

UTAH OIL AND GAS CONSERVATION COMMISSION

| | | | | | | | |
|---|------------------------------|---------------|-----------------|------------------------|------------------|---------------------|----------------------|
| REMARKS | WELL LOG | ELECTRIC LOGS | FILE | X | WATER SANDS | LOCATION INSPECTED | SUB REPORT a/d |
| 881026 Well name chg. from Navajo Tribal B 41-12. | | | | | | | |
| CPLR Request Conf. Rev. 5-17-87 | | | | | | | |
| DATE FILED | 8-24-87 | | | | | | |
| LAND FEE & PATENTED | STATE LEASE NO | | PUBLIC LEASE NO | | | INDIAN NOG8202-1116 | |
| DRILLING APPROVED | 9-4-87 | | | | | | |
| SPOOLED IN | | | | | | | |
| COMPLETED | FEET TO PRODUCING | | | | | | |
| INITIAL PRODUCTION | | | | | | | |
| GRAVITY API | | | | | | | |
| GUR | | | | | | | |
| PRODUCING ZONES | | | | | | | |
| TOTAL DEPTH | | | | | | | |
| WELL ELEVATION | | | | | | | |
| DATE ABANDONED | A 7-9-87 | | | | | | |
| FIELD | UNDESIGNATED | | | | | | |
| UNIT | | | | | | | |
| COUNTY | SAN JUAN | | | | | | |
| WELL NO | NAVAJO-TRIBAL-B-41-12 | | | Loc mt 4-12-42S 24E #1 | | API #43-037-31342 | |
| LOCATION | 500' FNL FT FROM IN IS' LINE | | 500' FEL | | FT FROM IS' LINE | | NE NE 14 - 14 SEC 12 |

| TWP | RGE | SEC | OPERATOR | TWP | RGE | SEC | OPERATOR |
|-----|-----|-----|-------------------|-----|-----|-----|----------|
| 42S | 24E | 12 | CHUSKA ENERGY CO. | | | | |

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 BORE MULTIPLE BORE

2. NAME OF OPERATOR
 Chuska Energy Co.

3. ADDRESS OF OPERATOR
 P.O. Box 2118, Farmington, N.M. 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *)
 At surface: 500' FNL & 500' FEL
 At proposed prod. zone: same
NE/NE

5. LEASE DESIGNATION AND SERIAL NO.
 NOG-8202-1116

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 Navajo

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Navajo Tribal B

9. WELL NO.
 41-12

10. FIELD AND POOL, OR WILDCAT
 Another UNDESIGNATED

11. SEC., T. R., M., OR S.E. AND SURVEY OR AREA
 12-T.42S-R.24E

12. COUNTY OR PARISH
 San Juan

13. STATE
 Utah

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

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

16. NO. OF ACRES IN LEASE
 50,000

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

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

19. PROPOSED DEPTH
 5700 *As per Couch*

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4730 GR

22. APPROX. DATE WORK WILL START*
 9/15/87

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| SEE ATTACHED | | | | |

SEE ATTACHED

RECEIVED
AUG 24 1987
DIVISION OF OIL
GAS & MINING

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS AND MINING
DATE: 9-4-87
BY: John L. Bay
WELL SPACING: 645-3-2

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.

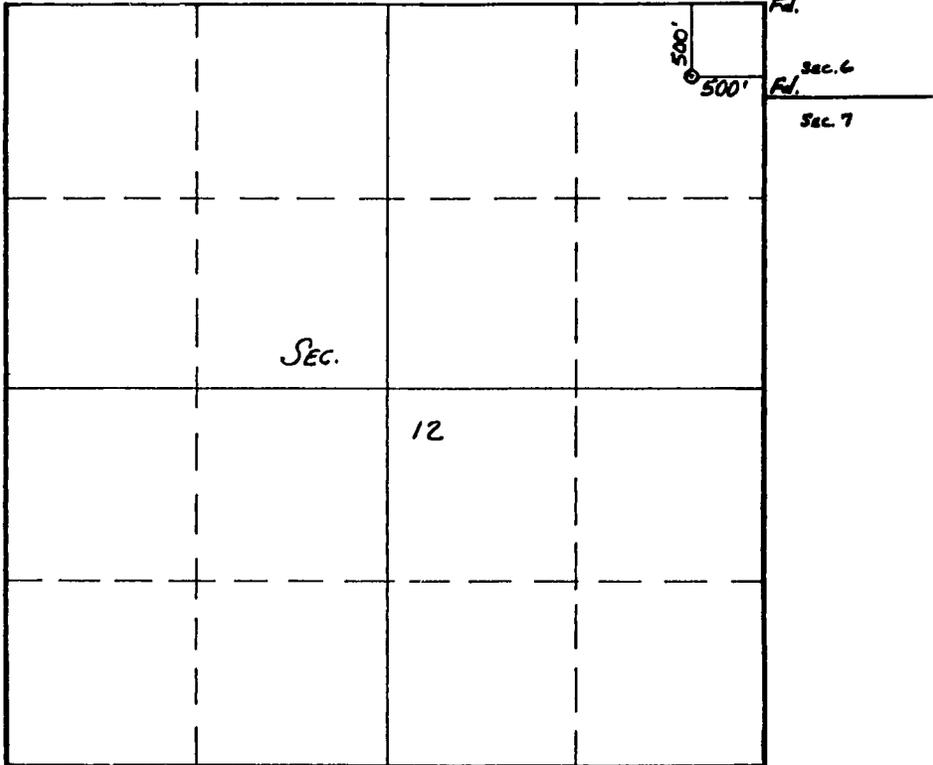
SIGNED: John Alexander TITLE: Exec. V.P. DATE: 8/19/87
 (This space for Federal or State office use)

PERMIT NO: 43-037-31342 APPROVAL DATE: _____

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

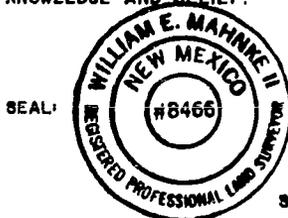
*See Instructions On Reverse Side

COMPANY CHUSMA ENERGY COMPANY
 LEASE NAVAJO TRIBAL B WELL NO. 41-12
 SEC 12, T. 42 S, R. 24 E
 COUNTY San Juan STATE Utah
 LOCATION 500'FNL & 500'FEL
 ELEVATION 4730



SCALE: 1" = 1000'

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.




 WILLIAM E. MAHNKE II
 NEW MEXICO PLS N° 8466

SURVEYED Aug 12, 1987

**FORMATION INFORMATION AND
DRILLING PRACTICES**

Chuska Energy Co.
Navajo Tribal B No. 41-12
500' FNL & 500' FEL
12-T.425-R.24E
San Juan Co., Utah

1. Surface Formation: Bluff Sandstone

2. Estimated Formation Tops:

| | |
|--------------|------|
| Chinle | 1415 |
| DeChelly | 2452 |
| Organ Rock | 2724 |
| Hermosa | 4426 |
| Upper Ismay | 5252 |
| Lower Ismay | 5368 |
| Desert Creek | 5432 |
| T.D | 5700 |

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

Oil 5432

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.

0-1400' 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.

0-5700' 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 2750'. 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:

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 Ck.

