Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

U-04-24630

5. LEASE DESIGNATION AND SERIAL NO.: SF-078089

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Scott "E" Federal

2. NAME OF OPERATOR: GULF OIL CORPORATION

9. WELL NO.: 14

3. ADDRESS OF OPERATOR: P. O. Box 670, Hobbs, NM 88240

10. FIELD AND POOL, OR WILDCAT: West Kutz Pictured Cliffs

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
A 795' FNL & 825' FEL, Sec. 22, T27N, R11W
At proposed prod. zone

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 22, T27N, R11W

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 10 miles south of Bloomfield, New Mexico

12. COUNTY OR PARISH: San Juan

13. STATE: NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
	2560	160
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
	2100'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6531' GL

22. APPROX. DATE WORK WILL START*: August 30, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-5/8"	7-5/8"	24#	90'	Circulated (approx 100 sx)
6¼"	2-7/8"	6.5#	2100'	Circulated (approx 500 sx)

L... ARE ATTACHED
S...
"GE...

Mud Program: 0' - 90' Fresh water spud mud
90' - 2,100' Fresh water low solid mud with the following properties: Viscosity 32-37 sec, water loss 20-4cc, weight 8.5-9.0 ppg

Gas is not dedicated.

RECEIVED
OCT 23 1980
OIL CON. COM.
DIST. 3

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 depths. Give blowout preventer program, if any.

24.

SIGNED R. C. Anderson TITLE Area Production DATE 8-13-80

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: For ...

*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT

Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator	Lease	Well No.
GULF OIL CORPORATION	SCOTT "E" FEDERAL	14

Unit Letter	Section	Township	Range	County
A	22	27 NORTH	11 WEST	SAN JUAN

Actual Footage Location of Well: 795 feet from the NORTH line and 825 feet from the EAST line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
6351	West Kutz	West Kutz Pictured Cliffs	160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

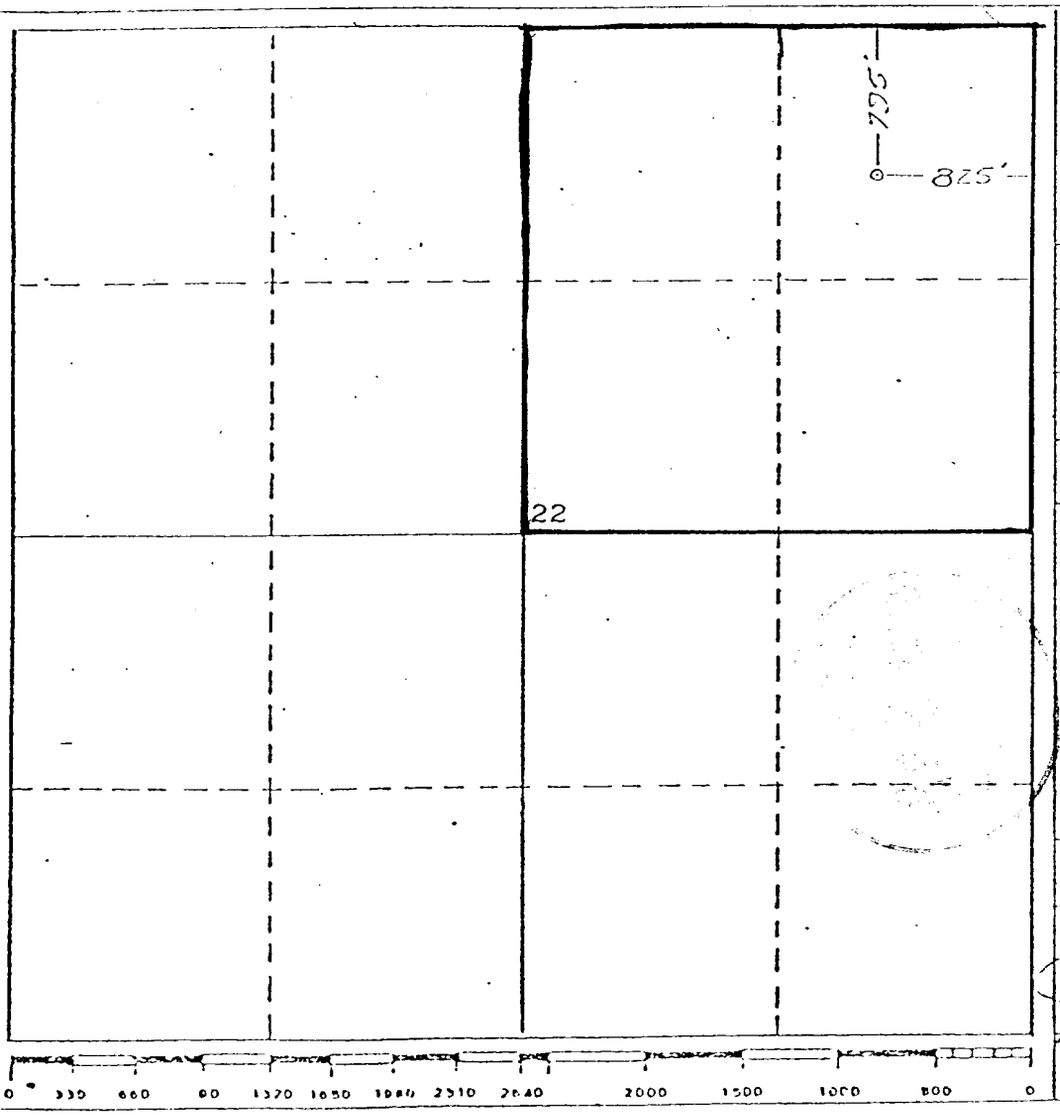
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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?

