SUBMIT IN TRIPLICATE*

(Other instructions on

Form approved. Budget Bureau No. 42-R1425.

HAUTED CTATES

| | DEPARTMEN | T OF THE I | | reverse | side) | 5. LEASE DESIGNATION AND SERIAL NO. | |
|---|--------------------------------|----------------|---------------------|--|--------------|--------------------------------------|--|
| GEOLOGICAL SURVEY | | | | | | SF 078097 | |
| APPI ICATIO | ON FOR PERMIT | TO DRILL I | DEEDEN (| R PLUG | BACK | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME | |
| 1a. TYPE OF WORK | ZIT TOR TERRITI | TO DIVILLY | JEEL ETT, | M I LOO | DACK | | |
| | RILL 🖾 | DEEPEN [| | PLUG BA | ACK 🗆 | 7. UNIT AGREEMENT NAME | |
| b. TYPE OF WELL | | | | | | | |
| WELL | WELL OTHER | | SINGLE X | MULT: | IPLE | S. FARM OR LEASE NAME | |
| . NAME OF OPERATOR | | | | | | Heaton | |
| | atural Gas Cor | mpany | | | | 9. WELL NO. | |
| 3. ADDRESS OF OPERATO | | | | | | 4A - | |
| PO Box 289, Farmington, NM 87401 | | | | | | 10. FIELD AND POOL, OR WILDCAT | |
| LOCATION OF WELL At surface | (Report location clearly and | | h any State req | irements.*) | | Blanco Mesa Verde 1 | |
| | 1825's, 93 | 30 ' E | | | . | 11. SEC., T., R., M., OR BLK. | |
| At proposed prod. z | one | | | | ļ | Sec. 29, T-31-N, R-11- | |
| | same | | | | | NMPM | |
| | S AND DIRECTION FROM NEA | | r office. | | - | 12. COUNTY OR PARISH 13. STATE | |
| | north of Azte | ec, NM | | | | San Juan NM | |
| 15. DISTANCE FROM PRO LOCATION TO NEAR | ST | 0201 | 16. NO. OF AC | | | F ACRES ASSIGNED | |
| | rlg. unit line, if any) | 930' | | 175.61 | | E/320.00 | |
| TO NEAREST WELL, | NPIDECE WELL DOLLING COMPLETED | | 20. ROTAL Rotar | Y OR CABLE TOOLS | | | |
| 21. ELEVATIONS (Show v 5980 GL | whether DF, RT, GR, etc.) | | | | | 22. APPROX. DATE WORK WILL START* | |
| 23. |] | PROPOSED CASIN | IG AND CEME | NTING PROGE | RAM | | |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FO | OOT SE | TING DEPTH | | QUANTITY OF CEMENT | |
| 13 3/4" | 9 5/8" | 32.3# | | 200' | | u.ft. to circulate | |
| 8 3/4" | 7" | 20.0# | | 325' | | u.ft.to cover Ojo Al | |
| 6 1/4" | 4 1/2"line | r 10.5# | 2675 | -5230 | 446 c | u.ft.to circ.liner | |
| | 1 | ı | 1 | | 1 | | |
| Selective | ly perforate a | and sandwa | ter fra | ture th | e Mesa | Verde formation. | |
| | | | | | | | |
| - 0000 | | | ~ , ~ | | _ | | |
| | | | | | | equipped with | |
| blind and | pipe rams wil | ll be used | l for blo | w out p | revent | ion on this well. | |
| | | | | الله المدارية (المعاولة » المداسورية الحداث المدانة | 35/F-L | | |
| This was is dedicated | | | | | | | |
| This gas is dedicated. | | | | | | | |
| | | | | | 27 1917 | Allo and | |
| | | | | عال ل | / | 9 1979 | |
| mh = 77/0 | f Section 29 i | | رُ 1-44 = قامما | | ACICAL SU | CON COM | |
| The E/2 of | E Section 29 1 | is dedicat | .ea to įt | its weld | Market N. S. | Diez Salvi. | |

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 boths. Give blowout preventer program, if any. Drilling Clerk BIGNED (This space for Federal or State office use) PERMIT NO. _ APPROVED BY CONDITIONS OF APPROVAL, IF ANY: MMOCC

