

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS FILE X WATER SANDS LOCATION INSPE SUB. REPORT/abd.

97203 LA'D 460, 11.24.97:

DATE FILED 10-4-95

LAND FEE & PATENTED FEE STATE LEASE NO. PUBLIC LEASE NO. INDIAN

DRILLING APPROVED: 10-18-95

SPUDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR.

PRODUCING ZONES.

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 11.24.97 LA'D

FIELD: BLUEBELL 065

UNIT: N/A

COUNTY: DUCHESNE

WELL NO CHASEL 3-17A1 API NO. 43-013-31560

LOCATION 1234 FSL FT. FROM (N) (S) LINE. 1758 FEL FT. FROM (E) (W) LINE. SW/SE 1/4 - 1/4 SEC. 17

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
1S	1W	17	COASTAL OIL & GAS				

COPSTAR

PUL & CAS

3-17A1

SE 1/4 SEC 17 T1S R1W
Loc 70 West



Chassel 3-17A1

Drainage talked ABOUT
from North in Presite

Furrow

10/12/95

Dh



Chase/ 3-17A/

South look North

18/12/95



Chisel 3-17A1

Wet Bottom to Southeast
of location — talked
ABOUT on presite form.

70/12/95



Chase 3-17A1

EAST look West

10/12/95

A handwritten signature consisting of a stylized 'L' or 'J' shape followed by a long horizontal line.



Chesel 3-17A1

West look East

18/12/55



Chasel # 3-17A1

Onsite 10/12/95

Access Road

NORTH look South

DPL



Chassel 3-17.A1

Ground Cover

10/12/95



Chasel 3-17A1

Onsite 10/12/95

Access Road

Dh



Chasel 3-17A1

ONSITE 10/12/95

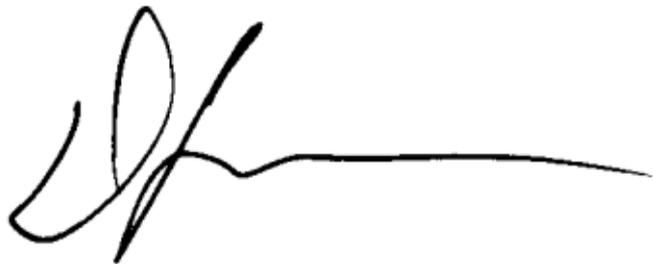
ACCESS ROAD IFL



Chasel 3-17A1

Onsite 10/12/95

Access Road

A handwritten signature in black ink, consisting of a stylized, cursive initial followed by a long horizontal line extending to the right.



Chasel 3-17A1

Ground Cover on Presite

10/12/95

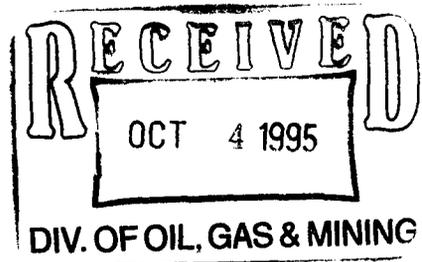


Coastal
The Energy People

October 3, 1995

Chasel #3-17A1
Section 17-T1S-R1W
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.

Please call me, at the number listed below, so that an on-site inspection for this well can be scheduled and appropriate parties invited to the on-site. We would prefer that the on-site inspection be scheduled for one of the following days: October 10, 11, or 12.

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

Sincerely,

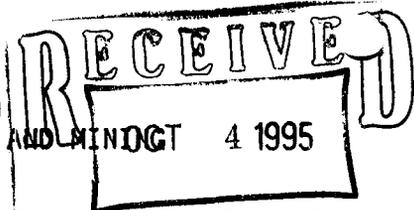
Sheila Bremer
Environmental & Safety Analyst

Enclosures

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

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



APPLICATION FOR PERMIT TO DRILL, DEEPEN PLUG BACK			5. Lease Designation and Serial No. Fee
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			6. If Indian, Allottee or Tribe Name N/A
b. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>			7. Unit Agreement Name CA #VR49I-84680C
2. Name of Operator Coastal Oil & Gas Corporation			8. Farm or Lease Name Chase 1
3. Address of Operator P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455			9. Well No. #3-17A1
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1234' FSL & 1758' FEL At proposed prod. zone			10. Field and Pool, or Wildcat Altamont/Bluebell
14. Distance in miles and direction from nearest town or post office* Approximately 9 miles NW of Roosevelt, Utah			11. Co. Sec., T., R., M., or Blk. and Survey or Area SW/SE Sec. 17-T1S-R1W
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drilg. line, if any) 438'	16. No. of acres in lease 400	17. No. of acres assigned to this well 2 wells/640 acres	
18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. 2200'	19. Proposed depth 14,330'	20. Rotary or cable tools Rotary	
21. Elevations (Show whether DF, RT, GR, etc.) 5518' ungraded 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
Please see attached drilling program.			

Coastal Oil & Gas Corporation proposes to drill a well to a proposed TD of 14,330' 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 State of Utah requirements.

See Drilling Program and Multi-point Surface Use & Operations Plan, attached.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage pursuant to 43CFR3104 for lease activities is being provided for by Coastal's Nationwide Bond #CO-0018 and Bond #102103.

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. I hereby certify that this report is true and complete to the best of my knowledge.
Signed: Sheila Bremer Title: Environmental & Safety Analyst Date: 10/3/95

(This space for Federal or State office use)

