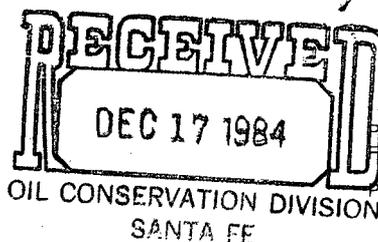


Release January 7, 1985
No offsets

By DEC
NSL-1964
RULE-104(FI)

El Paso
Exploration Company



P.O. BOX 4289
ARMINGTON, NEW MEXICO 87499-4289
PHONE: 505-325-2841

December 3, 1984

Mr. Richard Stamets
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Stamets:

This is a request for administrative approval for an unorthodox gas well location in the Blanco Mesa Verde Pool.

It is intended to locate the El Paso Natural Gas Company's San Juan 27-5 Unit #34A at 1930' from the North line and 980' from the West line of Section 30, T-27-N, R-5-W, Rio Arriba County, New Mexico.

Extremely rough terrain in the form of steep cliffs and the existence of Cereza Canyon in the Northwest corner of this section makes it impossible to build an orthodox gas well location.

El Paso operates all proration units offsetting the proposed unorthodox location.

Plats showing the proposed well location and the terrain in Section 30, along with an ownership plat, are attached.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "G. W. Brink". The signature is written in a cursive style with a long, sweeping underline.

G. W. Brink
Project Drilling Engineer

encl.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
SF 079367

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
San Juan 27-5 Unit

8. FARM OR LEASE NAME
San Juan 27-5 Unit

9. WELL NO.
34A

10. FIELD AND POOL, OR WILDCAT
Blanco Mesa Verde

11. SEC., T., R., M. OR BLK.
Sec 30, T-27-N, R-5-W
NMPM

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

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 4289, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 30°N, 980°W
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
10 miles South of Gobernador, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
980'

16. NO. OF ACRES IN LEASE
Unit

17. NO. OF ACRES ASSIGNED TO THIS WELL
320.28

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
640'

19. PROPOSED METHOD
3715'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATION (Show whether DF, RT, GR, etc.)
9366' DL

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"	9 5/8"	36.0#	200'	224 cu.ft. circulated
8 3/4"	7"	20.0#	3410'	280 cu.ft. cover Ojo Alamo
6 1/4"	4 1/2"	10.5#	3260-5715'	428 cu.ft. circ. liner

Selectively perforate and sand water fracture the Mesa Verde 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 W/2 of Section 30 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 [Signature] TITLE Drilling Clerk DATE 12-05-84

(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

**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
SINGLE ZONE MULTIPLE ZONE

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 1830' N, 980' W

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
10 miles South of Gobernador, NM

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
980'
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE
Unit

17. NO. OF ACRES ASSIGNED TO THIS WELL
320.28

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
2640'

19. PROPOSED DEPTH
3715'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATION (Show whether DF, RT, GR, etc.)
6966' RL

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"	9 5/8"	36.0#	200'	224 cu.ft. circulated
8 3/4"	7"	20.0#	3410'	280 cu.ft. cover Ojo Alamo
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24. SIGNED *Dean Bradburn* TITLE Drilling Clerk DATE 12-05-84

