SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425.

5. LEASE DESIGNATION AND SERIAL NO.

UNITED STATES DEPARTMENT OF THE INTERIOR

| GEOLOG | <u>NM 011808</u> | | | | |
|--|---|-----------------------|----------|--|--|
| APPLICATION FOR PERMIT T | O DRILL, DEEPI | EN, OR PLUG B | ACK | 6. IF INITAN, ALLOTTEE OR TRIBE NAME | |
| 1a. TYPE OF WORK DRILL | DEEPEN 🗌 | PLUG BAC | K 🗀 | 7. UNIT AGREEMENT NAME | |
| b. TYPE OF WELL OIL WELL WELL OTHER | 8. FARM OR LEASE NAME | | | | |
| 2. NAME OF OPERATOR | | | | Marshall | |
| El Paso Natural Gas Con | npany | | | 9. WELL NO. | |
| 3. Address of Operator | NIM 057 4 0 3 | | | 10. FIELL AND POOL, OR WILDCAT | |
| PO Box 289, Farmington 4. LOCATION OF WELL (Report location clearly and At surface 960'S, 107 | in accordance with any S | State requirements.*) | | Basin Dakota 11. sec. r., R., M., OR BLK. AND SURVEY OR AREA | |
| At proposed prod. zone Same | | | | Sec.14,T-27-N,R-9-W NMPM | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAR | EST TOWN OR POST OFFIC | E* | | 12. COUNTY OR PARISH 13. STATE | |
| 10 miles southeast of | | | | San Juan NM | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any) | 960' | 0. OF ACRES IN LEASE | TO 1 | of acies assigned his well \$\frac{320.00}{} | |
| 18. DISTANCE FROM TROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. | 500' | 6720 ' | Rota | ARY OR CASTE TOOLS | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6044 GL | | | | 22. APPROX. DATE WORK WILL START* | |
| 23. P | ROPOSED CASING AN | D CEMENTING PROGR. | AM | | |
| SIZE OF HOLE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | 1 | QUANTITY OF CEMENT | |
| 12 1/4" 8 5/8" | 24.ú# | 200' | 165 | cu.ft.circ.to surface | |
| 7 7/8" 4 1/2" | 10.5#&11.6# | 6720' | 1318 | cu.ft 3 stages | |
| <pre>lst stage - 417 cu.ft. 2nd stage - 476 cu.ft. 3rd stage - 425 cu.ft.</pre> | to cover Me | sa Verde | 1 | | |
| Selectively perforate | and sandwate | r fracture t | ne Dal | kota formation. | |
| A 3000 psi WP and 6000 blind and pipe rams wi | | | | | |
| This gas is dedicated. | - | | | CECEIVED OCT 0 4 1979 | |
| The S/2 of Section 14 IN ABOVE SPACE DESCRIBED PROPOSED PROGRAM: If your. If proposed is to drill or deepen directions | is dedicated proposal is to deepen or ally, give perfirent data | to this well | U. S | GEOLOGICAL SURVEY ARMingtonny proposed new productive read true rertical depths. Give blowout | |
| preventer program, if any. 24. SIGNED A. J. Busc. | | | | klate <u>10-1-</u> 79 | |
| (This space for Federal or State office use) | | | | | |
| PERMIT NO. | | APPROVAL DATE | | | |
| APPROVED BY CONDITIONS OF APPROVAL, IF ANY: | TITLE | | <u> </u> | PATE | |

