

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

FORM 3

001

AMENDED REPORT   
(highlight changes)

|   |   |   |                      |
|---|---|---|----------------------|
| <b>APPLICATION FOR PERMIT TO DRILL</b>  |   | 5. MINERAL LEASE NO:<br>ML-38828                                      | 6. SURFACE:<br>State |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>  |   | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>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:<br>Drunkards Wash UTU-67921X            |                      |
| 2. NAME OF OPERATOR:<br>ConocoPhillips Company  |   | 9. WELL NAME and NUMBER:<br>Utah 24-902                               |                      |
| 3. ADDRESS OF OPERATOR:<br>P.O. Box 851 CITY Price STATE UT ZIP 84501   |   | 10. FIELD AND POOL, OR WILDCAT:<br>Drunkards Wash                     |                      |
| 4. LOCATION OF WELL (FOOTAGES)<br>AT SURFACE: 2140' FSL, 2104' FEL<br>AT PROPOSED PRODUCING ZONE:   |   | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:<br>NWSE 24 14S 09E S |                      |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:<br>2.7 miles west of Price, Utah  |   | 12. COUNTY:<br>Carbon   | 13. STATE:<br>UTAH   |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)<br>2104'  | 16. NUMBER OF ACRES IN LEASE:<br>1160             | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL:<br>NA                      |                      |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)<br>1700'  | 19. PROPOSED DEPTH:<br>1,990                      | 20. BOND DESCRIPTION:<br>Rotary                                       |                      |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):<br>5713.2'  | 22. APPROXIMATE DATE WORK WILL START:<br>8/1/2005 | 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" Conducto <sup>r</sup>           | 40            |   |
| 11"          | 8 5/8" J-55 24#/ft                      | 199           | 86 sks G+2% CaCl 1/4#/skD29                       |
| 7 7/8"       | 5 1/2" N-80 17#/ft                      | 1,980         | 100 sks 50/50 POZ 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:

|  |  |
|--|--|
| <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 (PLEASE PRINT) Jean Semborski TITLE Construction Supervisor  
SIGNATURE *Jean Semborski* DATE 4/25/05

(This space for State use only)

API NUMBER ASSIGNED: 43-007-31028

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 06-14-05  
By: *[Signature]*

RECEIVED

MAY 06 2005

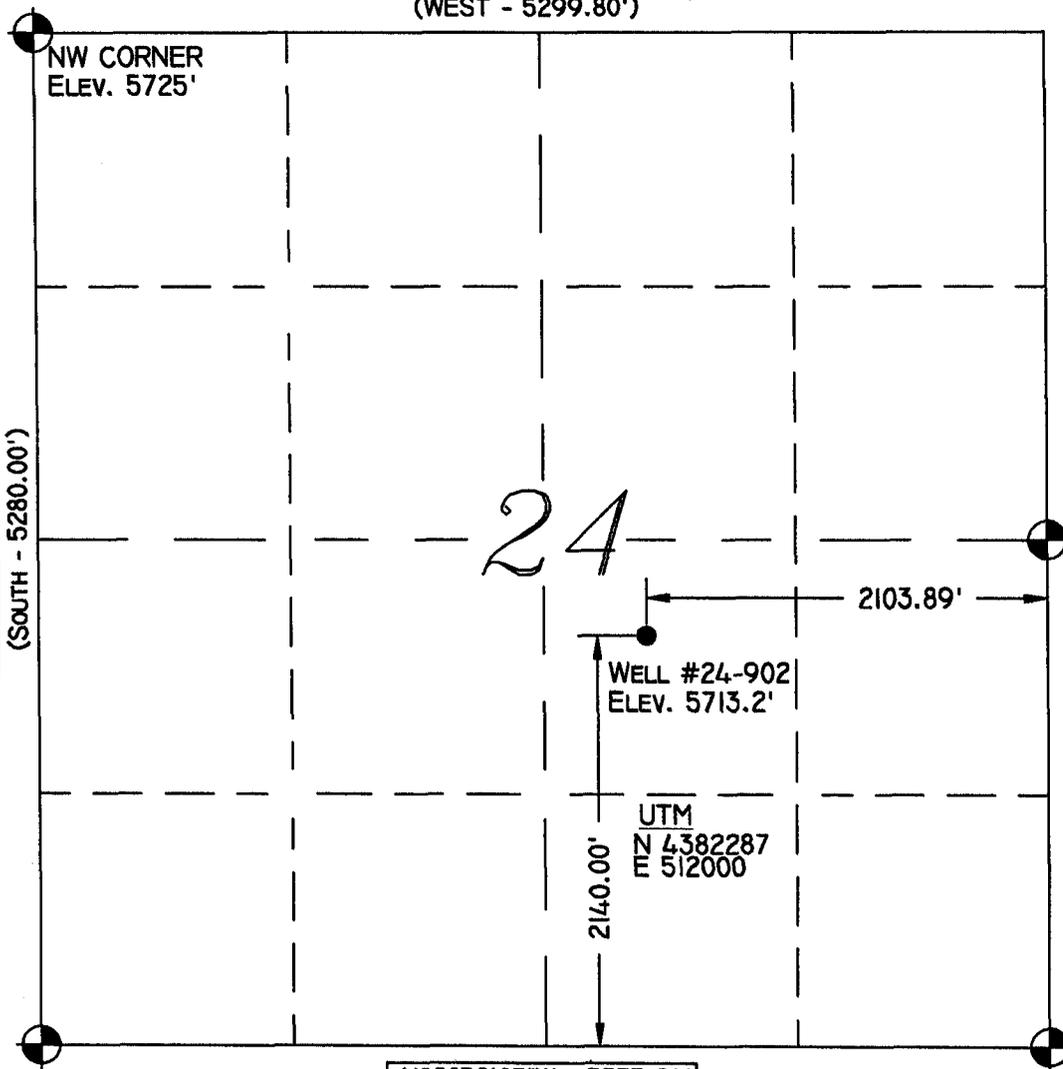
DIV. OF OIL, GAS & MINING

# Range 9 East

(WEST - 5299.80')

Township 14 South

N00°05'56"W - 5286.97'  
(SOUTH - 5280.00')



N89°52'03"W - 5375.24'  
(WEST - 5329.50')

(SOUTH - 5280.00')  
N00°06'09"W - 2654.90'

**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:**

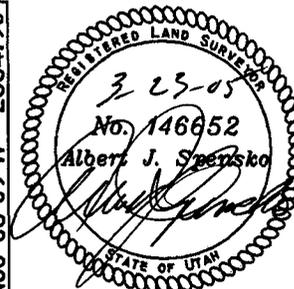
BASIS OF ELEVATION OF 5725' BEING AT THE NORTHWEST SECTION CORNER OF SECTION 24, TOWNSHIP 14 SOUTH, RANGE 9 EAST, SALT LAKE BASE AND MERIDIAN, AS SHOWN ON THE PRICE QUADRANGLE 7.5 MINUTE SERIES MAP.

**Description of Location:**

PROPOSED DRILL HOLE LOCATED IN THE NW 1/4 SE 1/4 OF SECTION 24, T14S, R9E, S.L.B.&M., BEING 2140.00' NORTH AND 2103.89' WEST FROM THE SOUTHEAST SECTION CORNER OF SECTION 24, T14S, R9E, SALT LAKE BASE & MERIDIAN.

**Surveyor's Certificate:**

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



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

**ConocoPhillips Company**

**WELL UTAH #24-902**  
Section 24, T14S, R9E, S.L.B.&M.  
Carbon County, Utah

|                                  |                                     |
|----------------------------------|-------------------------------------|
| Drawn By:<br><b>N. BUTKOVICH</b> | Checked By:<br><b>L.W.J./A.J.S.</b> |
| Drawing No.<br><b>A-1</b>        | Date:<br><b>3/18/05</b>             |
|                                  | Scale:<br><b>1" = 1000'</b>         |
| Sheet <b>1</b> of <b>4</b>       | Job No.<br><b>1653</b>              |

- 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°35'31.592"N  
110°51'36.900"W

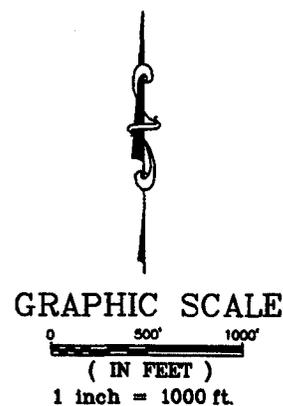


Exhibit "A" 1 OF 3

24-902



# SENCO-PHENIX

**AN INTENSIVE CULTURAL RESOURCE SURVEY  
AND INVENTORY OF THE UTAH 24-902 (ML 38828), UTAH 28-903 (ML  
48182), UTAH 18-904 (ML 38666), UTAH 18-905 (ML 38666),  
UTAH 36-906 (ML43024), AND THE TELONIS 19-900, 20-901  
AND 19-171R**

**CARBON COUNTY, UTAH  
(SITLA And Private Land)**

**PERFORMED FOR  
ConocoPhillips Company**

**In Accordance with  
Utah State Guidelines  
Antiquities Permit #U05SC0309sp**

**SPUT-496  
May 2, 2005**

**John A. Senulis**

**Direct Charge of Fieldwork**

# UTAH SHPO

## COVER SHEET

Project Name: **AN INTENSIVE CULTURAL RESOURCE SURVEY AND INVENTORY OF THE UTAH 24-902 (ML 38828), UTAH 28-903 (ML 48182), UTAH 18-904 (ML 38666), UTAH 18-905 (ML 38666), UTAH 36-906 (ML43024), AND THE TELONIS 19-900, 20-901 AND 19-171R**

ConocoPhillips Company

State #U05SC0309ps

Report Date: May 2, 2005

County (ies): Carbon

Principal Investigator/ Field Supervisor: John A. Senulis/John Senulis

Records Search/Location/Dates: April 14, 2005, Price River Field Office of the BLM

Acreage Surveyed: 36 acres

Intensive Acres: 36

Recon/Intuitive Acres: 0

U.S.G.S. 7.5 Quads: Price, Utah (1972) & Pinnacle Peak, UT (1972)

| Sites Reported                | Number | Smithsonian Site #(s): |
|-------------------------------|--------|------------------------|
| Archeological Sites:          | 0      |                        |
| Revisit (No IMACS update)     | 0      |                        |
| Revisit (IMACS update attch.) | 0      |                        |
| New Sites (IMACS attached)    | 0      |                        |
| Archeological Site Total:     | 0      |                        |
| Historic Structures:          |        |                        |
| (USHS Site Form Attached)     |        |                        |
| Total NRHP Eligible Sites,    | 0      |                        |

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### Checklist of Required Items:

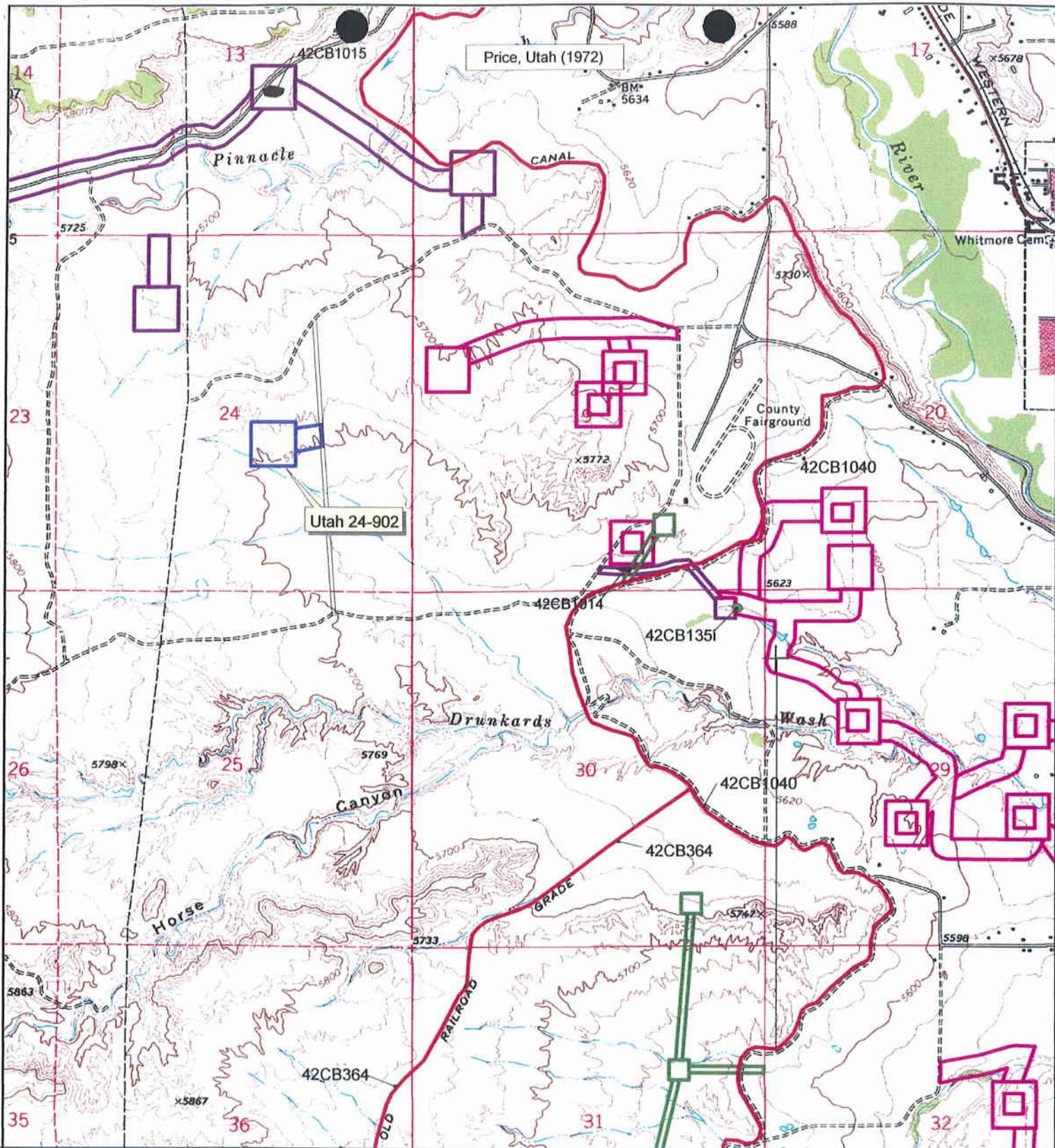
1. X 1 Copy of Final Report
2. X Copy of U.S.G.S. 7.5' map showing surveyed/excavated area
3. Completed IMACS Site Inventory Forms Including
  - \_\_\_\_\_ Parts A and B or C
  - \_\_\_\_\_ IMACS Encoding Form
  - \_\_\_\_\_ Site Sketch Map
  - \_\_\_\_\_ Photographs
  - \_\_\_\_\_ Copy of USGS 7.5' Quad with Smithsonian site Number
4. X Completed Cover Sheet

## Abstract

ConocoPhillips has proposed eight new well pads and access corridors. Five of these wells are within previously surveyed areas. The Telonis 19-900, Telonis 20-901, Utah 28-903 (ML 48182), Utah 18-905 (ML 38666) and Utah 36-906 (ML 43024) will not require additional archeological survey. The previous survey documentation is in the file search and bibliographic portions of this report.

SENCO-PHENIX performed an intensive cultural resource survey on the remaining three wells. The Utah 24-902 (ML 38828) and Utah 18-905 (ML 38666) are on land managed by SITLA. The Telonis 19-171r is on private land. The purpose of the survey was to identify and evaluate cultural resources that may exist within the project area.

No cultural resources were located and the potential for undetected remains is remote. A finding of No Effect is appropriate and Archeological Clearance is recommended.



