

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS ILE X WATER SANDS LOCATION INSPECTE SUB REPORT/abd

980601 LA'D EFF 5.21.98

DATE FILED APRIL 1, 1996

LAND FEE & PATENTED STATE LEASE NO PUBLIC LEASE NO. U-67170 INDIAN

DRILLING APPROVED JUNE 25, 1996

SPUDDED IN

COMPLETED 5.21.98 LA PUT TO PRODUCING

INITIAL PRODUCTION

GRAVITY API

GOR

PRODUCING ZONES

TOTAL DEPTH

WELL ELEVATION

DATE ABANDONED: May 21, 1998 LA'D

FIELD UNDESIGNATED

UNIT

COUNTY DUCHESNE

WELL NO MONUMENT BUTTE FEDERAL NE 10-24 API NO. 43-013-31631

LOCATION 1980 FSL FT FROM (N) (S) LINE. 1980 FEL FT FROM (E) (W) LINE. NW SE 1/4 - 1/4 SEC. 24

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
				8S	16E	24	INLAND PRODUCTION

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.
U-67170

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Mon Butte Federal Northeast

9. WELL NO.
#10-24

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 24, T8S, R16E

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
Inland Production Company

3. ADDRESS OF OPERATOR
P.O. Box 1446 Roosevelt, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
NW/SE 1980' FSL & 1980' FEL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
7.6 miles south of Myton, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
1980'

16. NO. OF ACRES IN LEASE
960

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1320'

19. PROPOSED DEPTH
6500'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5409' GR

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 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 Brad Mechem *Brad Mechem* TITLE Operations Manager DATE 3/22/96

(This space for Federal or State office use)

PERMIT NO. 43-013-31631 APPROVAL DATE _____
 APPROVED BY J.P. Matthews *J.P. Matthews* TITLE Petroleum Engineer DATE 6/25/96
 CONDITIONS OF APPROVAL, IF ANY:

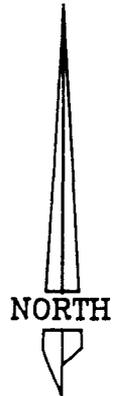
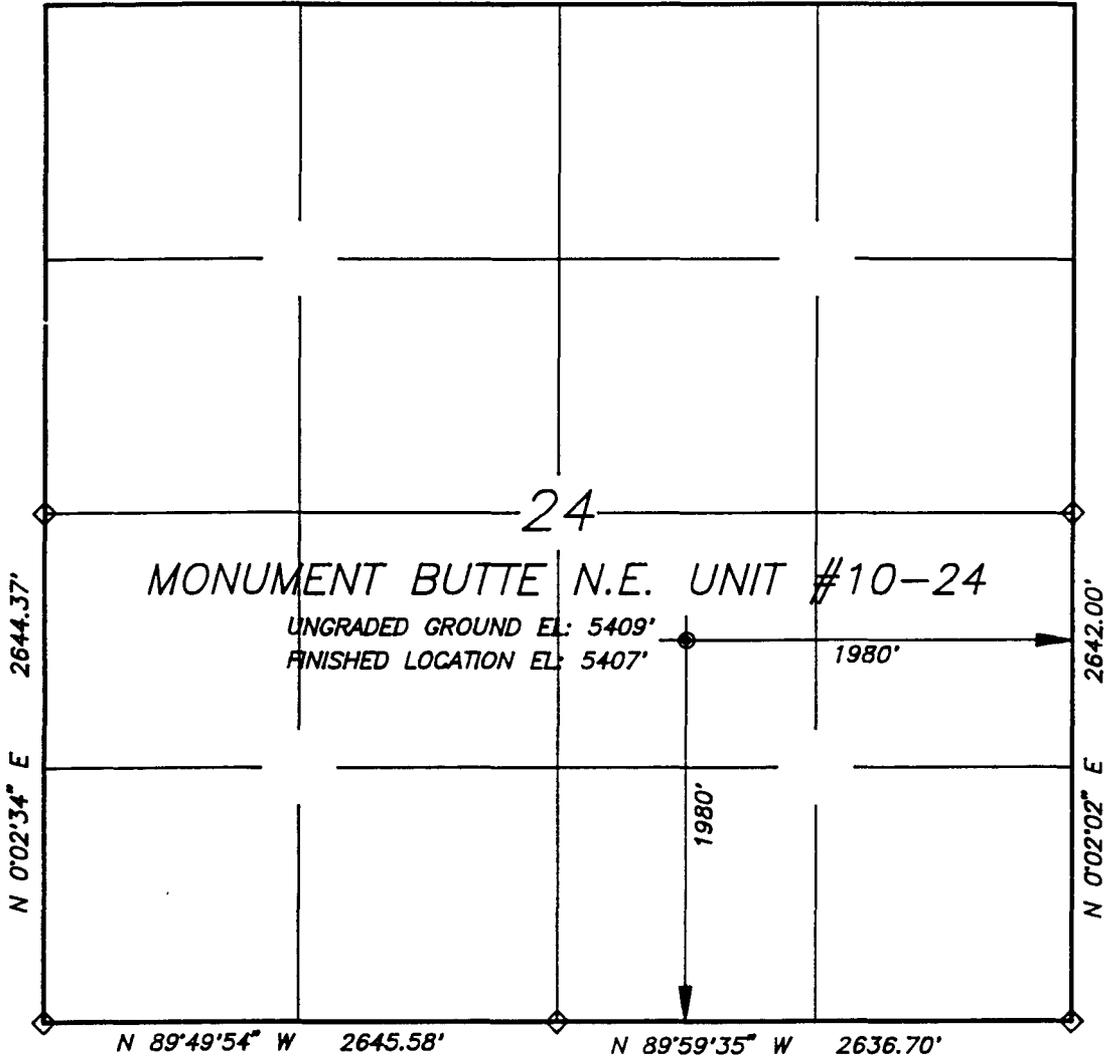
*See Instructions On Reverse Side

INLAND PRODUCTION CO.

WELL LOCATION PLAT

MONUMENT BUTTE N.E. UNIT #10-24

LOCATED IN THE NW1/4 OF THE SE1/4
SECTION 24, T8S, R16E, S.L.B.&M.

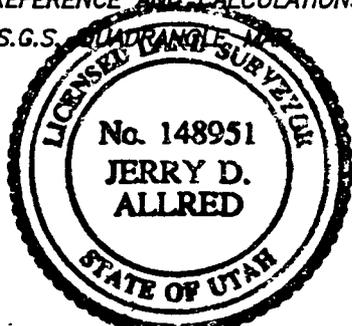


SCALE: 1" = 1000'

LEGEND AND NOTES

- ◇ ORIGINAL CORNER MONUMENTS FOUND AND USED BY THIS SURVEY.

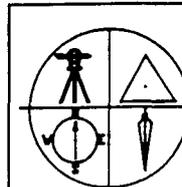
THE GENERAL LAND OFFICE (G.L.O.) PLAT WAS USED FOR REFERENCE AND CALCULATIONS; AS WAS THE U.S.G.S. QUADRANGLE MAP.



SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY PERFORMED BY ME, DURING WHICH THE SHOWN MONUMENTS WERE FOUND OR ESTABLISHED.

Jerry D. Allred
 JERRY D. ALLRED, REGISTERED LAND SURVEYOR,
 CERTIFICATE NO. 148951 (UTAH)



JERRY D. ALLRED & ASSOCIATES
 SURVEYING CONSULTANTS
 121 NORTH CENTER STREET
 P.O. BOX 975
 DUCHESNE, UTAH 84021
 (801)-738-5352

18 MAR 1996

84-121-056

**MONUMENT BUTTE FEDERAL NORTHEAST #10-24
SE/SW SECTION 24, T8S, R16E
DUCHESNE COUNTY, UTAH
U-67170**

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.

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

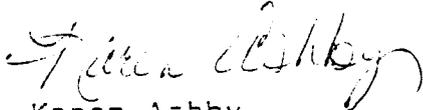
March 13. 1996

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 Monument Butte North East 14-24, 11-24, 10-24, and 9-24.

