

UTAH OIL AND GAS CONSERVATION COMMISSION

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

DATE FILED **JANUARY 16, 1998**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-16535** INDIAN _____

DRILLING APPROVED: **JULY 9, 1998**

SPUDED IN: _____
 COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____
 GRAVITY A.P.I. _____

GOR: _____
 PRODUCING ZONES: _____
 TOTAL DEPTH: _____

WELL ELEVATION: _____
 DATE ABANDONED: _____

FIELD: **MONUMENT BUTTE**
 UNIT: **MONUMENT BUTTE**
 COUNTY: **DUCHESNE**

WELL NO. **MONUMENT BUTTE 7N-35-8-16** API NO. **43-013-32032**

LOCATION **2638 FSL** FT. FROM (N) (S) LINE, **2644 FWL** FT. FROM (E) (W) LINE. **CENTER** 1/4 - 1/4 SEC. **35**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				8S	16E	35	INLAND PRODUCTION

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL [X] DEEPEN []
1b. TYPE OF WELL OIL WELL [X] GAS WELL [] OTHER [] SINGLE ZONE [] MULTIPLE ZONE []

2. NAME OF OPERATOR Inland Production Company

3. ADDRESS OF OPERATOR P.O. Box 790233 Vernal, UT 84079 Phone: (801) 789-1866

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At Surface Center of Sec. 35 At proposed Prod. Zone 2638' FSL & 2644' FWL 804 806

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10.6 Miles southwest of Myton, Utah

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

16. NO. OF ACRES IN LEASE 920

17. NO. OF ACRES ASSIGNED TO THIS WELL 20

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

19. PROPOSED DEPTH 6500'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5542.4' GR

22. APPROX. DATE WORK WILL START* 1st Quarter 1998

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT/FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4", 8 5/8", 24#, 300', 120 sx and 7 7/8", 5 1/2", 15.5#, TD, 400 sx followed by 330 sx.

The actual cement volumes will be calculated off of the open hole logs, plus 15% excess. SURFACE PIPE - Premium Plus Cement, w/ 2% Gel, 2% CaCl2, 1/4# /sk Flocele Weight: 14.8 PPG YIELD: 1.37 Cu Ft/sk H2O Req: 6.4 Gal/sk LONG STRING - Lead: Hibond 65 Modified Weight: 11.0 PPG YIELD: 3.00 Cu Ft/sk H2O Req: 18.08 Gal/sk Tail: Premium Plus Thixotropic Weight: 14.2 PPG YIELD: 1.59 Cu Ft/sk H2O Req: 7.88 Gal/sk

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.

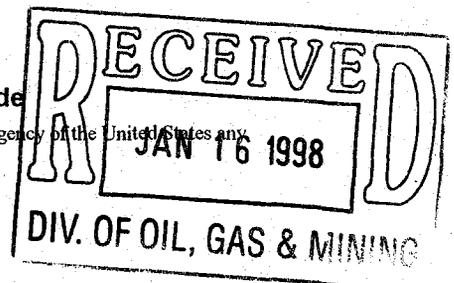
24. SIGNED Cheryl Cameron TITLE Regulatory Compliance Specialist DATE 1/7/98

PERMIT NO. 43-013-32032 APPROVAL DATE Federal Approval of this Action is Necessary

CONDITIONS OF APPROVAL, IF ANY: APPROVED BY Bradley G. Hill TITLE RECLAMATION SPECIALIST III DATE 7/9/98

*See Instructions On Reverse Side

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



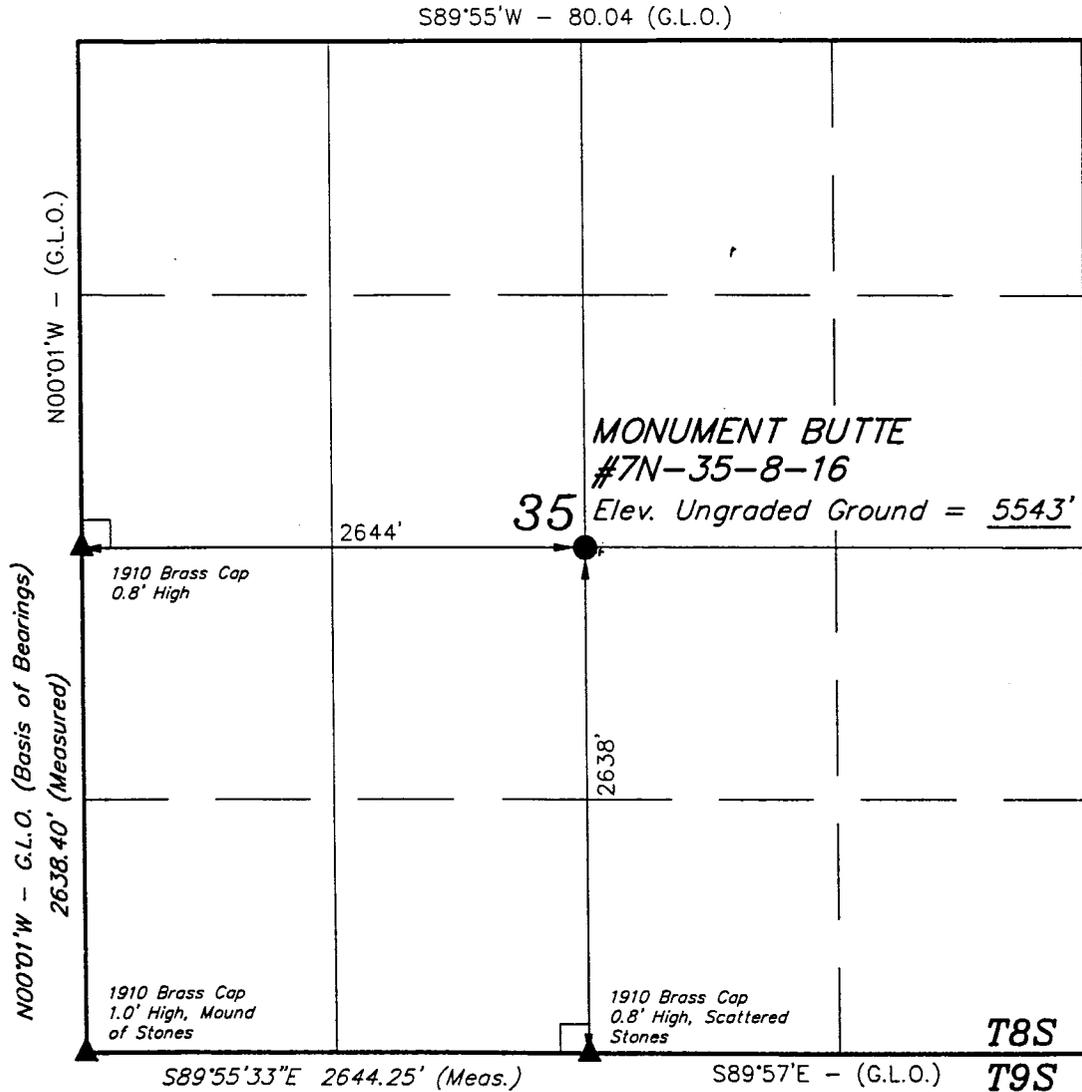
INLAND PRODUCTION CO.

