

CHUSKA ENERGY COMPANY

3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

P.O. BOX 780 • FARMINGTON, NEW MEXICO 87499

RECEIVED
SEP 21 1990

DIVISION OF
OIL, GAS & MINING

18 September, 1990

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 84180-1203

Ref: Application for Permit to Drill
Runway 10C-5 Well, 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 Runway 10C Well No. 5 in San Juan County, Utah. This well will be drilled as part of an ongoing exploration and development 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 the structure in an optimal position for development of 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 Energy will greatly appreciate your prompt consideration.

Sincerely,

Larry G. Sessions
Larry G. Sessions
Operations Manager

LGS/csw
File: C:\WP51\RUNWAY.10C\APDCOVER

encl.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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 Multiple

2. Name of Operator
 Chuska Energy Company

3. Address of Operator
 P.O. Box 780, Farmington, New Mexico 87499

4. Location of Well (Report location clearly and in accordance with any state divisions*)
 At Surface 70' FNL, 2360' FW OIL, GAS & MINING
 At proposed prod. zone Same

5. Lease Designation and Serial No.
 NOG 8702-1116

6. If Indian, Allottee or Tribe Name
 Navajo Tribal

7. Unit Agreement Name

8. Farm or Lease Name
 Runway 10C

9. Well No.
 5

10. Field and Pool, or Wildcat
 Runway/Paradox Wildcat

11. QR, Sec., T., R., N., or Blk. and Survey or Area
 S10 T40S R25E

12. County or Parish
 San Juan

13. State
 Utah

14. Distance in miles and direction from nearest town or post office*
 8 miles North of Aneth, Utah

15. Distance from proposed location to nearest* property or lease line, ft. (Also to nearest drlg. line, if any) 1,042'

16. No. of acres in lease 49,997

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. 2,426'

19. Proposed depth 6,275' GR AKAH

20. Rotary or cable tools Rotary

21. Elevations (Show whether DF, RT, QR, etc.) 5,245' GR

22. Approx. date work will start* 12-18-90

RECEIVED
SEP 21 1990

DIVISION OF OIL, GAS & MINING
NEW

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 sx 'G' + 2% CaCl ₂
7 7/8"	5 1/2"	15.5 lb	6,275'	867 sx 'G', 65:35 Poz + 6% GeI

Refer to attached 10-Point Drilling Plan etc.

OIL AND GAS	
DFN	RJF ✓
JFB	GLH
DIS	SLS
I-TAS	
MICROFILM	
FILE	

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 Christopher S.W. Hill Title Petroleum Engineer Date 18 September, 1990

(This space for Federal or State office use)

API NO. 43-037-31566 Approval Date _____

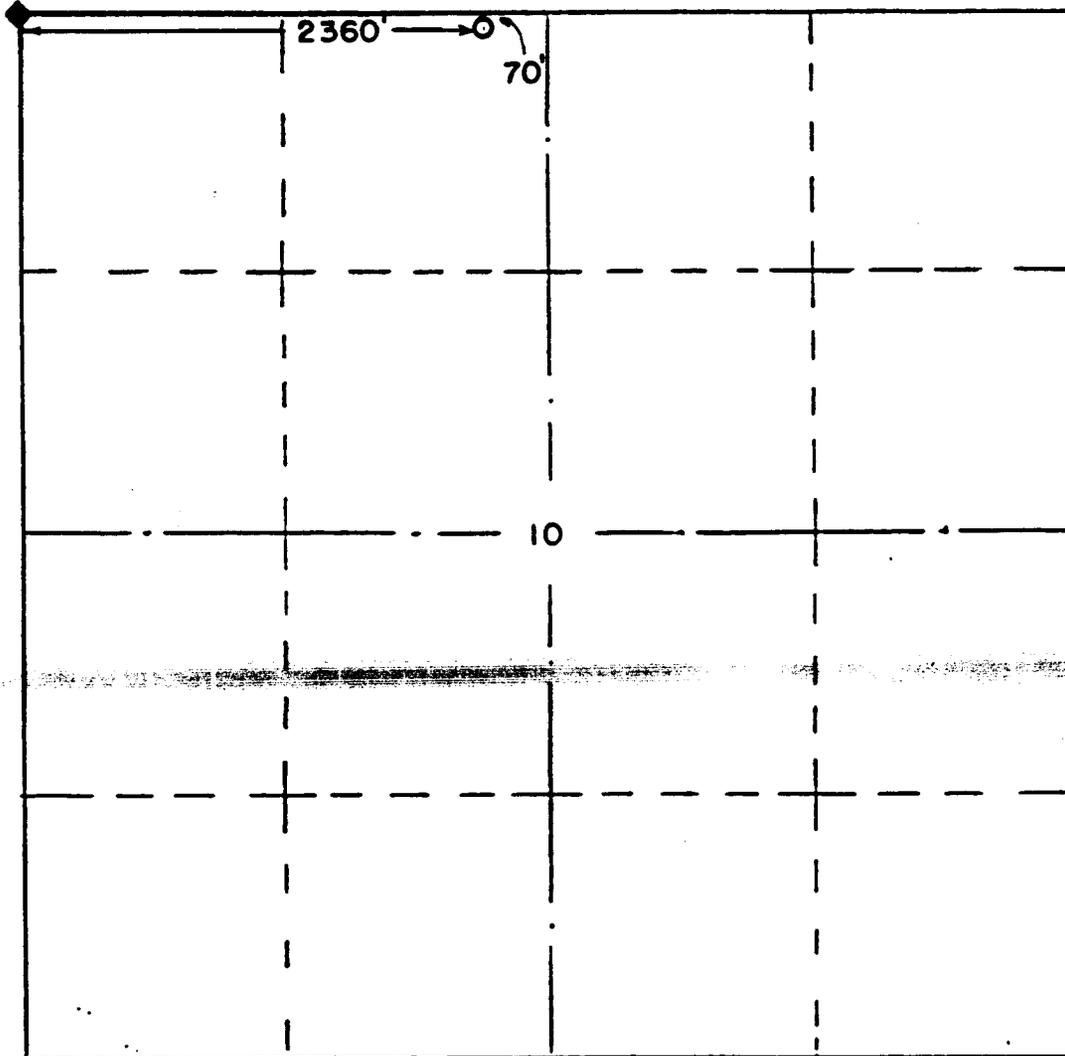
Approved by _____ Title _____ DATE: 10/20/90
 BY: [Signature]

