

**Multi-Point Surface Use Plan
Kernaghan #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 thirty feet (30') 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 Pump Mesa 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 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 #1 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 green (Federal Standard #595-34127)
11. Other Information - The terrain is rolling hills and sandstone ledges covered with cedar and sagebrush. Some cattle graze the proposed project site.

12. Operator's Representative - W. D. Dawson, Post Office Box 990,
Farmington, New Mexico 87401
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.

March 24, 1977



D. R. Read
Division Drilling Engineer

DRR:pb

March 25, 1977

Operations Plan
Kernaghan #1A

I. Location: 1460'N, 840'W, Section 33, T-31-N, R-8-W, San Juan County, NM

Field: Blanco Mesa Verde

Elevation: 6485'DF

II. Geology:

A. Formation Tops:	Surface	San Jose	Lewis	3405'
	Ojo Alamo	2340'	Mesa Verde	5176'
	Kirtland	2416'	Menefee	5234'
	Fruitland	2975'	Point Lookout	5558'
	Pic.Cliffs	3325'	Total Depth	5960'

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

C. Coring Program: none

D. Natural Gauges: 5176', 5558' 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 3605'. 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"	3605'	7"	20.0# K-55
	6 1/4"	3455-5960'	4 1/2"	10.5# K-55

B. Float Equipment: 9 5/8" surface casing - Larkin guide shoe (fig. 102)

7" intermediate casing - Dowell guide shoe (fig. 50101) and Dowell self-fill insert float valve (fig. 53003), 5 B&W stabilizers (Prod. No. 637085) every other joint above shoe. Run float two joints above shoe.

4 1/2" liner - T.I.W. liner hanger with neoprene packoff. Larkin geyser shoe (fig. 222) and Larkin flapper type float collar (fig. 404 M&F).

C. Tubing: 5960' of 2 3/8", 4.7#, J-55 8rd EUE tubing with a common pump seating nipple above perforated pup joint with bull plugged full joint for mud anchor on bottom.

D. Wellhead Equipment: 10" 900 x 9 5/8" casing head. 10" 900 x 6" 900 xmas tree.

Operations Plan - Kernaghan #1A

V. Cementing:

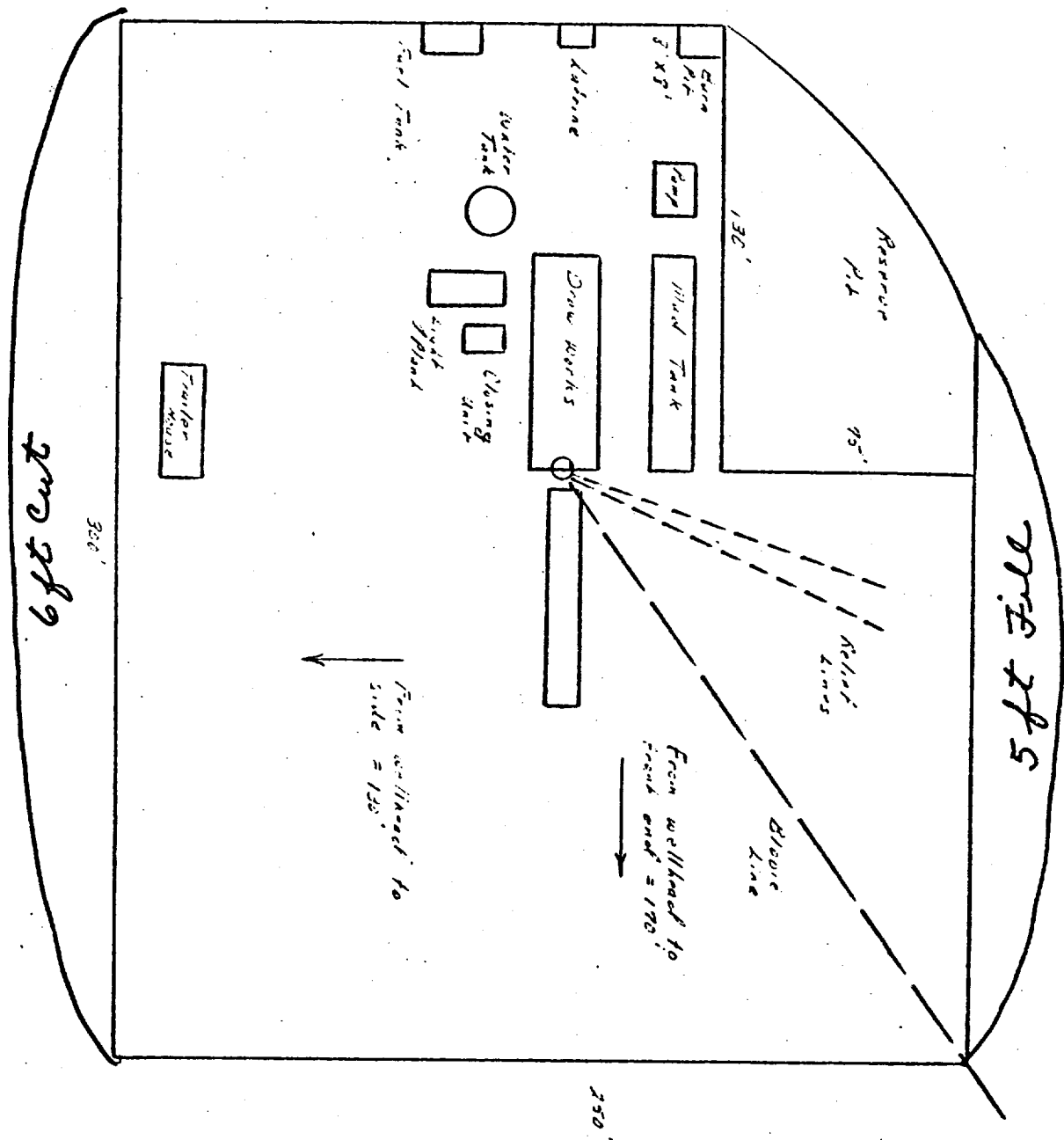
9 5/8" surface casing - use 190 sks. of Class "B" cement with 1/4# gel-flake per sack and 3% calcium chloride (224 cu.ft. of slurry, 100% excess to circulate to surface). WOC 12 hours. Test casing to 600#/30 minutes.

