



June 29, 2000

United States Department of Interior
Bureau of Land Management - Vernal District Office
Attention: Margie Herrmann
170 South 500 East
Vernal, Utah 84078-2799

RE: Ashley Federal #6-12
Ashley Federal #9-12
Ashley Federal #10-12
Ashley Federal #11-12
Ashley Federal #12-12
Ashley Federal #13-12
Ashley Federal #14-12
Ashley Federal #15-12
Ashley Federal #16-12
Section 12-T9S-R15E
Duchesne County, Utah

Dear Ms. Herrmann:

Enclosed please find the nine Applications for Permits to Drill the Ashley Federal Unit wells listed above, submitted in triplicate, for your review and approval. The Archeological Survey for these wells is also enclosed in triplicate.

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

Sincerely,

Joyce McGough
Regulatory Technician

Enclosures: Form 3160-3 and attachments (3 copies of each)
Archaeological Survey (3 copies of each)

cc: State of Utah
Division of Oil, Gas & Mining
✓ ATTN: Lisha Cordova
1594 West North Temple – Suite 1210
Post Office Box 145801
Salt Lake City, Utah 84114-5801

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**DIVISION OF
OIL, GAS AND MINING**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL DEEPEN

1b. TYPE OF WELL
OIL GAS SINGLE MULTIPLE
WELL WELL OTHER ZONE ZONE

5. LEASE DESIGNATION AND SERIAL NO.
UTU-74826

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

7. UNIT AGREEMENT NAME
Ashley

8. FARM OR LEASE NAME
Ashley Unit

9. WELL NO.
14-12

10. FIELD AND POOL OR WILDCAT
Ashley

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 12, T9S, R15E

12. COUNTY
Duchesne

13. STATE
Utah

2. NAME OF OPERATOR
Inland Production Company

3. ADDRESS OF OPERATOR
410 - 17th Street, Suite 700, Denver, CO 80202 Phone: (303) 893-0102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At Surface **SE/SW** **4432261N**
At proposed Prod. Zone **485.2' fsl and 1910.7' fwl** **569738E**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 14 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) Approx. 485.2'	16. NO. OF ACRES IN LEASE 2189.98	17. NO. OF ACRES ASSIGNED TO THIS WELL 40
--	---	---

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. Approx. 1266.7'	19. PROPOSED DEPTH 6500'	20. ROTARY OR CABLE TOOLS Rotary
--	------------------------------------	--

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6117.3' GR	22. APPROX. DATE WORK WILL START* 4th Quarter, 2000
---	---

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
Refer to Monument Butte Field SOP's Drilling Program/Casing Design				

Inland Production Company proposes to drill this well in accordance with the attached exhibits.

The Conditions of Approval for Application of Permit to Drill are also attached.

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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 Joyce McGough TITLE Regulatory Technician DATE June 28, 2000
Joyce McGough

(This space for Federal or State office use)

PERMIT NO. 43-013-32176 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 Bradley G Hill TITLE BRADLEY G. HILL DATE 7/13/00
RECLAMATION SPECIALIST III

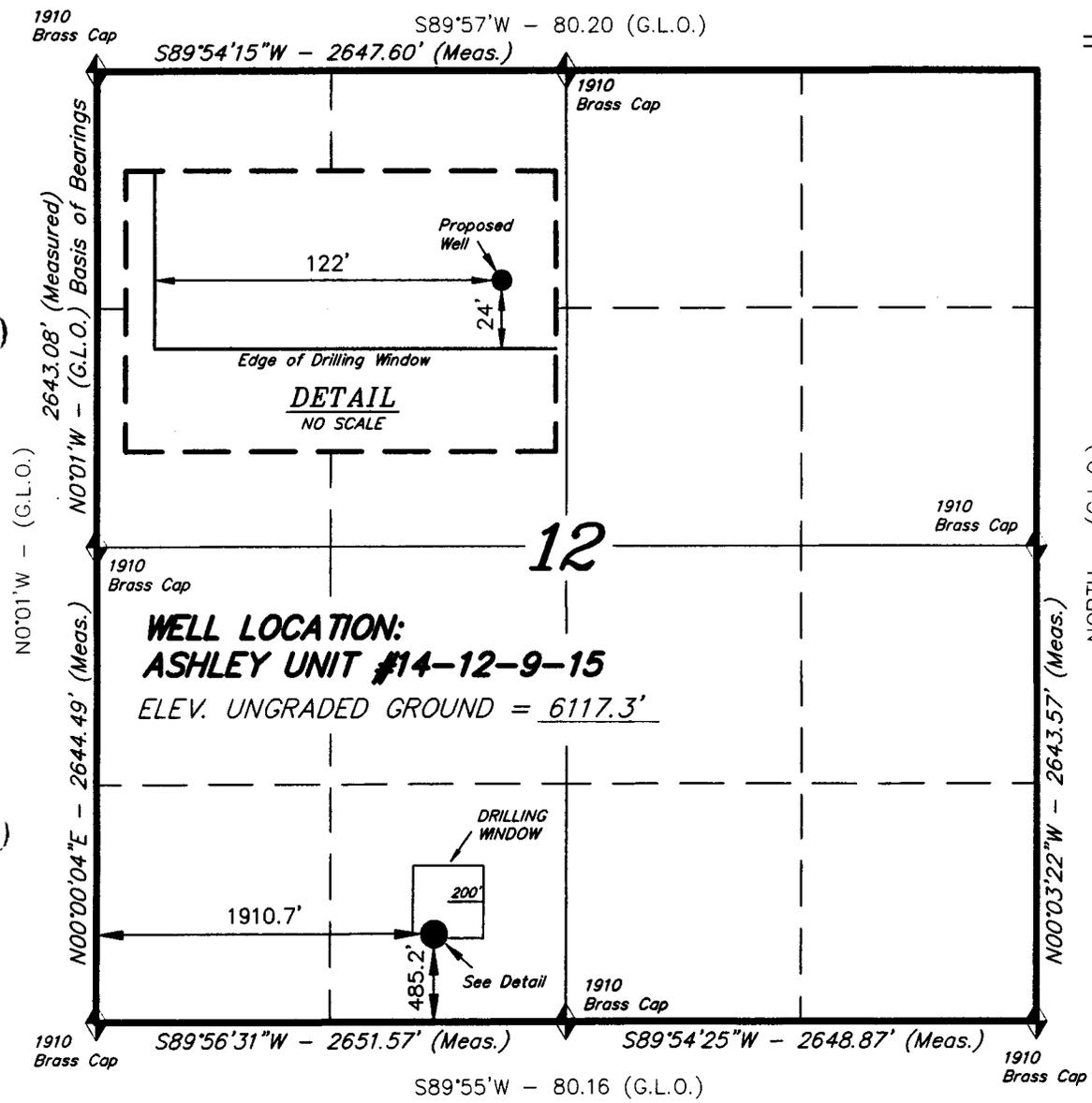
**Federal Approval of this
Action Is Necessary**

***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.

T9S, R15E, S.L.B.&M.

