

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Bond Applied for

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Miller Creek

9. WELL NO.
Chiaretta #3

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 22 Township 15S R10E

12. COUNTY OR PARISH
Carbon

13. STATE
Utah

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
Utah Penn Cil Company 303 2424307

3. ADDRESS OF OPERATOR
Grand Junction
Attn: James P. Kyle, 312 Mesa Grande Dr. CO. 81503

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)
At surface 660' South of North Line; 990' West of East Line - NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sect 22, T 15S R10E Salt Lake Meridian NENE
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
6 $\frac{1}{2}$ Miles due South of Price, Utah (see Map)

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
2700' East of Cheritta #1

16. NO. OF ACRES IN LEASE
30,000+

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.
2600' NW Pollock #1

19. PROPOSED DEPTH
1,

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5500'

23. APPROX. DATE WORK WILL START*
December 20, 1981

RECEIVED
DEC 18 1981

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------------|-------------------|-----------------|----------------------------------|--------------------|
| 12 $\frac{1}{4}$ " | 9 5/8" | 28.00# | 200' surface | 125 sax |
| 6 $\frac{1}{2}$ " | 4 $\frac{1}{2}$ " | 10.50# | to DIVISION OF OIL, GAS & MINING | |

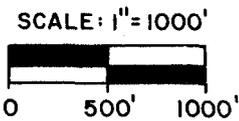
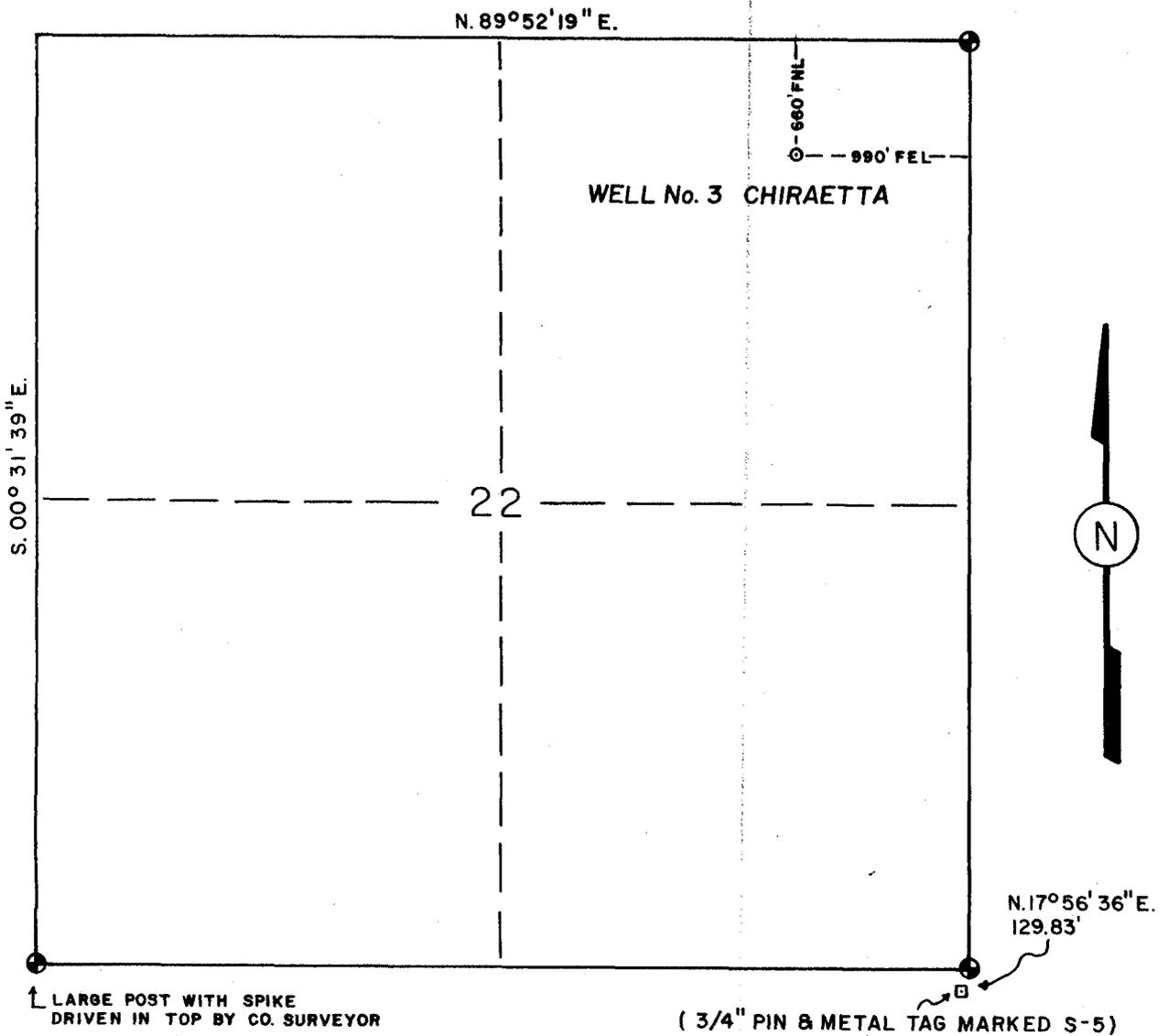
This well is planned to be drilled to a T/D of approximately 1800', into the Dakota Sandstone to test the production possibilities of the formations and especially the Dakota Sandstones. Rotary tools with air for circulation unless water is encountered. If water becomes a problem, then drilling fluid will be used to complete the well. Surface casing will be set to a depth of about 200' and cemented with return lines to the surface. A blowout preventer with hydraulically operated blind and pipe rams will be installed on top of the surface casing. A Kelly cock and safety sub on the derrick floor will give protection from excessive pressures and temperatures. Two inch fill and kill lines will be connected below the blind rams. Gas or oil pockets that may be encountered will be flared at the end of the blowie line. An igniter will remain lit at all times at the end of the blowie line. These pockets will be checked for volume through a two inch line, after the pipe rams have been closed. A float valve will be used at the bottom drill collar at all times.

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 TITLE Representative DATE 12/12/81
(This space for Federal or State office use)

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

APPROVED BY THE STATE
OF UTAH
DIVISION OF
OIL, GAS & MINING



CERTIFICATE OF SURVEY

I, THOMAS P. BECK, Jr., BEING A REGISTERED PROFESSIONAL ENGINEER DO HEREBY CERTIFY THAT THE SURVEY OF DRILL SITE LOCATION WELL No. 3 CHIRAETTA, IN THE NE 1/4 NE 1/4, SECTION 22, T.15S., R.10E., SALT LAKE MERIDIAN, CARBON COUNTY, UTAH AND THE PLAT THEREOF WAS MADE UNDER MY SUPERVISION.

Thomas P. Beck, Jr.
 THOMAS P. BECK, Jr.

P.E. # 16096



NOTE:

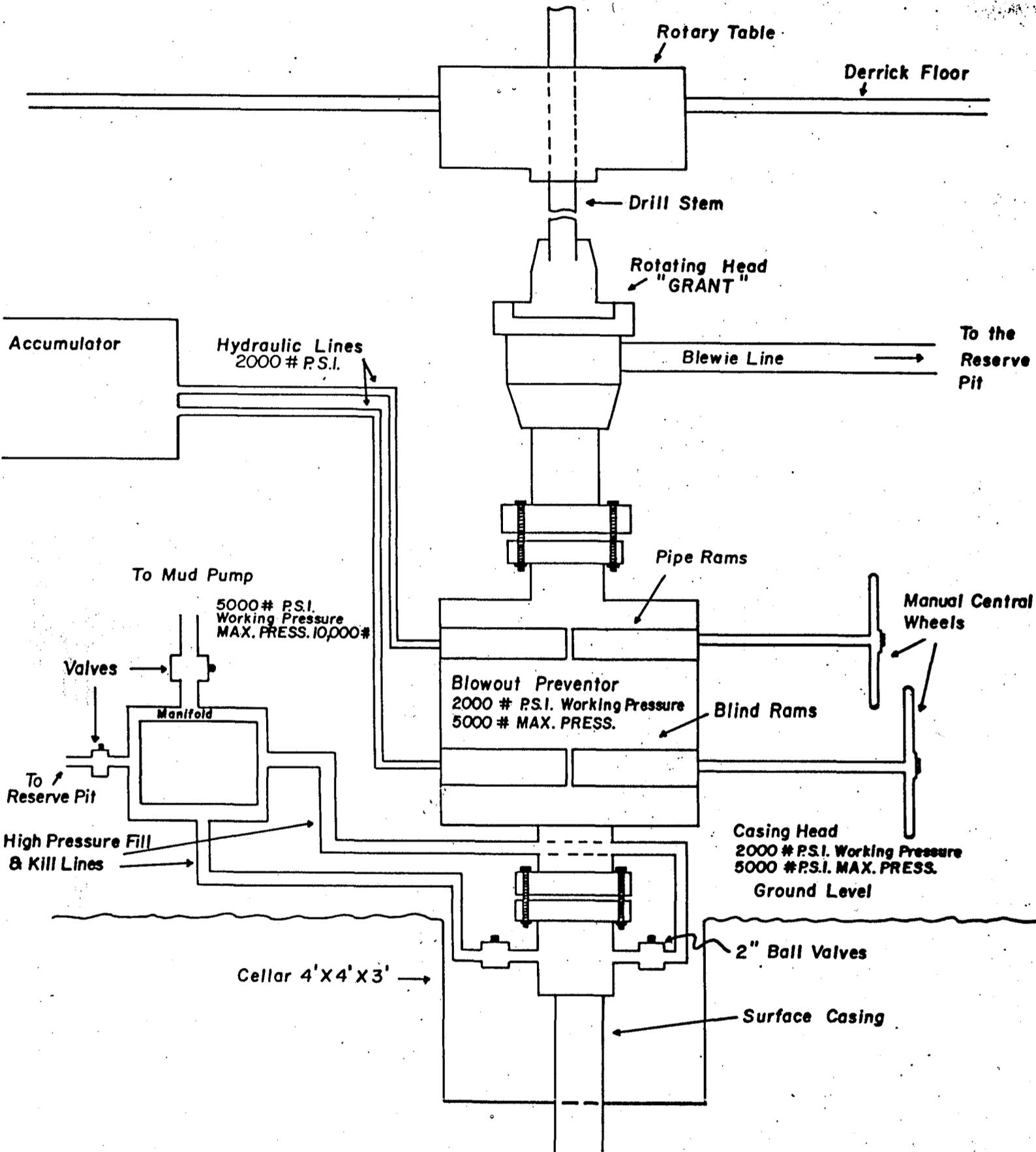
SECTION CORNERS ARE ASSUMED FROM FIELD WORK BY AIR PHOTO SURVEYS AND NOT SET OR RECOVERED BY THIS SURVEY.

