

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

FORM 3

AMENDED REPORT
(HIGHLIGHT CHANGES)

001

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO. ML-39038	6. SURFACE Carbon County
1A. Type of Work: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: Drunkards Wash UTU-67921X	
2. NAME OF OPERATOR: ConocoPhillips Company		9. WELL NAME and NUMBER: Utah 19-532	
3. ADDRESS OF OPERATOR: 6825 South 5300 West, P.O. Box 851, Price, Utah 84501 CITY STATE ZIP		PHONE NUMBER: (435) 613-9777	10. FIELD AND POOL, OR WILDCAT: Drunkards Wash
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2556' FNL, 2488' FEL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SW/4 NE/4 Section 19, T14S, R10E, SLB&M	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 1.7 miles west of Price, UT		12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 165'	16. NUMBER OF ACRES IN LEASE: 593.52 acres	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2400'	19. PROPOSED DEPTH: 1875'	20. BOND DESCRIPTION: Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.) 5707.8' GR	22. APPROXIMATE DATE WORK WILL START: December 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'	
11"	J-55 8 5/8" 24#/ft	188'	75 sks G+2&CaCl+1/4#/sk flocc
7 7/8"	N-80 5 1/2" 17#/ft	1865'	100 sks 50/50poz8%gel+2%CaCl+1%extender
			90 sks "G" thixotropic

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED 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

Name & Signature: Jean Semborski Title: Permitting Supervisor Date: 1/29/03

(This space for state use only)

API Number Assigned: 43-007-30894

CONFIDENTIAL

(11/2001)

Approved by the Utah Division of Oil, Gas and Mining

Date: 03-03-03

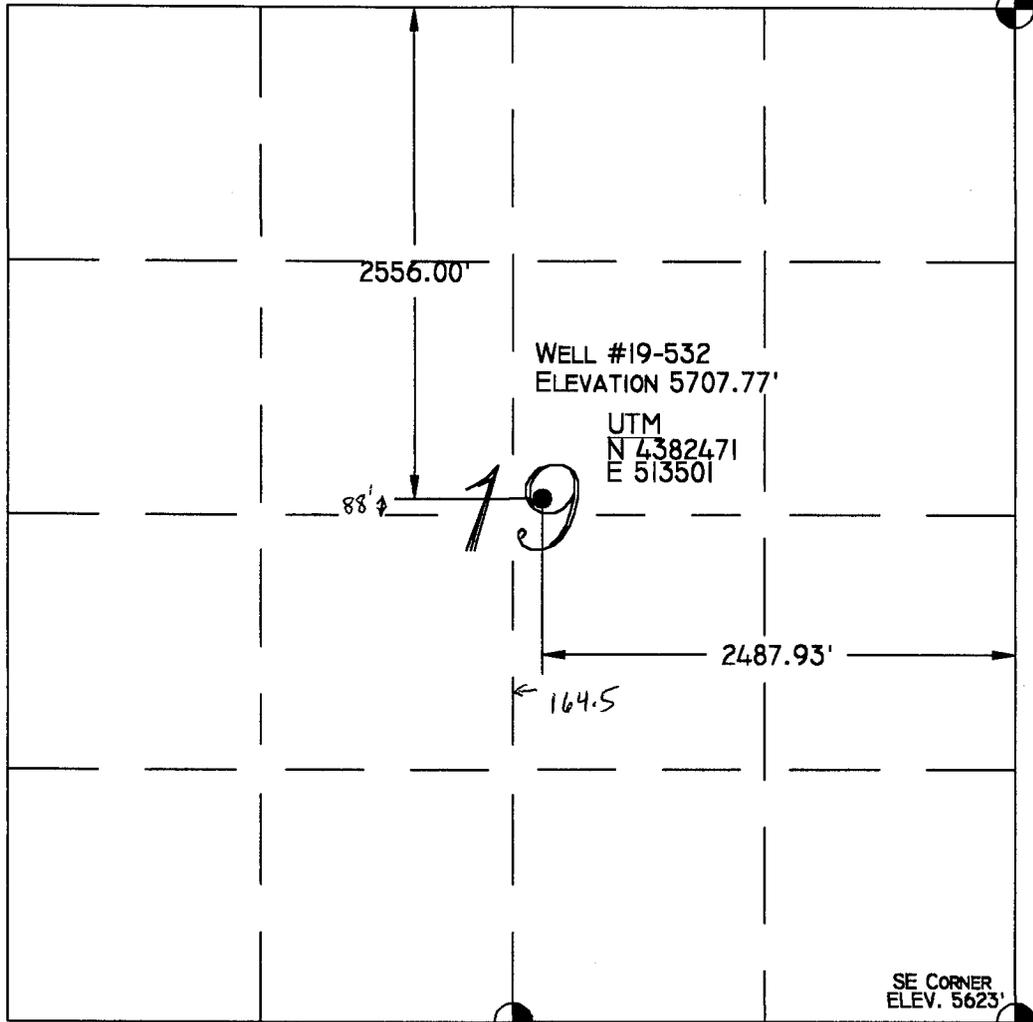
By: [Signature]

RECEIVED
FEB - 4 2003
DIV OF OIL, GAS & MINING

Range 10 East

(5273.40')

Township 14 South



WELL #19-532
ELEVATION 5707.77'

UTM
N 4382471
E 513501

88'

(5281.32') **N89°34'43"E - 2652.42'**

SE CORNER
ELEV. 5623'

N00°10'33"W - 5288.04'

Legend

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

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

LAT / LONG
39°35'38"N
110°50'34"W

GPS Measured

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

Basis of Bearing:
THE BASIS OF BEARING IS GPS MEASURED.

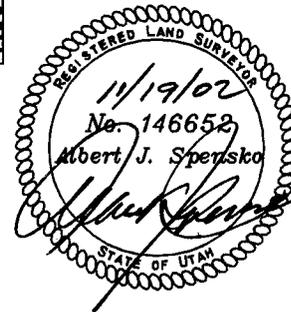
GLO Bearing:
THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED
FROM THE U.S. LAND OFFICE.

Basis of Elevation:
BASIS OF ELEVATION OF 5623' BEING AT THE SOUTHEAST SECTION CORNER
OF SECTION 19, TOWNSHIP 14 SOUTH, RANGE 10 EAST, SALT LAKE BASE
AND MERIDIAN, AS SHOWN ON THE HELPER QUADRANGLE 7.5 MINUTE
SERIES MAP.

Description of Location:
PROPOSED DRILL HOLE LOCATED IN THE SW1/4 NE1/4 OF SECTION 19,
T14S, R10E, S.L.B.&M., BEING 2556.00' SOUTH AND 2487.93' WEST
FROM THE NORTHEAST SECTION CORNER OF SECTION 19, T14S, 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



(IN FEET)

1 inch = 1000 ft.

TALON RESOURCES, INC.
375 S. Carbon Ave., Ste 101, (A-10)
Price - Huntington, Utah
Phone (435)637-8781 Fax (435)636-8603
E-Mail talon@castlernet.com

PHILLIPS PETROLEUM
WELL #19-532
Section 19, T14S, 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: 10/28/02
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 805

Exhibit "A" 1 of 3

003



6825 South 5300 West
P.O. Box 851
Price, UT 84501
phone 435.613.9777
fax 435.613.9782

January 29, 2003

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-
Utah 19-532, SW/4 NE/4 Sec.19
T14S, R10E, 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;

Utah 19-532
Page 2

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

Please accept this letter as ConocoPhillips' 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 Supervisor

cc: Mr. Eric Jones, BLM, Moab, Utah
Mr. Gene Herrington, Texaco
Mr. John Lennon, Dominion Resources
Mr. Don Stephens, BLM, Price, Utah
Ms. Jane Strickland, ConocoPhillips
Mrs. Deanna Walker, ConocoPhillips
Mr. Mark Jones, DOGM, Price, Utah
COP Well File

EXHIBIT "D"
DRILLING PROGRAM

Attached to Form 3
ConocoPhillips
Utah 19-532
SW/4, NE/4, Sec.19, T14S, R10E, SLB & M
2556' FNL, 2488' FEL
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 1465'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 1495' - 1575'

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 & JOINT</u>	<u>NEW, USED</u>
14"	40'	12-3/4"	Conductor	New
11"	188'	8-5/8"	24#ST&C	New
7-7/8"	1865'	5-1/2	17#LT&C	New

Cement Program -

Surface Casing: 75 sks G+2%CaCl+1/4#per sack flocel;15.8#/gal,density, 1.15 cu.ft/sk yield. Every attempt will be made to bring cement back to surface.

Production Casing: 100 sks 50/50 poz 8%gel +2%CaCl+10%extender;12.5#/gal, density, 1.92 cu.ft/sk yield.

90 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 812 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 December 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
ConocoPhillips
Utah 19-532
SE/4, NE/4, Sec.19, T14S, R10E, SLB & M
2556' FNL, 2488' FEL
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: 0%
- c. Turnouts: None
- d. Drainage design: 1 culvert 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 2 proposed and 7 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 Carbon County. Mineral ownership held by the State of Utah. 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:

Carbon County
120 East Main
Price, Utah 84501
435/636-3226

12. **Other Information:**

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 500 feet north.
- b. Nearest live water is Price River located at 6,000' east.
- 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 Supervisor
ConocoPhillips
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

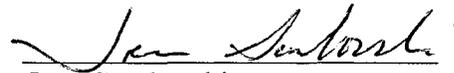
Excavation Contractor

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.

1/29/03
Date


Jean Semborski
Permitting Analyst
Phillips Petroleum Company

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

February 10, 2003

Memorandum

To: Assistant District Manager Minerals, Moab District

From: Michael Coulthard, Petroleum Engineer

Subject: 2003 Plan of Development Drunkards Wash Unit,
Carbon County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2003 within the Drunkards Wash, Carbon County, Utah.

Api Number	Well	Location
(Proposed PZ Ferron)		
43-007-30894	Utah 19-532 Sec. 19	T14S R10E 2556 FNL 2488 FEL
43-007-30897	USA 03-544 Sec. 3	T15S R08E 0315 FSL 1638 FWL
	BHL 1300 FSL 2400 FWL	
43-007-30898	USA 04-658D Sec. 3	T15S R08E 0315 FSL 1598 FWL
	BHL Sec. 4 0800 FSL 1300 FEL	
43-007-30899	USA 03-543 Sec. 3	T15S R08E 1335 FNL 0462 FEL
	BHL 1300 FNL 1700 FWL	
43-007-30900	USA 09-452 Sec. 10	T15S R08E 1006 FNL 2139 FWL
	BHL Sec. 9 1100 FNL 1200 FEL	
43-007-30901	USA 15-528D Sec. 15	T15S R08E 0315 FSL 0513 FEL
	BHL 1350 FSL 2020 FWL	
43-015-30597	Utah 33-601 Sec. 33	T16S R08E 1127 FNL 0661 FEL
43-015-30598	Utah 35-595 Sec. 35	T16S R08E 1152 FNL 1469 FWL
43-015-30596	Utah 33-604 Sec. 33	T16S R08E 0900 FSL 0577 FWL
43-015-30594	Utah 28-588 Sec. 28	T16S R08E 2344 FNL 1191 FEL
43-007-30895	Utah 32-617D Sec. 29	T15S R09E 1214 FSL 1900 FWL
	BHL Sec. 32 1400 FNL 1500 FWL (surface location outside of unit area)	

We have no objections to permitting the wells at this time.