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

WELL SPACING: 15-3-3
 (Exception)

*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT



WELL LOCATION DESCRIPTION:

CHUSKA ENERGY COMPANY, Runway 10 - C - 5

70' FNL & 2360' FWL

Section 10, T.40 S., R.25 E., SLM

San Juan, UT.

5245' ground elevation

State plane coordinates from seismic control:

x = 2,680,502

y = 250,086

The above plat is true and correct to my knowledge.

13 September 1990

REGISTERED LAND SURVEYOR
No. 8705
GERALD G. HUDDLESTON
HUDDLESTON
Gerald G. Huddleston, LS
STATE OF UTAH

6	5	4	3	2	1
7	8	RUNWAY 10E-2 9	RUNWAY 10C-5 • RUNWAY 10G-1 • 10	11	12
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

ACREAGE POSITION UNDER THE 1987 OPERATING AGREEMENT



CHUSKA: T40S-R25E, SAN JUAN COUNTY, UTAH

CHUSKA ENERGY COMPANY

10 POINT DRILLING PLAN

Runway 10C Well No. 5
Section 10, Township 40S, Range 25E
70' FNL, 2360' FWL
San Juan County, Utah

1. SURFACE FORMATION

Geological name of surface formation: Dakota/Burro Canyon

2. ELEVATION

Surface elevation is 5,245' GR.

3. ESTIMATED FORMATION TOPS

<u>Depth</u>	<u>Formation</u>	<u>Sub Sea</u> <u>Elevation</u>	
Surface	Dakota/Burro Canyon	+ 5,245'	
145'	Morrison	+ 5,100'	
1,275'	Navajo	+ 3,970'	
1,905'	Chinle	+ 3,340'	
3,005'	DeChelly	+ 2,240'	
3,135'	Organ Rock	+ 2,110'	
3,815'	Cedar Mesa	+ 1,430'	
4,935'	Hermosa	+ 310'	
5,845'	Upper Ismay	- 600'	
5,960'	Lower Ismay	- 715'	Secondary Objective
6,035'	Desert Creek	- 790'	Primary Objective
6,215'	Akah	- 970'	
6,275'	Total Depth	- 1,030'	

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 lb	K-55	STC
Production:	6,275'	5 1/2"	15.5 lb	K-55	STC

Surface Cementing:

371 sx (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 calculated at 100% excess over annular volume.

Production Cementing:

First Stage

T.D. to 3,500' (stage collar @ \pm 3,500'). Lead with 225 sx 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 187 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 631 ft³. Bring Class 'G' slurry to 500' above top of Upper Ismay. Cement volumes calculated at 30% excess in open hole.

Second Stage

3,500' to surface. Lead with 355 sx 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 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 772 ft³. Cement volumes calculated at 30% excess in open hole.

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 2,000 psi BOP system would be sufficient for the drilling of this well. However, due to availability constraints, a 3,000 psi system will be used, as per the attached Exhibits "A" and "B". This will be a 10" x 900 Series double ram preventer, equipped with a set 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 5,300'

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

5,300' to T.D.

Low solids, non-dispersed polymer system. Weight 8.6 - 9.5 ppg. Gel/lime sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 15 - 20 cc. Fluid loss to be further reduced to 15 cc or less prior to coring, logging or DSTs.

7. AUXILIARY EQUIPMENT

- A. A kelly 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 T.D. to 4,500'.

Coring and/or drill stem testing will be as per the wellsite geologist's recommendations, based on shows. A mud logging unit will be utilized during drilling operations from at least 500' above the Upper Ismay.

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 17 days. Anticipated spud date is 12-18-90.

