

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE X WATER SANDS _____ LOCATION INSPECT _____ SUB. REPORT/abd _____
96063 ANR to Coastal eff. 12-27-95: 970807 Location abandoned eff 8/1/97.

DATE FILED **JUNE 1, 1995**

LAND FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. _____ INDIAN **14-20-H62-**

DRILLING APPROVED: **JULY 27, 1995**

SPOUDED IN: _____

COMPLETED _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: *August 1, 1997 LAID*

FIELD: **ALTAMONT FIELD**

UNIT: **NA**

COUNTY: **DUCHESNE**

WELL NO **UTE #1-16B6** API NO. **43-013-31524**

LOCATION **2424' FNL** FT. FROM (N) (S) LINE. **1590' FEL** FT. FROM (E) (W) LINE. **SW NE** 1/4 - 1/4 SEC **16**

TWP.	RGE	SEC.	OPERATOR	TWP.	RGE	SEC.	OPERATOR
2S	6W	16	ANR PRODUCTION CO <i>Coastal Oil & Gas Corp.</i>				

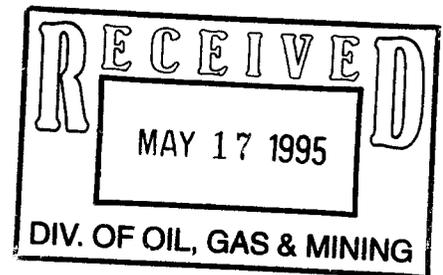


Coastal
The Energy People

May 16, 1995

Ute #1-16B6
Section 16-T2S-R6W
Lease No. 14-20-H62-4647
Duchesne County, Utah

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



Dear Mr. Hebertson:

Enclosed is the Application for Permit to Drill (APD), the Drilling Program, and the Surface Use and Operations Plan for the above referenced well. ***Please note that the Surface Use and Operations Plan is subject to change pending completion of the on-site.*** A copy of the revised Surface Use and Operations Plan, if changed, will be provided to you after the on-site inspection.

The on-site inspection for this well is scheduled for Tuesday, May 23, 1995, at 9:00 a.m. Appropriate parties from the BLM, BIA, Tribe, and ANR Production Company will meet at the Conoco station in Duchesne, Utah. We are currently in the process of inviting the landowners to this on-site. Please let me know if a representative from the State will be attending this on-site inspection.

If you have any questions concerning the enclosed documents, please contact me at (303) 573-4455.

Sincerely,

Sheila Bremer

Enclosure

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

RECEIVED
MAY 17 1995
Other instructions on reverse side

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

**APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
WELL OF OIL, GAS & MINING**

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. UNIT AGREEMENT NAME N/A	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		8. FARM OR LEASE NAME Ute	
2. NAME OF OPERATOR ANR Production Company		9. WELL NO. #1-16B6	
3. ADDRESS OF OPERATOR P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476		10. FIELD AND POOL, OR WILDCAT Altamont	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 2424' FNL & 1590' FEL (SW/NE) At proposed prod. zone Same as Above		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 16-T2S-R6W	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 19 miles NW of Duchesne, Utah.		12. COUNTY OR PARISH Duchesne	13. STATE Utah
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1590'	16. NO. OF ACRES IN LEASE 640	17. NO. OF ACRES ASSIGNED TO THIS WELL 640	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3168'	19. PROPOSED DEPTH 15,200'	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, BT, GR, etc.) 6956' GR		22. APPROX. DATE WORK WILL START* Upon Approval	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5# ST&C	0-1,200'	1220 sx cmtd to surface
12-1/4"	9-5/8"	40# BTC/LTC	0-7,200'	1320 sx, est. cmt 4000' to TD
8-3/4"	7"	26# LT&C	6,900-11,500'	590 sx, est. cmtd to 6900'
6-1/8"	5"	18# H521	11,200-15,200'	450 sx, est. cmtd to 11,200'

ANR Production Company proposes to drill a well to a proposed TD of 15,200' to test the Wasatch Formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned, as per BLM, BIA, and State of Utah requirements.

See Onshore Order No. 1, attached.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by ANR Production Company under their Nationwide Bond #U768806.

ANR Production Company is considered to be the Operator of the above described well. ANR agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

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. Bonnie Johnston
SIGNED *Bonnie Johnston* TITLE Environmental Analyst DATE 5/16/95

(This space for Federal or State office use)

PERMIT NO. 43-013-31524 APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

***See Instructions On Reverse Side**

T2S, R6W, U.S.B.&M.

ANR PRODUCTION CO.

Well Location, UTE #1-16B6, located as shown in the SW 1/4 NE 1/4 of Section 16, T2S, R6W, U.S.B.&M. Duchesne County, Utah.

S89°52'W - 79.90 (G.L.O.)

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 29, T2S, R6W, U.S.B.&M. TAKEN FROM THE BLACKTAIL MTN. QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7613 FEET.

NOTE:
BASIS OF BEARINGS IS THE WEST LINE OF THE SW 1/4 OF SECTION 28, T2S, R6W, U.S.B.&M. WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N0°03'W.

NOTE:
PROPOSED WELL HEAD BEARS N82°24'48"W 1604.3' FROM THE EAST 1/4 CORNER OF SECTION 16, T2S, R6W, U.S.B.&M.

UTE #1-16B6
Elev. Ungraded Ground = 6956'

16

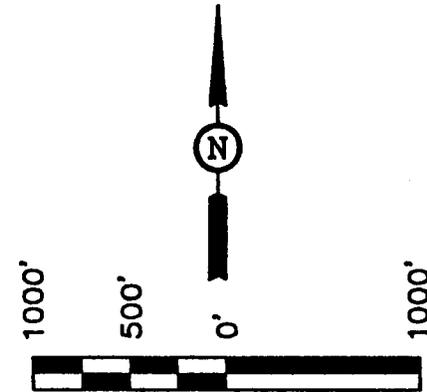
Plastic Cap (LS4779)
on 1/2" Rebar,
Set Stone

Set Stone

N0°03'W - 2624.04' (Meas.)

N0°02'W - G.L.O.)

N0°54'30"W - 2683.51' (Meas.)



SCALE

CERTIFICATE

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

S 1/4 Cor.
Sec. 15 1/2" Rebar
E/W/S/ Fence

Robert L. Hay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 761319
STATE OF UTAH

N89°55'47"E
2627.12' (Meas.)

Established Single
Proportion on Fence
Not Set on Ground

S 1/4 Cor.
Sec. 17
1/2" Rebar

N88°37'32"E - 5286.79' (Meas.)

Established Double
Proportion, Not Set

S87°55'49"E 2643.12' (Meas.)

N07°23'0"E
2624.04' (Meas.)

W 1/4 Cor.
Sec. 21
Set Mkd Stone

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

SE Cor. Sec. 21
Set Mkd Stone

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-2-95	DATE DRAWN: 5-5-95
PARTY D.A. C.M. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ANR PRODUCTION CO	

**UTE #1-16B6
2424' FNL & 1590' FEL
SW/NE, SECTION 16-T2S-R6W
DUCHESNE COUNTY, UTAH
LEASE NUMBER: 14-20-H62-4647**

**ONSHORE ORDER NO. 1
ANR PRODUCTION COMPANY**

DRILLING PROGRAM

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 to the field representative to insure compliance.

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Duchesne River/Uinta	Surface
Lower Green River	9,400'
Wasatch	10,900'
Total Depth	15,200'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	Lower Green River	9,400'
Gas	Lower Green River	9,400'
Water	N/A	
Other Minerals	N/A	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. **Pressure Control Equipment:** (Schematic Attached)

ANR Production Company's minimum specifications for pressure control equipment are as follows:

- Ram type: 11" Annular Preventer (Hydril), 11" Double Gate Hydraulic, Drilling Spool, 5,000 psi.
- Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For

a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

- Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.
- As a minimum, the above test will be performed when initially installed, whenever any seal subject to test pressure is broken, following related repairs, or at 30-day intervals.
- Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.
- When testing the kill line valve(s), the check valve shall be held open or the ball removed.
- Annular preventers shall be functionally operated at least weekly.
- Pipe and blind rams shall be activated each trip; however, this function need not be performed more than once a day.
- A BOPE pit level drill shall be conducted weekly for each drilling crew.
- Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall 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 ensure good mechanical working order, and this inspection shall be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

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

- a. The size and the rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area uses a 5000 psi working pressure blowout preventer.
- b. A choke line and a kill line are to be properly installed. The kill line is not be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.

- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. **Proposed Casing and Cementing Program:**

- a. The proposed Casing Program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Wt/ft</u>	<u>Grade</u>	<u>Type</u>
Surface	0-1,200'	17-1/2"	13-3/8"	54.5#	K-55	ST&C
Surface	0-7,200'	12-1/4"	9-5/8"	40#	S-95	BTC/LTC
Drlg Liner	6,900'-11,500'	8-3/4"	7"	26#	S-95	LT&C
Prod Liner	11,200'-TD	6-1/8"	5"	18#	S-95	H521

The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).

Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data).

Casing collars shall have a minimum clearance of 0.422" of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.

All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

All casing, except conductor casing, shall be new or reconditioned and tested. Used casing shall meet or exceed API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

All indications of usable water shall be reported to the Authorized Officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

Surface casing shall have centralizers on every fourth joint of casing, starting with the shoe joint and up to the bottom of the cellar.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc., shall be utilized to help isolate the cement from contamination by the mud being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or to 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action shall be taken.

Casing design subject to revision based on geologic conditions encountered.

- b. The Cement Program will be as follows:

<u>Conductor</u>	<u>Type & Amount</u>
0-1,200'	Lead: 640 sacks, 12.7 ppg Lite, yield 1.83. Tail: 580 sacks, 15.6 "G", yield 1.18.
<u>Surface</u>	<u>Type & Amount</u>
0-7,200'	Lead: 840 sacks, 12.4 ppg Lite, yield 1.88. Tail: 480 sacks, 15.6 ppg "G", yield 1.18.
<u>Drilling Liner</u>	<u>Type & Amount</u>
6,900'-11,500'	Lead #1: 60 sacks, 11 ppg Silicalite, yield 2.98. Lead #2: 310 sacks, 10.5 ppg silicalite, yield 3.51. Tail: 220 sacks, 12.0 ppg Silicalite, yield 2.02.
<u>Production Liner</u>	<u>Type & Amount</u>
11,200'-TD	Lead: 350 sacks, 14.2 ppg 50-50 Poz, yield 1.17. Tail: 100 sacks, 15.9 ppg "G", 35% SSA, yield 1.51.

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.

After cementing, but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the Driller's Log.

- c. The following reports shall be filed with the District Manager within 30 days after the work is completed:

1. Progress reports, Form 3160-5, "Sundry Notices and Reports on Wells," must include the following information:
 - a) Setting of each string of casing showing the size, grade, weight of casing set, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of the cementing tools used, casing test method and results, and the date of the work done. Spud date will be shown on the first reports submitted.
 - b) A bond log will be submitted for the production liner. Bond logs will not be run on the other strings as cement is not able to be lifted to surface.
- d. Auxiliary equipment to be used as follows:
 1. Kelly cock.
 2. No bit float is deemed necessary.
 3. A sub with a full opening valve.

5. **Drilling Fluids Program:**

a.	<u>Interval</u>	<u>Type</u>
	0-8,500'	Air Mist/Aerated Water
	8,500'-15,200'	LSND to Lightly Dispersed Mud

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and pH.

- b. Mud monitoring equipment will be checked periodically each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

6. Evaluation Program:**a. Logging Program:**

DLL-Sonic: TD to intermediate casing.
DLL-Sonic: Base intermediate casing to TD.

Drill Stem Tests: None anticipated.

Cores: None anticipated.

The Evaluation Program may change at the discretion of the well site geologist.

