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NEW MEXICO OIL CONSERVATION COMMISSION

30-045-24436

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		8. Farm or Lease Name Valdez Com "B"	
2. Name of Operator Tenneco Oil Company		9. Well No. 1	
3. Address of Operator 720 So. Colorado Blvd., Denver, Colorado 80222		10. Field and Pool, or Wildcat Undes.M.V./BloomfieldChac	
4. Location of Well UNIT LETTER <u>O</u> LOCATED <u>1180</u> FEET FROM THE <u>South</u> LINE AND <u>1800</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>24</u> TWP. <u>29N</u> RGE. <u>11W</u> NMPM		12. County San Juan	
19. Proposed Depth 4500'		19A. Formation M.V./Chacra	
20. Rotary or C.T. Rotary		21. Elevations (Show whether DF, RT, etc.) 5447 GR	
21A. Kind & Status Plug. Bond Nation Wide		21B. Drilling Contractor Four Corners	
22. Approx. Date Work will start July 1980			

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
13 3/4"	9 5/8"	36#	±250	Circulate to surface	
8 3/4"	7"	23#	±3050	Circulate to surface	
6 1/4"	4 1/2"	10.5#		Circulate to liner top	

See attached.

The gas is dedicated.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 10-7-80



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, GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed [Signature] Title Staff Production Analyst Date July 1, 1980

(This space for State Use)

Original Signed by CHARLES GHOLSON, DEPUTY OIL & GAS INSPECTOR, DIST. #3

APPROVED BY _____ DATE JUL 3 1980

CONDITIONS OF APPROVAL, IF ANY:

All distances must be from the outer boundaries of the Section

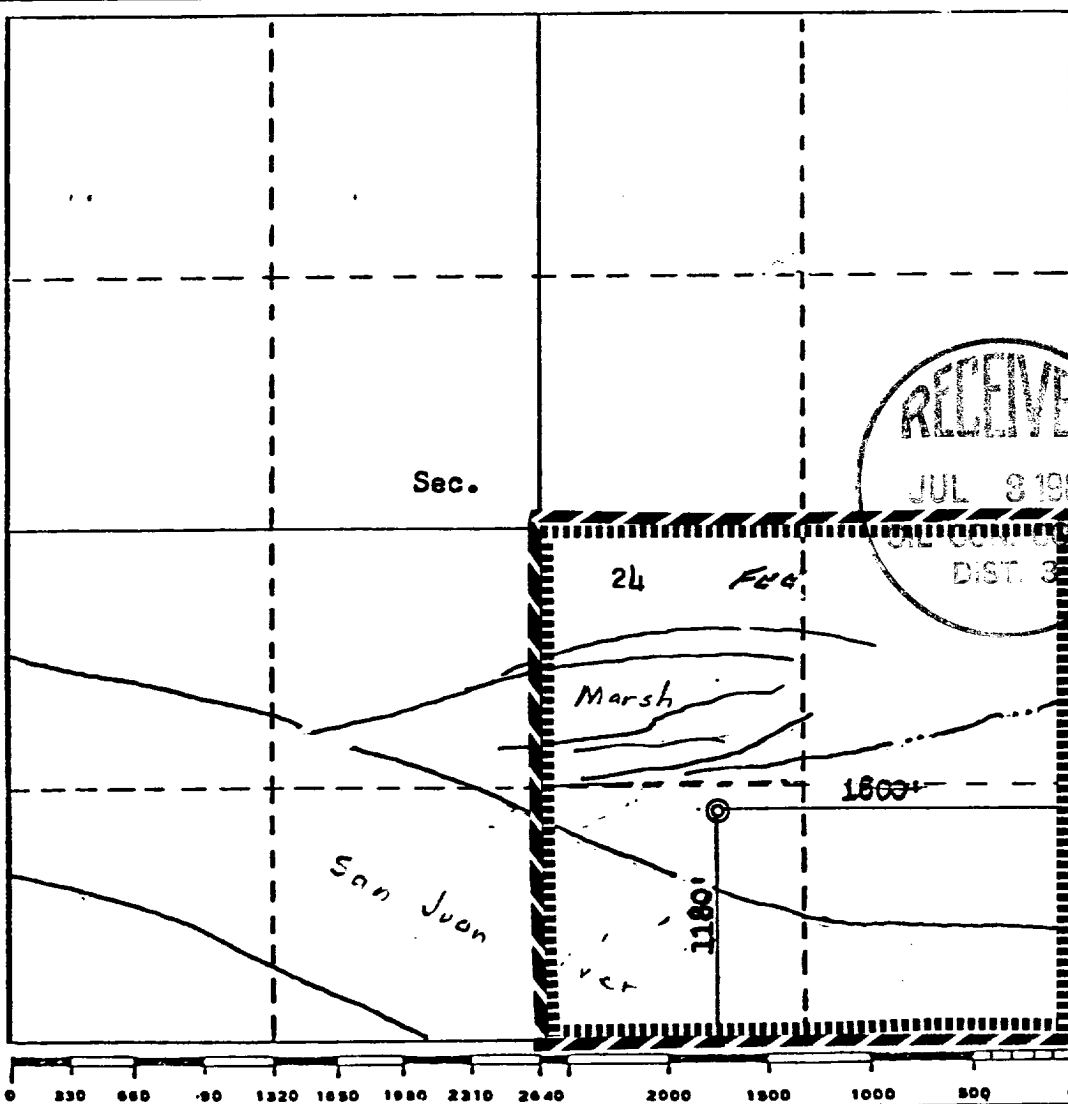
Operator TENNECO OIL			Lease VALDEZ COM "B"		Well No. 1
Unit Letter 0	Section 24	Township 29N	Range 11W	County San Juan	
Actual Footage Location of Well: 1180 feet from the South line and 1800 feet from the East line					
Ground Level Elev. 5447	Producing Formation Mesa Verde/Chacra		Pool Undesignated/Bloomfield Mesa Verde/Chacra		Dedicated Acreage: 160 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 communitization in progress

