

REMARKS: WFL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSPECTED SUB. REPORT abd
Application 5-1-85

DATE FILED **10-13-83**
 LAND: FEE & PATENTED **X** STATE LEASE NO. PUBLIC LEASE NO. INDIAN
 DRILLING APPROVED **10-13-83 - GAS (Cause No. 137-2B)**

SPUDDED IN.
 COMPLETED. PUT TO PRODUCING:

INITIAL PRODUCTION:
 GRAVITY A.P.I.

GOR
 PRODUCING ZONES

TOTAL DEPTH:
 WELL ELEVATION:

DATE ABANDONED: **LA 4-1-85**
 FIELD: **WILDCAT 3/86 Undesignated**

UNIT
 COUNTY: **CARBON**

WELL NO: **LOLA JONES #1** API #**43-007-30096**
 LOCATION: **1000' FSL** FT. FROM (N) (S) LINE. **1000' FEL** FT. FROM (E) (W) LINE. **SESE** 1/4 1/4 SEC. **23**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SFC.	OPERATOR
15S	10E	23	RANCHO ENERGY CORP.				

RANCHO

ENERGY CORPORATION

10200 Richmond, Suite 200
Houston, Texas 77042
(713) 781-6792

RECEIVED
SEP 30 1983

September 29, 1983

Mr. Norm Stout
State of Utah
Department of Natural Resources
4241 State Offices Building
Salt Lake City, Utah 87103

DIVISION OF
OIL, GAS & MINING

Dear Mr. Stout:

Please find enclosed our Application for Permit to Drill, Deepen, or Plug Back for the #1 Lola Jones in T-15-S, R-10-E, SLM, Section 23: SE $\frac{1}{4}$.

At the time this letter is being written, I have not been able to contact Mr. Page at the Water Rights Division. According to the secretary in his office, someone will be available in the office in the afternoon.

Also I am sending Federal Express the bond for this well to Mr. John Rowely of Merit Insurance, Inc. Hopefully he will be able to secure this for us in a short period of time.

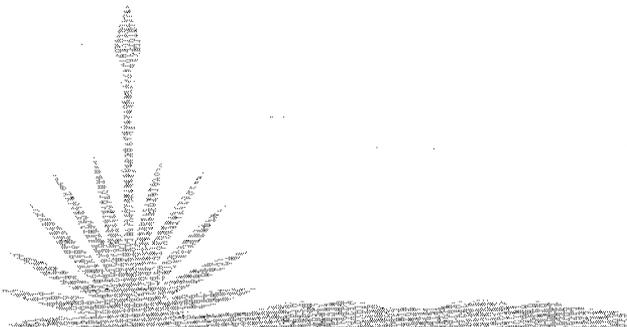
If you have any questions concerning this application, please do not hesitate to call.

Sincerely,

Melanie Watson

Melanie Watson

Enclosures



RANCHO

ENERGY CORPORATION

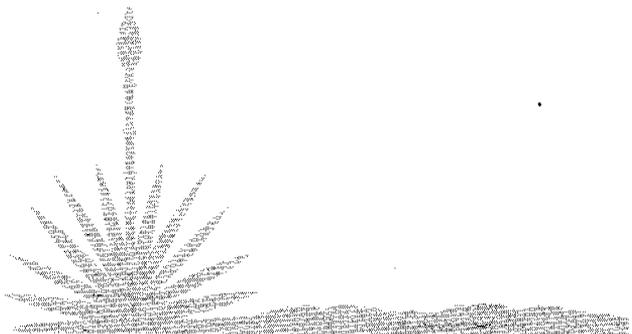
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DRILLING PLAN FOR #1 LOLA JONES, T-15-S, R-10-E

