

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL DEEPEN

b. TYPE OF WELL

OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

NAME OF OPERATOR DUNNE EQUITIES, INC. 8100 E. 22nd St. North
(316) 684-6508 Wichita, KS 67226

3. ADDRESS AND TELEPHONE NO. ON SITE TECHNOLOGIES, LTD. P.O. BOX 2606
AGENT: (505) 325-8786 Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface SE/4 NE/4 1600' FNL, 660' FEL

At proposed prod. zone
SAME AS ABOVE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

22 MILES SOUTH OF BLANDING UTAH

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

18. NO. OF ACRES IN LEASE

1516.84 ±

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Approx 1320' from Chuska 10E2

19. PROPOSED DEPTH

6500'

20. ROTARY OR CABLE TOOLS

ROTARY

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

5033 GR

22. APPROX. DATE WORK WILL START*

AS SOON AS PERMITTED

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/2	8-5/8	24#	500'	530 sk Class B 1.18 ft ³ (413 ft ³) Stage 1: 580 Sks Class B 1.18 ft ³ (648.4 ft ³). Stage 2: Lead with 880 sk 50/50 Pozmix 11.30 ft ³ (2314.4 ft ³). Tail: 50 sk Class B 1.18 ft ³ (59 ft ³).
7-7/8	4-1/2	11.6#	6500'	

DRILL STRAIGHT HOLE TO A DEPTH SUFFICIENT TO TEST THE DESERT CREEK FORMATION OR 6500 FEET, WHICHEVER IS THE LESSER DEPTH.

PLEASE SEE ATTACHED ONSHORE OIL AND GAS ORDER NO. 1 DATA.

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

24.

SIGNED Joe A. Wilbanks TITLE AGENT DATE 10-28-93

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side



Facsimile Cover Sheet

To: MIKE
Company: STATE OF UTAH
Phone: _____
Fax: 801-359-3940

From: TORA BALDWIN
ON SITE TECHNOLOGIES LTD.
Phone: 1-505-325-8786
Fax: 1-5-327-1496

Date: 11-15-93

Pages including this cover page: 0

Comments:

PER YOUR CONVERSATION W/ JOE WILBANKS
ATTACHED IS THE APP FORM 3160-3. IF YOU HAVE
ANY QUESTIONS PLEASE FEEL FREE TO CONTACT ME.

THANK YOU

Tora Baldwin



Facsimile Cover Sheet

To: MIKE
Company: STATE OF UTAH
Phone: _____
Fax: 801-359-3940

From: TORA BALDWIN
ON SITE TECHNOLOGIES LTD.
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Pages including this
cover page: 02

Comments:

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ATTACHED IS THE APD FORM 3160-3. IF YOU HAVE
ANY QUESTIONS PLEASE FEEL FREE TO CONTACT ME.

THANK YOU

Tora Baldwin

Dunne Equities, Inc.

November 8, 1993

RECEIVED

NOV 12 1993

**DIVISION OF
OIL, GAS & MINING**

Mr. Frank Mathews, Petroleum Engineer
State of Utah
3 Triad, Suite 350
Salt Lake City, UT 84180-1203

RE: Application for Permit to Drill
Navajo 1-9D
Section 9, T40S, R25E
San Juan County, Utah

Please find enclosed one copy of the complete Application for Permit to Drill as submitted to the Bureau of Land Management on our behalf by On Site Technologies Limited, P. O. Box 2606, Farmington, NM 87499 (505) 325-8786.

We are notifying them by copy of this letter that in future the State of Utah should also receive a copy of the Application for Permit to Drill together with all other documents required by the BLM.

Very truly yours,

DUNNE EQUITIES, INC.

Donna M. Armistead

Donna M. Armistead
Secretary

DMA/d

cc: Tora Baldwin, Engineering Tech
On Site Technologies Limited
P. O. Box 2606
Farmington, NM 87499

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL DEEPEN

b. TYPE OF WELL
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR: DUNNE EQUITIES, INC. 8100 E. 22nd St. North
(316) 684-6508 Wichita, KS 67226

3. ADDRESS AND TELEPHONE NO. ON SITE TECHNOLOGIES, LTD. P.O. BOX 2606
AGENT: (505) 325-8786 Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface SE/4 NE/4 1600' FNL, 660' FEL
At proposed prod. zone SAME AS ABOVE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
22 MILES SOUTH OF BLANDING UTAH

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also nearest drlg. unit line, if any) 660'

16. NO. OF ACRES IN LEASE 1516.84 ±

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. Approx 1320' from Chuska 10E2

19. PROPOSED DEPTH 6500'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Give whether DF, RT, GR, etc.) 5033 GR

22. APPROX DATE WORK WILL START* AS SOON AS PERMITTED

5. LEASE DESIGNATION AND SERIAL NO. N-00-C-5297

6. IF INDIAN, ALLOTTEE OR TRIBE NAME NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO. NAVAJO 1-9D

9. AN WELL NO.

10. FIELD AND POOL, OR WILDCAT RUNWAY

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 9-40S-25E SLB&M

12. COUNTY OR PARISH SAN JUAN

13. STATE UTAH

22. APPROX DATE WORK WILL START* AS SOON AS PERMITTED

PROPOSED CASING AND CEMENTING PROGRAM

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PLEASE SEE ATTACHED ONSHORE OIL AND GAS ORDER NO. 1 DATA.

THE SPACE DESCRIBES PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or re-drill, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED: Joe A. Wilbanks TITLE: AGENT DATE: 10-28-93

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

APPROVED
AS AMENDED

PERMIT NO. _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the formation which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY: DATE: 12-6-93

BY: Matthews

WELL SPACING: 649-3-3

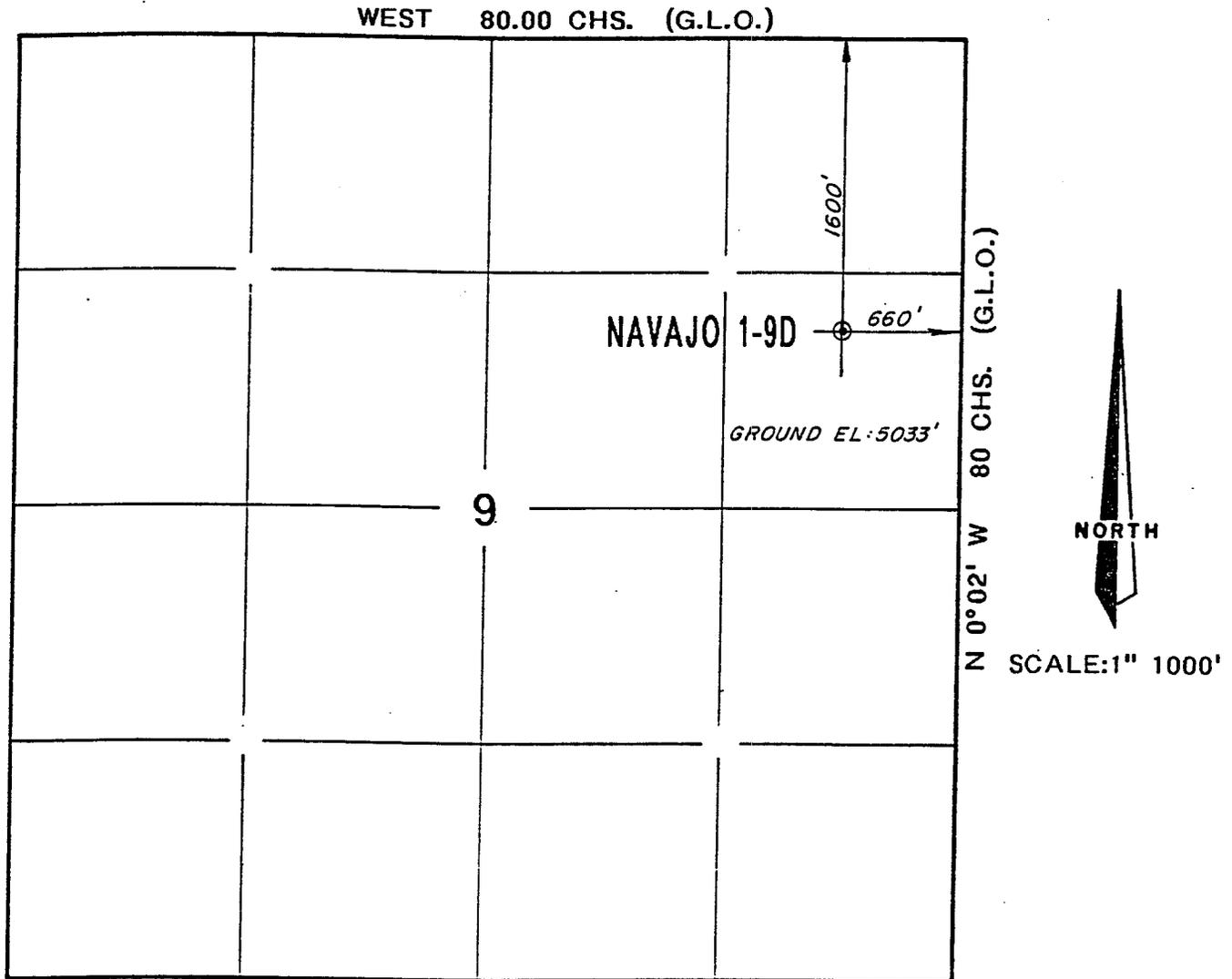
APPROVED BY: _____ TITLE: _____ DATE: _____

DISTRICT MANAGER

*See Instructions on Reverse Side

**DUNNE EQUITIES INC.
WELL LOCATION PLAT
NAVAJO 1-9D**

LOCATED IN THE SE $\frac{1}{4}$ OF THE NE $\frac{1}{4}$ OF
SECTION 9, T40S, R25E, S.L.B.&M.



LEGEND & NOTES

The location of the Chuska 10E-2 was used to determine the location of this well as no G.L.O. corners could be located.

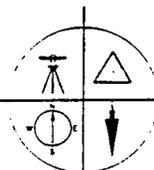
The G.L.O. plat and the U.S.G.S. quadrangle map was used for reference and calculations.

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY PERFORMED BY ME, DURING WHICH THE SHOWN MONUMENTS WERE FOUND OR ESTABLISHED.

Jerry D. Allred
 JERRY D. ALLRED, REGISTERED LAND SURVEYOR, CERT. NO. 3817 (UTAH)

EXHIBIT "F"



JERRY D. ALLRED & ASSOCIATES
 Surveying & Engineering Consultants

121 North Center Street
 P.O. Drawer C
 DUCHESNE, UTAH 84021
 (801) 738-5352

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

DEEPEN

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

DUNNE EQUITIES, INC.
(316) 684-6508

8100 E. 22nd St. North
Wichita, KS 67226

3. ADDRESS AND TELEPHONE NO.

ON SITE TECHNOLOGIES, LTD. P.O. BOX 2606

AGENT:

(505) 325-8786

Farmington, NM 87499

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SIGNED

Joe A. Wilbanks

TITLE AGENT

DATE 10-28-93

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

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CONDITIONS OF APPROVAL, IF ANY:

