

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  
Celsius Energy Company

3. ADDRESS OF OPERATOR  
P. O. Box 458, Rock Springs, Wyoming

4. LOCATION OF WELL (Report location clearly and in accordance with State requirements)  
At surface 2000' FNL, 1850' FEL, SW NE  
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
13 miles SE of Blanding, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any) 1850'

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None

16. NO. OF ACRES IN LEASE  
480

19. PROPOSED DEPTH  
6405' *Alch*

17. NO. OF ACRES ASSIGNED TO THIS WELL  
-

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
5668' GR

22. APPROX. DATE WORK WILL START\*  
April 10, 1989

23. PROPOSED CASING AND CEMENTING PROGRAM

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

See attached drilling plan for details.

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 *C. Martin* TITLE Drilling Superintendent DATE March 7, 1989

(This space for Federal or State office use)

PERMIT NO. 43-037-31462

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

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

DATE: 3-17-89  
BY: *John R. Bay*  
WELL SPACING: 16/5-3-2

\*See Instructions On Reverse Side

March 1, 89

Sheet 1 of 7

27 26

26 25

34 35

35 36

2" brass cap  
GLO monument  
set in 1914

2000'

Basis of  
bearing

Chouinard #1

1850'

SECTION 35,

T37S., R23E, SLM, San Juan County, Utah

Chouinard #1 is located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 35,  
T.37S., R.23E., S.L.M., San Juan County, Utah

Scale:  
1" = 1000'

North-5281.73'

34 35

T37S

35

36

3 2

T38S

2 1

2 $\frac{1}{2}$ " brass cap  
GLO monument set in 1912  
Elev. datum - elev. 5376

N

North ref. elev.  
5759.4

N.13°31'W.-  
150.1

FLARE PIT

Edge of  
canyon

Scale: 1" = 100'

Chouinard #1

Laydown-East

Ground elev. 5668.0

C/L, proposed access  
road

S.13°31'E.-303.6'

South ref. elev.  
5694.7

KNOW ALL MEN BY THESE PRESENTS:

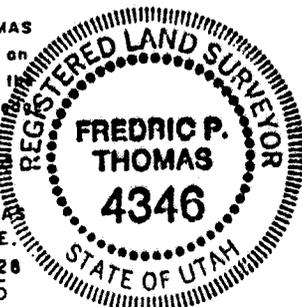
THAT I, FREDRIC P. THOMAS

do hereby certify that I prepared this plat from an  
actual and accurate survey of the land and that the  
same is true and correct to the best of my knowl-  
edge and belief.

*Fredric P. Thomas*

FREDRIC P. THOMAS  
Reg. L.S. and P.E.  
Colo. Reg. No. 6728

Utah Reg. No. 4346



THOMAS Engineering Inc.

215 N. Linden  
Cortez, Colorado  
965-4496

SELF CERTIFICATION STATEMENT

Be advised that Celsius Energy Company is considered to be the operator of Chouinard No. 1, SW NE 35-37S-25E, Bureau of Land Management lease U-51841, San Juan County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond Coverage for this well is provided by Bond No. SL 6308873.

(Principal Celsius Energy Company) via surety consent as provided for in 43 CFR 3104.2.

DRILLING PLAN  
Celsius Energy Company  
Chouinard Well No. 1  
San Juan County, Utah

1. SURFACE FORMATION AND ESTIMATED FORMATION TOPS:

Dakota	-	Surface
Morrison	-	60'
Entrada	-	970'
Carmel	-	1115'
Navajo	-	1185'
Kayenta	-	1635'
Wingate	-	1815'
Chinle	-	2130'
Shinarump	-	2795'
Cutler	-	2870'
De Chelly SS	-	3080'
Honaker Trail	-	4845'
Paradox	-	5385'
Ismay	-	5985'
Hovenweep	-	6135'
Lower Ismay	-	6170'
Gothic	-	6230'
Desert Creek	-	6260'
Desert Creek Porosity	-	6325'
Chimney Rock	-	6345'
Akah	-	6370'
Salt	-	6400'
Total Depth	-	6405'

2. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER, OR OTHER MINERAL-BEARING ZONES ARE EXPECTED TO BE ENCOUNTERED:

Expected Oil Zones: Ismay formation, 5985 feet  
Desert Creek Porosity, 6325 feet

Expected Gas Zones: Ismay formation, 5985 feet  
Desert Creek Porosity, 6325 feet

Expected Water Zones: Possible brine water in the DeChelly Sandstone and Cutler

Expected Mineral Zones: Halite, 6405'

All fresh water and prospectively valuable minerals (as described by the 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: (See attached diagram)

Operator's minimum specifications for pressure control equipment requires an 11-inch 3000 psi double gate hydraulically operated blowout preventer and an 11-inch 3000 psi annular preventer. Annular preventer will be tested to 1500 psi for 15 minutes and surface casing to 1000 psi for 15 minutes. NOTE: The surface casing will be pressure tested to a minimum of 1000 psi, or one psi per foot; or 70 percent of the internal yield of the casing, whichever is applicable. BOP's will be checked daily as to mechanical operating condition and will be tested by rig equipment after each string of casing is run. All ram type preventers will have hand wheels which will be operative at the time the preventers are installed.

Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer 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.

4. CASING PROGRAM:

<u>Footage</u>	<u>Size</u>	<u>Grade</u>	<u>Wt.</u>	<u>Condition</u>	<u>Thread</u>	<u>Cement</u>
40'	14	Line Pipe	48	Used	-	24 cubic feet Class G cement.
2180'	9-5/8	K-55	36	New	8rd ST&C	895 cubic feet of light weight cement followed by 266 cubic feet of Class G cement with 3-percent CaCl and 1/4 pound/sack flocele.
6405'	5-1/2	K-55	17	New	8rd LT&C	320 cubic feet of 50-50 Pozmix cement with 2-percent gel, water loss/dispersant additive and 1/4 pound/sack flocele.

AUXILIARY EQUIPMENT:

- a) Manually operated kelly cock
- b) No floats at bit
- c) Monitoring of mud system will be visual
- d) Full opening floor valve manually operated

5. MUD PROGRAM AND CIRCULATION MEDIUM: Fresh water with gel sweeps will be used from surface to 4800 feet. From 4800 feet to 6200 feet mud will be LSND. From 6200 feet to TD mud weight will be brought up to 10.4 ppg weighted and dispersed.

6. LOGGING PROGRAM: FDC-CNL from total depth to 4800 feet.  
DI-SFL from total depth to 4800 feet.  
BHC-Sonic from total depth to base of surface pipe (GR to surface).

TESTING: One drill stem test in the Ismay formation.  
One drill stem test in the Desert Creek.

CORING: None.

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 to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, 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. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

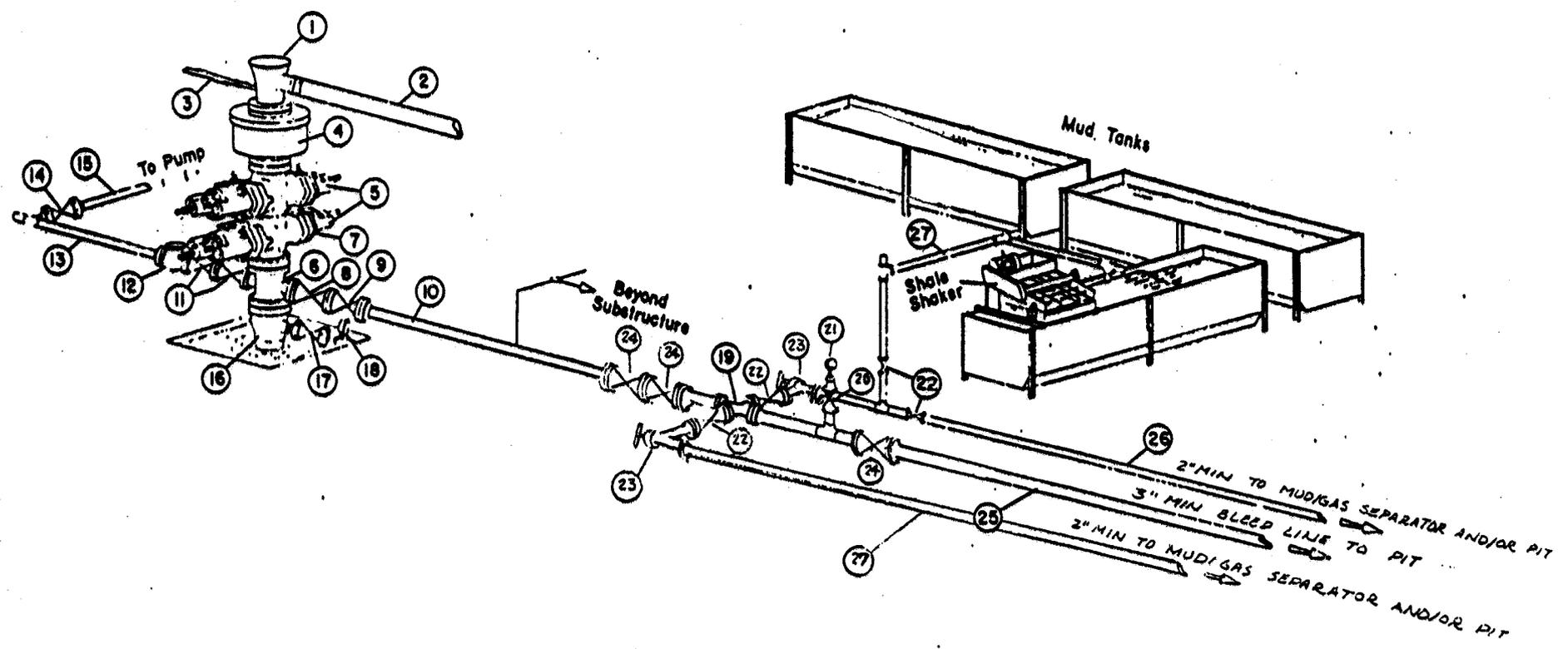
7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURES AND POTENTIAL HAZARDS: Overpressuring occurs in the Desert Creek Porosity some distance northeast of the prospect and overpressuring may be encountered if a reservoir is penetrated by the well; a BHT of 130 degrees F and a BHP of 3300 psi is expected.