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

. STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

All distances must be from the cuter boundaries of the Section. Operator Lease Well No. (SF-078097) EL PASO NATURAL GAS COMPANY HEATON · liA Unit Letter Section Township Range 29 31N 11W San Juan Actual Footage Location of Well: 1825 South 930 feet from the feet from the East line and Ground Level Elev. Producing Formation Dedicated Acreage: 5980 Mesa Verde Blanco Mesa Verde 320.00 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? 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. Drilling Clerk #4 El Paso Natural Gas Co. SF-078097 Company July 26, 1979 Sec. 29 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



P. O. BOX 990 FARMINGTON, NEW MEXICO 87401

PHONE: 505-325-2841

Multi-Point Surface Use Plan

Heaton #4A

- 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.
- 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 Farmers Ditch at Aztec.
- 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,

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 damagnated by the responsible government agency.
- 11. Other Information The terrain is sagebrush flats with sagebrush growing. Deer and cattle are occasionally seen 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.

L. A. Aimes

Project Drilling Engineer

Operations Plan Heaton #4A

I. Location: 1825'S, 930'E, Section 29, T-31-N, R-11-W, San Juan County, NM

Field: Blanco Mesa Verde Elevation: 5980'GL

II. Geology:

| Α. | Formation | Tops: | Surface | Nacimiento | Lewis | 2625 ' | |
|----|-----------|-------|------------|---------------|---------------|---------------|--|
| | | | Ojo Alamo | 810' | Mesa Verde | 4035' | |
| | | | Kirtland | 920 ' | Menefee | 4280' | |
| | | | Fruitland | 2075 ' | Point Lookout | 4780 ' | |
| | | | Pic.Cliffs | 2480' | Total Depth | 5230 ' | |

- B. Logging Program: GR-Ind. and GR-Density at Total Depth.
- C. Coring Program: none
- D. Natural Gauges: 4025', 4270', 4770' 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 2825'. Gas from intermediate casing to Total Depth.

IV. Materials:

| Α. | Casing Program: | Hole Size | Depth | Casing Size | Wt.&Grade |
|----|-----------------|-----------|---------------------|-------------|------------|
| | | 13 3/4" | 200' | 9 5/8" | 32.3# H-40 |
| | | 8 3/4" | 2825 | 7 " | 20.0# K-55 |
| | | 6 1/4" | 2675 - 5230' | 4 1/2" | 10.5# K-55 |

B. Float Equipment: 9 5/8" surface casing - B & W guide shoe
 (Prod. No. FC 06-09611-0200)

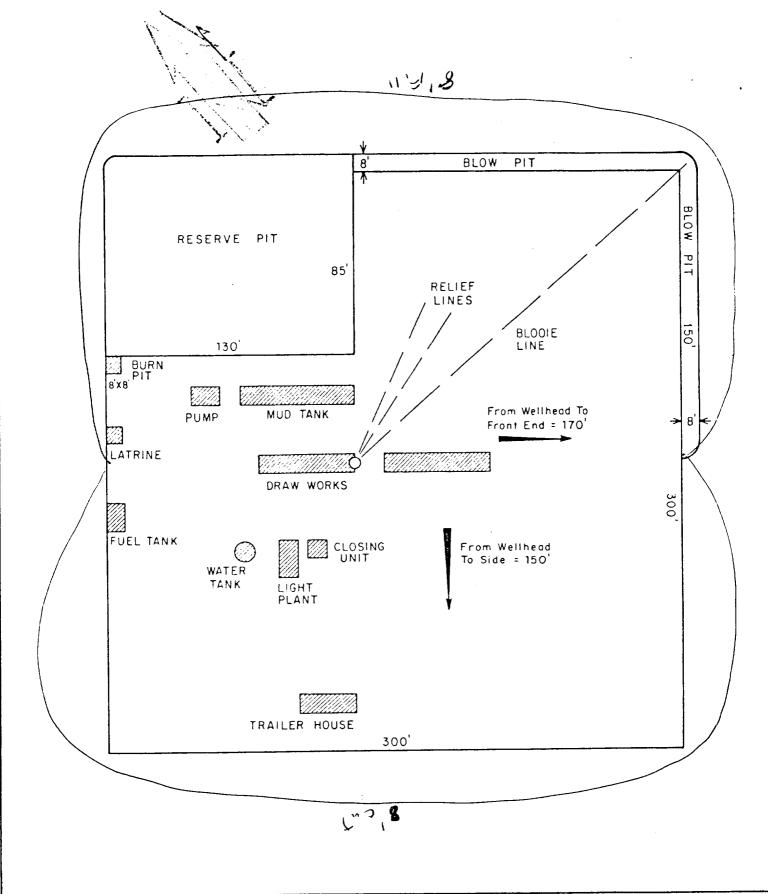
7" intermediate casing - Pathfinder guide shoe (Part #1003-1-007) and Howco self-fill insert float valve (Price Ref.36A&37), 5 Pathfinder stabilizers (Part #107-10) every other joint above shoe. Run float two joints above shoe.