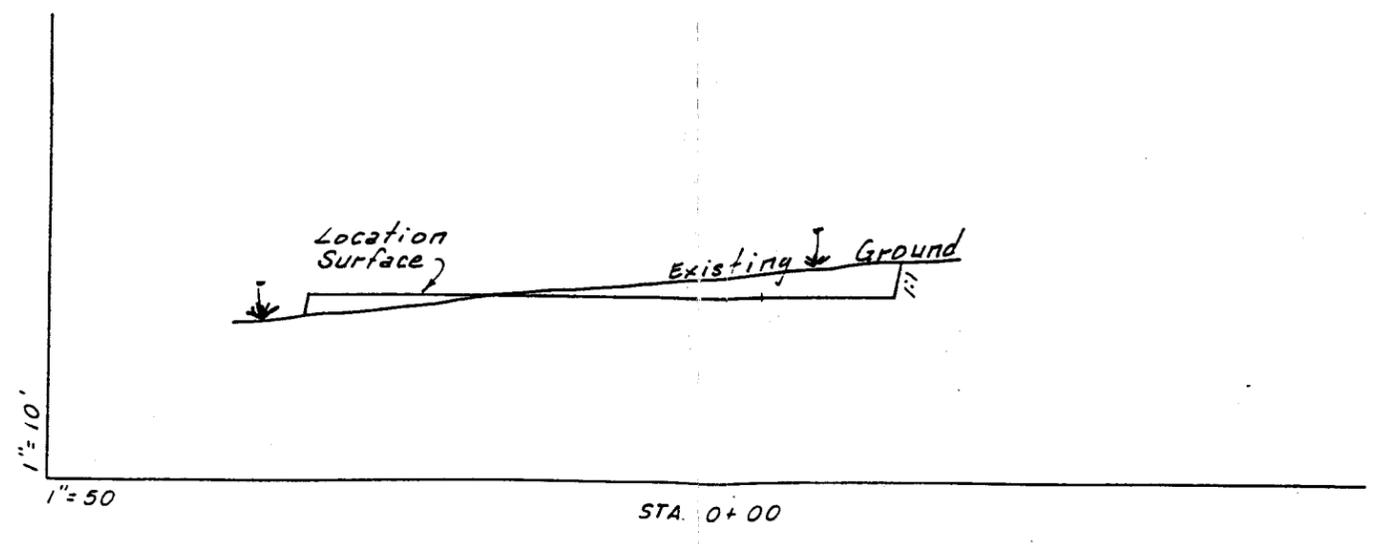
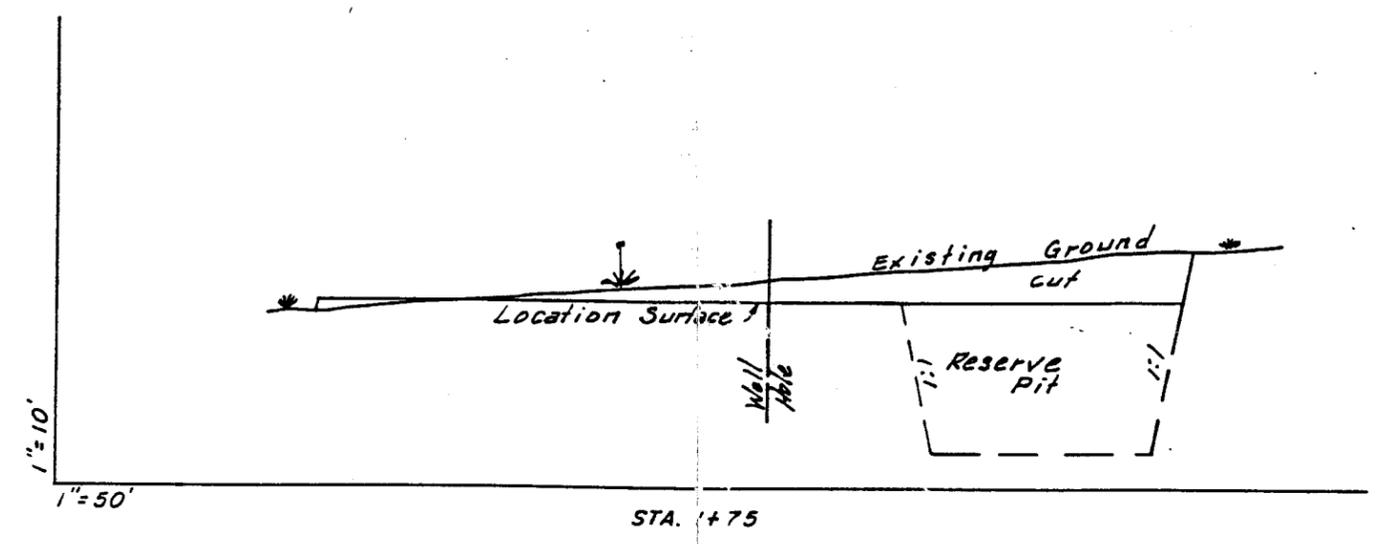
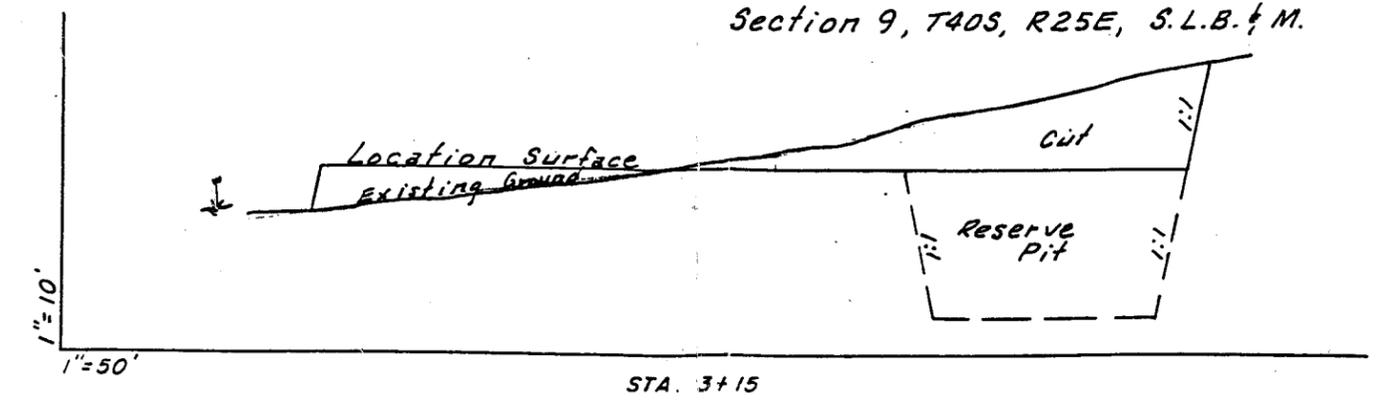
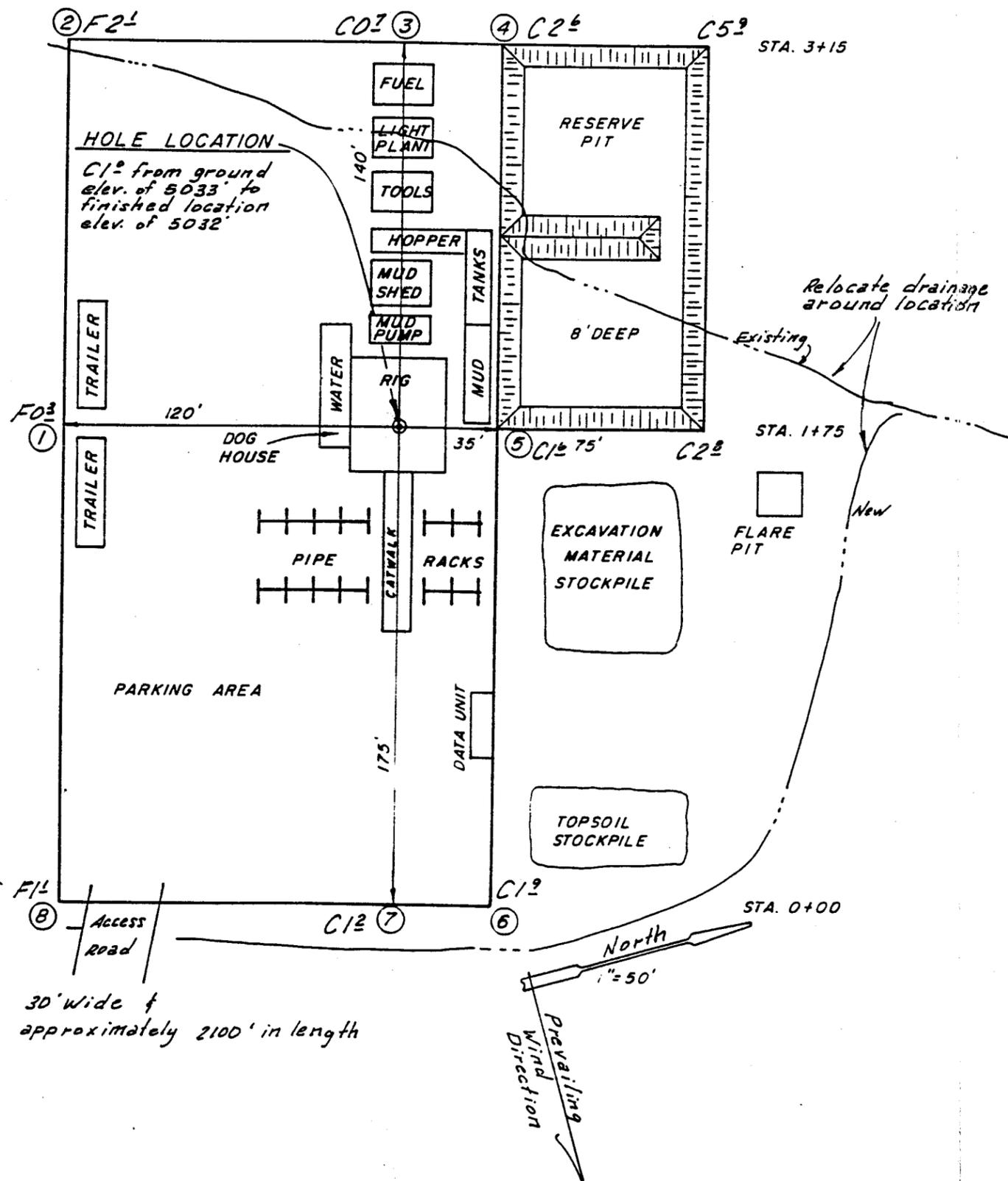
APPROVED BY

TITLE

DATE

DUNNE EQUITIES INC.
WELL LAYOUT PLAT
NAVAJO 1-9D

Located in the SE 1/4 of the NE 1/4 of
 Section 9, T40S, R25E, S.L.B. & M.



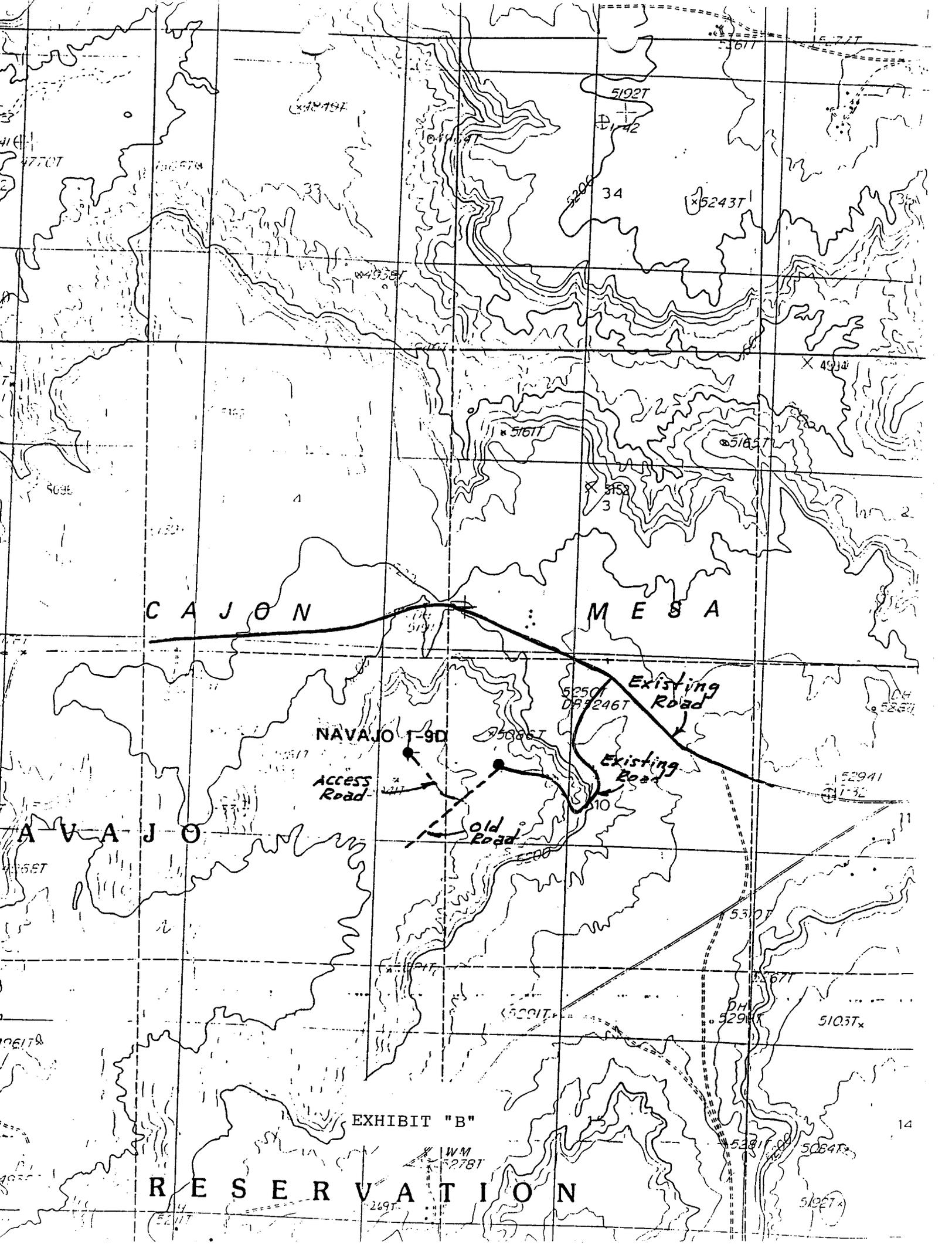
Approximate Quantities
 Cut: 4900 yd³
 Fill: 400 yd³