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.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

M. L. Freeman

Name
M. L. Freeman

Position
Staff Production Analyst

Company
Tenneco Oil Company

Date
July 1, 1980

I hereby certify that the well location shown on this plot 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.

Date Surveyed
February 20, 1980

Registered Professional Engineer and/or Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No. **3950**
FRED B. KERR, JR.

TECHNICAL 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.
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 H₂S are expected to be encountered.
10. The drilling of this well will start approximately (July) 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.

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

DRILLING PROCEDURE

DATE: December 6, 1979

LEASE: Valdez Com

WELL NO.: B-1

LOCATION: 1180' FSL, 1800' FEL
Sec. 24, T 29N, R 11W
San Juan County, New Mexico

FIELD: Undesignated Mesa Verde
Bloomfield Chacra

ELEVATION: 5450' Est. G.L.

TOTAL DEPTH: 4500'

PROJECTED HORIZON: Chacra/Mesaverde

SUBMITTED BY: D. J. K. / ms DATE: 12-6-79

APPROVED BY: _____

DJK/ms

CC: Administration
Well file
Field File

ESTIMATED FORMATION TOPS

030	500'	Water
Farmington	720'	Gas
Pictured Cliffs	1720'	Gas
Lewis Shale	1970'	
Chacra	2360'	Gas
Chacra A	2710'	Gas
Chacra B	2800'	Gas
Cliffhouse	3285'	Gas
Menefee	3370'	Gas
Point Lookout	4050'	Gas
T.D.	4500'	