Drill stem tests, if they are run, will adhere to the following requirements:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the Authorized Officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the Authorized Officer. Closed chamber DST's may be performed day or night.

Some means of reverse circulation shall be provided in case of flow to the surface showing evidence of hydrocarbons.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to be operational during the test shall have spark arresters or water-cooled exhausts.

- b. Whether the well is completed as a dry hole or a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Authorized Officer.
- c. No stimulation or frac treatment has been formulated for this well at this time; however, the drill site, as approved, will be of sufficient size to accommodate all completion activities. Any frac treatment program specifics will be submitted via sundry notices.

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered in or known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure approximately equals 6,080 psi (calculated at 0.4 psi/foot) and maximum anticipated surface pressure equals approximately 3,344 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates and Notification of Operations:**

a. Drilling Activity

Anticipated Commencement Date:	Upon approval of this application.
Drilling Days:	Approximately 65 days.
Completion Days:	Approximately 20 days.

b. Notification of Operations

The BLM in Vernal, Utah, will be notified at least 24 hours prior to the commencement of spudding the well (to be followed with a Sundry Notice, Form 3160-5), of initiating pressure tests of the blowout preventer and related equipment, and running casing and cementing of all casing strings.

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 suspended status without prior approval from the Authorized Officer. If operations are to be suspended, prior approval of the Authorized Officer will be obtained and notification given before resumption of operations.

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.

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

Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During this period, an application for approval of the permanent disposal method, accompanied by water analysis and other required information, must be submitted to the District Engineer.

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

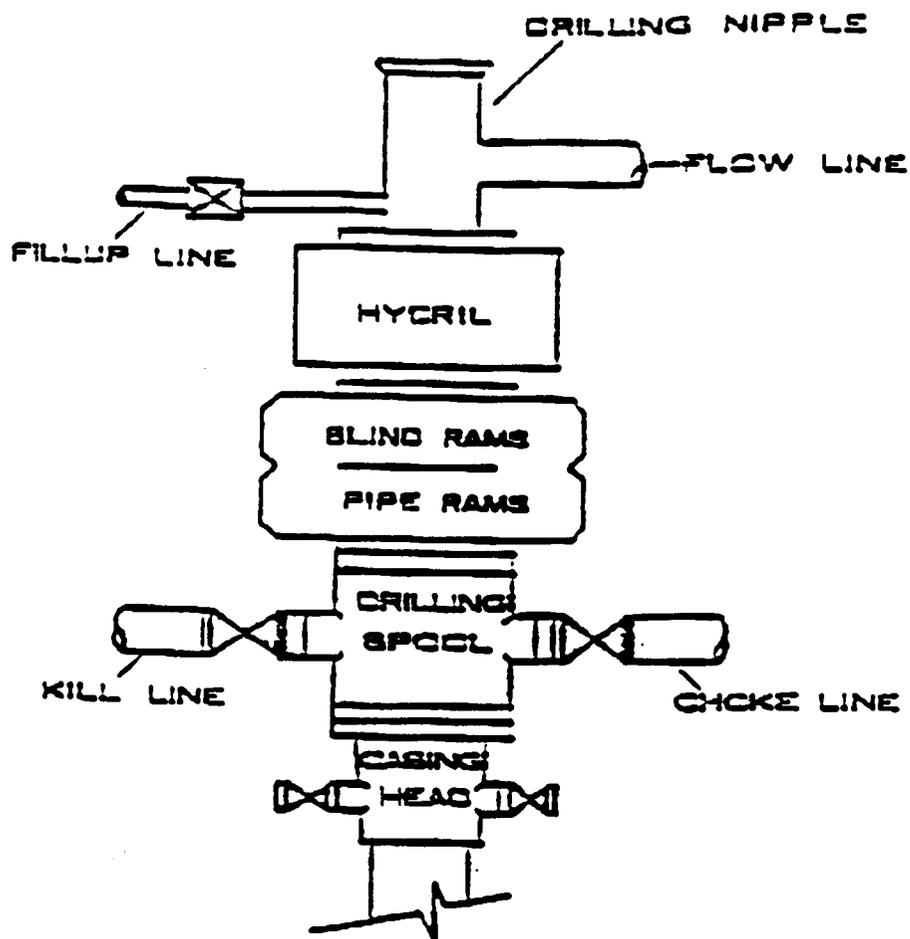
A schematic facilities diagram, as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the District Office within 60 days of installation or first production, whichever occurs first. All site security regulations, as specified in Onshore Oil & Gas Order No. 3, shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4).

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

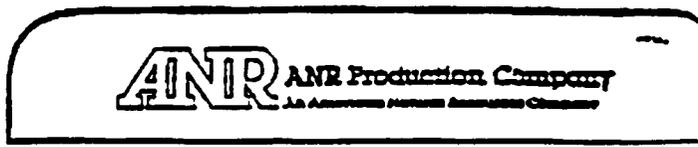
No well abandonment operations will be commenced without the prior approval of the Authorized Officer. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Authorized Officer. A "Subsequent Report of Abandonment," Form 3160-5, will be filed with the Authorized Officer within 30 days following completion of the well for abandonment. This report will indicate placement of the plugs and current status of the 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 Authorized Officer or his representative, or the appropriate Surface Managing Agency.

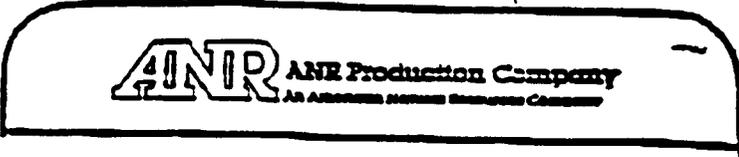
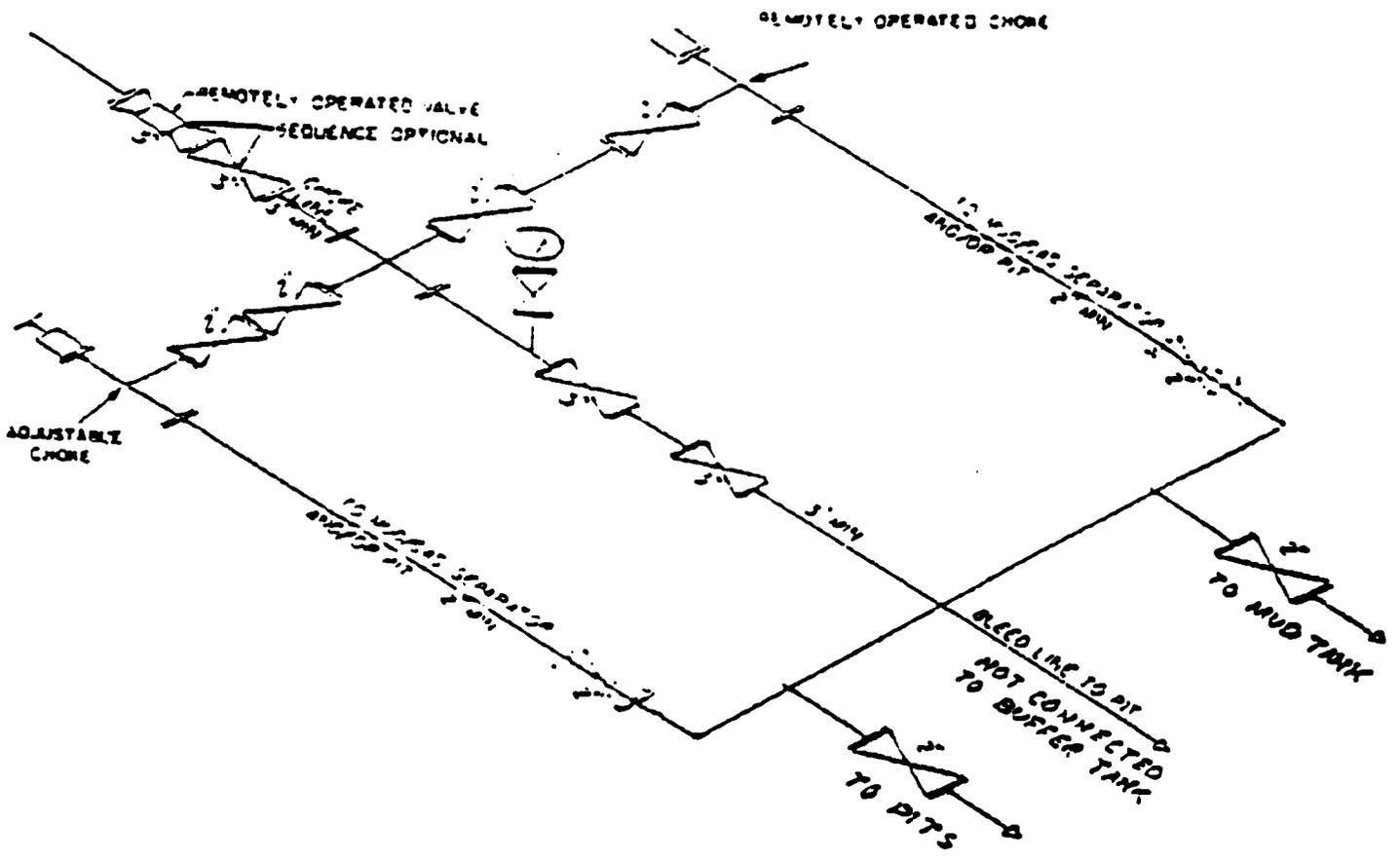
Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with the State and local laws, to the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

EOP STACK



5,000 PSI





5000

**UTE #1-16B6
2424' FNL & 1590' FEL
SW/NE, SECTION 16-T2S-R6W
DUCHESNE COUNTY, UTAH
LEASE NUMBER: 14-20-H62-4647**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

Notification Requirements

Location Construction:	48 hours prior to construction of location and access roads.
Location Completion:	Prior to moving the drilling rig.
Spud Notice:	At least 24 hours prior to spudding the well.
Casing String & Cementing:	24 hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests:	24 hours prior to initiating pressure tests.
First Production Notice:	Within 5 days after new well begins or production resumes after well has been off production for more than 90 days.

The on-site inspection for this well was conducted on 5/23/95 at 10:00 a.m. Weather conditions were overcast. The following individuals were in attendance at the inspection:

Bonnie Johnston	ANR Production Company
Clay Einerson	ANR Production Company
Dennis Ingram	State of Utah
Stan Olmstead	BLM
Dale Hanberg	BIA
Elliot Ridley	Ute Tribe
Robert Kay	U.E.L.S. Inc.
Clint Turner	Agent for ANR Production Company
Harley Jackson	Jackson Construction

1. **Existing Roads:**

The proposed well site is approximately 19 miles northwest of Duchesne, Utah.

Directions to the location from Duchesne, Utah, are:

Proceed from Duchesne, Utah, on State Road 87 in a northerly direction approximately 6.0 miles to the junction of this road and an existing State Road (35) to the west. Turn left and proceed in a northwesterly direction approximately 10.5 miles to the junction of this road and an existing

road to the north. Turn right and proceed in a northerly then westerly then northeasterly direction approximately 1.0 miles to the beginning of the proposed access. Follow road flags 1.7 miles in a northwesterly then northeasterly then southwesterly then northeasterly then northwesterly then southwesterly then northwesterly to the proposed location.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

There will be no improvements to existing access roads.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Approximately 1.7 miles of new access will be required. The new access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

No pipelines will be crossed with the new construction.

The maximum grade will be less than 12%.

There will be no turnouts.

There will be no major cut and fills, culverts, or bridges.

The access road was centerline flagged during time of staking.

No widening will be necessary for road turns.

There will be no modifications to existing facilities.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

Access roads and surface disturbing activities will conform to standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches and culverts will be kept clear and free-flowing and will be maintained according to original construction standards. The access road right-of-way will be kept free of trash during operations. All traffic will be confined to the approved right-of-way. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off

at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided.