SENCO-PHENIX

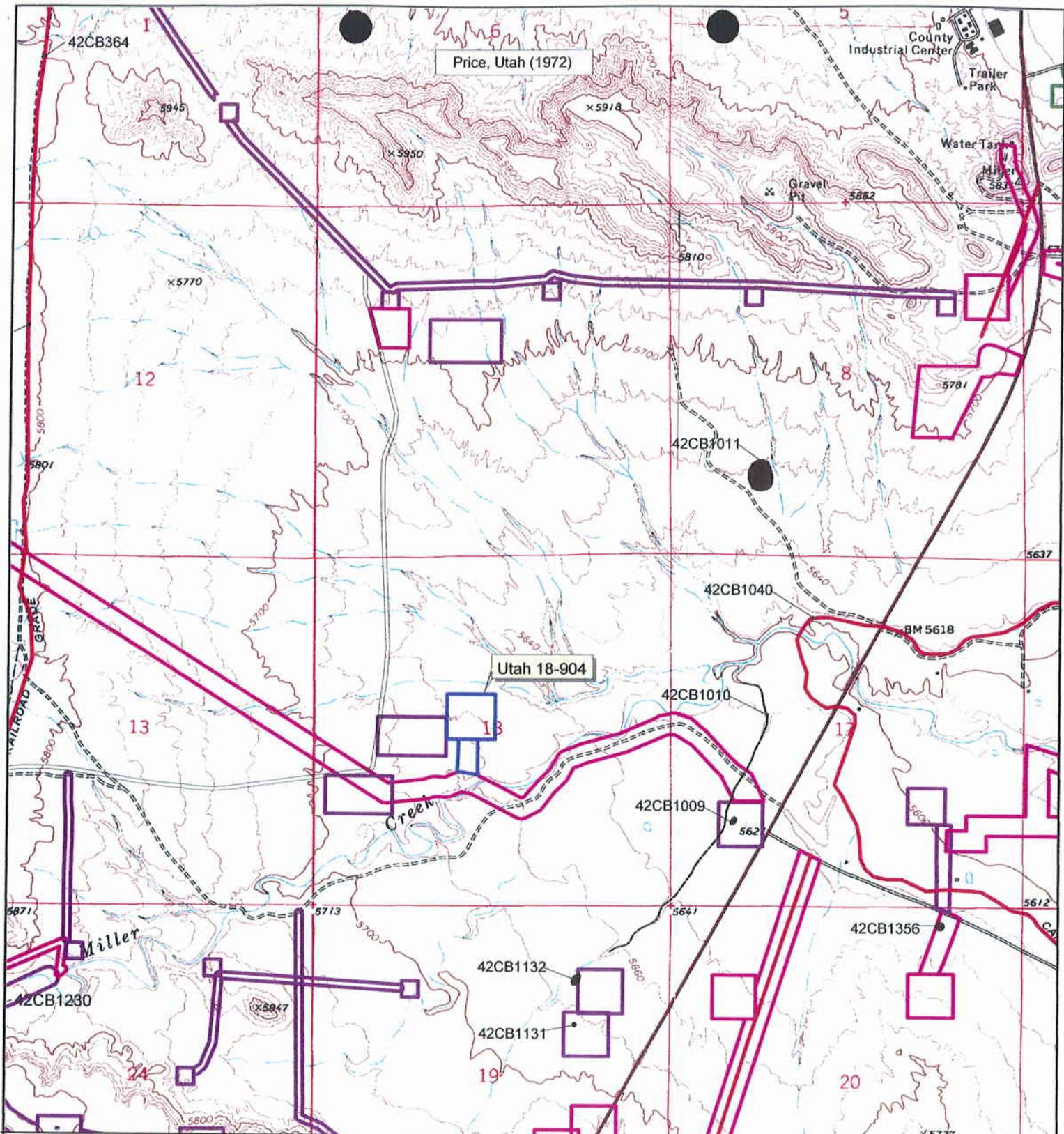


Scale 1:24,000  
1" = 2,000'

- Current Survey
- Previous Survey
- Baseline Survey
- Powers Survey

- Eligible Sites
- Ineligible Sites

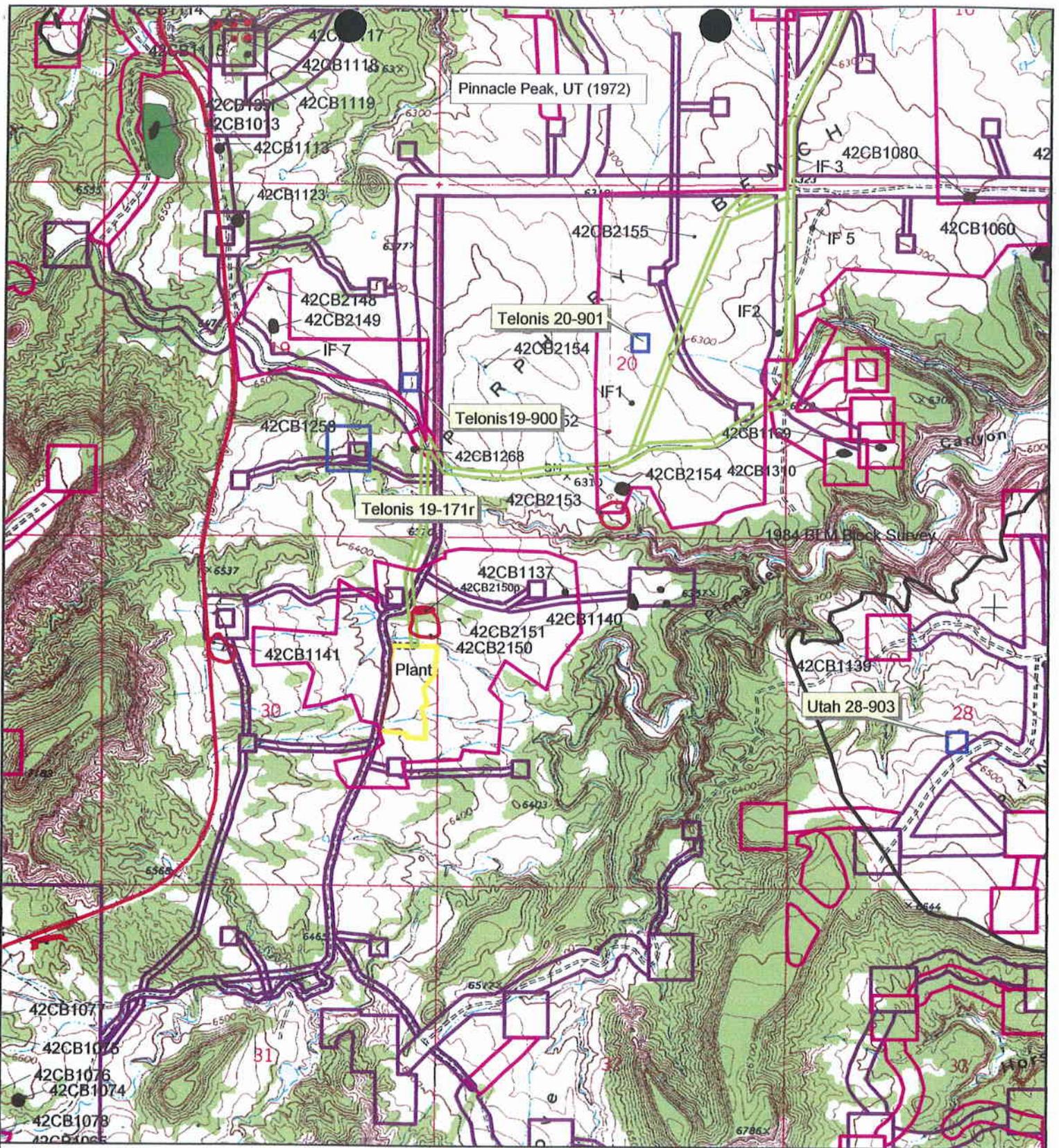
Utah 24-902 Well Pad & Access  
 ConocoPhillips Company  
 Section 24, T14S, R9E  
 Carbon County, Utah  
 April 2005  
 SPUT-496  
 (ML 38828)



Scale 1:24,000  
1" = 2,000'

- Current Survey
- Previous Survey
- Baseline Survey
- AERC Survey
- Eligible Sites
- Ineligible Sites

Utah 18-904 Well Pad & Access  
 ConocoPhillips Company  
 Section 18, T15S, R10E  
 Carbon County, Utah  
 April 2005  
 SPUT-496  
 (ML 38666)



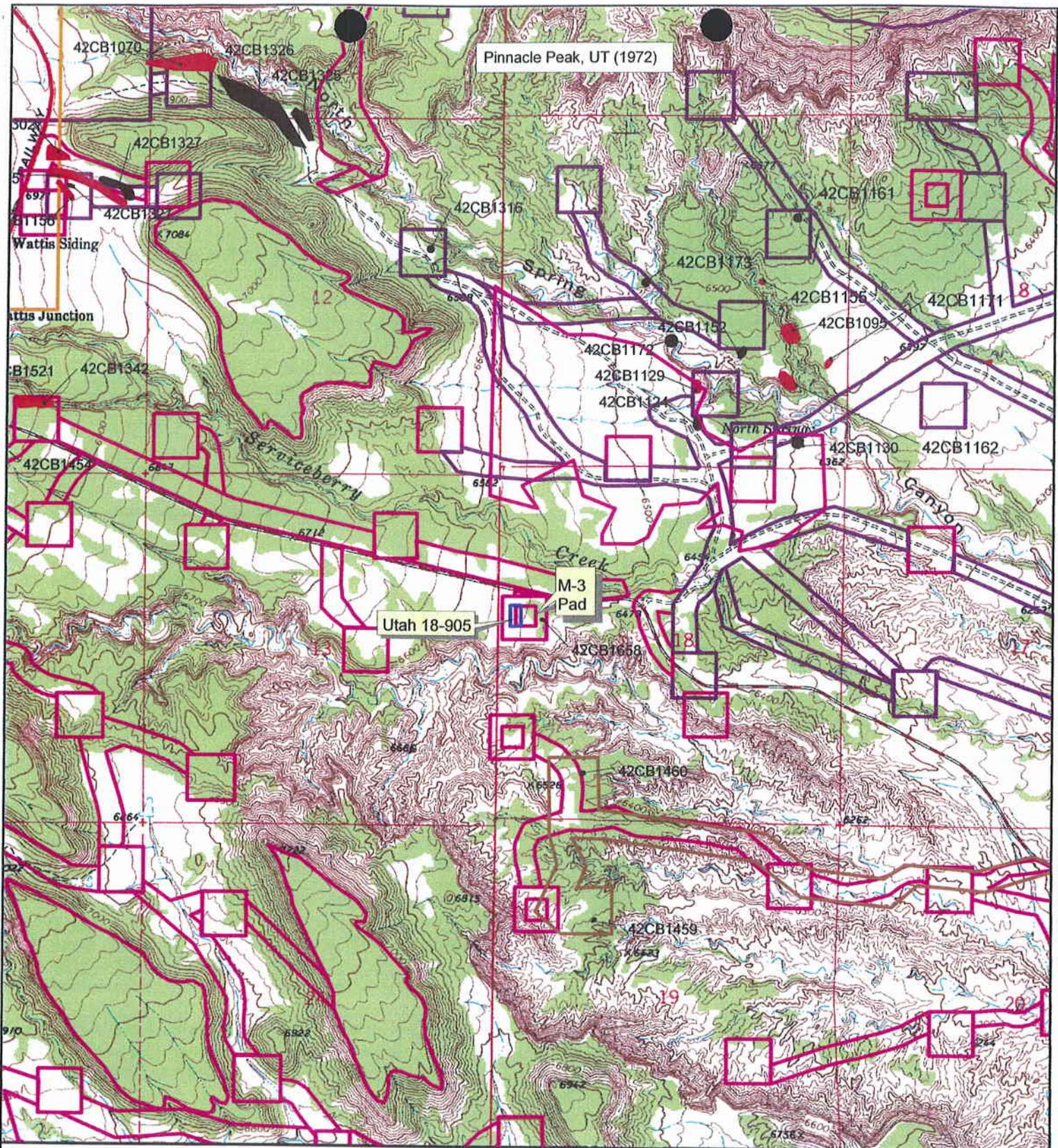
**SENCO-PHENIX**



Scale 1:24,000  
1" = 2,000'

- Current Survey
- Previous Survey
- Baseline Survey
- SWCA Survey
- Eligible Sites
- Ineligible Sites

Telonis 19-171r, 19-900, 20-901  
 Utah 28-903 Well  
 ConocoPhillips Company  
 Sections 19, 20, 28, T14S, R9E  
 Carbon County, Utah  
 April 2005  
 SPUT-496  
 (ML 48182 -Utah 28-903)



Pinnacle Peak, UT (1972)

Utah 18-905

M-3 Pad



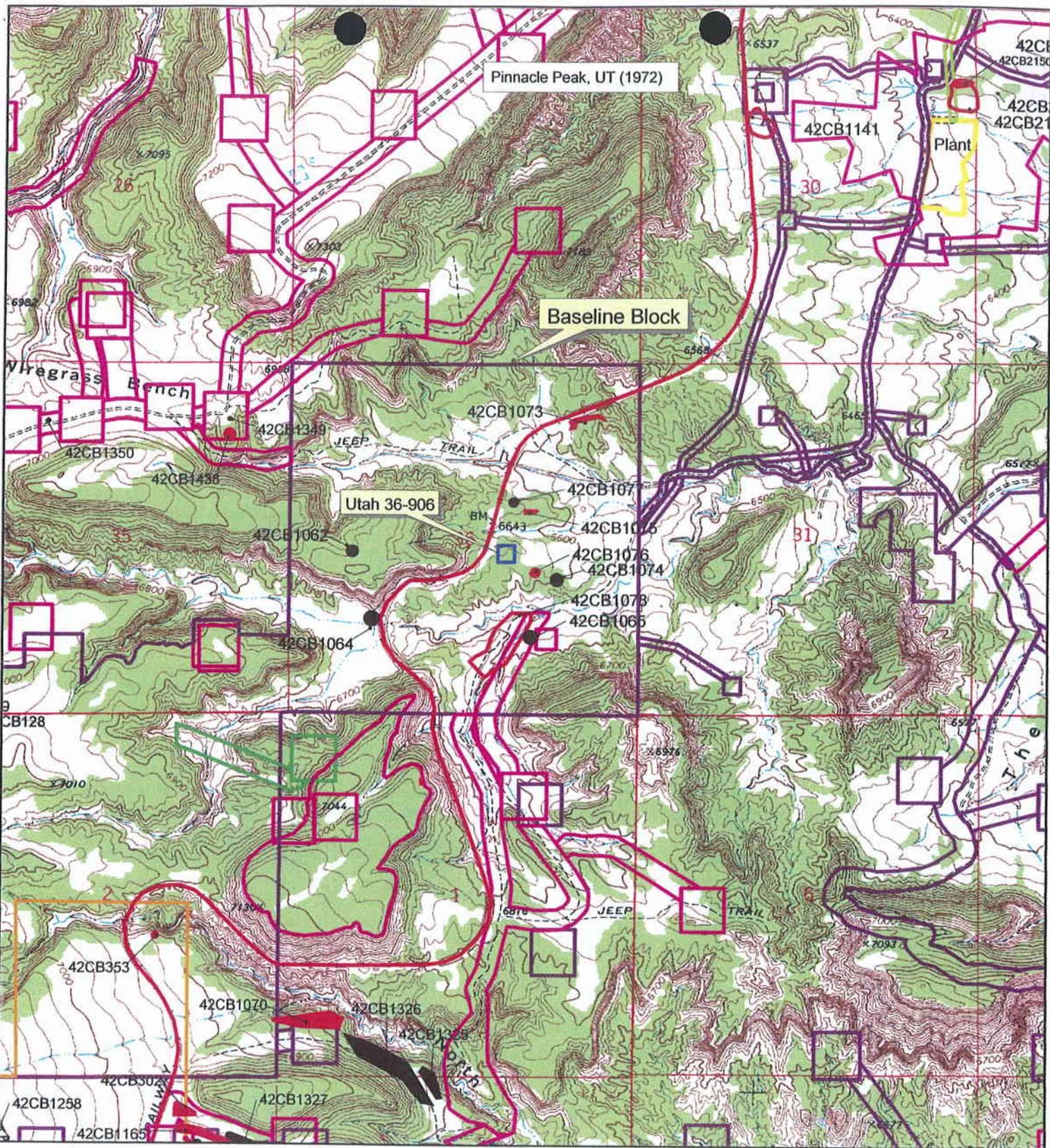
**SENCO-PHENIX**



Scale 1:24,000  
1" = 2,000'

- Current Survey
- Previous Survey
- Baseline Survey
- Montgomery Survey
- Eligible Sites
- Ineligible Sites

Utah 18-905 Well Pad  
 ConocoPhillips Company  
 Section 18, T15S, R9E  
 Carbon County, Utah  
 April 2005  
 SPUT-496  
 (ML 38666)



Scale 1:24,000  
1" = 2,000'

- Current Survey
- Previous Survey
- Baseline Survey
- AERC Survey
- Eligible Sites
- Ineligible Sites

Utah 36-906 Well  
ConocoPhillips Company  
Section 36, T14S, R8E  
Carbon County, Utah  
April 2005  
SPUT-496  
(ML 43024)

## Project Location

The following chart gives the well locations and U.S.G.S Quadrangle map. Wells marked with an asterisk have been previously surveyed:

| Well Name       | Location         | T & R      | Quad Map                 |
|-----------------|------------------|------------|--------------------------|
| Utah 24-902     | NW/SE ¼ Sect. 24 | T14S, R9E  | Price, UT (1972)         |
| Utah 18-904     | SE/NW ¼ Sect. 18 | T15S, R10E | Price, UT (1972)         |
| Telonis 19-171r | C/SE ¼ Sect. 19  | T14S, R9E  | Pinnacle Peak, UT (1972) |
| Utah 28-903*    | NE/SW ¼ Sect 28  | T14S, R9E  | Pinnacle Peak, UT (1972) |
| Utah 18-905*    | SW/NW ¼ Sect 18  | T15S, R9E  | Pinnacle Peak, UT (1972) |
| Utah 36-906*    | NW/SE ¼ Sect 36  | T14S/R8E   | Pinnacle Peak, UT (1972) |
| Telonis 19-900* | NE/SE ¼ Sect. 19 | T14S, R9E  | Pinnacle Peak, UT (1972) |
| Telonis 20-901* | SW/NE ¼ Sect. 20 | T14S, R9E  | Pinnacle Peak, UT (1972) |

### Specific Environment

The project area for the Utah 24-902 and Utah 18-904 is in deeply dissected barren mudflats in the Drunkards Wash drainage. Vegetation is very sparse sagebrush and grasses. There is no permanent water in the project area.

