

UTAH OIL AND GAS CONSERVATION COMMISSION

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

990630 APD GWT to 6-23-2000; 000830 LAD, etc 8-28-00!

DATE FILED JANUARY 5, 1998

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

DRILLING APPROVED JUNE 23, 1998

SPUDDED IN:  
COMPLETED: PUT TO PRODUCING

INITIAL PRODUCTION:

GRAVITY API

GOR

PRODUCING ZONES

TOTAL DEPTH

WELL ELEVATION

DATE ABANDONED 8-28-00 LAD

FIELD: UNDESIGNATED

UNIT:

COUNTY: DUCHESNE

WELL NO PREWITT 12-19

API NO. 43-013-32026

LOCATION 1996 FSL FT. FROM (N) (S) LINE. 329 FWL FT. FROM (E) (W) LINE NW SW 1/4 - 1/4 SEC. 19

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
4S	1W	19	INLAND PRODUCTION				

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**CONFIDENTIAL**

<b>APPLICATION FOR PERMIT TO DRILL OR DEEPEN</b>		5. Lease Designation and Serial Number: Fee
1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name: n/a
B. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. Unit Agreement Name: n/a
2. Name of Operator: Inland Production Company		8. Farm or Lease Name: Prewitt
3. Address and Telephone Number: P.O. Box 790233; Vernal, UT 84079 (801) 789-1866		9. Well Number: #12-19
4. Location of Well (Footages) At Surface: NW SW Section 19, T4S, R1W 1995.8' FSL, 329.2' FWL At Proposed Producing Zone: 606 100		10. Field and Pool, or Wildcat: Myton Prospect/Doug.Crk.
14. Distance in miles and direction from nearest town or post office: Approximately 7 miles south of Myton, UTAH		11. Ctr/Ctr, Section, Township, Range, Meridian: Sec. 19, 4S, R1W NWSW
15. Distance to nearest property or lease line (feet):	16. Number of acres in lease:	12. County: Duchesne 13. State: UTAH
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet):	19. Proposed Depth: 6,500'	17. Number of acres assigned to this well:
21. Elevations (show whether DF, RT, GR, etc.): 5250.9' GL	20. Rotary or cable tools: Rotary	
21. Elevations (show whether DF, RT, GR, etc.): 5250.9' GL		22. Approximate date work will start: 1st quarter 1998

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
See attached EXHIBITS for details.				

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

Operator proposes to drill this well in accordance with the attached EXHIBITS. A listing of EXHIBITS is also attached.

**CONFIDENTIAL**

NOTE: Questions about this APD should be addressed to: Bobbie Schuman as Agent for Inland Production Company at (406) 652-4351.

24. Bobbie Schuman as Agent for Inland Production Company  
 Name & Signature: Bobbie Schuman Title: Regulatory Specialist Date: 12/31/97

API Number Assigned: 43-013-32026

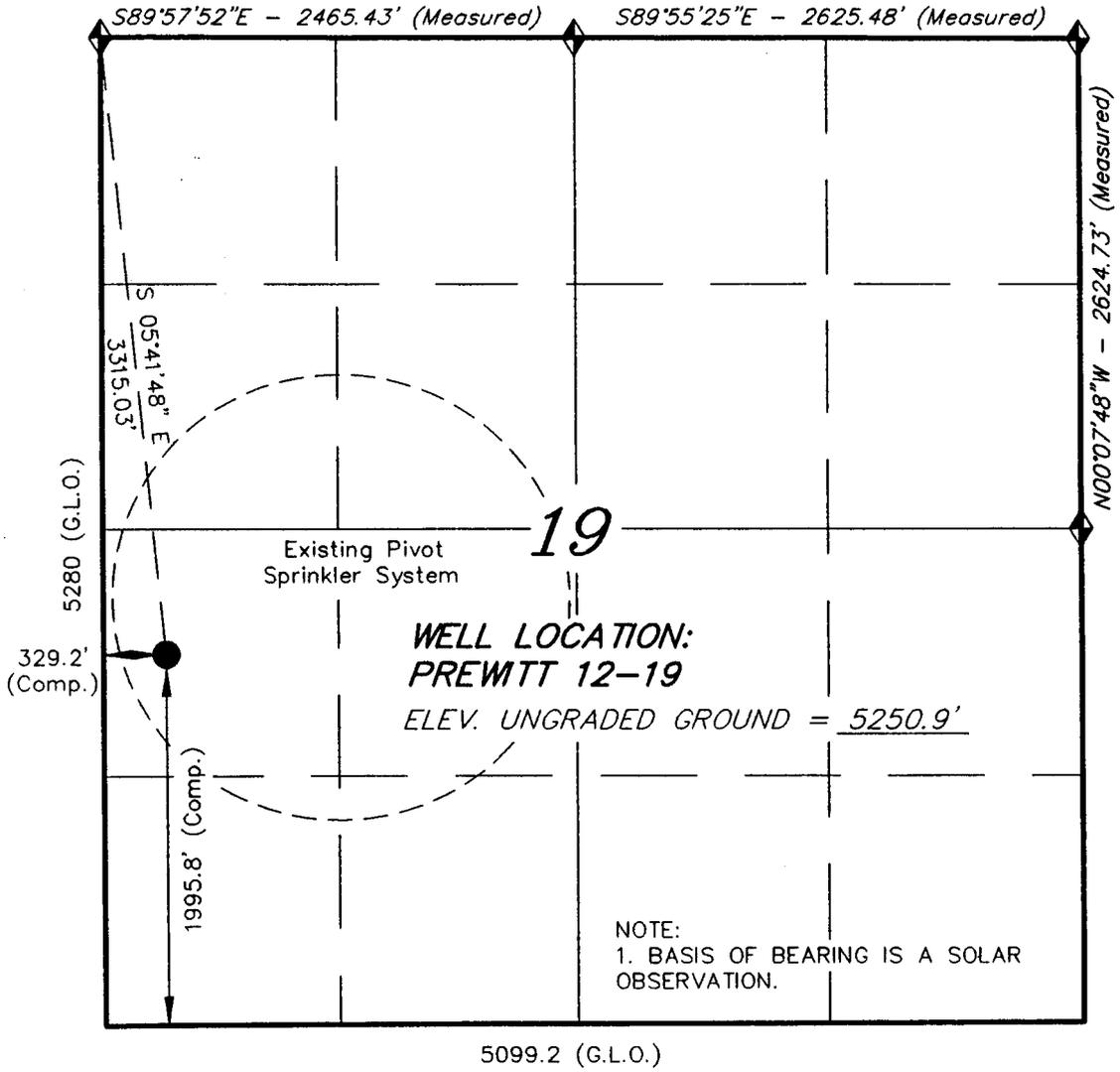
Approval: [Signature]  
6/23/98  
(See Instructions on Reverse Side)

**RECEIVED**  
JAN 05 1998  
DIV. OF OIL, GAS & MINING

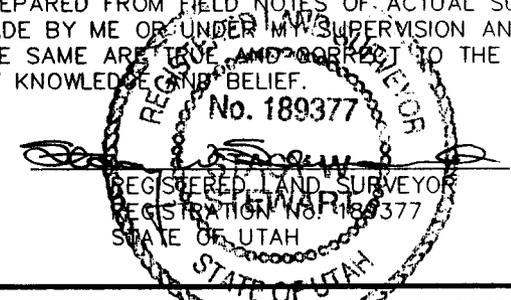
T4S, R1W, U.S.B.&M.

**INLAND PRODUCTION COMPANY**

WELL LOCATION, PREWITT 12-19,  
 LOCATED AS SHOWN IN THE NW 1/4  
 SW 1/4 OF SECTION 19, T4S, R1W,  
 U.S.B.&M. DUCHESNE COUNTY, UTAH.



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.



NOTE:  
 1. BASIS OF BEARING IS A SOLAR  
 OBSERVATION.

◆ = SECTION CORNERS LOCATED  
 BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (MYTON SE)

<b>TRI STATE LAND SURVEYING &amp; CONSULTING</b>	
38 WEST 100 NORTH - VERNAL, UTAH 84078 (801) 781-2501	
SCALE: 1" = 1000'	SURVEYED BY: DS BG
DATE: 12/01/97	WEATHER:
NOTES:	FILE # 12-19

# CONFIDENTIAL

Operator requests that the status of this well be held tight for the maximum period allowed by State and Federal locations, whichever is applicable.

INLAND PRODUCTION COMPANY  
475-17<sup>th</sup> Street  
Suite 1500  
Denver, CO 80202

## **EXHIBITS**

- A PROPOSED DRILLING PROGRAM
- B PROPOSED SURFACE USE PROGRAM
- C EXISTING & PLANNED ACCESS ROADS (MAPS A & B)
- D BOPE SCHEMATIC
- E SURVEY PLAT
- F LAYOUT/CUT & FILL DIAGRAM
- G. DRILLING RIG LAYOUT
- H. ARCHAEOLOGICAL REPORT

12/31/97/rs

**PROPOSED DRILLING PROGRAM**

INLAND PRODUCTION COMPANY  
Prewitt #12-19  
NW SW Section 19, T4S , R1W  
Duchesne County, Utah

1. **ESTIMATED IMPORTANT GEOLOGICAL MARKERS:**

Uinta Formation	Surface
Green River Formation	1,999'
Garden Gulch Formation	4,400'
Douglas Creek Formation	5,421'

2. **ESTIMATED DEPTHS OF ANTICIPATED OIL, GAS OR WATER:**

Green River Formation      1,999' to 6,500'

NOTE: This includes the Garden Gulch and Douglas Creek members.

3. **OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:**

- a. EXHIBIT "H" is a schematic of the BOP equipment and choke manifold. A 2M system will be used. The BOPE will be installed after setting 8-5/8" casing at 260'. The operator's minimum specifications for pressure control equipment are as follows: An 8" Series 900 annular bag type BOP and an 8" double ram hydraulic unit with a closing unit will be utilized. The blind rams and pipe rams will be tested to 1500 psi. Pipe rams will be operationally checked each 24-hour period and blind rams each time pipe is pulled out of the hole.
- b. The BOPE will be tested to 1500 psi when initially installed, whenever any seal subject to test pressure is broken, and following related repairs. The pipe and blind rams will be activated at least weekly and on every trip the pipe and blind rams will be activated.
- c. An accumulator of sufficient capacity to open the hydraulically-controlled choke valve lines (if so equipped), close all rams, and retain a minimum of 200 psi above precharge on the closing manifold without the use of the closing unit pumps will be installed during the drilling of this well.
- d. An upper kelly cock will be used during the drilling of this well.
- e. Visual mud monitoring equipment will be used to detect volume changes indicating loss or gain in circulating fluid volume.

- f. Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control.

4. PROPOSED CASING AND CEMENTING PROGRAM:

- a. Surface casing will be set in the Uinta formation to approximately 300' and cemented to surface.

- b. All potentially productive hydrocarbon zones will be isolated.

- c. Proposed casing program:

8-5/8", J-55, 24, with ST&C collars; set at 300' . Surface pipe: Premium Plus cement with 2%  $\text{CaCl}_2$  and 1/4# flocele/sk. Weight: 14.8 PPG, Yield: 1.37 Cu Ft/sk. Water required: 6.4 gal/sk.

5-1/2", J-55, 15.5# with LT&C collars, set at TD. Long string: Lead: Hibond 65 Modified. Weight: 11.0 PPG, Yield: 3.00 Cu Ft/sk. Water required: 18.08 gal/sk. Tail: Premium Plus Thixotropic. Weight: 14.2 PPG, Yield: 1.59 Cu Ft/sk. Water required: 7.88 gal/sk.

- d. All casing strings will be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi whichever is greater (not to exceed 70% of yield).

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

- f. It is anticipated that all casing will be new.

5. HAZARDOUS PRESSURES, TEMPERATURES, FLUIDS/GASSES EXPECTED:

- a. Expected bottom hole temperature is 125 degrees F. Expected bottom hole pressure is 1500 psi.

- b. No abnormal pressures or temperatures have been noted or reported in wells drilled to the Green River formation in this area.

- c. No dangerous levels of hydrogen sulfide, hazardous fluids, or gasses have been found, reported, or known to exist at the depth to be drilled in this well, in this area.

6. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

- a. The drilling operations for this well will begin in the first quarter of 1998.

- b. These drilling operations should be completed within 12-15 days after spudding the well depending on weather and hole conditions.

- c. If the well is productive, a sundry notice and plat showing exact installed facilities will be submitted.
- d. If this well is non-productive, a sundry notice will be filed with the State within 30 days following completion of the well for abandonment.

0000ACE USE PROGRAM  
INLAND PRODUCTION COMPANY  
Prewitt #12-19  
NW SW Section 19, T4S, R1W  
Duchesne County, Utah

1. EXISTING ROADS:

- a. From Myton, Utah, take Highway #40 west out of town 1.6 miles to the Sand Wash road. Go south (left) and proceed 7.0 miles to a sign indicating location. Turn right and follow signs proceeding approximately 0.1 miles to the location.
- b. The existing roadway may need to be upgraded for drilling operations. See EXHIBIT "C".
- c. All existing roads used by these drilling operations will be maintained in the same or better condition as were existing prior to entry.
- d. See EXHIBIT "C" Maps A and B for access route.

2. PLANNED ACCESS ROADS: See EXHIBIT "C" Maps A & B

- a. Approximately 0.1 miles of new access is required.
- b. All travel will be confined to location and access routes.
- c. If a right-of-way is needed for access, please consider this Application for Permit to Drill as the application for right-of-way.

3. LOCATION OF EXISTING WELLS:

See EXHIBIT "C" Maps A and B.

4. PROPOSED PRODUCTION FACILITIES DIAGRAM:

- a. Upon completion, a sundry notice and plat showing exact production facilities will be submitted.
- c. A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

- d. All permanent (onsite for six months or longer) above-ground structures constructed or installed (including pumping units) will be painted Desert Brown. All production facilities will be painted within six (6) months of installation. Facilities required to comply with Occupational Health and Safety Act rules and regulations will be excluded from this painting requirement.
- e. If culverts or fence cuts are needed, that will be determined at the onsite.

5. LOCATION AND TYPE OF WATER SUPPLY:

Inland Production Company has purchased a 3" water connection with Johnson Water District to supply the Monument Butte, Travis, and Gilsonite oil fields. Johnson Water District has given permission to Inland Production Company to use water from this system for the purpose of drilling and completing this well. Alternately water will be trucked from Inland Production Company's water supply line located at the Gilsonite State #7-32 (SW NE Section 32, T8S, R17E) or the Monument Butte Federal #5-35 (SW NW Section 35, T8S, R15E), or the Travis Federal #15-28 (SW SE Section 28, T8S, R16E).

6. CONSTRUCTION ROAD/LOCATION MATERIALS:

- a. Any construction materials which are required will be native materials from the location and/or access site.
- b. All construction materials for this location site and access road shall be borrowed material accumulated during the construction of the site and road. No additional construction material from other sources is anticipated at this time. If additional construction material is needed, it will be from an approved source.
- c. Reasonable precautions will be taken to protect all lands.

7. METHODS FOR HANDLING WASTE MATERIALS AND DISPOSAL:

- a. A reserve pit will be constructed from native soil and clay materials. 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 drilling cuttings (wet sand, shale and rock) which are 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. All drilling fluids will be fresh-water based containing DAP (Di-Ammonium Phosphate, commonly known as fertilizer), typically containing Total Dissolved Solids of less than 3000 PPM. No

potassium chloride, chromates, trash, debris, no 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.

- b. Fluids produced during the completion operation will be collected in steel tanks and hauled to approved commercial disposal, as necessary.
- c. A portable toilet will be provided for human waste.
- d. A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.
- f. Sewage will be disposed of according to county and state requirements. Waste and chemicals will not be disposed of on location.
- g. Cuttings will be deposited in the reserve pit.
- h. 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 for re-injection into the waterflood reservoirs via existing approved injection wells. Within 90 days of first production a water analysis will be submitted to the State, along with an application for approval of this as a permanent disposal method.

8. ANCILLARY FACILITIES:

None anticipated.

9. LOCATION SITE LAYOUT:

- a. The proposed location site and survey plat is shown as EXHIBIT "E".
- b. The drill pad layout, showing elevations, orientation, and access to the pad is shown as EXHIBIT "F".
- c. The drilling rig facilities layout is shown on EXHIBIT "G". No permanent living facilities are planned. There will be two or three trailers on location during drilling operations.
- e. The reserve pit will be located on the south side of the location.
- f. If needed, flare pit will be located downwind of the prevailing wind directions a minimum of 100' from the wellhead and 30' from the reserve pit fence.

- g. Stockpiled topsoil (first 6 inches) will be stored on the north side between Corners 1 and 8.
- h. Access to the wellpad will be from the west at Corner 7. Approximately 0.1 miles of new access will be necessary.
- i. All pits will be fenced according to the following minimum standards:
  - a. 39-inch net wire will be used with at least one strand of barbed wire on top of the net wire unless pipe or some type of reinforcement rod is attached to the top of the entire fence.
  - b. The net wire shall be no more than 2 inches above the ground. If barbed wire it shall be 3 inches above the net wire. Total height of fence will be at least 42 inches.
  - c. Corner posts will be cemented and/or braced in such a manner to keep the fence tight at all times. Standard steel, wood, or pipe posts will be used between the cornerbraces. Maximum distance between any two posts will be no greater than 16'.
  - d. All wire will be stretched before it is attached to the corner posts.

The reserve pit will be fenced on three sides during drilling operations and on the fourth side when the rig moves off locations. Pits will be fenced and maintained until clean-up.

10. PLANS FOR RECLAMATION OF LOCATION SITE:

The State will be notified of any reclamation operations.

Producing location:

- a. Immediately upon well completion, the location and surrounding areas will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit will be removed.
- c. If a plastic nylon reinforced liner is required, it will be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities or operations will be recontoured in accordance with the agreement with the private surface owner. The reserve pit will be reclaimed in accordance with agreement with the private surface owner. Before any dirt work takes

place, the reserve pit will have all fluids and hydrocarbons removed.

Dry hole/abandoned location:

At such time as the well is plugged and abandoned, operator will submit a subsequent report of abandonment.

11. SURFACE OWNERSHIP:

Noland Larson  
Roosevelt, Utah  
(801) 722-3180

12. OTHER INFORMATION:

- a. Operator will have on site a copy of the Surface Use Program and a copy of the supplemental conditions.
- b. Drilling operations will be conducted in accordance with the State conditions of approval when received.
- c. All surface disturbance and reclamation will be done in accordance with the agreement with the private surface owner.
- d. An agreement has been made with the private surface owner.
- e. An archeological survey has been completed and is shown as EXHIBIT "H". A condition of "no affect" has been given to this location.

13. **Lessee's or Operator's Representative:**

FOR QUESTIONS ABOUT THE APD:

Bobbie Schuman  
Acting as Agent for Inland Production Company in the APD process  
1835 Yellowstone Avenue  
Billings, MT 59102  
(406) 652-4351  
FAX: (406) 252-6499 (request that Bobbie be called at 652-4351)

FOR QUESTIONS ABOUT OPERATIONS:

Brad Meecham, District Manager  
P.O. Box 1446  
Roosevelt, UT 84066  
(801) 722-5103

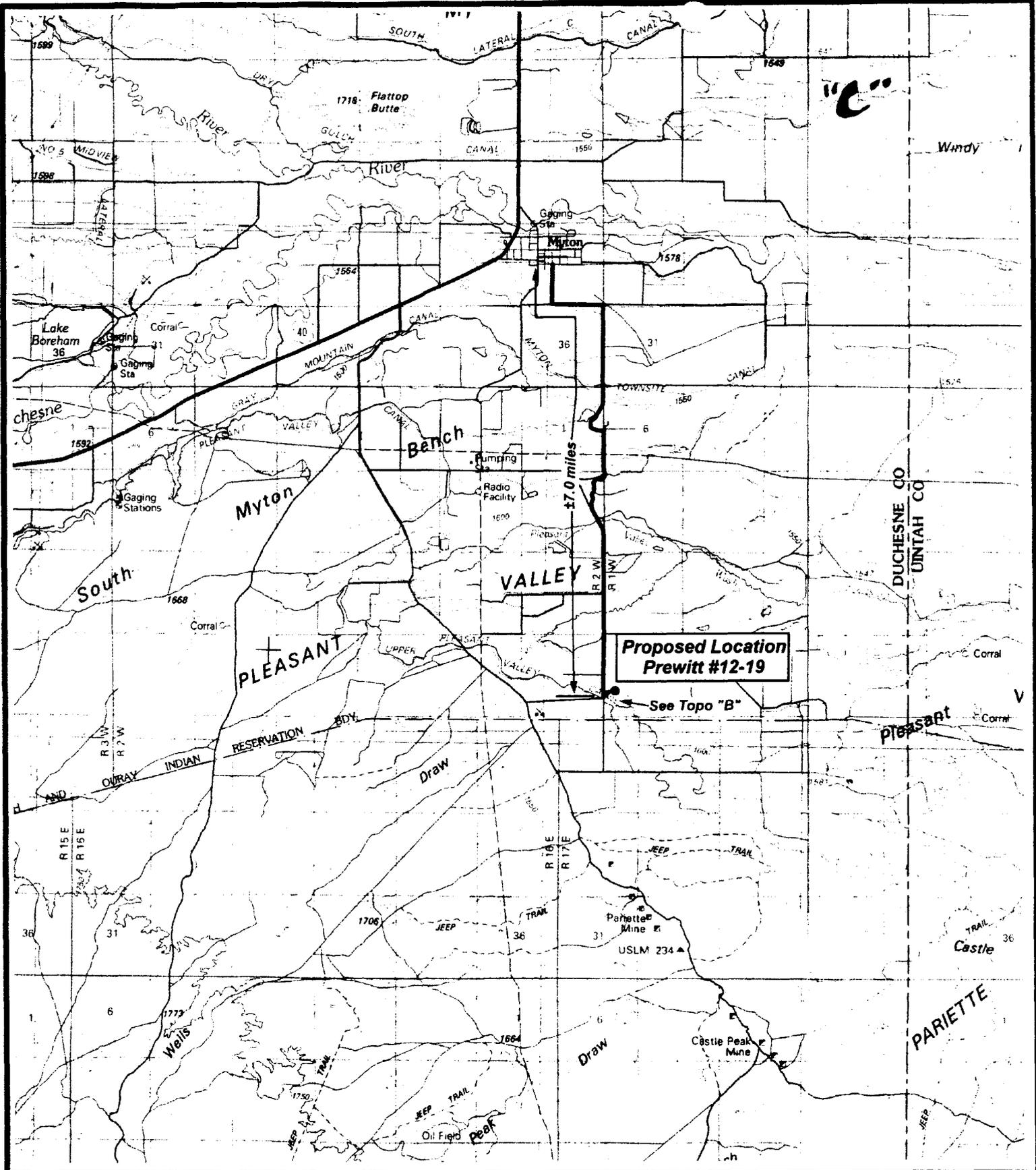
14. CERTIFICATION:

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 presently exist; that any statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein 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.