EXHIBIT "E"

Rev 11 Oct 93 93-124-001

JERRY D. ALLRED & ASSOCIATES
 Surveying & Engineering Consultants

121 North Center Street
 P.O. Box 975
 DUCHESNE, UTAH 84021
 (801) 738-5352



CAJON

MESA

NAVAJO T-9D

Access Road

Old Road

Existing Road

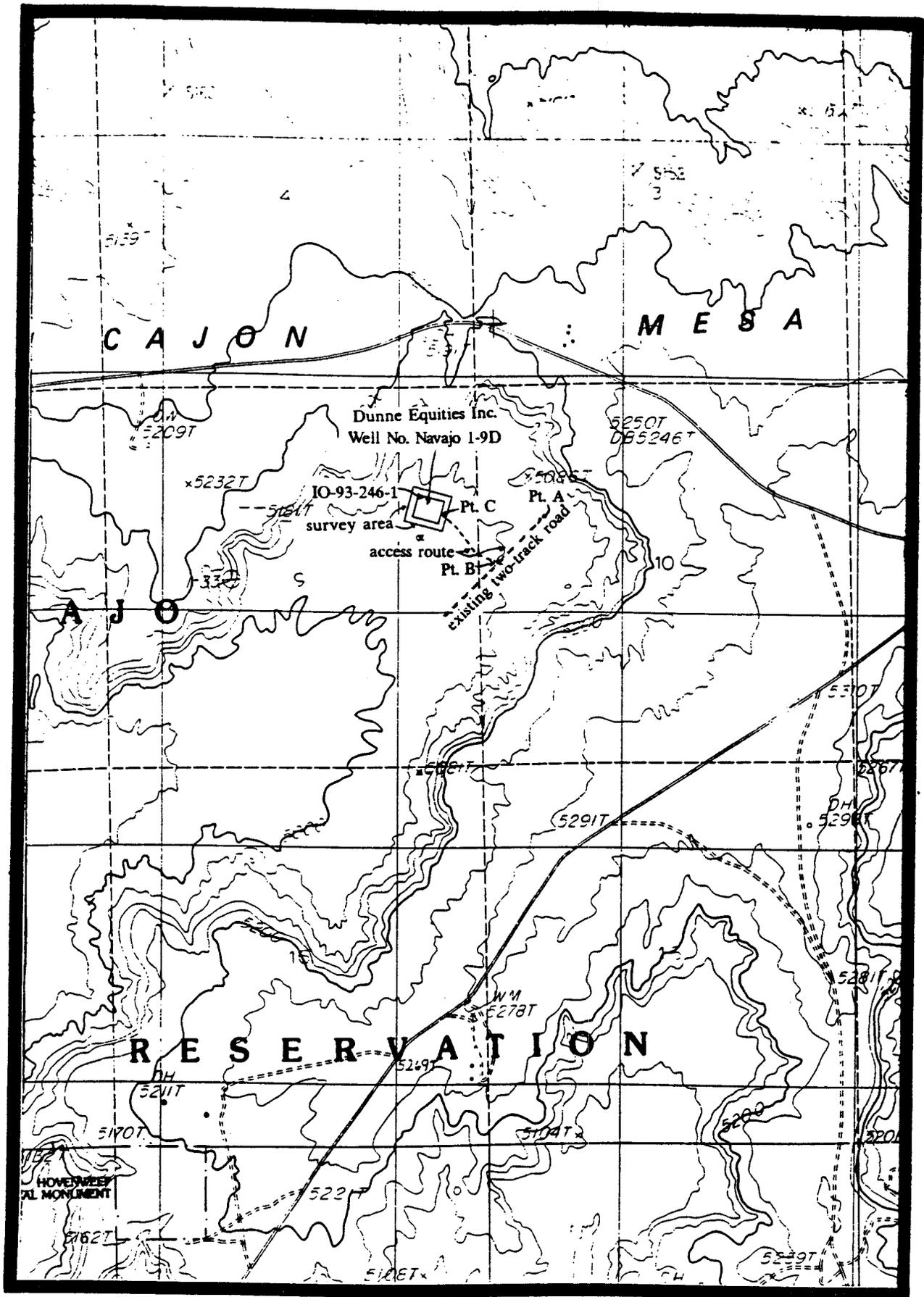
Existing Road

EXHIBIT "B"

RESERVATION

WM 278T

14



Vicinity map showing location of the proposed well location (Navajo 1-9D), access route (points A-C), and IO-93-246-1 (isolated occurrence). Navajo Canyon, Utah 1985 (provisional edition), T 40S, R 25E (NNAD 93-246).

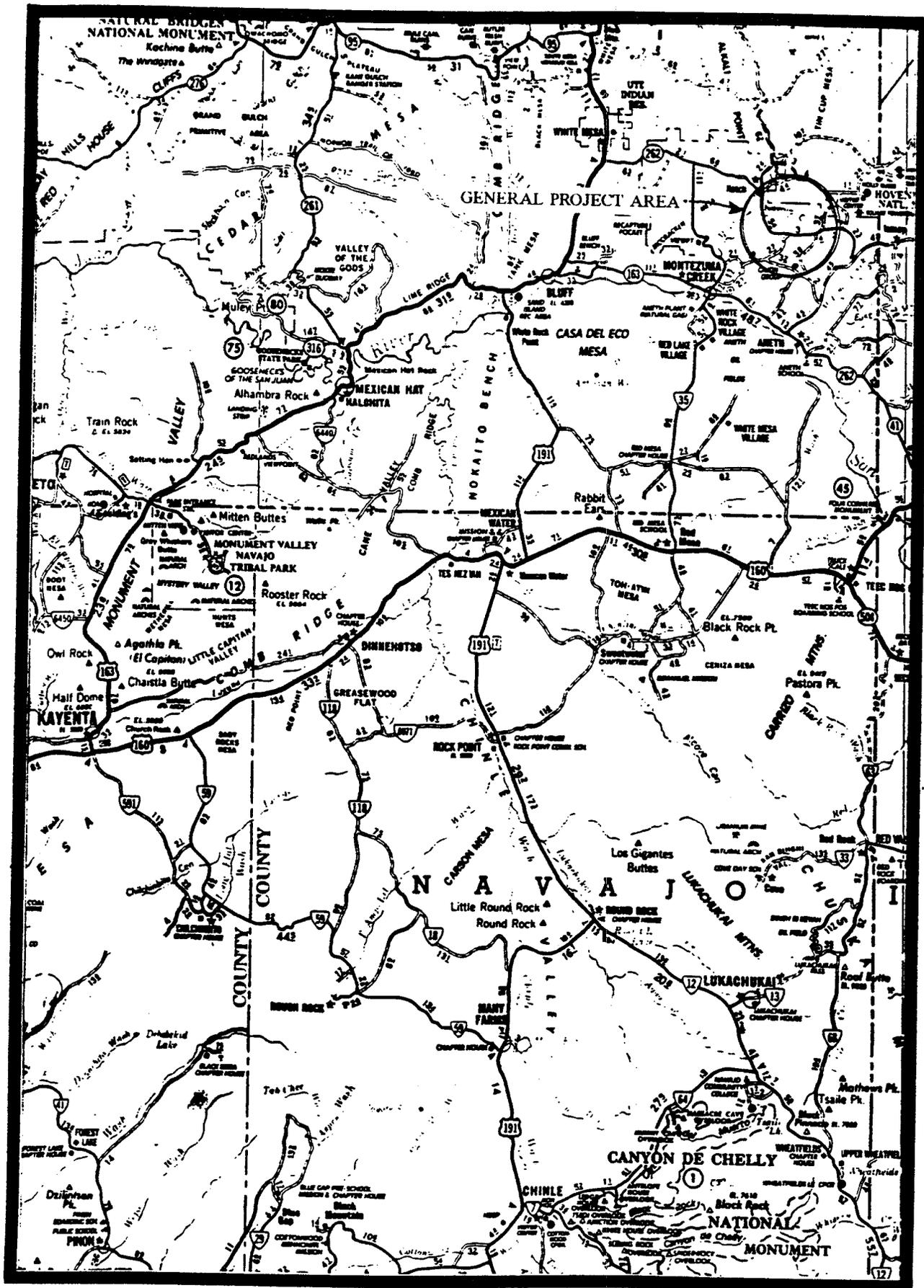
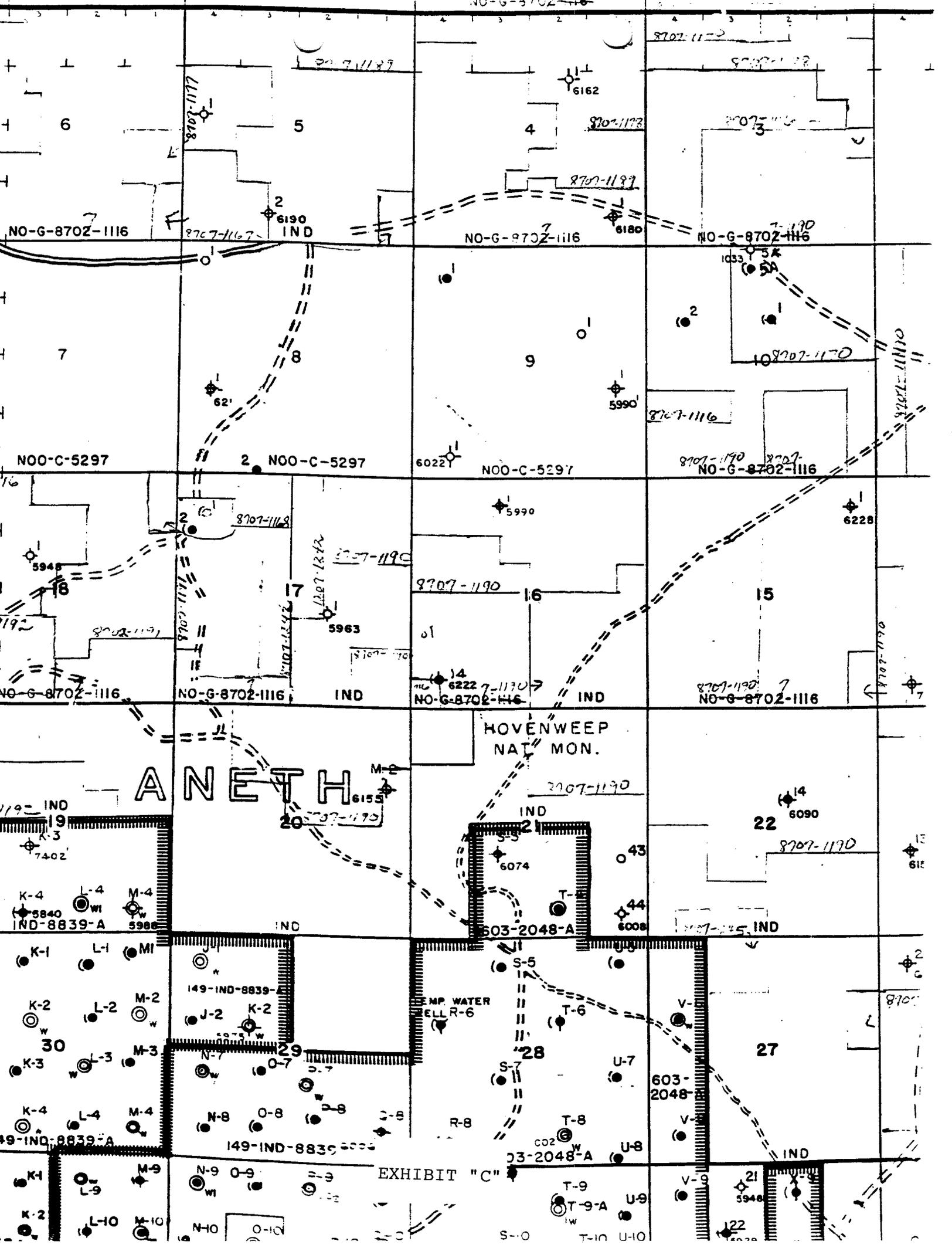


Figure 1. Vicinity map showing project location in southeast Utah. Indian Country Road Map, 1989 (NNAD 93-246).



ANETH

HOVENWEEP
NAT MON.

