

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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: 1075' FSL & 500' FWL
 At proposed prod zone: *2015W*

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

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drilg unit line, if any)
 5420

16. NO OF ACRES IN LEASE
 40

17. NO OF ACRES ASSIGNED TO THIS WELL
 40

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

19. PROPOSED DEPTH
 5500' *Revent Creek*

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc)
 4512' GR

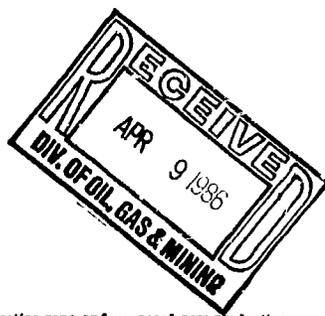
22. APPROX DATE WORK WILL START*
 4/29/86

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
See attached				

SEE ATTACHED

APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS AND MINING
 DATE: *5-8-86*
John R. Boyer
 WELL SPACING: *300'*



19. 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: *John Alexander* TITLE: Vice-President DATE: 4/07/86

PERMIT NO: *43-037-31-269* APPROVAL DATE:

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

*See Instructions On Reverse Side

COMPANY CHUSKA ENERGY COMPANY

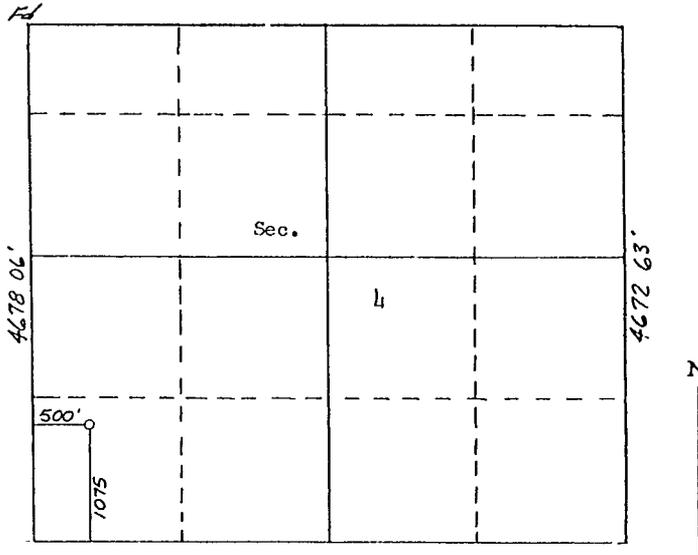
LEASE NAVAJO TRIBAL "A" WELL NO 14-4

SEC 4 T 41S R 23E

County: San Juan State: Utah

LOCATION 1075'FSL & 500'FWL

ELEVATION 4512



SCALE - 1 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.



William E. Manke II
Registered Land Surveyor

SURVEYED March 20 1986

FORMATION INFORMATION AND
DRILLING PRACTICES

Chuska Energy Co.
Navajo Tribal A No. 14-4
1075 FSL @ 500' FWL
4-41S-2ZE
San Juan Co., Utah

1. Surface Formation: Bluff Sandstone

2. Estimated Formation Tops:

Chinle	1232'
DeChelly	2271'
Organ Rock	2363'
Hermosa	4215'
Upper Ismay	5151'
Lower Ismay	5261'
Desert Creel	5329'
T.D	5500'

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

Oil 5261' Oil 5329'

4. Proposed Casing Program:

0-80' 13 3/8", 54.50 lb.ft., ST&C, J-55 new casing; cemented with 120 cu.ft. Class "B" + 1/4 lb. Flocele/sk. Cement to surface.

0-1600' 8 5/8", 24 lb.ft., ST&C, J-55 new casing; cemented with 800 cu.ft. 65-35 Pozmix with 6% gel followed by 100 cu.ft. Class "B" with 2% CaCl2. Cement to surface.