Sincerely,



Karen Ashby,
Secretary

**INLAND PRODUCTION COMPANY
MONUMENT BUTTE FEDERAL NORTHEAST #10-24
NW/SE SEC. 24, T8S, R16E
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)
5 1/2", 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 well be drilled with fresh water through the Uinta Formation. From the top of the Green River Formation @ 3000' ± to TD, a fresh water/polymer system will be utilized. If necessary to control formation fluids, the system will be weighted with the addition of bentonite gel, and if conditions warrant, barite. Typically, this fresh water/polymer system will contain Total Dissolved Solids (TDS) of less than 3000 PPM. Neither potassium chloride or chromates will be utilized in the fluid system. The anticipated mud weight @ 8.4 ppg, weighted 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.

MONUMENT BUTTE FEDERAL NORTHEAST #10-24

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 PBDT 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 in May, 1996 and take approximately eight days to drill.

**INLAND PRODUCTION COMPANY
MONUMENT BUTTE FEDERAL NORTHEAST #10-24
NW/SE SECTION 24, T8S, R16E
DUCHESNE COUNTY, UTAH**

THIRTEEN POINT WELL PROGRAM

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Monument Butte Federal North East #10-24 located in the NW 1/4 SE 1/4 Section 24, T8S, R16E, S.L.B. & 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 53 - 7.4 miles to the junction with an existing dirt road to the southwest; proceed .2 miles to the beginning of the access road to be discussed in item #2.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, 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 NE1/4 NE1/4 Section 25, T8S, R16E, S.L.B. & M., and proceeds in a northwesterly direction approximately 3900' to the proposed location site.

The proposed 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%.

MONUMENT BUTTE FEDERAL NORTHEAST #10-24

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed 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 three (3) producing, Inland Production wells, and one (1) unknown P&A well, within a one (1) mile radius. 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 built to BLM specification.

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.

A mineral material application is not required for this location.

MONUMENT BUTTE FEDERAL NORTHEAST #10-24

7. METHODS FOR HANDLING WASTE DISPOSAL

See Location Layout Sheet - Exhibit "E".

A small reserve pit will be constructed from native soil and clay materials. However, in a departure from conventional oilfield practice, the volume and duration of fluid occupying this pit will be minimal. By applying currently available technology, a water processing unit will be employed to continuously recycle the drilling fluid as it is used, returning the fluid component to the drilling rig's steel tanks. The reserve pit will primarily receive the processed drill cuttings (wet sand, shale & rock) removed from the wellbore. Any drilling fluids which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed by the water recycling unit and then returned to the steel rig tanks. Furthermore, all drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be utilized in the reserve pit.

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.

Immediately upon first production, all produced water will be confined in storage tanks. Inland requests temporary approval to transfer the produced water to Inland's nearby waterflood supply for reinjection into the waterflood reservoirs via existing approved injection wells. Within 90 days of first production, a water analysis will be submitted to the Authorized Officer, along with an application for approval of this as a permanent disposal method.

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 north side between stakes 5 & 6.

There will be no flare pit on this location.

The stockpiled topsoil (first six (6) inches) will be windrowed on the south side, between stakes 2 & 8.

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

Fencing Requirements

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

MONUMENT BUTTE FEDERAL NORTHEAST #10-24

- 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.

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 will have all fluids and hydrocarbons 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.

The Archaeological Cultural Survey Report is attached.

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 ensure 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.

MONUMENT BUTTE FEDERAL NORTHEAST #10-24

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 Well #10-24 NW/SE Section 24, Township 8S, Range 16E: Lease #U-67170 ; 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.

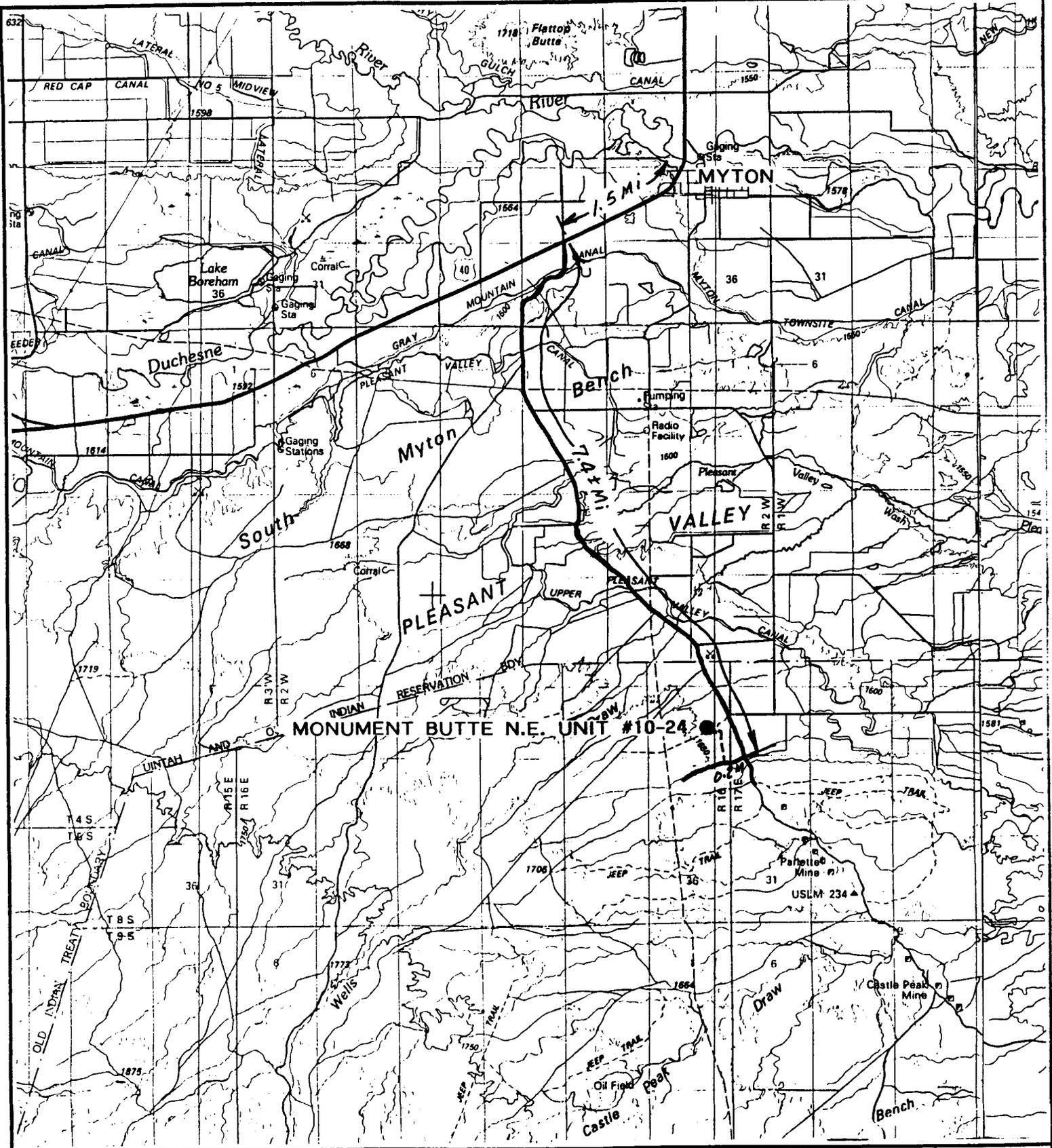
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with 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.

