

## UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG TELEPHONE LEGS FILE  WATER SANDS LOCATION INSPECTED SUB REPORT/abd

DATE FILED **11-15-90**  
 LAND FEE & PATENTED STATE LEASE NO PUBLIC LEASE NO INDIAN NOG **8702-1116**  
 DRILLING APPROVED **11-20-90 (Exception Location to Cause No. 17 2-24-60)**  
 SPUDDED IN  
 COMPLETED PUT TO PRODUCTION  
 INITIAL PRODUCTION  
 GRAVITY API  
 GOR  
 PRODUCING ZONES  
 TOTAL DEPTH  
 WELL ELEVATION  
 DATE ABANDONED **PA 01.7.94**  
 FIELD **UNDESIGNATED**  
 UNIT  
 COUNTY **SAN JUAN**  
 WELL NO **ANASAZI 6H #1** API NO. **43-037-31571**  
 LOCATION **2150' FNL** FT. FROM INT (S) LINE **200' FEL** FT. FROM INT (W) LINE **SENE** 1/4 - 1/4 SEC **6**

*Confidential*

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
				42S	24E	6	CHUSKA ENERGY COMPANY



# CHUSKA ENERGY COMPANY

3315 BI OOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE (505) 326 5525

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

13 November, 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

RECEIVED  
NOV 15 1990  
L. JOHNS  
DIV. OF GAS & OIL

Ref: Application for Permit to Drill  
Anasazi 6H-1 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 Anasazi 6H Well No. 1 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 topography of the area surrounding the desired location is such as to preclude the well being located in accordance with State requirements and yet remain in a position which will 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 on topographic grounds. 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\ANASAZI.6H\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

1b. Type of Well  
 Oil Well  Gas Well  Other  Single Zone  Multiple Zones

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 requirements.)  
 At Surface 2,150' FNL, 200' FEL  
 At proposed prod. zone Same

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

6. If Indian, Allotment or Tribe Name  
 Navajo Tribal

7. Well Agreement Name

8. Form or Lease Name  
 Anasazi 6H

9. Well No.

10. Field and Pool, or other designation  
 Anasazi/Paradox

11. Sec., Twp., R., N., or S. and Survey or Area  
 S6 T42S R24E

12. County or Parish  
 San Juan

13. State  
 Utah

14. Distance in miles and direction from nearest town or post office  
 7 miles South of Montezuma Creek Utah

15. Distance from proposed location to nearest property or lease line, ft (Also to nearest drip. line, if any)  
 672'

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  
 1,340'

19. Proposed depth  
 5,872' GR PROX

20. Rotary or cable tools  
 Rotary

21. Elevation (Show whether of, at, or, etc.)  
 4,872' GR

22. Approx date work will start  
 1-29-91

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 <sub>2</sub>
7 7/8"	5 1/2"	15.5 lb		817 sx 'G', 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 Christopher S. W. Hill title Petroleum Engineer Date 13 November, 1990

(This space for Federal or State office use)

API No. 43.037.31571

Approval Date APPROVED BY THE STATE

Approved by \_\_\_\_\_ title \_\_\_\_\_

Conditions of approval, if any.

OF UTAH DIVISION OF OIL, GAS, AND MINING

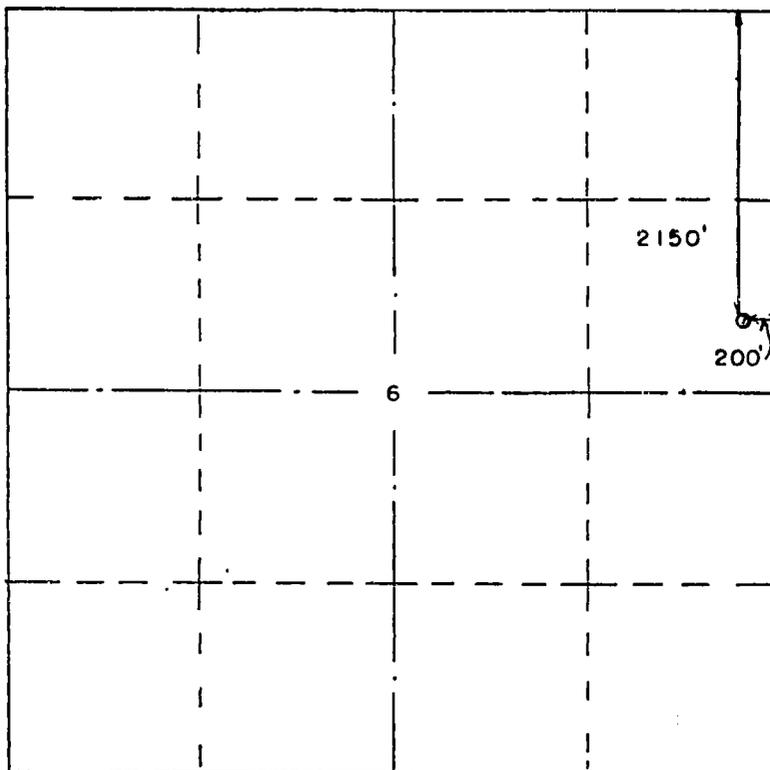
DATE: 1/20/90

BY: [Signature]

WELL SPACING: Chuska 17 #  
R615-3-3

\*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT



WELL LOCATION DESCRIPTION:  
CHUSKA ENERGY COMPANY, Anasazi 6 - H - 1  
2150'FNL & 200'FEL  
Section 6, T.42 S., R.24 E., SLM  
San Juan, UT.  
4872' ground elevation  
State plane coordinates from seismic control:  
x = 2,636,838                      y = 189,765

The above plat is true and correct to my knowledge and belief.