T8S, R16E, S.L.B.&M.

Well location, MONUMENT BUTTE #7N-35-8-16, located as shown in the Center of Section 35, T8S, R16E, S.L.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

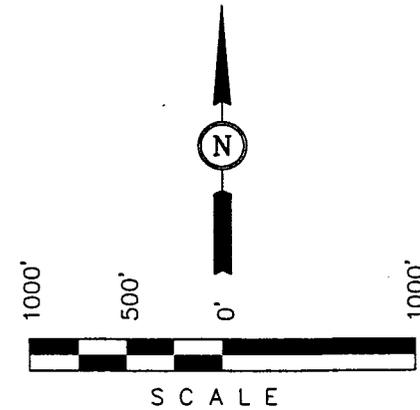
SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 35, T8S, R16E, S.L.B.&M. TAKEN FROM THE MYTON SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5575 FEET.



N00°01'W - (G.L.O.)

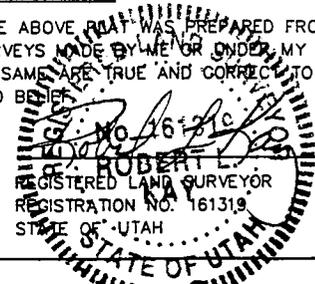
N00°01'W - G.L.O. (Basis of Bearings)
2638.40' (Measured)

T8S
T9S



CERTIFICATE

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



UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 12-22-97	DATE DRAWN: 01-06-98
PARTY D.A. J.F. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE INLAND PRODUCTION CO.	

LEGEND:

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

**INLAND PRODUCTION COMPANY
MONUMENT BUTTE #7N-35-8-16
CENTER OF SECTION 35, 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' - 1705'
Green River	1705'
Wasatch	6500'

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

Green River Formation 1705' - 6500' - 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 Annular 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:**

The well will be drilled with fresh water through the Uinta Formation. From the top of the Green River Formation @ 3050' ±, 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. Clay inhibition will be achieved with additions of 5 lb. - 8 lb. per barrel of DAP (Di-Ammonium Phosphate, commonly known as fertilizer). This fresh water system will contain Total Dissolved Solids (TDS) of less than 3000 PPM. Neither potassium chloride or chromate's will be utilized in the fluid system. The anticipated mud weight is 8.4 ppg and weighted as necessary for gas control.

AIR DRILLING

In the event that the proposed location be "Air Drilled", Inland requests a variance to regulations requiring a straight run blooie line. Inland proposes that the flowline will contain two (2) 90 degree turns. Inland also requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. Inland requests authorization to ignite as needed, and the flowline at 80'.

Inland Production Company requests that the spark arrest, exhaust, or water cooled exhaust be waived under the Special Drilling Operations of Onshore Order #2.

MUD PROGRAM

MUD TYPE

Surface - 320'	Air
320' - 4200'	Air/Mist & Foam
4200' - TD	The well will be drilled with fresh water through the Green River Formation @ 4200' ±, 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. Clay inhibition will be achieved with additions or by adding DAP (Di-Ammonium Phosphate, commonly known as fertilizer.) 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 is 8.4 ppg and 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.

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, Gamma Ray/Caliber from TD to base of surface casing @ 300' ±, and a Compensated Neutron-Formation Density Log. Logs will run from TD to 3500' ±. The cement bond log will be run from PBTD to cement top. An automated mud logging system will be utilized while drilling to monitor and record penetration rate, and relative gas concentration, in the fluid system.

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

The anticipated maximum bottom hole pressure is 2000 psi. It is not anticipated that abnormal temperatures will be encountered; nor that any other abnormal hazards such as H2S will be encountered in this area.

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

It is anticipated that the drilling operations will commence the first quarter of 1998, and take approximately six days to drill.

**INLAND PRODUCTION COMPANY
MONUMENT BUTTE #7N-35-8-16
CENTER OF SECTION 35, 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 #7N-35-8-16 located in the Center of Section 35, 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 southeasterly along Utah State Highway 53 - 6.3 miles to its junction with a dirt road to the southwest; proceed southwesterly 2.8 miles to its junction with a dirt road to the southeast; proceed southeasterly 0.8 miles to its junction with a dirt road to the northeast; proceed northeasterly 0.5 miles to the beginning of the access road, 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 oil field 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

The planned access road is approximately 200' \pm , to the proposed location. See Topographic Map "B".

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

There will 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 be 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**

Refer to 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 infill 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 specifications.

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**

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 the Monument Butte #7N-35-8-16, or trucked from Inland Production Company's water supply line located at the Gilsonite State #7-32 (SW/NE Sec. 32, T8S, R17E), or the Monument Butte Federal #5-35 (SW/NW Sec. 35, T8S, R16E), or the Travis Federal #15-28 (SW/SE Sec. 28, T8S, R16E). See Exhibit "C".

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.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

See Location Layout Sheet - Exhibit "E".

A small reserve pit (90 X 40 X 8' deep, or less) 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 drill cuttings (wet sand, shale & rock) removed from the well bore. 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, 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.

All completion fluids, frac gels, etc., will be contained in steel tanks and hauled away to approved commercial disposal, as necessary.

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, 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 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 south between stakes 4 & 5.

The stockpiled topsoil (first six (6) inches) will be stored on the east between stakes 2 & 4.

Access to the well pad will be from the west, near stake #7.

Corners # 2 & 8 will be rounded to avoid drainage.

A diversion ditch will be constructed on the northwest corner to divert existing drainage.

Fencing Requirements

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

- a) 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 no 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 must 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 Resource Survey Report will be submitted as soon as it becomes available.

Additional Surface Stipulations

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

Hazardous Material Declaration

Inland Production Company guarantees that during the drilling and completion of the Monument Butte #7N-35-8-16 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 also guarantees that during the drilling and completion of the Monument Butte #7N-35-8-16, 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.

