



SUBMITTER 21. June. 07	ENGINEER D. Catanach	LOGGED IN 22. June. 07	TYPE NSL	APP NO. PCLP 0717302 603
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NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

ABOVE THIS LINE FOR DIVISION USE ONLY

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurements]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Navajo Nation Oil & Gas Co., Inc.
 Atse 36 F

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or _ Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name
 BRIAN WOOD
 (505) 466-8120
 FAX 466-9682

Signature

Title
 CONSULTANT

Date
 6-18-07
 e-mail Address
 brian@permitswest.com

RECEIVED
 JUN 21 AM 8 29

REQUEST FOR ADMINISTRATIVE APPROVAL
FOR NONSTANDARD LOCATION
FOR NAVAJO NATION OIL & GAS CO., INC.
ATSE 36 F (API # 30-045-34044)
2460' FNL & 1799' FWL SEC. 36, T. 32 N., R. 20 W.
SAN JUAN COUNTY, NM

I. The well is staked on Navajo Tribal Trust surface and on Navajo Tribal Trust oil and gas lease NO-G-0402-1710. The proposed location is nonstandard for the Wildcat 32N20W36; Paradox Oil due to topography and geology. A standard location must be at least 330' from the quarter-quarter line. This well is staked 150' further south than is standard. (Closest standard location would be 2310' FNL and 1799' FWL.) The APD cover sheet is attached as EXHIBIT A.

II. A C-102 showing the well location and pro ration unit (SE4NW4 Sec. 36) is attached (EXHIBIT B). The Tribal oil and gas lease (12,160 acres) boundary is marked as a solid line on the attached (EXHIBIT C) topographic map. The Navajo Nation is the lessor and the Navajo Nation Oil & Gas Co., Inc. is the lessee for the SENW Section 36 and all adjacent 8 quarter-quarters. The well is 7,740' from the closest lease line.

The well encroaches on the NE4SW4 Section 36. There are no existing wells, nor any planned wells, in that pro ration unit. Nor are there any existing wells in any of the 8 surrounding quarter-quarters.

III. The closest existing or planned oil well is the proposed Atse 36 E well. The Navajo Nation Oil & Gas Co., Inc. has filed an APD for its Atse 36 E well. That well is staked at 2199' FNL & 155' FWL 36-32n-20w, or 1,644' west-northwest. EXHIBIT D shows the proposed NSL well, all existing wells (none), all planned oil wells (one - Atse 36 E), plugged wells (one - Tenneco), and existing or possible oil spacing units (40 acres each).

There are no offset interest owners. Navajo Nation Oil & Gas Co., Inc. is the operator all all eight existing or potential offsetting 40 acre pro ration units - all of which are part of the same lease.

IV. A copy of the USGS map is attached (EXHIBIT D). The proposed well site is marked. Pro ration unit (solid line) for the WC32N20W36; Paradox Oil is the 40 acre southeast quarter of the northwest quarter of Section 36, Township 32 North, Range 20 West, San Juan County, NM.

V. The nonstandard location is due to topography and geology.

A standard location would need to be 150' north. However, the terrain is so rugged that there is 12' of cut on the north corner of the pad (see Exhibit E) and the east and west corners of the pad have been rounded off 75' and 55' respectively.

Furthermore, the location is based on 3-D seismic (see Exhibit F (well has since been renamed from Atse 36-L-1 to Atse 36 F)) and the applicant will try to produce from three zones (Ismay, Desert Creek, and Leadville). The Exhibit F maps shows a P & A well (72125 on maps) off the flank of the algal mound. The same maps show the Atse 36 (shaded circle) on the mound.

VI. Archaeology is not an issue.

VII. See item V. above and attached map and well site plan view for a description of the surface conditions.

VIII. Directional drilling is not feasible because it is not cost effective.

IX. I hereby certify notice (EXHIBIT G) has been sent to the following agencies, lessees (only Navajo Nation Oil & Gas Co., Inc.), lessors (only Navajo Nation), operators of existing spacing units (only Navajo Nation Oil & Gas Co., Inc.), or owners of undrilled leases (only Navajo Nation Oil & Gas Co., Inc.) which adjoin the applicant's spacing unit on one or more of the two sides or the single closest corner to the proposed well and that the information is current and correct. (Navajo Nation Oil & Gas Co., Inc. is the operator all all eight existing or potential offsetting 40 acre oil pro ration units.)

BIA

BLM

Navajo Nation Minerals Department

B Wood

Brian Wood, Consultant

6-18-07

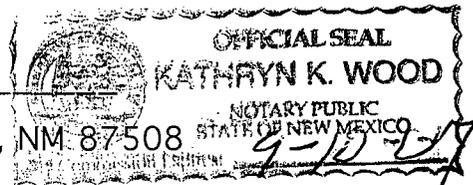
STATE OF NEW MEXICO)
) SS:
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 18th day of June, 2007 by Brian Wood. Witness my hand and official seal.

Kathryn K Wood
Notary Public

My Commission Expires: *9-10-07*

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508



cc: Aztec OCD, Groen

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER 30 AM 6

5. Lease Serial No. NO-G-0402-1710	
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. ATSE 36 F	
9. API Well No. 30-045-34044	
10. Field and Pool, or Exploratory w 32 N 20 W 36; Paradox oil w 32 N 20 W 36; Leadville gas	
11. Sec., T. R. M. or Blk. and Survey or Area F 36-32N-20W NMPM	
12. County or Parish SAN JUAN	13. State NM
14. Distance in miles and direction from nearest town or post office* 16 AIR MILES NW OF SHIPROCK, NM	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 7,740'
16. No. of acres in lease 12,160	17. Spacing Unit dedicated to this well 160 40 SENW (Des. Creek & Is.) & all Sec. 36 (Lead.)
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,664' (Atse 36 E)	19. Proposed Depth 7,200'
20. BLM/BIA Bond No. on file BIA RLB0006712	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4,930' GL
22. Approximate date work will start* 12/21/2006	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 <i>[Signature]</i>	Name (Printed/Typed) BRIAN WOOD	Date 10/24/2006
-------------------------------------	------------------------------------	--------------------

Title CONSULTANT	PHONE: (505) 466-8120	FAX: (505) 466-9682
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Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 5/24/07
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Title AFM	Office FFO
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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)

NOTIFY AZTEC OCD 24 HRS
PRIOR TO CASING & CEMENT



HOLD G104 FOR NSL Paradox

EXHIBIT A

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

06-07-2007
BH

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

State of New Mexico
 Energy, Minerals & Mining Resources Department
 OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C - 102

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

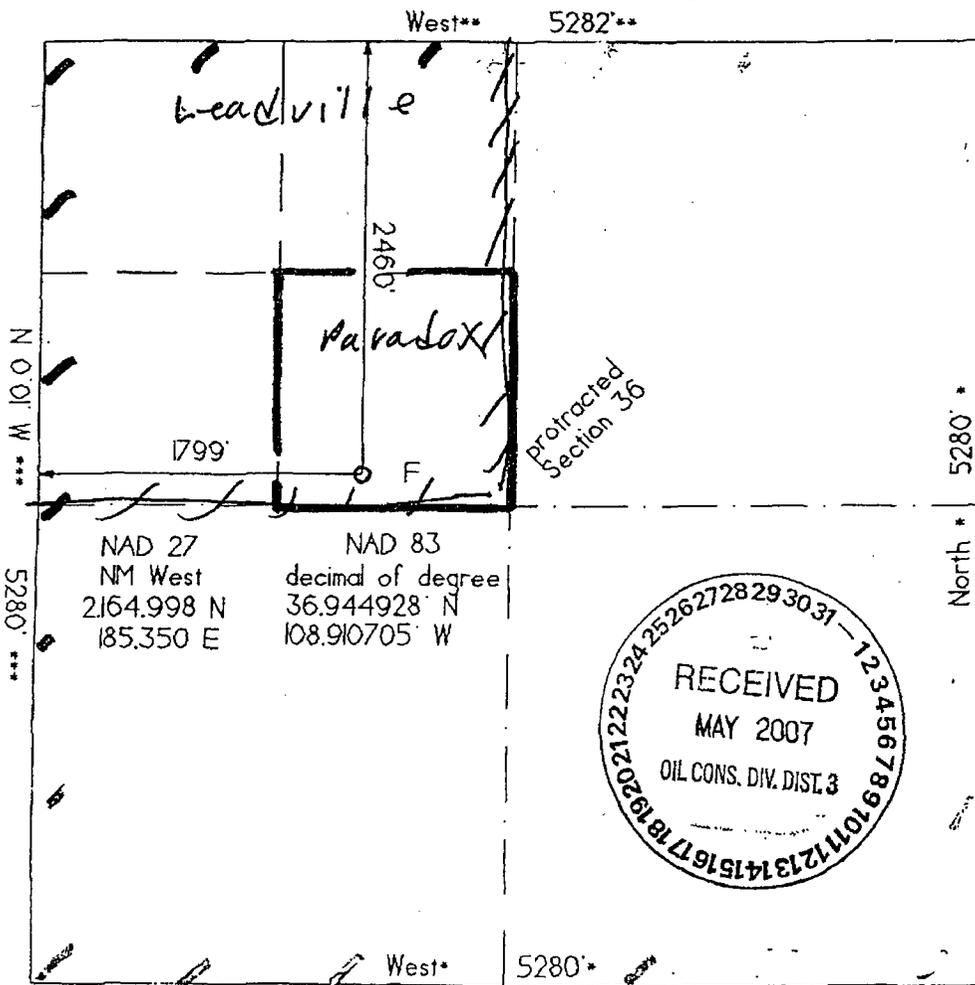
APA Number 30-045-34044	Pool Code 97614; 97615	RECEIVED WC32N Low 36; Paradox	Pool Name Leadville
Property Code 30520	Property Name ATSE		36 F
OGRD No. 242841	Operator Name NAVAJO NATION OIL & GAS CO., INC.		Elevation 4930'