8. ANTICIPATED DATES AND DURATION OF OPERATIONS:  
April 10, 1989, 18 days.

Required verbal notifications are summarized in Table I, attached. 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.

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.

# CELSIUS/WEXPRO 3000 psi BLOWOUT PREVENTION EQUIPMENT



**STANDARD STACK REQUIREMENTS**

<u>No.</u>	<u>Item</u>	<u>Nominal</u>	<u>ID</u>	<u>Type</u>
1	Drilling Nipple (Rotating Head when air drilling)			
2	Flowline			
3	Fill Up Line (Eliminated for air drilling)	2"		
4	Annular Preventer			Hydril Cameron Shaffer
5	Two Single or One Double Hydraulically Operated Rams			U. ORC, F. LWS, B, E
6	Drilling Spool with 3" and 2" Outlets			Forged
7	As Alternate to (6) Run & Kill & Choke Lines from Outlets in this Ram			
8	Gate Valve		3-1/8	
9	Gate Valve		3-1/8	
10	Choke Line	3"		
11	Gate Valves		2-1/16	
12	Check Valve		2-1/16	
13	Kill Line	2"		
14	Gate Valve		2-1/16	
15	Kill Line to Pumps	2"		
16	Casing Head			
17	Valve - Gate Plug		1-13/16	
18	Cameron Pressure Gauge			

<u>No.</u>	<u>Item</u>	<u>Nominal</u>	<u>ID</u>	<u>Type</u>
	Wear Busing			
19	Cross 3" X 3" 3" X 2"			
20	Gate Valve		1-13/16	
21	Cameron Pressure Gauge		3-1/8	
22	Gate Valves			
23	Adjustable Choke	3"	2"	
24	Gate Valves		3-1/8	
25	Line	3"		
26	Line	2"		
27	Line	2"		

SURFACE USE PLAN  
Celsius Energy Company  
Chouinard Well No. 1  
San Juan County, Utah

1. Existing Roads:

- a. Location of proposed well: Refer to well location plat and area map. Wellsite is located approximately 12 miles southeast of Blanding, Utah.
- b. Proposed route to location: Existing county road No. 206 provides access to the lease boundary.
- c. Plans for improvement and/or maintenance of existing roads: None.
- d. Other: An encroachment permit will be obtained from the San Juan County Road Department.

2. Planned Access Roads:

- a. A proposed 1920 foot access road will be constructed leading from the County road to the location and will be ditched and crowned with an 18 foot running surface. The maximum total disturbed width will be 30 feet.
- b. Maximum grades: N/A
- c. Turnouts: N/A
- d. Location (centerline): Location and access road has been staked and flagged and archaeological clearance has been obtained.
- e. Drainage: Two culverts will be installed, one at the point of leaving the county road and one near the entrance to the location.
- f. Surface Materials: None required for drilling.
- g. Other: N/A

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells:

Refer to area map for location of existing wells within a one mile radius.

4. Location of Tank Batteries and Production Facilities:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within (6) six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. The color will be Juniper Green.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank in the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7-4 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from a private landowner.

A temporary water use permit for this operation will be obtained from the Utah State Engineer.

6. Source of Construction Material:

Pad construction material will be obtained from cuts along access road and location.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.1-3.

7. Methods of Handling Waste Disposal:

The reserve pit will be lined with four-inches of bentonite and will be constructed with at least one half its holding capacity below ground level.

Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash will be contained in a trash cage, the contents of which will be disposed of in the nearest legal landfill.

If burning is required, a permit will be obtained from the State Fire Warden, George Kensley (587-2237).

Produced waste water will be confined to an unlined pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

8. Ancillary Facilities:

Camp facilities will not be required.

9. Well Site Layout:

Refer to drawing.

The top soil material will be removed from the location and stockpiled separately on the northeast side of the location.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad: Refer to drawing.

10. Plans for Restoration of Surface:

Immediately upon completion of drilling, the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry.

All disturbed areas will be recontoured to the approximate natural contours.

Prior to reseeding, all disturbed areas, including the access roads, if applicable, will be scarified and left with a rough surface. Rips will be 6-inches deep and 18-inches apart.

Seed will be broadcast between October 1, 1989 and February 28, 1989.

The following seed mixture will be used:

2 pounds/acre Indian Ricegrass  
2 pounds/acre Galleta  
2 pounds/acre Desert Bitterbrush  
2 pounds/acre Small Burnett

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

11. Surface and Mineral Ownership:

Surface ownership along the access and at the wellsite is Federal.

12. Other Information:

Cultural resources as noted in the Class III Inventory will be encompassed by one strand of wire, steel posts and blue flagging.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices will be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.3-2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

The dirt contractor will be provided with an approved copy of the Surface Use Plan.

All persons in the area who are associated with the project will be informed by the holder/operator that they will be subject to prosecution for disturbing archaeological sites or paleontological sites, or collecting artifacts or fossils.

Any cultural and/or paleontological resource discovered by the holder/operator, or any person working on his behalf, on public or federal land shall be immediately reported to the authorized officer (BLM-San Juan Resource Area Office (801) 587-2141). The holder/operator shall immediately suspend all operations in the area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder/operator will be responsible for the cost of evaluation of the discovery and of any required mitigation measures. Any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder/operator and other affected parties.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.

13. Leassee's or Operator's Representative and Certification:

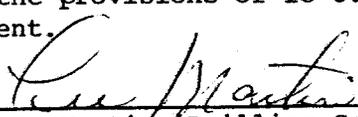
Representative:

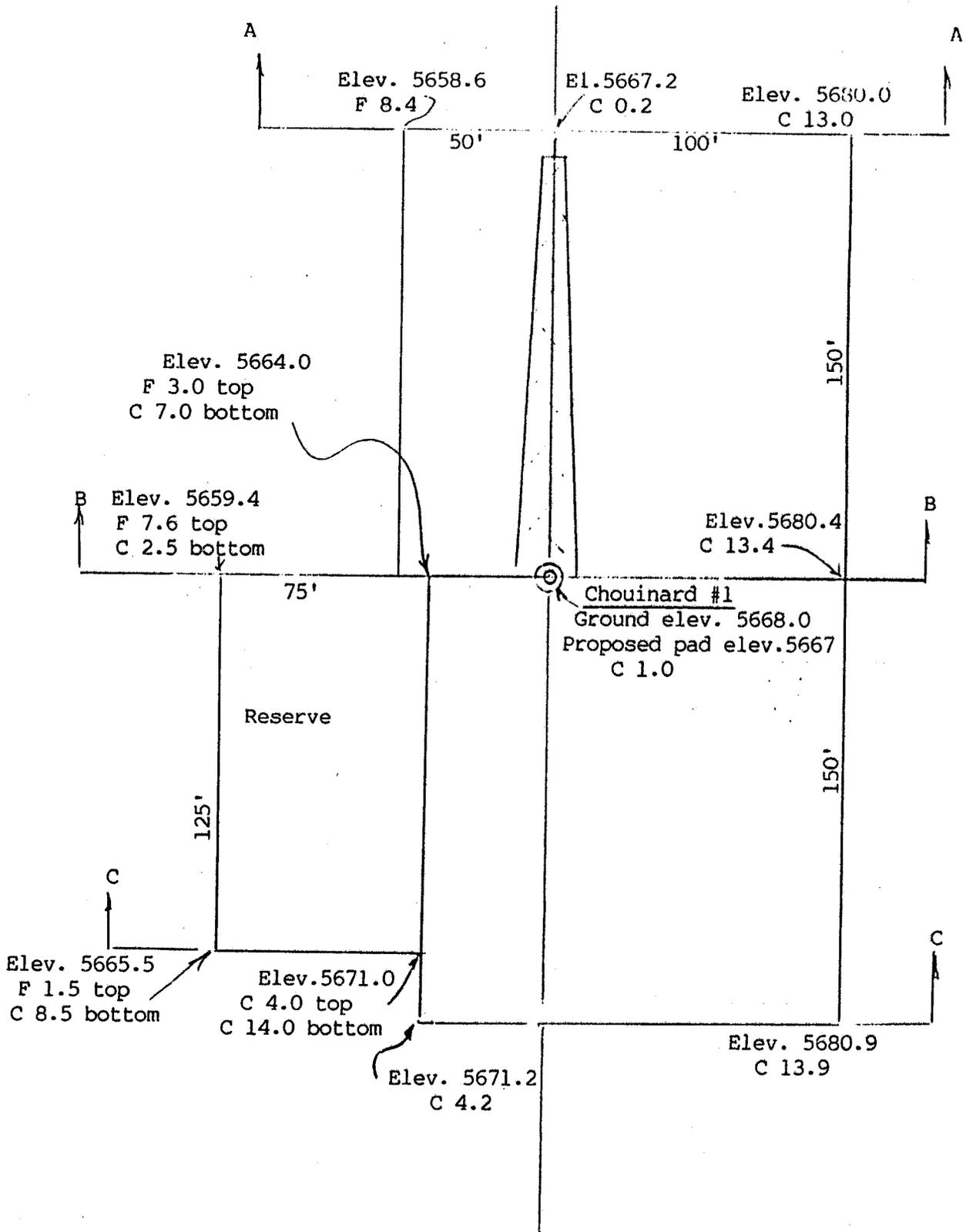
Name: Lee Martin, Drilling Superintendent  
Address: P. O. Box 458, Rock Springs, Wyoming 82902  
Telephone Number: (307) 382-9791

