

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30045-26483
5. LEASE DESIGNATION AND SERIAL NO.
NCO-C-14-20-4158
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo
7. UNIT AGREEMENT NAME
Navajo
8. FARM OR LEASE NAME
Navajo 32
9. WELL NO.
4324
10. FIELD AND POOL, OR WILDCAT
Beautiful Mountain
11. SEC., T., R., M. OR BLM.
AND SURVEY OR AREA
Sec. 32-27N-19W NMPM
12. COUNTY OR PARISH
San Juan
13. STATE
New Mexico

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL PLUG BACK
b. TYPE OF WELL
OIL WELL GAS WELL OTHER
2. NAME OF OPERATOR
S. E. R. H., Inc.
3. ADDRESS OF OPERATOR
P. O. Box 312, Otis, Kansas 67565
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1850' fSL; 795' FWL; NW/4 SW/4 Sec. 32 Unit L
At proposed prod. zone Same

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14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
15 1/2 MILES SOUTHWEST OF SHIPROCK, NEW MEXICO

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line if any) 795
16. NO. OF ACRES IN LEASE 1271
17. NO. OF ACRES ASSIGNED TO THIS WELL 160/160
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2640
19. PROPOSED DEPTH 6000'
20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, etc.)
5926' Ungraded Ground
22. APPROX. DATE WORK WILL START*
On approval

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

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS*
100 sx. 2% CaCl. to surface
1050 cft. 2% CaCl. to surface
1st. Stage 150 cft. or more*
2nd. Stage 225 cft. or more

SIZE OF HOLE	SIZE OF CASING	WT. LOG PER FOOT	SETTING DEPTH
17 1/4"	13-3/8"	48 New	60'
12 1/4"	8-5/8"	24 J New	1400'
7-7/8"	5-1/2"	15.5# J New	6000' w/stage collar

* Volume to be calculated from caliper log and 20% excess used.

Propose to set 13-3/8" conductor w/spud mud and cement back to surface. WOC 12 hours. Drill 12 1/4" hole w/native mud and set 8-5/8" surface casing through Navajo and cement back to surface. WOC 15 hrs. Install BOP's and bleed-off manifold. Press. test to 800 psi. for 30 min. Drill out with low solids fresh water base mud to TD. Drill stem test Barker Creek zone if shows warrant. Run IES & GR/DN logs. Run and cement 5-1/2" casing. Two stages w/stage collar below Organ Rock.

To perforate and stimulate Mississippian interval; test; set plug and perforate, stimulate and test Organ Rock. Run packer on 1 1/2" EUE tubing and set for lower zone Run 1 1/4" IJ tubing for upper zone. Install dual well head and kick off zones. See attached schematics for dual completion. NTL-6 Compliance section.

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: *John M. Heller* TITLE: Consultant DATE: May 22, 1985
John M. Heller O. Box 1507, Durango, Colo. 81302

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PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY: _____ DATE: _____
CONDITIONS OF APPROVAL, IF ANY: _____

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DIST. 3

*See Instructions On Reverse Side

for *J. Stan McKee*

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-112
Supersedes O-129
Effective 1-1-85

