

001

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

FORM 3

AMENDED REPORT   
(HIGHLIGHT CHANGES)

**APPLICATION FOR PERMIT TO DRILL**

1A. Type of Work: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO <del>N/A</del> Fee	6. SURFACE Private
B. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR: Phillips Petroleum Company		8. UNIT or CA AGREEMENT NAME: N/A	
3. ADDRESS OF OPERATOR: 6825 South 5300 West, P.O. Box 851, Price, Utah 84501 CITY STATE ZIP		PHONE NUMBER: (435) 613-9777	9. WELL NAME and NUMBER: Borrell 10-695
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2369' FSL, 1116' FWL AT PROPOSED PRODUCING ZONE:		10. FIELD AND POOL, OR WILDCAT: Undesignated	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4.5 miles southeast of Price, UT		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/4 SW/4 Section 10, T15S, R10E, SLB&M	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 323'	16. NUMBER OF ACRES IN LEASE N/A	17. NUMBER OF ACRES ASSIGNED TO THIS WELL 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1500'	19. PROPOSED DEPTH: 1300'	20. BOND DESCRIPTION: Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.) 5632.2' GR	22. APPROXIMATE DATE WORK WILL START: August 2002	23. ESTIMATED DURATION:	

**24. PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
14"	12 3/4" Conductor	40'	50 sks G+2&CaCl+1/4#/sk flocl
11"	J-55 8 5/8" 24#/ft	130'	93 sks 50/50poz8%gel+2%CaCl+1%extender
7 7/8"	N-80 5 1/2" 17#/ft	1290'	64 sks "G" thixotropic

**25. ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTCHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

**CONFIDENTIAL**

Name & Signature: Jean Semborski *Jean Semborski* Title: Permitting Analyst Date: 7/12/02

(This space for state use only)

API Number Assigned: 43-007-30861

Approved by the  
Utah Division of  
Oil, Gas and Mining

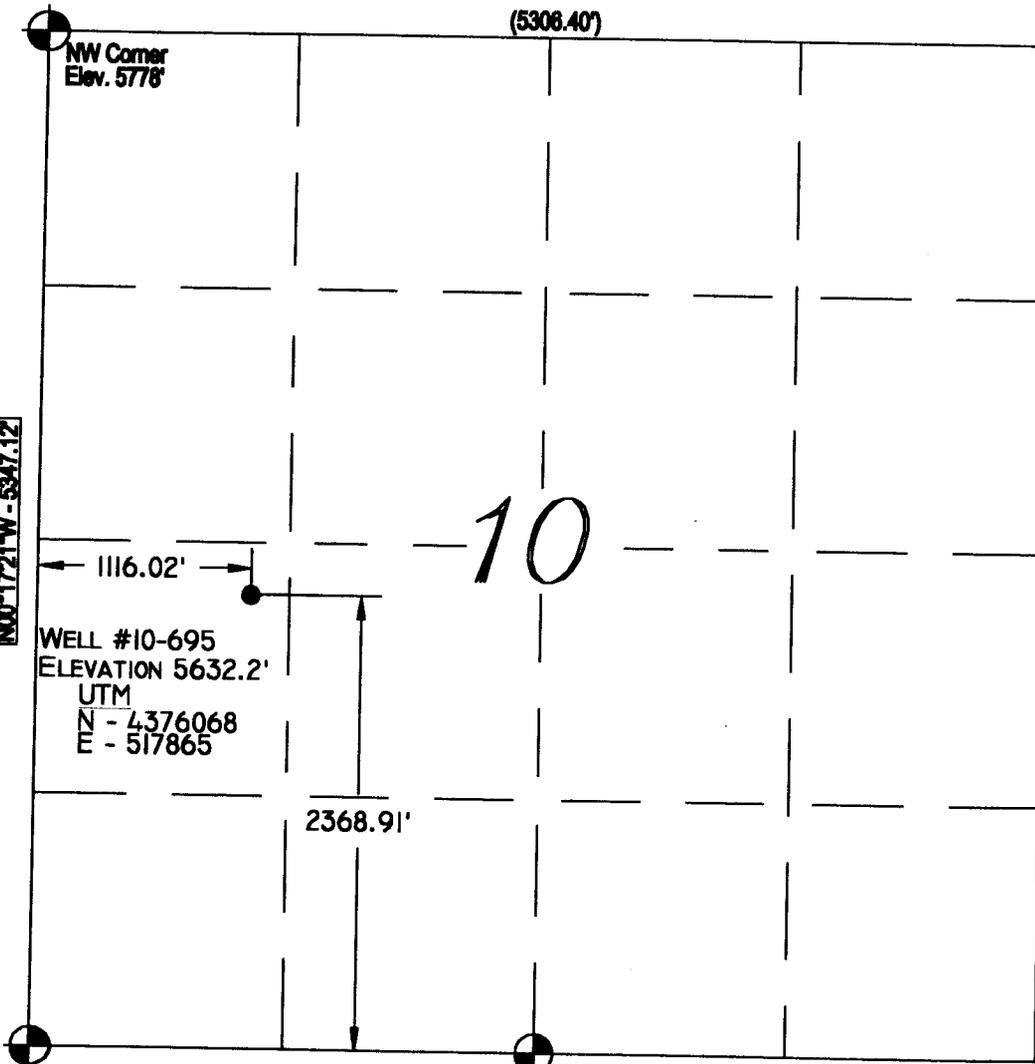
Date: 09-04-02  
By: *[Signature]*

RECEIVED  
JUL 18 2002  
DIV OF OIL, GAS & MINING

(11/2001)

# Range 10 East

Township 15 South



NW Corner  
Elev. 5778'

(5308.40')

N00°17'21"W - 5347.12'

WELL #10-695  
ELEVATION 5632.2'  
UTM  
N - 4376068  
E - 517865

2368.91'

10

S89°57'42"E - 2850.28'

(5276.70')

### Legend

- Drill Hole Location
- ⊙ Brass 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°32'10"N 110°47'32"W

**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 5778' BEING AT THE NORTHWEST SECTION CORNER  
OF SECTION 10, TOWNSHIP 15 SOUTH, RANGE 10 EAST, SALT LAKE BASE  
AND MERIDIAN, AS SHOWN ON THE PRICE QUADRANGLE 7.5 MINUTE SERIES  
MAP.

**Description of Location:**  
PROPOSED DRILL HOLE LOCATED IN THE NW1/4, SW1/4 OF SECTION 10,  
T15S, R10E, S.L.B.&M., BEING 2368.91' NORTH AND 1116.02' EAST  
FROM THE SOUTHWEST CORNER OF SECTION 10, T15S, R10E, 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.



GRAPHIC SCALE  
0 500' 1000'  
( IN FEET )  
1 inch = 1000 ft.



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

**PHILLIPS PETROLEUM**  
**WELL #10-695**  
Section 10, T15S, R10E, S.L.B.&M.  
Carbon County, Utah

Drawn By J. STANSFIELD	Checked By L.W.J./A.J.S.
Drawing No. A-1	Date: 07/01/02
	Scale: 1" = 1000'
Sheet 1 of 4	Job Number 684



## PHILLIPS PETROLEUM COMPANY

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

July 12, 2002

Ms. Diana Mason  
State of Utah  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
SLC, Utah 84114-5801

RE: Application for Permit to Drill-  
Borrell 10-695, NW/4 SW/4 Sec.10  
T15S, R010E, SLB & M, Carbon County, Utah

Dear Ms. Mason:

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;

**COPY**

CONFIDENTIAL

PHILLIPS PETROLEUM COMPANY  
DIVISION OF OIL, GAS AND MINING

This proposed well is located more than 460 feet from the exterior boundary of the Drunkards Wash Federal Unit. Based on the request of the surface owner, however, the proposed location, 2369' FSL and 1116' FWL, is outside of the "spacing window" specified by Cause No. 137-2(B) and will be an exception location under Utah Administrative Code Rule R649-3-3-1.3. For this well, as shown on the APD map 1 of 4, Phillips Petroleum Company is the only "owner" of record for the offset drilling unit in the NW/4 of section 10. Therefore the requirements for approval of an exception location should be satisfied as required under 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  
Permitting Analyst

cc: Mr. Eric Jones, BLM, Moab, Utah  
Mr. Gene Herrington, Texaco  
Ms. Julie Bennett, Dominion Resources  
Mr. Don Stephens, BLM, Price, Utah  
Ms. Jeannette Borges, Phillips Petroleum Company  
Mr. Mark Jones, DOGM, Price, Utah  
Ms. Deanna Walker, PPCo, Denver CO  
Mr. Edward Bonner, SITLA  
PPCo Well File

EXHIBIT "D"  
DRILLING PROGRAM

Attached to Form 3  
Phillips Petroleum Company  
Borrell 10-695  
NW/4, SW/4, Sec.10, T15S, R10E, SLB & M  
2369'FSL, 1116' FWL  
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 860'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 960' - 1000'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 1400 psi.

4. The Proposed Casing and Cementing Programs

<u>HOLE SIZE</u>	<u>SETTING DEPTH (INTERVAL)</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE &amp; JOINT</u>	<u>NEW, USED</u>
14"	40'	12-3/4"	Conductor	New
11"	130'	8-5/8"	24#ST&C	New
7-7/8"	1290'	5-1/2"	17#LT&C	New

Cement Program -Every attempt will be made to bring cement back to surface.

Surface Casing: 50 sks G+2%CaCl+1/4#per sack flocel;15.8#/gal,density, 1.15 cu.ft/sk yield.

Production Casing: 93 sks 50/50 poz 8%gel +2%CaCl+10%extender;12.5#/gal, density, 1.92 cu.ft/sk yield.

64 sks "G" thixotropic, 14.2#/gal density, 1.61 cu.ft/sk yield

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOPE will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

0-300	11" hole	Drill with air, will mud-up if necessary.
300-TD	7 7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf.

7. The Testing, Logging and Coring Programs are as followed

300-TD      Gamma Ray, Density, Neutron Porosity, Induction, Caliper

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 563 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around August 2002.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"  
MULTIPOINT SURFACE USE PLAN

Attached to Form 3  
Phillips Petroleum Company  
Borrell 10-695  
NW/4, SW/4, Sec.10, T15S, R10E, SLB & M  
2369' FSL, 1116' FWL  
Carbon County, Utah

**1. Existing Roads**

- a. We do not plan to change, alter or improve upon any existing state or county roads.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

**2. Planned Access**

Approximately 0' of new access is required (See Exhibit "B")

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 4%
- c. Turnouts: None
- d. Drainage design: 2 culverts may be required. Water will be diverted around well pad as necessary.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Pipe and Power lines will follow the proposed access road.

**3. Location of Existing Wells**

- a. See Exhibit "B". There are 1 proposed and 4 existing wells within a one-mile radius of the proposed location.