Certification:

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 currently exist, that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with operations proposed herein will be performed by Celsius Energy Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Dated: March 7, 1989

  
L. E. Martin, Drilling Superintendent

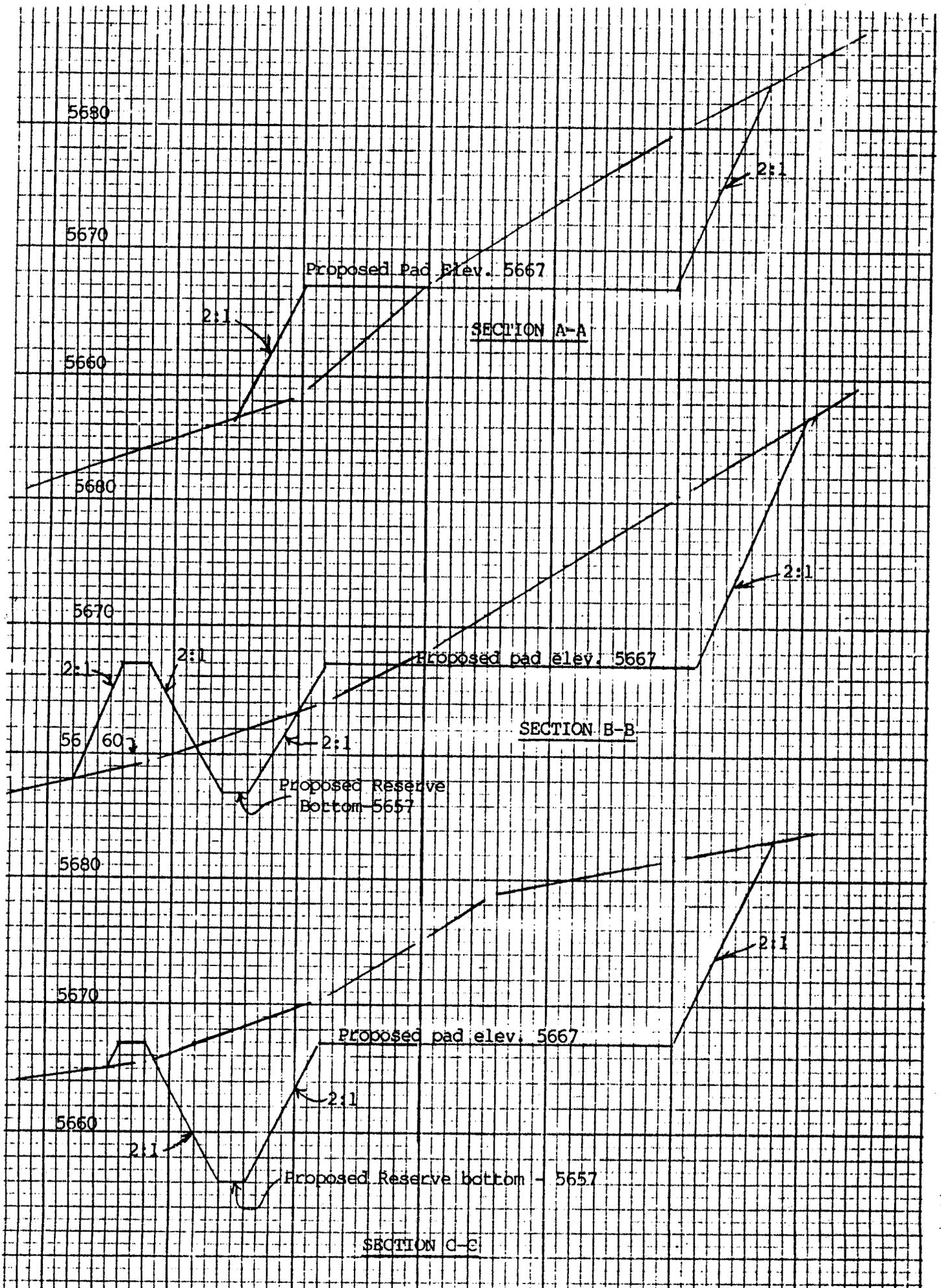


THOMAS Engineering Inc.

215 N. Linden  
Cortez, Colorado  
965-4496



Scale 1" = 50'  
0 25 50

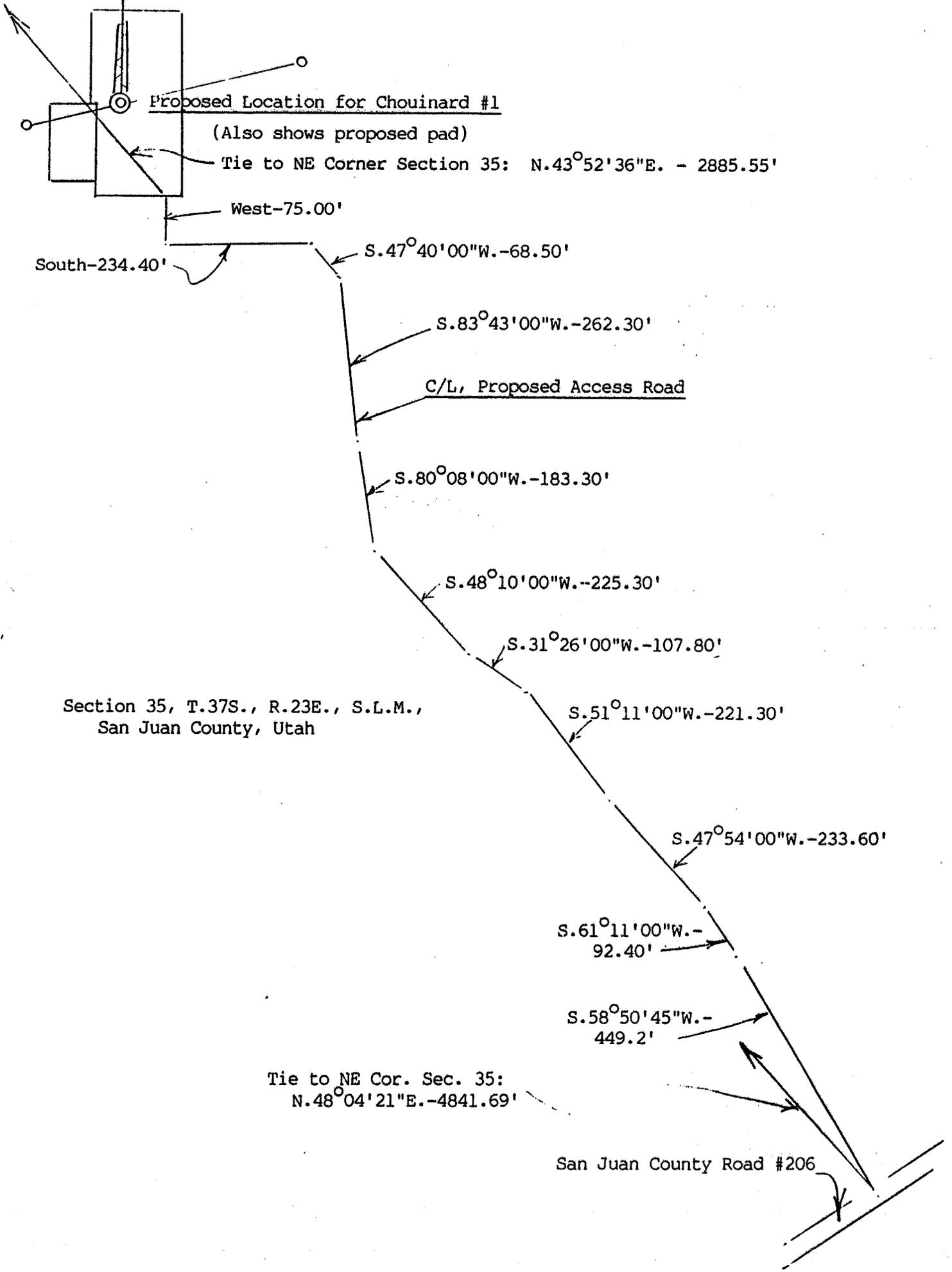


Horizontal scale: 1" = 50'  
Vertical scale: 1" = 10'

**THOMAS** Engineering Inc.

215 N. Linden  
Cortez, Colorado  
965-4496

See Sheet 5 of 7 for legal description of centerline.



