

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5 LEASE DESIGNATION AND SERIAL NO  
NOG 8308-1033

6 IF INDIAN, ALLOTTEE OR TRIBE NAME  
Navajo

7 UNIT AGREEMENT NAME

8 FARM OR LEASE NAME  
Navajo Tribal

9 WELL NO  
24-34

10 FIELD AND POOL, OR WILDCAT  
Aneth

11 SEC., T., R., M., OR BLE  
AND SURVEY OR AREA  
Sec 34, T40S-R25E

12 COUNTY OR PARISH | 18 STATE  
San Juan | Utah

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  
 Chuska Energy Company

3 ADDRESS OF OPERATOR  
 P. O. Box 2118, Farmington, New Mexico 87499

4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements\*)  
 At surface 740 FSL and 1820 FWL  
 Sec 34, T40S-R25E  
 At proposed prod zone Same

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 drilg unit line, if any)  
 16 NO OF ACRES IN LEASE 5120

18 DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT  
 17 NO OF ACRES ASSIGNED TO THIS WELL 40

21 ELEVATIONS (Show whether DF, RT, GR, etc.)  
 4853' GR  
 19 PROPOSED DEPTH 5960' *Direct*  
 20 ROTARY OR CABLE TOOLS Rotary

22 APPROX DAT\* WORK WILL START\*  
 October 15, 1984

23 PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DE. FT	QUANTITY OF CEMENT
12 1/2	8-5/8	24	500	
7-7/8	5 1/2	15.5	5960	See attached cement information

See attached

RECEIVED

SEP 18 1984

DIVISION OF OIL  
GAS & MINING

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE: 10/11/84  
BY: *John R. Bay*

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 directional, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program if any.

24 SIGNED: *Tony O. Smith* TITLE: *Supervisor* DATE: *09/14/84*

PERMIT NO \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL IF ANY \_\_\_\_\_

\*See Instructions On Reverse Side

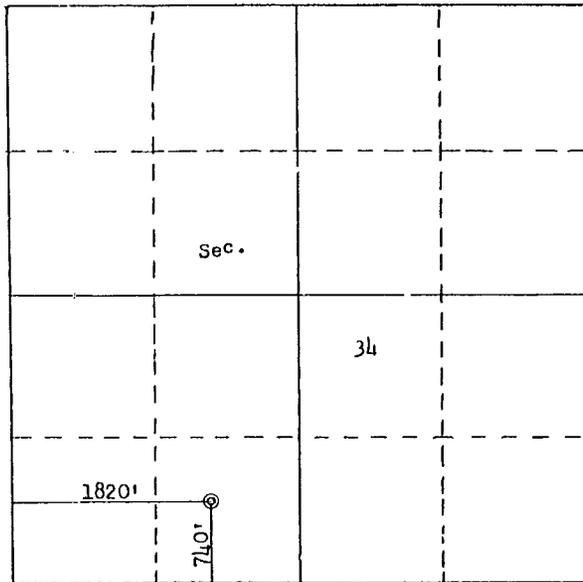
COMPANY CHUSKA ENERGY COMPANY

LEASE NAVAJO TRIBAL WELL NO. 24-34

SEC 34, T 40S, R 25E  
San Juan County, Utah

LOCATION 740'FSL 1820'FWL

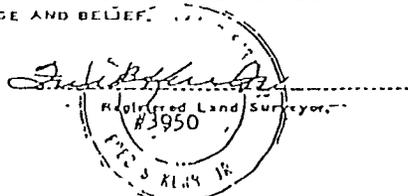
ELEVATION 4853 ungraded ground



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 September 14, 1984

FORMATION INFORMATION AND  
DRILLING PRACTICES

CHUSKA ENERGY COMPANY  
Navajo Tribal 24-34  
740' FSL and 1820' FWL  
Sec 34, T40S, R25E  
San Juan County, Utah

1. Surface Formation: Bluff Sandstone

2. Estimated Formation Tops:

Dechelly	2900'
Organ Rock	2990'
Hermosa	4750'
Upper Ismay	5655'
Lower Ismay	5755'
Desert Creek	5840'
T.D.	5960'

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

Oil	5755
Oil	5840

Proposed Casing Program:

0 - 500' 8-5/8", 24 lb/ft, ST & C, K-55 new casing; cement with 300 cubic feet Class "B" + 2% CaCl<sub>2</sub>. Cement will be brought to surface.

