

TEMCO, Ltd.

Landmen
Drilling
Claim Staking
Oil Field Service
Energy Properties

840 Rood Ave. (303) 245-3505
Grand Junction, Colo. 81501

December 23, 1980

State of Utah
Division of Oil, Gas & Mining
1588 West North Temple
Salt Lake City, UT 84116

ATTN: Mr. Cleon B. Feight, Director

Dear Mr. Feight:

Thank you for your personal attention regarding my questions regarding locations on Price #1 Well APD which is enclosed along with Wilson Well #1, and Thompson Well #1. Section 22, 26 & 27, T15S R10E, Carbon County, Utah; all in triplicate.

I have also enclosed an original and 2 copies of the required bond for each location and an original of Designation of Agent in duplicate.

We hope to start our drilling on these locations about the 2nd of January, 1981. Please call me collect if there are any questions or omissions on these permits.

Sincerely,

TEMCO, Ltd.



James P. Kyle

RECEIVED

DEC 29 1980

DIVISION OF
OIL, GAS & MINING

JPK/cmr
Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Bond #147F5037

5. LEASE DESIGNATION AND SERIAL NO.

Fee **BOND FILED**

6. ~~FIELD NO.~~ ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Wilson/Thompson Lease

9. WELL NO.

Thompson #1

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

NE¹SE¹, Sec. 27 SLM

12. COUNTY OR PARISH 13. STATE

Carbon Utah

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

Christian F. Murer

3. ADDRESS OF OPERATOR

Attn: J.P. Kyle 840 Rood Ave., Grand Jct., CO 81501

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

At surface

NE¹SE¹, Section 27, T15 S, R10 E, SLM

2862' FNL &

At proposed prod. zone

Same

765' FEL

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

6 1/2 miles South of Price, UT on Hwy 10 East

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 765' FEL

(Also to nearest drlg. unit line, if any)

2862' FNL

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

1800' Entrada

20. ROTARY OR CABLE TOOLS

Rotary

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

5542 GR

22. APPROX. DATE WORK WILL START*

January 6, 1981

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	28.00#	80' Surface	75 Sax thru production zone
9 3/4"	7"	20.00#	70' Inter-	
6 1/2"	4 1/2"	10.50#	mediate to depth	

It is planned to drill a well at the above location to test the oil production possibilities of the Dakota Sandstone formations. The well will be drilled to a point which is near the top of the Entrada formation or to commercial production. Rotary tools with air for circulation until water is encountered, then drilling fluid will be used to drill the well. The surface casing will be set at about 80 feet and cemented with returns to the surface. A blowout preventer with hydraulically operated blind and pipe rams will be installed on top of the surface casing; and a kelly cock and safety sub on the derrick floor will provide protection from pressures and temperatures. 2-inch Fill and Kill lines will be connected below the blind rams. Any oil encountered will be flared at the end of the blowline, and roughly checked for volume thru a 2-inch line after the pipe rams have been closed. A float valve will be used in the bottom drill collar at all times.

Rules of Practices and Procedures, State of Utah will be followed where they are applicable

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.

SIGNED

James P. Kyle
James P. Kyle

TITLE

Representative

DATE

December 19, 1980

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

REGISTERED

APPROVED BY

TITLE

DEC 29 1980

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING

DATE: 1/9/81

BY: CB Ferguson

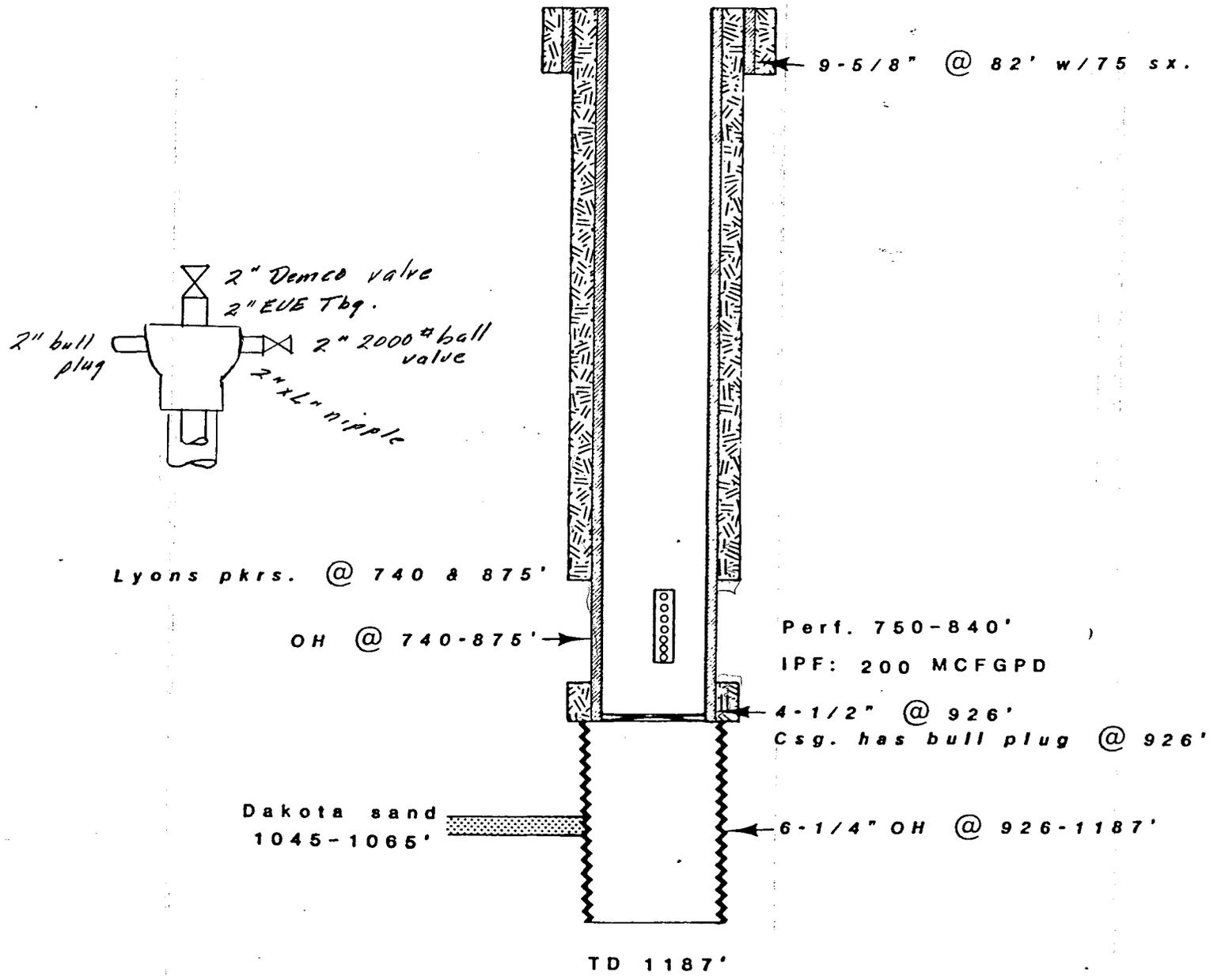
DIVISION OF OIL, GAS & MINING

*See Instructions On Reverse Side

RANCHO

1 UTAH PENN-THOMASON

SE/4, Sec. 27, T15S, R10E
Carbon County, Utah



6-21-83 SITP @ 181 psi. SICP @ 179 psi. SLM indicates TD @ 888'; tbg. @ 698' & FL @ 800-870'.

STATE OF UTAH
BOND OF LESSEE

KNOW ALL MEN BY THESE PRESENTS, that we Christian F. Murer, as principal and Travelers Indemnity Company the State of Utah, as surety, are held and firmly bound unto the State of Utah in the sum of Five Thousand and no/100----- Dollars (\$5,000.00) lawful money of the United States to be paid to the State Land Board, as agent for the State of Utah, for the use and benefit of the State of Utah, and of any patentee or purchaser of any portion of the land covered by the hereinafter described lease heretofore sold or which may hereafter be sold with a reservation of the minerals to the State of Utah, on the surface or of other mineral deposits of any portion of such lands, for which payment, will and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators, successors, and assigns, jointly and severally by these presents.

Signed with our hands and seals this 15th day of December in the year of our Lord, 1980.

The condition of the foregoing obligation is such that,

WHEREAS, the State of Utah, as lessor, issued an Oil and Gas lease, Lease Number _____, and dated _____ to _____ as lessee (and said lease has been duly assigned under date of _____ to _____) to drill for, mine, extract and remove all of the Oil and Gas deposits in and under the following described lands to-wit:

NESE, Section 27, T15S, R10E, Carbon County, Utah

NOW, THEREFORE, if said principal shall pay all moneys, rentals and royalties accruing to the lessor under the terms of the above described lease, and shall fully comply with all other terms and conditions of said lease, the rules and regulations relating thereto established by the State Land Board, and the rules and regulations governing operating procedures, abandonment, and conservations practices promulgated by the Utah State Oil and Gas Conservation Commission as they now exist or may from time to time be modified or amended, and shall pay all damages to the surface and improvements thereon, then the above obligation shall be void and of no effect, otherwise to remain in full force and effect.

Signed, sealed and delivered in the presence of

[Signature]
Witness

Witness

Christian F. Murer
X [Signature] (SEAL)
Principal

BONDING COMPANY Travelers Indemnity Company
BY [Signature]
Jane A. Mowbray, Attorney-in-Fact

Attest: _____

Resident Agent: _____

Bonding Co. Address: _____

Corporate Seal of Bonding Company must be affixed.

Approved as to form and execution:

ROBERT B. HANSEN, ATTORNEY GENERAL

DIVISION OF OIL, GAS AND MINING
OF THE STATE OF UTAH

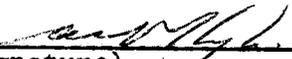
DESIGNATION OF AGENT

The undersigned producer, operator, transporter, refiner, gasoline or initial purchaser who is conducting oil and/or gas operations in the State of Utah, does, pursuant to the Rules and Regulations and Rules of Practice and Procedure of the Division of Oil, Gas and Mining of the State of Utah, hereby appoint Michael Cole, whose address is 920 E. 200 South, Price, UT 84501, (his, ~~her~~) designated agent to accept and to be served with notices from said Board, or from other persons authorized under the Oil and Gas Conservation Act of the State of Utah.

