

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd. _____

9/11/25 well LA'D per letter 11.14.96

DATE FILED **DECEMBER 20, 1993**
 LAND: FEE & PATENTED _____ STATE LEASE NO _____ PUBLIC LEASE NO **UTU-68399** INDIAN _____

DRILLING APPROVED: **JUNE 21, 1994**

SPUDED IN: _____
 COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____
 GRAVITY A.P.I. _____

GOR: _____
 PRODUCING ZONES: _____

TOTAL DEPTH: _____
 WELL ELEVATION: _____
 DATE ABANDONED: **11.14.96 LA'D.**

FIELD: **WILDCAT**
 UNIT: **MATT'S SUMMIT UNIT**

COUNTY: **CARBON**
 WELL NO: **MATT'S SUMMIT FEDERAL 12-A1** API NO. **43-007-30212**

LOCATION **897' FNL** FT. FROM (N) (S) LINE. **528' FEL** FT. FROM (E) (W) LINE. **NE NE** 1/4 - 1/4 SEC. **12**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				125⁹E	185⁹E	12	ANADARKO PETROLEUM COR



December 15, 1993

Department of the Interior
Bureau of Land Management
Price Resource Area
900 North, 700 East
Price, Utah 84501

RECEIVED

DEC 20 1993

DIVISION OF
OIL, GAS & MINING

RE: Application for Permit to Drill
Matt's Summit Federal 12-A1
Section 12-12S-9E
Carbon County, Utah

Gentlemen:

Enclosed in triplicate is the "Application for Permit to Drill" with supporting information for the referenced well in Carbon County, Utah.

If you have any questions, please contact P. A. Hambright at 405-552-6226.

Very truly yours,

ANADARKO PETROLEUM CORPORATION

A handwritten signature in cursive script that reads "D. R. Winchester".

D. R. Winchester
Sr. Staff Drilling Engineer

DRW/pah:eic

Enclosures

cc: State of Utah
Dept. of Natural Resources
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

30212

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL **DEEPEN**

b. TYPE OF WELL
OIL WELL GAS WELL OTHER Coalbed Methane SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Anadarko Petroleum Corporation

3. ADDRESS AND TELEPHONE NO.
211 N. Robinson, One LSS, Ste. 1400, Okla. City, OK 73102-7115

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface
897' FNL & 528' FEL, Sec. 12-12S-9E (NE/NE)
At proposed prod. zone
897' FNL & 528' FEL, Sec. 12-12S-9E (NE/NE)

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 7.0 miles north of Helper, UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
198' to lease line. 528' to unit line.

16. NO. OF ACRES IN LEASE
860.89

17. NO. OF ACRES ASSIGNED TO THIS WELL
N/A

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
8000'

19. PROPOSED DEPTH
5800'

20. ROTARY OR CABLE TOOLS
rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR 7375'

22. APPROX. DATE WORK WILL START*
July, 1994

5. LEASE DESIGNATION AND SERIAL NO.
UTU-68399

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Matt's Summit

8. FARM OR LEASE NAME, WELL NO.
Matt's Summit Fed. 12-A1

9. AP WELL NO.

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLEK. AND SURVEY OR AREA
Sec. 12-12S-9E

12. COUNTY OR PARISH
Carbon

13. STATE
UT

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24.0	400'	200 cu.ft.
7-7/8"	5-1/2"	15.5	5800'	300 cu.ft.

Attached is the following:

1. Survey Plat
2. Drilling Plan with BOP Schematic
3. Surface Use Plan
4. Topo & Access Map & Area Map
5. Self Certification of Operator
6. Pit & Pad Layout with cross-sections of pit, pad, & rig layout.

The Cultural Resource Study will be submitted under separate cover.

RECEIVED
DEC 20 1993
DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 D. R. Winchester TITLE Sr. Staff Drilling Engineer DATE 12/14/93

(This space for Federal or State office use)

PERMIT NO. 43-007-30012

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

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would enable the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

DATE: 6/26/94
BY: [Signature]

APPROVED BY _____ TITLE _____

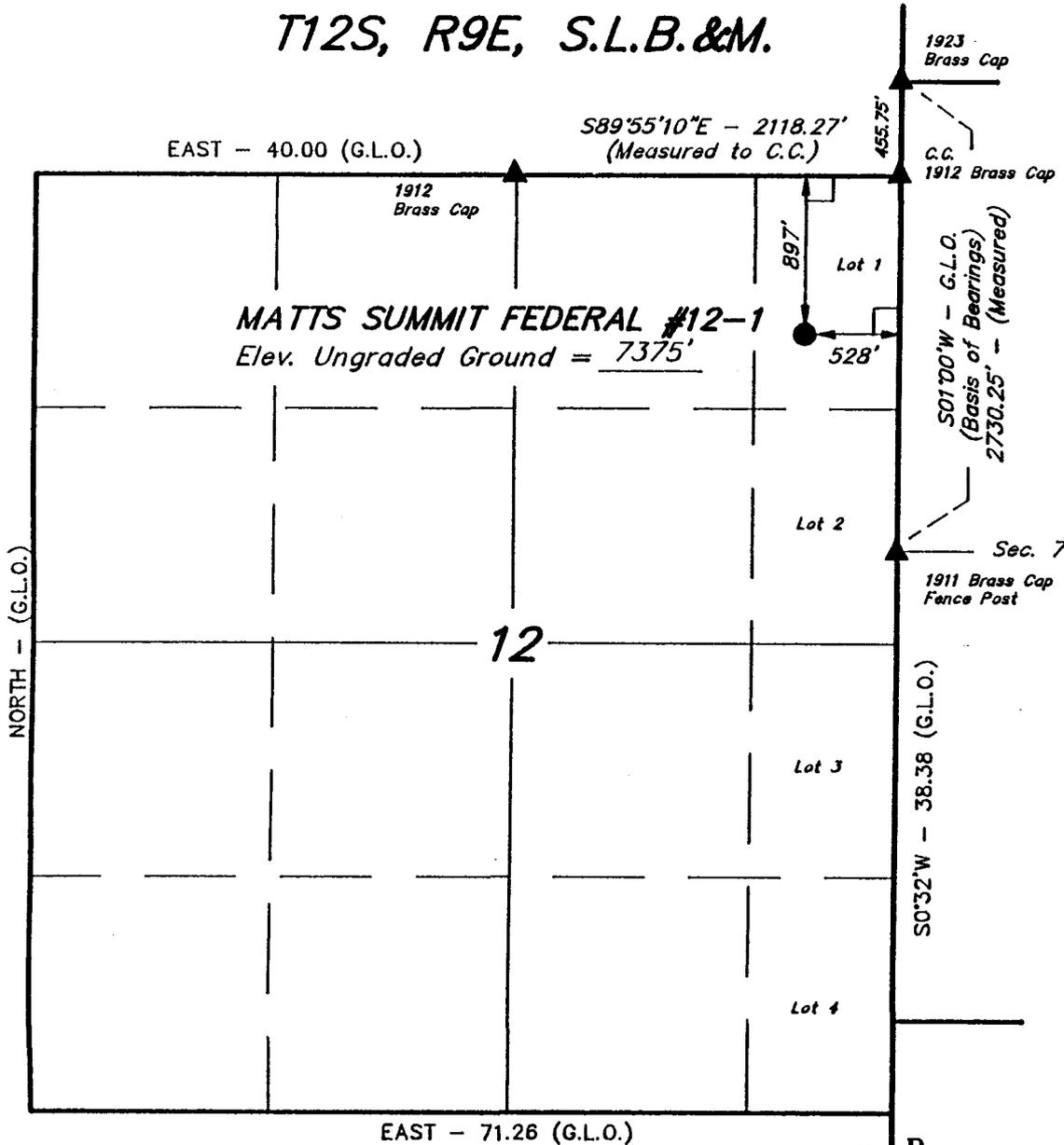
WELL SPACING: A 649-2-3

*See Instructions On Reverse Side

ANADARKO PETROLEUM CORP.