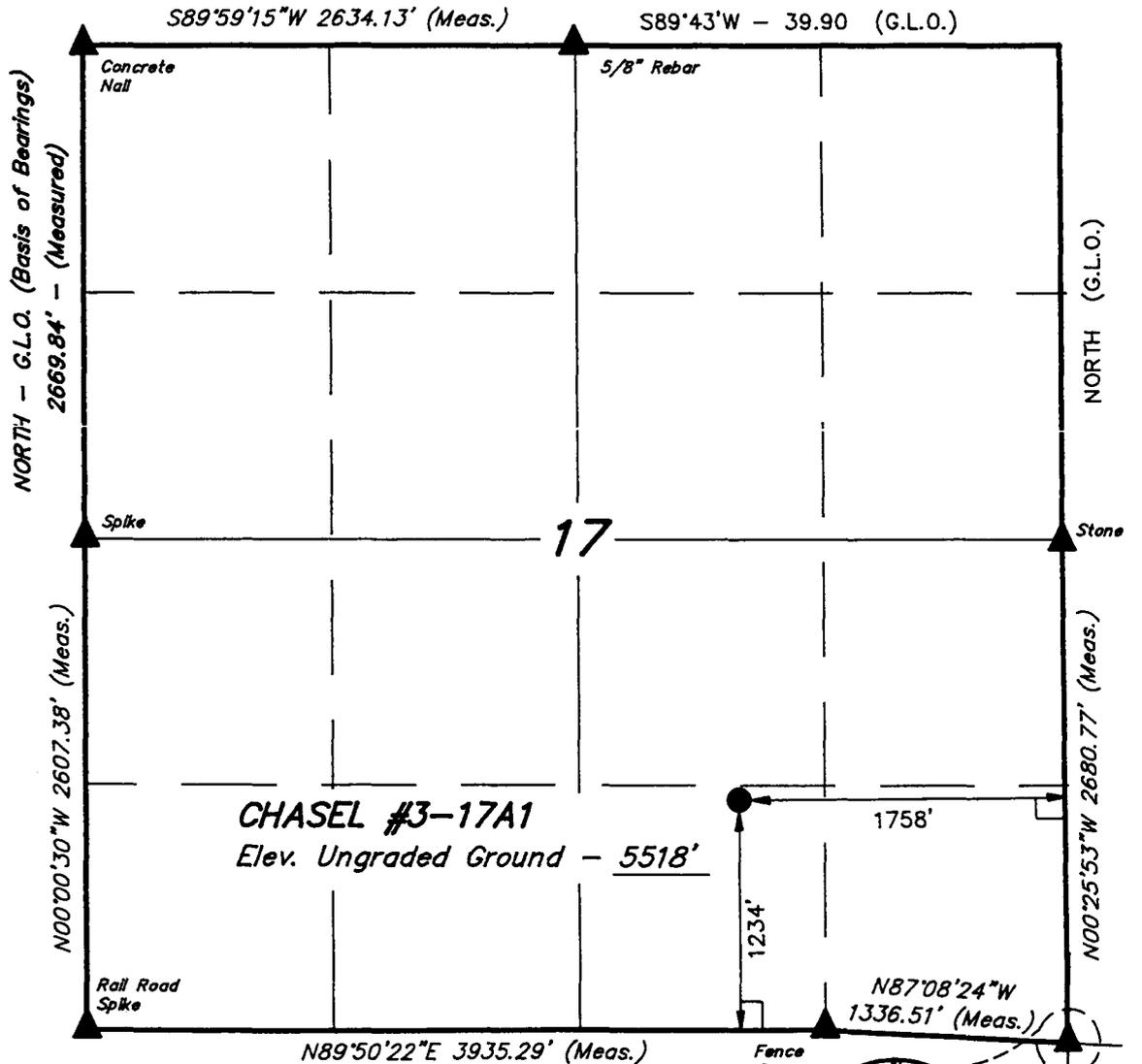
API NO. 43-013-31569 Approval Date _____
Approved by: [Signature] Title: Petroleum Engineer Date: 10/18/95
Conditions of approval, if any: _____

*See Instructions On Reverse Side

T1S, R1W, U.S.B.&M.

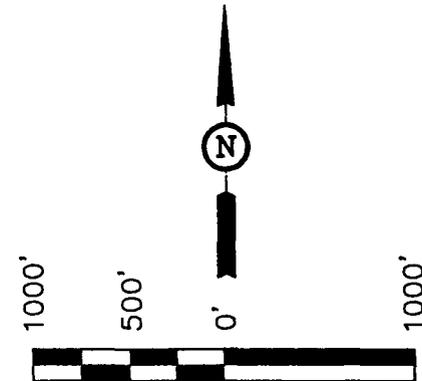
COASTAL OIL & GAS CORP.

Well location CHASEL #3-17A1, located as shown in the SW 1/4 SE 1/4 of Section 17, T1S, R1W, U.S.B.&M. Duchesne County, Utah



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 17, T1S, R1W, U.S.B.&M. TAKEN FROM THE NEOLA QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5774 FEET.



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

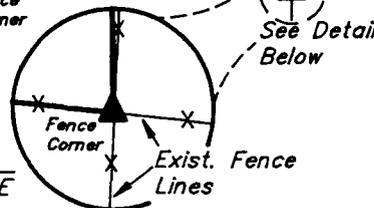
Robert L. Gray
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

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

LEGEND:

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

Detail
NO SCALE



SCALE 1" = 1000'	DATE SURVEYED: 9-1-95	DATE DRAWN: 9-6-95
PARTY J.F. J.K. D.J.S.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE COASTAL OIL & GAS CORP.	

**CHASEL #3-17A1
1234' FSL & 1758' FEL
SW/SE, SECTION 17-T1S-R1W
DUCHESNE COUNTY, UTAH**

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

The proposed wellsite is on **fee surface/fee minerals**.

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

<u>Formation</u>	<u>Depth</u>
Duchesne River/Uinta	Surface
Green River	7,050'
Lower Green River	9,410'
Wasatch	10,460'
• Top of Wasatch Red Beds	10,885'
• Bottom of Wasatch Red Beds	11,835'
Total Depth	14,330'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	Lower Green River	9,410'
	Wasatch	10,460'
Gas	Lower Green River	9,410'
	Wasatch	10,460'
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)

Coastal Oil & Gas Corporation'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 (if used) 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.

- The size and the rating of the BOP stack is shown on the attached diagram.
- A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- 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	0-3,000'	12-1/4"	9-5/8"	36#	K-55	ST&C
Intermediate	0'-6,000'	8-3/4"	7"	26#	S-95	BT&C
Intermediate	6,000'-11,800'	8-3/4"	7"	26#	S-95	LT&C
Prod Liner	11,525'-TD	6-1/8"	5"	18#	S-95	H521

Casing design is subject to revision based on geologic conditions encountered.

- b. The Cement Program will be as follows:

<u>Surface</u>	<u>Fill</u>	<u>Type & Amount</u>
0-3,000'	2,500' 500'	Lead: 780 sacks, 12.4 ppg Lite cement. Tail: 480 sacks, 15.6 ppg Class "G".
<u>Intermediate</u>	<u>Fill</u>	<u>Type & Amount</u>
0-6,000'	5,580'	Lead #1: 630 sacks, 12.4 ppg Lite cement.
6,000'-11,800'	2,200'	Lead #2: 400 sacks, 14.2 ppg 50/50 Poz w/2% gel.
	1,020'	Tail: 150 sacks, 15.9 ppg Class "H" w/35% Silica Flour.
<u>Production Liner</u>	<u>Fill</u>	<u>Type & Amount</u>
11,525'-TD	2,805'	Premium "G" w/35% Silica, 15.9 ppg, 1.51 ft. ³ /sx yield. A calculated volume from log caliper plus 25% excess will be pumped, approximately 159 sacks.