☐ Yes ☐ No 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.

R. C. Anderson

Name: R. C. Anderson

Position: Area Production Manager

Company: Gulf Oil Corporation

Date: August 13, 1980

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.

STATE OF NEW MEXICO — REGISTERED PROFESSIONAL ENGINEER AND LAND SURVEYOR — 1463 — JAMES P. LEESE

Date Surveyed: July 28, 1980

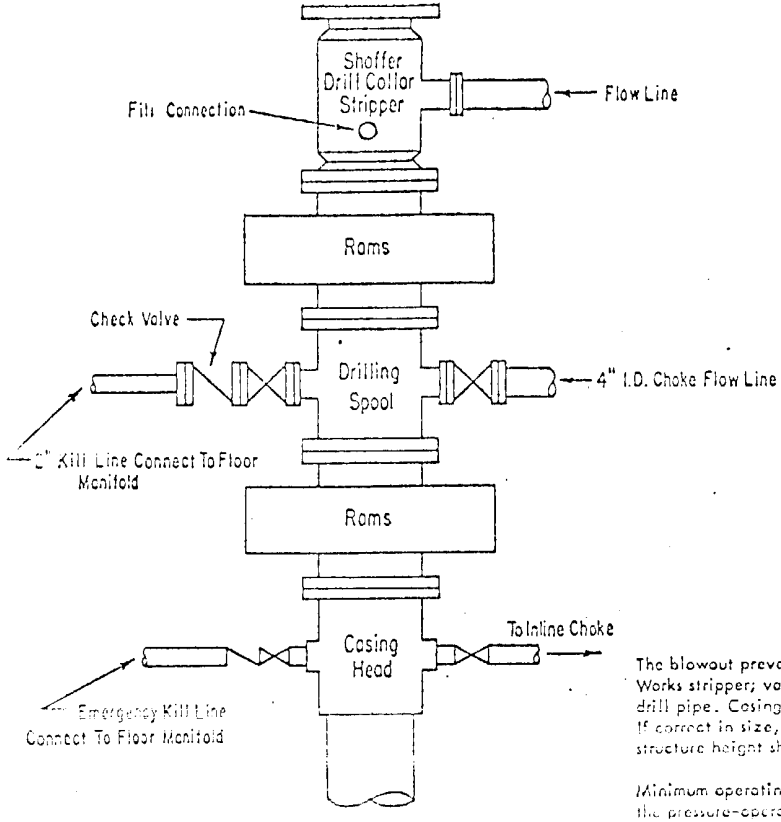
Registered Professional Engineer and/or Land Surveyor

