

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		5. MINERAL LEASE NO: Private	6. SURFACE: Fee
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 checked="" 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: LDS 33-522	
3. ADDRESS OF OPERATOR: P.O. Box 851 Price UT 84501		PHONE NUMBER: (435) 613-9777	10. FIELD AND POOL, OR WILDCAT: Drunkards Wash Lyndell (marked)
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 636' FNL, 795' FEL 517248X 39, 56986 AT PROPOSED PRODUCING ZONE: 4379938Y -110, 79920		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 33 14S 10E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 2.2 Miles southeast of Price, Utah		12. COUNTY: Carbon	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 900'	16. NUMBER OF ACRES IN LEASE: 72.95 acres	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2600'	19. PROPOSED DEPTH: 1,400	20. BOND DESCRIPTION: Rotary	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5545.5 GR	22. APPROXIMATE DATE WORK WILL START: 9/1/2004	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
15"	12 3/4" Conductr	40	
11"	8 5/8" J-55 24#/ft	140	60 sks G+2% CaCl+ 1/4#/skD29
7 7/8"	5 1/2" N-80 17#/ft	1,390	93 sks 50/50POZ 8%D20,10% D44,2%S001 1/4#/skD29
			90 sks 10-1 RFC Tail

25. ATTACHMENTS

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

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- COMPLETE DRILLING PLAN
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

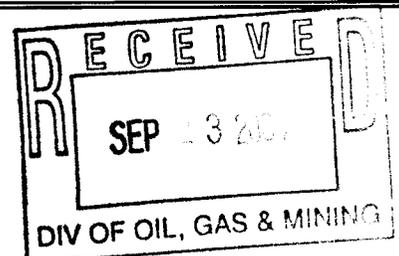
NAME (PLEASE PRINT) Jean Semborski TITLE Planning and Compliance Supervisor
 SIGNATURE *Jean Semborski* DATE 8/6/2004

(This space for State use only)

API NUMBER ASSIGNED: 43-007-31012

CONFIDENTIAL
Approved by the
Utah Division of
Oil, Gas and Mining

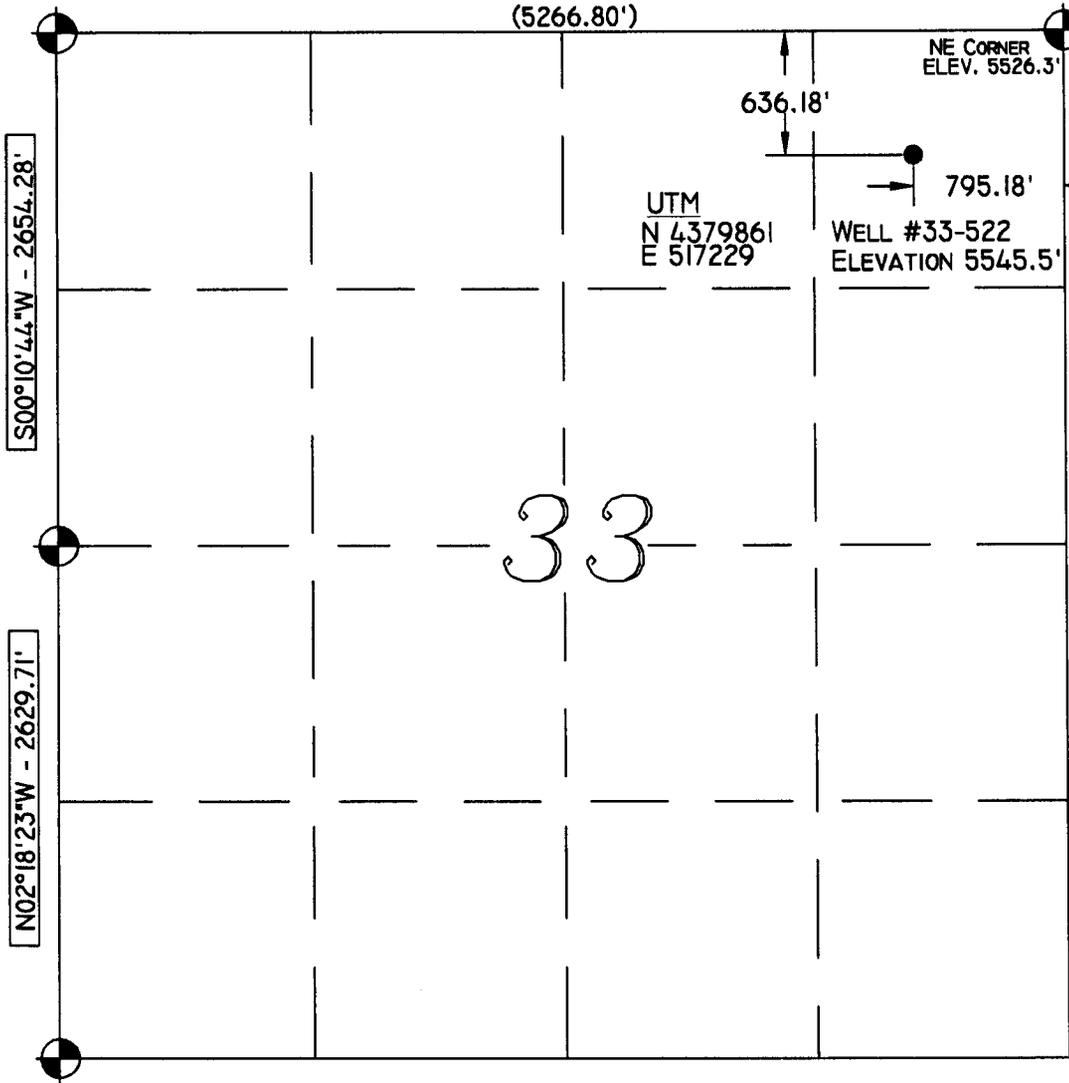
Date: 10-12-04
By: *[Signature]*
(See Instructions on Reverse Side)



Range 10 East

N89°11'46"E - 5302.24'
(5266.80')

Township 14 South



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

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

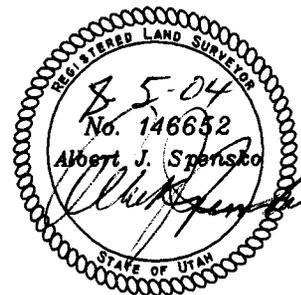
GLO Bearing:
THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

Basis of Elevation:
BASIS OF ELEVATION OF 5552' BEING AT THE NORTHWEST SECTION CORNER OF SECTION 33, TOWNSHIP 14 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 NE1/4 NE1/4 OF SECTION 33, T14S, R10E, S.L.B.&M., BEING 636.18' SOUTH AND 795.18' WEST FROM THE NORTHEAST SECTION CORNER OF SECTION 33, 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.



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talonwetr.net

ConocoPhillips Company

WELL #33-522
Section 33, T14S, R10E, S.L.B.&M.
Carbon County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 07/27/04
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 1411

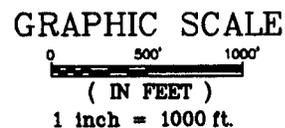
LEGEND

- DRILL HOLE LOCATION
- ⊙ METAL CAP (FOUND)
- BRASS CAP (SEARCHED FOR, BUT NOT FOUND)
- △ CALCULATED CORNER
- () 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°34'12.6"N
110°47'57.9"W





ConocoPhillips Company
6825 South 5300 West
P.O. Box 851
Price, UT 84501

August 6, 2004

Ms Diana Whitney
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-
LDS 33-522, NE/4 NE/4 Sec. 33
T14S, R10E, SLB & M, Carbon County, Utah

Dear Ms. Whitney:

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;

RECEIVED

SEP 23 2004

DIV. OF OIL, GAS & MINING

COPY

CONFIDENTIAL

LDS 33-522

Page 2

The proposed well is located within the Drunkards Wash Federal Unit and is more than 460' from the unit boundary. The proposed location, 636' FNL and 795' FEL, is inside the "spacing window" as defined by the general state location and siting rule.

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
Planning and Compliance 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
ConocoPhillips Well File



September 21, 2004

Via Federal Express Delivery

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

RECEIVED

SEP 22 2004

Dear Ms. Mason:

ConocoPhillips Company (COPC) plans to drill the LDS 33-522 natural gas well, which will be located in the Northeast One-quarter of Section 33, Township 14 South, Range 10 East, S.L.B.&M., Carbon County, Utah. COPC has filed an Application for Permit to Drill (APD) for this well with the State of Utah Division of Oil, Gas and Mining. The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-Day Saints and the Carbon Stake Corporation of the Church of Jesus Christ of Latter Day Saints ("LDS Church") own the surface estate of the property underlying the LDS 33-522 well location.

The LDS Church executed a Surface Use and Damage Agreement effective as of August 6, pursuant to the State of Utah Division of Oil, Gas and Mining, Oil and Gas Conservation General Rules, R659-3-34 ("Well Site Restoration Rules). This Agreement covers the property owned by the LDS Church and includes an agreement between them and COPC for the protection of surface resources, reclamation of the subject surface property and well site restoration, or damages in lieu thereof, for the surface locations for each of the subject wells. Enclosed is an Affidavit Concerning Surface Use Agreement evidencing COPC's agreement with the LDS Church.

Please advise Jean Semborski with COPC or me if you have questions or require additional information regarding the subject Surface Use Agreement.

Sincerely,

Deanna J. Walker
Phone: 970-498-9677
Fax: 970-498-9687
E-mail: Deanna.J.Walker@conocophillips.com

Enc.

cc: Jean Semborski, ConocoPhillips Company

File: UT/Carbon 171-10; UT 33-530
Slaughter, Harold, et.ux.
UT/Carbon 182; Lessar 20-850
Lessar, Antone A., et.al.

**AFFIDAVIT CONCERNING
SURFACE USE AGREEMENT**

STATE OF Oklahoma }
COUNTY OF Washington }

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

1. I am a Senior Advisor 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. **The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-Day Saints and the Carbon Stake Corporation of the Church of Jesus Christ of Latter Day Saints**, whose address is Real Estate Division, Twelfth Floor East, 50 East North Temple Street, Salt Lake City, Utah, 84150-6321, ("**Surface Owner**") own the surface estate of property located in the **Northeast One-quarter of Section 33, 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. The Surface Owner executed a Surface Use and Damage Agreement effective as of the 6th day of August 2004, which covers 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 and Damage 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 locations for COPC's **LDS 33-522 well** and associated infrastructure, which will be located on the Property. A Memorandum of Surface Use and Damage Agreement is being 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 Rules.

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 21st day of September, 2004.



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

Subscribed, sworn and acknowledged to and by Deanna J. Walker before me this 21st day of September, 2004.



NOTARY PUBLIC
For the State of Oklahoma
Commission #01009703

My Commission Expires

7-13-05

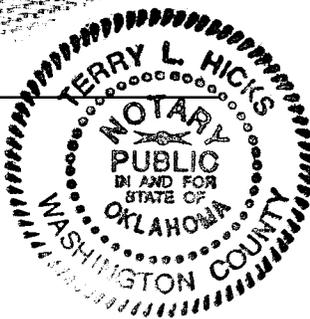


EXHIBIT "D"
DRILLING PROGRAM

Attached to Form 3
ConocoPhillips
LDS 33-522
NE/4, NE/4, Sec.33, T14S, R10E, SLB & M
636' FNL, 795' FEL
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 960'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 990' - 1100'

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"	140'	8-5/8"	24#ST&C	New
7-7/8"	1390'	5-1/2	17#LT&C	New

Cement Program -

Surface Casing: 60 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: 93 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 449_ 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 September 2004.