The undersigned further agrees to immediately report in writing, all changes of address of the agent, and any termination of the agent's authority, and in the latter case, the designation of a new agent or agents shall be immediately made. This designation of agent, however, shall remain in full force and effect until and unless a new designation agent is filed in accordance with said statute and said regulations.

Effective date of designation December 15, 1980

Company Christian F. Murer Address 1645 Court Pl., Denver, CO 80202
Operator Suite 201

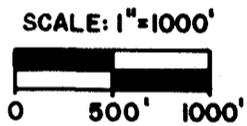
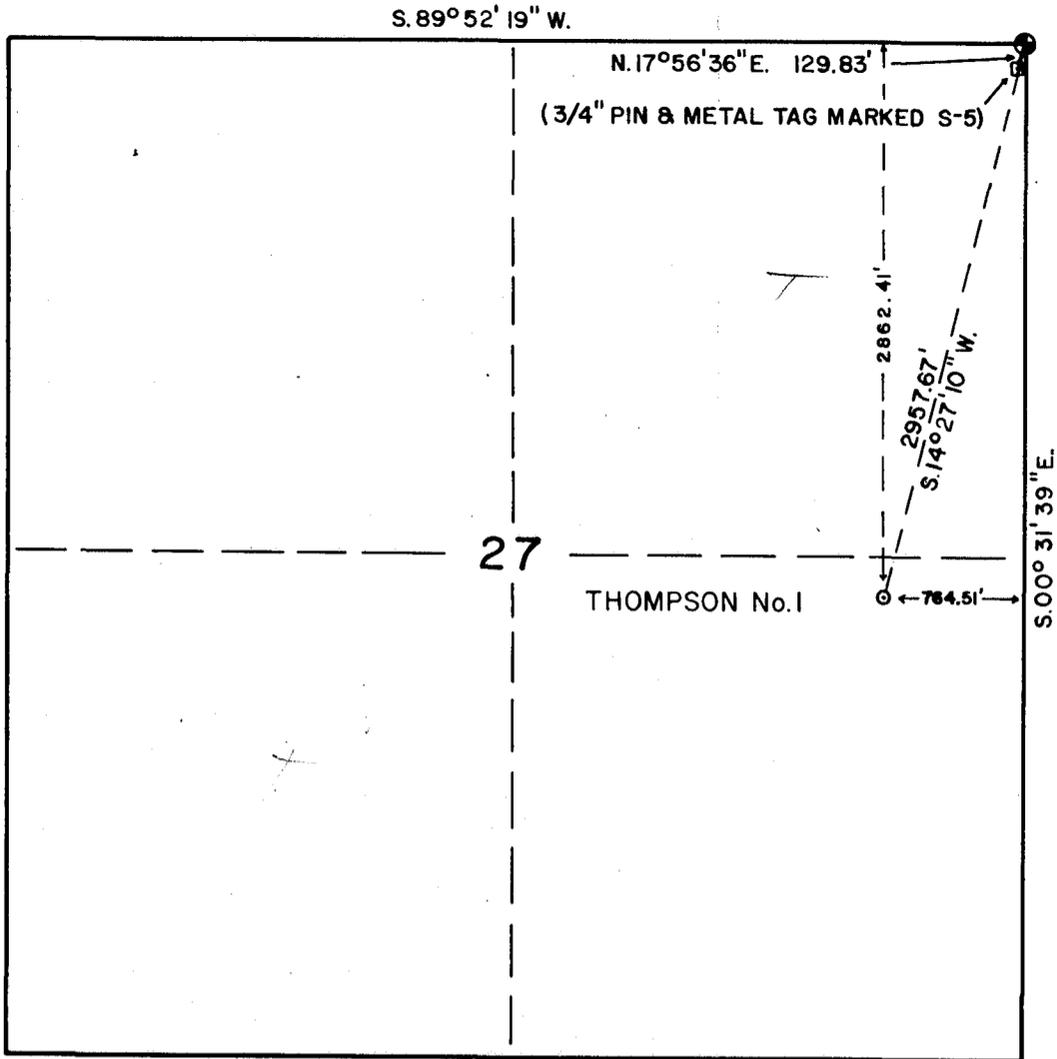
By  Title Representative
(signature) James P. Kyle

NOTE: Agent must be a resident of the State of Utah

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DEC 28 1980

DIVISION OF
OIL, GAS & MINING



CERTIFICATE OF SURVEY

I, EDWARD F. CARPENTER, BEING A REGISTERED LAND SURVEYOR
 DO HEREBY CERTIFY THAT THE SURVEY OF DRILL SITE LOCATION
 THOMPSON #1 WELL, IN THE NE 1/4 SE 1/4, SECTION 27, T.15S., R.10E.,
 SALT LAKE MERIDIAN, CARBON COUNTY, UTAH AND THE PLAT THEREOF
 WAS MADE UNDER MY SUPERVISION.

Edward F. Carpenter
 EDWARD F. CARPENTER

P.E. - L.S. # 12319



NOTE:
 SECTION CORNERS ARE ASSUMED
 FROM FIELD WORK BY AIR PHOTO
 SURVEYS AND NOT SET OR RECOVERED
 BY THIS SURVEY.
 BASIS OF BEARINGS USC & GS
 MONUMENTS USED BY AIR PHOTO
 SURVEYS.

PLAT OF THE TOMPSON NO.1 WELL CARBON COUNTY, UTAH			
TEMCO LTD. GRAND JUNCTION, COLORADO			
STAKED BY: TEMCO	SCALE: 1"=1000'	DRAWN BY: N.P.B.	JOB NUMBER
SURVEYED BY: TEMCO	DATE: 12/19/80	CHECKED BY: E.F.C.	

The Travelers Indemnity Company

Hartford, Connecticut

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That THE TRAVELERS INDEMNITY COMPANY, a corporation of the State of Connecticut, does hereby make, constitute and appoint

Norman Sterling, Jr., Paul M. Barbour, Norman C. Headrick, David H. Snead, Jane A. Mowbray, Gerald J. Higgins, II, all of Denver, Colorado, EACH

its true and lawful Attorney(s)-in-Fact, with full power and authority, for and on behalf of the Company as surety, to execute and deliver and affix the seal of the Company thereto, if a seal is required, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof, as follows:

Any and all bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof not exceeding in amount Two Hundred Thousand Dollars (\$200,000) in any single instance

and to bind THE TRAVELERS INDEMNITY COMPANY thereby, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This appointment is made under and by authority of the following by-laws of the Company which by-laws are now in full force and effect:

ARTICLE IV, SECTION 14. The Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Corporate Secretary or any Department Secretary may appoint attorneys-in-fact or agents with power and authority, as defined or limited in their respective powers of attorney, for and on behalf of the Company to execute and deliver, and affix the seal of the Company thereto, bonds, undertakings, recognizances, consents of surety or other written obligations in the nature thereof and any of said officers may remove any such attorney-in-fact or agent and revoke the power and authority given to him.

ARTICLE IV, SECTION 16. Any bond, undertaking, recognizance, consent of surety or written obligation in the nature thereof shall be valid and binding upon the Company when signed by the Chairman of the Board, the President, the Chairman of the Finance Committee, any Executive Vice President, any Senior Vice President, any Vice President or any Second Vice President and duly attested and sealed, if a seal is required, by the Corporate Secretary or any Department Secretary or any Assistant Corporate Secretary or any Assistant Department Secretary, or shall be valid and binding upon the Company when duly executed and sealed, if a seal is required, by a duly authorized attorney-in-fact or agent, pursuant to and within the limits of the authority granted by his or her power of attorney.

This power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Directors of THE TRAVELERS INDEMNITY COMPANY at a meeting duly called and held on the 30th day of November, 1959:

VOTED: That the signature of any officer authorized by the By-Laws and the Company seal may be affixed by facsimile to any power of attorney or special power of attorney or certification of either given for the execution of any bond, undertaking, recognizance or other written obligation in the nature thereof; such signature and seal, when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

This power of attorney revokes that dated March 6, 1980 on behalf of Norman Sterling, Jr., Paul M. Barbour, Norman C. Headrick, David H. Snead, Thomas J. Sisk, Jr., Judith M. Haines, Cortland P. Brown, Jane A. Carmichael

IN WITNESS WHEREOF, THE TRAVELERS INDEMNITY COMPANY has caused these presents to be signed by its proper officer and its corporate seal to be hereunto affixed this 24th day of September 19 80

THE TRAVELERS INDEMNITY COMPANY

By

Secretary, Surety



State of Connecticut, County of Hartford—ss:

On this 24th day of September in the year 1980 before me personally came D. J. Nash to me known, who, being by me duly sworn, did depose and say: that he resides in the State of Connecticut; that he is Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of his office under the by-laws of said corporation, and that he signed his name thereto by like authority.