INLAND PRODUCTION COMPANY



WELL LOCATION, ASHLEY UNIT #14-12-9-15,
LOCATED AS SHOWN IN THE SE 1/4 SW 1/4
OF SECTION 12, T9S, R15E, S.L.B.&M.
DUCHESNE COUNTY, UTAH.

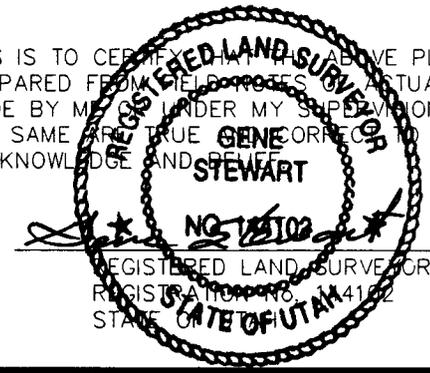


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OIL, GAS AND MINING

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



TRI STATE LAND SURVEYING & CONSULTING
38 WEST 100 NORTH - VERNAL, UTAH 84078
(435) 781-2501

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

SCALE: 1" = 1000'	SURVEYED BY: G.S. D.S.
DATE: 6-9-00	WEATHER: FAIR
NOTES:	FILE #

INLAND PRODUCTION COMPANY
Ashley Unit #14-12-9-15
SE SW Section 12, T9S, R15E
Duchesne County, Utah

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta Formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0 – 2750'
Green River	2750'
Wasatch	6210'

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

Green River Formation 2750' – 6500' – Oil

4. PROPOSED CASING PROGRAM:

Please refer to the Monument Butte Field SOP.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Please refer to the Monument Butte Field SOP. See Exhibit "F".

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

Please refer to the Monument Butte Field SOP.

7. AUXILIARY SAFETY EQUIPMENT TO BE USED:

Please refer to the Monument Butte Field SOP.

8. TESTING, LOGGING AND CORING PROGRAMS:

Please refer to the Monument Butte Field SOP.

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.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

Please refer to the Monument Butte Field SOP.

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INLAND PRODUCTION COMPANY
Ashley Unit #14-12-9-15
SE SW Section 12, T9S, R15E
Duchesne County, Utah

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **EXISTING ROADS**

See attached Topographic Map "A"

To reach Inland Production Company well location site (Ashley Unit #14-12-9-15) located in the SE SW of Section 12, T9S, R15E, Duchesne County, Utah:

Proceed westerly out of Myton, Utah along Highway 40 approximately 1.6 miles to the junction of this highway and Utah State Highway 53; proceed southerly along Utah State Highway 53 approximately 1.7 miles to its junction with an existing road to the southwest. Proceed southwesterly and southerly for 6.2 miles to its junction with an existing road to the west; proceed westerly and then southwesterly for 2.4 miles to the beginning of the proposed access road. Follow the flags easterly for 700 feet to the site of the proposed well location.

2. **PLANNED ACCESS ROAD**

See Topographic Map "B" for the location of the proposed access road.

3. **LOCATION OF EXISTING WELLS**

Refer to Exhibit "D"

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

Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

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

Please refer to the Monument Butte Field SOP. See Exhibit "C".

6. **SOURCE OF CONSTRUCTION MATERIALS**

Please refer to the Monument Butte Field SOP.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

Please refer to the Monument Butte Field SOP. See Exhibit "E".

8. **ANCILLARY FACILITIES:**

Please refer to the Monument Butte Field SOP.

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OIL, GAS AND MINING

INLAND PRODUCTION COMPANY
Ashley Unit #14-12-9-15
SE SW Section 12, T9S, R15E
Duchesne County, Utah

9. **WELL SITE LAYOUT:**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpile(s). Refer to Exhibits "E" and "E-1".

10. **PLANS FOR RESTORATION OF SURFACE:**

Please refer to the Monument Butte Field SOP.

11. **SURFACE OWNERSHIP:** Bureau of Land Management

12. **OTHER ADDITIONAL INFORMATION:**

The Archaeological Cultural Resource Survey is attached.

Inland Production Company requests a 60' ROW for the Ashley Unit #14-12-9-15 to allow for construction of a 6" poly gas gathering line, and a 3" poly fuel gas line. Both lines will tie in to the existing pipeline infrastructure. Refer to Topographic Map "C".

13. **LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:**

Representative:

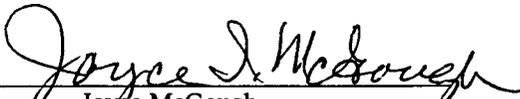
Name: Joyce I. McGough
Address: 410 Seventeenth Street
Suite 700
Denver, CO 80202
Telephone: (303) 893-0102

Certification:

Please be advised that INLAND RESOURCES, INC. is considered to be the operator of well Ashley Unit #14-12-9-15; SE SW Section 12, T9S, R15E, Lease #UTU-74826, 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 the proposed drill site and access route have been inspected, and 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 Resources, Inc. 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 the 18 U.S.C. 1001 for the filing of a false statement.