BASIS OF BEARINGS USC & GS MONUMENTS USED BY AIR PHOTO SURVEYS.

| | | | |
|---|-------------------|------------------|------------|
| PLAT OF THE WELL No. 3 CHIRAETTA CARBON COUNTY, UTAH | | | |
| STAKED BY: | SCALE: 1" = 1000' | DRAWN BY: N.P.B. | JOB NUMBER |
| SURVEYED BY: TPB | DATE: 12/05/81 | CHECKED BY: | |

EXHIBIT A

SCHEMATIC DIAGRAM OF CONTROL EQUIPMENT FOR THE CHIRAETTA WELL NO. 3 NE1/4NE1/4, SEC. 22, T.15S., R.10E. SALT LAKE MERIDIAN



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number Cherritta #3
Operator Carmack Drilling Co. Address 2154 Hwy 6 1/2 Grand Junction, Colo. 81501
Contractor Richardson Drilling Co. Address 585 Kirby Lane Grand Junction, Colo. 81501
Location NE 1/4 1/4 Sec. 22 T. 15 S R. 10 E County Carbon

Water Sands

none

| <u>Depth</u> | | <u>Volume</u> | <u>Quality</u> |
|--------------|-----------|--------------------------|-----------------------|
| <u>From</u> | <u>To</u> | <u>Flow Rate or Head</u> | <u>Fresh or Salty</u> |
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |
| 5. | | | |

(Continue of reverse side if necessary)

Formation Tops

Remarks

RECEIVED
MAY 09 1982

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

DIVISION OF
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Bond # _____
5. LEASE DESIGNATION AND SERIAL NO.
Fee _____
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A
7. UNIT AGREEMENT NAME
N/A
8. FARM OR LEASE NAME
Miller Creek
9. WELL NO.
Cherriatta #3
10. FIELD AND POOL, OR WILDCAT
unnamed
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 22
T15 S R10E, SLM
12. COUNTY OR PARISH
Carbon
13. STATE
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
 CARMACK DRILLING COMPANY

3. ADDRESS OF OPERATOR
 2154 Hi Way 6-50, Grand Junction, CO 81501

1290
90
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 S. of North Line; 1570 West of East Line - NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 22
 At proposed prod. zone 22, T 15S R10E, Salt Lake Merican
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 6 $\frac{1}{2}$ miles due South of Price, Utah (See Map Attached)

13. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 2700' E. of Cherriatta

16. NO. OF ACRES IN LEASE TO THIS WELL
 2700'' East of Cherriatta #1

17. NO. OF ACRES ASSIGNED TO THIS WELL
 160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2700' #1 of Cherriatta #1

19. PROPOSED DEPTH #1
 1500

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 GR 55500'

22. APPROX. DATE WORK WILL START*
 May 20, 1982

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 10 5/8" | 8 5/8" | 24# | 250' | 75 sax. |
| 7 7/8" | 5 5/8" | 15.50# | to T/D | |

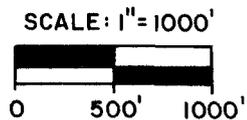
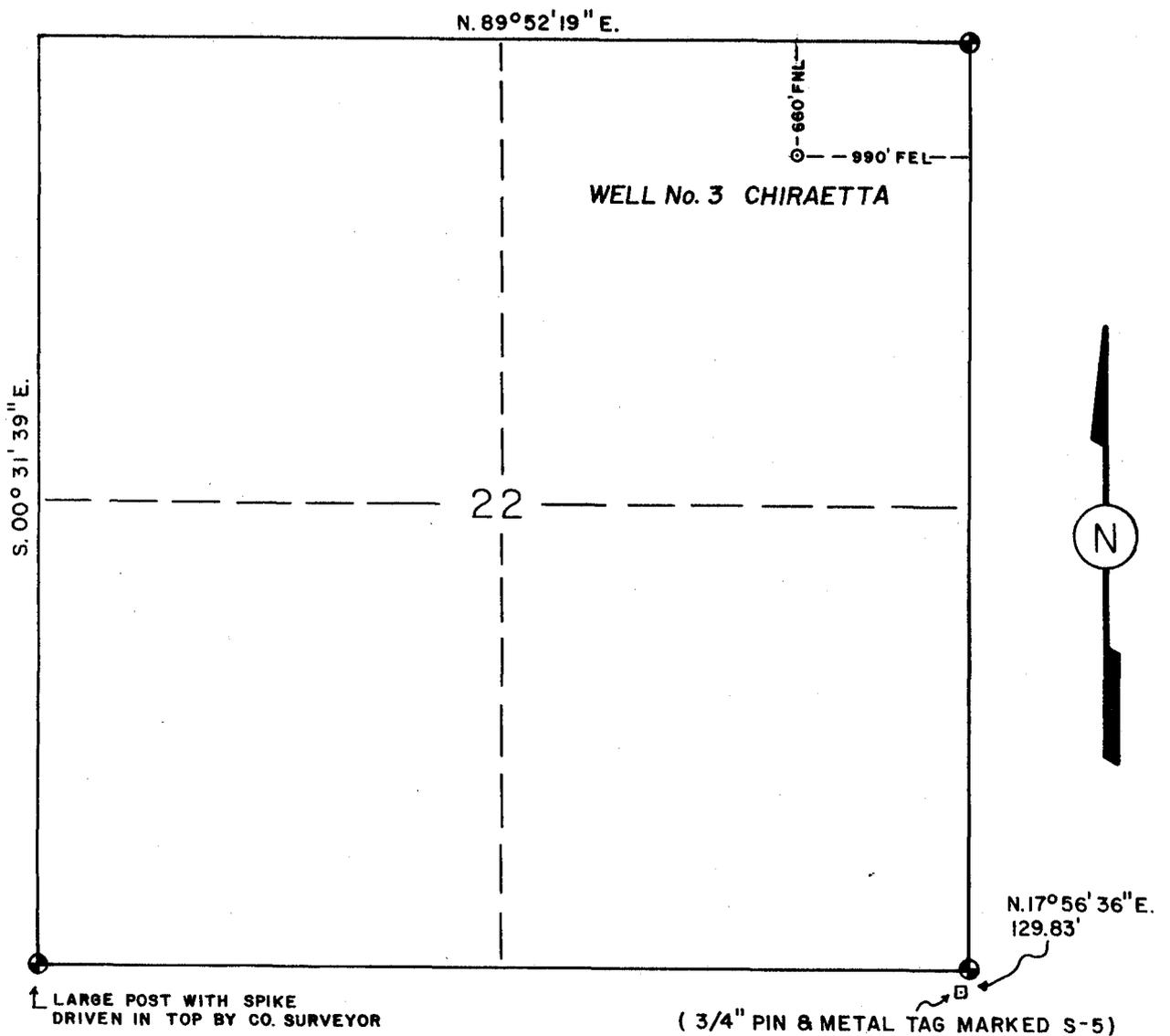
This well is to be drilled to a T/D of approximately 1500' into the Dakota Sandstone to test the production possibilities of the formations and especially the Dakotas. Rotary tools with air for circulation will be used, unless water is encountered; in which case the drilling will be with fluids. Surface casing will be set to a depth of about 250'. Casing will be set in cement with return lines to the surface. A blow-out preventer with hydraulically operated blind and pipe rams will be installed on top of the surface casing. A Kelly Cock and safety sub will be available on the derrick floor to provide protection from excessive pressures and temperatures. Two inch fill and kill lines will be connected below the blind rams. Gas or oil pockets that may be encountered will be flared at the end of the blowie line. An igniter will remain lit at all times at the end of the blowie line. Any pockets encountered will be checked for volume through a two inch line after the pipe rams have been closed. 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 Taylor TITLE Representative DATE May 14, 1982
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

*See Instructions On Reverse Side



CERTIFICATE OF SURVEY

I, THOMAS P. BECK, Jr., BEING A REGISTERED PROFESSIONAL ENGINEER DO HEREBY CERTIFY THAT THE SURVEY OF DRILL SITE LOCATION WELL No. 3 CHIRAETTA, IN THE NE 1/4 NE 1/4, SECTION 22, T.15S., R.10E., SALT LAKE MERIDIAN, CARBON COUNTY, UTAH AND THE PLAT THEREOF WAS MADE UNDER MY SUPERVISION.

Thomas P. Beck, Jr.
 THOMAS P. BECK, Jr.

P.E. # 16096



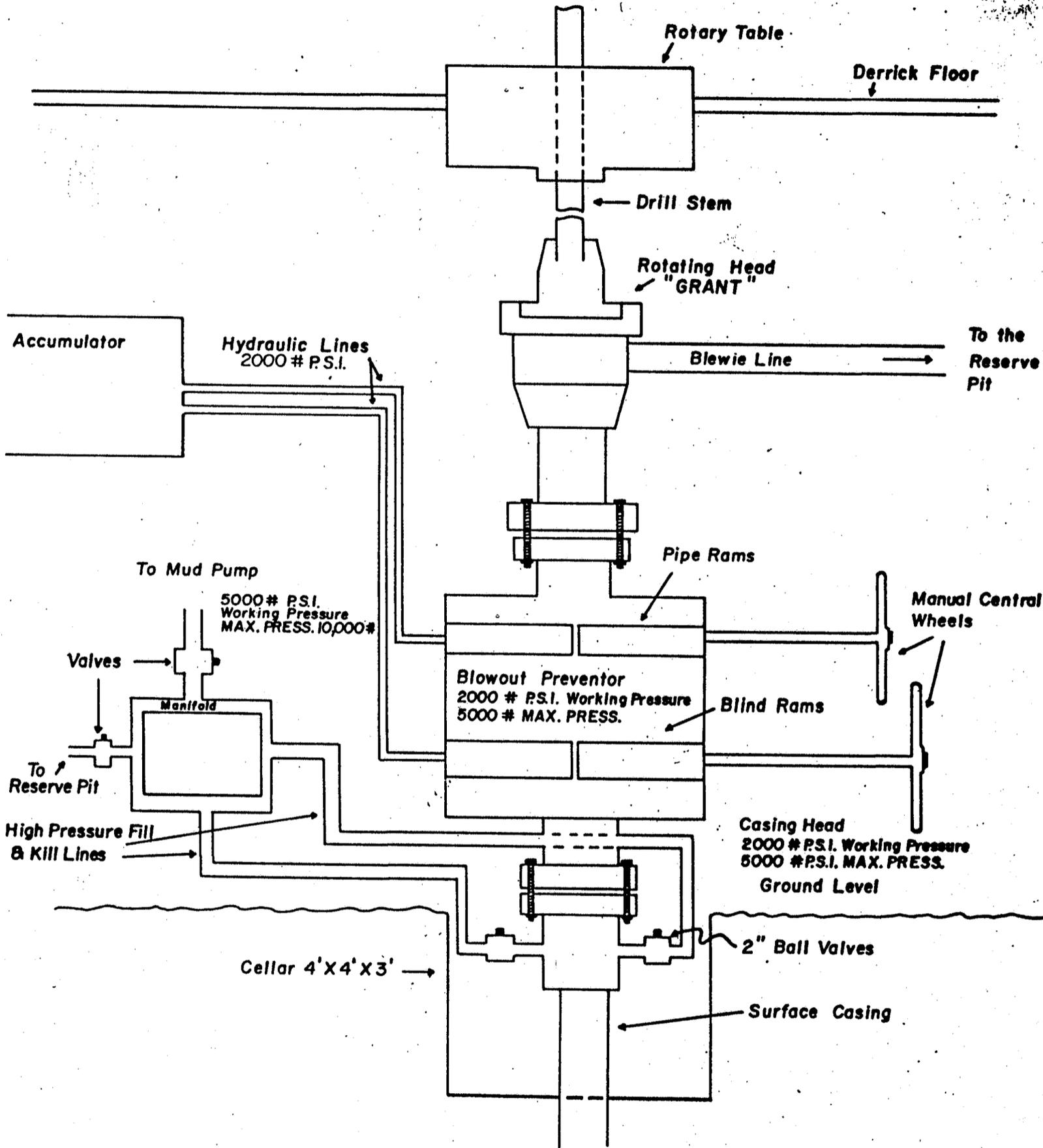
NOTE:

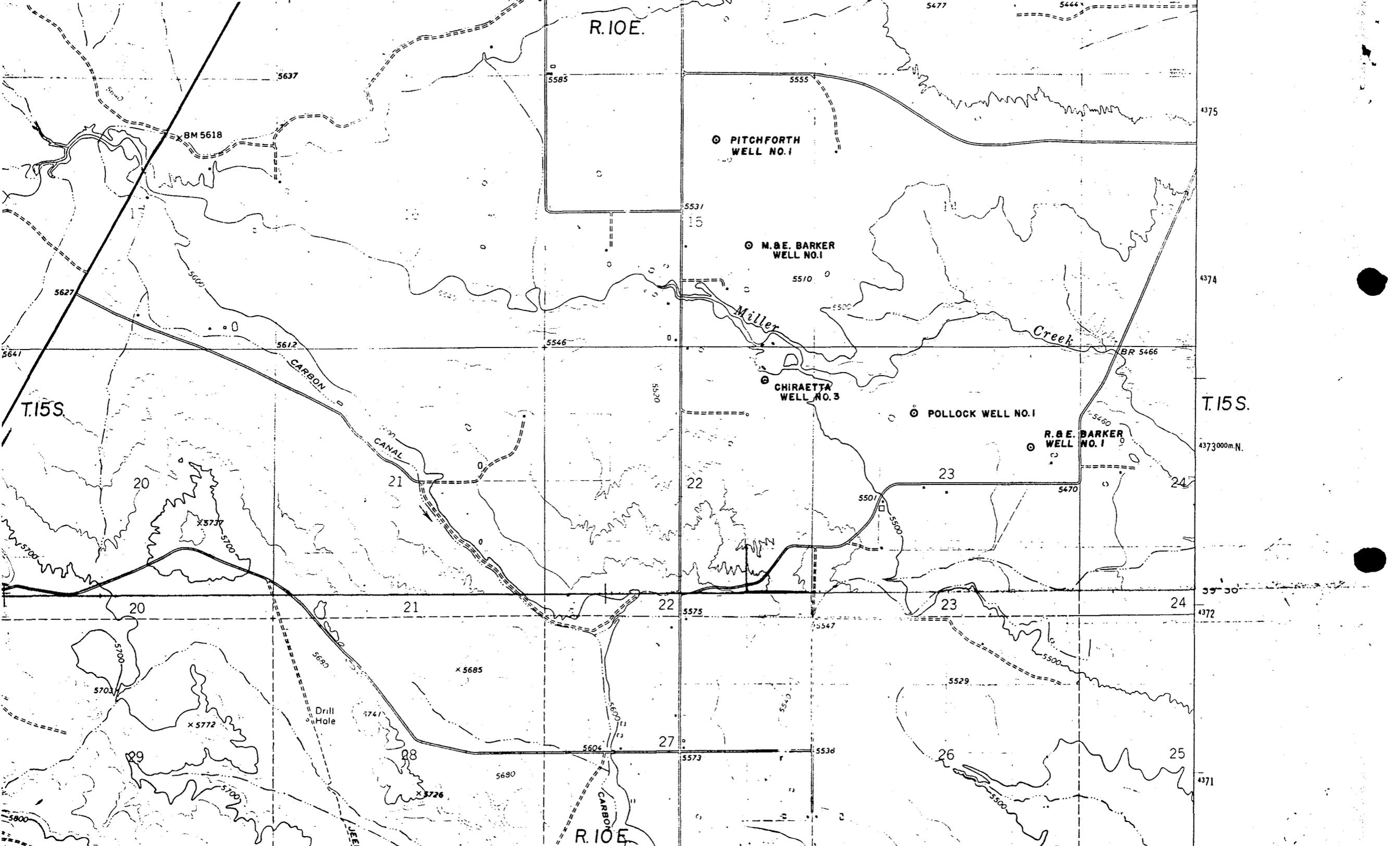
SECTION CORNERS ARE ASSUMED FROM FIELD WORK BY AIR PHOTO SURVEYS AND NOT SET OR RECOVERED BY THIS SURVEY.
 BASIS OF BEARINGS USC & GS MONUMENTS USED BY AIR PHOTO SURVEYS.

| | | | |
|---|-------------------|------------------|------------|
| PLAT OF THE WELL No. 3 CHIRAETTA CARBON COUNTY, UTAH | | | |
| STAKED BY: | SCALE: 1" = 1000' | DRAWN BY: N.P.B. | JOB NUMBER |
| SURVEYED BY: TPB | DATE: 12/05/81 | CHECKED BY: | |

EXHIBIT A

SCHEMATIC DIAGRAM OF CONTROL EQUIPMENT FOR THE CHIRAITTA WELL NO. 3 NE1/4NE1/4, SEC. 22, T. 15S., R. 10E. SALT LAKE MERIDIAN





UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Bond # _____
Fee _____

5. LEASE DESIGNATION AND SERIAL NO. _____

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Miller Creek

9. WELL NO.
Cherriatta #3

10. FIELD AND, POOL, OR WILDCAT
Wildcat
unnamed

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
NW 1/4 NE 1/4 NE 1/4 Sec 22
T15 S R10E, S1M

12. COUNTY OR PARISH
Carbon

13. STATE
Utah

22. APPROX. DATE WORK WILL START
May 20, 1982

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
CARMACK DRILLING COMPANY

3. ADDRESS OF OPERATOR
2154 Hi Way 6-50, Grand Junction, CO 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: S. of North Line; 1020' West of East Line - NE 1/4 NE 1/4 Sec 22
At proposed prod. zone: 22, T 15S R10E, Salt Lake Merican
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
6 1/2 miles due South of Price, Utah (See Map Attached)

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
2700' E. of Cherriatta

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
2700' #1 E of Cherriatta #1

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR 5500'

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 10 5/8" | 8 5/8" | 24# | 250' | 75 sax |
| 7 7/8" | 5 5/8" | 15.50# | to T/D | |

This well is to be drilled to a T/D of approximately 1500' into the Dakota Sandstone to test the production possibilities of the formations and especially the Dakotas. Rotary tools with air for circulation will be used, unless water is encountered; in which case the drilling will be with fluids. Surface casing will be set to a depth of about 250'. Casing will be set in cement with return lines to the surface. A blow-out preventer with hydraulically operated blind and pipe rams will be installed on top of the surface casing. A Kelly Cock and safety sub will be available on the derrick floor to provide protection from excessive pressures and temperatures. Two inch fill and kill lines will be connected below the blind rams. Gas or oil pockets that may be encountered will be flared at the end of the blowie line. An igniter will remain lit at all times at the end of the blowie line. Any pockets encountered will be checked for volume through a two inch line after the pipe rams have been closed. 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. APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING

SIGNED _____ Representative _____ DATE May 14, 1982

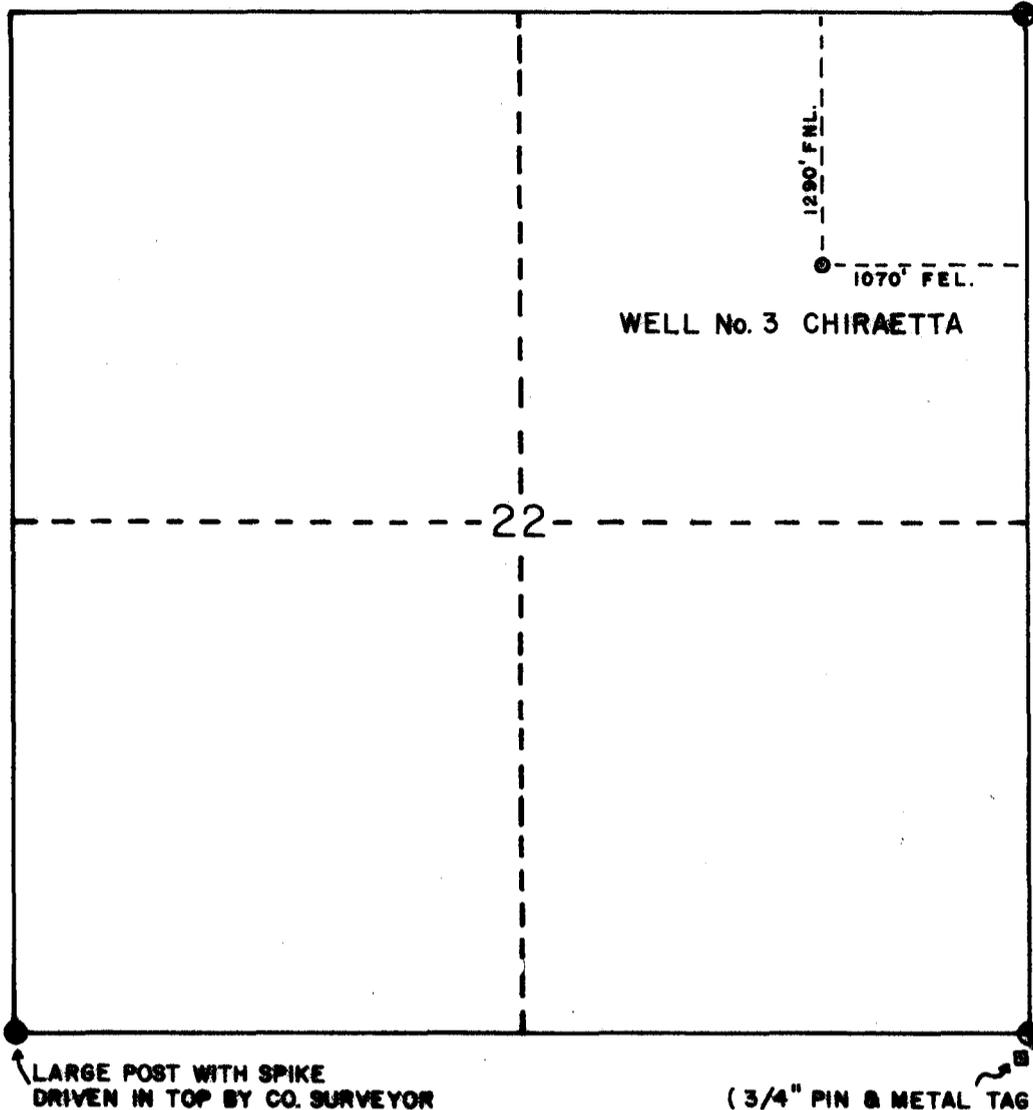
(This space for Federal or State office use)