**4. Location of Existing and/or Proposed Facilities**

- a. If the well is a producer, installation of production facilities will be as shown on Exhibit "H". Buried powerlines run along access on the east and north, gathering lines on the south or west.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

## **5. Location and Type of Water Supply**

- a. Water to be used for drilling will be purchased from the Price River Water Improvement District (a local source of municipal water) (tel. 435-637-6350).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

## **6. Source of Construction Materials**

- a. Any necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

## **7. Methods for handling waste disposal**

- a. As the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit back-filled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

## **8. Ancillary Facilities**

- a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

## **9. Wellsite Layout**

- a. Available topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and berm pits, and soil stockpiles will be located as shown on the attachments.
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the pit. The pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

## **10. Plans for Restoration of Surface**

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

## **11. Surface Ownership:**

- a. The wellsite and access road will be constructed on lands owned by Richard Bert Borrell. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities.  
Surface Owner Contact Information:  
Richard Bert Borrell  
4999 South 1000 East Price, Utah 84501  
435/637-1579

12. **Other Information:**

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 2400 feet southwest.
- b. Nearest live water is Carbon Canal located at 700' *SOUTH.*
- c. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed and piled downhill from the topsoil stockpile location.
- d. The backslope and foreslope will be constructed no steeper than 4:1.
- e. All equipment and vehicles will be confined to the access road and well pad.
- f. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be on the wellsite during construction and drilling operations

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

**13. Company Representative**

Jean Semborski  
Permitting Analyst  
Phillips Petroleum Company  
6825 S. 5300 W. P.O. Box 851  
Price, Utah 84501  
(435) 613-9777  
(435) 820-9807

Mail Approved A.P.D. To:  
Company Representative

Excavation Contractor

Nelco Contractors Inc.  
Larry Jensen  
(435) 637-3495  
(435) 636-5268

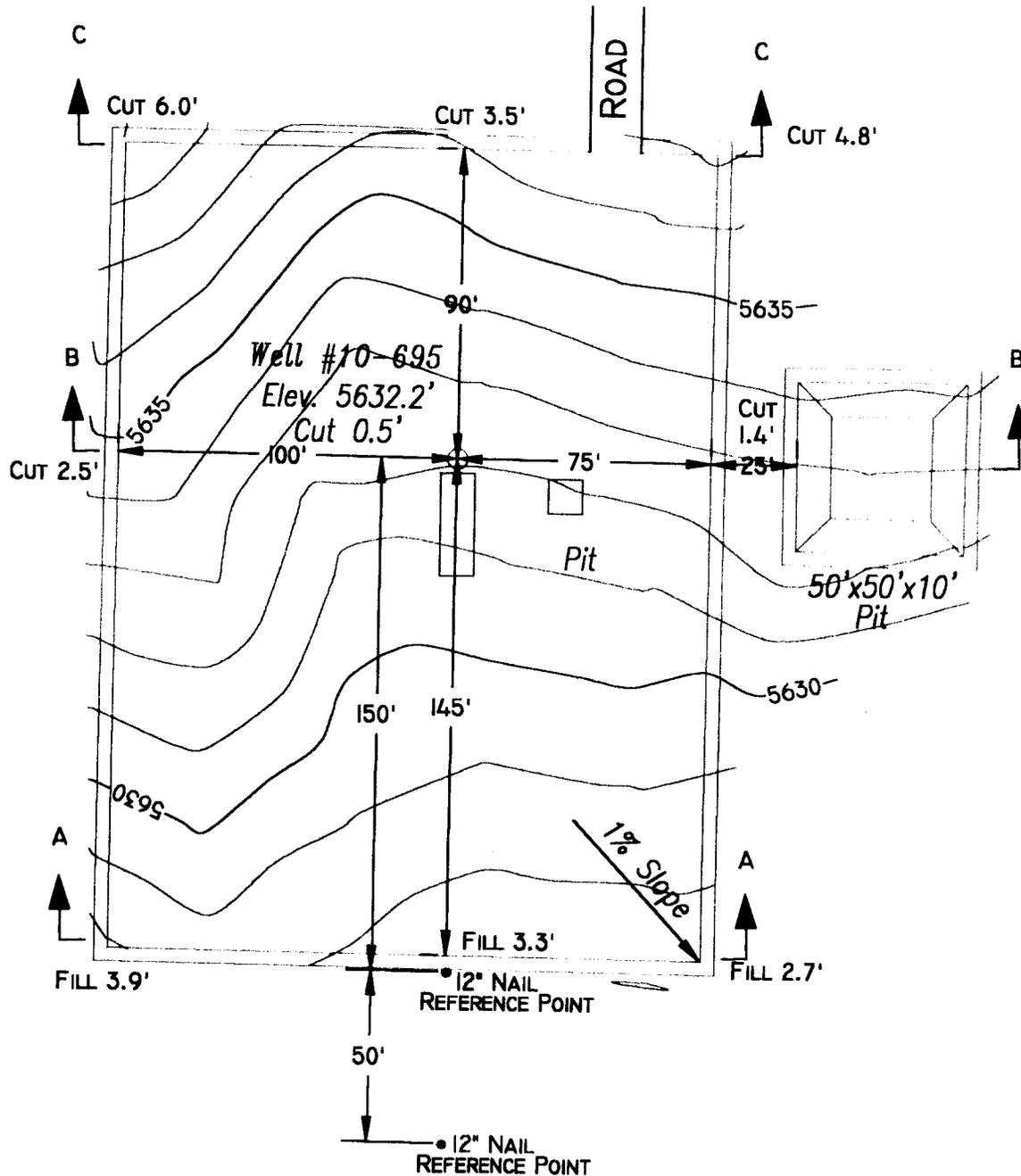
**14. Certification**

I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Phillips Petroleum Company and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

7/12/02  
Date

  
\_\_\_\_\_  
Jean Semborski  
Permitting Analyst  
Phillips Petroleum Company

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 5632.2'  
 ELAVATION OF GRADED GROUND AT LOCATION STAKE = 5631.7'

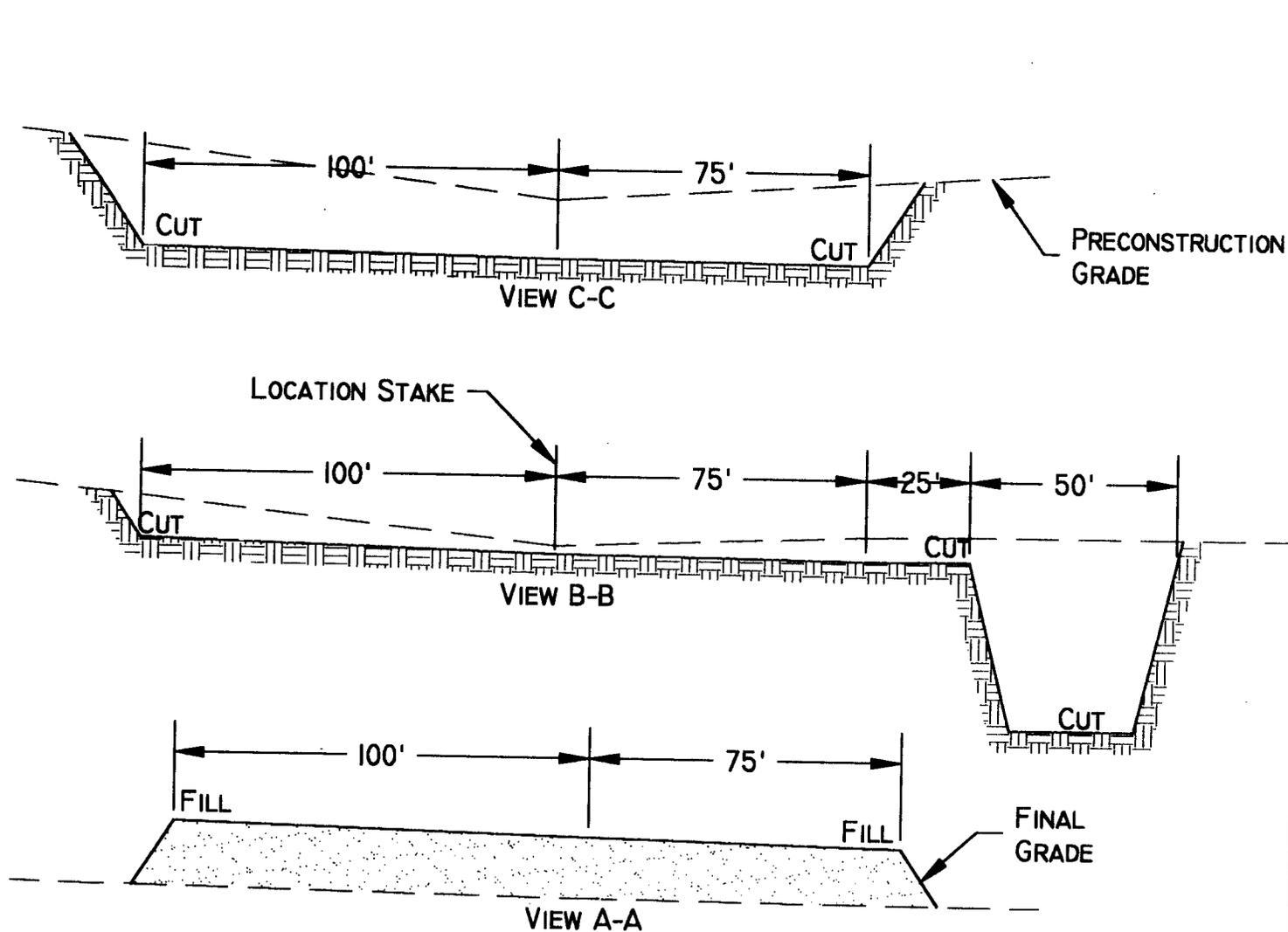


**TALON RESOURCES, INC.**  
 SERVICE, QUALITY & ACCURACY  
 Price - Huntington, Utah  
 Phone (435)637-8781 Fax (435)636-8603  
 E-Mail taloncost@talon.com



**PHILLIPS PETROLEUM**  
**LOCATION LAYOUT**  
 Section 10, T15S, R10E, S.L.B.&M.  
 WELL #10-695

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 06/29/02
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 684



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

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



**TALON RESOURCES, INC.**  
SERVICE, QUALITY & ACCURACY  
Price - Huntington, Utah  
Phone (435)637-8781 Fax (435)636-8603  
E-Mail talonocustnet.com



PHILLIPS PETROLEUM  
TYPICAL CROSS SECTION  
Section 10, T15S, R10E, S.L.B.&M.  
WELL #10-695

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 06/29/02
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 884