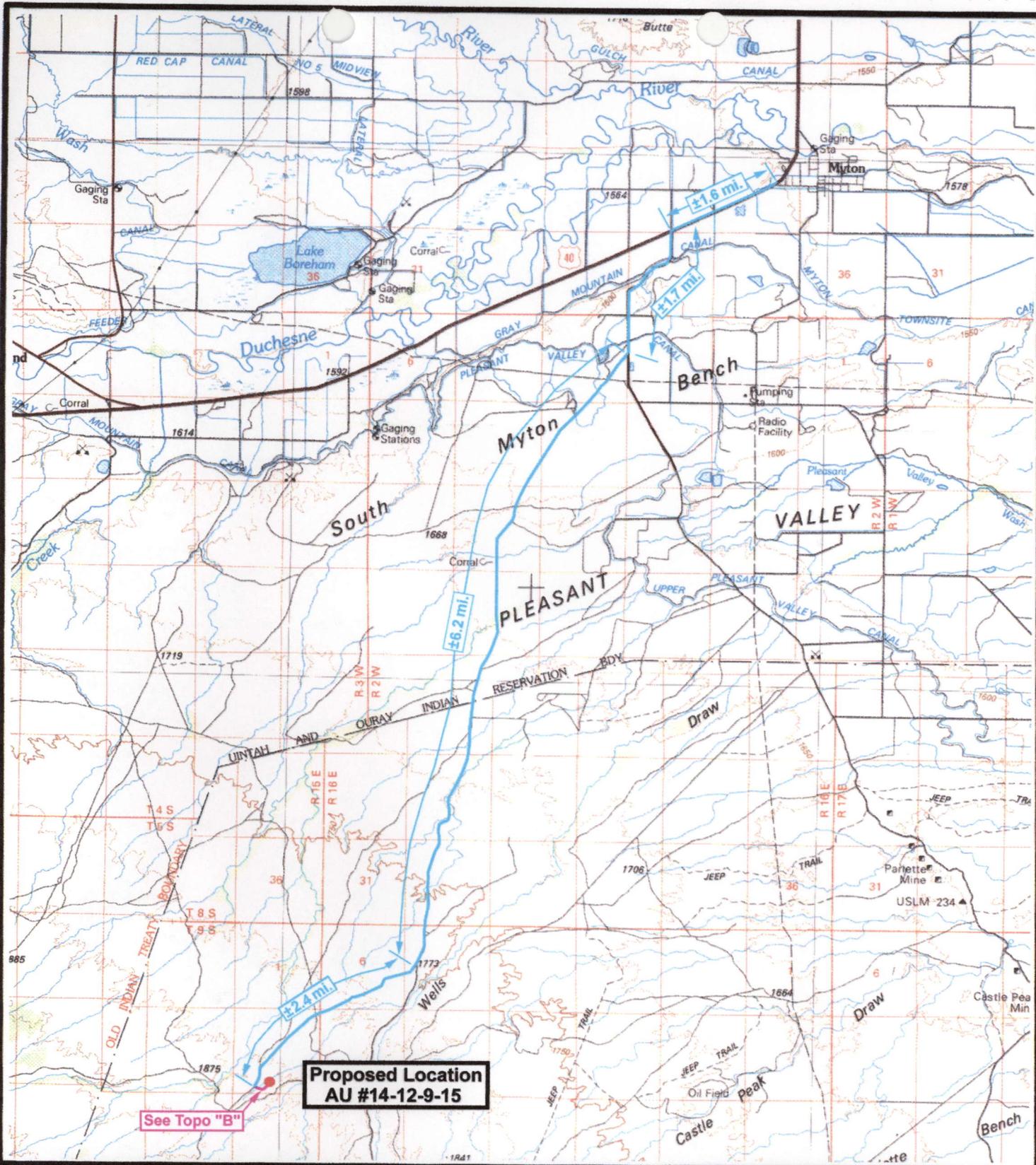
6/28/00
Date


Joyce McGough
Regulatory Technician

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See Topo "B"

**Proposed Location
AU #14-12-9-15**



**ASHLEY UNIT #14-12-9-15
SEC. 12, T9S, R15E, S.L.B.&M.
TOPOGRAPHIC MAP "A"**



Drawn By: SS

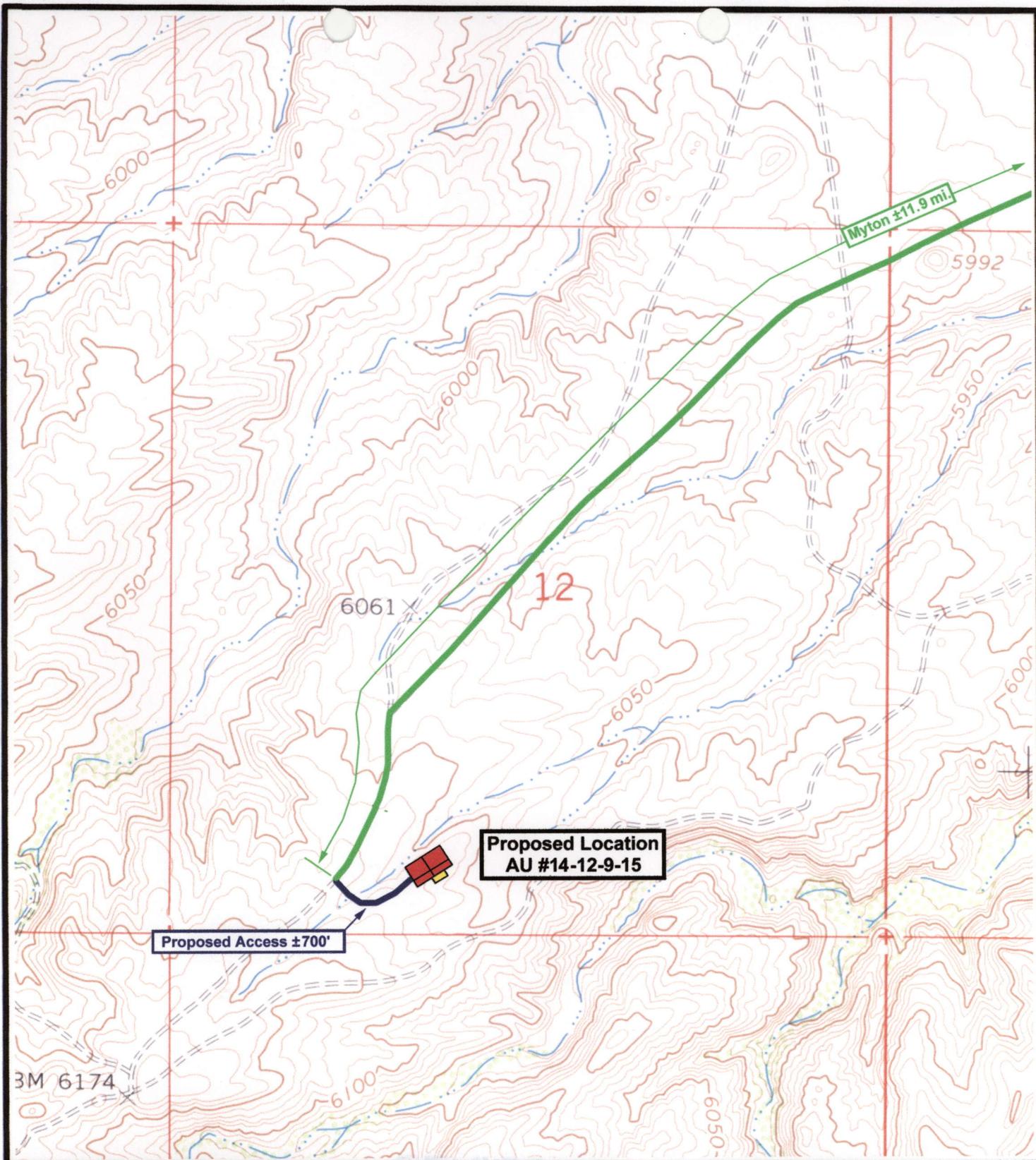
Revision:

Scale: 1 : 100,000

File:

Date: 6-12-00

**Tri-State Land Surveying Inc.
P.O. Box 533, Vernal, UT 84078
435-781-2501 Fax 435-781-2518**

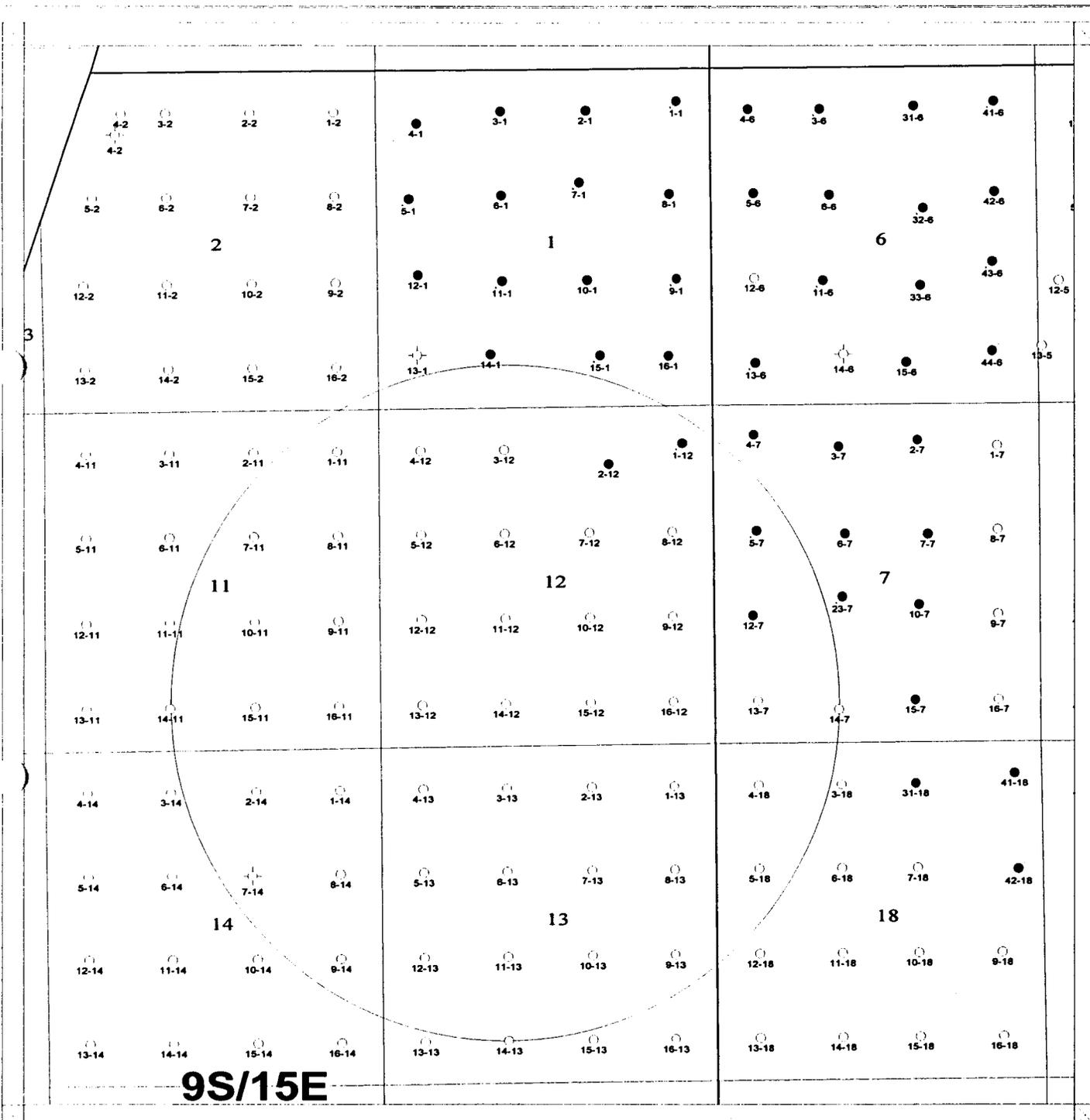


ASHLEY UNIT #14-12-9-15
SEC. 12, T9S, R15E, S.L.B.&M.
TOPOGRAPHIC MAP "B"

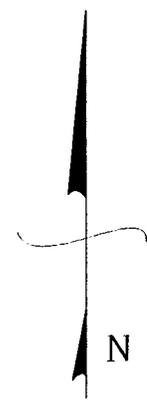


Drawn By: SS	Revision: 12-15-99
Scale: 1" = 1000'	File:
Date: 6-8-00	

Tri-State Land Surveying Inc.
P.O. Box 533, Vernal, UT 84078
435-781-2501 Fax 435-781-2518



