

UTAH OIL AND GAS CONSERVATION COMMISSION

3

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

DATE FILED **4-6-83**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-43778** INDIAN _____

DRILLING APPROVED: **4-6-83 OIL**

SPOUDED IN: _____

COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: **5313' GR**

DATE ABANDONED: ~~4-29-86~~ **4-29-86**

FIELD: ~~Undesignated~~ **3/86 Grassy Trails**

UNIT: _____

COUNTY: **Emery**

WELL NO. **Federal 12-33**

LOCATION **2036** FT. FROM (N) (S) LINE. **2122** FT. FROM (E) (W) LINE **API #43-015-30163**

NWSE 1/4 - 1/4 SEC **12**

TWP. _____ RGE _____ SEC _____ OPERATOR _____

TWP _____ RGE _____ SEC _____ OPERATOR _____

16S 12E 12 SKYLINE OIL COMPANY

**SKYLINE
Oil Company**

A TEXAS EASTERN COMPANY

April 5, 1983

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Re Application for Permit to Drill
Skyline Oil Company's Proposed Grassy
Trail Field Federal #12-33 Well,
NW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 12, T. 16 S., R. 12 E.,
SLB&M, Emery County, Utah.
Federal Lease U-43778

Gentlemen:

Enclosed herewith are duplicate copies of our Application for Permit to Drill with attached exhibits for the proposed well. We have included copies of the surveyors plat, topo maps, archeological report and other exhibits. We will also comply to the BLM Stipulations which we have received. Any other information that is required will be furnished gladly.

We have filed and will be drilling this well under the Designation of Operator from B. K. Seeley, Jr., Lessee of Record under Lease U-43778.

Very truly yours,



Clifford Selin
Senior Engineer

RECEIVED

Enclosures

APR 06 1983

**DIVISION OF
OIL, GAS & MINING**

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.
U-43778

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
Federal #12-33

10. FIELD AND POOL, OR WILDCAT
UNDESIGNATED Wildcat

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
Sec. 12, T. 16 S., R. 12 E. SLB&M

12. COUNTY OR PARISH
Emery

13. STATE
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR
2000 University Club Bldg., Salt Lake City, Utah 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 624' FNL, 2122' FEL, NW 1/4 SE 1/4 Sec. 12, T. 16 S., R. 12 E., SLB&M
At proposed prod. zone 2036 FSL
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
17 miles South East of Wellington, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
624' FNL, 2122' FEL

16. NO. OF ACRES IN LEASE
2320

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.
2510'

19. PROPOSED DEPTH
3975'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
OG 5313'

22. APPROX. DATE WORK WILL START*
Apr. 15, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16"	65#/F	30'	6 cu yds Redi Mix
14-3/4"	10-3/4"	40.5#/F	500'	450 sx Circ to Surface
9-7/8"	7-5/8"	26.40#/F	3485'	400 sx Class H

See Attachments.

RECEIVED

APR 06 1983

DIVISION OF
OIL, GAS & MINING

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 Clifford Salas TITLE Senior Engineer DATE April 5, 1983

(This space for Federal or State office use)

PERMIT NO. 43-015-30143

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 4-6-83
BY: [Signature]

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

SKYLINE OIL COMPANY
 GRASSY TRAIL FIELD
 FEDERAL #12-33
 NW SE SEC. 12, T. 16 S., R. 12 E.,
 EMERY COUNTY, UTAH

1. The Geologic Name of the Surface Formation:

Tununk Shale (Cretaceous)

2. Estimated Tops of Important Geologic Markers:

Morrison	300'
Curtis	1,085'
Entrada	1,205'
Carmel	1,575'
Navajo	1,850'
Wingate	2,360'
Chinle	2,775'
Moenkopi	3,045'
Sinbad	3,675'
TD	3,975'

3. The Estimated Depths At Which Anticipated Water, Oil or Other Mineral Bearing Formations Are Exepcted To Be Encountered:

Water	Navajo	1,850'
Water	Wingate	2,360'
Oil	Moenkopi	3,045'

4. Proposed Casing Program:

<u>String</u>	<u>Size/Weight/Grade</u>			<u>Condition</u>	<u>Depth Interval</u>
Conductor	16"	65#	H-40	New	0-30' ±
Surface	10-3/4"	40.5#	K-55	New	0-500' ±
Intermediate	7-5/8"	26.40#	K-55	New	0-3485'

5. Minimum Specifications for Pressure Control Equipment:

A. Casinghead Equipment:

Lowermost Head:	10-3/4" LT&C X 10" 3000 PSI
Tubinghead:	10" 3000 PSI X 8" 3000 PSI
Adapter & Tree:	8" 3000 PSI X 2 1/2" 3000 PSI
Valves:	1 - 2 1/2" 3000 PSI & 2 - 2" 3000 PSI

B. Blowout Preventers:

Refer to attached drawing "BOP Requirements".
(Exhibits "G" & "H")

C. Testing:

Stack will be tested to 2000 PSI prior to drilling under surface and prior to drilling under intermediate casing. Operational checks will be made periodically.

6. Drilling Program:

- A. Mud will be used as the drilling medium from surface to approximately 3485' or depth of intermediate casing.
- B. Air will be used as drilling medium from 3485' or intermediate casing depth to TD of 3975'. Foaming agent will be used as necessary should water be encountered.

7. Auxiliary Control Equipment:

- A. Kelly cocks will be used.
- B. A full opening safety valve with drill pipe threads, in the open position, will be on the rig floor at all times.
- C. A bit float will not be used unless conditions dictate.

8. Testing, Coring and Logging Programs:

- A. Drill stem tests.

Moenkopi if warranted.

- B. Cores.

None anticipated.

- C. Logs.

Dual induction Laterolog and Compensated Neutron-Density. 3485' ± to TD. Gamma Ray will be run from surface to TD.

- 9. No abnormal pressures, temperatures or hazards are anticipated.
- 10. It is anticipated that drilling operations will commence April 15, 1983, with approximately 18 days of drilling and coring to reach TD. Completion operations will require an additional 15 - 30 days. Well will be completed open hole with lateral drain hole technology. All well information will be reported in the completion report (Form 9-330) and will be confidential.

GOVERNMENT DIRECTED MULTIPOINT PROGRAM
TO ACCOMPANY APPLICATION FOR PERMIT TO DRILL
PROPOSED EXPLORATORY WELL
SKYLINE OIL COMPANY

FEDERAL #12-33, NW SE Sec. 12, T. 16 S., R. 12 E., SLB&M

1. Existing Roads - Exhibits "A" and "B"

- A. Topo Maps "A" & "B" show the well site as staked and its position relative to existing towns, roads and topography.
- B. To reach drill site, turn south off U. S. Route "6", approximately 13.4 miles east of Wellington, Utah, or 2.5 miles east of Sunnyside Junction. After crossing cattle guard, take the left hand county road going South for approximately 4 miles to Skyline Oil Company's Federal Well #11-41. Turn left and travel approximately 0.7 miles to the east, turn South for 0.4 miles to well site. Part of the preceeding 1.1 miles are in other leases for which we have a "Right of Way Amendment" #U51315, dated January 19, 1983. The proposed site and access road are marked in red on Exhibit "B".
- C. Existing and proposed roads are shown on Exhibits "A" and "B".
- D. The county roads are maintained and are considered all weather roads.
- E. Some maintenance and improvements to existing roads are planned. Grading will be done when necessary.

2. Planned Access Road - Exhibit "B"

The access road going east across section 12 will be built 22' wide travel surface (30' wide right of way). At the intersection of #12-31, #12-33 and #13-31, the North-South road will be 16' wide travel surface and 24' right of way as per above permit. No major cut or fill is required. If a permanent road is required, surface will be elevated, crowned, ditched and drainage installed as needed. Gravel will be used as surfacing material.

3. Location of Existing Wells - Exhibit "B"

All existing wells and our proposed wells within a two-mile radius of proposed location are shown on Exhibit "B".

4. Location of Existing and/or Proposed Facilities - Exhibit "B"

- A. Lessee has existing facilities within a one-mile radius of the proposed location as shown on Exhibit "B". The

production facilities are at Federal #11-33, Federal #11-41, and Federal #13-11. Proposed and drilling locations are at Federal #12-13, Federal #12-31 and Federal #13-31. Also other facilities owned by another lessee are located within one mile as shown on map.

