

UTAH OIL AND GAS CONSERVATION COMMISSION

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

980827-LAid!

DATE FILED JANUARY 26, 1996

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-74869 INDIAN

DRILLING APPROVED: JULY 9, 1998

SUDDEN IN: COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 8-27-98 LAid

FIELD: MONUMENT BUTTE

UNIT: SAND WASH

COUNTY: DUCHESNE

WELL NO. TAR SANDS FEDERAL 11-31 API NO. 43-013-31602

LOCATION 1980 FSL FT. FROM (N) (S) LINE, 1860 FWL FT. FROM (E) (W) LINE. NE SW 1/4 - 1/4 SEC. 31

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
8S	17E	31	INLAND PRODUCTION				



January 25, 1996

JAN 26 1996

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

ATTENTION: Wayne Bankert

**RE: Tar Sands Federal #11-31
NE/SW Sec. 31, T8S, R17E
Duchesne County, Utah**

Dear Wayne,

Enclosed is the original and two copies of the Application For Permit To Drill, for the above referenced location. A copy will also be submitted to the State of Utah.

If additional information is needed, please contact me at (801) 722-5103, in the Roosevelt office.

Sincerely,


Cheryl Cameron

Regulatory Compliance Specialist

**cc: Attn: Mike Hebertson
State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, Utah 84180-1203**

/cc

Enclosures

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

JAN 26 1996

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-74869
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Inland Production Company		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 1446 Roosevelt, UT 84066		8. FARM OR LEASE NAME Tar Sands Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface NE/SW 1860' FWL & 1980' FSL At proposed prod. zone <i>366</i> <i>603</i>		9. WELL NO. #11-31
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12 miles southeast of Myton, UT		10. FIELD AND POOL, OR WILDCAT
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1860'	16. NO. OF ACRES IN LEASE 1968.01	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 31, T8S, R17E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1078'	19. PROPOSED DEPTH 6500'	12. COUNTY OR PARISH Duchesne
20. ROTARY OR CABLE TOOLS Rotary	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	13. STATE UT
21. ELEVATIONS (Show whether DF, RT, GB, etc.) 5347'	22. APPROX. DATE WORK WILL START* 2nd Quarter 1996	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	24#	300'	120 sx Class G+2% CaCl+2% Gel
7 7/8	5 1/2	15.5#	TD	400 sx Hilift followed by 330 sx Class G w/ 10% CaCl

The actual cement volumes will be calculated off of the open hole logs, plus 15% excess.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zones 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 Brad Mechem *Brad Mechem* TITLE Operations Manager DATE 12/23/96

(This space for Federal or State office use)

PERMIT NO. 43-013-31602 APPROVAL DATE _____
APPROVED BY *Bradley Hill* TITLE BRADLEY G. HILL DATE 7/9/98
CONDITIONS OF APPROVAL, IF ANY _____ TITLE RECLAMATION SPECIALIST III

Federal Approval of this Action is Necessary

*See Instructions On Reverse Side

*580924.D
443603A.S*

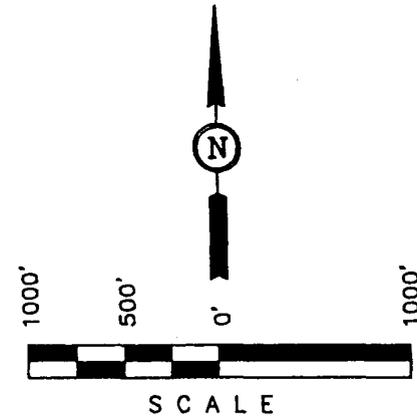
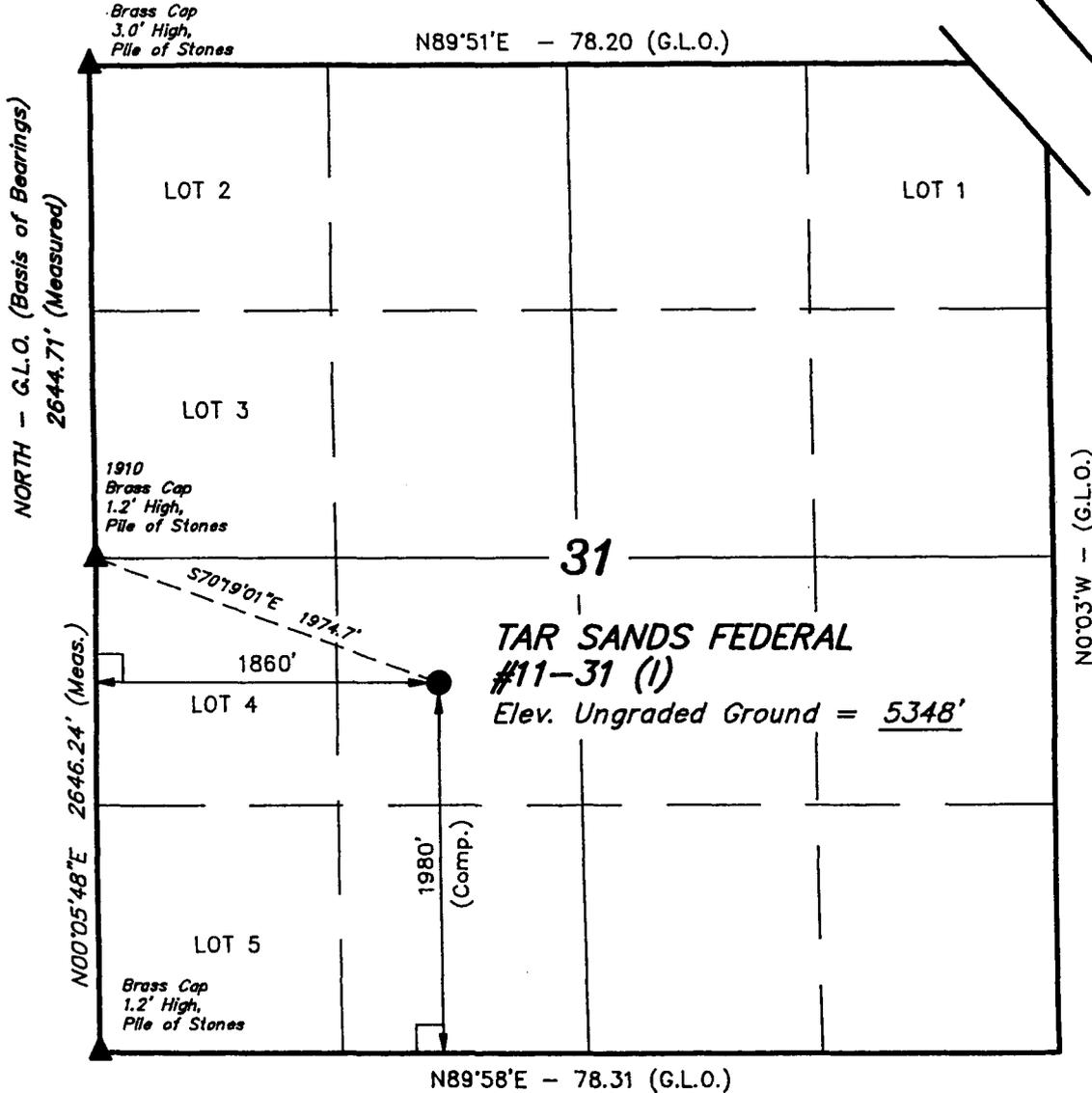
T8S, R17E, S.L.B.&M.

