

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 DEEPEN PLUG BACK

7. UNIT AGREEMENT NAME

B TYPE OF WELL

Oil Well Gas Well OTHER
Single Zone Multiple Zone

8. FARM OR LEASE NAME

2. Name of Operator

Marathon Oil Company

9. WELL NO.

SITLA #34-22

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 **1,382' FEL, 1,189' FSL SW-NW/SE**

*4372277N
508990E*

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.

1,189'

16. NO. OF ACRES IN LEASE

880

17. NO. OF ACRES ASSIGNED TO THIS WELL

160

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

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

2,110'

19. PROPOSED DEPTH

2,727'

20. ROTARY OR CABLE TOOLS

Rotary

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

6,019'

22. APPROX. DATE WORK WILL START

April 15, 2000

23

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	24	300'	To Surface
7-7/8"	5-1/2"	17	T.D.	1,356'

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 A Ryan
William Ryan

TITLE

Agent

DATE

Jan 15, 2000

(This space for Federal or State Office use)

PERMIT NO.

43007-3066d

APPROVAL DATE

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

Bradley G Hill

TITLE

**BRADLEY G. HILL
RECLAMATION SPECIALIST III**

DATE

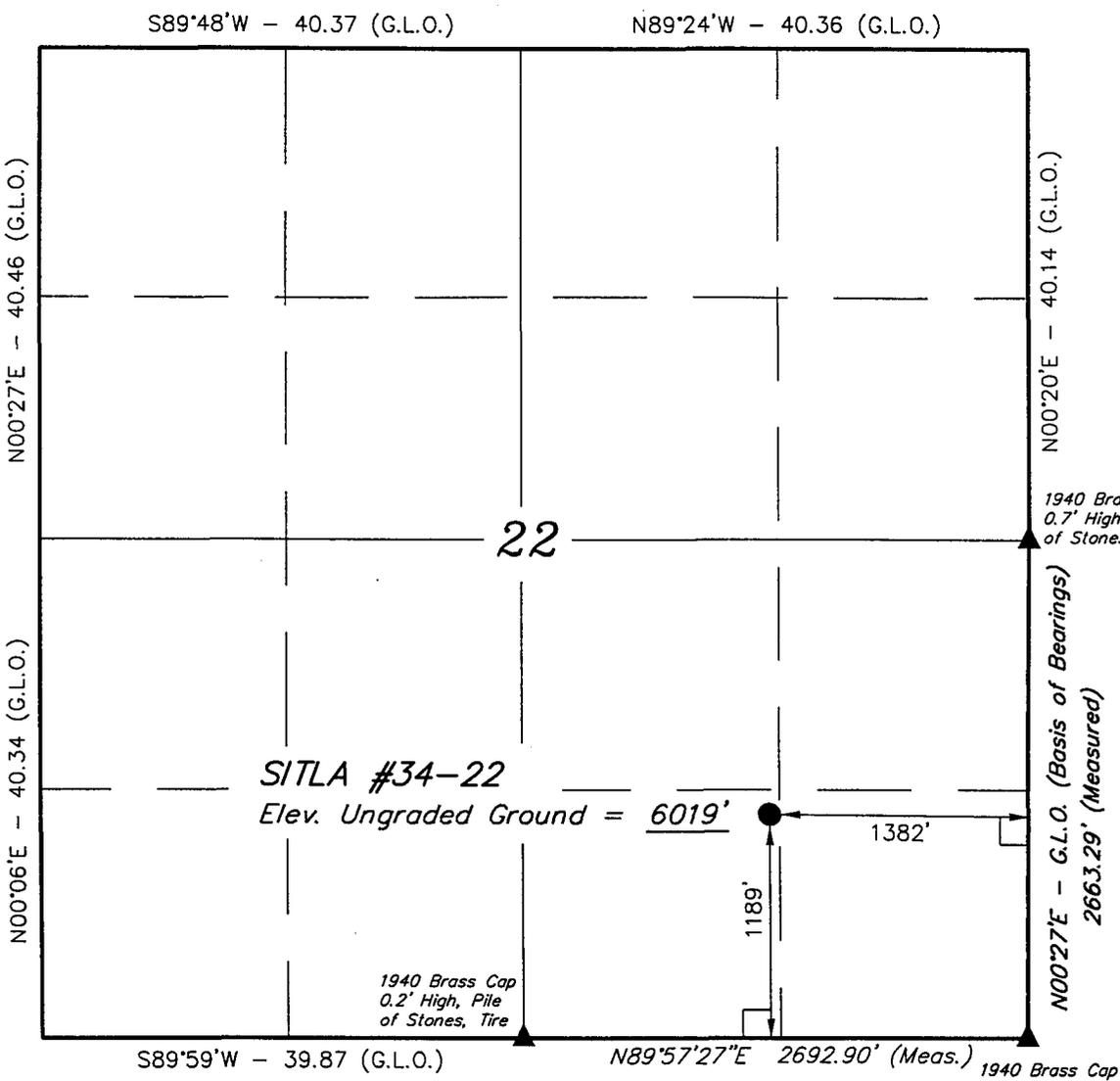
4/20/00

***See Instructions on Reverse Side**

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

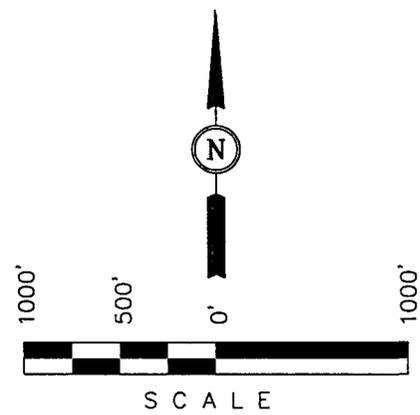
Sw MARATHON OIL CO.

Well location, SITLA #34-22, located as shown in the NW 1/4 SE 1/4 of Section 22, T15S, R9E, S.L.B.&M. Carbon County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTH 1/4 CORNER OF SECTION 23, T15S, R9E, S.L.B.&M. TAKEN FROM THE POISON SPRING 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 5928 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 J. Kay
 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: 12-16-99	DATE DRAWN: 1-4-99
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
OIL, GAS AND MINING

SELF-CERTIFICATION STATEMENT

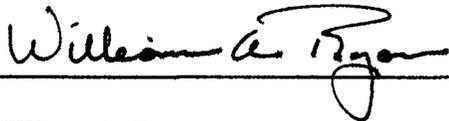
The following self-certification statement is provided per Federal and State of Utah requirements dated June 15, 1988.

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

**SITLA #34-22
NW 1/4, SE 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**



RECEIVED

FEB 07 2000

DIVISION OF
OIL, GAS AND MINING

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

350 S. 800 E.
Vernal, UT 84078

January 15, 2000

Re: Well SITLA #34-22
NW/SE, 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

** Applicable to
Cause No. 243-1.
Op. Notified. JC*

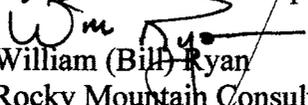
Dear Sirs:

Marathon Oil Company (Marathon) respectfully requests a spacing exception for the subject well. The well was originally requested for the center of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ 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 **1,189' FSL, 1,382' 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 (Bill) Ryan
Rocky Mountain Consulting
Agent

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

Ten Point Plan

Marathon Oil Company

SITLA #34-22

Surface Location SW ¼, SE 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	+6,026' KB
Ferron	2,356'	+3,670'
#1 Coal	2,393'	+3,633'
#1 Coal	2,469'	+3,557'
Tunnunk	2,626'	+3,400'
T.D.	2,727'	+3,299'

3. Producing Formation Depth:

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

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Grade Size</u>	<u>Weight/Ft.</u>	<u>Setting & Tread</u>	<u>Casing Depth</u>	<u>New/Used</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. (1,856-1,356')	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.-1,856')	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:

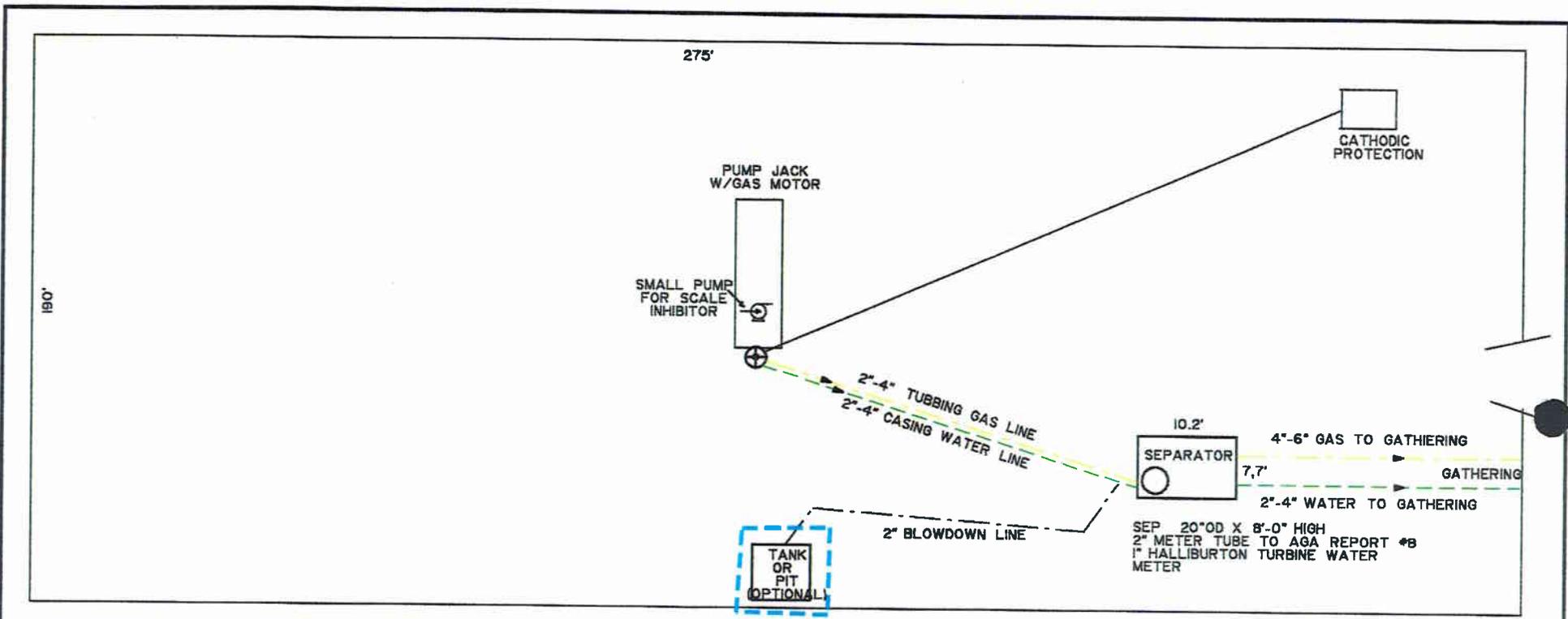
Type	Interval
Array Induction-Gamma Ray-SP-Caliper	T.D. to Surf. Csg
High Resolution Spectral Density-PEF	T.D. to Surf. Csg
Compensated Neutron, Microlog	T.D. to Surf. Csg