5. **Drilling Fluids Program:**

a.	<u>Interval</u>	<u>Type</u>	<u>Mud Wt.</u>
	0-4,500'	Air Mist/Aerated Water	8.4
	4,500'-4,700'	LSND to Lightly Dispersed Mud	8.5-8.7
	4,700'-6,500'	Air Mist/Aerated Water	8.4
	6,500'-11,800'	LSND to Lightly Dispersed Mud	8.7-11
	11,800'-TD	LSND to Weighted Mud	10-15

- b. No chromate additives will be used in the mud system without prior approval to ensure adequate protection of fresh water aquifers.

6. **Evaluation Program:**

- a. Logging Program:

Resistivity-GR, SP:	TD to 3,000'.
Sonic-GR:	TD to 7,000'.
GR:	TD to surface.
Borehole Imager:	TD to 9,400'.
Drill Stem Tests:	None anticipated.
Cores:	None anticipated.

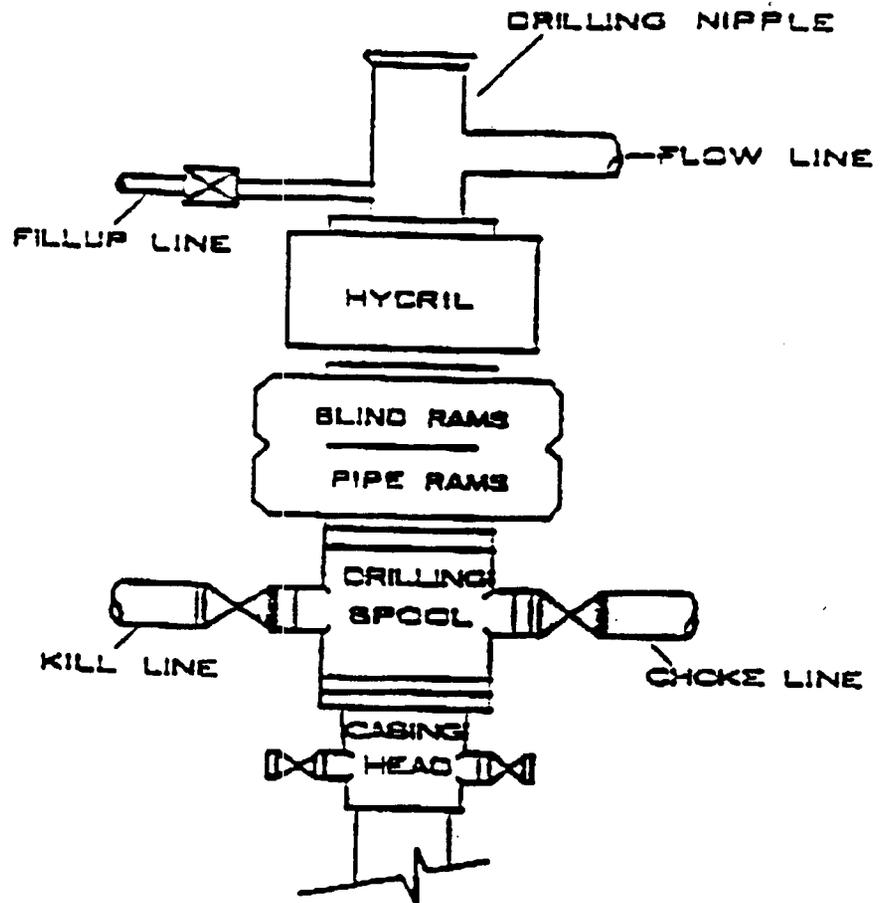
The Evaluation Program may change at the discretion of the well site geologist.

- b. No drill stem tests, 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 is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure approximately equals 5,732 psi (calculated at 0.4 psi/foot) and maximum anticipated surface pressure equals approximately 2,579 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

EOP STACK



5,000 PSI

**CHASEL #3-17A1
1234' FSL & 1758' FEL
SW/SE, SECTION 17-T1S-R1W
DUCHESNE COUNTY, UTAH**

COASTAL OIL & GAS CORPORATION

MULTI-POINT SURFACE USE & OPERATIONS PLAN

This Surface Use and Operations Plan is subject to change pending completion of the on-site inspection.

1. **Existing Roads:**

The proposed wellsite is approximately nine miles northwest of Roosevelt, Utah.

Directions to the location from Roosevelt, Utah, are:

Proceed from Roosevelt, Utah, in a westerly then northwesterly direction approximately 4.3 miles to the junction of this road and an existing road to the southeast; turn right and proceed in a southeasterly then northerly direction approximately 2.6 miles to the junction of this road and an existing road to the east; proceed northerly then westerly approximately 0.6 miles to an existing location and the beginning of the proposed access road. Turn right and follow road flags in a northerly direction approximately 1.0 miles to the proposed location.

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

Improvements to existing access roads shall be determined at the on-site inspection.

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 1.0 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, *unless modified at the on-site inspection*. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.

The access road was centerline flagged during time of staking.

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.

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

- a. Water wells - 0
- b. Producing wells - 5
- c. Drilling wells - 0
- d. Shut-in wells - 0
- e. Temporarily abandoned wells - 0
- f. Disposal wells - 0
- g. Abandoned wells - 1
- h. Injection wells - 0

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

The following guidelines will apply if the well is productive.

- a. 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.
- b. 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.
- c. 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.

- d. Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

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

Water for drilling purposes will be obtained from the Duchesne City Culinary Water System, Sections 1 and 2, T4S-R5W, Duchesne County, Utah, 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.

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 need for a reserve pit liner will be determined at the on-site inspection.*

If a plastic reinforced liner is used, it 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. Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.
- e. A chemical porta-toilet will be furnished with the drilling rig.
- f. 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.
- g. 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.

- h. 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). *This section is subject to modification as a result of the on-site inspection.*

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

- a. The reserve pit will be located on the northeast side of the location.
- b. The stockpiled topsoil (first six inches) will be stored on the southwest 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 east 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 southeast.
- 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).

b. Dry Hole/Abandoned Location:

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 proposed access road is located on lands owned by:**

- John D. Chasel (see below)
- Calvin K. Horrocks
- Mark L. Oberhansly

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

- John D. Chasel
2285 Lucky John Drive
Park City, Utah 84060

Coastal Oil & Gas Corporation has contracted an agent to represent the Corporation and negotiate damage and right-of-way agreements with the landowner(s). These negotiations are in progress. Notification will be submitted via Sundry Notice when landowner(s) negotiations are complete. The operator recognizes that no work will be initiated upon the leased lands until an agreement with the surface owner(s) has been signed and plans for reclamation of the surface have been made.