INLAND PRODUCTION CO.

Well location, TAR SANDS FEDERAL #11-31 (I), located as shown in the NE 1/4 SW 1/4 of Section 31, T8S, R17E, S.L.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 31, T8S, R17E, S.L.B.&M. TAKEN FROM THE MYTON SE 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 5301 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.

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

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

LEGEND:

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

SCALE 1" = 1000'	DATE SURVEYED: 12-19-95	DATE DRAWN: 12-20-95
PARTY J.T.K. B.B. L.D.T. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE INLAND PRODUCTION CO.	

**TAR SANDS FEDERAL #11-31
NE/SW SECTION 31, T8S, R17E
DUCHESNE COUNTY, UTAH
U-74869**

HAZARDOUS MATERIAL DECLARATION

INLAND PRODUCTION COMPANY guarantees that during the drilling & completion of the above referenced well, we will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986.

INLAND PRODUCTION COMPANY guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

DEC 20 1995

JOHNSON WATER DISTRICT
R. R. 3 BOX 3188
ROOSEVELT, UT 84066
TELEPHONE (801) 722-2620

December 18, 1995

TO WHOM IT MAY CONCERN:

Inland Production Company has purchased a 3 inch water connection with Johnson Water District to supply Monument Butte oilfield.

Johnson Water District has given permission to Inland Production Company to use water from our system for the purpose of drilling and completing the Tar Sands Federal 4-31, 5-311, 11-311, and 12-31.

Sincerely,


Karen Ashby,
Secretary

**INLAND PRODUCTION COMPANY
TAR SANDS FEDERAL #11-31
NE/SW SECTION 31, T8S, R17E
DUCHESNE COUNTY, UTAH**

TEN POINT WELL PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0' - 3030'
Green River	3030'
Wasatch	6500'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 3030' - 6400' - & Oil

4. PROPOSED CASING PROGRAM

8 5/8", J-55, 24# w/ ST&C collars; set at 300' (New)
7 7/8 J-55, 15.5# w/ LT&C collars/ set at TD (New)

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

The operators minimum specifications for pressure control equipment are as follows:

A 8" Series 900 Hydril Bag type BOP and a 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOPS's will be checked daily.

(See Exhibit F)

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

It is proposed that the hole be drilled with fresh water to the Green River formation @ approximately 3030', and with mud thereafter. The mud system will be a water based gel-chemical, weighted to 10.0 ppg as necessary for gas control.

7. AUXILIARY SAFETY EQUIPMENT TO BE USED:

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

No drill stem testing has been scheduled for this well. It is anticipated at this time that the logging will consist of a Dual Induction Laterolog, Compensated Neutron-Formation Density Log. Logs will run from TD to 3500'. The cement bond log will be run from PBTD to cement top. The use of mud loggers to be determined at a later date.

9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

The anticipated bottom hole pressure is 1800 psi. It is not anticipated that abnormal temperatures will be encountered; nor that any other abnormal hazards such as H₂S will be encountered in this area.

10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**

It is anticipated that the drilling operations will commence the second quarter of 1996, and take approximately eight days to drill.

**INLAND PRODUCTION COMPANY
TAR SANDS FEDERAL #11-31
NE/SW SECTION 31, T8S, R17E
DUCHESNE COUNTY, UTAH**

THIRTEEN POINT WELL PROGRAM

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Tar Sands Federal #11-31 located in the NE 1/4 SW 1/4 Section 31, T8S, R17E, S.L.B. 7 M. Duchesne County, Utah:

Proceed westerly out of Myton, Utah along Highway 40 - 1.5 miles \pm to the junction of this highway and Utah State Highway 53; proceed southerly along Utah State Highway 6.3 miles to its junction with an existing dirt road to the southwest, proceed southwesterly along this road 2.8 miles on the existing dirt road to the south. Proceed southerly along this road .8 miles to the junction with the existing dirt road to the east; proceed easterly 2.1 miles to the beginning of the proposed access road, to be discussed in item #2.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 53 ends, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County Crews.

The aforementioned dirt oilfield service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads required for access during the drilling, completion and production phase will be maintained at the standards required by the BLM or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The planned access road leaves the existing location described in Item #1 in the NE 1/4 SW 1/4 Section 31, T8S, R17E, S.L.B., and proceeds in a westerly direction approximately 150' \pm to the proposed location site.

The planned access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is determined necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will no culverts required along this access road. There will no water turnouts constructed along this road.

There are no fences encountered along this proposed road. There will no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. **LOCATION OF EXISTING WELLS**

There are nine (9) producing, three (3) injection, Inland Production wells, eight (8) producing, five (5) injection Balcron wells, within a one (1) mile radius of this well. See Exhibit "D".

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery the well pad will be surrounded by a dike of sufficient capacity to contain at minimum the entire contents of the largest tank within the facility battery.

Tank batteries will be placed on a per Sundry Notice if the well is completed as a producer.

All permanent (on site for six (6) months or longer) structures constructed or installed (including pumping units) will be painted Desert Tan. All facilities will be painted within six months of installation.

5. **LOCATION AND TYPE OF WATER SUPPLY**

At the present time, it is anticipated that the water for this well will be trucked from our pre-approved Inland Production Company water supply line located at the Gilsonite State #7-32 (SW/NE Sec. 32, T8S, R17E) location as indicated on Topographic Map - Exhibit C".

In the event this water source is not used an alternate source will be used and all the necessary arrangements will be made with the proper authorities.

There will be no water well drilled at this site.

6. **SOURCE OF CONSTRUCTION MATERIALS**

See Location Layout Sheet - Exhibit "E".