Notary Public

My commission expires April 1, 1983

CERTIFICATION

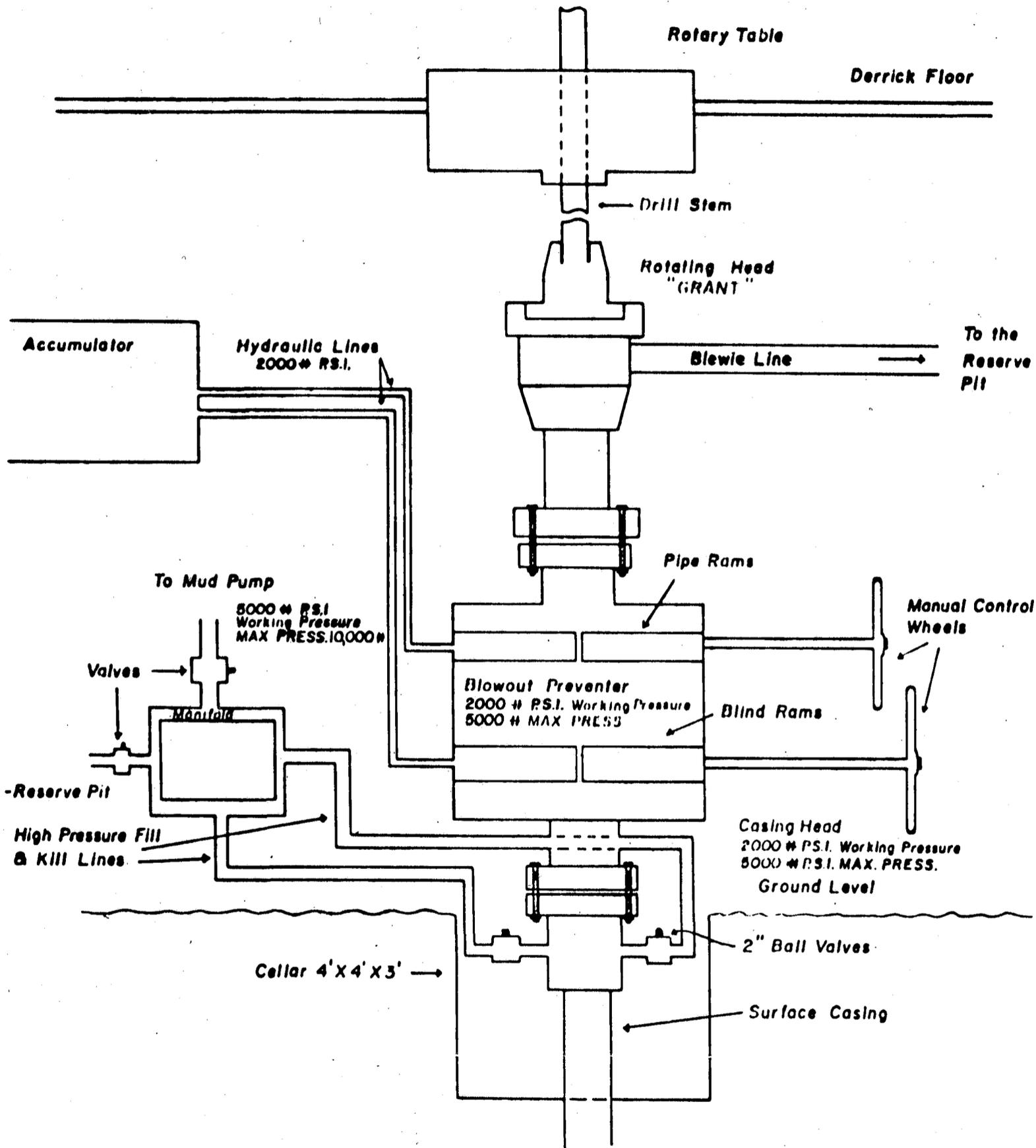
I, Paul D. Tubach, Assistant Secretary (Surety) of THE TRAVELERS INDEMNITY COMPANY, certify that the foregoing power of attorney, the above quoted Sections 14. and 16. of Article IV of the By-Laws and the Resolution of the Board of Directors of November 30, 1959 have not been abridged or revoked and are now in full force and effect.

Signed and Sealed at Hartford, Connecticut, this 15th day of Dec. 19 80 .

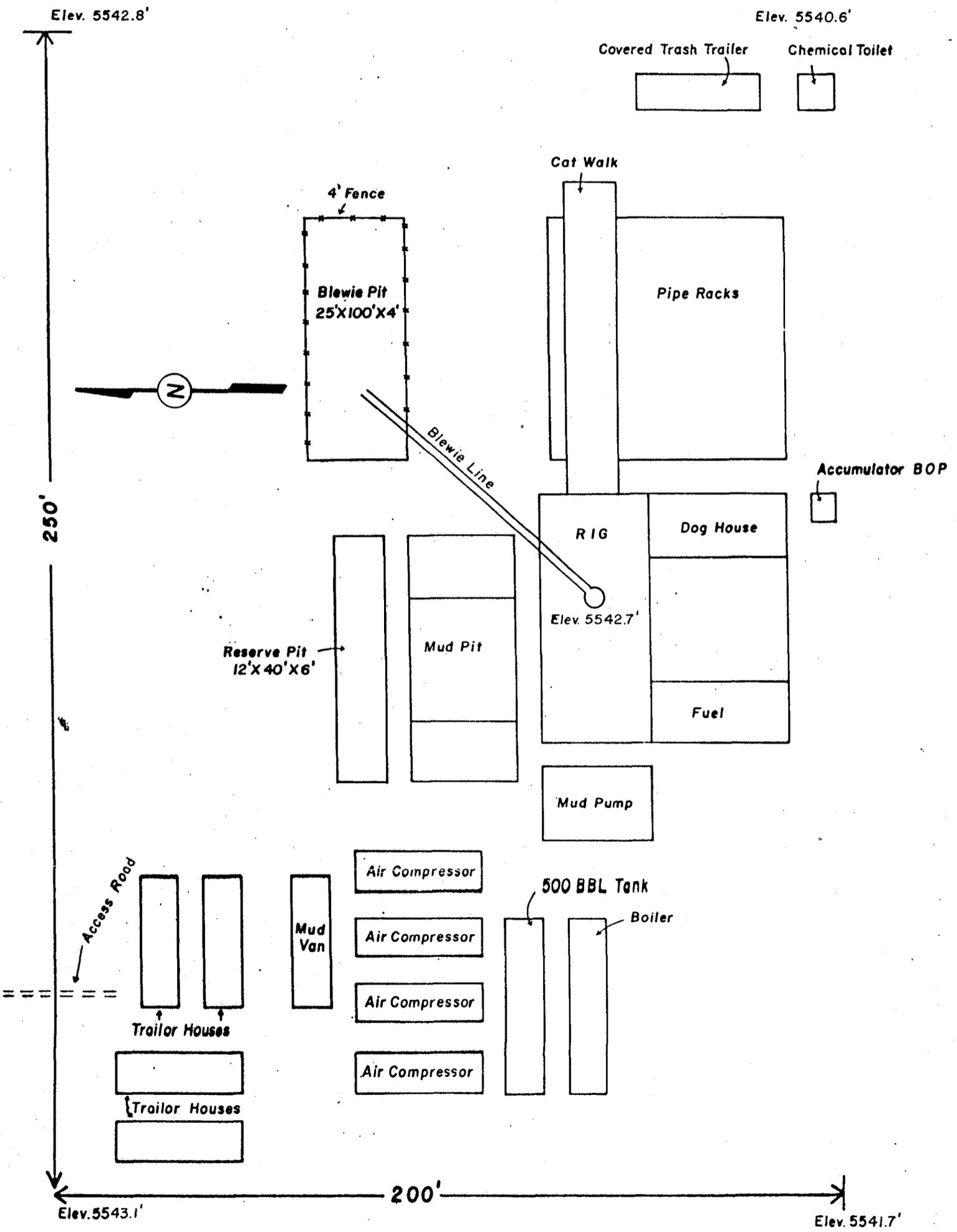


Paul D. Tubach
Assistant Secretary, Surety

**SCHEMATIC DIAGRAM OF
 CONTROL EQUIPMENT FOR THE
 CHRISTIAN F. MURER
 THOMPSON WELL #1
 NE1/4 SE 1/4 Sec. 27, T.15S., R.10E.
 SALT LAKE MERIDIAN**



SITE & EQUIPMENT PLAN
CHRISTIAN F. MURER
THOMPSON WELL #1
NE 1/4 SE 1/4 Sec. 27, T.15S., R.10E.
SALT LAKE MERIDIAN



Cultural Resources Inventory Report
on
Capital Ventures Proposed Well Locations
in
Township 15S Range 10E Sections 22, 26, 27
Carbon County, Utah
for
Temco, Ltd.

December 3, 1980

Prepared by

Clifton M. Wignall, Ph.D.
Archaeologist
2317 Arriba Court
Grand Junction, Colorado
81503

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DEC 20 1980

DIVISION OF
OIL, GAS & MINING

REPORT OF EXAMINATION FOR CULTURAL RESOURCES
PRIVATE SURFACE - GOVERNMENT MINERALS

Abstract: Cultural resources inventory of proposed well locations Capital Ventures Project 80-34 for Temco, Ltd., 840 Rood Avenue, Grand Junction, Colorado 81501, with three proposed well locations as follows:

T15S R10E Sec. 22 NE $\frac{1}{4}$ SE $\frac{1}{4}$ Carbon County, Utah
USGS 7.5 Minute Series (Topographic) Map "Price, Utah" 1972

T15S R10E Sec. 26 NE $\frac{1}{4}$ NW $\frac{1}{4}$ Carbon County, Utah
USGS 7.5 Minute Series (Topographic) Map "Elmo, Utah" 1969

T15S R10E Sec. 27 NE $\frac{1}{4}$ SE $\frac{1}{4}$ Carbon County, Utah
USGS 7.5 Minute Series (Topographic) Map "Elmo, Utah" 1969

Project description: Cultural resources survey of three 40 acre tracts which are proposed oil/gas well locations approximately 7 miles south of Price, Utah, in Carbon County.

Topography: Located on the northern edge of the Canyonlands section of the Colorado Plateau at an approximate elevation of 5540 feet on torrifluent soil gently sloping eastward toward Miller Creek, the proposed sites in sections 26 and 27 are situated on irrigated and cultivated land, while the site on section 22 is situated on undisturbed barren alkali soil. At time of survey sections 26 and 27 consisted of newly mown alfalfa field, providing 35% ground cover, while the cover on the site in section 22 was 5%. Vegetation on section 22 consisted of flora of the shadscale community. No upper story.

