

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

5. LEASE DESIGNATION AND SERIAL NO.

-UT-ML-48232

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a TYPE OF WORK

DRILL [X]

DEEPEN []

PLUG BACK []

7. UNIT AGREEMENT NAME

B TYPE OF WELL

Oil Well []

Gas Well [X]

OTHER

Single Zone []

Multiple Zone [X]

8. FARM OR LEASE NAME

2. Name of Operator

Marathon Oil Company

9. WELL NO.

SITLA #32-22

3. Address of Operator

1501 Stampede Avenue, Cody, WY 82414

10. FIELD OR LEASE NAME

4. Location of Well (Report location clearly and in accordance with any State requirement)

At surface 1,690' FEL, 1,981' FNL SW/NE

4372936N
508896E

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

Sec. 22, T15S, R9E

At proposed prod. Zone

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

12. COUNTY OR PARISH 13. STATE

Carbon Utah

15. Distance from proposed location to nearest Property or lease line ft.

661'

16. NO. OF ACRES IN LEASE

880

17. NO. OF ACRES ASSIGNED TO THIS WELL

160

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

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

1,873'

19. PROPOSED DEPTH

2,712'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.)

5,979'

22. APPROX. DATE WORK WILL START

April 15, 2000

23

PROPOSED CASING AND CEMENT PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 11' hole with 8-5/8" casing and 7-7/8" hole with 5-1/2" casing.

Operator requests permission to drill the subject well.

Please see the attached 10 Point and 13 Point Surface Use Plane.

If you require additional information please contact:

William Ryan
350 S., 800 E.
Vernal, Utah
435-789-0968

RECEIVED

FEB 07 2000

DIVISION OF OIL, GAS AND MINING

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

24

SIGNATURE

William Ryan

TITLE

Agent

DATE

Jan 15, 2000

(This space for Federal or State Office use)

PERMIT NO.

43-002-30600

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

BRADLEY G. HILL
RECLAMATION SPECIALIST III

DATE

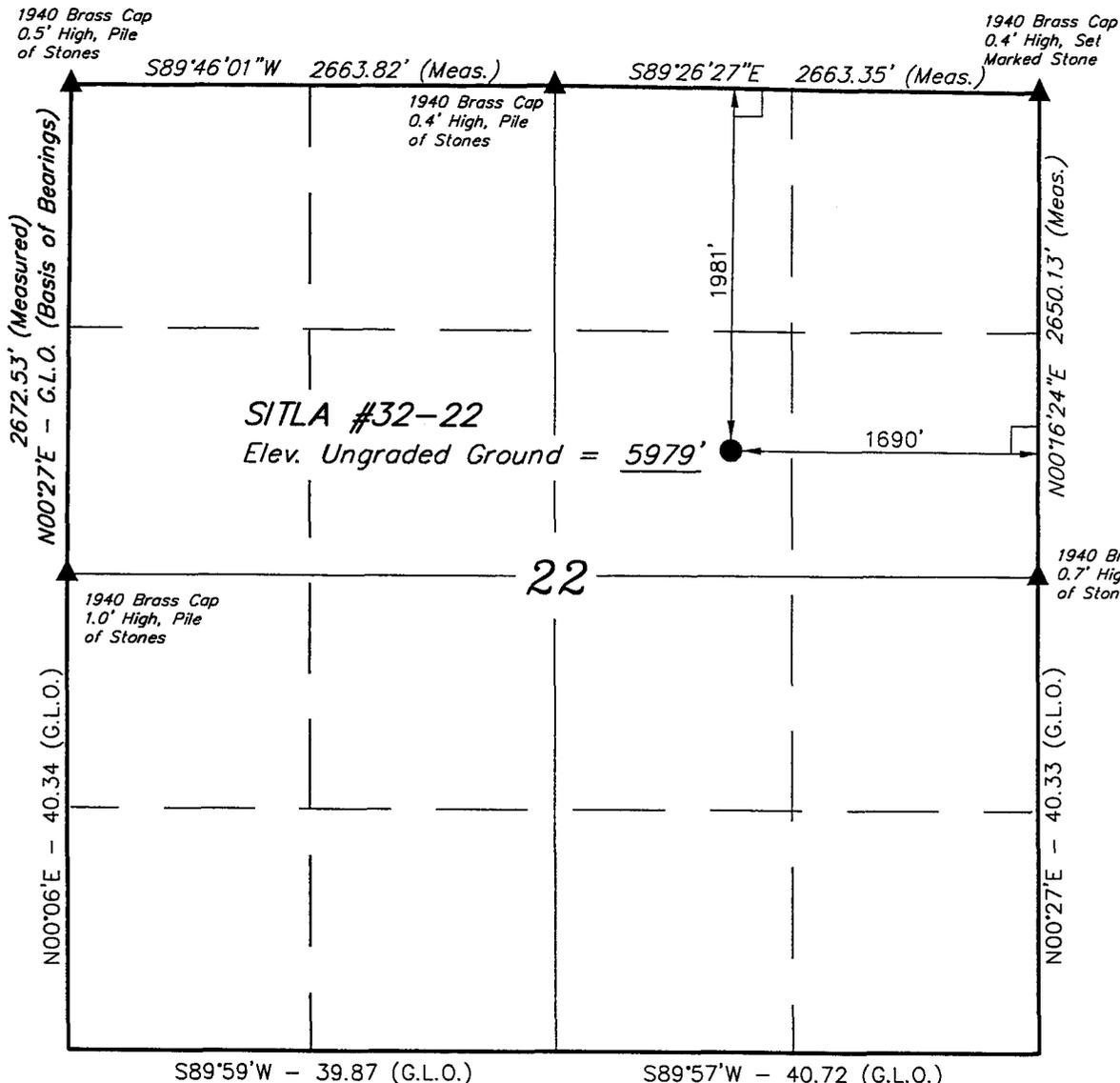
3/23/00

*See Instructions on Reverse Side

T15S, R9E, S.L.B.&M.

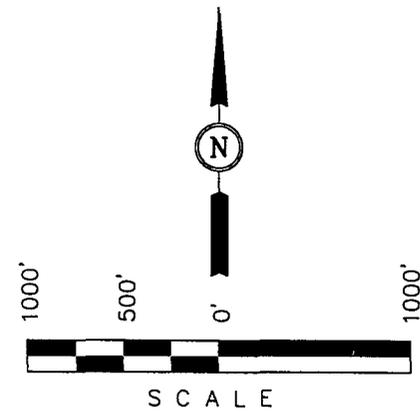
MARATHON OIL CO.

Well location, SITLA #32-22, located as shown in the SW 1/4 NE 1/4 of Section 22, T15S, R9E, S.L.B.&M. Carbon County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 22, T15S, R9E, S.L.B.&M. TAKEN FROM THE PINNACLE PEAK QUADRANGLE, UTAH, CARBON COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5978 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 A. May
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

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

Latitude = 39°30'29"
Longitude = 110°53'45"

SCALE 1" = 1000'	DATE SURVEYED: 10-5-99	DATE DRAWN: 1-4-00
PARTY D.K. L.J. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE MARATHON OIL CO.	



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FEB 07 2000

DIVISION OF GAS AND MINING

Office (801) 789-0968
Cellular (801) 823-6152

350 S. 800 E.
Vernal, UT 84078

January 15, 2000

Re: Well SITLA #32-22
SE/NW, Sec. 22, T15S, R9E
Lease No. ML-48232

Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

*Re: applicable to
lease No. 243-1.
Op. North Platte
JC*

Dear Sirs:

Marathon Oil Company (Marathon) respectfully requests a spacing exception for the subject well. The well was originally requested for the center of the **SW ¼ of the NE ¼ of Sec. 22, T15S, R9E**. The location was moved due to topographic considerations, erosion potential, major and minor drainage's, access conditions and deer winter range. Please see the attached map for details.

The well is located **1,981' FNL, 1,690' FEL in Sec. 22, T15S, R9E**.

A 460' radius around the proposed location is within the lease **ML-48232**. Please see the attached plat for details.

If you have additional questions please contact:

William Ryan
William (Bill) Ryan
Rocky Mountain Consulting
Agent

435-789-0968 Office
435-828-0968 Cellular
435-789-0970 Fax

RECEIVED

FEB 07 2000

DIVISION OF
OIL, GAS AND MINING

SELF-CERTIFICATION STATEMENT

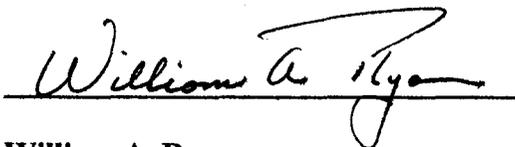
The following self-certification statement is provided per Federal and State of Utah requirements dated June 15, 1988.

Please be advised that Marathon Oil Company is considered to be the operator of the following well.

**SITLA #32-22
SW 1/4, NE 1/4
Section 22, T. 15 S., R. 9 E.
Lease ML-48232
Carbon County, Utah**

Marathon Oil Company is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

State of Utah Blanket O&G Bond 5217029 and SITLA Bond 5922542 provide state wide bond coverage on State of Utah lands.



**William A. Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078
435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax**

Ten Point Plan

Marathon Oil Company

SITLA #32-22

Surface Location SW ¼, NE ¼, Section 22, T15S, R9E

1. Surface Formation:

Mancos

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Mancos	Surface	+5,982' KB
Ferron	2,342'	+3,640'
#1 Coal	2,379'	+3,603'
#1 Coal	2,455'	+3,527'
Tunnunk	2,612'	+3,370'
T.D.	2,712'	+3,270'

3. Producing Formation Depth:

Formation objective includes both the #1 and #2 Coal.

4. Proposed Casing:

<u>Hole</u>	<u>Casing Grade</u>		<u>Setting</u>	<u>Casing</u>	<u>New/Used</u>
<u>Size</u>	<u>Size</u>	<u>Weight/Ft.</u>	<u>& Tread</u>	<u>Depth</u>	
11	8 5/8	24	J-55/STC/8rd	300	New
7 7/8	5 1/2	17	L-80/STC/8rd	T.D.	New

Cement Program:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
8 5/8	Premium Plus 2% Calcium Chloride .25 lb/sk. Cello Flake	135 sks. +/-	1.19 cu. ft./sk.	15.6 lbs./gal.
5 1/2 Lead. (1,883-1,383')	50/50 Pozmix 10% Cal Seal 2% Calcium Chloride .25 lb/sk. Cello Flake 8%Gel	60 sks. +/-	1.89 cu. ft./sk.	12.7 lbs./gal.
Tail (T.D.-1,883')	Thixotropic 10% Cal Seal 1% Calcium Chloride	120 sks. +/-	1.6 cu. ft./sk.	14.2 lbs./gal.

