

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS	WELL LOG	ELECTRIC LOGS	FILE X	WATER SANDS	LOCATION INSPECTED	SURF REPORT	abd
DATE FILED	3-17-86						
LAND FEE & PATENTED	STATE LEASE NO	PUBLIC LEASE NO				INDIAN 14-20-H62-3877	
DRILLING APPROVED	4-16-86 (Cause No. 139-42)						
SPUDDED IN							
COMPLETED	PUT TO PRODUCING						
INITIAL PRODUCTION							
GRAVITY API							
GOR							
PRODUCING ZONES							
TOTAL DEPTH							
WELL ELEVATION							
DATE ABANDONED	6-8-87 LA'D						
FIELD	BLUEBELL						
UNIT							
COUNTY	DUCHESNE						
WELL NO	EULA UTE 3-16A1				API # 43-013-31161		
LOCATION	1564' FNL	FT FROM (N) (S) LINE	1256' FWL	FT FROM (E) (W) LINE	SW NW	1 4 - 1 4 SEC	16

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
				1S	1W	16	BADGER OIL CORP.



ADS MANAGEMENT, INC.

OILFIELD INVESTMENT MANAGEMENT

Route 1 Box 1764
Roosevelt, Utah 84066
801-722-5087
March 12, 1986

RECEIVED
MAR 17 1986

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

DIVISION OF
OIL, GAS & MINING

Re: Badger Oil Corporation
Eula Ute 3-16A1

Dear John:

For your consideration, enclosed you will find Badger Oil Corporation's application for permit to drill for the above referenced well. Would you please address all correspondence concerning this matter to this office.

Thank you for your help. Please feel free to call should we need to answer any further questions.

Sincerely,

D. Cary Smith
Agent for Badger Oil Corporation

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

5. Lease Designation and Serial No.

~~5~~/Tribal minerals

6. If Indian, Allottee or Tribe Name

14-20-H62-3877 Ute

7. Unit Agreement Name

8. Farm or Lease Name

EULA UTE

9. Well No.

3-16A1

10. Field and Pool, or Wildcat

Bluebell

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

Sec 16-T1S-R1W

12. County or Parrish 13. State

DIVISION OF Duchesne, Utah

OIL, GAS & MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

b. Type of Well

Oil Well

Gas Well

Other

Single Zone

Multiple Zone

2. Name of Operator

Badger Oil Corporation

3. Address of Operator

ADS Management, Inc., Rt 1 Box 1764, Roosevelt, Utah 84066

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

At surface

1564' FWL

SW 1/4 NW 1/4

At proposed prod. zone

1256' FWL

At proposed prod. zone

Same

RECEIVED
MAR 17 1986

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

Approximately 8 miles N. of Roosevelt, Utah

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

1256' FWL

16. No. of acres assigned to this well

640

640

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

2400' +

19. Proposed depth

14,500' *Water*

20. Rotary or cable tools

Rotary

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

5752' Ungraded Ground

22. Approx. date work will start*

August 1, 1986

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
30"	20"		40'	150 CF (to surface)
12-1/4"	9-5/8"	36#	3,000'	600 CF (to surface)
8-3/4"	7"	26,29,32#	12,000'	750 CF
6"	5"	28#	11,800-14,500'	750 CF

The well is to be drilled to total depth using fresh water and fresh gel mud weighted with barite, as required. Operator will use 10" - 5000# psi BOP system and will operationally check system daily. A spacing variance is requested to insure the geologic integrity of the proposed well and to cause a minimal amount of surface damage per the request of the surface owner.

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

DATE: 4-16-86

BY: John R. Dava

WELL SPACING: Advised 13942

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: [Signature]

ADS Management, Inc.

Title: Agent for Badger Oil Corp.