(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

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

Form C-107
Revised 10-1-

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

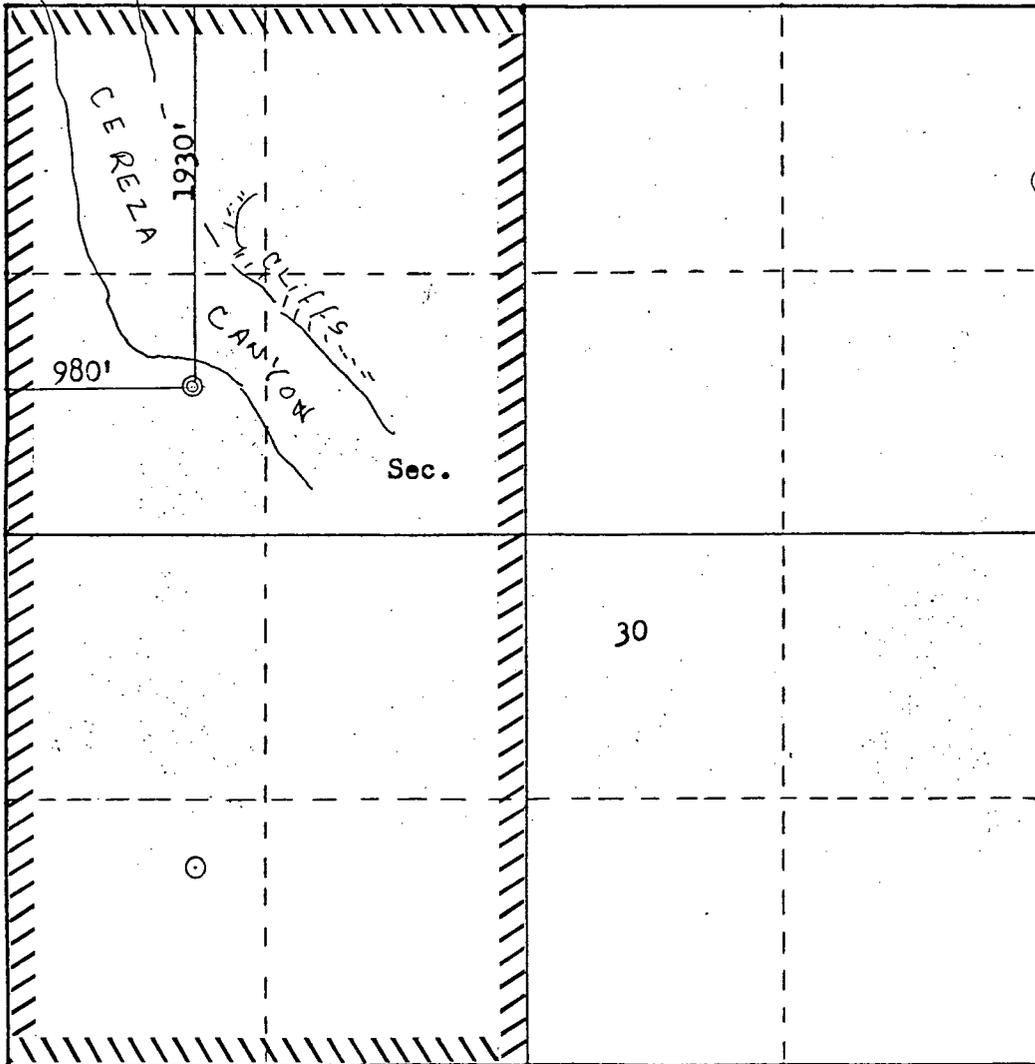
Operator EL PASO NATURAL GAS COMPANY		Lease SAN JUAN 27-5 UNIT (SF 079367)		Well No. 34A
Unit Letter E	Section 30	Township 27N	Range 5W	County Rio Arriba
Actual Footage Location of Well: 1930 feet from the North line and 980 feet from the West line				
Ground Level Elev. 6366	Producing Formation Mesa Verde	Pool Blanco	Dedicated Acreage: 320.28 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.

[Signature]

Name
Drilling Clerk

Position
El Paso Natural Gas Co.

Company
12-5-84

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
October 31, 1984

Registered Professional Engineer and Land Surveyor

[Signature]
Fred B. Kerr Jr.