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*

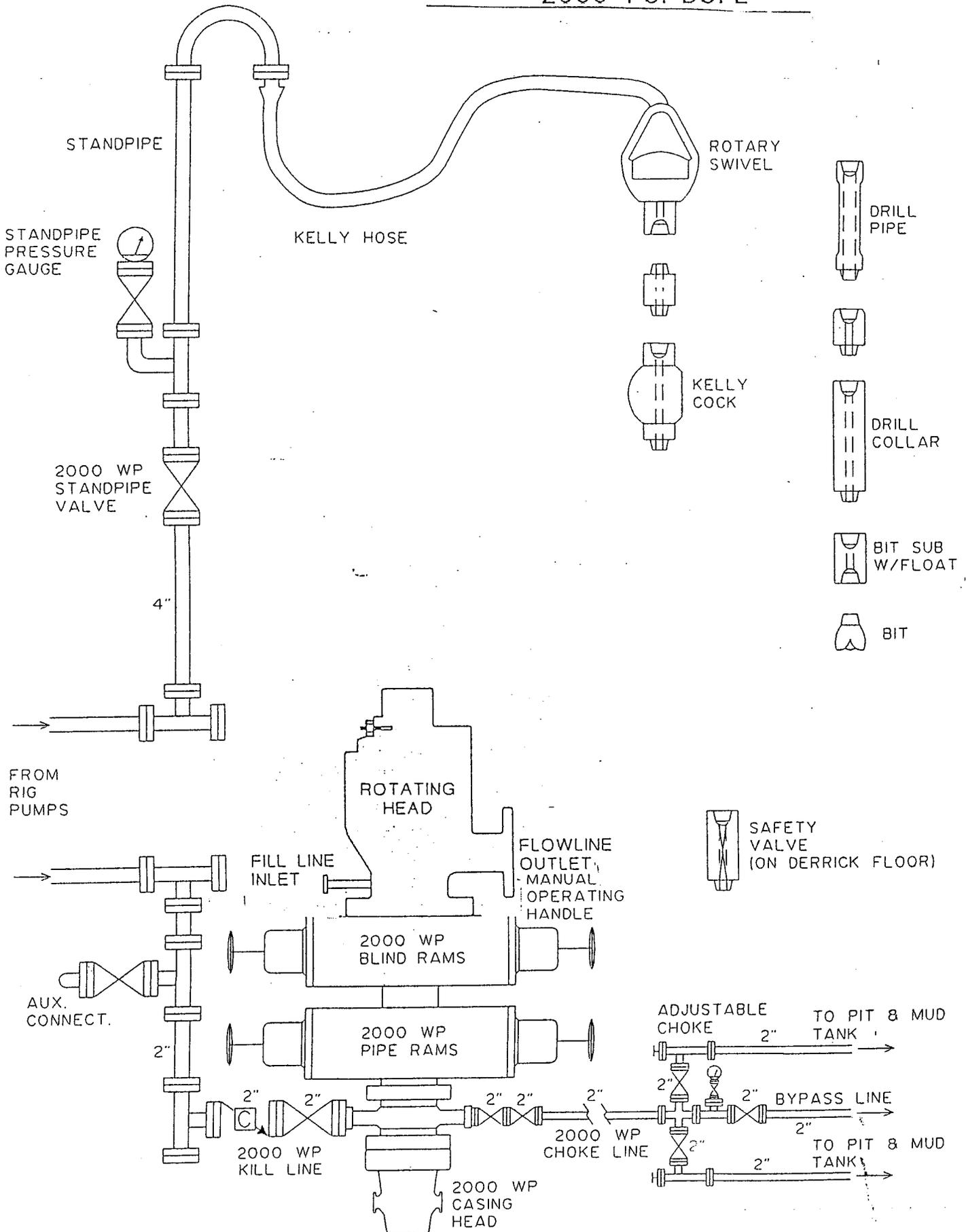
LEGEND

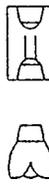
- OIL/CONDENSATE
- - - EMULSION
- - - RECYCLE/REJECT
- - - WATER OFF & DRAIN
- - - GAS FUEL
- - - GAS OFF
- - - RUPTURE
- - - POP OFF
- ⊗ VALVE
- A, B, C, etc. SEALED VALVES
- M METER

 SPCC DIKES

PUT typical.fac

MARATHON OIL COMPANY
2000 PSI BOPE



-  DRILL PIPE
-  DRILL COLLAR
-  BIT SUB W/FLOAT
-  BIT

MARATHON OIL COMPANY.

13 POINT SURFACE USE PLAN

FOR WELL

SITLA #34-22

LOCATED IN

NW 1/4, SE 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 #34-22, 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 1/8 mile to the proposed location SITLA 13-22 in section 22, T15S, R9E. The proposed access road will start at this point.

All existing roads except the last 1/8 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 .2 miles +/- (1,056') of new road construction.

Approximately 1/2 mile +/- (2,640') of two-track road will have to be upgraded.

The road will be built to the following standards:

A) Approximate length	3,696 Ft.
B) Right of Way width	30 Ft.
C) Running surface	18 Ft.
D) Surfacing material	Native soil & crushed gravel

E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
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
L) Low water crossing	Three

Please see the attached location Map B for additional details.

The attached map B has indicated where the three low water crossings 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	One Sec. 21, T15S, R9E
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling/Permitted well	Five Sec. 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. The line will start at the proposed location and be constructed to a tie in to a proposed line serving the proposed SITLA 32-22 in Section 22, T15S, R9E. Please

see the attached produced water pipeline map.

Approximately 2,000' of 12" or smaller plastic/fiberglass gathering line would be constructed on State of Utah School Institute Trust Land Administration lands.

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 **2,000 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 32-22 in Section 22, 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 Miller and 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 1,189' FSL, 1,382' FEL. The location has been moved out side the normal drilling window spacing due to topographic considerations and proximity to Miller Creek.

Well-site layout

Location dimensions are as follow:

- A) Pad length 275 ft.
- B) Pad width 190 ft.
- C) Pit depth 8 ft.
- D) Pit length 80 ft.
- E) Pit width 50 ft.
- F) Max cut 3.8 ft.
- G) Max fill 3.3 ft.
- H) Total cut yds. 4,130 cu. yds.

- I) Pit location west side
- J) Top soil location corner 6 & south side
- K) Access road location north 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 Miller Creek 700 feet south 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 **west 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

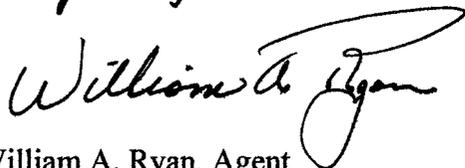
All lease operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

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:

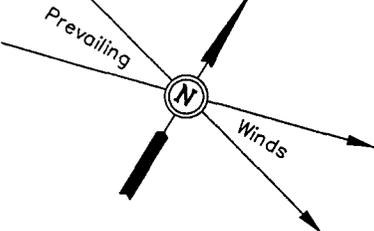
William A Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal Utah, 84078

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

MARATHON OIL CO.

LOCATION LAYOUT FOR

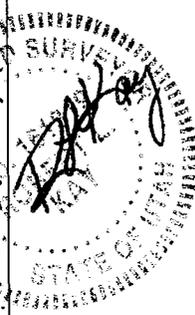
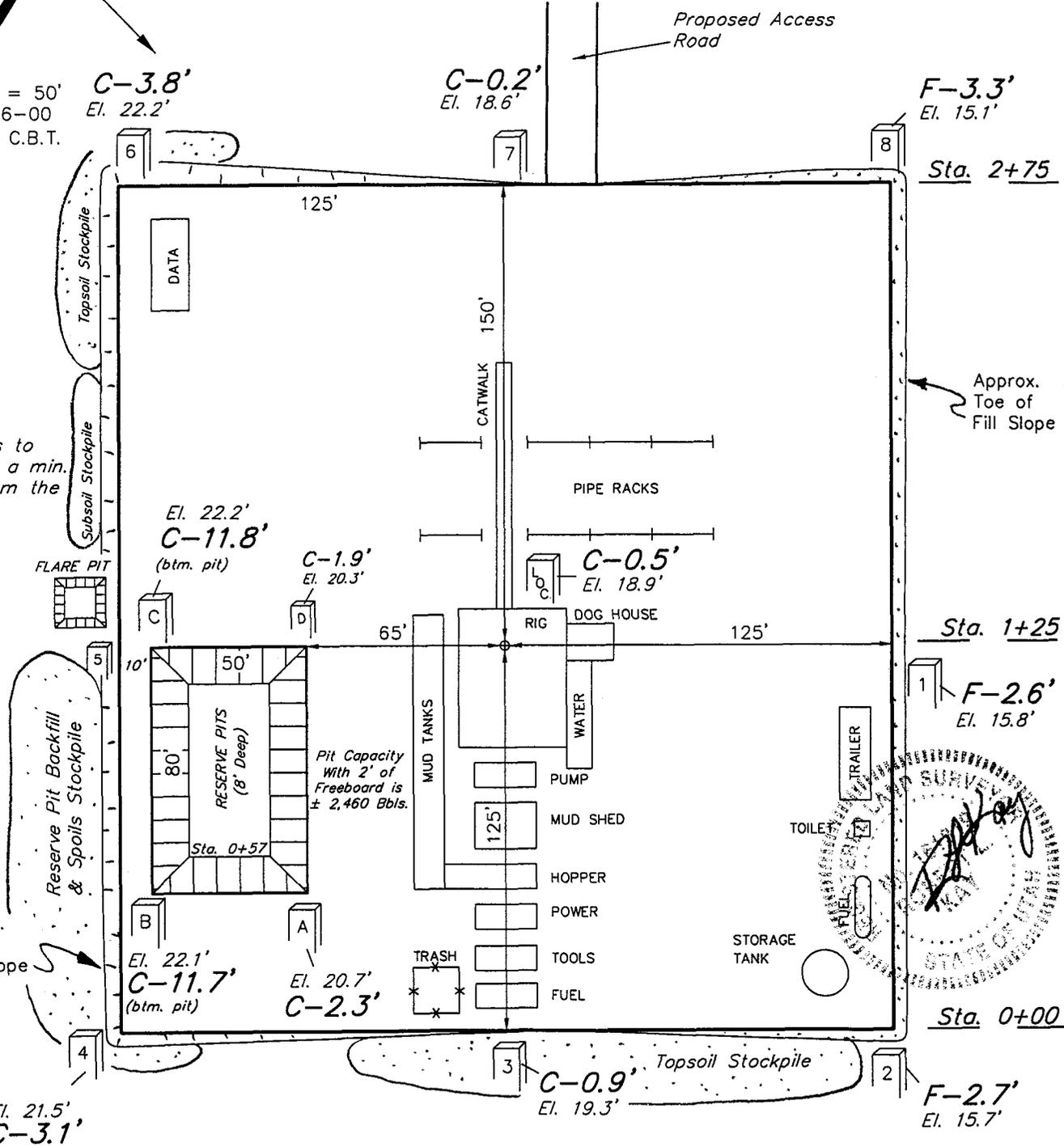
SITLA #34-22
SECTION 22, T15S, R9E, S.L.B.&M.
1189' FSL 1382' FEL



SCALE: 1" = 50'
DATE: 1-6-00
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 = 6018.9'
Elev. Graded Ground at Location Stake = 6018.4'

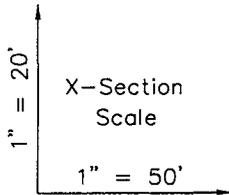
MARATHON OIL CO.

