

UTAH OIL AND GAS CONSERVATION COMMISSION

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

880226 Well name chg. E-407E to E407SE eff 2/16/88

DATE FILED 1-4-88

LAND: FEE & PATENTED \_\_\_\_\_ STATE LEASE NO. \_\_\_\_\_ PUBLIC LEASE NO. SL-~~0678079~~ 0678079 INDIAN

DRILLING APPROVED: 1-7-88

SPUDED IN: \_\_\_\_\_  
 COMPLETED: \_\_\_\_\_ PUT TO PRODUCING: \_\_\_\_\_

INITIAL PRODUCTION: \_\_\_\_\_

GRAVITY A.P.I. \_\_\_\_\_

GOR: \_\_\_\_\_

PRODUCING ZONES: \_\_\_\_\_

TOTAL DEPTH: \_\_\_\_\_

WELL ELEVATION \_\_\_\_\_  
 DATE ABANDONED *VA* 11-20-88

FIELD: ANETH

UNIT: ANETH

COUNTY: SAN JUAN

WELL NO. ANETH UNIT E 407SE

API #43-037-31384

LOCATION 0' FSL FT. FROM (N) (S) LINE. 1410' FWL FT. FROM (E) (W) LINE. S1/2 SW1/4 1/4 - 1/4 SEC. 7

| TWP. | RGE. | SEC. | OPERATOR | TWP. | RGE. | SEC. | OPERATOR    |
|------|------|------|----------|------|------|------|-------------|
|      |      |      |          | 40S  | 24E  | 7    | TEXACO INC. |

14

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

2. NAME OF OPERATOR  
 TEXACO Inc. (303) 565-8401

3. ADDRESS OF OPERATOR  
 P. O. Box EE, Cortez, CO 81321

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations)  
 At surface 0' FSL and 1410' FWL Sec. 7  
 At proposed prod. zone Same as surface location.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 6 miles Northwest of Montezuma Creek, Utah

10. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1410'

18. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1025'

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4745' GL

RECEIVED  
 DIVISION OF OIL, GAS & MINING  
 JAN 04 1987

5. LEASE DESIGNATION AND SERIAL NO.  
 SL-0678079

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
 Aneth Unit

8. FARM OR LEASE NAME  
 Unit

9. WELL NO.  
 E407I

10. FIELD AND POOL, OR WILDCAT  
 Aneth

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 7, T40S, R24E

12. COUNTY OR PARISH 13. STATE  
 San Juan Utah

16. NO. OF ACRES IN LEASE 16950

17. NO. OF ACRES ASSIGNED TO THIS WELL 20

19. PROPOSED DEPTH 6030'

20. ROTARY OR CABLE TOOLS Rotary

22. APPROX. DATE WORK WILL START\* February 20, 1988

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT  |
|--------------|----------------|-----------------|---------------|---|
| 20"          | 16"            | Conductor       | 60'           | Redi-mix to surface - 120 cu. ft.   |
| 12-1/4"      | 9-5/8"         | 36.0#           | 600'          | Cement to surface - 315 cu. ft.   |
| 7-7/8"       | 5-1/2"         | 15.5#           | 6030'         | Cement to base of 9-5/8" in 2 stages:<br>1st stage - 500 cu. ft.<br>2nd stage - 800 cu. ft. |

See Attached Drilling Program

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 Alan A. Kleier TITLE Area Superintendent DATE Dec. 30, 1987  
 Alan A. Kleier

(This space for Federal or State office use)

PERMIT NO. 43-037-31384 APPROVAL DATE APPROVED BY THE STATE

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY:

OF UTAH DIVISION OF OIL, GAS, AND MINING  
 DATE: 1-1-88  
 BY: John R. Bay  
 WELL SPACING: R65-2-3

BLM(5) UOGCC(3) The Navajo Tribe-Mobil Oil-AAK

See Instructions On Reverse Side

COMPANY Texaco Inc.

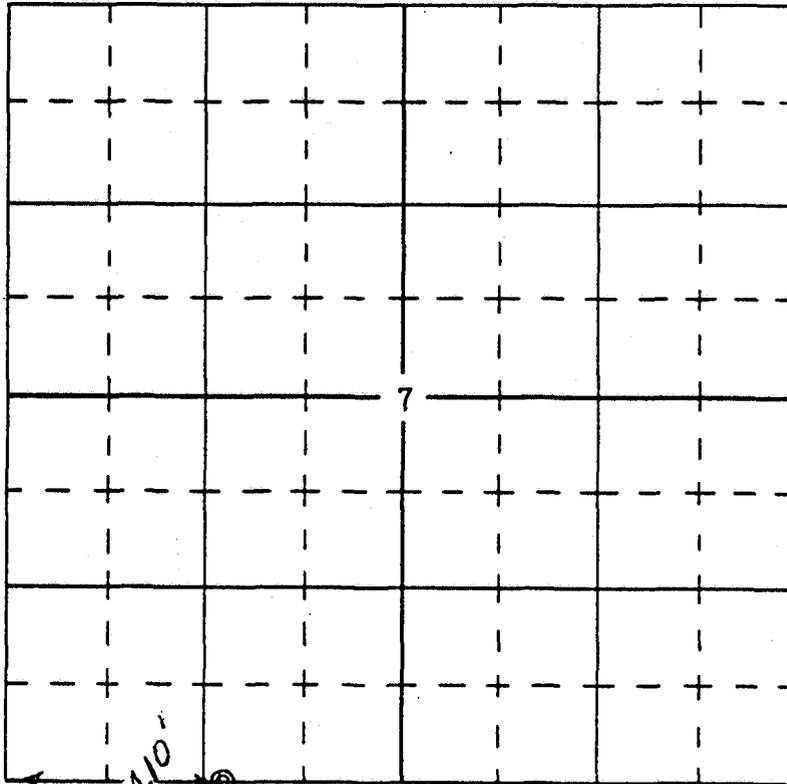
Well Name & No. Aneth Unit Well No. E407I Lease No. \_\_\_\_\_

Location 0 feet from South line and 1410 feet from West line

Being in San Juan County, Utah

Sec. 7, T.40S., R.24E., S.L.M.

Ground Elevation 4745



Scale - 4 inches equals 1 mile

Surveyed \_\_\_\_\_ December 18 \_\_\_\_\_, 19 87

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.

