

DRILLING, CASING AND CEMENTING PROGRAM.

1. MIRURT
2. Drill a 12½" Hole to \pm 250 with Gel-Water Mud.
3. RU and run 9 5/8" 36# K-55 ST30 casing to TD. Cement with Class B + 2% CaCl_2 in sufficient quantity to circulate cement to surface. WOC 12 hours.
4. Screw on 9 5/8 8rd x 11-3000 casing head, RU BOPS. Pressure test casing, lines and blinds to 1000 PSI for 30 minutes. GIH with drill pipe and test pipe rams to 1000 PSI for 30 minutes. Record all tests on IADC Report.
5. Drill out using an 8 3/4" Bit and clear water. Drill to 3300.. Mud up prior to reaching intd. TD.
6. RU and run 7" 23# K-55 ST30 casing to bottom. Cement with 50:50 Pozmix, 4% Gel; tailed with 150 sx Class B + 2% CaCl_2 . Circulate cement to surface. WOC 18 hours.
7. Set slips and cut-off casing. GIH with 6¼" Bit and 3½" drilling assembly. Pressure test to 1000 PSI for 30 minutes. Record tests on IADC Report.
8. RU to Gas Drill. Drill to within 5' of shoe with water, unload hole with N_2 . Drill a few feet of new formation and blow with gas until dusting.
9. Drill a 6¼ hole to TD with gas. Log open hole as directed by G.E. Department.
10. Run 4½" 11.6 and 10.50# K-55 ST30 as designed as a liner. Have 150' overlap inside the 7" casing. Cement with 50:50 Pozmix, 4% Gel; tailed by 100 sx of Class B. Use a fluid loss additive in the lead slurry and circ cement to liner top.
11. Circulate out excess cement, LDDP and MORT.
12. Install tree and fence reserve pit.
13. If non-productive, P & A as required by the USGS.

Casing Program

<u>Interval</u>	<u>Length</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>
0-250	250	9 5/8	36#	K-55	STC
0-3300	3300	7	23#	K-55	STC
6970-7210	240	4 1/2	11.6#	K-55	STC
3150-6970	3820	4 1/2	10.5#	K-55	STC

MUD PRACTICE

- 0-250 Spud mud.
- 250-3330 Low solid, fresh water mud. (Water and Benex.) Mud up prior to running casing.
- 3330-TD Gas.

EVALUATION

Cores and DST's: None.

Deviation Surveys:

1. Survey surface hole at 100' intervals. Maximum allowable deviation at 500' is $1\frac{1}{2}^{\circ}$.
3. From surface to total depth, deviation surveys must be taken every 500' or each trip, whichever is first. This may entail running the TOTCO on wireline. Record each survey on the IADC Drilling Report Sheet. Maximum allowable change in deviation is 1° per 100'. Maximum deviation allowable is 5° .

Samples: As requested by Wellsite Geological Engineer.

Logs: 1. GR/IND FDC-GR-Cal TD to MV

BLOWOUT EQUIPMENT

11" - 3000 BOP with rotating head to comply with TOC requirements as shown in BOE arrangement, Figure C. Preventers must be checked for operation every 24 hours with each check recorded on the IADC Drilling Report Sheet.

REPORTS

Drilling reports for the past 24 hours will include depth, footage, time distribution, activity breakdown, mud properties, bit record, bottom hole assembly, daily and cumulative mud costs, plus any other pertinent information, will be called into Tenneco Oil Company, Denver, Colorado, between 7:30 a.m. and 8:00 a.m.

1. 303-758-7130 (Office) Don Barnes
303-758-7287 (Office) Don Barnes' private line, Monday-Friday (before 7:45 a.m.)
303-936-0704 (Home) Don Barnes, weekends and holidays.
2. John Owen (Home) 303-795-0221

The yellow sheet of the IADC Report is to be filled out completely. The original copy of the drilling time recorder, and copies of any invoices from this well, signed and received for Tenneco Oil Company, will be mailed daily to:

TENNECO OIL COMPANY
ROCKY MOUNTAIN DIVISION
PENTHOUSE, 720 SOUTH COLORADO BOULEVARD
DENVER, COLORADO 80222

ATTENTION: Drilling Department

IN CASE OF EMERGENCY, NOTIFY THE FOLLOWING:

1. Mr. Don Barnes, Division Drilling Engineer.
2. Mr. John W. Owen, Project Drilling Engineer.
3. Mr. Mike Lacey, Division Production Manager (Home 303-979-0509).