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, 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.

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

Sheila Bremer
Environmental & Safety Analyst
Coastal Oil & Gas Corporation
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, the approved Plan of Operations, and any applicable Notice to Lessees.

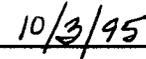
The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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



Date

COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

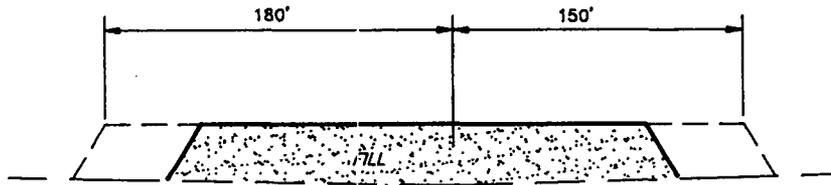
CHASEL #3-17A1

SECTION 17, T1S, R1W, U.S.B.&M.

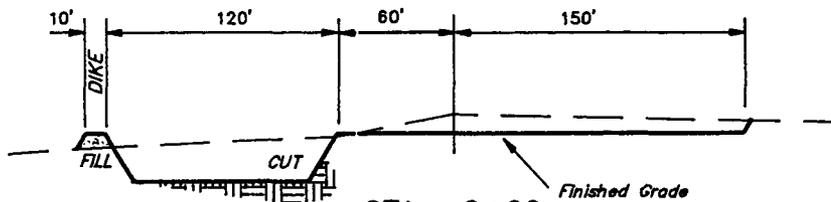
1234' FSL 1758' FEL



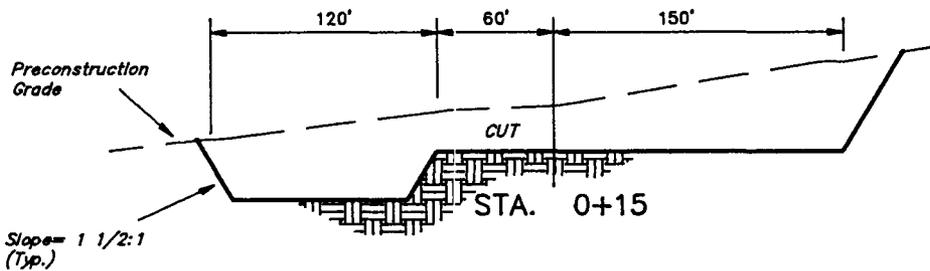
1" = 40'
X-Section
Scale
1" = 100'
DATE: 9-6-95
DRAWN BY: D.J.S.



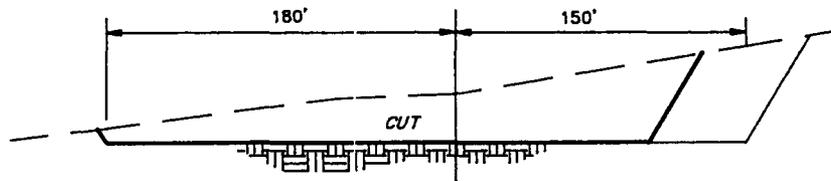
STA. 4+50



STA. 2+00



STA. 0+15



STA. 0+00

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	2,600 Cu. Yds.
Remaining Location	=	24,510 Cu. Yds.
TOTAL CUT	=	29,710 CU.YDS.
FILL	=	19,590 CU.YDS.

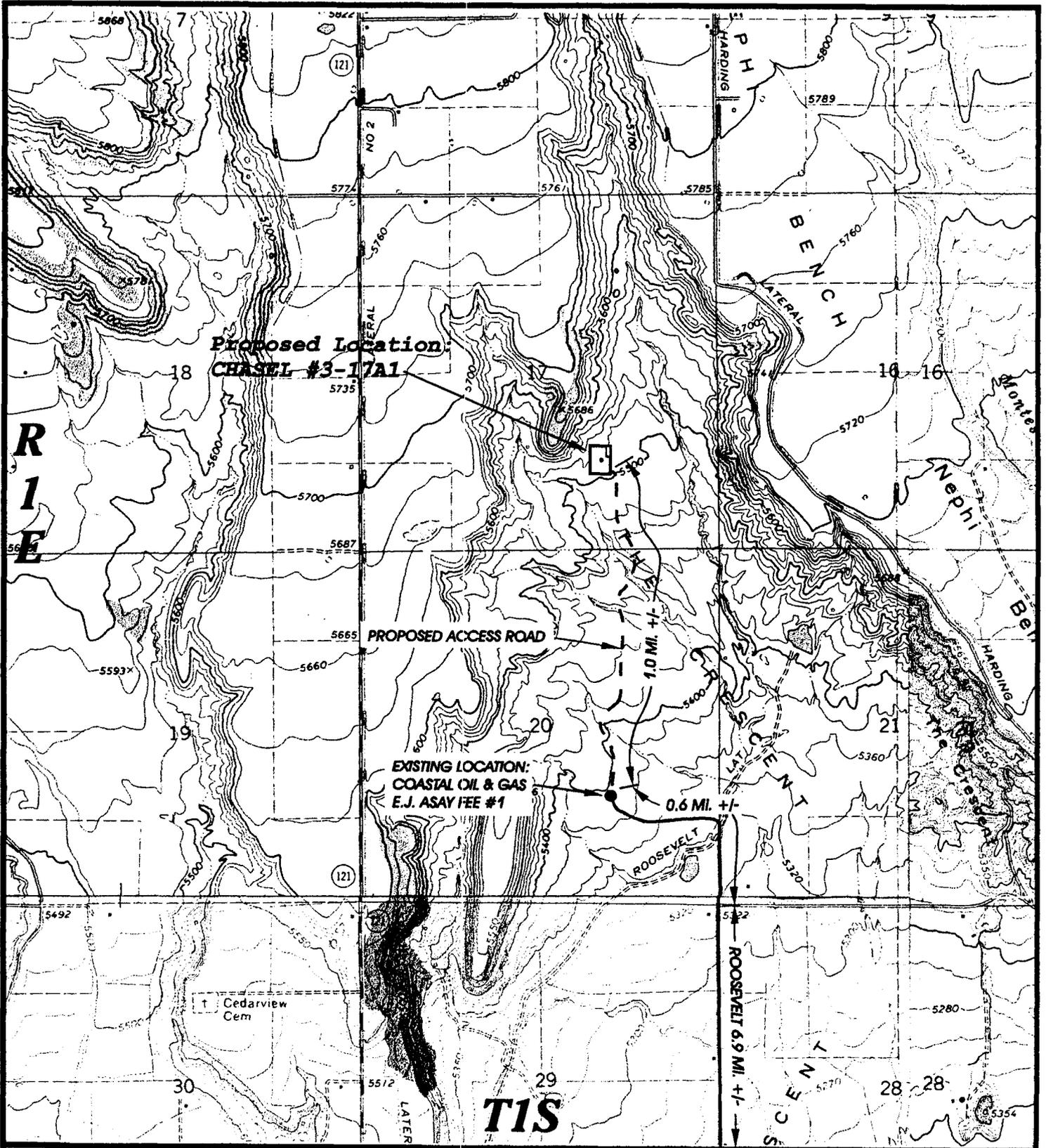
EXCESS MATERIAL AFTER 5% COMPACTION	=	6,490 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Volume)	=	6,490 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