Section 35, T.37S., R.23E., S.L.M.,  
San Juan County, Utah

Tie to NE Cor. Sec. 35:  
N.48°04'21"E.-4841.69'

San Juan County Road #206

**THOMAS** Engineering Inc.

215 N. Linden  
Cortez, Colorado  
565-4496



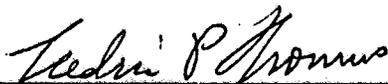
Scale 1" = 200'  
0 100 200

Sheet 5 of 7Celsius Energy  
March 1, 1989  
Location for Chouinard #1.Legal Description, C/L of Proposed Access Road Easement

An easement for purposes of an access road in Section 35, T.37S., R.23E., S.L.M., San Juan County, Utah, the centerline being more particularly described as follows:

Beginning at a point on the west line of the proposed pad for Proposed Well Chouinard #1 in Section 35, T.37S., R.23E., S.L.M., San Juan County, Utah, from which point the NE Corner of said Section 35 bears N.43°52'36"E. a distance of 2885.55 ft.;

thence, West a distance of 75.00 ft.;  
thence, South a distance of 234.40 ft.;  
thence, S.47°40'00"W. a distance of 68.50 ft.;  
thence, S.83°43'00"W. a distance of 262.30 ft.;  
thence, S.80°08'00"W. a distance of 183.30 ft.;  
thence, S.48°10'00"W. a distance of 225.30 ft.;  
thence, S.31°26'00"W. a distance of 107.80 ft.;  
thence, S.51°11'00"W. a distance of 221.30 ft.;  
thence, S.47°54'00"W. a distance of 233.60 ft.;  
thence, S.61°11'00"W. a distance of 92.40 ft.;  
thence, S.58°50'45"W. a distance of 449.20 ft. to a point on the C/L of San Juan County Road #206, from which point the NE Corner of said Section 35 bears N.48°04'21"E. a distance of 4841.69 ft.



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Fredric P. Thomas, PE-LS  
Utah Reg. No. 4346

LOCATION MAP FROM USGS BRADFORD CANYON, UTAH QUAD,  
DATED 1985

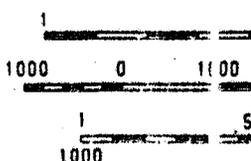
Scale: 1:24,000

Location in Section 35, T.37S., R.23E., S.L.M., San Juan County, Utah



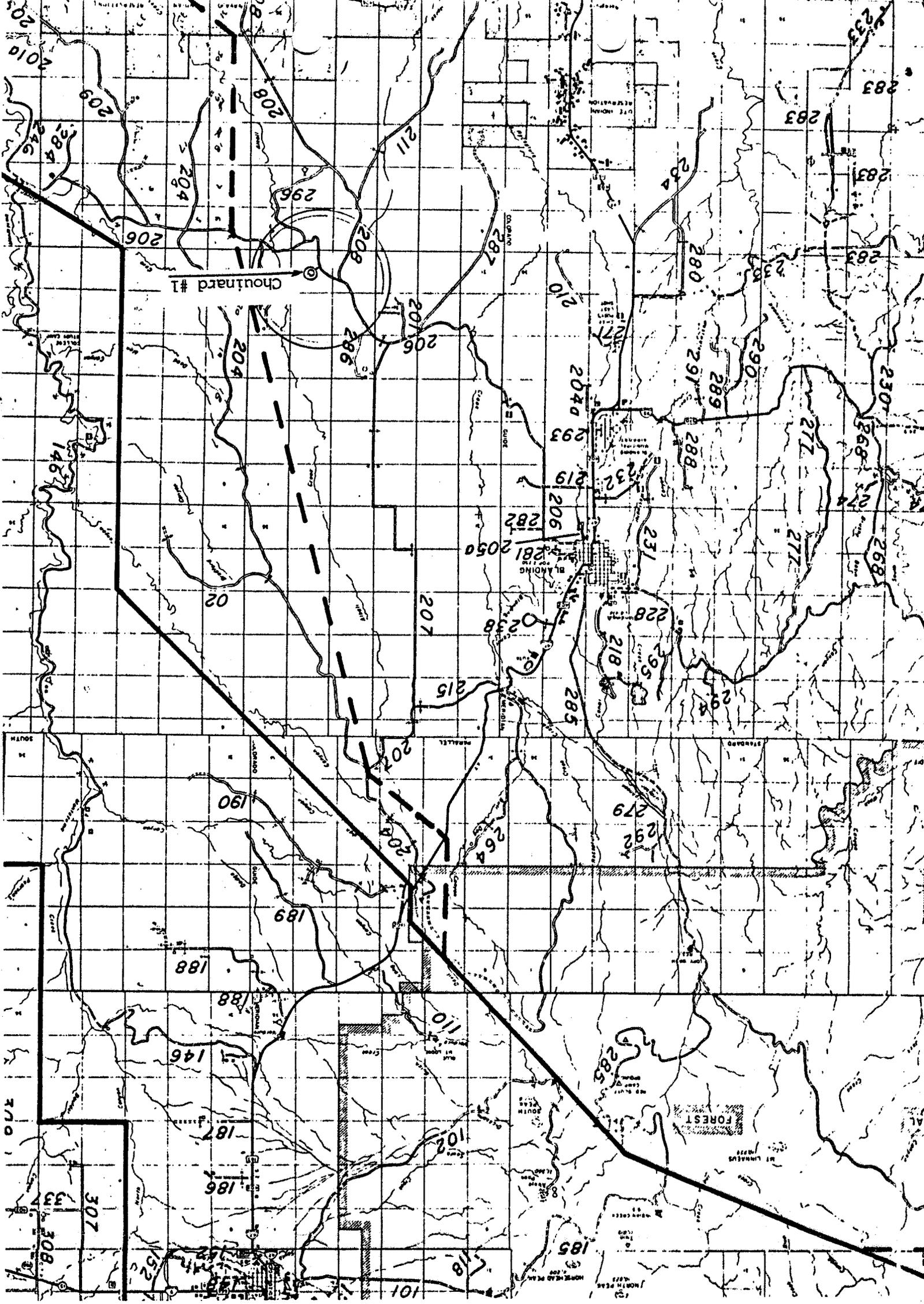
PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY  
 CONTROL BY ..... USGS, NOS/NOAA  
 COMPILED FROM AERIAL PHOTOGRAPHS TAKEN ..... 1978  
 FIELD CHECKED ..... 1979 MAP EDITED ..... 1985  
 PROJECTION ..... LAMBERT CONFORMAL CONIC  
 GRID: 1000-METER UNIVERSAL TRANSVERSE MERCATOR ..... ZONE 12  
 10,000-FOOT STATE GRID TICKS ..... UTAH, SOUTH ZONE  
 UTM GRID DECLINATION ..... 1'02" EAST  
 1985 MAGNETIC NORTH DECLINATION ..... 11' EAST  
 VERTICAL DATUM ..... NATIONAL GEOIDIC VERTICAL DATUM OF 1929  
 HORIZONTAL DATUM ..... 1927 NORTH AMERICAN DATUM  
 To place on the predicted North American Datum of 1983,  
 move the projection lines as shown by dashed corner ticks  
 (3 meters north and 59 meters east)  
 There may be private inholdings within the boundaries of any

**PROVISIONAL MAP**  
 Produced from original  
 manuscript drawings. Infor-



LOCATION MAP FROM SAN JUAN COUNTY, UTAH, ROAD MAP

Chounard #1 located in Section 35, T.37S., R.23E., S.1.M.,  
San Juan County, Utah





LCK

Form 3160-3  
(November 1983)  
(formerly 9-331C)

SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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 DRILL       DEEPEN       PLUG BACK

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 OIL WELL       GAS WELL       OTHER       SINGLE ZONE       MULTIPLE ZONE

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 Celsius Energy Company

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 13 miles SE of Blanding, Utah

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1850'

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20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5668' GR

22. APPROX. DATE WORK WILL START\* April 10, 1989

5. LEASE DESIGNATION AND SERIAL NO.  
 U-51841

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 N/A

7. UNIT AGREEMENT NAME  
 N/A

8. FARM OR LEASE NAME  
 Chouinard

9. WELL NO.  
 1

10. FIELD AND POOL, OR WILDCAT  
 Chouinard Prospect

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 23  
 35-37S-25E SLB&M

12. COUNTY OR PARISH 13. STATE  
 San Juan Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

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

See attached drilling plan for details.

RECEIVED  
APR 05 1989

DIVISION OF  
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Drilling Superintendent DATE March 7, 1989

(This space for Federal or State office use)

