

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

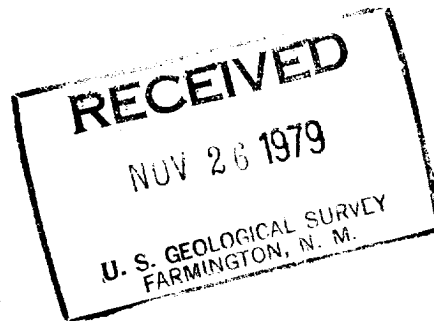
30-045-24014

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. SF078116
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR TENNECO OIL COMPANY			7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 720 South Colorado Boulevard, Denver, Colorado 80222			8. FARM OR LEASE NAME FLORANCE
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface P 960 FSL 1105 FEL At proposed prod. zone			9. WELL NO. 121
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9.3 miles East SE of Aztec, New Mexico			10. FIELD AND POOL, OR WILDCAT Basin Dakota
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 24, T30N, R10W
16. NO. OF ACRES IN LEASE 635.32			12. COUNTY OR PARISH San Juan
17. NO. OF ACRES ASSIGNED TO THIS WELL E/31532			13. STATE New Mexico
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			20. ROTARY OR CABLE TOOLS Rotary
19. PROPOSED DEPTH 7,665			22. APPROX. DATE WORK WILL START* ASAP
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6322 GR			

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13 3/4"	9 5/8" New	36# K55	300 ±	Circulate through surface
8 3/4"	7" New	23# K55	3000±	Circulate through surface
6 1/4"	4 1/2" New	10.5# 11.6#	7,665 ±	Circulate through liner hanger

Gas is Dedicated



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.

SIGNED M. L. Freeman TITLE Staff Production Analyst DATE 11-20-79

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

ok Ench

mile 1100

*See Instructions On Reverse Side

NMOCC

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

Operator TENNECO OIL COMPANY			Lease FLORANCE		Well No. 121
Unit Letter P	Section 24	Township 30N	Range 10W	County San Juan	
Actual Footage Location of Well: 960 feet from the South line and 1105 feet from the East line					
Ground Level Elev. 6322	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 315.32 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.

Sec.	Lot 2	Lot 1
	Lot 7	Lot 8
	Tenneco Oil - 50% Conoco, Inc. - 50% SF - 078116 315.32 acres	
Sec.	Lot 10 24	Lot 9
	Lot 15	Lot 16 1105'

960'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name

Position

Staff Production Analyst

Company

TENNECO OIL COMPANY

Date

11-20-79

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

October 3, 1979

Registered Professional Engineer
and/or Land Surveyor

Fred B. Kerr, Jr.

Certificate No.

3950

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

TEENECO OIL COMPANY

PROGNOSIS TO DRILL AND COMPLETE

DIVISION: Rocky Mountain

DATE: August 28, 1979

LEASE: Florance

WELL NO.: #121

LOCATION: 960 FSL, 1105 FEL
Sec. 24, T 30N, R 10W
San Juan County, New Mexico

FIELD: Basin Dakota

ESTIMATED ELEVATION: 6322'

ESTIMATED TOTAL DEPTH: 7,665'

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 3000+. 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 in 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 pipe. Pressure test pipe rams to 1000 psi for 15 minutes.
- (6) Drill out of 7" with 6 1/4" bit using gas as circulating fluid. Drill a few feet of formation and then blow hole with gas until it is dusting. Drill to T.D.
- (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	1,735'	Point Look Out	5,275'
Pictured Cliffs	2,980'	Mancos	5,405'
Lewis	3,105'	Gallup	<u> </u>
Cliffhouse	4,640'	Greenhorn	7,295'
Menefee	4,765'	Dakota "A"	7,400'

DRILLING MUD PROGRAM:

0 - 300' Spud Mud

300' - T.D. 7" casing. Low solids fresh water mud. No. W. L. Control.

3,000'+ - T.D. Gas

CORING AND TESTING PROGRAM:

No cores or tests. Gauge natural flow from the Dakota.

DEVIATION SURVEYS:

1. Survey surface hole at 100' intervals. Maximum allowable deviation at
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:

GR/FDC/CNL caliper from T.D. to base of Mesaverde.

GR/SP/SN induction from T.D. to surface casing.

BOP: From 300' to T.D. as per U.S.G.S. requirements.

