

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

001

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-75022
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Phillips Petroleum Company		7. UNIT AGREEMENT NAME Drunkards Wash UTU-67921X
3. ADDRESS AND TELEPHONE NO. 6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777		8. FARM OR LEASE NAME, WELL NO. USA 12-536
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 1536' FNL, 134' FWL At proposed prod. zone 4386018 Y 511040 X		9. API WELL NO.
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 3.7 miles northwest of Price, Utah.		10. FIELD AND POOL, OR WILDCAT Drunkards Wash
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 134'	16. NO. OF ACRES IN LEASE 501.8 Acres	11. SEC. T, R, M, OR BLK. AND SURVEY OR AREA SW/4, NW/4, Sec. 12, T14S, R09E, SLB&M
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1700'	19. PROPOSED DEPTH 3230'	12. COUNTY OR PARISH Carbon
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6164' GR		13. STATE Utah
		22. APPROX. DATE WORK WILL START* June 2002

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14"	12-3/4"	Conductor	40'	
11"	J-55 8-5/8"	24 #/ft	323'	125 sks G+2% CaCl + 1/4# per sack flocc
7-7/8"	N-80 5-1/2"	17 #/ft	3220'	291 sks 50/50 POZ +8%gel+2%CaCl+10%extender. 79 sks "G" thixotropic

**Federal Approval of this Action is Necessary**

**COPY CONFIDENTIAL**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Permitting Analyst DATE 1/25/02

(This space for Federal or State office use)  
PERMIT NO. 43-007-30841 APPROVAL DATE \_\_\_\_\_

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

APPROVED BY [Signature] TITLE BRADLEY G. HILL RECLAMATION SPECIALIST III DATE 02-14-02

**\*See Instructions On Reverse Side**

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

# Range 9 East

**Location:**

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

**Basis of Bearing:**

THE BASIS OF BEARING IS GPS MEASURED.

**GLO Bearing:**

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

**Basis of Elevation:**

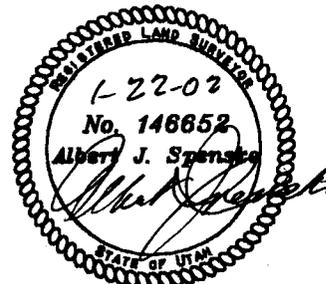
BASIS OF ELEVATION OF 5650' BEING AT THE SOUTHEAST SECTION CORNER OF SECTION 12, TOWNSHIP 14 SOUTH, RANGE 9 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE STANDARDVILLE QUADRANGLE 7.5 MINUTE SERIES MAP.

**Description of Location:**

PROPOSED DRILL HOLE LOCATED IN THE SW1/4, NW1/4 OF SECTION 12, T14S, R9E, S.L.B.&M., BEING 1113.11' NORTH AND 134.48' EAST FROM THE WEST QUARTER CORNER OF SECTION 12, T14S, R9E, SALT LAKE BASE & MERIDIAN.

**Surveyor's Certificate:**

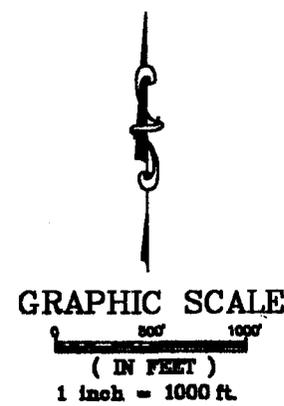
I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



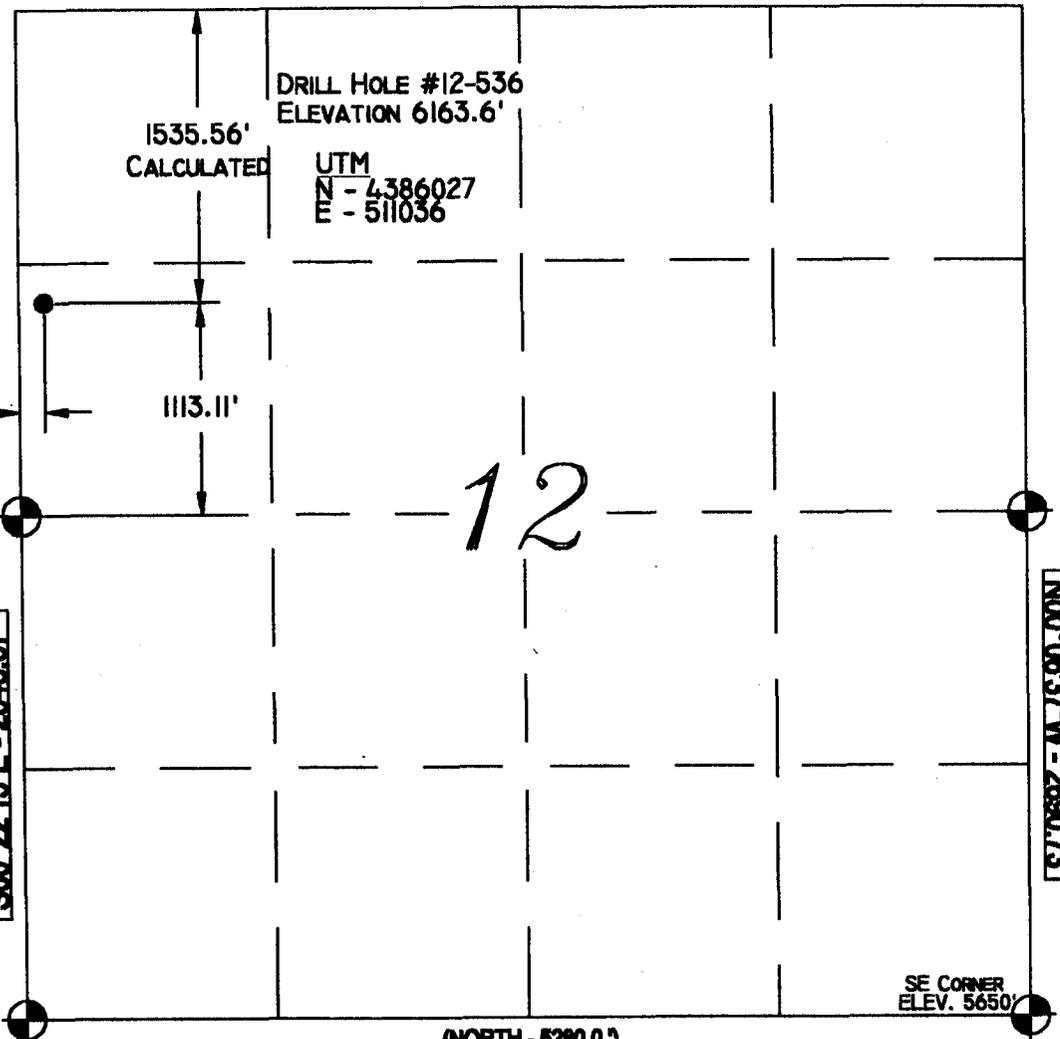
**Talon Resources, Inc.**  
 375 South Carbon Avenue, Suite 101  
 Pric, Utah 84501  
 Ph: 435-637-8781  
 Fax: 435-636-8803

**PHILLIPS PETROLEUM**  
**WELL #12-536**  
 Section 12, T14S, R9E, S.L.B.&M.  
 Carbon County, Utah

Drawn By <b>J. STANSFIELD</b>	Checked By <b>L.W.J./A.J.S.</b>
Drawing No. <b>A-1</b>	Date <b>01/22/02</b>
	Scale <b>1" = 1000'</b>
Sheet <b>1</b> of <b>4</b>	Job No. <b>487</b>



Township 14 South



DRILL HOLE #12-536  
 ELEVATION 6163.6'

UTM  
 N - 4386027  
 E - 511036

12

S00°22'15"E - 2648.67'

N00°06'37"W - 2690.73'

SE CORNER  
 ELEV. 5650'

(NORTH - 5280.0')  
 S89°37'02"E - 5354.72'

**Legend**

- Drill Hole Location
- ⊕ Metal Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- ( ) GLO
- GPS Measured

**NOTES:**  
 1. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

LAT / LONG  
 39°37'33"N  
 110°52'20"W

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 46155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

February 13, 2002

### Memorandum

**To:** Assistant District Manager Minerals, Moab District  
**From:** Michael Coulthard, Petroleum Engineer  
**Subject:** 2002 Plan of Development Drunkards Wash Unit,  
Carbon County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2002 within the Drunkards Wash, Carbon County, Utah.

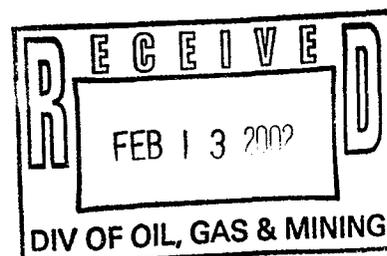
Api Number	Well	Location
(Proposed PZ Ferron)		
43-007-30840	Utah M-3	Sec. 18, T15S, R9E 2371 FNL 0570 FWL
43-007-30841	USA 12-536	Sec. 12, T14S, R9E 1536 FNL 0134 FWL
43-007-30842	USA 12-537	Sec. 12, T14S, R9E 1546 FSL 1476 FEL
43-007-30843	USA 12-538	Sec. 12, T14S, R9E 1786 FSL 1829 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Drunkards Wash Unit  
Division of Oil Gas and Mining  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:2-13-02





## PHILLIPS PETROLEUM COMPANY

6825 South 5300 West  
P.O. Box 851  
Price, UT 84501  
TEL: (435) 613-9777 FAX: (435) 613-9782

January 25, 2002

Mr. Eric Jones  
Bureau of Land Management  
82 East Dogwood  
Moab, Utah 84532

**COPY**  
**CONFIDENTIAL**

RE: Application for Permit to Drill-  
USA 12-536, SW/4 NW/4 Sec.12  
T14S, R09E, SLB & M, Carbon County, Utah

Dear Mr. Jones:

Enclosed is the original of the *Application for Permit to Drill* (APD). Included with the APD is the following information:

- Exhibit "A" - Survey Plat of the Proposed Well Site;
- Exhibit "B" - Proposed Location Map with Pipeline, Power, and Road Access;
- Exhibit "C" - Drilling Site Layout;
- Exhibit "D" - Drilling Information
- Exhibit "E" - Multipoint Surface Use Plan
- Exhibit "F" - Typical Road Cross-section;
- Exhibit "G" - BOP Diagram;
- Exhibit "H" - Typical Wellhead Manifold;
- Exhibit "I" - Evidence of Bond;

This proposed well is located more than 460' from the boundary of the Unit Area and from the boundary of any uncommitted tract within the Unit Area and will not require the administrative approval in accordance with Utah Administrative Code Rule R649-3-3.

Please accept this letter as Phillips Petroleum Company's written request for confidential treatment of all information contained in and pertaining to this permit application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact me if you have any questions.

Sincerely,



Jean Semborski  
Permit Analyst

cc: Ms. Lisha Cordova, DOGM  
Mr. Chuck Snure, Texaco  
Ms. Robin Adams, Dominion Resources  
Mr. Don Stephens, BLM, Price, Utah  
Ms. Jeanette Borges, Phillips Petroleum Company  
Mr. Mark Jones, DOGM, Price, Utah  
Mrs. Deanna Walker, Phillips Petroleum Company  
PPCo Well File

Bureau of Land Management  
Moab District  
Application for Permit to Drill  
On-Site Inspection Checklist

Company Phillips Petroleum Company Well No. USA 12-536  
Location: Sec. 12, T 14 S, R 09E, Lease No. U-75022  
On-Site Inspection Date: 11/7/01

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. 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.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:  
Surface formation: Upper Mancos Shale  
Estimated top of Ferron Formation: 2760' - TD=3230'
2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

<u>Formation</u>	<u>Depth</u>
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Expected Oil Zones: none	
Expected Gas Zones: Ferron Coal Interval: <u>2785'-2930'</u>	
Expected Water Zones: <u>2785'-2930'</u>	
Expected Mineral Zones: none	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment- include schematics of the BOP and choke manifold, and describe testing procedures: Quick Test is contracted to test the manifold, blind rams, and B.O.P to 2000 psi. Surface casing is tested to 1 psi/ft. See attachment.

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

4. Casing Program and Auxiliary Equipment - include casing size, weight, grade, thread and

coupling, setting depth and condition (new or acceptably reconditioned): Approximately 3220' of 5-1/2", N-80 17#/ft production casing will be installed 10% of the above setting depth will be 8-5/8", 24#/ft. J-55 surface casing.

5. Cement-include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: See cement design.
6. Mud Program and Circulating Medium- include mud components and weights. When air drilling, also include: length and location of bloopie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Hole will be drilled with air.
7. Coring, Logging and Testing Program: Bulk Density, Gamma, Neutron Density, Resistivity and Caliper logs will be run.  
Initial opening of drill stem test tools will be restricted to daylight hours.
8. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards- include anticipated bottomhole pressure and/or pressure gradient: No abnormal conditions are anticipated, formation is slightly over-pressured, estimated BHP1399-PSI.
9. Any Other Aspects of this Proposal that should be Addressed:

B. THIRTEEN POINT SURFACE USE PLAN

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

1. Existing Roads:
  - a. Proposed route to location (submit a map depicting access and well location).
  - b. Location of proposed well in relation to town or other reference point: 3.7 Miles northwest of Price, Utah.
  - c. Contact the Carbon County Road Department for use of county roads. The use of Carbon County roads will require an encroachment permit from the Carbon County Road Department.
  - d. Plans for improvement and/or maintenance of existing roads: Upgrade and maintain existing state or county roads.
  - e. Other:
2. Planned Access Roads:
  - a. Location (centerline): Sec. 12, T14S, R09E 1536' FNL, 134' FWL
  - b. Length of new access to be constructed: 0'
  - c. Length of existing roads to be upgraded 2200'
  - d. Maximum total disturbed width: 27'
  - e. Maximum travel surface width: 24'

- f. Maximum grades: 4%
- g. Turnouts: none
- h. Surface materials: In-place residual of Mancos Shale
- i. Drainage (crowning, ditching, culverts, etc): Roads will be crowned with water ditches on both sides. Water will be diverted around pad as necessary and 6 culverts will be placed along upgraded roadway.
- j. Cattleguards: none
- k. Length of new and/or existing roads which lie outside the lease boundary for which a BLM right-of-way is required: N/A
- l. Other:

Surface disturbance and vehicular travel will be limited to the approved location access road. Any additional area needed must be approved by the Area Manager in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

- 3. Location of Existing Wells-on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: See Attachment "B"
- 4. Location of Production Facilities:
  - a. On-site facilities: See Attachment "E"
  - b. Off-site facilities: none
  - c. The pipelines and powerlines will follow the proposed access route with the powerline located on the north/east side of the road and the pipelines on the west/south. The pipelines will be approximately 6" for the gas and 6" for the water. Refer to map Exhibit "B" page 1 for the location of the proposed pipeline. The length of the pipeline will be approximately 2200' long. The pipelines will be brought to the USA 12-536 from the USA 11-291.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Olive Black

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7-3 and Onshore Oil and Gas Order No. 4

Production facilities on location may include a lined or unlined produced water pit as specified in NTL-2B. If water is produced from the well, an NTL-2B application must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): PRWID

A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah at (435) 637-1303.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): Private Owner

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

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be lined with (native material, bentonite, synthetic material): Pit will be lined with native material unless otherwise designated by BLM officers prior to construction.

The reserve pit will be located at the: North side of the location, and the pit walls will be sloped at no greater than 2 to 1.

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: Garbage containers and portable toilets.
9. Well Site Layout - depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1" = 50'.

All well, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.

Access to the well pad will be from: South of location.

The blooie line will be located in the: North at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: Water injection.

10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: adjacent land.

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Sept. and Nov., or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used:

BLM recommended mixture: Desert Shrub

The abandonment marker will be one of the following, as specified by BLM:

- 1) At least four feet above ground level,
- 2) At restored ground level, or
- 3) Below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements:

11. Surface and Mineral Ownership: BLM surface/BLM subsurface

12. Other Information:

a. Archeological Concerns: none

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- A time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

b. Threatened and Endangered Species Concerns: No

c. Wildlife Seasonal Restrictions (yes/no): See EIS

d. Off Location Geophysical Testing: N/A

e. Drainage crossings that require additional State or Federal approval: N/A

f. Other: N/A

13. Lessee's or Operator's Representative and Certification

Representative:

Name: Jean Semborski

Title: Permitting Analyst

Address: 6825 S. 5300 W. P.O. Box 851  
Price, Utah 84501

Phone No: (435) 613-9777 Fax (435) 613-9782

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 currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by PPCo and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM bond no. ES0048. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

  
\_\_\_\_\_  
Signature

Permitting Analyst  
Title

1/25/02  
Date

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Resource Area, Natural Resource Protection Specialist at least 24 hours prior to commencing construction of location.

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

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

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

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

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

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

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

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

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

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

Venting/Flaring of Gas-NTL-4A allows venting/flaring of gas during the initial well evaluation period not to exceed 30 days or 50 MMcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.