TEMP WATER
WELL R-6

EXHIBIT "C"

NO-G-8702-1116

NO-G-8702-1116

NO-G-8702-1116

NOO-C-5297

NOO-C-5297

NOO-C-5297

NO-G-8702-1116

NO-G-8702-1116

NO-G-8702-1116

NO-G-8702-1116

NO-G-8702-1116

IND-8839-A

149-IND-8839

603-2048-A

603-2048-A

149-IND-8839-A

149-IND-8839

603-2048-A

IND-8839-A

IND-8839-A

IND-8839-A

IND-8839-A



Via Facsimile
(801) 359-3940

Mike Herbertson
State of Utah
Division of Oil, Gas and Minerals

Re: Dunne Equities, Inc.
Navajo 1-9D
Section 9, T40S, R25E
San Juan County, Utah

Dear Mr. Herbertson:

Per our conversation on November 18, 1993, please find attached the approval letter for the Application to Appropriate Water for the above-referenced oil well.

During our conversation you also requested that I send you a brief statement indicating why we are not in compliance with the standard 40 acre spacing. This is due to the topography of the location site and drainage that the site had to be placed at the permitted location to avoid an arroyo.

If additional information is needed, please do not hesitate to contact me at (505) 325-8786.

Very truly yours,

Tora Baldwin
Engineering Tech
On Site Technologies, Ltd.

FAX: (505) 327-1496 • 24 HR. - (505) 327-7105 • OFF.: (505) 325-8786
3005 NORTHRIDGE DRIVE • SUITE F • P. O. BOX 2606 • FARMINGTON, NEW MEXICO 87499



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

Michael G. Leavitt
Governor
Ted Stewart
Executive Director
Robert L. Morgan
State Engineer

1634 West North Temple, Suite 220
Salt Lake City, Utah 84116-3156
801-538-7340
801-338-7315 (Fax)

November 9, 1993

Dunne Equities
Joe A. Wilbanks, Agent
8100 East 22nd Street North Building 1000
Wichita, KS 67226-2311

Dear Applicant:

RE: APPROVED APPLICATION
NUMBER 09-1836 (T67280)

Enclosed is a copy of approved Application No. 09-1836 (T67280). This is your authority to proceed with the actual construction work which under Section 73-3-10 and 73-3-12, Utah Code Annotated, 1953, as amended, must be diligently prosecuted to completion. The water must be put to beneficial use and proof of appropriation be made to the State Engineer on or before November 9, 1993. Otherwise, the application will be lapsed.

Proof of Appropriation is evidence that water has been placed to its use. It must be prepared by a registered professional engineer who will certify to the location and amount of appropriation which will become the right.

Failure on your part to comply with this obligation may result in forfeiture of this obligation to maintain a current permit. You must notify this office immediately of any change in status.

Your contact with this office, should be through the Regional Engineer, Mark Page. Telephone (801) 637-1303.

phone message

FOR	NAME	DATE	TIME	URGENT	PHONED	RETURNED	PLEASE	CALL BACK	EXTENSION	NUMBER	AREA CODE	MESSAGE
	Mike T. ...	11-16	2:50 PM							801-538-5340		Current status on permit. Supply exception for permit. HEAVY STATUS

hat the
By law,
or, who
our proof
r water

tatutes
licants
case

SINCE

ROBERT
State

RLM:mw

Encl.: Copy of Approved Application

SCANNED

16 Nov 93

(WARNING: Water Rights makes NO claims as to the accuracy of this data.) RUN DATE: 11/18/93 Page 1

RNUM: 09-1836 APPLICATION/CLAIM NO.: T67280 CERT. NO.:

OWNERSHIP

OWNER MISC: Joe A. Wilbanks, Agent
NAME: Dunne Equities
DDR: 8100 East 22nd Street North Building 1000
CITY: Wichita STATE: KS ZIP: 67226-2311 INTEREST:

AND OWNED BY APPLICANT? No

DATES, ETC.

FILING: 10/22/1993 RECVD BY: MP PRIORITY: 10/22/1993 ADV EXAM: / / BY: PAPER:
ADV BEGIN: / / ADV END: / / BY: PROTESTED: No PRTST END: / / A/R DESIG: 10/26/1993
A/R DESIG: Approved APPROP: KLJ REG ENG: MP MEMO DEC: APPR/REJ: 11/09/1993 APPR/REJ? Approved
PROOF DUE: 11/09/1994 EXTENSION: / / ELEC/PROOF: / / CERT/WJC: / / LAP, ETC: 11/09/1994
PROV LETR: / / RENOVATN: / /

Map No Type of Right: TEMP Status: APP Source of Info: APPL Map: Date Verified: 10/26/1993 Initials:

LOCATION OF WATER RIGHT

FLOW: 5.0 acre-feet SOURCE: San Juan River
TRIBUTARY 1: TRIBUTARY 2:
COUNTY: San Juan COMMON DESCRIPTION: 1.5 mi. SE of Montezuma Creek DRAINAGE AREA: San Juan River

POINT OF DIVERSION -- SURFACE:
(1) S 250 ft E 1030 ft from NW cor, Sec 5, T 41S, R 24E, SLB&M
Diverting Works: Portable pump and tank truck Source: San Juan River

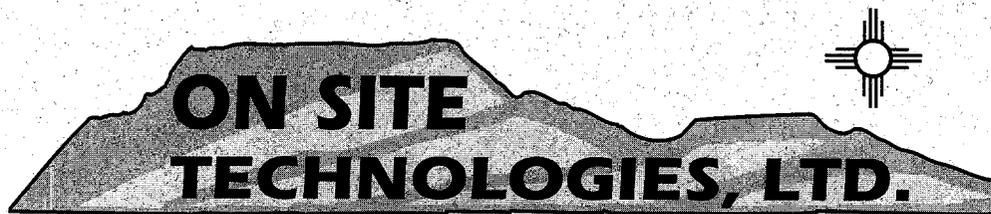
USES OF WATER RIGHT

CLAIMS USED FOR PURPOSE DESCRIBED: 1836 Type of Reference -- Claims: Purpose: Rema
Referred To: Claims Groups: PERIOD OF USE: 11/01 TO 10/31
###OIL EXPLORATION Oil and gas drilling operations.

OTHER COMMENTS

Water will be hauled by private trucking company (R&W Trucking Company,
Montezuma Creek, Utah) from San Juan River to utilization in the oil and gas
drilling operations.
The land is owned by the Navajo Tribe. All requirements and regulations
pertaining to Tribal law will be adhered to.
The well to be drilled under this application is as follows:
1) Navajo T-90:
S. 1600 ft. & W. 660 ft. from NE Cor. Sec. 9, T40S, R25E, SLB&M (SE4NE4).

END OF DATA



APPLICATION FOR PERMIT TO DRILL

**DUNNE EQUITIES, INC.
NAVAJO 1-9D
SECTION 9, T40S, R25E
SAN JUAN COUNTY, UTAH**

PREPARED FOR:

DUNNE EQUITIES, INC.

BY:

ON SITE TECHNOLOGIES, LTD.

3005 Northridge Dr. ■ Suite F
P. O. Box 2606
Farmington, NM 87499
OFF: (505) 325-8786
FAX: (505) 327-1496

TABLE OF CONTENTS

**DUNNE EQUITIES, INC.
APPLICATION FOR PERMIT TO DRILL
NAVAJO 1-9D
SAN JUAN COUNTY, UTAH**

DRILLING PROGRAM	1
THIRTEEN POINT SURFACE USE PLAN	4
CERTIFICATION	10

EXHIBITS

**EXHIBIT A
EXHIBIT B
EXHIBIT C
EXHIBIT D
EXHIBIT E

EXHIBIT F
EXHIBIT G**

**BOP
ROAD MAP
LOCATION OF EXISTING WELLS
WATER USE PERMIT APPLICATION
WELL LAYOUT PLAT & CUT AND
FILL DIAGRAM
WELL LOCATION PLAT
BIA SURFACE MANAGEMENT
STIPULATIONS**

OTHER

**ARCHEOLOGY REPORT
LETTER OF CREDIT
FARMOUT AGREEMENT**

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:

<u>Formation</u>	<u>Depth</u>	<u>Sub Sea Elevation</u>
Morrison	Surface	+5043
Navajo	1097'	+3960
Chinle	1722'	+3335
DeChelly	2822'	+2235
Organ Rock	2947'	+2110
Cedar Mesa	3632	+1425
Hermosa	4747'	+ 310
Upper Ismay	5657'	+ 600
Lower Ismay	5772'	+ 715
Desert Creek	5847'	+ 790
Akah	6027'	+ 970
TD	6500'	+1200

2. Estimated Depth at which Oil, Gas, Water or Other Mineral-Bearing Zones are Expected to be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected Oil Zones:	Ismay	5657"
	Desert Creek	5847'
Expected Gas Zones:	N/A	
Expected Water Zones:	Chinle	1722'
Expected Mineral Zones:	N/A	

All fresh water and prospective valuable minerals encountered during drilling will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment:

BOP's to be used are detailed in the attached diagram. See Exhibit "A".

Testing of BOP - All Blow Out prevention equipment will be tested upon installation. This will include casing, casing head and all related equipment and connections associated with blow out prevention and/or control.

Testing will be to the lesser of the following:

- (1) Full manufacturer's working pressure rating of equipment;
- (2) 70% of minimum internal yield pressure of casing; or
- (3) 1 psi/ft. of last casing string depth.

All BOP's will be checked each trip for physical operation. Morning tower driller will also check operation components of BOP, test operation of BOP and record on Driller's Log.

4. Casing Program and Auxiliary Equipment:

	Propose Depth	Hole Size	O.D Weight	Grade	Type
Surface	0-500'	12-1/4	24#	J55	STC
Production	500'-TD	7-5/8	14#	J55	LTC

Proposed Cementing Program:

Surface casing will be cemented to surface as follows:

- a. Break circulation with water;
- b. Pump 350 sks of Class "B" cement containing 2% CaCL and 1/4#/sk cellophane flakes;
- c. Displace cement to 30' above end of casing shoe with water;
- d. WOC 12 hours.

Production casing will be cemented as follows:

- a. DV tool will be set at +/- 3500';
- b. Break circulation with mud;
- c. Pump 20 bbl of chemical mud wash;
- d. Cement first stage with 500 sx class "B:" cement containing fluid loss;

- e. Drop cement wiper plug and displace to float with water;
- f. Drop bomb, open tool circulate four hours and cement second stage with 880 sx 50/50 Pozmix and 50sx Class "B" neat;
- g. WOC for 72 hours or until compressive strength of 1000 psi or greater.

5. Mud Program and Circulating Medium:

Surface: 0-500':; native solids, gel, lime and fresh water. Weight 8.3 - 9.5 ppg. Gel/lime sweeps as necessary for hole cleaning.

Production Hole: 500'-TD: low solids, non-dispersed polymer system. Weight 8.6 - 10.2 ppg. Sweep with gel/lime and or anionic polymer sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 20 cc or less. Fluid loss to be further reduced to 15 cc or less prior to coring, logging or DSTs.

6. Coring, Logging and Testing program:

This well will be evaluated on the basis of induction Electric Survey, Gamma Ray, Compensation Density, Neutron, Sonic and Caliper surveys. Cased hole logs will consist of CCL and Cement Bond Logs and Gamma Ray.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

No hydrogen sulfide gas or abnormal pressures are anticipated, however regular inspections will be made during the drilling. The bottom hole pressure is expected to be approximately 2000 psig.

8. Anticipated Starting Dates and Notifications of Operations:

As soon as permitted.

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads

a. Existing Roads - The proposed location is situated within an existing road system which is accessed from Hovenweep National Monument Road. See attached Exhibit " B".

From Anneth, Utah travel North on McElmo Canyon Road 9 miles. Turn left at Hovenweep National Monument Road, travel 5.5 miles. Turn left on unimproved road down small canyon for 1 mile. Turn left before existing well, proceed 2/10 mile then turn right for approximately 2100' to proposed site.

b. Plans for improvement and/or maintenance of existing roads: Roads will be maintained in the same or better condition than presently exists.

2. Planned Access Roads:

a. New access road is required shown on Exhibit "B". The proposed route is flagged and is approximately 2100 feet in length. The road surface will not exceed 30 feet in width. The grade of the road will be consistent with the local terrain with a maximum grade of 5%. Upon completion of the project, the access road shall be adequately drained to control soil erosion. No water bars, culverts, bridges or foreign surface materials or turnouts are necessary.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards by meeting the following minimum design requirements within sixty (60) days of completion of drilling operations:

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

The topsoil from the access road will be reserved in place. Trees and brush removed from building of the road will be stacked next to road to be used in rehabilitation or as directed by the Bureau of Indian Affairs.

3. Location of Existing Wells:

All wells within a one mile radius are shown on the attached map labeled Exhibit " C".

4. Above ground facilities:

All permanent above-ground facilities (6 months or longer) will be painted a neutral, non-reflective sand color to blend into the surrounding area.

