

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-23519

5. LEASE DESIGNATION AND SERIAL NO.
SF078439

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
JOHNSTON FEDERAL

9. WELL NO.
11Y

10. FIELD AND POOL, OR WILDCAT
BLANCO PICTURED CLIFFS

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
SEC. 7-T31N-R9W

12. COUNTY OR PARISH
San Juan

13. STATE
N. Mexico

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐
SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Union Texas Petroleum, A Division of Allied Chemical

3. ADDRESS OF OPERATOR
Corporation
1860 Lincoln, Suite 1010, Denver, Colorado 80295

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
N SESW (990' FSL & 790' FWL) of Sec. 7

At proposed prod. zone
S A M E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
12 miles northeast of Aztec, New Mexico

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE
2446.6

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
3600'

17. NO. OF ACRES ASSIGNED
TO THIS WELL
209.50 (West 1/2)

20. ROTARY OR CABLE TOOLS
Rotary tools

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6612' GR

22. APPROX. DATE WORK WILL START*
Upon approval

23. PROPOSED CASING AND CEMENTING PROGRAM

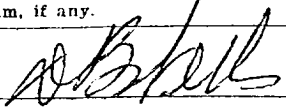
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	300	200 sx.
7-7/8"	5-1/2"	14#	3600	475 sx.

Plan to drill well as follows:

1. MIRU rotary tools, drill 12-1/4" hole to 300'.
2. Set 8-5/8" OD 24#/ft. K-55 new casing at 300' and cement with sufficient cement to circulate to surface (approximately 200 sx.).
3. Drill 7-7/8" hole to approximately 3600' and log Pictured Cliffs.
4. Set 5-1/2" OD 14#/ft. K-55 new casing at TD and cement with sufficient volume to circulate to surface (approximately 475 sx.).
5. Based on logs, perforate and complete in Pictured Cliffs.
6. Stimulate if necessary.
7. Clean up well site.
8. Approximately 8 days will be required to drill this well.
9. Gas is dedicated to El Paso Natural Gas Company.

(Continued on other side).

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.  DISTRICT PRODUCTION
MANAGER
SIGNED _____ TITLE _____ DATE May 2, 1979

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

NAU R-5737

*See Instructions On Reverse Side

NIMOC

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

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

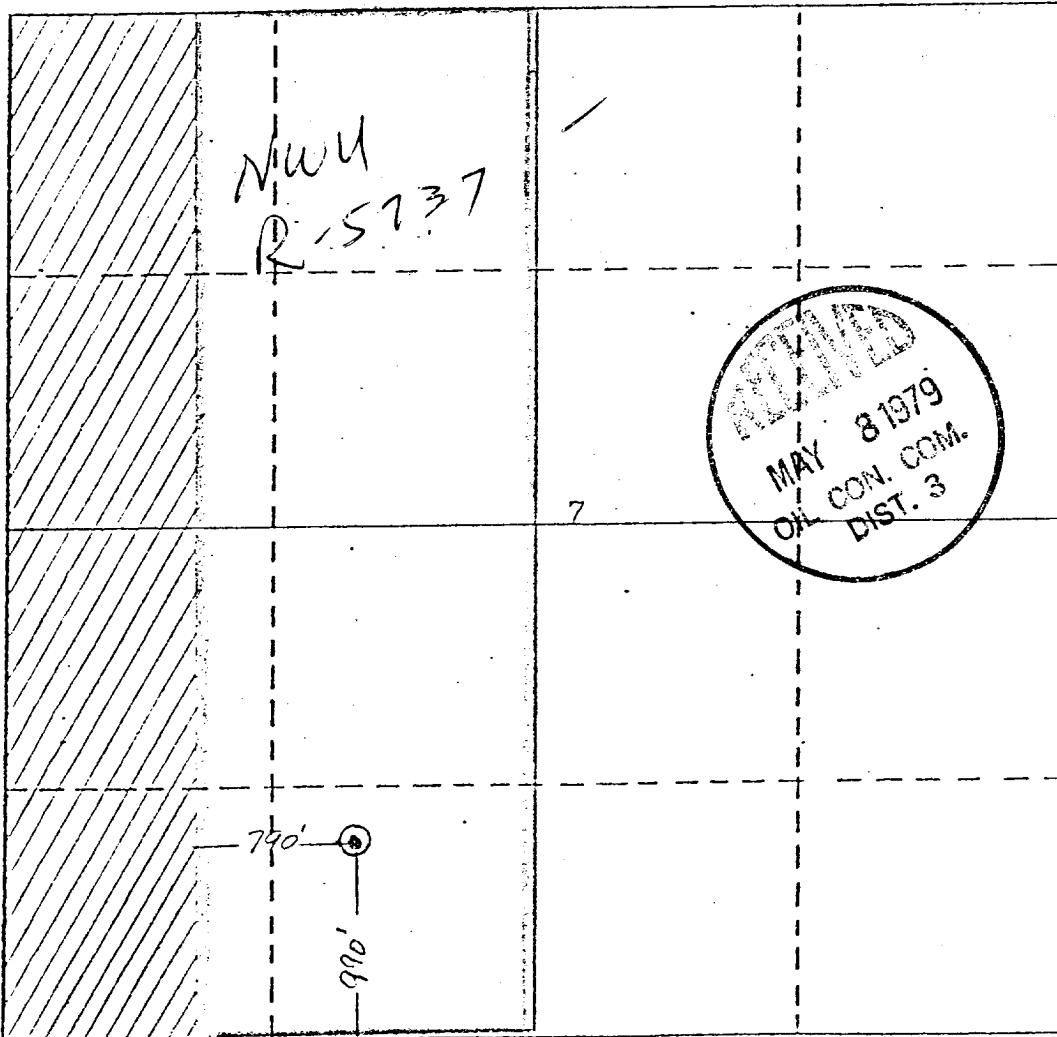
Operator UNION TEXAS PETROLEUM			Lease JOHNSTON FEDERAL		Well No. 11 Y
Unit Letter N	Section 7	Township 31 NORTH	Range 9 WEST	County SAN JUAN	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 990 feet from the SOUTH line and 790 feet from the WEST line </div>					
Ground Level Elev. 6612	Producing Formation PICTURE CLIFFS	Pool BLANCO PICTURED CLIFFS	Dedicated Acreage: 209.5 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.

