

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE WATER SANDS _____ LOCATION INSPECTED OIL SUB REPORT/abd _____

* Location Abandoned- Well never drilled - 11-12-82

DATE FILED 2-24-82

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. U-15049 INDIAN _____

DRILLING APPROVED: ~~3-3-82~~ 3-9-82

SPUDDED IN: _____

COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: LA 11-12-82

FIELD: GREATER CISCO AREA 3/86

UNIT: _____

COUNTY: GRAND

WELL NO. Clayton #2 API NO. 43-019-30926

LOCATION 2469 FT. FROM (N) (S) LINE. 1991 FT. FROM (E) (W) LINE. NW SE 1/4 - 1/4 SEC. 24

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				<u>20S</u>	<u>23E</u>	<u>24</u>	<u>CLAYTON INVESTMENTS</u>

APPLICATION FOR PERMIT TO DRILL

FOR

CLAYTON INVESTMENT COMPANY

CLAYTON #2

NW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 24, T.20S., R.23E., SLB&M

GRAND COUNTY, UTAH

Prepared by:

Linda W. Wright

Armstrong & Associates, Inc.

861 Rood Avenue

Grand Junction, Colorado 81501

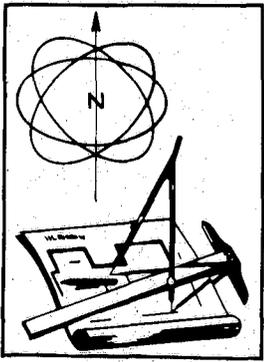
(303) 245-3861

Job # 823764

February, 1982

ARMSTRONG & ASSOCIATES, INC.

ENGINEERS-ARCHITECTS



ARMSTRONG ENGINEERS and ASSOCIATES, INC.

861 Rood Avenue - Grand Junction, Colorado 81501 - (303) 245-3861

To: State of Utah
Division of Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84101

Date: 2/24/82
Job No. 823766, 823764
Re: APD Clayton #3 & Clayton # 2

Attn: Debbie Beauregard

Gentlemen:

I am sending you Attached
 Under separate cover

Sent by: Mail
 Messenger

Copies	Date	Description
1	2/24	APD for Clayton #3
1	2/24	APD for Clayton #2

These are transmitted as checked:

- As requested
- For review and comment
- For approval
- Approved as submitted
- Approved as noted

RECEIVED
FEB 26 1982

**DIVISION OF
OIL, GAS & MINING**

- Returned for corrections
- For your use
- For bids due
-
- Prints returned after loan to us

Remarks:

If enclosures are not as listed, please notify us at once.

Signed Linda W. Wright
Linda W. Wright

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
 Clayton Investment Company

3. ADDRESS OF OPERATOR
 P.O. Box 1367, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 2469.1' NSL, 1991.1' WEL
 At proposed prod. zone Same *NW SE*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 6 miles North of Cisco, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 650'

16. NO. OF ACRES IN LEASE 480.87

17. NO. OF ACRES ASSIGNED TO THIS WELL 12

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 430'

19. PROPOSED DEPTH 1930' *Entubado*

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) GR 4621'

22. APPROX. DATE WORK WILL START* April 1, 1982

5. LEASE DESIGNATION AND SERIAL NO.
 U-15049

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 Not Applicable

7. UNIT AGREEMENT NAME
 None

8. FARM OR LEASE NAME
 Ari-Mex

9. WELL NO.
 Clayton #2

10. FIELD AND POOL, OR WILDCAT AND SURVEY OR AREA
Danish Flat

11. SEC., T., E., M., OR BLEK. AND SURVEY OR AREA
 NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24
 T20S, R23E, SLB&M

12. COUNTY OR PARISH 13. STATE
 Grand Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 $\frac{1}{2}$	9 5/8	54K-55 ST&C	120 Ft.	Circ. cement to surface
8 3/4	7	23N-80 ST&C	1100 Ft.	50 SX Class G
6 $\frac{1}{2}$	4 $\frac{1}{2}$	11.6K-55 ST&C	1930 Ft.	50 SX Class G

ATTACHMENTS

Well Location Plat
 10 Point Plan
 Blowout Preventer Diagram
 Surface Use and Operations Plan
 Drawings

Water Use Authorization
 Desingation of Operator
 Preliminary Environmental Review

**APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING**
 DATE: 3/3/82
 BY: *[Signature]*

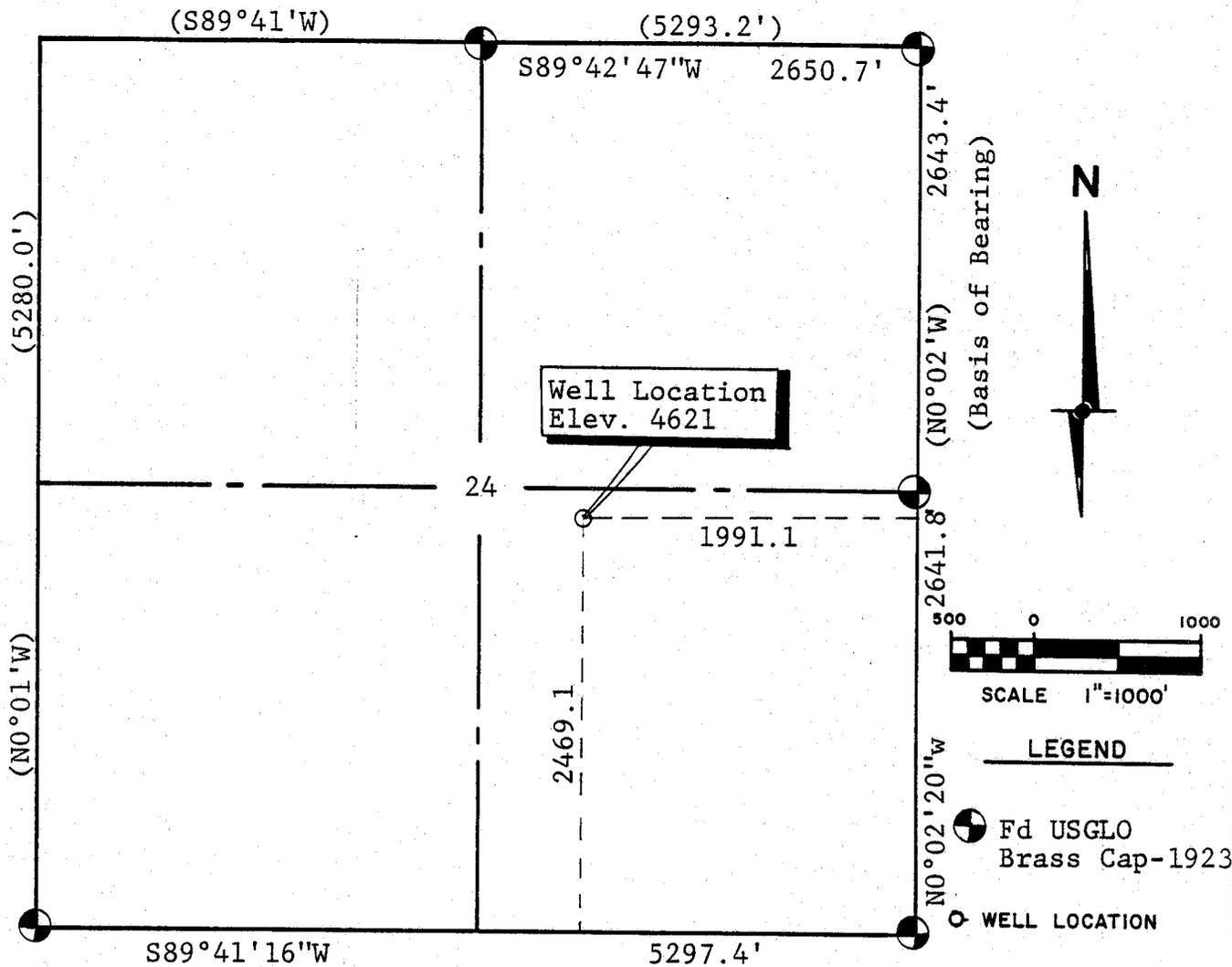
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *[Signature]* TITLE Executive Vice President DATE 2/24/82

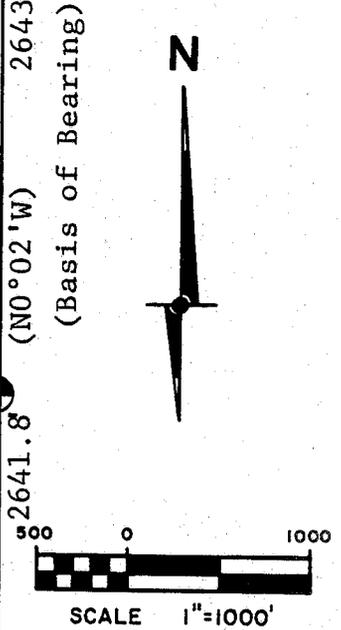
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:



