

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG FILE NO. 5 THE WATER SANDS OIL OR GAS INSPECTED SUB REPORT AND

DATE FILED 4-2-90

LAND FEL & PATENTED STATE LEASE #1 PUBLIC LEASE #1 INDIAN NOG 8702-1116

DRILLING APPROVED 4-6-90 (EXCEPTION LOCATION)

SPOUDED IN

COMPLETED NOT PRODUCING

INITIAL PRODUCTION

GRAVITY API

GOR

PRODUCING ZONES

TOTAL DEPTH

WELL ELEVATION

DATE ABANDONED PAWT 4

FIELD DESERT CREEK

UNIT

COUNTY SAN JUAN

WELL NO SAND DUNE 2N #1 API NO. 43-037-31516

LOCATION 948' FSL FT FROM IN S LINE 1475' FWL FT FROM E1 W LINE SESW 1/4 - 1/4 SEC 2

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
				42S	23E	2	CHUSKA ENERGY COMPANY



CHUSKA ENERGY COMPANY

315 N BEHREND • FARMINGTON, NEW MEXICO 87401 • PHONE (505) 326 5525

APR 02 1990

March 29, 1990

DIVISION OF
OIL, GAS & MINING

State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Building, Suite 350
Salt Lake City, Utah 84118-1203

Ref: Application for Permit to Drill: Sand Dune 2N Well No. 1,
San Juan County, Utah

Gentlemen:

Attached for your examination and approval is the original and two copies of an Application for Permit to Drill the Sand Dune 2N Well No. 1 in San Juan County, Utah. This well will be drilled as part of an ongoing exploration program.

The location for this well falls outside the guidelines for the State of Utah spacing requirements. However, the well has been sited so as to allow the well bore to penetrate geological structures which have been identified by seismic interpretation. We therefore apply for an exception to the General State Spacing requirements. Chuska Energy controls the acreage surrounding the proposed site, as indicated on the attached land plat.

Please advise if you require additional information concerning this application. Chuska will greatly appreciate your prompt consideration.

Sincerely,

Donald S. Barnes
Operations Manager

DSB/csw

File: C:\WP\CSWH\SANDDUNE.2N\APDCOVER

encl.

S OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK			5. Lease Designation and Serial No. NOG 8702-1116	
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			6. If Indian, Allottee or Tribe Name Navajo Tribal	
b. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>			7. Unit Agreement Name	
2. Name of Operator Chuska Energy Company			3. Farm or Lease Name Sand Dune 2N	
3. Address of Operator 315 North Behrend, Farmington, New Mexico 87401			9. Well No. 1	
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface 948 FSL, 1475 FWL, APR 02 1990 At proposed prod zone Same			10. Field and Pool, or Wildcat Wildcat Desert Creek (350) 11. 00, Sec., T., R., N., or Blk. and Survey or Area S2 T42S R23E	
14. Distance in miles and direction from nearest town or post office* DIRECTION OF OIL GAS & MINING			12. County or Parish San Juan	
15. Distance from proposed* location to nearest property or lease line, ft (Also to nearest drier line if any)			13. State Utah	
16. No. of acres in lease			17. No. of acres assigned to this well	
18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. 6,262 <i>1155'</i>			20. Rotary or cable tools Rotary	
21. Elevations (Show whether DF, RT, GR etc) 4,862 GR			22. Approx. date work will start* 7-15-90	
23. PROPOSED CASING AND CEMENTING PROGRAM				
Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	8 5/8"	24 lb	500	371 sq '6 + 6% CaCl ₂
7 7/8"	5 1/2"	15.5 lb	6,262'	674 sq '6, 65:35 Poz + 6% Gel

Refer to attached 10-point Drilling Plan etc.

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. I hereby certify that this report is true and complete to the best of my knowledge.
 Signed *Ronald C. Barnes* Title Operations Manager Date 3-29-90
 (This space for Federal or State office use)

API NO. 43-037-31516 Approval Date _____

Approved by _____ Title _____

Conditions of approval, if any

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

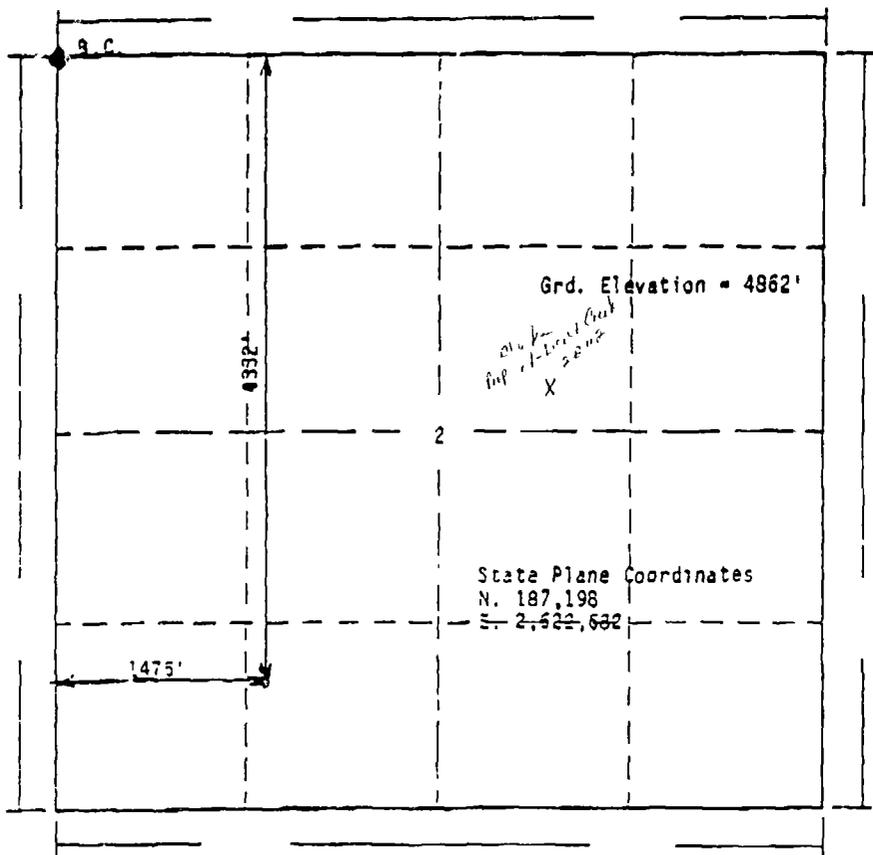
DATE 7-6-90
BY *John R. Barnes*
WELL SPACING: 8615-3-3

