

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER ☐

2. NAME OF OPERATOR

El Paso Natural Gas Company

3. ADDRESS OF OPERATOR

PO Box 4289, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

At proposed prod. zone 950'S, 1520', E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

5 miles west of Navajo City, NM

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

950'

16. NO. OF ACRES IN LEASE

Unit 2080

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320.00

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

2500'

19. PROPOSED DEPTH

7660'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6360' GL

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

22. APPROX. DATE WORK WILL START\*

This action is subject to administrative  
appeal pursuant to 30 CFR 290.

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT        |
|--------------|----------------|-----------------|---------------|---------------------------|
| 13 3/4"      | 9 5/8"         | 36.0#           | 200'          | 212 cf circ to surface    |
| 8 3/4"       | 7"             | 20.0#           | 3525'         | 361 cf cover Ojo Alamo    |
| 6 1/4"       | 4 1/2"         | 10.5# 11.6#     | 7660'         | 639 cf cover inter.casing |

Selectively perforate and sandwater fracture the Dakota formation.

A 3000 psi WP and 6000 psi test double gate preventer equipped with blind and pipe rams will be used for blow out prevention on this well.

This gas is dedicated.

The E/2 of Section 26 is dedicated to this well.

This well was formerly staked as the San Juan 29-7 Unit #72A. An archaeologist report was prepared by Daphne Ford in August, 1979 and will be utilized for this permit.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Drilling Clerk

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

\*See Instructions On Reverse Side

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

|   |  |                        |  |  |                        |
|---|--|------------------------|--|--|------------------------|
| Operator<br><b>EL PASO NATURAL GAS COMPANY</b>  |  |                        | Lease<br><b>SAN JUAN 29-7 UNIT (SF-078425)</b> |  | Well No.<br><b>123</b> |
| Unit Letter<br><b>0</b>   | Section<br><b>26</b>                   | Township<br><b>29N</b> | Range<br><b>7W</b>                             | County<br><b>Rio Arriba</b>              |                        |
| Actual Footage Location of Well:<br><b>950</b> feet from the <b>South</b> line and <b>1520</b> feet from the <b>East</b> line |  |                        |  |  |                        |
| Ground Level Elev.<br><b>6360</b>   | Producing Formation<br><b>- Dakota</b> |                        | Pool<br><b>Basin Dakota</b>                    | Dedicated Acreage:<br><b>320.0</b> Acres |                        |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. 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?

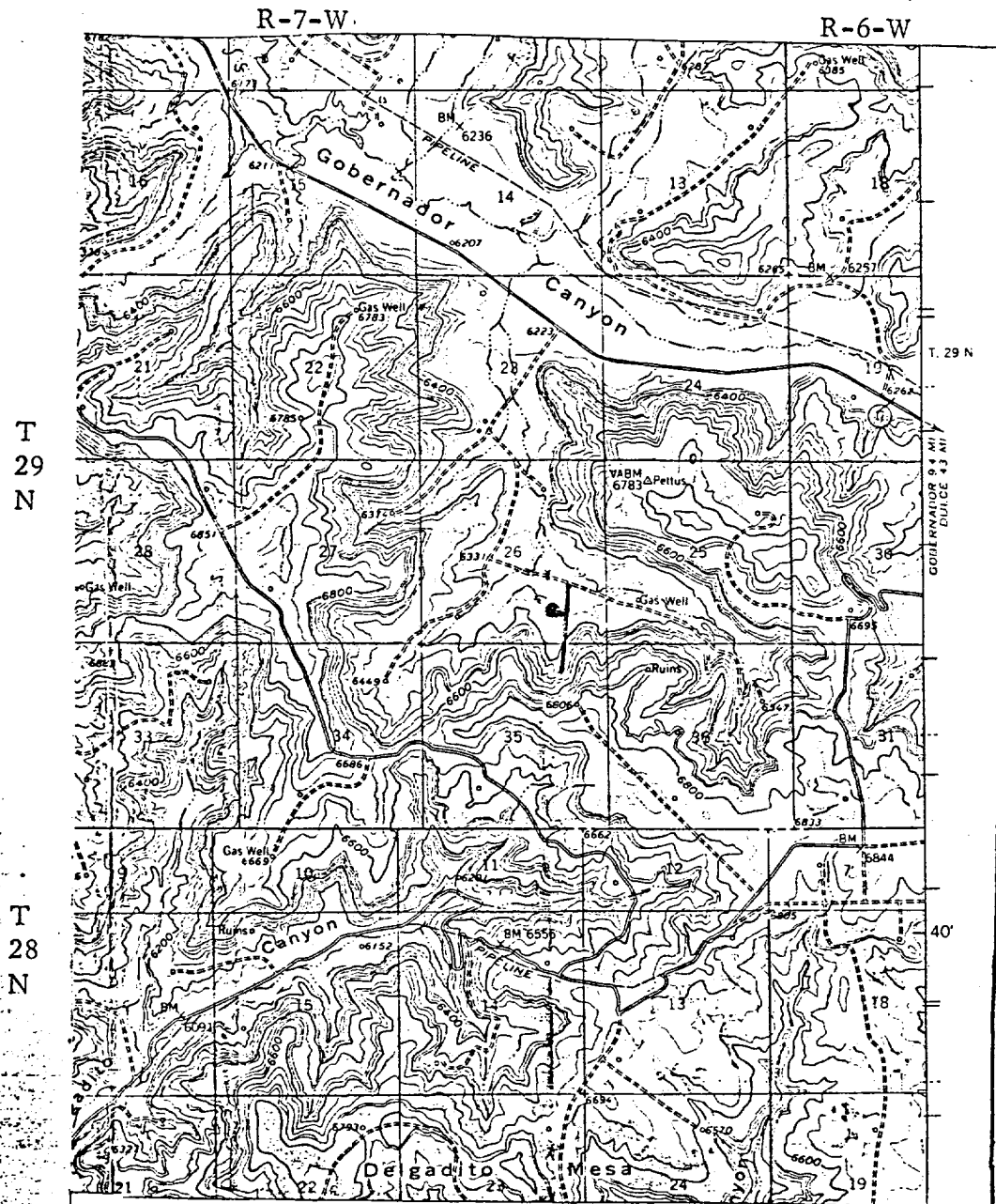
☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

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.

|  |  |   |  |
|--|--|---|--|
|  |  | <p align="center"><b>CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>[Signature]</i></p>   |  |
|  |  | <p>Name<br/><b>Drilling Clerk</b></p> <p>Position<br/><b>El Paso Natural Gas Co.</b></p> <p>Company<br/><b>October 4, 1984</b></p> <p>Date</p>  |  |
| <p><b>RECEIVED</b><br/>NOV 09 1984<br/>OIL CON. DIV.<br/>DIST. 3</p> |  | <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed<br/><b>August 15, 1984</b></p> <p>Registered Professional Engineer and/or Land Surveyor<br/><i>[Signature]</i></p> <p>Certified by <b>NEW MEXICO</b><br/><b>39528</b></p> |  |

El Paso Natural Gas Company  
 San Juan 29-7 Unit #123  
 SE 26-29-7



MAP 1

LEGEND OF RIGHT-OF-WAYS

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