

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
 Chandler & Associates, Inc.

3. ADDRESS AND TELEPHONE NO.
 475 Seventeenth Street, Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 1000' FSL 800' FWL
 At proposed prod. zone
 309 244

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 See Topo Map "A" (attached)

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 800'

16. NO. OF ACRES IN LEASE 2480

17. NO. OF ACRES ASSIGNED TO THIS WELL -

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

19. PROPOSED DEPTH 5150'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6488' GR

22. APPROX. DATE WORK WILL START* A.S.A.P.

5. LEASE DESIGNATION AND SERIAL NO.
 U-64912

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7. UNIT AGREEMENT NAME
 N/A West Riverbend

8. FARM OR LEASE NAME, WELL NO.
 Wilkin Ridge #13-23-10-16

9. AMWELL NO.

10. FIELD AND POOL, OR WILDCAT
 Wildcat

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
 Sec. 23, T10S, R16E, S.L.B.8

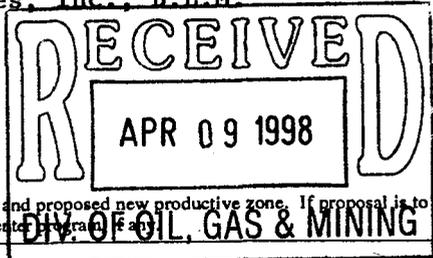
12. COUNTY OR PARISH 13. STATE
 Duchesne Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	250'	(See attached drilling plan)
7 7/8"	5 1/2"	15.5#	5150'	(See attached drilling plan)

1. M.I.R.U.
2. Drill to T.D. 5150'
3. Run 5 1/2" casing if commercial production is indicated.
4. If dry hole, well will be plugged and abandoned as instruction by the B.L.M.
5. Well will be drilled with water; KCL water; LSND as needed to T.D.

I hereby certify that I am responsible by the terms and conditions of the lease to conduct lease operations. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Chandler & Associates, Inc., B.L.M. Bond #124290364 with CNA.



IN ABOVE SPACE 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 prevention program, if any.

24. SIGNED Tracy D. Herline TITLE Agent DATE 4/8/98

(This space for Federal or State office use)
 PERMIT NO. 43-013-32084 APPROVAL DATE _____

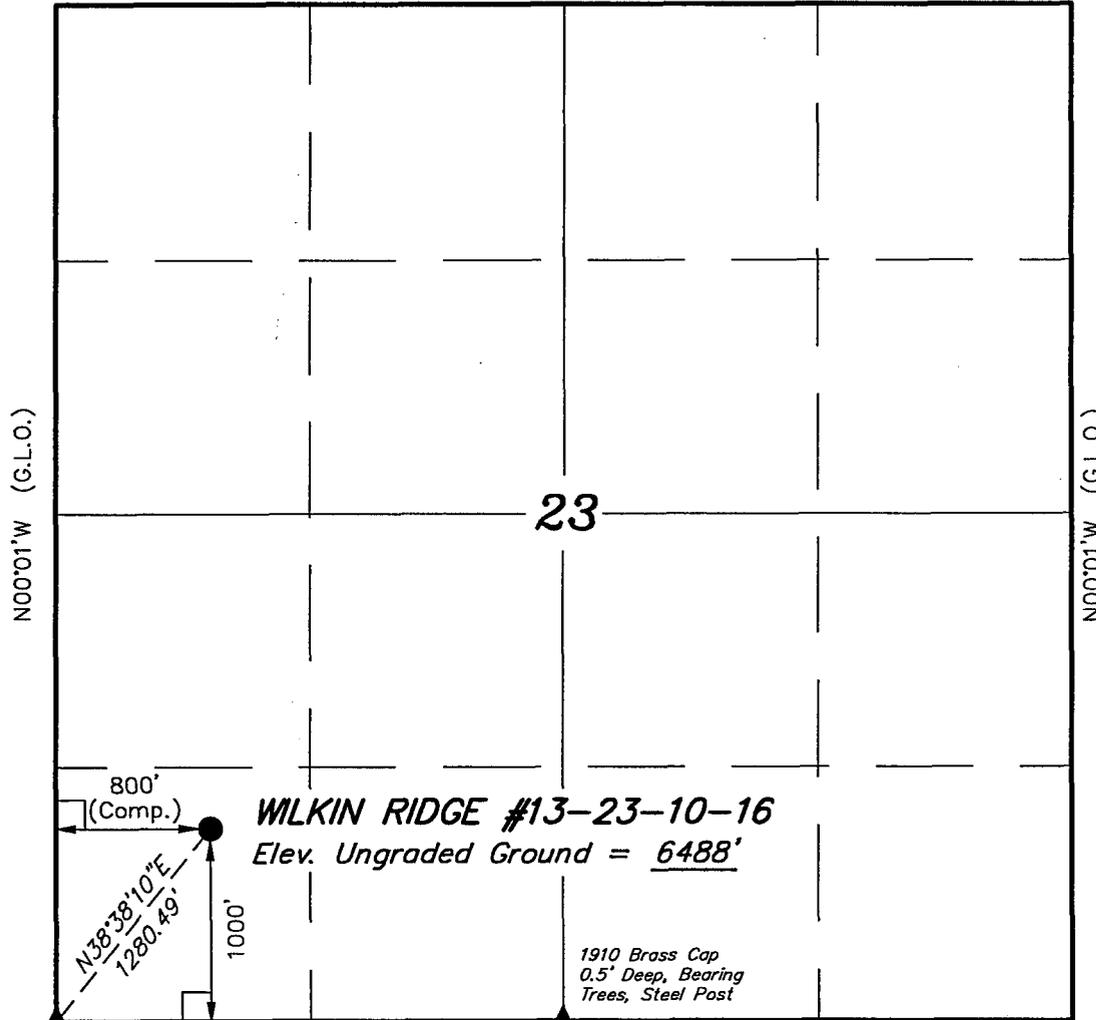
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 CONDITIONS OF APPROVAL, IF ANY: **Federal Approval of this Action is Necessary**

APPROVED BY Bradley G. Hill TITLE RECLAMATION SPECIALIST III DATE 4/8/98

*See Instructions On Reverse Side

T10S, R16E, S.L.B.&M.

S89°57'W - 79.98 (G.L.O.)



1910 Brass
Cap 1.2' High

2629.10' (Measured)
S89°59'W - G.L.O. (Basis of Bearings)

S89°59'W - 39.98 (G.L.O.)

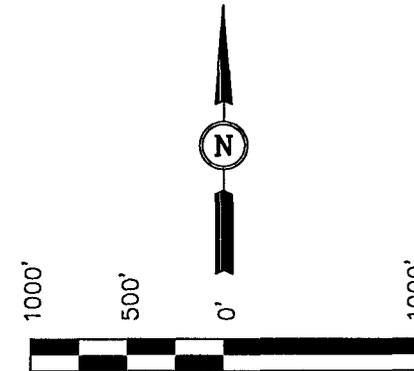
1910 Brass Cap
0.5' Deep, Bearing
Trees, Steel Post

CHANDLER & ASSOCIATES, INC.

Well location, WILKIN RIDGE #13-23-10-16, located as shown in the SW 1/4 SW 1/4 of Section 23, T10S, R16E, S.L.B.&M., Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A HILL TOP IN THE NW 1/4 OF SECTION 25, T10S, R16E, S.L.B.&M. TAKEN FROM THE WILKIN RIDGE 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 6439 FEET.



SCALE

CERTIFICATE

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

ROBERT KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161915
STATE OF UTAH

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 3-6-98	DATE DRAWN: 3-13-98
PARTY B.B. J.K. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE CHANDLER & ASSOCIATES, INC.	

CHANDLER & ASSOCIATES, INC.
DRILLING PLAN FOR THE
WILKIN RIDGE #13-23-10-16

I. DRILLING PLAN:

1. Geological Surface Formation: Uintah

2. Estimated Tops:

<u>Name</u>	<u>Top</u>	<u>Prod. Phase Anticipated</u>
Green River	650'	
Uteland Butte	4850'	Gas/Oil
Wasatch	5150'	Gas/Oil

3. CASING PROGRAM:

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg. Size</u>	<u>Type</u>	<u>Weight</u>
Surface	250'	12-1/4"	8-5/8"	J-55 (ST&C)	24#/ft (new)
Prod.	5150'	7-7/8"	5-1/2"	K-55 (LT&C)	15.5#/ft (new)

4. Operator's Specification for Pressure Control Equipment:

- A. 2,000 psi W.P. Double Gate BOP or Single Gate BOP (Schematic attached).
- B. Functional test daily.
- C. All casing strings shall be pressure-tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. All ram-type precentors and related control equipment shall be tested at the rated working pressure of the stack assembly or at 70 percent of the minimum internal yield pressure of the casing, whichever is less. Tests shall be done at the time of installation, prior to drilling out, and weekly. All tests shall be for a period of 15 minutes.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

5. Auxiliary Equipment:

- A. Kelly Cock - yes.
- B. Float at the bit - no.
- C. Monitoring equipment on the mud system - visually.
- D. Full opening safety valve on rig floor - yes.
- E. Rotating head - yes.

6. Proposed Circulating Medium:

<u>Depth</u>	<u>Mud Type</u>	<u>Density (lb./gal)</u>	<u>Viscosity</u>	<u>Water Loss</u>
0'- T.D.	Water; KCL Water; LSND as needed			

7. Testing, Logging, and Coring Program:

- A. Cores - None anticipated.
- B. DST - none anticipated.
- C. Logging - CNL/FDC PE GR CAL (TD to base of surface casing).
Induction SP (TD to base of surface casing).

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Wilkin Ridge #13-23-10-16

- D. Formation and Completion Interval: Uteland Butte & Wasatch interval, final determination of completion will be made by analysis of logs.
Stimulation - Stimulation will be designed for the particular area of interest as encountered.
- E. Frac gradient - approximately .80 psi/ft.

8. Cementing Program:

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	180 sx	Class "G" w/2% CaCl ₂ (based on 100% access)
Production	860 sx*	450 sx "Lite" followed by 415 sx 50/50 poz. mix.

Cement Characteristics:

Class "G" - yield = 1.18 cu.ft. per. sack
weight = 15.8 lb./gal
strength = 3200 psi in 72 hrs @135 degrees

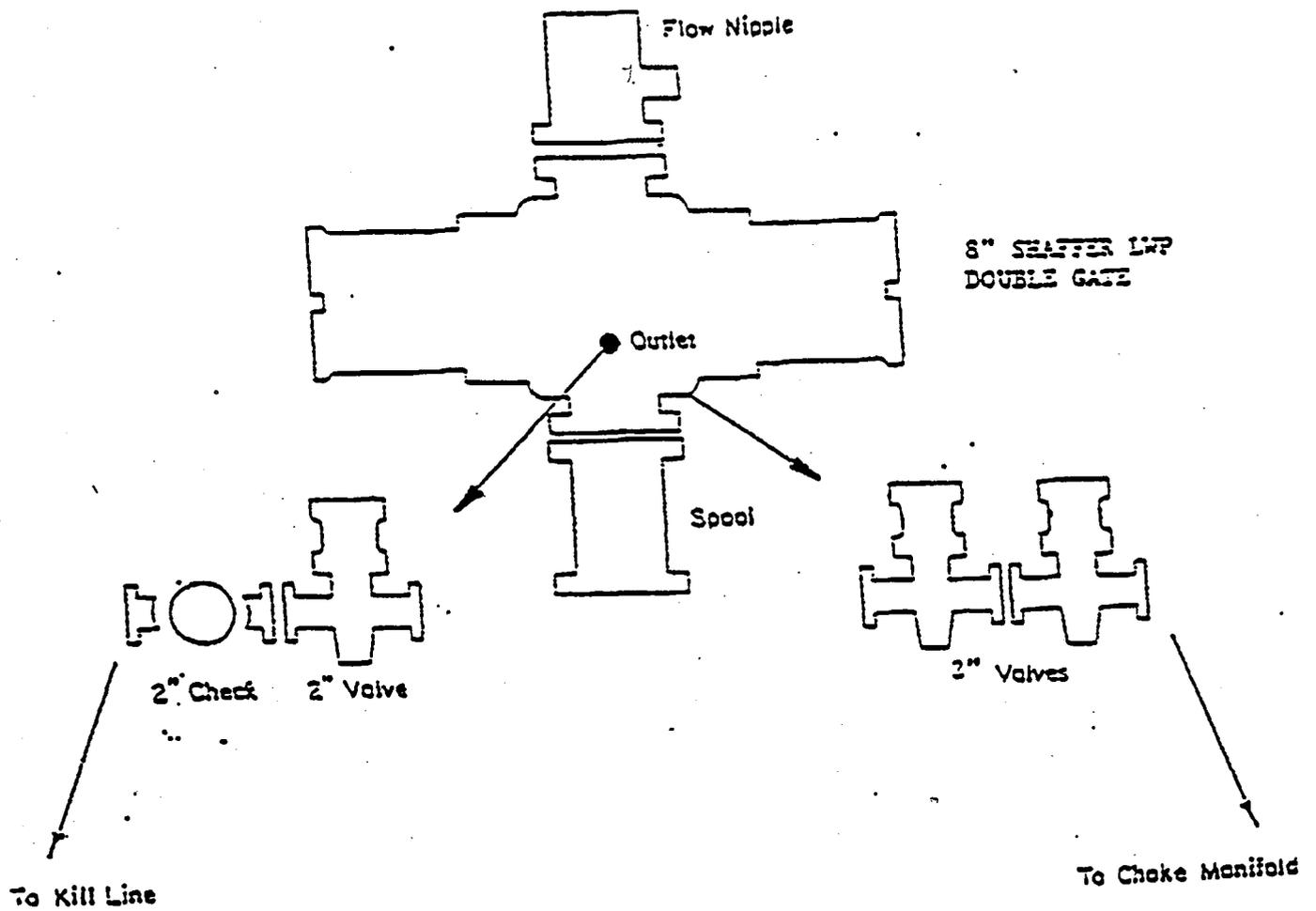
* Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