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
LDS 33-522
NE/4, NE/4, Sec.33, T14S, R10E, SLB & M
636' FNL, 795' 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 2400' of new access is required (See Exhibit "B")

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 8%
- c. Turnouts: None
- d. Drainage design: 9 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 2 proposed and 0 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 LDS Church. 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:

Mr. Robert Stanton

Corporation of the Presiding Bishop of

The Church of Latter Day Saints

12th Floor East

50 East North Temple Street

Salt Lake City, Utah 84150-6320

12. Other Information:

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 2600' south.
- b. Nearest live water is Drunkards Wash located at 850' northwest.
- 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
Planning and Compliance 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 ConocoPhillips and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

8/9/04
Date


Jean Semborski
Jean Semborski
Planning and Compliance Supervisor
ConocoPhillips

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

FORM 4A

Bond No. 6196922

SURETY BOND

KNOW ALL MEN BY THESE PRESENTS:

That we (operator name) CONOCOPHILLIPS COMPANY as Principal,
and

(surety name) SAFECO INSURANCE COMPANY OF AMERICA as Surety, duly authorized
and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

EIGHTY THOUSAND AND NO/100***** dollars (\$ 80,000.00)
lawful money of the United States, payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and
benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and
severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal is or will be engaged in the drilling, redrilling, deepening,
repairing, operating, and plugging and abandonment of 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:

X Blanket Bond: To cover all wells drilled in the State of Utah

____ Individual Bond: Well No: _____
Section: _____ Township: _____ Range: _____
County: _____, Utah

NOW, THEREFORE, if the above bounden Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and
requirements of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells
and well site restoration, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed its name and has caused this instrument to be signed by its duly authorized
officers and its corporate or notary seal to be affixed this

30th day of Dec, 20 02.

(Corporate or Notary Seal here)

Attestee: [Signature] Date: 12-30-02

CONOCOPHILLIPS COMPANY
Principal (company name)
By James F. Hughes Corporate Insurance
Name (print) Title manager
James F. Hughes
Signature

IN TESTIMONY WHEREOF, said Surety has caused this instrument to be signed by its duly authorized officers and its corporate or notary seal
to be affixed this

1ST day of JANUARY, 20 03.

(Corporate or Notary Seal here)

Carolyn E. Wheeler
Attestee: _____ Date: 12/20/2002

SAFECO INSURANCE COMPANY OF AMERICA
Surety Company (Attach Power of Attorney)
By TINA MARIE FOSTER ATTORNEY-IN-FACT
Name (print) Title
Tina Marie
Signature
C/O MARSH USA INC.
Surety Mailing Address
P.O. BOX 36012, KNOXVILLE, TN 37930-6012
City State Zip

CAROLYN E. WHEELER
NOTARY PUBLIC
MY COMMISSION EXPIRES: NOVEMBER 1, 2006
(5/2002)

RIDER

To be attached to Bond No. 6196922 issued by _____

SAFECO INSURANCE COMPANY OF AMERICA

(As Surety) in the amount of Eighty Thousand Dollars and 00 Cents

..... (\$80,000.00)

Dollars, effective the 1st day of January, 2003

ON BEHALF OF CONOCOPHILLIPS COMPANY

IN FAVOR OF STATE OF UTAH

In consideration of the premium charged for the attached bond, it is mutually understood and agreed by the Principal and the Surety that: THE BOND AMOUNT IS HEREBY INCREASED FROM THE ABOVE TO: ONE HUNDRED TWENTY THOUSAND DOLLARS AND NO/100*****(\$120,000.00)

All other items, limitations and conditions of said bond except as herein expressly modified shall remain unchanged.

This rider shall be effective as of the 23rd day of January, 2004

Signed, sealed and dated this the 23rd day of January, 2004

CONOCOPHILLIPS COMPANY

Principal

BY Susan F. Short
Susan F. Short
Assistant Secretary

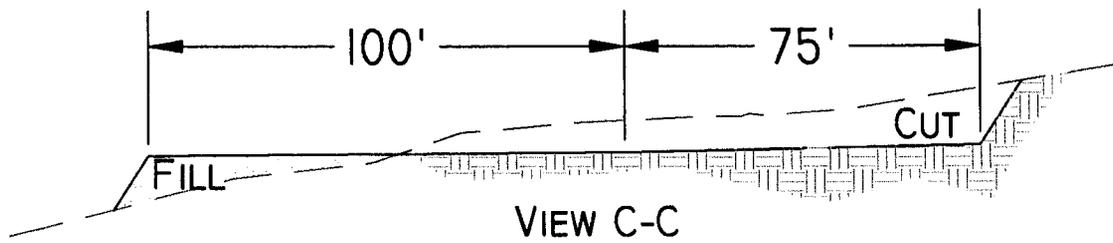
SAFECO INSURANCE COMPANY OF AMERICA

Surety

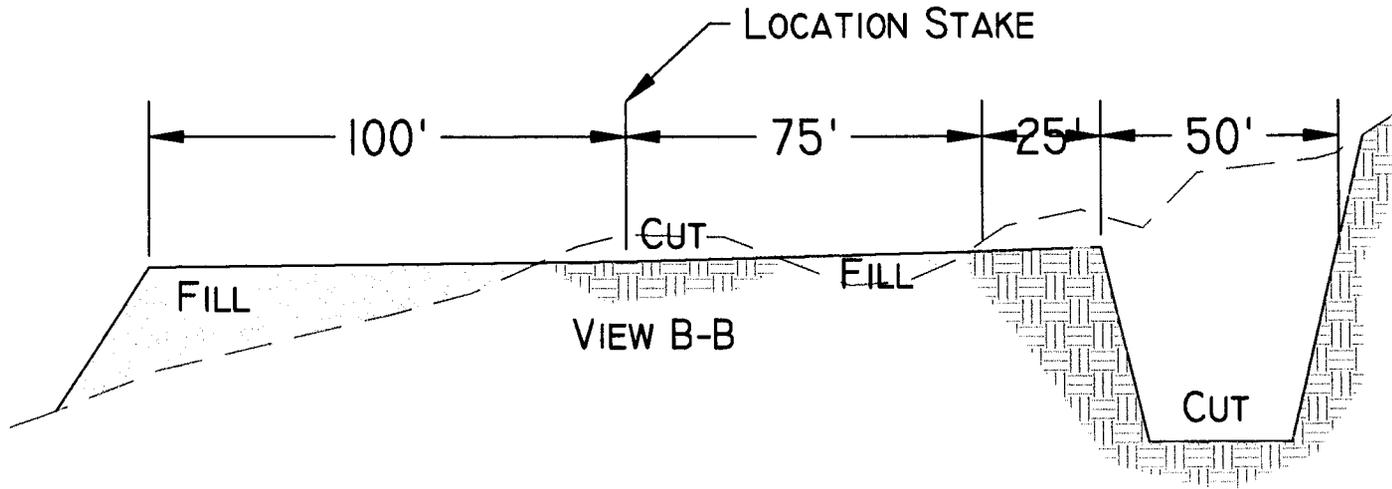
Accepted:

BY Joy M. Williams
JOY M. WILLIAMS, Attorney-in-Fact

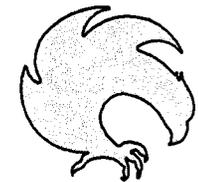
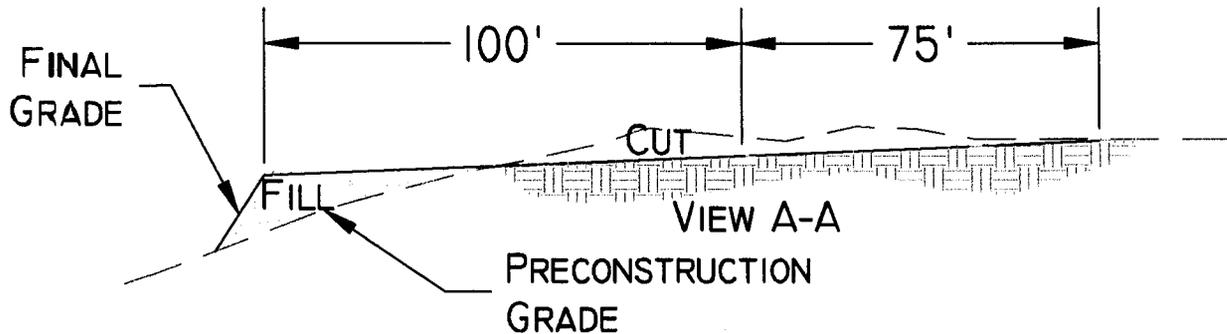
Bond 22a



$1'' = 10'$
 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)687-5310 Fax (435)687-5311
 E-Mail talonnetv.net

ConocoPhillips Company

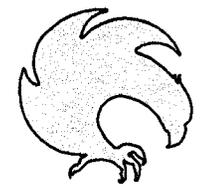
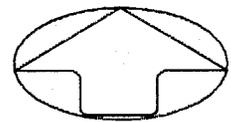
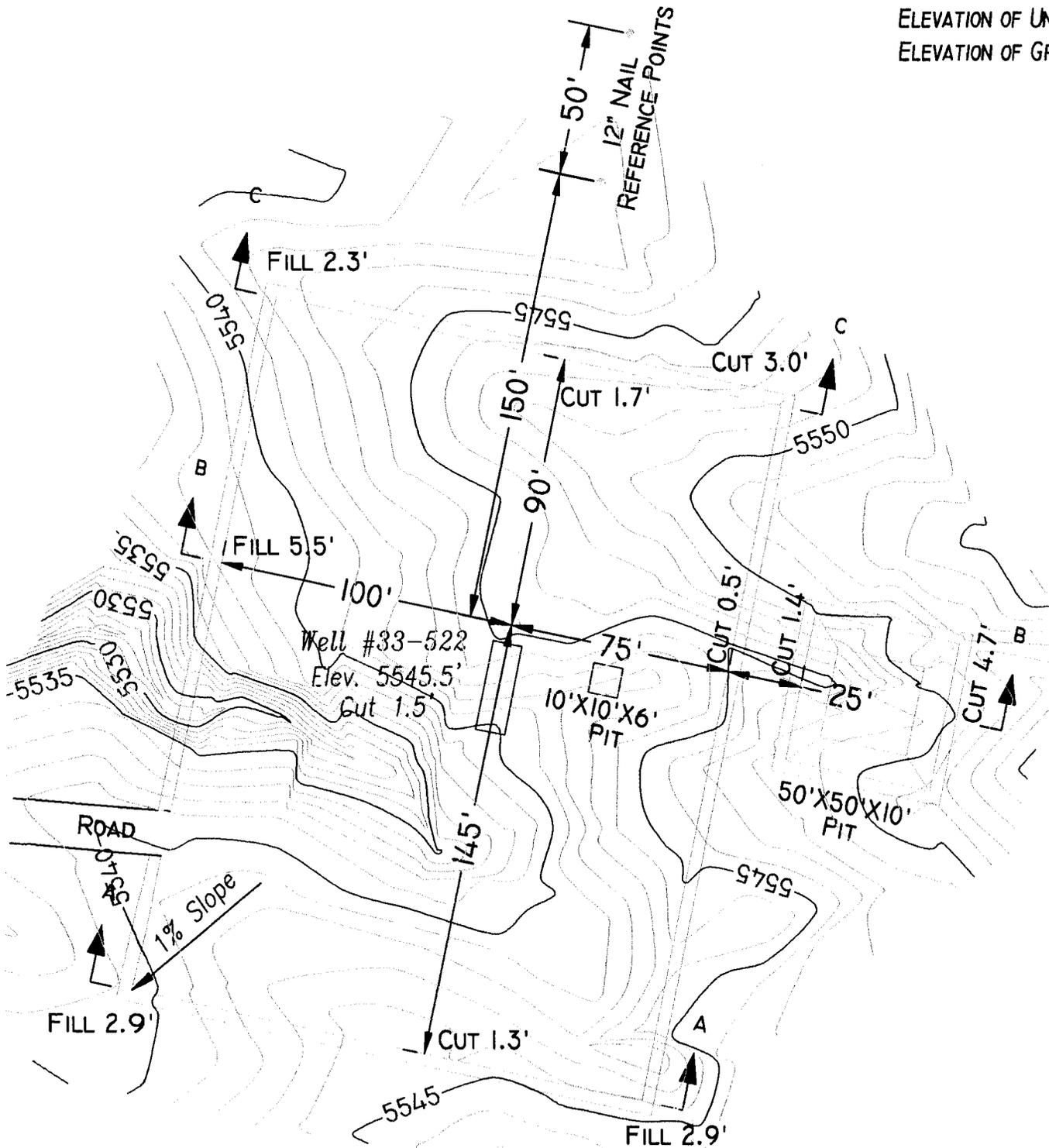
TYPICAL CROSS SECTION
 Section 33, T14S, R10E, S.L.B.&M.
 WELL #33-522