3. **Location of Existing Wells Within a 1-Mile Radius:** (See Map C)

- a. Water wells - 0
- b. Producing wells - 2
- c. Drilling wells - 1
- d. Shut-in wells - 0
- e. Temporarily abandoned wells - 0
- f. Disposal wells - 0
- g. Abandoned wells - 0
- h. Injection wells - 0

4. **Location of Existing and Proposed Facilities:**

The following guidelines will apply if the well is productive.

- a. A diagram showing the proposed production facilities will be submitted via Sundry Notice Form 3160-5 prior to facilities installation.
- b. All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.
- c. A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.
- d. All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

- e. If, at any time, the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), the BLM will process a change in authorization to the

appropriate statute. The authorization will be subject to the appropriate rental or other financial obligation, as determined by the Authorized Officer.

- f. Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.
- g. The proposed pipeline will leave the well pad in a southeasterly direction following the access road for an approximate distance of 1.7 miles to tie into the Ute #1-15B6 pipeline. Please see Map D.

5. **Location and Type of Water Supply:**

All water needed for drilling purposes will be obtained from:

City of Duchesne Culinary Water System
Sections 1 and 2, T4S-R5W

Under the existing water rights held by the City of Duchesne, Utah.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.

No construction materials will be removed from Federal/Indian lands without prior approval from the appropriate surface management agency.

7. **Methods of Handling Waste Materials:**

- a. Drill cuttings will be contained and buried in the reserve pit.
- b. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.
- c. The reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

The reserve pit shall be lined and will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered

with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

- d. After first production, produced waste water will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the Authorized Officer's approval.
- e. Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.
- f. A chemical porta-toilet will be furnished with the drilling rig.
- g. Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.
- h. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

- i. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

See the attached diagram to describe rig orientation, parking areas, and access roads.

- a. The reserve pit will be located on the southwest side of the location.
- b. The stockpiled topsoil (first six inches) will be stored on the north side of the location. All brush removed from the well pad during construction will be stockpiled separately from the topsoil.

- c. The flare pit will be located on the northwest side of the location, downwind from the prevailing wind direction and a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.
- d. Access will be from the northeast.
- e. All pits will be fenced according to the following minimum standards:
 - 39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
 - The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
 - Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 - Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
 - All wire shall be stretched, by using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **Plans for Reclamation of the Surface:**

- a. Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced, liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Arrangements are being negotiated between the landowner(s) and the Operator defining the specific requirements for surface reclamation. Notification will be submitted via Sundry Notice Form 3160-5 when landowner negotiations are complete.

b. **Dry Hole/Abandoned Location:**

On lands administered by the BLM, abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and the re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

a. **Access Roads - The road is located on lands owned by:**

- Clifford R. Brown et ux
- Michael Vildavan et ux
- Leland Wright et ux
(801) 848-5553
- Garel R. Larson et ux
1194 East 4975 South
Ogden, UT 84403
- Rocky Pass Investments
Hal A. LaFleur Sr.
1150 West 5018 South
Ogden, UT 84403

b. **Well Pad - The well is located on lands owned by:**

- Clifford R. Brown et ux

12. **Other Information:**

- a. 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 of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.
- b. The Operator will control noxious weeds along right-of-ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides or other pesticides or possibly hazardous chemicals.
- c. Drilling rigs and/or equipment used during drilling operations on this location will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. If BLM authorization is obtained, such storage is only a temporary measure.
- d. The BLM office shall be notified upon site completion and prior to moving drilling tools onto the location.
- f. No work will be done on the location until negotiations with the landowner(s) are complete.
- g. Waiver(s) from procurement of archeology report are being obtained from all pertinent landowner(s).

13. **Lessee's or Operators's Representative and Certification:**

Sheila Bremer
Environmental Analyst
ANR Production Company
P.O. Box 749
Denver, CO 80201-0749
(303) 573-4455

Ned Shiflett
Drilling Manager
(713) 877-6354

Certification: 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 will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the operator, its contractors and

subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Sheila Bremer
Sheila Bremer

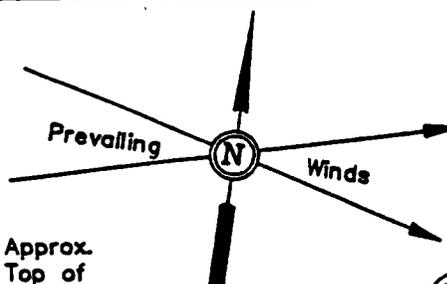
5/31/95
Date

ANR PRODUCTION CO.

LOCATION LAYOUT FOR

UTE #1-16B6
SECTION 16, T2S, R6W, U.S.B.&M.
2424' FNL 1590' FEL

SCALE: 1" = 60'
DATE: 5-5-95
DRAWN BY: D.R.B.



Approx. Top of Cut Slope

Proposed Access Road

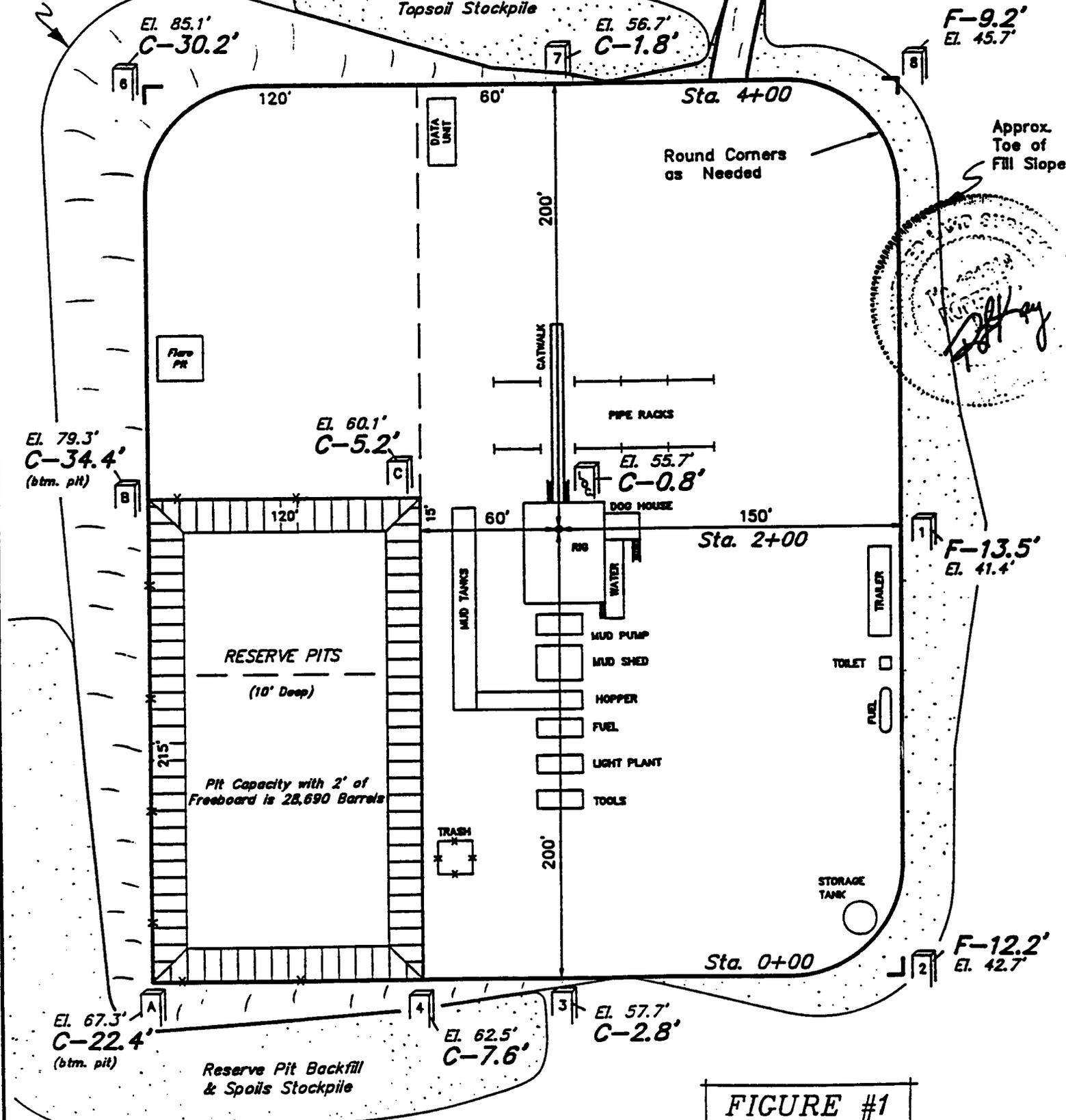
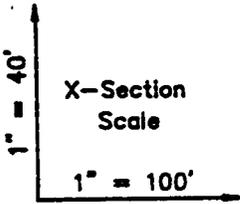


FIGURE #1

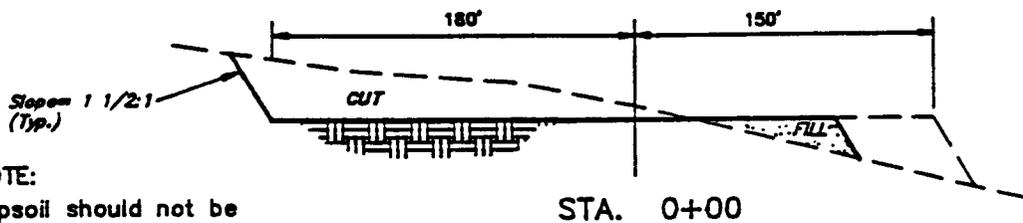
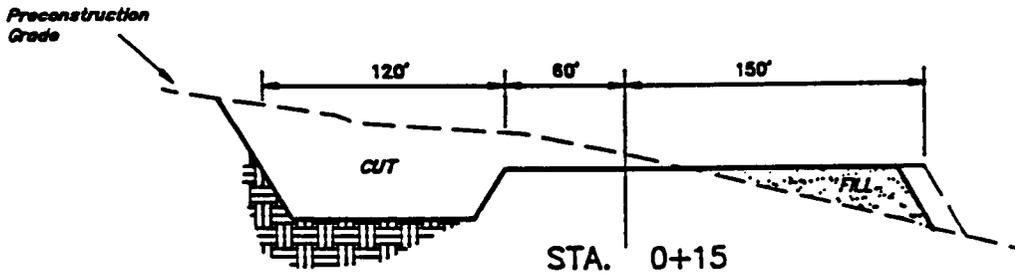
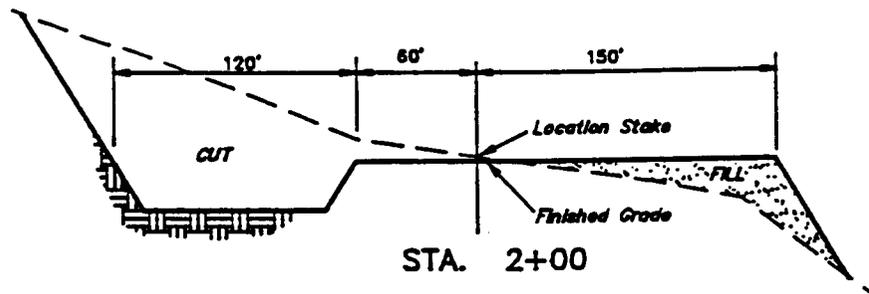
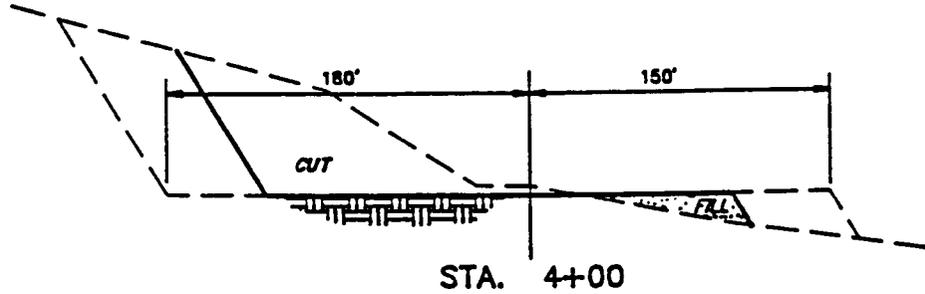
Elev. Ungraded Ground At Loc. Stake = 6955.7'
FINISHED GRADE ELEV. AT LOC. STAKE = 6954.9'

ANR PRODUCTION CC
TYPICAL CROSS SECTIONS FOR

UTE #1-16B6
 SECTION 16, T2S, R6W, U.S.B.&M.
 2424' FNL 1590' FEL



DATE: 5-5-95
 DRAWN BY: D.R.B.