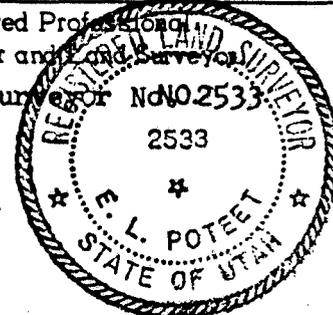
Seal:



Farmington, New Mexico

*E. L. Poteet*

Registered Professional  
Engineer and Land Surveyor  
Utah Surveyor No. 2533



PLAT #3

CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Texaco Inc. Well Name Aneth Unit E407I  
Location Sec. 7, T40S, R24E Lease No. SL-0678079  
0' FSL and 1410' FWL  
San Juan County, Utah

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: Navajo - 1000',  
Chinle - 1800', DeChelly - 2900', Hermosa - 4850', Ismay - 5675',  
Desert Creek - 5840', Total Depth - 6030'.
2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones Are Expected to be Encountered:

|                       | <u>Formation</u> | <u>Depth</u> | <u>(Subsea)</u> |
|-----------------------|------------------|--------------|-----------------|
| Expected oil zones :  | Ismay            | 5675'        | (-675')         |
|                       | Desert Creek     | 5840'        | (-840')         |
| Expected water zones: | Navajo           | 1000'        | (+4000)         |
|                       | DeChelly         | 2900'        | (+2100)         |

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth, cased, and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: 3000 psi Double Gate preventer  
with 3000 psi annular preventer (See exhibit #1,

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

Texaco Inc.  
Aneth Unit E407I  
San Juan County, Utah

4. Casing Program and Auxiliary Equipment: 16" conductor set at 60'  
and redi-mix to surface. 9-5/8", 36#, K-55 surface pipe set  
at 600' and cemented to surface, 5½", 15.5#, K-55 production  
casing set at 6030'. Cemented in two stages to base of 9-5/8"  
casing with DV tool set at 4000'.
5. Mud Program and Circulating Medium: Fresh water with gel slugs to  
clean holes as necessary from 0' to 1900'. Low solids non-dispersed  
(LSND) mud will be used from 1900' to TD. Mud weight minimum to  
insure integrity of hole. Viscosity 35-45 WL 10-15.
6. Coring, Logging and Testing Program: No cores or DST's are planned.  
Logging program will include a Dual-Induction Log (DIL) and a  
Gamma Ray Formation Density Caliper - Compensated Neutron Log  
(GR-FDC-CNL).

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analysis, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. If requested, samples (cuttings, fluids, and/or gases) will be submitted to the District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:  
Anticipated bottom hole pressure 2800 psi. No abnormal hazards  
or drilling conditions are anticipated.

Texaco Inc.  
Aneth Unit E407I  
San Juan County, Utah

8. Anticipated Starting Dates and Notifications of Operations:

Anticipated Spud date is February 20, 1988. It is expected to take 18 days to drill the well and 15 days to complete this well. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day. Texaco will notify the Farmington District office for the following:

2 days prior to commencement of dirt work, construction or reclamation - A Pre-construction on site shall be arranged by Texaco.

- 1 day prior to spud.
- 1 day prior to running and cementing casing.
- 1 day prior to testing casing and/or BOP's.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329 "Monthly Report of Operations", starting with the month in which operations commence each month until the well is physically plugged and abandoned.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.

If the well is successfully completed for production, then the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 business days following the date on which the well is placed on production.

No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5), will be filed with the District Manager, within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.

Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager, or the appropriate surface manager.

Texaco Inc.  
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San Juan County, Utah

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently beaded-on with a welding torch: Fed, well number, location by  $\frac{1}{4}$  section, township and range, lease number. The marker will be at least four (4) feet above ground level and be steel pipe.

A first production conference will be scheduled within 15 days after receipt of the first production notice. The Area Manager will schedule the conference.

B. THIRTEEN POINT SURFACE USE DEVELOPMENT PLAN

1) EXISTING ROADS

To reach the proposed location drive to Montezuma Creek, Utah and turn North on highway 262 approximately 5 miles to the lease road, proceed south for approximately 1 mile and east into the proposed well location (see map #1). The existing roads will be maintained in the same manner as they are now.

2) PLANNED ACCESS ROADS

Access road will depart from the existing road as shown on the attached map #1. The road will be approximately 525' long and 18' wide. The access road will enter the proposed location from the east.

3) EXISTING WELLS

Offset wells are shown on map #2 (see attached map).

4) LOCATION OF FACILITIES

Flowline will run Southwest approximately 4000' to existing Battery 13. Powerline will run Northeast approximately 1000' to an existing powerline. (See map #2 and map #3). Any production equipment will be painted earthtone to blend into the surrounding terrain.

5) WATER SUPPLY

Water for drilling operations will be trucked from Texaco's pressure maintenance system, a distance approximately 2 miles Southwest of the proposed well. Authorization for use of this water has been

Texaco Inc.  
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San Juan County, Utah

granted by the State of Utah through application number A-10458 (09-248), certificate number A-1318.

6) SOURCE OF CONSTRUCTION MATERIALS

No additional construction materials will be required to build the proposed location. The BLM onsite inspection may dictate any changes in location construction.

7) METHODS FOR HANDLING WASTE DISPOSAL

- a. The drilling cuttings, fluids and completion fluids will be placed in the reserve pit. The reserve pit will be fenced on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. The reserve pit will be allowed to dry, and materials remaining in the reserve pit buried. The reserve pit will be backfilled, leveled and contoured so as to prevent any materials being carried into the watershed. Upon completion the pad will be levelled, contoured and reseeded with the appropriate seed mixture.
- b. All garbage and trash will be placed in a portable trash cage and hauled off to a dump site after drilling operations are completed.
- c. A portable chemical toilet will be provided for drilling personnel during drilling operations (see plat #1).

8) ANCILLARY FACILITIES

Camp facilities will not be required. Portable trailers will be on location to house a company drilling foreman and contract toolpusher.

9) WELL SITE LAYOUT

- a. The drilling location will be graded and will be approx. 150' x 200' with a 75' x 75' reserve pit. A cross section of the drill pad with approximate cuts, fills and pad orientation may be found on plat #2.
- b. The location of mud tanks, reserve pits, pipe racks, trash cage, portable toilet, rig orientation and access road may be found on plat #1.
- c. The reserve pit will be an unlined pit as the natural soil contains bentonite.

10) PLANS FOR RESTORATION OF SURFACE

When the well is abandoned, the location and access road will be

Texaco Inc.  
Aneth Unit E407I  
San Juan County, Utah

cleaned and restored to original topographical contours as much as possible. The area will be reseeded with the appropriate seed mixture.

11) SURFACE OWNERSHIP

The surface ownership is Navajo and is administered by the Bureau of Land Management.

12) OTHER INFORMATION

An archaeological survey will be conducted during the onsite inspection.

Any questions regarding this APD may be directed to Texaco's designated representative:

Mr. Alan A. Kleier  
Area Superintendent  
P.O. Box EE  
Cortez, CO 81321  
(303) 565-8401