December 31, 1997  
Date

Bobbie Schuman  
Bobbie Schuman  
Regulatory Specialist  
(Signing as Agent for Inland  
Production Company in this APD  
process)

12/24/97/rs

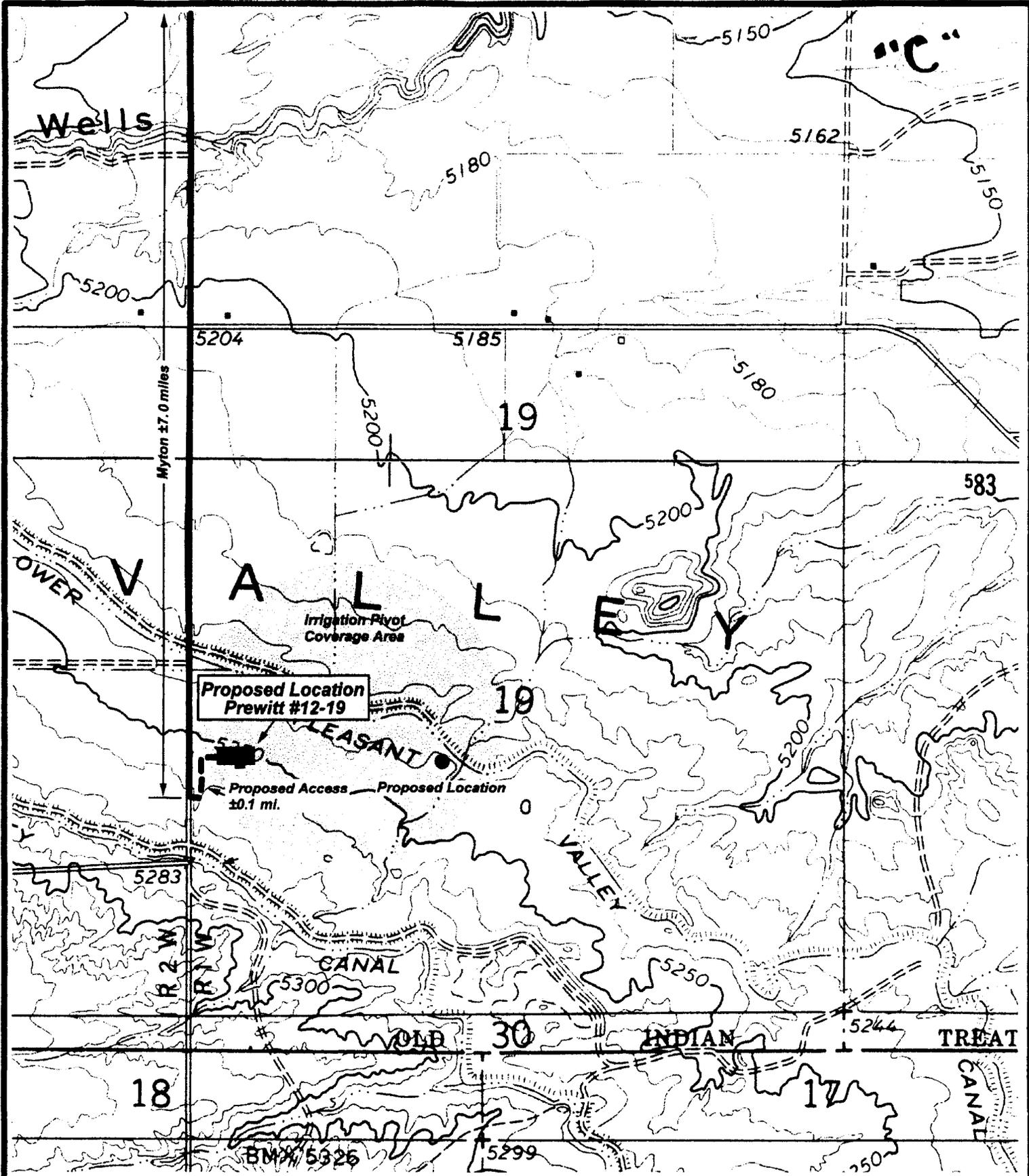


**INLAND PRODUCTION CO.**

**PREWITT #12-19**  
**SEC. 19, T4S, R1W, U.S.M.**  
**TOPO "A"**



(801) 781-2501  
 38 WEST 100 NORTH VERNAL, UTAH 84078



**INLAND PRODUCTION CO.**

**PREWITT #12-19  
SEC. 19, T4S, R1W, U.S.M.  
TOPO "B"**

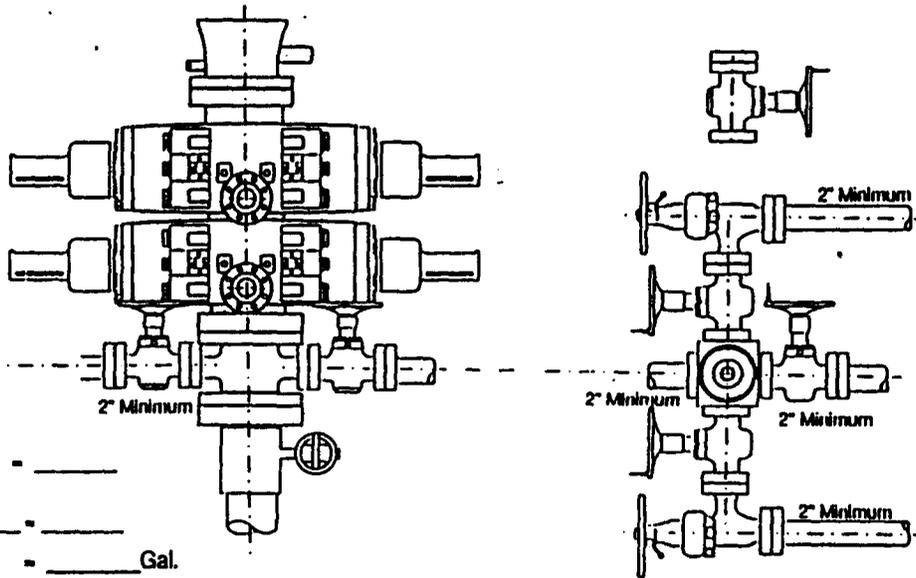


SCALE 1" = 1000'

*Tri-State  
Land Surveying Inc.*  
(801) 781-2501  
38 WEST 100 NORTH VERNAL, UTAH 84078

HAH TYPE O.O.P.  
 Make:  
 Size:  
 Model:

2-M SYSTEM



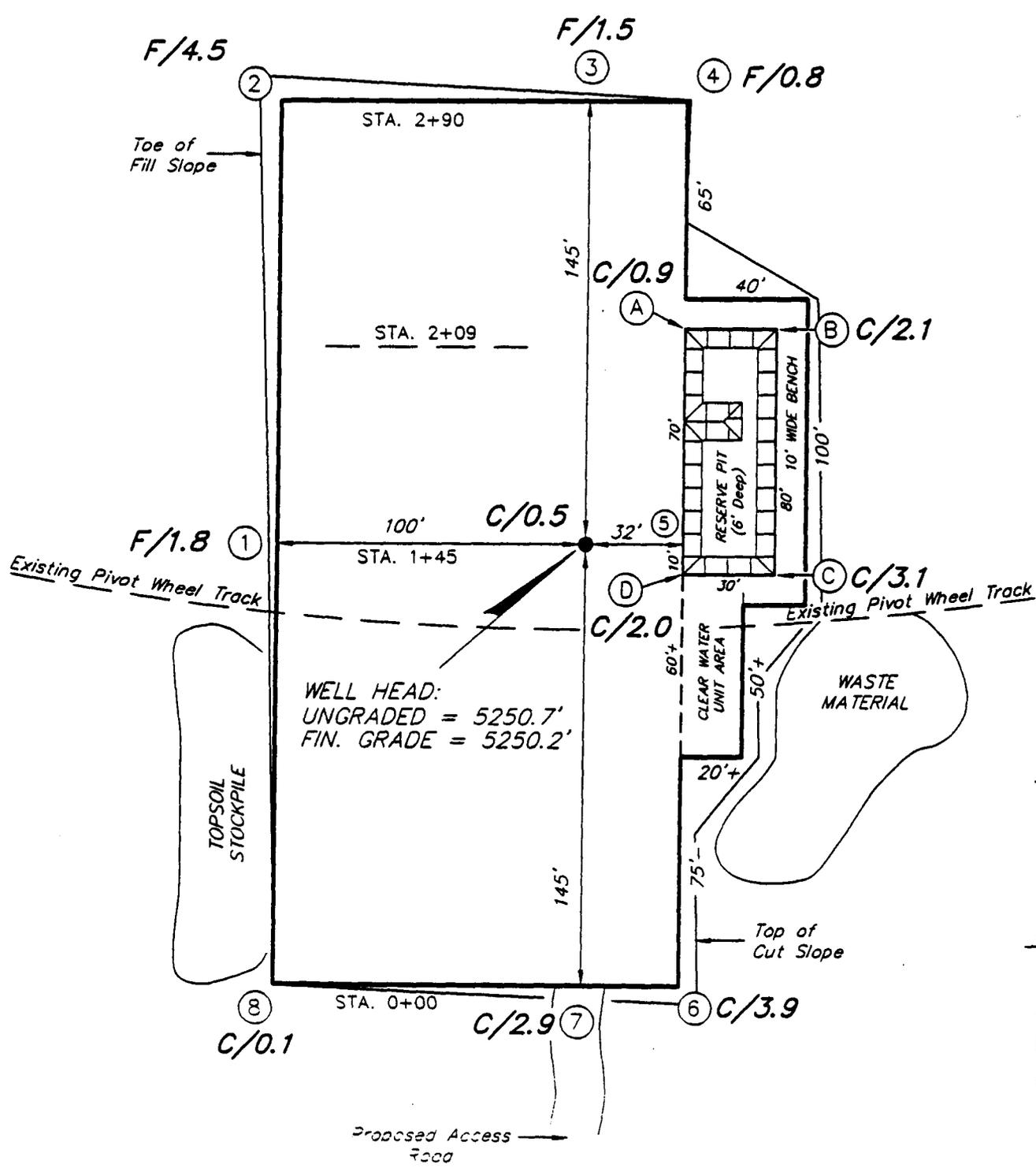
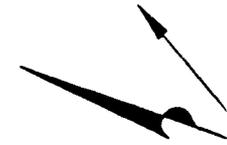
GAL TO CLOSE  
 Annular BOP = \_\_\_\_\_  
 Ramtype BOP  
 \_\_\_\_ Rams x \_\_\_\_ = \_\_\_\_\_ Gal.  
 \_\_\_\_\_ x 2 = \_\_\_\_\_ Total Gal.

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

# INLAND PRODUCTION COMPANY

F  
P. 1082

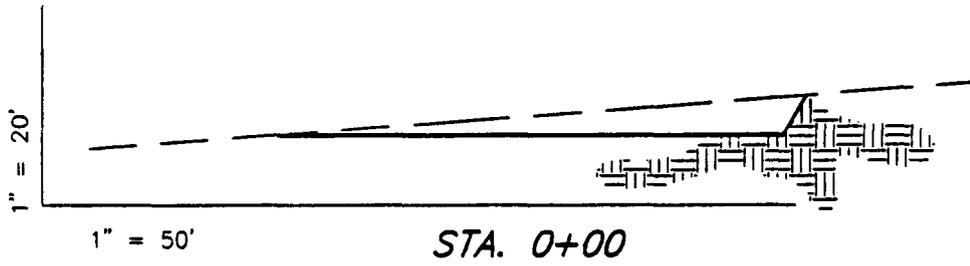
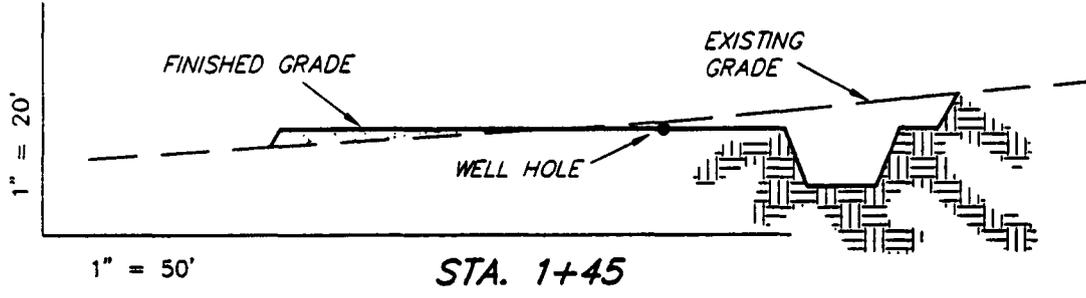
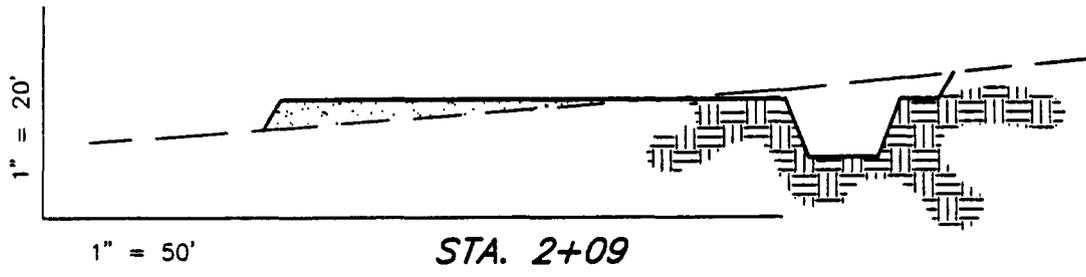
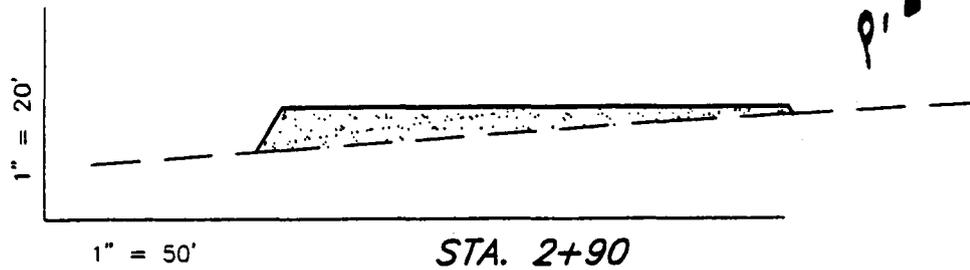
PREWITT 12-19  
SEC. 19, T4S, R1W, U.S.B.&M.