TENNECO OIL COMPANY - 10 POINT PLAN

1. The geological name of the surface formation: *Nacimiento*
- 2 & 3. Estimated Formation Tops:

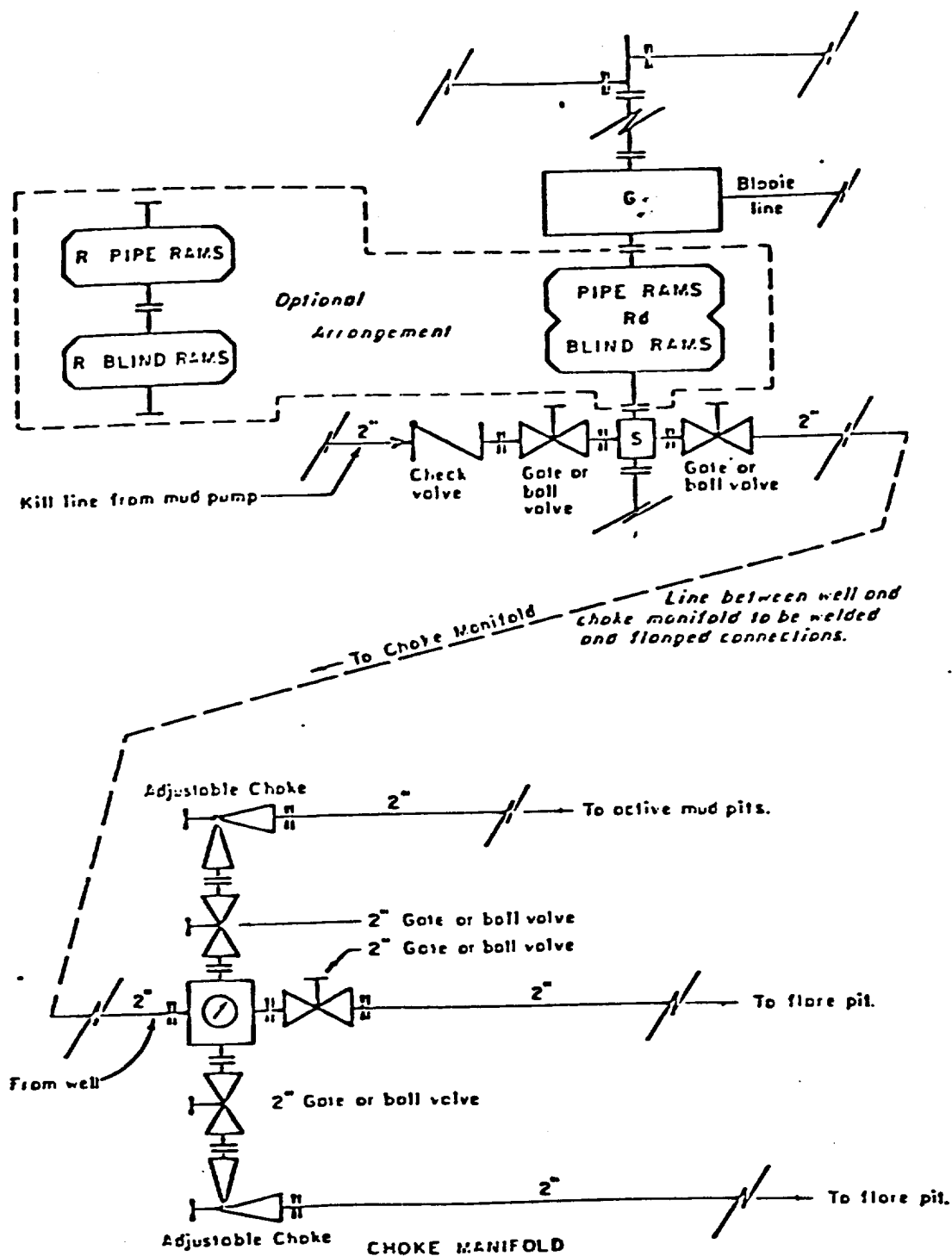
(See Attached Drilling Procedure)
4. Proposed Casing Program:

(See Attached Drilling Procedure)
5. Blowout Preventors:
Hydraulic double ram. One set of rams will be provided each size drill pipe in the hole. One set of blind rams at all times. Fill line will be 2", kill line will be 2", choke relief line will be 2". BOP's, drills and tests will be recorded in the driller's log. BOP will be tested every 24 hours and recorded in IADC Log.
6. Mud Program: (Sufficient quantity of mud and weight material will be available on location).

(See Attached Drilling Procedure.)
7. Auxiliary Equipment:
 - a. Kelly cock will be in use at all times.
 - b. Stabbing valve to fit drill pipe will be present on floor at all times.
 - c. Mud monitoring will be visual. No abnormal pressures are anticipated.
 - d. Floats at bits.
 - e. Drill string safety valve(s) to fit all pipe in drill string will be maintained on the rig floor while drilling operations are in progress.
8. Coring, Logging, and Testing Program:

(See Attached Drilling Procedure)
9. No abnormal pressures, temperatures or potential hazards such as H₂S are expected to be encountered.
10. The drilling of this well will start approximately *June '81*) and continue for 10 to 12 days.

Your office will be notified of spudding in sufficient time to witness cementing operations. Immediate notice will be given on blowouts, fires, spills, and accidents involving life threatening injuries or loss of life. Prior approval will be obtained before appreciably changing drilling program or commencing plugging operations, plug back work, casing repair work or corrective cementing operations.



All equipment to be 3,000 psi working pressure except as noted.

- Rd Double ram type preventer with two sets of rams.
- R Single ram type preventer with one set of rams.
- S Drilling spool with side outlet connections for choke and kill lines.
- G Rotating head 150 psi working pressure minimum

ARRANGEMENT C

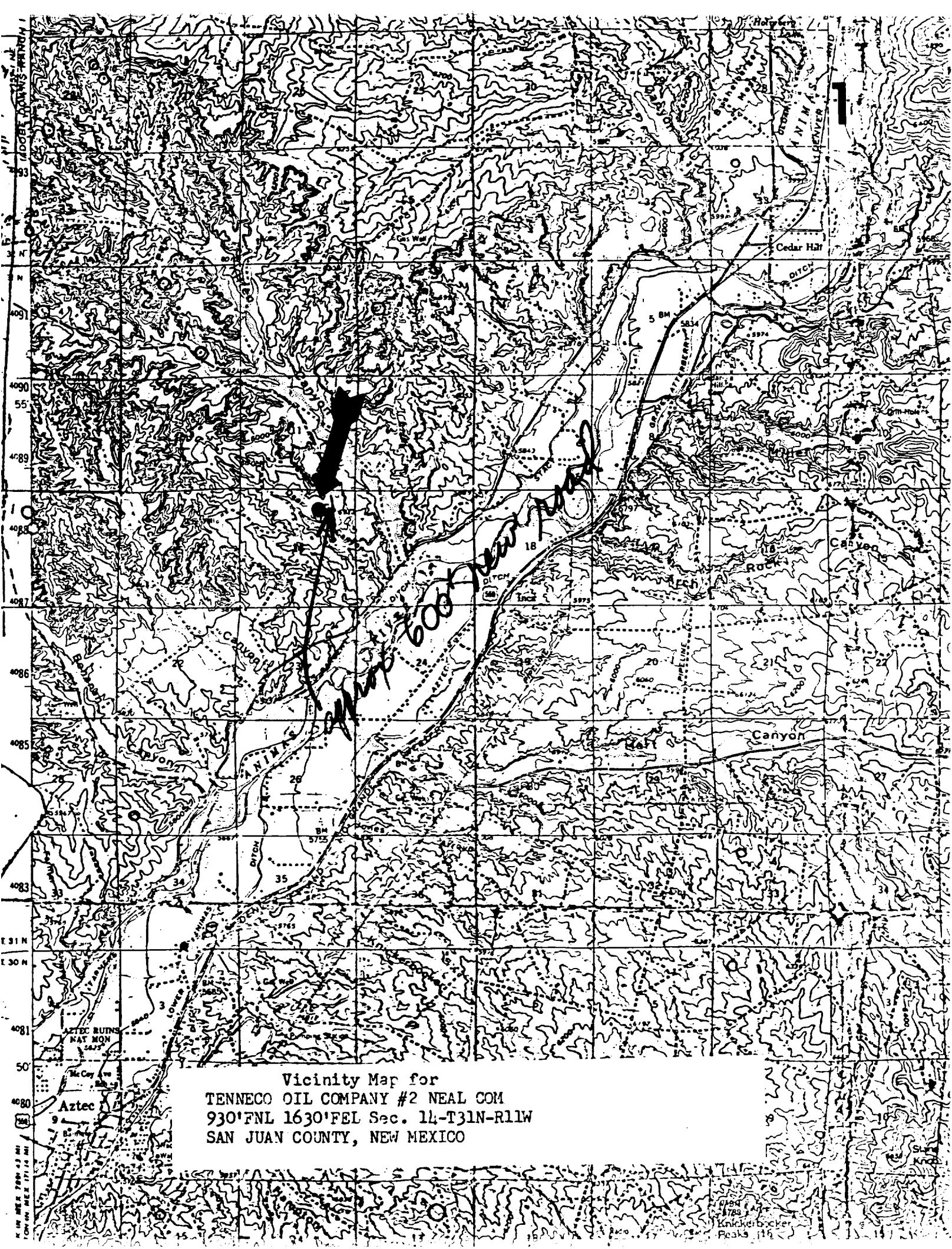
TENNECO OIL COMPANY
 ROCKY MOUNTAIN DIVISION
 REQUIRED MINIMUM
 BLOWOUT PREVENTER AND
 CHOKE MANIFOLD