Name *D. B. Hall*
 Position DISTRICT PRODUCTION MGR
 Company UNION TEXAS PETROLEUM
 Date 5-3-79

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.

Date Surveyed 24 January 1979
 Registered Professional Engineer and/or Land Surveyor
Michael Daly
 Certificate No. 5992

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 23 - (Continued):

10. Surface formation is Ojo Alamo.
11. Top of Pictured Cliffs formation anticipated at 3420'.
12. Mud Program: 0-300' - Spud mud.
 300-3000' - Clear water (8.4 to 8.8#/gal.)
 3000-T.D. - Gelled water (8.6 to 9.3#/gal., viscosity 27-29)
13. No cores or drill stem tests are anticipated.
14. Logs to be run: Compensated Formation Density
 Sidewall Neutron
 Induction
 Gamma Ray
 Caliper
 Deviation (single shot)

SURFACE USE PLAN

UNION TEXAS PETROLEUM'S
Johnston-Federal #11-Y (990'FSL, 790'FWL)
Section 7-T31N-R9W
Lease SF 078439
San Juan County, New Mexico

This plan is to accompany "Application for Permit to Drill" for the above mentioned well.

The following is a discussion of pertinent information concerning possible effect which the proposed drilling of the well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and subcontractors will be aware of all items of this plan.

1. AREAL ROAD MAP - Exhibit "A" is a portion of a USGS topographic map, San Juan County, New Mexico, showing existing black top roads. Location is approximately 12 miles northeast from Aztec, New Mexico. Turn east (right) on Hart Canyon Road, turn north on Arkansas Loop approximately 2-3/4 miles to site.
2. LOCATION OF EXISTING WELLS. Several wells have been drilled in a two mile radius and are shown on Exhibit "B".
3. PROPOSED WELL MAT AND IMMEDIATE AREA. Refer to Exhibit "C" for direction orientation and road access.
 - a. Mat size - 230' x 150' (approximately).
 - b. Surface - Will be native soil, bladed, watered and capped with clay only when necessary.
 - c. Reserve pit - 75' x 75' unlined pit, joining mat to the south.
 - d. Cut & fill - 2' cut on northeast. Natural drainage will remain unaltered.
 - e. Drill Site Layout- Exhibit "C" shows position of mat, reserve pits, burn pits, trash pits, and mud pits in relation to the well bore. Rig will be erected with the V-Door to the west.
 - f. Setting & Environment -
 - (1) Terrain - See Exhibit "A", topographic map of area. Gently sloping to southwest.
 - (2) Soil - Extremely sandy soil.

f. Setting & Environment (continued)

- (3) Vegetation - Sagebrush, pinon, & juniper. (Area has been chained).
- (4) Surface Use - Unknown, possibly used for grazing.
- (5) Other - Drill site, which is sloping to the southwest in semi-arid desert country, is in a low environmental risk area. The total effect of drilling and producing this and other wells in this area would be minimal.

g. Distances to:

- (1) Ponds and Streams- No ponds or streams in the area.
- (2) Water Wells - No water well or windmill could be seen within 1/2 mile.
- (3) Residences and Buildings - There are no houses or buildings within 1/2 mile.
- (4) Arroyos, Canyons, etc. - See Exhibit "A". Miller Canyon is 1-1/2 miles to the west.

h. Well Sign - Sign identifying and locating well will be maintained at drill site with the spudding of the well.

i. Open Pits - All pits containing mud or other liquids will be fenced.