EXHIBIT "A"
BLOWOUT PREVENTER

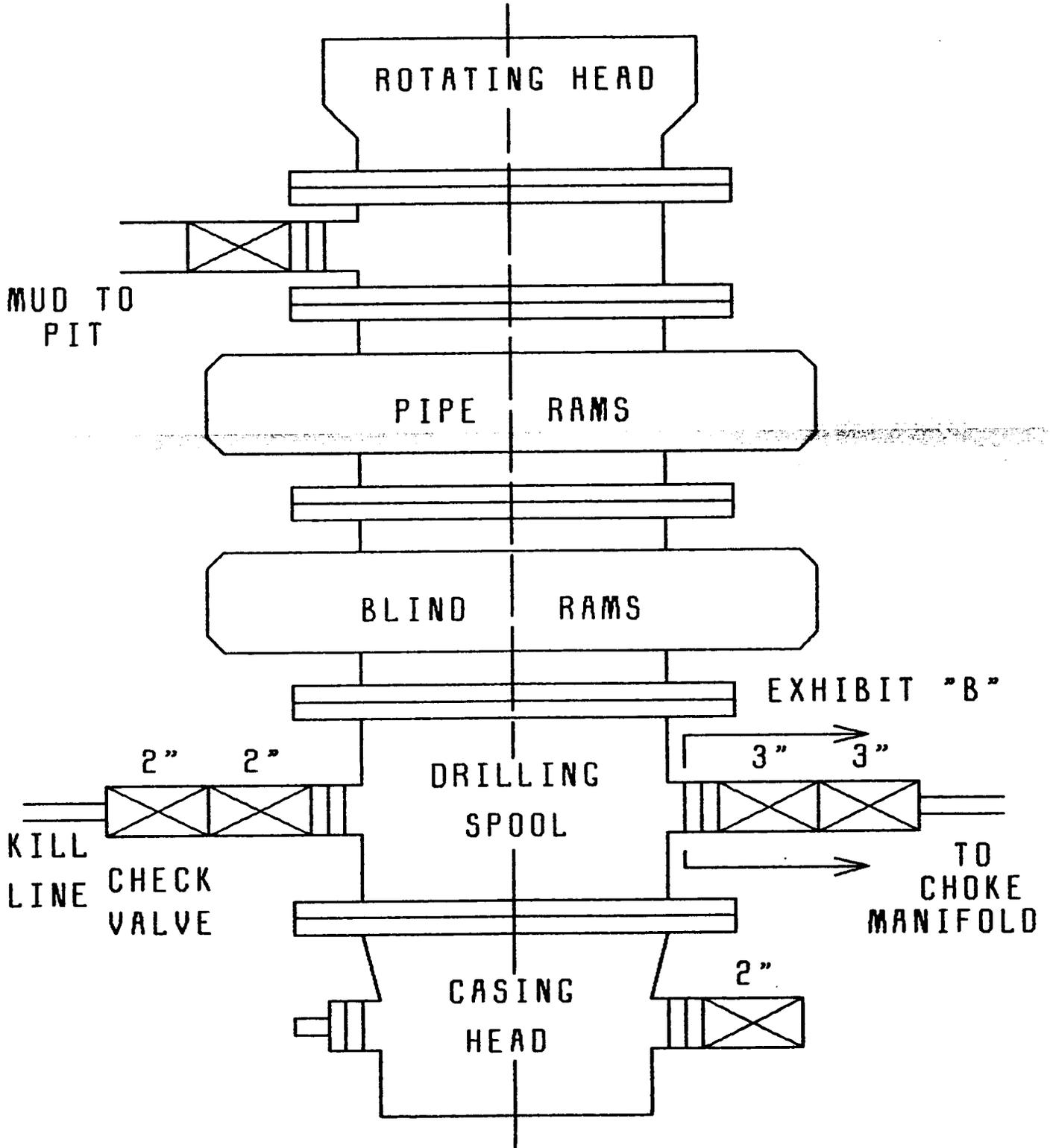
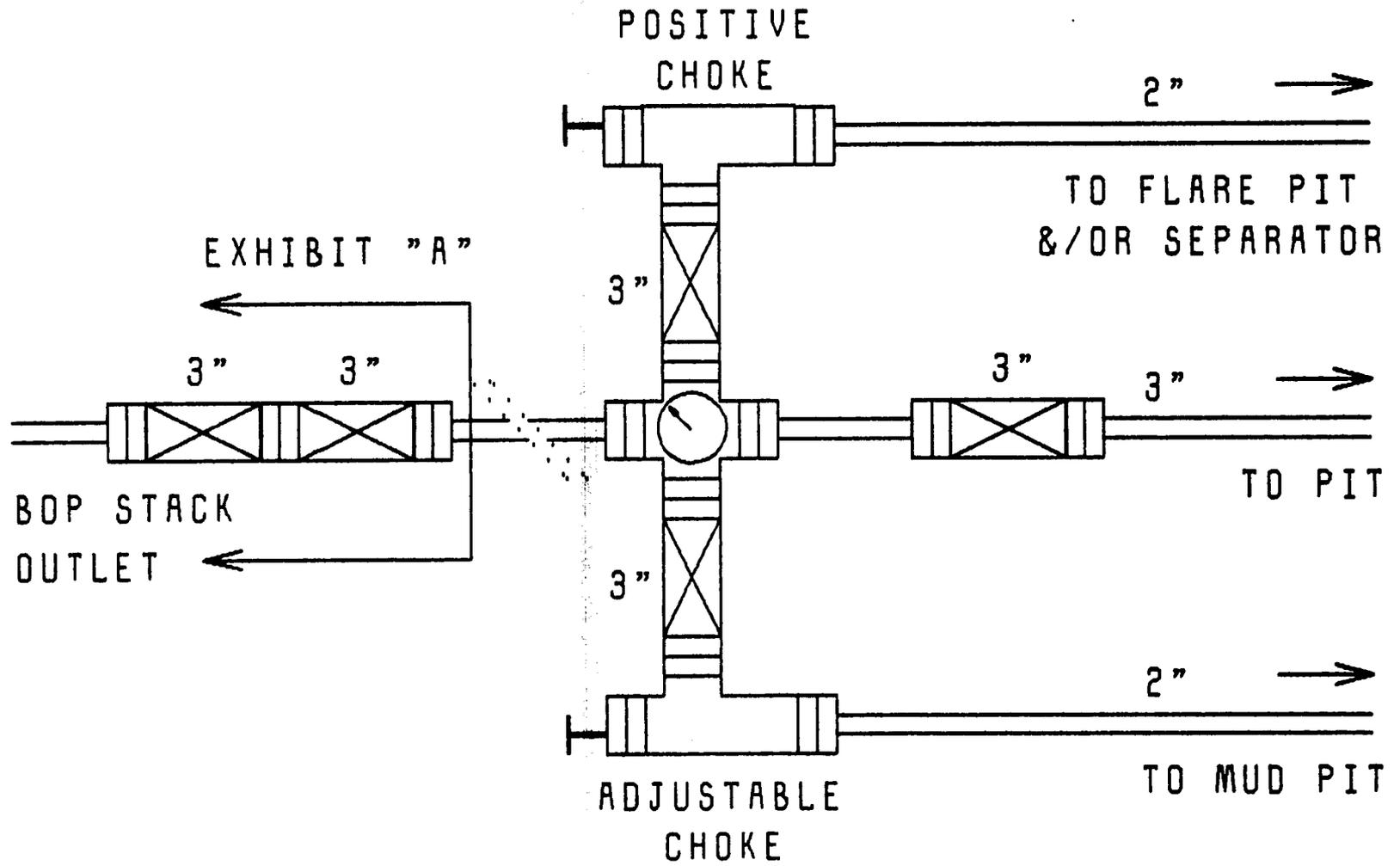