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

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

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

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

Name: Cheryl Cameron
Address: P.O. Box 790233 Vernal, Utah 84079
Telephone: (801) 789-1866

Certification

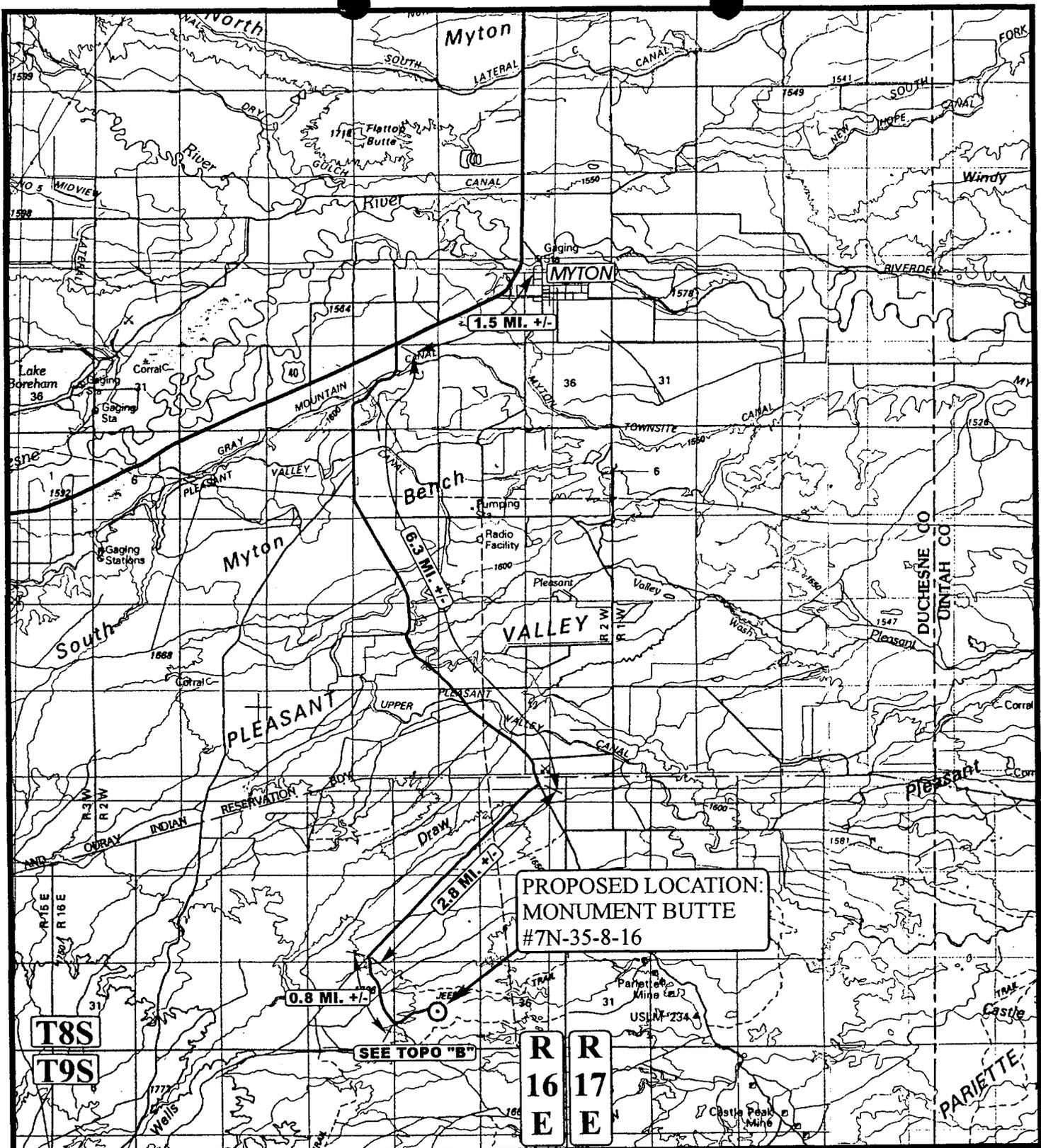
Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of Well #7N-35-8-16, Center of Section 35, Township 8S, Range 16E: Lease #U-16535 Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

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

1/7/98
Date



Cheryl Cameron
Regulatory Compliance Specialist



PROPOSED LOCATION:
MONUMENT BUTTE
#7N-35-8-16

T8S
T9S

R16E
R17E

LEGEND:

○ PROPOSED LOCATION

INLAND PRODUCTION CO.

MONUMENT BUTTE #7N-35-8-16
SECTION 35, T8S, R16E, S.L.B.&M.
2638' FSL 2644' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1018

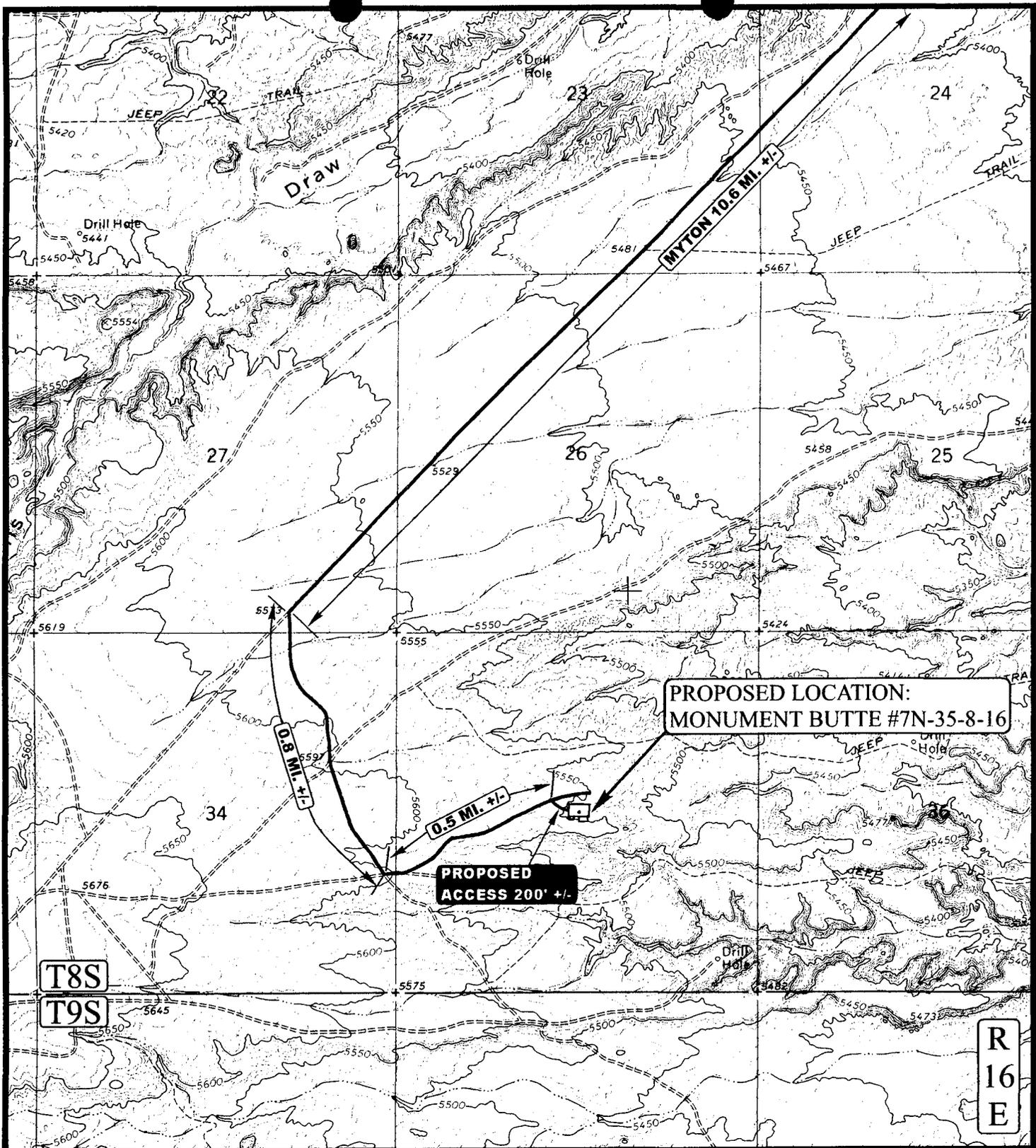


TOPOGRAPHIC
MAP

1 6 98
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00

A
TOPO



**PROPOSED LOCATION:
MONUMENT BUTTE #7N-35-8-16**

**PROPOSED
ACCESS 200' +/-**

0.5 MI. +/-

MYTON 10.6 MI. +/-

**T8S
T9S**

**R
16
E**

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



INLAND PRODUCTION CO.