0-5960' 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<sub>2</sub> + 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:

<u>DEPTH</u>	<u>TYPE</u>	<u>VIS.</u>	<u>WEIGHT</u>	<u>FLUID LOSS</u>
500-4000'	Gel-chem	35-45	9.5	15 cc
4000-5950'	Low solids	45-50	10.0	9 cc

7. Anxiliary Equipment:

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

8. Logging - Coring - Testing Program:

Logging - Open Hole: IES, CNL, FDC  
Mud : 4000' 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 October 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.

SURFACE USE PLAN

CHUSKA ENERGY COMPANY  
Navajo Tribal 24-34  
740' FSL and 1820' FWL  
Sec 34, T40S, R25E  
San Juan County, 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 an existing trail.

2. Planned Access Road (shown in red)

The new access road will run Southeast from an existing dirt road approximately 1000' 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, 8 miles South of the location.

6. Source of Construction Materials

Any gravel or other construction material that can not 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 pit 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 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 3 miles southeast of Hovenweep Monument. The area is flat and covered with Native weeds and grasses. No artifacts were found at the site. There are no residences in the area.

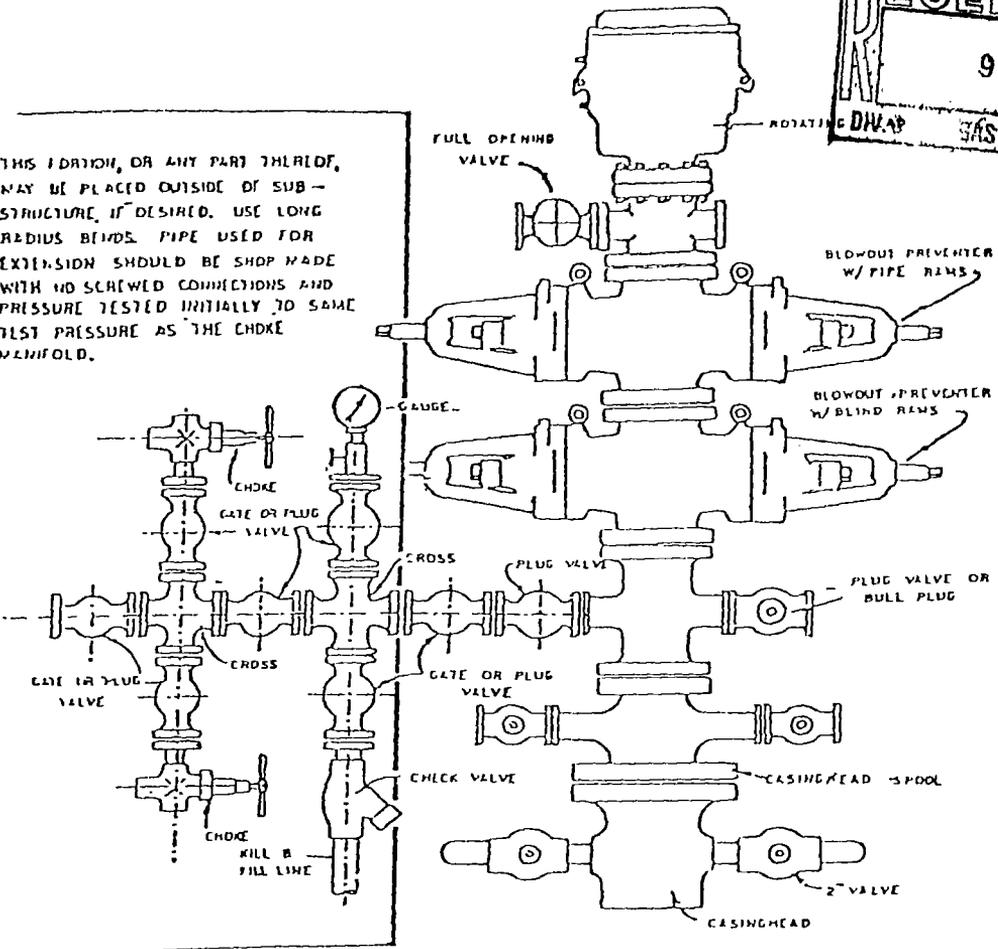
13. Larry Smith  
Chuska Energy Company  
P. O. Box 2118  
Farmington, New Mexico 87499  
Phone: 505-326-5595