*See Instructions On Reverse Side



Form PS-102

R. 23E



Scale: 1"=1000'

Powers Elevation of Denver, Colorado has in accordance with a request from Donald S. Barnes for Chuska Energy Company determined the location of Sand Dune 2N-1 to be 4332' S. of and 1475' E. of N.W Section 2, Township 42 S Range 23 E of the Salt Lake Principal Meridian, San Juan County, Utah

I hereby certify that this accurate representation of survey showing the location of Sand Dune 2-M-1

BOY A. RUSH
NEW MEXICO
8894
LICENSED LAND SURVEYOR

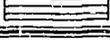
Licensed Land Surveyor
State of New Mexico

Date: 3-25-90

6	5	4	[Grainy shaded area]			
7	8	9				
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

**CHUSKA ENERGY COMPANY
(CECO)**

STATE OF UTAH

	CHUSKA (CECO)
	CECO FARM-IN
	OPEN TRIBAL
	NON-CECO

CHUSKA ENERGY COMPANY

10 POINT DRILLING PLAN

Sand Dune 2N Well No. 1
Section 2, Township 42S, Range 23E
748' FSL, 1475 FWL
San Juan County, Utah

1. SURFACE FORMATION

Geological name of surface formation: Morrison/Bluff

2. ELEVATION

Surface elevation is 4,862 GR.

3. ESTIMATED FORMATION TOPS

<u>Depth</u>	<u>Formation</u>	<u>Glb. Sea Elevation</u>	
Surface	Morrison/Bluff	+ 4862	
536	Navajo	+ 4225	
946	Wingate	+ 3916	
1354	Chinle	+ 3508	
2442	DeChelly	+ 2420	
3389	Cedar Mesa	+ 1473	
4099	Hermosa	+ 763	
4712	Upper Ismay	+ 150	
4884	Desert Creek	- 22	Primary Target
5004	Akan	- 142	Secondary Target
5184	Barker Creek	- 322	
5790	Pinkerton Trail	- 528	
7603	Moles	- 814	
7700	Mesaqui	- 922	
11000	Total Depth	- 11000	

4. PROPOSED CASING CEMENTING PROGRAM

	<u>Depth</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>
Surface	500	8 5/8"	24.0 ppf	K-55	STC
Production:	6,262	5 1/2"	15.5 ppf	K-55	STC

The Akan formation in this well lies in a fault block and it is not anticipated that salts will be encountered. If, however, the formation does contain significant salts, it will not be cased. Other productive zones are prognosed above the Akan formation and the well will be plugged back prior to running casing through them.

Surface Cementing:

371 sk (427 ft³) Class G cement with 2% CaCl₂ and 1/4 lb/sk Celloflake. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Slurry volume will be calculated at 100% excess over annular volume.

Production Cementing:

First Stage

TD to 3,700 (stage collar @ ± 3,700). Lead with 184 sk Class G cement, 65:35 Pozmix, with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft³/sk. Tail with 100 sk Class G cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 455 ft³.

Second Stage

3,700 to surface. Lead with 290 sk Class G cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft³/sk. Tail with 100 sk Class G cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 651 ft³.

Note: Exact slurry volumes for the production string will be adjusted according to the caliper log which will be run prior to cementing. Special adjustments may be necessary if significant amounts of salt are drilled.

5. BLOWOUT PREVENTER (See attached schematics)

As abnormal pressure is not anticipated, a 2000 psi BOP system would be sufficient for the drilling of this well. However, due to availability constraints, a 3000 psi system will be used, as per the attached Schematics 'A' and 'B'. This well will be equipped with a Series double ram preventer, 14" opening, 13 1/2" ID of pipe and blind rams.

An accumulator system, with a pressure capacity sufficient to operate the rams three complete cycles without rig power, will be required as part of the rig equipment.

6. PROPOSED MUD PROGRAM

Surface to 3500

Fresh water, gel, lime and native solids. Weight 8.3 - 8.7 ppg. Gel/lime sweeps as necessary for hole cleaning.

3500 to TD

Low solids, non-dispersed polymer system. Weight 8.6 - 8.8 ppg. Gel/lime sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTs.

Note:

If the Akah proves to contain significant salts, the mud system will be broken over to saturated salt water, starch, salt gel. Weight 10.0 - 10.5 ppg, viscosity 35 - 40 sec/qt. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTs.

7. AUXILIARY EQUIPMENT

- A A relief cock will be installed during drilling operations, with handle available on the rig floor.
- B Floor (stabbing) valves will be available, on the rig floor at all times, with necessary subs to fit all of the drilling assemblies.
- C Mud will be the circulating fluid. No abnormal formation pressures are expected

8. WELL EVALUATION

Open hole electric logging program will consist of a minimum program of DLL-MSFL-SP GR-Cal, FDC-CNL-GR-Lithodensity from TD to 4000

Drill stem testing will be run per the wellsite geologist's recommendations. Gas and shows. A mud logging unit will be utilized during drilling operations from 4000 to TD.