The project area for the Telonis 19-171r is partially on the western half of the existing Telonis 19-171 well pad. The project area is on the western edge of Porphyry Bench. Vegetation is light Pinyon-juniper interfacing with sagebrush and various grasses and forbs. There is no permanent water in the project area

### Previous Research

A file search by John Senulis at the Price Resource Area BLM office on April 14, 2005 and of the SENCO-PHENIX files and maps revealed the following projects had been performed in the project areas.

- 1984, The BLM did a block survey of Pinnacle Bench, No significant cultural resources were located. The Utah 28-903 is within that block and Archeological Clearance is recommended. (83-87)
- 1997, Baseline did block survey and numerous well pads, evaporation ponds and access corridors in the general project area. The block survey included section 36, T14S, R8E, where the Utah 36-906 well is planned. No significant cultural resources were found in close proximity to the proposed well. Because the proposed well is within the Baseline block Archeological clearance is recommended. Baseline also did the original Telonis 19-171(>5 acres) and wells and blocks around the Utah 18-904 and 24-902. No cultural resources were found near any of those proposed projects. (96-547)
- 1998-2000, SENCO-PHENIX did numerous well pad and access corridor surveys near the current project areas. No significant cultural resources were located close to the current survey areas.
- 2000, SENCO-PHENIX surveyed the original M-3 well, with ten-acre buffer in the SW/NW ¼ of Section 18, T15S, R9E. No significant cultural resources were located. The proposed Utah 18-905 will share the western half of the M-3 well pad and new construction will proceed no further than 150 feet to the west, well within the ten-acre buffer. Archeological clearance is recommended.
- 2004, SENCO-PHENIX surveyed a 1,000 acre block on Porphyry Bench. The Telonis 19-900 and 20-901 well pads and access roads are within that block and are not close to any significant cultural resources. Archeological Clearance is recommended. (04-498)

## Methodology

John and Jeanne Senulis of SENCO-PHENIX performed Class III intensive walkover surveys on the Utah 24-902, Utah 18-902 and Telonis 19-171r well pads, ten-acre buffers and 300-foot access corridors. The survey was conducted on April 22, 2005. Special attention was given to areas of subsurface soil exposure from construction, animal burrowing, and erosion. All field notes and digital photographs are on file at the offices of SENCO-PHENIX in Price, Utah.

## Findings and Recommendations

ConocoPhillips has proposed eight new well pads and access corridors. Five of these wells are within previously surveyed areas. The Telonis 19-900, Telonis 20-901, Utah 28-903 (ML 48182), Utah 18-905 (ML 38666) and Utah 36-906 (ML 43024) will not require additional archeological survey. The previous survey documentation is in the file search and bibliographic portions of this report.

SENCO-PHENIX performed an intensive cultural resource survey on the remaining three wells. The Utah 24-902 (ML 38828) and Utah 18-905 (ML 38666) are on land managed by SITLA. The Telonis 19-171r is on private land. The purpose of the survey was to identify and evaluate cultural resources that may exist within the project area.

No cultural resources were located and the potential for undetected remains is remote. A finding of No Effect is appropriate and Archeological Clearance is recommended.

These recommendations are subject to approval by the SITLA Land Manager and the Utah SHPO.

## References Cited

Beaty, Richard, Arlene Coleman, Quint Coleman, Cindy Eccles and Asa Nielson

1997 *Cultural Resource Survey and Inventory of the River Gas Corporation 1997 Drilling Season in Carbon and Emery Counties, Utah, On Private, State and Federal Land*, Baseline Data Inc. Orem, Utah. (96-547)

Miller, Blaine

1984 *Pinnacle Bench Seeding*, Bureau of Land Management, Price River Field Office, Price, Utah. (83-87)

Senulis, John A

2000 *An Intensive Cultural Resource Survey and Inventory of the Utah 27-686, 34-688 & Monitor Well 3 (MW-3), Well Pads and Access Corridors in the Phillips Petroleum Company Coalbed Gas Methane Field*, SENCO-PHENIX, Price, Utah. (02-55)

2004 *An Intensive Cultural Resource Survey and Inventory of the Porphyry Bench Block Survey*, for the U.S. Fish and Wildlife Service, SENCO-PHENIX, Price, Utah. (04-498)

002



ConocoPhillips Company  
6825 S. 5300 W.  
Price, UT 84501

April 18, 2005

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-  
Utah 24-902, NW/4 SE/4 Sec. 24  
T14S, R9E, 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  
MAY 06 2005  
DIV. OF OIL, GAS & MINING

COPY

CONFIDENTIAL

Utah 24-902  
April 18, 2005  
Page Two

The proposed well is located within the Drunkards Wash Federal Unit more than 460 feet from the unit boundary 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. The proposed location is 2,140' FSL and 2,104' FEL of Section 24, T14S, R9E.

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  
Construction 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  
Mr. Kile Thompson, ConocoPhillips  
Mr. Mark Jones, DOGM, Price, Utah  
ConocoPhillips Well File

**EXHIBIT "D"**  
**DRILLING PROGRAM**

Attached to Form 3  
ConocoPhillips Company  
Utah 24-902  
NW/4, SE/4, Sec. 24, T14S, R9E, SLB & M  
2,140' FSL, 2,104' FEL  
Carbon County, Utah

1. The Surface Geologic Formation

Mancos Shale

2. Estimated Tops of Important Geologic Markers

Blue Gate/Ferron 1499'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones 1499' - 1748'

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<br/>SIZE</u> | <u>SETTING DEPTH<br/>(INTERVAL)</u> | <u>SIZE<br/>(OD)</u> | <u>WEIGHT, GRADE<br/>&amp; JOINT</u> | <u>NEW,<br/>USED</u> |
|----------------------|-------------------------------------|----------------------|--------------------------------------|----------------------|
| 15"                  | 40'                                 | 12-3/4"              | Conductor                            | New                  |
| 11"                  | 199'                                | 8-5/8"               | 24#ST&C                              | New                  |
| 7-7/8"               | 1980'                               | 5-1/2"               | 17#LT&C                              | New                  |

Cement Program -

Surface Casing: 86 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.<br>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 862 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled around August 2005.

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 Company  
Utah 24-902  
NW/4, SE/4, Sec. 24, T14S, R9E, SLB&M  
2,140' FSL, 2,104' FEL  
Carbon County, Utah

**1. Existing Roads**

- a. There is no 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 900' of new access is required (See Exhibit "B")

- a. Maximum Width: 24' travel surface with 27' base
- b. Maximum grade: 5%
- c. Turnouts: None
- d. Drainage design: 5 culvert(s) 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 0 proposed and 15 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. No ancillary facilities are anticipated 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 the School and Institutional Trust Lands Administration. The operator shall contact the landowner representative and the Division of Oil, Gas and mining 48 hours prior to beginning construction activities.

12. **Other Information:**

- a. The primary surface use is farming and grazing. The nearest dwelling is approximately 6,000 feet to the west.
- b. Nearest live water is Drunkards Wash located 4,000' Southeast.
- 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  
Construction Supervisor  
ConocoPhillips Company  
6825 S. 5300 W. P.O. Box 851  
Price, Utah 84501  
(435) 613-9777 ext. 21  
(435) 820-9807

Mail Approved A.P.D. To:

Company Representative

Excavation Contractor

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

**14. Certification**

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

4/25/05  
Date

  
Jean Semborski  
Construction Supervisor  
ConocoPhillips Company

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:

- 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

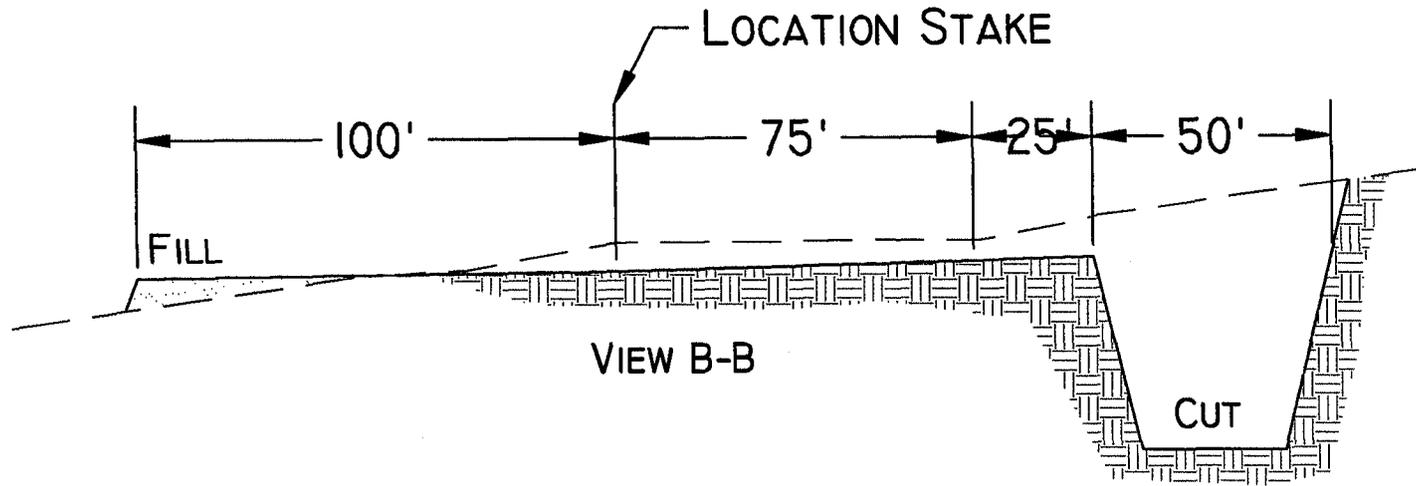
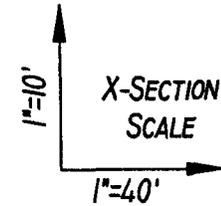
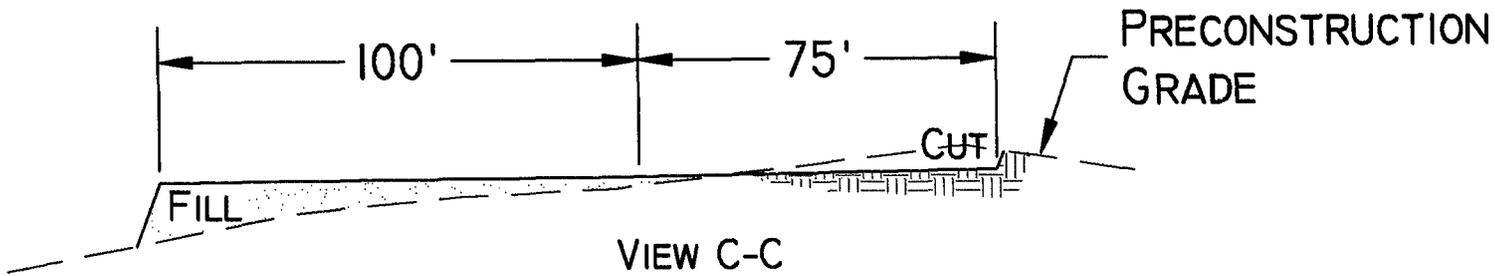
CONOCOPHILLIPS COMPANY  
Principal (company name)  
By James F. Hughes Title Corporate Insurance manager  
James F. Hughes  
Signature

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

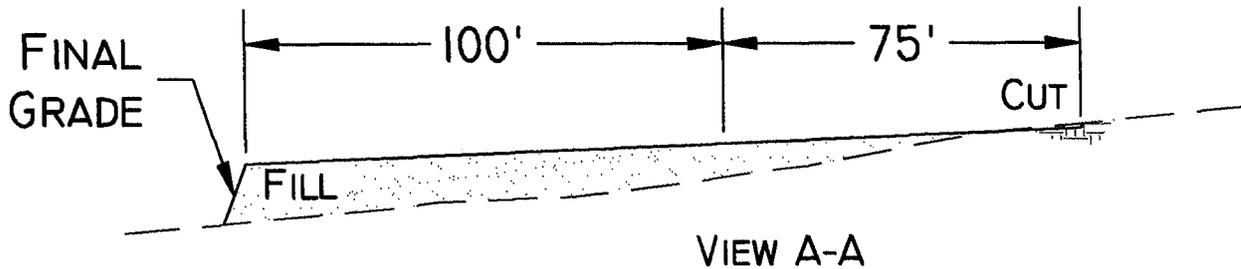
1st day of JANUARY, 20 03.

(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 Title ATTORNEY-IN-FACT  
Tina Marie F  
Signature  
C/O MARSH USA INC.  
Surety Mailing Address  
P.O. BOX 36012, KNOXVILLE, TN 37930-6012  
City State Zip



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

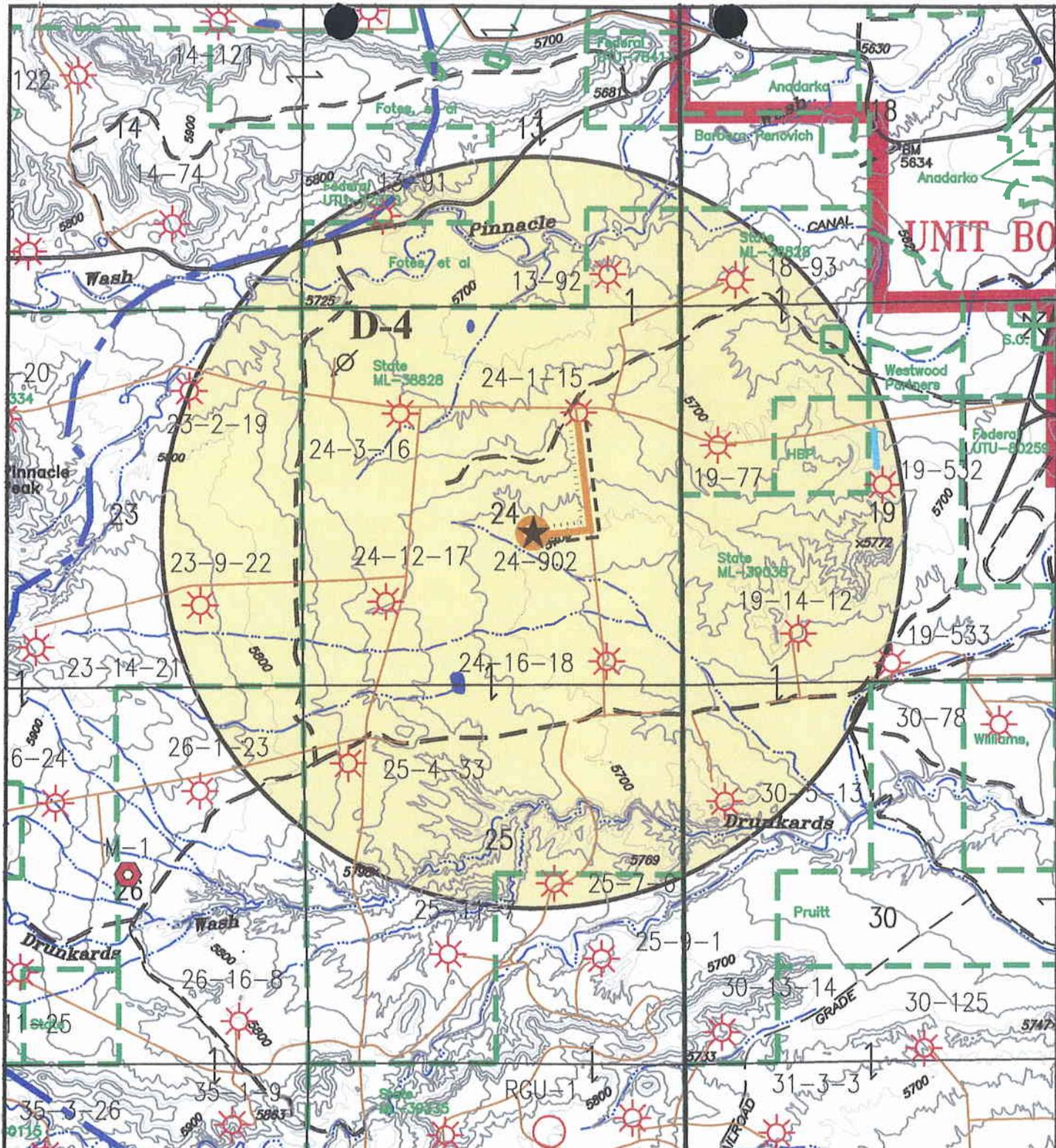


**TYPICAL CROSS SECTION**  
 Section 24, T14S, R9E, S.L.B.&M.  
 WELL UTAH #24-902

|                           |                       |
|---------------------------|-----------------------|
| Drawn By:<br>N. BUTKOVICH | Checked By:<br>L.W.J. |
| Drawings No.<br>C-1       | DATE:<br>3/18/05      |
|                           | SCALE:<br>1" = 40'    |
| SHEET 3 of 4              | JOB No.<br>1653       |

APPROXIMATE YARDAGES  
 CUT  
 (6") TOPSOIL STRIPPING = 810 CU. YDS.  
 REMAINING LOCATION = 1,420 CU, YDS.  
 (INCLUDING TOPSOIL STRIPPING)  
 TOTAL CUT (INCLUDING PIT) = 2,180 CU. YDS.  
 TOTAL FILL = 1,250 CU. YDS.