- B. A proposed well site plan is shown in Exhibit "E".
- C. The proposed production layout for this well is detailed in Exhibit "D" at a 1"=50' scale. Production facilities and mud pits will be fenced with top flagging over production pit. Two 300 barrel tanks will be inside a 30' x 20' x 4.5' retaining wall to prevent contamination in the unlikely event of a tank rupture. This retaining wall will be fenced. Flow lines will be buried and have a working pressure greater than the pressure to be applied.

5. Location and Type of Water Supply

Water is to be hauled in from the Cottonwood Creek from a location in Section 11 where the present road and Creek cross each other. A water permit from the State has been obtained. In event there is insufficient water or unsuitable water, it will be hauled in from Wellington City some 17 miles north and west of site and on State and County roads.

6. Source of Construction Materials

- A. No outside construction materials will be required during drilling operations other than gravel. Gravel purchased or obtained from an approved source will be used in making the well site and access road serviceable for all weather conditions.
- B. Materials will not be obtained from Federal or Indian lands.
- C. No access roads will be needed other than that leading from the county road to the drill site as shown on Exhibits "A" and "B".

7. Methods of Waste Disposal

- A. All waste material created by drilling operations, garbage, and trash will be placed in trash containers and is to be collected daily and hauled to the Carbon County land fill or a private land fill. Containers will be built or fenced with small mesh wire to prevent wind from scattering debris. Other waste material -- cuttings, water, drilling fluids, etc. -- created by drilling operations will be placed in mud pit and pit will be completely fenced at rig moveout. Fluids produced while completing well will be stored in tanks or mud pit as material dictates.

B. When sufficient time has lapsed for liquid wastes in pit to dry, they will be backfilled as close to original contour as practicable, topsoil spread and re-seeded as per Bureau of Land Management requirements.

C. Sewage disposal will be by means of self-contained chemical toilets.

8. Ancillary Facilities

None.

9. Well Site Layout - Exhibit "E"

Exhibit "E" shows the well site plan and cross-sections showing amount of cut and fill required. Mud pit and reserve pit will be lined if necessary.

10. Plans for Restoration of Surface

A. Unused surface will be restored to its present condition and contour as nearly as is practicable, with all waste and foreign material buried or removed as necessary.

B. Unused disturbed lands will be covered by stockpiled top soil and re-seeded according to the season and to Bureau of Land Management instructions.

C. At the time of rig release, all pits will be totally fenced and so maintained until pits are back-filled.

D. Any oil on pits will be removed and pits will be overhead flagged.

E. Rehabilitation will begin as soon as practicable after rig move out and will be completed when pits have dried and the season allows re-seeding.

11. Other Information

A. The location and road will be in a grassy and sage brush area with rock as a subsurface. There are no trees in the area to be disturbed.

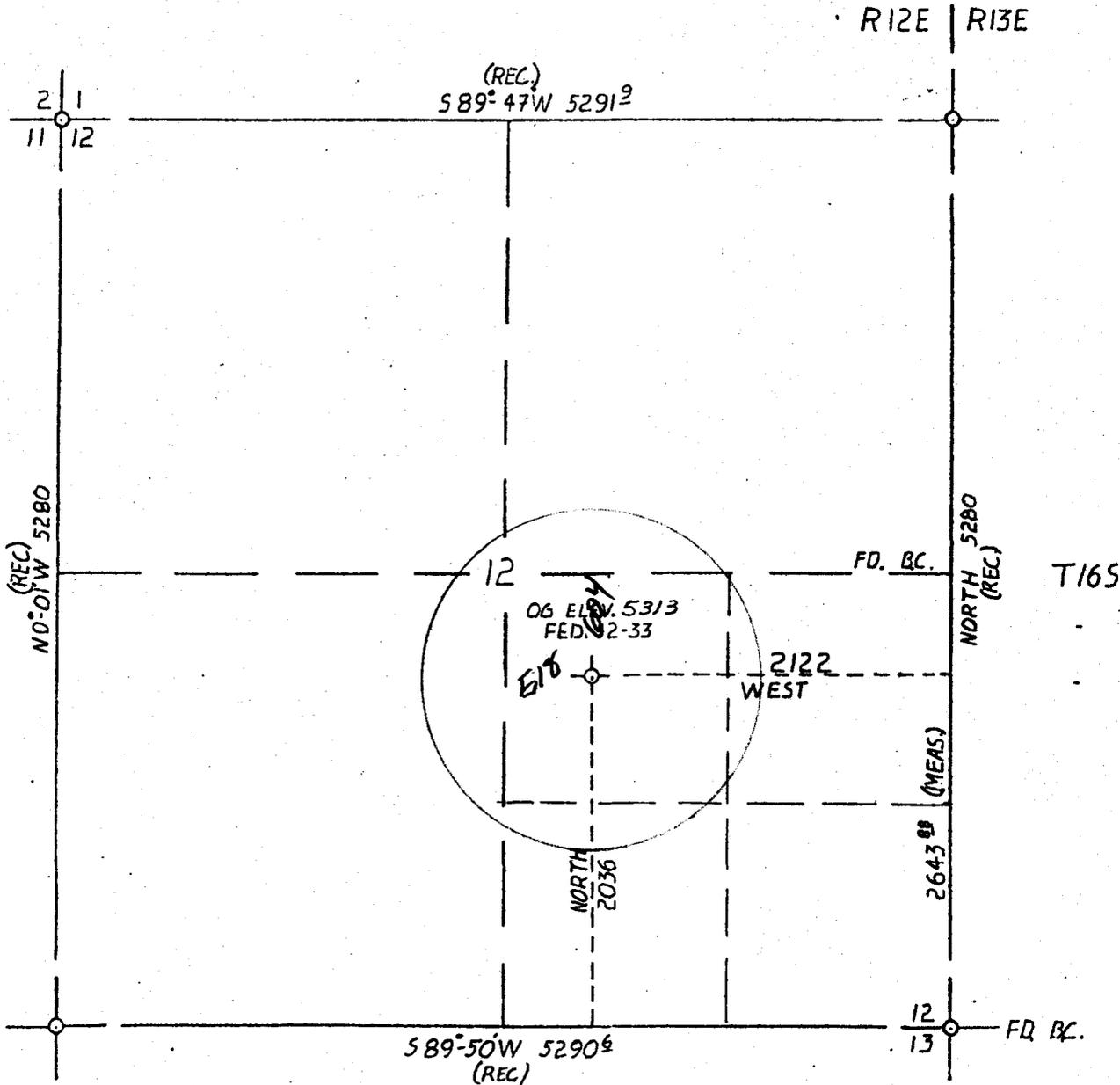
B. Vegetation includes sagebrush, locoweed and a few native grasses. Fauna consists of antelope, rabbits, ground squirrels, lizards of various types not exceeding 12 inches in length, and assorted flying and crawling insects.

C. Grazing is the only surface use activity in the immediate area of the location.

SKYLINE OIL COMPANY
 FEDERAL #12-33
 NW SE Section 12
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT "C"

BEARINGS FROM EAST LINE SE 1/4, SEC 12 (NORTH)



WELL LOCATION PLAT OF
 FEDERAL 12-33
 NW 1/4 SE 1/4, SEC. 12, T16S, R12E, SLB&M.
 EMERY COUNTY, UTAH
 TRANSIT & EDM SURVEY
 FOR: SKYLINE OIL CO.
 SCALE: 1" = 1000' DATE: 12-82
 ELEV. BY VERT. ANGLES FROM
 USGS. TOPO. QUAD. "MOUNDS, UTAH" 1969
 (SE. COR. SEC. 12 = 5312)