Date: 3/12/86

(This space for Federal or State office use)

Permit No. 43-013-31161

Approval Date

Approved by

Title

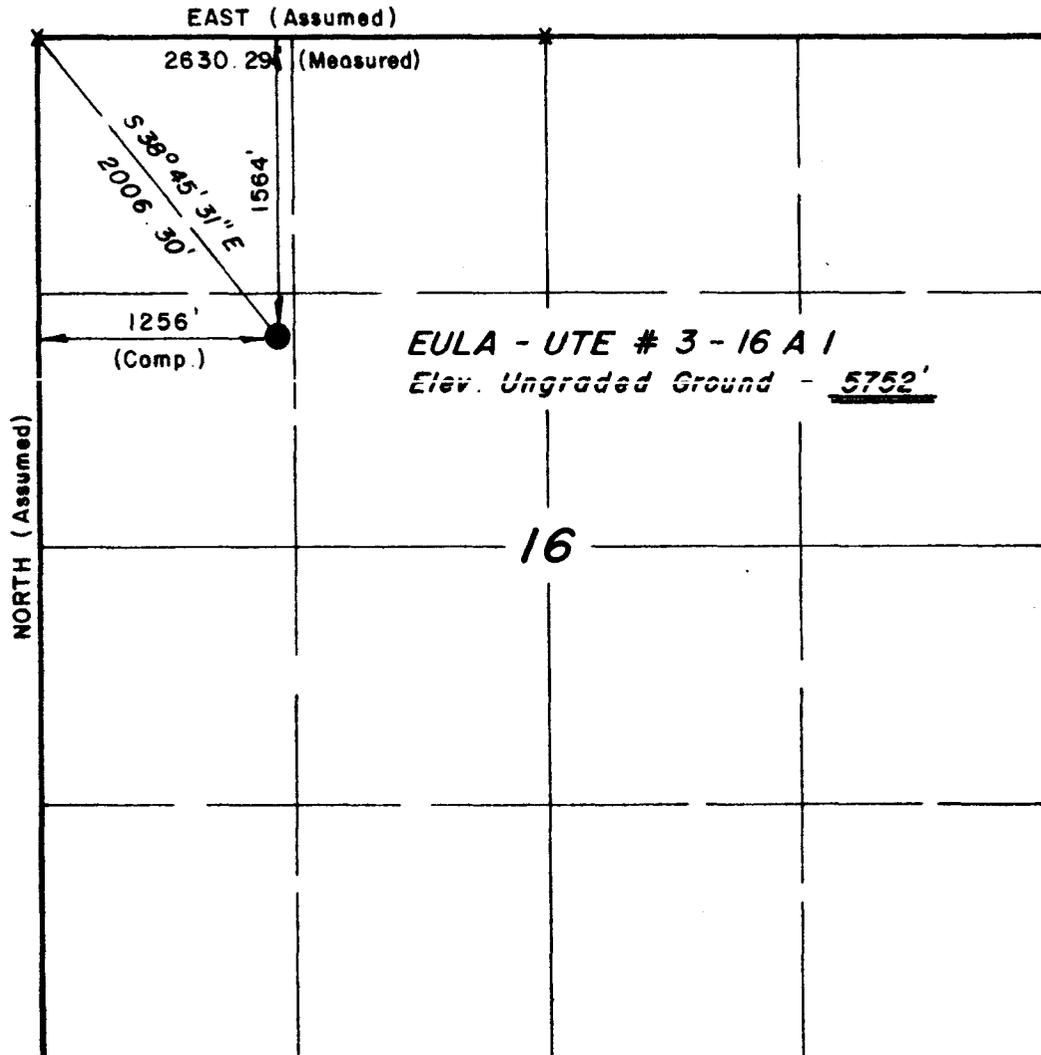
Date

Conditions of approval, if any:

TIS, RIW, U.S.B. & M.

PROJECT
BADGER OIL CORP.

Well location, *EULA - UTE #3-16 A1*,
 located as shown in the SW 1/4 NW 1/4
 Section 16, TIS, RIW, U.S.B. & M.
 Duchesne County, Utah.



NORTH (Assumed)

EULA - UTE # 3 - 16 A 1
 Elev. Ungraded Ground - 5752'

16



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 M. Marshall

REGISTERED LAND SURVEYOR
 REGISTRATION NO 2454
 STATE OF UTAH

X = Section Corners Located

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

SCALE 1" = 1000'	DATE 10 / 7 / 84
PARTY D.B. D.M. BFW	REFERENCES GLO Plat
WEATHER Fair	FILE BADGER OIL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Badger Oil Corporation

3. ADDRESS OF OPERATOR
 ADS Management, Inc., Rt 1 Box 1764, Roosevelt, Utah 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1564' FNL
 At proposed prod. zone 1256' FWL
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 8 miles N. of Roosevelt, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 1256' FWL