9. ABNORMAL PRESSURES/GAS

Abnormal pressures are not anticipated. Monitoring of gas and hydrocarbon shows will be by wellsite mud logging unit. H₂S gas is not anticipated, however regular checks will be made while drilling the well.

10. TIMING

The drilling and evaluation of this well is estimated to be 18 days. Anticipated spud date is 7-15-90.

EXHIBIT "A"
BLOW'OUT PREVENTER

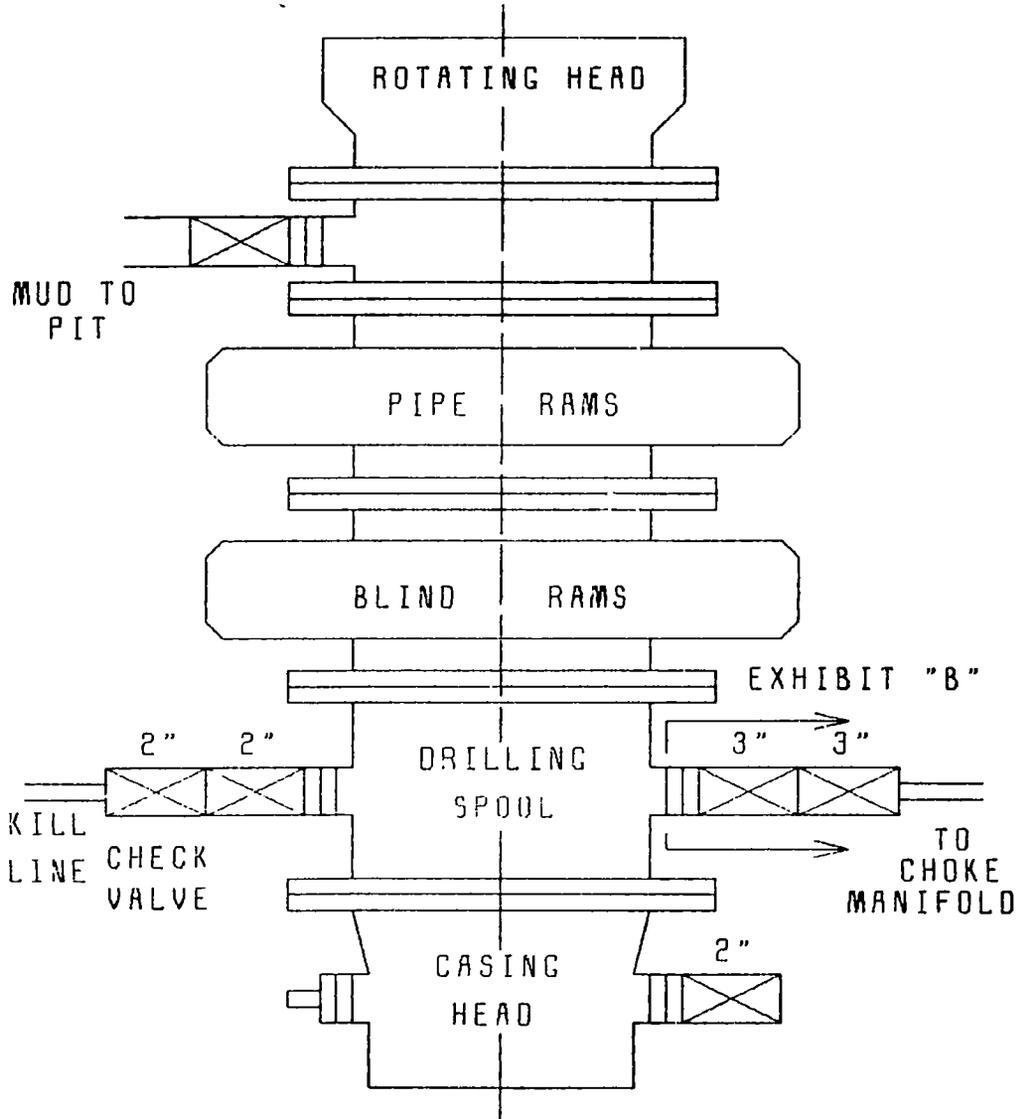
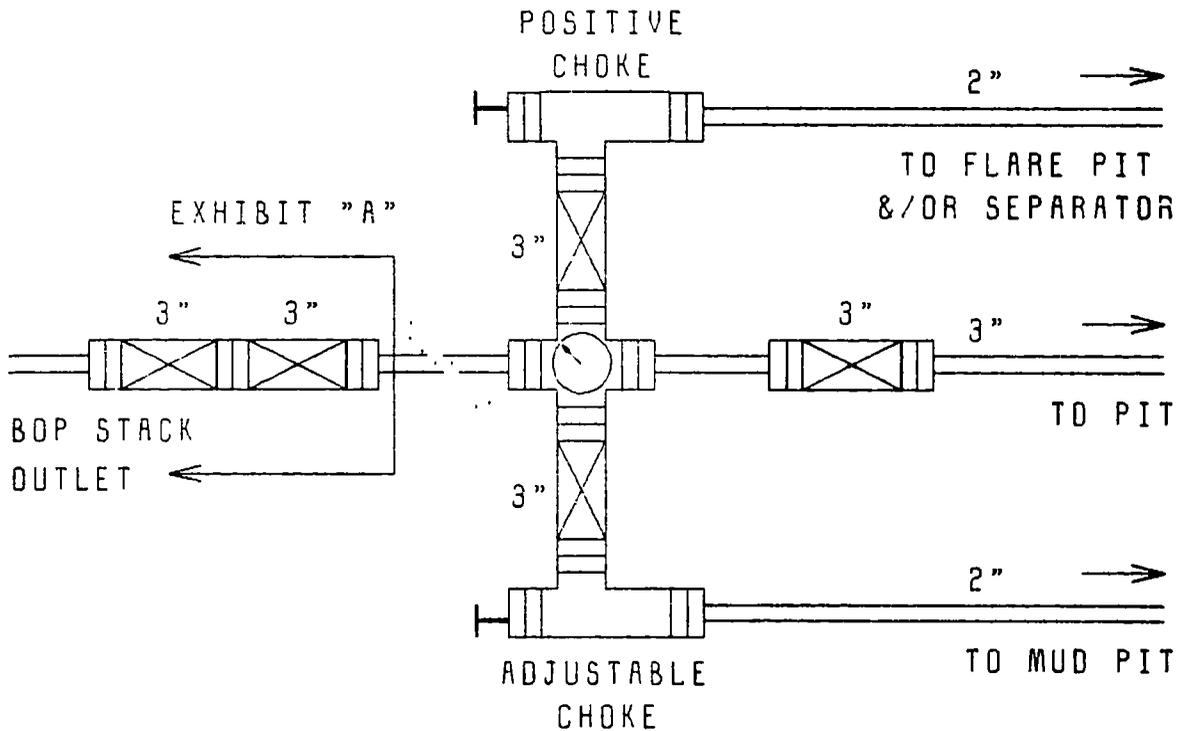


