

QUATERNARY	Star Point	Chinle	Molas
Alluvium	Wahweap	Shinarump	Manning Canyon
Lake beds	Masuk	Moenkopi	Mississippian
Pleistocene	Colorado	Sinbad	Humbug
Lake beds	Sego	PERMIAN	Brazer
TERTIARY	Buck Tongue	Kaibab	Pilot Shale
Pliocene	Castlegate	Coconino	Madison
Salt Lake	Mancos	Cutler	Leadville
Oligocene	Upper	Hoskinnini	Redwall
Norwood	Middle	DeChelly	DEVONIAN
Eocene	Lower	White Rim	Upper
Duchesne River	Emery	Organ Rock	Middle
Uinta	Blue Gate	Cedar Mesa	Lower
Bridger	Ferron	Halgaite Tongue	Ouray
Green River	Frontier	Phosphoria	Elbert
<i>Garden Gulch 3814</i>	Dakota	Park City	McCracken
<i>Douglas Creek 4788</i>	Burro Canyon	Rico (Goodridge)	Aneth
<i>Bl. Shale Fancies 5571</i>	Cedar Mountain	Supai	Simonson Dolomite
<i>Lower Douglas Crk. 5044</i>	Buckhorn	Wolfcamp	Sevy Dolomite
Wasatch	JURASSIC	CARBON I FEROUS	NORTH POINT
Stone Cabin	Morrison	Pennsylvanian	SILURIAN
Colton	Salt Wash	Oquirrh	Laketown Dolomite
Flagstaff	San Rafael Gr.	Weber	ORDOVICIAN
North Horn	Summerville	Morgan	Eureka Quartzite
Almy	Bluff Sandstone	Hermosa	Pogonip Limestone
Paleocene	Curtis		CAMBRIAN
Current Creek	Entrada	Pardox	Lynch
North Horn	Moab Tongue	Ismay	Bowman
CRETACEOUS	Carmel	Desert Creek	Tapeats
Montana	Glen Canyon Gr.	Akah	Ophir
Mesaverde	Navajo	Barker Creek	Tintic
Price River	Kayenta		PRE - CAMBRIAN
Blackhawk	Wingate	Cane Creek	
	TRIASSIC		

July 7, 1983

State of Utah
Division of Oil and Gas
4241 State Office Building
Salt Lake City, Utah 84114

Gilsonite State #12-32
NW/SW Section 32, T8S, R17E
Duchesne County, Utah

Gentlemen:

Enclosed are three copies of the Application for Permit to Drill, location plat and BOP diagram for the subject well. Please advise if you need additional information.

Very truly yours,



Michele Tisdell
Sec. Drilling & Production

MT
Enclosures (3)

RECEIVED
JUL 11 1983

DIVISION OF
GAS & MINING

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

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

5. Lease Designation and Serial No.

ML-22060 ✓

6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

7. Unit Agreement Name

b. Type of Well

Oil Well

Gas Well

Other

Single Zone

Multiple Zone

8. Farm or Lease Name

Gilsonite State

2. Name of Operator

Lomax Exploration Company

9. Well No.

12-32

3. Address of Operator

P.O. Box 4503, Houston, TX 77210

10. Field and Pool, or (Wildcat)

Undesignated

MONUMENT BUTTE

4. Location of Well (Report location clearly and in accordance with any State requirements.*)

At surface

767' FWL & 1891' FSL NW/SW ✓

11. Sec., T., R., M., or Blk. and Survey or Area

Section 32, T8S, R17E

14. Distance in miles and direction from nearest town or post office*

10 miles South of Myton, Utah

12. County or Parrish

Duchesne

13. State

Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)

767

16. No. of acres in lease

598.67

17. No. of acres assigned to this well

40

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.

1068

19. Proposed depth

5700

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5250' GR

22. Approx. date work will start*

September, 1983

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4	8 5/8	24	300	To Surface
7 7/8	5 1/2	17	TD	As Required ✓

DRILLING PROGRAM:

1. Drill 12 1/4" hole to 300'. Set 8 5/8" 24# J-55 ST&C casing. Cement to surface.
2. Drill 7 7/8" hole to TD. Set 5 1/2" 17# J-55 LT&C casing. Cement as required to meet State requirements.

FORMATION TOPS:

Garden Gulch 3837'
 Douglas Creek 4812'
 Black Shale Facies 5598'

RECEIVED
JUL 11 1983

DIVISION OF
OIL, GAS & MINING

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

24.

Signed *G.L. Pruitt* G.L. Pruitt

Title V.P. Drilling & Production

Date 7/6/83

(This space for Federal or State office use)

Permit No.

Approved by

APPROVED BY THE STATE
OF UTAH, DIVISION OF
OIL, GAS AND MINING

Approved by

Title

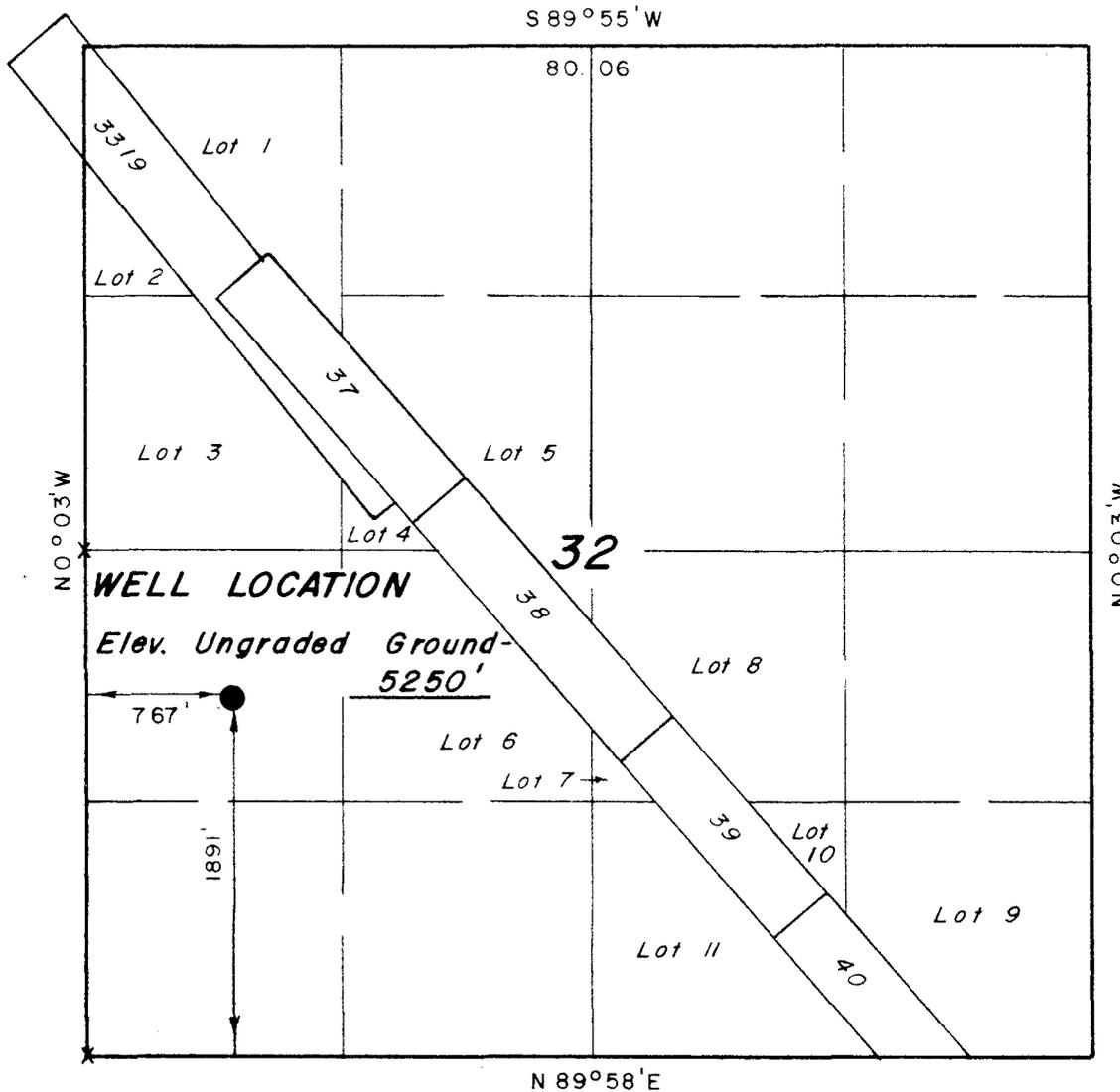
Conditions of approval, if any:

DATE: 7/12/83

T 8 S, R 17 E, S.L.B. & M.

PROJECT
LOMAX EXPLORATION CO.

Well location, located as shown in the NW 1/4 SW 1/4 Section 32, T8S, R17E, S.L.B. & M. Duchesne County, Utah.



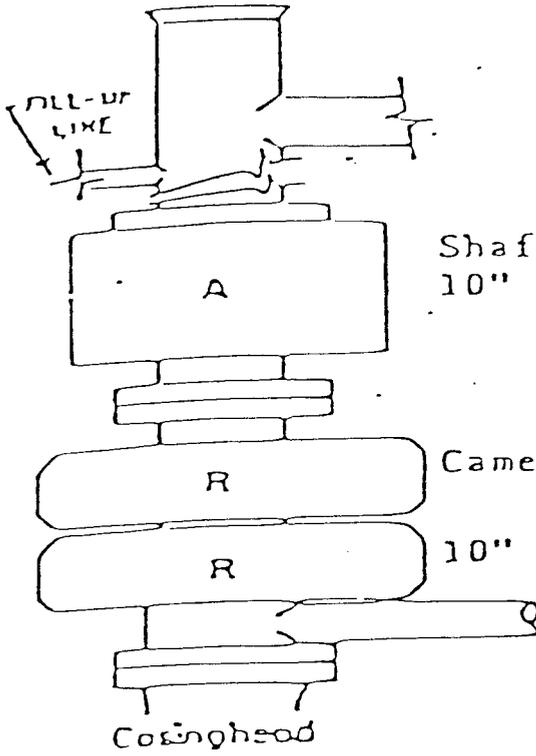
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO 5709
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P.O. BOX Q - 85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 6/30/83
PARTY R.K. L.D.T. D.B. S.B.	REFERENCES GLO Plat
WEATHER Fair	FILE LOMAX

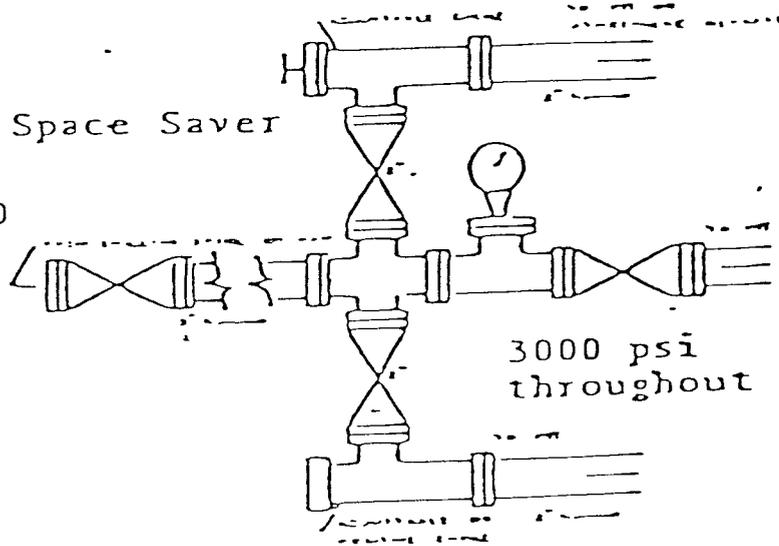


Shaffer Spherical
10" 900

Cameron Space Saver

10" 900

Casinghead



3000 psi
throughout

OPERATOR Roman Exploration DATE 7-11-83
WELL NAME Liberite State 12-32
SEC NWSW 32 T 85 R 17E COUNTY DeWitt

43-013-30787
API NUMBER

State
TYPE OF LEASE

POSTING CHECK OFF:

<input type="checkbox"/>	INDEX	<input type="checkbox"/>	MAP	<input type="checkbox"/>	HL
<input type="checkbox"/>	NID	<input type="checkbox"/>		<input type="checkbox"/>	PI

PROCESSING COMMENTS:
No other oil wells within 1000'

✓ CHIEF PETROLEUM ENGINEER REVIEW:
7/12/83, Monument Batts

APPROVAL LETTER:

SPACING: A-3 _____ UNIT c-3-a _____ CAUSE NO. & DATE
 c-3-b c-3-c

SPECIAL LANGUAGE:
(Water)

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON FLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING *State*

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT _____

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

July 12, 1983

Lomax Exploration Company
P. O. Box 4503
Houston, Texas 77210

RE: Well No. Gilsonite State 12-32
NWSW Sec. 32, T.8S, R.17E
1891' FSL, 767' FWL
Duchesne County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Rule C-3(b), General Rules and Regulations and Rules of Practice and Procedure. A copy of the Utah Division of Water Rights (801-533-6071) approval for use or purchase of drilling water must be submitted to this office prior to spudding, otherwise this approval is void.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

RONALD J. FIRTH - Chief Petroleum Engineer
Office: 533-5771
Home: 571-6068

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-013-30787.

Sincerely,



R. J. Firth
Chief Petroleum Engineer

RJF/as
cc: State Lands
Encl.

Watsokg

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: LOMAX EXPLORATION

WELL NAME: GILSONITE 12-32

SECTION NWSW 32 TOWNSHIP 8S RANGE 17E COUNTY DUCHESNE

DRILLING CONTRACTOR TWT

RIG # 55

SPUDDED: DATE 11-2-83

TIME 2:30 AM

How Rotary

DRILLING WILL COMMENCE _____

REPORTED BY Michelle

TELEPHONE # _____

DATE 11-4-83 SIGNED AS

November 7, 1983

State of Utah
Division of Oil and Gas
4241 State Office Building
Salt Lake City, Utah 84114

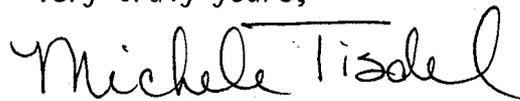
✓ Boundary Federal #7-20
✓ Gilsonite State #12-32

Gentlemen:

Enclosed are Sundry Notices for Spud Notification on the subject wells.

Please advise if you need additional information.

Very truly yours,



Michele Tisdell
Sec., V.P. Drilling & Production

MT
Enclosures (6)

333 North Belt East • Suite 880 • Houston, Texas 77060 • 713/931-9276
Mailing Address: P.O. Box 4503 • Houston, Texas 77210-4503

District Office: 248 North Union • Roosevelt, Utah 84066
Mailing Address: P.O. Box 1446 • Roosevelt, Utah 84066

RECEIVED
NOV 9 1983

DIVISION OF
OIL, GAS & MINING

Watrakj m

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

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. ML-22060	
2. NAME OF OPERATOR Lomax Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR P.O. Box 4503, Houston, Texas 77210		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 767' FWL & 1891' FSL NW/SW		8. FARM OR LEASE NAME Gilsonite State	
14. PERMIT NO. 43-013-30787		9. WELL NO. 12-32	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5250' GR		10. FIELD AND POOL, OR WILDCAT Monument Butte	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 32, T8S, R17E	
		12. COUNTY OR PARISH Duchesne	13. STATE Utah

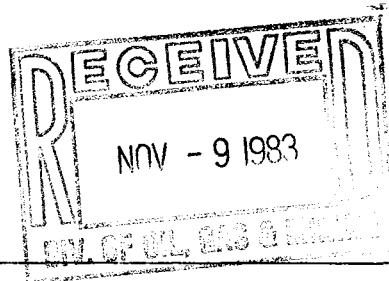
16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>SPUD NOTIFICATION</u> <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. 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.)*

10/26/83 Drill 13" surface hole to 300' with dry hole digger. Ran 7 jts 8 5/8" 24# J-55 csg. Landed casing at 277' GL. Cemented with 210 sx class "G" + 2% CaCl + 1/4#/sx celloflake. Bumped plug - float held.

11/02/83 Spud with TWT Rig #55 at 2:30 A.M.



18. I hereby certify that the foregoing is true and correct
SIGNED G.L. Pruitt TITLE V.P. Drlg. & Prod. DATE 11/07/83
(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

January 10, 1984

State of Utah
Division of Oil and Gas
4241 State Office Building
Salt Lake City, Utah 84114

RECEIVED
JAN 11 1984

DIVISION OF
OIL, GAS & MINING
Gilsonite State #12-32
NW/SW Section 32, T8S, R17E
Duchesne County, Utah

Gentlemen:

Enclosed is the Well Completion Report and logs for the subject well. It is requested that this well file remain confidential for at least six months or until further advised.

Please advise if you need additional information.

Very truly yours,

Michele Tisdal

Michele Tisdal
Sec., V.P. Drilling & Production

mt
Enclosures (5)

cc: Chorney
NGC
Walker



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

RECEIVED
UTAH STATE OFFICE
NOV 21 AM 10:07
DEPT. OF INTERIOR
BUR. OF LAND MGMT.

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number Gilsonite State 12-32
Operator Lomax Exploration Co Address Roosevelt, Utah 84066
Contractor T.W.T 55 Address Park City, Utah
Location NW 1/4 SW 1/4 Sec. 32 T. 8S R. 17E County Duchesne

Water Sands

<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
From	To	Flow Rate or Head	Fresh or Salty
1.	<u>no formation water encountered</u>		
2.			
3.			
4.			
5.			

(Continue on reverse side if necessary)

		Uinta	-	Surface	KB 5262
<u>Formation Tops</u>	Green River Formation	1612'			+ 3650
	Garden Gulch Mbr	3812'			+ 1450
<u>Remarks</u>	Douglas Creek Mbr	4792'			+ 470
	Black Shale Facies	5570'			- 308
	T.D	5709'			

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

(See other instructions on reverse side)

12

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

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

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

2. NAME OF OPERATOR
Lomax Exploration Company

3. ADDRESS OF OPERATOR
P.O. Box 4503, Houston, TX 77210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 767' FWL & 1891' FSL NW/SW
At top prod. interval reported below
At total depth

5. LEASE DESIGNATION AND SERIAL NO.
ML-22060

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Gilsonite State

9. WELL NO.
12-32

10. FIELD AND POOL, OR WILDCAT
Monument Butte

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Section 32, T8S, R17E

14. PERMIT NO. 43-013-30787 DATE ISSUED 7/12/83

12. COUNTY OR PARISH Duchesne 13. STATE Utah

15. DATE SPUDDED 11/2/83 16. DATE T.D. REACHED 11/8/83 17. DATE COMPL. (Ready to prod.) 12/19/83 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5250' GR 19. ELEV. CASINGHEAD 5250'

20. TOTAL DEPTH, MD & TVD 5800 21. PLUG, BACK T.D., MD & TVD 5739 22. IF MULTIPLE COMPL., HOW MANY* - 23. INTERVALS DRILLED BY - 24. ROTARY TOOLS X 25. CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
Green River 4956-5311

25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN
DLP, CDL-CNL, CBL-GR

27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	24	289	13	210 sx cl "G" + 2% CaCl	
5 1/2	17	5782	7 7/8	+ 1/4#/sx celloflake 300 sx thixotropic	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	5335	

31. PERFORATION RECORD (Interval, size and number)

5295-5311 (17 shots)
5148-62 (1 SPF)
4956-97 (1 SP2F)

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5295-5311	23,800 gals gelled KCL water & 76,640# 20/40 sand
5148-67	24,000 gals gelled KCL water & 78,000# 20/40 sand

33. PRODUCTION (CONTINUED)

DATE FIRST PRODUCTION 12/19/83 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pumping WELL STATUS (Producing or shut-in) Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
1/8/84	24	Open		70	294	2	4200e

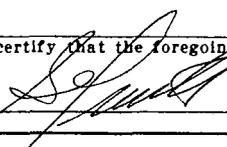
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
0	0		70	294	2	34

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
Sold & used for fuel

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

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

SIGNED  G.L. Pruitt TITLE V.P. Drilling & Production DATE 1/9/84

*(See Instructions and Spaces for Additional Data on Reverse Side)

#32 continued

4956-97

35,000 gals gelled KCl water & 70,000# 20/40 sand

Scott M. Matheson
Governor



STATE OF UTAH
DEPARTMENT OF HEALTH
DIVISION OF ENVIRONMENTAL HEALTH
Utah Water Pollution Control Committee

150 West North Temple, P.O. Box 2500, Salt Lake City, Utah 84110-2500

March 21, 1985

Calvin K. Sudweeks
Executive Secretary
Rm 410 (801) 533-6146

James O. Mason, M.D., Dr.P.H.
Executive Director
Department of Health
801-533-6111

Kenneth L. Alkema
Director

Division of Environmental Health
801-533-6121

MEMBERS

Grant K. Borg, Chairman
W. Lynn Cottrell
Harold B. Lamb
Kenneth L. Alkema
Franklin N. Davis
Dale P. Bateman
Joseph A. Urbanik
C. Arthur Zeldin
Mrs. Lloyd G. Bliss

Lomax Exploration Company
P. O. Box 4503
Houston, Texas 77210-4503

ATTENTION: Paul Curry,
Engineering Assistant

Gentlemen:

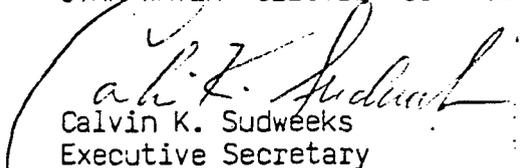
We acknowledge receipt of your letter dated May 30, 1984 notifying us of the location of the ponds for the wells described below and sources of produced water in accordance with Part VI, Utah Wastewater Disposal Regulations, Section 6.5.1.b. The regulations require that the disposal ponds...."shall be constructed such that no surface discharge or significant migration to subsurface will result."

As time and weather allows, a brief inspection of these ponds will be made by members of our staff during this next month. The wells are:

Well Number	Location			Average Quantity(BWPD) Produced Water
	Section	Township	Range	
Monument Butte St. #1-2	2	9S	16E	0.5
Monument Butte St. #3-2	2	9S	16E	0.1
Gilsonite State #1-32	32	8S	17E	1.6
Gilsonite State #1A-32	32	8S	17E	1.1
Gilsonite State #2-32	32	8S	17E	0.1
Gilsonite State #4-32	32	8S	17E	0.3
Gilsonite State #5-32	32	8S	17E	0.2
Gilsonite State #6-32	32	8S	17E	4.0
Gilsonite State #7-32	32	8S	17E	1.3
Gilsonite State #9-32	32	8S	17E	0.1
Gilsonite State #11-32	32	8S	17E	0.4
Gilsonite State #12-32	32	8S	17E	0.3
Monument Butte St. #1-36	36	8S	16E	0.1
Monument Butte St. #5-36	36	8S	16E	0.1
Monument Butte St. #12-36	36	8S	16E	0.1
Monument Butte St. #13-36	36	8S	16E	0.9

If you have any questions regarding this matter, please contact us.

Sincerely,
UTAH WATER POLLUTION CONTROL COMMITTEE


Calvin K. Sudweeks
Executive Secretary

RECEIVED

MAR 22 1985

BLN:pa
cc: Division of Oil, Gas and Mining
 Utah Basin District Health Department
 BLM/Oil and Gas Operation - Vernal District
272-10

DIVISION OF OIL
GAS & MINING

1 under it, and under our projections it would have less
2 value in the tract than other ones that have oil in
3 them.

4 Q. Can you indicate which well would be the
5 initial injector well?

6 A. Yes. #7-32 in Tract 7 would be the initial.

7 Q. Do you have other locations in mind for a
8 second injector?

John
Lomax

9 → A. Yes, there's -- we have talked with the BLM and
10 with Balcron with regard to isolating. You see this
11 channel continues onto Balcron's acreage, and to protect
12 the rights and to make sure that oil doesn't move across
13 the boundaries, we are proposing a -- what they call a
14 lease line injector at the corner, common corner of
15 Sections 31, 32 and 5 and 6. Balcron has verbally
16 agreed to it, and BLM has, as I understand it, and was
17 going to require it for Balcron if they want to inject
18 in this area. And we definitely would be wanting to do
19 it. We would jointly drill a well. We have a border
20 line agreement that has yet to be negotiated, but there
21 wasn't any point in doing that until we find out if we
22 have approval to do the waterflood.

23 Q. Would that lease line injection well benefit
24 the state?

25 A. Yes, it would. The primary thing it would do

FORM CSR - LASER REPORTERS PAPER & MFG. CO. 800-626-6313

1 is provide additional energy to this part of the overall
2 reservoir, and would prevent oil from migrating from
3 Section 32 down in to 5 and 6.

4 Q. Okay, I think that covers those maps, if you'd
5 like to join us back at the table.

6 I'd like to refer the Board to Figure number 4 in
7 Exhibit number 1. Can you tell us what this map is?

8 A. Yes, that map is an Isopach of the lower
9 Douglas Creek acre feet, which is the condensed version
10 of what those two maps show. It was done in the same
11 manner, and it shows the net porosity greater than 10
12 percent in the Lower Douglas Creek which is also a zone
13 we intend to inject into.

14 Q. Now, let's move on to Figure 5 in Exhibit
15 number 1. Can you please tell us what this is, and how
16 this table has been generated?

17 A. Yes. This table has been generated by mapping
18 both the "C" sand and going through this process, then
19 applying a formation or factor to the pore space. As I
20 said, part of the equation was 70 percent oil
21 saturation, 1.8 formation volume factor, a 15 percent
22 recovery factor, and that was the basic formula for
23 determining what would be recovered from each individual
24 tract in relationship to the porosity acre feet.

25 Q. Does it indicate the total -- what number or

Case No 229-1
3/24/93

1 rights?

2 A. That's correct.

3 Q. Does the value of the estimated additional
4 recovery, as a result of the waterflood, substantially
5 exceed the estimated additional cost of the project?

6 A. Very much so. Probably 7 or more times.

7 Q. Is there anything else you'd like to say to the
8 Board?

9 A. Only that the DOE, I think, as some of you may
10 be aware, we have had a grant from the DOE that requires
11 us to do certain things on the Monument Butte, Travis
12 and Boundary Waterfloods to gain information that will
13 be ultimately disseminated to other operators in the
14 area to try to encourage additional development and
15 additional exploration, if you would, for waterflood
16 prospects in the Uintah Basin. So it's not just my idea
17 that this is a good idea; there are other people that
18 agree with it. Thank you.

19 MR. CLAWSON: That's all I have for this witness.

20 MR. CARTER: Board members, any questions for Mr.
21 Lomax?

22 MR. LAURISKI: Yes, I have one. In your request for
23 agency action, and in your request before the Board
24 today, this is in reference to the lease line injector
25 well between Sections 31, 6, 5 and 32; is this correct?

1 MR. LOMAX: Yes.

2 MR. LAURISKI: Was that -- I can't find that on your
3 original request for agency action.

4 MR. CLAWSON: That's correct. We've realized that in
5 our discussions with the BLM, and with Balcron, that the
6 lease line injection well is probably going to happen.
7 This happened after we filed the request for agency
8 action, realizing that we would be located very close to
9 the boundary of the state section, and it might pose a
10 problem because of the proximity to the edge of the
11 lease. Although the Division would have administrative
12 authority to approve a properly submitted proposed
13 injection well, we thought it might be best that the
14 Board foresee that, the problem with the closeness to
15 the line, the lease line, and as a part of the order in
16 this hearing we would like to include authority for the
17 Division to go ahead and approve that well, of course
18 after Lomax files a proper injection well and UIC form
19 application. Does that answer your question?

20 MR. LAURISKI: The question that goes to Mr.
21 Richards, does that pose annoying problem for us to deal
22 with this issue?

23 MR. RICHARDS: You'd have to notice up the lease
24 injector well.

25 MR. CLAWSON: That would take place at the same time

1 we made application for the specific injection well.

2 MR. RICHARDS: I don't think the Board could issue an
3 order saying it could be approved prior to notice.

4 MR. LAURISKI: That's what I'm driving at. If it's
5 not been properly noticed, I'm not sure what we can do
6 to entertain this outside the scope of what was noticed
7 on the Section 32, 7-32 well.

8 I want to be clear in my own mind we're able to deal
9 with both issues or limit it in just dealing with the
10 single issue here.

11 MR. CARTER: Let me ask the question this way: To
12 the extent that the -- a boundary line or lease line
13 injector would constitute an exception location, that
14 doesn't help us, does it?

15 MR. CLAWSON: This is the problem we anticipated.
16 The proximity to the closeness to the line may cause a
17 problem with the staff to administratively approve that
18 well down the road.

19 MR. CARTER: Let me ask the question that way. If
20 they apply for a lease line injection well, does it
21 appear that that's something that the Division staff
22 could grant administratively, or would that necessitate
23 another Board hearing?

24 MR. FIRTH: Mr. Chairman, both the unit agreement and
25 unit operating agreement have expressions in them

1 regarding border agreements, and I think that matter
2 would have to come under that part of the unit
3 agreements or the unit operating agreement in some
4 fashion. And of course that would meet with the
5 concurrence of the BLM, so I don't believe the Division
6 could administratively just approve injector -- a lease
7 line injector without some attention to the border
8 agreement issue also.

9 MR. CLAWSON: I would suspect that would be taken
10 care of in the actual application for the injection
11 well, which would be under the formal rules and
12 regulations and after proper notice.

13 MR. CARTER: During the administrative process
14 there's an opportunity for interested parties to be
15 heard and object if they have problems with what's being
16 proposed. I suppose that's a question we can't answer
17 yet? I understand what we're trying to do here is avoid
18 the necessity of another Board hearing on the issue of
19 the location of a future injection well, and maybe what
20 we'll have to do is consult with our counsel before
21 actually rendering a decision in the matter to determine
22 how far we can go in that direction, running afoul of
23 notice provision.

24 MR. CLAWSON: Thank you.

25 MR. LOMAX: We were only asking for approval if all

1 of the applications were appropriately approved.

2 MR. CLAWSON: After notice and --

3 MR. CARTER: Opportunity to be heard.

4 MR. LAURISKI: I was concerned that we would be
5 premature as a Board in acting on that before you had an
6 opportunity to have comments from the interested
7 parties.

8 THE WITNESS: I appreciate what you're saying.

9 MR. CARTER: All right. We'll iron that one out.
10 Thank you. Anything further? Any Board members, staff
11 members have any questions for Mr. Lomax? Mr. Hendricks
12 or Mr. Raffoul? No? All right. Thank you.

13 MR. CLAWSON: Our next witness is Mr. Bill
14 Pennington.

15 BILL PENNINGTON

16 was previously duly sworn, examined and
17 testified as follows:

18 BY MR. CLAWSON:

19 Q. Would you please state your name and address
20 for the record?

21 A. Bill I. Pennington, live at 7310 Blenheim
22 Palace Lane, Houston, Texas.

23 Q. What is your position with the Lomax
24 Exploration Company?

25 A. I'm chief operating officer and chief financial

Lomax Exploration Company

P.O. Box 1446
Roosevelt, Utah 84066
(801) 722-5103
FAX (801) 722-9149



May 11, 1993

State of Utah
Division of Oil, Gas & Mining
Attention: Dan Jarvis
355 West North Temple
Three Triad Center - Suite #350
Salt Lake City, Utah 84180-1203

RE: Gilsonite State #12-32
NW/SW Section 32, T8S, R17E
Gilsonite Unit
Lease #ML-22060
Duchesne Co., Utah

Dear Dan:

Enclosed please find the original and one copy of the UIC Form 1 "Application for Injection Well" with attachments for the above referenced location.

If you should have any questions, please don't hesitate to contact Brad Mecham or myself at (801) 722-5103.

Sincerely,

A handwritten signature in cursive script that reads "Kebbie Jones".

Kebbie Jones
Production Secretary

Enclosures

/kj

LOMAX EXPLORATION COMPANY

APPLICATION FOR APPROVAL OF CLASS II INJECTION WELL

GILSONITE STATE #12-32

GILSONITE UNIT

May 3, 1994

REQUIREMENTS FOR INJECTION OF FLUIDS INTO RESERVOIRS
RULE R615-5-1

- 1) Operations to increase ultimate recovery, such as cycling of gas, the maintenance of pressure, the introduction of gas, water or other substances into a reservoir for the purpose of secondary or other enhanced recovery or for storage and the injection of water into any formation for the purpose of water disposal shall be permitted only by order of the Board after notice and hearing.
- 2) A request for agency action for authority for the injection of gas, liquefied petroleum gas, air, water or any other medium into any formation for any reason, including but not necessarily limited to the establishment of or the expansion of waterflood projects, enhanced recovery projects, and pressure maintenance projects shall contain:

2.1. *The name and address of the operator of the project;*

Answer: Lomax Exploration Company
P.O. Box 1446
W. Poleline Road
Roosevelt, Utah 84066

2.2. *A plat showing the area involved and identifying all wells, including all proposed injection wells, in the project area and within one-half mile radius of the project area;*

Answer: Reference Exhibit A.

2.3. *A full description of the particular operation for which approval is requested;*

Answer: A) To approved the conversion of a unit producing well to a unit injection well in the GILSONITE Unit.

B) To approve the installation of a 2" injection line from the main injection line to the #12-32 well. The line would be 2" coated steel line, buried to a depth of 5'; it would be 175' in length. This line would deliver water to be injected into the proposed injection well.

2.4. *A description of the pools from which the identified wells are producing or have produced;*

Answer: The proposed injection well is currently producing oil and gas from the Green River Formation, specifically the Douglas creek member, which has been previously unitized for injection.

2.5. *The names, description and depth of the pool or pools to be affected;*

Answer: The Green River Formation pool targeted for injection is the Douglas Creek Member w/ a Gamma Ray derived top in the #12-32 @ 4,730'.

The injection zones are a porous and permeable lenticular calcareous sandstone. The porosity of the sandstone is inter granular. The confining impermeable stratum directly above and below the injection zones are composed of tight, moderately calcareous lacustrine shales.

2.6. *A copy of a log of a representative well completed in the pool;*

Answer: Referenced log State #12-32 is currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.7. *A statement as to the type of fluid to be used for injection, its source and the estimated amounts to be injected daily;*

Answer: Approved water from our Gilsonite Unit Water Supply Line (Johnson Water)
Estimated Injection Rate: 200 - 300 BWIPD
Maximum Injection Rate: 1000 BWIPD

2.8. *A list of all operators or owners and surface owners within a one-half mile radius of the proposed project;*

Answer: Reference Exhibit A-1 & A-2.

2.9. *An affidavit certifying that said operators or owners and surface owners within a one-half mile radius have been provided a copy of the petition for injection;*

Answer: Reference Exhibit D.

2.10. *Any additional information the Board may determine is necessary to adequately review the petition.*

Answer: Lomax will supply any additional information requested by the Division.

4.0. *Establish recovery projects may be expanded and additional wells placed on injection only upon authority from the board after notice and hearing or by administrative approval.*

Answer: This proposed injection well is within the Gilsonite Unit and the request is for administrative approval.

**REQUIREMENTS FOR CLASS II INJECTION WELLS INCLUDING WATER DISPOSAL, STORAGE
AND ENHANCED RECOVERY WELLS
SECTION V - RULE 615-5-2**

- 1) Injection well shall be completed, equipped, operated, and maintained in a manner that will prevent pollution and damage to any USDW, or other resources and will confine injected fluids to the interval approved.
- 2) The application for an injection well shall include a properly completed Form DOGM-UIC-1 and the following:

2.1. *A plat showing the location of the injection well, all abandoned or active wells within a one-half mile radius of the proposed wells, and the surface owner and the operator of any lands or producing leases, respectively, within a one-half mile radius of the proposed injection well;*

Answer: Reference Exhibit A, A-1 & A-2.

2.2. *Copies of electrical or radioactive logs, including gamma ray logs, for the proposed well run prior to the installation of casing and indicating resistivity, spontaneous potential, caliper and porosity;*

Answer: Reference log currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.3. *A copy of a cement bond or comparable log run for the proposed injection well after casing was set and cemented;*

Answer: Reference log currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.4. *Copies of log already on file with the Division should be referenced, but need not to be refiled.*

Answer: Radioactive and cement bond logs currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.5. *A description of the casing or proposed casing program of the injection well and of the proposed method for testing the casing before use of the well;*

Answer: Reference Exhibit B - 1 and B - 2
A casing integrity test will be conducted upon conversion.

2.6. *A statement as to the type of fluid to be used for injection, its source and estimated amounts to be injected daily.*

Answer: Approved Water from our Gilsonite Unit Supply Line (Johnson Water)
Estimated Injection Rate: 200 - 300 BWIPD
Maximum Injection Rate: 1000 BWIPD

2.7. *Standard laboratory analysis of (1) the fluid to be injected, (2) the fluid in the formation into which the fluid is being injected, and (3) the compatibility of the fluids.*

Answer: Items (1) & (2) reference Exhibits C - 1 , C - 2 . Item (3) - as Exhibit C - 3 shows, the fluids are compatible.