Surface Location									
UL or Lot	Sec.	Twp.	Rge.	Lot Id.	Feet From	North/South	Feet From	East/West	County
F	36	32 N.	20 W.	400	2450'	NORTH	1799'	WEST	SAN JUAN

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Id.	Feet From	North/South	Feet From	East/West	County

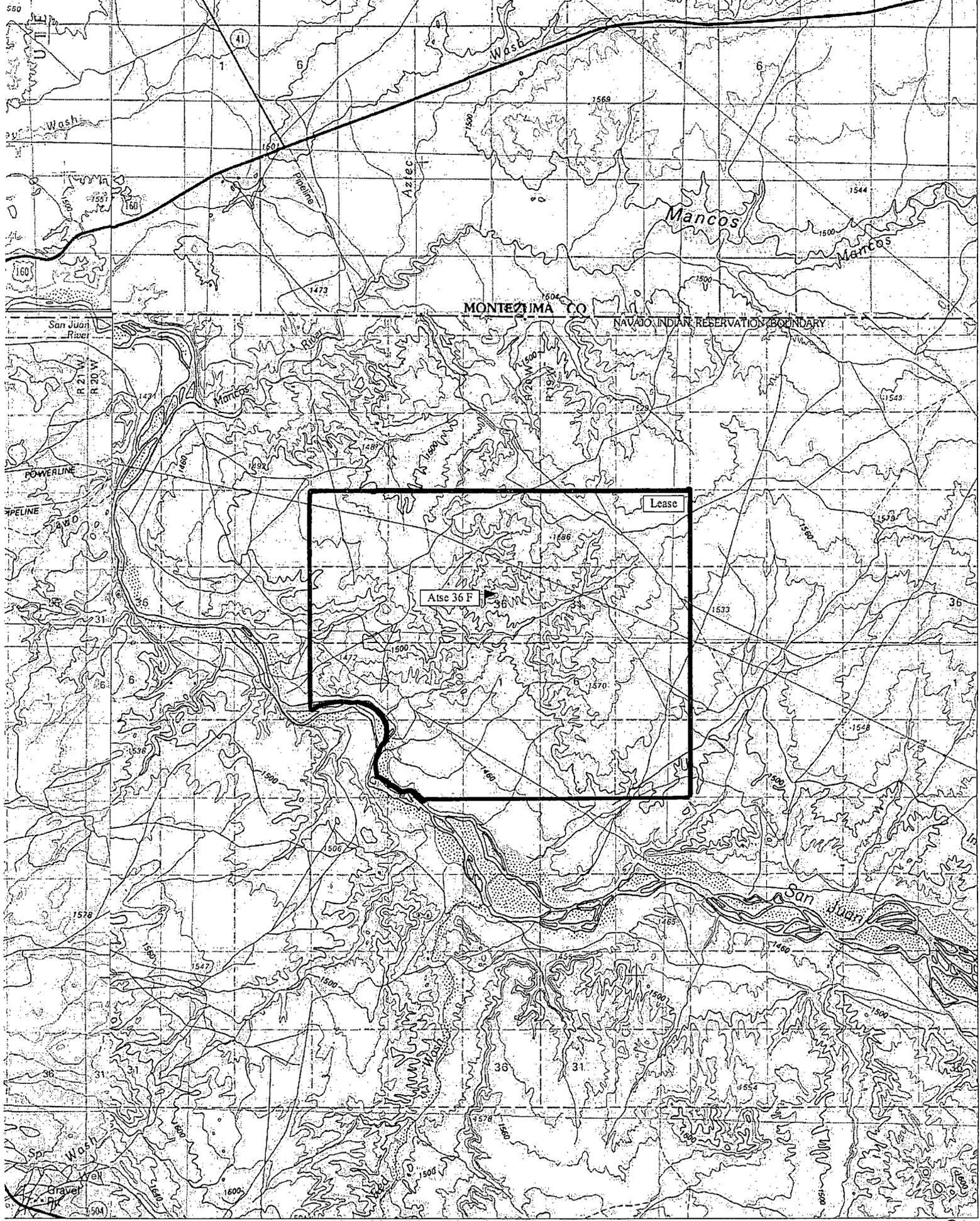
Dedication 40 & 160	Joint ?	Consolidation	Order No.
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NO ALLOWABLE WELL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

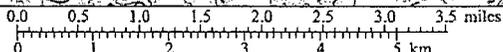


OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Brian Wood</i>	
Printed Name	BRIAN WOOD
Title	CONSULTANT
Date	OCT. 24, 2006
SURVEYOR CERTIFICATION I hereby certify that the well location on this plat 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 belief. Date of Survey: 06/01/06	
Signature and Seal of Professional Surveyor <i>Gerald D. Hullett</i> GERALD D. HULLETT NEW MEXICO 6844 REGISTERED LAND SURVEYOR	