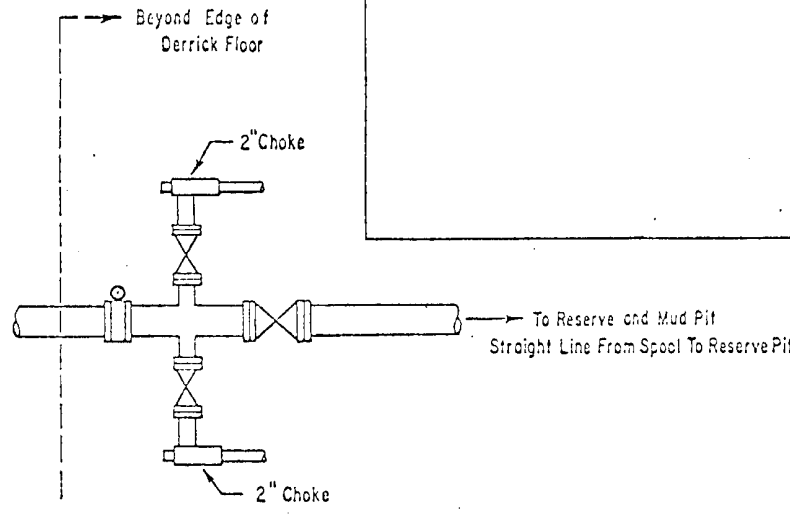
James P. Leese

Certificate No. 1463

DRAWING NO. 2
Revised April, 1970

ADDITIONS – DELETIONS – CHANGES SPECIFY





3000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

The blowout preventer assembly shall consist of one blind ram preventer and one pipe ram preventer, both hydraulically operated; a Shaffer Tool Works stripper; valves ; chokes and connections, as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventers are to be available as needed. The ram preventers may be two singles or a double type. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I.D. choke flow line and kill line. The substructure height shall be sufficient to install a rotating blowout preventer.

Minimum operating equipment for the preventers shall be as follows: (1) Pump (s), driven by a continuous source of power, capable of closing all the pressure-operated devices simultaneously within____seconds. The pump (s) is to be connected to a closed type hydraulic operating system. (2) When requested, accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive a fluid charge from the above pump (s). With the charging pump (s) shut down, the pressurized fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within____ seconds; after closure, the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume at least_____percent of the original. (3) When requested, an additional source of power, remote and equivalent, is to be available to operate the above pump (s); or there shall be an additional pump (s) operated by separate power and equal in performance capabilities.

The closing manifold shall have a separate control for each pressure-operated device. Controls are to be labeled, with control handles indicating open and closed positions. A pressure reducer and regulator must be provided if a Hydril preventer is used. Gulf Legion No. 33 hydraulic oil, an equivalent or better, is to be used as the fluid to operate the hydraulic equipment.

The choke manifold, choke flow line, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valve connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the derrick substructure. All other valves are to be equipped with handles.

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

August 12, 1980

P. O. Box 670
Hobbs, NM 88240

U. S. Geological Survey
P. O. Box 959
Farmington, NM 87401

Gentlemen:

The following is Gulf Oil Corporation's plan for surface restoration associated with the drilling of our Scott "E" Federal #14 to be located 795' FNL and 825' FEL, Section 22, Township 27 North, Range 11 West, San Jaun County, New Mexico.

After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible. Any unguarded pits containing fluids will be fenced until they are filled.

After abandonment of the well, surface restoration will be in accordance with the agreement with the surface owner. Pits will be filled and the location will be cleaned. The pit area, well pad and all unneeded access roads will be ripped to promote revegetation. Rehabilitation should be accomplished within ninety (90) days after abandonment.