NOTES:

Elev. Ungraded Ground At Loc. Stake = **5517.7'**

FINISHED GRADE ELEV. AT LOC. STAKE = **5513.7'**

FIGURE #2



UELS

**TOPOGRAPHIC
MAP "B"**

DATE: 9-8-95 D.COX

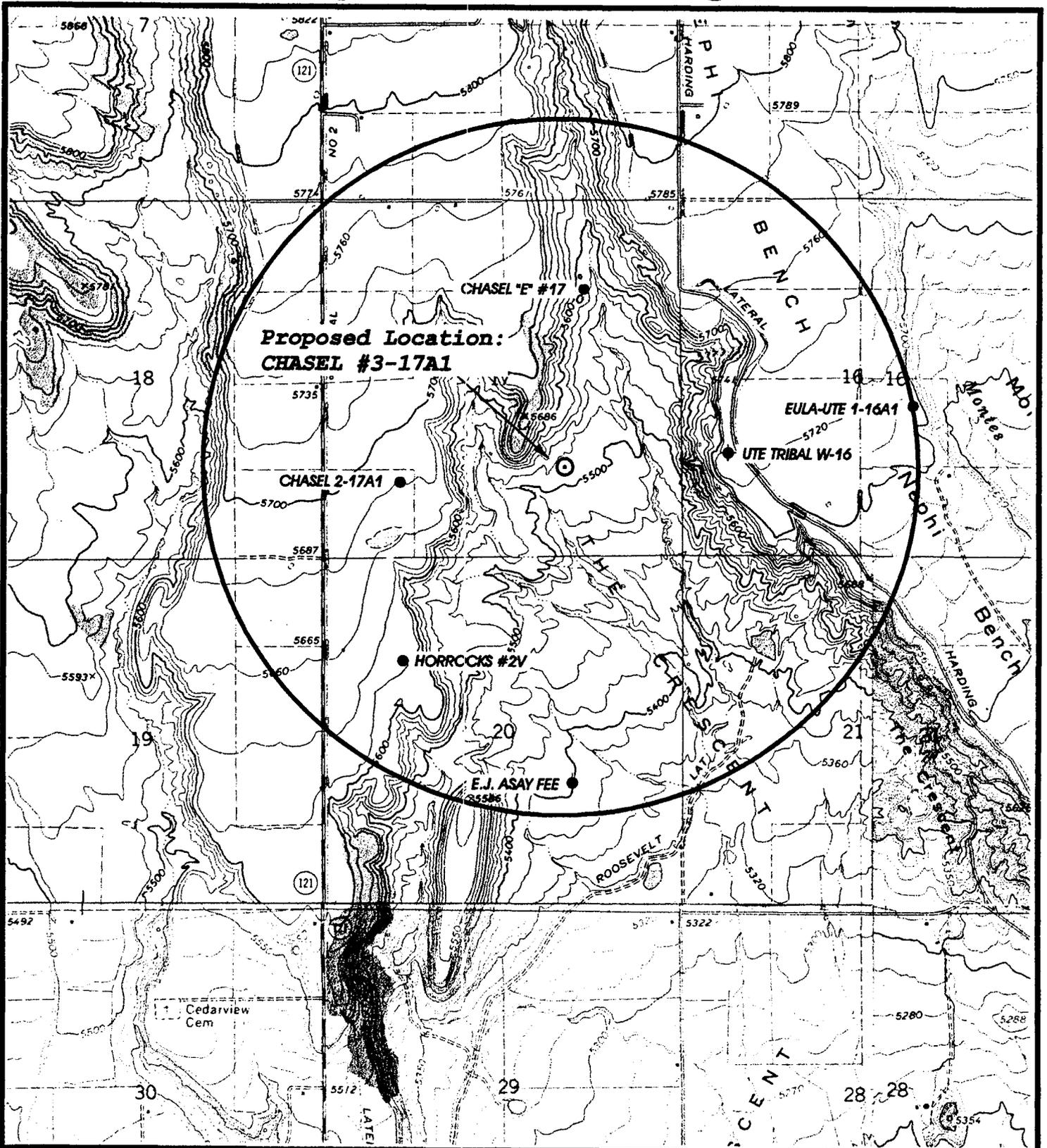
COASTAL OIL & GAS CORP.

CHASEL #3-17A1
SECTION 17, T1S, R1W, U.S.B.&M.
1234' FSL 1758' FEL



SCALE: 1" = 2000

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017



LEGEND

**U
E
S**

- Water Wells
- Abandoned Wells
- Temporarily Abandoned Wells
- Disposal Wells
- Drilling Wells
- Producing Wells
- Shut-in Wells

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



SCALE: 1" = 2000'

COASTAL OIL & GAS CORP.

