

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

Water Supply

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Grand Resources Inc. 9255

3. ADDRESS OF OPERATOR

2250 E. 73rd Street, Suite 400, Tulsa, OK 74136

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

At surface

652' FSL & 2250' FWL

At proposed prod. zone

same

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

12 miles

15. DISTANCE FROM PROPOSED*

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

2030'

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

528'

16. NO. OF ACRES IN LEASE

2560 3160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

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

5337 GL

22. APPROX. DATE WORK WILL START*

As soon as possible

23. "GENERAL REQUIREMENTS".

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.
205 sks class "C" w/2% CaCl
270 sks class "C" 2% CaCl

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12 3/8"	9 5/8"	32#	50' 120'
8 3/4"	7"	24#	3400' 3500'

1. Plan to drill a 12 3/8" hole and set 50' of 9 5/8" surface casing and cement to surface. Test surface by pressuring with mud pump.
2. Drill a 8 3/8" hole to T.D. (Entrata SS) Run 7" production string, cement to at least 500' above the Gallup SS.
3. Run logs as needed, perforate and stimulate as needed.

Surface formation - Mancos shale

Estimated tops - Gallup SS - 1170'

Greenhorn - 1697'

Dakota SS - 1835'

Morrison fr. - 1980'

Entrata SS - 2990'

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

24.

SIGNED

TITLE

Representative

DATE

6/20/89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NM 000

*See Instructions On Reverse Side

APPROVED
AS AMENDED

DEC 11 1989

AREA MANAGER

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-120
Effective 1-1-65

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

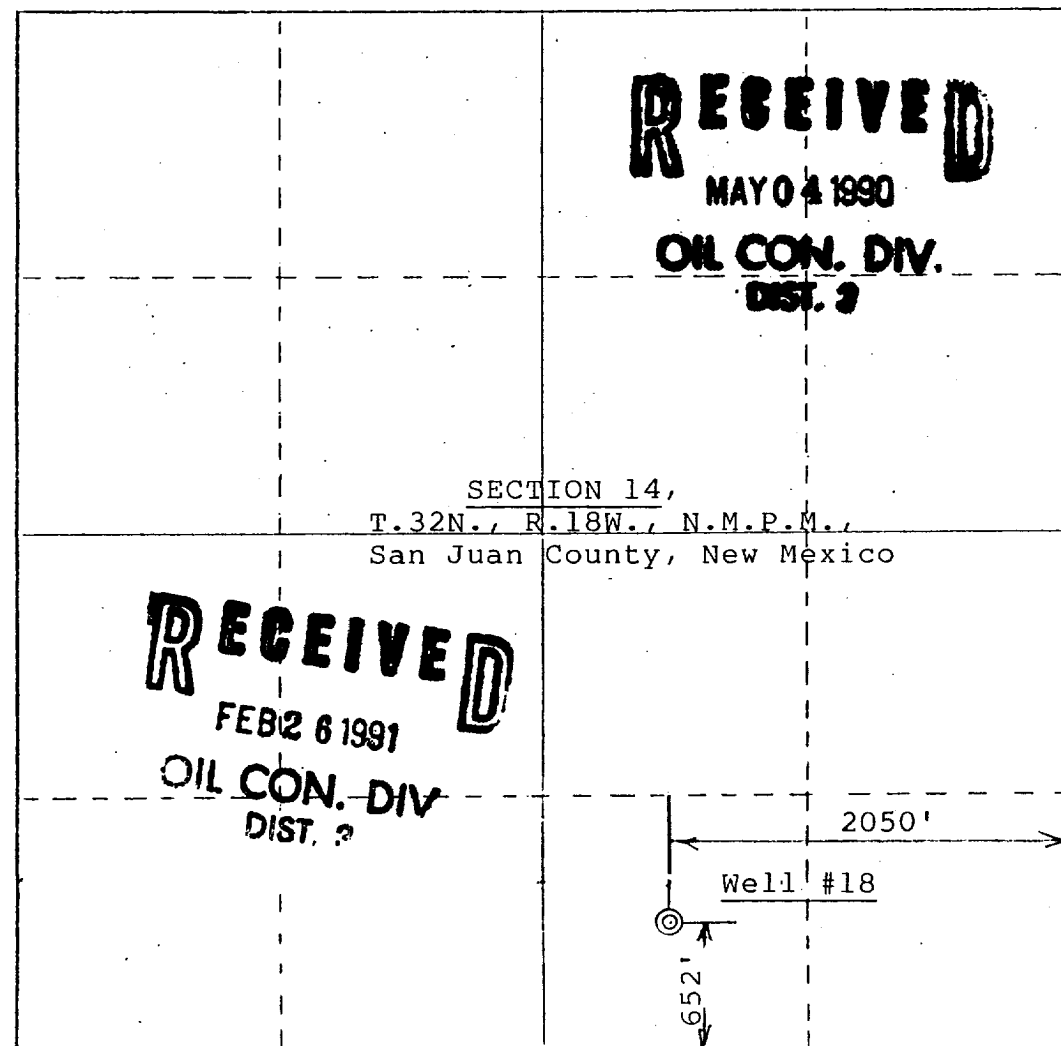
Operator Grand Resource		Lease Navajo C		Well No. 18
Dist Letter 0	Section 14	Township 32N	Range 18W, NMPM	County San Juan County
Actual Footage Location of Well: 652 feet from the south line and 2050 feet from the east line				
Ground Level Elev. 5331.5 5332	Producing Formation Entrada SS	Pool Undesignated entrada	Dedicated Acreage: 40 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?