WELL HEAD:  
UNGRADED = 5250.7'  
FIN. GRADE = 5250.2'

REFERENCE P	
150' NORTH =	
200' NORTH =	
195' EAST =	
245' EAST =	
APPROXIMATE	
CUT =	1,390
FILL =	1,100
PIT =	390
6" TOPSOIL =	

"B"  
9/20/22



**POINTS**  
 5247.1'  
 5246.2'  
 5247.5'  
 5246.6'

**YARDAGES**

Cu. Yds.  
 Cu. Yds.  
 Cu. Yds.  
 800 Cu. Yds.

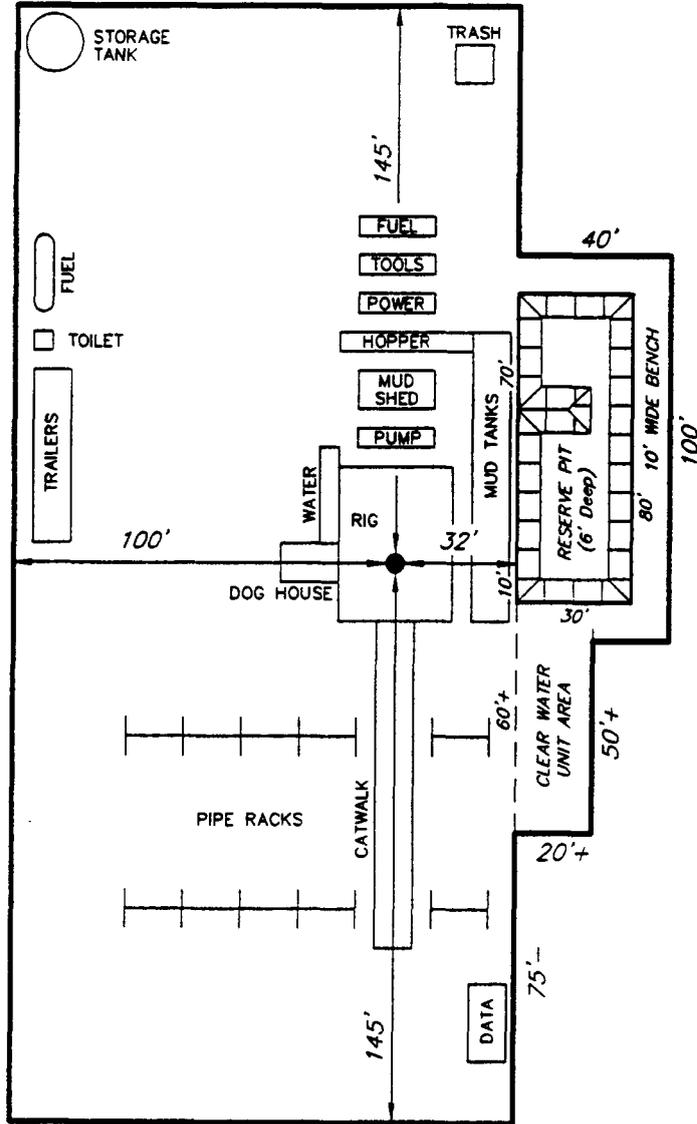
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DRAWN BY:	BRW
DATE:	12/02/97
SCALE:	1" = 50'
FILE:	12-19

**Tri State**  
 Land Surveying, Inc.  
 (801) 781-2501  
 33 WEST 100 NORTH TERNAL UTAH 84078

# TYPICAL RIG LAYOUT

"G"

## PREWITT 12-19



**Tri State**  
Land Surveying, Inc.  
(801) 781-2501  
38 WEST 100 NORTH, VERNAL, UTAH 84078

"H"

CULTURAL RESOURCE INVENTORY OF SIX INLAND PRODUCTION'S  
WELL LOCATIONS IN THE PLEASANT VALLEY AREA  
DUCHESNE COUNTY, UTAH

by

Keith R. Montgomery

Prepared For:

State of Utah

Prepared Under Contract With:

Inland Production Company  
475 17th Street  
Suite 1500  
Denver, CO 80202

Prepared By:

Montgomery Archaeological Consultants  
P.O. Box 147  
Moab, Utah 84532

December 17, 1997

United States Department of Interior (FLPMA)  
Permit No. 97-UT-60122

State of Utah Antiquities Project (Survey)  
Permit No. U-97-MQ-0803p

## INTRODUCTION

Cultural resource inventories were conducted for six proposed well locations (Allen Trust 1-24, Allen Trust 8-24, Malnar 11-20, Malnar 12-20, Prewitt 11-19, and Prewitt 12-19) and associated access roads. The project area is located on private land in Pleasant Valley, Duchesne County, Utah. The survey was performed by Montgomery Archaeological Consultants, Moab, Utah in November and December, 1997.

The objective of the inventories was to locate, document, and evaluate any cultural or paleontological resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventories were implemented to attain compliance with a number of federal and state mandates, including the National Environmental and Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978 and Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed by Keith R. Montgomery, Principal Investigator for Montgomery Archaeological Consultants under the auspices of U.S.D.I. (FLPMA) Permit No. 97-UT-60122 and State of Utah Antiquities Permit (Survey) No. U-97-MQ-0803p. A file search for previous archaeological projects and documented cultural resources was conducted by the author at the State Historical Preservation Office in Salt Lake City on November 25, 1997. The record consultation indicated that a number of inventories have been completed within a mile radius of the project area. In 1981 a survey of the Duchesne River canal rehabilitation program was conducted by MESA Corporation (Garth, Merrill, and Southworth 1982). The historic Pleasant Valley canal systems was documented which included a portion of the Lower Pleasant Valley Canal (42Dc374). In 1982 an inventory was completed for a number of seismic lines by Brigham Young University (Billat, Duffin, and Nielson 1982). In 1984 a survey was conducted for Ute Tribal No. 7-19 Well Location by Grand River Consultants, Inc. (Babcock 1984). In the following year Grand River Institute inventoried Ute Tribal 10-20 Well Location (Hartley 1985). In 1986 the Bureau of Reclamation completed a survey for the Taylor Canal Area (Wiens 1986). The only archaeological site documented in the project area is 42Dc374, the Pleasant Valley Canal system which includes Lower Pleasant Valley Canal.

A file search for previously documented paleontological resources in the project area was completed on in December 1997 by Martha Hayden of the Utah Geological Survey, Salt Lake City. The records indicated no documented paleontological localities in the project area, although there is a potential for fossils in the Uinta Formation.

## DESCRIPTION OF PROJECT AREA

The project area lies in the Pleasant Valley area of the Uinta Basin. The survey areas occur approximately 7 miles south of the town of Myton, Duchesne County, Utah. Topographically, this area consists of broad erosional benches and sandstone outcroppings, dissected by numerous intermittent drainages. The geology is formed by young tertiary age formations overlying Cretaceous formations. Rock outcrops in the area dominated by the Upper Eocene Uinta formation known for its vertebrate fauna of mammals, turtles, crocodylians and fish remains. Plant fossils and animal tracks are also occasionally found in the Uinta Formation. The project area elevation ranges from 5190 to 5260 feet. The primary water source in the area is Wells Draws Wash, an ephemeral drainage. Several canals irrigate Pleasant Valley including the Lower Pleasant Valley Canal (circa 1932) and Upper Pleasant Valley Canal (circa 1957).

The project area occurs within the Upper Sonoran vegetation zone of the Colorado Plateau. The natural vegetation includes greasewood, rabbitbrush, snakeweed, winterfat, sunflower, galleta grass, Russian Olive, and cottonwood. Modern disturbances to the landscape consists agricultural fields, canals, ditches, roads, and farming activities.

The inventory area consist of six proposed well locations and associated access roads (Figure 1). The legal descriptions for the well locations are presented in Table 1.

Table 1. Inland Production's Six Proposed Well Location Descriptions.

Well Number	Legal Location	Location at Surface	Access Road	Resources
Allen Trust 1-24	T4S R2W S24 NE/NE	666' FNL 566' FEL	400 feet	None
Allen Trust 8-24	T4S R2W S24 SE/NE	2100.8' FSL 501.6' FEL	1200 feet	None
Malnar 11-20	T4S R1W S20 NE/SW	1901.7' FSL 1970' FWL	400 feet	None
Malnar 12-20	T4S R1W S20 NW/SW	1980' FSL 660' FEL	2200 feet	None
Prewitt 11-19	T4S R1W S19 NE/SW	1995.8' FSL 1985.1' FWL	3400 feet	42Dc374
Prewitt 12-19	T4S R1W S19 NW/SW	1995.8' FSL 329.2' FWL	None	None

#### SURVEY METHODOLOGY

An intensive pedestrian survey was performed by the author during this project which is considered 100% coverage. At each of the six proposed well locations, a 10 acre square was defined, centered on the well pad center stake. The interiors of the well locations were examined for cultural and paleontological resources by the archaeologist walking parallel transects spaced no more than 10 m apart. The access roads were surveyed to a 100 foot (30 m) width by walking parallel transects along the staked centerline, spaced no more than 10 m apart. Ground visibility varied from poor to good hampered by vegetation cover and plowing. The total acreage surveyed (60 well locations and 17.4 access roads) was 77.4 acres, all on private land.

#### INVENTORY RESULTS

The inventory resulted in the documentation of a segment of the Lower Pleasant Valley Canal (42Dc374.1). This segment is located 200 feet north of the access road for proposed Prewitt 11-19 Well Location (Figure 1). This site was originally documented by Brigham Young University in 1992 (Garth, Merrill, and Southworth 1982), and is evaluated as eligible to the National Register of Historic Places. The Lower Pleasant Valley Canal flows around the tip of south Myton Bench, flowing southeasterly and ends at UTM 584420E and 4439230N. The Pleasant Valley Canal system with includes the Lower Pleasant Valley Canal was built prior to 1932. A portion of the Lower Pleasant Valley Canal had been obliterated by field leveling at the proposed Allen Trust 8-24 Well Location.