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 2000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss MI/30 Mins.</u>	<u>Mud Type</u>
0-300	Clear Water	----	No Control	Water/Gel
300-T.D.	8.4-8.6	30	8-10	Water/Gel

7. Auxiliary Equipment:

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 1,800' to T.D.
- d) Logging:

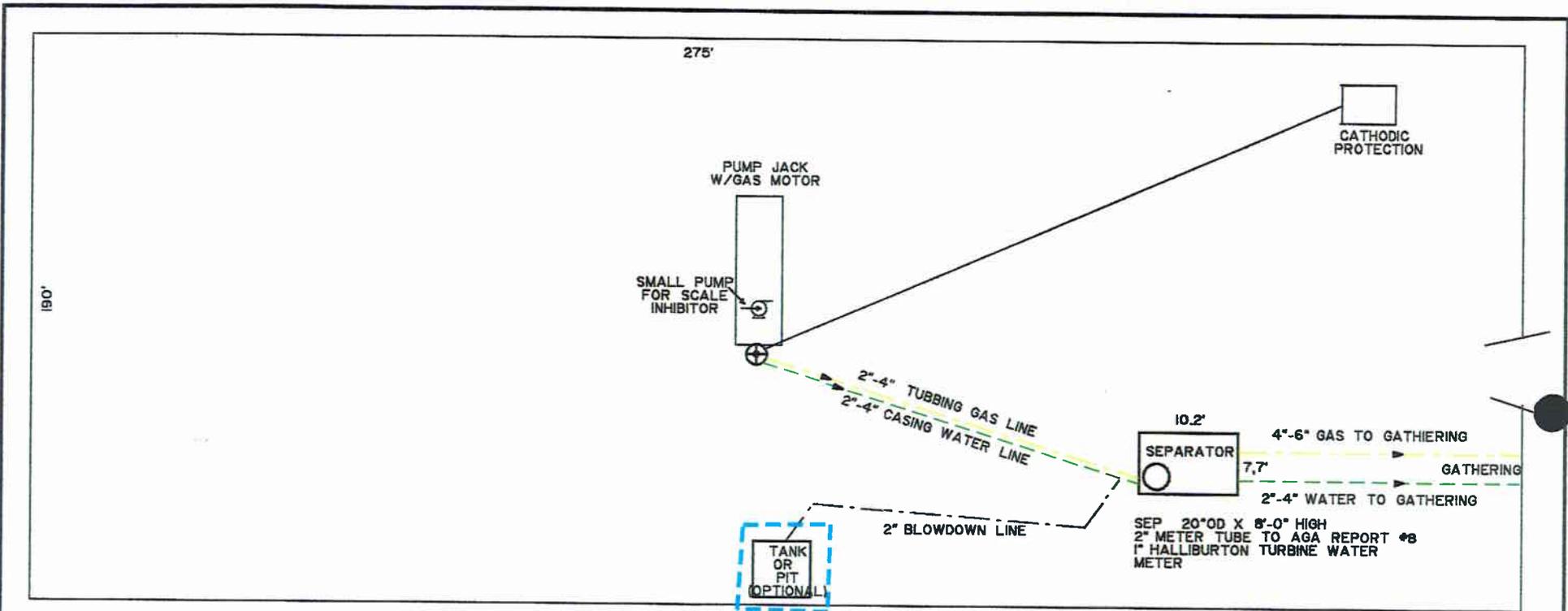
Type	Interval
Array Induction-Gamma Ray-SP-Caliper	T.D. to Surf. Csg
High Resolution Spectral Density-PEF	T.D. to Surf. Csg
Compensated Neutron, Microlog	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated. Other wells drilled in the area have not encountered over pressured zones or H2S.

10. Drilling Schedule:

The anticipated starting date is April 15, 2000. Duration of operations expected to be 3 days.



MARATHON OIL COMPANY
 ROCKY MOUNTAIN REGION
DRUNKARD'S WASH
 CARBON COUNTY, UTAH

TYPICAL FACILITY

NOT TO SCALE

01/00

MARATHON OIL CO. - OPERATOR
 SUBJECT TO MARATHON'S SITE
 SECURITY PLAN LOCATED AT THE
 SUPERINTENDENT'S OFFICE

Approvals:

_____ *Production Foreman*
 _____ *Operations Superintendent*

LEGEND

- OIL/CONDENSATE
- - - EMULSION
- - - RECYCLE/REJECT
- - - WATER OFF & DRAIN
- - - GAS FUEL
- - - GAS OFF
- - - RUPTURE
- - - POP OFF
- ⊗ VALVE
- A, B, C, etc. SEALED VALVES
- M METER

 SPCC DIKES

PUT typical.fac

MARATHON OIL CO.
13 POINT SURFACE USE PLAN
FOR WELL
MARATHON OIL CO.
SITLA #32-22
LOCATED IN
SW 1/4, NE 1/4
SECTION 22, T. 15 S., R. 9 E., S.L.B.&M.
CARBON COUNTY, UTAH
LEASE NUMBER: ML-48232
SURFACE OWNERSHIP:
STATE OF UTAH
SCHOOL AND INSTATUTIONALE TRUST LANDS ADMINISTRATION

1. Existing Roads

To reach the **Marathon Oil Co. SITLA #32-22, in Section 22, T15S, R15E,** from Price, Utah:

Starting in Price, Utah proceed south on State Highway 10. Proceed 7.8 miles and turn right (west) on County Road 122. Proceed 2.8 miles, turn right (north) on an existing paved road. Proceed 1.4 miles. Turn right and proceed 3/4 mile to the proposed location SITLA 34-22 in section 22, T15S, R9E. The proposed access road will start at this point.

All existing roads except the last 3/4 mile are State or County Class D roads.

Upgrading and new construction will start at this point.

Please see the attached map B for additional details.

2. Planned access road

The proposed location will require approximately **.3 miles +/- (1,584')** of new road construction.

Approximately 1/2 mile +/- (500') of two-track road will have to be upgraded.

The road will be built to the following standards:

A) Approximate length	2,084 Ft.
B) Right of Way width	30 Ft.
C) Running surface	18 Ft.
D) Surfacing material	Native soil & crushed gravel

E) Maximum grade	8-9%
F) Fence crossing	None
G) Culvert	3
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	

State of Utah, SITLA

L) All new construction on lease	Yes
M) Pipe line crossing	None
O) Stream crossings	None
P) Low water crossing	1

Please see the attached location Map B for additional details.

The attached map has indicated where the three culverts and one low water crossing will be located.

A right of way will not be required for the proposed location.

3. Location of existing wells

The following wells are located within a one mile radius of the location site.

A) Producing well	Three
	Sec. 21 & 14
	T15S, R9E
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling/Permitted well	Seven
	Sec. 15, 22, 23 & 27
	T15S, R9E
G) Shut in well	Two
	General American 1-15
	Sec. 15, T15S, R9E
	SITLA 22-27
	Sec. 27, T15S, R9E

H) Injection well **One**
Sec 23, T15S, R9E

I) Monitoring or observation well **None**

Please see the attached map for additional details.

4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Juniper Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Juniper Green**.

No tanks will be required at the location.

A dike will be constructed around the whole location.

If the well is capable of economic production a gas gathering line, a produced water line and electric power cable will be required. All lines and cable will be buried.

A. Produced Water Line

The proposed produced water lines will be constructed from the subject well to a proposed water disposal well in Sec. 23, T15S, R9E. Please see the attached produced water pipeline map.

Approximately 2,500' of 12" or smaller plastic/fiberglass gathering line would be constructed on State of Utah, SITLA lands. The line will start at the proposed location and be constructed to a tie in to a proposed line serving the proposed SITLA 23-16 in Section 16, T15S, R9E.

Please see the attached location diagrams and **Water Pipeline map** for the location of the produced water pipeline. The Operator proposes burring the line 4 feet below the surface.

B. Gas Gathering Line

The Operator proposes building approximate **2,500 feet of plastic 14" or smaller gas gathering line. The line will start at the proposed location and be constructed to a tie in to a proposed line serving the proposed SITLA 23-16 in Section 16, T15S, R9E. Please see the attached gas gathering line map.**

The line will be buried in the same trench used to install the produced water line as previously described.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated in place prior to any deliveries. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

Pipeline construction and seeding.

Silt controls will be used to minimize silt from entering Serviceberry Creek. Controls could be but not limited to the following, silt catchment ponds, plastic dikes and the use of straw bails.

Sand bedding for the water and gas lines may be required in rocky areas. The sand will come from an off sight location.

The gas and water lines will be buried. A track hoe or backhoe will be used to dig a trench approximately as wide as the bucket used to dig the trench and as deep as 4 feet. Trees will be removed as required for the trenches. The topsoil will be removed from the road and pipeline and wind rowed along the side of the road and pipeline. A motor grader will be used to remove the topsoil. Topsoil will be replaces as soon as the trench has been back filled. Seed will be spread when the topsoil is replaced.

C. Electrical Power Cable.

The operator proposes installation of a power line at some time in the future. Currently Utah Power is not able to install or supply power for this well. Power should be available in the next year or two. The power cable will be installed in a trench on the opposite side of the road from the gas gathering line and the produced water line. Please see the attached power cable map. The line will be installed in a trench dug with a backhoe. The width will be the width of a bucket and 4' deep. The trench will be back filled as soon as the line has been installed. The disturbed area will be reseeded as soon as the trench is back filled. The seed mix will be as specified by the Utah Division of Oil Gas and Mining. Erosion controls will be the

same as listed for the water and gas gathering trench.

5. Location and type of water supply

Water for drilling and cementing the subject well will be trucked from **Price Cities water tank on Highway 10.**

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 8 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank, for a period not to exceed 90 days after initial production. Produced water after the initial production will be piped to a proposed water injection well in Section 23, T15S, R9E.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the drilling and work over rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout and location.

The proposed location has been staked at 1,981' FNL, 1,690' FEL. The location has been moved out side the normal drilling window spacing due to topographic considerations and proximity to Serviceberry Creek.

Well-site layout

Location dimensions are as follow:

- A) Pad length **275 ft.**
- B) Pad width **155 ft.**
- C) Pit depth **8 ft.**
- D) Pit length **80 ft.**
- E) Pit width **30 ft.**
- F) Max cut **6.1 ft.**
- G) Max fill **5.5 ft.**
- H) Total cut yds. **4,860 cu. yds.**

- I) Pit location **east side**
- J) Top soil location **south end**
- K) Access road location **south end**
- L) Flare pit **corner C**

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- a) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- c) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- e) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location, road and pipeline and the pit area. The topsoil removed and piled will amount to approximately 1,000 cubic yards of material on the location. **Topsoil will be stockpiled in one distinct pile for the**

location and wind rowed along side the pipeline for soil from the road and pipeline. Placement of the topsoil is noted on the attached location plat. **The topsoil pile from the location will be seeded as soon as the soil is stock piled** with the seed mix provided by the Utah Division of Oil Gas and Mining. When all drilling and completion activities have been completed and the pit and pipeline trench back-filled the topsoil will be spread. **The disturbed area will be seeded when the topsoil has been spread.** The unused portion of the location (the area outside the dead men) will be recontoured.

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

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled.

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when the topsoil is stock piled and when reclamation work is performed.

B) Seed Mix

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

The seed mix and quantity required will be provided by the State of Utah Division of Oil Gas and Mining

11. Surface ownership:

Access road	State of Utah, SITLA
Location	State of Utah, SITLA
Pipeline	State of Utah, SITLA

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sagebrush, Rabbit brush, Bitter brush and Indian rice grass are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one mile radius of the location.

C) Archeology:

The location has not been surveyed. The surveys have been scheduled and copy of the surveys will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is Serviceberry Creek 1,500 feet north of the location.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without the Division of Wildlife Resources approval.

F) Notification:

The Division of Wildlife Resources and the Division of Oil and Gas will be notified as follows.

a) **Location construction**

At least forty eight (48) hours prior to construction of location and access roads

b) **Location completion**

Notification will be given 24 hr prior to moving the drilling rig on location.

c) **Spud notice**

At least twenty-four (24) hours prior to spudding the well.

d) **Casing string and cementing**

At least twenty-four (24) hours prior to running casing and cementing all casing strings.

e) **BOP and related equipment tests**

At least twenty-four (24) hours prior to initial pressure tests.

f) **First production notice**

Within five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.

g) **Completion and work over**

At least twenty-four (24) hours prior to moving the rig on location.

Division of Wildlife Resource
434-636-0260

Division of Oil, Gas, and Mining.
801-538-5340

H) Flare pit:

The flare pit will be located in corner C of the reserve pit out side the pit fence and 100 feet from the bore hole on the **east side of the location**. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan

Rocky Mountain Consulting
350 South 800 East
Vernal, Utah 84078

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968

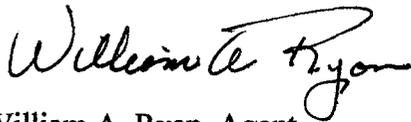
All lease operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

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

B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by **Marathon Oil CO.** and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date Jan 27, 2000



William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Date:

Statement of use of Hazardous Material

No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986.