Chandler & Associates, Inc.
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9. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards:

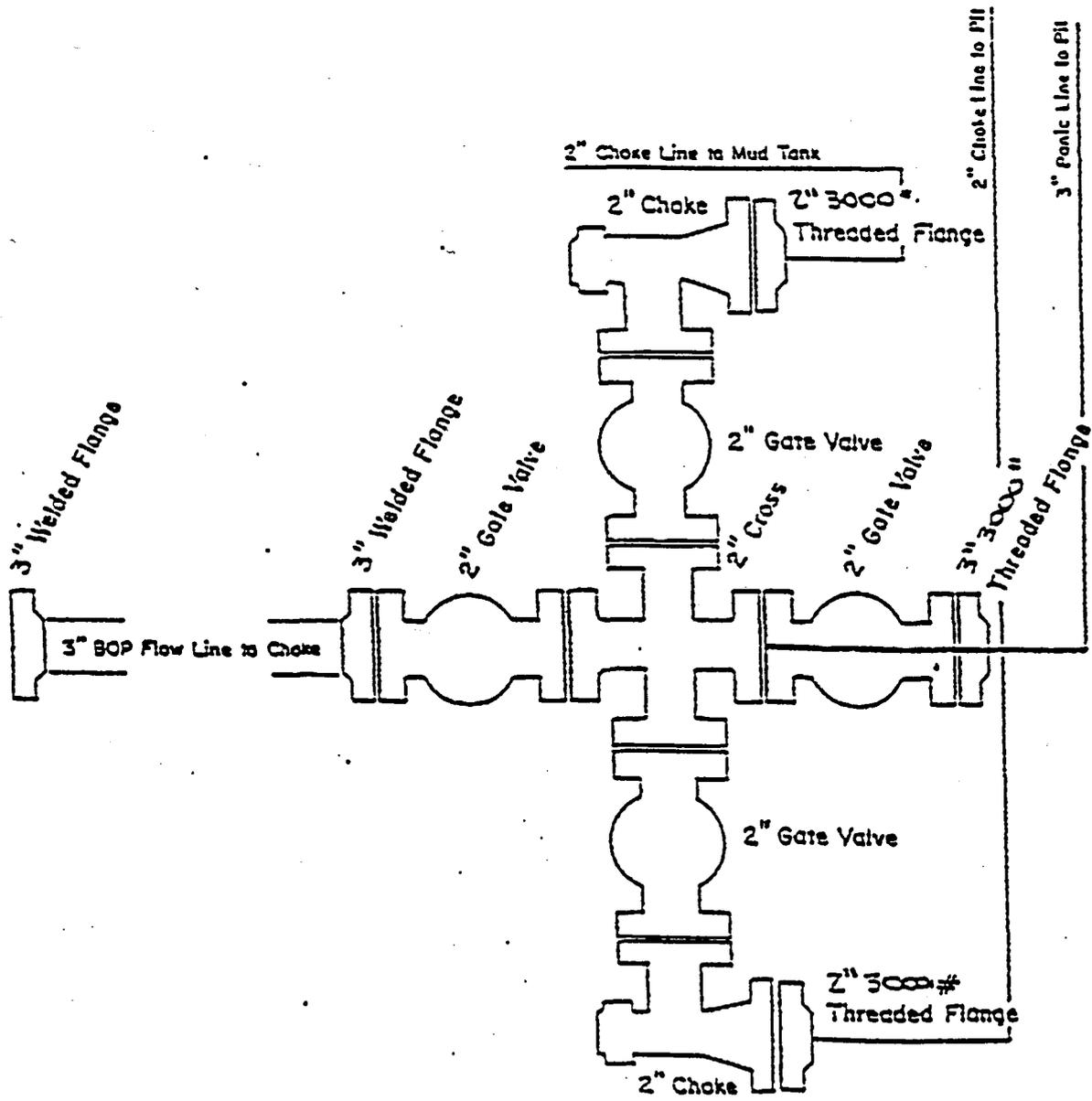
No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 1,600 psi (calculated at 0.311 psi/ft) and maximum anticipated surface pressure equals approximately 467 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft).

CHANDLER DRILLING
RIG NO. 7



CHANDLER DRILLING

RIG NO.7



**II. SURFACE USE PLAN
CHANDLER & ASSOCIATES, INC.
WILKIN RIDGE #13-23-10-16**

1. Existing Road:

- A. Topo Map "A" is the vicinity map, showing the access routes from Myton, Utah.
- B. Topo Map "B" shows the proposed access road to each individual well. It also shows existing roads in the immediate area.
- C. Occasional maintenance blading and storm repairs will keep roads in good condition.
- D. There shall be no mud blading on the access road. Vehicles may be towed through the mud provided they stay on the roadway.

2. Planned Access Roads:

The proposed access road, will be crowned, ditched, and dipped.

- A. Maximum grade will be 8% or less, unless otherwise stated.
- B. No turnouts will be required.
- C. Road surface material will be that native to the area.
- D. No cattle guard will be required.
- E. The proposed access road was flagged at the time the location was staked.
- F. The area authorized officer will be contacted at least 24 hours prior to commencing construction of the access road and well pad.
- G. The back slopes of the proposed access roads will be no steeper than vertical or 1/4:1 in rock; and 2:1, elsewhere.

The operator or his contractor will notify the areas authorized officer at least 48 hours prior to commencement of any work on these locations, roadways, or pipelines.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

3. Location of Existing Wells:

See Topo Map "C"

4. Location of Existing and/or Proposed Facilities:

- A. All Petroleum Production Facilities are to be contained within the proposed location sites.
- B. In the event that production of these wells is established, the following will be shown:
 - 1. Proposed location and attendant lines, by flagging, if off well pad.
 - 2. Dimensions of facilities.
 - 3. Construction methods and materials.
- C. The area used to contain the proposed production facilities will be built using native materials. If these materials are not acceptable, then other arrangements will be made to acquire them from private sources. These facilities will be constructed using bulldozers, graders, and workman crews to construct and place the proposed facilities.
- D. All permanent facilities placed on the locations shall be painted a non-reflective color which will blend with the natural environment.
- E. A dike shall be constructed around the tank battery, of sufficient capacity to adequately contain at least 110 percent of the storage capacity of the largest tank within the dike.
- F. All buried pipelines shall be covered to a depth of 3 feet except at road crossings where they shall be covered to a depth of 4 feet.
- G. Construction width of the right-of way/pipeline route shall be restricted to 30 feet of disturbance.
- H. Pipeline location warning signs shall be installed within 90 days upon completion of construction.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

5. Location and Type of Water Supply:

Water will be obtained from a Spring located in Section 34, T3S, R2W, U.S.B.&M. which is Operated by Nebeker Trucking (Permit #43-1723) and transported by Nebeker Trucking Co. along the access roads which are shown on the attached maps.

6. Source of Construction Materials:

A. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads from the area. No special access other than for drilling operations and pipeline construction is needed.

B. All disturbance for this well site is located on B.L.M. Lands.

All Construction material for these location sites and access roads shall be borrow material accumulated during the construction of the location sites and access roads. No additional construction material from other sources is anticipated at this time, but if it is required, the appropriate actions will be taken to acquire it from private sources.

7. Methods for Handling Waste Disposal:

A. Drill cuttings will be buried in the reserve pit when covered.

B. Drilling fluids will be contained in the reserve pit.

C. Any hydrocarbon liquids produced while production testing will be contained in a test tank. Any unavoidable spills of oil or other adverse substances or materials will be removed immediately during drilling progress or during completion operations.

D. Portable chemical toilets will be provided and serviced by a local commercial sanitary service.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

- E. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill.

All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the authorized officer.

- F. Prior to commencement of drilling, the reserve pit will be fenced on three sides using 39-inch net wire with at least one (1) strand of barbed wire. All wire is to be stretched before attaching to corner posts. When drilling activities are completed it will be fenced on the fourth side and allowed to dry (if liquids are present). After drying, the fences will be removed and the pit shall be buried. Reclamation will be undertaken no later than the fall of the year after all drilling activity has ceased.

8. Ancillary Facilities:

No air strips, camps, or other living facilities will be built off the location. Housing and office trailers will be on the location as seen on the location layout.

9. Well Site Layout:

- A. See attached cutsheet.
- B. The areas authorized officer will be contacted at least 24 hours prior to commencing construction of the access road and well pad.
- C. The reserve pit will be lined with a 12ml. liner prior to any drilling activity.
- D. Topsoil shall be stripped to a depth of 6 inches and stockpiled as shown on the location layout plat. (Windrow along northwest side of pad).
- E. The back slopes of the locations will be no steeper than vertical or 1/4:1 in rock, and 2:1 elsewhere.
- F. The upper edges of all cut banks on the access roads and well pads will be rounded.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

10. Plans for Restoration:

- A. Immediately upon completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.
- B. Before any dirt work to restore the location takes place, the reserve pit must be completely dry. The reserve pit will be reclaimed within 90 days from the date of well completion.
- C. The area officer shall be notified at least 48 hours prior to commencing reclamation work.
- D. All disturbed areas will be seeded with the a mixture which is found suitable by the B.L.M.
- E. The seed bed will be prepared by discing, following the natural contour. Drill seed on contour at a depth no greater than ½ inch. In areas that cannot be drilled, the seed will be broadcast at double the seeding rate and harrowed into soil. Certified seed is recommended.
- F. Fall seeding will be completed after September, and prior to prolonged ground frost.
- G. If the well is a producer, access roads will be upgraded and maintained as necessary to prevent soil erosion, and accommodate year round traffic. Areas unnecessary to operations will be reshaped, topsoil distributed, and seed distributed according to the above mixtures. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

- H. If the well is abandoned or is a dry hole, the access road and location will be restored to approximate the original contours. During reclamation of the site the fill material will be pushed into cuts and up over the backslope. No depressions will be left that would trap water or form ponds. Topsoil will be distributed evenly over the location and seeded according to the above mixture. The access road and the location shall be ripped or disced prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- I. Annual or noxious weeds shall be controlled on all disturbed areas. Method of control shall be by an approved mechanical method or an Environmental Protection Agency (EPA) registered herbicide. All herbicide application proposals must be approved. Application of herbicides must be under direct field supervision of an EPA certified pesticide applicator.

11. Other Information:

- A. The area is used by man for the primary purpose of grazing domestic livestock.