/s/ Michael L. Coulthard

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

MCoulthard:mc:2-10-3

**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 Property Tax, Real Estate, Right of Way and Claims Organization of ConocoPhillips Company, a Delaware corporation duly authorized to transact business in the State of Utah, ("COPC") and am authorized to execute this Affidavit on behalf of said corporation.
2. **Carbon County, a Political Subdivision of the State of Utah, ("Surface Owner")** owns the surface estate of property located in the **Southwest One-quarter of the Northeast One-quarter of Section 19, Township 14 South, Range 10 East, S.L.B.&M., Carbon County, Utah** ("Property").
3. COPC 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 Petroleum Company entered into a Surface Use Agreement effective as of the 21st day of November 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 Rules"), the Surface Use Agreement sets forth the agreement between the parties for the protection of surface resources, reclamation of the Property and well site restoration, or damages in lieu thereof, for the surface pad location for Phillips' **Utah 19-532** well and associated infrastructure, which will be located on the Property. A Memorandum of Surface Use Agreement was filed in the public records of Carbon County, Utah as Reception Number 095579 in Book 519, Pages 367-370.
5. On December 31, 2002 Phillips Petroleum Company's name was changed to ConocoPhillips Company.
6. I execute and record this affidavit in accordance with the requirements of the Well Site Restoration Rules.

7. 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 February, 2003.


DEANNA J. WALKER
ConocoPhillips Company
Property Tax, Real Estate,
Right of Way and Claims
Senior Real Estate Specialist

Subscribed, sworn and acknowledged to and by Deanna J. Walker before me this 20th day of February, 2003.

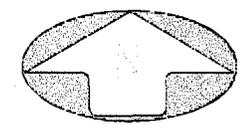
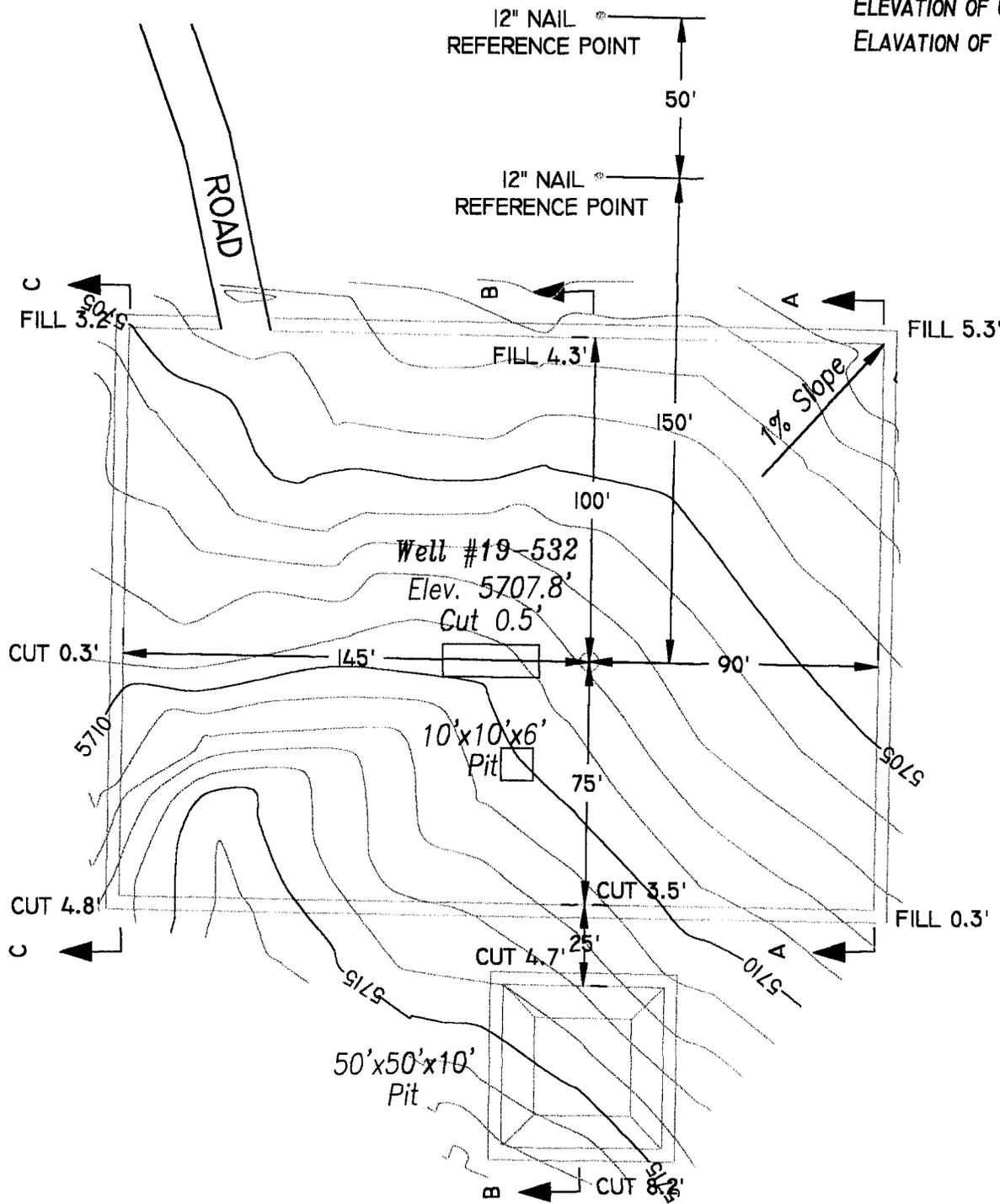

NOTARY PUBLIC
For the State of Colorado

My Commission Expires:

October 15, 2005



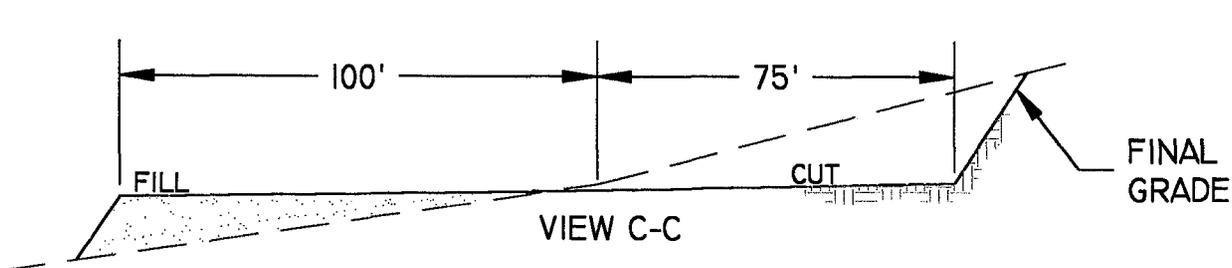
ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 5707.8'
 ELAVATION OF GRADED GROUND AT LOCATION STAKE = 5707.3'



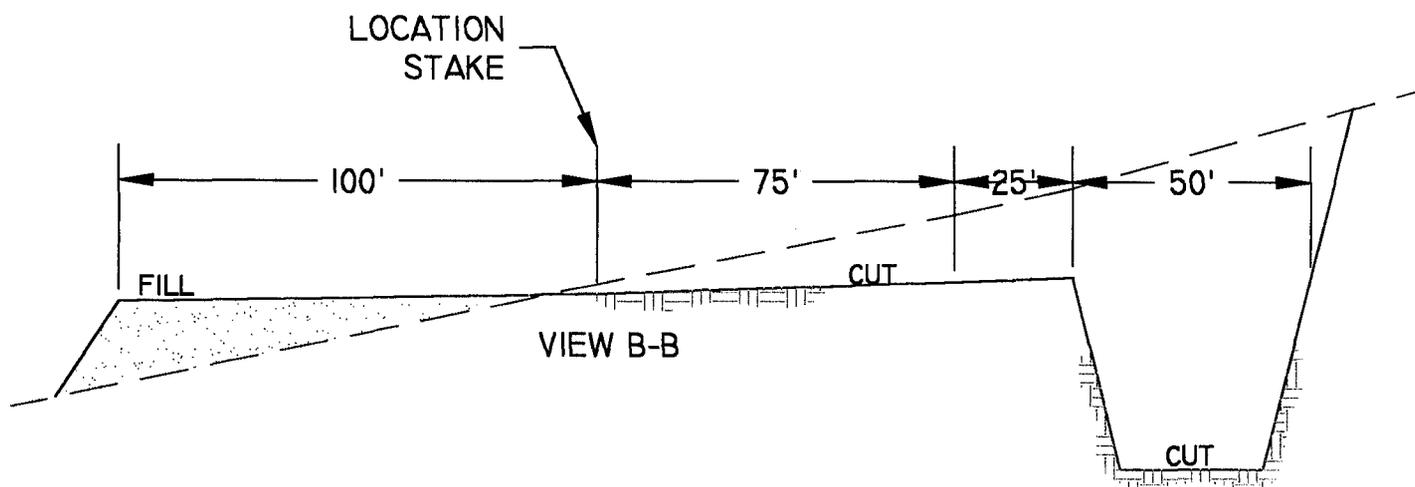
TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1290
 Huntington, Utah 84528
 Phone (435)637-8781 Fax (435)687-5311
 E-Mail talonnetv.net

PHILLIPS PETROLEUM
 LOCATION LAYOUT
 Section 19, T14S, R10E, S.L.B.&M.
 WELL #19-532

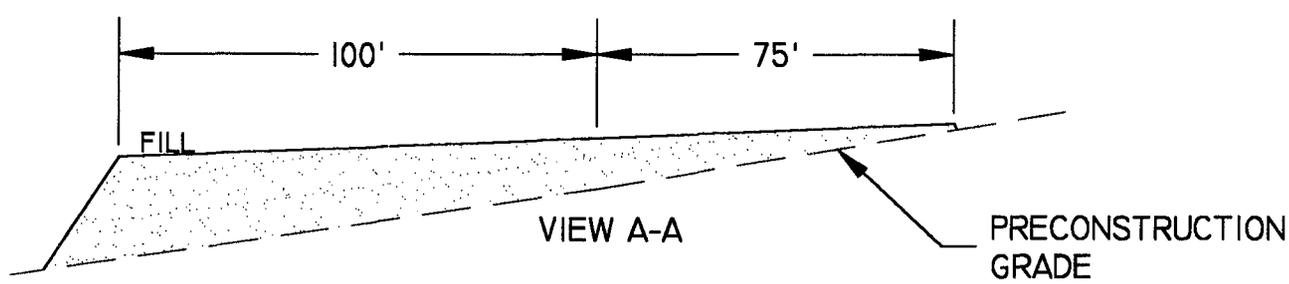
Drawn By: T. DAVIS	Checked By: L.W.J.
Drawing No. A-2	Date: 10/25/02
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 805