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 07/27/04
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 1411

APPROXIMATE YARDAGES

CUT
 (6") TOPSOIL STRIPPING = 750 Cu. Yds.
 REMAINING LOCATION = 1,660 Cu. Yds.
 TOTAL CUT = 2,420 Cu. Yds.
 TOTAL FILL = 1,510 Cu. Yds.

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 5545.5'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 5544.0'

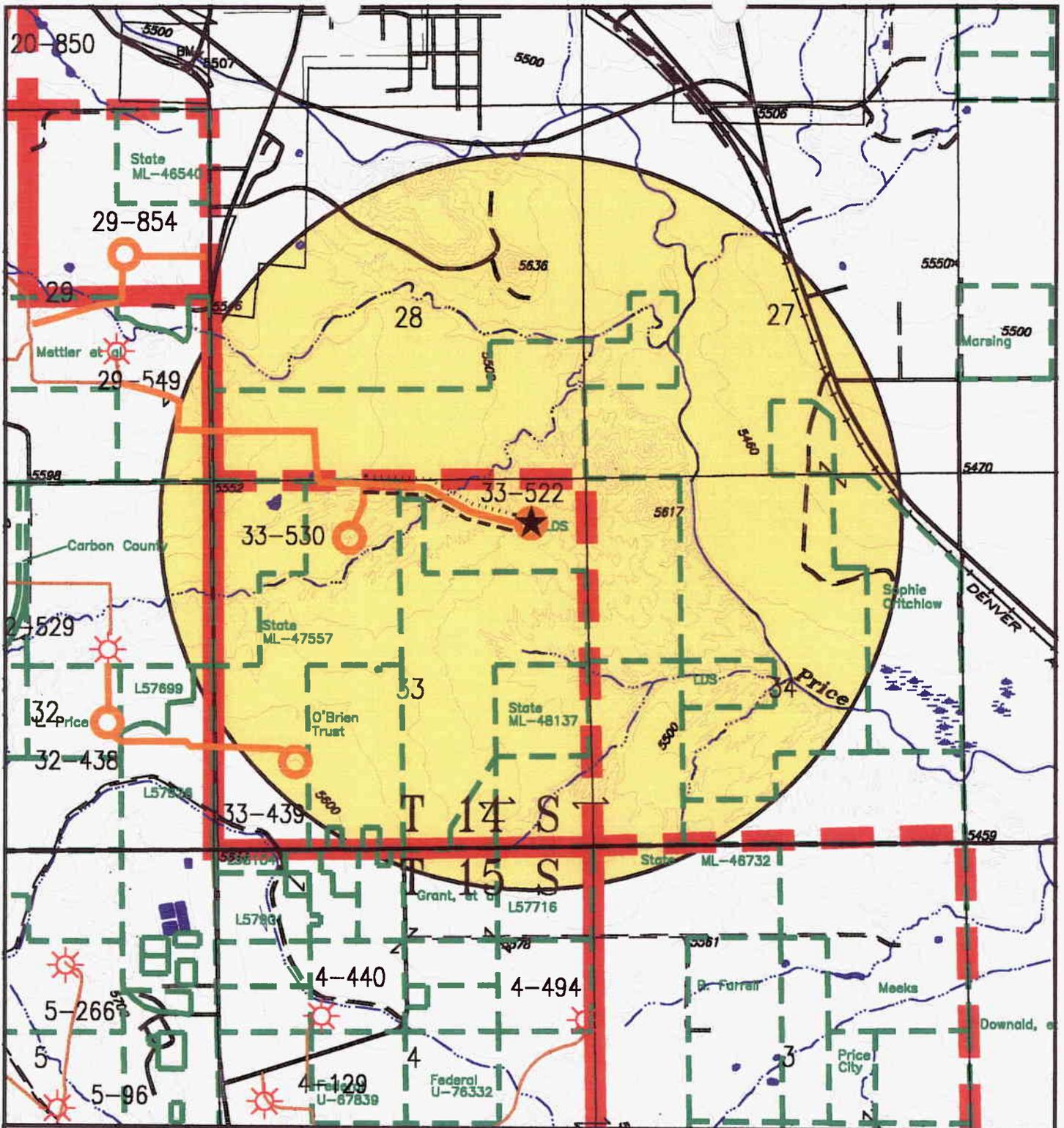


TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@etv.net

ConocoPhillips Company

LOCATION LAYOUT
 Section 33, T14S, R10E, S.L.B.&M.
 WELL #33-522

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 07/27/04
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 1411



LEGEND

- Proposed Well Location: ★
- Other Proposed Well Locations: ○
- Proposed Powerline: - - -
- Proposed Pipeline: — — —
- Proposed Roads: — — —
- Lease Boundary: — — —
- Existing Wells: ☀

Scale: 1" = 2000'

August 2, 2004

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

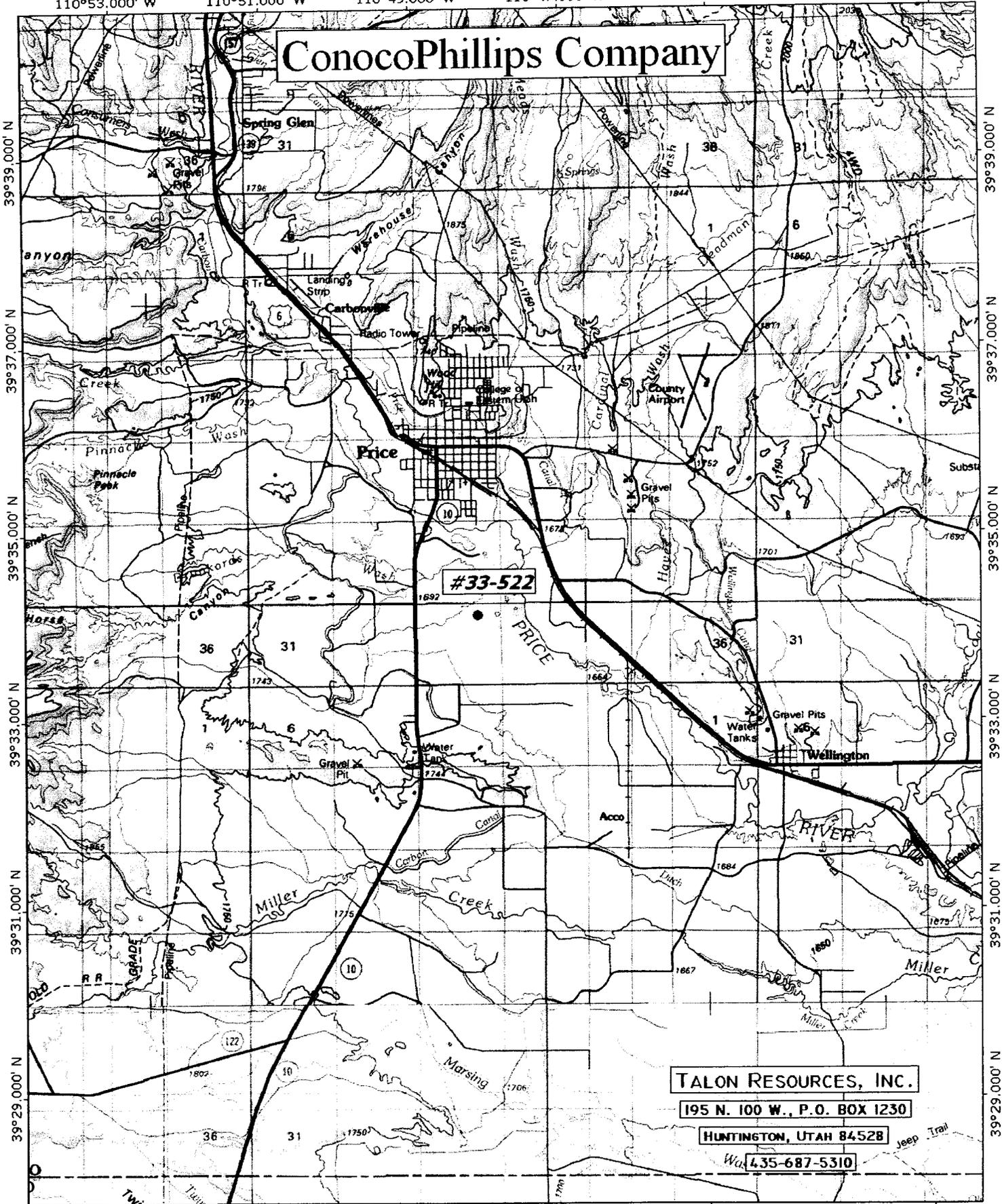


WELL # 33-522
Section 33, T14S, R10E, S.L.B.&M.
Exhibit B 1 of 2

TOPOI map printed on 08/04/04 from "Phillips-33-522.tpo" and "Untitled.tpg"

110°53.000' W 110°51.000' W 110°49.000' W 110°47.000' W 110°45.000' W WGS84 110°42.000' W

ConocoPhillips Company

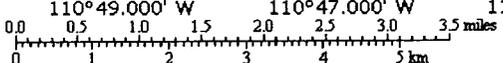


TALON RESOURCES, INC.