If a tank battery is constructed on this location it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank; all load lines and valves will be placed inside the dike surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7-5 and ONSHORE OIL AND GAS ORDER NO. 3 - SITE SECURITY will be adhered to.

Gas measurements will be conducted in accordance with the ONSHORE OIL AND GAS ORDER NO. 5 GAS MEASUREMENT and 43 CFR 3162.7-3.

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

Oil measurement will be conducted in accordance with ONSHORE OIL AND GAS ORDER NO. 4; OIL MEASUREMENT as of the effective of August 23, 1989 and 43 CFR 3162.7-2.

5. Location and type of Water Supply:

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

A temporary water use permit for this operation will be obtained (See application, Exhibit "D")

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of that water.

6. Source of Construction Material:

Pad construction material will be obtained from the site and in place materials. Twelve (12) inches of top soil will be reserved for future rehabilitation and will be stock piled along the north edge of location. Brush and trees that are removed in order to build the proposed location will be stockpiled on the east end of the location.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.

7. Methods of Handling Waste Disposal:

The reserve pit will be lined with bentonite to prevent seepage and constructed with at least 1/2 of the capacity in cut material.

Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four (4) strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four (4) feet. The fence will be kept in good repair while the pit is drying.

No liquid hydrocarbons (i.e. fuels, lubricants, formation) will be discharged to the reserve pit.

No chrome compounds will be on location.

All garbage will be placed in a garbage receptical and hauled to a county refuge facility. There will be no burning on location.

Produced waste water will be confined to the reserve pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to NTL-2B.

8. Ancillary Facilities:

Chemical toilets will be provided and maintained during drilling operations.

9. Well Site Layout:

The reserve pit will be located: In the northwest corner of pad. (See attached Cut and Fill Diagram and Well Layout Plat, Exhibit "E" and Well Location Plat, Exhibit "F")

10. Plans for Restoration of Surface:

a. Within 24 hours of completion of drilling, the location and surrounding area will be cleared of all debris, materials, and junk not required for production.

b. As soon as the reserve pit has dried or within eighteen months (18 mos.) whichever is least, all areas not needed for production (including access road) will be filled in, recontoured to approximately natural contours and as much top soil as was removed) replaced leaving enough for future restoration. The remaining top soil (if any) will be stabilized and seeded in place. If the well is a dry hole, the location and access road will be rehabilitated in total.

c. The area will be seeded between December 1, 1993 and June 1, 1994 with PLEASE SEE ATTACHED BIA SURFACE MANAGEMENT STIPULATIONS. Exhibit "G".

d. Seed will be broadcast followed by a light harrowing. If the seed is drilled, the seeding rate can be reduced by 25% and harrowing can be eliminated.

After seeding the trees and brush will be scattered over the sight.

Scarefire, riping, water bars or other soil treatments may be required by the authorized officer at the time, depending on the soil and water conditions at the time of rehabilitation.

11. Surface and Mineral Ownership:

Surface Disposition- Navajo Tribal Trust
Mineral Ownership- Navajo Tribe

12. Other Information:

There will be no deviation from the proposed drilling and/or work over program without prior approval from the District Manager. Safe drilling and operation practices must be observed. All wells, whether drilling, producing, suspended or abandoned and/or separate facilities, will be identified in accordance with 43 CFR 3162.6.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.6.

The dirt contractor will be provided with an approved copy of the surface use plan.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly distributing historic or archaeological sites, or for collecting artifacts. If historical or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to whether the materials appear eligible for the National Register of Historic Places;

The mitigation measures the operator will likely have to undertake before the site can be used (assuming instu preservation is not necessary); and a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic

Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

**Application for Permit to Drill
Dunne Equities, Inc.
Navajo 1-9D
SE/4 NE/4 Section 9, T40S, R25E
San Juan County, Utah
Page 9**

If the operator wishes, at any time, to relocate activities to avoid the expenses of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs.

The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.

13. Lessee's or Operator's Representative/Agent and Certification:

Representative/Agent:

Joe Wilbanks
On Site Technologies, Ltd.
3005 Northridge, Suite F
Farmington, New Mexico 87401
(505) 325-8786 Office
(303) 247-9210 Home

**Application for Permit to Drill
Dunne Equities, Inc.
Navajo 1-9D
SE/4 NE/4 Section 9, T40S, R25E
San Juan County, Utah
Page 10**

CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions that exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with operations proposed herein will be performed by Dunne Equities, Inc. and its contractors in conformity with this plan, and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

By: _____ Date: _____

Joe Wilbanks
On Site Technologies, Ltd.
3005 Northridge, Suite F
Farmington, New Mexico 87401

(505) 325-8786 Office
(303) 247-9210 Home

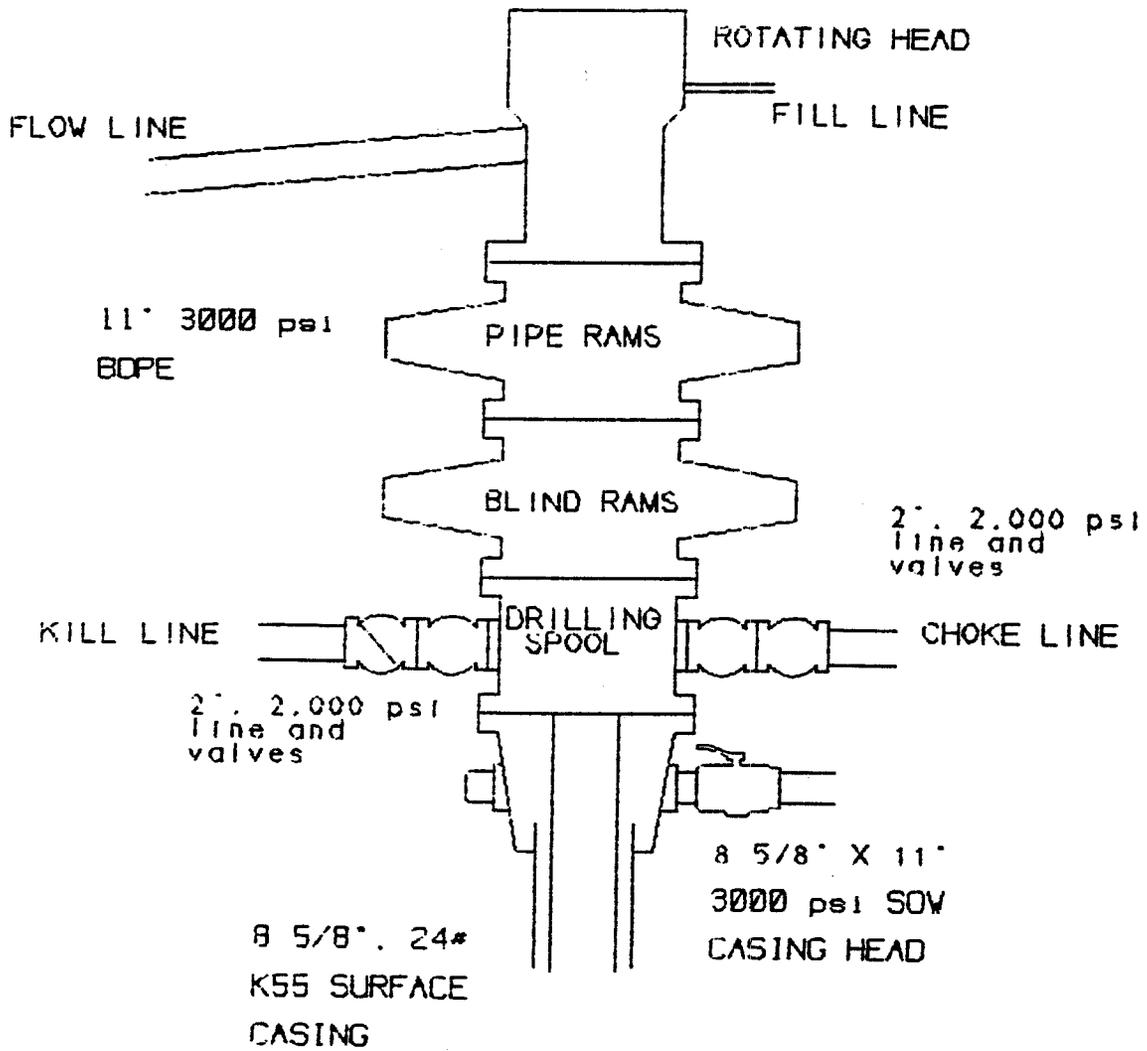


EXHIBIT "A"

FILING FOR WATER IN THE STATE OF UTAH

Rec. by _____

Fee Rec. _____

Receipt # _____

Microfilmed _____

APPLICATION TO APPROPRIATE WATER Roll # _____

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements to Title 73, Chapter 3 of the Utah Code Annotated (1953, as amended).

*WATER RIGHT NO. _____ - _____

*APPLICATION NO. A _____

1. *PRIORITY OF RIGHT: _____ *FILING DATE: _____

2. OWNER INFORMATION

Name(s): DUNNE EQUITIES *Interest: _____ %

Address: 8100 EAST 22nd St., North, Building 1000

City: WICHITA State: KANSAS Zip Code: 67226-2311

Is the land owned by the applicant? Yes _____ No X (If "No", please explain in EXPLANATORY section.)

3. QUANTITY OF WATER: _____ cfs and/or FIVE (5.0) ac-ft.

4. SOURCE: SAN JUAN RIVER *DRAINAGE: _____

which is tributary to COLORADO RIVER

which is tributary to _____

POINT(S) OF DIVERSION: _____ COUNTY: SAN JUAN

S. 250ft & E 1030ft from NW corner Section 5, T41S, R24E, SLM&B

Description of Diverting Works: PORTABLE PUMP & TANK TRUCK

*COMMON DESCRIPTION: _____

5. POINT(S) OF REDIVERSION

The water will be rediverted from N/A at a point: _____

Description of Diverting Works: N/A

6. POINT(S) OF RETURN

The amount of water consumed will be N/A cfs or FIVE (5.0) ac-ft.

The amount of water returned will be _____ cfs or _____ ac-ft.

The water will be returned to the natural stream/source at a point(s): _____

7. STORAGE

Reservoir Name: _____ Storage Period: from _____ to _____

Capacity: _____ ac-ft. Inundated Area: _____ acres.

Height of dam: _____ feet

Legal description of inundated area by 40 acre tract(s): _____

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

8. List any other water rights which will supplement this application N/A

9. NATURE AND PERIOD OF USE

Irrigation:	From _____	to _____
Stockwatering:	From _____	to _____
Domestic:	From _____	to _____
Municipal:	From _____	to _____
Mining:	From _____	to _____
Power:	From _____	to _____
Other:	From <u>NOV 1, 93</u>	to <u>NOV 1, 94</u>

10. PURPOSE AND EXTENT OF USE

Irrigation: _____ acres. Sole supply of _____ acres.
 Stockwatering (number and kind): _____
 Domestic: _____ Families and/or _____ Persons.
 Municipal (name): _____
 Mining: _____ Mining District in the _____ Mine.
 Ores mined: _____
 Power: Plant name: _____ Type: _____ Capacity: _____
 Other (describe): TO DRILL OIL & GAS WELL

11. PLACE OF USE

Legal description of place of use by 40 acre tract(s): SE NE 1/2 SECTION 9, T40S, R25E, SLB&M NAVAJO 1-9D 1600' FNL 660' FEL.

12. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. (Use additional pages of the same size if necessary): WATER WILL BE HAULED BY PRIVATE TRUCKING COMPANY (R&W TRUCKING CO., MONTEZUMA CREEK, UTAH) from San Juan River to utilization in the oil and gas drilling operations. The land is owned by the Navajo Tribe, all requirements and regulations pertaining to Tribal law will be adhered to.

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

Joe A. Wilbanks
 Signature of Applicant(s)*

*If applicant is a corporation or other organization, signature must be the name of such corporation or organization by its authorized agent, or in the name of the partnership by one of the partners.