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

  
LARRY D. SMITH  
September 12, 1984

RECEIVED  
 9 1964  
 DEWAP  
 OIL & MINING

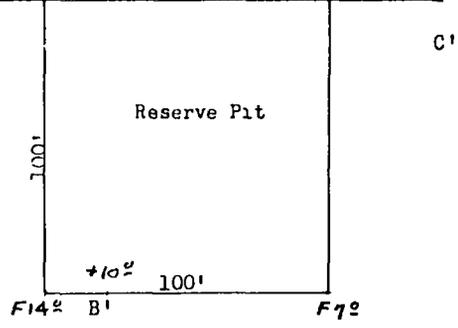
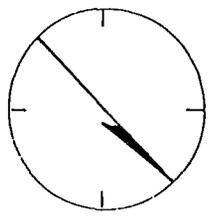
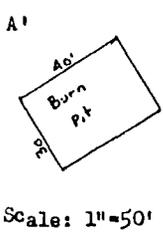
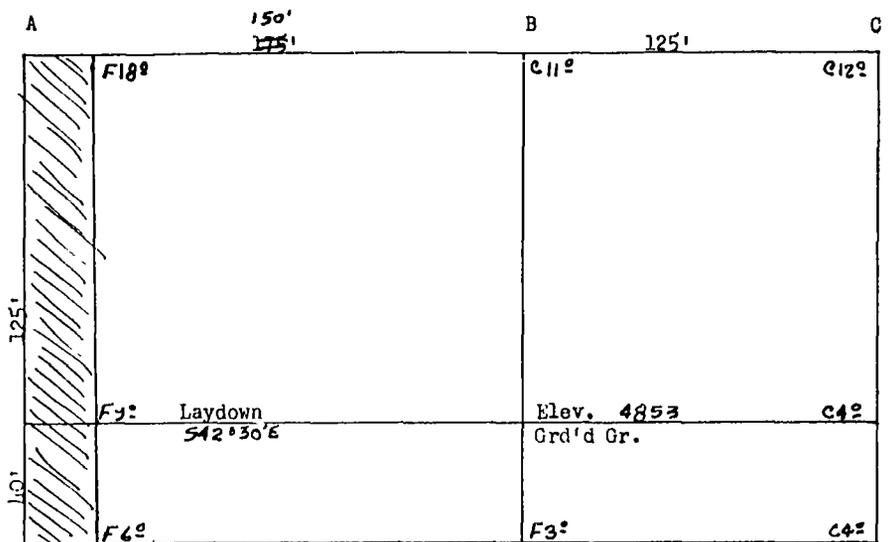
THIS PORTION, OR ANY PART THEREOF, MAY BE PLACED OUTSIDE OF SUB-STRUCTURE, IF DESIRED. USE LONG RADIUS BENDS. PIPE USED FOR EXTENSION SHOULD BE SHOP MADE WITH NO SCREWED CONNECTIONS AND PRESSURE TESTED INITIALLY TO SAME TEST PRESSURE AS THE CHOKER MANIFOLD.