0-5500' 5 1/2", 15.50 lb.ft., ST&C, J-55, new casing; first stage cemented with 450 cu.ft. Class "H" containing 10 lb. Calseal/sk. and 10% salt. Cement top at 4,000'. Stage tool at 2400'. Cement second stage with 500 cu.ft. 65-35 Pozmix with 6% gel followed by 100 cu.ft. Class "B". Cement top at 1,000'.

5. Pressure Control Equipment - Blow Out Preventer:

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

6. Drilling Fluids:

<u>Depths</u>	<u>Type</u>	<u>Vis.</u>	<u>Weight</u>	<u>Fluid Loss</u>
0-1600'	gel-lime	35-45	9.0	not controlled
1600'-4000'	gel-chem	35-45	9.5	15 cc.
4000'-t.d	gel-chem	45-50	10.0	9 cc.

7. 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: IES, CNL, FDC
Mud: 4000' to t.d

Testing: possible in Lower Ismay and Desert Ck.

Coring: none planned

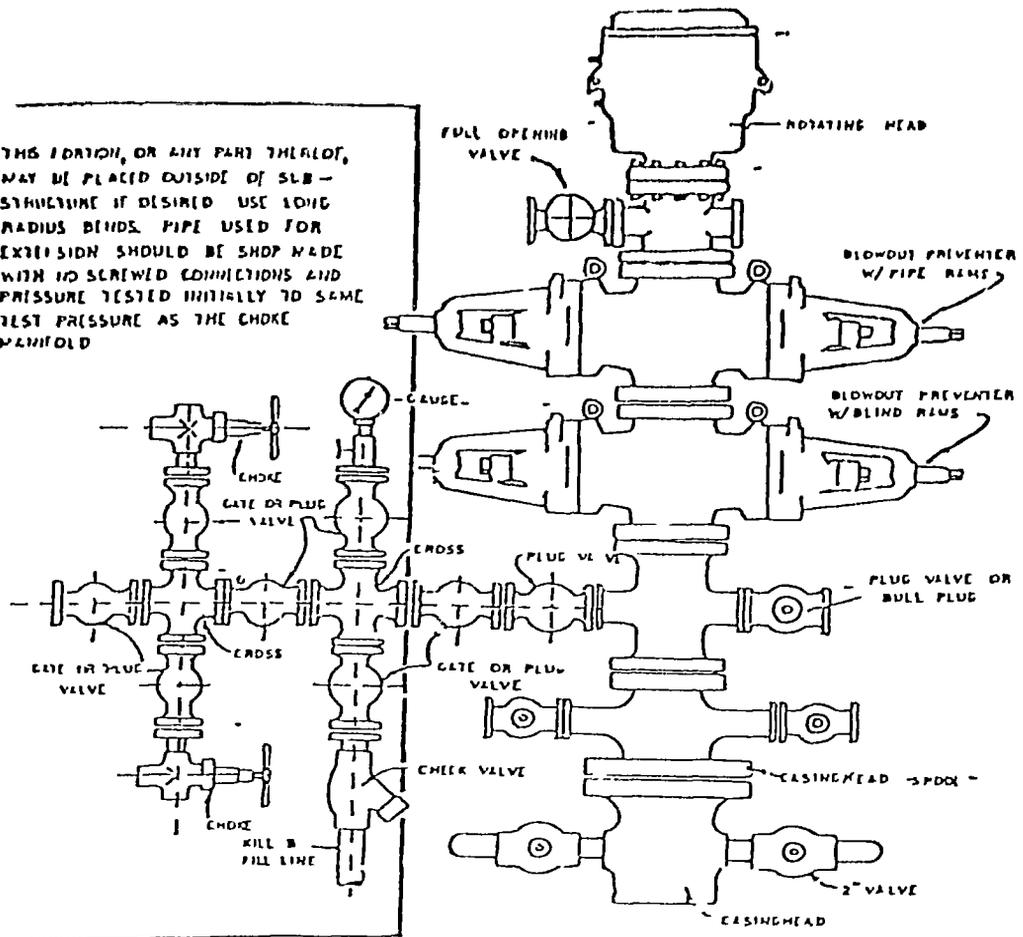
9. Abnormal Temperatures, Pressures, or Potential Hazards:

None expected.

