



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

OK
4/1

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

April 2, 1984

Slayton Oil Corporation
P.O. Box 150
Farmington, NM 87499

Attention: Denny G. Foust

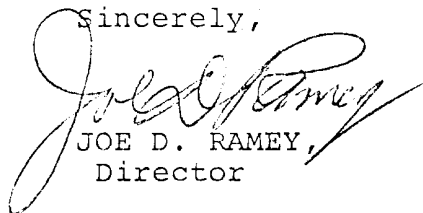
Administrative Order NSL-1802

Gentlemen:

Reference is made to your application for a non-standard location for your N.W. Cha-Cha Unit Well No. 13-18 to be located 2130 from the South line and 870 feet from the West line of Section 18, Township 29 North, Range 14 West, Cha-Cha Gallup, San Juan County, New Mexico.

By authority granted me under the provisions of Rule 104 FI of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Sincerely,


JOE D. RAMEY,
Director

JDR/RLS/dp

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
Bureau of Land Management - Farmington

RECEIVED
APR 04 1984
OIL CON. DIV.
DIST. 3

SLAYTON OIL CORPORATION

March 9, 1984

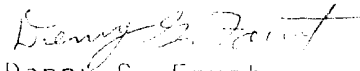
Slayton Oil Corporation
N.W. Cha-Cha Unit #13-18
2130 FSL, 870 FWL
Sec. 18-T29N-R14W
San Juan Co., N. Mex.

Oil Conservation Division
Att: Mr. Gilbert Quintana
P.O. Box 2088
Santa Fe, N. Mex. 87501

Dear Sir:

The location noted above is unorthodox according to the Cha-Cha Gallup field rules. The proposed location was selected to occupy only one corner of a cultivated field and to avoid destruction of riparian vegetation as suggested by the B.I.A. Any "more standard" location will move further onto cultivated lands or necessitate removal of large trees. We are requesting an exception to the Cha-Cha Gallup field rules be granted on the basis of topography present within the drilling unit dedicated to this well.

Yours truly,


Denny G. Foust
Agent

DGF/jps

RECEIVED
MAR 12 1984
OIL CON. DIV.
DIST. 3

March 9, 1984

SLAYTON OIL CORPORATION

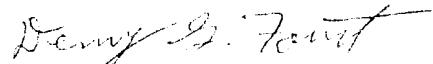
N.W. CHA-CHA UNIT #32-18
2200 FNL, 2200 FEL
Section 18-T29N-R14W
San Juan County, N. Mex.

Oil Conservation Division
Attn: Gilbert Quintana
P.O. Box 2088
Santa Fe, N. Mex. 87501

Dear Sir:

The location above is unorthodox according to the Cha-Cha Gallup field rules. The proposed location was selected to comply with B.I.A. requirements to preserve riparian vegetation and to stay south of the current channel of the San Juan River. No "more Standard" location is available due to riparian vegetation and the position of the San Juan River. We are requesting an exception to the Cha-Cha Gallup field rules be granted on the basis of the topography present within the drilling unit dedicated to this well.

Yours truly,



Denny G. Foust
Agent

DGF/jps

RECEIVED
MAR 12 1984
OIL CON. DIV.
DIST. 3

All distances must be from the outer boundaries of the Section.