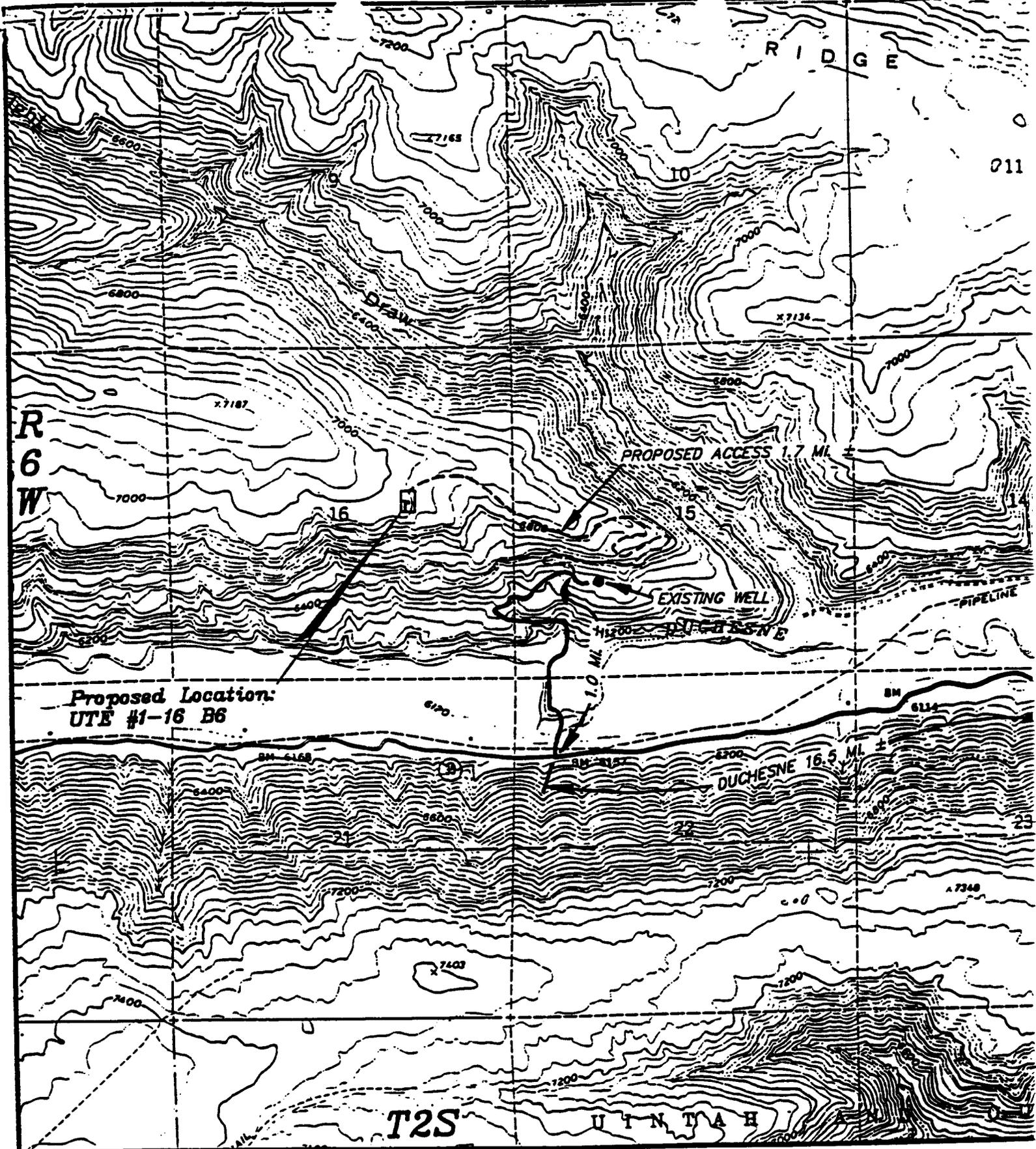
NOTE:
 Topsoil should not be Stripped Below Finished Grade on Substructure Area

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 2,450 Cu. Yds.
Remaining Location	= 45,460 Cu. Yds.
TOTAL CUT	= 47,910 CU.YDS.
FILL	= 13,670 CU.YDS.

Topsoil & Pit Backfill	= 6,340 Cu. Yds.
(1/2 Pit Volume)	
EXCESS UNBALANCE	= 27,900 Cu. Yds.
(After Rehabilitation)	

FIGURE #2



Proposed Location:
 UTE #1-16 B6

TOPOGRAPHIC
 MAP "B"

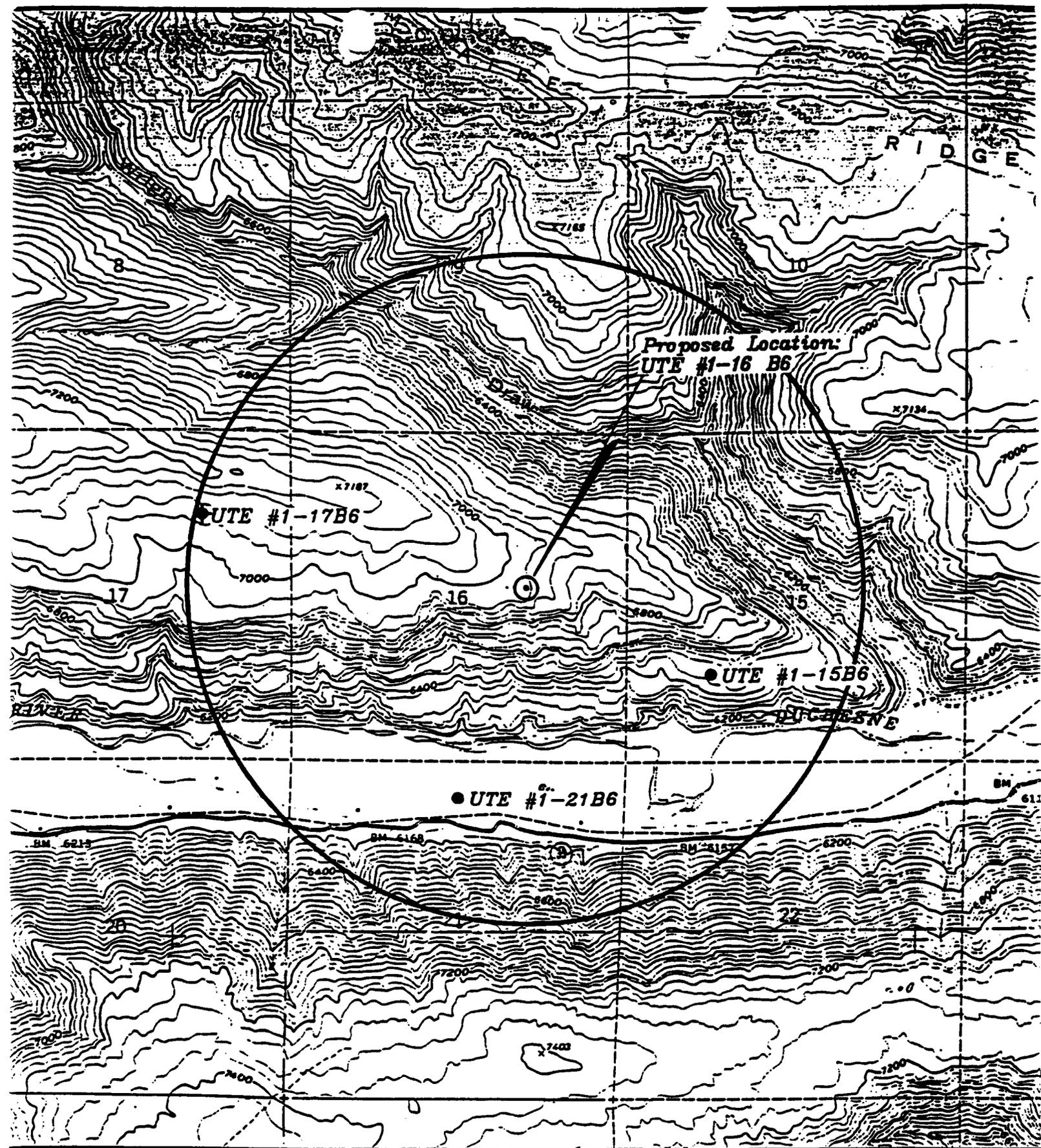
SCALE: 1"=2000'

DATE: 5/5/95 D.COY



ANR PRODUCTION CO.

UTE #1-16B6
 SECTION 16, T2S, R6W, U.S.B.&M.
 2424' FNL 1590' FEL



LEGEND:

- ⊗ = Water Wells
- ⊕ = Abandoned Wells
- ⊙ = Temporarily Abandoned Wells
- ⊘ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



ANR PRODUCTION CO.

UTE #1-16B6

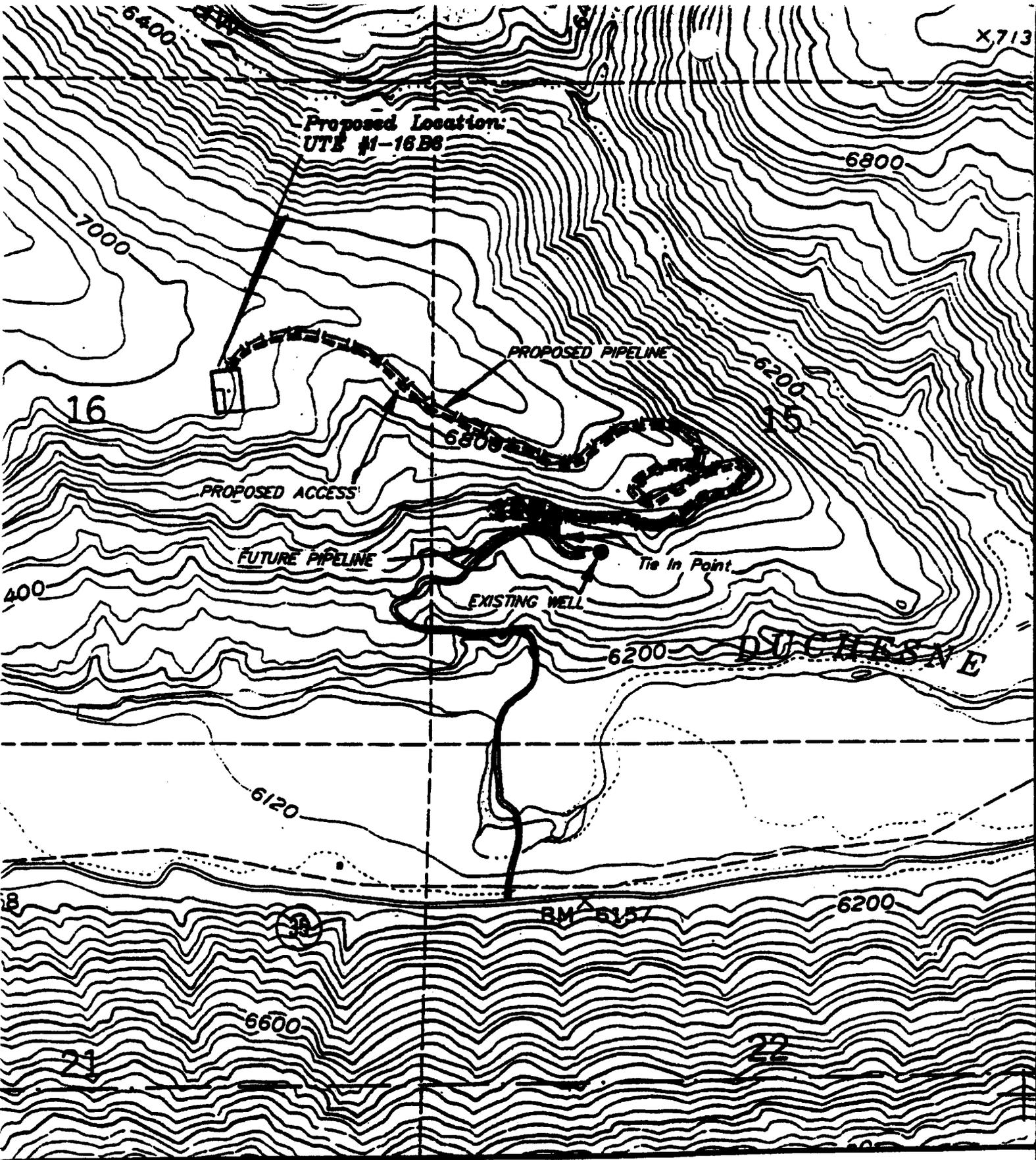
SECTION 16, T2S, R6W, U.S.B.&M.