Will be used, produced, transported, stored, disposed, or associated with the proposed action, No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal Utah, 84078

Telephone
(435) 789-0968 office
(435) 828-0968 cellular
(435) 789-0970 fax

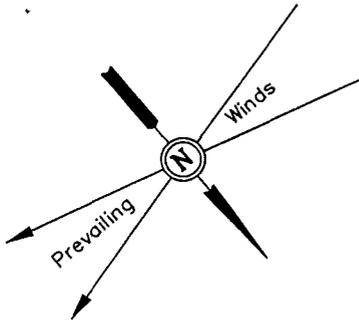
MARATHON OIL CO.

LOCATION LAYOUT FOR

SITLA #32-22

SECTION 22, T15S, R9E, S.L.B.&M.

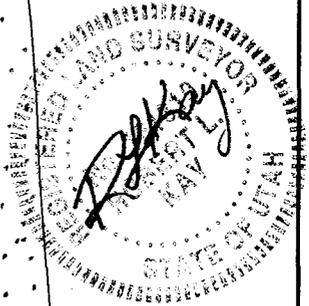
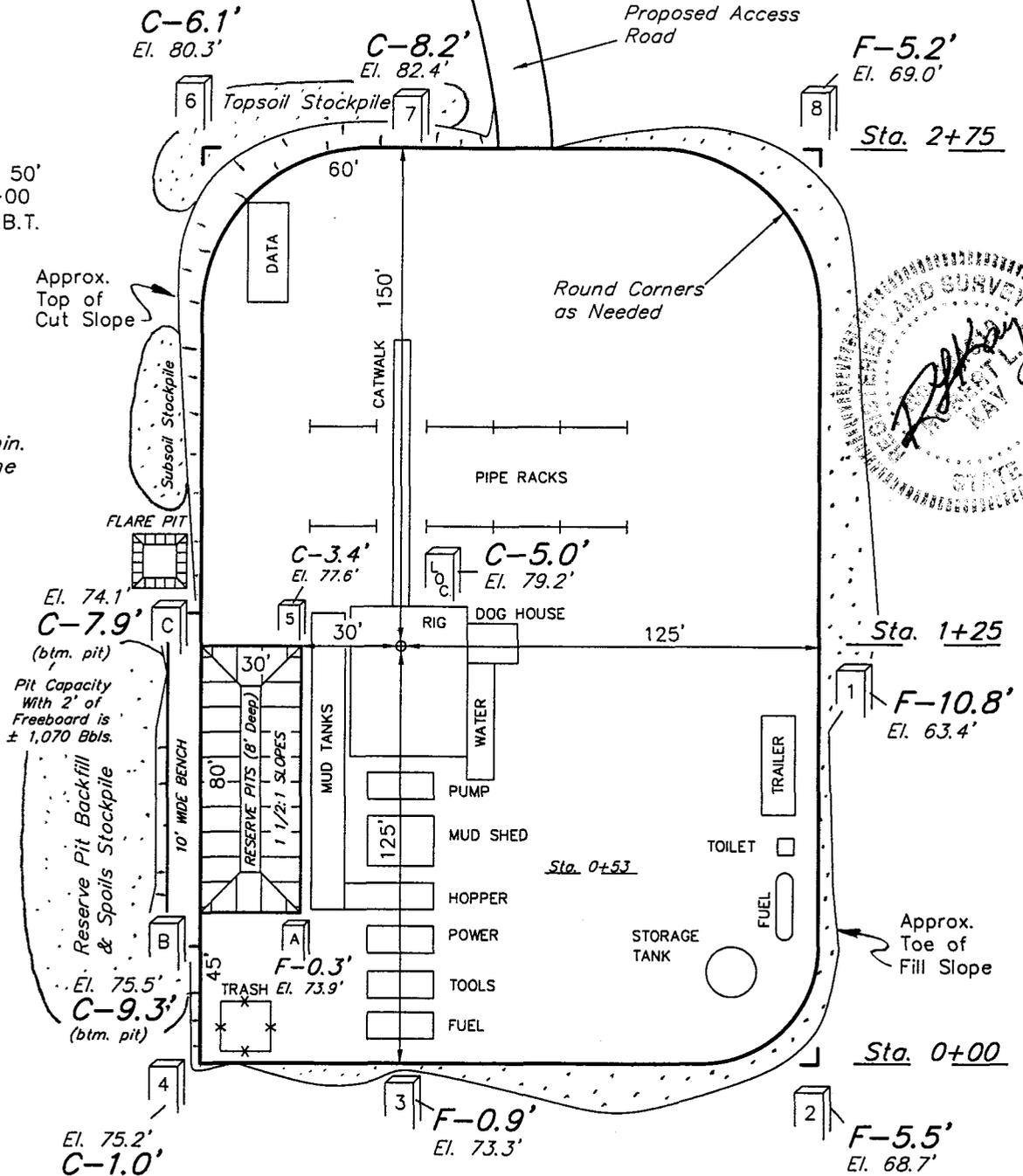
1981' FNL 1690' FEL



SCALE: 1" = 50'
DATE: 1-4-00
Drawn By: C.B.T.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



Elev. Ungraded Ground at Location Stake = 5979.2'
Elev. Graded Ground at Location Stake = 5974.2'

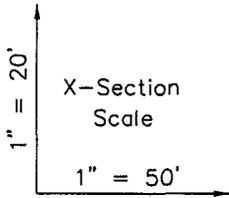
MARATHON OIL CO.

TYPICAL CROSS SECTIONS FOR

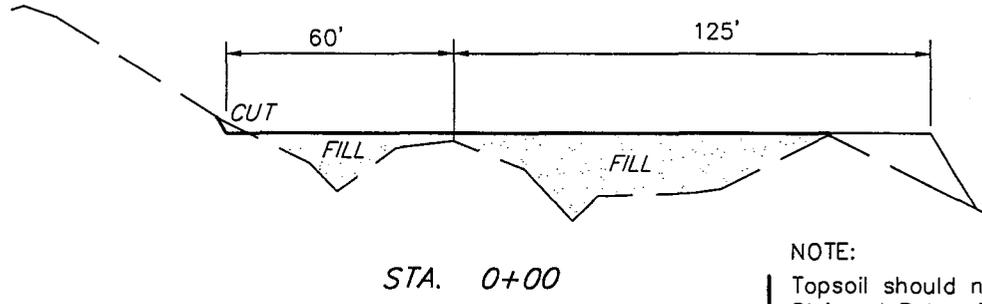
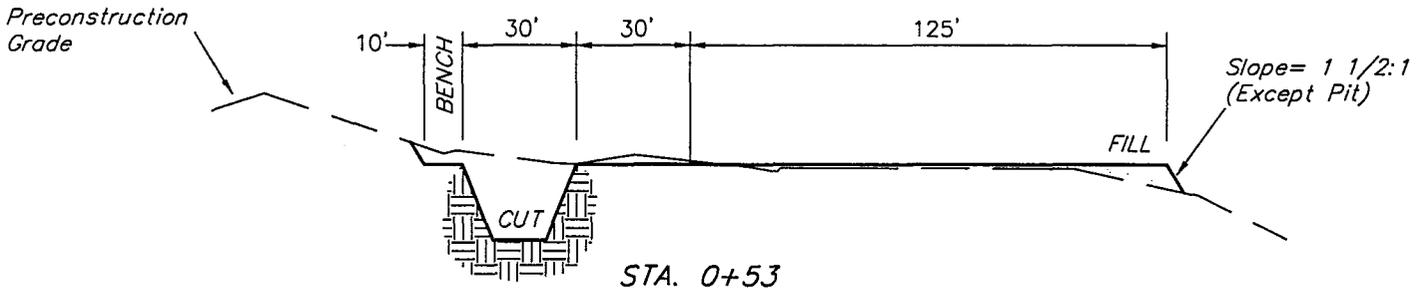
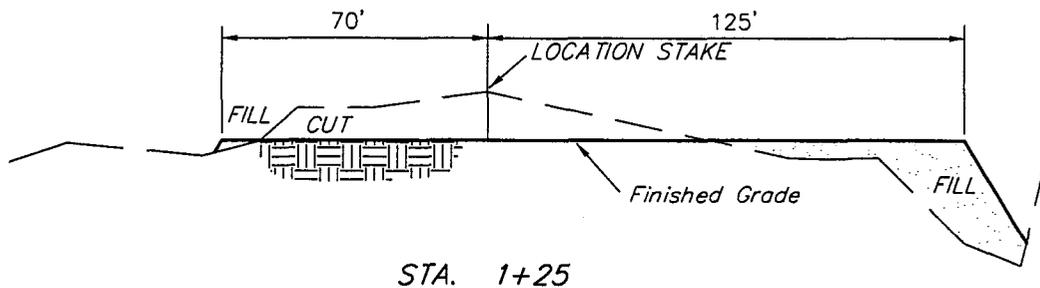
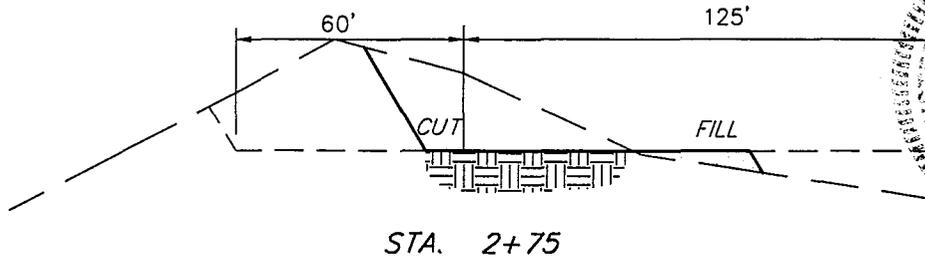
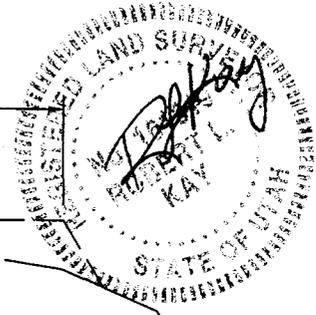
SITLA #32-22

SECTION 22, T15S, R9E, S.L.B.&M.