2.8. *The proposed average and maximum injection pressures;*

Answer: Average Injection Pressure will be determined upon conversion by a Step Rate Test
Maximum Injection Pressure: 2000 psig - surface

2.9. *Evidence and data to support a finding that the proposed injection well will not initiate fractures through the overlying strata or a confining interval that could enable the injected fluid or formation fluid to enter the fresh water strata;*

Answer: The frac gradients for the field averages to be 0.84 psig/ft. The maximum injection pressures will be kept below this gradient. A step rate test will be performed periodically to insure we are below parting pressure.

2.10. *Appropriate geological data on the injection interval and confining beds, including the geologic name, lithologic description, thickness, depth, and lateral extent;*

Answer: The injection zone is the Douglas Creek Member of the Green River Formation. The Douglas Creek is composed of porous and permeable lenticular calcareous sandstones and low porosity carbonates and calcareous shales.

*****INJECTION ZONE*****

	<u>TOP</u>	<u>THICKNESS</u>
#12-32	4730'	1070'

The porous and permeable lenticular sandstones vary in thickness from 0' to 100' and are confined to the Gilsonite field by low porosity calcareous shales and carbonates.

The confining stratum directly above and below the injection zone is the Douglas Creek member of the Green River Formation. The strata confining the injection zone is composed of tight, moderately calcareous sandy lacustrine shales. All of the confining strata is impermeable and it will effectively seal off the oil, gas, and water of the injection zone from any strata directly above or below it. Maps and cross sections to the Gilsonite Unit are on file with the Division of Oil, Gas & Mining and Bureau of Land Management.

2.11. *A review of the mechanical condition of each well within a one-half mile radius of the proposed injection well to assure that no conduit exists that could enable fluids to migrate up or down the wellbore and enter improper intervals;*

Answer: Exhibits B-1 through B-8.

The injection system will be equipped with high and low pressure shut-down devices which will automatically shut-in injection waters if a system blockage or leakage occurs. One way check valves will also insure proper flow management. Relief valves will also be utilized for high pressure relief.

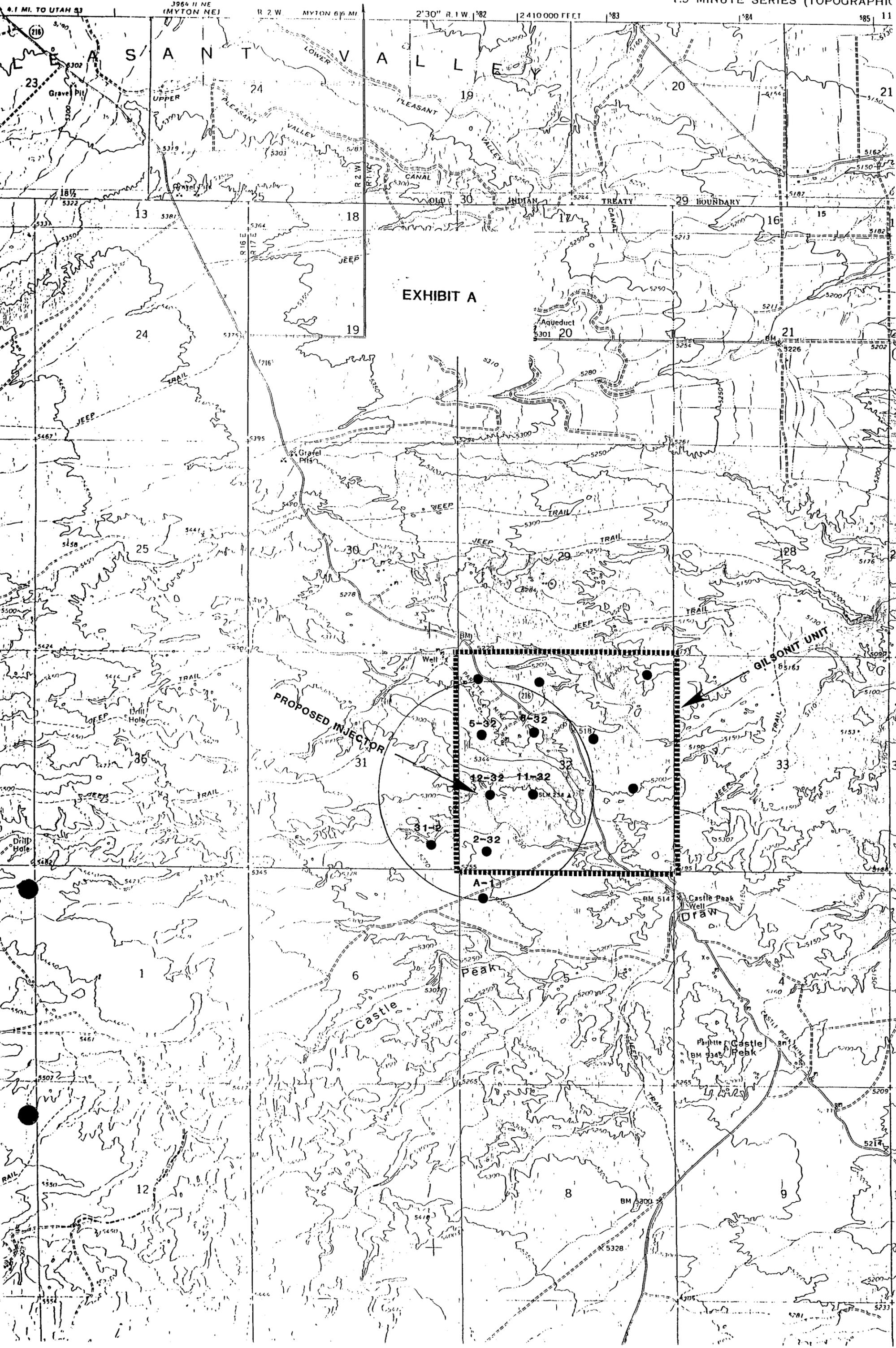
2.12. *An affidavit certifying that a copy of the application has been provided to all operators or owners, and surface owners within a one-half mile radius of the proposed injection well;*

Answer: Exhibit D.

2.13 *Any other additional information that the Board or Division may determine is necessary to adequately review the application.*

Answer: Lomax exploration will await review of this application and additional information will be submitted if required.

- 3) Applications for injection wells which are within a recovery project area will be considered for approval.
 - 3.1. Pursuant to Rule 615-5-1-3
 - 3.2. Subsequent to Board approval of a recovery project pursuant to Rule 615-5-1-3.
- 4) Approval of an injection well is subject to the requirements of Rule 615-5-4, if the proposed injection interval can be classified as an USDW.
- 5) In addition to the requirements of this section, the provisions of Rule 615-3-1, R615-3-4, R615-3-24, R615-3-32, R615-8-1 and R615-10 apply to all Class II injection wells.



INJECTION WELL APPLICATION

REVIEW SUMMARY

Applicant: Lomax Exploration Well: Gilsmite State 12-32

Location: section ^{nwsn} 32 township T8S range R17E

API #: 43-013-30987 Well Type: disp. enhanced recov.

If enhanced recovery has project been approved by the Board?

Lease Type: State Surface Ownership: State

Field: Axon Gilsmite Unit: Gilsmite Indian Country: Not really

UIC Form 1: Yes Plat: Yes Wells in AOR: _____

Logs Available: _____ Bond Log: _____

Casing Program: 0

Integrity Test: to be run at conversion

Injection Fluid: Johnson Water

Geologic Information: Yes

Analyses of Injection Fluid: Yes Formation Fluid: Yes Compat. Yes

Fracture Gradient Information: _____ Parting Pressure _____

Affidavit of Notice to Owners: _____

Fresh Water Aquifers in Area: no real fresh water Aquifers in area

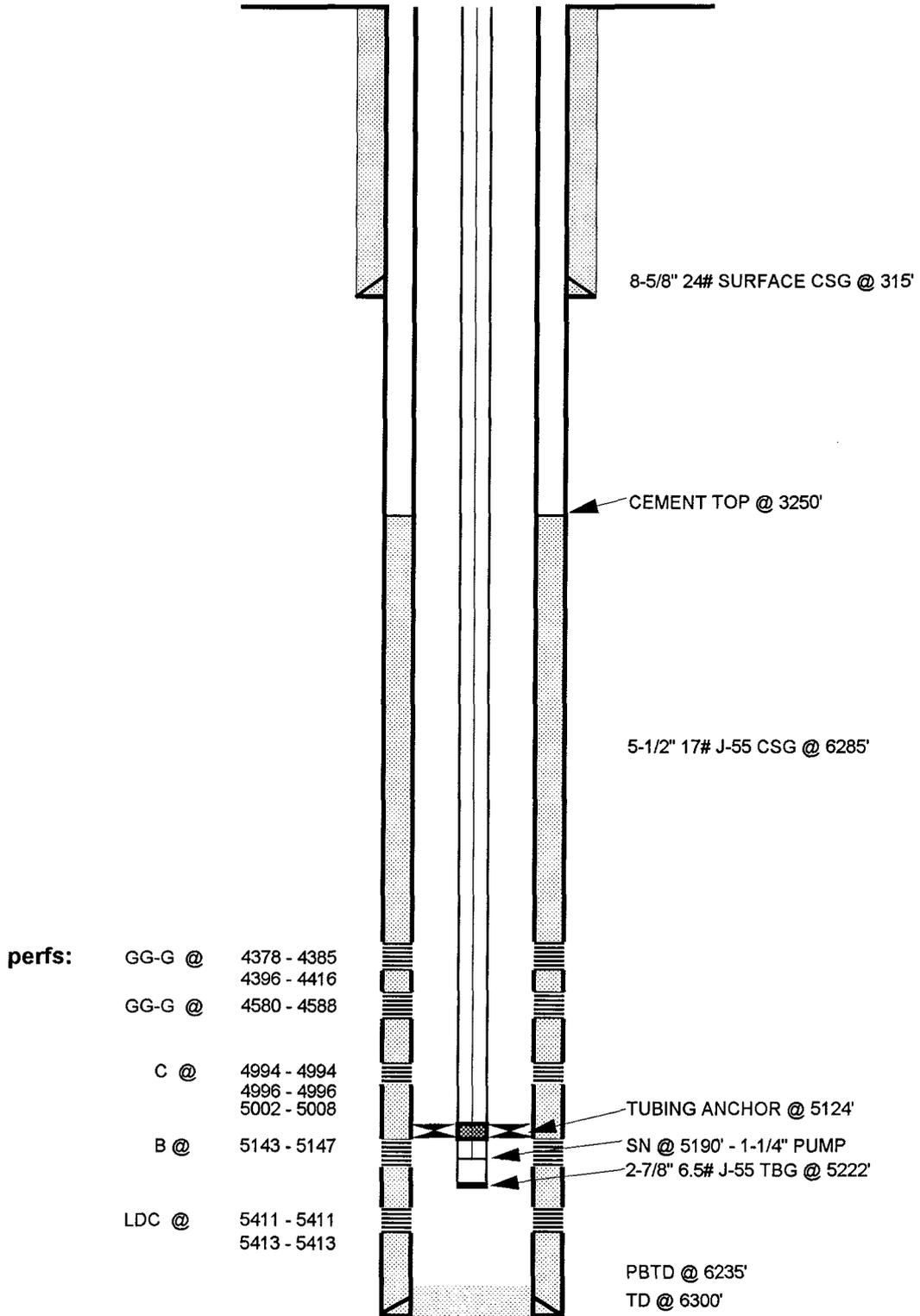
Depth Base of Moderately Saline Water: ~300

Confining Interval: sands + silts of green river

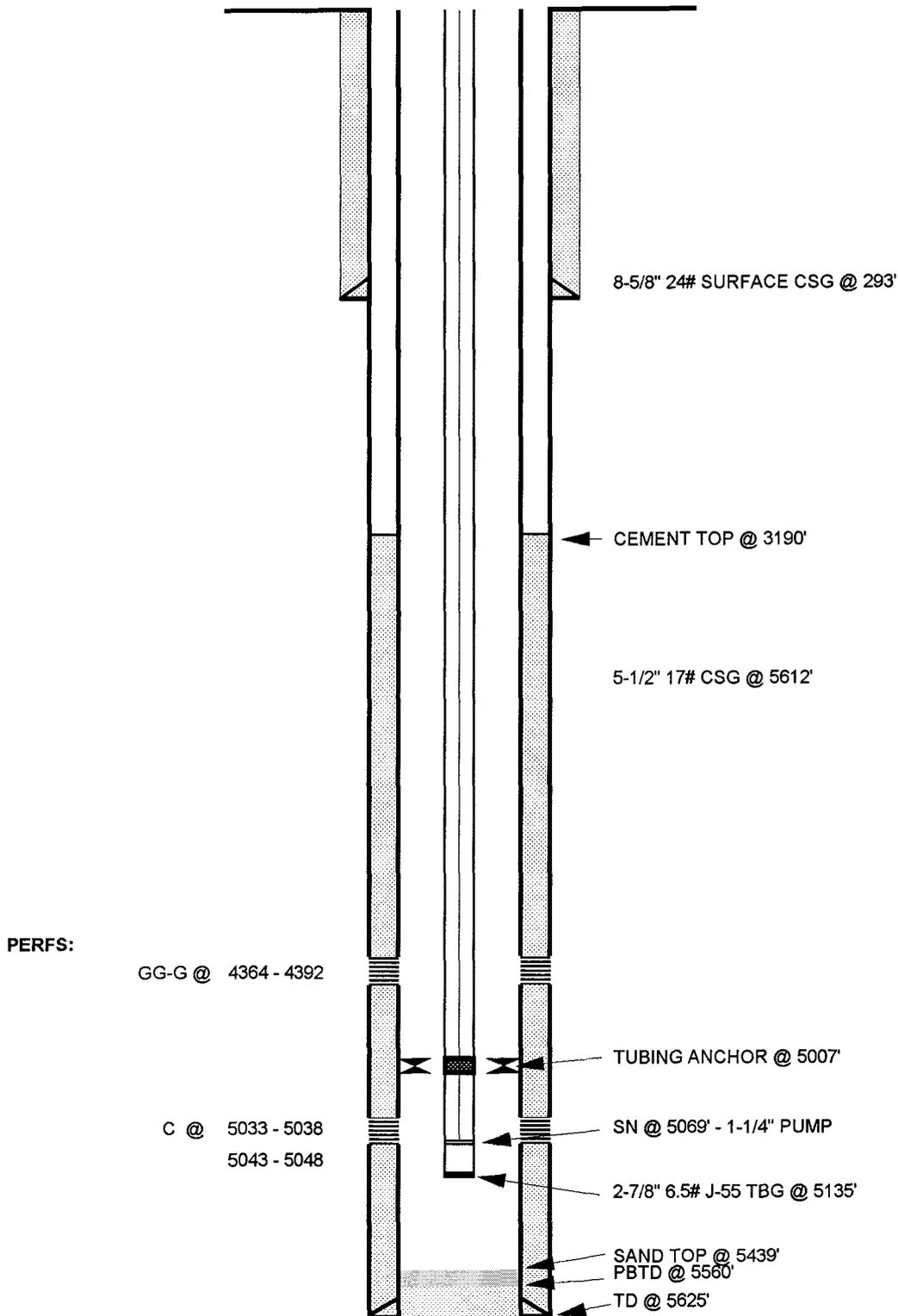
Reviewer: D. Jones Date: _____

Comments & Recommendation _____

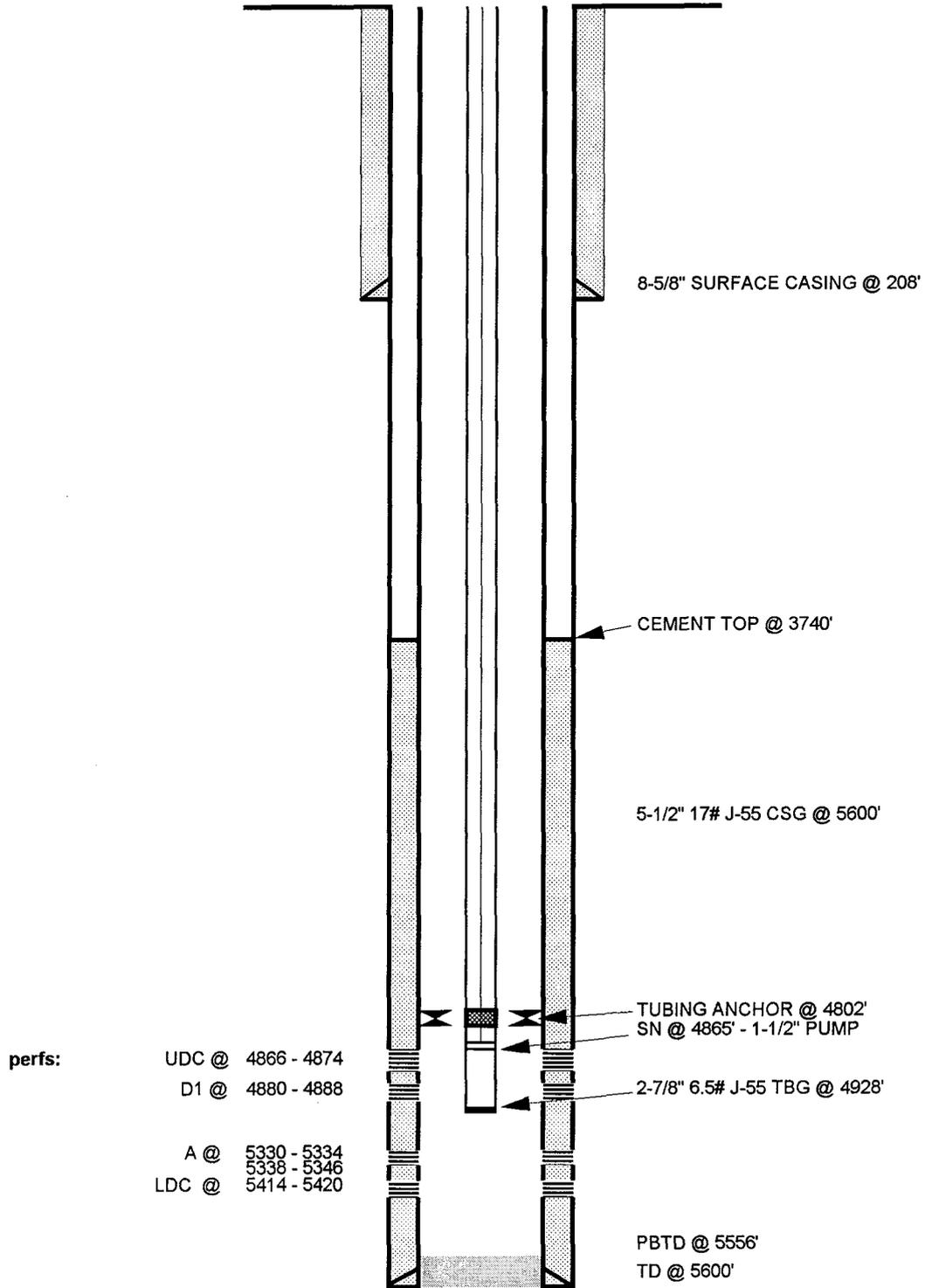
GILSONITE STATE #11-32
NE/SW SECTION 32, T8S, R17E
DUCHESNE COUNTY, UTAH



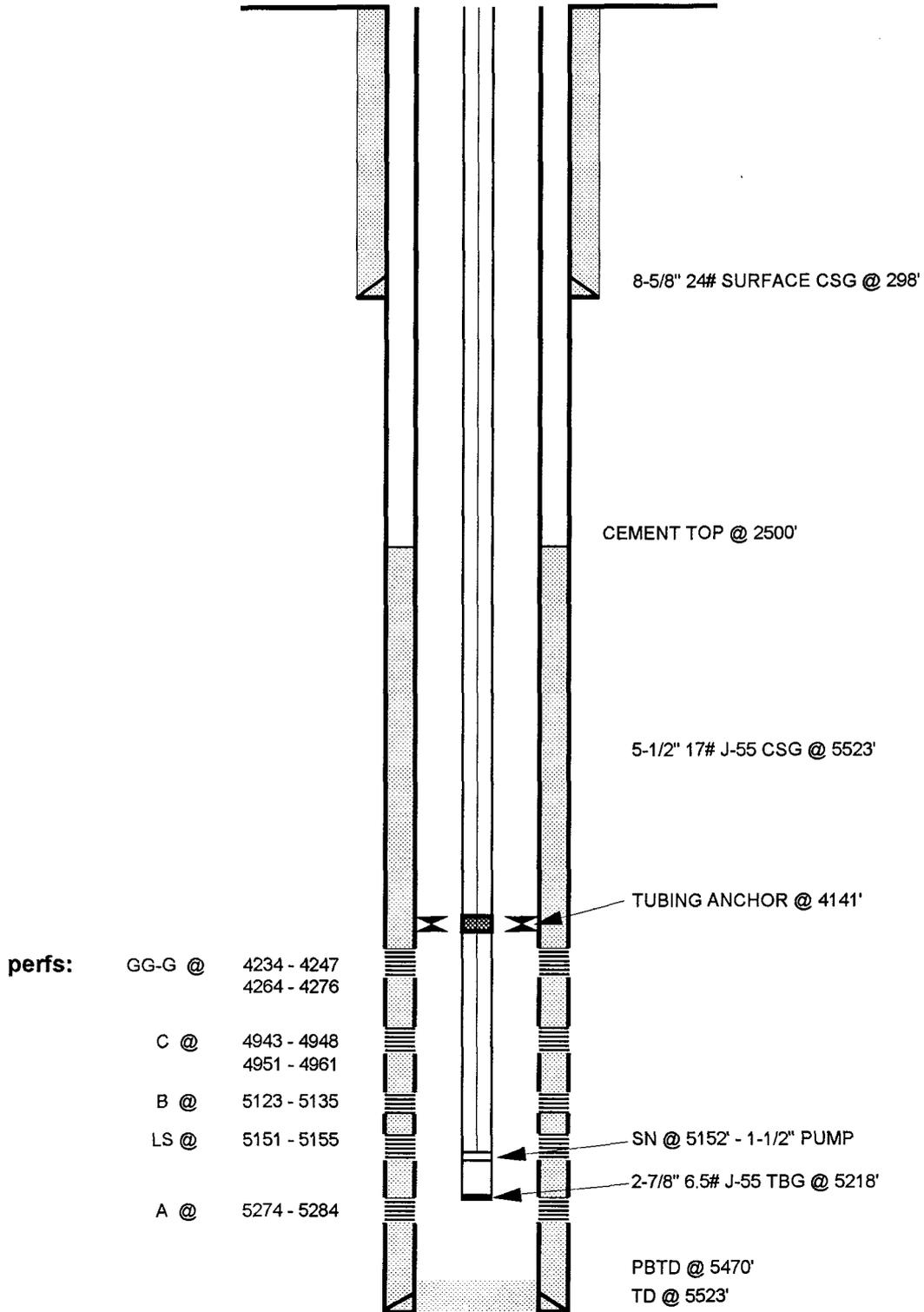
GILSONITE STATE #6-32
SE/NW SEC 32, T8S, R16E
DUCHESNE COUNTY, UTAH



GILSONITE STATE #5-32
SW/NW SECTION 32, T8S, R17E
DUCHESNE, UTAH

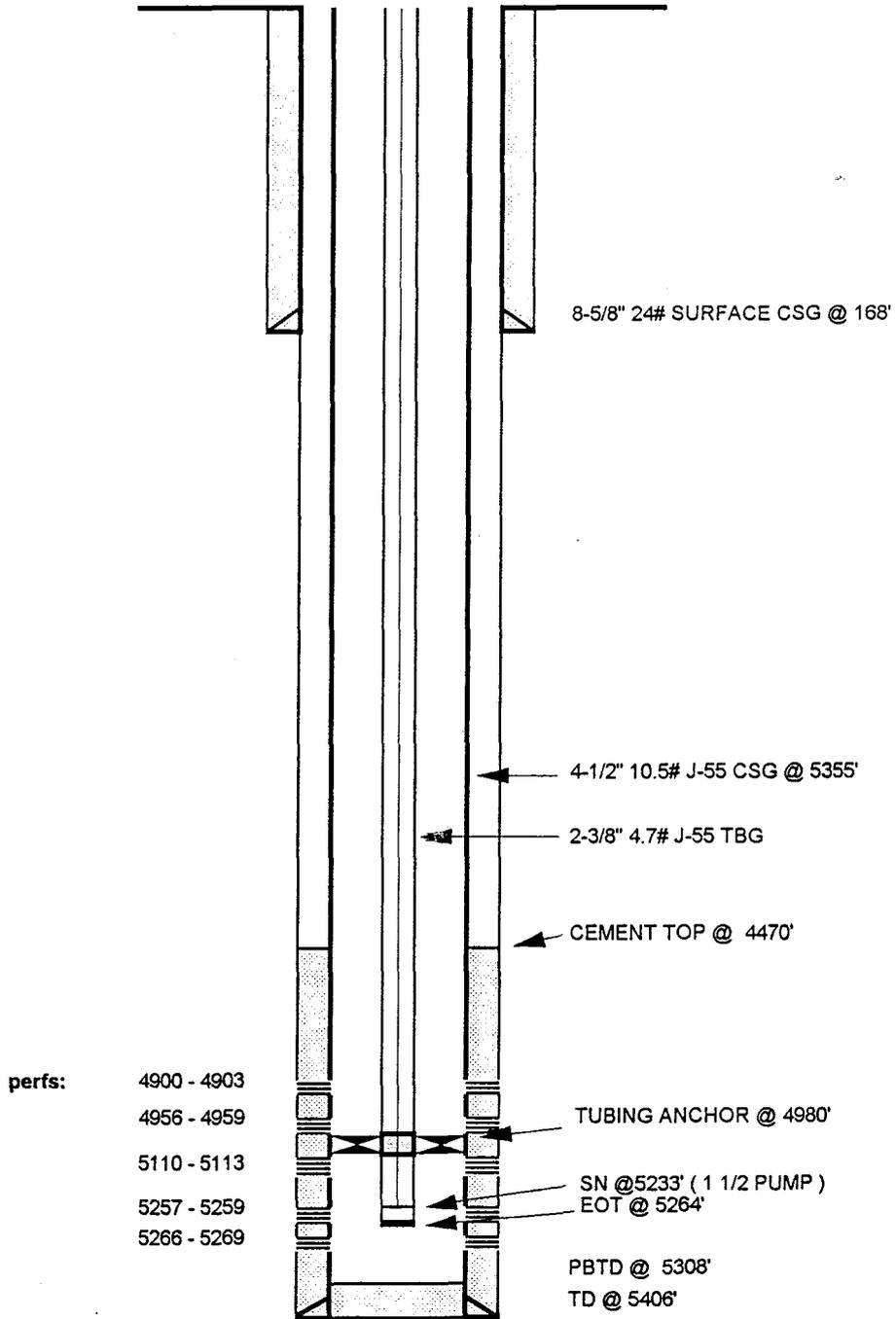


GILSONITE STATE #2-32
SW/SW SECTION 32, T8S, R17E
DUCHESNE COUNTY, UTAH

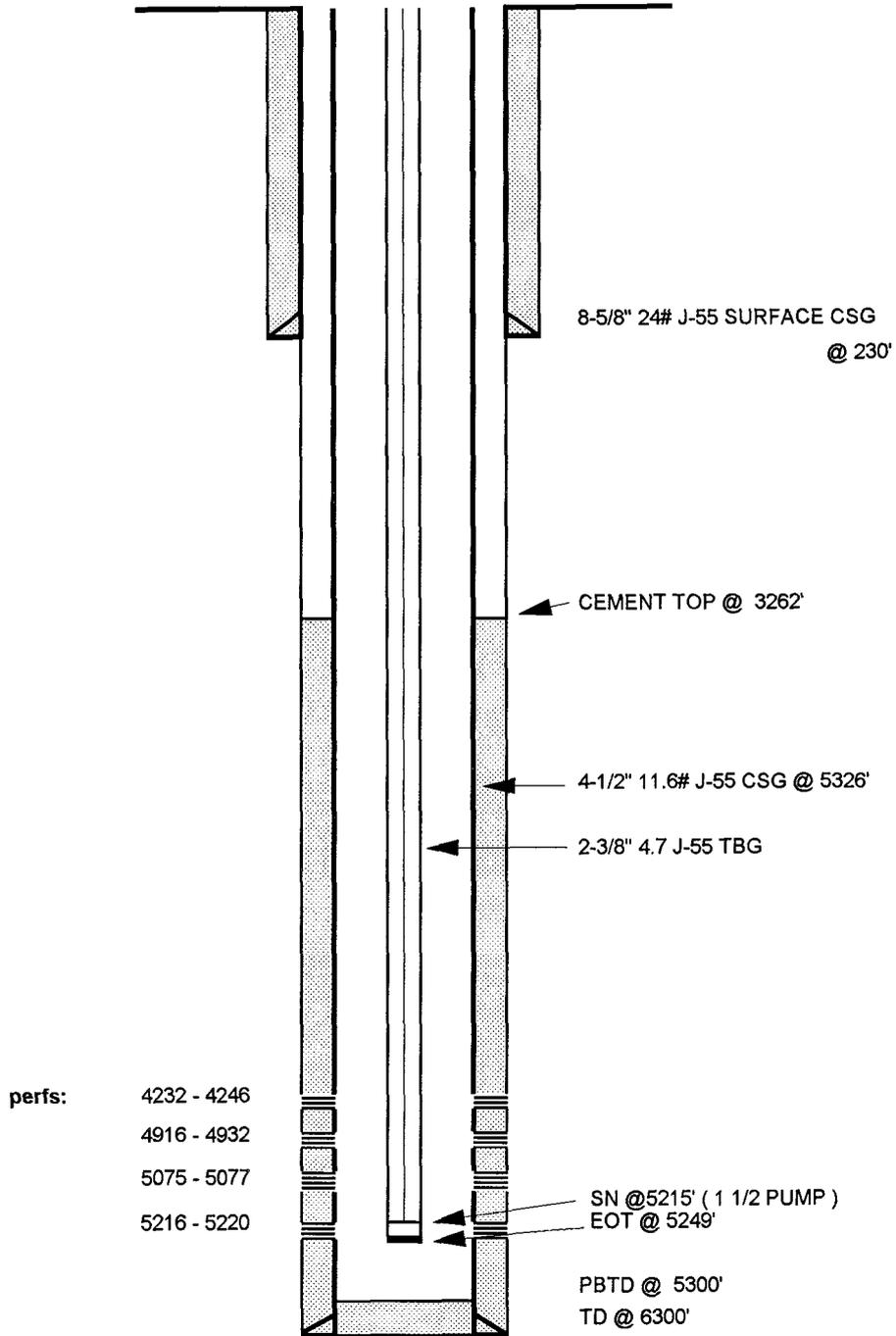


WILDROSE RESOURCES #31-2

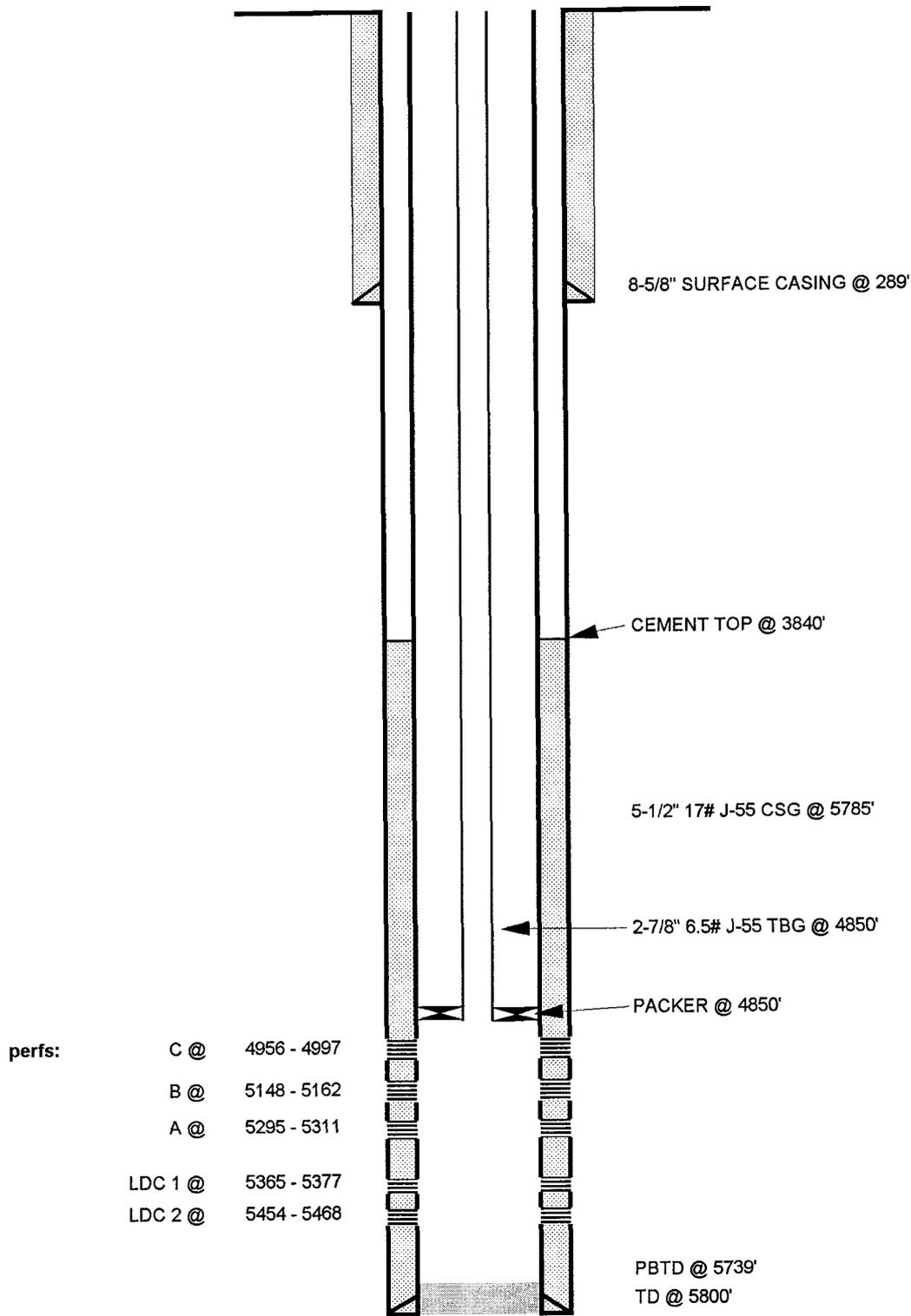
SE/SE SECTION ³¹32, T8S, R17E
DUCHESNE COUNTY, UTAH



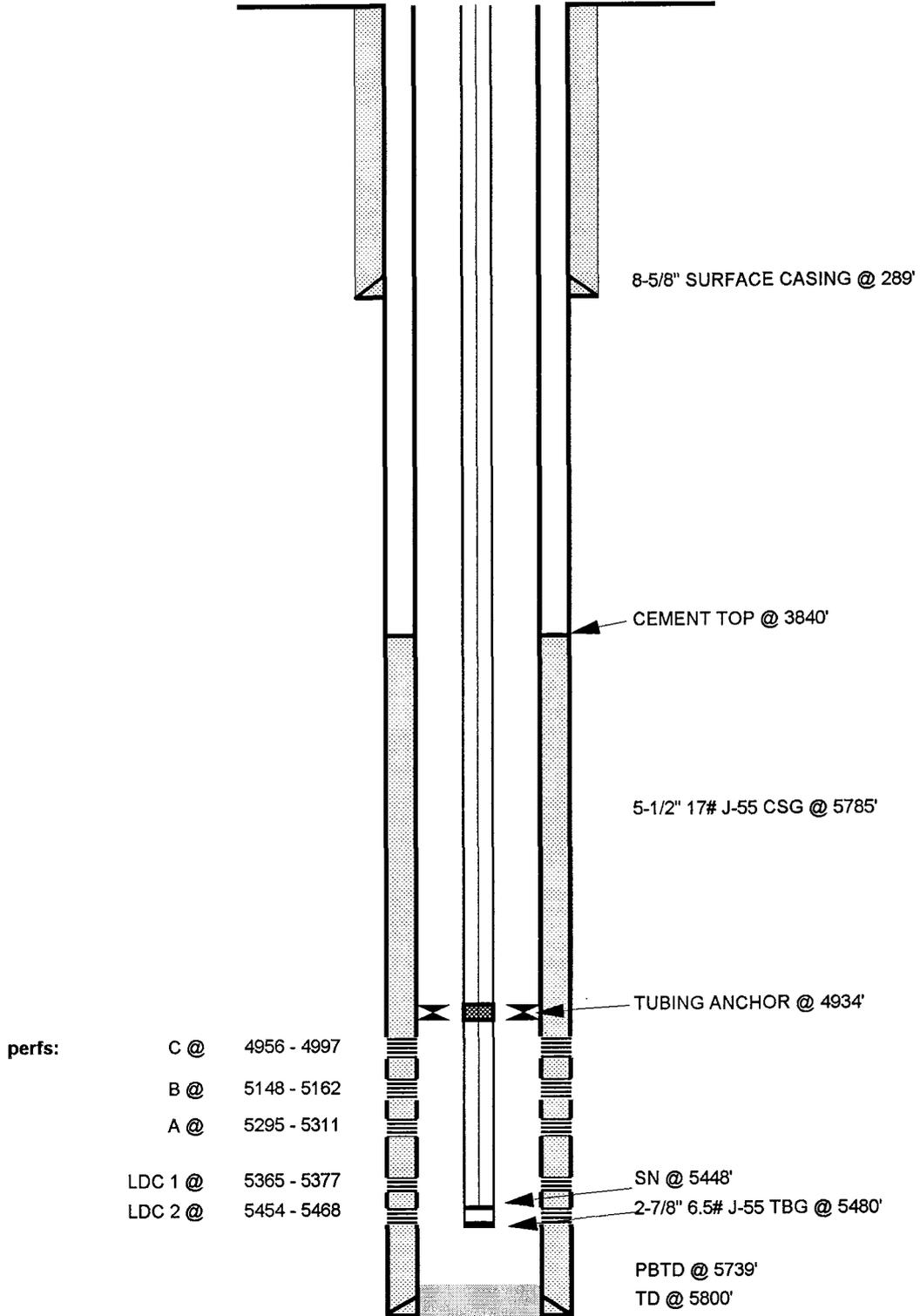
BALCRON ALLEN FED. #1-5A
NW/NW SECTION 5, T9S, R17E
DUCHESNE COUNTY, UTAH



GILSONITE STATE #12-32
NW/SW SECTION 32, T8S, R17E
DUCHESNE, UTAH
(AFTER CONVERSION TO WATER INJECTION)