**MONUMENT BUTTE #7N-35-8-16
SECTION 35, T8S, R16E, S.L.B.&M.
2638' FSL 2644' FWL**

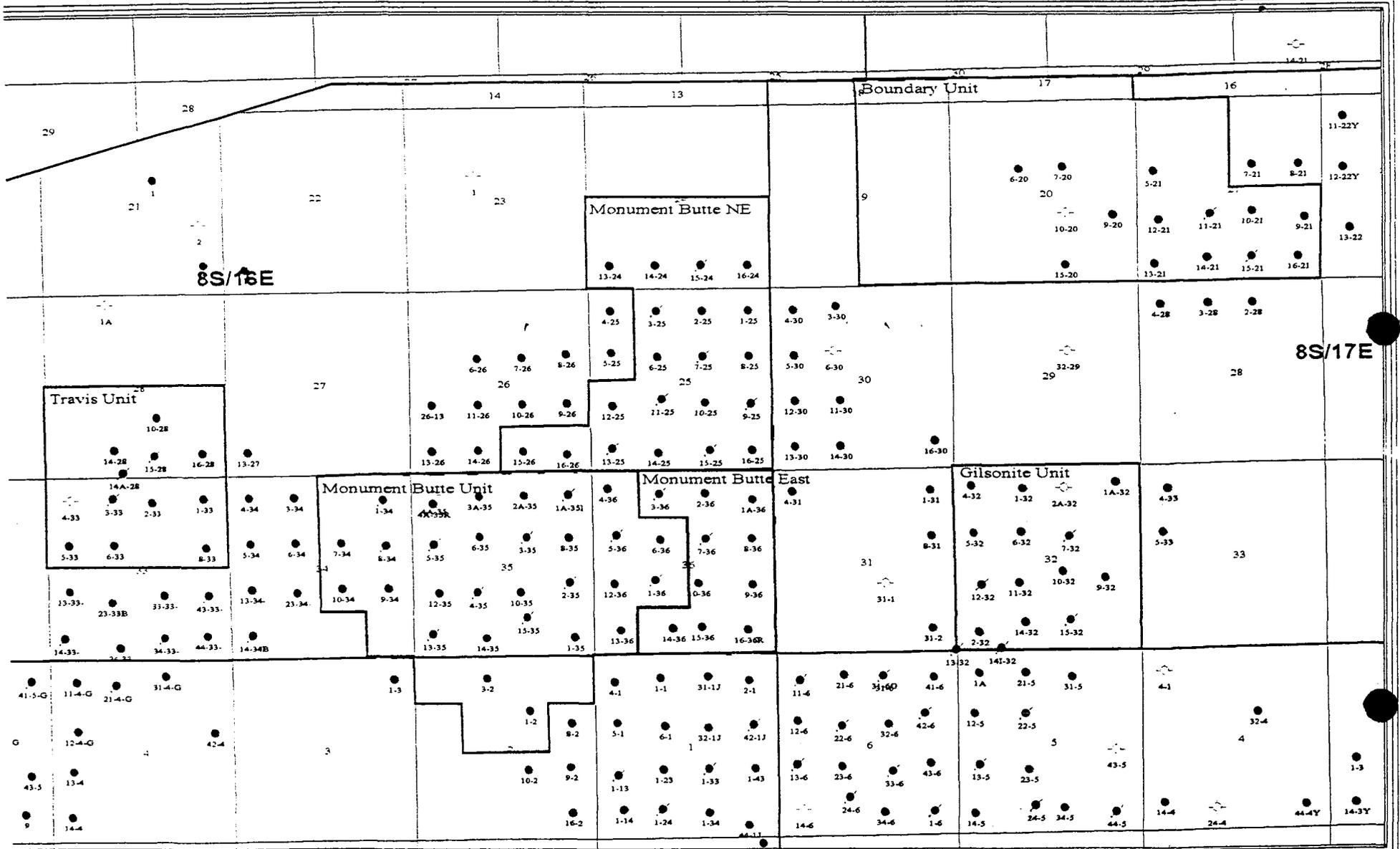


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1018

TOPOGRAPHIC 1 6 98
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00



EXHIBIT "C"



Inland
INSURANCE CO. OF DENVER

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

Regional Area

Duchene County, Utah

Date: 4/18/67 J.A.