EXHIBIT B

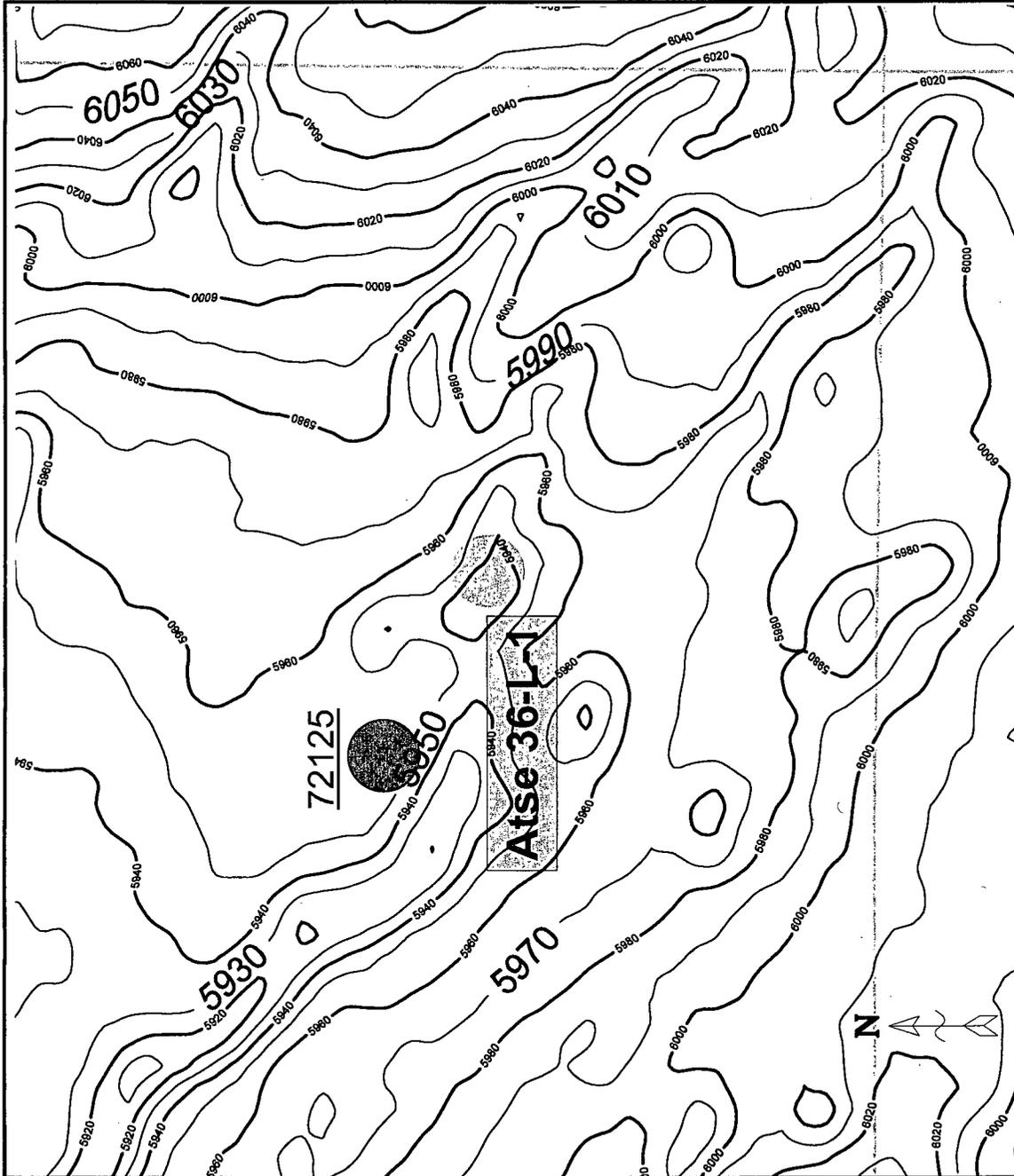


N
MN
11 1/2°



Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

EXHIBIT C



1:14000

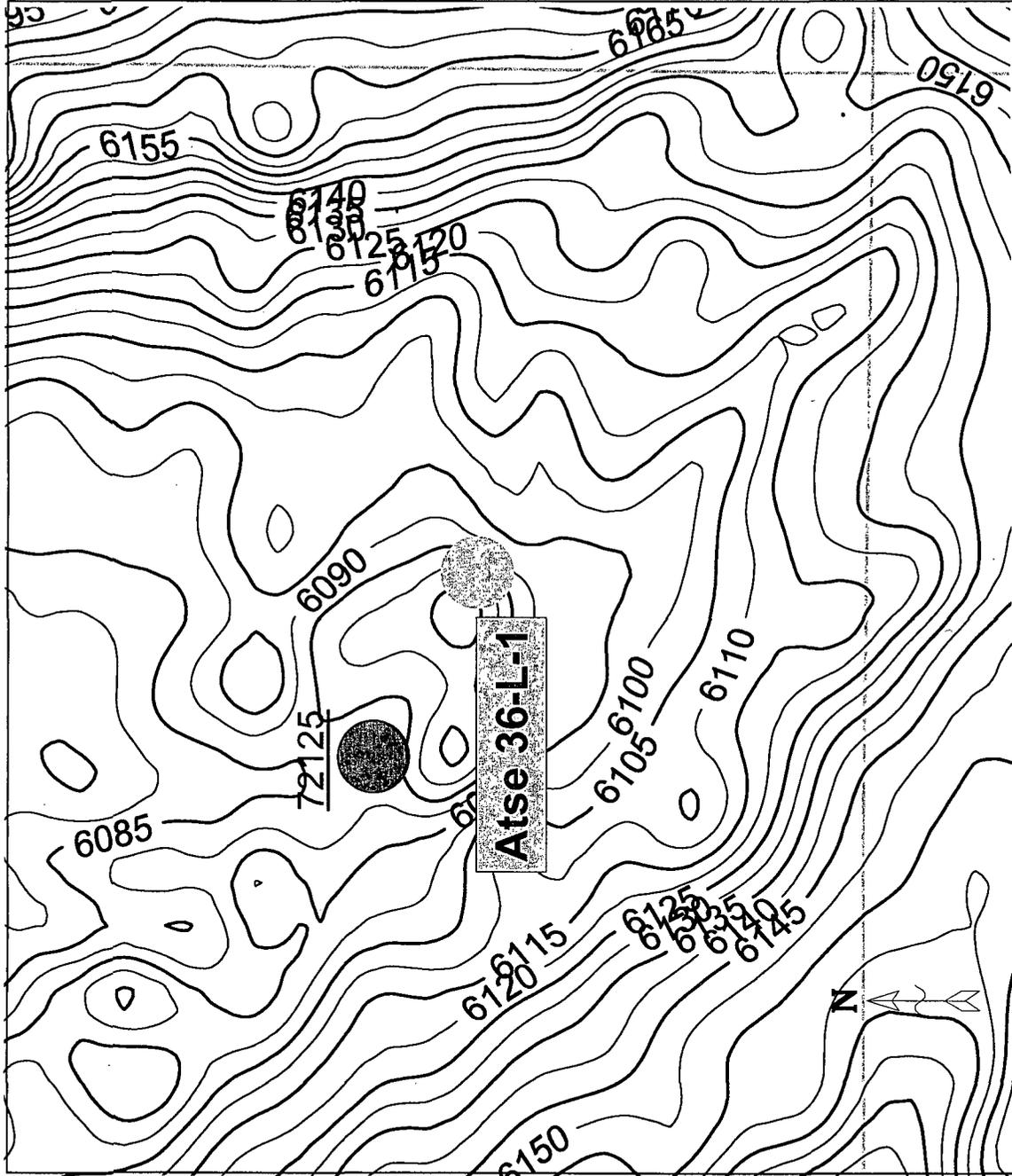


NAVJO NATION OIL & GAS CO.
CANAL CREEK
 3000 Highway 163
 Tuba City, AZ 86045
 Phone: (908) 424-1111
 Fax: (908) 424-1112

Author: G. M. HARR
 Date: 8 April 2008
 Drawn

Horizontal Scale: 1:42000
 Contour Interval: 5 ft

EXHIBIT F



NAVAJO NATION OIL & GAS CO.



CANAL CREEK
 OPERATING DIVISION
 DEER CREEK DEPT. MAP
 PROSPECT 1
 ATSE WELL LOCATIONS

HORIZONTAL SCALE: 1" = 4000'
 CONTOUR INTERVAL: 5'