10. Starting Date:

Anticipated starting date is April 29, 1986 . 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 IDATION, OR ANY PART THEREOF, MAY BE PLACED OUTSIDE OF SLB- 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 CHOKE MANIFOLD



BLOWOUT PREVENTER HOOKUP

SURFACE USE PLAN

Chusla Energy Co.
Navajo Tribal A No. 14-4
1075' FSL & 500' FWL
4-415-23E
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. All roads will bear normal drilling traffic and not have to be up graded. The access road will join an existing access road.

2. Planned Access Road (shown in red):

The new access road will have a maximum grade of 10% and will be water barred to prevent erosion. This new road will be 50' long, have no turnouts or culverts, and have a maximum width of 20'. Water bars will be used where necessary to prevent erosion. No gates or cattle guards are needed. The road will not have to be surfaced. No bar ditches will be initially installed; upon completion, bar ditches will be needed to facilitate drainage.

3. Location of Existing Wells:

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

4. Location of Production Facilities:

All production facilities are to be contained within the proposed location site. Chuska operates a well to the north of the subject well which may eventually share a gas sales line.

5. Location and Type of Water Supply:

Water will be trucked from the San Juan River, 4 miles North of the location. The point of water removal is located 0' FSL and 1500' FWL 32-40S-24E San Juan Co., Utah.

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 landfill or burned. All non-burnable 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. Pits will be completely fenced during drying time, then back filled with dirt prior to preparing the location for production or abandonment.

8. Human Waste:

A portable 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 well site and access road will begin within 90 days of well completion, weather permitting and if required by the 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 drill site and road will have any topsoil replaced and will be reseeded when germination 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 non-burnable 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. The surface is owned by the Navajo Tribe.

12. General Information:

This site is in a very sandy, flat area. It is covered with native weeds and grasses. No artifacts were found on the site. There are no residences in the area.

13. John Alexander

Chusla Energy Co.

