

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

mul Log 4/20/88

DATE FILED 12-16-87

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. INDIAN 14-20-H62-3440

DRILLING APPROVED 12-28-87 (Exception Location)

SPUDDED IN: 3.31.88

COMPLETED: 10-18-88 POW PUT TO PRODUCING: 10-18-88

INITIAL PRODUCTION: 83 BOPD, 35 MCF, 4 BWPD

GRAVITY A.P.I. 39

GOR: PRODUCING ZONES: 4635-4615 GRRV

TOTAL DEPTH: 5607'

WELL ELEVATION: 6015 KB

DATE ABANDONED:

FIELD: BRUNDAGE CANYON

UNIT:

COUNTY: DUCHESNE

WELL NO. UTE TRIBAL 25-6 API #43-013-31202

LOCATION 1331' FNL FT. FROM (N) (S) LINE. 1638' FWL FT. FROM (E) (W) LINE. SE NW 1/4 - 1/4 SEC. 25

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				5S	4W	25	IRONWOOD EXPLORATION INC.

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	Ourray
Green River	Frontier	Phosphoria	Elbert
<i>Douglas Cr. 4010</i>	Dakota	Park City	McCracken
<i>Castle Peak 5100</i>	Burro Canyon	Rico (Goodridge)	Aneth
	Cedar Mountain	Supai	Simonson Dolomite
	Buckhorn	Wolfcamp	Sevy Dolomite
	JURASSIC	CARBON I FEROUS	North Point
Wasatch	Morrison	Pennsylvanian	SILURIAN
Stone Cabin	Salt Wash	Quirrh	Laketown Dolomite
Colton	San Rafael Gr.	Weber	ORDOVICIAN
Flagstaff	Summerville	Morgan	Eureka Quartzite
North Horn	Bluff Sandstone	Hermosa	Pogonip Limestone
Almy	Curtis		CAMBRIAN
Paleocene	Entrada	Pardox	Lynch
Current Creek	Moab Tongue	Ismay	Bowman
North Horn	Carmel	Desert Creek	Tapeats
CRETACEOUS	Glen Canyon Gr.	Akah	Ophir
Montana	Navajo	Barker Creek	Tintic
Mesaverde	Kayenta		PRE - CAMBRIAN
Price River	Wingate	Cane Creek	
Blackhawk	TRIASSIC		

COCHRANE RESOURCES, INC.

Engineering
Wellsite Supervision
Lease Operating

P.O. Box 1656
Roosevelt, Utah 84066
Phone (801) 722-5081

December 15, 1987

RECEIVED
DEC 16 1987

DIVISION OF
OIL, GAS & MINING

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

Attn: Ron Firth

Dear Sir:

Attached for your consideration is the application to drill the Ironwood 25-6 well.

The surface and mineral ownership is Ute Tribal, and the water for the drilling will come from Alton Moon, out of Sowers Canyon.

Please advise if you have any questions.

Yours truly,

Ken Allen

Ken Allen

KBA/da
Encl.

6

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
 Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR
 P.O. Box 1656 Roosevelt, Utah 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 1638'FWL, 1331'FNL SE NW Sec 25 S.L.B. & M.
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 11 miles South of Bridgeland, Utah

16. NO. OF ACRES IN LEASE
 640

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 900'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6201' G.R.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10 3/4"	8 5/8"	24#	300'	to surface
7 7/8"	5 1/2"	17#	6000'	as required

T.D. to be 6000' in the Green River Formation

- Attached:
- A.P.D.
 - 13 point surface use plan
 - 8 point compliance program
 - B.O.P. Diagram
 - Plat of location
 - Cut and fill sheet
 - Topographic map

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 MB Allen TITLE Agent for Ironwood DATE 12/7/87

(This space for Federal or State office use)

PERMIT NO. 43-013-31202

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

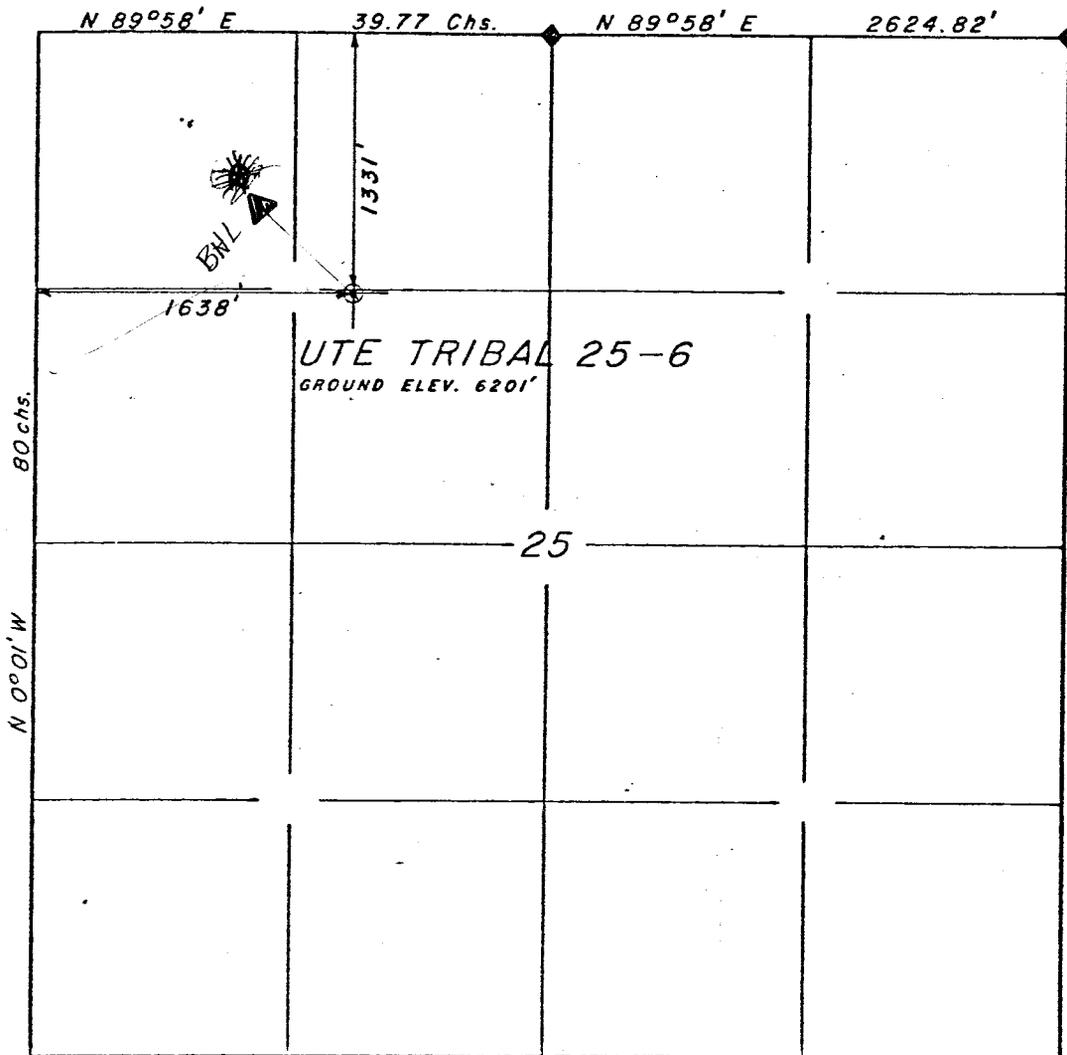
APPROVED BY _____ TITLE _____

DATE 12-28-87
 BY: John R. [Signature]
 WELL SPACING: R615-3-3

*See Instructions On Reverse Side

IRONWOOD EXPLORATION WELL LOCATION PLAT UTE TRIBAL 25-6

LOCATED IN THE SE $\frac{1}{4}$ OF THE NW $\frac{1}{4}$ OF
SECTION 25, T5S, R4W, U.S.B.&M.



SCALE: 1"=1000'

LEGEND & NOTES

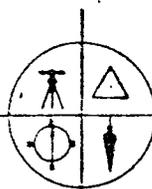
- ◆ ORIGINAL CORNERS FOUND AND USED BY THIS SURVEY.

THE GENERAL LAND OFFICE PLAT WAS USED FOR REFERENCE AND CALCULATIONS.

SURVEYOR'S CERTIFICATE

I hereby certify that this plat was prepared from field notes of an actual survey performed by me, during which the shown monuments were found or established.

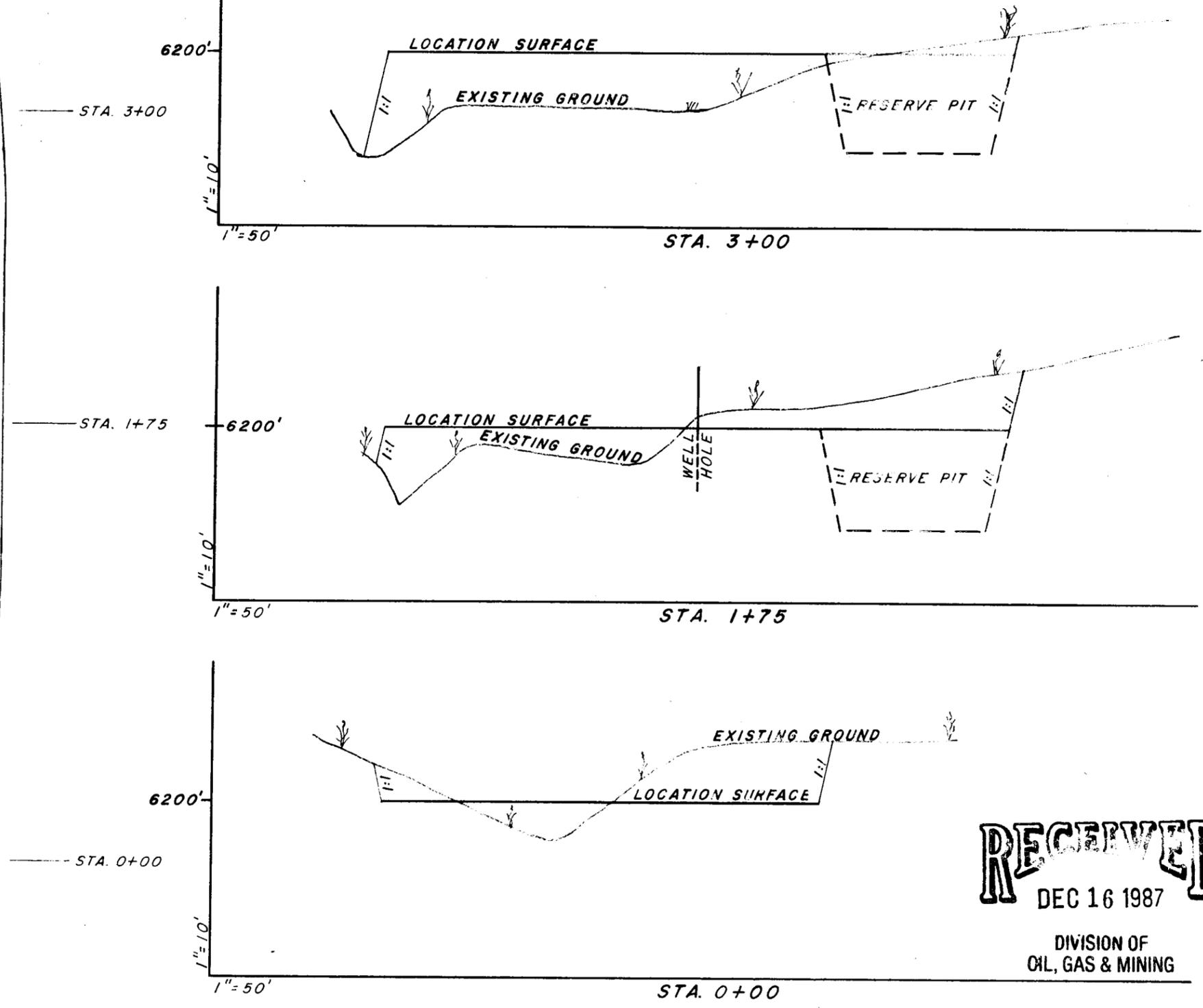
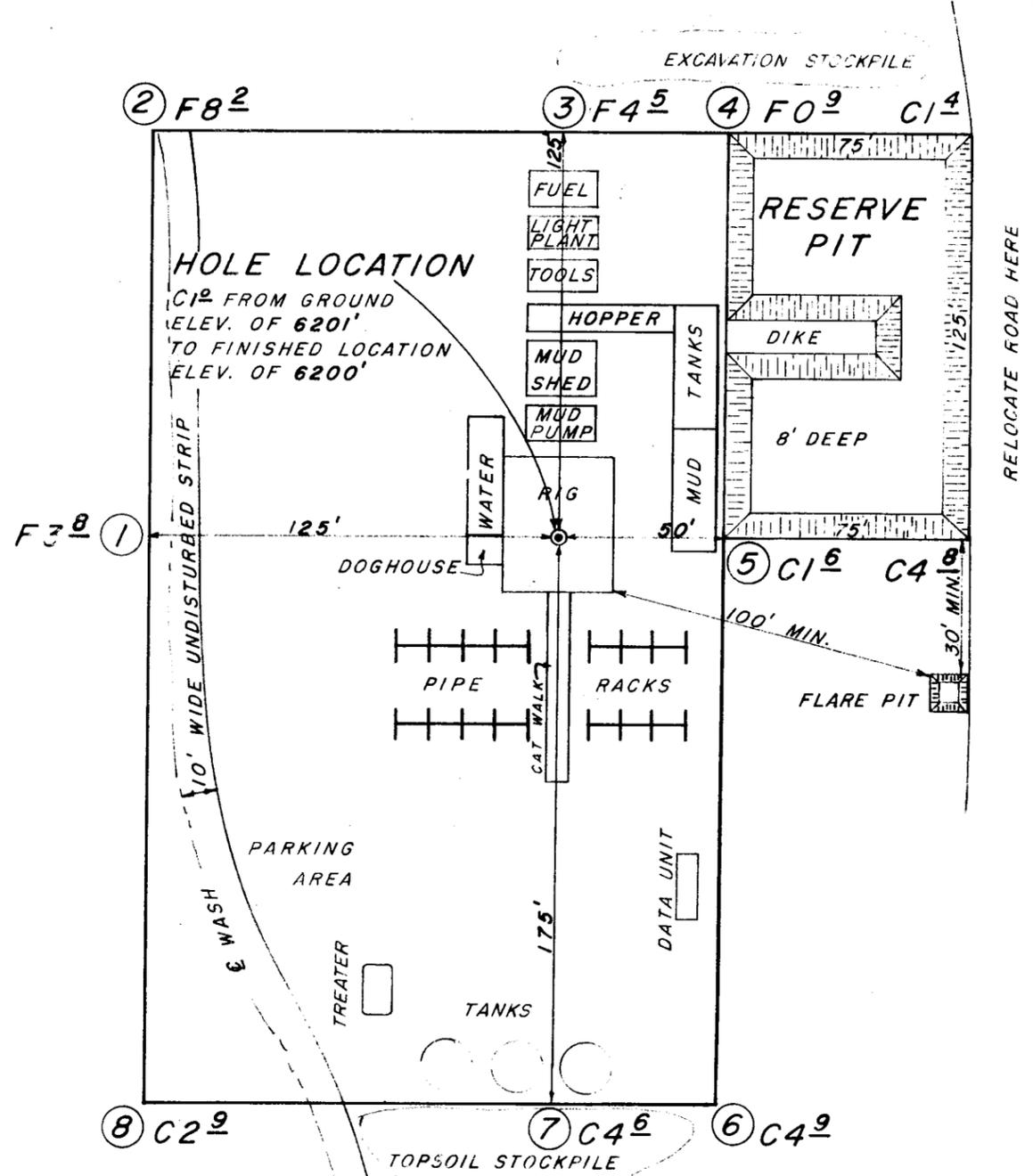
Jerry D. Allred
 Jerry D. Allred, Registered Land
 Surveyor, Cert. No. 3817 (Utah)



JERRY D. ALLRED & ASSOCIATES
 Surveying & Engineering Consultants

121 North Center Street
 P.O. Drawer C
 DUCHESNE, UTAH 84021
 (801) 738-5352

IRONWOOD EXPLORATION WELL LAYOUT PLAT UTE TRIBAL 25-6



LOCATED IN THE SE 1/4 OF THE NW 1/4 OF SECTION 25, T5S, R4W, 4.5.8. & N1.

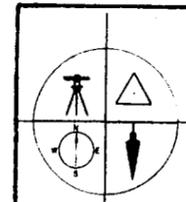
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DEC 16 1987

DIVISION OF
OIL, GAS & MINING

APPROXIMATE QUANTITIES

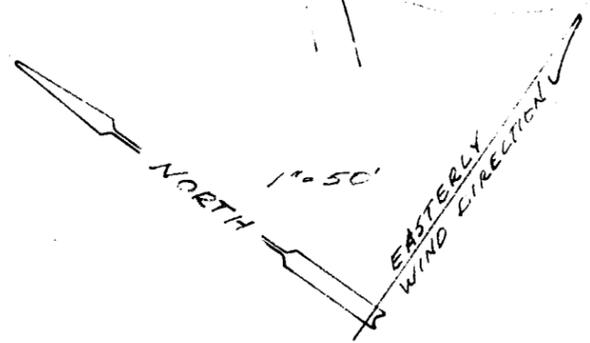
CUT: 7000 yd³
FILL: 4000 yd³



JERRY D. ALLRED & ASSOCIATES
Surveying & Engineering Consultants

121 North Center Street
P.O. Drawer C
DUCHESNE, UTAH 84021
(801) 738-5352

25 NOV '87 87-124-001



123037

OPERATOR Ironwood Exploration Inc DATE 12-18-87

WELL NAME Ute Tribal 25-6

SEC SE NW 25 T 55 R 4W COUNTY Beckham

43-013-31202
API NUMBER

Indian
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well within 920'
Need water permit
Need spec. loc request - Rec. 12/23/87

APPROVAL LETTER:

SPACING: R615-2-3 _____ UNIT _____ R615-3-2

_____ CAUSE NO. & DATE _____ R615-3-3

STIPULATIONS:

1 - Water

Engineering
Wellsite Supervision
Lease Operating

COCHRANE RESOURCES, INC.

P.O. Box 1656
Roosevelt, Utah 84066
Phone (801) 722-5081

RECEIVED
DEC 23 1987

December 21, 1987

DIVISION OF
OIL, GAS & MINING

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

Re: Application to drill Ironwood Ute Tribal 25-6.

Attn: Ron Firth

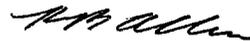
Dear Sir

A spacing exception is hereby applied for the the subject well due to the topography of the area.

Ironwood has all of section 25 under lease, and the well is 1331 ft from the nearest lease boundary.

The water for the well will come from the Moon family under application #43-1688 (A944).

Yours truly,



Ken Allen

8 POINT COMPLIANCE PROGRAM

WELL NAME: IRONWOOD ANTELOPE CANYON UTE TRIBAL 25-6

LOCATION: S.E. of N.W. Sec 25, T5S, R4W, S.L.M.

LEASE NO.: 14-20-H62-3440

ONSITE INSPECTION DATE: 12/2/87

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. Surface Formation and Estimated Formation Tops:

Well will spud in the Uintah Formation.
Douglas Creek Member of Green River at 4500'.
Basial Green River at 5700'
Wasatch at 6000'.

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

	<u>Formation</u>	<u>Zone</u>
Expected oil zones:	<u>Green River</u>	<u>4200' - 6000'</u>
Expected gas zones:	<u>Green River</u>	<u>4200' - 6000'</u>
Expected water zones:	<u>Uintah</u>	<u>0' - 4200'</u>
Expected mineral zones:	<u>None</u>	

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

3. Pressure Control Equipment:

The rig will be equiped with 10", 3000 PSI, double ram B.O.P.'S with a 10", 3000 PSI annular type B.O.P. Pipe rams and blind rams will be tested to 1500 PSI before drilling out from surface casing. Pipe rams will be operationally checked each day, and blind rams every trip out of the hole.

8-POINT COMPLIANCE PROGRAM

WELL NAME: IROMWOOD ANTELOPE CANYON UTE TRIBAL 25-6

3. Continued:

Accessories to B.O.P.'s include Kelly Cock, Floor safety valve, and choke manifold of equivalent pressure rating. B.O.P. systems will be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been 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 insure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventer 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.

4. Casing Program and Auxiliary Equipment:

300' of 8 5/8", 24#/ft. casing will be set and cemented to surface. If the well is productive 5 1/5", 15.5#/ft. casing will be set from surface to T.D. Cement program will be determined at that time.

Anticipated cement tops will be reported as to depth: not the expected number of sacks of cement to be used. 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.

5. Mud Program and Circulating Medium:

0' - 4500' Drill with fresh water.
4500' - T.D. Drill with 3% to 5% KCL water.

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

6. Coring, Logging and Testing Program:

No cores or drill stem tests will be taken. Open hole logs will be DLL with Gamma Ray and Micro SFL from T.D. to 3000'. FDC and CNL from T.D. to 4000'. Mud log from 3000' to T.D.

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

8 POINT COMPLIANCE PROGRAM

WELL NAME: IRONWOOD ANTELOPE CANYON UTE TRIBAL 25-6

6. Continued:

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).

7. Abnormal Conditions, Bottom Hole Pressure and Potential Hazards:

No abnormal conditions or potential hazards are anticipated. Expected bottom hole pressure is 2500 PSI.

8. Anticipated Starting Dates and Notifications of Operations:

Location Construction: January 30, 1988

Spud Date: February 15, 1988

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 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 with 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.

8 POINT COMPLIANCE PROGRAM

WELL NAME: IRONWOOD ANTELOPE CANYON UTE TRIBAL 25-6

8. Continued:

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 the District Engineer, produced water may be temporarily disposed of into lined pits for a period of up to 90 days. During the period so authorized, an application for approval of the 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 days 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

8 POINT COMPLIANCE PROGRAM

WELL NAME: IRONWOOD ANTELOPE CANYON UTE TRIBAL 25-6

8. Continued:

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.

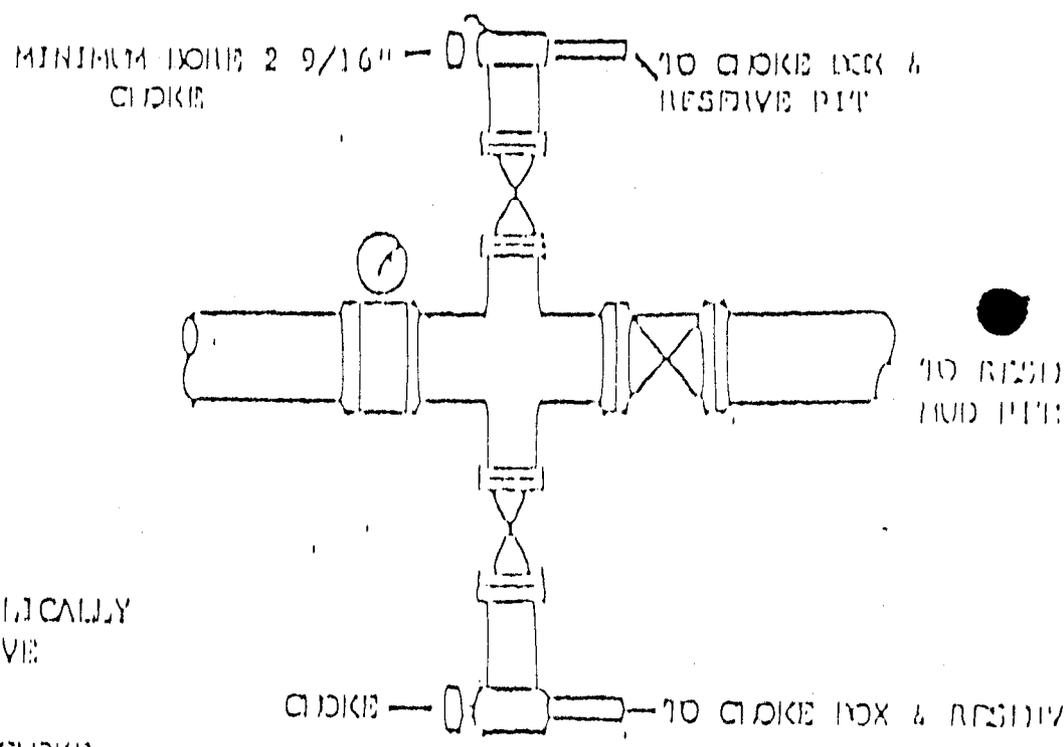
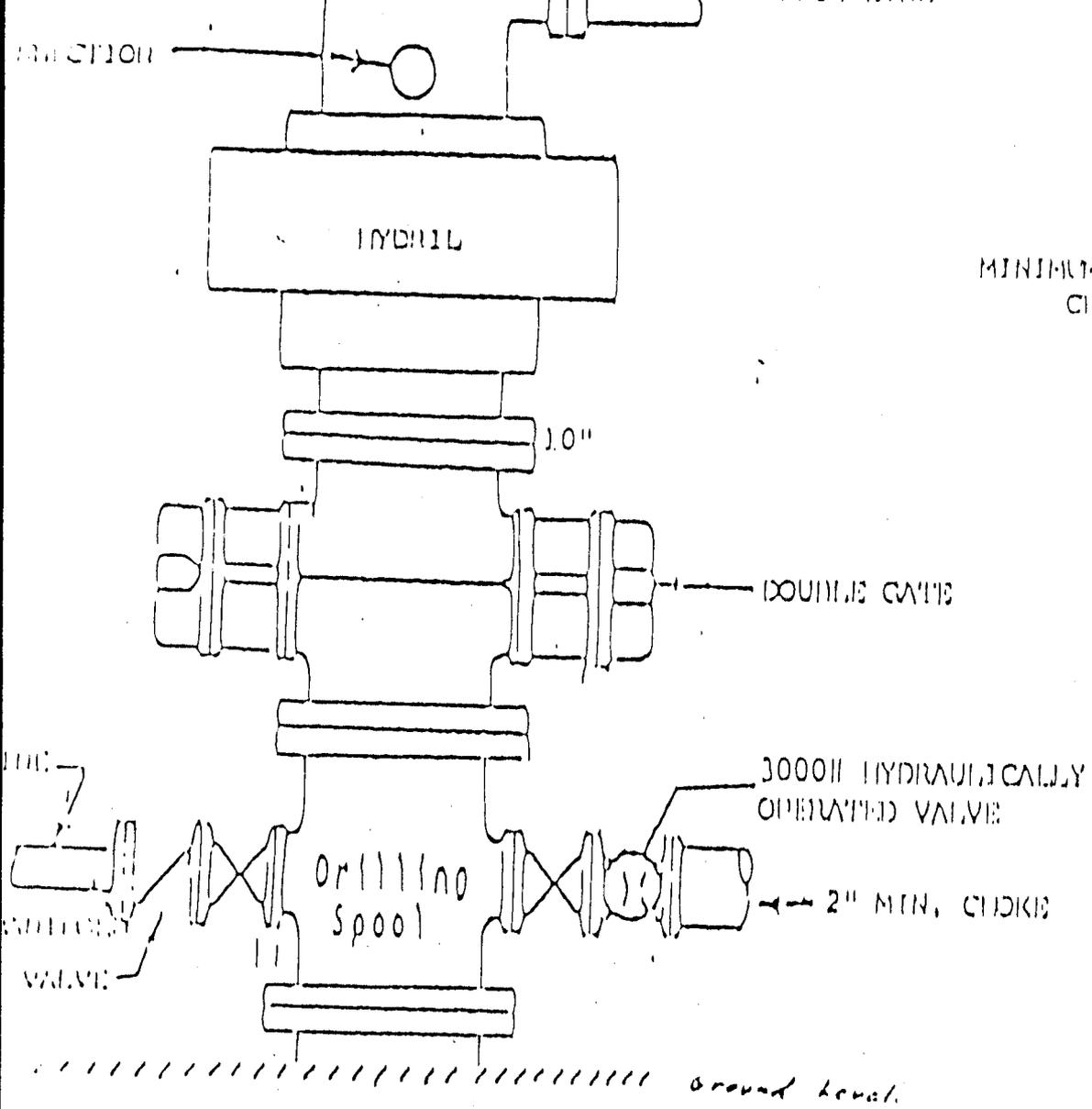
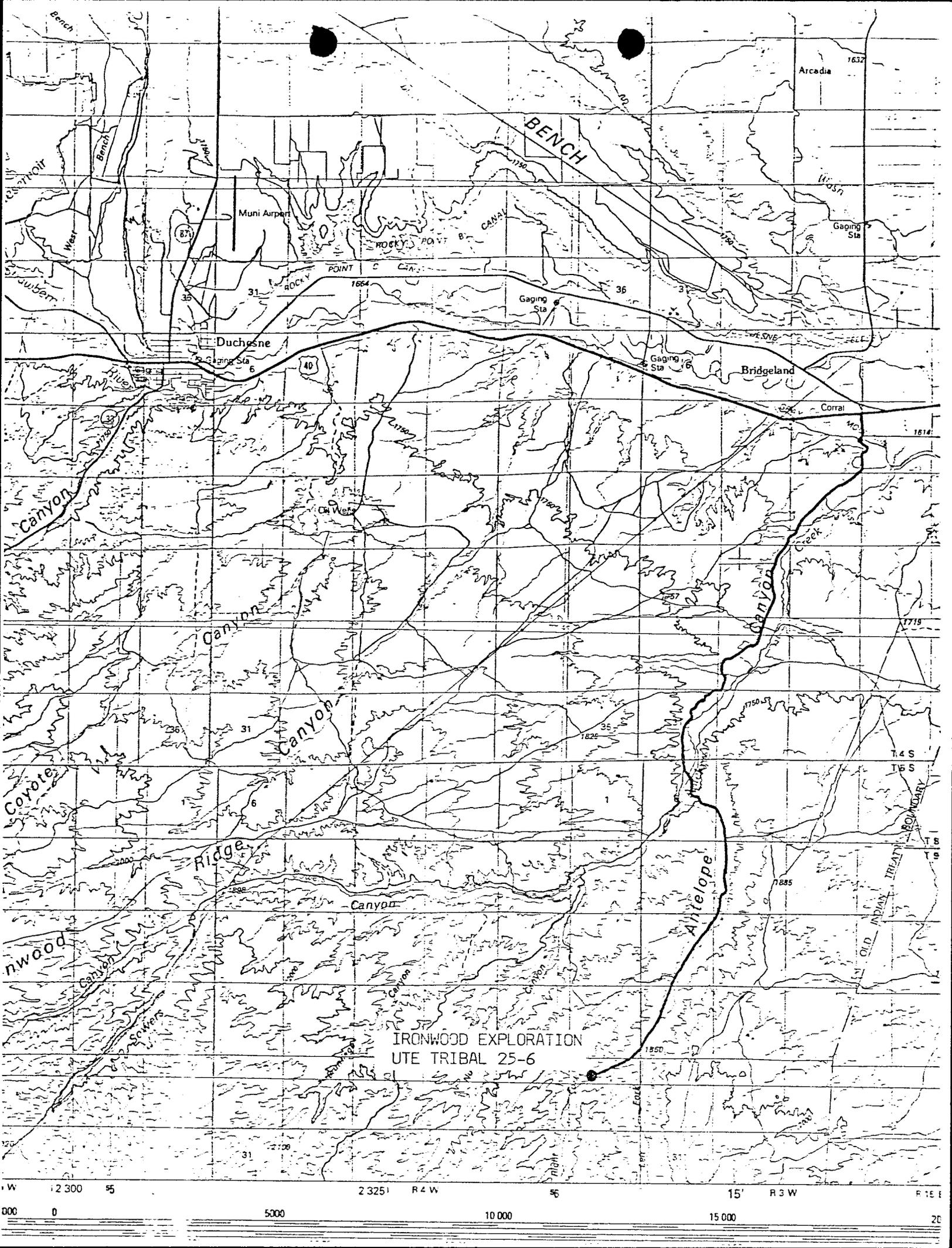