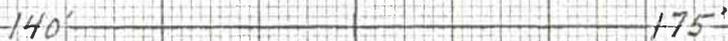


Alfred
 UTAH R.L.S. No 1963

Grassy Trail Federal #12-33



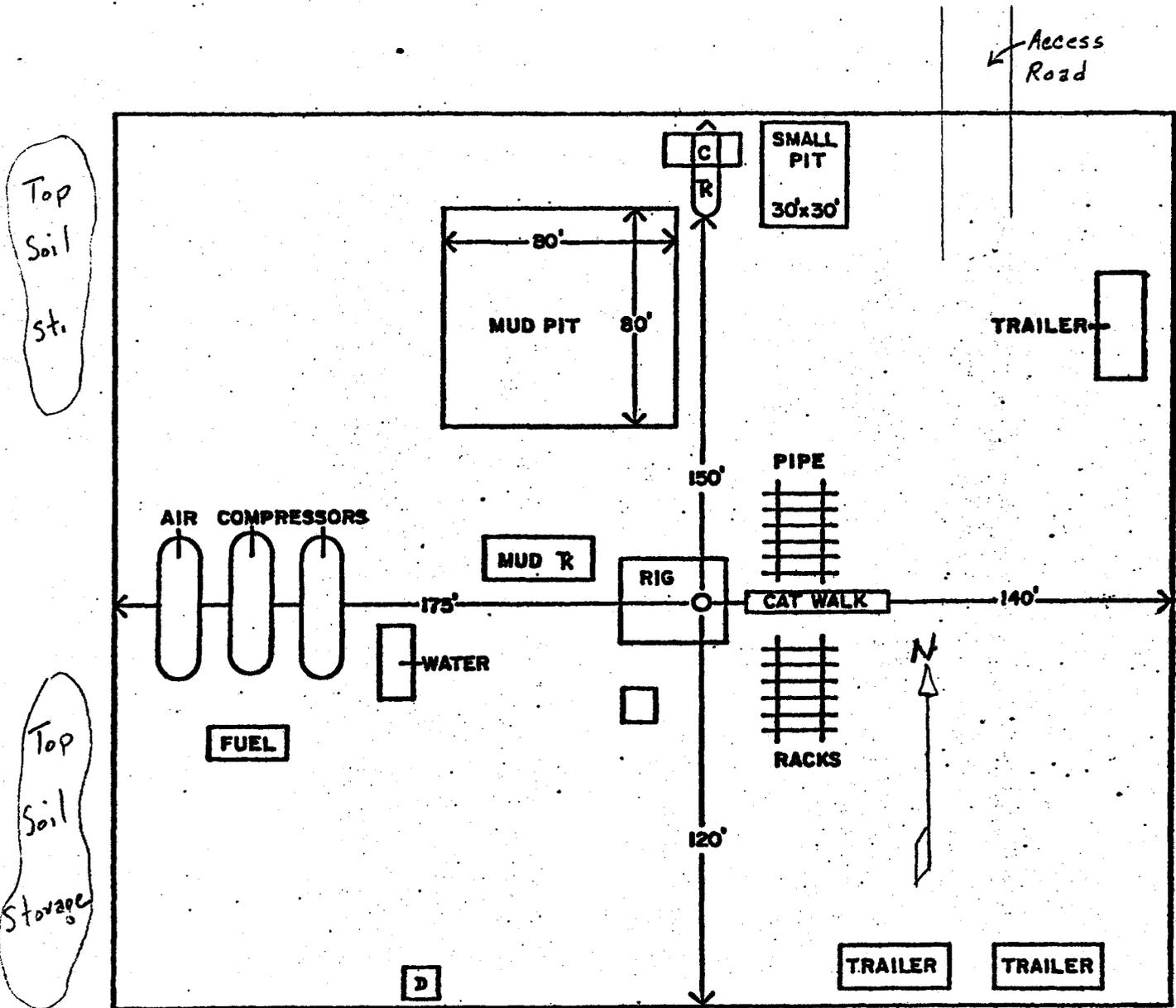
South-North Line



East-West Line

Cross Section At Drill Site
Horizontal Scale 1"=40'
Vertical Scale 1"=20'

SKYLINE OIL COMPANY
FEDERAL #12-33
NW SE Section 12
T. 16S., R. 12E., SLB&M
Emery County, Utah
EXHIBIT "D"



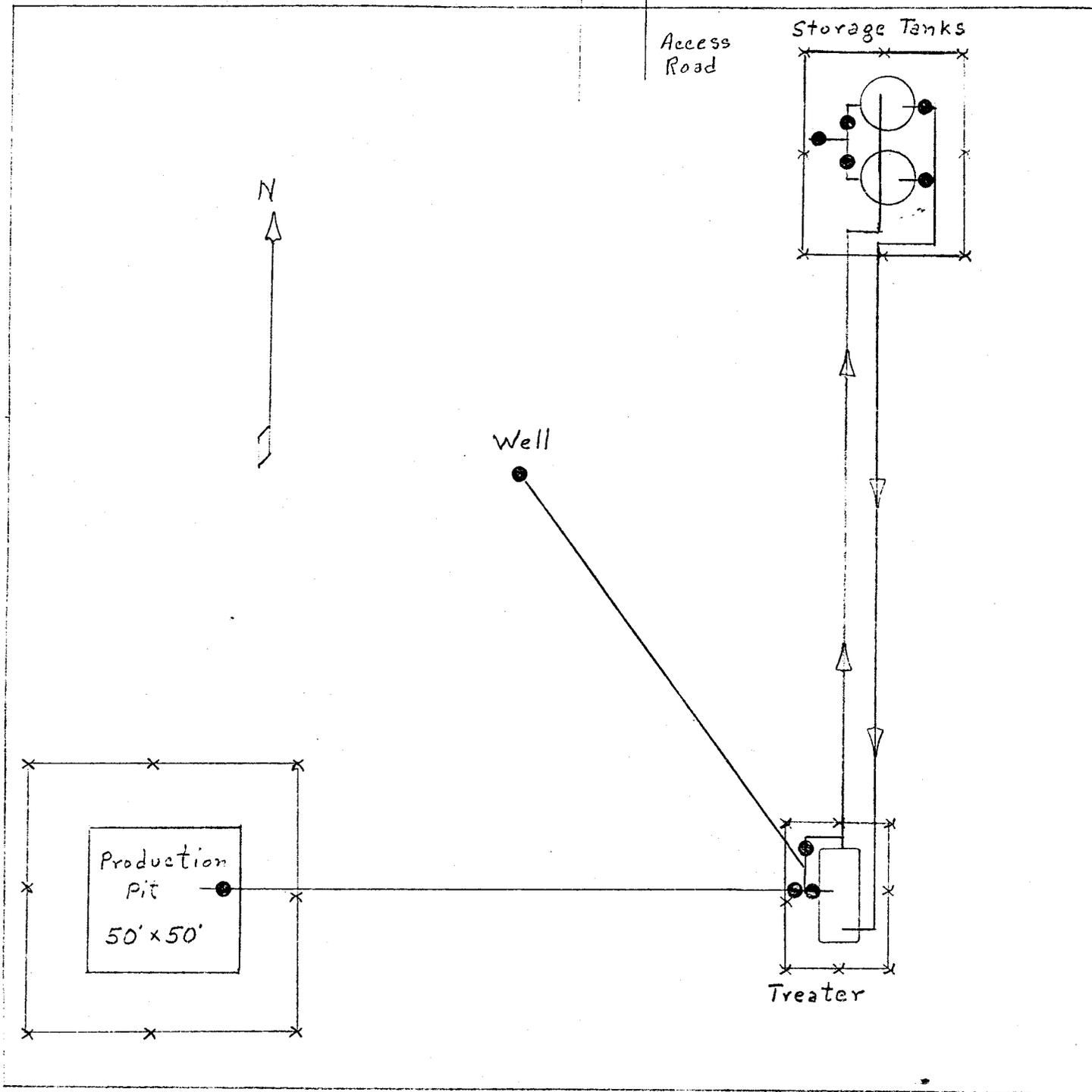
Top Soil.