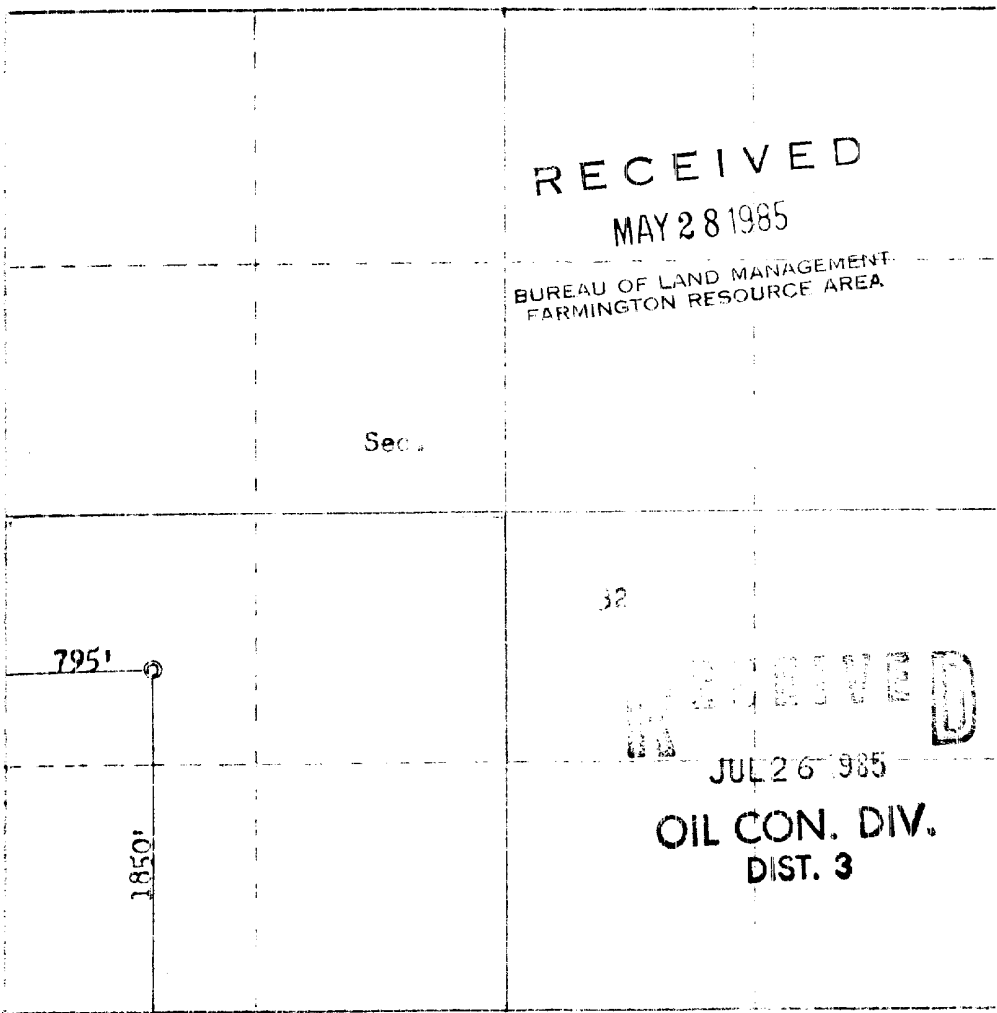
All distances must be from the outer boundaries of the Section.

Operator S.E.R.H. INCORPORATED		Lease NAVAJO 32		Well No. 4-32-4
Unit Letter L	Section 32	Township 27N	Range 19W	County San Juan
Actual Footage Location of Well: 1850 feet from the South line and 795 feet from the West line				
Ground Level Elev. 5926	Producing Formation Mississippian & Organ Rock		Pool Beautiful Mountain Under	Dedicated Acreage: 160/160 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
Outlined by _____
 - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
Not applicable
 - 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?
Not applicable
- 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.



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DIST. 3

Scale: 1"=1000'

CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>John M. Heller</i>	
Name	John Heller
Position	Consultant
Company	SERH, Inc.
Date	May 22, 1985
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	May 19, 1985 (re-issued)
Registered Professional Engineer and Land Surveyor	
<i>Fred B. Kerr Jr.</i> Fred B. Kerr Jr.	
Certificate No.	3950