Certificate No. *1234*

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

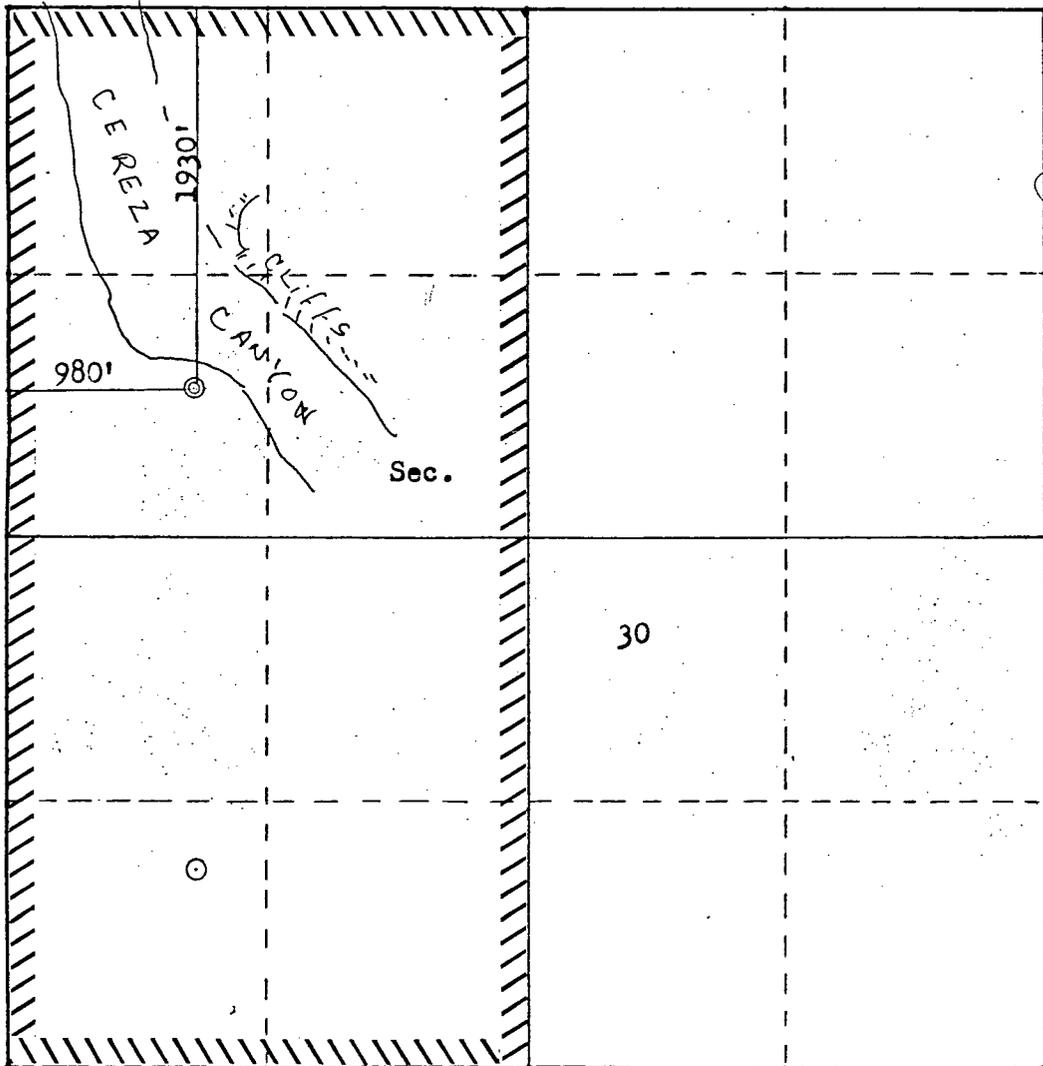
Operator EL PASO NATURAL GAS COMPANY			Lease SAN JUAN 27-5 UNIT (SF 079367)			Well No. 31A		
Unit Letter E	Section 30	Township 27N	Range 5W	County Rio Arriba				
Actual Footage Location of Well: 1930 feet from the North line and 980 feet from the West line								
Ground Level Elev: 6366		Producing Formation Mesa Verde		Pool Blanco			Dedicated Acreage: 320.28 Acres	

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CERTIFICATION

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[Signature]
Name
Drilling Clerk
Position
El Paso Natural Gas Co.
Company
12-5-84
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
October 31, 1981
Registered Professional Engineer and Land Surveyor:
[Signature]
Fred B. Kerr Jr.
Certificate No. **4**