PERMIT NO. 43-037-31462 APPROVAL DATE \_\_\_\_\_

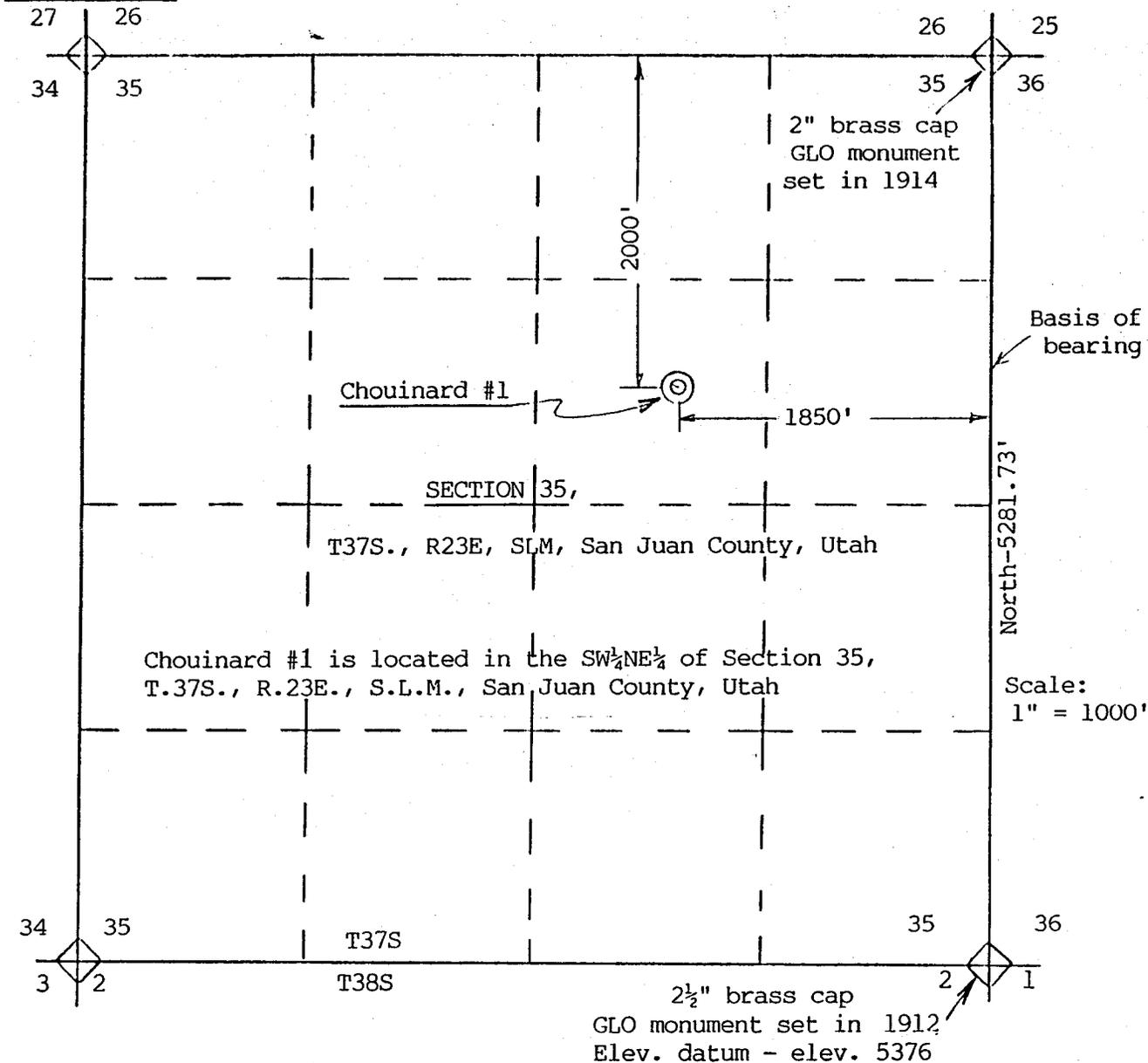
APPROVED BY /s/ Kenneth V. Rhea TITLE ACTING DISTRICT MANAGER DATE APR 3 1989

CONDITIONS OF APPROVAL, IF ANY:  
**FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A**  
 Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED  
 \*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DOGm

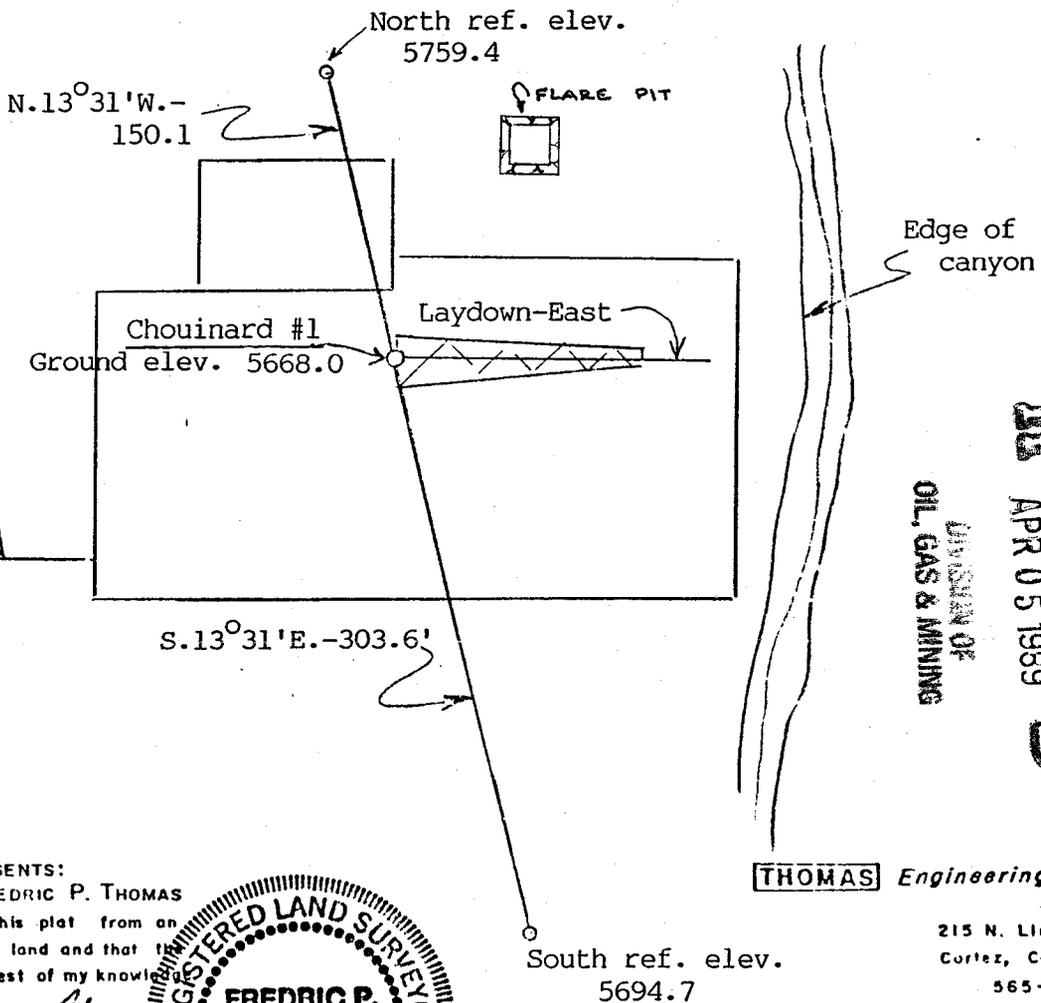


Chouinard #1 is located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 35,  
T.37S., R.23E., S.L.M., San Juan County, Utah

Scale:  
1" = 1000'



Scale: 1" = 100'



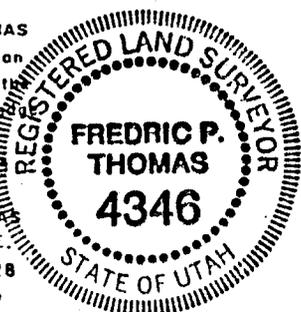
**RECEIVED**  
APR 05 1989  
DIVISION OF  
OIL, GAS & MINING

KNOW ALL MEN BY THESE PRESENTS:  
THAT I, FREDRIC P. THOMAS  
do hereby certify that I prepared this plat from an  
actual and accurate survey of the land and that the  
same is true and correct to the best of my knowledge  
and belief.

*Fredric P. Thomas*

FREDRIC P. THOMAS  
Reg. L.S. and P.E.  
Colo. Reg. No. 6728

Utah Reg. No. 4346



**THOMAS** Engineering Inc.

215 N. Linden  
Cortez, Colorado  
565-4496

Celsius Energy Company  
Well No. Chouinard 1  
SWNE Sec. 35, T. 37 S., R. 23 E.  
San Juan County, Utah  
Lease U-51841

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Celsius Energy Company is considered to be the operator of the above well, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by Bond No. SL 630 88 73. (Principal - Mountain Fuel Supply; CoPrincipal - Celsius Energy Co) via surety as provided for in 43 CFR 3104.3.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

1. If unconsolidated rock is encountered, conductor shall be set ten (10) feet unto underlying bedrock with cement circulated to surface.
2. Surface casing will be set 50 feet into the Chinle Formation regardless of the depth the Chinle is encountered.

B. ADDITIONAL REQUIREMENTS ACCORDING TO ONSHORE OIL AND GAS ORDER NO. 2

- 3000 psi BOP & BOPE

Safety valve and subs to fit all drill string connections in use.

All BOPE connections subjected to well pressure shall be flanged, welded, or clamped.

- If repair or replacement of the BOPE is required after testing, this work shall be performed prior to drilling out the casing shoe.
- When the BOPE cannot function to secure the hole, the hole shall be secured using cement, retrievable packer or bridge plug packer, bridge plug or other acceptable approved methods to assure safe well conditions.

- Choke Manifold Equipment

All choke lines shall be straight lines unless turns use tee blocks or are targeted with running tees and shall be anchored to prevent whip and reduce vibration.

All valves (except chokes) in the kill line, choke manifold and choke line shall be a type that does not restrict the flow (full opening) and that allows a straight through flow.

Pressure gauges in the well control system shall be a type designed for drilling fluid service.

- 3000 psi system - Accumulator Equipment

Accumulator shall have sufficient capacity to open the hydraulically-controlled choke line valve (if so equipped), close all rams plus the annual preventer and retain a minimum of 200 psi above precharge on the closing manifold without the use of the closing unit pumps. This is a minimum requirement. The fluid reservoir capacity shall be double the accumulator capacity and fluid level maintained at manufacturer's recommendations. The 3M system shall have 2 independent power sources to close the preventers. Nitrogen bottles (3 minimum) may be one of the independent power sources and, if so, shall maintain a charge equal to manufacturer's specifications.

Power for the closing unit pumps shall be available to the unit at all times so that the pumps shall automatically start when the closing unit manifold pressure has decreased to a pre-set level.

Each BOP closing unit shall be equipped with sufficient number and sizes of pumps so that, with the accumulator system isolated from service, the pumps shall be capable of opening the hydraulically-operated gate valve (if so equipped), plus closing the annular preventer on the smallest sized drill pipe to be used within 2 minutes, and obtain a minimum of 200 psi above specified accumulator precharge pressure.