PERMIT NO. _____ DATE 5/18/82 BY: _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

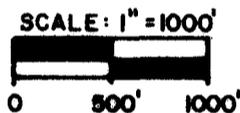
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side



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

DATE: 5/27/82
BY: [Signature]



CERTIFICATE OF SURVEY

I, THOMAS P. BECK, Jr., BEING A REGISTERED PROFESSIONAL ENGINEER
DO HEREBY CERTIFY THAT THE SURVEY OF DRILL SITE LOCATION WELL
No.3 CHIRAETTA, IN THE NE 1/4 NE 1/4, SECTION 22, T.15S., R.10E.,
SALT LAKE MERIDIAN, CARBON COUNTY, UTAH AND THE PLAT THEREOF
WAS MADE UNDER MY SUPERVISION.

[Signature]
THOMAS P. BECK, Jr.

P.E. # 16096



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 WELL No.3 CHIRAETTA CARBON COUNTY, UTAH | | | |
| STAKED BY: | SCALE: 1"=1000' | DRAWN BY: N.P.B. | JOB NUMBER |
| SURVEYED BY: | DATE: 5/24/82 | CHECKED BY: | |

** FILE NOTATIONS **

DATE: May 18, 1982
OPERATOR: Carmack Drilling Co.
WELL NO: cherriatta #3
Location: Sec. 22 T. 15S R. 10E County: Carbon

File Prepared: Entered on N.I.D.:
Card Indexed: Completion Sheet:

API Number 43-007-30077

CHECKED BY:

Petroleum Engineer: _____

Director: _____

Administrative Aide: ok as per Order Below, needs to be moved in to at least 1000' from ATR-ARC + Station lines. on base topo.

APPROVAL LETTER:

Bond Required: Survey Plat Required:

Order No. 137-2, 2-23-82 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 Plotted on Map

Approval Letter Written

Hot Line P.I.

May 18, 1982

Carmack Drilling Company
2154 Hi Way 6-50
Grand Junction, Colorado 81501

RE: Well No. Cherriatta #3
Sec. 22, T15S, R10E
Carbon County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with the Order issued in Cause No. 137-2, dated 02-25-82.

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

Cleon B. Feight
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in 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 43-007-30077.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Cleon B. Feight
Director

CBF:sc
Enclosure

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 Price Utah, (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 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 May 18, 1982

Company CARRIAGE DRILLING CO Address 2154 Hi Way 6-50

By [Signature] Title Representative
(signature)

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

DIVISION OF OIL, GAS AND MINING

CORRECTED

SPUDDING INFORMATION

NAME OF COMPANY: CARMACK DRILLING COMPANY

WELL NAME: Cherriatta #3

SECTION ^{NE NE} ~~22~~ 22 TOWNSHIP 15 S RANGE 10 E COUNTY Carbon

DRILLING CONTRACTOR Richardson Drilling Company

RIG # 3

SPUDDED: DATE 5-22-82

TIME 12:00 PM

How Rotary

DRILLING WILL COMMENCE _____

REPORTED BY JohnLudwick

TELEPHONE # 303-243-6845

DATE May 24, 1982

SIGNED AS

MEMO

4/25/82

Debbie:

Please change API
43-007-0067 (Chiretta #3

Distances to Confound
to this survey.

We had permitted
it to 1000' W of E Line &
1000' S of N Line
Sec 22. Should be
1070 FEL and 1290 FNL
Sec 22. TISS RIDE
Jimm.



904 N. 7th Street
Grand Junction, Colorado 81501
241-1281

Hours: 8:00a.m. to 5:30 p.m.
Monday through Friday

MEMO

MAY 25, 1982

Debbie:

got these too late for
Express Mail, so will
send Certified Special Delivery
Chiretta #3 is about
800' today, so it won't be
long.

Will have 4 more permits
over to you on Wed or
Thurs.

your friend
Jenny

P.S. Tell Cari Hi for me

CALL ME Thursday - at 2

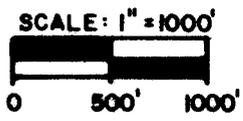
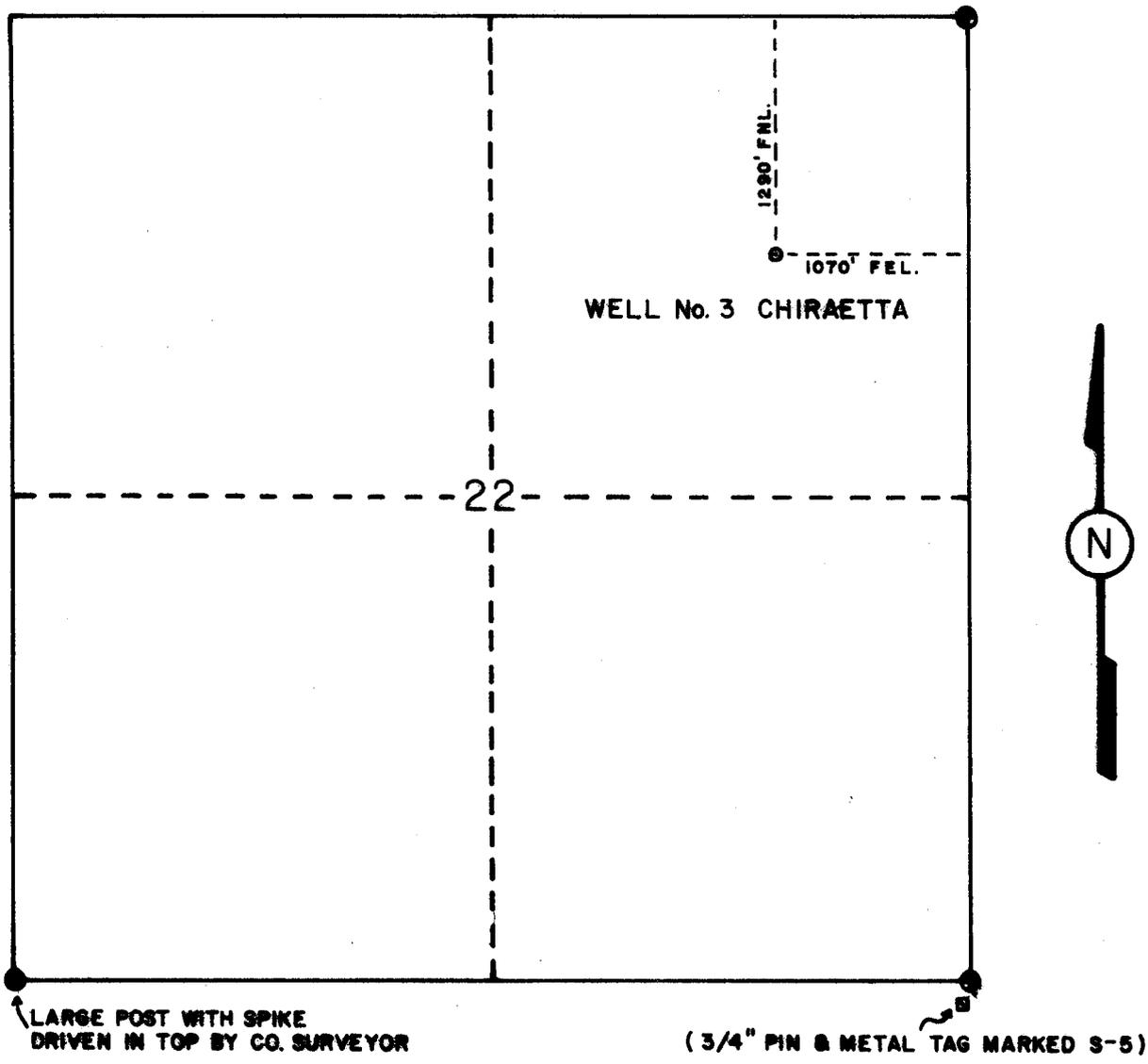


243-4344
Leave message

904 N. 7th Street
Grand Junction, Colorado 81501
241-1281

Hours: 8:00a.m. to 5:30 p.m.
Monday through Friday

ILL RETURN CALL IF NECESSARY



CERTIFICATE OF SURVEY

I, THOMAS P. BECK, Jr., BEING A REGISTERED PROFESSIONAL ENGINEER DO HEREBY CERTIFY THAT THE SURVEY OF DRILL SITE LOCATION WELL No.3 CHIRAETTA, IN THE NE1/4 NE1/4, SECTION 22, T.15S., R.10E., SALT LAKE MERIDIAN, CARBON COUNTY, UTAH AND THE PLAT THEREOF WAS MADE UNDER MY SUPERVISION.

Thomas P. Beck, Jr.
 THOMAS P. BECK, Jr.

P.E. # 16096



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 INSTRUMENTS USED BY AIR PHOTO SURVEYS.