EXHIBIT "B"
CHOKE MANIFOLD



DETAILED DRILLING PROGRAM

DATE: 18 September, 1990

WELL NAME: Runway 10C WELL NO.: 5

LOCATION: Section 10, Township 40S, Range 25E
70' FNL, 2360' FWL
San Juan County, Utah

ELEVATION: 5,245' GR

TOTAL DEPTH: 6,275' GR

PROJECTED HORIZON: Primary target is Desert Creek at 6,035'.
Secondary target is Lower Ismay at 5,960'.

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. Mix 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, K-55, STC casing to T.D. Cement with 371 sx (427 ft³) of Class 'G' cement with 2% CaCl₂ and 1/4 lb/sk Celloflake (sufficient slurry volume to circulate cement to surface)
5. W.O.C. a minimum of 4 hours prior to nipping up BOP stack and related equipment. See BOP schematics for details.
6. Ensure that plug has been down at least 8 hours prior to commencing pressure testing procedures. Pressure test BOP to 2,000 psig for 30 minutes. Pressure test manifold and all related equipment to 2,000 psig. Pressure test casing to 1,500 psig for 30 min.
7. Drill out surface casing with 7 7/8" bit. Drill 7 7/8" hole to T.D. Deviation surveys are to be taken every 500' or on a bit trip, whichever occurs first. Maximum allowable deviation will be 5° at T.D., with the maximum allowable rate of change to be 1°/100'.
8. Run open hole logs and evaluate. Coring and/or drill stem testing will be as per wellsite geologist's recommendation.
9. If the well is determined to be productive, run 5 1/2", 15.5 lb/ft, K-55, STC casing to T.D. Set stage cementing collar at \pm 3,500'. In addition to placing centralizers over potential

production zones, they will also be run to cover the aquifer sands of the Navajo and DeChelly formations, as per BLM stipulations. Cement production casing in two stages as per cementing program in 10-point Drilling Plan.

10. Nipple down BOPE. Set 5 1/2" casing slips and cut off casing. Install well head. Release drilling rig and move rig off location.
11. If well is non-productive it will be plugged and abandoned as per State, BLM and Navajo Tribal stipulations.

Runway 10C Well No. 5
Section 10, Township 40S, Range 25E
70' FNL, 2360' 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.

Runway 10C Well No. 5
Section 10, Township 40S, Range 25E
70' FNL, 2360' 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 on the Hovenweep road. 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 map. 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 commercial production is established. Owing to the proximity of the location to the main, paved, road, less than 100' of new road will need to be constructed to the location pad.

3. LOCATION OF EXISTING WELLS & TANK BATTERIES

Shown on the attached topographic map is the location of the Runway 10G-1 well, where a central tank battery/producing facilities are being constructed.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

No production facilities are presently in place. Should the well prove to be economic, production will be piped to the central facilities, at the Runway 10G-1 location, for further processing.

5. LOCATION & TYPE OF WATER SUPPLY

Water will be acquired from the San Juan River and will be hauled using Chuska Energy Company water trucks, under State of Utah Division of Water Rights Permit Number 09-1722, (T64794).

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 diagram and a schematic of the proposed rig layout.

10. PLANS FOR RESTORATION OF THE SURFACE

The location is laid out on a south west/north east trend and will require up to 20' of cut in the reserve pit (up to 7' of cut in the eastern corner of the location pad) and up to 5' of fill in the western corner 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 disposal process. The pit will then be covered and the topsoil will be returned to the disturbed area. The terrain will be returned as near to its original condition as possible. Following operations, rehabilitation seeding will be in accordance with APD/BLM/BIA stipulations. There are no residents in the immediate area of the site.

11.

OPERATORS REPRESENTATIVE

CHUSKA ENERGY COMPANY
3315 BLOOMFIELD HIGHWAY
FARMINGTON, NEW MEXICO 87402
LARRY G. SESSIONS

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.