Coring: none planned

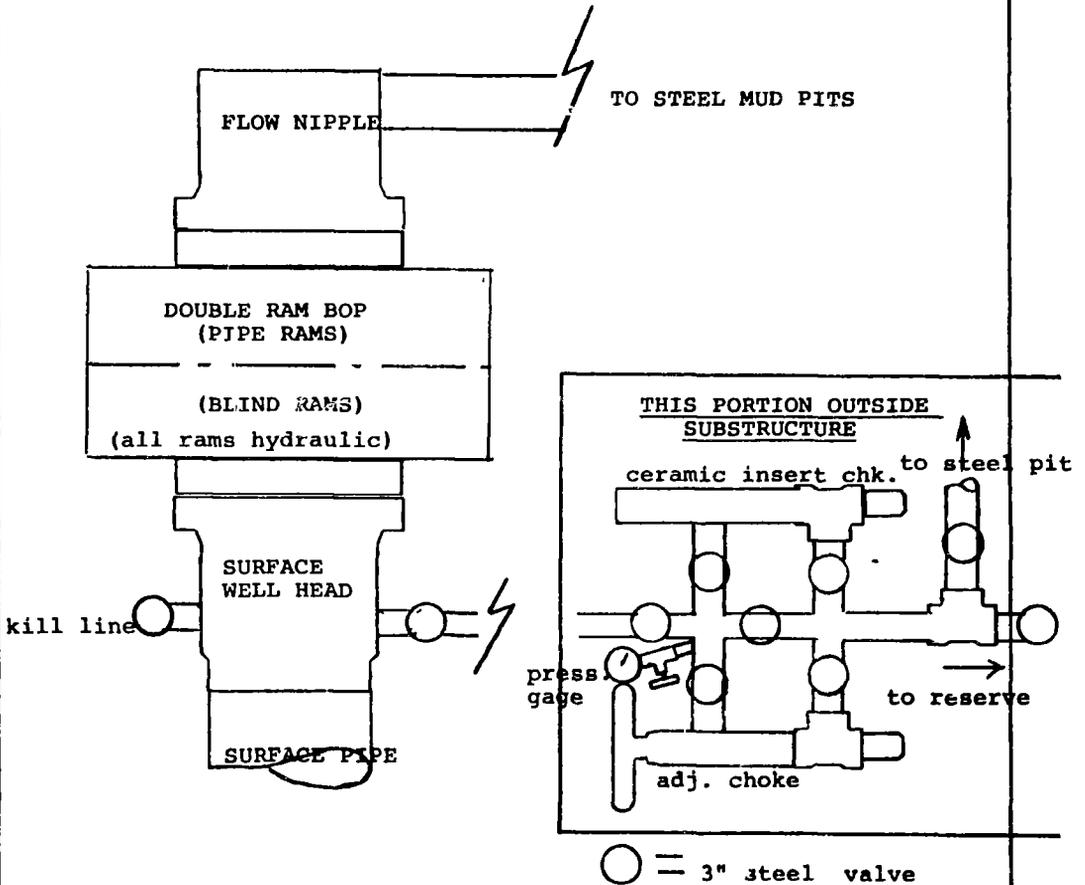
9. Abnormal Temperatures, Pressures, or Potential Hazards:

None expected.

10. Starting Date:

Anticipated starting date is 9/15/87 . Approximately 5 days will be required to build roads and location. Drilling will take about 15 days. Completion should be accomplished in 6 days.

BLOWOUT PREVENTER SCHEMATIC
(ALL FLANGES 10" 3000 psi)



SURFACE USE PLAN

Chuska Energy Co.
Navajo Tribal B No. 41-12
500' FNL & 500' FEL
12-T.42S-R.24E
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. Some up-grading of existing roads will be required.

2. Planned Access Road (shown in red):

No new access road will be required.

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. If commercial amounts of gas are discovered, a pipe line will be laid to Chuska's wells in 2-T.42S-R.24E. If required, this line will be covered under separate application.

5. Location and Type of Water Supply:

Water will be trucked from the San Juan River, 9 miles North 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 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:

Pits at this location will not be lined. The location is near a shallow drainage that can be diverted. Pits were located away from the drainage to prevent erosion. The area is flat and presents no location construction problems.

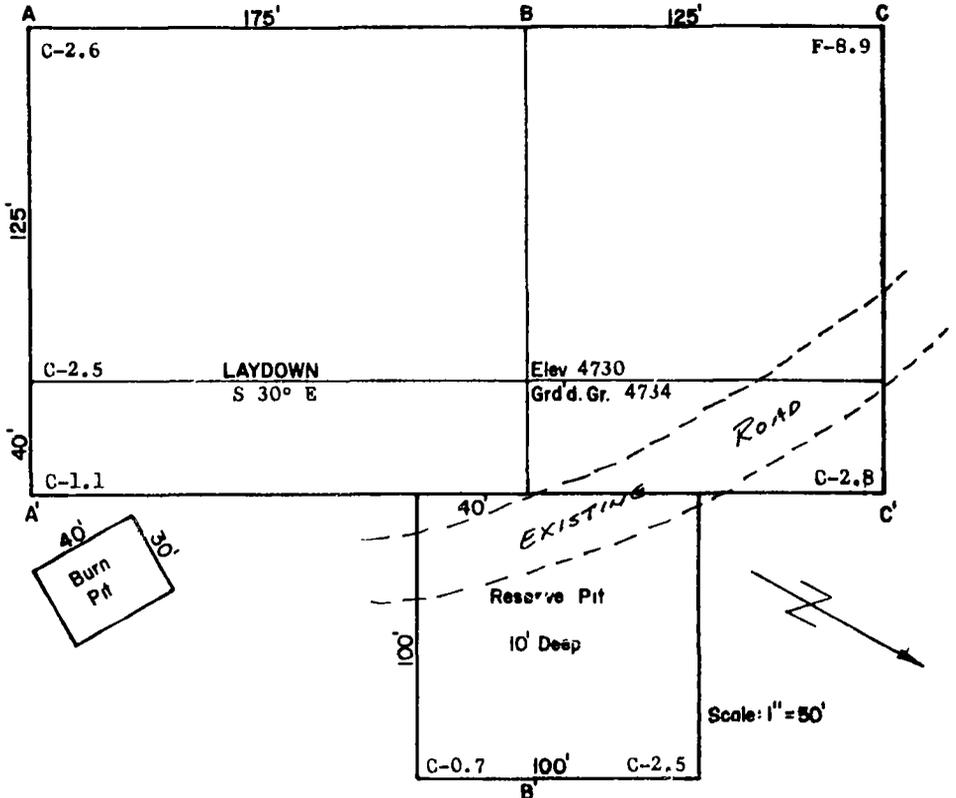
13. John Alexander
Chuska Energy Co.
P.O Box 2118
Farmington, N.M 87499
505-326-5525

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 8/19/87
John Alexander

CHUSKA ENERGY COMPANY
 #41-12 NAVAJO TRIBAL B
 500'FNL & 500'FEL
 Sec.12, T42S, R24E
 San Juan Co., Utah



Scale: 1" = 50'