Yours very truly,

R. C. Anderson

RLV/tdp

Subscribed and sworn to before me this 13 day of August, 1980.

OFFICIAL SEAL
[illegible] HERSE
NOTARY PUBLIC - NEW MEXICO
NOTARY BOND FILED WITH SECRETARY OF STATE
My Commission Expires 3-21-83

Gulf

A DIVISION OF GULF OIL CORPORATION

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

P. O. Box 670
Hobbs, NM 88240

August 12, 1980

Re: Application for Permit to Drill
Scott "E" Federal #14
San Juan County, New Mexico

U. S. Geological Survey
P. O. Box 959
Farmington, New Mexico 87401

Gentlemen:

We are submitting the information requested in NTL-6 which should accompany application for permit to drill.

Well: Scott "E" Federal Well No. 14

1. Location: 795' FNL & 825' FEL, Section 22, T27N, R11W, San Juan County, New Mexico.

2. Elevation of Unprepared Ground: 6351' GL

3. Geologic Name of Surface Formation: Ojo Alamo Sandstone

4. Type Drilling Tools: Rotary

5. Proposed Drilling Depth: 2100'

6. Estimated Tops of Geologic Markers: Kirtland 1700'; Fruitland 1820'; Pictured Cliffs 2015'.

7. Estimated Depths at Which Anticipated Gas or Oil-Bearing Formations Expected:

   a. Pictured Cliffs 2015' - 2090'

8. Casing Program and Setting Depths:

	Size	Weight	Grade	Setting Depth
Surface	7-5/8"	24#	H-40	90'
Production	2-7/8"	6.5#	H-40	2100'

9. Casing Setting Depth and Cementing Program:

   a. Surface casing will be set at 90', cemented with 100 sacks Class "B" neat with 2% $CaCl_2$.

b. Production casing will be set at 2100' and cemented with 500 sacks Class "B" cement.

NOTE: Volume of cement to be determined after running caliper log at total depth.

10. Pressure Control Equipment: An annular BOP or a double blind and pipe ram BOP will be installed before drilling out below surface casing.

11. Circulating Media:

a. 0' - 90' Fresh water spud mud
b. 90' - 2100' Fresh water low solid mud with the following properties: Viscosity 32-37 sec., water loss 20-4 cc, weight 8.5-9.0 ppg.

12. Testing, Logging and Coring Programs:

a. Formation testing may be done at any depth where samples, drilling rate or log information indicate a possible show of oil or gas.

b. Open hole logs will be run prior to running production casing at total depth.

c. Coring is not planned.

13. Abnormal Pressure or Temperature and Hydrogen Sulfide Gas: We do not anticipate abnormal pressure, temperature or hydrogen sulfide gas; however, BOP's as described in Item 10 will be installed.

14. Anticipated Starting Date: Drilling operations should start August 30, 1980.

15. Other Facets of the Proposed Operation: None

R. C. Anderson
Area Production Manager

RLV/tdp

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

August 13, 1980

P. O. Box 670
Hobbs, NM 88240

Re: Surface Development Plan
Proposed Scott "E" Federal #14
San Juan County, New Mexico

U. S. Geological Survey
P. O. Box 959
Farmington, New Mexico 87401

Gentlemen:

The surface use and operations plan for the proposed Scott "E" Federal #14 is as follows:

1. Existing Roads:

   A. Exhibit "A" is a portion of a general highway map showing the location of the proposed well as staked. Go south out of Bloomfield, New Mexico, approximately 10 miles on State Highway No. 44, turn east .1 mile and turn north .2 mile. The proposed location is approximately 150' east of the road.

   B. Exhibit "B" is a plat showing all existing roads within a one mile radius of the wellsite, as well as the planned access road.

