SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425. 30-045-23494

| UNITED STATES | | | | | | | | |
|---------------|----|-----|----------|--|--|--|--|--|
| DEPARTMENT | OF | THE | INTERIOR | | | | | |

| | CEOLO | CICAL CURV | | | | | 5. LEASE DESIGNATION AND SERIAL NO. | |
|-------------------------------------------------------|--------------------------------|----------------------|-------------|---------------------|-------------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| GEOLOGICAL SURVEY | | | | | SF 080917 | | | |
| APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK | | | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAM | | | |
| a. TYPE OF WORK DR | ILL 🐔 | DEEPEN | | ווח | UG BA | | 7. UNIT AGREEMENT NAME | |
| b. TYPE OF WELL | | DELFEIA | | PL | OG BA | CK [| TOTAL BOARD BUT I NAME | |
| WELL W | VELL X OTHER | | | INGLE X | MULTI ZONE | PLE | S. FARM OR LEASE NAME | |
| NAME OF OPERATOR | | | | | | | Atlantic B — | |
| EL Paso Nat | ural Gas Com | pany | | | | | 9. WELL NO. | |
| | Farmington | NIM OTAC | ٠, ٦ | | | | 15 | |
| LOCATION OF WELL (R | Farmington, | NM 8/4(|) <u> </u> | 84-4 | | | 10. FIELD AND POOL, OR WILDCAT | |
| At surface | 800'N, 119 | | шапу | State requireme | nts.*) | | Blanco Pic.Cliffs | |
| At proposed prod. zon | | • | | | _ | | 11. SEC., T., B., M., OR BLK. AND SURVEY OR AREA Sec. 4, T-30-N, R-10 | |
| proposed prod. 201 | same | | | | | | Sec.4,1-30-N,R-10 | |
| | AND DIRECTION FROM NEAR | | T OFFIC | r. | | | 12. COUNTY OR PARISH 13. STATE | |
| | st of Aztec, 1 | MV | | | | | San Juan NM | |
| . DISTANCE FROM PROPO LOCATION TO NEAREST | • | | 16. N | O. OF ACRES IN | LEASE | 17. No. (| OF ACRES ASSIGNED | |
| PROPERTY OR LEASE I | INE PT | 800' | | 2538 | .18 | TO T | 159.59 | |
| DISTANCE FROM PROP TO NEAREST WELL, D | OSED LOCATION* | | 19. PI | ROPOSED DEPTH | | 20. кота | ARY OR CABLE TOOLS | |
| OR APPLIED FOR, ON THE | IS LEASE, FT. | 500 ' | | 3200 | * | Rotar | ary | |
| 6337 GL | ether DF, RT, GR, etc.) | | | | | <u></u> | 22. APPROX. DATE WORK WILL STAR | |
| | | | | | | | | |
| | P | ROPOSED CASIN | IG ANI | CEMENTING | PROGRA | AM | | |
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FO | оот | SETTING DI | ЕРТН | | QUANTITY OF CEMENT | |
| 12 1/4" | 8 5/8" | 24.0# | | 120 | · · | 106 C | u.ft.circ. to surfa | |
| 6 3/4" | 2 7/8" | 6.4# | | 320 | | 488 C | u.ft.to cover Ojo A | |
| Selectively | perforate ar | ıd sandwa | ter | fractur | e the | Pict | ured Cliffs formati | |
| A 3000 psi blind and p | WP and 6000 p ipe rams will | si test . be used | doub for | ole gate blow on | prev ut pr | enter event: | equipped with ion on this well. | |
| This gas is | dedicated. | | | | | | Corollan Control | |
| The NW/4 of | Section 4 is | 3033 | | 1.3 | | • | 183 | |
| ABOVE SPACE DESCRIBE | | onosal is to deen | n or nl | na book dies al | a. 22 | esent produ d measured | ctive zone and proposed new products and true vertical dorths. Give blower | |
| | 11 1 | | | | | | The state of the s | |
| BIGNED | 9 Buses | TITL | E | Dril] | Ling | Clerk | | |
| (This space for Federa | al or State office use) | | | | | | | |
| PERMIT NO | | | | | | | | |
| | | | | APPBOVAL DATE _ | | | | |
| APPROVED BY | | TITL | TC. | | | | | |
| CONDITIONS OF APPROVAL | L, IF ANY: | | | | | | DATE | |
| ' 5 . / | | | | | | | | |

