

UTAH OIL AND GAS CONSERVATION COMMISSION

*

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

DATE FILED 9-3-85

LAND: FEE & PATENTED X STATE LEASE NO. _____ PUBLIC LEASE NO. _____ INDIAN _____

DRILLING APPROVED: 10-18-85 - OIL (Cause No. 156-3)

SPUDDED IN: _____

COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: LAD 2-22-88

FIELD: MEXICAN HAT

UNIT: _____

COUNTY: SAN JUAN

WELL NO. J & L #2

API #43-037-31206

LOCATION 1690' FSL FT. FROM (N) (S) LINE. 780' FWL FT. FROM (E) (W) LINE. NW SW 1/4 - 1/4 SEC. 6

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
42S	19E	6	J & L OIL COMPANY				

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

(Other instructions on reverse side)

12

Fee

5. Lease Designation and Serial No.

None

6. If Indian, Allottee or Tribe Name

None

7. Unit Agreement Name

None

8. Farm or Lease Name

Well #2

9. Well No.

J & L Mexican Hat Field

10. Field and Pool, or Wildcat

Sec. 6 T42S R19E S.L.M.

11. Sec., T., R., M., or Blk. and Survey or Area

San Juan Utah

12. County or Parrish 13. State

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

J & L Oil Company

3. Address of Operator

P.O. Box 307 Mexican Hat, UT 84531

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

1690 ft from South Line and 780 ft from West Line

At proposed prod. zone

Same

14. Distance in miles and direction from nearest town or post office*

1-1/2 miles NW

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drilg. line, if any)

56 ft

16. No. of acres in lease

60

17. No. of acres assigned to this well

Unlimited

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.

"156.3"

19. Proposed depth

450'

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

4230 Ft

22. Approx. date work will start*

Before Oct. 1, 1985

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
7"	5 1/2"	21 pd	100 Ft	17 sacks neat

Drill hole with Spud Mud to set 7" surface casing. Drill 5 1/2" hole with mud to est. depth - Goodridge - 450' more or less.

A Notification of Intent to Drill has been directed to each working interest in the drilling unit. An operating agreement is attached.

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 10/18/85
BY: John R. Bay
WELL SPACING: Case No. 156-3
4/5/80

RECEIVED

SEP 03 1985

DIVISION OF OIL
GAS & MINING

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: Jerald S. Baum Title: Operator Date: August 19, 1985
683-2215

(This space for Federal or State office use)

Permit No. 43-037-31206 Approval Date

Approved by: Title: Date:

Conditions of approval, if any:

