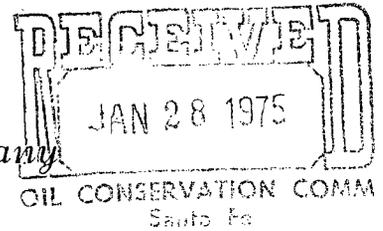


El Paso Natural Gas Company

El Paso, Texas 79978



January 27, 1975

ADDRESS REPLY TO
POST OFFICE BOX 990
FARMINGTON, NEW MEXICO 87401

Mr. A. L. Porter, Secretary and Director
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

NSL - 701

104 F

*Done upon receipt of
approval from Axtex*

Dear Mr. Porter:

This is a request for administrative approval for an unorthodox gas well location in the Basin Dakota pool. Terrain features make an orthodox location and access road expensive to build and maintain.

It is intended to locate the El Paso Natural Gas Company Huerfano Unit #268 2180' from the North line and 1290' from the West line of Section 5, T-26-N, R-10-W, NMPM, San Juan County, New Mexico. The North half of Section 5 is dedicated to this well.

The terrain in the North half of Section 5 is very rough. An orthodox location would require an access road with a greater than 12% grade which would be expensive to build and to maintain. Maintenance would be expensive because of erosional problems encountered in roads with this steep of grade. The proposed location is on the rim overlooking the Kutz Canyon Badlands and is the only level spot with adequate accessibility. For these reasons it is requested that the unorthodox location be approved.

All of the offsetting proration units are included in units of which El Paso Natural Gas Company is the operator.

Plats showing the proposed well location with terrain features and operator of offset leases are attached.

Yours truly,

L. O. Van Ryan
Chief Division Drilling Engineer

LOVR:pb

cc: Emery Arnold w/attachments
Jim Permenter w/attachments
P. T. McGrath w/attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED
JAN 28 1975
OIL CONS

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 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 El Paso Natural Gas Company

3. ADDRESS OF OPERATOR
 PO Box 990, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 2180'N, 1290'W
 At proposed prod. zone

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

5. LEASE DESIGNATION AND SERIAL NO.
 SF-080895

6. INDIAN, ALLOTTEE OR TRIBE NAME
 Santa Fe

7. UNIT AGREEMENT NAME
 Huerfano Unit

8. FARM OR LEASE NAME
 Huerfano Unit

9. WELL NO.
 268

10. FIELD AND POOL, OR WILDCAT
 Basin Dakota

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 5, T-26-N, R-10-W
 NMPM

12. COUNTY OR PARISH
 San Juan

13. STATE
 NM

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
 320.96

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

19. PROPOSED DEPTH
 6915'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6615'

22. APPROX. DATE WORK WILL START*

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	200'	210 cu. ft. to circulate
7 7/8"	4 1/2"	10.5#&11.6#	6915'	970 cu. ft. - 3 stages

1st stage - 310 cu. ft. to cover the Gallup formation.
 2nd stage - 330 cu. ft. to cover the Mesa Verde formation.
 3rd stage - 330 cu. ft. to cover the Ojo Alamo formation.

Selectively perforate and sandwater fracture the Dakota formation.

A double gate blow out preventer equipped with blind and pipe rams rated at 3000 psi working pressure and 6000 psi test will be used while drilling this well.

The North half of Section 5 is dedicated to this well.

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 A. G. Buices TITLE Drilling Clerk DATE January 27, 1975

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*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