P.O. Box. 2118

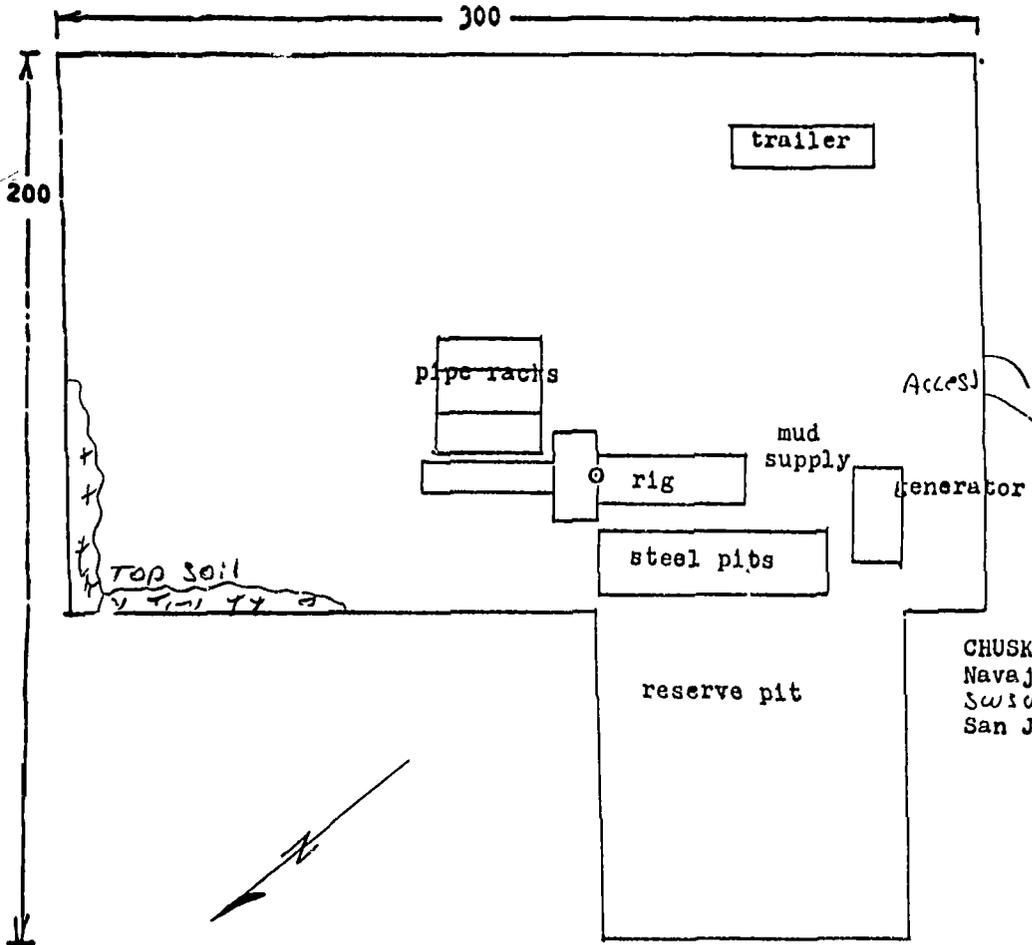
Farmington, N.M 87499

505-326-5525

14.

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 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.

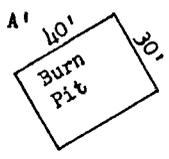
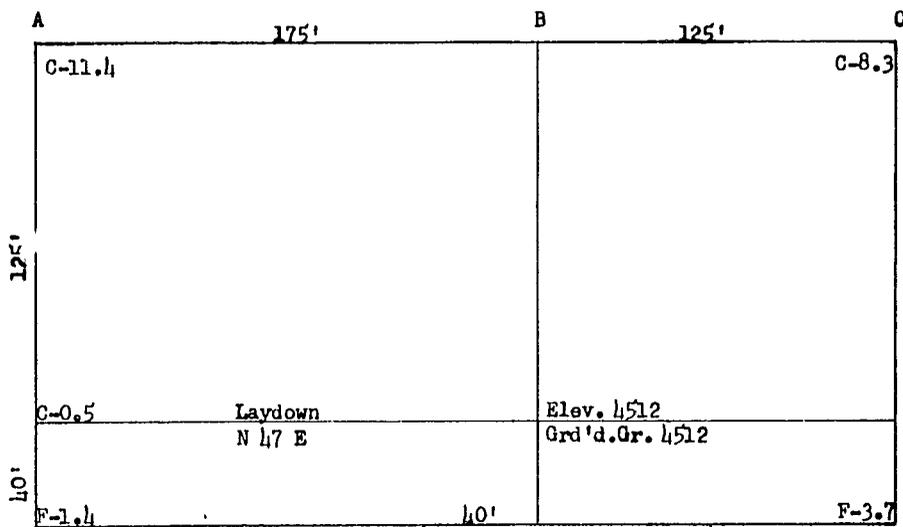
John Alexander Date *4/7/86*
John Alexander



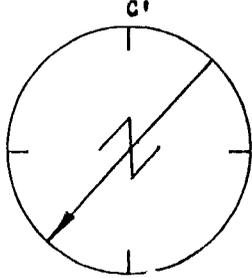
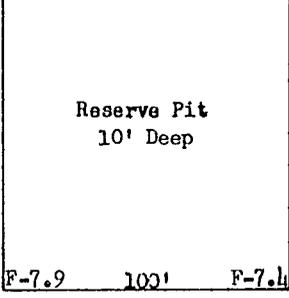
CHUSKA ENERGY CO.
Navajo Tribal A. # 14-4
SW 4-413-23E
San Juan, Utah

Profile for

CHUSKA ENERGY COMPANY
 #14-4 NAVAJO TRIBAL "A"
 1075' FSL & 500' FWL
 Sec. 4 T14S R23E
 San Juan County, Utah