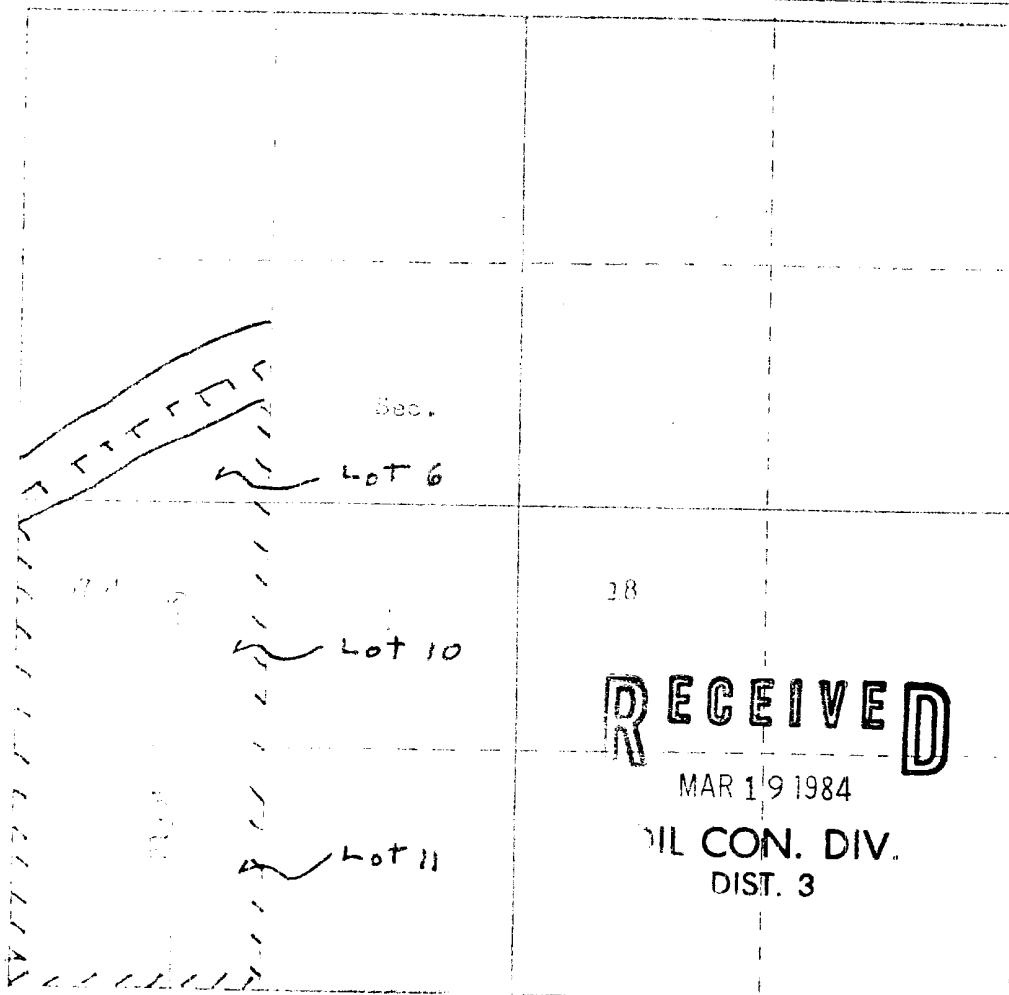
Operator SLAYTON OIL COMPANY			Lease NW CHA CHA UNIT		Well No. 13-18
Well Index 1	Section 18	Township 29N	Range 14W	County San Juan	
Actual Proposed Location of Well: 2130 feet from the South line and 870 feet from the West line					
Gravel Level Elev. 5114	Producing Formation Gallup		Pool Cha-Cha Gallup		Dedicated Acreage 70.57

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Denny G. Faust
Name

Denny G. Faust
Position

Agent
Company

Slayton Oil Corp.
Date

3/16/84

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

Robert W. Faust

For the purpose of boundary, location and level distances

Robert W. Faust

For the purpose of boundary, location and level distances

Robert W. Faust

For the purpose of boundary, location and level distances

Robert W. Faust

For the purpose of boundary, location and level distances

Robert W. Faust

For the purpose of boundary, location and level distances

Robert W. Faust

All distances must be from the outer boundaries of the Section.

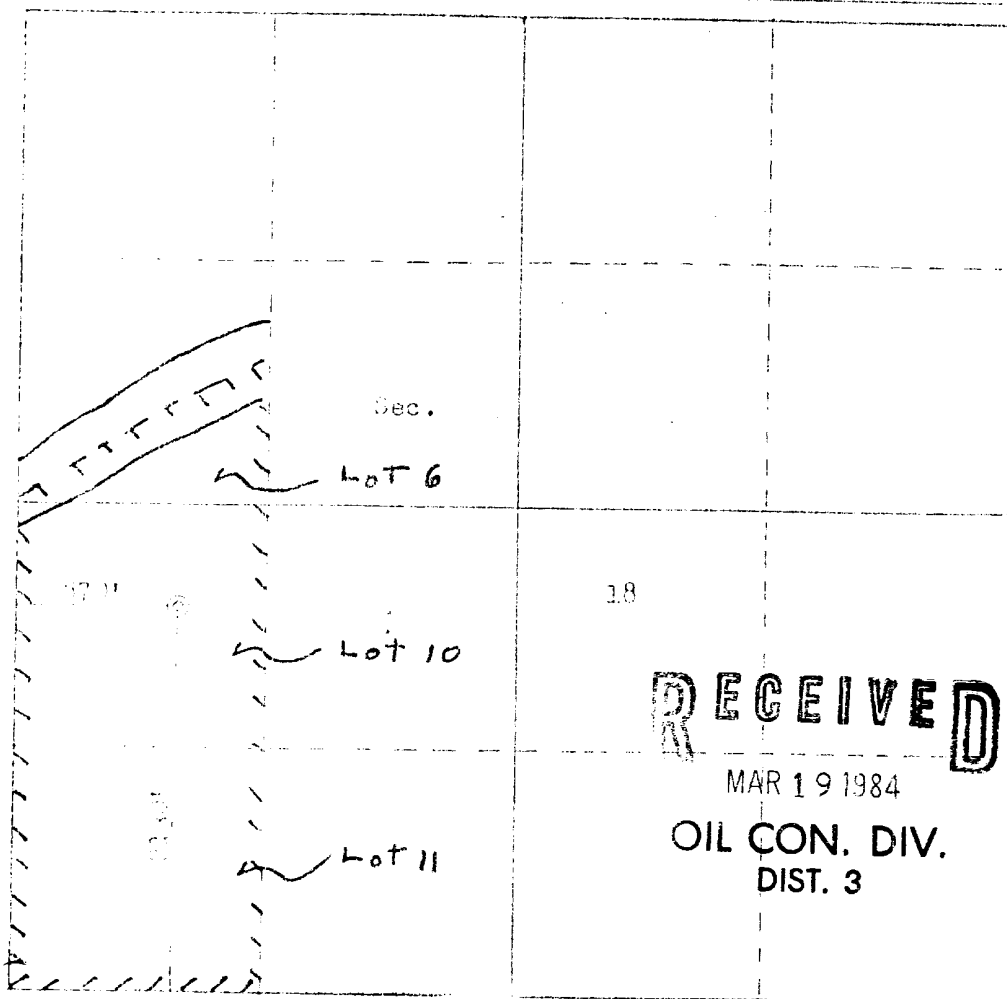
Operator SLAYTON OIL COMPANY			Lease NW CHA CHA UNIT		Well No. 13-18
Tract Letter 1	Section 18	Township 29N	Range 11W	County San Juan	
Actual Portage Location of well: PL30 feet from the South line and 870 feet from the West line					
Land Level Elev. 5114	Producing Formation Gallup		Pool Cha-Cha Gallup	Dedicated Acreage 70.57	
Acres					