Examination procedure: 100% pedestrian survey in pattern of parallel transects spaced at 5 meters to cover 40 acre quarter-quarter sections. Areas of proposed well pads were flagged within these areas. No suspect areas were observed. Long-time local inhabitants report finding no prehistoric cultural materials in the general area and attribute this to the aridity of the area. Nearest suspect areas are ridges over one mile distant.

Findings: No prehistoric or historic materials were observed in the study area.

Recommendations: No further consideration of cultural materials need be given for the surface extent of this project.

I certify that this examination complies with Executive Order 11593,

Date of Examination: Nov. 22, 1980
Date of Report: December 3, 1980

Clifton M. Wignall, Ph.D.
Clifton M. Wignall, Ph.D.
Archaeologist

R 10 E

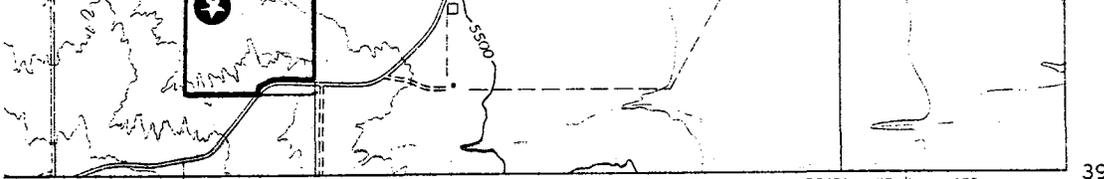
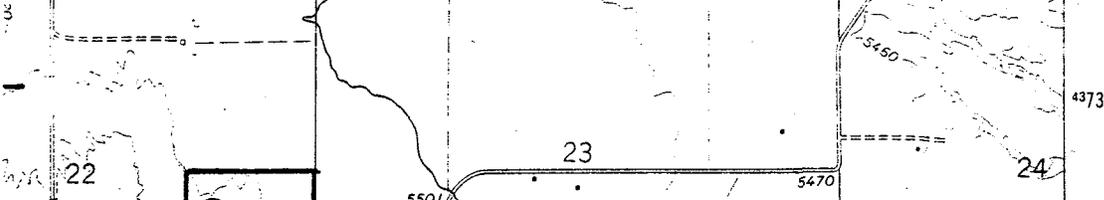
32'30"

T 15 S

PRICE QUADRANGLE
 UTAH - CARBON COUNTY
 1972
 7.5 MINUTE SERIES (TOPOGRAPHIC)
 CONTOUR INTERVAL 20 FEET

12 4376

10

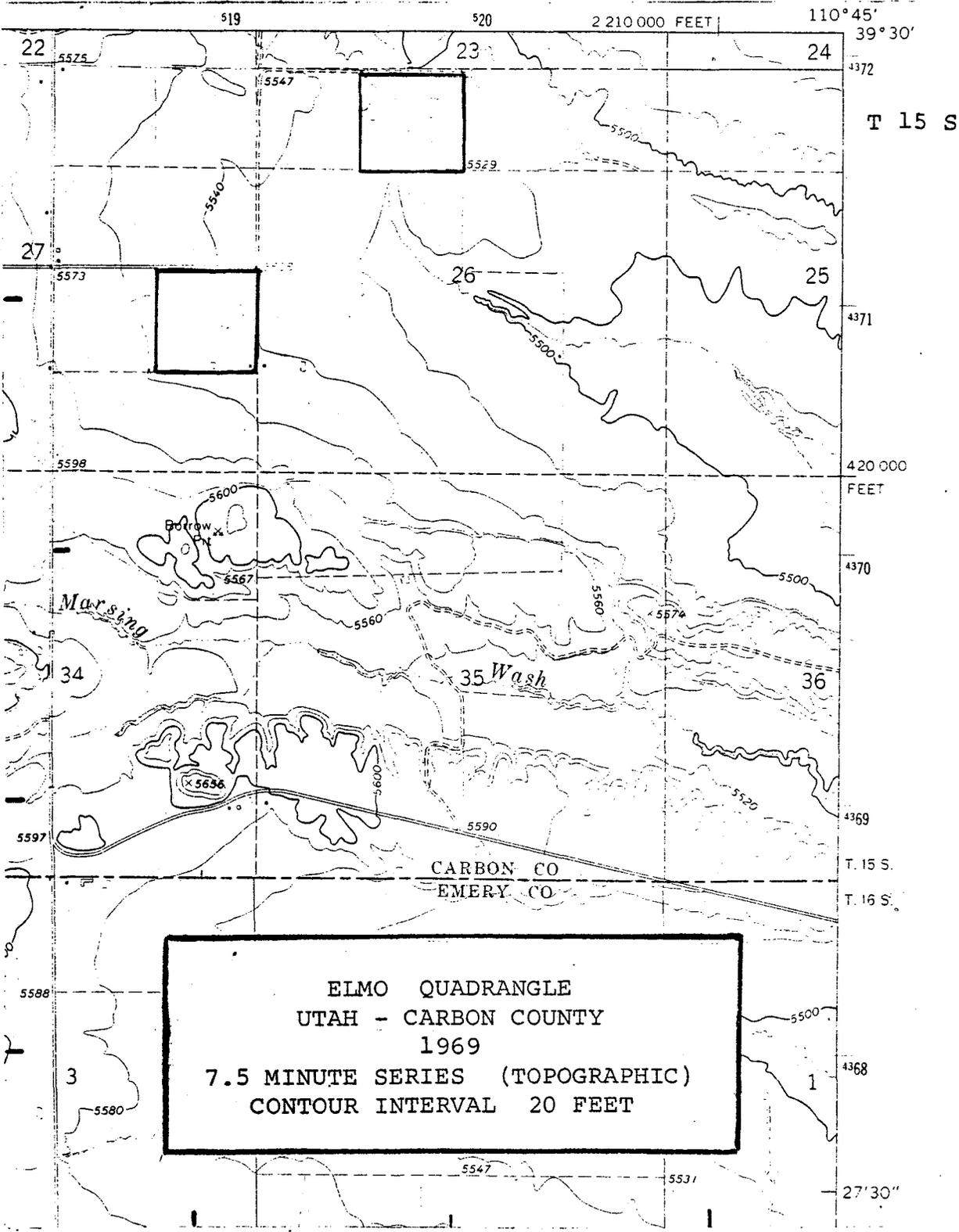


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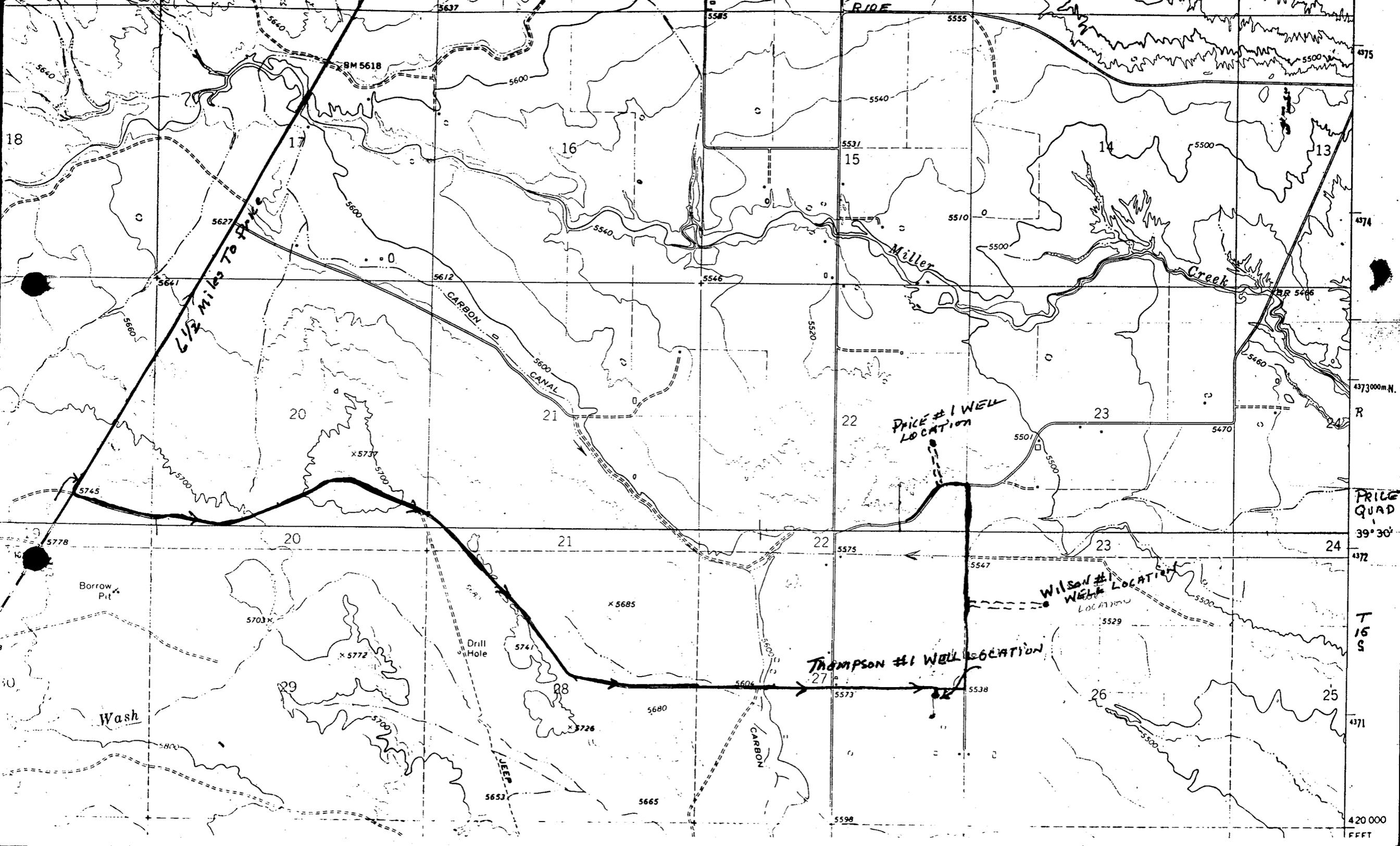
● INTERIOR—GEOLOGICAL SURVEY, RESTON, VIRGINIA—1977
 521000m.E. 39°30' 110°45'

Cultural resources survey of proposed well locations for Capital Ventures in Section 22 Township 15S Range 10E Carbon County, Utah. Area within colored square was surveyed.