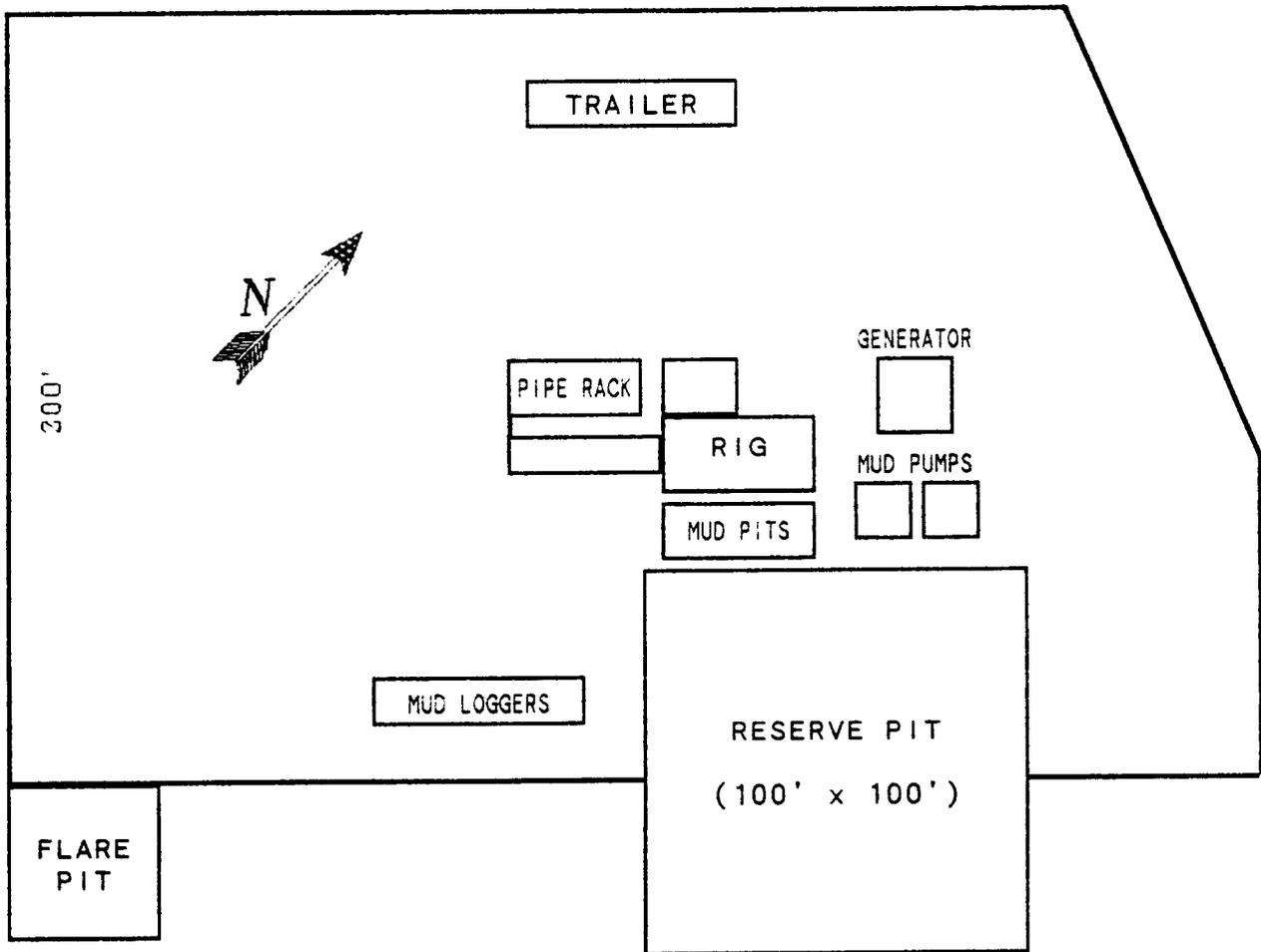

LARRY G. SESSIONS
Operations Manager

RUNWAY 10C-5

70' FNL, 2360' FWL

SECTION 10, TOWNSHIP 40S, RANGE 25E

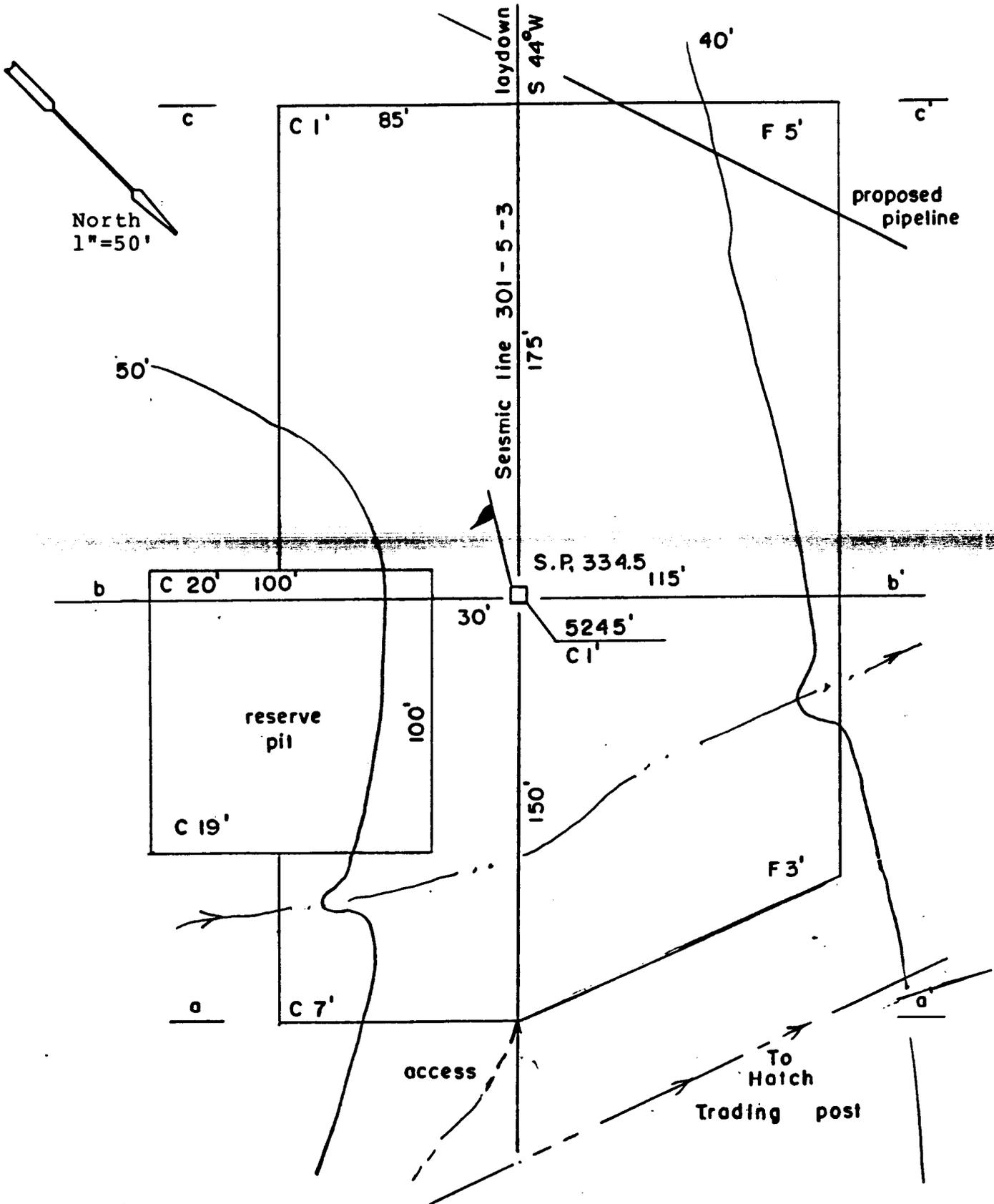
SAN JUAN COUNTY, UTAH



325'

Plan View Sketch

Runway 10 - C - 5

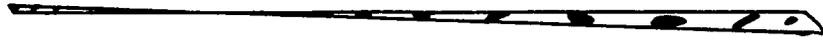


Cross Section

Runway 10 - C - 5

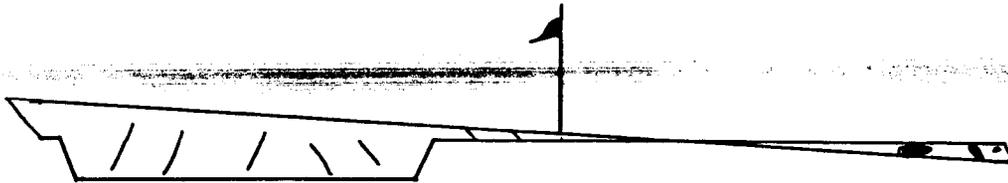
Cut 
Fill 

1"=50' Horz. & Vert.



c

c'



b

b'



a

a'

STATE ACTIONS

Mail to:
RDCC Coordinator
116 State Capitol
Salt Lake City, Utah 84114

1. ADMINISTERING STATE AGENCY
OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
2. STATE APPLICATION IDENTIFIER NUMBER:
(assigned by State Clearinghouse)
3. APPROXIMATE DATE PROJECT WILL START:
December 18, 1990
4. AREAWIDE CLEARING HOUSE(S) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Southeastern Utah Association of Governments
5. TYPE OF ACTION: Lease Permit License Land Acquisition
 Land Sale Land Exchange Other _____
6. TITLE OF PROPOSED ACTION:
Application for Permit to Drill
7. DESCRIPTION:
Chuska Energy Company proposes to drill a wildcat well, the Runway 10C #5, on Navajo Tribal lease number NOG 8702-1116 in San Juan County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The U.S Bureau of Land Management or the Bureau of Indian Affairs is the primary administrative agency in this case and must issue approval to drill before operations can commence.
8. LAND AFFECTED (site location map required) (indicate county)
NE/4, NW/4, Section 10, Township 40 South, Range 25 East, San Juan County, Utah
9. HAS THE LOCAL GOVERNMENT(S) BEEN CONTACTED?
Unknown
10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:
No significant impacts are likely to occur
11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:
12. FOR FURTHER INFORMATION, CONTACT: R.J. Firth
PHONE: 538-5340
13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL

DATE: 9-28-90 Petroleum Engineer