EXHIBIT "B"
CHOKE MANIFOLD



DETAILED DRILLING PROGRAM

DATE: 29 March 1990

WELL NAME: Sand Dune 2N WELL NO.: 1

LOCATION: Section 2, Township 42S, Range 23E
948' FSL, 1475' FWL
San Juan County, Utah

ELEVATION: 4,862' GR

TOTAL DEPTH: 6,262

PROJECTED HORIZON: Primary target is Desert Creek at 4,884
Secondary target is Akah at 5,004

DRILLING, CASING AND CEMENTING PROGRAM

1. Move in and rig up rotary tools. Notify BLM of time of spud and intent to run surface casing.
2. Drill mouse hole and rat hole. 1' mud prior to spudding well.
3. Drill 12 1/4" hole to \pm 500'. Use fresh water gel/lime spud mud for drilling surface hole. Well bore inclination is not to exceed 1 at 500'. Deviation surveys will be run at least at 250' and at casing point.
4. Run 8 5/8", 24 lb/ft, J-55, STC casing to TD. Cement with 171 sk (427 ft³) of Class G cement with 2% CaCl₂ and 1.1 lb/sk Celloflake (sufficient slurry volume to circulate cement to surface).
5. W.D.C. a minimum of 4 hours prior to nipping up BOP stack and related equipment. See LOP schematics for details.
6. Ensure plug has been down a minimum of 8 hours prior to cementing procedure testing procedures. Pressure test BOP to 2,000 psi for 30 minutes. Pressure test manifold and all related equipment to 2,000 psi. Pressure test casing to 1,500 psi for 30 min.
7. Drill out surface casing with 7 7/8" bit. Drill 7 7/8" hole to TD. Deviation surveys are to be taken every 500' or on a bit trip, whichever occurs first. Maximum allowable deviation will be 5 at TD, with the maximum allowable rate of change to be 1/100'.
9. Run open hole logs and evaluate. Drill stem testing will be as per the wellsite geologist's recommendation.

10. If the well is determined to be productive, run 5 1/2" casing, as detailed in 10-Point Drilling Plan. Set stage cementing collar at \pm 3,700 . Cement in two stages as per cementing program in 10-point Drilling Plan.
11. Nipple down BOPE. Set 5 1/2" casing slips and cut off casing. Install well head. Release drilling rig and move rig off location.
12. If well is non-productive it will be plugged and abandoned as per State, BLM and Navajo Tribal stipulations.

Sand Dune 2N Well No. 1
Section 2, Township 42S, Range 23E
948' FSL, 1475' FWL
San Juan County, Utah

GENERAL COMPLETION PROCEDURE

If the well is determined to be productive, move in completion rig. Perforate, acidize, and test each productive porosity zone. Completion work will commence after Sundry Notice approval is received. Detailed procedures will follow.

PLUGGING AND ABANDONMENT

If the well is determined not to be productive, the well bore will be plugged as per BLM, State and Navajo Tribal requirements.

Sand Dune 2N Well No. 1
Section 2, Township 42S, Range 23E
946 FSL, 1475 FWL
San Juan County, Utah

SURFACE USE PLAN

1. EXISTING ROADS

Shown on the attached topographic map are the existing roads in the immediate area. Outlined is the route to be followed from Montezuma Creek. Existing roads will be maintained, as necessary, while operations are in progress.

2. PLANNED ACCESS ROAD (SHOWN IN RED)

The access road will be as shown on the attached topographic maps. The road will be flat bladed, constructed 14' in width and will be maintained as necessary to prevent excessive damage to the existing terrain. The road will be upgraded if some oil production is established. Minimal new road will need to be constructed to the location pad as it lies in very close proximity to an existing road.

3. LOCATION OF EXISTING WELLS & TANK BATTERIES

There are no other producing wells or facilities in the immediate area.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

No production facilities are presently in place. Should the well prove to be productive, facilities (tank battery etc) will be sited on the drilling location pad.

5. LOCATION, TYPE OF WATER SUPPLY

Water will be supplied from a local private source. The water will be treated on a local well permitted to Ray Hot Oil Inc., permitted under Water Right #27114, A68809.