of Buch

*See Instructions On Reverse Side

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

form C-102 keylsed 10-1-78

All distances must be from the outer boundaries of the Section

Granden in the state of the sta

| Operator | | | Lease | Well No. | |
|---------------------|--|---------------------------------------|--|---|---|
| | TURAL GAS CO | (PANY | MARSHALL | (MM-011803) | 1-E |
| Unit Letter | Section | Township | Range | County | |
| P | 14 | 27N | 9W | San Juan | |
| Actual Footage Loca | _ | | | | |
| 960 | feet from the So | ith line and | 1070 _{fe} | et from the East | line |
| Ground Level Elev. | Producing For | mation | Pool | D | edicated Acreage: |
| 6044 | Dakota | | Basin Dakota | <u>.</u> | 320.00 Acres |
| 1. Outline the | acreage dedica | ted to the subject we | ell by colored pencil | or hachure marks on the | plat below |
| | _ | • | 1 | | p. a.c. 2010 W. |
| 2. If more tha | in one lease is | dedicated to the well | l, outline each and id | entify the ownership ther | reof (both as to working |
| interest and | ł royalty). | | | , | (|
| _ | | | | | |
| 3. If more than | n one lease of d | ifferent ownership is | dedicated to the well, | have the interests of a | ll owners been consoli- |
| dated by co | mmunitization, t | nitization, force-pool | ng.etc? | | |
| FTF-1 12 / | | | | | |
| X Yes | No If a | iswer is "yes;" type o | f consolidationC | <u>communitization</u> | |
| 76 . | 44 12 12 | , , | | | <u>.</u> |
| II answer is | s 'no,' list the | owners and tract desc | riptions which have a | ctually been consolidate | d. (Use reverse side of |
| | necessary.) | | ······································ | · · · · · · · · · · · · · · · · · · · | |
| No allowabl | e will be assign | ed to the well until all | interests have been | consolidated (by commu | nitization, unitization, |
| forced-pools | ng, or otherwise) | or until a non-standard | d unit, eliminating su | ch interests, has been ap | oproved by the Commis- |
| sion. | | | | | |
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| | ! | | } | October | 1, 1979 |
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Multi-Point Surface Use Plan

Marshall #13

- 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 Euerfano Water Well #1
- 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 sagebrush flats with sagebrush and rabbitbrush growing. Cattle, horses and sheep 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 - Marshall #1E

I. Location: 960'S, 1070'W, Section 14, T-27-N, R-9-W, Sar Juan County, NM

Field: Basin Dakota Elevation: 6054'GL

II. Geology:

| Α. | Formation | Tops: | Surface | Nacimiento | Menefee | |
|----|-----------|--------------------|------------|------------|---------------|---------------|
| | | | Ojo Alamo | 1145' | Point Lookout | 4315' |
| | | | Kirtland | 1256' | Gallup · | 5500 ' |
| | | | Fruitland | 1856' | Greenhorn | 6305 ' |
| | | Pic.Cliff Lewis | Pic.Cliffs | 2042' | Graneros | 6354' |
| | | | 2110' | Dakota | 6464' | |
| | | | Mesa Verde | e 3610' | Total Depth | 6720' |

B. Logging Program: Induction Electric and Gamma Ray Density at TD.

C. Coring: none

III. Drilling:

A. Mud Program: mud from surface to Total Depth.

IV. Materials:

| A. Casing Program: | Hole Size | Depth | Csg.Size | Wt.&Grade |
|--------------------|-----------|--------------|----------|------------|
| | 12 1/4" | 200 ' | 8 5/8" | 24.0# K-55 |
| | 7 7/8" | 6720' | 4 1/2" | 10.5# K-55 |

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

4 1/2" production casing - guide shoe and self-fill insert valve Two multiple stage cementers equipped for three stage cementing. Set tool for second stage at 4915' and tool for third stage at 2310'. Run 20 centralizers spaced as follows: one on each of the bottom 8 joints, one below each stage tool, and five above each stage tool spaced every other joint.

- C. Tubing: 6720' of 2 3/8", 4.7#, J-55 tubing, common pump seating nipple and Baker expendable check valve with drill type guide.
- D. Wellhead Equipment: 8" 2000 x 8 5/8" casing head with 8" x 4 1/2" casing hanger, 8" 2000 x 6" 2000 xmas tree.