TYPICAL CROSS SECTIONS FOR

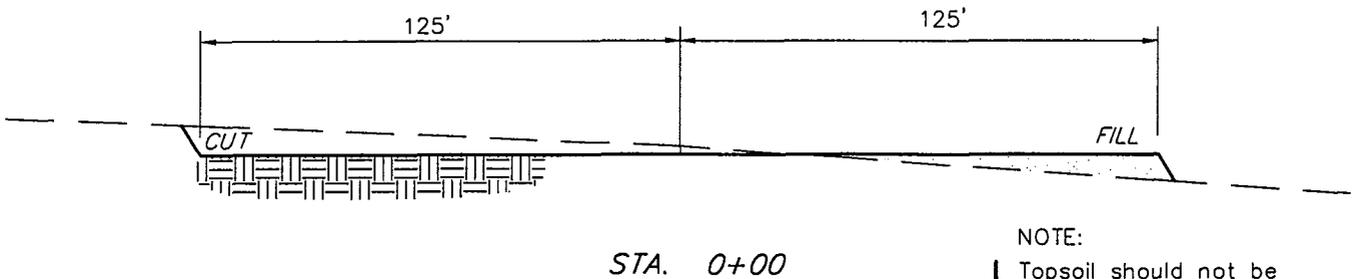
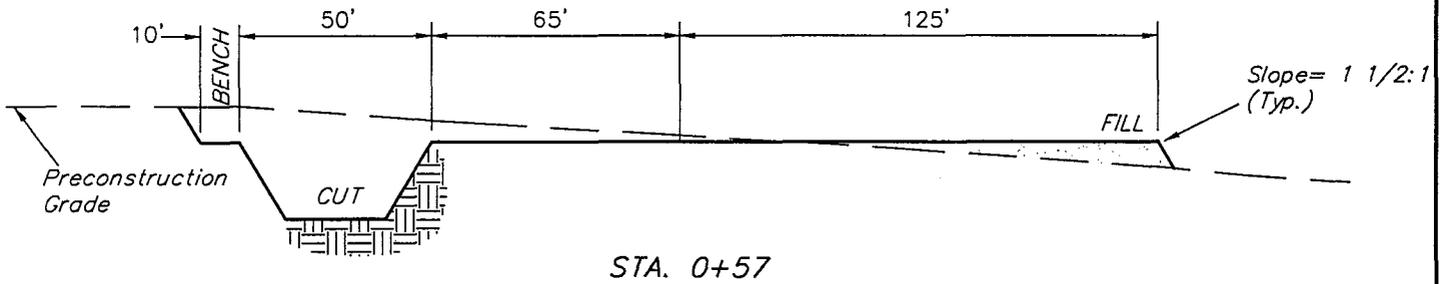
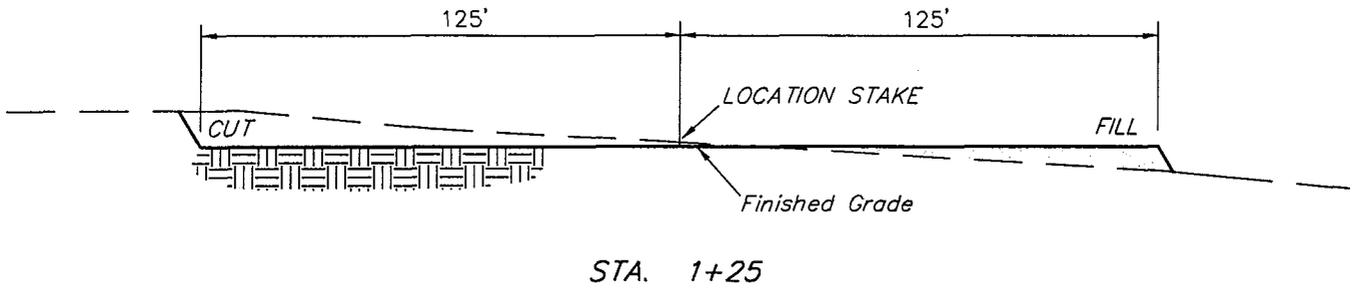
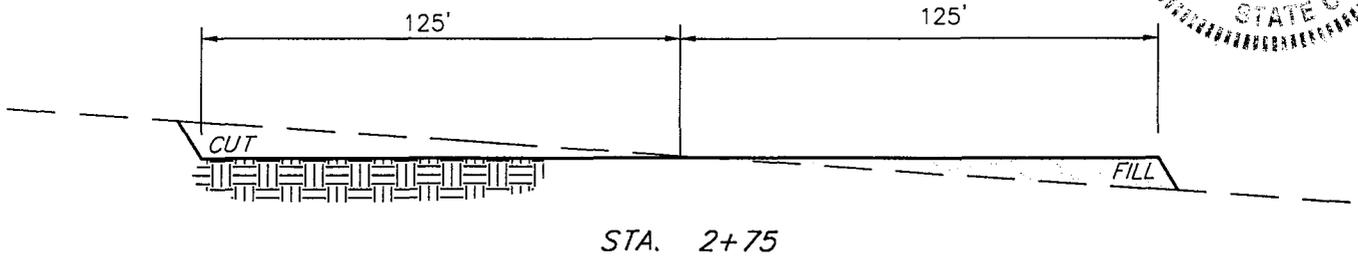
SITLA #34-22

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

1189' FSL 1382' FEL



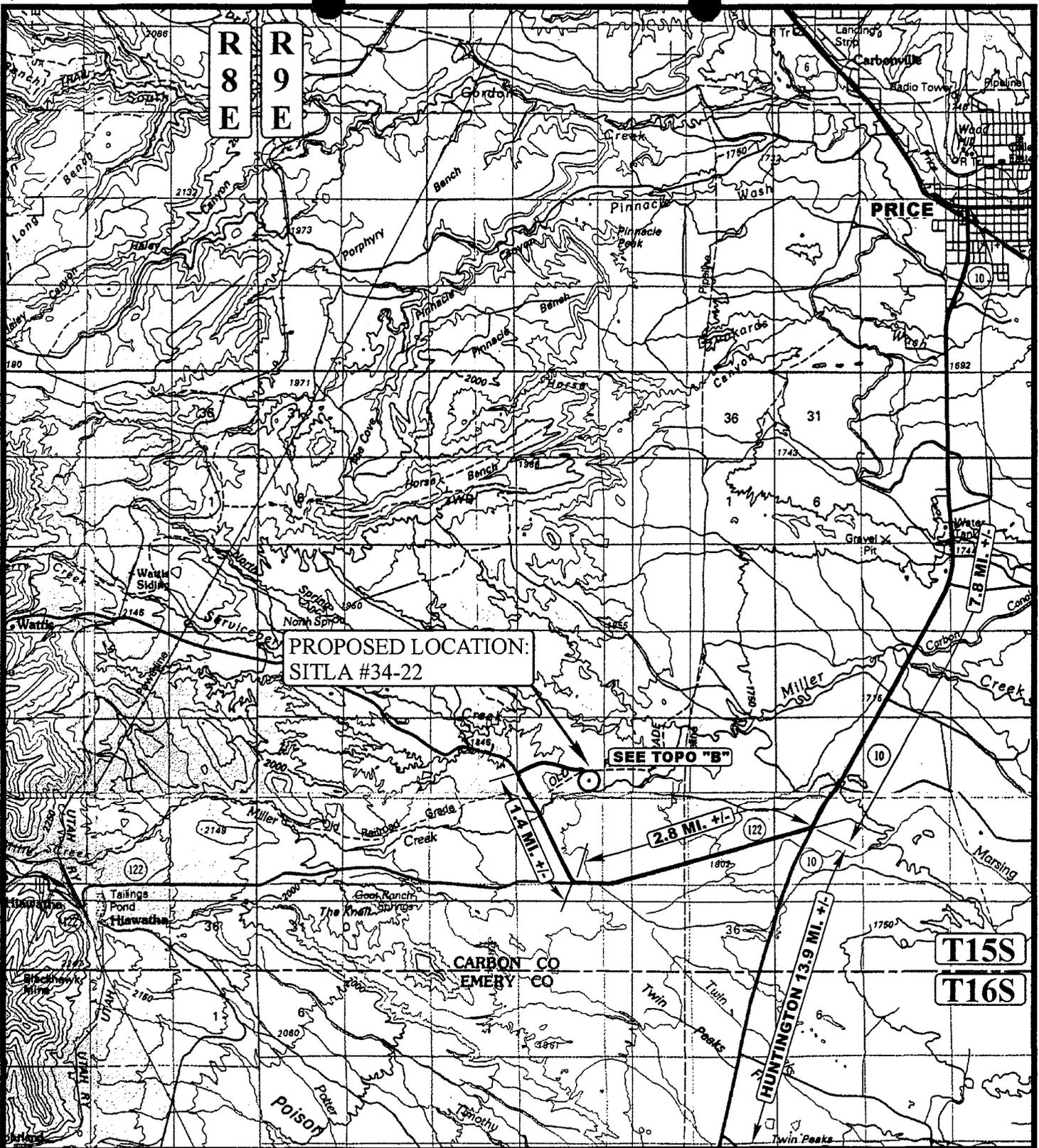
DATE: 1-6-00
Drawn By: C.B.T.



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

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,270 Cu. Yds.	EXCESS MATERIAL AFTER 5% COMPACTION	= 1,770 Cu. Yds.
Remaining Location	= 2,860 Cu. Yds.	Topsoil & Pit Backfill (1/2 Pit Vol.)	= 1,660 Cu. Yds.
TOTAL CUT	= 4,130 CU.YDS.	EXCESS UNBALANCE (After Rehabilitation)	= 110 Cu. Yds.
FILL	= 2,240 CU.YDS.		



PROPOSED LOCATION:
SITLA #34-22

SEE TOPO "B"

CARBON CO
EMERY CO

T15S
T16S

LEGEND:

○ PROPOSED LOCATION



MARATHON OIL CO.

