

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a TYPE OF WORK
DRILL DEEPEEN PLUG BACK

b TYPE OF WELL
OH WELL OAR WELL OTHER RINCE ZONE MULTIPLE ZONE

2 NAME OF OPERATOR
Chuska Energy Co.

3 ADDRESS OF OPERATOR
c/o 3-E Co. PO Box 190 Farmington, NM 87499

4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)
At surface 1850' FNL & 500' FWL
At proposed prod zone Same *SWH*

14 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

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

16 NO OF ACRES IN LEASE
5120

17 NO OF ACRES ASSIGNED TO THIS WELL
40

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

19 PROPOSED DEPTH
5670 *See attached*

20 RENTARY OR CABLE TOOL
Rotary

21 ELEVATIONS (Show whether DF RT GR etc)
4544 GR

22 APPROX DATE WORK WILL START*
July 15, 1984

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOH	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17	13 3/8	54.5	100	See attached cement information
12 1/4	8 5/8	24	1300	
7 7/8	5 1/2	15.5	5670	

See Attached

RECEIVED

JUL 6 1984

DIVISION OF OIL
GAS & MINING

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 7/7/84
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.

8 SIGNED [Signature] TITLE Agent DATE June 22, 1984

(This space for 1 (dual or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

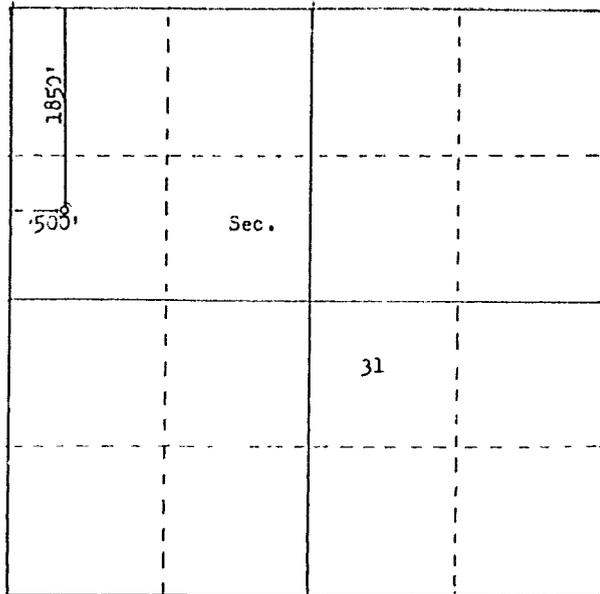
COMPANY CHUSKA ENERGY COMPANY

LEASE NAVAJO TRIBAL WELL NO. 12-31

SEC. 31, T. 40S, R. 23E
San Juan County, Utah

LOCATION 1850' ENL 500' FWL

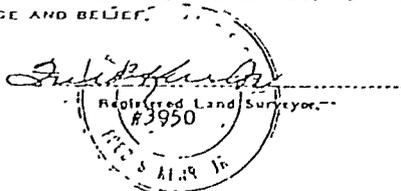
ELEVATION 4544 ungraded ground



SCALE—4 INCHES EQUALS 1 MILE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTE OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL:



SURVEYED November 14, 1983

FORMATION INFORMATION AND
DRILLING PRACTICES

CHUSKA ENERGY CO.
Navajo Tribal No. 12-31
1850' FNL & 500' FWL
Sec 31, Twn 40S, Rng 23E
San Juan Co , Utah

1. Surface Formation: Bluff Sandstone

2. Estimated Formation Tops.

Navajo	475'	Organ Rock	2465'
Keyenta	800'	Cuttler	3370'
Windgate	900'	Hermosa	4440'
Chinle	1320'	Upper Ismay	5300'
Shinarump	2000'	Lower Ismay	5420'
Moenkopi	2100'	Desert Creek	5530'
DeChelly	2345'	T.D.	5670'

3. Estimated Depth of Anticipated Oil, Gas Water or Minerals:

Oil	5420'
Oil	5530'

4. Proposed Casing Program

0-100'	13 3/8" 1b/ft. ST & C J-55 new casing; cement with 120 cubic feet Class "B" + 2% CaCl ₂ + 1/4 lb cellophane flakes per sack.
0-1300'	8 5/8" 24 lb/ft. ST & C, K-55 new casing; cement with 800 cubic feet 65-35 poz mix + 2% CaCl ₂ Cement will be brought to surface.
0-5670'T.D.	5 1/2", 15 5 lb/ft. ST & C, K-55 new casing; cement with 450 cubic feet 50-50 poz mix + 2% CaCl ₂ + 10% salt + 0.8% fluid loss additive. Cement top at 4000'.