Well Location
Elev. 4621



- LEGEND**
- Fd USGLO Brass Cap-1923
 - WELL LOCATION

WELL LOCATION

2469.1 Ft. F.S.L. - 1991.1 Ft. F.E.L.
Sec. 24, T.20S., R.23E., S.L.B.&M.
Grand County, Utah

GLO Calls in parentheses



SURVEYOR'S CERTIFICATE

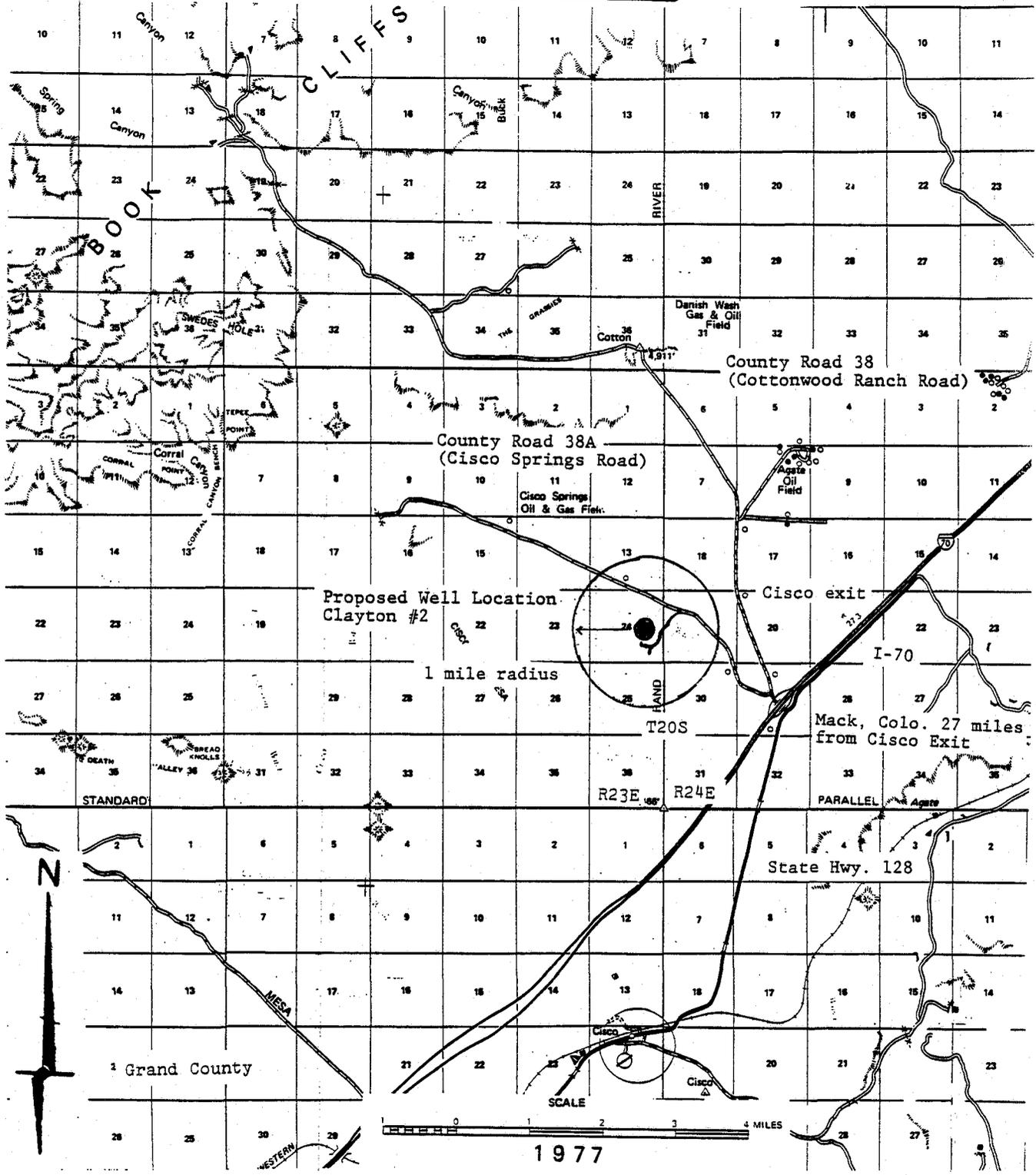
I, James R. Allen a registered land surveyor in the State of Colorado, do hereby certify that this survey was made under my direct supervision and that this plat represents said survey.

James R. Allen
James R. Allen (Colo. LS 9175)

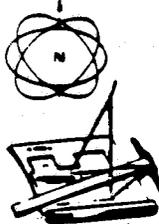
Utah - Title 58 Chapter 22-21 (b) Utah LS Pending

	ARMSTRONG ASSOCIATES, INC. ENGINEERS • SURVEYS • U.S. MINERAL SURVEYORS 861 Rood Avenue-Grand Junction, Colorado 81501-(303) 245-3861	
	SCALE 1"=1000'	Clayton Investment Co. Clayton #2
	DATE 2/11/82	
	DRAWN BY RJP	
CHECKED BY JBA	FIGURE 1	JOB NUMBER
DATE OF SURVEY 2-9-82		823764

EXISTING ROADS

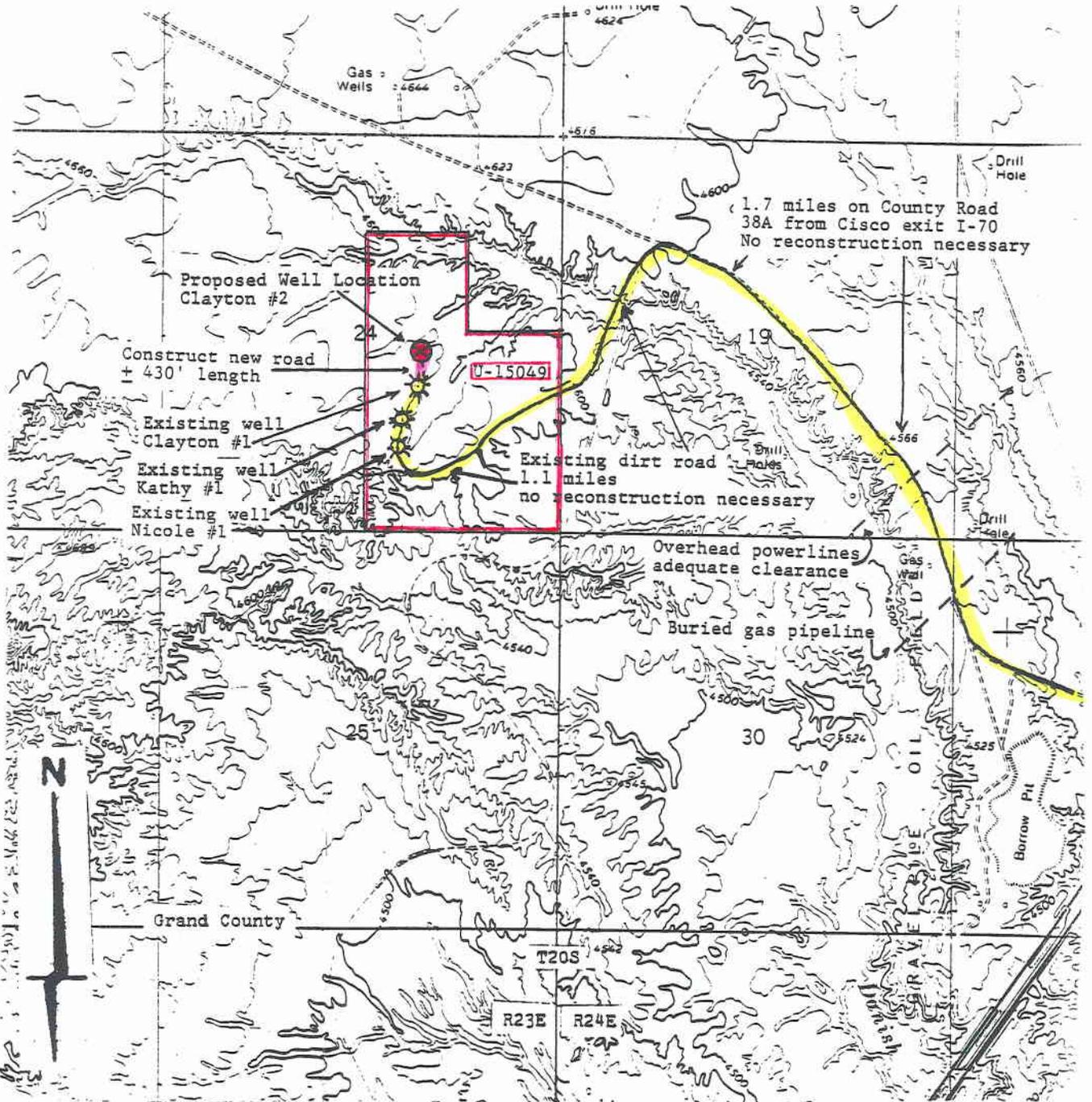


GENERAL HIGHWAY MAP
 GRAND COUNTY
 UTAH



ARMSTRONG & ASSOCIATES, INC. ENGINEERS • SURVEYS • U.S. MINERAL SURVEYS 861 Road Avenue-Grand Junction, Colorado 81501-(303)245-3861	
SCALE as shown DATE 2/17/82 DRAWN BY L.W.W. CHECKED BY J.A.B. DATE OF SURVEY 7/09-82	CLAYTON INVESTMENT CO. Clayton #2 FIGURE 3
JOB NUMBER 823764	

PLANNED ACCESS ROADS



DANISH FLAT, UTAH
N3900—W10915/7.5

1970

AMS 4162 III SE—SERIES V897



ARMSTRONG & ASSOCIATES, INC.