31 October 1990

*Gerald G. Hubbleston*  
GERALD G. HUBBLESTON, LS  
REGISTERED LAND SURVEYOR  
STATE OF UTAH

## DETAILED DRILLING PROGRAM

DATE: 13 November, 1990

WELL NAME: Anasazi 6H WELL NO.: 1

LOCATION: Section 6, Township 42S, Range 24E  
2,150' FNL, 200' FEL  
San Juan County, Utah

ELEVATION: 4,872' GR

TOTAL DEPTH: 5,872' GR

PROJECTED HORIZON: Primary target is Desert Creek at 5,624'.

### 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 ft<sup>3</sup>) of Class 'G' cement with 2% CaCl<sub>2</sub> 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

Anasazi 6H Well No. 1  
Section 6, Township 42S, Range 24E  
2,150' FNL, 200' FEL  
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.

Anasazi 6H Well No. 1  
Section 6, Township 42S, Range 24E  
2,150' FNL, 200' FEL  
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

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. It is anticipated that less than 1,500' of new road will need to be constructed to the location pad, most of it following an existing seismic line.

3. LOCATION OF EXISTING WELLS & TANK BATTERIES

Indicated on the attached map are the locations of the producing wells Anasazi #1 and Sahgzie #1. A tank battery is located at the Sahgzie #1 well site.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

Production facilities are presently in place at the Sahgzie #1 location. Should the well prove to be productive, the full well stream will be transported via pipeline to the Sahgzie #1 location for 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 09-1724, (T64796).

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 generally north/south trend and will require up to 34' of cut in the reserve pit (up to 20' of cut in the north western corner of the location pad) and up to 12' of fill in the south eastern 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.

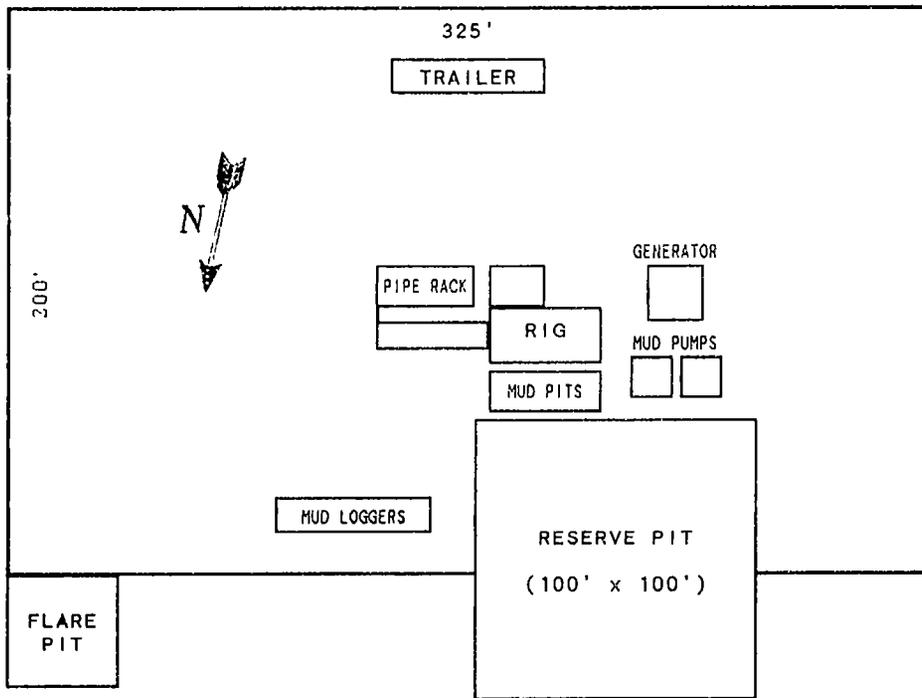
  
LARRY G. SESSIONS  
Operations Manager

# Anasazi 6H-1

2,130' FNL, 200' FEL

SECTION 6, TOWNSHIP 42S, RANGE 24E

San Juan COUNTY, Utah



ANASAZI 6H-1 6	• ANASAZI 5 • ANASAZI	#1 4 5L-3	3	2	1
7	8	9	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