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road. (Pit lining material is referred to in Item #7.)

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

See Location Layout Sheet - Exhibit "E".

If the reserve pit is lined, it will be constructed and lined with plastic reinforced lines so as not to leak, break, or allow discharge. It will be a minimum of 12 mil thickness with sufficient bedding (either straw or dirt) to cover any rocks. The line will overlap the pit wall and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed on in the pit.

After first production, produced water will be confined to a pit or storage tank for a period not to exceed one hundred twenty (120) days. During the one hundred twenty (120) day period, in accordance with the Onshore Order #7, an application for approval of permanent disposal method and location, along with required water analysis, shall be submitted for the Authorized Officers approval.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

8. **ANCILLARY FACILITIES**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT**

See attached Location Layout Sheet - Exhibit "E".

The reserve pit will be located on the west side between stakes 4 & 5.

No flare pit will be used at this location.

The stockpiled topsoil (first six (6) inches) will be stored on the southeast side, between stakes 1 & 8.

Access to the well pad will be from the northeast corner, between stakes 7 & 8.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) 39 inch net wire shall be used with at least one strand of barbed wire on top of the net.

- b) The net wire shall be not more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be cemented and/or braced in such a manner to keep tight at all times.
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) 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 RESTORATION OF SURFACE

a) *Producing Location*

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

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

The reserve pit and that portion of the location not needed for production facilities/operations will be re contoured to the approximated natural contours. The reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons, all cans, barrels, pipe, etc., removed.

When the drilling and completion phase ends, reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. The seed mixture will be per B.L.M. and stated in the conditions of approval.

b) *Dry Hole Abandoned Location*

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the B.L.M. will attach the appropriate surface rehabilitation conditions of approval.

11. **SURFACE OWNERSHIP** - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

- a) Inland Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Inland is to immediately stop work that might further disturb such materials, and contact the Authorized Officer.
- b) Inland Production will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. On B.L.M. administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without B.L.M. authorization. However, if B.L.M. authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

There are no dwellings or facilities in the general area. There are no visible archaeological, historical or cultural sites within any reasonable proximity of the proposed location site. The Cultural Resource Survey will be submitted, as soon as it becomes available.

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. Inland Production is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Inland Production Company or a contractor employed by Inland Production shall contact the B.L.M. office at (801) 789-1362, 48 hours prior to construction activities.

The B.L.M. office shall be notified upon site completion prior to moving on the drilling rig.

13. **LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION**

Representative

Name: Brad Mecham
Address: P.O. Box 1446 Roosevelt, Utah 84066
Telephone: (801) 722-5103

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of Tar Sands Federal #11-31 NE/SW Section 31, Township 8S, Range 17E: Lease U-74869, Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

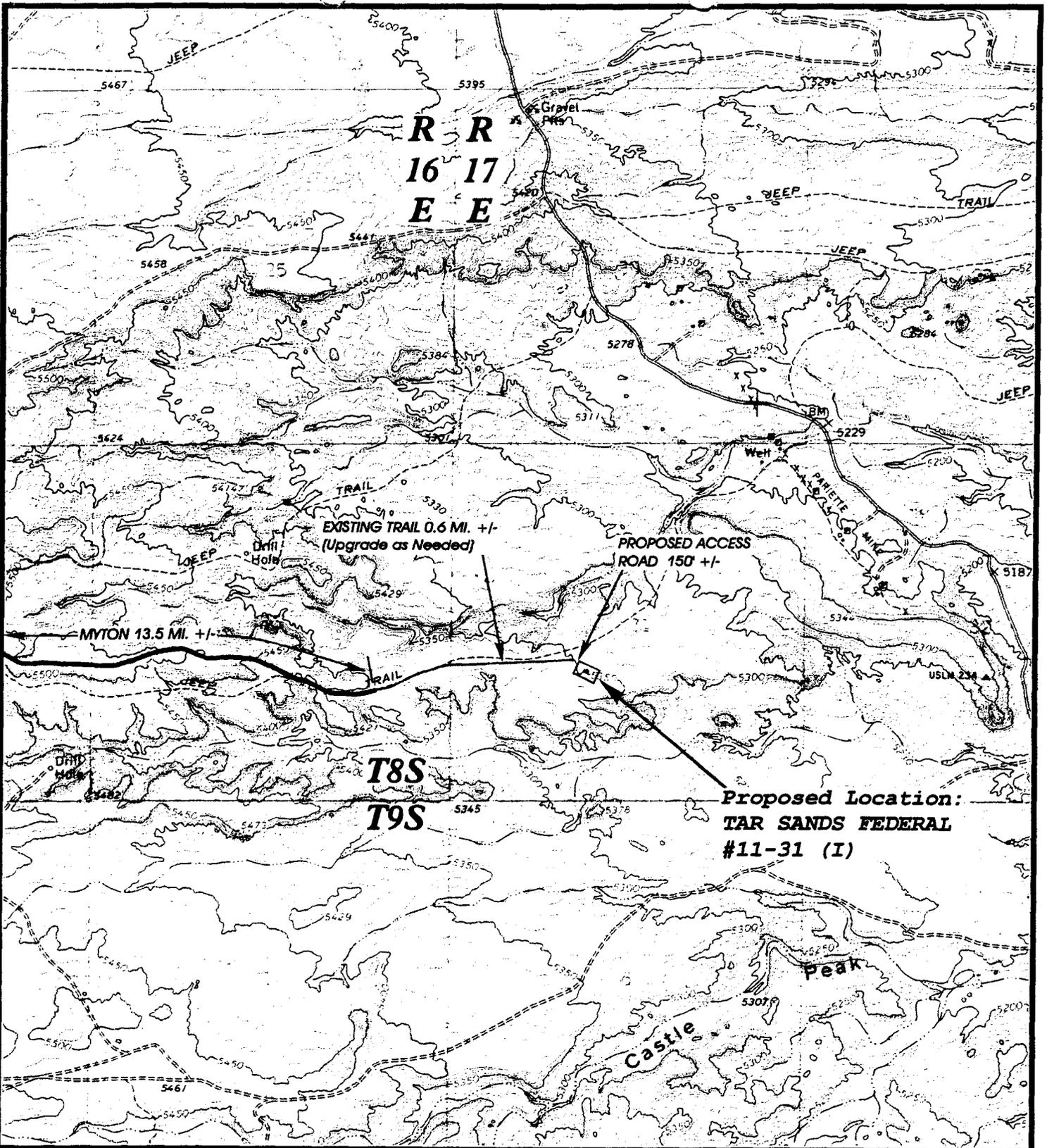
I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