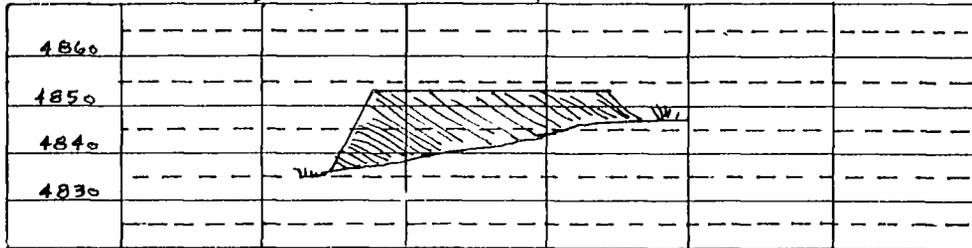
BLOWOUT PREVENTER HOOKUP

N.F. 24 34

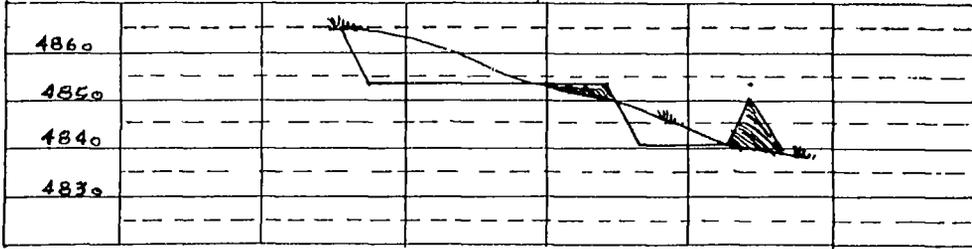
Profile for  
 CHURCH ENERGY COMPANY #24-34 NAVAJO TRIBAL  
 740 ASL 1830' FWL Sec. 34-T4OS-R25E  
 SAN JUAN COUNTY, UTAH