6. SOURCE OF CONSTRUCTION MATERIALS

The need for additional construction materials is not anticipated. In the event that additional materials are required, they will be acquired either from private sources or with the approval of the Navajo Nation.

7. METHODS OF HANDLING WASTE MATERIAL

Trash will be contained on location in an enclosed bin. It will be hauled to an approved disposal site or burned on location if a burning permit is granted. The reserve pit will be lined, with an approved 7 mil liner, for containing drilling fluids. The pit will also be fenced. All drilling fluids, cuttings and chemical waste will be stored in the reserve pit. Liquid hydrocarbons will be stored in temporary storage tanks and hauled from location to approved sales facilities. The reserve pit will be emptied, back filled and restored to natural terrain status upon completion of drilling operations.

8. ANCILLARY FACILITIES

Chemical portable toilet facilities will be provided on location during drilling and completion operations. No camps or air strips are planned for this well.

9. WELL SITE LAYOUT

Attached is a surveyor's staking plat, cut and fill requirements and a schematic of the proposed rig layout.

10. PLANS FOR RESTORATION OF THE SURFACE

The location is laid out on a broadly north south trend and will require up to 7' of cut in the south east corner (up to 0' in the reserve pit) up to 7.5' of fill on the western side of the location pad. Top soil removed from the pad will be stored at the well site. A reserve pit will be built on terrain containing sparse native vegetation. After drilling operations are complete, drilling fluid in the reserve pit will be allowed to evaporate. All remaining fluid in the pit will be disposed of into an approved disposal site. The reserve pit will remain fenced during the evaporation and drying process. The pit will then be covered and the surface will be returned to the disturbed area. The terrain will be returned to near to its original condition as possible. Following operations, rehabilitation seeding will be in accordance with OPD BLM/BIA stipulations. There are no residents in the immediate area of the site.

11.

OPERATORS REPRESENTATIVE

CHUSKA ENERGY COMPANY
315 NORTH BEHREND AVENUE
FARMINGTON, NEW MEXICO 87401
DONALD S. BARNES

12. CERTIFICATION

I hereby certify that either I, or persons under my direct supervision have inspected the proposed drill site and access route: that I am familiar with the conditions which presently exist: that the statements made in this plan are, to the best of my knowledge, true and correct and that the work planned will be performed by Chuska Energy, or its sub-contractors, in conformity with the terms and conditions under which it is approved.