AUTHOR: Dr. M. M. Van
 DATE: 7 April, 2005



EXHIBIT F

Canal Creek Project
North-South Line crossing Atse Well
Prospect 1

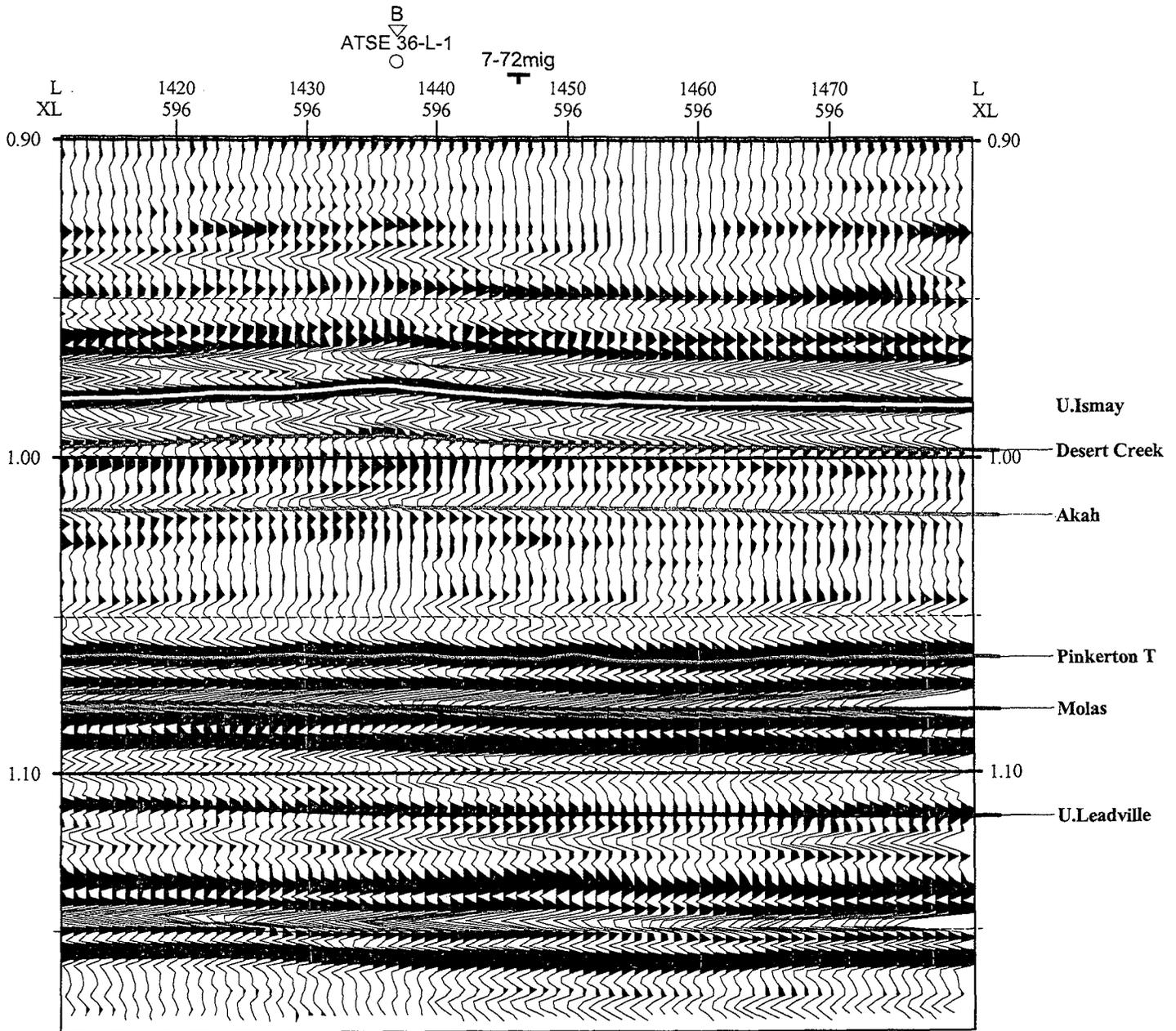


EXHIBIT F

Canal Creek Project
East-West Line crossing Atse Well
Prospect 1

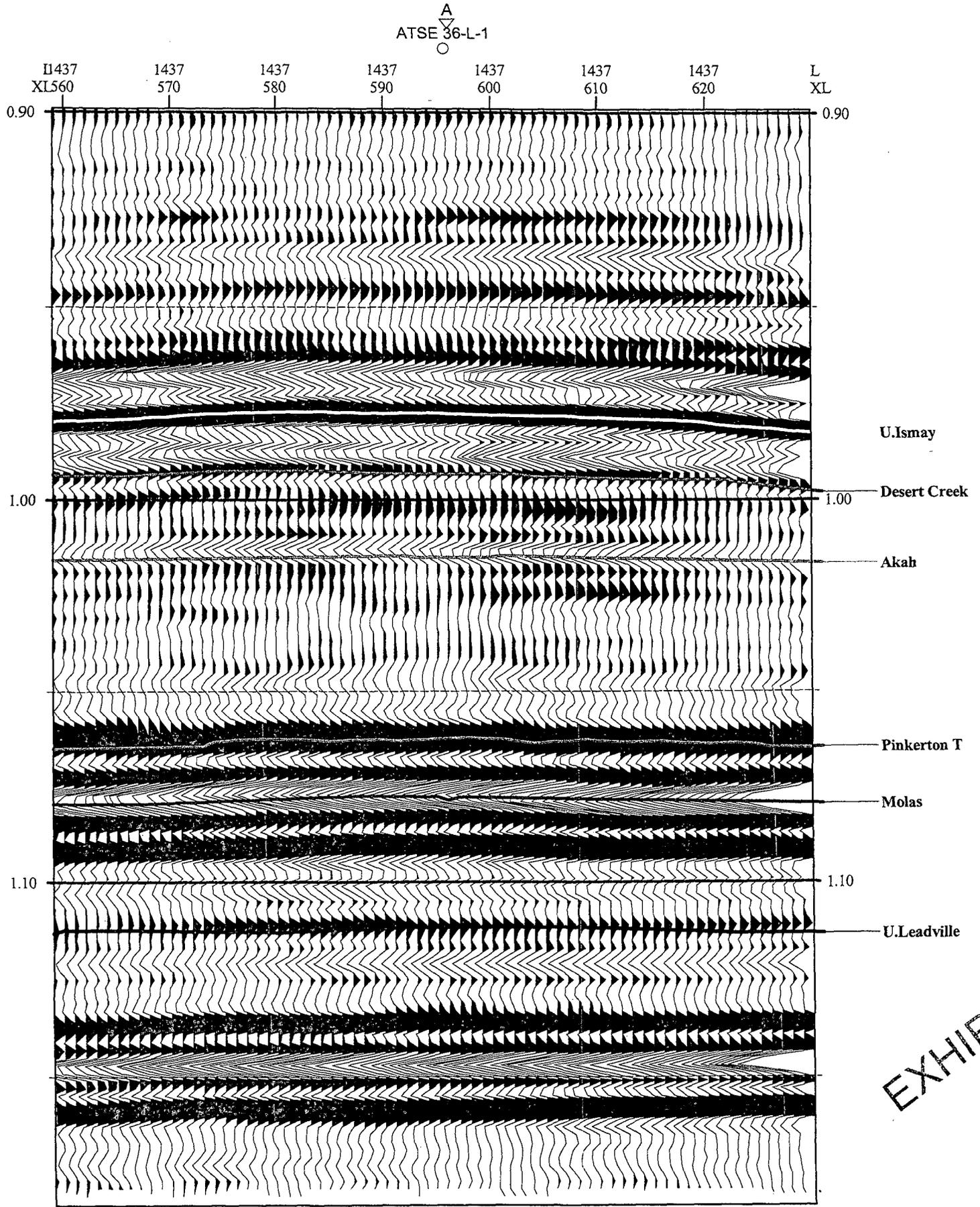


EXHIBIT F

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

Chuck Yarbrough
 BIA Real Estate Services
 P. O. Box 1060
 Gallup, NM 87305

Dear Chuck,

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Navajo Nation Oil & Gas Co., Inc. is applying to drill its Atse 36 F oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The proposed well is 150' further south than is standard. Thus, it is a nonstandard location. The NSL is due to topography and geology.

Well Name: Atse 36 F (API # 30-045-34044) Total Depth: 7,200'
Proposed NSL Zone: Paradox Oil (Ismay & Desert Creek)
NSL Acreage Dedication: 40 acres (SENW Section 36)
Location: 2460' FNL & 1799' FWL Sec. 36, T. 32 N., R. 20 W.,
 San Juan County, NM on Navajo Tribal lease NO-G-0402-1710
Approximate Location: ~16 air miles northwest of Shiprock, NM
Applicant Name: Navajo Nation Oil & Gas Co., Inc. (928) 871-4880
Applicant's Address: P. O. Box 4439, Window Rock, AZ 86515

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505 or is (505) 476-3440.

5615
 8718
 1418
 4007
 2522
 0007

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only. No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
GALLUP NM 87305	
Postage	\$ 0.41
Certified Fee	\$2.65
Return Receipt Fee (Endorsement Required)	\$2.15
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.21

POST OFFICE ADDRESS: SANTA FE, NM 87505-5088
 JUN 19 2007
 Postmark
 04

Sent To	BIA
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	Gallup

estions.

Sincerely,

 Brian Wood

EXHIBIT G

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

BLM
 1235 LaPlata Highway
 Farmington, NM 87401

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Navajo Nation Oil & Gas Co., Inc. is applying to drill its Atse 36 F oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The proposed well is 150' further south than is standard. Thus, it is a nonstandard location. The NSL is due to topography and geology.

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Proposed NSL Zone: Paradox Oil (Ismay & Desert Creek)
NSL Acreage Dedication: 40 acres (SENW Section 36)
Location: 2460' FNL & 1799' FWL Sec. 36, T. 32 N., R. 20 W.,
 San Juan County, NM on Navajo Tribal lease NO-G-0402-1710
Approximate Location: ≈16 air miles northwest of Shiprock, NM
Applicant Name: Navajo Nation Oil & Gas Co., Inc. (928) 871-4880
Applicant's Address: P. O. Box 4439, Window Rock, AZ 86515

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505. Their phone number is (505) 476-3440.

estions.

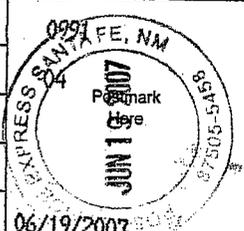
Sincerely,



Brian Wood

EXHIBIT G

U.S. Postal Service	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
FARMINGTON, NM 87401	
OFFICIAL USE	
Postage	\$ 0.41
Certified Fee	\$2.65
Return Receipt Fee (Endorsement Required)	\$2.15
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.21



Sent To	BLM
Street, Apt. No.; or PO Box No.	
City, State, ZIP+4	Farmington

7004 2510 0004 141A 5592

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

Akhtar Zaman
 Navajo Nation Minerals Dept.
 P. O. Box 1910
 Window Rock, AZ 86515

Dear Akhtar,

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

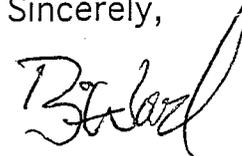
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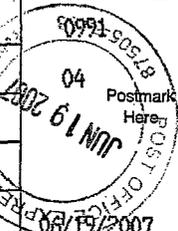
questions.

Sincerely,



Brian Wood

EXHIBIT G

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information, visit our website at www.usps.com	
OFFICIAL USE	
WINDOW ROCK, AZ 86515	
Postage	\$ 0.41
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Total Postage & Fees	\$ 5.21
	
Sent To: Minerals Dept	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4 Window Rock	

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FOR NONSTANDARD LOCATION
FOR NAVAJO NATION OIL & GAS CO., INC.
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BIA

BLM

Navajo Nation Minerals Department

B. Wood

Brian Wood, Consultant

6-18-07

STATE OF NEW MEXICO)
) SS:
COUNTY OF SANTA FE)

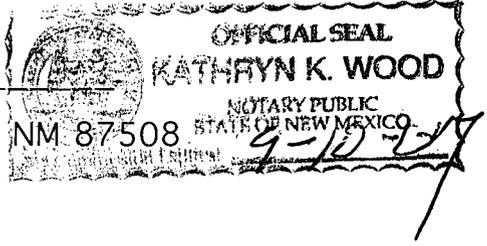
The foregoing instrument was acknowledged before me this 18th day of June, 2007 by Brian Wood. Witness my hand and official seal.