☐ 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 James P. Thomas
Position Representative
Company Grand Resource
Date 3-26-1990

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.

James P. Thomas
Date Surveyed 5-23-89 **6728**
Registered Professional Engineer and or Land Surveyor
State of Colorado

Certificate No. Colo. 6728
Utah 4346

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DET 3

GRAND RESOURCES INC.
2250 E. 73RD STREET
SUITE 400
TULSA, OK 74136

June 20, 1989

Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

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DIST. 3

RE: Thirteen Point Development Plan for Surface Use.

Dear Sirs:

The following thirteen point development plan for surface use is submitted in connection with the application to drill and test a well for a water supply well in Section 14, Township 32 North, Range 18 West, N.M.P.M., in San Juan County, New Mexico.

1. Existing Roads: Existing roads will be used. The location is approximately 12 miles NE of Shiprock, New Mexico. We have submitted, as a part of the application to drill, a plat showing all roads and drainages in the area.

2. Planned Access Roads: As shown on the plat of location of existing wells, which accompanies the application for permit to drill, an existing dirt road lies adjacent to the location and no excess road will be necessary.

3. Location of Existing Wells: The location of the proposed well in relation to the other wells in the area is delineated on the plat of location of existing wells submitted with the application to drill.

4. Location of Tank Batteries and Flowlines: Will be initially located on location pad approximately 100 feet from well if water is encountered.

5. Water Supply: Water will be hauled to location from Shiprock, NM.

6. Source of Construction Materials: Not applicable.

7. Method of Handling Waste Disposal: Trash will be picked up and put in trash pit and burned, then covered at least 2 feet below ground level. All other waste will be buried in the reserve pit on completion of the well. The reserve pit will be backfilled and levelled. Toilet facilities will be provided. Drilling fluids will also be buried when dry; produced water will be put in storage tanks and be injected in to the Gallup SS formation.

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1900

NOV 10 1900

1900

8. Ancillary Facilities: No airstrips or camps, temporary or permanent will be used.

9. Diagram of Well Location: The location and layout is shown on a plat submitted with the application to drill. The location will not be compacted except to the extent that compaction accrues with normal traffic and use.

10. Plans for Restoration to Surface: The surface will be restored and reseeded as directed by the Bureau of Land Management. In the event the drilling operation is successful, the top soil at the ends of the cutting and waste pit will be used again in covering the pits and this area reseeded.

11. Other Information: Impact on the environment will be minimal. The access road and well location is sparsely vegetated and minimal disturbance will be required. There will be no cuts or fills because the area is level.

12. Operator's Representative: A.P.A. Development Inc.,
P.O. Box 215, Cortez, CO 81321, Telephone: (303) 565-2458.

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 presently 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 operation proposed herein will be performed by A.P.A. Development Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

A.P.A. DEVELOPMENT INC.

By: James P. Woosley
James P. Woosley, Representative

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341333
1948 3031
NO MCC
4 1948

DRILLING PROGNOSIS

No abnormal pressures, temperatures, or gases are anticipated.

This will be a water supply well drilled to the Entrata SS at a approximate depth of 3500 feet. There is no anticipated oil or gas except in the shallow Gallup SS.

Circulating medium: Fresh gel mud.

Anticipated starting date: As soon as APD and other applications are approved.

Duration of operation: 10 days.

Surface will be new 9 5/8" pipe: production string will be new 7".

We will keep the mud at 9 lbs. to 9.2 lbs. to minimize any formation damage to any possible production zone. It will be a basic gel or bintennitic mud, and will be circulated with a mud pump down the drill pipe and up the annulus through surface pipe, B.O.P. and flow pipe to the mud pits.

Open hole logs will be run.

There will be no cuts and fills.