5. Pressure Control Equipment - Blow Out Preventor:

The attached schematic shows the type of blowout preventor to be used while drilling. The unit will be tested to 800 psi prior to drilling from under surface pipe.

6. Drilling Fluids

DEPTH	TYPE	VIS	WEIGHT	FLUID LOSS
0-1300'	Gel-lime	35-45	9 0	Not controlled
1300-4000'	Gel-chem	35-45	9.5	15cc
4000-5670'	Low solids	45-50	10 0	9cc

8. Auxiliary Equipment.

- Bit float
- Stabbing valve to be used in drill pipe when kelly is not connected.

8. Logging - Coring - Testing Program:

Logging--Open Hole Mud : IES, CNL, FDC 400' to t.d.

Testing : Possible in Lower Ismay and Desert Creek

Coring : None planned

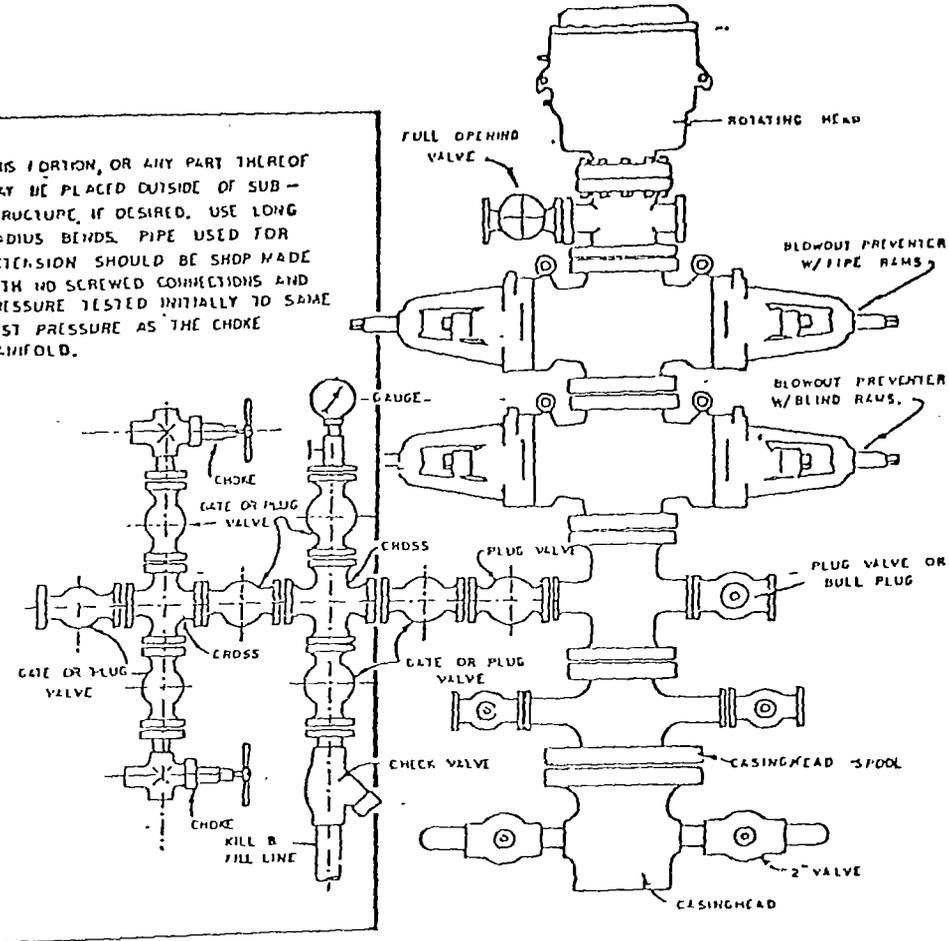
9. Abnormal Temperatures, Pressures or Potential Hazards.

None Expected

10. Starting Date.

Anticipated starting date is July 15, 1984. Approximately 5 days will be required to build roads and location. Drilling will take about 15 days. Completion should be accomplished in 6 days.