Vert. 1" = 30' Horiz. 1" = 100'

| A-A' | C/L | |
|------|-----|--|
| 4740 | | |
| 4730 | | |

| B-B' | C/L | |
|------|-----|--|
| 4740 | | |
| 4730 | | |

| C-C' | C/L | |
|------|-----|--|
| 4740 | | |
| 4730 | | |

300

200

trailer

ACCESS ROAD

pipe racks

rig

mud supply

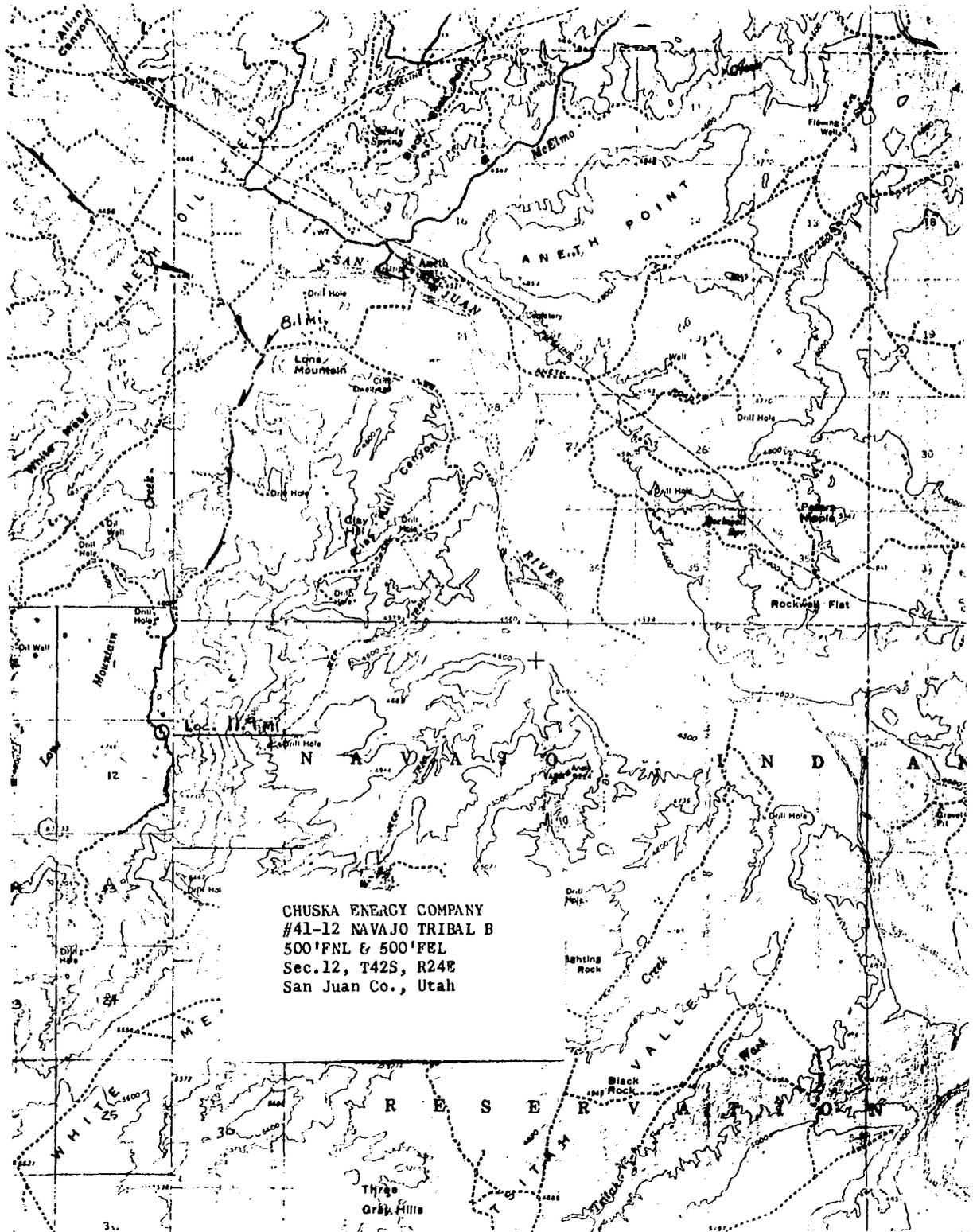
generator

steel pits

reserve pit



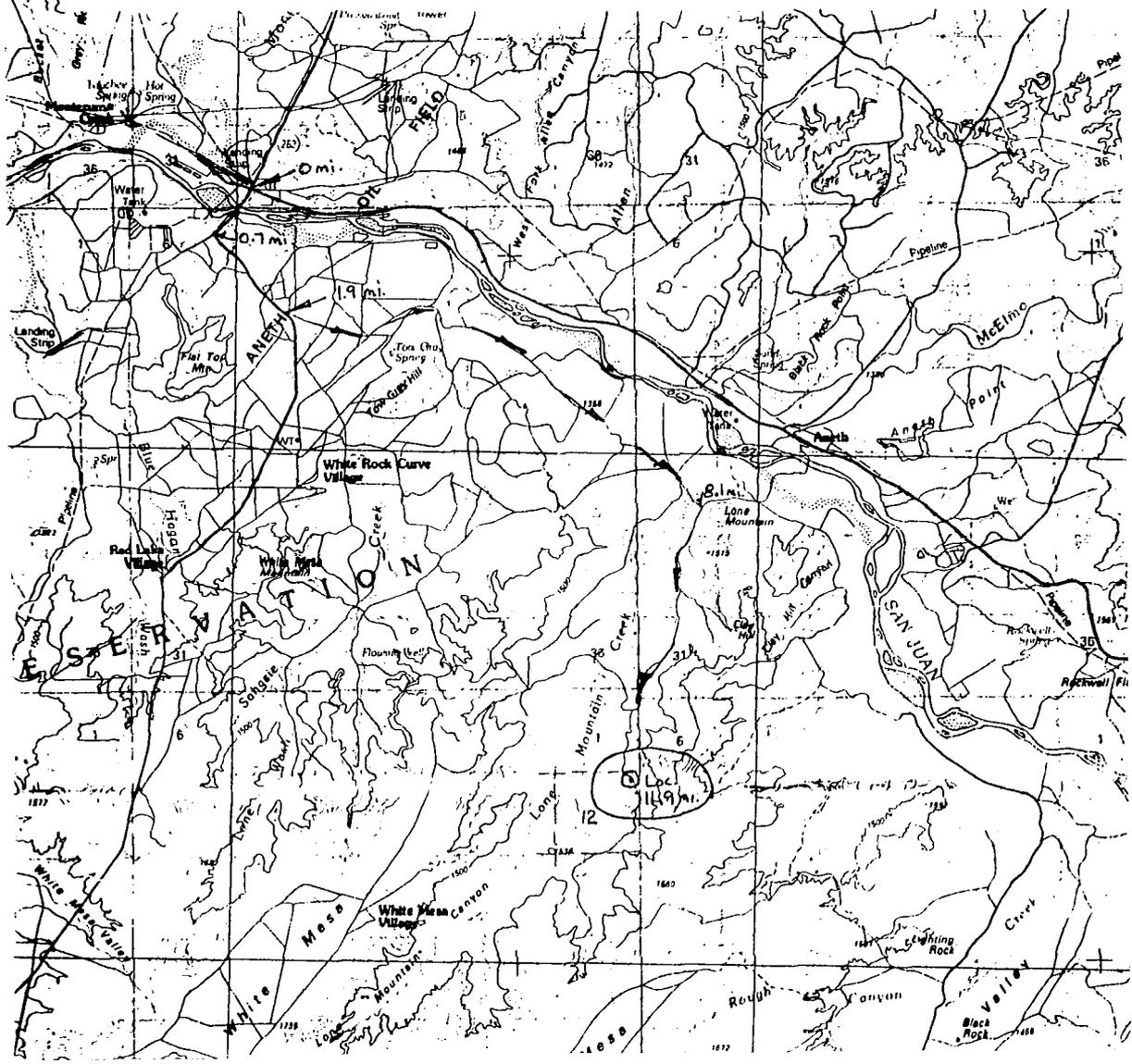
CHUSKA ENERGY CO.
Navajo Tribal B No. 41-12
NE NE 12-T.42S-R.24E
San Juan, Utah