OPERATOR Chuska Energy Company DATE 9-28-90

WELL NAME Ruralay 10C #5

SEC NENW 10 T 40S R 05E COUNTY San Juan

43-037-31566
API NUMBER

Indian (w)
TYPE OF LEASE

CHECK OFF:

PLAT.

BOND

NEAREST WELL

LEASE

FIELD SLBM

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Water Permit 09-1700 (TW4794)
ROCC 9-28-90
Exemption Location

APPROVAL LETTER:

SPACING:

R615-2-3

N/A
UNIT

R615-3-2

N/A
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
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

October 20, 1990

Chuska Energy Company
P. O. Box 780
Farmington, New Mexico 87499

Gentlemen:

Re: Runway 10C #5 - NE NW Sec. 10, T. 40S, R. 25E - San Juan County, Utah
70' FNL, 2360' 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:

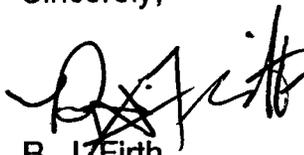
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, 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.

Page 2
Chuska Energy Company
Runway 10C #5
October 20, 1990

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 43-037-31566.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
Bureau of Indian Affairs
J. L. Thompson
we14/1-12

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: CHUSKA ENERGY COMPANY *43-037-31566* *PRC*

WELL NAME: RUNWAY 10C-5

SECTION NENW 10 TOWNSHIP 40S RANGE 25E COUNTY SAN JUAN

DRILLING CONTRACTOR BURGH CORROSION

RIG # 1

SPUDDED: DATE 12-13-90

TIME 5:30 p.m.

HOW ROTARY

DRILLING WILL COMMENCE _____

REPORTED BY CHRIS HALL

TELEPHONE # 505-326-5525

DATE 12-13-90 SIGNED _____ TAS TAKEN BY FRM

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File Runway 10C5

Suspense
(Return Date) _____
(To - Initials) _____

Other

(Location) Sec 10 Twp 40S Rng 25E
(API No.) 43-037-31566 DR

1. Date of Phone Call: 12-20-90 Time: 9:25 AM

2. DOGM Employee (name) F. P. MATTHEWS (Initiated Call)
Talked to:

Name Chris Hall (Initiated Call) - Phone No. (505) 326-5825
of (Company/Organization) Chuska Energy Co.