16. NO. OF ACRES IN LEASE
 640

17. NO. OF ACRES ASSIGNED TO THIS WELL
 640

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2400+

19. PROPOSED DEPTH
 14,500'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5752' Ungraded Ground

22. APPROX. DATE WORK WILL START*
 August 1, 1986

5. LEASE DESIGNATION AND SERIAL NO.
 Fee/Tribal

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 14-20-H62-3877-Ute

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Eula Ute

9. WELL NO.
 3-16A1

10. FIELD AND POOL, OR WILDCAT
 Bluebell

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
 Sec 16-T1S-R1W

12. COUNTY OR PARISH
 Duchesne

13. STATE
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
30"	20"		40'	150 CF (to surface)
12 1/2"	9-5/8"	36#	3,000'	600 CF (to surface)
8-3/4"	7"	26, 29, 32#	12,000'	750 CF
6"	5"	18#	11,800-14,500'	750 CF

The well is to be drilled to total depth using fresh water and fresh gel mud weighted with barite, as required. Operator will use 10"-5000# psi BOP system and will operationally check system daily. A spacing variance is requested to insure the geologic integrity of the proposed well and to cause a minimal amount of surface damage per the request of the surface owner.

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 [Signature] TITLE ADS Management, Inc. Agent for Badger Oil Corp. DATE 3/12/86

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] TITLE DISTRICT MANAGER DATE 4/16/86
 CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

COPIES OF APPROVAL ATTACHED TO OPERATOR'S COPY

*See Instructions On Reverse Side

APPLICATION FOR PERMIT TO DRILL
EULA UTE 3-16A1
SW1/4 NW 1/4 Section 16-T1S-R1W
Duchesne County, Utah

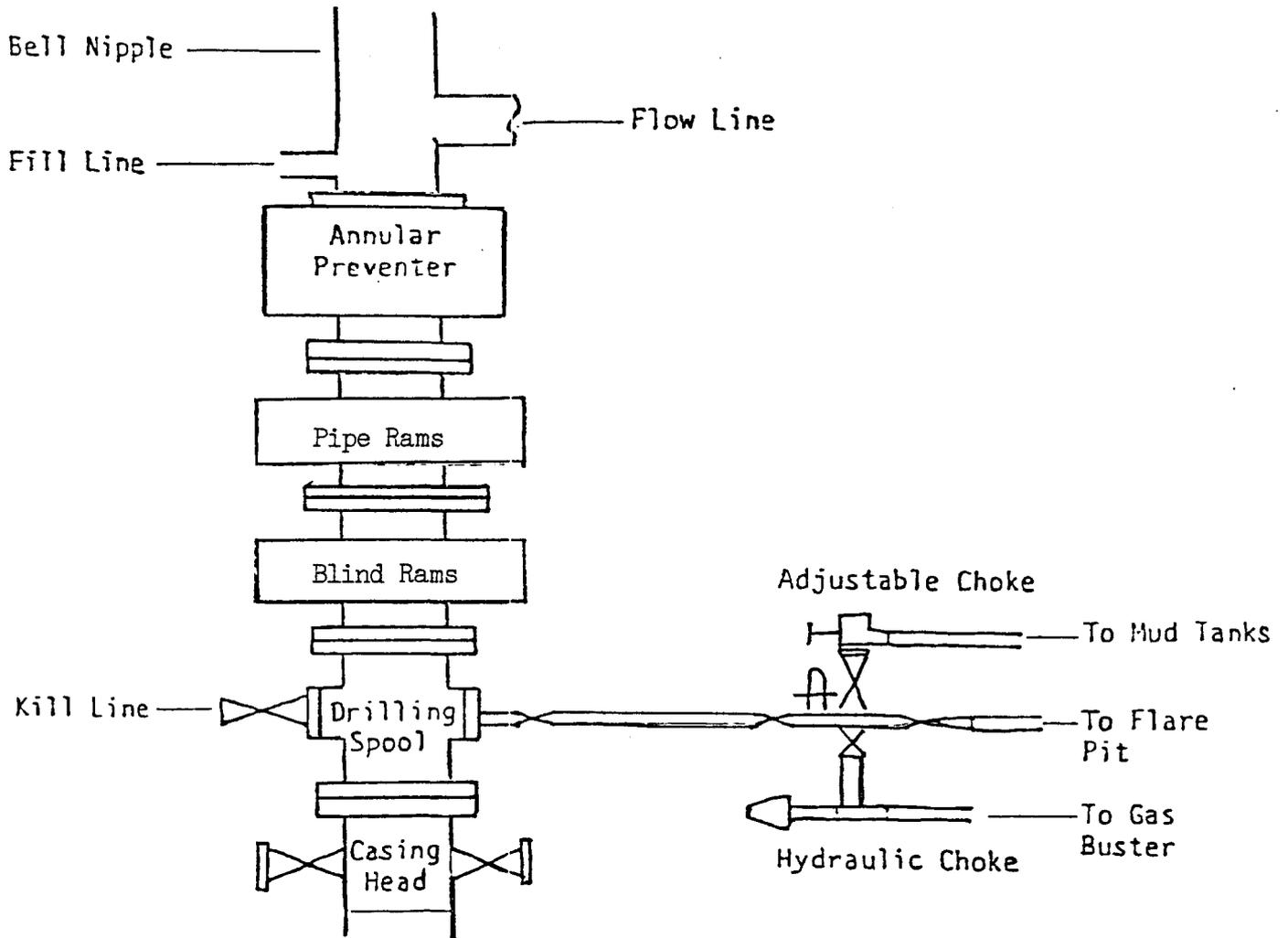
1. OPERATOR:
Badger Oil Corporation
P. O. Box 52745
Lafayette, LA 70505
(318) 233-9200
2. OPERATOR'S UTAH AGENT:
CT Corporation
175 South Main
Salt Lake City, Utah
3. DRILLING CONSULTANT AND LOCAL CONTACT:
ADS MANAGEMENT, INC.
Rt 1 Box 1764
Roosevelt, Utah 84066
(801) 722-5087
Attn: Cary Smith
4. OPERATOR'S BOND:
Continental Casualty Company
1982 - #7972555
5. LOCATION OF PROPOSED WELL:
Section 16 - Township 1 South, Range 1 West
Duchesne County, Utah
SW 1/4 NW 1/4
8 miles north of Roosevelt, Utah
6. PROPOSED OBJECTIVE:
14,500' Wasatch Test
7. ELEVATION:
5752' Ungraded Ground
8. MUD PROGRAM:
Low Solids Non-Dispersed
9. BOP DESIGN:

Size	Series	Number
10"	5000#	Double
10"	5000#	Annular
10. CASING PROGRAM:

Hole Size	Casing Size	Weight/Foot	Setting Depth	Cement
30"	20"		40'	150 CF
12-1/4"	9-5/8"	36#	3,000'	600 CF
8-3/4"	7"	26,29,32#	12,000'	750 CF
6"	5"	18#	11,800-14,500"	750 CF

11. PROJECTED TOPS:
Green River - 6,719'
Wasatch - Undetermined
12. SURFACE OWNER:
Orven J. and Delphia Nye Moon
Surface damages are being negotiated and will be settled
with the surface owners.
13. LOGS:
All logs will be furnished within prescribed time limits.
Planned log suite include DIL, SFL, FDC, CNL and Caliper.
14. PROPOSED SPUD DATE:
August 1, 1986

BLOW OUT PREVENTION EQUIPMENT



Minimum 3,000 PSI BOPE is to be installed after setting surface pipe. All preventers are to be tested to 1500 PSI prior to drilling out casing shoe. Minimum 5,000 PSI BOPE is to be installed after setting the long string. The pipe rams and blind rams are to be tested to 5,000 PSI and the annular preventer to 1500 PSI prior to drilling out shoe. All auxiliary BOPE will be tested to appropriate pressures when BOP's are tested. (Manifold, upper and lower kelly cock, valves and inside BOP). After drilling the shoe, the casing seat will be pressure tested to an equivalent mud weight of 13.5 ppg.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL
WITHIN THE UINTAH OURAY RESERVATION

Company Badger Oil and Gas Well No. Eula Ute 3-16AI
Location Sec. 16 T1S R1W Lease No. 14-20-H62-3877
Onsite Inspection Date 10-16-84

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A. DRILLING PROGRAM

1. All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

Prior to drilling out the surface casing shoe, the ram-type preventers shall be tested to 70 percent of internal yield of the last casing string set, and the annular-type preventers shall be tested to 50 percent of it's rated working pressure.

BOP and choke manifold systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

4. Mud Program and Circulating Medium

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed at the Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of a District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

Daily drilling and completion reports shall be submitted to this office on a weekly basis.

