

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR
El Paso Natural Gas Company

Address City State Phone Number
2 North Nevada Ave Colorado Springs CO 80903 719.520.4533

Drilling Contractor
United Drilling Inc
 Address **P O Box 2488 Roswell, NM 88202**

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor Owned by El Paso Natural Gas	Well number 1-21	Elevation (ground) 1527'
Nearest distance from proposed location to property or lease line: 660' FWL	Distance from proposed location to nearest drilling, completed or applied-for well on the same lease: none	
Number of acres in lease 234	Number of wells on lease, including this well, completed in or drilling to this reservoir: none	
If lease purchased with one or more wells drilled, from whom purchased. Name Address N/A		

Well location (give footage from section lines) 1980' FNL and 660' FWL	Section - Township - Range or Block and Survey 21-7S-8E, G. & S. R. B. & M.	Dedication per A.A.C. R12-7-104(A)(3) N/A
Field and reservoir (if wildcat, so state) Stratigraphic Test	County Pinal	

Distance in miles and direction from nearest town or post office
7 miles north east of Eloy Arizona

Proposed depth: 8,000'	Rotary or cable tools Rotary	Approximate date work will start April 2006
Bond status filed 03/02/05 Amount \$25,000	Organization Report On file <input checked="" type="checkbox"/> Or attached	Filing Fee of \$25.00 Attached <input checked="" type="checkbox"/>

Remarks
Stratigraphic test per Arizona Administrative Code, Title 12, Chapter R12-7-128

API # 02-021-20009

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: **Manager, Facility Planning** of the **El Paso Natural Gas Company** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature
 Date **2/22/2006**

Mail completed form to:
 Oil and Gas Program Administrator
 Arizona Geological Survey
 418 W. Congress, #100
 Tucson, AZ 85701-1315

Permit Number: **933**
 Approval Date: **3-21-2006**
 Approved By: **SL Rainey**

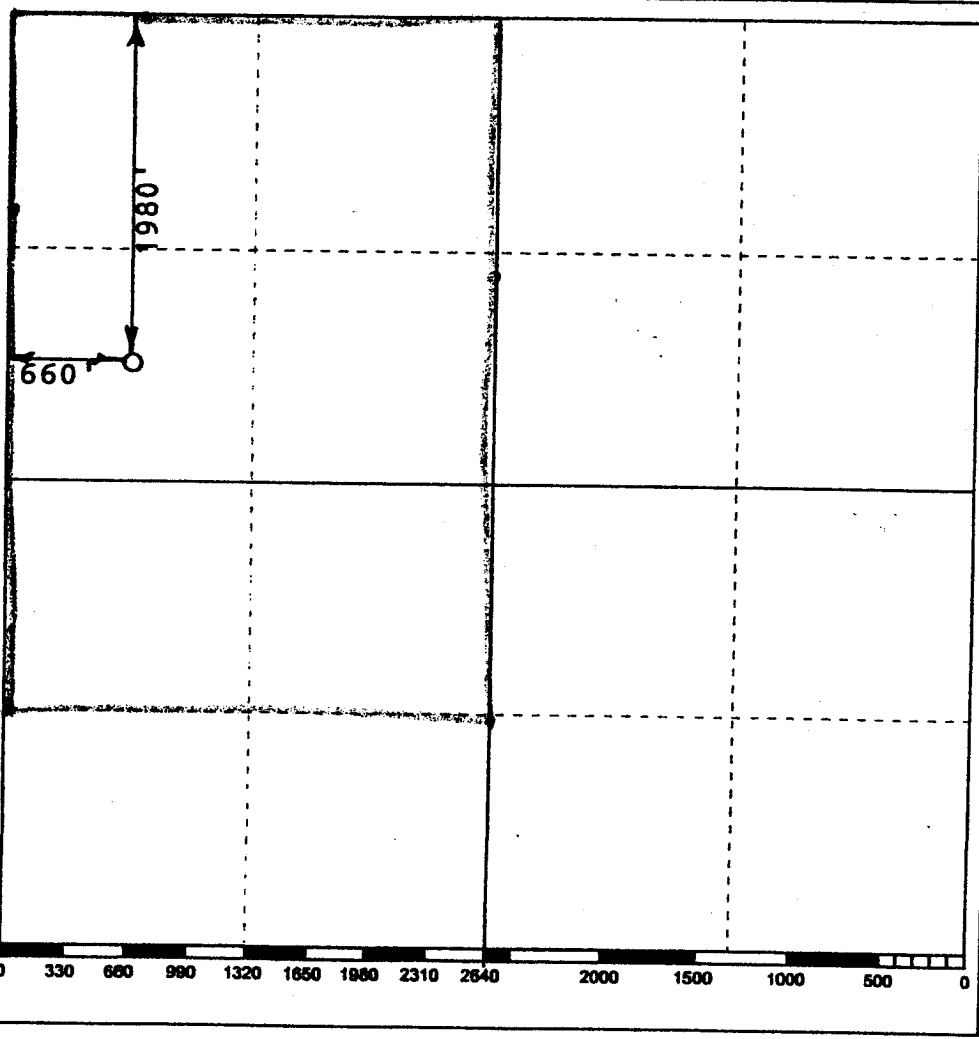
STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
 Application to Drill or Re-enter
 File Two Copies

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the operator the only owner in the dedicated acreage outlined on the plat below? YES _____ NO X
- If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise? YES _____ NO X If answer is yes, give type of consolidation _____

6. If the answer to question four is no, list all the owners and their respective interests below: Operator (EPNG) is the owner of 100% of the surface acreage. Ownership of a portion of underlying mineral interests is uncertain. EPNG intends to acquire 100% of the underlying mineral interests.

Owner: **El Paso Natural Gas Company**
 Land Description: **NW 1/4 + N 1/2 SW 1/4 Sec 21, T7S, R8E**
G.&S.R.&M Survey Pinal Co. AZ



CERTIFICATION

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

Greg Gettman
 Name: **Greg Gettman**
 Position: **Manager, Facility Planning**
 Company: **El Paso Natural Gas**
 Date: **02/22/2006**

I hereby certify that the well location shown on the plat was plotted from field notes of actual survey made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

REGISTERED LAND SURVEYOR
 8118
RONALD J. EIDSON
 Date Signed: *1/04/06*
 ARIZONA, U.S.A.

Date Surveyed: **01/07/06**
 Registered Land Surveyor
Ronald J. Eidson
 Certificate No. **8118**

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
20"	104#	Grade B	0	120'	120'	145 sacks	Class A
13 3/8"	54.5#	K-55	0	1600'	1600'	885 sacks	Std Lite & Class A
9 5/8"	40#	K-55	0	4500'	4500'	1520 sacks	Std Cement 35% salt