2. Planned Access Roads:

   A. Length and Width: There will not be a new road required.

   B. Turnouts: None required.

   C. Culverts: None required.

   D. Cuts and Fills: No significant cuts of fills will be required in the road.

   E. Gates and Cattleguards: None required.

3. Location of Existing Wells: There are a number of existing wells around the proposed location as shown on Exhibit "A".

(Continued)

4. Tank Batteries, Production Facilities and Lease Pipelines: There are no tank batteries, production facilities or lease pipelines on this lease operated or owner by Gulf Oil Corporation. If production is encountered, the tank battery and other required producing equipment will be located 200' south of the well. All producing lines will be constructed on the pad on top of the ground. Refer to Exhibit "D".

5. Water Supply: Drilling water will be hauled by trucks over existing roads.

6. Source of Construction Materials: The proposed roads and drilling pad will be constructed by leveling and compacting existing surface materials (mainly sand and clay). No outside materials will be hauled in for construction of roads or drilling pad.

7. Methods of Handling Waste Disposal:

   A. Drill cuttings will be disposed of in the drilling pits.

   B. Drilling fluids will be allowed to evaporate in drilling pits until pits are dry.

   C. Water produced during tests will be disposed of in drilling pits. Oil produced during tests will be stored in test tanks until sold.

   D. Current laws and regulations pertaining to disposal of human waste will be complied with.

   E. Trash, waste paper, sacks, garbage and junk will be burned or buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to preven scattering by the wind. Location of trash pit is shown Exhibit "C".

   F. All trash and debris will be buried or removed from wellsite within 30 days after finishing drilling and/or completion operations.

8. Ancillary Facilities: None required.

9. Wellsite Layout:

   A. Exhibit "C" shows the relative location and dimensions of the well pad, mud pits, reserve pits, trash pits, and location of major rig components.

   B. Construction of drilling pad will not require a cut or fill.

   C. The reserve pit will be on the north side of pad.

   D. The wellsite has been staked.

10. Plans for Restoration of Surface:

   A. After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and location cleaned of all trash and junk to leave wellsite in as aesthetically pleasing condition as possible.

(Continued)

10. Plans for Restoration of Surface Continued:

B. Any unguarded pits containing fluids will be fenced until they are filled.

C. After abandonment, any special rehabilitation and/or revegetation requirements (reseed with seed mixture No. 2) will be complied with and accomplished as expeditiously as possible. All pits should be filled and leveled within 90 days after abandonment.

11. Other Information:

A. Topography: Location is in a level area.

B. Soil: Soil is sandy loam.

C. Flora and Fauna: The vegetative cover generally consists of sagebrush, blue gramma and galleta.

D. Ponds and Streams: There are no streams or ponds in the immediate area.

E. Residences and Other Structures: The nearest occupied structure is .3 mile east of the proposed location, color-coded yellow on Exhibit "B".