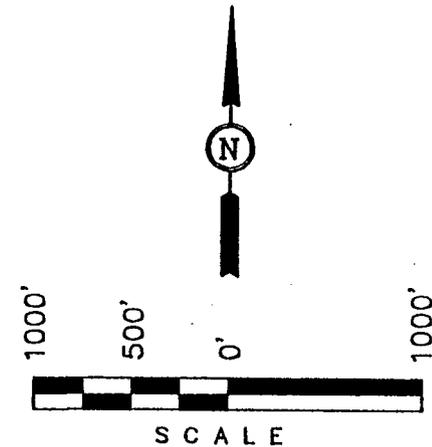
Well location, MATTS SUMMIT FEDERAL #12-1,
located as shown in Lot 1 of Section 12,
T12S, R9E, S.L.B.&M. Carbon County, Utah.

T12S, R9E, S.L.B.&M.



BASIS OF ELEVATION

BENCH MARK LOCATED IN THE NW 1/4 OF SECTION 7,
T12S, R10E, S.L.B.&M. TAKEN FROM THE MATTS SUMMIT
QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC
MAP). PUBLISHED BY THE UNITED STATES DEPARTMENT OF
THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION
IS MARKED AS BEING 7454 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Kay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
P. O. BOX 1758 - 85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 12-13-93
PARTY L.D.T. R.A. T.D.H.	REFERENCES G.L.O. PLAT
WEATHER WARM	FILE ANADARKO PETROLEUM CORP.

DRILLING PLAN
TO ACCOMPANY APPLICATION FOR PERMIT TO DRILL

Company: Anadarko Petroleum Corporation

Well: Matt's Summit 12-A1

Location: NE/NE Sec. 12-12S-9E

Lease No: UTU-68399 (Federal)

897' FNL & 528' FEL of Section 12

Carbon County, Utah

Surface Elevation: 7375'

A. Estimated Tops of Important Geologic Markers:

<u>Geologic Marker</u>	<u>Depth</u>
Flagstaff	Surface
North Horn	1310'
Price River	2650'
Castlegate Sandstone	3700'
Blackhawk Coal	4020'
Spring Canyon Sandstone	5262'
Starpoint	5600'

B. Estimated Depth at which Water, Oil, Gas, or other Mineral-Bearing Zones are expected to be encountered:

Gas-bearing Blackhawk Coals are expected to be encountered from 4020'-5262'.

All fresh water zones and prospectively valuable mineral zones encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

C. Pressure Control Equipment:

An 11" 3000 psi WP double gate hydraulic BOP with pipe rams and blind rams will be installed on the 8-5/8" casinghead. The BOP stack will be tested prior to drilling below surface casing. The ram preventers will be tested to 70% of the working pressure of the casinghead. The annular will be tested to 50% of its working pressure. Operational checks will be made daily or on trips. A BOP schematic is shown on attached Exhibit "A".

Drilling Plan

The BOP system will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order. This inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The accumulator system will meet IADC guidelines concerning pump capacities, storage capacity, and reservoir volume. Closing unit fluid volume will be sufficient to pre-charge the system to operating pressure plus 50% excess. One set of controls will be in the doghouse on the rig floor and one set will be remote on the drilling pad.

D. Casing Program

Surface Casing: 8-5/8" casing will be set at approximately 400'.

Production Casing: 5-1/2" casing will be set at approximately 5800' if well is to be completed.

	<u>Size</u>	<u>Wt./Ft.</u>	<u>Grd.</u>	<u>Thrd.</u>	<u>Condition</u>
Surface	8-5/8"	24.0	K-55	8rd	New
Production	5-1/2"	15.5	K-55	8rd	New

Casing Design Factors

The safety factors on casing strings will equal or exceed the following values:

Collapse	1.0
Joint Strength	1.6
Burst	1.33

Cement Program

Surface - Cement will be circulated to the surface. Casing will be cemented with approximately 200 cu. ft. of API Class 'G' cement.

Production - Casing will be cemented with approximately 300 cu. ft. of API Class 'G' cement. The actual cement volume will be based upon hole depth and gauge, and will be determined from logs. Cement will be circulated to the surface to protect possible fresh water zones.

Drilling Plan

Additional additives will be used to retard the cement, accelerate the cement, control lost circulation, or control fluid loss. All cementing will be done in accordance with API cementing practices.

E. Mud Program and Circulating Medium:

Fresh water circulated through the reserve pit will be used for drilling the 12-1/4" surface hole to 400'. A low solids, non-dispersed mud system with funnel viscosity of 35-40 seconds, API water loss of 10-20 cc/30 minutes, and 8.8-9.2 ppg mud weight will be used for drilling from below surface pipe at 400' to TD.

The mud system will be visually monitored.

A truck-mounted air drilling rig may be used to drill the surface hole to 400' and to pre-set the surface casing before moving a drilling rig on location to drill the rest of the hole to TD.

Sufficient mud materials will be stored at the wellsite to maintain mud requirements and to control minor well control or lost circulation problems.

F. Coring, Logging, and Testing Program:

- a. Conventional coring in the Blackhawk Coals interval (4020-5262') may be performed, depending upon shows and hole conditions.
- b. DST's may be run depending upon shows.
- c. The following logging program is planned for the interval from surface pipe to TD (400'-5800' Est.):
 1. DIL
 2. LDT-CNL-ML-NGT-SDT over prospective intervals
 3. Possible GLT over prospective intervals
- d. A mud logging unit with chromatograph will be used from approximately 3100' to TD.
- e. Productive zones will be swab tested. Water produced during testing will be contained in the temporary reserve pit. All produced oil will be stored and sold. Gas may be flared during testing.

G. Abnormal Conditions and Potential Hazards:

Abnormal conditions such as abnormal temperatures or pressures are not anticipated. Potential hazards such as H₂S are also not anticipated.