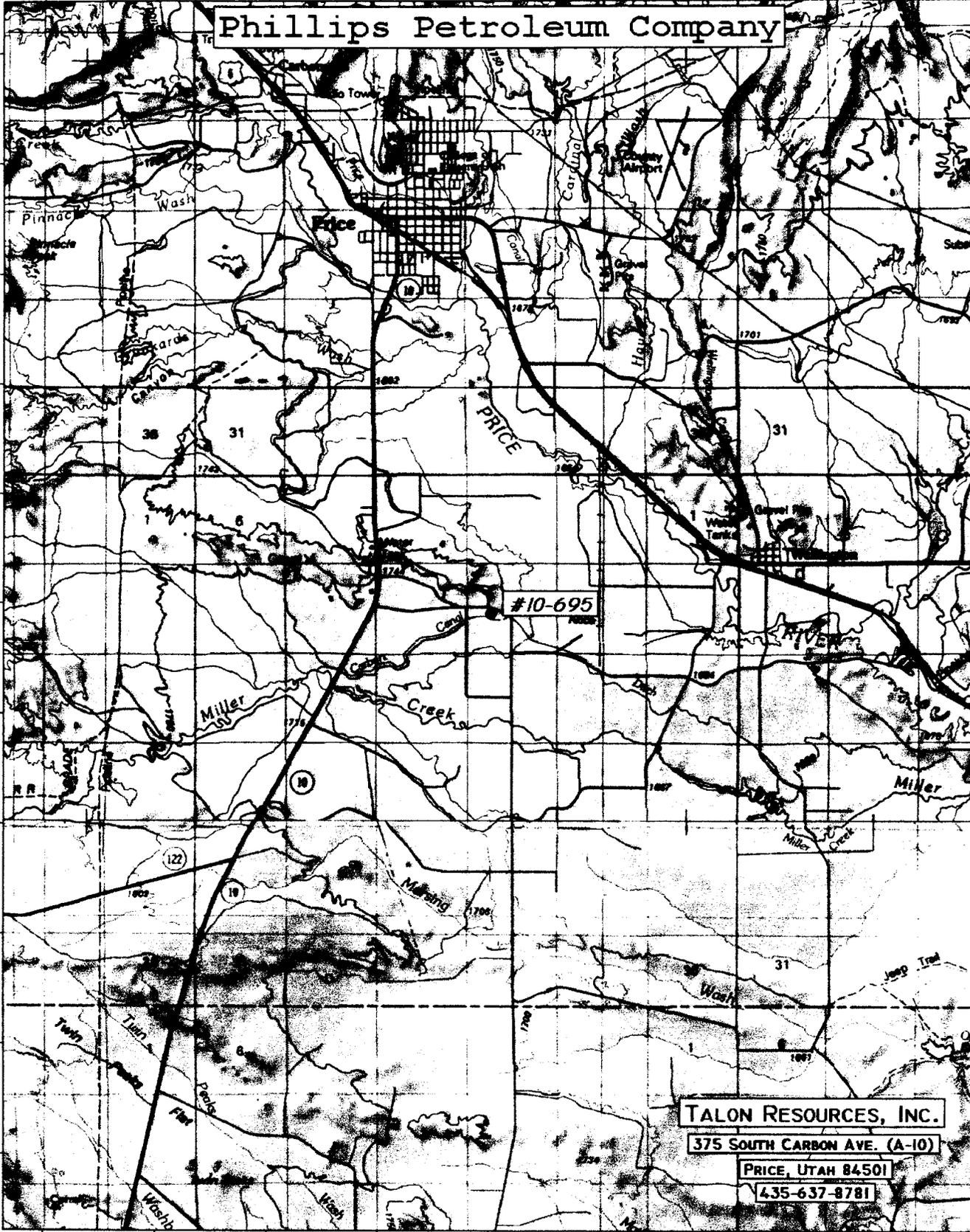
APPROXIMATE YARDAGES

CUT  
(6")TOPSOIL STRIPPING = 750 CU. YDS.  
REMAINING LOCATION = 2,285 CU, YDS.  
TOTAL CUT = 3,165 CU. YDS.  
TOTAL FILL = 1,560 CU. YDS.



510000m E. 512000m E. 514000m E. 516000m E. 518000m E. 520000m E. 522000m E. NAD27 Zone 12S 526000m E.

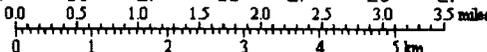
# Phillips Petroleum Company



**TALON RESOURCES, INC.**  
 375 SOUTH CARBON AVE. (A-10)  
 PRICE, UTAH 84501  
 435-637-8781

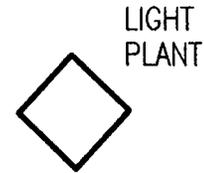
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TN MN 13°

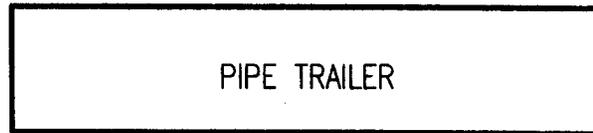


Map created with TOPO! © 2001 National Geographic (www.nationalgeographic.com/topo)

# APPROXIMATE LAYOUT OF RIG & EQUIPMENT



40'

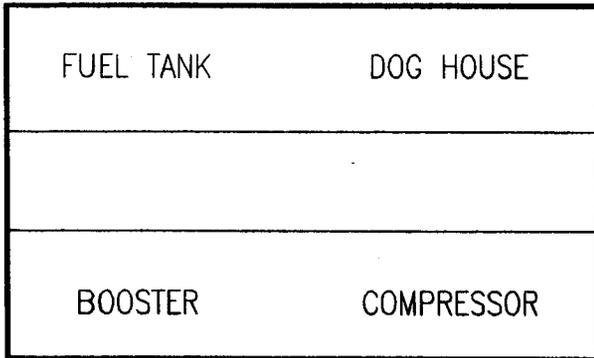


PIPE TRAILER

HOLE



40'



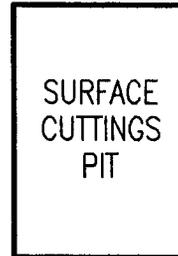
FUEL TANK

DOG HOUSE

BOOSTER

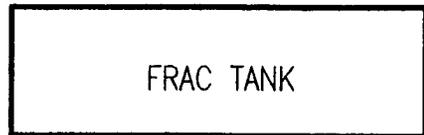
COMPRESSOR

8'



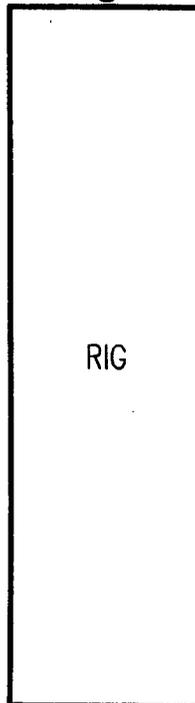
SURFACE  
CUTTINGS  
PIT

20'

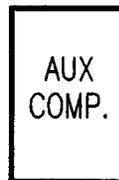


FRAC TANK

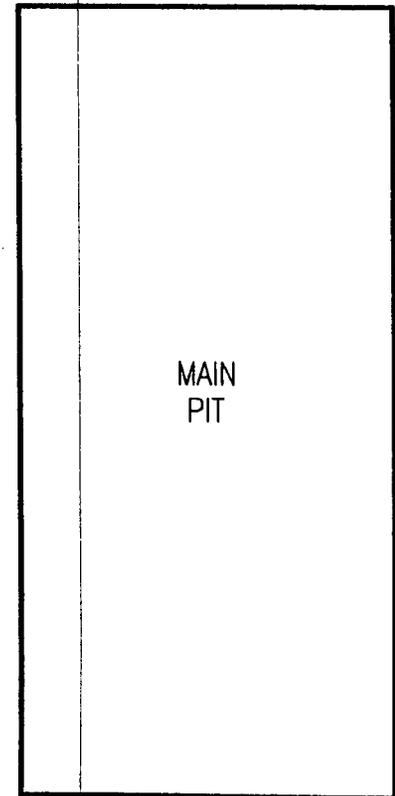
45'



RIG



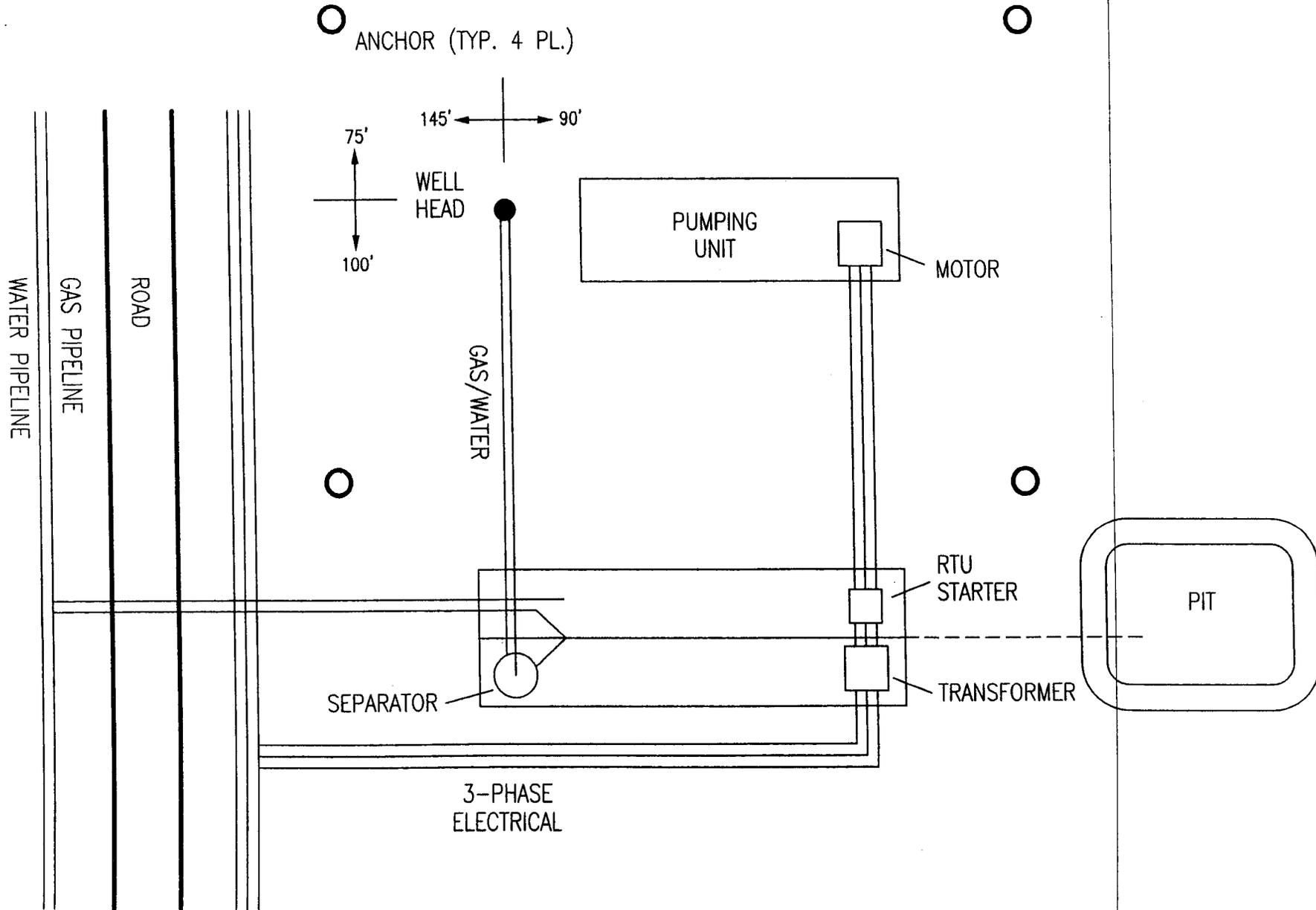
AUX  
COMP.