S/16E

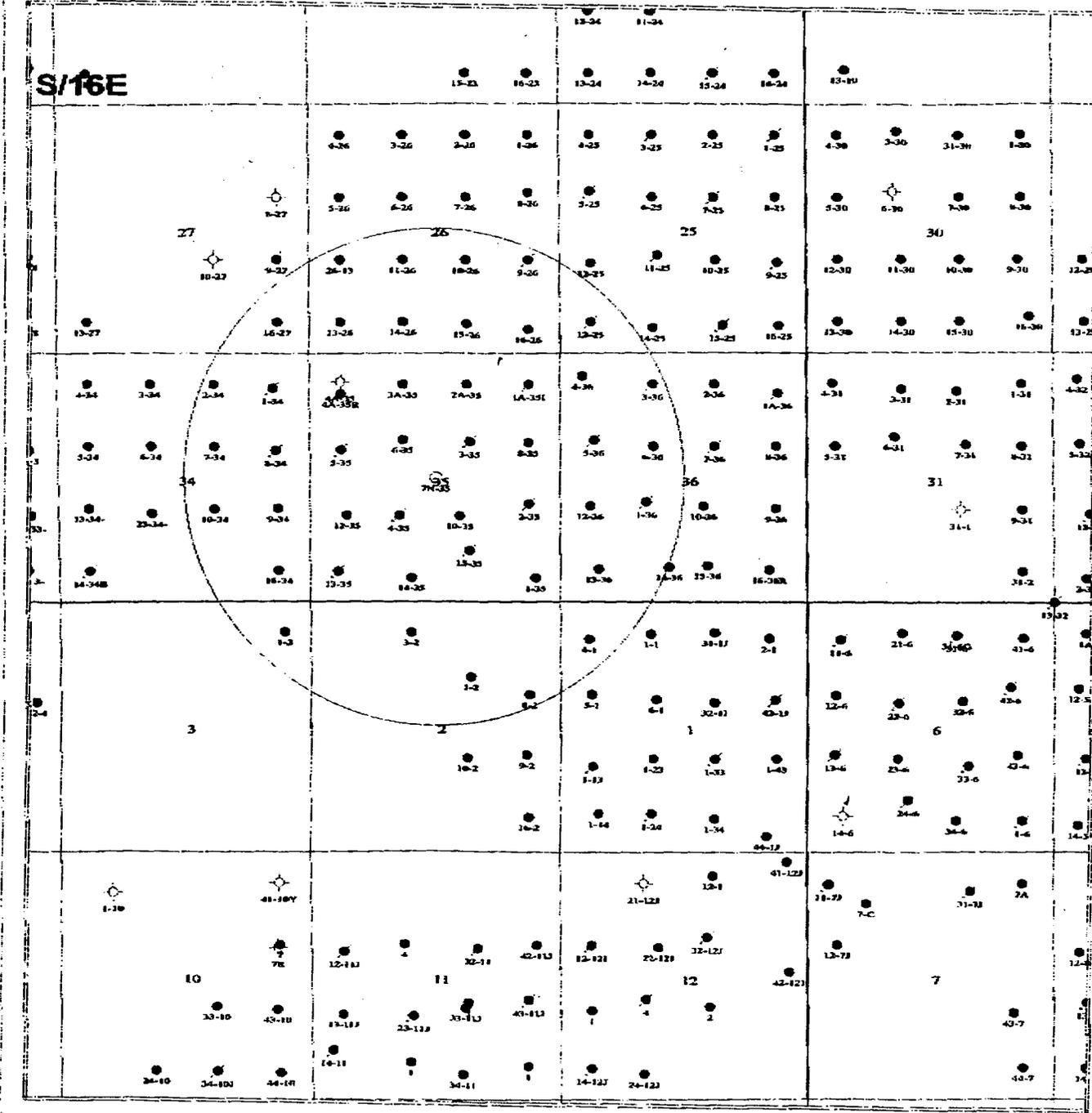


EXHIBIT "D"

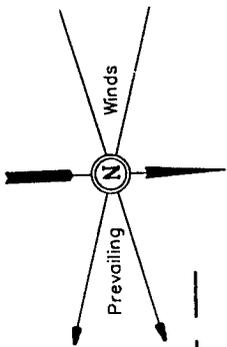
INLAND PRODUCTION COMPANY		
ONE MILE RADIUS Monument Butte #7N-35		
Jack Anderson	2-28 68-0413	1478

INLAND PRODUCTION CO.

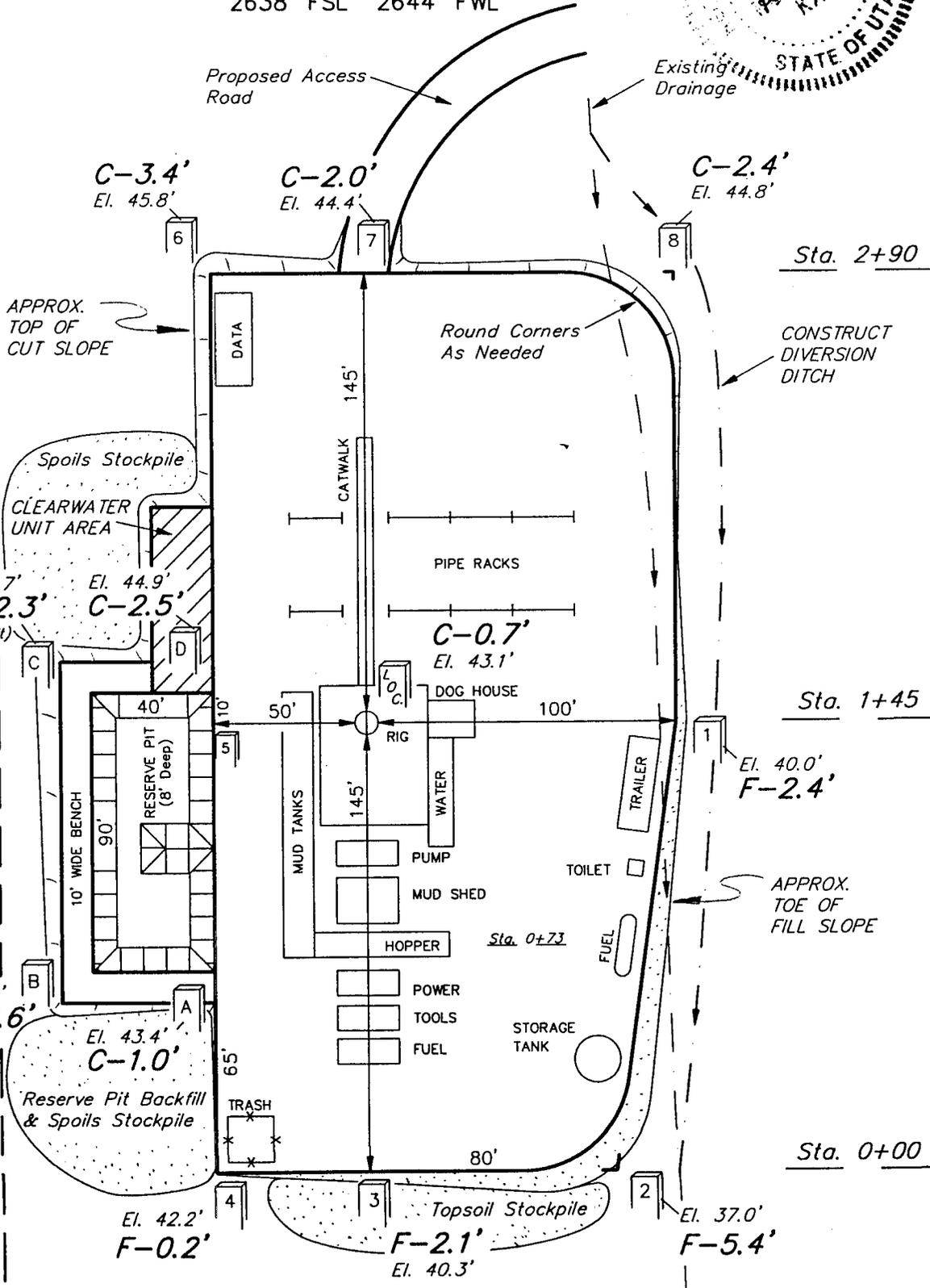
LOCATION LAYOUT FOR

MONUMENT BUTTE #7N-35-8-16
SECTION 35, T8S, R16E, S.L.B.&M.

2638' FSL 2644' FWL



SCALE: 1" = 50'
Date: 01-06-98
Drawn By: D.R.B.



NOTE:
PIT CAPACITY
WITH 2' OF
FREEBOARD
= 2,030 Bbls.