195 N. 100 W., P.O. BOX 1230

HUNTINGTON, UTAH 84528

Wa 435-687-5310



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APPROXIMATE LAYOUT OF RIG & EQUIPMENT

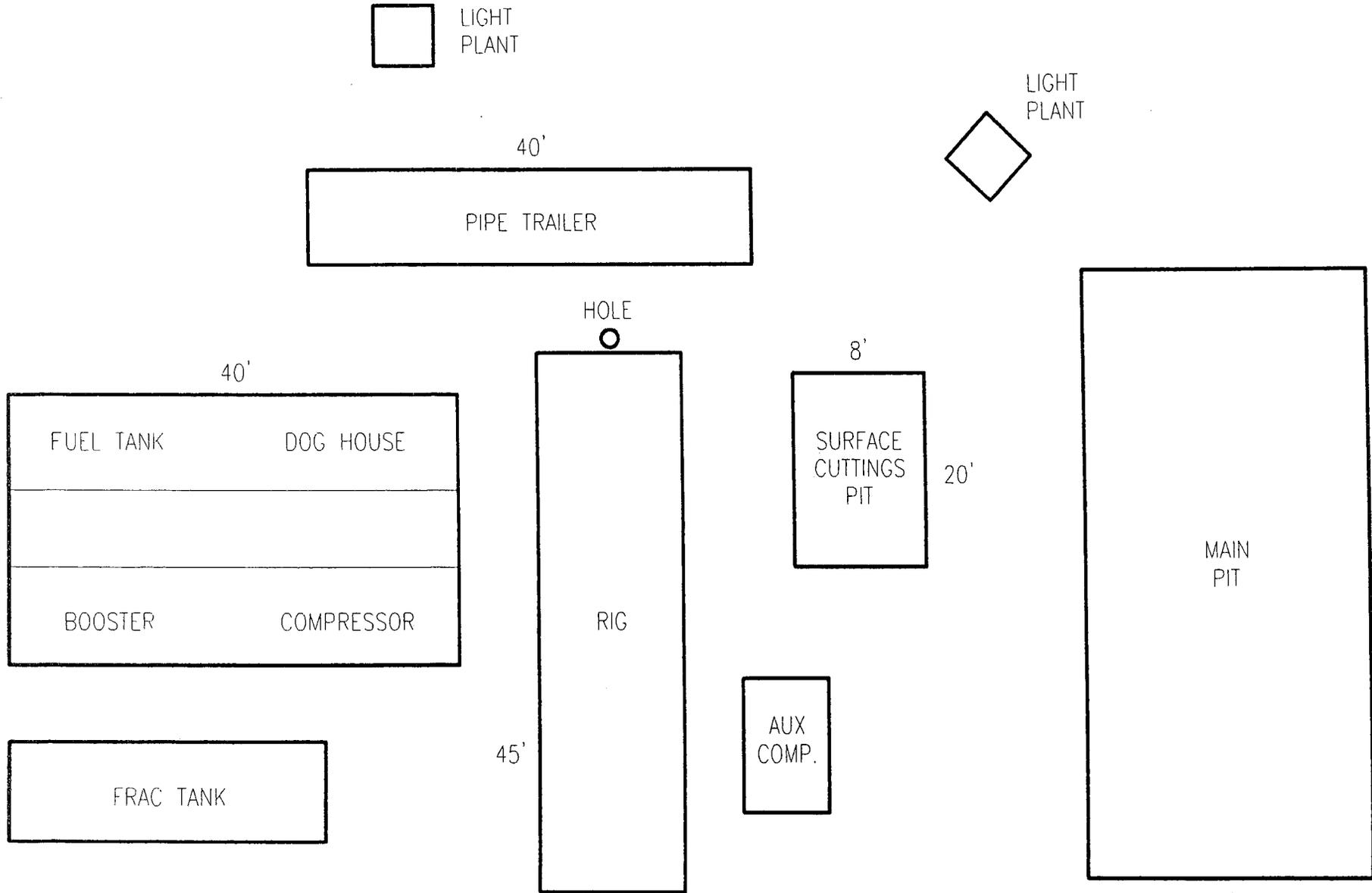
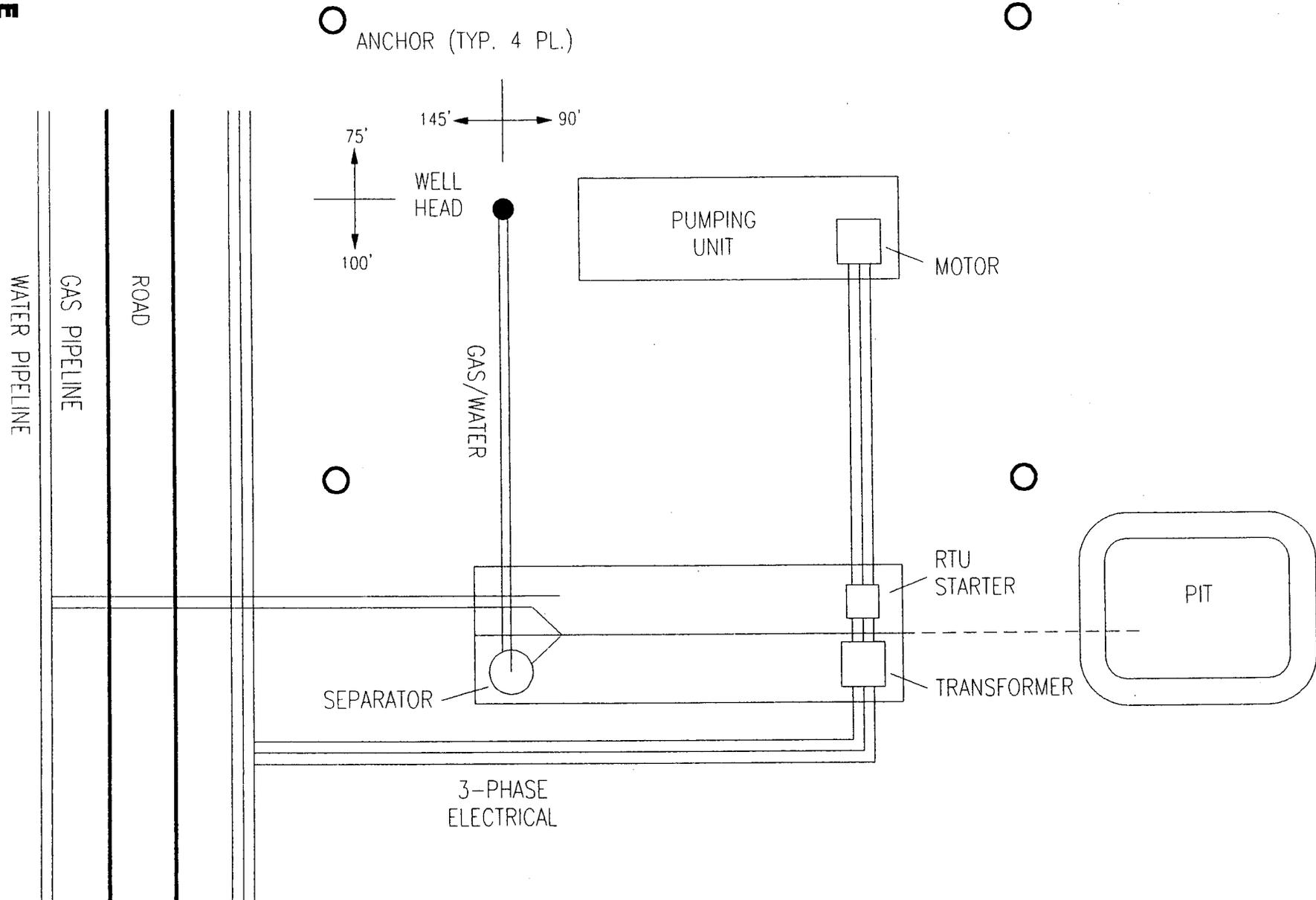


EXHIBIT E

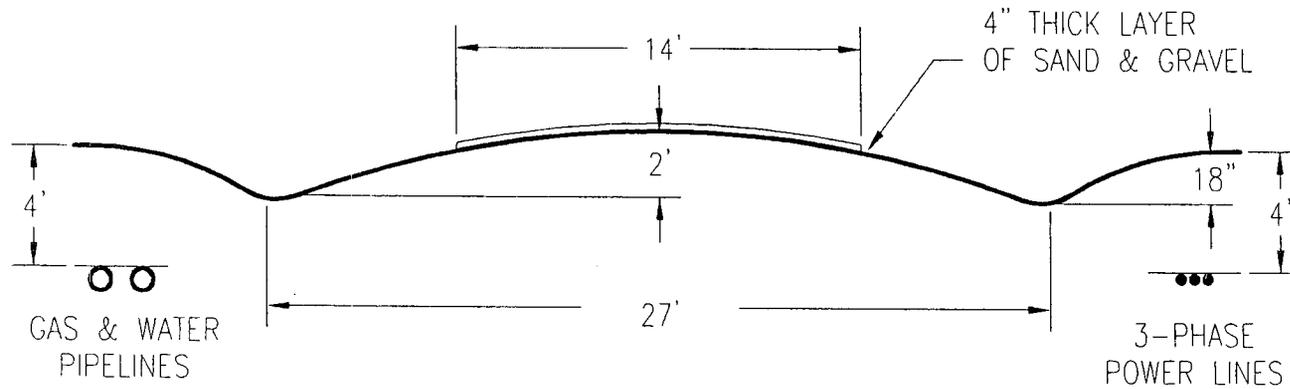
CONOCOPHILLIPS

WELL SITE LAYOUT (235' x 175')