4. ROADS

- a. Existing Roads - All existing roads within one mile of the location are shown on Exhibit "A".
- b. Planned Roads - No new roads will be constructed.
- c. Fences, Gates and Cattleguards - None.

5. TANK BATTERY - Well is anticipated to produce dry gas, but in the event the well produces liquids, a tank battery will be erected on the pad.

6. LEASE PIPELINES

- a. Existing - Not furnished by the Operator, to be connected by El Paso Natural Gas Company.
- b. Planned - If production is encountered, all lease lines are to be constructed on a well mat.

7. WASTE DISPOSAL - Well cuttings will be disposed in a reserve pit. Barrel trash containers to be in accessible locations within drill site area during drilling and completion procedures. All detrimental waste will be hauled away, burned or buried with a minimum cover of 24" dirt. See Exhibit "C" for location of pits. If well is productive, maintenance waste will be placed in special trash cans and hauled away periodically. No produced water is anticipated.

8. WATER SUPPLY - Supply water will be hauled from the San Juan River or nearest wash.

9. ARCHAEOLOGICAL RESOURCES - A copy of the report prepared by the Division of Conservation of Archaeology in Farmington, New Mexico is attached.

10. RESTORATION OF SURFACE - Pits will be backfilled and leveled as soon as practical to original condition.

11. OPERATOR'S REPRESENTATIVE - Field personnel who can be contacted concerning compliance of this Surface Use Plan are as follows:

Production & Drilling

Donald B. Wells
1860 Lincoln St., Suite 1010
Denver, Colorado 80295

Office Phone: (303) 839-5528
Home Phone: (303) 979-4872

C. W. Claxton
1860 Lincoln St., Suite 1010
Denver, Colorado 80295

Office Phone: (303) 839-5528
Home Phone: (303) 770-7433

12. CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions as they actually exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the proposed work performed by Union Texas Petroleum and its contractors and sub-contractors will conform to this plan and the terms and conditions under which it is approved.

5-3-79

DATE



DONALD B. WELLS
DISTRICT PRODUCTION MANAGER

JOHNSTON FEDERAL #11-Y

7 POINT WELL CONTROL PLAN

1. Surface casing: 8-5/8", 24#/ft., approximately 300, grade K-55, new condition.
2. Casinghead will be 10", 900 series, 3,000 psi rating.
3. Intermediate casing - Will not be required.
Production casing - 5-1/2" OD, 14#/ft., K-55, will be set at +3600' and cemented to surface casing.
4. Blowout preventers: Hydraulic, double ram, 10". One set of rams will be provided for each size drill pipe in the hole. One set of blind rams at all times. Fill line will be 2", kill line will be 2", choke relief line will be 2" with variable choke.
5. Auxiliary equipment:
 - (1) Kelly cock will be in use at all times.
 - (2) Stabbing valve to fit drill pipe will be present on floor at all times.
 - (3) Mud monitoring will be visual, no abnormal pressures are anticipated in this area.
6. Anticipated bottom-hole pressure:

This is an area of known pressure. Maximum anticipated pressure at TD is 1200 psi. Anticipate no H₂S gas.
7. Drilling Fluids:
 - 0-300' - Spud mud.
 - 300-3000' - Gel water - low solids as needed to maintain good conditions.
 - 3000-TD - Gel water - increase weight to 9.3#/gal. as required.

BLM SEEDING REQUIREMENTS
IN THE FARMINGTON RESOURCE AREA

1. SEED MIXTURE 2

2. TIME:

All seeding will take place between July 1 and September 15.

3. EQUIPMENT:

Seeding will be done with a disc-type drill with two boxes for various seed sizes. The drill rows will be eight to ten inches apart. The seed will be planted not less than one-half inch deep or more than one inch deep. The seeder will be followed with a drag, packer, or roller to insure uniform coverage of the seed, and adequate compaction. Drilling will be done on the contour where possible, not up and down the slope. Where slopes are too steep for contour drilling, a "cyclone" hand seeder or similar broadcast seeder will be used. Seed will then be covered to the depth described above by whatever means is practical.