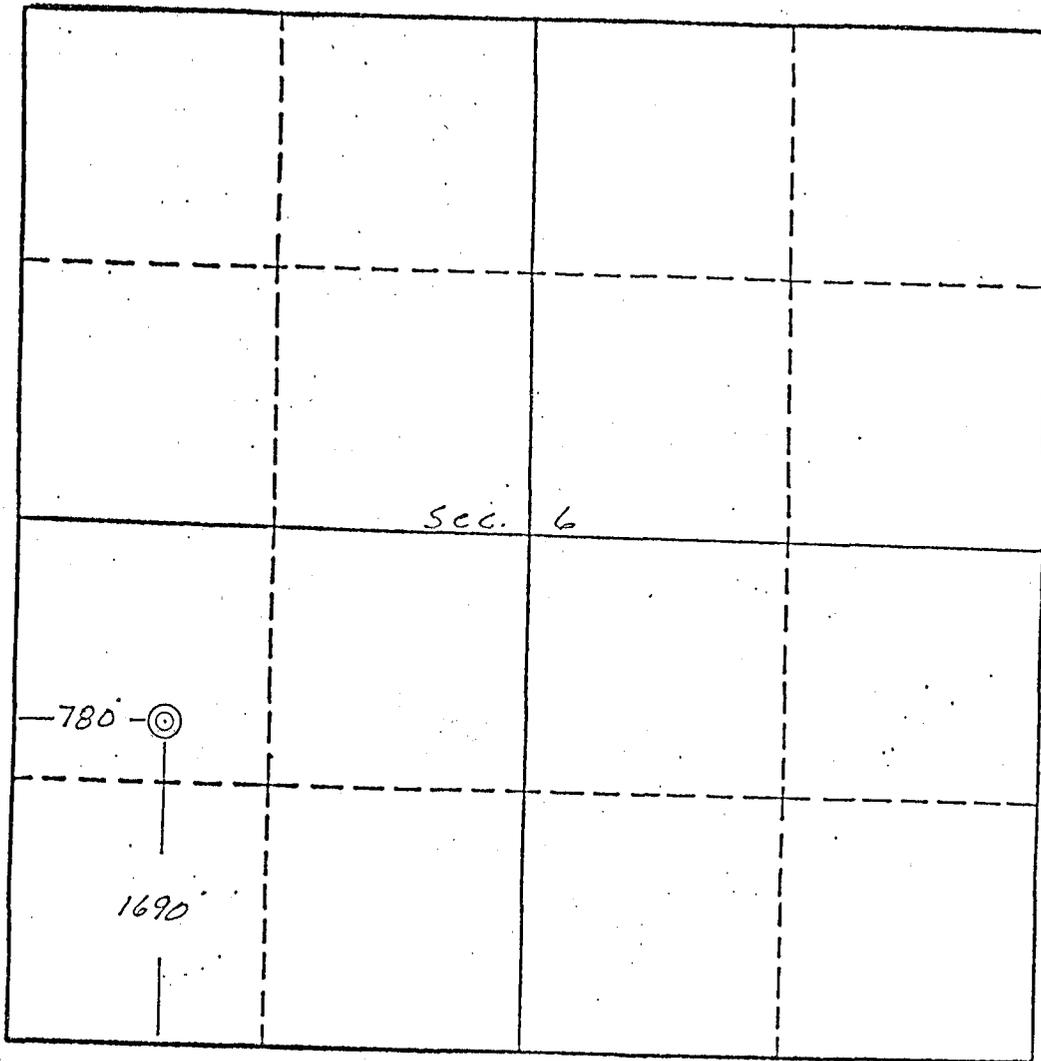
Company J and L Oil Company

Well Name & No. J and L No. 2

Location 1690' F/SL 780' F/WL

Sec. 6, T. 42 S., R. 19 E., S. L. M., County San Juan, Utah

Ground Elevation 4225



Scale, 1 inch = 1,000 feet

Surveyed July 28, 19 85

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:



Edgar L. Risenhoover

Edgar L. Risenhoover
Registered Land Surveyor
New Mexico Reg. No. 5979

Non-resident certification as
authorized by Utah State Law
58-22-21(b)

SAN JUAN MINERALS EXPLORATION COMPANY

ROUTE 1, BOX 52

BLYTHE, CALIFORNIA 92225

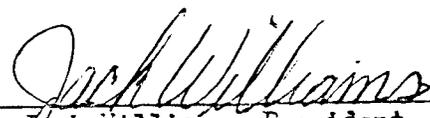
RECEIVED

OCT 15 1985

To: Oil, Gas and Mining
State of Utah

DIVISION OF OIL
GAS & MINING

J & L Oil, Mexican Hat, UT has permission to use San Juan Minerals Exploration's drilling bond. This applies to the wells currently in the process of being drilled on leases owned by San Juan Minerals Exploration Co.



Jack Williams, President
San Juan Minerals Exploration Co.

On this 8th day of October, 1985 Jack Williams, personally appeared before me and duly acknowledged and executed the above.