Kathryn K. Wood

Notary Public

My Commission Expires: 9-10-07

Business Address: 37 VERANO LOOP, SANTA FE, NM 87508



cc: Aztec OCD, Groen

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. NO-G-0402-1710	
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8. Lease Name and Well No. ATSE 36 F	
9. API Well No. 30-045-34044	
10. Field and Pool or Exploratory w 32N 20W 36; Paradox oil w 32N 20W 36; Leadville gas	11. Sec., T. R. M. or Blk. and Survey or Area F 36-32N-20W NMPM
12. County or Parish SAN JUAN	13. State NM
14. Distance in miles and direction from nearest town or post office* 16 AIR MILES NW OF SHIPROCK, NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 7,740'	16. No. of acres in lease 12,160
17. Spacing Unit dedicated to this well 160 40 SENW (Des. Creek & Is.) & all Sec. 36 (Lead.)	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,664' (Atse 36 E)
19. Proposed Depth 7,200'	20. BLM/BIA Bond No. on file BIA RLB0006712
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4,930' GL	22. Approximate date work will start* 12/21/2006
	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 <i>[Signature]</i>	Name (Printed/Typed) BRIAN WOOD	Date 10/24/2006
-------------------------------------	------------------------------------	--------------------

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

Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 5/24/07
---	----------------------	-----------------

Title AFM Office FFO

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)

NOTIFY AZTEC OCD 24 HRS
PRIOR TO CASING & CEMENT



HOLD G104 FOR NSL paradox

EXHIBIT A

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

06-07-2007
BH

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

State of New Mexico
 Energy, Minerals & Mining Resources Department
 OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505-0006 48

Form C - 102

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number 30-045-34044	Pool Code 97614; 97615	RECEIVED WCB2N20W36; Paradise	Pool Name WCB2N20W36 Leadville
Property Code 30520	Property Name ATSE		Elevation 36 F
OGRID No. 242841	Operator Name NAVAJO NATION OIL & GAS CO., INC.		Elevation 4930'

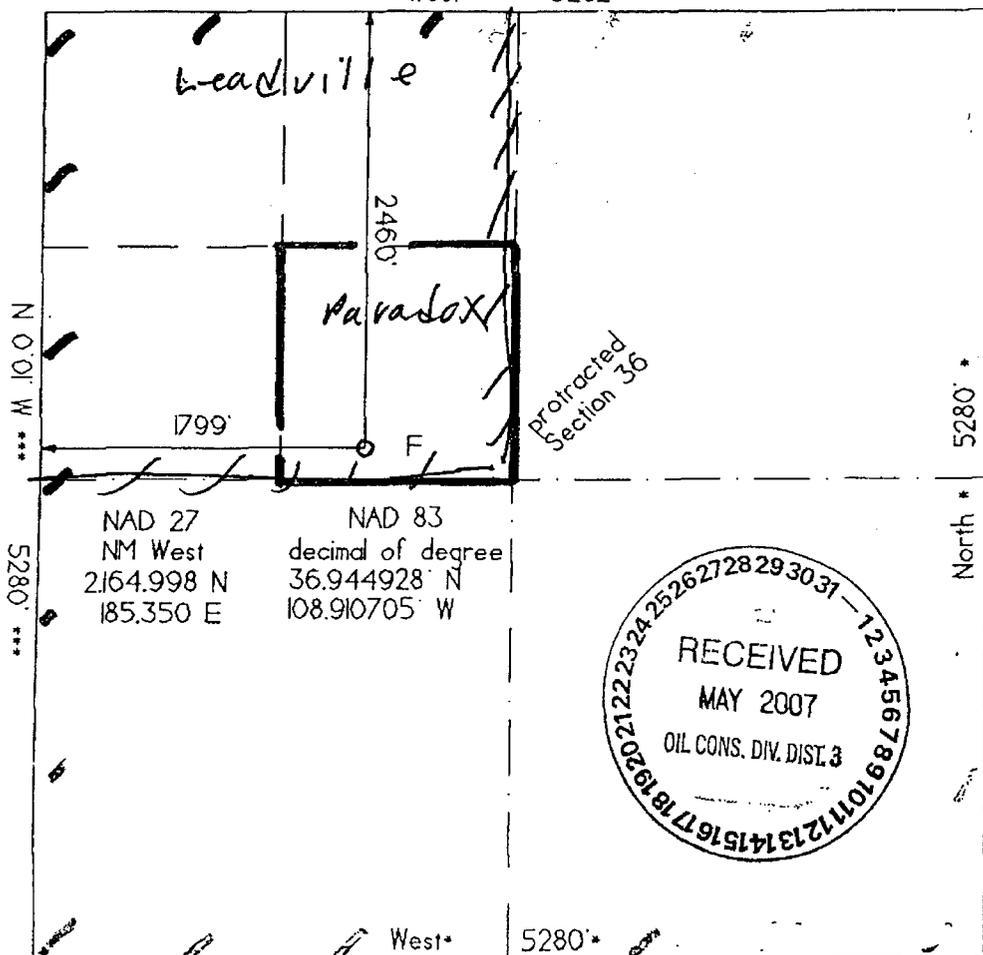
Surface Location									
UL or Lot	Sec.	Twp.	Rge.	Lot Lch.	Feet From >	North/South	Feet From >	East/West	County
F	36	32 N.	20 W.	400	2460'	NORTH	1799'	WEST	SAN JUAN

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Lch.	Feet From >	North/South	Feet From >	East/West	County

Dedication 40 & 160	Joint ?	Consolidation	Order No.
------------------------	---------	---------------	-----------

NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

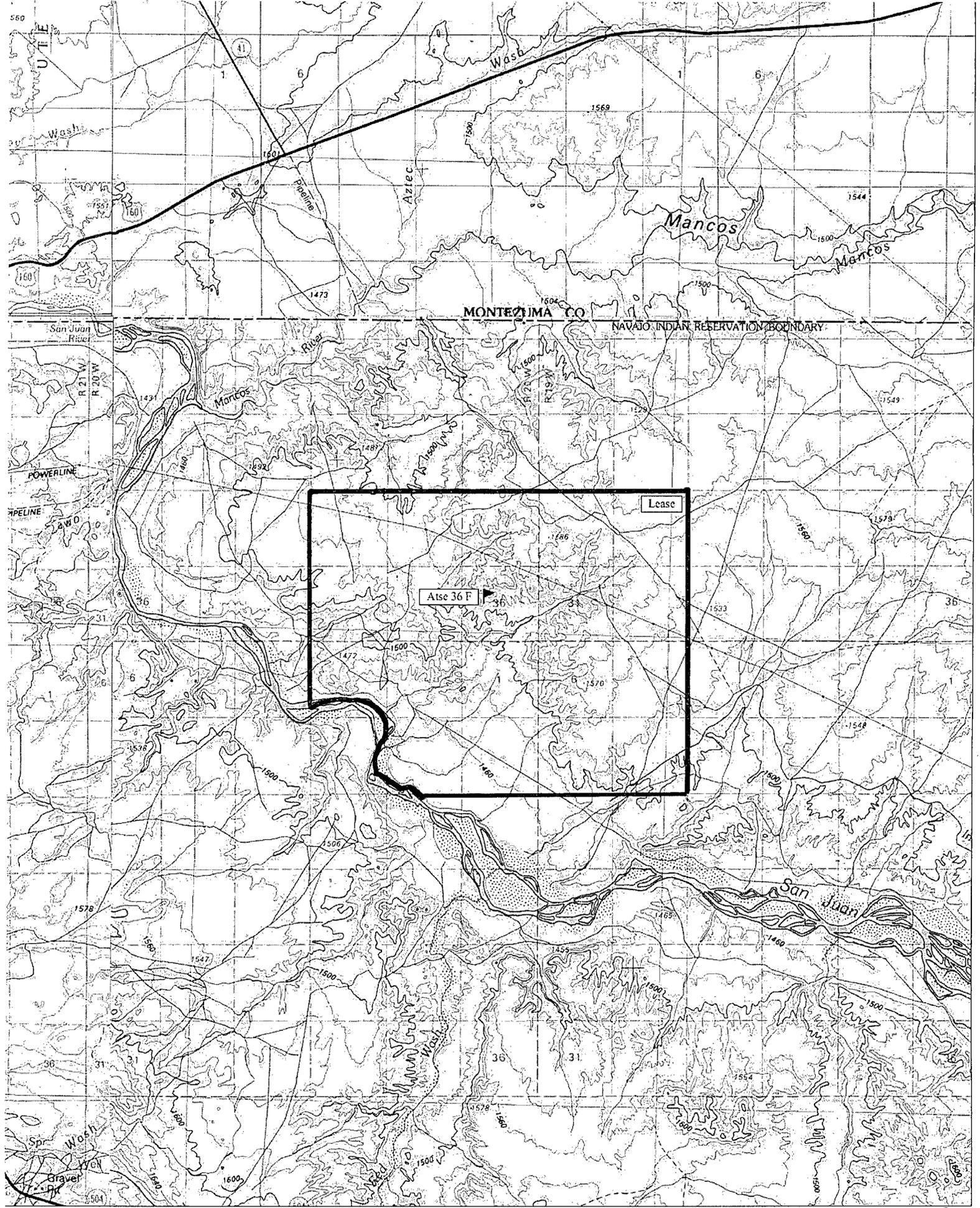
West** 5282**

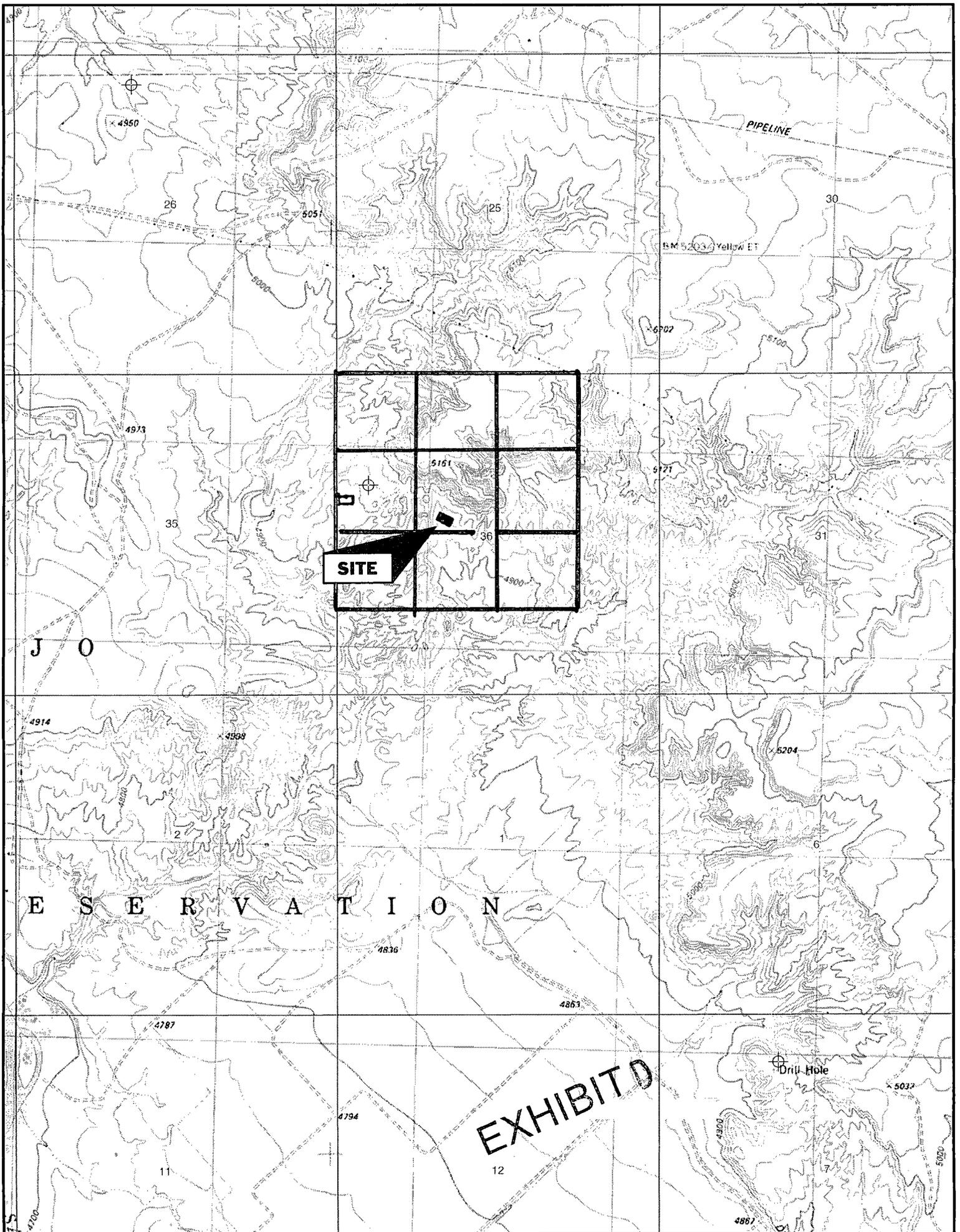


OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
 Signature: *Brian Wood*
 Printed Name: BRIAN WOOD
 Title: CONSULTANT
 Date: OCT. 24, 2006

SURVEYOR CERTIFICATION
 I hereby certify that the well location 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 belief.
 Date of Survey: 06/01/06
 Signature and Seal of Professional Surveyor: *Gerald A. Hulet*
 GERALD A. HULET
 NEW MEXICO
 6844
 REGISTERED LAND SURVEYOR

EXHIBIT B





Atse 36 F
well pad & section

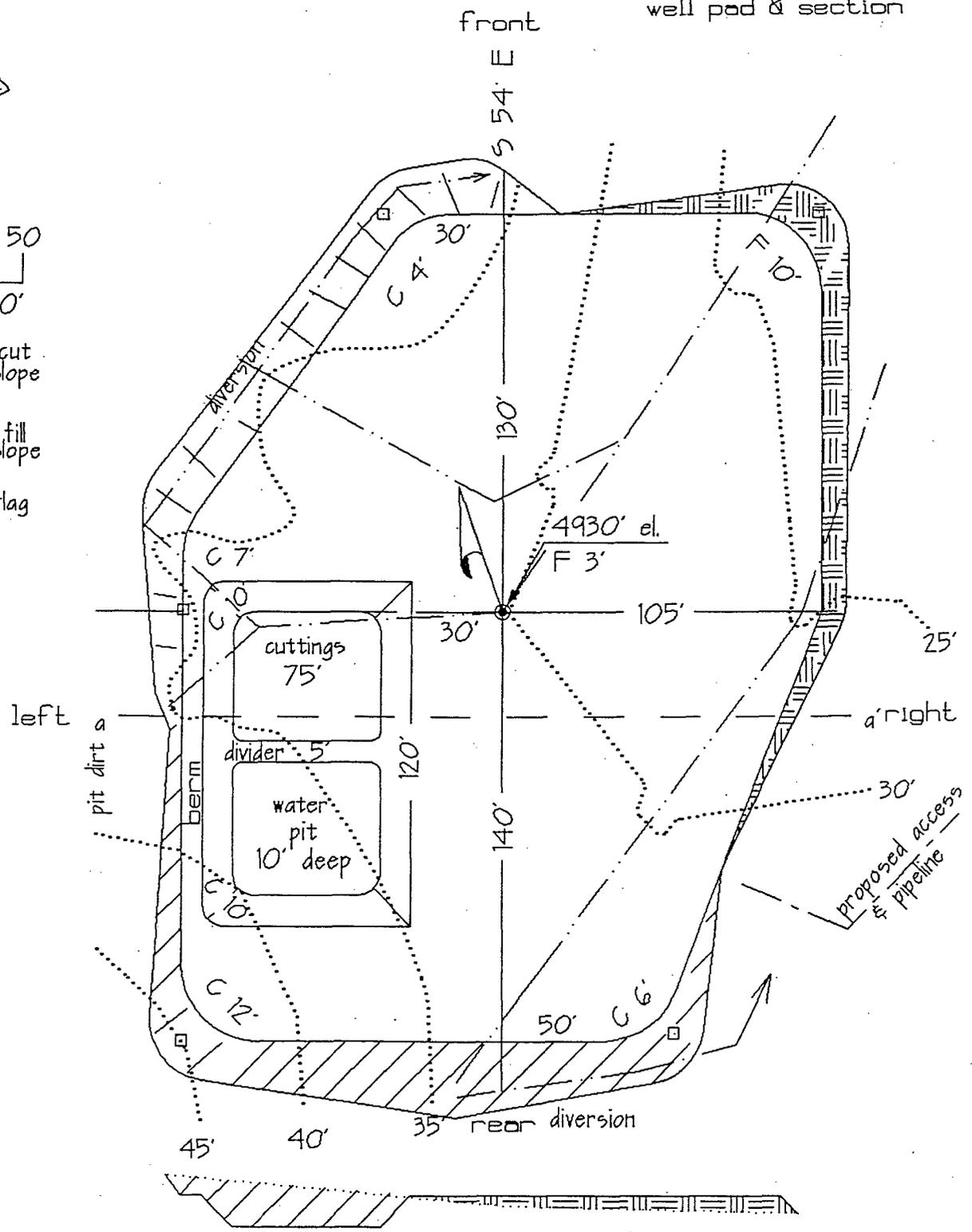


0' 50'
Scale 1" = 50'