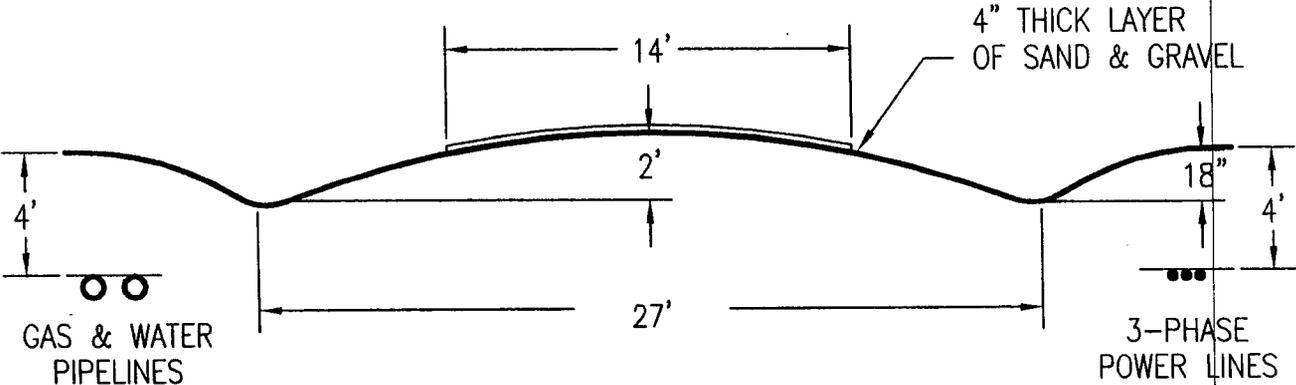
MAIN  
PIT

# PHILLIPS PETROLEUM COMPANY

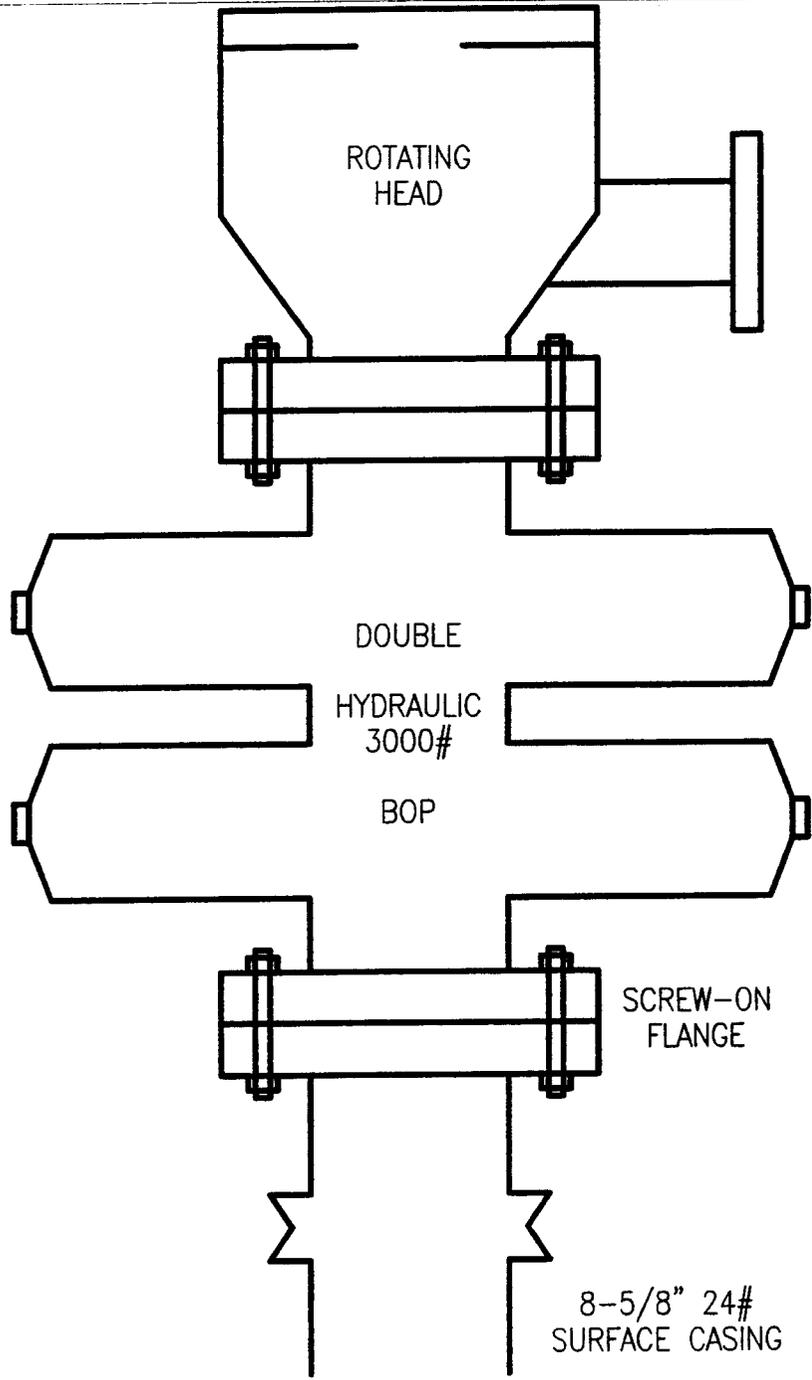
WELL SITE LAYOUT (235' x 175')



# TYPICAL ROAD CROSS-SECTION



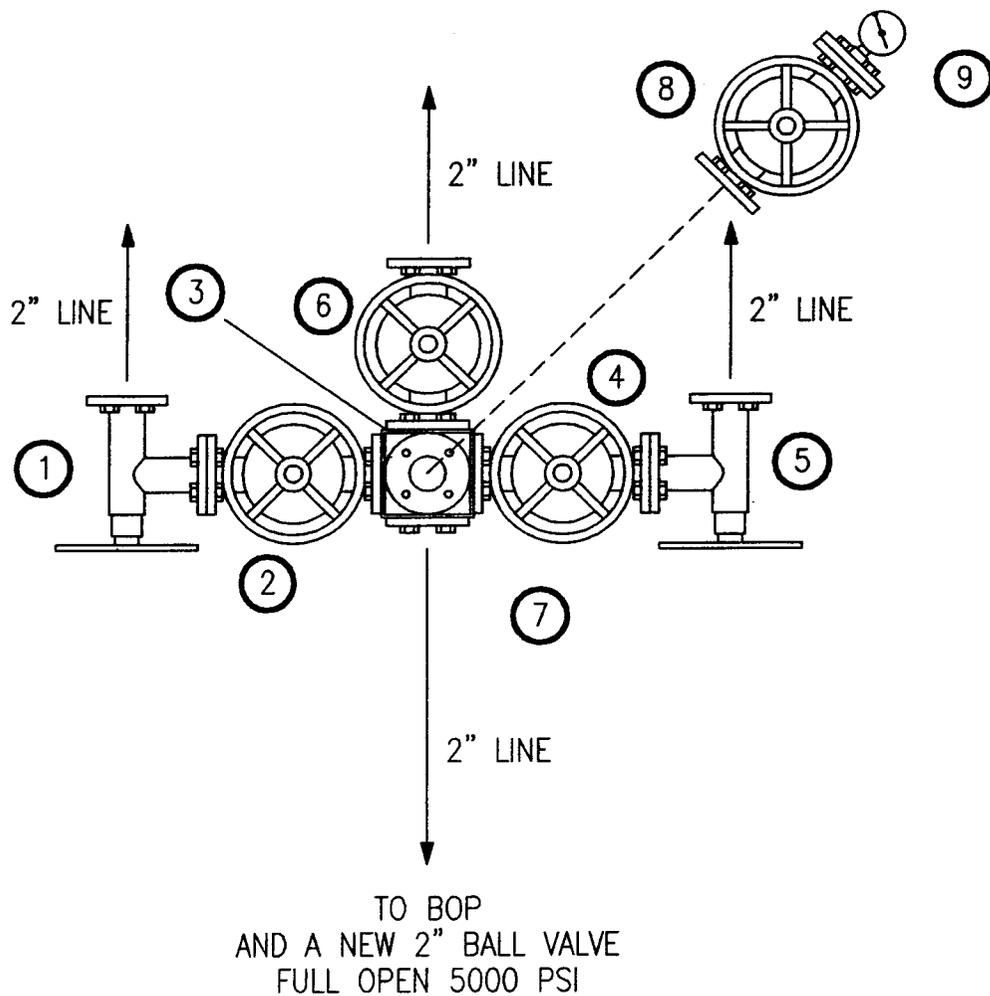
# DIVERTER HEAD



- (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

AmSouth Bank  
Post Office Box 11007  
Birmingham, Alabama 35288 USA  
(800) 284-4100  
Telex: 6823023  
S.W.I.F.T.: AMSBUS44

International Division

**AMSOUTH**

TO: STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 WEST TEMPLE, 3 TRIAD CENTER, SUITE 350  
SALT LAKE CITY, UTAH 84180

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE LETTER OF CREDIT NO. 78317150 IN FAVOR OF THE DIRECTOR OF THE DIVISION OF OIL, GAS AND MINING OF THE STATE OF UTAH FOR THE ACCOUNT (THE "OPERATOR") OF PHILLIPS PETROLEUM COMPANY, 476 PHILLIPS BUILDING, BARTLESVILLE, OK 74004 FOR THE AGGREGATE AMOUNT OF EIGHTY THOUSAND AND 00/100 U.S. DOLLARS (U.S. \$80,000.00) AVAILABLE BY YOUR DRAFTS AT SIGHT ON OURSELVES WHEN DRAWN IN ACCORDANCE WITH THE TERMS AND ACCOMPANIED BY THE DOCUMENTS LISTED UNDER PART C BELOW:

- A. THIS LETTER OF CREDIT IS ISSUED AT THE REQUEST OF THE OPERATOR WHO ADVISES THAT THE OPERATOR IS OR WILL BE ENGAGED IN DRILLING, REDRILLING, DEEPENING, REPAIRING, OPERATING, AND PLUGGING AND ABANDONMENT A WELL OR WELLS AND RESTORING THE WELL SITE OR SITES IN THE STATE OF UTAH FOR THE PURPOSES OF OIL OR GAS PRODUCTION AND/OR THE INJECTION AND DISPOSAL OF FLUIDS IN CONNECTION THEREWITH FOR THE FOLLOWING DESCRIBED LAND OR WELL:
- TO COVER ALL WELLS DRILLED IN THE STATE OF UTAH.
- B. THIS LETTER OF CREDIT IS SPECIFICALLY ISSUED AT THE REQUEST OF THE OPERATOR AS ASSURANCE THAT THIS FUND WILL BE AVAILABLE DURING THE TIME THAT THE WELLS REFERENCED ABOVE ARE ACTIVE. WE ARE NOT A PARTY TO NOR BOUND BY, THE TERMS OF ANY AGREEMENT BETWEEN YOU AND THE OPERATOR OUT OF WHICH THIS LETTER OF CREDIT MAY ARISE.
- C. DRAFTS DRAWN UNDER THIS LETTER OF CREDIT MUST BE ACCOMPANIED BY AN AFFIDAVIT PURPORTED TO BE FROM THE DIRECTOR OF THE DIVISION OF OIL, GAS AND MINING STATING THAT:
1. ANY WELL SUBJECT TO THE LETTER OF CREDIT IS DEEMED NECESSARY FOR PLUGGING AND ABANDONMENT AND THE OPERATOR HAS NOT FULFILLED SUCH OBLIGATION UNDER THE OIL AND GAS CONSERVATION GENERAL RULES OF THE STATE OF UTAH.
  2. THE DRAFT IS IN THE ESTIMATED COST OF PLUGGING EACH WELL SUBJECT TO THE LETTER OF CREDIT UP TO THE AGGREGATE AMOUNT OF THE LETTER OF CREDIT.