oh Frak

*See Instructions On Reverse Side

| All distances must be from the outer boundaries of the Section. | | | | | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|---------------|----------------------|------------------------------------------------|--|--|--|
| EL | PASO NATURAL | GAS COMPANY | ATLANTIC B | (SF- | 080917) | Well No. | | | |
| Unit Letter D | Section 4 | Township 30-N | Range 10-W | County | SAN JUAN | | | | |
| Actual Footage Loc 800 | feet from the | NORTH line and | 1190 | -1 | WEST | | | | |
| Ground Level Elev. 6337 | Producing For PICTU | | Pool | TURED C | | line ated Acreage: | | | |
| 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 an | swer is "yes," type o | f consolidation | | | | | | |
| If answer i | s "no," list the o | owners and tract desc | riptions which have a | ctually bed | en consolidated. (| Use reverse side of | | | |
| No allowab forced-pool sion. | 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. | | | | | | | | |
| | ************************************** | | 1 | | CERT | IFICATION | | | |
| | 000 | | 1 | | | | | | |
| × | | | 1 | | tained herein is t | nat the information con- | | | |
| 1100' | | | 1 | | best of my knowle | dge and belief. Succe | | | |
| | 1 | | | · — — | Drilling Position | | | | |
| SI | -080917 | | | | Company | Natural Gas | | | |
| | | × | | | April 26 | , 1979 | | | |
| | | SECTION 4 | | | · | | | | |
| | i | | | | I hereby certify | thus she well location | | | |
| | | | | | _ | was plotted from field irreys made by me or | | | |
| | | | | | under my supervis | on, and that the same | | | |
| | | | | _ } _ | knowledge and bel | | | | |
| | 1 | | | | Date Surveyed | 760 | | | |
| | ! | | | | APRIL 12, | | | | |
| · | ! | | 1 | | and mand curveyo | 01/1 | | | |
| | THE MICH. | | | | Certificate No. | 160 Luse | | | |
| 330 660 90 | 1320 1650 1980 | 2310 2640 2000 | 1500 1000 500 | ' 1 | - | 1100 | | | |



P. O. BOX 990 FARMINGTON, NEW MEXICO 87401

PHONE: 505-325-2841

Multi-Point Surface Use Plan

Atlantic B #15

- 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 Hart Canyon Water Well.
- 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 designated by the responsible government agency.
- 11. Other Information The terrain is flat and rolling hills with sagebrush growing. Deer, rabbits 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 - Atlantic B #15

Location: 800'N, 1190'W, Section 4, T-30-N R-10-W, San Juan County, NM I.

Field: Blanco Pictured Cliffs

Elevation: 6337'GL

II. Geology:

A. Surface Formation: Nacimiento

Sub-surface Formation Tops:

| Ojo Alamo | 1615' | Pictured Cliffs | 3010 ' |
|-----------|-------|-----------------|---------------|
| Kirtland | 1720' | Lewis | 3160' |
| Fruitland | 2610' | Total Depth | 3200' |

- 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. C | Casing Program: | Hole Size | Depth | Csg.Size | Wt.&Grade |
|------|-----------------|-------------------|-----------------------|------------------|-------------------------|
| | | 12 1/4" 6 3/4" | 120 ' 3200' | 8 5/8" 2 7/8" | 24.0# J-55 6.4# J-55 |