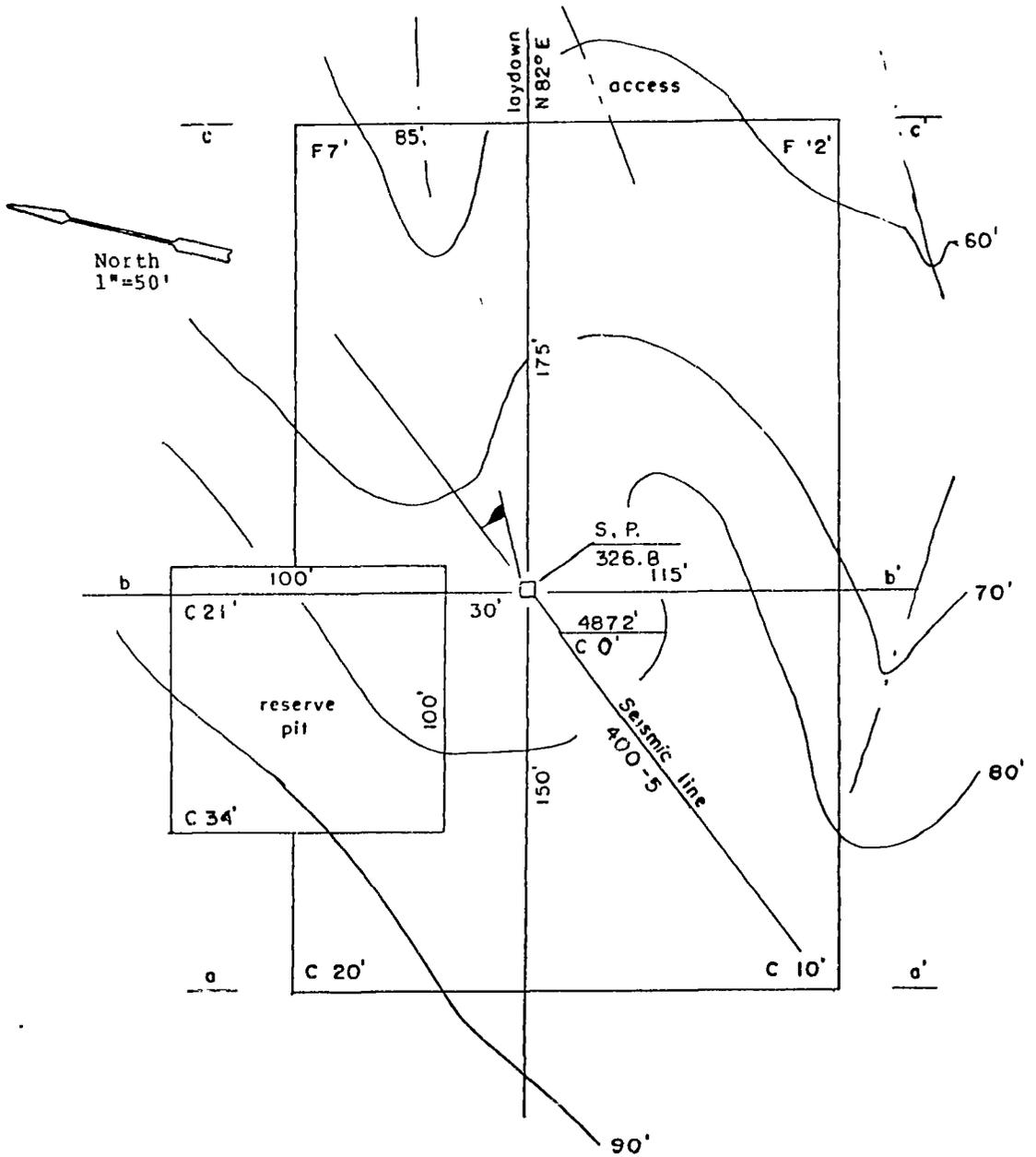
**CHUSKA ENERGY COMPANY**

ACREAGE POSITION UNDER THE 1987 OPERATING AGREEMENT

CHUSKA: T42S-R24E, SAN JUAN COUNTY, UTAH

Plan View Sketch

Anasazi 6 - H - 1



Cut ////  
Fill ⊕

Cross Section

Anasazi 6 - H - 1

1"=50' Horz. & Vert.



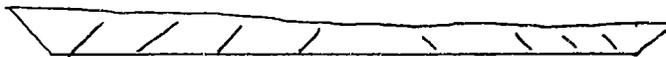
c

c'



b

b'



a

a'

GY COMPANY

ILLING PLAN

Well No. 1  
ip 42S, Range 24E  
, 200' FEL  
ounty, Utah

: 3,500'). Lead with 177 sx  
with 6% gel, and 1/4 lb/sk  
eld = 1.85 ft<sup>3</sup>/sk. Tail with  
, CaCl<sub>2</sub>. Weight = 15.8 ppg,  
ft<sup>3</sup>. Bring Class 'G' slurry  
Cement volumes calculated at  
urs between stages.