Elev. Ungraded Ground at Location Stake = 5543.1'
Elev. Graded Ground at Location Stake = 5542.4'

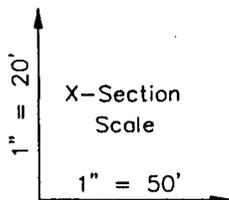
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

INLAND PRODUCTION CO.

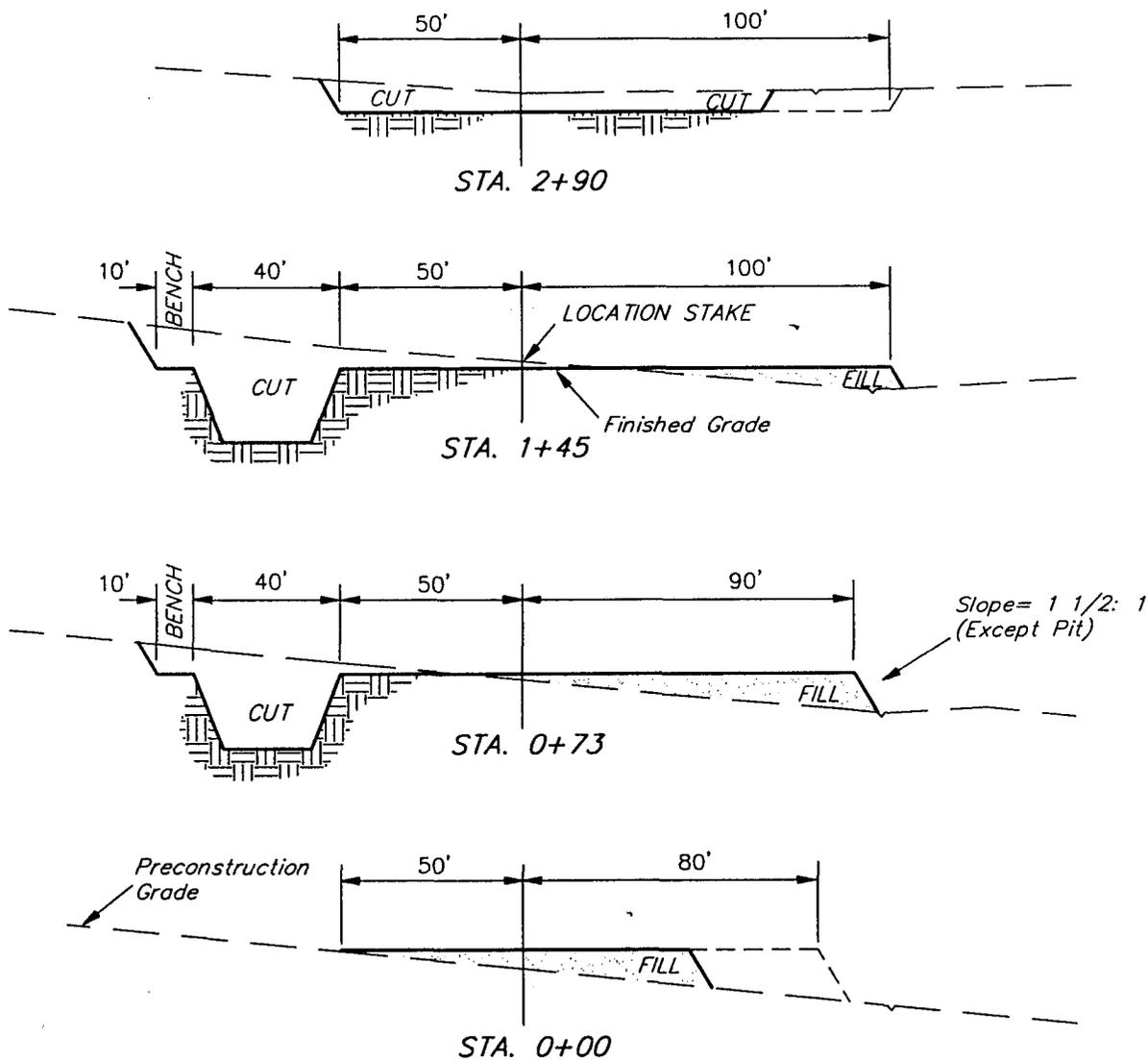
TYPICAL CROSS SECTIONS FOR

MONUMENT BUTTE #7N-35-8-16
SECTION 35, T8S, R16E, S.L.B.&M.

2638' FSL 2644' FWL



Date: 01-06-98
Drawn By: D.R.B.



APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 850 Cu. Yds.
Remaining Location = 2,240 Cu. Yds.

TOTAL CUT = 3,090 CU.YDS.

FILL = 1,810 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION = 1,180 Cu. Yds.

Topsoil & Pit Backfill (1/2 Pit Vol.) = 1,180 Cu. Yds.

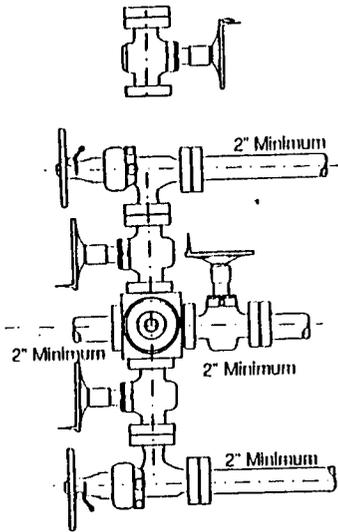
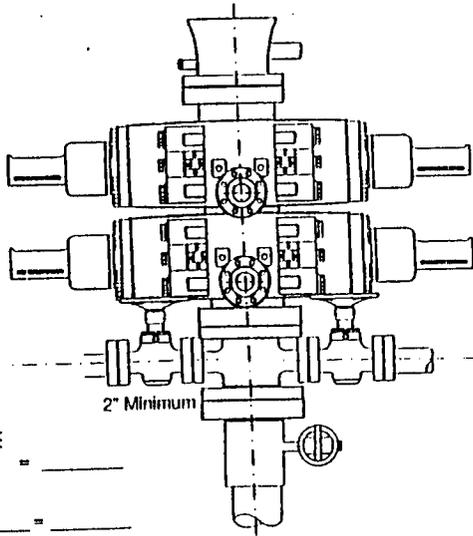
EXCESS MATERIAL After = 0 Cu. Yds.