PLAT OF THE
 WELL No.3 CHIRAETTA
 CARBON COUNTY, UTAH

| | | | |
|--------------|-------------------|------------------|------------|
| STAKED BY: | SCALE: 1" = 1000' | DRAWN BY: N.P.B. | JOB NUMBER |
| SURVEYED BY: | DATE: 5/24/82 | CHECKED BY: | |

ORAL APPROVAL TO PLUG AND ABANDON WELL

Operator Carmack Drilling Company Representative John Ludwick

Well No. Chiaretta #3 Location NE 1/4 NE 1/4 Section 22 Township 15 S Range 10 E

County Carbon Field _____ State Utah

Unit Name and Required Depth _____ Base of fresh water sands _____

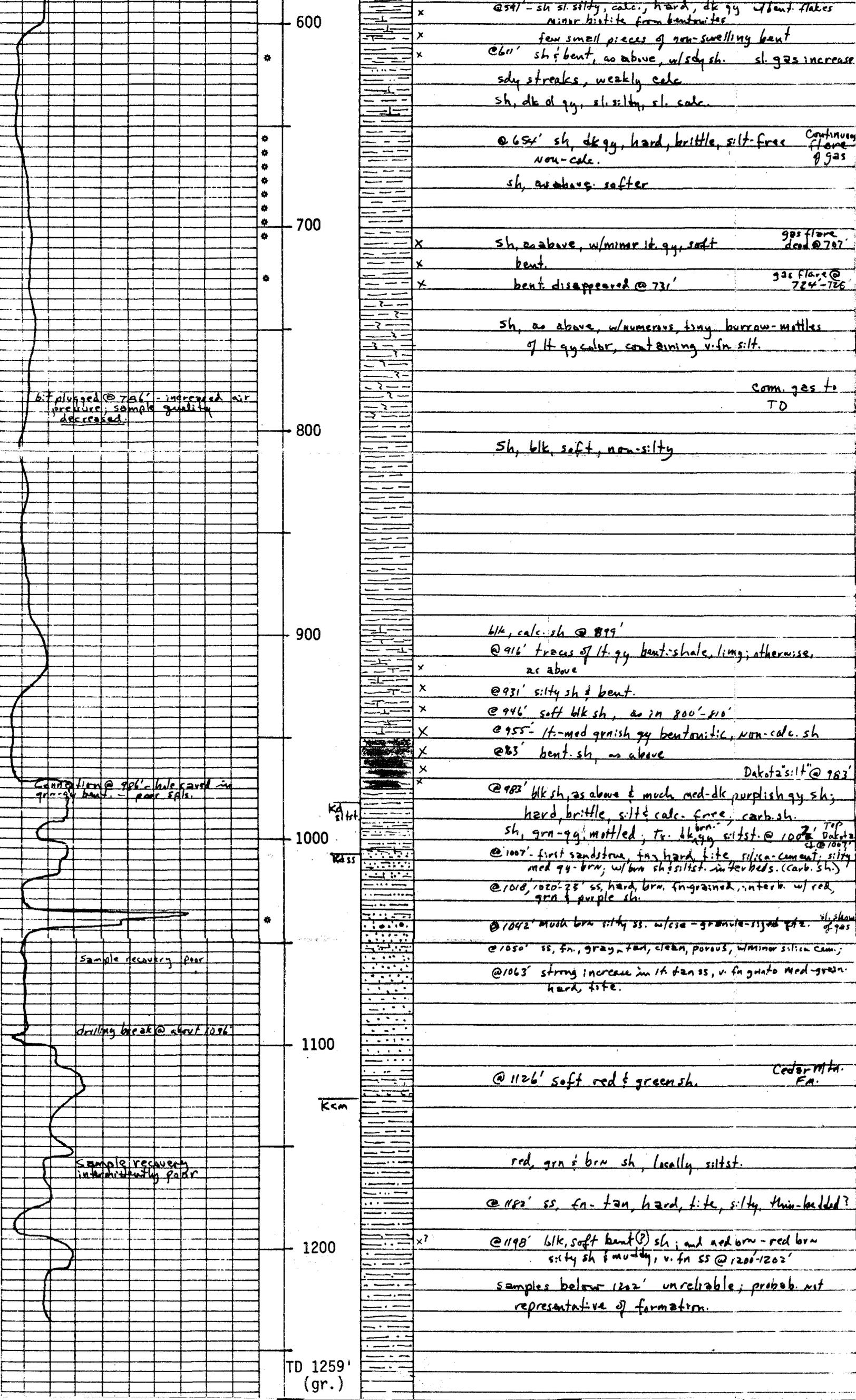
T.D. 1260 Size hole and Fill per sack _____ " _____ Mud Weight and Top _____ #/gal. _____

| Casing Size | Set At | Top of Cement | To Be Pulled | Plugging Requirements | | |
|------------------|----------------|---------------|--------------|-----------------------|--------------|-----------------------|
| | | | | From | To | Sacks Cement |
| <u>8 5/8</u> | <u>240'</u> | _____ | _____ | <u>1260'</u> | <u>1110'</u> | <u>50</u> |
| _____ | _____ | _____ | _____ | <u>550'</u> | <u>450'</u> | <u>100' Cmt. plug</u> |
| <u>Formation</u> | <u>Top</u> | <u>Base</u> | <u>Shows</u> | <u>340'</u> | <u>190'</u> | <u>100' cmt. plug</u> |
| <u>Mancos</u> | <u>surface</u> | _____ | _____ | _____ | _____ | _____ |
| <u>Ferron</u> | <u>490'</u> | _____ | _____ | _____ | _____ | _____ |
| <u>Tunuck</u> | <u>600'</u> | _____ | _____ | _____ | _____ | _____ |
| <u>Dakota</u> | <u>890'</u> | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ |

REMARKS

DST's, lost circulation zones, water zones, etc., _____

Approved by C. B. Feight Date 5-29-81 Time _____ a.m.
 _____ p.m.
 82



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

WELL INSPECTION RECORD

NAME OF COMPANY: MILAGRO ENERGY RESOURCES #3 CHIARETTA

WELL NAME: Formerly the CARMACK DRILLING # 3 CHERRITTA (DRILLED 6/15/82)

SECTION: _____ TOWNSHIP: _____ - RANGE: _____ COUNTY: _____

DATE: _____ 19 _____ LOCATION INSPECTED

TOTAL DEPTH: _____ AT TIME OF VISIT

NAME OF DRILLING CONTRACTOR: _____

RIG NUMBER: _____

COMMENTS:

This well was being worked over when I visited it in late 1982,
and is now plugged and abandoned. It was located east of
the Catherine Chearetta, near a stream, and they could never cut
off the ~~water~~ flow of water. BEN BUE was on site at that time

Buh

DATE: March 24 1984 SIGNED: *Jean Lester Decker*
SEND TYPED COPY TO COMPANY: YES _____ NO _____

TO

Utah Natural Resources & Energy
Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84174

FROM

CARMACK DRILLING CO.
2154 HIGHWAY 6 & 50
GRAND JUNCTION, CO. 81501

D

SUBJECT

Cherriatta #3, Carbon County, Utah

DATE

6 / 29 / 82

MESSAGE

Enclosed is 1 copy of the log of Cherriatta #3, Carbon County, Utah.

RECEIVED
JUL 29 1982

DIVISION OF
OIL, GAS & MINING

SIGNED

Dan Fiep

NO REPLY NECESSARY

REPLY REQUESTED - USE REVERSE SIDE

June 8, 1982

Mosbacher Production
c/o Allen, Bludworth & Crouch
P.O. Box 976
Casper, Wyoming 82602

RE: Well No. State #18-1A
Sec. 18, T14S, R8E
Carbon County

Insofar as this office is concerned, approval to drill the above referred to gas 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. However, this is conditional upon termination of well State #18-1, Sec. 18, T14S, R8E.

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

CLEON B. FEIGHT
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in 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 43-007-30077.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Cleon B. Feight
Director

CBF:SC
cc: State Lands
Enclosure

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

SUBMIT IN TRIPLICATE*
(0. 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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | | 5. LEASE DESIGNATION AND SERIAL NO. Fee |
| 2. NAME OF OPERATOR Carmack Drilling Co. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A |
| 3. ADDRESS OF OPERATOR 2154 Highway 6 & 50, Grand Junction, Colo 81501 | | 7. UNIT AGREEMENT NAME N/A |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1240 1000 S. of North Line; 1000 West of East Line - NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 22 T15 S R10E, SLM | | 8. FARM OR LEASE NAME Miller Creek |
| 14. PERMIT NO. 43-007-30077 | 15. ELEVATIONS (Show whether OF, RT, GR, etc.) 5500 GR | 9. WELL NO. Cherriatta #3 |
| | | 10. FIELD AND POOL, OR WILDCAT unnamed |
| | | 11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 22 T15 S R10E, SLM |
| | | 12. COUNTY OR PARISH 13. STATE Carbon 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 checked="" type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| SHOOT OR ACIDIZE <input type="checkbox"/> | ABANDON* <input type="checkbox"/> | SHOOTING OR ACIDIZING <input checked="" type="checkbox"/> | ABANDONMENT* <input type="checkbox"/> |
| REPAIR WELL <input type="checkbox"/> | CHANGE PLANS <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.)

Run 5 $\frac{1}{2}$ " 15.5# K-55 casing to 531' and cement to surface. Shoot 10 - 3/8 holes at 494-495-498-499-500-501-502-503-508-509-510. Frac with 17,000# 20-40 sand. Tested and shut in waiting on agreement with purchaser.

RECEIVED
JUL 02 1982

DIVISION OF
OIL, GAS & MINING

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

SIGNED Ruby Carmack TITLE President DATE June 29, 1982

(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

October 29, 1982

Carmack Drilling Company
2154 Highway 6 & 50
Grand Junction, Colo. 81501

Re: Well No. Cherriata #3
Sec. 22, T. 15S, R. 10E.
Carbon County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

A handwritten signature in cursive script that reads "Cari Furse".

Cari Furse
Clerk Typist

CF/cf
Enclosure

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

5. LEASE DESIGNATION AND SERIAL NO.
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
MILLER CREEK

9. WELL NO.
CHERRIATTA #3

10. FIELD AND POOL, OR WILDCAT
UNNAMED

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
NW 1/4, NE 1/4, NE 1/4, Sec. 22, T15S, R10E, SLM

12. COUNTY OR PARISH
CARBON

13. STATE
UTAH

14. PERMIT NO. 43-007-30077

DATE ISSUED 5-18-82

15. DATE SPUDDED 5-21-82

16. DATE T.D. REACHED 5-30-82

17. DATE COMPL. (Ready to prod.) 6-17-82

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5500 GR

19. ELEV. CASINGHEAD 5500

20. TOTAL DEPTH, MD & TVD 1258

21. PLUG, BACK T.D., MD & TVD 531

22. IF MULTIPLE COMPL., HOW MANY* N/A

23. INTERVALS DRILLED BY → ALL

ROTARY TOOLS ALL

CABLE TOOLS NONE

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
494 - 510 Ferron Sand

25. WAS DIRECTIONAL SURVEY MADE
NO

26. TYPE ELECTRIC AND OTHER LOGS RUN
Gamma Ray, Bulk Density - Neutron - Porosity, Perforating

27. WAS WELL CORED
NO

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other Shut In

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

2. NAME OF OPERATOR
CARMACK DRILLING CO. *CMilagro*

3. ADDRESS OF OPERATOR
2154 Highway 6 & 50, Grand Junction, Colorado 81505

4. LOCATION *1000'* Report location clearly and in accordance with State requirements*
At surface *1000'* S. of North Line; *1000'* W. of East Line
NW 1/4, NE 1/4, NE 1/4, Sec 22, T15S, R10E, SLM
At top prod. interval reported below
At total depth

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

| CASING SIZE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|-----------------|----------------|-----------|------------------|---------------|
| 8 5/8 | 24 | 240' | 11 | 80 sacks | NONE |
| 5 1/2 | 15.5 | 531' | 7 7/8 | 125 sacks | NONE |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) |
|------|----------|-------------|---------------|-------------|
| NONE | | | | |

30. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------------|-----------------|
| NONE | | |

31. PERFORATION RECORD (Interval, size and number)
494' - 510' 10 holes 3/8"

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

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| 494' - 510' | 17000 lbs. 20-40 Sand |

33.* PRODUCTION

DATE FIRST PRODUCTION Shut In - NONE

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing

WELL STATUS (Producing or shut-in) Shut In

| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD | OIL—BBL. | GAS—MCF. | WATER—BBL. | GAS-OIL RATIO |
|--------------|--------------|------------|-------------------------|----------|----------|------------|---------------|
| NONE | ---- | ---- | → | | | | |

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

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS
Logs from Gearhart & Geosource, Inc; Geological report from Powell & Assoc.