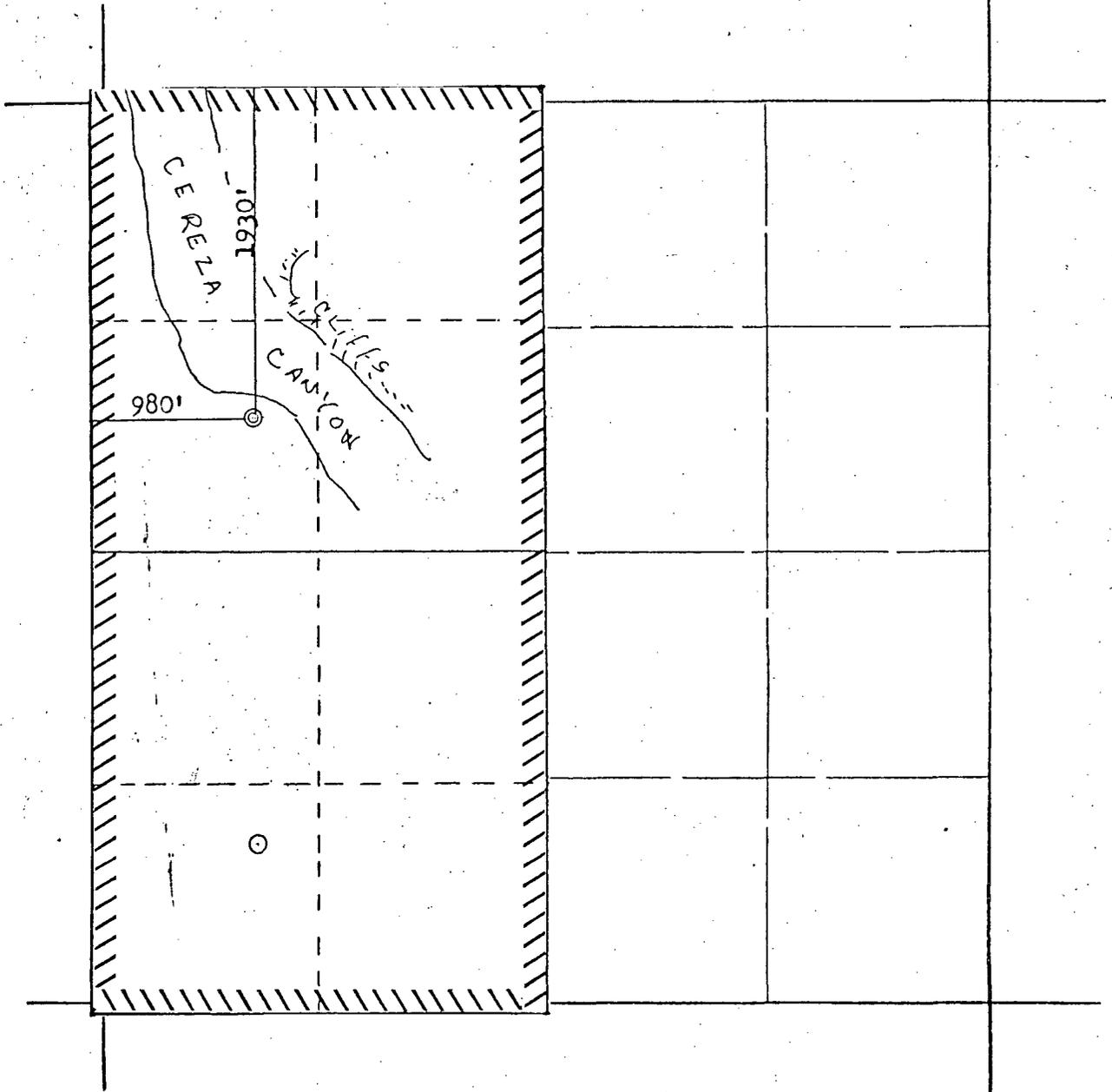
EL PASO NATURAL GAS COMPANY

Well Name San Juan 27-5 Unit #34 A, Blanco Mesaverde

Footage 1930' FNL, 980' FWL

APPLICATION FOR NON-STANDARD LOCATION

County Rio Arriba State New Mexico Section 30 Township 27N Range 5W



REMARKS: El Paso Natural Gas Company is the offset operator to all acreage surrounding the proposed well location.