TOP O MAP "C"

DATE: 5-5-95 2:00 PM

X.713

Proposed Location:
UTE #1-16B6



LEGEND:

- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



ANR PRODUCTION CO.
 UTE #1-16B6
 SECTION 16, T2S, R6W, U.S.B.&M.
T O P O M A P " D "
 DATE: 5-5-95 D.COX

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/17/95

API NO. ASSIGNED: 43-013-31524

WELL NAME: UTE 1-16B6
OPERATOR: ANR PRODUCTION COMPANY (N0675)

PROPOSED LOCATION:
SWNE 16 - T02S - R06W
SURFACE: 2424-FNL-1590-FEL
BOTTOM: 2424-FNL-1590-FEL
DUCHESNE COUNTY
ALTAMONT FIELD (055)

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: IND
LEASE NUMBER: 14-20-H62-4647

PROPOSED PRODUCING FORMATION: GR-WS

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Federal State Fee
(Number 4768906)
 Potash (Y/N)
 Oil shale (Y/N)
 Water permit
(Number CITY DUCHESNE)
 RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

___ R649-2-3. Unit: _____
___ R649-3-2. General.
___ R649-3-3. Exception.
 Drilling Unit.
Board Cause no: 139-42
Date: 4/12/85

COMMENTS: _____

STIPULATIONS: _____

June 14, 1995

To: Mike Hebertson

From: Dennis L. Ingram, Field Inspector

Re: Presite visit with ANR Productions, BLM and Ute Indian Tribe.

Walked approximately two miles into proposed well site with Clint Turner (COGC land man from Sandy), Bonnie Johnston (Environmental Analyst for COGC), Clay Einerson (Maintenance Lead Man COGC), Stanley Olmstead (Protection Specialist for BLM), Robert Kay (Uintah Engineering), Dale Hamburg (BIA), and Elliot Ridley (Ute Indian Tribe). Proposed road in begins at entrance into Ute 1-1586 then skirts rocky-ridge and out on top of lower Dry Mountain.

Well surface is Fee with Tribal minerals. Photos were taken to document pre-disturbance condition of proposed roadway and location. This roadway was chosen because of closer access and the need to work with landowners. The road will require blasting and will remain after well is plugged for landowner access.

The site is location in pinyon-juniper forest with pit corner "A" being approximately 90 feet from cliff edge overlooking Duchesne River drainage -- see presite layout. Ground contours down toward well site and pit would be in cut.

Bonnie Johnston and I did find one fossilate rock under sandstone ledge near road while waling in. A photo of this rock is enclosed in the photo package.

No opposition from any of the parties represented voiced opinion against the drilling of this well. Olmstead (BLM) did comment that places like the proposed road could never be put back to original condition, but since landowner needs access there is no problem. Hamburg (BIA) and Elliot Ridley (Ute Tribe) claimed a good well might stimulate more interest in drilling on Indian Lands.

STATE OF UTAH

Operator: ANR PRODUCTION CO	Well Name: UTE 1-16B6
Project ID: 43-013-31524	Location: SEC. 16 - T02S - R06W

Design Parameters:

Mud weight (7.70 ppg) : 0.400 psi/ft
 Shut in surface pressure : 3576 psi
 Internal gradient (burst) : 0.089 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using buoyed weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost		
1	4,600	7.000	26.00	S-95	LT&C	11,500	6.151		
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	4600	7800	1.696	4600	8600	1.87	105.52	602	5.71 J

Prepared by : MATTHEWS, Salt Lake City, UT
 Date : 07-27-1995
 Remarks :

Minimum segment length for the 11,500 foot well is 1,000 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 132°F (Surface 74°F , BHT 189°F & temp. gradient 1.000°/100 ft.)
 The liner string design has a specified top of 6,900 feet.
 The burst load shown is the pressure at the bottom of the segment.
 The mud gradient and bottom hole pressures (for burst) are 0.400 psi/ft and 4,600 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kenler curve. Engineering responsibility for use of this design will be that of the purchaser. Costs for this design are based on a 1987 pricing model. (Version 1.06)

STATE OF UTAH

Operator: ANR PRODUCTION CO	Well Name: UTE 1-16B6
Project ID: 43-013-31524	Location: SEC. 16 - T02S - R06W

Design Parameters:

Mud weight (7.70 ppg) : 0.400 psi/ft
 Shut in surface pressure : 4404 psi
 Internal gradient (burst) : 0.110 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost		
1	4,000	5.000	18.00	S-95	MAC/LX	15,200	4.151		
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	6080	11880	1.954	6080	12040	1.98	72.00	409	5.68 J

Prepared by : MATTHEWS, Salt Lake City, UT
 Date : 07-27-1995
 Remarks :

Minimum segment length for the 15,200 foot well is 1,000 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 150°F (Surface 74°F , BHT 226°F & temp. gradient 1.000°/100 ft.)
 The liner string design has a specified top of 11,200 feet.
 The burst load shown is the pressure at the bottom of the segment.
 The mud gradient and bottom hole pressures (for burst) are 0.400 psi/ft and 6,080 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.06)

STATE OF UTAH

Operator: ANR PRODUCTION CO	Well Name: UTE 1-16B6
Project ID: 43-013-31524	Location: SEC. 16 - T02S - R06W

Design Parameters:

Mud weight (7.70 ppg) : 0.400 psi/ft
 Shut in surface pressure : 2446 psi
 Internal gradient (burst) : 0.060 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using buoyed weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost		
1	7,200	9.625	40.00	S-95	LT&C	7,200	8.750		
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	2880	4230	1.469	2880	6820	2.37	254.09	858	3.38 J

Prepared by : MATTHEWS, Salt Lake City, UT
 Date : 07-27-1995
 Remarks :

Minimum segment length for the 7,200 foot well is 1,000 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 110°F (Surface 74°F , BHT 146°F & temp. gradient 1.000°/100 ft.)
 The mud gradient and bottom hole pressures (for burst) are 0.400 psi/ft and 2,880 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guide-line, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser. Costs for this design are based on a 1987 pricing model. (Version 1.06)



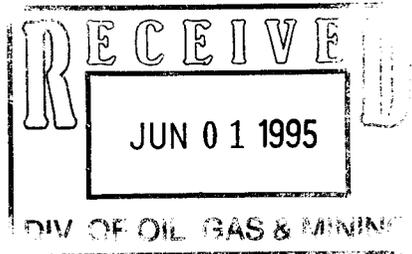
Coastal
The Energy People

May 31, 1995

Ute #1-16B6
Section 16-T2S-R6W
Lease No. 14-20-H62-4647
Duchesne County, Utah

VIA FEDERAL EXPRESS

Bureau of Land Management
Division of Oil, Gas & Mining
Vernal District Office
170 South 500 East
Vernal, UT 84078



To Whom It May Concern:

Enclosed is the Application for Permit to Drill (APD), the Drilling Program, and the Surface Use and Operations Plan for the above referenced well. Please note that additional copies have been sent to the BIA and the Ute Tribe.

If you have any questions concerning the enclosed documents, please contact me at (303) 573,4455.

Sincerely,

Sheila Bremer
Environmental Analyst

Enclosures

cc: Ferron Secakuku, Ute Tribe
Dianne Mitchell, BIA
Mike Hebertson, State of Utah

ANR Production Company

A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH STREET STE 800 SOUTH • P O BOX 749 • DENVER CO 80201-0749 • 303-572-1121

RECEIVED
 UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT JUN 01 1995

Other instructions on reverse side

Form approved.
 Budget Bureau No. 1004-0136
 Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN DIV OF OIL, GAS & MINERAL PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 ANR Production Company

3. ADDRESS OF OPERATOR
 P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 2424' FNL & 1590' FEL (SW/NE)
 At proposed prod. zone Same as Above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 19 miles NW of Duchesne, Utah.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1590'
 16. NO. OF ACRES IN LEASE 640
 17. NO. OF ACRES ASSIGNED TO THIS WELL 640

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3168'
 19. PROPOSED DEPTH 15,200'
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6956' GR
 22. APPROX. DATE WORK WILL START* Upon Approval

5. LEASE DESIGNATION AND SERIAL NO.
 14-20-H62-4647

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 Ute

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 Ute

9. WELL NO.
 #1-16B6

10. FIELD AND POOL, OR WILDCAT
 Altamont

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
 Section 16-T2S-R6W

12. COUNTY OR PARISH 13. STATE
 Duchesne Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5# ST&C	0-1,200'	1220 sx cmtd to surface
12-1/4"	9-5/8"	40# BTC/LTC	0-7,200'	1320 sx, est. cmt 4000' to TD
8-3/4"	7"	26# LT&C	6,900-11,500'	590 sx, est. cmtd to 6900'
6-1/8"	5"	18# H521	11,200-15,200'	450 sx, est. cmtd to 11,200'

ANR Production Company proposes to drill a well to a proposed TD of 15,200' to test the Wasatch Formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned, as per BLM, BIA, and State of Utah requirements.

See Onshore Order No. 1, attached.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by ANR Production Company under their Nationwide Bond #U768806.

ANR Production Company is considered to be the Operator of the above described well. ANR agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

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 Sheila Bremer TITLE Environmental Analyst DATE 5/31/95

(This space for Federal or State office use)

PERMIT NO. 43-013-31524 APPROVAL DATE _____
 APPROVED BY [Signature] TITLE Christina Engineer DATE 7/27/95
 CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

T2S, R6W, U.S.B.&M.