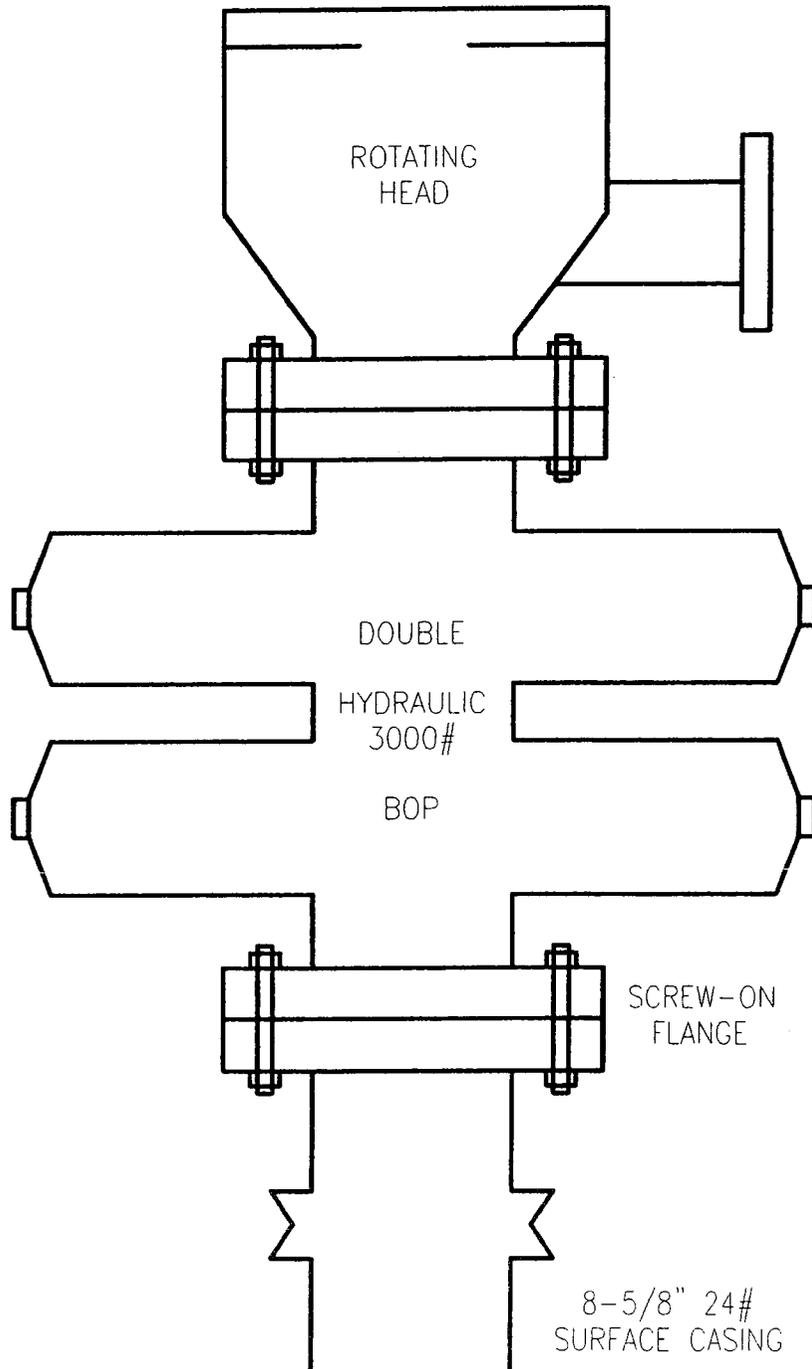


TYPICAL ROAD CROSS-SECTION

EXHIBIT F



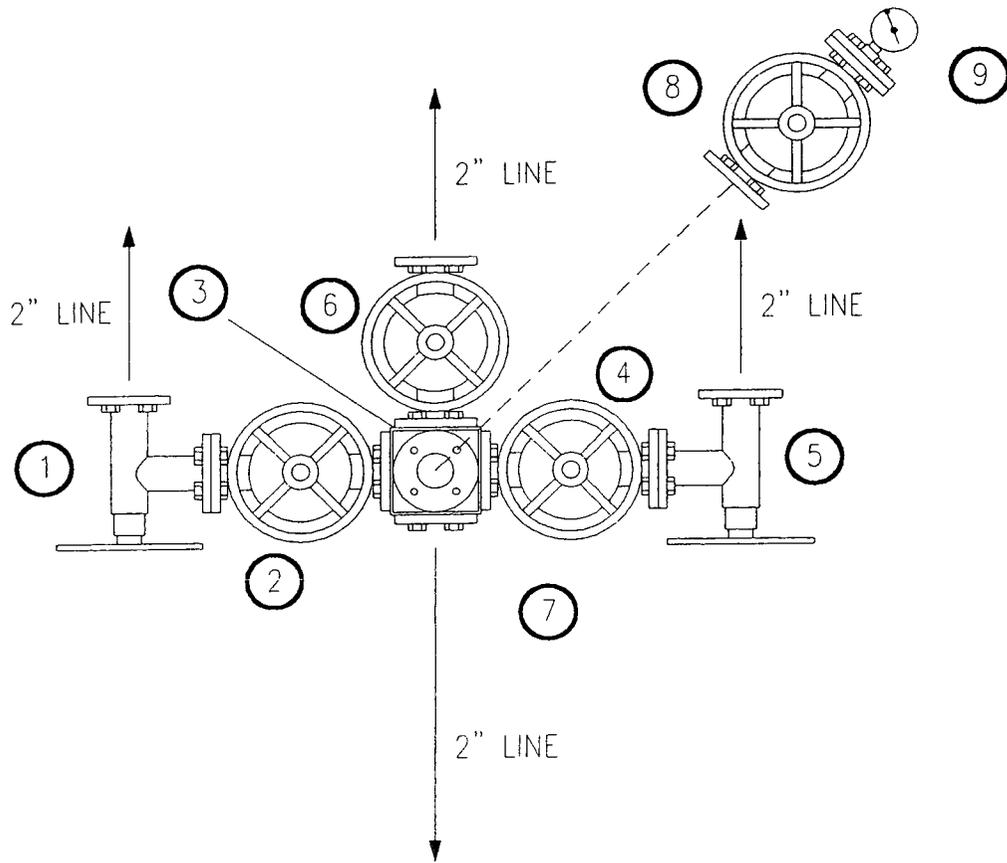
DIVERTER HEAD



- (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

003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/23/2004

API NO. ASSIGNED: 43-007-31012

WELL NAME: LDS 33-522

OPERATOR: CONOCOPHILLIPS COMPANY (N2335)

CONTACT: JEAN SEMBORSKI

PHONE NUMBER: 435-613-9777

PROPOSED LOCATION:

NENE 33 140S 100E
SURFACE: 0636 FNL 0795 FEL
BOTTOM: 0636 FNL 0795 FEL
CARBON
UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	10/8/04
Geology		
Surface		

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: FRSD

COALBED METHANE WELL? ~~NO~~ YES

LATITUDE: 39.56986

LONGITUDE: -110.7992

RECEIVED AND/OR REVIEWED:

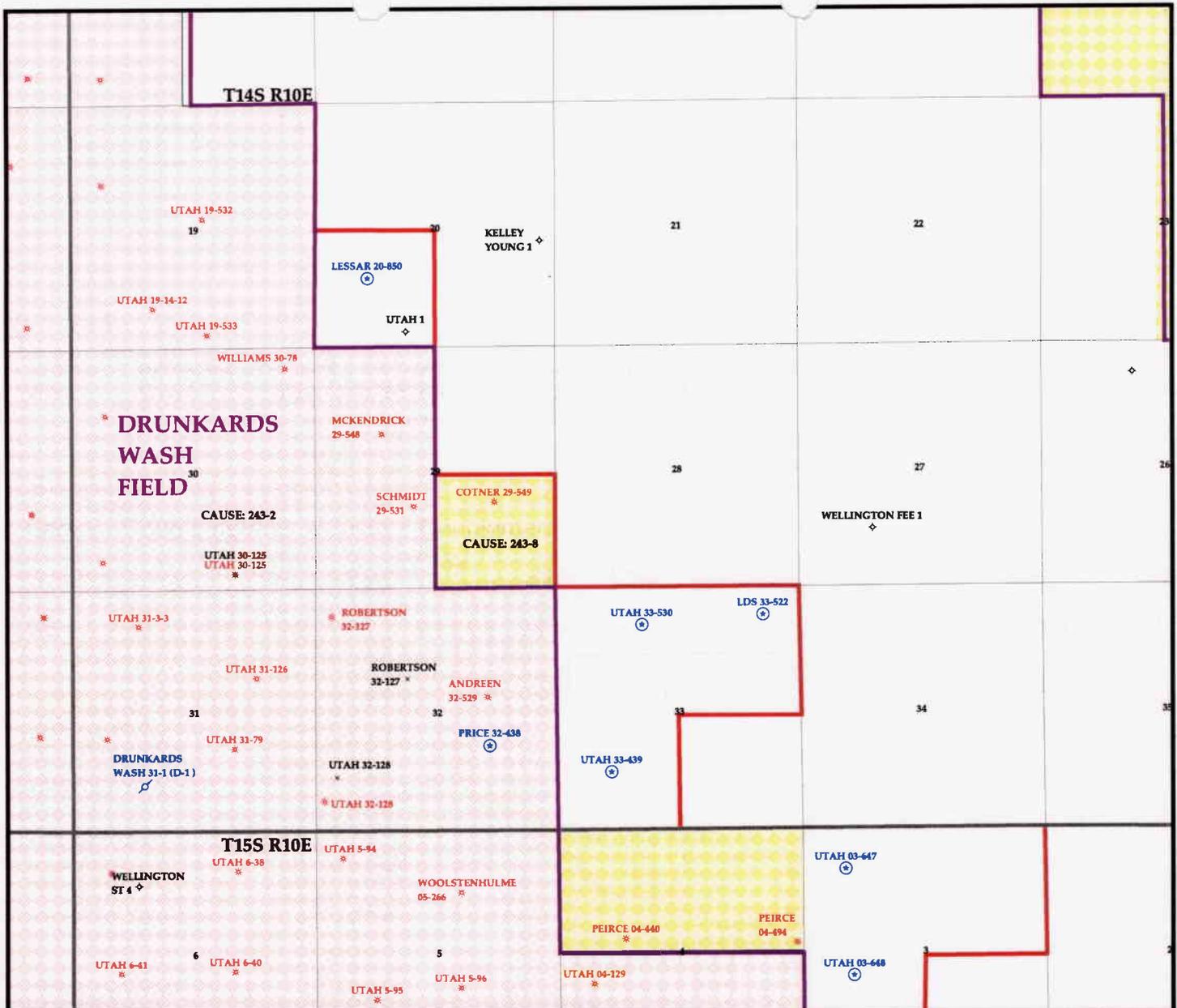
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196922)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

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: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Needs Permit (8-18-04)

STIPULATIONS: 1- Spacing Shp.
2- STATEMENT OF BASIS



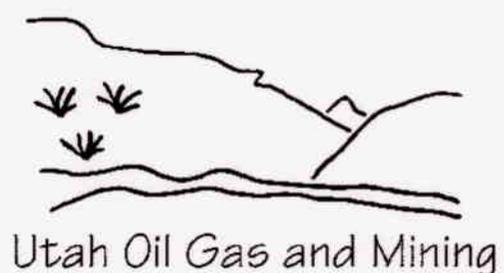
OPERATOR: CONOCOPHILLIPS CO (N2335)

SEC. 33 T.14S R.10E

FIELD: UNDESIGNATED (002)