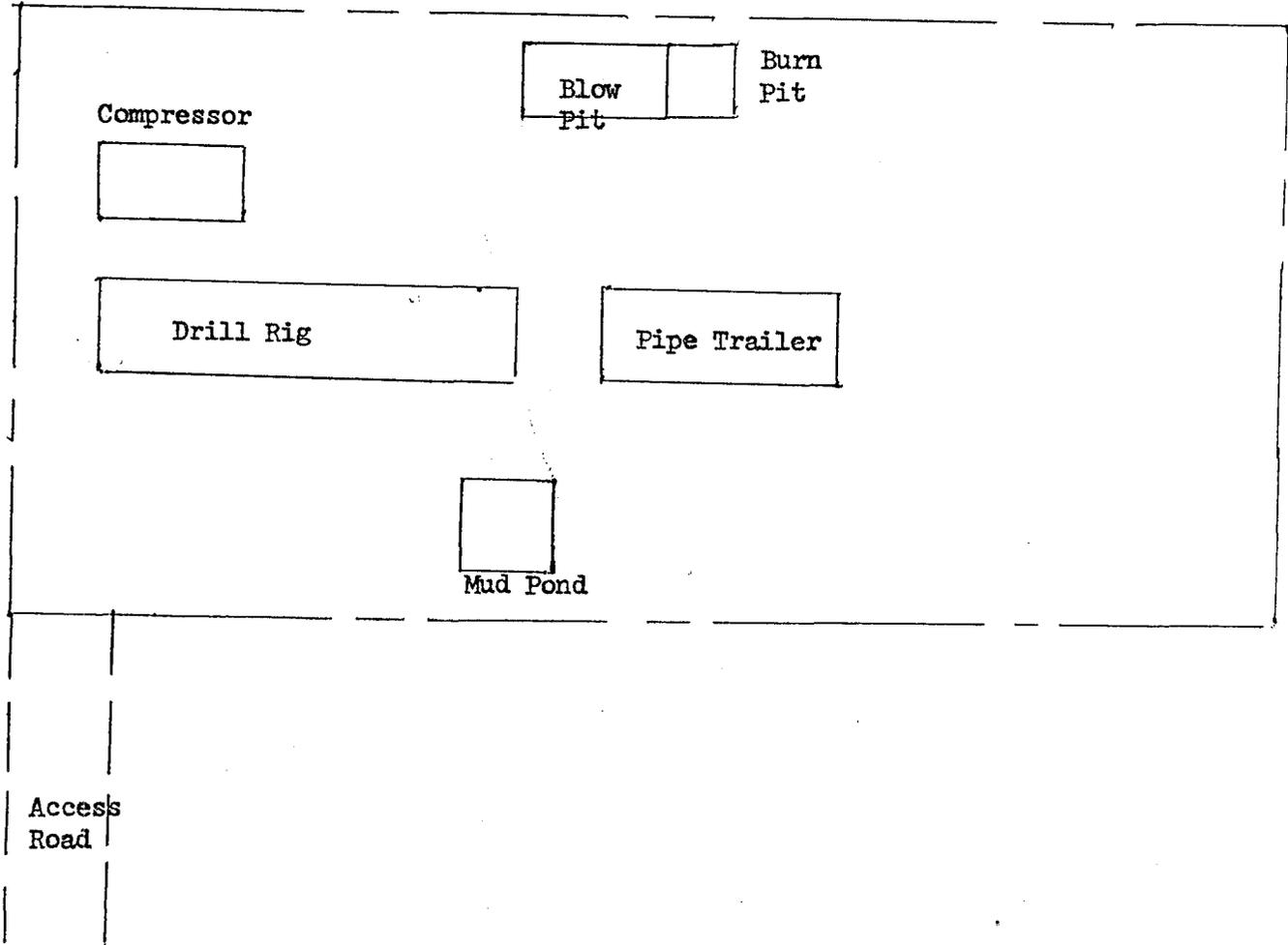
Notary Public

11-27-87
Commission Expires

EXHIBIT I

J & L Oil Co.
Well #2

1. Important geologic markers is the Goodridge sand which stands 30' above the wash where the well will be drilled.
2. Estimated depths at which the top and the bottom of anticipated, water, oil, gas, etc. is unknown as there has not been any other wells drilled in this location. All precautions will be taken to protect any resource of this type which is encountered.
3. This is known as a low pressure area. Adequate blowout prevention equipment will be used.
4. The type and characteristics of the proposed circulating medium or mediums to be employed in drilling, the quantities and types of mud and weighting material to be maintained is unknown until the drilling commences.
5. A sample will be taken every 5 feet.
6. It is anticipated that there will be no bottomhole, or abnormal pressures or temperatures or other hazards encountered.
7. Approved source of water: Approval for use per Ms. Dorothy Bolton, Utah Div. of Water Rights and San Juan Spec. Service Dist. #1.
Fresh water for surface hole, drilling and cement will be hauled from the town of Mexican Hat.
8. Cultural Resource clearance is not required as this is fee land.
9. Planned Access Roads - Roads already in existence.
10. Surface area of proposed location is rocky with very little vegetation - some Shadscale. Little dirt work is necessary to restore the area to it's original condition.
11. Source of Construction Materials - None required
12. Handling of Waste Materials:
Liquid waste to be retained in earthen pit.
Burnable waste, if any, to be placed in earthen pit and burned at appropriate times.
Non-burnable waste to be placed near burn pit and hauled off on completion
13. Well layout - See Exhibit II



August 12, 1985

Utah State Natural Resources
355 W. North Temple
3 Triad Center - Suite 350
Salt Lake City, UT 84180-1203

Subject: J & L Oil Company

Gentlemen:

J & L Oil Company, Mexican Hat, Utah, has requested and received authorization from the undersigned to use culinary water from the township of Mexican Hat, Utah, for the purpose of drilling oil wells.