SITLA #34-22
SECTION 22, T15S, R9E, S.L.B.&M.
1189' FSL 1382' FEL



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

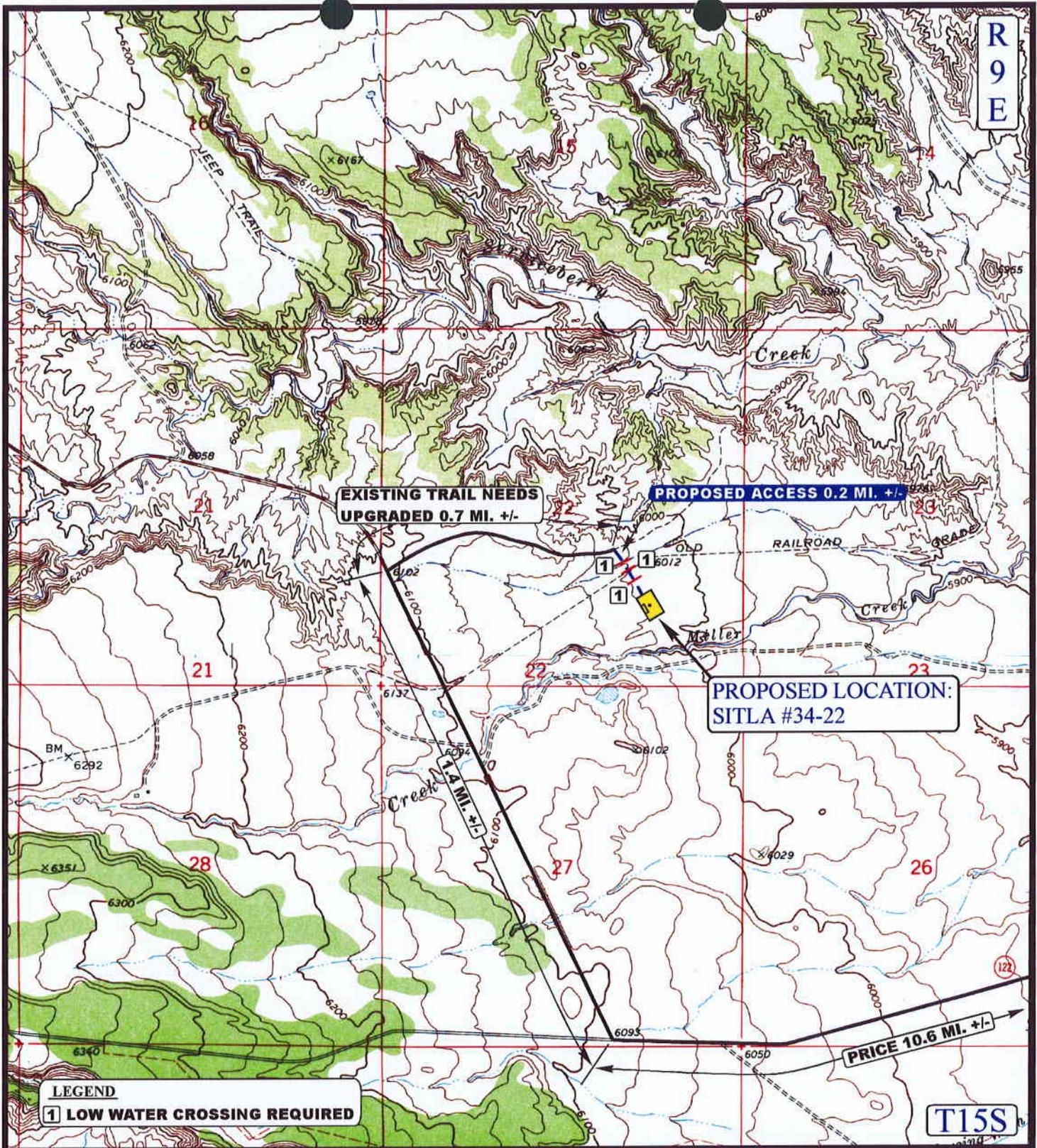
TOPOGRAPHIC
MAP

12 20 99
MONTH DAY YEAR

SCALE: 1: 100,000 DRAWN BY: J.L.G. | REVISED: 12-20-99



R
9
E



LEGEND
1 LOW WATER CROSSING REQUIRED

LEGEND:
 - - - - - PROPOSED ACCESS ROAD
 ————— EXISTING ROAD

MARATHON OIL CO.
 SITLA #34-22
 SECTION 22, T15S, R9E, S.L.B.&M.
 1189' FSL 1382' FEL

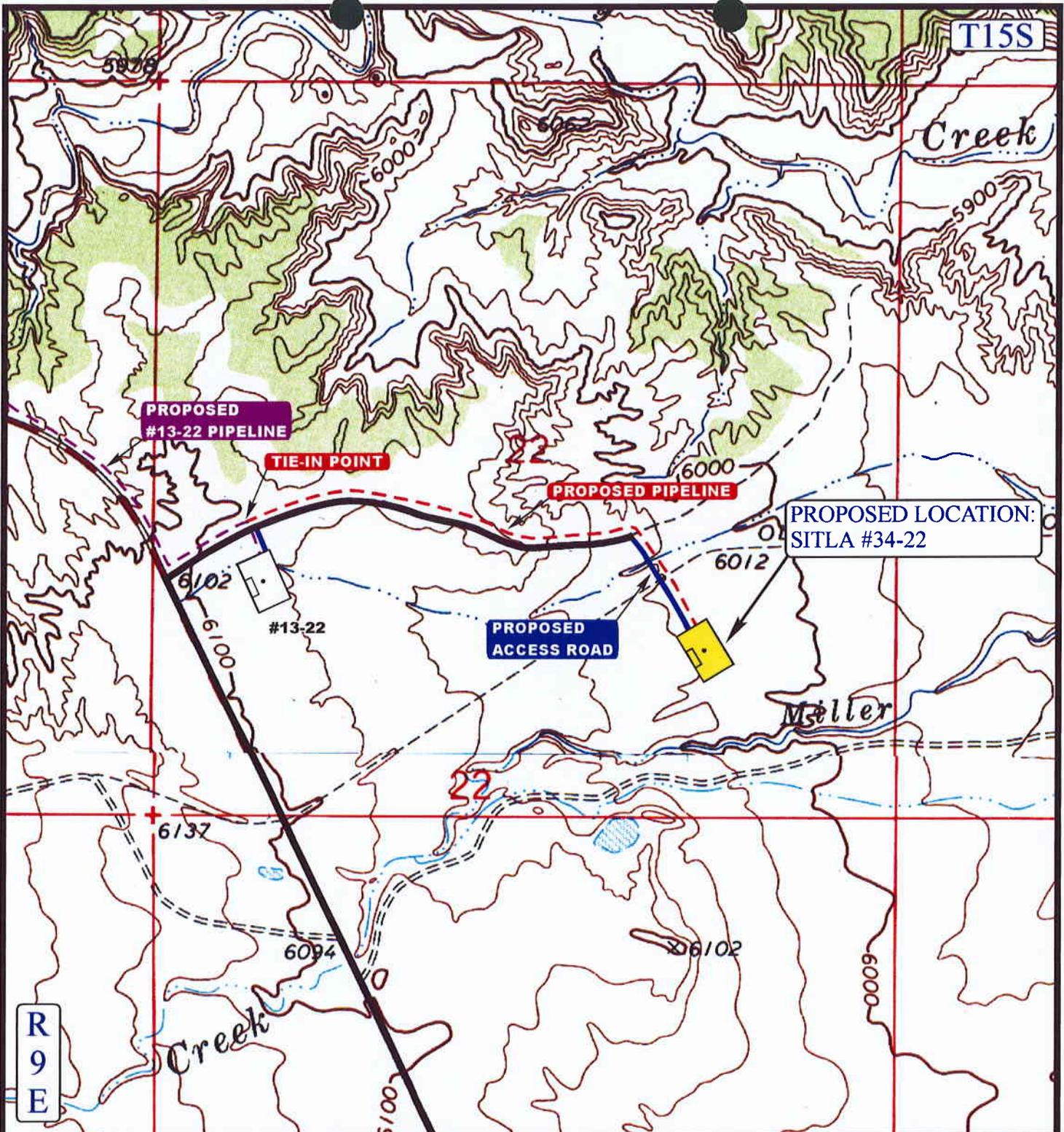
UELS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP 12 20 99
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

T15S

B
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 3900' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS



MARATHON OIL CO.

SITLA #34-22
 SECTION 22, T15S, R9E, S.L.B.&M.
 1189' FSL 1382' FEL



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

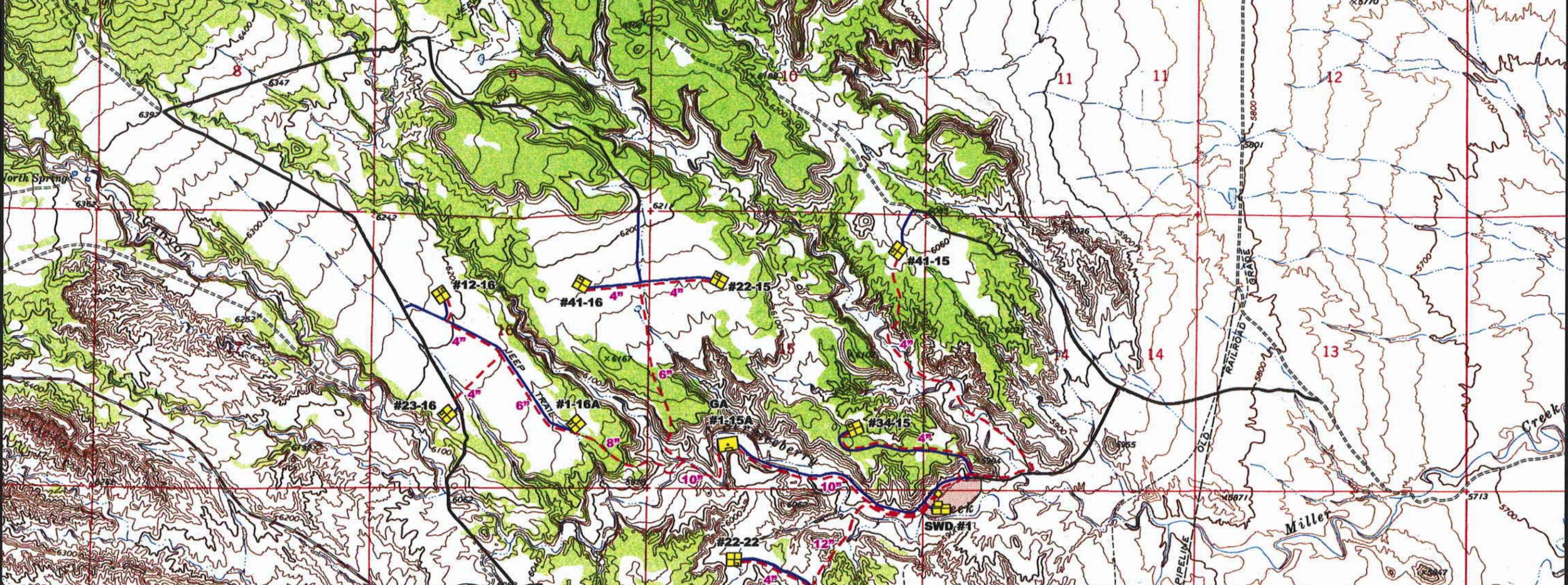
**TOPOGRAPHIC
 MAP**

12 20 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

GAS GATHERING
TOPO

LEGEND:

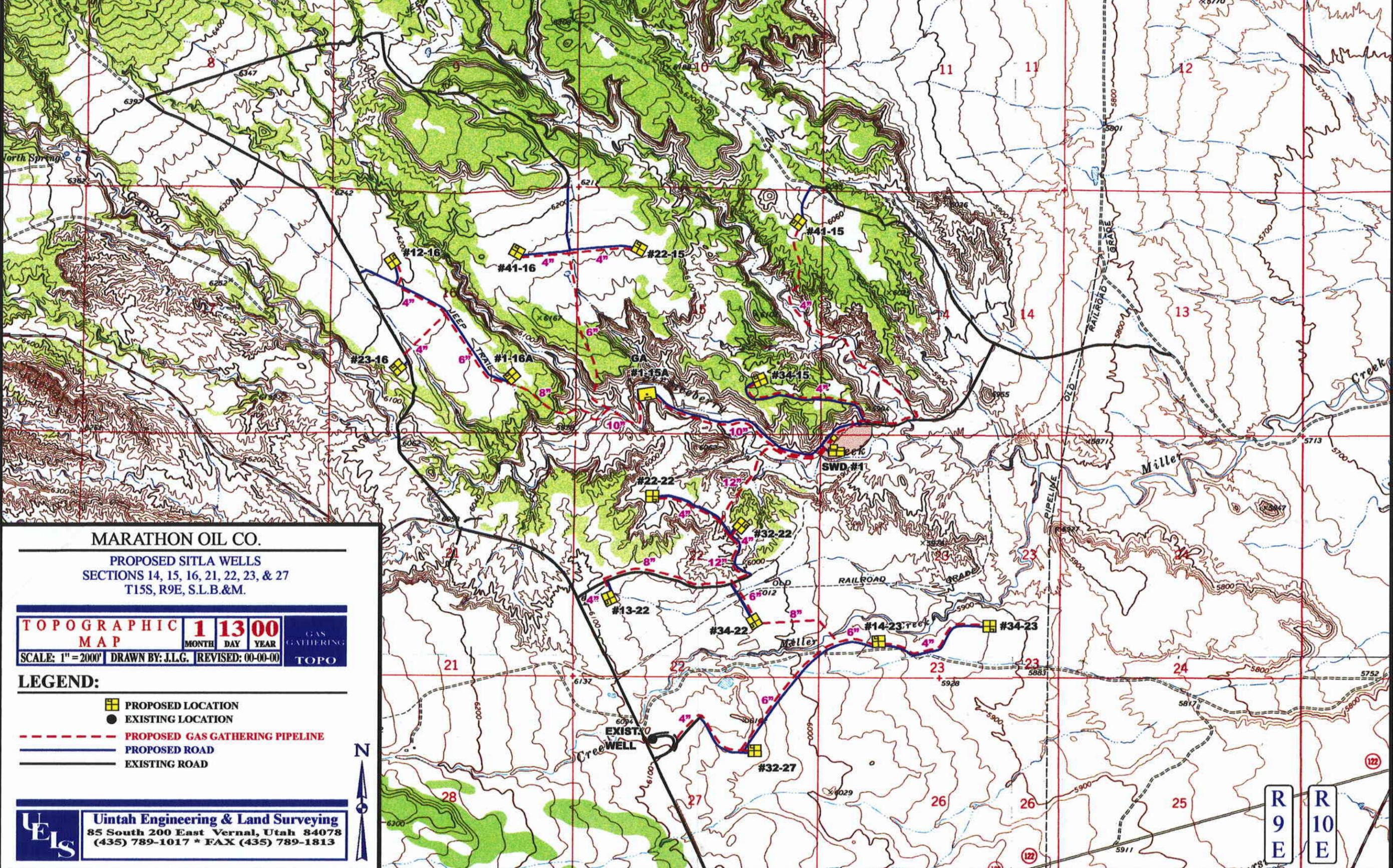
-  PROPOSED LOCATION
-  EXISTING LOCATION
-  PROPOSED GAS GATHERING PIPELINE
-  PROPOSED ROAD
-  EXISTING ROAD



Utah 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 GATHERING TOPO

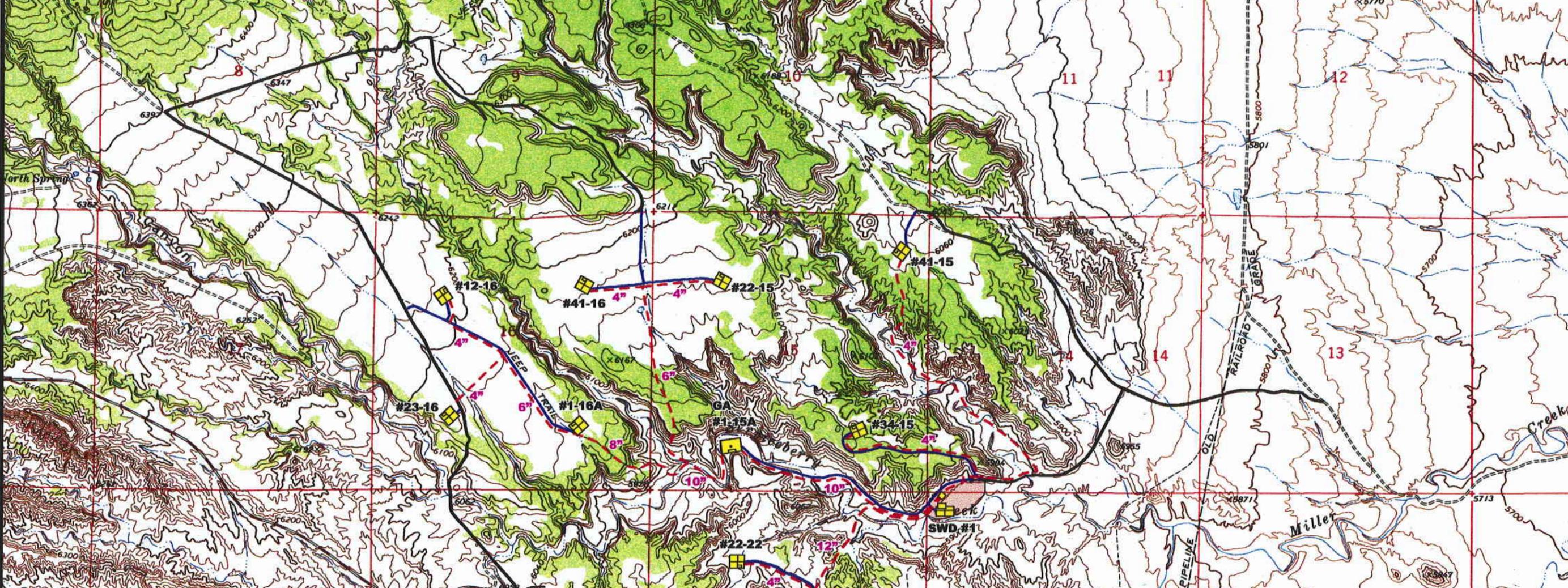
LEGEND:

-  PROPOSED LOCATION
-  EXISTING LOCATION
-  PROPOSED GAS GATHERING 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	GAS GATHERING TOPO
	MONTH	DAY	YEAR	
SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00				

- LEGEND:**
- PROPOSED LOCATION
 - EXISTING LOCATION
 - PROPOSED GAS GATHERING PIPELINE
 - PROPOSED ROAD
 - 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: 43-007-30661

WELL NAME: SITLA 34-22
 OPERATOR: MARATHON OIL COMPANY (N3490)
 CONTACT: BILL RYAN, AGENT

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

SWSE 22 150S 090E
 SURFACE: 1189 FSL 1382 FEL
 BOTTOM: 1189 FSL 1382 FEL
 CARBON
 UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	<i>RJK</i>	4-19-00
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:

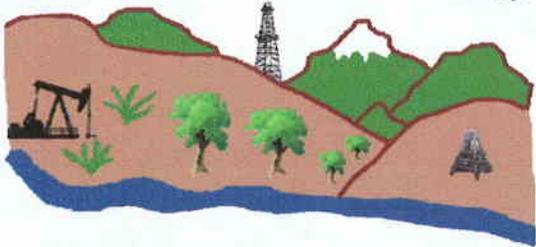
- R649-2-3. Unit
- R649-3-2. General
Siting: _____
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 243-1 (1160')
Eff Date: 10-13-98
Siting: 400' Fr. Dir. Unit Boundary E. 7320' between wells
- R649-3-11. Directional Drill

COMMENTS:

Need Presite. (Conducted 3-10-00)

STIPULATIONS:

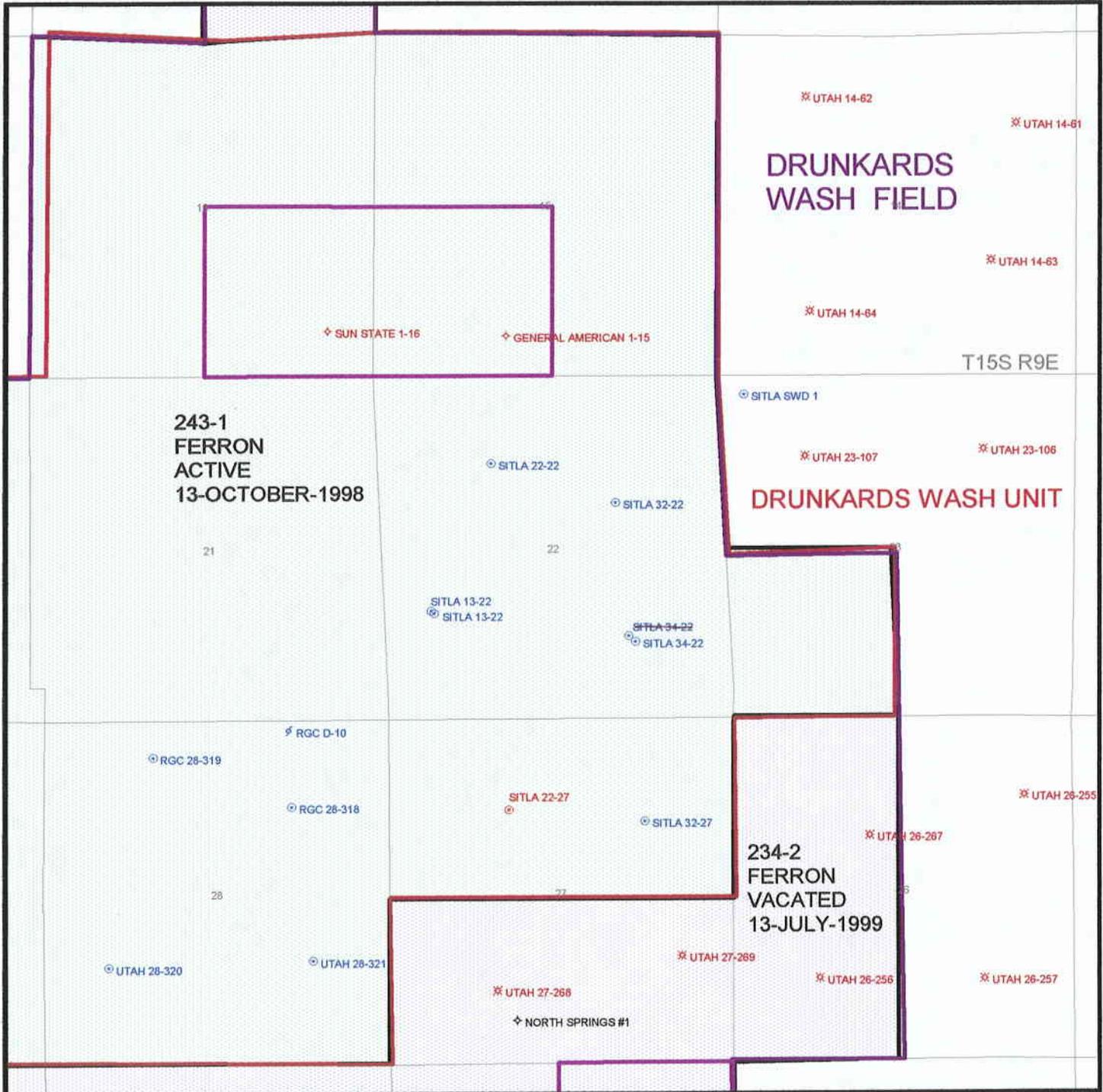
① STATEMENT OF BASIS



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



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WILDLIFE RESOURCES

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

John Kimball
Division Director

Southeastern Region
475 West Price River Drive, Suite C
Price, Utah 84501-2860
435-636-0260
435-637-7361 (Fax)

Marathon Oil Presite Inspections Cont. 3/9-10/00 (v. 2)

SITLA 32-22: This area is within the big game winter range, therefore seasonal restrictions for construction and mitigation requirements should be followed. There are 5 ferruginous hawk nests within ½ mile of this location, however, all of these nests were old and dilapidated.

SITLA 14-23: UDWR does not have any wildlife concerns with this well.

SITLA 34-23: UDWR does not have any wildlife concerns with this well.

SITLA 22-22: This area is within the big game winter range, therefore seasonal restrictions for construction and mitigation requirements should be followed. There are 3 raptor nests within ½ mile of this location (99-673, 99-672, 99-722, 99-721, 99-723, 99-724), however, all of these nests were either dilapidated or have been inactive for more than 3 years.

* SITLA 34-22: We did not look at this well site. It is our understanding that this site has already been onsite reviewed and permitted by Fleet Energy. Marathon Oil, as the successor operator, now requests that the permit be rescinded and a new permit be issued in their name for this location. This area is within the big game winter range, therefore seasonal restrictions for construction and mitigation requirements should be followed. There are 6 raptor nests within ½ mile of this location (99-720, 99-721, 99-725), however, all of these nests were either dilapidated or have been inactive for more than 3 years.

SITLA 32-27: We did not look at this well site. It is our understanding that this site has already been onsite reviewed and permitted by Fleet Energy. Marathon Oil, as the successor operator, now requests that the permit be rescinded and a new permit be issued in their name for this location. This site is within the Big Game Winter Range. Additionally, there are 2 raptor nests within ½ mile (99-720 & 99-725), however, these nests were dilapidated and have been inactive for > 3 years.

SITLA 13-22: We did not look at this well site. It is our understanding that this site has already been onsite reviewed and permitted by Fleet Energy. Marathon Oil, as the successor operator, now requests that the permit be rescinded and a new permit be issued in their name for this location. This site is within the Big Game Winter Range. Additionally, there are 2 raptor nests within ½ mile (99-720 & 99-722), however, both of these nests were dilapidated.

People present:

Chris Colt - UDWR

Chris Kierst - UDOGM

Randy Meabon - Marathon Oil

Charlie Arterbery - Marathon Oil

David Kay - UELS

Bill Ryan - Rocky Mtn Consulting

Kimball Rasmuson - Nielson Const.

David Wilcox - Nielson Const.

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: Marathon Oil Company

WELL NAME & NUMBER: SITLA 34-22

API NUMBER: 43-007-30661

LEASE: State FIELD/UNIT: UNDESIGNATED

LOCATION: 1/4,1/4 SENW Sec: 22 TWP: 15 S RNG: 9 E 1337 FNL 1337 FWL

LEGAL WELL SITING: 660 F SEC. LINE; 660 F 1/4,1/4 LINE; 1320F ANOTHER WELL.

GPS COORD (UTM): X = 508163; Y = 4374748 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 Quaternary Slope Wash covering the westward-dipping Blue Gate Member of the Mancos Shale (just below the Garley Canyon Beds). The pad is on open ground which slopes gently east northeast and is ~2/3 mile northeast of the Wattis Highway, amongst Quaternary/Tertiary Pediment Mantle-capped erosional remnants.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 250' X 275' pad with 50' X 80' X 8' inboard pit, ~1,056' of new surface for approach road and ~2,640' of upgraded road surface will be required.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 2 active gas wells 5 active permits, 1 points of diversion are within the 1 mile radius of this well. The water resource is in a tributary to Serviceberry Wash about 3/4 mile northwest for the location.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ~1.25 miles east of pad (Questar pipeline runs north-south).

SOURCE OF CONSTRUCTION MATERIAL: native soils and rock will be used and soil will be stored in berm.

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

and support is hauled to a used oil re-cycler and re-used.

AFFECTED FLOODPLAINS AND/OR WETLANDS: The location is ~3/4 mile northeast of the toe of a lobe of Quaternary/Tertiary Pediment Mantle which may be charged with coal mine discharge water and/or Miller Creek water from natural sources. Although the pad is on the proximal end of a lobe of Quaternary Slope Wash, the area north, southwest, south and west of the location is generally Blue Gate Member shales (above and below the Garley Canyon Sandstone Beds) on the surface and is swampy in places where ground water is forced to the surface to flow over relatively impermeable shaley soils. Miller Creek-saturated soils may locally be present at the surface. The nearest moving surface waters are ~700' south in Miller Creek and ponded water / swampy areas are ~1200' to the south.

FLORA/FAUNA: sagebrush, grasses / birds, lizards, coyotes, rodents, raptors, elk, deer, reptiles.

SOIL TYPE AND CHARACTERISTICS: Moderately-permeable silty soil on Pediment Mantle.

SURFACE FORMATION & CHARACTERISTICS: Quaternary Slope Wash over Blue Gate Member (just below Garley Canyon Beds) of Mancos Shale. Garley Canyon Sandstone Beds are discontinuous in the area, relatively thin and at or near the surface.

EROSION/SEDIMENTATION/STABILITY: Stable

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 and filed with state.

OTHER OBSERVATIONS/COMMENTS

This onsite review document is a pro forma document placed in the file under new well name, API number and date and accompanied by the entire onsite document from the Fleet Energy SITLA 34-22 (43-007-30565) which was onsite reviewed on 4/1/99 by K. Michael Hebertson. No changes occurred in the ensuing interval (little more than a year). Fleet Energy transferred their interests in the greater project to Marathon Oil. The Statement of Basis is changed to reflect a new API#, operator, Statement of Basis author (myself) and Basis document creation date. Other than the addition of some personal observations regarding the nature of the local ground water environment, the document otherwise reports the observations of Mr. Hebertson in his 5/5/99 Statement of Basis document.

ATTACHMENTS:

1 photo was originally taken of this location.

Chris Kierst
DOGM Representative

10-Mar-2000 : AM
Date & Time

**Evaluation Ranking Criteria and Ranking Scores
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>5</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>3</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

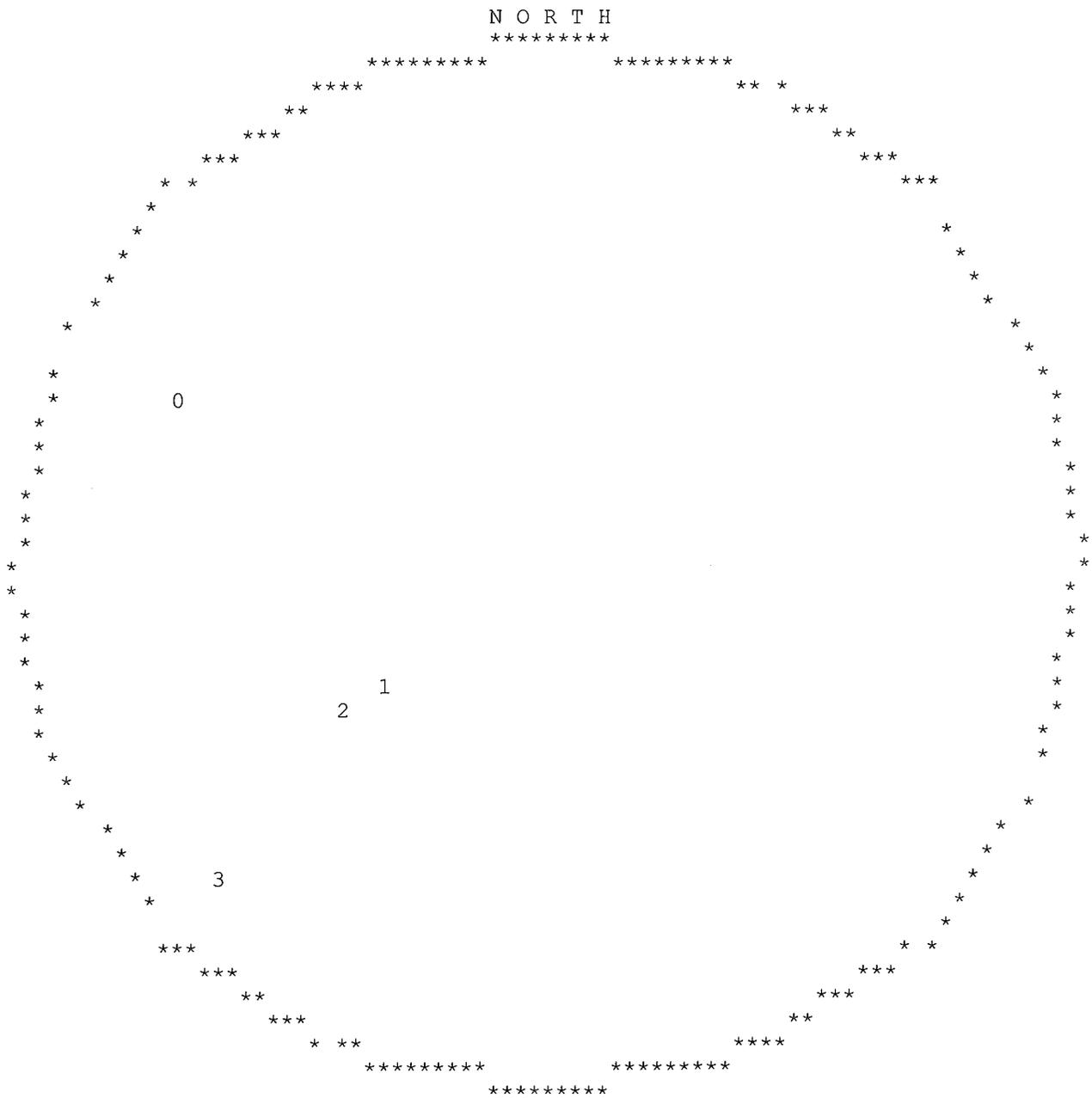
23

(Level II Sensitivity)