**LEGEND**

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

Scale: 1" = 2000'

April 12, 2005

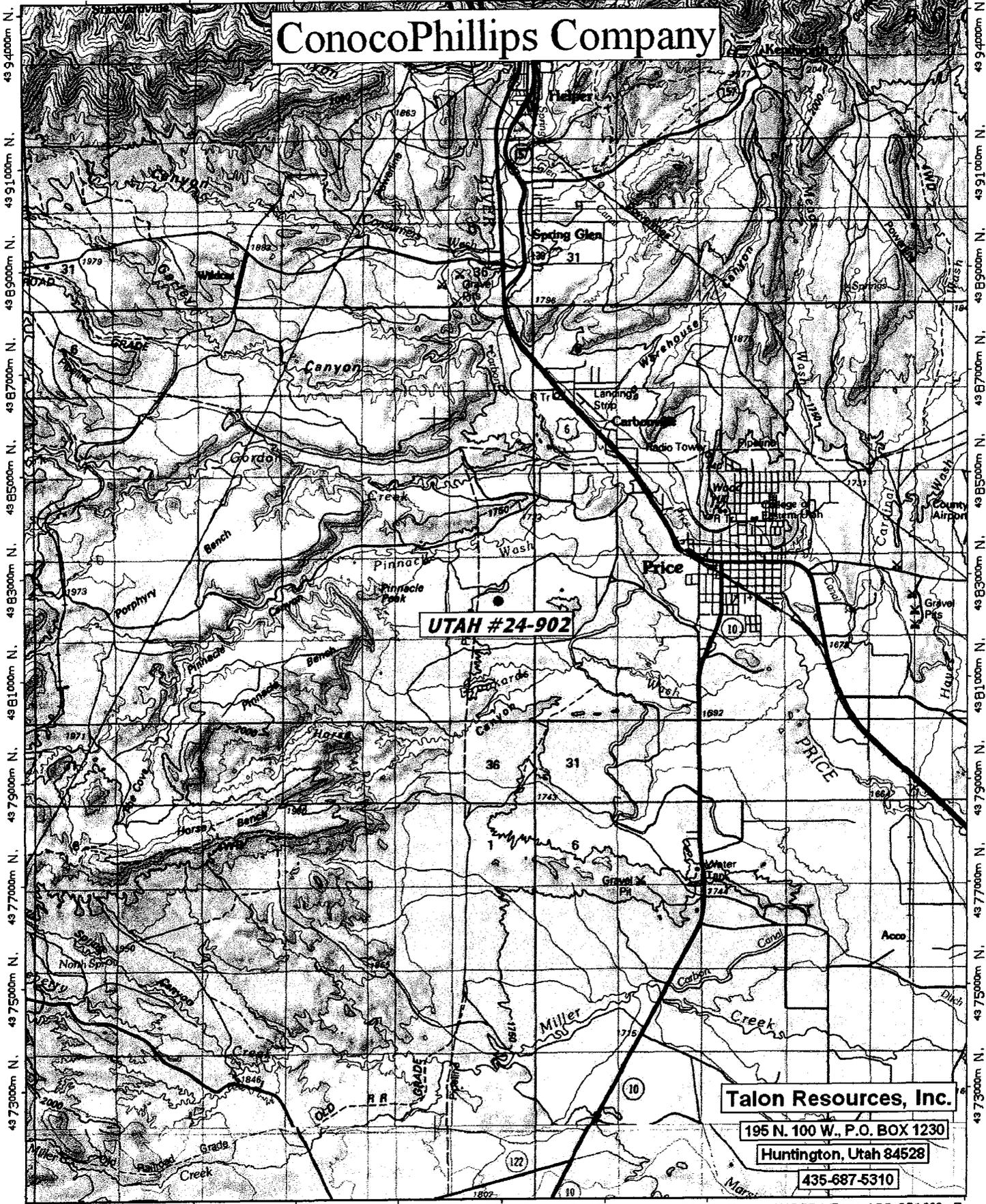
ConocoPhillips Company  
 6825 South 5300 West  
 P.O. Box 851  
 Price, Utah 84501  
 Phone: (435) 613-9777  
 Fax: (435) 613-9782



**WELL # 24-902**  
**Section 24, T14S, R9E, S.L.B.&M.**  
**Exhibit B 1 of 2**

TOPOI map printed on 03/22/05 from "Phillips-24-902.tpo"

504000mE. 506000mE. 508000mE. 510000mE. 512000mE. 514000mE. 516000mE. 518000mE. 520000mE.



# ConocoPhillips Company

**UTAH #24-902**

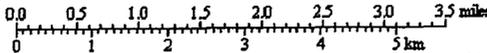
**Talon Resources, Inc.**

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

Huntington, Utah 84528

435-687-5310

TN 12 1/2 MN



Map created with TOPOI® ©2003 National Geographic (www.nationalgeographic.com/topo)

WGS84 Zone 12S 521000mE.

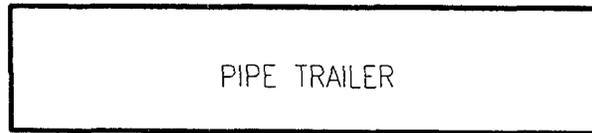
EXHIBIT C

# APPROXIMATE LAYOUT OF RIG & EQUIPMENT

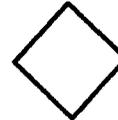


LIGHT PLANT

40'



PIPE TRAILER

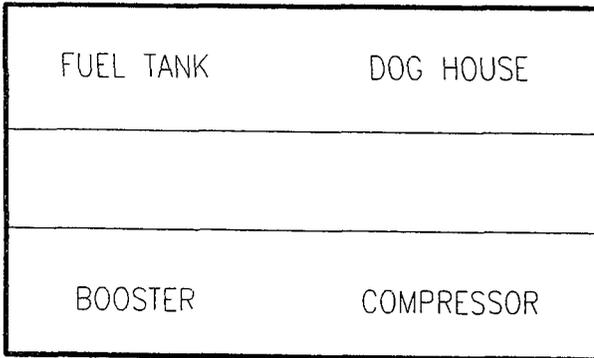


40'

HOLE



8'

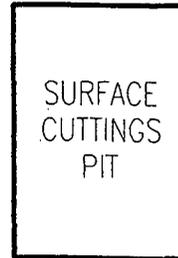


FUEL TANK

DOG HOUSE

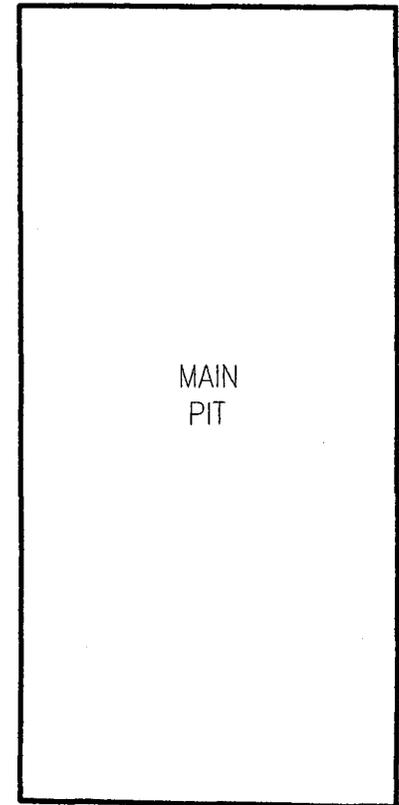
BOOSTER

COMPRESSOR



SURFACE  
CUTTINGS  
PIT

20'

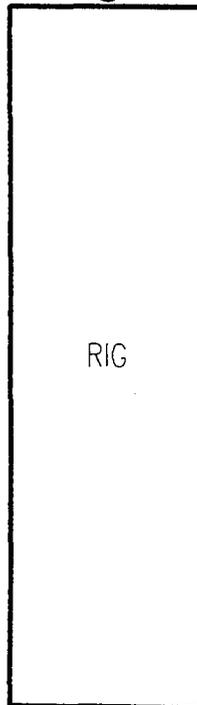


MAIN  
PIT



AUX  
COMP.

45'



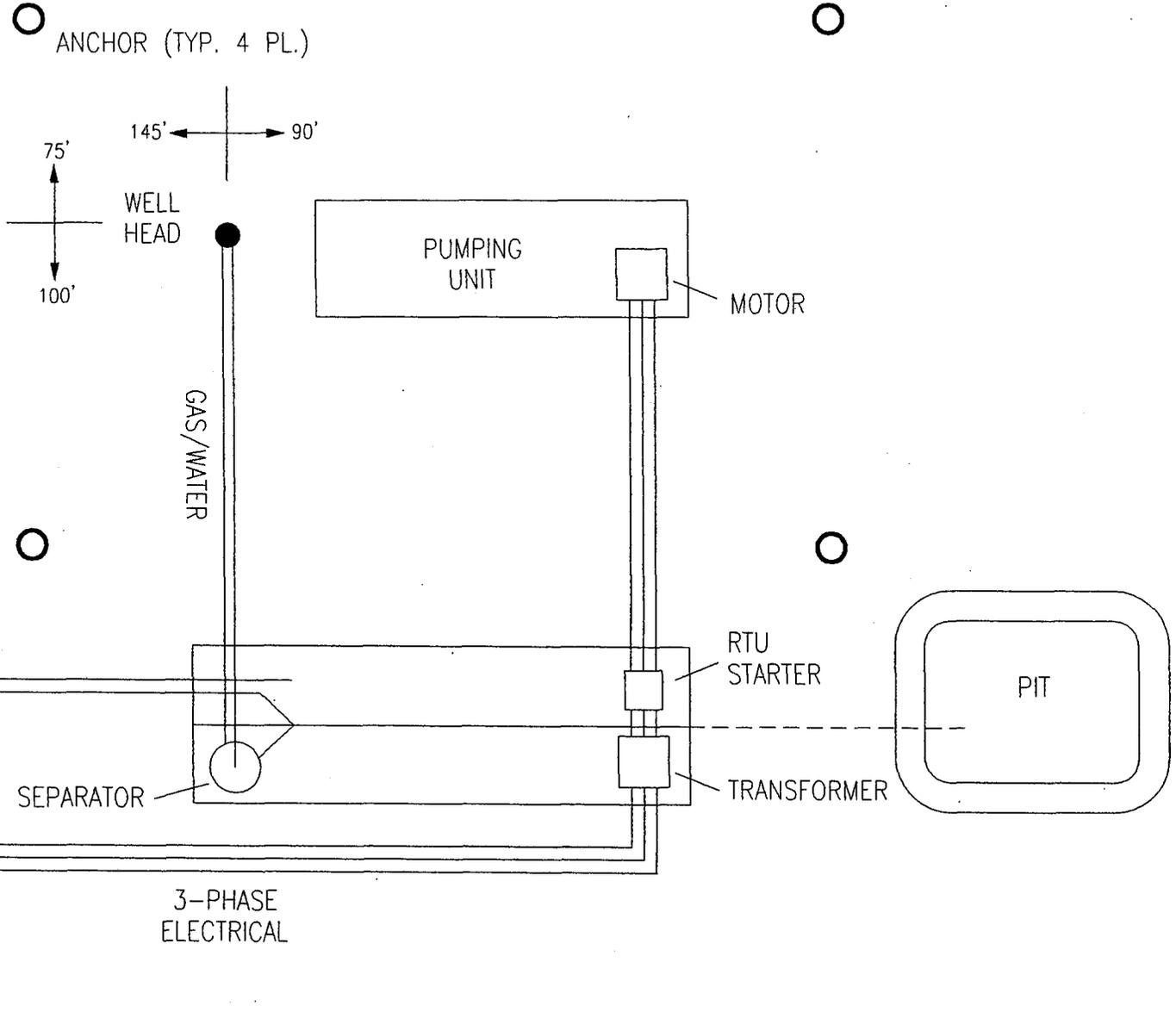
RIG



FRAC TANK

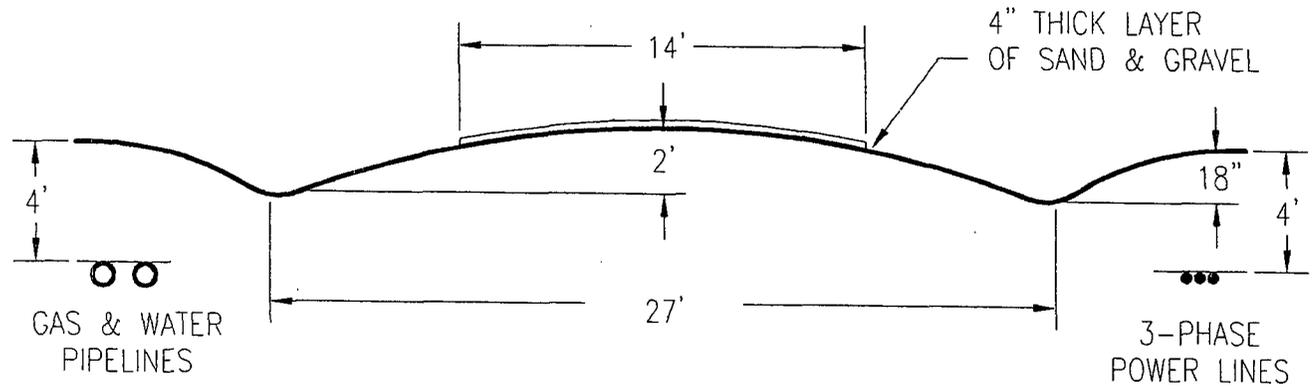
# CONOCOPHILLIPS

WELL SITE LAYOUT (235' x 175')

