SUBMIT IN TRIPLICATE*

Form approved.

| (Other | instruction | s on |
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| re | verse side) | |

UNITED STATES

| n | | Budget | Bureau | No. | 42-R1425 |
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| | 30 | -0 | 45 | - ~ | 23.15 |

DATE

| DEPARTMENT OF THE INTERIOR | | | | | | | 5. LEASE DESI | ' ' | 23/ | <u>57</u> | |
|---|-----------------------|--------------------|---------------|----------------|--------------------|-----------------|---------------|---------------------------|-------------|-------------|--------------|
| GEOLOGICAL SURVEY | | | | | | | SF 07 | | SERIAL . | NO. | |
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | | | | | | | 6. IF INDIAN, | | FRIBE NA | мъ | |
| 1a. TYPE OF WORK | | | | ٦ | 25.0 | | | 7. UNIT AGREE | WEND NAME | | |
| DRI b. TYPE OF WELL | LL 🗵 | D | EEPEN [| | PLI | UG BAC | .K 📋 | I. UNII AGASI | MENT NAME | | |
| | AS ELL K OT | HER | | SING | | MULTIPI ZONE | ræ 🔲 📗 | 8. FARM OR LI | CASE NAME | | |
| 2. NAME OF OPERATOR | | | | | | | | Mudge | | | |
| El Paso Nat | ural Gas | Company | , - | | | | | 9. WELL NO. | | | |
| 3. ADDRESS OF OPERATOR | - · | | 0746 | 7 | | | | 45 10. FIELD AND | | | |
| PO BOX 990, | Farming | ton, NM | 8740 | | te requireme | nts.*) | | | • | | - |
| At surface | | , 1180'V | | i un, su | te requireme | , | | 11. SEC., T., R. | Pic.(| 71111 | S |
| At proposed prod. zon | | , 1100 V | v | | | | · | AND SURVE | T-31-N | I,R-] | 1-W |
| 14. DISTANCE IN MILES | | | WN OR POST | OFFICE* | | | | 12. COUNTY OR | | STATE | |
| 8 miles Nor | | tec, NM | | | | | | San Ju | | 1 | |
| 15. DISTANCE FROM PROPO LOCATION TO NEAREST | r | | 1000 | 16. No. (| OF ACRES IN | | | F ACRES ASSIGN HS WELL | | | |
| PROPERTY OR LEASE I (Also to nearest drig | . unit line, if any | ') | 1030 | | 220] | L.84 | | | | 0.00 |) |
| 18. DISTANCE FROM PROP TO NEAREST WELL, D | RILLING, COMPLET | ED, | 600' | 19. PROP | 0SED DEPTH 2936 | . 1 | ı | RY OR CABLE TO | OLS | | |
| or applied for, on th | | | | | | <u>———</u> | Rotar | Y 22. APPROX. | NAME WORK D | 7111 000 | |
| 6041 GR | emer Dr. KI, GR, | etc.) | | | | | | 22. APPROX. | DATE WORK V | TLL STA | KT* |
| 23. | | PROPOS | ED CASIN | G AND C | CEMENTING | PROGRA | M | | | | |
| SIZE OF HOLE | SIZE OF CAS | ING WE | IGHT PER FO | от | SETTING D | ЕРТН | | QUANTITY (| F CEMENT | | |
| 12 1/4" | 8 5/8" | | 24.0# | | 120 |)'. | 106 c | u.ft.to | circul | ate | |
| 6 3/4" | 2 7/8" | | 6.4# | | 2936 | 5 ' | 528 c | u.ft.to | cover | Ojo | Alan |
| | | | | | | | | | | | |
| Selectively A 3000 psi blind and p | WP and 6 oipe rams | 000 psi will be | test (| doubl | .e gate | e prev | enter | equippe | ed with | 1 | ion. |
| | | | JUL OIL CO | 25 19 N. Co | 78 M | | | | 1 | | |
| The $SW/4$ of | | | | | | well. | | | 1 | | |
| IN ABOVE SPACE DESCRIBE zone. If proposal is to preventer program, if any | drill or deepen di | | | | | | | | | | |
| 8IGNED . | y. Du | ics | TITL | Æ | Dri | lling | Clerk | DATE | July 2 | 1,] | <u>.97</u> 8 |
| (This space for Fede | ral or State office | use) | | | | | | | | | |
| PERMIT NO. | | | | AP | PROVAL DATE | : | | | | | |
| | | | | | | | | | | | |