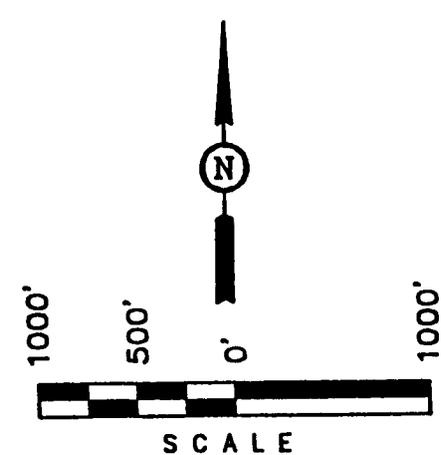
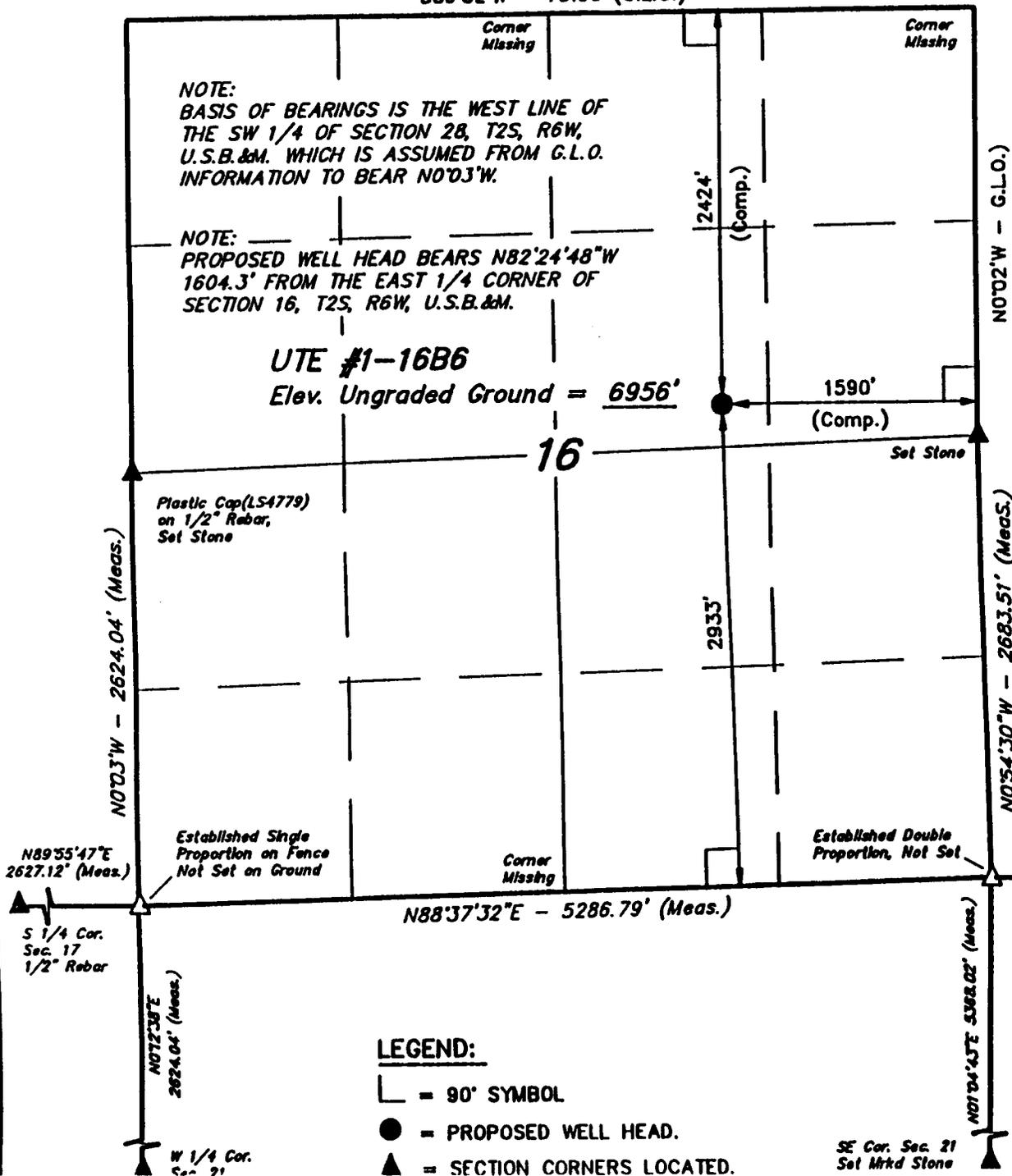
S89°52'W - 79.90 (G.L.O.)

ANR PRODUCTION CO.

Well Location, UTE #1-16B6, located as shown in the SW 1/4 NE 1/4 of Section 16, T2S, R6W, U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 29, T2S, R6W, U.S.B.&M. TAKEN FROM THE BLACKTAIL MTN. QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7613 FEET.



CERTIFICATE

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

S 1/4 Cor.
Sec. 15 1/2" Rebar
E/W/S/ Fence

Robert L. Hay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 761319
STATE OF UTAH

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UNTAH ENGINEERING & LAND SURVEYING 86 SOUTH 200 EAST - VERNAL, UTAH 84078 (801) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 5-2-95	DATE DRAWN: 5-5-95
PARTY D.A. C.M. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER	FILE	



Coastal
The Energy People

June 13, 1995

Ute #1-16B6
SWNE Section 16-T2S-R6W
Lease No. 14-20-H62-4647
Duchesne County, Utah
Reply Ref.: 3160 (UT08438)

Ms. Pat Sutton
Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, UT 84078-2799

Dear Ms. Sutton:

In reply to your letter dated June 6, 1995, for the above referenced well, please note the following:

- ANR Production Company is currently in the process of obtaining *Private Surface Owner Waivers* (Item #1) and negotiating *Private Landowner's Surface Agreements* (Item #2) with the appropriate surface owners. We will notify the BLM with the appropriate information as soon as it is obtained.
- Please see the attached sundry for anticipated mud weights from 8,500'-15,200' (Item #4).

If you require any additional information, please do not hesitate to contact me at (303) 573-4455.

Sincerely,

Sheila Bremer
Environmental & Safety Analyst

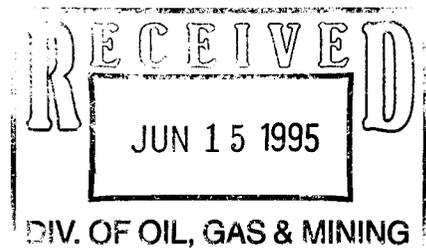
Attachments

/sab

cc: Ferron Secakuku, Ute Tribe
Dianne Mitchell, BIA
Mike Hebertson, State of Utah
Ned Shiflett, ANR Production Company

ANR Production Company

A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH STREET STE 800 SOUTH • P O BOX 749 • DENVER CO 80201-0749 • 303 572-1121





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799

IN REPLY REFER TO:

3160
(UT08438)

June 6, 1995

ANR Production Company
Attn: Sheila Bremer
P.O. Box 749
Denver, CO 80201-0749

Re: Well No. 1-16B6
SWNE Sec. 16, T2S, R6W
Lease No. 14-20-H62-4647
Duchesne County, Utah

Dear Ms. Bremer:

The referenced application was received on June 1, 1995.

The administrative aspects of your application will be complete for processing upon receipt of the following:

1. Private Surface Owner Waiver
2. Private Landowner's Surface Agreement
3. BIA Concurrence
4. Anticipated mud weights from 8500-15,200

As part of the approval process, your application will be reviewed for technical adequacy and proposed surface mitigation. During this portion of the approval process, you may be required to furnish additional information.

Once your application is determined to be administratively complete, a final decision will be issued from this office.

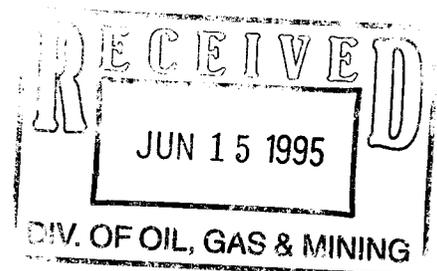
If you have any questions concerning APD processing, please contact me at (801) 781-4503.

Sincerely,

Pat Sutton
Legal Instruments Examiner

E&P OPERATIONS - DENVER DISTRICT

JUN 12 1995
TCY _____ NOS *file* MOR _____ *file - last*
MDE _____ LPS _____ JDP _____
EFS _____ BLI _____ JRN _____ RLB _____



RECEIVED

JUN 26 1995

UNITED STATES GOVERNMENT

memorandum

June 23, 1995

DATE:

REPLY TO
ATTN OF:

Charles H. Cameron, Acting Natural Resources Officer

SUBJECT:

ANR Well 1-16B6

TO:

Bureau of Land Management, Vernal District Office
Mr. Howard Cleavinger, Chief, Division of Minerals

This letter will serve as our concurrence for the well listed above. The well is located on Fee Surface, so therefore does not require any type of clearances from the Bureau of Indian Affairs, Land Operations Department and the Ute Indian Tribe Energy & Minerals Department. The minerals are owned by the Tribe. If you have any questions please don't hesitate to call.

Charles H. Cameron

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: ANR Production Company

Well Name & Number: Ute Tribal 1-16B6

API Number: 43-013-31524

Lease Number: 14-20-H62-4647

Location: SWNE Sec. 16 T. 2S R. 6W

NOTIFICATION REQUIREMENTS

- Location Construction - at least forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing - at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - at least twenty-four (24) hours prior to initiating pressure tests.
- First Production Notice - within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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.

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 Orders, 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.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

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 Tim Ingwell 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.

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

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of **Onshore Oil and Gas Order No. 2 for a 5M system** for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. In addition to the aforementioned BOP system, a minimum of a **2M diverter system** shall be installed prior to drilling out the 13 3/8 in. conductor and shall remain in use until the 9 5/8" casing is set. Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

The Vernal District Office shall be notified, at least 24 hours prior to initiating the pressure tests, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

In addition, to the cementing proposal for the surface casing, a minimum of 200 ft. of Class G neat cement shall be placed from 200 ft. to surface in the 13 3/8 in. X 17 1/2 in. annulus.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200' above the base of the Usable Water zone identified at $\pm 4,471'$. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

The Vernal District Office shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

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.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the **production casing shoe to the 5" liner lap** and also run to determine the **TOC for the 7" liner and TOC for the 9 5/8" casing** and shall be utilized to determine the top of cement (TOC) and bond quality. Submit a field copy of the CBL to this office.

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

6. Notifications of Operations

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

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours prior to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

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

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

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.

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 five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (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.

7. Other Information

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

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

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 following initial installation 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 Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 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 workover 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."

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).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 781-4170
Petroleum Engineer

Ed Forsman (801) 789-70774170
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.



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)

July 27, 1995

ANR Production Company
P. O. Box 749
Denver, Colorado 80201-0749

Re: Ute #1-16B6 Well, 2424' FNL, 1590' FEL, SW NE, Sec. 16, T. 2 S., R. 6 W.,
Duchesne County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31524.

Sincerely,

R. J. Firth
Associate Director

ldc

Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

WAPD



Operator: ANR Production Company

Well Name & Number: Ute #1-16B6

API Number: 43-013-31524

Lease: Indian 14-20-H62-4647

Location: SW NE Sec. 16 T. 2 S. R. 6 W.

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
JUL 31 1995

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

DIV. OF OIL, GAS & MINING

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

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 ANR Production Company

3. ADDRESS OF OPERATOR
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 -14-20-H62-4647

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 Section 16-T2S-R6W

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13. STATE
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24. SIGNED Sheila Bremer TITLE Environmental Analyst DATE 5/31/95

(This space for Federal or State office use)

PERMIT NO. 43-013-31524 APPROVAL DATE _____

APPROVED BY [Signature] TITLE ASSISTANT DISTRICT MANAGER DATE JUL 26 1995

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY **NOTICE OF APPROVAL**

44080-5M-164

*See Instructions On Reverse Side

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

See Attached

6. If Indian, Allottee or Tribe Name

See Attached

7. If Unit or CA, Agreement Designation

See Attached

8. Well Name and No.

See Attached

9. API Well No.

See Attached

10. Field and Pool, Or Exploratory Area

See Attached

11. County or Parish, State

County: See Attached
State: Utah

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749 (303) 573-4455

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

See Attached

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 Completion or Recompletion Report and Log to)

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 direction drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)*

Please be advised that effective December 27, 1995, ANR Production Company relinquished and Coastal Oil & Gas Corporation assumed operations for the subject wells (see attached). Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation under the following bonds: State of Utah #102103, BLM Nationwide Bond #U605382-9, and BIA Nationwide Bond #11-40-66A. Coastal Oil & Gas Corporation, as operator, agrees to be responsible under the terms and conditions of the leases for the operations conducted upon leased lands.