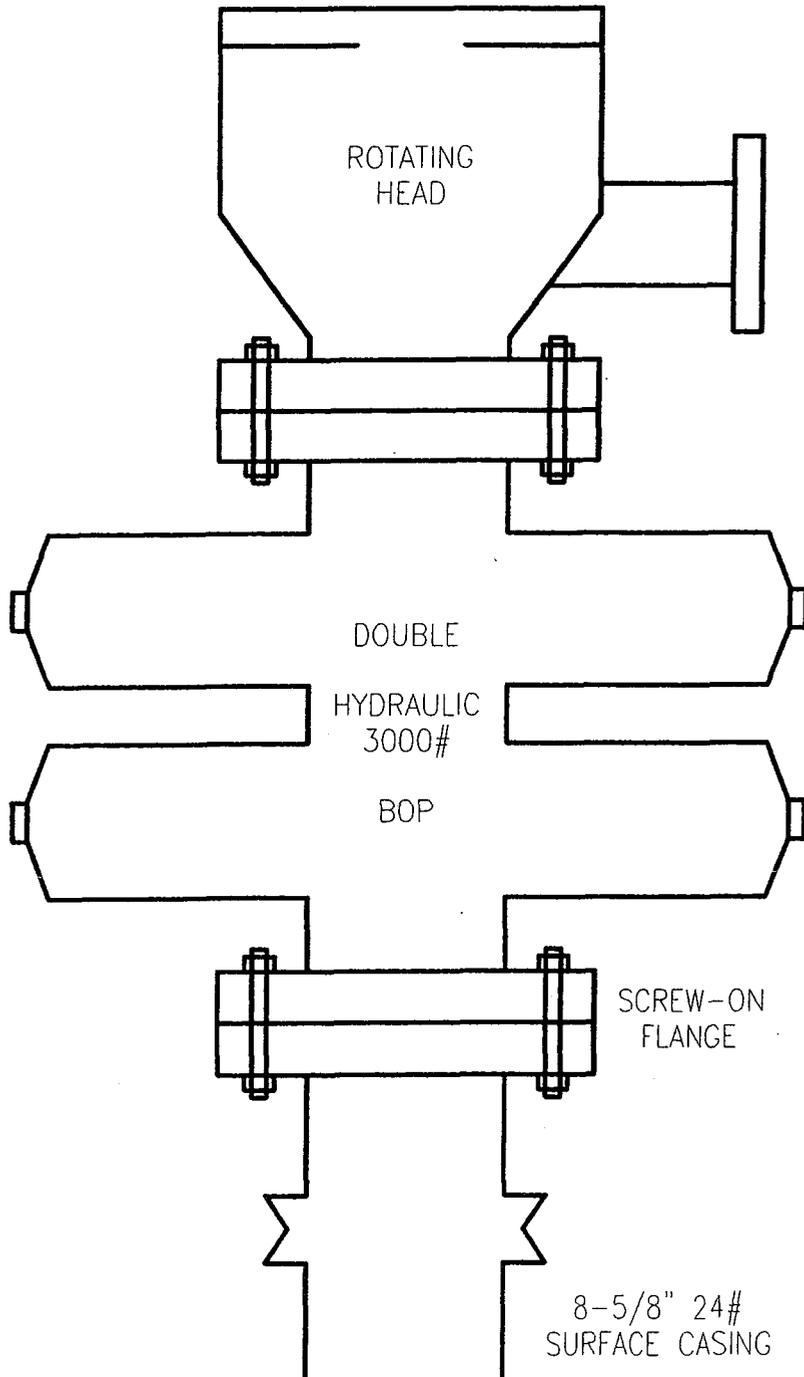


# TYPICAL ROAD CROSS-SECTION

EXHIBIT F



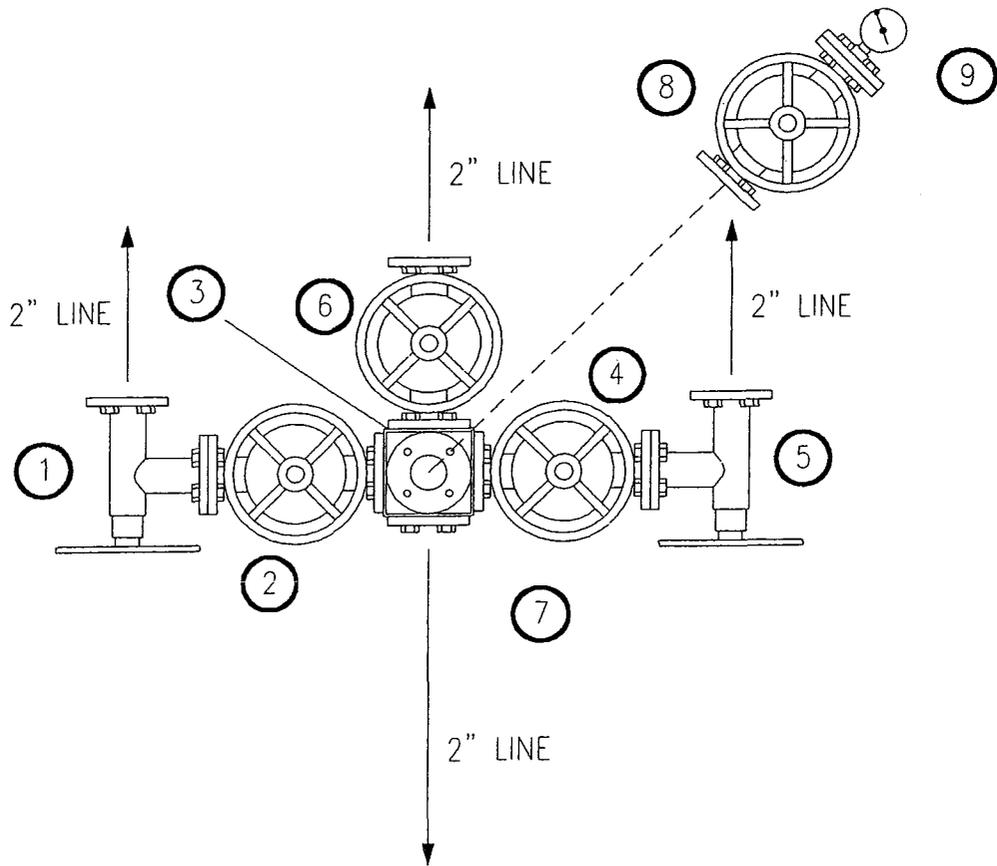
DIVERTER HEAD



- (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



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

May 20, 2005

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

RE: Archeology Report for Application for Permit to Drill- Telonis 19-171r, Telonis 19-900, Telonis 20-901, Utah 24-902, Utah 28-903, Utah 18-904, Utah 18-905, and Utah 36-906 SLB & M, Carbon County, Utah

Dear Ms. Whitney:

Enclosed are eight archeology reports prepared for the Telonis 19-171r, Telonis 19-900, Telonis 20-901, Utah 24-902, Utah 28-903, Utah 18-904, Utah 18-905, and Utah 36-906 SLB & M, Carbon County, Utah. The reports were not ready when the APDs were submitted to your office. Should you have any question about these reports please give me a call. My cell phone number is 435/820-9807.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jean Semborski".

Jean Semborski  
Construction Supervisor

Cc: ConocoPhillips Well File

RECEIVED

MAY 25 2005

DIV. OF OIL, GAS & MINING

**From:** Ed Bonner  
**To:** Whitney, Diana  
**Date:** 6/13/2005 1:48:02 PM  
**Subject:** Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

ConocoPhillips  
Utah 24-902  
Utah 28-903  
Utah 18-904

Westport Oil & Gas Company  
NBU 921-25D  
NBU 921-33N  
NBU 922-36B  
North Bench State 42-16  
North Bench State 44-16

QEP Uinta Basin, Inc  
RW 14-36AMU  
WK 1ML-2-9-24  
WK 3ML-2-9-24  
WK 7ML-2-9-24  
WK 13ML-2-9-24  
WK 15ML-2-9-24

If you have any questions regarding this matter please give me a call.

**CC:** Garrison, LaVonne; Hill, Brad; Hunt, Gil

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

**003**

APD RECEIVED: 05/06/2005

API NO. ASSIGNED: 43-007-31028

WELL NAME: UTAH 24-902

OPERATOR: CONOCOPHILLIPS COMPANY ( N2335 )

CONTACT: JEAN SEMBORSKI

PHONE NUMBER: 435-613-9777

PROPOSED LOCATION:

NWSE 24 140S 090E  
 SURFACE: 2140 FSL 2104 FEL  
 BOTTOM: 2140 FSL 2104 FEL  
 CARBON  
 DRUNKARDS WASH ( 48 )

| INSPECT LOCATN BY: / / |          |        |
|------------------------|----------|--------|
| Tech Review            | Initials | Date   |
| Engineering            | DKD      | 6/3/05 |
| Geology                |          |        |
| Surface                |          |        |

LEASE TYPE: 3 - State

LEASE NUMBER: ML-38828

SURFACE OWNER: 3 - State

PROPOSED FORMATION: FRSD

COALBED METHANE WELL? YES

LATITUDE: 39.59201

LONGITUDE: -110.8603

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 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: 2-13-1994  
Siting: 460' fr u bdr & uncom. tract
- \_\_\_ R649-3-11. Directional Drill

COMMENTS: Needs Permit (5-20-05)

STIPULATIONS: 1- STATEMENT OF BASIS



OPERATOR: CONOCOPHILLIPS CO (N2335)

SEC: 24 T. 14S R. 9E

FIELD: DRUNKARDS WASH (48)

COUNTY: CARBON

CAUSE: 243-2 / 7-13-1999



**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

**Units.shp**

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

**Fields.shp**

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY  
DATE: 9-MAY-2005

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

OPERATOR: ConocoPhillips Company  
WELL NAME & NUMBER: Utah 24-902  
API NUMBER: 43-007-31028  
LEASE: State FIELD/UNIT: \_\_\_\_\_  
LOCATION: 1/4,1/4 NWSE Sec: 24 TWP: 14S RNG: 9E 2140 FNL 2104 FWL  
LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.  
GPS COORD (UTM): X =512000 E; Y =4382279 N SURFACE OWNER: SITLA.

**PARTICIPANTS**

M. Jones (DOGM), Jean Semborski and Larry Jensen (NELCO) were in attendance. SITLA, DWR, and Carbon County were also invited but chose not to attend.

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

Proposed location is ~2.7 miles west of Price, Utah. The immediate area surrounding the proposed well is recreation, with the Carbon County Fairgrounds nearby, and grazing. Access to this well will be along existing ConocoPhillips gas field roads and County maintained roads. Approximately 900' of new access road will be built for this location. The direct area drains to the east into Drunkards wash then further eastward eventually into the Price River, a year-round live water source ~2 miles east of the proposed location. Dry washes run throughout the area.

**SURFACE USE PLAN**

CURRENT SURFACE USE: Grazing and recreational activities.

PROPOSED SURFACE DISTURBANCE: 175' x 235' w/ 50' x 50' x 10' (excluded) pit.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 16 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. Possibly power and pipeline would utilize a separate route than the roadway, clearance from SITLA should be obtained for this.

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): No. This is a trial with "infield" drilling within the unit boundaries. There are already 16 other wells surrounding this proposed well.

**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, shad-scale, grasses, weeds, small game, rodents, fowl.

SOIL TYPE AND CHARACTERISTICS: Mancos shale.

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: With SITLA Lease.

CULTURAL RESOURCES/ARCHAEOLOGY: Completed by SencoPheonix.

**OTHER OBSERVATIONS/COMMENTS**

**ATTACHMENTS**

Photos of this location were taken and placed on file.

Mark L. Jones  
DOGM REPRESENTATIVE

May 20, 2005 / 10:30 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>0</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**      5      (Level III 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:** Utah 24-902  
**API NUMBER:** 43-007-31028  
**LOCATION:** 1/4,1/4 NWSE Sec:24 TWP: 14 S RNG: 9 E 2140 FNL 2104 FWL

**Geology/Ground Water:**

The silty, poorly permeable soil is developed on the Blue Gate Shale Member of the Mancos Shale. There are no aquifers with high quality water likely to be encountered. The proposed casing and cement program will adequately isolate any water zones penetrated.

**Reviewer:** Christopher J. Kierst **Date:** June 3, 2005

**Surface:**

Proposed location is ~2.7 miles west of Price, Utah. The immediate area surrounding the proposed well is grazing and recreation, with the Carbon County Fairgrounds nearby. Access to this well will be along existing ConocoPhillips gas field roads and County maintained roads. Approximately 900' of new access road will be built for this location. The direct area drains to the east into Drunkards wash then further eastward eventually into the Price River, a year-round live water source ~2 miles east of the proposed location. Dry washes run throughout the area. This is a trial with "infield" drilling within the unit boundaries. There are 16 other wells surrounding this proposed well within a 1-mile radius. Jean Semborski (ConocoPhillips) and Larry Jensen (NELCO) were in attendance. SITLA, DWR, and Carbon County were also invited but chose not to attend.

**Reviewer:** Mark L. Jones **Date:** May 25, 2005

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



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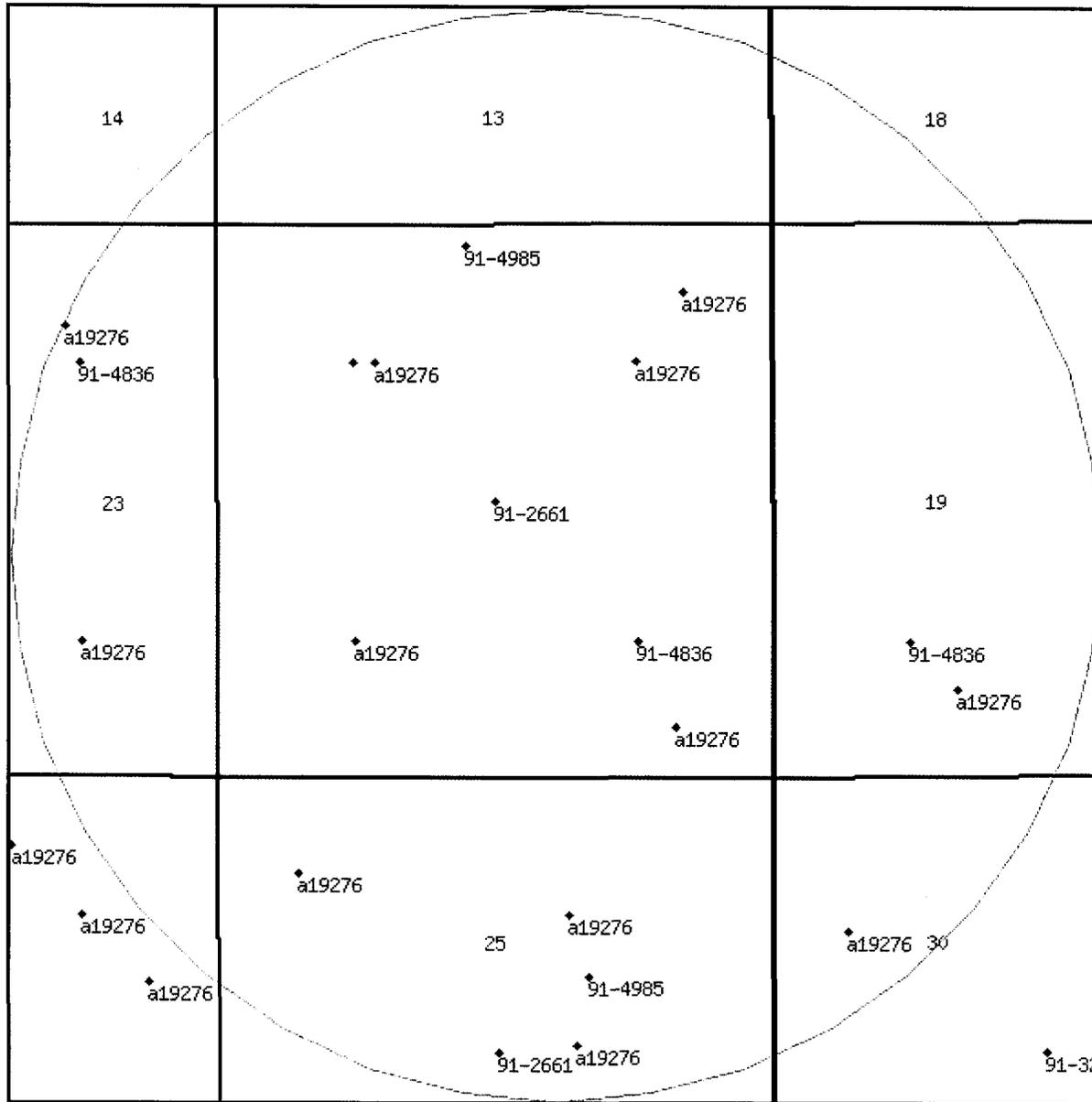


# UTAH DIVISION OF WATER RIGHTS

## WRPLAT Program Output Listing

Version: 2004.12.30.00      Rundate: 06/07/2005 04:02 PM

Radius search of 5280 feet from a point N2140 W2104 from the SE corner, section 24, Township 14S, Range 9E, SL  
b&m Criteria:wrtypes=W,C,E podtypes=all status=U,A,P usetypes=all



**Water Rights**

| WR Number      | Diversion Type/Location                       | Well Log | Status | Priority | Uses | CFS    | ACFT  | Owner Name   |
|----------------|---|----------|--------|----------|------|--------|-------|--|
| <u>91-2661</u> | Point to Point<br>0 0 24 14S 9E SL            |          | P      | 19020000 | S    | 0.000  | 0.000 | UTAH SCHOOL AND<br>INSTITUTIONAL TRUST<br>LANDS ADMIN.<br>675 EAST 500 SOUTH, 5TH<br>FLOOR |
| <u>91-2661</u> | Point to Point<br>0 0 25 14S 9E SL            |          | P      | 19020000 | S    | 0.000  | 0.000 | UTAH SCHOOL AND<br>INSTITUTIONAL TRUST<br>LANDS ADMIN.<br>675 EAST 500 SOUTH, 5TH<br>FLOOR |
| <u>91-3218</u> | Point to Point<br>0 0 30 14S 10E SL           |          | P      | 18690000 | S    | 0.000  | 0.000 | JOHN J. PETITTI<br>ROUTE #1  |
| <u>91-3219</u> | Point to Point<br>0 0 30 14S 10E SL           |          | P      | 18690000 | S    | 0.000  | 0.000 | MILDRED BONNELL<br>ROUTE #3, BOX 112-A   |
| <u>91-4835</u> | Underground<br>S660 W1980 NE<br>26 14S 9E SL  |          | U      | 19930623 | IMOS | 20.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br>P. O. BOX 851   |
| <u>91-4835</u> | Underground<br>S1320 W1320 NE<br>23 14S 9E SL |          | U      | 19930623 | IMOS | 20.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br>P. O. BOX 851   |
| <u>91-4835</u> | Underground<br>N1320 W1320 SE<br>23 14S 9E SL |          | U      | 19930623 | IMOS | 20.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br>P. O. BOX 851   |
| <u>91-4835</u> | Underground<br>S1980 W660 NE                  |          | U      | 19930623 | IMOS | 20.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY  |

|                |                                |   |                            |  |                           |
|----------------|--------------------------------|---|----------------------------|--|---------------------------|
|                | 26 14S 9E SL                   |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 E1320 NW<br>24 14S 9E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | N1320 E1320 SW<br>24 14S 9E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 W1980 NE<br>25 14S 9E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S2599 W1902 NE<br>25 14S 9E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 W1320 NE<br>24 14S 9E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | N1320 W1320 SE<br>24 14S 9E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1493 E728 NW<br>30 14S 10E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4835</u> | Underground                    | U | 19930623 IMOS 20.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |

|                |                                 |   |                            |  |                           |
|----------------|---------------------------------|---|----------------------------|--|---------------------------|
|                | N1320 E1320 SW<br>19 14S 10E SL |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S660 W1980 NE<br>26 14S 9E SL   |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 W1320 NE<br>23 14S 9E SL  |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | N1320 W1320 SE<br>23 14S 9E SL  |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1980 W660 NE<br>26 14S 9E SL   |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 E1320 NW<br>24 14S 9E SL  |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | N1320 E1320 SW<br>24 14S 9E SL  |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 W1980 NE<br>25 14S 9E SL  |   |                            |  | P. O. BOX 851             |
| <u>91-4836</u> | Underground                     | U | 19930623 IMOS 15.000 0.000 |  | CONOCOPHILLIPS            |