ormation: Morrison

sx Class 'G' cement, 65:35  
o/sk Celloflake. Weight =  
ail with 100 sx Class, 'G'  
.8 ppg, yield = 1.15 ft<sup>3</sup>/sk.  
calculated at 30% excess in

GR.

the production string will  
the caliper log which will  
ng. Special adjustments may  
icant amounts of salt are

Sub Sea  
Elevation

- + 4,872'
- + 4,181'
- + 3,377'
- + 2,305'
- + 1,993'
- + 1,447'
- + 292'
- 585'
- 705'
- 752' Primary Objective
- 938'
- 1,000'

chematics)

icipated, a 2,000 psi BOP  
the drilling of this well.  
straints, a 3,000 psi system  
Exhibits "A" and "B". This  
am p-reventer, equipped with

isure capacity sufficient to  
cles without rig power, will  
upment.

LOGRAM

	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>
1"	24 lb	K-55	STC
1 1/2"	15.5 lb	K-55	STC

ive solids. Weight 8.3 -  
sary for hole cleaning.

ement with 2% CaCl<sub>2</sub> and 1/4 lb/sk  
pg, yield = 1.15 ft<sup>3</sup>/sk. Slurry  
cess over annular volume.

system. Weight 8.6 - 9.5  
onditions dictate for hole  
ained at 15 - 20 cc. Fluid  
cc or less prior to coring,

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. H<sub>2</sub>S 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 16 days. Anticipated spud date is 1-29-91.

EXHIBIT "A"  
BLOWOUT PREVENTER

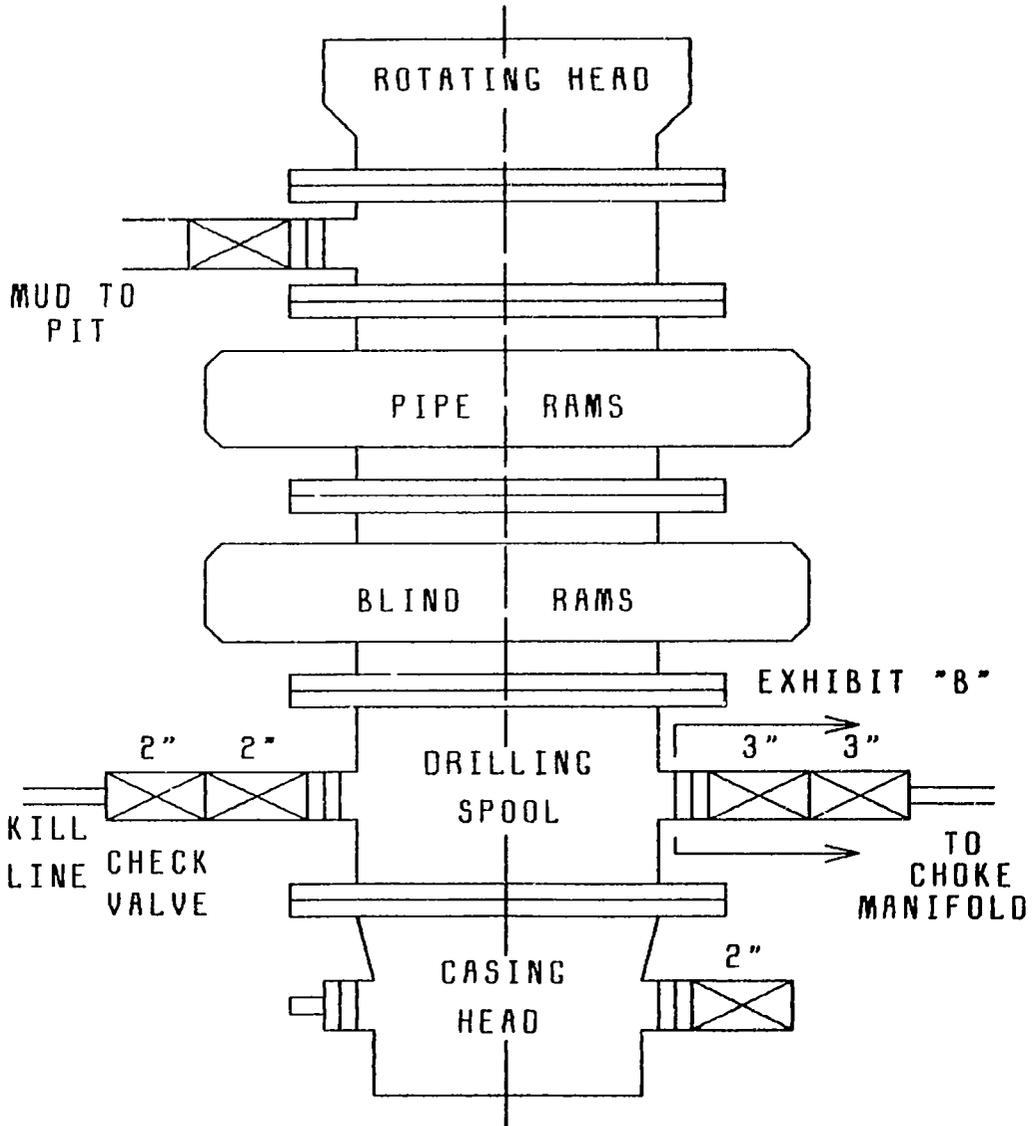
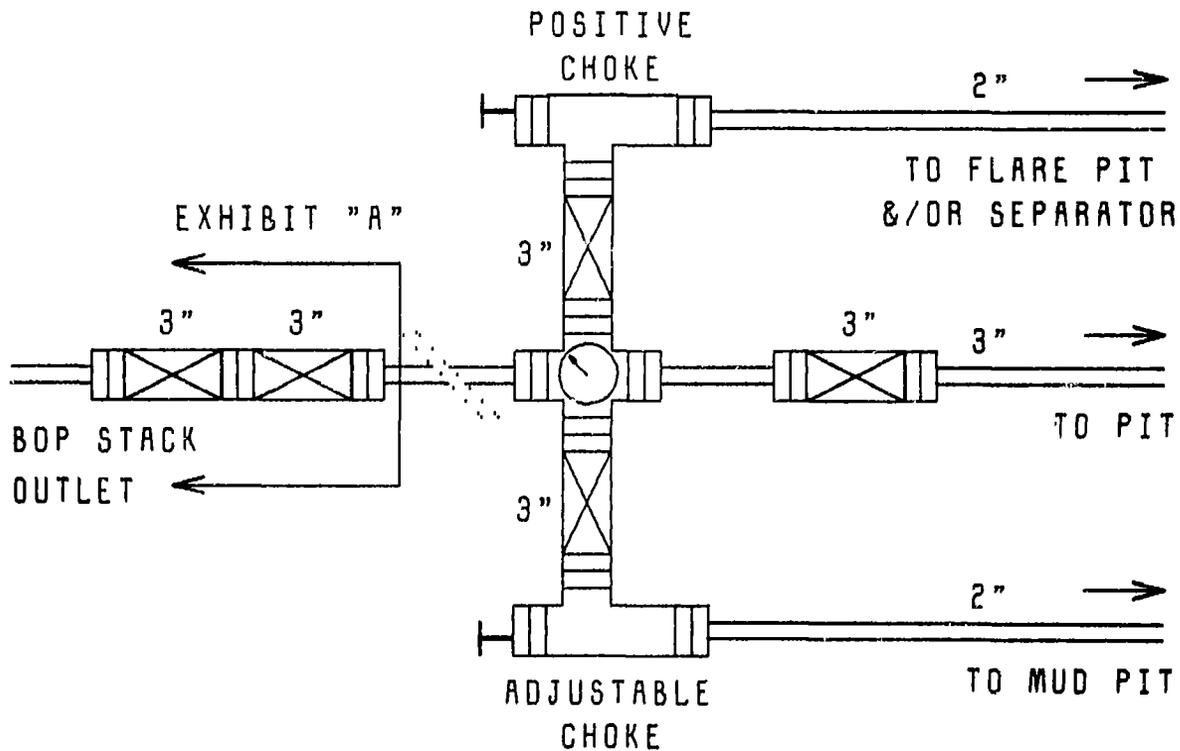