R 10 E



Cultural resources survey of proposed well locations for Capital Ventures in Sections 26, 27 Township 15S Range 10E Carbon County, Utah. Areas within colored squares were surveyed.



1/2 Miles To Fork

PRICE #1 WELL LOCATION

Wilson #1 Well LOCATION

Thompson #1 Well LOCATION

PRICE QUAD

39° 30'

T 16 S

420 000
FEET

18

16

15

14

13

20

21

22

23

24

20

21

22

23

24

29

28

27

26

25

BM 5618

Borrow Pit

Drill Hole

Wash

Miller Creek

Creek

CARBON CANAL

CARBON

JEEP

RIDE

4373000m N.

R

4372

4371

420 000

FEET



TEMCO, Ltd.

Landmen
Drilling
Claim Staking
Oil Field Service
Energy Properties

840 Rood Ave. (303) 245-3505
Grand Junction, Colo. 81501

January 5, 1981

State of Utah
Division of Oil, Gas & Mining
1588 West North Temple
Salt Lake City, UT 84116

ATTN: Ms. Kathy Oslter:

RE: Thompson #1, NE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 27, T15S, R10E SLM

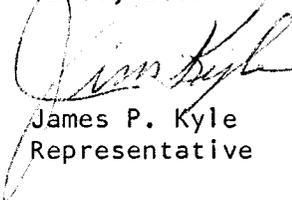
Dear Ms. Oslter:

Due to the request of the surface owner of the above described lease we request permission to waive requirement of Rule C-3 - General Spacing Requirements that limits locations "not less than 500 feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarter section".

This location is over 660 feet from the lease and section line. The location is in an alfalfa field and the request is made to cause the least disruption to the surface.

Very truly yours,

TEMCO, Ltd.


James P. Kyle
Representative

RECEIVED

JAN 7 1981

JPK/cmr

DIVISION OF
OIL, GAS & MINING

** FILE NOTATIONS **

DATE: January 2, 1981

OPERATOR: Christian F. Murer Ranch Energy

WELL NO: Thompson #1 Utah Perm. Thompson #1

Location: Sec. 27 T. 15S R. 10E County: Carbon

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-007-30058

CHECKED BY:

Petroleum Engineer: _____

Director: OK C-3(c) landowner request that in. be kept out of alpha field. Letter to follow

Administrative Aide: Order # 1371

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 1371-6-11-69

O.K. Rule C-3

Rule C-3(c), Topographic Exception - company owns or controls acreage within a 660' radius of proposed site

Lease Designation Fee

Plotted on Map

Approval Letter Written

Hot Line

P.I.

January 8, 1981

Christian F. Murer
840 Rood Ave.
Grand Junction, Colorado 81501

Attention: J. P. Kyle

Re: Well No. Thompson #1
Sec. 27, T. 15S, R. 10E
Carbon County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well on said unorthodox location is hereby granted in accordance with Rule C-3(c), General Rules and Regulations and Rules of Practice and Procedure.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Petroleum Engineer
Office: 535-5771
Home: 876-3001

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation on completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 45-007-30058.

Sincerely,

DIVISION OF OIL, GAS, AND MINING

Cleon B. Feight
Director

/ko
cc:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

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. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. Fee
2. NAME OF OPERATOR Christian F. Murer		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---
3. ADDRESS OF OPERATOR #201-1645 Court Place - Denver, Colorado 80202		7. UNIT AGREEMENT NAME ---
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NE 1/4 SE 1/4 Sec. 27; Township 15 South, Range 10 East S.L.M. 2862' FNL & 765' FEL		8. FARM OR LEASE NAME Wilson/Thompson Lease
14. PERMIT NO. 43-007-30058	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5542 Gr.	9. WELL NO. Thompson #1
		10. FIELD AND POOL, OR WILDCAT Miller Creek
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NE 1/4 SE 1/4, Sec. 27
		12. COUNTY OR PARISH Carbon
		13. STATE Utah

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Drilling and Casing</u>	
(Other)		(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.) *

Drilled 12 1/2 hole to 85'
Set 82' 9 5/8 casing and cement to surface. Drilled 8 3/4 hole to 725', changed hole to 6 1/4 at 725'. Started connection gas at 425' had steady flare from 485' to 585', flare from 485' to 585', flare quit at 585' still had connection gas. Hit good flare at 745' and had strong flare to T D of 1185. Pipe got stuck. Decided to run pipe as deep as pipe would go.

Ran pipe as follows: 4 1/2 - 10.5
Bull plug 926'
Lynes ECP 874'
Lynes ECP packer 740'
Casing to surface
Cemented to surface

RECEIVED
FEB 15 1981
DIVISION OF
OIL, GAS & MINING

Surface gas made it impossible to get a good cement job on surface. Re-cemented to surface with 17 lb. cement, gas was still breaking through cement. Put on 9 5/8 well head with pack off assembly. Shut in. Casing pressure built up to 70 lbs. in 4 hrs.

18. I hereby certify that the foregoing is true and correct
SIGNED Christian F. Murer TITLE Operator DATE Feb. 15, 1981

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

August 19, 1982

C. Murer.
840 Rood Ave.
Grand Junction, CO 81501

RE: Failure to Comply with the General
Rules and Regulations of the
Division of Oil, Gas and Mining

Dear Mr. Murer:

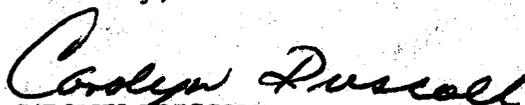
Records maintained by the Division of Oil, Gas and Mining indicate that you have failed to respond to numerous requests for information on the Wilson #1 well and the Thompson #1, Carbon County, Utah.

Be advised that if accurate information is not received for the period January through August 1982 by September 1, 1982 I shall schedule an Order to Show Cause before the Board of Oil, Gas and Mining. Among the measures I shall request the Board to approve is a moratorium of all your future drilling applications and operations.

Perhaps up to this point you have not realized the serious possible consequences of your failure to comply with the Division's regulations. The situation is serious and unwarranted. Furthermore, it will not be allowed to persist.

It is my wish that this matter be resolved without compelling you to appear before the Board of Oil, Gas and Mining. Therefore, if I can be of any assistance please do not hesitate to contact me.

Sincerely,


CAROLYN DRISCOLL
SPECIAL ASSISTANT ATTORNEY GENERAL

CD/tck



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

August 19, 1982

Michael Cole
920 East 200 South
Price, UT 84501

RE: Failure to Comply with the General
Rules and Regulations of the
Division of Oil, Gas and Mining

Dear Mr. Cole:

On or about December 15, 1980, you were named as the designated agent for Christian F. Murer of Denver, Colorado.

Pursuant to the discharge of your duties as a designated agent you were charged with compliance with the rules and regulations of the Division of Oil, Gas and Mining.

Records maintained by the Division of Oil, Gas and Mining indicate that reporting requirements for information on the Wilson #1 Well and the Thompson #1 Well, located in Carbon County, Utah have been ignored. Previously, numerous requests for this information have been made.

Please be advised that if accurate information for the period January through August 1982 is not received by September 1, 1982 I shall schedule an Order to Show Cause before the Board of Oil, Gas and Mining.

Perhaps up to this point you have not realized the serious possible consequences of your failure to comply with the Division's regulations. The situation is serious and unwarranted. Furthermore, it will not be allowed to persist.

It is my intent that this matter be resolved without compelling you to appear before the Board of Oil, Gas and Mining. Therefore, if I can be of any further assistance please do not hesitate to contact me.

Sincerely,


CAROLYN DRISCOLL
SPECIAL ASSISTANT ATTORNEY GENERAL

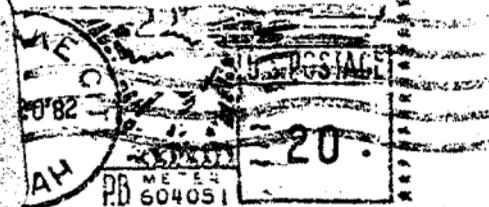
CD/tck

STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

241 State Office Building • Salt Lake City, UT 84114

MUR 40 0525NLN1 08/25/82

RETURN TO SENDER
NOT DELIVERABLE AS ADDRESSED
UNABLE TO FORWARD



*Opened in error
Delivered to wrong
address*

C. Murer
840 Rood Ave.
Grand Junction, CO 81501



MOBILE, ALA.
AUG 23
PM
1982
81401



S. POSTAL SERVICE
AUG 28
PM
1982
518 03



To Carrie

Date 9-1 Time 10:35

WHILE YOU WERE OUT

M CHRISTIAN MURER

of _____

Phone 303-893-3289

RETURNED CALL

PLEASE CALL HIM

CALLED TO SEE YOU

PLEASE CALL HER

WANTS TO SEE YOU

WILL CALL AGAIN

Message Call collect, he is the

only one that answers this
number. If he does not answer
he is at lunch so please try
back.

Operator

September 2, 1982

MEMO TO FILE

From: Carolyn Driscoll

On September 2, 1982 I called Christian Murer at (303) 893-3289.

Mr. Murer informed me that in November 1981, he believed, the Wilson #1 well and the Thompson #1 well in Carbon County, Utah were assigned to another operator. He believes the assignment was to Utah Pentack Company, which since he believes has changed its name to Carmack Drilling Company.

Mr. Murer is forwarding a letter pledging his cooperation and detailing the above information to me.

Mr. Murer represented that he only drilled and cased the wells. He believes there has been no activity for some time on the wells and that they are probably shut-in.