CHASEL #3-17A1
SECTION 17, T1S, R1W, U.S.B.&M.
**TOPOGRAPHIC
MAP "C"**

DATE: 9-13-95 D.COX



**State of Utah
Division of Oil, Gas & Mining (OGM)**

**ON-SITE PREDRILL EVALUATION AND REVIEW
FOR
APPLICATION FOR PERMIT TO DRILL (APD)**

OPERATOR Coastal Oil & Gas Cprporation			
WELL NO. Chasel 3-17A1		LEASE NO. Fee	
API No. 43-013-31560		LEASE TYPE State <input type="checkbox"/> Fee <input checked="" type="checkbox"/>	
PROPOSED LOCATION			
1/4/1/4 SW SE	SECTION 17	TOWNSHIP 1 S	RANGE 1 W
COUNTY DUCHESNE		FIELD Bluebell 065	
SURFACE 1234 FSL 1758 FEL			
BOTTOM HOLE 1234 FSL 1758 FEL			
GPS COORDINATES 4471586 N 583470 E			
SURFACE OWNER John Chasel			
SURFACE AGREEMENT Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		CONFIDENTIAL Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
LOCATING AND SITING			
<input type="checkbox"/>	UAC R649-2-3.	Unit	<input type="text"/>
<input type="checkbox"/>	UAC R649-3-2.	General	
<input type="checkbox"/>	UAC R649-3-3.	Exception	
<input checked="" type="checkbox"/>	UCA 40-6-6.	Drilling Unit	-- Cause No. 139-42 4/12/85

DRILLING PROGRAM

The following information should be included in the Application for Permit to Drill submitted.

- 1 Surface Formation and Estimated Tops/Geologic Markers
- 2 Estimated Depths and Names of Anticipated Water, Oil, Gas or other Mineral Bearing Formations

(All fresh water sands encountered during drilling shall be recorded and reported to the Division on Form 7.)
- 3 Well Control Equipment & Testing Procedures
- 4 Proposed Casing and Cementing Program
- 5 Mud Program, Circulating Medium, and Monitoring equipment
- 6 Coring, Testing, and Logging Program
- 7 Expected Bottom Hole Pressures and any anticipated Abnormal Pressures, Temperatures or Potential Hazards such as hydrogen sulfide, expectations and contingency plans for mitigating identified hazards
- 8 Any other information relative to the proposed operation.

Onsite Participants:

Linda Turner (COGC); Shelia Bremer (COGC); Scott Seeley (Coastal Drilling); Clay Enierson (COGC); Ed Trotter (consultant); Robert Keay (Uintah Land Survey); Calvin & John Horrock (Landowner for access road); John Chasel (Surface owner) did not show but was invited.

Regional Setting/Topography:

Broad north/south draw 3/4 miles east of Neola highway. Proposed site is southeast of a north/south ridge on the highest-dryest ground available. A low marshy stream bed is located just 420 feet southwest of location. However, site is located in cedar/shadscale community environment.

SURFACE USE PLAN:

Current Surface Use: Cattle grazing and wildlife use.

Proposed Surface Disturbance: Approximately 1.0 mile of access road plus location (proposed 450 feet by 330 feet).

1. Existing Roads Highway 121 North of Duchesne to Cedarview Junction 4.3 miles. Right on access road to The Crecent area and north to location.
2. Planned Access Roads - include length of new road, length of existing road to be upgraded, maximum disturbed and travel surface widths, maximum grades, turnouts, surface materials, drainage, cattleguards one mile of new access road will be required. See the attached map.
3. Location of existing wells within one-mile radius of proposed location, include water, injection, producing, drilling with present status of each well See the attached maps one from Coastal and one from the state database
4. Location of Production Facilities and Pipelines See the attached map and explanation in the surface use plan under part 4.
5. Location and Type of Water Supply (include Division of Water Rights approval or identifying number) Duchesne City Water System.
6. Source of Construction Material Spoil from the location will be used for the pad construction, and gravel pad will be purchased from a supplier.
7. Waste Management Plan This plan is filed as part of the APD and is sufficient for this location.
8. Ancillary Facilities None are required.
9. Well Site Layout See the diagram attached and marked as Figure #1
10. Surface Restoration Plans See part 10 subparts A. & B.

ENVIRONMENTAL PARAMETERS:

Affected Floodplain and/or Wetlands:

A 404 dredge and fill permit may be required if this site is in or adjacent to a wetland or other established drainage or floodplain. (Contact the Army Corps of Engineers if there are concerns of this nature) Called Shelia Bremer and recommended that she notify the Army Corps of Engineers, wetland could apply.

Flora/Fauna:

Briefly describe the flora found on the proposed site and the fauna evidenced or sighted on or near the proposed location Cedar tree, prickly-pear cactus, bunch grass, and shadscale community. Access road will utilize wet willow patches and cotton lowlands. Coyote, deer and rabbit tracks observed but raptors and other farmland type wildlife are utilizing area as well.

SURFACE GEOLOGY

Soil Type and Characteristics: Fine-grained sandy loam.

Surface Formation & Characteristics: Green River formation in the Tertiary Period.

Erosion/Sedimentation/Stability: Erosion problems observed on Gary Energy right-of-way where vegetative cover has been removed/some sedimentation/no stability problems.

Paleontological Potential Observed: None observed.

RESERVE PIT

Characteristics: 215' long x 120' wide x 10' deep, propped in cut with free-board dike made of fill. Soil is sandy loam and highly permeable.
Lining (Site ranking form attached): 62 points.

OTHER OBSERVATIONS

Cultural Resources/Archaeology (if proposed location is on State land, has an archaeology clearance been obtained?): N/A.

Comments: Fall day with clear skies and 100 percent open ground. Calvin Horrocks was present on pre-site to address his concerns on crossing his property. He requested two cattle-guards, three 30 inch culverts and a fence along a portion of the west side of access road. Ed Trotter claims Coastal would be money ahead to build road here because of marshy area below. Construction of location itself presented few problems. Water Rights says there are two domestic wells in SW/SW of this section owned by Lisa and a Wilkins. Spoke to Dan Jarvis about soil porosity and water wells in section. He recommended that thes two water wells be sampled before the drilling process so a comparison can be done latter if a problem arises.

Dennis L. Ingram
OGM Representative

10:00 A.M on 10/12/95
Date and Time

STATEMENTS OF BASIS
OGM Review of Application for Permit to Drill (APD)

Company: COASTAL OIL & GAS

Well Name: CHASEL 3-17A1

ENGINEERING/LOCATING and SITING:

The proposed location meets the location and siting requirements of UCA 40-6-6, in accordance with Cause 139-42 dated 4-12-85. The application and proposed casing and drilling plan appear to be consistent with accepted industry standards of practice and sound engineering design. A casing design safety check is attached. Blow out prevention and monitoring/contingency plans are adequate.

Signature: F. R. Matthews

Date: 10/18/95

GEOLOGY/GROUND WATER:

The base of moderately saline ground water is at a depth of about 1020± feet. There is a disposal well about 2 miles to the west of this location in section 13 which has injected for years in the lower Duchesne River Formation at a depth of about 2129' to 2386'. The correlative zone at the proposed location may be pressured up to some extent. The proposed casings/cement program should adequately seal off this zone and protect the fresh water above 1020' and potential productive zones below.