F. Land Use: Present land use is grazing.

G. Surface Ownership: Wellsite is on Federal Surface.

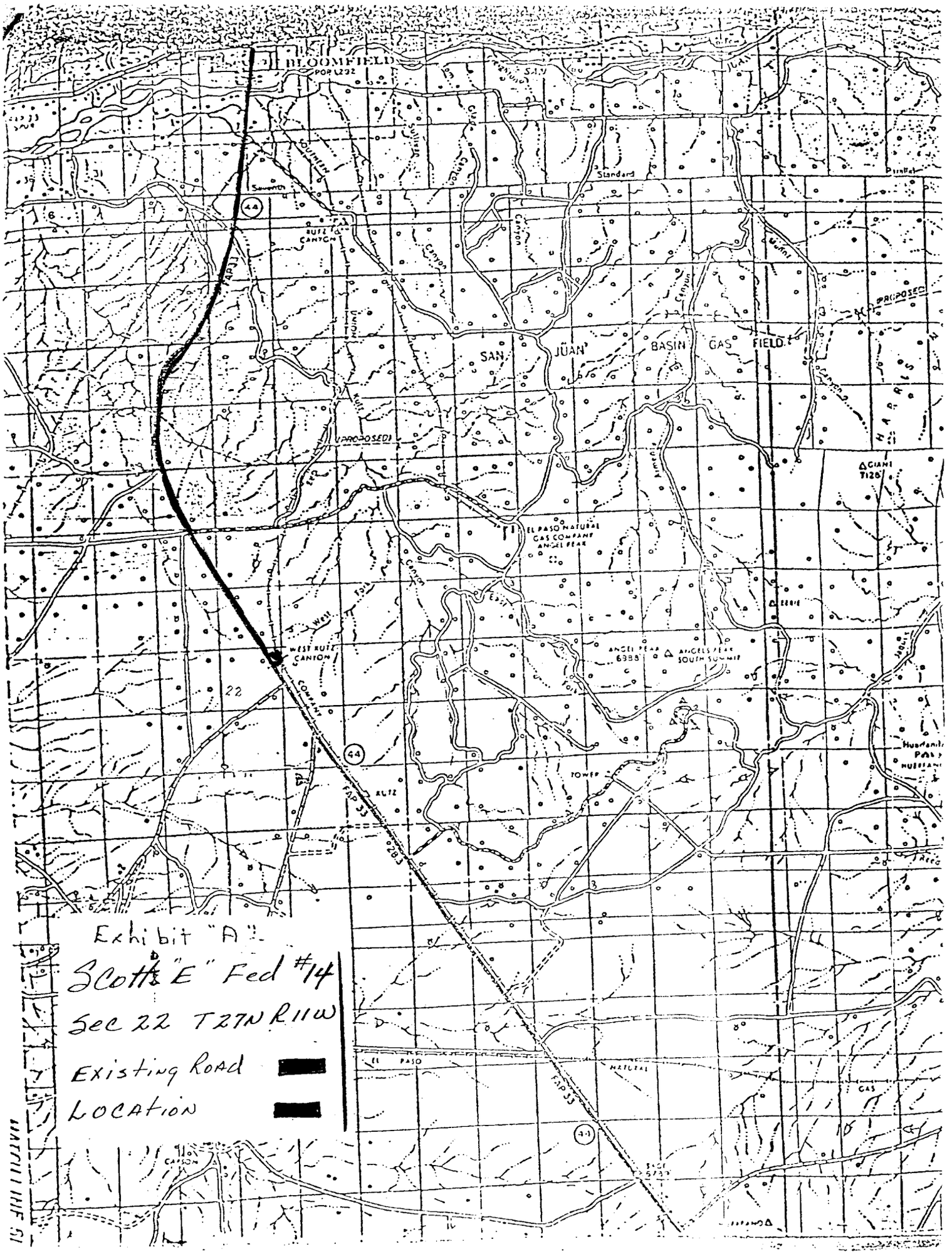
12. Operators Representative: Gulf Oil Exploration and Production Company
A Division of Gulf Oil Corporation
P. O. Box 670, Hobbs, New Mexico 88240
Telephone: (505) 393-4121
Area Production Manager: R. C. Anderson

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 bhe best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Gulf Oil Corporation and its contractors and subcontractors in conformity with with plan and the terms and conditions under which it is approved.

R. C. Anderson
Area Production Manager

RLV/tdp


BLOOMFIELD
SAN JUAN BASIN GAS FIELD
PROPOSED
EL PASO NATURAL GAS COMPANY ANGEL PEAK
ANGEL PEAK 6388
ANGELS PEAK SOUTH SUMMIT
WEST RUTZ CANYON
RUTZ CANYON
RUTZ
TOWER
EL PASO NATURAL GAS
CARSON
Exhibit "A"
Scott "E" Fed #14
Sec 22 T27N R11W
Existing Road
LOCATION