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



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

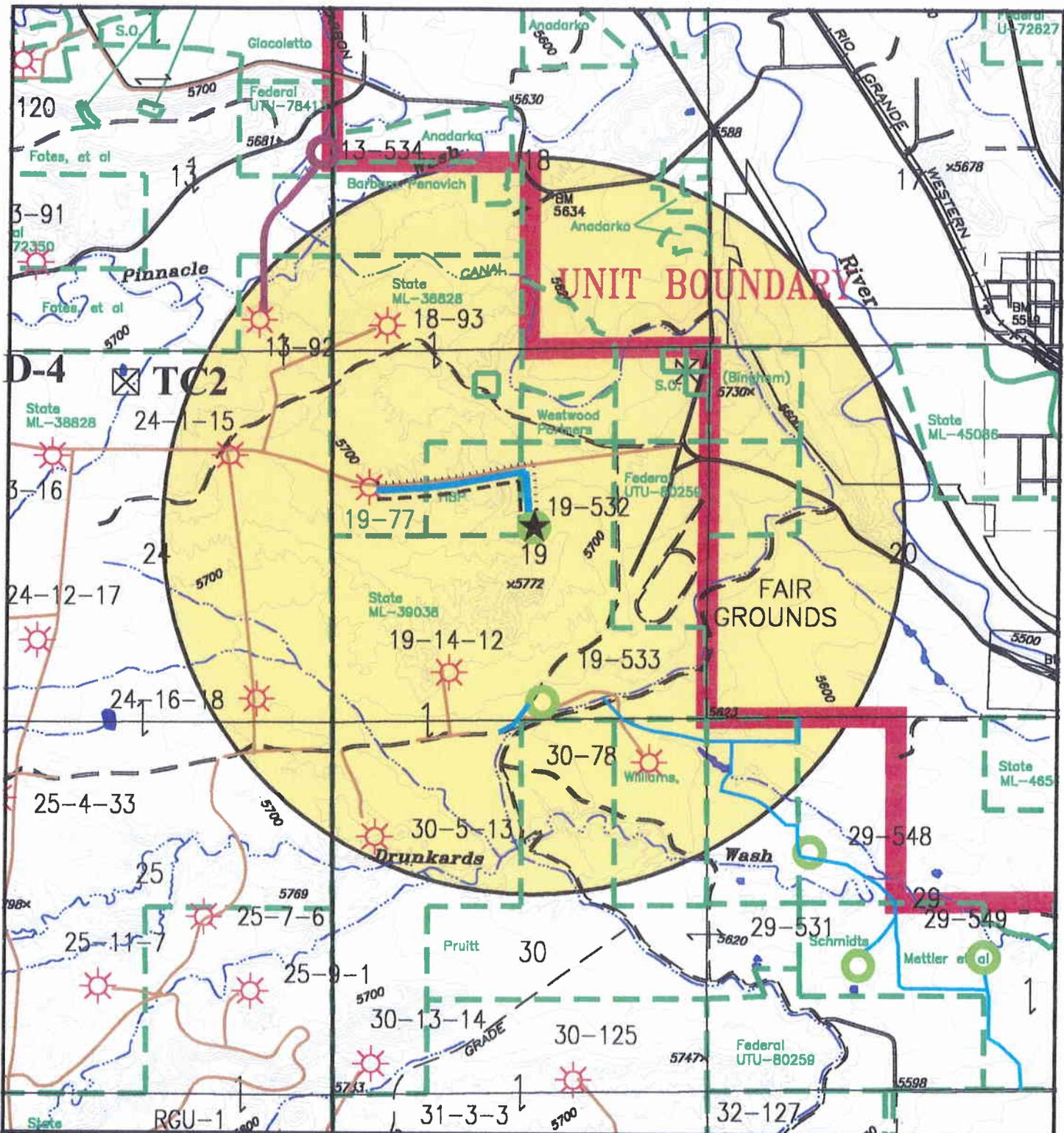


TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435) 637-3781 Fax (435) 687-5311
 E-Mail talon@tv.net

PHILLIPS PETROLEUM
 TYPICAL CROSS SECTION
 Section 19, T14S, R10E, S.L.B.&M.
 WELL #19-532

Drawn By: T. DAVIS	Checked By: L.W.J.
Drawing No. C-1	Date: 10/25/02
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 805

APPROXIMATE YARDAGES
 CUT
 (6") TOPSOIL STRIPPING = 750 CU. YDS.
 REMAINING LOCATION = 1,630 CU, YDS.
 TOTAL CUT = 2,965 CU. YDS.
 TOTAL FILL = 1,945 CU. YDS.



LEGEND

- Proposed Well Location:
- Other Proposed Well Locations:
- Proposed Powerline:
- Proposed Pipeline:
- Proposed Roads:
- Lease Boundary:
- Existing Wells:

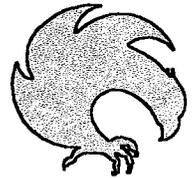
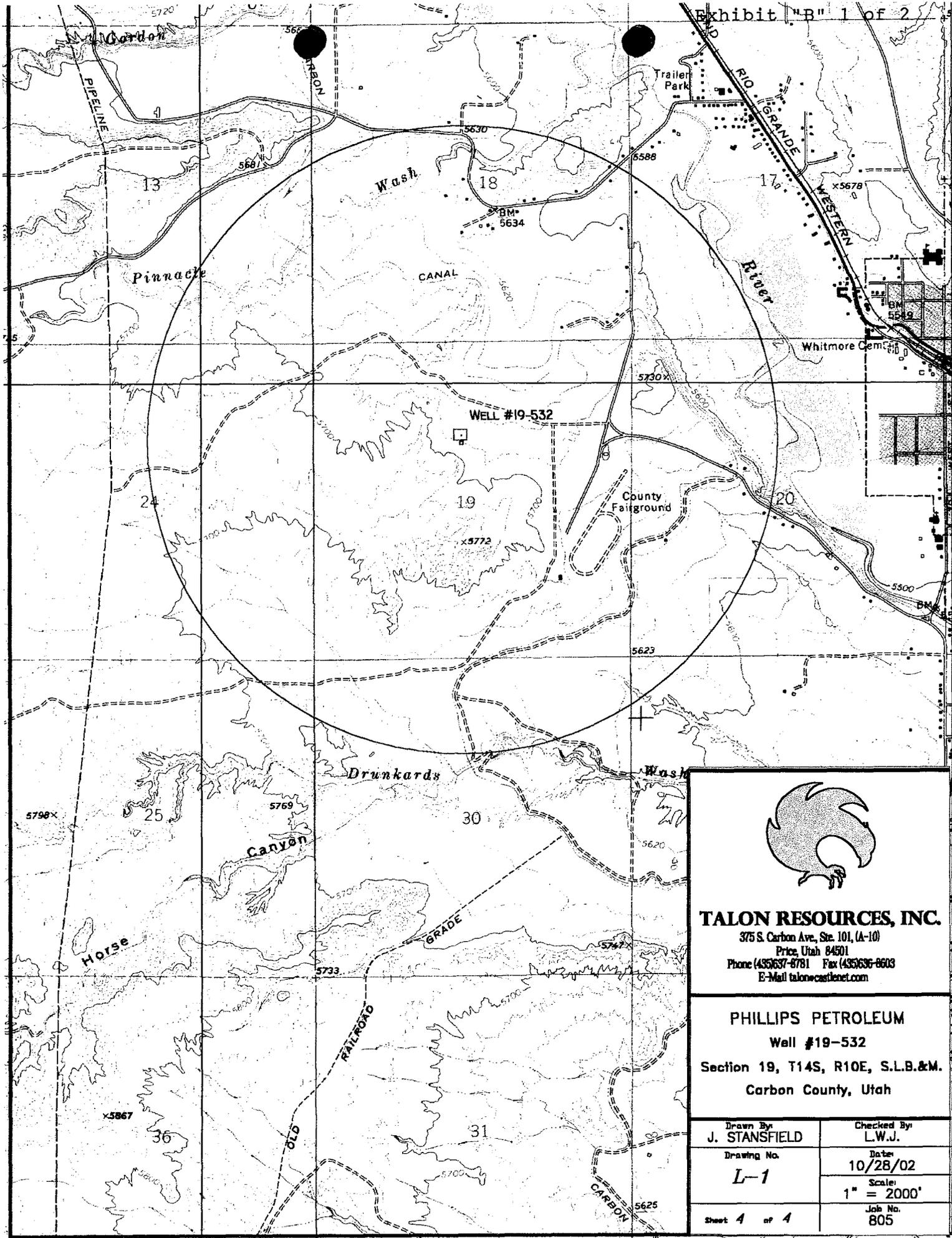
Scale: 1" = 2000'

November 21, 2002

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



WELL # 19-532
Section 19, T14S, R10E, S.L.B.&M.
Exhibit B 1 of 2



TALON RESOURCES, INC.
 375 S. Carbon Ave., Ste. 101, (A-10)
 Price, Utah 84501
 Phone (435) 637-8781 Fax (435) 636-8603
 E-Mail talon@castlenet.com

PHILLIPS PETROLEUM
 Well #19-532
 Section 19, T14S, R10E, S.L.B.&M.
 Carbon County, Utah

Drawn By J. STANSFIELD	Checked By L.W.J.
Drawing No. L-1	Date 10/28/02
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 805