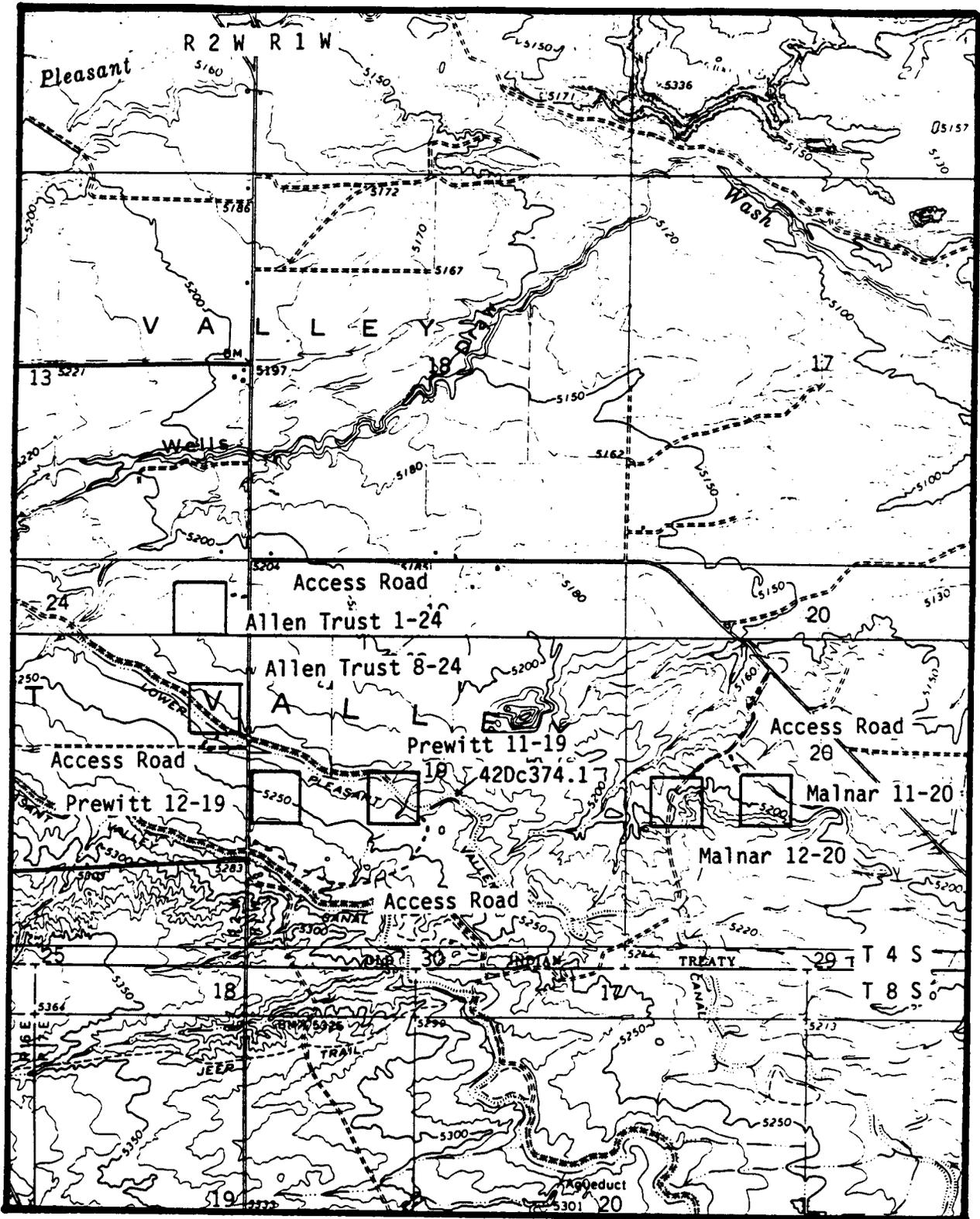


Figure 1. Inland Production's Six Well Locations, Duchesne County, Utah. USGS Myton, UT 7.5', 1964 and Myton SE, UT 7.5', 1964. Scale 1:24000.

Site 42Dc374.1 measures 120 meters in length and occurs in T4S, R1W, S19 SW/NE/SE (UTM: 581960 and 4441160N). The historic canal has been obliterated to the west by mechanically leveling the field and agricultural activities. The in-period canal measures 120 meters long and retains poor physical integrity. It consists of a 20 to 25 feet wide earthen ditch with mature trees growing in the bottom. A poured-in-place concrete measuring flume occurs in the canal measuring 15 feet long, 10 feet wide (opening), and 1 feet 5 inches high. On the west side of the fence is an out-of-period earthen ditch (in-use) which is orientated north-south. The ditch measures 5 feet wide and about 3 feet deep. Associated features include two headgates with 18 inches galvanized culverts. The main headgate has a poured-in-place foundation inscribed with 4-17-57, and measures 8 feet wide and 4 feet high. It has a turn handle metal gate with a metal frame (ARMCO Model 101). A second concrete headgate with a canvas closure diverts water to the adjacent field via a small earthen ditch. Also associated with the canal is a displaced concrete measuring flume situated along the bank of the out-of-period ditch. It measures 12 feet long, 10 feet wide, and 16 inches high with a 20 inches wide throat.

#### MANAGEMENT RECOMMENDATIONS

The inventory of Inland Production's six well locations and access roads resulted in the recordation of a segment of Lower Pleasant Valley Canal (42Dc374.1). This historic canal segment occurs outside of the impact zone for proposed Prewitt 11-19. Based on these findings, a determination of "no effect" is recommended for this project pursuant to Section 106, CFR 800.

## References Cited

- Babcock, Thomas F.  
1984 Archaeological Survey for Lomax Exploration Company's Duchesne Ute Tribal #7-19 Uintah and Ouray Indian Reservation. Grand River Consultants, Inc., Grand Junction, Colorado.
- Billat, Scott, Thorvald E. Duffin and Asa S. Nielson  
1982 An Archaeological Survey of Seismic Lines and Powder Magazine Locations in Northeastern Utah. Brigham Young University, Cultural Resource Management Services, Provo, Utah.
- Hartley, John D.  
1985 Archaeological Survey for Walker Exploration and Production Sand Pass Ute Tribal 10-20 Duchesne County, Utah. Grand River Consultants, Inc., Grand Junction, Colorado.
- Norman, Garth, David Merrill and Don Southworth  
1982 Class III Survey of the Duchesne River Area Canal Rehabilitation Program. Mesa CRM Paper No. 5. Mesa Corporation, Orem, Utah.
- Stokes, William L.  
1986 Geology of Utah. Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.
- Wiens, Carol  
1986 Cultural Resources Survey of Taylor Canal Area Block 2 Drains Locations, Duchesne County, Utah. Bureau of Reclamation, Upper Colorado Region, Provo, Utah.

APPENDIX A

INTERMOUNTAIN ANTIQUITIES COMPUTER SYSTEM (IMACS)  
SITE INVENTORY FORM

On File At:

Utah Division of State History  
Salt Lake City, Utah

and

U.S. Bureau of Land Management  
Diamond Mountain Resource Area  
Vernal, Utah

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/05/98

API NO. ASSIGNED: 43-013-32026
--------------------------------

WELL NAME: PREWITT 12-19  
 OPERATOR: INLAND PRODUCTION COMPANY (N5160)

PROPOSED LOCATION:  
 NWSW 19 - T04S - R01W  
 SURFACE: 1996-FSL-0329-FWL  
 BOTTOM: 1996-FSL-0329-FWL  
 DUCHESNE COUNTY  
 UNDESIGNATED FIELD (002)

INSPECT LOCATION BY: 01/20/98		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: FEE  
 LEASE NUMBER: PREWITT

PROPOSED PRODUCING FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Federal [] State [] Fee   
 (Number RN-4471290)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit  
 (Number GILSONITE STATE 7.32)
- 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: \_\_\_\_\_

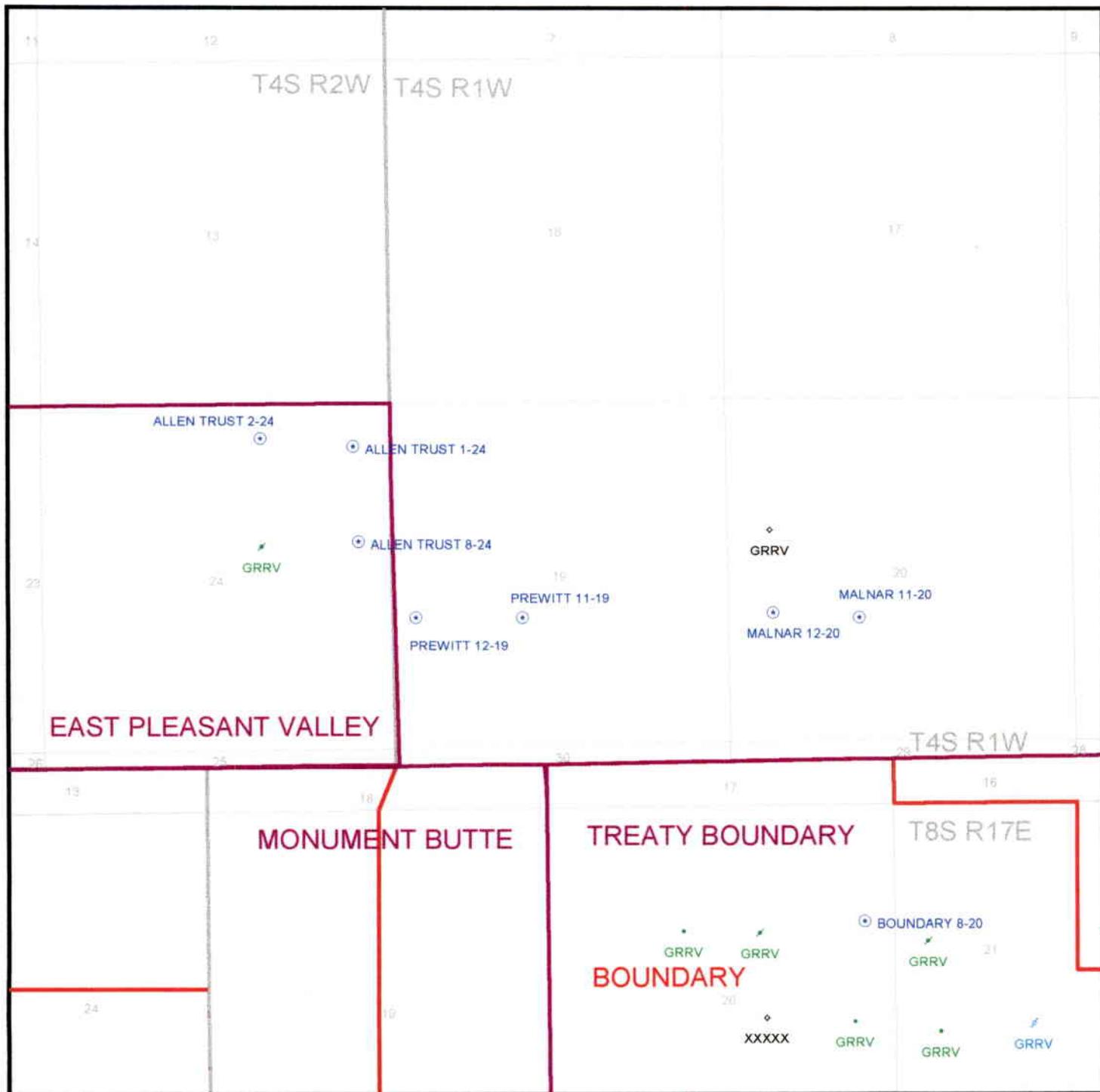
COMMENTS: Conf. Status req. Casing OK, Cement OK, BOP OK  
\* Surf. Owner Fee - Surf. Use Agreement eff. 3-14-97.  
\* Need add'l info "Except. Loc." (Rec'd 6-17-98 & 6-19-98)

STIPULATIONS: 1. Statement of Basis



DIVISION OF OIL, GAS & MINING

OPERATOR: INLAND PRODUCTION (N5610)  
FIELD: UNDESIGNATED (002)  
SEC. TWP. RNG.: SEC. 19, T4S, R1W, & SEC. 24, T4S, R2W  
COUNTY: DUCHESNE UAC: R649-3-2 & R649-3-3



DATE PREPARED:  
6-JAN-1998

**DIVISION OF OIL, GAS AND MINING**  
**APPLICATION FOR PERMIT TO DRILL**  
**STATEMENT OF BASIS**

**Operator Name:** INLAND PRODUCTION COMPANY  
**Name & Number:** PREWITT #12-19  
**API Number:** 43-013-32026  
**Location:** 1/4,1/4 NW/SW Sec. 19 T. 4S R. 1W

**Geology/Ground Water:**

Fresh water zones may be encountered very near the surface and in isolated sands in the Uinta Formation. The base of moderately saline water is at a depth of approximately 2000 feet which corresponds with the top of the Green River Formation. The casing program as submitted by Inland calls for surface casing to be set at 300 feet and cemented to surface. The production casing will be set at total depth and a sufficient quantity of cement pumped to try and bring cement to surface. The program calls for 350 sacks of light lead cement and 330 sacks of premium plus cement as a tail. The actual volumes will be calculated from open hole logs plus 15% excess. This program should adequately protect and isolate any water or mineral zones encountered. Drilling activity in this area has been sparse and information regarding water zones is not available. As additional information is obtained ( ie. Water zones encountered while drilling) this casing and cement program should be reevaluated.