Reserve Pit is Backfilled & Topsoil is Re-distributed

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

2-M SYSTEM

RAM TYPE B.O.P.
 Make:
 Size:
 Model:



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

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

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/16/98

API NO. ASSIGNED: 43-013-32032

WELL NAME: MONUMENT BUTTE 7N-35-8-16
 OPERATOR: INLAND PRODUCTION COMPANY (N5160)
 CONTACT: Cheryl Cameron (435) 789-1866

~~MONUMENT~~ **SE-C** PROPOSED LOCATION:
~~ENTR~~ 35 - T08S - R16E
 SURFACE: 2638-FSL-2644-FWL
 BOTTOM: 2638-FSL-2644-FWL
 DUCHESNE COUNTY
 MONUMENT BUTTE FIELD (105)

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

LEASE TYPE: FED
 LEASE NUMBER: U-16535
 SURFACE OWNER: Federal

PROPOSED FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal State Fee
 (No. #4488944)

Potash (Y/N)

Oil Shale (Y/N) *190-5(B)

Water Permit
 (No. Johnson Water District)

RDCC Review (Y/N)
 (Date: _____)

N/A St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3. Unit Monument Butte (GR "D")

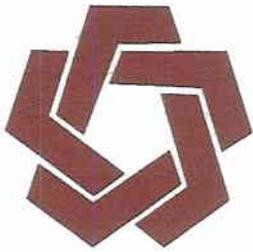
R649-3-2. General

R649-3-3. Exception

Drilling Unit
 Board Cause No: _____
 Date: _____

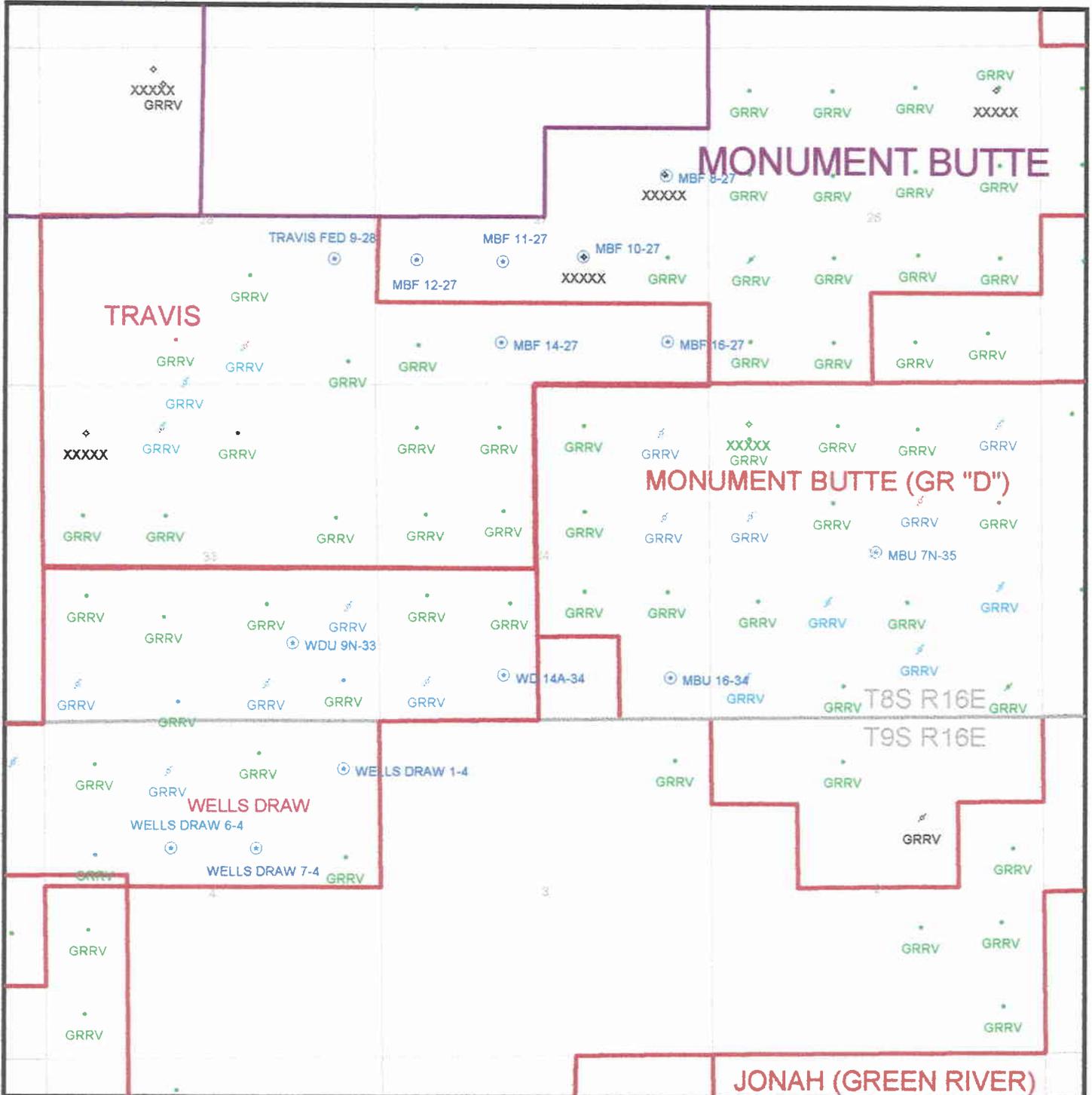
COMMENTS: *Not listed in Unit P.O.D. 1998. (BLM added 7-7-98).

STIPULATIONS: ① FEDERAL APPROVAL



OPERATOR: INLAND PRODUCTION CO. (N5160)
FIELD: MONUMENT BUTTE (105)
SEC. TWP. RNG.: SEC. 33 & 35, T8S, R16E
COUNTY: DUCHESNE UAC: R649-2-3 WELLS DRAW & MONUMENT BUTTE

DIVISION OF OIL, GAS & MINING



DATE PREPARED:
23-JAN-1998

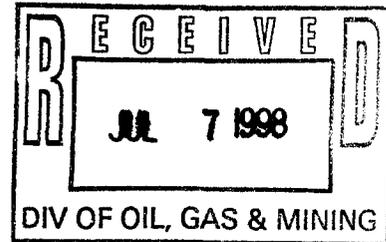
United States Department of the Interior

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

IN REPLY REFER TO:
3160
(UT-922)

Memorandum

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



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

API #	WELL NAME	LOCATION
43-013-32032	MONUMENT BUTTE 7N-35-8-16	2638-FSL-2644-FWL 35 08S 16E

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:--



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

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

July 9, 1998

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

Re: Monument Butte 7N-35-8-16 Well, 2638' FSL, 2644' FWL,
Center, Sec. 35, 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 43-013-32032.

Sincerely,

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

John R. Baza
Associate Director

lwp

Enclosures

cc: Duchesne County Assessor

Bureau of Land Management, Vernal District Office

Operator: Inland Production Company
Well Name & Number: Monument Butte 7N-35-8-16
API Number: 43-013-32032
Lease: U-16535
Location: Center Sec. 35 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 prior to spudding the well. Contact Jim Thompson at (801)538-5336.

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

3. Reporting Requirements

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

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



RECEIVED

OCT 16 2000

DIVISION OF
OIL, GAS AND MINING

October 12, 2000

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
ATTN: Lisha Cordova
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Expiring Permits to Drill

Dear Ms. Cordova:

Recently you called and asked me to find out the company's plans for two locations in Utah's Uintah Basin. Here is our decision:

We would like to extend the permit for the Monument Butte Federal #7N-35-8-16, in Duchesne County; and we would like to request that you rescind the permit for the Ute Tribal #8-30-4-2, also in Duchesne County.