Minimum, 6 inches

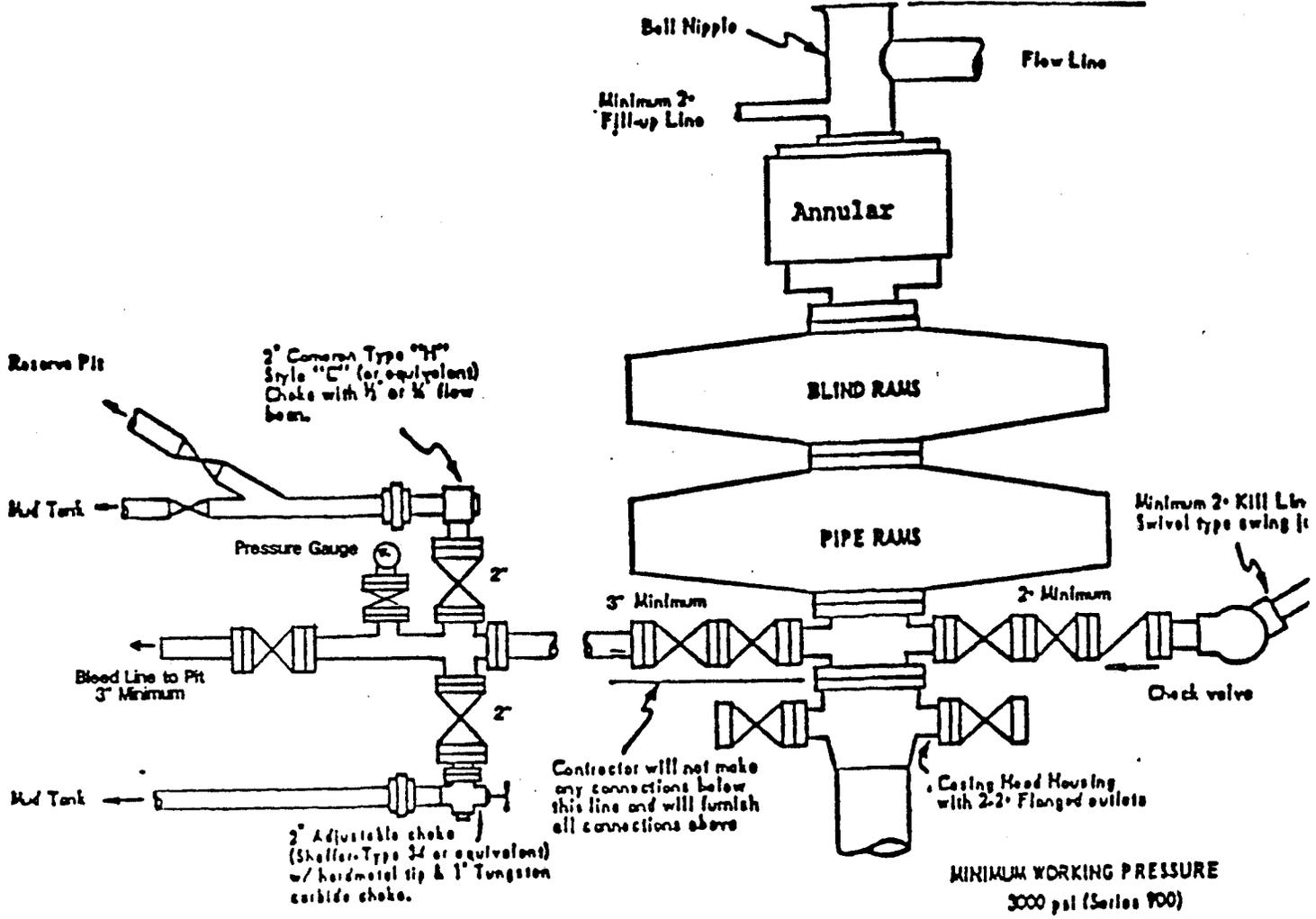


EXHIBIT A



MINIMUM BLOWOUT PREVENTER
REQUIREMENTS - NORMAL
PRESSURE (SHALLOW) SERVICE

**SURFACE USE PLAN
TO ACCOMPANY APPLICATION FOR PERMIT TO DRILL**

Anadarko Petroleum Corporation
Matt's Summit Federal 12-A1
897' FNL & 528' FEL of Section 12-T12S-R9E
Carbon County, Utah

1. Existing Roads: See Map "A" and Map "B"
 - a. Location of proposed well in relation to town or other reference point: Location is approximately 7.0 miles north of Helper, Utah.
 - b. Proposed route to location: Begin at the east edge of the Helper, Utah city limits on Hwy. 6 and 191. Travel north 1.6 miles on Hwy 6 & 191, turn right on Hwy 191 north at the power plant. Continue northeast through Price Canyon for 7.8 miles until a junction is reduced with Carbon County Road 92. Turn left on County Road 92 and travel 3.9 miles to Matt's Summit. Turn left on a dirt road and drive in a southerly direction 0.4 mile to a fork. Take the fork to the right and continue approx. 3 miles. Turn left into the location.
 - c. Location and description of roads in the area: (see above 1.b.)
 - d. Plans for improvement and/or maintenance of existing roads: The existing roads will be maintained in the same or better condition as existed prior to the commencement of operations.
2. Planned Access Roads:
 - a. The existing and proposed roads will be crowned, ditched or dipped from the existing County road to the location prior to use for moving the drilling rig onto the site. The maximum disturbed width will not exceed 30' with an eighteen foot running surface. Dust will be controlled by the use of water or an approved dust retardant, as directed by the Area Manager. All roads, including access to drilling water, will be maintained in as good as or better condition than existing condition.
 - b. Maximum grades: Maximum grade will be less than 10%.
 - c. Turnouts: None planned.
 - d. Location: Access to the location uses an existing road up to the pilot area. New road that will be constructed for access off existing road is flagged. This is shown on Map "B" and on the location layout.
 - e. Drainage: The road surface will be center crowned with ditches on each side of road. Slopes will have a maximum slope of 3:1.

Surface Use Plan

- f. There will be no culverts placed in the ditchways during the drilling phase of operations. Further evaluation will be made for the additions of culverts if the road is to have long-term use.
- g. Surface materials (source): Surface materials will most likely not be required to be transported to the access road or drill pad for construction purposes. However, if gravel is required, the dirt contractor will be responsible for locating and permitting of any necessary construction material.

3. Location of Existing Wells: (2 mile radius)

The proposed Matt's Summit Federal 12-A1 location is approximately 8000' southwest of the proposed Matt's Summit Federal A-2 well. The Matt's Summit Federal A-2 is approximately 1700' southeast of the Matt's Summit State A-1 well.

4. Location of Tank Batteries and Production Facilities:

All permanent (on site for six months or longer) structures constructed or installed (including oil well pumpjacks) will be painted a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with OSHA (Occupational Safety and Health Act) will be excluded.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

If at any time, any off-lease storage, off-lease measurement, or commingling on-lease or off-lease occurs, there shall first be prior written approval from the AO.

Gas meter runs for each well, if needed, will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500' downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Price River Resource Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

Surface Use Plan

5. Location and Type of Water Supply:

Water supply for drilling and completion purposes will be furnished by a water hauler.

Water supply will be obtained from either the Price River or from Willow Creek.

6. Source of Construction Material:

Native material will be used for road surfacing and pad construction.

Should additional construction material be required, it will be the responsibility of the dirt contractor to locate and permit (if necessary) use of that material.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

7. Methods of Handling Waste Disposal:

The reserve pit will not be lined.

Produced waste water will be confined to an unlined pit for a period not to exceed 90-days after initial production.