Section 23: SE $\frac{1}{4}$, MILLER CREEK FIELD

1. Surface Formation - Blue Gate Shale - Mancos
2. Estimated Geological Tops To Be Encountered:
Ferron Sandstone - +5110' A.S.L.* (est.)
Dakota Sandstone - +4500' A.S.L. (est.)
Top Morrison - +3600' A.S.L. (est.)
3. Anticipated Shows of Oil, Gas or Water -
Shows of gas - Ferron, Dakota, Tunuck
H₂O - 5100'
4. Where Perforations are Planned - Ferron and Dakota Sandstone
5. Logging Plans - Dual Induction, Gamma Ray Compensated Neutron Density and Porosity
6. Anticipated Abnormal Pressures or Hydrogen Sulfide?
Abnormal Pressures est. 4925-4970 A.S.L.
No Hydrogen Sulfide
7. Contingency Plan for Abnormal Pressures - Install Blowout Preventors and Hydraulic Blind and Pipe Rams
8. Mud Program - Air Drilled, 12 $\frac{1}{4}$ " Hole
9. Casing Program - Case to T.D. or Production Interval, 8 5/8" Surface, 5 $\frac{1}{2}$ " to Production Zone.
10. Surface Use Information - Use existing farm or rural roads. Site will be restored to meet existing BLM requirements.

* Above Sea Level



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

SUBMIT IN DUPLICATE*
(Other instructions on reverse side)

16

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL [X] DEEPEN [] PLUG BACK []
b. Type of Well Oil Well [] Gas Well [X] Other []
Single Zone [] Multiple Zone []

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.*)
At surface T-15-S, R-10-E, SLM Section 23: SE 1/4, 1000' from FSL and 1000' from FEL
At proposed prod. zone Same (As provided by Cause Order 137-2B)

14. Distance in miles and direction from nearest town or post office* 6.5 Miles SE from City of Price

15. Distance from proposed location to nearest property or lease line, ft. 1000' from FSL, 1000' from FEL
16. No. of acres in lease 40
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. None
19. Proposed depth 2,000'
20. Rotary or cable tools Rotary

21. Elevations (Show whether DF, RT, GR, etc.) 5,477.4'
22. Approx. date work will start* October 7, 1983

Table with 5 columns: Size of Hole, Size of Casing, Weight per Foot, Setting Depth, Quantity of Cement. Rows include 12 1/2" casing at 250' depth and 7-7/8" casing at 2,000' depth.