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

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the BLM, Moab District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

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

TABLE 1  
NOTIFICATIONS

Notify Don Stephens of the Price Resource Area, at (435)636-3608 for the following:

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

1 day prior to spud;

50 feet prior to reaching surface and intermediate casing depths;

3 hours prior to testing BOP;

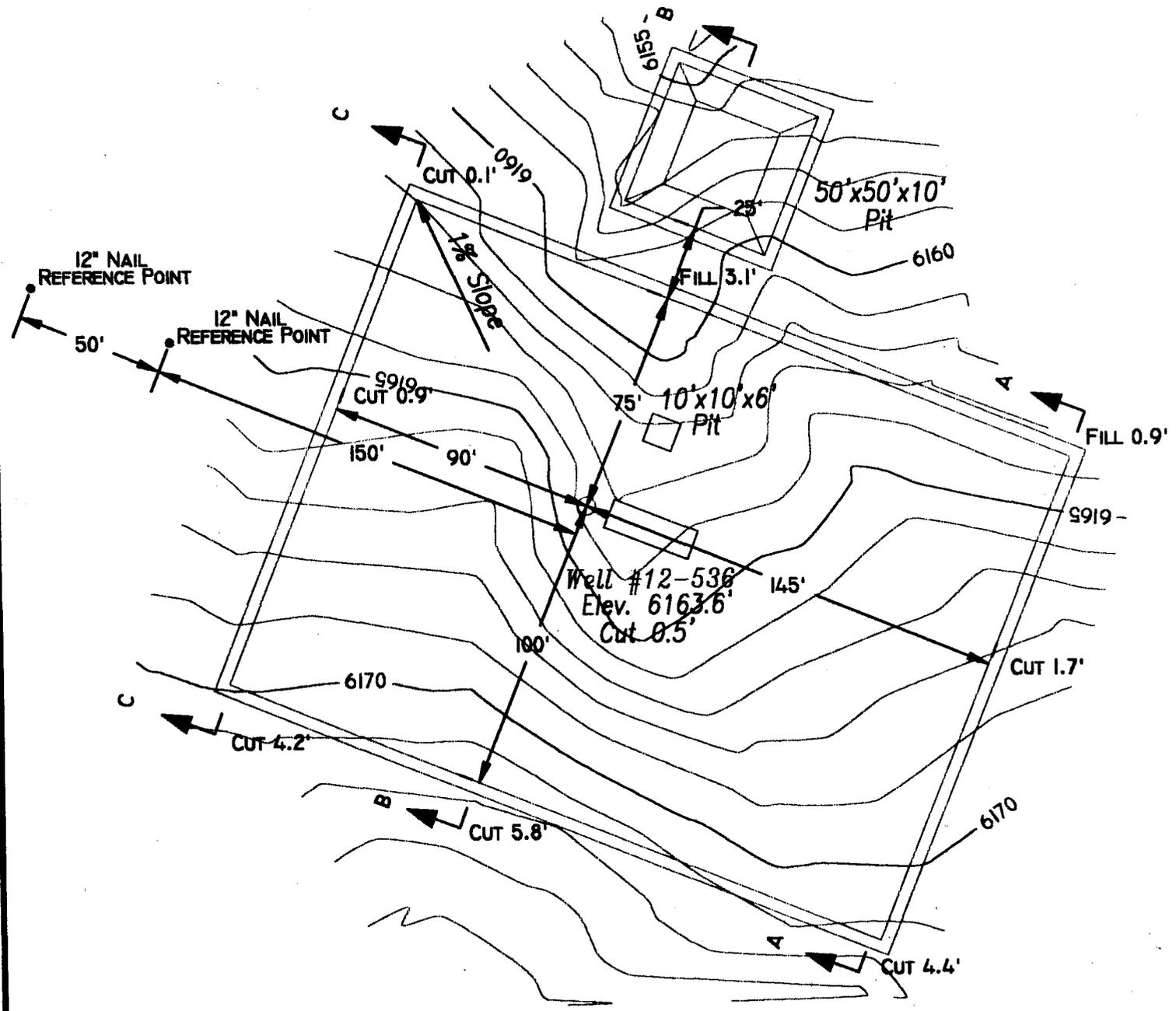
12 hours prior to reaching kickoff point depth (if applicable).

If the person at the above number cannot be reached, notify the Moab District Office at (435) 259-6111. If unsuccessful, notify one of the people listed below.

Well abandonment operations require 24-hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (435) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (435) 259-6111
	Home: (435) 259-2214

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6163.6'  
 ELAVATION OF GRADED GROUND AT LOCATION STAKE = 6163.1'



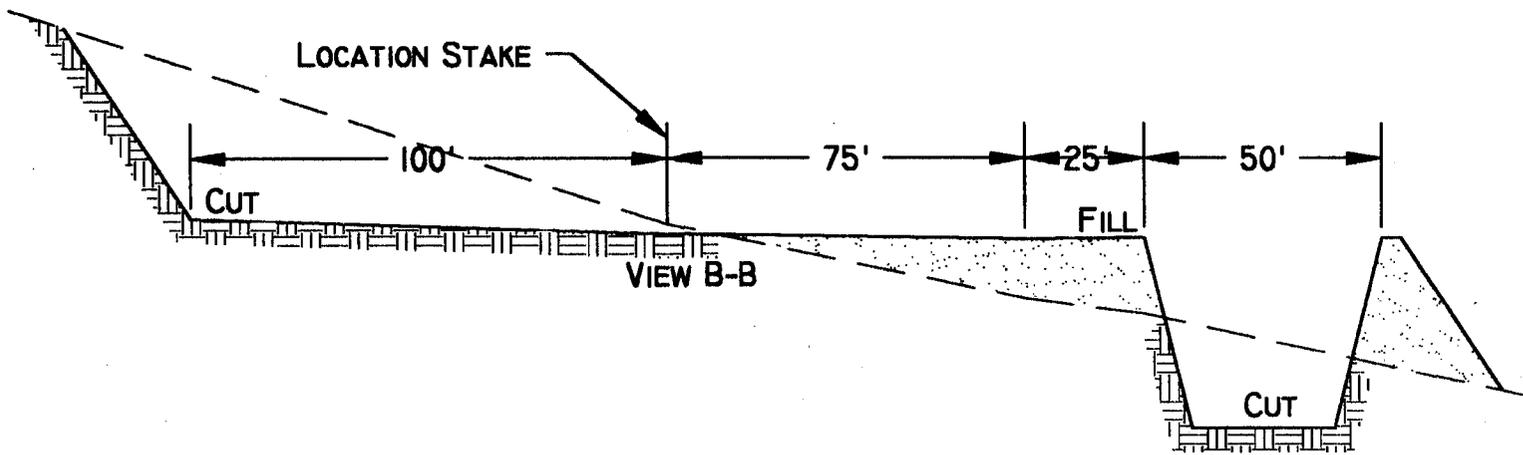
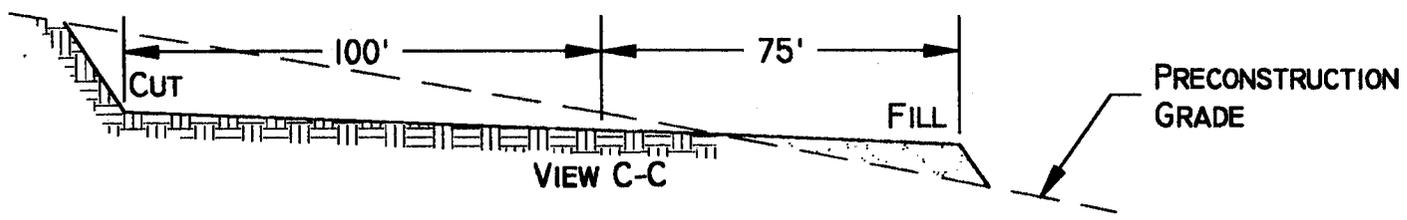
**Talon Resources, Inc.**  
 375 South Carbon Avenue, Suite 101  
 Pricas, Utah 84501  
 Ph: 435-837-8781  
 Fax: 435-836-8603

**PHILLIPS PETROLEUM**  
**LOCATION LAYOUT**  
 Section 12, T14S, R9E, S.L.B.&M.  
**WELL #12-536**

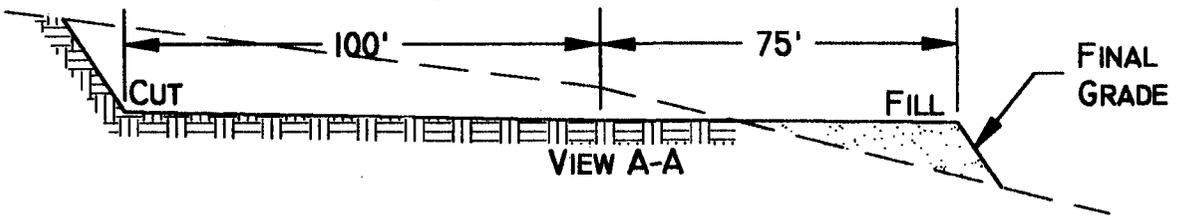
Drawn By: <b>J. STANSFIELD</b>	Checked By: <b>L.W.J.</b>
Drawing No. <b>A-2</b>	Date: <b>01/18/02</b>
	Scale: <b>1" = 50'</b>
Sheet <b>2 of 4</b>	Job No. <b>540</b>

Exhibit "A" 2 of 3

1"=10'  
 X-Section  
 Scale  
 1"=40'



SLOPE = 1 1/2 : 1  
 (EXCEPT PIT)  
 PIT SLOPE = 1 ; 1



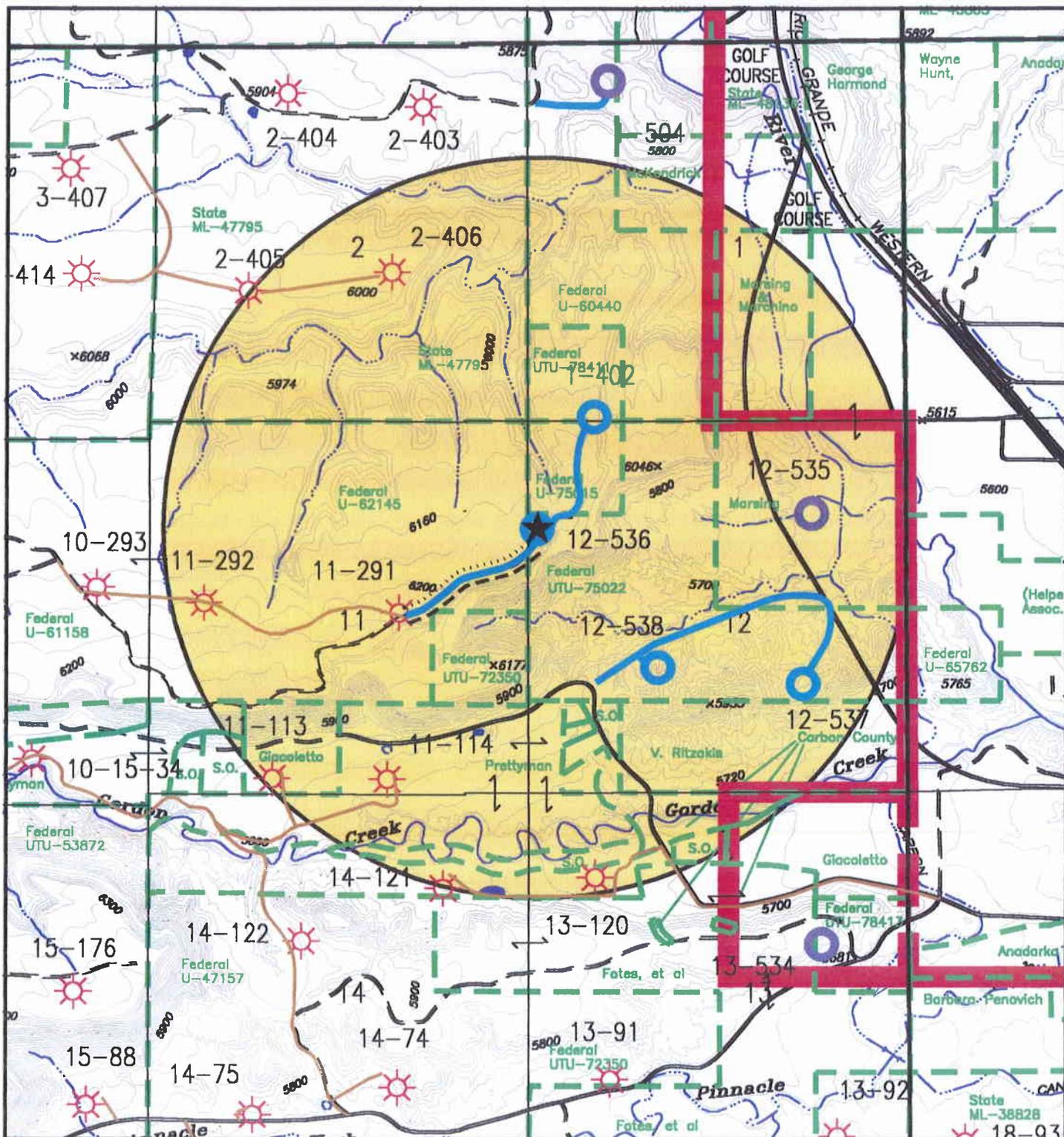
**Talon Resources, Inc.**  
 375 South Carbon Avenue, Suite 101  
 Price, Utah 84501  
 Ph: 435-637-8781  
 Fax: 435-636-8603

 **PHILLIPS PETROLEUM**  
**TYPICAL CROSS SECTION**  
 Section 12, T14S, R9E, S.L.B.&M.  
**WELL #12-536**

Drawn By: <b>J. STANSFIELD</b>	Checked By: <b>L.W.J.</b>
Drawing No. <b>C-1</b>	Date: <b>01/18/02</b>
	Scale: <b>1" = 40'</b>
Sheet <b>3 of 4</b>	Job No. <b>540</b>

**APPROXIMATE YARDAGES**  
**CUT**  
 (6") TOPSOIL STRIPPING = 750 CU. YDS.  
 REMAINING LOCATION = 2,755 CU, YDS.  
**TOTAL CUT = 3,055 CU. YDS.**  
**TOTAL FILL = 905 CU. YDS.**

Exhibit "A" 3 of 3



**LEGEND**

- Proposed Well Location: ★
- Other Proposed Well Locations: ○
- Proposed Powerline: - - -
- Proposed Pipeline: — (blue)
- Proposed Roads: — (dashed)
- Lease Boundary: — (dotted)
- Existing Wells: ☀

Scale - 1" = 2000'

PHILLIPS PETROLEUM COMPANY  
 6825 South 5300 West  
 P.O. Box 851  
 Price, Utah 84501  
 Phone: (435) 613-9777  
 Fax: (435) 613-9782



**WELL # 12-536**  
**Section 12, T14S, R9E, S.L.B.&M.**  
**Carbon County, Utah**

503000m E. 505000m E. 507000m E. 509000m E. 511000m E. 513000m E. 515000m E. NAD27 Zone 12S 519000m E.

Phillips Petroleum Company



TALON RESOURCES, INC.

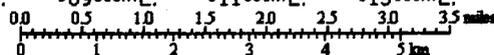
375 SOUTH CARBON AVE. (A-10)

PRICE, UTAH 84501

435-637-8781

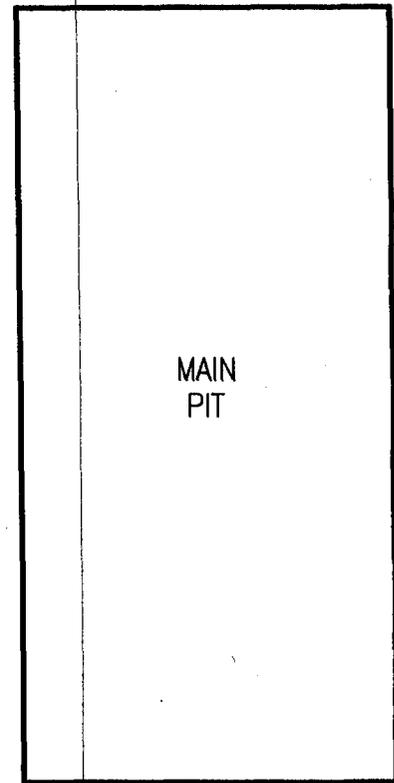
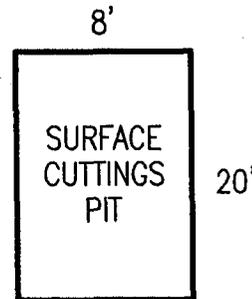
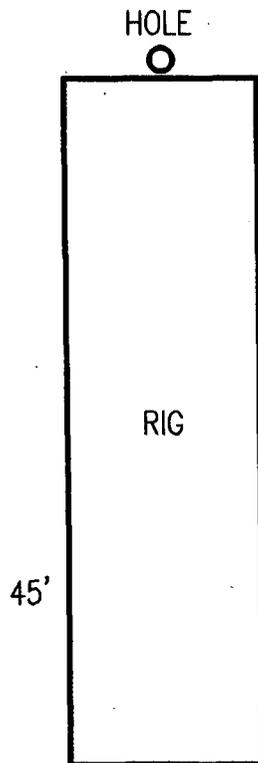
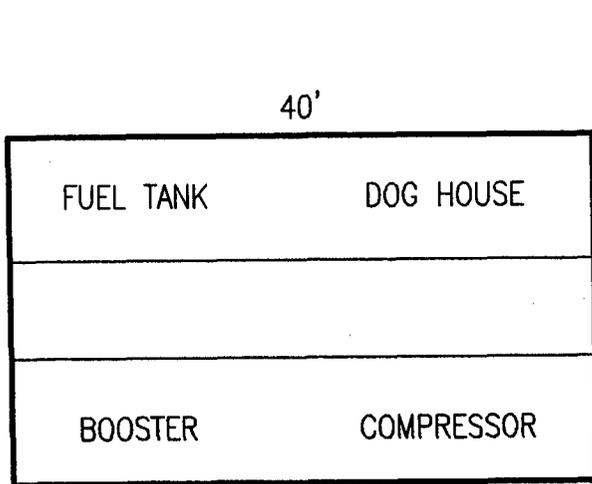
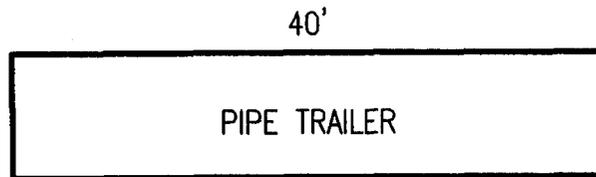
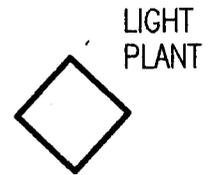
503000m E. 505000m E. 507000m E. 509000m E. 511000m E. 513000m E. 515000m E. NAD27 Zone 12S 519000m E.