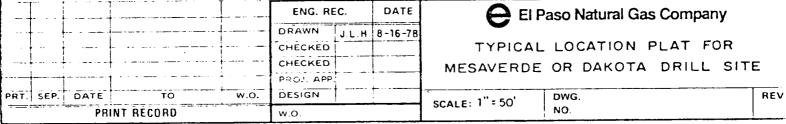
- 4 1/2" liner 4 1/2" liner hanger with neoprene packoff. Larkin geyser shoe (Fig. 222) and Larkin flapper type float collar(fig. 404 M&F).
- C. Tubing: 5230' of 2 3/8", 4.7#, J-55 8rd EUE tubing with a common pump seating nipple one joint above bottom. Tubing will be open ended.
- D. Wellhead Equipment: 10" 900 x 9 5/8" casing head. 10" 900 x 6" 900 xmas tree.

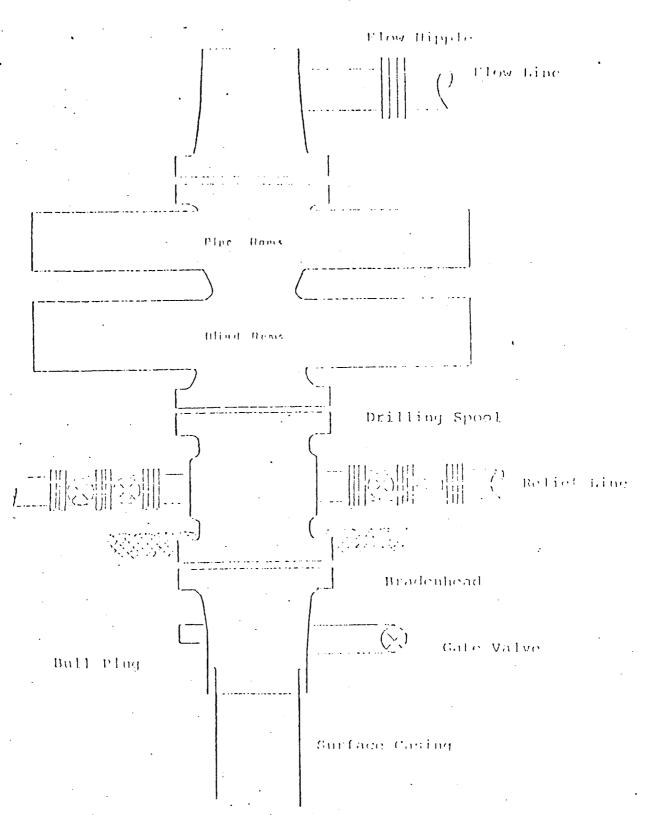
Operations Plan - Heaton #4A

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 208 sks. of 65/35 Class "B" Poz with 6% gel and 2% calcium chloride (8.3 gallons of water per sack) followed by 100 sks. of Class "B" with 2% calcium chloride (454 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 321 sks. of 50/50 Class "B" Poz with 2% gel, 0.6% Halad-9, 6.25# gilsonite plus 1/4# Flocele per sack (446 cu.ft. of slurry, 70% excess to circulate liner). WOC 18 hours.