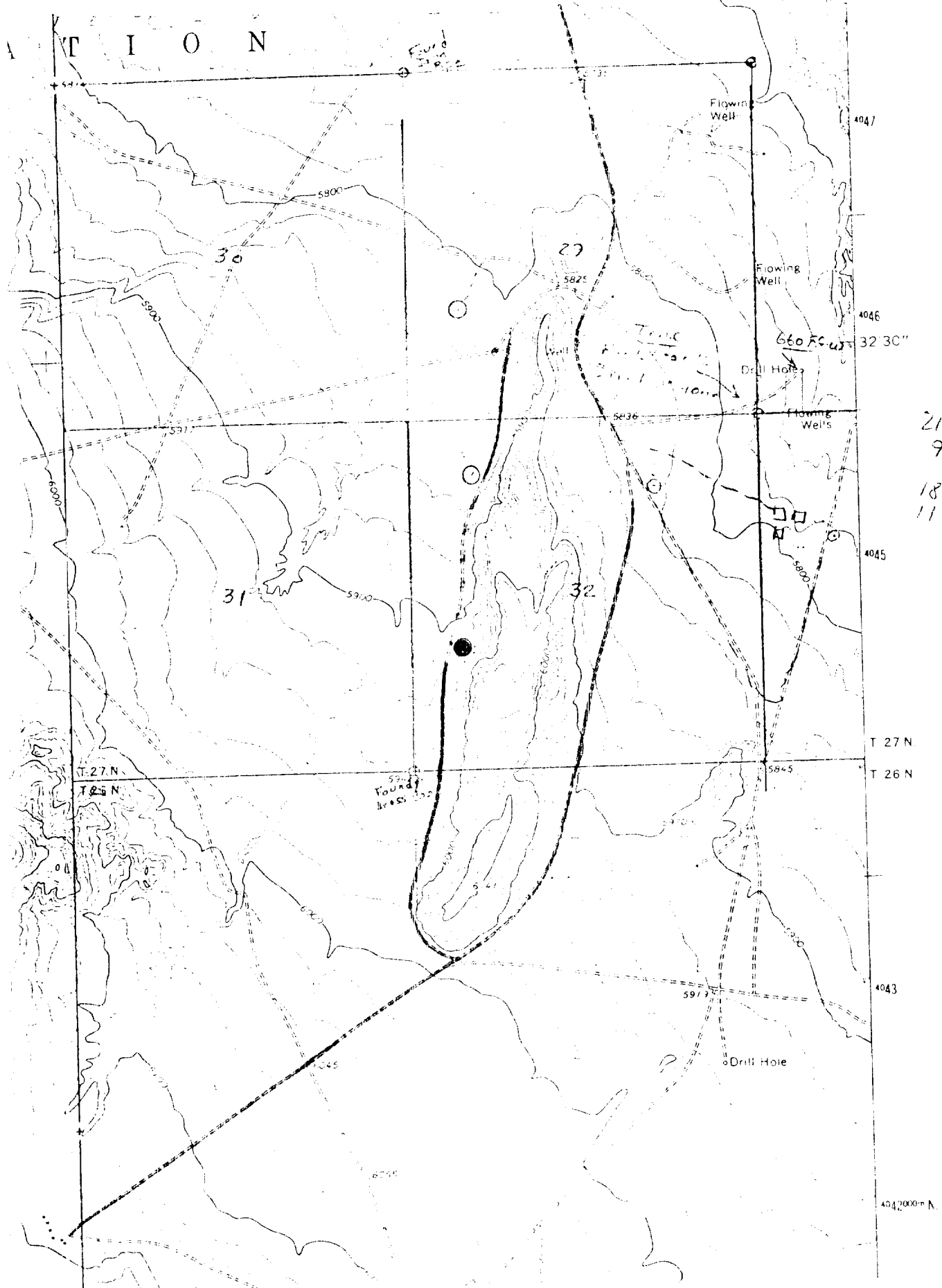
SERH, Inc. Exhibit No. 1

Vicinity Map of Proposed Wellsites
for Navajo #3-32 and #4-32
Sec. 32-27N-19W, San Juan Co., N. M.
Mitten Rock Quadrangle - New Mexico

Existing Improved roads ———
Roads to improve - - - - -

Wash
Big Gap
Reservoir

(YELLOW HILLS)
4257 III SE



Vicinity Map for
S.E.R.H. INCORPORATED #4-32 NAVAJO
1850' FSL 795' FWL Sec. 32-T27N-R19W
SAN JUAN COUNTY, NEW MEXICO

6° 30'
30'

20 W 55' R 19 W

CLASSIFICATION

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