Trash will be confined in a covered container and hauled to an approved landfill. Burning of waste or oil is not approved, and spoil material will be kept on site for recontouring.

No bore holes will be used for disposal of waste materials. Human waste will be contained and will be disposed of at an approved sanitary landfill.

8. Ancillary Facilities:

Not applicable for drilling operations in this area.

9. Wellsite Layout:

A plat showing access to the well pad and the location of the reserve pit are attached.

The location and access road will be cleared of trees prior to any construction. Stumps will be scattered or buried in an area designated by the BLM. Any stump left in place will be cut so that the stump height does not exceed 12 inches. All slash less than four inches in diameter will be chipped or scattered outside the

Surface Use Plan

cleared area and must be within 24 inches of the ground at all points. All material four inches in diameter or greater will be removed from Federal land, unless otherwise directed. All of the above will take place prior to placement of drilling facilities.

Topsoil and vegetation will be stripped together to a depth of 6 to 8 inches and stockpiled by wind-row on the northeast edge of the location. No topsoil stripping will be allowed when soils are moisture saturated to a depth of 3 inches, or frozen below the stripping depth.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. Fencing will be four strands of barbed wire or 48-inch woven wire with one strand of barbed wire above the woven wire. All corners will be braced with a wooden H-type brace. The fence construction will be on cut or undisturbed ground and the fence will be maintained in a livestock tight condition.

10. Plans for Restoration of Surface:

The Price River Resource Area Manager will be notified at least 24-hours prior to commencing reclamation work.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash, and junk not required for production.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc. will be removed.

If the well is a producer:

Unneeded areas of the location will be reclaimed as soon as the reserve pit has dried. Upgrade and maintain the access roads as necessary to prevent soil erosion and accommodate year-round traffic. Reshape areas unnecessary to operations, rip or disk on the contour, and seed all disturbed area outside the work area according to the seed mixture specified below. Save the topsoil for use during final reclamation unless the site can be recontoured to blend with the natural topography as required for final abandonment. Perennial vegetation must be established. Additional work will be required in case of seeding failures. All permanent facilities placed on the location will be painted to blend with the natural environment.

Surface Use Plan

If the well is abandoned/dryhole:

Restore the access road and location to blend with the natural topography. During reclamation of the site, push the fill material into cuts and up over the backslope. Leave no depressions that will trap water or form ponds. Distribute topsoil evenly over the location and seed using a seed mixture approved by the Area Office. The access road and location will be ripped or disked prior to seeding.

Prepare seed-bed by contour cultivating four to six inches deep. Drill seed 1/2 to 1 inch deep following the contour. In areas that cannot be drilled, broadcast seed at 1.5 times the application rate and cover 1/2 to 1 inch deep with a harrow or drag-bar.

Fall seeding will be completed after September 1 and prior to ground frost. Spring seeding will be completed after the frost has left the ground and prior to June 1.

11. Surface and Minerals Ownership:

United States of America, Department of the Interior, Bureau of Land Management.

12. Other Information:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFT 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.2.

The dirt contractor will be provided with an approved copy of the surface use plan.

An archaeology inspection will be performed by an authorized contractor. Their report on this inspection will be sent directly to the Price River Resource Area Office.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts or fossils. The Operator will immediately bring to the attention of the Price River Resource Area Manager any and all antiquities or other objects of historic or scientific interest including, but not limited to, historic or prehistoric ruins, artifacts, or fossils discovered as a result of

Surface Use Plan

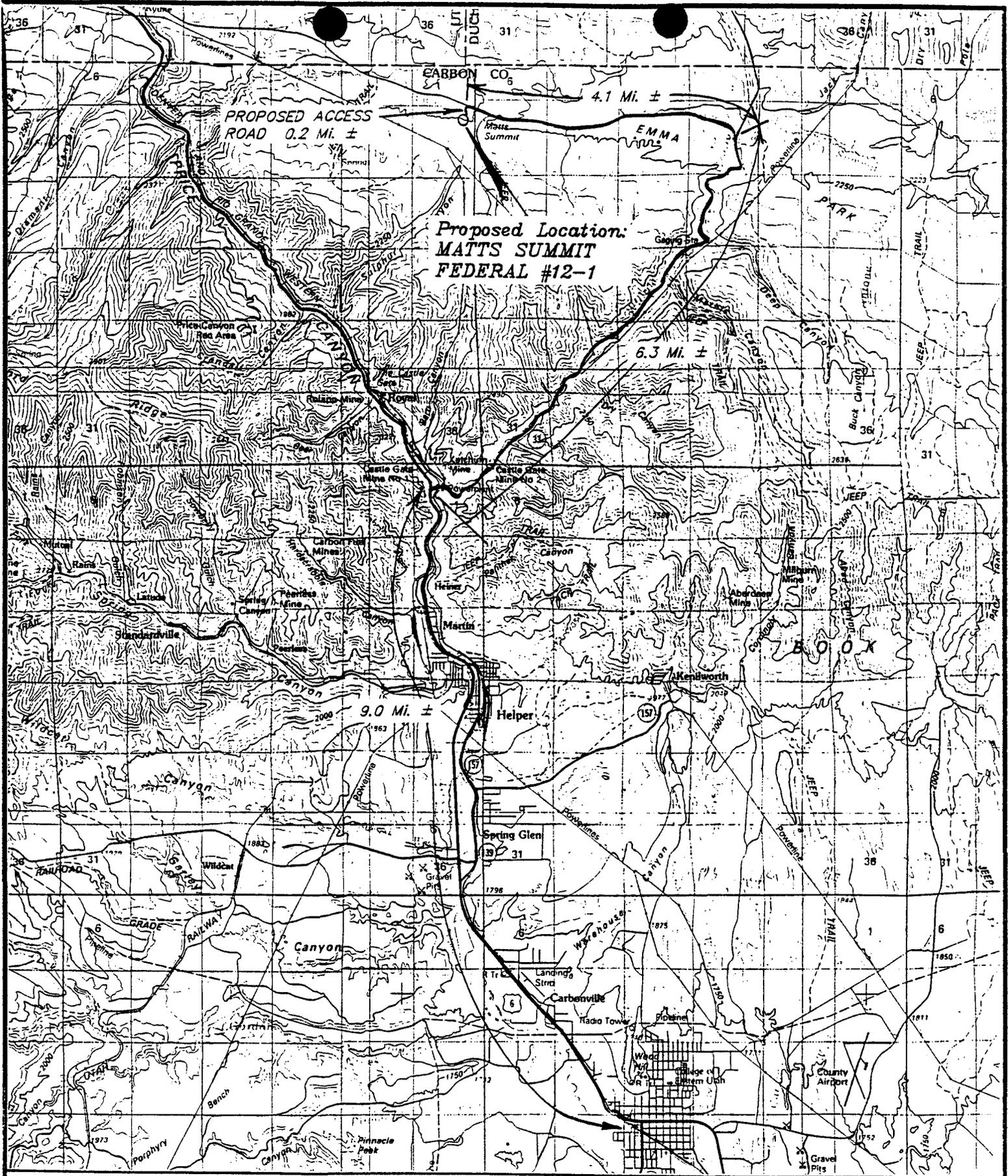
operations under this permit. The operator will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the Area Manager. Notice to proceed will be based upon evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a Federal Agency insofar as practical. When not practical, the Operator will follow the mitigation requirements set forth by the Area Manager concerning protection, preservation, or disposition of any sites or material discovered. Within five working days the Area Manager will inform the Operator as to:

whether materials appear eligible for the National Register of Historic Places;

the mitigation measure(s) the Operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary; and,

a time frame for the Area Manager to complete an expedited review under 36 CFR 800.11 to conform, through the State Historic Preservation Officer, that the findings of the Area Manager are correct and that mitigation is appropriate.