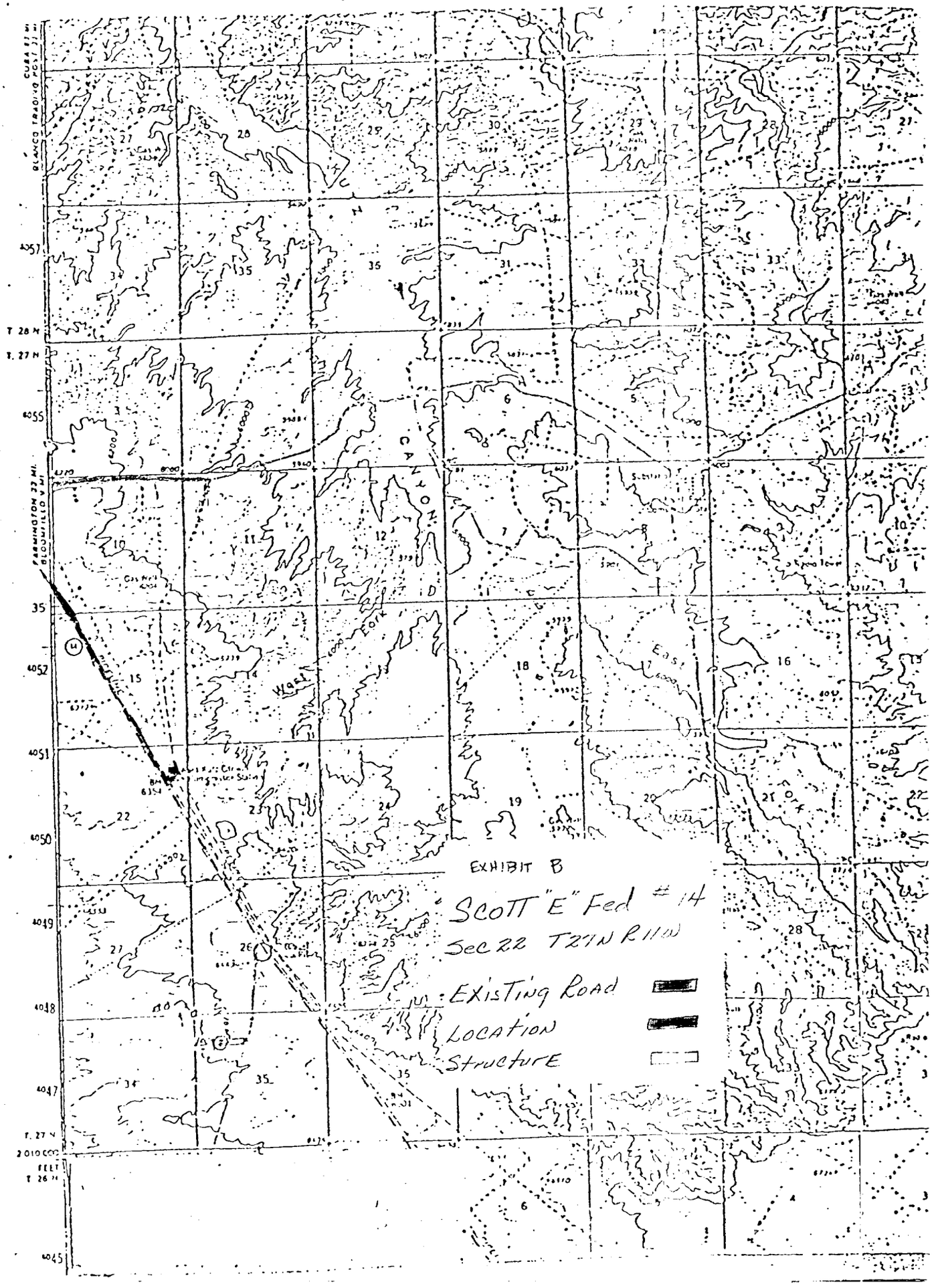


EXHIBIT B
SCOTT "E" Fed # 14
Sec 22 T27N R11W
Existing Road
Location
Structure