Remote controls shall be readily accessible to the driller. Remote controls for all 3000 pound systems shall be capable of closing all preventers.

- BOP Testing

Pressure tests on ram type preventers shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed off of pressure is acceptable. For a test not utilizing a test plug if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular BOP pressure tests shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above tests shall be performed:

- \*\*When initially installed;
- \*\*Whenever any seal subject to test pressure is broken;
- \*\*Following related repairs; and
- \*\*At 30 day intervals.

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball remove.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

- Casing and Cementing

All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

All casing, except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.

All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested whichever occurs first.

Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method., etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

NOTIFICATIONS

Notify the San Juan Resource Area, at (801) 587-2144 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Dale Manchester, Petroleum Engineer      Office Phone: (801) 259-6111

Home Phone: (801) 259-6239

Eric Jones, Petroleum Engineer      Office Phone: (801) 259-6111

Home Phone: (801) 259-2214

If unable to reach the above individuals including weekends, holidays, or after hours please call the following:

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111

Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS.



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangert  
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

March 17, 1989

Celsius Energy Company  
P. O. Box 458  
Rock Springs, Wyoming 82902

Gentlemen:

Re: Chouinard #1 - SW NE Sec. 35, T. 37S, R. 25E - San Juan County, Utah  
2000' FNL, 1850' FEL

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

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:

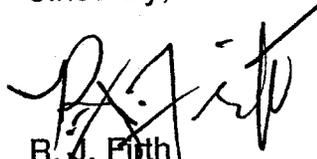
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form OGC-8-X.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2  
Celsius Energy Company  
Chouinard #1  
March 17, 1989

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of 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 43-037-31462.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

lr  
Enclosures  
cc: Branch of Fluid Minerals  
D. R. Nielson  
WE14/1-2



# CELSIUS ENERGY COMPANY

P.O. BOX 458

ROCK SPRINGS, WYOMING 82902

PHONE (307) 382-9791

April 17, 1989

Utah Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

**RECEIVED**  
APR 19 1989

DIVISION OF  
OIL, GAS & MINING

Re: Chouinard Well No. 1  
SW SE, 35-37S-23E  
San Juan County, Utah  
API No. 43-037-31462

Gentlemen:

As requested in the approved Application for Permit to Drill for the above well, please be advised that water for the drilling of this well will be obtained from Clyde Watkins of Blanding, Utah. If you need more information, please let me know.

Sincerely,

*Cathy Flansburg*

Cathy J. Flansburg  
Coordinator Regulatory Affairs

CJF/srl

09-1633 / T63851  
Tel

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

SUBMIT IN TRIPLICATE  
(Other instructions  
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 plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
**Celsius Energy Company**

3. ADDRESS OF OPERATOR  
**P. O. Box 458, Rock Springs, Wyoming 82902**

4. LOCATION OF WELL (Report location clearly and in accordance with State requirements.\*  
See also space 17 below.)  
At surface  
  
**2000' FNL, 1850' FEL, SW NE**

14. PERMIT NO. **43-037-31462**

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**5668' GR**

**RECEIVED**  
**APR 20 1989**

DIVISION OF  
**OIL, GAS & MINING**

5. LEASE DESIGNATION AND SERIAL NO  
**U-51841**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
---

7. UNIT AGREEMENT NAME  
---

8. FARM OR LEASE NAME  
**Chouinard**

9. WELL NO.  
**1**

10. FIELD AND POOL, OR WILDCAT  
**Chouinard Prospect**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**CORRECTED  
35-37S-23E, SLB&M**

12. COUNTY OR PARISH  
**San Juan**

13. STATE  
**Utah**

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

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

(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.)\*

Celsius Energy Company proposes to amend the casing program of the APD as follows:

Footage	Size	Grade	Weight	Condition	Thread
2180'	8-5/8"	K-55	24#	New	8rd ST&C

**Cement**

1180 cubic feet of light weight cement followed by 351 cubic feet of Class G cement with 3% CaCl and 1/4 pound per sack flocele.

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

SIGNED *C. M. Martin* TITLE Drilling Superintendent DATE April 18, 1989

(This space for Federal or State office use)

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

**Federal approval of this action is required before commencing operations.**

\*See Instructions on Reverse Side

**ACCEPTED BY THE STATE**  
**OF UTAH DIVISION OF**  
**OIL, GAS, AND MINING**

DATE: 4-24-89  
BY: *John R. Day*

# FILING FOR WATER IN THE STATE OF UTAH

Rec. by VP  
Fee Rec. 3000  
Receipt # 26009  
Microfilmed \_\_\_\_\_  
Roll # \_\_\_\_\_

**RECEIVED**  
TEMPERARY  
APR 27 1989

**RECEIVED**  
MAR 30 1989

## APPLICATION TO APPROPRIATE WATER

DIVISION OF  
OIL, GAS & MINING

WATER RIGHTS  
PRICE

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 statement of facts, submitted in accordance with the requirements of Title 73, Chapter 3 of the Utah Code Annotated (1953, as amended).

\* WATER RIGHT NO. 09 - 1633 \* APPLICATION NO. A T63851

1. \* PRIORITY OF RIGHT: March 30, 1989 \* FILING DATE: March 30, 1989

2. OWNER INFORMATION  
Name(s): 303-565-4882 Wright Way Trucking - Fluid Div. \* Interest: \_\_\_\_\_ %  
Address: P.O. Box 1208  
City: Cortez State: CO Zip Code: 81321  
Is the land owned by the applicant? Yes \_\_\_\_\_ No   
(If "No", please explain in EXPLANATORY section.)

3. QUANTITY OF WATER: \_\_\_\_\_ cfs and/or 2 ac-ft  
(Brown Canyon)

4. SOURCE: T375 R13E NE SW NE SEC 13 \* DRAINAGE: Brown Canyon  
which is tributary to Recapture Creek  
which is tributary to San Juan River  
POINT(S) OF DIVERSION: \_\_\_\_\_ COUNTY: San Juan  
N. 1080ft + W. 1380ft From E 1/4 COR. SEC. 13, T 37S, R 22E, S 13 N.

Description of Diverting Works: (3 1/2 miles SE of Blanding) Weir Dam (DIVERSION DAM, PUMP + WATER TRUCK)  
\* COMMON DESCRIPTION: \_\_\_\_\_

5. POINT(S) OF REDIVERSION  
The water will be rediverted from \_\_\_\_\_ at a point:  
\_\_\_\_\_  
Description of Rediverting Works: \_\_\_\_\_

6. POINT(S) OF RETURN  
The amount of water consumed will be \_\_\_\_\_ cfs or 2.0 ac-ft  
The amount of water returned will be \_\_\_\_\_ cfs or \_\_\_\_\_ ac-ft  
The water will be returned to the natural stream/source at a point(s): \_\_\_\_\_

7. STORAGE  
Reservoir Name: \_\_\_\_\_ Storage Period: from \_\_\_\_\_ to \_\_\_\_\_  
Capacity: \_\_\_\_\_ ac-ft. Inundated Area: \_\_\_\_\_ acres  
Height of dam: \_\_\_\_\_ feet  
Legal description of inundated area by 40 acre tract(s): \_\_\_\_\_

\* These items are to be completed by the Division of Water Rights

**TEMPORARY**

Appropriate

8. List any other water rights which will supplement this application \_\_\_\_\_

9. NATURE AND PERIOD OF USE

Irrigation:	From _____ to _____
Stockwatering:	From _____ to _____
Domestic:	From _____ to _____
Municipal:	From _____ to _____
Mining:	From _____ to _____
Power:	From _____ to _____
Other: <i>Drilling</i>	From <i>April 1, 1981</i> to <i>March 1982</i>

10. PURPOSE AND EXTENT OF USE

Irrigation: \_\_\_\_\_ acres. Sole supply of \_\_\_\_\_ acres.  
 Stockwatering (number and kind): \_\_\_\_\_  
 Domestic: \_\_\_\_\_ Families and/or \_\_\_\_\_ Persons  
 Municipal (name): \_\_\_\_\_  
 Mining: \_\_\_\_\_ Mining District in the \_\_\_\_\_ Mine  
 Ores mined: \_\_\_\_\_  
 Power: Plant name: \_\_\_\_\_ Type: \_\_\_\_\_ Capacity: \_\_\_\_\_  
 Other (describe): *Exploration energy drilling*

11. PLACE OF USE

Legal description of place of use by 40 acre tract(s): *SW NE 35-37S-23E 2000n, 1850e*  
*(S. 2000ft + W. 1850ft from NE cor. SEC. 35, T37S, R23E, S4B.M. (SW 1/4 NE 1/4))*  
 Well: *#1 Chewinard*

12. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. (Use additional pages of same size if necessary): *Water located on R.L.M. land. Use approved through R.L.M.*  
*Small diversion pond, dam built by son from county some time in past. Located on south side of county road # 206 on Brown creek.*

\*\*\*\*\*

The applicant(s) hereby acknowledges that he/she/they are a citizen(s) of the United States of America or intends to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).

*James Ward*  
 \_\_\_\_\_  
 Signature of Applicant(s)

TEMPORARY

STATE ENGINEER'S ENDORSEMENT

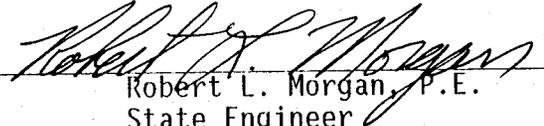
WATER RIGHT NUMBER: 09 - 1633

APPLICATION NO. T63851

1. March 30, 1989      Application received by MP.
  2. April 5, 1989      Application designated for APPROVAL by MP and KLJ.
  3. Comments:
- 
- 

Conditions:

This application is hereby APPROVED, dated April 24, 1989, subject to prior rights and this application will expire on April 24, 1990.