|         |                                 |   |                            |                           | COMPANY       |
|---------|---------------------------------|---|----------------------------|---------------------------|---------------|
|         | S2599 W1902 NE<br>25 14S 9E SL  |   |                            |                           | P. O. BOX 851 |
| 91-4836 | Underground                     | U | 19930623 IMOS 15.000 0.000 | CONOCOPHILLIPS<br>COMPANY |               |
|         | S1320 W1320 NE<br>24 14S 9E SL  |   |                            |                           | P. O. BOX 851 |
| 91-4836 | Underground                     | U | 19930623 IMOS 15.000 0.000 | CONOCOPHILLIPS<br>COMPANY |               |
|         | N1320 W1320 SE<br>24 14S 9E SL  |   |                            |                           | P. O. BOX 851 |
| 91-4836 | Underground                     | U | 19930623 IMOS 15.000 0.000 | CONOCOPHILLIPS<br>COMPANY |               |
|         | S1493 E728 NW<br>30 14S 10E SL  |   |                            |                           | P. O. BOX 851 |
| 91-4836 | Underground                     | U | 19930623 IMOS 15.000 0.000 | CONOCOPHILLIPS<br>COMPANY |               |
|         | N1320 E1320 SW<br>19 14S 10E SL |   |                            |                           | P. O. BOX 851 |
| 91-4952 | Underground                     | A | 19930623 IMOS 5.000 0.000  | CONOCOPHILLIPS<br>COMPANY |               |
|         | S660 W1980 NE<br>26 14S 9E SL   |   |                            |                           | P. O. BOX 851 |
| 91-4952 | Underground                     | A | 19930623 IMOS 5.000 0.000  | CONOCOPHILLIPS<br>COMPANY |               |
|         | S963 W1470 NE<br>23 14S 9E SL   |   |                            |                           | P. O. BOX 851 |
| 91-4952 | Underground                     | A | 19930623 IMOS 5.000 0.000  | CONOCOPHILLIPS<br>COMPANY |               |
|         | S1320 W1320 NE<br>26 14S 9E SL  |   |                            |                           | P. O. BOX 851 |

|                |                                |   |               |       |       |                           |
|----------------|--------------------------------|---|---------------|-------|-------|---------------------------|
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | N1320 W1320 SE<br>23 14S 9E SL |   |               |       |       | P. O. BOX 851             |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | S1980 W660 NE<br>26 14S 9E SL  |   |               |       |       | P. O. BOX 851             |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | S920 E780 NW 25<br>14S 9E SL   |   |               |       |       | P. O. BOX 851             |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | N1320 E1320 SW<br>24 14S 9E SL |   |               |       |       | P. O. BOX 851             |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | S1310 E1525 NW<br>24 14S 9E SL |   |               |       |       | P. O. BOX 851             |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 W1980 NE<br>25 14S 9E SL |   |               |       |       | P. O. BOX 851             |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | S2599 W1902 NE<br>25 14S 9E SL |   |               |       |       | P. O. BOX 851             |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|                | S1320 W1320 NE                 |   |               |       |       | P. O. BOX 851             |

## 24 14S 9E SL

|                |                                |   |               |       |       |  |
|----------------|--------------------------------|---|---------------|-------|-------|--|
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY                              |
|                | N482 W940 SE 24<br>14S 9E SL   |   |               |       |       | P. O. BOX 851  |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY                              |
|                | S650 W850 NE 24<br>14S 9E SL   |   |               |       |       | P. O. BOX 851  |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY                              |
|                | S1493 E728 NW<br>30 14S 10E SL |   |               |       |       | P. O. BOX 851  |
| <u>91-4952</u> | Underground                    | A | 19930623 IMOS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY                              |
|                | N860 E1780 SW<br>19 14S 10E SL |   |               |       |       | P. O. BOX 851  |
| <u>91-4985</u> | Surface                        | A | 19960311 S    | 0.000 | 4.730 | UTAH SCHOOL AND<br>INSTITUTIONAL TRUST<br>LANDS ADMIN. |
|                | S200 W285 N4 24<br>14S 9E SL   |   |               |       |       | 675 EAST 500 SOUTH, 5TH<br>FLOOR                       |
| <u>91-4985</u> | Surface                        | A | 19960311 S    | 0.000 | 4.730 | UTAH SCHOOL AND<br>INSTITUTIONAL TRUST<br>LANDS ADMIN. |
|                | N740 W1785 E4<br>25 14S 9E SL  |   |               |       |       | 675 EAST 500 SOUTH, 5TH<br>FLOOR                       |
| <u>a19276</u>  | Underground                    | A | 19950831 IMS  | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY                              |
|                | S660 W1980 NE<br>26 14S 9E SL  |   |               |       |       | P. O. BOX 851  |

|               |             |   |              |       |       |  |
|---------------|-------------|---|--------------|-------|-------|--|
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>S963 W1470 NE<br>23 14S 9E SL<br><br>P. O. BOX 851  |
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>S1320 W1320 NE<br>26 14S 9E SL<br><br>P. O. BOX 851 |
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>N1320 W1320 SE<br>23 14S 9E SL<br><br>P. O. BOX 851 |
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>S1980 W660 NE<br>26 14S 9E SL<br><br>P. O. BOX 851  |
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>S920 E780 NW 25<br>14S 9E SL<br><br>P. O. BOX 851   |
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>N1320 E1320 SW<br>24 14S 9E SL<br><br>P. O. BOX 851 |
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>S1310 E1525 NW<br>24 14S 9E SL<br><br>P. O. BOX 851 |
| <u>a19276</u> | Underground | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY<br><br>S1320 W1980 NE<br><br>P. O. BOX 851                 |

25 14S 9E SL

|        |                                |   |              |       |       |                           |
|--------|--------------------------------|---|--------------|-------|-------|---------------------------|
| a19276 | Underground                    | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|        | S2599 W1902 NE<br>25 14S 9E SL |   |              |       |       | P. O. BOX 851             |
| a19276 | Underground                    | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|        | S1320 W1320 NE<br>24 14S 9E SL |   |              |       |       | P. O. BOX 851             |
| a19276 | Underground                    | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|        | N482 W940 SE 24<br>14S 9E SL   |   |              |       |       | P. O. BOX 851             |
| a19276 | Underground                    | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|        | S650 W850 NE 24<br>14S 9E SL   |   |              |       |       | P. O. BOX 851             |
| a19276 | Underground                    | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|        | S1493 E728 NW<br>30 14S 10E SL |   |              |       |       | P. O. BOX 851             |
| a19276 | Underground                    | A | 19950831 IMS | 5.000 | 0.000 | CONOCOPHILLIPS<br>COMPANY |
|        | N860 E1780 SW<br>19 14S 10E SL |   |              |       |       | P. O. BOX 851             |

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

**OPERATOR:** ConocoPhillips Company  
**WELL NAME & NUMBER:** Utah 24-902  
**API NUMBER:** 43-007-31028  
**LOCATION:** 1/4,1/4 NWSE Sec:24 TWP: 14 S RNG: 9 E 2140 FNL 2104 FWL

**Geology/Ground Water:**

The silty, poorly permeable soil is developed on the Blue Gate Shale Member of the Mancos Shale. There are no aquifers with high quality water likely to be encountered. The proposed casing and cement program will adequately isolate any water zones penetrated. Numerous underground water rights have been filed by the Operator within a mile radius for produced water incidental to CBM gas production.

**Reviewer:** Christopher J. Kierst **Date:** June 3, 2005

**Surface:**

Proposed location is ~2.7 miles west of Price, Utah. The immediate area surrounding the proposed well is grazing and recreation, with the Carbon County Fairgrounds nearby. Access to this well will be along existing ConocoPhillips gas field roads and County maintained roads. Approximately 900' of new access road will be built for this location. The direct area drains to the east into Drunkards wash then further eastward eventually into the Price River, a year-round live water source ~2 miles east of the proposed location. Dry washes run throughout the area. This is a trial with "infield" drilling within the unit boundaries. There are 16 other wells surrounding this proposed well within a 1-mile radius. Jean Semborski (ConocoPhillips) and Larry Jensen (NELCO) were in attendance. SITLA, DWR, and Carbon County were also invited but chose not to attend.

**Reviewer:** Mark L. Jones **Date:** May 25, 2005

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

Casing Schematic

Mancos

Surface

Propose TOC - Surface

8-5/8"  
MW 8.4  
Frac 19.

TOC @  
6.  
Surface  
199. MD

✓ w/ 18% Washout

BHP

$(0.52)(8.4)(1460) = 865$

Anticipate 862

Gaw

$(12)(1460) = 237$

MASP = 628

BOPE - 3,000 ✓

Surf csg - 2950  
70% = 2065

Mat pressure @ shoe = 474

Test to 1400# as proposed ✓

✓ Adequate  
over 4/2005

TOC @  
787.

5-1/2"  
MW 8.4

Production  
1980. MD

1467 TOC Tail

1449 Ferron

✓ w/ 15% Washout

|              |   |                             |
|--------------|---|-----------------------------|
| Well name:   | <b>06-05 ConocoPhillips Utah 24-902</b> |                             |
| Operator:    | <b>ConocoPhillips Company</b>           |                             |
| String type: | Surface                                 | Project ID:<br>43-007-31028 |
| Location:    | Carbon                                  |                             |

**Design parameters:**

**Collapse**

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

**Burst**

Max anticipated surface pressure: 0 psi  
Internal gradient: 0.436 psi/ft  
Calculated BHP: 87 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor: 1.125

**Burst:**

Design factor: 1.00

**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: 174 ft

**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: 6 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 1,980 ft  
Next mud weight: 8.400 ppg  
Next setting BHP: 864 psi  
Fracture mud wt: 19.000 ppg  
Fracture depth: 199 ft  
Injection pressure: 196 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       | 199                 | 8.625                   | 24.00                   | J-55             | ST&C                 | 199                  | 199                 | 7.972                   | 1303                  |
| 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       | 87                  | 1370                    | 15.785                  | 87               | 2950                 | 33.99                | 5                   | 244                     | 51.11 J               |

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

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

Date: June 2, 2005  
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 199 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.

|              |   |             |              |
|--------------|---|-------------|--------------|
| Well name:   | <b>06-05 ConocoPhillips Utah 24-902</b> |             |              |
| Operator:    | <b>ConocoPhillips Company</b>           |             |              |
| String type: | Production                              | Project ID: | 43-007-31028 |
| 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: 93 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 250 ft

Cement top: 787 ft

**Burst**

Max anticipated surface pressure: 0 psi  
 Internal gradient: 0.436 psi/ft  
 Calculated BHP 864 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: 1,728 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       | 1980                | 5.5                     | 17.00                   | N-80             | LT&C                 | 1980                 | 1980                | 4.767                   | 14204                 |
| 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       | 864                 | 6290                    | 7.280                   | 864              | 7740                 | 8.96                 | 34                  | 348                     | 10.34 J               |

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

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

Date: June 2, 2005  
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1980 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.



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

June 14, 2005

ConocoPhillips Company  
P O Box 851  
Price, UT 84501

Re: Utah 24-902 Well, 2140' FSL, 2104' FEL, NW SE, Sec. 24, T. 14 South,  
R. 9 East, Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-31028.

Sincerely,

Gil Hunt  
Acting Associate Director

pab  
Enclosures

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

Operator: ConocoPhillips Company  
Well Name & Number Utah 24-902  
API Number: 43-007-31028  
Lease: ML-38828

Location: NW SE                      Sec. 24                      T. 14 South                      R. 9 East

### Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**

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)

Form 3160-5  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

*SUBMIT IN TRIPLICATE*

1. Type of Well  
 Oil  Gas

2. Name of Operator  
**ConocoPhillips**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2140' FSL, 2104' FEL  
NW/SE, Sec. 24, T14S, R09E, SLB&M

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|   |                           |
|---|---------------------------|
| 5. Lease Designation and Serial No.     | MT-38828                  |
| 6. If Indian, Allottee or Tribe Name    | N/A                       |
| 7. If Unit or CA, Agreement Designation | Drunkards Wash UTU-67921X |
| 8. Well Name and No.                    | Utah 24-902               |
| 9. API Well No.                         | 43-007-31028              |
| 10. Field and Pool, or Exploratory Area | Drunkards Wash            |
| 11. County or Parish, State             | Carbon County, Utah       |

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

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

(Note: Report results of multiple completion on Well Completion or

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

Please be advised that this well was spud on 10/21/2005 at 11:00 a.m. with the Pense #9 Rig.

**RECEIVED**

**NOV 03 2005**

**DIV. OF OIL, GAS & MINING**

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

Signed Lynnette Allred Sr. Operations Assistant Date October 25, 2005

(This space for Federal or State office use)

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

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

\* See Instructions on Reverse Side

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 |
|---|-----------------------|-------------------|------------|-----|----------------------------------|-----|--------|
| 4300731028  | Utah 24-902           |                   | NWSE       | 24  | 15S                              | 09E | CARBON |
| Action Code   | Current Entity Number | New Entity Number | Spud Date  |     | Entity Assignment Effective Date |     |        |
| A   | 99999                 | 11256             | 10/21/2005 |     | 11/3/05                          |     |        |
| Comments: <u>FRSD</u> New single well spud inside PA & inside of the Unit Boundary. <b>CONFIDENTIAL K</b> |                       |                   |            |     |                                  |     |        |

Well 2 43-007-31026

| API Number  | Well Name             |                   | QQ         | Sec | Twp                              | Rng | County |
|---|-----------------------|-------------------|------------|-----|----------------------------------|-----|--------|
| <del>430073120</del>  | Utah 18-904           |                   | SENW       | 18  | 15S                              | 10E | CARBON |
| Action Code   | Current Entity Number | New Entity Number | Spud Date  |     | Entity Assignment Effective Date |     |        |
| A   | 99999                 | 15017             | 10/23/2005 |     | 11/3/05                          |     |        |
| Comments: <u>DKTA</u> New single well spud inside PA & inside of the Unit Boundary. <b>CONFIDENTIAL K</b> |                       |                   |            |     |                                  |     |        |

Well 3

| API Number  | Well Name             |                   | QQ         | Sec | Twp                              | Rng | County |
|---|-----------------------|-------------------|------------|-----|----------------------------------|-----|--------|
| 4300730928  | Utah 10-649           |                   | NENW       | 10  | 15S                              | 10E | CARBON |
| Action Code   | Current Entity Number | New Entity Number | Spud Date  |     | Entity Assignment Effective Date |     |        |
| A   | 99999                 | 15018             | 10/25/2005 |     | 11/3/05                          |     |        |
| Comments: <u>FRSD</u> New single well spud outside PA & inside of the Unit Boundary. <b>CONFIDENTIAL K RECEIVED</b> |                       |                   |            |     |                                  |     |        |

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) D. Allred  
 Signature  
 Sr. Operations Assistant  
 Title  
 Date 10/25/2005  
 DIV. OF OIL, GAS & MINING

ORIGINAL

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

AMENDED REPORT [ ] FORM 8
(highlight changes)

CONFIDENTIAL

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-38828

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL [ ] GAS WELL [x] DRY [ ] OTHER
b. TYPE OF WORK: NEW WELL [x] HORIZ. LATS. [ ] DEEP-EN [ ] RE-ENTRY [ ] DIFF. RESVR. [ ] OTHER Recompletion

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

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

8. WELL NAME and NUMBER:
Utah 24-902

2. NAME OF OPERATOR:
ConocoPhillips Company

9. API NUMBER:
4300731028

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

PHONE NUMBER:
(435) 613-9777

10. FIELD AND POOL, OR WILDCAT
Drunkards Wash

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 2140' FSL & 2104' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 2140' FSL & 2104' FEL
AT TOTAL DEPTH: 2140' FSL & 2104' FEL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWSE 24 T14 09E S

12. COUNTY CARBON 13. STATE UTAH

14. DATE SPUDDED: 11/3/2005 15. DATE T.D. REACHED: 11/5/2005 16. DATE COMPLETED: 2/25/2006
ABANDONED [ ] READY TO PRODUCE [x]

17. ELEVATIONS (DF, RKB, RT, GL):
5713' GR

18. TOTAL DEPTH: MD 1,990 TVD 1,990

19. PLUG BACK T.D.: MD 1,972 TVD 1,972

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 Guard Log Gamma Ray, Comp Density, Comp Neutron Gamma Ray, Cement Bond Log.

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

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

Table with 10 columns: 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. Rows include 15, 11, and 7-7/8 inch hole sizes.

25. TUBING RECORD

Table with 9 columns: SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD). Row for 2-3/8" size, 1,825 depth set.

26. PRODUCING INTERVALS FASD

Table with 10 columns: FORMATION NAME, TOP (MD), BOTTOM (MD), TOP (TVD), BOTTOM (TVD), INTERVAL (Top/Bot - MD), SIZE, NO. HOLES, PERFORATION STATUS. Row for Ferron Coal & Sar.