CHUSKA ENERGY COMPANY
#41-12 NAVAJO TRIBAL B
500'FNL & 500'FEL
Sec. 12, T42S, R24E
San Juan Co., Utah

CHUSKA ENERGY COMPANY
 #41-12 NAVAJO TRIBAL B
 500'FNL & 500'FEL
 Sec.12, T42S, R24E
 San Juan Co., Utah

From the "T" intersection in Montezuma Creek, Utah, proceed south 0.7 miles on paved road. Turn east onto paved road, continue 1.2 miles. Turn left off paved road ("Y" intersection). Continue on main dirt road 6.2 miles. Turn right (south) and follow dirt road 3.8 miles to Location. Total distance from Montezuma Creek is 11.9 miles.



090804

OPERATOR Calsada Energy Co. DATE 8-26-87

WELL NAME Novajo Tribal B 41-12

SEC NENE 12 T 425 R 24E COUNTY San Juan

43-037-31342
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 Water 09-1514 (T62442)

APPROVAL LETTER:

SPACING: R615-2-3 _____ UNIT

R615-3-2

_____ CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

~~Water~~



STATE OF UTAH
NATURAL RESOURCES
Water Rights

Norman H. Bangarter, Governor
Dee C. Hansen, Executive Director
Robert L. Morgan, State Engineer

Southeastern Area • 453 S. Carbon Avenue • P.O. Box 718 • Price, UT 84501-0718 • 801-637-1303

August 28, 1987

RECEIVED

AUG 31 1987

DIVISION OF OIL
GAS & MINING

Chuska Energy Company
Attn: John Alexander, Executive Vice President
P.O. Box 2118
Farmington, New Mexico 87499

Re: Water Right No. 09-1514 (T62442)

Dear Mr. Alexander:

In response to your letter of August 20, 1987, approval is hereby given to use the above referenced water right in the drilling of Navajo Tribal B No. 41-12 Well, which is located in the NE4NE4 Sec. 12, T42S, R24E, SLB&M. Navajo Tribal B No. 14-6 Well, which was part of the original approval will be stricken from the file.

If you have any further concerns or questions pertaining to this matter, please feel free to contact me.

Sincerely,

Mark P. Page
Area Engineer

cc: Division of Oil, Gas & Mining
Attn: Arlene Sollis
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

MPP/mjk



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

September 4, 1987

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

Gentlemen:

Re: Navajo Tribal B 41-12 - NE NE Sec. 12, T. 42S, R. 24E
500' FNL, 500' FEL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Rule R615-3-2, Oil and Gas Conservation General Rules.

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 of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. 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.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Chuska Energy Company
Navajo Tribal B 41-12
September 4, 1987

6. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the 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) 538-6121.
7. 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 numbr. assigned to this well is 43-037-31342.

Sincerely,



R. A. Firth
Associate Director, Oil & Gas

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

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | |
|--|---|---|--|
| 1a TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | | 5 LEASE DESIGNATION AND SERIAL NO NOG-8202-1116 |
| b TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | | 6 IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo |
| 7 NAME OF OPERATOR CHUSKA ENERGY COMPANY | | | 7 UNIT AGREEMENT NAME |
| 8 ADDRESS OF OPERATOR P.O. Box 2118 Farmington, New Mexico | | | 8 FARM OR LEASE NAME Lone Mt. 4-12-42524E |
| 9 LOCATION OF WELL (Report location clearly and in accordance with any BLM instructions) At proposed prod zone 500' FNL & 500' FEL | | | 9 WELL NO 1 |
| 10 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 4730' GR | | | 10 FIELD AND POOL, OR WILDCAT Aneth |
| 11 DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drig unit line, if any) | | | 11 SEC. T, R, M, OR BLK AND SURVEY OR AREA Sec. 12 T42S R24E |
| 12 DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. | | | 12 COUNTY OR PARISH San Juan |
| 13 ELEVATIONS (Show whether DF, RT, GR, etc.) | | | 13 STATE Utah |
| 14 NO OF ACRES IN LEASE 50,000 | 15 NO OF ACRES ASSIGNED TO THIS WELL 40 | 14 DIVISION OF OIL, GAS & MINING | |
| 16 PROPOSED DEPTH 5700' | 17 ROTARY OR CABLE TOOLS Rotary | 15 APPROX DATE WORK WILL START* November 15, 1988 | |

RECEIVED
OCT 14 1988

| 23 PROPOSED CASING AND CEMENTING PROGRAM | | | | |
|--|----------------|-----------------|---------------|--------------------|
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
| SEE ATTACHED | | | | |

THIS IS A RE-SUBMITTAL THIS WELL WAS SUBMITTED FOR APPROVAL AS NAVAJO TRIBAL "B" 41-12.

THE ONSITE INSPECTION & ARCH. STUDY HAVE ALREADY BEEN COMPLETED AND SUBMITTED.

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 surface locations and measured and true vertical depths Give blowout preventer program, if any

24

SIGNED *[Signature]* TITLE **V.P. Drilling Operations** DATE **6 OCT 88**

(This space for Federal or State office use)

PERMIT NO 43-037-31342 APPROVAL DATE _____

APPROVED BY _____ DATE 10-26-88 DATE _____

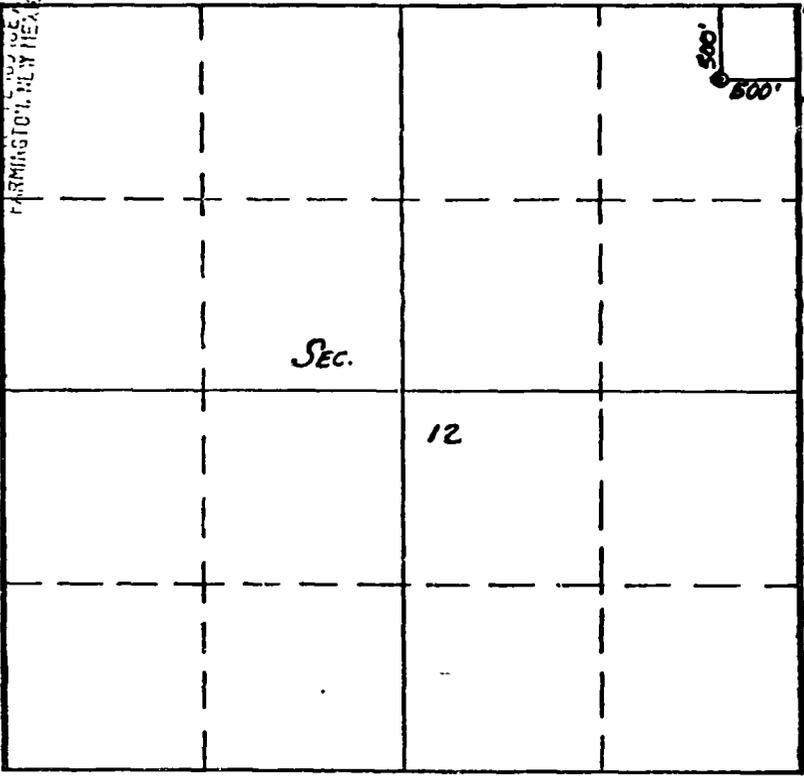
CONDITIONS OF APPROVAL, IF ANY _____

[Signature]
WELL NO 43-037-31342

*See Instructions On Reverse Side

COMPANY CHUSMA ENERGY COMPANY
 LEASE LONE MOUNTAIN 4-12-42524E WELL NO. 1
 SEC. 12, T. 42 S, R. 24 E
 COUNTY San Juan STATE Utah
 LOCATION 500'FNL & 500'FEL
 ELEVATION 4730

RECEIVED
 PLUMMER ROOM
 67 AUG 20 PM 2:21
 PARSONS
 FARMINGTON, NEW MEXICO



SCALE: 1" = 1000'

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.