V. Cementing:

Surface casing (12 1/4" x 8 5/8") - use 140 sks. of Class "B" cement with 1/4# gel-flake per sack and 3% calcium chloride (165 cu.ft. of slurry, 100% excess to circulate). WOC 12 hours. Test to 600#/30 min.

Operations Plan - Marshall #1E

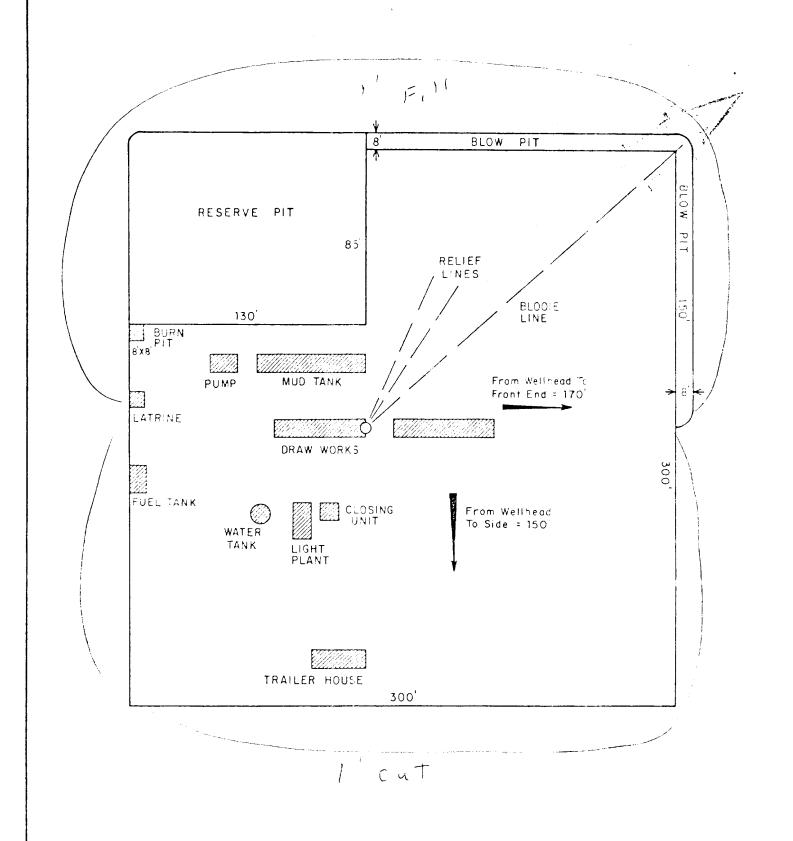
V. Cementing, cont'd.

Production casing - $(7 7/8" \times 4 1/2")$

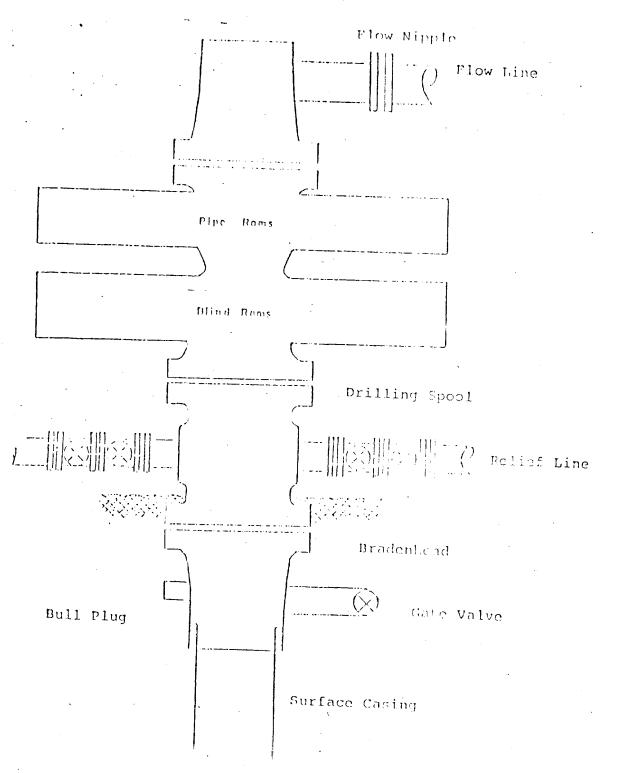
First stage - use 196 sks. of 65/35 Class "B" Pozmix with 6% gel and 2% calcium chloride mixed with 8.3 gallons water per sack followed by 80 sks. 50/50 Class "B" Pozmix with 2% gel, 2% calcium chloride and 1/4# fine tuf-plug per cu.ft. (417 cu.ft. of slurry, 50% excess to cover the Gallup).