EXHIBIT "B"  
CHOKE MANIFOLD



BEFORE THE OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF UTAH

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IN THE MATTER OF THE APPLICATION OF  
THE TEXAS COMPANY, THE CARTER OIL  
COMPANY AND CONTINENTAL OIL COMPANY  
FOR AN ORDER ESTABLISHING 80-ACRE  
DRILLING UNITS FOR THE ANSER POOL,  
SAN JUAN COUNTY, UTAH, WITH REFERENCE  
TO THE KNOWN PRODUCING ZONES OF THE  
MERMOSA FORMATION (CAUSE NO. 8)

CAUSE NO. 17  
(CONSOLIDATED CAUSES NOS.  
8 AND 11)

AND

IN THE MATTER OF THE APPLICATION OF  
CONTINENTAL OIL COMPANY FOR AN ORDER  
ESTABLISHING 80-ACRE DRILLING AND  
SPACING UNITS FOR THE UPPER PARADOX  
SECTIONS OF THE MERMOSA FORMATION,  
DESERT CREEK AREA, SAN JUAN COUNTY,  
UTAH (CAUSE NO. 11)

FINDINGS OF FACT,  
CONCLUSIONS OF LAW  
AND ORDER

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The above captioned Cause No. 17 is before the Oil and Gas Conservation Commission of the State of Utah as a consolidation of Causes Nos. 8 and 11, such consolidation having been effected on February 2, 1959, by order of this Commission. Each of said Causes Nos. 8 and 11 arose out of an application for an order establishing 80-acre drilling and spacing units for an area defined in the particular application. Since the initiation of said proceedings, the Commission has, pursuant to several requests, permitted several additions to the areas covered by said applications as originally filed, with the result that this consolidated Cause now involves these lands hereinbelow particularly described. Hearings were held in Cause No. 8 and in Cause No. 11 prior to their consolidation, and further hearings have been held in this Cause No. 17 since such consolidation. During the extensive course of the proceedings numerous witnesses testified and many exhibits were introduced both in support of and in opposition to the applications. On January 30, 1960, upon the conclusion of the hearings in this consolidated Cause, the matter was submitted to the full Commission for decision.