GILSONITE STATE #12-32
NW/SW SECTION 32, T8S, R17E
DUCHESNE, UTAH





P.O. Box 217
Roosevelt, Utah 84066

Office (801) 722-5066
Fax (801) 722-5727

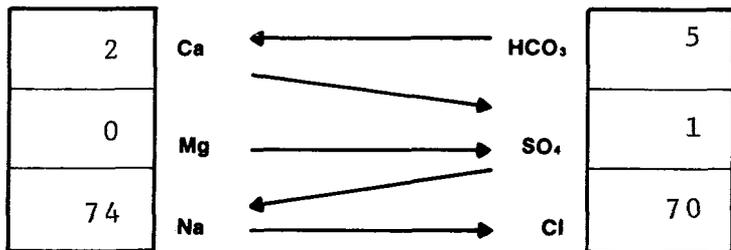
WATER ANALYSIS REPORT

COMPANY LOMAX EXPLORATION ADDRESS _____ DATE: 4-20-94
SOURCE GS 12-32 DATE SAMPLED 4-20-94 ANALYSIS NO. _____

Analysis	Mg/l (ppm)	*Meq/l
1. PH	7.1	
2. H ₂ S (Qualitative)	0	
3. Specific Gravity	1.003	
4. Dissolved Solids	4582	
5. Suspended Solids		
6. Anaerobic Bacterial Count		C/MI
7. Methyl Orange Alkalinity (CaCO ₃)		
8. Bicarbonate (HCO ₃)	HCO ₃ 280	÷61 5 HCO ₃
9. Chlorides (Cl)	Cl 2500	÷35.5 70 Cl
10. Sulfates (SO ₄)	SO ₄ 35	÷48 1 SO ₄
11. Calcium (Ca)	Ca 48	÷20 2 Ca
12. Magnesium (Mg)	Mg 2	÷12.2 0 Mg
13. Total Hardness (CaCO ₃)	130	
14. Total Iron (Fe)	4.8	
15. Barium (Qualitative)		
16. Phosphate Residuals		

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values	Distilled Water 20°C
Ca CO ₃	13 Mg/l
Ca SO ₄ · 2H ₂ O	2,090 Mg/l
Mg CO ₃	103 Mg/l

Compound	Equiv. Wt.	X	Meq/l	=	Mg/l
Ca (HCO ₃) ₂	81.04		2		162
Ca SO ₄	68.07				
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17				
Mg SO ₄	60.19				
Mg Cl ₂	47.62				
Na HCO ₃	84.00		3		252
Na ₂ SO ₄	71.03		1		71
Na Cl	58.46		70		4092

REMARKS _____

EXHIBIT C-1



P.O. Box 217
Roosevelt, Utah 84066

Office (801) 722-5066
Fax (801) 722-5727

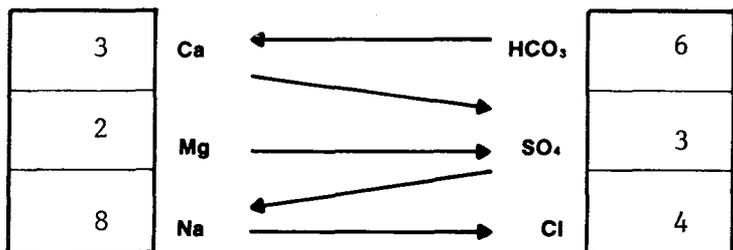
WATER ANALYSIS REPORT

COMPANY LOMAX EXPLORATION ADDRESS _____ DATE: 4-28-94
SOURCE Johnson DATE SAMPLED 4-28-94 ANALYSIS NO. _____

Analysis	Mg/l (ppm)	*Meq/l
1. PH	8.3	
2. H ₂ S (Qualitative)	0	
3. Specific Gravity	1.001	
4. Dissolved Solids	920	
5. Suspended Solids		
6. Anaerobic Bacterial Count	CI	C/MI
7. Methyl Orange Alkalinity (CaCO ₃)		
8. Bicarbonate (HCO ₃)	HCO ₃ 360	6
9. Chlorides (Cl)	Cl 142	4
10. Sulfates (SO ₄)	SO ₄ 120	3
11. Calcium (Ca)	Ca 56	3
12. Magnesium (Mg)	Mg 24	2
13. Total Hardness (CaCO ₃)	240	
14. Total Iron (Fe)	.6	
15. Barium (Qualitative)		
16. Phosphate Residuals		

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values	Distilled Water 20°C
Ca CO ₃	13 Mg/l
Ca SO ₄ · 2H ₂ O	2,090 Mg/l
Mg CO ₃	103 Mg/l

Compound	Equiv. Wt.	X	Meq/l	=	Mg/l
Ca (HCO ₃) ₂	81.04		3		243
Ca SO ₄	68.07				
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17		2		146
Mg SO ₄	60.19				
Mg Cl ₂	47.62				
Na HCO ₃	84.00		1		84
Na ₂ SO ₄	71.03		3		213
Na Cl	58.46		4		234

REMARKS _____



P.O. Box 217
Roosevelt, Utah 84066

Office (801) 722-5066
Fax (801) 722-5727

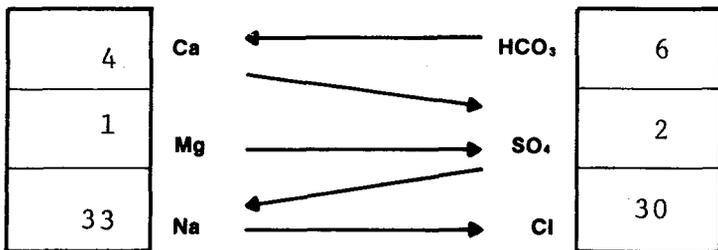
WATER ANALYSIS REPORT

COMPANY LOMAX EXPLORATION ADDRESS _____ DATE: 4-28-94
 SOURCE Johnson 10 parts 12-32 1 part DATE SAMPLED 4-28-94 ANALYSIS NO. _____

Analysis	Mg/l (ppm)	*Meq/l
1. PH <u>8.0</u>		
2. H ₂ S (Qualitative) <u>0</u>		
3. Specific Gravity <u>1.002</u>		
4. Dissolved Solids <u>2377</u>		
5. Suspended Solids _____		
6. Anaerobic Bacterial Count <u>CI</u> C/MI		
7. Methyl Orange Alkalinity (CaCO ₃) _____		
8. Bicarbonate (HCO ₃) <u>370</u> HCO ₃ <u>61</u> <u>6</u> HCO ₃		
9. Chlorides (Cl) <u>1050</u> Cl <u>35.5</u> <u>30</u> Cl		
10. Sulfates (SO ₄) <u>70</u> SO ₄ <u>48</u> <u>2</u> SO ₄		
11. Calcium (Ca) <u>72</u> Ca <u>20</u> <u>4</u> Ca		
12. Magnesium (Mg) <u>17</u> Mg <u>12.2</u> <u>1</u> Mg		
13. Total Hardness (CaCO ₃) <u>250</u>		
14. Total Iron (Fe) <u>2.8</u>		
15. Barium (Qualitative) _____		
16. Phosphate Residuals _____		

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Compound	Eqv. Wt.	X	Meq/l	=	Mg/l
Ca (HCO ₃) ₂	81.04		<u>4</u>		<u>324</u>
Ca SO ₄	68.07				
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17		<u>1</u>		<u>73</u>
Mg SO ₄	60.19				
Mg Cl ₂	47.62				
Na HCO ₃	84.00		<u>1</u>		<u>84</u>
Na ₂ SO ₄	71.03		<u>2</u>		<u>142</u>
Na Cl	58.46		<u>30</u>		<u>1754</u>

Saturation Values	Distilled Water 20°C
Ca CO ₃	13 Mg/l
Ca SO ₄ · 2H ₂ O	2,090 Mg/l
Mg CO ₃	103 Mg/l

REMARKS _____

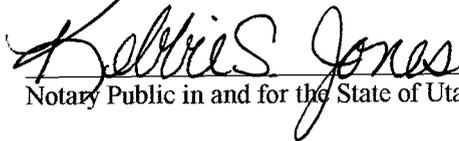
EXHIBIT D

RE: Application for Approval of Class II Injection Well
Gilsonite State #12-32

I certify that a copy of the application has been provided to all surface owners, graxing right owners and operators within a one-half mile radius of the proposed injection well.


LOMAX EXPLORATION COMPANY
By Brad Mecham, Regional Production Manager

Sworn to and subscribed before me the 3RD day of May 1994.


Notary Public in and for the State of Utah

Printed Name: Kebbie Jones
My Commission Expires: 5/4/94



EXHIBIT A-2

SURFACE OWNERS, OWNERS AND OPERATORS WITHIN A ONE-HALF MILE RADIUS OF THE
GILSONITE STATE #12-32

State of Utah - Division of State Lands & Forestry
Attention: Ed Bonner
355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, UT 84180-1204

Bureau of Land Management
Attention: Ed Forsman
170 South 500 East
Vernal, UT 84078

Equitable Resources Energy
300 Grant Street
Pittsburgh, PA 15219

Balcron Oil Company
Attention: Steve Durette
P.O. Box 21017
1601 Lewis Ave. Bldg.
Billings, Montana 59104

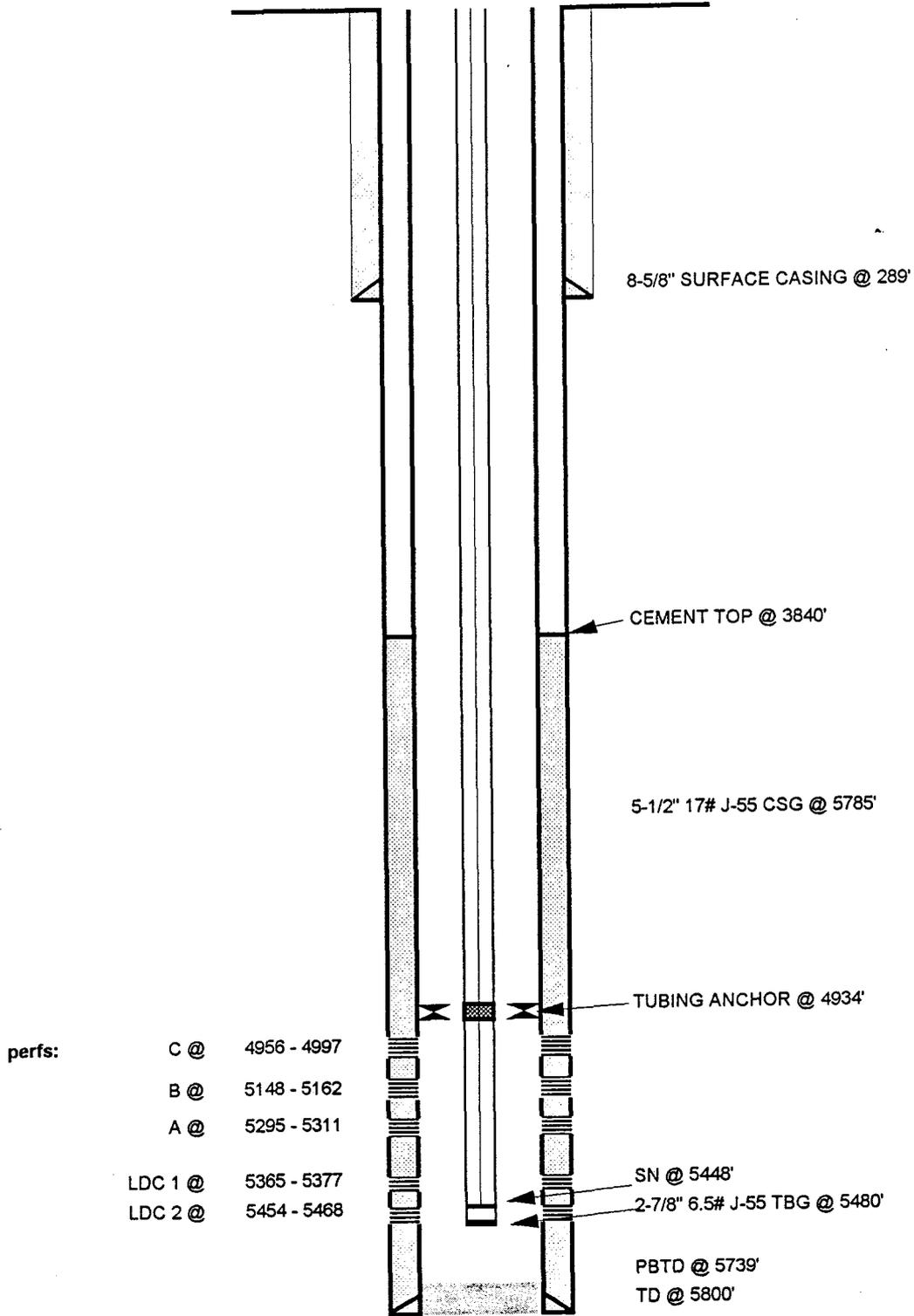
Wildrose Resources
2555 Cherryridge Road
Englewood, CO 80110

WRC 91 Ltd.
2555 Cherryridge Road
Englewood, CO 80110

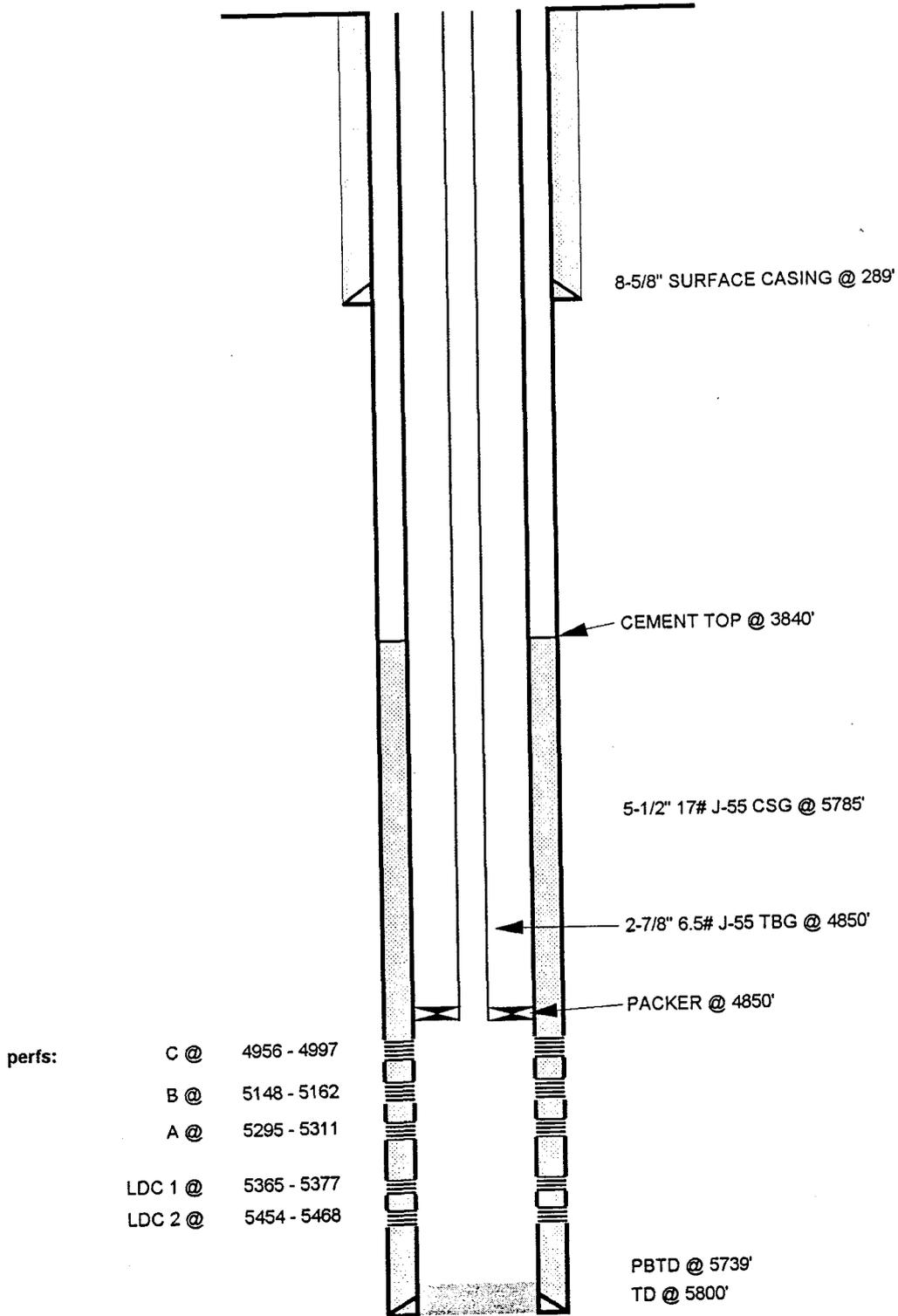
American Gilsonite Company
136 East South Temple, Suite #2350
Salt Lake City, Utah 84111

Interline Natural Resources
160 West Canyon Crest
Alpine, Utah 84004

GILSONITE STATE #12-32
NW/SW SECTION 32, T8S, R17E
DUCHESNE, UTAH

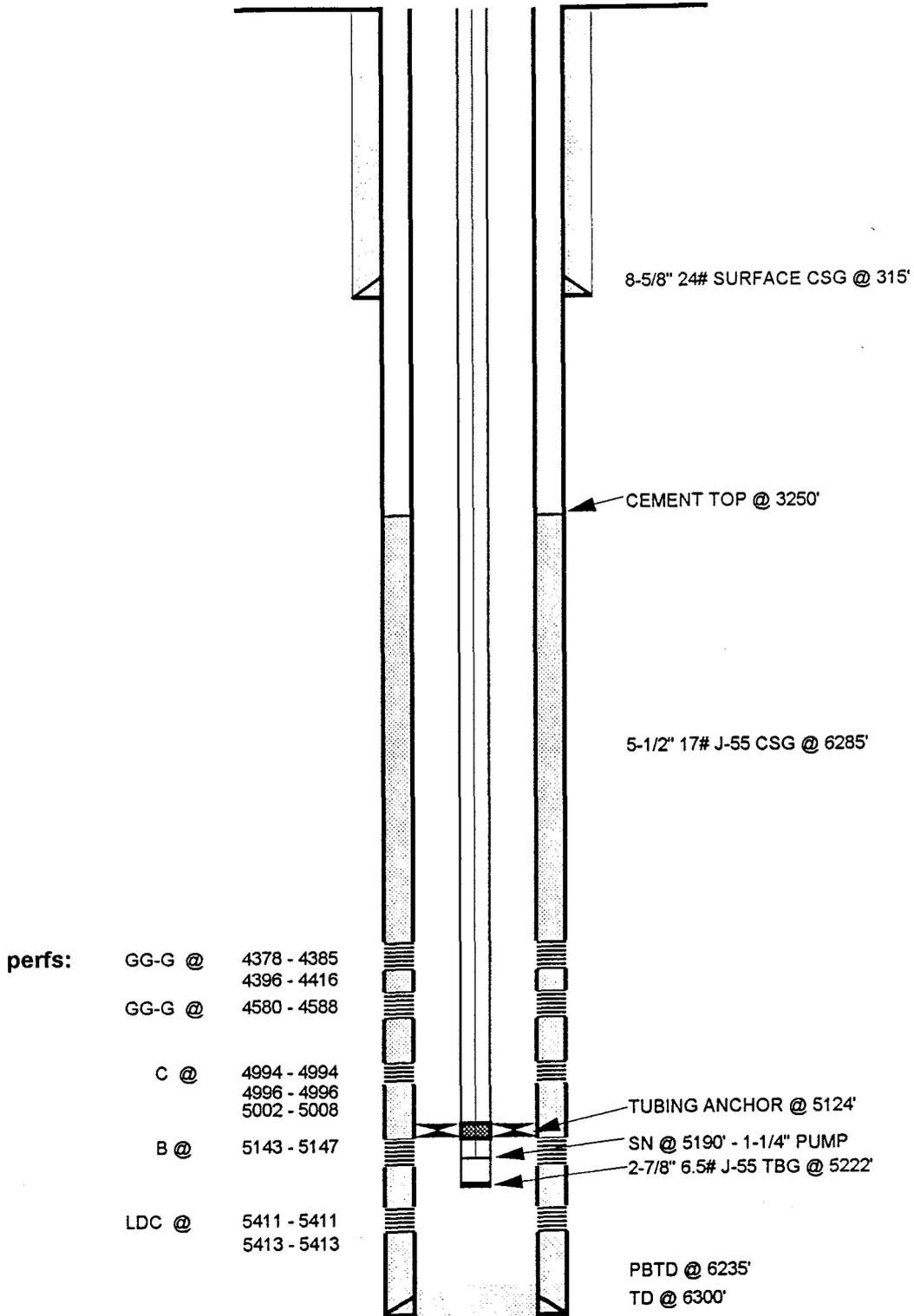


GILSONITE STATE #12-32
NW/SW SECTION 32, T8S, R17E
DUCHESNE, UTAH
(AFTER CONVERSION TO WATER INJECTION)

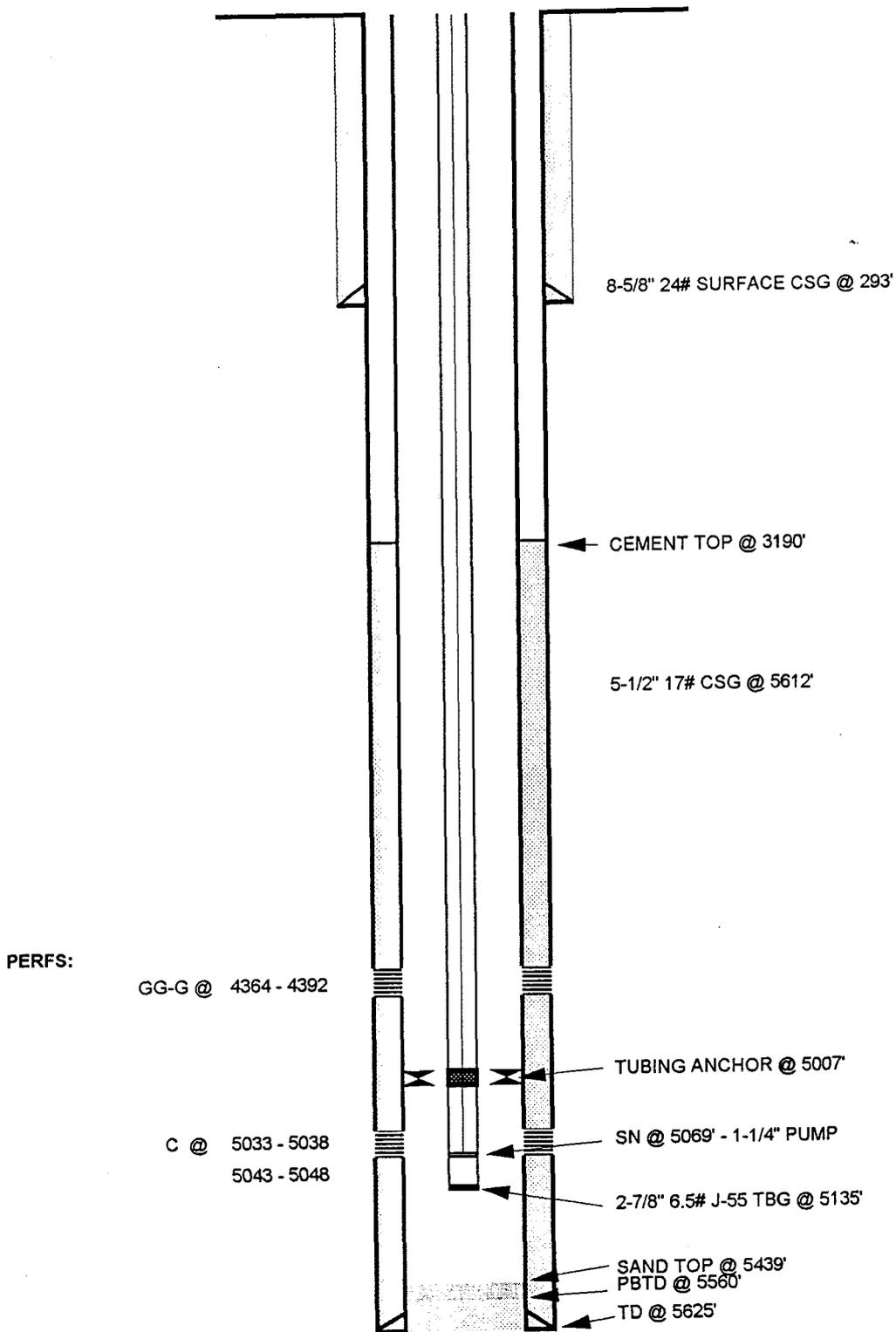


GILSONITE STATE #11-32

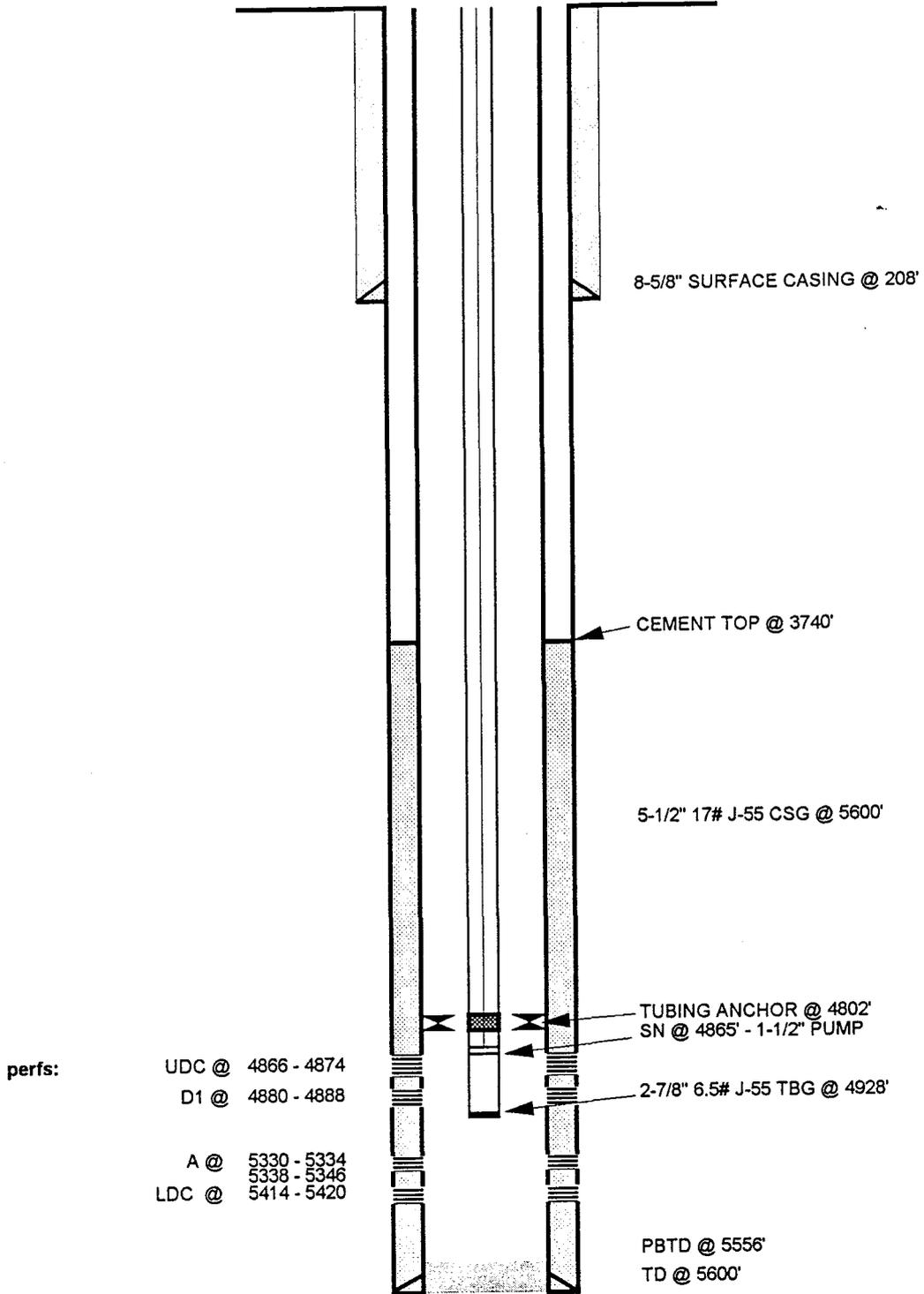
NE/SW SECTION 32, T8S, R17E
DUCHESNE COUNTY, UTAH



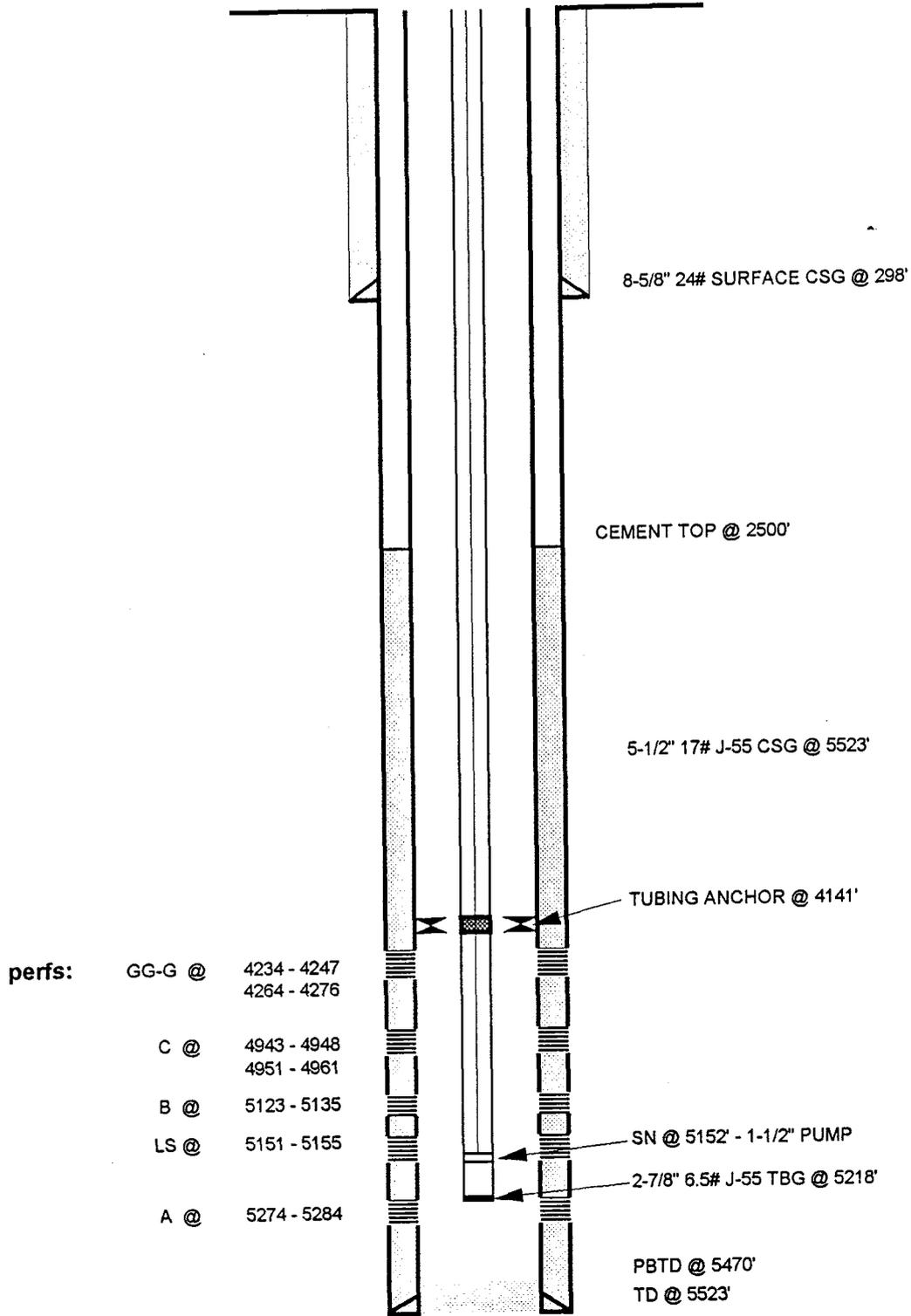
GILSONITE STATE #6-32
SE/NW SEC 32, T8S, R16E
DUCHESNE COUNTY, UTAH



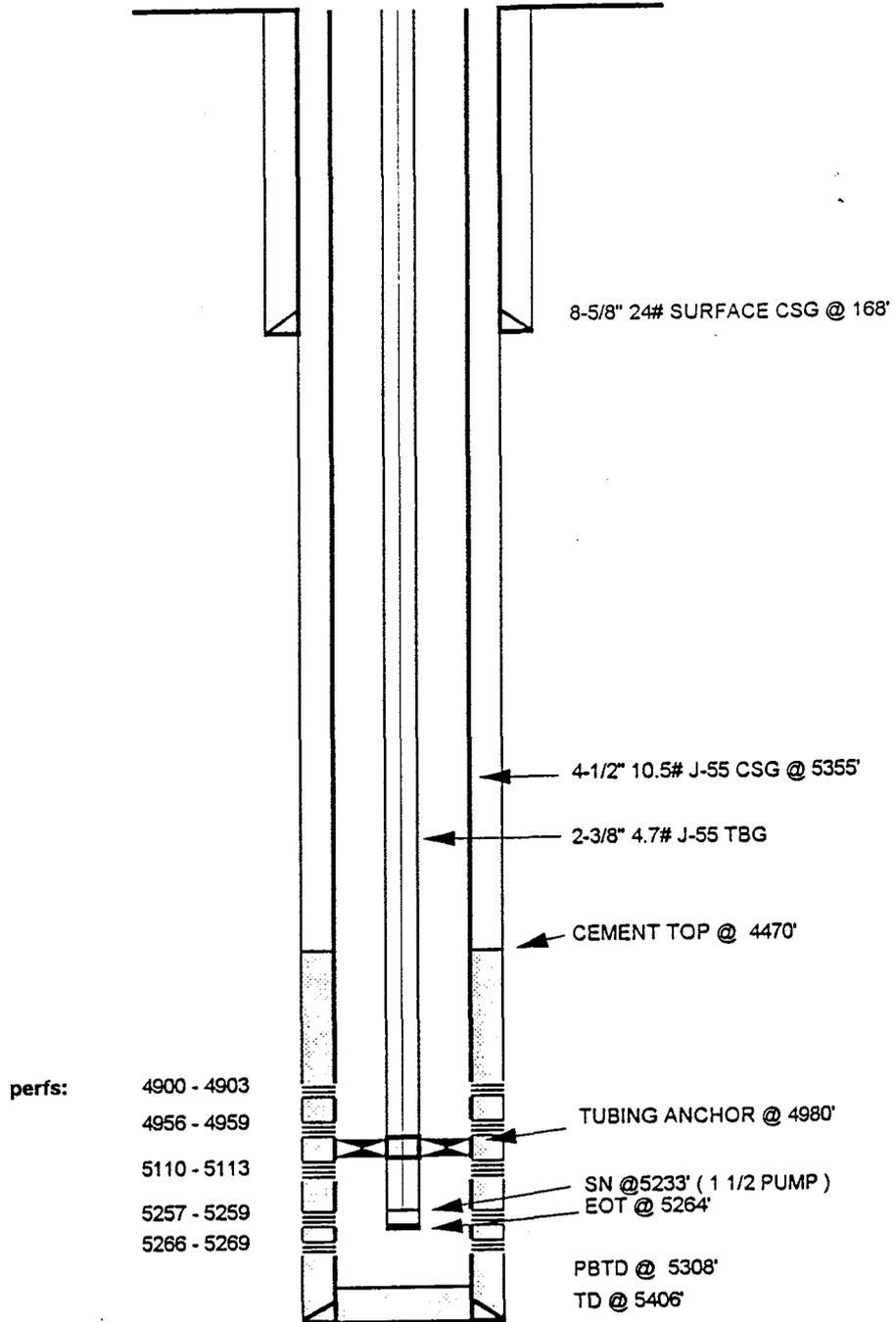
GILSONITE STATE #5-32
SW/NW SECTION 32, T8S, R17E
DUCHESNE, UTAH