WE WILL BE ENTITLED TO RELY UPON THE STATEMENTS CONTAINED IN THE AFFIDAVIT AND WILL HAVE NO OBLIGATION TO INDEPENDENTLY VERIFY ANY STATEMENTS CONTAINED THEREIN.

**PHILLIPS PETROLEUM COMPANY**

Insurance, Real Estate and Claims  
P.O. Box 105  
Livermore, Colorado 80536

August 20, 2002

File: UT/Carbon 174; 10-695 Well  
Borrell, Richard B.

Diana Mason  
State of Utah Department of Natural Resources  
Division of Oil, Gas and Mining  
Oil and Gas Program  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

Dear Ms. Mason:

Phillips Petroleum Company plans to drill the 10-695 natural gas well, which will be located in the Southeast One-quarter of Section 10, Township 15 South, Range 10 East, S.L.B.&M., Carbon County, Utah. Phillips has filed an Application for Permit to Drill (APD) with the Division of Oil, Gas and Mining for this well.

Pursuant to the State of Utah Division of Oil, Gas and Mining, Oil and Gas Conservation General Rules, R659-3-34 ("Well Site Restoration Rule"), Phillips entered into a surface use agreement with the surface owner of the pad location for this well. The agreement includes an agreement for reclamation of the subject surface property and well site restoration. Enclosed is an Affidavit Concerning Surface Use Agreement evidencing Phillips' agreement with the surface owner for this well.

Please advise Jean Semborski with Phillips or me if you have questions or require additional information from Phillips regarding the subject surface use agreement.

Sincerely,

Deanna J. Walker  
Phone: 970-498-9677  
Fax: 970-498-9687  
E-mail: [dwalker@ppco.com](mailto:dwalker@ppco.com)

Enc.

cc: Jean Semborski, Phillips Petroleum Company

**RECEIVED**

AUG 26 2002

DIVISION OF  
OIL, GAS AND MINING

**AFFIDAVIT CONCERNING  
SURFACE USE AGREEMENT**

STATE OF COLORADO    }  
  }  
COUNTY OF LARIMER    }

**DEANNA J. WALKER**, being first duly sworn upon her oath, deposes and says:

1. I am a Senior Real Estate Specialist in the Insurance, Real Estate and Claims department of Phillips Petroleum Company, a Delaware corporation, duly authorized to transact business in the State of Utah, (“Phillips”) and am authorized to execute this Affidavit on behalf of said corporation.
  
2. Richard Bert Borrell (“Surface Owner”) owns the surface estate of property described as follows (“Property”):

Township 15 South, Range 10 East, SLB&M., Carbon County, Utah:

Section 10: N½SW¼

Less the following Parcel:

Beginning at the West Quarter Corner of said section, and running North 89°32’30” East 785.00 feet, along the North line of said Quarter section;  
Thence South 0°22’25” West 489.33 feet;  
Thence South 79°16’35” West 787.50 feet to the West line of said Quarter section;  
Thence North 00°43’53” West 629.62 feet, along the West line of said Quarter section to the point of beginning.

Less the following Parcel:

Beginning at the Northeast corner of the Northeast Quarter of the Southwest Quarter of Section 10, Township 15 South, Range 10 East, Salt Lake Base and Meridian; and running South 89°32’24” West 1042.42 feet, to the North Right Of Way Boundary of Ridge Road;  
Thence South 71°21’12” East 567.58 feet, along the North Right Of Way Boundary of Ridge Road, to the point of curve of a 950.00 foot radius curve to the right; thence along the arc 311.76 feet; thence South 50°15’42” East 306.50 feet, along the North Right Of Way Boundary of Ridge Road, to the East line of the Northeast Quarter of the Southwest Quarter of said Section 10; thence North 0°38’14” West 533.56 feet, along

East line of said Northeast Quarter of the Southwest Quarter of Section 10, to the point of beginning, containing 5.03 acres more or less.

3. Phillips owns or operates oil and gas rights, including mineral leases, and may become holder of other oil and gas rights, including mineral leases, underlying and in the vicinity of the Property ("Leases") and desires to enter on the Property for the purposes of conducting oil and gas operations related to such oil and gas rights, including mineral leases.
4. Phillips entered into a Surface Use and Damage Agreement effective as of the 15th day of July, 2002 with the Surface Owner covering the Property. In addition to other agreements and as required by the State of Utah Division of Oil, Gas and Mining, Oil and Gas Conservation General Rules, R649-3-34 ("Well Site Restoration Rule"), the Surface Use and Damage Agreement sets forth the agreement between Phillips and the Surface Owner for reclamation of the Property and well site restoration for the surface pad location for Phillips' 10-695 well and associated infrastructure, which will be located on the Property. A Memorandum of Surface Use and Damage Agreement will be filed in the public records of Carbon County, Utah.
5. I execute and record this affidavit in accordance with the requirements of the Well Site Restoration Rule.
6. The matters stated herein are true of my own knowledge, except to any matters stated herein upon information and belief, and, as to those matters, I believe them to be true.

DATED this 20th day of August, 2002.

  
\_\_\_\_\_  
**DEANNA J. WALKER**  
Phillips Petroleum Company  
Senior Real Estate Specialist

Subscribed, sworn and acknowledged to and by Deanna J. Walker before me this 20th day of August, 2002.

  
\_\_\_\_\_  
NOTARY PUBLIC  
For the State of Colorado



My Commission Expires:

October 15, 2005

003

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/18/2002

API NO. ASSIGNED: 43-007-30861

WELL NAME: BORRELL 10-695  
OPERATOR: PHILLIPS PETROLEUM ( N1475 )  
CONTACT: JEAN SEMBORSKI

PHONE NUMBER: 435-613-9777

PROPOSED LOCATION:

NWSW 10 150S 100E  
SURFACE: 2369 FSL 1116 FWL  
BOTTOM: 2369 FSL 1116 FWL  
CARBON  
UNDESIGNATED ( 2 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DV2D	9/3/2002
Geology		
Surface		

LEASE TYPE: 4 - Fee  
LEASE NUMBER: FEE  
SURFACE OWNER: 4 - Fee

LATITUDE: 39.53446  
LONGITUDE: 110.79197

PROPOSED FORMATION: FRSD

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[4]  
(No. 78317150 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. MUNICIPAL )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

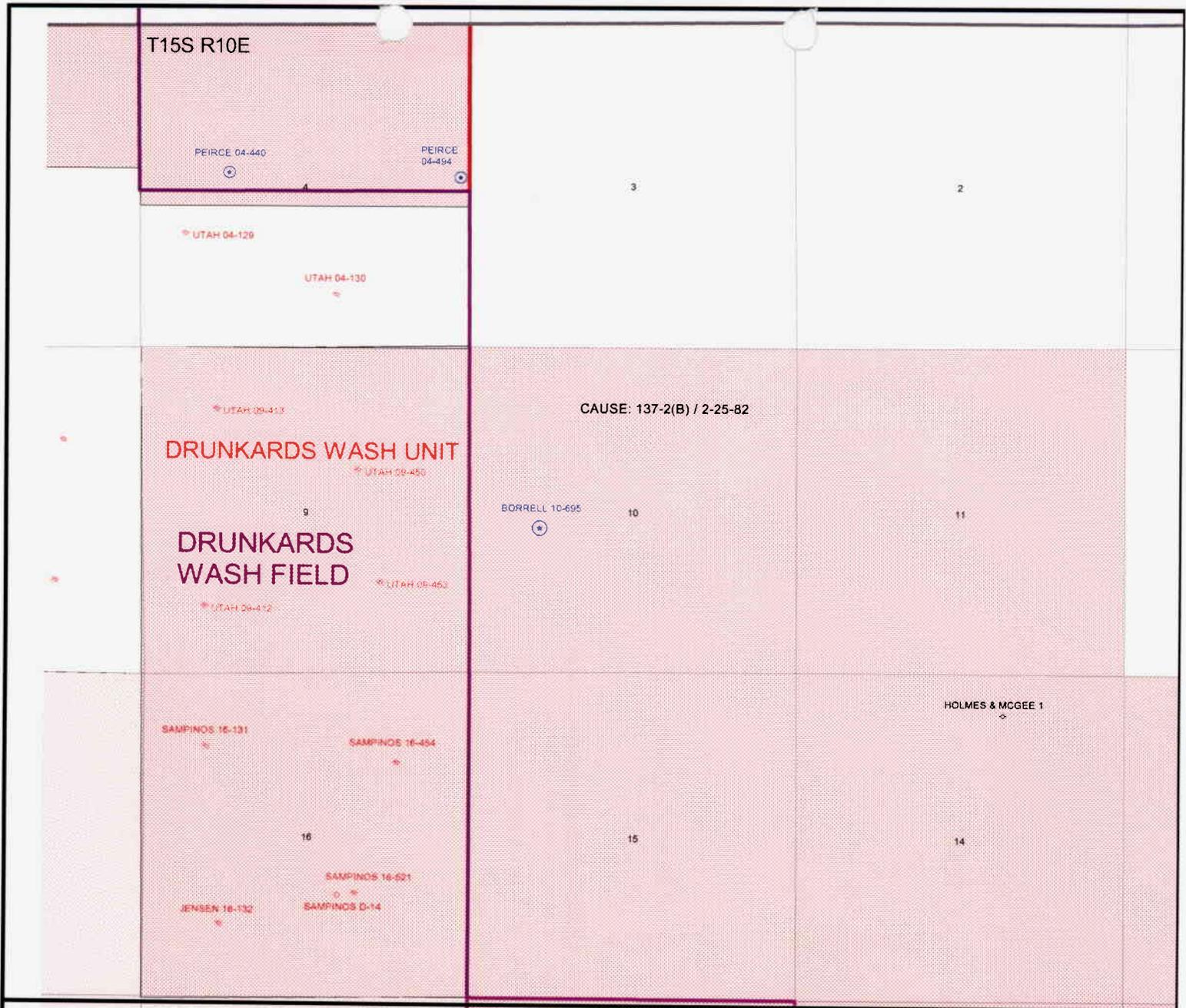
- R649-2-3.  
Unit \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 137-2(B) (160')  
Eff Date: 2-25-82  
Siting: \*1000' fr drilling unit boundary
- R649-3-11. Directional Drill