**Reviewer:** D. Jarvis

**Date:** 2-3-98

**Surface:**

A PRESITE INVESTIGATION OF THE SURFACE WAS DONE BY THE ROOSEVELT DOGM FIELD OFFICE ON 1/15/98. THE LANDOWNER OF SAID PROPERTY WAS NOTIFIED REGARDING THE ONSITE VISIT AND ATTENDED THE MEETING. LOCATION WAS MOVED 330 FEET WEST TO ACCOMMODATE THE PIVOT TRACK ON LANDOWNERS SPRINKLER SYSTEM. A SPECIAL SPACING EXCEPTION MUST BE GRANTED BY DOGM BEFORE WELL IS PERMITTED, AS IT FALLS OUTSIDE OF THE 200' TOLERANCE PROVIDED IN 40 ACRE SPACING. GROUND WAS 100 PERCENT OPEN DURING ONSITE VISIT (NO SNOW).

**Reviewer:** DENNIS L. INGRAM

**Date:** 1/16/98

**Conditions of Approval/Application for Permit to Drill:**

1. A 12 MIL LINER BE UTILIZED TO LINE RESERVE PIT

**ON-SITE PREDRILL EVALUATION**

**Division of Oil, Gas and Mining**

OPERATOR: INLAND PRODUCTION COMPANY  
WELL NAME & NUMBER: PREWITT #12-19  
API NUMBER: 43-013-32026  
LEASE: FEE FIELD/UNIT: MYTON PROSPECT/DOUGLAS CREEK  
LOCATION: 1/4,1/4 NW/SW Sec: 19 TWP: 4S RNG: 1W 1995.8'FSL 329.2'FWL  
LEGAL WELL SITING: F SEC. LINE; F 1/4,1/4 LINE; F ANOTHER WELL.  
GPS COORD (UTM): N/A, NO READING  
SURFACE OWNER: NOLAND LARSON (801)722-3180

PARTICIPANTS

BRAD MECHAM (INLAND PRODUCTION COMPANY); DENNIS L. INGRAM (DOGM);  
NOLAND LARSON (LANDOWNER)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

PROPOSED LOCATION IS SITED SEVEN MILES SOUTH OF MYTON, UTAH IN PLEASANT VALLEY FARMLAND. THIS PROPOSED LOCATION IS LOCATED IN AN ALFALFA/GRASS HAY FIELD WHICH DIPS SLIGHTLY TO THE NORTH. LOWER PLEASANT VALLEY CANAL IS LOCATED TO THE NORTH WHILE UPPER PLEASANT VALLEY TO THE SOUTH.

SURFACE USE PLAN

CURRENT SURFACE USE: FARMLAND (ALFALFA CROP)

PROPOSED SURFACE DISTURBANCE: 0.1 MILES ACCESS PLUS LOCATION MEASURING 290 FEET BY 162 FEET.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATA BASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: PRODUCTION TANKS AND EQUIPMENT (OTHER THAN PUMP JACK AND LINE HEATER) SHALL BE LOCATED OFF LOCATION TO THE NORTH ON NOLAND LARSON'S LAND JUST EAST OF COUNTY ROAD.

SOURCE OF CONSTRUCTION MATERIAL: NATIVE OR BORROWED MATERIAL USING CUT AND FILL METHOD.

ANCILLARY FACILITIES: NONE ANTICIPATED.

WASTE MANAGEMENT PLAN:

SEE EXHIBIT "B", ITEM #7 ON PAGE 2 OF APD UNDER (A) THROUGH (H).

ENVIRONMENTAL PARAMETERS

AFFECTED FLOOD PLAINS AND/OR WETLANDS: NONE PRESENT

FLORA/FAUNA: ALFALFA & GRASS. DEER, ANTELOPE, COYOTES, FOX, RACOONS, SMALL BIRDS AND OTHER MAMMALS, BIRDS OF PREY, AND INSECT LIFE.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY LOAM

SURFACE FORMATION & CHARACTERISTICS: UINTA FORMATION

EROSION/SEDIMENTATION/STABILITY: NO EROSION/SOME SEDIMENTATION/NO STABILITY PROBLEMS ANTICIPATED.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED DURING ONSITE VISIT.

RESERVE PIT

CHARACTERISTICS: CONSTRUCTED IN CUT MEASURING 30' BY 80' BY 6' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): 42 POINTS, A synthetic liner will be required.

SURFACE RESTORATION/RECLAMATION PLAN

RECLAMATION ACCORDING TO LANDOWNER AND OPERATOR AGREEMENT.

SURFACE AGREEMENT: YES (TO BE SUBMITTED TO DOGM FOR WELL FILE)

CULTURAL RESOURCES/ARCHAEOLOGY: DONE BY MONTGOMERY ARCHAEOLOGICAL SURVEY, SEE ATTACHED TO APD.

OTHER OBSERVATIONS/COMMENTS

PLEASANT VALLEY CANAL IS STILL UTILIZED DURING SUMMER MONTHS FOR IRRIGATION WATER. MOST ADJACENT FIELDS ARE SPRINKLERED OR IRRIGATED . WELL SITE IS OUTSIDE OF 200 FOOT WINDOW OF TOLERANCE ALLOWED BY RULE R649-3-2.1

ATTACHMENTS:

PHOTOGRAPHS FOR WELL FILE OF SURFACE IN A PRE-DRILL CONDITION.

DENNIS L. INGRAM  
DOGM REPRESENTATIVE

1/15/98, 10:00 AM  
DATE/TIME

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

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>15</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>2</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>10</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
<b>Final Score (Level II Sensitivity)</b>		<u><b>42 POINTS</b></u>

HIGH PLAINS



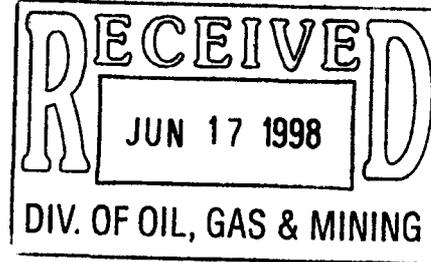
ASSOCIATES, INC.

1557 Ogden Street  
Suite 300  
Denver, Colorado 80218  
Telephone  
(303) 830-0888  
Facsimile  
(303) 830-2818

405 Ross Avenue  
Gillette,  
Wyoming 82716  
Telephone  
(307) 686-1655  
Facsimile  
(307) 686-1201

June 15, 1998

Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, ut 84114



RE: Application for Location Exception  
Prewitt #12-19  
NWSW 19 T4S-R1W  
Duchesne County, Utah

Ladies and Gentlemen,

On behalf of Inland Production Company, operator of the proposed captioned well, we hereby request administrative approval for a location exception to Rule R649-3-2, which governs the location of wells in the State of Utah.

The location of wells under the referenced Rule should be in the center of a 40 acre quarter/quarter section with a 200 foot tolerance. Inland's proposed well is planned to be drilled at a location in the NWSW of Section 19 outside the 40 acre window in a location that is 1995.8' FSL and 329.2 feet FWL. Please see copy of survey plat enclosed. This location is necessary as a result of topographic considerations.

Inland is the only working interest owner within the 460 foot radius of the proposed well location other than one unleased mineral owner, LaRae Wilcken, who owns 1/6 of the minerals underlying the S $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 24 T4S-R2W, a diagonal offset. Ms. Wilcken has received written notification of our exception location request and has also received from High Plains offers to lease her mineral interest under the prevailing terms and conditions in the area. Members of her family who own the other 5/6 interest under the subject tract have leased to Inland; we are uncertain if Ms. Wilcken's will consent to lease or approve of the exception location. Please see enclosed copy of letter hand delivered to Ms. Wilcken.

Enclosed for your review is the following documentation:

- (1) Survey Plat as referenced above;
- (2) Exception letter dated May 5, 1998 to Ms Wilcken as referenced above;
- (3) Affidavit stating that Inland is the only working interest owner, other than the unleased Wilcken interest, within a 460 foot radius of the proposed location;
- (4) Plat depicting off-set locations within a one-half mile radius of the proposed location. Please note that the plat does not depict our proposed exception location for the Roberts #5-19 located in the SWNW of Section 19. See Application for this well sent under separate cover.

Please approve the exception location as proposed. Should you have any questions or comments, please contact me at (303) 830-0888, ex 22. Thank you.

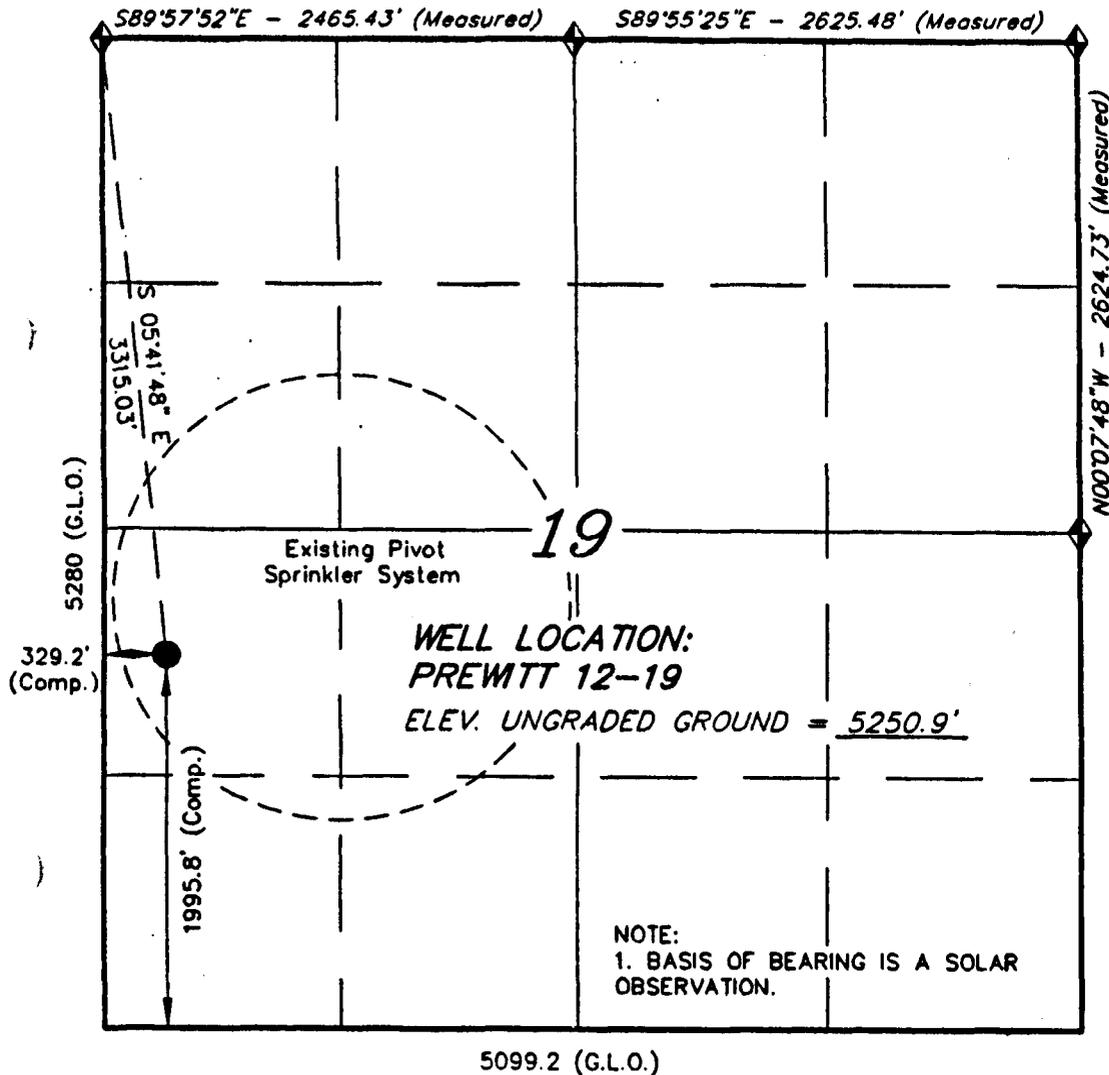
Sincerely yours,

HIGH PLAINS ASSOCIATES, INC.