13) CERTIFICATION

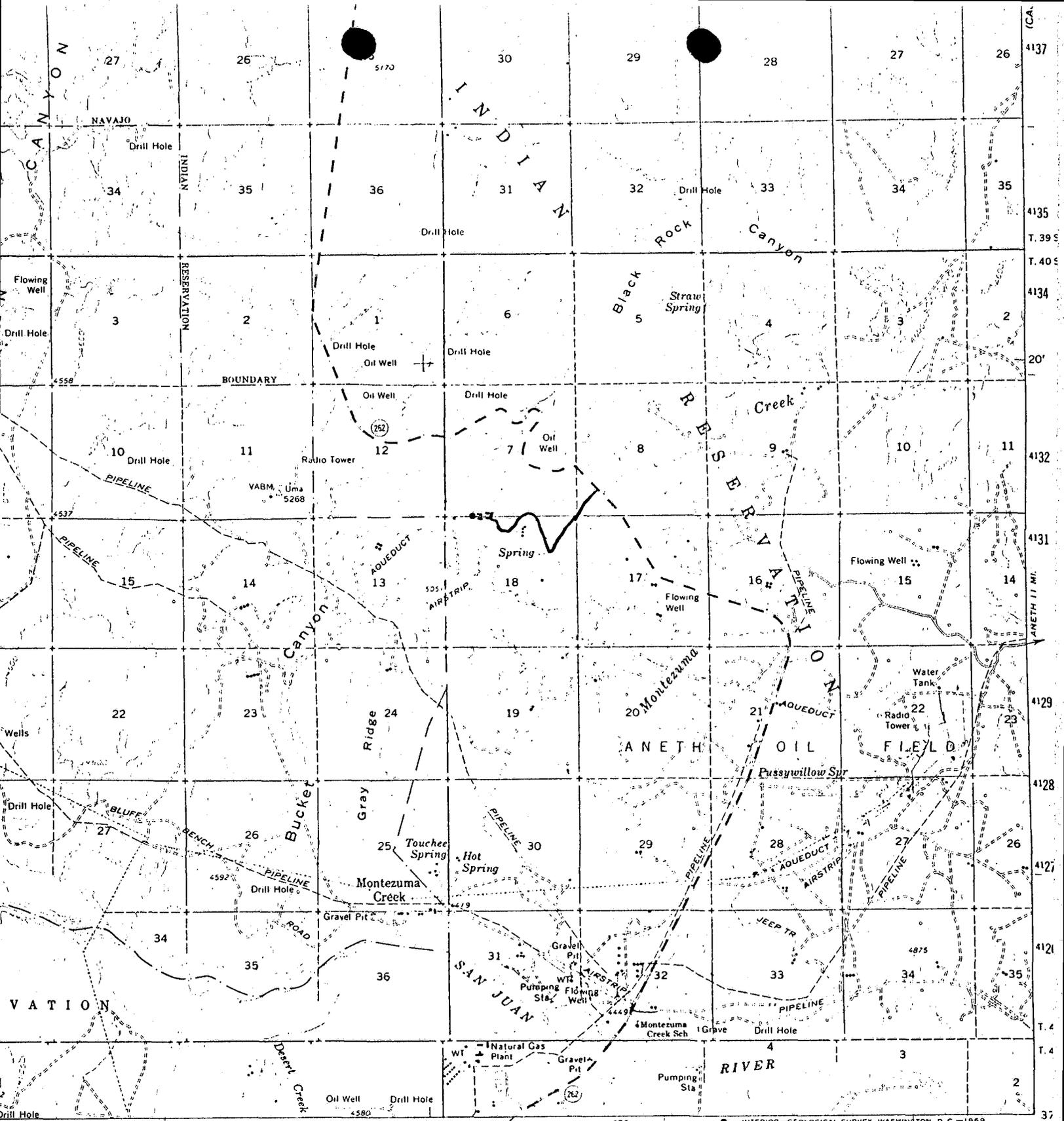
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Texaco Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

12-30-87

Date

Alan A. Kleier

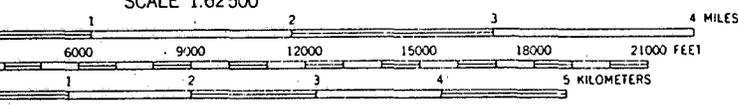
Alan A. Kleier  
Area Superintendent



(WHITE MESA VILLAGE) 645  
4158 III 646

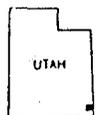
R. 23 E 20' R. 24 E RED MESA 20 MI 650

INTERIOR—GEOLOGICAL SURVEY WASHINGTON D. C.—1969  
654 000m E. 109° 15'

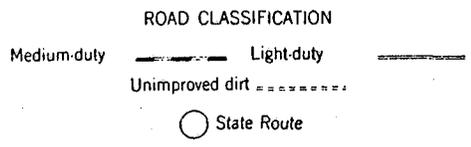


SCALE 1:62500

CONTOUR INTERVAL 40 FEET  
DOTTED LINES REPRESENT 20-FOOT CONTOURS  
DATUM IS MEAN SEA LEVEL



QUADRANGLE LOCATION



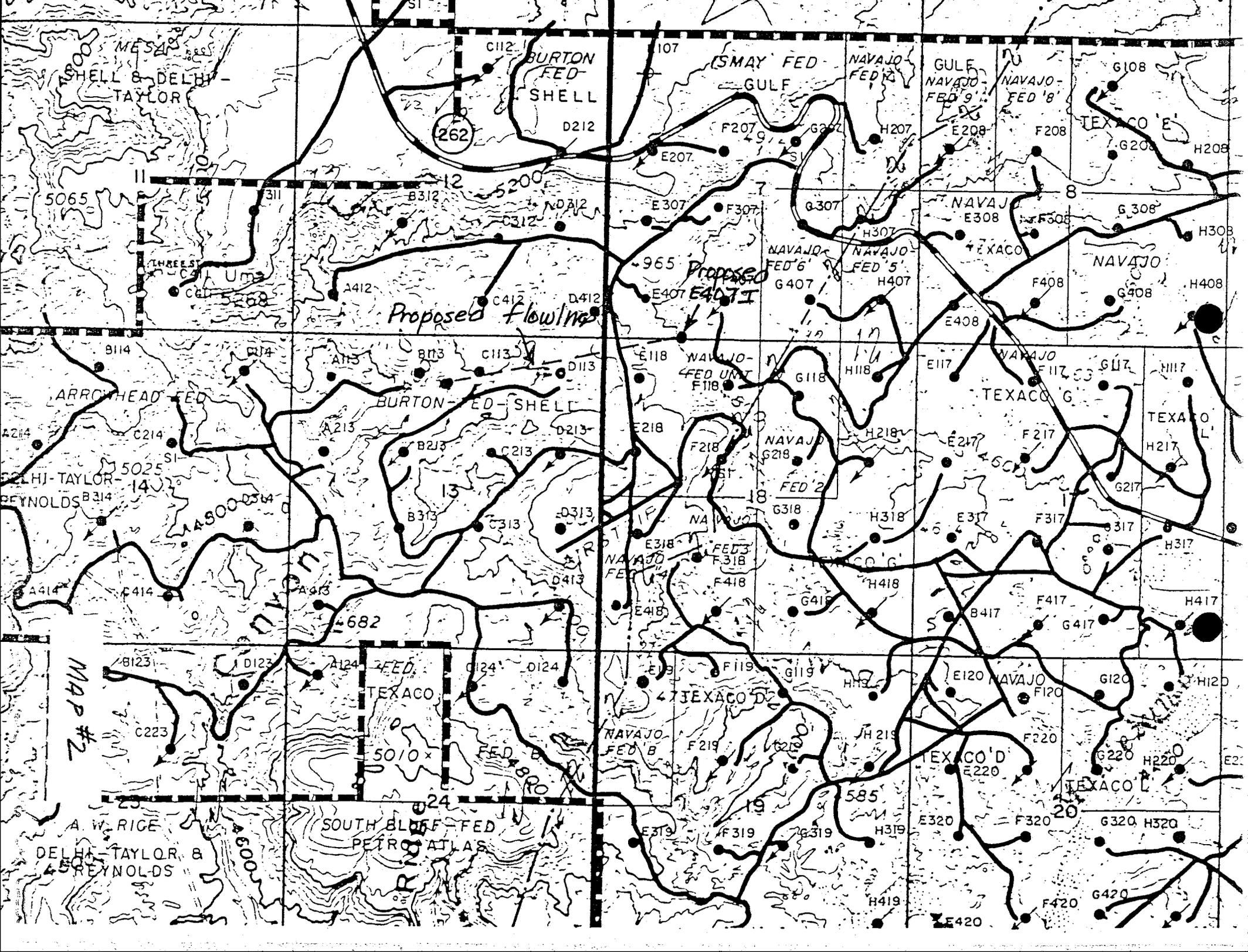
**MONTEZUMA CREEK, UTAH**  
N3715—W10915/15