If the Operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Area Manager will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, in those situations where the Area Manager determines that mitigation, data recovery and/or salvage excavations are necessary, the Operator will bear the cost. The Area Manager will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Area manager that the required mitigation has been completed, the Operator will then be allowed to resume construction.



**Proposed Location:
MATT'S SUMMIT
FEDERAL #12-1**

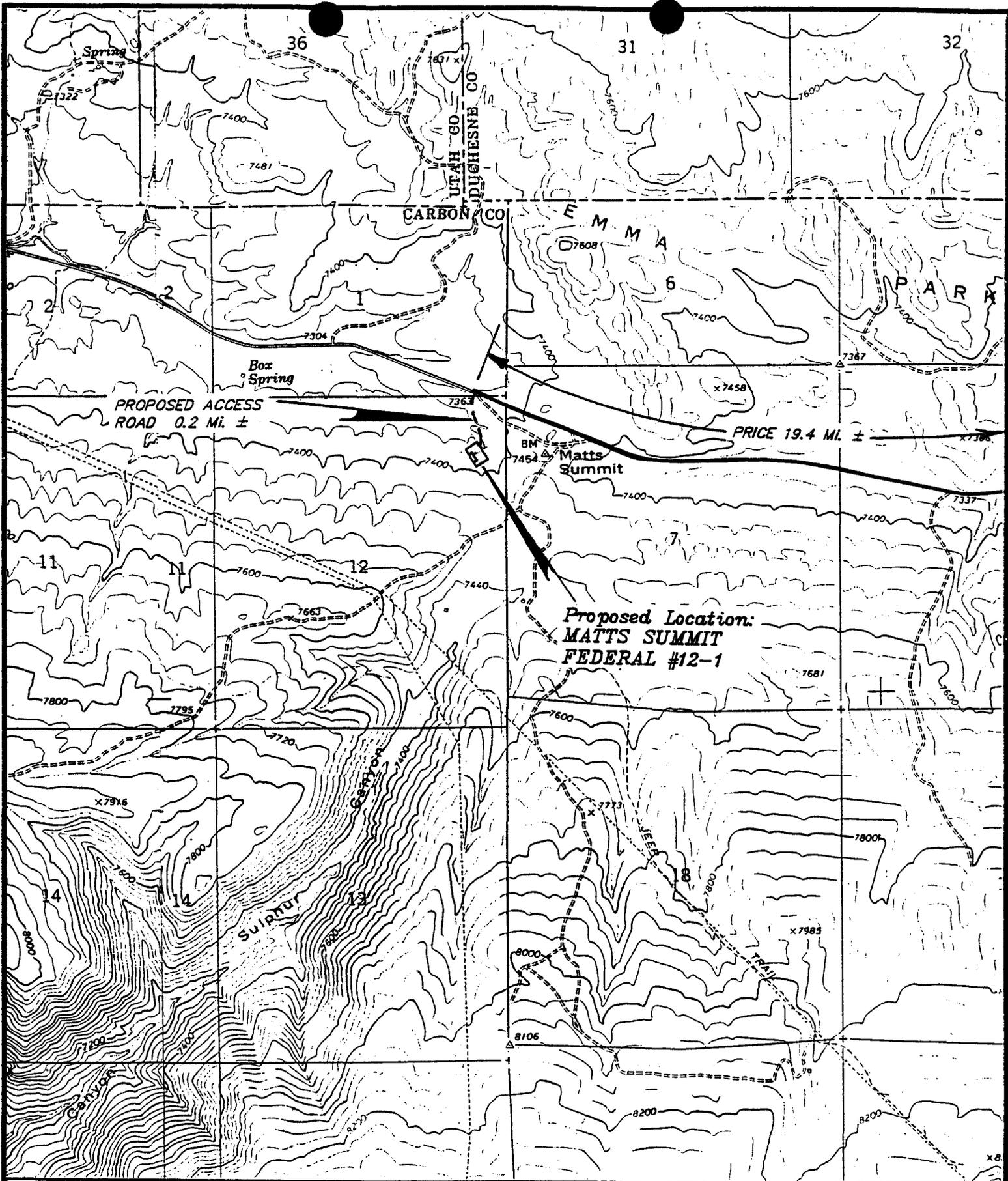
TOPOGRAPHIC
MAP "A"

DATE: 12-13-93 R.E.H.



ANADARKO PETROLEUM CORP.

MATT'S SUMMIT FEDERAL #12-1
SECTION 12, T12S, R9E, S.L.B.&M.
897' FNL 528' FEL



TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'

DATE: 12-13-93 R.E.H.



ANADARKO PETROLEUM CORP.

MATTS SUMMIT FEDERAL #12-1
SECTION 12, T12S, R9E, S.L.B.&M.

897' FNL 528' FEL

Surface Use Plan

13. Lessee's or Operator's Representatives and Certification:

Representative

=====
Name: D. W. Ault
Phone: (405) 552-6222
Address: Anadarko Petroleum Corporation
One Leadership Square, Suite 1400
211 N. Robinson
Oklahoma City, Oklahoma 73102-7115

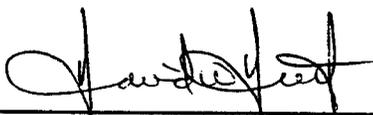
Certification

=====
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by

ANADARKO PETROLEUM CORPORATION

and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

12-17-93
Date



D. W. Ault, Division Drilling Engineer

Be advised that Anadarko Petroleum Corporation is considered to be the Operator of Well No. 12-A1, (NE/NE) Sec. 12-T12S-R9E, Lease No. UTU-68399, Carbon County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond Coverage for this well is provided by Bond No. 153571.
(Principal: Anadarko Petroleum Corporation) via surety consent as provided for in 43 CFR 3104.2.

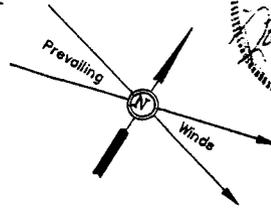
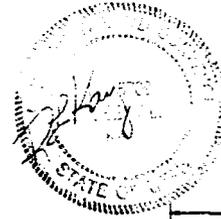
(Surety - Seaboard Surety) 43 CFR 3104.2.

This office will hold the aforementioned Operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

ANADARKO PETROLEUM CORP.

