

*Release Immediately  
no offset*

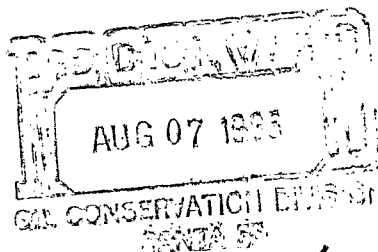
*By Dec*

**A. R. KENDRICK**

Box 516 • Aztec, New Mexico 87410 • (505) 334 2555

August 5, 1985

Oil Conservation Division  
Box 2088  
Santa Fe, New Mexico 87501



*NSL-2117  
RULE-104F(I)*

Re: Application for Non-Standard Location

*160 Acre deduction  
SE 1/4 Section 32*

Gentlemen:

We respectfully request approval of the non-standard location of the S.E.R.H., Inc. Navajo 32 #1 well located 660' FSL 2150' FEL of Section 32, T27N, R19W, a Beautiful Mountain Mississippian Gas Pool extension in San Juan County.

Exhibit A, a copy of the permit to drill, shows that the well was approved as a wildcat oil well attempt. The well has been producing since 1980.

All wells shown on Exhibit B are operated by S.E.R.H., Inc. under an Operating Agreement with the minerals owner, the Navajo Tribe of Indians, or on leased acreage from the Navajo Tribe. Therefore, there are no offset operators. The Navajo Tribe of Indians has been notified of this application by certified mail with this mailing.

If further information is needed, please contact me.

Yours very truly,

*A. R. Kendrick*  
A. R. Kendrick

Enclosures

xc: Navajo Tribe of Indians  
c/o Bureau of Indian Affairs  
Navajo Area Office  
Box M  
Window Rock, Arizona 86515

S.E.R.H., Inc.  
Box 312  
Otis, Kansas 67565

Oil Conservation Division,  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-045-22272

5. LEASE DESIGNATION AND SERIAL NO.  
N00-C-14-20-4158

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
Indian Navajo

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Navajo 32

9. WELL NO.  
Navajo I-32 1

10. FIELD AND POOL, OR WILDCAT  
Wildcat Mississippi  
Undefined at this time

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
Sec. 32, T-27-N, R-19-W

12. COUNTY OR PARISH  
San Juan

13. STATE  
New Mexico

## 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

Petroleum Energy Inc.

## 3. ADDRESS OF OPERATOR

1140 N.W. 63rd Street Oklahoma City, Oklahoma 73116

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

660' FSL &amp; 2150' F.E.L.

At proposed prod. zone

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

## 15. DISTANCE FROM PROPOSED\*

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

## 16. NO. OF ACRES IN LEASE

1271.00

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40.00

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

## 19. PROPOSED DEPTH

6100'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

+5868' GR

## 22. APPROX. DATE WORK WILL START\*

Upon Approval

## 23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/4"	13 3/8"		+100'	Suff. to circulate to surface
12 1/4"	8 5/8"	32#/ft.	1600'	Cement in one stage.

Plan to drill well as follows:

1. Drill 17 1/4" hole to +100'.
2. Set and cement 12 1/4" casing to + 100' & cement with sufficient cement to circulate back to surface.
3. Install BOP and test both sets of rams to 1000 psi for 15 min.
4. Drill 12 1/4" hole to 1600'.
5. Set 8 5/8" casing to 1600'. Cement in one stage with sufficient to cement back to surface.
6. Drill 7 7/8" hole to 6100'.
7. Set and cement 4 1/2" at T.D.
8. Complete through perforations and stimulate as required.

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

24. Stank Philmann TITLE Agent DATE October 8, 1976

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE 1976

CONDITIONS OF APPROVAL, IF ANY:

Okal

\*See Instructions On Reverse Side.