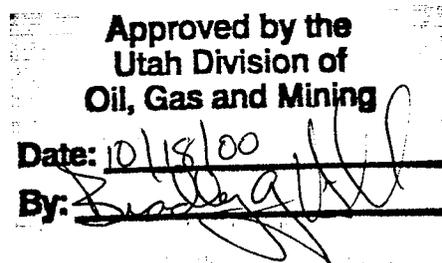
If you should require any additional information or if you have any questions, please contact me at (303) 893-0102.

Sincerely,

Joyce I. McGough
Regulatory Specialist

Enclosures

cc: Roosevelt Office
Well files



APD Not Approved yet
by BLM
As of 8/30/2000

Notes from Margie Herman - BLM Vernal
email to Don Staley dated 8/30/2000.
Margie's comments highlighted.

Well File

Company Name	API	Well Name	Approval Date	Extension Date	Twp	Rng	Sec	County	Lease Type
COASTAL OIL & GAS CORP	4304733278	OURAY 3-74 NO BIA CONCURRENCE	08-Feb-99		090S	210E	03	UINTAH	INDIAN
DOMINION EXPL & PROD INC	4304733361	RBU 5-3F DRILLING	03-Aug-99		100S	200E	03	UINTAH	FEDERAL
EOG RESOURCES INC	4304733135	NBU 490-30E SPUD 9/21/98	09-Jul-98		090S	210E	30	UINTAH	FEDERAL
EOG RESOURCES INC	4304733214	CWU 569-28 NOT APPROVED YET	22-Oct-98		090S	220E	28	UINTAH	FEDERAL
FALCON CREEK RESOURCES	4301331997	TWIN KNOLLS 11-9 J EXPIRED 1/00	26-Jan-98	26-Jan-00	110S	170E	09	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332123	UTE TRIBAL 8-30-4-2 NOT APPROVED YET	25-Nov-98		040S	020W	30	DUCHESNE	INDIAN
INLAND PRODUCTION COMPANY	4301331951	WELLS DRAW 9-30 EXTENDED TO 6/01	09-Jul-98		080S	160E	30	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332114	WEST POINT 5-31-8-16 EXPIRES 12/11/00	09-Sep-98		080S	160E	31	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332115	WEST POINT 6-31-8-16 EXPIRES 12/14/00	09-Sep-98		080S	160E	31	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332116	WEST POINT 7-31-8-16 EXPIRES 12/14/00	09-Sep-98		080S	160E	31	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332119	WEST POINT 9-31-8-16 EXPIRES 11/10/00	09-Sep-98		080S	160E	31	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332120	WEST POINT 11-31-8-16 EXPIRES 11/10/00	09-Sep-98		080S	160E	31	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332032	MONUMENT BUTTE 7N-35-8-16 NOT APPROVED YET	09-Jul-98		080S	160E	35	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332106	SOUTH WELLS DRAW 13-3-9-16 EXPIRES 10/8/00	10-Aug-98		090S	160E	03	DUCHESNE	FEDERAL
LONE MTN PRODUCTION CO	4304733184	A FED H 41-28 EXPIRES 12/3/00	09-Sep-98		100S	240E	28	UINTAH	FEDERAL
LONE MTN PRODUCTION CO	4304733165	FED H 14-30 PRODUCING GAS WELL	19-Aug-98		100S	240E	30	UINTAH	FEDERAL
LONE MTN PRODUCTION CO	4304733183	FED T 31-11 HOLDING FOR NOW	14-Sep-98		120S	240E	11	UINTAH	FEDERAL
LONE MTN PRODUCTION CO	4304733323	FED V 12-21 DRILLING 4/27/99	24-Mar-99		130S	210E	21	UINTAH	FEDERAL
PACIFIC TRANS SUPPLY	4301330435	PTS 32-29 FEDERAL EXPIRED 5/00	20-May-98		080S	170E	29	DUCHESNE	FEDERAL
PETROGLYPH OPERATING CO	4301331930	UTE TRIBAL 30-13 NOT APPROVED YET	01-Jun-98		050S	030W	30	DUCHESNE	INDIAN
RETAMCO OPERATING INC	4304733311	RIVER BEND 13-27 EXPIRES 3/7/01	18-Mar-99		090S	190E	27	UINTAH	FEDERAL
RETAMCO OPERATING INC	4304733312	ROCK HOUSE 11-31 APPROVED 8/25/00	18-Mar-99		100S	230E	31	UINTAH	FEDERAL
RETAMCO OPERATING INC	4304733369	ATCHEE RIDGE 11-27-13-25 EXPIRES 8/31/00	20-Aug-99		130S	250E	27	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733263	FEDERAL H 34-30 EXPIRES 4/22/01	18-Feb-99		100S	240E	30	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733242	FEDERAL K 23-22 EXPIRES 4/22/01	10-Dec-98		110S	210E	22	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733264	FEDERAL N 42-22 HOLDING FOR NOW	15-Dec-98		110S	240E	22	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733217	HANGING ROCK I 4-14 HOLDING FOR NOW	20-Oct-98		120S	230E	04	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733218	HANGING ROCK I 5-16 HOLDING FOR NOW	19-Oct-98		120S	230E	05	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733234	HANGING ROCK I 6-2 HOLDING FOR NOW	10-Nov-98		120S	230E	06	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733219	HANGING ROCK I 9-11 HOLDING FOR NOW	20-Oct-98		120S	230E	09	UINTAH	FEDERAL
SHENANDOAH ENERGY INC	4304733269	WVFU 18 WG NOT APPROVED YET	06-Jan-99		080S	210E	14	UINTAH	INDIAN



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)

December 12, 2001

Joyce McGough
Inland Production Company
410 Seventeenth Street, Suite 700
Denver, Colorado 80202

Re: APD Rescinded – Monument Butte 7N-35-8-16, Sec. 35, T8S, R16E, Duchesne County, Utah, API 43-013-32032

Dear Ms. McGough:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (the Division) on July 9, 1998. A one-year APD extension was granted on October 18, 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 October 18, 2001.

A new APD 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 immediately.

Sincerely,

A handwritten signature in black ink that reads "Lisha Cordova".

Lisha Cordova
Eng. Technician

cc: Well File
Bureau of Land Management, Vernal



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

February 11, 2002

Inland Production Company
Route 3, Box 3630
Myton, Utah 84052

Re: Well No. 7N-35-8-16
C, Sec. 35, T8S, R16E
Duchesne County, Utah
Lease No. U-16535
43-013-32032

Gentlemen:

The Application for Permit to Drill (APD) the above referenced well submitted January 8, 1998, is being returned by your request. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

Leslie Walker
Legal Instruments Examiner

cc: State Div. OG&M - Lisha Cordova

RECEIVED

FEB 21 2002

DIVISION OF
OIL, GAS AND MINING