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

Table with 2 columns: DEPTH INTERVAL, AMOUNT AND TYPE OF MATERIAL. Row for 1610' - 1749' interval with Sandpack of 182,000 lbs, 2652 bbls of gel pad.

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

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DIV. OF OIL, GAS & MINING

**31. INITIAL PRODUCTION**

**INTERVAL A (As shown in item #26)**

|   |                          |                               |                            |                           |                           |                           |                        |                         |                           |                                    |                                 |
|---|--------------------------|-------------------------------|----------------------------|---------------------------|---------------------------|---------------------------|------------------------|-------------------------|---------------------------|------------------------------------|---------------------------------|
| DATE FIRST PRODUCED:<br><b>3/2/2006</b> |                          | TEST DATE:<br><b>3/3/2006</b> |                            | HOURS TESTED:<br><b>0</b> |                           | TEST PRODUCTION RATES: →  |                        | OIL – BBL:<br><b>0</b>  | GAS – MCF:<br><b>0</b>    | WATER – BBL:<br><b>0</b>           | PROD. METHOD:<br><b>pumping</b> |
| CHOKE SIZE:<br><b>n/a</b>               | TBG. PRESS.<br><b>30</b> | CSG. PRESS.<br><b>50</b>      | API GRAVITY<br><b>0.00</b> | BTU – GAS<br><b>0</b>     | GAS/OIL RATIO<br><b>0</b> | 24 HR PRODUCTION RATES: → | OIL – BBL:<br><b>0</b> | GAS – MCF:<br><b>16</b> | WATER – BBL:<br><b>55</b> | INTERVAL STATUS:<br><b>on-line</b> |                                 |

**INTERVAL B (As shown in item #26)**

|                      |             |             |             |               |               |                           |            |            |              |                  |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: |             | TEST DATE:  |             | HOURS TESTED: |               | TEST PRODUCTION RATES: →  | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD:    |
| CHOKE SIZE:          | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS     | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

**INTERVAL C (As shown in item #26)**

|                      |             |             |             |               |               |                           |            |            |              |                  |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: |             | TEST DATE:  |             | HOURS TESTED: |               | TEST PRODUCTION RATES: →  | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD:    |
| CHOKE SIZE:          | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS     | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

**INTERVAL D (As shown in item #26)**

|                      |             |             |             |               |               |                           |            |            |              |                  |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: |             | TEST DATE:  |             | HOURS TESTED: |               | TEST PRODUCTION RATES: →  | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD:    |
| CHOKE SIZE:          | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS     | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

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

**Sold**

**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) |
|---------------------|----------|-------------|------------------------------------|------|----------------------|
| Blue Gate/Ferron    | 1,499    | 1,748       | Coals and sandstones 1499' - 1748' |      | 1,748                |
| <b>CONFIDENTIAL</b> |          |             |                                    |      |                      |

**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) Jim Weaver TITLE Uinta - Rockies Superintendent  
 SIGNATURE *James Weaver* DATE 3/6/2006

This report must be submitted within 30 days of

- completing or plugging a new well
- reentering a previously plugged and abandoned well
- drilling horizontal laterals from an existing well bore
- significantly deepening an existing well bore below the previous bottom-hole depth
- recompleting to a different producing formation
- 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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

*SUBMIT IN TRIPLICATE*

1. Type of Well  
 Oil  Gas

2. Name of Operator  
**ConocoPhillips**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2140' FSL, 2104' FEL  
NW/SE, Sec. 24, T14S, R09E, SLB&M

5. Lease Designation and Serial No.  
**MT-38828**

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

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

8. Well Name and No.  
**Utah 24-902**

9. API Well No.  
**43-007-31028**

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

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

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

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

(Note: Report results of multiple completion on Well Completion or

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

See Attached.

RECEIVED  
NOV 14 2005

BUREAU OF OIL, GAS & MINING

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

Signed Lynnette Allred Title Sr. Operations Assistant Date November 9, 2005

(This space for Federal or State office use)

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

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

|                          |   |                            |                         |                                     |                                     |
|--------------------------|---|----------------------------|-------------------------|-------------------------------------|-------------------------------------|
| API/UI<br>430073102800   | Surface Legal Location<br>SEC 24-T14S-R9E | Field Name                 | BU/JV<br>Lower 48 - MA  | Latitude (DMS)<br>39° 35' 31.592" N | Longitude (DMS)<br>110° 51' 36.9" W |
| Well Type<br>Development | Well Configuration Type                   | Original KB Elevation (ft) | KB-Ground Distance (ft) | KB-CF (ft)                          | ConocoPhillips WI (%)               |

|                          |                                       |                            |                                |
|--------------------------|---------------------------------------|----------------------------|--------------------------------|
| Job Category<br>DRILLING | Primary Job Type<br>Drilling Original | Secondary Job Type         | Working Interest (%)           |
| Start Date               | End Date                              | AFE Number<br>WAR.UIN.S315 | Total AFE Amount<br>208,238.00 |

**Objective**  
DRILL

**Summary**

|                                   |                     |                      |
|-----------------------------------|---------------------|----------------------|
| Contractor<br>PENSE BROS DRILLING | Rig Name/No<br>9    | Rig Type<br>LAND RIG |
| Contractor<br>NABORS WELL SERVICE | Rig Name/No<br>1111 | Rig Type<br>LAND RIG |

| Rpt No. | Start Date | End Date   | Day Total | Cum Cost   | Last 24hr Sum   |
|---------|------------|------------|-----------|------------|---|
| 1.0     | 10/21/2005 | 10/22/2005 | 31,585.00 | 31,585.00  | MOVE ON, SPUD, SET CONDUCTOR, DRILL, SET AND CEMENT SURFACE CSG,  |
| 2.0     | 10/22/2005 | 10/23/2005 | 31,585.00 | 63,170.00  | N/UP BOP, TEST, DRILL 7 7/8IN HOLE TO TD, TOO, RIG DOWN   |
| 3.0     | 10/23/2005 | 10/24/2005 | 80,090.00 | 143,260.00 | RUN CSG, WOE  |
| 4.0     | 10/24/2005 | 10/25/2005 | 68,640.00 | 211,900.00 | CHANGE OUT WELL HEAD, CEMENT 5.5" CASING  |
| 5.0     | 11/2/2005  | 11/2/2005  | 6,015.00  | 217,915.00 | MOVED THE RIG FROM 904 TO 902, RIGGED UP, N/D B SECTION, N/U BOP AND TESTED THE SAME LOW AND HIGH, R/U PUMP TO CIRCULATE, R/U FLOOR AND TUBING EQUIPMENT, P/U ROCK BIT, D.COLLARS, RIH TO 1,199' WITH 33 JOINTS 2 7/8, DRILLED OUT D.V. TOOL, CBU, RIH AND TAGGED @ 1,977', POOH, L/D WORK STRING & BHA, N/D BOP, N/U WELLHEAD, PREP. TO MOVE THE RIG TO 850. |

**Report Date - 10/21/2005 to 10/22/2005**

**Operations at Report Time**  
WOC  
**24hr Forecast**  
N/UPBOP AND TEST, DRILL 7 7/8IN HOLE TO TD, RIG DOWN  
**Last 24hr Summary**  
MOVE ON, SPUD, SET CONDUCTOR, DRILL, SET AND CEMENT SURFACE CSG,  
**Remarks**  
NO HSE INCIDENTS REPORTED LAST 24 HRS

|                                |                                 |                |                         |             |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|
| <b>Days RI (days)</b><br>37.00 | <b>Days LTI (days)</b><br>37.00 | <b>Weather</b> | <b>Temperature (°F)</b> | <b>Wind</b> |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|

**Time Log**

| Time  | Time  | Dur (hrs) | Phase | Op Code | Op Sub-Code | Tribl Code | Comment  |
|-------|-------|-----------|-------|---------|-------------|------------|--|
| 06:00 | 07:00 | 1.00      | MIRU  | MOVE    | SFTY        | P          | PRE JOB SFTY MTG DISCUSS USING SPOTTERS, NOT RUSHING, TRAFFIC  |
| 07:00 | 11:00 | 4.00      | MIRU  | MOVE    | RURD        | P          | MOVE ON LOCATON R/UP,  |
| 11:00 | 12:00 | 1.00      | MIRU  | DRILL   | DRLG        | P          | SPUD @ 1100HRS 10.21.05 DRILL AND SET 37FT OF CONDUCTOR,   |
| 12:00 | 12:30 | 0.50      | MIRU  | DRILL   | RURD        | P          | N/UP TO DRILL SURFACCE HOLE  |
| 12:30 | 15:30 | 3.00      | MIRU  | DRILL   | DRLG        | P          | DRILL SURFACE HOLE TO 420FT  |
| 15:30 | 16:00 | 0.50      | MIRU  | DRILL   | TRIP        | P          | CLEAN HOLE, TOOH,  |
| 16:00 | 17:00 | 1.00      | MIRU  | CASING  | RNCS        | P          | RIH W/ 8 5/8IN GS + 14JTS OF 8 5/8IN CSG LAND @ 412FT (19IN BELOW GL)  |
| 17:00 | 20:30 | 3.50      | MIRU  | CEMENT  | WOP         | NP         | WOC TO ARRIVE FROM PRODUCTION JOB ON 900 WELL  |
| 20:30 | 21:15 | 0.75      | MIRU  | CEMENT  | RURD        | P          | R/UP CEMENTERS,  |
| 21:15 | 22:00 | 0.75      | MIRU  | CEMENT  | CIRC        | P          | TEST PUMP AND LINES TO 1000PSI, PUP 30BBLs FRESH AHEAD, MIX AND PUMP 180SX OF TYPE V CEMENT W/ 2% CACL, .25#SK OF FLOCELE, W/ 1.18 YIELD, 15.6PPG, 38BBLs SLURRY, DISPLACE W/ 23BBLs OF FRESH, CLOSE VALVE @ 2200HRS, 10.21.05, 10BBLs GOOD CEMENT TO SURFACE, |
| 22:00 | 00:00 | 2.00      | MIRU  | CEMENT  | WOC         | P          | WOC,   |

**Mud Data**

|                               |                               |                               |                         |                                |                               |                                |
|-------------------------------|-------------------------------|-------------------------------|-------------------------|--------------------------------|-------------------------------|--------------------------------|
| <b>Type</b>                   | <b>Temp Bottom Hole (°F)</b>  | <b>Depth (ftKB)</b>           | <b>Density (lb/gal)</b> | <b>Funnel Viscosity (s/qt)</b> | <b>PV Override (cp)</b>       | <b>YP Override (lb/100ft²)</b> |
| <b>Filter Cake (/32")</b>     | <b>pH</b>                     | <b>Pf (mL/mL)</b>             | <b>Mf (mL/mL)</b>       | <b>Sand (%)</b>                | <b>Low Gravity Solids (%)</b> | <b>High Gravity Solids (%)</b> |
| <b>Gel 10 sec (lb/100ft²)</b> | <b>Gel 10 min (lb/100ft²)</b> | <b>Gel 30 min (lb/100ft²)</b> | <b>Lime (lb/bbl)</b>    | <b>Mud Lost to Hole (bbl)</b>  | <b>Solids (%)</b>             | <b>Oil Water Ratio</b>         |

**Support Vessels**

| Type | Vessel Name | Note | Time | Time |
|------|-------------|------|------|------|
|      |             |      |      |      |

**WEATHER**

|                                |                               |                           |                           |                           |                           |  |
|--------------------------------|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--|
| <b>Time</b>                    | <b>Comment</b>                |                           |                           |                           |                           |  |
| <b>Temperature - High (°F)</b> | <b>Temperature - Low (°F)</b> | <b>Visibility (miles)</b> | <b>Ceiling (ft)</b>       | <b>Wind Speed (knots)</b> | <b>Wind Direction (°)</b> |  |
| <b>Current Speed (knots)</b>   | <b>Current Direction (°)</b>  | <b>Wave Height (ft)</b>   | <b>Wave Direction (°)</b> | <b>Wave Period (s)</b>    | <b>Swell Height (ft)</b>  |  |
| <b>Heave (ft)</b>              | <b>Pitch (°)</b>              | <b>Roll (°)</b>           | <b>Vessel Offset (ft)</b> | <b>Vessel Heading (°)</b> |                           |  |

**Riser Tension (kips)**

**Daily Contacts**

| Job Contact   | Position      |
|---------------|---------------|
| SHIRLEY LLOYD | Drilling Supv |

**Head Count (POB)**

| Carry Fwd? | Company | Type | Count | OT (hrs) | Reg (hrs) | Note |
|------------|---------|------|-------|----------|-----------|------|
| False      |         |      |       |          |           |      |

**STOP Cards Submitted**

| Company | No. Rpts | Comment |
|---------|----------|---------|
|         |          |         |

Report Date - 10/22/2005 to 10/23/2005

**Operations at Report Time**  
WAITING ON DAYLIGHT TO MOVE

**24hr Forecast**  
RUN CSG AND CEMENT,

**Last 24hr Summary**  
N/UP BOP, TEST, DRILL 7 7/8IN HOLE TO TD, TOO, RIG DOWN

**Remarks**  
NO HSE INCIDENTS REPORTED LAST 24HRS

|                |                 |         |                  |      |
|----------------|-----------------|---------|------------------|------|
| Days RI (days) | Days LTI (days) | Weather | Temperature (°F) | Wind |
| 38.00          | 38.00           |         |                  |      |

| Time Log |       |           |       |         |             |            |  |
|----------|-------|-----------|-------|---------|-------------|------------|--|
| Time     | Time  | Dur (hrs) | Phase | Op Code | Op Sub-Code | Tribl Code | Comment  |
| 00:00    | 02:00 | 2.00      | PROD1 | CEMENT  | WOC         | P          | WOC  |
| 02:00    | 06:00 | 4.00      | PROD1 | TREBOP  | RURD        | P          | N/UP WELLHEAD AND BOP  |
| 06:00    | 07:00 | 1.00      | PROD1 | TREBOP  | BOPE        | P          | TEST PIPE RAMS BLIND RAMS CHOKE 250PSI LOW 5 MINUTES, 2000PSI HIGH 10 MINUTES, TEST CSG 250PSI LOW 5 MINUTES, 500PSI HIGH 30MINUTES. |
| 07:00    | 09:00 | 2.00      | PROD1 | DRILL   | RURD        | P          | N/UP BLOUIE LINE, CHANGE OUT HAMMERS,  |
| 09:00    | 10:00 | 1.00      | PROD1 | DRILL   | DRLG        | P          | TIH, TAG CEMENT @ 365FT, DRILL OUT CEMENT AND SHOE,  |
| 10:00    | 18:00 | 8.00      | PROD1 | DRILL   | DRLG        | P          | DRILL 420FT TO 1990FT, TD @ 1800HRS, 10.22.05  |
| 18:00    | 19:00 | 1.00      | PROD1 | DRILL   | CIRC        | P          | CLEAN HOLE,  |
| 19:00    | 21:30 | 2.50      | PROD1 | DRILL   | TRIP        | P          | TOOH, PUMP 100BBLs OF 2%KCL @ 1000FT,  |
| 21:30    | 22:30 | 1.00      | PROD1 | MOVE    | DMOB        | P          | RIG DOWN, RELEASE RIG @ 2230HRS, 10.22.05  |
| 22:30    | 00:00 | 1.50      | PROD1 | MOVE    | WODL        | P          | WAITING ON DAYLIGHT TO MOVE  |

| Mud Data               |                        |                        |                  |                         |                        |                         |
|------------------------|------------------------|------------------------|------------------|-------------------------|------------------------|-------------------------|
| Type                   | Temp Bottom Hole (°F)  | Depth (ft)             | Density (lb/gal) | Funnel Viscosity (s/qt) | PV Override (cp)       | YP Override (lb/100ft²) |
| Filter Cake (3/32")    | pH                     | PF (mL/mL)             | Mf (mL/mL)       | Sand (%)                | Low Gravity Solids (%) | High Gravity Solids (%) |
| Gel 10 sec (lb/100ft²) | Gel 10 min (lb/100ft²) | Gel 30 min (lb/100ft²) | Lime (lb/bbl)    | Mud Lost to Hole (bbl)  | Solids (%)             | Oil Water Ratio         |

| Support Vessels |             |      |      |      |
|-----------------|-------------|------|------|------|
| Type            | Vessel Name | Note | Time | Time |
|                 |             |      |      |      |

| WEATHER                 |                        |                    |                    |                    |                    |  |
|-------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Time                    | Comment                |                    |                    |                    |                    |  |
| Temperature - High (°F) | Temperature - Low (°F) | Visibility (miles) | Clouding (ft)      | Wind Speed (knots) | Wind Direction (°) |  |
| Current Speed (knots)   | Current Direction (°)  | Wave Height (ft)   | Wave Direction (°) | Wave Period (s)    | Swell Height (ft)  |  |
| Heave (ft)              | Pitch (°)              | Roll (°)           | Vessel Offset (ft) | Vessel Heading (°) |                    |  |