3. Topic of Conversation: P + A of Runway 10C5
+ skidding of rig to new location.

4. Highlights of Conversation:

Runway 10C5 Sec 10-40S-25E
San Juan County, Ut.
@ 1033' found deviation to be 8 1/2°
This was unacceptable. Will set
plug @ 560-460 back Ch. G. w/
20 sks plug @ surface.
Surface cog 8 5/8" set @ 508'

Rig to be skidded will turn in
measurements on Sunday notice.



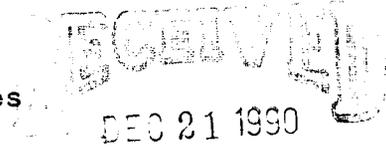
CHUSKA ENERGY COMPANY

3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

P.O. BOX 780 • FARMINGTON, NEW MEXICO 87499

17 December, 1990

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 84180-1203



DIVISION OF
OIL, GAS & MINING

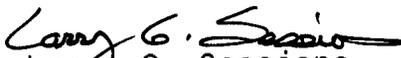
Ref: Sundry Notice: Runway 10C-5 Well
Spud/Surface Casing

Gentlemen

Attached for your examination and approval is the original and two copies of the subject Sundry Notice.

Please advise if you require additional information concerning this submission.

Sincerely,


Larry G. Sessions
Operations Manager

LGS/csw
File: C:\WP51\RUNWAY.10C\SPUDSUN.CVR

encl.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. NOG 8702-1116
2. NAME OF OPERATOR Chuska Energy Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo Tribal
3. ADDRESS OF OPERATOR P.O. Box 780, Farmington, New Mexico 87499		7. UNIT AGREEMENT NAME Runway 10C
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 70' FNL, 2360' FWL At proposed prod. zone Same		8. FARM OR LEASE NAME Runway 10C 9. WELL NO. 3
10. FIELD AND POOL, OR WILDCAT Runway/Paradox	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA S10 T40S R25E	12. COUNTY OR PARISH San Juan
13. STATE Utah	14. PERMIT NO. 43-037-31566	15. ELEVATIONS (Show whether DF, RT, GR etc.) 5,245' GR

DEC 21 1990
DIVISION OF OIL, GAS & MINING

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE <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) Spud/Surface Casing <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)	
APPROX. DATE WORK WILL START _____		DATE OF COMPLETION 12-14-90	

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.)

* Must be accompanied by a cement verification report.

MIRU Burge Corrosion Inc. Rig #1. Spudded 1730 hrs, 12-13-90 (notification of intended spud given to Frank Matthews at 1445 hrs, 12-13-90, by Chris Hill). Drilled to 515'. Ran 12 joints 8 5/8", 24 lb/ft, K-55 STC casing, with guide shoe and float collar and landed at 508'. Cemented with 400 sx Class 'G' cement with 2% CaCl₂ and 1/4 lb/sk Celloflake. After pumping 45 bbl cement, pressured out. Batch mixed cement and pumped down annulus (total 55 bbl) until cement top held at surface. Released rig.

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

SIGNED *Christopher S. Hill* TITLE Petroleum Engineer DATE 17 December, 1990

(This space for Federal or State office use)

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

See Instructions On Reverse Side

ENTITY ACTION FORM - FORM 6

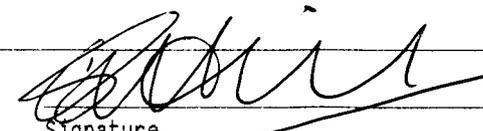
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11149	43-037-31566	Runway 10C #5	NE/NW	10	40S	25E	San Juan		
<p>WELL 1 COMMENTS: Spudded 1730 hrs, 12-13-90 with Burge Corrosion Inc. Rig #1. Drilled to 515' and set 8 5/8" surface casing at 508'. Released rig and W/O Energy Search Rig #2 to move from Monument 17E-2 location.</p>											
<p>WELL 2 COMMENTS: Indian - Lease Field - Wildcat Unit - N/A Proposed Zone - Akah (New entity 11149 added 12-27-90) for</p>											
<p>WELL 3 COMMENTS:</p>											
<p>WELL 4 COMMENTS:</p>											
<p>WELL 5 COMMENTS:</p>											

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.

DEC 21 1990


Signature
Petroleum Engineer
Title
Date 12-17-90
Phone No. 505-326-5525



CHUSKA ENERGY COMPANY

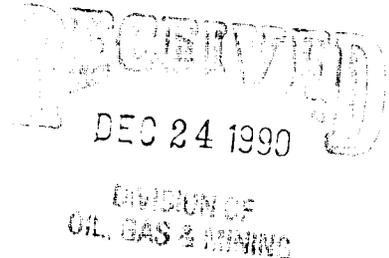
3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

P.O. BOX 780 • FARMINGTON, NEW MEXICO 87499

PA

21 December, 1990

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 84180-1203



Ref: Dry Hole Completion Report: Runway 10C-5 Well

Gentlemen

Attached for your examination and approval is the original and two copies of the subject Completion Report.

Please advise if you require additional information concerning this submission.

Sincerely,

Larry G. Sessions

Larry G. Sessions
Operations Manager

LGS/csw
File: C:\WP51\RUNWAY.10C\1COMPL.CVR

encl.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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. RESYR Other DEC 24 1990

2. NAME OF OPERATOR
Chuska Energy Company

3. ADDRESS OF OPERATOR
3315 Bloomfield Highway, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At Surface 70' FNL, 2360' FWL
 At top prod. interval reported below Same
 At total depth Same

5. LEASE DESIGNATION AND SERIAL NO.
NOG 8702-1116
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo Tribal
 7. UNIT AGREEMENT NAME

 8. FARM OR LEASE NAME
Runway 10C
 9. WELL NO.
5
 10. FIELD AND POOL, OR WILDCAT
Runway/Paradox
 11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
S10 T40S R25E