DRILL SITE PLAN

SKYLINE OIL COMPANY
 FEDERAL #12-33
 NW SE Section 12
 T.16S., R.12E., SLB&M
 Emery County, Utah

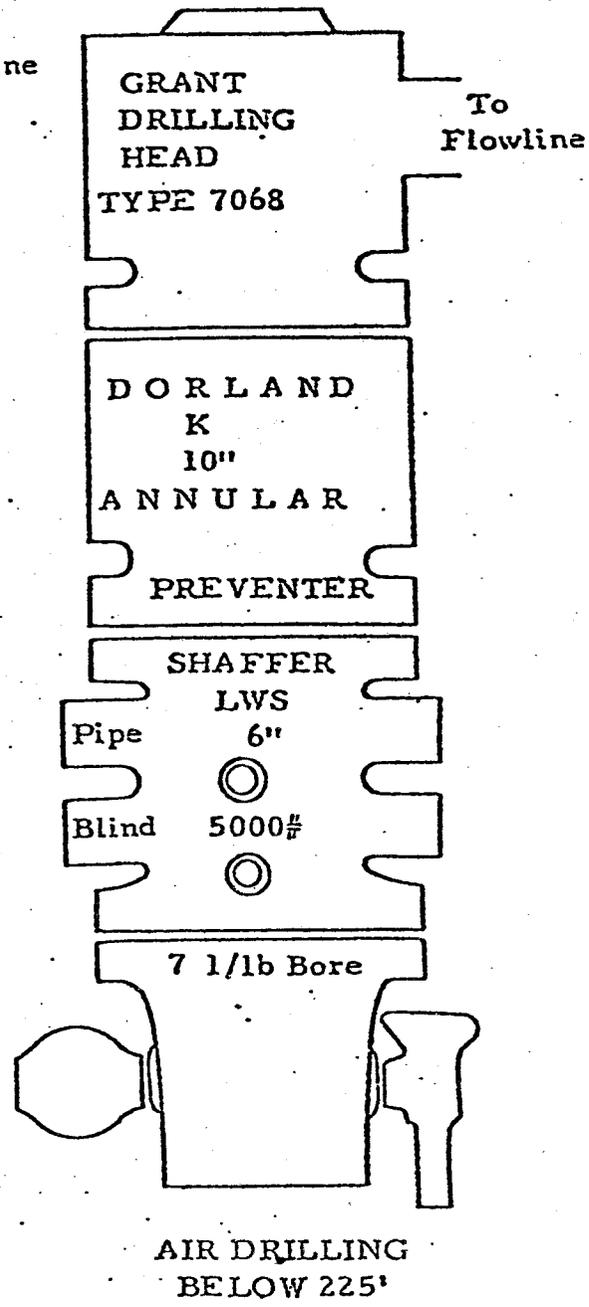
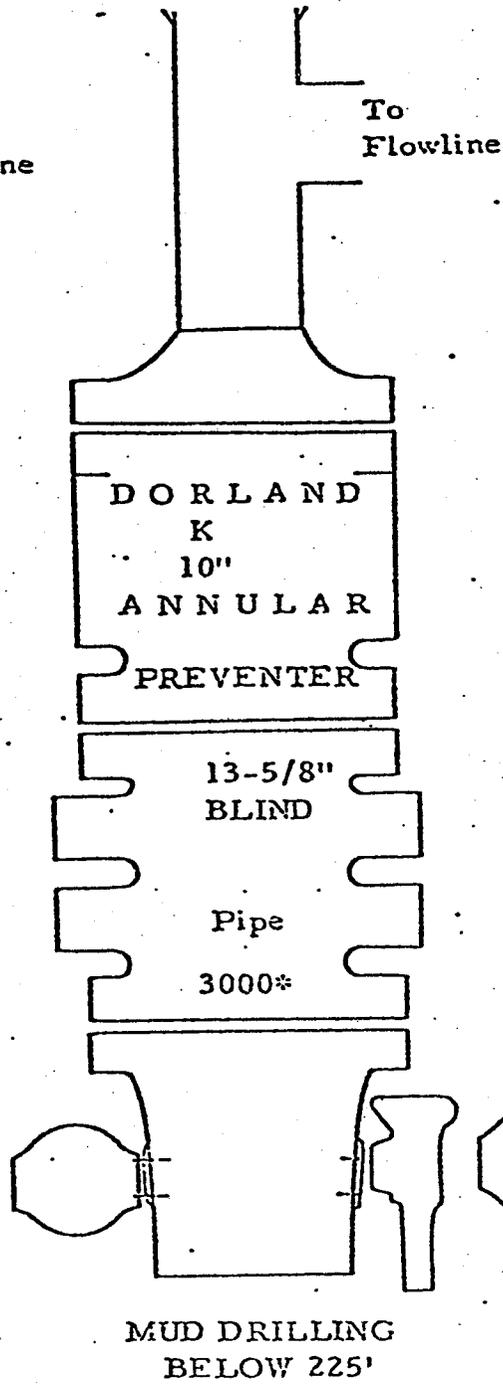
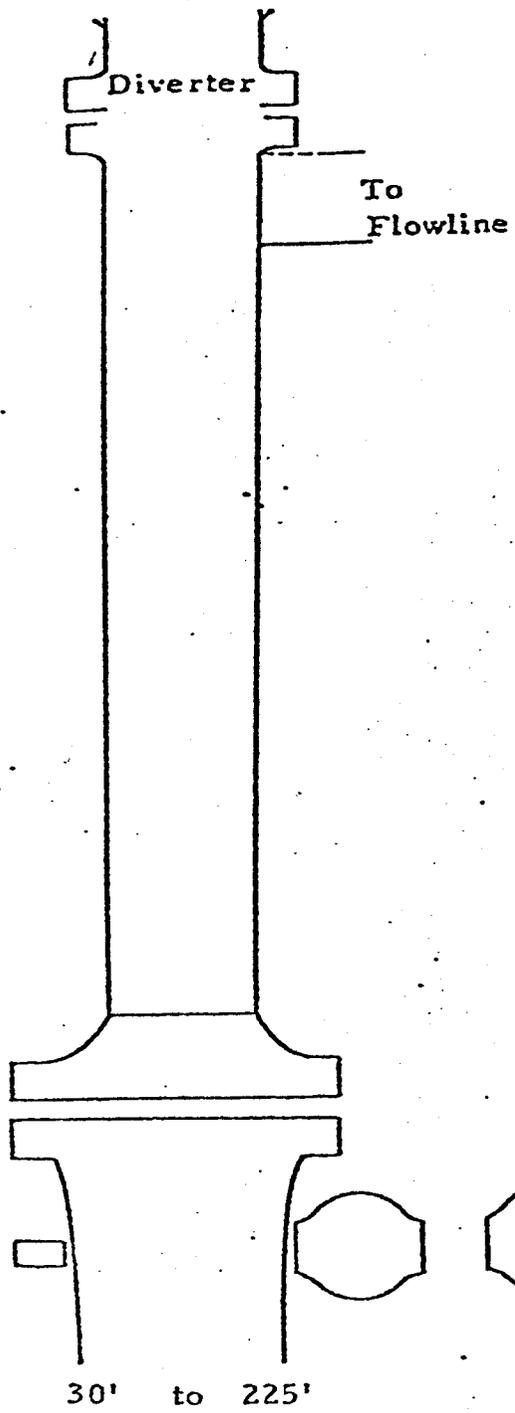
EXHIBIT "E"

WELL # FEDERAL 12-33



SKYLINE OIL COMPANY
 FEDERAL #12-33
 NW SE Section 12
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT "F"



SKYLINE OIL COMPANY
FEDERAL #12-33
NW SE Section 12
T.16S., R.12E., SLB&M
Emery County, Utah

EXHIBIT "G"