LOCATION LAYOUT FOR

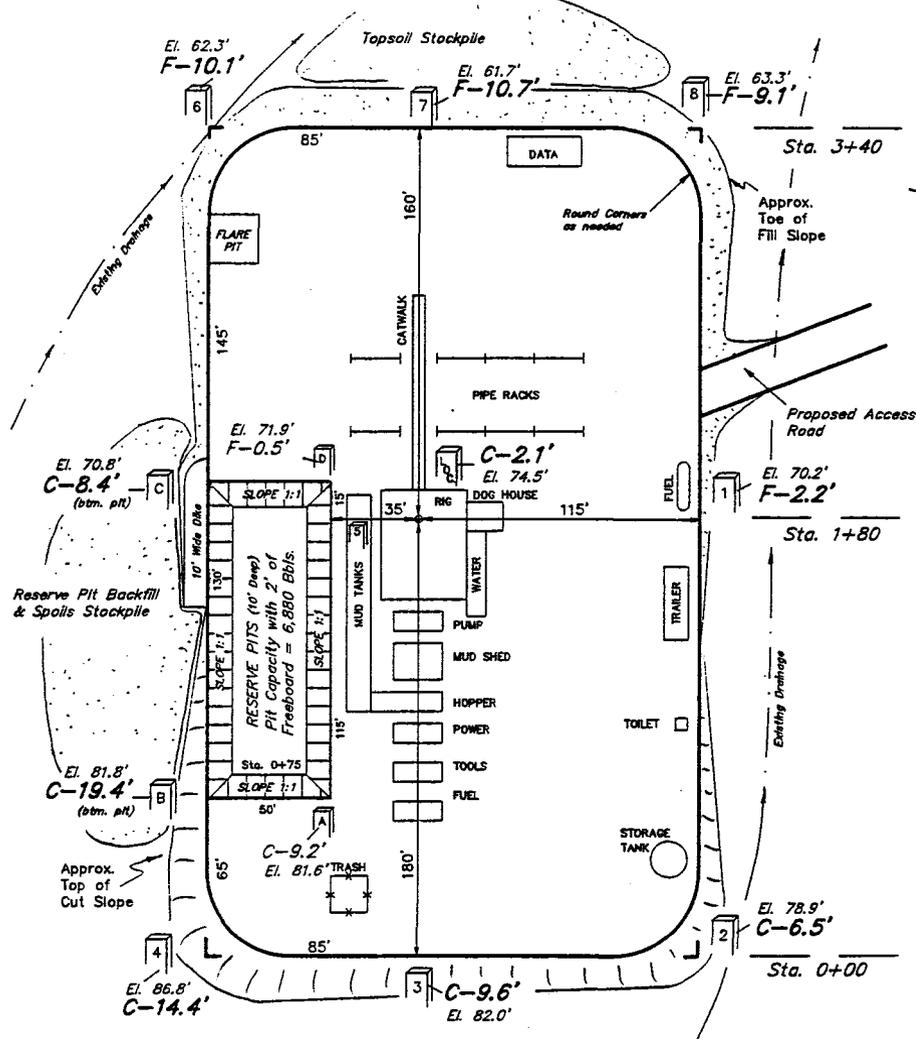
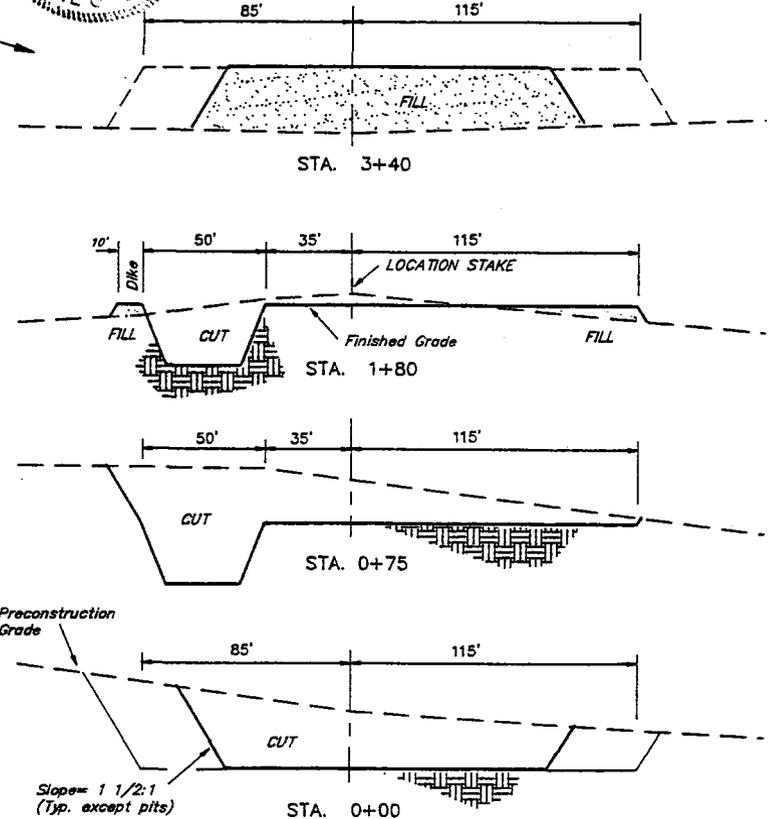
MATTS SUMMIT FEDERAL #12-1
SECTION 12, T12S, R9E, S.L.B.&M.
897' FNL 528' FEL



SCALE: 1" = 50'
DATE: 12-13-93
Drawn By: T.D.H.

X-Section Scale
1" = 20'
1" = 50'

TYP. CROSS SECTIONS
TYP. LOCATION LAYOUT



APPROXIMATE YARDAGES

CUT		EXCESS MATERIAL AFTER	
(6") Topsoil Stripping	= 1,300 Cu. Yds.	5% COMPACTION	= 2,190 Cu. Yds.
Remaining Location	= 9,320 Cu. Yds.	Topsoil & Pit Backfill	= 2,190 Cu. Yds.
		(1/2 Pit Vol.)	
TOTAL CUT	= 10,620 CU.YDS.	EXCESS UNBALANCE	= 0 Cu. Yds.
FILL	= 8,010 CU.YDS.	(After Rehabilitation)	

ELEV. UNGRADED GROUND AT LOC. STAKE = 7374.5'
ELEV. GRADED GROUND AT LOC. STAKE = 7372.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East Vernal, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL DEEPEN

b. TYPE OF WELL

OIL WELL GAS WELL OTHER Coalbed Methane SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR

Anadarko Petroleum Corporation

3. ADDRESS AND TELEPHONE NO.

211 N. Robinson, One LSS, Ste. 1400, Okla. City, OK 73102-7115

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

At surface
897' FNL & 528' FEL, Sec. 12-12S-9E (NE/NE)
At proposed prod. zone
897' FNL & 528' FEL, Sec. 12-12S-9E (NE/NE)

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

Approx. 7.0 miles north of Helper, UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 528' to unit line.