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 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 a private source.
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. 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 drainage; 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 - Location is canyon bottomland. Drainage is southerly. Soil is sandy clay. Vegetation includes pinon & juniper, sage, snakeweed, Indian ricegrass, alkalai socotone, and other native grasses.
12. Operator's Representative - See drilling prognosis.
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 mad 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 Tenneco Oil Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.



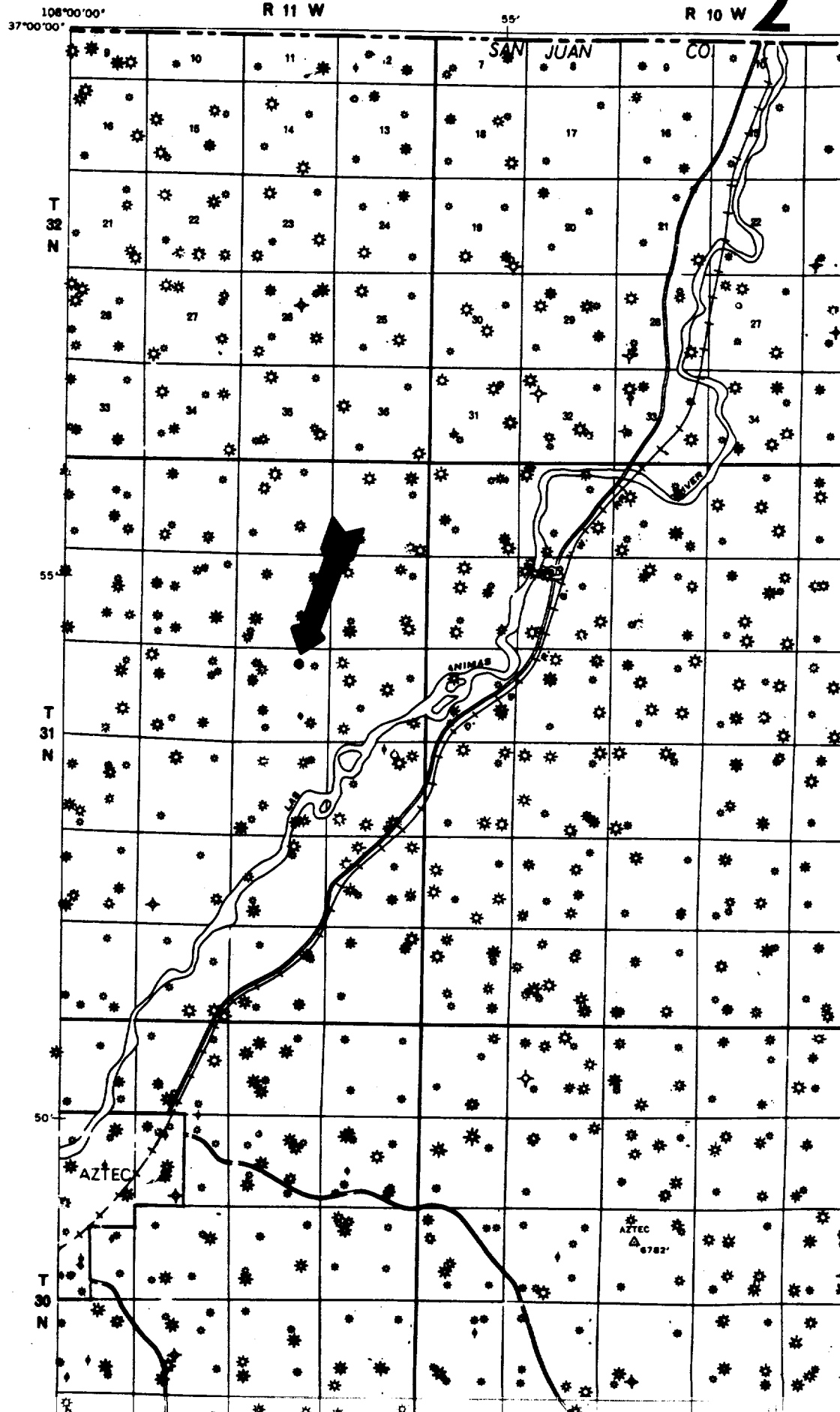
R. A. Mishler
Sr. Production Analyst



Vicinity Map for
TENNECO OIL COMPANY #2 NEAL COM
930'FNL 1630'FEL Sec. 14-T31N-R11W
SAN JUAN COUNTY, NEW MEXICO

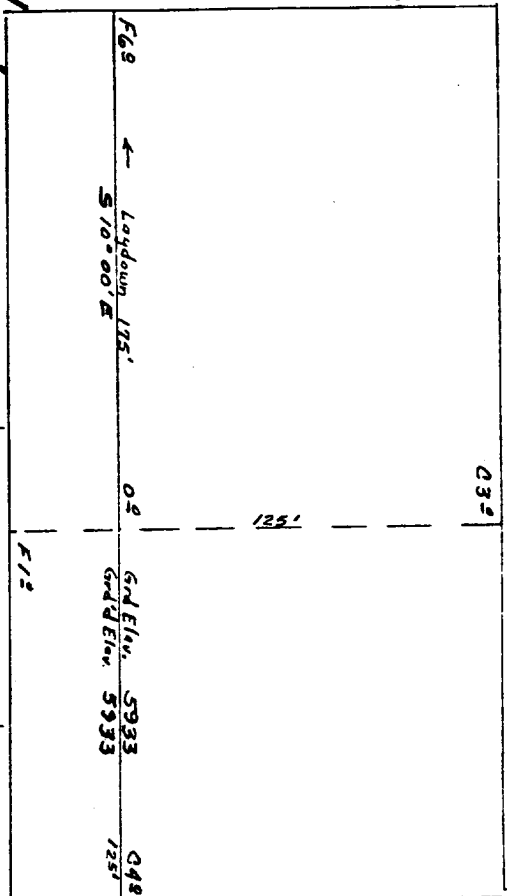
NEW MEXICO ⑤ REGIONAL

2



Plat # 1

N



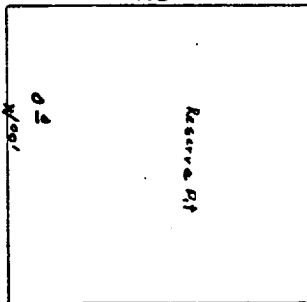
1"=50'

Vert. 1"=40'

Horiz. 1"=100'

5940					
5930					
5920					

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Kerr Land Surveying, Inc.

approx. 600' new access

Nov 12/3/80