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

SIGNED *Ruby Carmack* TITLE *President* DATE *11-4-82*

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

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

| 37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES | | 38. GEOLOGIC MARKERS | |
|---|-----|-----------------------------|--|
| FORMATION | TOP | DESCRIPTION, CONTENTS, ETC. | NEAR. DEPTH |
| | | | TOP |
| | | | TRUE VERT. DEPTH |
| FERRON | 494 | SAND | SURFACE 490 568 1007 1126 |
| | | 510 | MANCOS FERRON TUNUNK DAKOTA CEDAR MTN. |
| | | | SEE ENCLOSED |

POWELL & ASSOCIATES

CONSULTING GEOLOGISTS

EXPLORATION AND RESEARCH IN MINERAL AND FUEL RESOURCES
DOMESTIC AND FOREIGN

2697 CONTINENTAL DRIVE
GRAND JUNCTION, COLORADO 81501
(303) 241-1222

SUMMARY REPORT
CARMACK DRILLING COMPANY
CHERRIATTA # 3
NE $\frac{1}{4}$, Sec. 22, T15s, R10e SLM
Carbon County, Utah
June 7, 1982

RECEIVED
NOV 08 1982
DIVISION OF
L. GAS & MINING

J. Dan Powell
Consulting Geologist

The middle part of the Ferron contains light to dark gray, silty shale, carbonaceous shale, coal, and calcareous very fine grained sandstone. On the outcrop, this zone shows as a shaly break between resistant sandstones.

The lower sandstone (about 40' thick) is similar to the upper sand but contains more shaly breaks and becomes more muddy and calcitic in the lower 30'. On the outcrop south of the well site the upper Ferron sand appears to be marine in origin. The coaly shale zone in the middle is not well exposed, but the lower sand is tightly cemented with calcite and ferruginous matter. This sand was probably formed in deltaic distributary channels.

Gas shows in the Ferron were confined to the upper sandstone and the sandy zones in the middle coaly interval. The continuous gas flare at the blowie line began in the overlying Blue Gate shale and persisted through the upper Ferron and to about 15' below the top of the coaly shale. Strongest gas blows were between 498' and 525'.

The Tununk Shale Member of the Mancos was topped at 568'. The uppermost 20-25' of Tununk are soft, non-calcareous, silt-free, bentonitic clay shale. At 591' a silty, slightly calcareous zone containing bentonitic streaks marks the top of a silty interval widely persistent regionally beneath the Ferron. A slight gas show occurred at about 618' in this calcareous, bentonitic zone. Beneath the silty zone, the Tununk is mainly clay shale with a few bentonitic streaks. Gas flare occurred at 564' and persisted during drilling to 707'. The lower part of the Tununk contains 30 to 40 feet of pale greenish gray to dark olive gray, bentonitic shale and bentonite. This unit contains at least one 10-foot zone of blocky-fracturing bentonitic shale that tended to continuously disintegrate into walnut-sized fragments during drilling. It was this zone that collapsed prior to logging and bridged off the lower part of the hole.

The Dakota Formation consists of an upper silty shale zone and a lower sandy zone. The top of the silty zone in this hole is at 983'. This silty interval contains gray-brown siltstone streaks, brown to black carbonaceous shale and purplish gray clay shale. Top of Dakota sandstone is at 1007'. The sandstone is fine grained, hard, tight,

silica-cemented, and silty. Carbonaceous shale and brown siltstone beds appear to break up the sand interval. Sandstone and brown to gray shale breaks seem to occupy the whole Dakota sandy interval. Beneath the main sandy zone (1007-1018') red, green and purple shale occur throughout the Dakota interval. Sands in this lower zone are probably thin and discontinuous laterally. Sample quality in the whole Dakota-Cedar Mountain interval is poor.

The Cedar Mountain Formation is characterized by abundant bright green and brick red clay shale with thin, brown siltstone and a few thin sandstone beds. The sample top of the Cedar Mountain is at 1126'. No sandstones of importance were encountered. In nearby areas certain sandstones in this interval are present but have no history of significant hydrocarbon production. However, in Grand County and southern Uintah County, at least two of the Cedar Mountain sands produce oil and gas. Electrical logs from wells farther south on the Miller Creek structure indicate that an interesting sand build-up in the upper Cedar Mountain might be prospective.

GEOLOGIC SUMMARY

Carmack Drilling Company

Cherriatta # 3

1259' Dakota test, NE $\frac{1}{4}$, Sec. 22, T15s, R10e

Carbon County, Utah

May, 1982

The Cherriatta # 3 test hole was sample-logged from 242 feet (below ground level) to 1259 feet TD. Geologist was on site from commencement of drilling through casing shoe to TD. Well spudded in soil covering the Blue Gate Shale Member of the Mancos Shale.

The Blue Gate Shale Member consists predominantly of soft, olive gray to dark blue-gray shale containing thin, very fine silty zones and thin, discontinuous bentonite seams. Bentonite commonly shows in samples as minutely biotite-bearing, white (very light gray) flecks, lumps, and chips. Calcareous zones in the Blue Gate shale seem to be associated with the bentonitic intervals. The strongest gas shows in the Blue Gate occurred at and beneath each of the bentonitic/calcareous zones.

Gas shows in the Blue Gate interval occurred first as connection flares at 438' (sample log). Flare persisted from 468' to about 548' (Ferron). During one shut-down of drill operations at about 498', a choke line pressure test showed 200 psi after 30 minutes shut-in. Pressure bled off through a $\frac{1}{4}$ " orifice to less than 5 psi after 25 minutes. No other tests were conducted, although the gas blow was greater at around 500'.

The Ferron Sandstone Member of the Mancos was topped at 490'. The Ferron includes two discrete sand bodies separated by a few feet of coal and silty shale. The upper sand (about 30') is hard, tight, silica-cemented, silty, very fine grained sandstone in the upper few feet. The lower 15-20 feet of the upper sand were not readily distinguished from the upper zones because recovery of well cuttings was poor in that zone. Intergranular porosity is not discernible in samples, but neutron/density logs indicate considerable gas-filled porosity in much of the upper sand. Air-drilled sample returns ceased at 507' (17' below top of the Ferron), indicating wet formation.

WELL CHRONOLOGY

Carmack Drilling Company, Cherriatta #3

| <u>Date</u> | <u>*Depth (8 AM)</u> | <u>24 hr. ftg.</u> | <u>Operations</u> |
|-------------|----------------------|--------------------|--|
| 5-22-82 | --- | --- | Spud at 1:00 PM; drilling with gel mud, 10 5/8" bit. |
| 5-23-82 | 200 | 200 | Drilling surface hole; penetration rate device ("geolograph") connected to read depths below gr. level. |
| 5-24-82 | 242 | 42 | Ran 8 5/8" casing @ 242', cemented w/ 80 sacks; place BOP and test to 1000 psi; began drilling out casing shoe at 3:00 PM, (7 7/8" hole). |
| 5-25-82 | 518 | 276 | Drilling in shale; first connection gas at 410'; weak gas flow during repair shut-down at 430'; 433-435' moderate gas flare; gas flare continuous at 460'; converted to air-foam mist at 499' (6:00PM); flare dead at 548'; new gas flare from 654-707'. |
| 5-26-82 | 778 | 260 | Rig repair & adjustments at 778', hole loaded, bit plugged, trip out & in; increased air pressure to unload hole, sample quality reduced to poor. |
| 5-27-82 | 904 | 126 | Rig repair and adjustments; drilling. |
| 5-28-82 | 998 | 94 | Hole caved at 978'; bit plugged; trip in and out; drilling. |
| 5-29-82 | 1168 | 170 | Hole caving, drilling slow; slight gas show at 1042'. |
| 5-30-82 | 1259 | 90 | Drill to TD, 1259'; mix mud, mud hole; hole caved, filled to 960'; ran log from 960 to 300'; set cement plugs. |

* Depths below ground level

Formation Tops
(Measured from KB elev.)

Carmack Drilling Company

Cherriatta #3

| Formation/Member | Depth | Datum | Thickness |
|--------------------------|---------|--------|-----------|
| Mancos Shale | | | |
| Blue Gate Shale Mbr. | surface | --- | --- |
| Ferron Sandstone Mbr. | 490 | 5018 | 78 |
| Tununk Shale Mbr. | 568 | 4940 | 415 |
| "Dakota silt" | (983) | (4525) | (24) |
| Dakota Formation | 1007 | 4501 | 113 |
| Cedar Mountain Formation | 1126 | 4382 | --- |

WELL SUMMARY

Carmack Drilling Company

Cherriatta #3

1290 feet from north line, 1070 feet from east line

NW $\frac{1}{4}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$, Sec. 22, T 15s, R 10e

Miller Creek Area

Carbon County, Utah

Ground elevation: 5500'; KB elevation: 5508'

Spud date: May 22, 1982

Completion date: May 29, 1982

Total depth: 1259 feet (below ground elevation)

Drilling supervisor: John Ludwick, Eclipse Engineering

Geologist: J. Dan Powell, Powell & Associates

Drilling contractor: Richardson Drilling Company

Hole size: 10 5/8 surface to 242 feet; 7 7/8 to TD

Surface casing: 8 5/8 to 242 feet

Drilling fluid: air to 499 feet; air-foam mist to TD

Compressors and operations: Air Drilling Associates, Inc.

Mud logging: none

Drill stem tests: none

Electrical logging: Gearhart Industries, Inc.