1962

AMS 4158 IV—SERIES V797

MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS  
CAL SURVEY, DENVER, COLORADO 80225 OR WASHINGTON, D. C. 20242  
ING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

MAP #1



*Proposed flowline*

*Proposed E407*

MAP #2

262

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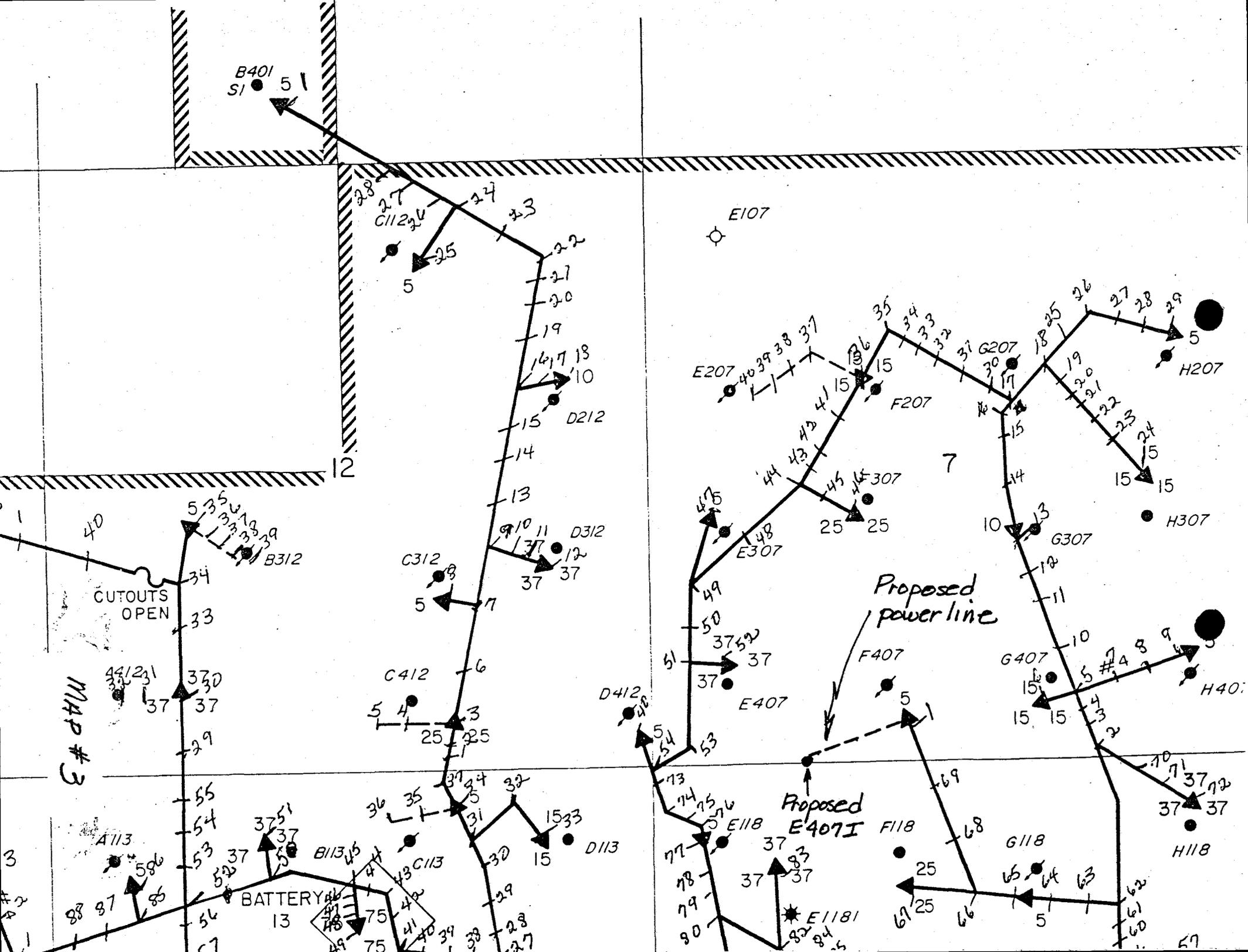
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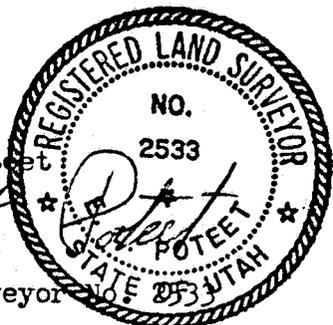
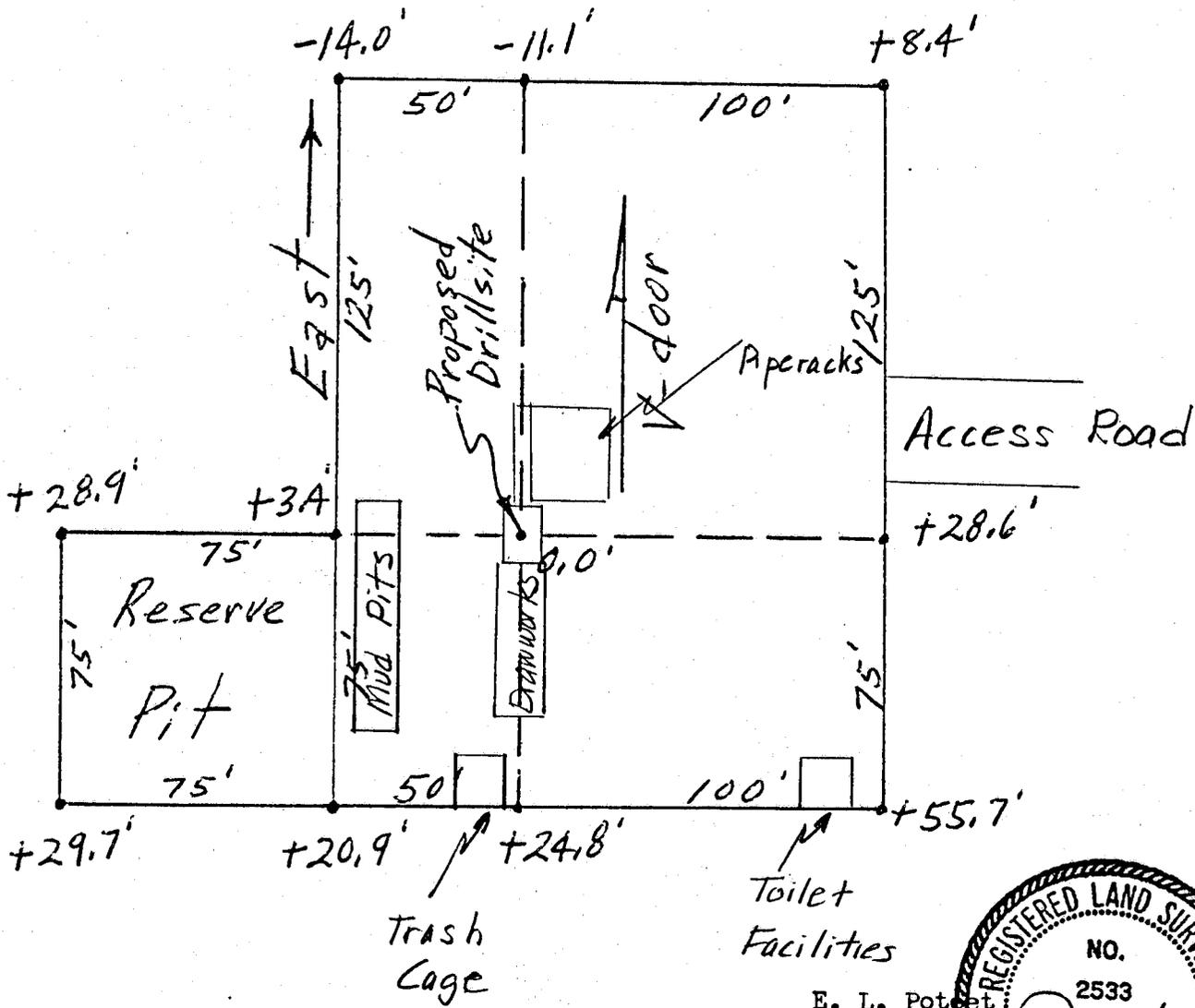
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Texaco Inc.  
 Aneth Unit Well No. E407I  
 0' FSL & 1410' FWL Sec. 7-40S-24E  
 San Juan County, Utah