Second stage - circulate mud for 2 hours, then cement with 294 sks. of 65/35 Class "B" Pozmix with 6% gel and 2% calcium chloride and 8.3 gallons of water per sack (476 cu.ft. of slurry, 60% excess to cover the Mesa Verde).

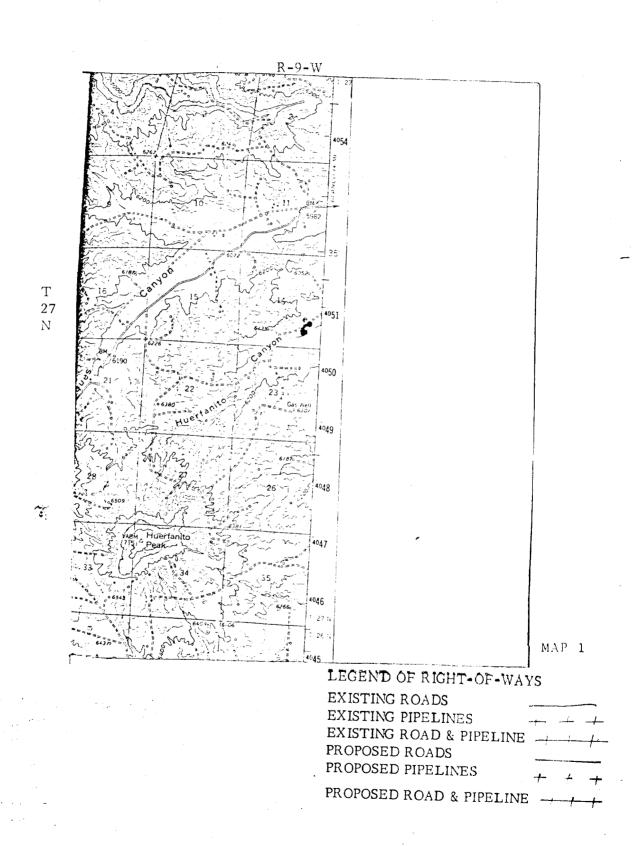
Third stage - circulate mud for 2 hours, then cement using 262 sks. Class "B" Pozmix with 6% gel and 2% calcium chloride mixed with 8.3 gallons water per sack (425 cu.ft. of slurry, 60% excess to fill to base of Ojo Alamo). Run temperature survey on top stage only at 8 hours. WOC 18 hours.



| | - | | | 1 | ENG. REC. D | ATE | El Paso Natural Gas Cor | npany | |
|------|--------------|--|----|------|--|------|---|----------|-----|
| | | | | | DRAWN JL H 8-1 CHECKED CHECKED PROJ. APP | 6-78 | TYPICAL LOCATION PLATMESAVERDE OR DAKOTA DR | PLAT FOR | |
| PRT. | SEP. | | το | w.o. | DESIGN | | SCALE: 1"= 50' DWG | | REV |
| | PRINT RECORD | | | w.o. | | NO. | | | |



Scries 900 Double Gate BOP, 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.



E.P.N.G Aztec 8 Byrd-Froat 29 Cieveland 8

MAP 2