TITLE

| All distances must be from the outer boundaries of the Section. | | | | | | | | |
|---|----------------------|---|-----------------|--------------|--|---------------------------------------|---------------|-----------------------------------|
| Operator | TTT: 4 T . G . G . C | | | Lease | | • | | Well Ho. |
| | TURAL GAS COM | | | Mudge | SF | -078040 | o) | 45 |
| Unit Letter | Section | Township | | Hand | le | County | | |
| М | 3 |] 31 | N | נו | IJW | San | Juan | <i>-</i> |
| Actual Footage Lo | cation of Well: | | | | ************************************** | I—, | | |
| 1030 | feet from the | South | line and | 1180 |) feet | from the | West | line |
| Ground Level Elev | · Producing Fo | ermation | | Pool | | Trom the | | Dedicated Acreage: |
| 6041 | Pictur | ed Cliff | S | Blan | co Picture | d Cliff | îs 🖊 | 160.00 Acres |
| 1 Outling t | h | | 1 | ' | | | | |
| 1. Outline i | he acreage dedic | ated to the | subject we | ell by co. | lored pencil or | · hachure | e marks on t | he plat below. |
| interest a | and royalty). | | | | | | • | hereof (both as to working |
| 3. If more th | ian one lease of | different ov | vnership is o | dedicated | l to the well, l | nave the | interests of | all owners been consoli- |
| dated by | communitization, | unitization | , force-pooli | ng, etc? | | | | |
| | | • | | | • | | | |
| Yes | No If a | inswer is " | yes," type o | f consoli | dation | | | |
| | • | | | • | | | | |
| If answer | is "no," list the | owners an | d tract desc | riptions v | which have ac | tually be | en consolid | ated. (Use reverse side of |
| this form | if necessary.) | | | | | · | | |
| No allowa | ble will be assign | ned to the v | vell until all | interests | s have been c | onsolida | ted (by com | munitization, unitization, |
| forced-noo | oling, or otherwise |) or until a | non-standard | d unit. el | iminating such | interes | ts. has been | approved by the Commis- |
| sion. | <u> </u> | | | | ' | | , ma been | approved by the Commis- |
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| | i | | | | | | El Pa | so Natural Gas Co |
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| . 1 | | | • | ! | | į | Date | |
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P. O. BOX 990 FARMINGTON, NEW MEXICO 87401 PHONE: 505-325-2841

Multi-Point Surface Use Plan

Mudge #45

- 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 twenty feet (20') 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.
- Location of Tank Batteries, Production Facilities, and Production 4. 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.
- Location and Type of Water Supply Water for the proposed project 5. will be obtained from Kiffin Canyon Water Hole.
- 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,

7. cont'd.

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 as designated by the responsible government agency 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 as designated by the responsible government agency.
- 11. Other Information The terrain is high sandstone ledges and rolling hills with pinon and cedar growing. Coyote run on the proposed project site.
- 12. Operator's Representative W.D. Dawson, PO Box 990, Farmington, NM
- 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.



D. C. Walker

Project Drilling Engineer

Operations Plan - Mudge #45

I. Location: 1030'S, 1180'W, Section 3, T-31-N, R-11-W, San Juan County, NM

Field: Blanco Pictured Cliffs Elevation: 6041'GR

II. Geology:

A. Surface Formation: Nacimiento

Sub-surface Formation Tops:

| Ojo Alamo | 1206 ' | Pictured Cliffs | 2725 ' |
|-----------|---------------|-----------------|---------------|
| Kirtland | 1311' | Lewis | 2896' |
| Fruitland | 2456' | Total Depth | 2936' |

- B. Logging Program: Induction Electric and Gamma Ray Density at TD.
- C. Coring: none
- D. Testing: none

