



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

August 5, 1985

50 YEARS



1935 - 1985

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

A. R. Kendrick
Box 516
Aztec, New Mexico 87410

Administrative Order NSL-2105

Gentlemen:

Reference is made to your application on behalf of S.E.R.H. Inc. for a non-standard location for their S.E.R.H. Inc. Navajo 32 Well No. 2 to be located 1050 feet from the North line and 1610 feet from the East line of Section 32, Township 27 North, Range 19 West, NMPM, Big Gap Pennsylvanian Oil Pool, San Juan County, New Mexico. The NW/4 NE/4 of said Section 32 shall be dedicated to the well.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

R. L. STAMETS, DIRECTOR

RLS/DC/dr

cc: Oil Conservation Division - Aztec
Bureau of Land Management - Farmington

RECEIVED
AUG 12 1985
OIL CON. DIV.
DIST. 3



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

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

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 7-25-85

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 7-19-85

for the S.E.R.H. Inc. Navajo 32#2 B-32-27N-19W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approved

Yours truly,

E. R. R.

A. R. KENDRICK

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

July 18, 1985

Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501

Re: Application for Non-Standard Location

Gentlemen:

We respectfully request administrative approval of the non-standard location of the S.E.R.H., Inc. Navajo 32 #2 well in the Big Gap Pennsylvanian Oil Pool at 1050' FNL and 1610' FEL of Section 32, Township 27 North, Range 19 West. The well was drilled as a Beautiful Mountain Mississippian Gas Pool extension well at a standard location.

Enclosed as "Exhibit A" is a copy of the Application for Permit to Drill with the companion Form C-102 to show the initial intent of the well.

S.E.R.H., Inc. and the Navajo Tribe own all offset wells as shown on the enclosed Exhibit B. The Navajo Tribe has been notified by certified mail of this application.

If there are questions, please contact me.

Yours very truly,

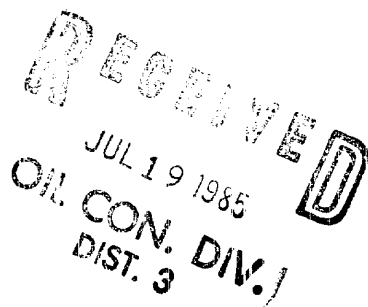


A. R. Kendrick

Enclosures

xc: Navajo Tribe
Bureau of Indian Affairs
Navajo Area Office
P.O. Box M
Window Rock, Arizona 86515

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



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
Petroleum Energy, Inc.

3. ADDRESS OF OPERATOR
P. O. Box 2121, Durango, Colorado 81301

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface NW $\frac{1}{4}$ NE $\frac{1}{4}$: 1050 ft. from N. line and 1610 Ft. from E. Line.
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Shiprock, New Mexico, 15 miles Southwest

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1050'

16. NO. OF ACRES IN LEASE 1280 1271

17. NO. OF ACRES ASSIGNED TO THIS WELL 160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3500'

19. PROPOSED DEPTH 6100' Miss.

20. ROTARY OR CABLE TOOLS rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5824 GR

22. APPROX. DATE WORK WILL START* December 1, 1980

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"	48.00	60'	150 sacks CIRCULATE
12 1/4"	8 5/8"	24.00	1450'	200 sacks
7 7/8"	4 1/2"	10.50	6100'	

NOO-C-14-20-4158 covers Sections 31 and 32, T27N, R19W, San Juan County, New Mexico.

Approval of Compliance Officer and Grazing Lessors will be acquired.

This action is subject to administrative appeal pursuant to 30 CFR 290.

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

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. PETROLEUM ENERGY, INC.

SIGNED *[Signature]* TITLE Agent

(This space for Federal or State office use)

PERMIT NO. *[Stamp: JUL 19 1985 OIL CON. DIV.]* APPROVAL DATE *[Stamp: 11/24/80]*

APPROVED BY *[Signature]* TITLE *[Stamp: MAR 20 1981 JAMES F. SIMS DISTRICT ENGINEER]*