DIAGRAM "C"

IRONWOOD ANTELOPE CANYON UTE TRIBAL 25-6
 Sec 25, T5S, R4W
 Duchesne County, Utah



IRONWOOD EXPLORATION
UTE TRIBAL 25-6

W 12 300 55 2 325 1 R 4 W 56 15' R 5 E F 15 E
000 0 5000 10 000 15 000 20



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

December 28, 1987

Ironwood Exploration Incorporated
P. O. Box 1656
Roosevelt, Utah 84066

Gentlemen:

Re: Ute Tribal 25-6 - SE NW Sec. 25, T. 5S, R. 4W - Duchesne County
1331' FNL, 1638' FWL

Approval to drill the referenced well is hereby granted in accordance with Rule R615-3-3, Oil and Gas Conservation General Rules, 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 of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. 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.

Page 2

Ironwood Exploration Incorporated
Ute Tribal 25-6
December 28, 1987

5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.
6. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the 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) 538-6121.
7. 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 43-013-31202.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Bureau of Indian Affairs
Branch of Fluid Minerals
D. R. Nielson
8159T

memorandum

DATE: February 24, 1988

REPLY TO
ATTN OF: Superintendent, Uintah and Ouray Agency

SUBJECT: Concurrence with Application for Permit to Drill Well No. 25-6, Antelope Canyon in the SE1/4 of the NW1/4 of Sec. 25, T5S, R4W, USB&M.

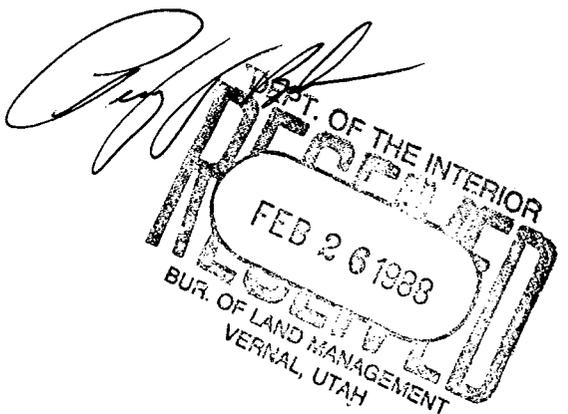
TO: District Manager, Bureau of Land Management

We concur with and recommend approval of the Application for Permit to Drill subject well. Based on available information on October 20, 1987, we have cleared the proposed location in the following areas of environmental impact.

- YES XX NO Listed threatened or endangered species
- YES XX NO Critical wildlife habitat
- YES XX NO Archaeological or cultural resources
- YES N/A NO Air quality aspects (to be used only if project is in or adjacent to a class 1 area of attainment)
- YES XX NO Other (if necessary)

Remarks: Operator will follow the multi point plan to protect the surface resources and rehabilitate site when well is abandoned.

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



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

Company Ironwood Exploration Inc. Well No. 25-6
Location SE/NW Sec. 25, T.5S., R.4W., Lease No. 14-20-H62-3440

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

A. DRILLING PROGRAM

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

Report ALL water shows and water bearing sands to Wayne Svejnoha of this office. Copies of State of Utah form, OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

2. Pressure Control Equipment

Ram-type preventers shall be tested to 2000 psi. Annular bag-type preventers shall be tested to 1500 psi.

All BOPE and testing procedures 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 shall 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 Mahogany oil shale zone is anticipated to be encountered at + 2360' - 2450' by this well bore. If encountered, the cementing program for the 5½" must provide coverage from at least + 2300' to 2500'.

Both fresh and saline water is anticipated in the Douglas Creek Aquifer from + 4200' to TD. If encountered, the 5½" casing cementing program shall provide protection from + 4200' to TD.

If production casing is run and cemented in place, a Cement Bond Log (CBL) shall be utilized to determine cement top and bond quality. At least one run shall be made with zero pressure at the surface. Copies of the CBL shall be submitted to this office.

All casing strings shall be tested to 1000 psi or 0.2 psi/foot of casing depth, whichever is greater.

The District Office shall 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.

6. Notifications of Operations

If completion operations for this well will involve non-typical procedures in this area, i.e. horizontal completions, a separate approval will be necessary via a Sundry Notice. This request shall outline all pertinent details.

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:

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

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

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

Revised October 1, 1985

Date NOS Received 11/19/87

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator Ironwood Exploration Inc.
Well Name & Number Antelope Canyon No. 25-6
Lease Number 14-20-H62-3440
Location SE ¼ NW ¼ Sec. 25 T. 5S., R. 4W.
Surface Ownership Ute Tribe

B. THIRTEEN POINT SURFACE USE PROGRAM:

1. Location of Existing and/or Proposed Facilities

The required paint color is Desert Brown (10 YR 6/3).

2. Methods for Handling Waste Disposal

Burning will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

Pits will be constructed so as not to leak, break, or allow discharge of liquids.

Produced waste water will be confined to a lined pit or storage tank 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.

3. Well Site Layout

Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed. Pits will be fenced and maintained until clean-up.

4. Plans for Restoration of Surface

An appropriate seed mixture will be determined by the BIA either as part of the Conditions of Approval of the APD or at the time restoration activities are scheduled to begin.

If the seeding is unsuccessful, the lessee/operator may be required to make subsequent seedings.

The operator will submit a plan of controlling noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. A list of noxious weeds can be obtained from the appropriate county extension office.

5. Other Additional Information

Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way Authorization". All operators, subcontractors, vendors and their employees or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved rights-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.

All roads constructed by operators on the Uintah and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members, (d) that permits must be obtained from the BIA before cutting firewood or other timber products and (e) only authorized personnel permitted.

All well site locations on the Uintah and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, the section, township, and range).

The operator or his contractor shall contact the BLM and BIA Offices at (801) 789-1362 (BLM) and (801) 722-2406 (BIA) between 24 and 48 hours prior to construction activities. Contact Tim O'Brien.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. 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.

COCHRANE RESOURCES, INC.

Engineering
Wellsite Supervision
Lease Operating

P.O. Box 1656
Roosevelt, Utah 84066
Phone (801) 722-5081

RECORDED
APR 05 1988

DIVISION OF
OIL, GAS & MINING

April 4, 1988

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

Re: Ironwood Exploration, Inc.

~~Antelope Canyon # 25-6 UTE TRIBAL~~
Sec 25, T5S, R4W
Lease # 14-20-H62-3440

*4-7-88
(as per tel. conversation
w/ Ken Allen. id)*

Dear Sir:

This letter is to advise you that the subject well was spudded at 10 A.M. March 31, 1988. A 12 1/4" hole was drilled to 120' and reamed out to 95'. 95' of 14" conductor pipe was run in the hole.

The 300' of 12 1/4" hole and the 8 5/8" csg will be run with Shelby Rig #11 when it moves on location.

Yours truly,

Debbie Allen

Debbie Allen
Office Manager
Cochrane Resources, Inc.
Agent for Ironwood Exploration, Inc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
14-20-H62-3440 *OH*

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute Tribal

7. UNIT AGREEMENT NAME
040719

8. FARM OR LEASE NAME

9. WELL NO.
25-6

10. FIELD AND POOL, OR WILDCAT
Antelope Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 25, T5S, R4W, SL&M

12. COUNTY OR PARISH | 13. STATE
Duchesne | Utah

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
Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR
P.O. Box 1656 Roosevelt, Utah 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
1638'FWL, 1331'FNL SE NW Sec 25 S.L.B. & M.
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
11 miles South of Bridgeland, Utah *43-013-31202*

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
1331'

16. NO. OF ACRES IN LEASE
640

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.
900'

19. PROPOSED DEPTH
6000'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6201' G.R.

22. APPROX. DATE WORK WILL START*
Jan. 30, 1988

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
10 3/4"	8 5/8"	24#	300'	to surface
7 7/8"	5 1/2"	17#	6000'	as required

T.D. to be 6000' in the Green River Formation

- Attached:
- A.P.D.
 - 13 point surface use plan
 - 8 point compliance program
 - B.O.P. Diagram
 - Plat of location
 - Cut and fill sheet
 - Topographic map

APR 06 1988

DIVISION OF OIL, GAS & MINING

DEC 1987

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Verbal Unit 1987

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.

SIGNED *MA Allen* TITLE Agent for Ironwood DATE 12/7/87

PERMIT NO. R APPROVAL DATE _____
APPROVED BY *R Allen M/Kee* ASSISTANT DISTRICT MANAGER MINERALS
CONDITIONS OF APPROVAL, IF ANY: _____ TITLE Agent DATE 3-28-88

STATE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

*See Instructions On Reverse Side

Dio OG+M

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS
(Do not use this form for proposals to drill or to deepen or pad a well or to develop a reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

DIVISION OF
OIL, GAS & MINING

2. NAME OF OPERATOR
Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR
P.O. Box 1656 Roosevelt, Utah 84066

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1638' FWL 1331' FNL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH: 43-013 - 31202

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) Directional Drill	

5. LEASE
14-20-H62-3440

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
25-6

10. FIELD OR WILDCAT NAME
Antelope Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 25, T5S, R4W, SLB&M

12. COUNTY OR PARISH
Duchesne

13. STATE
Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)
6201 G.R.

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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 25-6 well was drilled to a total depth of 5278' and logged. A cement plug was set from T.D. to 4665' and 5 1/2" csg was run to the cement plug (4665'), and cemented in place.

The well will next be drilled out with a 4 1/2" bit and whipstocked up to 90° and drilled up to 1000' away from the well if conditions allow.

New bottomhole location is: 1072' FWL, 765' FNL
(N 45°W ~ 800')
Sec. 25, T5S, R4W
NW/NW

Subsurface Safety Valve: Make and Type _____ Set @ _____ Ft.

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

SIGNED Small TITLE Agent DATE April 18, 1988

722-5081

(This space for Federal or State use)

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL IF ANY

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

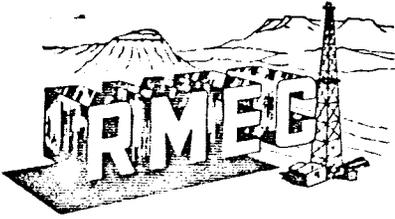
DATE: 4-25-88

BY: [Signature]

Spacing: R 615-313

Federal approval of this action is required before commencing operations.

* See Instructions



ROCKY MOUNTAIN GEO-ENGINEERING CO.

WELL SITE GEOLOGY — MUD LOGGING

2450 INDUSTRIAL BLVD

PHONE 243-3044

GRAND JUNCTION, COLORADO 81505

May 6, 1988

Mr. Ken Allen
Ironwood Exploration
P.O. Box 1656
Roosevelt, UT 84066

Dear Mr. Allen:

Enclosed are the final logs on your well Ute Tribal 6-25 (90° Deviated Section) located in Section 25, T5S, R4W of Duchesne County, Utah. This portion of the well was logged from April 26, 1988 through May 5, 1988.

Please insert this cover letter, Bit Record, and Deviation Survey Report into the previous mud log report on your Ute Tribal 6-25 well sent to Ironwood Exploration on April 16, 1988 by Rocky Mountain Geo-Engineering Co.

We appreciated the opportunity to serve you. Please feel free to contact us if you need further assistance in the final evaluation of zones encountered.

We are looking forward to working with you again in the near future. We thank you, again.

Respectfully,

Andy Kelley
President

AWK/wa

ENC: 5 Final Logs
1-Utah O&G Consv. Comm.
1-BLM, Vernal
1-Coors Energy, Bob Ballou, Golden, CO
1-Neuta Energy, 210 O&G Bldg., New Orleans, LA
1-Tetra Tech, Inc., Dr. Scott M. Strathoust, San Bernadino, CA

DEVIATION SURVEY

COMPANY NAME: Ironwood Exploration COUNTY: Duchesne

WELL NAME: Ute Tribal 6-25 STATE: Utah
 (90° Deviated Section)

DEPTH	DEV.	DIR.	DEPTH	DEV.	DIR.	DEPTH	DEV.	DIR.
4706	1	S16.1W	5503	86.99	N55.0W			
4738	4.6	N37.0W	5535	87.7	N54.3W			
4767	10.5	N35.6W	5565	85.8	N57.3W			
4797	15.6	N36.6W						
4829	22.4	N37.3W						
4860	28.5	N38.6W						
4878	31.3	N40.5W						
4891	33.5	N41.9W						
4922	37.2	N44.3W						
4951	38.9	N44.6W						
4981	41.0	N44.7W						
5012	42.6	N45.9W						
5044	44.7	N45.6W						
5074	46.7	N46.4W						
5104	50.3	N45.6W						
5135	52.7	N41.8W						
5166	54.9	N43.5W						
5197	58.5	N43.0W						
5227	64.4	N42.8W						
5257	71.1	N40.9W						
5288	78.3	N33.9W						
5316	78.9	N46.0W						
5347	78.0	N52.3W						
5379	81.0	N53.3W						
5410	82.0	N55.3W						
5441	84.5	N54.3W						
5473	86.8	N53.3W						



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

June 13, 1988

Ironwood Exploration Inc.
P. O. Box 1656
Roosevelt, Utah 84066

Gentlemen:

Re: Request for Completed Entity Action Form

This is written to remind you that all well operators are responsible for sending an Entity Action Form to the Division of Oil, Gas and Mining within five working days of spudding a new well. This office was notified that your company spudded the Ute Tribal 25-6 API Number 43-013-31202 on March 31, 1988. At this time, we have not received an Entity Action Form for this well.

Please review the instructions on the back of the enclosed form. Make sure you choose the proper Action Code to show whether the well will be a single well with its own sales facilities (Code A), a well being added to an existing group of wells having the same tank battery and common division of royalty interest (Code B - show existing Entity Number to which well should be added), or a well being drilled in the participating area of a properly designated unit (Code B). Complete the form and return it to us by June 24.

Your attention to this matter is appreciated. If we can be of assistance to you, please feel free to call.

Sincerely,

A handwritten signature in cursive script that reads "Don Staley".

Don Staley
Administrative Supervisor

Enclosure
cc: D.R. Nielson
R.J. Firth
0682S



3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

Page ____ of ____

PRODUCING ENTITY ACTION

N9270

Operator Name Ironwood Exploration Inc.
 Address 535 Gravier St.
 City New Orleans State La. Zip 70130
 Utah Account No. N9270
 Authorized Signature H B Allen (Agent)
 Effective Date _____ Telephone 504 244 1490

ACTION CODE

- A Establish new entity for new well(s).
- B Add new well(s) to existing entity.
- C Delete well(s) from existing entity.
- D Establish new entity for well(s) being deleted from existing entity.
- E Change well(s) from one entity to another existing entity.
- F Other. (Specify using attachments if necessary.)

BRACKET WELLS TO BE GROUPED TOGETHER.

(Use black ink or typewriter ribbon.)

Action Code	Current Entity No.	New Entity No.	API No.	Well Name	Well Location					Producing Formation
					Sec.	T	R	Q/Q	County	
B	99999	09105	4301331202	Ute Tribal 25-6	25	55	4W	SE/NW	Duchesne	Green River
Explanation of action: <i>Indian Lease Field-Brundage Canyon Not in a Unit</i>										
Proposed Zone-BRRV (one other well in sec. Same operator, same field, same zone. Entity) 09105 assign same entity 7-13-88. fcr										
Explanation of action:										
Explanation of action:										
Explanation of action:										
Explanation of action:										

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JUL 12 1988

DIVISION OF
OIL, GAS & MINING

an equal opportunity employer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

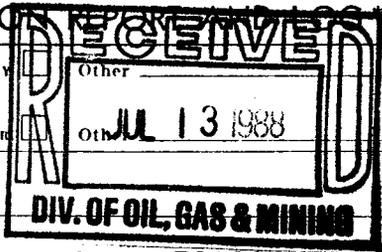
SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved,
Budget Bureau No. 1004-0137
Expires August 31, 1985

6

WELL COMPLETION OR RECOMPLETION REPORT



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

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

2. NAME OF OPERATOR
Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR
535 Gravier Street, New Orleans, La. 70130

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1638' FWL 1331' FNL *New BHL recalculated by FRM/mkh using BMI Technology Inc. Record of Survey dated 9 May 1988. STS 6/24/94
At top prod. interval reported below
At total depth 1072' FWL 765' FNL
* 0884 FNL 1149 FWL

5. LEASE DESIGNATION AND SERIAL NO.
14-20-H62-3440

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
25-6

10. FIELD AND POOL, OR WILDCAT
Antelope Canyon

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec 25, T5S, R4W, SLB&M

14. PERMIT NO. 43-013-31202 DATE ISSUED 3/28/88

15. DATE SPUNDED 3/31/88 16. DATE T.D. REACHED 5/5/88 17. DATE COMPL. (Ready to prod.) 6/18/88 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* KB-6215' 19. ELEV. CASINGHEAD 6201'

20. TOTAL DEPTH, MD & TVD 5607' TVD 21. PLUG BACK T.D., MD & TVD 5607' 22. IF MULTIPLE COMPL. HOW MANY* 23. INTERVALS DRILLED BY 0' to TD

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 4635' to 4615' 25. WAS DIRECTIONAL SURVEY MADE yes

26. TYPE ELECTRIC AND OTHER LOGS RUN D.L.L. with M.S.F.L. F.D.C. G.N.L. Gamma Ray Cement Bond 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
14"	-	100'	17"	none	none
8 5/8"	24#	300'	12 1/4" of 2 1/4"	210 sks Glass G 25 sks top / none	
5 1/2"	17#	4665'	7 7/8"	144 sks lo-dense 192 sks gyp seal/ na	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	4637'	5606;	none		2 7/8"	4540'	none

31. PERFORATION RECORD (Interval, size and number) 4635' to 4615' 4" fun 4 SPF

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4635-4615	122,000 # 20/40 Frac Sand in gelled KCl Water/

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
6/18/88	Pumping with 1 1/4" Rod Pump	Producing					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
6/22/88	48	none	→	165	70	8	424
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (COER.)	
NA	40	→	82.5	35	4	39	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Used for Fuel TEST WITNESSED BY S. McKinna

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 [Signature] TITLE Agent DATE 7/11/88

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

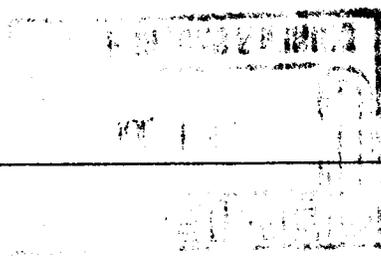
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries);

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP	
				MEAS. DEPTH	TRUE VERT. DEPTH
				4210'	4210'
				5100'	5100'
			Douglas Creek		
			Castle Peak Lime Stone		

OIL AND GAS		DRN	RJF
JRB	GLH	SLS	1-DTS
2-TAS	4-AST		
MICROFILM			
FILE			



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AUG 22 1988

Form Approved.
Budget Bureau No. 42-R1424

6

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DIVISION OF
OIL, GAS & MINING
GENERAL 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 Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR
P.O. Box 1656 Roosevelt, Utah 84066

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1638' FWL 1331' FNL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

5. LEASE
14-20-H63-3440

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
25-6

10. FIELD OR WILDCAT NAME
Antelope Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 25, T5S, R4W, SLB&M

12. COUNTY OR PARISH | 13. STATE

14. API NO.
43-013-31202

15. ELEVATIONS (SHOW DF, KDB, AND WD)

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other)			

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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.)*

Water production from the well is currently being hauled by truck and disposed of in Graham Royalty Ltd. disposal well in Sec 24, T3S, R6W. Application is hereby made to dispose of less than 5 bbls of water per day into an unlined pit on location.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED M. Miller TITLE Agent DATE Aug 19 1988

(This space for Federal or State office use)

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

*Federal Approval of this
Action is Necessary*

*See Instructions on Reverse Side

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

Date: 7-23-88

By: A. B. [Signature]

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill, deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

RECEIVED
AUG 22 1988

1. oil well gas well other DIVISION OF OIL, GAS & MINING

2. NAME OF OPERATOR
Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR
P.O. Box 1656 Roosevelt, Utah 84066

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1638' FWL, 1331' FNL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other)	<input type="checkbox"/>		<input type="checkbox"/>

5. LEASE
14-20-H62-3440

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
25-6

10. FIELD OR WILDCAT NAME
Antelope Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 25, T5s, R4W, SLB&M

12. COUNTY OR PARISH
Duchesne

13. STATE
Utah

14. API NO.
43-013-31202

15. ELEVATIONS (SHOW DF, KDB, AND WD)
6201 G.R.

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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.)*

Application is hereby made to maintain an unlined pit on the subject location for emergency use. The pit will be fenced and kept free of trash.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED M. Allen TITLE Agent DATE August 19, 1988

(This space for Federal or State office use)

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

Federal Approval of this Action is Necessary

*See Instructions on Reverse Side

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

Date: 9-6-88

By: [Signature]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-verse side)

Budget Bureau No. 1004-0133
Expires August 31, 1985

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. 14-20-H62-3440
2. NAME OF OPERATOR Ironwood Exploration, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Ute Tribal
3. ADDRESS OF OPERATOR P.O. Box 1656 Roosevelt, Utah 84066		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 1638' FWL 1331' FNL		8. FARM OR LEASE NAME
14. PERMIT NO. 43-013-31202		9. WELL NO. 25-6
15. ELEVATIONS (Show whether OF, RT, OR, etc.) 6201 G.R.		10. FIELD AND POOL, OR WILDCAT Antelope Canyon
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 25, T5S, R4W, SLB&M
		12. COUNTY OR PARISH Duchesne
		13. STATE Utah

RECEIVED
MAY 15 1989
DIVISION OF
OIL, GAS & MINING

18. 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) <input type="checkbox"/>	
(Other) Vent Gas		(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 25-6 well is currently venting 5 - 10 MCF per day of natural gas. Permission to continue to flare the gas is hereby applied for because of the small volume and the expense to gather and market the gas.

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

SIGNED [Signature] TITLE Agent DATE May 12, 1989

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

ENSCO HORIZONTAL DRILLING SYSTEMS Drilling Report

RECEIVED
JUN 05 1990

DIVISION OF
OIL, GAS & MINING

IRONWOOD EXPLORATION, INC.
UTE Tribal #25-6
Duchesne, Utah
Sec. 05 T. 55, R. 4W
43-013-31002 POW

	GLH
1- ✓	GLH
	SLS
2- ✓	GLH
3- ✓	MICROFILM
4- ✓	FILE

OIL AND GAS
DRN
MICROFILM
FILE

May 5, 1988
Prepared for:
Vernon Main

EHDS EXECUTIVE SUMMARY

GENERAL INFORMATION:

OPERATOR: Ironwood Exploration, Inc. COUNTY: Duchesne
WELL NAME: Undesignated STATE: Utah
COMPANY MAN: Ken Allen
DRILLING CONTRACTOR: Shelby RIG NO.: 11

WELL SPUD DATE: TARGET FORMATION: Green River
EHDS START DATE: April 27, 1988 TARGET DEPTH: 5121 ft.
EHDS END DATE: May 5, 1988 TARGET THICKNESS: 32 ft.
WELL COMPLETION DATE: May 5, 1988

WELL INFORMATION:

TYPE: New Well

BOREHOLE SIZE: 4.5 inch
CASING SIZE: 5-1/2 inch
CASING SETTING DEPTH: 4665 ft.