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED THU, APR 1
PLOT SHOWS LOCATION OF 7 POINTS OF DIV

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET
N 1189 FEET, W 1382 FEET OF THE SE CORNER,
SECTION 22 TOWNSHIP 15S RANGE 9E SL BASE

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FE



UTAH DIVISION OF WATER RIGHTS
NWPLAT POINT OF DIVERSION LOCATION PRO

MAP CHAR	WATER RIGHT	CFS	QUANTITY AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO DIAMETER DEPTH	YEAR LOG	POIN NORTH
0	<u>91 4980</u>	.0000	4.73	Unnamed Washes		S 2300
				WATER USE(S): STOCKWATERING		
				State of Utah School & Institutional Tru 675 East 500 South, 5th Floor		
1	<u>91 4</u>	3.5000	.00	Miller Creek		N 20
				WATER USE(S): IRRIGATION STOCKWATERING		
				Feichko, Frank H. (Sr) and Carol L. 871 East 6370 South		
1	<u>91 56</u>	2.2000	.00	Miller Creek		N 20
				WATER USE(S): IRRIGATION		
				Feichko, Frank H. (Sr) and Carol L. 871 East 6370 South		
1	<u>91 784</u>	.3000	.00	Miller Creek		N 20
				WATER USE(S): IRRIGATION STOCKWATERING		
				Marsing, Orson Route #1		
1	<u>91 4814</u>	.2000	.00	Miller Creek		N 20
				WATER USE(S): IRRIGATION		
				Feichko, Frank H. and Carol L. P.O. Box 458		
2	<u>91 4812</u>	.0000	1000.00	Miller Creek		S 300
				WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING		
				Feichko, Frank H. Sr. & Carol L. P.O. Box 1436		
3	<u>91 2136</u>	.0000	.00	Miller Creek		
				WATER USE(S): STOCKWATERING		
				State of Utah School & Institutional Tru 675 East 500 South, Suite 500		

DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

Operator Name: Marathon Oil Company

Name & Number: SITLA 34-22

API Number: 43-007-30661

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

Geology/Ground Water:

The stratigraphic section exposed on the surface at this location occurs just below the Garley Canyon Sandstone Beds of the Blue Gate Member of the Mancos Shale. The Garley Canyon Sandstone Beds outcrop northwest of the pad ~1000' and are unlikely to be an aquifer in this area but could be farther to the northwest. The location is about 3/4 mile northeast of the toe of a lobe of Quaternary/Tertiary Pediment Mantle which may be charged with coal mine discharge water and/or Miller Creek water from natural sources. Although the pad is on the proximal end of a lobe of Quaternary Slope Wash, the area north, south and west of the location is generally Blue Gate Member shales (above and below the Garley Canyon Sandstone Beds) on the surface and is swampy in places where ground water is forced to the surface to flow over relatively impermeable shaley soils. No high quality ground water is expected to be encountered although Miller Creek-saturated soils may locally be present at the surface. The proposed casing and cementing program will adequately isolate any zones of water penetrated.

Reviewer: Chris Kierst Date: 4/17/2000

Surface:

The silty, poorly to moderately-permeable soil is developed on Quaternary Slope Wash covering the Blue Gate Member of the Mancos Shale. The nearest moving surface waters are ~700' to the south and standing water/swampy areas are within 1/2 mile to the south and west. Precipitation will not need to be deflected around the location, however, berms will be placed around the pad and low water crossings will be used in the areas that would otherwise collect water. 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 1-Apr-1999. 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: 4/17/2000

Conditions of Approval/Application for Permit to Drill:

- 1) Berm location and pit.
- 2) Minimum 12 mil synthetically lined pit and blooie pit.
- 3) Dust abatement will be used while drilling and on access roads.
- 4) Culverts will be used where necessary on the access road.

Well name:	4-00 Marathon SITLA #34-22		
Operator:	Marathon	Project ID:	43-007-30661
String type:	Surface		
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

Burst:

Design factor 1.00

Environment:

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

Cement top: Surface

Burst

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

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)

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

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

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: April 19,2000
 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.

Well name:	4-00 Marathon SITLA #34-22		
Operator:	Marathon		
String type:	Production	Project ID:	43-007-30661
Location:	Carbon County		

<p>Design parameters:</p> <p><u>Collapse</u></p> <p>Mud weight: 8.330 ppg Design is based on evacuated pipe.</p> <p><u>Burst</u></p> <p>Max anticipated surface pressure: 0 psi Internal gradient: 0.433 psi/ft Calculated BHP: 1,180 psi</p> <p>No backup mud specified.</p>	<p>Minimum design factors:</p> <p><u>Collapse:</u></p> <p>Design factor: 1.125</p> <p><u>Burst:</u></p> <p>Design factor: 1.00</p> <p><u>Tension:</u></p> <p>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)</p> <p>Tension is based on buoyed weight. Neutral point: 2,383 ft</p>	<p>Environment:</p> <p>H2S considered? No Surface temperature: 75 °F Bottom hole temperature: 113 °F Temperature gradient: 1.40 °F/100ft Minimum section length: 368 ft</p> <p>Cement top: 1,645 ft</p> <p>Non-directional string.</p>
--	---	---

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	2727	5.5	17.00	L-80	LT&C	2727	2727	4.767	94

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	1180	6290	5.33	1180	7740	6.56	41	338	8.35 J

Prepared by: RJK
Utah Dept. of Natural Resources

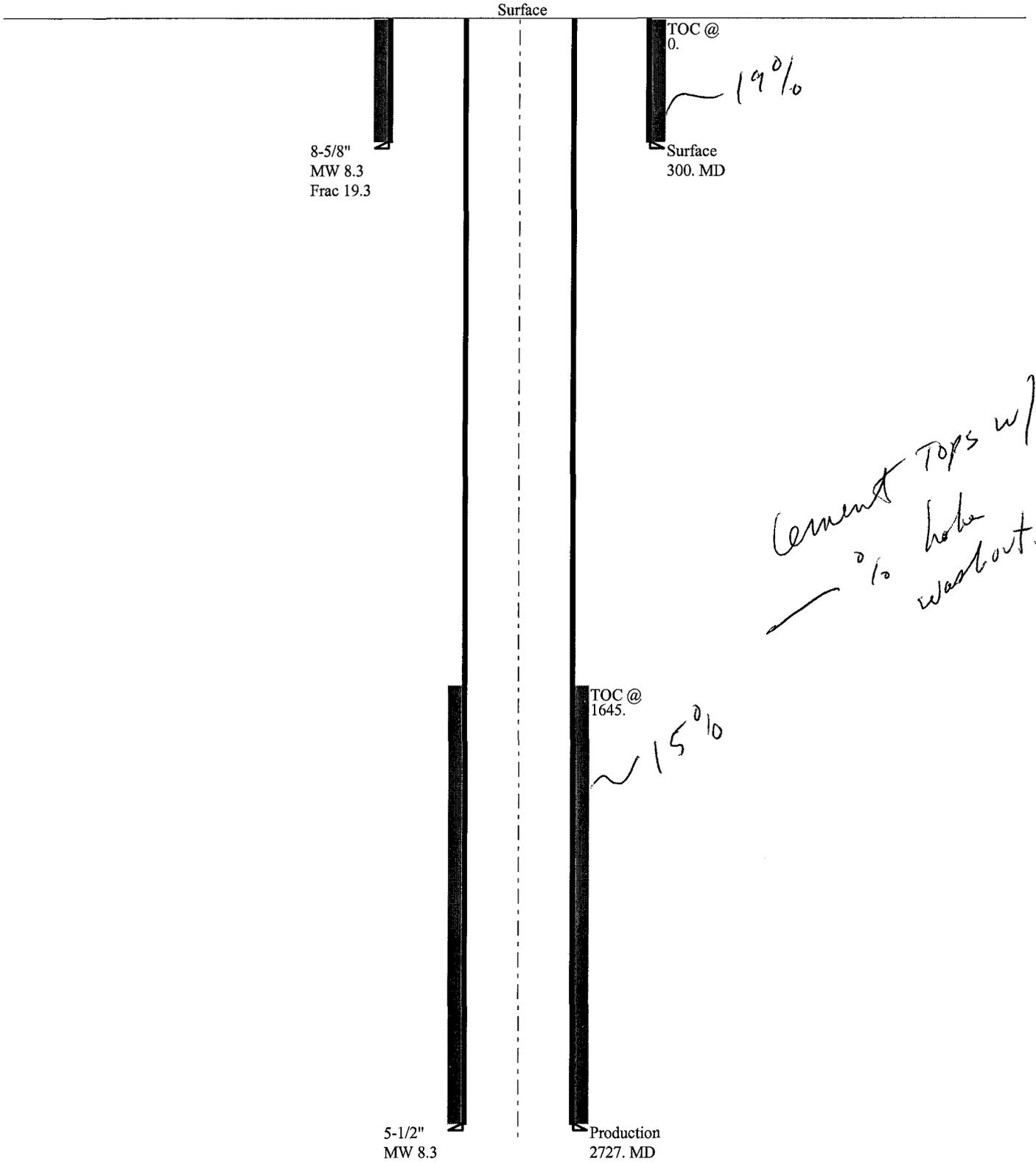
Date: April 19,2000
Salt Lake City, Utah

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 2727 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.