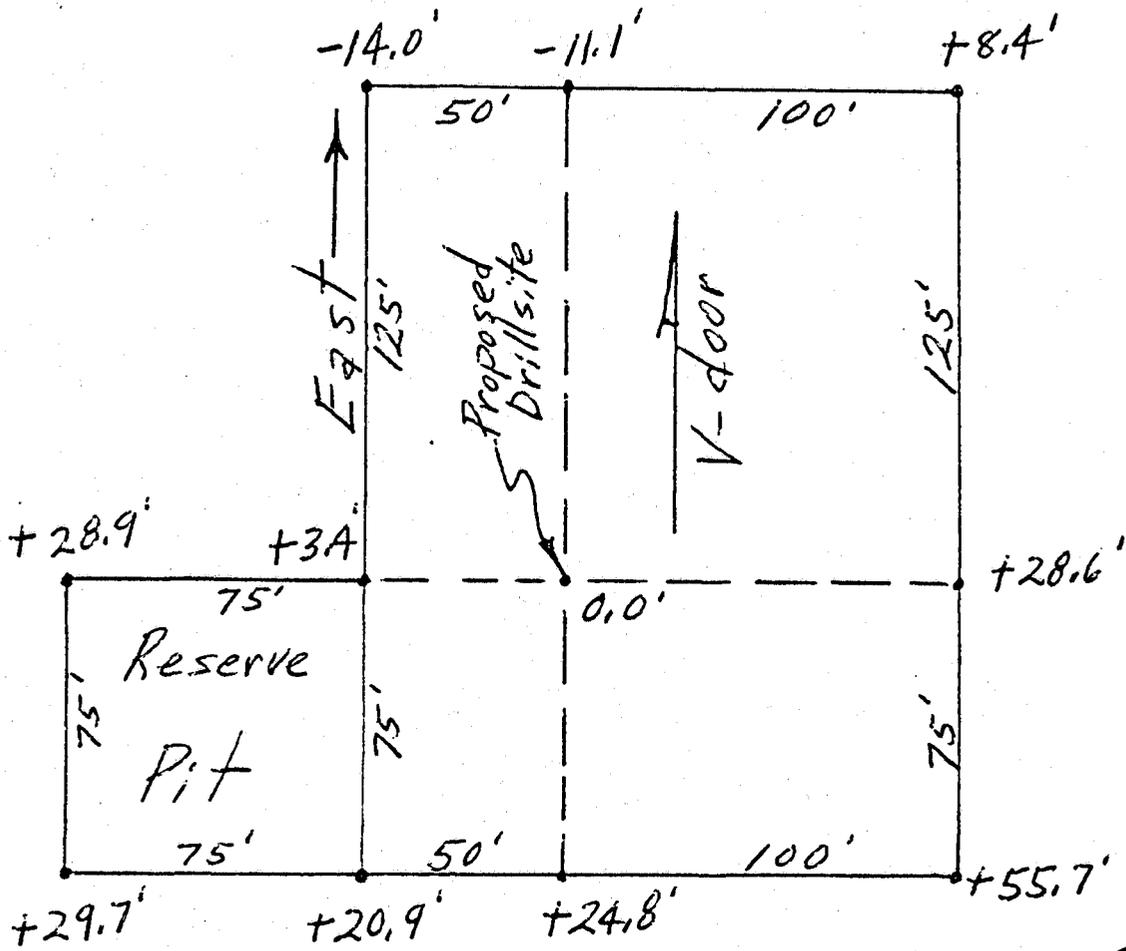


E. L. Poteet  
 Utah Surveyor

December 18, 1987

PLAT #1

Texaco Inc.  
Aneth Unit Well No. E407I  
0' FSL & 1410' FWL Sec. 7-40S-24E  
San Juan County, Utah