DONALD S. BARNES
Operations Manager

CHUSKA ENERGY COMPANY

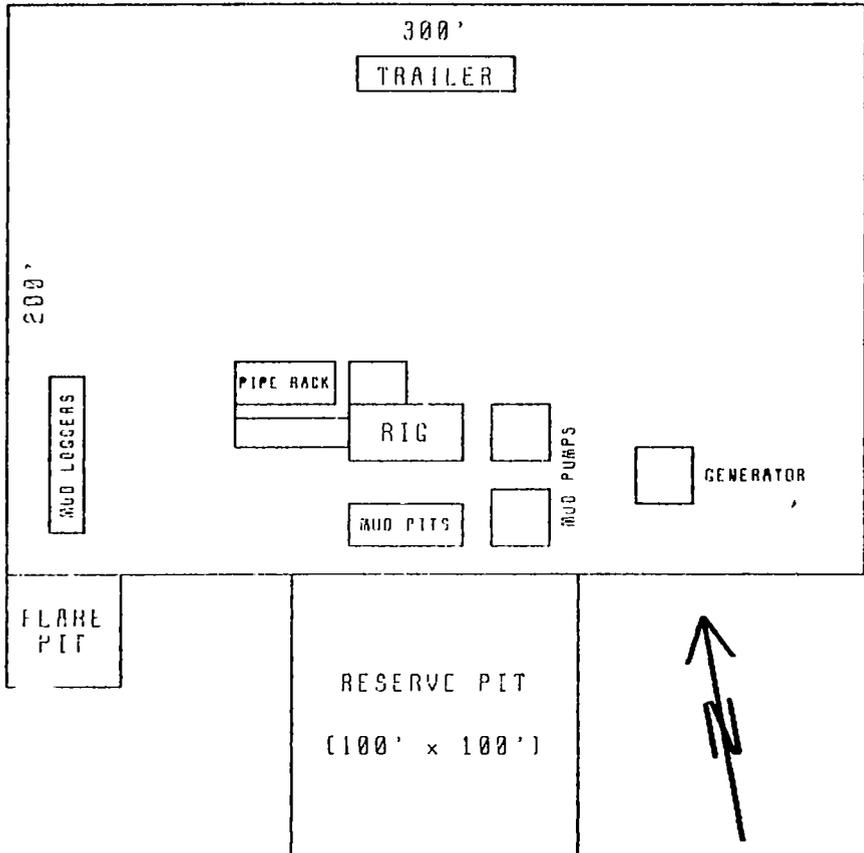
LOCATION LAYOUT

SAND DUNE 2N-1

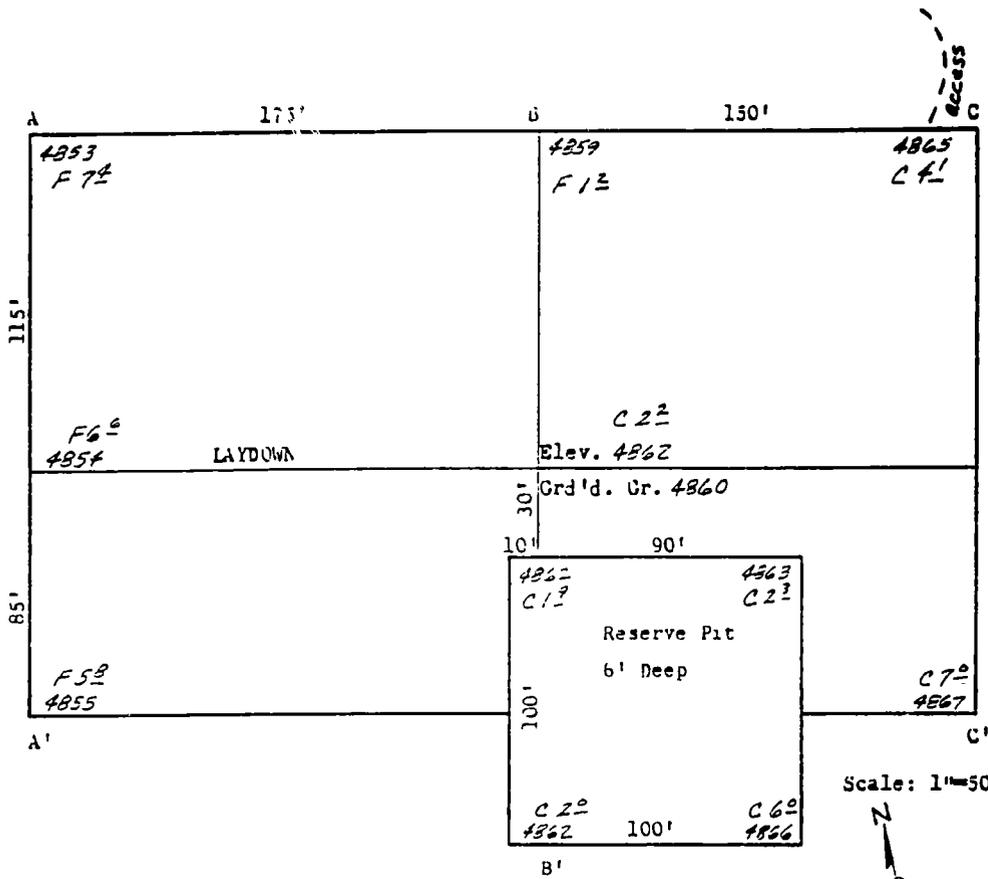
948' FSL, 1475' FWL

SECTION 2, TOWNSHIP 42S, RANGE 21E

SAN JUAN COUNTY, UTAH



CHUSKA ENERGY COMPANY
SAND DUNE # 2-1



Scale: 1"=50'



A-A' Vert 1"=30' Horiz 1"=100'

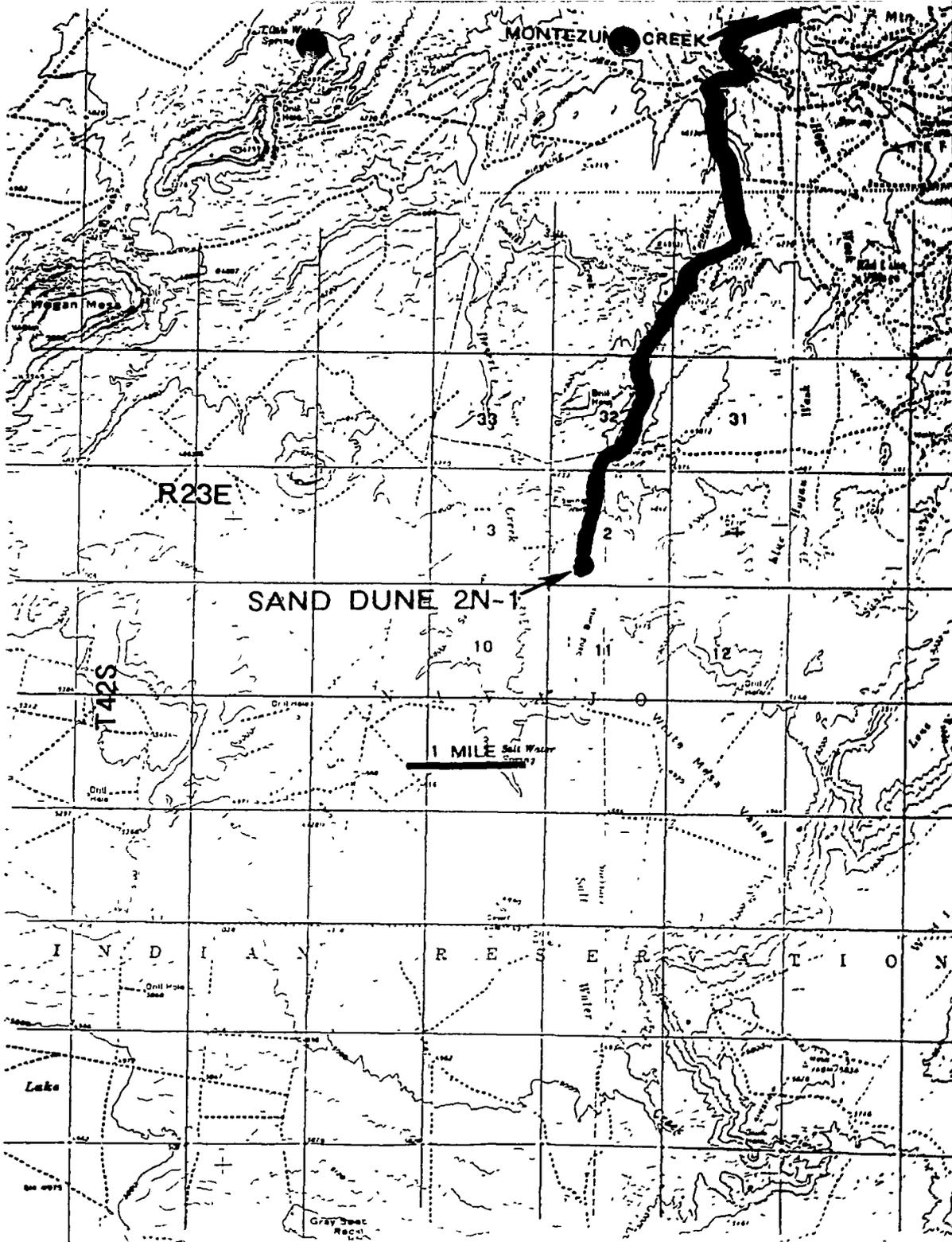
A-A'	Vert 1"=30'	Horiz 1"=100'	C/L
4870	-----	-----	
4860	-----	-----	
4850	-----	-----	4860