THIS PORTION, OR ANY PART THEREOF MAY BE PLACED OUTSIDE OF SUB-STRUCTURE, IF DESIRED. USE LONG RADIUS BENDS. PIPE USED FOR EXTENSION SHOULD BE SHOP MADE WITH NO SCREWED CONNECTIONS AND PRESSURE TESTED INITIALLY TO SAME TEST PRESSURE AS THE CHOKER MANIFOLD.



BLOWOUT PREVENTER HOOKUP

SURFACE USE PLAN

CHUSKA ENERGY CO.
Navajo Tribal No. 12-31
1850' FNL and 500' FWL
Sec 31, Twn 40S, Rng 23E
San Juan Co., Utah

1. Existing Roads (shown in green)

The attached topographic map shows all existing roads within one mile of the proposed location. The access road will join a secondary road leading to an existing county dirt road. The county and secondary road will bear normal drilling traffic and not have to be upgraded.

2. Planned Access Road (shown in red)

The new access road will run north from the existing secondary road approximately 1 mile to the well site. Maximum grade will be 10%. Water bars will be used to prevent erosion.

3. Location of Existing Wells

All existing oil, gas, water, drilling and disposal wells are shown on the attached topographic map.

4. Location of Tank Batteries, Prod. Facilities & Prod. Gathering & Service Lines

All production facilities are to be contained within the proposed location site. The operation has no other facilities in the area.

5. Location and Type of Water Supply

Water will be trucked from the San Juan River, 1 mile north of the location.

6. Source of Construction Materials

Any gravel or other construction material that cannot be obtained from the excess accumulated from building the location will be purchased from the Navajo Tribe.

7. Methods of Handling Waste Disposal

All trash will be carried to a land fill or burned. All nonburnable materials (drilling fluids, cuttings, chemicals) will be stored in the reserve pit and then buried when they have dried. Any oil produced while drilling will be trucked from the location prior to leaving pits to dry out. Pits will be completely fenced during drying time, then backfilled with dirt prior to preparing the location for production or abandonment.

8. A portable chemical toilet will be supplied for human waste.

9 Ancillary Facilities

No ancillary facilities are planned.

10. Well Site Layout

The attached layout shows the drilling rig with all associated facilities. Cut and fill required is also indicated

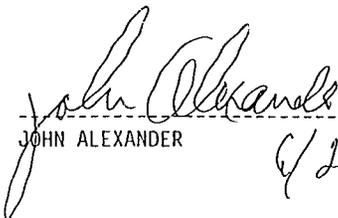
11. Plans for Restoration of Surface

Restoration of the wellsite and access road will begin within 90 days of well completion, weather permitting, and if required by private land owner. Should well be abandoned, the drilling site will be reshaped to its approximate former contour. The access road will be plowed up and leveled. Both drillsite and road will have any topsoil replaced and will be reseeded when germination of seeds can take place. In either case, cleanup of the site will include burning of any safely burnable material, filling of all pits, carrying away of all nonburnable material and any chemicals that cannot be safely buried, and the hauling off of any oil that may have accumulated on the pits while drilling. A burn permit will be acquired if necessary.

12. This location is one quarter mile south of the San Juan River on a very flat bench about 150' above the river bed. The soil is very sandy and covered with native plants, weeds, and cacti. There are numerous sand stone outcrops in the area, but they can be avoided with the access road and location. There are no residences in the area. No artifacts were found on the access road or location.