1-24-96

Date



Brad Mecham
Operations Manager



**TOPOGRAPHIC
MAP "B"**

**DATE: 12-20-95
Drawn by: C.B.T.**

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



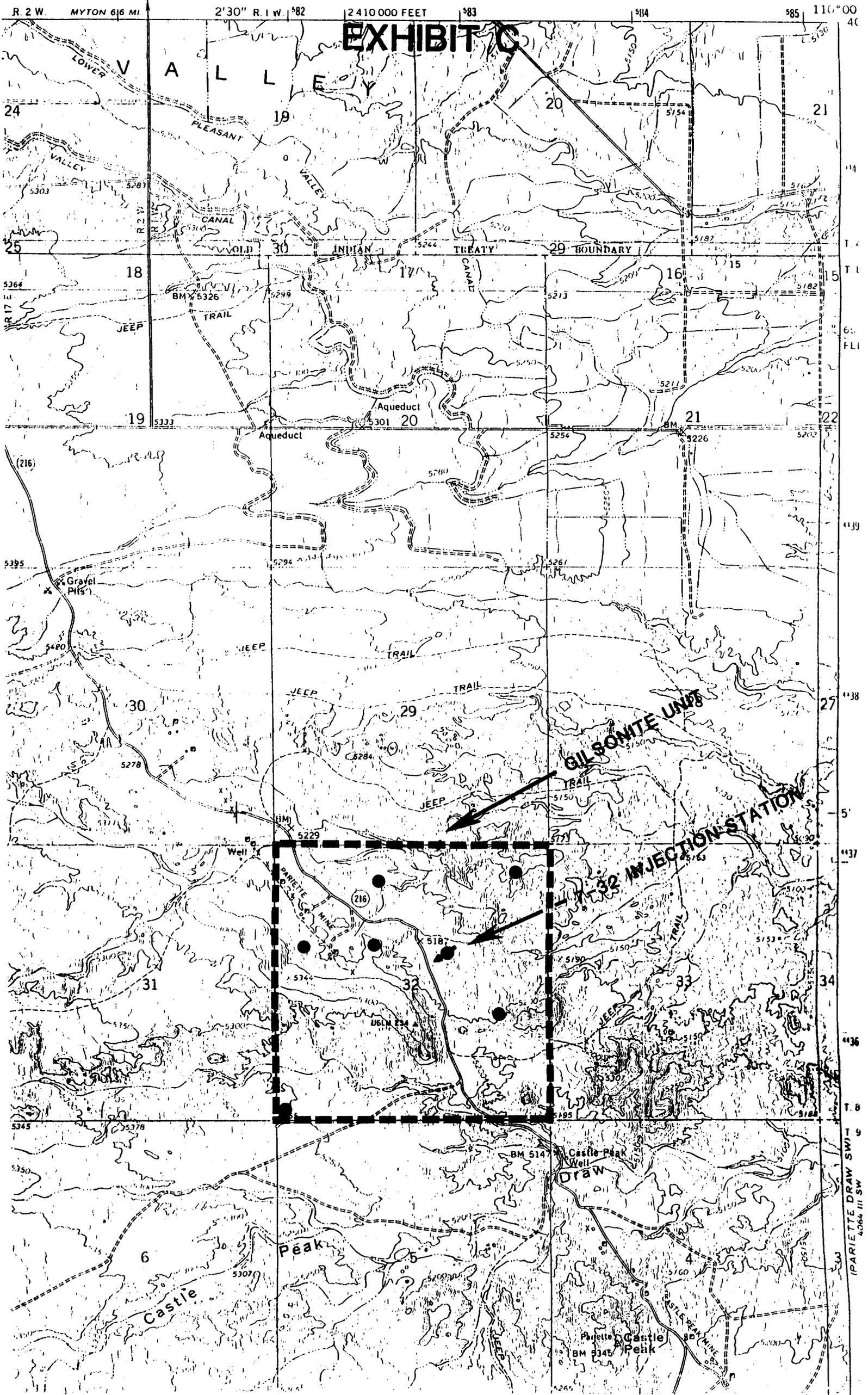
SCALE: 1" = 2000

INLAND PRODUCTION CO.

**TAR SANDS FEDERAL #11-31 (I)
SECTION 31, T8S, R17E, S.L.B.&M.
1980' FSL 1860' FWL**

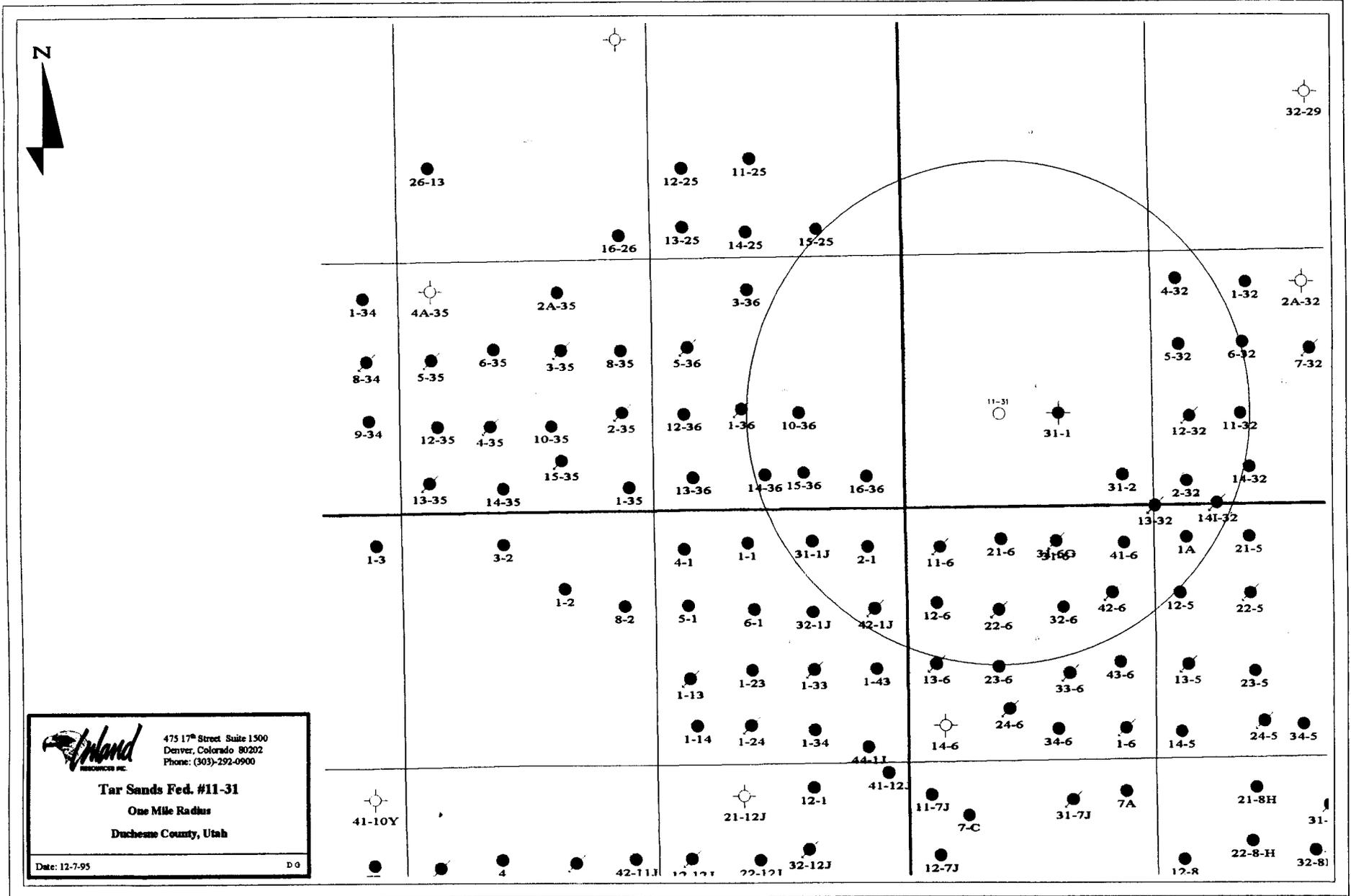
R. 2 W MYTON 616 MI. 2'30" R. 1 W '82 2410 000 FEET '83 514 585 116°00' 40