9S/15E



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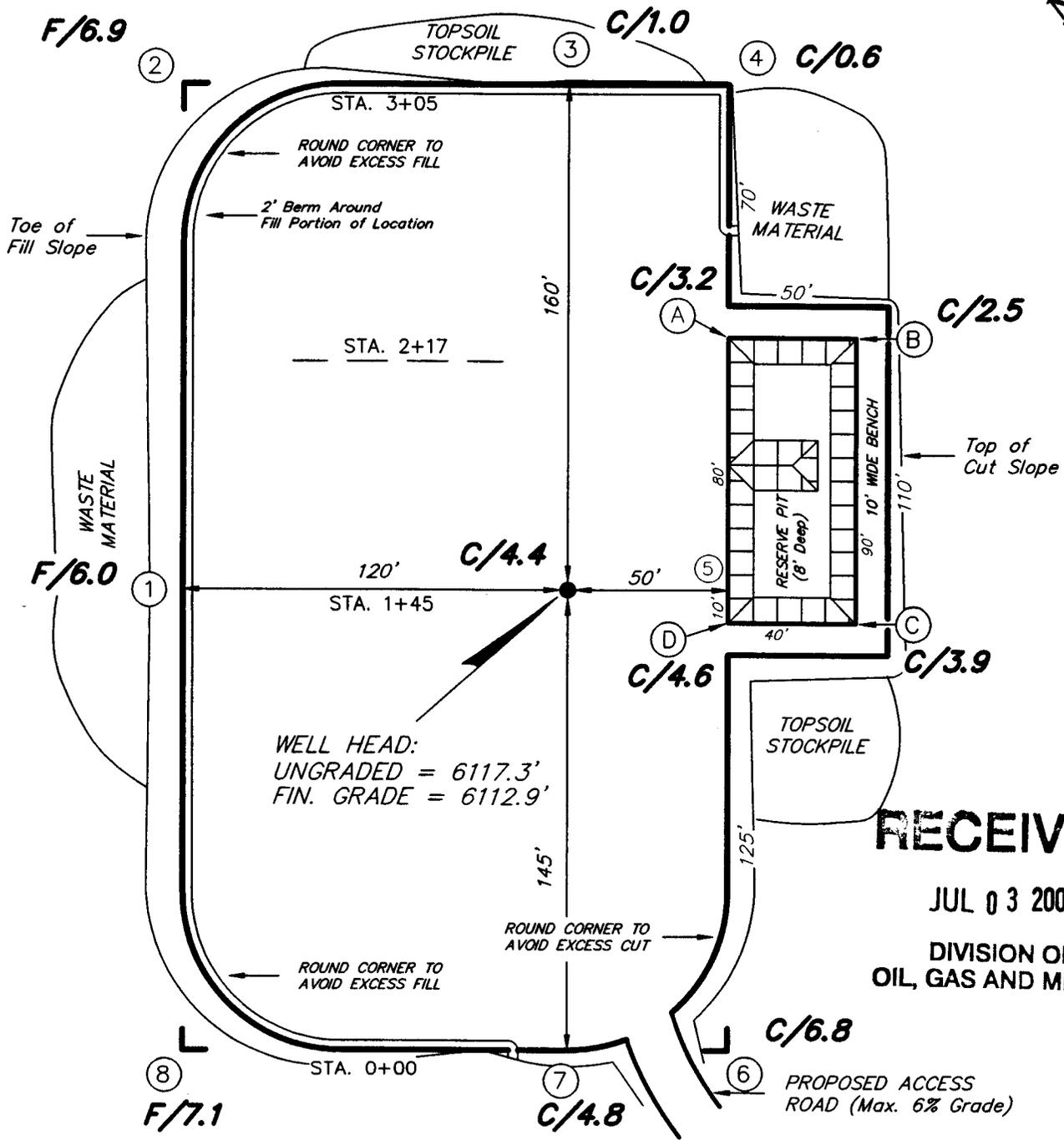
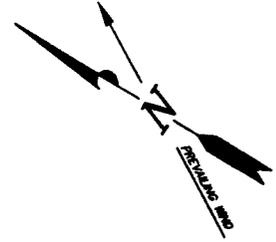
DIVISION OF
OIL, GAS AND MINING

EXHIBIT D

Inland Resources Inc.		
One Mile Radius Ashley Federal 14-12		
Joyce McGough	(SIEC Parameters)	06/27/2000
Scale 1:20000.		

INLAND PRODUCTION COMPANY

ASHLEY UNIT #14-12-9-15
 SEC. 12, T9S, R15E, S.L.B.&M.



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EXHIBIT E

REFERENCE POINTS

- 190' NORTHEAST = 6113.2'
- 215' NORTHEAST = 6112.7'
- 115' SOUTHEAST = 6115.7'
- 140' SOUTHEAST = 6113.9'

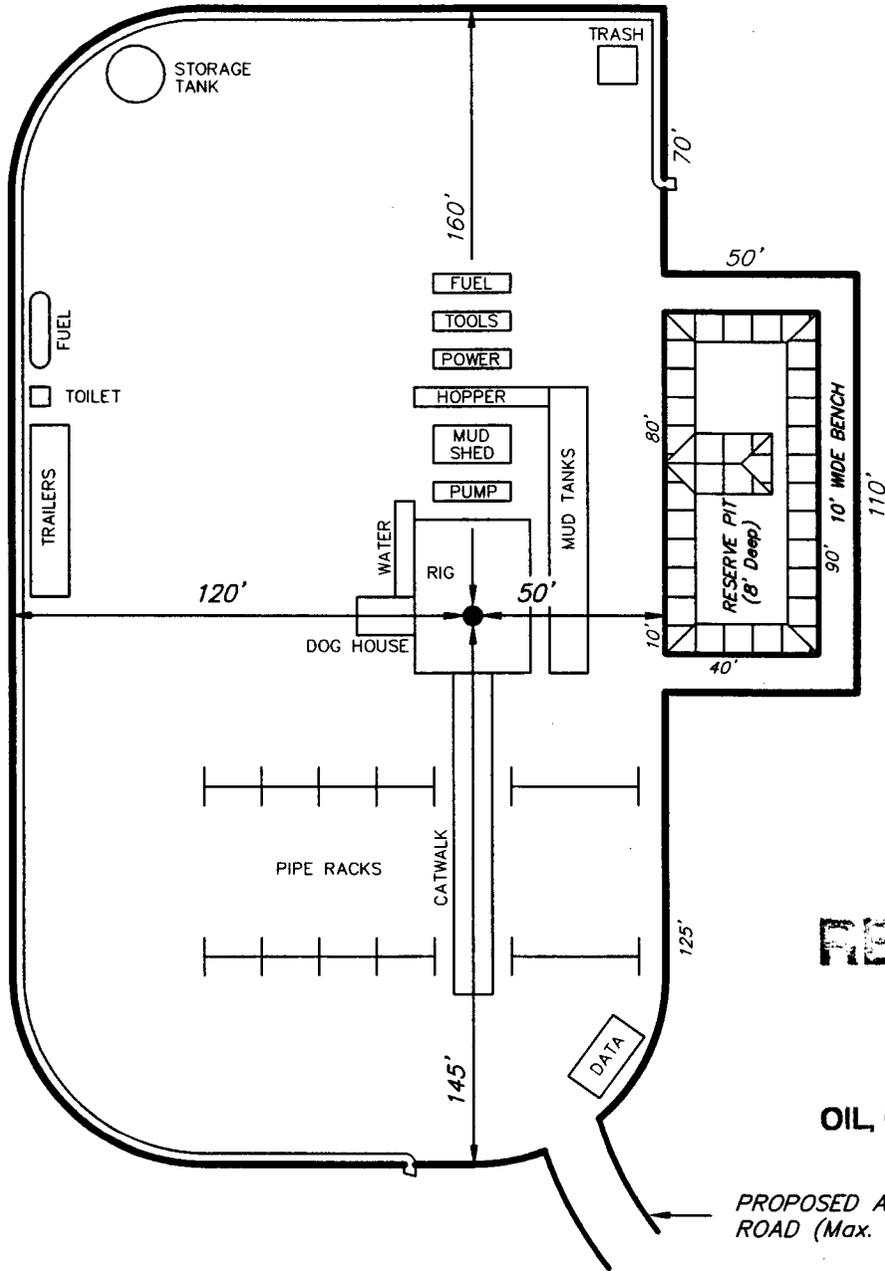
SURVEYED BY: G.S.	SCALE: 1" = 50'
DRAWN BY: B.J.S.	DATE: 6/9/00