All activity shall cease when soils or road surfaces become saturated to a depth of three inches, unless otherwise approved by the Authorized Officer.

If any fossils are discovered during construction, the operator shall cease construction immediately and notify the Authorized Officer so as to determine the significance of the discovery.

- B. A Class III cultural resource inventory has been completed prior to disturbance by a qualified professional Archaeologist.

- C. The State considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the authorized officer immediately including approximate quantities and a sample in a sealed quart container. The State shall have the first opportunity to file State water rights for the intercepted groundwater. The undersigned may file for water rights only with a written waiver from the State.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

- D. The operator 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, the operator is to immediately stop work that might further disturb such materials and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

whether the materials appear eligible for the National Register of Historic Places;
the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and a time frame for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, an operator will then be allowed to resume construction.

- E. Less than 10,000 pounds of any chemical(s) from EPA's Consolidated list of Chemicals Subject to Reporting Under Title III of the Superfund Amendments and Reauthorization Act (SARA) of 1986, and less than threshold planning quantity (TPQ) of any extremely hazardous substances(s), as defined in 40 CFR, would be used, produced, transported, stored, disposed, or associated with the proposed action.

Chandler & Associates, Inc.
Wilkin Ridge #13-23-10-16

12. Lessee's or Operator's Representative:

Mr. Terry J. Cox
Vice President of Operations/Production
Chandler & Associates, Inc.
475 Seventeenth Street
Suite 1000
Denver, Colorado 80202
Telephone #(303)295-0400

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite(s) and access route(s); that I am familiar with the conditions which presently exist; that the 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 **Chandler & Associates, Inc.**, and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provision of 18 U.S.C. 1001 for the filing of a false statement.

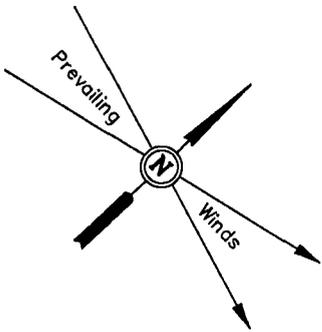
4-8-98
Date


Tracy D. Henline
Agent

CHANDLER & ASSOCIATES, INC.

LOCATION LAYOUT FOR

WILKIN RIDGE #13-23-10-16
SECTION 23, T10S, R16E, S.L.B.&M.
1000' FSL 800' FWL



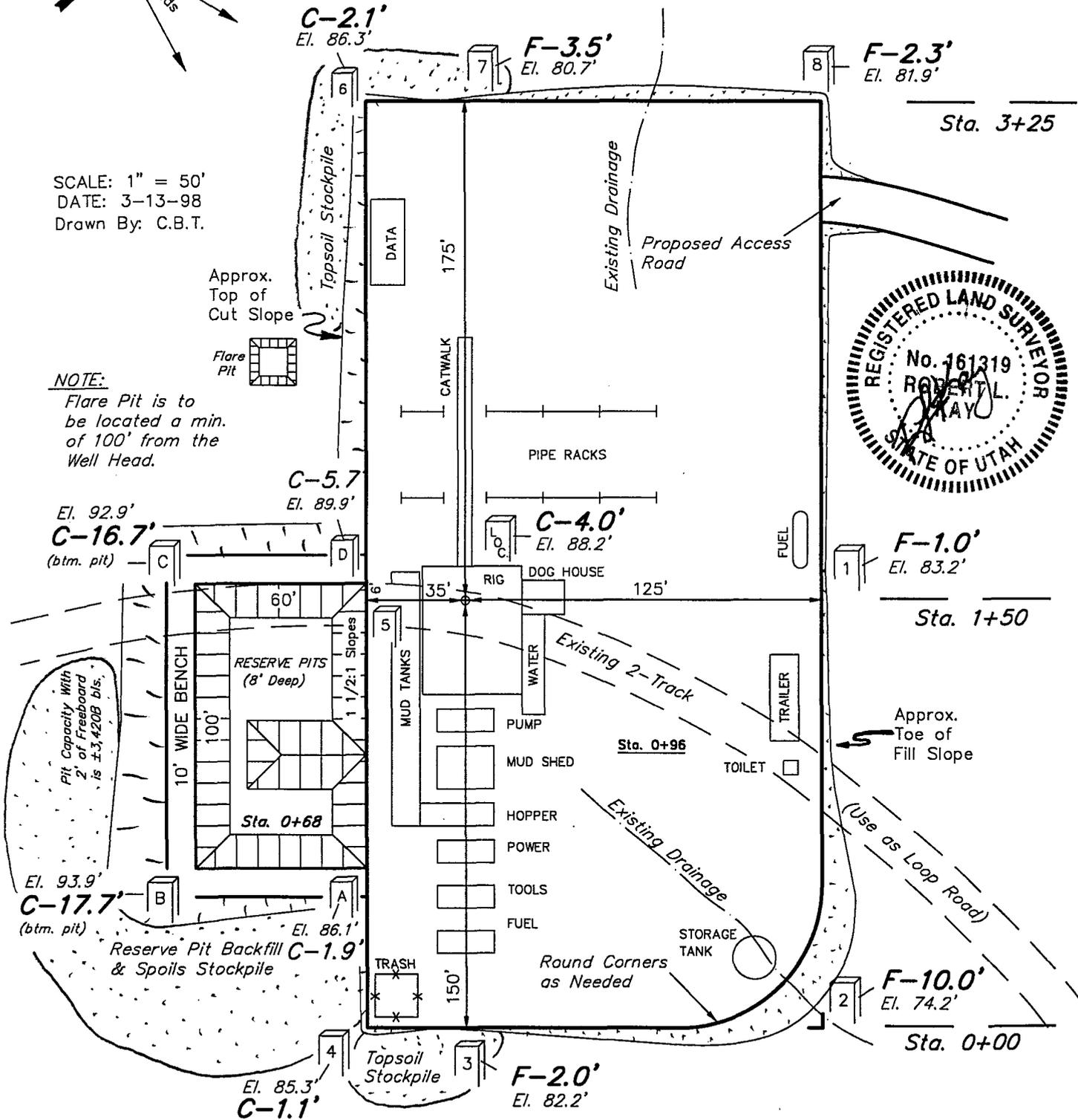
SCALE: 1" = 50'
DATE: 3-13-98
Drawn By: C.B.T.

Approx.
Top of
Cut Slope



NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



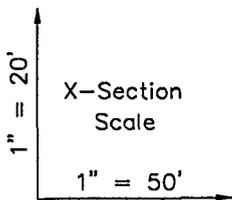
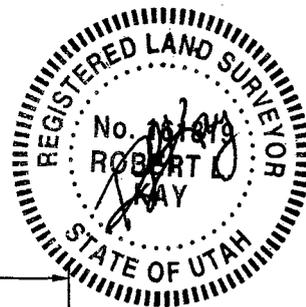
Elev. Ungraded Ground at Location Stake = **6488.2'**

Elev. Graded Ground at Location Stake = **6484.2'**

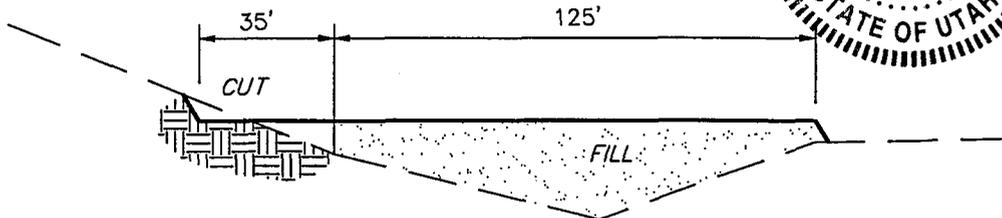
CHANDLER & ASSOCIATES, INC.

TYPICAL CROSS SECTIONS FOR

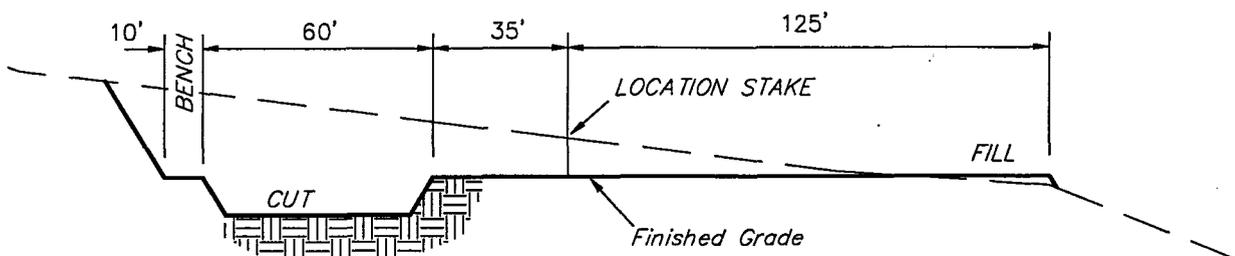
WILKIN RIDGE #13-23-10-16
SECTION 23, T10S, R16E, S.L.B.&M.
1000' FSL 800' FWL



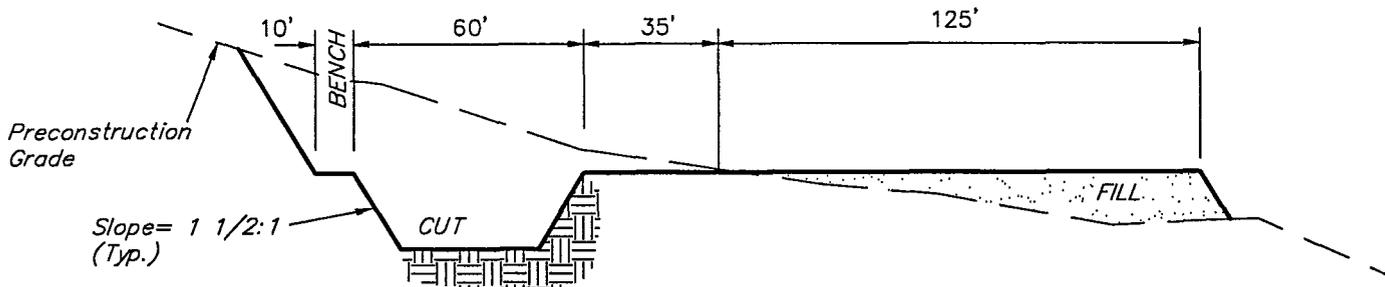
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Drawn By: C.B.T.