4. SPECIES TO BE PLANTED IN POUNDS PURE-LIVE-SEED PER ACRE:

CRESTED WHEATGRASS (*Agropyron desertorum*) - 3-1/4 lbs.

FOURWING SALTBUSH (dewinged) (*Atriplex conescens*) - 1/2 lb.

SAND DROPSEED (*Sporobolus cryptandrus*) - 3/4 lb.

ALKALI SACATON (*Sporobolus airoides*) - 3/4 lb.

BLM COLOR REQUIREMENTS
IN THE FARMINGTON RESOURCE AREA

1. All equipment shall be painted green to match the surrounding area.
(or whatever color is designated by U.S.G.S.)

UNION TEXAS PETRO.
Johnston FED 11-Y

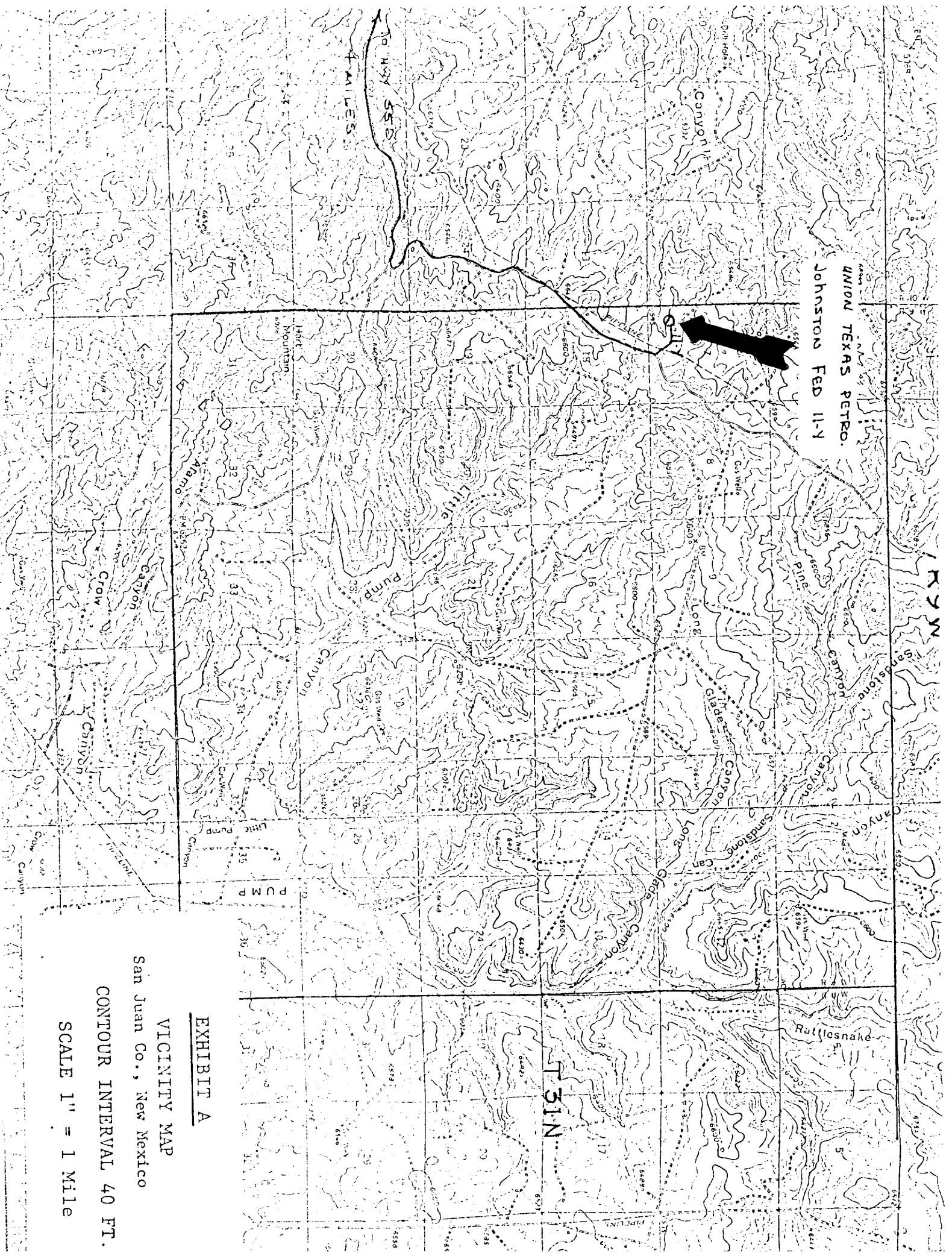


EXHIBIT A

VICINITY MAP

San Juan Co., New Mexico

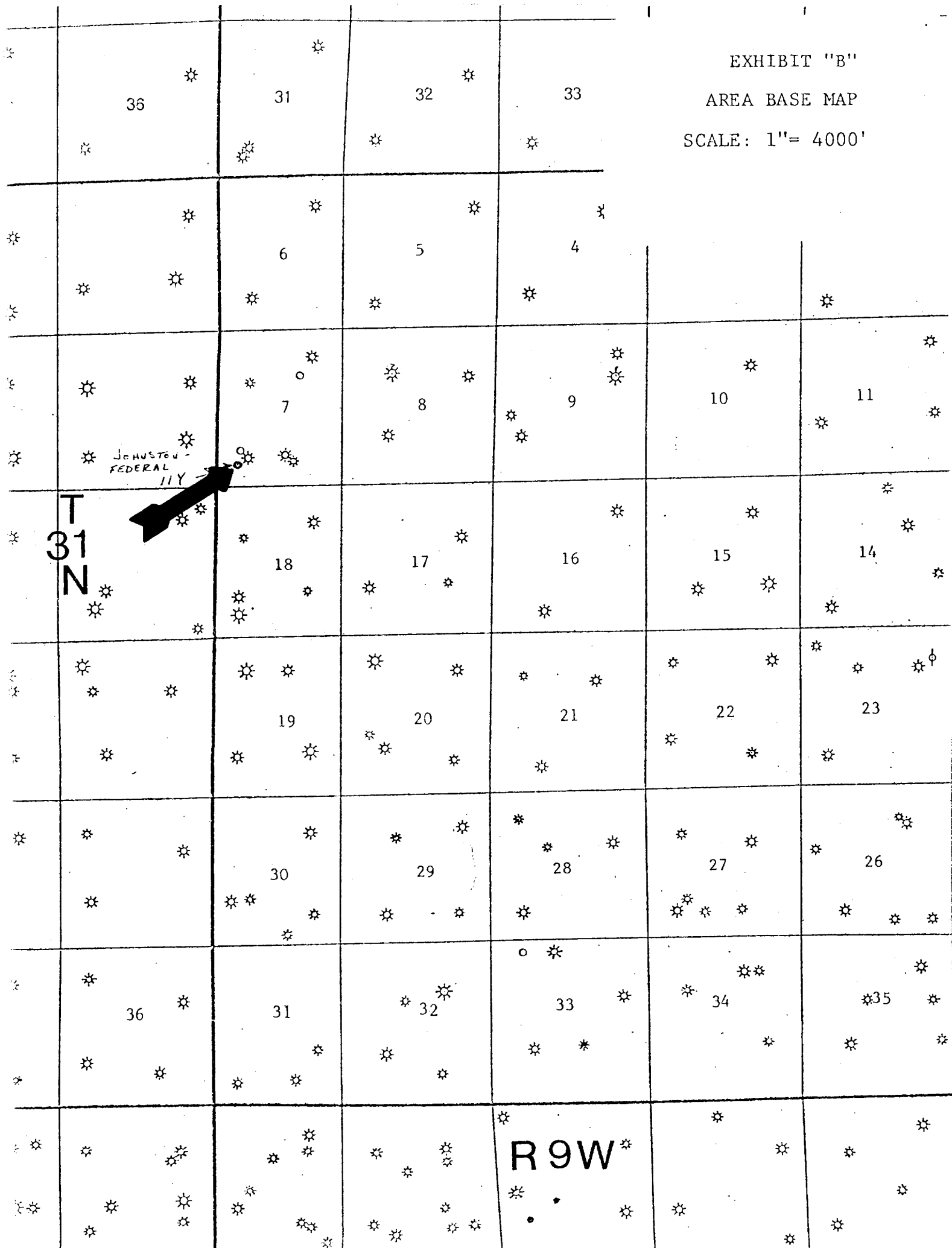
CONTOUR INTERVAL 40 FT.