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Denny G. Foust
Name

Denny G. Foust
Position

Agent
Company

Slayton Oil Corp.
Date

3/16/84

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

February 21, 1984
Registered Professional Engineer and Land Surveyor

Paul J. Foust
Paul J. Foust, Jr.
Certified

3950

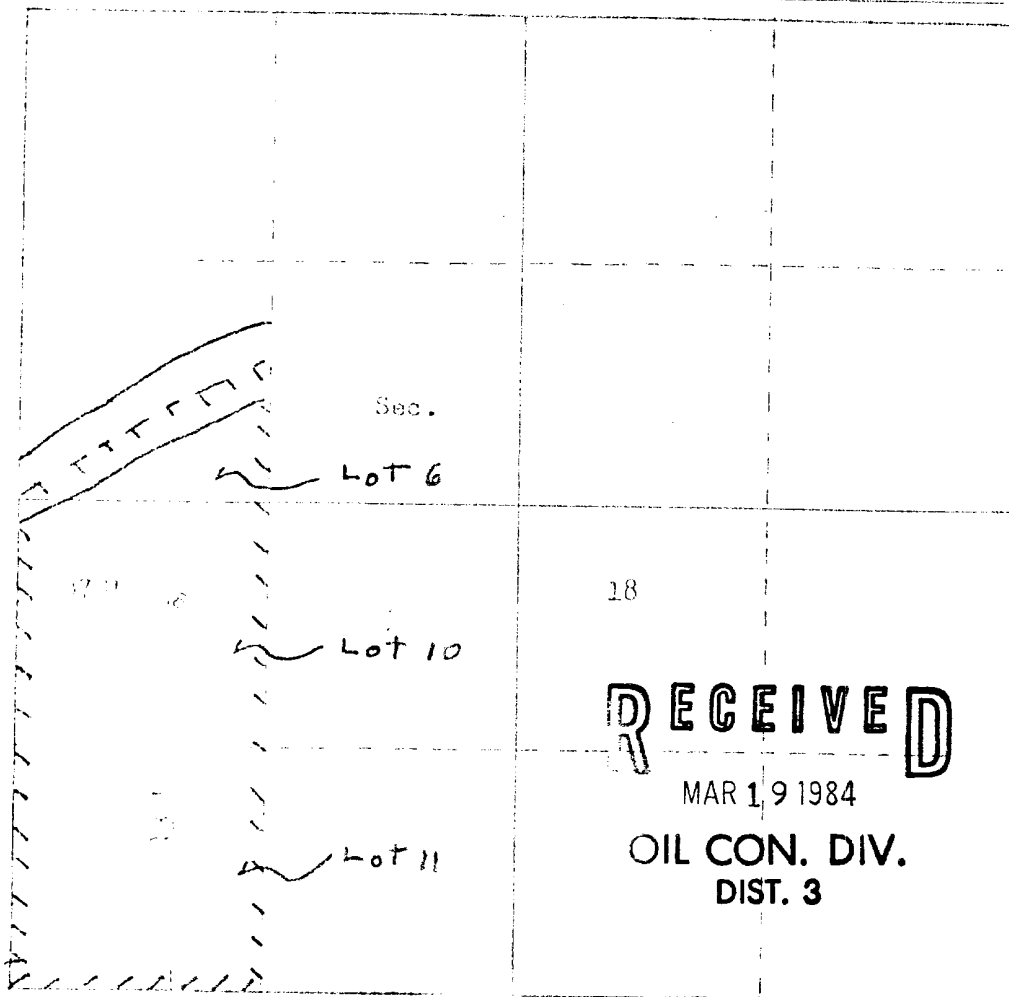
All distances must be from the outer boundaries of the Section.