TN 13°



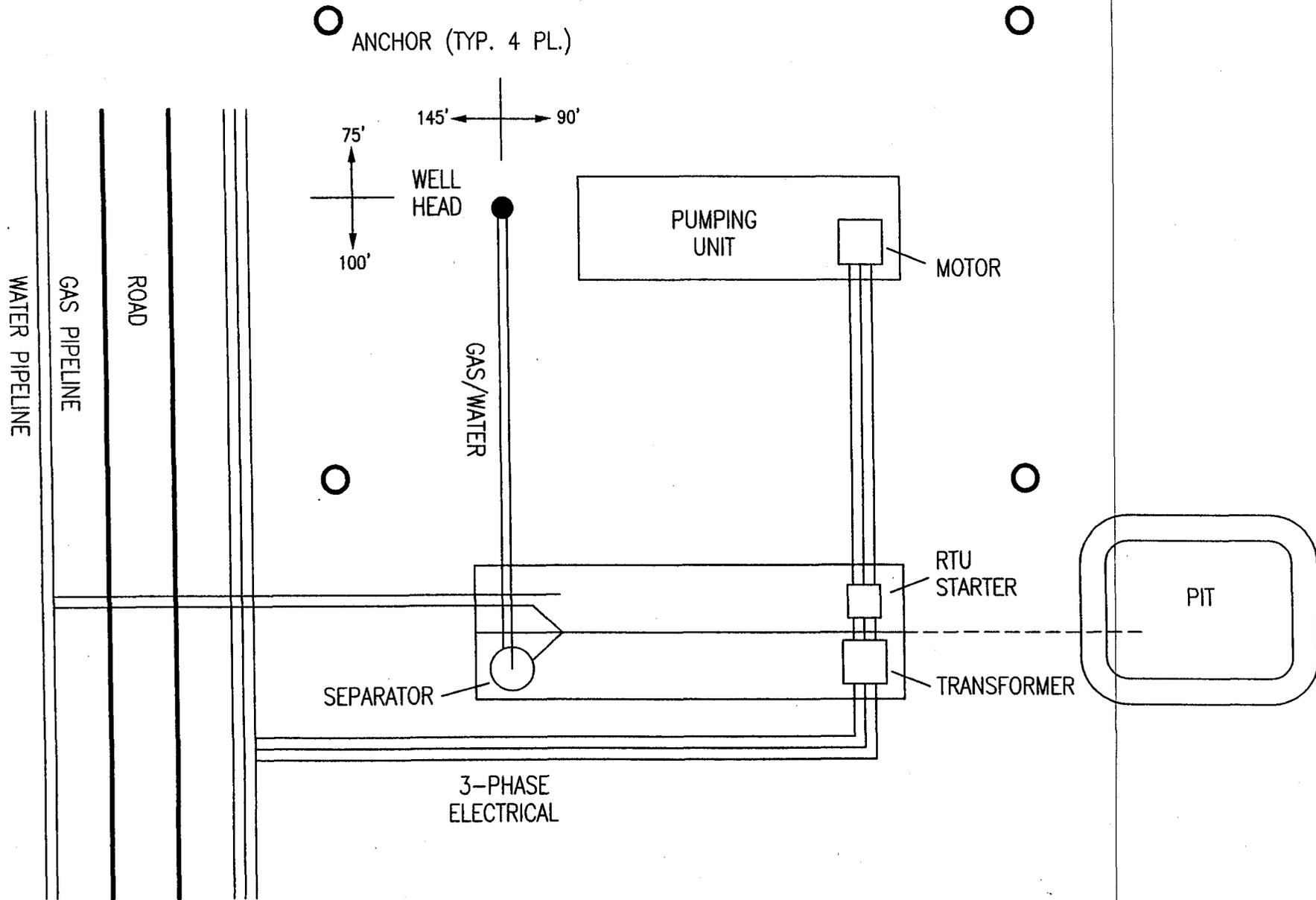
Map created with TOPOI © 2001 National Geographic (www.nationalgeographic.com/topo)

# APPROXIMATE LAYOUT OF RIG & EQUIPMENT

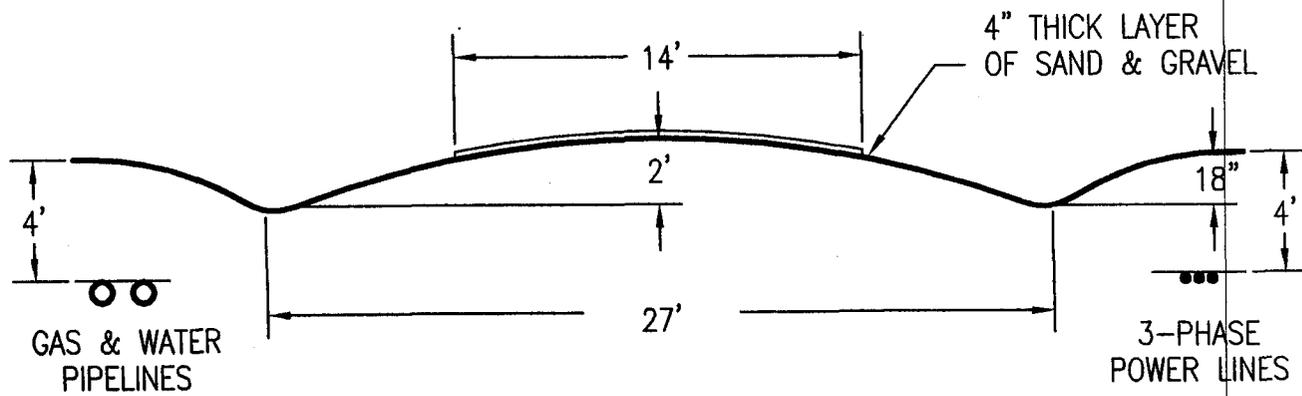


# PHILLIPS PETROLEUM COMPANY

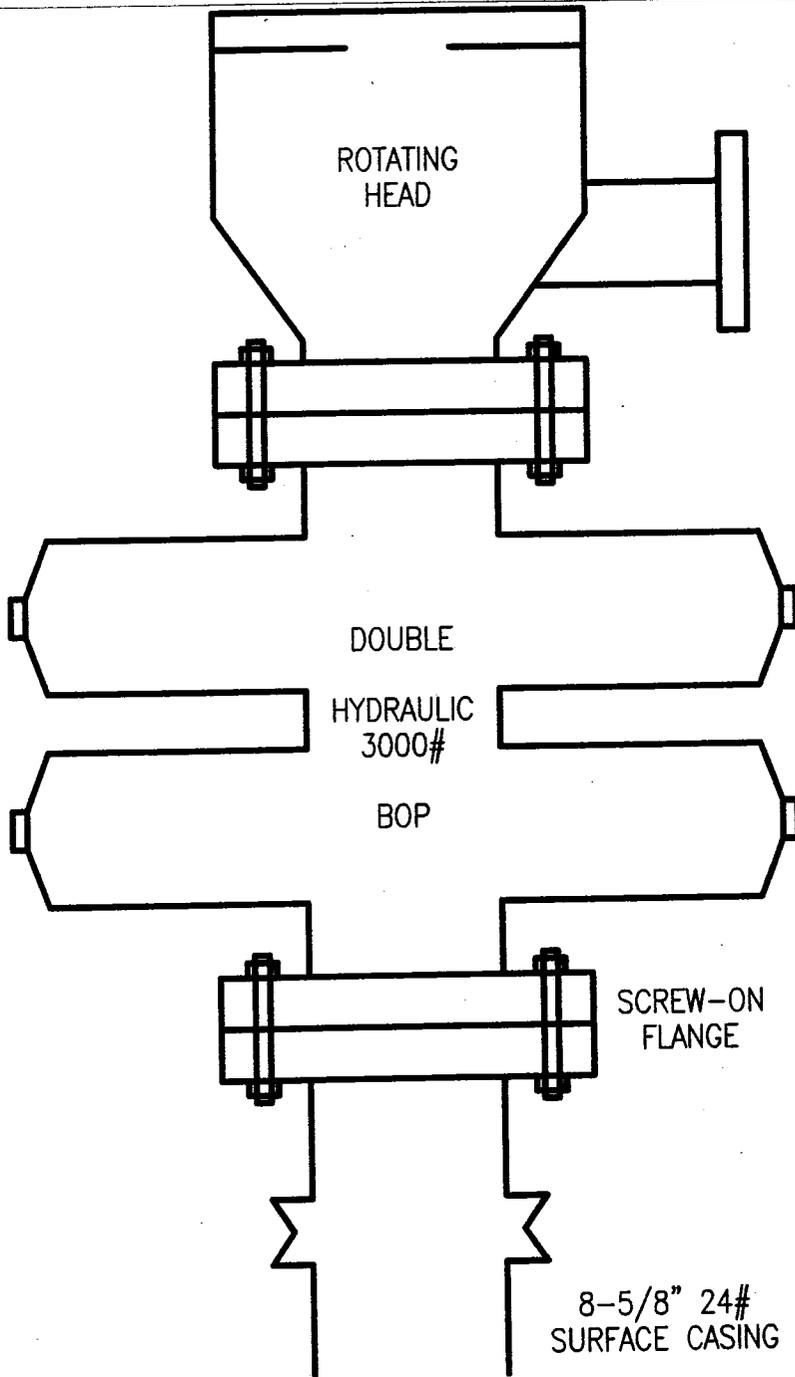
WELL SITE LAYOUT (235' x 175')



# TYPICAL ROAD CROSS-SECTION

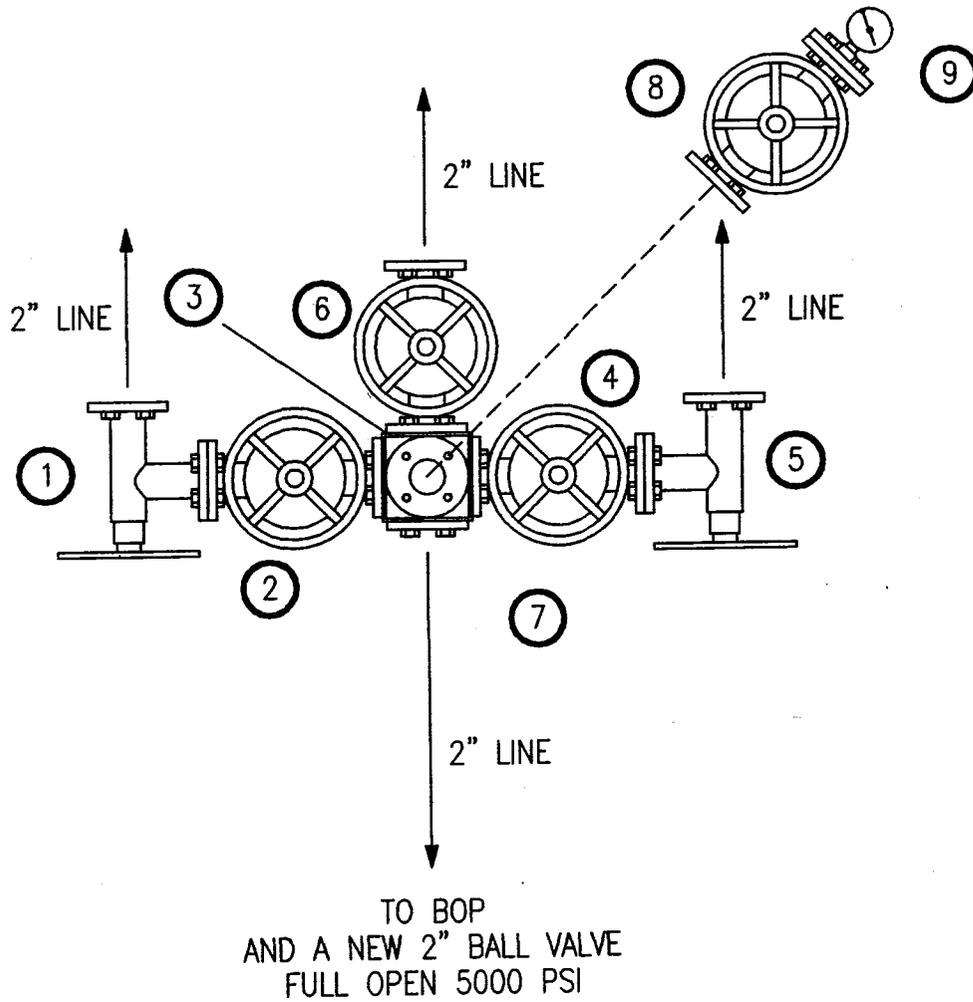


DIVERTER HEAD



- (1) 2" 5M FLANGED CHOKE
- (2) 2" 5M GATE VALVE (FLANGED)
- (3) 2" 5M STUDDED CROSS
- (4) 2" 5M GATE VALVE (FLANGED)
- (5) 2" 5M FLANGED CHOKE
- (6) 2" 5M GATE VALVE (FLANGED)
- (7) 2" LINE
- (8) 2" 5M GATE VALVE (FLANGED)
- (9) 3000# GAUGE

NOTE:  
 NUMBER 8 GATE VALVE SITS ON TOP OF MANIFORD BETWEEN STUDDED CROSS AND 3000# GAUGE.



MANIFOLD

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/04/2002

API NO. ASSIGNED: 43-007-30841

WELL NAME: USA 12-536  
 OPERATOR: PHILLIPS PETROLEUM ( N1475 )  
 CONTACT: JEAN SEMBORSKI

PHONE NUMBER: 435-613-9777

PROPOSED LOCATION:  
 SWNW 12 140S 090E  
 SURFACE: 1536 FNL 0134 FWL  
 BOTTOM: 1536 FNL 0134 FWL  
 CARBON  
 DRUNKARDS WASH ( 48 )

INSPECT LOCATN BY: / /		
<b>Tech Review</b>	<b>Initials</b>	<b>Date</b>
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-75022  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: FRSD

RECEIVED AND/OR REVIEWED:

Plat  
 Bond: Fed[1] Ind[] Sta[] Fee[]  
 (No. ES0048 )

Potash (Y/N)  
 Oil Shale 190-5 (B) or 190-3 or 190-13  
 Water Permit  
 (No. PRWID )

RDCC Review (Y/N)  
 (Date: \_\_\_\_\_ )

Fee Surf Agreement (Y/N)

LOCATION AND SITING:

\_\_\_\_ R649-2-3. Unit DRUNKARD WASH  
 \_\_\_\_ R649-3-2. General  
 Siting: 460 From Qtr/Qtr & 920' Between Wells  
 \_\_\_\_ R649-3-3. Exception  
 Drilling Unit  
 Board Cause No: 243-2  
 Eff Date: 7-13-99  
 Siting: 460' E. Unit Boundary & Uncomm. Tract  
 \_\_\_\_ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

STIPULATIONS: 1-Fed. Approval  
 \_\_\_\_\_  
 \_\_\_\_\_



003



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)

February 14, 2002

Phillips Petroleum Company  
PO Box 851  
Price UT 84501

Re: USA 12-536 Well, 1536' FNL, 134' FWL, SW NW, Sec. 12, T. 14 South, R. 9 East,  
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 attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall 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 43-007-30841.

Sincerely,

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

John R. Baza  
Associate Director

er

Enclosures

cc: Carbon County Assessor  
Bureau of Land Management, Moab District Office

**Operator:** Phillips Petroleum Company  
**Well Name & Number** USA 12-536  
**API Number:** 43-007-30841  
**Lease:** U-75022

**Location:** SWNW      **Sec.** 12      **T.** 14 South      **R.** 9 East

### 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 within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

004

5. LEASE DESIGNATION AND SERIAL NO.  
U-75022

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

7. UNIT AGREEMENT NAME  
Drunkards Wash UTU-67921X

8. FARM OR LEASE NAME, WELL NO.  
USA 12-536

9. API WELL NO.  
43-007-3084

10. FIELD AND POOL, OR WILDCAT  
Drunkards Wash

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
SW/4, NW/4, Sec. 12, T14S, R09E, SLB&M

12. COUNTY OR PARISH  
Carbon

13. STATE  
Utah

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
DRILL  DEEPEN

b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER

SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
Phillips Petroleum Company

3. ADDRESS AND TELEPHONE NO.  
6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface 1536' FNL, 134' FWL  
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
3.7 miles northwest of Price, Utah.