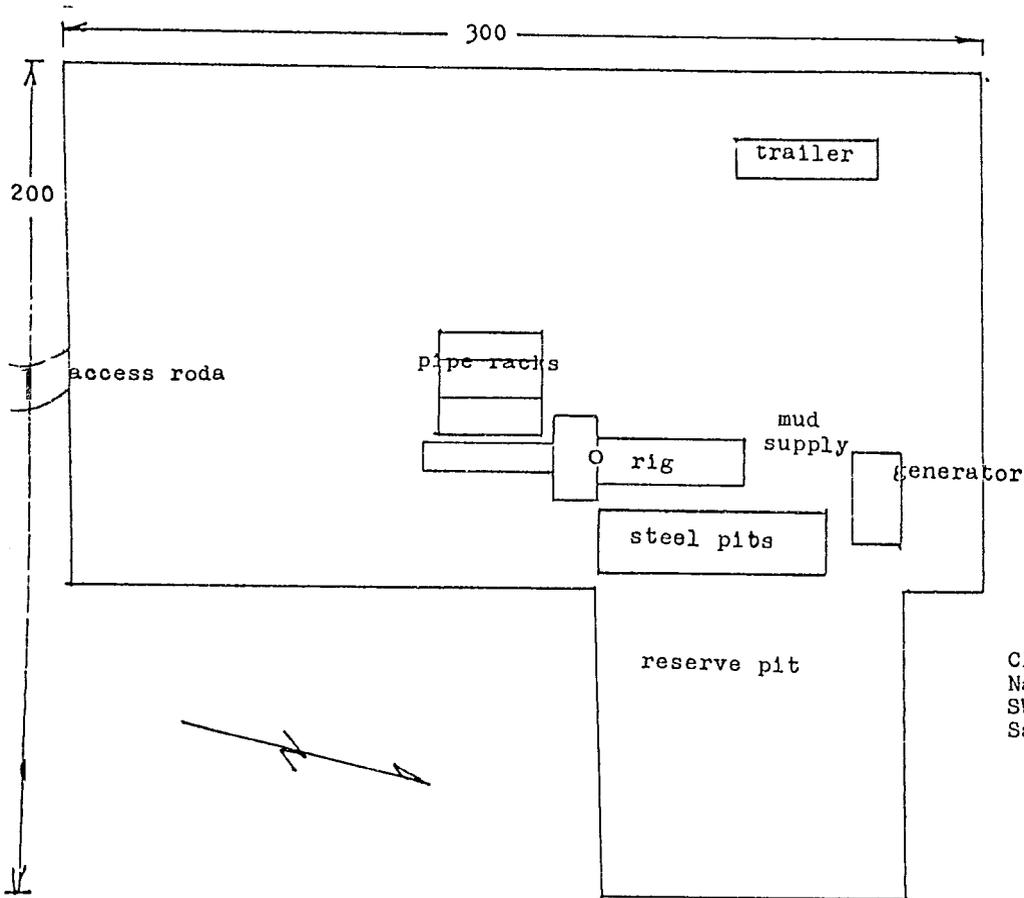
13. John Alexander
3-E Company
P.O. Box 190
Farmington, NM 87499
Phone 505-326-1135

14. 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 the 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 Chuska Energy Co. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.



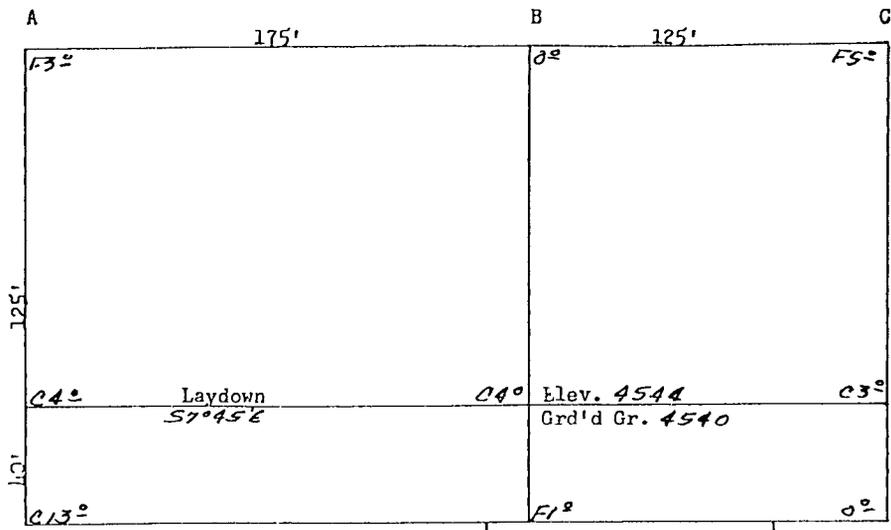
JOHN ALEXANDER 6/28/14

JA.sh

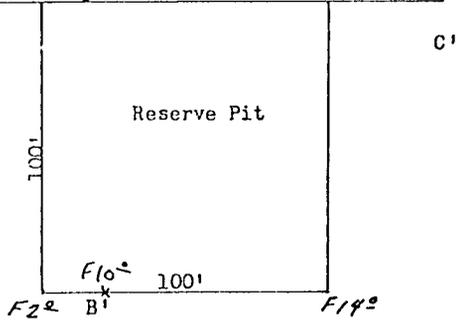
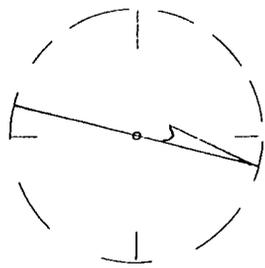


