AZTEC DEL & GAS COMPANY

PLO. DRAWER 570
FARMINGTON, NEW MEXICO 87401

December 20, 1977

United States Geological Survey P. O. Box 959 Farmington, New Mexico 87401

Attention: Mr. P. T. McGrath

Enclosed please find map showing existing roads and planned access roads to Aztec Oil & Gas Company's Nye #16A well. The locations of tank batteries and flow lines will be on location with well. A burn pit will be provided for disposal of trash. Cuttings, drilling fluid and produced fluids will be put into the reserve pit and properly disposed of depending on amount and type of fluids.

There will be no camps or air strips.

Also enclosed is location layout showing approximate location of rig, pits and pipe racks.

Water supply will be Aztec Ditch .

The location will be restored according to Bureau of Land Management standards. This work will begin when all related construction is finished.

Mr. Max Larson will be Aztec Oil and Gas Company's field representative supervising these operations.

Yours truly,

AZTEC OIL & GAS COMPANY

L. O. Van Ryan

District Production Manager

LOVR/dg

AZTEC DIL & GAS COMPANY

FARMINGTON, NEW MEXICO 87401

United States Geological Survey P. O. Box 959 Farmington, New Mexico

Attention: Mr. P. T. McGrath

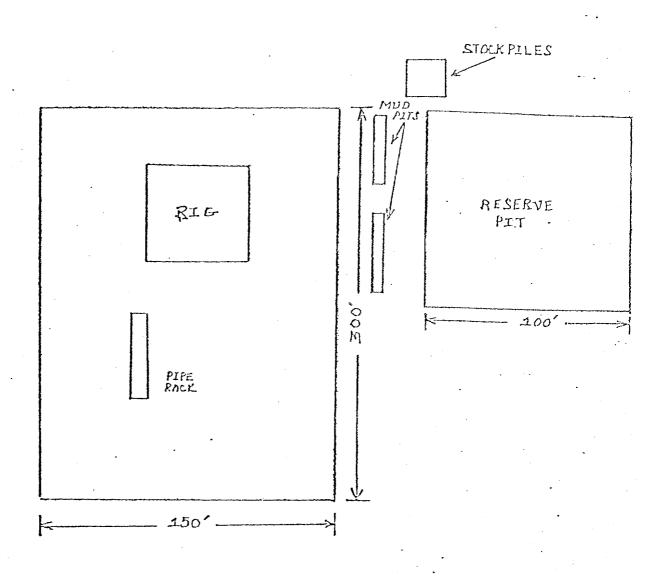
Dear Sir:

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 be performed by Aztec Oil & Gas Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: December 20, 1977

Name: Carta Caraca.
Title: District Engineer

LOCATION LAYOUT



TRAILER HOUSE

PARKING AREA

CUT REQUIRED FOR Above LOCATION: 4'

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FARMINGTON, NEW MEXICO 87401

December 20, 1977

United States Geological Survey P. O. Box 959 Farmington, New Mexico

Attention: Mr. P. T. McGrath

Re: Blowout Preventer Plan

Dear Sir:

All drilling and completion rigs will be equipped with 6" or larger double gate hydraulic blowout preventers and a Hydraulic operated closing unit with steel lines.

The preventer is 3000# working pressure and 6000# test.

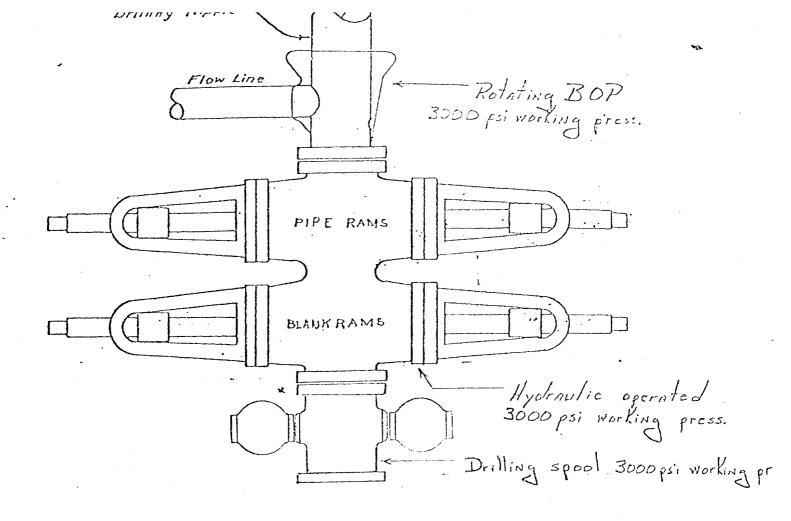
All crews will be thoroughly trained in the operation of this preventer. The preventer will be tested at the beginning of every tower change to insure proper operation.

Yours truly,

L. O. Van Ryan

District Production Manager

LOVR/dg



Preventers and spools are to have through bore of 6" - 3000# PSI or larger.