SCALE 1" = 1 Mile

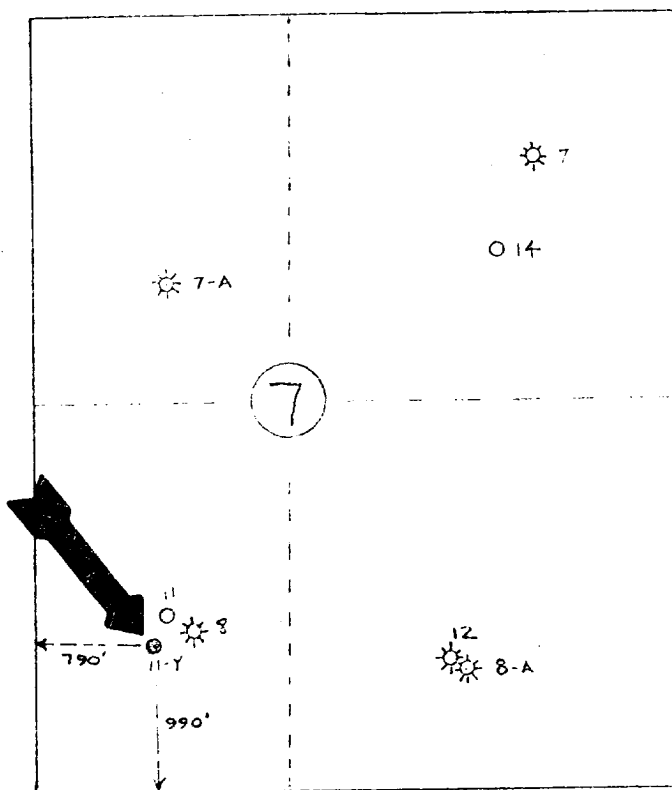
EXHIBIT "B"

AREA BASE MAP

SCALE: 1"= 4000'



JOHNSTON FEDERAL



UNION TEXAS PETROLEUM

A DIVISION OF ALLIED CHEMICAL CORPORATION

WELL LOCATIONS

Section 7, T-31-N, R-9-W, N.M.P.M.

San Juan County, New Mexico

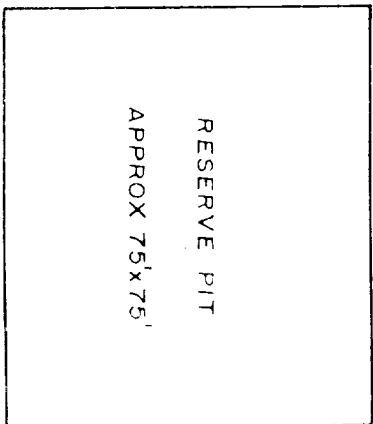
Scale: 4" = 1 mile

DENVER

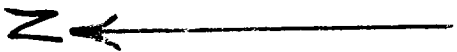
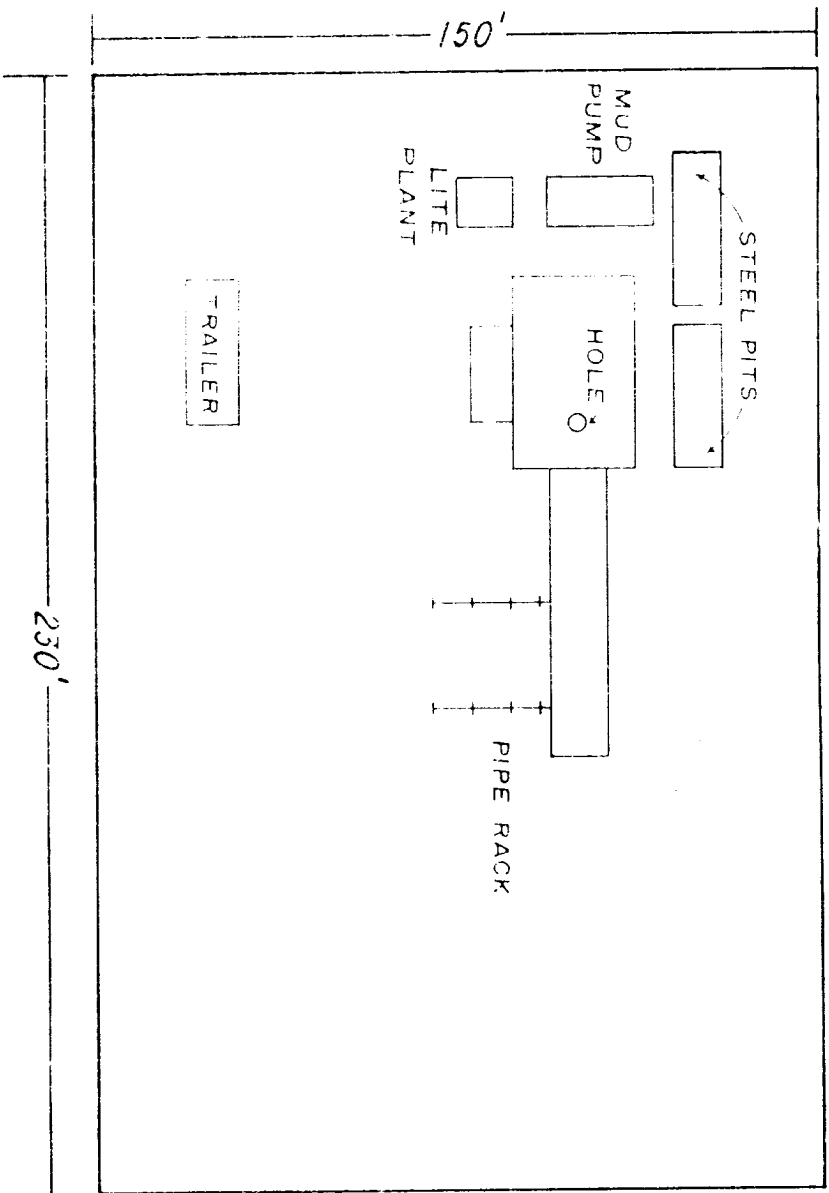
UNION TEXAS PETROLEUM