 WILLIAM E. MAHNKE II
 NEW MEXICO P.L.S. NO 8456

SURVEYED Aug 12, 1987

**FORMATION INFORMATION AND
DRILLING PRACTICES**

**Chuska Energy Co.
LONE MOUNTAIN 4-12-42S24E No.1
500' FNL & 500' FEL
12-T.42S-R.24E
San Juan Co., Utah**

1. Surface Formation: Bluff Sandstone

2. Estimated Formation Tops:

| | |
|--------------|------|
| Chinle | 1415 |
| DeChelly | 2452 |
| Organ Rock | 2724 |
| Hermosa | 4426 |
| Upper Ismay | 5252 |
| Lower Ismay | 5368 |
| Desert Creek | 5432 |
| T.D | 5700 |

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

Oil 5432

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.

0-1400' 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.

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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 |
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| 4000'-t.d | gel-chem | 45-50 | 10.0 | 9 cc. |

7. Auxiliary 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 Ck.

Coring: none planned

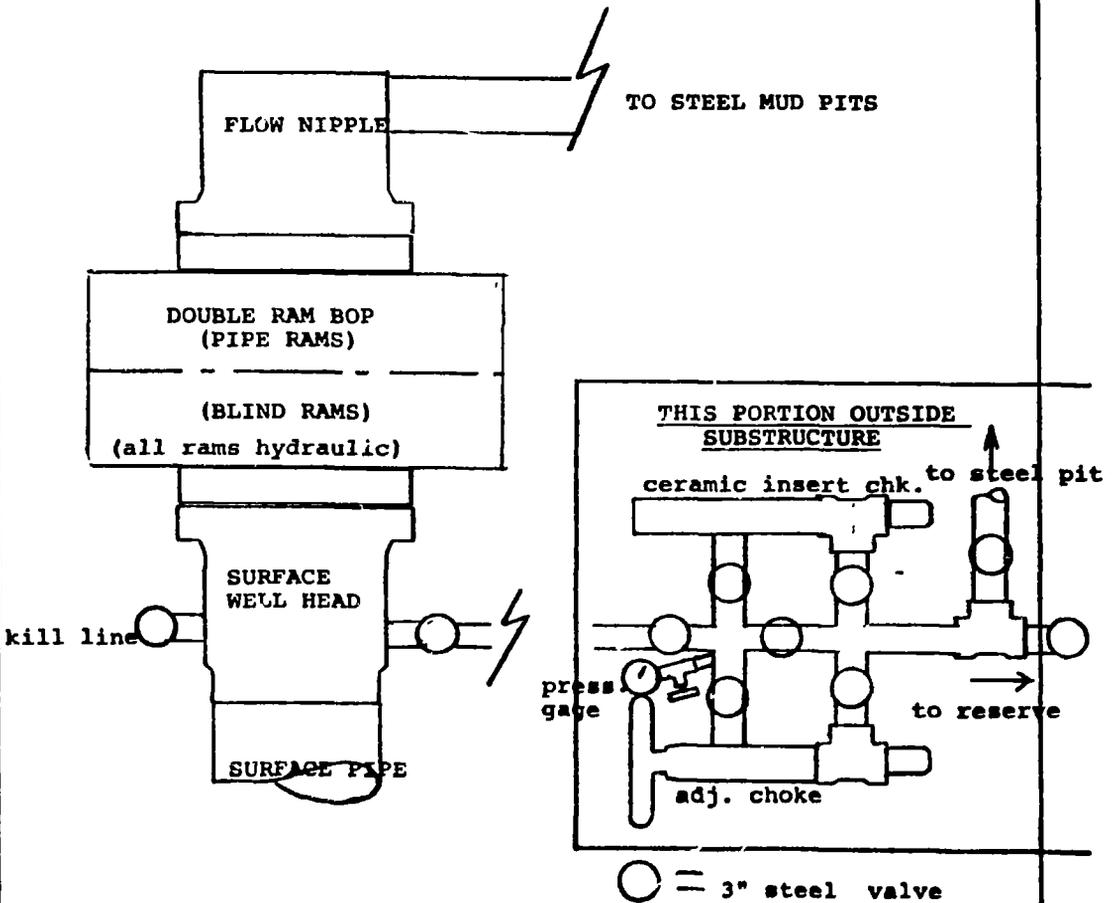
9. Abnormal Temperatures, Pressures, or Potential Hazards:

None expected.

10. Starting Date:

Anticipated starting date is 9/15/87 . Approximately 5 days will be required to build roads and location. Drilling will take about 15 days. Completion should be accomplished in 6 days.

BLOWOUT PREVENTER SCHEMATIC
(ALL FLANGES 10" 3000 psi)



SURFACE USE PLAN

**Chuska Energy Co.
LONE MOUNTAIN 4-12-42S24E No.1
500' FNL & 500' FEL
12-T.42S-R.24E
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. Some up-grading of existing roads will be required.

2. Planned Access Road (shown in red):

No new access road will be required.

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. If commercial amounts of gas are discovered, a pipe line will be laid to Chuska's wells in 2-T.42S-R.24E. If required, this line will be covered under separate application.

5. Location and Type of Water Supply:

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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:

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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:

Pits at this location will not be lined. The location is near a shallow drainage that can be diverted. Pits were located away from the drainage to prevent erosion. The area is flat and presents no location construction problems.