cut slope

fill slope

stake/pin flag

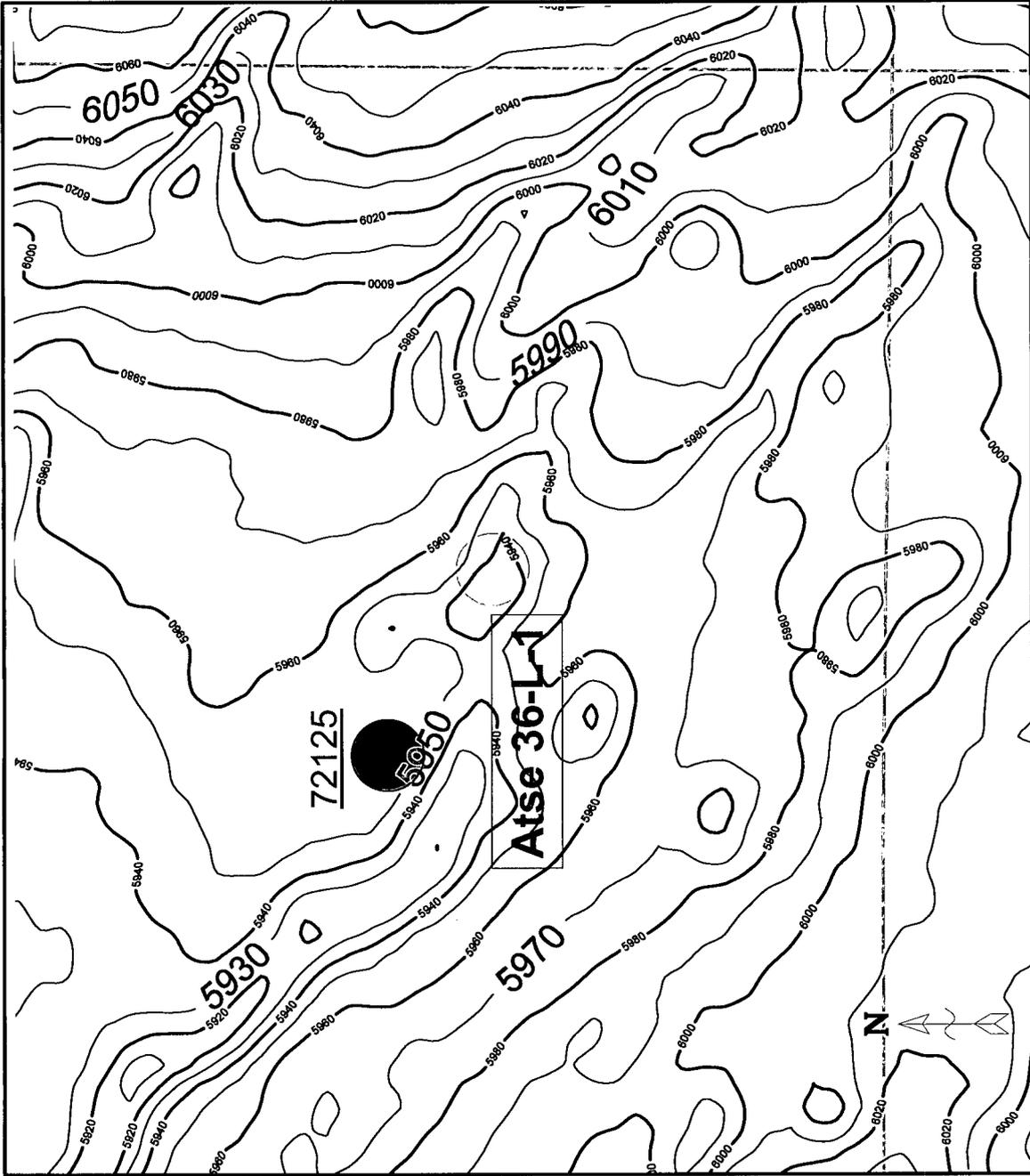


a

Cross section

a'

EXHIBIT E



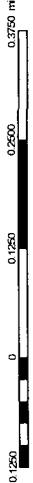
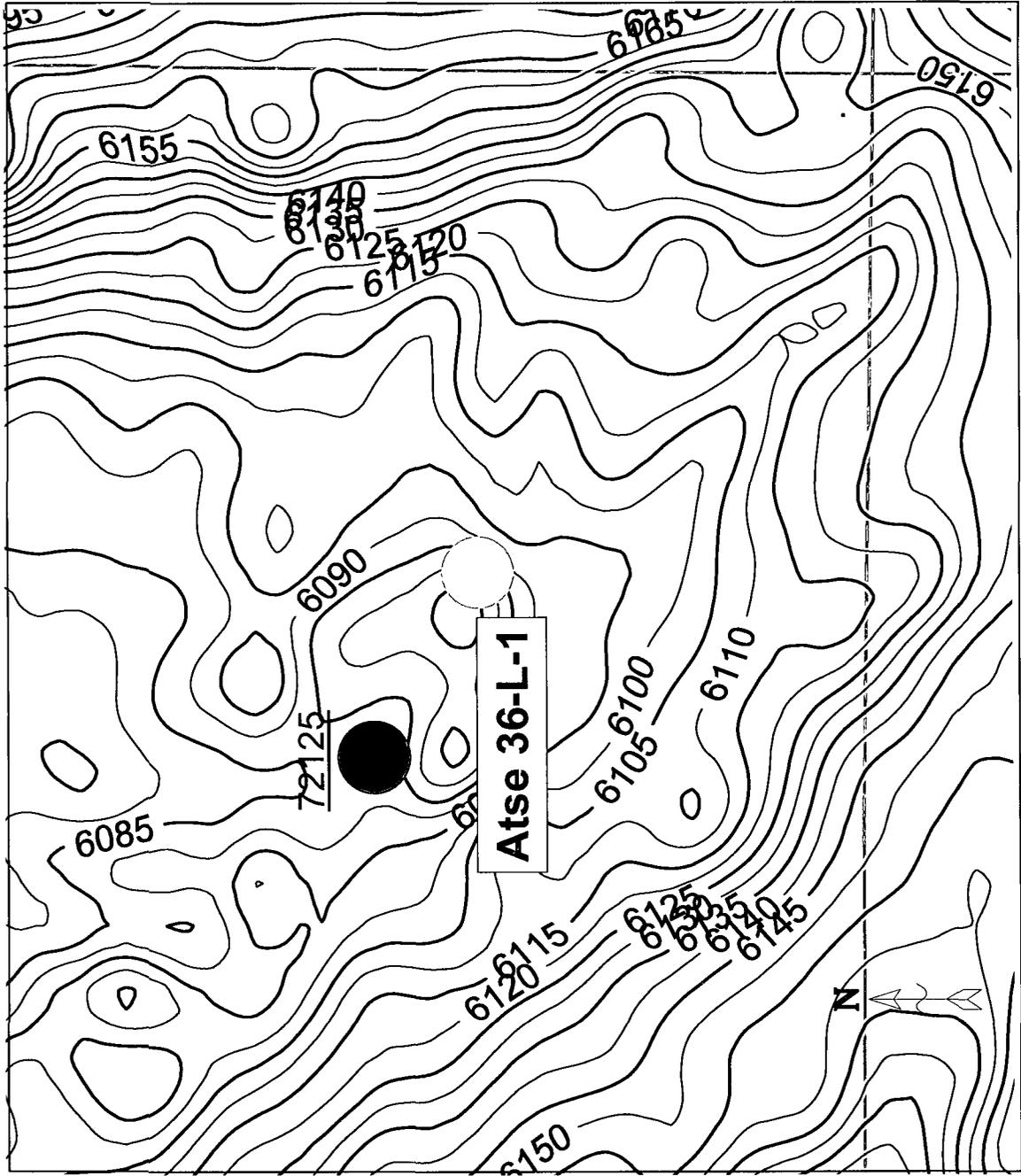
1:14000



NAVIGATION OIL & GAS CO.
CANAAL CREEK
 OPERATING UNIT
 U.S. Geologic Survey
 ALLE Well Location

Author: D. M. Park
 Date: 8 April 1968
 Photographer:
 Contour Interval: 5 ft. 1:15000

EXHIBIT F



NAVALIO OIL & GAS CO.
CANAL CREEK
 3D Seismic Interpretation
 Desert Creek Depth Map
 Atse Well Location