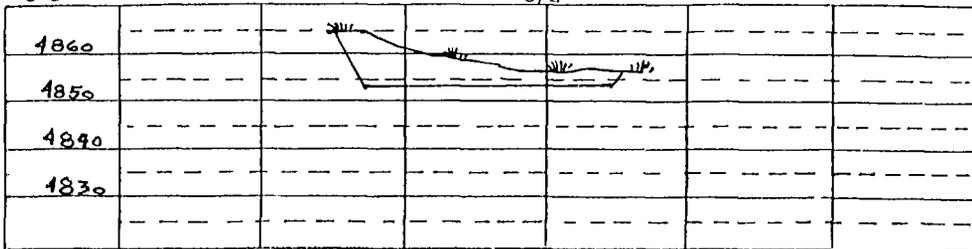
A-A' Vert: 1"=30' Horiz: 1"=100' C/L

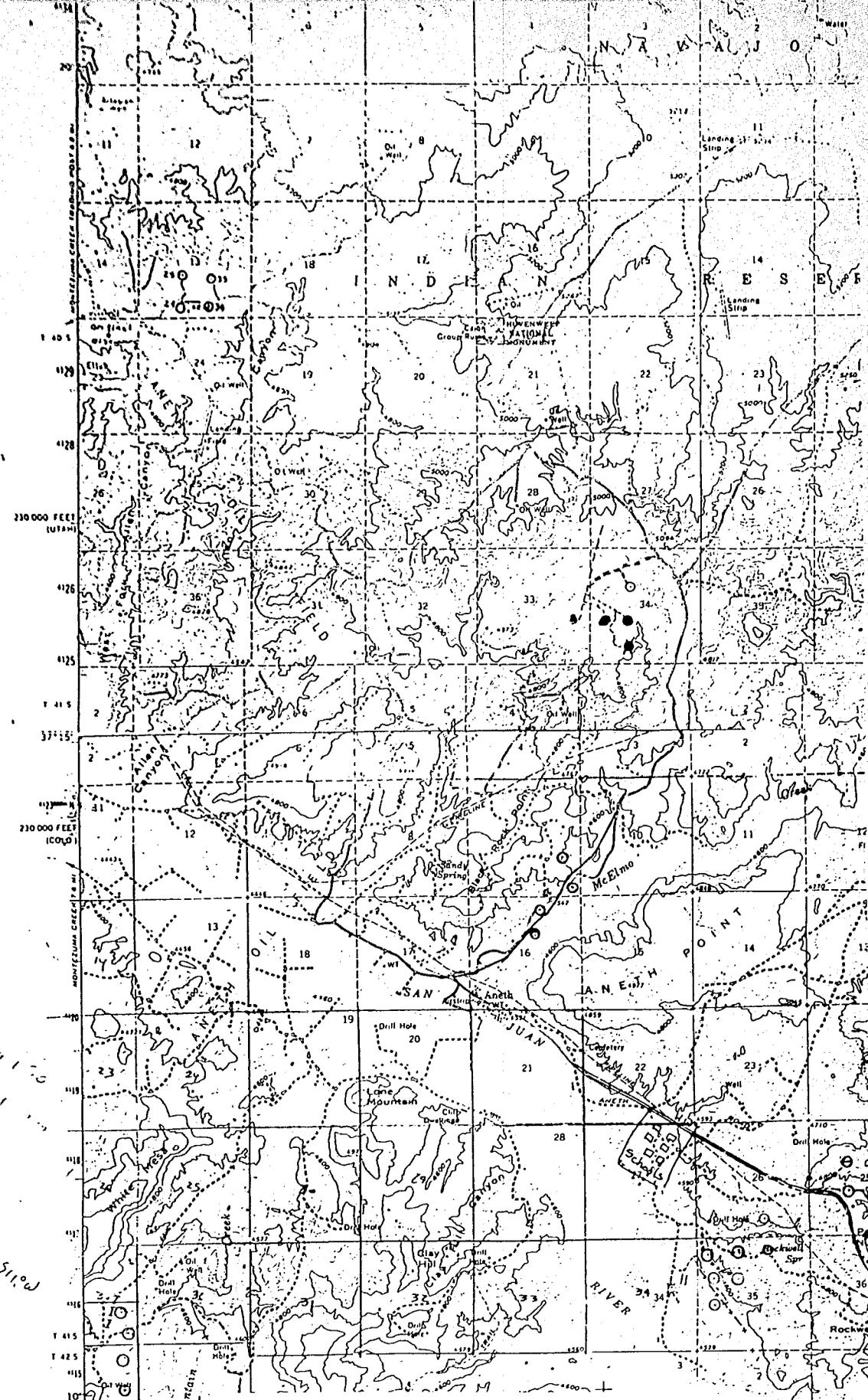


B-B' C/L



C-C' C/L





Vicinity Map for  
 CHUSKA ENERGY COMPANY #24-34 NAVAJO TRIBAL  
 740' FSL 1826' FWL Sec. 34-T4OS-R25E  
 SAN JUAN COUNTY, UTAH

511.00

1171253 N T...

T N

OPERATOR Chusker Energy Co. DATE 9-15-84

WELL NAME Marzo Field #24-34

SEC SE SW 34 T 40S R 25E COUNTY San Juan

43-037-31084  
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 1000'  
Need water permit - Rec'd 10/1/84 # 09-1383 (T60290)

APPROVAL LETTER:

SPACING:  A-3 \_\_\_\_\_ UNIT  c-3-a \_\_\_\_\_ CAUSE NO. & DATE

c-3-b  c-3-c

SPECIAL LANGUAGE:

~~White~~  
1- BOP - 3000 psi - 8 5/8" casing

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.