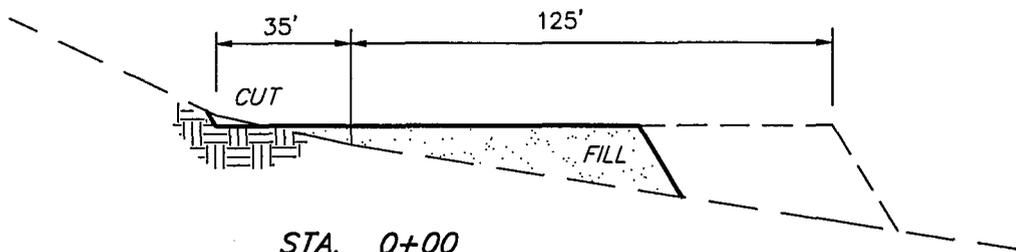
STA. 3+00



STA. 1+50



STA. 0+28

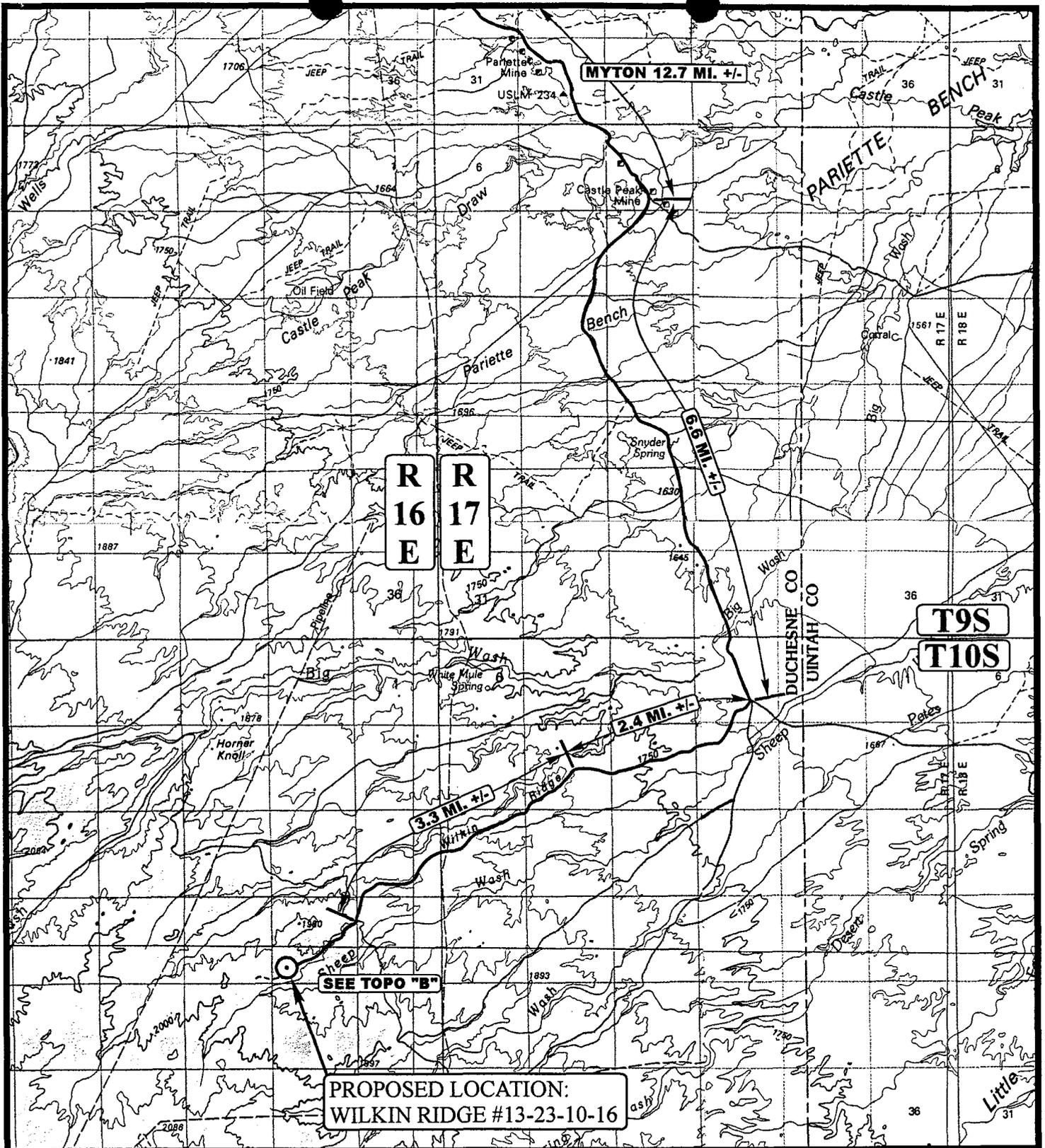


STA. 0+00

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,070 Cu. Yds.
Remaining Location	=	5,380 Cu. Yds.
TOTAL CUT	=	6,450 CU.YDS.
FILL	=	4,580 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	1,630 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,620 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	10 Cu. Yds.



LEGEND:

⊙ PROPOSED LOCATION



CHANDLER & ASSOCIATES, INC.

WILKIN RIDGE #13-23-10-16
SECTION 23, T10S, R16E, S.L.B.&M.
1000' FSL 800' FWL



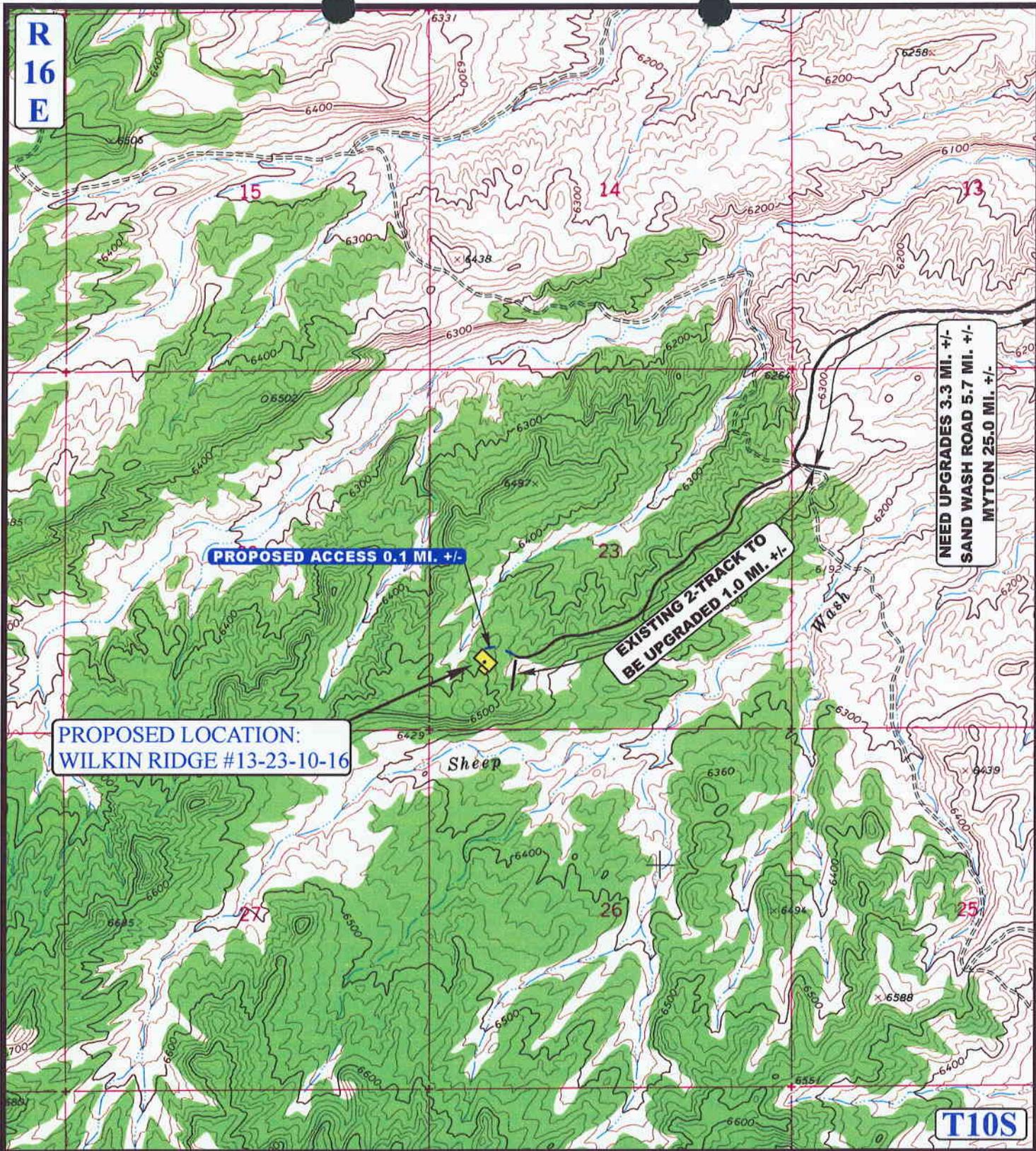
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

3 9 98
 MONTH DAY YEAR

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





**R
16
E**

**NEED UPGRADES 3.3 MI. +/-
SAND WASH ROAD 5.7 MI. +/-
MYTON 25.0 MI. +/-**

PROPOSED ACCESS 0.1 MI. +/-

**EXISTING 2-TRACK TO
BE UPGRADED 1.0 MI. +/-**

**PROPOSED LOCATION:
WILKIN RIDGE #13-23-10-16**

T10S

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

CHANDLER & ASSOCIATES, INC.

**WILKIN RIDGE #13-23-10-16
SECTION 23, T10S, R16E, S.L.B.&M.
1000' FSL 800' FWL**



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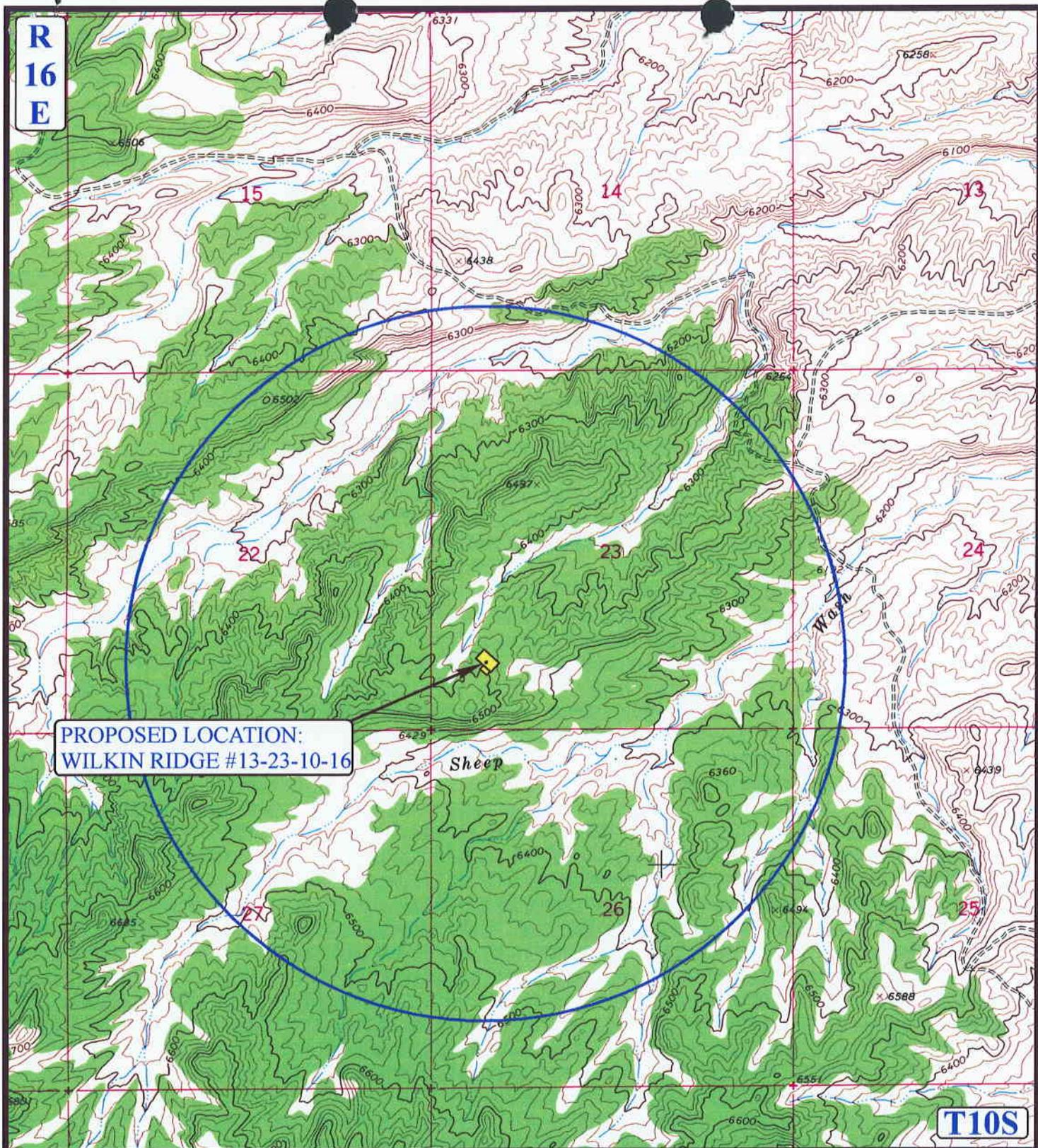


**TOPOGRAPHIC
MAP**

3	9	98
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00

**B
TOPO**



PROPOSED LOCATION:
WILKIN RIDGE #13-23-10-16

T10S

LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ⊖ ABANDONED WELLS |
| ⊖ SHUT IN WELLS | ⊖ TEMPORARILY ABANDONED |

CHANDLER & ASSOCIATES, INC.