COUNTY: CARBON

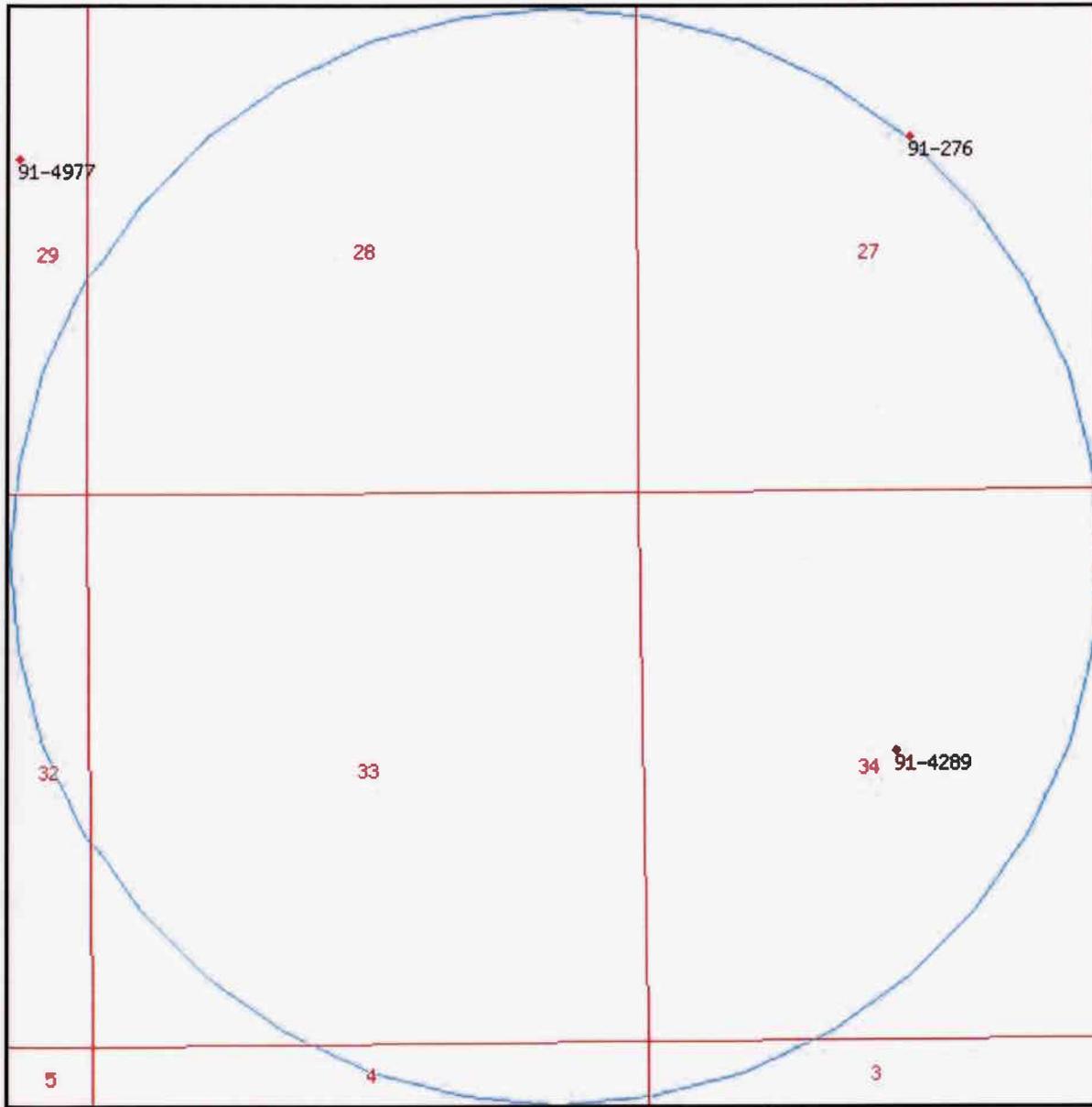
SPACING: R649-3-2 / GENERAL SITING



Wells	Units.shp	Fields.shp
⊕ GAS INJECTION	□ EXPLORATORY	□ ABANDONED
⊞ GAS STORAGE	□ GAS STORAGE	□ ACTIVE
× LOCATION ABANDONED	□ NF PP OIL	□ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	□ INACTIVE
⊞ PLUGGED & ABANDONED	□ PENDING	□ PROPOSED
* PRODUCING GAS	□ PI OIL	□ STORAGE
● PRODUCING OIL	□ PP GAS	□ TERMINATED
⊞ SHUT-IN GAS	□ PP GEOTHERML	
⊞ SHUT-IN OIL	□ PP OIL	
× TEMP. ABANDONED	□ SECONDARY	
○ TEST WELL	□ TERMINATED	
▲ WATER INJECTION		
◆ WATER SUPPLY		
♣ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
DATE: 29-SEPTEMBER-2004



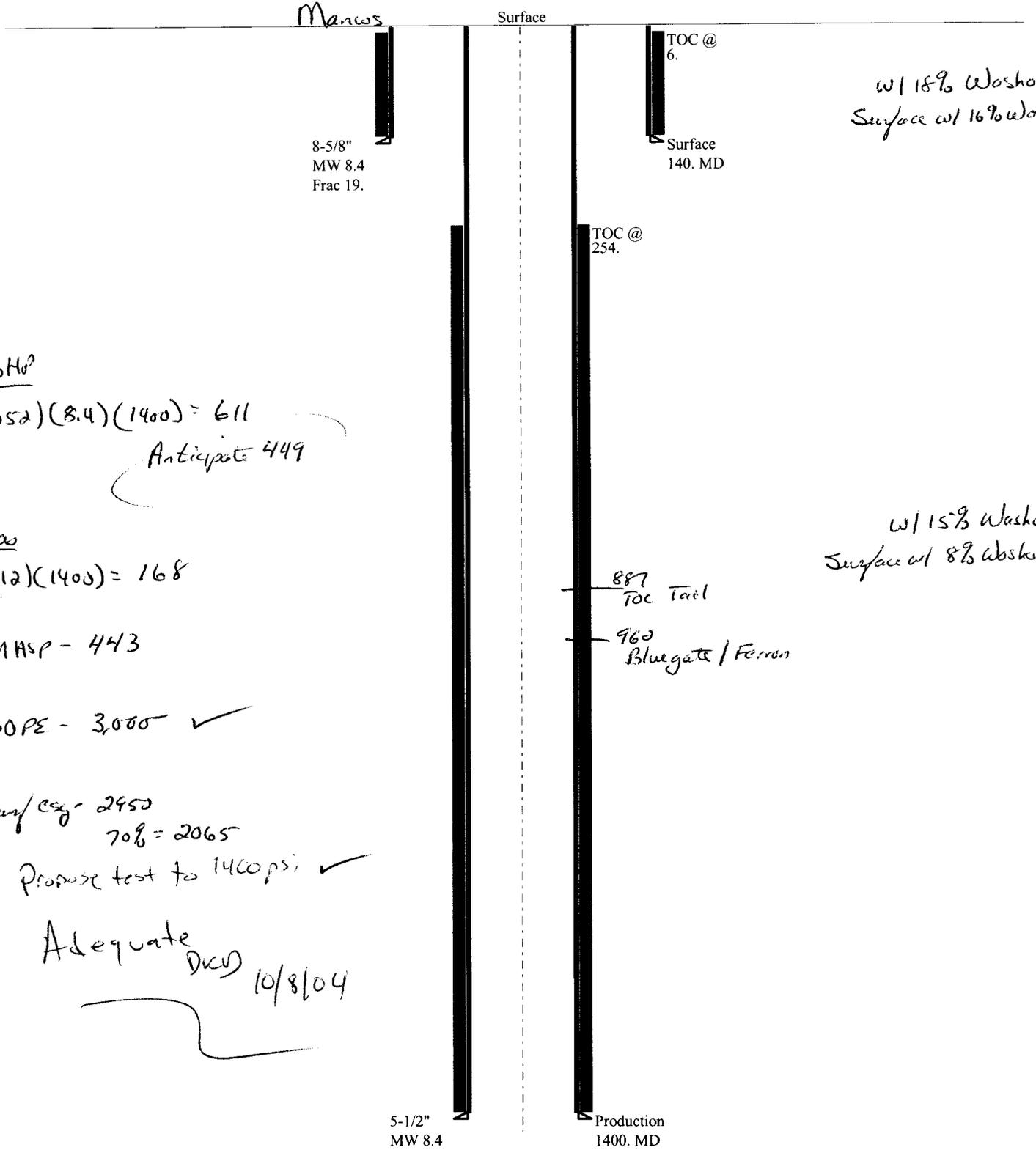
Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
91-276	Surface S1920 W10 N4 27 14S 10E SL		P	19600718	I	0.750	0.000	MILTON B. BRYNER 720 NORTH 4TH EAST AMOCO
91-4289	Surface S2500 E2500 NW 34 14S 10E SL		U	19820915	OX	500.000	12000.000	PRODUCTION COMPANY 200 EAST RANDOLP DRIVE
91-4977	Surface S2080 E1980 N4 29 14S 10E SL		A	19950627	I	0.000	4.370	BLAKE LIDDELL 1398 SOUTH FAIRGROUNDS ROAD

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

10-04 ConocoPhillips LDS -522

Casing Schematic



Manco

Surface

8-5/8"
MW 8.4
Frac 19.

TOC @
6.

Surface
140. MD

w/ 18% Washout
Surface w/ 16% Washout

TOC @
254.

BHP

$$(0.052)(8.4)(1400) = 611$$

Anticipate 449

Gas

$$(0.12)(1400) = 168$$

MAHP - 443

BOPE - 3,000 ✓

Surf csg 2950
70% = 2065

Propose test to 1400 psi ✓

Adequate
Dec 10/8/04

5-1/2"
MW 8.4

Production
1400. MD

887
TOC Tail

960
Bluegate / Ferron

w/ 15% Washout
Surface w/ 8% Washout

Well name:	10-04 ConocoPhillips LDS 33-522		
Operator:	ConocoPhillips Company		Project ID:
String type:	Surface		43-007-31012
Location:	Carbon		

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: 67 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 3 ft
 Cement top: 6 ft

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.436 psi/ft
 Calculated BHP 61 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)

Non-directional string.

Tension is based on air weight.
 Neutral point: 122 ft

Re subsequent strings:

Next setting depth: 1,400 ft
 Next mud weight: 8.400 ppg
 Next setting BHP: 611 psi
 Fracture mud wt: 19.000 ppg
 Fracture depth: 140 ft
 Injection pressure 138 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	140	8.625	24.00	J-55	ST&C	140	140	7.972	917
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	61	1370	22.426	61	2950	48.29	3	244	72.62 J

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 801-359-3940

Date: October 1, 2004
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 140 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:	10-04 ConocoPhillips LDS 33-522		
Operator:	ConocoPhillips Company		Project ID:
String type:	Production		43-007-31012
Location:	Carbon		

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: 85 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 250 ft
 Cement top: 254 ft

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.436 psi/ft
 Calculated BHP: 611 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)

Non-directional string.

Tension is based on air weight.
 Neutral point: 1,222 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	1400	5.5	17.00	N-80	LT&C	1400	1400	4.767	10043
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	611	6290	10.296	611	7740	12.67	24	348	14.62

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 801-359-3940

Date: October 1, 2004
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1400 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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



State Online Services

Agency List

Business.utah.gov

Search Utah.gov



UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.03.26.00 Rundate: 09/30/2004 04:45 PM

Radius search of 5280 feet from a point S636 W795 from the NE corner, section 33, Township 14S, Range 10E, SL b&m
Criteria:wrtypes=W,C,E podtypes=S,U,D,Sp,P status=U,A,P usetypes=all

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

OPERATOR: ConocoPhillips Company
WELL NAME & NUMBER: LDS 33-522
API NUMBER: 43-007-31012
LEASE: Fee **FIELD/UNIT:** _____
LOCATION: 1/4,1/4 NENE Sec: 33 TWP: 14S RNG: 10E 636 FNL 795 FEL
LEGAL WELL SITING: F SEC. LINE; F 1/4,1/4 LINE; F ANOTHER WELL.
GPS COORD (UTM): X =517250 E; Y =4379840 N SURFACE OWNER: The Church of Jesus Christ of Latter Day Saints.

PARTICIPANTS

M. Jones (DOG M), Jean Semborski and Deanna Walker (ConocoPhillips), Lee and Joann Harston (LDS Church).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~2 miles south of Price, Utah. Staked location lies east of Highway 10 on LDS Church owned property, known as the "Stake Farm", in Carbon County Utah. The immediate area surrounding the proposed well is agriculture use. Access to this well will be along existing ConocoPhillips gas field roads from UDOT and County maintained roads. Approximately 2400' of new access road will be built for this location. The direct area drains to the north, then east into Drunkards wash then further eastward eventually into the Price River, a year-round live water source ~2100' east of the proposed location. Dry washes run throughout the area.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and agriculture activities.

PROPOSED SURFACE DISTURBANCE: 175' x 205' w/ 50' x 50' x 10' (excluded) pit.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 3 proposed, producing, and/or PA wells are within a 1 mile radius of the above proposed well.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: On location and along roadway.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and trucked to site.

ANCILLARY FACILITIES: None anticipated.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): County officials seem to be concerned about drilling activities east of Highway 10. The closest residential dwelling is approximately 1/2 mile southwest of the proposed gas well. Access will be, in general, from the west-northwest. All proposed new access for this well will be on the same surface ownership as the well, the LDS

Church. The well and its access shouldn't impact any residences. A radio tower sits approximately 1300' south of the proposed well and will not be affected. The Price River lies east of the well approximately 2100' to which there are no foreseeable impacts.

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: Dry washes run throughout the immediate area of the proposed well location.

FLORA/FAUNA: Sagebrush, 4-wing salt brush, rodents, fowl.