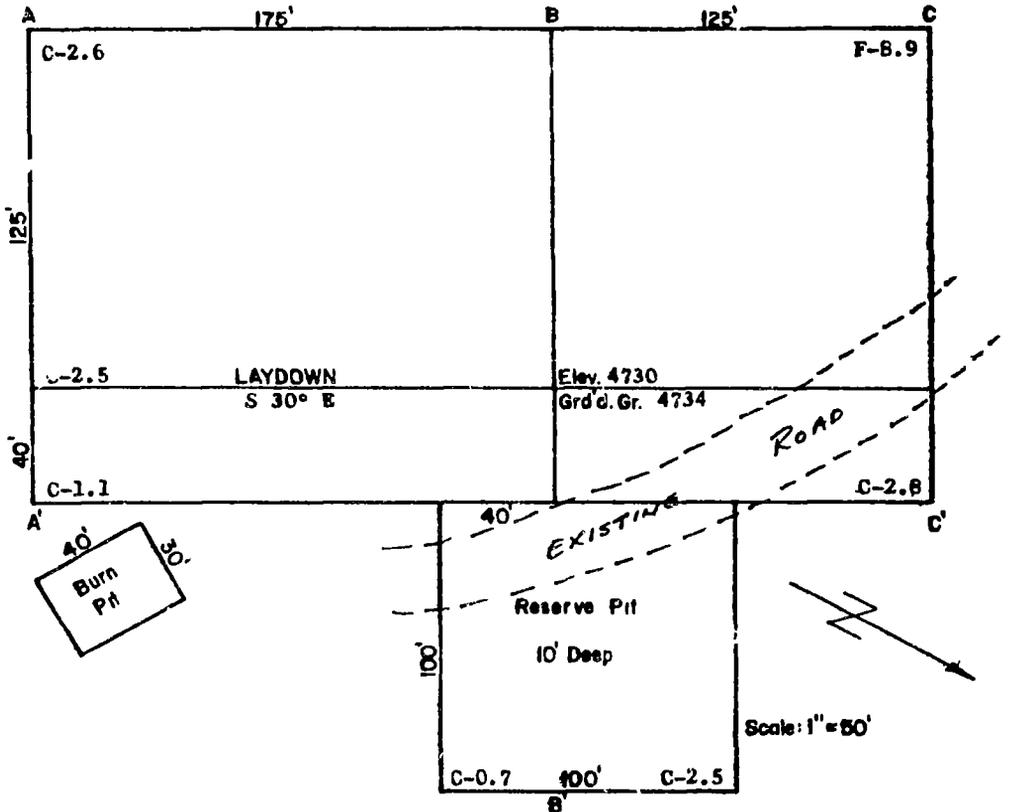
13. John Alexander
Chuska Energy Co.
P.O Box 2118
Farmington, N.M 87499
505-326-5525

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 8/18/87
John Alexander

CHUSMA ENERGY COMPANY
 LONE MOUNTAIN 4-12-42524E No. 1
 500' FNL & 500' FEL
 Sec. 12, T42S, R24E
 San Juan Co., Utah



Scale: 1" = 50'

Ver. : 1" = 30' Horiz. : 1" = 100'

| A-A' | C/L | | | | |
|------|-----|-----|-----|-----|-----|
| 4740 | --- | --- | --- | --- | --- |
| 4730 | --- | --- | --- | --- | --- |

| B-B' | C/L | | | | |
|------|-----|-----|-----|-----|-----|
| 4740 | --- | --- | --- | --- | --- |
| 4730 | --- | --- | --- | --- | --- |

| C-C' | C/L | | | | |
|------|-----|-----|-----|-----|-----|
| 4740 | --- | --- | --- | --- | --- |
| 4730 | --- | --- | --- | --- | --- |

300

200

trailer

ACCESS ROAD

pipe racks

mud supply

rig

generator

steel pipe

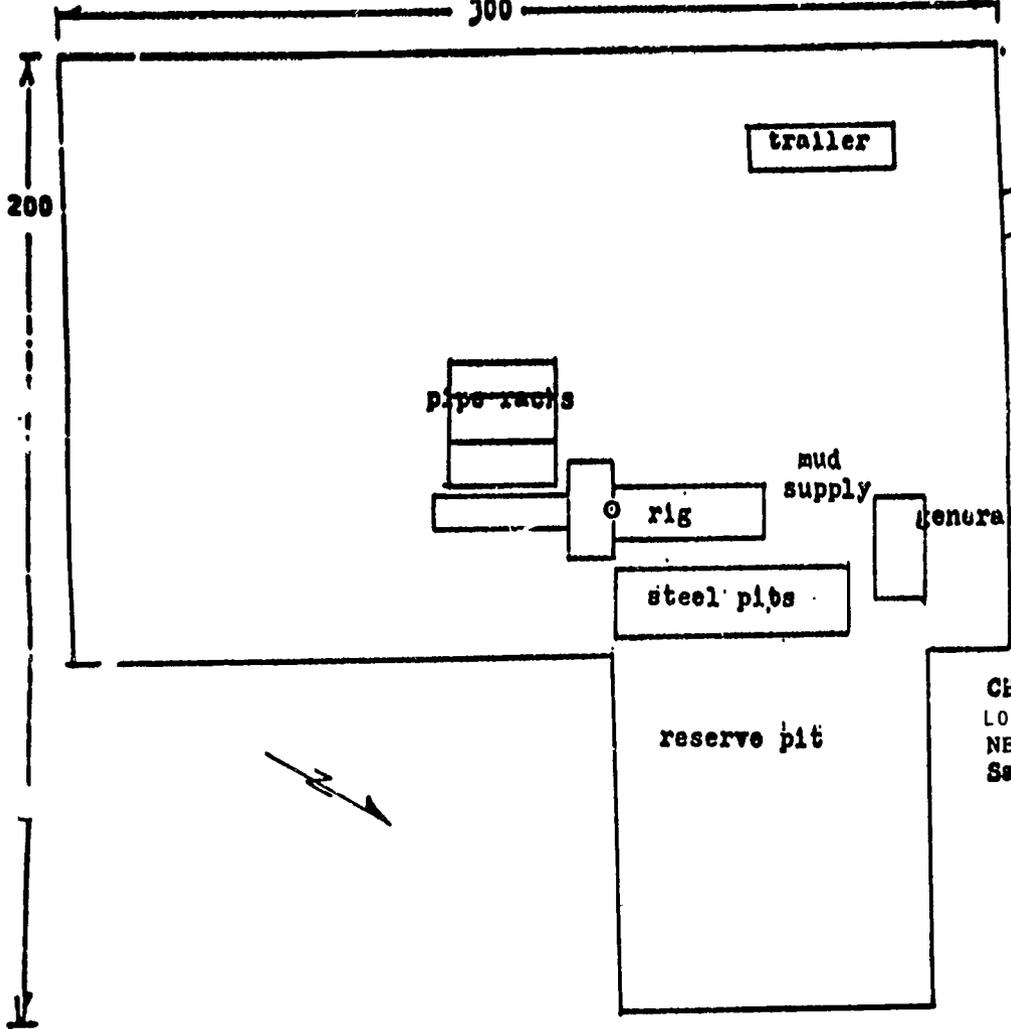
reserve pit

CHUSKA ENERGY CO.