Tri State
 Land Surveying, Inc.
 38 WEST 100 NORTH VERNAL, UTAH 84078
 (435) 781-2501

INLAND PRODUCTION COMPANY

TYPICAL RIG LAYOUT

ASHLEY UNIT #14-12-9-15



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PROPOSED ACCESS
ROAD (Max. 6% Grade)

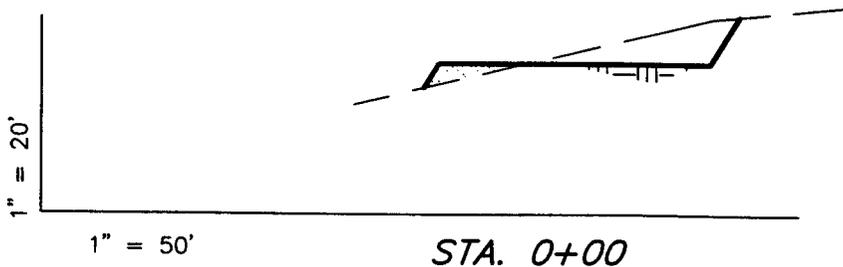
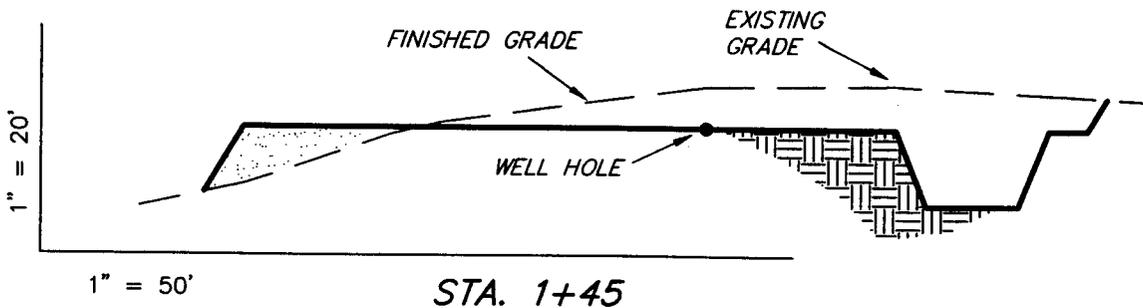
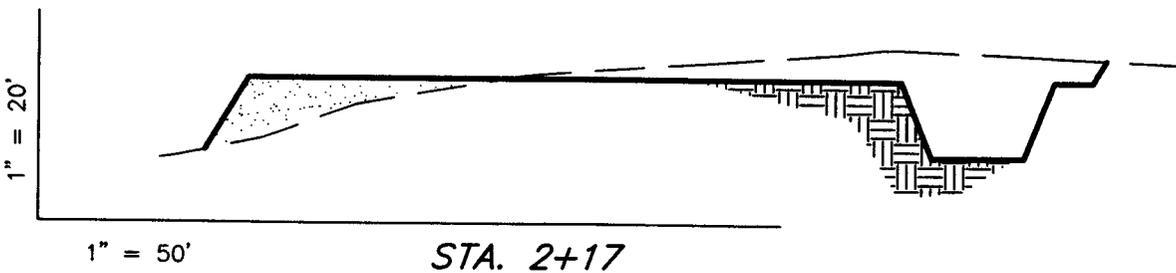
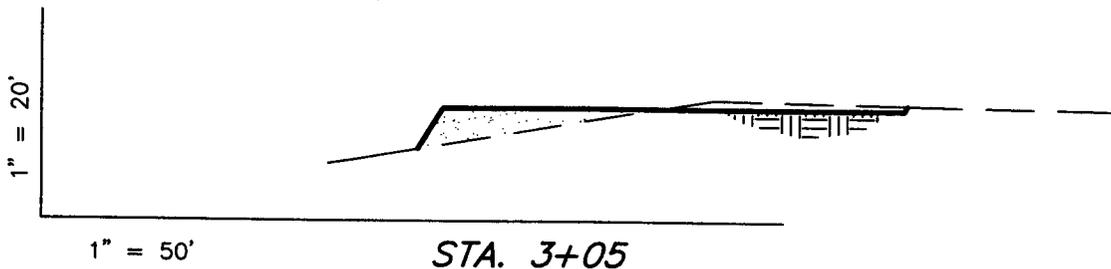
EXHIBIT E

Tri State
Land Surveying, Inc.
(435) 781-2501
38 WEST 100 NORTH, VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY

CROSS SECTIONS

ASHLEY UNIT #14-12-9-15



APPROXIMATE YARDAGES

CUT = 3,190 Cu. Yds.

FILL = 3,190 Cu. Yds.