ENGINEERS • SURVEYS • U.S. MINERAL SURVEYORS

881 Road Avenue-Grand Junction, Colorado 81501-(303)245-3881

SCALE
1"=2000'

DATE 2/17/82

DRAWN BY WW

CHECKED BY

DATE OF SURVEY
7-09-82

CLAYTON INVESTMENT CO.

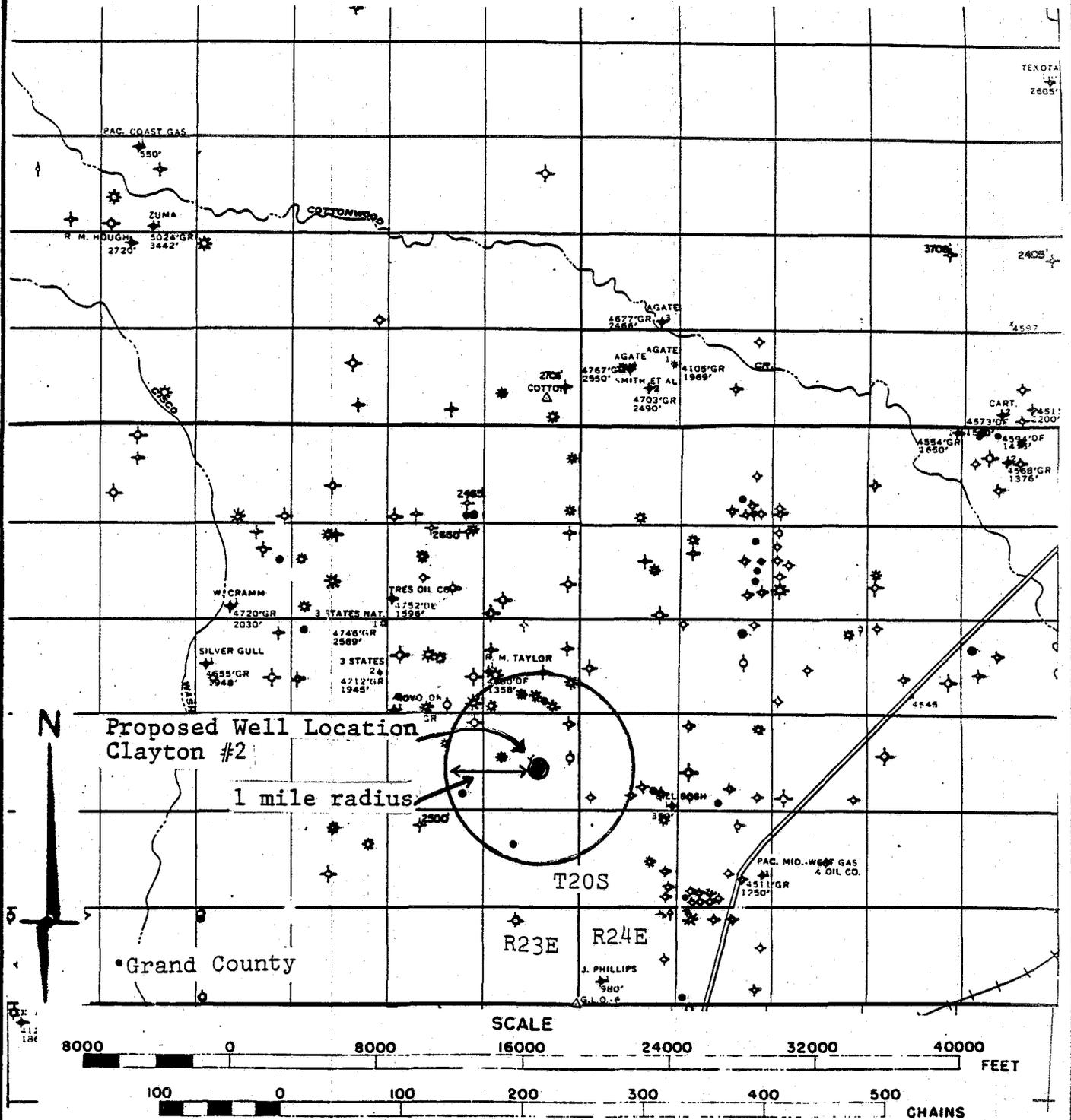
Clayton #2

FIGURE 4

JOB NUMBER

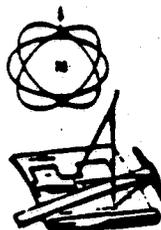
823764

EXISTING WELLS



LEGEND

- Q LOCATION
- DRY HOLE
- OIL WELL
- ⊙ ABANDONED OIL WELL
- ⊕ WATER WELL
- ★ OIL & GAS WELL
- ★ ABANDONED OIL & GAS
- ★ GAS WELL
- ★ ABANDONED GAS WELL



ARMSTRONG & ASSOCIATES, INC.

ENGINEERS • SURVEYS • U.S. MINERAL SURVEYORS
 881 Road Avenue-Grand Junction, Colorado 81501-(303)245-3861

SCALE as shown
 DATE 2/17/82
 DRAWN BY WW
 CHECKED BY JAB
 DATE OF SURVEY 2/09/82

CLAYTON INVESTMENT CO.
 Clayton #2

Figure 4A

JOB NUMBER
 823764

10 POINT PLAN

Clayton Investment Company - Clayton #2

1. Geologic Name of Surface Formation

The surface formation is the Mancos Formation.

2. Estimated Tops of Important Geologic Markers

Dakota	975
Entrada	1900
Total Depth	1930

3. Estimated Depths of Water, Oil, Gas, or Minerals

Oil 1900 feet to total depth. No water or other minerals are anticipated.

4. Proposed Casing Program

- (a) Set 9-5/8 inch new 54#, K-55, ST&C, to 120 feet in 12½ inch hole; circulate cement to surface.
- (b) Set 7 inch new, 23#, N-80, ST&C to 1100 feet in 8-3/4 inch hole; cement with 50 sacks Class "G", no additives.
- (c) Set 4½ inch new, 11.6#, K-55, ST&C to 1930 feet in 6½ inch hole; cement with 50 sacks Class "G", no additives.

5. Operator's Minimum Specifications for Pressure Control

A schematic diagram of the blowout preventer equipment is attached. The BOP will be hydraulically tested to full working pressure after nipping up and after any use under pressure. Pipe rams will be operationally checked each 24 hours period. Blind rams and annular preventer will be checked each time pipe is pulled out of the hole. All checks of the BOP will be noted on the daily drilling reports.

Accessories to BOP will include an upper and lower Kelly cock, floor safety valve, drill string BOP and choke manifold with pressure rating equivalent to the BOP stack.

6. Type and Characteristics of Proposed Circulating Mediums

The well will be drilled with air, and air mist as needed to 1900 feet; 200 barrels of 8.5 to 9# fresh water mud will be mixed up for use in case it is needed to kill well or for logging operations.

7. Auxiliary Equipment

- (a) A Kelly cock will be kept on the string at all times.
- (b) A mud logging unit and gas detecting device will monitor the system.
- (c) A stabbing valve will be on the floor to be stabbed into the drill pipe when the Kelly is not in the string.

(d) Fire float will be used. Fire stop and conventional float will be used at bit.

8. Testing, Logging, and Coring Programs

The logging program will consist of a dual induction guard log, formation density compensated and compensated neutron density log. No coring or drill stem testing is planned at this time.

Drilling plans call for selectively perforating the oil zone.

9. Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area or at the depths proposed in this well.