EXHIBIT C

APPROXIMATE LAYOUT OF RIG & EQUIPMENT

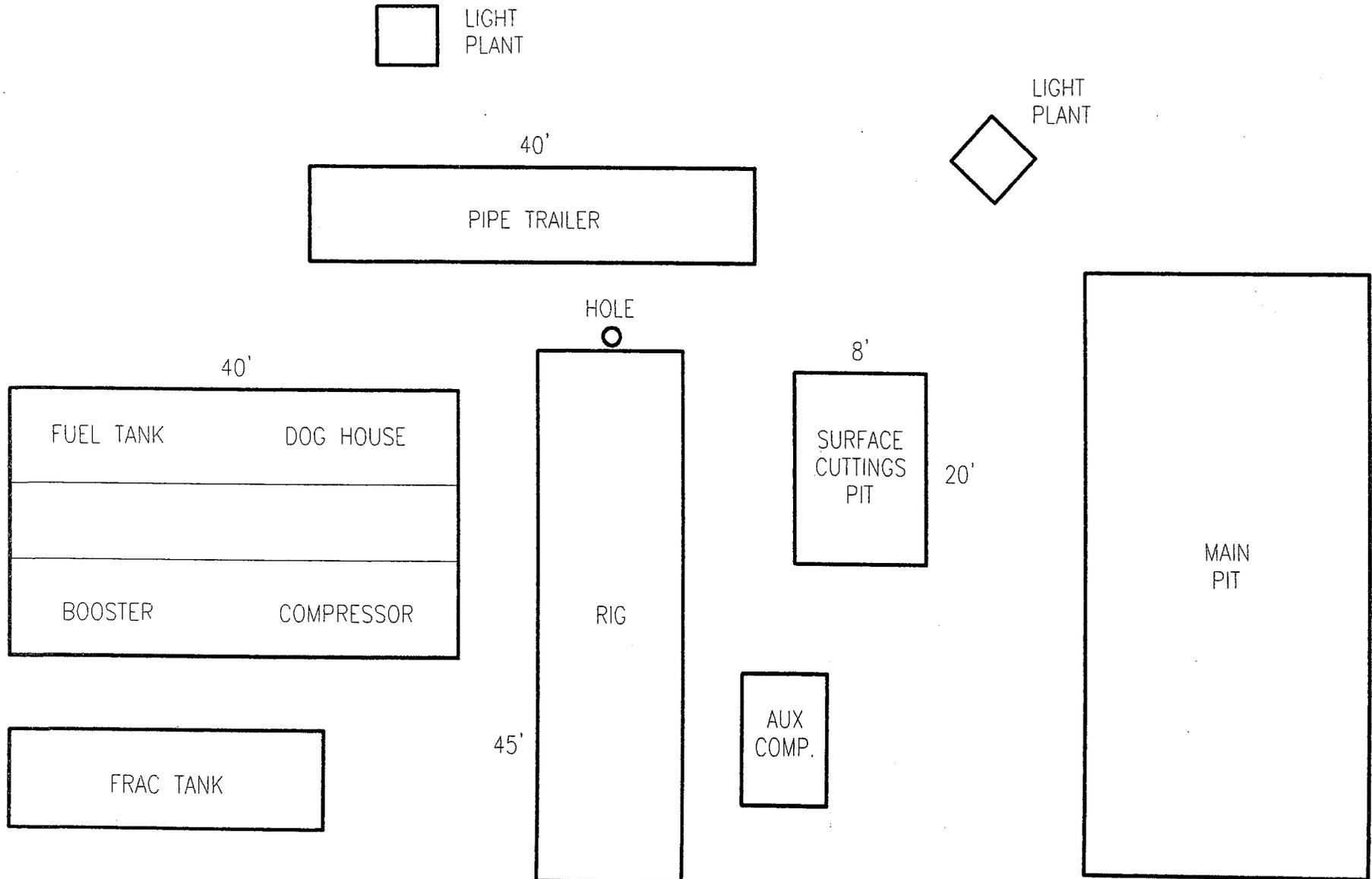
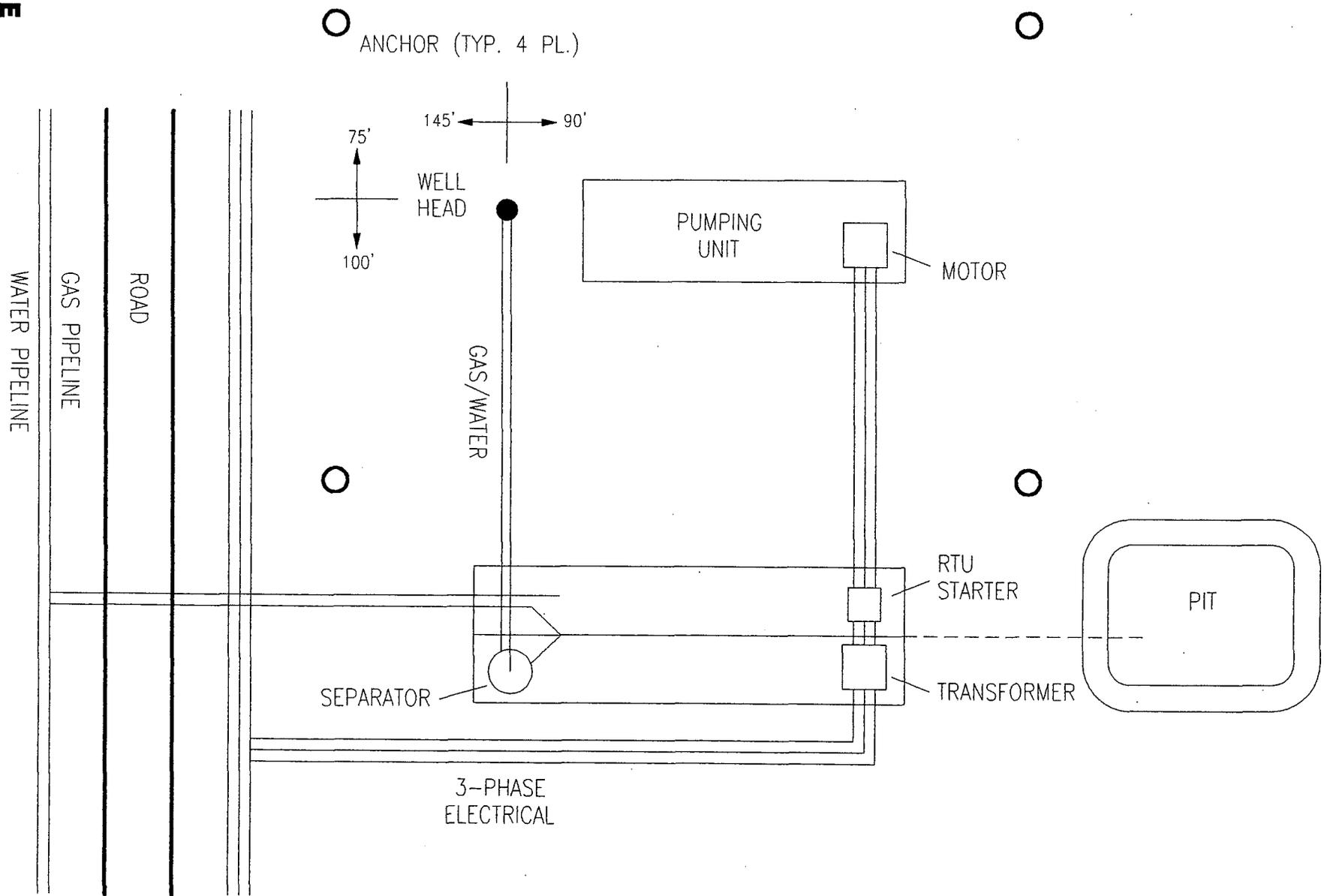


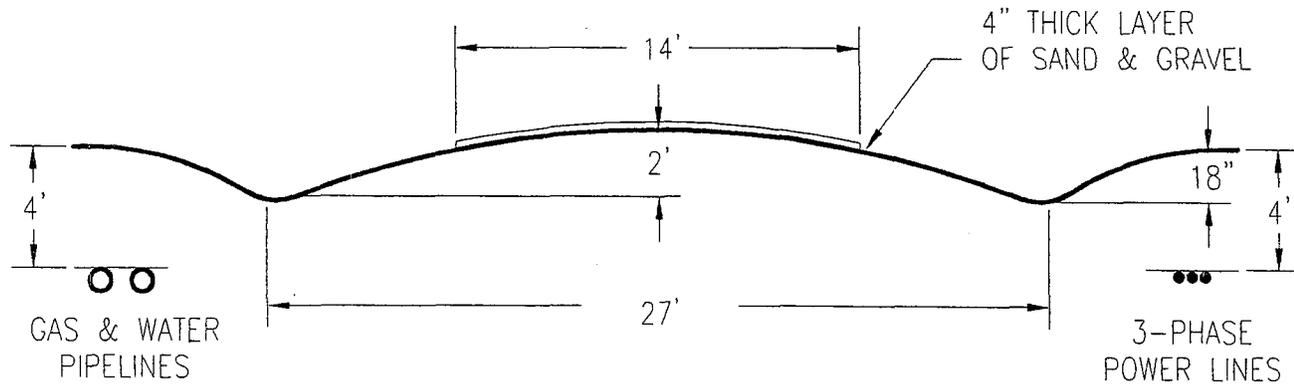
EXHIBIT E

CONOCOPHILLIPS

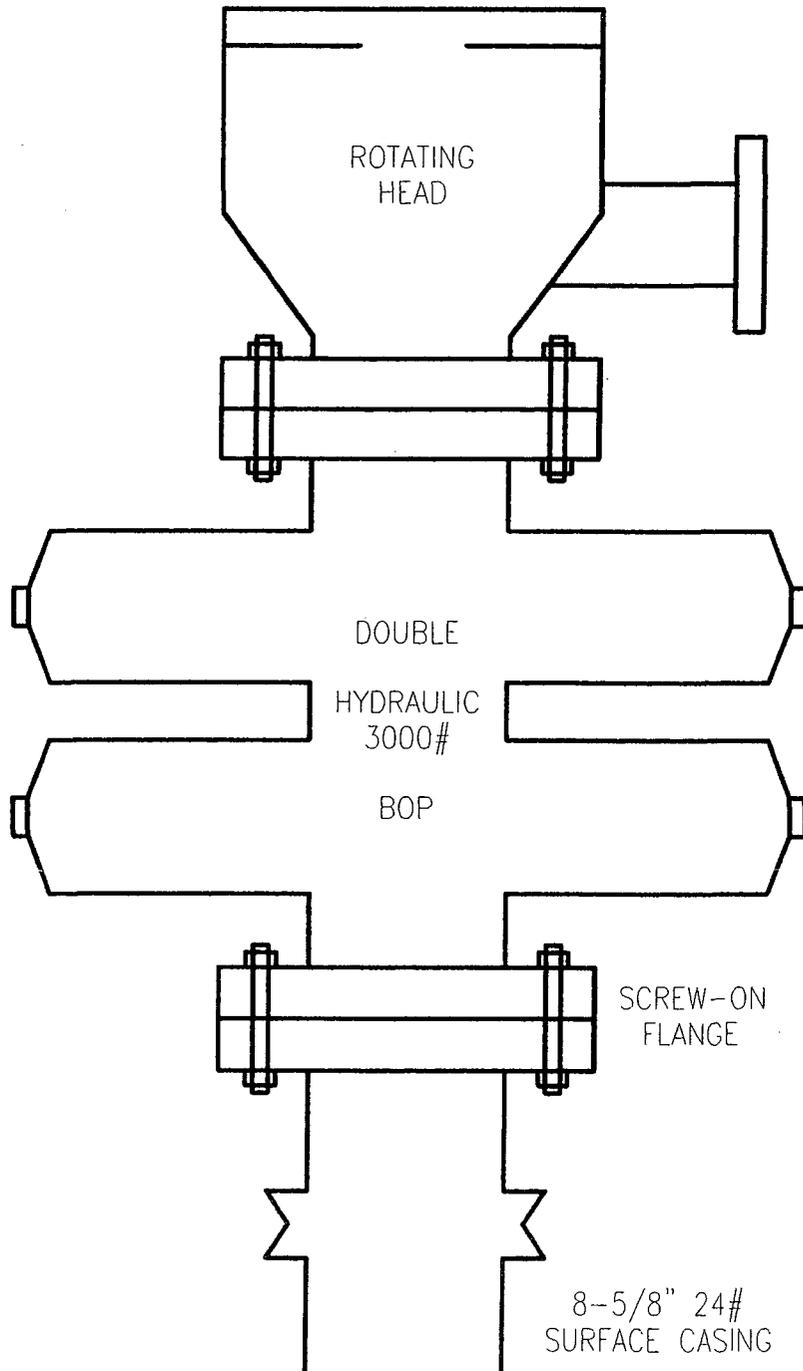
WELL SITE LAYOUT (235' x 175')



TYPICAL ROAD CROSS-SECTION



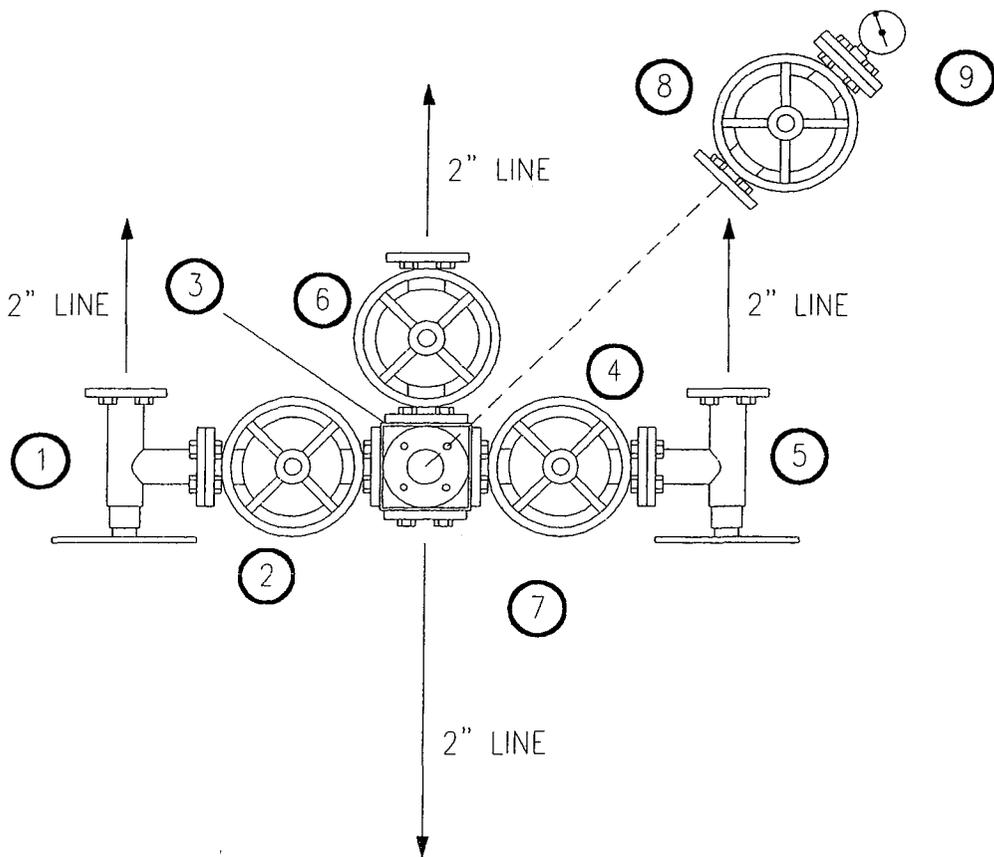
DIVERTER HEAD



- (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 MANIFOLD BETWEEN STUDDED CROSS AND 3000# GAUGE.