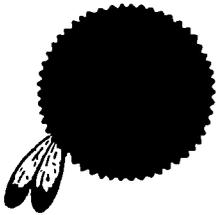
B-B'

4870	-----	-----	
4860	-----	-----	4860
4850	-----	-----	

C-C'

4870	-----	-----	
4860	-----	-----	4860
4850	-----	-----	





CHUSKA ENERGY COMPANY

315 N BEHREND • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326 5525

RECEIVED

APR 2 1990

WATER RIGHTS
PRICE

March 29, 1990

State of Utah
Water Rights Division
P.O. Box 718
Price, Utah 84501-0718

Attn: Mr Mark Page

Ref: Water Use Permits: ^{BLUFF QUAD} Meander 2D Well No. 1 NW¹/₄ NW¹/₄, SEC 2, T41S, R21E
^{WHITE MESA VILLAGE QUAD} Desert Creek 2G Well i.o. 2 SW¹/₄ NE¹/₄ SEC 7, T42, R23E
Sand Dune 2N Well No. 1 SE¹/₄ SW¹/₄, SEC 2, T42S, R23E

Dear Mr Page

Chuska Energy Company proposes to drill the subject wells commencing in July. We intend to haul water in tank trucks, utilizing Hay Hot Oil Service who will obtain water from their artesian well, details of which are as follows:

1050' FNL, 1575' FWL
S27 T40S R23E
San Juan County, Utah

Permit No: 09-1419 (A60B09)

Anticipated water requirement is 1.0 acre-feet per well. Site locations are as detailed in the attached topographic map and staking plats.

Please advise if you require any further information.

Sincerely yours

Donald S. Barnes
Operations Manager

DSB/csw
File: C:\WP\CSWH\MEANDER.2D\WATER

encl.

OPERATOR Chaska Energy Company (N9296) DATE 4-5-90

WELL NAME Sand Dune 2N #1

SEC SESW 2 T 42S R 23E COUNTY San Juan

43-037-31516
API NUMBER

Indian (2)
TYPE OF LEASE

CHECK OFF :

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 920'
W. for Permit 09-1419 / AL-0809 (Hy Hot Oil, Inc)
Exception Location Requested (4 1/2' radius)

APPROVAL LETTER:

SPACING: R615-2-3

N/A
UNIT

R515-3-2

(East 1/2 only of sec 2)
17 2-24-66
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

CC BIA



STATE OF UTAH
NATURAL RESOURCES
Water Rights

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

Southeastern Area • 453 S Carbon Avenue • P O Box 718 • Price, UT 84501-0718 • 801-637-4303

RECEIVED
APR 05 1990

April 3, 1990

DIVISION OF
OIL, GAS & MINING

Chuska Energy Company
Attn: Donald S. Barnes, Operations Manager
315 North Behrend
Farmington, New Mexico 87401

- Re: 1) Meander 2D Well #1: NW4NW4 Sec. 2, T41S, R21E, SLB&M
2) Desert Creek 2G Well #2: SW4NE4 Sec. 2, T42S, R23E, SLB&M
3) Sand Dune 2N Well #1: SE4SW4 Sec. 2, T42S, R23E, SLB&M

Dear Mr. Barnes:

This letter will serve as authorization from this Division to proceed with the drilling at the above noted location. It is understood that the drilling and maintenance water will be hauled to the site by Hay Hot Oil Inc. under their existing water right 09-1419 (A60809). It is also noted on your request that 1.0 acre feet of water will be required at each well site.

Please contact me if you have any questions.