Bonnie Carson
MINERAL & ENERGY
SIA, U.S.G. BUREAU
Signed by *Darryl Gardner*
Bonnie Carson, Sr. Environmental & Safety Analyst
ANR Production Company

RECEIVED
MAR 07 1996

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

Signed *Sheila Bremer*
Sheila Bremer

Coastal Oil & Gas Corporation

Title Environmental & Safety Analyst Date

03/07/96

(This space for Federal or State office use)

APPROVED BY

Title

Date

Conditions of approval, if any:

Well Name & No.	API No.	Lease Designation & Serial Number	If Indian, Allottee or Tribe Name	CA No.	LOCATION OF WELL		Field	County
					Footages	Section, Township & Range		
Ute 1-25A3	43-013-30370 ✓	14-20-H62-1802	Ute	N/A	1727' FNL & 1784' FEL	SWNE, 25-1S-3W	Bluebell	Duchesne
Ute 1-26A3	43-013-30348 ✓	14-20-H62-1803	Ute	N/A	1869' FNL & 1731' FWL	SENE, 26-1S-3W	Bluebell	Duchesne
Ute 1-31A2	43-013-30401 ✓	14-20-H62-1801	Ute	N/A	2246' FSL & 2270' FWL	NESW, 31-1S-2W	Bluebell	Duchesne
Ute 1-32Z2	43-013-30379 ✓	14-20-H62-1702	Ute	N/A	1484' FNL & 2554' FWL	SENE, 32-1N-2W	Bluebell	Duchesne
Ute 1-36B6	43-013-30502 ✓	14-20-H62-2532	Ute	N/A	1212' FSL & 487' FEL	SESE, 36-2S-6W	Altamont	Duchesne
Ute 1-6B2	43-013-30349 ✓	14-20-H62-1807	Ute	N/A	2052' FSL & 1865' FEL	NWSE, 6-2S-2W	Bluebell	Duchesne
Ute 2-22B5	43-013-31122 ✓	14-20-H62-2509	Ute	N/A	737' FSL & 1275' FWL	SWSW, 22-2S-5W	Altamont	Duchesne
Ute 2-25A3	43-013-31343 ✓	14-20-H62-1802	Ute	N/A	2183' FSL & 1342' FWL	NESW, 25-1S-3W	Bluebell	Duchesne
Ute 2-26A3	43-013-31340 ✓	14-20-H62-1803	Ute	N/A	700' FSL & 700' FWL	SWSW, 26-1S-3W	Bluebell	Duchesne
Ute 2-27B6	43-013-31449 ✓	14-20-H62-4631	Ute	N/A	1727' FNL & 1904' FEL	SWNE, 27-2S-6W	Altamont	Duchesne
Ute 2-28B6	43-013-31434 ✓	14-20-H62-4622	Ute	N/A	1945' FSL & 1533' FEL	NWSE, 28-2S-6W	Altamont	Duchesne
Ute 2-31A2	43-013-31139 ✓	14-20-H62-1801	Ute	N/A	1012' FNL & 1107' FEL	NENE, 31-1S-2W	Bluebell	Duchesne
Ute 2-33B6	43-013-31445 ✓	14-20-H62-2493	Ute	N/A	1796' FNL & 2541' FEL	SWNE, 33-2S-6W	Altamont	Duchesne
Ute 2-35A3	43-013-31292 ✓	14-20-H62-1804	Ute	N/A	660' FNL & 660' FEL	NENE, 35-1S-3W	Bluebell	Duchesne
Ute 2-6B2	43-013-31140 ✓	14-20-H62-1807	Ute	N/A	949' FNL & 1001' FWL	NWNW, 6-2S-2W	Bluebell	Duchesne
Ute 3-35A3	43-013-31365 ✓	14-20-H62-1804	Ute	N/A	1632' FNL & 660' FWL	SWNW, 35-1S-3W	Bluebell	Duchesne
Ute Tribal 1-27B6	43-013-30517 ✓	14-20-H62-4631	Ute	N/A	2312' FNL & 1058' FWL	SWNW, 27-2S-6W	Altamont	Duchesne
Ute Tribal 1-28B6	43-013-30510 ✓	14-20-H62-4622	Ute	N/A	860' FNL & 2381' FEL	NWNE, 28-2S-6W	Altamont	Duchesne
Ute Tribal 1-33B6	43-013-30441 ✓	14-20-H62-2493	Ute	N/A	350' FSL & 2400' FEL	SWSE, 33-2S-6W	Altamont	Duchesne
Ute Tribal 1-35B6	43-013-30507 ✓	14-20-H62-4632	Ute	N/A	1248' FEL & 1350' FSL	NESE, 35-2S-6W	Altamont	Duchesne
OIL/GAS WELLS PERMITTED - NOT DRILLED								
Ute 1-16B6	43-013-31524 ✓	14-20-H62-4647	Ute	N/A	2424' FNL & 1590' FEL	SWNE, 16-2S-6W	Altamont	Duchesne
Ute 1-23B6	43-013-31446 ✓	14-20-H62-4614	Ute	N/A	1894' FSL & 735' FWL	NWSW, 23-2S-6W	Altamont	Duchesne
Ute 1-26B6	43-013-31447 ✓	14-20-H62-4614	Ute	N/A	205' FNL & 2485' FWL	NENW, 26-2S-6W	Altamont	Duchesne
Ute 2-26B6	43-013-31448 ✓	14-20-H62-4614	Ute	N/A	663' FSL & 697' FWL	SWSW, 26-2S-6W	Altamont	Duchesne

STATE OF UTAH
DIVISION OIL, GAS AND MINING

5. Lease Designation and Serial Number:
See Attached

6. If Indian, Allottee or Tribe Name:
See Attached

7. Unit Agreement Name:
See Attached

8. Well Name and Number:
See Attached

9. API Well Number:
See Attached

10. Field and Pool, or Wildcat:
See Attached

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 GAS OTHER:

2. Name of Operator:
Coastal Oil & Gas Corporation

3. Address and Telephone Number:
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455

4. Location of Well
Footages: See Attached
County: See Attached
QQ, Sec., T., R., M.: See Attached
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 _____
- New Construction
- Pull or Alter Casing
- Recompletion
- Perforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon *
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Change of Operator
- New Construction
- Pull or Alter Casing
- Perforate
- 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.

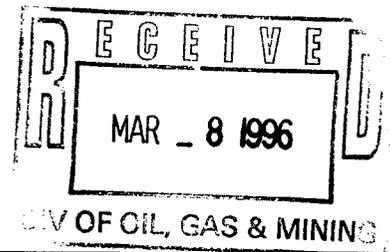
* Must be accompanied by a cement verification report.

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 effective December 27, 1995, ANR Production Company relinquished and Coastal Oil & Gas Corporation assumed operations for the subject wells (see attached). Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation under the following bonds: State of Utah #102103, BLM Nationwide Bond #U605382-9, and BIA Nationwide Bond #11-40-66A. Coastal Oil & Gas Corporation, as operator, agrees to be responsible under the terms and conditions of the leases for the operations conducted upon leased lands.

Bonnie Carson

 Bonnie Carson, Sr. Environmental & Safety Analyst
 ANR Production Company



13. Name & Signature: *Sheila Bremer* Title: **Sheila Bremer**
 Environmental & Safety Analyst
 Coastal Oil & Gas Corporation Date: **03/07/96**

(This space for State use only)

memorandum

DATE: March 26, 1996

REPLY TO
ATTN OF: Superintendent, Uintah and Ouray Agency

SUBJECT: Change of Operator

TO: Bureau of Land Management, Vernal District Office
Attention: Sally Gardiner, Division of Minerals and Mining

We have received copies of Sundry Notices and Reports on Wells (Form 3160-5), requiring BIA Action, informing this office of a change of operator for the following wells:

OPERATOR - FROM: ANR PRODUCTION COMPANY

TO: COASTAL OIL & GAS CORPORATION

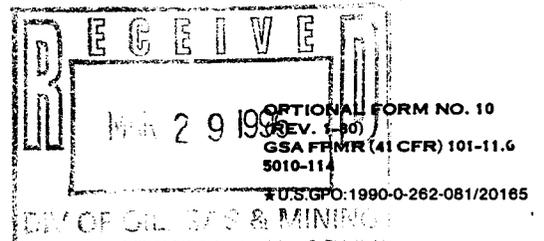
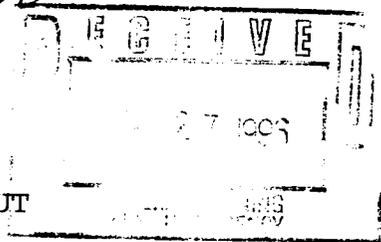
(SEE ATTACHED LIST OF WELLS AND LOCATIONS)

This office recommends a approval for the Changes of Operator for the wells listed above.

All operations will be covered under a \$150,000 Nationwide Bond, filed with this office for Coastal.

If you have any questions, please contact this office at (801) 722-2406, Ext. 51/52/54.

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



Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing: *CH*

1-LEC-7-53
2-DTS 8-FILE
3- <i>UD</i>
4- <i>RT</i>
5- <i>LEC</i>
6-FILM ✓

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: 12-27-95)

TO (new operator)	<u>COASTAL OIL & GAS CORP</u>	FROM (former operator)	<u>ANR PRODUCTION CO INC</u>
(address)	<u>PO BOX 749</u>	(address)	<u>PO BOX 749</u>
	<u>DENVER CO 80201-0749</u>		<u>DENVER CO 80201-0749</u>
	<u>phone (303) 572-1121</u>		<u>phone (303) 572-1121</u>
	<u>account no. N 0230 (B)</u>		<u>account no. N0675</u>

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

Name: **SEE ATTACHED**	API: <u>013-31524</u>	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- See* 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 3-8-96)*
- See* 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 3-8-96)*
- 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: _____
- N/A* 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- See* 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-11-96) (4-3-96/Indian) (4-15-96/Fed C.A.'s) (8-20-96/Indian C.A.'s)*
- See* 6. Cardex file has been updated for each well listed above.
- See* 7. Well file labels have been updated for each well listed above.
- See* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-11-96)*
- See* 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only) Surety No. U605382-1 (\$80,000) United Pacific Ins. Co.

- Yes 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. ** Upon Compl. of routing.*
- Yes 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date March 11, 1996. If yes, division response was made by letter dated 19 . *(Same Bond as Coastal)*

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.
- 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- Yes 1. All attachments to this form have been microfilmed. Date: 1-7 1997.

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

960311 This change involves Fee lease / non C.A. wells ~~only~~ in State lease wells.
C.A. & Indian lease wells will be handled on separate change.