TO BOP
AND A NEW 2" BALL VALVE
FULL OPEN 5000 PSI

MANIFOLD

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/04/2003

API NO. ASSIGNED: 43-007-30894

WELL NAME: UTAH 19-532

OPERATOR: CONOCOPHILLIPS COMPANY (N2335)

CONTACT: JEAN SEMBORSKI

PHONE NUMBER: 435-613-9777

PROPOSED LOCATION:

SWNE 19 140S 100E
SURFACE: 2556 FNL 2488 FEL
BOTTOM: 2556 FNL 2488 FEL
CARBON
DRUNKARDS WASH (48)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DJD	3/3/03
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-39038

SURFACE OWNER: 4 - Fee

LATITUDE: 39.59382

PROPOSED FORMATION: FRSD

LONGITUDE: 110.84264

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. ~~6196922~~ 81406024)
- 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:

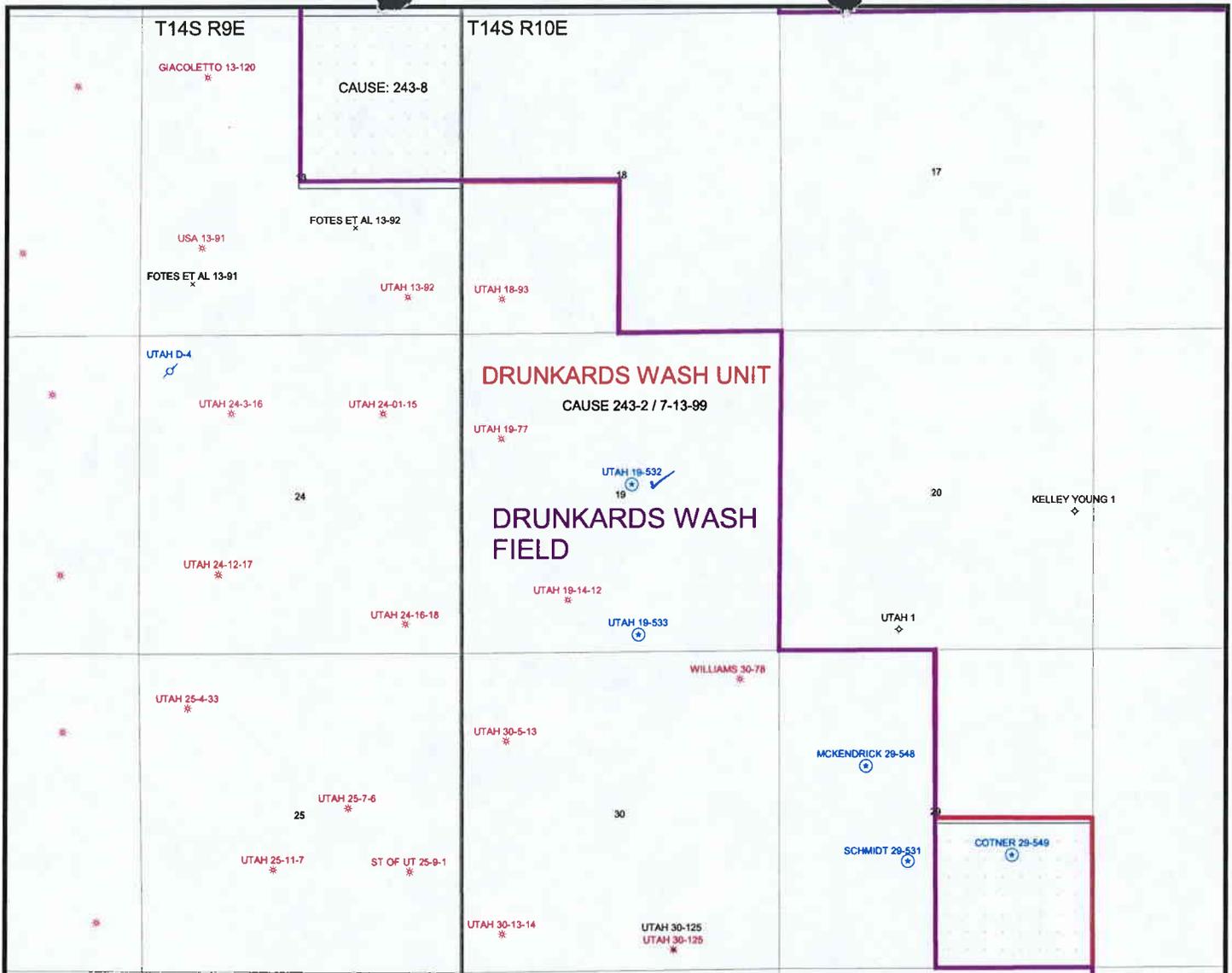
- R649-2-3.
- Unit DRUNKARDS WASH
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 243-2
Eff Date: 7-13-99
Siting: 460' fr W boundary of Unconformity
- R649-3-11. Directional Drill

COMMENTS:

Need Permit (Recd 11/24/02)

STIPULATIONS:

- ① Surface Casing Cement Step
- ② STATEMENT OF BASIS



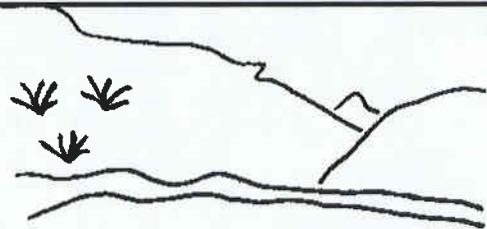
OPERATOR: CONOCOPHILLIPS CO (N2335)

SEC. 19 T14S, R10E

FIELD: DRUNKARDS WASH (48)

COUNTY: CARBON

CAUSE: 243-2 / 7-13-99



Utah Oil Gas and Mining

WELLS

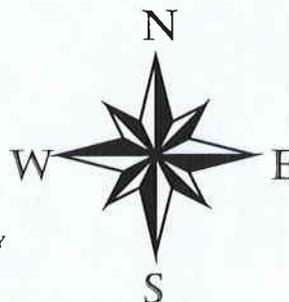
- ♣ GAS INJECTION
- ▣ GAS STORAGE
- ✱ LOCATION ABANDONED
- ⊕ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- ✱ TEMP. ABANDONED
- TEST WELL
- ▲ WATER INJECTION
- ◆ WATER SUPPLY
- ♠ WATER DISPOSAL

UNIT STATUS

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

FIELD STATUS

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES



PREPARED BY: DIANA MASON
DATE: 7-FEBRUARY-2003

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

OPERATOR: ConocoPhillips Company
WELL NAME & NUMBER: Utah 19-532
API NUMBER: 43-007-30894
LOCATION: 1/4,1/4 SWSE Sec: 19 TWP: 14S RNG: 10E 263 FSL 2349 FEL

Geology/Ground Water:

A silty, poorly-permeable soil is developed on the lower portion of 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. The operator has filed 7 water rights for underground water wells within a mile of the location. The Carbon Canal is about 1/2 mile south southeast.

Reviewer: Christopher J. Kierst **Date:** 2/25/2003

Surface:

Tom Mathews (Carbon County) was present during the on-site. Proposed location is ~1.0 mile West of Price, Utah on property owned and managed by Carbon County on the Fairgrounds complex. The direct area drains to the South into the Carbon Canal. The soil is a clay loam and is erosive when disturbed. Proposed access will be directly from existing PPCo maintained gas-field roads. No new access will be built.

Reviewer: Mark L. Jones **Date:** November 26, 2002

Conditions of Approval/Application for Permit to Drill:

1. Culverts sufficient to handle run-off as needed where crossing drainages.
2. Berm the location and pit.
3. Divert all existing drainages around the location.
4. Paint scheme for well surface structures according to Carbon County requests agreed upon during the onsite.
5. Enclose the wellhead and pump inside small building as per county requests.

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

OPERATOR: ConocoPhillips Company
WELL NAME & NUMBER: Utah 19-532
API NUMBER: 43-007-30894
LEASE: State FIELD/UNIT: _____
LOCATION: 1/4, 1/4 SWNE Sec: 19 TWP: 14S RNG: 10E 2556 FNL 2488 FEL
LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts
GPS COORD (UTM): X = 513494 E; Y = 4382475 N SURFACE OWNER: Carbon County

PARTICIPANTS

M. Jones (DOGM), J. Semborski (Phillips), Tom Mathews (surface), Larry Jensen (NELCO).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~1.0 mile West of Price, Utah on property owned and managed by Carbon County on the Fairgrounds complex. The direct area drains to the North into the Carbon Canal. The soil is a clay loam and is erosive when disturbed. Proposed access will be directly from existing PCo maintained gas-field roads and county maintained roads. No new access will be built.

SURFACE USE PLAN

CURRENT SURFACE USE: Recreational activities and firefighter training activities.

PROPOSED SURFACE DISTURBANCE: 235' x 175' and a 50'x50'x 10' pit.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 2 proposed gas wells and 5 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 lies South of the

location ~50', which runs seasonally in the summer months.

FLORA/FAUNA: sagebrush, greasewood, 4-winged salt bush, cheatgrass, Indian rice grass, deer, elk, small-game, rodents.

SOIL TYPE AND CHARACTERISTICS: clay loam.

EROSION/SEDIMENTATION/STABILITY: erosive upon disturbance.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen pit.

LINER REQUIREMENTS (Site Ranking Form attached): none required.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: In negotiation, needs signed is all.

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

OTHER OBSERVATIONS/COMMENTS

Discussion was made during the on-site regarding concerns and requests by Carbon County, surface owner, which were; (1) paint scheme = green (matching horse stalls near well location, (2) complete access restriction to public was not a concern at this location. However some type of perimeter fencing (on two sides) of the location to deter public utilization of the well pad.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

November 26, 2002 / 2:30 pm
DATE/TIME

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

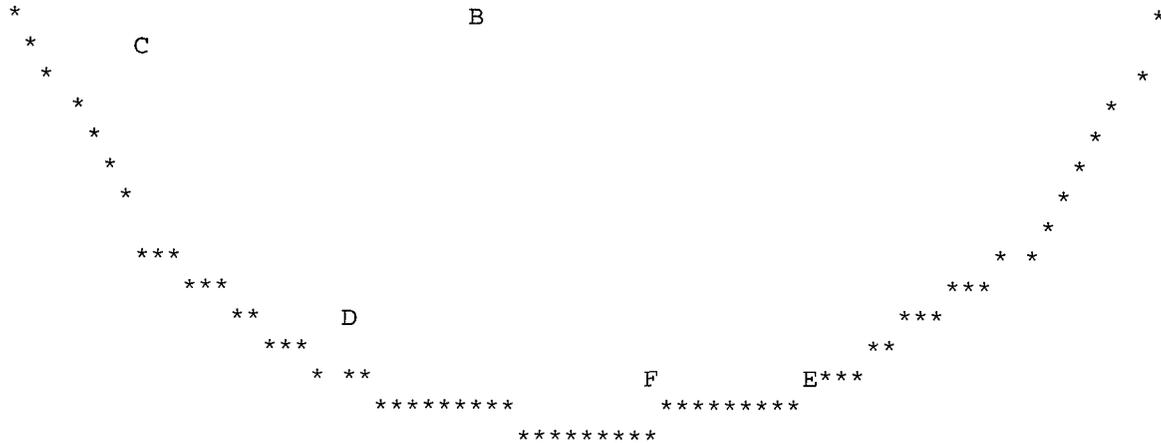
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest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

Final Score 10 (Level III 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.