B. Float Equipment: 8 5/8" surface casing - cement guide shoe.

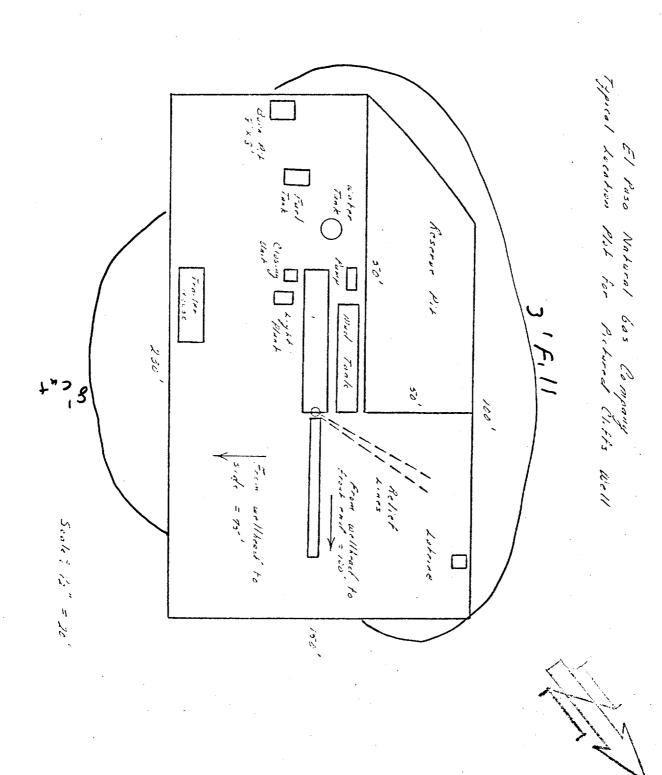
2 7/8" production casing - 10' shoe joint with notched collar for guide shoe and 2 7/8" latch down baffle on top. Two 3 1/16" balls and one 2 7/8" latch down plug.

- C. Tubing: none
- D. Wellhead Equipment: Larkin wellhead (fig. 75)

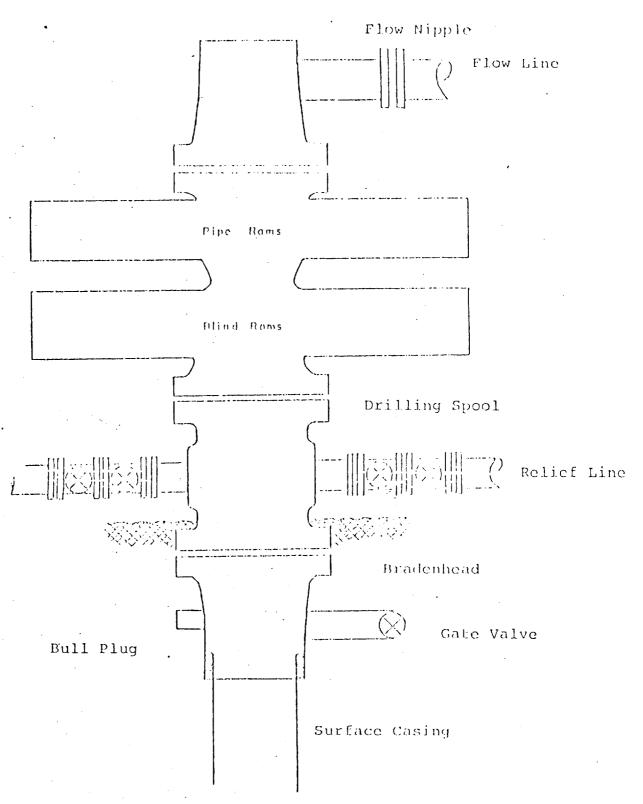
V. Cementing:

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 - 250 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 (488 cu.ft. slurry, 50% excess to cover Ojo Alamo). Run temperature survey after 12 hrs.