Signature: G. Hunt

Date: 10-18-95

SURFACE:

The pre-site investigation of the surface has been performed by field personnel. All applicable surface management agencies and landowners have been notified; their concerns have also been accommodated where reasonable and possible. Coastal Oil & Gas says they notified the John Chasel although he did not show. Access owner Calvin Horrocks did show and address access concerns over cattle guards and culverts. Shelia Bremer was told that she might should notify the Army Corp of Engineers on potential wetlands concerns.

Signature: Dennis L. Ingram

Date: 10/16/95

STIPULATIONS for APD Approval:

1. 12 Mil pit liner.
2. Inspection of pit before liner installation.
3. Drainage at pit corner #3 routed around lease between #6 and #7 where natural drainage occurred.
4. Test two water wells in SW/SW, section 17, T1S, R1W for future comparison if needed.

ATTACHMENTS:

1. Dozen photos of access road and proposed well site.

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

Site-Specific Factors	Ranking Score	Final Ranking Score
Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75 <25 or recharge area	0 5 10 15 20	20
Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100	0 2 10 15 20	2
Distance to Nearest Municipal Well (feet) >5280 1320 to 5280 500 to 1320 <500	0 5 10 20	0
Distance to Other Wells (feet) >1320 300 to 1320 <300	0 10 20	10
Native Soil Type Low permeability Mod. permeability High permeability	0 10 20	10

Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	 0 5 10 15 20	5
Drill Cuttings Normal Rock Salt or detrimental	 0 10	0
Annual Precipitation (inches) <10 10 to 20 >20	 0 5 10	0
Affected Populations <10 10 to 30 30 to 50 >50	 0 6 8 10	0
Presence of Nearby Utility Conduits Not Present Unknown Present	 0 10 15	15

Final Score	62
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The summation of all of the above ranking scores will yield one value which shall be used to determine the appropriate type of containment, on a case-by-case basis. The sensitivity levels are as follows:

- Level I Sensitivity: For scores totaling ≥ 20
- Level II Sensitivity: For scores totaling 15 to 19
- Level III Sensitivity: For scores totaling < 15

Containment Requirements According to Sensitivity Level

- Level I: Requires total containment by synthetic liner, concrete structure or other type of total containment structure or material.
- Level II: Bentonite or other compatible lining is discretionary depending on the fluid to be contained and environmental sensitivity.
- Level III: No specific lining requirements.

OTHER GUIDELINES FOR PITS

1. Unlined pits shall not be constructed on areas of fill materials.
2. A pit shall not be constructed in a drainages or floodplain of flowing or intermittent streams.
3. Synthetic liners used for lining reserve pits, shall be of 12 mil thickness or greater and shall be compatible with the fluid to be contained. Synthetic liners used for lining onsite pits with a longer expected life shall be a minimum of 30 mil thickness or as approved by the Division.
4. Synthetic liners shall be installed over smooth fill material which is free of pockets, loose rocks or other materials which could damage the liner.
5. Monitoring systems for pits or closed mud systems may be required for drilling in sensitive areas.

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: COASTAL OIL & GAS CORP	Well Name: CHASEL 3-17A1
Project ID: 43-013-31560	Location: SEC. 17 - T01S - R01W

Design Parameters:

Mud weight (8.70 ppg) : 0.452 psi/ft
 Shut in surface pressure : 5850 psi
 Internal gradient (burst) : 0.194 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	6,000	7.000	26.00	S-95	Buttress	6,000	6.151	
2	5,800	7.000	26.00	S-95	LT&C	11,800	6.151	

	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Load (kips)	Tension Strgth (kips)	S.F.
1	2712	7308	2.695	7016	8600	1.23	265.99	747	2.81 J
2	5333	7800	1.463	8142	8600	1.06	130.74	602	4.60 J

Prepared by : MATTHEWS, Salt Lake City, Utah

Date : 10-18-1995

Remarks :

Minimum segment length for the 11,800 foot well is 1,500 feet.

SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 174°F (Surface 74°F , BHT 239°F & temp. gradient 1.400°/100 ft.)

String type: Intermediate - Prod

The minimum specified drift diameter is 6.125 in.

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 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. 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 1.07)



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

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

October 18, 1995

Coastal Oil & Gas Corporation
P.O. Box 749
Denver, Colorado 80201-0749

Re: Chasel #3-17A1 Well, 1234' FSL, 1758' FEL, SW SE, Sec. 17, T. 1 S., R. 1 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 43-013-31560.

Sincerely,

R. J. Birth
Associate Director

pjl

Enclosures

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

WAPD



Operator: Coastal Oil & Gas Corporation
Well Name & Number: Chasel #3-17A1
API Number: 43-013-31560
Lease: FEE
Location: SW SE Sec. 17 T. 1 S. R. 1 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

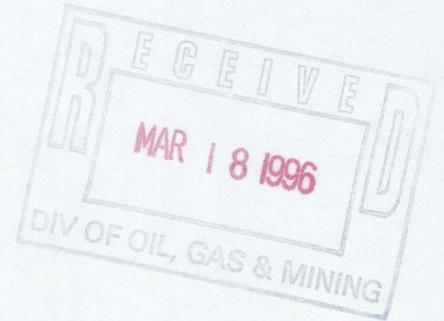
All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells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

4. On-site Predrill Evaluation and Review

Compliance with all requirements and stipulations developed during the onsite evaluation and review.



March 14, 1996



Chasel #3-17A1
API #: 43-013-31560
Section 17-T1S-R1W
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:

Attached is a copy of the Stream Channel Alteration Permit for the subject well. This permit was obtained from the Army Corp of Engineers in order to comply with a requirement and stipulation of the onsite evaluation and review.

If you have any questions or need any further information, please contact me at (303) 573-4455.