JAN 28 1975

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

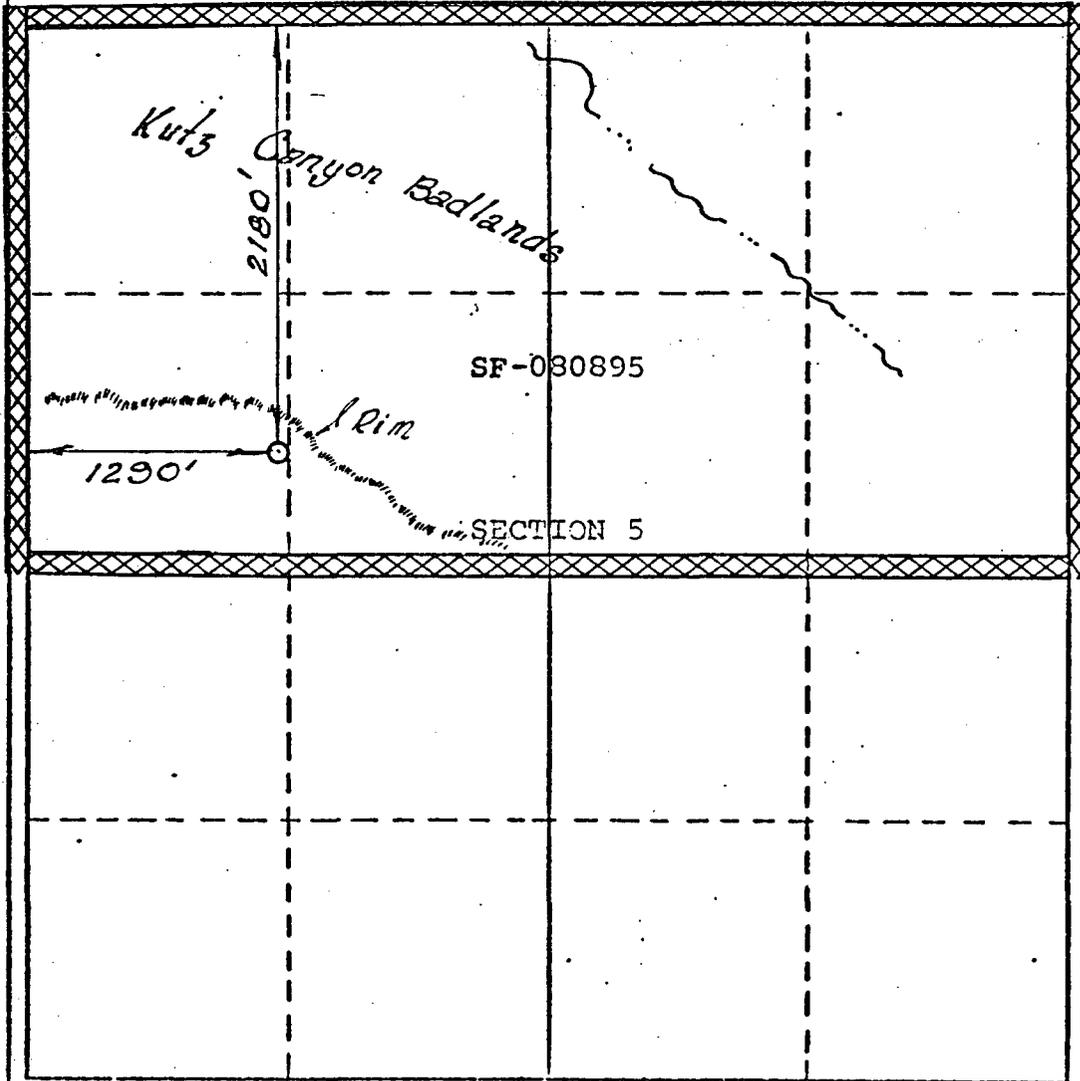
Operator EL PASO NATURAL GAS COMPANY		Lease HUERFANO UNIT (SF-080895)		Well No. 268
Unit Letter E	Section 5	Township 26-N	Range 10-W	County SAN JUAN
Actual Footage Location of Well: 2180 feet from the NORTH line and 1290 feet from the WEST line				
Ground Level Elev. 6615	Producing Formation DAKOTA	Pool BASIN DAKOTA	Dedicated Acreage: 320.96 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.



CERTIFICATION

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

A. G. Busco

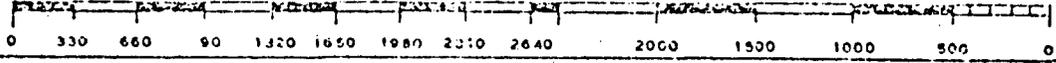
Name
Drilling Clerk
Position
El Paso Natural Gas Co.
Company
January 27, 1975
Date

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
MAY 31, 1974

Registered Professional Engineer and/or Land Surveyor
[Signature]

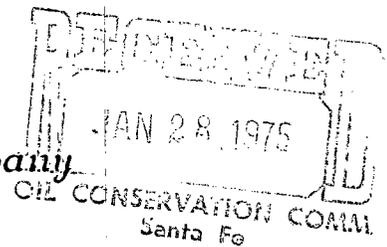
Certificate No. **1760**



El Paso Natural Gas Company

El Paso, Texas 79174

January 27, 1975



ADDRESS REPLY TO
POST OFFICE BOX 990
FARMINGTON, NEW MEXICO 87401

Mr. P. T. McGrath
U. S. Geological Survey
Post Office Box 959
Farmington, New Mexico 87401

Re: Application for Permit to Drill
Huerfano Unit #268
NW/4 Section 5, T-26-N, R-10-W
Basin Dakota

Dear Mr. McGrath:

Details regarding existing roads, pipelines, wells, etc. relative to the above well location are included on the previously submitted base maps, "Field Road Map" and "Composite Map No. 1".