CHUSKA ENERGY CO.
Navajo Tribal 12-31
SWNW 31-40S-29E
San Juan, Utah

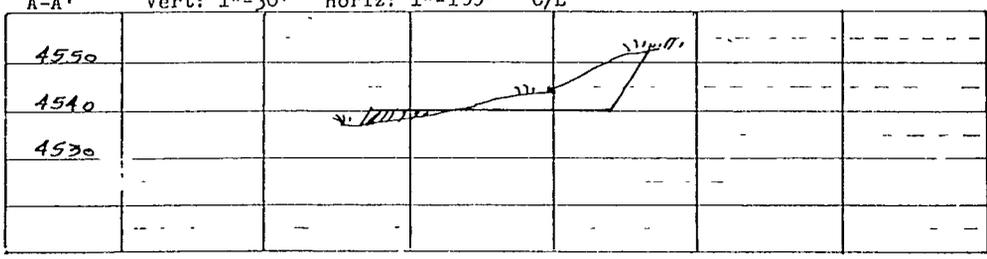
Profile for
 CHUS ENERGY COMPANY #12-31 NAVAJO TRIBAL
 1850 WNL 500' FWL Sec. 31-T406-R23E
 SAN JUAN COUNTY, UTAH



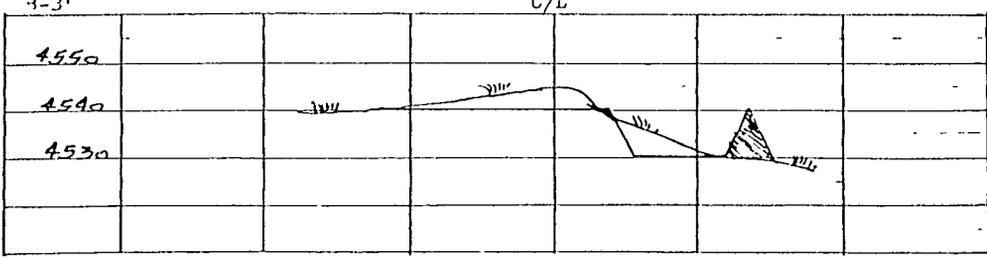
A' Scale: 1"=50'