COMMENTS:

Need Permit (Recd 7/13/02)

STIPULATIONS:

1 - STATEMENT OF BASIS

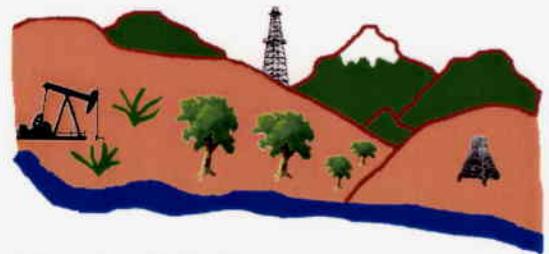


OPERATOR NAME: PHILLIPS PETRO (N1475)

SEC. 10 T15S R10E

FIELD: UNDESIGNATED (002)

COUNTY: CARBON SPACING: 137-2(B) / 2-25-82



## Utah Oil Gas and Mining



Prepared By: D. Mason  
Date: 18-July-2002

### Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- Township.shp
- Sections

### Well Status

- Gas Injection
- Gas Storage
- Location Abandoned
- Location
- Plugged
- Producing Gas
- Producing Oil
- Shut-In Gas
- Shut-In Oil
- Temporarily Abandoned
- Test Well
- Water Injection
- Water Supply
- Water Disposal

### Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

09-02 Phillips Borrell 10. 15  
Casing Schematic

Surface

Mance

8-5/8"  
MW 8.4  
Frac 13.

TOC @  
7.

Surface  
130. MD

TOC @  
303.

BOP

$\frac{BOP}{(0.052)(8.4)(1300)} = 568 \text{ psi}$   
Anticipated = 563 psi

860'  
Bluegate/Ferron

w/15' & washout

935' TOC Tail

960'

1000' 55'

3M BOPF proposed

Adequate DRO  
9/3/2002

1000'

5-1/2"  
MW 8.4

Production  
1300. MD

Well name:	<b>09-02 Phillips Borrell 10-695</b>	
Operator:	<b>Phillips Petroleum Company</b>	Project ID:
String type:	Surface	43-007-30861
Location:	Carbon County	

<b>Design parameters:</b>	<b>Minimum design factors:</b>	<b>Environment:</b>
<b>Collapse</b>	<b>Collapse:</b>	H2S considered? No
Mud weight: 8.400 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 67 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 130 ft
	<b>Burst:</b>	Cement top: 7 ft
	Design factor 1.00	
<b>Burst</b>	<b>Tension:</b>	Non-directional string.
Max anticipated surface pressure: 0 psi	8 Round STC: 1.80 (J)	
Internal gradient: 0.436 psi/ft	8 Round LTC: 1.80 (J)	
Calculated BHP 57 psi	Buttress: 1.60 (J)	
No backup mud specified.	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
	Tension is based on air weight.	<b>Re subsequent strings:</b>
	Neutral point: 114 ft	Next setting depth: 1,300 ft
		Next mud weight: 8.400 ppg
		Next setting BHP: 567 psi
		Fracture mud wt: 13.000 ppg
		Fracture depth: 130 ft
		Injection pressure 88 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ( )
1	130	8.625	24.00	J-55	ST&C	130	130	7.972	852

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	57	1370	24.15	57	2950	52.00	3	244	78.21 J

↓  
BHP = 567 psi

Prepared by: Dustin Doucet Utah Dept. of Natural Resources	Phone: 801-538-5281 FAX: 801-359-3940	Date: September 3, 2002 Salt Lake City, Utah
---	--	---

ENGINEERING STIPULATIONS: NONE  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 130 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

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

Well name:	<b>09-02 Phillips Borrell 10-695</b>	
Operator:	<b>Phillips Petroleum Company</b>	Project ID:
String type:	Production	43-007-30861
Location:	Carbon County	

<b>Design parameters:</b>	<b>Minimum design factors:</b>	<b>Environment:</b>
<b>Collapse</b>	<b>Collapse:</b>	H2S considered? No
Mud weight: 8.400 ppg	Design factor: 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 83 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 250 ft
	<b>Burst:</b>	Cement top: 303 ft
	Design factor: 1.00	
<b>Burst</b>		Non-directional string.
Max anticipated surface pressure: 0 psi	<b>Tension:</b>	
Internal gradient: 0.436 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP: 567 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
	Tension is based on air weight.	
	Neutral point: 1,134 ft	

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ( )
1	1300	5.5	17.00	N-80	LT&C	1300	1300	4.767	9326

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	567	6290	11.09	567	7740	13.64	22	348	15.75 J

Prepared by: Dustin Doucet Utah Dept. of Natural Resources	Phone: 801-538-5281 FAX: 801-359-3940	Date: September 3, 2002 Salt Lake City, Utah
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ENGINEERING STIPULATIONS: NONE  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 1300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

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

**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

OPERATOR: Phillips  
WELL NAME & NUMBER: Borrell 10-695  
API NUMBER: 43-007-30861  
LEASE: Fee FIELD/UNIT: \_\_\_\_\_  
LOCATION: 1/4,1/4 NWSW Sec: 10 TWP: 15S RNG: 10E 2369 FSL 1116 FWL  
LEGAL WELL SITING: 1000 F drilling unit boundary.  
GPS COORD (UTM): X = 517874 E; Y = 4375901 N SURFACE OWNER: Richard Borrell.

**PARTICIPANTS**

M. Jones (DOGM), J. Semborski and J. Mudon (Phillips), L. Jensen (NELCO), Richard Borrell (surface). Carbon County was invited but chose not to attend the onsite.

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

Proposed location is ~4 miles South of Price, Utah just South of what is called locally "4 mile hill". The direct area drains to the South into Miller Creek and then into the Price River, a year-round live water source. The Carbon Canal lies south of the location ~300'. The soil is a gravelly clay shale mix and is erosive when disturbed. The location is located East of Highway 10 ~.5 mile. Proposed access will be from the west from the county road not from Ridge Road, also a county road.

**SURFACE USE PLAN**

CURRENT SURFACE USE: Grazing and farming activities.

PROPOSED SURFACE DISTURBANCE: 235' x 175' and a 50' x 50' x 10' pit.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 1 proposed gas wells and 4 producing gas wells are within a 1 mile radius of the above proposed well.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Along roadside.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and transported in.

ANCILLARY FACILITIES: None anticipated.

**WASTE MANAGEMENT PLAN:**

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. Crude oil production is unlikely. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected into the Navajo Sandstone via a salt-water disposal well. Used oil from drilling operations and support is hauled to a used oil recycler and reused.

**ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: Carbon Canal is located ~300 feet of the South edge of the location.

FLORA/FAUNA: Very little, if any, vegetation growing on and near the proposed location. Soil is of gravely clay type.

SOIL TYPE AND CHARACTERISTICS: Gravely shale clay mix.

EROSION/SEDIMENTATION/STABILITY: Moderately erosive upon disturbance.

PALEONTOLOGICAL POTENTIAL: None observed.

**RESERVE PIT**

CHARACTERISTICS: Dugout earthen pit.

LINER REQUIREMENTS (Site Ranking Form attached): Liner required.

**SURFACE RESTORATION/RECLAMATION PLAN**

As per surface use agreement.

SURFACE AGREEMENT: In negotiation.

CULTURAL RESOURCES/ARCHAEOLOGY: Completed, on-file, and is clear.

**OTHER OBSERVATIONS/COMMENTS**

Access to come from the West off of county roadway rather than from the North off of Ridge Road, also a county road, that is very busy with heavy truck traffic. Utilities and pipelines will come from the North traveling along the west side of the location.

**ATTACHMENTS**

Photos of this location were taken and placed on file.

Mark L. Jones  
DOGM REPRESENTATIVE

July 03, 2002 / 1:30 pm  
DATE/TIME

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

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

**Final Score**      40      (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.  
Sensitivity Level II = 15-19; lining is discretionary.  
Sensitivity Level III = below 15; no specific lining is required.

**DIVISION OF OIL, GAS AND MINING**  
**APPLICATION FOR PERMIT TO DRILL**  
**STATEMENT OF BASIS**

**OPERATOR:** Phillips  
**WELL NAME & NUMBER:** Borrell 10-695  
**API NUMBER:** 43-007-30861  
**LOCATION:** 1/4,1/4 NWSWW Sec: 10 TWP: 15S RNG: 10E 2369 FSL 1116 FWL

**Geology/Ground Water:**

A silty, poorly-permeable soil is developed on the Blue Gate Shale Member of the Mancos Shale. No aquifers with high quality ground water are likely to be encountered. The proposed casing and cement program will adequately isolate any water-bearing strata. There are no nearby water wells and only on water right has been filed within a mile, that on the Price River.

**Reviewer:** Christopher J. Kierst    **Date:** 7/23/2002

**Surface:**

Proposed location is ~4 miles South of Price, Utah just South of what is called locally "4 mile hill". The direct area drains to the South into Miller Creek and then into the Price River, a year-round live water source. The Carbon Canal lies south of the location ~300'. The soil is a gravely clay shale mix and is erosive when disturbed. The location is located East of Highway 10 ~.5 mile. Proposed access will be from the west from the county road not from Ridge Road, also a county road. Richard Borrell, surface owner, was present during the on-site. Carbon County was invited but chose not to attend.