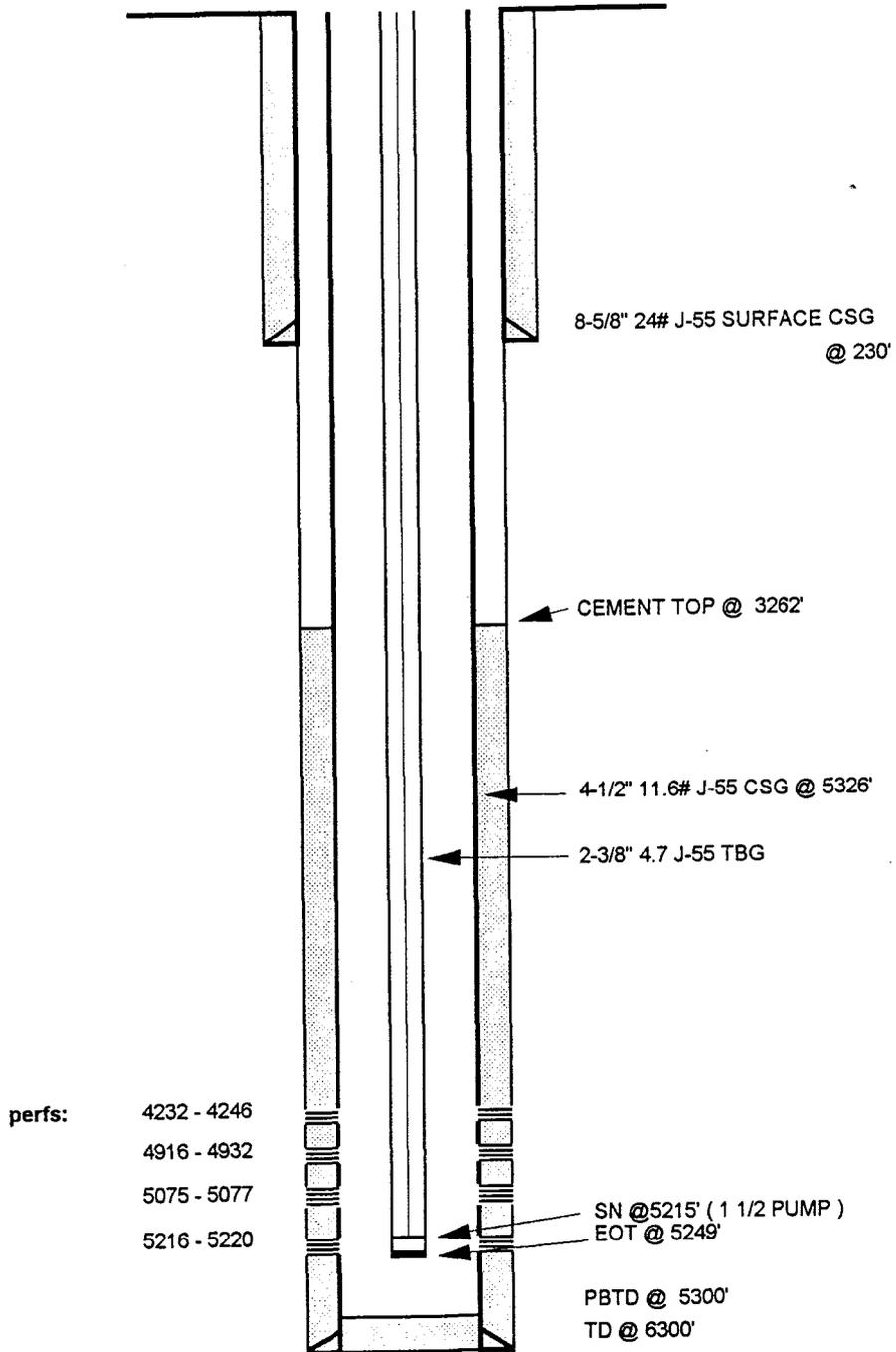
GILSONITE STATE #2-32
SW/SW SECTION 32, T8S, R17E
DUCHESNE COUNTY, UTAH



WILDROSE RESOURCES #31-2
SE/SE SECTION 32, T8S, R17E
DUCHESNE COUNTY, UTAH



BALCRON ALLEN FED. #1-5A
NW/NW SECTION 5, T9S, R17E
DUCHESNE COUNTY, UTAH





P.O. Box 217
Roosevelt, Utah 84066

Office (801) 722-5066
Fax (801) 722-5727

WATER ANALYSIS REPORT

COMPANY LOMAX EXPLORATION ADDRESS _____ DATE: 4-20-94
 SOURCE GS 12-32 DATE SAMPLED 4-20-94 ANALYSIS NO. _____

Analysis	Mg/l (ppm)	*Meq/l
1. PH	<u>7.1</u>	
2. H ₂ S (Qualitative)	<u>0</u>	
3. Specific Gravity	<u>1.003</u>	
4. Dissolved Solids	<u>4582</u>	
5. Suspended Solids	_____	
6. Anaerobic Bacterial Count	_____ C/MI	
7. Methyl Orange Alkalinity (CaCO ₃)	_____	<u>5</u>
8. Bicarbonate (HCO ₃)	HCO ₃ <u>280</u>	÷61 <u>5</u> HCO ₃
9. Chlorides (Cl)	Cl <u>2500</u>	÷35.5 <u>70</u> Cl
10. Sulfates (SO ₄)	SO ₄ <u>35</u>	÷48 <u>1</u> SO ₄
11. Calcium (Ca)	Ca <u>48</u>	÷20 <u>2</u> Ca
12. Magnesium (Mg)	Mg <u>2</u>	÷12.2 <u>0</u> Mg
13. Total Hardness (CaCO ₃)	<u>130</u>	
14. Total Iron (Fe)	<u>4.9</u>	
15. Barium (Qualitative)	_____	
16. Phosphate Residuals	_____	

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION

Compound	Equiv. Wt.	X	Meq/l	=	Mg/l
Ca (HCO ₃) ₂	81.04		<u>2</u>		<u>162</u>
Ca SO ₄	68.07				
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17				
Mg SO ₄	60.19				
Mg Cl ₂	47.62				
Na HCO ₃	84.00		<u>3</u>		<u>252</u>
Na ₂ SO ₄	71.03		<u>1</u>		<u>71</u>
Na Cl	58.46		<u>70</u>		<u>4092</u>

Saturation Values	Distilled Water 20° C
Ca CO ₃	13 Mg/l
Ca SO ₄ · 2H ₂ O	2,090 Mg/l
Mg CO ₃	103 Mg/l

REMARKS _____

EXHIBIT C-1



P.O. Box 217
Roosevelt, Utah 84066

Office (801) 722-5066
Fax (801) 722-5727

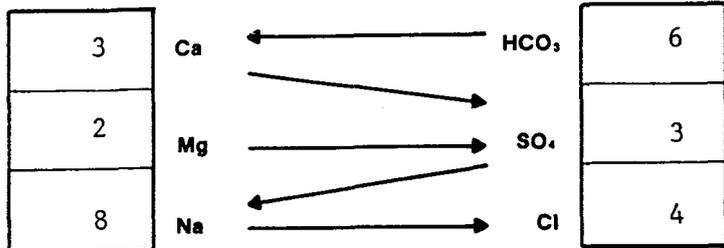
WATER ANALYSIS REPORT

COMPANY LOMAX EXPLORATION ADDRESS _____ DATE: 4-28-94
 SOURCE Johnson DATE SAMPLED 4-28-94 ANALYSIS NO. _____

Analysis	Mg/l (ppm)	*Meq/l
1. PH	8.3	
2. H ₂ S (Qualitative)	0	
3. Specific Gravity	1.001	
4. Dissolved Solids	920	
5. Suspended Solids		
6. Anaerobic Bacterial Count	CI	C/MI
7. Methyl Orange Alkalinity (CaCO ₃)		
8. Bicarbonate (HCO ₃)	360	6
9. Chlorides (Cl)	142	4
10. Sulfates (SO ₄)	120	3
11. Calcium (Ca)	56	3
12. Magnesium (Mg)	24	2
13. Total Hardness (CaCO ₃)	240	
14. Total Iron (Fe)	.6	
15. Barium (Qualitative)		
16. Phosphate Residuals		

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values	Distilled Water 20°C
Ca CO ₃	13 Mg/l
Ca SO ₄ · 2H ₂ O	2,090 Mg/l
Mg CO ₃	103 Mg/l

Compound	Equiv. Wt.	X	Meq/l	=	Mg/l
Ca (HCO ₃) ₂	81.04		3		243
Ca SO ₄	68.07				
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17		2		146
Mg SO ₄	60.19				
Mg Cl ₂	47.62				
Na HCO ₃	84.00		1		84
Na ₂ SO ₄	71.03		3		213
Na Cl	58.46		4		234

REMARKS _____

EXHIBIT C-2



P.O. Box 217
Roosevelt, Utah 84066

Office (801) 722-5066
Fax (801) 722-5727

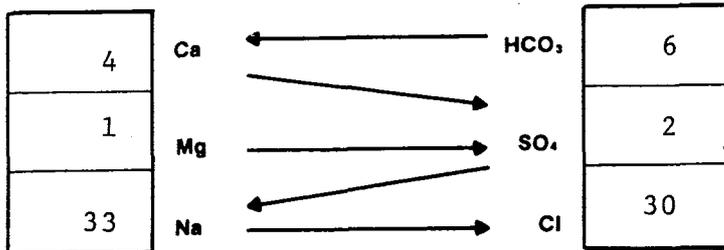
WATER ANALYSIS REPORT

COMPANY LOMAX EXPLORATION ADDRESS _____ DATE: 4-28-94
 SOURCE Johnson 10 parts 12-32 1 part DATE SAMPLED 4-28-94 ANALYSIS NO. _____

Analysis	Mg/l (ppm)	*Meq/l
1. PH	<u>8.0</u>	
2. H ₂ S (Qualitative)	<u>0</u>	
3. Specific Gravity	<u>1.002</u>	
4. Dissolved Solids	<u>2377</u>	
5. Suspended Solids		
6. Anaerobic Bacterial Count	<u>CI</u> C/MI	
7. Methyl Orange Alkalinity (CaCO ₃)		
8. Bicarbonate (HCO ₃)	HCO ₃ <u>370</u>	<u>6</u> HCO ₃
9. Chlorides (Cl)	Cl <u>1050</u>	<u>35.5</u> Cl
10. Sulfates (SO ₄)	SO ₄ <u>70</u>	<u>48</u> SO ₄
11. Calcium (Ca)	Ca <u>72</u>	<u>20</u> Ca
12. Magnesium (Mg)	Mg <u>17</u>	<u>12.2</u> Mg
13. Total Hardness (CaCO ₃)	<u>250</u>	
14. Total Iron (Fe)	<u>2.8</u>	
15. Barium (Qualitative)		
16. Phosphate Residuals		

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values	Distilled Water 20°C
Ca CO ₃	13 Mg/l
Ca SO ₄ · 2H ₂ O	2,090 Mg/l
Mg CO ₃	103 Mg/l

Compound	Equiv. Wt.	x	Meq/l	=	Mg/l
Ca (HCO ₃) ₂	81.04				324
Ca SO ₄	68.07				
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17		1		73
Mg SO ₄	60.19				
Mg Cl ₂	47.62				
Na HCO ₃	84.00		1		84
Na ₂ SO ₄	71.03		2		142
Na Cl	58.46		30		1754

REMARKS _____

EXHIBIT C-3

EXHIBIT A-1

200.00
7-1-91
ENSERCH
U-45025

113.64
8-1-86
WILLIAMS
MARTIN
JUDSON
ANDERSON

U-33995

PACIFIC TRANS
32-29

14,245

29

28

NOL

NOL

NOL

LOMAX
UT-0246
8-1-83
24.51/24.51

(SEC 30)
U-45025

(SEC 30)
U-45025

LOMAX
UT-0209
HBP
598.67/598.67

CAMPBELL
1-Fed
5485'

U020433
40.00
HBP
CAMPBELL
2-Fed
5406'

CAMPBELL
1-Fed
5510'

NOL

NOL

2-1
5190'

21-6
5572'

41-6
5424'

CAMPBELL
4-1
5410'

12-6
6300'

22-6
627.35
HBP
SHAMROCK
32-6
5400'

A-1
6200'

21-5
5190'

DIA SHAM.
32-4
1295.31
4-1-69 ext-8/81
PAIUTE
6200'

1-33 KGS
5200'

13-6
5495'

23-6
5495'

43-6
5372'

43-5

1-34
551.16
3-1-90
GETTY
6200'

14-6
5452'

34-6
1-Allen Fed.

34-5
6067'

DIA. SHAM.
14-4
5940'

80.00
2-1-89
ANG

DIA. SHAM.
44-4
U-42039



GILSONITE
Duchesne County, Utah

LEGEND

- FULL INTEREST LEASE [Symbol]
- PARTIAL INTEREST LEASE [Symbol]
- AREA OF MUTUAL INTEREST [Symbol]
- UNIT BOUNDARY [Symbol]
- SEE NOTES FOR MORE INFORMATION [Symbol]
- NET ACRES / GROSS ACRES [Symbol]
- FARMOUT ACREAGE [Symbol]
- WELL LOCATION [Symbol]
- OIL WELL [Symbol]
- GAS WELL [Symbol]
- DRY HOLE [Symbol]
- OIL & GAS WELL [Symbol]
- SUSPENDED OPERATION [Symbol]
- ABANDONED WELLS [Symbol]
- DEPLETED OIL WELL [Symbol]
- SHUT-IN GAS WELL [Symbol]

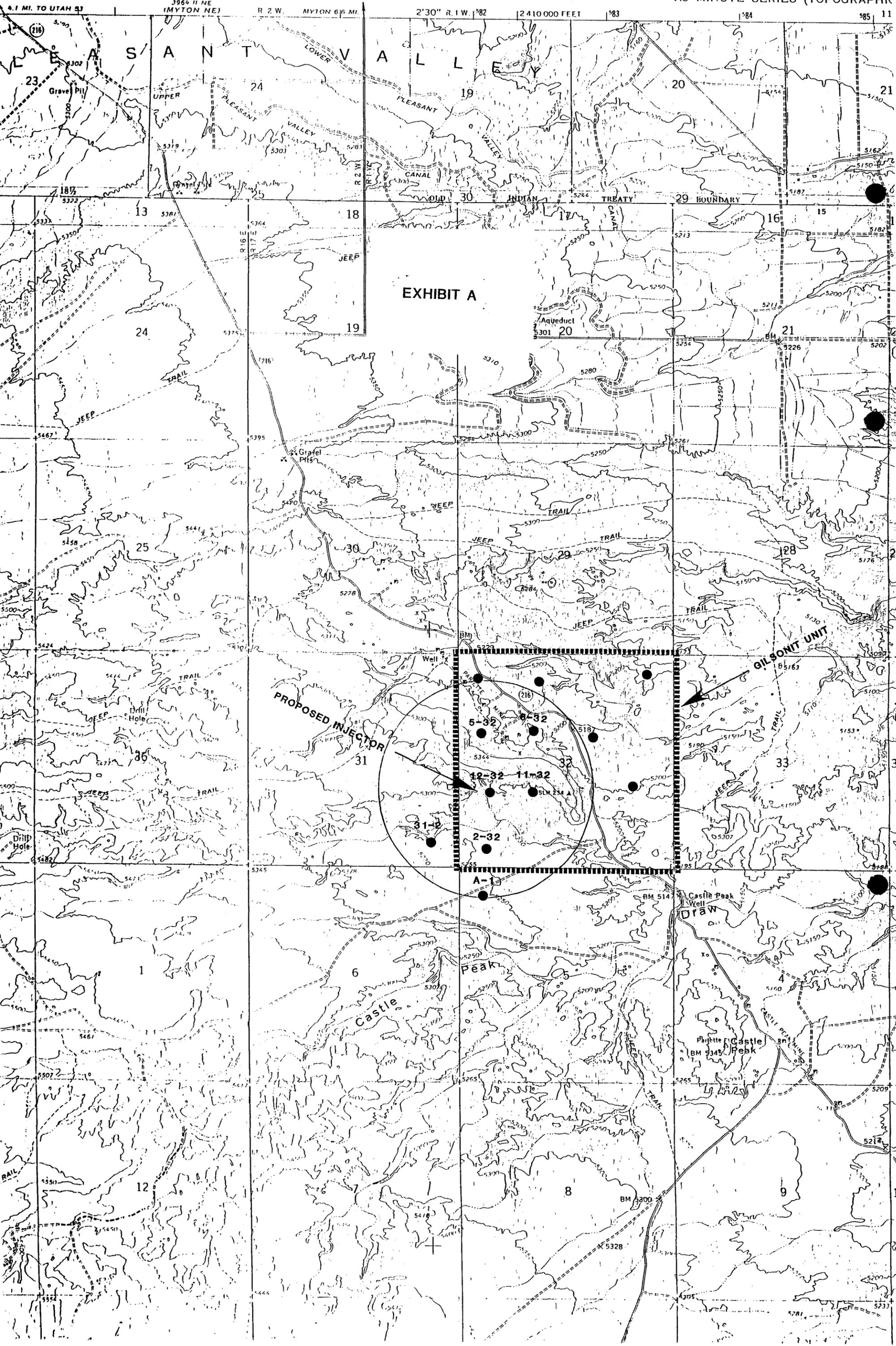


EXHIBIT A

PROPOSED INJECTOR

GILSONIT UNIT

Castle Peak

Castle Peak Well

Castle Peak

Castle Peak

EXHIBIT A-2

SURFACE OWNERS, OWNERS AND OPERATORS WITHIN A ONE-HALF MILE RADIUS OF THE
GILSONITE STATE #12-32

State of Utah - Division of State Lands & Forestry
Attention: Ed Bonner
355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, UT 84180-1204

Bureau of Land Management
Attention: Ed Forsman
170 South 500 East
Vernal, UT 84078

Equitable Resources Energy
300 Grant Street
Pittsburgh, PA 15219

Balcron Oil Company
Attention: Steve Durette
P.O. Box 21017
1601 Lewis Ave. Bldg.
Billings, Montana 59104

Wildrose Resources
2555 Cherryridge Road
Englewood, CO 80110

WRC 91 Ltd.
2555 Cherryridge Road
Englewood, CO 80110

American Gilsonite Company
136 East South Temple, Suite #2350
Salt Lake City, Utah 84111

Interline Natural Resources
160 West Canyon Crest
Alpine, Utah 84004

LOMAX EXPLORATION COMPANY

APPLICATION FOR APPROVAL OF CLASS II INJECTION WELL

GILSONITE STATE #12-32

GILSONITE UNIT

May 3, 1994

**REQUIREMENTS FOR INJECTION OF FLUIDS INTO RESERVOIRS
RULE R615-5-1**

- 1) Operations to increase ultimate recovery, such as cycling of gas, the maintenance of pressure, the introduction of gas, water or other substances into a reservoir for the purpose of secondary or other enhanced recovery or for storage and the injection of water into any formation for the purpose of water disposal shall be permitted only by order of the Board after notice and hearing.
- 2) A request for agency action for authority for the injection of gas, liquefied petroleum gas, air, water or any other medium into any formation for any reason, including but not necessarily limited to the establishment of or the expansion of waterflood projects, enhanced recovery projects, and pressure maintenance projects shall contain:

2.1. *The name and address of the operator of the project;*

Answer: Lomax Exploration Company
P.O. Box 1446
W. Poleline Road
Roosevelt, Utah 84066

2.2. *A plat showing the area involved and identifying all wells, including all proposed injection wells, in the project area and within one-half mile radius of the project area;*

Answer: Reference Exhibit A.

2.3. *A full description of the particular operation for which approval is requested;*

Answer: A) To approved the conversion of a unit producing well to a unit injection well in the GILSONITE Unit.

B) To approve the installation of a 2" injection line from the main injection line to the #12-32 well. The line would be 2" coated steel line, buried to a depth of 5'; it would be 175' in length. This line would deliver water to be injected into the proposed injection well.

2.4. *A description of the pools from which the identified wells are producing or have produced;*

Answer: The proposed injection well is currently producing oil and gas from the Green River Formation, specifically the Douglas creek member, which has been previously unitized for injection.

2.5. *The names, description and depth of the pool or pools to be affected;*

Answer: The Green River Formation pool targeted for injection is the Douglas Creek Member w/ a Gamma Ray derived top in the #12-32 @ 4,730'.

The injection zones are a porous and permeable lenticular calcareous sandstone. The porosity of the sandstone is inter granular. The confining impermeable stratum directly above and below the injection zones are composed of tight, moderately calcareous lacustrine shales.

2.6. *A copy of a log of a representative well completed in the pool;*

Answer: Referenced log State #12-32 is currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.7. *A statement as to the type of fluid to be used for injection, its source and the estimated amounts to be injected daily;*

Answer: Approved water from our Gilsonite Unit Water Supply Line (Johnson Water)
Estimated Injection Rate: 200 - 300 BWIPD
Maximum Injection Rate: 1000 BWIPD

2.8. *A list of all operators or owners and surface owners within a one-half mile radius of the proposed project;*

Answer: Reference Exhibit A-1 & A-2.

2.9. *An affidavit certifying that said operators or owners and surface owners within a one-half mile radius have been provided a copy of the petition for injection;*

Answer: Reference Exhibit D.

2.10. *Any additional information the Board may determine is necessary to adequately review the petition.*

Answer: Lomax will supply any additional information requested by the Division.

4.0. *Establish recovery projects may be expanded and additional wells placed on injection only upon authority from the board after notice and hearing or by administrative approval.*

Answer: This proposed injection well is within the Gilsonite Unit and the request is for administrative approval.

**REQUIREMENTS FOR CLASS II INJECTION WELLS INCLUDING WATER DISPOSAL, STORAGE
AND ENHANCED RECOVERY WELLS
SECTION V - RULE 615-5-2**

- 1) Injection well shall be completed, equipped, operated, and maintained in a manner that will prevent pollution and damage to any USDW, or other resources and will confine injected fluids to the interval approved.
- 2) The application for an injection well shall include a properly completed Form DOGM-UIC-1 and the following:

2.1. *A plat showing the location of the injection well, all abandoned or active wells within a one-half mile radius of the proposed wells, and the surface owner and the operator of any lands or producing leases, respectively, within a one-half mile radius of the proposed injection well;*

Answer: Reference Exhibit A, A-1 & A-2.

2.2. *Copies of electrical or radioactive logs, including gamma ray logs, for the proposed well run prior to the installation of casing and indicating resistivity, spontaneous potential, caliper and porosity;*

Answer: Reference log currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.3. *A copy of a cement bond or comparable log run for the proposed injection well after casing was set and cemented;*

Answer: Reference log currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.4. *Copies of log already on file with the Division should be referenced, but need not to be refiled.*

Answer: Radioactive and cement bond logs currently on file with the Utah Division of Oil, Gas & Mining and Bureau of Land Management.

2.5. *A description of the casing or proposed casing program of the injection well and of the proposed method for testing the casing before use of the well;*

Answer: Reference Exhibit B - 1 and B - 2
A casing integrity test will be conducted upon conversion.

2.6. *A statement as to the type of fluid to be used for injection, its source and estimated amounts to be injected daily.*

Answer: Approved Water from our Gilsonite Unit Supply Line (Johnson Water)
Estimated Injection Rate: 200 - 300 BWIPD
Maximum Injection Rate: 1000 BWIPD

2.7. *Standard laboratory analysis of (1) the fluid to be injected, (2) the fluid in the formation into which the fluid is being injected, and (3) the compatibility of the fluids.*

Answer: Items (1) & (2) reference Exhibits C - 1 , C - 2 . Item (3) - as Exhibit C - 3 shows, the fluids are compatible.

2.8. *The proposed average and maximum injection pressures;*

Answer: Average Injection Pressure will be determined upon conversion by a Step Rate Test
Maximum Injection Pressure: 2000 psig - surface

2.9. *Evidence and data to support a finding that the proposed injection well will not initiate fractures through the overlying strata or a confining interval that could enable the injected fluid or formation fluid to enter the fresh water strata;*

Answer: The frac gradients for the field averages to be 0.84 psig/ft. The maximum injection pressures will be kept below this gradient. A step rate test will be performed periodically to insure we are below parting pressure.

2.10. *Appropriate geological data on the injection interval and confining beds, including the geologic name, lithologic description, thickness, depth, and lateral extent;*

Answer: The injection zone is the Douglas Creek Member of the Green River Formation. The Douglas Creek is composed of porous and permeable lenticular calcareous sandstones and low porosity carbonates and calcareous shales.

*****INJECTION ZONE*****

	<u>TOP</u>	<u>THICKNESS</u>
#12-32	4730'	1070'

The porous and permeable lenticular sandstones vary in thickness from 0' to 100' and are confined to the Gilsonite field by low porosity calcareous shales and carbonates.

The confining stratum directly above and below the injection zone is the Douglas Creek member of the Green River Formation. The strata confining the injection zone is composed of tight, moderately calcareous sandy lacustrine shales. All of the confining strata is impermeable and it will effectively seal off the oil, gas, and water of the injection zone from any strata directly above or below it. Maps and cross sections to the Gilsonite Unit are on file with the Division of Oil, Gas & Mining and Bureau of Land Management.

2.11. *A review of the mechanical condition of each well within a one-half mile radius of the proposed injection well to assure that no conduit exists that could enable fluids to migrate up or down the wellbore and enter improper intervals;*

Answer: Exhibits B-1 through B-8.

The injection system will be equipped with high and low pressure shut-down devices which will automatically shut-in injection waters if a system blockage or leakage occurs. One way check valves will also insure proper flow management. Relief valves will also be utilized for high pressure relief.

2.12. *An affidavit certifying that a copy of the application has been provided to all operators or owners, and surface owners within a one-half mile radius of the proposed injection well;*

Answer: Exhibit D.

2.13 *Any other additional information that the Board or Division may determine is necessary to adequately review the application.*

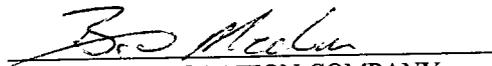
Answer: Lomax exploration will await review of this application and additional information will be submitted if required.

- 3) Applications for injection wells which are within a recovery project area will be considered for approval.
 - 3.1. Pursuant to Rule 615-5-1-3
 - 3.2. Subsequent to Board approval of a recovery project pursuant to Rule 615-5-1-3.
- 4) Approval of an injection well is subject to the requirements of Rule 615-5-4, if the proposed injection interval can be classified as an USDW.
- 5) In addition to the requirements of this section, the provisions of Rule 615-3-1, R615-3-4, R615-3-24, R615-3-32, R615-8-1 and R615-10 apply to all Class II injection wells.

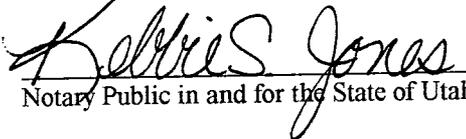
EXHIBIT D

RE: Application for Approval of Class II Injection Well
Gilsonite State #12-32

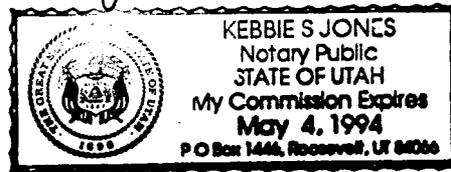
I certify that a copy of the application has been provided to all surface owners, graxing right owners and operators within a one-half mile radius of the proposed injection well.


LOMAX EXPLORATION COMPANY
By Brad Mecham, Regional Production Manager

Sworn to and subscribed before me the 3RD day of May 1994.


Notary Public in and for the State of Utah

Printed Name: Kebbie Jones
My Commission Expires: 5/4/94



**DIVISION OF OIL, GAS AND MINING
UNDERGROUND INJECTION CONTROL PROGRAM**

**PERMIT
DECISION DOCUMENT**

Applicant: Lomax Exploration Co. **Well:** Injection Well 12-32

Location: Gilsonite Unit, Duchesne County

Ownership Issues: The proposed well is located in section 32, township 8 south, range 17 east, Duchesne, County, Utah. The surface and minerals within a 1/2 mile of the well is owned by the federal government, and the State of Utah. Lomax has provided an affidavit stating that all interested parties have been notified of their intent to convert the well to injection.

Well Integrity: The well proposed for injection is the Gilsonite State 12-32. The well has an 8 5/8" surface casing at 289 feet and cemented to surface. A 5 1/2" longstring is set at 5785 feet and is cemented to 3840 feet and was verified by a cement bond log. The injection interval is from 4956-5468 feet (Green River Formation). A 2 7/8" tubing will be set in a packer at 4850 feet. This construction should adequately protect all USDW's. There are 6 producing wells and 1 plugged well in the 1/2 mile area of review. All wells in the AOR have sufficient cement behind the longstring and have adequate surface casing to prevent any migration of fluid up the hole. The plugged well has sufficient plugs to prevent migration of fluids to the surface. A casing test should be performed at the time of conversion and a casing/tubing pressure test should be performed prior to injection.

Ground Water Protection: The base of moderately saline water is at a depth of approximately 300 feet located in the Uinta Formation in the area of the project. Any shallow fresh water zones will be adequately protected by existing constructions of surrounding wells. A maximum injection pressure of 2000 psi (surface pressure) was requested. It was stated in the permit that the fracture gradient for the field averaged .85 psig/ft.. This data is contrary to information obtained from a step rate test performed on the 7-32 well. A step rate test was conducted in March of 1994 with both the C and LDC sands open. It appears that the formation fractured at a surface pressure of 1360 psig and a rate of 650 BPD. Predicated on the above information, a maximum surface pressure of 1360 psi and maximum rate of 650 BPD ^{would} ^{require} ~~will~~ be allowed until additional step rate testing shows otherwise. No corrective action is needed on any of the wells in the area of review.

Oil/Gas & Other Mineral Resources Protection: Approval to inject into this well raises serious questions regarding protection of correlative rights. When the Board approved the Gilsonite project there was testimony at the hearing which addressed the issue of a

lease line injection well (cause 229-1). The proposed lease line injector was the Gilsonite State 13-32 well. This well was granted approval to drill on July 26, 1993 and after review and proper noticing an approval was granted to convert the well to injection on August 19, 1993. A final permit for injection has not been issued pending additional information. It is the opinion of the staff that in the absence of a drilled and injecting lease line well, there is the possibility of moving state minerals into offset wells in Balcrons' federal unit. Additionally the federal 31-2 well operated by Wildrose Resources ^{is located} in the southeast corner of section 31 and is ^{within} the one half mile of review. This well is outside the boundary of both the Gilsonite project and the Jonah Unit. The 31-2 well is perforated and producing from a depth of 4900-5269 feet. This zone correlates with the proposed zone of injection and will receive the benefits of the flood. Additional problems arise from the fact that no wells have been drilled in the southeast ^{portion} corner of section 32.

Bonding: All the wells in the section are operated by Lomax and are covered by a state wide bond.

Actions Taken and Further Approvals Needed: Although the application for the 12-32 injection well is technically complete, it appears that because of the unresolved correlative rights issues the well can not be approved administratively.

DJJ
Reviewers

~~03-30-94~~ 6/14/94
Date



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

June 15, 1994

Brad Mecham, Regional Production Manager
Lomax Exploration Company
P.O. Box 1446
Roosevelt, Utah 84066

Re: Proposed Class II Injection Well, Gilsonite State #12-32, Sec. 32, T. 8 S., R. 17 E.,
Duchesne County, Utah

Dear Mr. Mecham:

The Division of Oil, Gas and Mining (the "Division") has received and reviewed your application to convert the referenced well to a Class II injection well. However the Division is unable to approve your request at this time because issues relating to correlative rights protection need to be resolved.

During the Board hearing regarding the Gilsonite Unit, Cause No. 229-1, there was considerable discussion concerning the need for a lease line injection well to be located in the southwest corner of Section 32. In fact, the record suggests that a lease line injection well would be contemplated subsequent to the initial injection well, the #7-32 State. The Division has issued both its approval to drill and its approval to convert for injection for such a well.

Additionally, the Division suggests that Lomax Exploration consider drilling a possible production well in the SESW and/or the SWSE of Section 32. These actions would contribute to preventing drainage of oil and gas resources across lease and unit boundaries. The correlative rights issue must be addressed prior to initiating injection into any well in the south half of Section 32.

Please feel free to contact the Division to discuss this matter further.

Sincerely,

Gil Hunt
UIC Program Manager

ldc

cc: R.J. Firth
Bureau of Land Management, Vernal District Office

WOI7

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
D	9004	11486	43-013-30713	STATE 9-32	NESE	32	8S	17E	DUCHESNE	11-30-82	5-1-93
WELL 1 COMMENTS: *GILSONITE UNIT EFF 4-12-93, PER OPERATOR REQUEST MAKE ENTITY EFFECTIVE 5-1-93.											
D	9006	11486	43-013-30748	STATE 6-32	SENE	32	8S	17E	DUCHESNE	6-19-83	5-1-93
WELL 2 COMMENTS:											
D	9007	11486	43-013-30787	GILSONITE ST 12-32	NWSW	32	8S	17E	DUCHESNE	11-2-83	5-1-93
WELL 3 COMMENTS:											
D	9008	11486	43-013-30800	STATE 4-32	NWNW	32	8S	17E	DUCHESNE	10-7-83	5-1-93
WELL 4 COMMENTS:											
D	9009	11486	43-013-30714	STATE 5-32	SWNW	32	8S	17E	DUCHESNE	12-12-82	5-1-93
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

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

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

(3/89)

L. CORDOVA (DOGM)
Signature
ADMIN. ANALYST
Title
6-16-93
Date
Phone No. ()

Lomax Exploration Company

P.O. Box 1446
Roosevelt, Utah 84066
(801) 722-5103
FAX (801) 722-9149



State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

June 24, 1993

RECEIVED

JUN 30 1993

DIVISION OF
OIL, GAS & MINING

Gilsonite State #12-32
NW/SW Sec 32, T8S, R17E
Gilsonite Waterflood Unit
Duchesne County, Utah

Gentlemen:

Please find enclosed the "Sundry Notices and Reports on Wells" report of the recompletion in the LDC sand for the above referenced location.

If you should have any questions, please don't hesitate to call me in the Roosevelt office at 801-722-5103.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Mecham". The signature is written in a cursive, flowing style.

Brad Mecham
Regional Production Manager

/ln

Enclosure

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

3. LEASE DESIGNATION AND SERIAL NO.
ML 22060

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Gilsonite Unit

8. FARM OR LEASE NAME
Gilsonite State

9. WELL NO.
#12-32

10. FIELD AND POOL, OR WILDCAT
Monument Butte

11. SEC., T., R. M., OR BLK. AND SURVEY OR AREA
Section 32, T8S, R17E

12. COUNTY OR PARISH
Duchesne

13. STATE
Utah

SUNDRY NOTICES AND REPORTS

RECEIVED JUN 30 1993

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
LOMAX EXPLORATION COMPANY

3. ADDRESS OF OPERATOR
P.O. Box 1446, Roosevelt, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also page 17 below.)
At surface
767' FWL 1891' FSL NW/SW

5. PERMIT NO.
43-013-30787

6. ELEVATIONS (Show whether of. rt. or. etc.)
5250' GR

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. 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.)

6/7/93
Lomax Exploration Company reports recompleting the #12-32 in the LDC sand as follows:

- 1) MI&RU B&B Well Service. RIH w/4" perf gun, perforate 5365-77, 5454-68 w/4 SPF. RIH w/PKR & RBP. Set RBP @ 5520', PKR @ 5387'. RU Halliburton, breakdown perfs w/ball sealers. RU to swab.
- 2) Release PKR. Flush tbg w/paraffin solvent & hot KCL water. Reset PKR @ 5387'. RU swab equipment. Make 9 swab runs - recover 28.39 bbls water. Swab dry. Reset RBP @ 5427', PKR @ 5322'.
- 3) RU Halliburton, breakdown perfs w/2% KCL & ball sealers. POOH, LD BP & ball catcher. RIH, set PKR @ 5322' & frac using 23,315 gals gelled fluid, 21,100# 20/40 sd, 41,100# 16/30 sand. ATP = 3420# @ 17.5 BPM. Swab test. Release RBP & PKR.
- 4) Put well back on production on 10/14/93.