EHDS OPERATIONAL INFORMATION:

SERVICE: Horizontal Drilling

TYPE OF DEPARTURE: Kick off of cement plug
BOREHOLE SIZE: 4.5 inch
KOP: 4705 ft. TVD
EOC: 5110 ft. TVD
EOH: 5166 ft. TVD
HORIZONTAL SECTION: 315 ft.
TOTAL DISPLACEMENT: 663 ft.
TOTAL DRILLED MD: 5607 ft.
BUILD RATE: 12.5°/100 ft.
INCLINATION: 85 deg.
TOTAL HOURS CIRCULATING: 125.5 hrs.
TOTAL HOURS OPERATING: 121.5 HRS.
AVERAGE ROP: 7.42 ft./hr.
NUMBER OF BHAS RUN: 7
NUMBER OF BITS RUN: 4

BOTTOM HOLE ASSEMBLY INFORMATION

ANGLE BUILD ASSEMBLY: 10-20°/100 ft.
ANGLE HOLD ASSEMBLY: 2-4°/100 ft.
GUIDANCE SYSTEM: SDI/DMI steering tool
NOTE: attempted finder gyro which failed after 4 ft.

COMPLETION BHA INFORMATION

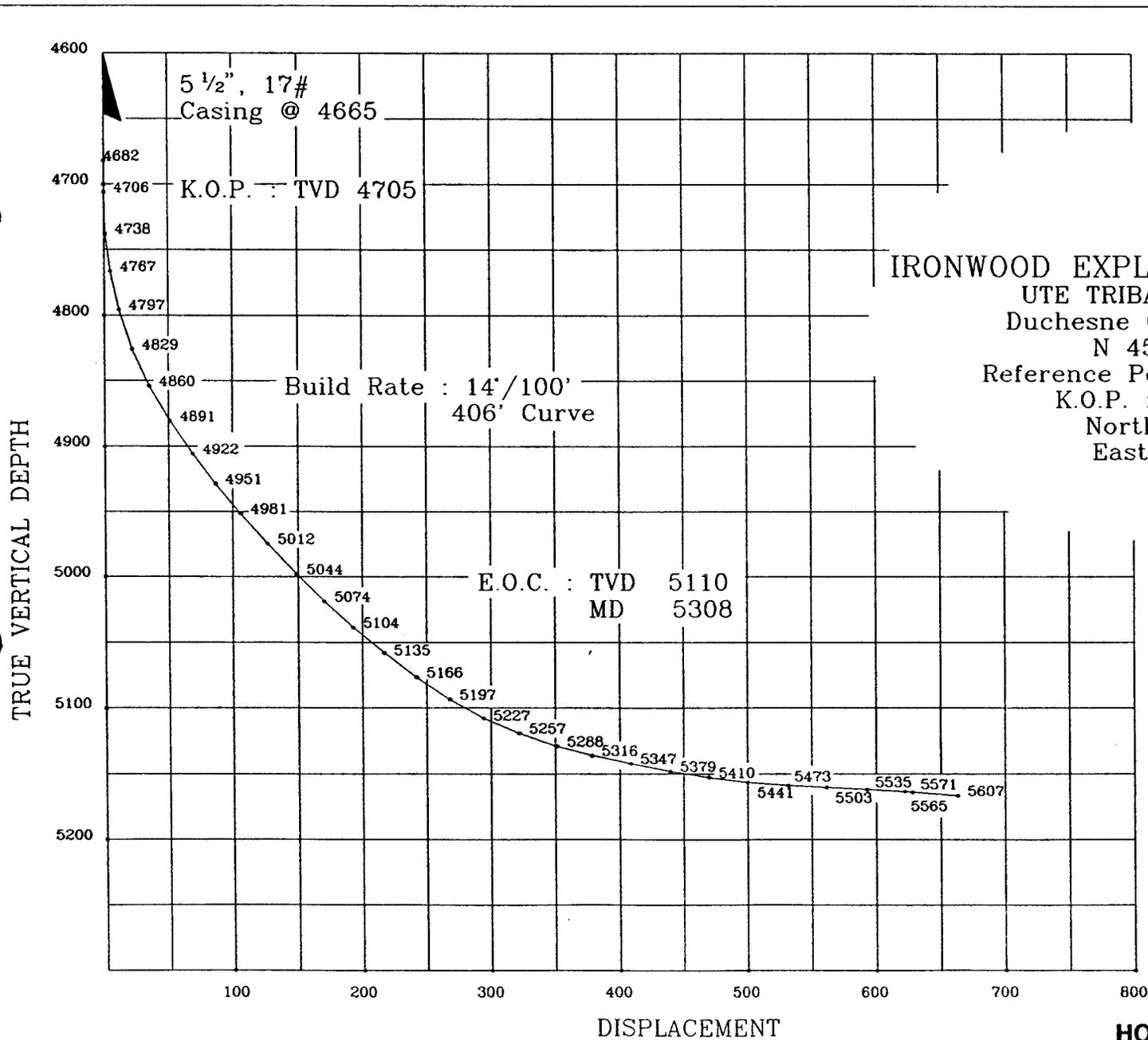
TYPE: Perforated liner - 4 holes/ft.
SIZE: 2-7/8 inch
TOTAL LENGTH: 312 ft. perforated, 959 ft. total

ENSCO SUPERVISION & EQUIPMENT

EQUIPMENT DAYS ON LOCATION: 10

SUPERVISION DAYS ON LOCATION: 10

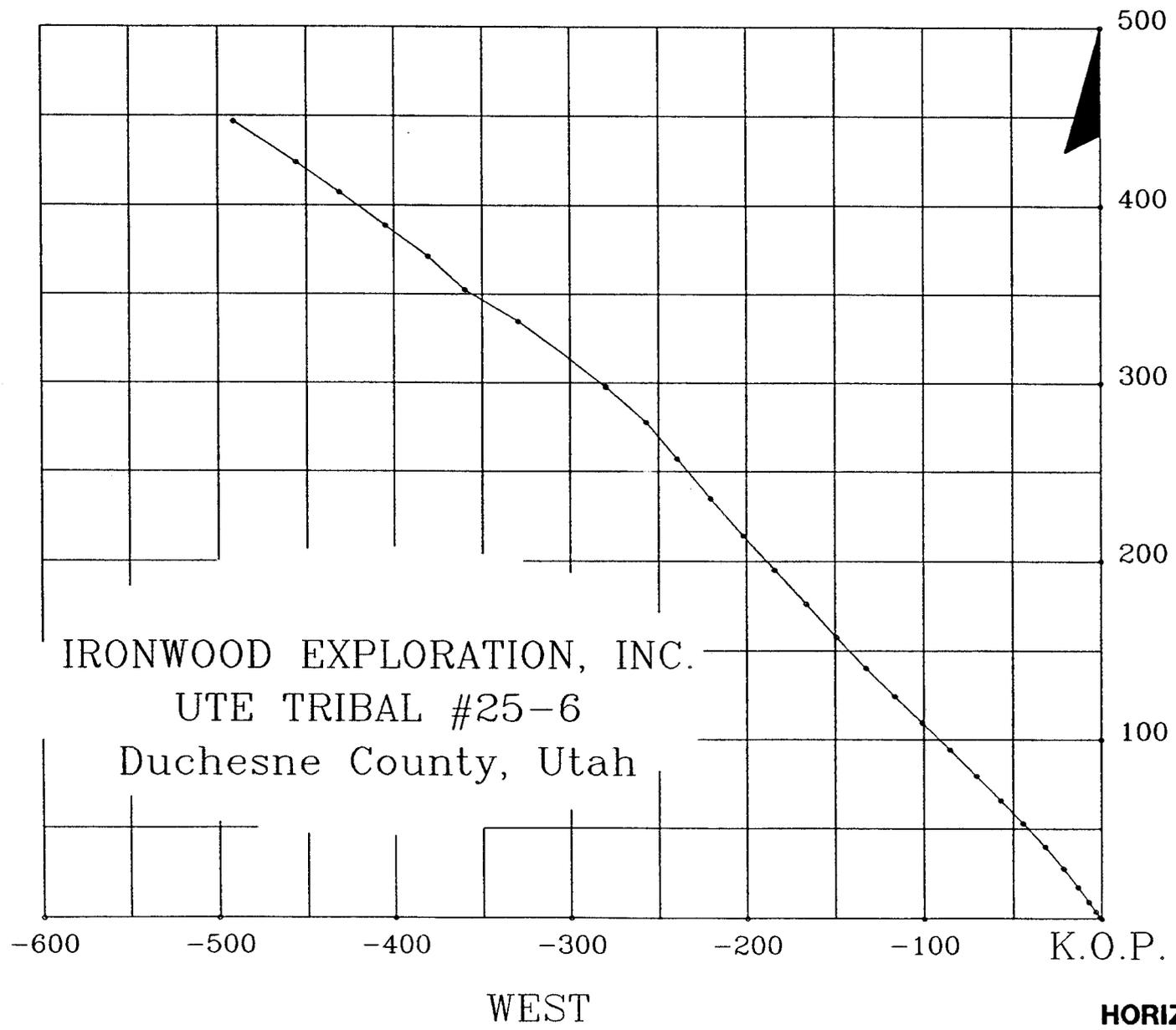
PERSONNEL: S. Cherry
B. Lenhart
M. Greene
T. Johnston



IRONWOOD EXPLORATION, INC.
 UTE TRIBAL #25-6
 Duchesne County, Utah
 N 45° W
 Reference Point : K.O.P.
 K.O.P. : 4705'
 North : 0'
 East : 0'



HORIZONTAL DRILLING SYSTEMS



HORIZONTAL DRILLING SYSTEMS

DMI TECHNOLOGY, INC.
2727 KALISTE SALOOM RD., SUITE 2
LAFAYETTE, LA 70508
(318) 989-1511

COMPANY IRONWOOD EXPLORATION INC.
LEASE/WELL NAME UTE TRIBAL #25-6
FIELD DUCHESNE
COUNTY DUCHESNE STATE UTAH

RECORD OF SURVEY

KELLY RUSH ELEVATION = 0
MAGNETIC DECLINATION = 13.7 (GRID)
PLANE OF PROPOSAL DIRECTION IS N45 00W

IRONWOOD
SLOT ST-A WELL ST-1

RADIUS OF CURVATURE METHOD

9-MAY-88

ENSCO

SUB SEA DEPTH	MEAS. DEPTH	TRUE VERTICAL DEPTH	DRIFT ANGLE	DRIFT DIRECTION	VERTICAL SECTION	TOTAL NORTH/SOUTH	COORDINATES EAST/WEST	CLOSURE DISTANCE	SURFACE ANGLE	DOG LEG SEVERITY			
05/09/88	11:44:38	SUPVY		JOP# 0036	CINDI	GOULD S.E.L.	MPX-32 2.1A	DMISYS04	PAGE				
(FT)	(FT)	(FT)	D	M	(DEG)	(FT)	(FT)	(FT)	D	M	S	DEG/100FT.	
4682.00	4682	4682.00	0	00	N 0 00E	.00	.00S	.00W	.00	S44	60	0W	.00
4706.00	4706	4706.00	1	00	S16 00W	-.10	.20S	.06W	.21	S15	60	0W	4.17
4737.95	4738	4737.95	4	36	N37 00W	.61	.43S	1.30W	1.37	S71	37	39W	16.45
4766.59	4767	4766.59	10	30	N36 12W	4.38	2.63N	3.57W	4.43	N53	39	19W	20.35
4795.91	4797	4795.91	15	35	N36 36W	11.08	8.08N	7.59W	11.08	N43	12	44W	17.00
4826.14	4829	4826.14	22	24	N37 13W	21.39	16.40N	13.85W	21.46	N40	10	44W	21.26
4854.12	4860	4854.12	28	30	N33 35W	34.60	26.90N	22.04W	34.77	N39	19	32W	19.76
4880.69	4891	4880.69	33	30	N41 54W	50.50	39.08N	32.35W	50.73	N39	36	59W	17.03
4905.96	4922	4905.96	37	12	N44 13W	58.43	52.17N	44.60W	68.63	N40	31	33W	12.75
4928.80	4951	4928.80	38	54	N44 35W	85.30	64.93N	57.11W	86.48	N41	20	11W	5.90
4951.80	4981	4951.80	41	00	N44 42W	105.56	78.63N	70.65W	105.71	N41	55	23W	7.00
4974.91	5012	4974.91	42	36	N45 54W	126.22	93.17N	85.34W	126.34	N42	29	21W	5.77
4998.06	5044	4998.06	44	42	N45 35W	148.31	108.58N	101.16W	148.40	N42	58	27W	6.59
5019.01	5074	5019.01	46	42	N46 24W	159.77	123.49N	116.60W	169.84	N43	21	23W	6.93
5038.89	5104	5038.89	50	18	N45 35W	192.23	139.10N	132.75W	192.29	N43	39	54W	12.16
5058.18	5135	5058.18	52	42	N41 48W	216.48	156.63N	149.52W	216.54	N43	40	9W	12.32
5076.49	5166	5076.49	54	54	N43 30W	241.47	175.03N	166.47W	241.55	N43	33	49W	8.36
5093.51	5197	5093.51	58	30	N43 00W	267.37	193.90N	184.22W	267.46	N43	31	59W	11.69
5107.84	5227	5107.84	64	24	N42 48W	293.69	213.19N	202.15W	293.79	N43	28	35W	19.68
5119.19	5257	5119.19	71	06	N40 54W	321.40	233.86N	220.66W	321.53	N43	20	10W	23.09
5129.00	5288	5129.00	72	00	N33 54W	350.53	257.21N	238.51W	350.78	N42	50	23W	21.61
5136.04	5316	5136.04	78	54	N46 00W	377.46	277.94N	255.87W	377.78	N42	37	58W	48.52
5142.24	5347	5142.24	78	00	N52 18W	407.74	297.79N	279.83W	407.96	N43	7	1W	20.12
5148.07	5379	5148.07	91	00	N52 12W	432.94	317.03N	303.73W	439.04	N43	46	19W	9.37
5152.55	5410	5152.55	92	00	N55 12W	469.24	335.14N	328.46W	469.26	N44	25	26W	10.10
5156.30	5441	5156.30	94	30	N54 13W	499.57	352.88N	353.62W	499.57	N45	3	35W	8.68
5158.72	5473	5158.72	96	42	N53 12W	531.10	371.72N	379.36W	531.13	N45	34	58W	7.83
5160.35	5503	5160.35	96	59	N55 00W	560.67	389.27N	403.64W	560.76	N46	2	19W	5.69
5161.84	5535	5161.84	97	41	N54 13W	592.19	407.76N	429.71W	592.39	N46	30	6W	3.07
5163.55	5565	5163.55	95	45	N57 10W	621.60	424.59N	454.48W	621.96	N46	56	50W	11.88

SUB SEA DEPTH (FT)	MEAS. DEPTH (FT)	TRUE VERTICAL DEPTH (FT)	DRIFT ANGLE D M	DRIFT DIREC (DEG)	VERTICAL SECTION (FT)	TOTAL COORDINATES		C L O S U R E S			DOG LEG SEVERITY DEG/100FT.
						NTH/STH (FT)	EST/WST (FT)	DISTANCE (FT)	ANGLE D M S		
5164.31	5571	5164.71	35 39	N57 19W	627.45	427.83N	459.52W	627.85	N47 2 44W		1.67
5166.74	5677	5166.74	35 39	N57 13W	662.52	447.22N	489.72W	663.20	N47 35 51W		.00

BOTTOM HOLE CLOSURE: 663.20 FEET AT N 47 35 51 W

05/09/83 11:44:33 SUPVY JOB# 0036 CINDI GOULD S.E.L. MPX-32 2.1A DMISYS04 PAGE

*FRM/mkt recalculated
BHL from this
data:*

0884 FNL 1149 FNL

*6/24/94
DTS*

BHL correction

IRONWOOD EXPLORATION
 ENSCO WELL NO. 25-6
 UTE TRIBAL

GRID

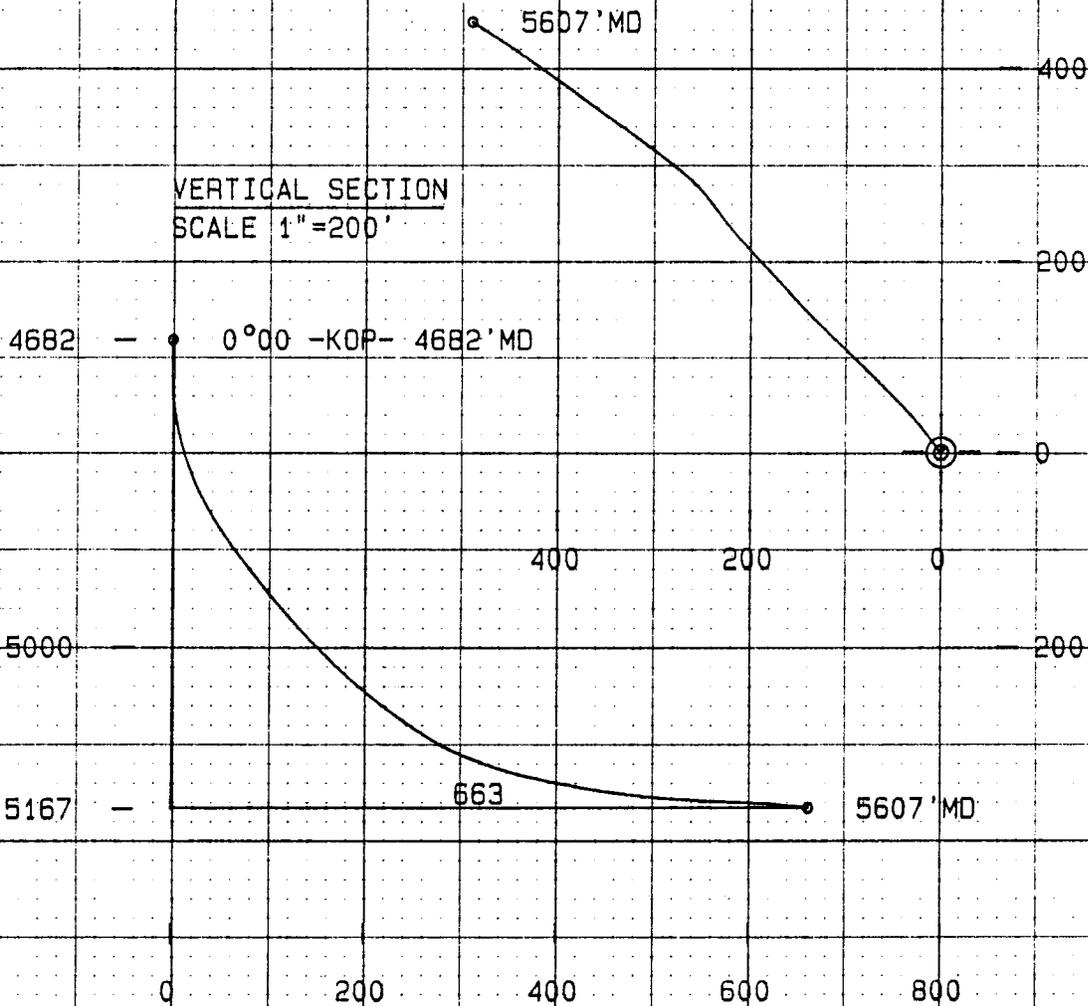
N

13°7'
 EAST

WELL # 25-6

HORIZONTAL PLAN
 SCALE 1"=200'

VERTICAL SECTION
 SCALE 1"=200'



PLANE OF PROPOSAL N 45°00' W

WOOD

NO. XY-1001 - SP 3

RECORDING CHARTS

3000 - 10000 - 10000 - 10000
 10000 - 10000 - 10000 - 10000
 10000 - 10000 - 10000 - 10000

RECEIVED
JUL 09 1990

DIVISION OF
OIL, GAS & MINING

Direct Energy, Inc.
948 E. 7145 S. #C-107
Salt Lake City, Utah 84047
July 7, 1990

State of Utah
Division of Oil, Gas, and Mining
3 Triad Center Suite #350
Salt Lake City, Utah 84180-1203

Re: Permit Application
Ute Tribal #25-6
Section 25 T5S R4W
Duchesne County, Utah

Dear Sir:

Ironwood Exploration is requesting the attached application be approved in order to initiate a secondary recovery project in the Green River formation. The application has been submitted to the Enviromental Protection Agency for permission to convert an existing oil and gas producing well to injection.

If questions arise please contact me at 801-943-8144 or 801-562-2988. Thank you for your prompt attention to this application.

Regards,



John D. Steuble
Agent

UIC	
GLH	<input checked="" type="checkbox"/>
DJJ	<input checked="" type="checkbox"/>
BGH	<input type="checkbox"/>
COMPUTER	
MICROFILM	
FILE	

Direct Energy, Inc.
948 E. 7145 S. #C-107
Salt Lake City, Utah 84047
July 7, 1990

Chief, UIC Implementation Section
Drinking Water Branch (8WM-DW)
999 18th Street, Suite #500
Denver, Colorado 80202-2405

Re: Permit Application
Ute Tribal #25-6
Section 25 T5S R4W
Duchesne County, Utah

Dear Sir:

Ironwood Exploration is requesting the attached application be approved in order to initiate a secondary recovery project in the Green River formation. The request is for permission to convert the Ute Tribal #25-6 from a producer to a Class II R injection well. Two other wells, Ute Tribal #25-2 and Ute Tribal #25-6, will be affected by the injection process. All three wells are on the same lease and within the 1/4 mile radius of review. The lands are owned by the Ute Tribe with the oil and gas lease owned by Ironwood.

Currently all three wells are producing oil and gas from sands within the Green River formation. The application is to convert the center well into a water injection and push additional oil to the other wells. Should this pilot project be successful additional drilling will be considered to further enhance the recovery.

As shown on the down hole schematic marked as Exhibit III the injector is a horizontal well bore with 311 feet of pay zone open. A packoff assembly will be run into the deviated section of the wellbore to isolate the injection interval but the existing perforations cannot be squeezed. This situation is not correctable due to the close proximity of the perforations at 4615'-35' and the liner top at 4637'. The only problem created is the mechanical integrity test would not be able to be performed with the injection assembly in the hole. Initially the casing could be pressure tested with another packer prior to installing the permanent injection system.

Ironwood Exploration
Permit Application
Ute Tribal #25-6
Page 2

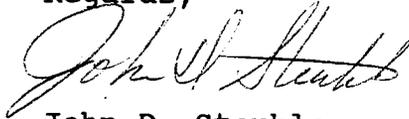
The intent is to utilize the natural gas from the perforations at 4615'-35' via annular space and use this for operations of the surface facilities. In the event the injection packer should fail or the tubing develop a leak the annular space would pressurize and eliminate the gas production. This situation will require immediate action in order to obtain the natural gas production. Any short term leakage into the existing perfs should not create undo concern because the interval is still in the Green River interval.

The attached application is believed to be complete with one exception. An analysis of the injected water cannot be supplied until the water source well is drilled. The water is anticipated to be fresh with total dissolved solids less then 5000 mg/l. An analysis from a secondary surface water source is included but this will be used only if we are unable to obtain sufficient water from the new source well.

I have forwarded a copy of the application to the State of Utah Division of Oil Gas and Mining, Bureau of Land Management, Ute Tribal Energy and Minerals, and the Bureau of Indian Affairs for their information, review, and processing.

If questions arise please contact me at 801-943-8144 or 801-562-2988. Thank you for your prompt attention to this application.

Regards,



John D. Steuble
Agent

Form 4
UIC



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
UNDERGROUND INJECTION CONTROL PERMIT APPLICATION
 (Collected under the authority of the Safe Drinking Water Act, Sections 1421, 1422, 40 CFR 144)

I. EPA ID NUMBER	
T/A	C
U	

READ ATTACHED INSTRUCTIONS BEFORE STARTING FOR OFFICIAL USE ONLY

Application approved mo day year	Date Received mo day year	Permit/Well Number	Comments

II. FACILITY NAME AND ADDRESS				III. OWNER/OPERATOR AND ADDRESS			
Facility Name IRONWOOD EXPLORATION				Owner/Operator Name IRONWOOD EXPLORATION			
Street Address 535 Gravier Street				Street Address 535 Gravier Street			
City New Orleans		State LA	ZIP Code 70130	City New Orleans		State LA	ZIP Code 70130

IV. OWNERSHIP STATUS (Mark 'x')				V. SIC CODES			
<input type="checkbox"/> A. Federal <input type="checkbox"/> B. State <input type="checkbox"/> C. Private <input type="checkbox"/> D. Public <input checked="" type="checkbox"/> E. Other (Explain) Ute Tribal							

VI. WELL STATUS (Mark 'x')							
<input type="checkbox"/> A. Operating		Date Started mo day year		<input checked="" type="checkbox"/> B. Modification/Conversion		<input type="checkbox"/> C. Proposed	

VII. TYPE OF PERMIT REQUESTED (Mark 'x' and specify if required)				
<input checked="" type="checkbox"/> A. Individual <input type="checkbox"/> B. Area		Number of Existing wells 1	Number of Proposed wells 0	Name(s) of field(s) or project(s) N/A

VIII. CLASS AND TYPE OF WELL (see reverse)			
A. Class(es) (enter code(s)) II	B. Type(s) (enter code(s)) D	C. If class is "other" or type is code 'x,' explain	D. Number of wells per type (if area permit)

IX. LOCATION OF WELL(S) OR APPROXIMATE CENTER OF FIELD OR PROJECT										X. INDIAN LANDS (Mark 'x')			
A. Latitude			B. Longitude			Township and Range							
Deg	Min	Sec	Deg	Min	Sec	Twsp	Range	Sec	1/4 Sec	Feet from	Line	Feet from	Line
						55	4W	25		1072	W	765	N
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No													

XI. ATTACHMENTS

(Complete the following questions on a separate sheet(s) and number accordingly; see instructions)
 FOR CLASSES I, II, III (and other classes) complete and submit on separate sheet(s) Attachments A — U (pp 2-6) as appropriate. Attach maps where required. List attachments by letter which are applicable and are included with your application:

XII. CERTIFICATION	
I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)	
A. Name and Title (Type or Print) John D. Steuble, Agent	B. Phone No. (Area Code and No.) 801-943-8144
C. Signature	D. Date Signed

UNDERGROUND INJECTION CONTROL
CLASS II TYPE R
PERMIT APPLICATION
IRONWOOD EXPLORATION
UTE TRIBAL #25-6

A. AREA of REVIEW

The area of review is a fixed radius of 1/4 mile from the wellbore of the Ironwood Ute Tribal #25-6.

B. MAP of WELLS and AREA of REVIEW

Attached as separate sheet Exhibit I.

C. CORRECTIVE ACTION PLAN and WELL DATA

No corrective action plan required. All wells are adequately completed to prevent migration of injection fluids into a USDW. Injection pressures will be below the frac pressure.

Two other wells are in the Area of Review.