EXHIBIT C



(PARIETTE DRAW SW) 1
4,064 III SW

EXHIBIT "D"



Inland
 475 17th Street Suite 1500
 Denver, Colorado 80202
 Phone: (303)-292-0900

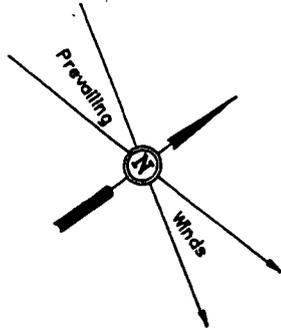
Tar Sands Fed. #11-31
 One Mile Radius
 Duchesne County, Utah

Date: 12-7-95 D O

INLAND PRODUCTION CO.

LOCATION LAYOUT FOR

TAR SANDS FEDERAL #11-31 (I)
SECTION 31, T8S, R17E, S.L.B.&M.
1980' FSL 1860' FWL



SCALE: 1" = 50'
DATE: 12-20-95
Drawn By: C.B.T.

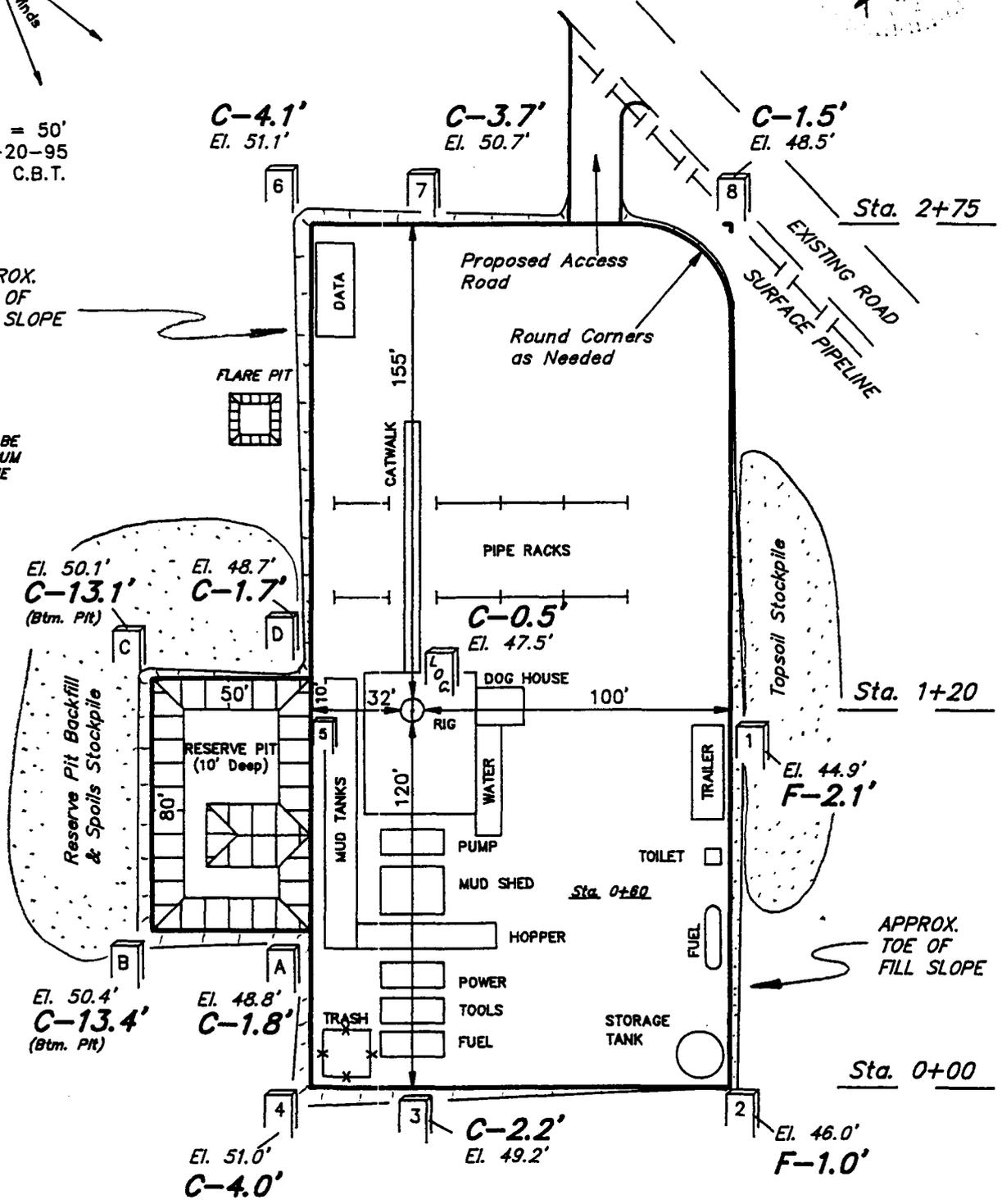
APPROX. TOP OF CUT SLOPE

NOTE:

FLARE PIT IS TO BE LOCATED A MINIMUM OF 125' FROM THE WELL HEAD.