PREVENTORS MUST BE CHECKED FOR OPERATION EVERY 24 HOURS, AND THE CHECK MUST BE RECORDED 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.

1. 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

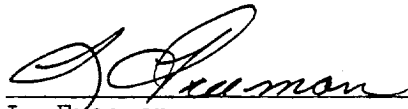
ATTENTION: DRILLING DEPARTMENT

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.

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.
5. Location and Type of Water Supply - Water for the proposed project will be obtained from 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 least 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 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 reseeded operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeded 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 on a broken mesa slope with Northerly drainage. The soil is rocky, clayey sand. The principal vegetation consist of Juniper, Pinon, sage, Mountain Mahogany, bitter brush, Mormon tea, snakeweed and galleta Oak.
12. Operator's Representative -
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 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.

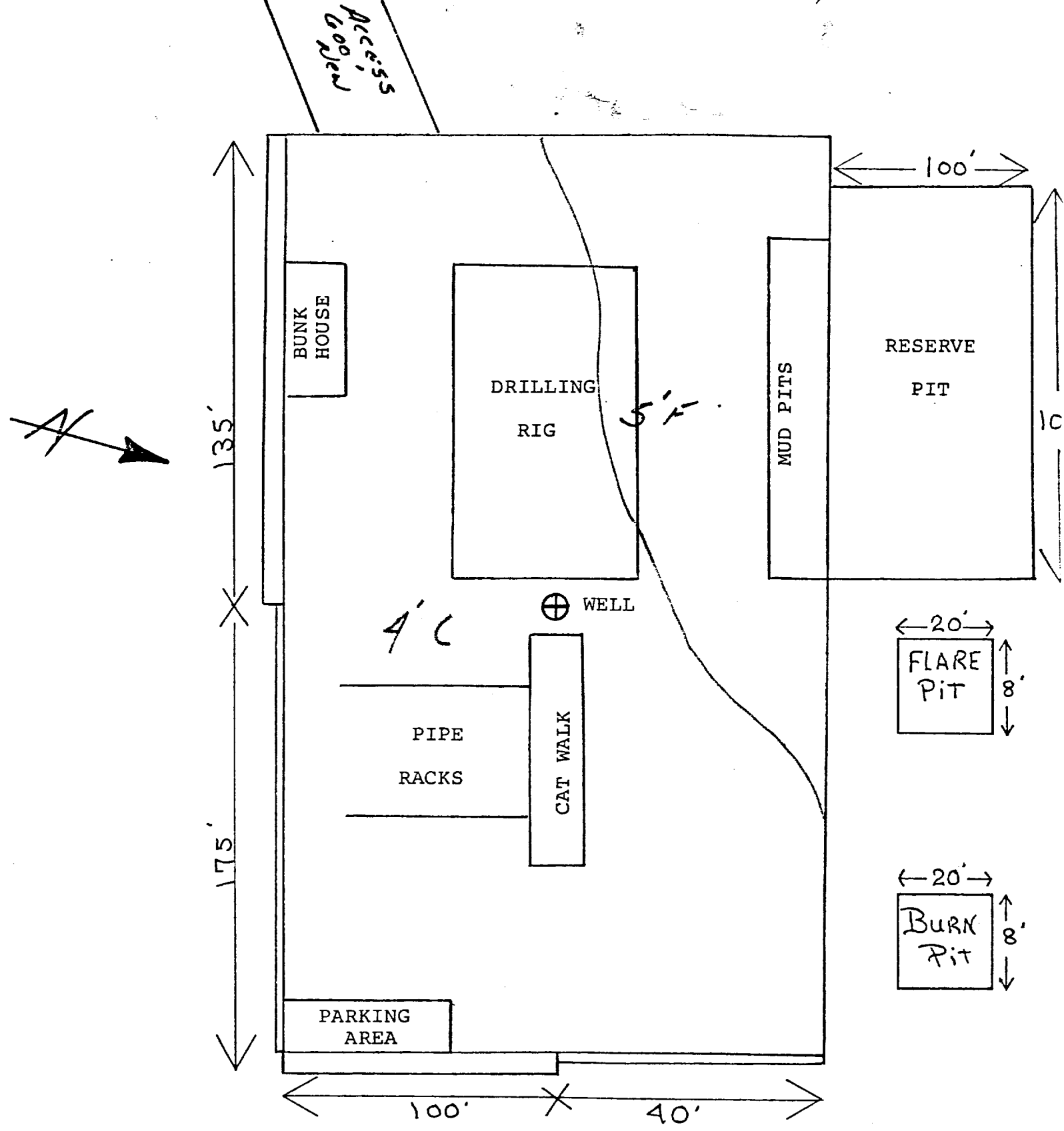


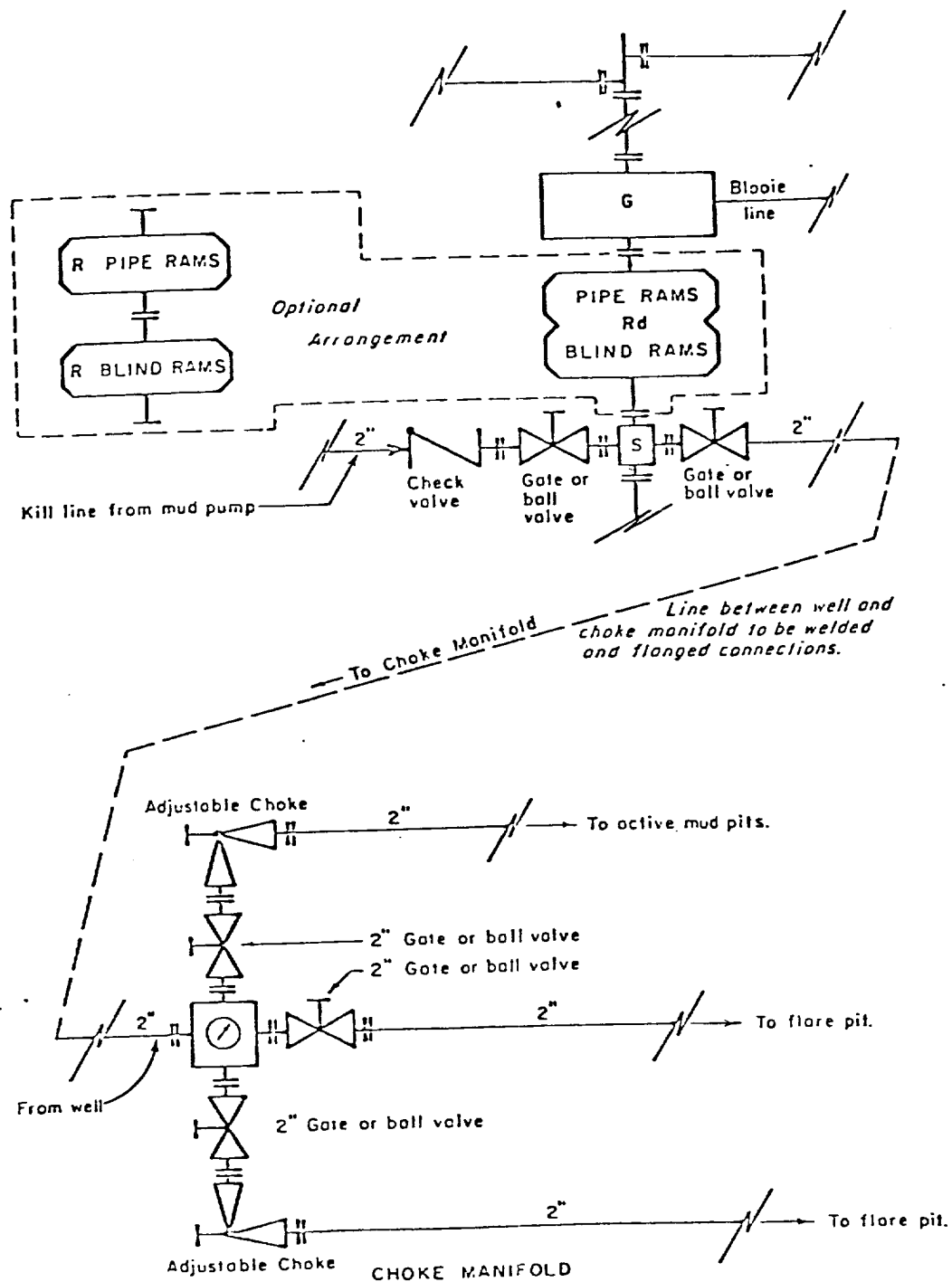
L. Freeman
Staff Production Analyst

TENNECC OIL COMPANY

CALCULATION SHEET

COMPANY			EXHIBIT
SUBJECT	DRILLING WELL SITE LAYOUT <i>Flare 121</i>		
LOCATION	960 FSL 1105 FE1 Sec 24, T30N R10W	DATE	11/15/79