Well Name:	Ute Tribal #25-5	Ute Tribal #25-2
Location:	500'FNL 1898'FWL	2269'FEL 661'FNL
Section:	25	25
Township:	5S	5S
Range:	4W	4W
Type:	Oil Producer	Oil Producer
Total Depth:	6500'	5650'
Surface Casing:	8 5/8" @ 334'	8 5/8" @ 300'
Production Casing:	5 1/2" @ 5600'	5 1/2" @ 5650'
Cement Top:	1430'	2530'
Perforations:	5080'-95', 5118'-40'	5133'-5159'
Completion Date:	2-27-85	8-27-88

D. MAPS and CROSS SECTIONS of USDWs

Not required for Class II application.

E. NAME and DEPTH of USDWs

There have been no identified USDW in this area. State of Utah Department of Natural Resources Technical Publication No.92 and U.S. Geological Survey Open-File Report 87-394 states that the base of the moderately saline ground water is approximately 200 feet from surface.

F. MAPS and CROSS SECTIONS of GEOLOGIC STRUCTURE of AREA
Not required for Class II application.

G. GEOLOGICAL DATA on INJECTION and CONFINING ZONES

Injection Zone

Name: Lower Green River Sandstone
Depth: 5120'-5150' (CNL/CDL Log)
Lithology: Sandstone, clear, fine to medium
grained, moderately sorted, subangular
to subrounded, slightly argillaceous
and slightly calcareous.
Fracture Pressure: 4123 psia subsurface
1899 psia surface

Upper Confining Zone

Name: Unnamed Limestone
Depth: 5105'-5115' (CNL-CDL Log)
Lithology: Limestone, light brown to tan,
cryptocrystalline, firm and impermeable.
Fracture Pressure: Unknown

Lower Confining Zone

Name: Unamed Shale
Depth: 5154'-5172' (CNL/CDL Log)
Lithology: Shale, light gray to brown gray, silty,
firm, calcareous, and blochy.
Fracture Pressure: Unknown

H. OPERATING DATA

1. Average injectivity is estimated to be 600 to 800 barrels of water per day (BWPD) after reservoir repressurization is obtained.
Initial injectivity is estimated to be 1400 to 1600 BWPD decreasing steadily as repressurization occurs.
2. Average injection pressure is expected to be 1600 psig surface pressure. The maximum surface injection pressure will be limited to 1900 psig.
3. The annulus fluid will consist of hydrocarbons entering the wellbore from the existing perforations at 4614'-4638'. The natural gas produced from these perforations will be used to operate the injection facilites. The fluids are noncorrosive.

OPERATING DATA (continued)

4. The source of the injected water will be from a yet undrilled water source well. This well is anticipated to be approximately 1000' in depth. No water analysis is available until the source well is drilled. An analysis will be provided when available.

I. FORMATION TESTING PROGRAM

When the packer is installed between the injection zone and the existing perforations at 4614'-4638' an injectivity test will be conducted in order to obtain estimated injectivity and confirm fracture pressure.

J. STIMULATION PROGRAM

No stimulation program is anticipated or proposed.

K. INJECTION PROCEDURES

The injection water is obtained from a water source well and pumped or flowed to two 400 barrel storage tanks. The water will then be pumped down the well bore at an estimated pressure to 1600 psig via a triplex pump using a multicylinder natural gas engine as the prime mover. The wellbore will be equipped with a 2 7/8" tubing string with a packer set at approximately 5000'. The injection zone is at 5121'-5150' and open perforations are at 4614'-4638'. Daily injection volumes and pressures will be obtained each day.

L. CONSTRUCTION PROCEDURES

Not required for Class II application.

M. CONSTRUCTION DETAILS

Attached as Exhibit II and Exhibit III.

N. CHANGES IN INJECTED FLUID

Not required for Class II application.

O. PLANS FOR WELL FAILURES

In the event of a well failure such as a packer leak or tubing leak the equipment will be repaired within 30 days of discovery. In the event of a casing failure injection will be terminated immediately and the failure will be repaired prior to resuming injection.

Underground Injection Control
Permit Application
Ironwood Exploration
Page 4

- P. **MONITORING PROGRAM**
No monitoring wells will be drilled.

- Q. **PLUGGING and ABANDONMENT PLAN**
Attached on EPA form No.2040-0042

- R. **NECESSARY RESOURCES**
Attached are surety bonds.

- S. **AQUIFER EXEMPTIONS**
Not required for Class II application.

- T. **EXISTING EPA PERMITS**
None.

- U. **NATURE of BUSINESS**
Oil and Gas Producing company

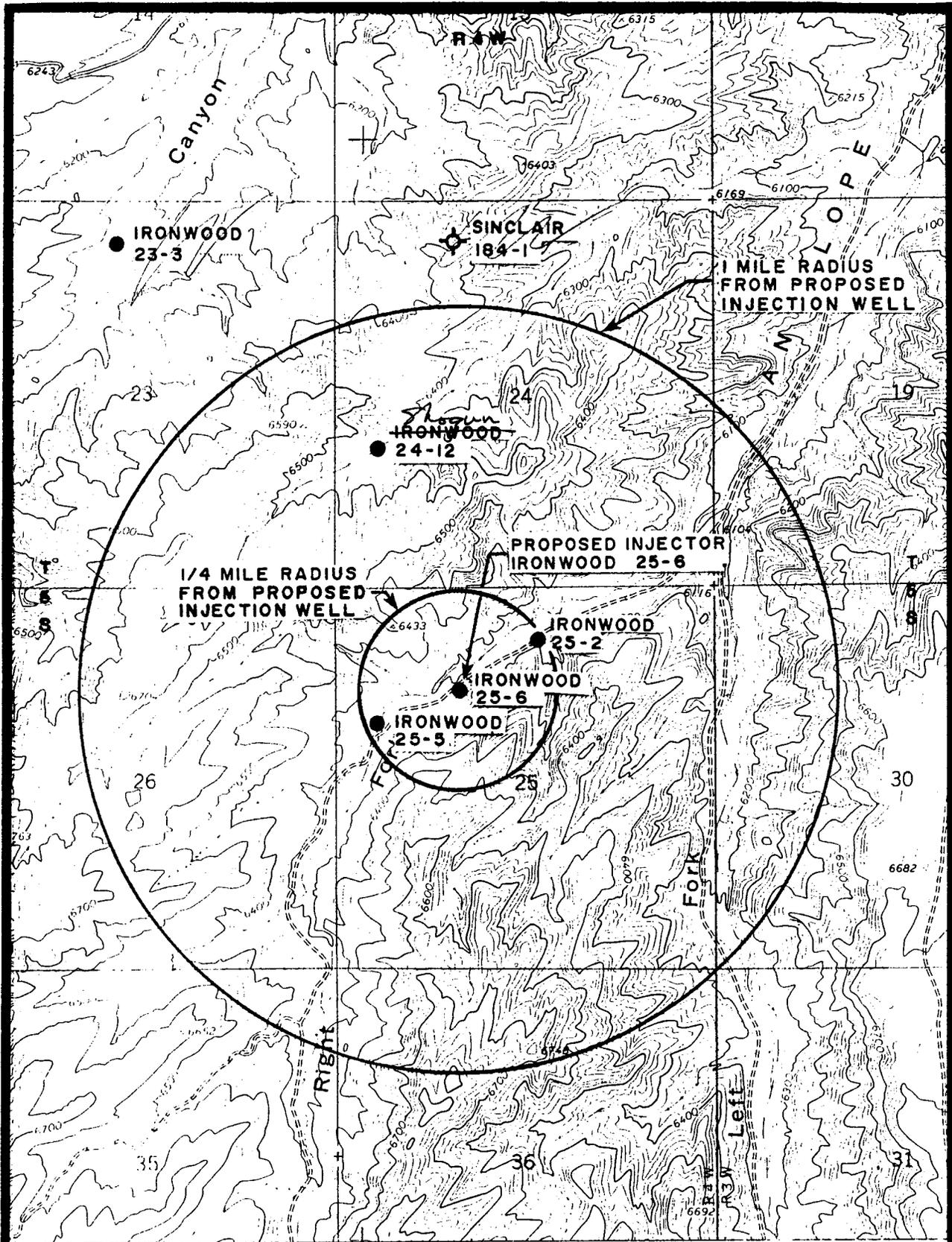


EXHIBIT I

EXHIBIT II

IRONWOOD EXPLORATION
UTE TRIBAL #25-6
SURFACE FACILITY SCHEMATIC

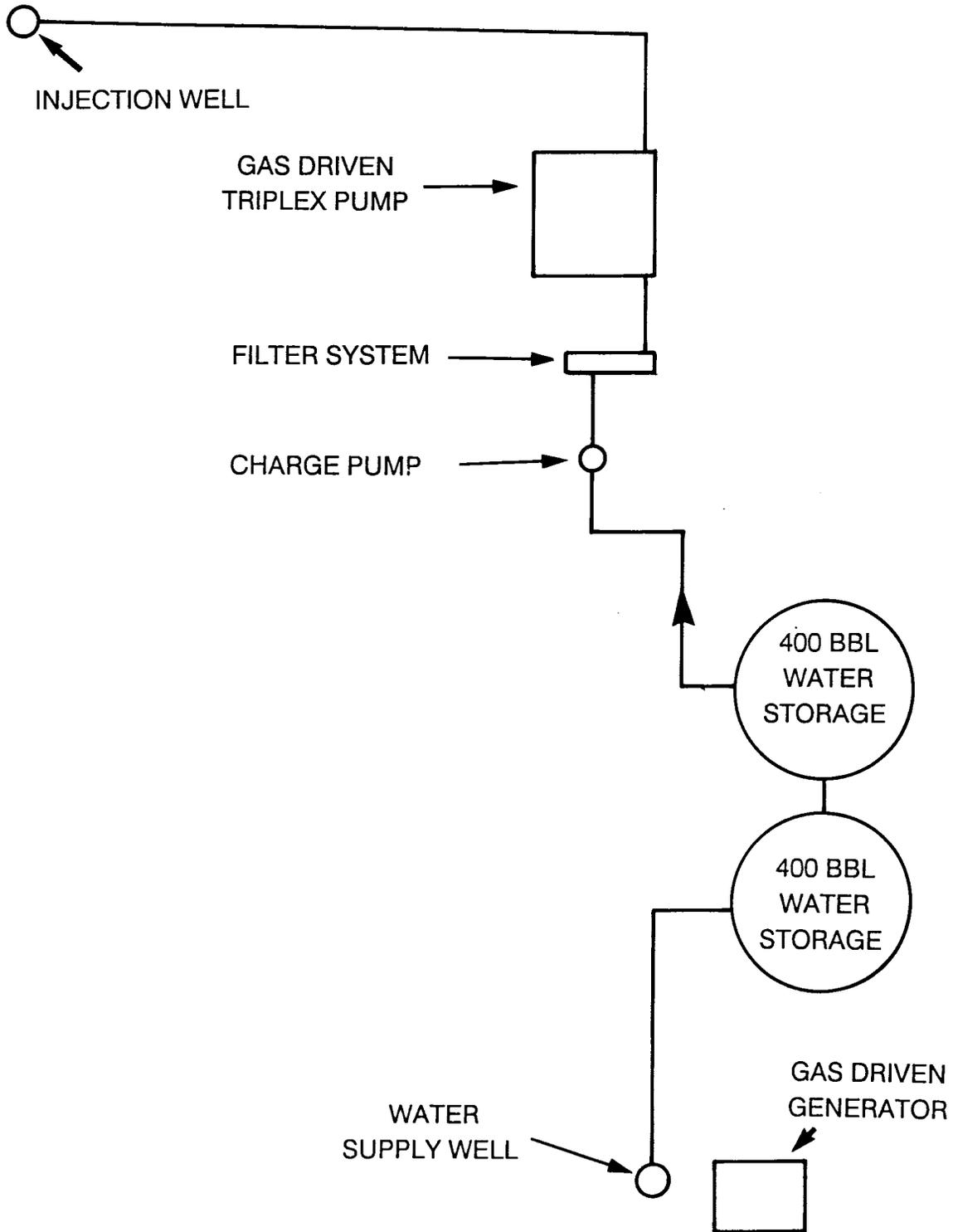
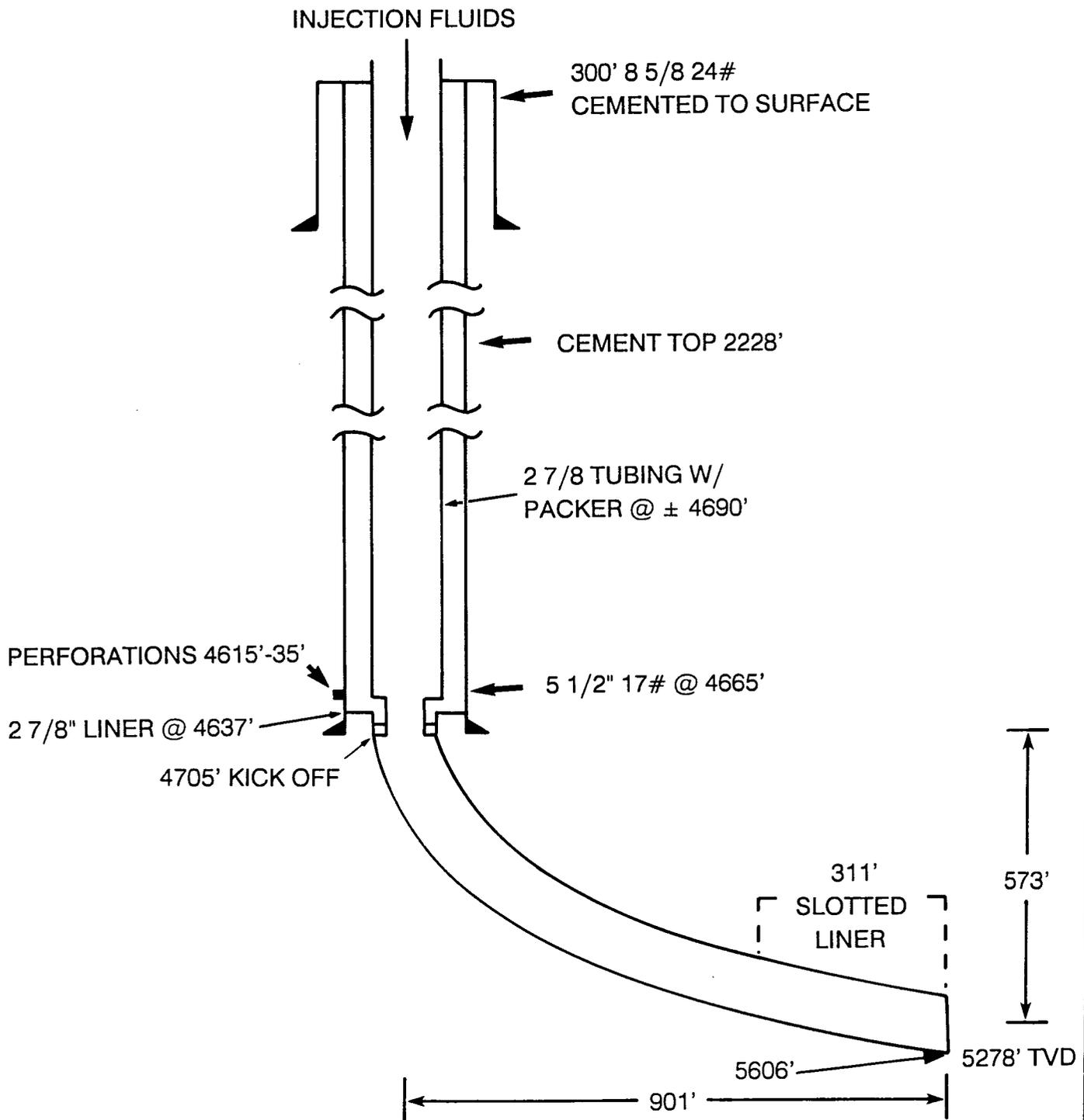


EXHIBIT III
IRONWOOD EXPLORATION
UTE TRIBAL #25-6
WELL BORE SCHEMATIC





PLUGGING AND ABANDONMENT PLAN

NAME AND ADDRESS OF FACILITY

NAME AND ADDRESS OF OWNER/OPERATOR

IRONWOOD EXPLORATION
535 Gravier Street
New Orleans, La. 70130

IRONWOOD EXPLORATION
535 Gravier Street
New Orleans, La. 70130

LOCATE WELL AND OUTLINE UNIT ON SECTION PLAT - 640 ACRES

STATE

COUNTY

PERMIT NUMBER

Utah Duchesne

SURFACE LOCATION DESCRIPTION

NW 1/4 OF SE 1/4 OF NW 1/4 SECTION 25 TOWNSHIP 5S RANGE 4W

LOCATE WELL IN TWO DIRECTIONS FROM NEAREST LINES OF QUARTER SECTION AND DRILLING UNIT

Surface Location 1331 ft. from (N/S) Line of quarter section
and 1638 ft. from (E/W) Line of quarter section

TYPE OF AUTHORIZATION

WELL ACTIVITY

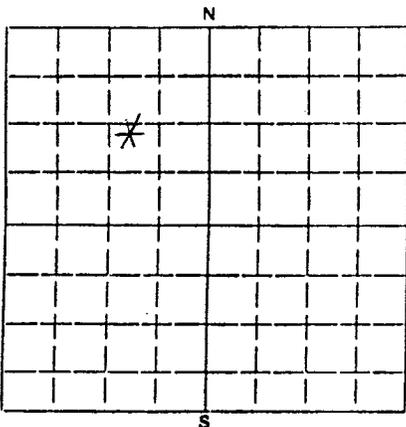
- Individual Permit
- Area Permit
- Rut.

- CLASS I
- CLASS II
 - Brine Disposal
 - Enhanced Recovery
 - Hydrocarbon Storage
- CLASS III

Number of Wells 1

Lease Name Ute Tribal

Well Number 25-6



CASING AND TUBING RECORD AFTER PLUGGING

METHOD OF EMPLACEMENT OF CEMENT PLUGS

SIZE	WT(LB./FT)	TO BE PUT IN WELL (FT)	TO BE LEFT IN WELL (FT)	HOLE SIZE
8 5/8	24		300	12 1/4
5 1/2	17		4665	7 7/8
2 7/8	65		969	4 3/4

- The Balance Method
- The Dump Bailer Method
- The Two-Plug Method
- Other

CEMENTING TO PLUG AND ABANDON DATA:

	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Size of Hole or Pipe in which Plug Will Be Placed (inches)	7 7/8-5 1/2	5 1/2	5 1/2				
Depth to Bottom of Tubing or Drill Pipe (ft.)	4865	2300	200				
Sacks of Cement To Be Used (each plug)	28.5	34.2	22.3				
Slurry Volume To Be Pumped (cu. ft.)	32.6	39.2	26.1				
Calculated Top of Plug (ft.)	4465	2000	0				
Measured Top of Plug (if tagged ft.)	---	---	---				
Slurry Wt. (Lb./Gal.)	15.8	15.8	15.8				
Type Cement or Other Material (Class III)	Class G	Class G	Class G				

LIST ALL OPEN HOLE AND/OR PERFORATED INTERVALS AND INTERVALS WHERE CASING WILL BE VARIED (If any)

From	To	From	To

Estimated Cost to Plug Wells

\$10,000.00

CERTIFICATION

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

NAME AND OFFICIAL TITLE (Please type or print)

SIGNATURE

DATE SIGNED

John D. Steuble, Agent



P.O. BOX 1532

ROOSEVELT, UTAH 84066

OFFICE: (801) 722-3693

WATER ANALYSIS REPORT

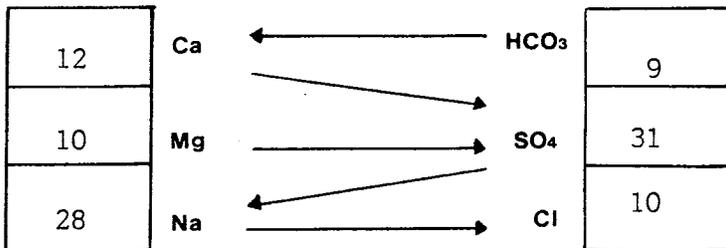
COMPANY IRONWOOD ADDRESS _____ DATE: 3-12-90

SOURCE Surface Source Water DATE SAMPLED _____ ANALYSIS NO. _____

	Analysis	Mg/L (ppm)	*Meq/L
1. pH	<u>8.1</u>		
2. H ₂ S (Qualitative)	<u>0</u>		
3. Specific Gravity	<u>1.003</u>		
4. Dissolved Solids		<u>3409</u>	
5. Suspended Solids			
6. Anaerobic Bacterial Count	<u>CI</u>	<u>C/MI</u>	
7. (Methyl Orange) Alkalinty (HCO ₃)		<u>450</u>	
8. Bicarbonate (HCO ₃)	<u>HCO₃</u>	<u>549</u>	<u>+61</u> <u>9</u> <u>HCO₃</u>
9. Chlorides (Cl)	<u>Cl</u>	<u>354</u>	<u>+35.5</u> <u>10</u> <u>Cl</u>
10. Sulfates (SO ₄)	<u>SO₄</u>	<u>1500</u>	<u>+48</u> <u>31</u> <u>SO₄</u>
11. Calcium (Ca)	<u>Ca</u>	<u>240</u>	<u>+20</u> <u>12</u> <u>Ca</u>
12. Magnesium (Mg)	<u>Mg</u>	<u>122</u>	<u>+12.2</u> <u>10</u> <u>Mg</u>
13. Total Hardness (CaCO ₃)		<u>1100</u>	
14. Total Iron (Fe)		<u>.7</u>	
15. Barium (Ba)			
16. Phosphate Residuals			

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values

Ca CO ₃	13 Mg/L
Ca SO ₄ - 2H ₂ O	2,090 Mg/L
Mg CO ₃	103 Mg/L

Distilled Water 20°C

Compound	Equiv. Wt.	X	Meq/L	=	Mg/L
Ca (HCO ₃) ₂	81.04		9		729
Ca SO ₄	68.07		3		204
Ca Cl ₂	55.50				
Mg (HCO ₃) ₂	73.17				
Mg SO ₄	60.19		10		602
Mg Cl ₂	47.62				
Na HCO ₃	84.00				
Na SO ₄	71.03		18		1278
Na Cl	58.46		10		585

REMARKS _____



P.O. BOX 1532

ROOSEVELT, UTAH 84066

OFFICE: (801) 722-3693

WATER ANALYSIS REPORT

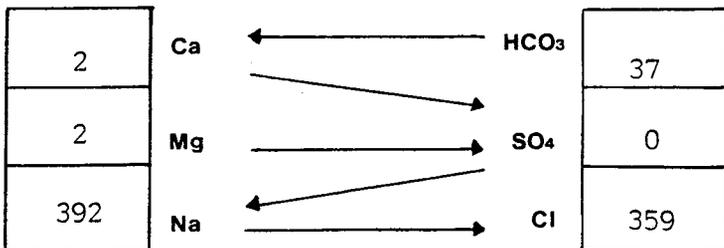
COMPANY IRONWOOD ADDRESS _____ DATE: 3-12-90

SOURCE 25-2 DATE SAMPLED _____ ANALYSIS NO. _____

	Analysis	Mg/L (ppm)	*Meq/L
1. pH	<u>9.0</u>		
2. H ₂ S (Qualitative)	<u>.5</u>		
3. Specific Gravity	<u>1.018</u>		
4. Dissolved Solids		<u>24,069</u>	
5. Suspended Solids			
6. Anaerobic Bacterial Count	<u>CI</u>	<u>C/MI</u>	
7. (Methyl Orange) Alkalinity (HCO ₃)		<u>1840</u>	
8. Bicarbonate (HCO ₃)	HCO ₃	<u>2245</u>	+61 <u>37</u> HCO ₃
9. Chlorides (Cl)	Cl	<u>12,744</u>	+35.5 <u>359</u> Cl
10. Sulfates (SO ₄)	SO ₄	<u>0</u>	+48 <u>0</u> SO ₄
11. Calcium (Ca)	Ca	<u>40</u>	+20 <u>2</u> Ca
12. Magnesium (Mg)	Mg	<u>24</u>	+12.2 <u>2</u> Mg
13. Total Hardness (CaCO ₃)		<u>200</u>	
14. Total Iron (Fe)		<u>1.6</u>	
15. Barium (Ba)			
16. Phosphate Residuals			

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values

Ca CO ₃	13 Mg/L
Ca SO ₄ · 2H ₂ O	2,090 Mg/L
Mg CO ₃	103 Mg/L

Distilled Water 20°C

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	<u>2</u>			<u>146</u>
Mg SO ₄	60.19				
Mg Cl ₂	47.62				
Na HCO ₃	84.00		<u>33</u>		<u>2772</u>
Na SO ₄	71.03				
Na Cl	58.46		<u>359</u>		<u>20,987</u>