WILKIN RIDGE #13-23-10-16
SECTION 23, T10S, R16E, S.L.B.&M.
1000' FSL 800' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

3 9 98
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/09/98

API NO. ASSIGNED: 43-013-32084

WELL NAME: WILKIN RIDGE 13-23-10-16
 OPERATOR: CHANDLER & ASSOCIATES INC (N3320)
 CONTACT: Terry Cox (303) 295-0400

PROPOSED LOCATION:
 SWSW 23 - T10S - R16E
 SURFACE: 1000-FSL-0800-FWL
 BOTTOM: 1000-FSL-0800-FWL
 DUCHESNE COUNTY
 WILDCAT FIELD (001)

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

LEASE TYPE: FED
 LEASE NUMBER: U-64912
 SURFACE OWNER: BLM

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

Plat

Bond: Federal State Fee
 (No. #124290364)

N Potash (Y/N)

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

Water Permit
 (No. Nebeker Trucking #43-1723)

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

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

LOCATION AND SITING:

R649-2-3. Unit West Riverbend

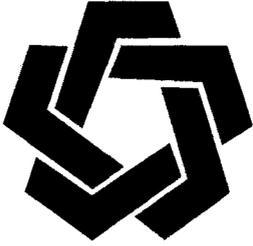
R649-3-2. General

R649-3-3. Exception

Drilling Unit
 Board Cause No: _____
 Date: _____

COMMENTS: _____

STIPULATIONS: ① FEDERAL APPROVAL



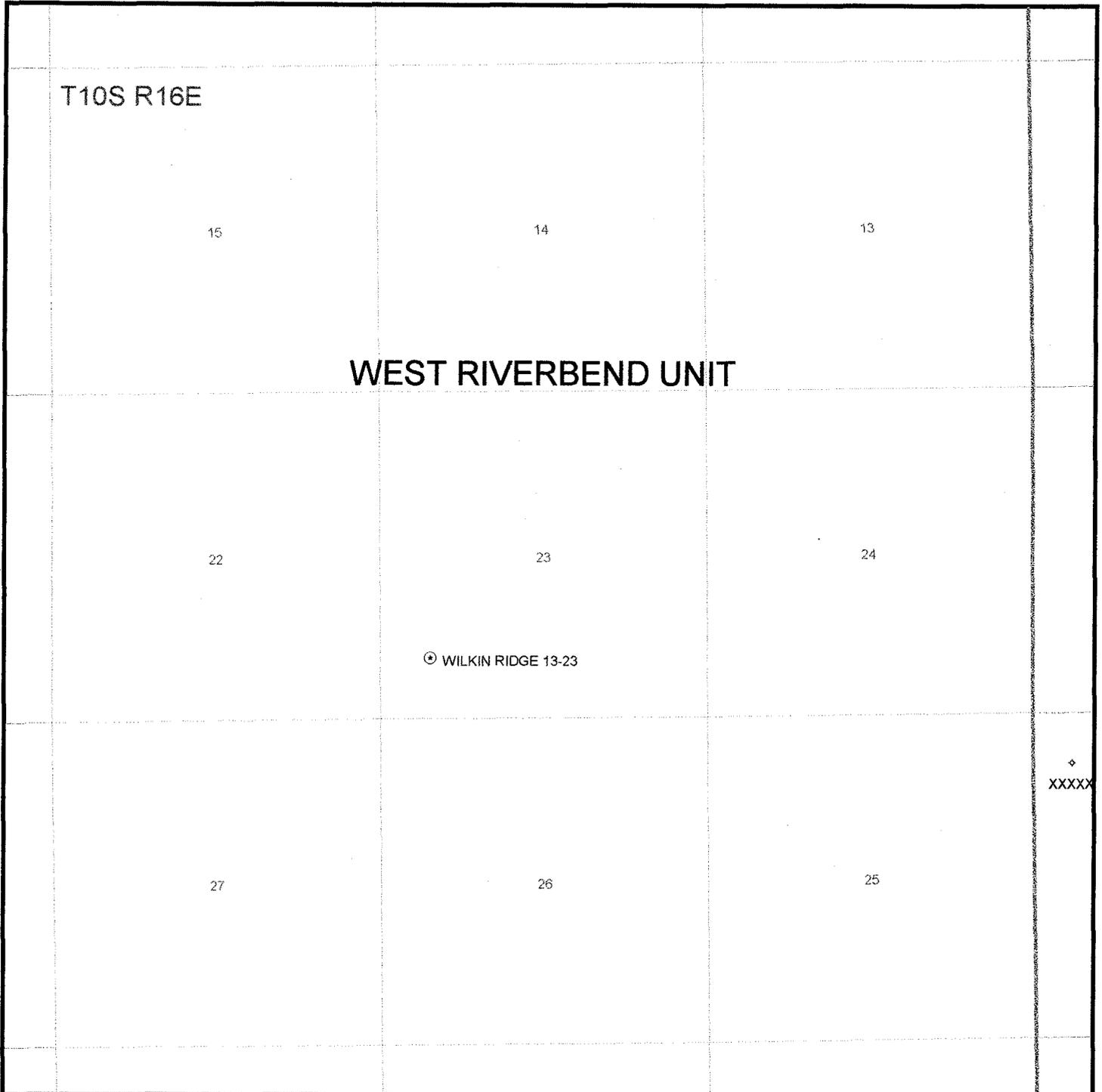
DIVISION OF OIL, GAS & MINING

OPERATOR: CHANDLER & ASSOCIATES (N3320)

FIELD: WILDCAT (001)

SEC. 23, TWP. 10S, RNG. 16E,

COUNTY: DUCHESNE UAC: R649-2-3 WEST RIVERBEND UNIT



DATE PREPARED:
9-APR-1998



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)

May 5, 1998

Chandler & Associates, Inc.
475 Seventeenth Street, Suite 1000
Denver, Colorado 80202

Re: Wilkin Ridge 13-23-10-16 Well, 1000' FSL, 800' FWL, SW SW,
Sec. 23, T. 10 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 43-013-32084.

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: Chandler & Associates, Inc.
Well Name & Number: Wilkin Ridge 13-23-10-16
API Number: 43-013-32084
Lease: U-64912
Location: SW SW Sec. 23 T. 10 S. R. 16 E.

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact 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.

DOGMA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
 Chandler & Associates, Inc.

3. ADDRESS AND TELEPHONE NO.
 475 Seventeenth Street, Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 1000' FSL 800' FWL APR 08 1998
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 See Topo Map "A" (attached)

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	800'	16. NO. OF ACRES IN LEASE	2480	17. NO. OF ACRES ASSIGNED TO THIS WELL	-
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	-	19. PROPOSED DEPTH	5150'	20. ROTARY OR CABLE TOOLS	Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.)			6488' GR	22. APPROX. DATE WORK WILL START*	
				A.S.A.P.	

5. LEASE DESIGNATION AND SERIAL NO.
 U-64912

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7. UNIT AGREEMENT NAME
 West River Bend

8. FARM OR LEASE NAME, WELL NO.
 Wilkin Ridge #13-23-10-16

9. AP WELL NO.

10. FIELD AND POOL, OR WILDCAT
 Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 23, T10S, R16E, S.L.B.8

12. COUNTY OR PARISH
 Duchesne

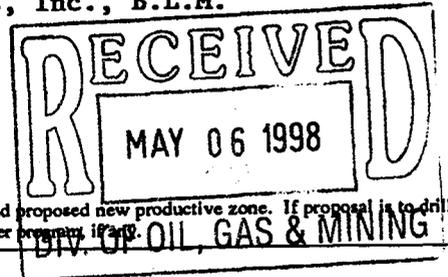
13. STATE
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	250'	(See attached drilling plan)
7 7/8"	5 1/2"	15.5#	5150'	(See attached drilling plan)

- M.I.R.U.
- Drill to T.D. 5150'
- Run 5 1/2" casing if commercial production is indicated.
- If dry hole, well will be plugged and abandoned as instruction by the B.L.M.
- Well will be drilled with water; KCL water; LSND as needed to T.D.

I hereby certify that I am responsible by the terms and conditions of the lease to conduct lease operations. Bond coverage pursuant to 43 CFR 3104 for lease activities is beign provided by Chandler & Associates, Inc., B.L.M. Bond #124290364 with CNA.



IN ABOVE SPACE 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.

24. SIGNED Tracy D. Redline TITLE Agent DATE 4/8/98

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Howard B. Clavinger TITLE Assistant Field Manager Mineral Resources DATE 4/30/98

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Chandler & Associates, Inc.

Well Name & Number: Wilkin Ridge #13-23-10-16

API Number: 43-013-32084

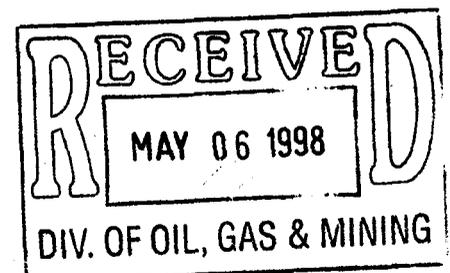
Lease Number: U - 64912

Location: SWSWW Sec. 23 T. 10S R. 16E

NOTIFICATION REQUIREMENTS

- Location Construction - at least forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing - at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - at least twenty-four (24) hours prior to initiating pressure tests.
- First Production Notice - within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.



CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water, identified at 3,303 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. .Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 789-7077
Petroleum Engineer

Wayne P. Bankert (435) 789-4170
Petroleum Engineer

Jerry Kenczka (435) 781-1190
Petroleum Engineer

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM
Conditions of Approval (COAL)

Location of Existing and/or Proposed Facilities

All production facilities shall be painted an earthtone Juniper Green to blend with the surrounding vegetation within six (6) months of well completion.

The material for construction of the containment dike around the tank battery shall be nonpermeable subsoils and at no time shall top soils be used for this construction.

If a pipeline is requested for this location additional authorization will be necessary.

Plans For Reclamation Of Location

All seeding for reclamation operations at this location shall use the following seed mixture:

needle and thread	Stipa comata	3 lbs/acre
western wheatgrass	Agropyron smithii	2 lbs/acre
fourwing saltbush	Atriplex canescens	4 lbs/acre
shadscale	Atriplex confertifolia	3 lbs/acre

If the seed mixture is to be aerially broadcasted, the pounds per acre shall be doubled. All seed poundages are in Pure Live Seed.

Immediately after construction the stockpiled top soil will be seeded and the seed worked into the soil by "walking" the pile with caterpilar tracks.

When reclaiming the reserve pit, the pit liner will be torn and perforated before backfilling the reserve pit and the torn liner will be buried a minimum of four (4) feet deep. The reserve pit and those portions of the location not needed for production facilities and/or operations shall be reclaimed and recontoured in accordance with the APD. A portion of the stockpiled topsoil shall then be spread over the rehabilitated areas to approximate the original topsoil thickness and the area seeded.

Upon final abandonment if additional recontouring is needed for previously reclaimed areas, the topsoil shall be removed prior to the final recontouring.

For final abandonment all topsoil shall be spread over the recontoured surface, windrowed trees shall then be scattered over the area of reclamation and the soils seeded.

Other Information

To reduce soil erosion due to the construction of this location, the operator shall construct an erosion control dam northeast of the proposed location. Minimum standards for dams impounding under 10 acre feet are attached.

This location is in a wooded area. During construction of the location and access road, trees that are removed shall be windrowed to an area at the side of the location. The windrowed trees shall be relatively free of soil. This tree material will be used for future reclamation of the site.

MINIMUM STANDARDS FOR DAMS
IMPOUNDING UNDER 10 AC. FT.

I. Site Location and Design

- A. Authorized BLM personnel must approve site location, fill material, foundation material, spillway size and location.
- B. Dam layout and location shall be with surveying instruments by qualified personnel.

II. Borrow Areas

- A. Borrow material shall be taken from within the reservoir basin below the high water line whenever possible.
- B. Vegetation, debris, and topsoil shall be removed to a depth of 12" below natural ground line and deposited as directed.
- C. Vegetation, debris, and topsoil shall be stockpiled to be used as cover for borrow areas above the high water line as directed.
- D. Vegetation, debris and topsoil moved below the dam shall be contoured, smoothed and blended into natural ground lines away from fill areas and outside the wash bottom.
- E. Borrow areas shall be smoothed, contoured and blended into natural ground lines.