AGENT: ON SITE TECHNOLOGIES, LTD
 JOE A. WILBANKS
 P.O. BOX 2606
 FARMINGTON, NM 87499
 (505) 325-8786

JOE A. WILBANKS
 Authorized Agent (please print)
Joe A. Wilbanks
 Authorized Agent (signature)

BUREAU OF INDIAN AFFAIRS
SURFACE MANAGEMENT STIPULATIONS
TO BE INCLUDED IN APD

COMPANY..... DUNNE EQUITIES INC.
WELL #..... NAVAJO 1-9D
DATE OF INSPECTION...OCTOBER 05, 1993
PROVIDED BY.....R. CORNETT

1. ALL ABOVE GROUND STRUCTURES AND EQUIPMENT WILL BE PAINTED WITH THE FOLLOWING NON-GLARE COLOR.

SandFEDERAL STANDARD...595a-30277

2. COMPACTED AREAS WILL BE PLOWED OR RIPPED TO A DEPTH OF 12 TO 16 INCHES BEFORE RESEEDING. SEED WILL BE DRILLED TO A DEPTH OF .5 TO .75 INCH OR BROADCAST AND FOLLOWED BY A DRAG OR PACKER. IF BROADCAST, THE RECOMMENDED SEED MIX WILL BE APPLIED AT 150% OF THE RECOMMENDED RATE. THE FOLLOWING SEED MIX WILL BE USED:

3.	SPECIES	LBS/ACRE/PLS
	INDIAN RICEGRASS (<u>Oryzopsis hymenoides</u>)	3
	GALLETA (<u>Hilaria jamesii</u>)	2
	ALKALI SACATON (<u>Sporobolus airoides</u>)	1
	SHADSCALE (<u>Atriplex confertifolia</u>)	2
	FOUR-WING SALTBUSH (<u>Atriplex canescens</u>)	2
	TOTAL	10 lbs./acre PLS

(PURITY X GERMINATION = PLS)

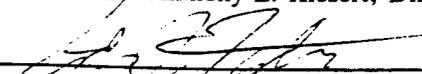
4. ACCESS ROADS NOT NEEDED FOR THROUGH TRAFFIC WILL BE BARRICADED AND RESEEDED IN ACCORDANCE WITH #2. WATER BARS WILL BE CONSTRUCTED TO THE FOLLOWING STANDARD:

% SLOPE	INTERVAL DISTANCE
1% to 5%	200 feet
6% to 15%	100 feet
Greater than 15%	50 feet

ALL SLOPES WILL BE BERMED AT THE TOP OF THE SLOPE!

5. THE TOP 8 INCHES OF SURFACE MATERIAL WILL BE STRIPPED FROM THE SITE AND STOCKPILED AS TOPSOIL FOR USE IN RECLAIMING THE WELL SITE.
6. THE RESERVE PIT WILL BE LINED WITH BENTONITE TO PREVENT SEEPAGE.
7. A DIVERSION WILL BE CONSTRUCTED AROUND EAST SIDE OF THE WELL PAD TO DIVERT RUNOFF AROUND THE SOUTH SIDE OF THE PAD AND UNDER THE ACCESS ROAD. A CULVERT OF SUFFICIENT SIZE TO HANDLE THE RUNOFF WILL BE INSTALLED ON THE ACCESS ROAD.
8. STORAGE TANKS INSTALLED ON THE LOCATION WILL BE SURROUNDED BY A DIKE OF SUFFICIENT CAPACITY TO CONTAIN ONE AND ONE-HALF TIMES THE STORAGE CAPACITY OF THE LARGEST TANK.
9. UPON ABANDONMENT, ALL MATERIALS BROUGHT IN TO PLATE THE WELL PAD OR ACCESS ROAD WILL BE REMOVED PRIOR TO RESEEDING.
10. STIPULATIONS SET FORTH IN THE ARCHEOLOGICAL CLEARANCE LETTER NO. DATED WILL BE STRICTLY ADHERED TO.

ANY CHANGES/DEVIATIONS MADE FROM THE APPROVED APD MUST BE CLEARED AND APPROVED BY THE SURFACE MANAGEMENT AGENCY. CONTACT THE BUREAU OF INDIAN AFFAIRS, BRANCH OF NATURAL RESOURCES, P.O. BOX 966, SHIPROCK, NEW MEXICO 87420 OR CALL (505) 368-4427 FOR MORE INFORMATION.

1. HPD REPORT NO.	2. (FOR HPD USE ONLY)	3. RECIPIENTS ACCESSION NO.
4. TITLE OF REPORT: An Archaeological Survey of the Proposed Navajo 1-9D Well Location for Dunne Equities Inc., North of Aneth, San Juan County, Utah AUTHOR(S): Peter J. Kakos		5. FIELDWORK DATES 10-5-93
		6. REPORT DATE 10-11-93
7. CONSULTANT NAME AND ADDRESS: Gen'l Charge: Dr. Anthony L. Klesert Org. Name: Navajo Nation Archaeology Department Org. Address: P. O. Box 689 Window Rock, Arizona 86515 Phone: (602) 871-6540		8. Permit No. NTC
		9. Consultant Report No. NNAD 93-246
10. SPONSOR NAME AND ADDRESS: Ind. Responsible: Donna Armistead Org. Name: Dunne Equities, Incorporated Org. Address: 8100 East 22nd St. North, No. 1100 Wichita, Kansas 67226-2311 Phone: (316) 684-6508		11. SPONSOR PROJECT NO. Navajo 1-9D
		12. AREA OF EFFECT: 3.88 ac AREA SURVEYED: 9.47 ac
13. LOCATION (MAP ATTACHED): a. Chapter: Aneth b. Agency: Shiprock c. County: San Juan d. State: Utah e. Land Status: Navajo Indian Reservation f. UTM Center: see Supplemental Sheet g. Area: see Supplemental Sheet h. 7.5' Map Name(s): Navajo Canyon, Utah 1985 (Provisional Edition)		
14. REPORT /X/ OR SUMMARY (REPORT ATTACHED) // a. Description of Undertaking: see Supplemental Sheet b. Existing Data Review: see Supplemental Sheet c. Area Environmental & Cultural Setting: see Supplemental Sheet d. Field Methods: see Supplemental Sheet		
15. CULTURAL RESOURCE FINDINGS: a. Location/Identification of Each Resource: One isolated occurrence (IO-93-246-1) was located within the area effect. The IO consisted of one biface fragment made of gray quartzite. b. Evaluation of Significance of Each Resource (above): see Supplemental Sheet		
16. MANAGEMENT SUMMARY (RECOMMENDATIONS): Since no cultural properties eligible for inclusion to the National Register were identified during the NNAD inventory, archaeological clearance is recommended for the proposed undertaking.		
17. CERTIFICATION: SIGNATURE: _____ DATE: _____ General Charge Name: Dr. Anthony L. Klesert, Director SIGNATURE:  _____ DATE: 10-11-93 Direct Charge Name: Peter J. Kakos, Staff Archaeologist		

13. LOCATION:

- f. & g. UTM and Area: Table 1 provides UTM coordinates and legal descriptions for the proposed well location and access route.

Table 1. UTM Coordinates (Zone 12) and Legal Descriptions (SLPM&B) for the Proposed Dunne Equities Inc., Well Location and Access Route

Location	Northing	Easting	¼	¼	¼	Sec	Township	Range
Well Location								
NW corner	4132500	662090	NW	SE	NE	9	40S	25E
NE corner	4132470	662200	NE	SE	NE	9	40S	25E
SE corner	4132380	662170	NE	SE	NE	9	40S	25E
SW corner	4132400	662060	NW	SE	NE	9	40S	25E
Access Route								
Point A	4132390	662620	NE	SW	NW	10	40S	25E
Point B	4132220	662440	SW	SW	NW	10	40S	25E
Point C	4132420	662180	NE	SE	NE	9	40S	25E

14. REPORT:

- a. Description of Undertaking: Dunne Equities, Inc., proposes to construct a well pad on Cajon Mesa, San Juan County, Utah. The well location (center point) is situated 1600 feet (487.8 m) from the north line and 660 feet (201.2 m) from the east line of Section 9, Township 40 South, and Range 25 East, SLPM. Dunne Equities Inc. plans to construct a well head, reserve pit, and associated facilities in an area measuring 400 feet (122.0 m) by 325 feet (99.1 m). Extensive surface and subsurface disturbance employing heavy equipment is anticipated within the well pad area and reserve pit. Drilling equipment will eventually be used for subsurface testing and drilling.

Access to the well location will be made on existing paved roads and improved dirt roads. However, approximately 850 feet (259.15 m) of an existing two-track road (Point A to Point B; Figure 2) will be improved by blading. An additional 1100 feet (335.37 m) will be needed for access from the two-track road to the well location (Point B to Point C). This will also require blading and maintenance with heavy equipment. A 20-foot-wide (6.1-m) corridor will be needed for access to the well location.

The area of effect for the well location measures 400 feet (122.0 m) by 325 feet (99.1 m) or about 2.98 acres (1.21 ha). The area of effect for the access route measures 1950 feet (594.5 m) by 20 feet (6.1 m) or about 0.90 acres (0.36 ha). The total area of effect for the project is 3.88 acres (1.57 ha).

- b. Existing Data Review: A records check of NNAD and NNHPD records prior to the NNAD field work indicates 17 previously recorded sites are located within a 0.5-mile (0.8-km) radius of the project area. Most of these sites were located in conjunction with seismic line surveys and power line surveys. Table 2 provides a brief summary of these previously identified resources.

b. Existing Data Review: --cont'd

Table 2. Previously Recorded Sites Located within 0.5 Mile (0.8 km) of the Proposed Dunne Equities Inc., Well Location

Site Number	Resource Description	Report Number
UT-C-42-70	C1: Anasazi/A.D. 1100-1300/Habitation C2: Navajo/20th century/Rock cairn	NNCRMP 87-434*
UT-C-42-71	Unknown (prehistoric)/Undated/Lithic scatter	NNCRMP 87-434
UT-C-42-72	Unknown (prehistoric)/Undated/Lithic scatter	NNCRMP 87-434
UT-C-42-73	Unknown (prehistoric)/Undated/Lithic scatter	NNCRMP 87-434
UT-C-42-143	C1: Unknown (prehistoric)/Undated/Lithic scatter C2: Navajo/1930-1941/Sheep camp	NNAD 88-305
UT-C-42-144	Unknown (prehistoric)/Undated/Camp	NNAD 88-305
UT-C-42-217	Anasazi/A.D. 900-1100/Sheep and lithic scatter	NNAD 88-285
UT-C-42-218	Anasazi/A.D. 900-1150/Sheep and lithic scatter	NNAD 88-285
UT-C-42-307 (LA42SA21859)	Unknown (prehistoric)/Undated/Lithic reduction	NNAD 90-253; NNAD 91-042
UT-C-42-316	Anasazi/A.D. 900-1300/Village	NNAD 90-446
UT-C-42-336	Anasazi/A.D. 1200-1300/Resource processing	NNAD 91-042
UT-C-42-337	Unknown (prehistoric)/Undated/Rock shelter	NNAD 91-042
UT-C-42-341	C1: Anasazi/A.D. 900-1300/Small pueblo C2: Unknown/1937/Petroglyph	NNAD 91-042
UT-C-42-342	Anasazi/A.D. 900-1300/Multiple-room structure	NNAD 91-042
UT-C-42-343	C1: Anasazi/A.D. 900-1100/Multiple-room structure C2: Navajo/post-1945/Sheep camp	NNAD 91-042
UT-C-42-344	Anasazi/A.D. 900-1100/Camp	NNAD 91-042
UT-C-42-350	Navajo/post-1945/Temporary shelter	NNAD 91-042

* Note: C denotes Component. NNCRMP (Navajo Nation Cultural Resource Management Program) was the designation for the Navajo Nation Archaeology Department (NNAD) prior to 1988.

A check of Van Valkenburgh (1974) indicates that the nearest sacred places are the Bears Ears (*Shash Jaa--Bears Ears*), which is located about 40 miles (64 km) northwest, and Sleeping Ute Mountain (*Dzilnaazhini--Black Mountain Sloping Down*), which is located about 20 miles (32 km) southeast of the project area. General overviews for the prehistory of the area are provided by Brew (1946), and by Hewett, Powers, and Kemrer (1979).

b. Existing Data Review: --cont'd

Brew, John O.

1946 Archaeology of Alkali Ridge, Southeastern Utah. *Papers of the Peabody Museum of American Archaeology and Ethnology* 21.

Hewett, Nancy S., Margaret A. Powers, and Meade Kemrer

1979 An Archaeological Survey and Evaluation of Cultural Resources Along the San Juan River near Aneth, Utah. *Division of Conservation Archaeology Contributions to Anthropology Series* 46.

Van Valkenburgh, Richard R.

1974 Navajo Sacred Places. In *Navajo Indians III*, edited by Clyde Kluckhohn, pp. 9-199. Garland Publishing, New York, New York.

- c. Area Environmental & Cultural Setting: The project area is located just below the south rim of the top of Cajon Mesa, north of Aneth, Utah. Elevation is 5033 feet (1535 m) above mean sea level. Sediments consist primarily of alluvial silt and clays. Some lag deposits from eroding sandstone and shale are also present. Vegetation observed in the immediate area includes Russian thistle, snakeweed, cheatgrass, cactus, and wolfberry. Allen Canyon is located about 2 miles (3.2 km) southwest of the project area.

