SUBMIT IN TRIPLICATES

Form approved. Budget Burenu No. 42-R1425 (Other instructions on reverse side)

ACTING DISTRICT ENGINEER

UNITED STATES DEPARTMENT OF THE INTERIOR

5. LEASE DESIGNATION AND SERIAL NO. GEOLOGICAL SURVEY SF 078580-A 6. IF INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 1a. TTPE OF WORK 7. UNIT AGBEEMENT NAME DRILL [3] DEEPEN [PLUG BACK b. TIPE OF WELL S. FARM OR LEASE NAME WELL OTHER Moore 2. NAME OF OFERATOR Tenneco Oil Company 9. WELL NO. 3. ADDRESS OF OPERATOR 720 S. Colorado Blvd., Denver, CO 10. FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) Basin Dakota At surface 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 1750 FSL 890 FEL At proposed prod. zone SEC 4, T30N, R8W 12. COUNTY OR PARISH | 13. STATE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE® 3.5 miles NE of Navajo Dam P.O. |San Juan N.M. 13. DISTANCE FROM PROPUSEDS
LOCATION TO NEAREST
PROPERTION LEASE LINE, FT.
(Also to nearest drig, unit line, if any) 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 320.78 1201.16 19. PROPOSED DEPTH 18. DISTANCE FROM PROPOSED LOCATIONS 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 7740 Rotary 22. APPROX. DATE WORK WILL START* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6224 GR ASAP 23 PROPOSED CASING AND CEMENTING PROGRAM WEIGHT PER FOOT SIZE OF HOLE SIZE OF CASING SETTING DEPTH QUANTITY OF CEMENT 13 3/4" 9 5/8" 36#, K-55 300 Circulate to surface new 7" 23#, K-55 3600 Circulate to surface 8 3/4" new 6½" 43" 10.5#, 11.6# ± 7740' Circulate through liner hanger new No abnormal temperatures, pressures or geologic hazards are expected THE GAS IS DEDICATED D! 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. TITLE Staff Production Analyst DATE December 19, 1979 (This space for Federal or State office use) PERMIT NO. APPROVAL DATE TITLE _ CONDITIONS OF APPROVAL, IF ANY :

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

1320 1650 1980 2310

Enrm C-102

P. O. BOX 2088 vised 10-1-78 SANTA FE, NEW MEXICO 87501 NERGY AND MITGRALS DEPARTMENT All distances must be from the cuter houndaries of the Section Well No. Lease Decator MOORE 7-E TENNECO OIL COMPANY County Township Unit Letter San Juan 8w 30N Actual Footage Location of Well: East South line and feet from the feet from the Dedicated Acreage: Ground Level Elev. Producing Formation 320.75 Basin Dakota 622h Acres Dakota 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 Commis-CERTIFICATION USA SF → 078580-A I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. \odot allma M. Lee Freeman Conoco - 11/2 Position Staff Production Analyst 320.79 acres Tenneco Oil Company December 19, 1979 Sec. Ъ I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or 990' under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed October 19 Registered Professional Engineer

500

1000

2000

1500

TERMECO OIL COMPANY

PROGNOSIS TO DRILL AND COMPLETE

DIVISION: Rocky Mountain DATE: September 12, 1979

LEASE: WELL NO.: 7-E

LOCATION: 1750' FSL, 890' FEL FIELD: Basin Dakota

Sec. 4, T 30N, R 8W

San Juan County, New Mexico

ESTIMATED ELEVATION: 6230'

ESTIMATED TOTAL DEPTH: 7740'

PROJECTED HORTZON: Dakota

DRILLING, CASING AND CEMENT PROGRAM:

(1) MIRURT.

- (2) Drill a 13-3/4" hole to 300÷. Run 9 5/8", 36#, K-55, ST&C casing to T.D. and cement to surface. Use 2% CaCl₂ in cement.
- (3) Cut off casing and weld on casing head. Pressure test weld to 1000 psi. NUBOP's and manifold. Pressure test casing, BOP's and manifold to 1000 psi for 30 minutes.
- (4) Drill out shoe and reduce hole to 8 3/4". Drill 8 3/4" hole to 3600±. Run 7", 23#, K-55, ST&C casing to T.D. and cement to surface. (Set 7" 200-300' into Lewis shale.)
- (5) Land casing is slips and cut off. Install drilling spool on casing head. Install rotating head, manifold and flare line. Pressure test blind rams, manifold and casing to 1000 psi for 15 minutes. Pick up drilling assembly and 3 1/2" drill
- (6) Drill out of 7" with 6 1/4" bit. Drill to within 5' fo shoe and displace water with Nitrogen. Drill 5' of formation and blow with gas until well dusts. Drill to TD.
- (7) Log the hole dry as directed by the wellsite geological engineer and gauge the natural flow from the Dakota.
- (8) If productive, run 4 1/2" casing to T.D. as per casing design. Cement in one stage. Bring cement to above Mesaverde zone.
- (9) If nonproductive, plug and abandon as per U.S.G.S. requirements.