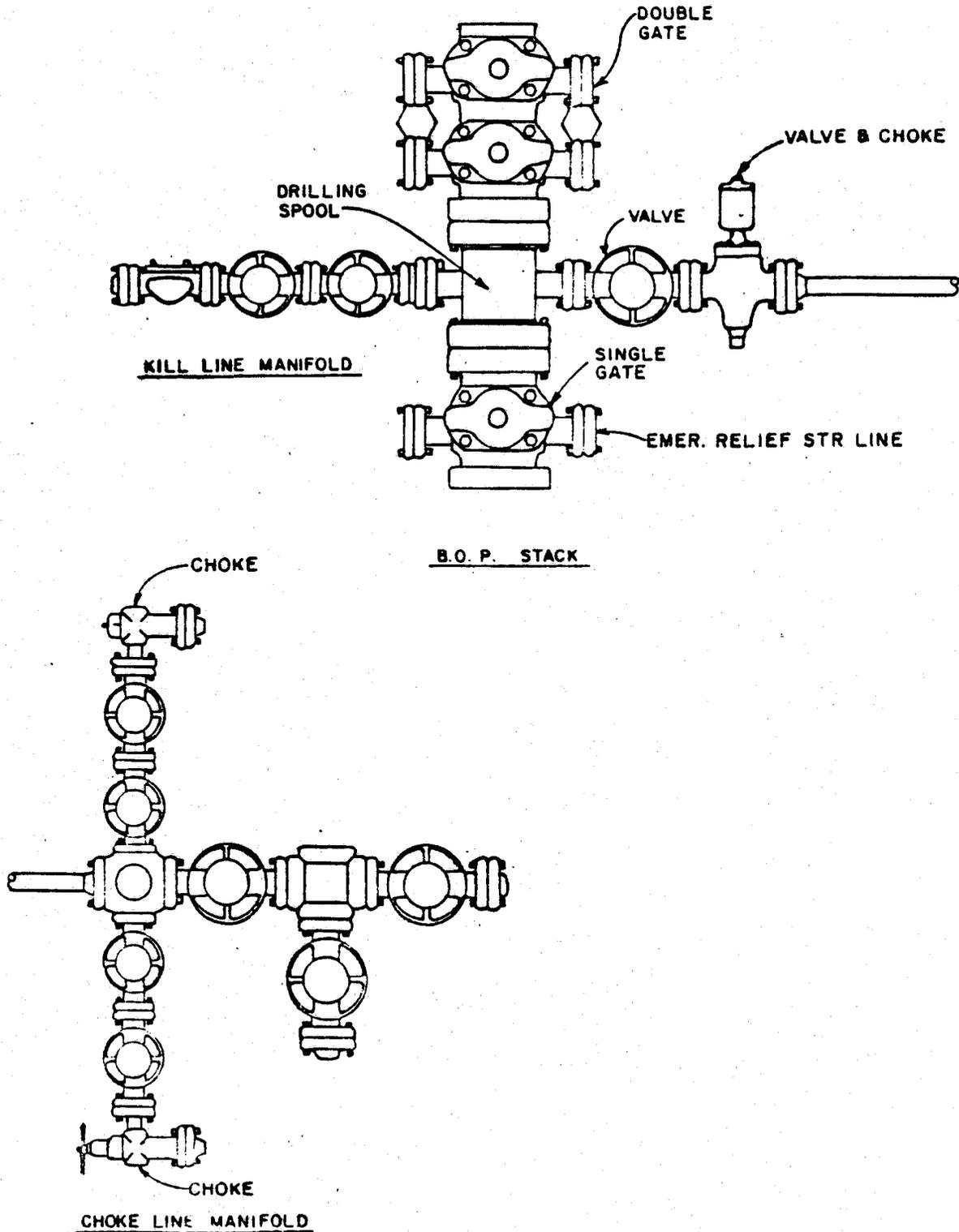
No hydrogen sulfide or other hazardous fluids or gasses are expected.

10. Anticipated Starting Date and Duration

The anticipated starting date for this well is 1 April 1982 or as soon thereafter as possible depending upon the availability of a drilling rig and approval of the permit to drill.

Rigging up is anticipated to take 2 days, and drilling should be completed within 7-10 days after spudding the well and drilling to casing point.

BLOW OUT PREVENTOR



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	SCALE N.T.S. DATE 2/17/82 DRAWN BY E.A.G.	CLAYTON INVESTMENT CO. Clayton #2
	CHECKED BY JAB DATE OF SURVEY 2/9/82	FIGURE 1A
	JOB NUMBER 823764	

SURFACE USE AND OPERATIONS PLAN
CLAYTON INVESTMENT COMPANY - CLAYTON #2

1. Existing Roads

The proposed well is located approximately 6.0 miles North of Cisco, Utah, see attached drawing.

The route to be used for access to the proposed well is as follows:

from Cisco, Utah exit on I-70 go North approximately 0.1 miles; turn left at the "T" intersection near the end of the blacktop. Continue North on County Road 38A for approximately 1.7 miles to a "T" intersection; turn left on an unnamed bladed dirt road going Southwesterly for approximately 0.9 miles to a "Y" intersection. Turn right and go North approximately 0.3 miles, going through Clayton Investment Company wells, Nicole #1, Kathy #1 and Clayton #1. The new road to be constructed will begin from the Clayton #1 well and continue North for approximately 430 feet to the proposed well site.

The surface, condition, and load capacity of all roads within a 1 mile radius of the proposed well are as follows:

- a. County Road 38 (Cottonwood Ranch Road), native dirt surfacing, crowned and ditched 24 ft. travel surface, 44 ft. total disturbed width, designed for well drilling activity.
- b. County Road 38A (Cisco Springs Road), native dirt surfacing, crowned and ditched, 34 ft. travel surface, 70 ft. total disturbed width, designed for well drilling activity.

c. Unnamed BLM oil and gas road(s), native dirt surfacing, 18 ft. travel surface, 30 ft. total disturbed width.

2. Planned Access Road

The new road to be constructed will be approximately 425 feet in length, native dirt surfacing, 18 foot travel surface, 30 foot total disturbed width, crowned and ditched with a maximum grade of 4%. See the attached drawing entitled "Planned Access Road".

3. Existing Wells

Within a 1 mile radius of the proposed well, there are several producing wells, see the attached drawing entitled "Existing Wells".

4. Existing and Proposed Facilities

Clayton Investment Company owns or controls the following wells:

- a. Clayton Investment Co.
Clayton #1
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24, T.20S., R.23E.

- b. Clayton Investment Co.
Hope #2
NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 24, T.20S., R.23E.

- c. Clayton Investment Co.
Kathy #1
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24, T.20S., R.23E.

d. Clayton Investment Co.
Nicole #1
SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24, T.20S., R.23E.

All proposed production facilities For Clayton #2 are shown on the attached drawing entitled "Production Facilities".

To protect livestock and wildlife, all pits will be enclosed by a stock-tight fence. A welded-pipe guard will be installed around the wellhead.

Upon removal of production equipment, all disturbed areas will be rehabilitated, see item 10 below. .

5. Location and Type of Water Supply

Drilling water for the proposed well will come from Cisco Spring (SW $\frac{1}{4}$ Sec. 4, T20S, R23E, SLB&M). A water use authorization is attached. Water will be transported by truck over existing public roads and the proposed access road. No other access roads or pipelines will be constructed for transporting water.

6. Source of Construction Materials

Construction materials for the proposed well pad and access road will be native borrow material accumulated during construction.

If additional material such as sand or gravel should become necessary, it will be obtained from the nearest commercial pit and will be hauled to the work area via existing public road and the proposed access road.

7. Methods for Handling Waste Disposal

Cuttings, drilling fluids, and produced fluids will be disposed of in the reserve pit.

Dust produced during drilling operations will be suppressed by water misting.

A portable chemical toilet will be provided for human waste disposal during drilling operations.

Garbage, trash, and other waste material will be contained in a fine-mesh wire trash cage. The trash cage will be hauled away by truck for disposal at an approved disposal site. Upon completion of drilling, the trash cage will be removed and all waste material will be cleaned up and removed from the well location.

8. Ancillary Facilities

There will be no camps, airstrips, off-site staging areas or other ancillary facilities for the proposed well.

9. Well Site Layout

See attached drawings entitled "Pad Topography", "Cross Sections", and "Rig Layout".

10. Plans for Restoration of the Surface

In the event of a dry hole or upon eventual abandonment of the well, the well pad and access road will be rehabilitated.

Waste material will be removed from the well pad, see item 7 above.

The fill material on the well pad and access road will be pushed back into the cut areas to return the surface as nearly as possible to its original contour. The slope of the well location prior to construction is approximately 4%. After rehabilitation, the well pad will be restored to a slope of 4% which should afford excellent revegetation success.

After recontouring the well pad and access road, the previously stockpiled surface material will be spread over the disturbed areas. All disturbed areas will be reseeded.

The reserve pit will be fenced on three sides prior to the start of drilling and will be fenced on the fourth side prior to rig release. All other pits will be fenced and will be so maintained until final cleanup.

All above ground facilities will be painted to blend with surrounding vegetation.

The proposed timetable for rehabilitation operations is as follows:

Restoration activities will begin within 90 days after completion of the well. Final cleanup will be completed within 30 days after start of work, but will be delayed until the reserve pit has dried up. Reseeding will be done in the fall of the year after completion of final cleanup.

11. Other Information

The surface ownership for the well location and for all lands to be crossed by newly constructed or upgraded roads is the Bureau of Land Management.

Surface use activities in the area of the proposed well are winter livestock grazing, petroleum production, and recreation.

The topography of the area is shown on the Danish Flat, Utah Quadrangle; USGS 7.5 minute series, Grand County, Utah.

Soils in the area are light brown sandy silt (Type ML) with numerous small wind polished rocks on the surface.

Vegetation in the area is of the semi-desert type, dominated by saltbrush and rabbitbrush.

The subject area provides habitat for various game and non-game mammals, as well as birds, reptiles, and insects.

There are no known endangered species of plants or animals in the subject area.

All construction and rehabilitation will be done in accordance with "Additions to the Multipoint Surface Use Plan and Reclamation Procedures" and BLM specifications.

12. Authorized Representative

Clayton Investment Company's authorized field representative responsible for assuring compliance with this surface use and operations plan is F. L. Stark whose address is: P.O. Box 1367, Farmington, NM 87401, telephone number: (505) 327-5156.