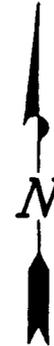
Bob Annear

T4S, R1W, U.S.B.&M.

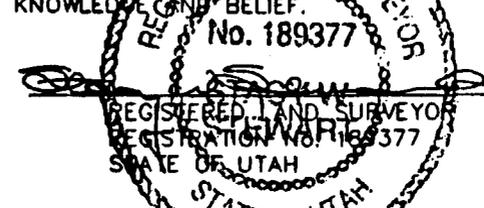
**INLAND PRODUCTION COMPANY**



WELL LOCATION, PREWITT 12-19,  
 LOCATED AS SHOWN IN THE NW 1/4  
 SW 1/4 OF SECTION 19, T4S, R1W,  
 U.S.B.&M. DUCHESNE COUNTY, UTAH.



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.



**TRI STATE LAND SURVEYING & CONSULTING**

38 WEST 100 NORTH - VERNAL, UTAH 84078  
 (801) 781-2501

SCALE: 1" = 1000'

SURVEYED BY: DS BG

DATE: 12/01/97

WEATHER:

NOTES:

FILE # 12-19

 = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (MYTON SE)

**HIGH PLAINS**



**ASSOCIATES, INC.**

*1557 Ogden Street  
Suite 300  
Denver, Colorado 80218  
Telephone  
(303) 830-0888  
Facsimile  
(303) 830-2818*

*405 Ross Avenue  
Gillette,  
Wyoming 82716  
Telephone  
(307) 686-1655  
Facsimile  
(307) 686-1201*

May 5, 1998

Veda L. Wilcken  
aka LaRae Wilcken  
58 East 200 North  
Roosevelt, UT 84066

RE: Request for Location Exception  
Prewitt #12-19 Well  
329.2' FWL and 1995.8' FSL  
NWSW 19 - T4S - R1W  
Duchesne County, Utah

Dear Ms. Wilcken,

Enclosed is a copy of the survey plat for the above-mentioned well. On behalf of Inland Production Company we are requesting from the State of Utah an exception location for this well. Due to topographic considerations, it was necessary to locate the well 329.2 feet from the west lease line. The minimum distance required under Utah Department of Oil, Gas and Mining Regulation R649-3-2-1 is 460 feet.

As an unleased mineral owner within one-half mile radius of the well location, in order to be in compliance with the state regulations, we request your approval to our 130.8 foot spacing exception location. If you consent to the captioned location, please sign and date this letter in the space provided below and return it to me in the enclosed envelope. Please keep the other copy for your records.

If you have any questions, or if you have an objection, please contact me, collect if you prefer, at (303) 830-0888, ex 22. Thank you very much for your help with my request.

Sincerely yours,

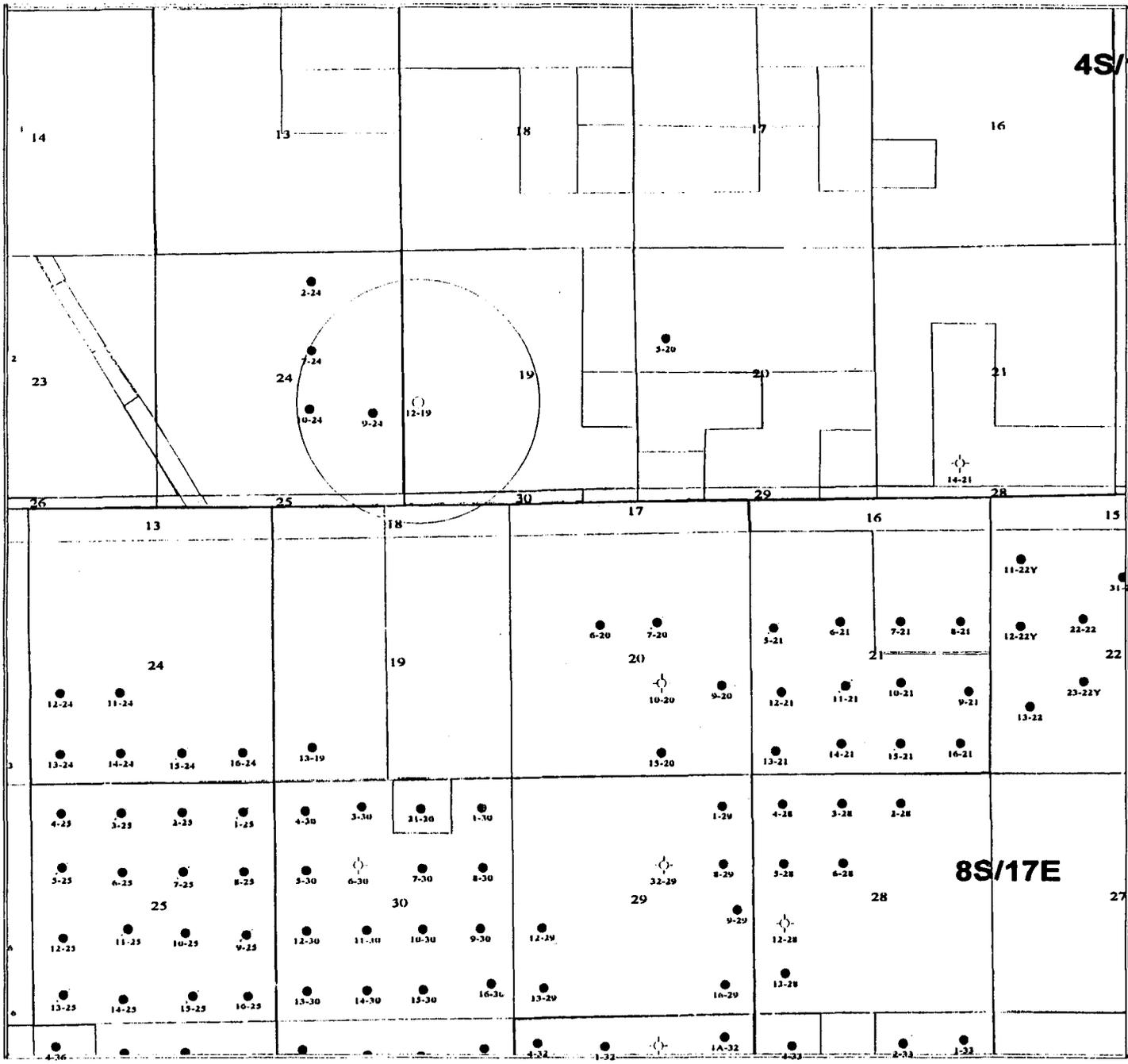
**HIGH PLAINS ASSOCIATES, INC.**

*Bob Annear*  
Bob Annear

Accepted and Agreed to this \_\_\_ day of \_\_\_\_\_, 1998

\_\_\_\_\_  
Veda Wilcken, aka LaRae Wilcken





4S/1

8S/17E

INLAND PRODUCTION COMPANY		
ONE HALF MILE RADIUS Prewitt #12-19		
John Anderson	Scale 1:20014.37	

Prewitt #11-19 + #12-19  
Roberts #4-19 + #5-19

# SURFACE USE AGREEMENT

THIS AGREEMENT, made and entered into by and between Nolan O. Larsen and Vicki Lynn Larsen, individually and as husband and wife, parties of the first part, hereinafter collectively referred to as "Owner", of POB 25 Myton UT 84052, and Inland Production Company, party of the second part, hereinafter referred to as "Inland", of 475 - 17th Street, Suite 1500, Denver, Colorado 80202

## WITNESSETH:

WHEREAS, Owner is the owner in fee of all or a portion of the surface to the following described lands situated in Duchesne County, Utah, to-wit:

Township 4 South, Range 1 West U.S.M.  
Sec 15: SW/4NW/4, NW/4SW/4  
Sec 16: S/2SW/4, N/2SW/4SE/4, NW/4SE/4,  
S/2N/2, NE/4SE/4  
Sec 17: SE/4SE/4  
Sec 19: Lots 1,2,3,4, E/2NW/4, NE/4SW/4,  
N/2SE/4SW/4, SW/4SE/4SW/4  
Sec 22: SW/4, W/2SE/4, S/2NW/4  
Sec 30: Lot 3

Township 4 South, Range 2 West U.S.M.  
Sec 11: SE/4NE/4  
Sec 14: Lot 2  
Sec 22: NW/4  
Sec 24: N/2SE/4

WHEREAS, the parties desire to settle their dispute on all claims for use of the surface and damage to crops arising from the drilling, completion and production activities and operations, and agree as to the measure of settlement for operations conducted by Inland on surface owned or controlled by Owner, above described, subject to the terms of this Agreement.

NOW, THEREFORE, In consideration of the mutual covenants herein contained, the parties agree as follows:

- 1 a). For wells located on crop land, within thirty (30) days after construction of any drillsite locations, and /or access roads upon the surface of crop land owned by Owner, Inland shall make a payment to Owner of One Thousand Five Hundred Dollars (\$1,500.00) per acre used by Inland for such drillsite locations and /or access roads. Such payment shall be for the use of the surface and damage to crops and shall cover the year in which such construction occurred. Crop land is defined as that which is now cultivated, seeded, harvested and the crop sold.
- b). Following the year in which the well is drilled, on or before September 15 of each calendar year that Inland's operations continue, Inland shall pay to Owner a sum calculated at the rate of 8 tons per acre at \$80.00 per ton for that acreage used by Inland which is out of crop production as it pertains to the drillsite location at the wellhead and such land used as an access road.
- 2 For wells located on non-crop land, within thirty (30) days after construction of any drillsite locations and/or access roads upon the surface of non-crop land owned by Owner, Inland shall make a one-time payment to Owner calculated at the rate of One Thousand Dollars (\$1,000.00) per acre utilized by Inland in its operations.
- 3 a) For pipeline right-of-way construction in which a pipeline is laid through surface owned by Owner, Inland shall make a one-time payment of a sum calculated at a rate of Five Dollars (\$5.00) per running rod, provided, however, as to any part of said pipeline construction which takes place on crop land after commencement of seasonal cultivation but prior to harvest time, the rate shall be calculated at a rate of Ten Dollars (\$10.00) per running rod utilized by Inland in its operations. When requested by Owner, pipelines shall be buried below plow depth and surface areas impacted by the construction shall be rehabilitated, including the reseeded of crop land.
- b). In the event related pipeline facilities such as a compressor site are constructed on crop land owned by Owner, Inland agrees to make a one-time payment to Owner of One Thousand Five Hundred

(\$1,500.00) per acre utilized by Inland in its operations. Should such related pipeline facilities be located on non-crop land, Inland shall make a one-time payment calculated at a rate of One Thousand Dollars (\$1,000.00) per acre utilized by Inland in its operations.

4. Owner agrees that upon receipt of the payments provided for in this Agreement for any future wells that may be drilled on surface owned by Owner, Inland shall be released and discharged from any and all claims, demands and losses arising out of such future operations for crop damage, acreage out of cultivation, interruption or interference with agricultural improvements and other claims.

5. For payments to be made and received under this Agreement, Owner agrees to protect, indemnify and save Inland and its employees, agents and contractors free and harmless from and against any and all claims, demands and losses, including costs and attorneys fees, accrued or accruing to Owner, its employees and/or tenants arising directly or indirectly in connection with operations by Inland, its employees, agents and contractors.

6. Following the completion of any well, Inland agrees to promptly clean up and maintain all areas of land continuing to be utilized in connection with oil and gas operations and to pay the cost of reclaiming and reseeding upon cessation of use.

7. This Agreement shall be binding upon and shall be for the benefit of the successors and assigns of Owner and Inland whether assigned, devised, bequeathed or otherwise transferred in whole or part by either of the parties hereto. The conditions herein contained shall be covenants running with the land.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 14th day of March, 1997.