NOW, THEREFORE, after due and careful consideration, this Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The area involved in this consolidated Cause, and which is hereinafter for convenience referred to as the "Greater Aneth Area," lies within San Juan County and is described as follows:

✓ T. 40 N., R. 23 E., S1E4

Section 1: All  
Section 2: 1/4  
Section 11: 2/4, SW 1/4  
Sections 12, 13, 14, 23 through 26,  
34, 35, 36: All

✓ T. 40 N., R. 24 E., S1E4

Sections 7 through 11,  
13 through 34: All 13-35

✓ T. 40 N., R. 25 E., S1E4

Section 16: 2/4  
Section 17: 2/4  
Section 18: 2/4  
Sections 19, 20, 21: All  
Section 22: 2/4, NW 1/4  
Sections 27 through 34: All

✓ T. 41 N., R. 23 E., S1E4

Sections 1, 2, 3, 10 through 13,  
22, 23, 24: All  
Section 25: 1/4  
Section 35: 2/4  
Section 36: All

✓ T. 41 N., R. 24 E., S1E4

Sections 1 through 24: All  
Section 25: 1/4  
Section 26 through 35: All

✓ T. 41 N., R. 25 E., S1E4

Section 3: 1/4  
Sections 4 through 9: All  
Section 10: NW 1/4  
Sections 16 through 20: All

✓ T. 42 N., R. 23 E., S1E4

Section 1: All  
Section 2: 2/4  
Section 11: 2/4  
Section 12: All

✓ T. 42 N., R. 24 E., S1E4

Sections 2 through 10: All

2. The Desert Creek (Aneth) formation is continuous over the Greater Aneth Area and constitutes a common source of supply. It is

found at a depth of approximately 5600 feet below the surface of the ground and varies in thickness from 100 feet to 220 feet. The formation consists essentially of carbonate material with minor amounts of other constituents. The reservoir is what is known as a "stratigraphic trap."

3. The properties of the reservoir rock, in regard to permeability and porosity distribution, indicate a degree of heterogeneity that is common in limestone reservoirs.

4. The original reservoir pressure at a datum of 900 feet subsea was approximately 2200 pounds per square inch.

5. The producing mechanism from the original reservoir pressure down to the saturation pressure or bubble point pressure is "fluid expansion." The producing mechanism below the saturation pressure or bubble point pressure is the release of gas originally in solution in the oil or so-called "solution gas drive." The predominant producing mechanism is "solution gas drive."

6. Reduced formation pressures which have been found upon the completion of new wells show that drainage of oil and gas had occurred from under the locations of the newly drilled wells by reason of production from earlier drilled wells.

7. With the drilling of the field on an 80-acre pattern there is and will be efficient horizontal communication. In some areas of the field there is also efficient vertical communication through interfingering of reservoir layers aided by fractures, while in other areas vertical communication between layers depends to a substantial extent upon connection provided by the well bore.

8. In the five special test wells drilled by Shell Oil Company and the well layer tested by Humble Oil and Refining Company, pressure depletion from original reservoir pressure had occurred in each of the lenses and layers tested. The pressure depletion conditions found at the location of each such well were normal for a heterogeneous reservoir of this type.

9. The various layers or lenses containing oil and gas are of sufficient size that wells drilled with a density of one well to each 80 acres will, with insignificant exceptions, pierce the various layers and

provide efficient and adequate intercommunication for all parts of the reservoir.

10. While there are varying permeabilities within the pay sections throughout the field, any so-called barriers of low permeability are not continuous and do not completely surround or isolate oil and gas or create islands but, to the contrary, the pressure history of this field along with the gas/oil ratio behavior in relationship to the total cumulative production demonstrates that the field is being efficiently and economically drained by one well to each 80-acre tract.

11. Pressure differentials exist in the reservoir. These differentials are normal, are to be expected and constitute a condition necessary to the flow of oil through the reservoir into producing wells. The variation in magnitude of the pressure differentials existing within the reservoir is attributed to differences in rate of production, cumulative production, permeability, pay thickness, porosity and water saturation and differences in shut-in times prior to measurement of pressures.

12. One well to each 80 acres will efficiently and economically drain the reservoir as found in and underlying the Greater Aneth Area.

13. Eighty-acre spacing and drilling units for the Greater Aneth Area should be established in order to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties. No more than one well should be drilled on any such unit for the production of oil or gas from the Desert Creek (Aneth) formation.

14. Except for the "Specially Designated Drilling Units" hereinafter specified, the drilling and spacing units for the Greater Aneth Area should be formed by dividing each governmental quarter section into two such units to consist respectively of the east half of such quarter section and the west half of such quarter section. Each specially designated drilling unit consisting of an 80-acre tract as specifically described below should constitute a drilling and spacing unit and represent a departure from the general spacing unit pattern as set forth in the preceding sentence.