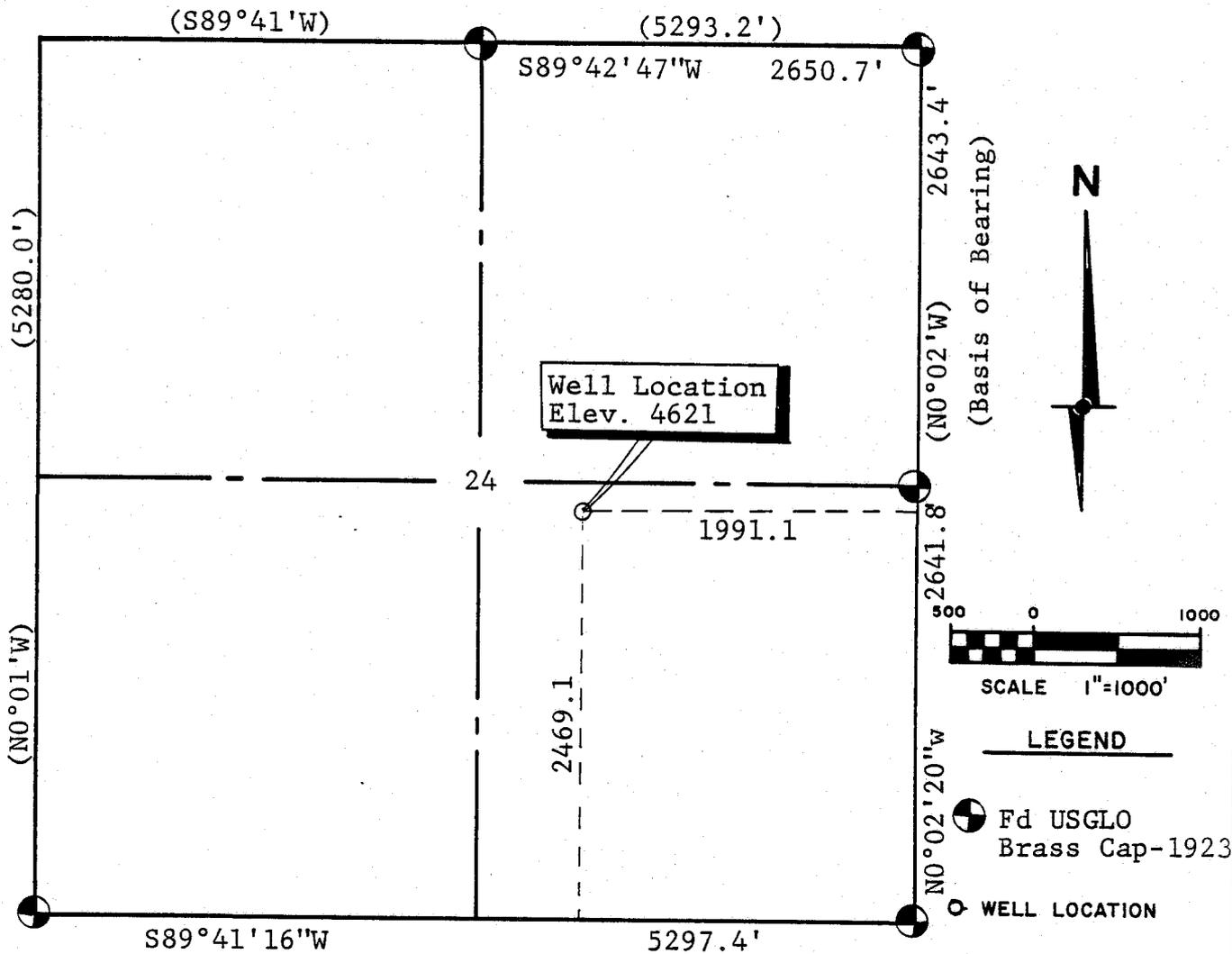
13. Certification

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 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 Clayton Investment Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

2/24/82

Date

John A. Bare, Agent
for F. L. Stark



N

SCALE 1"=1000'

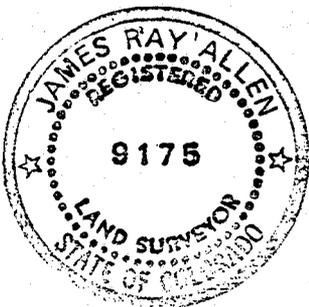
LEGEND

- Fd USGLO Brass Cap-1923
- WELL LOCATION

WELL LOCATION

2469.1 Ft. F.S.L. - 1991.1 Ft. F.E.L.
 Sec. 24, T.20S., R.23E., S.L.B.&M.
 Grand County, Utah

GLO Calls in parentheses



SURVEYOR'S CERTIFICATE

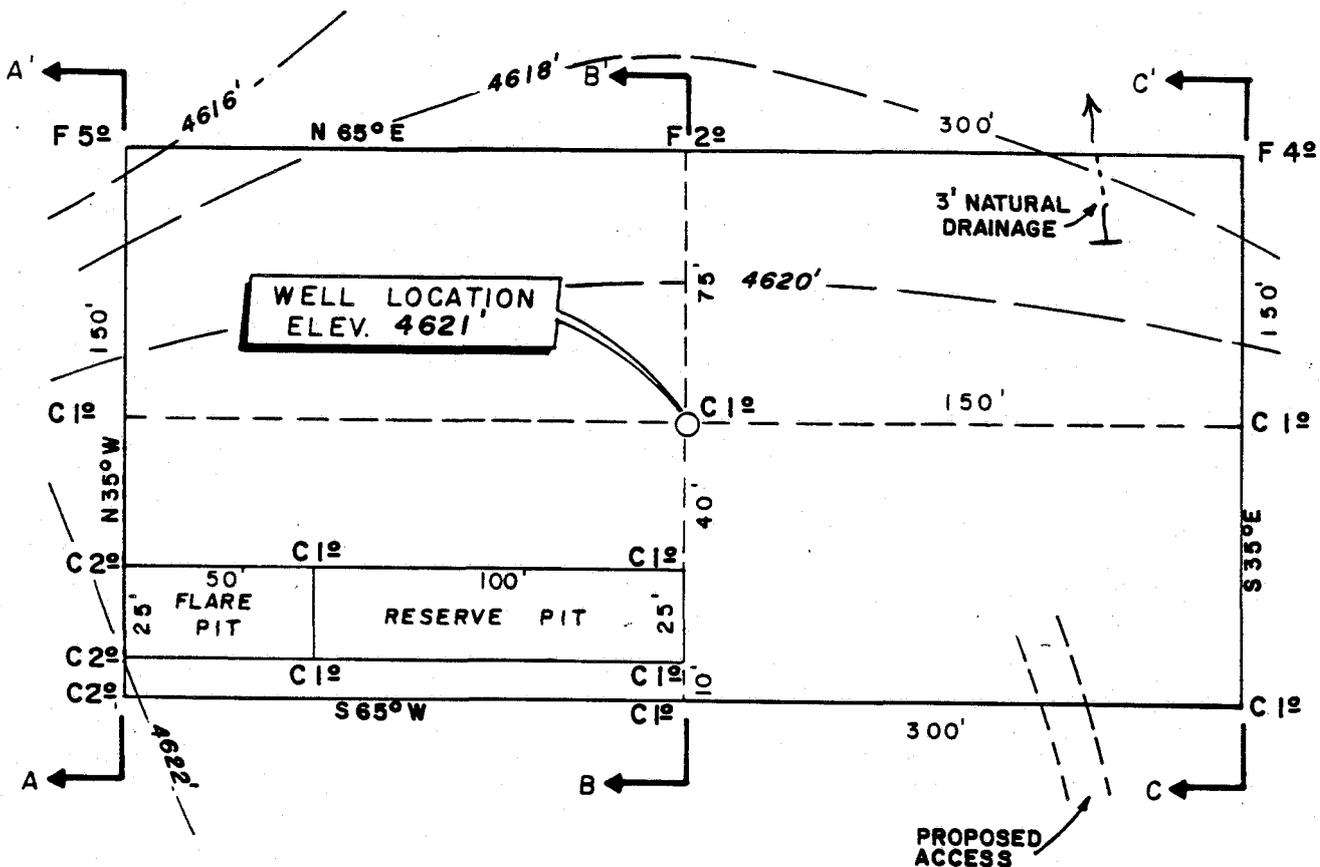
I, James R. Allen a registered land surveyor in the State of Colorado, do hereby certify that this survey was made under my direct supervision and that this plat represents said survey.