16. NO. OF ACRES IN LEASE

860.89

17. NO. OF ACRES ASSIGNED TO THIS WELL

N/A

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

8000'

19. PROPOSED DEPTH

5800'

20. ROTARY OR CABLE TOOLS

rotary

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

GR 7375'

22. APPROX. DATE WORK WILL START*

July, 1994

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10 1/4"	8 1/2"	12.5	100'	

5. LEASE DESIGNATION AND SERIAL NO.
UTU - 65939

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARMOR LEASE NAME, WELL NO.
Matt's Summit Fed. 12-A1

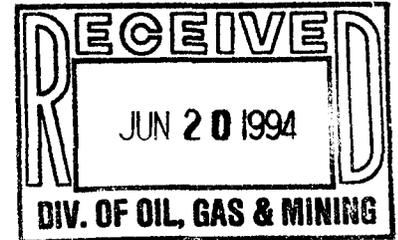
9. AP WELL NO.

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 12-12S-9E

12. COUNTY OR PARISH
Carbon

13. STATE
UT



FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 Dave Winchester TITLE D. R. Winchester Sr. Staff Drilling Engineer DATE 12/14/93

(This space for Federal or State office use)

PERMIT NO. 43-007-30212 APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY STRINGER TITLE Associate District Manager DATE JUN 14 1994

*See Instructions On Reverse Side

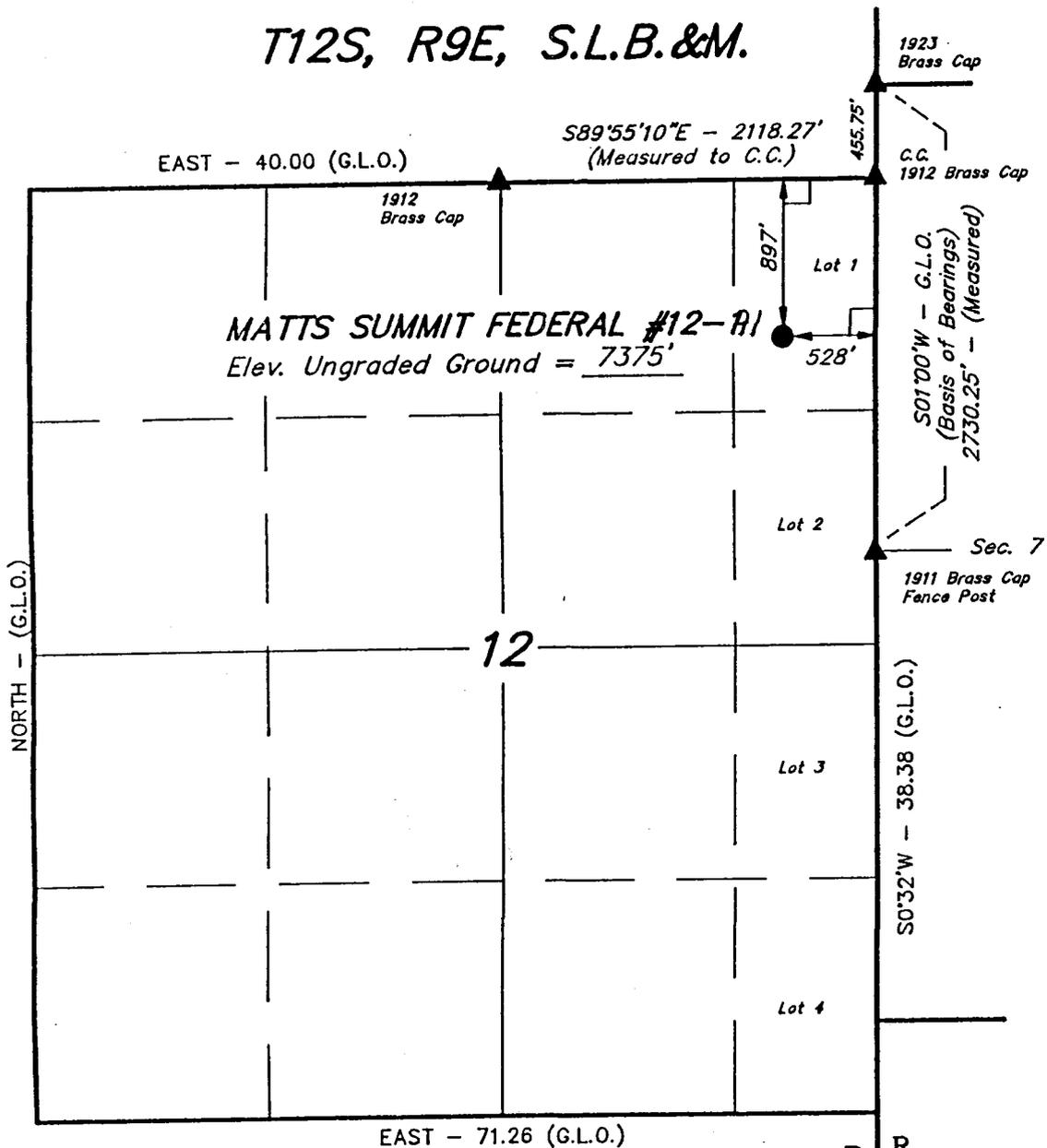
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Dean

ANADARKO PETROLEUM CORP.

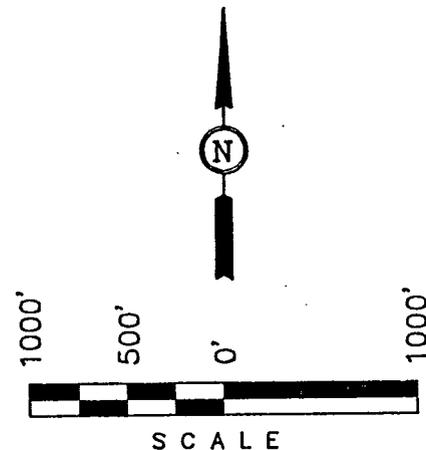
Well location, MATTS SUMMIT FEDERAL #12-A1, located as shown in Lot 1 of Section 12, T12S, R9E, S.L.B.&M. Carbon County, Utah.

T12S, R9E, S.L.B.&M.



BASIS OF ELEVATION

BENCH MARK LOCATED IN THE NW 1/4 OF SECTION 7, T12S, R10E, S.L.B.&M. TAKEN FROM THE MATTS SUMMIT QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP). PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7454 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Kay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 5709
 STATE OF UTAH

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
 P. O. BOX 1758 - 85 SOUTH - 200 EAST
 VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 12-13-93
PARTY L.D.T. R.A. T.D.H.	REFERENCES G.L.O. PLAT
WEATHER WARM	FILE ANADARKO PETROLEUM CORP.

Anadarko Petroleum Corporation
Matts Summit Federal No. 12-A1
Lease U-65939
NE/NE Section 12, T12S, R9E
Carbon County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Anadarko Petroleum Corporation is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by ES 0128 (Principal - Anadarko Petroleum Corporation) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. The production casing must be cemented to surface to protect possible aquifers. Although the application states that the production casing will be cemented to surface, the cement volume given does not appear to be adequate to accomplish this.
2. The surface location of this well does not fall within a spacing "window" as prescribed by the State of Utah, Division of Oil, Gas and Mining (DOGGM). This location must have approval from DOGGM before dirt work can begin.
3. The BOP system shall be rated to 3M as proposed. Since a 3M system will exceed what is required for anticipated pressures, testing the system to 2M standards is acceptable.
4. If the surface hole is drilled with air, a mist system will be used to minimize airborne cuttings dust. All other air drilling requirements specified in Onshore Order No. 2 will apply.
5. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string.
6. When running DSTs, the initial opening of the test tool shall occur during daylight hours.
7. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

B. SURFACE USE STIPULATIONS

1. In compliance with Section 7 consultation under the Endangered Species Act, the proponent will participate in the Recovery Implementation Program for Endangered Fish in the Upper Colorado River Basin. The proponent must make a one-time payment of \$12.34 per acre foot of water used to the National Fish and Wildlife Foundation.