Sincerely,

Mark P. Page
Area Engineer

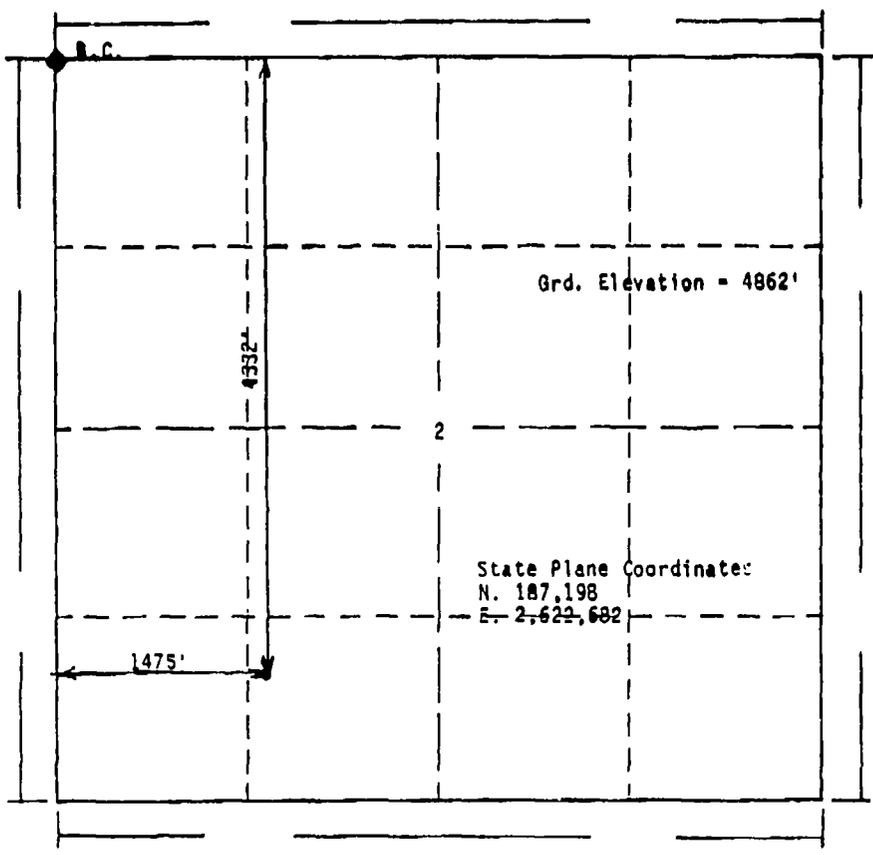
cc: ✓ Lisha Romero, Division of Oil, Gas & Mining
Jerry Howell, Hay Hot Oil Inc.

MPP/mjk



Form PS-102

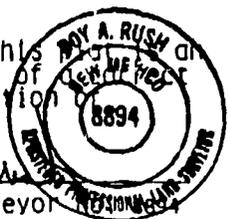
R. 23E



Scale: 1"=1000'

Powers Elevation of Denver, Colorado has in accordance with a request from Donald S. Barnes for Chuska Energy Company determined the location of Sand Dune 2N-1 to be 4332' S. of and 1475' E. of N.W. Section 2, Township 42 S. Range 23 E of the Salt Lake Principal Meridian, San Juan County, Utah

I hereby certify that this is an accurate representation of the survey showing the location of Sand Dune 2-M-1



Date: 3-26-90

Licensed Land Surveyor
State of New Mexico



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Deputy Director

355 West North Temple
3 Triad Center Suite 350
Salt Lake City Utah 84100 1203
(801) 538-5340

April 6, 1990

Chuska Energy Company
315 North Behrend
Farmington, New Mexico 87401

Gentlemen

Re: Sand Dune 2N #1 - SE SW Sec. 2, T. 42S, R. 23E - San Juan County, Utah
948' FSL, 1475' FWL

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

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 7.
- 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 R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules
- 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

Page 2
Chuska Energy Company
Sand Dune 2N #1
April 6, 1990

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 43-037-31516.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

lcr
Enclosures
cc. Bureau of Land Management
D. R. Nielson
J L Thompson
WE14/24-25

ACTION CODE	CURRENT ENTITY NO	NEW ENTITY NO	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11558	43-037-31548	<i>Unit</i> OAK 11G #1	SWNE	11	41S	25E	SAN JUAN		10-19-93
WELL 1 COMMENTS:											
A	99999	11559	43-037-31516	<i>Unit</i> SAND DUNE 2N #1	SESW	2	42S	23E	SAN JUAN		10-19-93
WELL 2 COMMENTS:											
A	99999	11560	43-037-31519	<i>Unit</i> DESERT CREEK 2G #2	SWNE	7	42S	23E	SAN JUAN		10-19-93
WELL 3 COMMENTS:											
A	99999	11561	43-037-31571	<i>Unit</i> ANASAZI 6H #1	SENE	6	42S	24E	SAN JUAN		10-19-93
WELL 4 COMMENTS:											
A	99999	11562	43-037-31628	<i>Unit</i> BAT 8-L	NW5W	8	42S	24E	SAN JUAN		10-19-93
WELL 5 COMMENTS:											

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

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

(3/89)

lc
 L. CORDOVA (DOGM)
 Signature
 ADMIN. ANALYST 10-19-93
 Title Date
 Phone No ()

FEBRUARY 8, 1994

TO: WELL FILE

FROM: K. M. HEBERTSON

RE: Status, Sand Dune 2N-1 43-037-31516 2-42S-23E

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

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

KMH

STATE OF UTAH
DIVISION OF U.L., GAS AND MINING
OIL AND GAS INSPECTION RECORD

WELL NAME: SAND DUNE 2N #1

LEASE:

API: 4303731516

WELL NO:

QTR/QTR: SESW SECTION: 02

TWP: S420

RANGE: E230

LOCATION: 0948S14/5W

FIELD:

OPERATOR: CHUSKA ENERGY COMPANY

CONTRACTOR:

DRILLING / COMPLETION / WORKOVER

Y APD
SAFETY
OPERATIONS

WELL SIGN
POLL. CONTROL
OTHER

HOUSEKEEPING
SURFACE USE

BOPE
PITS

SHUT-IN / TA:

WELL SIGN
SHUT-IN

HOUSEKEEPING
1A

EQUIPMENT
OTHER

SAFETY

ABANDONED:

MARKER

HOUSEKEEPING

REHAB

OTHER

PRODUCTION:

WELL SIGN
METERING
SECURITY

HOUSEKEEPING
POLL. CONTROL
SAFETY

EQUIPMENT
PITS
OTHER

FACILITIES
DISPOSAL

GAS DISPOSITION:

VENTED/FLARED

SOLD

LEASE USE

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

FACILITIES INSPECTED:

REMARKS:

NO GROUND DISTURBED

ACTION:

INSPECTOR: GLENN GOODWIN

DATE: 93/05/05