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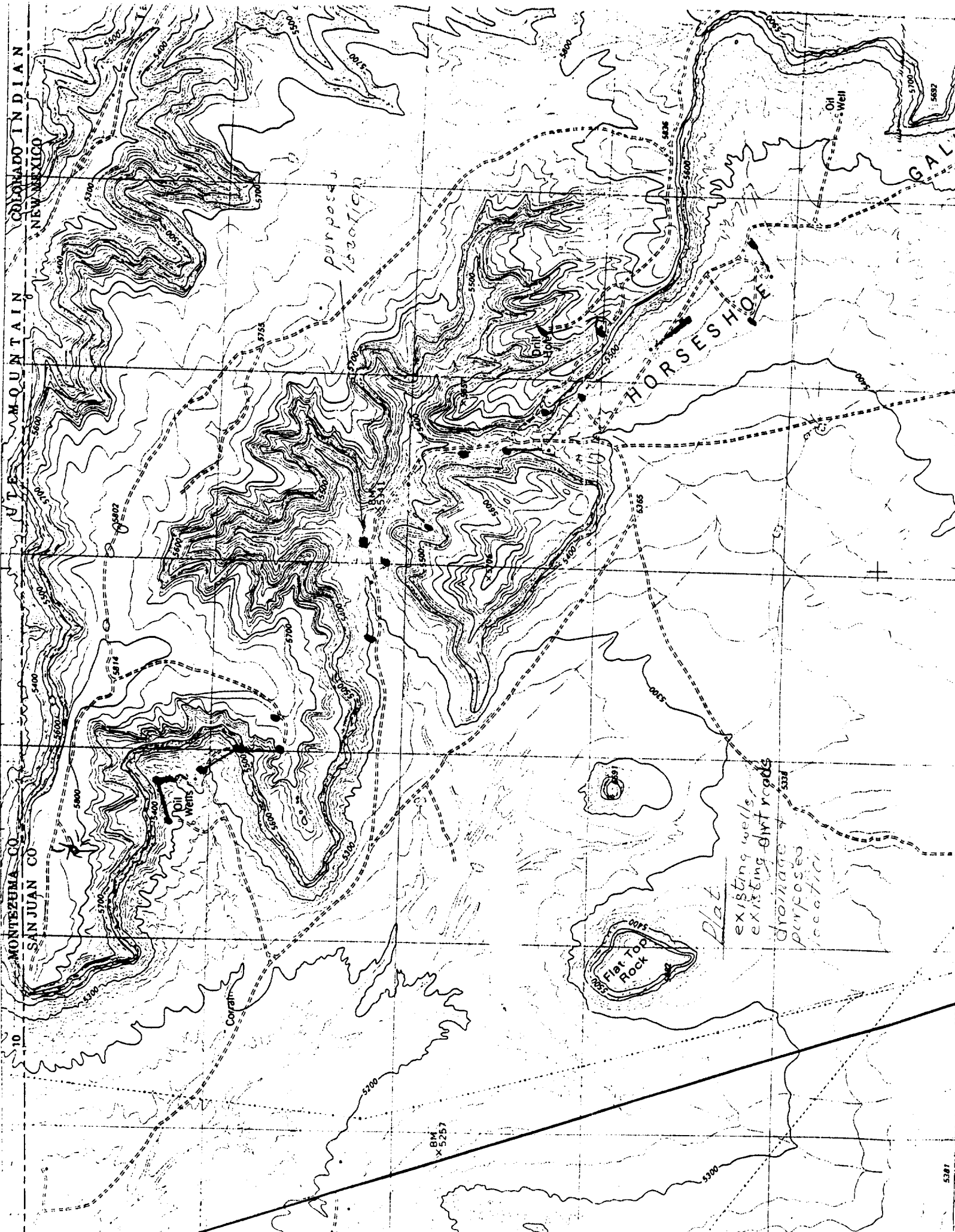
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10/10/10
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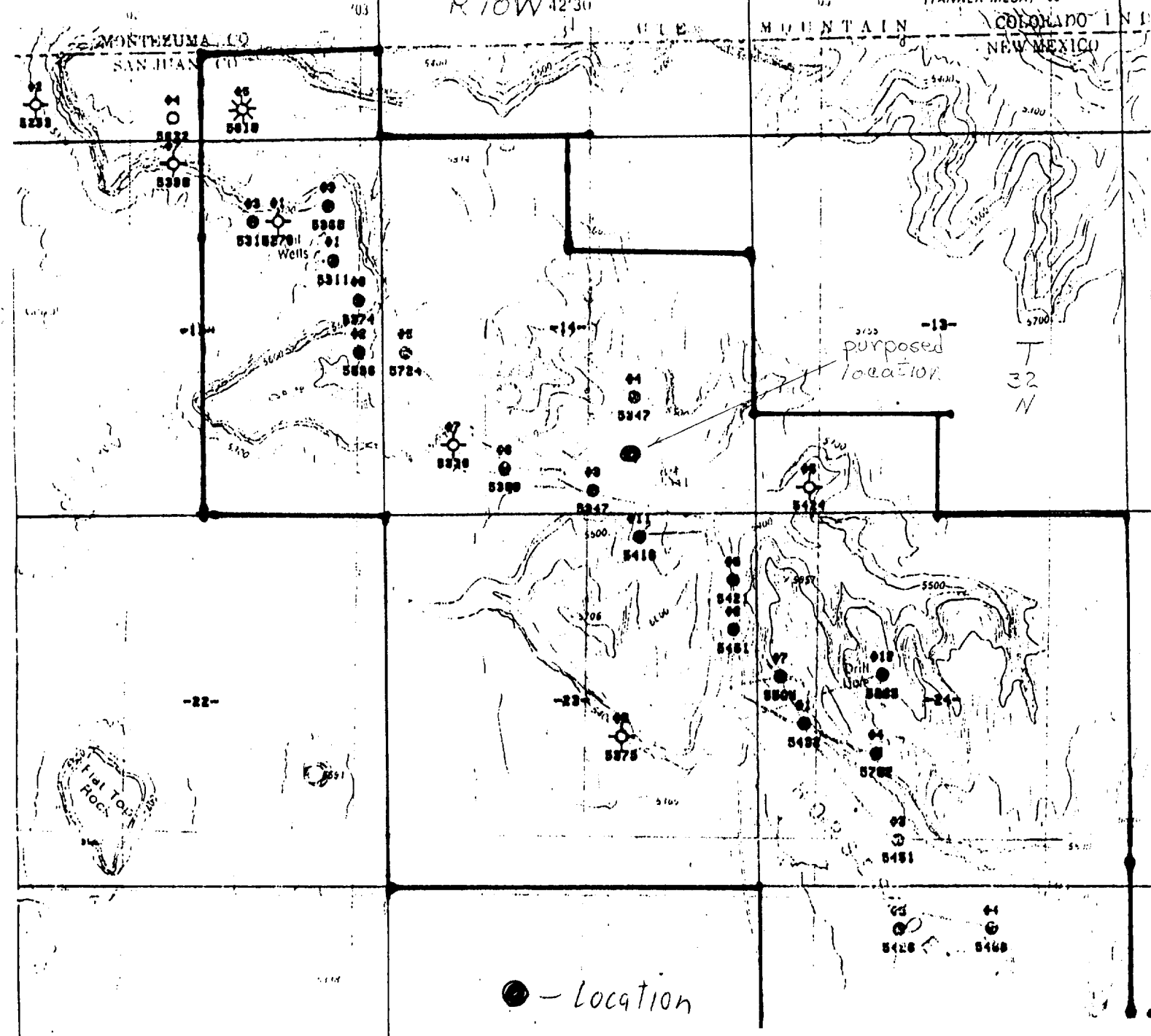
UTAH MOUNTAIN
COLORADO INDIAN
NEW MEXICO
MONTEZUMA CO.
SAN JUAN CO.
CORRAL
HORSESHOE
Flat Top Rock
Oil Well
BM x5257