National Fish and Wildlife Foundation
The Bender Building
1120 Connecticut Avenue, N.W.
Washington, D.C. 20036

Payments must be made prior to the time construction commences or the depletion occurs, whichever comes first. Payment should be accompanied by a cover letter that identifies the project requiring the payment, the amount of payment enclosed, check number, the balance of payment still due, the name and address of the payor, the name and address of the BLM office authorizing the project, and the address of the USFWS office administering the consultation.

Moab District
Price River Resource Area
900 North 700 East
Price, Utah 84501

U. S. Fish and Wildlife Service
Fish and Wildlife Enhancement
Administrative Building
1745 West 1700 South
Salt Lake City, Utah 84104

2. Due to the extremely erodible soils in this area, the following steps are needed to prevent failure of culverts which would be required in building the proposed access road, and to ensure that the culverts are built so as not to amplify the down-cutting of the washes.

a) The first drainage would require either strategically placed berms or fabric silt-retention structures above the access road, and a coarse gravel low-water crossing.

b) The second drainage would require a loose rock check dam above the culvert to dissipate energy. This would be constructed of large rock placed into an excavated keyway crossing the channel. A second similar loose rock check dam constructed approximately 100 feet below the culvert would act as a sediment trap to contain sediment produced from construction at the crossing, and as an energy break to help prevent further downcutting.

c) The third drainage would require keyed-in loose rock check dams built into each of the two forks of the drainage the road would cross, as well as one approximately 75 feet below the culvert.

3. In addition, the channels should be riprapped at each opening of the culverts to prevent washing out or downcutting.

Design parameters should be based on a 25-year,, 6-hour precipitation event.

4. A channel alteration permit and/or design review by the Utah Division of Water Rights State engineer would be required prior to approval of drainage modifications.

5. Anadarko shall reclaim all areas disturbed as a result of project operations to the satisfaction of the authorized officer. Reclamation may include but is not limited to recontouring the disturbed area, fertilizing, seeding and mulching.

6. All available topsoil will be removed (stripped) from the areas of new construction and stockpiled for future reclamation of the disturbed areas. This stored topsoil, as well as cut and fill slopes on the well pad, will be secured from erosion through mulching and temporary revegetation (hydroseeding) if reclamation is not anticipated within one (1) year of construction.

7. "Borrow" ditch areas along the access road will be reseeded in order to reestablish the vegetation cover and reduce the overall potential for erosion and off-site sedimentation.

8. Water produced from the CBM well will be disposed of in strict accordance with the applicable state and Federal laws concerning disposal of water produced in association with oil/gas exploration or production operations.

9. Routine maintenance activities associated with evaluation operations on the CBM well will be restricted to those daylight hours from 9 a.m. to 4 p.m. (except during emergencies) during the period from December 1st to April 15th in order to reduce impacts to big game animals wintering in the project area.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the District Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

NOTIFICATIONS

Notify Don Stephens or Dean Nyffeler of the Price River Resource Area in Price, Utah, at (801) 637-4584 for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching surface casing depth;

3 hours prior to testing BOPE

If the person at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (801) 259-6111
Home: (801) 259-2214

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/20/93

API NO. ASSIGNED: 43-007-30212

WELL NAME: MATTS SUMMIT FED 12-A1
 OPERATOR: ANADARKO PETROLEUM CORP (N0035)

PROPOSED LOCATION:
 NENE 12 - T12S - R09E
 SURFACE: 0897-FNL-0528-FEL
 BOTTOM: 0897-FNL-0528-FEL
 CARBON COUNTY
 WILDCAT FIELD (001)

LEASE TYPE: FED
 LEASE NUMBER: UTU-68399

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
 (Number 153571)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
 (Number BY SUNDAY)
 RDCC Review (Y/N)
 (Date: _____)

LOCATION AND SITING:

R649-2-3. Unit: UTU 68399*
 R649-3-2. General.
 R649-3-3. Exception.
 Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: _____

STIPULATIONS: 1. WATER SOURCE & PERMIT WILL BE FILED BY
SUNDAY PRIOR TO SPUD



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

June 21, 1994

Anadarko Petroleum Corporation
211 N. Robinson, One LSS, Suite 1400
Oklahoma City, Oklahoma 73102-7115

Re: Matt's Summit Federal 12-A1 Well, 897' FNL, 528' FEL, NE NE, Sec. 12, T. 12 S., R. 9 E., Carbon County, Utah

Gentlemen:

Pursuant to Utah Code Ann. § 40-6-18, (1953, as amended), Utah Admin. R. 649-2-3, Application of Rules to Unit Agreements and R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules.
2. Notification to the Division within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.



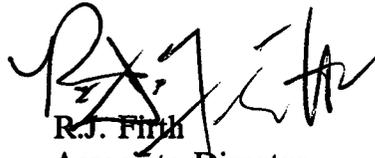
Page 2

Anadarko Petroleum Corporation
Matt's Summit Federal 12-A1 Well
June 21, 1994

6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-007-30212.

Sincerely,



R.J. Firth
Associate Director

ldc

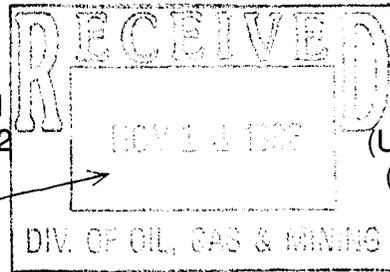
Enclosures

cc: Carbon County Assessor

Bureau of Land Management, Moab District Office

WOI1

Moab District
82 East Dogwood
Moab, Utah 84532



3162
(U-65939)
(UT-065)

Mr. Steve Ruhl
Anadarko Petroleum Corporation
P. O. Box 1330
17001 Northchase Drive
Houston, Texas 77251-1330

NOV 12 1996

Re: Rescinding Application for Permit to Drill
Well No. **Matt's Summit Federal 12-A1** 43-007-30212
NENE Sec. 12, T. 12 S., R. 9 E.
Grand County, Utah
Lease U-65939

Dear Mr. Ruhl:

The Application for Permit to Drill the referenced well was approved June 14, 1994. Since that date, no known activity has transpired.

This approval was valid for a period of one year from the date of approval. In view of the foregoing, this office is rescinding the approval of the referenced application. Should you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

If you have any questions, please contact Marie Ramstetter, Legal Instruments Examiner, at (801) 259-2135.

Sincerely,

/s/ Brad D Palmer

Assistant District Manager
Resource Management

Enclosure
Application for Permit to Drill

cc: UT-066, Price River Resource Area (wo/Enclosure)
State of Utah, Division of Oil, Gas and Mining (wo/Enclosure)

MRamstetter:mr:11/8/96