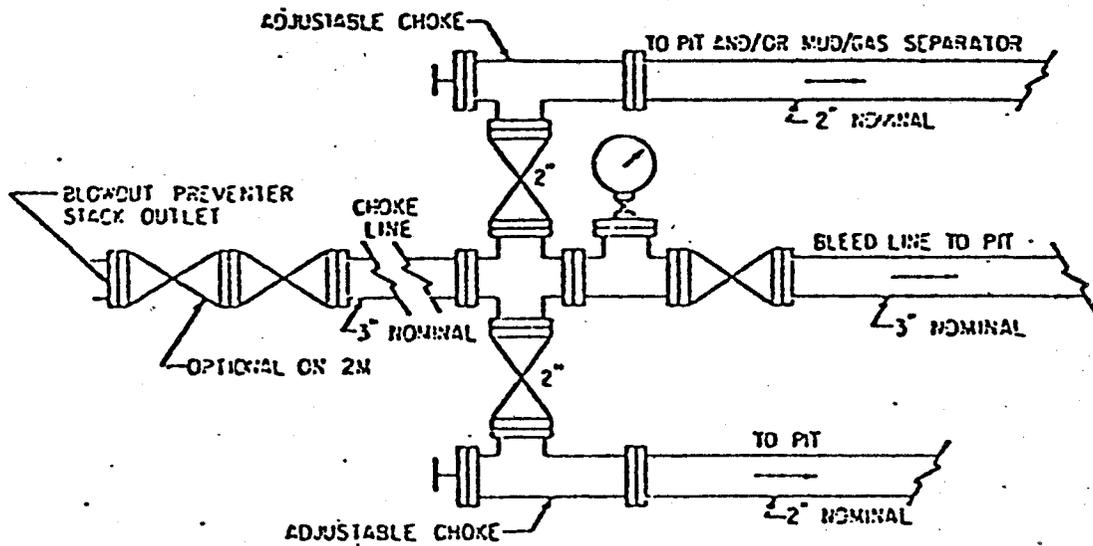
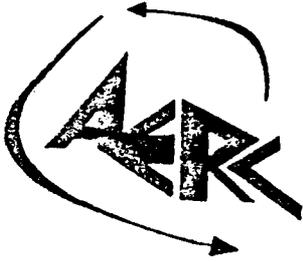


FIG. 3.A.1
 TYPICAL CHOKE MANIFOLD ASSEMBLY
 FOR 2M AND 3M RATED WORKING
 PRESSURE SERVICE - SURFACE INSTALLATION

SKYLINE OIL COMPANY
 FEDERAL #12-33
 NW SE Section 12
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT "H"



ARCHEOLOGICAL - ENVIRONMENTAL RESEARCH CORPORATION

588 West 800 South Bountiful, Utah 84010
Tel: (801) 292-7061 or 292-9668

December 20, 1982

Subject: Archeological Evaluations in the Mounds Locality
of Emery County, Utah

Project: Skyline Oil Company -- Locations of Grassy Trail
9-33, 12-31, 12-33, 13-31, 14-13, 14-33, 15-11,
15-33, access road into 16-31, and Dusty Trail 20-33

Project No.: SKOC-82-15

Permit: 81-Ut-179

To: Mr. Clifford Selin, Skyline Oil Company, 2000
University Club Bldg., Salt Lake City, Utah 84111

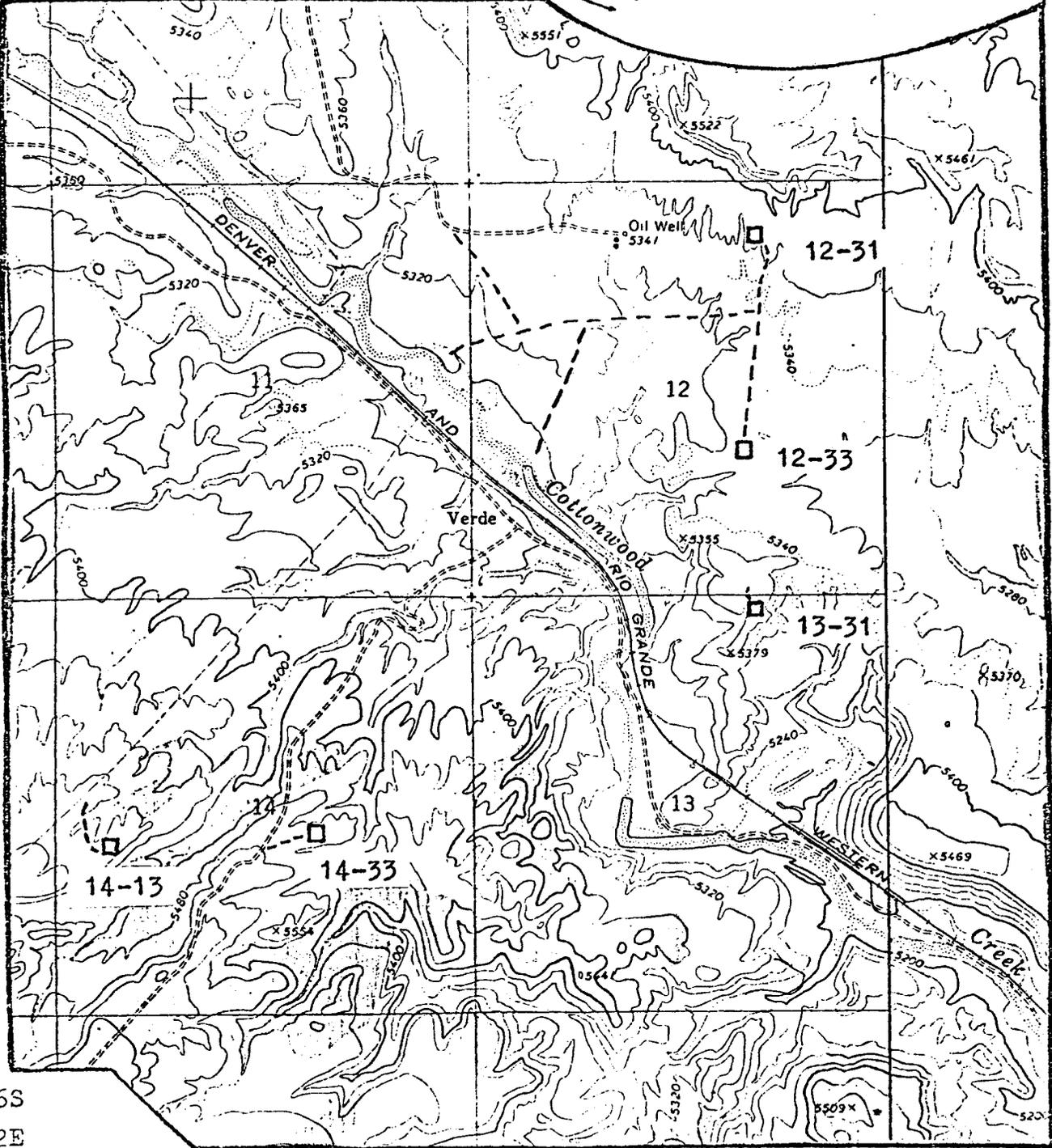
Mr. Leon Berggren, Area Manager, Bureau of Land
Management, P.O. Box AB, Price, Utah 84501

Mr. Gene Nodin, District Manager, Bureau of Land
Management, P.O. Box 970, Moab, Utah 84532

SKYLINE OIL COMPANY
FEDERAL #12-33
NW SE Section 12
T.16S., R.12E., SLB&M
Emery County, Utah

EXHIBIT "J"

AEK



T. 16S
R. 12E

Meridian: Salt Lake B&M

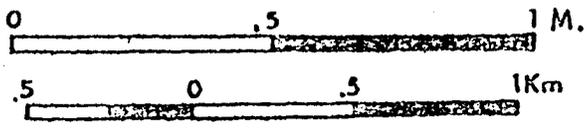
Quad: Mounds, Utah

Project: SKOC-82-15
Series: Central Utah
Date: 12-20-82

MAP 2
WELL LOCATIONS, ACCESS ROUTES
AND PROPOSED ROADS NEAR
VERDE IN EMERY COUNTY, UTAH

7.5 Minute USGS

Legend:
Well Location
Access Road *AEK*



Scale





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Moab District
Price River Resource Area
P.O. Drawer AB
Price, Utah 84501

IN REPLY
REFER TO: 3100
(U-066)

December 20, 1982

Memorandum

To: District Engineer, MMS, Salt Lake City, Utah
Attention: George Diwachak

From: Area Manager, Price River

Subject: Skyline Oil Company's Wells 9-33, 12-31, 12-33, 13-31, D-20-33,
14-33, 14-13, 15-11, 15-33

An inspection of the proposed drill sites and access routes for subject wells was accomplished on December 15, 1982, in response to the staking requests. Stipulations that will be placed on our approval of the operation follow. These may be incorporated into the APD being prepared by Skyline.