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

SIGNED Brad Mechem TITLE Regional Production Mgr. DATE 6/24/93

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Lomax Exploration Company

P.O. Box 1446
Roosevelt, Utah 84066
(801) 722-5103
FAX (801) 722-9149

RECEIVED

JUL 22 1993

DIVISION OF
OIL, GAS & MINING

July 19, 1993



State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
Attention: Ed Forsman

RE: Gilsonite State #12-32
NW/SW Section 32, T8S, R17E
Gilsonite Unit
Duchesne County, Utah

Gentlemen:

Please find enclosed the completed "Well Completion Report" for the workover on the above referenced location.

If you have any questions, please don't hesitate to call me in the Roosevelt office at 801-722-5103.

Sincerely,

A handwritten signature in cursive script that reads "Lucy Nemec".

Lucy Nemec
Engineering Secretary

/ln
GOVTSTCOMP.LTR

Enclosure

(See other instructions on reverse side)

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

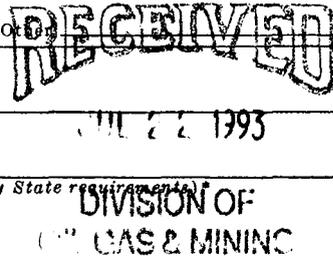
1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

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

2. NAME OF OPERATOR
Lomax Exploration Company

3. ADDRESS OF OPERATOR
P.O. Box 1446, Roosevelt, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 767' FWL 1891' FSL NW/SW
At top prod. interval reported below
At total depth



14. PERMIT NO. 43-013-30787 DATE ISSUED 7/12/83

5. LEASE DESIGNATION AND SERIAL NO.
ML 22060

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Gilsonite Unit

8. FARM OR LEASE NAME
Gilsonite State

9. WELL NO.
#12-32

10. FIELD AND POOL, OR WILDCAT
Monument Butte

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Section 32, T8S, R17E

12. COUNTY OR PARISH Duchesne 13. STATE Utah

15. DATE SPUDED 11/2/83 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5250' GR 19. ELEV. CASINGHEAD 5250'

20. TOTAL DEPTH, MD & TVD 5800' 21. PLUG, BACK T.D., MD & TVD 5739' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Green River 5365-77, 5454-68 25. WAS DIRECTIONAL SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORED

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

4" gun, 4 SPF	5365-77 48 shots	5454-68 56 shots
---------------	------------------	------------------

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5365-5468	23,315 gals gelled fluid, 21,100# 20/40 sand; 41,100# 16/30 sand

33.* PRODUCTION

DATE FIRST PRODUCTION 6/20/93	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pumping	WELL STATUS (Producing or shut-in) Producing					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
	24			30	72	29	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) sold & used for fuel TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Brad Mechem TITLE Regional Production Mgr DATE 6/25/93

*(See Instructions and Spaces for Additional Data on Reverse Side)

Lomax Exploration Company

P.O. Box 1446
Roosevelt, Utah 84066
(801) 722-5103
FAX (801) 722-9149

July 19, 1994



State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Three Triad Center - Suite #350
Salt Lake City, Utah 84180-1203

JUL 21 1994

RE: Gilsonite State #12-32
NW/SW Sec. 32, T8S, R17E
Duchesne, CO., Utah
Injection Conversion Application

Dear Dan:

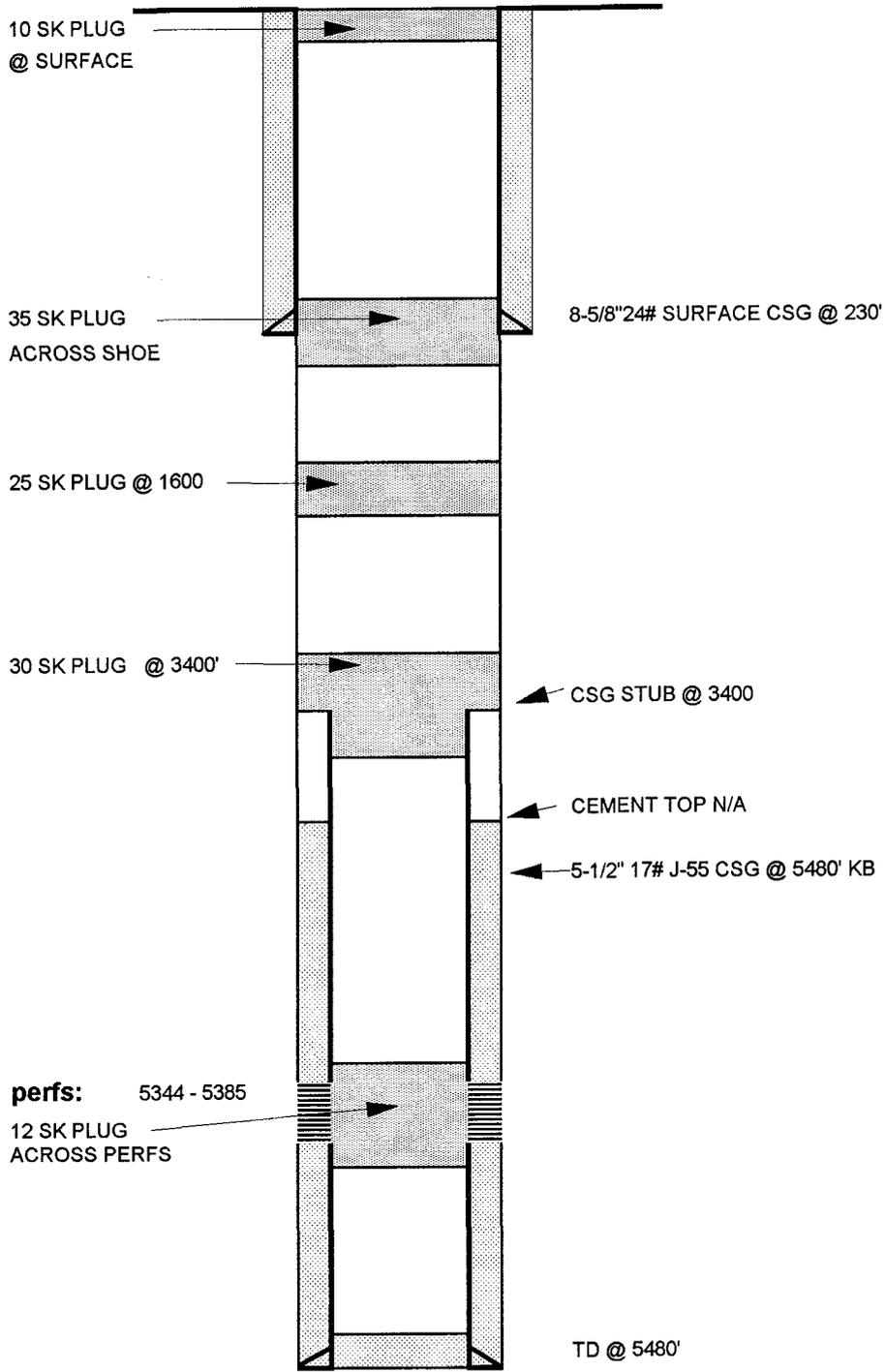
Please find enclosed the information you requested on the Government #31-1.
If you have any questions or need further information, please don't hesitate to call me.

Sincerely,

A handwritten signature in cursive script that reads "Brad Mecham".

Brad Mecham
Regional Production Manager

GOVERNMENT #31-1
NW/SE SECTION 31, T8S, R17E
DUCHESNE COUNTY, UTAH
(1980' FSL 1980' FEL)



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

---ooOoo---

IN THE MATTER OF THE APPLICATION : NOTICE OF AGENCY ACTION
OF LOMAX EXPLORATION COMPANY FOR :
ADMINISTRATIVE APPROVAL OF THE : CAUSE NO. UIC-154
GILSONITE 12-32 WELL LOCATED IN :
SECTION 32, TOWNSHIP 8 SOUTH :
RANGE 17 EAST, S.L.M., DUCHESNE :
COUNTY, UTAH, AS A CLASS II :
INJECTION WELL :

---ooOoo---

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of Lomax Exploration Company for administrative approval of the Gilsonite 12-32 Well, located in Section 32, Township 8 South, Range 17 East, Duchesne County, Utah, for conversion to a Class II injection well. The proceeding will be conducted in accordance with Utah Admin. R.649-10, Administrative Procedures.

The well will be selectively perforated from 4956' to 5468' in the Green River formation. The applicant has requested a maximum injection pressure of 2000 psig which will be confirmed by conducting a step-rate pressure test following the completion of the well. The requested injection volume is approximately 1000 bwpd.

Any person desiring to object to the application or otherwise intervene in the proceeding, must file a written protest or notice of intervention with the Division within fifteen days of the date of publication of this notice. If such a protest or notice of intervention is received, a hearing will be scheduled before the Board of Oil, Gas and Mining. Protestants and/or intervenors should be prepared to demonstrate at the hearing how this matter affects their interests.

DATED this 20th day of September 1994.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



R.J. Firth
Associate Director, Oil and Gas

Dan,
copy for file



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 20, 1994

Uintah Basin Standard
268 South 200 East
Roosevelt, Utah 84066

Gentlemen:

Re: Notice of Agency Action - Cause No. UIC-154

Enclosed is a copy of the referenced Notice of Agency Action. Please publish the Notice, once only, as soon as possible. Please send proof of publication and billing to the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

A handwritten signature in cursive script that reads "Lisha Cordova".

Lisha Cordova
Administrative Analyst

Enclosure





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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 20, 1994

Newspaper Agency Corporation
Legal Advertising
157 Regent Street
Salt Lake City, Utah 84110

Gentlemen:

Re: Notice of Agency Action - Cause No. UIC-154

Enclosed is a copy of the referenced Notice of Agency Action. Please publish the Notice, once only, as soon as possible. Please send proof of publication and billing to the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

A handwritten signature in cursive script that reads "Lisha Cordova".

Lisha Cordova
Administrative Analyst

Enclosure



**Lomax Exploration Company
Gilsonite 12-32 Well
Cause No. UIC-154**

Publication Notices were sent to the following:

Newspaper Agency Corporation
Legal Advertising
157 Regent Street
Salt Lake City, Utah 84110

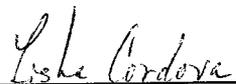
Uintah Basin Standard
268 South 200 East
Roosevelt, Utah 84066

Lomax Exploration Company
P. O. Box 1446
Roosevelt, Utah 84066

Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078

Tom Pike
U.S. Environmental Protection Agency
Region VIII
999 18th Street
Denver, Colorado 80202-2466

Ed Bonner
Trust Land Administration
3 Triad Center, Suite 400
Salt Lake City, Utah 84180-1204



Lisha Cordova
Administrative Analyst
September 20, 1994

Lomax Exploration Company

P.O. Box 1446
Roosevelt, Utah 84066
(801) 722-5103
FAX (801) 722-9149



September 20, 1994

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
Attn: Dan Jarvis

SEP 22 1994

RE: Gilsonite State #12-32
NW/SW Sec. 32, T8S, R17E
Duchesne County, Utah

Dear Dan,

This letter is to inform you that Lomax Exploration has drilled the Gilsonite State #13-32 lease line, injection well.

The targeted water injection zones were present, and Lomax is currently completing this well as a water injection well.

Due to the fact that corelative rights will be protected by injecting into the Gilsonite State #13-32. Lomax is requesting that the State reconsider the "Water Injection Application" into the Gilsonite State #12-32 well.

If you need more information concerning this matter, please call me at our Roosevelt office, (801) 722-5103.

Sincerely,

A handwritten signature in cursive script that reads "Brad Mecham".

Brad Mecham
Regional Production Manager

/cc

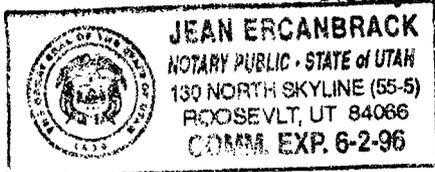
AFFIDAVIT OF PUBLICATION

County of Duchesne,
STATE OF UTAH

I, Craig L. Ashby on oath, say that I am the PUBLISHER of the Uintah Basin Standard, a weekly newspaper of general circulation, published at Roosevelt, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 1 consecutive issues, and that the first publication was on the 4 day of Oct, 1994, and that the last publication of such notice was in the issue of such newspaper dated the 4 day of Oct, 1994.

[Handwritten Signature]
Subscribed and sworn to before me this 6 day of Oct, 1994
[Handwritten Signature]

Notary Public



NOTICE OF AGENCY ACTION CAUSE NO. UIC-154

IN THE MATTER OF THE APPLICATION OF LOMAX EXPLORATION COMPANY FOR ADMINISTRATIVE APPROVAL OF THE GILSONITE 12-32 WELL LOCATED IN SECTION 32, TOWNSHIP 8 SOUTH RANGE 17 EAST, S.L.M., DUCHESNE COUNTY, UTAH, AS A CLASS II INJECTION WELL
THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of Lomax Exploration Company for administrative approval of the Gilsonite 12-32 Well, located in Section 32, Township 8 South, Range 17 East, Duchesne County, Utah, for conversion to a Class II injection well. The proceeding will be conducted in accordance with Utah Admin. R. 649-10, Administrative Procedures.

The well will be selectively perforated from 4956' to 5468' in the Green River formation. The applicant has requested a maximum injection pressure of 2000 psig which will be confirmed by conducting a step-rate pressure test following the completion of the well. The requested injection volume is approximately 1000 bwpd.

Any person desiring to

object to the application or otherwise intervene in the proceeding, must file a written protest or notice of intervention with the Division within fifteen days of the date of publication of this notice. If such a protest or notice of intervention is received, a hearing will be scheduled before the Board of Oil, Gas and Mining. Protestants and/or intervenors should be prepared to demonstrate at the hearing how this matter affects their interests.

DATED this 20th day of September 1994.
STATE OF UTAH DIVISION OF OIL, GAS AND MINING, R.J. Firth, Associate Director, Oil and Gas
Published in the Uintah Basin Standard October 4, 1994

[Handwritten Stamp]

143 SOUTH MAIN ST.
P.O. BOX 45838
SALT LAKE CITY, UTAH 84145
FED. TAX I.D. # 87-0217663

Newspaper Agency Corporation
The Salt Lake Tribune  DESERET NEWS

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LEGAL ADVERTISING INVOICE

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	BILLING DATE
DIV OF OIL, GAS & MINING 355 WEST NORTH TEMPLE 3 TRIAD CENTER #350 SLC, UT 84180	LE-5385340	09/29/94
FOR BILLING INFORMATION CALL (801) 237-2822		

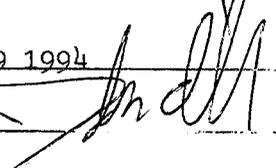
AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY CORPORATION LEGAL BOOKKEEPER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF NOTICE OF AGENCY ACTION CAUSE NO. UIC-154 BEFOR FOR DIV OF OIL, GAS & MINING WAS PUBLISHED BY THE NEWSPAPER AGENCY CORPORATION, AGENT FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH.

NOTICE OF AGENCY ACTION
CAUSE NO. UIC-154
BEFORE THE DIVISION OF OIL,
GAS AND MINING
DEPARTMENT OF NATURAL
RESOURCES, STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF LOMAX EXPLORATION COMPANY FOR ADMINISTRATIVE APPROVAL OF THE GILSONITE 12-32 WELL LOCATED IN SECTION 32, TOWNSHIP 8 NORTH, RANGE 17 EAST, S.L.M., DUCHESNE COUNTY UTAH, AS A CLASS II INJECTION WELL.

PUBLISHED ON SEP 29 1994

SIGNATURE 

DATE 09/29/94

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of Lomax Exploration Company for administrative approval of the Gilsonite at 12-32 Well, located in Section 32, Township 8 South, Range 17 East, Duchesne County, Utah, for conversion to a Class II injection well. The proceeding will be conducted in accordance with Utah Admin. R.649-10, Administrative Procedures.

The well will be selectively perforated from 4956' to 5468' in the Green River formation. The applicant has requested a maximum injection pressure of 2000 psig which will be confirmed by conducting a separate pressure test following the completion of the well. The requested injection volume is approximately 1000 bwpd.

Any person desiring to object to the application or otherwise intervene in the proceeding, must file a written protest or notice of intervention with the Division within fifteen days following publication of this notice. If such a protest or notice of intervention with the Division within fifteen days of the date of publication of this notice. If such a protest or notice of intervention is received, a hearing will be scheduled before the Board of Oil, Gas and Mining. Protestants and/or intervenors should be prepared to demonstrate at the hearing how this matter affects their interests.

DATED this 20th day of September, 1994.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
/s/ R.J. Firth
Associate Director, Oil & Gas
9Q820020

ACCOUNT NAME		TELEPHONE
DIV OF OIL, GAS & MINING		801-538-5340
SCHEDULE		AD NUMBER
SEP 29 1994		9Q820020
POST. REF. NO.	CAPTION	MISC. CHARGES
E #UIC-154	NOTICE OF AGENCY ACTION CAUSE NO. UIC-154 BEFOR	.00
SIZE	TIMES	RATE
8 LINES 1 COLUMN	1	1.64
AND PAYABLE ON RECEIPT OF THIS INVOICE		TOTAL AMOUNT DUE
		127.92

THANK YOU FOR USING LEGAL ADVERTISING.

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT IN THE ENCLOSED ENVELOPE **LEGAL ADVERTISING** ADV06-NT

ACCOUNT NUMBER	AD NUMBER	BILLING DATE	PAY THIS AMOUNT
LE-5385340	9Q820020	09/29/94	127.92

LEGAL ADVERTISING

PLEASE REMIT TO:

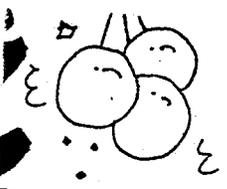
NEWSPAPER AGENCY CORPORATION
P.O. BOX 45838
SALT LAKE CITY, UTAH 84145-0838

MAKE CHECKS PAYABLE TO: NEWSPAPER AGENCY CORPORATION

DIV OF OIL, GAS & MINING
355 WEST NORTH TEMPLE
3 TRIAD CENTER #350
SLC, UT 84180

copy

PLEASE REMIT



143 SOUTH MAIN ST.
P.O. BOX 45838
SALT LAKE CITY, UTAH 84145
D. TAX I.D. # 87-0217663

Newspaper Agency Corporation
The Salt Lake Tribune (NA) DESERET NEWS

Gil
Fax CUSTOMER'S
COPY

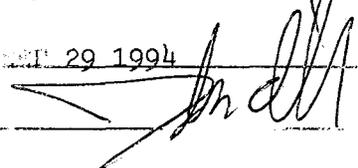
LEGAL ADVERTISING INVOICE

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	BILLING DATE
DIV OF OIL, GAS & MINING 355 WEST NORTH TEMPLE 3 TRIAD CENTER #350 SLC, UT 841	LE-5385340	09/29/94
FOR BILLING INFORMATION CALL (801) 237-2822		

AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY CORPORATION LEGAL BOOKKEEPER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF NOTICE OF AGENCY ACTION CAUSE NO. UIC-154BEFOR FOR DIV OF OIL, GAS & MINING WAS PUBLISHED BY THE NEWSPAPER AGENCY CORPORATION, AGENT FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH.

PUBLISHED ON SEP 29 1994

SIGNATURE 

DATE 09/29/94

ACCOUNT NAME		TELEPHONE	
DIV OF OIL, GAS & MINING		801-538-5340	
SCHEDULE		AD NUMBER	
SEP 29 1994		9Q820020	
CUST. REF. NO.	CAPTION	MISC. CHARGES	
CAUSE #UIC-154	NOTICE OF AGENCY ACTION CAUSE NO. UIC-154BEFOR	.00	
SIZE	TIMES	RATE	AD CHARGE
78 LINES 1 COLUMN	1	1.64	127.92
DUE AND PAYABLE ON RECEIPT OF THIS INVOICE		TOTAL AMOUNT DUE	127.92

THANK YOU FOR USING LEGAL ADVERTISING.

PLEASE RETURN THIS PORTION **LEGAL ADVERTISING** ADV06-NT
WITH YOUR PAYMENT IN THE ENCLOSED ENVELOPE

ACCOUNT NUMBER	AD NUMBER	BILLING DATE	PAY THIS AMOUNT
LE-5385340	9Q820020	09/29/94	127.92

LEGAL ADVERTISING

MAKE CHECKS PAYABLE TO:
NEWSPAPER AGENCY CORPORATION

PLEASE REMIT TO:
NEWSPAPER AGENCY CORPORATION
P.O. BOX 45838
SALT LAKE CITY, UTAH 84145-0838

DIV OF OIL, GAS & MINING
355 WEST NORTH TEMPLE
3 TRIAD CENTER #350
SLC, UT 84180

COPY

07 7121706200206 000127921 000127921 000127921

PLEASE REMOVE THIS STUB

93 FORD Ranger Super Cab. \$17,500. 212-7490. cab, 460, oil, tow pkg., auto. 93 FORD F250, heavy duty, XLT, ext. 3751 W. 3500 SO. 966-3331. West Valley Used Car Center, auto. 1000. 93 FORD F-150 XLT Super Cab, oil, TRUCKLAND 488-1700. 94 FORD 2WD V8, auto., oil, 3751 W. 3500 SO. 966-3331. LHM West Valley Used Car Center, 1000. 94 FORD Ranger XLT, 5 spd., oil, Timothy Ford, 537-7000. 94 FORD F-150, Dealership under new ownership. All inventory must be sold. No reasonable offer. 94 FORD 318 V8, oil, cass., excellent cond. \$2,500/offer. Mark, 295-7239. 72 DODGE 1/2 ton truck, 77,000 org. miles. 318 V8, oil, cass., excellent cond. \$2,500/offer. Mark, 295-7239. 79 DODGE 1/2 ton, 4x4, short bed. Call 964-1814. 85 DODGE RAM 250, 360, auto, oil. Mini condition 467-1272. 84,400/best offer. 457-6944 msg. 88 DODGE Ram 50, low ml, excel. cond. 55,500. Call 973-7278. 90 DODGE 150 RAM V8, auto, oil, wheels, stereo, many extras. A-1. 7th So. & Main 364-1991

PONTIAC MAZDA



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

UNDERGROUND INJECTION CONTROL PERMIT

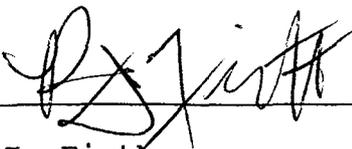
Cause No. UIC-154

Operator: Lomax Exploration Company
Well: Gilsonite State 12-32
Location: Section 32 Township 8 South, Range 17 East,
Duchesne County
API No.: 43-013-30787
Well Type: Enhanced Recovery (waterflood)

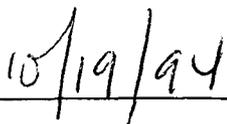
Stipulations of Permit Approval

1. Approval for conversion to Injection Well issued on October 19, 1994.
2. Maximum Allowable Injection Pressure: 1360 psig
3. Maximum Allowable Injection Rate: 650 barrels of water per day
4. Injection Interval: 4956 feet to 5468 feet (Green River Formation)

Approved by:



R.J. Firth
Associate Director, Oil and Gas



Date



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

October 19, 1994

Lomax Exploration Company
P.O. Box 1446
Roosevelt, Utah 84066

Re: Gilsonite State 12-32 Well, Section 32, Township 8 South, Range 17 East,
Duchesne County, Utah

Gentlemen:

Pursuant to Utah Admin. Code R649-5-3-3, the Division of Oil, Gas and Mining (the "Division") issues its administrative approval for conversion of the referenced well to a Class II injection well. Accordingly, the following stipulations shall apply for full compliance with this approval:

1. Compliance with all applicable requirements for the operation, maintenance and reporting for Underground Injection Control ("UIC") Class II injection wells pursuant to Utah Admin. Code R649-1 et seq.
2. Conformance with all conditions and requirements of the complete application submitted by Lomax Exploration Company.

Enclosed with this letter is the Underground Injection Control Permit for this well. If you have any questions regarding this approval or the necessary requirements, please contact Dan Jarvis at this office.

Sincerely,

A handwritten signature in black ink, appearing to read "R.J. Firth".
R.J. Firth
Associate Director

cc: Dan Jackson, Environmental Protection Agency
Bureau of Land Management, Vernal



Lomax Exploration Company

P.O. Box 1446
Roosevelt, Utah 84066
(801) 722-5103
FAX (801) 722-9149

November 3, 1994



*State of Utah
Division of Oil, Gas & Mining
ATTN: Mike Hebertson
355 West North Temple
Three Triad Center - Suite 350
Salt Lake City, Utah 84180-1203*

*RE: Gilsonite State # 12-32
NW/SW Sec 32, T8S, R17E
Duchesne County, Utah*

Dear Mr. Hebertson,

Please find enclosed the "Sundry Notice" for Conversion to Injection, and for the Casing Integrity test, for the above referenced well.

If you have any questions, please do not hesitate to contact me at the Roosevelt office, (801) 722-5103.

Sincerely,

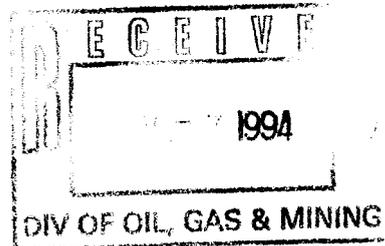
A handwritten signature in cursive script that reads "Brad Mecham".

Brad Mecham

Regional Production Manager

bm/cc

Enclosures



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: Water Injector	5. Lease Designation and Serial Number: ML-22060
2. Name of Operator: LOMAX EXPLORATION COMPANY	6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: P.O. BOX 1446, Roosevelt, Utah 84066	7. Unit Agreement Name: Gilsonite Unit
4. Location of Well Footages: 767' FWL 1891' FSL NW/SW QQ, Sec., T., R., M.: Sec. 30, 8S, 17E	8. Well Name and Number: Gilsonite State 9. API Well Number: #12-32 43-013-30787
	10. Field and Pool, or Wildcat: Monument Butte County: Duchesne State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)																										
<table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table>	<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____		<table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input checked="" type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td colspan="2"><input checked="" type="checkbox"/> Other <u>Casing Integrity Test</u></td> </tr> </table>	<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize	<input checked="" type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>Casing Integrity Test</u>	
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<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off																										
<input checked="" type="checkbox"/> Other <u>Casing Integrity Test</u>																											
Approximate date work will start _____	Date of work completion _____ Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.																										

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

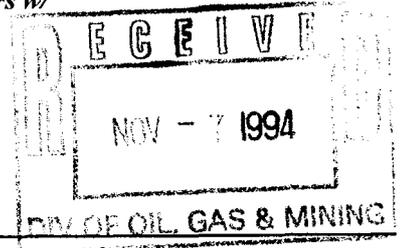
Lomax Exploration Company reports that on 10/28/94 @ 12:00 PM, the above referenced well was converted to injection:

10/19/94: Fill tbg & press test to 3000#, EOT @ 4850'

10/20/94: Set Arrow 1 pkr @ 4840', breaking collars & doping both ends of collars w/ Teflon dope.

10/21/94: Conduct csg integrity test

10/28/94: On injection @ 12:00 PM



13. Name & Signature: Brad Mecham Brad Mecham Title: Operations Manager Date: 11/3/94

(This space for State use only)

LOMAX EXPLORATION COMPANY

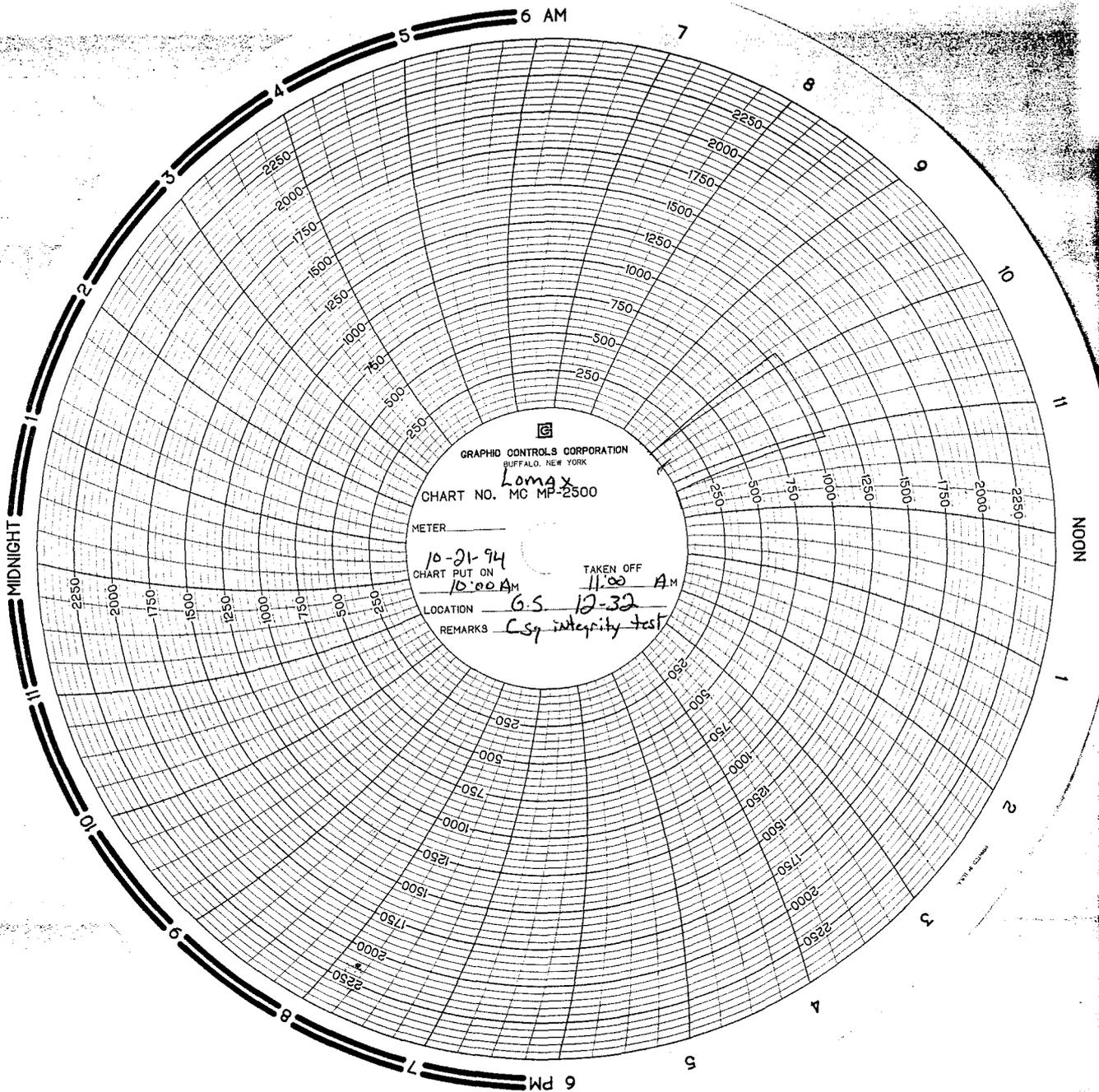
**GILSONITE STATE #12-32
NW/SW SEC. 32, T8S, R17E
DUCHESNE CO., UTAH**

**CASING INTEGRITY TEST
OCTOBER 21, 1994**

<u>TIME</u>	<u>TEST</u>
0 MIN	1060# PSIG
5 MIN	1060#
10 MIN	1060#
15 MIN	1060#
20 MIN	1060#
25 MIN	1060#
30 MIN	1060#
35 MIN	1060#
40 MIN	1060#
45 MIN	1060#
50 MIN	1060#
55 MIN	1060#
60 MIN	1060#

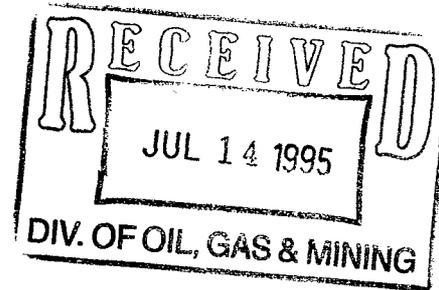
TUBING PRESSURE WAS 0#

TEST CONDUCTED BY - JODY LIDDELL W/ LOMAX EXPLORATION



Lomax Exploration Company

A subsidiary of Inland Resources Inc.



Announcing
Our Name Change

From

Lomax Exploration Company

To

**Inland Production
Company**

** N 5160 assigned 7/26/95. Lee*

Field And Corporate Office Locations Remain The Same:

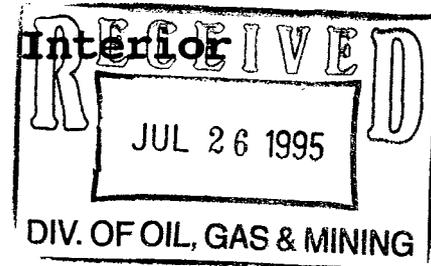
Corporate Office:
Inland Resources Inc.
475 Seventeenth Street, Suite 1500
Denver, CO 80202

Field Office:
W. Pole Line Road
P.O. Box 1446
Roosevelt, Utah 84066

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



JUL 25 1995

IN REPLY REFER TO:
3100
SL-065914 et al
(UT-923)

NOTICE

Inland Production Company : Oil and Gas Leases
475 Seventeenth St., Ste. 1500 : SL-065914 et al
Denver, Colorado 80202 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the change of name of Lomax Exploration Company to Inland Production Company on Federal oil and gas leases.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. We are notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the name change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

For our purposes, the name change is recognized effective June 29, 1995 (Secretary of State's approval date).

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Lomax Exploration Company to Inland Production Company on Bond No. 4488944 (BLM Bond No. UT0056). You may accomplish this name change either by consent of the surety on the original bond or by a rider to the original bond. Otherwise, a replacement bond with the new name should be furnished to this office. BLM Bond Nos. MT0771 and WY0821 should also be changed for the bonds held by Montana and Wyoming respectively.

/s/ ROBERT LOPEZ

Chief, Branch of Mineral
Leasing Adjudication

Enclosure
1-Exhibit (1 p)

cc: Hartford Accident & Indemnity Co.
Hartford Plaza
Hartford, CT 06115

bc: Moab District Office
Vernal District Office
Montana State Office
Wyoming State Office
Eastern States Office
MMS--Data Management Division, MS 3113, P.O. Box 5860, Denver, CO 80217
State of Utah, Attn: Lisha Cordova, Division of Oil, Gas & Mining,
355 West North Temple, 3 Triad Center, Suite 350, SLC, UT 84180
Teresa Thompson (UT-922)
Dianne Wright (UT-923)

EXHIBIT

SL-065914	U-36846	UTU-66185
SL-071572A	U-38428	UTU-67170
U-02458	U-45431	UTU-68548
U-15855	U-47171	UTU-69060
U-16535	U-50376	UTU-69061
U-26026	U-62848	UTU-72103
U-34173	UTU-65965	UTU-72104
U-36442	UTU-66184	UTU-73088

FAX COVER SHEET



475 17th Street, Suite 1500
Denver, CO 80202
303-292-0900, Fax #303-296-4070

DATE: August 8, 1995
TO: Lisha Cordova
COMPANY: State of Utah - Division of Oil, Gas and Mining
FAX NUMBER: 801 359 3940
FROM: Chris A Potter

NUMBER OF PAGES: 1 (INCLUDING COVER SHEET):

RE: Transfer of Authority to Inject
Lomax Exploration Company to Inland Production Company

I hope the info I sent to you August 1st was acceptable regarding our name change and your phone call to me last week.....

If there is anything missing or you need additional info, please let me know. I am located in our Denver office.....

Lomax Exploration Company

A subsidiary of Inland Resources Inc.



July 13, 1995

State of Utah Department of Natural Resources
Attention: Ms Becky Pritchett
355 W. North Temple
3 Triad Center, Suite 400
Salt Lake City, Utah 84180-1204

RE: **Corporate Name Change**

Dear Sir or Madame:

Effective July 1, 1995, Lomax Exploration Company will have taken the steps necessary to change its name to **Inland Production Company**. A Certificate issued by the Texas Secretary of State evidencing the name change is attached for your files. We have also attached to this letter those Utah State leases (Exhibit "B") and wells (Exhibit "A") affected by this name change. We have attempted to provide a complete list from the records we have. The intent is to include all leases and wells that Lomax Exploration Company operates or has an interest in.

Riders changing the Principal from Lomax Exploration Company to Inland Production Company under Nationwide Oil and Gas Bond # 4488944 for Lomax Exploration Company will be furnished to the State of Utah in the very near future.

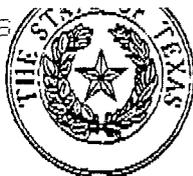
Please amend your records by substituting Inland Production Company in place of Lomax Exploration Company on the leases and wells listed on the attached exhibits. In the future we will begin submitting notices and permits for new operations after July 1, 1995 in the name of Inland Production Company.

Should a fee be required or should you need further information or documents relating to our name change please contact the undersigned at your convenience at the following number: (303) 292-0900 or Cheryl Cameron at our Roosevelt, Utah office (801) 722-5103.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Chris A. Potter".