The proposed new well location, new roads and new pipeline are shown on the attached plat along with connecting existing roads and pipelines in the vicinity of the proposed new well.

Water for drilling and completion operations will be obtained from the following location: EPNG's Huerfano Water Well #1 in SE/4 13-26-10.

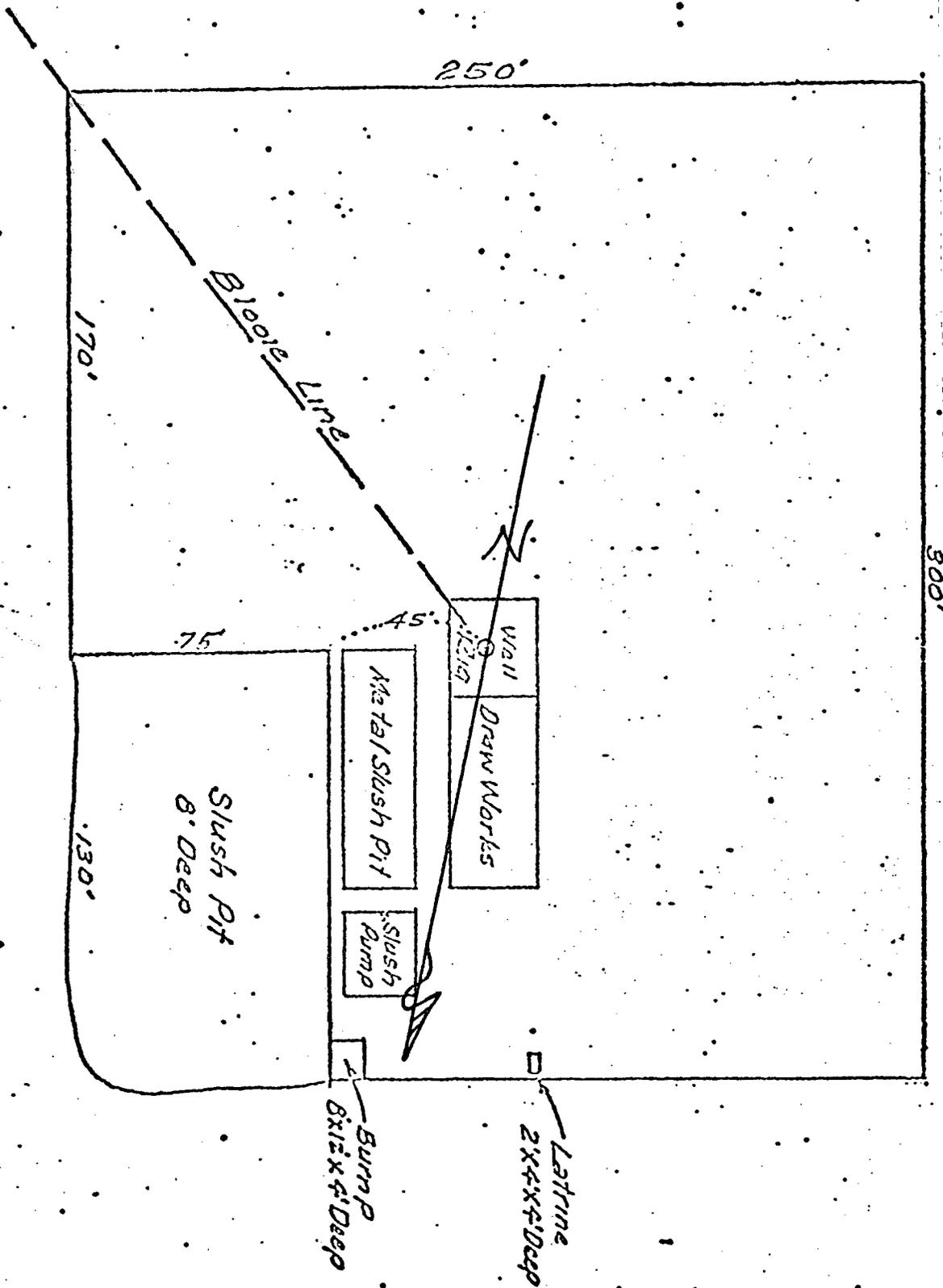
Waste material will be disposed of by burial in the burn pit, latrine, or reserve pit as applicable. There will be no camp nor air strip associated with drilling this well. Upon completion or abandonment of this well, the location will be cleaned and leveled and a dry hole marker placed, if applicable.