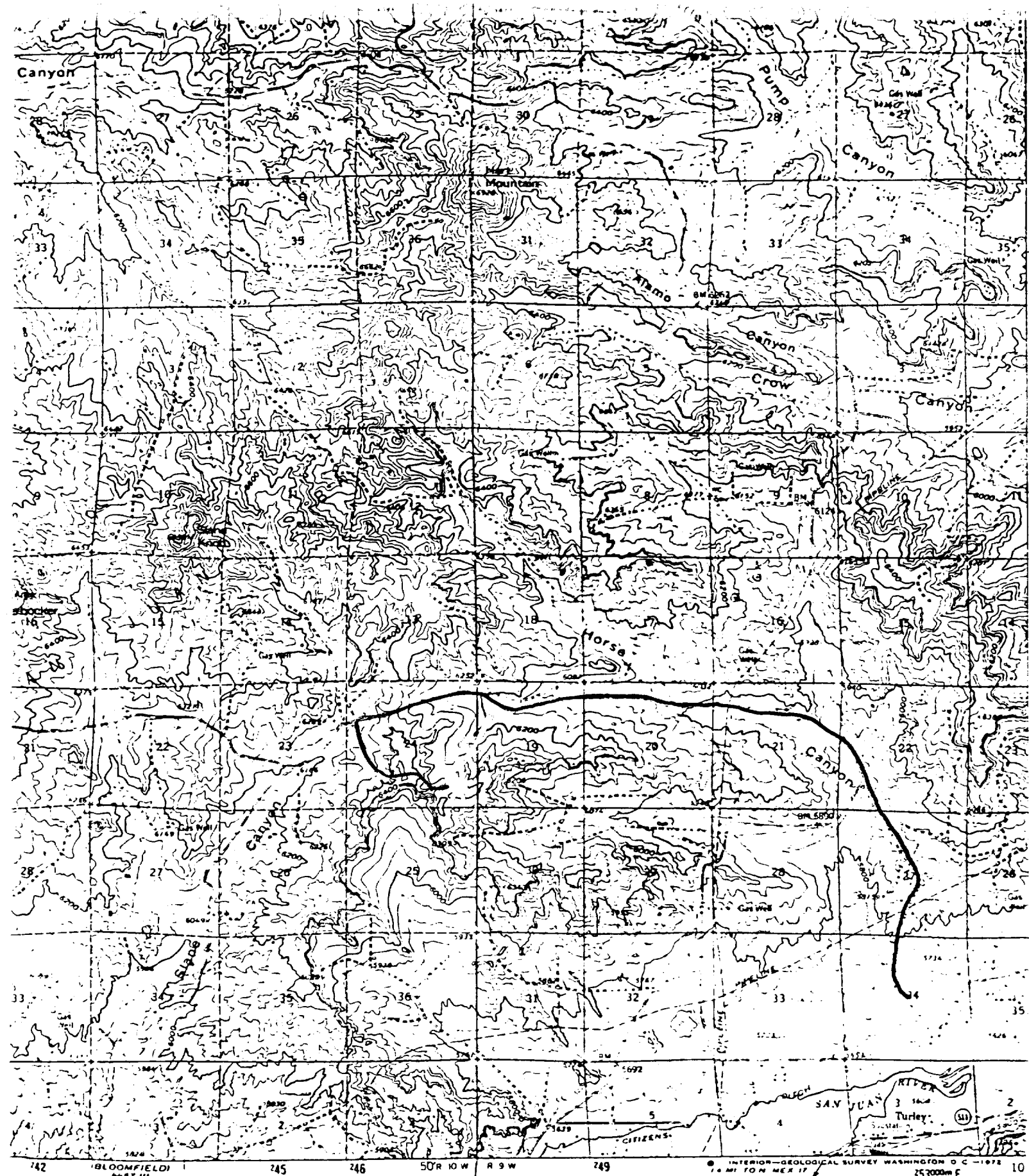


All equipment to be 3,000 psi working pressure except as noted.