REMARKS _____

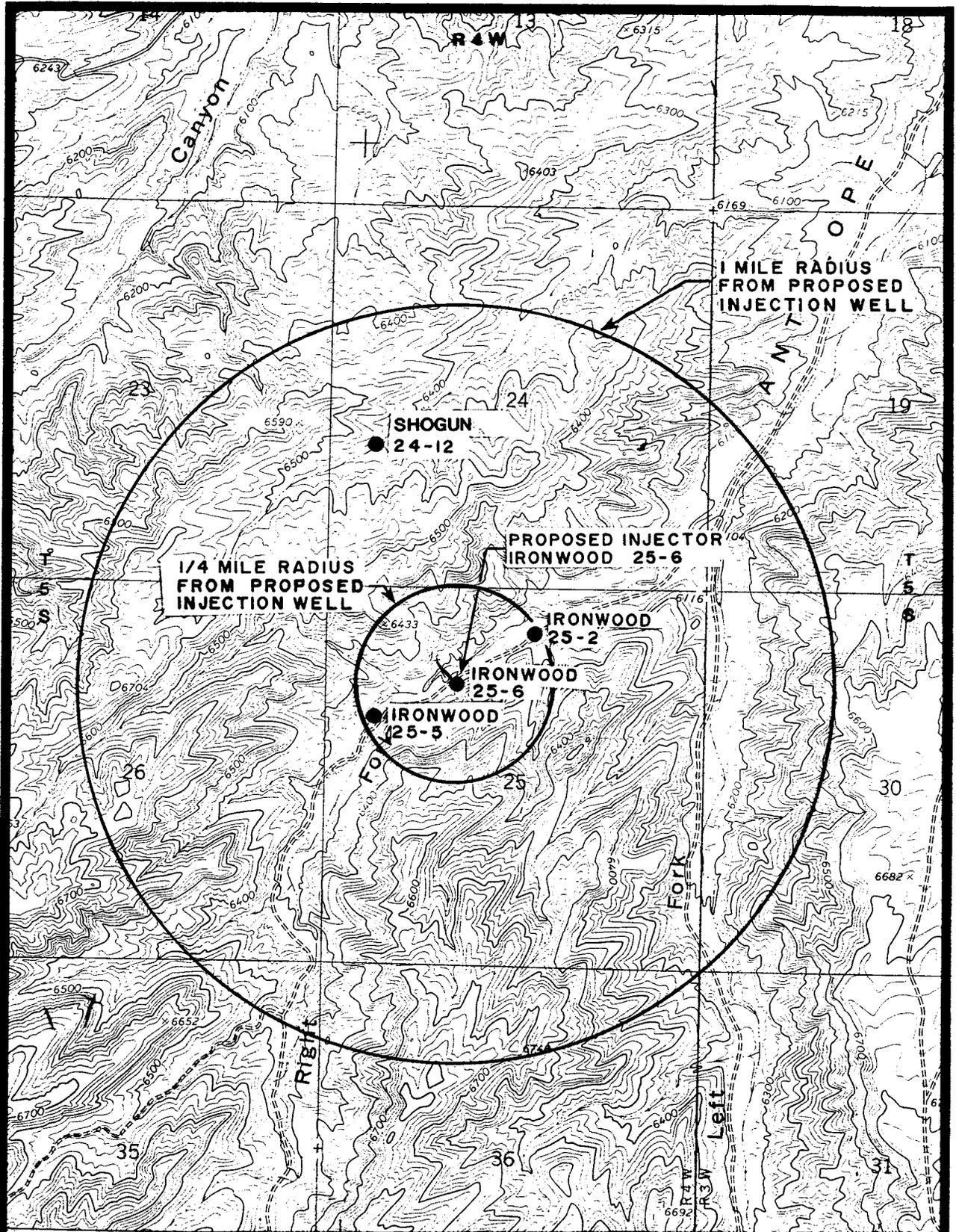


EXHIBIT I

EXHIBIT II

IRONWOOD EXPLORATION
UTE TRIBAL #25-6
SURFACE FACILITY SCHEMATIC

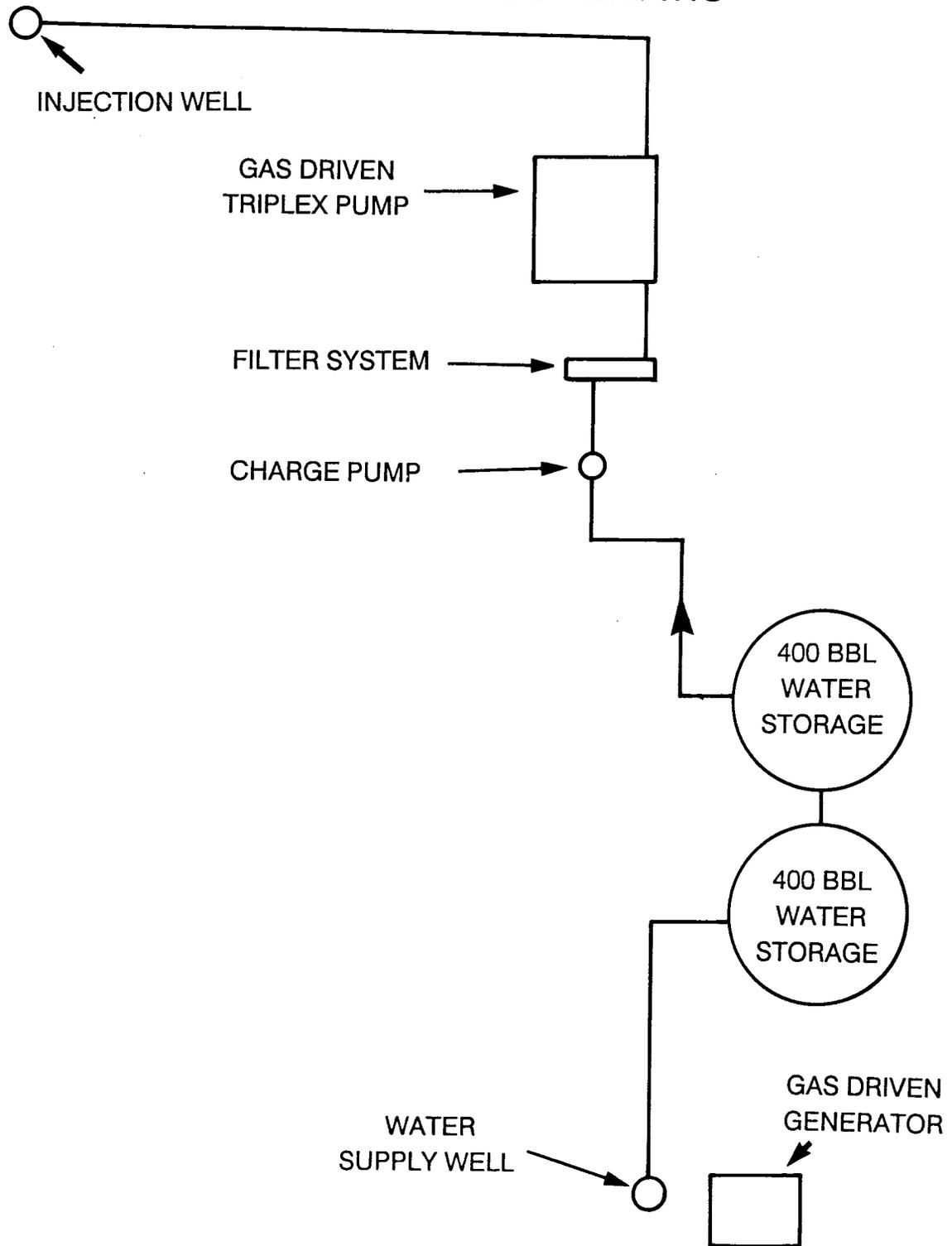


EXHIBIT III
IRONWOOD EXPLORATION
UTE TRIBAL #25-6
WELL BORE SCHEMATIC

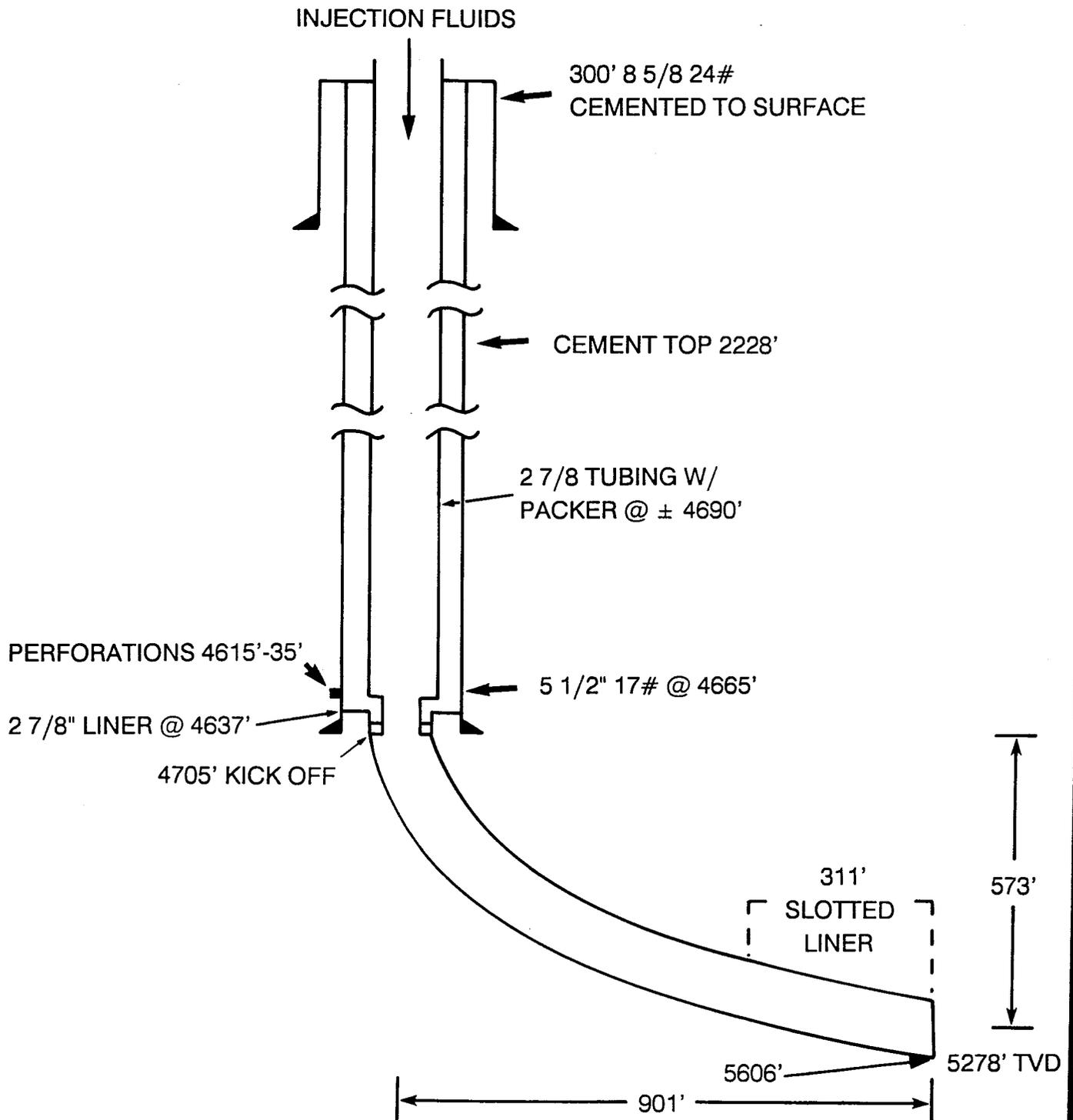
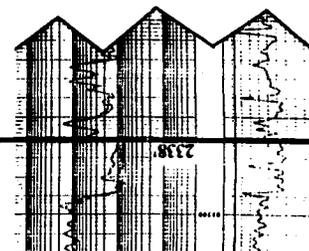
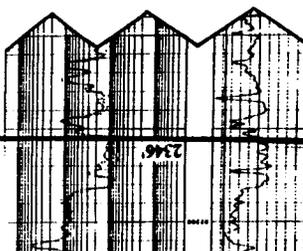
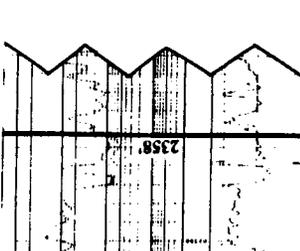
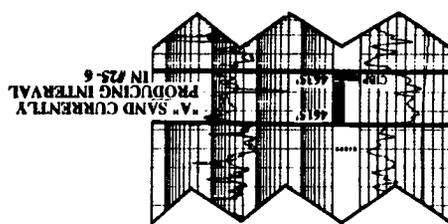
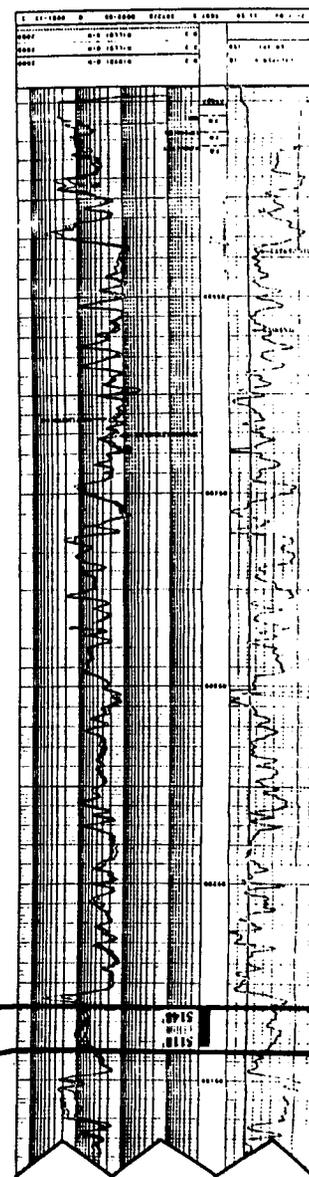
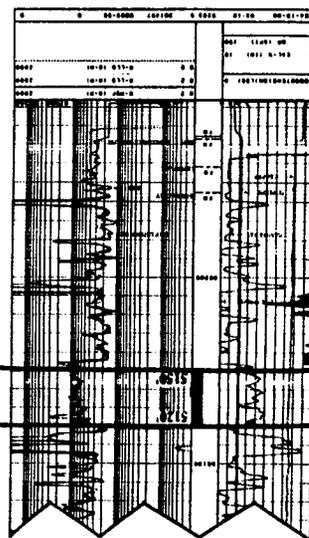
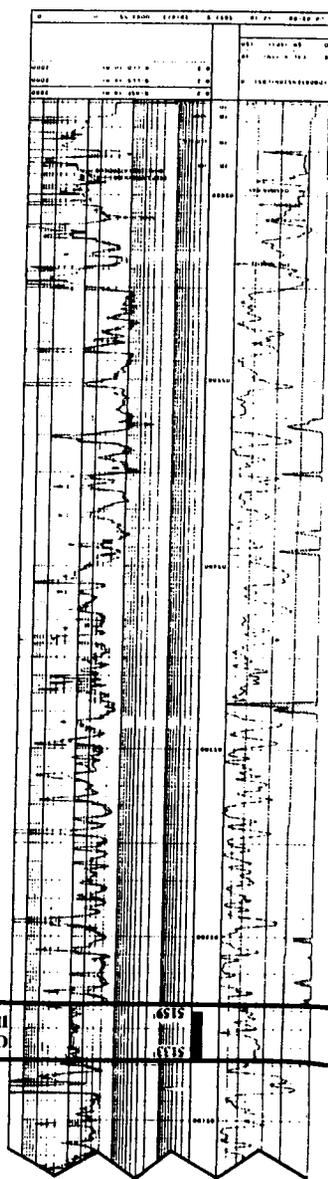


EXHIBIT IV

IRONWOOD EXPLORATION
CASTLE PEAK SAND DELINEATION
GREEN RIVER FORMATION
DUCHESE COUNTY, UTAH

LEGEND:
REPAIRATIONS INTERVAL OPEN TO WELL BORE
CAST IRON BRIDGE PLUG

CASTLE PEAK SAND, SECONDARY RECOVERY
INTERVAL

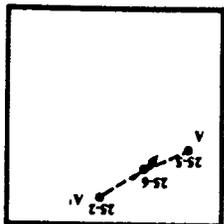


IRONWOOD EXPLORATION
U.T. #25-2
NWNE SEC. 25 T 5 S, R 4 W, USM

IRONWOOD EXPLORATION
U.T. #25-6
SENW SEC. 25 T 5 S, R 4 W, USM

IRONWOOD EXPLORATION
U.T. #25-5
SENW SEC. 25 T 5 S, R 4 W, USM

SECTION 25 T 5 S, R 4 W, USM



TOP OF GREEN RIVER FORMATION

A'

A

John D. Steuble
1990 E. Terra Vista Way
Sandy, Utah 84093
(801) 943-8144

File

55 4W 25
4301331202

May 20, 1991

Environmental Protection Agency
915 North Street Suite 500
Denver, Colorado 80202-2408

Re: Ironwood Exploration
Ute Tribal #25-6 ER
Permit No. UT2545-02777

ATTN: Mr. Gus Stolz

The test for the referenced well was conducted on [redacted] data for the test is attached in both [redacted] the test was successful with a parting pressure observed. The day of the test [redacted] increased in production volumes [redacted] Ironwood Exploration is requested [redacted] ninety [redacted] in which the maximum pressure will be allowed to [redacted] and fracture pressure obtained in the step rate [redacted] proposing a maximum pressure limit of 2500 psig [redacted] in order to assure enough latitude to properly evaluate [redacted] activity/production relationship.

The step rate test the injectivity of the well [redacted] less than 100 BWPD which is quite low given [redacted] horizontal hole open to injection. Cumulative [redacted] 2000 barrels and is about the calculated fillup [redacted] reservoir. Drawdown tests show that the injected [redacted] obtained in the reservoir and that no [redacted] low injectivity. The latest drawdown [redacted] barrier in the zone causing the problem. [redacted] seen by the change in slope on the attached drawdown [redacted] the 150 hour shut in time and extending to the end [redacted] given this information it appears the parting seen [redacted] test was actually a break down of a small barrier [redacted] and not vertical fracture propagation.

The [redacted] into [redacted] series of interbedded siltstone [redacted] ability. The individual sands with [redacted] degree of discontinuity and [redacted] is approximately 30 feet [redacted] multiple stringers of [redacted] to the offset [redacted] production [redacted] the reason [redacted] the reduction [redacted] a pinch out between the [redacted]

Ironwood Exploration
Ute Tribal #25-6 ER
Page 2

The maximum injection rate of the step rate test was 1826 BWPD which is extremely low for fracture propagation in a vertical sense. The top of the Green River formation is at 2420' well above the injection interval at 5120'-50'. To assume a fracture will extend the 2700' seems to be quite unreasonable at the volumes experienced.

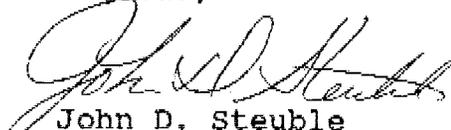
The injection water is obtained from a well 150' in depth and has a 3000 ppm total dissolved solids content. This is much fresher than any of the waters in the Green River interval. Should the fracture actually propagate vertically no contamination of the zones would be a problem.

Ironwood seeks this ninety (90) day injectivity test in order to confirm the observed results during the step rate test. Should any adverse conditions be observed the test will be terminated immediately. If positive results are observed at the producing wells a request for a permanent pressure increase will be requested.

Given the low injectivity rates presently being experienced and the economics involved this request is imperative to the future continuation of this secondary recovery project. Unless the injected volume can be increased to reasonable levels with corresponding production increases the project will probably be terminated. Although this is not an environmental concern it is an economic concern as to the income generated for the Ute Tribe.

Should you have any questions regarding this information please feel free to call me at 801/943-8144.

Regards,

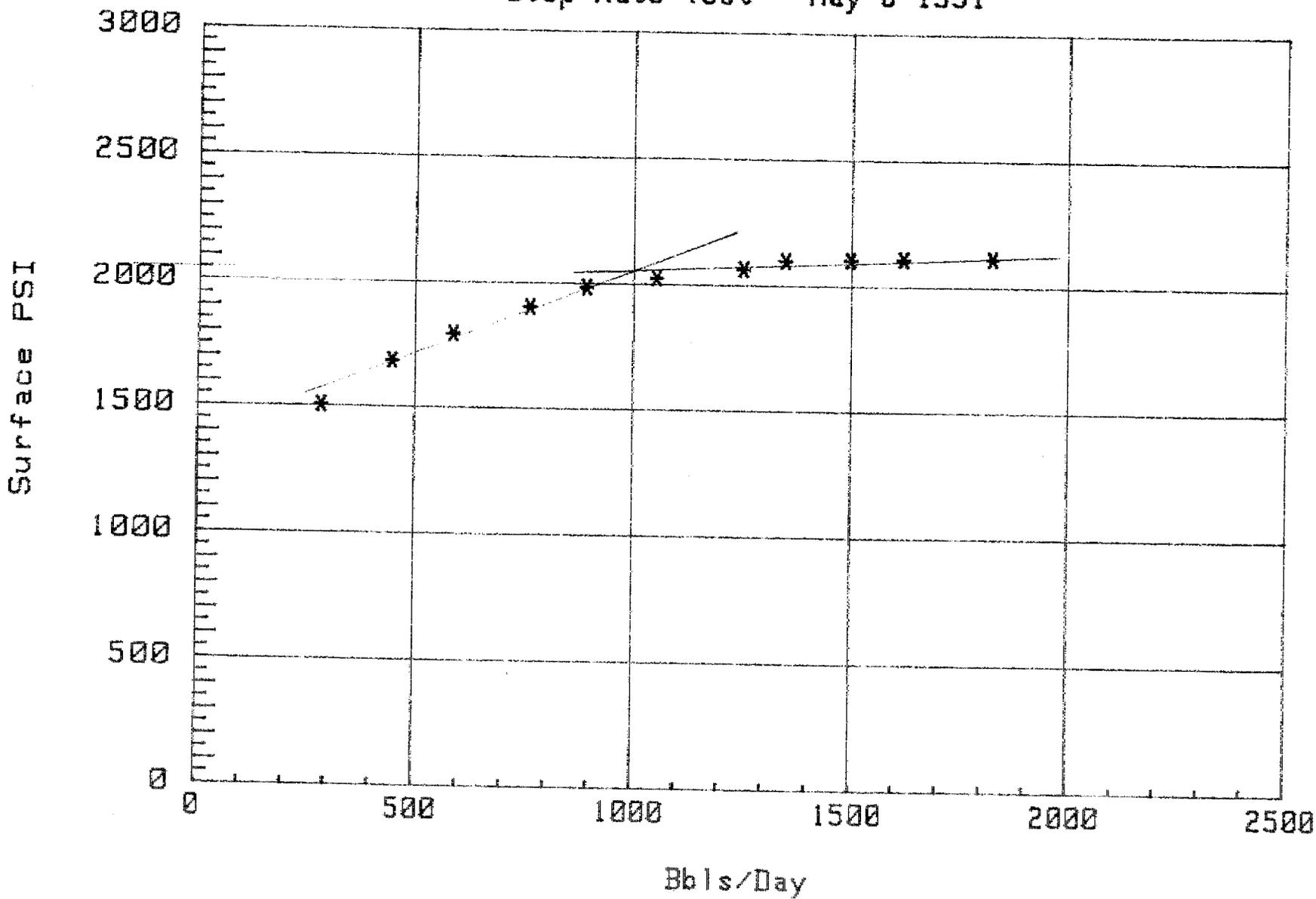

John D. Steuble
Agent

cc: Ironwood Exploration
535 Gravier Street #800
New Orleans, La. 70130

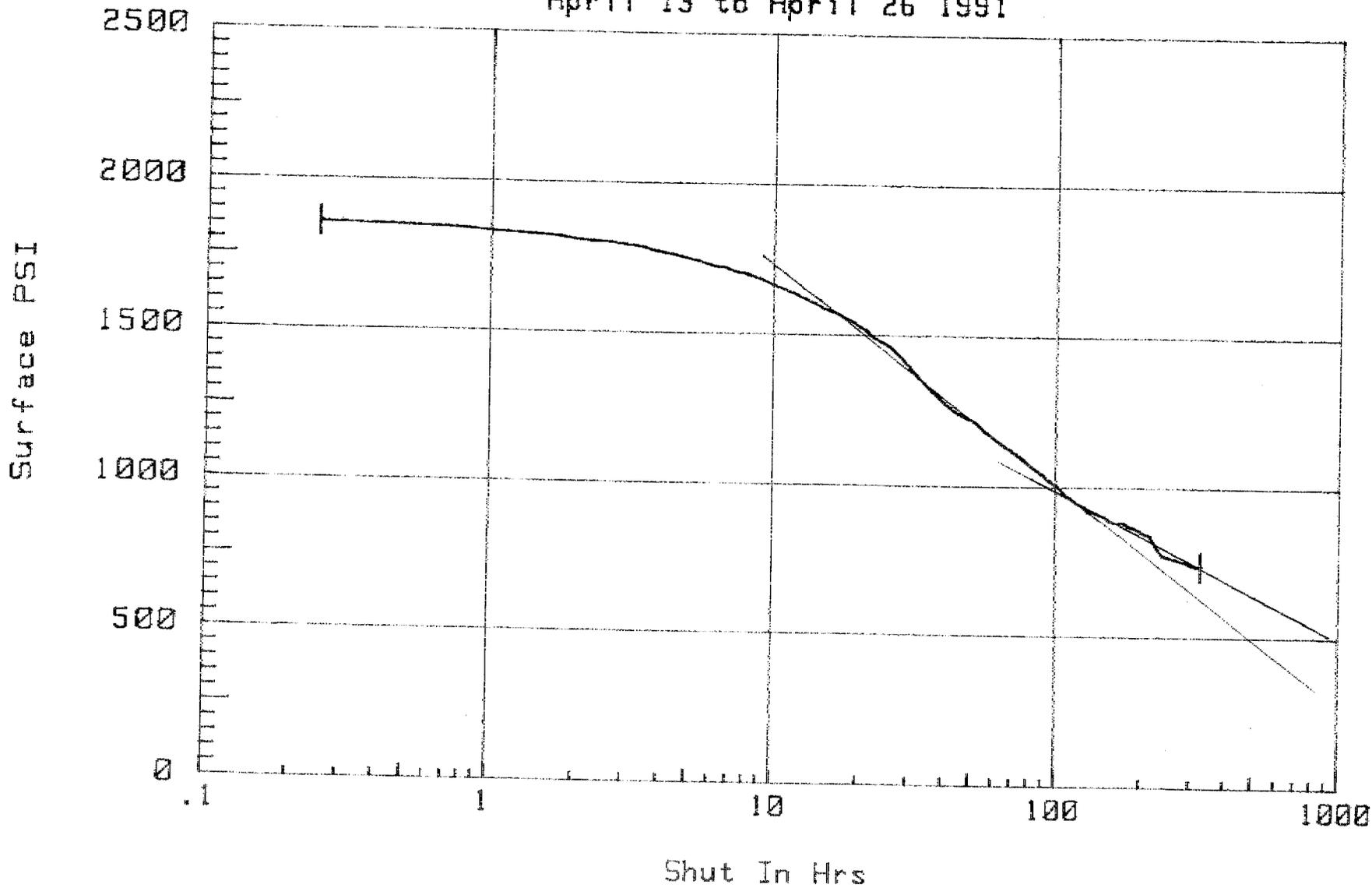
IRONWOOD EXPLORATION
 UTE TRIBAL #25-6
 May 8, 1991
Step Rate Test

<u>RATE (BPD)</u> <u>(BBL/DAY)</u>	<u>RATE (BPH)</u> <u>BBL/Hr</u>	<u>SURFACE PRESSURE</u> <u>PSI</u>
288	12	1500
449	18.7	1680
588	24.5	1790
763	31.8	1900
993	37.2	1980
1054	43.9	2020
1255	52.3	2060
1498	56.2	2100
1622	62.4	2105
1826	76.1	2110
	ISIP	2045
	5 minute	2000
	10 minute	2010
	15 minute	2000

