Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-045-23458

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: USA NM ~~4284~~ 042192

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Federal 31

9. WELL NO.: 1

10. FIELD AND POOL, OR WILDCAT: UTE Dome (Penn)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Unit ~~F~~ G, Sec. 31, T32N, R13W

12. COUNTY OR PARISH: San Juan

13. STATE: New Mexico

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR: Enserch Exploration, Inc.

3. ADDRESS OF OPERATOR: Empire Central Bldg. Suite 800, 7701 N. Stemmons Frwy. Dallas Tx. 75247

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: Unit Letter ~~F~~ G, 1810' FNL & 2340' FEL, Sec. 31, T32N, R13W
At proposed prod. zone: Approximately the same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 3-1/4 miles, Northwest of LaPlata, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1712'	487.88	487.88
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
None	9500'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6324 GR

22. APPROX. DATE WORK WILL START*: May 15, 1979

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	10-3/4"	45.5	600	1050 sx
7-7/8"	5-1/2"	17.0	9500	450 sx

1. Surface formation is Cretaceous Cliff House.

2. Estimated tops of Geological markers are Upper Hermosa - 7055'; Paradox Ismay - 8157'; Paradox Desert Creek - 8345'; Paradox Barker Creek - 8680'

3. Shallow fresh water sands are expected above 500'. Thin coal seams may be encountered from surface to 2800'. Potential oil and gas zones in the Gallup (2800') and Dakota (3700').

4. See Section 23 above.

RECEIVED
APR 23 1979
U. S. GEOLOGICAL SURVEY

APR 23 1979
OIL CON. COM.
DIST. 3

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 J. R. Kinder TITLE Drilling Superintendent DATE April 17, 1979

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

Operator	Lease	Well No.
ENSERCH EXPLORATION, INC.	FEDERAL	1-31

Unit Letter	Section	Township	Range	County
F (Lot 8)	31	32N	13W	SAN JUAN

Actual Footage Location of Well:
1810 feet from the North line and 2340 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
6324	Penn	UTE Dome (Penn)	487.88 Acres

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

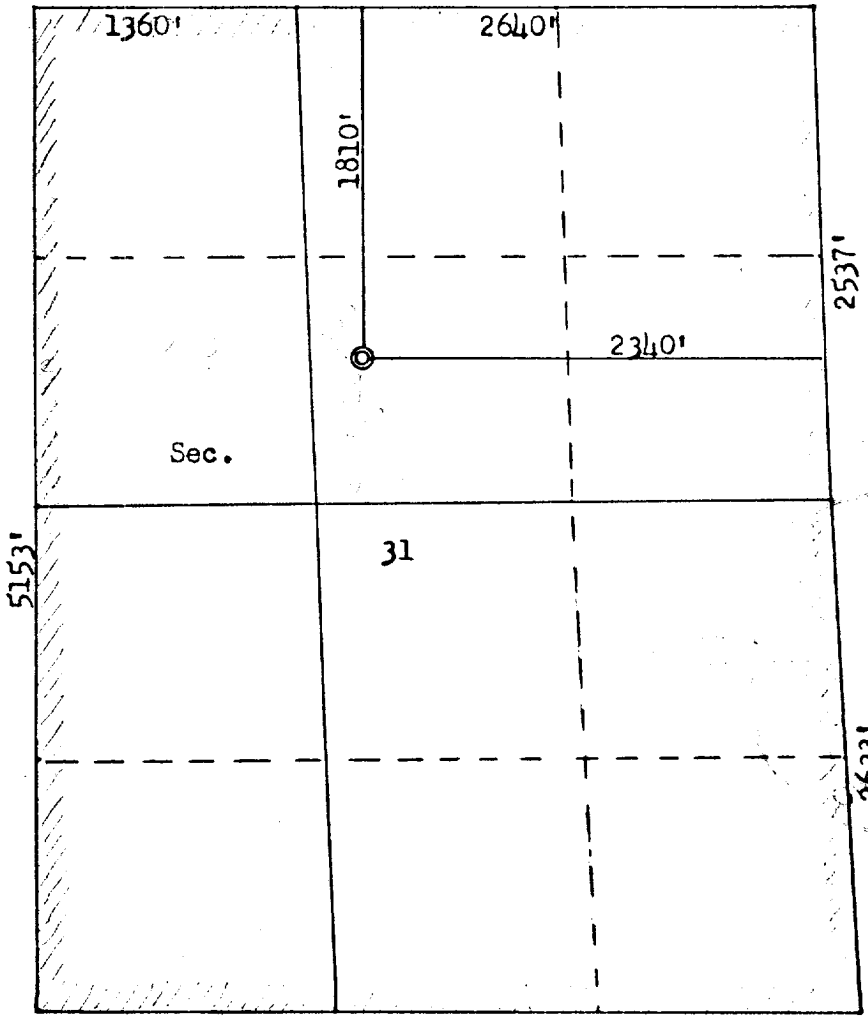
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 _____