Chris A Potter, CPL
Manager of Land



The State of Texas

Secretary of State
JUNE 30, 1995

MIKE PARSONS...GLAST, PHILLIPS & MURRAY
2200 ONE GALLERIA TWR, 13355 NOEL RD, LB48
DALLAS ,TX 75240-6657

RE:
INLAND PRODUCTION COMPANY
CHARTER NUMBER 00415304-00

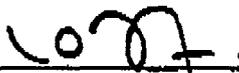
IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD YOUR ARTICLES OF AMENDMENT. A COPY OF THE INSTRUMENT FILED IN THIS OFFICE IS ATTACHED FOR YOUR RECORDS.

THIS LETTER WILL ACKNOWLEDGE PAYMENT OF THE FILING FEE.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.

VERY TRULY YOURS,




Antonio O. Garza, Jr., Secretary of State



The State of Texas

Secretary of State

CERTIFICATE OF AMENDMENT

FOR

INLAND PRODUCTION COMPANY

FORMERLY

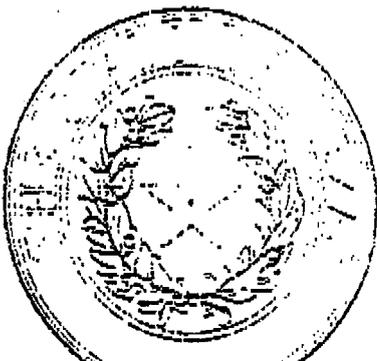
LOMAX EXPLORATION COMPANY
CHARTER NUMBER 00415304

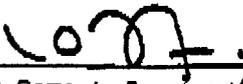
THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF AMENDMENT FOR THE ABOVE
NAMED ENTITY HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO
CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF AMENDMENT.

DATED JUNE 29, 1995

EFFECTIVE JUNE 29, 1995




Antonio O. Garza, Jr., Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
LOMAX EXPLORATION COMPANY

FILED
In the Office of the
Secretary of State of Texas

JUN 29 1995

Corporations Section

Pursuant to the provisions of Part Four of the Texas Business Corporation Act, the undersigned corporation adopts the following articles of amendment to its Articles of Incorporation:

1. **Name.** The name of the corporation is LOMAX EXPLORATION COMPANY.
2. **Statement of Amendment.** The amendment alters or changes Article One of the original Articles of Incorporation to read in full as follows:

"Article One. The name of the corporation is INLAND PRODUCTION COMPANY."

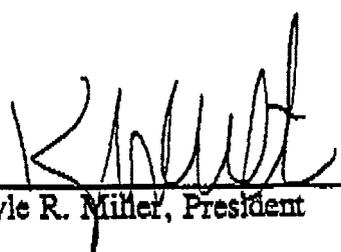
3. **Shareholders.** The number of shares of the corporation outstanding at the time of such adoption was 205,315, there being 107,546 Common Shares and 97,769 Non-voting Preferred Shares; and the number of shares entitled to vote thereon was 107,546.

4. **Adoption by Shareholders.** Only the holders of Common Shares of the corporation are entitled to vote on the amendment. The shareholders adopted the foregoing amendment by unanimous written consent dated June 23, 1995, pursuant to the provisions of Article 9.10 of the Texas Business Corporation Act and, therefore, no notice was required to be delivered under said Article 9.10.

5. **Adoption by Board of Directors.** The Board of Directors adopted said amendment by a consent in writing signed by all Directors.

6. **Future Effective Date.** This amendment will become effective on July 1, 1995, at 12:01 a.m.

EXECUTED June 26, 1995.



Kyle R. Miller, President

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

TRANSFER OF AUTHORITY TO INJECT - UIC FORM 5

Well name and number: _____
 Field or Unit name: GILSONITE UNIT API no. _____
 Well location: QQ _____ section _____ township 8S range 17E county Duchesne
 Effective Date of Transfer: June 29, 1995

CURRENT OPERATOR

Transfer approved by:

Name Chris A Potter Company Lomax Exploration Company
 Signature *Chris A Potter* Address 475 17th Street, Ste 1500
 Title Attorney-in-Fact Denver, Colorado 80202
 Date August 1, 1995 Phone (303) 292-0900
 Comments: _____

NEW OPERATOR

Transfer approved by:

Name Chris A Potter Company Inland Production Company
 Signature *Chris A Potter* Address 475 17th Street, Ste 1500
 Title Attorney-in-Fact Denver, Colorado 80202
 Date August 1, 1995 Phone (303) 292-0900
 Comments: _____

(State use only)
 Transfer approved by *[Signature]* Title *Environ Manager*
 Approval Date 8-7-95

Speed Letter®

To Ed Bonner

From Don Staley

~~STATE LANDS~~ SCHOOL & INSTITUTIONAL
TRUST LANDS ADMIN.

Oil, Gas and Mining

Subject Operator Change

- No. 8 & 10 FOLD
MESSAGE

Date 8/23 19 95

Ed,

For your information, attached are copies of documents regarding an operator change on a state lease(s). These companies have complied with our requirements. Our records have been updated. Bonding should be reviewed by State Lands ASAP.

Former Operator: LOWAX EXPLORATION CO. (N 0580)

New Operator : INLAND PRODUCTION CO. (N 5160)

Well: API: Entity: S-T-R:

(SEE ATTACHED LIST)

- No. 9 FOLD
- No. 10 FOLD CC: Operator File

Signed

Don Staley

REPLY

Date _____ 19 _____

Signed

WELL NAME	API	ENTITY	LOCATION	LEASE
GILSONITE STATE 10-32	43-013-31485	99999	32-8S-17E	ML22061
GILSONITE STATE 8-32	43-013-31498	99999	32-8S-17E	ML22061
MONUMENT BUTTE STATE 16-2	43-013-31510	99999	2-9S-16E	ML21839
MONUMENT BUTTE STATE 8-2	43-013-31509	99999	2-9S-16E	ML21839
SUNDANCE STATE 5-32	43-047-32685	11781	32-8S-18E	ML22058
MONUMENT BUTTE STATE 14-36	43-013-31508	11774	36-8S-16E	ML22061
GILSONITE STATE 14I-32	43-013-31523	11788	32-8S-17E	ML21839
MONUMENT BUTTE STATE 16-36R	43-013-10159	99999	36-8S-16E	ML22061
STATE 5-36	43-013-30624	10835	36-8S-16E	ML22061
STATE 1-36	43-013-30592	10835	36-8S-16E	ML22061
12-32	43-013-30787	11486	32-8S-17E	ML22060
GILSONITE STATE 13-32	43-013-31403	99990	32-8S-17E	ML22060
GILSONITE STATE 7-32	43-013-30658	11486	32-8S-17E	ML22060
WELLS DRAW STATE 7-36	43-013-30934	09730	36-8S-15E	ML21835
STATE 1-2	43-013-30596	10835	2-9S-16E	ML21839
STATE 13-36	43-013-30623	10835	36-8S-16E	ML22061
STATE 3-2	43-013-30627	10835	2-9S-16E	ML21839
STATE 12-36	43-013-30746	10835	36-8S-16E	ML22061
STATE 1-32	43-013-30599	11486	32-8S-17E	ML22060
GILSONITE STATE 2-32	43-013-30604	11486	32-8S-17E	ML22060
STATE 11-32	43-013-30685	11486	32-8S-17E	ML22060
STATE 1A-32	43-013-30691	11486	32-8S-17E	ML22060
STATE 9-32	43-013-30713	11486	32-8S-17E	ML22060
STATE 5-32	43-013-30714	11486	32-8S-17E	ML22060
STATE 6-32	43-013-30748	11486	32-8S-17E	ML22060
STATE 4-32	43-013-30800	11486	32-8S-17E	ML22060
GILSONITE STATE 14-32	43-013-31480	11486	32-8S-17E	ML22061

STATE OF UTAH
INVENTORY OF INJECTION WELLS

OPERATOR	API NO.	WELL	TNS	RGE	SE	WELLTYPE	INDIAN COUNT
*****	*****	*****	***	***	**	*****	*****
✓ LOMAX	4.35/43-013-30605	MONUMENT BUT	08S	16E	35	INJW U16535	N
✓ LOMAX	43-013-30624	STATE 5-36	08S	16E	36	INJW mL2206j	N
✓ LOMAX	43-013-30592	STATE 1-36	08S	16E	36	INJW mL2206l	N
✓ LOMAX	43-013-30787	12-32	08S	17E	32	INJW mL22060	Y
✓ LOMAX	43-013-30779	FED.15-28	08S	16E	28	INJW U26026A	N
✓ LOMAX	43-013-31372	14A-28	08S	16E	28	INJW U68528A	N UTS L071572A
✓ LOMAX	13-32/43-013-31403	GILSONITE ST	08S	17E	32	INJW mL22060	Y
✓ LOMAX	43-013-30658	GILSONITE 7-32	08S	17E	32	INJW mL22060	Y
✓ LOMAX	8-34/43-013-30843	MONUMENT BUT	08S	16E	34	INJW U16535	Y
✓ LOMAX	43-013-30693	FEDERAL 3-33	08S	16E	33	INJW U34173	N
✓ LOMAX	15-35/43-013-31264	MONUMENT FED	08S	16E	35	INJW U16535	N
✓ LOMAX	43-013-30686	FEDERAL 5-35	08S	16E	35	INJW U16535	N
✓ LOMAX	2-35/43-013-30606	MONUMENT BUT	08S	16E	35	INJW U16535	N
✓ LOMAX	3-35/43-013-30608	MONUMENT BUT	08S	16E	35	INJW U16535	N
✓ LOMAX	13-35/43-013-30745	MONUMENT BUT	08S	16E	35	INJW U16535	N

ENTITY REVIEW

- See 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (~~Fee wells only~~) *Trust Lands Admin. / Rider or Repl. in Progress.*

- N/A See 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) . Today's date 19 . If yes, division response was made by letter dated 19 .

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated 19 , of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- OTS 2. Copies of documents have been sent to State Lands for changes involving State leases. *8/23/95 sent to Ed Bonner*

FILMING

1. All attachments to this form have been microfilmed. Date: August 30 1995.

FILING

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

950726 BLM/SL Aprv. eff. 6-29-95.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing: (GIL) *[initials]*

1- LWP 7-PL
2-LWP 8-SJ
3- DTB 9-FILE
4-VLC <i>[initials]</i>
5-RJF <i>[initials]</i>
6-LWP <i>[initials]</i>

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold) Designation of Agent
 Designation of Operator Operator Name Change Only

(MERGER)

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 6-29-95)

TO (new operator)	<u>INLAND PRODUCTION COMPANY</u>	FROM (former operator)	<u>LOMAX EXPLORATION COMPANY</u>
(address)	<u>PO BOX 1446</u>	(address)	<u>PO BOX 1446</u>
	<u>ROOSEVELT UT 84066</u>		<u>ROOSEVELT UT 84066</u>
	<u>KEBBIE JONES</u>		<u>KEBBIE JONES</u>
	phone (<u>801</u>) <u>722-5103</u>		phone (<u>801</u>) <u>722-5103</u>
	account no. <u>N 5160</u>		account no. <u>N 0580</u>

Well(s) (attach additional page if needed):

Name: **SEE ATTACHED**	API: <u>013-30987</u>	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- See* 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 7-14-95)*
- N/A* 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form).
- See* 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: ____ *(7-28-95)*
- See* 4. (For **Indian and Federal Wells ONLY**) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- See* 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(7-31-95)*
- LWP* 6. Cardex file has been updated for each well listed above. *8-16-95*
- See* 7. Well file labels have been updated for each well listed above. *8-22-95*
- See* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(7-31-95)*
- See* 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas well Other Injector

2. Name of Operator
Inland Production Company

3. Address and Telephone No.
P.O. 790233 Vernal, Utah 84079 (801) 789-1866

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/SW
Sec. 32, T8S R17E

5. Lease Designation and Serial No.
ML-22060

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation
GILSONITE UNIT

8. Well Name and No.
Gilsonite State #12-32

9. API Well No.
43-013-30787

10. Field and Pool, or Exploratory Area
Gilsonite

11. County or Parish, State
Duchesne, UT

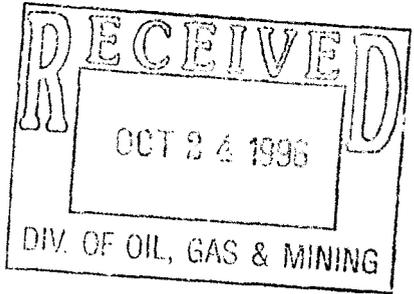
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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 directly drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Inland Production Company requests authorization to increase the maximum injection rate for the Gilsonite State #12-32 to 1540#. See attached step rate test.



14. I hereby certify that the foregoing is true and correct
 Signed Cheryl Cameron Title Regulatory Compliance Specialist Date 10/18/96
Cheryl Cameron

(This space of Federal or State office use.)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

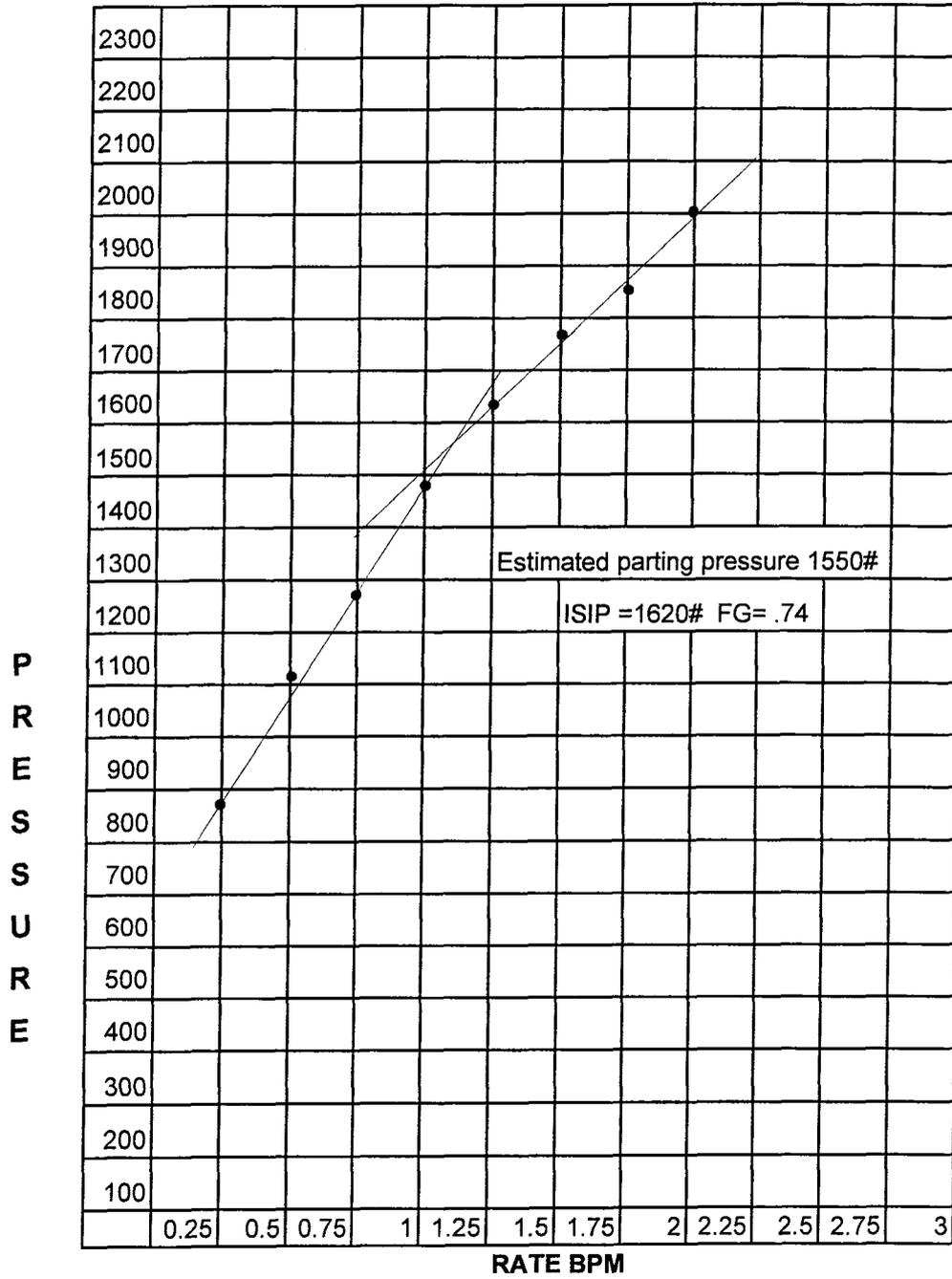
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING
 DATE: 10-29-96
 BY: [Signature]

STEP RATE TEST

GILSONITE STATE 12-32

10-14-1996





JOB LOG HAL-2013-C

CUSTOMER Inland WELL NO. 12-32 LEASE Gilsovitte State JOB TYPE Step rate injection TICKET NO. 163879

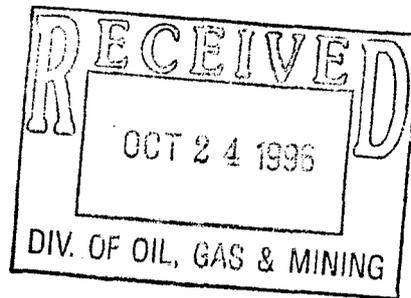
CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
							560	
	1100	.25	0				720	Start Injection Test
		.25	3 3/4				870	
	1115	.5					940	Increase rate
		.5	11 3/4				1110	
	1130	.75					1190	Increase rate
		.75	23				1270	
	1145	1					1370	Increase rate
		1	38				1480	
	1200	1.25					1550	Increase rate
		1.25	56 3/4				1630	
	1215	1.5					1710	Increase rate
		1.5	79 1/4				1770	
	1230	1.75					1820	Increase rate
		1.75	109 1/4				1850	
	1245	2					1960	Increase rate
	1300	2	139 1/4				2000	Shut down
							1620	TSIP
								Parting Psi 1620



RESOURCES INC.

October 18, 1996

State of Utah
Division of Oil Gas & Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801



ATTENTION: Dan Jarvis

RE: Gilsonite State #12-32
Gilsonite State #14I-32

Gilsonite State #13-32
Gilsonite State #15-32

Dear Dan,

Enclosed are the Step Rate Tests conducted on 10/14/96, for the above referenced locations, and Sundry Notices and Reports on Wells, for each individual location, requesting authorization to increase the maximum injection rate to the following:

<u>Location</u>	<u>Proposed Maximum Injection Pressure</u>
Gilsonite State #12-32	1540# 43-013-30787
Gilsonite State #14I-32	1620# 43-013-31523
Gilsonite State #15-32	1340# 43-013-31584/SOW
Gilsonite State #13-32	1430# 43-013-31403

Please contact me in the Vernal branch office, (801) 789-1866, P.O.Box 790233, Vernal, UT 84079, if you have questions, or need additional information.

Sincerely,

Cheryl Cameron
Regulatory Compliance Specialist

Attn: Ed Forsman
Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078

Enclosures

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

5. LEASE DESIGNATION AND SERIAL NO.
ML-22060

1. **SUNDRY NOTICES AND REPORTS ON WELLS**

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

6. IF INDIAN, ALLOTTEE OR TRIBAL NAME

N/A

OIL GAS
WELL WELL OTHER INJECTION

7. UNIT AGREEMENT NAME

NA

2. NAME OF OPERATOR
INLAND PRODUCTION COMPANY

8. FARM OR LEASE NAME
GILSONITE ST 12-32

3. ADDRESS OF OPERATOR
**ROUTE #3 BOX 3630, MYTON, UTAH 84052
(435) 646-3721**

9. WELL NO.
Federal # 12-32

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
NW/SW 1891 FSL 0767 FWL

10. FIELD AND POOL, OR WILDCAT

MONUMENT BUTTE

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
NW/SW Section 32, T08S R17E

14. API NUMBER
43-013-30787

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5250 GR

12. COUNTY OR PARISH
DUCHESNE

13. STATE
UT

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>		(OTHER) <u>Step-Rate test</u>	<input checked="" type="checkbox"/>
(OTHER) _____ <input type="checkbox"/>		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17 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.)*

On March 29, 2000 Inland Production Company conducted a Step-Rate Test (SRT) on the Gilsonite State # 12-32 injection well in the Gilsonite Unit. Due to the results of the attached SRT Inland is requesting approval to change our Maximum Allowable Injection Pressure from 1514 psi to 1582 psi on this well.

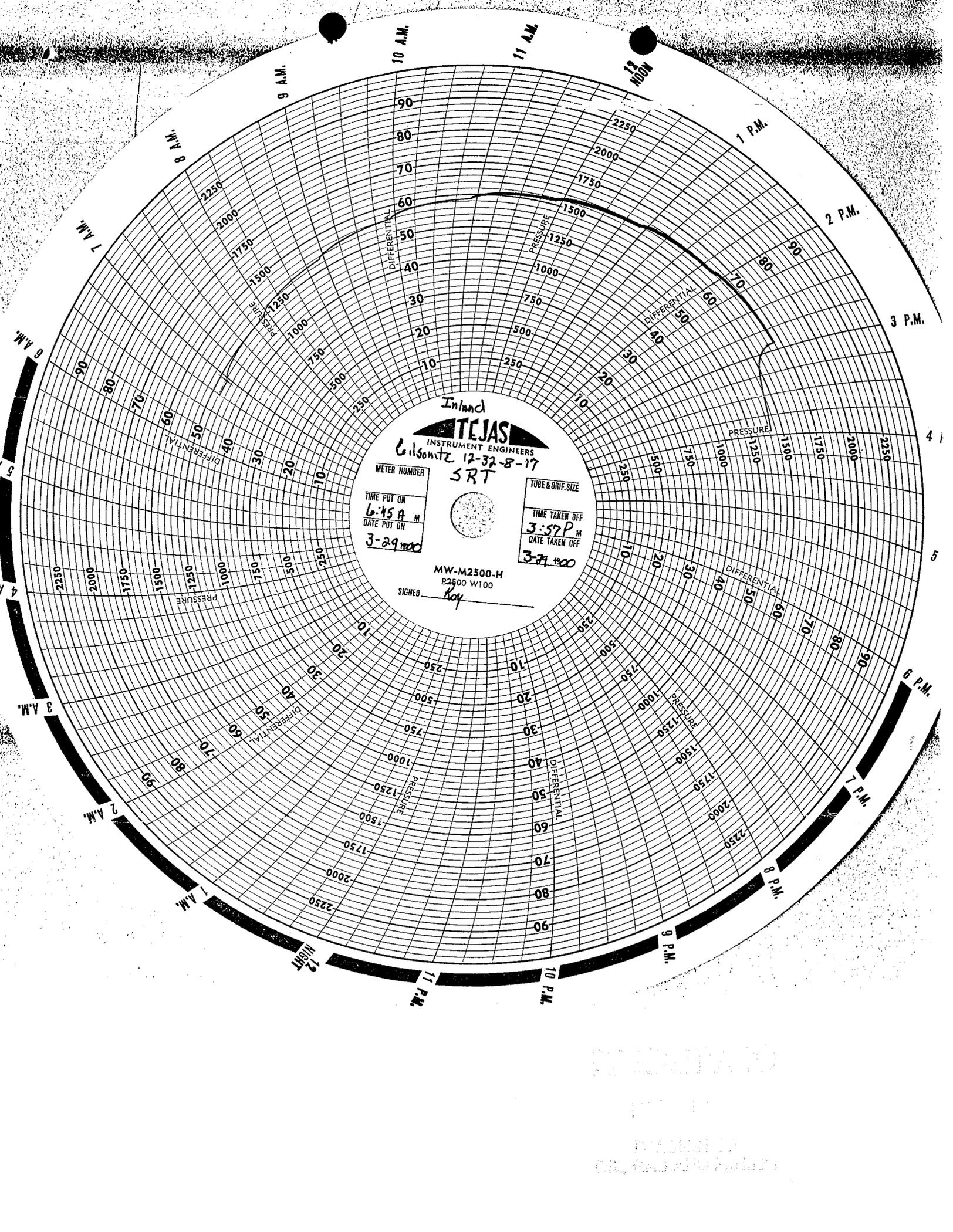
18 I hereby certify that the foregoing is true and correct
SIGNED Bo Maclean TITLE Operations Manager DATE 3/29/00

(This space for Federal or State office use)
APPROVED BY _____ TITLE Approved by the Utah Division of Oil, Gas and Mining DATE _____

COPY SENT TO OPERATOR
Date: 4/14/00
Initial: CHD

Date: 4/13/00
By: [Signature]

* See Instructions On Reverse Side



10 A.M. 11 A.M. 12 NOON

7 A.M. 8 A.M. 9 A.M. 10 A.M. 11 A.M. 12 NOON 1 P.M. 2 P.M. 3 P.M. 4 P.M. 5 P.M. 6 P.M. 7 P.M. 8 P.M. 9 P.M. 10 P.M. 11 P.M. 12 NIGHT

90
80
70
60
50
40
30
20
10

DIFFERENTIAL

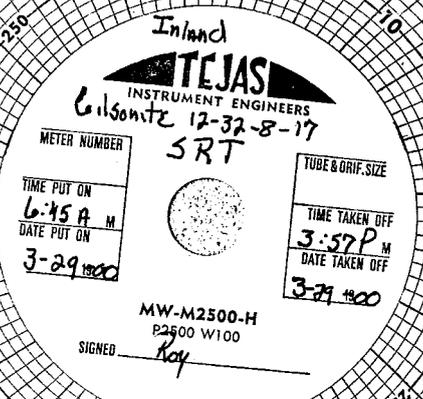
2250
2000
1750
1500
1250
1000
750
500
250

PRESSURE

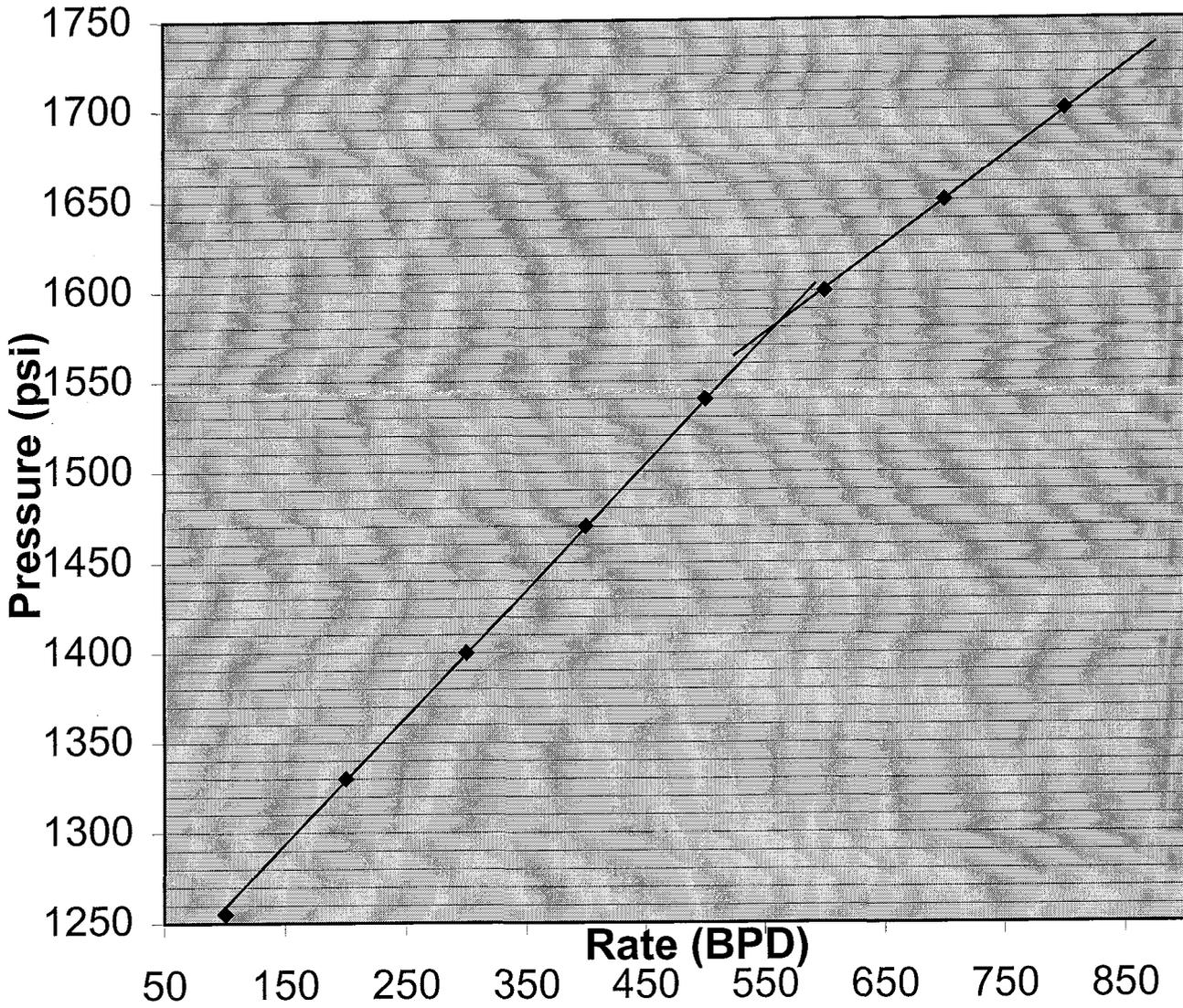
Inland
TEJAS
INSTRUMENT ENGINEERS
Gilsonite 12-32-8-17
SRT

METER NUMBER	TUBE & ORIF. SIZE
TIME PUT ON 6:15 A.M.	TIME TAKEN OFF 3:57 P.M.
DATE PUT ON 3-29-60	DATE TAKEN OFF 3-29-60

MW-M2500-H
2500 W100
SIGNED *Ray*



GS 12-32
 (Gilsonite Unit)
 Step Rate Test
 March 29, 2000



ISIP: 1650 psi

Fracture pressure: 1582 psi

FG: 0.754

Step	Rate(bpm)	Pressure(psi)
1	100	1255
2	200	1330
3	300	1400
4	400	1470
5	500	1540
6	600	1600
7	700	1650
8	800	1700

RECORDED
 INDEXED
 DIVISION OF
 OIL, GAS AND MINERAL



March 29 2000

State of Utah
Division of Oil, Gas & Mining
Attn: Dan Jarvis
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Step-Rate Test
Gilsonite State # 12-32

Dear Dan:

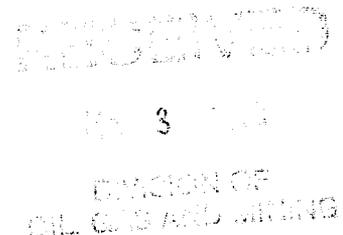
Please find enclosed Step-Rate Tests (SRT) results on the Gilsonite state #12-32 injection well in the Gilsonite Unit. Inland Production Company conducted the SRT on March 29, 2000. Due to the results of the SRT Inland is requesting a change in the maximum allowable injection pressure from 1514 psi to 1582 psi for this well.

Thank you for your assistance. If you have any questions or need further information, please call me at (435) 646-3721.

Sincerely,

Brad Mecham
Operations Manager

/bm



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

1. SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE REGISTRATION AND SERIAL NO. ML-22060	
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals.)		6. IF INDIAN, ALLOTTEE OR TRIBAL NAME N/A	
OIL <input type="checkbox"/> WELL GAS <input type="checkbox"/> WELL OTHER <input checked="" type="checkbox"/> injection		7. UNIT AGREEMENT NAME NA	
2. NAME OF OPERATOR INLAND PRODUCTION COMPANY		8. FARM OR LEASE NAME GILSONITE ST 12-32	
3. ADDRESS OF OPERATOR Route 3 Box 3630, Myton Utah, 84052 (435) 646-3721		9. WELL NO. 12-32-8-17	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NW/SW 1891 FSL 0767 FWL		10. FIELD AND POOL, OR WILDCAT MONUMENT BUTTE	
		11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA NW/SW Section 32, T08S R17E	
14. API NUMBER 43-013-30787	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5250 GR	12. COUNTY OR PARISH DUCHESNE	13. STATE UT

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>	(OTHER) <u>MIT on Casing</u>	<input checked="" type="checkbox"/>
(OTHER) <input type="checkbox"/>	<input type="checkbox"/>	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17 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.)*

The above referenced well had a MIT test done on the casing on 4-19-00. This was a 5 year annual test. The casing was pressured to 1140 psi with 1300 psi on tubing. No loss off pressure was charted in 30 minutes. The pressure was then released.

18 I hereby certify that the foregoing is true and correct

SIGNED Ron Shuck TITLE Production Foreman DATE 4/19/00
Ron Shuck

(This space for Federal or State office use)

APPROVED BY _____ TITLE COPY SENT TO OPERATOR DATE _____
CONDITIONS OF APPROVAL, IF ANY

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: 5-12-00
Initials: CHD

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APR 21 2000

DEPARTMENT OF
OIL, GAS AND MINING

* See Instructions On Reverse Side

Date: 5/19/00
By: Ron Shuck

Mechanical Integrity Test Casing or Annulus Pressure Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Implementation Section, (8ENF-T)
999 18th Street, Suite 500, Denver, CO 80202-2466

Bahram Jafari

EPA Witness: Nathan Wisec Date 4/19/00 Time 11:28 am/pm

Test conducted by: Ron Shuck

Others present: Matt Fillingim

Well: <u>Gilsonite State 12-32-8-17</u>	Well ID: <u>UT 2633-04216</u>
Field: <u>Gilsonite</u>	Company: <u>IN land</u>
Well Location: <u>NW/SEW T08S R17E 32Sec</u> Address: <u>Myton UT.</u>	

	Time	Test #1	Test #2	Test #3
	0 min	<u>1140</u> psig	_____ psig	_____ psig
	5	<u>1140</u>	_____	_____
	10	<u>1140</u>	_____	_____
	15	<u>1140</u>	_____	_____
	20	<u>1140</u>	_____	_____
	25	<u>1140</u>	_____	_____
<u>11:58 AM</u>	30 min	<u>1140</u>	_____	_____
	35	_____	_____	_____
	40	_____	_____	_____
	45	_____	_____	_____
	50	_____	_____	_____
	55	_____	_____	_____
	60 min	_____	_____	_____
	Tubing press	<u>1300</u> psig	_____ psig	_____ psig

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APR 24 2000
DIVISION OF
OIL, GAS AND MINING

Result (circle) Pass Fail Pass Fail Pass Fail

Signature of EPA Witness: *Nathan Wisec*
See back of page for any additional comments & compliance followup.



PRODUCTION COMPANY
A Subsidiary of Inland Resources Inc.

April 19, 2000

Division Oil and Gas & Mining
Attn: Mr. Brad Hill
1594 West North Temple – Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Gilsonite State 12-32-8-17
API # 43-013-30787, ML-22060

Dear Mr. Brad Hill

Please find enclosed the results of a MIT test conducted today on the above referenced well. On 4-19-00 there was 1140 psi put on casing with 1300 psi on tubing there was no loss of pressure charted in a 1/2 hour test. MR. Bahram Jafari and Mr Nathan Wisner with the EPA witnessed the test. The pressure was then released. This was a 5 year scheduled test.

If you have any questions or need further information, please don't hesitate to contact me. I can be reached at our Pleasant Valley Office at (435) 646-3721 or on my cellular at (435) 823-7977.

Sincerely,

Ron Shuck
Production Foreman

Enclosures

cc: State of Utah – Division of Oil, Gas & Mining
Jon Holst - Inland Resources
Roosevelt & Denver Well Files

/rs

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APR 24 2000

DIVISION OF
OIL, GAS AND MINING

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

1. SUNDRY NOTICES AND REPORTS ON WELLS (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals.)		5. LEASE DESIGNATION AND SERIAL NO. ML-22060	
(Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>)		6. IF INDIAN, ALLOTTEE OR TRIBAL NAME N/A	
2. NAME OF OPERATOR INLAND PRODUCTION COMPANY		7. UNIT AGREEMENT NAME NA	
3. ADDRESS OF OPERATOR Rt. 3 Box 3630, Myton Utah 84052 435-646-3721		8. FARM OR LEASE NAME GILSONITE ST 12-32	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NW/SW Section 32, T8S R17E 1891 FSL 0767 FWL		9. WELL NO. GILSONITE ST 12-32	
14. API NUMBER 43-013-30787		10. FIELD AND POOL, OR WILDCAT MONUMENT BUTTE	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5250 GR		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW/SW Section 32, T8S R17E	
12. COUNTY OR PARISH DUCHESNE		13. STATE UT	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
MULTIPLE COMPLETION <input type="checkbox"/>	<input checked="" type="checkbox"/> Re-completion
SHOOT OR ACIDIZE <input type="checkbox"/>	(OTHER) <input type="checkbox"/>
ABANDON* <input type="checkbox"/>	
REPAIR WELL <input type="checkbox"/>	
(OTHER) <input type="checkbox"/>	

Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY

(Note: Report results of multiple completion on Well Completion or Re-completion Report and Log form.)