3-28-96

Date



Brad Mecham
Operations Manager



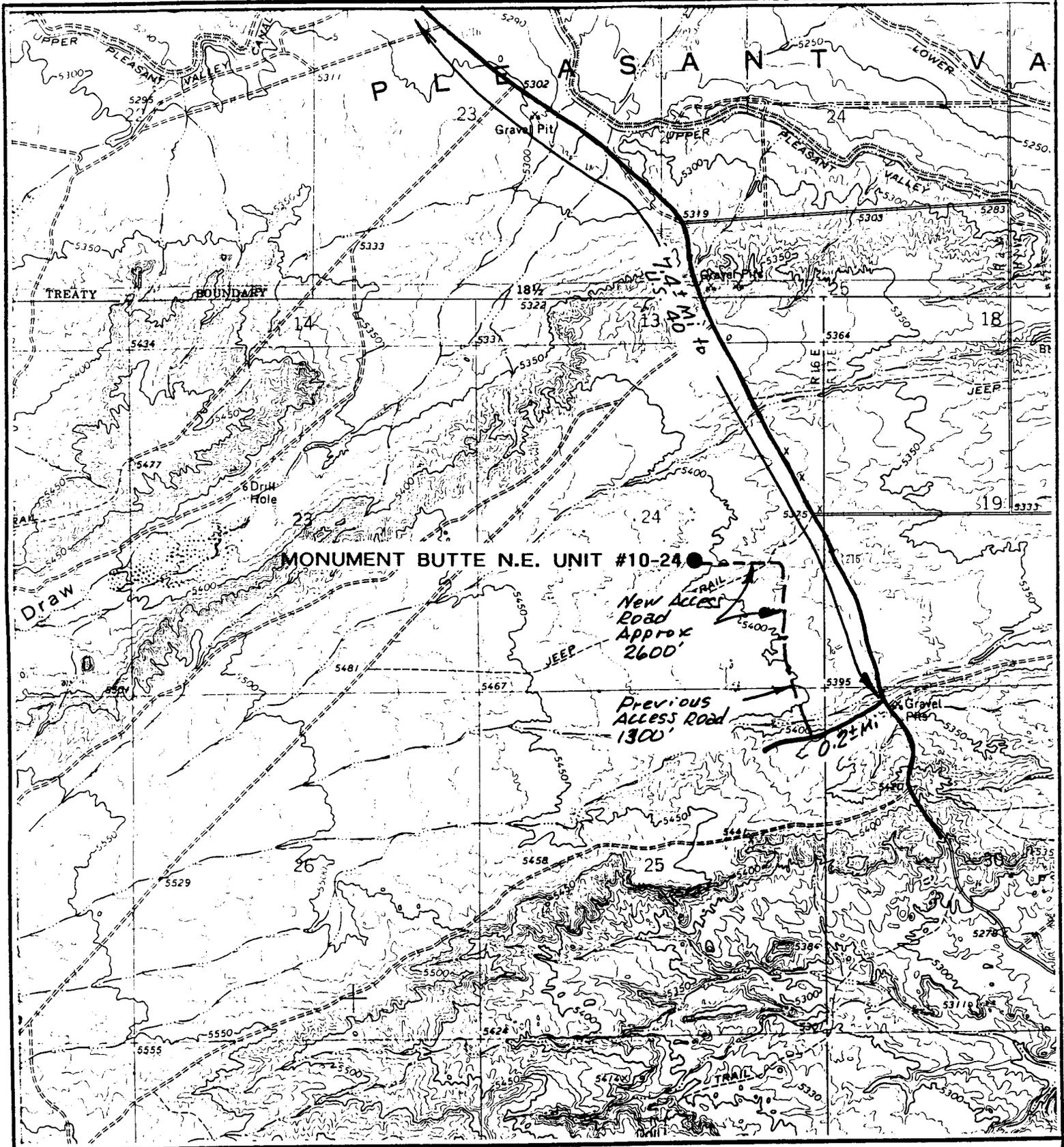
TOPOGRAPHIC
MAP "A"



INLAND PRODUCTION COMPANY

MONUMENT BUTTE N.E. UNIT #10-24
SECTION 24, T8S, R16E, S.L.B.&M.

19 Mar '96 84-121-056



TOPOGRAPHIC
MAP "B"
SCALE: 1" = 2000'



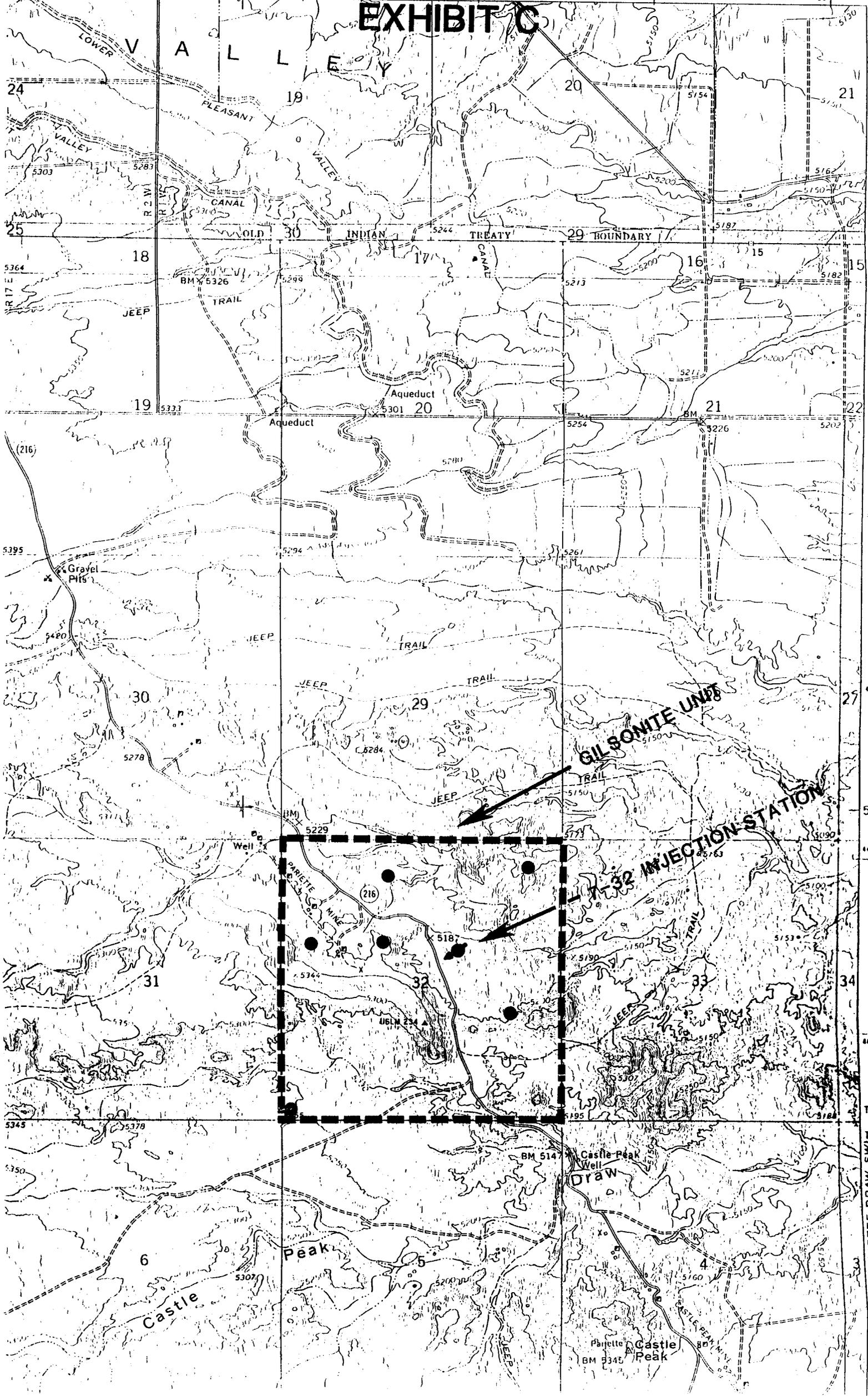
INLAND PRODUCTION COMPANY

MONUMENT BUTTE N.E. UNIT #10-24
SECTION 24, T8S, R16E, S.L.B.&M.