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

ARRANGEMENT C

TENNECO OIL COMPANY
 ROCKY MOUNTAIN DIVISION
 REQUIRED MINIMUM
 BLOWOUT PREVENTER AND
 CHOKE MANIFOLD

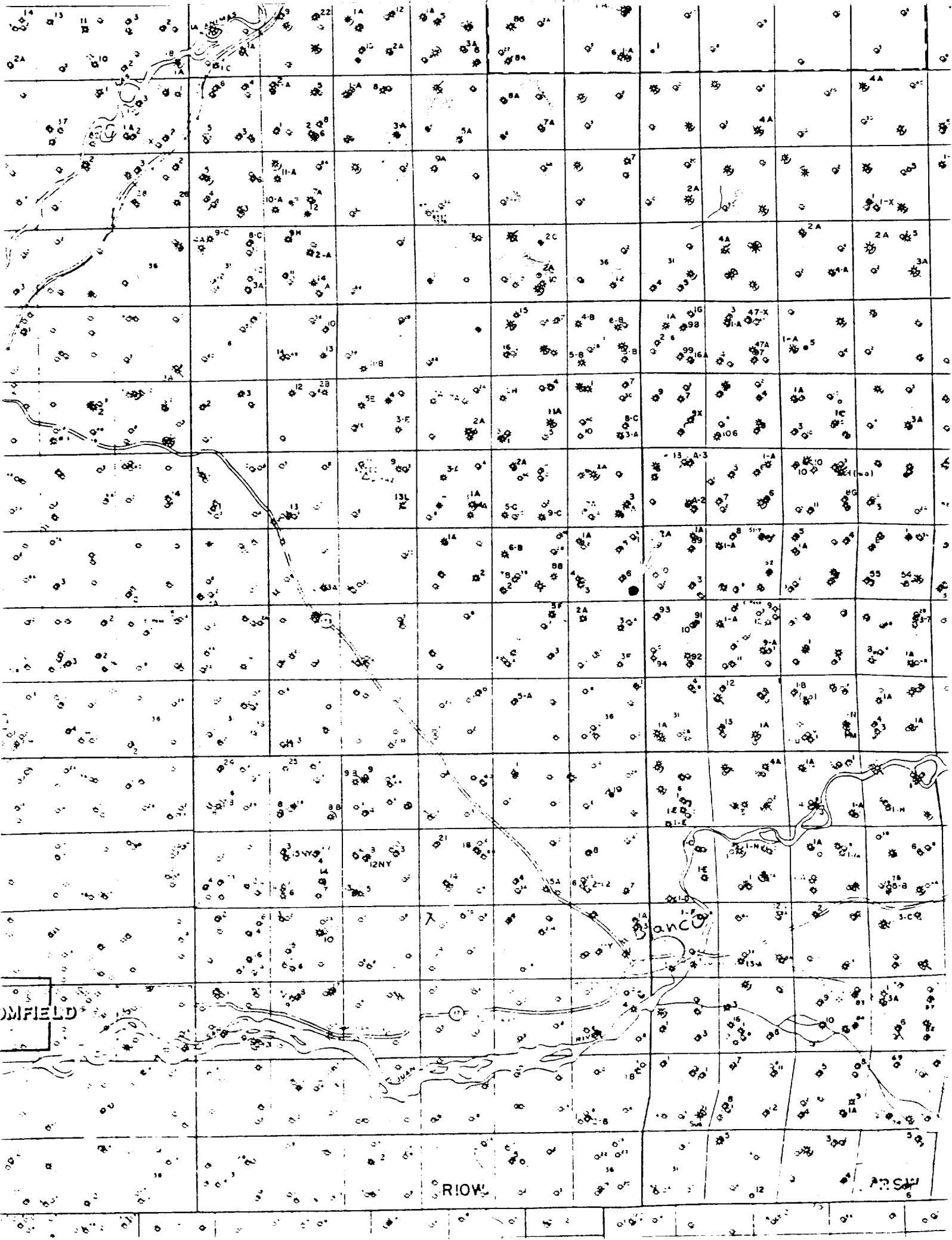


Vicinity Map for
 TENNECO OIL COMPANY #121 FLORANCE
 960'FSL 1105'FEL Sec 24-T30N-R10W
 SAN JUAN COUNTY, NEW MEXICO

TION
 duty
 State Route

QUADRANGLE LOCATION

AZTEC, N. MEX



IMFIELD

Banco

RLOW

ANCA