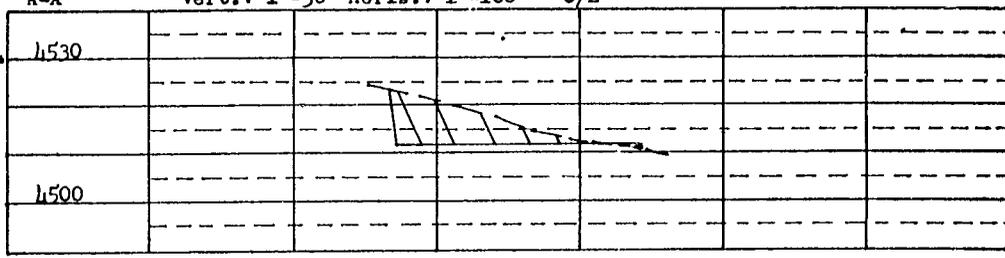


Scale: 1"=50'

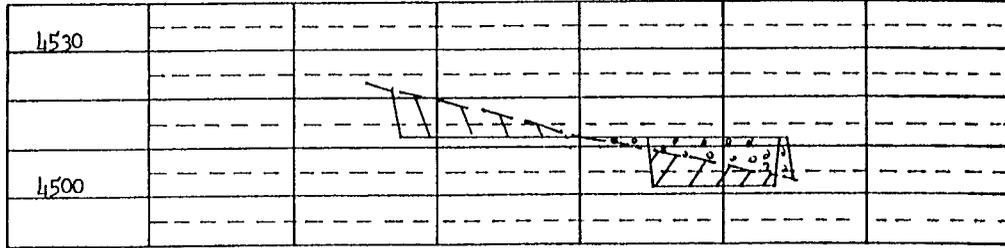


B'