7" intermediate casing - use 64 sks. of 65/35 Class "B" Poz with 12% gel (15.52 gallons of water per sack) followed by 100 sks. of Class "B" with 2% calcium chloride (285 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 243 sks. of Class "B" cement with 4% gel, 1/4 cu.ft. of fine gilsonite per sack and 0.6% Halad-9 (436 cu.ft. of slurry, 70% excess to circulate liner).

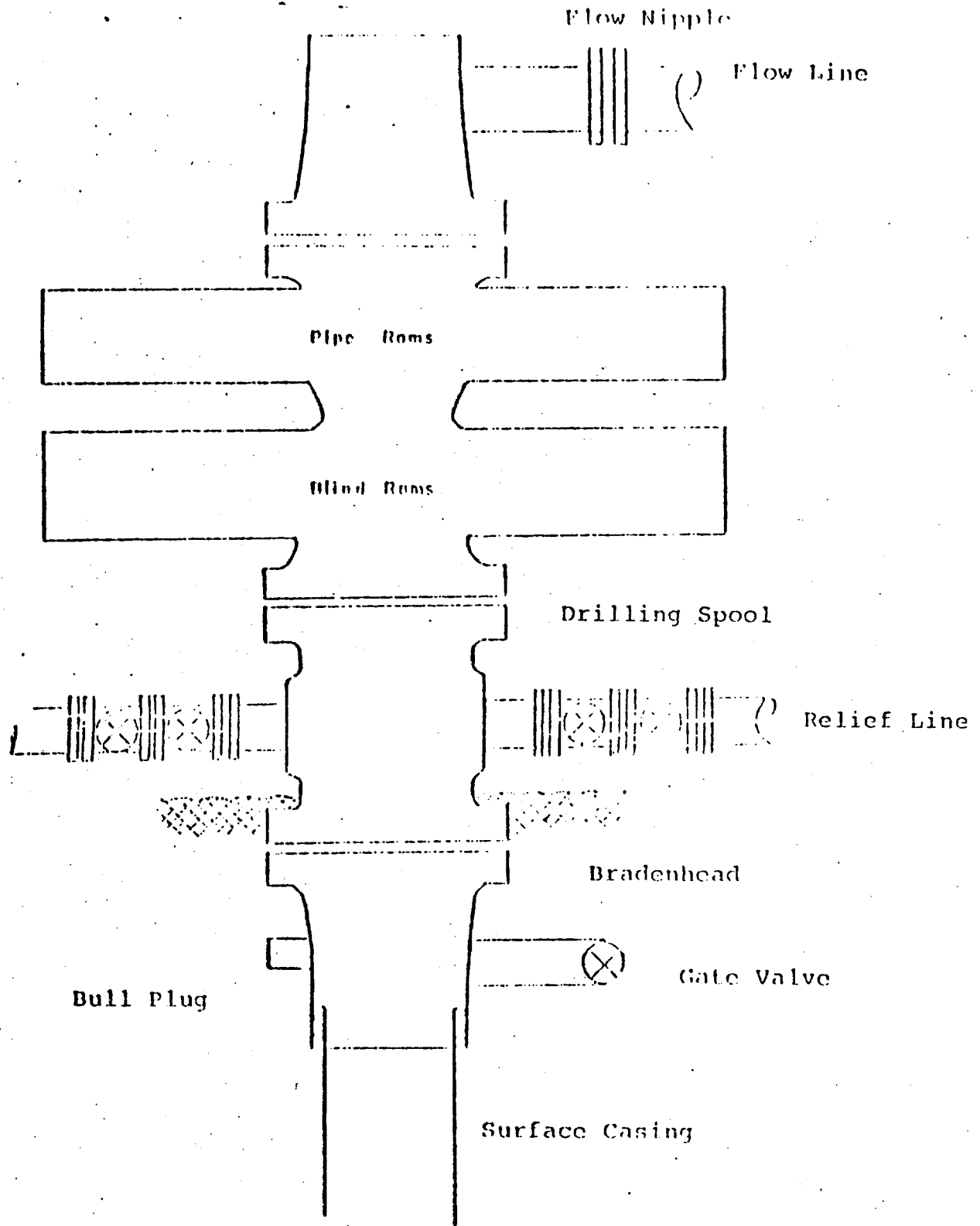
DRR:pb

EI Paso Natural Gas Company
 Typical location plat for Mesa Verde and Dakota wells