B. THIRTEEN POINT SURFACE USE PLAN

7. Location of Tank Batteries and Production Facilities

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

Tank batteries will be placed on the north side of the location.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

8. Methods of Handling Waste Disposal

Storage tanks will be used if drill sites are located on tribal irrigable land or on lands under crop production. All reserve pits will be lined with 1 foot of Duchesne River Formation green clay from the upper southwestern slope of Nephi Bench in N 1/2, Sec. 21, T. 1 S., R. 1 W., U.S.B. & M., overlain by a compacted layer of standard grade commercial bentonite applied at 100 lbs./30 square ft.

Burning will not be allowed. All trash must be contained and disposed of by a trash cage and hauled to an approved sanitary landfill.

Produced waste water will be confined to a lined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with required water analysis, will be submitted

for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

9. Surface and Mineral Ownership

Private surface/Indian minerals.

10. Other Information

There will be no deviation from the proposed drilling and/or work-over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

OPERATOR Badger Oil Corp DATE 3-19-86

WELL NAME Emula site 3-16A1

SEC SWNW 16 T 15 R 1W COUNTY Duchene

43-013-31161
API NUMBER

~~Initial~~ / Initial
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Need water permit

CA# VR 49I-84685C

APPROVAL LETTER:

SPACING:

203

UNIT

302

139-42 4/17/85
CAUSE NO. & DATE

302.1

STIPULATIONS:

1- Water



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

UINTAH AND OURAY AGENCY

Fort Duchesne, Utah 84026
(801) 722-2406 Ext.

IN REPLY REFER TO:

Real Property Management
Ten. and Mgmt.

APR 9 1986

MEMORANDUM

TO District Manager, Bureau of Land Management
FROM: Superintendent, Uintah and Ouray Agency
SUBJECT: Badger Oil Corporation - Eula Ute #3 Well
in the SW1/4NW1/4, Section 16, T1S, R1W, USB&M

We (concur with or, recommend) approval of the Application for Permit to Drill subject well.

Based on available information on April 9, 1985, we have cleared the proposed location in the following areas of environmental impact.

- YES ___ NO ___ Listed threatened or endangered species.
- YES ___ NO ___ Critical wildlife habitat.
- YES ___ NO ___ Archaeological or cultural resources.
- YES ___ NO ___ Air quality aspects (to be used only if project is in or adjacent to a Class I area of attainment).
- YES ___ NO ___ Other (if necessary)

REMARKS: Fee surface - Allotted minerals - no environmental requirements.

The necessary surface protection and rehabilitation requirements are as per approved APD.

DIVISION/AREA	INITIAL	ASSIGNED
Dist. Mgr.	<i>[Signature]</i>	
Assoc. D.M.		
Administration		
Resources		
Operations		

REC'D

APR 11 1986

BUREAU OF LAND MANAGEMENT	
Minerals	✓
Dist. Mgr.	
Book/Kit	
All Employees	

[Signature]
Superintendent

APR 1986
RECEIVED
Vernal, Utah

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Badger Oil Corp. Well No. 3-16A1

Location Sec. 16 T1S R1W Lease No. 14-20-H62-3877

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered:

All water shows, fresh or saline, encountered during drilling operations will be reported to the BLM Vernal District Office. All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

Based upon an internal yield pressure of 3,520 psi for the 9-5/8" surface casing, the minimum 3,000 psi ram-type BOPE will be pressure tested to a minimum pressure of 2,400 psi. Should the internal yield pressure differ from that which is stated above, the stipulated pressure test will change accordingly and must be approved by the BLM Vernal District Engineer.

The minimum 5,000 psi annular-type BOPE will be pressure tested to a minimum pressure of 2,500 psi.

BOP and choke manifold systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

The surface casing will be cemented to surface, not to +1,400 ft. as indicated in the APD, unless justified otherwise by Badger Oil Corporation prior to the cementing of said surface casing.