NOTE:

PIT CAPACITY WITH 2' OF FREEBOARD = 3,090 Bbls.



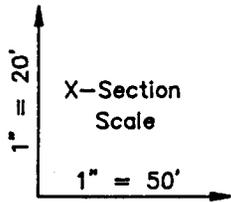
Elev. Ungraded Ground at Location Stake = 5347.5'
Elev. Graded Ground at Location Stake = 5347.0'

INLAND PRODUCTION C

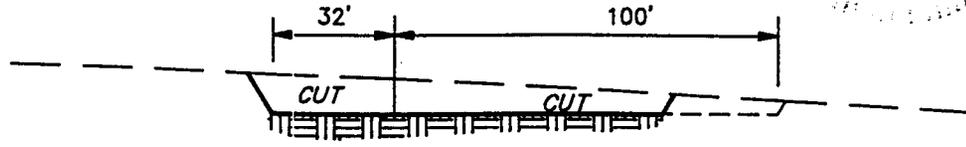
TYPICAL CROSS SECTIONS FOR

TAR SANDS FEDERAL #11-31 (I)
SECTION 31, T8S, R17E, S.L.B.&M.

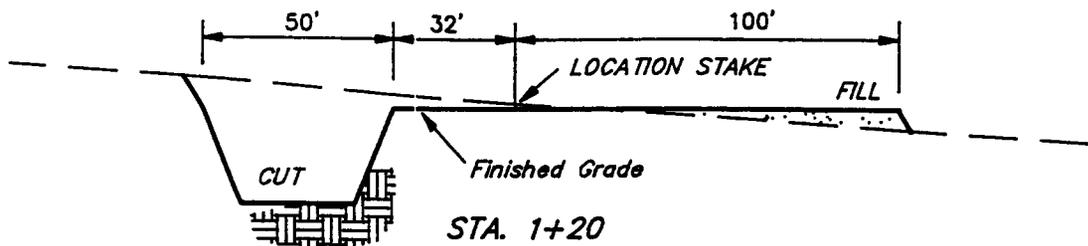
1980' FSL 1860' FWL



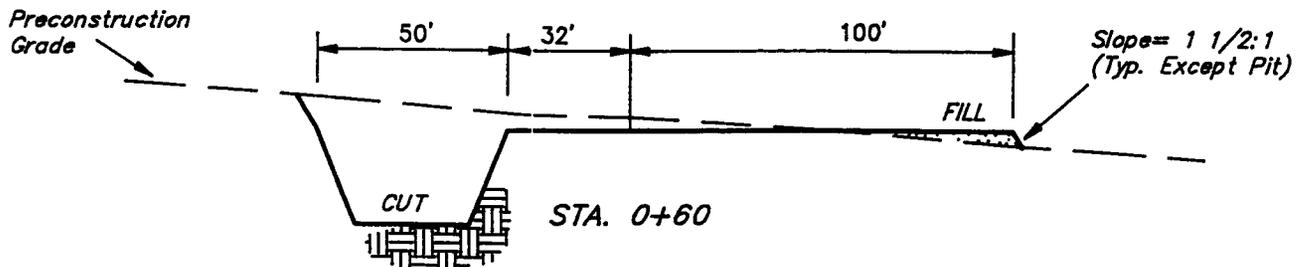
DATE: 12-20-95
Drawn By: C.B.T.