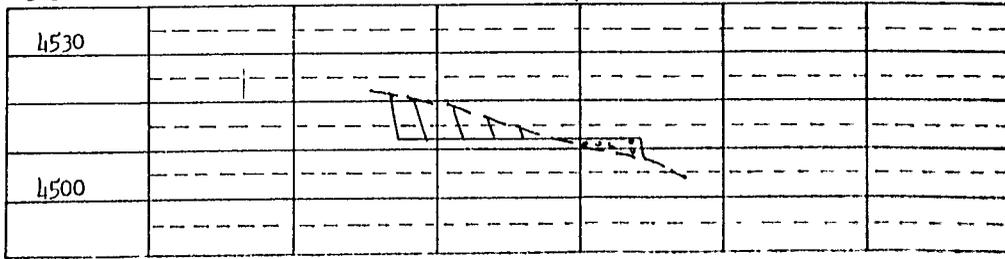
A-A' Vert.: 1"=30' Horis.: 1"=100' C/L

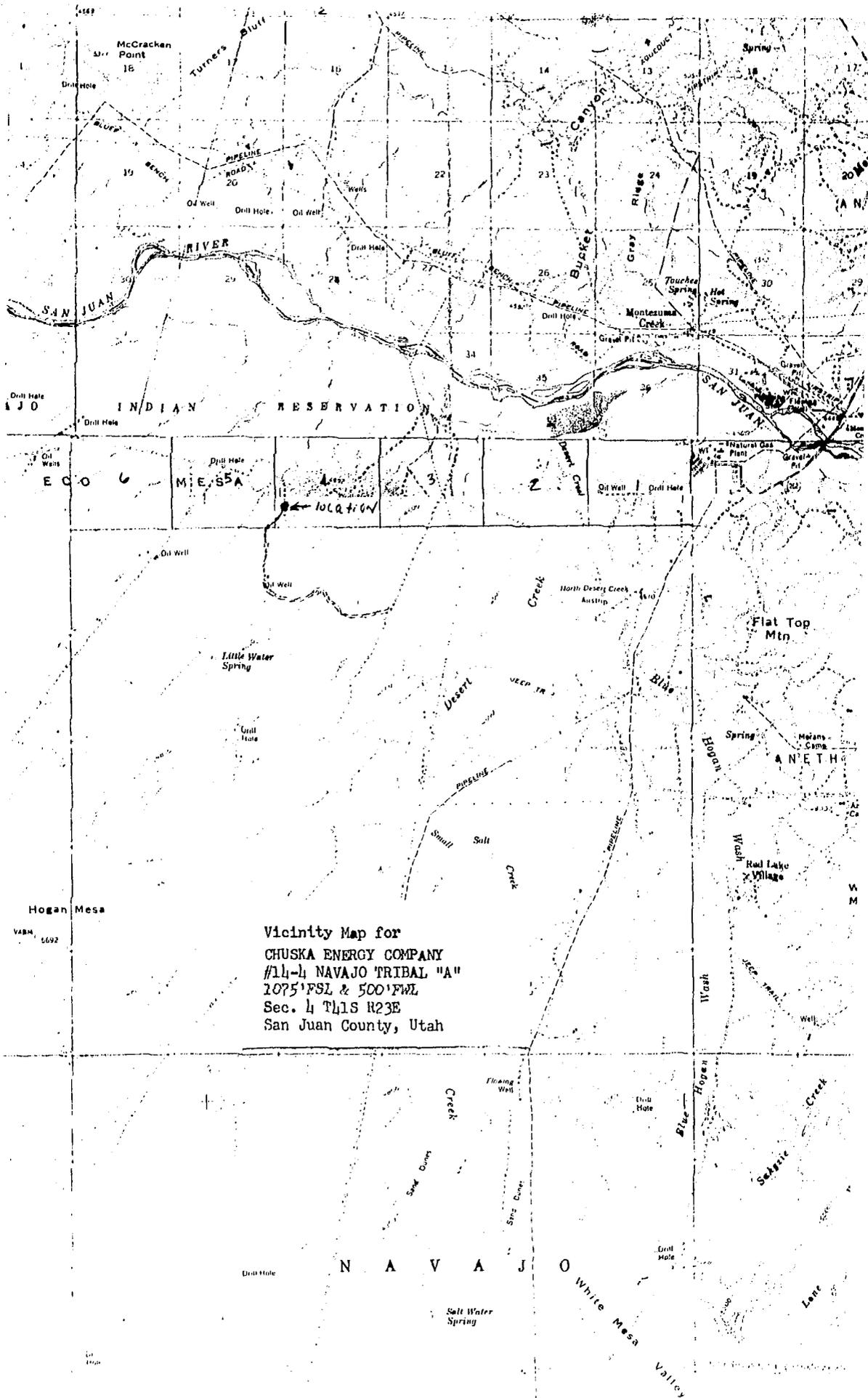


B-B' C/L



C-C' C/L





Vicinity Map for
 CHUSKA ENERGY COMPANY
 #14-4 NAVAJO TRIBAL "A"
 1075' FSL & 500' FWL
 Sec. 4 T11S R23E
 San Juan County, Utah

N A V A J O

White Mesa Valley

INDIAN RESERVATION

ECO MESA

Hogan Mesa

ANETH

Red Lake Village

Hogan Wash

Schastic Creek

Creek

Sink Dune

Flowing Well

Salt Water Spring

Flat Top Mtn

Spring

Wash

OPERATOR Chuska Energy Co DATE 4-11-86

WELL NAME Kanayo Indian A 14-4

SEC SW SW 4 T 41S R 23E COUNTY San Juan

43-039-31204
API NUMBER

Indian
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 920'

Need water permit

Exception requested (Rec'd 5/5/86)

APPROVAL LETTER:

SPACING: 203 _____ UNIT

302

_____ CAUSE NO. & DATE

302.1

STIPULATIONS:

1- Water

*Expire
5-2-87*

FILING FOR WATER IN THE STATE OF UTAH

APPLICATION TO APPROPRIATE WATER

030719

Rec by _____
Fee Paid \$ _____
Platted _____
Microfilmed _____
Roll # _____

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, 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

WATER USER CLAIM NO. 09 - 1469

APPLICATION NO. T61670

1. PRIORITY OF RIGHT: April 16, 1986

FILING DATE: April 16, 1986

2. OWNER INFORMATION

Name: Chuska Energy Company
Address: P.O. Box 2118, Farmington NM 87499
The land is not owned by the applicant(s), see explanatory.