ESTIMATED FORMATION TOPS: Surface formation - San Jose

OJO Alamo Pictured Cliffs	1940' 3050'	Point Look Out Mancos	5280' 5640'
Lewis	3150'	Gallup	
Cliffhouse	4850'	Greenhorn	7310'
Menefee	4970'	Dakota "A" T.D.	7440' 7740'

DRILLING MUD PROGRAM:

0 - 300' Spud Mud.

300' - 3600' Low solids fresh water mud. Use Benex to flocculate mud as needed. No WL control.

3600' - T.D. Gas.

CORING AND TESTING PROGRAM:

No cores or tests.

DEVIATION SURVEYS:

- 1. Survey surface hole at 100' intervals. Maximum allowable deviation at 250' is $\frac{1}{2}$ °.
- 2. 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 AAODC Drilling Report Sheet. Maximum allowable change in deviation is 1° per 100'.

SAMPLES:

As directed by wellsite geological engineer.

WELL SURVEYS:

Majority of logs will be cased hole GR - Neutron or TDT.

A few will be open hole GR - Induction.

BOP:

PREVENTORS MUST BE CHECKED FOR OPERATION EVERY 24 HOURS, AND THE CHECK MUST BE RE-CORDED ON THE AAODC 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.

- 303-758-7130 (office) Don Barnes
 303-758-7287 Don Barnes private line Monday-Friday (before 7:45 A.M.)
- 2. 303-936-0704 (home) Don Barnes weekends and holidays
- 3. 303-795-0221 (home) John Owen if Don Barnes not available

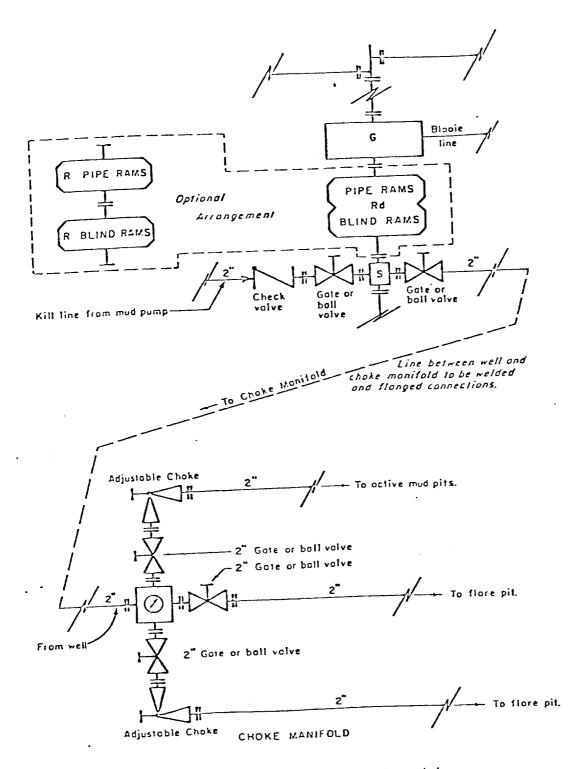
The yellow sheet of the IADC Report to be filled out completely, the original copy of the drilling time recorder, and copies of any invoices from this well signed and received for Tenneco Oil Company will be mailed daily to:

TENNECO OIL COMPANY
PENTHOUSE
720 SOUTH COLORADO BOULEVARD
DENVER, COLORADO 80222

ATTENTION: DRILLING DEPARTMENT

In case of an emergency, notify the following:

- 1. Mr. Don Barnes, Division Drilling Engineer 303-936-0704
- 2. Mr. John Owen, Project Drilling Engineer 303-795-0221
- 3. Mr. Mike Lacey, Division Production Manager 303-979-0509.



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

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

ARRANGEMENT C

TENNECO OIL COMPANY ROCKY MOUNTAIN DIVISION REQUIRED MINIMUM BLOWOUT PREVENTER AN CHOKE MANIFOLD J. MAGILL 10-26-79

- 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.
- 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 lease 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 I 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 The proposed site is located atop a large mesa East of Pump Canyon and North of the San Juan River. There is an existing location to the North side of the proposed site providing access. The soil is sandy, loam supporting pinon juniper and 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 Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

L. Freeman

Staff Production Analyst

TENNECO OIL COMPANY

CALCULATION SHEET

EXHIBIT

ORILLING WELL SITE LAYOUT MOORE TE

TION 1750 FSL 890 FEL SEC 9, T30N, R8W DATE 12/19/79

NO ROAD CONSTRUCTION

EXISTING LOCATION RESERVE PITS, DRILLING PIT MUD RIG WELL-FLARE PIPE RACKS 4°C 3F BURN PARKING PIT AREA