Operator SLAYTON OIL COMPANY			Lease NW CHA CHA UNIT		Well No. 13-18
Unit Letter 1	Section 18	Township 29N	Range 14W	County San Juan	
A and B surface location of Well: 2130 feet from the South line and 870 feet from the West line					
Surface Elev. 8941	Producing Formation Gallup		Pool Cha-Cha Gallup		Dedicated Acreage: 70.87

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
☒ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Denny G. Foust
Name

Denny G. Foust
Position

Agent
Company

Slayton Oil Corp.
Date

3/16/84

I hereby certify that the well location shown on this plat was placed from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

March 27, 1984

Inspected by (if different from surveyor and Date of Inspection)

[Signature]

County (if different from plat)

3950

OIL CONSERVATION DIVISION

P. O. BOX 2088

P-6065

Form C-107
Revised 10-1-7STATE OF NEW MEXICO
OIL AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

All distances must be from the outer boundaries of the Section.

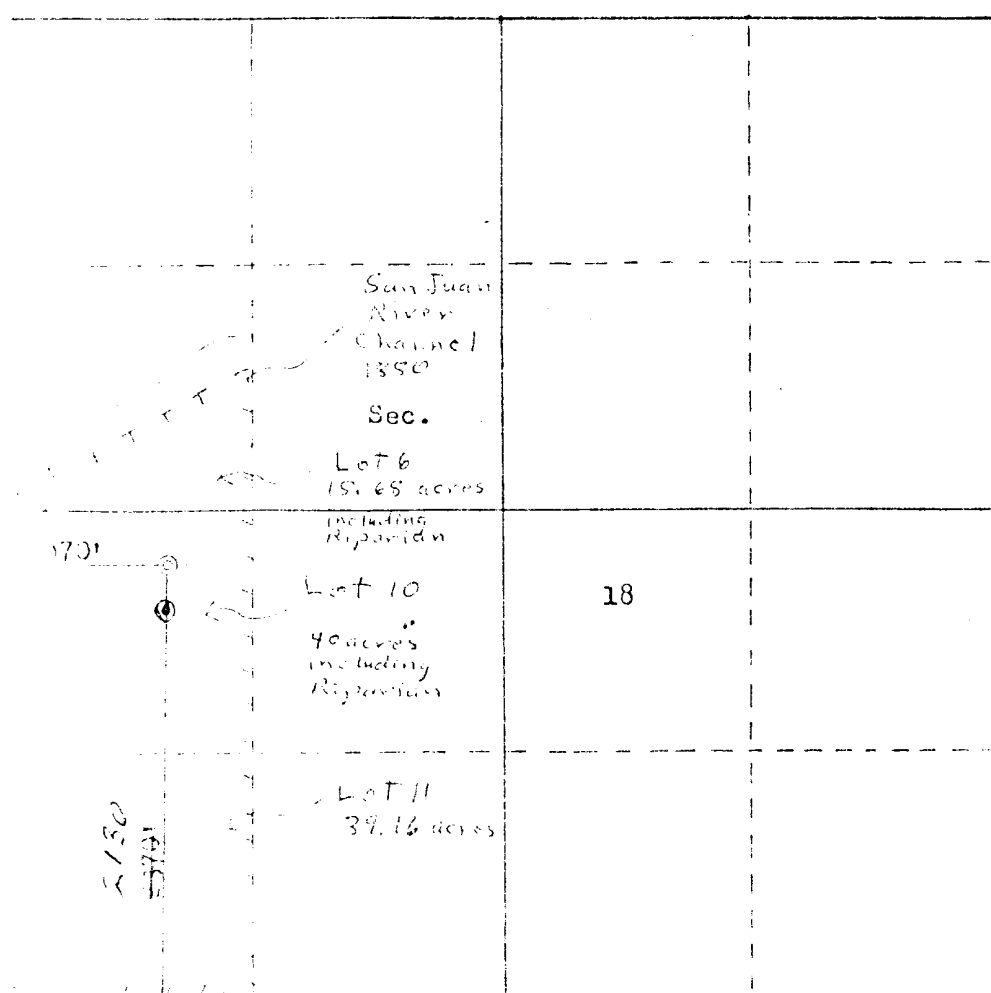
Operator SLAYTON OIL COMPANY			Lease NW CHA CHA UNIT		Well No. 13-18
Unit Letter L	Section 18	Township 29N	Range 11W	County San Juan	
Actual Footage Location of Well:					
2370 feet from the South line and 870 feet from the West line					
Ground Level Elev: 5135	Producing Formation Gallup	Pool Cha-Cha Gallup	Dedicated Acreage: 94.65 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Denny G. Foust

Name

Denny G. Foust

Position

Agent

Company

Slayton Oil Corp.