Yours very truly,

D. G. Brisco
Drilling Clerk

pb

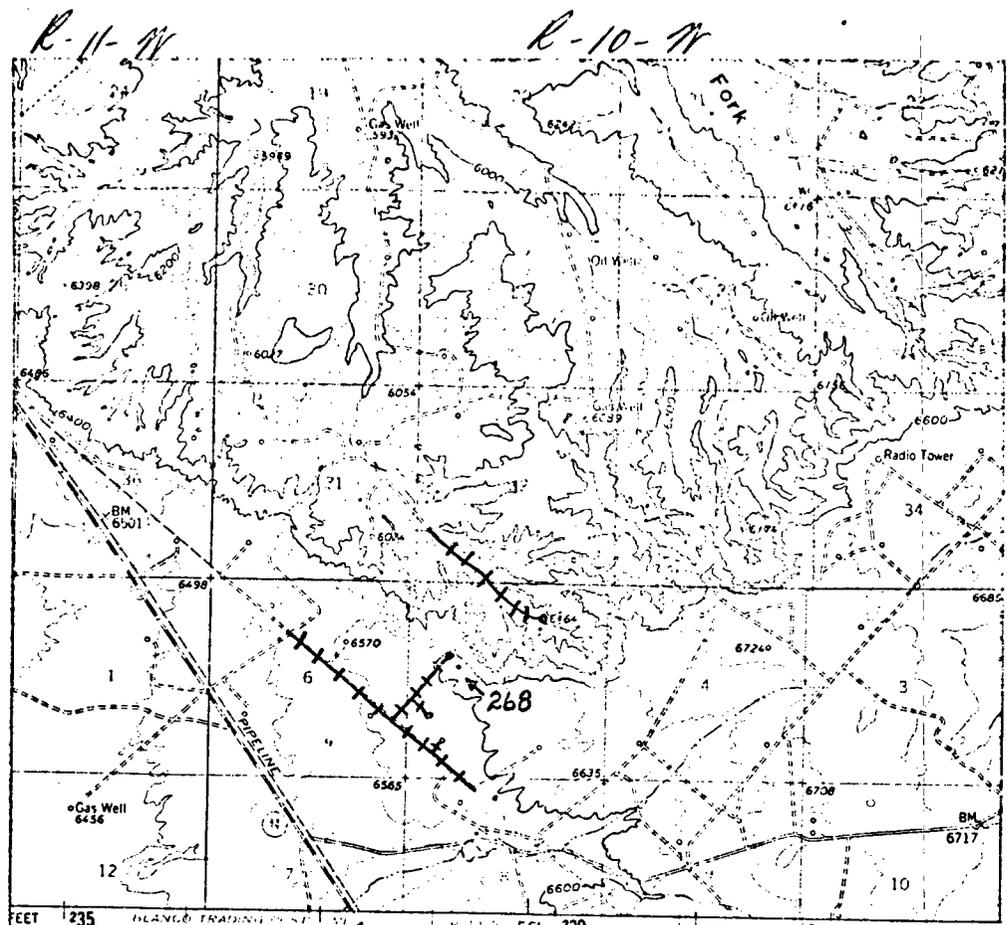
HUERFANO UNIT No. 268



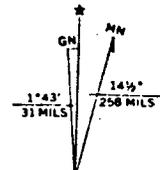
*Haydens Unit # 268
 S 1/4 NW 1/4 Sec. 5, T-26-N, R-10-W*