UTAH DIVISION OF WATER RIGHTS
 NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO	POINT OF DIVERSION DESCRIPTION	U A N P
				DIAMETER DEPTH YEAR LOG NORTH EAST CNR SEC TWN RNG B&M		
0	91 267	.5000	.00	Unnamed Drain (Waste Ditch)	S 470 E 2040 W4 18 14S 10E SL	UT 8
		WATER USE(S): IRRIGATION				PRIORITY DATE: 07/27/1959
		Austin, William P.				Price
1	91 1166	.0000	.00	Pinnacle Wash		UT 8
		WATER USE(S): STOCKWATERING				PRIORITY DATE: 00/00/1869
		Martinez, Joe A.				Price
1	91 1166	.0000	.00	Pinnacle Wash		UT 8
		WATER USE(S): STOCKWATERING				PRIORITY DATE: 00/00/1869
		Martinez, Joe A.				Price
2	91 553	.0000	.00	Pinnacle Wash		UT 8
		WATER USE(S): STOCKWATERING				PRIORITY DATE: 00/00/1869
		Dillon, David & Ruth P.			Box 66	Price

	Phillipds Petroleum Company			9780 Mt. Pyramid Ct. #200				Englewood		CO 8	
7	<u>a19276</u>	5.0000	.00	8	500 - 3000	S	1320	W 1320	NE 24 14S	9E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillips Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
8	<u>91 2292</u>	.0000	.00	Price River							
	WATER USE(S): STOCKWATERING										
	Jensen, Ray Bruce PRIORITY DATE: 00/00/1869 UT										
8	<u>91 2292</u>	.0000	.00	Price River							
	WATER USE(S): STOCKWATERING										
	Jensen, Ray Bruce PRIORITY DATE: 00/00/1869 UT										
9	<u>91 4835</u>	20.0000	.00	8	500 - 3000	N	1320	E 1320	SW 19 14S	10E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillips Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
9	<u>91 4836</u>	15.0000	.00	8	500 - 3000	N	1320	E 1320	SW 19 14S	10E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillips Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
A	<u>91 4835</u>	20.0000	.00	8	500 - 3000	N	1320	W 1320	SE 24 14S	9E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillips Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
A	<u>91 4836</u>	15.0000	.00	8	500 - 3000	N	1320	W 1320	SE 24 14S	9E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillips Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
B	<u>91 4952</u>	5.0000	.00	8	500 - 3000	N	860	E 1780	SW 19 14S	10E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillipds Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
B	<u>a19276</u>	5.0000	.00	8	500 - 3000	N	860	E 1780	SW 19 14S	10E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillips Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
C	<u>91 4952</u>	5.0000	.00	8	500 - 3000	N	482	W 940	SE 24 14S	9E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillipds Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
C	<u>a19276</u>	5.0000	.00	8	500 - 3000	N	482	W 940	SE 24 14S	9E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER										
	Phillips Petroleum Company 9780 Mt. Pyramid Ct. #200 Englewood CO 8										
D	<u>91 4835</u>	20.0000	.00	8	500 - 3000	S	1493	E 728	NW 30 14S	10E SL	X

	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER									PRIORITY DATE: 06/23/1993	
	Phillips Petroleum Company			9780 Mt. Pyramid Ct. #200						Englewood	CO 8
D	<u>91 4836</u>	15.0000	.00	8	500 - 3000	S	1493	E	728	NW 30 14S 10E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER									PRIORITY DATE: 06/23/1993	
	Phillips Petroleum Company				9780 Mt. Pyramid Ct. #200					Englewood	CO 8
D	<u>91 4952</u>	5.0000	.00		Underground Water Wells	S	1493	E	728	NW 30 14S 10E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER									PRIORITY DATE: 06/23/1993	
	Phillips Petroleum Company				9780 Mt. Pyramid Ct. #200					Englewood	CO 8
D	<u>a19276</u>	5.0000	.00		Underground Water Wells	S	1493	E	728	NW 30 14S 10E SL	X
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL OTHER									PRIORITY DATE: 08/31/1995	
	Phillips Petroleum Company				9780 Mt. Pyramid Ct. #200					Englewood	CO 8
E	<u>91 3219</u>	.0000	.00		Drunkards Wash						
	WATER USE(S): STOCKWATERING									PRIORITY DATE: 00/00/1869	
	Bonnell, Mildred				Route #3, Box 112-A					Price	UT 8
	Waterman, Russell				Route #3, Box 112-A					Price	UT 8
	Jensen, Alice				Route #3, Box 112-A					Price	UT 8
	Randall, Beatrice				Route #3, Box 112-A					Price	UT 8
	Hunt, Barbara				Route #3, Box 112-A					Price	UT 8
	Williams, Betty Lou				Route #3, Box 112-A					Price	UT 8
E	<u>91 3219</u>	.0000	.00		Drunkards Wash						
	WATER USE(S): STOCKWATERING									PRIORITY DATE: 00/00/1869	
	Bonnell, Mildred				Route #3, Box 112-A					Price	UT 8
	Waterman, Russell				Route #3, Box 112-A					Price	UT 8
	Jensen, Alice				Route #3, Box 112-A					Price	UT 8
	Randall, Beatrice				Route #3, Box 112-A					Price	UT 8
	Hunt, Barbara				Route #3, Box 112-A					Price	UT 8
	Williams, Betty Lou				Route #3, Box 112-A					Price	UT 8
F	<u>91 3218</u>	.0000	.00		Drunkards Wash						
	WATER USE(S): STOCKWATERING									PRIORITY DATE: 00/00/1869	
	Petitti, John J.				Route #1					Price	UT 8
F	<u>91 3218</u>	.0000	.00		Drunkards Wash						
	WATER USE(S): STOCKWATERING									PRIORITY DATE: 00/00/1869	
	Petitti, John J.				Route #1					Price	UT 8

03-03 ConocoPhillips Utah-532
Casing Schematic

Surface

Mancos
8-5/8"
MW 8.4
Frac 19.

TOC @
20.
Surface
188. MD

w/188 without
surface strip

BOP
 $(0.052)(9)(1875) = 878 \text{ psi}$
Anticipated = 812 psi

Gas
 $(0.12)(1875) = 225 \text{ psi}$
MASP = 653 psi

3M BOP proposed
Adequate
DND 3/3/03

w/159 without

146'
Ferra-1

1362'
TOC tail

1495'
coals } ss's

1575'

5-1/2"
MW 8.4

Production
1875. MD

Well name:

03-03 ConocoPhillips Utah 19-532

Operator: **ConocoPhillips Company**
String type: **Surface**

Project ID:
43-007-30894

Location: **Carbon County**

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 68 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 3 ft

Cement top: 20 ft

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.436 psi/ft
Calculated BHP 82 psi

No backup mud specified.

Tension:

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

Tension is based on air weight.
Neutral point: 164 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 1,875 ft
Next mud weight: 8.400 ppg
Next setting BHP: 818 psi
Fracture mud wt: 19.000 ppg
Fracture depth: 427 ft
Injection pressure 421 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	188	8.625	24.00	J-55	ST&C	188	188	7.972	1232

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	82	1370	16.70	82	2950	35.96	5	244	54.08 J

Prepared by: Dustin Doucet
Utah Dept. of Natural Resources

Phone: 801-538-5281
FAX: 801-359-3940

Date: March 3,2003
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 188 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: **03-03 ConocoPhillips Utah 19-532**
 Operator: **ConocoPhillips Company**
 String type: **Production** Project ID: **43-007-30894**
 Location: **Carbon County**

Design parameters:

Collapse
 Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:
 Design factor 1.125

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 91 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 250 ft

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.436 psi/ft
 Calculated BHP: 818 psi

Burst:

Design factor 1.00

Cement top: 682 ft

Tension:

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

Non-directional string.

Tension is based on air weight.
 Neutral point: 1,636 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	1875	5.5	17.00	N-80	LT&C	1875	1875	4.767	13450

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	818	6290	7.69	818	7740	9.46	32	348	10.92 J

Prepared by: Dustin Doucet
 Utah Dept. of Natural Resources

Phone: 801-538-5281
 FAX: 801-359-3940

Date: March 3, 2003
 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 1875 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.

005



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

1594 West North Temple, Suite 1210
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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

March 3, 2003

ConocoPhillips Company
PO Box 851
Price, UT 84501

Re: Utah 19-532 Well, 2556' FNL, 2488' FEL, SW NE, Sec. 19, T. 14 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.

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 43-007-30894.

Sincerely,

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

John R. Baza
Associate Director

er

Enclosures

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

Operator: ConocoPhillips Company
Well Name & Number Utah 19-532
API Number: 43-007-30894
Lease: ML 39038

Location: SW NE **Sec.** 19 **T.** 14 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 State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

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

6. Surface casing shall be cemented to the surface.

DIVISION OF OIL, GAS AND MINING**SPUDDING INFORMATION**Name of Company: CONOCOPHILLIPS COMPANYWell Name: UTAH 19-532Api No: 43-007-30894 Lease Type: STATE - FEE SURFACESection 19 Township 14S Range 10E County CARBONDrilling Contractor PENSE BROTHERS RIG # 9**SPUDDED:**Date 06/06/03Time 3:30 PMHow DRY**Drilling will commence:** _____Reported by FRANKIE HATHAWAYTelephone # 1-435-613-9777Date 06/09/2003 Signed: CHD

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
 ENTITY ACTION FORM - FORM 6

OPERATOR ConocoPhillips Company
 ADDRESS 6825 S. 5300 W. P.O. Box 851
Price, UT 84501

N2335
 OPERATOR ACCT. NO. N2335

SENT BY: POCO;

435 613 9782;

JUN-10-03 1:43PM;

PAGE 2/2

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					OO	SC	TP	RG	COUNTY		
A	99999	13804	43-007-30864	McKendrick 29-548	SENW	29	14S	10E	Carbon	6/4/03	6/11/03
WELL 1 COMMENTS: New single well spud outside PA but inside of Unit Boundary ✓ FRSD CONFIDENTIAL											
A	99999	13805	43-007-30894	Utah 19-532	SWNE	19	14S	10E	Carbon	6/6/03	6/11/03
WELL 2 COMMENTS: New single well spud outside PA but inside of Unit Boundary ✓ FRSD CONFIDENTIAL											
A	99999	13806	43-007-30865	Cotner 29-549	NWSE	29	14S	10E	Carbon	6/9/03	6/11/03
WELL 3 COMMENTS: New single well spud outside PA but inside of Unit Boundary ✓ FRSD											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

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.
 (3/89)

RECEIVED
 JUN 10 2003

DIV. OF OIL, GAS & MINING

Frankie Hathaway *Frankie Hathaway*
 Signature
 Operations Clerk 6/10/03
 Title Date
 Phone No. (435) 613-9777

e

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

008

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: ML-39038
2. Name of Operator: ConocoPhillips 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: Drunkards Wash UTU-67921X
4. Location of Well Footages: 2556' FNL, 2488' FEL QQ, Sec., T., R., M.: SW/4, NE/4 Sec. 19, T. 14S, R.10E, SLB&M		8. Well Name and Number: Utah 19-532
		9. API Well Number: 43-007-30894
		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:

ORIGINAL

CONFIDENTIAL

13.
Name & Signature: Frankie Hathaway *Frankie Hathaway* Title: Operations Clerk Date: 6/12/03

(This space for state use only)

RECEIVED

JUN 16 2003

DRUNKARDS WASH PROJECT DAILY WELL REPORT

UTAH

19-532

API NO: 43-007-30894

2556' FNL, 2488' FEL

SWNE SEC: 19 TWN 14S RNG: 10E

SPUD TIME/DATE: 6/6/2003 3:30:00 PM

COUNTY: Carbon

TD TIME/DATE: 6/8/2003 9:00:00 PM

ELEVATION: 5707.8

TD DEPTH: 1940

DRILLING CONTRACTOR: Pense Brothers Rig #9

ON-LINE TIME/DATE:

Bit Information

Type	Size	In	Out	Hours	Rotating Hours
Air Hammer	15 in	0.00	6.00	0.5	0.25
Air Hammer	11 in	6.00	280.00	1.5	1.25
Air Hammer	7 7/8	280.00	1940.00	28	11.5

Conductor Casing

Bore Hole Size: 15 in Conductor From: 0.00 To: 6.00

Casing Description: 12 3/4in PE Number of Joints: 1 Set @: 6.00

Cement: Amount:

Cement Report:

Surface Casing

Bore Hole Size: 11 in Surface Casing From: 6.00 To: 280.00

Casing Description: 8 5/8 in 24#/ft J-55 Number of Joints: 9 Set @: 268.60

Cement: G + 2%S-1 + 1/4#/sk D-29 Amount: 100.00

Cement Report: r/up cementers, safety mtg, test lines, pump 30bbls h2o ahead, mix & pump cement, displace w/ 15 bbls of h2o, close valve @ 11:10pm 6/06/03, 8bbls good cement to surface,

Production Casing

Bore Hole Size: 7 7/8 in Prod.Casing From: 266.00 To: 1940.00

Casing Description: 5 1/2 in 17#/ft N-80 Number of Joints: 42 Length: 1820.00

Lead Cement 50/50 POZ, 8%D20, 10%D44, 2%S001, 1/4#/sk Amount: 170.00

Tail Cement: 10-1 RFC Amount: 75.00

Cement Report: r/up cementers, break circulation, mix & pump cement, s/down & drop plug, displace w/ 45bbls of h2o, plug down @ 1:20AM 6/10/03, 2bbls good cement to surface,

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

Drilling Data**DAY 1 6/7/2003**

CURRENT DEPTH 280 CURRENT OPERATIONS: n/up bope

ROTATING HRS: 1.50

7am-1:30pm no activity,
1:30pm -3:30pm move on location, jsa, safety mtg, r/up, service equipment,
3:30pm-4pm spud @ 3:30pm 6/06/03, drill & set 6ft of conductor,
4pm-4:30pm n/up to drill 11in hole,
4:30pm-5:45pm drill 280ft of 11in hole, clean hole,
5:45pm -7pm rih w/ 8 5/8in guide shoe + 9jts of 8 5/8in csg, land @ 268.6ft,
7pm-10:30pm wait on cementers,
10:30pm-10:45pm r/up cementers,safety mtg,
10:45pm-11:10pm cement surface pipe, close v alve @ 11:10pm 6/06/03, 8bbls good cement to surface,
11pm-12am r/down cementers,
12am-7am no activity

Estimated Daily Cost: [REDACTED]**DAY 2 6/8/2003**

CURRENT DEPTH 1400 CURRENT OPERATIONS: drilling 7 7/8in hole

ROTATING HRS: 0.00

7am-8:30am jsa, safety mtg, n/up bope,
8:30am-9:30am test bope,
9:30am-1pm n/up blowie line, change bits,(problems breaking bit), rih,
1pm-7pm drill 7 7/8in hole to 1400ft, trip up to 1250ft, sdfn,

Estimated Daily Cost: [REDACTED]**DAY 3 6/9/2003**

CURRENT DEPTH 1940 CURRENT OPERATIONS:

ROTATING HRS: 5.50

7am-11am jsa, safety mtg,(housekeeping), drill down to 1810ft, looks like bottom ferron @1670ft, need to drill to 1970ft, could not see coals, hammer stopped drilling,
11am-12:45pm pooh to check bit, called loggers to go ahead & log well,
12:45pm-4:30pm jsa, safety mtg, r/up loggers, log well, r/down loggers,
4:30pm-6pm work on hammer,
6pm-7:30pm rih, blow off water,
7:30pm-9pm drill 1820-1940ft,
9pm-9:30pm clean hole,
9:30pm-11pm pooh

Estimated Daily Cost: [REDACTED]**DAY 4 6/10/2003**

CURRENT DEPTH 1940 CURRENT OPERATIONS: Running Casing

ROTATING HRS: 0.00

11:00 - 14:00 MIRU Key rig #920. Hold pre job safety meeting. X-O BOPE ram blocks to 5 1/2". Tally casing.
14:00 - 15:00 WO 5 1/2" TIW Valve.
15:00 - 17:00 WO Kill truck.
17:00 - 22:00 RU Hot Oil truck. Pump 40 bbl water to kill well. RDMO Hot Oil truck. Start running casing. RU Halliburton cement pump to control well kicks. Stacked out 3 joints above TD.
22:00 - 00:00 WO 5 1/2" x 2" swedge. RU swedge and prepare to wash casing down.
00:00-0045 wash down 1 jt of 5 1/2in csg,
0045-0120 cement long string, plug down @ 1:20am 6/10/03,
0120-0200 r/down cementers, sdfn

Estimated Daily Cost: [REDACTED]**DAY 5 6/11/2003**

CURRENT DEPTH 1940 CURRENT OPERATIONS: WOC

ROTATING HRS: 0.00

00:00 - 01:00 Landed casing. RU Cementers.
01:00 - 02:00
WOC
08:00 - 12:30 Safety Meeting. RD casing tools. ND BOPE. NU casing head. Pressure test to 5,000 psi. good test. RDMO service rig

Estimated Daily Cost: [REDACTED]

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

009

SUNDRY NOTICES AND REPORTS ON WELLS

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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: ML-39038
2. Name of Operator: ConocoPhillips 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: Drunkards Wash UTU-67921X
4. Location of Well Footages: 2556' FNL, 2488' FEL QQ, Sec., T., R., M.: SW/4, NE/4 Sec. 19, T. 14S, R.10E, SLB&M	8. Well Name and Number: Utah 19-532
	9. API Well Number: 43-007-30894
	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:

ORIGINAL

CONFIDENTIAL

13.
Name & Signature: Frankie Hathaway *Frankie Hathaway* Title: Operations Clerk Date: 6/11/03

(This space for state use only)

RECEIVED

JUN 16 2003

DIV. OF OIL, GAS & MINING

DRUNKARDS WASH PROJECT DAILY WELL REPORT

CONFIDENTIAL

UTAH

19-532

API NO: 43-007-30894

2556' FNL, 2488' FEL

SWNE SEC: 19 TWN: 14S RNG: 10E

COUNTY: Carbon

ELEVATION: 5707.8

DRILLING CONTRACTOR: Pense Brothers Rig #9

SPUD TIME/DATE: 6/6/2003 3:30:00 PM

TD TIME/DATE: 6/8/2003 9:00:00 PM

TD DEPTH: 1940

ON-LINE TIME/DATE:

Bit Information

Type	Size	In	Out	Hours	Rotating Hours
Air Hammer	15 in	0.00	6.00	0.5	0.25
Air Hammer	11 in	6.00	280.00	1.5	1.25
Air Hammer	7 7/8	280.00	1940.00	28	11.5

Conductor Casing

Bore Hole Size: 15 in Conductor From: 0.00 To: 6.00

Casing Description: 12 3/4in PE Number of Joints: 1 Set @: 6.00

Cement: Amount:

Cement Report:

Surface Casing

Bore Hole Size: 11 in Surface Casing From: 6.00 To: 280.00

Casing Description: 8 5/8 in 24#/ft J-55 Number of Joints: 9 Set @: 268.60

Cement: G + 2%S-1 + 1/4#/sk D-29 Amount: 100.00

Cement Report: r/up cementers, safety mtg, test lines, pump 30bbls h2o ahead, mix & pump cement, displace w/ 15 bbls of h2o, close valve @ 11:10pm 6/06/03, 8bbls good cement to surface,

Production Casing

Bore Hole Size: Prod.Casing From: To:

Casing Description: Number of Joints: Length:

Lead Cement: Amount:

Tail Cement: Amount:

Cement Report:

Float Equipment: Centralizers ran on:

Drilling Data

DAY 1 6/7/2003

CURRENT DEPTH: 280 CURRENT OPERATIONS: n/up bope

ROTATING HRS: 1.50

7am-1:30pm no activity,
 1:30pm -3:30pm move on location, jsa, safety mtg, r/up, service equipment,
 3:30pm-4pm spud @ 3:30pm 6/06/03, drill & set 6ft of conductor,
 4pm-4:30pm n/up to drill 11in hole,
 4:30pm-5:45pm drill 280ft of 11in hole, clean hole,
 5:45pm -7pm rih w/ 8 5/8in guide shoe + 9jts of 8 5/8in csg, land @ 268.6ft,
 7pm-10:30pm wait on cementers,
 10:30pm-10:45pm r/up cementers,safety mtg,
 10:45pm-11:10pm cement surface pipe, close v alve @ 11:10pm 6/06/03, 8bbis good cement to surface,
 11pm-12am r/down cementers,
 12am-7am no activity

Estimated Daily Cost:

DAY 2 6/8/2003

CURRENT DEPTH: 1400 CURRENT OPERATIONS: drilling 7 7/8in hole

ROTATING HRS: 0.00

7am-8:30am jsa, safety mtg, n/up bope,
 8:30am-9:30am test bope,
 9:30am-1pm n/up blouie line, change bits,(problems breaking bit), rih,
 1pm-7pm drill 7 7/8in hole to 1400ft, trip up to 1250ft, sdfn,

Estimated Daily Cost:

DAY 3 6/9/2003

CURRENT DEPTH: 1940 CURRENT OPERATIONS:

ROTATING HRS: 5.50

7am-11am jsa, safety mtg,(housekeeping), drill down to 1810ft, looks like bottom ferron @1670ft, need to drill to 1970ft, could not see coals, hammer stopped drilling,
 11am-12:45pm pooh to check bit, called loggers to go ahead & log well,
 12:45pm-4:30pm jsa, safety mtg, r/up loggers, log well, r/down loggers,
 4:30pm-6pm work on hammer,
 6pm-7:30pm rih, blow off water,
 7:30pm-9pm drill 1820-1940ft,
 9pm-9:30pm clean hole,
 9:30pm-11pm pooh

Estimated Daily Cost:

DAY 4 6/10/2003

CURRENT DEPTH: 1940 CURRENT OPERATIONS: Running Casing

ROTATING HRS: 0.00

11:00 - 14:00 MIRU Key rig #920. Hold pre job safety meeting. X-O BOPE ram blocks to 5 1/2". Tally casing.
 14:00 - 15:00 WO 5 1/2" TIW Valve.
 15:00 - 17:00 WO Kill truck.
 17:00 - 22:00 RU Hot Oil truck. Pump 40 bbl water to kill well. RDMO Hot Oil truck. Start running casing. RU Halliburton cement pump to control well kicks. Stacked out 3 joints above TD.
 22:00 - 00:00 WO 5 1/2" x 2" swedge. RU swedge and prepare to wash casing down.