III. Core Trench and Dam Foundation

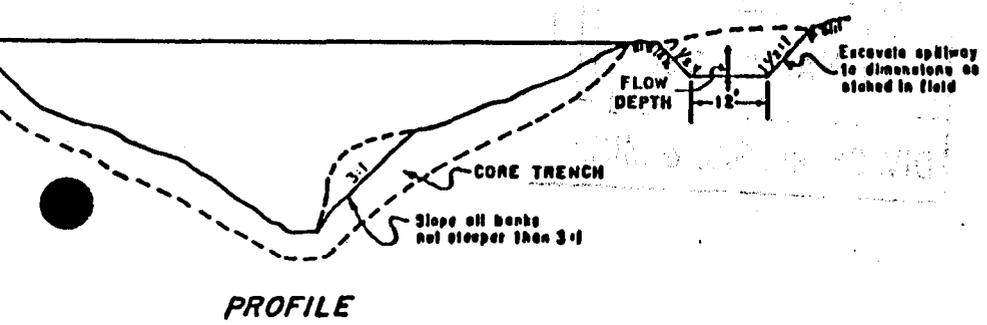
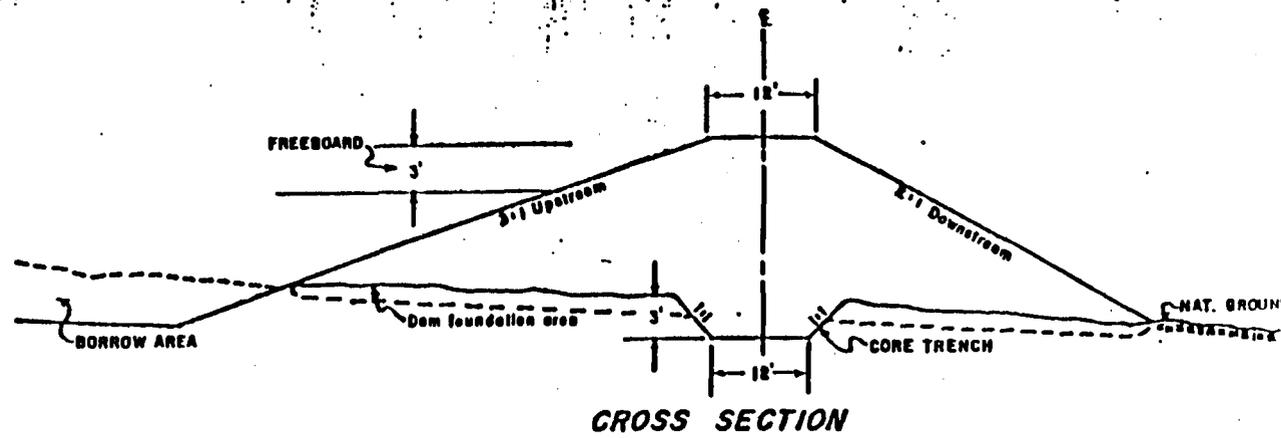
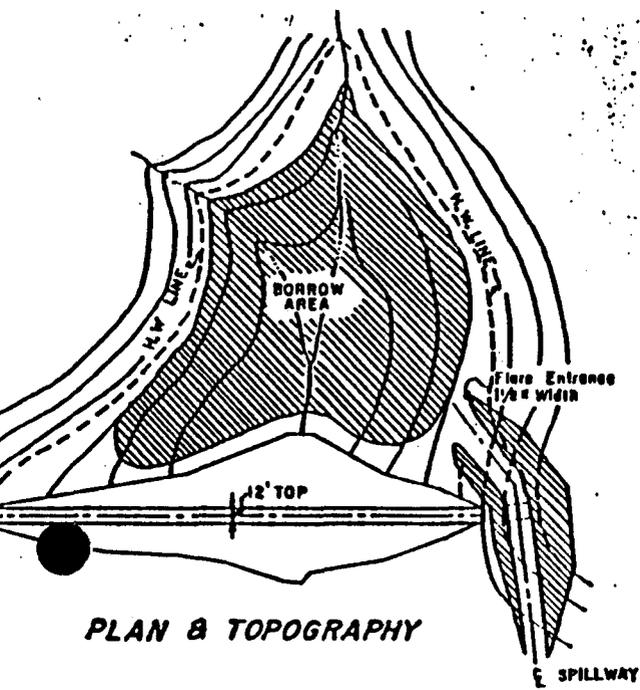
- A. A core trench shall be constructed 12' wide along the full length of the dam center line to a minimum depth of 3' or bedrock.
- B. Sides of the core trench shall not be steeper than 1:1 slopes.
- C. Soft or unstable material encountered in the core trench or dam foundation shall be removed and will not be used as fill.

IV. Dam and Core Fill

- A. Fill shall be homogeneous material, preferably of highly impervious, compactable soils (such as high clay content soils free of organic material, sand or rock).
- B. Lifts of fill shall not exceed 6" when compacted.
- C. Fill shall be built up at a consistent rate the full length of the dam.
- D. Lifts shall be compacted by at least one pass of the crawler tractor over the entire width of the lift.
- E. Fill shall be smoothed, maintaining specified slopes.

V. Spillway

- A. Spillway shall be constructed through natural material.
- B. Spillway shall be constructed to divert overflow away from fill areas or natural material that is an integral part of the dam.
- C. Incorporate in-place rock or hauled-in rock in spillway and at discharge point below spillway to prevent "down cutting" and "blowout" holes, when possible.



**MINIMUM STANDARDS FOR DAMS
IMPOUNDING UNDER 10 AC. FT.**

1. BLM PERSONNEL MUST APPROVE SITE LOCATION, FILL MATERIAL, FOUNDATION MATERIAL, SPILLWAY SIZE AND LOCATION.
2. DAM LAYOUT & LOCATION MUST BE WITH SURVEYING INSTRUMENTS BY QUALIFIED SURVEYOR,
3. MAX. WATER DEPTH AGAINST THE DAM WILL BE 10' WHEN CONSTRUCTED WITH A CRAWLER TRACTOR.
4. SOIL WILL BE PLACED IN NOT MORE THAN 6" LIFTS AND EACH LIFT COMPACTED WITH A CRAWLER TRACTOR.
5. SPILLWAY MUST BE THROUGH NATURAL MATERIAL.
6. A CORE TRENCH WILL BE CONSTRUCTED 3' DEEP OR TO BED ROCK.
7. BORROW MATERIAL WILL BE TAKEN FROM WITHIN THE RESERVOIR BASIN BELOW THE HIGH WATER MARK WHENEVER POSSIBLE.

U. S. DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT	
RETENTION DAM TYPICAL PLAN & SECTION	
DESIGNED _____	RECOMM. _____
DRAWN _____	RECOMM. _____
CHECKED _____	APPROVED _____
SCALE NOT TO SCALE	
DATE _____	SHEET 1 OF 1
DRAWING NO. _____	

ALWAYS THINK SAFETY BFO 830-178

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: CHANDLER & ASSOCIATES

Well Name: WILKEN RIDGE 13-23-10-16

Api No. 43-013-32084

Section 23 Township 10S Range 16E County DUCHESNE

Drilling Contractor CHANDLER

Rig # 7

SPUDDED:

Date 7/8/98

Time _____

How DRY HOLE

Drilling will commence _____

Reported by D. INGRAM

Telephone # _____

Date: 7/9/98 Signed: JLT

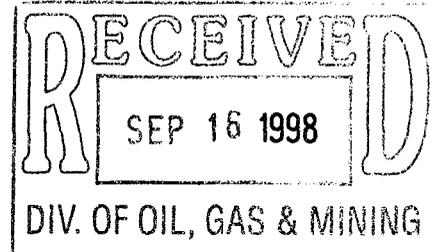
✓



CHANDLER & ASSOCIATES, LLC

475 17TH ST. • SUITE 1000 • DENVER, COLORADO 80202 • 303 295-0400
OIL & GAS EXPLORATION AND PRODUCTION FAX 303 295-0222

September 14, 1998



STATE OF UTAH
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RE: Well Information Confidentiality

Chandler & Associates, Inc., as operator of the well listed below, respectively requests that all information and logs regarding this well be held confidential.

Wilkin Ridge #13-23-10-16
SWSW Section 23, T10S R16E
Duchesne County, Utah
API #43 013 32084

Should you have any questions or need any additional information, please feel free to contact me at (303) 295-0400.

Sincerely,

Thomas D. Taylor
Production Geologist

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR Chandler & Assoc., LLC
ADDRESS 475 17th Street, Suite 1000
Denver, CO 80202-4016

OPERATOR ACCT. NO. 3320

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				SPUD DATE	EFFECTIVE DATE		
					RD	SC	TP	RG			COUNTY	
B	99999	12497	43-013-32084	Wilkin Ridge	13-23-10-16	SWSW	23	10S	16E	Duchesne	7-8-98	1-12-99

WELL 1 COMMENTS: 990113 entity added; (West River Bend unit) KDR

CONFIDENTIAL

B	99999	12497	43-013-32088	W. Desert Spring	11-20-10-17	NESW	20	10S	17E	Duchesne	7-24-98	1-12-99
---	-------	-------	--------------	------------------	-------------	------	----	-----	-----	----------	---------	---------

WELL 2 COMMENTS: 990113 entity added; (West River Bend unit) KDR

CONFIDENTIAL

A	99999	12523	43-047-33162	Desert Spring	3-29-10-18	NWNE	29	10S	18E	Uintah	9-11-98	1-12-99
---	-------	-------	--------------	---------------	------------	------	----	-----	-----	--------	---------	---------

WELL 3 COMMENTS: 990113 entity added. KDR

CONFIDENTIAL

A	99999	12524	43-047-33177	Sage Grouse	12A-14-8-22	NWSW	14	8S	22E	Uintah	10-3-98	1-12-99
---	-------	-------	--------------	-------------	-------------	------	----	----	-----	--------	---------	---------

WELL 4 COMMENTS: 990113 entity added. KDR

CONFIDENTIAL

Post-It® Fax Note 7671		Date	1-13-99	# of pages	1
To	Cristin Riebeck		From	Jana Pennell	
Co./Dept.	Utah O&G/M		Co.	Chandler & Assoc.	
Phone #			Phone #	970-675-8451	
Fax #	801-359-3940		Fax #	970-675-5154	

WELL 5 COMMENTS:

- ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
 - B - Add new well to existing entity (group or unit well)
 - C - Re-assign well from one existing entity to another existing entity
 - D - Re-assign well from one existing entity to a new entity
 - E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Jim Simonton
Signature
Oper. Supervisor 1-12-99
Title Date
Phone No. 970, 675-8451

PAGE 001/001
 TO 1005618013593940
 FROM CHANDLER - RANGELY
 CHANDLER & ASSOC. - RANGELY
 DIV. OIL GAS AND MINING
 04/21/98 TUE 09:08 FAX 303-733-2222
 APR-21-98 TUE 08:18 AM

PAGE 001
 3032950222
 APR 21 '98 09:16

** TOTAL PAGE.001 **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

instructions on
reverse side

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

UTU-77106-X

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
West River Bend

8. FARM OR LEASE NAME, WELL NO.
Wilkin Ridge 13-23-10-16

9. API WELL NO.
43-013-32084

10. FIELD AND POOL OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA
**Sec. 23, T10S, R16E
SLB&M**

12. COUNTY OR PARISH
Duchesne

13. STATE
Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL WELL GAS WELL DRY

1b. TYPE OF WELL

NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

CONFIDENTIAL

2. NAME OF OPERATOR

Chandler & Associates, LLC

3. ADDRESS AND TELEPHONE NO.

475 17th Street, Suite 1000, Denver, Colorado 80202 Rangely 970-675-8451

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*

At Surface
1000' FSL, 800' FWL, SWSW

At top prod. Interval reported below

Same

At total depth

Same

14. PERMIT NO.

DATE ISSUED

04/30/98

15. DATE SPUDDED

7-8-98

16. DATE T.D. REACHED

7-18-98

17. DATE COMPL. (Ready to prod.)

10-27-98

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

6488' GR, 6500' KB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

5496' MD 5496' TVD

21. PLUG, BACK T.D., MD & TVD

5315' TD 5315' MD 5315' TVD

22. IF MULTIPLE COMPL., HOW MANY*

DRILLED BY

----->

23. INTERVALS

0-TD

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

Wasatch - 5284' - TD

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

Spectral Density DSN, HRI, CBL

27. WAS WELL CORED

No

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	260'	12-1/4"	Cement w/180 sks Class G	None
5-1/2"	17#	5472'	7-7/8"	Cement w/195 sks Hi-Fill & 580 sks Class G	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	5252'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
4054' - 4062'		32
5103' - 5163'		36
5191' - 5232'		40