Date

Feb. 7, 1984

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

January 26, 1984

Registered Professional Engineer
and Land Surveyor

Fred B. Kery Jr.

Certification No. 4552, N.M.

3950

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐
SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Slayton Oil Corporation

3. ADDRESS OF OPERATOR
P.O. Box 150, Farmington, N. Mex. 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 2370 fsl; 870 fwl
At proposed prod. zone a/a

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Nine miles west of Farmington on Upper Fruitland Road

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest grid, unit line, if any) 870
270

16. NO. OF ACRES IN LEASE
1431 acres

17. NO. OF ACRES ASSIGNED
TO THIS WELL
80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.
1300

19. PROPOSED DEPTH
4700

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DP, RT, GR, etc.)
5136 ground

22. APPROX. DATE WORK WILL START*
May 1, 1984

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2	8 5/8	23#	250	200 sx
7 7/8	4 1/2	9.5#	4700	900 sx

- Plans are to circulate cement on surface casing
- Will two-stage long string with second stage from approximately 3350' to surface, designed to circulate cement.

18. 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.

SIGNED Denny G. Faust TITLE Agent DATE Feb. 7, 1984

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

SLAYTON OIL CORPORATION

TEN POINT COMPLIANCE PROGRAM NTL-6 APPROVAL of OPERATIONS

SLAYTON OIL CORPORATION
NW CHA-CHA UNIT # 13-18

1. Geologic surface formation is Quaternary river gravels
2. Estimated tops of important geologic markers
 - a- Picture Cliffs 500'
 - b- Mesaverde 1650'
 - c- Mancos 3300'
 - d- Gallup 4250'
3. Estimated depths of important water or hydrocarbons zones
 - a- Picture Cliffs 500' water
 - b- Mesaverde 3000' non-economic gas
 - c- Gallup 4550-4650' oil pay

4. Casing Program

Hole size	Interval	Section length	Size	Weight Grade
12 1/2"	0-250'	200'	8 5/8	22# K-55 std
7 7/8"	0-4750'	4700'	4 1/2"	9.5# K-55 std

Cementing Program

Surface CSG- circulate cement with approximately 200 sx. ann.
long string will be two staged with a stage tool at
approximately 3350'

Circulate cement to surface

1st Stage- 300 sx class b 50/50 poz, 2% gel, 10% salt
yield 1.28 cu. ft. per sack

2nd Stage- 500 sx class b 65/35 poz, 12% gel, yield 2.62
cubic ft. per sack

Tail- in 100 sx class b 50/50 poz
2% gel, 10% salt
yield 1.28 cu. ft. per sack

5. Operator's specifications for pressure control

See schematic diagram of blowout preventer equipment. The
BOP will be hydraulically tested to half of working pressure
after nipping up and after any use under pressure. Pipe
rams will be operationally checked each twenty four hour
period as will blind rams each time pipe is pulled out of
the hole. Accessories to BOP will be floor safety valve.

6. The types of characteristics of the Proposed circulation mud.

Depth	Type	Wgt/ Gal#	Viscosity	Fluid Loss
0-200'	natural mud	-----	-----	-----
200-4700	fresh-water	8.5-9.5	30-45	Less than 6 thru pay zone

7. Auxiliary Equipment
 - a- mud logger will be used between 200-4700
 - b- kelly cock will be used
 - c- float will be used at the bit
 - d- stabbing valve will be on the floor to be stabbed into the drill pipe when the kelly is not in the string.
8. Testing logging and stimulation programs
 - a- no DST's are anticipated
 - b- Logging program will be an induction E-log 200-4700 Density and neutron logs over selected intervals
 - c- Stimulation procedure is proposed to be:
 - 1) 60,000# 20-40 sd, with gelled water thru approximately 15-20 perforations. Maximum treating pressure should not exceed 25000 psi
9. No abnormal pressure or hazardous fluids or gases are anticipated. Lost circulation zone is expected in the Gallup zone.
10. Anticipated starting date is April 1, 1984. Drilling operations should be less than fifteen days. Completion operations should be less than ten days. Well should be completed by May 1, 1984.