EXHIBIT A

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

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

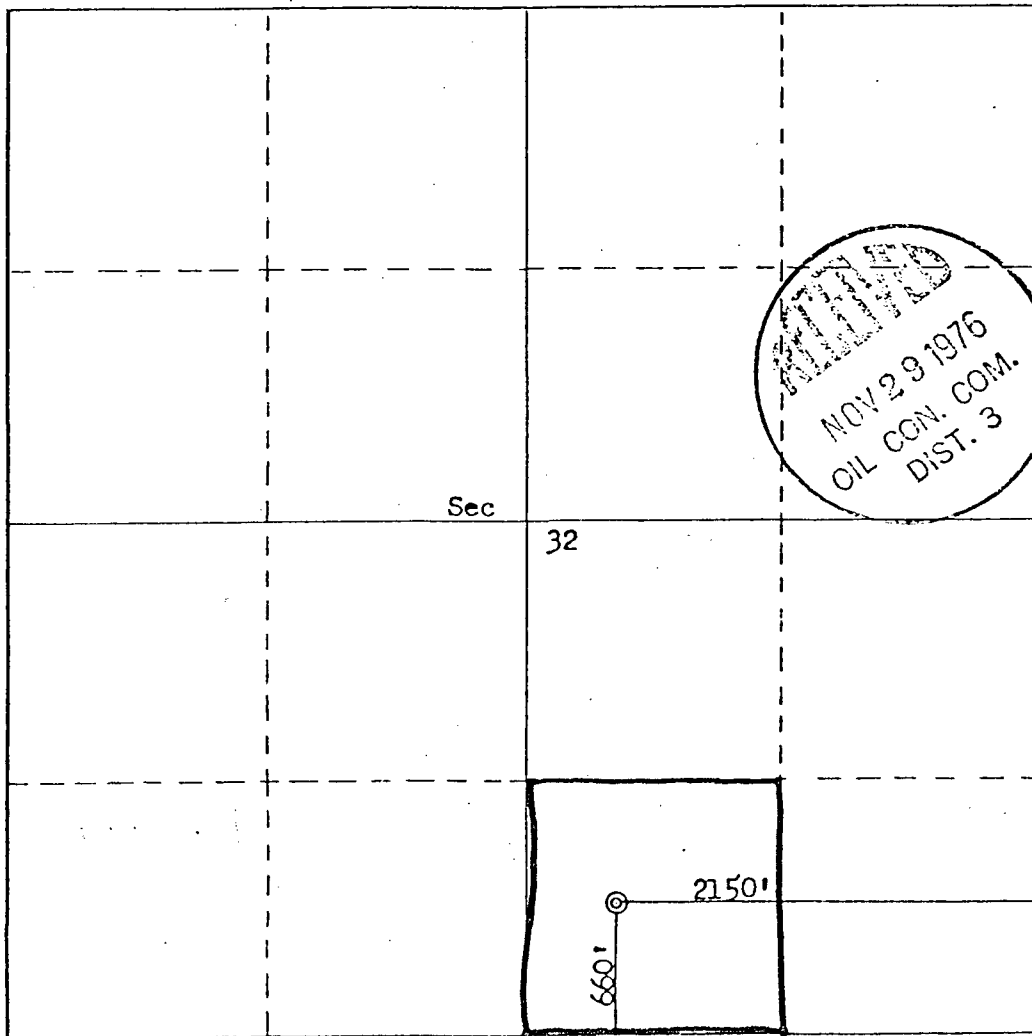
Operator <b>Petroleum Energy Inc.</b>			Lease <b>Navajo 32</b>		Well No. <b>1-32</b>
Unit Letter <b>0</b>	Section <b>32</b>	Township <b>27N</b>	Range <b>19W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>South</b> line and <b>2150</b> feet from the <b>East</b> line					
Ground Level Elev: <b>5868</b>	Producing Formation		Pool		Dedicated Acreage:  Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. 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.

