

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5. Lease Serial No.
14-20-603-229

6. If Indian, Allottee or Tribe Name
NAVAJO NATION

7. If Unit or CA Agreement, Name and No.
N/A

8. Lease Name and Well No.
TOHONADLA 26-O

9. API Well No.
43-037-31896

10. Field and Pool, or Exploratory
TOHONADLA 470

11. Sec., T. R. M. or Blk. and Survey or Area

26-41S-21E SLM
SWSE

12. County or Parish
SAN JUAN

13. State
UT

1a. Type of work: DRILL REENTER
1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
NAVAJO NATION OIL & GAS CO., INC.

3a. Address P. O. BOX 4439
WINDOW ROCK, AZ 86515

3b. Phone No. (include area code)
(928) 871-4880

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 873' FSL & 2310' FEL 626511X 37.190049
At proposed prod. zone SAME 4116703Y -109.574668

14. Distance in miles and direction from nearest town or post office*
6 AIR MILES SOUTH OF BLUFF, UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2,970'

16. No. of acres in lease
2,560

17. Spacing Unit dedicated to this well
SWSE (= 40 acres)

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2,617' (#2-35)

19. Proposed Depth
6,200'

20. BLM/BIA Bond No. on file
BIA RLB0006712

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4,727' GL

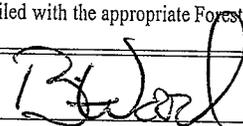
22. Approximate date work will start*
09/01/2008

23. Estimated duration
5 WEEKS

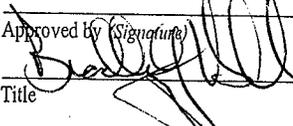
24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature  Name (Printed/Typed) BRIAN WOOD Date 07/02/2008

Title CONSULTANT PHONE: (505) 466-8120 FAX: (505) 466-9682

Approved by (Signature)  Name (Printed/Typed) BRADLEY G. HILL Date 07-31-08
Title Office ENVIRONMENTAL MANAGER

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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

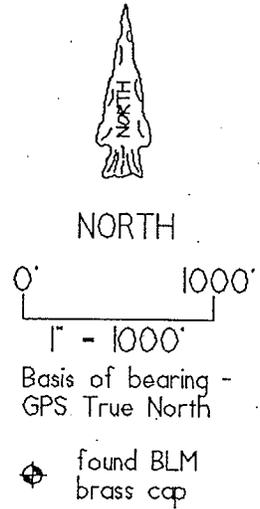
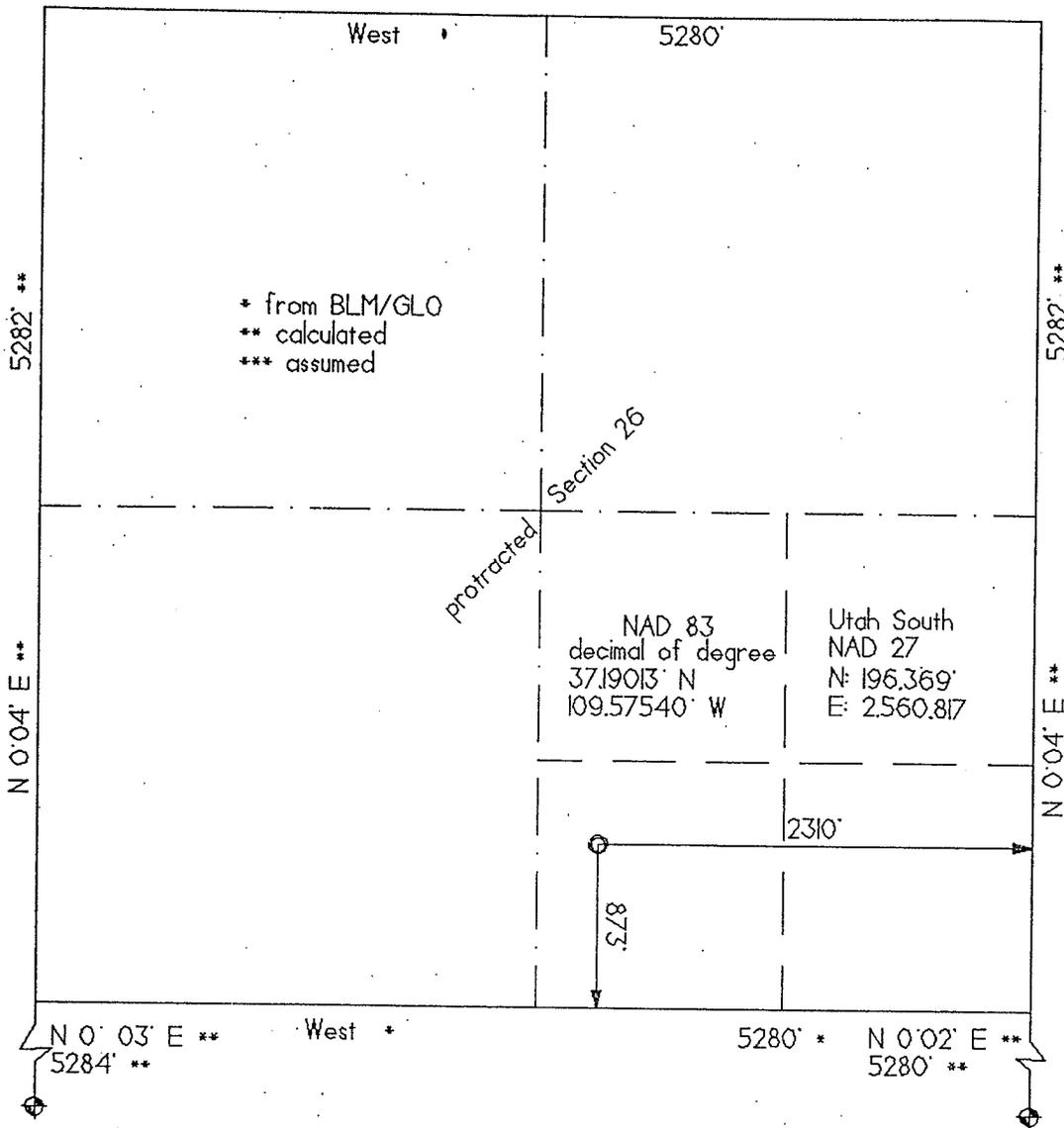
Federal Approval of this
Action is Necessary

RECEIVED

JUL 22 2008

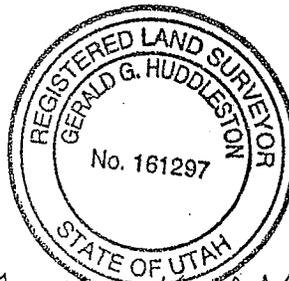
DIV. OF OIL, GAS & MINING

Well Location Plat



Well Location Description

NAVAJO NATION OIL & GAS CO. INC.
 Tohohadla 26-0
 873' FSL & 2310' FEL
 Section 26, T.41 S., R.21 E., SLM
 San Juan County, UT
 4727' grd. el. (from GPS)



02/28/08

Gerald G. Huddleston
 Gerald G. Huddleston, LS

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