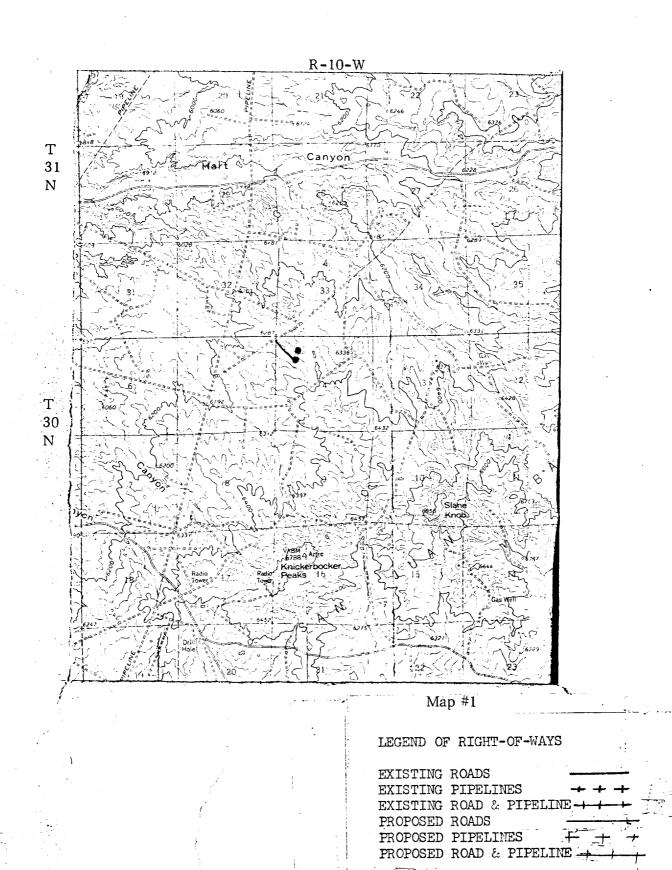


Typical mud Digited B.O.F. INSERTATION for Pictured Cliffs Well

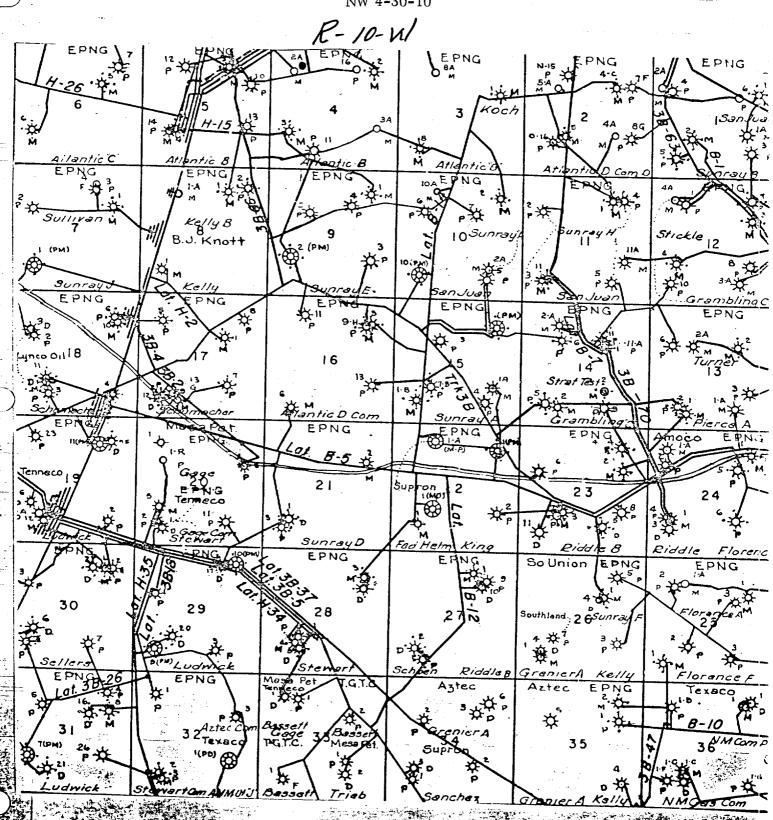


8" Series 900 Double Gate BOP, rated at 3000 psi Working Pressure

EL PASO NATURAL GAS COMPANY Atlantic B #15 NW 4-30-10



EL PASO NATURAL GAS COMPANY Atlantic B #15 NW 4-30-10



MAP #2 Proposed Location