PIT = 920 Cu. Yds.

6" TOPSOIL = 1,060 Cu. Yds.

EXHIBIT E-1

SURVEYED BY: G.S.

SCALE: 1" = 50'

DRAWN BY: B.J.S.

DATE: 6/9/00

Tri State (435) 781-2501
Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

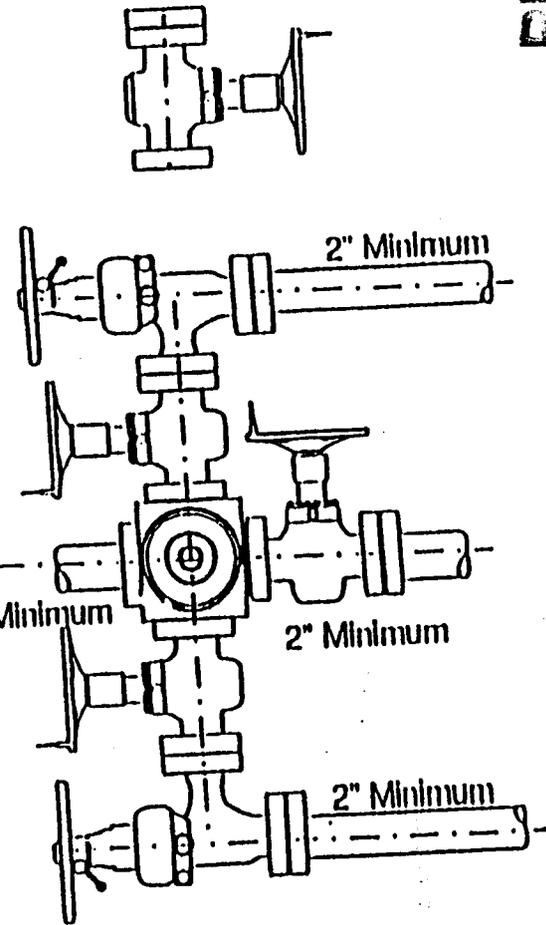
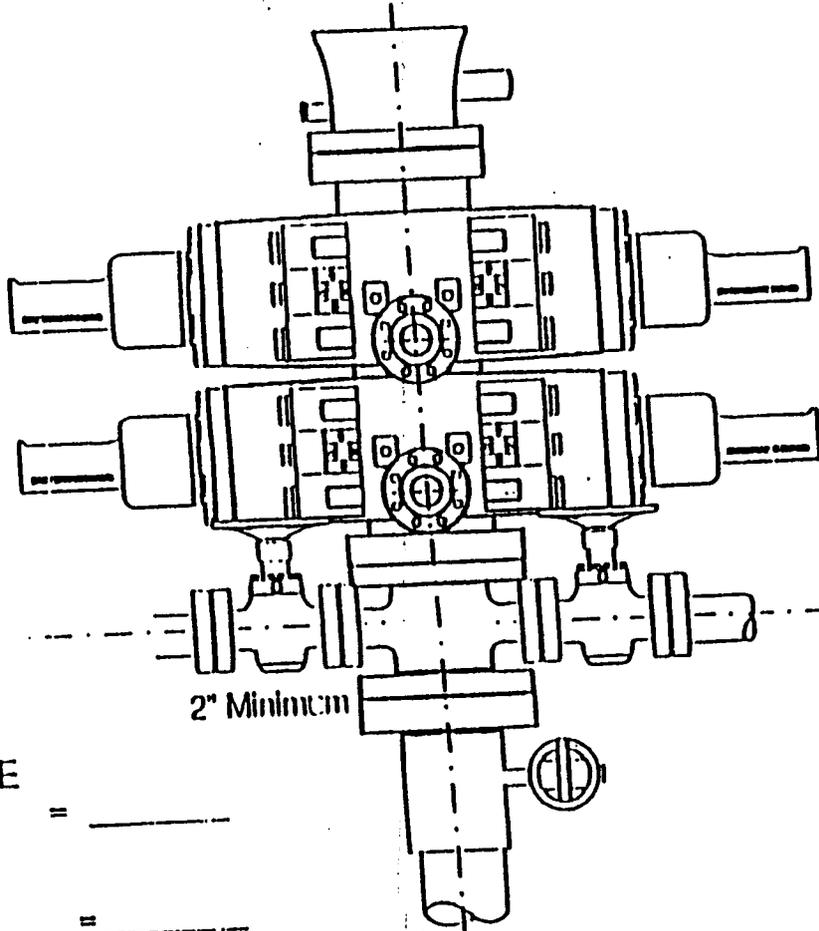
B.O.P.

2-M SYSTEM

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) CLOSE _____
 ar BOP = _____
 ype BOP _____
 Gams x _____ = _____ Gal.
 _____ x 2 = _____ Total Gal.

iding off to the next higher
 ment of 10 gal. would require
 ... Gal. (total fluid & nitro volume)

EXHIBIT F

Well No.: Ashley 14-12-9-15

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company

Well Name & Number: Ashley 14-12-9-15

API Number:

Lease Number: UTU-74826

Location: SESW Sec. 12, T9S, R15E

GENERAL

Access road will enter well pad from the SW, branching off of an existing two-track road to the W (see attached Topographic Map B).

CULTURAL RESOURCES

See *CONDITIONS OF APPROVAL FOR INLAND RESOURCES MONUMENT BUTTE-MYTON BENCH WATERFLOOD ENVIRONMENTAL ASSESSMENT DUCHESNE AND UINTAH COUNTIES, UTAH EA NUMBER 1996-61.*

PALEONTOLOGICAL RESOURCES

See *CONDITIONS OF APPROVAL FOR INLAND RESOURCES MONUMENT BUTTE-MYTON BENCH WATERFLOOD ENVIRONMENTAL ASSESSMENT DUCHESNE AND UINTAH COUNTIES, UTAH EA NUMBER 1996-61.*

SOILS, WATERSHEDS, AND FLOODPLAINS

See *CONDITIONS OF APPROVAL FOR INLAND RESOURCES MONUMENT BUTTE-MYTON BENCH WATERFLOOD ENVIRONMENTAL ASSESSMENT DUCHESNE AND UINTAH COUNTIES, UTAH EA NUMBER 1996-61.*

WILDLIFE AND FISHERIES

See *CONDITIONS OF APPROVAL FOR INLAND RESOURCES MONUMENT BUTTE-MYTON BENCH WATERFLOOD ENVIRONMENTAL ASSESSMENT DUCHESNE AND UINTAH COUNTIES, UTAH EA NUMBER 1996-61.*

SAGE GROUSE: No new construction or surface disturbing activities will be allowed between March 1 and June 30 due to the location's proximity (2 mile radius) to Sage Grouse strutting grounds.