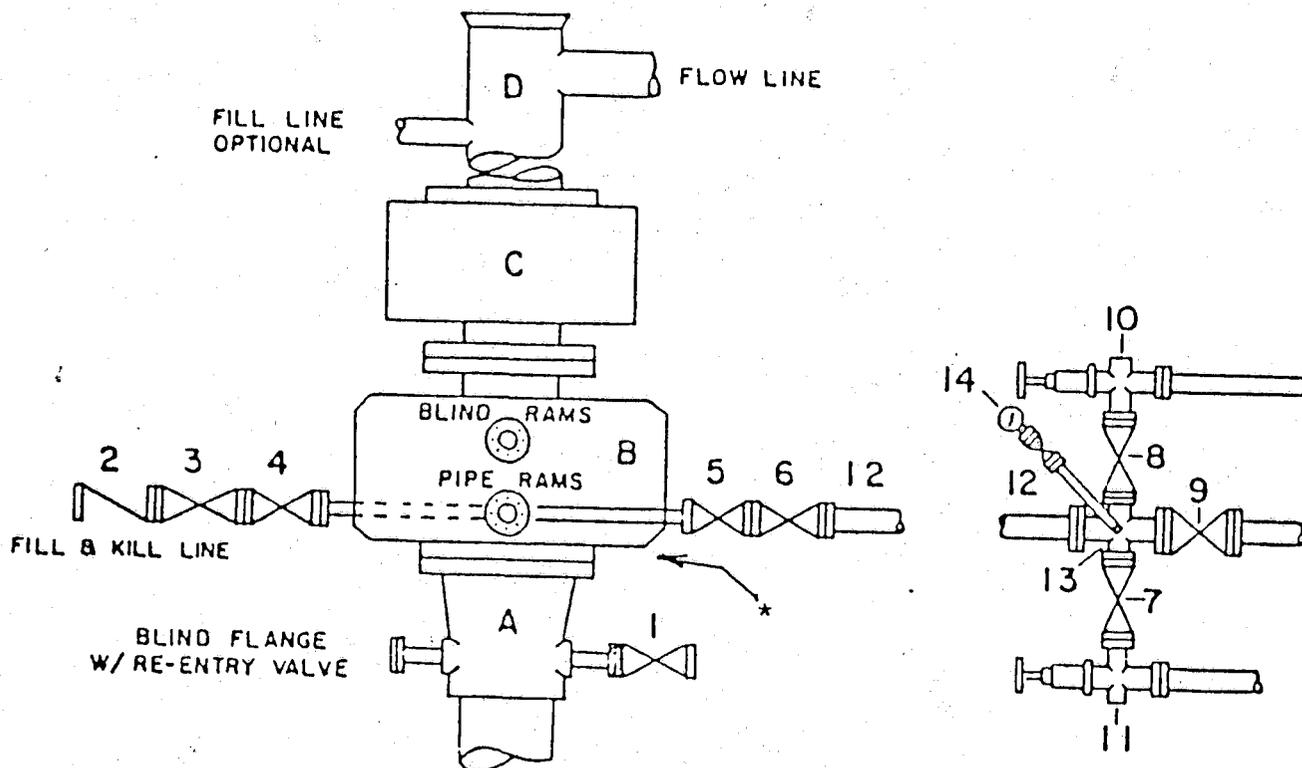
E. L. Poteet  
Utah Surveyor

REGISTERED LAND SURVEYOR  
NO. 2533  
STATE OF UTAH

December 18, 1987

PLAT #2

DRILLING CONTROL  
CONDITION III-3000 PSI WP



\*Where substructure height is adequate, a spool as per the specifications under Condition II will be added at this point and the kill and choke lines will be connected to the spool rather than rams.

To be used:

1. For drilling wells where surface pressures are not anticipated to exceed 3,000 psi.
2. Where local drilling experience indicates a need for an annular preventer.
3. Where only surface pipe is needed to complete drilling operations.

EXHIBIT III-B  
DRILLING CONTROL

MATERIAL LIST - CONDITION III

- A        Texaco Wellhead
- B        3000# W.P. Dual ram type preventer, hydraulic operated with 1" steel, 3000# W.P. control lines (where sub-structure height is adequate, 2-3000# W.P. single ram preventers may be utilized with 3000# W.P. drilling spool with 2" minimum flanged outlet for kill line and 3" minimum flanged outlet for choke line. The drilling spool is to be installed below the single ram type preventers.)
- C        3000# W.P. Annular Preventer with 1" steel, 3000# W.P. control lines
- D        Bell Nipple with flowline and fill-up outlets (kill line may also be used for fill-up line.)
- 1,3,4,  
7,8      2" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve
- 2        2" minimum 3000# W.P. back pressure valve
- 5,6,9    3" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve
- 12       3" minimum Schedule 80, Grade B, seamless line pipe
- 13       2" minimum x 3" minimum 3000# W.P. flanged cross
- 10,11    2" minimum 3000# W.P. adjustable choke bodies
- 14       Cameron Mud Gauge or equivalent (location optional in Choke line.)

DRILLING CONTROL

CONDITION III - 3,000 PSI W.P.

Test Pressures

Low Pressure Test - The rams and annular should be tested to a low pressure test of 200 to 300 psi.

Regular Pressure Test - The ram type preventers, valves, lines, choke manifold, kelly joint, kelly cock valves, inside BOP's and safety valves will be tested to a minimum of 1,000 psi. When casing is set below 1,000 feet the above BOP equipment will be tested to a pressure equal to the lesser of either (a) 1 psi per foot of casing or (b) 70% of the minimum internal yield of the casing to which the BOP's are attached. The maximum test pressure allowed will be the rated working pressure of the ram type preventers.

The annular preventer should be pressure tested to the same test pressure as determined above but in no event should it exceed 70% of the rated working pressure of the preventer. Because of special design features, operating pressures for testing will vary for individual packing elements (bags). For this reason, the manufacturer of the annular preventer in use should be consulted regarding testing procedures.

Test Procedure

1. Pull bore protector if installed in well head. Run test plug (see note below) on drill pipe and set in well head. Close annular BOP C. Open valves 3, 4, 5, 6, 7, 8 and 9. (choke valves 10 and 11 should always remain approximately one-half open during drilling and testing). Pump through kill line to insure that kill line, choke line, and choke manifold are open.
2. Close valves 7, 8 and 9. Run low pressure test through drill pipe. Observe annular BOP C for leaks for 3 minutes.
3. Without relieving low test pressure, close pipe rams on BOP B and open annular BOP C. Observe pipe rams on BOP B for leaks for 3 minutes.

DRILLING CONTROL  
Condition III

Test Procedure (Continued)

4. Without relieving test pressure, close annular BOP C and open pipe rams on BOP B. Increase pressure in drill pipe to regular test pressure (70% of rated for annular). Observe annular BOP C for leaks for 10 minutes.
5. Without relieving test pressure, close pipe rams on BOP B and open valve 1 and annular BOP C. Increase test pressure to regular test pressure for rams and valves. Observe valves 2, 7, 8 and 9, the pipe rams on BOP B and the test plug in the well head (valve 1) for leaks for 10 minutes.
6. Relieve test pressure. Remove check valve 2 and open valves 7, 8 and 9. Close valves 3 and 6. Run regular pressure test through drill pipe. Observe valves 3 and 6 for leaks for 10 minutes.
7. Without relieving test pressure, close valves 4 and 5. Open valves 3 and 6. Observe valves 4 and 5 for leaks for 10 minutes.
8. Relieve test pressure. Replace check valve 2. Pull drill pipe and close blind rams in BOP C. Open valve 4. Run low pressure test through kill line. Observe blind rams for leak for 3 minutes.
9. Increase pressure in drill pipe to regular test pressure. Observe blind rams for leak for 10 minutes.
10. Relieve test pressure, open blind rams, and return BOP/Choke manifold valves to positions specified for drilling (A., 1., 3.).
11. Run regular pressure test on lower kelly cock from below. Observe for leak for 3 minutes.
12. Close upper kelly cock and open lower kelly cock. Run regular pressure test on upper kelly cock and kelly joint from below. Observe for leaks for 3 minutes.
13. Run regular pressure tests on extra kelly cocks and safety valves. Observe each for leaks for 3 minutes.