1981' FNL 1690' FEL



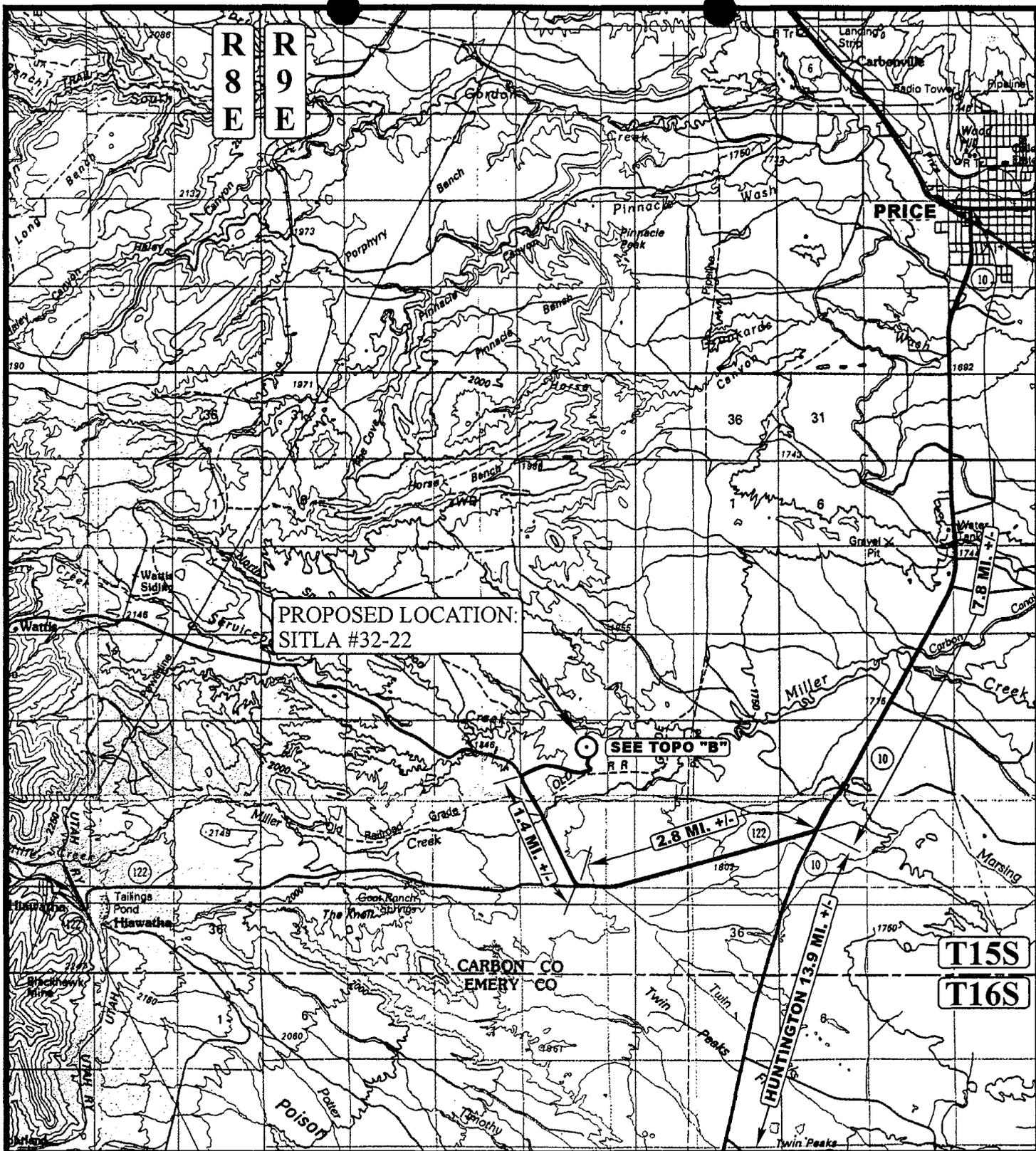
DATE: 1-4-00
Drawn By: C.B.T.



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	940 Cu. Yds.	EXCESS MATERIAL AFTER 5% COMPACTION	=	1,140 Cu. Yds.
Remaining Location	=	3,920 Cu. Yds.	Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,130 Cu. Yds.
TOTAL CUT	=	4,860 CU.YDS.	EXCESS UNBALANCE (After Rehabilitation)	=	10 Cu. Yds.
FILL	=	3,530 CU.YDS.			



PROPOSED LOCATION:
SITLA #32-22

SEE TOPO "B"

T15S

T16S

CARBON CO
EMERY CO

LEGEND:

○ PROPOSED LOCATION



MARATHON OIL CO.

SITLA #32-22
SECTION 22, T15S, R9E, S.L.B.&M.
1981' FNL 1690' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

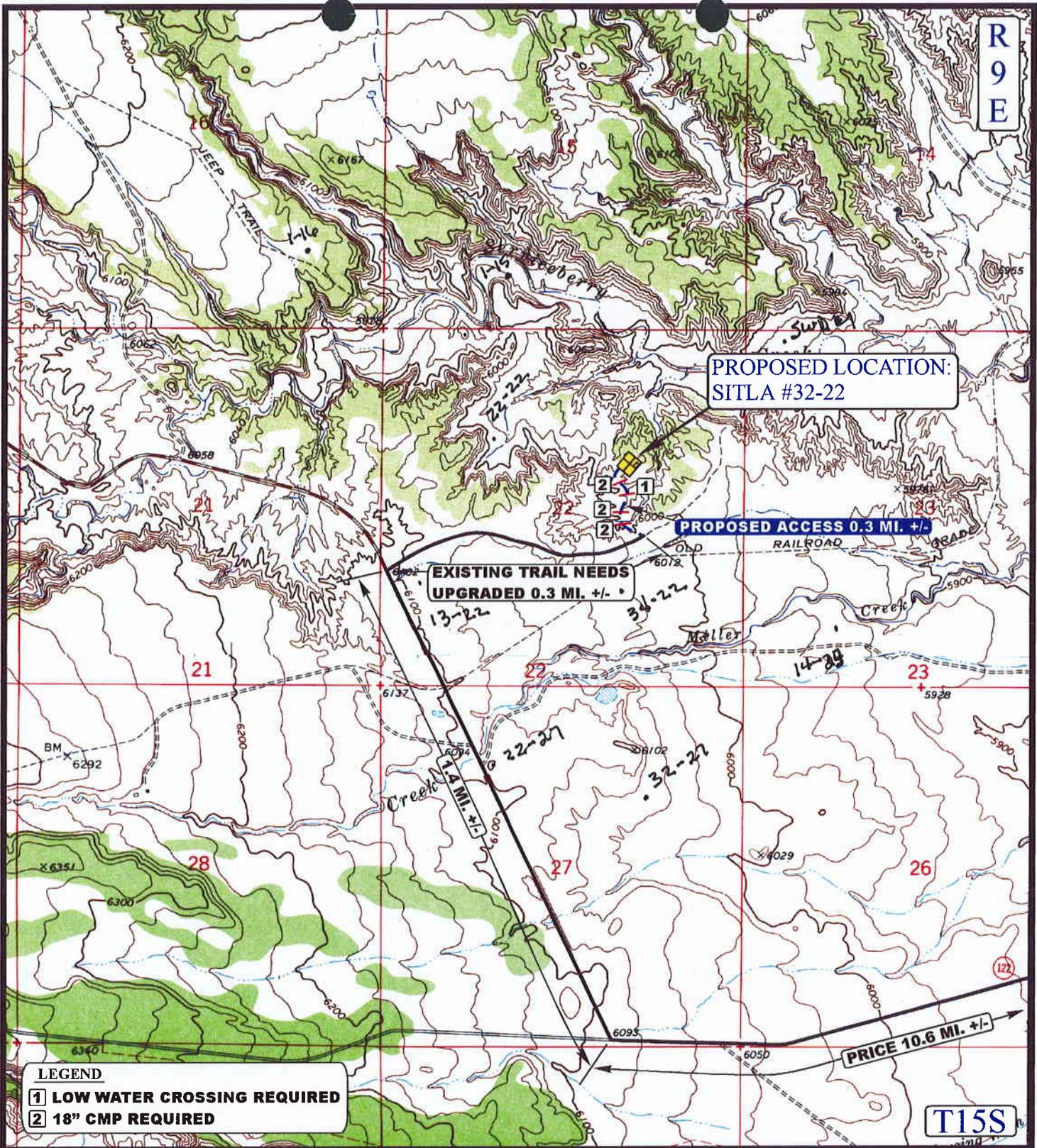
TOPOGRAPHIC
MAP

12 29 99
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00

A
TOPO

R
9
E



PROPOSED LOCATION:
SITLA #32-22

PROPOSED ACCESS 0.3 MI. +/-

EXISTING TRAIL NEEDS
UPGRADED 0.3 MI. +/-

PRICE 10.6 MI. +/-

T15S

LEGEND

- 1 LOW WATER CROSSING REQUIRED
- 2 18" CMP REQUIRED

LEGEND:

- - - - - PROPOSED ACCESS ROAD
- EXISTING ROAD



MARATHON OIL CO.

SITLA #32-22
SECTION 22, T15S, R9E, S.L.B.&M.
1981' FNL 1690' FEL

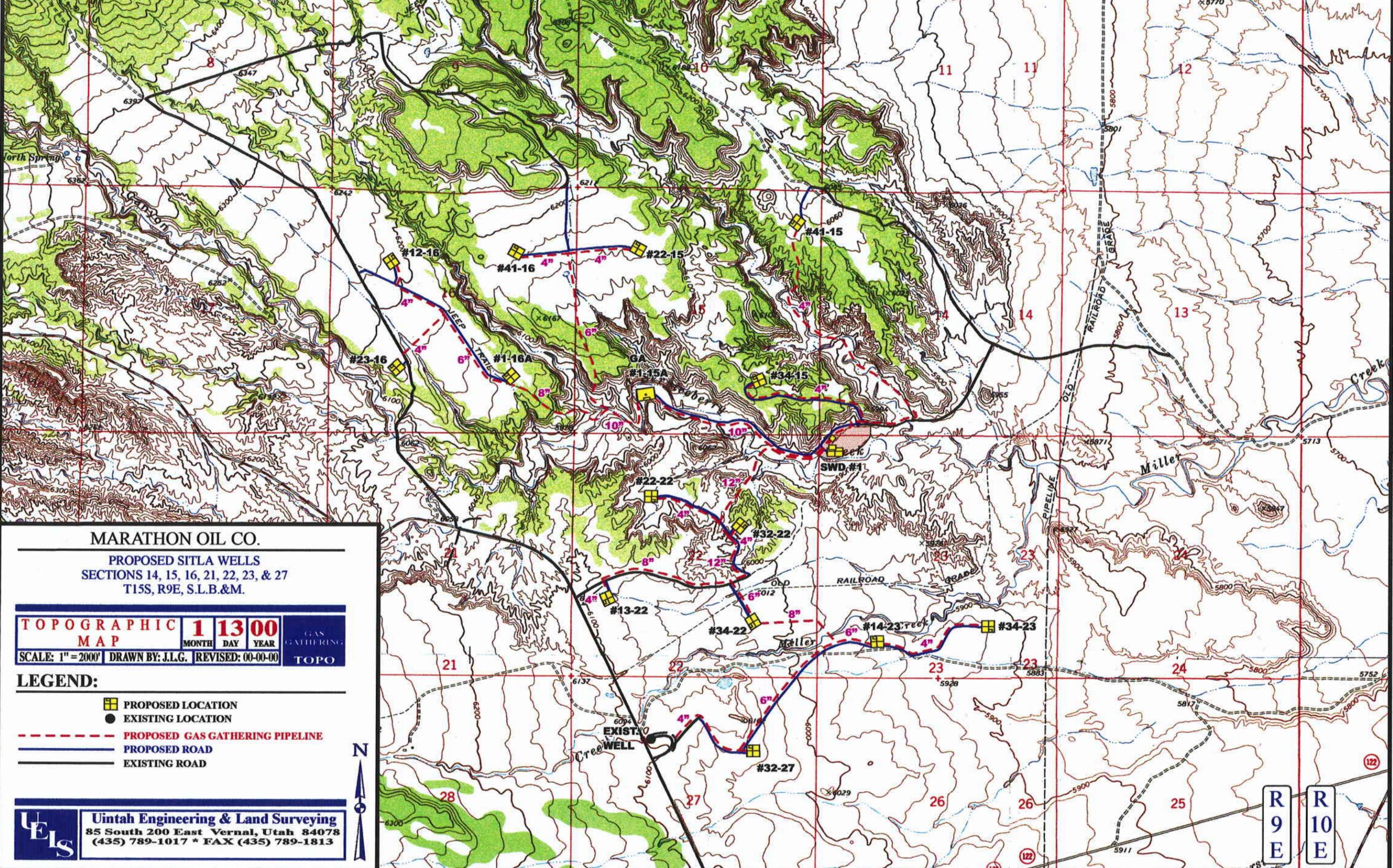


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(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	12	29	99
	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: J.L.G.		REVISED: 00-00-00



T15S



MARATHON OIL CO.
 PROPOSED SITLA WELLS
 SECTIONS 14, 15, 16, 21, 22, 23, & 27
 T15S, R9E, S.L.B.&M.