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4054' - 4062'	56,340# 20/40
5103' - 5163'	39,550# 20/40
5191' - 5232'	46,900# 20/40

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	WELL STATUS (Producing or shut-in)					
N/A		Shut-in					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBL.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
N/A							
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL--BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

35. LIST OF ATTACHMENTS

Wellbore Diagram

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Jim Livingston TITLE **Operations/Production Supervisor** DATE **02/19/99**

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);

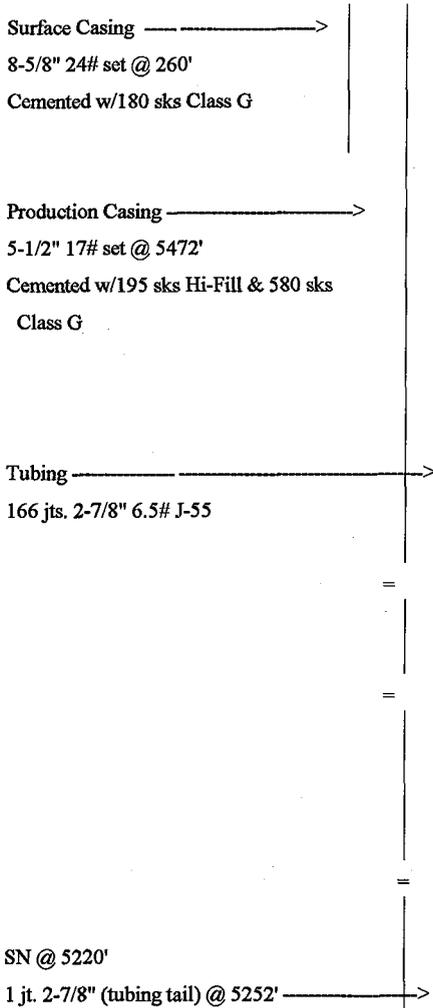
38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			No cores or tests	Uintah		Surface
				Green River		1790'
				Wasatch		5284'

RECEIVED
 IN FEB 22 1933
 DIV. OF OIL, GAS & MINING

Well Name: **Wilkin Ridge 13-23-10-16**
 Location: SWSW Sec. 23, T10S, R16E
 Field: West River Bend Unit
 Spud Date: 7-8-98
 Completed: 10-27-98

Date: 10-27-98
 County: Duchesne
 State: Utah
 Elev.-KB: 6500' (12')
 Elec.-GR: 6488'



Rod & Pump Detail:

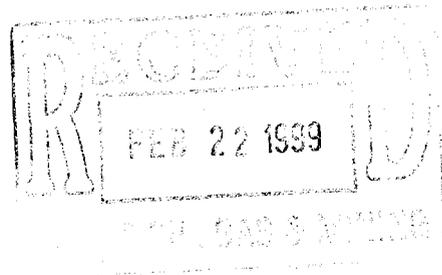
= 4054' - 4062' w/4 jpf (32 holes)
 Fracced w/56,340# 20/40

= 5103' - 5107' (16 holes)
 5127' - 5130' (12 holes)
 5161' - 5163' (8 holes)
 Fracced w/39,550# 20/40

= 5191' - 5193' (8 holes)
 5215' - 5219' (16 holes)
 5224' - 5232' (16 holes)
 Fracced w/46,900# 20/40

(Fill)	PBTD	5315'
	TD	5496'

IP:



OPERATOR Chandler & Assoc., LLC
 ADDRESS 475 17th Street, Suite 1000
Denver, CO 80202-4016

OPERATOR ACCT. NO. 11

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				SPUD DATE	EFFECTIVE DATE	
					GR	SC	TP	RG			COUNTY
A			43-013-32084	Wilkin Ridge 13-23-10-16	SWSW	23	10S	16E	Duchesne	7-8-98	1-12-99
WELL 1 COMMENTS:											
A			43-013-32088	W. Desert Spring 11-20-10-17	NESW	20	10S	17E	Duchesne	7-24-98	1-12-99
WELL 2 COMMENTS:											
A			43-047-33162	Desert Spring 3-29-10-18	NWNE	29	10S	18E	Uintah	9-11-98	1-12-99
WELL 3 COMMENTS:											
A			43-047-33177	Sage Grouse 12A-14-8-22	NWSW	14	8S	22E	Uintah	10-3-98	1-12-99
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- D - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

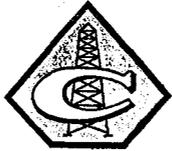
NOTE: Use COMMENTS section to explain why each Action Code was selected.

{3/89}

Jim Simonton
 Signature
 Oper. Supervisor 1-12-99
 Title Date
 Phone No. 970, 675-8451

04/21/98 TUE 08:08 FAX 3032950222
 APR-21-98 TUE 08:18 AM D
 CHANDLER & ASSOC. PHA NO. 00
 +++ RANGLEY
 OIL GAS AND MINING

CONFIDENTIAL

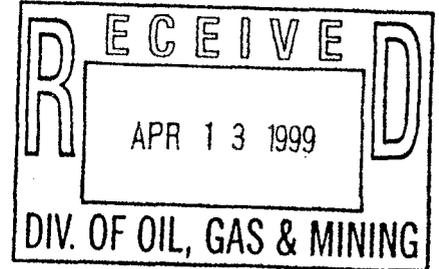


CHANDLER & ASSOCIATES, LLC

475 17TH ST. • SUITE 1000 • DENVER, COLORADO 80202 • 303 295-0400

OIL & GAS EXPLORATION AND PRODUCTION

FAX 303 295-0222



April 9, 1999

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

T 105 R 16E Sec 23
43-013-32084 Duchesne Co
Wilkin Ridge 13-23-10-16

RE: Well Logs

Enclosed are copies of Spectral Density DSN for 16-19-10-18. Cement Bond Log and Spectral Density DSN for 16-17-10-17. Cement Bond Log for 3-12-10-15. Dual Induction Guard Log Gamma Ray and Compensated Density Compensated Neutron Gamma Ray for 11-20-10-17. Spectral Density Dual Spaced Neutron, High Resolution Induction, and Cement Bond Log for 13-23-10-16 that you requested. If you have any questions, please contact me at 303 295-0400.

Sincerely,

CHANDLER AND ASSOCIATES, LLC

Robin L. Sydnor
Production Technician

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

3. Lease Designation and Serial Number:

U - 64912

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Altonce or Tribe Name:

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name

1. Type of Well: OIL GAS OTHER:

8. Well Name and Number:

WEST RIVER BEND #13-23

2. Name of Operator:

PENDRAGON ENERGY PARTNERS, INC.

9. API Well Number:

43-013-32084

3. Address and Telephone Number:

621 17TH STREET, #750, DENVER, CO 80293 (303) 296-9402

10. Field and Pool, or Wildcat:

WILDCAT

4. Location of Well

Postage: 1000' FSL, 800' FWL

Co. Sec., T., R., M.: NE SW SW SECTION 23, T10S - R16E

County:

DUCHESNE,

State:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other CHANGE OF OPERATOR
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion _____

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

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

OPERATOR CHANGED FROM SHENANDOAH ENERGY, INC. (FORMERLY CHANDLER & ASSOCIATES, INC.) TO PENDRAGON ENERGY PARTNERS, INC. EFFECTIVE MARCH 1, 2000.

BE ADVISED THAT PENDRAGON ENERGY PARTNERS, INC. IS CONSIDERED TO BE THE OPERATOR OF THE ABOVE DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASES FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF. BOND COVERAGE FOR THESE LEASES IS PROVIDED BY STATEWIDE BOND RLB0001758, PRINCIPAL, PENDRAGON ENERGY PARTNERS, INC.

13.

Name & Signature:

ALAN B. NICOL

Title:

PRESIDENT

Date:

2-17-00

(This space for State use only)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office

170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3162.3

UT08300

June 23, 2000

Pendragon Energy Partners, Inc.
621 17th Street, Ste 750
Denver, CO 80293

Re: Well No. Wilkin Ridge 13-23
SWSW, Sec. 23, T10S, R16E
Lease UTU-64912
Uintah County, Utah

Gentlemen:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Pendragon Energy Partners, Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UT1167, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Margie Herrmann or Leslie Crinklaw of this office at (435) 781-4410.

Sincerely,

Ed Forsman
Petroleum Engineer
Minerals Resources

cc: Division Oil, Gas & Mining

STATE OF UTAH DEPARTMENT OF COMMERCE REGISTRATION PENDRAGON ENERGY PARTNERS, INC. EFFECTIVE 01/20/2000	EXPIRATION *RENEWAL	REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S) Corporation - Foreign - Profit 3098295-0143
---	------------------------	--

C T CORPORATION SYSTEM
 PENDRAGON ENERGY PARTNERS, INC.
 621 17TH ST., SUITE 750
 Denver CO 80293

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF CORPORATIONS & COMMERCIAL CODE
REGISTRATION

EFFECTIVE DATE: 01/20/2000

EXPIRATION DATE: *RENEWAL

ISSUED TO: PENDRAGON ENERGY PARTNERS, INC.



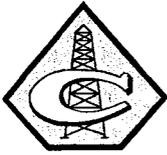
REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S)

3098295-0143 Corporation - Foreign - Profit

***RENEWAL**

You will need to renew your registration each anniversary date of the effective date.

Exceptions: DBAs and Business Trusts renew every three (3) years from the effective date.
 Trademarks renew every ten (10) years from the effective date.



CHANDLER & ASSOCIATES, INC.

475 17TH ST. • SUITE 1000 • DENVER, COLORADO 80202 • 303 295-0400
OIL & GAS EXPLORATION AND PRODUCTION FAX 303 295-0222

Mr. Jim Thompson
Department of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Fax: 801-539-3940

Subject: Resignation of Operator,
West River Bend Project Area

Effective January 31, 2000, Chandler & Associates, LLC resigned as Operator under the West River Bend Project Area. Pendragon Energy Partners Inc. shall be the new Operator of the April 1, 1997 JOA.

Wells included in the West River Bend project Area:

A.P.I. #	ENTITY	WELL NAME	WELL #	LOCATION	FIELD NAME
43-047-33164-00	12496	DESERT SPRING	#16-19-10-18	SESE 19, 10S-18E	DESERT SPRING
43-047-3316200	12523	DESERT SPRING	#3-29-10-18	NWNE 29, 10S-18E	DESERT SPRING
43-013-3147700	12248	UTD WALTON	#26-03	NENW 26, 9S-16E	MONUMENT BUTTE
43-047-3275400	12003	FLU KNOLLS FED.	#23-3	NESW 3, 10S-18E	UTELAND BUTTE
43-047-32052-00	11468	DESERT SPRINGS FED.	#20-1	NESW 20, 10S-18E	WILDCAT
43-047-33163-00		DESERT SPRING	#7-30-10-18	SWNE 30, 10S-18-E	WILDCAT
43-013-32088-00	12497	W. DESERT SPRING	#11-20	NESW 20, 10S-17E	WILDCAT
43-013-32057-00	12497	W. RIVER BEND	#16-17-10-17	SESE 17, 10S-17E	WILDCAT
43-013-31888-00	12497	W. RIVER BEND	#3-12-10-15	NENW 12, 10S-15E	WILDCAT
43-013-32084-00	12497	WILKIN RIDGE	#13-23	SWSW 23, 10S-16E	WILDCAT

Please advise should you require more specific information.

Thanks,
Tom Taylor

CC: Pendragon Energy Partners Inc.

RECEIVED

JUN 30 2000

**DIVISION OF
OIL, GAS AND MINING**

OPERATOR CHANGE WORKSHEET

<input checked="" type="checkbox"/>	4-KAS
2-CDW <input checked="" type="checkbox"/>	5-SJ
3-JLT <input checked="" type="checkbox"/>	6-FILE

Check each listed item when completed. Write N/A if item is not applicable.