EXHIBIT C

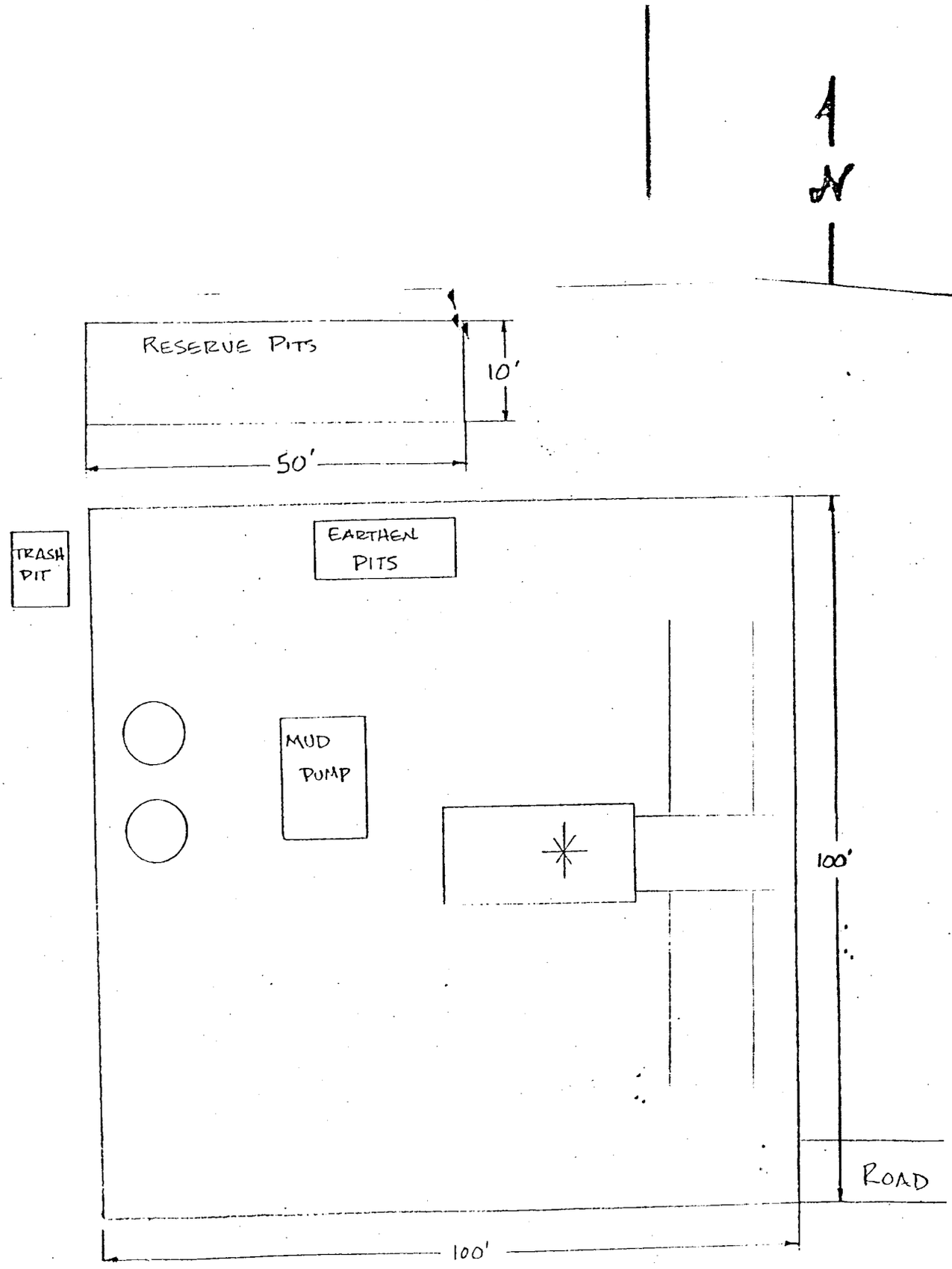

N
RESERVE PITS
10'
50'
TRASH PIT
EARTHEN PITS
MUD PUMP
100'
ROAD
100'

EXHIBIT D