There is very little development in the area. No commercial enterprises occur except for a few scattered well pads. Local residents live in scattered homesites that skirt most of the mesa tops or on nearby alluviated floodplains. Livelihood is derived from livestock raising (cattle, sheep, horses), and some jobs that are available in Aneth, Blanding, or Montezuma Creek.

- d. Field Methods: A total of 9.47 acres (3.84 ha) was surveyed in conjunction with this project. A 100-foot (30.5 m) wide survey buffer zone was surveyed around the entire well location which measured 400 feet (122.0 m) by 325 feet (99.1 m). Thus, the survey area measured 600 feet (182.9 m) by 525 feet (160.1 m) encompassing an area 7.23 acres (2.93 ha) in extent. In addition, the access route which measured 1950 feet (594.5 m) by 50 feet (15.2 m) wide was also surveyed (points A through C; Figure 2). This survey corridor encompassed the 20-foot-wide (6.1-m) right-of-way for the road and a 15-foot-wide (4.6-m) buffer zone on each side of the road. The total survey corridor for the road encompassed 2.24 acres (0.91 ha).

The survey was conducted by walking parallel transects spaced no more than 10 meters apart within the proposed well location area. Along the access route, the archaeologist used two parallel transects spaced no more than 8 meters apart. Notes were taken during the survey on the area's environmental setting and the single isolated occurrence (IO) identified. A NNHPD form for the IO was completed in-house and the form is attached to this report. An ethnographic interview was conducted with Ms. Lydia Eddy, a nearby resident. The interview was conducted in Navajo by Ms. Belinda Clark, a representative of the Navajo Land Administration. Ms. Clark served as an interpreter for the project archaeologist during the interview.

15. CULTURAL RESOURCE FINDINGS:

- a. Location/Identification of Each Resource: One isolated occurrence (IO-93-246-1) was identified during the NNAD inventory. The IO consists of a biface fragment made of gray quartzite. No other artifact or features were found in association with this artifact. The IO was located along the northwest portion of the proposed well pad area.

a. Location/Identification of Each Resource: --cont'd

According to Ms. Lydia Eddy no medicinal plants, burials, sacred or blessed structures, or other traditional cultural properties are present in the immediate vicinity of the project area. Ms. Eddy indicated that local residents do graze their livestock in the area.

- b. Evaluation of Significance of Each Resource (above): IO-93-246-1 does not appear to be eligible for nomination to the National Register of Historic Places under criteria a through d (36CFR60.4) because its research potential has been exhausted through recordation. The IO probably lacks integrity as well. The IO probably meets the 50-year guideline for Register eligibility. The IO probably meets the 100-year age requirement under the provisions of the Archaeological Resources Protection Act (ARPA), but it is not of archaeological interest, and therefore, it is not eligible for protection under the provisions of ARPA. The IO does not retain any known sacred or ceremonial value that may make it eligible for protection under the provisions of the American Indian Religious Freedom Act (AIRFA).

APPENDIX A
IO Forms and USGS Map Locations

**NAVAJO NATION
HISTORIC PRESERVATION DEPARTMENT**

Isolated Occurrence Record Form

I.O. No. 93-246-1

DATE RECORDED: 10-5-93

PROJECT NO. and NAME: NNAD 93-246--An Archaeological Survey of the Proposed Navajo 1-9D Well Location for Dunne Equities Inc., North of Aneth, San Juan County, Utah

UTM COORDINATES: Zone 12; Northing 4132480, Easting 662100

LEGAL DESCRIPTION: NE¼ SE¼ NE¼, Sec. 9; T.40S, R.25E; SLPM&B

STATE: Utah COUNTY: San Juan CHAPTER: Aneth

LAND STATUS: Navajo Reservation

USGS MAP REFERENCE: Navajo Canyon, Utah 1985 (Provisional Edition), 7.5' series

ELEVATION (ft/m): 5040'/1537 m

CONTEXT: The IO is located at the base of an eroding hill. Soils consist of deep alluvial clays and silt. Vegetation consists primarily of Russian thistle, snakeweed, cheatgrass, cactus, and wolfberry.

CULTURAL AFFILIATION: (d) Unknown Prehistoric

- | | | |
|-----------------|-------------------------|----------------------|
| (a) PaleoIndian | (d) Unknown Prehistoric | (g) Unknown Historic |
| (b) Archaic | (e) Navajo | (h) Unknown |
| (c) Anasazi | (f) Euro-American | (i) Mixed |
| | | (j) Other |

DATE/HOW DATED: 1) Undated Prehistoric / N/A

DESCRIPTION OF I.O. (No. and type of artifacts, size, other): The IO consists of one biface fragment made of gray quartzite. The biface appears to represent a single, isolated occurrence of undetermined cultural origin.

ITEMS COLLECTED: No IF SO, WHAT/HOW: N/A

I.O. DRAWING/PHOTO ATTACHED: No

INTRUST Bank, NA
Box One
Wichita, KS 67201-5001
Telephone 316 383-1111



IRREVOCABLE LETTER OF CREDIT

INTRUST Bank N.A.
105 North Main
Wichita, KS 67202
Telephone: (316) 383-1272

Letter of Credit No. 4146

Amount: U.S. \$15,000.00

Beneficiary:
Bureau of Indian Affairs
Navajo Area Office
P.O. Box 1060
Gallup, New Mexico 87305-1060

Applicant:
Dunne Equities, Inc.
8100 E. 22nd Street North
Building 1100
Wichita, KS 67226

Date of Issue:
September 30, 1993

Expiration Date:
September 30, 1994

Gentlemen:

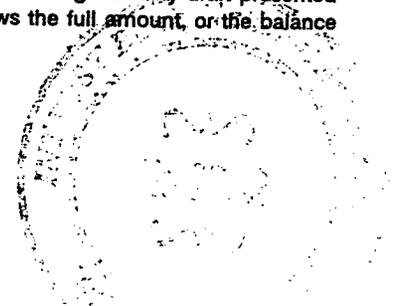
We hereby issue our Irrevocable Letter of Credit No. 4146 in favor of the Bureau of Indian Affairs, Navajo Area Office, hereafter, referred to as beneficiary for the account of Dunne equities, Inc., for the sum of up to but not exceeding fifteen Thousand and No Dollars (\$15,000.00), available by your draft. This irrevocable Letter of Credit is a guarantee that the operator/lessee/assignee/permittee shall well and truly perform and fulfill all the undertakens, covenants, terms, and conditions of said agreement and the applicable federal regulations (25CFR, 30CFR, and 43CFR). The draft will be made available upon written certification from the Area Director, Navajo Area, stating that such amounts are due and payable. Each sight draft so drawn and presented shall be honored by us if presented. This Letter of Credit refers to Dunne Equities, Inc. Oil and Gas exploration activities on the entire lease designation N-00-C-5297 in San Juan County, Utah.

It is the express condition of this Letter of Credit that it shall be in effect until the Area Director, Navajo Area, in writing cancels said Letter of Credit upon request of the principal or surety. The principal and surety agree that the Letter of Credit shall extend to and include all extensions and renewals of the lease/permit/agreement covered by this Letter of Credit, such coverage to continue without interruption due to the expiration of the term set forth therein.

The surety hereby waive any right to notice of any modification of any lease/permit/agreement, or obligation thereunder whether effected by extension of time for performance, by commitment of such lease to unit, cooperative, or communitization agreement, by waiver, suspension, or change in rental, by minimum royalty payment, by compensatory royalty payment, or otherwise, this Letter of Credit to remain in full force and effect notwithstanding.

The principal and surety agree that the neglect or forbearance of any obligee under this Letter of Credit in enforcing the payment of any obligations or the performance of any other covenant, condition, or agreement of any such lease/permit/agreement shall not in any way release the principal and surety, or either of them, from any liability under this Letter of Credit.

The original signed Letter of Credit will be presented to the Bank by the Bureau of Indian Affairs along with any draft presented pursuant to this Letter of Credit, and will be surrendered to the bank with any draft which draws the full amount, or the balance remaining available, under the Letter of Credit.



Phone: 316-383-1111 Telex: 510-100-7591 Cable: FIRWICKANWIC

Irrevocable Letter of Credit

Date: September 30, 1993	No. 4146	Advising bank reference
Advising bank	For account of Dunne Equities, Inc. 8100 E. 22nd Street North Building 1100 Wichita, KS 67226	
To beneficiary Bureau of Indian Affairs Navajo Area Office P.O. Box 1060 Gallup, New Mexico 87305-1060	Amount (For any sum or sums not exceeding a total of) Fifteen Thousand & No/100 - (\$15,000.00) USD Expiration date September 30, 1994 at 3:00 PM Wichita, KS USA time.	

Gentlemen: _____ This refers to preliminary cable advice of this credit.
 We hereby establish our irrevocable letter of credit in your favor available by your drafts drawn at sight
 on US _____ and accompanied by documents specified below.

See Attached Letter of Credit Form:

"Said Letter of Credit is subject to the special conditions on the attached Letter of Credit."

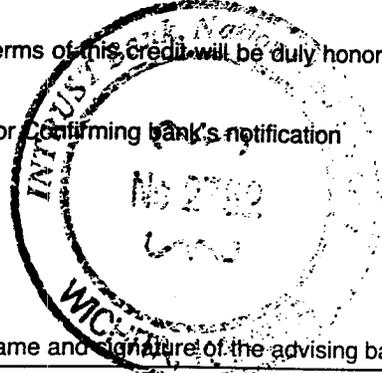
Drafts drawn hereunder must be marked "Drawn under **INTRUST Bank, N.A.**, Wichita, Kansas, Letter of Credit No. 4146, dated September 30, 1993."

PROVISIONS APPLICABLE TO THIS CREDIT:
 This credit is subject to the Uniform Customs and Practice for Documentary Credits (1983 Revision) International Chamber of Commerce, Publication No. 400.

We hereby engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored if drawn and presented for payment at this office on or before the expiration date of this credit.

Sincerely yours,
INTRUST Bank, N.A., Wichita, Kansas

Advising and/or Confirming bank's notification



By Robert P. Harmon
 Robert P. Harmon, Asst. Vice Pres. Authorized signature

Place, date, name and signature of the advising bank.

INTRUST Bank, NA
Box One
Wichita, KS 67201-5001
Telephone 316 383-1111



IRREVOCABLE LETTER OF CREDIT

INTRUST Bank N.A.
105 North Main
Wichita, KS 67202
Telephone: (316) 383-1272

Letter of Credit No. 4146

Amount: U.S. \$15,000.00

Beneficiary:
Bureau of Indian Affairs
Navajo Area Office
P.O. Box 1060
Gallup, New Mexico 87305-1060

Applicant:
Dunne Equities, Inc.
8100 E. 22nd Street North
Building 1100
Wichita, KS 67226

Date of Issue:
September 30, 1993

Expiration Date:
September 30, 1994

Gentlemen:

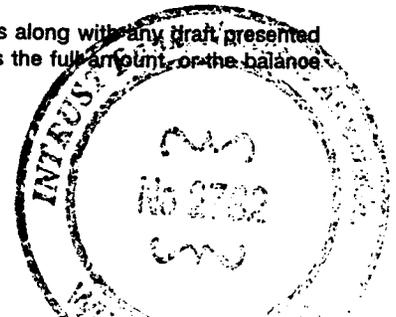
We hereby issue our Irrevocable Letter of Credit No. 4146 in favor of the Bureau of Indian Affairs, Navajo Area Office, hereafter, referred to as beneficiary for the account of Dunne equities, Inc., for the sum of up to but not exceeding fifteen Thousand and No Dollars (\$15,000.00), available by your draft. This irrevocable Letter of Credit is a guarantee that the operator/lessee/assignee/permittee shall well and truly perform and fulfill all the undertakens, covenants, terms, and conditions of said agreement and the applicable federal regulations (25CFR, 30CFR, and 43CFR). The draft will be made available upon written certification from the Area Director, Navajo Area, stating that such amounts are due and payable. Each sight draft so drawn and presented shall be honored by us if presented. This Letter of Credit refers to Dunne Equities, Inc. Oil and Gas exploration activities on the entire lease designation N-00-C-5297 in San Juan County, Utah.

It is the express condition of this Letter of Credit that it shall be in effect until the Area Director, Navajo Area, in writing cancels said Letter of Credit upon request of the principal or surety. The principal and surety agree that the Letter of Credit shall extend to and include all extensions and renewals of the lease/permit/agreement covered by this Letter of Credit, such coverage to continue without interruption due to the expiration of the term set forth therein.

The surety hereby waive any right to notice of any modification of any lease/permit/agreement, or obligation thereunder whether effected by extension of time for performance, by commitment of such lease to unit, cooperative, or communitization agreement, by waiver, suspension, or change in rental, by minimum royalty payment, by compensatory royalty payment, or otherwise, this Letter of Credit to remain in full force and effect notwithstanding.