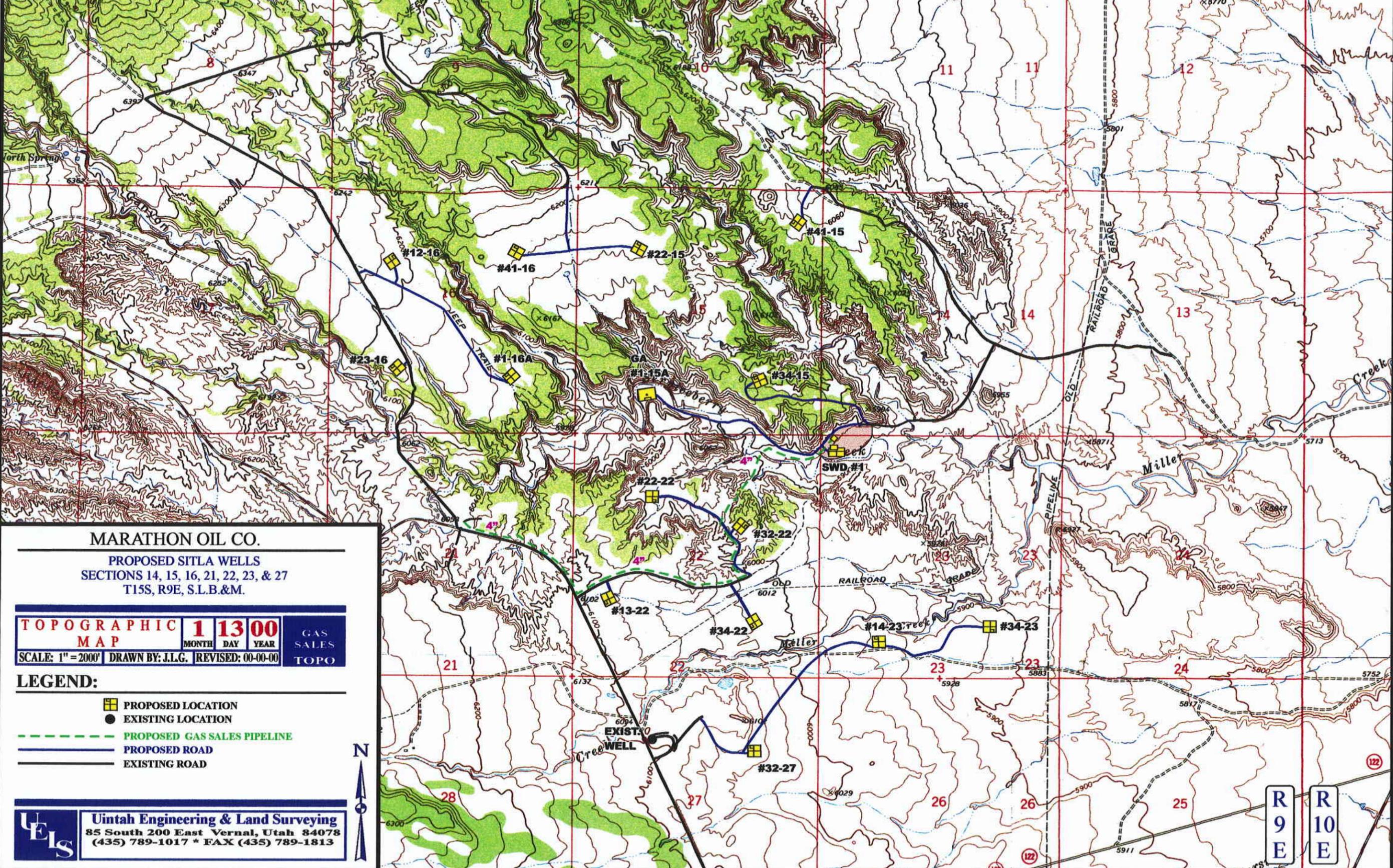
TOPOGRAPHIC MAP 1 13 00
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00 TOPO

LEGEND:
 [Yellow Square] PROPOSED LOCATION
 [Black Circle] EXISTING LOCATION
 [Red Dashed Line] PROPOSED GAS GATHERING PIPELINE
 [Blue Line] PROPOSED ROAD
 [Black Line] EXISTING ROAD

U&L S Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

R 9 E
 R 10 E

T15S



MARATHON OIL CO.
 PROPOSED SITLA WELLS
 SECTIONS 14, 15, 16, 21, 22, 23, & 27
 T15S, R9E, S.L.B.&M.

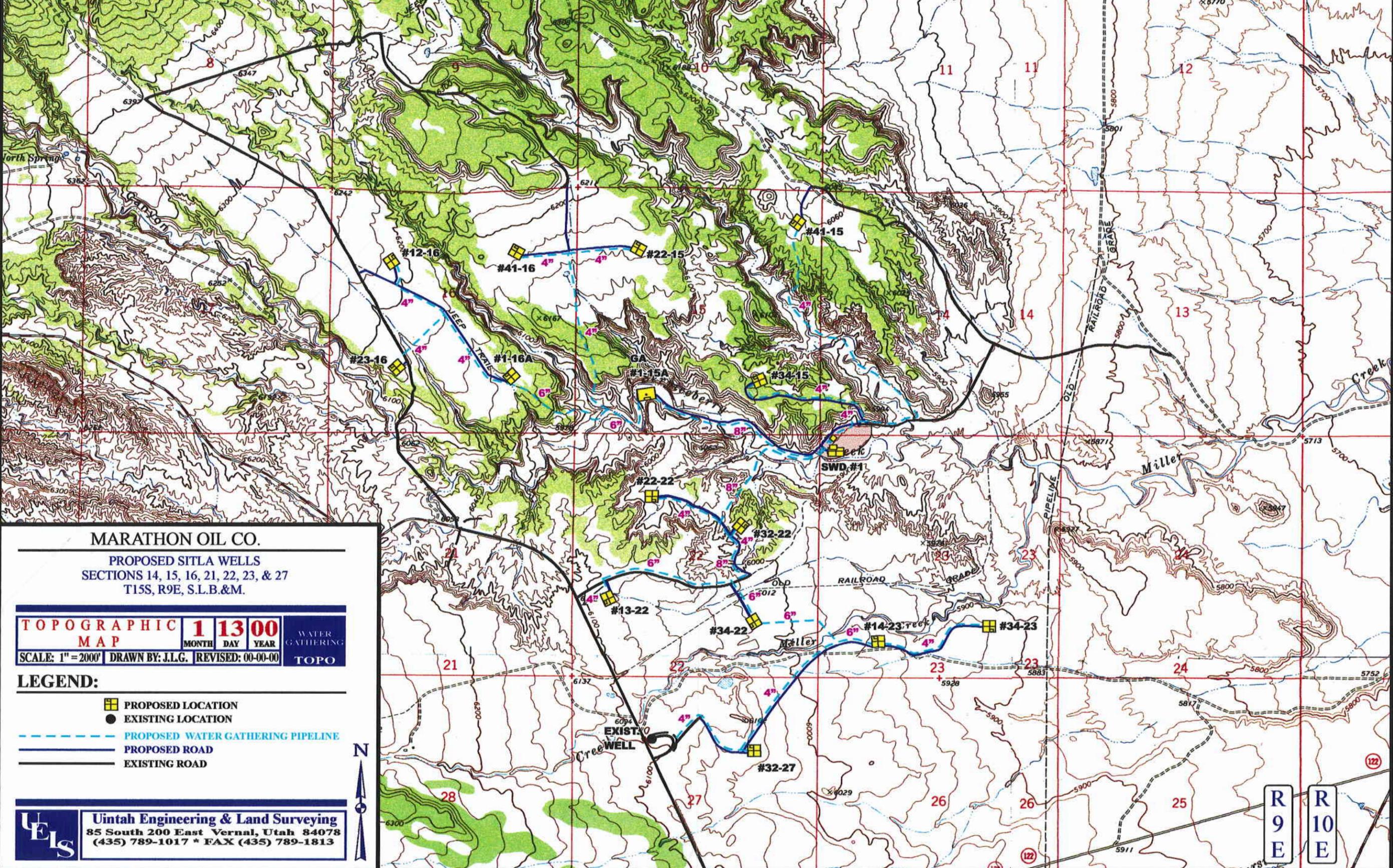
TOPOGRAPHIC MAP 1 13 00
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00
 GAS SALES TOPO

- LEGEND:**
- PROPOSED LOCATION
 - EXISTING LOCATION
 - PROPOSED GAS SALES PIPELINE
 - PROPOSED ROAD
 - EXISTING ROAD

UELS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

R 9 E
 R 10 E

T15S



MARATHON OIL CO.
 PROPOSED SITLA WELLS
 SECTIONS 14, 15, 16, 21, 22, 23, & 27
 T15S, R9E, S.L.B.&M.

TOPOGRAPHIC MAP 1 13 00
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00
 WATER GATHERING TOPO

LEGEND:
 [Yellow Square] PROPOSED LOCATION
 [Black Circle] EXISTING LOCATION
 [Blue Dashed Line] PROPOSED WATER GATHERING PIPELINE
 [Solid Black Line] PROPOSED ROAD
 [Dashed Black Line] EXISTING ROAD

U&L S Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



R 9 E R 10 E

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/07/2000

API NO. ASSIGNED: 43-007-30660

WELL NAME: SITLA 32-22
 OPERATOR: MARATHON OIL COMPANY (N3490)
 CONTACT: BILL RYAN, AGENT

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:
 SWNE 22 150S 090E
 SURFACE: 1981 FNL 1690 FEL
 BOTTOM: 1981 FNL 1690 FEL
 CARBON
 UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	<i>RJR</i>	3-22-00
Geology		
Surface		

LEASE TYPE: 3-State
 LEASE NUMBER: ML-48232
 SURFACE OWNER: 3-State

PROPOSED FORMATION: FRSD

RECEIVED AND/OR REVIEWED:

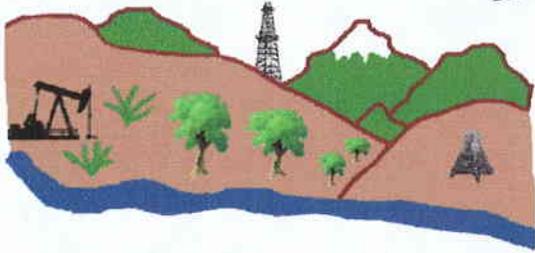
- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. 5922542)
- Potash (Y/N)
- Oil Shale (Y/N) *190 - 5 (B)
- Water Permit
(No. PRWID)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3. Unit _____
- R649-3-2. General
Siting: _____
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 243-1 (160')
Eff Date: 10-13-98
Siting: 660' to Dr. Unit Boundary & 1320' between wells.
- R649-3-11. Directional Drill

COMMENTS: Need Presite. (Conducted 3-9-00)