19 Mar '96 84-121-056

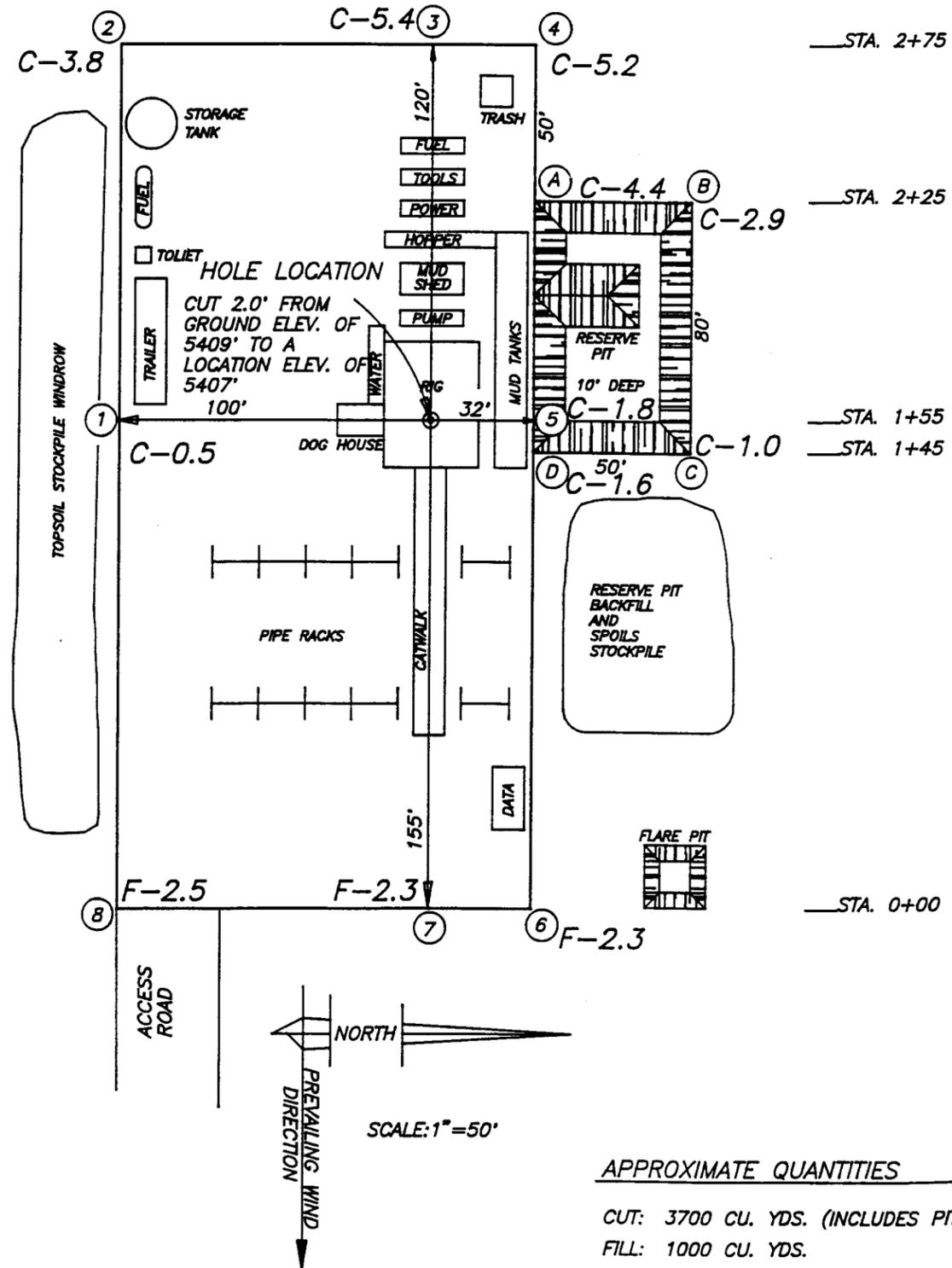
R 2 W MYTON 616 MI 2'30" R 1 W '82 2 410 000 FEET 583 584 585 110° 00'

EXHIBIT C



(PARIETTE DRAW SW) 1
4064 III SW

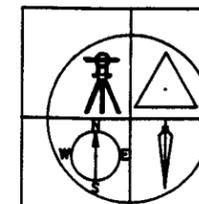
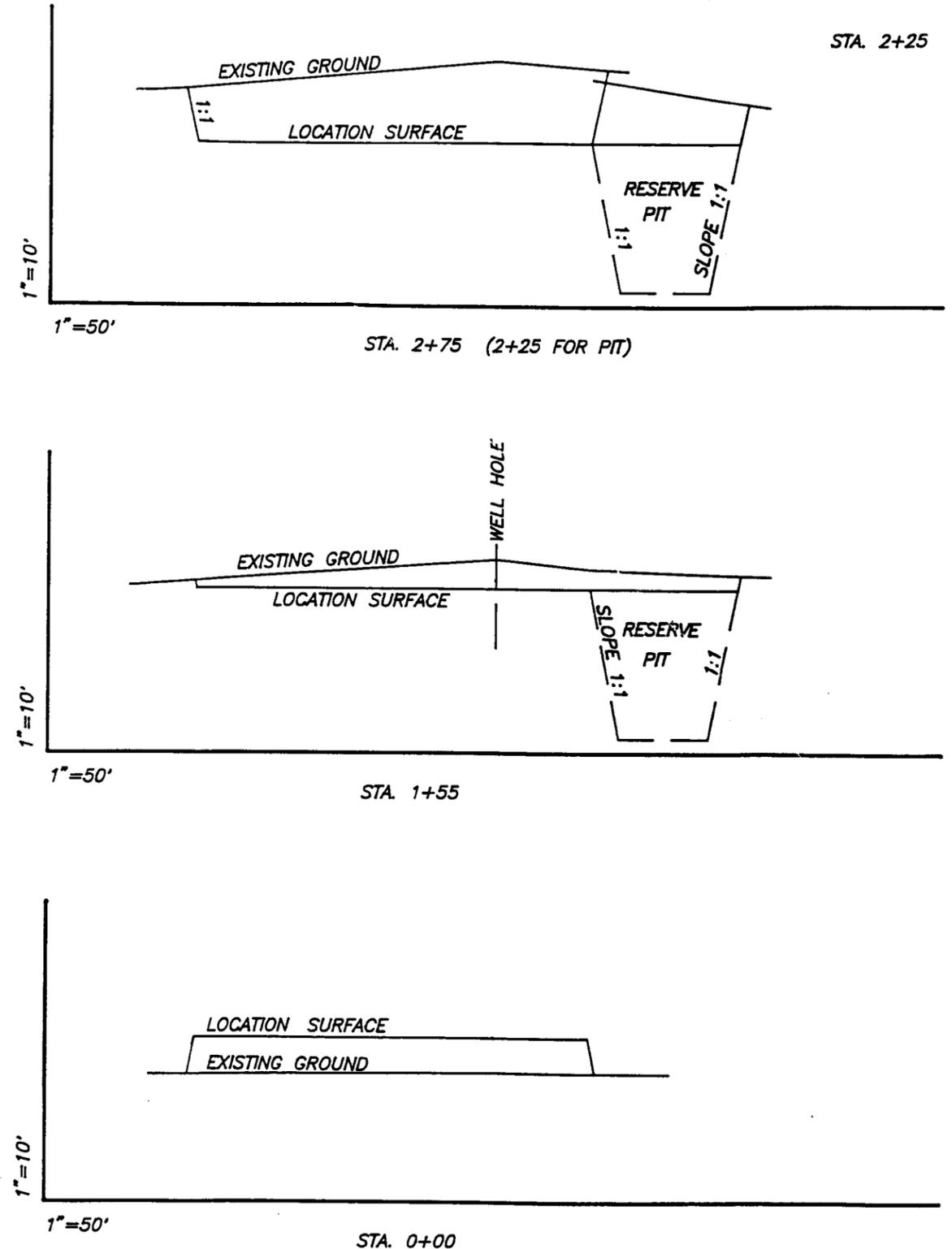
INLAND PRODUCTION CO. WELL LAYOUT PLAT MONUMENT BUTTE N.E. UNIT #10-24



APPROXIMATE QUANTITIES

CUT: 3700 CU. YDS. (INCLUDES PIT)
FILL: 1000 CU. YDS.