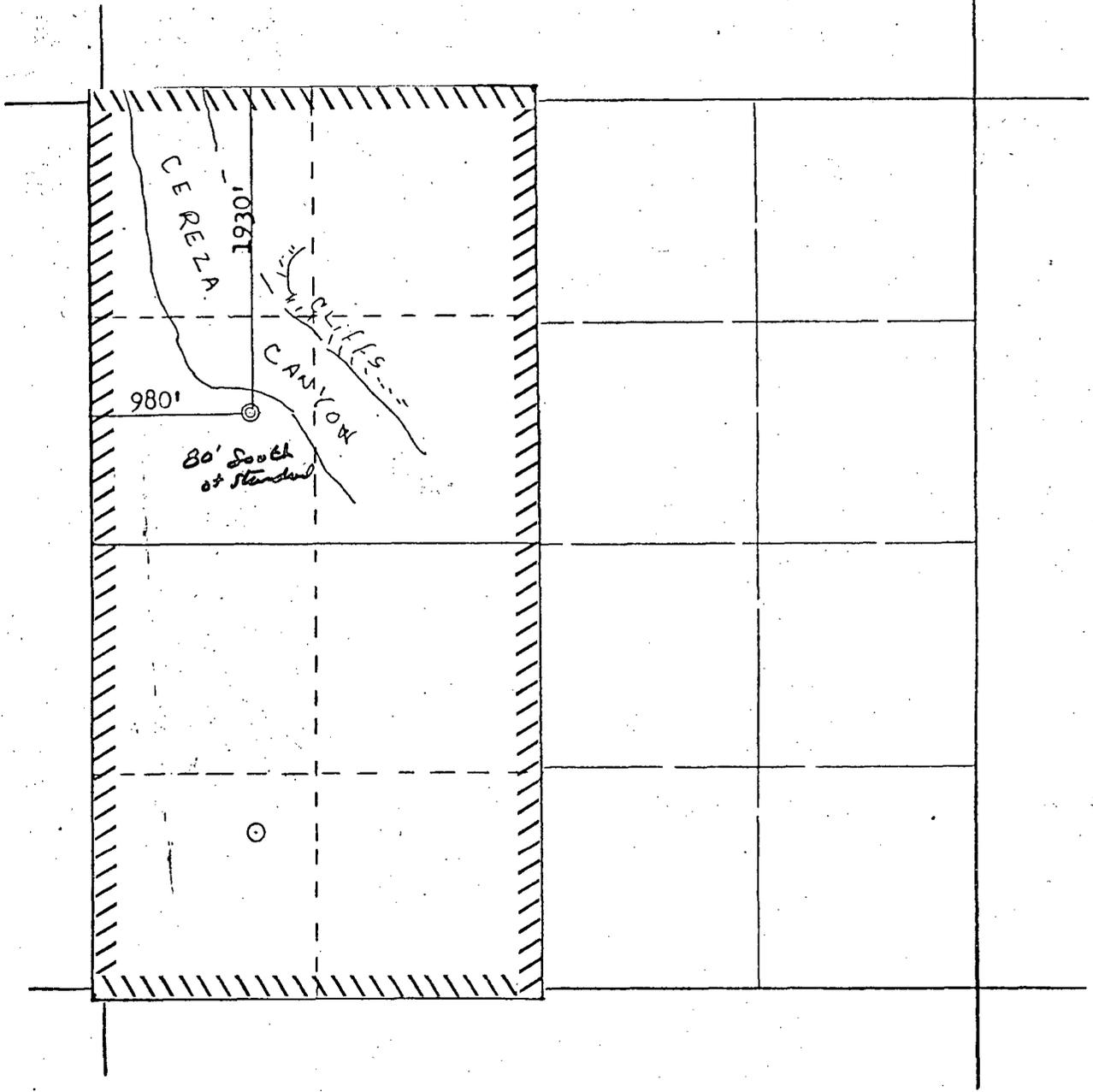
EL PASO NATURAL GAS COMPANY

Well Name San Juan 27-5 Unit #34 A, Blanco Mesaverde

Footage 1930' FNL, 980' FWL

APPLICATION FOR NON-STANDARD LOCATION

County Rio Arriba State New Mexico Section 30 Township 27N Range 5W



REMARKS: El Paso Natural Gas Company is the offset operator to all acreage surrounding the proposed well location.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 1-2-84

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

Gentlemen:

I have examined the application dated 12-12-84

for the El Paso Exploration Co. San Juan 27-5 UNIT #34A E-30-27N-5W
Operator Lease and Well-No. Unit, S-T-R

and my recommendations are as follows:

Approved

Yours truly,

Eric Busch

RECEIVED
JAN 07 1985
OIL CONSERVATION DIVISION
SANTA FE