  
Robert L. Morgan, P.E.  
State Engineer



# CELSIUS ENERGY COMPANY

P.O. BOX 458

ROCK SPRINGS, WYOMING 82902

PHONE (307) 382-9791

RECEIVED  
MAY 01 1989

April 28, 1989

DIVISION OF  
OIL, GAS & MINING

Utah Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Re: Chouinard Well No. 1  
SW SE 35-37S-23E  
San Juan County, Utah  
API No. 43-037-31462

Gentlemen;

On April 17, 1989 I sent you a letter informing you that the water source for the above well would be Clyde Watkins of Blanding, however, we have had a change of plans and will be obtaining our water from Wright Way Trucking Fluid Division, using their permit 09-1633, Brown's Canyon, 13-37S-22E, San Juan County, Utah

Sincerely,

C. J. Flansburg  
Coordinator, Regulatory Affairs

CJF/srl

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

API NO. 43-037-31462

NAME OF COMPANY: CELSIUS ENERGY COMPANY

WELL NAME: CHOUINARD #1

SECTION SWNE 35 TOWNSHIP 37S RANGE 23E COUNTY SAN JUAN

DRILLING CONTRACTOR EXETER

RIG # 68

SPUDED: DATE 4/28/89

TIME 11:00 a.m.

How ROTARY

DRILLING WILL COMMENCE \_\_\_\_\_

REPORTED BY SHIRLEY

TELEPHONE # 307-382-9791

DATE 5/1/89 SIGNED TAS

UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

INDIVIDUAL WELL RECORD

Sec. 35  
 T. 37 S.  
 R. 23 E.  
 SLB& \_\_\_\_\_ Mer.

		35	

Date August 8, 1989

Ref. No. \_\_\_\_\_

FEDERAL

State Utah

Lease No. 51841

County San Juan

Lessee Marathon Oil Company 100%

Field Wildcat

Operator Celsius Energy Company

Unit/CA \_\_\_\_\_

Well Name & No. Chouinard 1

District Moab

A.P.I. Well No. 43-037-31462

Subdivision SWNE

Location 2000' FNL & 1850' FEL

Date Drilling Approved April 3, 1989

Well Elevation 5668' gr Feet

Date Drilling Commenced April 28, 1989

Total Depth 6390 KBM Feet

Date Drilling Ceased May 12, 1989

Initial Production \_\_\_\_\_

Oral to P&A  
 Date Completed For Production May 12, 1989

Gravity A.P.I. \_\_\_\_\_

Abandonment Approved (Final) August 30, 1989

Initial Reservoir Pressure \_\_\_\_\_

FAN Approval May 21, 1991

GEOLOGIC FORMATIONS

PRODUCTIVE HORIZONS

SURFACE	LOWEST TESTED	NAME	DEPTHS	CONTENTS
Dakota	Salt			
SURFACE MANAGEMENT AGENCY	BLM			
MINERAL OWNERSHIP	BLM			
LEASE EXPIRATION	11/30/92			

WELL STATUS

YEAR	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
1989				SPUD	P&A			SPA Approved 8/30/89				
1991					FAN App.							

Production Memorandum \_\_\_\_\_ Lease Extension Memorandum \_\_\_\_\_ Confirmation \_\_\_\_\_

Remarks \_\_\_\_\_



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

Page \_\_\_\_ of \_\_\_\_

**RECEIVED**  
MAY 16 1989

### PRODUCING ENTITY ACTION

**DIVISION OF  
OIL, GAS & MINING**

Operator Name CELSIUS ENERGY CORPORATION  
 Address PO BOX 11070  
 City SALT LK CITY State UTAH Zip 84147  
 Utah Account No. N4850

Authorized Signature   
 Effective Date 4/29/89 Telephone (801) 530-2586

**ACTION CODE**

- A Establish new entity for new well(s).
- B Add new well(s) to existing entity.
- C Delete well(s) from existing entity.
- D Establish new entity for well(s) being deleted from existing entity.
- E Change well(s) from one entity to another existing entity.
- F Other. (Specify using attachments if necessary.)

**BRACKET WELLS TO BE GROUPED TOGETHER.**

(Use black ink or typewriter ribbon.)

Action Code	Current Entity No.	New Entity No.	API No.	Well Name	Well Location					Producing Formation
					Sec.	T	R	Q/Q	County	
A	99999	10983	4303731462 <del>0001</del>	CHOUINARD #1	35	37S	23E	SWNE	SAN JUAN	DESERT CREEK

Explanation of action: NEW WELL Federal lease Field - Undesignated Not in a Unit Proposed zone - Akah (only well in sec. 35 assign new entity 10983 on 5-18-89. jcl)

--	--	--	--	--	--	--	--	--	--	--

Explanation of action:

--	--	--	--	--	--	--	--	--	--	--

Explanation of action:

--	--	--	--	--	--	--	--	--	--	--

Explanation of action:

--	--	--	--	--	--	--	--	--	--	--

Explanation of action:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

PERMIT IN TRIPLICATE  
(Other instructions  
verse side)

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  Dry & Abandoned

2. NAME OF OPERATOR  
Celsius Energy Company

3. ADDRESS OF OPERATOR  
P. O. Box 458, Rock Springs, Wyoming 82902

4. LOCATION OF WELL (Report location clearly and in accordance with any requirements.\*  
See also space 17 below.)  
At surface  
2000' FNL, 1850' FEL, SW NE

RECEIVED  
MAY 19 1989

DIVISION OF  
OIL GAS & MINING

5. LEASE DESIGNATION AND SERIAL NO.

U-51841

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Chouinard

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Chouinard Prospect

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

35-37S-23E, SLB&M

12. COUNTY OR PARISH 13. STATE

San Juan

Utah

14. PERMIT NO.  
43-037-31462

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
5668' GR

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON\*

SHOOTING OR ACIDIZING

ABANDONMENT\*

REPAIR WELL

CHANGE PLANS

(Other)

(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 above well was plugged and abandoned as follows:

Plug #1 - 5966-6066' KBM - 45 sacks cement.

Plug #2 - 3150-3250' KBM - 55 sacks cement. Tagged plug at 3180' KBM, spotted an additional 20 sacks cement. Plug should be at 3144-3280' KBM.

Plug #3 - 2150-2250' KBM - 45 sacks cement.

Plug #4 - 50' to surface.

The casing flange was cut off and a regulation dry hole marker will be installed.

This procedure was approved by Dale Manchester of the Moab BLM on May 12, 1989.

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

SIGNED

*[Signature]*

TITLE District Manager

DATE May 17, 1989

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

**CEMENTING SERVICE REPORT**

DOM L SCHLUMBERGER INCORPORATED

TREATMENT NUMBER: **700** DATE: **5-13-89**

DS-496 PRINTED IN U.S.A.

WELL NAME AND NO. **Chouinard #1**  
 LOCATION (LEGAL) **S 35 T 37 S R 23 E**  
 FIELD-POOL **Decart Creek**  
 COUNTY/PARISH **San Juan** STATE **Utah** API. NO.  
 NAME **Celsius Energy**  
 AND **Box 458**  
 ADDRESS **Rocksprings Wyoming**  
 ZIP CODE

RIG NAME: **Elder 708**  
 WELL DATA: BIT SIZE **7 7/8** CSG/Liner Size **8 5/8**  
 TOTAL DEPTH **2300** WEIGHT **2 1/4**  
 ROT  CABLE FOOTAGE **2300**  
 MUD TYPE **K-55** GRADE **3rd**  
 BHST  BHCT THREAD  
 MUD DENSITY LESS FOOTAGE SHOE JOINT(S)  
 MUD VISC. Disp. Capacity  
 NOTE: Include Footage From Ground Level To Head In Disp. Capacity

SPECIAL INSTRUCTIONS **All Volumes were Call in.**  
**1st Plug 55 sks G Depth 6016 with 25 bbls**  
**2nd Plug 55 sks with 3% S-1 + Tag in 2 Hours**  
**Plug was 30 ft, Low Co. Rep what's 20 sks**  
**3th Plug 55 sks G with 3% S-1 Depth 2250-2150**  
**4th Plug 15 sk G with 4% S-1, Charges made on loc**  
 IS CASING/TUBING SECURED?  YES  NO  
 LIFT PRESSURE PSI CASING WEIGHT + SURFACE AREA (3.14 x R<sup>2</sup>)  
 PRESSURE LIMIT PSI BUMP PLUG TO PSI  
 ROTATE RPM RECIPROCATE FT No. of Centralizers

Stage Tool	TYPE		TYPE	
	DEPTH		DEPTH	
	TYPE		TYPE	
	DEPTH		DEPTH	

Head & Plugs  TBG  D.P. SQUEEZE JOB  
 Double SIZE **4 1/2** V.H. TOOL TYPE  
 Single  WEIGHT **11.5** DEPTH  
 Swage  GRADE TAIL PIPE: SIZE DEPTH  
 Knockoff  THREAD TUBING VOLUME Bbls  
 TOP  R  W  NEW  USED CASING VOL. BELOW TOOL Bbls  
 BOT  R  W DEPTH TOTAL Bbls  
 ANNUAL VOLUME Bbls

TIME PRESSURE VOLUME PUMPED BBL JOB SCHEDULED FOR TIME: **ASAP** DATE: **5-12** ARRIVE ON LOCATION TIME: **1400** DATE: **5-12** LEFT LOCATION TIME: DATE: **5-13-89**