CONDITIONS OF APPROVAL, IF ANY: *[Stamp: APPROVED AS AMENDED]*

EXHIBIT A

OIL CONSERVATION DIVISION

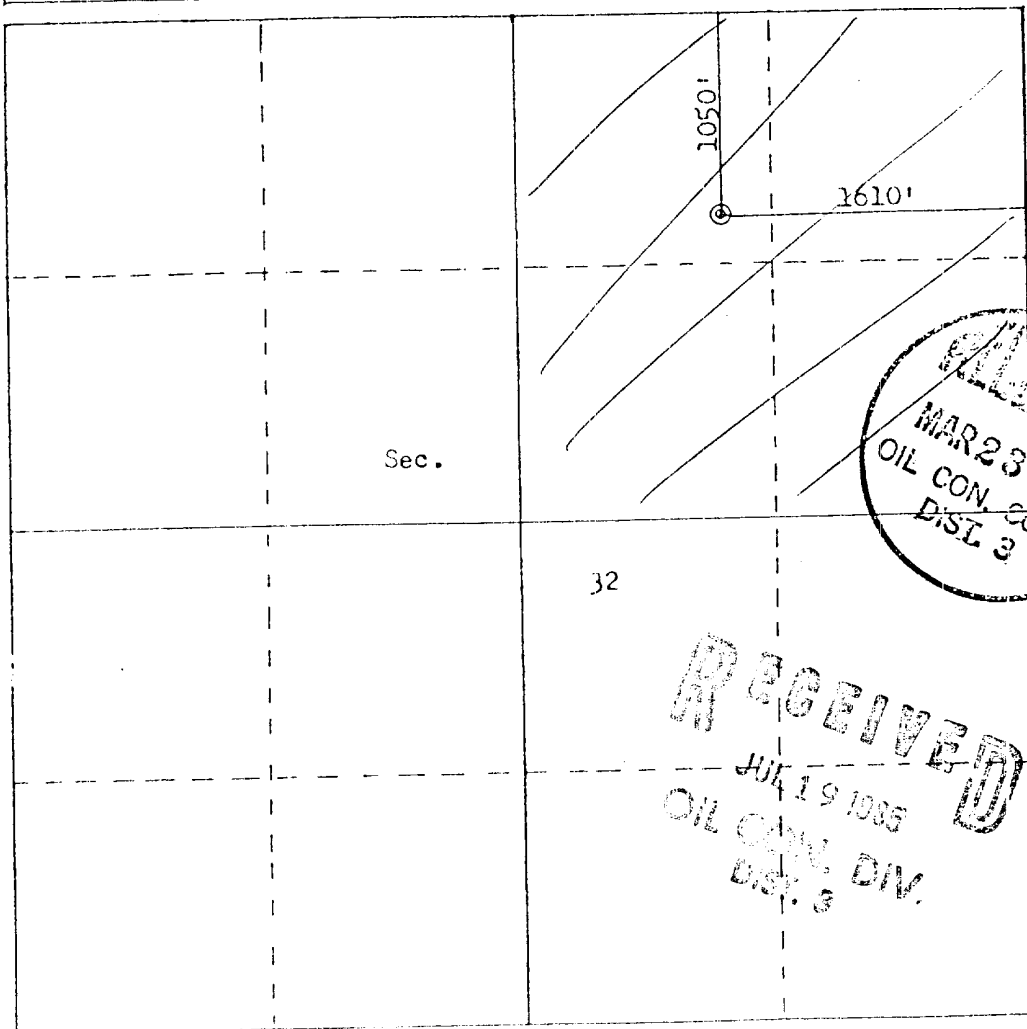
P. O. BOX 2044

SANTA FE, NEW MEXICO 87501

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

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

Operator PETROLEUM ENERGY, INCORPORATED			Lease <i>Narrago 32</i>		Well No. <i>2</i>
Unit Letter B	Section 32	Township 27N	Range 19W	County San Juan	
Actual Footage Location of Well: 1050 feet from the North line and 1610 feet from the East line Ground Level Elev: 5824 Producing Formation: <i>Mississippian</i> Pool: <i>Beautiful Mountain</i> Dedicated Acreage: <i>1/2</i> 1/4 Acres					
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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? <input type="checkbox"/> Yes <input type="checkbox"/> 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.

Name

Agent

Position

Petroleum Energy, Inc.