Very truly yours,

SAN JUAN SPECIAL SERVICE DIST. #1

Luther P. Risenhoover

Luther Risenhoover, President

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

DESIGNATION OF OPERATOR

The undersigned producer, operator, transporter, refiner, gasoline of initial purchaser who is conducting oil and/or gas operations in the State of Utah, does, pursuant to the Rules and Regulations and Rules of Practice and Procedure of the Division of Oil, Gas and Mining of the State of Utah, hereby appoint J & L Oil Company, whose address is P.O. Box 307, Mexican Hat, UT 84531, (~~xxxxxxx~~ its) designated operator to accept and to be served with notices from said Board, or from other persons authorized under the Oil and Gas Conservation Act of the State of Utah.

The undersigned further agrees to immediately report in writing, all changes of address of the operator, and any termination of the operator's authority, and in the latter case, the designation of a new operator shall be immediately made. This designation of operator, however, shall remain in full force and effect until and unless a new designation of operator is filed in accordance with said statute and said regulations.

Effective date of designation August 12, 1985

Company San Juan Minerals Corp. Address RT 1 Box 52, Blythe Calif 92225

By Jack Williams Title Pres.
(signature)

(Home) 614-922-2222

OPERATOR

G & F Oil Company

DATE

Sept 3, 1985

WELL NAME

Mexican Flat # 2

SEC *NWSW*

6

T

42S

R

19E

COUNTY

San Juan

43-637-31206

API NUMBER

Free

TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Unlimited spacing

Water &

APPROVAL LETTER:

SPACING:

A-3

UNIT

c-3-a

Cover 156-3
CAUSE NO. & DATE

4/15/80

c-3-b

c-3-c

STIPULATIONS:



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangert, 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

October 18, 1985

J & L Oil Company
P. O. Box 307
Mexican Hat, Utah 84531

Gentlemen:

Re: well No. J & L #2 - NW SW Sec. 6, T. 42S, R. 19E
1690' FSL, 780' FWL - San Juan County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with the Order of Cause No. 156-3 dated April 15, 1980.

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. Eaza, Petroleum Engineer, (Office) (801) 538-5340, (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.
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 43-037-31206.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

as
Enclosures

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

102338

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
J & L Oil Company

3. ADDRESS OF OPERATOR
P.O. Box 307 Mexican Hat, UT 84531

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
1690 ft from South Line and 780 ft from West Line

14. PERMIT NO. 43-037-31206

15. ELEVATIONS (Show whether of, to, or, etc.)
4230 ft

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
None

8. FARM OR LEASE NAME
None

9. WELL NO.
J & L #2

10. FIELD AND POOL, OR WILDCAT
Mexican Hat

11. SEC., T., R., M., OR BLK. AND SURVEY OR ABBA
Sec 6 T42S R19E SLM

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Application for an extension to drill due to low oil prices and the high cost of drilling which makes it uneconomically feasible to drill at this time.

RECEIVED
OCT 15 1986

DIVISION OF
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct
SIGNED Jerald L. Baum TITLE Operator DATE 14. Oct 1986

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

ONE YEAR EXTENSION
UNTIL 12/18-87

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

DATE: 10-22-86

*See Instructions on Reverse Side BY: J. R. Dora



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

D.H.
030108

February 22, 1988

J & L Oil Company
P.O. Box 307
Mexican Hat, Utah 84531

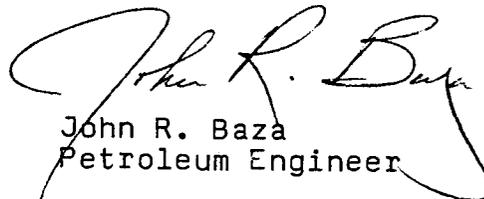
Gentlemen:

RE: Well No. J & L #2, Sec. 6, T. 42S, R. 19E,
San Juan County, Utah, API NO. 43-037-31206

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective immediately. 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-Moab
D. R. Nielson
R. J. Firth
Well file
0327T-29