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 134'

16. NO. OF ACRES IN LEASE 501.8 Acres

17. NO. OF ACRES ASSIGNED TO THIS WELL 160 acres

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1700'

19. PROPOSED DEPTH 3230'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6164' GR

22. APPROX. DATE WORK WILL START\* June 2002

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14"	12-3/4"	Conductor	40'	
11"	J-55 8-5/8"	24 #/ft	323'	125 sks G+2% CaCl + 1/4# per sack flocc
7-7/8"	N-80 5-1/2"	17 #/ft	3220'	291 sks 50/50 POZ + 8%gel+2%CaCl+10%extender. 79 sks "G" thixotropic

RECEIVED

OCT 05 2002

DIVISION OF OIL, GAS AND MINING

COPY

CONFIDENTIAL

2002 FEB -11 P 1:16

RECEIVED

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *Jan Sumbardi* TITLE Permitting Analyst DATE 1/25/02

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

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

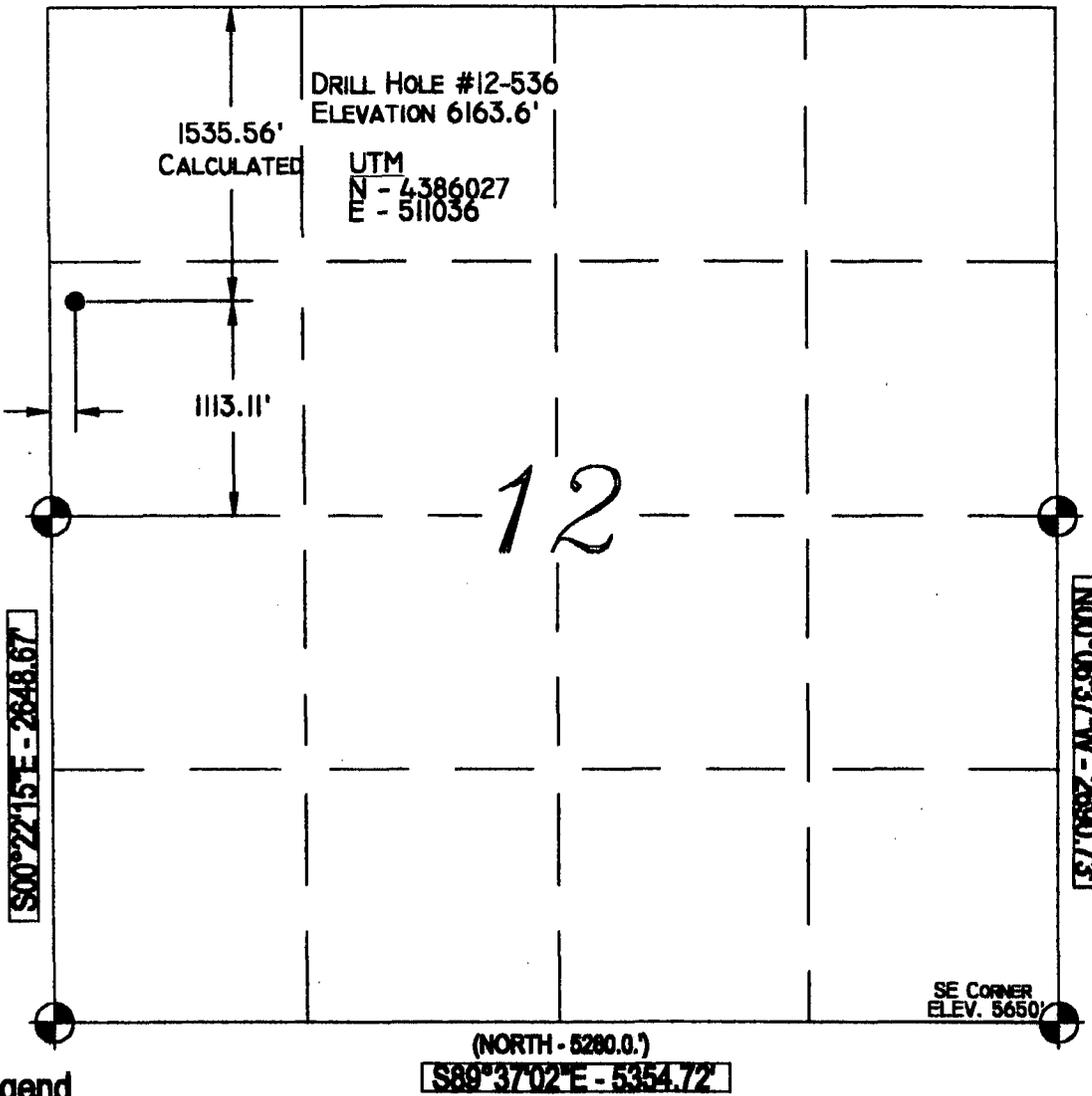
APPROVED BY *Russell W. von Koch* TITLE Assistant Field Manager, Division of Resources DATE OCT - 1 2002

\*See Instructions On Reverse Side

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

# Range 9 East

Township 14 South



**Location:**

THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700 GPS SURVEY GRADE UNIT.

**Basis of Bearing:**

THE BASIS OF BEARING IS GPS MEASURED.

**GLO Bearing:**

THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

**Basis of Elevation:**

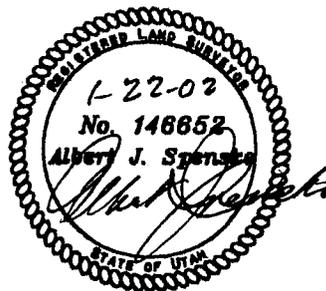
BASIS OF ELEVATION OF 5650' BEING AT THE SOUTHEAST SECTION CORNER OF SECTION 12, TOWNSHIP 14 SOUTH, RANGE 9 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE STANDARDVILLE QUADRANGLE 7.5 MINUTE SERIES MAP.

**Description of Location:**

PROPOSED DRILL HOLE LOCATED IN THE SW1/4, NW1/4 OF SECTION 12, T14S, R9E, S.L.B.&M., BEING 1113.11' NORTH AND 134.48' EAST FROM THE WEST QUARTER CORNER OF SECTION 12, T14S, R9E, SALT LAKE BASE & MERIDIAN.

**Surveyor's Certificate:**

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



**Talon Resources, Inc.**  
375 South Carbon Avenue, Suite 101  
Pioche, Utah 84501  
Ph: 435-637-8781  
Fax: 435-636-8603



**PHILLIPS PETROLEUM**  
**WELL #12-536**  
Section 12, T14S, R9E, S.L.B.&M.  
Carbon County, Utah

Drawn by <b>J. STANSFIELD</b>	Checked by <b>L.W.J./A.J.S.</b>
Drawing No. <b>A-1</b>	Date <b>01/22/02</b>
	Scale <b>1" = 1000'</b>
Sheet <b>1</b> of <b>4</b>	Job No. <b>487</b>

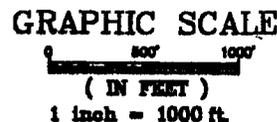
**Legend**

- Drill Hole Location
- ⊙ Metal Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- ( ) GLO
- GPS Measured

**NOTES:**

1. UTM AND LATITUDE / LONGITUDE COORDINATES ARE DERIVED USING A GPS PATHFINDER AND ARE SHOWN IN NAD 27 DATUM.

**LAT / LONG**  
**39°37'33"N**  
**110°52'20"W**



Phillips Petroleum Company  
USA 12-536  
Lease U-75022  
Drunkards Wash Unit  
SWNW Section 12, T14S, R9E  
Carbon County, Utah

**A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.**

CONDITIONS OF APPROVAL

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

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

Bond coverage for this well is provided by ES 0048 (Principal - Phillips Petroleum Company) via surety consent as provided for in 43 CFR § 3104.2.

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

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

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

## A. DRILLING PROGRAM

1. The proposed BOPE is in a 2M configuration, and is adequate for this depth in this area. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOG M) is required before conducting any surface disturbing activities.
3. When drilling with air, the requirements of Onshore Oil and Gas Order No. 2, part III,E, *Special Drilling Operations*, shall apply. Among the requirements in this section are:
  - Spark arresters
  - Blooie line discharge 100 feet from wellbore
  - Straight blooie line
  - Deduster equipment
  - Float valve above bit
  - Automatic igniter on the blooie line
4. If cement behind the production casing (5½") does not circulate to surface, a Cement Bond Log (CBL), temperature survey or other appropriate tool shall be used to determine top of cement.

**B. SURFACE USE**

1. The following appendices are attached for your reference. They are to be followed as conditions of approval:
  - SM-1, Seed Mixture for Green Strip Areas
  - SM-4, Seed Mixture for Final Reclamation
  - BG-1, Surface Disturbance Mitigation for Critical Winter Range
  - BG-2, Critical Winter Range Browse Hand Planting
  - BG-3, Winter Restrictions on High Value and Critical Winter Range
  - RA-1, Raptor Nest Protection Measures
2. The mud pit shall be lined.
3. Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Olive Black (5WA20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.

**GENERAL CONSTRUCTION**

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.
3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all

operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.

4. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture SM-4 (attached).

#### **ROAD and PIPELINE CONSTRUCTION**

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction. A PE shall certify (statement with PE stamp) that the road was constructed to the required Bureau of Land Management (BLM) road standards.
9. Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.

10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, headcut restoration/prevention.
11. Topsoil from access roads and pipelines is to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipators as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipators and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

### **PAD CONSTRUCTION**

13. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture in appendix SM-4, attached.
14. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy brakes and gravel-bedded dispersion fans.

### **REHABILITATION PROCEDURES**

#### **Site Preparation**

15. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

#### Seedbed Preparation

16. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
17. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
18. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

#### Fertilization

19. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
20. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
21. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

#### Mulching

22. When it is time to reclaim this location, the Price BLM Office will determine whether

it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

### Reseeding

23. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.
24. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is attached as appendix SM-4.

### General

25. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

## SM-1

### Green Strip Areas

The following seed mixture will be planted along service road borrow ditches, around the edge of drill pads with a production well, and surrounding other production and maintenance facilities. The purpose for this seeding is to provide a "green strip" buffer to minimize fire hazards and prevent invasion and establishment of noxious weeds in areas that will receive continued disturbance for the life of these project areas.

<u>Common Plant Name</u>	<u>Scientific Name</u>	<u>Pounds per acre/PLS*</u>
Forage kochia	<u>Kochia prostrata</u>	2
Wyoming big sagebrush	<u>Artemisia tridentata wyomingensis</u> Var. <u>Gordon Creek</u>	1
Douglas low rabbitbrush	<u>Chrysothamnus viscidiflorus</u>	1
Yellow sweetclover	<u>Melilotus officinalis</u>	1
Small burnet	<u>Sanguisorba minor</u>	1
Bottlebrush squirreltail	<u>Elymus elymoides</u>	1
Intermediate wheatgrass	<u>Thinopyrum intermedium</u>	1
	<b>Total</b>	<hr/> 8

SM-4

### Pinyon/Juniper Areas

#### BLM SEED MIXTURES FOR THE PRICE COALBED METHANE PROJECT

The following seed mixture is for areas that will receive final reclamation. Areas would be planted to protect them from soil erosion and to restore forage production.

NOTES: \_\_\_\_\_  
\_\_\_\_\_

<u>Common Name</u>	<u>Scientific Name</u>	<u>Pounds per acre/PLS</u>
<u>Grasses</u>		
Thickspike wheatgrass	<u>Elymus lanceolatus</u>	1.5
Intermediate wheatgrass	<u>Elytrigia intermedia</u>	1.5
Squirreltail	<u>Elymus elymoides</u>	1
Crested wheatgrass	<u>Agropyron desertorum</u>	1
Western wheatgrass	<u>Pascopyrum smithii</u>	1
Needle-and-Thread	<u>Stipa comata</u>	1
<u>Forbes</u>		
Lewis flax	<u>Linum perenne lewisii</u>	1
Palmer penstemon	<u>Penstemon palmerii</u>	0.5
Small burnet	<u>Sanguisorba</u>	1
Ladac alfalfa	<u>Medicago sativa (Ladac)</u>	0.5
<u>Shrubs</u>		
Forage kochia	<u>Kochia prostrata</u>	1
Fourwing saltbrush	<u>Atriplex canescens</u>	1.5
Wyoming big sagebrush	<u>Artemisa tridenta wyomingensis</u> Var. <u>Gordon Creek</u>	1.5
Antelope bitterbrush	<u>Purshia tridentata</u>	1
True Mt. mahogany	<u>Cercocarpus montanus</u>	1
Whitestem rabbitbrush	<u>Chrysothamnus nausesus albicaulis</u>	1
<b>Total</b>		<b>17</b>

**PRICE COALBED METHANE PROJECT AREA**

PROPONENT: Phillips WELL #: USA 12-536

**BG-1: SURFACE DISTURBANCE MITIGATION FOR CRITICAL WINTER RANGE (BLM-38 and FEIS Chapter 2. Alternative D, pg. 2-47) Pg. 1 of 1**

The subject permit application is proposed within critical winter range (FEIS) and subject to BLM-38 requiring acre for acre mitigation for surface disturbance on critical winter range. The following condition, which serves to replace BLM-38, comes from a cooperative agreement between the River Gas Corporation, BLM-Price Field Office, the Utah Division of Wildlife Resources and the National Fish and Wildlife Foundation, under which the Phillips Petroleum Company formerly, River Gas Corporation, agrees to the following:

1. Contribute \$1,250.00 (1996 dollars) for each Federal interest well (Federal surface and or subsurface ownership) permitted and drilled by Phillips Petroleum, formerly RGC (or on behalf of Phillips by its contractor) on big game critical winter range as depicted in the FEIS Price Coalbed Methane Project Area. (Wells meeting the above criteria for which payment will be required, will be referred to as "subject wells".) This contribution will be adjusted annually for inflation based on the Consumer Price Index (CPI), see Section II.C.6. for the reference source used for the determination of the CPI and the date in which this annual adjustment will go into effect.

Since this mitigation program is designed to address impacts of all big game critical winter range surface disturbance (roads, well pads, pipelines, etc.), contributions will be required regardless of the success or failure of the subject well to produce.

- a. The recorded date for spudding for each subject well (the first boring of a hole during the drilling of a well) will serve as the reference date triggering the requirement for the mitigation contribution.
- b. Contributions will be submitted (in the form of a Phillips Petroleum Company Corporate check, cashiers check or wire transfer) directly to the National Fish and Wildlife Foundation by the 30th of each month for all subject wells spudded in the preceding month.
- c. All contributions will be made payable to the "National Fish and Wildlife Foundation re, Proj 97-260" and reference the "Price Field Office Wildlife Habitat Impact Mitigation Fund (Phillips, formerly RGC)".

PRICE COALBED METHANE PROJECT AREA

PROPONENT: Phillips WELL #: USA 12- 536

BG-2: CRITICAL WINTER RANGE BROWSE HAND PLANTING (BLM-22)

Pg. 1 of 1

One of the two browse species lists (checked below) are to be hand planted at the prescribed application rate and according to the following prescribed methods on critical winter range areas that are undergoing long term reclamation. This would include all pipeline corridors, berm around edge of drill pads, miscellaneous disturbed areas associated with construction such as staging areas for equipment, sidecast on road cuts, along side upgraded or new roads up to and including borrow ditch and in the termination of redundant access roads being closed. This planting shall be completed in the first planting window following completion of construction and on all other disturbed areas upon final reclamation.

**Planting Methods:**

Planting shall be accomplished using a labor force with specific experience in landscape restoration, hand planting methods and handling and care of browse tubling and or bareroot stock plants.

Browse plants to be utilized can be bareroot stock or tubling stock plants of 1 year old age class or greater.

Browse seedling protectors will be used to provided protection from browsing ungulates for two years. Seedling protectors will be of an open mesh rigid design that will break down when exposed to sunlight and that measures a minimum of 12 inches in length and 4 inches in diameter.

Planting shall be completed in the spring (March 1- April 1) and or fall (November 1- December 1) planting windows.

Browse plants shall be stored and handled in such a manner as to maintain viability, according to the type of browse stock being used.

**Planting Species and Application Rate:**

<u>Species</u>	<input type="checkbox"/> Sagebrush-Grass <input checked="" type="checkbox"/> Pinyon-Juniper	
	<u>Plants Per Acre</u>	
Wyoming Sagebrush (Gordon Creek)	100	50
Fourwing Saltbush (Utah seed source collected at or above 5,000 feet elevation)	100	50
True Mountain Mahogany (Utah seed source)	0	50
Antelope Bitterbrush (Utah seed source)	0	50
Total	200	200

**Suitable Substitutions:**

Prostrate Kochia	yes	yes
Whitestem Rubber Rabbitbrush	no	yes
Utah Serviceberry	no	yes
Winterfat	yes	no

**PRICE COALBED METHANE PROJECT AREA**

**PROPONENT:** Phillips **WELL #:** USA 12-536

**BG-3: WINTER RESTRICTIONS ON HIGH VALUE AND CRITICAL WINTER RANGE (BLM-37, FEIS, Chapter 2, Alternative D, pg. 2-48, see also Decision Record pg. 2 paragraph 4) Pg. 1 of 2**

Restrictions on Construction Phase Activity: Prohibit construction phase activity, described below, on big game high value and critical winter range during the period (December 1 - April 15) without regard for land ownership.

This condition would not apply to normal maintenance and operation of producing wells, described below. On nonfederal lands (where the federal government does not have either surface or subsurface ownership) Phillips Petroleum, formerly RGC would be allowed to conduct construction phase activity if needed to avoid breach of contract or loss of lease rights. In the event construction phase activity proceeds into the winter closure period on non federal interest lands, Phillips would make available appropriate documentation to UDWR, upon request.

Construction Phase Activity: Construction phase activity is considered to include all work associated with initial drilling and construction of facilities through completion, including installation of pumping equipment, connection with ancillary facilities and tie-in with pipelines necessary for product delivery.

Phillips Petroleum would not be allowed to initiate construction activity unless it is reasonable to believe that such work can be finished to a logical stopping point prior to December 1 of that year. Specific activities considered to be covered by the seasonal closure include all heavy equipment operation including but not limited to the following:

- Mobilization/Demobilization or operation of heavy equipment (crawler tractor, front end loader, backhoe, road grader, etc.)
- Construction activity (road construction or upgrading, pad, pipeline, powerline, ancillary facilities, etc.),
- Drilling activity (operator would not propose or initiate drilling activity if the project could not reasonably be expected to be finished to a logical stopping point by the December 1 date of that year.
- Seismic operation, detonation of explosives

This seasonal closure would not apply to reconnaissance, survey/design and/or flagging of project work or other similar activity not requiring actions listed for heavy equipment operation.