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 23, 1980

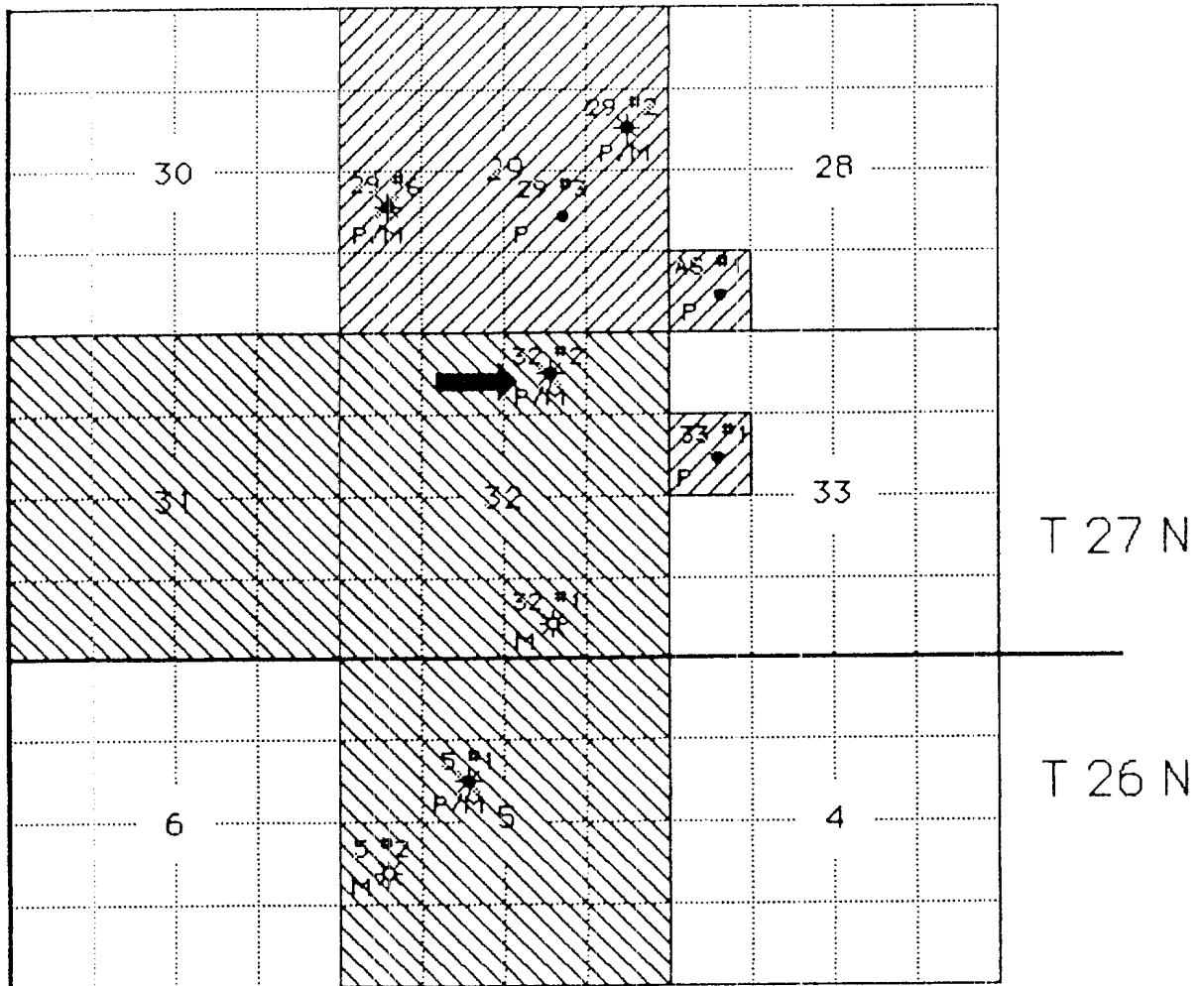
Registered Professional Engineer and Land Surveyor

Fred B. Kerr Jr.

Certificate No.

3950

R 19 W



LEGEND

• = OIL WELL

* = OIL/GAS DUAL

✱ = GAS WELL

P = PENNSYLVANIAN OIL WELL

M = MISSISSIPPIAN GAS WELL

▨ = ACREAGE LEASED FROM NAVAJO TRIBE BY S.E.R.H., INC.

▩ = WELLS OPERATED BY S.E.R.H., INC. BY OPERATING AGREEMENT WITH THE NAVAJO TRIBE

EXHIBIT B