1. The BLM's representative (Sid Vogelpohl, 801-637-4584) will be notified at least 48 hours prior to any surface disturbing activities associated with new access roads or drill pad location.
2. Skyline Oil shall insure that all individuals working at or near the location are aware of and comply with all applicable stipulations.
3. If subsurface cultural or paleontological material is exposed during construction, work will stop immediately in that area and the Price River Resource Area will be contacted for guidance in proceeding.
4. Six to eight inches of topsoil on the entire pad sites shall be removed and stockpiled in a manner to minimize soil loss to wind and water erosion. When less than six inches of topsoil is available, all soil to bedrock shall be saved. Stockpiles shall be rounded off and located so that soil is not contaminated or compacted. In the event that the well is a producer, soil stockpiles shall be seeded with crested wheatgrass.
5. Residues and contaminated earth in mud pits may be required to be completely removed if, with reclamation, same would be near or exposed at the surface.
6. Garbage or burn pits will not be allowed. All garbage and trash will be collected daily and contained in a trash basket for final disposal at the Carbon County landfill or a private landfill. Littering of access roads by personnel involved in the drilling operation shall be prevented or corrected by Skyline Oil. Litter pickup along access roads may be required of the operator.

7. The roads as were flagged during the onsite inspections are approved. Driving surface widths of roads serving no more than two wells are to be limited to 16 feet with turnouts at least every 1,000 feet or less as determined by terrain (Class III Standards). Roads serving more than two wells may be constructed to Class II standards. Roads will be crowned and ditched or sloped with water bars and water turnouts. (Refer to BLM/USGS Surface Operating Standards, Figures 1 through 7.) Changes in finished road design may be required by the BLM.

8. Mud pits not based in at least four feet of cut material shall have the embankments of fill material key seated to ensure pit stability and fluid retention. The fill used in embankments shall be placed in lifts and compacted.

9. Upon completion of drilling operations, the BLM's representative shall be notified of production and/or reclamation plans so that an inspection may be conducted to determine if mitigating measures in addition to those included in the surface use plan or presented hereby are necessary.

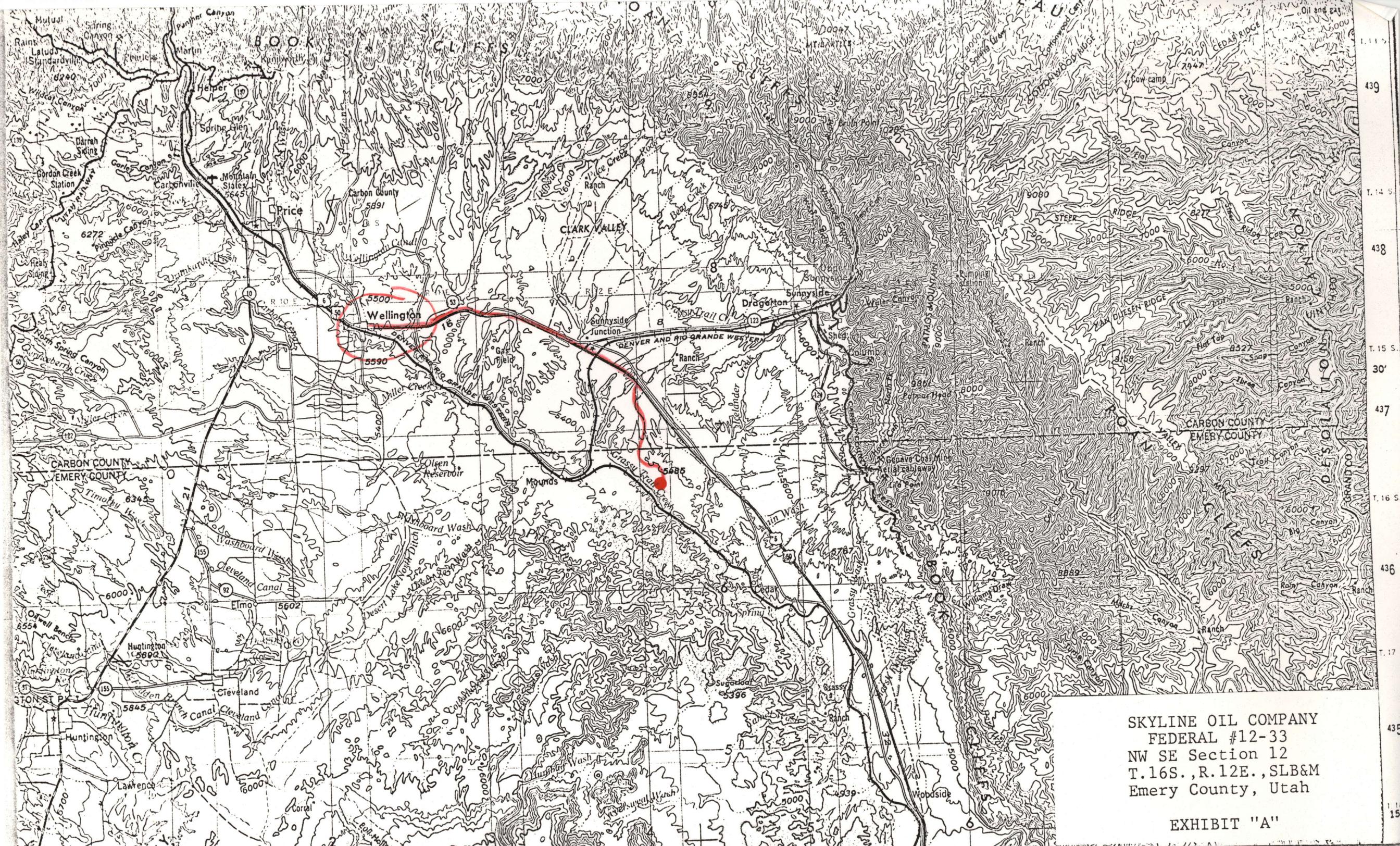
10. Reclamation shall include contouring of the pad to blend with landforms in the general area, redistribution of topsoil and seeding. Seeding shall be accomplished during the period of September to December. A seed mix and seeding method will be provided by the BLM with the advent of reclamation.

11. Any production facilities will be painted a single, low gloss, pastel color that will blend with the color of soils, rock or vegetation. Color will be approved by the BLM's representative.

Threatened or endangered animal or plant species are not known to be present. An archaeological clearance has been granted.

/s/ Leon E. Berggren

cc: Skyline Oil Company
2000 University Club Bldg.
Salt Lake City, Utah 84111



SKYLINE OIL COMPANY
FEDERAL #12-33
NW SE Section 12
T.16S., R.12E., SLB&M
Emery County, Utah

EXHIBIT "A"

U.S.
Department of the Interior
Bureau of Land Management
Utah State Office

For BLM Use Only

BLM Report ID No. 11111111111111111111

Report Acceptable Yes No

Mitigation Acceptable Yes No

Comments: _____

Summary Report of
Inspection for Cultural Resources

Report Title G R A S S Y T R A I L W E L L L O C A T I O N S

Development Company Skyline Oil Company: 9-33, 12-31, 12-33, 13-31, 14-13,

Report Date 1 2 20 1 9 8 2 14-33, 15-11, 15-33 and D20-33 *Over
4. Antiquities Permit No. 81-Ut-179

Responsible Institution A E R C S K O C - 8 2 - 1 5 County Emery

Fieldwork Location: TWN 1 6 S Range 1 2 E Section(s) 0 9 1 2 1 3 1 4
62 65 66 69 70 71 72 73 74 75 76 77
 TWN 1 6 S Range 1 2 E Section(s) 1 5
78 81 82 85 86 87 88 89 90 91 92 93
 Resource Area PR TWN 1 6 S Range 1 3 E Section(s) 2 0
110 111 94 97 98 101 102 103 104 105 106 107 108 109

PQ = PONY EXPRESS, BR = BEAR RIVER, PR = PRICE RIVER, WS = WARM SPRINGS
 DC = BOOK CLIFFS, HR = HOUSE RANGE, SE = SEVIER RIVER
 HM = HENRY MOUNTAINS, BE = BEAVER RIVER, DX = DIXIE
 KA = KANAB, ES = ESCALANTE, SJ = SAN JUAN, GR = GRAND
 SR = SAN RAFAEL, DM = DIAMOND MOUNTAIN

Fill in spaces 65, 69, 81, 85, 97, 101 Only if
 V = Vernal Meridian
 H = Half Township

Description of Examination Procedures:

The archeologist, F. R. Hauck, walked a series of 15 meter wide transects along the access roads and on the flagged oil-gas well locations. Thirty meter wide corridors were evaluated along the proposed access routes and planned roadways.