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THREATENED, ENDANGERED, AND OTHER SENSITIVE SPECIES

See *CONDITIONS OF APPROVAL FOR INLAND RESOURCES MONUMENT BUTTE-MYTON BENCH WATERFLOOD ENVIRONMENTAL ASSESSMENT DUCHESNE AND UINTAH COUNTIES, UTAH EA NUMBER 1996-61.*

BURROWING OWL: Due to the proximity of the location to active prairie dog towns, there is the potential to encounter nesting burrowing owls between April 1 and July 15. No new construction or surface disturbing activities will be allowed between April 1 and July 15 within a 0.5 mile radius of any active burrowing owl nest.

MOUNTAIN PLOVER: If new construction or surface disturbing activities are scheduled to occur between March 15 and August 15, detailed surveys of the area within 0.5 mile of the proposed location and within 300 feet of proposed access routes must be conducted to detect the presence of mountain plovers. All surveys must be completed prior to initiating new construction or surface disturbing activities (see Survey Protocol COAs EA Number 1996-61).

OTHER

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**DIVISION OF
OIL, GAS AND MINING**

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/03/2000

API NO. ASSIGNED: 43-013-32176

WELL NAME: ASHLEY UNIT 14-12
 OPERATOR: INLAND PRODUCTION (N5160)
 CONTACT: JOYCE MCGOUGH

PHONE NUMBER: 303-893-0102

PROPOSED LOCATION:

SESW 12 090S 150E
 SURFACE: 0485 FSL 1911 FWL
 BOTTOM: 0485 FSL 1911 FWL
 DUCHESNE
 UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1-Federal
 LEASE NUMBER: UTU-74826
 SURFACE OWNER: 1-Federal

PROPOSED FORMATION: GRRV

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 4488944)
- Potash (Y/N)
- Oil Shale (Y/N) *190 - 5 (B)
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3. Unit Ashley
- R649-3-2. General
- Siting: _____
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: 242-1
- Eff Date: 8-25-98
- Siting: 400' fr. Unit Boundary
- R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: ① FEDERAL APPROVAL

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)

July 11, 2000

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2000 Plan of Development Ashley 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 wells are planned for calendar year 2000 within the Ashley Unit, Duchesne County, Utah.

API #	WELL NAME	LOCATION
43-013-32170	Ashley Unit 6-12	Sec. 12, T9S, R15E 1996 FNL 2121 FWL
43-013-32171	Ashley Unit 9-12	Sec. 12, T9S, R15E 1790 FSL 0470 FEL
43-013-32172	Ashley Unit 10-12	Sec. 12, T9S, R15E 2007 FSL 1899 FEL
43-013-32173	Ashley Unit 11-12	Sec. 12, T9S, R15E 1859 FSL 1990 FWL
43-013-32174	Ashley Unit 12-12	Sec. 12, T9S, R15E 1996 FSL 0565 FWL
43-013-32175	Ashley Unit 13-12	Sec. 12, T9S, R15E 0467 FSL 0644 FWL
43-013-32176	Ashley Unit 14-12	Sec. 12, T9S, R15E 0485 FSL 1911 FWL
43-013-32177	Ashley Unit 15-12	Sec. 12, T9S, R15E 0747 FSL 2046 FEL
43-013-32178	Ashley Unit 16-12	Sec. 12, T9S, R15E 0915 FSL 0646 FEL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:7-11-00

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JUL 12 2000

DIVISION OF
OIL, GAS AND MINING



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

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

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

July 13, 2000

Inland Production Company
410 Seventeenth St, Suite 700
Denver, CO 80202

Re: Ashley Unit 14-12 Well, 485' FSL, 1911' FWL, SE SW, Sec. 12, T. 9 South, R. 15 East,
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 43-013-32176.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

er

Enclosures

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

Operator: Inland Production Company
Well Name & Number Ashley Unit 14-12
API Number: 43-013-32176
Lease: UTU-74826

Location: SE SW **Sec.** 12 **T.** 9 South **R.** 15 East

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 of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals will 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 supersede the required federal approval, which must be obtained prior to drilling.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, Utah 84078-2799

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

Phone: (435) 781-4400

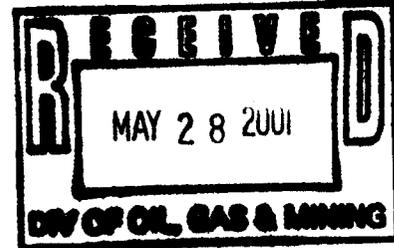
Fax: (435) 781-4410

IN REPLY REFER TO:

3160

UT08300

May 24, 2001



Inland Production Company
Route 3 Box 3630
Myton, UT 84052

43-013-32176
Re: Well No. Ashley Unit 14-12-9-15
Section 12, T9S, R15E
Lease No. U-74826
Duchesne County, Utah

Dear Mr. Holst:

The Application for Permit to Drill (APD) the above referenced well is being returned without prejudice per your request. If your drilling plans change and you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

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

Sincerely,

Leslie Crinklaw
Legal Instruments Examiner

cc: State Div. OG&M



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)

July 16, 2001

Joyce McGough
Inland Production Company
410-17th Street, Suite 700
Denver, Colorado 80202

Re: APD's Rescinded – Ashley Unit 11-12 and Ashley Unit 14-12, Sec. 12, T9S, R15E, API 43-013-32173 and 43-013-32176, Duchesne County, Utah

Dear Ms. McGough:

The Application's for Permit to Drill (APD's) for the subject wells were approved by the Division of Oil, Gas and Mining (the Division) on July 13, 2000. No drilling activity at these locations have been reported to the Division. Due to the excessive time delay in commencing drilling operations, approval to drill the wells is hereby rescinded, effective July 13, 2001.

New APD's must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on these well locations, it is imperative that you notify the Division immediately.

Sincerely,

A handwritten signature in cursive script that reads "Lisha Cordova".

Lisha Cordova
Eng. Technician

cc: Well File(s)
Bureau of Land Management, Vernal