The principal and surety agree that the neglect or forbearance of any obligee under this Letter of Credit in enforcing the payment of any obligations or the performance of any other covenant, condition, or agreement of any such lease/permit/agreement shall not in any way release the principal and surety, or either of them, from any liability under this Letter of Credit.

The original signed Letter of Credit will be presented to the Bank by the Bureau of Indian Affairs along with any draft presented pursuant to this Letter of Credit, and will be surrendered to the bank with any draft which draws the full amount, or the balance remaining available, under the Letter of Credit.



PROVIDED, that in the event supervision over all the tracts to which this bond applies is relinquished by the Secretary of the Interior and the lessee/permittee/assignee/operator/contractor shall have made all payments then due under the agreement and shall have fully performed all obligations on their part to be performed up to the time of relinquishment of supervision, the liability of this bond shall be of no further force and effect.

IN PRESENCE OF:

WITNESS

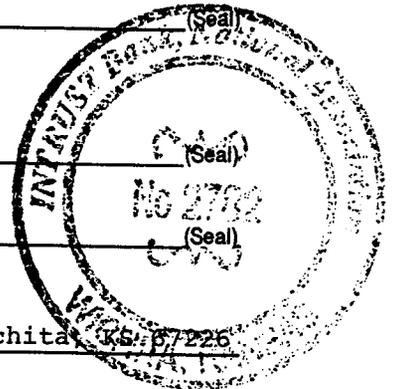
INDIVIDUAL PRINCIPAL

- 1. _____ as to _____ (Seal)
- 2. _____ as to _____ (Seal)
- 3. _____ as to _____ (Seal)
- 4. _____ as to _____ (Seal)

WITNESS

INDIVIDUAL BANK OR SURETY

- 1. Robert P. Harmon A.P. as to INTRUST Bank, N.A. (Seal)
- 2. Theresa Plunk as to INTRUST Bank, N.A. (Seal)



CORPORATE PRINCIPAL
 Dunne Equities, Inc.
 8100 E. 22nd Street North #1100 Wichita, KS 67226
 Business Address

[Signature]
 By C. R. Dunne

President
 Title (Affix Corporate Seal)

Corporate Surety

Business Address

By

Title (Affix Corporate Seal)

D. M. Armistead, Secretary

Attest:

DEPARTMENT OF THE INTERIOR
 Bureau of Indian Affairs

_____, 19____

APPROVED: Pursuant to Secretarial Redlegation
 Order 209 DM 8 and 230 DM 3.

 Area Director

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/12/93

API NO. ASSIGNED: 43-037-31735

WELL NAME: NAVAJO 1-9D
OPERATOR: DUNNE EQUITIES INC. (N7595)

PROPOSED LOCATION:
SENE 09 - T40S - R25E
SURFACE: 1600-FNL-0660-FEL
BOTTOM: 1600-FNL-0660-FEL
SAN JUAN COUNTY
UNDESIGNATED FIELD (002)

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: IND
LEASE NUMBER: N-00-C-5297

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond
 (Number FEDERAL)
N Potash (Y/N)
N Oil shale (Y/N)
Y ~~N~~ Water permit
 (Number APPLIED FOR)
N RDCC Review (Y/N)
 (Date: _____)

LOCATION AND SITING:

___ R649-2-3. Unit: _____
___ R649-3-2. General.
 R649-3-3. Exception.
___ Drilling Unit.
___ Board Cause no: _____
___ Date: _____

COMMENTS: BOND IS PENDING BIA APPROVAL, LETTE OF CREDIT FILED. WATER PERMIT NOT COMPLETE. PERMIT APPROVED 11/9/93

STIPULATIONS: ~~1. REQUIRE WATER PERMIT BY SUNDAY BEFORE SPUD. 2. WELL ON INDIAN LANDS, LOC. NOT ON A STANDARD 40 ACRE SPACING. MAY NEED AN EXCEPTION LETTER. LETTER REQUESTED 11/16/93~~



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

December 6, 1993

Dunne Equities, Inc.
8100 East 22nd Street North
Wichita, Kansas 67226

Re: Navajo 1-9D Well, 1600' FNL, 660' FEL, SE NE, Sec. 9, T. 40 S., R. 25 E., San Juan County, Utah

Gentlemen:

Pursuant to Utah Admin. R. 649-3-3, Exception to Location and Siting of Wells and Utah Admin. R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
2. Notification within 24 hours after commencing drilling operations.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or Mike Hebertson, Oil and Gas Field Specialist, (Home) (801)269-9212.
6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.



Page 2
Dunne Equities, Inc.
Navajo 1-9D Well
December 6, 1993

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-037-31735.

Sincerely,


for R.J. Firth
Associate Director, Oil and Gas

ldc
Enclosures
cc: San Juan County Assessor
Bureau of Land Management, Moab
WOI1

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: DUNNE EQUITIES

WELL NAME: NAVAJO 1-9D

API NO. 43-037-31735

Section 9 Township 40S Range 25E County SAN JUAN

Drilling Contractor FORE CORNERS

Rig # 7

SPUDDED: Date 11/27/93

Time 6:45 PM

How ROTARY

Drilling will commence DRILLING AHEAD

Reported by DONNA ARMSTEAD

Telephone # 1-316-684-6508

Date 12/9/93 SIGNED MKH



RECEIVED

DEC 29 1993

DIVISION OF OIL, GAS & MINING

December 22, 1993

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

Re: **Action Entity Form
Dunne Equities, Inc.
Navajo 1-9D
Sec. 9, T40, R25E
San Juan County, Utah**

43-037-31735

Dear Ms. Cordova:

Please find enclosed the original Action Entity Form and two copies in reference to the above mentioned subject. Please excuse the delay in processing the information, Dunne Equities (the operator) was unaware of the various forms and reports which are required by the State of Utah. The have recently hired On Site Technologies to file all the required documentation to become in compliance with the State of Utah. Therefore, if you have any questions or comments regarding the Navajo 1-9D well, please feel free to contact me.

I will be out of the office the last week of December, but I will be checking for messages periodically, so do not hesitate to call if additional information is needed. Thank you for your assistance.

Very truly yours,

Tora Baldwin
Engineering Tech
On Site Technologies, Ltd.
Agent for Dunne Equities, Inc.

enclosures
cc: Dunne Equities

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	99998	43-037-31735	NAVAJO 1-9D	NE	9	40S	25E	SAN JUAN	11-28-93	11-28-93

WELL 1 COMMENTS:
AS OF 12-15-93 THIS WELL HAS BEEN PLUGGED AND ABANDONED.

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

WELL 2 COMMENTS:

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

WELL 3 COMMENTS:

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

WELL 4 COMMENTS:

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

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)

REGISTERED

DEC 29 1993

DIVISION OF
OIL, GAS & MINING

Joe A. Wilbanks
Signature JOE A. WILBANKS

ENGINEER 12-22-93
Title Date

Phone No. (505) 325-8786

ON SITE TECHNOLOGIES, LTD
AGENT FOR DUNNE EQUITIES, INC.
P.O. BOX 2606
FARMINGTON, NM 87499

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 1004-0135
Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir. USE "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator: DUNNE EQUITIES, INC. 8100 E. 22ND STREET, NORTH WICHITA, KS 67226
 (316) 684-6508

3. Address and Phone No.: ON SITE TECHNOLOGIES, Ltd. - AGENT
 P.O. BOX 2606 FARMINGTON, NEW MEXICO 87499 (505) 325-8786

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 SE/4 NE/4 1600' FNL, 660' FEL
 SEC. 9, T40S, R25E

5. Lease Designation & Serial No.: N00C5297

6. If Indian, Allottee or Tribe Name:
 Navajo

7. If Unit or CA, Agreement Designation:
 N/A

8. Well Name & No.: NAVAJO

9. API Well No.: 1-9D **43-037-31735**

10. Field and Pool, or Exploration Area:
 RUNWAY

11. County or Parish, State
 San Juan County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)

13. 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.)*

Well spudded 11-27-93
 8 5/8" Surface casing set at 490' cement circulated to the surface, TD @ 6034'

Well proved to be non-productive, P&A as per BLM as follows:

12-14-93	4:00	Begin circulation
	4:45	Set 1st cement plug with 120 sx at 5906-5622'
	6:15	Set 2nd Plug with 60 sx at 4797-4697'
	8:45	Set 3rd Plug with 85 sx at 2872-2772'
	9:15	Set and tag 4th Plug with 100 sx at 1800-1700'
12-15-93	2:30	Set 5th Plug with 70 sx at 540-440'
	3:45	Set 6th Plug with 25 sx at 90'-surface

- 9.5#/gal mud was spotted between each cement plug. Plugging was witnessed by the BLM representative, Mr. Jimmy Morris.
 - Rig released at 8:00 am.
 - Dry hole marker was set and the location will be reclaimed at a future date.

RECEIVED

DEC 30 1993

DIVISION OF OIL, GAS & MINING

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

Signed Joe A. Wilbanks Engineer Title Agent: On Site Technologies, Ltd. for Dunne Equities, Inc. Date 12-15-93

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

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

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FOR APPROVED
OMB NO. 1004-0137
Expires: December 31, 1991

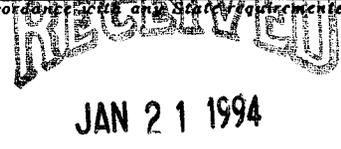
WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____
b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. REVR. Other _____

2. NAME OF OPERATOR Dunne Equities, Inc. 8100 E. 22nd St North
316-684-6508 Wichita, KS 67226

3. ADDRESS AND TELEPHONE NO. ON SITE TECHNOLOGIES, LTD.-AGENT
P.O. BOX 2606, Farmington, NM 87499-5053-2606-8786

4. LOCATION OF WELL (Report location clearly and in accordance with BLM Survey Instructions)*
 At surface 1600' FNL, 660 FEL
 At top prod. interval reported below SAME
 At total depth SAME



14. PERMIT NO. _____ **DATE ISSUED** _____
 DIVISION OF OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NO.
NOO-C-14-20-5297

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME
NAVAJO

8. FARM OR LEASE NAME, WELL NO.
NAVAJO 1-9D

9. APIWELLNO.
4303731735

10. FIELD AND POOL, OR WILDCAT
RUNWAY
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SE/4 NE/4
Sec 9, T40S, R25E

12. COUNTY OR PARISH San Juan **13. STATE** Utah

15. DATE SPUNDED 11-27-93 **16. DATE T.D. REACHED** 12-14-93 **17. DATE COMPLETED (Flowing or Pumping)** 12-15-93 PA **18. ELEVATIONS (DF, RKB, RT, CR, ETC.)*** 5033 Gr **19. ELEV. CASINGHEAD** 5033

20. TOTAL DEPTH, MD & TVD 6040 TD **21. PLUG BACK T.D., MD & TVD** 6040 TD **22. IF MULTIPLE COMPL., HOW MANY*** N/A **23. INTERVALS DRILLED BY** _____ **ROTARY TOOLS** 0-TD **CABLE TOOLS** _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
N/A **25. WAS DIRECTIONAL SURVEY MADE**
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
DIL, CNL GR, CAL, SONIC, DCL 1-21-94 **27. WAS WELL CORED**
NO

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

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT. CEMENTING RECORD	AMOUNT PULLED
8 5/8	J55, 24#	490	12 1/4	Surface, 530sx Class B	N/A

29. LINER RECORD **30. TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
N/A							

31. PERFORATION RECORD (Interval, size and number)
N/A

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
N/A	

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
N/A							
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

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

35. LIST OF ATTACHMENTS

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

SIGNED [Signature] TITLE ENGINEERING TECH DATE 01-14-94

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

DUNNE EQUITIES
NAVAJO 1-9D
SECTION 9, T40S, R25E
SAN JUAN COUNTY, UTAH

G.L.: 5033' K.B.: 5045'

FORMATION	FORMATION TOPS			
	SAMPLE TOP	SAMPLE DATUM	E-LOG TOP	E-LOG DATUM
HERMOSA	4850'	(+195')	4852'	(+193)'
UPPER ISMAY	5672'	(-627')	5670'	(-625)'
HOVENWEEP	5770'	(-725')	5768'	(-723)'
LOWER ISMAY	5776'	(-731')	5774'	(-729)'
GOTHIC	5834'	(-789')	5834'	(-789)'
DESERT CREEK	5856'	(-811')	5856'	(-811)'
LOWER DESERT CREEK	5906'	(-861')	5900'	(-855)'
CHIMNEY ROCK	5997'	(-952')	5994'	(-949)'
AKAH	6010'	(-965')	6010'	(-965)'