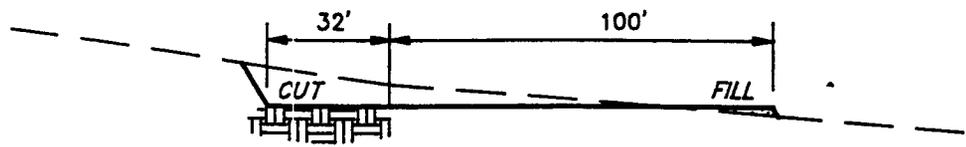
STA. 2+75



STA. 1+20



STA. 0+60



STA. 0+00

NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

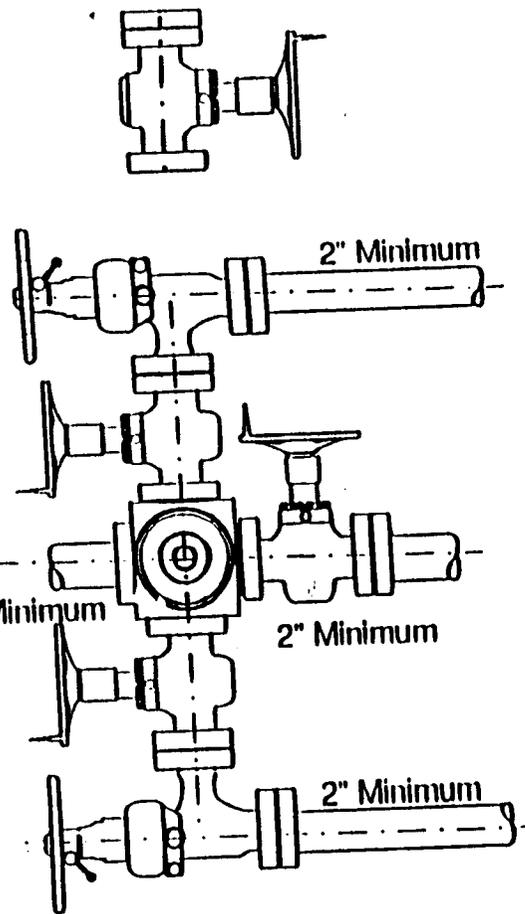
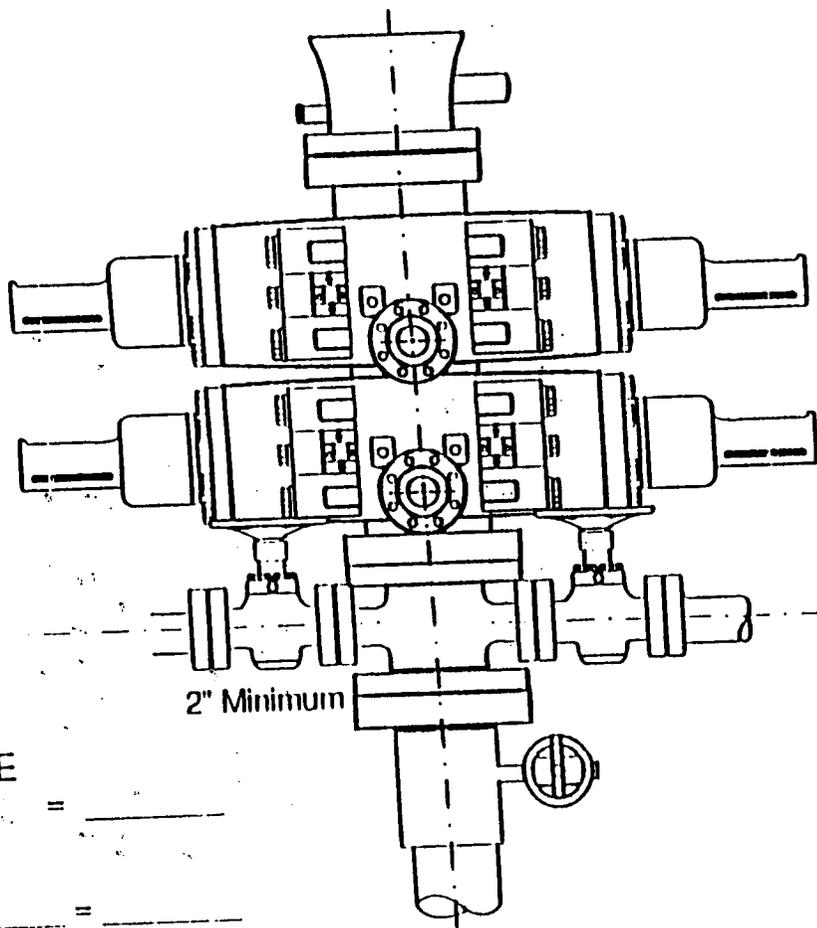
CUT	
(6") Topsoil Stripping	= 750 Cu. Yds.
Remaining Location	= 2,340 Cu. Yds.
TOTAL CUT	= 3,090 CU.YDS.
FILL	= 560 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,500 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 1,210 Cu. Yds.
EXCESS MATERIAL After Reserve Pit is Backfilled & Topsoil is Re-distributed	= 1,290 Cu. Yds.

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

2-M SYSTEM

1 TYPE B.O.P.
 ce:
 e:
 el:



GAL TO CLOSE
 Annular BOP = _____
 Ramtype BOP
 _____ Rams x _____ = _____
 _____ = _____ Gal.
 _____ x 2 = _____ Total Gal.

Rounding off to the next higher
 increment of 10 gal. would require
 _____ Gal. (total fluid & nitro volume)

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/26/96

API NO. ASSIGNED: 43-013-31602

WELL NAME: TAR SANDS FED 11-31
 OPERATOR: INLAND PRODUCTION COMPANY (N5160)
 CONTACT: Cheryl Cameron (435) 789-1866

PROPOSED LOCATION:
 NESW 31 - T08S - R17E
 SURFACE: 1980-FSL-1860-FWL
 BOTTOM: 1980-FSL-1860-FWL
 DUCHESNE COUNTY
 MONUMENT BUTTE FIELD (105)

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

LEASE TYPE: FED
 LEASE NUMBER: U-74869
 SURFACE OWNER: Federal

PROPOSED FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

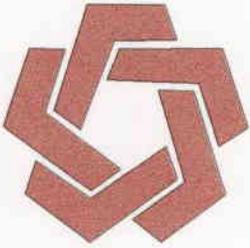
- Plat
- Bond: Federal State[] Fee[]
 (No. #4488944)
- Potash (Y/N)
- Oil Shale (Y/N) *190-5(B)
- Water Permit
 (No. Johnson Water District)
- RDCC Review (Y/N)
 (Date: _____)
- N/A St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3. Unit Sand Wash (GR)
- ~~R649-3-2. General~~
- ___ R649-3-3. Exception
- ___ Drilling Unit
 Board Cause No: _____
 Date: _____

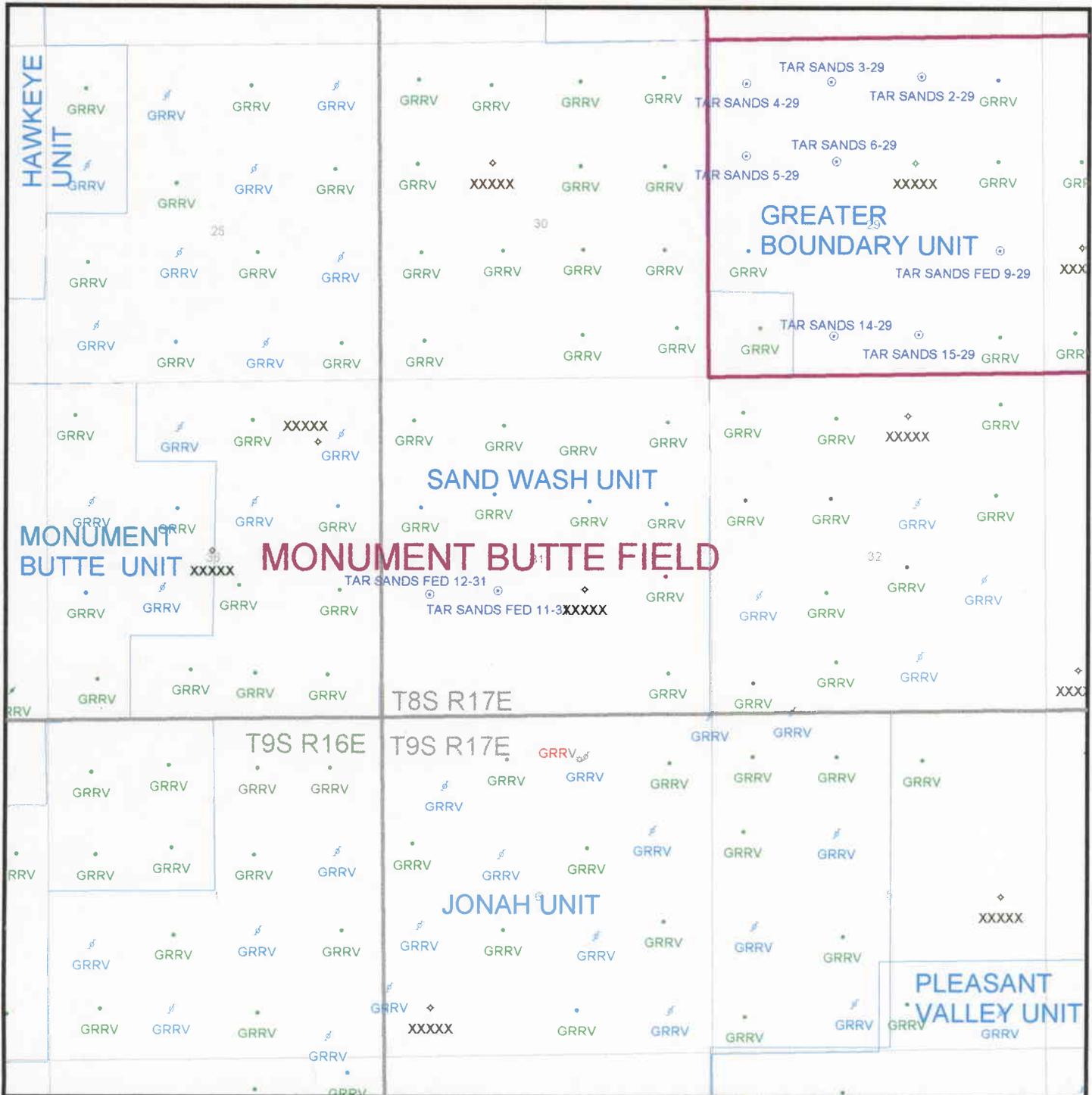
COMMENTS: * Not listed in 1998 Unit P.O.D. (Blm added 7-9-98)