Linear Miles Surveyed and/or 3
 Definite Acres Surveyed and/or 118
 Legally Undefinable Acres Surveyed 20

10. Inventory Type I
 R = Reconnaissance
 I = Intensive
 S = Statistical Sample

(*A parcel hard to cadastrally locate i.e., center of section)

Description of Findings (attach appendices, if appropriate) 12. Number Sites Found: 0
 No sites = 0 131 13

No cultural resource sites were observed or recorded during the survey. Isolated lithic debris were seen in various areas but not sufficient association to justify site classifications. One pecked sandstone slab metate was observed on the ridge about 100 meters to the south of location. 14-33.

Collection: N Y = Yes, N = No
 136

Actual/Potential National Register Properties Affected:

The National Register of Historic Places has been consulted and no National Register Properties will be affected by this project.

Conclusion/Recommendations:

AERC recommends that a cultural resource clearance be granted to Skyline Oil Company for this project, based on adherence to the following stipulations:

(Over)

Signature and Title of Institutional Officer Responsible F. R. Hauck
F. R. Hauck, Ph.D.
 President

Conclusions/Recommendations (cont'd.):

1. All vehicular traffic, personnel movement, and construction be confined to the locations examined and to access roads leading into these locations.

2. All personnel refrain from collecting individual artifacts or from disturbing any cultural resources in the area.

3. A qualified archeologist be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the construction area.

*along with an access route in Section 9 to Location 16-31.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.
U-4378 RECEIVED

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
APR 5 1983

7. UNIT AGREEMENT NAME
SALT LAKE CITY, UTAH

8. FARM OR LEASE NAME

9. WELL NO.
Federal #12-33

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 12, T. 16 S., R. 12 E. SLB&M

12. COUNTY OR PARISH
Emery

13. STATE
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR
2000 University Club Bldg., Salt Lake City, Utah 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 624' FNL, 2122' FEL, NW 1/4 SE 1/4 Sec. 12, T. 16 S., R. 12 E., SLB&M
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
17 miles South East of Wellington, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
624' FNL, 2122' FEL

16. NO. OF ACRES IN LEASE
2320

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.
2510'

19. PROPOSED DEPTH
3975'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
OG 5313'

22. APPROX. DATE WORK WILL START*
Apr. 15, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16"	65#/F	30'	6 cu yds Redi Mix
14-3/4"	10-3/4"	40.5#/F	500'	450 sx Circ to Surface
9-7/8"	7-5/8"	26.40#/F	3485'	400 sx Class H

See Attachments.

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 Clifford Nelson TITLE Senior Engineer DATE April 5, 1983

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY W. W. Guynn TITLE District Oil & Gas Supervisor DATE APR 14 1983
CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

NOTICE OF APPROVAL

*See Instructions On Reverse Side

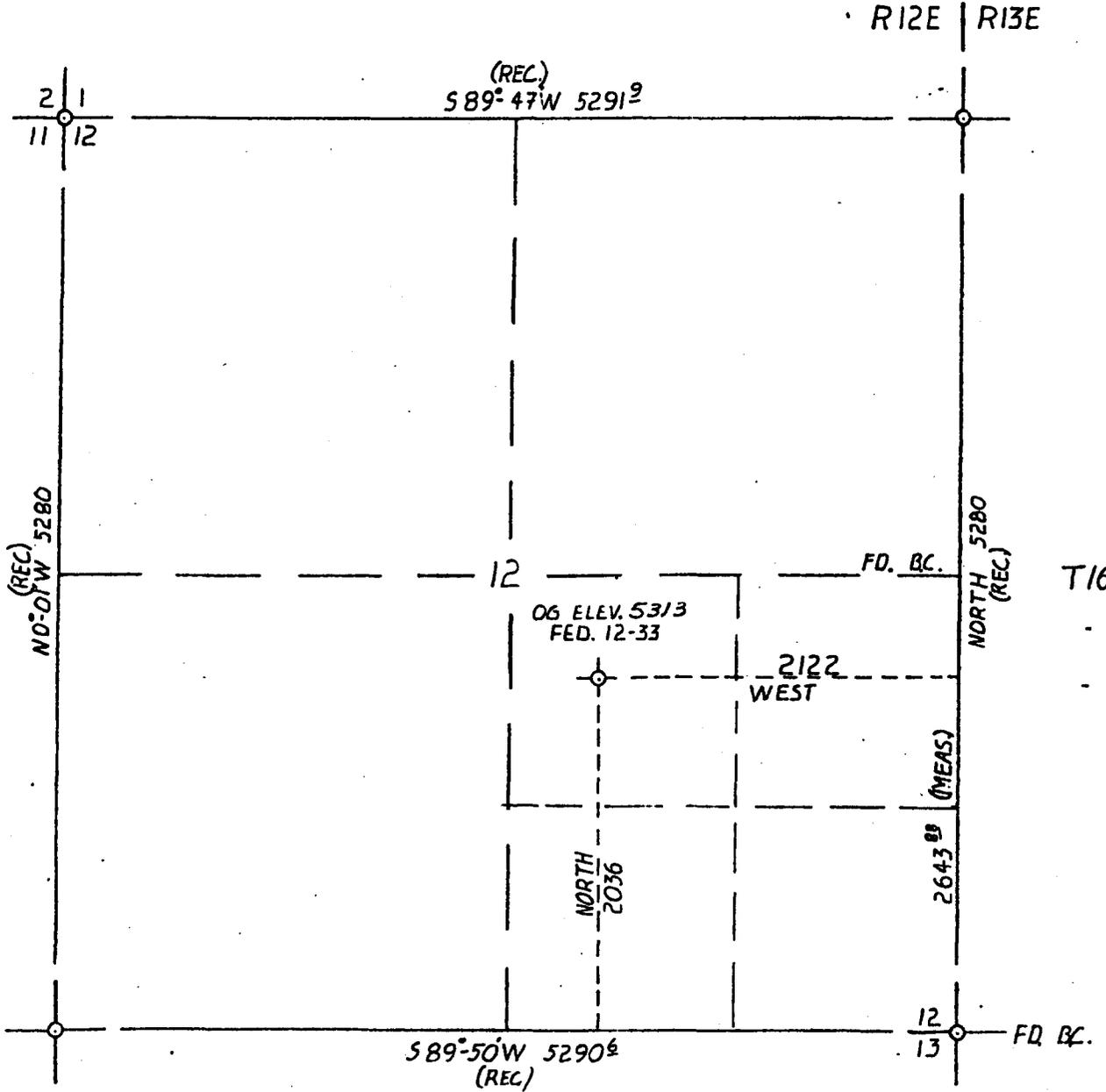
FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 1/1/80

STATE 046

SKYLINE OIL COMPANY
 FEDERAL #12-33
 NW SE Section 12
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT "C"

BEARING FROM EAST LINE SE 1/4, SEC 12
(NORTH)



WELL LOCATION PLAT OF
 FEDERAL 12-33
 NW 1/4 SE 1/4, SEC. 12, T16S, R12E, SLB&M.
 EMERY COUNTY, UTAH
 TRANSIT & EDM SURVEY
 FOR: SKYLINE OIL CO.
 SCALE: 1" = 1000' DATE: 12-82
 ELEV. BY VERT. ANGLES FROM
 U.S.G.S. TOPO. QUAD. "MOUNDS, UTAH" 1969
 (SE. COR. SEC. 12 = 5312')

EMERY COUNTY, UTAH
 DEPT. OF PUBLIC WORKS
 1963
 G. H. HUGHES
 UTAH R.L.S. NO. 1963

~~APPROVED FOR PRODUCTION FACILITIES~~
Your Application for Permit to Drill also included a submittal for production facilities. These production facilities are approved for the lessee and his designated operator under Section 1 of the Oil and Gas Lease with the following conditions:

(1) The oil and gas measurement facilities must be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy are to be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. Please provide this office with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports are to be submitted to the Salt Lake City District Oil and Gas Supervisor. Royalty payments will be made on all production volume as determined by the meter measurements or the tank measurements. All measurement facilities must conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

(2) Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs must be housed and/or fenced.