SURFACE USE AND OPERATIONS PLAN

SLAYTON OIL CORPORATION

N.W. CHA-CHA UNIT #13-18
Section 18-T29N-R14W
San Juan County, N. Mex

- 1 & 2. A topographic map is attached showing the location of the drillsite and access roads to location; approximately 2500 feet of new road will be constructed from well #32-18 and is color coded on topo map. A trailer mounted drilling rig will be used. Access will be by existing roads which will be graded and surface material added as needed. The drillsite is located approximately 9 miles west of Farmington.
- 3 & 4. Shown on enclosed topographic plat: New facilities will be limited to a well-head, pump jack and separation equipment. Rehabilitation will be as recommended by B.I.A.
5.
 - A. Water supply will be from the San Juan River and/or produced water.
 - B. Water will be transported by commercial water hauling trucks.
 - C. Water will be hauled along access routes.
6. Source of construction materials must be determined.
7. Cuttings resulting from drilling, garbage and sewage will be buried in the drilling pit: salts and chemicals not anticipated: eventual disposal of drilling fluids and any produced fluids recovered during testing operations will be in the drilling pit and buried.
8. No ancillary facilities are anticipated.
9. Wellsite layout is attached.
10. Surface restoration will be as recommended by B.I.A.
11.
 - A. Surface ownership at the well location and access route is Navajo Tribal.
 - B. The land is marsh near the river resulting from irrigation water.
 - C. Surface use is for grazing.
 - D. Environmental statement will be furnished by archaeologist upon completion of surface inspections.

SURFACE USE AND OPERATIONS PLAN
SLAYTON OIL CORPORATION
NAVAJO #13-18
Page 2

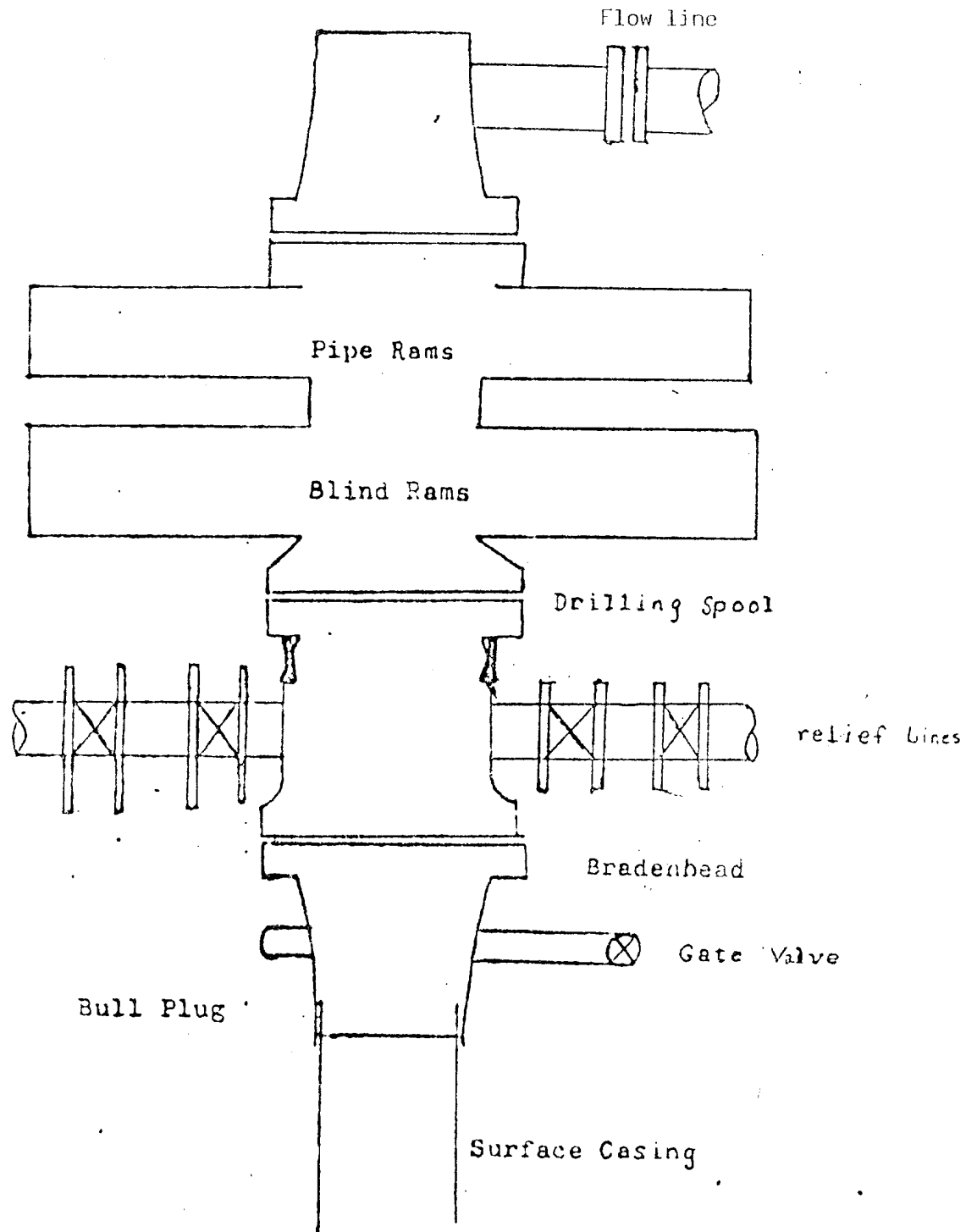
12. Operator Representative: Denny G. Foust, Agent
P.O. Box 1068
Bloomfield, N. Mex. 87415
(505) 632-2131
13. Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Slayton Oil Corporation and his contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date: 2/7/84