III. Drilling:

A. Anticipated Starting Date and Duration of the Project:

1979 Drilling Program - approximately 4 days to complete.

B. Circulating Medium: Treated water and a low solids gel base mud will be used from surface to TD.

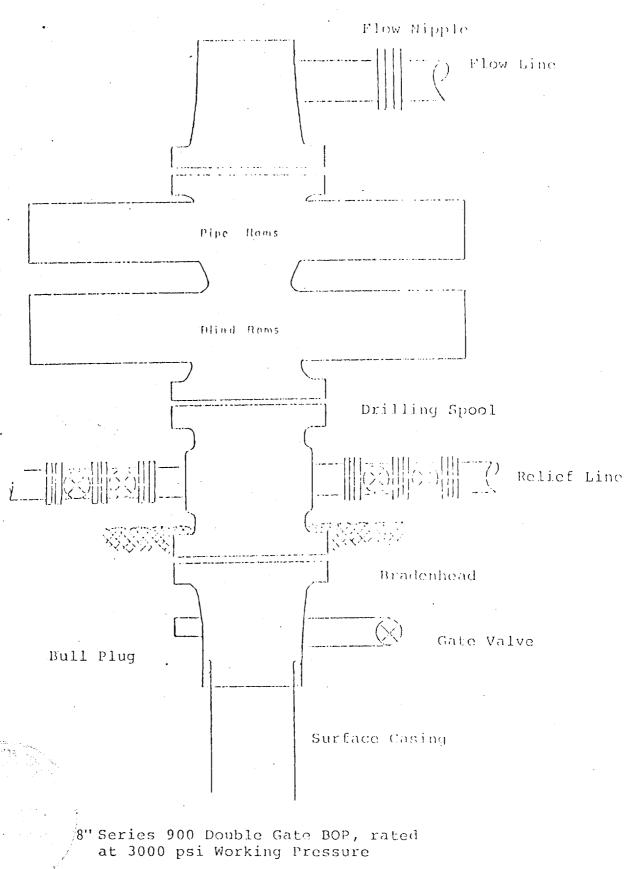
IV. Materials:

| A. Casing Program: | Hole Size | Depth | Csg.Size | Wt.&Grade |
|--------------------|-----------|---------------|----------|------------|
| | 12 1/4" | 120' | 8 5/8" | 24.0# J-55 |
| | 6 3/4" | 2936 ' | 2 7/8" | 6.4# J-55 |

- B. Float Equipment: 8 5/8" surface casing cement guide shoe.
 - 2 7/8" production casing 10' shoe joint with notched collar for guide shoe and 2 7/8" latch down baffle on top. Two 7 16 balls and one 2 7/8" latch down plug.
- C. Tubing: none
- D. Wellhead Equipment: Larkin wellhead (fig. 75)

V. Cementing:

- 8 5/8" surface casing 90 sks. of Class "B" cement with 1/4# gel-flake per sack and 3% calcium chloride (106 cu.ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing wellhead and BOP to 600#/30 minutes.
- 2 7/8" production 275 sks. 65/35 Class "B" Poz with 6% gel, 2% CaCl₂, and 8.3 gallons water per sack followed by 70 sks.Class "B" neat cement (528 cu.ft. slurry, 50% excess to cover Ojo Alamo). Run temperature survey after 12 hrs.

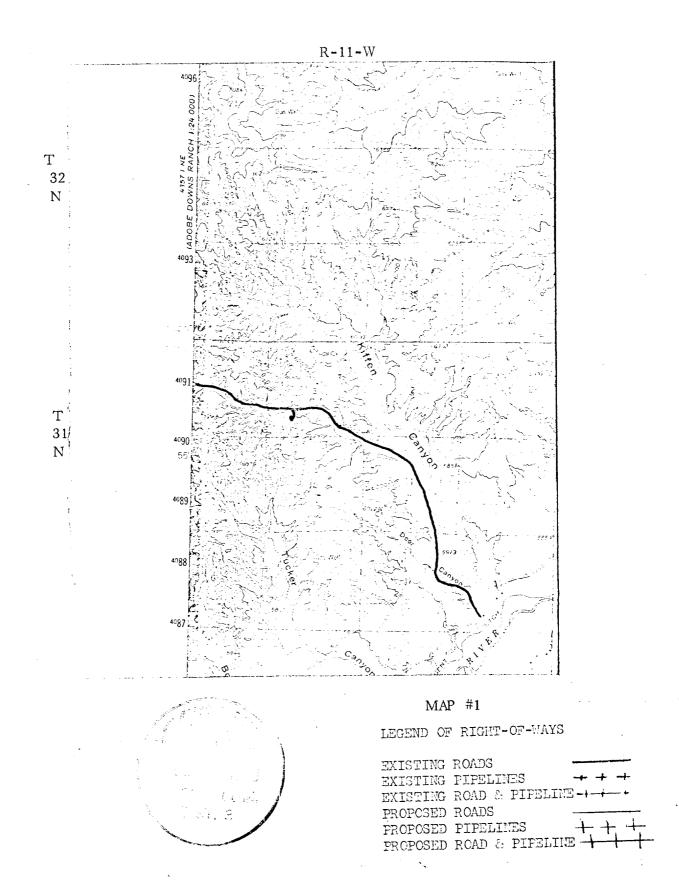


Tink (Reserve Rit Closing Caryhart ent 10 ft 230

SW3-31-11 70

Scale : 12" = 10'

EL PASO NÀTURAL CAS COMPANY MUDGE #45 SW 3-31-11



EL PASO NATURAL GAS COMPANY Mudge #45 SW 3-31-11