Riser Tension (klps)

| Daily Contacts |               |
|----------------|---------------|
| Job Contact    | Position      |
| SHIRLEY LLOYD  | Drilling Supv |

| Head Count (POB) |         |      |       |          |           |      |
|------------------|---------|------|-------|----------|-----------|------|
| Carry Fwd?       | Company | Type | Count | OT (hrs) | Reg (hrs) | Note |
| False            |         |      |       |          |           |      |

| STOP Cards Submitted |          |         |
|----------------------|----------|---------|
| Company              | No. Rpts | Comment |
|                      |          |         |

**Report Date - 10/23/2005 to 10/24/2005**

**Operations at Report Time**  
WAITING ON DAYLIGHT

**24hr Forecast**  
CHANG OUT

**Last 24hr Summary**  
RUN CSG, WOE

**Remarks**  
NO INCIDENTS REPORTED

|                                |                                 |                |                         |             |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|
| <b>Days RI (days)</b><br>39.00 | <b>Days LTI (days)</b><br>39.00 | <b>Weather</b> | <b>Temperature (°F)</b> | <b>Wind</b> |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|

**Time Log**

| Time  | Time  | Dur (hrs) | Phase | Op Code | Op Sub-Code | Trbl Code | Comment  |
|-------|-------|-----------|-------|---------|-------------|-----------|--|
| 00:00 | 00:30 | 0.50      | PROD1 | MOVE    | SFTY        | P         | SAFETY MEETING; RIGGING DOWN & MOVING.   |
| 00:30 | 03:00 | 2.50      | PROD1 | MOVE    | MOB         | P         | RIG DOWN NABORS WELL SERVICE RIG 1111, MOB TO UTAH 24-902  |
| 03:00 | 05:30 | 2.50      | PROD1 | CASING  | RURD        | P         | RIG UP NABORS WELL SERVICE RIG 1111, INSPECT RIG.  |
| 05:30 | 10:00 | 4.50      | PROD1 | CASING  | RNCS        | P         | STRAP 5.5" 17# CASING, RUN 48 JTS. SET CASING @ 1973.69', STAGE TOOL @ 1196.4'. THERE WAS A PROBLEM HAINGING OFF CASING. THE HANGER WOULD NOT SEAT IN WELL HEAD. |
| 10:00 | 18:00 | 8.00      | PROD1 | CASING  | WOEQ        | T         | THERE WAS A PROBLEM HAINGING OFF CASING. THE HANGER WOULD NOT SEAT IN WELL HEAD. WAITING ON NEW WELL HEAD. SECURED WELL, SHUT DOWN FOR EVENING.                  |

**Mud Data**

|                               |                               |                               |                         |                                |                               |                                |
|-------------------------------|-------------------------------|-------------------------------|-------------------------|--------------------------------|-------------------------------|--------------------------------|
| <b>Type</b>                   | <b>Temp Bottom Hole (°F)</b>  | <b>Depth (ftKB)</b>           | <b>Density (lb/gal)</b> | <b>Funnel Viscosity (s/qt)</b> | <b>PV Override (cp)</b>       | <b>YP Override (lb/100ft²)</b> |
| <b>Filter Cake (f32")</b>     | <b>pH</b>                     | <b>Pf (mL/mL)</b>             | <b>Mf (mL/mL)</b>       | <b>Sand (%)</b>                | <b>Low Gravity Solids (%)</b> | <b>High Gravity Solids (%)</b> |
| <b>Gel 10 sec (lb/100ft²)</b> | <b>Gel 10 min (lb/100ft²)</b> | <b>Gel 30 min (lb/100ft²)</b> | <b>Lime (lb/bbl)</b>    | <b>Mud Lost to Hole (bbl)</b>  | <b>Solids (%)</b>             | <b>Oil Water Ratio</b>         |

**Support Vessels**

| Type | Vessel Name | Note | Time | Time |
|------|-------------|------|------|------|
|      |             |      |      |      |

**WEATHER**

|                                |                               |                           |                           |                           |                           |
|--------------------------------|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Time</b>                    | <b>Comment</b>                |                           |                           |                           |                           |
| <b>Temperature - High (°F)</b> | <b>Temperature - Low (°F)</b> | <b>Visibility (miles)</b> | <b>Ceiling (ft)</b>       | <b>Wind Speed (knots)</b> | <b>Wind Direction (°)</b> |
| <b>Current Speed (knots)</b>   | <b>Current Direction (°)</b>  | <b>Wave Height (ft)</b>   | <b>Wave Direction (°)</b> | <b>Wave Period (s)</b>    | <b>Swell Height (ft)</b>  |
| <b>Heave (ft)</b>              | <b>Pitch (°)</b>              | <b>Roll (°)</b>           | <b>Vessel Offset (ft)</b> | <b>Vessel Heading (°)</b> |                           |

**Riser Tension (klps)**

**Daily Contacts**

| Job Contact   | Position      |
|---------------|---------------|
| SHIRLEY LLOYD | Drilling Supv |

**Head Count (POB)**

| Carry Fwd? | Company                 | Type       | Count | OT (hrs) | Reg (hrs) | Note |
|------------|-------------------------|------------|-------|----------|-----------|------|
| True       | CONOCOPHILLIPS CO       | Operator   | 2     |          | 36.00     |      |
| True       | NABORS WELL SERVICE     | Contractor | 5     |          | 80.00     |      |
| True       | NELCO CONTRACTORS, INC. | Contractor | 2     |          | 12.00     |      |
| True       | HALLIBURTON             | Contractor | 5     |          | 50.00     |      |

**STOP Cards Submitted**

| Company           | No. Rpts | Comment      |
|-------------------|----------|--------------|
| CONOCOPHILLIPS CO | 4        | UNSAFE STOPS |

Report Date - 10/24/2005 to 10/25/2005

**Operations at Report Time**  
WAITING ON DAYLIGHT

**24hr Forecast**  
RIG DOWN, MOVE OFF.

**Last 24hr Summary**  
CHANGE OUT WELL HEAD, CEMENT 5.5" CASING

**Remarks**  
NO INCIDENTS REPORTED

|                                |                                 |                |                         |             |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|
| <b>Days RI (days)</b><br>40.00 | <b>Days LTI (days)</b><br>40.00 | <b>Weather</b> | <b>Temperature (°F)</b> | <b>Wind</b> |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|

| <b>Time Log</b> |       |           |       |         |             |           |   |
|-----------------|-------|-----------|-------|---------|-------------|-----------|---|
| Time            | Time  | Dur (hrs) | Phase | Op Code | Op Sub-Code | Trbl Code | Comment   |
| 00:00           | 00:30 | 0.50      | PROD1 | SURFEQ  | SFTY        | T         | PRE-JOB SAFETY MEETING  |
| 00:30           | 06:00 | 5.50      | PROD1 | SURFEQ  | NUND        | T         | CHANGE OUT FAULTY WELL HEAD.  |
| 06:00           | 06:30 | 0.50      | PROD1 | CEMENT  | SFTY        | P         | PRE-JOB SAFETY MEETING WITH HALLIBURTON, & CREW.  |
| 06:30           | 07:30 | 1.00      | PROD1 | CEMENT  | CIRC        | P         | RIGGED UP HES, CONDUCTED SAFETY MEETING AND PRESSURE TESTED THE CEMENTING LINES TO 3000 PSI, PUMPED 150 BBLs 2% KCL WATER INCLUDING 20 BBLs SPACER WITH 5 LBS/BBL BENTONITE, GOT RETURNS, PUMPED 110 SX STANDARD CEMENT WITH 10% Cal Seal 60, 1% Calcium Chloride AND 0.25 LB/SK Flocele WITH SLURRY DENSITY OF 14.2 PPG AND SLURRY VOLUME OF 31.5 BBLs. DROPPED THE PLUG AND DISPLACED WITH 46 BBLs OF 2% KCL WATER, BUMPED THE PLUG WITH 900 PSI (FLOAT HELD). DROPPED THE BOMB AND WAITED 10 MINUTES, OPENED THE DV TOOL WITH 550 PSI, RETURN IN FLOW LINE, SWITCHED TO RIG PUMP AND STARTED CIRCULATING WITH 2 BBL / MIN WHILE WOC. |
| 07:30           | 11:30 | 4.00      | PROD1 | CEMENT  | WOC         | P         | WOC   |
| 11:30           | 12:30 | 1.00      | PROD1 | CEMENT  | CIRC        | P         | PUMP SECOND STAGE OF CEMENT, PUMPED 130 SX 50/50 Poz CEMENT, 0.8% BENTONITE, 10% Cal Seal 60, 0.25 LB/SK Flocele, WITH SLURRY DENSITY OF 12.5 PPG AND SLURRY VOLUME OF 45.8 BBLs, RELEASED THE WIPER PLUG AND DISPLACED THE CASING TO DV TOOL WITH 27 BBLs OF 2% KCL WATER, CLOSED THE DV TOOL WITH 2100 PSI. WELL CIRRCULATED THROUGH OUT JOB. SECURE WELL SHUT DOWN FOR EVENING.  |

| <b>Mud Data</b>        |                        |                        |                  |                         |                        |                         |
|------------------------|------------------------|------------------------|------------------|-------------------------|------------------------|-------------------------|
| Type                   | Temp Bottom Hole (°F)  | Depth (ftKB)           | Density (lb/gal) | Funnel Viscosity (s/qt) | PV Override (cp)       | YP Override (lb/100ft²) |
| Filter Cake (/32")     | pH                     | Pf (mL/mL)             | Mf (mL/mL)       | Sand (%)                | Low Gravity Solids (%) | High Gravity Solids (%) |
| Gel 10 sec (lb/100ft²) | Gel 10 min (lb/100ft²) | Gel 30 min (lb/100ft²) | Lime (lb/bbl)    | Mud Lost to Hole (bbl)  | Solids (%)             | Oil Water Ratio         |

| <b>Support Vessels</b> |             |      |      |      |
|------------------------|-------------|------|------|------|
| Type                   | Vessel Name | Note | Time | Time |
|                        |             |      |      |      |

| <b>WEATHER</b>          |                        |                    |                    |                    |                    |  |
|-------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|--|
| Time                    | Comment                |                    |                    |                    |                    |  |
| Temperature - High (°F) | Temperature - Low (°F) | Visibility (miles) | Clouding (ft)      | Wind Speed (knots) | Wind Direction (°) |  |
| Current Speed (knots)   | Current Direction (°)  | Wave Height (ft)   | Wave Direction (°) | Wave Period (s)    | Swell Height (ft)  |  |
| Heave (ft)              | Pitch (°)              | Roll (°)           | Vessel Offset (ft) | Vessel Heading (°) |                    |  |
| Riser Tension (kips)    |                        |                    |                    |                    |                    |  |

| <b>Daily Contacts</b> |               |
|-----------------------|---------------|
| Job Contact           | Position      |
| SHIRLEY LLOYD         | Drilling Supv |

| <b>Head Count (POB)</b> |                     |            |       |          |           |      |
|-------------------------|---------------------|------------|-------|----------|-----------|------|
| Carry Fwd?              | Company             | Type       | Count | OT (hrs) | Reg (hrs) | Note |
| True                    | CONOCOPHILLIPS CO   | Operator   | 2     |          | 36.00     |      |
| True                    | NABORS WELL SERVICE | Contractor | 5     |          | 80.00     |      |

**Report Date - 10/24/2005 to 10/25/2005**

**Head Count (POB)**

| Carry Fwd? | Company                 | Type       | Count | OT (hrs) | Reg (hrs) | Note |
|------------|-------------------------|------------|-------|----------|-----------|------|
| True       | NELCO CONTRACTORS, INC. | Contractor | 2     |          | 12.00     |      |
| True       | HALLIBURTON             | Contractor | 5     |          | 50.00     |      |
| True       | NELCO CONTRACTORS, INC. | Contractor | 2     |          | 16.00     |      |

**STOP Cards Submitted**

| Company | No. Rpts | Comment |
|---------|----------|---------|
|         |          |         |

**Report Date - 11/2/2005 to 11/2/2005**

**Operations at Report Time**  
 DRILL OUT DV TOOL

**24hr Forecast**  
 MOVE TO 850

**Last 24hr Summary**  
 MOVED THE RIG FROM 904 TO 902, RIGGED UP, N/D B SECTION, N/U BOP AND TESTED THE SAME LOW AND HIGH, R/U PUMP TO CIRCULATE, R/U FLOOR AND TUBING EQUIPMENT, P/U ROCK BIT, D.COLLARS, RIH TO 1,199' WITH 33 JOINTS 2 7/8, DRILLED OUT D.V. TOOL, CBU, RIH AND TAGGED @ 1,977', POOH, L/D WORK STRING & BHA, N/D BOP, N/U WELLHEAD, PREP. TO MOVE THE RIG TO 850.

**Remarks**  
 NO INCIDENTS REPORTED

|                                |                                 |                |                         |             |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|
| <b>Days RI (days)</b><br>41.00 | <b>Days LTI (days)</b><br>41.00 | <b>Weather</b> | <b>Temperature (°F)</b> | <b>Wind</b> |
|--------------------------------|---------------------------------|----------------|-------------------------|-------------|

**Time Log**

| Time  | Time  | Dur (hrs) | Phase | Op Code | Op Sub-Code | Trbl Code | Comment  |
|-------|-------|-----------|-------|---------|-------------|-----------|--|
| 06:00 | 18:00 | 12.00     | PROD1 | DRILL   | OTHR        | P         | CONDUCTED SAFETY MEETING AND REVIEWED THE JSA, MOVED THE RIG FROM 904 TO 902, RIGGED UP, N/D B SECTION, N/U BOP AND TESTED THE SAME LOW AND HIGH, R/U PUMP TO CIRCULATE, R/U FLOOR AND TUBING EQUIPMENT, P/U ROCK BIT, D.COLLARS, RIH TO 1,199' WITH 33 JOINTS 2 7/8, DRILLED OUT D.V. TOOL, CBU, RIH AND TAGGED @ 1,977', POOH, L/D WORK STRING & BHA, N/D BOP, N/U WELLHEAD, PREP. TO MOVE THE RIG TO 850. |

**Mud Data**

|                               |                               |                               |                         |                                |                               |                                |
|-------------------------------|-------------------------------|-------------------------------|-------------------------|--------------------------------|-------------------------------|--------------------------------|
| <b>Type</b>                   | <b>Temp Bottom Hole (°F)</b>  | <b>Depth (ftKB)</b>           | <b>Density (lb/gal)</b> | <b>Funnel Viscosity (s/qt)</b> | <b>PV Override (cp)</b>       | <b>YP Override (lb/100ft²)</b> |
| <b>Filter Cake (#32")</b>     | <b>pH</b>                     | <b>Pf (mL/mL)</b>             | <b>Mf (mL/mL)</b>       | <b>Sand (%)</b>                | <b>Low Gravity Solids (%)</b> | <b>High Gravity Solids (%)</b> |
| <b>Gel 10 sec (lb/100ft²)</b> | <b>Gel 10 min (lb/100ft²)</b> | <b>Gel 30 min (lb/100ft²)</b> | <b>Lime (lb/bbl)</b>    | <b>Mud Lost to Hole (bbl)</b>  | <b>Solids (%)</b>             | <b>Oil Water Ratio</b>         |

**Support Vessels**

| Type | Vessel Name | Note | Time | Time |
|------|-------------|------|------|------|
|      |             |      |      |      |

**WEATHER**

|                                |                               |                           |                           |                           |                           |
|--------------------------------|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Time</b>                    | <b>Comment</b>                |                           |                           |                           |                           |
| <b>Temperature - High (°F)</b> | <b>Temperature - Low (°F)</b> | <b>Visibility (miles)</b> | <b>Ceiling (ft)</b>       | <b>Wind Speed (knots)</b> | <b>Wind Direction (°)</b> |
| <b>Current Speed (knots)</b>   | <b>Current Direction (°)</b>  | <b>Wave Height (ft)</b>   | <b>Wave Direction (°)</b> | <b>Wave Period (s)</b>    | <b>Swell Height (ft)</b>  |
| <b>Heave (ft)</b>              | <b>Pitch (°)</b>              | <b>Roll (°)</b>           | <b>Vessel Offset (ft)</b> | <b>Vessel Heading (°)</b> |                           |

**Riser Tension (kips)**

**Daily Contacts**

| Job Contact   | Position      |
|---------------|---------------|
| SHIRLEY LLOYD | Drilling Supv |

**Head Count (POB)**

| Canv Fwd? | Company                 | Type       | Count | OT (hrs) | Reg (hrs) | Note |
|-----------|-------------------------|------------|-------|----------|-----------|------|
| True      | CONOCOPHILLIPS CO       | Operator   | 2     |          | 36.00     |      |
| True      | NABORS WELL SERVICE     | Contractor | 5     |          | 80.00     |      |
| True      | NELCO CONTRACTORS, INC. | Contractor | 2     |          | 12.00     |      |
| True      | HALLIBURTON             | Contractor | 5     |          | 50.00     |      |
| True      | NELCO CONTRACTORS, INC. | Contractor | 2     |          | 16.00     |      |

**STOP Cards Submitted**

| Company | No. Rpts | Comment |
|---------|----------|---------|
|         |          |         |