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

4. Mud Program and Circulating Medium

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed, in duplicate, to the Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of a District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or work-over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not

later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

In the event after-hour approvals are necessary, please contact one of the following individuals:

Craig M. Hansen (801) 247-2318
Assistant District Manager
for Minerals

Gerald E. Kenczka (801) 781-1190
Petroleum Engineer

R. Allen McKee (801) 781-1368
Petroleum Engineer



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

April 16, 1986

Badger Oil Corporation
c/o Ads Management, Inc.
Route 1, Box 1764
Roosevelt, Utah 84066

Gentlemen:

Re: Well Name: Eula Ute 3-16A1 - SW NW Sec. 16, T. 1S, R. 1W
1564' FNL, 1256' FWL - Duchesne County, Utah

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 139-42 dated April 17, 1985 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule 311.3, Associated Gas Flaring, Oil and Gas Conservation General Rules.

Page 2
Badger Oil Corporation
Well Name: Eula Ute 3-16A1
April 16, 1986

5. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at each drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable State and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 533-6163.
6. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-013-31161.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals
Bureau of Indian Affairs
D. R. Nielson

8159T

3162.35
U-820
14-20-H62-3877

May 27, 1987

Badger Oil Corp.
c/o ADS Management, Inc.
Rt. 1, Box 1764
Roosevelt, UT 84066

Re: Rescind Application for Permit to Drill
Well No. Eula Ute 3-16A1
Section 16, T1S, R1W
Duchesne County, Utah
Lease No. 14-20-H62-3877

Gentlemen:

The Application for Permit to Drill the referenced well was approved on April 16, 1986. Since that date, no known activity has transpired at the approved location. Under current District policy, applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application without prejudice. If you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Craig M. Hansen
ADM for Minerals

cc: Well File
State Div. 822M
U-922/943
BIA

Herrmann:plp

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ROUTING AND TRANSMITTAL SLIP

TO			ACTION	ROOM NO.
CODE	NAME	ORGANIZATION		
	<i>John Papp</i>			
	<i>DOGMA</i>			

Indicate Action by Number

- | | |
|----------------------------|---------------------|
| 1. Necessary action | 6. Note and surname |
| 2. Approval | 7. Note and return |
| 3. Signature | 8. Your information |
| 4. Prepare reply | 9. See me |
| 5. Your comment and return | 10. |

From	<i>Margie Herrmann</i>	Date	<i>5/28/87</i>	Room No.	
Office	<i>Yernal District</i>			Phone	
Remarks					

RECEIVED
JUN 03 1987

DIVISION OF
OIL, GAS & MINING

VERNAL DISTRICT OFFICE

BADGER OIL CORPORATION

Eula Ute 3-16A1
Sec. 16, T. 1S, R. 1W,
Duchesne County, Utah
API NO. 43-013-31161

see attached

MAY 1987

DELRIO DRILLING PROGRAMS

Wagon Canyon 3-1A
Sec. 3, T. 15S, R. 20E,
Uintah County, Utah
API NO. 43-047-31491

Wagon Canyon 4-1A
Sec. 4, T. 15S, R. 20E,
Uintah County, Utah
API NO. 43-47-31492

Wagon Canyon 5-1A
Sec. 5, T. 15S, R. 20E,
Uintah County, Utah
API NO. 43-047-31493

Wagon Canyon 34-1A
Sec. 34, T. 14S, R. 20E,
Uintah County, Utah
API NO. 43-047-31490

The SOP on these 4 wells terminated 1/31/87, so there was nothing they could do until then. Therefore, we are waiting until Jan. 1988 to do anything.

MAY 20 1987

RECEIVED
JUN 03 1987

DIVISION OF
OIL, GAS & MINING

6-8-87

Tami,

The federal approvals
on these wells are
effectively extended until
Jan. 1988. We will just
hold these until then.

Thx.
JRB



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

060945

June 8, 1987

Badger Oil Corporation
c/o ADS Management, Inc.
Rt. 1, Box 1764
Roosevelt, Utah 84066

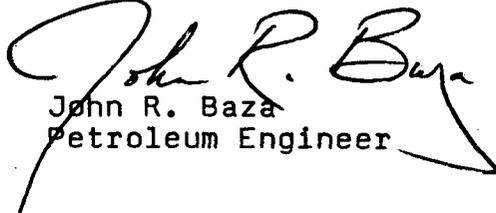
Gentlemen:

RE: Well No. Eula Ute 3-16A1, Sec.16, T.1S, R.1W,
Duchesne County, Utah, API NO. 43-013-31161

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,


John R. Baza
Petroleum Engineer

sb
cc: BLM-Vernal
D. R. Nielson
R. J. Firth
Well file
0327T-77