LONE MOUNTAIN 4-12-42S24E Ng. 1

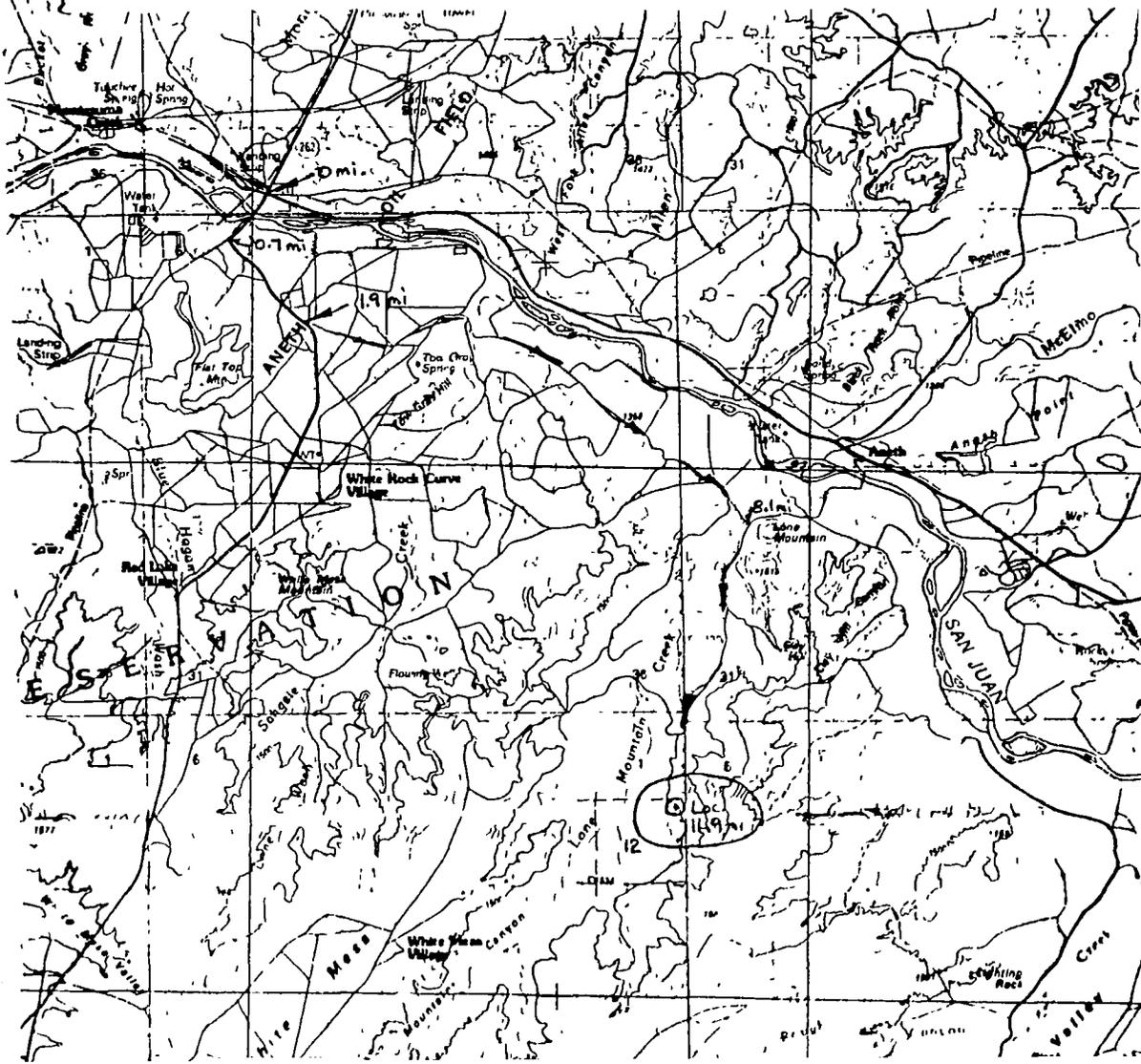
NE 1/4 NE 12-T. 42S-R. 24E

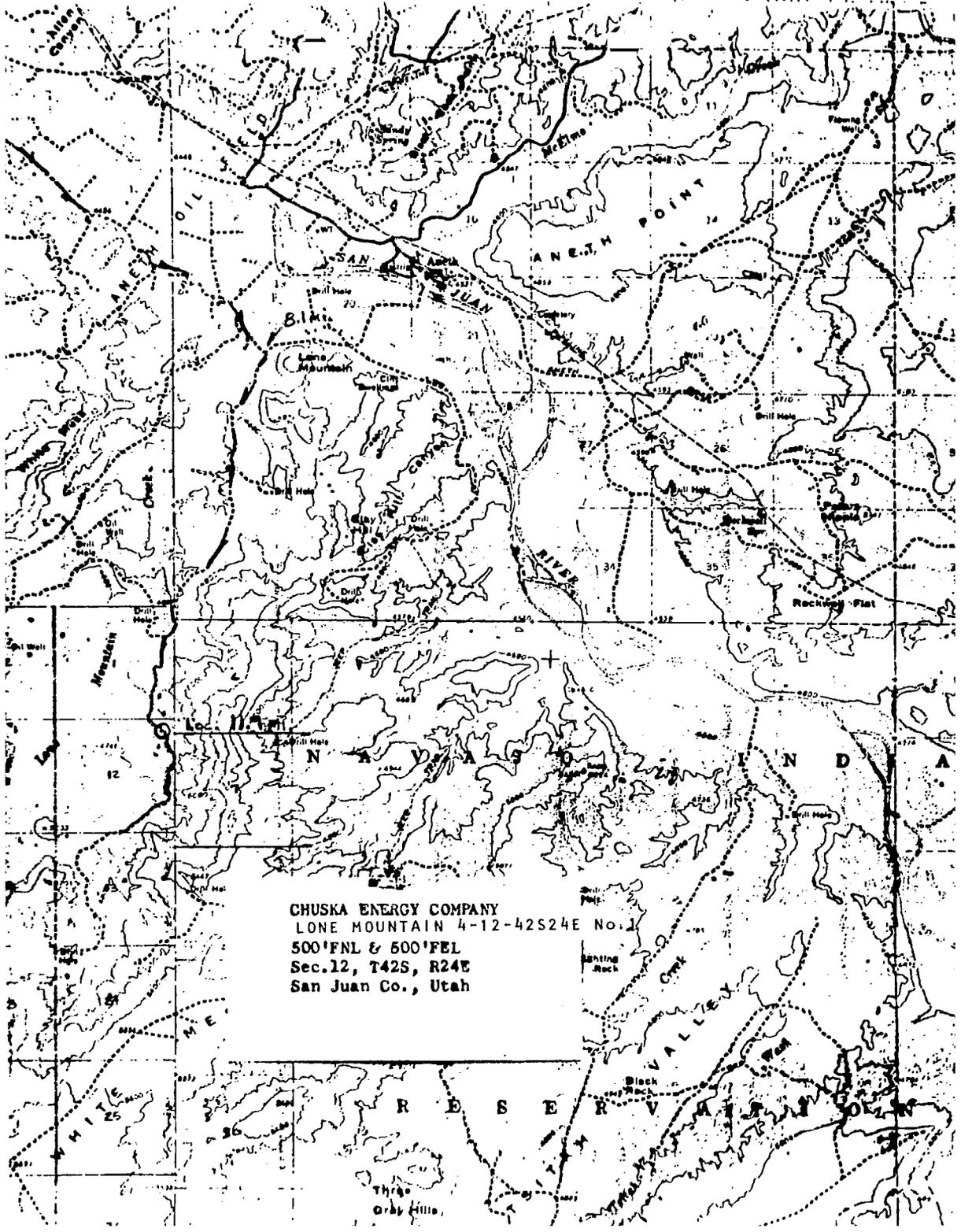
San Juan, Utah



CHUSKA ENERGY COMPANY
LONE MOUNTAIN 4-12-42524E No.1
500'FNL & 500'FEL
Sec.12, T42S, R24E
San Juan Co., Utah

From the "T" intersection in Montezuma Creek, Utah, proceed south 0.7 miles on paved road. Turn east onto paved road, continue 1.2 miles. Turn left off paved road("Y" intersection). Continue on main dirt road 6.2 miles. Turn right (south) and follow dirt road 3.8 miles to Location.
Total distance from Montezuma Creek is 11.9 miles.