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change Only

Merger

The operator of the well(s) listed below has changed, **effective:** 3-1-00

TO: (New Operator) <u>PENDRAGON ENERGY PARTNERS INC</u>	FROM: (Old Operator) <u>CHANDLER & ASSOCIATES INC</u>
Address: <u>621 17TH STREET, STE 750</u>	Address: <u>475 17TH STREET, STE 1000</u>
<u>DENVER, CO 80293</u>	<u>DENVER, CO 80202</u>
<u>Phone: 1-(303)-296-9402</u>	<u>TOM TAYLOR</u>
<u>Account No. N2965</u>	<u>Phone: 1-(303)-295-0400</u>
	<u>Account No. N3320</u>

WELL(S):	CA Nos.	or	Unit					
Name: <u>W. RIVER BEND 3-12-10-15</u>	<u>API: 43-013-31888</u>	Entity: <u>12497</u>	<u>S 12</u>	<u>T 10S</u>	<u>R 15E</u>	<u>Lease: 5063150</u>		
Name: <u>W. RIVER BEND 16-17-10-17</u>	<u>API: 43-013-32057</u>	Entity: <u>12497</u>	<u>S 17</u>	<u>T 09S</u>	<u>R 17E</u>	<u>Lease: U-75082</u>		
Name: <u>WILKIN RIDGE 13-23</u>	<u>API: 43-013-32084</u>	Entity: <u>12497</u>	<u>S 23</u>	<u>T 10S</u>	<u>R 16E</u>	<u>Lease: U-64912</u>		
Name: _____	API: _____	Entity: _____	<u>S</u>	<u>T</u>	<u>R</u>	<u>Lease: _____</u>		
Name: _____	API: _____	Entity: _____	<u>S</u>	<u>T</u>	<u>R</u>	<u>Lease: _____</u>		
Name: _____	API: _____	Entity: _____	<u>S</u>	<u>T</u>	<u>R</u>	<u>Lease: _____</u>		
Name: _____	API: _____	Entity: _____	<u>S</u>	<u>T</u>	<u>R</u>	<u>Lease: _____</u>		

OPERATOR CHANGE DOCUMENTATION

- YES 1. A **pending operator change file** has been set up.
- YES 2. (R649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator on 6-30-00.
- YES 3. (R649-8-10) Sundry or other legal documentation has been received from the **NEW** operator on 2-28-00.
- YES 4. The new company has been looked up in the **Department of Commerce, Division of Corporations Database** if the new operator above is not currently operating any wells in Utah. Is the operator registered with the State? **Yes/No** If yes, the company file number is SEE ATTACHED. If no, Division letter was mailed to the new operator on _____.
- YES 5. **Federal and Indian Lease Wells.** The BLM or the BIA has approved the merger, name change or **operator change** for all wells listed above involving Federal or Indian leases on 6-23-00.
- N/A 6. **Federal and Indian Units.** The BLM or the BIA has approved the successor of unit operator for all wells listed above involving unit operations on _____.
- N/A 7. **Federal and Indian Communitization Agreements ("CA").** The BLM or the BIA has approved the operator change for all wells listed above involved in the CA on _____.

N/A 8. **Underground Injection Control ("UIC") Program.** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project and/or for the water disposal well(s) listed above.

YES 9. Changes have been entered in the **Oil and Gas Information System** for each well listed on 7-6-00.

YES 10. Changes have been included on the **Monthly Operator Change letter** on 7-6-00.

STATE BOND VERIFICATION

N/A 1. State Well(s) covered by Bond No. _____.

FEE WELLS - BOND VERIFICATION / LEASE INTEREST OWNER NOTIFICATION

N/A 1. (R649-3-1) The **NEW** operator of any fee lease well(s) listed above has furnished a proper bond.

N/A 2. A **copy of this form** has been placed in the **new and former operator's bond files** on _____.

N/A 3. The **FORMER** operator has requested a release of liability from their bond as of today's date _____? If yes, Division response was made to this request by letter dated _____. (see bond file).

N/A 4. (R649-2-10) The **Former** operator of any Fee lease wells listed above has been contacted and informed by letter dated _____, of their responsibility to notify all interest owners of this change.

N/A 5. Bond information added to **RBDMS** on _____.

N/A 6. Fee wells attached to bond in **RBDMS** on _____.

FILMING

____ 1. All attachments to this form have been **microfilmed** on 3-26-01.

FILING

____ 1. **Originals/Copies** of all attachments pertaining to each individual well have been filed in each **well file**.

____ 2. The **original of this form** has been filed in the operator file and a copy in the old operator file.

COMMENTS

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

FORM 6

ENTITY ACTION FORM

Operator: Pendragon Energy Partners Operator Account Number: N 2965
 Address: 621 17th St, Suite 750
city Denver
state CO zip 80293 Phone Number: (303) 296-9402

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301331888	West River Bend 3-12-10-15		NENW	12	10S	15E	Duchesne
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	12497	14542				1/31/2005	
Comments: DOGM correction per audit by Utah Tax Commission 7/2004. Unit terminated eff 10/20/1999 and wells are on different leases. Please report with new entity beginning 1/1/2005.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301332057	West River Bend 16-16-10-17		SESE	17	10S	17E	Duchesne
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	12497	14543				1/31/2005	
Comments: DOGM correction per audit by Utah Tax Commission 7/2004. Unit terminated eff 10/20/1999 and wells are on different leases. Please report with new entity beginning 1/1/2005.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301332084	Wilkin Ridge 13-23-10-16		SWSW	23	10S	16E	Duchesne
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	12497	14544				1/31/2005	
Comments: DOGM correction per audit by Utah Tax Commission 7/2004. Unit terminated eff 10/20/1999 and wells are on different leases. Please report with new entity beginning 1/1/2005.							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Earlene Russell For DOGM

Name (Please Print)

Earlene Russell

Signature

Engineering Tech

Title

1/31/2005

Date

From: Steve Schneider
To: Anthony Milne
Date: 7/20/04 5:03PM
Subject: Re: Pendragon Energy - N2965

Yes, we audited Pendragon for the period 3/00 - 2/02. The only production audit finding was an improper inventory reporting procedure. Pendragon reported a calculated ending inventory (prior month EI + production - sales) rather than an actual inventory from the pumper's gauge.

Regarding Entity #12497, Earlene Russell of our staff will check into this entity # assignment. On the surface, it does appear the wells in this former unit entity # should have separate entities, and her predecessor may have missed that step when the unit was terminated.

>>> Anthony Milne 07/20/04 04:13PM >>>
Steve,

I'm starting a federal royalty audit on Pendragon Energy Partners, Inc. for the period 01/01/2001 to 12/31/2003. Have you audited them? Also, I have some questions about entity number 12497, and wells 4301331888 and 4301332057. Supposedly the unit was canceled 10/31/1999 according to MMS. For Federal purposes, Pendragon reports the two producing wells in two different leases; therefore, they should have two different entity numbers. The two wells are also reported in two different fields.

I would appreciate any information you could give me about this entity and these wells.

Thanks,

Anthony Milne
Auditor - Oil & Gas
(801) 297-4672
amilne@utah.gov

CC: Earlene Russell



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

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FEB 08 2000
DIVISION OF
OIL, GAS AND MINING

IN REPLY REFER TO:
3180
(UT-931)

February 7, 2000

Chandler and Associates, LLC
475 17TH Street Suite 1000
Denver, CO 80202

Re: ~~West Riverbend Unit~~
Duchesne County, Utah

Gentlemen:

In a letter dated September 21, 1999, we established October 19, 1999 as the next obligation date for the West Riverbend Unit Agreement. The extension was predicated on the difficulty encountered while preparing to drill the desired obligation well. Operations were commenced at the obligation well; however, a decision was taken by you not to drill the well at this time. As such, we consider the obligation for the West Riverbend Unit Agreement not to have been met. Therefore, the West Riverbend Unit Agreement is considered automatically ~~terminated effective October 20, 1999.~~

We appreciated the effort you placed in exploring and establishing production within the West Riverbend unit area. In the future if you desire to unitize this area, we would look favorably upon the request.

Sincerely,

/s/ Robert A. Henricks

R.A.Henricks
Chief, Branch of Fluid Minerals

bcc: ~~West Riverbend Unit~~
Trust Lands Administration
Forestry, Fire and State Lands
Minerals Management Service
Vernal Field Office (UT-080)
Minerals Adjudication (UT-932)
West Riverbend Unit
Agr. Sec. Chron
Fluid Chron

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

U-64912

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:

Wilkin Ridge 13-23-10-16

2. NAME OF OPERATOR:
Pendragon Energy Partners, Inc.

9. API NUMBER:

4301332084

3. ADDRESS OF OPERATOR:
468 South Reed Street CITY **Lakewood** STATE **Co** ZIP **80226**

PHONE NUMBER:
(303) 296-9402

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1000'FSL, 800' FWL**

COUNTY: **Duchesne**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWSW 23 10S 16E**

STATE:
UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

P&A has been accomplished in accordance with BLM requirements as described in the attached documents.

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NAME (PLEASE PRINT) Alan B. Nicol

TITLE President

SIGNATURE 

DATE 12/29/2009

(This space for State use only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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7/21/09

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
U 64912

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No.

2. Name of Operator
PERDRAGON ENERGY PARTNERS, INC.

8. Well Name and No.
WILKIN RIDGE 13-23-10-16

3a. Address
468 So. RAYBURN ST. LAKEWOOD CO. 80226

3b. Phone No. (include area code)
303-296-9403

9. API Well No.
43-013-32084

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1000' FSL + 800' FWL SECTION 23-T10S-R16E SLM

10. Field and Pool or Exploratory Area
WILDLAT

11. Country or Parish, State
Duchesne, UTAH

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

THIS WELL HAS BEEN PLUGGED AS SHOWN ON THE ATTACHED PLUGGING LOG

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DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

ALAN B. NICOLE

Title PRESIDENT

Signature

[Handwritten Signature]

Date 7/31/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Handwritten Signature]
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title Acting AFM Date 9/15/09

Office VFO BLM

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

OPERATOR

Western Wellsite Services

17509 CR 14 Fort Morgan, Co 80701

970-867-9007

Operator: **Pendragon Energy Partners**

Date: 7-27-09

Well name: **Wilkin Ridge 13-23-10-16**

Road equipment to location, RU, NDWH, NUBOP, Prepare to pull pipe in morning,

Road last of equipment to location, Stand back 24 stands started getting bad pariffin, Shut in well, Line up hot oiler and tank in morning

WO tank (11am), WO hot oiler (1pm), Hot oil well with 100bs fresh water, TOH, TIH with bit and scrapper,

Hot oil well with 130bls fresh water, TOH, TIH with CICR and set at 3956', Load hole with 60bls 9lb water with corrosion inhibitor, Pressure test casing held, Mix and pump 10sxs class G cement, TOH to 3516', Mix and pump 25sxs class G cement, TOH, RU wireline, Shoot perfs at 1890', Zero rate into perfs, Shot perfs at 310', Zero rate into perfs, Shoot perfs at 260', Zero rate into perfs, RD wireline, TIH to 1960', Mix and pump 30sxs class G cement, TOH,

NDBOP, TIH to 375', Break circulation, Mix and pump 45sxs class G cement to surface, TOH, RD, Cut off wellhead, Top off with 30sxs class G cement (23sxs in surface annulus, 7sxs in 5.5" casing), Weld on info plate, MO

140 total sxs cement

I 5.5" CICR used

Witnessed by Randy Bywater BLM

Thanks,

Adam Chastain

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Reclamation COA

Within 30 days after plugging the well, a Sundry Notice will be submitted for approval that addresses proposed final reclamation of the well site, access road, pipelines and disturbed areas. Please note that the earthwork for final reclamation should be completed within 6 months after the plugging of the well (weather permitting) as per Onshore Order # 1 (section XII.B). The proposed reclamation plan should reflect the reclamation within the Surface Use Plan of Operations approved with the APD, any proposed changes to that plan, and the Green River Reclamation Guidelines.

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