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.

Name D. M. Clary

Position Manager

Company Enserch Exploration, Inc.

Date 4-17-79

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.

Date Surveyed April 21, 1979

Registered Professional Engineer and Land Surveyor

Fred B. Kerr, Jr.

5. Part 1 Pressure Control Equipment consisting of double ram blow-out preventer, drilling spool, choke manifold, kill line and relief line, Inside Drill Pipe Blow preventer valve or Drill Pipe Safety Valve, and Kelly Safety Valve with 3000 psi working will be utilized in drilling the well.

   Part 2 Schematic of the pressure control equipment is attached as Exhibit No. 1 and Exhibit No. 2.

   Part 3 Testing procedure of the pressure control equipment and frequency will be conducted in accordance with procedures in API, RP53 Bulletin, Recommended Practices for Blowout Prevention Equipment Systems. A visual inspection of the equipment will be made prior to installation. After initial installation, all equipment will be hydraulically tested with water and test plug at pressures equivalent to manufacturer's rated equipment pressure. Pressure control equipment will be operationally tested each round trip for a bit change, but not more than once per day. All equipment will be hydraulically tested at least once a month after the initial installation, or sooner as operations deem necessary.

6. Mud program is attached as Exhibit No. 3

7. The rig will be equipped with a Kelly cock and a drill pipe sub with a full opening valve will be available on the rig floor. There will be no float at the bit. Monitoring of the mud system will be by pit volume totalizer and trip guard.

8. We plan to run a DST in the Ismay (8157'), the Desert Creek (8345') and the Barker Creek (8680'). A Dual Induction Laterolog and CNL-FDC with Gamma Ray will be run over zones of interest. We anticipate no cores will be cut.

9. We anticipate no abnormal pressures but pressure monitoring equipment will be on location and in use. There is no anticipation of abnormal temperatures. We anticipate only slight traces of H_2S Gas, however, all necessary H_2S monitoring and safety equipment will be on location and in use 1000' prior to penetration of potential H_2S bearing zones.

10. We plan to start the well as soon as a rig is available upon approval of the application. We anticipate that drilling operations will begin by June 1, 1979. Approximately 40 days will be required to drill the well.

ENSERCH EXPLORATION, INC.