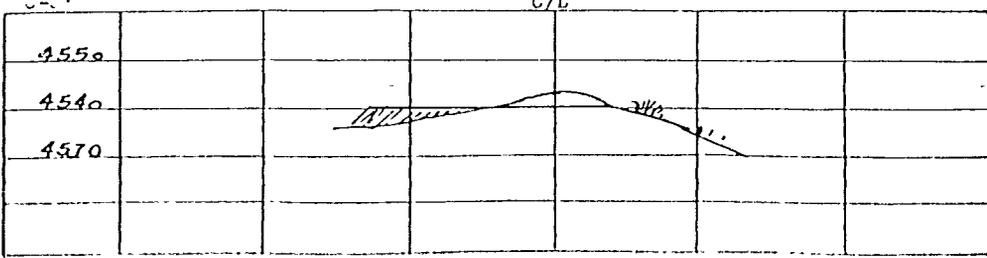
A-A' Vert: 1"=30' Horiz: 1"=100' C/L

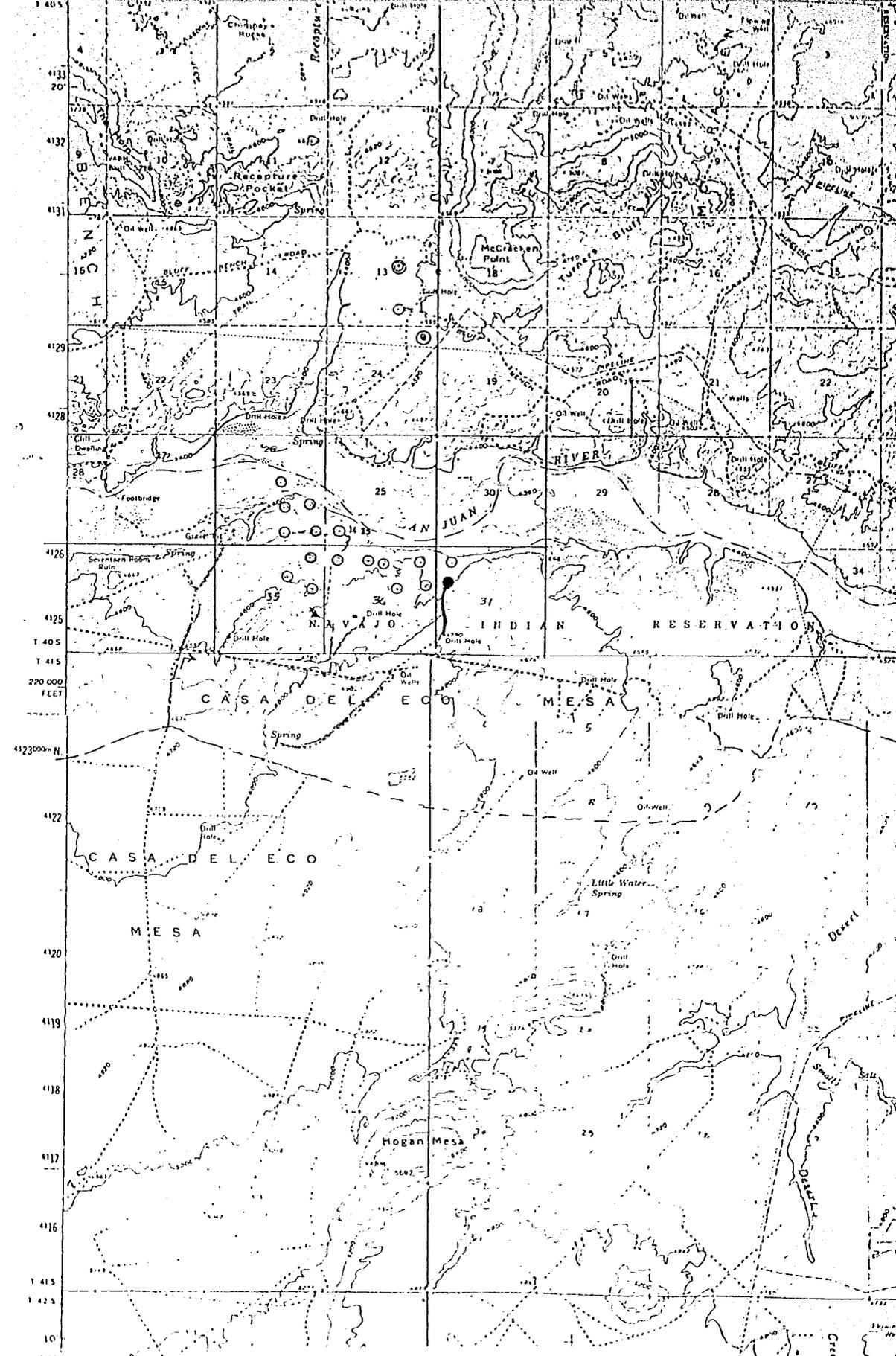


B-B' C/L



C-C' C/L





Vicinity Map for
 CHUSKA ENERGY COMPANY #12-31 NAVAJO TRIBAL
 1650' FNL 500' FWL Sec. 31-Th.35-R23E
 SAN JUAN COUNTY, UTAH

OPERATOR Chuska Energy Co DATE 7-9-84

WELL NAME Parage Unit # 12-31

SEC SWNW 31 T 405 R 230 COUNTY San Juan

43-037-31035
API NUMBER

Indian
TYPE OF LEASE

POSTING CHECK OFF:

<input type="checkbox"/>	INDEX	<input type="checkbox"/>	HL	<input type="checkbox"/>
<input type="checkbox"/>	NID	<input type="checkbox"/>	PI	<input type="checkbox"/>
<input type="checkbox"/>	MAP	<input type="checkbox"/>		<input type="checkbox"/>

PROCESSING COMMENTS

No other wells within 10.

Need Water permit

APPROVAL LETTER

SPACING A-3 _____ UNIT _____ c-3-a _____ CAUSE NO. & DATE _____

c-3-b c-3-c

SPECIAL LANGUAGE:

1. Water

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT _____

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

July 9, 1954

Chuska Energy Company
c/o 3-L Company
P. O. Box 110
Farmington, New Mexico 87401

Well No. Navajo Tribal #12-31
3431 Sec. 31, T. 40S, R. 23E
1550' E.L., 26' K.L.
San Juan County, N.M.

