sack and 3% calcium chloride (224 cu.ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600#/30 minutes.
- 7" intermediate casing use 105 sks. of 65/35 Class "B" Poz with 6% gel and 2% calcium chloride (8.3 gallons of water per sack) followed by 100 sks. of Class "B" with 2% calcium chloride (288 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 308 sks. of 50/50 Class "B" Poz with 2% gel, 0.6% Halad-9, 6.25# gilsonite plus 1/4# Flocele per sack (428 cu.ft. of slurry, 70% excess to circulate liner). WOC 18 hours.



Scries 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



EL PASO NATURAL GAS COMPANY Hardie E #1A SE 16-28-8



EL PASO NATURAL GAS COMPANY Hardie E #1A NWSE 16-28-8

McHugh PNC EPNG EPNG 28 N EPNG 32 31

MAP #2

Proposed Location •