**Reviewer:** Mark L. Jones    **Date:** July 17, 2002

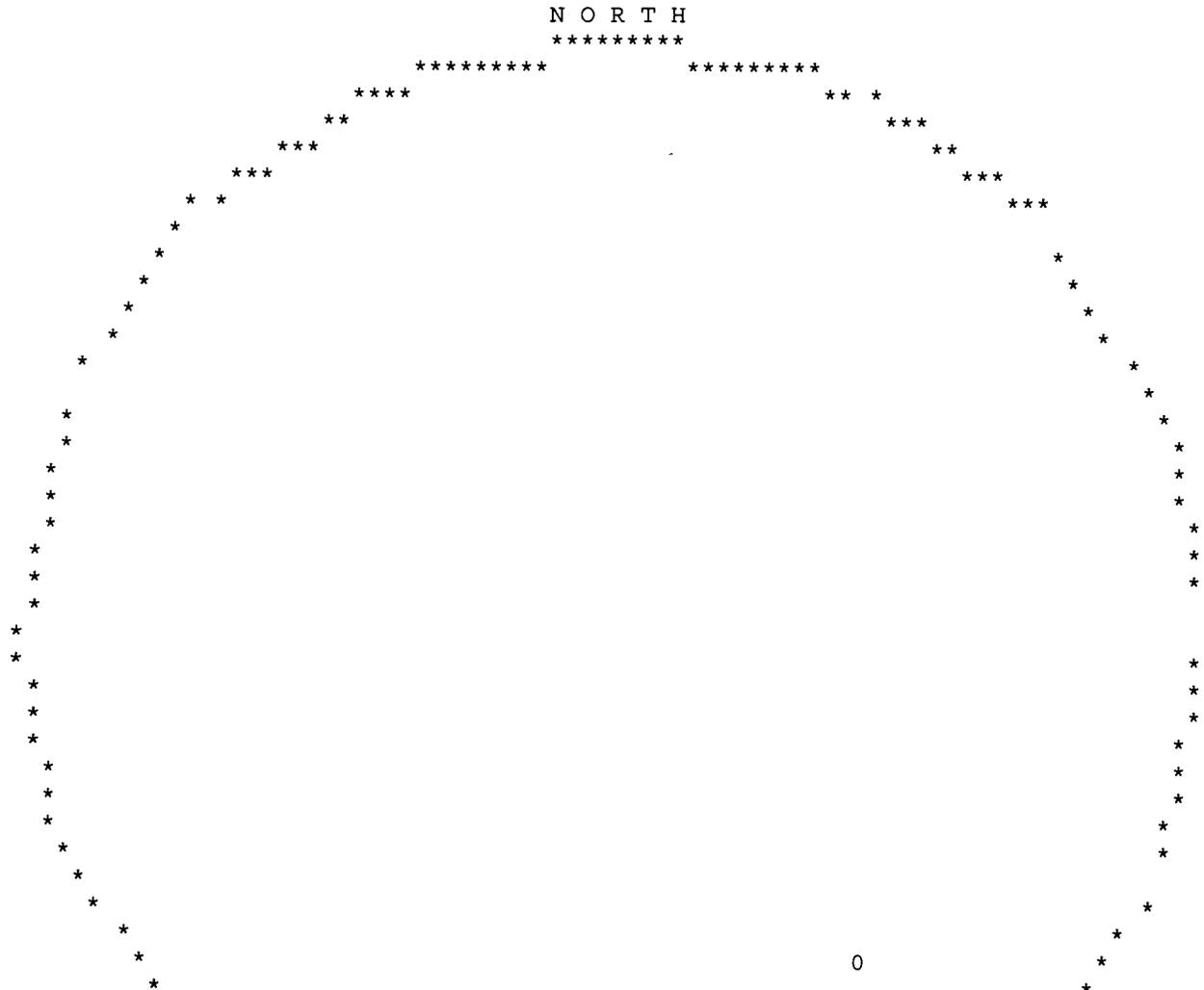
**Conditions of Approval/Application for Permit to Drill:**

1. Culverts as needed where crossing drainages sufficient to handle run-off.
2. Berm the location and pit to deflect runoff from entering location and prevent any drilling and/or production fluids from leaving the location
3. Construction of location and access road as per discussion during on-site evaluation.
4. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

UTAH DIVISION OF WATER RIGHTS  
 WATER RIGHT POINT OF DIVERSION PLOT CREATED TUE, JUL 23, 2002, 12:53 PM  
 PLOT SHOWS LOCATION OF 1 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET FROM A POINT  
 N 2369 FEET, E 1116 FEET OF THE SW CORNER,  
 SECTION 10 TOWNSHIP 15S RANGE 10E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FEET



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UTAH DIVISION OF WATER RIGHTS  
 NWPLAT      POINT OF DIVERSION LOCATION PROGRAM

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MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO DIAMETER	DEPTH	YEAR LOG	NORTH	EAST	POINT OF DIVERSION DESCRIPTION CNR	SEC	TWN	RNG	E
0	91 2323	.0000	.00	Price River									
		WATER USE(S): STOCKWATERING Draper, Asa & Beulah											
													PRIORITY DATE: 00/00/ Wellington

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004



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

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

September 4, 2002

Phillips Petroleum Company  
P O Box 851  
Price, UT 84501

Re: Borrell 10-695 Well, 2369' FSL, 1116' FWL, NW SW, Sec. 10, T. 15 South, R. 10 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-007-30861.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Baza'.

John R. Baza  
Associate Director

pb  
Enclosures  
cc: Carbon County Assessor

**Operator:** Phillips Petroleum Company

**Well Name & Number** Borrell 10-695

**API Number:** 43-007-30861

**Lease:** Fee

**Location:** NW SW      **Sec.** 10      **T.** 15 South      **R.** 10 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

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

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

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



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,

**RECEIVED**

DEC 02 2002

DIVISION OF  
OIL, GAS AND MINING

**DIVISION OF OIL, GAS AND MINING****SPUDDING INFORMATION**Name of Company: PHILLIPS PETROLEUM COMPANYWell Name: BORRELL 10-695Api No: 43-007-30861 Lease Type: FEESection 10 Township 15S Range 10E County CARBONDrilling Contractor PENSE BROTHERS DRL RIG # 9**SPUDDED:**Date 12/10/02Time NOONHow DRY**Drilling will commence:** \_\_\_\_\_Reported by FRANKIE HATHAWAYTelephone # 1-435-613-9777Date 12/11/2002 Signed: CHD

006

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:

Fee

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

1. Type of Well: OIL  GAS  OTHER:

8. Well Name and Number:

Borrell 10-695

2. Name of Operator:

Phillips Petroleum Company

9. API Well Number:

43-007-30861

3. Address and Telephone Number:

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

10. Field or Pool, or Wildcat:

Drunkards Wash

4. Location of Well Footages:

2369' FSL, 1116' FWL

County: Carbon County

QQ, Sec., T., R., M.:

NW/4, SW/4 Sec. 10, T. 15S, R. 10E, SLB&M

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, New Construction, Pull or Alter Casing, 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 Spud Notice, New Construction, Pull or Alter Casing, 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 Borrell 10-695 well was spud on 12/10/2002 at 3:15 P.M. Pense bros. Rig #9 Dry drill

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13.

Name & Signature: Frankie Hathaway Title: Operations Clerk-Development Date: 12/16/02

(This space for state use only)

**Drilling Data**

**DAY 1 12/10/2002**

CURRENT DEPTH 160      CURRENT OPERATIONS: N/U BOP      ROTATING HRS: 2.00

1300 - 1500: Move Drilling Equipment on Location - R/U Drilling Equipment - Service Rig  
1500 - 1600: Spud Well - Set 10' Conductor - R/U Flowline  
1600 - 1700: Change 11" Bi - Drill 11" new formation to 160' TD  
1700 - 1800: TOO H - Run 6 joints 8-5/8" 24#, J55 Casing to 149.8'  
1800 - 1830: Cement Casing w/ 100 sks Type V, 2% CaCal, 1/4#/sk Poly E Flake  
1830 - 1900: R/D Cementing equipment + Shut drilling equipment  
1900 - 0700: Shut down for the night

**Estimated Daily Cost:** [REDACTED]

**DAY 2 12/11/2002**

CURRENT DEPTH 1250      CURRENT OPERATIONS: Prepare to Move      ROTATING HRS: 5.50

0700 - 0800: N/U BOP  
0800 - 0900: Test BOP as follows: Pipe Rams = 2000 psi for 10 mins - Blind Rams + Choke Manifold = 2000 psi  
for 10 mins - Casing = 400 psi for 30 mins  
0900 - 1000: N/U Flow Line  
1000 - 1030: TIH - Drill Cement to 160'  
1030 - 1530: Drill f/ 160' - 1250' TD - Inject water at 830'  
1530 - 1600: Clean Hole w/ Air - Displace Hole w/ 100 bbls 2% KCL  
1600 - 1700: TOO H to Log  
1700 - 1830: Log well w/ Density Induction + Neutron Gamma Ray + SP + Caliper - Top Ferron at 800' - Bottom Coal at 950'  
1830 - 1900: R/U Logging Equipment + Drilling Equipment  
1900 - 0700: Shut down for the night

**Estimated Daily Cost:**

**DAY 3 12/12/2002**

CURRENT DEPTH 1250      CURRENT OPERATIONS: Waiting on Daylight      ROTATING HRS: 0.00

1030 - 1200: Move on Location - R/U Service Rig Equipment - Tally Casing  
1200 - 1400: P/U and Run 29 joints 5-1/2", 17#, N-80 casing to 1227.88'  
1400 - 1430: WO Halliburton  
1430 - 1530: R/U and Cement casing w/ Lead: 100 sks 50/50 POZ, 8% Gel, 10% Cal Seal, 1/4#/Sk Floecele, @ 12.5 ppg, 1.97 Yield - Tail: 90 sks Type V, 10% Cal Seal, 1% CaC12, 1/4#/Sk Floecele, @ 14.2 ppg,  
1.60 Yield - Bump Plug w/ 1550 psi - 12 bbls cement returns to surface - Bump Plug @ 1520 hours  
1530 - 1630: R/D Cementing Unit - Shut down for the night  
1630 - 0700: Shut for the night w/ WOC

**Estimated Daily Cost:** [REDACTED]

**DAY 4 12/13/2002**

CURRENT DEPTH 1250      CURRENT OPERATIONS: Well Complete      ROTATING HRS: 0.00

0700 - 0800: L/D Cement Head + Loading Sub + N/D BOP + N/U Wellhead + Test Wellhead to 3000 psi (Test Good)  
0800 - 0930: P/U 4-3/4" Bit + Casing Scrapper + P/U 40 joints 2-7/8", J55 Tubing and tagged @1226' - TOO H laying down tubing + Scrapper + Bit  
0930 - 1030: R/U Service Rig equipment  
1030 - 1100: Move off location  
1100 - 0700: Well complete - Shut down

**Estimated Daily Cost:** [REDACTED]



007

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 <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: _____	5. Lease Designation and Serial Number: Fee
2. Name of Operator: Phillips Petroleum Company	6. If Indian, Allottee or Tribe Name: N/A
3. Address and Telephone Number: 6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777	7. Unit Agreement Name: N/A
4. Location of Well Footages: 1369' FSL, 1116' FWL QQ, Sec., T., R., M.: NW/4, SW/4 Sec. 10, T. 15S, R. 10E, SLB&M	8. Well Name and Number: Borrell 10-695
	9. API Well Number: 43-007-30861
	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)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ Approximate date work will start _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Well Report</u> Date of work completion _____
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> 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.)