4-00 Marathon SITLA #34-22

Casing Schematic





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)

April 20, 2000

Marathon Oil Company
1501 Stampede Avenue
Cody WY 82414

Re: SITLA 34-22 Well, 1189' FSL, 1382' FEL, SW SE, 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 43-007-30661.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Associate Director

er

Enclosures

cc: Carbon County Assessor
SITLA

Operator: Marathon Oil Company

Well Name & Number: SITLA 34-22

API Number: 43-007-30661

Lease: ML-48232

Location: SW SE **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 34-22

Api No. 43-007-30661 Lease Type: STATE

Section 22 Township 15S Range 09E County CARBON

Drilling Contractor NIELSON CONSTRUCTION RIG # BILL JR AIR

SPUDDED:

Date 05/04/2000

Time 6:00 AM

How DRY HOLE

Drilling will commence _____

Reported by CHUCK WALTERS

Telephone # 1-435-820-9667

Date 05/04/2000 Signed: CHD

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

SUNDRY NOTICES AND REPORTS ON WELLS <small>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</small>		6. Lease Designation and Serial Number ML-48232
		7. Indian Allottee or Tribe Name NA
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) <u>2</u>		8. Unit or Communitization Agreement NA
2. Name of Operator Marathon Oil Company		9. Well Name and Number SITLA # 34-22
3. Address of Operator 1501 Stampede Ave., Cody, Wyoming 82414	4. Telephone Number 307-527-2211	10. API Well Number 43-007-30661
5. Location of Well Footage : 1189' FSL, 1382' FEL County : CARBON QQ, Sec, T., R., M : SWSE 22-15S-9E State : UTAH		11. Field and Pool, or Wildcat DRUNKARD'S WASH

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

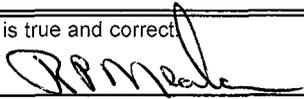
<p align="center">NOTICE OF INTENT (Submit in Duplicate)</p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Approximate Date Work Will Start _____</p>	<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 _____		<p align="center">SUBSEQUENT REPORT (Submit Original Form Only)</p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other _____</td> <td>SPUD</td> </tr> </table> <p>Date of Work Completion <u>05/17/2000</u></p> <p><small>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.</small></p>	<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 _____	SPUD
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<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off																										
<input checked="" type="checkbox"/> Other _____	SPUD																										

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 5/17/00 WITH ELENBURG RIG #15.
 SURFACE CASING WAS PRE-SET TO 335'.

CC: WRF,RPM,DRILLING,DTI,T&C(HOU)

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

Name & Signature R.P. Meabon  Title Reg. Coord. Date 05/19/00

(State Use Only)

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
43-007-30672	Sitla 34-23		SW SE	23	15S	9E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	12786	5-12-00				
Comments: <i>000706 entity added.</i>							

Well 2

API Number	Well Number		QQ	Sec	Twp	Rng	County
43-007-30661	Sitla 34-22		SW SE	22	15S	9E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	12787	5-17-00				
Comments: <i>000706 entity added.</i> Communization Agreement In Progress.							

Well 3

API Number	Well Number		QQ	Sec	Twp	Rng	County
43-007-30654	Sitla 13-22		NW SW	23	15S	9E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	12788	5-14-00				
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) _____ Date 6-29-00
Title _____

(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 # 34-22
10. API Well Number 43-007-30661
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 : **1189' FSL, 1382' FEL** County : **CARBON**
 QQ, Sec, T., R., M : **SWSE 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 5/17/00 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.

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

RECEIVED
 JUL 21 2000
 DIVISION OF
 OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.
 Name & Signature R.P. Meabon Title Reg. Coord. Date 07/20/00

(State Use Only) **APPROVED**
 The Utah Division of Oil, Gas and Mining
 Robert J. Krueger, PE, Petroleum Engineer

(8/90) Date: 7-27-00
 See Instructions on Reverse Side

COPY SENT TO OPERATOR
 DATE 2-27-00
 BY CHD

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 # 34-22
10. API Well Number 43-007-30661
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 : 1189' FSL, 1382' FEL County : CARBON QQ, Sec, T., R., M : SWSE 22-15S-9E State : UTAH	

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
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<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.

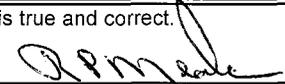
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The above named well was placed on production to the sales line at 11:10am on 8/20/2000 at a rate of 119 MCFD.

RECEIVED
 AUG 28 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. <p align="center">ML-48232</p>		
						6. IF INDIAN, ALLOTTEE OR TRIBE NAME <p align="center">NA</p>		
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____						7. UNIT AGREEMENT NAME <p align="center">NA</p>		
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 <p align="center">SITLA</p>		
2. NAME OF OPERATOR <p align="center">MARATHON OIL COMPANY</p>						9. WELL NO. <p align="center">34-22</p>		
3. ADDRESS OF OPERATOR <p align="center">1501 STAMPEDE AVENUE, CODY, WYOMING 82414</p>						10. FIELD AND POOL, OR WILDCAT <p align="center">DRUNKARD'S WASH</p>		
4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)* At surface <p align="center">1189' FSL, 1382' FEL SWSE</p> At top prod. interval reported below						11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA <p align="center">22-15S-9E</p>		
14. API NO. <p align="center">43-007-30661</p>				DATE ISSUED <p align="center">4/20/2000</p>		12. COUNTY <p align="center">CARBON</p>	13. STATE <p align="center">UTAH</p>	
15. DATE SPUNDED <p align="center">5/17/2000</p>		16. DATE T.D. REACHED <p align="center">5/20/2000</p>		17. DATE COMPL. (Ready to prod.) or (Plug & Abd.) <p align="center">8/20/2000</p>		18. ELEVATIONS (DF, RKB, RT, GR, ETC.) <p align="center">6019' GR, 6031' RKB</p>		19. BLEV. CASINGHEAD <p align="center">NA</p>
20. TOTAL DEPTH, MD & TVD <p>2767' KB MD 2767' KB TVD</p>		21. PLUG BACK T.D., MD & TVD <p>2697' KB MD 2697' KB TVD</p>		22. IF MULTIPLE COMPL., HOW MANY* <p align="center">-----></p>		23. INTERVALS ROTARY TOOLS DRILLED BY <p align="center">O-TD</p>		CABLE TOOLS <p align="center">NA</p>
24. PRODUCING INTERVAL(S), OF THIS COMPLETION---TOP, BOTTOM, NAME (MD AND TVD) <p align="center">FERRON COAL AT 2375' TO 2489'</p>						25. WAS DIRECTIONAL SURVEY MADE <p align="center">NA</p>		
26. TYPE ELECTRIC AND OTHER LOGS RUN <p>6-16-00 AIT-GR, CNL-LDT-MLT-GR, CBL-CCL-GR</p>						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"/> (Submit analysis) (See reverse side)		
23. CASING RECORD (Report all strings set in well)								
CASING SIZE		WEIGHT, LB./FT.	DEPTH SET (MD)		HOLE SIZE		CEMENTING RECORD	AMOUNT PULLED
8-5/8"		24	347' KB		11"		140 sxs Prem AG 300 - surface	0
5-1/2"		17	2767' KB		7-7/8"		Lead - 80 sxs POZ & Tailed w/ 165 sxs Thixo	0
29. LINER RECORD								
SIZE	TOP (MD)		BOTTOM (MD)		SACKS CEMENT	SCRIBEN (MD)	SIZE	PACKER SET (MD)
none							2-7/8"	none
31. PERFORATION RECORD (Interval, size and number)					32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
INTERVAL		SIZE		NUMBER		DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED
2455-58', 2464-68', 2471-75', 2487-89'		22.7		56		2455' - 2489'		94,690# 16-30 sd in 36,640 gals 20# gel
2375-77', 2394-2404', 2412-14'		22.7		59		2375' - 2414'		89,220# 16-30 sd in 34,080 gals 20# gel
33.* PRODUCTION								
DATE FIRST PRODUCTION <p align="center">8/20/2000</p>		PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) <p align="center">Pumping -- 2-1/2" x 2" x 16' Insert Pump</p>					WELL STATUS (Producing or shut-in) <p align="center">Producing</p>	
DATE OF TEST <p align="center">8/31/00</p>	HOURS TESTED <p align="center">24</p>	CHOKE SIZE	PROD. FOR TEST PERIOD <p align="center">-----></p>	OIL--BBL. <p align="center">0</p>	GAS--MCF. <p align="center">84</p>	WATER--BBL. <p align="center">121</p>	GAS-OIL RATIO <p align="center">na</p>	
FLOW. TUBING PRESS. <p align="center">45</p>	CASING PRESSURE <p align="center">45</p>	CALCULATED 24-HOUR RATE <p align="center">-----></p>	OIL--BBL. <p align="center">0</p>	GAS--MCF. <p align="center">84</p>	WATER--BBL. <p align="center">121</p>	OIL GRAVITY-API (CORR.) <p align="center">na</p>		
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) <p align="center">Sold</p>						TEST WITNESSED BY <p align="center">Field Supervisor</p>		
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 <u>RPM</u>		TITLE <u>REGULATORY COORDINATOR</u>				DATE <u>9/20/00</u>		

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	TOP
				MEAS. DEPTH	TRUE VERT. DEPTH
<p>37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.</p>				<p>38. GEOLOGIC MARKERS</p> <p>Ferron Tununk</p>	<p>2358 2650</p>

Sitla 34-22

API	43-007-30661	Field Name	Drunkards Wash	Area		Operator	Marathon Oil Company	County	CARBON	State/Province	UTAH
KB Elev (ft)	6031.00	Ground Elev (ft)	6019.00	Casing Flange Elev (ft)		KB-Ground (ft)	12.00	KB-Casing Flange (ft)	12.00	Spud Date	5/3/00

Wellbore: 8/1/00 (KB-Grd: 12.0ft)

ftKB (MD)	Schematic - Actual	Geology	
13			
344			
348			
581			
1362			
2375			Ferron, 2,358.0
2379			
2388			
2395			
2405			
2411			
2415			
2454			
2457			
2464			
2467			
2470			
2474			
2487			
2490			
2503			
2510			
2510	<p>Pump Seating Nipple, 2 7/8, 2,504.0, 0.5</p> <p>Perforated Sub, 2 7/8, 2,504.5, 4.0</p> <p>Bull Plug, 2 7/8, 2,508.5, 0.5</p>		
2687		Tununk, 2,650.0	
2723			
2766			

Tubing Jts, 2 7/8, 14.0, 2490.0

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SEP 25 2000

DIVISION OF OIL, GAS AND MINING

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

<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p><small>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</small></p>		6. Lease Designation and Serial Number ML-48232
		7. Indian Allottee or Tribe Name NA
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) <u> ? </u>		8. Unit or Communitization Agreement NA
2. Name of Operator Marathon Oil Company		9. Well Name and Number SITLA # 34-22
3. Address of Operator 1501 Stampede Ave., Cody, Wyoming 82414	4. Telephone Number 307-527-2203	10. API Well Number 43-007-30661
5. Location of Well Footage : 1189' FSL, 1382' FEL County : CARBON QQ, Sec, T., R., M : SWSE 22-15S-9E State : UTAH		11. Field and Pool, or Wildcat DRUNKARD'S WASH

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

<p align="center">NOTICE OF INTENT (Submit in Duplicate)</p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Approximate Date Work Will Start _____</p>	<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 _____		<p align="center">SUBSEQUENT REPORT (Submit Original Form Only)</p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input checked="" type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Date of Work Completion <u>11/15/2002</u></p> <p><small>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.</small></p>	<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 checked="" 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 _____	
<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction																										
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<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off																										
<input type="checkbox"/> Other _____																											

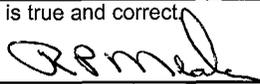
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The above named well was acidized with 250 gal. Of 15% HCL and returned to production.

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

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

Name & Signature R.P. Meabon  Title Reg. Coord. Date 07/30/03

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