IRONWOOD EXPLORATION #25-6
Step Rate Test May 8 1991

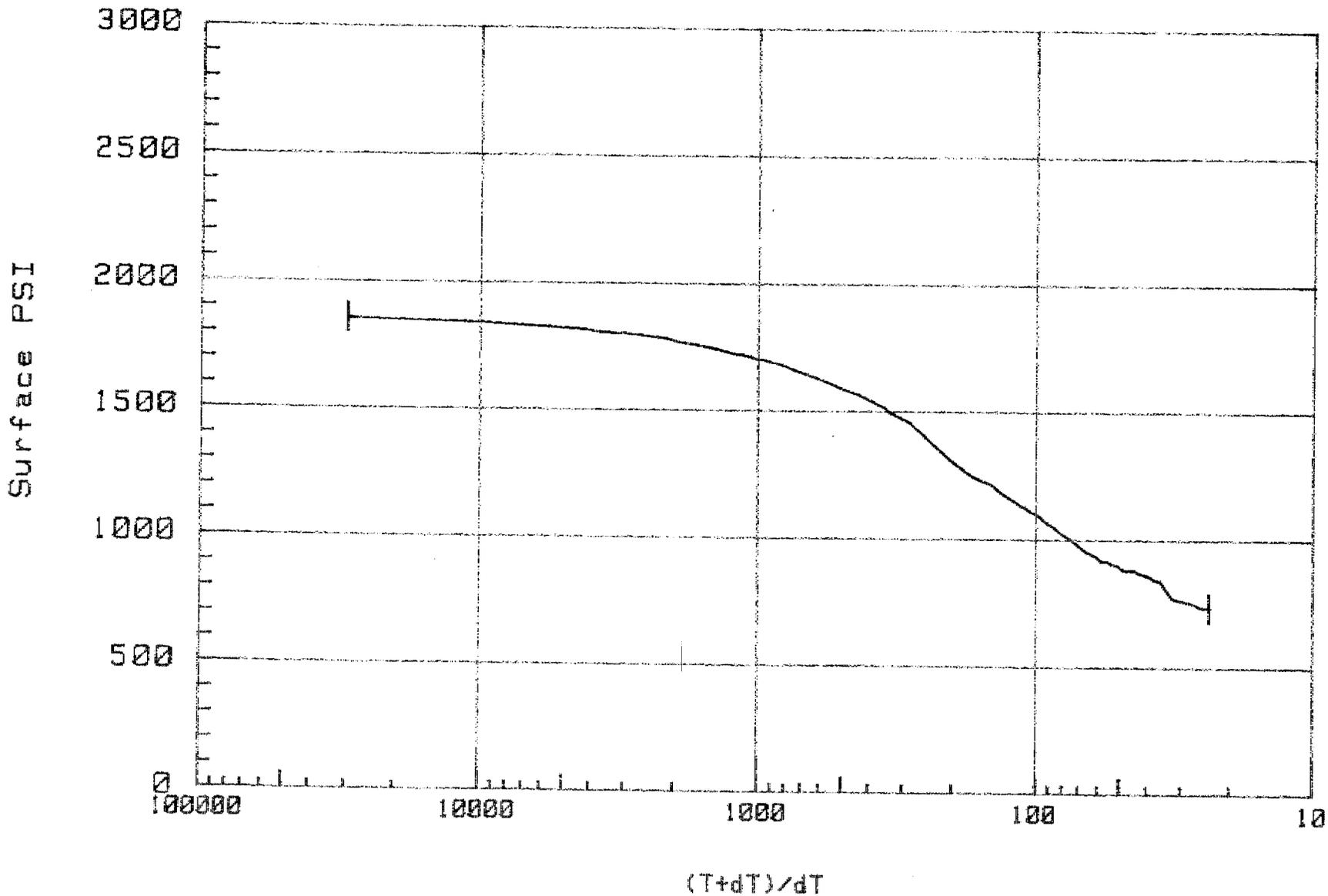


IWE 25-6 Drawdown April 13 to April 26 1991



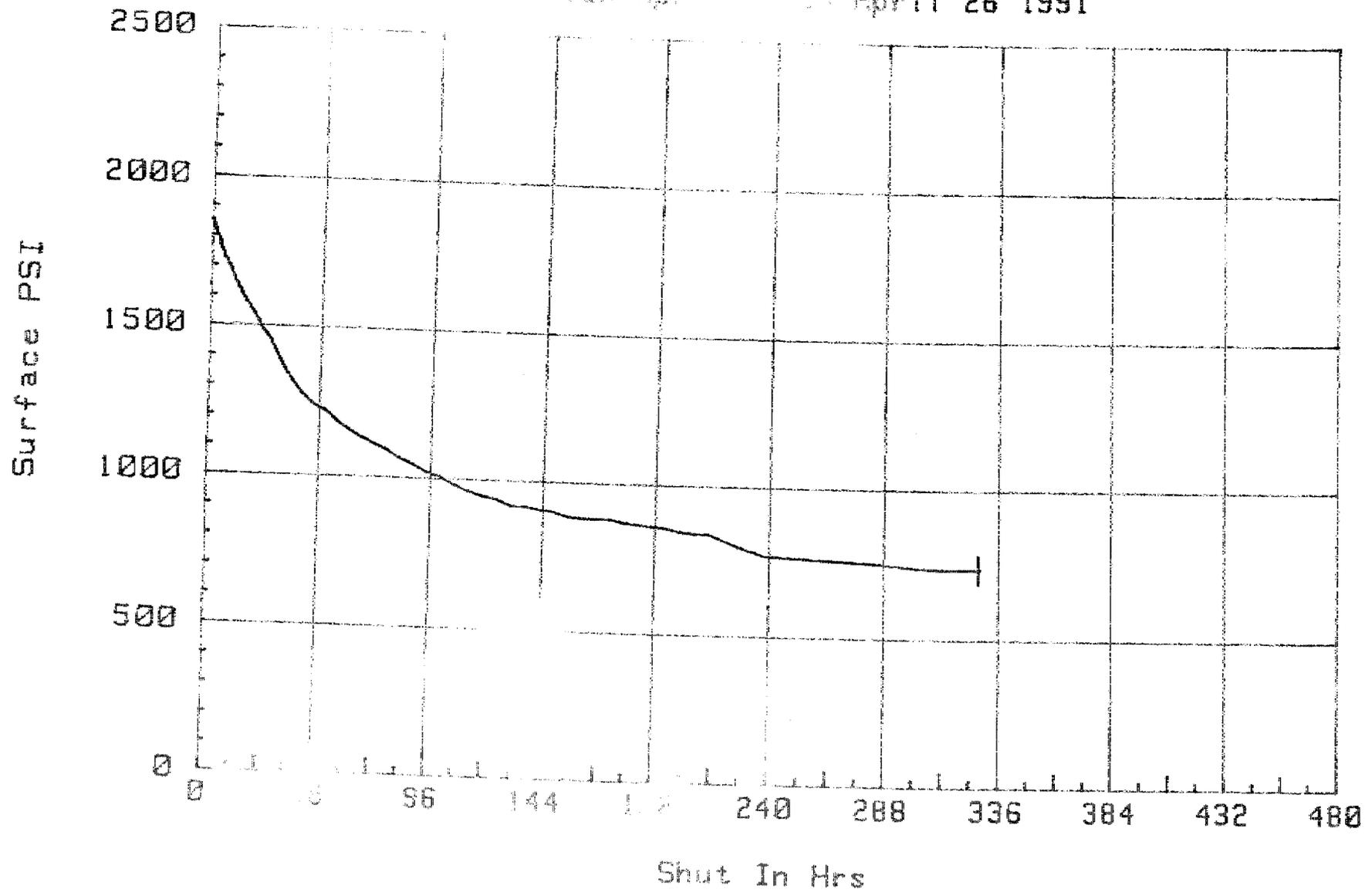
IRONWOOD EXPLORATION #25-6

Drawdown April 13 to April 26 1991



WELL IDENTIFICATION #25-6

from April 1991 to April 26 1991



of Fluid Minerals, Utah State Office) and Howard B. Cleavinger (Assistant District Manager for Minerals, BLM Vernal District). Representing the Ute Indian Tribe was Ferron Sacakuku (Chief of the Real Property and Mineral Leasing Department).

Testifying on behalf of Petitioner Ironwood Exploration Company was John D. Steuble, Petroleum Engineer with Direct Energy based in Salt Lake City. Ironwood was represented by Robert G. Pruitt, Jr. of Pruitt, Gushee & Fletcher.

Signed waivers of the statutory notice period and consent to the expedited hearing scheduled for August 23, 1990 were received from Shogun Oil Ltd. of Corpus Christi, Texas; Vernal District Office of the U.S. Bureau of Land Management, Vernal Utah; Uintah and Ouray Agency of the U.S. Bureau of Indian Affairs, Fort Duchesne, Utah; and Petitioner Ironwood Exploration Company. No communications or statements were made in opposition to the Petition, and no other parties appeared or participated in the hearing.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner as required by law and the rules of the Board. The

statutory notice period was waived either by written consent or by the attendance of all interested parties at the hearing.

2. The Board has jurisdiction over the matters covered by said Petition, and over all parties interested therein, and has jurisdiction to make and promulgate the Order hereinafter set forth. The Board is cognizant that the Petitioner is simultaneously making a similar proposal to federal agencies who are acting on behalf of the Ute Indian Tribe, and that no decision of the Board can be binding upon such federal agency actions.

3. The Lower Green River formation within Section 25, Township 5 South, Range 4 West, USM, constitutes a suitable depleted oil reservoir for the initiation of a waterflood pilot project in the manner proposed by the Petition. If successful, the pilot project will lead to a larger field-wide project which will be in the public interest, will promote conservation and will increase ultimate recovery of hydrocarbons.

4. Since only the Lower Green River formation underlying subject Section 25 will be affected by the pilot waterflood project, and said Section 25 is held by a single Ute Tribal Indian Oil & Gas Lease issued to Petitioner, it is not necessary for the Board to make provisions for separately owned tracts in the unit area, nor for adjustment among said owners, or other arrangements for division of costs or proceeds. All operations will be

conducted by and under the supervision of Petitioner, time being of the essence, in order to commence underground injection prior to the onset of winter field conditions. Ironwood Exploration Company shall be the designated Unit Operator.

5. Approved Water Application No. 43-10219 (A64636) of the State Engineer of the State of Utah authorizes Ironwood Exploration Company to appropriate 48 acre feet of water from a well to be located in the NW $\frac{1}{4}$ of Section 25, to be used to waterflood a hydrocarbon reservoir in said section.

ORDER

After considering all testimony and evidence presented at the hearing, and the comments received from the staff of the Division, the Board hereby enters the following Order:

1. The three well water injection pilot project proposed by Ironwood Exploration Company in its Petition and Exhibit is hereby approved insofar as it relates to the Lower Green River formation within Section 25, Township 5 South, Range 4 West, USM in Duchesne County, Utah.

2. The Ute Tribal #25-6 well in the NW $\frac{1}{4}$ of Section 25 shall be the injection well, and the Ute Tribal #25-2 and Ute Tribal #25-5 wells in Section 25 shall serve as the potential producing wells affected by the water injection process.

3. The pilot waterflood injection project shall commence immediately as soon as necessary federal agency approval is obtained, and shall continue for so long as the project operator deems the project operations appropriate and effective. If the pilot project proves successful, its operation may be continued indefinitely so long as beneficial results are obtained. However, the pilot project may not be extended without further Order of the Board.

4. Petitioner is ordered to monitor the project and to report results in accordance with the rules of the Division.

5. The Board retains continuing jurisdiction over all of the parties and over the subject matter of this Cause.

Entered this 23rd day of August, 1990.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

By: 
Gregory P. Williams, Chairman

John D. Steuble
1990 E. Terra Vista Way
Sandy, Utah 84093
(801) 943-8144

June 28, 1991

State of Utah
Division of Oil, Gas and Mining
3 Triad Center Suite #350
Salt Lake City, Utah 84180-1203

Attn: Mr. Dan Jarvis

Dear Sir:

I have enclosed the Sundry Notice for the conversion of the Ironwood Exploration #25-6 to a Class II injection well as we previously discussed. Also attached are the monthly injection reports from January, 1991 thru May, 1991. After you review the form of the report please advise me as to any changes you require.

Should you need any further information please feel free to give me a call.

Regards,



John D. Steuble

RECEIVED

JUL 0 1 1991

DIVISION OF
OIL GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1424.

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 GAS WELL OTHER WIW

2. NAME OF OPERATOR
Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR
535 Gravier Street, New Orleans, La. 70130

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface 1638' FWL 1331' FNL

At total depth 1072' FWL 765' FNL

14. PERMIT NO. 43-013-31202

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
6215' KB

5. LEASE DESIGNATION AND SERIAL NO.
14-20-H62-3440

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
25-6

10. FIELD AND POOL, OR WILDCAT
Antelope Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 25 T5S R4W SLB&M

12. COUNTY OR PARISH Duchesne 13. STATE Utah

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Convert to Injection

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(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.)*

Well converted to Class II ER injection well as per State and EPA requirements
Injection started on Jan. 6, 1991

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

SIGNED [Signature] TITLE Agent DATE 6/28/91

(This space for Federal or State office use)

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

MONTHLY REPORT of ENHANCED RECOVERY PROJECT

Operator: IRONWOOD EXPLORATION
535 GRAVIER STREET #800
NEW OLEANS, LA. 70130

Page 1 of 1
Operations for January 1991

Field Name: ANTELOPE CANYON
Type of Project: WATERFLOOD

Formation: GREEN RIVER
County: DUCHESNE

INJECTED VOLUME	Current Month	Cumulative
Water (barrels)	16234	16234

Number of active injection wells at end of report month: 1

+++++ WELL SUMMARY +++++

<u>Well Name</u>	<u>Injection Pressure</u>	<u>Injection Rate</u>	<u>Annulus Pressure</u>	<u>Monthly Inj. Volume</u>
IRONWOOD EXPLORATION #25-6	1674	746	30	16234

I certify this report is true and complete to the best of my knowledge.

John D. Steuble
Agent
(801)943-8144

Signature: John D. Steuble

Date: 1/28/91

STATE of UTAH
DIVISION of OIL, GAS and MINING

MONTHLY REPORT of ENHANCED RECOVERY PROJECT

Operator: IRONWOOD EXPLORATION
535 GRAVIER STREET #800
NEW OLEANS, LA. 70130

Page 1 of 1
Operations for February 1991

Field Name: ANTELOPE CANYON
Type of Project: WATERFLOOD

Formation: GREEN RIVER
County: DUCHESNE

INJECTED VOLUME	Current Month	Cumulative
Water (barrels)	9511	25745

Number of active injection wells at end of report month: 1

+++++ WELL SUMMARY +++++

<u>Well Name</u>	<u>Injection Pressure</u>	<u>Injection Rate</u>	<u>Annulus Pressure</u>	<u>Monthly Inj. Volume</u>
IRONWOOD EXPLORATION #25-6	1893	506	22	9511

I certify this report is true and complete to the best of my knowledge.

John D. Steuble
Agent
(801)943-8144

Signature: John D. Steuble

Date: 2/28/91

STATE of UTAH
DIVISION of OIL, GAS and MINING

MONTHLY REPORT of ENHANCED RECOVERY PROJECT

Operator: IRONWOOD EXPLORATION
535 GRAVIER STREET #800
NEW OLEANS, LA. 70130

Page 1 of 1
Operations for March 1991

Field Name: ANTELOPE CANYON
Type of Project: WATERFLOOD

Formation: GREEN RIVER
County: DUCHESNE

INJECTED VOLUME	Current Month	Cumulative
Water (barrels)	4524	30269

Number of active injection wells at end of report month: 1

+++++ WELL SUMMARY +++++

<u>Well Name</u>	<u>Injection Pressure</u>	<u>Injection Rate</u>	<u>Annulus Pressure</u>	<u>Monthly Inj. Volume</u>
IRONWOOD EXPLORATION #25-6	1898	174	27	4524

I certify this report is true and complete to the best of my knowledge.

John D. Steuble
Agent
(801) 943-8144

Signature: John D. Steuble

Date: 6/28/91

STATE of UTAH
DIVISION of OIL, GAS and MINING

MONTHLY REPORT of ENHANCED RECOVERY PROJECT

Operator: IRONWOOD EXPLORATION
535 GRAVIER STREET #800
NEW OLEANS, LA. 70130

Page 1 of 1
Operations for April 1991

Field Name: ANTELOPE CANYON
Type of Project: WATERFLOOD

Formation: GREEN RIVER
County: DUCHESNE

INJECTED VOLUME	Current Month	Cumulative
Water (barrels)	1684	31953

Number of active injection wells at end of report month: 1

+++++ WELL SUMMARY +++++

<u>Well Name</u>	<u>Injection Pressure</u>	<u>Injection Rate</u>	<u>Annulus Pressure</u>	<u>Monthly Inj. Volume</u>
IRONWOOD EXPLORATION #25-6	1865	114	30	1684

I certify this report is true and complete to the best of my knowledge.

John D. Steuble
Agent
(801)943-8144

Signature: John D. Steuble

Date: 6/28/91

STATE of UTAH
DIVISION of OIL, GAS and MINING

MONTHLY REPORT of ENHANCED RECOVERY PROJECT

Operator: IRONWOOD EXPLORATION
535 GRAVIER STREET #800
NEW OLEANS, LA. 70130

Page 1 of 1
Operations for May 1991

Field Name: ANTELOPE CANYON
Type of Project: WATERFLOOD

Formation: GREEN RIVER
County: DUCHESNE

INJECTED VOLUME	Current Month	Cumulative
Water (barrels)	2415	34368

Number of active injection wells at end of report month: 1

+++++ WELL SUMMARY +++++

<u>Well Name</u>	<u>Injection Pressure</u>	<u>Injection Rate</u>	<u>Annulus Pressure</u>	<u>Monthly Inj. Volume</u>
IRONWOOD EXPLORATION #25-6	1896	118	22	2415

I certify this report is true and complete to the best of my knowledge.

John D. Steuble
Agent
(801)943-8144

Signature: *John D. Steuble*

Date: 6/28/91

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

14-20-H62-3440

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Ute Tribal

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

25-6

10. FIELD AND POOL, OR WILDCAT

Antelope Canyon

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA

Sec 25 T5S R4W SLB&M

12. COUNTY OR PARISH 13. STATE

Duchesne

Utah

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 GAS WELL OTHER

WIW

2. NAME OF OPERATOR

Ironwood Exploration Inc.

3. ADDRESS OF OPERATOR

535 Gravier Street, New Orleans, La. 70130

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)

At surface 1638' FWL 1331' FNL

At total depth 1072'FWL 765' FNL

14. PERMIT NO.

43-013-31202

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

6215' KB

16.

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other)

Convert to Injection

(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.)*

Well converted to Class II ER injection well as per State and EPA requirements

Injection started on Jan. 6, 1991

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

SIGNED

John S. Smith

TITLE

Agent

DATE

6/28/91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

GAVILAN PETROLEUM, INC.

3030 South Main, Suite 500
Salt Lake City, UT 84115
(801) 466-8960

August 4, 1992

Utah Natural Resource
Oil, Gas, & Mining
55 West North Temple
3 Triad Center, Suite 350
Salt Lake City UT 84180-1203

Attn: Lisha Romero

RE: Ute Tribal 12-11, API # 43-013-30854, Entity 09103

Sec 12 TSS R4U

Dear Lisha:

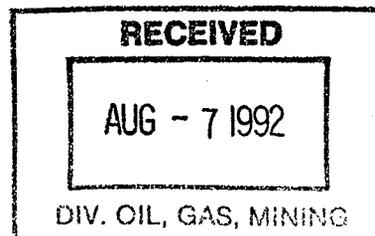
Per our conversation today, Gavilan Petroleum, Inc. has taken over operations of wells formerly owned by Ironwood Exploration, Inc. Information provided to me by Vernon Main (Ironwood Exploration) indicates that the above referenced well was cancelled by the Bureau of Land Management/Ute Tribe, effective January 31, 1992.

So far as I know the well is shut in, although I have no incoming documentation to support that. I will continue to report the well as shut in on the Monthly Oil and Gas Production Report until such time as the Bureau of Land Management acknowledges that the well has been taken over by the Tribe.

Sincerely,



Bob Jewett



Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1- LCR / GIL
2- DTG/S7 -JCR
3-VLC
4-RJF
5-RWM
6-ADA

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 8-4-92)

TO (new operator)	<u>IRONWOOD EXPLORATION INC</u>	FROM (former operator)	<u>IRONWOOD EXPLORATION INC.</u>
(address)	<u>C/O GAVILAN PETROLEUM INC</u>	(address)	<u>535 GRAVIER ST</u>
	<u>3030 S MAIN STE 500</u>		<u>NEW ORLEANS LA 70130</u>
	<u>SALT LAKE CITY UT 84115</u>		<u>VERNON MAIN JR</u>
	phone (<u>801</u>) <u>466-8960</u>		phone (<u>504</u>) <u>568-1249</u>
	account no. <u>N 9270(A)</u>		account no. <u>N 9270</u>

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

Name: <u>IRONWOOD-GULF FOY 12-5</u>	API: <u>43-013-30885</u>	Entity: <u>9101</u>	Sec <u>12</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>FEE</u>
Name: <u>UTE TRIBAL 23-3/GRRV</u>	API: <u>43-013-30886</u>	Entity: <u>9102</u>	Sec <u>23</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>UTE TRIBAL 12-11/GRRV</u>	API: <u>43-013-30854</u>	Entity: <u>9103</u>	Sec <u>12</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>UTE TRIBAL 25-5/GRRV</u>	API: <u>43-013-30944</u>	Entity: <u>9105</u>	Sec <u>25</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>UTE TRIBAL 25-2/GRRV</u>	API: <u>43-013-31213</u>	Entity: <u>9105</u>	Sec <u>25</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>*UTE TRIBAL 25-6/GRRV</u>	API: <u>43-013-31202</u>	Entity: <u>9105</u>	Sec <u>25</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>*WIW</u>	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- * 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Phone doc. 8-27-92)
- LCR 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 8-7-92) (Phone doc. 8-4-92)
- N/A 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: _____.
- LCR 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.
- LCR 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (8-27-92)
- LCR 6. Cardex file has been updated for each well listed above. (8-27-92)
- LCR 7. Well file labels have been updated for each well listed above. (8-27-92)
- LCR 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (8-27-92)
- LCR 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.

ENTITY REVIEW

- See 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/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) *(Designation of Agent - Not an operator change)*

- N/A 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- N/A 2. A copy of this form has been placed in the new and former operators' bond files.
- See 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. *Lease not sold or transferred* DIS
- N/A 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- ✓ 1. All attachments to this form have been microfilmed. Date: Sept 17 1992

FILING

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

COMMENTS

920807 BIA/Bjm Not approved as of yet. Operator still Ironwood Explor. Inc.

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File _____ Suspense _____ Other _____
(Location) Sec _____ Twp _____ Rng _____ (Return Date) _____ DESIG. OF AGENT _____
(API No.) _____ (To - Initials) _____ _____

1. Date of Phone Call: 8-24-92 Time: 10:12

2. DOGM Employee (name) L.ROMERO (Initiated Call
Talked to: _____
Name VERNON MAIN JR (Initiated Call - Phone No. (504) 244-1490
of (Company/Organization) N9270-IRONWOOD EXPLORATION INC.

3. Topic of Conversation: DESIG. OF AGENT TO GAVILAN PETROLEUM INC.

4. Highlights of Conversation: _____

***MSG LEFT ON ANSWERING MACHINE**

***920827/10:30**

MR. MAIN CONFIRMED THAT GAVILAN PETROLEUM IS IN THE PROCESS OF OBTAINING APPROVAL FROM THE BIA TO OPERATE INDIAN LEASE WELLS CURRENTLY UNDER IRONWOOD EXPLOR. NO FORMAL APPROVALS HAVE BEEN OBTAINED AS OF YET. HE REQUESTED THAT DOGM SEND MONTHLY PROD & DISP REPORTS TO GAVILAN AT THEIR ADDRESS, AND UNDERSTANDS THAT IRONWOOD EXPLOR IS STILL THE OPERATOR "UNTIL APPROVAL FROM BIA HAS BEEN GRANTED". HE WILL SUBMIT SUNDRIES/APPROVALS AS SOON AS HE RECEIVES THEM. HE ALSO INDICATED THAT GAVILAN IS TRYING TO OBTAIN BOND COVERAGE FOR THE 12-5/43-013-30885 WELL LOCATED ON "FEE" LAND, AND THE 25-6/43-013-31202 WIW WELL. HE WILL KEEP US INFORMED.

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File _____
(Location) Sec ___ Twp ___ Rng ___
(API No.) _____

Suspense
(Return Date) _____
(To - Initials) _____

Other
OPER FILE
ADDRESS CHANGE

1. Date of Phone Call: 8-4-92 Time: 9:30

2. DOGM Employee (name) L. ROMERO (Initiated Call
Talked to: JR

Name BOB JEWITT (Initiated Call - Phone No. (801) 466-8960
of (Company/Organization) GAVILAN PETROLEUM INC (N2275)

3. Topic of Conversation: IRONWOOD EXPLORATION INC. (N9270)

4. Highlights of Conversation: _____

GAVILAN PETRO. IS IN THE PROCESS OF PURCHASING WELLS FROM IRONWOOD EXPLOR.
THEY HAVE PURCHASED 2 OF THE 5 WELLS CURRENTLY LISTED ON IRONWOOD'S TURNAROUND
REPORT. HOWEVER, A FORMAL OPERATOR CHANGE HAS NOT OCCURED. MR JEWITT CLAIMS
THAT IRONWOOD IS PLANNING TO FILE BANKRUPTCY AND HAS AGREED TO ALLOW GAVILAN TO
FILE PRODUCTION & DISPOSITION REPORTS TO DOGM UNTIL ALL SALES & OPERATOR CHANGE
OCCURS. MR JEWITT REQUESTED THAT DOGM SEND REPORTS TO THEIR ADDRESS, AND
UNDERSTANDS THAT WE WILL NOT BE CHANGING OPERATORSHIP FROM IRONWOOD UNTIL THE
BIA/BLM APPROVES SUCH CHANGE.

*GAVILAN HAS BEEN REPORTING PROD & DISP SINCE MARCH 1992 PER VLC.



MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

• GAVILAN PETROLEUM INC
IRONWOOD EXPLORATION INC
3030 S MAIN STE 500
SALT LAKE CITY UT 84115

Utah Account No. N9270

Report Period (Month/Year) 11 / 92

Amended Report

Well Name			Producing Zone	Days Oper	Production Volume		
API Number	Entity	Location			Oil (BBL)	Gas (MSCF)	Water (BBL)
IRONWOOD-GULF-FOY 12-5							
4301330885	09101 05S 04W 12		GRRV				
UTE TRIBAL 23-3							
4301330886	09102 05S 04W 23		GRRV				
UTE TRIBAL 12-11							
4301330854	09103 05S 04W 12		GRRV				
UTE TRIBAL 25-5							
4301330944	09105 05S 04W 25		GRRV				
UTE TRIBAL 25-2							
4301331213	09105 05S 04W 25		GRRV				
UTE TRIBAL 25-6							
4301331202	9105 5S 4W 25		GRRV		*W1W		
TOTAL							

Comments (attach separate sheet if necessary) _____

I have reviewed this report and certify the information to be accurate and complete. Date _____

Authorized signature _____ Telephone _____

GAVILAN PETROLEUM, INC.

3030 South Main, Suite 500
Salt Lake City, UT 84115
(801) 466-8960

December 15, 1992

Utah Natural Resource
Oil, Gas, & Mining
55 West North Temple
3 Triad Center, Suite 350
Salt Lake City UT 84180-1203

Attn: Lisha Romero

RE: Production Reporting, Ironwood Exploration, Inc. Wells

Per our conversation yesterday, let this letter serve as notice that Gavilan Petroleum, Inc. will no longer be providing monthly reports of production on behalf of Ironwood Exploration, Inc. Gavilan Petroleum, Inc. provided reports through the production month of September, 1992, and it will be the responsibility of Ironwood Exploration, Inc. to report from October, 1992, forward.

If you should need anything further from me please let me know.