purpose location

*Plat.
existing wells
existing dirt roads
drainage
purposes
location*

R 16W 42'30

4258 N SW
(ANNER MESA) '06



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

FORM APPROVED
OMB NO. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>Water Supply Well</u>		5. LEASE DESIGNATION AND SERIAL NO. 14-20603-584	
2. NAME OF OPERATOR GRAND RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo	
3. ADDRESS OF OPERATOR 2250 E. 73rd Street, Suite 400 Tulsa, OK 74136		7. UNIT ACREMENT NAME Mesa Gallup	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 2050' FEL, 652 FSL		8. FARM OR LEASE NAME Navajo Tribal "C"	
14. PERMIT NO.		9. WELL NO. #18	
15. ELEVATIONS (Show whether OF, RT, OR, etc.) 5332' GL		10. FIELD AND POOL, OR WILDCAT Mesa Gallup	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR ARMA SE Section 14-32N-18W	
		12. COUNTY OR PARISH San Juan	13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(Other)	<input type="checkbox"/>		<input type="checkbox"/>

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ABANDONMENT*	<input type="checkbox"/>
(Other)	<input checked="" type="checkbox"/>	Complete as water supply well	<input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spudded well on January 19, 1990

1. Drilled 8 3/4" hole from surface to 3225'.
2. Run 3170' 7", 26# production casing cemented with 375 sacks Pos mix.
3. DV Tool at 1448', cemented with 125 sacks Halliburton Lt. Circ cement to pit.
4. Perf 3030'-3135' with 1 spf.
5. Acidize with 500 gallons 25% and 1,000 gallons MCA.
6. Swab test 40 BSW per hour, producing 2,000 BSWPD.

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JAN 28 1991
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DIST. 2

18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE President

DATE 1/16/91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*See Instructions on Reverse Side