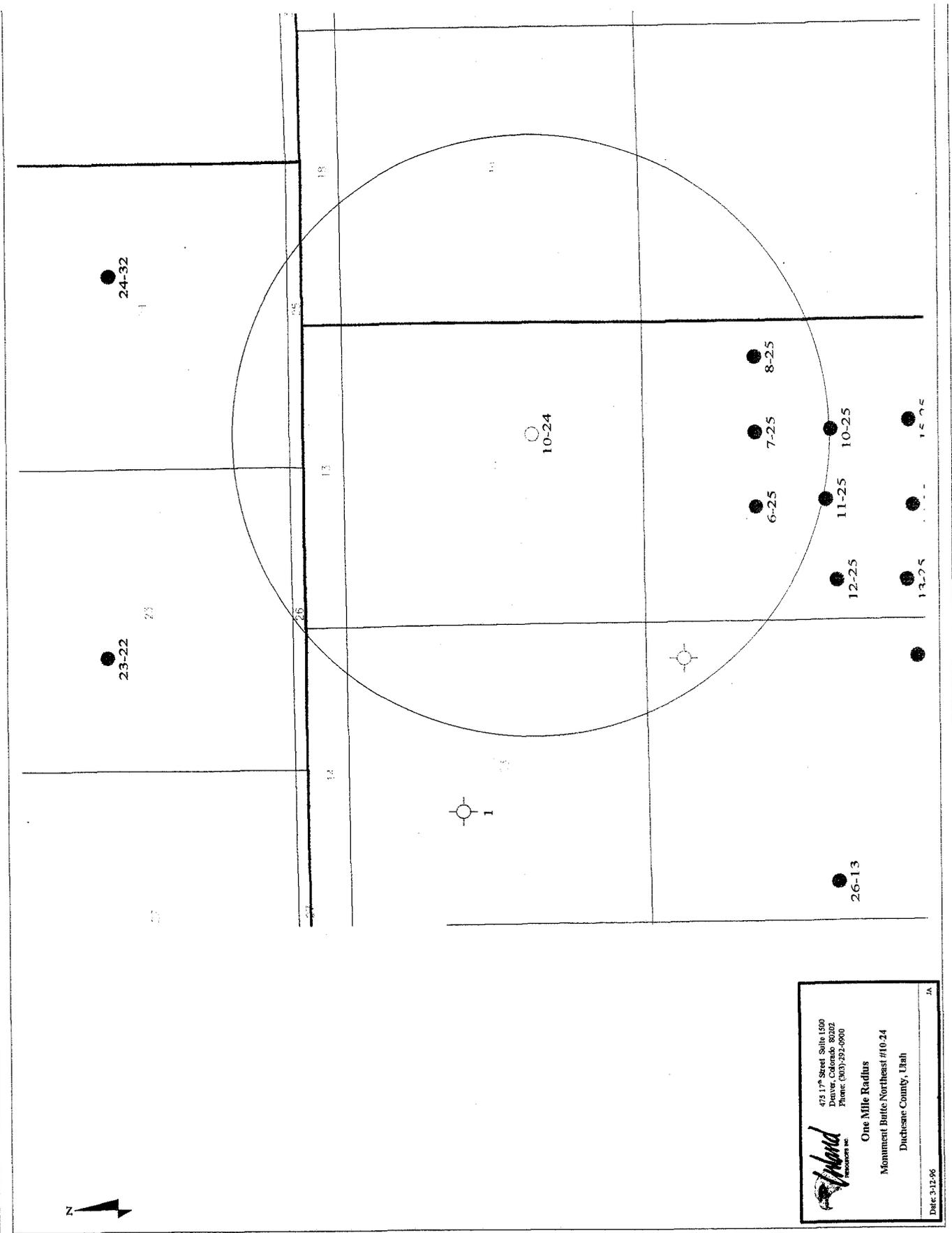
LOCATED IN THE NW1/4 OF THE SE1/4 OF SECTION 24,
TOWNSHIP 8 SOUTH, RANGE 16 EAST, S.L.B.&M.



JERRY D. ALLRED AND ASSOCIATES
Surveying and Engineering Consultants

121 NORTH CENTER STREET
P.O. BOX 975
DUCHESNE, UTAH 84021
(801) 738-5352

EXHIBIT "D"



475 17th Street, Suite 1500
 Denver, CO 80202
 Phone: (303) 972-0900

World
 PROPERTIES INC.

One Mile Radius
 Monument Butte Northeast #10-24
 Duchesne County, Utah

Date: 3-13-96

J.A.

RAM TYPE B.O.P.

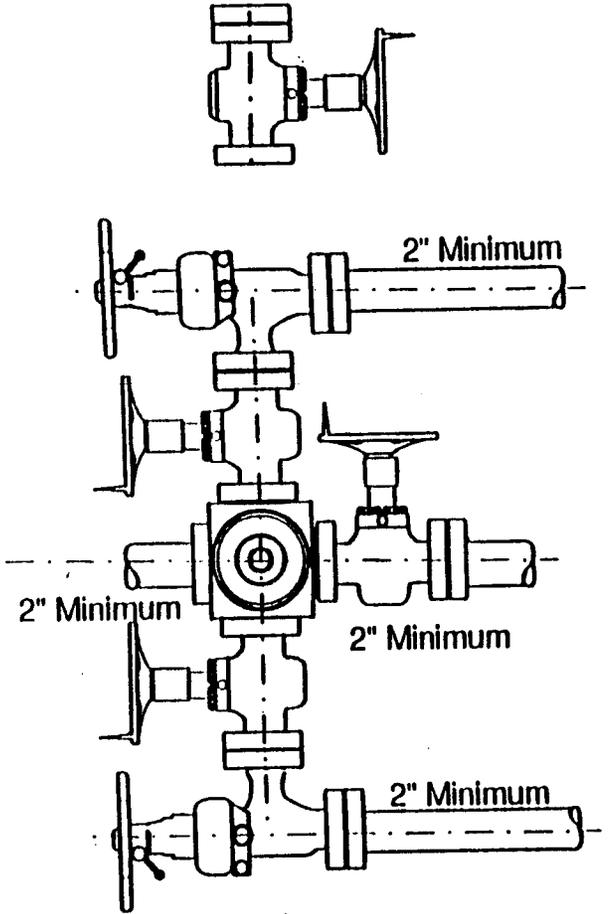
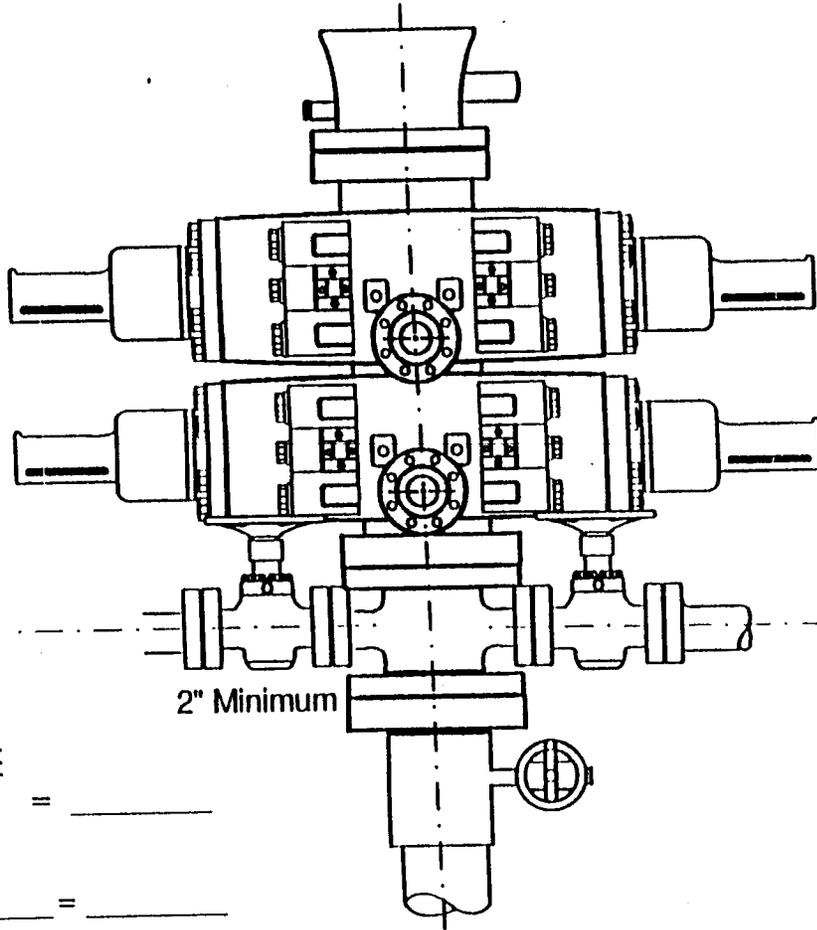
Make:

Size:

Model:

2-M SYSTEM

EXHIBIT F



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)

**A CULTURAL RESOURCES SURVEY OF
MONUMENT BUTTE NE FEDERAL WELLS #9-24, #10-24, #11-24, AND #14-24 ,
DUCHESNE COUNTY, UTAH**

by

**Sheri Murray Ellis
Archaeologist**

Prepared for:

**Inland Production Company
P.O. Box 1446
Roosevelt, Utah 84066**

Prepared by:

**Sagebrush Archaeological Consultants, L.L.C.
3670 Quincy Avenue, Suite 203
Ogden, Utah 84403**

Under Authority of Cultural Resources Use Permit No. 95UT54630

and

Under Authority of Utah State Antiquities Permit No. U-96-SJ-0134b

Archaeological Report No. 858-01

March 26, 1996

INTRODUCTION

In February 1996, Inland Production Company (Inland) of Roosevelt, Utah requested that Sagebrush Archaeological Consultants, L.L.C. (Sagebrush) conduct a cultural resources inventory of Inland's Monument Butte Federal wells #9-24 (1980' FSL 660' FEL), #10-24 (1980' FSL 1980' FEL), #11-24 (1980' FSL 1980' FWL), and #14-24 (660' FSL 1980' FWL) located on lands controlled by the Bureau of Land Management (BLM) in Duchesne County, Utah (Figure 1).

The proposed wells are located in T. 8S., R. 16E., S. 24 on USGS 7.5' Quadrangle Myton SE, Utah (1964). The project was carried out by Sheri Murray Ellis on March 14 and 15, 1996 under authority of Cultural Resources Use Permit No. 95UT54630 and Utah State Antiquities Permit No. U-96-SJ-0134b.

A file search for previously recorded cultural resource sites and paleontological localities located near the current project area was conducted by Heather M. Weymouth and Lynita S. Langley on February 23, 1996 at the BLM, Vernal District Office. This file search was carried out during the course of research for a recent survey of wells #15-24 and #16-24 (Weymouth 1996). An additional file search was conducted by Michael R. Polk at the Division of State History, Utah State Historic Preservation Office, Salt Lake City on February 21, 1996.

More than 30 previous cultural resources projects have been conducted in the area of the current project. Due to the large number of projects conducted in this area, individual project descriptions will not be listed. However, five cultural resources sites and three paleontological localities are listed as being located near the current project area. Following is a brief description of these sites and localities:

Cultural Resource Sites

Site 42Dc557. This site, located in a wide drainage at the base of a rock face, is a small historic trash scatter. This site was recommended NOT eligible to the National Register of Historic Places (NRHP).

Site 42Dc854. This site is a large prehistoric campsite located in a dunal area. This site consists primarily of a large (500-plus flakes) lithic scatter. Primary flakes are dominant with secondary common, tertiary flakes, shatter and cores present, but rare. Fire-cracked rock (FCR) was scattered through the site in eroded areas. No particular FCR configurations were noted possibly due to the deflated nature of portions of the site. Seven crude bifaces and two possible groundstone fragments (one a possible mano fragment) were also located at this site. This site was recommended ELIGIBLE to the NRHP.

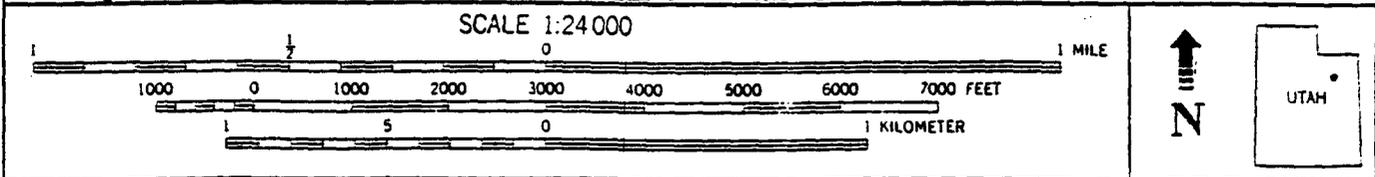
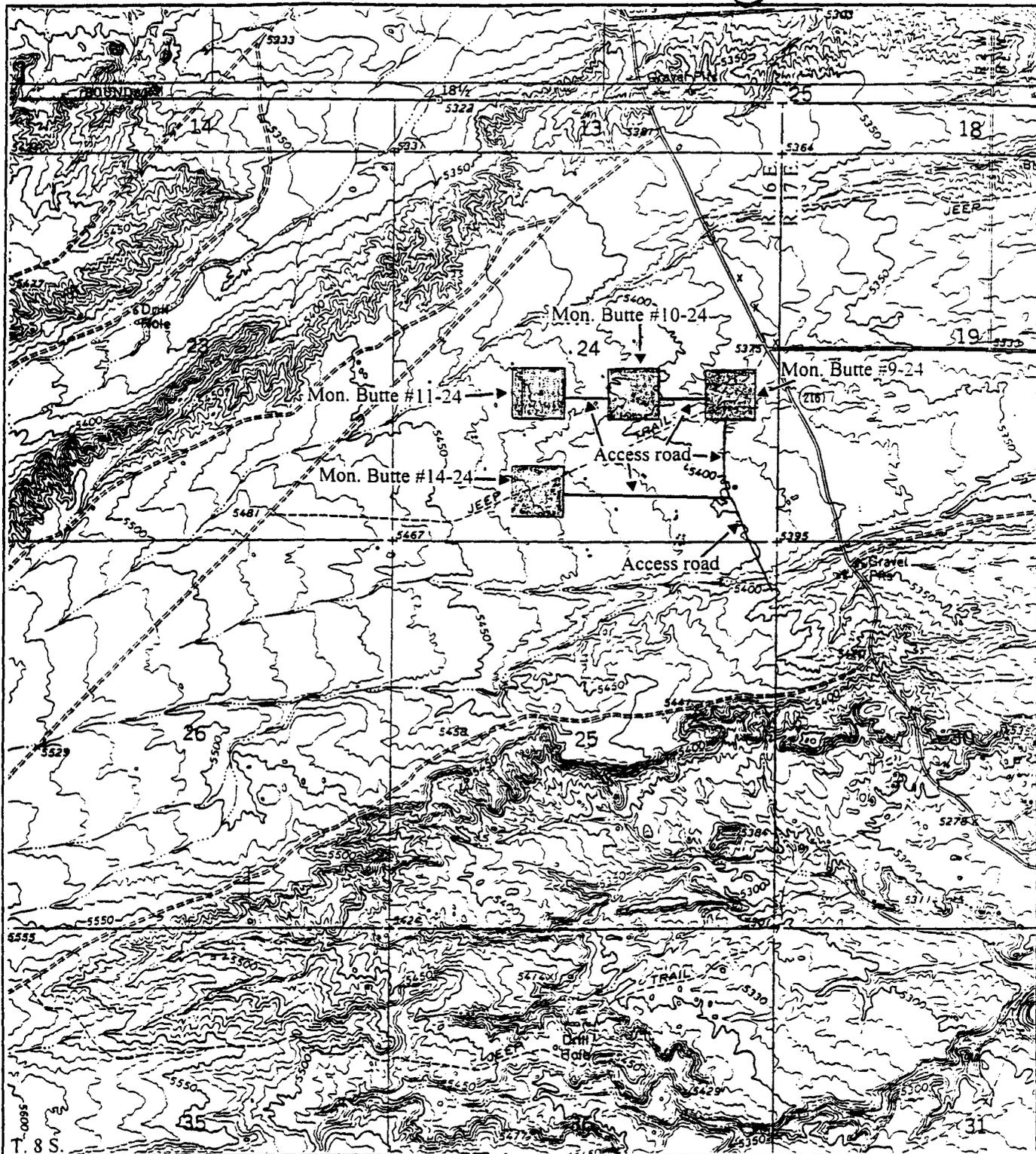


Figure 1. Location of Monument Butte Federal Wells #9-24, #10-24, #11-24, and #14-24, and their associated access roads. Taken from: USGS 7.5' Quadrangle Myton SE, Utah (1964).