ALISON

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

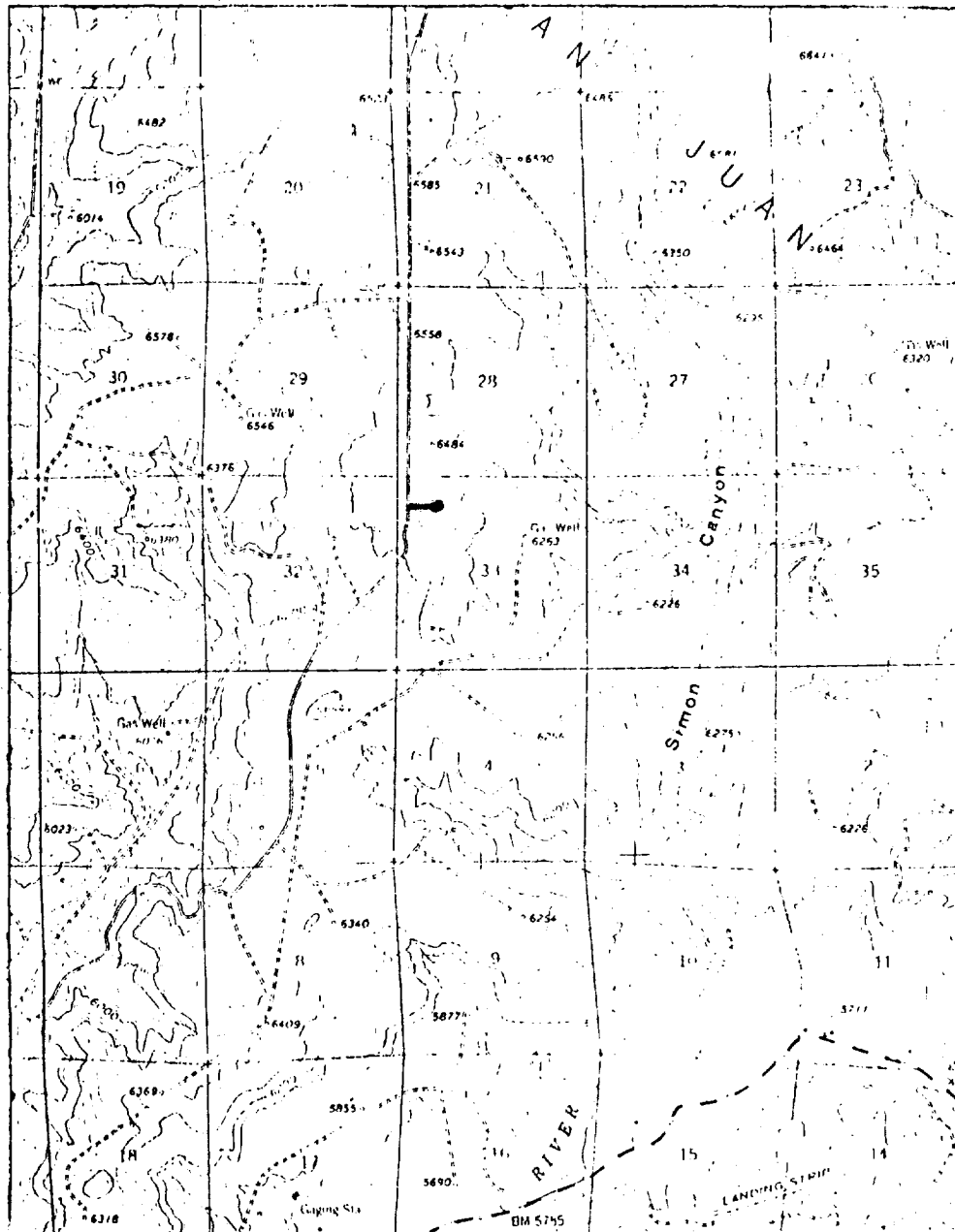


Series 900 Double Gate BOP, rated
at 3000 psi Working Pressure
When gas drilling operations begin a Shaffer type 50
or equivalent rotating head is installed on top of the
flow nipple and the flow line is converted into a blowie line

R-8-W

T
31
N

T
30
N

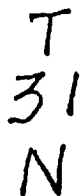


MAP #1

LEGEND OF RIGHT-OF-WAYS

EXISTING ROADS	_____
EXISTING PIPELINES	—+ + +
EXISTING ROAD & PIPELINE	—+ + +—
PROPOSED ROADS	_____
PROPOSED PIPELINES	+ + +
PROPOSED ROAD & PIPELINE	+ + +

R8W



Proposed Location