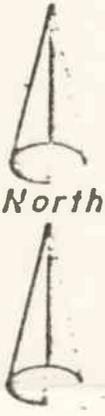
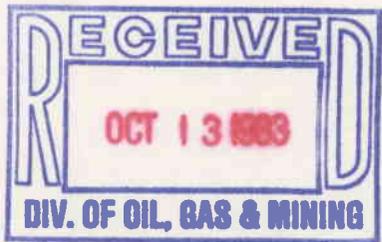
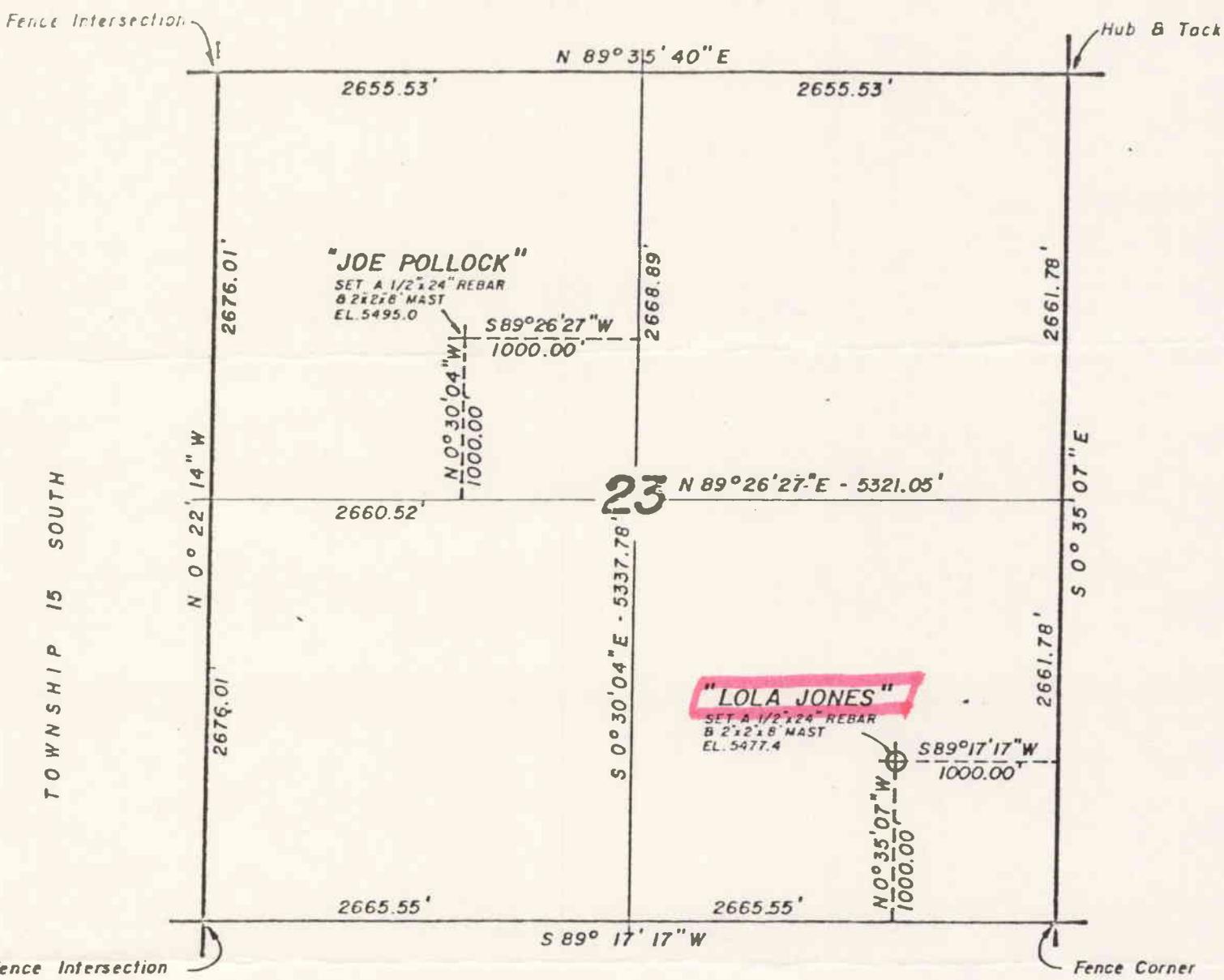
It is proposed to drill this well to a depth of 2,000' to test the hydrocarbon production possibilities of the Ferron, Tunnuck, Dakota, & Morrison formations. Rotary tools with air for circulation unless well conditions dictate the need to use liquid drilling fluids. 8 5/8" surface casing will be set at 250' and cemented to the surface. Should production zones be encountered, 5 1/2" casing will be set and cemented through the production zone. The casing will be perforated and the zone stimulated. A blowout preventor 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. Two inch fill and kill lines will be connected below the blind rams. Any hydrocarbons encountered will be flared at the end of the blowline. A float valve will be used in the bottom drill collar at all times.

See further information on attached sheet.

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: [Signature] Title: Staff Geologist Date: 10-29-83

Permit No. Approval Date
Approved by Title Date
Conditions of approval, if any:



Basis Of Bearing

Basis Of Bearing = State Plane Coordinate System
 Established By County Surveyor.

Legend

- ◇ Found Brass Cap Section Corner
- Found Brass Cap One Quarter Corner

Surveyors Certificate

I, JOE E. SHOEMAKER, Do hereby Certify That I Am
 A Registered Land Surveyor Holding Certificate No. 4267 As
 Prescribed Under The Laws Of The State Of Utah. I Further
 Certify That I Have Made A Survey Of The Tract Of Land
 Shown On This Plat And That It Is True And Correct To The Best
 Of My Knowledge.

Joe E. Shoemaker 03/29/83
 Date

Empire Engineering
 86 North 200 East Price, Utah 84501

RANCHO ENERGY CO.