SPECIALLY DESIGNATED DRILLING UNITS

<u>80-ACRE TRACT</u>	<u>SECTION</u>	<u>TOWNSHIP</u>	<u>RANGE</u>
N4 NE4, NE4 NW4	16	40 South	24 East

<u>80-ACRE TRACT</u>	<u>SECTION</u>	<u>TOWNSHIP</u>	<u>RANGE</u>
SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$	16	40 South	24 East
NW $\frac{1}{4}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$	16	40 South	24 East
E $\frac{1}{2}$ SE $\frac{1}{4}$	16	40 South	24 East
E $\frac{1}{2}$ SW $\frac{1}{4}$	16	40 South	24 East
SW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$	16	40 South	24 East
NW $\frac{1}{4}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$	16	40 South	24 East
NE $\frac{1}{4}$ NE $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$	13	41 South	23 East
SE $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$	13	41 South	23 East
NW $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$	13	41 South	23 East
NW $\frac{1}{4}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$	13	41 South	23 East
SW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$	13	41 South	23 East
NW $\frac{1}{4}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$	13	41 South	23 East
E $\frac{1}{2}$ SE $\frac{1}{4}$	13	41 South	23 East
E $\frac{1}{2}$ SW $\frac{1}{4}$	13	41 South	23 East
N $\frac{1}{2}$ SW $\frac{1}{4}$	11	41 South	24 East
E $\frac{1}{2}$ SW $\frac{1}{4}$	11	41 South	24 East
N $\frac{1}{2}$ SE $\frac{1}{4}$	11	41 South	24 East
E $\frac{1}{2}$ SE $\frac{1}{4}$	11	41 South	24 East
NW $\frac{1}{4}$ NE $\frac{1}{4}$ ) NW $\frac{1}{4}$ NW $\frac{1}{4}$ )	11) 12)	41 South	24 East
SE $\frac{1}{4}$ NE $\frac{1}{4}$ ) SW $\frac{1}{4}$ NW $\frac{1}{4}$ )	11) 12)	41 South	24 East
N $\frac{1}{2}$ NW $\frac{1}{4}$	12	41 South	24 East
E $\frac{1}{2}$ NW $\frac{1}{4}$	12	41 South	24 East
N $\frac{1}{2}$ SW $\frac{1}{4}$	18	41 South	24 East
E $\frac{1}{2}$ SW $\frac{1}{4}$	18	41 South	24 East

15. Except as may be hereafter ordered by the Commission, after notice and hearing, and as hereinafter provided, in that portion of the Greater Aneth Area lying north of the San Juan River the permitted well for a spacing unit should be located in either the northwest quarter of a governmental quarter section or in the southeast quarter of a governmental quarter section and should be not less than 500 feet from any property or lease line or governmental quarter-quarter section line. Except as

hereinafter provided, in that portion of the Greater Aneth Area lying south of the San Juan River the permitted well for a spacing unit should be located in either the northeast quarter of a governmental quarter section or in the southwest quarter of a governmental quarter section and should be not less than 500 feet from any property or lease line or governmental quarter-quarter section line. An exception should be recognized for any well which has heretofore been drilled or which is now being drilled to the Desert Creek (Aneth) formation and which is not located in accordance with the general well location pattern above defined and such heretofore drilled or now being drilled well shall be the permitted well for the drilling and spacing unit upon which it is located, provided expressly that no one of the five test wells drilled by Shell Oil Company under this Commission's order of February 24, 1959 in this Cause shall constitute the permitted well for the drilling unit upon which such well was drilled unless, after notice and hearing, specifically ordered by this Commission pursuant to said Order of February 24, 1959, or otherwise; and provided further that the water injection well drilled by Phillips Petroleum Company under this Commission's order of August-5, 1959 in Cause No. 23 shall not constitute the permitted well for the drilling unit upon which such well was drilled unless, after notice and hearing, specifically so ordered by the Commission.

16. Wherever reference is made herein to a "governmental quarter-quarter section" or to any subdivision thereof or to a "governmental quarter-quarter section" or to any specific description by subdivision, section, township and range, such reference is intended, in the case of surveyed lands, to refer to the indicated quarter section or other legal subdivision as determined by the government survey and is intended, in the case of unsurveyed lands or of partially surveyed lands, to refer to the indicated quarter section or other legal subdivision as determined by and through projection or protraction from existing township surveys and/or existing township boundary line surveys.

#### CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter of this Cause and over the lessors and operators in the area involved. Notice

of the respective hearings and respective other proceedings in this consolidated Cause, and in Causes Nos. 8 and 11 prior to the consolidation thereof, was in each instance given in all respects as required by law.

2. The Desert Creek (Aneth) formation is continuous over the Greater Aneth Area, as such area is defined in Finding 1 of the foregoing Findings, and constitutes a common pool or source of supply.