James R. Allen
 James R. Allen (Colo. LS 9175)

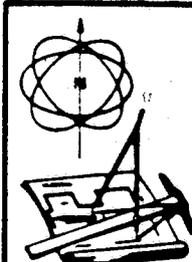
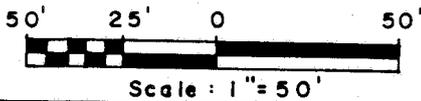
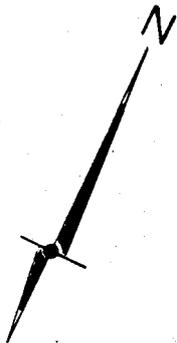
Utah - Title 58 Chapter 22-21 (b) Utah LS Pending

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	SCALE 1"=1000'	Clayton Investment Co. Clayton #2
	DATE 2/11/82	
	DRAWN BY RJP	
CHECKED BY JBA	FIGURE 1	JOB NUMBER 823764
DATE OF SURVEY 2-9-82		

PAD TOPOGRAPHY



REF. PT. 200' NORTH ELEV. 4622'
 REF. PT. 200' EAST ELEV. 4617'
 REF. PT. 200' WEST ELEV. 4615'



ARMSTRONG ENGINEERS and ASSOCIATES, INC.
 ENGINEERING • SURVEYING • SOILS AND CONCRETE TESTING
 861 ROOD AVENUE - GRAND JUNCTION, COLORADO 81501 - (303) 245-3861

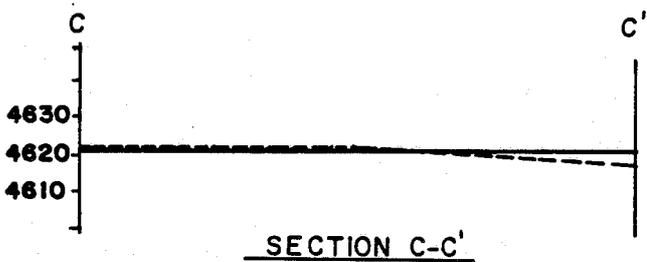
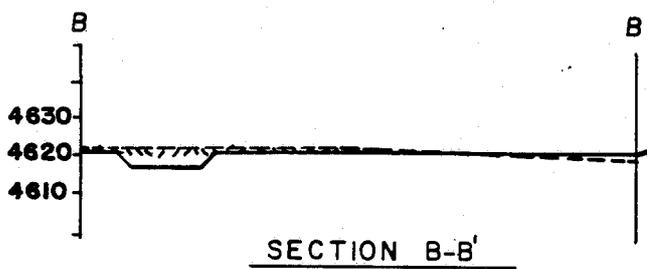
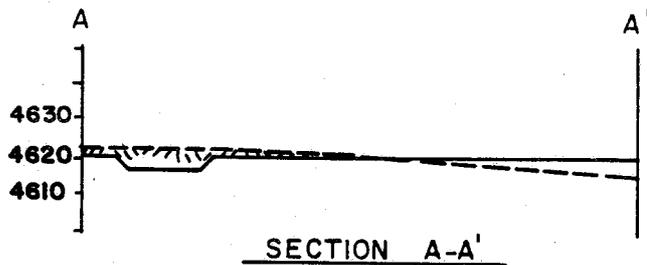
SCALE 1" = 50'
 DATE 2-11-82
 BY L.M.S.
 CHECKED BY *L.M.S.*
 DATE OF REVISION 2-9-82

CLAYTON INVESTMENT CO.
 CLAYTON # 2

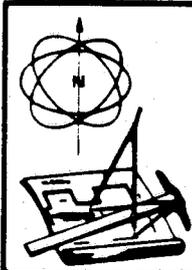
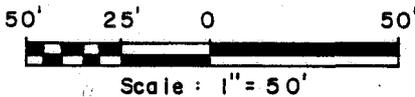
FIGURE 5

JOB NUMBER
 823764

CROSS SECTIONS



PROPOSED PAD
ELEV. 4620'



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861 ROOD AVENUE - GRAND JUNCTION, COLORADO 81501 - (303) 245-3861

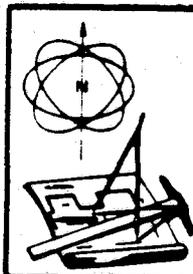
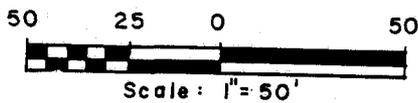
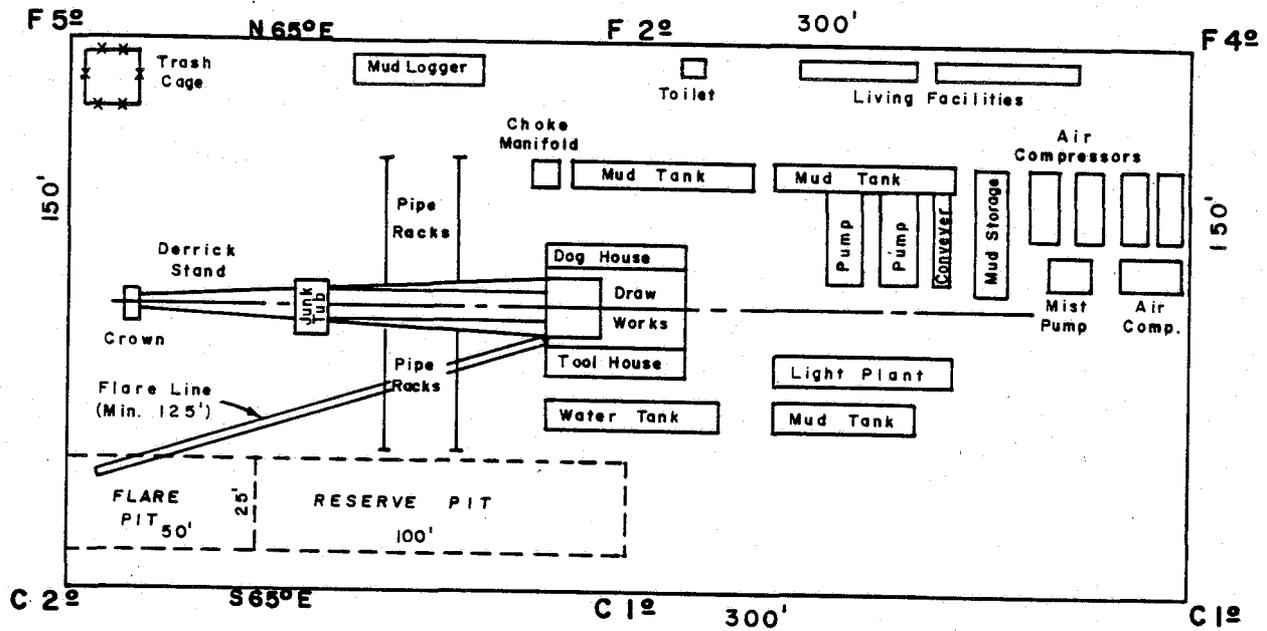
SCALE 1" = 50'
DATE 2-11-82
BY E. A. G.
EW
DATE 2-9-82

CLAYTON INVESTMENT CO.
CLAYTON # 2

FIGURE 6

JOB NUMBER
823764

RIG LAYOUT



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 ENGINEERING • SURVEYING • SOILS AND CONCRETE TESTING
 861 ROOD AVENUE - GRAND JUNCTION, COLORADO 81501 - (303) 245-3861

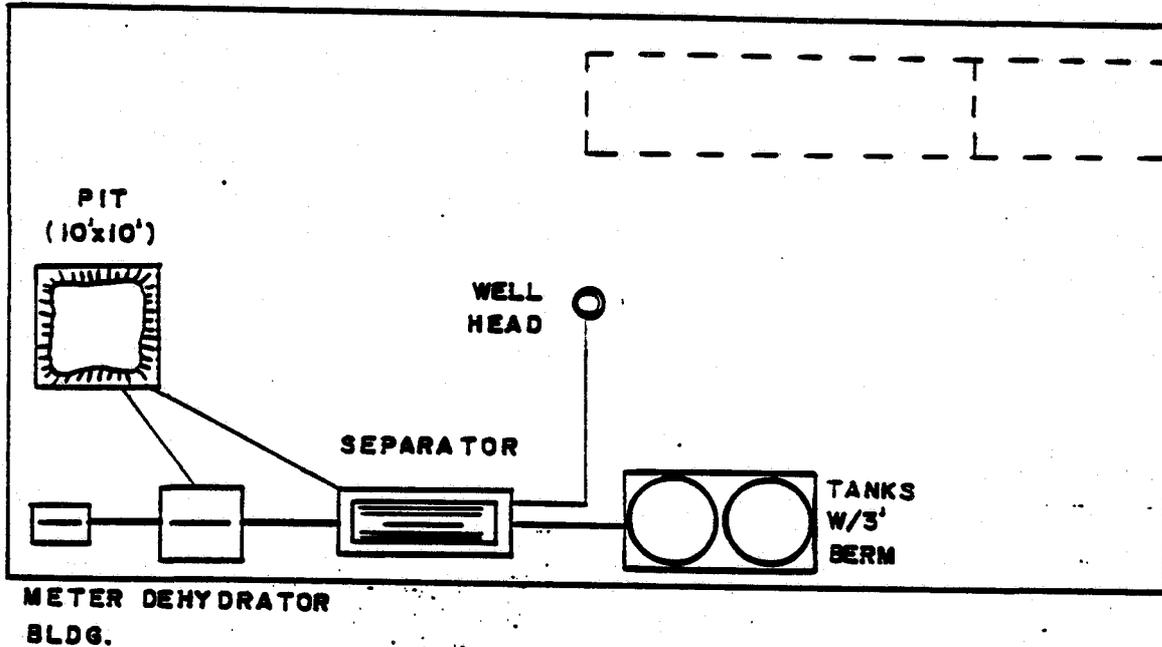
SCALE 1" = 50'
 DATE 2-11-82
 BY E. A. G.
 CHECKED BY *LWW*
 DATE OF ISSUE 2-9-82

CLAYTON INVESTMENT CO.
 CLAYTON #2

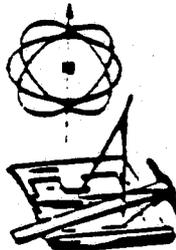
FIGURE 7

JOB NUMBER
 823764

PRODUCTION FACILITIES



NOTE: Do not install these facilities in the center of the well pad or over the rig anchors as they will be used in the future by a work over rig. Separator must be located 75' (min.) from well head.