DATE 3/29/83	SCALE	REVISIONS
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RANCHO

ENERGY CORPORATION

10200 Richmond, Suite 200
Houston, Texas 77042
(713) 781-6792

September 29, 1983

Mr. Norm Stout
State of Utah
Department of Natural Resources
4241 State Office Building
Salt Lake City, Utah 87103

Dear Mr. Stout:

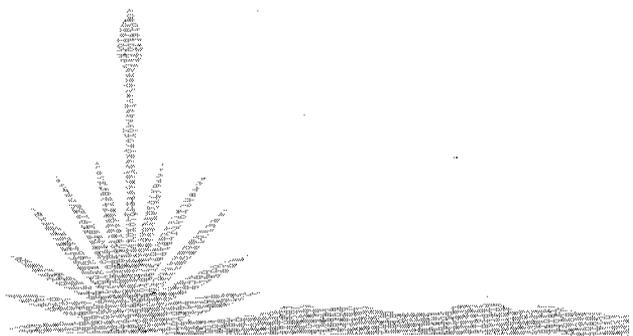
This letter is to verify water rights from the water source Rancho Energy will use in the drilling the #1 Lola Jones in Section 23: SE $\frac{1}{4}$, T-15-S, R-10-E, SLM. The minimum of water will be used in drilling this well, but if we should need a water source, we will use the Carbon Canal Co. located near Price, Utah. Per Mr. Lamont Gardner of the Utah Division of Water Rights located in Price, Carbon Canal Co. has obtained the proper permits as required by Utah statute. Mr. Gardner/^{said} that I should inform you of this in a letter. I am sending a copy of this letter to Mr. Gardner and should you need verification of this information, you may call him.

Sincerely,



Melanie Watson

cc: Mr. Lamont Gardner
Utah Division of Water Rights
P. O. Box 718
Price, Utah 84501



OPERATOR RANCHO ENERGY CORP DATE 10-3-83

WELL NAME LOLA JONES #1

SEC SE SE 23 T 15S R 10E COUNTY CARBON

43-007-30096
API NUMBER

FLC
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

MAP

HL

NID

PI

PROCESSING COMMENTS:

WATER OK

NO OTHER WELLS IN DRILLING UNIT

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 10-13-83
BY: [Signature]

CHIEF PETROLEUM ENGINEER REVIEW:

10/15/83 160 Acre, APN 10000, GAS,
Miller Creek Field area

APPROVAL LETTER:

SPACING:

A-3

UNIT

c-3-a

137-2B FEB 25, 82
CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

SURVEY PLAT NOT SUBMITTED WITH APD

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

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING *OK*

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER 137-2B

UNIT _____

c-3-b

c-3-c

STATE OF OREGON
DEPARTMENT OF REVENUE
DIVISION OF OIL AND GAS
APPROVED BY THE DIVISION

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

October 13, 1983

Rancho Energy Corporation
10200 Richmond, Suite 200
Houston, Texas 77042

RE: Well No. Lola Jones #1
SESE Sec. 23, T. 15S, R. 10E
1000' FSL, 1000' FBL
Carbon County, Utah

Gentlemen:

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. 137-2B 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:

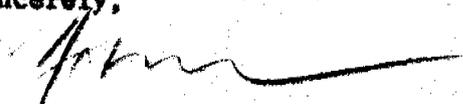
RONALD J. FIRTH - Chief Petroleum Engineer
Office: 533-5771
Home: 571-6068

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 43-007-30096.

Sincerely,


Norman C. Stout
Administrative Assistant

NCS/as
Encl.

needs survey plot
as per melanie
10-4-83

John



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

April 1, 1985

Rancho Energy Corporation
PO Box 42210
10200 Richmond #200
Houston, Texas 77242-2210

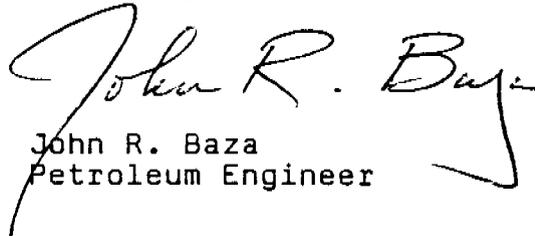
Gentlemen:

Re: Well No. Lola Jones #1 - Sec. 23, T. 15S, R. 10E,
Carbon County, Utah - API #43-007-30096

Due to excessive time delay in commencing drilling operations approval to drill the subject well is hereby rescinded, effective one calendar month from the date of this notice. If any operations have been performed on this well location it is imperative that you notify this division immediately.

A new "Application for Permit to Drill" must be filed with this office for approval, prior to future drilling of the subject location.

Sincerely,


John R. Baza
Petroleum Engineer

pk
cc: Dianne R. Nielson
Ronald J. Firth
File

0161S/44