14. API NO. 43-037-31566 DATE ISSUED 10-20-90 12. COUNTY San Juan 13. STATE Utah

15. DATE SPUDDED 12-13-90 16. DATE T.D. REACHED 12-19-90 17. DATE COMPL. (Ready to prod.) 12-20-90 (Plug & Abd.) 18. ELEVATIONS (OF, RKB, RT, GR ETC.) 5,245' GR 19. ELEV. CASINGHEAD 5,245' GR

20. TOTAL DEPTH, HD & 1,033' KB 21. PLUG BACK T.D., HD & TVD Surface 22. IF MULTIPLE COMPL., HOW MANY _____ 23. INTERVALS DRILLED BY Rotary ROTARY TOOLS _____ CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (HD AND TVD) _____ 25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
Abandoned due to deviation problems - not logged 27. WAS WELL CORED YES NO (Submit analysis)
 DRILL STEM TEST YES NO (See reverse side)

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
<u>8 5/8"</u>	<u>24</u>	<u>508</u>	<u>12 1/4"</u>	<u>400 sx 'G'. Circulated to surface.</u>	

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

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

33. PRODUCTION

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

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 _____

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

SIGNED Christopher S.W. Hill TITLE Petroleum Engineer DATE 12-21-90

See Spaces for Additional Data on Reverse Side



CHUSKA ENERGY COMPANY

3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

P.O. BOX 780 • FARMINGTON, NEW MEXICO 87499

21 December, 1990

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 84180-1203

DEC 24 1990

Ref: Sundry Notice: Runway 10C-5 Well
Plug and Abandon

Gentlemen

Attached for your examination and approval is the original and two copies of the subject Sundry Notice.

Please advise if you require additional information concerning this submission.

Sincerely,

Larry G. Sessions
Larry G. Sessions
Operations Manager

LGS/csw
File: C:\WP51\RUNWAY.10C\1P&ASUN.CVR

encl.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

RECEIVED
DEC 24 1990
DIVISION OF
OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NO.
NOG 8702-1116

INDIAN, ALLOTTEE OR TRIBE NAME
Navajo Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Runway 10C

9. WELL NO.
5

10. FIELD AND POOL, OR WILDCAT
Runway/Paradox

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
S10 T40S R25E

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

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
Chuska Energy Company

3. ADDRESS OF OPERATOR
3315 Bloomfield Highway, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 70' FNL, 2360' FWL
At proposed prod. zone Same

14. PERMIT NO.
43-037-31566

15. ELEVATIONS (Show whether OF, RT, GR etc.)
5,245' GR

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 <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input checked="" 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) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)	
APPROX. DATE WORK WILL START 12-20-90		DATE OF COMPLETION	

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.)

* Must be accompanied by a cement verification report.

Due to excessive angle buildup from surface casing shoe, well will be plugged at present depth of 1,033'. Rig will then be skidded to re-commence drilling new hole. Proposed plugs as follows:

- Plug 1: 560' - 460' 60 sx Class 'G' to cover surface casing shoe (calculated at 100% excess, displace with mud).
- Plug 2: 50' - surface 20 sx Class 'G'.

Verbal approval of operation from State of Utah (Frank Matthews) at 0915 hrs, 12-20-90.

ACCEPTED BY THE STATE
COMMISSIONER OF
OIL, GAS, AND MINING

DATE: 1-2-91
BY: Frank Matthews

18. I hereby certify that the foregoing is true and correct
SIGNED: [Signature] TITLE: Petroleum Engineer DATE: 20 December, 1990
(This space for Federal or State office use)

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



CHUSKA ENERGY COMPANY

3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

P.O. BOX 780 • FARMINGTON, NEW MEXICO 87499

RECEIVED
DEC 24 1990

20 December, 1990

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 84180-1203

DIVISION OF
OIL, GAS & MINING

Ref: Sundry Notice: Runway 10C-5 Well
Plugging and Abandonment

Gentlemen

Attached for your examination and approval is the original and two copies of the subject Sundry Notice.

Please advise if you require additional information concerning this submission.

Sincerely,


Larry G. Sessions
Operations Manager

LGS/csw
File: C:\WP51\RUNWAY.10C\11P&ASUN.CVR

encl.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. NOG 8702-1116
2. NAME OF OPERATOR Chuska Energy Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo Tribal
3. ADDRESS OF OPERATOR 3315 Bloomfield Highway, Farmington, New Mexico 87401		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 70' FNL, 2360' FWL		8. FARM OR LEASE NAME Runway 10C
At proposed prod. zone Same		9. WELL NO. 5
14. PERMIT NO. 43-037-31566	15. ELEVATIONS (Show whether OF, RT, OR etc.) 5,245' GR	10. FIELD AND POOL, OR WILDCAT Runway/Paradox
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA S10 T40S R25E
		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 <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 checked="" type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) _____	(Other) _____
APPROX. DATE WORK WILL START _____		DATE OF COMPLETION 12-20-90	

(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.)

Plugged well, due to deviation problems, as follows:

- Plug 1: 560' - 460' 60 sx Class 'G' to cover surface casing shoe (calculated at 100% excess, displaced with mud).
- Plug 2: 50' - surface 50 sx Class 'G'.

Verbal approval of operation from State of Utah (Frank Matthews) at 0915 hrs, 12-20-90. Rig released, 2000 hrs, 12-20-90, to skid to Runway 10C-5A location. Refer to separate Sundry Notice for details of new location.

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

SIGNED *Christopher S. Hill* TITLE Petroleum Engineer DATE 21 December, 1990

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

See Instructions On Reverse Side



CHUSKA ENERGY COMPANY

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

May 17, 1991

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

Dear Ms. Kearney:

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

Thanks,

Herbert P. Mosca
Chuska Staff Geologist

RECEIVED

MAY 20 1991

DIVISION OF
OIL GAS & MINING