Apparently the wells are awaiting hook-up to a pipeline. They were shut-in because they could not demonstrate enough reserves to justify a pipeline. However, he believes the new operator has drilled more wells and eventually they may be reworked and operational.

Suggest that we follow through on information when supplied by Mr. Murer but forego plans for an Order to Show Cause.



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

October 21, 1982

L B S Partnership
P. O. Box 25803
Albuquerque, New Mexico 87125

Re: Noncompliance With the Rules and
Regulations of the Division of Oil,
Gas and Mining

Gentlemen:

Recently I have made demands upon Christian T. Murer for information on the Wilson #1 well and Thompson #1 well, which are both located in Carbon County, Utah.

Mr. Murer indicates that in November 1981, he assigned the operation of the two aforementioned wells to your business entity.

Be advised that I shall schedule an Order to Show Cause before the Board of Oil, Gas and Mining if complete reports on the status of the wells are not received prior to November 1, 1982.

It is imperative that you fully comply with all regulations of the Division of Oil, Gas and Mining.

Should an Order to Show Cause be scheduled one of the measures I shall petition for will be a moratorium of all your future drilling applications and operations. Persistent refusal to abide by the Division's regulations merits serious consequences.

It is my wish that this matter be resolved without compelling you to appear before the Board of Oil, Gas and Mining. Therefore, if I can be of any assistance, please do not hesitate to contact me.

Sincerely,

Carolyn Driscoll
Special Assistant Attorney General

CD/cf

MILAGRO ENERGY RESOURCES COMPANY
P.O. BOX 934
ALBUQUERQUE, NM 87103

October 26, 1982

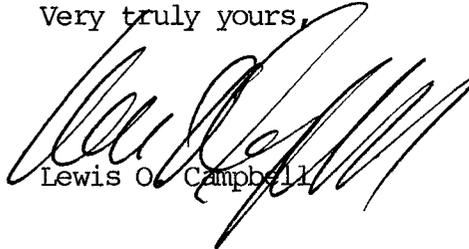
Ms. Carolyn Driskel
Special Assistant Attorney General
State of Utah Natural Resources
& Energy
4241 State Office Building
Salt Lake City, UT 84114

RE: Thomason #1 and Wilson #1 Wells, Carbon County, Utah

Dear Ms. Driskel:

In accordance with our telephone conversation of October 25, 1982, we have hired a petroleum engineer to do the reports required on the above-mentioned wells. As I mentioned to you, no one in our company is technically qualified to do completion reports; but now that we have hired a petroleum engineer we should have them to you in the very near future.

Very truly yours,



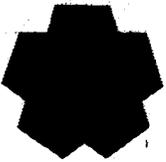
Lewis O. Campbell

LOC/mlg

RECEIVED

OCT 29 1982

DIVISION OF
OIL, GAS & MINING



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

MEMO TO FILE:

FROM: CAROLYN DRISCOLL ^{CD}

DATE: November 2, 1982

Lewis Campbell, Esq. of Albuquerque, New Mexico contacted the undersigned regarding the leases and production assigned from Mr. Christian Murer.

Mr. Campbell is a partner in the LBS Partnership and Millagro Energy Resource Company. They were unaware, until receiving copies of my recent correspondence, that they were in noncompliance with the Division's regulations.

The entities have retained Ben Buh, a Petroleum Engineer from Casper, Wyoming, to file all necessary documentation and prepare an AFE to investigate completion of the Wilson Well. If the documentation is not received in the near future additional requests should be sent to Mr. Campbell and Mr. Buh. Their addresses are as follows:

Lewis Campbell, Esq.
20 First Plaza, Suite 405
P. O. Drawer 965
Albuquerque, New Mexico 87103
(505) 243-2862

Ben Buh
3651 Cristie Lane
Casper, Wyoming 82609

DIVISION OF OIL, GAS, AND MINING
OF THE STATE OF UTAH

DESIGNATION OF AGENT

The undersigned producer, operator, transporter, refiner, gasoline or initial purchaser who is conducting oil and/or gas operations in the state of Utah, does, pursuant to the Rules and Regulations and Rules of Practice and Procedure of the Division of Oil, Gas, and Mining of the State of Utah, hereby appoint Gordon H. Johansen, whose address is P. O. Box 655 Price, Utah 84501, (His, her, or its) designated agent to accept and to be served with notices from said Board, or from other persons authorized under the Oil and Gas Conservation Act of the State of Utah.

The undersigned further agrees to immediately report in writing, all changes of address of the agent, and any termination of the agent's authority, and in the latter case, the designation of the new agent or agents shall be immediately made. This designation of agent, however, shall remain in full force and effect until and unless a new designation agent is filed in accordance with said statute and said regulations.

Effective date of designation June 15, 1983

Company Rancho Energy Corp. Address 10200 Richmond, Houston, TX 77042

By *Harry F. Schwan* Title V.P. Exploration
(signature)

NOTE: Agent must be a resident of the State of Utah

20
Rec'd 7-20-83

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO. Fee
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME Utah Penn - Thomason
9. WELL NO. 1
10. FIELD AND POOL, OR WILDCAT Miller Creek
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27, T-15-S, R-10-E
12. COUNTY OR PARISH Carbon Co.
13. STATE Utah

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. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Rancho Energy Corporation

3. ADDRESS OF OPERATOR
10200 Richmond, Suite 200, Houston, Texas 77042

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
2862.41' FNL & 764.51' FEL
NE/4SE/4, Sec. 27, T-15-S, R-10-E, SLM
Carbon County, Utah

14. PERMIT NO.
43-007-30058

15. ELEVATIONS (Show whether DF, RT, OR, etc.)
5542' G.L.

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	(Other) _____	

(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.)*

Change Operator from:
Milagro Energy Resources Company
P. O. Box 934, Albuquerque, New Mexico 87103

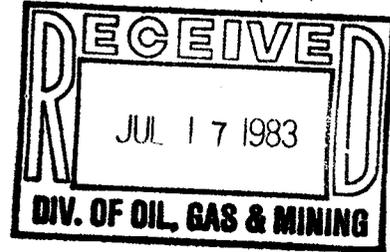
THOMPSON #1

Change Operator To:
Rancho Energy Corporation
10200 Richmond, Suite 200, Houston, Texas 77042

CHRISTIAN F. HARRIS

Change Lease Name from:
Thompson No. 1

Change Lease Name to:
Utah Penn - Thomason No. 1



We request permission to put this well on production immediately. The well was examined on 6-21-83 by Rancho Energy and it is felt that the well is capable of producing. A schematic of the well and wellhead are attached with any additional information we were able to ascertain. Rancho Pipeline Corp. has recently completed a pipeline into the field and construction of a gathering system is presently under way.

Please be advised that a completion report is past due for this well.

18. I hereby certify that the foregoing is true and correct
SIGNED *Kenny J. Schward* TITLE V.P., Exploration DATE 6-28-83

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 7-29-83
BY: *[Signature]*

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

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. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Rancho Energy Corporation

3. ADDRESS OF OPERATOR
10200 Richmond, Suite 200, Houston, Texas 77042

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
2862.41' FNL & 764.51' FEL
NE/4SE/4, Sec. 27, T-15-S, R-10-E, SLM
Carbon County, Utah

14. PERMIT NO.
43-007-30058

15. ELEVATIONS (Show whether DV, RT, OR, etc.)
5542' G.L.

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Urah Penn-Thomason

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Miller Creek

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA
Sec. 27, T-15-S, R-10-E

12. COUNTY OR PARISH
Carbon Co.

13. STATE
Utah

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) _____	
(Other) _____	<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.)*

Change Operator from:
Christian Murer
1645 Court Place, Suite 201
Denver, Colorado 80202

Change Operator To:
Rancho Energy Corporation
10200 Richmond, Suite 200, Houston, Texas 77042

Change Lease Name from:
Thompson No. 1

Change Lease Name to:
Utah Penn - Thomason No. 1

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 7/25/83
BY: [Signature]

We request permission to put this well on production immediately. The well was examined on 6-21-83 by Rancho Energy and it is felt that the well is capable of producing. A schematic of the well and wellhead are attached with any additional information we were able to ascertain. Rancho Pipeline Corp. has recently completed a pipeline into the field and construction of a gathering system is presently underway.

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

SIGNED [Signature] TITLE Operator DATE July 25, 1983

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

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. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Rancho Energy Corp.

3. ADDRESS OF OPERATOR
P.O. Box 42210 Houston, Texas 77242-2210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
765' FEL 2862' FNC SE 1/4
NE 1/4

14. PERMIT NO.
43-007-30058

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5542 GR

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Utah - Penn - Thompson

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
Miller Creek

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
27-T 15 S - R- 10E

12. COUNTY OR PARISH
Carbon

13. STATE
Tx.

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input checked="" type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input 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.)*

Well is producing natural gas at approximately 50 MCFGPD, and the gas is being used for fuel for the Rancho Pipeline Compressor.

RECEIVED

JUN 7 1984

DIVISION OF OIL
GAS & MINING

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

SIGNED R. A. Boehm TITLE Staff Geologist DATE 9/31/83

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPPLICATE*
(Refer instructions on reverse side)

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. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Rancho Energy Corp.

3. ADDRESS OF OPERATOR
P.O. Box 42210 Houston, Tx. 77242-2210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
765' FEL 2862' FNC SE 1/4
NE 1/4

14. PERMIT NO.
43-007-30058

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5542 GR

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Utah - Penn - Thompson

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
Miller Creek

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
27-T 15 S-R-10E

12. COUNTY OR PARISH
Carbon

13. STATE
Tx.

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(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.)

A work over rig will blow out the cave in debris at the bottom of the hole and remove the existing water also. The well will then be put on production for fuel to the Rancho Pipeline Corp.