CHUSKA ENERGY COMPANY
LONE MOUNTAIN 4-12-42S24E No. 1
500'FNL & 500'FEL
Sec. 12, T42S, R24E
San Juan Co., Utah

Chuska Energy Co.
P.O. Box 2118
Farmington, N.M. 87499
(505) 326-5525

August 20, 1987

Division of Water Rights
1636 West North Temple
Salt Lake City, Utah 84116

Re: Water User Claim No. 09-1514

Gentlemen:

Chuska has moved one of the wells included in the above application. Navajo Tribal E No. 14-6 located in 6-T.42S-R.24E has been re-named Navajo Tribal B No. 41-12 and moved to NE NE 12-T.42S-R.24E. We ask your permission to use water allocated in the original application for this well. Source and amounts remain unchanged.

Sincerely,



John Alexander
Executive Vice President

RECEIVED

AUG 24 1987

WATER RIGHTS
SALT LAKE

RECEIVED

AUG 26 1987

WATER RIGHTS
PRICE

03

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
OIL AND GAS INSPECTION RECORD

OPERATOR Chuska Energy LEASE _____
WELL NO. Nat. Hill B 41-12 API 63-032-31342
SEC. 12 T. 42S R. 24E CONTRACTOR _____
COUNTY SJ FIELD C/A

DRILLING/COMPLETION/WORKOVER:

___ APD ___ WELL SIGN ___ HOUSEKEEPING ___ BOPE
___ SAFETY ___ POLL. CONTROL ___ SURFACE USE ___ PITS
___ OPERATIONS Y OTHER

SHUT-IN ___ / TA ___ :
___ WELL SIGN ___ HOUSEKEEPING ___ EQUIPMENT* ___ SAFETY
___ OTHER

ABANDONED:
___ MARKER ___ HOUSEKEEPING ___ REHAB. ___ OTHER

PRODUCTION:
___ WELL SIGN ___ HOUSEKEEPING ___ EQUIPMENT* ___ FACILITIES*
___ METERING* ___ POLL. CONTROL ___ PITS ___ DISPOSAL
___ SECURITY ___ SAFETY ___ OTHER

GAS DISPOSITION:
___ VENTED/FLARED ___ SCLD ___ LEASE USE

LEGEND: Y - YES OR SATISFACTORY
N - NO OR UNSATISFACTORY
NA - NOT APPLICABLE

*FACILITIES INSPECTED: Center stake

REMARKS: Loc has been staked not drilled

ACTION: _____

INSPECTOR: [Signature] DATE 5/24/29

55-326-5525
Kim Danner

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File LOVE MTA, 4-12-42514-#1 Suspense (Return Date) 2/22/90 Other _____
(Location) Sec 12 Twp 42S Rng 24E (To - Initials) VLC _____
(API No.) 43-037-31342 (per AWS) _____

1. Date of Phone Call: 1/22/90 Time: 4:20 PM

2. DOGM Employee (name) Arden's (Initiated Call)
Talked to:
Name Don Deines (Initiated Call) - Phone No. (505) 326-5525
of (Company/Organization) Cokusa Energy Co.

3. Topic of Conversation: Rescinding APD

4. Highlights of Conversation: Well will not be drilled.
Don Deines w/ send survey cancelling APD.



CHUSKA ENERGY COMPANY

1775 SHERMAN STREET SUITE 1800 • DENVER, COLORADO 80203 • PHONE (303) 863 7021
FAX # (303) 863 7210

May 17, 1991

Ms. Vicki Kearney
Utah Oil & Gas Commission
355 West North Temple
Three Triad Center
Suite 350
Salt Lake City, Utah
84180-1203

Dear Ms. Kearney:

Please keep all Chuska Energy Company data confidential until further notice.

Thanks,

Herb

Herbert P. Mosca
Chuska Staff Geologist

RECEIVED

MAY 20 1991

DIVISION OF
OIL GAS & MINING

ENTITY ACTION FORM - FORM 6

ADDRESS _____

| ACTION CODE | CURRENT ENTITY NO | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|------------------|-------------------|----------------|--------------|---------------------------------------|---------------|----|-----|-----|----------|-----------|----------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| A | 99999 | 11563 | 43-037-31342 | <i>Cont</i> LONE MTN 4-12-42S24E-1 | NENE | 12 | 42S | 24E | SAN JUAN | | 10-19-93 |
| WELL 1 COMMENTS. | | | | | | | | | | | |
| A | 99999 | 11564 | 43-037-31569 | <i>Cont</i> HAWK 25L-1 | NWSW | 25 | 42S | 24E | SAN JUAN | | 10-19-93 |
| WELL 2 COMMENTS: | | | | | | | | | | | |
| A | 99999 | 11565 | 43-037-31526 | <i>Cont</i> WHITE MESA 27K-1 | NESW | 27 | 42S | 24E | SAN JUAN | | 10-19-93 |
| WELL 3 COMMENTS: | | | | | | | | | | | |
| A | 99999 | 11566 | 43-037-31527 | <i>Cont</i> SOUTH VILLAGE 28E-1 | SWNW | 28 | 42S | 24E | SAN JUAN | | 10-19-93 |
| WELL 4 COMMENTS | | | | | | | | | | | |
| A | 99999 | 11567 | 43-037-31528 | <i>Cont</i> CANYON HEAD 29I #1 | NESE | 29 | 42S | 24E | SAN JUAN | | 10-19-93 |
| WELL 5 COMMENTS. | | | | | | | | | | | |

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected

L. Cordova
L. CORDOVA (DOGM)

Signature
ADMIN. ANALYST

10-19-93

Title Date

Phone No. ()

FEBRUARY 8, 1994

TO: WELL FILE

FROM: K. M. HEBERTSON

RE: Status, Lone Mountain 4-12-42S24E-1 43-037-31342 12-42S-24E

Per telephone conversation with the operator concerning the status of this well, it was determined that the well will not be drilled and the operator has acknowledged that the APD has expired. The operator has been informed that the APD will need to be refiled in order to drill this well at a future date.

As of the above date the APD has been rescinded and the file sent to the LA archives.

KMH

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
OIL AND GAS INSPECTION RECORD

WELL NAME: LONE MT. 4-12-4ES24E #1 LEASE:
API: 4303731342 WELL NO:
QTR/QTR: NENE SECTION: 12 TWP: S420 RANGE: E240
LOCATION: 0500N0500E FIELD:
OPERATOR: CHUSKA ENERGY COMPANY

CONTRACTOR:

| | | | |
|----------------------------------|---------------|--------------|------------|
| DRILLING / COMPLETION / WORKOVER | | | |
| Y APD | WELL SIGN | HOUSEKEEPING | BOPE |
| SAFETY | POLL. CONTROL | SURFACE USE | PITS |
| OPERATIONS | OTHER | | |
| SHUT-IN / TA: | | | |
| WELL SIGN | HOUSEKEEPING | EQUIPMENT | SAFETY |
| SHUT-IN | TA | OTHER | |
| ABANDONED: | | | |
| MARKER | HOUSEKEEPING | REHAB | OTHER |
| PRODUCTION: | | | |
| WELL SIGN | HOUSEKEEPING | EQUIPMENT | FACILITIES |
| METERING | POLL. CONTROL | PITS | DISPOSAL |
| SECURITY | SAFETY | OTHER | |
| GAS DISPOSITION: | | | |
| VENTED/FLARED | SOLD | LEASE USE | |

LEGEND: Y - YES OR SATISFACTORY
N - NO OR UNSATISFACTORY
A - NOT APPLICABLE

FACILITIES INSPECTED:

REMARKS:
NO GROUND DISTURBED

ACTION:

INSPECTOR: GLENN GOODWIN

DATE: 93/05/05