STIPULATIONS: ① FEDERAL - APPROVAL



DIVISION OF OIL, GAS & MINING

OPERATOR: INLAND PRODUCTION (N5160)
FIELD: MONUMENT BUTTE (105)
SEC. 31, TWP 8S, RNG 17E
COUNTY: DUCHESNE UAC: R649-2-3 SAND WASH UNIT



DATE PREPARED:
8-JULY-1998

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 1998 Plan of Development, Sand Wash Unit
Duchesne County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following well is planned for calendar year 1998 within the Sand Wash Unit, Duchesne County, Utah.

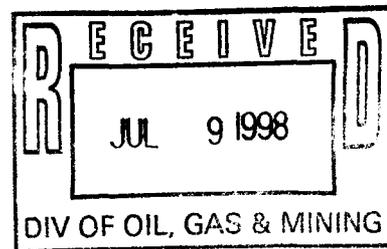
API #	WELL NAME	LOCATION
43-013-31602	TAR SANDS FED 11-31	1980-FSL-1860-FWL 31 08S 17E
43-013-31613	TAR SANDS FED 12-31	1950-FSL-0782-FWL 31 08S 17E

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - Sand Wash Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:--





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

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

Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

July 9, 1998

Inland Production Company
P.O. Box 790233
Vernal, Utah 84079

Re: Tar Sands Federal 11-31 Well, 1980' FSL, 1860' FWL, NE SW,
Sec. 31, T. 8 S., R. 17 E., 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 43-013-31602.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

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

Operator: Inland Production Company
Well Name & Number: Tar Sands Federal 11-31
API Number: 43-013-31602
Lease: U-74869
Location: NE SW Sec. 31 T. 8 S. R. 17 E.

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 prior to spudding the well. Contact Jim Thompson at (801) 538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

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. State approval of this well does not supercede the required federal approval which must be obtained prior to drilling.

9/25/98



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

Phone: (435) 781-4400
Fax: (435) 781-4410

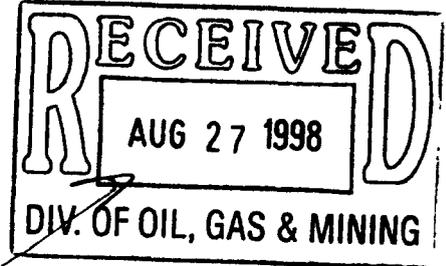
IN REPLY REFER TO:
1362.5
UT08300

August 21, 1998

CERTIFIED MAIL
Return Receipt Requested
Number: P 755 884 300

Attn: Mr. Brad Mecham
Inland Production Company
PO Box 1446
Roosevelt UT 84066

DOGMA
'LA'
DATE



BLM Never
Approved APD.

Re: Application for Permit to Drill
Tar Sands Federal 11-31
T. 08 S., R. 17 E., Sec. 31, NESW
Federal Lease UTU74869
43-013-31602

Dear Mr. Mecham:

The Application for Permit to Drill (APD) for the Tar Sands Federal 11-31 was received by the Vernal District Field Office on January 29, 1996.

I have decided to disapprove the APD in accordance with the Decision Record of the Inland Resources Monument Butte - Myton Bench Waterflood Environmental Assessment, EA No. 1996-61 which was signed on January 31, 1997.

The Decision Record specifies that for ferruginous hawk:

Active raptor nests are those currently occupied or those that have been occupied for nesting activities within the previous two nesting seasons.

[continuing,]

No new construction or surface disturbing activities will be conducted within a 0.5 mile radius of an active nest. Exceptions to this Condition of Approval (COA) may be modified based on the following mitigative opportunities:

- a. If terrain features permit, the proposed well location can be constructed less than 0.5 miles from the nest in question, outside of the nesting period from March 1 through July 31.
- b. Artificial Nesting Platforms will be constructed and placed by the operator. Up to 3 platforms will be constructed for each natural nest involved in mitigation. The BLM AO will determine the placement of the platforms.

Clearance reports completed by specialists from this office on June 8 and November 21, 1997, determined that a nest located less than 0.5 miles south of the proposed location was indeed active as defined by the Decision Record. This determination was based on field inventories conducted by Vernal Field Office specialists and a consulting biologist hired by Inland. No terrain features are present which could screen the location: and the impacts can not be mitigated by placement of Artificial Nesting Platforms.

In keeping with the Decision Record, the APD for Tar Sands Federal 11-31 is denied.

Any adversely affected party that contests a notice of violation or assessment or an instruction, order, or decision of the authorized officer issued under the regulations in this part, may request an administrative review, before the State Director, either with or without oral presentation. Such request, including all supporting documentation, shall be filed in writing with the appropriate State Director within 20 business days of the date such notice of violation or assessment or instruction, order, or decision was received or considered to have been received. Upon request and showing of good cause, an extension for submitting supporting data may be granted by the State Director.

Sincerely,
[s] HOWARD B. CLEAVINGER II

Howard B. Cleavinger II
Assistant Field Manager for
Mineral Resources

bbc: Well file
Reading file