Denny G. Foust

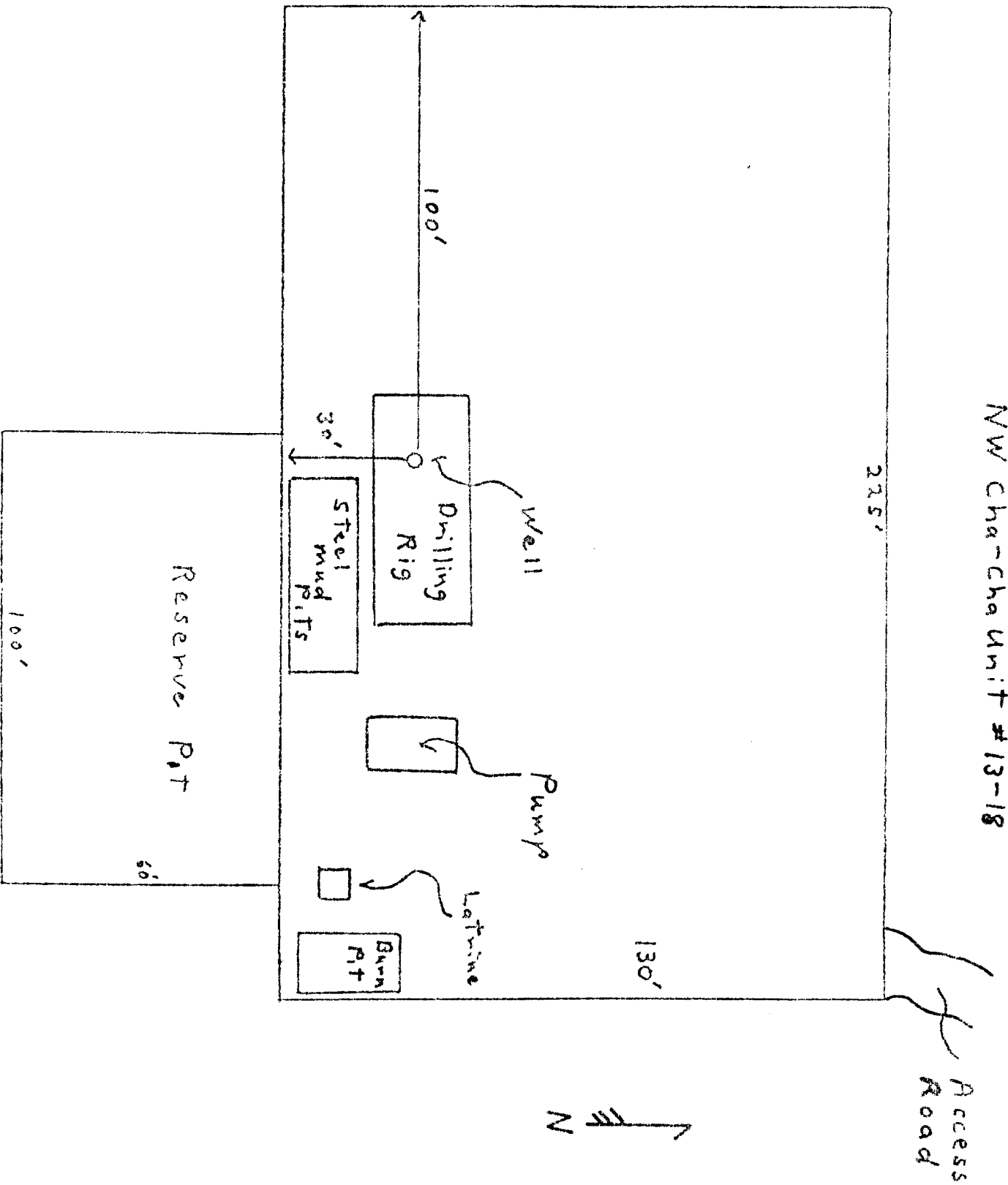
Denny G. Foust, Agent

Typical B. O. P. Installation

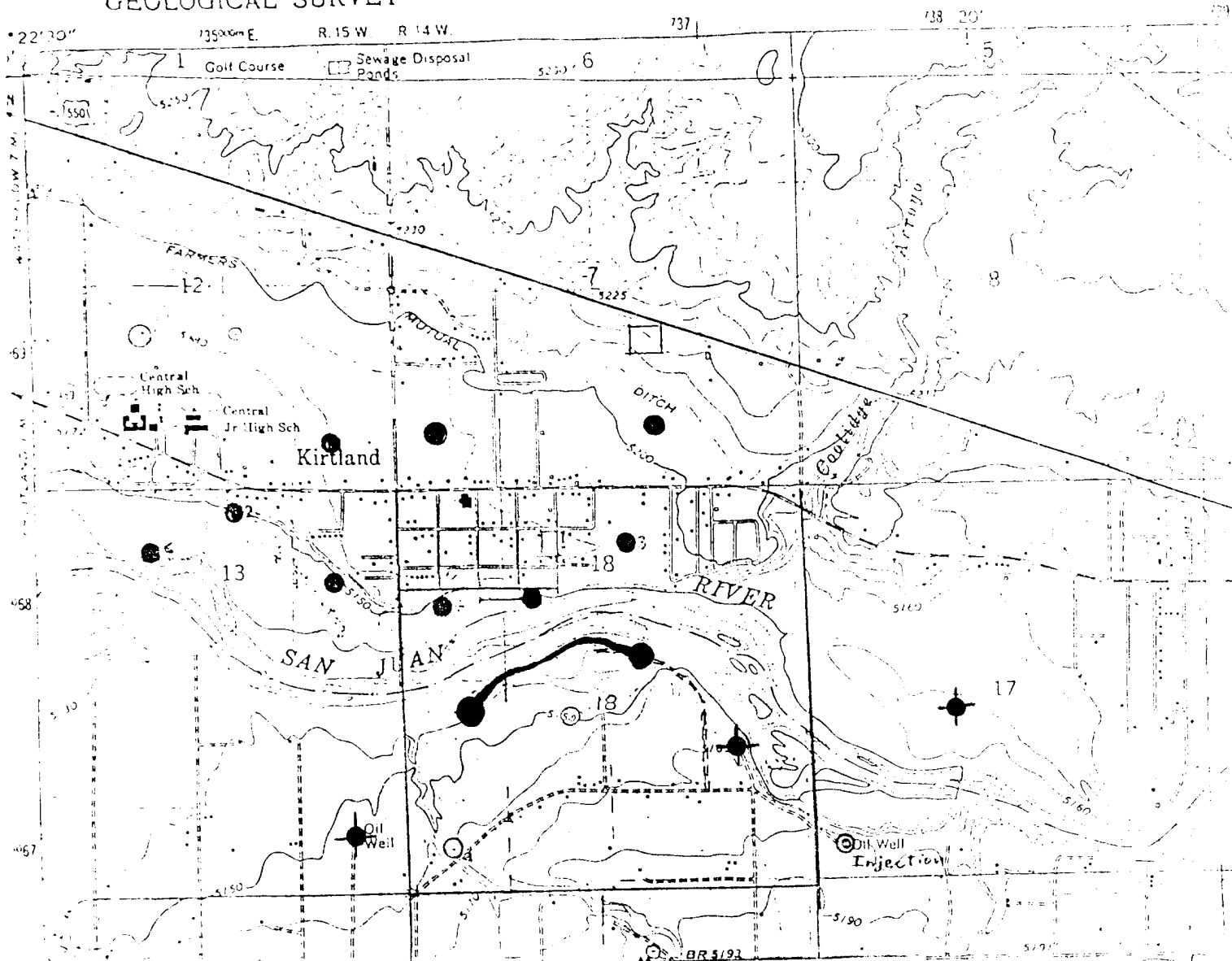


Series 900 Double Gate BOP, rated
at 3000 psi Working Pressure

Slayton Oil Corporation
NW Cha-Cha Unit #13-18



DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY



- OIL WELL
- ⊕ PLUGGED WELL
- ⊙ WATER INJECTION WELL
- LOCATION
- STAKED LOCATION #32-18
- ROAD TO BE CONSTRUCTED

Vicinity Map for
SLAYTON OIL COMPANY #13-18 NW CHA CHA UNIT
2370' FSL 870' FWL Sec. 18-T29N-R14W
SAN JUAN COUNTY, NEW MEXICO