17 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.)*

Subject well had re-completion procedures initiated in the Green River formation on 1/14/2003. A CIBP was set @ 4940' (over all existing perforations). Three new intervals were perforated and hydraulically fracture treated down 5 1/2" 17# casing using composite flow-through frac plugs between stages as follows: Stage #1: DS2 sds @ 4738'-4742', D1 sds @ 4818'-4821' & 4835'-4838', D2 sds @ 4872'-4876' & 4887'-4890' and D3 sds @ 4915'-4917' (all 4 JSPF) fraced W/ 74,500# 20/40 mesh sand in 563 bbls Viking I-25 fluid. Stage #2: PB10 sds @ 4516'-4518', 4521'-4524', 4530'-4533', 4536'-4538' & 4565'-4569' and PB11 sds @ 4601'-4609' (all 4 JSPF) fraced W/ 50,000# 20/40 mesh sand in 414 bbls Viking I-25 fluid. Stage #3: GB4 sds @ 4266'-4284' & 4295'-4306' and GB6 sds @ 4347'-4356' & 4386'-4392' (all 4 JSPF) fraced W/ 150,880# 20/40 mesh sand in 952 bbls Viking I-25 fluid. All fracs were flowed back through chokes. Bridge plugs were drilled and well was cleaned out to CIBP @ 4940'. New intervals were swab tested for sand cleanup. A BHA & production tbg string was ran in well and anchored W/ TA @ 4780', pump seating nipple @ 4814' & end of tubing string @ 4849'. A repaired 1 1/2" bore rod pump was ran in well on sucker rods. Well was placed on production via rod pump on 1/20/03. CIBP was left in place @ 4940'.

18 I hereby certify that the foregoing is true and correct

SIGNED Gary Dietz TITLE Completion Foreman DATE January 21, 2003
Gary Dietz

cc: BLM
(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

RECEIVED
 JAN 22 2003
 DIV. OF OIL, GAS & MINING

* See Instructions On Reverse Side

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

OPERATOR: INLAND PRODUCTION COMPANY
 ADDRESS: RT. 3 BOX 3630
MYTON, UT 84052

OPERATOR ACCT. NO. N5160

04/16/2003 13:19 4356463031

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
BA	99999	11486	43-013-30787	Gilsonite State #12-32	NW/SW	32	8S	17E	Duchesne		4/30/03

WELL 1 COMMENTS: **Gilsonite State #12-32 converted from injector back to a producer and put on production 1/21/03**

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
BA	99999	13269	43-013-32433	So Wells Draw #16-5T-9-16	SE/SE	5	9S	16E	Duchesne	April 11, 2003	4/30/03

WELL 2 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 3 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 4 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		

WELL 5 COMMENTS:

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

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

(3/89)

RECEIVED
 APR 16 2003

DIV. OF OIL, GAS & MINING

Kebbie S. Jones
 Signature
 Production Clerk
 File
 April 16, 2003
 Date

INLAND PAGE 02

STATE OF UTAH

DIVISION OF OIL, GAS, AND MINING

1. SUNDRY NOTICES AND REPORTS ON WELLS

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

OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
INLAND PRODUCTION COMPANY

3. ADDRESS AND TELEPHONE NUMBER
**Rt. 3 Box 3630, Myton Utah 84052
435-646-3721**

4. LOCATION OF WELL
Footages **1891 FSL 767 FWL**
QQ, SEC. T, R, M: **NW/SW Section 32, T8S R17E**

5. LEASE DESIGNATION AND SERIAL NO.
ML-22060

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

7. UNIT AGREEMENT NAME
GILSONITE

8. WELL NAME and NUMBER
GILSONITE ST 12-32

9. API NUMBER
43-013-30787

10. FIELD AND POOL, OR WILDCAT
MONUMENT BUTTE

COUNTY **DUCHESNE**
STATE **UTAH**

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

NOTICE OF INTENT:
(Submit in Duplicate)

ABANDON NEW CONSTRUCTION
 REPAIR CASING PULL OR ALTER CASING
 CHANGE OF PLANS RECOMPLETE
 CONVERT TO INJECTION REPERFORATE
 FRACTURE TREAT OR ACIDIZE VENT OR FLARE
 MULTIPLE COMPLETION WATER SHUT OFF
 OTHER Dispose Water

SUBSEQUENT REPORT OF:
(Submit Original Form Only)

ABANDON* NEW CONSTRUCTION
 REPAIR CASING PULL OR ALTER CASING
 CHANGE OF PLANS RECOMPLETE
 CONVERT TO INJECTION REPERFORATE
 FRACTURE TREAT OR ACIDIZE VENT OR FLARE
 OTHER _____

DATE WORK COMPLETED _____
 Report results of Multiple Completion and Re Completions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.
 *Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depth for all markers and zones pertinent to this work.)
 Formation water is produced to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Inland's secondary recovery project.
 Water not meeting quality criteria, is disposed at Inland's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

13. NAME & SIGNATURE: Mandie Crozier TITLE Regulatory Specialist DATE 11/13/2003
 Mandie Crozier

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

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NOV 17 2003
DIV. OF OIL, GAS & MINING

STATE OF UTAH

DIVISION OF OIL, GAS, AND MINING

<p>1. SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use "APPLICATION FOR PERMIT TO DRILL OR DEEPEN" form for such proposals.</p> <p>OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/></p> <p>2. NAME OF OPERATOR INLAND PRODUCTION COMPANY</p> <p>3. ADDRESS AND TELEPHONE NUMBER Rt. 3 Box 3630, Myton Utah 84052 435-646-3721</p> <p>4. LOCATION OF WELL</p> <p>Footages 1891 FSL 767 FWL</p> <p>QQ, SEC, T, R, M: NW/SW Section 32, T8S R17E</p>	<p>5. LEASE DESIGNATION AND SERIAL NO. ML-22060</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBAL NAME N/A</p> <p>7. UNIT AGREEMENT NAME GILSONITE</p> <p>8. WELL NAME and NUMBER GILSONITE ST 12-32</p> <p>9. API NUMBER 43-013-30787</p> <p>10. FIELD AND POOL, OR WILDCAT MONUMENT BUTTE</p> <p>COUNTY DUCHESNE STATE UTAH</p>
--	---

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

NOTICE OF INTENT: (Submit in Duplicate)	SUBSEQUENT REPORT OF: (Submit Original Form Only)
<input type="checkbox"/> ABANDON	<input type="checkbox"/> ABANDON*
<input type="checkbox"/> REPAIR CASING	<input type="checkbox"/> REPAIR CASING
<input type="checkbox"/> CHANGE OF PLANS	<input type="checkbox"/> CHANGE OF PLANS
<input type="checkbox"/> CONVERT TO INJECTION	<input type="checkbox"/> CONVERT TO INJECTION
<input type="checkbox"/> FRACTURE TREAT OR ACIDIZE	<input type="checkbox"/> FRACTURE TREAT OR ACIDIZE
<input type="checkbox"/> MULTIPLE COMPLETION	<input type="checkbox"/> OTHER _____
<input checked="" type="checkbox"/> OTHER <u>Dispose Water</u>	DATE WORK COMPLETED _____
<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> NEW CONSTRUCTION
<input type="checkbox"/> PULL OR ALTER CASING	<input type="checkbox"/> PULL OR ALTER CASING
<input type="checkbox"/> RECOMPLETE	<input type="checkbox"/> RECOMPLETE
<input type="checkbox"/> REPERFORATE	<input type="checkbox"/> REPERFORATE
<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> VENT OR FLARE

Report results of Multiple Completion and Re Completions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.
*Must be accompanied by a cement verification report.

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

Formation water is produced to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Inland's secondary recovery project.

Water not meeting quality criteria, is disposed at Inland's Paricette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

13. NAME & SIGNATURE: Mandie Crozier TITLE Regulatory Specialist DATE 11/13/2003

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

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NOV 17 2003
DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Pipeline Work</u>		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Inland Production Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1401 17th St #1000 CITY Denver STATE CO ZIP 80211		7. UNIT or CA AGREEMENT NAME: Gilsonite Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE:		8. WELL NAME and NUMBER: State Wells in Unit
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>NWSW S-32 T08S R1E</u>		9. API NUMBER: 43-013-30789
COUNTY: <u>Duchesne</u>		10. FIELD AND POOL, OR WILDCAT:
STATE: <u>UTAH</u>		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>5/1/2004</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION.
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input checked="" type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Comingle Production w common tank</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Inland Production requests permission to add the following wells to a common tank battery system; Gilsonite St 2-32, State 4-32, State 6-32, State 7-32, Gilsonite St 8-32, Gilsonite St 10-32, Gilsonite St 12-32, Gilsonite St 14-32. Each well will have a pumping unit and line heater. The Common tank battery will consist of 2 400 Bbl oil tanks, 1 200 Bbl water tank, a heater treater and a line heater all located at the Gilsonite 7-32. There will be a test facility located at the Gilsonite 7-32 that will consist of a heater treater, 1 400 Bbl tank and 1 400 Bbl water tank. Each well will have a production test once every 2 months. The Gilsonite 7-32 location will be expanded by 75' to the south and 50' to the west to allow for transportation at the central gathering point. The flow bundles will consist of 4 2" flow lines that will be wrapped and insulated. 2 lines will have glycol for a trace system, 1 line will be the production line, and 1 line will be the well test line. There will be approximately 2.4 miles of the production bundle installed.

COPY SENT TO OPERATOR

Date: 4-21-04
Initials: CHD

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 4/20/04
BY: [Signature]

Production Allocation for each well should be based on actual days produced

NAME (PLEASE PRINT) David Gerbig
SIGNATURE [Signature]

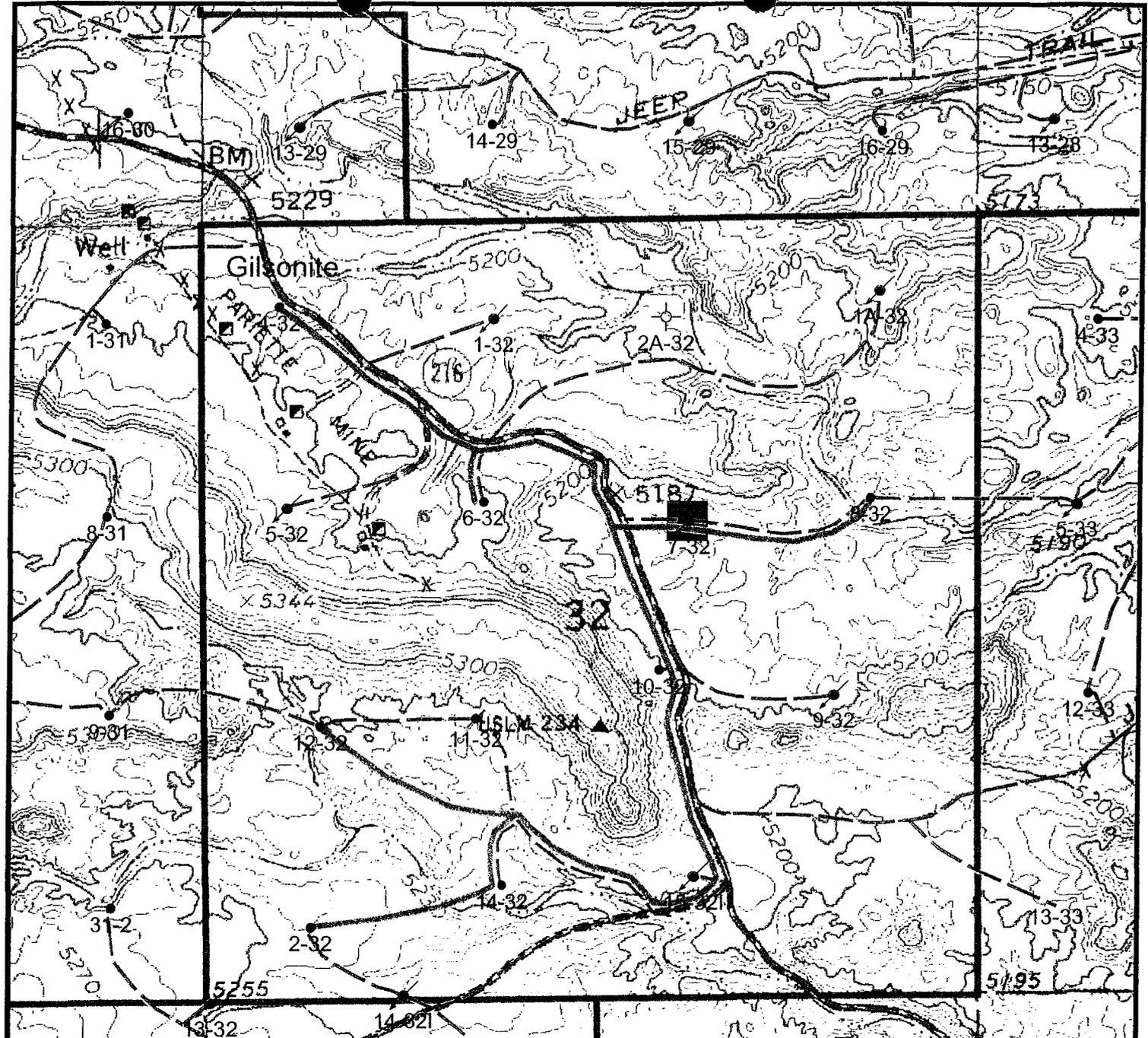
TITLE Operations Engineer
DATE 3/22/2004

RECEIVED

MAR 24 2004

(This space for State use only)

DIV. OF OIL, GAS & MINING



Inland Wells	Roads
○ Location	— Paved
⊕ Surface Spud	— Dirt
⊙ Drilling	— Private
⊖ Waiting on Completion	— Proposed
● Producing Oil Well	— Two Track
☼ Producing Gas Well	— Proposed gathering lines Total Length = 2.42 miles
⚙ Water Injection Well	■ Battery
⊖ Dry Hole	
⊖ Temporarily Abandoned	
⊖ Plugged & Abandoned	
⊖ Shut In	
☼ Water Source Well	
⊖ Water Disposal Well	



RESOURCES INC.

Proposed Flow Lines +
Gilsonite Central Battery
Uinta Basin, Utah
Duchesne & Uintah Counties

Alamo Plaza Building
1401 17th Street Suite 1000
Denver CO 80202-1247
Phone: (303) 893-0102

January 16, 2004



1" = 1000'

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Geoffrey S. Connor
Secretary of State

Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.



A handwritten signature in black ink, appearing to read "G. Connor".

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
INLAND PRODUCTION COMPANY

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

“ARTICLE ONE – The name of the corporation is Newfield Production Company.”

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

By: Susan G. Riggs
Susan G. Riggs, Treasurer

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
6b. Inspections of LA PA state/fee well sites complete on: waived

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

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/23/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 2/28/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/28/2005
3. Bond information entered in RBDMS on: 2/28/2005
4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
5. Injection Projects to new operator in RBDMS on: 2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 61BSBDH2919

2. The **FORMER** operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - received 2/23/05

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold)

Designation of Agent/Operator

X Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

9/1/2004

FROM: (Old Operator): N5160-Inland Production Company Route 3 Box 3630 Myton, UT 84052 Phone: 1-(435) 646-3721	TO: (New Operator): N2695-Newfield Production Company Route 3 Box 3630 Myton, UT 84052 Phone: 1-(435) 646-3721
---	--

CA No.

Unit:

GILSONITE

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
STATE 1-32	32	080S	170E	4301330599	11486	State	WI	A
GILSONITE ST 2-32	32	080S	170E	4301330604	11486	State	OW	P
STATE 7-32	32	080S	170E	4301330658	11486	State	WI	A
STATE 11-32	32	080S	170E	4301330685	11486	State	WI	A
STATE 1A-32	32	080S	170E	4301330691	11486	State	WI	A
STATE 9-32	32	080S	170E	4301330713	11486	State	WI	A
STATE 5-32	32	080S	170E	4301330714	11486	State	WI	A
STATE 6-32	32	080S	170E	4301330748	11486	State	OW	P
GILSONITE ST 12-32	32	080S	170E	4301330787	11486	State	OW	P
STATE 4-32	32	080S	170E	4301330800	11486	State	OW	P
GILSONITE 13-32	32	080S	170E	4301331403	11486	State	WI	A
GILSONITE STATE 14-32	32	080S	170E	4301331480	11486	State	OW	P
GILSONITE STATE 10-32	32	080S	170E	4301331485	11486	State	OW	P
GILSONITE STATE 8-32	32	080S	170E	4301331498	11486	State	OW	P
GILSONITE ST 14I-32	32	080S	170E	4301331523	11486	State	WI	A
GILSONITE ST 15-32I	32	080S	170E	4301331584	11486	State	WI	A

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/2004
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/23/2005
- Is the new operator registered in the State of Utah: YES Business Number: 755627-0143
- If **NO**, the operator was contacted on:



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

Ref: 8P-W-GW

APR 28 2009

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Eric Sundberg
Regulatory Analyst
Newfield Production Company
1001 Seventeenth Street – Suite 2000
Denver, CO 80202

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RE: Additional Well: Gilsonite Unit Permit
UIC Permit No. UT20633-00000
Well ID: UT20633-07412
Gilsonite State 12-32-8-17
1891' FSL, 767' FWL
NW SW Section 32-T8S-R17E
API# 43-013-30787
Duchesne County, Utah

RECEIVED
MAY 04 2009

DIV. OF OIL, GAS & MINING

Dear Mr. Sundberg:

The Newfield Production Company's request to convert the former Green River Formation oil well Gilsonite State 12-32-8-17 to an enhanced recovery injection well in the Gilsonite Unit Area Permit is hereby authorized by the Environmental Protection Agency (EPA) under the terms and conditions of the Authorization For Additional Well.

The addition of the proposed injection well, within the exterior boundary of the Uintah & Ouray Indian Reservation, is being made under the authority of 40 CFR §144.33 (c) and terms of the Gilsonite Unit Area Permit No. UT20633-00000, and subsequent modifications.

Please be aware that Newfield does not have authorization to begin injection operations into the well until all Prior to Commencing Injection requirements have been submitted and evaluated by the EPA, and has received written authorization from the Director to begin injection. Please note that the Permit limits injection to the gross interval within the Green River Formation between the depths of 4,006 feet and the top of the Wasatch Formation estimated to be at 6,159 feet.

Prior to receiving authorization to inject, the EPA requires that Newfield submit for review and approval: (1) the results of a **Part 1 (Internal) mechanical integrity test (MIT)**, (2) a **pore pressure** calculation of the injection interval, (3) and a complete **EPA Form No. 7520-12 (Well Rework Record)** with a new schematic diagram.

The initial Maximum Allowable Injection Pressure (MAIP) for the Gilsonite State 12-32-8-17 was determined to be **1,235 psig**. UIC Area Permit UT20633-00000 also provides the opportunity for the permittee to request a change in the MAIP based upon results of a step rate test that demonstrates that the formation breakdown pressure will not be exceeded.

The cement bond log submitted for this well shows the TOC at 3,840 feet. The Areal Confining Zone (3,710-3,812 feet) is not covered by cement and therefore an alternate Confining Zone, "Shale A" (3,924 - 4,006 feet) was chosen which has adequate cement bond and is present throughout the AOR.

If you have any questions, please call Mr. Bob Near at (303) 312-6278 or 1-(800)-227-8917 (Ext. 312-6278). Please submit the required data to **ATTENTION: Bob Near**, at the letterhead address, citing **MAIL CODE: 8P-W-GW** very prominently.

Sincerely,



for Eddie Sierra
Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

Encl: Authorization For Conversion of An Additional Well
EPA Form No. 7520-12 (Well Rework Record). Proposed Wellbore and P&A Wellbore
Schematics for Gilsonite State 12-32-8-17 and
Aquifer Exemption.

cc: Letter Only

Curtis Cesspooch, Chairman
Uintah & Ouray Business Committee
Ute Indian Tribe

Irene Cuch, Vice Chairman
Uintah & Ouray Business Committee
Ute Indian Tribe

Ronald Groves, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Steven Cesspooch, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Phillip Chimburas, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Frances Poowegup, Councilwoman
Uintah & Ouray Business Committee
Ute Indian Tribe

Daniel Picard
U.S. Bureau of Indian Affairs
Uintah & Ouray Indian Agency

All enclosures:

Ferron Secakuku
Director, National Resources
Ute Indian Tribe

Michael Guinn, District Manager
Newfield Production Company
Myton, Utah

Larry Love, Director
Energy & Minerals Dept.
Ute Indian Tribe

Gilbert Hunt, Associate Director
Utah Division of Oil, Gas and Mining

Fluid Minerals Engineering Office
U.S. Bureau of Land Management
Vernal, Utah

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 WYNKOOP STREET
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

AUTHORIZATION FOR ADDITIONAL WELL

UIC Area Permit No: UT20633-00000

The **Gilsonite Unit Final UIC Area Permit No. UT20633-00000**, effective November 2, 1992 authorizes injection for the purpose of enhanced oil recovery into multiple lenticular sand units which are distributed throughout the lower portion of the Green River Formation. On September 6, 2006, the permittee provided notice to the Director concerning the following additional enhanced recovery injection well:

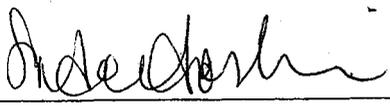
Well Name:	<u>Gilsonite State No. 12-32-8-17</u>
EPA Well ID Number:	<u>UT20633-07412</u>
Location:	1891' FSL, 767' FWL NW SW Section 32 – T8S – R17E Duchesne County, Utah.

Pursuant to 40 CFR §144.33, Area UIC Permit No. UT20633-00000 authorizes the permittee to construct and operate, convert, or plug and abandon additional enhanced recovery injection wells within the area permit. This well was determined to satisfy additional well criteria required by the permit.

This well is subject to all provisions of UIC Area Permit No. UT20633-00000, as modified and as specified in the Well Specific Requirements detailed below. This Authorization shall expire one year after the Effective Date unless the permittee has converted the well to injection or submits a written request to extend this Authorization prior to the expiration date.

This Authorization is effective upon signature.

Date: **APR 28 2009**



Eddie A. Sierra
* Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

** The person holding this title is referred to as the Director throughout the permit and Authorization*

WELL-SPECIFIC REQUIREMENTS

Well Name Gilsonite State 12-32-8-17
EPA Well ID Number: UT 20633-07412

Prior to commencing injection operations, the permittee shall submit the following information and receive written Authority to Inject from the Director:

1. a successful Part I (Internal) Mechanical Integrity test (MIT);
2. pore pressure calculation of the proposed injection zone;
3. completed Well Rework Record EPA Form No. 7520-12 and schematic diagram.

Approved Injection Zone: Due to the absence of cement through the previously established areal Confining Zone [3,710 feet to 3,812 feet (KB)] injection in this well is limited to an interval from the base of an alternate confining zone (referred to as Shale A) at 4,006 feet (KB), to the top of the Wasatch Formation, which is estimated to be at a depth of 6,159 feet (KB). **The approved injection interval for this well is from 4,006 feet to 6,159 feet (KB).**

Maximum Allowable Injection Pressure (MAIP): The initial MAIP is 1,235 psig, based on the following calculation:

$$\text{MAIP} = [\text{FG} - (0.433)(\text{SG})] * \text{D}, \text{ where}$$
$$\text{FG} = 0.729 \text{ psi/ft} \quad \text{SG} = 1.015 \quad \text{D} = \underline{4,266 \text{ feet}} \text{ (top perforation depth KB)}$$
$$\text{MAIP} = \underline{1,235 \text{ psig}}$$

UIC Area Permit No. UT20633-00000 also provides the opportunity for the permittee to request a change of the MAIP based upon results of a step rate test that demonstrates the formation breakdown pressure will not be exceeded.

Well Construction and Corrective Action: The well was constructed in compliance with existing regulatory controls for casing and cementing pursuant to 40 CFR § 146.22(c). However, cementing records, including the cement bond log (CBL), have not satisfactorily demonstrated the presence of adequate cement to prevent migration of fluids behind the casing from the injection zone. The top of cement in the Gilsonite State 12-32-8-17 is at 3,840 feet, which is below the areal Confining Zone (3,710-3,812 feet). Instead of requiring the emplacement of cement behind casing through this shale interval, Newfield has agreed to limit the injection interval for the Gilsonite State 12-32-8-17.

Tubing and Packer: 2-7/8" or similar size injection tubing is approved; the packer shall be set at a depth no more than 100 feet above the top perforation.

Corrective Action for Wells in Area of Review: *No Corrective Action is required.* The following four (4) wells, which are within or proximate to a 1/4 mile radius around the Gilsonite State No. 12-32-8-17, were evaluated to determine if any corrective action is necessary to prevent fluid movement into USDW. All four (4) wells were found to have adequate footage of 80% or greater cement bond over the areal Confining Zone as well as over the Shale A alternate Confining Zone or had an adequate Radioactive Tracer Survey.

Authorization for Additional Well: UIC Area Permit UT20633-00000
Well: Gilsonite State 12-32-8-17 *EPA Well ID:* UT20633-07412

- Well: Gilsonite 11-32 NE/SW Sec.32-T8S-R17E
 TOC 3,250 feet - 58 feet 80% Cement bond - Confining Zone (3,738-3,840 feet)
 Shale A Confining Zone was not logged. On May 21,2004 a Radioactive Tracer Survey was run and on June 25, 2004 an Authorization to Continue Injection was issued by EPA.
- Well: Gilsonite State 2-32 SW/SW Sec.32-T8S-R17E
 TOC 2,500 feet - 106 feet 80% Cement Bond - Confining Zone (3,674-3,780 feet)
 Shale A Confining Zone (3,891 feet-3,972 feet) has 81 feet of 80% cement bond.
- Well: Gilsonite State N-32-8-17* NW/SW Sec.32-T8S-R17E (Surface Loc.)
 C/W1/2 Sec.32-T8S-R17E (Bottom Hole Loc.)
 TOC 190 feet - 100 feet 80% Cement Bond - Confining Zone (3,796-3,900 feet)
 Shale A Confining Zone (4,014 feet to 4,100 feet) has 86 feet of 80% cement bond.
- Well: Gilsonite State Q-32-8-17* NW/SW Sec.32-T8S-R17E (Surface Loc.)
 C/SW Sec.32-T8S-R17E (Bottom Hole Loc.)
 TOC Surface - 90 feet 80% Cement Bond – Confining Zone (3,770-3,873 feet)
 Shale A Confining Zone (3,987 feet-4,060 feet) has 73 feet of 80% cement bond.

* Directionally Drilled

Demonstration of Mechanical Integrity: A successful demonstration of Part I (Internal) Mechanical Integrity using a standard Casing-Tubing pressure test is required prior to injection and at least once every five (5) years thereafter.

Demonstration of Financial Responsibility: The applicant has demonstrated financial responsibility by an Annual Statement that has been approved by the EPA. The present Plugging and Abandonment cost has been estimated to be \$35,401. The Director may revise the amount required, and may require the Permittee to obtain and provide updated estimates of costs for plugging the well according to the approved Plugging and Abandonment plan.

Plugging and Abandonment: The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluids into or between USDWs. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs; however, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. A minimum 50 foot surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. Within sixty (60) days after plugging the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

- PLUG NO. 1: Set a cast iron bridge plug (CIBP) no more than 50 feet above the top perforation with a minimum 20 foot cement plug on top of the CIBP.
- PLUG NO. 2: Squeeze a cement plug on the backside of the 5-1/2" casing across the Trona Zone and the Mahogany Bench between approximately 2,950 feet (KB) to 3,115 feet (KB). If pre-existing backside cement precludes cement-squeezing this interval then a minimum 165 foot balanced cement plug shall be placed inside the 5-1/2" from approximately 2,950 feet to 3,115 feet.
- PLUG NO. 3: Squeeze a cement plug on the backside of the 5-1/2" casing across the top of the Green River Formation between approximately 1,485 feet (KB) and 1,605 feet (KB). If pre-existing backside cement precludes cement-squeezing this interval then a minimum 120 foot plug shall be placed inside the 5-1/2" casing from approximately 1,485 feet to 1,605 feet.
- PLUG NO. 4: Set a Class "G" cement plug within the 5-1/2" casing to 327 feet and up the 5-1/2" x 8-5/8" casing annulus to the surface.
Cut off surface and 5-1/2" casing at least 4 feet below ground level and set P&A marker; submit Sundry Notices and all necessary data as required by the EPA and other regulatory agencies.

Reporting of Noncompliance:

- (a) Anticipated Noncompliance. The operator shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (b) Compliance Schedules. Reports of compliance or noncompliance with, or any progress on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than thirty (30) days following each schedule date.
- (c) Written Notice of any noncompliance which may endanger health or the environment shall be reported to the Director within five (5) days of the time the operator becomes aware of the noncompliance. The written notice shall contain a description of the noncompliance and its cause; the period of noncompliance including dates and times; if the noncompliance has not been corrected the anticipated time it is expected to continue; and steps taken or planned to prevent or reduce recurrence of the noncompliance.

Twenty-Four Hour Noncompliance Reporting:

The operator shall report to the Director any noncompliance which may endanger health or environment. Information shall be provided, either orally or by leaving a message, within twenty-four (24) hours from the time the operator becomes aware of the circumstances by telephoning 1.800.227-8917 and asking for the EPA Region 8 UIC Program Compliance and Enforcement Director, or by contacting the Region 8 Emergency Operations Center at 303.293.1788 if calling from outside EPA Region 8. The following information shall be included in the verbal report:

- (a) Any monitoring or other information which indicates that any contaminant may cause an endangerment to a USDW.
- (b) Any noncompliance with a Permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

Oil Spill and Chemical Release Reporting:

The operator shall comply with all other reporting requirements related to oil spills and chemical releases or other potential impacts to human health or the environment by contacting the **National Response Center (NRC) 1.800.424.8802 or 202.267.2675**, or through the NRC website at **<http://www.nrc.uscg.mil/index.htm>**.

Other Noncompliance:

The operator shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted.

Other Information:

Where the operator becomes aware that he failed to submit any relevant facts in the Permit application, or submitted incorrect information in a Permit application, or in any report to the Director, the operator shall submit such correct facts or information within two (2) weeks of the time such information became known to him.

WELL-SPECIFIC CONSIDERATIONS

Well Name: **Gilsonite State 12-32-8-17**
EPA Well ID Number: **UT20633-07412**

Underground Sources of Drinking Water (USDWs): USDWs in the Gilsonite Unit Area Permit generally occur within the Uinta Formation. According to "*Base of Moderately Saline Ground Water in the Uinta Basin, Utah, State of Utah Technical Publication No. 92,*" the base of moderately saline ground water may be found at approximately 50 ft below ground surface in the Gilsonite State 12-32-8-17.

http:NRWRT1.NR.STATE.UT.US

There are no reservoirs, streams, domestic or agricultural water wells within a quarter (1/4) mile of the Gilsonite State 12-32-8-17.

Composition of Source, Formation, and Injectate Water: (Total Dissolved Solids [TDS])

- TDS of the Douglas Creek Member-Green River Formation Water: 6,995 mg/l. Date 7/10/06.

- TDS of Jonah Injection Facility: 4,115 mg/l.

The **injectate** is primarily water from the Jonah Injection Facility blended with Produced Green River Formation water resulting in a calculated TDS of 6,142 mg/l.

Aquifer Exemption: An aquifer exemption is required because the total dissolved solids (TDS) of the Green River Formation water (6,995 mg/l) is less than 10,000 mg/l in the injection well. Please refer to 40 CFR § 146.4 (Criteria for Exempted Aquifers)

Confining Zone: The Confining Zone, which directly overlies the Garden Gulch Member of the Green River Formation, is approximately one hundred two (102) feet of shale between the depths of 3,710 feet and 3,812 feet (KB). However, the cement record shows no cement behind casing through this interval. To avoid the risks associated with cement-squeezing, Shale A (3,924 feet-4,006 feet) in the Gilsonite State 12-32-8-17, which has 82 feet of 80% cement bond, is designated the alternate Confining Zone.

Injection Zone: The Injection Zone at this well location is an approximate 2,153 feet of multiple lenticular sand units interbedded with shale, marlstone and limestone from the base of Shale A [4,006 feet (KB)] to the top of the Wasatch Formation which is estimated to be at 6,159 feet (KB). All formation tops are based on correlations to the Newfield Production Federal 1-26-8-17 (UT20702-04671) Type Log.

Well Construction: The CBL shows the Top of Cement to be at 3,840 feet which is below the Confining Zone (3,710-3,812 feet).

Surface Casing: 8-5/8" casing is set at 277feet (KB) in a 12-1/4" hole, using 210 sacks Class G cement circulated to the surface.

Longstring Casing: 5-1/2" casing is set at 5,782 feet (KB) in a 7-7/8" ft hole secured with 300 sacks of cement. Total driller depth is 5,800 feet. Plugged back total depth is 5,739 feet. EPA calculates top of cement at 3,855 feet. Estimated CBL top of cement is 3,840 feet.

Perforations: Top perforation: **4,266 feet** (KB). Bottom perforation: **5,468 feet** (KB)

Wells in Area of Review (AOR): Construction and cementing records, including cement bond logs (CBL) as available, for four (4) wells in the 1/4 mile AOR that penetrated the confining zone were reviewed. All were found adequate to prevent fluid movement out of the injection zone and into USDWs.

Well: Gilsonite State 11-32	NE/SW Sec. 32-T8S--R17E
Well: Gilsonite State 2-32	SW/SW Sec. 32-T8S-R17E
Well: Gilsonite State N-32-8-17*	NW/SW Sec. 32-T8S-R17E (Surface Loc.)
	C/W1/2 Sec. 32-T8S-R17E (Bottom Hole Loc.)
Well: Gilsonite State Q-32-8-17*	NW/SW Sec. 32-T8S-R17E (Surface Loc.)
	C/SW1/4 Sec. 32-T8S-R17E (Bottom Hole Loc.)

* Directionally drilled.

Gilsonite State #12-32

Spud Date: 11/02/83
 Put on Production: 8/12/93
 Put on Injection: 10/28/94
 Put back on Production: 1/21/03
 GL: 5250' KB: 5262'

Initial Production: 30 BOPD,
 72 MCFD, 29 BWPD

Wellbore Diagram

SURFACE CASING *Base USDW 50'*

CSG SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts.
 DEPTH LANDED: 277' GL
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 210 sxs Class "G" cement

PRODUCTION CASING

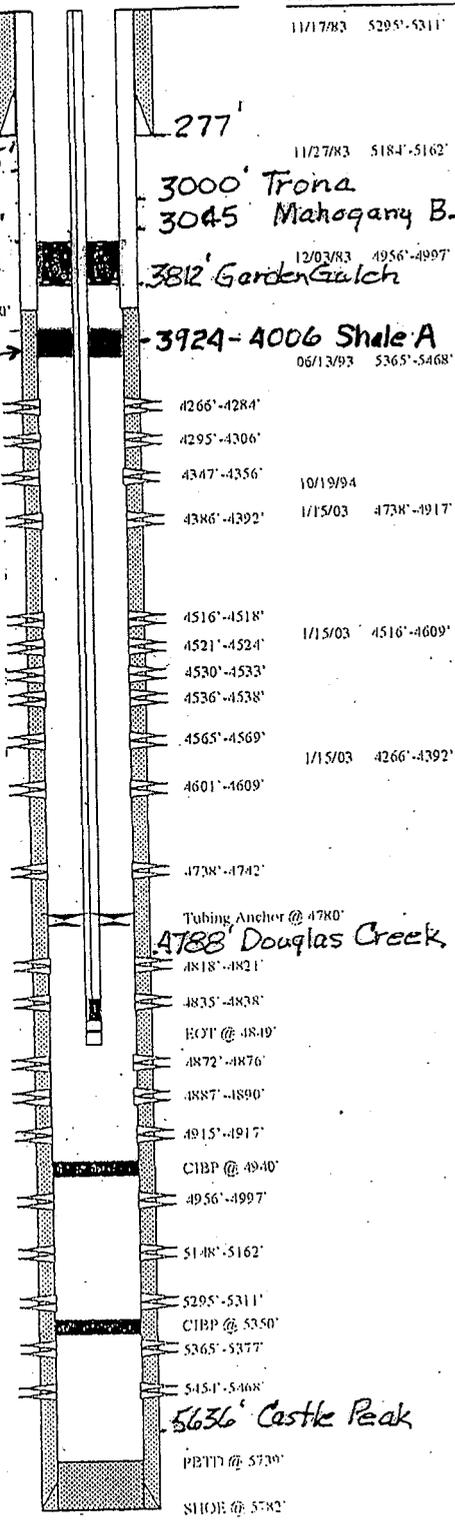
CSG SIZE: 5-1/2"
 GRADE: J-55
 WEIGHT: 17#
 LENGTH: 144 jts.
 DEPTH LANDED: 5782' KB
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 300 sxs Thixotropic cement.
 CEMENT TOP AT: 3840' per CBL

TUBING

SIZE/GRADE/WT.: 2-7/8" / J-55 / 6.5#
 NO. OF JOINTS: 144 jts (4768.32')
 TUBING ANCHOR: 4780.32' KB
 NO. OF JOINTS: 1 jt (31.36')
 SEATING NIPPLE: 2-7/8" (1.10')
 SN LANDED AT: 4814.41' KB
 NO. OF JOINTS: 1 jt (33.36')
 TOTAL STRING LENGTH: EOT @ 4809.29' w/12' KB

SUCKER RODS

POLISHED ROD: 1-1/2" x 22' SM
 SUCKER RODS: 6-1 1/2" weight bars; 10-3/4" tempered rods; 85-3/4" plain rods; 91-3/4" tempered rods; 1-8" x 3/4" pony rod
 PUMP SIZE: 2-1/2" x 1-1/2" x 1.15" RHAC
 STROKE LENGTH: 4"
 PUMP SPEED, SPM: 5.5 SPM
 LOGS: DIGI/SP/GR-CAL



FRAC JOB		
11/17/83	5295'-5311'	Frac A3 sand as follows: 93,400# 20/40 sand in 617 bbls 5% KCl frac fluid. Treated @ avg. press. of 2000 psi w/avg. rate of 25.7 BPM. ISIP 1750 psi. Screened out during flush. Calc flush: 5295 gal. Actual flush: 3402 gal.
11/27/83	5184'-5162'	Frac B2 sand as follows: 68,000# 20/40 sand in 571 bbls 5% KCl frac fluid. Treated @ avg. press. of 2020 psi w/avg. rate of 25 BPM. ISIP 2100 psi. Calc flush: 5148 gal. Actual flush: 5040 gal.
12/03/83	4956'-4997'	Frac C-sd sand as follows: 70,000# 20/40 sand in 833 bbls 5% KCl frac fluid. Treated @ avg. press. of 1900 psi w/avg. rate of 37 BPM. ISIP 1700 psi. Calc flush: 4956 gal. Actual flush: 4830 gal.
06/13/93	5365'-5468'	Frac L.O.D.C as follows: (Down tubing) 21,100# 20/40 sand + 41,100# 16/30 sand in 833 bbls gelled frac fluid. Treated @ avg. press. of 3420 psi w/avg. rate of 17.5 BPM. ISIP 1680 psi. Calc flush: 1337 gal. Actual flush: 1590 gal. Converted to injector.
1/15/03	4738'-4917'	Frac D sands as follows: 74,500# 20/40 sand in 563 bbls Viking 1-2.5 fluid. Treated @ avg. pressure of 1650 psi w/avg. rate of 23.5 BPM. ISIP - 2414 psi. Calc flush: 4738 gals. Actual flush: 4536 gals.
1/15/03	4516'-4609'	Frac PB sands as follows: 50,000# 20/40 sand in 414 bbls Viking 1-2.5 fluid. Treated @ avg. pressure of 2545 psi w/avg. rate of 24.5 BPM. ISIP - 2450 psi. Calc flush: 4516 gals. Actual flush: 4326 gals.
1/15/03	4266'-4392'	Frac CB sands as follows: 150,880# 20/40 sand in 952 bbls Viking 1-2.5 fluid. Treated @ avg. pressure of 1500 psi w/avg. rate of 16 BPM. ISIP - 1952 psi. Calc flush: 4266 gals. Actual flush: 4074 gals.