Sincerely,


Bob Jewett

RECEIVED

DEC 16 1992

DIVISION OF
OIL GAS & MINING

Routing:

1- JCR / GIL	✓
2- DTS/57-VCR	✓
3- VLC	✓
4- RJF	✓
5- RWM	✓
6- ADA	✓

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 / **CANCELLED**
 Designation of Operator Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 10-01-92)

TO (new operator)	<u>IRONWOOD EXPLORATION INC</u>	FROM (former operator)	<u>IRONWOOD EXPLORATION INC</u>
(address)	<u>535 GRAVIER ST</u>	(address)	<u>C/O GAVILAN PETROLEUM INC</u>
	<u>NEW ORLEANS, LA 70130</u>		<u>3030 S MAIN STE 500</u>
	<u>VERNON MAIN JR</u>		<u>SALT LAKE CITY, UT 84115</u>
phone (504)	<u>568-1249</u>	phone (801)	<u>466-8960</u>
account no.	<u>N 9270</u>	account no.	<u>N9270(A)</u>

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

Name: <u>IRONWOOD-GULF FOY 12-5</u>	API: <u>43-013-30885</u>	Entity: <u>9101</u>	Sec <u>12</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>FEE</u>
Name: <u>UTE TRIBAL 23-3/GRRV</u>	API: <u>43-013-30886</u>	Entity: <u>9102</u>	Sec <u>23</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>UTE TRIBAL 12-11/GRRV</u>	API: <u>43-013-30854</u>	Entity: <u>9103</u>	Sec <u>12</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>UTE TRIBAL 25-5/GRRV</u>	API: <u>43-013-30944</u>	Entity: <u>9105</u>	Sec <u>25</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>UTE TRIBAL 25-2/GRRV</u>	API: <u>43-013-31213</u>	Entity: <u>9105</u>	Sec <u>25</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>*UTE TRIBAL 25-6/GRRV</u>	API: <u>43-013-31202</u>	Entity: <u>9105</u>	Sec <u>25</u> Twp <u>5S</u> Rng <u>4W</u>	Lease Type: <u>INDIAN</u>
Name: <u>*WIW</u>	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 12-16-92)*
2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form).
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: _____.
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.
5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(12-21-92) * Deleted alternate address for Ironwood from screen # 53.*
6. Cardex file has been updated for each well listed above. *(12-21-92)*
7. Well file labels have been updated for each well listed above. *(12-21-92)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(12-21-92)*
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.

ENTITY REVIEW

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).
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only) * Not an operator change / Agent only!

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) no. Today's date Jan 4 1993. If yes, division response was made by letter dated Jan 4 1993.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated Jan 4 1993, 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.
2. Copies of documents have been sent to State Lands for changes involving State leases.

MICROFILMING

1. All attachments to this form have been microfilmed. Date: Jan 4 1993.

FILED

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.

REMARKS

921221 Bavilan Petroleum Inc. no longer acting as Agent for Ironwood Explor. Inc.
(Operator has remained Ironwood Explor. Inc.)



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500
DENVER, COLORADO 80202-2466

DEC 30 1993

Ref: 8WM-DW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Vernon J. Main, President
Ironwood Exploration, Inc.
210 Oil and Gas Building
New Orleans, LA 70112

RECEIVED

JAN 03 1994

DIVISION OF
OIL, GAS & MINING

RE: UNDERGROUND INJECTION CONTROL (UIC)
Proposed Administrative Order and
Opportunity to Request a Hearing

Dear Mr. Main:

The U.S. Environmental Protection Agency (EPA) has found Ironwood Exploration, Inc. in violation of the Safe Drinking Water Act (SDWA), 42 United States Code (U.S.C.) Section 300f et seq., and the Underground Injection Control (UIC) regulations promulgated under Section 1421 and Section 1422 of the SDWA for injection of fluid wastes underground without authorization, failure to demonstrate mechanical integrity, exceeding permitted injection pressure, failure to demonstrate financial responsibility, and failure to comply with two reporting requirements.

Any person who violates any requirement of the UIC program is subject to enforcement action under Section 1423 of the SDWA (42 U.S.C. Section 300h-2, et seq.). Enforcement may include administrative penalties of \$5,000 per day for each violation up to a maximum penalty of \$125,000 and civil penalties of up to \$25,000 for each day for each violation and will mandate compliance with all provisions of the SDWA. In addition, if the violation is willful, the SDWA authorizes criminal prosecution in accordance with Title 18 of the United States Code.

Notice is hereby provided that in response to the alleged violations, EPA under the authority of SDWA Section 1423(c)(2), [42 U.S.C. Section 300h-2(c)(2)], proposes to issue to Ironwood Exploration, Inc. the enclosed Administrative Order with administrative civil penalty. EPA is proposing in the enclosed Administrative Order the statutory maximum of \$125,000 as a penalty for the violations. However, EPA is willing to settle this matter for a lesser penalty amount to achieve immediate compliance and in lieu of conducting a hearing.



Printed on Recycled Paper

Mr. Vernon J. Main, President
Ironwood Exploration, Inc.
Page 2

As described in the enclosed Proposed Administrative Order and in accordance with SDWA Section 1423(c)(3) [42 U.S.C. Section 300h-2(c)(3)], Ironwood Exploration, Inc. is hereby offered an opportunity to submit written comments on the Proposed Order and/or to request a hearing on the issues raised in the Proposed Administrative Order. Please note that your right to a hearing will be considered waived unless you request a hearing in writing within thirty (30) days of receipt of this letter. Your request for a hearing must specify the factual and legal issues which are in dispute and the specific factual and legal grounds for any defense. You must address your written request for a hearing to:

Joanne McKinstry
Region VIII Hearing Clerk
U.S. Environmental Protection Agency
999 18th Street
Suite 500 (8RC)
Denver, Colorado 80202-2466

If you request a hearing, it will be conducted according to SDWA Section 1423(c)(3) [42 U.S.C. Section 300h-2(c)(3)], as specified in the enclosed guidances ("Hearing Guidance" and "Environmental Enforcement, A Citizens Guide"). This hearing will formally provide Ironwood Exploration, Inc. an opportunity to demonstrate why the Proposed Administrative Order should not be issued, why its terms should be modified, or why the penalty set forth in the Proposed Administrative Order should be reduced or waived. The hearing will be held on the record.

Ironwood Exploration, Inc. may be represented by legal counsel at the hearing. Subject to rulings of the Presiding Officer, you will have the opportunity to present witnesses and documentary evidence bearing on the violations cited in the Proposed Administrative Order, and on specific steps you propose to take to remedy the violations. You will be notified promptly of the date and location of the hearing.

At the hearing, there may be a discussion regarding any economic benefit received by Ironwood Exploration, Inc. as a result of the violations. Therefore, representatives of Ironwood Exploration, Inc. should prepare to discuss this matter and to present evidence on its behalf.

Following any hearing or if a hearing is not conducted, EPA will review any comments submitted on the Proposed Administrative Order. EPA will then determine whether to modify or withdraw the Proposed Order or whether to issue a Final Administrative Order and whether to assess a penalty.

Mr. Vernon J. Main, President
Ironwood Exploration, Inc.
Page 3

Whether or not you request a hearing, we encourage you to confer informally with EPA concerning the alleged violations to negotiate a settlement in lieu of proceeding with a formal hearing. You may wish to appear at an informal conference yourself and/or be represented by your counsel. To facilitate arrangements for such a conference, please contact Marc Weiner, Attorney, Office of Regional Counsel at (303) 294-7560.

While an informal conference procedure may be pursued as an alternative to, or simultaneous with, a hearing, request for such a conference does not extend the thirty (30) day period during which a request for hearing must be submitted.

Notice of EPA's Proposed Order and the opportunity to provide written comments on the Proposed Order is also being provided to the public pursuant to Section 1423(c)(3)(B) of the SDWA [42 U.S.C. Section 300h-2(c)(3)(B)]. Any person who comments on the Proposed Order has a right to participate in the hearing.

If you have any technical questions relating to this matter, please call Douglas Minter, UIC Program and Enforcement Section, at (303) 293-1486. All legal questions can be directed to Marc Weiner, Attorney, Office of Regional Counsel at (303) 294-7560. Mr. Minter and Mr. Weiner can also be reached at the following address:

Douglas Minter (8WM-DW) or Marc Weiner (8RC)
U.S. Environmental Protection Agency
Region VIII
999 18th Street
Suite 500
Denver, Colorado 80202-2466

We urge your prompt attention to this matter.

Sincerely,



Max H. Dodson, Director
Water Management Division

Enclosures

Proposed Administrative Order
Public Notice

Mr. Vernon J. Main, President
Ironwood Exploration, Inc.
Page 4

Hearing Guidance
Financial Responsibility Guidance
EPA Publication: Environmental Enforcement, A Citizen's
Guide

cc: John Steuble, Direct Energy, Inc.
Ferron Sacakuku, Ute Indian Tribe
Charles Cameron, Bureau of Indian Affairs
Jerry Kenszka, Bureau of Land Management
Gilbert Hunt, Utah Dept. of Natural Resources and Energy

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII

IN THE MATTER OF

IRONWOOD EXPLORATION, INC.
NEW ORLEANS, LOUISIANA
Respondent

Proceedings Under Section 1423(c)
of the Safe Drinking Water Act,
42 U.S.C. Section 300h-2(c)

Docket No. UIC-VIII-94-02

PROPOSED
ADMINISTRATIVE ORDER WITH
ADMINISTRATIVE CIVIL
PENALTY

STATUTORY AUTHORITY

The following findings are made and Order issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency (EPA) by Section 1423(c) of the Safe Drinking Water Act (Act), 42 United States Code (U.S.C.) 300h-2(c). The Administrator has delegated this authority to take these actions to the Regional Administrator for EPA Region VIII, who in turn has delegated this authority the Director of the Water Management Division, EPA Region VIII.

FINDINGS

1. Ironwood Exploration, Inc. (Respondent) is incorporated in the State of Louisiana and as such is a "person" within the meaning of Section 1401(12) of the Act, 42 U.S.C. Section 300f(12).

2. Respondent operates one (1) Class II injection well, as defined by Title 40 Code of Federal Regulations (40 C.F.R.) Sections 144.3, 144.6(b), 146.3, and 146.5(b), which is the subject of this Administrative Order. The well name and location follow:

Ute Tribal #25-6
EPA UIC Permit Number: UT 2545-02777
Location: Utah/Uintah-Ouray Indian Reservation
Duchesne County
NW/4, SE/4; NW/4; Section 25; T5S; R4W

3. Pursuant to Section 1422 of the Act, 42 U.S.C. 300h-1, and 40 C.F.R. Part 147 Subpart TT Section 147.2253, EPA administers the UIC program on Indian lands in the State of Utah. The effective date of the program is November 25, 1988. Said UIC program consists of the program requirements of 40 C.F.R. Parts 124, 144, 146, 147, and 148.

4. Pursuant to 40 C.F.R. Section 144.3, the term "Director" as used in 40 C.F.R. Parts 124, 144, and 146 means the EPA Regional Administrator in States where there is no approved State UIC program. With respect to Indian lands in the State of Utah, this is the Regional Administrator of EPA Region VIII, who has delegated this authority to the Director of the Water Management Division.

5. Respondent is authorized to operate the Ute Tribal #25-6, an enhanced recovery (ER) injection well under the permit listed in paragraph number two (2) above. Respondent is subject to all terms and conditions of this permit.

6. Permit condition Part I of UIC Permit No. UT 2545-02777 applicable to Ute Tribal #25-6 states that injection activities shall not commence until operator has fulfilled all applicable conditions of this permit and has received written authorization from the Director.

7. On or about February 14, 1991, EPA sent via certified mail a letter to Respondent authorizing injection to begin through Ute Tribal #25-6. This letter of authorization was received by Respondent February 19, 1991 (Certified Receipt #P 368 906 901).

8. On or about February 3, 1992, EPA received Respondent's Annual Disposal/Injection Well Monitoring Report indicating that Respondent commenced injection into Tribal #25-6 in January, 1991, prior to written authorization being given by EPA. Therefore, Respondent was in violation of Permit condition Part I of UIC Permit No. UT 2545-02777 for the period January 1991 to February 19, 1991.

9. Permit condition Part II Section D.1 (d) of UIC Permit No. UT 2545-02777 applicable to Ute Tribal #25-6 states that production records (from the "A" Sand Formation) shall be submitted to EPA on a monthly basis. The dual completion configuration of this well (production from an upper zone and injection into a lower zone) makes standard annulus pressure-testing of the well casing/tubing impractical. Therefore production records, consisting of data from weekly sampling of the hydrocarbons produced through the well's annulus, are to be used to ensure continuous mechanical integrity of the well's construction.

10. Permit condition Part II Section C.2 (a) of UIC Permit No. UT 2545-02777 applicable to Ute Tribal #25-6 states that the Respondent shall demonstrate mechanical integrity, part of which

includes weekly monitoring of the hydrocarbons produced through the well's annulus as referred to in paragraph 9. To date, no required monthly production reports have been received showing the results from weekly monitoring. Respondent has therefore failed to demonstrate mechanical integrity in violation of Permit condition Part II Section C.2 (a) of UIC Permit No. UT 2545-02777 since February 1991.

11. Permit condition Part II Section C.4 (a) of UIC Permit No. UT 2545-02777 applicable to Ute Tribal #25-6 states that the injection pressure of said well, measured at the surface, shall not exceed 1,900 psig.

12. On or about February 3, 1992, EPA received Respondent's 1991 Annual Disposal/Injection Well Monitoring Report indicating that the authorized maximum injection pressure of 1,900 psig for Ute Tribal #25-6 had been exceeded every month during the period February to December, 1991.

13. On or about February 11, 1993, EPA received Respondent's 1992 Annual Disposal/Injection Well Monitoring Report indicating that the maximum injection pressure continued to exceed 1,900 psig during the period January through March, 1992 at which time the well was shut in. Therefore, Respondent was in violation of Permit condition Part II Section C.4 (a) of UIC Permit No. UT 2545-02777 from February 1991 through March 1992.

14. Permit condition Part II, Section F.1 of UIC Permit No. UT 2545-02777 applicable to Ute Tribal #25-6 states that the

permittee is required to maintain continuous financial responsibility and resources to close, plug, and abandon the injection well (Ute Tribal #25-6) as provided in the plugging and abandonment plan. Furthermore, Section F.1 (a) states that such financial responsibility is to be demonstrated in the form of a Letter of Credit in the amount of \$10,000 underwritten by Hibernia Bank, New Orleans, Louisiana, which names EPA as beneficiary in the event of permittee default in the plugging and abandonment requirements. The Standby Trust Agreement established by the permittee shall remain in effect for the duration of this permit.

15. On or about August 10, 1992, Mr. Robert V. Segari, a Trust Officer of Hibernia Bank, informed EPA that Hibernia Bank had inactivated Respondent's account in June 1991. This inactivation resulted from the Respondent's failure to establish a line of credit with said Bank since Respondent's permit to inject was issued in December, 1990. Consequently, the Standby Trust Agreement between Respondent and Hibernia Bank was made null and void.

16. Respondent has failed to demonstrate and maintain financial responsibility in the form of a Letter of Credit or any other acceptable means since being issued a permit to inject in December, 1990. Respondent has therefore been in violation of Permit conditions Part II Sections F.1 and F.1 (a) of the UIC Permit No. UT 2545-02777 since December 1990.

17. Permit condition Part II Section C.1 (a) of UIC Permit No. UT 2545-02777 applicable to Ute Tribal #25-6 states that a

Well Rework Record documenting well conversion be submitted prior to initial injection into the well.

18. On or about April 18, 1991, after Respondent had been authorized to commence injection into Ute Tribal #25-6 in February 1991, EPA received a Well Rework Record. Respondent was therefore in violation of Permit condition Part II Section C.1 (a) of UIC Permit No. UT 2545-02777 from February 1991 until April 18, 1991.

19. Permit condition Part II Section D.4 of UIC Permit No. UT 2545-02777 applicable to Ute Tribal #25-6 states that the permittee shall submit an Annual Report to the Director summarizing the results of required monitoring. This report is due by February 15 for the previous operating year. Required monitoring, as stated in Permit condition Part II Section D.1 (a)(i) of this well, includes an analysis of the injected fluids for Total Dissolved Solids, pH, Specific Conductivity, and Specific Gravity.

20. To date, EPA has not received the required monitoring data demonstrating that Respondent's injected fluids have been analyzed for the operating year 1991. This report was due February 15, 1992 and Respondent has therefore been in violation of Permit condition Part II Section D.4 of UIC Permit No. UT 2545-02777 since this due date.

21. On or about August 26, 1992, EPA sent Respondent via certified mail a Notice of Noncompliance for the following violations regarding the operation of Ute Tribal #25-6:

- a) Exceedance of the authorized maximum injection pressure

of 1,900 psig;

- b) Failure to demonstrate and maintain financial responsibility to cover costs of plugging and abandonment of the well;
- c) Failure to submit production records from the "A" Sand Formation on a monthly basis to ensure continuous mechanical integrity of the well's casing and;
- d) Failure to submit an analysis of injected fluids for the operating year 1991.

22. Respondent signed the receipt card for the Notice of Noncompliance (Certified Receipt #P 078-122-007) which was received by EPA on or about September 18, 1992.

23. To date, EPA has not received any information to indicate Respondent's intention to correct the violations cited in this Notice of Noncompliance.

24. The violations described above are subject to enforcement action under Section 1423 of the Safe Drinking Water Act (SDWA), 42 U.S.C. 300h-2. This section provides for civil and/or criminal enforcement actions in court, or the issuance of administrative orders that mandate compliance with the provisions of the SDWA and/or assess administrative penalties for violations. EPA has chosen to enforce the cited violations through an administrative order.

PROPOSED ORDER WITH ADMINISTRATIVE CIVIL PENALTY

Pursuant to Section 1423(a) of the Act, 42 U.S.C. Section 300h-2, and based on the foregoing findings, after having taken into account: (1) the seriousness of Respondent's violations as described above; (2) the economic benefit accruing to Respondent as a result of the violations; (3) any history of such violations; (4) good faith efforts by the Respondent to comply with applicable UIC requirements; (5) the economic impact of the penalty on the violator; and (6) such other matters as justice may require, including the Administrative Record, I HEREBY ORDER:

1. That Ironwood Exploration, Inc. shall comply within thirty (30) days of the effective date of this Order with Permit condition Part II, Section F.1 of UIC Permit No. UT 2545-02777 pertaining to financial responsibility for the Ute Tribal #25-6 ER well. Attached is the EPA guidance on financial responsibility demonstrations and sample wording accepted by EPA for the financial coverage documents.

2. That Ironwood Exploration, Inc. may, as an alternative to demonstrating financial responsibility per the requirements in paragraph 1, plug and abandon, or convert to production Ute Tribal #25-6 within thirty (30) days of the effective date of this Order. If the Respondent chooses to plug and abandon this well, Respondent shall do so as provided in the Plugging and Abandonment Plan in Appendix C of UIC Permit No. UT 2545-02777. EPA will consider approving removal of the injection well from

inventory only after Respondent submits EPA Form 7520-13 "Plugging Record" and complies with all other conditions stated in Part II, Section E ("Plugging and Abandonment") of this permit. If the Respondent chooses to convert this well to production, EPA will consider approving removal of the injection well from inventory only after Respondent submits and EPA approves both a demonstration of mechanical integrity prior to conversion, and six (6) months of production records subsequent to conversion.

3. That Ironwood Exploration, Inc. shall submit within thirty (30) days of the effective date of this Order, production records from the "A" Sand Formation for demonstrating continuous mechanical integrity of the well's (Ute Tribal #25-6) construction for all months beginning February 1991 to the present.

4. That Ironwood Exploration, Inc. shall submit within thirty (30) days of the effective date of this Order, an analysis of fluids injected through Ute Tribal #25-6 during the 1991 operating year.

5. That Ironwood Exploration, Inc. shall pay an administrative civil penalty (the "Penalty") of one hundred and twenty-five thousand dollars (\$125,000), for Respondent's violation of Permit No. UT 2545-02777 Part I, Part II Section C.2 (a), Part II Section C.4 (a), Part II Sections F.1 and F.1 (a), Part II Section C.1 (a), and Part II Section D.4. Payment must be made by money order or certified check made payable to

"Treasurer, United States of America" and mailed within thirty
(30) days of the effective date of this Order to:

EPA - Region VIII
Regional Hearing Clerk
P.O. Box 360859
Pittsburgh, Pennsylvania 15251

A copy of said check shall be mailed to Marc Weiner at the
following address:

EPA - Region VIII
Attn: Marc Weiner, 8RC
999 18th Street
Suite 500
Denver, Colorado 80202-2466

6. That Ironwood Exploration, Inc. shall comply with all
provisions of the Safe Drinking Water Act and the Underground
Injection Control Program.

NOTICE OF OPPORTUNITY TO REQUEST A HEARING

1. Under Section 1423(c)(3)(A) of the Safe Drinking Water
Act, 42 U.S.C. Section 300h-2(c)(3)(A), Respondent may request,
within thirty (30) days of receiving this Proposed Administrative
Order, a hearing on this matter. Such request must be made in
writing and must specify the factual and legal issues in dispute
and the specific factual and legal grounds for Respondent's
defense. At the hearing, Respondent may contest any material
fact set forth herein and the propriety of the proposed penalty
described above. The procedures for a hearing, if one is

requested, are set out in "UIC Administrative Order Issuance Procedures Guidance," a copy of which is attached hereto.

2. Respondent must send any request for a hearing to:

Joanne M. McKinstry
Regional Hearing Clerk
U.S. EPA Region VIII, 8RC
999 18th Street
Suite 500
Denver, Colorado 80202-2466

3. Respondent is advised that EPA is required to notify the public about this action, and that members of the public have a right under Section 1423(c)(3)(B) of the Act, 42 U.S.C. Section 300h-2(c)(3)(B), to comment on this matter. Those members of the public who comment will also have the right to present evidence and be heard at any hearing on this matter.

GENERAL PROVISIONS

1. This Order does not constitute a waiver, suspension, or modification of the requirements of UIC Permit UT 2545-02777 or any other applicable provision of the Act or the regulations implementing the Act, which remain in full force and effect. Issuance of this Order is not an election by the EPA to forego any civil or any criminal action otherwise authorized under the Act.

2. Violations of the terms of this Order after its effective date or date of final judgement as described in Section 1423(c)(6) of the Act may subject Respondent to further

enforcement action, including a civil action for enforcement of this Order under Section 1423(b) of the Act, and civil and/or criminal penalties for violation of the compliance terms of the Order under Section 1423(b)(1) and (2) of the Act.

EFFECTIVE DATE

Pursuant to Section 1423(c)(3)(D) of the Act, 42 U.S.C. Section 300h-2(c)(3)(D), this Order becomes effective thirty (30) days after the date of issuance unless an appeal is taken pursuant to Section 1423(c)(6) of the Act.

Issued this _____ day of _____, 19__.

Max H. Dodson
Director
Water Management Division
U.S. EPA, Region VIII
999 18th Street, Suite 500
Denver, CO 80202-2466



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500
DENVER, COLORADO 80202-2466

U.S. ENVIRONMENTAL PROTECTION AGENCY
PUBLIC NOTICE
OPPORTUNITY FOR PUBLIC COMMENT ON
PROPOSED ADMINISTRATIVE ORDER
AGAINST
IRONWOOD EXPLORATION, INC.
FOR FAILURE TO COMPLY WITH
UNDERGROUND INJECTION CONTROL REGULATIONS

PURPOSE OF PUBLIC NOTICE

The purpose of this notice is to solicit written comments on a Proposed Administrative Order (Docket No. UIC-VIII-94-02) that Region VIII of the United States Environmental Protection Agency (USEPA) proposes to issue against Ironwood Exploration, Inc., 210 Oil and Gas Building, New Orleans, LA 70112. The Proposed Administrative Order alleges violations of Underground Injection Control (UIC) regulations at one (1) Class II enhanced recovery (ER) injection well and proposes a monetary penalty for the alleged violations. The Proposed Administrative Order is issued under the UIC provisions of the Safe Drinking Water Act (SDWA) and the Act's implementing regulations. These regulations govern the injection of fluids that may endanger an underground source of drinking water (USDW).

The USEPA desires to receive written comments from any interested party having knowledge of the alleged violations, or who can provide any information useful to ensure that the proposed remedies are appropriate. If no comments are received regarding this Proposed Order, it will be issued as a Final Administrative Order and will become effective thirty (30) days following the date issued. The USEPA will review any comments received and subsequently determine whether to issue a Final Administrative Order or modify or withdraw the Proposed Order. The USEPA will also determine whether to assess the proposed penalty.

BACKGROUND

Part C of the SDWA requires the USEPA to regulate the underground injection of fluid through wells to assure that USDWs are not endangered. Section 1421 of the SDWA requires EPA to administer UIC programs in States or on Indian Lands which do not have approved State or Tribal UIC programs. Regulation of the UIC Program has not been delegated on the Uintah-Ouray Indian Lands and therefore, EPA administers the program in accordance with Title 40 of the Code of Federal Regulations, Parts 124, 144,



PUBLIC NOTICE

Page 2

146, and 147.

The Class II ER injection well that is the subject of this Administrative Order is operated by Ironwood Exploration, Inc. This well is located within the Brundage Canyon Field in Duchesne County, Utah and has been authorized by the USEPA to inject permissible Class II well fluids. The well name and location follow:

Well Name: Ute Tribal #25-6 ER
Location: Brundage Canyon Field
Duchesne County, Utah
NW 1/4 of SE 1/4 of NW 1/4 of Section 25
T5S R4W

The Proposed Administrative Order finds that Ironwood Exploration, Inc. violated conditions in Part I of its permit by injecting into the Ute Tribal #25-6 ER well prior to EPA granting formal authorization. In addition, Ironwood Exploration, Inc. violated requirements pertaining to demonstration of mechanical integrity [Part II, Sections C.2 (a)], financial responsibility [Part II Sections F.1 and F.1 (a)], maintenance of its permitted injection pressure [Part II Section C.4 (a)] and two reporting requirements. The Proposed Administrative Order requires that Ironwood Exploration, Inc. pay an administrative penalty in the amount of one hundred and twenty-five thousand dollars (\$125,000). This Order also requires that Ironwood Exploration, Inc. comply with the USEPA's financial responsibility guidelines for operation of the Ute Tribal #25-6 ER well and submit monthly production reports as part of demonstrating the mechanical integrity of the referenced well.

PUBLIC COMMENTS

Written comments on the Proposed Administrative Order are encouraged and will be accepted at the address listed below for a period of thirty (30) days after the publication of this notice. Written comments submitted by the public as well as information submitted by Ironwood Exploration, Inc. will be available for public review as part of the Administrative Record, subject to the provisions of law restricting the disclosure of confidential information. Ironwood Exploration, Inc. may request a hearing. Any person submitting written comments will be notified of and has the right to participate in such a hearing. The Order, as proposed, and the Administrative Record are available for review between 9:00 a.m. and 4:00 p.m. at the address listed below. It is recommended that those wishing to view the Administrative Record call Marc Weiner, Office of Regional Counsel, EPA Region VIII, at (303) 294-7560 before visiting the EPA Region VIII offices. A copy of the Administrative Record can also be made



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

999 18th STREET - SUITE 500
DENVER, COLORADO 80202-2466

OCT - 5 1994

Ref: 8WM-DW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Philip Shepardson
Mission Oil Corporation
410 17th Street, #1170
Denver, Colorado 80202

RE: UNDERGROUND INJECTION CONTROL (UIC)
Approval of P & A Plan
Ute Tribal #25-6 ER
EPA Permit #UT2545-02777
Duchesne County, Utah

Dear Mr. Shepardson:

We are in receipt of your letter of September 16, 1994, in which you outlined the proposed plugging and abandonment plan for the Ute Tribal #25-6 ER well in Duchesne County, Utah. The procedure to plug back and isolate the injection zone prior to converting the well for production from an upper zone has been reviewed and is hereby approved.

Following the work to be performed on the well, please submit the results of the mechanical integrity test and the enclosed Well Rework Record (EPA Form 7520-12) and Plugging Record (EPA Form 7520-13). You are also reminded that monthly production records covering a six (6) month period are to be submitted before the well is removed from our inventory as an injection well.

If you have any questions or comments concerning this letter, you may contact John Carson at (303) 293-1435. Also, please direct all correspondence to the attention of John Carson at Mail Code 8WM-DW. Thank you for your cooperation in this matter.