RECEIVED

JUN 7 1984

DIVISION OF OIL GAS & MINING

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

SIGNED

R. A. Boehm

TITLE

Staff Geologist

DATE

8/30/84

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN DUPLICATE
(See other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Utah- Penn-Thompson

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
Miller Creek

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
27- T 15 S- R-10E

12. COUNTY OR PARISH
Carbon

13. STATE
UT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other **RECEIVED**

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other

2. NAME OF OPERATOR
Rancho Energy Corp.

3. ADDRESS OF OPERATOR
P.O. Box 42210 Houston, Tx. 77242-2210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 765' FEL 2862' FNL SE 1/4 NE 1/4
At top prod. interval reported below same NE SE
At total depth same

14. PERMIT NO. 43-007-30058 DATE ISSUED 8/7/83

15. DATE SPUDED 1/18/81 16. DATE T.D. REACHED 1/20/81 17. DATE COMPL. (Ready to prod.) 1/23/81 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5542 GR 19. ELEV. CASINGHEAD 5546

20. TOTAL DEPTH, MD & TVD 1187 21. PLUG, BACK T.D., MD & TVD 926 22. IF MULTIPLE COMPL., HOW MANY* 1 23. INTERVALS DRILLED BY → 0-1187 ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
750-840 Tununk

25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
No Logs

27. WAS WELL CORED
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8	28 #	82	12 1/4	75 SX	
4 1/2	11 #	926	6 1/4	225 SX	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8	740	740

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33. PRODUCTION

DATE FIRST PRODUCTION 10/1/83 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
9/4/83	24	3/16	→				

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
0	137	→		115.2		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Fuel for compressor TEST WITNESSED BY T. Tefteller

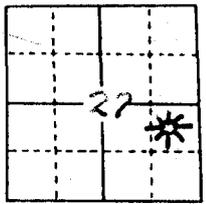
35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED R. A. Boehm TITLE Staff Geologist DATE 5/24/84

*(See Instructions and Spaces for Additional Data on Reverse Side)

COMPANY: Rancho C. F. Mulfer 43-067-30058
 WELL: #1 Thompson
 LOCATION: 765' FEL, 2,862' FNL (NE 1/4, SE 1/4) Sec. 27, T.15 S., R.10 E.
 FIELD or AREA: Miller Creek
 COUNTY: Carbon STATE: Utah



554 1/2 ft. Ground
 ELEVATION: 5549 ft. K.B. TOTAL DEPTH: 1,187'
 COMMENCED: 1-18-81 COMPLETED: Ran Casing 1-23-81
 I.P.: _____

CASING: 9 5/8" @ 82'; 4 1/2" @ 926', Bull Plug @ 926',
Lynes ECP Packers, 740' & 874', open hole in between; cement

REMARKS: All measurements from K.B. From 740' to surface, No cement, 740'-1185'
12 1/4" to 95'; 8 3/4" - 85' to 725'; 6 1/4" - 725' to 1185' SAMPLES BY: JOE KIRN

ROCK TYPE

- | | | | | | |
|--|--------------|--|-----------|--|--------------------------|
| | CONGLOMERATE | | COAL | | DOLOMITE |
| | SANDSTONE | | SALT | | VOLCANIC / BASIC IGNEOUS |
| | SILTSTONE | | ANHYDRITE | | ACIDIC IGNEOUS |
| | SHALE | | LIMESTONE | | METAMORPHIC |

DRILLING RATE Minutes Per Ft. - 5 Ft. Average	OPERATION Shows	DEPTH	DESCRIPTION
2 4 6 8 10 12 14		0	
		50	
		100	12 1/4" hole to 90 Ft. 9 5/8" csg. set @ 82 Ft. K.B. w/ 125 sxs. cement Shale, black, hard, silty, calcareous
		150	8 3/4" hole to 725' Hit water @ 112'
		200	Shale as above w/ siltstone, gry-br, argil, shaly, calc, hard, tight as above, tr. siltstone shale as above, v. silty, sli. carb, scat. foss. frag as w/ bentonite, white, lg gray, sh. pyritic, scat. aragonite xls. Shale as above w/ siltstn as above
		250	tr. white bent shale, as in bed silty, lg gray, brgy, shaly, v. hd, sli. calc, abun. conc. xls & small - pore free. fly.

Air Drlg. Dry
 Air-Mis Drlg.

Ferron silt 296'

300

fr macl
aa, abund bent, grey, hd
Siltstn grey, hd, argil-shaly, sli silic w/sh, ac Ferron silt
aa, incrs sh
Siltstn, aa
aa, fr Ss, whi, vfg, sr, sub-ed, fr cntg, tite f brn man
-frac flg-?

50

Sh-aa, v silty w/siltstn aa
Siltstn, th grey-whi, hd, shly, v calc w/sh, aa, abund whi bent
Siltstn, grey-dk grey, v shaly w/sh f bent as above

400

Sh, aa, less siltstn, abund whi calc xls - poss frac flg
or fault lining
Sh, aa, v silty, sm siltstn, aa, less calc

Ferron Conn. *

Ferron sand
450

50

Siltstn, grey, sft, v shly w/sh f bent, aa
aa w/Ss, grey-ben, buff, f-mg, sr, pty silt, sft, grns blk sh
aly cement, sli. calc, tite Ferron sand
Ss, aa
Siltstn f Ss, aa
Ss, th grey, buff, f-mg, pty silt, sep, sa-sr, hard, tite, sli glauc
v. calc, v. sli string cut (?), no flr
Ss, th grey, vfg, glauc, as above, calc fely cent, no flr or cut

500

Ss, aa, pty cln, v little cent, no flr or cut, sm siltstn, aa f whi bent
Ss, aa

50

Siltstn, grey, dk grey, v argil, v hd
Siltstn, aa f sh, dk grey, v silty
Siltstn, grey, sft, calc, cin, sli argil, poss frac

Check for gas
no flare

Good flare while
cig @ 895 *

600

Siltstn, aa, tr Ss, whi, fg, sep, calc, tite
silt, aa, gray, argil, sli mica, tite

Check for gas
no flare

50

Siltst, aa f Ss, grey, vfg, sli glauc, argil, sli carb, fra, tite

aa w/abund bent, whi, th grey, mica

700

Siltstn, aa f sh, silty, aa, tr Ss, aa

Zip bar bit @ 725
6 1/2" hole

Strong gas flare
while sig @ 745 *

Lynes
Pkr. 740

50

sh, blk, sft, v silty f rdy, sli glauc f siltst, blk, v shaly, sli glauc
aa w/siltst grey, shaly, pty, tr Ss, grey, vfg, tr grey bent, tr calc xls - cm
poss frac filling-?

aa, tr brn ls or macl (frac-?)

aa, abund whi bent

sh, blk, sft, lam, sli silty w/strkt siltst, grey, blk, argil, shaly
aa, tr bent

800

aa, tr Ss, th grey, vfg, sep, calc, tite, calc xls, tr whi bent
sh, blk, v silty, tr bent

sh, blk, sft, lam
aa, tr silt f bent, whi mica

50

aa, incrs bent

Lynes
Pkr. 874

900

sh, blk, ha, blk, v silty f siltst, grey, blk, hd, v calc, argil, tr whi bent

aa, tr grey bent

cement to surface

open hole

Dakota 915'

4 1/2" csg
w/ bull
plug 926

50

1000

50

1100

50

T.D.
1185'

Clystr, lt gray, sft, v. silty-sdy, bent, w/ ss, whi, vfg, cly filed, sli. calc, ang-shang, hd, tite

Clystr, aa w/ ss, brn, vfg, v. hd, silic, non-calc, tr macl, ben, hd
aa, incl clystr, lt gray, v. sdy, v. hd, less, lb, ben, f-mg, hd, tite
tr ss, whi, f-mg, rd, calc
Clystr, aa, sm gen-whi, incl ss, aa w/ sh, v. arg, red, mac, hd, sh, v. silty

aa w/ ss, lt gen-whi, vfg, silic, v. hd
Clystr, varg, gen-whi, brn, gray, pt silty, sdy, fsh, red, mar, aa
tr ss, aa
aa, incl ss, and ss, whi, buff, f-mg, ang-shad, poly, silt, hd, tite, pt silic, cly filed, sli calc
Clystr, sh, aa
Clystr, aa, being more varg, mar, ppl, gm, ashre, less ss

ss, whi, buff, v-fg, scat mg, v. calc-limey, sa-ss, poly, silt, hd, tite, whi-gray, clystr, poss frags, abun spotty bt, pol-whi
flr, fr-gd cut, lighter fluid, chlothis
ss, aa, pt, vfg, sil, less, fr-cut, aa
aa, brks easy, sli brn, cast, tr flr, cut, aa
Clystr, varg sh, aa, tr ss, aa - cvgs?

aa, incl sh, red, mar, ppl, aa, tr ls, varg, brn, crm, pink, dus, ptly sdy

aa w/ crs whi calc, xls, staks ss, aa, tr whi bent
Clystr, aa, being more lt greenish

aa, occas glauc nodule on frac face, incl lg, whi calc
xls, poss hd, frag

aa, incl ls, aa
Clystr, aa, varg, more gray-gray, sm ppl sh, sft, sli sdy, less ls, aa, fr glauc

Well History

- Date 1-17-81 Move in, Trip up
- 1-18-81 Spud, drill to 90', run cement surf csg
- 1-19-81 W.D.C, nipple up, drill out at 3:00 P.M., drill to 515'
- 1-20-81 Drilling, trip at 725', drill to 1185', stuck drill pipe, mix KCl water to kill well
- 1-21-81 Could not kill well, wait on mud, mix mud, Kill well, trip out of hole, run 4 1/2" csg, could not get to bottom w/csg.
- 1-22-81 Pull out csg, trip in w/bit, condition hole
- 1-23-81 Run 4 1/2" csg, could not get to bottom, pull csg, reset hynes's packers, run csg, in hole, cement csg, plug down at 8:00 P.M.

Gas Shows

First Flare on connection @ 425 ft, flare on each connection thereafter, gradually increasing.
Fair to good flare while drilling @ 585 ft.
Strong flare while drilling @ 745 ft.
Well continued to flare until T.D. was reached.
Slight increase in flare @ 1065 ft.