*1
 27
 N*

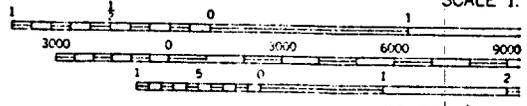
*1
 26
 N*



FEET 235 239 241 242
 al Survey



UTM GRID AND 1960 MAGNETIC NORTH DECLINATION AT CENTER OF SHEET



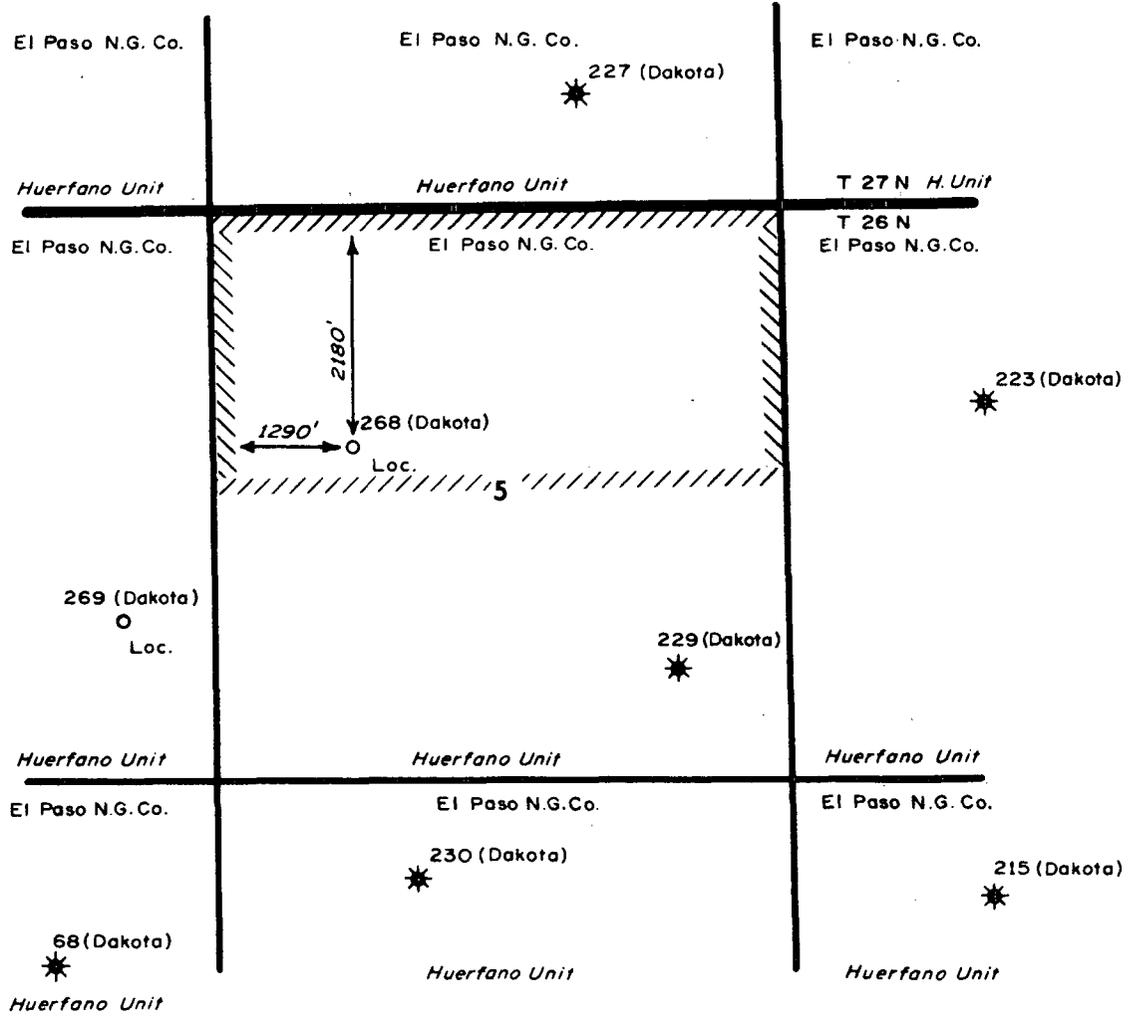
CONTOUR INTER
 DATUM IS MEAN

THIS MAP COMPLIES WITH NATIONAL
 FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER,
 A FOLDER DESCRIBING TOPOGRAPHIC MAPS

LEGEND OF RIGHT-OF-WAYS

- EXISTING ROADS
- EXISTING PIPELINES
- EXISTING ROAD & PIPELINE
- PROPOSED ROADS
- PROPOSED PIPELINES
- PROPOSED ROAD & PIPELINE

R10 W



T
26
N

PRT.	SEP.	DATE	TO	W.O.	
PRINT RECORD					

ENG. REC.		DATE
DRAWN	J. H.	1/22/75
CHECKED		
CHECKED		
PROJ. APP.		
DESIGN		
W.O.		


El Paso Natural Gas Company
 DAKOTA OWNERSHIP
 Offsetting E.P.N.G. **268 Huerfano Unit, S5-26N-10W
 San Juan Co., New Mexico

SCALE: 3" = 1 mi. DWG. NO. REV.

OIL CONSERVATION COMMISSION
3
DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE 2-3-75

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated ~~FRAC~~ Co 1-27-75
for the EPNG Hurford Unit # 268 E-5-260-10W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

topography verified - approve

Yours very truly,

Ernest...