Name

Position

Company

Date

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

**October 7, 1976**

Registered Professional Engineer and/or Land Surveyor

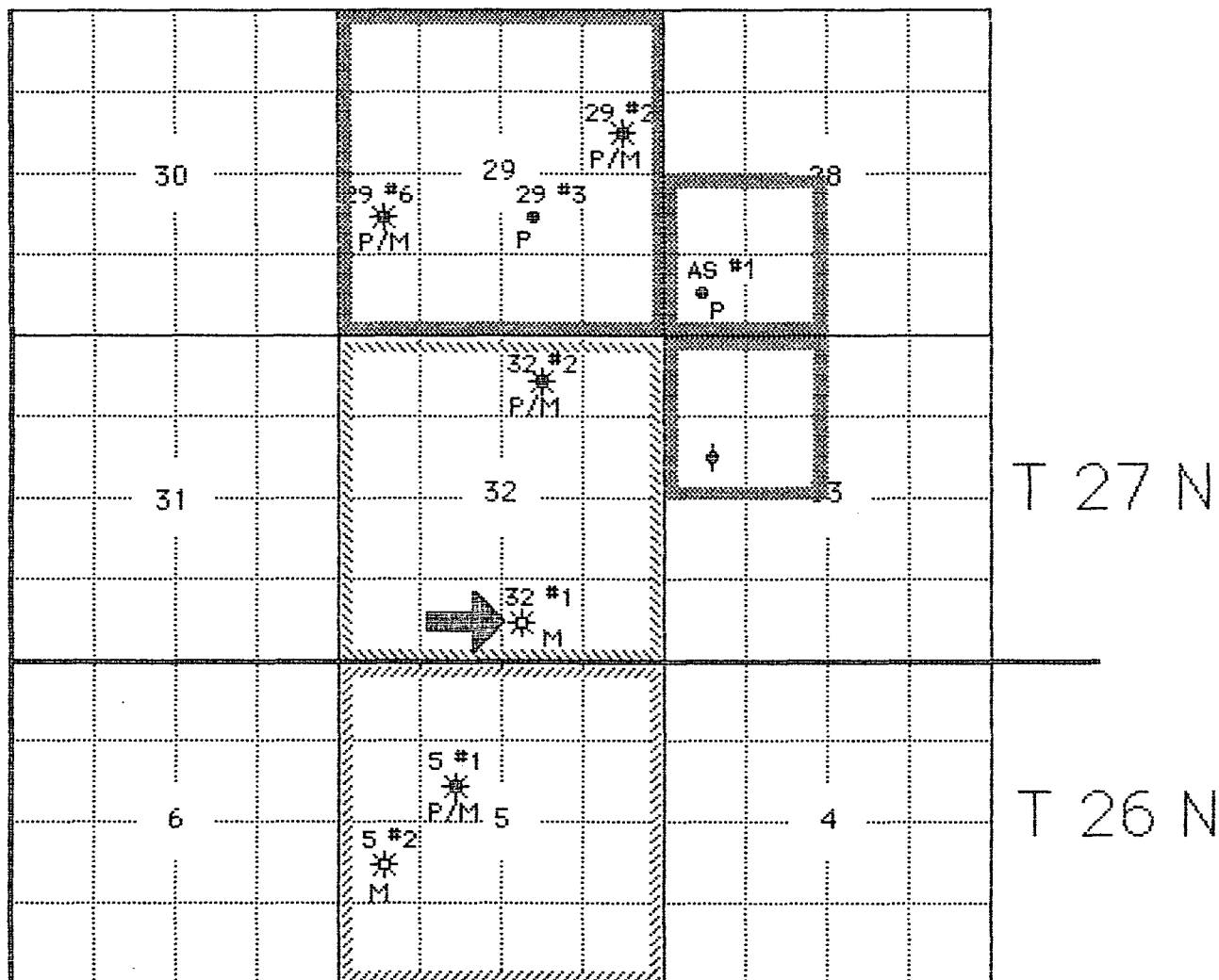
**Fred B. Kerr Jr.**

Certificate No.

**3950**

0 100 200 300 400 500 600 700 800 900 1000 1100 1200 1300 1400 1500 1600 1700 1800 1900 2000 2100 2200 2300 2400 2500 2600 2700 2800 2900 3000

R 19 W



LEGEND:

- = OIL WELL
- = OIL/GAS WELL
- = GAS WELL
- P = PENNSYLVANIAN OIL WELL
- M = MISSISSIPPIAN GAS WELL
- = LEASE NO. N00-C-14-20-4158
- = LEASE NO. N00-C-14-20-4157
- = OPERATING AGREEMENT W/NAVAJO TRIBE

EXHIBIT B



# ENERGY AND MINERALS DEPARTMENT

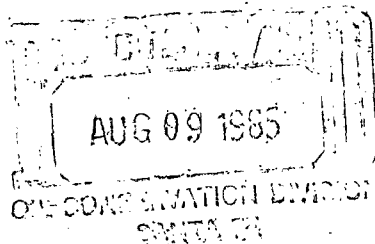
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

2117

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 8-5-85



RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated 8-5-85

for the J.E.R.H. Inc. Navajo 32 #1 0-32-27N-19W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

[Signature]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

[Signature]