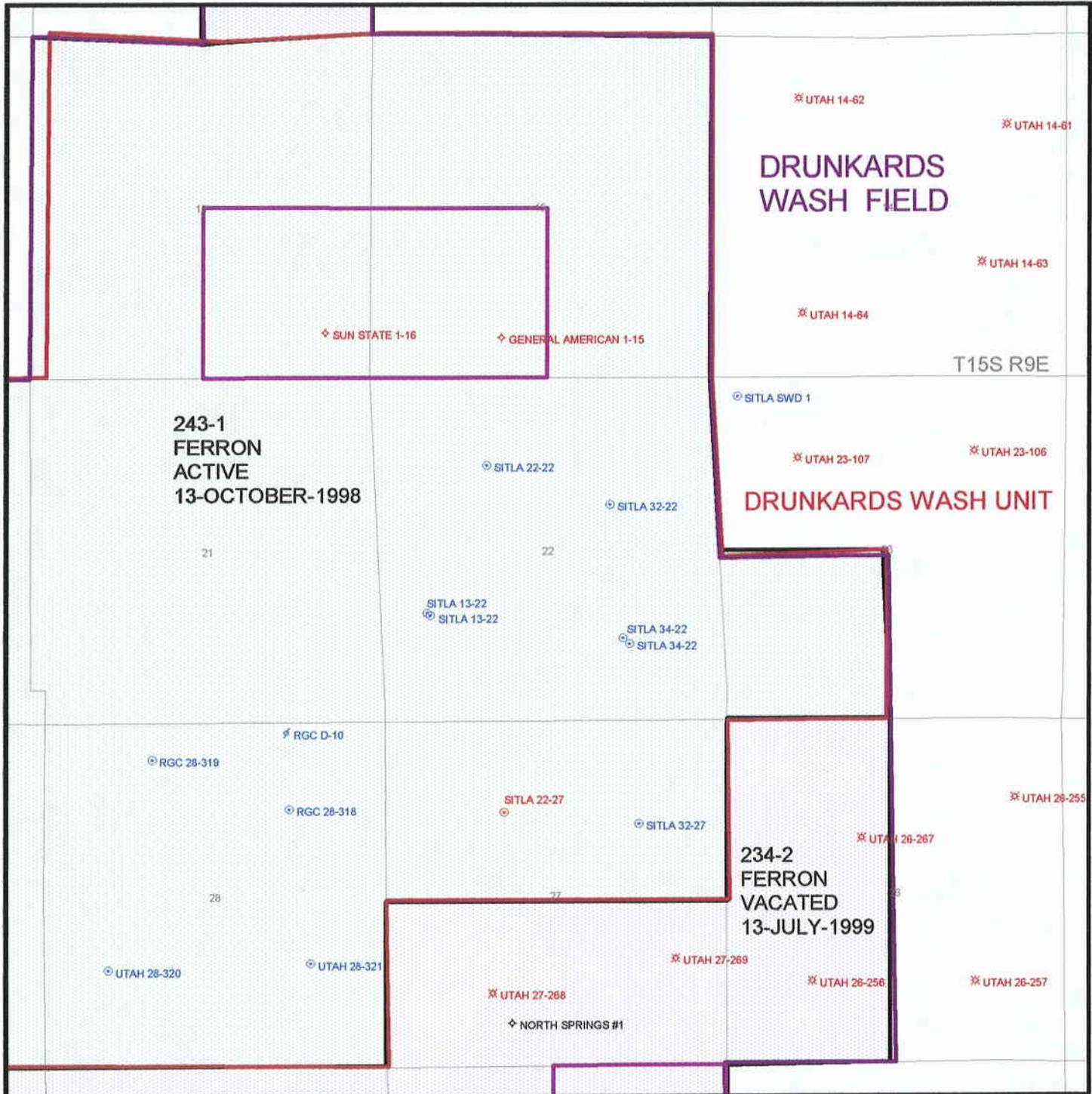
STIPULATIONS: ① STATEMENT OF BASU



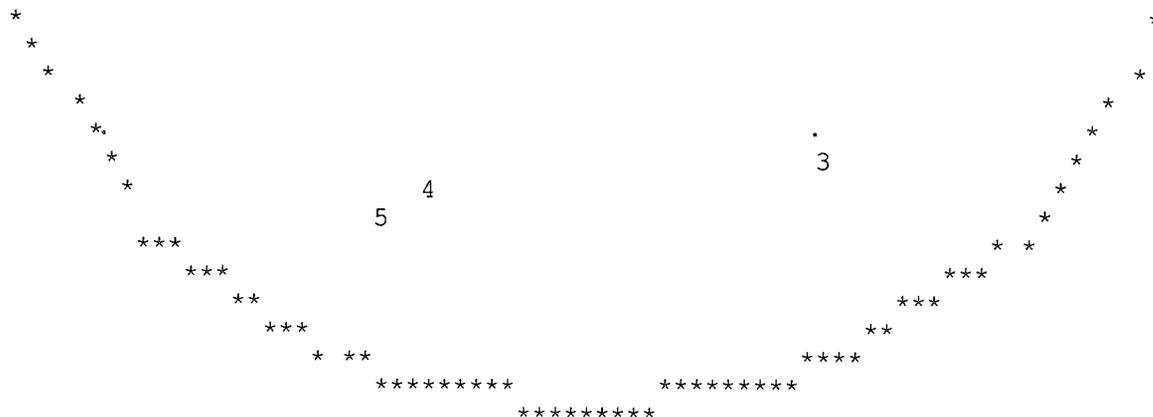
Utah Oil Gas and Mining

Serving the Industry, Protecting the Environment

OPERATOR: MARATHON OIL COMPANY (N3490)
 FIELD: UNDESIGNATED (002)
 SEC. 22, T 15 S, R 9 E
 COUNTY: CARBON CAUSE No: 243-1 160 ACTES



PREPARED
 DATE: 14-Feb-2000



UTAH DIVISION OF WATER RIGHTS
 NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO	POINT OF DIVERSION DESCRIPTION
				DIAMETER DEPTH YEAR LOG	NORTH EAST CNR SEC TWN RNG B&M
0	91 4952	5.0000	.00	Underground Water Wells	N 907 E 1392 SW 14 15S 9E SL
				WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER	PRIORITY DATE: 06/23/19
				River Gas Corporation	Northport
0	a19276	5.0000	.00	Underground Water Wells	N 907 E 1392 SW 14 15S 9E SL
				WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER	PRIORITY DATE: 08/31/19
				River Gas Corporation	Northport
1	91 4296	.0000	3.00	Serviceberry Creek	N 600 E 2400 SW 15 15S 9E SL
				WATER USE(S): OTHER	PRIORITY DATE: 11/02/19
				Driscoll, Colleen P.	Salt Lake City
2	91 4980	.0000	4.73	Unnamed Washes	S 2300 E 200 SW 15 15S 9E SL
				WATER USE(S): STOCKWATERING	PRIORITY DATE: 01/26/19
				State of Utah School & Institutional Tru	Salt Lake City
				675 East 500 South, 5th Floor	

3	<u>91 4812</u>	.0000	1000.00	Miller Creek	N	200	E	300	SW 23	15S	9E	SL
				WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING								PRIORITY DATE: 03/07/19
				Feichko, Frank H. Sr. & Carol L.								Price
				P.O. Box 1436								
4	<u>91 4</u>	3.5000	.00	Miller Creek	N	20	W	390	S4 22	15S	9E	SL
				WATER USE(S): IRRIGATION STOCKWATERING								PRIORITY DATE: 01/30/19
				Feichko, Frank H. (Sr) and Carol L.								Price
				871 East 6370 South								
4	<u>91 56</u>	2.2000	.00	Miller Creek	N	20	W	390	S4 22	15S	9E	SL
				WATER USE(S): IRRIGATION								PRIORITY DATE: 04/10/19
				Feichko, Frank H. (Sr) and Carol L.								Price
				871 East 6370 South								
4	<u>91 784</u>	.3000	.00	Miller Creek	N	20	W	380	S4 22	15S	9E	SL
				WATER USE(S): IRRIGATION STOCKWATERING								PRIORITY DATE: 00/00/19
				Marsing, Orson								Price
				Route #1								
4	<u>91 4814</u>	.2000	.00	Miller Creek	N	20	W	380	S4 22	15S	9E	SL
				WATER USE(S): IRRIGATION								PRIORITY DATE: 00/00/19
				Feichko, Frank H. and Carol L.								Price
				P.O. Box 458								
5	<u>91 4812</u>	.0000	1000.00	Miller Creek	S	300	E	1885	NW 27	15S	9E	SL
				WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING								PRIORITY DATE: 03/07/19
				Feichko, Frank H. Sr. & Carol L.								Price
				P.O. Box 1436								

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: Marathon Oil Company

WELL NAME & NUMBER: SITLA 32-22

API NUMBER: 43-007-30660

LEASE: State FIELD/UNIT: UNDESIGNATED

LOCATION: 1/4,1/4 SWNE Sec: 22 TWP: 15 S RNG: 9 E 1981 FNL 1690 FEL
LEGAL WELL SITING: 660 F SEC. LINE; 660 F 1/4,1/4 LINE; 1320F ANOTHER WELL.
GPS COORD (UTM): X = 508896; Y = 4372936 SURFACE OWNER: SITLA

PARTICIPANTS

C. Kierst (DOGM), C. Colt (DWR), B. Ryan (Rocky Mtn. Consulting), D. Kay (U.E.L.S.), Randy Meabon (Marathon), D. Wilcox (Nielson Construction, C. Arterbery (drilling consultant)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Western margin of Colorado Plateau/~6 miles east of foot of Wasatch Plateau. The location is on the westward-dipping Blue Gate Member of the Mancos Shale (just below Garley Canyon Beds). The pad is on moderately incised to rolling ground which generally slopes to the northeast. It is ~2/3 mile northeast of the Wattis Highway, ~1 1/2 miles north of its intersection with Highway 122, and within a mile east of Quaternary / Tertiary Pediment Mantle-capped erosional remnants.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 275' X 185' pad with 30' X 80' X 8' inboard pit and ~1584' of new access road. ~500' of upgraded road surface will be required.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 2 PGW status wells, 7 NEW status locations, 2 SGW status wells and 1 DRL status well. In addition, there are 3 APDs approved in the name of Fleet Energy but these will probably be superceded by identical Marathon approved APDs which are included within the above cited enumeration of NEW status locations. Marathon acquired the operations from Fleet Energy lately.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ~1 1/4 miles east of pad (Questar pipeline runs north-south).

SOURCE OF CONSTRUCTION MATERIAL: Material will be borrowed from the pad at the time of construction. Water turnouts and berms will be placed as needed and the road and pad will be graveled as needed. Ancillary gravel needs will be satisfied by the dirt contractor from legally permitted sources. Water will be from the City of Price.

ANCILLARY FACILITIES: none

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal

waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. No crude oil is expected to be produced. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected into the Navajo Sandstone via a Marathon-operated salt water disposal well. Used oil from drilling operations and support is hauled to a used oil re-cycler and reused.

AFFECTED FLOODPLAINS AND/OR WETLANDS: Location is between year-round Miller Creek, ~ ½ mile south, and ephemeral Serviceberry Creek, ~1500' north.

FLORA/FAUNA: Juniper, pinyon, sagebrush, grasses / birds, lizards, coyotes, rodents, raptors, reptiles. Nesting raptors are not an issue here because of dilapidation and unoccupancy this year. Critical elk, and deer winter range; operational restriction until 4/15/2000.

SOIL TYPE AND CHARACTERISTICS: Poorly-permeable clayey, silty soil on the Blue Gate Member of the Mancos Shale.

SURFACE FORMATION & CHARACTERISTICS: Blue Gate Member (just below the Garley Canyon Beds) of Mancos Shale. Garley Canyon Sandstone Beds are relatively thin in the area. Some surface expression of igneous dikes may be seen in this area.

EROSION/SEDIMENTATION/STABILITY: Eroding but stable with limited local drainage basin, despite moderately-incised terrain.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout, earthen pit, as above.

LINER REQUIREMENTS (Site Ranking Form attached): Synthetic liner

SURFACE RESTORATION/RECLAMATION PLAN

As per State surface agreement.

SURFACE AGREEMENT: Agreement filed with State.

CULTURAL RESOURCES/ARCHAEOLOGY: Cleared but not yet filed with state.

OTHER OBSERVATIONS/COMMENTS

No DWR concerns are noted at this location beyond season restrictions.