MINIMUM REQUIREMENTS FOR BLOW OUT PREVENTION EQUIPMENT

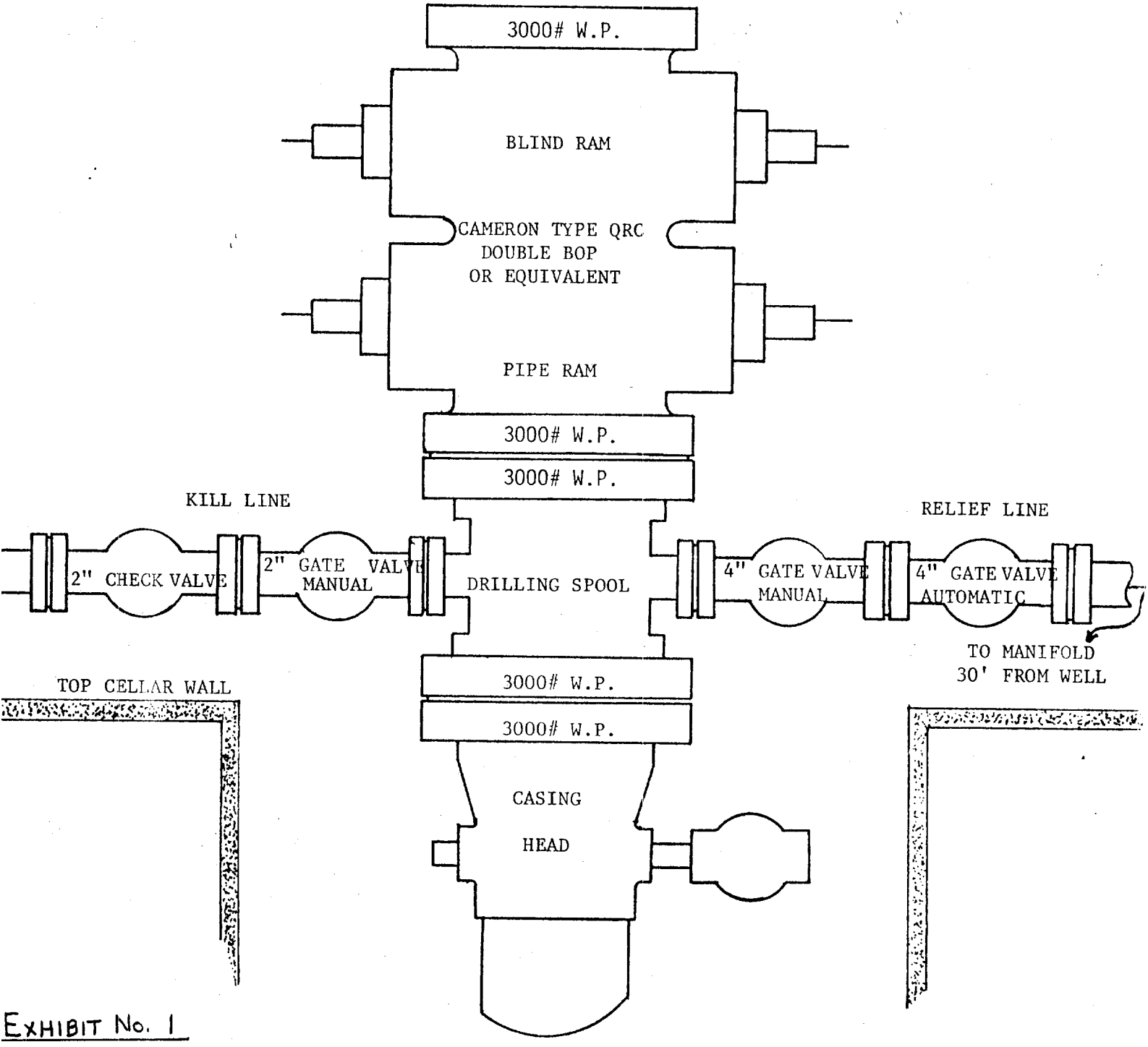
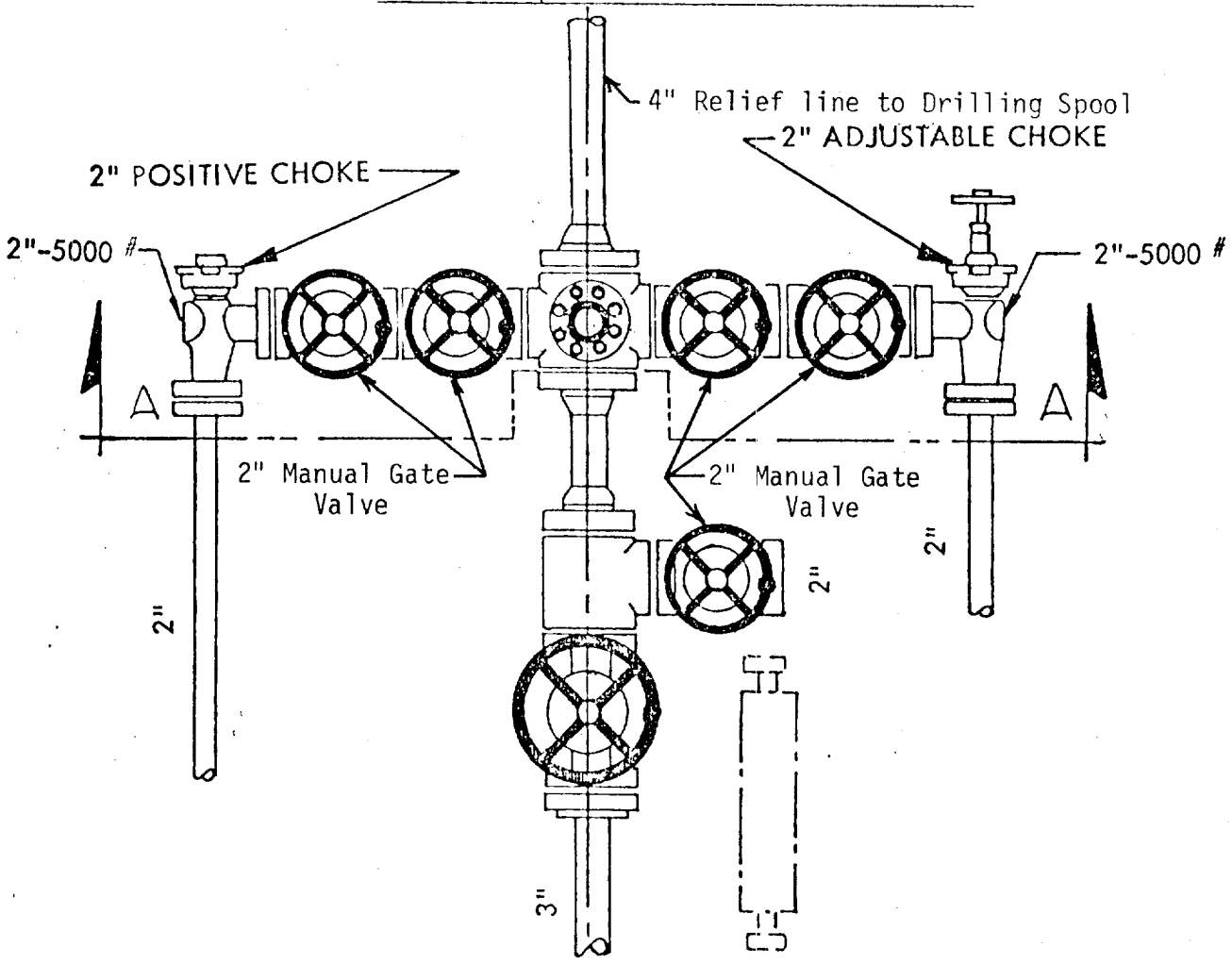