Oil Shows

Slight fluorescence cut in Dakota sand 1045'-1065'

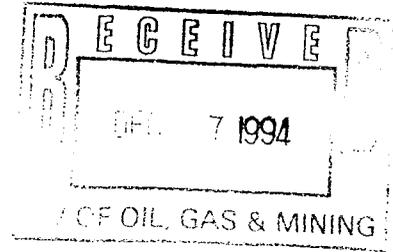
1st Dakota sand 1045'

Sli. larger flare @ 1065'

Dakota



First Interstate Bank
of Utah, N.A.
Price Office
Salt Lake City, UT 84142-0051
801 637-1272



November 30, 1994

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Traid Center, Suite 350
Salt Lake City, Utah 84180

Dear Mr. Firth,

Enclosed is the signature card our bank requires you to sign, and return to us in the self addressed, stamped envelope. Please include your social security number and state of origination.

I have also enclosed the Collateral Bond filled, completed and signed by Mr. Iriart.

If you have any question please call me at (801) 637-1272.

Sincerely,

A handwritten signature in cursive script that reads 'Ellie Jones'.

Ellie Jones
Customer Service Manager

enclosures

COLLATERAL BOND - FORM 4-B

KNOW ALL MEN BY THESE PRESENTS:

That we JOE IRIART (operator name) as Principal, which is duly authorized and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

Five Thousand*** dollars (\$ **5,000.00**)

lawful money of the United States by virtue of the following financial instruments (cash account, negotiable bonds of the United States, a state or municipality, or negotiable certificate of deposit - see Rule R615-3-1)):

payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS, the Principal is or will be engaged in drilling, re-drilling, deepening, repairing, operating, and plugging and abandonment a well or wells and restoring the well site or sites in the State of Utah for the purposes of oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

 Blanket Bond: To cover all wells drilled in the State of Utah
 X Individual Bond: Well No. #1
Section 27 Township 15S Range 10E
 CARBON County, Utah

NOW, THEREFORE, if the Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and requirements of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells and well site restoration, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed his or their names or has caused this instrument to be signed by its duly authorized officers and its corporate seal to be affixed this

 29th day of November , 19 94 .

(Seal)

 X Joe Iriart
Principal
By _____
Name and Title



First Interstate Bank of Utah, N.A.

TIME DEPOSIT RECEIPT AND AGREEMENT
NON-TRANSFERABLE & NON-NEGOTIABLE

184700

Office Price Office Date 112594
Name(s) and Address JOE *IRIART IN BEHALF OF
~~OR~~ DIVISION OF OIL, GAS
AND MINING
7465 SOUTH 1500 EAST PRICE, UT 84501

Amount 5,000.00

Home Phone # 801-637-2339

Work Phone #

("Registered Owner(s)") has (have) deposited the sum of *****Five Thousand, and 00/100***** Dollars,
payable to the Registered Owner(s) upon request **5 (FIVE) YRS** after the date hereof (date of "maturity"), with
interest at the rate of **5.50 percent per annum (Annual Percentage Yield 5.61)** from the date hereof to maturity.

THIS TIME DEPOSIT MATURES ON DATE OF MATURITY AND SHALL BE DEEMED RENEWED AND MATURITY EXTENDED, FOR SUCCESSIVE LIKE PERIODS AT THE EFFECTIVE RATE OF INTEREST ON MATURITY DATE, UNLESS THE DEPOSIT IS WITHDRAWN.

Tax Identification Number of Registered Owner: 528628302

Authorized Signature *Leeta Jones* 51161917

Type 042 Customer # 0012872

New or Existing Existing Interest Frequency Quarterly

Int. Pay Option DDA Acct # to Credit Checking:

Maturity Date

IRA INFORMATION

Savings:

Tax Year

Type of Funds

Birth Date

SEE REVERSE SIDE FOR IMPORTANT DISCLOSURE, WITHDRAWAL, AND AUTOMATIC RENEWAL TERMS. EARLY WITHDRAWAL SUBJECT TO SUBSTANTIAL PENALTY. I agree to all terms as stated on this receipt and certify, under penalty of perjury, that the Tax I.D. number above is correct and that I am not subject to backup withholding.

CUSTOMER COPY

TD-127U (1-92)

** Joe Inail*
Customer's Signature

ADDITIONAL TERMS FOR TIME DEPOSIT AND AUTOMATIC RENEWAL:

If not withdrawn within 10 days after its original or a subsequent maturity, this time deposit will be renewed and its maturity extended for successive periods of the same length as the original maturity until withdrawn. NOT APPLICABLE TO TIME DEPOSITS \$100,000.00 OR MORE. ONE DAY GRACE PERIOD FOR ALL INVESTMENTS 7-31 DAYS UNDER \$100,000.00.

The rate of interest upon renewal and the automatic renewal provisions are subject to change and revocation, respectively, by the Bank upon written notice to depositor by ordinary mail prior to maturity.

Time Deposits are subject to the terms and conditions set forth in Bank's Deposit Accounts Rules and Regulations brochure or Bank's Master Individual Retirement Plan and Custodial Account brochure, as modified from time to time, which brochure Registered Owner(s) has(have) received.

Payment of an IRA account will not be made prior to maturity unless substantial interest is forfeited or owner has reached age 59½ years.

BANK IS PROHIBITED BY LAW FROM PAYING INTEREST AFTER MATURITY IF TIME DEPOSIT IS WITHDRAWN.

DISCLOSURE OF PENALTY FOR WITHDRAWAL OF TIME DEPOSITS BEFORE MATURITY:

Higher interest rates are offered for time deposit accounts than for regular savings accounts in return for a definite commitment of your funds for a fixed period of time. On a time deposit account the rate of interest, or the manner in which it will be determined, is fixed for the entire period to which you have committed your funds.

By depositing your funds in a time deposit account you have agreed to keep those funds on deposit until either the maturity date or the expiration of the period of notice specified in the contract. Such funds, whether principal or interest, may not be withdrawn, either wholly or in part, prior to the maturity date or the expiration of the period of notice specified in the contract unless a penalty is assessed on the amount withdrawn per Federal regulations. We do not permit partial withdrawals. The penalty is as follows:

- TIME DEPOSITS** — Maturity Period 7 to 31 days
Loss of all interest earned but not less than the interest for ½ the term of the deposit.
- TIME DEPOSITS** — Maturity Period 32 to 89 days
Loss of all interest earned but not less than 1 months interest.
- TIME DEPOSITS** — Maturity Period 90 days to 1 year
Loss of 3 months interest.
- TIME DEPOSITS** — Maturity Period over 1 year
Loss of 6 months interest.

Interest penalty is computed at the original contract rate of interest prior to automatic renewal and at the interest rate after automatic renewal which is in effect for the period in which early withdrawal is made.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

DESIGNATION OF AGENT

- FORM 5

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Fee Lease

LEASE NUMBER: _____

and hereby designates

NAME: Joe Iriart

William Ryan/Kent Stringham

7465 South, 1500 East

ROCKY MOUNTAIN CONSULTING

ADDRESS: Price, UT 84501

350 South, 800 East

Vernal, UT 84078 (801) 789-0968

as his agent/ with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to (describe acreage to which this designation is applicable):

UTAH PENN THOMPSON #1
15S 10E 27
API #4300730058
ENTITY #09277

AEC MILLER CREEK #4
15S 10E 27
API #4300730009
ENTITY #09277

It is understood that this designation of agent/ does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/ , the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees promptly to notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation 9/24/92

By: _____

Company Rancho Energy Corporation
Address _____

Title: _____

(Signature)

Phone: _____

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1- FEE	
2- LWP 7-PL	✓
3- DTB 8-SJ	✓
4- VLO 9-FILE	
5- RJF	✓
6- LWP	✓

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold) Designation of Agent
 Designation of Operator Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 11-29-94)

TO (new operator)	<u>IRIART, JOE</u>	FROM (former operator)	<u>RANCHO ENERGY CORP</u>
(address)	<u>7465 S 1500 E</u>	(address)	<u>(NO ADDRESS)</u>
	<u>PRICE UT 84501</u>		
	phone ()		phone ()
	account no. <u>N 0425 (12-9-94)</u>		account no. <u>N 3970</u>

Well(s) (attach additional page if needed):

Name: <u>UTAH PENN THOMPSON #1</u>	API: <u>43-007-30058</u>	Entity: <u>9275</u>	Sec <u>27</u> Twp <u>15S</u> Rng <u>10E</u>	Lease Type: <u>FEE</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- See 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd Desig. of Agent 9-24-92)*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form).
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: _____
- N/A 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(12-9-94)*
- See 6. Cardex file has been updated for each well listed above. *12-14-94*
- See 7. Well file labels have been updated for each well listed above. *12-19-94*
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(12-9-94)*
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Yes 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) (no) (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only) *Cont. of Dep. # 184700 / \$ 5000. "First Interstate Bank"*

- Yes 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the ** Upon compl. of routing.* new and former operators' bond files.
- Yes 3. The former operator has requested a release of liability from their bond (yes/no) (no). Today's date 12-9 1994. If yes, division response was made by letter dated 12-13 1994.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested. *Not done any more.*
- N/A 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- ✓ 1. All attachments to this form have been microfilmed. Date: December 16 1994.

FILING

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 17, 2016

CERTIFIED MAIL NO.: 7015 0640 0003 5276 0273

Mr. Joe Iriart
7465 Upper Miller Crk Rd
Price, UT 84501

43 007 30058
Utah Penn Thompson 1
27 155 10E

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Mr. Iriart:

As of January 2016, you have one (1) Fee Lease Well (see attachment A) that is currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT.



Page 2
Iriart, Joe
August 16, 2016

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

All Submittals should be sent via ePermit

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/DD/js

cc: Compliance File
Well File

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	Utah Penn Thompson 1	4300730058	Fee	35 year(s) 8 month(s)