TIME	PRESSURE		VOLUME PUMPED BBL		INJECT RATE	FLUID TYPE	FLUID DENSITY	SERVICE LOG DETAIL
	TBG OR D.P.	CASING	INCREMENT	CUM				
0001 to 2400								PRE-JOB SAFETY MEETING <b>Yes</b>
1507	370		25		4	H <sub>2</sub> O	8.34	First Plug 6066-59bb Start Water ahead
1514	300		11		4	cmf	15.6	Start Mixing + Pumping Slurry
1518	200		8		4	WATER	8.31	Pump Water behind Displ.
1520	90		73		5	MUD	9.8	Start Pumping Mud Displ.
1535								Shut Down, OPEN Bleeds No flow (Balance) Note Chart is not correct Pressure, 1st Plug
1753	40		10		2	Water	8.34	2nd Plug 3250-3150 Start Water ahead
1758	60		11		2	cmf	15.6	Start Mixing Slurry w/ 3% S-1 + Pump
1803			5		5	Water	8.34	Start Pump Fresh Water behind
1804			40			MUD	9.8	Start Pumping Mud Displ.
1812								Shut Down, First 3 Joint Dry Wait 2 Hours + Tag 3180
2133	100		10		3	Water	8.34	Start Water Ahead
2135	50		4		4	cmf	15.6	Start Mixing + Pumping Slurry
2138	30		105		4	Water	8.34	Start Water behind
2140	20		38		6	MUD	9.8	Displ with Mud

REMARKS **2150 Shut Down Drill Pipe on Vacuum**

SYSTEM CODE	NO. OF SACKS	YIELD CU. FT/SK	COMPOSITION OF CEMENTING SYSTEMS		SLURRY MIXED	
					BBLs	DENSITY
1.	45	1.15	Class G	1st Plug	9	15.6
2.	55	1.15	Class G with 3% S-1	2nd Plug	11	15.6
3.	20	1.15	Class G neat		4	15.6
4.	55	1.15	Class G with 3%	3 Plug		
5.	25	1.15	Class G with 3%	4th Plug + Mousehole	5	15.6
6.						

BREAKDOWN FLUID TYPE VOLUME DENSITY PRESSURE MAX. MIN.  
 HESITATION SQ.  RUNNING SQ. CIRCULATION LOST  YES  NO Cement Circulated To Surf.  YES  NO Bbls.  
 BREAKDOWN PSI FINAL PSI DISPLACEMENT VOL. Bbls TYPE  OIL  STORAGE  BRINE WATER  
 GAS  INJECTION  WILDCAT  
 Washed Thru Perfs  YES  NO TO FT MEASURED DISPLACEMENT  WIRELINE  
 PERFORMANCES CUSTOMER REPRESENTATIVE **J.L. Raymond** DS SUPERVISOR **James Martin**

**CEMENTING SERVICE REPORT**



TREATMENT NUMBER 15-10-2000 DATE  
AGE DS DISTRICT 700

DOV L SCHLUMBERGER INCORPORATED

DS-496 PRINTED IN U.S.A.

WELL NAME AND NO. Chouinard #1 LOCATION (LEGAL) S 35 T 37 S R 23 E RIG NAME: EXETER 68

FIELD-POOL \_\_\_\_\_ FORMATION \_\_\_\_\_

COUNTY/PARISH Sun Jura STATE \_\_\_\_\_ API. NO. \_\_\_\_\_

NAME Celsius Energy

AND Box 458

ADDRESS Rocksprings WY. ZIP CODE \_\_\_\_\_

WELL DATA:		BOTTOM	TOP
BIT SIZE	CSG/Liner Size		
TOTAL DEPTH	WEIGHT		
<input type="checkbox"/> ROT <input type="checkbox"/> CABLE	FOOTAGE		
MUD TYPE	GRADE		
<input type="checkbox"/> BHST <input type="checkbox"/> BHCT	THREAD		
MUD DENSITY	LESS FOOTAGE SHOE JOINT(S)		TOTAL
MUD VISC.	Disp. Capacity		

SPECIAL INSTRUCTIONS WALC

SHOE	FLOOR	TYPE	DEPTH	TYPE	DEPTH

IS CASING/TUBING SECURED?  YES  NO

LIFT PRESSURE \_\_\_\_\_ PSI CASING WEIGHT + SURFACE AREA (3.14 x R<sup>2</sup>) \_\_\_\_\_

PRESSURE LIMIT \_\_\_\_\_ PSI BUMP PLUG TO \_\_\_\_\_ PSI

ROTATE \_\_\_\_\_ RPM RECIPROCATATE \_\_\_\_\_ FT No. of Centralizers \_\_\_\_\_

Head & Plugs  TBG  D.P.  SQUEEZE JOB  S2BTR

Double  Single  Swage  Knockoff

SIZE  WEIGHT  GRADE  THREAD

TAIL PIPE: SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

TUBING VOLUME \_\_\_\_\_ Bbls

CASING VOL. BELOW TOOL \_\_\_\_\_ Bbls

TOTAL \_\_\_\_\_ Bbls

ANNUAL VOLUME \_\_\_\_\_ Bbls

TIME	PRESSURE		VOLUME PUMPED BBL		JOB SCHEDULED FOR			ARRIVE ON LOCATION		LEFT LOCATION	
	TBG OR D.P.	CASING	INCREMENT	CUM	TIME:	DATE:	TIME:	DATE:	TIME:	DATE:	
0001 to 2400											
2257	50		11		3	water 8.34					
2305			11		3	cmnt 15.6					
2310	20		5		3	water 8.34					
2312	0		20		5	mud 9.8					
2317	0										
0130	0		5		.5	water 8.34					
0137	0		3		1	cmnt 15.6					
0144	0		2								

PRE-JOB SAFETY MEETING

Set 3th Plug From 2250-2150

Start Pumping Water Ahead

Start Mixing + Pumping Slurry 3% S-1

Start Pumping Water behind

finish up Displacement

Shut Down Plug Balance.

Surface Plug - 50ft + fill mouse hole

Start Water Ahead

Start Mixing + Pumping Slurry 4% S-1

Cement Circulated to Surface

Open Mud fill line + fill mouse hole

Shut Down Clean up Lines

REMARKS \_\_\_\_\_

SYSTEM CODE	NO. OF SACKS	YIELD CU. FT/SK	COMPOSITION OF CEMENTING SYSTEMS		SLURRY MIXED	
					BBLs	DENSITY
1.						
2.						
3.						
4.						
5.						
6.						

BREAKDOWN FLUID TYPE \_\_\_\_\_ VOLUME \_\_\_\_\_ DENSITY \_\_\_\_\_ PRESSURE MAX. \_\_\_\_\_ MIN. \_\_\_\_\_

HESITATION SQ.  RUNNING SQ. CIRCULATION LOST  YES  NO Cement Circulated To Surf.  YES  NO Bbls.

BREAKDOWN PSI FINAL \_\_\_\_\_ PSI DISPLACEMENT VOL. \_\_\_\_\_ Bbls TYPE  OIL  STORAGE  BRINE WATER  GAS  INJECTION  WILDCAT

Washed Thru Perfs  YES  NO TO \_\_\_\_\_ FT MEASURED DISPLACEMENT  WIRELINE

PERFORATIONS \_\_\_\_\_ CUSTOMER REPRESENTATIVE \_\_\_\_\_ DS SUPERVISOR \_\_\_\_\_

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

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

U-51841

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Chouinard

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Chouinard Prospect

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

35-37S-23E, SLB&M

12. COUNTY OR PARISH

San Juan

13. STATE

Utah

**RECEIVED**  
MAY 19 1989

DIVISION OF  
OIL, GAS & MINING

14. PERMIT NO.

43-037-31462

DATE ISSUED  
3-17-89

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG \***

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. GENS.  Other Plug & Abandon

2. NAME OF OPERATOR  
Celsius Energy Company

3. ADDRESS OF OPERATOR  
P. O. Box 458, Rock Springs, Wyoming 82901

4. LOCATION OF WELL (Report location clearly and in accordance with applicable requirements)\*

At surface 2000' FNL, 1850' FEL, SW NE

At top prod. interval reported below

At total depth

15. DATE SPUDDED 4-28-89 16. DATE T.D. REACHED 5-12-89 17. DATE COMPL. (Ready to prod.) NA 18. ELEVATIONS (OF, RKB, RT, CR, ETC.)\* 5668' GR 19. ELEV. CASINGHEAD NA

20. TOTAL DEPTH, MD & TVD 6390' KBM 21. PLUG, BACK T.D., MD & TVD Surface 22. IF MULTIPLE COMPL., HOW MANY\* → 23. INTERVALS DRILLED BY → ROTARY TOOLS Yes CABLE TOOLS No

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
None - The well was plugged and abandoned 25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN FDC, CNL, Sonic, DIL, Caliper, Gamma Ray, SP 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	24	2212.08	11	736 sacks	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
NA				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
NA		

31. PERFORATION RECORD (Interval, size and number)

NA
----

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
NA	

33.\* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
NA		

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) \_\_\_\_\_ TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS \_\_\_\_\_

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE District Manager DATE May 17, 1989

\*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			No tests or cores were conducted.

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Shinarump	2750	
Cutler	2855	
Honaker Trail	4595	
Paradox	5405	
Ismay	6016	
Hovenweep	6150	
Lower Ismay	6160	
Gothic Shale	6230	
Desert Creek	6266	
Desert Creek		
Porosity	6319	
Chimney Rock	6332	
Akah	6358	
Salt	6388	