SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

Form approved. Budget Bureau No. 42-R1425.

30-045-237

UNITED STATES DEPARTMENT OF THE INTERIOR

5. LEASE DESIGNATION AND SERIAL NO. **GEOLOGICAL SURVEY** SF 078138 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 6. IF INDIAN, ALLOTTEE OR TRIBE NAME 1a. TYPE OF WORK DRILL 🛅 **DEEPEN** 7. UNIT AGREEMENT NAME PLUG BACK [7] b. TYPE OF WELL WELL GAS WELL MULTIPLE SINGLE X OTHER S. FARM OR LEASE NAME 2. NAME OF OPERATOR Morris A El Paso Natural Gas Company 9. WELL NO. 3. ADDRESS OF OPERATOR 3R PO Box 289, Farmington, NM 87401 10. FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) Aztec Pic.Cliffs 1510'N, 1550'W 11. SEC., T., R., M., OR BLK. Sec. 28, T-3U-N, R-11-W At proposed prod. zone same **NMPM** 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12. COUNTY OR PARISH | 13. STATE 2 miles South of Aztec, NM San Juan NM 15. DISTANCE FROM PROPOSED* 16. NO. OF ACRES IN LEASE LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any) 17. NO. OF ACRES ASSIGNED TO THIS WELL 1510' 1920.0 158.25 18. DISTANCE FROM PROPOSED LOCATION* 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 600' 2410' Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5879 GL 22. APPROX. DATE WORK WILL START* 23. PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 12 1/4" 5/8" 24.0# 120' cu.ft.circ.to surface 6 3/4" 778" 6.4# 2410' cu.ft.to cover Ojo Alam Selectively perforate and sandwater fracture the Pictured Cliffs formation. A 3000 psi WP and 6000 psi test double gate preventer equipped with blind and pipe rams will be used for blow out prevention on this well. This gas is dedicated. et JUL 27 1879 The NW/4 of Section 28 is dedicated to this well. 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, Drilling Clerk SIGNED TITLE (This space for Federal or State office use) PERMIT NO. APPROVAL DATE AUG: 91979 APPROVED BY CONDITIONS OF APPROVAL, IF ANY . OIL CON. COM. oh Such nymocc DIST. 3

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO ENERGY AND MINERALS DEFARTMENT

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

Form C-102 kevised 10-1-78

Constant		All distances must be from		he Section.					
EL PASO NATURAL GAS COMPANY			Lease MORRIS "A"	(SF-078138)	Well No.				
Unit Letter	Section	Township	Range	County	3-R				
F	28	30N	11W	San Juan					
Actual Footage Loc	· ·								
1510	feet from the Nor		1550 _{fee}	et from the West	line				
Ground Level Elev. 5879	Producing Form	RED CLIFFS	AZTEC PICT	URED CLIFFS De	158.25 Acres				
1. Outline th	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?									
A Yes	No If an	iswer is "yes," type of	consolidation	Communitizati	on				
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.									
			!		ERTIFICATION				
FEE 1550!	F-078138	ec.		best of my kr	Natural Gas Co.				
		28	AUG 19 1978 OIL OF 3	shown on this notes of act under my sug is true and knewledge are Date Surveyed June 22, Registered Proceed of Land Standard	1977				
0 330 660	90 1320 1650 198	0 2310 2640 2000	1500 1000	3950	Men and				

- 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 rolling hills with cedar and sagebrush growing. Cattle and deer 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.

I. A. Aimes

Project Drilling Engineer

Operations Plan - Morris A #3R

I. Location: 1510'N, 1550'W, Section 28, T-30-N, R-11-W, San Juan County, NM

Field: Aztec Pictured Cliffs Elevation: 5879 GR

II. Geology:

A. Surface Formation: Nacimiento

Sub-surface Formation Tops:

Ojo Alamo	785 '	Pictured Cliffs	2192'
Kirtland	900'	Lewis	2370'
Fruitland	1890'	Total Depth	2410'

- B. Logging Program: Induction Electric and Gamma Ray Density at TD.
- C. Coring: none
- D. Testing: none

III. Drilling:

A. Anticipated Starting Date and Duration of the Project:

1979 Drilling Program - approximately 4 days to complete.

B. Circulating Medium: Treated water and a low solids gel base mud will be used from surface to TD.

IV. Materials:

A. Casing Program:	Hole Size	Depth	Csg.Size	Wt.&Grade
	12 1/4"	120'	8 5/8"	24.0# J-55
	6 3/4"	2410'	2 7/8"	6.4# J-55

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

2 7/8" production casing - 10' shoe joint with notched collar for guide shoe and 2 7/8" latch down baffle on top. Two 3 1/16" balls and one 2 7/8" latch down plug.

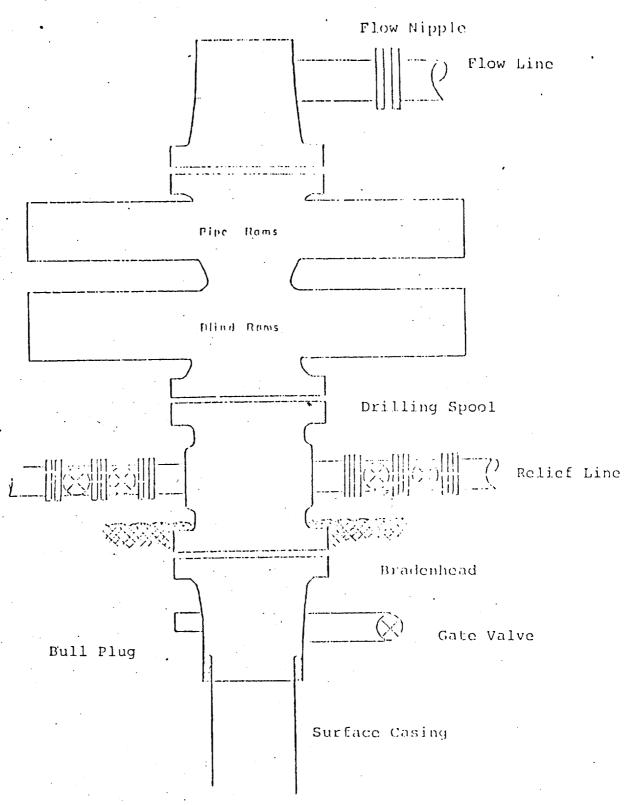
- C. Tubing: none
- D. Wellhead Equipment: Hercules Wellhead Type CE (Fig.1-CE)