PERFORATION RECORD			
11/16/83	5295'-5311'	1 JSPF	17 holes
11/23/83	5148'-5162'	1 JSPF	15 holes
12/03/83	4956'-4997'	1 JSPF	21 holes
(1 shot every other foot)			
06/10/93	5365'-5377'	4 JSPF	48 holes
06/10/93	5454'-5468'	4 JSPF	56 holes
1/15/03	4915'-4917'	4 JSPF	8 holes
1/15/03	4887'-4890'	4 JSPF	12 holes
1/15/03	4872'-4876'	4 JSPF	16 holes
1/15/03	4835'-4838'	4 JSPF	12 holes
1/15/03	4818'-4821'	4 JSPF	12 holes
1/15/03	4738'-4742'	4 JSPF	16 holes
1/15/03	4601'-4609'	4 JSPF	32 holes
1/15/03	4565'-4569'	4 JSPF	16 holes
1/15/03	4536'-4538'	4 JSPF	8 holes
1/15/03	4530'-4533'	4 JSPF	12 holes
1/15/03	4521'-4524'	1 JSPF	12 holes
1/15/03	4516'-4518'	1 JSPF	8 holes
1/15/03	4386'-4392'	1 JSPF	24 holes
1/15/03	4347'-4356'	1 JSPF	36 holes
1/15/03	4295'-4306'	1 JSPF	14 holes
1/15/03	4266'-4284'	4 JSPF	72 holes

NEWFIELD

Gilsonite State #12-32

1891' FSI & 767' FWL

NWSIV Section 32-T8S-R17E

Duchesne Co. Utah

API #43,013,30787; Lease #M-22060

710 @ 5800'
 Est. Top Basal Carb. 6034'
 Est. Top Wasatch 6159'

Gilsonite State #12-32

Spud Date: 11/02/83

Put on Production: 8/12/93

Put on Injection: 10/28/94

Put back on Production: 1/21/03

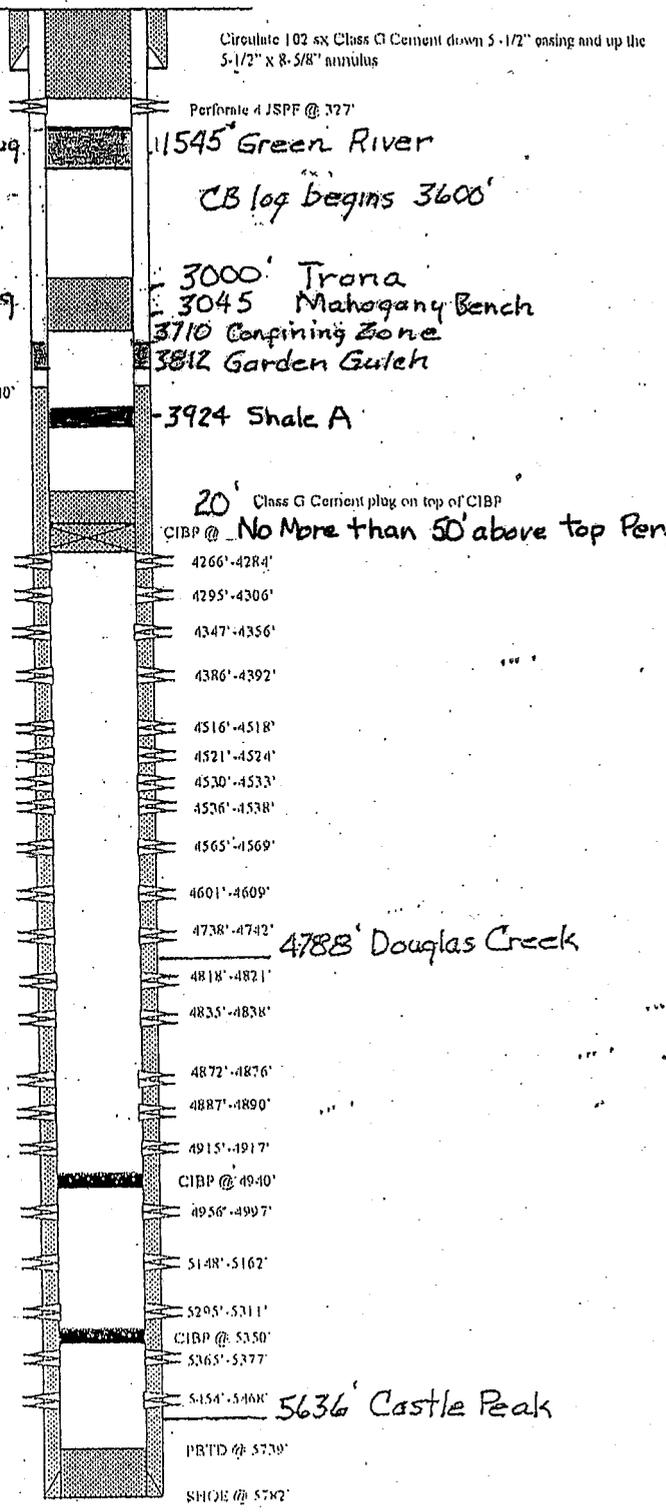
GL: 5250' KB: 5262'

Initial Production: 30 BOPD,
72 MCPD, 29 BWPD

Proposed P&A Wellbore Diagram

SURFACE CASING *Base USDW 50'*
 Casing Shoe @ 277'
 C.S.G. SIZE: 8-5/8"
 GRADE: J-55
 WEIGHT: 24#
 LENGTH: 7 jts.
 DEPTH LANDED: 277' GL
 HOLE SIZE: 12-1/4"
 CEMENT DATA: 210 sxs Class "G" cement.

PRODUCTION CASING *2950'-3115' Cement Plug*
 C.S.G. SIZE: 5-1/2"
 GRADE: J-55
 WEIGHT: 17#
 LENGTH: 144 jts.
 DEPTH LANDED: 5782' KB
 HOLE SIZE: 7-7/8"
 CEMENT DATA: 300 sxs Thixotropic cement.
 CEMENT TOP AT: 3840' per CBL.



NEWFIELD

Gilsonite State #12-32
 1891' FSL & 767' FWL
 NWSW Section 32-T88-R17E
 Duchesne Co. Utah
 API #43013-30782; Lease #ML-22060

Est. Top Basal Carb. 6034'

Est. Top Wasatch 6159'



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917

UNDERGROUND INJECTION CONTROL
AQUIFER EXEMPTION
For
NEWFIELD PRODUCTION COMPANY'S
GILSONITE UNIT AREA PERMIT UT20633-00000

GILSONITE STATE NO. 12-32-8-17
EPA PERMIT UT20633-07412
NW/SW SECTION 32-T8S-R17E
DUCHESNE COUNTY, UTAH

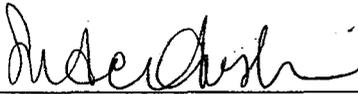
UINTAH & OURAY INDIAN RESERVATION

In compliance with provisions of the Safe Drinking Water Act, as amended, (42 USC § 300f-300j-11, commonly known as the SDWA) and attendant regulations incorporated by the U.S. Code of Federal Regulations, the Garden Gulch and Douglas Creek Members of the Green River Formation, located in the subsurface from 4,006 to an estimated 6,159 feet and within a ¼ mile radial distance from the surface location, in the Newfield Production Company's Gilsonite State No. 12-32-8-17, Duchesne County, Utah is being exempted as an underground source of drinking water (USDW) because:

- (1) The proposed enhanced recovery injection perforations do not currently serve as a source of drinking water;
- (2) the enhanced recovery injection perforations are hydrocarbon-bearing, i.e., they were once a source of hydrocarbon production;

This Aquifer Exemption (AE) is granted in conjunction with the Underground Injection Control Gilsonite Unit Area Permit, UT20633, issued to Newfield Production Company,

Date: APR 28 2009


Eddie Sierra
* Acting Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

* The person holding this title is referred to as the Director Throughout the permit and Authorization

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTAH STATE ML-22060

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
GILSONITE UNIT

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
GILSONITE ST 12-32

2. NAME OF OPERATOR:
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
4301330787

3. ADDRESS OF OPERATOR:
Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

10. FIELD AND POOL, OR WILDCAT:
MONUMENT BUTTE

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1891 FSL 767 FWL

COUNTY: DUCHESNE

OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NWSW, 32, T8S, R17E

STATE: UT

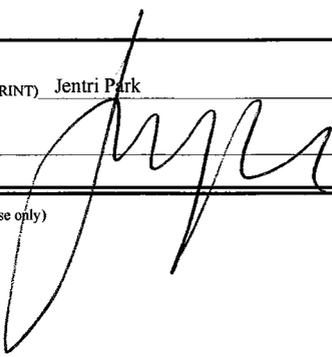
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 06/24/2009	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input checked="" type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: -
	<input checked="" type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The subject well has been converted from a producing oil well to an injection well on 06/09/09. On 05/18/09 Steven Pratt with the EPA was contacted concerning the initial MIT on the above listed well. Permission was given at that time to perform the test on 05/26/09. On 06/15/09 the casing was pressured up to 1390 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 0 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20633-07412 API# 43-013-30787

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

NAME (PLEASE PRINT) Jentri Park TITLE Production Tech
SIGNATURE  DATE 06/24/2009

(This space for State use only)

**RECEIVED
JUN 29 2009
DIV. OF OIL, GAS & MINING**

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 6 / 15 / 2009
 Test conducted by: Ted Whitehead
 Others present: _____

Well Name: <u>Gilsonite State 12-32-8-17</u>	Type: ER SWD	Status: AC TA UC
Field: <u>MONUMENT BUTTE</u>		
Location: <u>NW/5W</u> Sec: <u>32</u> T <u>8</u> N/ <u>S</u> R <u>17</u> <u>E</u> /W County: <u>Duchesne</u> State: <u>UT</u>		
Operator: <u>NewField Exploration</u>		
Last MIT: <u> </u> / <u> </u> / <u> </u>		Maximum Allowable Pressure: _____ PSIG

Is this a regularly scheduled test? Yes No
 Initial test for permit? Yes No
 Test after well rework? Yes No
 Well injecting during test? Yes No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 0 psig

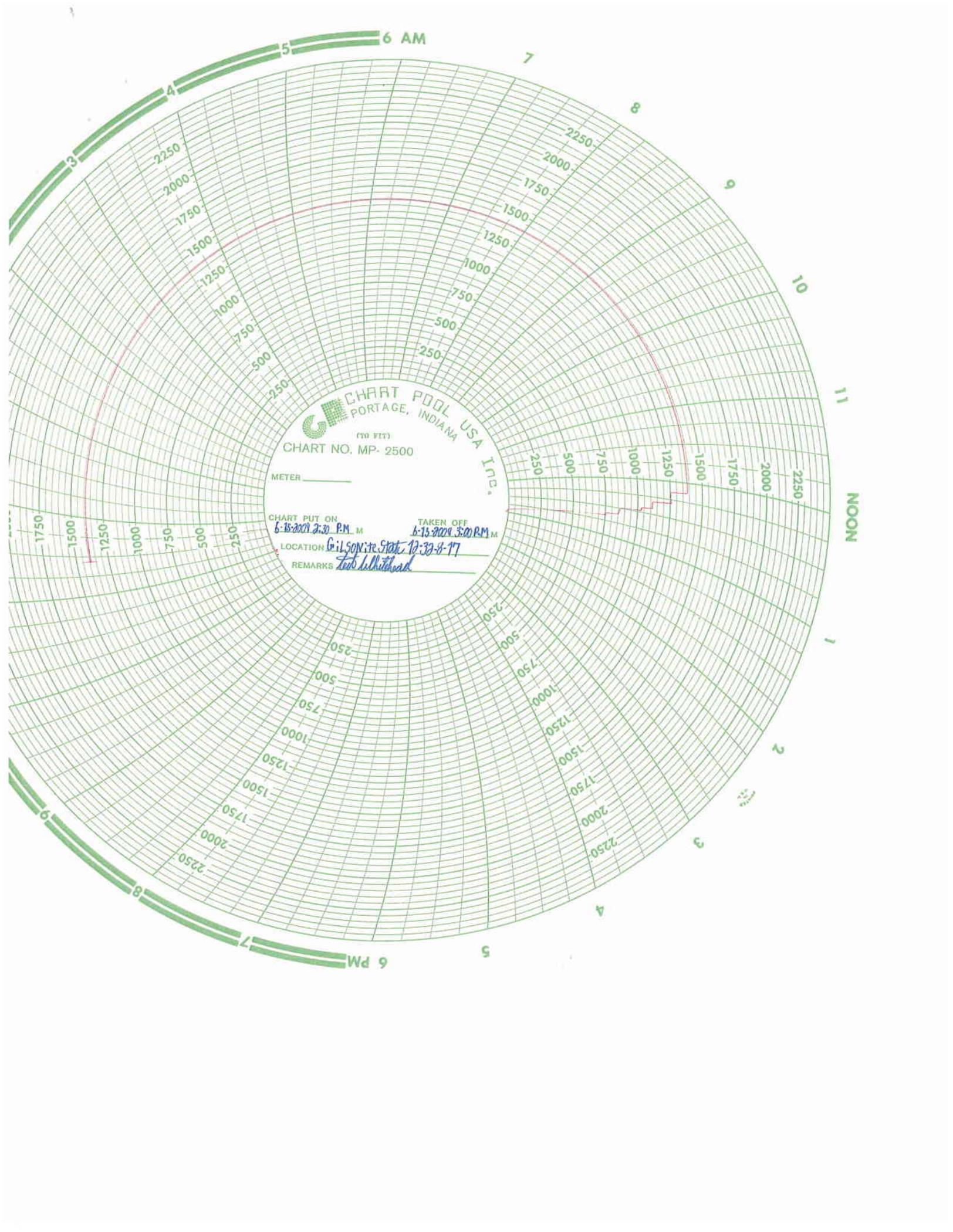
MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>0</u> psig	psig	psig
End of test pressure	<u>0</u> psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	<u>1390</u> psig	psig	psig
5 minutes	<u>1390</u> psig	psig	psig
10 minutes	<u>1390</u> psig	psig	psig
15 minutes	<u>1390</u> psig	psig	psig
20 minutes	<u>1390</u> psig	psig	psig
25 minutes	<u>1390</u> psig	psig	psig
30 minutes	<u>1390</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

Does the annulus pressure build back up after the test? Yes No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

AUG 10 2009

Michael Guinn
District Manager
Newfield Production Company
Route 3 - Box 3630
Myton, UT 84052

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RE: Authority to Commence Injection
EPA UIC Permit UT20633-07412
Gilsonite State 12-32-8-17
Duchesne County, Utah
API #: 43-013-30787

Dear Mr. Guinn:

85 17E 32

Newfield Production Company (Newfield) has satisfactorily completed Environmental Protection Agency (EPA) Prior to Commencing Injection requirements for Final Permit, UT20633-07412, effective June 30, 2009. The Part I (Internal) Mechanical Integrity Test (MIT), Well Rework Record (EPA Form No. 7520-12), schematic diagram, and pore pressure, were reviewed and approved by EPA on July 31, 2009.

As of the date of this letter, Newfield is authorized to commence injection into Gilsonite State 12-32-8-17 at a maximum allowable injection pressure (MAIP) of 1,235 psig. Until such time as the Permittee demonstrates through a Step Rate Test (SRT) that the Fracture Gradient (FG) is other than 0.729 psi/ft, Gilsonite State 12-32-8-17 shall be operated at a MAIP no greater than 1,235 psig.

Because the administrative Confining Zone (3,710' - 3,812') is above the top of cement (3,840') in the Gilsonite State 12-32-8-17, an alternate Confining Zone (Shale A 3,924' - 4,006') was designated the confining zone. Newfield has agreed to limit the injection zone to 2,153', from the base of Shale A (4,006') to the estimated top of the Wasatch (6,159').

RECEIVED

AUG 13 2009

DIV. OF OIL, GAS & MINING

As of this approval, responsibility for permit compliance and enforcement is transferred to Region 8 UIC Technical Enforcement Program office. Therefore, please direct all monitoring and compliance correspondence to the following address, referencing your well name and UIC Permit number on all correspondence regarding this well to:

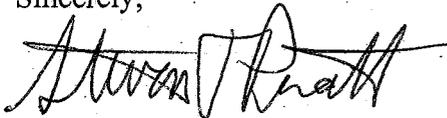
Mr. Nathan Wiser
Technical Enforcement Program – UIC
U.S. EPA Region 8: Mail Code 8ENF-UFO
1595 Wynkoop Street
Denver, CO 80202-1129

Or, you may reach Mr. Wiser by telephone at 303-312-6211, or 1 800-227-8927, ext. 312-6211.

Please remember that it is your responsibility to be aware of and to comply with all conditions of injection well Permit UT 20633-07412.

If you have questions regarding the above action, please call Bob Near at 303-312-6278 or 1-800-227-8917, ext. 312-6278.

Sincerely,


for Stephen S. Tuber

Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

cc: Curtis Cesspooch, Chairman
Uintah & Ouray Business Committee
Ute Indian Tribe

Irene Cuch, Vice-Chairwoman
Uintah & Ouray Business Committee
Ute Indian Tribe

Ronald Groves, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Steven Cesspooch, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Phillip Chimburas, Councilman
Uintah & Ouray Business Committee
Ute Indian Tribe

Frances Poowegup, Councilwoman
Uintah & Ouray Business Committee
Ute Indian Tribe

Daniel Picard, Superintendent
U.S. Bureau of Indian Affairs
Uintah & Ouray Indian Agency

Ferron Secakuku, Director
Natural Resources
Ute Indian Tribe

Gilbert Hunt Associate Director
Utah Division of Oil, Gas, and Mining

Larry Love, Director
Energy and Mineral Department
Ute Indian Tribe

Fluid Minerals Engineering Office
U.S. Bureau of Land Management
Vernal Office

Eric Sundberg
Regulatory Analyst
Newfield Production Company

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTAH STATE ML-22060

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
GILSONITE UNIT

1. TYPE OF WELL: OIL WELL GAS WELL OTHER

8. WELL NAME and NUMBER:
GILSONITE ST 12-32

2. NAME OF OPERATOR:
NEWFIELD PRODUCTION COMPANY

9. API NUMBER:
4301330787

3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

10. FIELD AND POOL, OR WILDCAT:
MONUMENT BUTTE

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1891 FSL 767 FWL

COUNTY: DUCHESNE

OTR/OTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW, 32, T8S, R17E

STATE: UT

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will <u>08/14/2009</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: - Change status put well on injection
	<input checked="" type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The above reference well was put on injection at 3:00 PM on 8-14-09.

UT 20433-00000

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

NAME (PLEASE PRINT) Kathy Chapman

TITLE Office Manager

SIGNATURE *Kathy Chapman*

DATE 08/17/2009

(This space for State use only)

**RECEIVED
AUG 18 2009
DIV. OF OIL, GAS & MINING**

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22060
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
1. TYPE OF WELL Water Injection Well		8. WELL NAME and NUMBER: GILSONITE ST 12-32
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		9. API NUMBER: 43013307870000
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052	PHONE NUMBER: 435 646-4825 Ext	9. FIELD and POOL or WILDCAT: MONUMENT BUTTE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1891 FSL 0767 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 32 Township: 08.0S Range: 17.0E Meridian: S		COUNTY: DUCHESNE
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/22/2014 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input checked="" type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text" value="5 YR MIT"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
5 YR MIT performed on the above listed well. On 05/22/2014 the casing was pressured up to 1033 psig and charted for 30 minutes with no pressure loss. The well was injecting during the test. The tbq pressure was 1394 psig during the test. There was not an EPA representative available to witness the test. EPA #UT22197-07412		Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY June 02, 2014
NAME (PLEASE PRINT) Lucy Chavez-Naupoto	PHONE NUMBER 435 646-4874	TITLE Water Services Technician
SIGNATURE N/A		DATE 5/29/2014

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: May 12 2014
 Test conducted by: Don Trane
 Others present: _____

Well Name: <u>Gilsonite</u>	Type: ER SWD	Status: AC TA UC
Field: <u>So. Milton</u>		
Location: <u>12</u> Sec: <u>32 T 8 N 17 E</u> W County: <u>Duchesne</u> State: <u>Utah</u>		
Operator: <u>Don Trane</u>		
Last MIT: <u>1</u> <u>1</u>	Maximum Allowable Pressure: <u>1475</u>	PSIG

Is this a regularly scheduled test? Yes No
 Initial test for permit? Yes No
 Test after well rework? Yes No
 Well injecting during test? Yes No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>1394</u> psig	psig	psig
End of test pressure	<u>1394</u> psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	<u>1034</u> psig	psig	psig
5 minutes	<u>1032</u> psig	psig	psig
10 minutes	<u>1034</u> psig	psig	psig
15 minutes	<u>1032</u> psig	psig	psig
20 minutes	<u>1032</u> psig	psig	psig
25 minutes	<u>1034</u> psig	psig	psig
30 minutes	<u>1033</u> psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

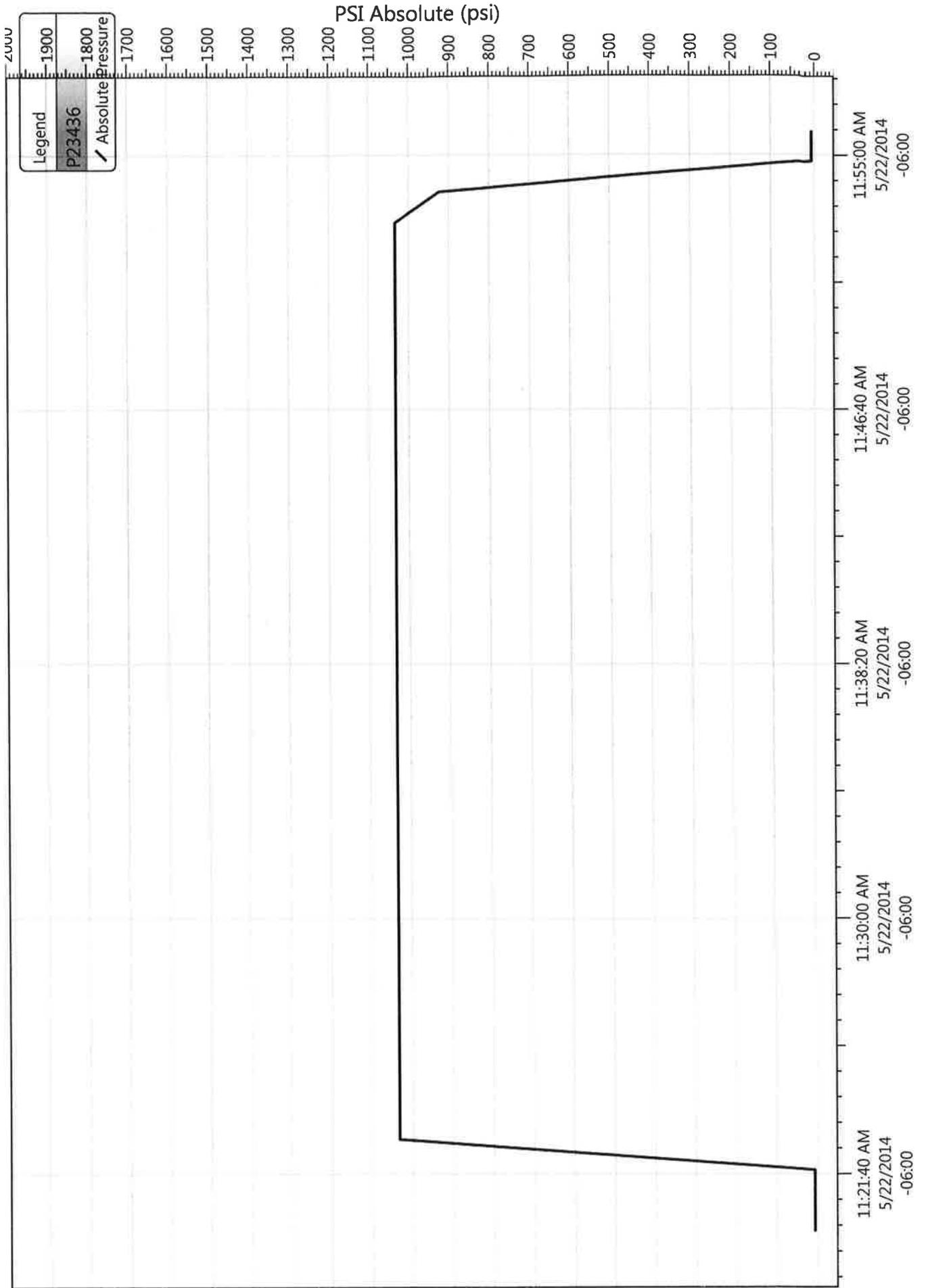
Does the annulus pressure build back up after the test? Yes No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____

gilsonite 12-32-8-17 5 year mit
5/22/2014 11:19:17 AM



NEWFIELD



Schematic

43-013-30787

Well Name: Gilsonite 12-32-8-17

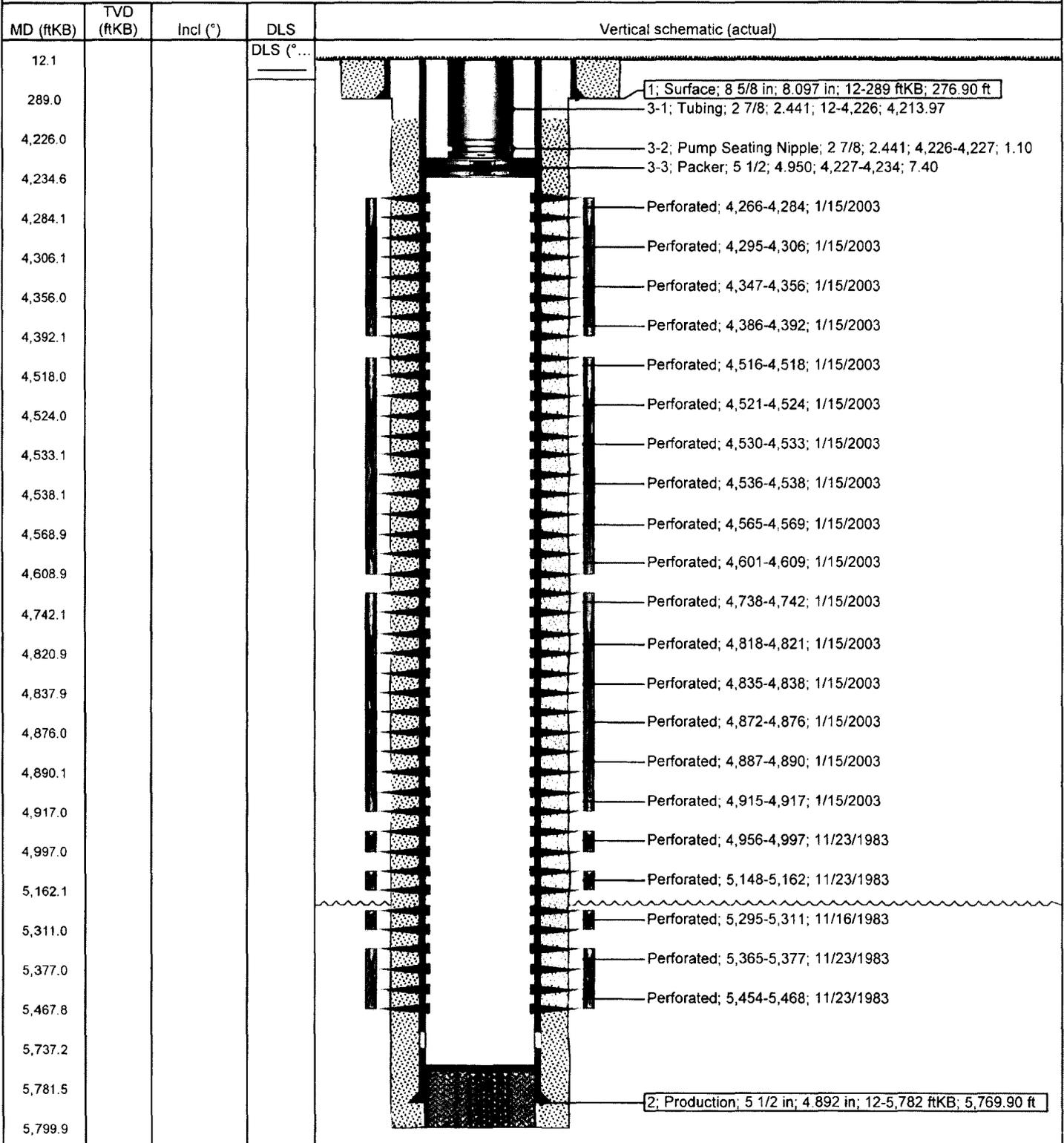
Surface Legal Location 32-8S-17E		API/UWI 43013307870000	Well RC 500151050	Lease	State/Province Utah	Field Name GMBU CTB7	County Duchesne
Spud Date	Rig Release Date	On Production Date 12/8/1983	Original KB Elevation (ft) 5,262	Ground Elevation (ft) 5,250	Total Depth All (TVD) (ftKB)	PBD (All) (ftKB) Original Hole - 5,739.0	

Most Recent Job

Job Category Testing	Primary Job Type	Secondary Job Type N/A	Job Start Date 5/22/2014	Job End Date 5/22/2014
-------------------------	------------------	---------------------------	-----------------------------	---------------------------

TD: 5,800.0

Vertical - Original Hole, 3/7/2016 10:07:00 AM





Newfield Wellbore Diagram Data Gilsonite 12-32-8-17

Surface Legal Location 32-8S-17E			API/UWI 43013307870000		Lease	
County Duchesne		State/Province Utah		Basin Uintah Basin		Field Name GMBU CTB7
Well Start Date 11/2/1983		Spud Date		Final Rig Release Date		On Production Date 12/8/1983
Original KB Elevation (ft) 5,262	Ground Elevation (ft) 5,250	Total Depth (ftKB) 5,800.0		Total Depth All (TVD) (ftKB)		PBTD (All) (ftKB) Original Hole - 5,739.0

Casing Strings

Csg Des	Run Date	OD (in)	ID (in)	WVLen (lb/ft)	Grade	Set Depth (ftKB)
Surface	11/2/1983	8 5/8	8.097	24.00	J-55	289
Production	11/8/1983	5 1/2	4.892	17.00	SB-80	5,782

Cement

String: Surface, 289ftKB 11/3/1983

Cementing Company		Top Depth (ftKB) 12.0		Bottom Depth (ftKB) 289.0		Full Return?		Vol Cement Ret (bbl)	
Fluid Description		Fluid Type Lead		Amount (sacks) 210		Class G		Estimated Top (ftKB) 12.0	

String: Production, 5,782ftKB 11/8/1983

Cementing Company		Top Depth (ftKB) 3,840.0		Bottom Depth (ftKB) 5,800.0		Full Return?		Vol Cement Ret (bbl)	
Fluid Description		Fluid Type Lead		Amount (sacks) 200		Class Thixotropic		Estimated Top (ftKB) 3,840.0	
Fluid Description		Fluid Type Tail		Amount (sacks) 100		Class Thixotropic		Estimated Top (ftKB) 4,000.0	

Tubing Strings

Tubing Description Tubing					Run Date 6/2/2009		Set Depth (ftKB) 4,234.5		
Item Des	Jts	OD (in)	ID (in)	Wt (lb/ft)	Grade	Len (ft)	Top (ftKB)	Blm (ftKB)	
Tubing	127	2 7/8	2.441	6.50	J-55	4,213.97	12.0	4,226.0	
Pump Seating Nipple	1	2 7/8	2.441			1.10	4,226.0	4,227.1	
Packer	1	5 1/2	4.950			7.40	4,227.1	4,234.5	

Rod Strings

Rod Description				Run Date		Set Depth (ftKB)		
Item Des	Jts	OD (in)	Wt (lb/ft)	Grade	Len (ft)	Top (ftKB)	Blm (ftKB)	

Perforation Intervals

Stage#	Zone	Top (ftKB)	Blm (ftKB)	Shot Dens (shots/ft)	Phasing (*)	Nom Hole Dia (in)	Date
7	GB, Original Hole	4,266	4,284	4			1/15/2003
7	GB, Original Hole	4,295	4,306	4			1/15/2003
7	GB, Original Hole	4,347	4,356	4			1/15/2003
7	GB, Original Hole	4,386	4,392	4			1/15/2003
6	PB, Original Hole	4,516	4,518	4			1/15/2003
6	PB, Original Hole	4,521	4,524	4			1/15/2003
6	PB, Original Hole	4,530	4,533	4			1/15/2003
6	PB, Original Hole	4,536	4,538	4			1/15/2003
6	PB, Original Hole	4,565	4,569	4			1/15/2003
6	PB, Original Hole	4,601	4,609	4			1/15/2003
5	D, Original Hole	4,738	4,742	4			1/15/2003
5	D, Original Hole	4,818	4,821	4			1/15/2003
5	D, Original Hole	4,835	4,838	4			1/15/2003
5	D, Original Hole	4,872	4,876	4			1/15/2003
5	D, Original Hole	4,887	4,890	4			1/15/2003
5	D, Original Hole	4,915	4,917	4			1/15/2003
3	C, Original Hole	4,956	4,997	1			11/23/1983
2	B2, Original Hole	5,148	5,162	1			11/23/1983
1	A3, Original Hole	5,295	5,311	1			11/16/1983
4	LODC, Original Hole	5,365	5,377	4			11/23/1983
4	LODC, Original Hole	5,454	5,468	4			11/23/1983

Stimulations & Treatments

Stage#	ISIP (psi)	Frac Gradient (psi/ft)	Max Rate (bbl/min)	Max PSI (psi)	Total Clean Vol (bbl)	Total Slurry Vol (bbl)	Vol Recov (bbl)
1	1,750		25.7				
2	2,100		25.0				
3	1,700		37.0				



Stimulations & Treatments

Stage#	ISIP (psij)	Frac Gradient (psi/ft)	Max Rate (bbl/min)	Max PSI (psi)	Total Clean Vol (bbl)	Total Slurry Vol (bb)	Vol Recov (bbl)
4	1,680		17.5				
5	2,414		23.5				
6	2,450		24.5				
7	1,952		16.0				

Proppant

Stage#	Total Prop Vol Pumped (lb)	Total Add Amount
1		Proppant Sand 93440 lb
2		Proppant Sand 68000 lb
3		Proppant Sand 70000 lb
4		Proppant Sand 21100 lb
5		Proppant Sand 74500 lb
6		Proppant Sand 50000 lb
7		Proppant Sand 150880 lb