RIG LAYOUT

Johnston Federal # 11-Y
SE-SW-SEC 7 - T31N-R9W

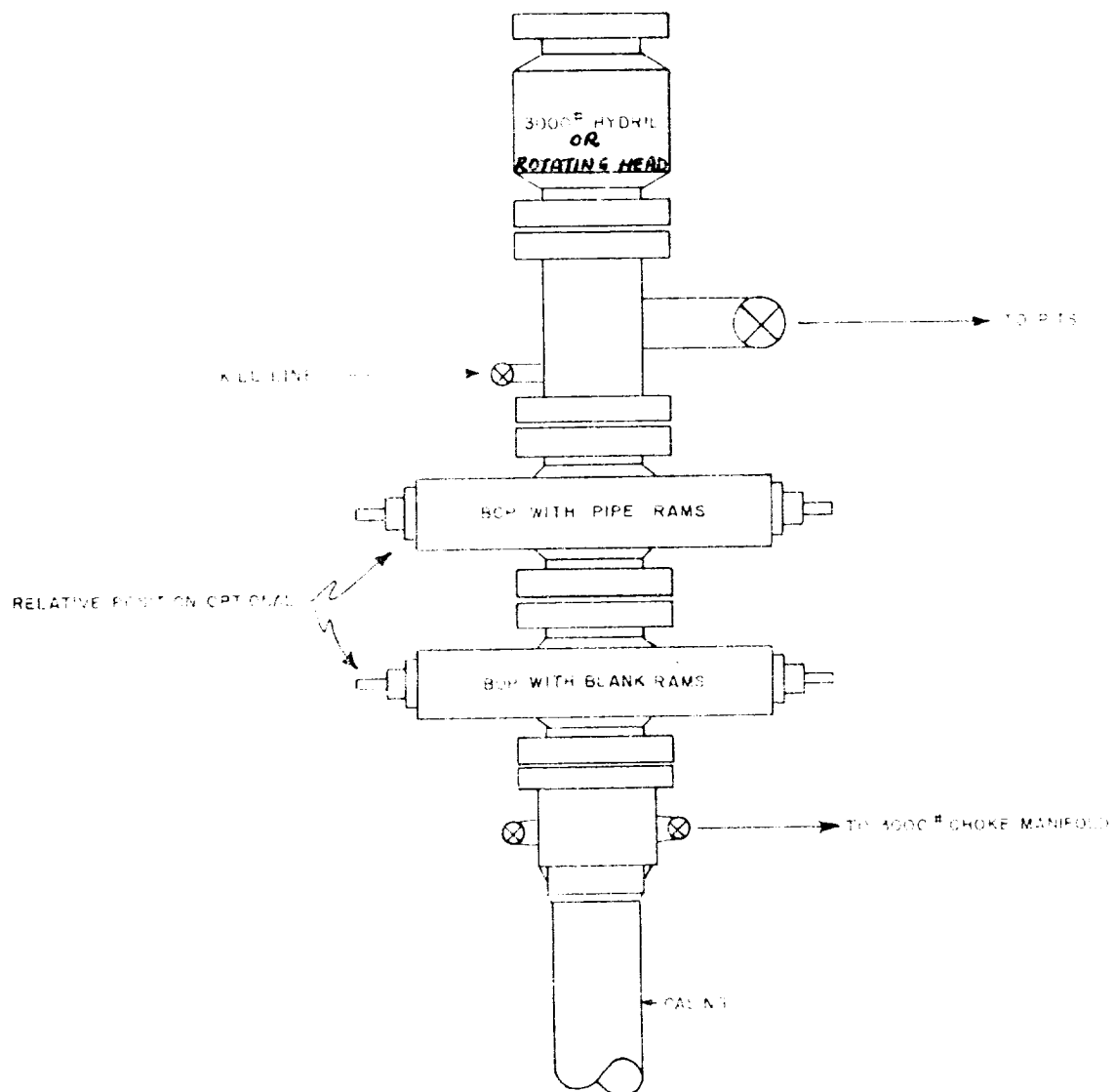


PAD SIZE 150' x 230'