Gentlemen:

Approval to drill the above referenced oil well is hereby granted in accordance with Rule C-3 (b), General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence proving a reservoir of an adequate and approved supply of water.

In addition, the following actions are necessary to fully comply with this approval:

1. Spading notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form C-527, Report of Water Encounters During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug, or to use this well. Notify John E. Bozay, Petroleum Engineer, (office) (505) 522-5771, (home) 294-7025 or Mr. J. Arthur, Associate Director, (505) 571-5564.
4. Compliance with the requirements and regulations of Rule 17-27, Associated Gas Drilling, General Rules and Regulations, Oil and Gas Conservation.

Page
Guska Energy Company
Well No. Navajo Tribal 12-31
July 9, 1986

This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 47-537-31035.

Sincerely,


J. Firth
Associate Director, Oil & Gas

RJF/as

cc: branch on Fluid Minerals
Bureau of Indian Affairs

Enclosures



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter Governor
Dee C. Hansen Executive Director
Dianne R. Nielson Ph.D. Division Director

355 W. North Temple 3 Triad Center Suite 350 Salt Lake City UT 84180-1203 801-538-5340

July 23, 1985

Bureau of Land Management
Branch of Fluid Minerals
P O Box 970
Moab, Utah 84532

Attention: Ms. Carol Fruediger

Dear Carol:

Re: Well No. Navajo Tribal 12-31 - Sec. 31, T. 40S., R. 23E.,
San Juan County, Utah - Lease No.: NOG-8308-1033
Operator of Record: Chuska Energy Company

The above referenced well in your district was given state approval to drill July 9, 1984. This office has not received notification of any activity on this location.

Please let me know what action, if any, the Bureau of Land Management is taking on this well.

Thank you for your help in keeping our records up to date.

Sincerely,

A handwritten signature in cursive script that reads "Pam Kenna".

Pam Kenna
Well Records Specialist

cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
File

0161S/6

EXPLANATORY

04-11027

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

N 9290

Chuska Energy Co. has drilling rights at the usage locations.

wells to be drilled under this application are:

020701

Navajo Tribal 32-36 43-037-31036 40S 22E Sec 36 PA

Navajo Tribal 22-25 43-037-31033 41S 25E Sec 25 PA

Navajo Tribal 12-31 43-037-31035 40S 23E Sec 31 PA

(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

Jahn Alexander
Signature of Applicant*

*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



STATE OF UTAH
NATURAL RESOURCES
Oil Gas & Mining

Norman H. Bangerter Governor
Dee C. Hansen Executive Director
Dianne R. Nielson Ph.D. Division Director

355 North Temple • Triad Center • Suite 350 • Salt Lake City UT 84103-1203 • 801-538-5340

April 8, 1986

Mr. John Keller
U.S. Bureau of Land Management
Caller Service 4104
Farmington, New Mexico 87499

Dear Mr. Keller:

RE: Status of Wells in San Juan County, Utah

Pursuant to our telephone conversation, I am requesting status information for the wells listed on the attached sheet. The listed wells were approved by this office over one year ago and no additional information has been received from the operator to indicate whether the wells have been drilled. I would appreciate information from your office stating the current status of these applications. Based on your response, this office will take administrative action in coordination with any BLM action.

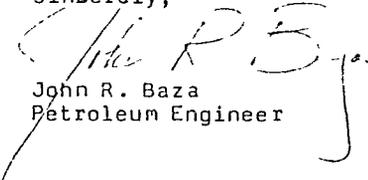
The wells are listed by operator, well name and location with the Indian lease number referenced. I could not find the operating agreement number listed in the well records of this office; therefore, it is not shown for any of the wells.

Your consideration of this request is appreciated. If you can provide us with any other information concerning administrative actions taken for wells on Navajo Indian land, it would greatly improve the quality of our well records. This office currently coordinates with other BLM offices within Utah to provide notice of drilling approvals and rescission notices and we would be happy to develop a similar arrangement with your office.

Page 2
Mr. John Keller
April 8, 1986

Please contact me if you have any questions concerning this request.