3. QUANTITY OF WATER: 4.02 acre feet (Ac. Ft.)

4. SOURCE: San Juan River DRAINAGE: San Juan River

POINT(S) OF DIVERSION: COUNTY: San Juan

(1) N. 0 feet, E. 1500 feet, from the SW Corner of Section 32,
Township 40 S, Range 24 E, SLB&M
Description of Diverting works Trucks

COMMON DESCRIPTION:

5. NATURE AND PERIOD OF USE

Oil Exploration From April 15 to November 15.

6. PURPOSE AND EXTENT OF USE

Oil Exploration The drilling of oil wells.

7. PLACE OF USE

The water is used in all or parts of each of the following legal subdivisions.

TOWN	RANGE	SEC	North East Quarter				North West Quarter				South West Quarter				South East Quarter			
			NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$
✓ 41	S	23 E 4	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
✓ 41	S	23 E 5	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

All locations in Salt Lake Base and Meridian

NAVAJO TRIBAL A 14-4 43-037-31269 JA
" " A 43-5 43-037-31258 JA

EXPLANATORY

Chuska owns mineral rights at the usage location and has the right to drill oil and gas wells.

[Handwritten scribbles]



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 • 3rd Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 8, 1986

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

Gentlemen:

Re: Well Name: Navajo Tribal A 14-4 - SW SW Sec. 4, T. 41S, R. 23E
1075' FSL, 500' FWL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Rule 302.1, Oil and Gas Conservation General Rules, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

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) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule 311.3, Associated Gas Flaring, Oil and Gas Conservation General Rules.

Page 2
Chuska Energy Company
Well Name: Navajo Tribal A 14-4
May 8, 1986

5. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at each drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable State and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 533-6163.
6. 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 43-037-31269.

Sincerely,



R. J. Fifth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals
Bureau of Indian Affairs
D. R. Nielson

81527

Col

MAY 05 1986

Chuska Energy Co.
P.O Box 2118
Farmington, N.M 87499

DIVISION OF
OIL GAS & MINING

Division of Oil, Gas and Mining
355 W North Temple, Suite 350
Salt Lake City, Utah 84108-5340

Attention District Engineer

Re. Unorthodox Location, Navajo Tribal A No 14-4

Gentlemen:

Chuska Energy request permission to locate an oil well at non-standard location as follows

1075' FSL & 500'FWL
4-41S-23E
San Juan Co., Utah

The request is based on topography, as indicated on the attached map Also attached is a plat showing all offset operators They have been notified by certified mail of this application.