Status: Plugged and abandoned, May 29, 1982

November 9, 1982

Cleon B. Feight, Director
Division of Oil, Gas, and Mining
Department of Natural Resources
State of Utah

Re: Well No. Chiaretta #3
Section ~~235~~, T15S, R10E
Carbon County, Utah
API # 43-007-30077

Dear Mr. Feight:

This well was drilled to a depth of 1250' and 8-5/8" casing was set at 241' and cemented to surface. A 7-7/8" hole was drilled to T.D. at 1258'. The well was then plugged and abandoned.

Later it was decided to complete the well in the Ferron Sand. The cement was drilled out and 5 1/2" casing set at 531' and cemented with 125 sacks. The well was perforated at 494', 495'; 498' - 503' and 506' - 508'. The perforations were acidized with 200 gallons of 7 1/2% HCl and fractured with 17,000# of 20 - 40 sand.

Tests after the fracture treatment showed the well producing 10 bbls. of water per hour and a small amount of gas.

It is now proposed that the existing perforations be squeezed with 50 sacks of Class "G" cement to shut off the water. The well will then be re-entered and cleaned out to approximately 1,000' so that the Tunuck formation can be tested.

An Application for Permit to Drill, Deepen, or Plug Back is attached.

RECEIVED
NOV 09 1982

Sincerely,

Ben Buh
Ben Buh
Petroleum Engineer
Milagro Energy Resources Co.

DIVISION OF
OIL, GAS & MINING

BB
Enclosure

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

(Other instructions on reverse side)

5. Lease Designation and Serial No.

Fee

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

N/A

8. Farm or Lease Name

Miller Creek

9. Well No.

Chiaretta #3

10. Field and Pool, or Wellhead
Miller Creek 030
Unnamed

11. Sec., T., R., M., or Blk. and Survey or Area

NW 1/4, NE 1/4, NE 1/4, Sec. 22, T15S, R10E, SLM

12. County or Parrish 13. State

Carbon Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL []

DEEPEN [X]

PLUG BACK []

b. Type of Well

Oil Well []

Gas Well [X]

Other

Single Zone []

Multiple Zone [X]

2. Name of Operator

Milagro Energy Resources Co.

3. Address of Operator

P.O. Drawer 934, Albuquerque, New Mexico 87103

4. Location of well. Report location clearly and in accordance with (see requirements.*)

At surface 1290 South of North Line; 1070 West of East Line - NW 1/4 NE 1/4 NE 1/4 Sect 22, T15S R10E Salt Lake Meridian

14. Distance in miles and direction from nearest town or post office*

6 1/2 Miles South of Price, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)

2700' East of Chiaretta #1

16. No. of acres in lease 10,000

17. No. of acres assigned to this well 160

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.

2700' E. of Chiaretta #1

19. Proposed depth 1,000'

20. Rotary or cable tools Rotary (Power Swivel)

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

GR 5500'

22. Approx. date work will start*

11/10/82

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: Size of Hole, Size of Casing, Weight per Foot, Setting Depth, Quantity of Cement. Rows include Existing 11" and Existing 7-7/8" casing details.

The existing perforations at 494' 508' will be squeezed with 50 sx. of Class "G" cement. The cement will be drilled out and the well deepened to a depth of approx. 1000' with a 4-3/4" bit. This will allow the testing of the Tunuck formation. Should this formation prove productive, the well will be completed open hole from the casing seat @ 531' to T.D. If the well is not productive, it will be plugged back to 530' with the approval of the State of Utah. The well will then be completed in the Ferron and Bluegate Shale zones with perforations at 490' - 493' and 419' - 422'. A BOP with hydraulically operated blind and pipe rams will be installed on the well head. The well will be deepened and cleaned out using a workover rig with a power swivel.

RECEIVED
NOV 09 1982

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 Ben Buhl Title Petroleum Engineer Date 11/9/82

(This space for Federal or State office use)

Permit No.

Approval Date

Approved by Title

Conditions of approval, if any:

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

DATE: 11-15-82 BY: [Signature]

*See Instructions On Reverse Side

OPERATOR MILAGRO ENERGY RESOURCES CO

DATE 11-10-82

WELL NAME CHIARETTA # 3

SEC NW NE NE 22 T 15S R 10E COUNTY CARBON

43-007-30077
API NUMBER

FEE
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

HL

NID

PI

MAP

PROCESSING COMMENTS:

CARBONIC HAS BEEN THE OPERATOR OF THIS WELL. THIS APD IS TO
DEEPEN AND CHANGE OPERATOR

ALTHOUGH MILAGRO WILL BE SURRENDERING PERMITS, THE
EXISTING CARBONIC PERMITS IS STILL IN EFFECT
RJT ✓

APPROVAL LETTER:

SPACING:

A-3

UNIT

c-3-a

CAUSE NO. & DATE

c-3-b

c-3-c

~~SPECIAL LANGUAGE~~

and this is a permit to deepen, and will
require some change in the approval in format.
RJT

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT _____

c-3-b

c-3-c

*needs bond and
change of operator
summary.*

[Signature]
11-9-02

*Per office visit with
Ben Bush
11-9-02*

OUTSTANDING OR OVERDUE REPORTS FOR OTHER WELLS OF THE OPERATOR.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

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. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | | 5. LEASE DESIGNATION AND SERIAL NO. Fee |
| 2. NAME OF OPERATOR Milagro Energy Resources | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A |
| 3. ADDRESS OF OPERATOR P.O. Drawer 934, Albuquerque, New Mexico 87103 | | 7. UNIT AGREEMENT NAME N/A |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 660' South of North Line; 990' West of East Line - NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sect 22, T15S, R10E Salt Lake Meridian | | 8. FARM OR LEASE NAME Miller Creek |
| 14. PERMIT NO. 43-007-30077 | 15. ELEVATIONS (Show whether OF, RT, GR, etc.) GR 5500' | 9. WELL NO. Chiaretta #3 |
| 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data | | 10. FIELD AND POOL, OR WILDCAT Unnamed |
| 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.)* | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW $\frac{1}{4}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$, Sec. 22, T15S, R10E, SLM |
| The operator of this lease has been changed From: Carmack Drilling Company 2154 Hi Way 6-50 Grand Junction, Colorado 81501 To: Milagro Energy Resources Company P. O. Drawer 934 Albuquerque, New Mexico 87103 | | 12. COUNTY OR PARISH 13. STATE Carbon Utah |

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

| | |
|---|---|
| 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) Change of Operator <input type="checkbox"/> | |

| | |
|--|--|
| 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 type="checkbox"/> | |

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

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

SIGNED Ben Buh TITLE Consulting Pet. Engineer DATE 11/11/82

(This space for Federal or State office use)

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

November 15, 1982

Milagro Energy Resources Company
P. O. Drawer 934
Albuquerque, New Mexico 87103

RE: Well No. Chiaretta #3
NWSESE Sec. 22, T.15S, R.10E
Carbon County, Utah

Gentlemen:

Insofar as this office is concerned, approval to **deepen** the above referred gas well is hereby granted in accordance with the Order issued in Cause No. 137-2 dated February 25, 1982.

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

RONALD J. FIRTH - Engineer
Office: 533-5771
Home: 571-6068

OR

CLEON B. FEIGHT - Director
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in 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 43-007-30077.

Sincerely,


Norman C. Stout
Administrative Assiatant

NCS/as
Enclosure

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

BMIT 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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | | 3. LEASE DESIGNATION AND SERIAL NO. Fee |
| 2. NAME OF OPERATOR Milagro Energy Resources | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A |
| 3. ADDRESS OF OPERATOR P. O. Drawer 934, Albuquerque, New Mexico 87103 | | 7. UNIT AGREEMENT NAME N/A |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 660' South of North Line; 990' West of East Line - NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sect 22, T15S, R10E Salt Lake Meridian | | 8. FARM OR LEASE NAME Miller Creek |
| 14. PERMIT NO. 43-007-30077 | 15. ELEVATIONS (Show whether DF, RT, OR, etc.) GR 5500" | 9. WELL NO. Chiaretta #3 |
| | | 10. FIELD AND POOL, OR WILDCAT Unnamed |
| | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 22 T15S, R10E, SLM |
| | | 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"/> | FULL 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>Work over</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 and 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.)*

This well was producing 10 - 15 BPH of salty water with an occasional trace of gas. The existing perforations at 494'; 495'; 498' - 503" and 506' - 508" were squeezed with 40 sx of Class "G" cement. The well was then cleaned out to 934'. Open hole was from 538' to 934'. This section was swabbed dry. There was no indication of gas or water flow into the well bore. A cast iron plug was set at 520'. The well was then perforated at 490' - 495' with 2 spf. The perforations were broken down with formation water and the well swabbed. There was very little indication of fluid flow into the well bore. The well is now shut in for observation and further evaluation. **OPERATIONS SUSPENDED.**

VICKY,
USE THIS FOR AS
MUCH OF THE WORK
AS POSSIBLE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 2/11/82
BY: [Signature]

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

SIGNED Bern Bush TITLE Cons 29/82

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY: _____

4-8-82

*See Instructions on Reverse Side

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

SMIT IN TRIPLICATE*
(Other instructions on reverse side)

| | | |
|---|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS <small>(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.)</small> | | 5. LEASE DESIGNATION AND SERIAL NO. Fee |
| 1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A |
| 2. NAME OF OPERATOR Milagro Energy Resources | | 7. UNIT AGREEMENT NAME N/A |
| 3. ADDRESS OF OPERATOR P. O. Drawer 934, Albuquerque, New Mexico 87103 | | 8. FARM OR LEASE NAME Miller Creek |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 660' South of North Line; 990' West of East Line - NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sect 22, T15S, R10E Salt Lake Meridian | | 9. WELL NO. Chiaretta #3 |
| 14. PERMIT NO. 43-007-30077 | | 10. FIELD AND FOOL, OR WILDCAT Unnamed |
| 15. ELEVATIONS (Show whether OF, RT, OR, etc.) GR 5500" | | 11. SEC., T., R., M., OR BLK. AND SUBVY OR AREA NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 22 T15S, R10E, S1M |
| 16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data | | 12. COUNTY OR PARISH Carbon |
| 17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and 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.)* | | 13. STATE Utah |

| | | | | | | | |
|--|---|--|---|---|--|---|--|
| 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>Work over</u> | |
| (Other) <u>Work over</u> | | | | (NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) | | | |

This well was producing 10 - 15 BPH of salty water with an occasional trace of gas. The existing perforations at 494'; 495'; 498' - 503" and 506' - 508" were squeezed with 40 sx of Class "G" cement. The well was then cleaned out to 934'. Open hole was from 538' to 934'. This section was swabbed dry. There was no indication of gas or water flow into the well bore. A cast iron plug was set at 520'. The well was then perforated at 490' - 495' with 2 spf. The perforations were broken down with formation water and the well swabbed. There was very little indication of fluid flow into the well bore. The well is now shut in for observation and further evaluation. **OPERATIONS SUSPENDED.**

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
 DATE: 11/29/82
 BY: [Signature]

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

SIGNED Bern Buda TITLE Consltg. Pet. Engineer DATE 11/29/82

(This space for Federal or State office use)

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



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

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

December 29, 1983

Milagro Energy Resources
P. O. Drawer 934
Albuquerque, New Mexico 87103

RE: Well No. Chiaretta #3
API #43-007-30077
1290' FNL, 1070' FEL NE NE
Sec. 22, T. 15S, R. 10E.
Carbon County, Utah

Gentlemen:

This letter is to advise you that the Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward to this office as soon as possible.