V. Cementing:

8 5/8" surface casing - 90 sks. of Class "B" cement with 1/4# gel-flake per sack and 3% calcium chloride (106 cu.ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing wellhead and BOP to 600#/30 minutes.

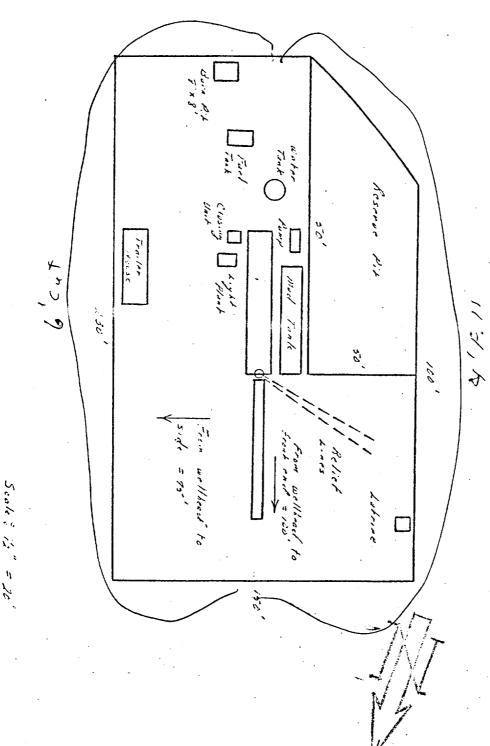
2 7/8" production - precede cement with 5 bbls. water. Cement with 256 sks. of 65/35 Class "B" Poz with 6% gel and 8.3 gallons water per sack followed by 65 sks. 50/50 Class "B" Poz with 2% gel (496 cu.ft. of slurry, 50% excess to cover Ojo Alamo). Spot 50 gallons of 7 1/2% acetic acid on top of plugs. Run temperature survey after 12 hours.

Typical Mud Drilled B.O.P. Installation for Pictured Cliffs Well

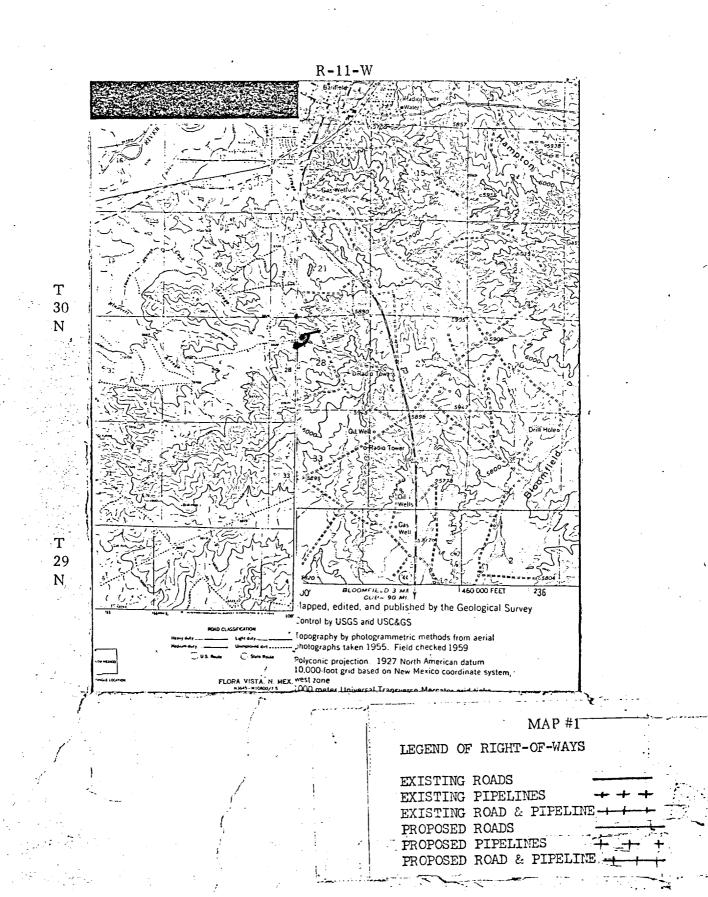


8" Series 900 Double Gate BOP, rated at 3000 psi Working Pressure

1



EL PASO NATURAL GAS COMPANY Morris A #3R NW 28-30-11



EL PASO NATURAL GAS COMPANY Morris A #3R NW 28-30-11

Southland - EPNG Beta Dev tec Com ! Tom 2 Blanco Com Blanco Com 2 EPNG GBeta Fairplay } Aztec 4Hempton EPNG 13 4/0 Goode PNG Amoco EPNG MorrisA2 3 BetaDer2 3 34 Brungton EPNG Beta Dev. 2.30 Morris A 29Beta Dev. tione (Sandia Fee Apperson Jackson toton EPNG Fed. P.C. 3 IAmoco Wood Texaco Beta Dev (MO) €

MAP #2