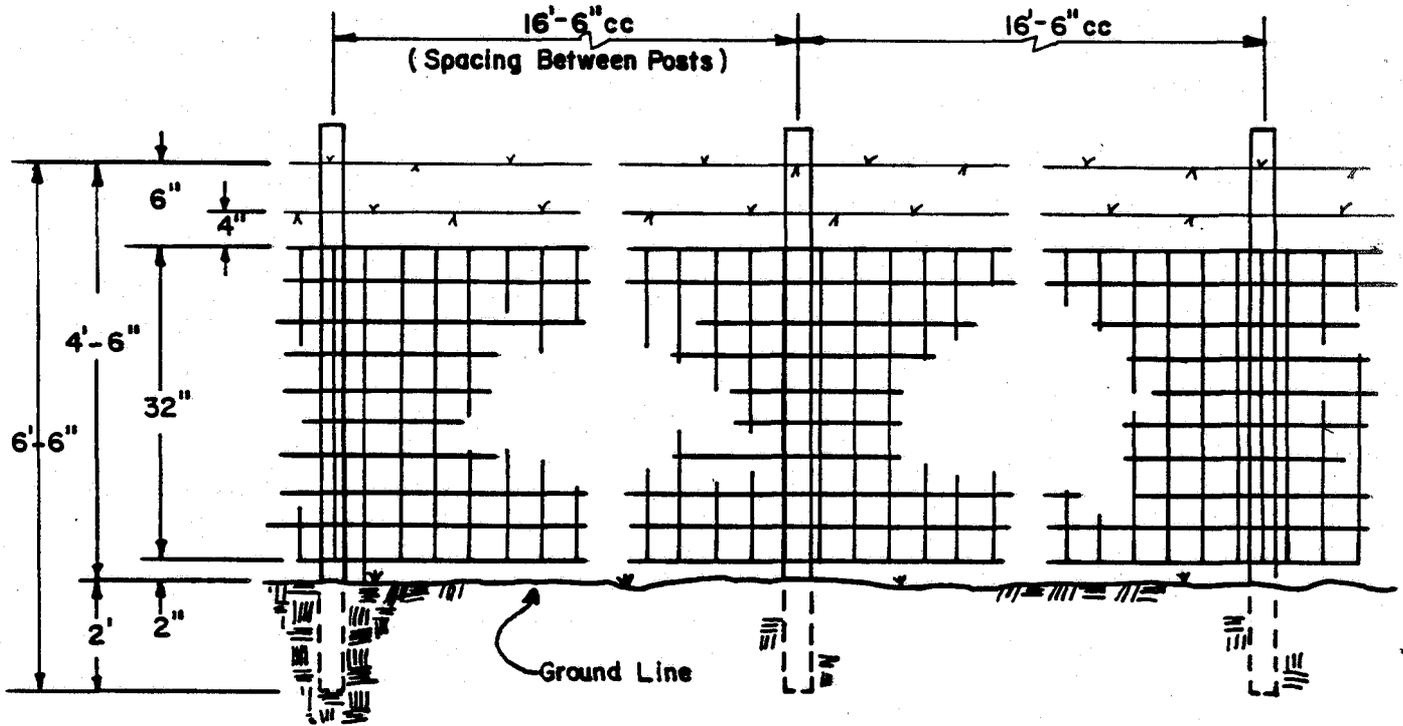


ARMSTRONG ENGINEERS and ASSOCIATES, INC.
 ENGINEERING • SURVEYING • SOILS AND CONCRETE TESTING
 961 ROOD AVENUE - GRAND JUNCTION, COLORADO 81501 - (303) 245-3261

NO SCALE
 T.W.W.
 2/23/82
 J.A. BARE
 2/29/82

Clayton Investment Co.
 Clayton #2
FIGURE 8
 JOB NUMBER
 823764

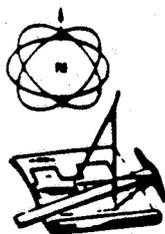
PIT FENCE DIAGRAM



CORNER POSTS SHALL BE BRACED

Reserve Pit to be Fenced 3 sides
Prior to Drilling. 4th Side Must be
Completed Before Rig Release.

Overhead Flagging or Netting Must
be Placed on All "Permanent" Pits.



ARMSTRONG & ASSOCIATES, INC.

ENGINEERS • SURVEYS • U.S. MINERAL SURVEYORS
381 Flood Avenue-Grand Junction, Colorado 81501-(303)245-3861

SCALE
NOT TO SCALE
DATE 2/17/82
DRAWN BY
CHECKED BY
DATE OF SURVEY 2/19/82

Clayton Investment Co.
Clayton #2

Figure 9

JOB NUMBER
823764

RECEIVED

TEMPORARY

Application No. 56986

OCT 21 1981

APPLICATION TO APPROPRIATE WATER STATE OF UTAH

01-154

RECEIVED

SEP 23

NOTE:—The information given in the following blanks should be free from explanatory matter, but when necessary, a complete supplementary statement should be made on the following page under the heading "Explanatory."

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, for uses indicated by (X) in the proper box or boxes, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

1. Irrigation Domestic Stockwatering Municipal Power Mining Other Uses

2. The name of the applicant is Knut & Sons Construction

3. The Post Office address of the applicant is 1180 East Knutson Corner Moab, Utah 84532

4. The quantity of water to be appropriated _____ second-feet and/or 4.0 acre-feet

5. The water is to be used for Industrial from September 1981 to August 1982
(Major Purpose) (Month) (Day) (Month) (Day)

other use period _____ from _____ to _____
(Minor Purpose) (Month) (Day) (Month) (Day)

and stored each year (if stored) from _____ to _____
(Month) (Day) (Month) (Day)

6. The drainage area to which the direct source of supply belongs is _____
(Leave Blank)

7. The direct source of supply is* Cisco Wash
(Name of stream or other source)

which is tributary to _____, tributary to _____

*Note.—Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" in the first space and the remaining spaces should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in the first space, giving its name, if named, and in the remaining spaces, designate the stream channels to which it is tributary, even though the water may sink, evaporate, or be diverted before reaching said channels. If water from a spring flows in a natural surface channel before being diverted, the direct source should be designated as a stream and not a spring.

8. The point of diversion from the source is in Grand County, situated at a point*
N. 1000 ft. & W. 420 ft. from S½ Cor. Sec. 9, T20S, R23E, SLB&M.

(1 mile south of Cisco Springs) Cisco Springs Quad.

*Note.—The point of diversion must be located definitely by course and distance or by giving the distances north or south, and east or west with reference to a United States land survey corner or United States mineral monument, if within a distance of six miles of either, or if at a greater distance, to some prominent and natural object. No application will be received for filing in which the point of diversion is not defined definitely.

9. The diverting and carrying works will consist of sump in stream, portable pump and tank truck to place of use

10. If water is to be stored, give capacity of reservoir in acre-feet _____ height of dam _____
area inundated in acres _____ legal subdivision of area inundated _____

11. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows:

Total _____ Acres

12. Is the land owned by the applicant? Yes _____ No X If "No," explain on page 2.

13. Is this water to be used supplementally with other water rights? Yes _____ No X
If "yes," identify other water rights on page 2.

14. If application is for power purposes, describe type of plant, size and rated capacity. _____

15. If application is for mining, the water will be used in _____ Mining District at the _____ mine, where the following ores are mined _____

16. If application is for stockwatering purposes, number and kind of stock watered _____

17. If application is for domestic purposes, number of persons _____, or families _____

18. If application is for municipal purposes, name of municipality _____

19. If application is for other uses, include general description of proposed uses Water for exploration drilling

20. Give place of use by legal subdivision of the United States Land Survey for all uses described in paragraphs 14 to 19, incl. NE¼SE¼, NE¼NW¼ Sec. 24, T20S, R23E, SLB&M.

21. The use of water as set forth in this application will consume 4.0 second-feet and/or acre-feet of water and _____ second feet and/ or acre feet will be returned to the natural stream or source at a point described as follows: _____

EXPLANATORY

The following additional facts are set forth in order to define more clearly the full purpose of the proposed application:

Lined area for additional facts.

(Use page 4 if additional explanatory is needed.)

The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purpose herein described

Handwritten signature of applicant with the text "Signature of Applicant" below it.

*If applicant is a corporation or other organization, signature must be the name of such corporation or organization by its proper officer, or in the name of the partnership by one of the partners, and the names of the other partners shall be listed. If a corporation or partnership, the affidavit below need not be filled in. If there is more than one applicant, a power of attorney, authorizing one to act for all, should accompany the Application.

DECLARATION OF CITIZENSHIP

STATE OF UTAH
County of GRAND ss

On the 22nd day of September 1981, personally appeared before me, a notary public for the State of Utah, the above applicant who, on oath, declared that he is a citizen of the United States, or has declared his intention to become such a citizen.