Production Phase: A CBM well is considered to be in production phase when the well and ancillary facilities are completed to the point that they are capable of producing and delivering product for sale. It is noted that heavy equipment operation may be necessary in the performance of maintenance and operation of producing wells.

Restriction on Non Emergency Workover Operations: Phillips Petroleum is required to schedule non-emergency workover operations (defined below) on big game high value winter range outside the December 1 to April 15 date of the seasonal closure. Phillips will be required to submit Sundry notices to BLM (or notification to UDWR on non-federal interest wells) in advance of workover operations proposed between December 1 and April 15. Sundry notices submitted as emergency work, may require independent corroboration by BLM geologist/petroleum engineers prior to work proceeding. Should BLM object to the emergency designation of the sundry notice, BLM would make notification of the objection within five working days of receipt of the sundry notice. In the absence of such notification or in the event of corroboration with the sundry notice, Phillips would be permitted to proceed with the workover operation.

Non-emergency Workover Operations: Workover operations to correct or reverse a gradual loss of production over time (loss of production of five percent or less over a 60 day period) is considered to be routine or non-emergency workover operations and would not be permitted during the December 1 to April 15 time frame.

Emergency Workover Operations: Emergency work over operations are defined as downhole equipment failure problems or workover operation necessary to avoid shut in of the well or to avoid an immediate safety or environmental problem. Loss of production greater than five percent within a 60 day period is indicative of pump failure and will be treated as an emergency workover operation.

PRICE COALBED METHANE PROJECT AREA

PROPONENT: Phillips WELL #: USA 12-536

RA-1: RAPTOR NEST SITE PROTECTION MEASURES (BLM-40, 41) Pg. 1 of 2

The subject permit application is proposed within or near known suitable raptor nesting habitat. In order to avoid potential adverse affects to nesting raptors protected under the Migratory Bird Treaty Act and/or the Bald Eagle Protection Act, the operator must comply with all applicable provisions below.

Provisions check marked below are directly applicable to this Federal action, based on available data at the time of this review. Any other provisions, listed below (even if not check marked) may become applicable to this Federal action as updated raptor data becomes available.

**Survey Requirement:** Conduct raptor surveys to determine the status of known nests and verify presence of additional nests in the affected area of this Federal action. Surveys are to be conducted by consultants qualified to conduct such surveys and approved by the authorized officer. All surveys would be conducted by helicopter during May of each year unless otherwise provided for in BLM's Raptor Survey Protocol developed for this project. The surveys are required to be completed in the same year as the proposed drilling/construction so that current nest activity status data are available prior to APD/Federal Permit approval. Cost for surveys and preparation of a report of the findings of the survey would be the obligation of the lease holder.

**Raptor Nest Site Bufferzone Permanent Occupancy:** Upon the finding of the above survey (or other appropriate documentation) that the federal action lies within .5 miles of a raptor nest occupied (defined below) in any of the the three years preceding the proposed date of construction, the federal action would be subject to the no surface occupancy provision stated below and provided for in the Price CBM FEIS and Price River Resource Area Management Framework Plan.

Permanent surface disturbance and occupancy (i.e. oil and gas production facilities) is prohibited within 0.5 miles of raptor nests which have been documented as occupied within three years.

This provision will apply as long as the nest status remains unchanged (i.e. documented as occupied within any of the three years preceding the proposed date of construction. If the nest is documented as unoccupied for a period of three or more consecutive years, it will be deemed to have been abandoned and the federal action will no longer be subject to the no surface occupancy provision.

In the event a federal action involving a permanent facility, as described above, is proposed within the .5 mile bufferzone, BLM will complete a site specific evaluation. The evaluation will consider site terrain features such as topographic and vegetative screening, and existing intrusions which may already exist in the bufferzone. Specific standard guidelines used in this analysis are available in the Price Field Office. If the site specific evaluation determines that the federal action can be accomodated with no significant adverse affect to the current or future productivity of the nest, the no surface disturbance/occupancy provision referenced above would not be applicable.

*Site Specific Evaluation Found No Adverse Affect*  *Special Mitigation Measures Attached*

**Raptor Nest Site Bufferzone Temporary Occupancy:** Any temporary surface disturbance and occupancy (i.e. road and pipeline line construction, etc.) associated with this federal permit, occuring within .5 miles of a raptor nest documented as occupied in one or more of the three years preceeding the proposed date of construction must be conducted outside the nesting period of February 1 to July 15. This will include but not be limited to road construction or upgrading required to reach this well location. If such work is required to access this location with heavy equipment, the seasonal closure of February 1 to July 15 will also apply to the drilling of this well.

PRICE COALBED METHANE PROJECT AREA

PROPONENT: Phillips WELL #: USA 12-536

RA-1: RAPTOR NEST SITE PROTECTION MEASURES (BLM-40, 41) Pg. 2 of 2

[ ] **Maintenance and Operation of Existing Wells Within .5 miles of Raptor Nests:** In the event a federal action is authorized and constructed and a raptor nest is subsequently built within .5 miles of the development, maintenance and operations involving workovers or heavy equipment operation under this federal action will be subject to the following conditions and notifications.

The proponent is required to submit (at least 5 days in advance of proposed work) a sundry notice for all work over or maintenance operations requiring use of heavy equipment proposed during the raptor breeding season (February 1- July 15) and within the .5 mile bufferzone of any known raptor nest site. Upon receipt of this notification BLM in consultation with DWR and the USFWS would issue a determination on the activity status of the affected raptor nest. If the nest is found to be occupied, site specific protection measures would be developed to protect the nesting raptors and prevent conditions or actions that may result or contribute to a taking as defined under the Bald Eagle Protection Act and or the Migratory Bird Treaty Act.

To avoid the necessity for this provision, the operator is encouraged to schedule all such work outside of the nesting period, on wells subject to this provision.

**Occupied Nest Site Definition:**

An occupied raptor nest is defined, for the purposes of this stipulation, as any nest site exhibiting physical evidence of current use by raptors. Evidence may include but is not limited to: presence of raptors (adults, eggs or young) at the nest or within the nesting territory, presence of greenery in the nest, and/or presence of current year's whitewash at the nest or in the immediate vicinity of the nest.

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

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

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

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

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

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

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

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

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

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

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

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

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

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

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

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

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

TABLE 1

NOTIFICATIONS

Notify Don Stephens (work: 435-636-3608, home: 435-637-7967)  
or Mike Kaminski (work: 435-636-3640, home: 435-637-2518)  
of the BLM, Price Field Office for the following:

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

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth.

If the people at the above numbers cannot be reached, notify the Moab Field Office at (435) 259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer      Office: (435) 259-2117  
Home: (435) 259-2214

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

005

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

CONFIDENTIAL

1. Type of Well  
 Oil  Gas  Other

2. Name of Operator  
Phillips Petroleum Company

3. Address and Telephone No.  
6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1536' FNL, 134' FWL  
SW/4 NW/4, Sec.12, T14S, R09E, SLB&M

5. Lease Designation and Serial No.  
U-75022

6. If Indian, Allottee or Tribe Name  
N/A

7. If Unit or CA, Agreement Designation  
Drunkards Wash UTU-67921X

8. Well Name and No.  
USA 12-536

9. API Well No.  
43-007-30841

10. Field and Pool, or Exploratory Area  
Drunkards Wash

11. County or Parish, State  
Carbon County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Spud Notice	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Change of Name	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Dispose Water
	Other _____	

13. Describe Proposed or Completed Operations ( Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Please be advised that the USA 12-536 well was spud on 10/31/02 at 12:30 pm  
Pense Bros. Rig #9  
Dry Drill

COPY

RECEIVED

NOV 21 2002

DIVISION OF  
OIL, GAS AND MINERAL RESOURCES

CONFIDENTIAL

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

Signed Frankie Hathaway Title Operations Clerk/Development Date 11/20/02

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

**006** Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT--" for such proposals

*SUBMIT IN TRIPLICATE*

**CONFIDENTIAL**

1. Type of Well  
 Oil  Gas

2. Name of Operator  
**Phillips Petroleum Company**

3. Address and Telephone No.  
**6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1536' FNL, 134' FWL  
SW/4, NW/4, Sec12, T14S, R09E, SLB&M**

5. Lease Designation and Serial No.  
**U-75022**

6. If Indian, Allottee or Tribe Name  
**N/A**

7. If Unit or CA, Agreement Designation  
**Drunkards Wash UTU-67921X**

8. Well Name and No.  
**USA 12-536**

9. API Well No.  
**43-007-30841**

10. Field and Pool, or Exploratory Area  
**Drunkards Wash**

11. County or Parish, State  
**Carbon County, Utah**

12. **CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Well Report	<input type="checkbox"/>
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	Other _____	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations ( Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

See Attached.

**RECEIVED**  
NOV 20 2002  
BUREAU OF LAND MANAGEMENT  
SALT LAKE CITY, UT

**COPY**

**CONFIDENTIAL**

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

Signed *Frank Hathaway* Title Operations Clerk/Development Date 11/20/02

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

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

# DRUNKARDS WASH PROJECT

## DAILY WELL REPORT

CONFIDENTIAL

**USA**

**12-536**

API NO: 43-007-30841

1536' FNL, 134' FWL

SWNW SEC: 12 TWN 14S RNG: 09E

SPUD TIME/DATE: 10/31/2002 12:30:00 PM

COUNTY: Carbon

TD TIME/DATE: 11/1/202 10:30:00 AM

ELEVATION: 6164

TD DEPTH: 3070

DRILLING CONTRACTOR: Pense Brothers Rig #9

ON-LINE TIME/DATE:

**Bit Information**

Type	Size	In	Out	Hours	Rotating Hours
Air Hammer	15 in	0.00	10.00	0.5	0.25
Air Hammer	11 in	10.00	340.00	2.5	2
Air Hammer	7 7/8	340.00	1430.00	11.5	9
Air Hammer	7 7/8in	1430.00	2725.00	12	8
Tri-cone	7 7/8	2725.00	3070.00	11.5	4.5

**Conductor Casing**

Bore Hole Size: 15 in      Conductor From: 0.00      To: 10.00

Casing Description: 12 3/4in PE      Number of Joints: 1      Set @: 10.00

Cement:      Amount:

Cement Report:

**Surface Casing**

Bore Hole Size: 11 in      Surface Casing From: 10.00      To: 340.00

Casing Description: 8 5/8 in 24#/ft J-55      Number of Joints: 11      Set @: 328.50

Cement: G + 2%S-1 + 1/4#/sk D-29      Amount: 150.00

Cement Report: r/up cementers, safety mtg, test lines, pump 30 bbls ahead, mix & pump cement, displace w/ 18bbls 2% kcl, close valve @ 6pm 10/31/02, 10bbls good cement to surface,

**Production Casing**

Bore Hole Size: 7 7/8 in      Prod.Casing From: 327.00      To: 3070.00

Casing Description: 5 1/2 in 17#/ft N-80      Number of Joints: 70      Length: 3036.00

Lead Cement 50/50 POZ, 8%D20, 10%D44, 2%S001, 1/4#/sk      Amount: 100.00

Tail Cement: 10-1 RFC      Amount: 90.00

Cement Report: r/up cementers, safety meeting, test lines, pump 100bbls of 2% kcl ahead, mix & pump cement, s/down, drop plug, wash lines, displace w/ 70.5 bbls of 2% kcl, plug down @ 3:35pm 11/02/02, no returns, good lift pressure,

Float Equipment: 5 1/2in float shoe      Centralizers ran on: 2,5,9,13, & 21

**Drilling Data**

**DAY 1 11/1/2002**

CURRENT DEPTH 700 CURRENT OPERATIONS: drilling 7 7/8in hole @ 700f ROTATING HRS: 4.75

7am-11am moving on location,(long move),  
11am-12:30pm r/up & service equipment,  
12:30pm-1:30pm spud @ 12:30pm 10/31/02, drill & set 10ft of conductor,  
1:30pm-2pm n/up to drill 11in hole,  
2pm-4pm drill 340ft of 11in hole, clean hole,  
4pm-5pm pooh, rih w/ 8 5/8in guide shoe + 11jts of 8 5/8in csg, land @ 328.5ft,  
5pm-5:30pm r/up cementers,  
5:30pm-6pm cement surface pipe, close valve @ 6pm 10/31/02, 10bbbs good cement to surface,  
6pm-11pm woc,  
11pm-2am break loose, n/up bope & manifold, prep to drill,  
2am-3am test bope,  
3am-4am n/up, rih,  
4am-5am work on booster, drill out cement,  
5am-6am drill 7 7/8in hole to 535ft,  
6am-7am drill 535-700ft,

**Estimated Daily Cost:** [REDACTED]

**DAY 2 11/2/2002**

CURRENT DEPTH 2780 CURRENT OPERATIONS: drilling @ 2780ft ROTATING HRS: 15.5

7am-10am drill 700-1285ft,  
10am-1:30pm drill 1285-1460ft, hammer not hammering,  
1:30pm-3pm pooh, check hammer, change out hammers,  
3pm-4:10pm rih,  
4:10pm-7pm drill 1460-1870ft,  
7pm-12:15am drill 1870-2725ft,  
12:15am-1am clean hole,  
1am-3am pooh,  
3am-5:30am rih w/ tricone,  
5:30am-6:15am condition hole,  
6:15am-7am drill 2725-2780ft,

**Estimated Daily Cost:** [REDACTED]

**DAY 3 11/3/2002**

CURRENT DEPTH 3070 CURRENT OPERATIONS: r/up to run csg, ROTATING HRS: 3.50

7am-8am drill 2780-2810ft,  
8am-10:30am drill 2810-3070ft, td @ 3070ft @ 10:30am 11/02/02,  
10:30am-11:30am clean hole,  
11:30am-2:30pm pooh load hole @ 2500ft & 600ft,  
2:30pm-4:30pm r/up loggers, log well, r/down loggers, release rig @ 4:30pm 11/02/02,  
4:30pm-6:30pm r/down & move to next location,  
6:30pm-7am no activity,

**Estimated Daily Cost:** [REDACTED]

**DAY 4 11/4/2002**

CURRENT DEPTH 30 CURRENT OPERATIONS: making scraper run ROTATING HRS: 0.00

7am-11am moving to location,  
11am-12pm r/up workover rig, set racks, unload csg,  
12pm-12:30pm tally csg,  
12:30pm-2:30pm rih w/ 5 1/2in float shoe + 70jts of 5 1/2in csg, land @ 3036ft,  
2:30pm-3pm r/up cementers,  
3pm-3:35pm cement long string, plug down @ 3:35pm 11/02/02, no returns, good lift pressure,  
3:35pm-4:30pm r/down cementers,  
4:30pm-7am no activity,

**Estimated Daily Cost:** [REDACTED]

Cum. Estimated Daily Cost:

Frac Data

Completion Data



**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT--" for such proposals

008

*SUBMIT IN TRIPLICATE*

*CONFIDENTIAL*

1. Type of Well  
 Oil  Gas  Other

2. Name of Operator  
Phillips Petroleum Company

3. Address and Telephone No.  
6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1536' FNL, 134' FWL  
SW/4,NW/4, Sec.12, T14S, R09E,SLB&M

5. Lease Designation and Serial No.  
U-75022

6. If Indian, Allottee or Tribe Name  
N/A

7. If Unit or CA, Agreement Designation  
Drunkards Wash UTU-67921X

8. Well Name and No.  
USA 12-536

9. API Well No.  
43-007-30841

10. Field and Pool, or Exploratory Area  
Drunkards Wash

11. County or Parish, State  
Carbon County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> 1st Production Notification	<input type="checkbox"/>
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	Other _____	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations ( Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Please be advised that the USA 12-536 showed first production on: 11/21/02.  
Gas production: 80 mcf  
Water production: 53 bbl

*COPY*

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DEC 17 2002  
DIV. OF OIL, GAS & MINING

*CONFIDENTIAL*

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

Signed Frankie Hathaway Title Operations Clerk/Development Date 12/11/02

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

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

009

Form 3160-1  
(November 1983)  
(formerly 9-330)

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE  
(See other In-  
structions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0137  
Expires August 31, 1985

DIV. OF OIL & GAS COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

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

2. NAME OF OPERATOR  
Phillips Petroleum Company

3. ADDRESS OF OPERATOR  
6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
At surface: 1536' FNL, 134' FWL  
At top prod. interval reported below  
At total depth

14. PERMIT NO. 43-007-30841 DATE ISSUED 2/14/02

5. LEASE DESIGNATION AND SERIAL NO.  
U-75022

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

7. UNIT AGREEMENT NAME  
Drunkards Wash UTU-67921X

8. FARM OR LEASE NAME  
USA

9. WELL NO.  
12-536

10. FIELD AND POOL, OR WILDCAT  
Drunkards Wash

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
SW/4 NW/4, Sec.12,T14S,R09E,SLB&M

12. COUNTY Carbon 13. STATE UTAH

15. DATE SPUDDED 10/31/02 16. DATE T.D. REACHED 11/1/02 17. DATE COMPL. (Ready to prod.) 11/24/02 18. ELEVATIONS (DF, REB, RT, GR, ETC.) 6164' GR 19. ELEV. CASINGHEAD N/A

20. TOTAL DEPTH, MD & TVD 3070' 21. PLUG BACK T.D., MD & TVD 3036' 22. IF MULTIPLE COMPL., HOW MANY N/A 23. INTERVALS DRILLED BY [arrow] ROTARY TOOLS TO TD [arrow] CABLE TOOLS [arrow]

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD OR TVD)  
Ferron Coal- Top Coal 2611' & Bottom Coal 2722'

26. TYPE ELECTRIC AND OTHER LOGS RUN  
Dual Induct. Laterolog, CBL, Spect. Litho Dens. Comp. Neut. GR log 12-16-02

27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENT RECORD	AMOUNT PULLED
12-3/4"	Conductor PE	10'	15"		
8-5/8"	J55 24#	329'	11"	150sksg+2%SI, +1/4#sk D29	
5-1/2"	N80 17#	3036'	7-7/8"	100 sks 50/50poz, 8%D <sub>20</sub> , 10%D44, 1/4#/skD20, 2%SI	
				90sksg-1 RFC (thixotropic)	