Sincerely,

Sheila Bremer
Environmental & Safety Analyst

Enclosure

Coastal Oil & Gas Corporation

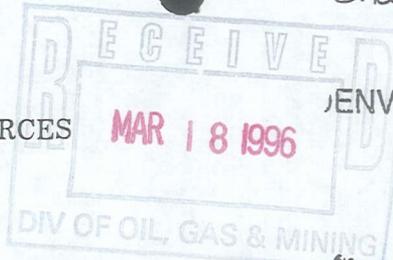
A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303/572-1121



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
Robert L. Morgan
State Engineer

1636 West North Temple, Suite 220
Salt Lake City, UT 84116-3156
801-538-7240
801-538-7467 (Fax)



Chasel #3-17A1
DENVER DISTRICT - E & S

MAR 06 1996

February 6, 1996

TFS _____
JRN _____
3/12/96
WEM

Ed Trotter
Coastal Oil & Gas Corporation
P.O. Box 749
Denver, CO 80201-0749

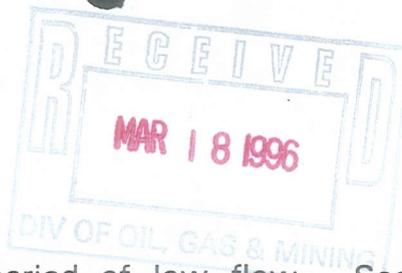
RE: Stream Channel Alteration Permit Number 95-43-21SA to construct a culverted crossing on a small tributary to Montes Creek, Duchesne County.
EXPIRATION DATE: February 6, 1997

Your application to Alter a Natural Stream Channel Number 95-43-21SA is hereby approved pursuant to the requirements of Section 73-3-29 of the Utah Code Annotated, 1953. This approval also constitutes compliance with Section 404 (e) of the Clean Water Act (33 USC 1344) pursuant to General Permit 040 issued to the State of Utah by the U.S. Army Corps of Engineers on October 15, 1987.

Work performed under this permit is subject to the following conditions:

1. The expiration date of this approved application is February 6, 1997. The expiration date may be extended, at the State Engineer's discretion, by submitting a written request outlining the need for the extension and the reasons for the delay in completing the proposed stream alteration.
2. A copy of this approved permit must be kept on-site at any time the work under this approved permit is in progress.
3. Culverts should be placed at a location that will minimize the possibility of washouts. Areas adjacent to meanders should be avoided as water may be directed toward the edges, rather than the center of the culvert. Culverts should be placed **AT GRADE** and create no change in the profile of the stream bottom to avoid upstream erosion.
4. Impacts to the stream channel and surrounding environment must be minimized. Vegetation should not be destroyed, but if some disturbance is necessary, then revegetating with native species will be required, especially replacement of woody shrubs. The channel contours and configuration must not be changed.

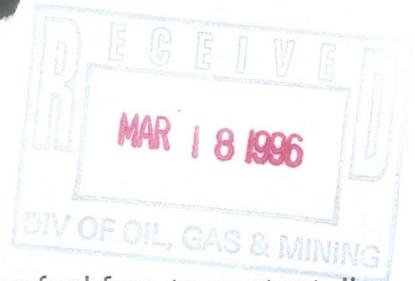




5. Work should be accomplished during a period of low flow. Sediment introduced into stream flows during construction must be controlled to prevent increases in turbidity downstream. This can be accomplished either by diverting flows away from the construction area or by constructing sediment control structures.
6. Riprap must only consist of clean, properly sized, angular rock. Riprap must be keyed in deeply in to the streambed to prevent undercutting. A filter should be placed behind riprap if necessary (i.e. soils are fine grained, non-cohesive, and erodible). Material such as bricks, concrete, asphaltic material either natural (tar sand, oil shale, etc.) or man made, other demolition debris or refuse will not be allowed.
7. Excavated material and construction debris may not be wasted in any stream channel or placed in flowing waters, this will include material such as grease, oil, joint coating, or any other possible pollutant. Excess materials must be wasted at an upland site well away from any channel. Construction materials, bedding material, excavated material, etc. may not be stockpiled in riparian or channel areas.
8. Within 30 days after the completion of this project, the State Engineer's office must be contacted for a compliance inspection. Failure to provide such notification would invalidate U.S. Army Corps of Engineers General Permit 040, thereby placing the applicant in violation of Section 404 of the Clean Water Act.

This Decision is subject to the provisions of Rule R655-6 of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code Annotated, 1953 as amended, which provide for filing either a Request for Reconsideration with the State Engineer, or an appeal with the appropriate District Court. A Request for Reconsideration is not a prerequisite for a court appeal. A court appeal must be filed within 30 days after the date of this Decision, or if a Request for Reconsideration has been filed, within 30 days after the date the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

Page 3
95-43-21SA
February 6, 1996



If you have any questions or need further clarification, please feel free to contact Jim Wells at 538-7374.

Sincerely,

A handwritten signature in cursive script that reads "Robert L. Morgan".

Robert L. Morgan, P.E.
State Engineer

RLM/jw/jm

pc: Mike Schwin - Corps of Engineers
Bob Mairley - EPA
Field Supervisor - U. S. Fish & Wildlife
Jim Dykman - State History
Carolyn Wright - State Planning
Bob Leake - Regional Engineer
Rick Larsen - Regional Wildlife Habitat Manager
Bill Bradwisch - Aquatic Habitat Coordinator

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

Fee

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.

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

CA #VR49I-84680C

1. Type of Well:

OIL GAS OTHER:

8. Well Name and Number:

Chasel #3-17A1

2. Name of Operator:

Coastal Oil & Gas Corporation

9. API Well Number:

43-013-31560

3. Address and Telephone Number:

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

10. Field and Pool, or Wildcat:

Altamont/Bluebell

4. Location of Well

Footages: 1234' FSL & 1758' FEL

County: Duchesne

QQ, Sec., T., R., M.: SW/SE Section 17-T1S-R1W

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 APD Extension
- 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 _____
- New Construction
- Pull or Alter Casing
- Perforate
- Vent or Flare
- Water Shut-Off

Date of work completion _____

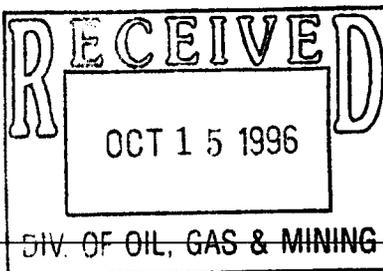
Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* 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.)

The subject APD was approved on October 18, 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.

*extended to 10/18/97
BTS*



13.

Name & Signature:

Sheila Bremer

Sheila Bremer

Title Environmental & Safety Analyst

Date 10/11/96

(This space for State use only)

Matthew

Petroleum Engineer

10/15/96



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

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

November 24, 1997

Ms. Sheila Bremer
Coastal Oil & Gas Corporation
P.O. Box 749
Denver, Colorado 80201-0749

Re: Chasel 3-17A1 Well, Sec. 17, T. 1S, R. 1W, Duchesne County, Utah,
API No. 43-013-31560

Dear Ms. Bremer:

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,

A handwritten signature in black ink that reads "Don Staley".

Don Staley
Administrative Manager
Oil and Gas

cc: J.R. Baza
K.M. Hebertson
Well File