Author: Dr. M. Al-Yah
 Date: 7 April, 2008

Horizontal Scale: 1:4000
 Contour Interval: 5 ft

EXHIBIT F

Canal Creek Project
North-South Line crossing Atse Well
Prospect 1

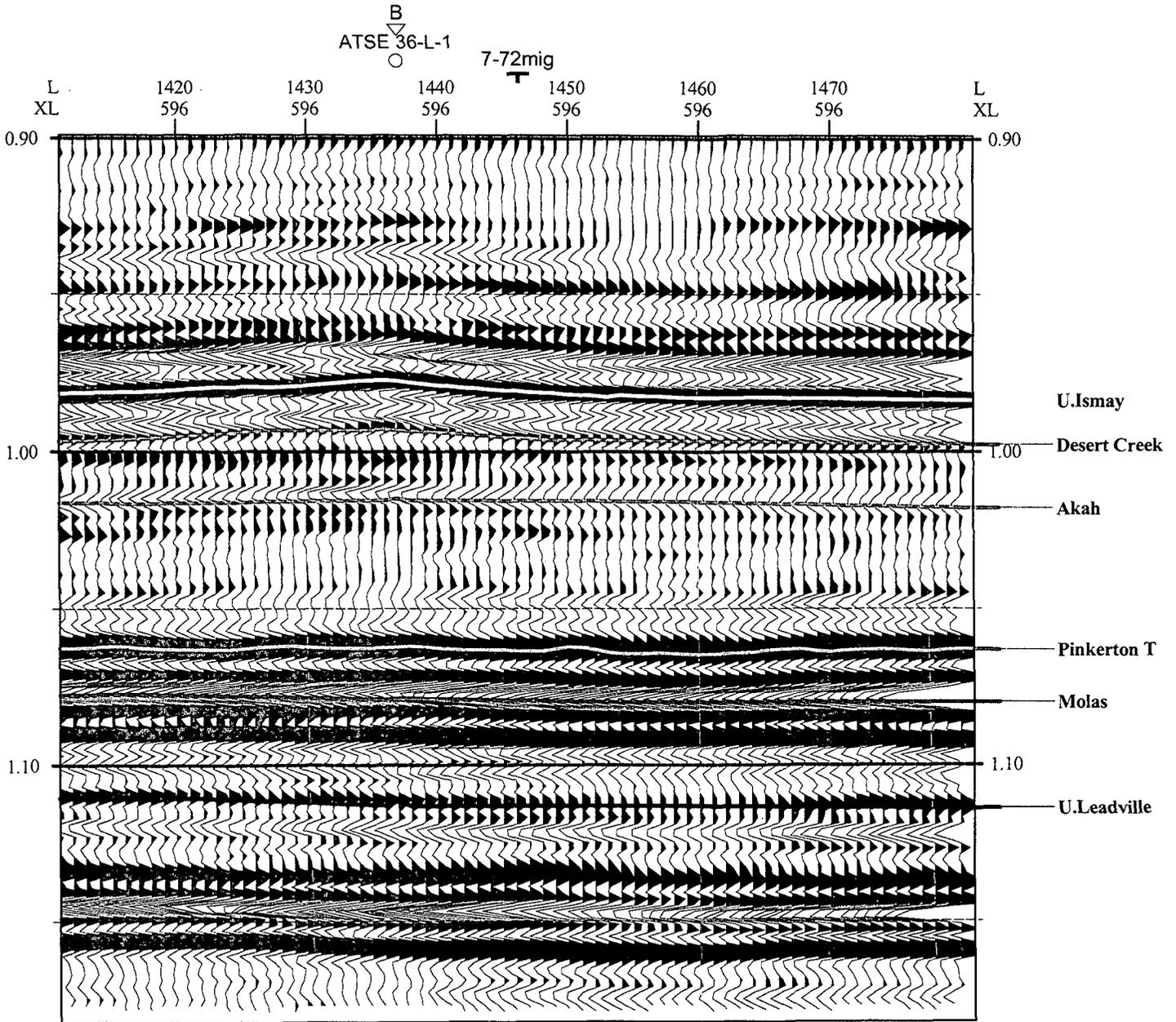


EXHIBIT F

Canal Creek Project
East-West Line crossing Atse Well
Prospect 1

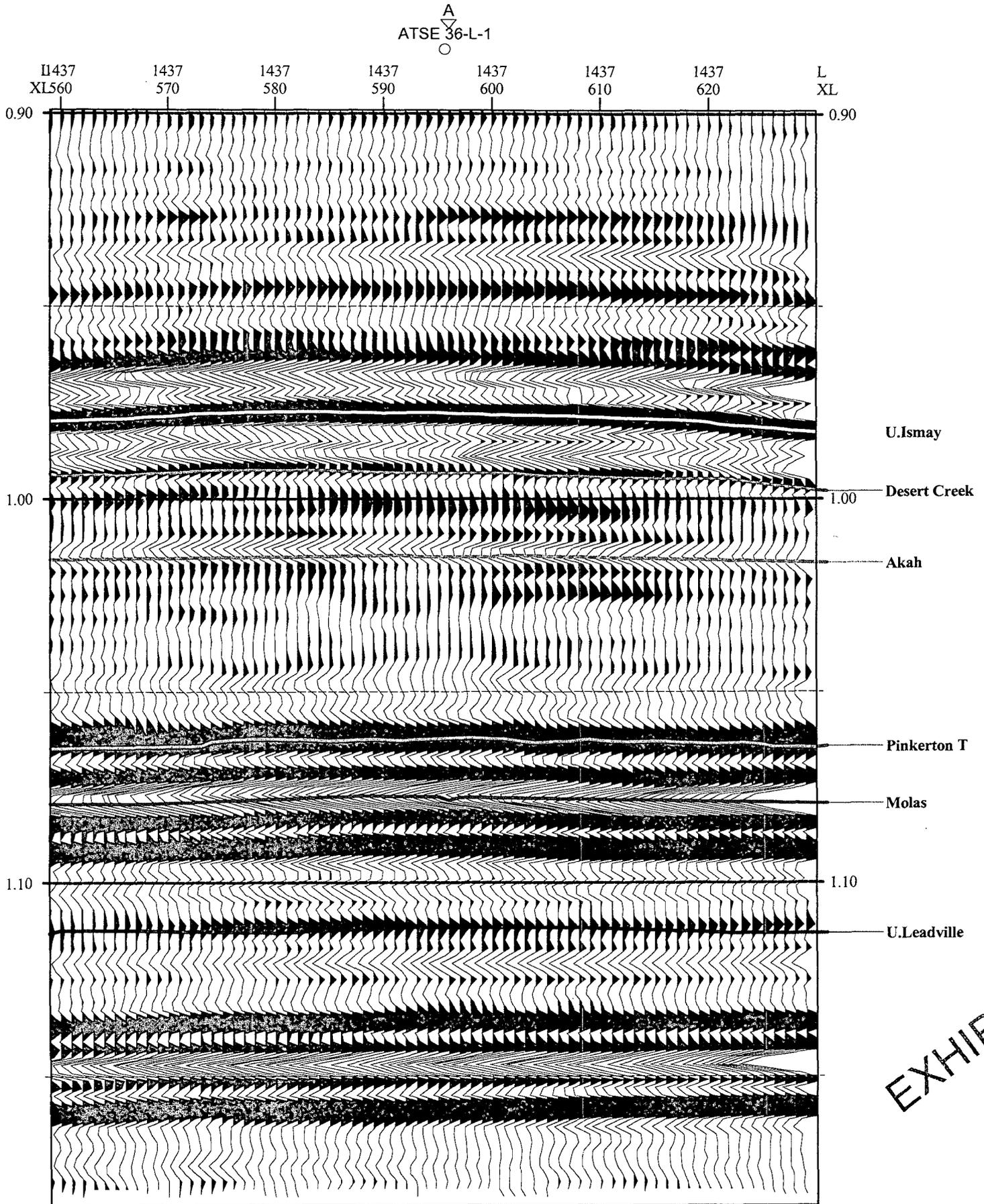


EXHIBIT F

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

Chuck Yarbrough
 BIA Real Estate Services
 P. O. Box 1060
 Gallup, NM 87305

Dear Chuck,

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Navajo Nation Oil & Gas Co., Inc. is applying to drill its Atse 36 F oil well. The minimum state distance for such an oil well is 330' from a quarter-quarter line. The proposed well is 150' further south than is standard. Thus, it is a nonstandard location. The NSL is due to topography and geology.

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Proposed NSL Zone: Paradox Oil (Ismay & Desert Creek)
NSL Acreage Dedication: 40 acres (SENW Section 36)
Location: 2460' FNL & 1799' FWL Sec. 36, T. 32 N., R. 20 W.,
 San Juan County, NM on Navajo Tribal lease NO-G-0402-1710
Approximate Location: ≈16 air miles northwest of Shiprock, NM
Applicant Name: Navajo Nation Oil & Gas Co., Inc. (928) 871-4880
Applicant's Address: P. O. Box 4439, Window Rock, AZ 86515

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Dr. Santa Fe, NM 87505 or is (505) 476-3440.

Questions.

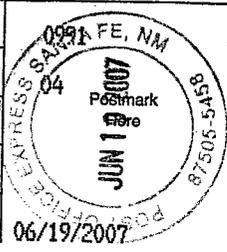
Sincerely,



Brian Wood

EXHIBIT G

7004 2510 0604 1418 5615

U.S. Postal Service	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
GALLUP NM 87305	
OFFICIAL USE	
Postage	\$ 0.41
Certified Fee	\$2.65
Return Receipt Fee (Endorsement Required)	\$2.15
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.21
	
Sent To: BIA	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4: Gallup	

PERMITS WEST INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

BLM
 1235 LaPlata Highway
 Farmington, NM 87401

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estions.

Sincerely,



Brian Wood

EXHIBIT G

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<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
FARMINGTON NM 87401	
OFFICIAL USE	
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Return Receipt Fee (Endorsement Required)	\$2.15
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.21

0991 SANTA FE, NM
 JUN 19 2007
 06/19/2007

Sent To: BLM
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4 Farmington

7004 2510 0004 1418 5592

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

Akhtar Zaman
 Navajo Nation Minerals Dept.
 P. O. Box 1910
 Window Rock, AZ 86515

Dear Akhtar,

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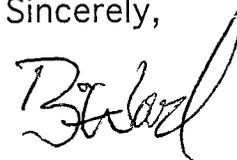
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Sincerely,



Brian Wood

EXHIBIT G

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only, No Insurance Coverage Provided)</i>	
For delivery information, visit our website at www.usps.com	
WINDOW ROCK AZ 86515	
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Total Postage & Fees	\$ 5.21

Postmark Here: JUN 19 2007 04 87505-8120

Sent To: Minerals Dept
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4: Window Rock

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

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Sincerely,

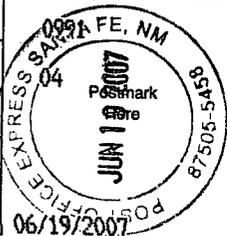


Brian Wood

EXHIBIT G

7004 2510 0604 1418 5615

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Sent To	BIA
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	Gallup

PS Form 3800, June 2002. See Reverse for Instructions.

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

BLM
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 Farmington, NM 87401

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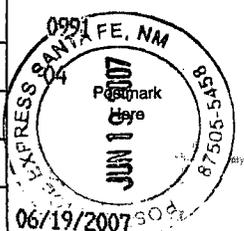
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For delivery information visit our website at www.usps.com		
FARMINGTON, NM 87401		
OFFICIAL USE		
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Total Postage & Fees	\$ 5.21	
Sent To <u>BLM</u>		
Street, Apt. No., or PO Box No.		
City, State, ZIP+4 <u>Farmington</u>		
PS Form 3800, June 2002		See Reverse for Instructions

PERMITS WEST, INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

June 18, 2007

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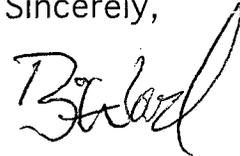
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If you have any questions,

Sincerely,



Brian Wood

EXHIBIT G

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com
OFFICIAL USE
 WINDOW ROCK AZ 86515

Postage	\$	\$0.41
Certified Fee		\$2.65
Return Receipt Fee (Endorsement Required)		\$2.15
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$5.21

Postmark Here: JUN 19 2007 04
 86515-0004

Sent To: Minerals Dept
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4
 Window Rock

See Reverse for Instructions

9095 RHT 4000 DT52 4002 7004 2510 0004 1418 5608