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET
					2-7/8"	2819'	

31. PERFORATION RECORD (Interval size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
Interval	Perforation	Depth Interval (MD)	Amount and Kind of Material Used
Upper: 2611'-2619', 2632'-2644', 2653'-2655', 2659'-2661', 2669'-2671'	4spf .51"	Upper: 2611'-2671'	15,600#, 20/40; 141,100#, 16/30; 67,554 gal fluid
Lower: 2698'-2700', 2708'-2710', 2712'-2722'	4spf .51"	Lower: 2698'-2722'	13,500#, 20/40; 98,500#, 16/30; 50,768 gal fluid

33. PRODUCTION

DATE FIRST PRODUCTION 11/21/02 PRODUCTION METHOD Pumping 2-1/2x2x16 RWAC WELL STATUS Producing

DATE OF TEST 11/21/02 HOURS TESTED 24 CHOKER SIZE N/A PROD'N FOR TEST PERIOD [arrow] OIL---BBL. N/A GAS---MCF. 80 WATER---BBL. 53 GAS-OIL RATIO N/A

FLOW. TUBING PRESS. 22 CASING PRESSURE 18 CALCULATED 24-HOUR RATE [arrow] OIL---BBL. N/A GAS---MCF. 80 WATER---BBL. 53 OIL GRAVITY API (CORR.) N/A

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD TEST WITNESSED BY Kevin E. Snow

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 Kevin Snow TITLE Operations Superintendent DATE 12/19/02

WELL NUMBER: USA 12-536

37 SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries).		38. GEOLOGIC MARKERS	
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Ferron	2610'	2720'	Coals and Sandstones Coal Interval: 2610'-2720'
			Blue Gate Bentonite
			Tununk Shale
			Ferron Sandston
			TOP MEAS. DEPTH
			TRUE VERT. DEPTH



Re: Notice of Address Change, Merger and Name Change  
Address Change effective **December 2, 2002**  
Merger and Name Change effective **December 31, 2002**

Divisions of Oil, Gas, and Mining  
Attn: Mr. John Baza  
1594 West North Temple,  
Suite 1210, P. O. Box 145801  
Salt Lake City, UT 84114-5801

Gentlemen:

1. Effective December 2, 2002, Phillips Petroleum Company will close its Englewood, Colorado Rocky Mountain Region office. After that time, all correspondence, notices and invoice for Land related matters should be directed to the address(es) noted below. Note that until December 31, 2002, all properties in which Phillips held an interest will continue to be operated by Phillips Petroleum Company, a wholly-owned subsidiary of ConocoPhillips.
2. On December 31, 2002, Phillips Petroleum Company and Conoco Inc. will merge, and the surviving corporation will be renamed "ConocoPhillips Company".

In accordance with the notice provisions of the Operating Agreements and other agreements, if any, between our companies, please adjust your company/organization records, effective for address purposes as of December 2, 2002, and for company name purposes, as of January 1, 2003, to reflect the following information for addressing and delivery of notices, invoicing and payment, and communications with ConocoPhillips Company. This will also apply to Lease Sale notices and other lease-related correspondence and notifications.

**U.S. Mail Address:**

ConocoPhillips Company  
P.O. Box 2197  
Houston, Texas 77252  
Attn: Chief Landman,  
San Juan/Rockies

**Physical Address & Overnight Delivery:**

ConocoPhillips Company  
550 Westlake Park Blvd.  
Three Westlake Park  
3WL, Room WL 9000  
Houston, Texas 77079  
Attn: Chief Landman,  
San Juan/Rockies

**All ballots and official notices/responses sent by facsimile transmission should be sent to the following contact:**

Attn: Chief Landman,  
San Juan/Rockies

Fax No.: 832-486-2688 or  
832-486-2687

Please contact the undersigned immediately if you have any questions. This notice does not apply to royalty inquiries, joint interest billings, or revenue remittances. Please continue to use the same addresses you are currently using for these matters

Sincerely,

*William Rainbat*

**RECEIVED**

DEC 02 2002

DIVISION OF  
OIL, GAS AND MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>All</u>		8. WELL NAME and NUMBER: <b>See Attached List</b>
2. NAME OF OPERATOR: <b>Phillips Petroleum Company</b>		9. API NUMBER: <b>See List</b>
3. ADDRESS OF OPERATOR: <b>980 Plaza Office</b> CITY <b>Bartlesville</b> STATE <b>OK</b> ZIP <b>74004</b>		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>See Attached List</b>		COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: <b>UTAH</b>

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

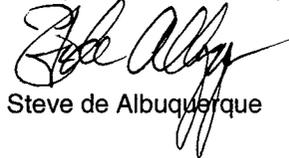
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Conoco Inc. was merged into Phillips Petroleum Company, the surviving corporation, on December 31, 2002. In connection with this merger and effective on the same date, the name of the surviving corporation was changed to "ConocoPhillips Company". We are requesting that a new Operator Number be assigned to ConocoPhillips Company.

Please send production reporting forms to Herb Henderson at ConocoPhillips Company, 315 S. Johnstone, 980 Plaza Office, Bartlesville, OK 74004. Herb's phone number is 918-661-4415.

Current Operator  
Phillips Petroleum Company

  
Steve de Albuquerque

New Operator  
ConocoPhillips Company

  
Yolanda Perez

**RECEIVED**  
**JAN 08 2003**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Yolanda Perez</u>	TITLE <u>Sr. Regulatory Analyst</u>
SIGNATURE 	DATE <u>12/30/2002</u>

(This space for State use only)

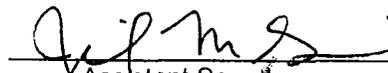


## SECRETARY'S CERTIFICATE

I, the undersigned, Jennifer M. Garcia, Assistant Secretary of ConocoPhillips Company, formerly Phillips Petroleum Company, organized and existing under and by virtue of the laws of the State of Delaware (the "Corporation"), hereby certify that:

1. As Assistant Secretary I am authorized to execute this certificate on behalf of the Corporation.
2. The attached photocopy of the Certificate of Amendment to the Restated Certificate of Incorporation of Phillips Petroleum Company (to be renamed ConocoPhillips Company) is a true and correct copy as filed in the office of the Secretary of State of Delaware on the 12<sup>th</sup> day of December 2002, with an effective date of January 1, 2003 and such Certificate of Amendment has not been modified, amended, rescinded or revoked and is in full force and effect as of the date hereof.
3. The attached photocopy of the Certificate of Merger of Conoco Inc. with and into ConocoPhillips Company is a true and correct copy as filed in the office of the Secretary of State of Delaware on the 12<sup>th</sup> day of December 2002, with an effective date of December 31, 2002 and such Certificate of Merger has not been modified, amended, rescinded or revoked and is in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand as Assistant Secretary and affixed the corporate seal of the Corporation this 7th day of January 2003.

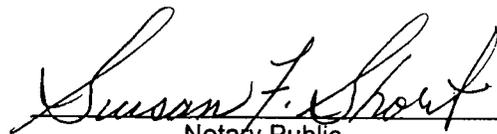
  
 Assistant Secretary  
 ConocoPhillips Company

STATE OF TEXAS           §  
                                       §  
 COUNTY OF HARRIS       §

This instrument was acknowledged before me on January 7, 2003, by Jennifer M. Garcia, Assistant Secretary of ConocoPhillips Company, a Delaware corporation, on behalf of said Corporation.



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 JAN 08 2003

  
 Notary Public

# Delaware

PAGE 1

*The First State*

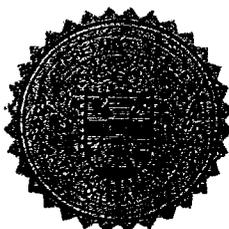
I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "PHILLIPS PETROLEUM COMPANY", CHANGING ITS NAME FROM "PHILLIPS PETROLEUM COMPANY" TO "CONOCOPHILLIPS COMPANY", FILED IN THIS OFFICE ON THE TWELFTH DAY OF DECEMBER, A.D. 2002, AT 1:41 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF AMENDMENT IS THE THIRTY-FIRST DAY OF DECEMBER, A.D. 2002, AT 11 O'CLOCK P.M.

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JAN 08 2003

DIV. OF OIL, GAS & MINING



0064324 8100

030002793

*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 2183360

DATE: 01-02-03

FROM RL&F#1

(THU) 12.12'02 13:32/ST.13

STATE OF DELAWARE  
SECRETARY OF STATE 5  
DIVISION OF CORPORATIONS  
FILED 01:41 PM 12/12/2002  
020763238 - 0064324

**CERTIFICATE OF AMENDMENT**

to the

**RESTATED CERTIFICATE OF INCORPORATION**

of

**PHILLIPS PETROLEUM COMPANY  
(to be renamed ConocoPhillips Company)**

Phillips Petroleum Company ("Phillips"), a corporation organized and existing under the General Corporation Law of the State of Delaware (the "DGCL"), hereby certifies that:

1. The amendments to Phillips' Restated Certificate of Incorporation set forth below were duly adopted in accordance with the provisions of Section 242 of the DGCL and have been consented to in writing by the sole stockholder of Phillips in accordance with Section 228 of the DGCL.

2. Phillips' Restated Certificate of Incorporation is hereby amended by deleting Article I thereof and replacing in lieu thereof a new Article I reading in its entirety as follows:

"The name of the corporation (which is hereinafter referred to as the "Corporation") is ConocoPhillips Company."

3. Phillips' Restated Certificate of Incorporation is hereby amended by deleting Section 1 of Article IV thereof and replacing in lieu thereof a new Section 1 reading in its entirety as follows:

"Section 1. The Corporation shall be authorized to issue 2,100 shares of capital stock, of which 2,100 shares shall be shares of Common Stock, \$.01 par value ("Common Stock")."

4. Pursuant to Section 103(d) of the DGCL, this amendment will become effective at 11:00 p.m., Eastern time, on December 31, 2002.

HOU03:884504.1

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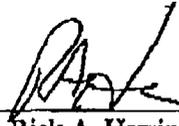
JAN 08 2003

DIV. OF OIL, GAS & MINING

IN WITNESS WHEREOF, Phillips has caused this certificate to be executed this 12th day of December, 2002.

PHILLIPS PETROLEUM COMPANY

WJ

By:   
Name: Rick A. Harrington  
Title: Senior Vice President, Legal,  
and General Counsel

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JAN 08 2003  
DIV. OF OIL, GAS & MINING

# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"CONOCO INC.", A DELAWARE CORPORATION,

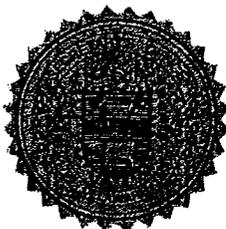
WITH AND INTO "CONOCOPHILLIPS COMPANY" UNDER THE NAME OF "CONOCOPHILLIPS COMPANY", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWELFTH DAY OF DECEMBER, A.D. 2002, AT 1:44 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF MERGER IS THE THIRTY-FIRST DAY OF DECEMBER, A.D. 2002, AT 11:59 O'CLOCK P.M.

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DIV. OF OIL, GAS & MINING



0064324 8100M

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*Harriet Smith Windsor*

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 2183370

DATE: 01-02-03

**CERTIFICATE OF MERGER**

of

**Conoco Inc.**  
(a Delaware corporation)

with and into

**ConocoPhillips Company**  
(a Delaware corporation)

Phillips Petroleum Company, a Delaware corporation to be renamed ConocoPhillips Company prior to the effective time of this certificate of merger (the "Surviving Corporation"), in compliance with the requirements of the General Corporation Law of the State of Delaware (the "DGCL") and desiring to effect a merger of Conoco Inc., a Delaware corporation formerly incorporated under the name Du Pont Holdings, Inc. (the "Merging Corporation," and together with the Surviving Corporation, the "Constituent Corporations"), with and into the Surviving Corporation, and acting by its duly authorized officer, DOES HEREBY CERTIFY that:

**First:** As of the date hereof, the name and state of incorporation of each of the Constituent Corporations of the merger are as follows:

<u>NAME</u>	<u>STATE OF INCORPORATION</u>
PHILLIPS PETROLEUM COMPANY	Delaware
CONOCO INC.	Delaware

**Second:** An agreement and plan of merger has been approved, adopted, certified, executed and acknowledged by each of the Constituent Corporations in accordance with the requirements of Section 251 of the DGCL;

**Third:** The name of the Surviving Corporation will be ConocoPhillips Company;

**Fourth:** The Certificate of Incorporation of ConocoPhillips Company immediately prior to the merger shall be the Certificate of Incorporation of the Surviving Corporation until such time as it may be amended in accordance with applicable law and the provisions thereof.

**Fifth:** The executed agreement and plan of merger is on file at an office of the Surviving Corporation, the address of which is 600 North Dairy Ashford, Houston, Texas 77079;

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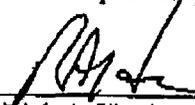
DIV. OF OIL, GAS & MINING

**Sixth:** A copy of the agreement and plan of merger will be furnished by the Surviving Corporation, on request and without cost, to any stockholder of any Constituent Corporation; and

**Seventh:** Pursuant to Section 103(d) of the DGCL, this certificate of merger will become effective at 11:59 p.m., Eastern time, on December 31, 2002.

Dated: December 12, 2002

**PHILLIPS PETROLEUM COMPANY**  
(a Delaware corporation)

By:   
Name: Rick A. Harrington  
Title: Senior Vice President, Legal,  
and General Counsel

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DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF COMMERCE  
REGISTRATION

REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S)

Corporation - Foreign - Profit  
562960-0143

CONOCOPHILLIPS COMPANY

EFFECTIVE  
06/14/1946

EXPIRATION  
\*RENEWAL

UNITED STATES CORP CO  
CONOCOPHILLIPS COMPANY  
GATEWAY TOWER EAST STE 900  
10 EAST SOUTH TEMPLE  
SLC UT 84133

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DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF COMMERCE  
DIVISION OF CORPORATIONS & COMMERCIAL CODE  
REGISTRATION

EFFECTIVE DATE: 06/14/1946  
EXPIRATION DATE: \*RENEWAL  
ISSUED TO: CONOCOPHILLIPS COMPANY



REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S)  
562960-0143 Corporation - Foreign - Profit  
\*RENEWAL

You will need to renew your registration each anniversary date of the effective date.  
Exceptions: DBAs and Business Trusts renew every three (3) years from the effective date.

## Utah Well List as of 12/26/02

API Well Number	Well Name	Well Type	Well Status	Sec	Twpn	Twpd	Rngn	Rngd
43-007-30887-00-00	ANDREEN 32-529	Gas Well	APD	32	14	S	10	E
43-007-30865-00-00	COTNER 29-549	Gas Well	APD	29	14	S	10	E
43-007-30837-00-00	DALLIN 32-615	Gas Well	APD	32	13	S	9	E
43-047-34551-00-00	FED 43-24-3 #1	Gas Well	APD	24	10	S	17	E
43-047-33982-00-00	FEDERAL 12-17 #1	Gas Well	APD	17	10	S	18	E
43-047-34471-00-00	FEDERAL 12-29-7 1	Gas Well	APD	29	9	S	19	E
43-047-34472-00-00	FEDERAL 31-31-6 1	Gas Well	APD	31	9	S	19	E
43-007-30864-00-00	MCKENDRICK 29-548	Gas Well	APD	29	14	S	10	E
43-015-30512-00-00	PPCO 19-379	Gas Well	APD	19	16	S	9	E
43-015-30515-00-00	PPCO 24-562	Gas Well	APD	24	16	S	8	E
43-015-30548-00-00	PPCO 30-605	Gas Well	APD	30	16	S	9	E
43-007-30888-00-00	PRICE 32-438	Gas Well	APD	32	14	S	10	E
43-007-30813-00-00	RITZAKIS 33-514	Gas Well	APD	33	13	S	9	E
43-007-30766-00-00	RITZAKIS 33-516	Gas Well	APD	33	13	S	9	E
43-007-30838-00-00	ROWLEY 32-616	Gas Well	APD	32	13	S	9	E
43-007-30863-00-00	SCHMIDT 29-531	Gas Well	APD	29	14	S	10	E
43-007-30797-00-00	SEELY 15-498	Gas Well	APD	15	14	S	8	E
43-007-30798-00-00	SEELY 15-499	Gas Well	APD	15	14	S	8	E
43-007-30799-00-00	SEELY 15-500	Gas Well	APD	15	14	S	8	E
43-007-30796-00-00	SEELY 22-492	Gas Well	APD	22	14	S	8	E
43-007-30801-00-00	SEELY 22-502	Gas Well	APD	22	14	S	8	E
43-007-30802-00-00	SEELY 22-503	Gas Well	APD	22	14	S	8	E
43-007-30711-00-00	USA 09-452	Gas Well	APD	9	15	S	8	E
43-015-30351-00-00	USA 11-313	Gas Well	APD	11	16	S	9	E
43-015-30398-00-00	USA 12-385	Gas Well	APD	12	16	S	9	E
43-015-30409-00-00	USA 12-426	Gas Well	APD	12	16	S	9	E
43-007-30805-00-00	USA 14-490	Gas Well	APD	14	14	S	8	E
43-007-30806-00-00	USA 14-491	Gas Well	APD	14	14	S	8	E
43-007-30676-00-00	USA 15-421	Gas Well	APD	15	15	S	8	E
43-015-30417-00-00	USA 21-427	Gas Well	APD	21	16	S	9	E
43-015-30416-00-00	USA 21-428	Gas Well	APD	21	16	S	9	E
43-015-30415-00-00	USA 21-429	Gas Well	APD	21	16	S	9	E
43-007-30515-00-00	USA 31-309	Gas Well	APD	31	15	S	10	E
43-007-30835-00-00	USA 33-515	Gas Well	APD	33	13	S	9	E
43-007-30836-00-00	USA 33-624	Gas Well	APD	33	13	S	9	E
43-007-30803-00-00	USA 34-518	Gas Well	APD	34	14	S	8	E
43-007-30478-00-00	UTAH 05-224	Gas Well	APD	5	15	S	9	E
43-015-30411-00-00	UTAH 16-365	Gas Well	APD	16	16	S	9	E
43-015-30412-00-00	UTAH 16-366	Gas Well	APD	16	16	S	9	E
43-015-30413-00-00	UTAH 16-430	Gas Well	APD	16	16	S	9	E
43-015-30299-00-00	UTAH 18-374	Gas Well	APD	18	16	S	9	E
43-015-30420-00-00	UTAH 19-377	Gas Well	APD	19	16	S	9	E
43-015-30492-00-00	UTAH 19-378	Gas Well	APD	19	16	S	9	E
43-007-30891-00-00	UTAH 19-533	Gas Well	APD	19	14	S	10	E
43-015-30414-00-00	UTAH 20-381	Gas Well	APD	20	16	S	9	E
43-015-30421-00-00	UTAH 20-382	Gas Well	APD	20	16	S	9	E
43-015-30518-00-00	UTAH 25-576	Gas Well	APD	25	16	S	8	E
43-015-30539-00-00	UTAH 25-578	Gas Well	APD	25	16	S	8	E
43-015-30540-00-00	UTAH 25-579	Gas Well	APD	25	16	S	8	E
43-007-30817-00-00	UTAH 25-618	Gas Well	APD	25	13	S	9	E
43-015-30543-00-00	UTAH 26-582	Gas Well	APD	26	16	S	8	E
43-015-30547-00-00	UTAH 29-608	Gas Well	APD	29	16	S	9	E
43-007-30889-00-00	UTAH 32-128	Gas Well	APD	32	14	S	10	E
43-007-30814-00-00	UTAH 35-506	Gas Well	APD	35	13	S	9	E