Sincerely,



John R. Baza
Petroleum Engineer

sb
Attachment
cc: D. R. Nielson
R. J. Firth
Well Files
0265T-73-74

ATTACHMENT

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 13-35
SEC.35, T.41S, R.25E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-30946
LEASE NO. NOG-8308-1033

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 44-11
SEC.11, T.42S, R.24E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31116
LEASE NO. NOG-8308-1033

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 24-10
SEC.10, T.40S, R.24E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-30976
LEASE NO. NOG-8308-1033

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 43-21
SEC.21, T.40S, R.25E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31037
LEASE NO. NOG-8308-1033

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 12-22
SEC.22, T.40S, R.25E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31114
LEASE NO. NOG-8308-1033

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 43-1
SEC.1, T.41S, R.22E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31039
LEASE NO. NOG-8308-1033

PAGE TWO
ATTACHMENT

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 12-31
SEC.31, T.40S, R.23E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31035
LEASE NO. NOG-8308-1033

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 32-36
SEC.36, T.40S, R.22E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31036
LEASE NO. NOG-8308-1033

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 31-36
SEC.36, T.40S, R.22E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31061
LEASE NO. NOG-8308-1033

HICKS OIL AND GAS, INC.
WELL NO. AZTEC-NAVAJO #2
SEC.33, T.41S, R.26E,
SAN JUAN COUNTY, UTAH
API NO.43-037-31071
LEASE NO. 14-20-0603-8495



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Caller Service 4104
Farmington, New Mexico 87499

IN REPLY REFER TO
NOG-8308-1033
3100 (016)

APR 16 1986

APR 22 1986

DIVISION OF
OIL GAS & MINING

State of Utah Natural Resources
Oil, Gas and Mining
Attn: Mr. John R. Baza, Petroleum Engineer
355 W. North Temple 3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Dear Mr. Baza:

All proposed wells on the accompanying list were either returned unapproved or approval was rescinded on the dates indicated beside each.

In the future this office will route a copy of the transmittal letter for such actions occurring in the State of Utah to your office for record purposes.

For your information, the number NOG-8308-1033 is the Navajo Operating Agreement number, not a lease number.

Sincerely,

For John S. McKee
Acting Area Manager

Enclosure

ATTACHMENT

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 13-35
SEC.35, T.41S, R.25E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-30946
LEASE NO. NOG-8308-1033

Returned 1/1/86

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 44-11
SEC.11, T.42S, R.24E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31116
LEASE NO. NOG-8308-1033

Returned 1/13/86

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 24-10
SEC.10, T.40S, R.24E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-30976
LEASE NO. NOG-8308-1033

Returned 2/14/86

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 43-21
SEC.21, T.40S, R.25E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31037
LEASE NO. NOG-8308-1033

Returned 2/14/86

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 12-22
SEC.22, T.40S, R.25E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31114
LEASE NO. NOG-8308-1033

Returned 9/13/85

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 43-1
SEC.1, T.41S, R.22E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31039
LEASE NO. NOG-8308-1033

Returned 1/4/86

PAGE TWO
ATTACHMENT

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 12-31
SEC.31, T.40S, R.23E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31035
LEASE NO. NOG-8308-1033

revised 1/2/86

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 32-36
SEC.36, T.40S, R.22E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31036
LEASE NO. NOG-8308-1033

revised 1/1/86

CHUSKA ENERGY COMPANY
WELL NO. NAVAJO TRIBAL 31-36
SEC.36, T.40S, R.22E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31061
LEASE NO. NOG-8308-1033

revised 1/1/86

HICKS OIL AND GAS, INC.
WELL NO. AZTEC-NAVAJO #2
SEC.33, T.41S, R.26E,
SAN JUAN COUNTY, UTAH
API NO. 43-037-31071
LEASE NO. 14-20-0603-8495

*Still in effect
Approval until 6/20/86*



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangertter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Trade Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 5, 1986

Chuska Energy Company
c/o 3E Company, Inc.
Box 190
Farmington, New Mexico 87499

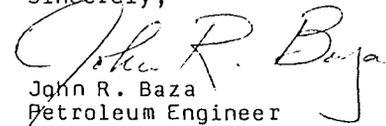
Gentlemen:

RE: Well No. Navajo Tribal 12-31, Sec.31, T.40S, R.23E,
San Juan County, Utah, API NO. 43-037-31035

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,


John R. Baza
Petroleum Engineer

sb
cc: BLM-Farmington
D. R. Nielson
R. J. Firth
Well file
0278T-60