3. One well to each 80 acres will efficiently and economically drain the said pool or common source of supply as found in and underlying the Greater Aneth Area.

4. The establishment of 80-acre spacing and drilling units for the Greater Aneth Area is necessary to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties.

5. The shape and pattern of the spacing units for the Greater Aneth Area should be as set forth and defined in Finding 14 of the foregoing Findings.

6. No more than one well should be drilled on any such spacing or drilling unit for the production of oil or gas from the Desert Creek (Aneth) formation.

7. The locations or patterns of the permitted wells should be as set forth in Finding 15 of the foregoing Findings.

8. The here-involved applications for the issuance by this Commission of an Order establishing 80-acre spacing should be granted.

#### ORDER

IT IS THEREFORE ORDERED by the Commission as follows:

1. That 80-acre drilling and spacing units be and the same are hereby established for the production of oil and gas from the Desert Creek (Aneth) formation underlying the Greater Aneth Area;

2. That the shape and pattern of such drilling and spacing units shall be as set forth and defined in Finding 14 of the foregoing Findings;

3. That no more than one well shall be drilled on any such unit for the production of oil or gas from the Desert Creek (Aneth) formation;

4. That the location of the permitted well for each such unit shall be as set forth and defined in Finding 15 of the foregoing Findings, provided, however, that an exception in respect to the location of a permitted well may be had without notice or hearing upon the filing with the Commission of an application showing that the proposed exception location is within the quarter-quarter section specified hereunder as the situs for the permitted well; that topographic conditions exist which reasonably require a well location nearer than 500 feet to one or more boundaries of said quarter-quarter section; and either that the ownership of all oil and gas leases within a radius of 600 feet of the proposed exception location is common with the ownership of the oil and gas leases upon the proposed exception location or that all owners of oil and gas leases within such radius have consented in writing to the proposed exception location.

5. That nothing in the foregoing Findings of Fact or Conclusions of Law or in this Order is intended or shall be construed in any manner to determine or affect any question relating to the boundaries of any lease or the title to any lands or to determine the rights of any party in respect to any voluntary or involuntary pooling of interests within any hereby established spacing or drilling unit.

6. That this Order shall be effective forthwith; and

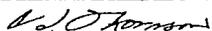
7. The Commission retains continuing jurisdiction of all matters covered by this Order.

DATED this 24th day of February, 1960.

By Order of  
THE OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF UTAH

  
EDWARD W. CLYDE,  
Commissioner Presiding

APPROVED:

\_\_\_\_\_  
  
\_\_\_\_\_  
\_\_\_\_\_

OPERATOR Chukra Energy Co. (N-9090) DATE 11-00-90

WELL NAME Anasazy BH # 1

SEC SENE 6 T 469 R 04E COUNTY San Juan

43-037-31571  
API NUMBER

(Indian (w))  
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD GLOM

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Exception Location  
Water Permit 09-1704 (T64796)

APPROVAL LETTER:

SPACING:

R615-2-3

N/A  
UNIT

R515-3-2

17 0.04/60  
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

cc: BIA



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangstad  
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 84160 1203  
801 538 5340

November 20, 1990

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

Gentlemen:

Re: Anasazi 6H #1 - SE NE Sec. 6, T 42S, R 24E - San Juan County, Utah  
2150' FNL, 200' FEL

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  
Anasazi 6H #1  
November 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 43-037-31571.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

tas  
Enclosures  
cc: Bureau of Land Management  
Bureau of Indian Affairs  
J. L. Thompson  
we14/1-2



# CHUSKA ENERGY COMPANY

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

May 17, 1991

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

Dear Ms. Kearney:

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

Thanks,

*Herb*

Herbert P. Mosca  
Chuska Staff Geologist

**RECEIVED**

MAY 20 1991

DIVISION OF  
OIL GAS & MINING

ACTION CODE	CURRENT ENTITY NO	NEW ENTITY NO	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
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	2	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	NWSW	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)

*fc*  
L. CORDOVA (DOGM)

Signature

ADMIN. ANALYST

Title

Date

10-19-93

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

Phone No ( ) \_\_\_\_\_

FEBRUARY 8, 1994

TO: WELL FILE

FROM: K. M. HEBERTSON

RE: Status, Anasazi 6H-1 43-037-31571 6-42S-24E

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

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

KMH

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

WELL NAME: ANASAZI EH #1

LEASE:

API: 4303731571

WELL NO:

QTR/QTR: SENE SECTION: 06

TWP: S420

RANGE: E240

LOCATION: 2150N0200E

FIELD:

OPERATOR: CHUSKA ENERGY COMPANY

CONTRACTOR:

DRILLING / COMPLETION / WORKOVER

Y APD  
SAFETY  
OPERATIONS

WELL SIGN  
POLL. CONTROL  
OTHER

HOUSEKEEPING  
SURFACE USE

TYPE  
PITS

SHUT-IN / TA:

WELL SIGN  
SHUT-IN

HOUSEKEEPING  
TA

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