ATTACHMENTS:

4 Photos were taken of this location. (18-21)

Chris Kierst
DOGM Representative

9-Mar-2000 2:00 PM
Date & Time

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 15 (Level II Sensitivity)

DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

Operator Name: Marathon Oil Company

Name & Number: SITLA 32-22

API Number: 43-007-30660

Location: 1/4, 1/4 SWNE Sec. 22 T. 15 S. R. 9 E County: Carbon

Geology/Ground Water:

Location is on relatively impermeable soil developed on the Blue Gate Member of the Mancos Shale. No high quality ground water is expected to be encountered. The proposed casing and cement program will adequately isolate any zones of water penetrated. One underground water well diversion is recorded (a River Gas CBM well) within a mile of the location.

Reviewer: Chris Kierst Date: 3/21/2000

Surface:

At the location a clayey, silty, poorly-permeable soil is developed on the Blue Gate Member of the Mancos Shale. It is situated between ephemeral Serviceberry Creek, into which the location drains northward, and flowing Miller Creek, both of which are within a half mile of the location. Pit integrity will be maintained by the use of a synthetic liner. There are no nearby culinary or irrigation water supply wells. The site was photographed and characterized on 3/9/2000. Provision was made to ensure site rehabilitation, litter and waste control, preservation of drainage patterns and the integrity of local infrastructure, groundwater and other resources. The well utilities and gas gathering system will follow the approach roadway.

Reviewer: Chris Kierst Date: 3/21/2000

Conditions of Approval/Application for Permit to Drill:

- 1) Culverts sufficient to manage expected runoff, standing and surface water shall be installed in crossed drainages.
- 2) Berm location and pit.
- 3) Minimum 12 mil synthetically lined pit and blooie pit.
- 4) Dust abatement will be used while drilling and on access roads.
- 5) Culverts will be used where necessary on the access road.
- 6) 404 Dredge and Fill Permits must be obtained when required or waived by the U.S. Army Corp. of Engineers or their authorized agents for crossings of any watercourses by pipelines or access roads, or prior to any bank or streambed modifications.
- 7) Compliance with terms of the governing EIS.

Well name:	3-00 Marathon SITLA #32-22	
Operator:	Marathon	Project ID:
String type:	Production	43-007-30660
Location:	Carbon County	

Design parameters:

Collapse
 Mud weight: 8.330 ppg
 Design is based on evacuated pipe.

Burst
 Max anticipated surface pressure: 0 psi
 Internal gradient: 0.433 psi/ft
 Calculated BHP: 1,174 psi
 No backup mud specified.

Minimum design factors:

Collapse:
 Design factor: 1.125

Burst:
 Design factor: 1.00

Tension:
 8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on buoyed weight.
 Neutral point: 2,369 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 113 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 368 ft

Cement top: 1,635 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2712	5.5	17.00	L-80	LT&C	2712	2712	4.767	93.5
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1174	6290	5.36	1174	7740	6.60	40	338	8.39 J

Prepared RJK
 by: Utah Dept. of Natural Resources

Date: March 22,2000
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
 Collapse is based on a vertical depth of 2712 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
 Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	3-00 Marathon SITLA #32-22	
Operator:	Marathon	Project ID:
String type:	Surface	43-007-30660
Location:	Carbon County	

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:
Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 79 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 160 ft

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.433 psi/ft
Calculated BHP 130 psi

Burst:

Design factor 1.00

Cement top: Surface

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Re subsequent strings:

Next setting depth: 1,850 ft
Next mud weight: 8.330 ppg
Next setting BHP: 801 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,850 ft
Injection pressure 1,850 psi

Tension is based on buoyed weight.
Neutral point: 262 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	300	8.625	24.00	J-55	ST&C	300	300	7.972	14.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	130	1370	10.56	130	2950	22.73	6	244	38.74 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: March 22,2000
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 300 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

3-00 Marathon SITLA #32

Casing Schematic

Surface

8-5/8"
MW 8.3
Frac 19.3

TOC @
0.

Surface
300. MD

*Cement tops at
190' water
washout.*

5-1/2"
MW 8.3

TOC @
1635.

Production
2712. MD

150'



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

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 23, 2000

Marathon Oil Company
1501 Stampede Avenue
Cody, WY 82414

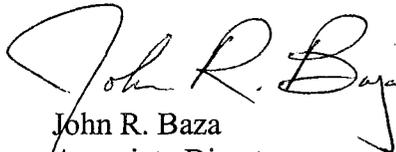
Re: SITLA 32-22 Well, 1981' FNL, 1690' FEL, SW NE, Sec. 22, T. 15S. R. 9E,
Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the enclosed Conditions of Approval, approval to drill the referenced well is granted.

This approval will expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30660.

Sincerely,


John R. Baza
Associate Director

er

Enclosures

cc: Carbon County Assessor
SITLA

Operator: Marathon Oil Company

Well Name & Number: SITLA 32-22

API Number: 43-007-30660

Lease: ML-48232

Location: SW NE Sec. 22 T. 15S R. 9E

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division of the following actions during drilling of this well:

- . 24 hours prior to cementing or testing casing
 - . 24 hours prior to testing blowout prevention equipment
 - . 24 hours prior to spudding the well
 - . within 24 hours of any emergency changes made to the approved drilling program
 - . prior to commencing operations to plug and abandon the well
- Division contacts (please leave a voice mail message if the person is not available to take the call):
- . Dan Jarvis at (801)538-5338
 - . Robert Krueger at (801)538-5274 (plugging)
 - . Carol Daniels at (801)538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: MARATHON OIL COMPANY

Well Name: SITLA 32-22

Api No. 43-007-30660 Lease Type: STATE

Section 22 Township 15S Range 09E County CARBON

Drilling Contractor _____ RIG # _____

SPUDDED:

Date 04/25/2000

Time 6:00 AM

How _____

Drilling will commence _____

Reported by CHARLIE

Telephone # _____

Date: 04/24/2000 Signed: CHD

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

6. Lease Designation and Serial Number <i>ML-48232</i>
7. Indian Allottee or Tribe Name <i>NA</i>
8. Unit or Communitization Agreement <i>NA</i>
9. Well Name and Number <i>SITLA #32-22</i>
10. API Well Number <i>43-007-30660</i>
11. Field and Pool, or Wildcat <i>DRUNKARD'S WASH</i>

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
 Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) <u>2</u>	
2. Name of Operator <i>MARATHON OIL COMPANY</i>	
3. Address of Operator <i>1501 STAMPEDE AVENUE, CODY, WY 82414</i>	4. Telephone Number <i>307-527-2211</i>
5. Location of Well Footage : <i>1690' FEL, 1981' FNL</i> County : <i>CARBON</i> QQ, Sec, T., R., M : <i>SWNE SEC. 22, T15S, R9E</i> State : <i>UTAH</i>	

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other <u>SPUD</u>	

Date of Work Completion 5/19/00

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
 * Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

*The above named well was spudded by Elenburg Rig #15 on 5/19/00.
 The surface casing was pre-set to a depth of 335'.*

cc: *WRF,RPM,DRILLING,T&C(HOU)*

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

Name & Signature *R.P. MEABON* Title *REG. COORD.* Date *05/24/00*

(State Use Only)

RECEIVED

MAY 30 2000

DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT - for such proposals</p>		6. Lease Designation and Serial Number <i>ML-48232</i>
		7. Indian Allottee or Tribe Name <i>NA</i>
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) <i>2</i>		8. Unit or Communitization Agreement <i>NA</i>
2. Name of Operator <i>MARATHON OIL COMPANY</i>		9. Well Name and Number <i>SITLA #32-22</i> 32-22 32-22
3. Address of Operator <i>1501 STAMPEDE AVENUE, CODY, WY 82414</i>	4. Telephone Number <i>307-327-2211</i>	10. API Well Number <i>43-007-30660</i>
5. Location of Well Footage : <i>1690' FEL, 1981' FNL</i> County : <i>CARBON</i> QQ, Sec. T., R., M : <i>SWNE SEC. 22, T16S, R9E</i> State : <i>UTAH</i>		11. Field and Pool or Wildcat <i>DRUNKARD'S WASH</i>
12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		

NOTICE OF INTENT
(Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other <i>SPUD</i>	

Date of Work Completion *5/19/00*

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
 * Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

*The above named well was spudded by Elenburg Rig #15 on 5/19/00.
 The surface casing was pre-set to a depth of 335'.*

cc: *WRF, RPM, DRILLING, T&C(HOU)*

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

Name & Signature *R.P. MEABON* Title *REG. COORD.* Date *05/24/00*

(State Use Only)

(8/90)

See Instructions on Reverse Side

RECEIVED
 JUL 03 2000
 DIVISION OF
 OIL, GAS AND MINING

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

ENTITY ACTION FORM

Operator: Marathon Oil Company
Address: Attn: Michael L. Meyer
539 South Main St.
Findlay, OH 45840

Operator Account Number: N 3490
Phone Number: (419) 421-3217

Well 1

API Number	Well Number		QQ	Sec	Twp	Rng	County
43-007-30660	Sitla 32-22		SW NE	22	15S	9E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	12783	5-19-00				
Comments: <i>000706 entity added</i> Communization Agreement Complete.							

Well 2

API Number	Well Number		QQ	Sec	Twp	Rng	County
43-007-30665	Sitla 23-16		NE SW	16	15S	9E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	12784	5-25-00				
Comments: <i>000706 entity added.</i>							

Well 3

API Number	Well Number		QQ	Sec	Twp	Rng	County
43-007-30656	Sitla SWD #1		NW NW	23	15S	9E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	12785	4-30-00				
Comments: <i>000706 entity added.</i>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Michael L. Meyer
Name (Please Print)
Michael L Meyer
Signature
Supervisor (RMS) 6-29-00
Date

(6/2000)

RECEIVED

JUL 03 2000

DIVISION OF
OIL, GAS AND MINING

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

6. Lease Designation and Serial Number ML-48232
7. Indian Allottee or Tribe Name NA
8. Unit or Communitization Agreement NA
9. Well Name and Number SITLA # 32-22
10. API Well Number 43-007-30660
11. Field and Pool, or Wildcat DRUNKARD'S WASH

SUNDRY NOTICES AND REPORTS ON WELLS
 Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
 Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well
 Oil Well Gas Well Other (specify) ?

2. Name of Operator
Marathon Oil Company

3. Address of Operator
1501 Stampede Ave., Cody, Wyoming 82414

4. Telephone Number
 307-527-2211

5. Location of Well
 Footage : 1981' FNL, 1690' FEL County : CARBON
 QQ, Sec, T., R., M : SWNE 22-15S-9E State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start August 2000

SUBSEQUENT REPORT
(Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Date of Work Completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
 * Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

THE ABOVE NAMED WELL WAS SPUDDED ON 5/19/00 AND MARATHON PLANS TO PROCEED WITH THE COMPLETION WORK BY AUGUST 1, 2000. DUE TO THE SENSITIVITY OF THE FERRON FORMATION DURING COMPLETION, AND TESTING PHASE AND TO ESTABLISH A STABILIZED WATER AND GAS RATE FOR THE PURPOSE OF ECONOMIC VIABILITY, MARATHON REQUESTS APPROVAL, IN ACCORDANCE WITH R649-3-20.3, APPROVAL TO VENT OR FLARE GAS FROM THE ABOVE NAMED WELL FOR A PERIOD OF 30 DAYS OR 50 MMCF, WHICHEVER IS LESS.