## Utah Well List as of 12/26/02

API Well Number	Well Name	Well Type	Well Status	Sec	Twpn	Twpd	Rngn	Rngd
43-047-33750-00-00	FEDERAL 34-29	Gas Well	P	29	9	S	19	E
43-007-30782-00-00	GAROFOLA 26-482	Gas Well	P	26	15	S	8	E
43-007-30335-00-00	GIACOLETTO 11-113	Gas Well	P	11	14	S	9	E
43-007-30407-00-00	GIACOLETTO 13-120	Gas Well	P	13	14	S	9	E
43-007-30345-00-00	GIACOLETTO 14-121	Gas Well	P	14	14	S	9	E
43-007-30487-00-00	HELPER & ASSOC 07-307	Gas Well	P	7	15	S	9	E
43-007-30459-00-00	HELPER & ASSOC 18-236	Gas Well	P	18	15	S	9	E
43-007-30720-00-00	HELPER & ASSOC 18-308	Gas Well	P	18	15	S	9	E
43-007-30412-00-00	HELPER & ASSOC 8-232	Gas Well	P	8	15	S	9	E
43-007-30258-00-00	HELPER & ASSOCIATES 7-84	Gas Well	P	7	15	S	9	E
43-007-30588-00-00	JENSEN 16-132	Gas Well	P	16	15	S	10	E
43-007-30420-00-00	KAKATSIDES 31-197	Gas Well	P	31	14	S	9	E
43-007-30296-00-00	LDS 17-133	Gas Well	P	17	15	S	10	E
43-007-30323-00-00	PAAR 16-146	Gas Well	P	16	14	S	9	E
43-047-34286-00-00	PETES WASH 23-12 #1	Gas Well	P	12	10	S	17	E
43-007-30748-00-00	PIERUCCI 25-461	Gas Well	P	25	15	S	8	E
43-007-30749-00-00	PIERUCCI 25-462	Gas Well	P	25	15	S	8	E
43-007-30754-00-00	PIERUCCI 26-463	Gas Well	P	26	15	S	8	E
43-007-30755-00-00	PIERUCCI 26-464	Gas Well	P	26	15	S	8	E
43-007-30745-00-00	PIERUCCI 26-481	Gas Well	P	26	15	S	8	E
43-007-30117-00-00	PINNACLE PEAK 19-171	Gas Well	P	19	14	S	9	E
43-007-30845-00-00	PMC 10-526	Gas Well	P	10	15	S	8	E
43-007-30282-00-00	POWELL 19-104	Gas Well	P	19	15	S	10	E
43-007-30283-00-00	POWELL 19-105	Gas Well	P	19	15	S	10	E
43-007-30346-00-00	POWELL 30-173	Gas Well	P	30	15	S	10	E
43-015-30279-00-00	PPCO 10-557	Gas Well	P	10	16	S	8	E
43-015-30494-00-00	PPCO 15-555	Gas Well	P	15	16	S	8	E
43-007-30211-00-00	PRETTYMAN 10-15-34	Gas Well	P	10	14	S	9	E
43-007-30340-00-00	PRETTYMAN 11-114	Gas Well	P	11	14	S	9	E
43-007-30653-00-00	RGC 21-331	Gas Well	P	21	15	S	9	E
43-007-30743-00-00	RGC 21-332	Gas Well	P	21	15	S	9	E
43-007-30747-00-00	RGC 25-460	Gas Well	P	25	15	S	8	E
43-007-30559-00-00	RGC 28-318	Gas Well	P	28	15	S	9	E
43-007-30518-00-00	RGC 28-319	Gas Well	P	28	15	S	9	E
43-007-30509-00-00	RITZAKIS 03-408	Gas Well	P	3	14	S	9	E
43-007-30473-00-00	RITZAKIS 5-304	Gas Well	P	5	14	S	9	E
43-007-30474-00-00	RITZAKIS 5-305	Gas Well	P	5	14	S	9	E
43-007-30475-00-00	RITZAKIS 8-298	Gas Well	P	8	14	S	9	E
43-007-30479-00-00	RITZAKIS 8-299	Gas Well	P	8	14	S	9	E
43-007-30476-00-00	RITZAKIS 8-300	Gas Well	P	8	14	S	9	E
43-007-30374-00-00	ROBERTSON 32-127	Gas Well	P	32	14	S	10	E
43-007-30610-00-00	SAMPINOS 16-131	Gas Well	P	16	15	S	10	E
43-007-30723-00-00	SAMPINOS 16-454	Gas Well	P	16	15	S	10	E
43-007-30765-00-00	SAMPINOS 16-521	Gas Well	P	16	15	S	10	E
43-007-30800-00-00	SEELY 22-501	Gas Well	P	22	14	S	8	E
43-007-30130-00-00	ST OF UT 25-9-1	Gas Well	P	25	14	S	9	E
43-007-30142-00-00	ST OF UT 36-3-4	Gas Well	P	36	14	S	9	E
43-007-30116-00-00	STELLA-HAMAKER 10-174	Gas Well	P	10	15	S	8	E
43-007-30746-00-00	TABOR 23-468	Gas Well	P	23	15	S	8	E
43-007-30319-00-00	TELONIS 15-142	Gas Well	P	15	14	S	9	E
43-007-30322-00-00	TELONIS 16-145	Gas Well	P	16	14	S	9	E
43-007-30300-00-00	TELONIS 19-150	Gas Well	P	19	14	S	9	E
43-007-30299-00-00	TELONIS 19-151	Gas Well	P	19	14	S	9	E
43-007-30327-00-00	TELONIS 20-152	Gas Well	P	20	14	S	9	E

Utah Well List as of 12/26/02

API Well Number	Well Name	Well Type	Well Status	Sec	Twpn	Twpd	Rngn	Rngd
43-007-30631-00-00	USA 13-419	Gas Well	P	13	15	S	8	E
43-007-30707-00-00	USA 13-447	Gas Well	P	13	14	S	8	E
43-007-30706-00-00	USA 13-470	Gas Well	P	13	14	S	8	E
43-007-30789-00-00	USA 13-474	Gas Well	P	13	14	S	8	E
43-007-30790-00-00	USA 13-475	Gas Well	P	13	14	S	8	E
43-007-30568-00-00	USA 13-91	Gas Well	P	13	14	S	9	E
43-007-30404-00-00	USA 14-122	Gas Well	P	14	14	S	9	E
43-015-30418-00-00	USA 1-425	Gas Well	P	1	16	S	9	E
43-007-30579-00-00	USA 14-325	Gas Well	P	14	15	S	8	E
43-007-30634-00-00	USA 14-386	Gas Well	P	14	15	S	8	E
43-007-30646-00-00	USA 14-416	Gas Well	P	14	15	S	8	E
43-007-30647-00-00	USA 14-417	Gas Well	P	14	15	S	8	E
43-007-30791-00-00	USA 14-476	Gas Well	P	14	14	S	8	E
43-007-30792-00-00	USA 14-477	Gas Well	P	14	14	S	8	E
43-007-30529-00-00	USA 14-74	Gas Well	P	14	14	S	9	E
43-007-30263-00-00	USA 14-75	Gas Well	P	14	14	S	9	E
43-007-30450-00-00	USA 15-176	Gas Well	P	15	14	S	9	E
43-007-30423-00-00	USA 15-177	Gas Well	P	15	14	S	9	E
43-007-30690-00-00	USA 15-420	Gas Well	P	15	15	S	8	E
43-007-30691-00-00	USA 15-422	Gas Well	P	15	15	S	8	E
43-007-30264-00-00	USA 15-88	Gas Well	P	15	14	S	9	E
43-007-30422-00-00	USA 17-179	Gas Well	P	17	14	S	9	E
43-007-30622-00-00	USA 17-180A	Gas Well	P	17	14	S	9	E
43-007-30618-00-00	USA 18-181	Gas Well	P	18	14	S	9	E
43-007-30417-00-00	USA 18-182	Gas Well	P	18	14	S	9	E
43-007-30619-00-00	USA 18-435	Gas Well	P	18	14	S	9	E
43-007-30393-00-00	USA 19-222	Gas Well	P	19	15	S	10	E
43-007-30392-00-00	USA 19-73	Gas Well	P	19	15	S	10	E
43-007-30448-00-00	USA 20-287	Gas Well	P	20	15	S	10	E
43-007-30451-00-00	USA 20-288	Gas Well	P	20	15	S	10	E
43-007-30590-00-00	USA 20-398	Gas Well	P	20	15	S	10	E
43-007-30591-00-00	USA 20-399	Gas Well	P	20	15	S	10	E
43-007-30424-00-00	USA 21-184	Gas Well	P	21	14	S	9	E
43-007-30425-00-00	USA 21-35	Gas Well	P	21	14	S	9	E
43-007-30426-00-00	USA 22-185	Gas Well	P	22	14	S	9	E
43-007-30477-00-00	USA 22-186	Gas Well	P	22	14	S	9	E
43-007-30700-00-00	USA 22-466	Gas Well	P	22	15	S	8	E
43-007-30611-00-00	USA 23-423	Gas Well	P	23	14	S	8	E
43-007-30650-00-00	USA 23-445	Gas Well	P	23	15	S	8	E
43-007-30704-00-00	USA 23-451	Gas Well	P	23	15	S	8	E
43-007-30503-00-00	USA 23-467	Gas Well	P	23	15	S	8	E
43-007-30793-00-00	USA 23-478	Gas Well	P	23	14	S	8	E
43-007-30794-00-00	USA 23-479	Gas Well	P	23	14	S	8	E
43-007-30795-00-00	USA 23-480	Gas Well	P	23	14	S	8	E
43-007-30469-00-00	USA 24-183	Gas Well	P	24	14	S	8	E
43-007-30612-00-00	USA 24-387	Gas Well	P	24	14	S	8	E
43-007-30613-00-00	USA 24-388	Gas Well	P	24	14	S	8	E
43-007-30651-00-00	USA 24-443	Gas Well	P	24	15	S	8	E
43-007-30648-00-00	USA 24-444	Gas Well	P	24	15	S	8	E
43-007-30708-00-00	USA 24-446	Gas Well	P	24	14	S	8	E
43-007-30652-00-00	USA 24-448	Gas Well	P	24	15	S	8	E
43-007-30705-00-00	USA 24-449	Gas Well	P	24	15	S	8	E
43-007-30505-00-00	USA 25-459	Gas Well	P	25	15	S	8	E
43-007-30614-00-00	USA 26-393	Gas Well	P	26	14	S	8	E

## Utah Well List as of 12/26/02

API Well Number	Well Name	Well Type	Well Status	Sec	Twpn	Twpd	Rngn	Rngd
43-007-30430-00-00	UTAH 06-223	Gas Well	P	6	15	S	9	E
43-007-30562-00-00	UTAH 06-330	Gas Well	P	6	15	S	9	E
43-007-30716-00-00	UTAH 06-483	Gas Well	P	6	15	S	9	E
43-007-30409-00-00	UTAH 07-234	Gas Well	P	7	15	S	9	E
43-007-30421-00-00	UTAH 07-235	Gas Well	P	7	15	S	9	E
43-007-30411-00-00	UTAH 08-231	Gas Well	P	8	15	S	9	E
43-007-30488-00-00	UTAH 08-233	Gas Well	P	8	15	S	9	E
43-015-30464-00-00	UTAH 08-354	Gas Well	P	8	16	S	9	E
43-015-30378-00-00	UTAH 08-355	Gas Well	P	8	16	S	9	E
43-015-30379-00-00	UTAH 08-356	Gas Well	P	8	16	S	9	E
43-015-30380-00-00	UTAH 08-357	Gas Well	P	8	16	S	9	E
43-007-30449-00-00	UTAH 09-227	Gas Well	P	9	15	S	9	E
43-007-30561-00-00	UTAH 09-329	Gas Well	P	9	15	S	9	E
43-015-30300-00-00	UTAH 09-358	Gas Well	P	9	16	S	9	E
43-015-30407-00-00	UTAH 09-359	Gas Well	P	9	16	S	9	E
43-015-30397-00-00	UTAH 09-360	Gas Well	P	9	16	S	9	E
43-015-30408-00-00	UTAH 09-361	Gas Well	P	9	16	S	9	E
43-007-30580-00-00	UTAH 09-412	Gas Well	P	9	15	S	10	E
43-007-30605-00-00	UTAH 09-413	Gas Well	P	9	15	S	10	E
43-007-30657-00-00	UTAH 09-450	Gas Well	P	9	15	S	10	E
43-007-30722-00-00	UTAH 09-453	Gas Well	P	9	15	S	10	E
43-007-30302-00-00	UTAH 10-01-36	Gas Well	P	10	15	S	9	E
43-007-30298-00-00	UTAH 10-219	Gas Well	P	10	15	S	9	E
43-007-30432-00-00	UTAH 10-220	Gas Well	P	10	15	S	9	E
43-007-30303-00-00	UTAH 10-221	Gas Well	P	10	15	S	9	E
43-007-30228-00-00	UTAH 11-50	Gas Well	P	11	15	S	9	E
43-007-30229-00-00	UTAH 11-51	Gas Well	P	11	15	S	9	E
43-007-30230-00-00	UTAH 11-52	Gas Well	P	11	15	S	9	E
43-007-30231-00-00	UTAH 11-53	Gas Well	P	11	15	S	9	E
43-007-30467-00-00	UTAH 1-209	Gas Well	P	1	15	S	8	E
43-007-30210-00-00	UTAH 12-15-37	Gas Well	P	12	15	S	9	E
43-007-30232-00-00	UTAH 12-54	Gas Well	P	12	15	S	9	E
43-007-30233-00-00	UTAH 12-55	Gas Well	P	12	15	S	9	E
43-007-30234-00-00	UTAH 12-56	Gas Well	P	12	15	S	9	E
43-015-30493-00-00	UTAH 13-376	Gas Well	P	13	16	S	8	E
43-015-30301-00-00	UTAH 13-550	Gas Well	P	13	16	S	8	E
43-007-30243-00-00	UTAH 13-65	Gas Well	P	13	15	S	9	E
43-007-30244-00-00	UTAH 13-66	Gas Well	P	13	15	S	9	E
43-007-30245-00-00	UTAH 13-67	Gas Well	P	13	15	S	9	E
43-007-30246-00-00	UTAH 13-68	Gas Well	P	13	15	S	9	E
43-007-30439-00-00	UTAH 13-92	Gas Well	P	13	14	S	9	E
43-007-30220-00-00	UTAH 1-42	Gas Well	P	1	15	S	9	E
43-007-30221-00-00	UTAH 1-43	Gas Well	P	1	15	S	9	E
43-007-30222-00-00	UTAH 1-44	Gas Well	P	1	15	S	9	E
43-007-30223-00-00	UTAH 1-45	Gas Well	P	1	15	S	9	E
43-015-30330-00-00	UTAH 14-551	Gas Well	P	14	16	S	8	E
43-015-30331-00-00	UTAH 14-552	Gas Well	P	14	16	S	8	E
43-007-30239-00-00	UTAH 14-61	Gas Well	P	14	15	S	9	E
43-007-30240-00-00	UTAH 14-62	Gas Well	P	14	15	S	9	E
43-007-30241-00-00	UTAH 14-63	Gas Well	P	14	15	S	9	E
43-007-30242-00-00	UTAH 14-64	Gas Well	P	14	15	S	9	E
43-015-30334-00-00	UTAH 15-553	Gas Well	P	15	16	S	8	E
43-007-30416-00-00	UTAH 17-101	Gas Well	P	17	15	S	10	E
43-007-30277-00-00	UTAH 17-102	Gas Well	P	17	15	S	10	E