EXHIBIT No. 1

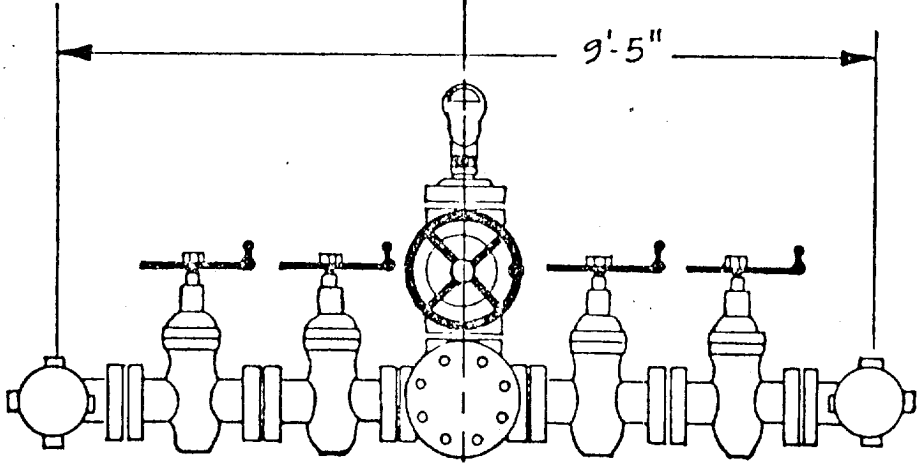
DRILLING CONTRACTOR FURNISHES EVERYTHING ABOVE CELLAR WALL

ENSERCH EXPLORATION, INC.

Minimum Requirements for Choke Manifold



NOTE: OUTLET PROVIDED BUT AUTOMATIC CHOKE NOT INCLUDED



SECTION 'A-A'

EXHIBIT No. 2

CHOKE MANIFOLD - 5000 P.S.I.