NOTE CONTRACTOR HAS NOT BEEN
LEFT SO FOOTAGES MAY VARY
SLIGHTLY

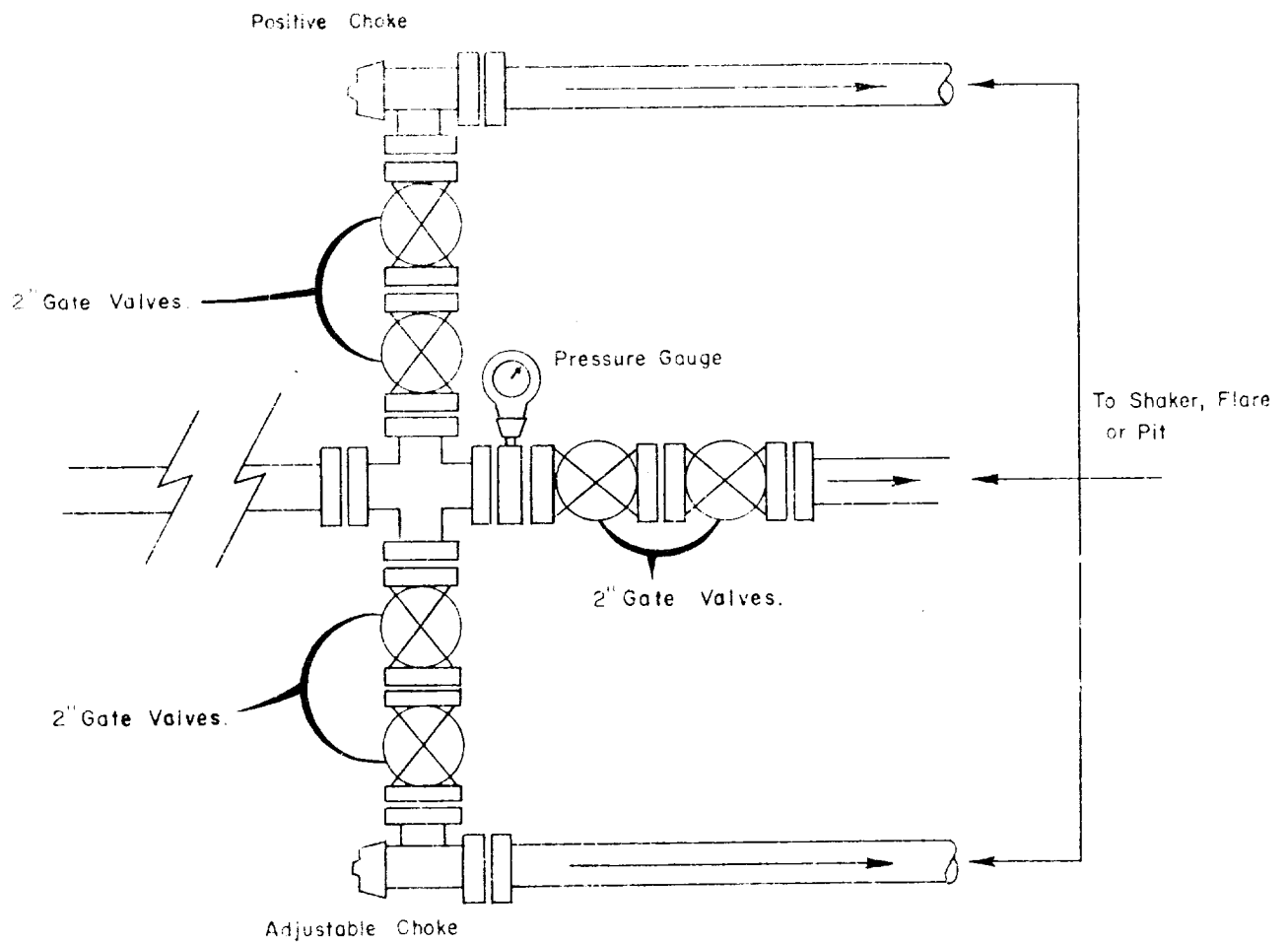
JOHNSTON FEDERAL #11-4
SE-SW- SEC 7-T31N-R9W



UNION TEXAS PETROLEUM

BLOWOUT PREVENTOR HOOK UP
3000 PSI

JOHNSTON FEDERAL 11-Y
SE-SW- SEC 7-T31N-R9W



UNION TEXAS PETROLEUM
CHOKE MANIFOLD

API CLASS
3M

WORKING PRESSURE
3000 PSI

SERVICE CONDITION
Low Pressure