We will be happy to acknowledge receipt of response to this notice if you will include an extra copy of the transmittal letter with a place for our signature, and a self addressed envelope for the return. Such acknowledgement should avoid unnecessary mailing of a second notice from our agency.

Your prompt attention to the above will be greatly appreciated.

Respectfully,

Claudia Jones
Well Records Specialist

CJ/cj
Enclosure



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dianne R. Nielson, Ph.D., Division Director

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

August 21, 1984

Milagro Energy Resources
P.O. Drawer 934
Albuquerque, New Mexico 87103

Attention: Drilling Department

Gentlemen:

RE: Well No. Cherriatta #3 - Sec. 22, T. 15S., R. 10E.,
Carbon County, Utah - API #43-007-30077

This letter is to advise you that the "Well Completion or Recompletion Report and Log" (Form OGC-3), for the subject well is due and has not been filed with this office as required by our rules and regulations.

Rule C-5 of The Oil and Gas Conservation General Rules and Regulations and Rules and Practice and Procedure states that within ninety (90) days after the suspension of operations on, abandonment of, or the completion of any well drilled for the production of oil and/or gas, and within ninety (90) days after the completion of any further operations on the well, if such operations involved drilling deeper or drilling or re-drilling any formation, a well log shall be filed with the Commission on a form prescribed by the Commission, (Form OGC-3), together with a copy of the electric and radioactivity logs, if run.

Enclosed are the necessary forms for your convenience in bringing this well into compliance with the aforementioned.

Your prompt attention to the above will be greatly appreciated.

Sincerely,

Claudia Jones
Well Records Specialist

clj
Enclosure
cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
file

8925-1

- **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
- Show to whom and date delivered _____¢
- Show to whom, date, and address of delivery .. _____¢
2. **RESTRICTED DELIVERY**..... _____¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ _____

3. **ARTICLE ADDRESSED TO:**
MILAGRO ENERGY RESOURCES
P O DRAWER 934
ALBUQUERQUE NM 87103

4. **TYPE OF SERVICE:**

- REGISTERED INSURED
- CERTIFIED COD
- EXPRESS MAIL

ARTICLE NUMBER

(Always obtain signature of addressee or agent)

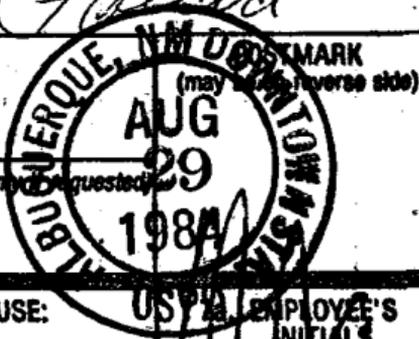
I have received the article described above.

SIGNATURE Addressee Authorized agent

5. DATE OF DELIVERY

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:



UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



**PENALTY FOR PRIVATE
USE, \$300**

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested"
- adjacent to number.

**RETURN
TO**



CLAUDIA JONES
DIV OIL GAS & MINING

(Name of Sender)

4241 STATE OFFICE BLDG

(Street or P.O. Box)

SALT LAKE CITY UT 84114

(City, State, and ZIP Code)



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dianne R. Nielson, Ph.D., Division Director

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

October 30, 1984

CERTIFIED

Milagro Energy Resources
P.O. Drawer 934
Albuquerque, New Mexico 87103

2nd NOTICE

Gentlemen:

Re: Well No. Chiaretta #3 - Sec. 22, T. 15S., R. 10E.
Carbon County, Utah - API #43-007-30077

This letter is to advise you that the "Recompletion Report and Log" for the above referred to well is due and has not been filed with this office as required by our rules and regulations.

Rule C-5 of The Oil and Gas Conservation General Rules and Regulations and Rules and Practice and Procedure states:

Within ninety (90) days after the suspension of operations on, abandonment of, or the completion of any well drilled for the production of oil and/or gas, and within ninety (90) days after the completion of any further operations on the well, if such operations involved drilling deeper or drilling or redrilling any formation, a well log shall be filed with the Commission on a form prescribed by the Commission, together with a copy of the electric and radioactivity logs, if run.

****You are in violation of the above rule. If you wish to continue developing business in the State of Utah, compliance with pertinent rules and regulations is essential. Further delay in your attention to this matter may result in punitive action. Please submit the required information as stated above within fifteen (15) days.**

Page 2
Milagro Energy Resources
Well No. Chiaretta #3
October 30, 1984

Please complete the enclosed Form OGC-3 and forward it to this office as soon as possible.

Respectfully,



Norman C. Stout
Administrative Assistant

clj

Enclosure

cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
File
0000011/11-12

- **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
- Show to whom and date delivered _____¢
- Show to whom, date, and address of delivery .. _____¢
2. **RESTRICTED DELIVERY**..... _____¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$ _____**3. ARTICLE ADDRESSED TO:**

MILAGRO ENERGY RESOURCES
P O BOX 934 ALBUQUERQUE NM 87106

4. TYPE OF SERVICE:

- REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL

ARTICLE NUMBER

707 260 086

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Addressee Authorized agent5. **DATE OF DELIVERY**

11-2

6. **ADDRESSEE'S ADDRESS** (Only if requested)7. **UNABLE TO DELIVER BECAUSE:**8. **EMPLOYEE'S INITIALS**

RETURN RECEIPT

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



**PENALTY FOR PRIVATE
USE, \$300**

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested"
- adjacent to number.

**RETURN
TO**



DIVISION OF OIL GAS & MINING

(Name of Sender)

4241 STATE OFFICE BLDG

(Street or P.O. Box)

SALT LAKE CITY UT 84114

(City, State, and ZIP Code)

P 707 260 086

RECEIPT FOR CERTIFIED MAIL

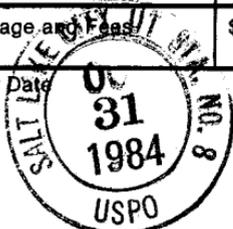
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517

| | |
|--|----|
| Sent to MILAGRO ENERGY RESOURCES | |
| Street and No. P O BOX 934 | |
| P.O., State and ZIP Code ALBUQUERQUE NM 87103 | |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to whom and Date Delivered | |
| Return receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | \$ |

Postmark or Date



PS Form 3800, Feb. 1982

P 707 260 117

RECEIPT FOR CERTIFIED MAIL

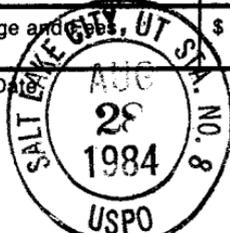
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

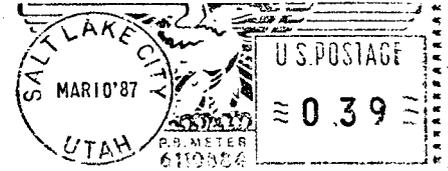
★ U.S.G.P.O. 1983-403-517

| | |
|--|----|
| Sent to MILAGRO ENERGY RESOURCES | |
| Street and No. P O DRAWER 934 | |
| P.O., State and ZIP Code ALBUQUERQUE NM 87103 | |
| Postage | \$ |
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to whom and Date Delivered | |
| Return receipt showing to whom, Date, and Address of Delivery | |
| TOTAL Postage and Fees | \$ |

Postmark or Date



PS Form 3800, Feb. 1982



FIRST CLASS



Address as it appears in computer

 UTAH
NATURAL RESOURCES
Oil, Gas & Mining
3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203

FIRST CLASS

MILAGRO ENERGY RESOURCES
P.O. DRAWER 934
ALBUQUERQUE, NEW MEXICO 87103
ATTN: PRODUCTION DEPT

*N 2590
(No Non-op. Flag)*

FIRST CLASS

Don't

*ACTIVE
Well on record*

CHIARETTA #3

4300730077

*COMPUTER STATUS: OPS
NO SPUD DATE IN COMPUTER*

APD 11-15-82

NE NE 22-155-106 (CARBON)

*CARD SHOWS WELL SPUD 5-22-82
ONLY THINGS IN WELL FILE
ARE LOGS*

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

FEE

5. LEASE DESIGNATION AND SERIAL NO.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., N., OR BLOCK AND SURVEY OR AREA

12. COUNTY OR PARISH
CARBON

13. STATE
UTAH

19. ELEV. CASINGHEAD

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

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

2. NAME OF OPERATOR
MILAGRO ENERGY RESOURCES

3. ADDRESS OF OPERATOR

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

At surface 1290 SNL 1070 FEL

At top prod. interval reported below

At total depth

14. PERMIT NO. DATE ISSUED

43-007-30077

15. DATE SPUDDED

5-22-82

16. DATE T.D. REACHED

6-17-82

17. DATE COMPL. (Ready to prod.)

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

5500' GR

20. TOTAL DEPTH, MD & TVD

1258'

21. PLUG, BACK T.D., MD & TVD

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

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

494-510' FRSD

25. WAS DIRECTIONAL SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS RUN

27. WAS WELL CORED

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

| CASING SIZE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|-----------------|----------------|-----------|------------------|---------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

29. LINER RECORD

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

30. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------------|-----------------|
| | | |
| | | |
| | | |

31. PERFORATION RECORD (Interval, size, and number)

820529 PAID THEN REDRILLED
821201 OPS PER RJFIRTH
861023 PAID PER INSPECTION

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

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| | |
| | |
| | |
| | |

33. PRODUCTION

DATE FIRST PRODUCTION: _____ PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) _____ WELL STATUS (Producing or shut-in) _____

| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD | OIL—BBL. | GAS—MCF. | WATER—BBL. | GAS-OIL RATIO |
|---------------------|-----------------|-------------------------|-------------------------|----------|------------|-------------------------|---------------|
| | | | | | | | |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL—BBL. | GAS—MCF. | WATER—BBL. | OIL GRAVITY-API (CORR.) | |
| | | | | | | | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

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 UC-DOGm

5-19-87

TITLE

DATE