See Attached:

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CONFIDENTIAL

13

Name & Signature: Frankie Hathaway *Frankie Hathaway* Title: Operations Clerk-Development Date: 12/16/02

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ENTITY ACTION FORM - FORM 6

008

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	13686	43-007-30861	Borrell 10-695	NWSW	10	15S	10E	Carbon	12/10/02	12-18-02
WELL 1 COMMENTS: New single well spud outside PA and outside of Unit Boundary											
A	99999	13687	43-007-30856	Peirce 04-494	SENE	04	15S	10E	Carbon	12/12/02	12-18-02
WELL 2 COMMENTS: New single well spud outside PA but inside of Unit Boundary											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

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- ACTION CODES (See Instructions on back of form)
- A - Establish new entity for new well (single well only)
  - B - Add new well to existing entity (group or unit well)
  - C - Re-assign well from one existing entity to another existing entity
  - D - Re-assign well from one existing entity to a new entity
  - E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

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Frankie Hathaway *Frankie Hathaway*  
Signature  
Operations Clerk/Dev. 12/16/02  
Title Date  
Phone No. (435)613-9777

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

009

5. Lease Designation and Serial Number:

FEE

**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.

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Borrell 10-695

9. API Well Number:

43-007-30861

10. Field or Pool, or Wildcat:

Drunkards Wash

1. Type of Well: OIL  GAS  OTHER:

2. Name of Operator: ConocoPhillips

3. Address and Telephone Number: 6825 S. 5300 W. P.O. Box 851 Price, Utah 84501 (435) 613-9777

4. Location of Well Footages: 2 1369' FSL, 1116' FWL  
QQ, Sec., T., R., M.: NW/4 SW/4 Section 10, T15S, R10E, 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 Casing |
| <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 Casing |
| <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>1st Production Notification</u> |   |
- Date of work completion \_\_\_\_\_

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 Borrell 10-695 showed first production on: 1/23/03  
Gas production: 43 mcf  
Water production: 756 bbl

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FEB 04 2003

DIV. OF OIL, GAS & MINING

13.

Name & Signature: Frankie Hathaway *Frankie Hathaway* Title: Operations Clerk/Development Date: 1/30/03

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**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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<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.

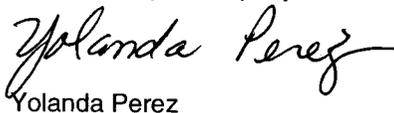
Conoco Inc. was merged into Phillips Petroleum Company, the surviving corporation, on December 31, 2002. In connection with this merger and effective on the same date, the name of the surviving corporation was changed to "ConocoPhillips Company". We are requesting that a new Operator Number be assigned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

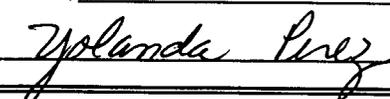
Current Operator  
Phillips Petroleum Company

  
Steve de Albuquerque

New Operator  
ConocoPhillips Company

  
Yolanda Perez

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**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)

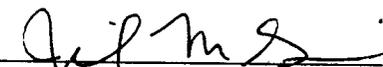


## SECRETARY'S CERTIFICATE

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.

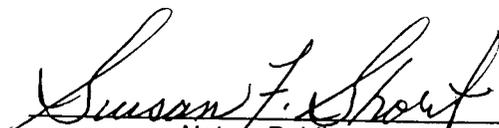
  
 Assistant Secretary  
 ConocoPhillips Company

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*

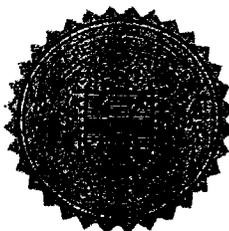
I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "PHILLIPS PETROLEUM COMPANY", CHANGING ITS NAME FROM "PHILLIPS PETROLEUM COMPANY" TO "CONOCOPHILLIPS COMPANY", FILED IN THIS OFFICE ON THE 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. 13:54 AM 02/12/2002 5  
STATE OF DELAWARE  
SECRETARY OF STATE  
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

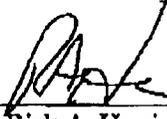
FROM RL&F#1

(THU) 12.12'02 13:32/ST. 13:31/NO. 4864756279 P 6

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

HOU03:884504.1

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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:

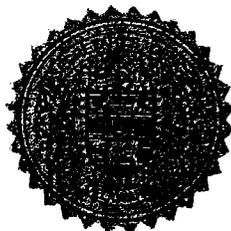
"CONOCO INC.", A DELAWARE CORPORATION,  
WITH AND INTO "CONOCOPHILLIPS COMPANY" UNDER THE NAME OF "CONOCOPHILLIPS COMPANY", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWELFTH DAY OF DECEMBER, A.D. 2002, AT 1:44 O'CLOCK P.M.

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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JAN 08 2003

DIV. OF OIL, GAS & MINING



0064324 8100M

030002793

*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)

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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

CONOCOPHILLIPS COMPANY

EFFECTIVE  
06/14/1946

EXPIRATION  
\*RENEWAL

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

Corporation - Foreign - Profit  
562960-0143

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	Twprd	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	15	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	Twpn	Twpd	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:		<b>12-31-02</b>
<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)**

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
RGC 28-319	28-15S-09E	43-007-30518	13111	FEE	GW	P
UTAH 29-339	29-15S-09E	43-007-30739	13151	STATE	GW	P
UTAH 29-340	29-15S-09E	43-007-30740	13152	STATE	GW	P
UTAH 29-341	29-15S-09E	43-007-30741	13254	STATE	GW	P
UTAH 29-342	29-15S-09E	43-007-30742	13262	STATE	GW	P
UTAH 30-484	30-15S-09E	43-007-30750	13153	STATE	GW	P
UTAH 30-485	30-15S-09E	43-007-30751	13154	STATE	GW	P
UTAH 30-486	30-15S-09E	43-007-30752	13256	STATE	GW	P
UTAH 30-487	30-15S-09E	43-007-30753	13255	STATE	GW	P
UTAH 34-688	34-15S-09E	43-007-30847	99999	STATE	GW	NEW
UTAH 27-686	27-16S-09E	43-007-30848	99999	STATE	GW	NEW
PEIRCE 04-494	04-15S-10E	43-007-30856	13687	FEE	GW	DRL
PEIRCE 04-440	04-15S-10E	43-007-30857	13688	FEE	GW	DRL
BORRELL 10-695	10-15S-10E	43-007-30861	13686	FEE	GW	DRL
USA 10-696	10-15S-10E	43-007-30862	99999	FEDERAL	GW	NEW
UTAH 21-83	21-15S-10E	43-007-30259	11712	STATE	GW	P
USA 29-455 (CA UTU-79452)	29-15S-10E	43-007-30507	13110	FEDERAL	GW	P
USA 31-309	31-15S-10E	43-007-30515	99999	FEDERAL	GW	APD
UTAH 10-556	10-16S-08E	43-015-30266	99999	STATE	GW	NEW
PPCO 10-557	10-16S-08E	43-015-30279	13633	FEE	GW	P

**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 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: 02/13/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 02/13/2003

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:**

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CONFIDENTIAL

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WELL 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  
ConocoPhillips 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 2369' FSL, 1116' FWL  
At top prod. interval reported below  
At total depth

14. API NO. 43-007-30861 DATE ISSUED 9/4/02  
CONFIDENTIAL PERIOD EXPIRED ON 2-20-04

5. LEASE DESIGNATION AND SERIAL NO. FEE

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

7. UNIT AGREEMENT NAME N/A

8. FARM OR LEASE NAME Borrell

9. WELL NO. 10-695

10. FIELD AND POOL, OR WILDCAT Drunkards Wash

11. SEC. T., R., M. OR BLOCK AND SURVEY OR AREA NW/4, SW/4, Sec. 10, T15S, R10E SLB&M

12. COUNTY Carbon 13. STATE Utah

15. DATE SPUNDED 12/10/02 16. DATE T.D. REACHED 12/11/02 17. DATE COMPL. (Ready to plug & Abd.) 11/20/03 18. ELEVATIONS (DF, REB, RT, GR, ETC.) 5632' 19. ELEV. CASINGHEAD N/A

20. TOTAL DEPTH, MD & TVD 1250' 21. PLUG BACK T.D., MD & TVD 1226' 22. IF MULTIPLE COMPL. HOW MANY N/A 23. INTERVALS DRILLED BY → ROTARY TOOLS to TD CABLE TOOLS N/A

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD OR TVD) Ferron Coal - Top Coal 804' & Bottom Coal 947' 25. WAS DIRECTIONAL SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS RUN *BL/G.R. - 1-13-03* 27. WAS WELL CORED YES  NO  DRILL STEM TEST YES  NO  (Submit analysis) (See reverse side)

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	10'	15"		
8 5/8"	24#	150'	11"	100 sks Class G, 2%, 4% Gell & 1/4#/sk Flocel	
5 1/2"	17#	1229'	7 7/8"	100 sks 50/50 POZ, 8% D-20, 10% D-44, 2% S-1	
				90 sks 10-1 RFC (Thixtropic)	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET
					2-7/8"	980'	N/A

31. PERFORATION RECORD (Interval, size and number) Ferron Coal

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
Upper: 804'-806', 808'-812', 826'-828', 830'-832', 834'-836'	4spf .42"
Middle: 902'-904', 906'-908', 910'-912'	4spf .42"
Lower: 933'-935', 937'-939', 941'-943', 945'-947'	4spf .42"

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

33. PRODUCTION DATE FIRST PRODUCTION 1/23/03 PRODUCTION METHOD (Flowing, gas lift, pumping---size and type of pump) Pumping - 2 1/2" x 2" x 16' RWAC WELL STATUS (Producing or shut-in) Producing

DATE OF TEST 1/23/03 HOURS TESTED 24hrs. CHOKO SIZE ----- PROD'N FOR TEST PERIOD → OIL---BBL. N/A GAS---MCF 116 WATER---BBL. 587 GAS-OIL RATIO N/A

FLOW TUBING PRESS 38 CASING PRESSURE 37 CALCULATED 24-HOUR RATE → OIL---BBL. N/A GAS---MCF 116 WATER---BBL. 587 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 *Kevin E. Snow* DIV. OF OIL, GAS & MINING Operations Superintendent DATE 2/11/03

RECEIVED

FEB 11 2003

CONFIDENTIAL

WELL NUMBER: Borrell 10-695

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.
	TOP	MEAS. DEPTH	TRUE VERT. DEPTH
Ferron	947'	950'	Coals and Sandstones  Coal Interval: 947'-950'
			Blue Gate Bentonite  657'
			Tununk Shale  1064'
			Ferron Sandston  800'

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**ORIGINAL**

012

**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 DEEPEEN form for such proposals.

1. Type of Well: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER <input checked="" type="checkbox"/>	5. Lease Designation and Serial Number: FEE
2. Name of Operator: ConocoPhillips Company	6. If Indian, Allottee or Tribe Name: N/A
3. Address and Telephone Number: 6825 South 5300 West, P.O. Box 851, Price, UT 84501 (435) 613-9777	7. Unit Agreement Name: N/A
4. Location of Well Footages: 2369' FSL, 1116' FWL QQ, Sec., T., R., M.: NW/SW, SEC. 10, T15S, R10E, SLB & M	8. Well Name and Number: Borrell 10-695 9. API Well Number: 43-007-30861 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)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ Approximate date work will start _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Acid Treatment</u> Date of work completion <u>06/25/2003</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Csg <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Csg <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> 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 4000 gallons of low Ph fluid & 250 gallons of 4% HCL on 06/25/2003.

13. Name & Signature: Lynnette Allred Title: Operations Clerk—Production Date: 06/27/03

(This space for state use only)

**RECEIVED**  
**JUL 07 2003**  
DIV. OF OIL, GAS & MINING