Sincerely,

John Alexander 5/1/86

John Alexander

COMPANY CHUSKA ENERGY COMPANY

LEASE NAVAJO TRIBAL "A" WELL NO. 14-4

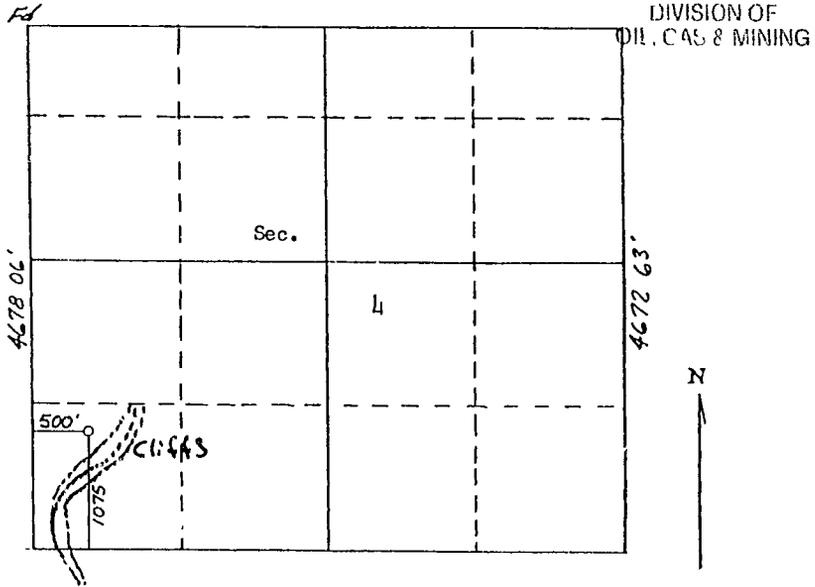
SEC 4, T 41S, R 23E

County: San Juan State: Utah

LOCATION 1075'FSL & 500'FWL

ELEVATION 4512

MAY 05 1986



SCALE—4 INCHES EQUALS 1 MILE

THIS IS TO CERTIFY THAT THE ABOVE PLAY 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.



REALI

W. E. Markel II
Registered Land Surveyor

SURVEYED March 20, 1986

CHUSKA ENERGY CO.

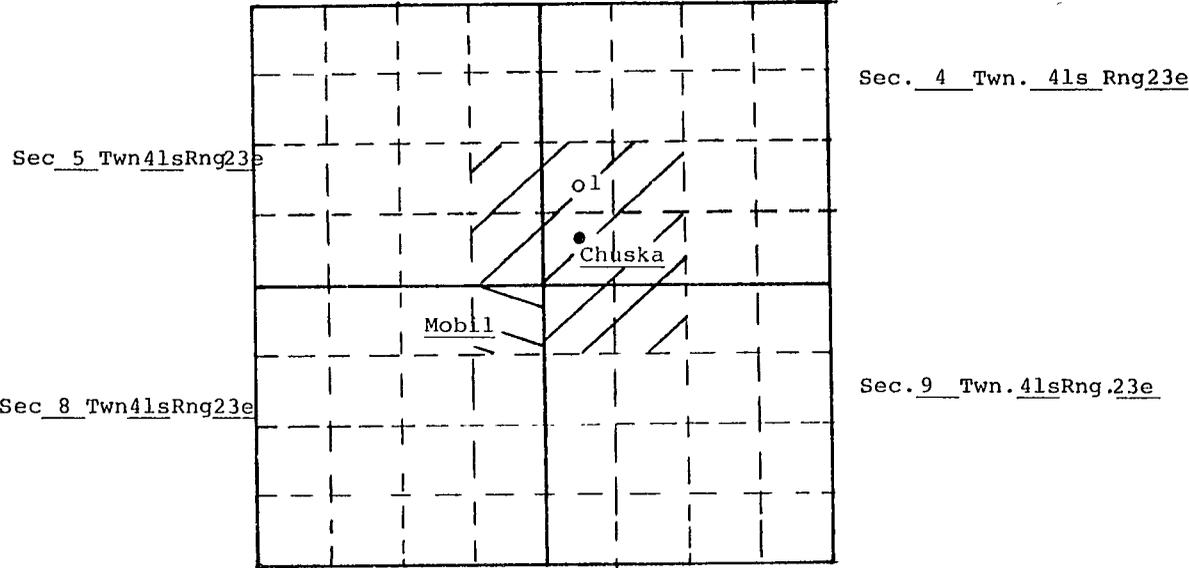
Offset Acreage and Wells:

Well: Navajo Tribal A No. 13-4

Location: 1075' FSL & 500' FWL 4-41s-23e

County: San Juan

State: Utah



● Subject well

MAY 05 1985

DIVISION OF
OIL & GAS MINING

1 - Chuska Energy Co. Navajo Tribal A No. 13-4
2140' FSL & 530' FWL
4-41s-23e



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangarter, 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

090302

September 2, 1987

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

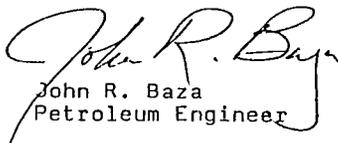
Gentlemen:

RE: Well No. Navajo Tribal A 14-4, Sec. 4, T. 41S, R. 23E,
San Juan County, Utah, API NO. 43-037-31269

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
0327T-99