My commission expires: 1-21-85

(SEAL)

Handwritten signature of notary public with the text "Notary Public" below it.

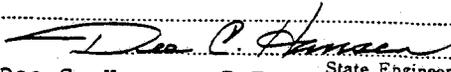
JENBOWYLLI

FEEES FOR APPLICATIONS TO APPROPRIATE WATER IN UTAH

Flow rate — c.f.s.	Cost	
0.0 to 0.1	\$ 15.00	
over 0.1 to 0.5	30.00	
over 0.5 to 1.0	45.00	
over 1.0 to 15.0	45.00	plus \$7.50 for each cfs above the first cubic foot per second.
over 15.0	150.00	
Storage — acre-feet		
0 to 20	22.50	
over 20 to 500	45.00	
over 500 to 7500	45.00	plus \$7.50 for each 500 a.f. above the first 500 acre feet.
over 7500	150.00	

(This section is not to be filled in by applicant)

STATE ENGINEER'S ENDORSEMENTS

1. Sept. 23, 1981 Application received by mail over counter in State Engineer's office by sp
2. Priority of Application brought down to, on account of
3. 10-1-81 Application fee, \$ 1500, received by cg Rec. No. 11881
4. Application microfilmed by Roll No.
5. 10-5-81 Indexed by cg Platted by
6. 9-25-81 Application examined by sp
7. Application returned, or corrected by office
8. Corrected Application resubmitted by mail over counter to State Engineer's office.
9. 9-25-81 Application approved for advertisement by sp
10. Notice to water users prepared by
11. Publication began; was completed
- Notice published in
12. Proof slips checked by
13. Application protested by
14. Publisher paid by M.E.V. No.
15. Hearing held by
16. Field examination by
17. 9-25-81 Application designated for approval rejection SG & MPA
18. 10/9/81 Application copied or photostated by slf proofread by
19. 10/9/81 Application approved rejected
20. **Conditions:**
 This Application is approved, subject to prior rights, as follows:
 a. Actual construction work shall be diligently prosecuted to completion.
 b. Proof of Appropriation shall be submitted to the State Engineer's office by NPR.....
 c. **TEMPORARY APPROVAL--EXPIRES August 31, 1982**.....
21. Time for making Proof of Appropriation extended to
 align="right">

 Dee C. Hansen, P.E., State Engineer
22. Proof of Appropriation submitted.
23. Certificate of Appropriation, No., issued

TEMPORARY

Application No. 56986
01-154

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Salt Lake City, Utah
SERIAL NO.: U-15049

and hereby designates

NAME: Clayton Investment Company
ADDRESS: Post Office Box 1367
Farmington, NM 87401

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable): Grand County, Utah

T. 20 S., R. 23 E., SLMER
Sec. 12, N 1/2, W 1/2, SE 1/4, NW 1/4
Sec. 24, SW 1/4 NE 1/4, SE 1/4
T. 20 S., R. 23 E., SLMER
Sec. 6, Lots 4, 5
(480.87 acres)

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

Note: This document supersedes any previous designation of operator document submitted.

THRIFTWAY COMPANY

ARI-MEX OIL & EXPLORATION, INC.

By: _____

By: [Signature]
(Signature of lessee)

(Date)

P. O. Box 249, Moab, Utah 84532
(Address)

Eugene M. Sussex



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Grand Resource Area
P.O. Box M
Moab, Utah 84532

IN REPLY REFER TO

3109
(U-068)
U-15049

Mr. John Bare
Armstrong & Assoc., Inc.
861 Road Ave.
Grand Jct., CO 81501

FEB 12 1982

Reference: Staking Request (PER)
Company Clayton Lease: U-15049
Well: Clayton #2
Section 24, T. 20 S., R. 23 E.
Grand County, Utah

Dear Mr. Bare:

This office has no objections to staking the above referenced locations. Would you include your bond number when submitting your application to drill. In addition you should be knowledgeable that Grand County requires a permit if you plan to use a county road as a portion of your access road. You should contact the Grand County Road Supervisor. An archaeological clearance will not be needed at this location.

For your own information the Danish Flat #2, Hope #2-A, and Hope #2-B, are all on private land. Contact Patsantara's Land and Livestock Company, (3112 A $\frac{1}{2}$ Road; Grand Junction, CO 81501), for any action in the North $\frac{1}{2}$ of Section 24.

Sincerely yours,

Colin P. Christensen
Area Manager

cc:
Grand County Road Supervisor
Mineral Management Services

** FILE NOTATIONS **

DATE: 3-1-82
OPERATOR: Clayton Investment Co
WELL NO: Clayton #2
Location: Sec. 24 T. 20S R. 23E County: Grand

File Prepared: Entered on N.I.D.:
Card Indexed: Completion Sheet:

API Number 43-019-30926

CHECKED BY:

Petroleum Engineer: _____
Director: OK as per 102-16B order
Administrative Aide: R. he per order below.

APPROVAL LETTER:

Bond Required: Survey Plat Required:
Order No. 102-16B 9/26/79 O.K. Rule C-3
Rule C-3(c), Topographic Exception - company owns or controls acreage within a 660' radius of proposed site
Lease Designation fed. Plotted on Map
Approval Letter Written
Hot Line P.I.

March 9, 1982

Clayton Investment Company
P. O. Box 1367
Farmington, New Mexico 87401

RE: Well No. Clayton #2,
Sec. 24, T. 20S, R. 23E,
Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with the Order issued in Cause No. 102-16B, dated September 26, 1979.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

CLEON B. FEIGHT
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-019-30926.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Cleon B. Feight
Director

CBF/db
CC: USGS
Enclosure



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

November 10, 1982

Clayton Investment Company
~~P. O. Box 1367~~ 710 E 20th St
Farmington, New Mexico 87401 7

Re: See attached page

Gentlemen:

In reference to the above mentioned wells, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill these wells, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan to drill these locations at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

Cari Furse

Cari Furse
Clerk Typist

CF/cf

Well No. Jane #1
Sec. 24, T. 20S, R. 23E.
Grand County, Utah

Well No. Clayton #2
Sec. 24, T. 20S, R. 23E.
Grand County, Utah

Well No. Hope #2-A
Sec. 24, T. 20S, R. 23E.
Grand County, Utah

Well No. Ari-Mex Hope #2-B
Sec. 24, T. 20S, R. 23E.
Grand County, Utah

Well No. Clayton #3
Sec. 24, T. 20S, R. 23E.
Grand County, Utah

Shuttle #1
Sec. 19, T. 20S, R. 24E.
Grand County, Utah

Oil and Gas Operations
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

October 29, 1982

Clayton Investment Company
P.O. Box 1367
Farmington, New Mexico 87401

Re: Return Applications for Permit
to Drill

~~Well No. Hope 2-A~~ ✓
Lease No. U-17610
~~Well No. Clayton 2~~ ✓
Lease No. U-15049
~~Section 24-1208-R231~~
Grand County, Utah

Gentlemen:

The Applications for Permit to Drill the referenced wells were received in this office March 5 and March 1, 1982, respectively.

In our letter to you dated August 19, 1982, it was stated that the applications would have to be brought administratively complete within 45 days. Since this has not been accomplished, we are returning the applications unapproved.

If you again desire to drill at these locations, new complete packages must be submitted.

If you have any questions, please feel free to call this office.

Sincerely,

E. W. Guynn
District Oil & Gas Supervisor

bcc: SMA
State O&G ✓
MIS-Vernal
Well File
APD Control

DH/dh

November 12, 1982

Clayton Investment Company
P. O. Box 1367
Farmington, New Mexico 87401

RE: Well No. Hope 2-A ✓
Sec. 24, T.20S, R.23E
Grand County, Utah

Well No. Clyton 2
Sec. 24, T.20S, R.23E
Grand County, Utah

Gentlemen:

Approval of Application for Permit to Drill the above referenced wells are rescinded without prejudice as of the above date in concert with action taken by Minerals Management Service.

If you intend to drill this location at a future date, a new application for permit to drill may be submitted for State approval.

Sincerely,


Norm Stout
Administrative Assistant

NS/as

CLAYTON INVESTMENT COMPANY

710 East 20th St.
Farmington, New Mexico 87401
(505) 327-5156

November 16, 1982

State of Utah
Department of Oil, Gas, and Mining
4241 State Office Building
Salt Lake City, UT 84114

Att: Cari Furse

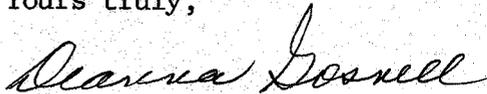
RE: Jane #1, Clayton #2, Hope #2-A, Hope #2-B, Clayton #3
Sec. 24, T20S, R23E, Grand County, UT
Shuttle #1, Sec. 19, T20S, R24E, Grand County, UT

Dear Ms. Furse;

We do have plans to drill on the above locations in the future;
however, we cannot furnish you with projected dates at this time.

Approval of our Application for Permit to Drill on the Clayton #2
and the Hope #2-A has been rescinded by the State of Utah and the
Minerals Management Service. We will submit new applications on
these two locations when we have more definite plans for drilling
them.

Yours truly,



Deanna Gosnell
Production Clerk

dg
enclosure

RECEIVED
NOV 18 1982

DIVISION OF
OIL, GAS & MINING