SOIL TYPE AND CHARACTERISTICS: Silty clay.

SURFACE FORMATION & CHARACTERISTICS:

EROSION/SEDIMENTATION/STABILITY: Erosive upon disturbance.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen, 50'x50'x10', exterior to location.

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

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: In negotiation.

CULTURAL RESOURCES/ARCHAEOLOGY: In process by Senco-Pheonix.

OTHER OBSERVATIONS/COMMENTS

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

August 18, 2004 / 9:15 am
DATE/TIME

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

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

Final Score 15 (Level II Sensitivity)

Sensitivity Level I = 20 or more; total containment is required, consider criteria for excluding pit use.

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: ConocoPhillips Company
WELL NAME & NUMBER: LDS 33-522
API NUMBER: 43-007-31102
LOCATION: 1/4,1/4 NENE Sec:33 TWP: 14 S RNG: 10 E 636 FNL 795 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 encountered during drilling. Several surface and no underground water rights have been filed within a mile of the location. The area drains to Drunkards Wash and the Price River.

Reviewer: Christopher J. Kierst **Date:** 9/30/2004

Surface:

Proposed location is ~2 miles south of Price, Utah. Staked location lies east of Highway 10 on LDS Church owned property, known as the "Stake Farm", in Carbon County Utah. The immediate area surrounding the proposed well is agricultural use. The closest residential dwelling is approximately 1/2 mile southwest of the proposed gas well. Access to this well will be along existing ConocoPhillips gas field roads from the west and off UDOT and County maintained roads. Access will be, in general, from the west-northwest. All proposed new access for this well will be on the same surface ownership as the well, the LDS Church. Approximately 2400' of new access road will be built for this location. The well and its access shouldn't impact any residences. The direct area drains to the north, then east into Drunkards wash then further eastward eventually into the Price River, a year-round live water source ~2100' east of the proposed location. Jean Semborski and Deanna Walker represented ConocoPhillips, while Lee and Joann Harston were in attendance, representing the surface owner. Carbon County was invited but chose not to attend this on-site evaluation.

Reviewer: Mark L. Jones

Date: August 27, 2004

Conditions of Approval/Application for Permit to Drill:

1. Lining the reserve pit is optional.

004



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

October 12, 2004

ConocoPhillips Company
P O Box 851
Price, UT 84501

Re: LDS 33-522 Well, 636' FNL, 795' FEL, NE NE, Sec. 33, 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 43-007-31012.

Sincerely,

A handwritten signature in cursive script, appearing to read "John R. Baza".

Handwritten initials "for" in cursive script.

John R. Baza
Associate Director

pab
Enclosures

cc: Carbon County Assessor

Operator: ConocoPhillips Company
Well Name & Number LDS 33-522
API Number: 43-007-31012
Lease: Fee

Location: NE NE **Sec.** 33 **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 Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

006

ENTITY ACTION FORM

Operator: ConocoPhillips Company
Address: 6825 S 5300 W
city Price
state UT zip 84501

Operator Account Number: N 2335
Phone Number: (435) 613-9777

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300731012	LDS 33-522		NENE	33	T14	10E	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	14397	11/3/2004		11/22/04		
Comments: <u>New well drilled outside the PA, but inside the unit.</u> <u>FRSD</u>							CONFIDENTIAL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							RECEIVED NOV 18 2004

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)

DIV. OF OIL, GAS & MINING

Lynnette Allred
Name (Please Print)
L. Allred
Signature
SR Operations
Title
Date 11/12/04

005

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:

UTU67921X Drunkards Wash

8. Well Name and Number:

LDS 33-522

9. API Well Number:

43-007-31012

10. Field or Pool, or Wildcat:

Drunkards Wash

1. Type of Well: OIL GAS OTHER

2. Name of Operator:

ConocoPhillips Company

3. Address and Telephone Number:

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

County: Carbon County

State: Utah

4. Location of Well Footages:

636' FNL, 795' FEL

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

NE/NE, SEC.33, T14S, R10E, SLB & M

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

NOTICE OF INTENT
(Submit in Duplicate)

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

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Spud Well
- Date of work completion 11/03/2004
- New Construction
- Pull or Alter Csg
- Reperforate
- Vent or Flare
- Water Shut-Off

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

* Must be accompanied by a cement verification report.

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

See attached.

RECEIVED

NOV 18 2004

DIV OF OIL, GAS & MINING

13.

Name & Signature: Lynnette Allred



Title: Sr. Operations Assistant

Date: 11/12/2004

(This space for state use only)

CONOCOPHILLIPS CO

Daily Drilling Report

WELL NAME UTAH 33-522		JOB NUMBER	EVENT CODE DRL	24 HRS PROG	TMD	TVD	DFS	REPT NO. 1	DATE 11/4/2004
SUPERVISOR LLOYD SHIRLEY	RIG NAME & NO. PENSE BROS PENSE BROS		FIELD NAME / OCS NO.		AUTH MD 1,350.0	DAILY TANG 0.00	CUM. TANG 0.00		
CURRENT STATUS TESTING BOP			ACCIDENTS LAST 24 HRS.? NONE RPTD		DAILY INT W/O MUD 0.00		CUM INTANG W/ MUD 0.00		
24 HR FORECAST TEST BOP, DRILL 7 7/8IN HOLE TO TD, LOG WELL			DATE OF LAST SAFETY MEETING 11/3/2004		DAILY TOTAL 17,053		CUM COST W/ MUD 17,053		
LITHOLOGY		JAR HRS OF SERVICE	BHA HRS SINCE INSP	LEAKOFF	AFE WAR.UIN.S296		AUTH. 260,791		
LAST SURVEY: DATE	TMD	INC	AZIM	LAST CASING (in) @ (ft)		NEXT CASING (in) @ (ft)		LAST BOP PRES TEST	

OPERATIONS SUMMARY

FROM	TO	HOURS	CODE	TROUBLE	SUB	PHASE	DESCRIPTION
06:30	07:00	0.50	MOVE P		SFTY	MIRU	SAFETY MTG, (NEW CREW, ORIENTATION, SAFE RIG UP PRACTICES, COMMUNICATION,
07:00	09:00	2.00	DRILL P		RURD	MIRU	RIG UP AND PREP TO SPUD
09:00	11:00	2.00	DRILL P		DRLG	COND1	SPUD @ 0900HRS 11/3/04, DRILL & SET 15FT OF CONDUCTOR, (HAD TO WAIT ON CONDUCTOR TO BE DELIVERED,
11:00	11:30	0.50	DRILL P		RURD	SURFAC	RIG UP BLOUIE LINE TO DRILL SURFACE HOLE,
11:30	13:00	1.50	DRILL P		DRLG	SURFAC	DRILL 11IN SURFACE HOLE TO 265FT,
13:00	13:30	0.50	DRILL P		CIRC	SURFAC	CLEAN HOLE, POOH
13:30	14:15	0.75	CASING P		RNCS	SURFAC	RIH W/ 8 5/8IN GUIDE SHOE + 8 JTS OF 8 5/8IN 24# J-55 CSG, LAND @ 255FT,
14:15	14:45	0.50	CEMENT P		SFTY	SURFAC	SAFETY MTG W/ CEMENT CREW,(DISCUSS JOB, WATCHING PRESSURE BEST RIG UP PRACTICES), RIG UP CEMENTERS,
14:45	15:10	0.42	CEMENT P		DISP	SURFAC	PUMP 30 BBLS OF FRESH WATER AHEAD, MIX & PUMP 110SKS OF CEMENT, DISPLACE W/ 14BBLS OF FRESH WATER, CLOSE VALVE @ 1510HRS 11/03/04, 10BBLS GOOD CEMENT TO SURFACE,
15:10	16:00	0.83	CEMENT P		RURD	SURFAC	RIG DOWN CEMENTERS,
16:00	19:00	3.00	CEMENT P		WOC	SURFAC	WAIT ON CEMENT,
19:00	20:00	1.00	TREBOP P		NUND	SURFAC	N/UP CSG HEAD, BOP AND MANIFOLD, SECURE WELL AND SDFN

24 HR SUMMARY: RIG UP, SPUD WELL SET CONDUCTOR, DRILL SURFACE HOLE, SET & CEMENT SURFACE PIPE, N/UP BOPS,

PERSONNEL DATA

COMPANY	SERVICE	NO.	HOURS	COMPANY	SERVICE	NO.	HOURS
CONOCOPHILLIPS CO		1	12.00	HALLIBURTON		4	16.00
	RIG CREW	5	60.00				
	TRUCK DRIVERS	4	16.00				

COMMENTS

NO INCIDENTS REPORTED,
JSA'S
STOP CARDS,

CONOCOPHILLIPS CO

Daily Drilling Report

WELL NAME UTAH 33-522		JOB NUMBER	EVENT CODE DRL	24 HRS PROG	TMD	TVD	DFS 1.00	REPT NO. 2	DATE 11/5/2004
SUPERVISOR LLOYD SHIRLEY		RIG NAME & NO. PENSE BROS PENSE BROS		FIELD NAME / OCS NO.		AUTH MD 1,350.0	DAILY TANG 0.00	CUM. TANG 0.00	
CURRENT STATUS RIG DOWN AND MOVE TO 530 WELL				ACCIDENTS LAST 24 HRS.? NONE RPTD		DAILY INT W/O MUD 0.00		CUM INTANG W/ MUD 0.00	
24 HR FORECAST RUN 5 1/2IN CSG AND CEMENT SAME				DATE OF LAST SAFETY MEETING 11/4/2004		DAILY TOTAL 23,635		CUM COST W/ MUD 40,688	
LITHOLOGY		JAR HRS OF SERVICE	BHA HRS SINCE INSP	LEAKOFF		AFE WAR.UIN.S296		AUTH. 260,791	
LAST SURVEY: DATE		TMD	INC	AZIM	LAST CASING (in) @ (ft)		NEXT CASING (in) @ (ft)		LAST BOP PRES TEST 11/4/2004

OPERATIONS SUMMARY

FROM	TO	HOURS	CODE	TROUBLE	SUB	PHASE	DESCRIPTION
06:00	07:00	1.00	TREBOP	P	BOPE	INTRM1	SAFETY MEETING, (DISCUSS PRESSURE HAZARDS, BOP FUNCTIONS), TEST BOP, PIPE RAMS & MANIFOLD, 200PSI LOW 5 MINUTES, 2000PSI HIGH 10 MINUTES, BLIND RAMS & CSG 200 PSI LOW, 2000 PSI HIGH 30 MINUTES, RIG DOWN TESTERS,
07:00	09:00	2.00	DRILL	P		DRLG	N/UP BLOUIE LINE, RIH, DRILL OUT CEMENT,
09:00	11:30	2.50	DRILL	P		DRLG	DRILL 7 7/8IN HOLE TO 740FT,(200FT PER HR),
11:30	14:30	3.00	DRILL	P		DRLG	DRILL 740FT- 1370FT, TD @ 1430HRS 11/03/04, (210FT PER HR),
14:30	15:00	0.50	DRILL	P		CIRC	CIRCULATE HOLE CLEAN W/ AIR,
15:00	18:00	3.00	DRILL	P		TRIP	POOH TO LOG, PUMP 75 BBLs OF 2% KCL @ 500 FT, WELL FLOWING, LOAD HOLE W/ 2% KCL AND BLEED OFF THRU CHOKE, POOH TO HAMMER AND LOAD HOLE AGAIN W/ 2% KCL,
18:00	18:30	0.50	DRILL	P		TRIP	LAY DOWN HAMMER, SAFETY MTG W/ LOGGERS,(DISCUSS RIGGING UP, LIFTING HAZARDS), R/UP LOGGERS,
18:30	19:45	1.25	EVALFM	P		ELOG	RIH TO LOG, ONLY MADE HIGH RESOLUTION PASS, WELL STARTING TO FLOW AGAIN, POOH,
19:45	20:30	0.75	EVALFM	P		PULD	LAY DOWN TOOLS, SECURE WELL, RIG DOWN LOGGERS, SDFN