DRILLING CONTROL  
Condition III

NOTE: The initial BOP pressure test on nipple can be done against the surface casing cement plug before drilling out. Well head valves will be tested only on the initial BOP pressure test. All subsequent pressure tests will utilize a test plug in the well head. The casing head manufacturer should be consulted regarding the appropriate test plug to run.

Also, drilling mud is not to be used for testing. Flush out choke manifold, choke, and kill lines with clean water and use clean water (step 1) for all tests. After testing if freezing weather is possible, drain the choke manifold and choke and kill lines and fill with appropriate fluid which will not freeze such as diesel or salt water. Never leave mud, particularly weighted mud in the choke or kill lines or choke manifold due to possible settling and plugging.

010810

OPERATOR Texaco Inc DATE 1-6-88

WELL NAME Arnell Unit E-407 I

SEC S/2 SW/4 7 T 40 S R 246 COUNTY San Juan

43-037-31384  
API NUMBER

Oil  
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Unit well

Water - 09-248 (A 10458)

APPROVAL LETTER:

SPACING:

R615-2-3

Arnell

UNIT

R615-3-2

CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

0218T



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

January 7, 1988

Texaco, Incorporated  
P. O. Box EE  
Cortez, Colorado 81321

Gentlemen:

Re: Aneth Unit E-407I - S1/2 SW1/4 Sec. 7, T. 40S, R. 24E  
0' FSL, 1410' FWL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule R615-2-3, 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  
Texaco, Incorporated  
Aneth Unit E-407I  
January 7, 1988

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 number assigned to this well is 43-037-31384.

Sincerely,



R. A. Firth  
Associate Director, Oil & Gas

as  
Enclosures  
cc: Branch of Fluid Minerals  
Bureau of Indian Affairs  
D. R. Nielson  
8159T

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE\*  
(Other instructions on re-verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.  
SL-0678079 *Opt.*  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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.)

**RECEIVED**  
FEB 22 1988

1. OIL WELL  GAS WELL  OTHER (Proposed 12/30/87)

2. NAME OF OPERATOR  
Texaco Inc. (303) 565-8401

3. ADDRESS OF OPERATOR  
P. O. Box EE, Cortez, CO. 81321

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface

0' FSL & 1410' FWL Sec. 7

14. PERMIT NO.  
43037-31384

15. ELEVATIONS (Show whether DT, RT, GR, etc.)

7. UNIT AGREEMENT NAME

Aneth Unit

8. FARM OR LEASE NAME  
Unit

9. WELL NO.  
E407I

10. FIELD AND POOL, OR WILDCAT

Aneth

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 7, T40S, R24E

12. COUNTY OR PARISH 13. STATE

San Juan

UT

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other) \*

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

(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.)\*

Referencing the above subject well (Proposed to drill 12/30/87), Texaco requests a well name change to E407SE. Please make the necessary changes in your files.

18. I hereby certify that the foregoing is true and correct

SIGNED

*Alan G. Kleiser*

TITLE

AREA SUPT.

DATE

2/16/88

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

BLM (4) - UOGCC (3) - The Navajo Tribe-Mobil Oil-LAA-AAK

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or to test or to recompletions. Use "APPLICATION FOR PERMIT—" for such purposes.)

**RECEIVED**  
**MAR 10 1988**

1. OIL WELL  GAS WELL  OTHER (Proposed 1/8/88) **D412I**

2. NAME OF OPERATOR  
**TEXACO Inc. (303) 565-8401**

3. ADDRESS OF OPERATOR  
**P. O. Box EE, Cortez, CO 81321**

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations. See also space 17 below.)  
At surface  
**0' FSL and 100' FWL Sec. 7**

14. PERMIT NO. **43-037-31384**

15. ELEVATIONS (Show whether Dr., RT, CA, etc.)  
**5022' GL**

5. LEASE DESIGNATION AND SERIAL NO.  
**SL 0678079**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**031505**

7. UNIT AGREEMENT NAME  
**Aneth Unit**

8. FARM OR LEASE NAME  
**Unit**

9. WELL NO.  
**E407SW**

10. FIELD AND POOL, OR WILDCAT  
**Aneth**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 7, T40S, R24E**

12. COUNTY OR PARISH  
**San Juan**

13. STATE  
**Utah**

**DIVISION OF OIL, GAS & MINING**

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 checked="" type="checkbox"/> | (Other) <input type="checkbox"/>               | (Other) <input 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.)

As per discussions with Mr. Rich McClure (BLM - Monticello), Texaco is proposing to enlarge the subject drilling location from 200' x 120' to 300' x 175' (see attached plat). This enlargement will enable easier access for drilling and completing equipment.

18. I hereby certify that the foregoing is true and correct

SIGNED Alan A. Kleier TITLE Area Superintendent DATE March 7, 1988

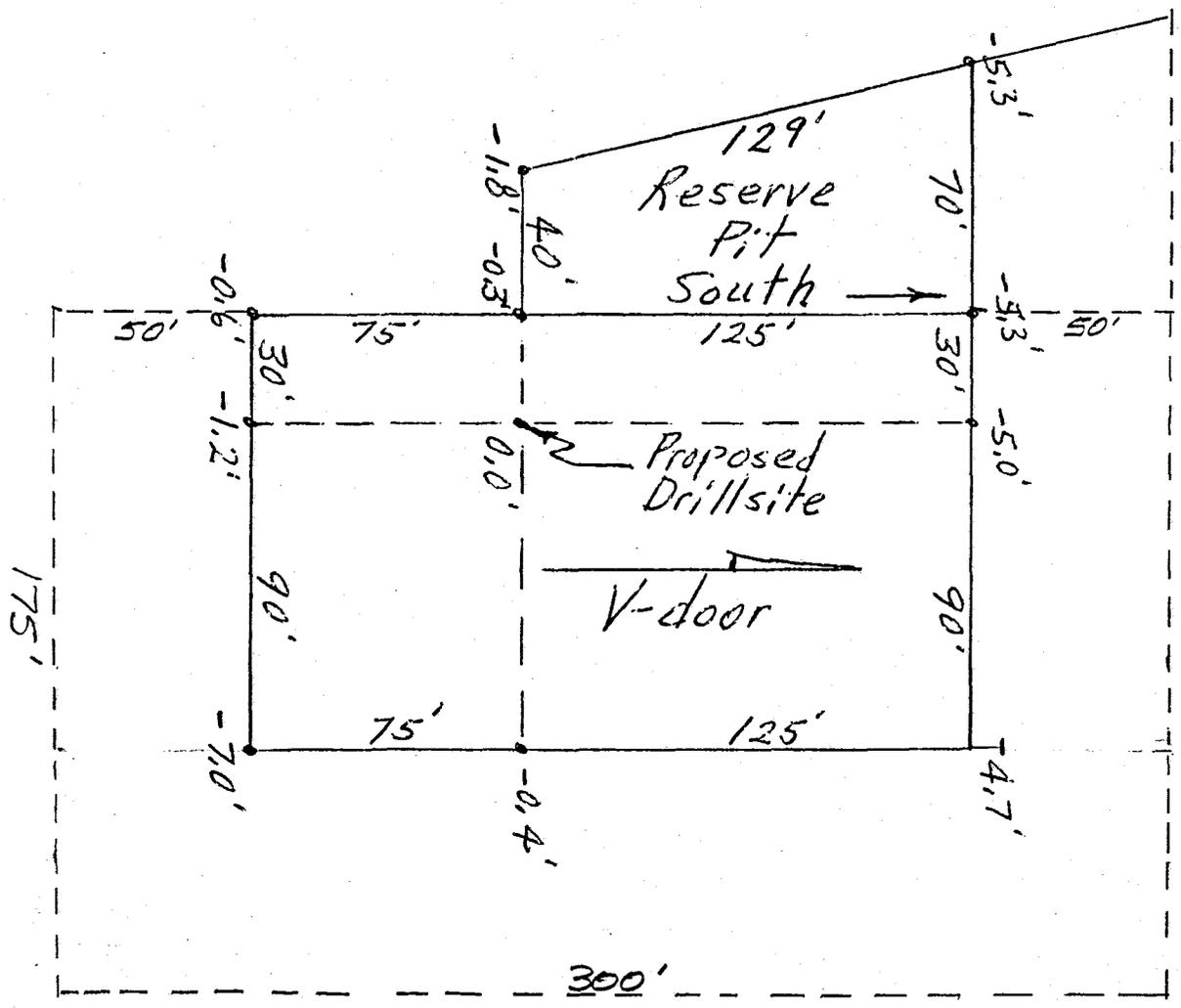
(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side  
BLM(Farmington) 4-UOGCC (3)-Navajo Tribe-LAA-AAK