960412 Blm/SL Appr. C.A.'s 4-11-96.

960820 BIA Appr. CA's 8-16-96.

960329 BIA Appr. Indian Lease wells 3-26-96.

WE71/34-35 ** 961107 Lemicy 2-582/43-013-30784 under review at this time; no dg. yet!*

Well Name & No.	API No.	Lease Designation & Serial Number	If Indian, Allottee or Tribe Name	CA No.	LOCATION OF WELL				
					Footages	Section, Township & Range	Field	County	
Ute 1-31A2	43-013-30401	14-20-H62-1801 1925	Ute	N/A	2246' FSL & 2270' FWL	NESW, 31-1S-2W	Bluebell	Duchesne	
Ute 1-32Z2	43-013-30379	14-20-H62-1702 1915	Ute	N/A	1484' FNL & 2554' FWL	SENE, 32-1N-2W	Bluebell	Duchesne	
Ute 1-36B6	43-013-30502	14-20-H62-2532 1940	Ute	N/A	1212' FSL & 487' FEL	SESE, 36-2S-6W	Altamont	Duchesne	
Ute 1-6B2	43-013-30349	14-20-H62-1807 1895	Ute	N/A	2052' FSL & 1865' FEL	NWSE, 6-2S-2W	Bluebell	Duchesne	
Ute 2-22B5	43-013-31122	14-20-H62-2509 10453	Ute	N/A	737' FSL & 1275' FWL	SWSW, 22-2S-5W	Altamont	Duchesne	
Ute 2-25A3	43-013-31343	14-20-H62-1802 11361	Ute	N/A	2183' FSL & 1342' FWL	NESW, 25-1S-3W	Bluebell	Duchesne	
Ute 2-26A3	43-013-31340	14-20-H62-1803 11349	Ute	N/A	700' FSL & 700' FWL	SWSW, 26-1S-3W	Bluebell	Duchesne	
Ute 2-27B6	43-013-31449	14-20-H62-4631 11620	Ute	N/A	1727' FNL & 1904' FEL	SWNE, 27-2S-6W	Altamont	Duchesne	
Ute 2-28B6	43-013-31434	14-20-H62-4622 11624	Ute	N/A	1945' FSL & 1533' FEL	NWSE, 28-2S-6W	Altamont	Duchesne	
Ute 2-31A2	43-013-31139	14-20-H62-1801 10458	Ute	N/A	1012' FNL & 1107' FEL	NENE, 31-1S-2W	Bluebell	Duchesne	
Ute 2-33B6	43-013-31445	14-20-H62-2493 11691	Ute	N/A	1796' FNL & 2541' FEL	SWNE, 33-2S-6W	Altamont	Duchesne	
Ute 2-35A3	43-013-31292	14-20-H62-1804 11222	Ute	N/A	660' FNL & 660' FEL	NENE, 35-1S-3W	Bluebell	Duchesne	
Ute 2-6B2	43-013-31140	14-20-H62-1807 11190	Ute	N/A	949' FNL & 1001' FWL	NWNW, 6-2S-2W	Bluebell	Duchesne	
Ute 3-35A3	43-013-31365	14-20-H62-1804 11454	Ute	N/A	1632' FNL & 660' FWL	SWNW, 35-1S-3W	Bluebell	Duchesne	
Ute Tribal 1-27B6	43-013-30517	14-20-H62-4631 11660	Ute	N/A	2312' FNL & 1058' FWL	SWNW, 27-2S-6W	Altamont	Duchesne	
Ute Tribal 1-28B6	43-013-30510	14-20-H62-4622 11665	Ute	N/A	860' FNL & 2381' FEL	NWNE, 28-2S-6W	Altamont	Duchesne	
Ute Tribal 1-33B6	43-013-30441	14-20-H62-2493 1230	Ute	N/A	350' FSL & 2400' FEL	SWSE, 33-2S-6W	Altamont	Duchesne	
Ute Tribal 1-35B6	43-013-30507	14-20-H62-4632 2335	Ute	N/A	1248' FEL & 1350' FSL	NESE, 35-2S-6W	Altamont	Duchesne	
OIL/GAS WELLS PERMITTED - NOT DRILLED									
→ Ute 1-16B6	43-013-31524	14-20-H62-4647 99999	Ute	N/A	2424' FNL & 1590' FEL	SWNE, 16-2S-6W	Altamont	Duchesne	
Ute 1-23B6	43-013-31446	14-20-H62-4614 99999	Ute	N/A	1894' FSL & 735' FWL	NWSW, 23-2S-6W	Altamont	Duchesne	
Ute 1-26B6	43-013-31447	14-20-H62-4614 99999	Ute	N/A	205' FNL & 2485' FWL	NENW, 26-2S-6W	Altamont	Duchesne	
Ute 2-26B6	43-013-31448	14-20-H62-4614 99999	Ute	N/A	663' FSL & 697' FWL	SWSW, 26-2S-6W	Altamont	Duchesne	
SALT WATER DISPOSAL WELLS									
Lake Fork 2-23B4 SWD	43-013-30038	Patented 1970	N/A	N/A	1985' FNL & 2131' FEL	SWNE, 23-2S-4W	Altamont	Duchesne	
LDS Church 2-27B5 SWD	43-013-30340	Fee 99990	N/A	N/A	551' FSL & 2556' FEL	SWSE, 27-2S-4W	Altamont	Duchesne	
Ehrich 2-11B5 SWD	43-013-30391	Fee 99990	N/A	N/A	1983' FSL & 1443' FWL	NESW, 11-2S-5W	Altamont	Duchesne	
Hanson 2-4B3 SWD	43-013-30337	Fee 99990	N/A	N/A	641' FSL & 1988' FWL	SESW, 4-2S-3W	Altamont	Duchesne	
Shell 2-27A4 SWD	43-013-30266	Fee 99990	N/A	96108	58' FSL & 1186' FWL	SWSW, 27-1S-4W	Altamont	Duchesne	
Tew 1-9B5 SWD	43-013-30121	Patented 1675	N/A	N/A	2334' FNL & 1201' FEL	SENE, 9-2S-5W	Altamont	Duchesne	

COASTAL



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799

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

IN REPLY REFER TO:

3162.3
UT08438

May 22, 1996

Coastal Oil & Gas Corp.
Attn: Sheila Bremer
P. O. Box 749
Denver CO 80201-0749

43-013-31524
Re: Well No. Ute 1-16B6
SWNE, Sec. 16, T2S, R6W
Lease 14-20-H62-4647
Duchesne County, Utah

Dear Ms. Bremer:

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, Coastal Oil & Gas Corporation is responsible for all operations performed on the referenced well. All liability will now fall under your bond, a \$150,000 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 (801) 789-1362.

Sincerely,

Howard B. Cleavinger II
Assistant District Manager for
Minerals Resources

cc: ANR Production Company
BIA
Division Oil, Gas, & Mining

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-H62-4647

6. If Indian, Allottee or Tribe Name
Ute

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
Ute #1-16B6

9. API Well No.
43-013-31524

10. Field and Pool, Or Exploratory Area
Altamont

11. County or Parish, State
Duchesne County, UT

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Coastal Oil & Gas Corporation

3. Address and Telephone No.
P. O. Box 749, Denver, CO 80201-0749 (303) 573-4455

4. Location of Well (Footage, Sec., T., R., M., Or Survey Description)
2424' FNL & 1590' FEL
SW/NE Section 16-T2S-R6W

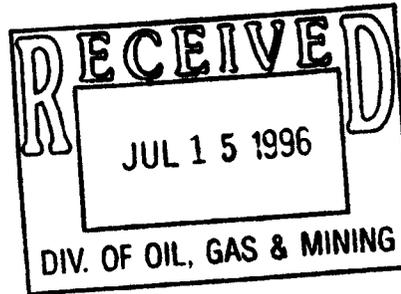
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

The subject APD was approved on July 27, 1995. Due to continuing economic evaluation, Coastal Oil & Gas Corporation will not be able to spud this well prior to the expiration date. Operator therefore requests a one year extension of the subject APD.



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

Signed Sheila Bremer Title Environmental & Safety Analyst Date 07/12/96
Sheila Bremer

(This space for Federal or State office use)

APPROVED BY Matthew Title Petroleum Engineer Date 7/15/96
Conditions of approval, if any:

8/4/97



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799

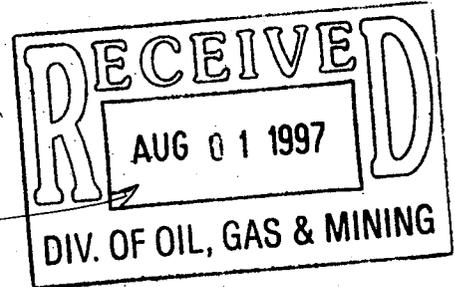
Phone: (801) 781-4400
Fax: (801) 781-4410

IN REPLY REFER TO:
3160
UT08300

Coastal Oil & Gas Corporation
Attn: Sheila Bremer
P O Box 749
Denver CO 80201-0749

July 29, 1997

DOGEM
LA DATE



Re: Notification of Expiration
Well No. UTE 1-16B6
Section 16, T2S, R6W
Lease No. 14-20-H62-4647
Uintah County, Utah

43-013-31524

Dear Ms. Bremer:

The Application for Permit to Drill the above-referenced well was approved on July 28, 1995. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until July 28, 1997. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

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

Sincerely,

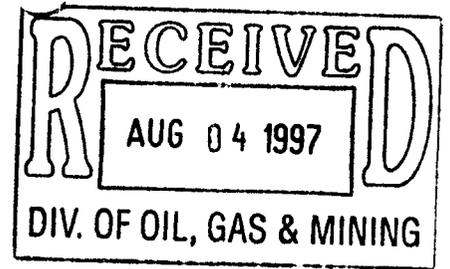
Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M



Coastal
The Energy People

August 1, 1997



Ute #1-16B6
Section 16-T2S-R6W
Lease No. 14-20-H62-4647
Duchesne County, Utah

Ms. Margie Herrmann
Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, UT 84078-2799

Dear Ms. Herrmann:

We are in receipt of your Notification of Expiration letter dated July 29, 1997. After confirmation with our field personnel, this letter is being submitted to confirm that no surface disturbance has been made for this drill site. If at such time Coastal Oil & Gas Corporation intends to drill at this location in the future, a new Application for Permit to Drill will be submitted.

If you need any further information, please do not hesitate to contact us.

Sincerely,

Sheila Bremer
Environmental & Safety Analyst

xc: State of Utah

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303-572-1121



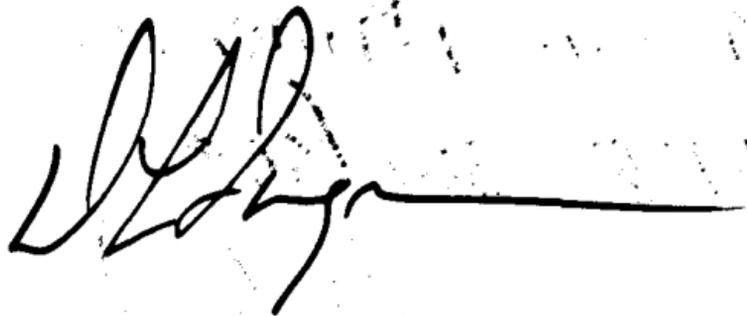
Stan Olmstead
w/ BLM on presite
VISIT TO Ute 1-1686

De



Access Road Ute 1-1686

Looking Down toward
Puchesne River.

A handwritten signature in black ink, appearing to be 'W. J. ...', with a long horizontal line extending to the right.



Trip in Across Access Road
to Ute # 1-16B6

sw/se sec 16; T25; R6W.

Indian Minerals; ~~set~~
FEE Surface.

D L Ingram



From Ridge where
proposed Ute 1-16B6
is located.



found Photos under
sandstone ledge, uphill
from Access road, Approx:
5' to 10' Feet away.

Ute 1-16 BB FER
Surface



Trip on on Access
Road to Ute 1-16B6.

Pictured below is Parker
#232 on Ute 1-15B6.

DYH



Photo #2 from Stake #1
Looking toward Well Head.

Ute 1-16B6

Dennis Dy



Photo # 6 Corner # 8

looking toward West or

at corner # 6

Ute 1-1686



Photo #4 Pit corner "A" looking
toward cliff, river &
black tail.

Ute 1-16-86

DL

ANE PRODUCTION

CO - UTE # 14686 2451 PUL 1997
SEE # 7 25 196 W 85 26 N 29 53 P 30

FSC



Photo #5 from Corner #3

Looking toward South or
Cliff, River & Blacktail

Mountain Ute T-16B6



Photo #3. from Pit Corner B
looking toward Well Head.

Ute 1-1686

Presite