Sincerely,

Max H. Dodson
Director
Water Management Division

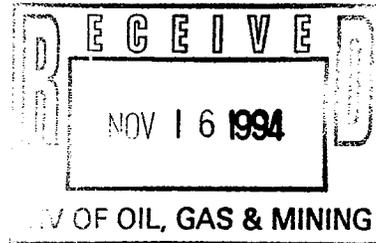
Enclosures: EPA Form 7520-12
EPA Form 7520-13



M I S S I O N O I L C O R P O R A T I O N

410 17TH STREET #1170 DENVER, COLORADO 80202

(303) 595-8664 FAX 595-8656



November 14, 1994

Utah Board of Oil, Gas and Mining
355 West North Temple
3 Triad Center #350
Salt Lake City, Utah 84180-1203

RE: Ute #25-2, #25-5, #25-6
Duchesne County, Utah

Gentlemen:

Enclosed are Sundry Notices affecting referenced wells. Please advise if you need anything further. Thank you and

Best regards,



Philip Shepardson

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

RECEIVED
16 1994

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial Number:
14-20-H62-3460

6. If Indian, Allottee or Tribe Name:
UTE TRIBAL

7. Unit Agreement Name:

1. Type of Well: OIL GAS OTHER:

8. Well Name and Number:
UTE #25-6

2. Name of Operator:
IRONWOOD EXPLORATION

9. API Well Number:
4301331202

3. Address and Telephone Number:
210 OIL & GAS BLDG. NEW ORLEANS, LA 70112
LEDS-244-1496

10. Field and Pool, or Wildcat:

4. Location of Well
Footages:
QQ, Sec., T., R., M.: S.E.L. 25 T55 R4W
County: DUCHEPNE
State: UTAH

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other CHANGE OF OPERATOR
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start 10-1-94

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion

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

* Must be accompanied by a cement verification report.

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

PLEASE BE ADVISED THAT: MISSION OIL CORPORATION
410 17TH ST #1170
DENVER, CO 80202
(303-595-8664)
WLL ASSUME OPERATIONS 10-1-94

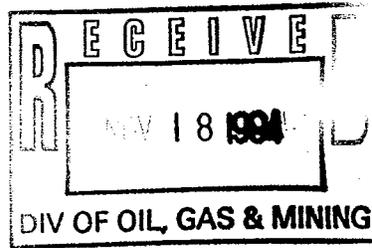
13. Name & Signature: PHILIP BITEPARADIAN Title: GEN MGR Date: 11-14/94

(This space for State use only)

M I S S I O N O I L C O R P O R A T I O N

410 17TH STREET #1170 DENVER, COLORADO 80202

(303) 595-8664 FAX 595-8656



November 16, 1994

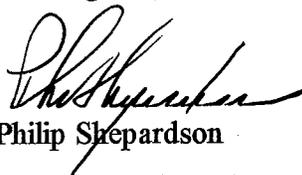
Utah Board of Oil, Gas and Mining
355 West North Temple
3 Triad Center #350
Salt Lake City, Utah 84180-1203

RE: Ute #25-2, #25-5, #25-6
Duchesne County, Utah

Gentlemen:

Enclosed are Sundry Notices affecting referenced wells signed by the previous operator. Please advise if you need anything further. Thank you and

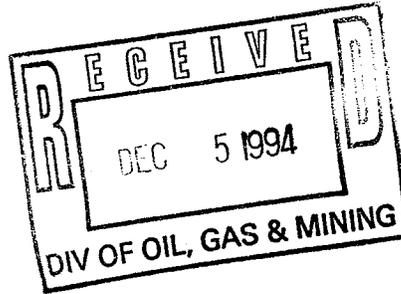
Best regards,


Philip Shepardson

M I S S I O N O I L C O R P O R A T I O N

410 17TH STREET #1170 DENVER, COLORADO 80202

(303) 595-8664 FAX 595-8656



December 2, 1994

State of Utah
Department of Natural Resources
355 West North Temple
3 Triad Center #350
Salt Lake City, Utah 84180-1203

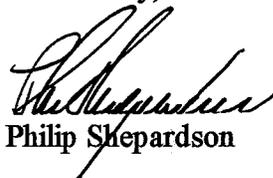
Attn: Ms. Lisha Cordova
Oil and Gas Dept.

Re: Ute #25-6

Gentlemen:

Enclosed is your Transfer of Authority to Inject, duly executed by Ironwood and Mission. Please advise if you need anything further.

Yours truly,



Philip Shepardson



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)

UTAH DIVISION OF OIL, GAS AND MINING
FACSIMILE COVER SHEET

DATE: Nov. 22, 1994
FAX # (303) 595-8656
ATTN: Philip Shepardson
COMPANY: Mission Oil Corporation
FROM: Lisha Cordova
DEPARTMENT: Oil & Gas

NUMBER OF PAGES BEING SENT (INCLUDING THIS ONE): 2

If you do not receive all of the pages, or if they are illegible, please call (801) 538-5340.

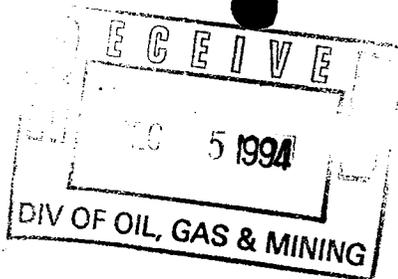
We are sending from a Murata facsimile machine. Our telecopier number is (801) 359-3940.

MESSAGES:

Ute Tribal 25-6 "Water Injection Well"
Request UIC Form 5 "Transfer of Authority to Inject"
(Both Mission Oil & Ironwood must sign form!)

Thank you!

Important: This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.



TRANSFER OF AUTHORITY TO INJECT - UIC FORM 5

Well name and number: Ute #25-6
Field or Unit name: Antelope Canyon API no. 43-013-31202
Well location: QQ SENW section 25 township 5S range 4W county Duchesne
Effective Date of Transfer: 10/1-94

~~CURRENT~~ OPERATOR
NEW
Transfer approved by:
Name Philip Shepardson Company Mission Oil Corporation
Signature [Signature] Address 410 17th Street #1170
Title General Manager Denver, Colorado 80202
Date 11/22/94 Phone (303) 595 8664
Comments:

~~NEW~~ OPERATOR
CURRENT
Transfer approved by:
Name Vernon J. Main Company Ironwood Exploration, Inc.
Signature [Signature] Address 210 Oil & Gas Bldg.
Title President New Orleans, La. 70112
Date 11-30-94 Phone ()
Comments:

(State use only)
Transfer approved by [Signature] Title General Manager
*Approval Date 2-2-95 Cause # 223-1

*Well needs a mechanical integrity test

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
14-20-H62-3440

6. If Indian, Allottee or Tribe Name
Ute Tribal

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

8. Well Name and No.
Ute #25-6

9. API Well No.
43-013-31202

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Duchesne, Utah

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Ironwood Exploration Inc.

3. Address and Telephone No.

210 Oil & Gas Bldg. New Orleans, La. 70112 (504) 244-1490

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 25 T5S, R4W

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Change of Operator

Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

(Note: Report results of multiple completion or W. 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 directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Change of Operator to:

Mission Oil Corporation
410 17th Street #1170
Denver, Colorado 80202

(303) 595-8664

Mission Oil Corporation is the new operator under the BIA lease and will operate under Bond #9009272

RECEIVED
NOV 14 1994

RECEIVED
JAN 31 1995
DIV OF OIL, GAS & MINING
VERNAL DIST.
ENG. WPB 1/19/95
GEOL. _____
E.S. _____
PET. _____
A.M. _____

14. I hereby certify that the foregoing is true and correct Mission Oil Corporation
Signed Denise M. Andrews, Atty in Fact Title Denise M Andrews Date 10/1/94

(This space for Federal or State office use)
Approved by [Signature] Title ASSISTANT DISTRICT MANAGER Date JAN 19 1995
Conditions of approval, if any:

Form 3160-5
June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
14-20-H62-3440

6. If Indian, Allottee or Tribe Name
Ute Tribal

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

8. Well Name and No.
Ute #25-6

9. API Well No.
43-013-31202

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Duchesne, Utah

Type of Well
 Oil Well Gas Well Other

Name of Operator
Ironwood Exploration Inc.

Address and Telephone No.
210 Oil & Gas Bldg. New Orleans, La. 70112 (504) 244-1490

Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 25 T5S, R4W

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other _____
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

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

3. 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.)

Change of Operator to:

Mission Oil Corporation
410 17th Street #1170
Denver, Colorado 80202

(303) 595-8664

RECEIVED
NOV 14 1994

RECEIVED
JAN 31 1995
DIV OF OIL, GAS & MINING

VERNAL DIST.
ENG. WPB.1/19/95
GEOL. _____
E.S. _____
PET. _____
A.M. _____

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

Signed *Bernard J. Mann* Title President Date 10/1/94

(This space for Federal or State office use)

Approved by *Howard B. Lewis* Title ASSISTANT DISTRICT MANAGER Date JAN 19 1995

Conditions of approval, if any:

11-25-36-A

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1- LEC	✓
2- LWP	7-PL ✓
3- DTS	8-SJ ✓
4- VLC	9-FILE ✓
5- RJF	✓
6- LWP	✓

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 10-1-94)

TO (new operator)	MISSION OIL CORPORATION	FROM (former operator)	IRONWOOD EXPLORATION INC
(address)	410 17TH ST #1170	(address)	210 OIL & GAS BLDG
	DENVER CO 80202		NEW ORLEANS LA 70112
	PHILIP SHEPARDSON		VERNON MAIN JR
phone	(303) 595-8664	phone	(504) 244-1490
account no.	N1120 (2-1-95)	account no.	N9270

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

Name: UTE TRIBAL 25-2/GRRV	API: 43-013-31213	Entity: 9105	Sec 25 Twp 5S Rng 4W	Lease Type: INDIAN
Name: UTE TRIBAL 25-5/GRRV	API: 43-013-30944	Entity: 9105	Sec 25 Twp 5S Rng 4W	Lease Type: INDIAN
Name: UTE TRIBAL 25-6/GRRV	API: 43-013-31202	Entity: 9105	Sec 25 Twp 5S Rng 4W	Lease Type: INDIAN
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

- Sec* 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 11-18-94)*
- Sec* 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 11-16-94)*
- Sec* 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: *#156589. (eff. 3/94)*
- Sec* 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.
- Sec* 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(2-1-95)*
- LWP* 6. Cardex file has been updated for each well listed above. *2-6-95*
- LWP* 7. Well file labels have been updated for each well listed above. *2-6-95*
- Sec* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(2-1-95)*
- Sec* 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.

OPERATOR CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.

ENTITY REVIEW

- Lee* 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/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)

- N/A/ Lee* 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.
- N/A* 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

1. All attachments to this form have been microfilmed. Date: February 10 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.

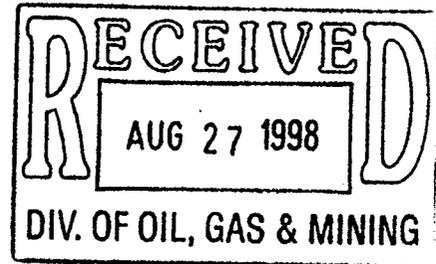
COMMENTS

950201 Bfm/Aprv. 1-19-95.

SOUTHWESTERN PRODUCTION CORP.

August 25, 1998

Mr. Don Staley
State of Utah
Division of Oil, Gas & Mining
1594 West Temple, Suite 1210
Salt Lake City, UT 84114-5801



RE: UTE TRIBAL WELLS (09105)

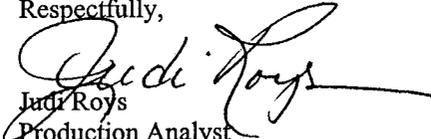
Dear Don,

Enclosed are the June Production and Disposition reports on the Mission Oil Corporation Template. Attached to the template is our "reporting format" for your approval.

Per our conversation of last week I am sending to your attention the Sundry Notices showing effective date of the Change of Operator from Mission Oil Corporation to Southwestern Production Corp. I have the information from the Dept. of Commerce and at this time we are applying for a Certificate of Authority.

Thank you for your assistance in this matter. Should you have any questions please call me at (303) 534-6500 or at the letterhead address.

Respectfully,


Judi Roys
Production Analyst

/jr
Enclosures

cc: Steve Chamberlain
Production Files

ORIG - CDW
~~CC - KDR~~
CC - GLH

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.

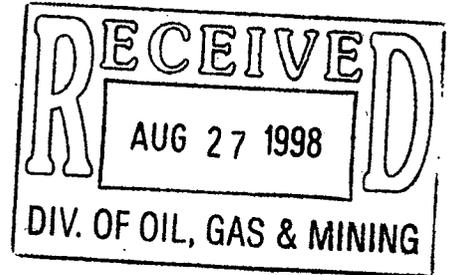
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: _____		5. Lease Designation and Serial Number: 14 20 H62 3440
2. Name of Operator: Southwestern Production Corp.		6. If Indian, Allottee or Tribe Name: Ute Tribal
3. Address and Telephone Number: 1675 Larimer Street, Suite 720 Denver, Colorado 80202 303-534-6500		7. Unit Agreement Name:
4. Location of Well Footages: 1331' fnl & 1638 fwl OO, Sec., T., R., M.: NWSE Section 25, T5S-R4W		8. Well Name and Number: Ute Tribal 25-6
		9. API Well Number: 43-013-31202-00
		10. Field and Pool, or Wildcat: Antelope Canyon
		County: Duchsene State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Change of Operator</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>July 28, 1998</u>
	Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

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

Effective 7/28/98, Operation of this well will change from Mission Oil Corporation to Southwestern Production Corp.



13. Name & Signature: James W. Williams, Jr. Title: President Date: 08/25/98

(This space for State use only)

ORIG - KDR
CC - GLH

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

2. Lease Designation and Serial No.

14 20 H62 3440

6. If Indian, Allottee or Tribe Name

Ute Tribal

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Ute Tribal 25-6

9. A.M. Well No.

43-013-31202-00

10. Field and Pool, or Exploratory Area

Antelope Canyon

11. County or Parish, State

Duchesne, Utah

SUBMIT IN TRIPLICATE RECEIVED

MAR 25 1999

UIN: AH & GURAY
AGENCY

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Southwestern Production Corp

3. Address and Telephone No.

1675 Larimer St., Suite 820, Denver CO 80202 303-534-6500

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1331' fnl & 1638 fwl
NWSE Section 25, T5S-R4W

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

TYPE OF SUBMISSION

- Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

- Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Change of Operator
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 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 directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

AUG - 4 1999

FEB 11 1999

"Please be advised that Southwestern Prod. Corp. is considered to be the operator of Well No. Ute Tribal 25-6 NW 1/4 SE 1/4 Section 25, Township 5S, Range 4W; Lease 14-20-H62-3440; Duchesne County, Utah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by American Casualty Company of Reading Pennsylvania. Nationwide Oil and Gas Lease Bond # 159261859

VERNAL DIST.

ENG.

GEOL.

E.S.

DEPT

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

Signed James W. Williams, Jr.
(This space for Federal or State office use)

Title President A.M.

Date 02/08/1999

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

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

*See instruction on Reverse Side

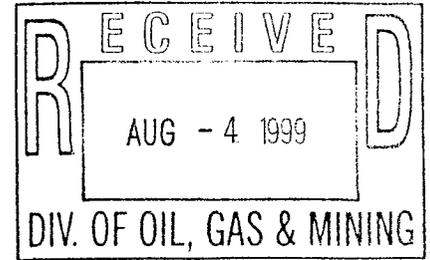
memorandum

DATE: JUL 30 1999

REPLY TO
ATTN OF: Superintendent, Uintah and Ouray Agency

SUBJECT: Change of Operator

TO: Bureau of Land Management, Vernal District Office
Attention: Benna Muth, Division of Minerals and Mining



We have received copies of Sundry Notices, dated February 8, 1999, informing this office of a change of operator for the following wells:

OPERATOR - FROM: Mission Oil Company
TO: Southwestern Production Corporation

Legal Description	Lease No.	Well No.	Location
Sec. 25-T5S-R4W	14-20-H62-3440	Ute Tribal 25-2	NWNE
		Ute Tribal 25-5	SWNW
		Ute Tribal 25-6	NWSE

This change of operator will be effective on July 30, 1999.

All operations will be covered under Coastal Oil & Gas Corporation Southwestern Production Corp./Southwestern Eagle, LLC Bond filed with this office, for those wells on trust property.

If you have any questions, please contact this office at (801) 722-4310.

- cc: Jerry Kenczka, BLM/Vernal
Energy & Minerals, Ute Tribe
Ute Distribution Corporation, Roosevelt, UT
✓ Lisha Cordova, State of Utah
Theresa Thompson, BLM/State Office



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799
<http://www.blm.gov/utah/vernal>

Phone: (801) 781-4400
Fax: (801) 781-4410

IN REPLY REFER TO:
3160
UT08300

August 23, 1999

Southwestern Production Corp.
1675 Larimer Street Suite 820
Denver CO 80202

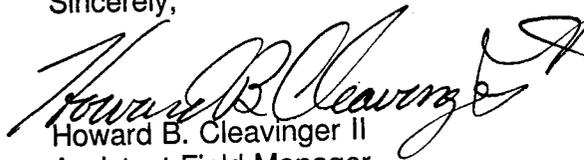
43.013.31202
Re: Well No. Ute Tribal 25-6
NWSE, Sec. 25, T5S, R4W
Lease 14-20-H62-3440
Duchesne County, Utah

Dear Mr. Williams:

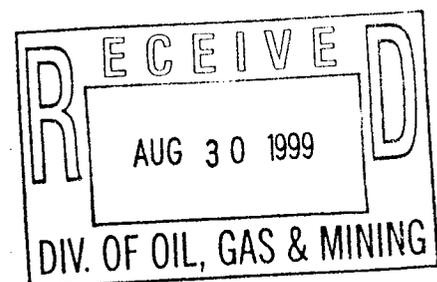
This correspondence is in regard to the Sundry Notice submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Southwestern Production Corp. is responsible for all operations performed on the referenced well. All liability will now fall under your BIA Nationwide Bond for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Margie Herrmann or Pat Sutton of this office at (435) 781-4400.

Sincerely,


Howard B. Cleavinger II
Assistant Field Manager
Minerals Resources

cc: BIA
Division Oil, Gas, & Mining
Mission Oil Company



OPERATOR CHANGE WORKSHEET

Routing:	
1-KDR ✓	6-KAS ✓
2- GH	7-SJ
3-JRB ✓	8-FILE
4-CDW ✓	✗
5-KDR ✓	

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

The operator of the well(s) listed below has changed, effective: 7-28-98

TO: (new operator) SOUTHWESTERN PRODUCTION CORP **FROM:** (old operator) MISSION OIL CORPORATION
 (address) 1675 LARIMER ST STE 720 (address) 621 NORTH BRYAN AVE.
DENVER CO 80202 FORT COLLINS, CO 80521
JUDI ROYS
 Phone: (303) 534-6500 Phone: (970) 484-2906
 Account no. N5955 (9-14-98) Account no. N1120

WELL(S) attach additional page if needed:

Name:	<u>UTE TRIBAL 25-2 (POW)</u>	API:	<u>43-013-31213</u>	Entity:	<u>9105</u>	S	<u>25</u>	T	<u>5S</u>	R	<u>4W</u>	Lease:	<u>INDIAN</u>
Name:	<u>UTE TRIBAL 25-5 (SOW)</u>	API:	<u>43-013-30944</u>	Entity:	<u>9105</u>	S	<u>25</u>	T	<u>5S</u>	R	<u>4W</u>	Lease:	<u>INDIAN</u>
Name:	<u>UTE TRIBAL 25-6 (SOW)</u>	API:	<u>43-013-31202</u>	Entity:	<u>9105</u>	S	<u>25</u>	T	<u>5S</u>	R	<u>4W</u>	Lease:	<u>INDIAN</u>
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____
Name:	_____	API:	_____	Entity:	_____	S	_____	T	_____	R	_____	Lease:	_____

OPERATOR CHANGE DOCUMENTATION

- UDR 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(rec'd BIA & BLM approval)*
- UDR 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(rec'd 8.27.98)*
- UDR 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? *(yes/no)* yes If yes, show company file number: #213304
- UDR 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below. *(rec'd 8.4.99) (rec'd 8.30.99)*
- UDR 5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(8.31.99)*
- UDR 6. **Cardex** file has been updated for each well listed above.
- UDR 7. Well **file labels** have been updated for each well listed above. **new filing system*
- UDR 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(9.1.99)*
- UDR 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.

ENTITY REVIEW

- YD 1. (r649-8-7) **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.
- YD 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been **notified** through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A 1. (r649-3-1) 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 operator's bond files.
- + 3. The **FORMER** operator has requested a release of liability from their bond (yes/no) _____, as of today's date _____. If yes, division response was made to this request by letter dated _____.

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A 1. Copies of documents have been sent on _____ to _____ at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- + 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated _____ 19 __, of their responsibility to notify all interest owners of this change.

FILMING

- YD 1. All attachments to this form have been **microfilmed**. Today's date: 9.22.99.

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** are now being filed in the Operator Change file.

COMMENTS

MONTHLY OIL AND GAS PRODUCTION REPORT

COPY

Operator Name And Address

SOUTHWESTERN PRODUCTION CORP.

Utah Account No: N5955

1675 LARIMER ST. #820

Report Period (Month/Year): SEP/2002

DENVER, CO 80202

Amended Report [] (Highlight Changes)

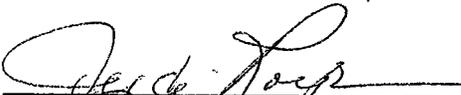
Well Name API Number	Entity	Location	Prod. Zone	Well Status	Well Type	Days Oper	Produced Volume		
							Oil-Bbls	Gas-Mcf	Wtr-Bb
UTE TRIBAL #25-5 4301330944	09105	5S 4W 25	GRRV	P	OW	30	80	25	0
UTE TRIBAL #25-6 4301331202	09105	5S 4W 25	GRRV	S	OW	0	0	0	0
UTE TRIBAL #25-2 4301331213	09105	5S 4W 25	GRRV	P	OW	12	23	25	0
TOTAL							103	50	0

Comments:

I hereby certify that this report is true and complete to the best of my knowledge.

Date: 10-23-2002

Name & Signature:


JUDI ROYS / PRODUCTION ANALYST

Phone: 303-534-6500

(01/99)

RECEIVED

NOV 20 2002

DIVISION OF
OIL, GAS AND MINING

SOUTHWESTERN PRODUCTION CORP.

November 18, 2002

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

RE: Monthly Oil & Gas Disposition Report

To Whom It May Concern:

Enclosed are copies of our September 2002 Form 10 & 11. September 2002 was the last reporting month for Southwestern Production Corp. Ending inventories we transferred the new operator.

October 2002 Operations Reports will come from:

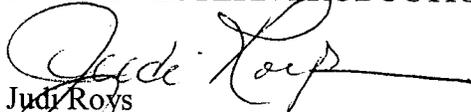
**Stripper Operator, Inc.
P.O. Box 295
Roosevelt, UT 84066**

435-722-2992

I apologize for the inconvenience this may cause you. If you should have any questions please call me at 303-534-6500.

Sincerely,

SOUTHWESTERN PRODUCTION CORP


Judi Roys
Operations

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NOV 20 2002

DIVISION OF
OIL, GAS AND MINING

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

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: N/A

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: N/A

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: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 12/18/2002
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/18/2002
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: N/A

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: N/A

INDIAN WELL(S) BOND VERIFICATION:

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

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A
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:

TO: Jim
Thompson

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

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME:

Ute Tribal

LEASE NUMBER:

25-2, 25-5, 25-6

and hereby designates

NAME:

Mountain Oil, Inc

ADDRESS:

P.O. Box 1574, Roosevelt, UT 84066

as his (check one) agent / operator with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

25-2	4301331	213
25-6	4301331	202
25-5	4301330	944

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 10-1-02

BY: (Name) Craig Phillips
 (Signature) [Signature]
 (Title) President
 (Phone) 435 722 4942

OF: (Company) Stripper Operators
 (Address) P.O. Box 295
Roosevelt UT 84066

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

FORM 9

SUNDRY NOTICE AND REPORTS ON WELLS <small>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.</small>		5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-3440
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE INDIAN TRIBE
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELLS <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. WELL NAME and NUMBER UTE TRIBAL 25-6	
2. NAME OF OPERATOR MOUNTAIN OIL AND GAS, INC. N2485	9. API NUMBER: 43-013-31202	
3. ADDRESS OF OPERATOR P.O. BOX 1574, ROOSEVELT, UT 84066	PHONE NUMBER 435-722-2992	10. FIELD AND POOL, OR WILDCAT BRUNDAGE CANYON

4. LOCATION OF WELLS
TOWNSHIP 5S RANGE 4W SECTION 25 SENW USBM
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 <small>(Submit in Duplicate)</small> Approximate date work will start	<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"/> 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"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF
<input type="checkbox"/> SUBSEQUENT REPORT <small>(Submit Original Form Only)</small> Date of work completion:	<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"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE-DIFFERENT FORMATION	<input checked="" type="checkbox"/> OTHER <u>CHANGE OF OPERATOR</u>

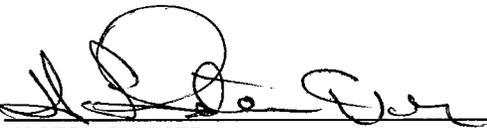
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS, Clearly show all pertinent details including dates, depths, volumes, etc.

Effective MARCH 1, 2003, operation of this well was taken over by:
MOUNTAIN OIL AND GAS, INC.
P.O. BOX 1574
ROOSEVELT, UT 84066

The previous operator was:

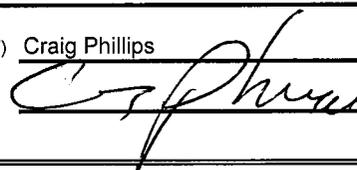
MOUNTAIN OIL, INC.
3191 N CANYON ROAD
PROVO, UT 84604

agent for N2320


JOSEPH OLLIVIER
PRESIDENT, MOUNTAIN OIL, INC.

Effective March 1, 2003 Mountain Oil & Gas, Inc. is responsible under the terms and conditions of the leases for operations conducted on the leased lands or a portion thereof under Mountain Oil, Inc.'s Utah Letter of Credit #004856 issued by Bonneville Bank

BIA BOND #0310275323

NAME (PLEASE PRINT) <u>Craig Phillips</u>	TITLE <u>President, Mountain Oil and Gas, Inc.</u>
SIGNATURE 	DATE <u>July 21, 2004</u>

(This space for State use only)

APPROVED 10/28/04
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000)

RECEIVED
SEP 08 2004

DIV. OF OIL, GAS & MINING

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 not yet BIA not yet

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: not yet

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: n/a

DATA ENTRY:

- 1. Changes entered in the **Oil and Gas Database** on: 10/28/2004
- 2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/28/2004
- 3. Bond information entered in RBDMS on: n/a
- 4. Fee/State wells attached to bond in RBDMS on: n/a
- 5. Injection Projects to new operator in RBDMS on: n/a
- 6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

- 1. Federal well(s) covered by Bond Number: UT 1208

INDIAN WELL(S) BOND VERIFICATION:

- 1. Indian well(s) covered by Bond Number: 310275323

FEE & STATE WELL(S) BOND VERIFICATION:

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