DRILLING, CASING, AND CEMENT PROGRAM

1. Move in, rig up rotary tools.
2. Drill a 13 1/4" hole to \pm 250'.
3. Run 9 5/8", 36#, K-55, ST&C casing to T.D.
4. Cement with Class "B" with 2% CaCl_2 in sufficient volume to circulate to surface.
5. Wait on cement a minimum of 12 hours. Install 9 5/8" series-900 casing head.
6. Nipple up blowout preventers and manifold with relief lines. Pressure test choke manifold lines and valves to 1500 psi for 30 minutes. Pressure test blind rams to 1500 psi for 30 minutes.
7. Trip in hole with 8 3/4" bit, drill collars, and drill pipe. Test pipe rams to 1500 psi for 30 minutes. Record all tests on IADC Daily Report Form.
8. Drill 8 3/4" hole to 3050'. Log as per wellsite Geological Engineer.
9. Run 7", 23#, K-55, ST&C casing to 3050'.
10. Cement with 50/50 pozmix and 150 sx Class "B" with 2% CaCl_2 in sufficient volume to circulate to surface.
11. Wait on cement a minimum of 18 hours. Pressure test casing to 1000 psi for 30 minutes. Nipple up to gas drill.
12. Pick up 4 3/4" drill collars and 3 1/2" drill pipe with 6 1/4" drill bit. Drill cement guide shoe and 5' of open hole with water.
13. Displace water with nitrogen. Displace nitrogen with gas. Blow hole dry.
14. Drill a 6 1/4" hole with gas to T.D. Log as per wellsite Geological Engineer.
15. Run 4 1/2", 10.5#, K-55, LT&C casing liner to T.D. (4500') with a 150' minimum overlap of liner inside 7" casing.
16. Cement with 50/50 pozmix tailed by 150 sx Class "B" in sufficient volume to circulate cement to top of liner.
17. Reverse out excess cement. Lay down 3 1/2" drill pipe. Install well head.
18. If well is not productive, plug and abandon according to state requirements.
19. Move out rotary tools.

CASING PROGRAM

0-250'	9 5/8", 36#, K-55, ST&C
0-3050'	7", 23#, K-55, LT&C
2900-4500'	1600' of 4 1/2", 10.5#, K-55, LT&C

MUD PROGRAM

0-250'	Native solids. Run viscous sweeps as necessary to clean hole. Have sufficient viscosity to run casing.
250'-3050'	Benex and water. Sweeps as necessary. Have sufficient viscosity to log and run casing. Control WL for logging.
3050'-T.D.	Gas.

EVALUATION

Cores and DST's:

None anticipated.

Deviation Surveys:

1. Survey surface hole at 100' intervals. Maximum allowable deviation a surface is 1°.
2. From Surface to total depth, deviation surveys must be taken every 500' or each trip, whichever is first. This 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 is 5°.

Samples:

None.

Logs:

Induction/SN/SP/GR.

FDC/CNL/GR/CAL

- In two sets:
1. Intermediate T.D. to 1800'
 2. Final T.D. to base of Intermediate casing.

BLOWOUT EQUIPMENT

900-series double ram hydraulic and rotating head with a minimum of 150 psi working pressure. Kill lines, choke lines and manifold to meet Tenneco Oil standards.

Preventors must be checked for operation every 24 hours, and the check must be 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.)
2. 303-936-0704 (home) Don Barnes, weekends and holidays.
3. 303-795-0221 (home) John Owen, if Don Barnes is not available.