Estimated Daily Cost:

DAY 5 6/11/2003

CURRENT DEPTH: 1940 CURRENT OPERATIONS: WOC

ROTATING HRS: 0.00

00:00 - 01:00 Landed casing. RU Cementers.
 01:00 - 02:00
 WOC
 08:00 - 12:30 Safety Meeting. RD casing tools. ND BOPE. NU casing head. Pressure test to 5,000 psi. good test.
 RDMO service rig

Estimated Daily Cost:

CONFIDENTIAL

010

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL GAS OTHER:

2. Name of Operator: ConocoPhillips Company

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

4. Location of Well Footages: 2556' FNL, 2488' FEL
QQ, Sec., T., R., M.: SW/4, NE4 Sec. 19, T. 14S, R.10E, SLB&M

5. Lease Designation and Serial Number: ML-39038

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

7. Unit Agreement Name: Drunkards Wash UTU-67921X

8. Well Name and Number: Utah 19-532

9. API Well Number: 43-007-30804

10. Field or Pool, or Wildcat: Drunkards Wash

County: Carbon County

State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)

- Abandon, Repair Casing, Change of Plans, Convert to Injection, Fracture Treat or Acidize, Multiple Completion, Other, 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 Utah 19-532 well was spud on 6/6/03 at 3:30 P.M. Pense bros. Rig #9 Dry drill

ORIGINAL

CONFIDENTIAL

13.

Name & Signature: Frankie Hathaway Title: Operations Clerk Date: 6/9/03

(This space for state use only)

RECEIVED

JUN 15 2003

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

011

SUNDRY NOTICES AND REPORTS ON WELLS

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Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL GAS OTHER: CONFIDENTIAL

2. Name of Operator: ConocoPhillips Company

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

4. Location of Well Footages: 2556' FNL, 2488' FEL
QQ, Sec., T., R., M.: SW/4 NE/4 Sec. 19, T14S, R10E, SLB&M

5. Lease Designation and Serial Number: ML-39038

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

7. Unit Agreement Name: Drunkards Wash UTU-67921X

8. Well Name and Number: Utah 19-532

9. API Well Number: 43-007-30894

10. Field or Pool, or Wildcat: Drunkards Wash

County: Carbon County
State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- Approximate date work will start _____
- New Construction
- Pull or Alter 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 TD Correction
- Date of work completion _____
- 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.
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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 actual TD exceeded the permitted TD on the Utah 29-532. Anticipated TD was 1875 and actual TD was 1940.

ORIGINAL

CONFIDENTIAL

13.

Name & Signature: Jean Semborski *Jean Semborski* Title: Permitting Supervisor Date: 6/9/03

(This space for state use only)

RECEIVED

JUN 16 2003

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

012

SUNDRY NOTICES AND REPORTS ON WELLS

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1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: ML-39038
2. Name of Operator: ConocoPhillips 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: Drunkards Wash UTU-67921X
4. Location of Well Footages: 2556' FNL, 2488' FEL QQ, Sec., T., R., M.: SW/4 NE/4 Section 19, T14S, R10E, SLB&M	8. Well Name and Number: Utah 19-532
	9. API Well Number: 43-007-30894
	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)

- | | |
|--|---|
| <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 Utah 19-532 showed first production on: 7/8/03
Gas production: 0 mcf
Water production: 0 bbl

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DIV. OF OIL, GAS & MINING

13.

Name & Signature: Frankie Hathaway *Frankie Hathaway* Title: Operations Clerk/Development Date: 7/8/03

(This space for state use only)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

013

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: 2556' FNL, 2488' FEL
At top prod. interval reported below
At total depth

5. LEASE DESIGNATION AND SERIAL NO.: ML-39038

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

7. UNIT AGREEMENT NAME: Drunkards Wash UTU-67921X

8. FARM OR LEASE NAME: Utah

9. WELL NO.: 19-532

10. FIELD AND POOL, OR WILDCAT: Drunkards Wash

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: SW/4, NE/4, Sec. 19, T14S, R10E

12. COUNTY: Carbon

13. STATE: Utah

14. API NO.: 43-007-30894

DATE ISSUED: 3/3/03

15. DATE SPUNNED: 6/6/03

16. DATE T.D. REACHED: 6/8/03

17. DATE COMPL. (Ready to or plug & Abd.): 7/4/03

18. ELEVATIONS (DF, REB, RT, GR, ETC.): 5708'

19. ELEV. CASINGHEAD: N/A

20. TOTAL DEPTH, MD & TVD: 1940'

21. PLUG BACK T.D., MD & TVD: 1820'

22. IF MULTIPLE COMPL., HOW MANY: N/A

23. INTERVALS DRILLED BY: to TD

ROTARY TOOLS: N/A

CABLE TOOLS: N/A

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD OR TVD): Ferron Coal - Top Coal 1514' & Bottom Coal 1665'

25. WAS DIRECTIONAL SURVEY MADE: N/A

26. TYPE ELECTRIC AND OTHER LOGS RUN: CBL-7-7-0-3
Dual Induction, Laterolog, SFF, Caliper, Comp Density & Neutron

27. WAS WELL CORED DRILL STEM TEST: YES NO

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENT RECORD	AMOUNT PULLED
12 3/4"	Conductor	6'	15"		
8 5/8"	24#	268.6'	11"	100 sks Class G, 2%, 4% Gell & 1/4#/sk Flocel	
5 1/2"	17#	1820'	7 7/8"	170 sks 50/50 POZ, 8% D-20, 10% D-44, 2% S-1	
				75 sks 10-1 RFC (Thixotropic)	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET
					2-7/8"	1706'	N/A

31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
Ferron Coal				DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
Upper Ferron: 1514'-1522', 1525'-1528'	4spf .51"			Upper 1514'-1528'	25,800#, 20/40; 34,200#, 16/30; 27,748 gal fluid
Upper Middle Ferron: 1552'-1566', 1573'-1575', 1584'-1588'	4spf .51"			Upper Middle 1552'-1588'	43,000#, 20/40; 57,000#, 16/30; 49,010 gal fluid
Lower Middle Ferron: 1602'-1613'	4spf .51"			Lower Middle 1602'-1613'	36,120#, 20/40; 47,880#, 16/30; 40,914 gal fluid
Lower Ferron: 1634'-1648', 1660'-1665'	4spf .51"			Lower 1634'-1665'	60,200#, 20/40; 79,800#, 16/30; 65,130 gal fluid

33. PRODUCTION

DATE FIRST PRODUCTION: 7/8/03

PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump): Pumping - PC 200-2100

WELL STATUS (Producing or shut-in): Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
7/8/03	24hrs.	-----	→	N/A	110	46	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	WATER GRAVITY (API CORR.)	
106	46	→	N/A	110	468		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: Lloyd Shirley Lloyd Shirley TITLE: Drilling/Development Supervisor DATE: 7/28/03

See Spaces for Additional Data on Reverse Side

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JUL 31 2003

WELL NUMBER: Utah 19-532

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	1495'	1575'	Coals and Sandstones Coal Interval: 1495'-1575'
			Blue Gate Bentonite NDE
			Tununk Shale NDE
			Ferron Sandston 1465'

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

ORIGINAL

014

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL GAS OTHER: CONFIDENTIAL

2. Name of Operator: ConocoPhillips Company

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

4. Location of Well Footages: 2556' FNL, 2488' FEL
 QQ, Sec., T., R., M.: SW4, NE/4, SEC. 19, T14S, R10E, SLB & M

5. Lease Designation and Serial Number: ML-39038

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

7. Unit Agreement Name: Drunkards Wash UTU-67921X

8. Well Name and Number: UTAH 19-532

9. API Well Number: 43-007-30894

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)

- | | |
|--|--|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Csg |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |
- Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|---|--|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Csg |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Acid Treatment</u> | |
- Date of work completion 10/09/2003

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 2560 gallons of low Ph fluid and 250 gallons 4% HCL on 10/09/2003.

13.

Name & Signature: Lynnette Allred  Title: Operations Clerk—Production Date: 10/09/2003

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DIVISION OF OIL, GAS AND MINING

015

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL GAS OTHER:

2. Name of Operator: ConocoPhillips Company

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

4. Location of Well Footages: 2556' FNL, 2488' FEL
QQ, Sec., T., R., M.: SW/4, NE/4, SEC. 19, T14S, R10E, SLB & M

5. Lease Designation and Serial Number: ML-39038

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

7. Unit Agreement Name: UTU67921X Drunkards Wash

8. Well Name and Number: Utah 19-532

9. API Well Number: 43-007-30894

10. Field or Pool, or Wildcat: Drunkards Wash

County: Carbon County
State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)

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

SUBSEQUENT REPORT (Submit Original Form Only)

- Abandon * New Construction
 Repair Casing Pull or Alter Csg
 Change of Plans Reperforate
 Convert to Injection Vent or Flare
 Fracture Treat or Acidize Water Shut-Off
 Other Chemical/Flush Treatment
Date of work completion 05/24/2004

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 4830 gallons of Coalstim fluid on 05/24/2004.

13.

Name & Signature: Lynnette Allred

[Handwritten Signature]

Title: Sr. Operations Assistant

Date: 07/07/2004

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JUL 14 2004

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

FORM 6

ENTITY ACTION FORM

Operator: ConocoPhillips Operator Account Number: N 2335
 Address: 6825 South 5300 West
city Price
state UT zip 84501 Phone Number: (435) 613-9777

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730894	UTAH 19-532		SWNE	19	14S	10E	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	13805	11256				11/9/05	
Comments: Well was converted to PA on 07/01/2003. <i>FRSD</i> -K							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730889	UTAH 32-128		SWSW	32	14S	10E	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	13813	11256				11/9/05	
Comments: Well was converted to PA on 08/01/2003. <i>FRSD</i> -K							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730935	UTAH 32-617		NWNW	32	15S	09E	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	14185	11256				11/9/05	
Comments: Well was converted to PA on 07/01/2004. <i>FRSD</i> -K							

ACTION CODES:

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

Lynnette Allred

Name (Please Print)

Signature

Sr. Operations Assistant

11/9/2005

Title

Date

~~NOV 14 2005~~

(5/2000)

e-mail

NOV 09 2005



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

May 5, 2004

ConocoPhillips Company
Attn: Gregory A. Reeves
P.O. Box 2197
Houston, Texas 77252-2197

Re: 6th Revision Consolidated Ferron Formation
Participating Area "A,C,D"
Drunkards Wash Unit
Carbon and Emery Counties, Utah

Gentlemen:

The 6th Revision Consolidated Ferron Formation Participating Area "A,C,D", Drunkards Wash Unit, UTU67921F, is hereby approved effective as of July 1, 2003, pursuant to Section 11 of the Drunkards Wash Unit Agreement, Carbon and Emery Counties, Utah.

The 6th Revision Consolidated Ferron Formation Participating Area "A,C,D" results in the addition of 640.00 acres to the participating area for a total of 69,222.87 acres and is based upon the completion of the following wells, as capable of producing unitized substances in paying quantities.

WELL NO.	API NO.	LOCATION	LEASE NO.
Utah 19-532	43-007- 30891 30894	NE, 19-14S-10E	State
29-548	43-007-30864	NW, 29-14S-10E	Fee
29-549	43-007-30865	SE, 29-14S-10E	Fee
29-531	43-007-30863	SW, 29-14S-10E	Fee

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 6th Revision Consolidated Ferron Formation Participating Area "A,C,D", Drunkards Wash Unit and the effective date.

Sincerely,

/s/ Terry Catlin

Terry Catlin
Acting Chief, Branch of Fluid Minerals

Enclosure

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MAY 10 2004

DIV. OF OIL, GAS & MINING