## Utah Well List as of 12/26/02

API Well Number	Well Name	Well Type	Well Status	Sec	Twprn	Twprd	Rngn	Rngd
43-007-30255-00-00	UTAH 24-80	Gas Well	P	24	15	S	9	E
43-007-30256-00-00	UTAH 24-81	Gas Well	P	24	15	S	9	E
43-007-30267-00-00	UTAH 24-86	Gas Well	P	24	15	S	9	E
43-007-30375-00-00	UTAH 24-87	Gas Well	P	24	15	S	9	E
43-007-30227-00-00	UTAH 2-49	Gas Well	P	2	15	S	9	E
43-007-30157-00-00	UTAH 25-11-7	Gas Well	P	25	14	S	9	E
43-007-30399-00-00	UTAH 25-134	Gas Well	P	25	15	S	9	E
43-007-30400-00-00	UTAH 25-252	Gas Well	P	25	15	S	9	E
43-007-30401-00-00	UTAH 25-253	Gas Well	P	25	15	S	9	E
43-007-30402-00-00	UTAH 25-254	Gas Well	P	25	15	S	9	E
43-007-30600-00-00	UTAH 25-389	Gas Well	P	25	14	S	8	E
43-007-30599-00-00	UTAH 25-390	Gas Well	P	25	14	S	8	E
43-007-30658-00-00	UTAH 25-391	Gas Well	P	25	14	S	8	E
43-007-30602-00-00	UTAH 25-392	Gas Well	P	25	14	S	8	E
43-007-30206-00-00	UTAH 25-4-33	Gas Well	P	25	14	S	9	E
43-015-30519-00-00	UTAH 25-577	Gas Well	P	25	16	S	8	E
43-007-30156-00-00	UTAH 25-7-6	Gas Well	P	25	14	S	9	E
43-007-30204-00-00	UTAH 26-11-25	Gas Well	P	26	14	S	9	E
43-007-30205-00-00	UTAH 26-1-23	Gas Well	P	26	14	S	9	E
43-007-30181-00-00	UTAH 26-16-8	Gas Well	P	26	14	S	9	E
43-007-30446-00-00	UTAH 26-255	Gas Well	P	26	15	S	9	E
43-007-30445-00-00	UTAH 26-256	Gas Well	P	26	15	S	9	E
43-007-30444-00-00	UTAH 26-257	Gas Well	P	26	15	S	9	E
43-007-30514-00-00	UTAH 26-267	Gas Well	P	26	15	S	9	E
43-015-30541-00-00	UTAH 26-580	Gas Well	P	26	16	S	8	E
43-015-30542-00-00	UTAH 26-581	Gas Well	P	26	16	S	8	E
43-015-30544-00-00	UTAH 26-583	Gas Well	P	26	16	S	8	E
43-007-30202-00-00	UTAH 26-6-24	Gas Well	P	26	14	S	9	E
43-007-30395-00-00	UTAH 27-187	Gas Well	P	27	14	S	9	E
43-007-30292-00-00	UTAH 27-188	Gas Well	P	27	14	S	9	E
43-007-30457-00-00	UTAH 27-268	Gas Well	P	27	15	S	9	E
43-007-30458-00-00	UTAH 27-269	Gas Well	P	27	15	S	9	E
43-007-30712-00-00	UTAH 27-457	Gas Well	P	27	14	S	8	E
43-007-30714-00-00	UTAH 27-458	Gas Well	P	27	14	S	8	E
43-007-30777-00-00	UTAH 27-520	Gas Well	P	27	14	S	8	E
43-015-30545-00-00	UTAH 27-584	Gas Well	P	27	16	S	8	E
43-007-30193-00-00	UTAH 27-8-29	Gas Well	P	27	14	S	9	E
43-007-30186-00-00	UTAH 27-9-30	Gas Well	P	27	14	S	9	E
43-007-30396-00-00	UTAH 28-189	Gas Well	P	28	14	S	9	E
43-007-30397-00-00	UTAH 28-190	Gas Well	P	28	14	S	9	E
43-007-30293-00-00	UTAH 28-191	Gas Well	P	28	14	S	9	E
43-007-30294-00-00	UTAH 28-192	Gas Well	P	28	14	S	9	E
43-007-30551-00-00	UTAH 28-320	Gas Well	P	28	15	S	9	E
43-007-30560-00-00	UTAH 28-321	Gas Well	P	28	15	S	9	E
43-007-30405-00-00	UTAH 29-193	Gas Well	P	29	14	S	9	E
43-007-30427-00-00	UTAH 29-194	Gas Well	P	29	14	S	9	E
43-007-30739-00-00	UTAH 29-339	Gas Well	P	29	15	S	9	E
43-007-30740-00-00	UTAH 29-340	Gas Well	P	29	15	S	9	E
43-007-30741-00-00	UTAH 29-341	Gas Well	P	29	15	S	9	E
43-007-30742-00-00	UTAH 29-342	Gas Well	P	29	15	S	9	E
43-007-30262-00-00	UTAH 30-125	Gas Well	P	30	14	S	10	E
43-007-30185-00-00	UTAH 30-13-14	Gas Well	P	30	14	S	10	E
43-007-30265-00-00	UTAH 30-195	Gas Well	P	30	14	S	9	E
43-007-30344-00-00	UTAH 30-196	Gas Well	P	30	14	S	9	E

## Utah Well List as of 12/26/02

API Well Number	Well Name	Well Type	Well Status	Sec	Twpn	Twpd	Rngn	Rngd
43-007-30178-00-00	UTAH 36-1-2	Gas Well	P	36	14	S	9	E
43-007-30341-00-00	UTAH 36-135	Gas Well	P	36	15	S	9	E
43-007-30343-00-00	UTAH 36-136	Gas Well	P	36	15	S	9	E
43-007-30342-00-00	UTAH 36-137	Gas Well	P	36	15	S	9	E
43-007-30315-00-00	UTAH 36-162	Gas Well	P	36	14	S	8	E
43-007-30316-00-00	UTAH 36-163	Gas Well	P	36	14	S	8	E
43-007-30317-00-00	UTAH 36-164	Gas Well	P	36	14	S	8	E
43-007-30318-00-00	UTAH 36-165	Gas Well	P	36	14	S	8	E
43-007-30144-00-00	UTAH 36-9-5	Gas Well	P	36	14	S	9	E
43-015-30341-00-00	UTAH 4-280	Gas Well	P	4	16	S	9	E
43-015-30342-00-00	UTAH 4-282	Gas Well	P	4	16	S	9	E
43-007-30384-00-00	UTAH 5-205	Gas Well	P	5	15	S	9	E
43-007-30269-00-00	UTAH 5-94	Gas Well	P	5	15	S	10	E
43-007-30270-00-00	UTAH 5-95	Gas Well	P	5	15	S	10	E
43-007-30271-00-00	UTAH 5-96	Gas Well	P	5	15	S	10	E
43-007-30217-00-00	UTAH 6-38	Gas Well	P	6	15	S	10	E
43-007-30218-00-00	UTAH 6-39	Gas Well	P	6	15	S	10	E
43-007-30219-00-00	UTAH 6-40	Gas Well	P	6	15	S	10	E
43-007-30254-00-00	UTAH 6-41	Gas Well	P	6	15	S	10	E
43-007-30235-00-00	UTAH 7-57	Gas Well	P	7	15	S	10	E
43-007-30236-00-00	UTAH 7-58	Gas Well	P	7	15	S	10	E
43-007-30237-00-00	UTAH 7-59	Gas Well	P	7	15	S	10	E
43-007-30238-00-00	UTAH 7-60	Gas Well	P	7	15	S	10	E
43-007-30275-00-00	UTAH 8-100	Gas Well	P	8	15	S	10	E
43-007-30410-00-00	UTAH 8-230	Gas Well	P	8	15	S	9	E
43-007-30272-00-00	UTAH 8-97	Gas Well	P	8	15	S	10	E
43-007-30285-00-00	UTAH 8-98X	Gas Well	P	8	15	S	10	E
43-007-30274-00-00	UTAH 8-99	Gas Well	P	8	15	S	10	E
43-007-30413-00-00	UTAH 9-228	Gas Well	P	9	15	S	9	E
43-007-30414-00-00	UTAH 9-229	Gas Well	P	9	15	S	9	E
43-007-30279-00-00	WILLIAMS 30-78	Gas Well	P	30	14	S	10	E
43-007-30481-00-00	WOOLSTENHULME 05-266	Gas Well	P	5	15	S	10	E
43-015-30250-00-00	UTAH 16-110	Gas Well	Shut In	16	16	S	9	E



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Eastern States Office  
7450 Boston Boulevard  
Springfield, Virginia 22153

IN REPLY REFER TO  
3106.8(932.34)WF

January 16, 2003

### NOTICE

ConocoPhillips Company : Oil & Gas Leases  
P.O. Box 7500 :  
Bartlesville, Oklahoma 74005 :

#### Merger/Name Change Recognized

Acceptable evidence was received in this office on January 14, 2003, concerning the change of name of Phillips Petroleum Company to **ConocoPhillips Company** and the merger of **Conoco Incorporated** into **ConocoPhillips Company** on Federal oil and gas leases, with **ConocoPhillips Company** being the surviving entity.

The Secretary of the State of Delaware certified the effective date of this merger effective December 31, 2002.

The oil and gas lease files identified on the enclosed exhibit have been noted to the merger. The exhibit was compiled from a list of leases obtained from your list of leases. Eastern States has not abstracted the lease files to determine if the entities affected by this merger hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested record title or operating rights interest. We are notifying the Minerals Management Service and all applicable Bureau of Land Management offices of this merger and name change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify other leases in which the merging entity maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

By Operation of law the name of the principal on Nationwide Oil and Gas Bond held by Conoco Incorporated (ES0085) has been changed to ConocoPhillips Company.

If you have any questions, please contact Bill Forbes at 703-440-1536.

*S/ Wilbert B. Forbes*

Wilbert B. Forbes  
Land Law Examiner  
Branch of Use Authorization  
Division of Resources Planning, Use  
and Protection

bc: JFO, BLM State Offices, MMS, ES RF, 930 RF, ES-932:  
Bforbes:wbf:01/16/03:440-1536/ConocoPhillips Co

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW
3. FILE

**010**

Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

**X Merger**

The operator of the well(s) listed below has changed, effective: **12-31-02**

<b>FROM: (Old Operator):</b>	<b>TO: (New Operator):</b>
PHILLIPS PETROLEUM COMPANY	CONOCOPHILLIPS COMPANY
Address: 980 PLAZA OFFICE	Address: P O BOX 2197, WL3 4066
BARTLESVILLE, OK 74004	HOUSTON, TX 77252
Phone: 1-(918)-661-4415	Phone: 1-(832)-486-2329
Account No. N1475	Account No. N2335

**CA No. Unit:**

WELL(S)	SEC TWN	API NO	ENTITY	LEASE	WELL	WELL
NAME	RNG		NO	TYPE	TYPE	STATUS
SEELY 15-498	15-14S-08E	43-007-30797	99999	FEE	GW	APD
SEELY 15-499	15-14S-08E	43-007-30798	99999	FEE	GW	APD
SEELY 15-500	15-14S-08E	43-007-30799	99999	FEE	GW	APD
SEELY 22-501	22-14S-08E	43-007-30800	13667	FEE	GW	P
SEELY 22-492	22-14S-08E	43-007-30796	99999	FEE	GW	APD
SEELY 22-502	22-14S-08E	43-007-30801	99999	FEE	GW	APD
SEELY 22-503	22-14S-08E	43-007-30802	99999	FEE	GW	APD
USA 01-402	01-14S-09E	43-007-30629	13669	FEDERAL	GW	P
USA 01-504	01-14S-09E	43-007-30846	99999	FEDERAL	GW	NEW
USA 06-437	06-14S-09E	43-007-30831	13576	FEDERAL	GW	P
USA 06-488	06-14S-09E	43-007-30832	13668	FEDERAL	GW	P
USA 06-489	06-14S-09E	43-007-30833	13603	FEDERAL	GW	P
USA 12-536	12-14S-09E	43-007-30841	13670	FEDERAL	GW	P
USA 12-537	12-14S-09E	43-007-30842	13689	FEDERAL	GW	DRL
USA 12-538	12-14S-09E	43-007-30843	13690	FEDERAL	GW	DRL
USA 34-518	34-14S-09E	43-007-30803	99999	FEDERAL	GW	APD
UTAH 19-533	19-14S-10E	43-007-30891	99999	STATE	GW	APD
SCHMIDT 29-531	29-14S-10E	43-007-30863	99999	FEE	GW	APD
MCKENDRICK 29-548	29-14S-10E	43-007-30864	99999	FEE	GW	APD
COTNER 29-549	29-14S-10E	43-007-30865	99999	FEE	GW	APD

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 01/08/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 01/08/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 02/03/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 562960-0143
5. If **NO**, the operator was contacted on: \_\_\_\_\_

6. (R649-9-2) Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 01/14/2003

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 01/14/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/14/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 02/12/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 02/12/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: 8140-60-24

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: 8015-16-69

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: N/A

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 6196922

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3160  
(U-922)

May 13, 2003

ConocoPhillips Company  
P.O. Box 2197  
Houston, Texas 77252

attn: Chief Landman, San Juan Rockies

Re: Non-Paying Well Determinations  
Drunkards Wash Unit  
Carbon and Emery Counties, Utah

Gentlemen:

Pursuant to your request of April 4, 2003, it has been determined by this office that under existing conditions the following wells are not capable of producing unitized substances in paying quantities as defined in Section 9 of the Drunkards Wash Unit Agreement.

Well No.	Location	Lease	Unit Tract
<i>43-007-30629</i> USA-01-402	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 1, T14S R09E	UTU78411	313 <i>13669</i> ✓
USA-12-536	SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 12, T14S R09E	UTU75022	255 <i>13670</i> ✓
<i>43-015-30493</i> Utah-13-376	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 13, T16S R08E	ML-48217	367 <i>13602</i> ✓

Production from these wells shall be handled and reported on a lease basis.

*43-007-30841*

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

bcc: DM Vernal  
Drunkards Wash Unit File  
Agr. Sec. Chron.  
Fluid Chron  
MMS RMP  
DOGM  
SITLA  
Tickler (June, 2003)

RECEIVED

MAY 15 2003

DIV. OF OIL, GAS & MINING

MCoulthard:mc:5-13-03

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

ORIGINAL

011

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 TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL  GAS  OTHER: CONFIDENTIAL

2. Name of Operator: ConocoPhillips Company

3. Address and Telephone Number: 6825 South 5300 West, P.O. Box 851, Price, UT 84501 (435) 613-9777

4. Location of Well Footages: 1536' FNL, 134' FWL  
 QQ, Sec., T., R., M.: SW/NW, SEC. 12, T14S, R09E, SLB & M

5. Lease Designation and Serial Number: U-75022

6. If Indian, Allottee or Tribe Name: N/A

7. Unit Agreement Name: UTU67921X Drunkards Wash

8. Well Name and Number: USA 12-536

9. API Well Number: 43-007-30841

10. Field or Pool, or Wildcat: Drunkards Wash

County: Carbon County  
 State: Utah

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

NOTICE OF INTENT  
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other \_\_\_\_\_
- Approximate date work will start \_\_\_\_\_
- New Construction
- Pull or Alter Csg
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

SUBSEQUENT REPORT  
(Submit Original Form Only)

- Abandon \*
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Acid Treatment
- Date of work completion 05/06/2003
- New Construction
- Pull or Alter Csg
- Reperforate
- Vent or Flare
- Water Shut-Off

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. 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.)

Please be advised that the above referenced well was chemically treated with 300 gallons of 4% Formic Acid & 4000 gallons of HCL on 05/06/2003.

RECEIVED

MAY 16 2003

DIV. OF OIL, GAS & MINING

13. Name & Signature: Lynnette Allred  Title: Operations Clerk—Production Date: 05/12/2003

(This space for state use only)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

ORIGINAL

**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 TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number:  
U-75022

6. If Indian, Allottee or Tribe Name:  
N/A

7. Unit Agreement Name:  
UTU67921X Drunkards Wash

8. Well Name and Number:  
USA 12-536

9. API Well Number:  
43-007-30841

10. Field or Pool, or Wildcat:  
Drunkards Wash

1. Type of Well: OIL  GAS  OTHER

2. Name of Operator:  
ConocoPhillips Company

3. Address and Telephone Number:  
6825 South 5300 West, P.O. Box 851, Price, UT 84501 (435) 613-9777

4. Location of Well  
Footages: 1536' FNL, 134' FWL  
QQ, Sec., T., R., M.: SW/NW, SEC. 12, T14S, R09E, SLB & M

County: Carbon County  
State: Utah

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

- |  |  |
|--|--|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction  |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Csg |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete        |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Reperforate       |
| <input type="checkbox"/> Fracture Treat or Acidize | <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"/> Abandon *                                  | <input type="checkbox"/> New Construction  |
| <input type="checkbox"/> Repair Casing                              | <input type="checkbox"/> Pull or Alter Csg |
| <input type="checkbox"/> Change of Plans                            | <input type="checkbox"/> Reperforate       |
| <input type="checkbox"/> Convert to Injection                       | <input type="checkbox"/> Vent or Flare     |
| <input type="checkbox"/> Fracture Treat or Acidize                  | <input type="checkbox"/> Water Shut-Off    |
| <input checked="" type="checkbox"/> Other <u>Chemical Treatment</u> |  |
- Date of work completion 07/18/2005

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. 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.)

Please be advised that the above referenced well was chemically treated with 250 gallons of 15% HCL & 1500 gallons of low ph fluid on 07/18/2005.

13.

Name & Signature: Lynnette Allred  Title: Sr. Operations Assistant Date: 08/04/2005

(This space for state use only)

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AUG 11 2005