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M Matheson Governor  
Temple A Reynolds Executive Director  
Dianre R Nielson Ph D, Division Director

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

October 11, 1984

Chuska Energy Company  
P. O. Box 2118  
Farmington, New Mexico 87499

Gentlemen:

Re: Well No. Navajo Tribal #24-34 - SE SW Sec. 34, T. 40S, R. 25E  
740' FSL, 1820' FWL - San Juan County, Utah

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. Blowout prevention equipment with a minimum of 3000 psi working pressure should be used after drilling out of 8 5/8" casing.

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

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 533-5771, (Home) 298-7695 or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.

Page 2  
Chuska Energy Company  
Well No. Navajo Tribal #24-34  
October 11, 1984

5. 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 43-037-31084.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

as  
Enclosures  
cc: Branch of Fluid Minerals  
Bureau of Indian Affairs



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 84103-1203 801-538-5340

May 1, 1985

Chuska Energy Company  
Box 2118  
315 North Behrend  
Farmington, New Mexico 87499

Gentlemen:

Re: Well No. Navajo Tribal 24-34 - Sec. 34, T. 40S., R. 25E.,  
San Juan County, Utah - API #45-937-31084

Our records indicate that you have not filed drilling reports for the months of December 1984 to present on the above referenced well. Our rules and regulations stipulate that these reports be filed by the sixteenth of each month until the well is completed.

Enclosed are forms for your convenience in filing the necessary reports as soon as possible but no later than May 15, 1985.

Thank you for your cooperation in this matter.

Sincerely,

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

Pam Kenna  
Well Records Specialist

Enclosure

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

0170S/27



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 • 203 • 861-538-5340

June 17, 1985

Chuska Energy Company  
Box 2118  
315 North Behrend  
Farmington, New Mexico 87499

## 2nd NOTICE

Gentlemen:

Re. Well No. Navajo Tribal 24-34 - Sec. 34, T. 40S., R. 25E.,  
San Juan County, Utah - API #43-037-31084

Our records indicate that you have not filed drilling reports for the months of December 1984 to present on the above referenced well. Our rules and regulations stipulate that these reports be filed by the sixteenth of each month until the well is completed.

Enclosed are forms for your convenience in filing the necessary reports as soon as possible but no later than July 1, 1985.

Thank you for your cooperation in this matter.

Sincerely,

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

Pam Kenna  
Well Records Specialist

Enclosure

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

0170S/36



# CHUSKA ENERGY COMPANY

P O BOX 2118 • FARMINGTON, N M. 87499 • PHONE (505) 326 5595

June 20, 1985

RECEIVED

Division of Oil, Gas, Mining  
355 W. North Temple  
3 Triad Center, Ste. 350  
Salt Lake City, Utah 84180-1203

JUN 24 1985

DIVISION OF OIL  
GAS & MINING

Attention: Pam Kenna

Re: Chuska Energy Company, Navajo Tribal 24-34

Gentlemen:

The subject well has not been drilled and our present plans are not to start the project. In your first request, I misunderstood what you wanted and sent you information on Navajo Tribal #23-34. Please accept my apology.

Sincerely,

John Alexander

JA/ch



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

May 13, 1986

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

Gentlemen:

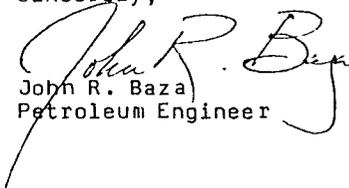
RE: Well No. Navajo Tribal 24-34, Sec.34, T.40S, R.25E,  
San Juan County, Utah, API NO. 43-037-31084

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective one calendar month from the date of this notice.

If it is your intent to proceed with operations on the well, you must submit a request for extension of the approval to drill within the one month grace period. After the grace period, 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

cc: BLM-Farmington  
D. R. Nielson  
R. J. Firth  
Well file

0278T-65