SURFACE OWNERS:

X Nolan O. Larsen  
(Nolan O. Larsen) SSN 529 68 4547

Vicki Lynn Larsen  
(Vicki Lynn Larsen) SSN 529 76 3264

INLAND PRODUCTION COMPANY

Chris A Potter

Chris A Potter, Attorney-in-Fact

Surface Only  
Prospect/Unit name  
Lease NO. \_\_\_\_\_



Prewitt # 12-19

Onsite

1/15/98

NW/SW, Sec 19, T4S, R1W

North Look South

DYL

0100 1100002 24100 1100002 0700 000



Prewitt 12-19

85/51/1

West Look East

CHC, 13011 2180 NNNN 1090 496



Prewitt 12-19 1/15/98

SOUTH Look North

Note Fence line of County Road  
on left of photo.



Prewitt #12-19 Onsite 1/15/98

EAST Look West

ENCLOSURE 21466 NNNNN-14911 5074



**HIGH PLAINS**



**ASSOCIATES, INC.**

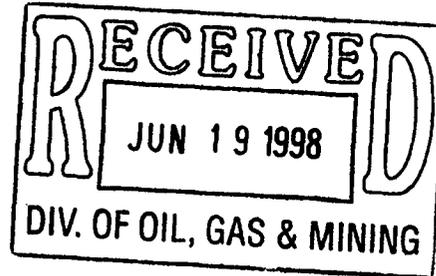
1557 Ogden Street  
Suite 300  
Denver, Colorado 80218  
Telephone  
(303) 830-0888  
Facsimile  
(303) 830-2818

405 Ross Avenue  
Gillette,  
Wyoming 82716  
Telephone  
(307) 686-1655  
Facsimile  
(307) 686-1201

June 17, 1998

Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114

**RE: Application for Location Exception  
Prewitt #12-19  
NWSW 19 T4S-R1W  
Duchesne County, UT**



Ladies and Gentlemen,

As referenced in my Exception Location Application dated June 15, 1998, enclosed is a copy of an approval letter executed by LaRae Wilcken covering her unleased mineral interest offsetting the captioned proposed well location.

Please call with questions or comments to (303) 830-0888, ex 22. Thank you.

Sincerely yours,

**HIGH PLAINS ASSOCIATES, INC.**

Bob Annear

HIGH PLAINS



ASSOCIATES, INC.

1557 Ogden Street  
Suite 300  
Denver, Colorado 80218  
Telephone  
(303) 830-0888  
Facsimile  
(303) 830-2818

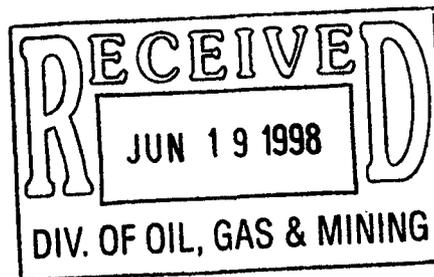
405 Ross Avenue  
Gillette,  
Wyoming 82716  
Telephone  
(307) 686-1655  
Facsimile  
(307) 686-1201

May 5, 1998

*Vida*

Veda L. Wilcken  
aka LaRae Wilcken  
58 East 200 North  
Roosevelt, UT 84066

RE: Request for Location Exception  
Prewitt #12-19 Well  
329.2' FWL and 1995.8' FSL  
NWSW 19 - T4S - R1W  
Duchesne County, Utah



Dear Ms. Wilcken,

Enclosed is a copy of the survey plat for the above-mentioned well. On behalf of Inland Production Company we are requesting from the State of Utah an exception location for this well. Due to topographic considerations, it was necessary to locate the well 329.2 feet from the west lease line. The minimum distance required under Utah Department of Oil, Gas and Mining Regulation R649-3-2-1 is 460 feet.

As an unleased mineral owner within one-half mile radius of the well location, in order to be in compliance with the state regulations, we request your approval to our 130.8 foot spacing exception location. If you consent to the captioned location, please sign and date this letter in the space provided below and return it to me in the enclosed envelope. Please keep the other copy for your records.

If you have any questions, or if you have an objection, please contact me, collect if you prefer, at (303) 830-0888, ex 22. Thank you very much for your help with my request.

Sincerely yours,

HIGH PLAINS ASSOCIATES, INC.

*Bob Annear*  
Bob Annear

Accepted and Agreed to this 15 day of June, 1998

*LaRae Wilcken*  
Veda Wilcken, aka LaRae Wilcken  
*Vida*



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

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
Lowell P. Braxton  
Division Director

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)

June 23, 1998

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

Re: Prewitt 12-19 Well, 1996' FSL, 329' FWL, NW SW, Sec. 19,  
T. 4 S., R. 1 W., Duchesne County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32026.

Sincerely,

  
for 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: Prewitt 12-19  
API Number: 43-013-32026  
Lease: Fee  
Location: NW SW Sec. 19 T. 4 S. R. 1 W.

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours prior to spudding the well or commencing drilling operations. 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

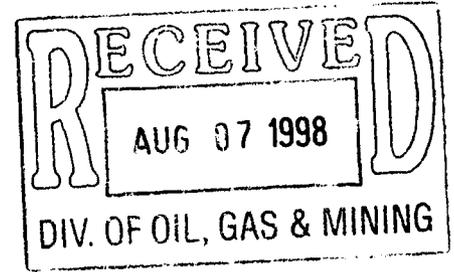
All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells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

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

PERMITS

PLUS

Bobbie Schuman  
Regulatory Specialist  
1835 Yellowstone Avenue  
Billings, MT 59102  
(406) 652-4351



August 5, 1998

Lisha Cordova  
State of Utah  
Division of Oil, Gas and Mining  
1594 West North Temple  
Suite 1210  
Salt Lake City, UT 84114

Dear Lisha:

I would appreciate it if you would let me know the status of APDs for the following proposed wellsites:

Allen Trust #1-24	43-013-32027	Sec. 24, 45, 2W	Aprv. 3-6-98
Allen Trust #8-24	43-013-32028	Sec. 24, 45, 2W	Aprv. 3-6-98
Roberts #4-19	43-013-32030	Sec. 19, 45, 1W	Aprv. 6-29-98
Roberts #5-19	43-013-32029	Sec. 19, 45, 1W	Aprv. 6-25-98
Prewitt #12-19	43-013-32026	Sec. 19, 45, 1W	Aprv. 6-23-98
Prewitt #11-19	43-013-32025	Sec. 19, 45, 1W	Aprv. 3-6-98

Inland is the operator, and I prepared and submitted the APDs.

If there are items you're waiting for, I'd appreciate knowing that. If you want, give me a call at (406) 652-4351.

Thanks, Lisha!

Sincerely,

A handwritten signature in cursive script that reads "Bobbie Schuman".

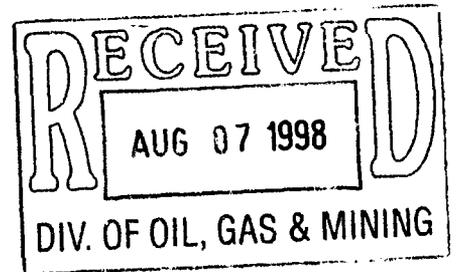
Bobbie Schuman  
Regulatory Specialist

/hs

PERMITS

PLUS

Bobbie Schuman  
Regulatory Specialist  
1835 Yellowstone Avenue  
Billings, MT 59102  
(406) 652-4351



August 5, 1998

Lisha Cordova  
State of Utah  
Division of Oil, Gas and Mining  
1594 West North Temple  
Suite 1210  
Salt Lake City, UT 84114

Dear Lisha:

I would appreciate it if you would let me know the status of APDs for the following proposed wellsites:

Allen Trust #1-24	43-013-32027	Sec. 24, 4S, 2W	Aprv. 3-6-98
Allen Trust #8-24	43-013-32028	Sec. 24, 4S, 2W	Aprv. 3-6-98
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Roberts #5-19	43-013-32029	Sec. 19, 4S, 1W	Aprv. 6-25-98
Prewitt #12-19	43-013-32026	Sec. 19, 4S, 1W	Aprv. 6-23-98
Prewitt #11-19	43-013-32025	Sec. 19, 4S, 1W	Aprv. 3-6-98

Inland is the operator, and I prepared and submitted the APDs.

If there are items you're waiting for, I'd appreciate knowing that. If you want, give me a call at (406) 652-4351.

Thanks, Lisha!

Sincerely,

A handwritten signature in cursive script that reads "Bobbie Schuman".

Bobbie Schuman  
Regulatory Specialist

/hs



June 22, 1999

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

Attn: Mr. Don Stanley

Re: APD Extension

Dear Mr. Stanley:

Please find enclosed the above referenced documents providing the request for a one year APD extension for the following wells:

1. Prewitt #11-19
2. Prewitt #12-19
3. Allen Trust #1-24
4. Allen Trust #8-24

If you should have any questions, please contact me at (303) 382-4441.

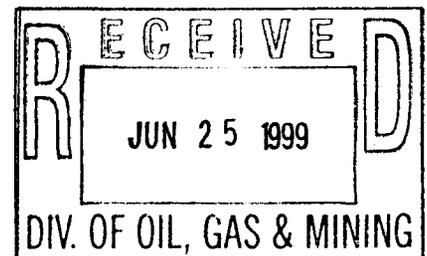
Sincerely,

*Shannon Smith*

Shannon Smith  
Engineering Secretary

Enclosures

Cc: Bureau of Land Management  
Vernal District Office, Division of Minerals  
170 South 500 East  
Vernal, Utah 84078  
Well File – Denver  
Well File – Roosevelt



**CONFIDENTIAL**

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NO. <b>FEE</b>	
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)		6. IF INDIAN, ALLOTTEE OR TRIBAL NAME  <b>N/A</b>	
OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		7. UNIT AGREEMENT NAME  <b>NA</b>	
2. NAME OF OPERATOR <b>INLAND PRODUCTION COMPANY</b>		8. FARM OR LEASE NAME <b>PREWITT</b>	
3. ADDRESS OF OPERATOR <b>410 17TH STREET, SUITE 700, DENVER, COLORADO 80202 (303) 893-0102</b>		9. WELL NO. <b>12-19</b>	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface <b>NW/SW 1996 FSL 329 FWL</b>		10. FIELD AND POOL, OR WILDCAT <b>MYTON PROSPECT/DOUG CRK</b>	
14. API NUMBER <b>43-013-32026</b>		15. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>5250.9 GL</b>	
		12. COUNTY OR PARISH <b>DUCHESNE</b>	13. STATE <b>UT</b>
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>NW/SW Section 19, T04S R01W</b>			

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

<p>NOTICE OF INTENTION TO:</p> <p>TEST WATER SHUT-OFF <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/></p> <p>FRACTURE TREAT <input type="checkbox"/> MULTIPLE COMPLETE <input type="checkbox"/></p> <p>SHOOT OR ACIDIZE <input type="checkbox"/> ABANDON* <input type="checkbox"/></p> <p>REPAIR WELL <input type="checkbox"/></p> <p>(OTHER) <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>WATER SHUT-OFF <input type="checkbox"/> REPAIRING WELL <input type="checkbox"/></p> <p>FRACTURE TREATMENT <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>SHOOTING OR ACIDIZING <input type="checkbox"/> ABANDONMENT* <input type="checkbox"/></p> <p>(OTHER) <u>APD Extension</u> <input type="checkbox"/></p> <p>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</p>
---	---

17 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Inland Production Company requests that a one year APD extension be granted for the above referenced well location. Our records indicate that the original approval date was 6/23/98 (expiration 6/23/99).

COPY SENT TO OPERATOR  
Date: 6-30-99  
Initials: CHP

18 I hereby certify that the foregoing is true and correct

SIGNED Shannon Smith TITLE Engineering Secretary DATE 6/22/99

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

Date: 6/30/99  
By: [Signature]

\* See Instructions On Reverse Side

**RECEIVED**

JUN 25 1999

DIV. OF OIL, GAS & MINING



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

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

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)

August 28, 2000

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

Re: APD Rescinded -- Prewitt 12-19 Well, Sec. 19, T. 4.0S, R. 1.0W, Duchesne County, Utah,  
API No. 43-013-32026

Gentlemen:

The Application for Permit to Drill for the subject well was approved by the Division of Oil, Gas and Mining on June 23, 1998, and later extended to June 23, 2000. No drilling activity at this location has been reported to the division. Due to the excessive time delay in commencing drilling operations, approval to drill the well is hereby rescinded, effective immediately.

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

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

Sincerely,

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

Don Staley  
Information Services Manager  
Oil and Gas

cc: L.E. Cordova  
Well File