Texaco Inc. E407  
Aneth Unit Well No. D422 SW  
0' FSL & 100' FWT Sec. 7-10S-24E  
San Juan County, Utah



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

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  
TEXACO Inc. (303) 565-8401

3. ADDRESS OF OPERATOR  
P. O. Box EE, Cortez, CO 81321

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.  
See also space 17 below.)  
At surface

14. PERMIT NO. 43-032 31384 Jvt

15. ELEVATIONS (Show whether DF, RT, CR, etc.)  
5022' GL

RECEIVED  
MAY 20 1988  
DIV. OIL, GAS, MINING

5. LEASE DESIGNATION AND SERIAL NO.  
SL 0678079

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
Aneth Unit

8. FARM OR LEASE NAME

9. WELL NO.  
E-407SE

10. FIELD AND POOL, OR WILDCAT  
Aneth

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 7, T40S, R24E

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 checked="" type="checkbox"/> | (Other) <input type="checkbox"/>               | (Other) <input 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.)\*

The subject well has been permitted for drilling in July 1988. The following changes are proposed for the casing program :

600' - 8-5/8", 24#, ST&C new surface casing

18. I hereby certify that the foregoing is true and correct  
SIGNED Alan A. Kleier TITLE Area Manager DATE May 18, 1988

(This space for Federal or State office use)  
APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: **Federal approval of this action is required before commencing operations.**

ACCEPTED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING  
DATE: 5-27-88  
BY: John R. Bate

BLM(Farmington) 5, UOGCC(3) Mobil Oil, Navajo Tribe, AAK

\*See Instructions on Reverse Side

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

OPERATOR: TEXACO INC LEASE: SL-0678079  
WELL NAME: ANETH UNIT E407SE API: 43-037-31384  
SEC/TWP/RNG: 07 40.0 S 24.0 E CONTRACTOR:  
COUNTY: SAN JUAN FIELD NAME: GREATER ANETH

DRILLING/COMPLETION/WORKOVER:

Y APD \_ WELL SIGN \_ HOUSEKEEPING \_ BOPE  
\_ SAFETY \_ POLLUTION CNTL \_ SURFACE USE \_ PITS  
\_ OPERATIONS \_ OTHER

SHUT-IN \_ / TA \_:

\_ WELL SIGN \_ HOUSEKEEPING \_ EQUIPMENT \* \_ SAFETY  
\_ OTHER

ABANDONED:

\_ MARKER \_ HOUSEKEEPING \_ REHAB \_ OTHER

PRODUCTION:

\_ WELL SIGN \_ HOUSEKEEPING \_ EQUIPMENT \* \_ FACILITIES \*  
\_ METERING \* \_ POLLUTION CNTL \_ PITS \_ DISPOSAL  
\_ SECURITY \_ SAFETY \_ OTHER

GAS DISPOSITION:

\_ VENTED/FLARED \_ SOLD \_ LEASE USE

LEGEND: Y = YES/SATISFACTORY N = NO/UNSATISFACTORY A = NOT APPLICABLE

\*FACILITIES INSPECTED:

APD APPROVED

REMARKS:

LOCATION WORK NOT STARTED YET

ACTION:

INSPECTOR: FRANK MATTHEWS

DATE: 03/17/88

Moab District  
P. O. Box 970  
Moab, Utah 84532

RECEIVED NOV 15 1988  
NOV 17 1988

Texaco, Inc.  
P. O. Box EE  
Cortez, CO 81321

DIVISION OF  
OIL, GAS & MINING

Re: Returning Application for Permit  
to Drill  
Well No. Aneth Unit E-407SE  
(Formerly E-407I)  
Sec. 7, T. 40 S., R. 24 E.  
San Juan County, Utah  
Lease SL-067807

43-237-~~3138~~  
31384

Gentlemen:

The Application for Permit to Drill the above well was received January 4, 1988. Our San Juan Resource Area Office recommends that we return your application unapproved per the attached copy of the Bureau of Indian Affairs (BIA) letter of February 26, 1988. The BIA will not concur with the proposed surface location due to topography.

In view of the foregoing, we are returning your Application for Permit to Drill unapproved. At a future date, if you intend to drill this location a new application must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals (801) 259-6111.

Sincerely yours,

/S/ GENE NODINE

District Manager

Enclosures (2)

- 1-Application for Permit to Drill
- 2-Copy of BIA Letter dated February 26, 1988

cc: San Juan Resource Area

State of Utah, Division of Oil, Gas and Mining  
Salt Lake City, Utah 84180-1203 ✓ (w/0 encls.)

CFreudiger/cf 11/10/88

| OIL AND GAS |             |
|-------------|-------------|
| DRN         | RJF         |
| JRB         | GLH         |
| DTS         | SLS         |
| 1-TAS       | ✓           |
| 2-          | MICROFILM ✓ |
| 3-          | FILE        |



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

November 22, 1988

Texaco Inc.  
P. O. Box EE  
Cortez, CO 81321

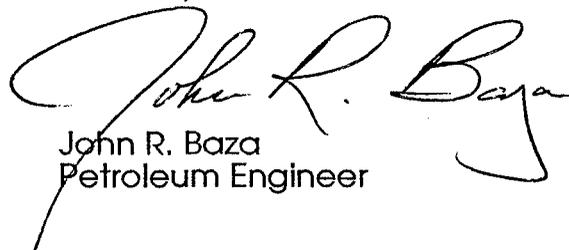
Gentlemen:

Re: Aneth Unit E-407SE, Sec.7, T.40S, R.24E, San Juan County, Utah  
API NO. 43-037-31384

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

tc  
cc: D. R. Nielson  
R. J. Firth  
BLM-Moab  
Well file  
WE16/84