(3) All disturbed areas not required for operations will be rehabilitated.

(4) All produced liquids must be contained including the dehydrator vent/condensate line effluent. All production pits must be fenced.

(5) The well activity, the well status and the date the well is placed on production must be reported on Lessee's Monthly Report of Operations, Form 9-329.

(6) All off-lease storage, off-lease measurement, or commingling on lease or off-lease must have written approval.

(7) All product lines entering and leaving hydrocarbon storage tanks must be locked/sealed.

(8) You are reminded of the requirements for handling, storing, or disposing of water produced from oil and gas wells under NTL-2B.

(9) All materials, trash, junk, debris, etc. not required for production must be removed from the well site and production facility site at the completion of these operations.

(10) A copy of the Gas Sales Contract will be provided to this office and the Royalty Accounting Department as directed.

(11) Construction and maintenance for surface use approved under this plan should be in accordance with the surface use standards as set forth in the BLM/GS Oil and Gas Brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development." This includes, but is not limited to, such items as road construction and maintenance, handling of top soil and rehabilitation.

(12) "Sundry Notice and Reports on Wells" (form 9-331) will be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained verbally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alternations of facilities, including roads, gathering lines, batteries, measurement facilities, etc., will require the filing of a suitable plan and prior approval by the survey.

Skyline Oil Company
Well No. 12-33
Section 12, T. 16 S., R. 12 E.
Emery County, Utah
Lease U-43778

Supplemental Stipulations

- 1) The operator shall insure that all individuals working at or near the location are aware of and comply with all applicable stipulations.
- 2) If subsurface cultural or paleontological material is exposed during construction, work will stop immediately in that area and the Price River Resource Area Office will be contacted for guidance in proceeding.
- 3) Six to eight inches of topsoil on the entire pad site shall be removed and stockpiled in a manner to minimize soil loss to wind and water erosion. When less than six inches of topsoil is available, all soil to bedrock shall be saved. Stockpiles shall be rounded off and located so that soil is not contaminated or compacted. In the event that the well is a producer, soil stockpiles shall be seeded with crested wheatgrass.
- 4) Residues and contaminated earth in mud pits may be required to be completely removed if, with reclamation, same would be near or exposed at the surface.
- 5) Garbage or burn pits will not be allowed. All garbage and trash will be collected daily and contained in a trash basket for final disposal at the Carbon County landfill or a private landfill. Littering of access roads by personnel involved in the drilling operation shall be prevented or corrected by Skyline Oil. Litter pickup along access roads may be required of the operator.
- 6) The roads as were flagged during the onsite inspection are approved. Driving surface widths of roads serving no more than two wells are to be limited to 16 feet with turnouts at least every 1,000 feet or less as determined by terrain (Class III Standards). Roads serving more than two wells may be constructed to Class II standards. Roads will be crowned and ditched or sloped with water bars and water turnouts. Changes in finished road design may be required by the BLM.
- 7) Mud pits not based in at least four feet of cut material shall have the embankments of fill material keyseated to ensure pit stability and fluid retention. The fill used in embankments shall be placed in lifts and compacted.
- 8) Upon completion of drilling operations, the BLM's representative shall be notified of production and/or reclamation plans so that an inspection may be conducted to determine if mitigating measures in addition to those included in the surface use plan or presented hereby are necessary.

- 9) Reclamation shall include contouring of the pad to blend with landforms in the general area, redistribution of topsoil and seeding. Seeding shall be accomplished during the period of September to December. A seed mix and seeding method will be provided by the BLM with the advent of reclamation.
- 10) Any production facilities will be painted a single, low gloss, pastel color that will blend with the color of soils, rock or vegetation. Color will be approved by the BLM's representative.
- 11) All necessary right-of-way grants must be obtained prior to construction activities.

OPERATOR SKYLINE OIL CO DATE 4-6-83

WELL NAME FED 12-33

SEC NW SE 12 T 10S R 12 E COUNTY EMERY

43-015-30163

API NUMBER

FED

TYPE OF LEASE

POSTING CHECK OFF:

INDEX

HL

NID

PI

MAP

PROCESSING COMMENTS:

NO OIL WELLS WITHIN 1000' -

OTHER DISTANCES OK

RSP ✓

APPROVAL LETTER:

SPACING:

A-3

UNIT

c-3-a

CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING *FED*

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER NO

UNIT NO

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

April 6, 1983

Skyline Oil Company
2000 University Club Bldg.
Salt Lake City, Utah 84111

RE: Well No. Federal 12-33
NWSE Sec. 12, T.16S, R.12E
2026' FSL, 2122' FEL
Emery County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Rule C-3(b), General Rules and Regulations and Rules of Practice and Procedure.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

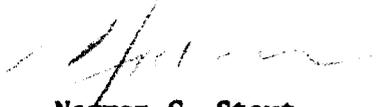
RONALD J. FIRTH - Chief Petroleum Engineer
Office: 533-5771
Home: 571-6068

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-015-30163.

Sincerely,


Norman C. Stout
Administrative Assistant

NCS/as
cc: Oil & Gas Operations
Enclosure



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

January 4, 1984

Skyline Oil Company
2000 University Club Bldg.
Salt Lake City, Utah 84111

Re: Well No. Federal #12-33
API #43-015-30163
2036' FSL, 2122' FEL NW/SE
Sec. 12, T. 16S, R. 12E.
Emery County, Utah

Gentlemen:

In reference to the above mentioned well, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill this well, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan to drill this location at a later date, please notify as such.

If spudding has not occurred within one year of the date of approval for this well, approval to drill is rescinded.

We will be happy to acknowledge receipt of your response to this notice if you will include an extra copy of the transmittal letter with a place for our signature, and a self addressed envelope for the return. Such acknowledgement should avoid unnecessary mailing of a second notice from our agency.

Your prompt attention to the above will be greatly appreciated.

Respectfully,

A handwritten signature in cursive script that reads "Claudia Jones".

Claudia Jones
Well Records Specialist

CJ/cj



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

January 12, 1984

Skyline Oil Company
200 University Club Bldg.
Salt Lake City UT 84111
Attn: Clifford Selin

RE: Well No. Fed. #12-33
API #43-015-30163
2036' FSL, 2122' FEL NW/SE
Sec. 12, T. 16S, R. 12E
Emery County, Utah

Dear Mr. Selin:

In your telephone conversation of January 10, 1984 with Claudia Jones you stated that you do not intend to drill this well.

Please accept this letter as notification that the permit to drill the above mentioned well, which was granted in our letter of April 6, 1983, is hereby rescinded as you requested.

It will be necessary for you to re-apply for Permit to Drill, should you choose to drill this site in the future.

Thank you for your prompt attention to this matter.

Respectfully,

A handwritten signature in cursive script, appearing to read 'Norman C. Stout'.

Norman C. Stout
Administrative Assistant

NCS/cj

RECEIVED

APR 24 1986

DIVISION OF
OIL, GAS & MINING

Moab District
P. O. Box 970
Moab, Utah 84532

3162 (U-065)
(U-43778)

APR 23 1986

Texas Eastern Skyline Oil Company
1200 Mellon Financial Center
1775 Sherman Street
Denver, CO 80203

Re: Rescinding Application for
Permit to Drill
Well No. Federal 12-33
Sec. 12, T. 16 S., R. 12 E.
Emery County, Utah
Lease U-43778

Gentlemen:

The Application for Permit to Drill the referenced well was approved on April 14, 1983. Since that date, no known activity has transpired at the approved location.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely,

/S/ GENE NODINE

District Manager

cc:
State of Utah, Division of Oil, Gas and Mining ✓
Price River Resource Area

bcc:
U-942, Utah State Office

CFreudiger/cf 4/22/86



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

April 29, 1986

Texas Eastern Skyline Oil Company
1200 Mellon Financial Center
1775 Sherman Street
Denver, Colorado 80203

Gentlemen:

RE: Well No. Federal #12-33, Sec.12, T.16S, R.12E,
Emery County, Utah, API NO. 43-015-30163

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

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

Sincerely,

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

John R. Baza
Petroleum Engineer

sb
cc: BLM-Moab
D. R. Nielson
R. J. Firth
Well file
0278T-50