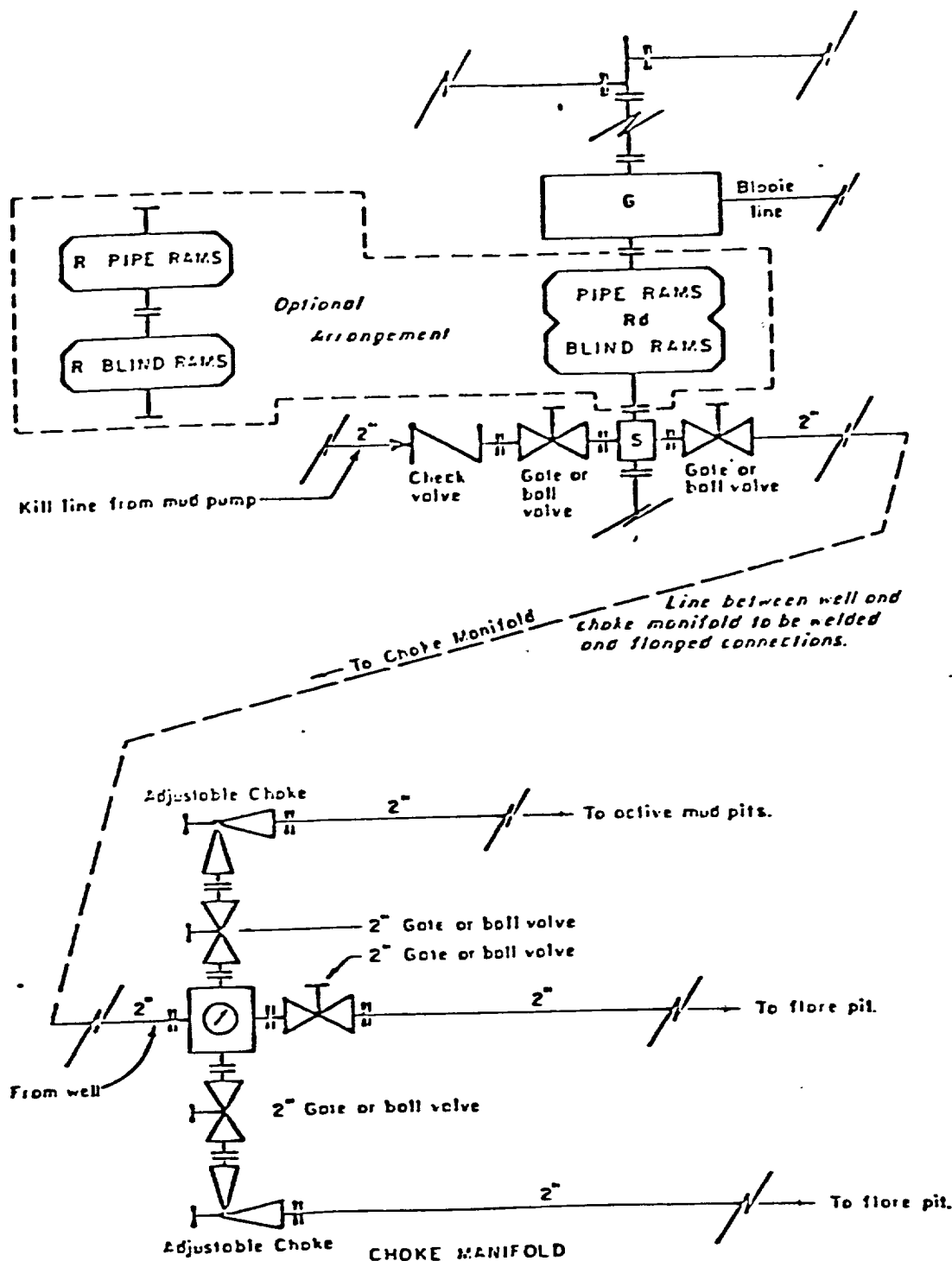
The yellow sheet of the IADC Report to be filled out completely, the original copy of the drilling time recorder, and copies of any invoices from this well, signed and received for Tenneco Oil Company will be mailed daily to:

 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 - 303-936-0704
2. Mr. John Owen, Project Drilling Engineer - 303-795-0221
3. Mr. Mike Lacey, Division Production Manager - 303-979-0509