Site 42Dc908. This site consists of a large lithic scatter and is located on a gently sloping bench above a large drainage and below a small knoll. Tools located at the site include sixteen bifacially worked tools and two cores. No diagnostic tools or features were noted. This site was recommended ELIGIBLE to the NRHP.

Site 42Dc909. This site, located on a sandy bluff flanked by three drainages, consists of a large and sparse lithic scatter. Artifacts noted include approximately 150 lithic flakes, three bifaces and a drill. No features and no diagnostic tools were noted. This site was recommended ELIGIBLE to the NRHP.

Site 42Dc937. This site, located at the terminus of a gravel-covered sand bar between two ephemeral stream channels, is a sparse lithic scatter of low grade chert. No diagnostic artifacts nor features are present at the site. This site was recommended NOT eligible to the NRHP.

Paleontological Localities

Locality 42Dc103p. This locality, situated in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 25, consists of plant specimens and a possible fish tail fossil found in an outcropping of sandstone in the Uinta Formation. This locality is considered IMPORTANT.

Locality 42Dc224v. This locality consists of several fossilized turtle shells eroding out of the portion of Uinta Formation exposed along the south side of well pad #15-36. Fragments of what appear to be "a small fossil lizard jaw". This locality is considered SIGNIFICANT.

Locality 42Dc225v. This locality consists of fragmented pieces of turtle shell scattered about the southwest portion of well #10-36. This material may have been transported by water action to this location from the outcrop immediately to the south. Additionally, a number of turtle shell fragments were found around the hill northeast of the well pad. This locality is considered IMPORTANT.

In addition to these searches, the NRHP was consulted prior to conducting the survey. No NRHP listed or determined eligible sites were found to be in the vicinity of the current project area.

ENVIRONMENT

The project area lies in dissected tablelands south of Pleasant Valley. The elevation of the project area ranges from approximately 5400 to 5410 feet a.s.l. Sediments consist of tan to light brown sandy loam with angular fragments of sandstone and limestone visible on the surface. Vegetation in the survey area consists of shadscale community species. Noted species include

winterfat, cheat grass, four-wing salt brush, shadscale, sagebrush, prickly pear cactus, buckwheat, and bunch grass. There are no permanent water sources in the immediate project area. However, many seasonally flowing drainages and washes are present in the general vicinity. These seasonal water sources were likely the primary sources of water in this area historically. Natural disturbance in the area is primarily in the form of aeolian movement of sand and some water erosion. Cultural disturbance includes grazing, pre-existing well pad locations and a number of access roads leading to the well locations.

METHODOLOGY

The project area consists of four 40,469 m² (10 acre) parcels of land measuring 201-by-201 m (660-by-660 ft) centered on the proposed well heads and of access roads connecting the well locations to existing roadways. The well pads were inventoried by the author walking parallel transects spaced no more than 15 m (50 ft) apart. The access roads, which totaled 22,860 m (7500 ft) in length, were walked in two parallel transects spaced 10 m (32 ft) apart to cover a corridor width of 30 m (100 ft). The area surveyed during this project (including well pads and access roads) totaled 231,488 m² (57.2 acres).

RESULTS

No cultural resources sites or paleontological localities were found during the inventory of the four well pads and their associated access roads.

RECOMMENDATIONS

Since there were no cultural resources or paleontological materials found during this inventory, cultural and paleontological clearance is recommended for the proposed project.

This investigation was conducted with techniques which are considered to be adequate for evaluating cultural and paleontological resources which could be adversely affected by the project. However, should such resources be discovered during construction, a report should be made immediately to the BLM District Archaeologist, Vernal District Office, Vernal, Utah.

REFERENCES CITED

Weymouth, Heather M.

1996 *A Cultural Resources Survey of Monument Butte Ne Federal Wells #15-24 and #16-24, Duchesne County, Utah.* Sagebrush Archaeological Consultants, L.L.C., Archaeological Report No. 852, Ogden, Utah.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/01/96

API NO. ASSIGNED: 43-013-31631

WELL NAME: MONUMENT BUTTE FED NE 10-24
OPERATOR: INLAND PRODUCTION COMPANY (N5160)

PROPOSED LOCATION:

NWSE 24 - T08S - R16E
SURFACE: 1980-FSL-1980-FEL
BOTTOM: 1980-FSL-1980-FEL
DUCHESNE COUNTY
UNDESIGNATED FIELD (002)

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

LEASE TYPE: FED
LEASE NUMBER: U - 67170

PROPOSED PRODUCING FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

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

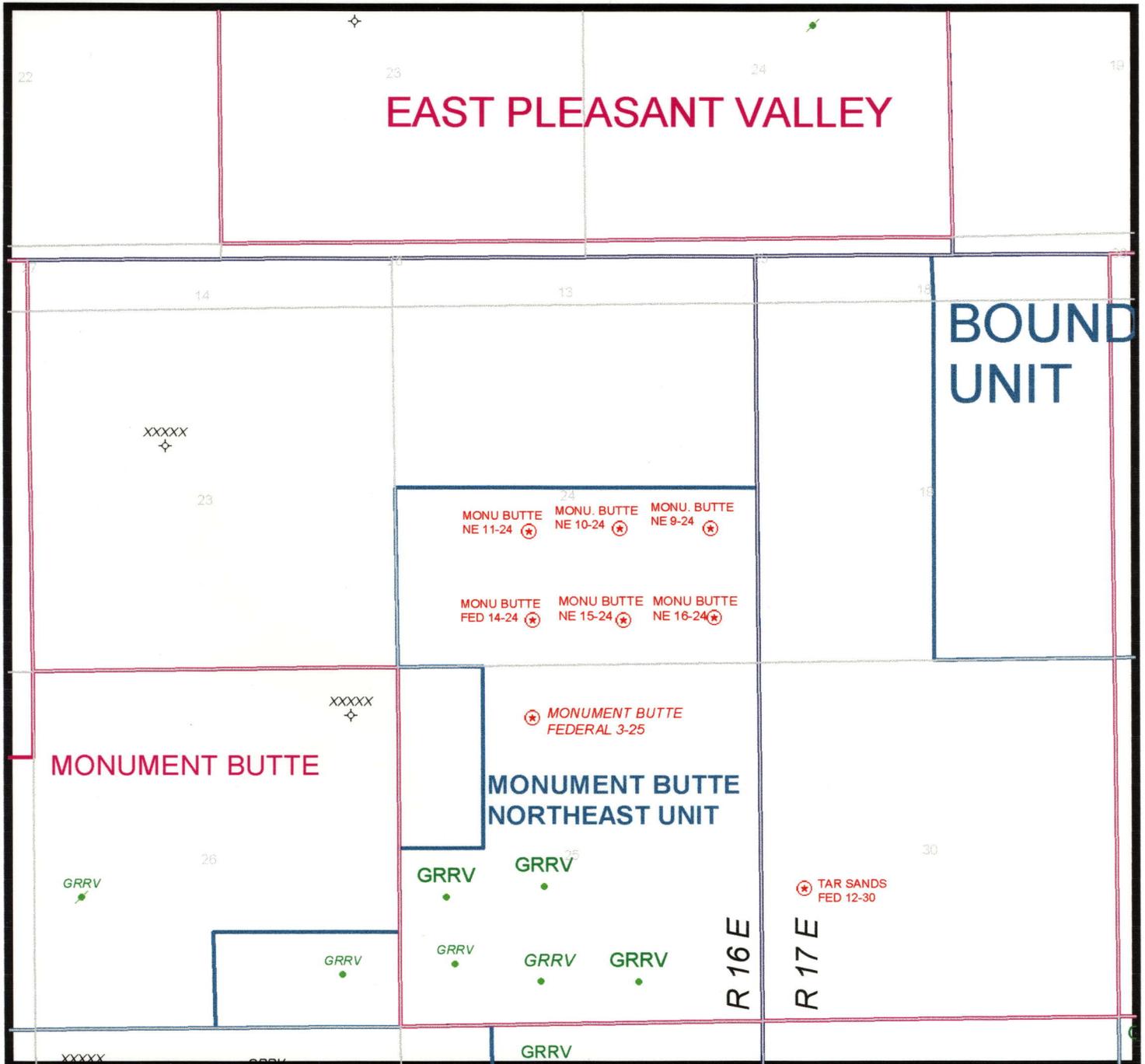
LOCATION AND SITING:

R649-2-3. Unit: _____
 R649-3-2. General.
 R649-3-3. Exception.
 Drilling Unit.
 Board Cause no: _____
 Date: _____

COMMENTS: _____

STIPULATIONS: _____

INLAND PRODUCTION DEVELOPMENT DRILLING SEC. 24, T8S, R16E & SEC. 30, T8S, R17E DUCHESNE, COUNTY R649-3-2



PREPARED:
DATE: 3-APR-96

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Inland Production Company

3. ADDRESS OF OPERATOR
 P.O. Box 1446 Roosevelt, UT 84066

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 NW/SE 1980' FSL & 1980' FEL
 At proposed prod. zone

43-013-31631

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 7.6 miles south of Myton, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'

16. NO. OF ACRES IN LEASE
 960

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1320'

19. PROPOSED DEPTH
 6500'

20. ROTARY OR CABLE TOOLS
 Rotary

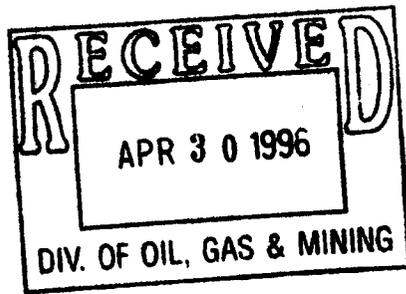
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5409' GR

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 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 Brad Mechem *Brad Mechem* TITLE Operations Manager DATE 3/22/96

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 ASSISTANT DISTRICT
 APPROVED BY [Signature] TITLE MANAGER MINERALS DATE APR 25 1996
 MANAGER MINERALS

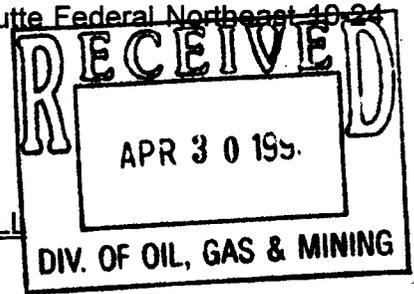
NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

UT 080-6m-093

*See Instructions On Reverse Side

Well No.: Monument Butte Federal Northeast 10-24



CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production CompanyWell Name & Number: Monument Butte Federal Northeast 10-24API Number: 43-013-31631Lease Number: U -67170Location: NWSE Sec. 24 T. 8S R. 16E

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 equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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.

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 ft. above the base of the usable water, identified at 424 ft. 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 \pm 224 ft., and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office. A Dual Lateral log will be run from TD to the base of the surface casing. A Sonic log will be run from TD to a minimum of 200 ft above the top of the Mahogany oil shale.

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 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) 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 3162.7-4.

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 onlease 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 on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with 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 approvals are necessary, please contact one of the following individuals:

Ed Forsman (801) 789-7077
Petroleum Engineer

Wayne P. Bankert (801) 789-4170
Petroleum Engineer

Jerry Kenczka (801) 781-1190
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.

Well No.: Monument Butte Federal Northeast 10-24

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

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

-All vehicle travel will be confined to existing access road rights-of-way.

-No surface disturbing activities, construction, or drilling operations, including the initial completion activities, are to occur on the well, access road, or location from March 15 through August 15. This restriction is to protect Mountain Plovers and Burrowing Owls located in the surrounding area. The restriction does not apply to maintenance and operation of existing wells and facilities. Waivers, exceptions, or modifications to this Condition of Approval may be specifically approved in writing by the authorized officer of the Bureau of Land Management if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.



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)

June 25, 1996

Inland Production Company
P.O. Box 1446
Roosevelt, Utah 84066

Re: Monument Butte Federal NE 10-24 Well, 1980' FSL, 1980' FEL,
NW SE, Sec. 24, T. 8 S., R. 16 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 43-013-31631.

Sincerely,


for R. J. Firth
Associate Director

lwp

Enclosures

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

Operator: Inland Production Company
Well Name & Number: Monument Butte Federal NE 10-24
API Number: 43-013-31631
Lease: U-67170
Location: NW SE Sec. 24 T. 8 S. R. 16 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 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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well [X] Oil Well [] Gas well [] Other
2. Name of Operator Inland Production Company
3. Address and Telephone No. P.O. Box 790233 Vernal, UT 84079 Phone No. (801) 789-1866
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NW/SE 1980' FSL & 1980' FEL Sec. 24, T8S, R16E
5. Lease Designation and Serial No. U-67170
6. If Indian, Allottee or Tribe Name
7. If unit or CA, Agreement Designation
8. Well Name and No. MBFNE #10-24
9. API Well No. 43-013-31631
10. Field and Pool, or Exploratory Area Monument Butte
11. County or Parish, State Duchesne, UT

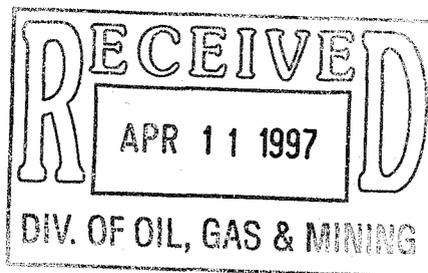
12 CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION: [X] Notice of Intent, [] Subsequent Report, [] Final Abandonment Notice
TYPE OF ACTION: [] Abandonment, [] Recompletion, [] Plugging Back, [] Casing repair, [] Altering Casing, [X] Other APD Extension, [] Change of Plans, [] New Construction, [] Non-Routine Fracturing, [] Water Shut-off, [] Conversion to Injection, [] Dispose Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Inland Production Company requests that a one year APD extension for the Monument Butte Federal #10-24 be granted.

extended to 6/25/98 BTJ

Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY



14. I hereby certify that the foregoing is true and correct
Signed Cheryl Cameron Title Regulatory Compliance Specialist Date 4/9/97

(This space of Federal or State office use.)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

Phone: (435) 781-4400

Fax: (435) 781-4410

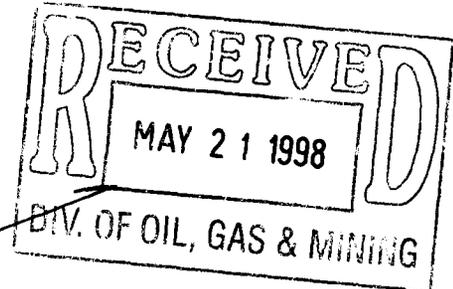
IN REPLY REFER TO:

3160
UT08300

Inland Production Company
Attn: Cheryl Cameron
P O Box 790233
Vernal UT 84079

May 19, 1998

*DDGM
LA
DATE*



Re: Notification of Expiration
Well No. MBFNE 10-24
NWSE, Section 24, T8S, R16E
Lease No. U-67170
Utah County, Utah

Duchesne

43-013-31631

Dear Cheryl:

The Application for Permit to Drill the above-referenced well was approved on April 25, 1996. Inland Production Company requested an extension of the original APD approval for an additional year. The request was reviewed and the extension approved until April 25, 1998. 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

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M