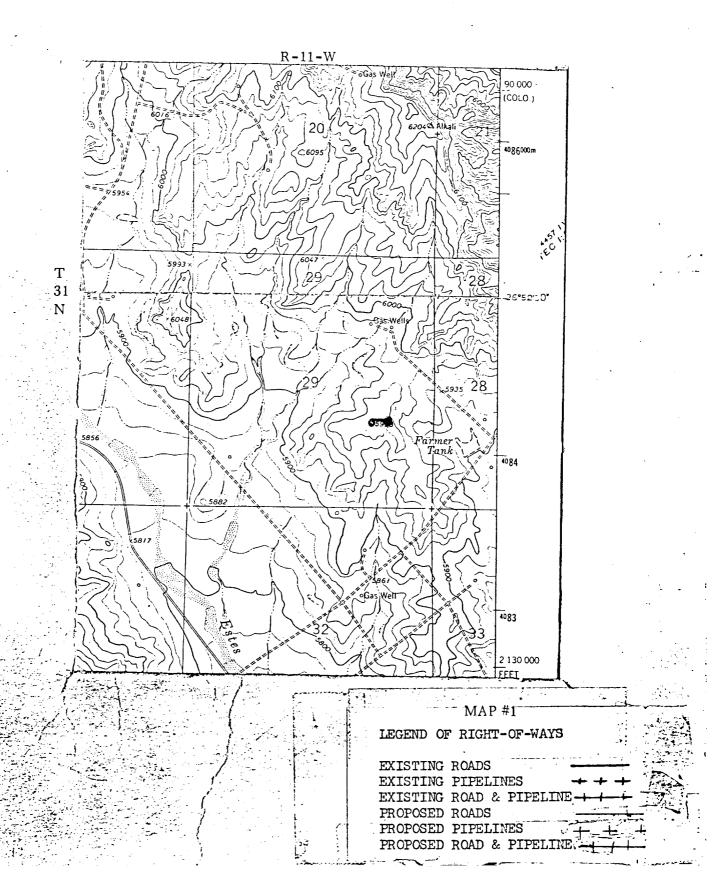




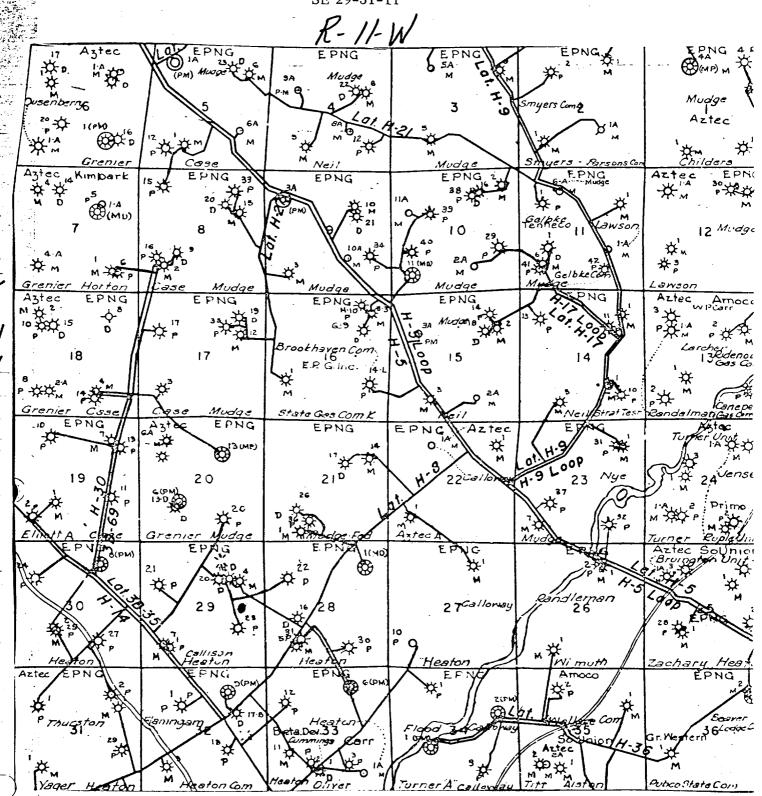


Series 900 Double Gate BOF, rated at 3000 psi Working Pressure When gas drilling operations begin a Shaffer type 50 or equivalent rotating head is installed on top of the flow nipple and the flow line is converted into a blowie line

EL PASO NATURAL GAS COMPANY Heaton #4A SE 29-31-11



EL PASO NATURAL GAS COMPANY Heaton #4A SE 29-31-11



MAP #2