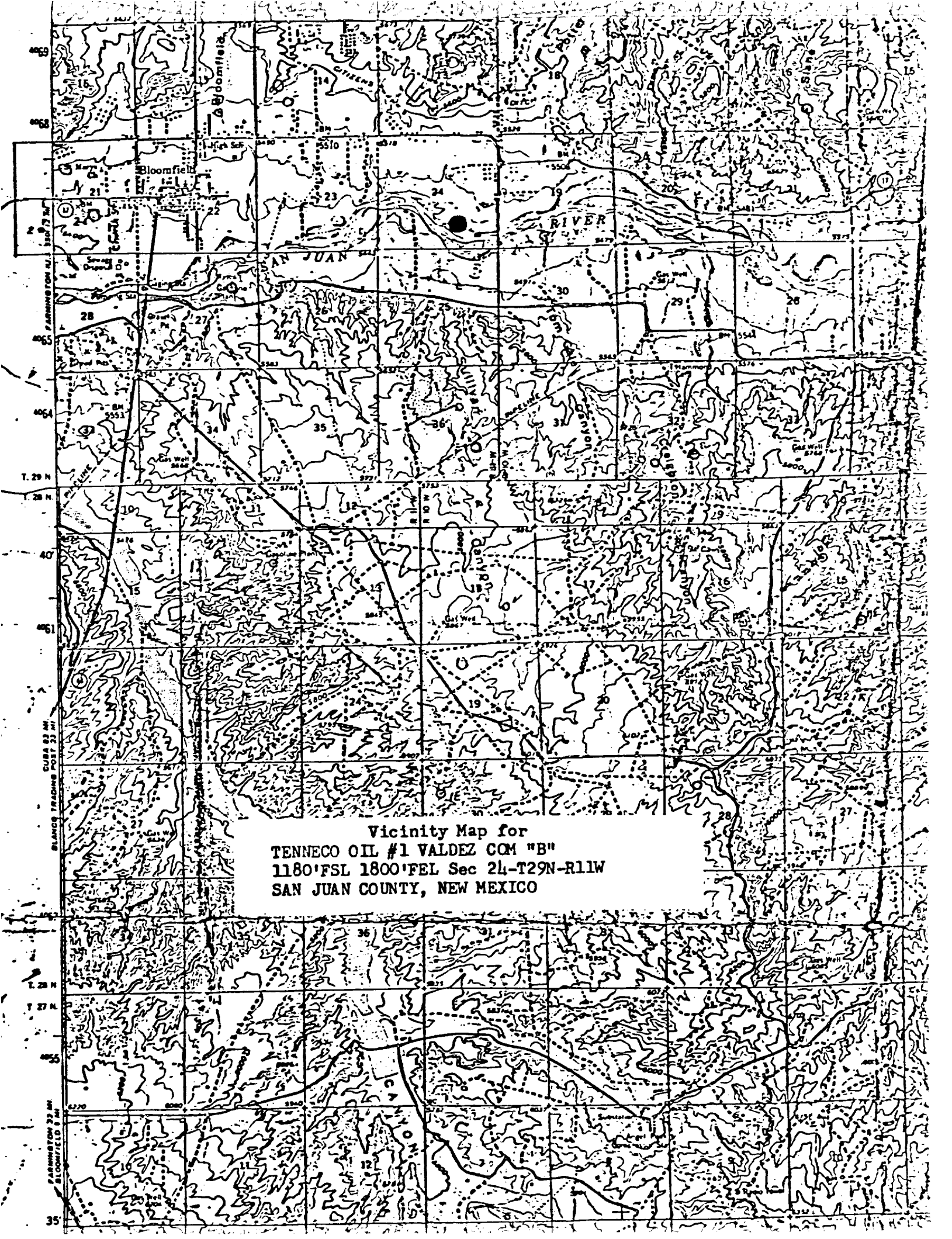
All equipment to be 3,000 psi working pressure except as noted.

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

ARRANGEMENT C

TENNECO OIL COMPANY
 ROCKY MOUNTAIN DIVISION
 REQUIRED MINIMUM
 BLOWOUT PREVENTER AN
 CHOKES MANIFOLD

J. MAGILL 10-26-70 EVI



Vicinity Map for
TENNECO OIL #1 VALDEZ COM "B"
1180'FSL 1800'FEL Sec 24-T29N-R11W
SAN JUAN COUNTY, NEW MEXICO