24 HR SUMMARY: TEST BOP, DRILL TO TD, LOG WELL,

PERSONNEL DATA

COMPANY	SERVICE	NO.	HOURS	COMPANY	SERVICE	NO.	HOURS
CONOCOPHILLIPS CO		1	12.00		BOP TESTER	1	2.00
	RIG CREW	5	60.00		LOGGERS	3	15.00
	TRUCK DRIVERS	1	4.00				

COMMENTS

NO INCIDENTS REPORTED,
JSA'S 2
STOP CARDS 3

CONOCOPHILLIPS CO**Daily Drilling Report**

WELL NAME	UTAH 33-522	JOB NUMBER	EVENT CODE	24 HRS PROG	TMD	TVD	DFS	REPT NO.	DATE
SUPERVISOR	LLOYD SHIRLEY	RIG NAME & NO.	PENSE BROS PENSE BROS	FIELD NAME / OCS NO.	AUTH MD	DAILY TANG	CUM. TANG	3	11/6/2004
CURRENT STATUS	MAKING SCRAPER RUN,			ACCIDENTS LAST 24 HRS.?	DAILY INT W/O MUD		CUM INTANG W/ MUD		
24 HR FORECAST	MAKE SCRAPER RUN,			DATE OF LAST SAFETY MEETING	DAILY TOTAL		CUM COST W/ MUD		
LITHOLOGY	JAR HRS OF SERVICE	BHA HRS SINCE INSP	LEAKOFF	AFE	WAR.UIN.S296		AUTH.		
LAST SURVEY: DATE	TMD	INC	AZIM	LAST CASING	NEXT CASING		LAST BOP PRES TEST		
				(in) @	(ft)	(in) @	(ft)	11/4/2004	

OPERATIONS SUMMARY

FROM	TO	HOURS	CODE	TROUBLE	SUB	PHASE	DESCRIPTION
06:00	07:00	1.00	MOVE P		SFTY	DEMOB	SAFETY MTG,(DISCUSS RIGGING DOWN, COLD WEATHER, AND COMMUNICATION), START RIGGING DOWN
07:00	09:00	2.00	MOVE P		RURD	DEMOB	RIG DOWN AND MOVE OFF LOCATION,
09:00	12:00	3.00	CASING P		RURD	INTRM1	MOVE WORKOVER ON LOCATION AND RIG UP, SAFETY MTG, (DISCUSS RIGGING UP SLIPPERY CONDITIONS, LIFTING HAZARDS), UNLOAD AND TALLY CSG,
12:00	13:00	1.00	CASING P		RNCS	INTRM1	RIH W/ 5 1/2IN FLOAT SHOE + 13JTS OF 5 1/2IN CSG + MARKER JOINT, + 18 JTS OF 5 1/2IN CSG, LAND @ 1311.5OFT,
13:00	16:30	3.50	CEMENT P		WOCT	INTRM1	WAIT ON CEMENTERS, JUST GOT OFF ANOTHER JOB
16:30	17:00	0.50	CEMENT P		RURD	INTRM1	PRE JOB SAFETY MTG, RIG UP CEMENTERS,
17:00	18:20	1.33	CEMENT P		CIRC	INTRM1	SAFETY MTG, (GO OVER JOB, DISCUSS PRESSURE HAZARDS, STAYING FOCUSED DURING SHORT JOB), TEST LINES TO 2500PSI, PUMP 40 BBLS OF 2% KCL AHEAD, MIX & PUMP 100 SKS OF 50/50 POZ LEAD AND 90 SKS OF FIXOTROPIC TAIL CEMENT, S/DOWN DROP PLUG, WASH TANK AND LINES, DISPLACE W/ 31BBLS OF 2% KCL, BUMP PLUG @ 1820 HRS, 11/05/04, 6 BBLS GOOD CEMENT TO SURFACE,
18:20	19:00	0.67	CEMENT P		RURD	INTRM1	RIG DOWN CEMENTERS SECURE WELL AND SDFN,

24 HR SUMMARY: MOVE DRILL RIG OFF, MOVE WORKOVER ON, RUN 5 1/2IN PRODUCTION STRING AND CEMENT TO SURFACE SAME,

PERSONNEL DATA

COMPANY	SERVICE	NO.	HOURS	COMPANY	SERVICE	NO.	HOURS
CONOCOPHILLIPS CO		2	12.00		CEMENTERS	4	16.00
	RIG CREW	5	20.00	POOL WELL SERVICE	RIG CREW	5	50.00
	TRUCK DRIVERS	5	20.00				

COMMENTS

NO INCIDENTS REPORTED,
JSA'S 3
STOP CARDS 4

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

FORM 9

007

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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: ConocoPhillips Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: P.O. Box 851 CITY Price STATE UT ZIP 84501		7. UNIT or CA AGREEMENT NAME: Drunkards Wash UTU-67921X
4. LOCATION OF WELL FOOTAGES AT SURFACE: 636' FNL, 795' FEL		8. WELL NAME and NUMBER: LDS 33-522
PHONE NUMBER: (435) 613-9777		9. API NUMBER: 4300731012
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 33 14S 10E S		10. FIELD AND POOL, OR WILDCAT: Drunkards Wash
COUNTY: Carbon		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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 checked="" 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: <u>Notice of First Production</u>
	<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.

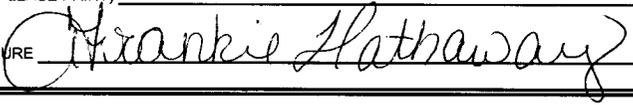
Please be advised that the Utah 33-439 well showed first production on 1/18/05.

Gas: 43 mcf
Water: 1716 bbl
Tbg Pressure: 0
Csg Pressure: 80

*This well has no tubing in the hole and is not technically on-line, it is a free flowing well at this time.

ORIGINAL

CONFIDENTIAL

NAME (PLEASE PRINT) <u>Frankie Hathaway</u>	TITLE <u>Sr. Planning, Compliance & HSE Assistant</u>
SIGNATURE 	DATE <u>1/24/2005</u>

(This space for State use only)

JAN 27 2005

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

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

7. UNIT or CA AGREEMENT NAME:
Drunkards Wash UTu-67921X

8. WELL NAME and NUMBER:
LDS 33-522

9. API NUMBER:
4300731012

10. FIELD AND POOL, OR WILDCAT:
Undesignated

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NENE 33 14S 10E S

12. COUNTY:
Carbon

13. STATE:
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

2. NAME OF OPERATOR:
ConocoPhillips Company

3. ADDRESS OF OPERATOR: P.O. Box 851 CITY **Price** STATE **UT** ZIP **84501** PHONE NUMBER: _____

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **636' FNL, 795' FEL**
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPURRED: **11/3/2004** 15. DATE T.D. REACHED: **11/3/2004** 16. DATE COMPLETED: **4/6/2005** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):

18. TOTAL DEPTH: MD **1,370** TVD _____ 19. PLUG BACK T.D.: MD **1,311** TVD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____ 21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Dual Induction, Laterolog, SFF, Caliper, Compensated Density & Neutron; CBL

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
15"	12 3/4 PE	Conductor	0	15					
11"	8 5/8 J-55	24#/ft	15	255		G,2% 110			
7 7/8"	5 1/2 N-80	17#/ft	255	1,312		50/50 100			
						2% KCL 90			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	1,145							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Ferron Coals	986	1,034			986 1,034	.40	4	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Ferron Coals	971	976			971 976	.40	4	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C) Ferron Coals	930	954			930 954	.40	4	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(D) Ferron Coals	896	909			896 909	.40	4	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
Zone 1: 986-1034	30,000#, 16/30; 16,828 gal fluid Zone 4: 896-909 44,300#, 16/30; 26,193 gal fluid
Zone 2: 971-976	30,300#, 16/30; 18,694 gal fluid
Zone 3: 930-954	40,200#, 16/30; 18,854 gal fluid

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
Producing

ORIGINAL

CONFIDENTIAL

RECEIVED
MAY 05 2005
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 4/7/2005		TEST DATE: 4/7/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS. 0	CSG. PRESS. 75	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	INTERVAL STATUS:	

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED: 4/7/2005		TEST DATE: 4/7/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS. 0	CSG. PRESS. 75	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	INTERVAL STATUS:	

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED: 4/7/2005		TEST DATE: 4/7/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS. 0	CSG. PRESS. 75	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	INTERVAL STATUS:	

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED: 4/7/2005		TEST DATE: 4/7/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS. 0	CSG. PRESS. 75	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 562	WATER – BBL: 2,355	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Bluegate Bent.	739				739
Tununk	1,117				1,117
Ferron	881				881
Ferron Coals	897	1,023	Coal Intervals: 897-1023		

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) James Weaver TITLE Operations Superintendent
 SIGNATURE *James Weaver* DATE 4/28/05

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340
 1594 West North Temple, Suite 1210
 Box 145801 Fax: 801-359-3940
 Salt Lake City, Utah 84114-5801

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
4300730865	COTNER 29-549		NWSE	29	14S	10E	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	13806	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
4300731012	LDS 33-522		NENE	33	14S	10E	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	14397	11256				11/9/05	
Comments: Well was converted to PA on 01/01/2005. <i>FRSD</i> CONFIDENTIAL K							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730864	MCKENDRICK 29-548		SEnw	29	14S	10E	CARBON
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	13804	11256				11/9/05	
Comments: Well was converted to PA on 07/01/2003 <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

Date

RECEIVED
NOV 14 2005

(5/2000)

e-mail

RECEIVED

NOV 09 2005

DIV. OF OIL, GAS & MINING

DIV. OF OIL, GAS & MINING



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
3180
UT-922

SEP 14 2005

ConocoPhillips Company
Attn: William W. Franklin
WL3-5038
P.O. Box 2197
Houston, Texas 77252-2197

CONFIDENTIAL

Re: 10th Revision of the
Consolidated Ferron Formation
Participating Area "A,C,D"
Drunkards Wash Unit
Carbon and Emery Counties, Utah

Gentlemen:

The 10th Revision Consolidated Ferron Formation Participating Area "A,C,D", Drunkards Wash Unit, UTU67921F, is hereby approved effective as of January 1, 2005, pursuant to Section 11 of the Drunkards Wash Unit Agreement, Carbon and Emery Counties, Utah.

The 10th Revision of the Consolidated Ferron Formation Participating Area "A,C,D" results in the addition of 480.00 acres to the participating area for a total of 70,342.87 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 33-439	43-007-30867	SWSW, 33-14S-10E	ML-47557
LDS 33-522	43-007-31012	NENE, 33-14S-10E	Patented
Utah 33-530	43-007-31013	SWNW, 33-14S-10E	ML-47557

14397 → 11256

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 10th Revision Consolidated Ferron Formation Participating Area "A,C,D, Drunkards Wash Unit and the effective date.

Sincerely,

/s/ David H. Murphy

David H. Murphy
Acting Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

SEP 16 2005