RECEIVED
 JUL 28 2000
 DIVISION OF
 OIL, GAS AND MINING

CC: WRF,RPM,DTJ,T&C(HOU),MEW,DRUNKARD'S WASH OFFICE

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

Name & Signature R.P. Meabon Title _____ Reg. Coord. _____ Date 07/20/00

APPROVED

(State Use Only)

COPY SENT TO OPERATOR
 ORDER 7-27-00
 LABELS CHD

The Utah Division of Oil, Gas and Mining
 Robert J. Krueger, PE, Petroleum Engineer

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

6. Lease Designation and Serial Number ML-48232
7. Indian Allottee or Tribe Name NA
8. Unit or Communitization Agreement NA
9. Well Name and Number SITLA # 32-22
10. API Well Number 43-007-30660
11. Field and Pool, or Wildcat DRUNKARD'S WASH

SUNDRY NOTICES AND REPORTS ON WELLS
 Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
 Use APPLICATION FOR PERMIT -- for such proposals.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) <u>2</u>	
2. Name of Operator <p align="center">Marathon Oil Company</p>	
3. Address of Operator <p align="center">1501 Stampede Ave., Cody, Wyoming 82414</p>	4. Telephone Number <p align="center">307-527-2211</p>
5. Location of Well Footage : 1981' FNL, 1690' FEL County : CARBON QQ, Sec, T., R., M : SWNE 22-15S-9E State : UTAH	

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other _____	<u>FIRST PRODUCTION</u>

Date of Work Completion 08/20/2000

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
 * Must be accompanied by a cement verification report.

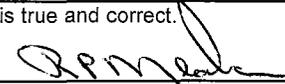
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The above named well was placed on production to the sales line at 11:10am on 8/20/2000 at a rate of 90 MCFD.

RECEIVED
 AUG 21 2000
 DIVISION OF
 OIL, GAS AND MINING

CC: WRF,RPM,DTJ,T&C(HOU),MEW

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

Name & Signature R.P. Meabon  Title Reg. Coord. Date 08/23/00

(State Use Only)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG						5. LEASE DESIGNATION AND SERIAL NO. ML-48232	
						6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA	
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____						7. UNIT AGREEMENT NAME NA	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____						8. FARM OR LEASE NAME SITLA	
2. NAME OF OPERATOR MARATHON OIL COMPANY						9. WELL NO. 32-22	
3. ADDRESS OF OPERATOR 1501 STAMPEDE AVENUE, CODY, WYOMING 82414						10. FIELD AND POOL, OR WILDCAT DRUNKARD'S WASH	
4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)* At surface 1981' FNL, 1690' FEL SWNE At top prod. interval reported below At total depth SAME						11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA 22-15S-9E	
14. API NO. 43-007-30660				DATE ISSUED 3/23/2000		12. COUNTY CARBON	13. STATE UTAH
15. DATE SPUNDED 5/19/2000		16. DATE T.D. REACHED 5/21/2000		17. DATE COMPL. (Ready to prod.) or (Plug & Abd.) 8/20/2000		18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 5979' GL & 5991' KB	
19. ELEV. CASINGHEAD NA		20. TOTAL DEPTH, MD & TVD 2742 MD 2742 TVD					
21. PLUG BACK T.D., MD & TVD 2672 MD 2672 TVD		22. IF MULTIPLE COMPL., HOW MANY*		23. INTERVALS DRILLED BY -----> Elenburg Rig #15		24. PRODUCING INTERVAL(S), OF THIS COMPLETION---TOP, BOTTOM, NAME (MD AND TVD) Ferron Coal (2,366' -2,368' & 2,393' - 2,401'), (2,440' - 2,442' & 2,446' - 2,453') & (2,463' - 2,473')	
25. WAS DIRECTIONAL SURVEY MADE NA						26. TYPE ELECTRIC AND OTHER LOGS RUN 6-16-00 AIT-GR & CNL-LDT-MLT-GR & CBL-CCL-GR	
27. WAS WELL CORED? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> DRILL STEM TEST? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>						28. (Submit analysis) (See reverse side)	
23. CASING RECORD (Report all strings set in well)							
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE	
8-5/8"		24		345.9'		11"	
5-1/2"		17		2,742'		7-7/8"	
CEMENTING RECORD						AMOUNT PULLED	
166 sxs of Prem AG to surface						0	
Lead cmt of 80 sx of 50/50 Pos & Tail cmt of 165 sxs of THIXO						0	
29. LINER RECORD							
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT	
NA							
30. TUBING RECORD							
SIZE		DEPTH SET (MD)		PACKER SET (MD)			
2-7/8"		2,606'		none			
31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
INTERVAL		SIZE		NUMBER		DEPTH INTERVAL (MD)	
2366-68' & 2393'-2401'		22.7 gm		4 spf		AMOUNT AND KIND OF MATERIAL USED	
2440'-42' & 2446' - 53'		22.7 gm		4 spf		2366 - 2401' 47,877# -16-30 sd & 25,976 g of 20# Gel	
2463' - 73'		22.7 gm		4 spf		2440 - 2453' 72,800# -16-30 sd & 33,017 g of 20# Gel	
						2463 - 2473' 39,980# -16-30 sd & 22,295 g of 20# Gel	
33.* PRODUCTION							
DATE FIRST PRODUCTION 8/20/00		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) Pumping -- Progressive Cavity Pump				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 8/31/00		HOURS TESTED 24		CHOKE SIZE ----->		PROD. FOR TEST PERIOD 0	
FLOW. TUBING PRESS. 40		CASING PRESSURE 40		OIL--BBL. 0		GAS--MCF. 64	
		CALCULATED 24-HOUR RATE ----->		WATER--BBL. 25		GAS-OIL RATIO na	
				OIL GRAVITY-API (CORR.) na			
34. DISPOSITION OF GAS (Solid, used for fuel, vented, etc.) Sold						TEST WITNESSED BY Field Supervisor	
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 RPM		TITLE REGULATORY COORDINATOR				DATE 9/20/00	

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on 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) 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.

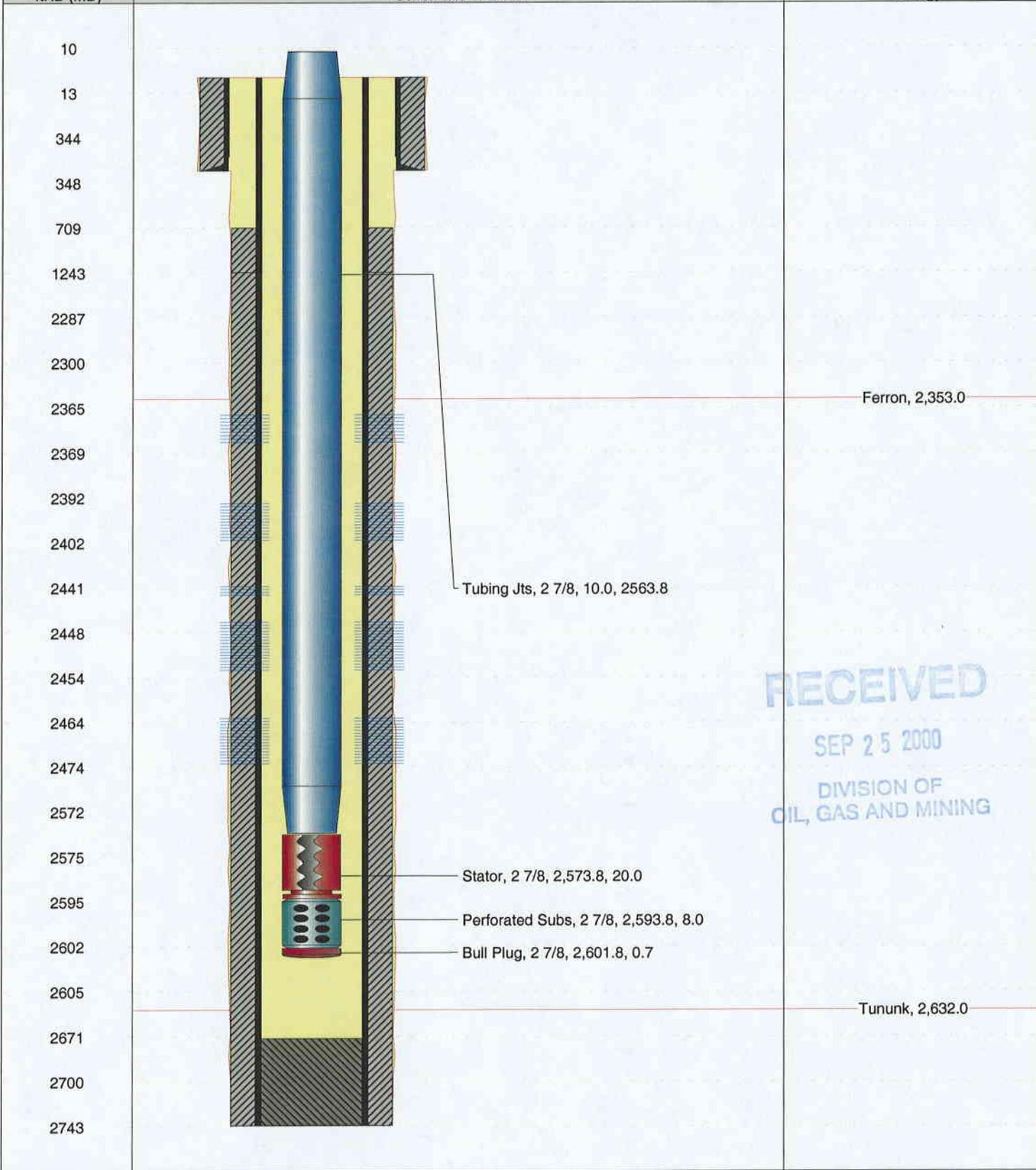
ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
38. GEOLOGIC MARKERS						
				FERRON TUNUNK	2353 2632	2353 2632

Sitla 32-22

API	43-007-30660	Field Name	Drunkards Wash	Area		Operator	Marathon Oil Company	County	CARBON	State/Province	UTAH
KB Elev (ft)	5991.00	Ground Elev (ft)	5979.00	Casing Flange Elev (ft)		KB-Ground (ft)	12.00	KB-Casing Flange (ft)	12.00	Spud Date	4/25/00

Wellbore: 8/30/00 (KB-Grd: 12.0ft)
 Schematic - Actual



RECEIVED
 SEP 25 2000
 DIVISION OF
 OIL, GAS AND MINING

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

6. Lease Designation and Serial Number ML-48232
7. Indian Allottee or Tribe Name NA
8. Unit or Communitization Agreement NA
9. Well Name and Number SITLA # 32-22
10. API Well Number 43-007-30660
11. Field and Pool, or Wildcat DRUNKARD'S WASH

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT for such proposals.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) ?	
2. Name of Operator <p align="center">Marathon Oil Company</p>	
3. Address of Operator <p align="center">1501 Stampede Ave., Cody, Wyoming 82414</p>	4. Telephone Number <p align="center">307-527-2145</p>
5. Location of Well Footage : 1981' FNL, 1690' FEL County : CARBON QQ, Sec, T., R., M : SWNE 22-15S-9E State : UTAH	

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other _____	STATUS CHANGE

Date of Work Completion 01-NOV-2002

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
* Must be accompanied by a cement verification report.

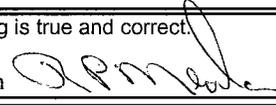
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

A review of our records indicates that the status of this well has changed.
PRIOR STATUS: Shut-in single Ferron Coal gas well (S1)
PRESENT STATUS: Active single Ferron Coal gas well (S1)
Date of change: 01-NOV-2002

RECEIVED
JAN 21 2003
 DIV. OF OIL, GAS & MINING

CC: WRF,RPM,KLM

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

Name & Signature	R.P. Meabon 	Title	Reg. Coord.	Date	01/14/03
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(State Use Only)



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 3, 2005

CERTIFIED MAIL NO. 7002 0510 0003 8602 5771

Mr. Bob Lopez
Marathon Oil Company
P.O. Box 66
Wamsutter, Wyoming 82336

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Lopez:

As of March 2005, Marathon Oil Company has one (1) State Lease Well (see attachment A) that is in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

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

Page 2
Mr. Bob Lopez
March 3, 2005

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

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

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

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD:jc
Attachment
cc: John Baza
Well File
SITLA

ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	SITLA 32-22	SWNE Sec 22-T15S-R9E	43-007-30660	State	1 Year 3 Months