

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Salt Lake City, Utah
SERIAL NO.: U-18897-A

and hereby designates

NAME: CHANDLER & ASSOCIATES, INC.
ADDRESS: 1401 Denver Club Building
Denver, CO 80202

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 18 South, Range 7 East, SLM

Section 28: $W\frac{1}{2}$

Section 33: $W\frac{1}{2}$, $SE\frac{1}{4}$

Township 19 South, Range 7 East, SLM

Section 3: Lots 3, 4, $S\frac{1}{2}NW\frac{1}{4}$, $SW\frac{1}{4}$

Section 4: Lots 1, 2, $S\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}$

containing 1,481.65 acres, more or less.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

TERRA RESOURCES, INC.

ATTEST:



(Signature of lessee)
Walter B. Raymond, Agent & Attorney-in-Fact
5975 South Syracuse Street
Englewood, CO 80111

June 6, 1983

(Date)

(Address)

DESIGNATION OF AGENT

Supervisor, Oil and Gas Operations:

The undersigned is, on the records of the Minerals Management Service, Unit Operator under the Buzzard Bench Unit Agreement, Emery County, Utah (State), No. 14-08-0001-20419 approved December 29, 1982 and hereby designates:

NAME: CHANDLER & ASSOCIATES, INC.

ADDRESS: 1401 Denver Club Building
Denver, CO 80202

as its agent, with full authority to act in its behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Supervisor of his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing, and completing unit well No. Federal #6-3, in the SE 1/4 NW 1/4, Section 3, Township 19 South, Range 7 East, Emery County, Utah (State).

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the Unit Agreement and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the Unit Agreement or any lease committed thereto.

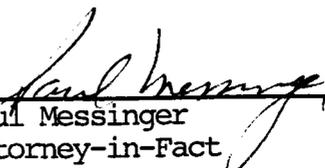
In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior of his representative.

The Unit Operator agrees promptly to notify the Oil and Gas Supervisor of any change in the designated agent.

This Designation of Agent is deemed to be temporary and in to manner a permanent arrangement.

This Designation is given only to enable the agent herein designated to drill the above-specified unit well. Unless sooner terminated, this Designation shall terminate when there is filed in the appropriate district office of the U. S. Geological Survey, a completed file of all required Federal reports pertaining to subject well. It is also understood that this Designation of Agent is limited to field operations and does not cover administrative actions requiring specific authorization of the Unit Operator.

DAVIS OIL COMPANY
Unit Operator

By: 
Paul Messinger
Attorney-in-Fact

Date: June 7, 1983



CHANDLER & ASSOCIATES, INC.

1401 DENVER CLUB BUILDING · DENVER, COLORADO 80202 · 303 629-6756
OIL AND GAS EXPLORATION AND PRODUCTION

June 13, 1983

State of Utah
Natural Resources & Energy
Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84114

RE: Application for Permit to Drill
Buzzard Bench Fed. Unit #6-3
SE NW Sec. 3-T19S-R7E
Emery County, Utah

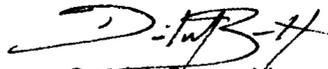
Gentlemen:

Please find enclosed the application for Permit to Drill, Designation of Agent and Designation of Operator for the above mentioned well.

Thank you for your prompt attention to this matter. If you have any further questions please feel free to call.

Sincerely yours,

CHANDLER & ASSOCIATES, INC.


David Burnett

enclosures
DB/tz

RECEIVED
JUN 14 1983

**DIVISION OF
OIL, GAS & MINING**

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
 Chandler & Associates, Inc.

3. ADDRESS OF OPERATOR
 1401 Denver Club Bldg.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 2264' FNL; 1965 FWL SE NW
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approx. 8 miles southwest of Orangeville, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 1965'

16. NO. OF ACRES IN LEASE
 1,481.65

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.
 NA

19. PROPOSED DEPTH
 3600' *Ferron*

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, G, etc.)
 6555'

22. APPROX. DATE WORK WILL START*
 June 20, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12½"	8-5/8"	24#	120
7 7/8"	5½"	15.5#	3600

QUANTITY OF CEMENT
125.5X
130.3X

RECEIVED
 JUN 14 1983

1. Drill to TD of 3600 (Ferron).
2. Run 5½" casing if commercial production is indicated.
3. If dry hole, P & A as instructed by the USGS.
4. Well will be drilled with compressed air, tested open hole and mud up to run 5½" casing.
5. Well control equipment will include double hydraulic system of 900 series. A fillup line will be installed, equipment pressure mechanically checked daily while drilling.

DIVISION OF
OIL, GAS & MINING

Well Name: Buzzard Bench Fed. 6-3

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS AND MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give date of present production and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and means to be used to locate and give blowout preventer program, if any.

DATE: *Ferron*
BY: *Pat Marx*

24. SIGNED *Pat Marx* TITLE Petroleum Engineer DATE _____

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

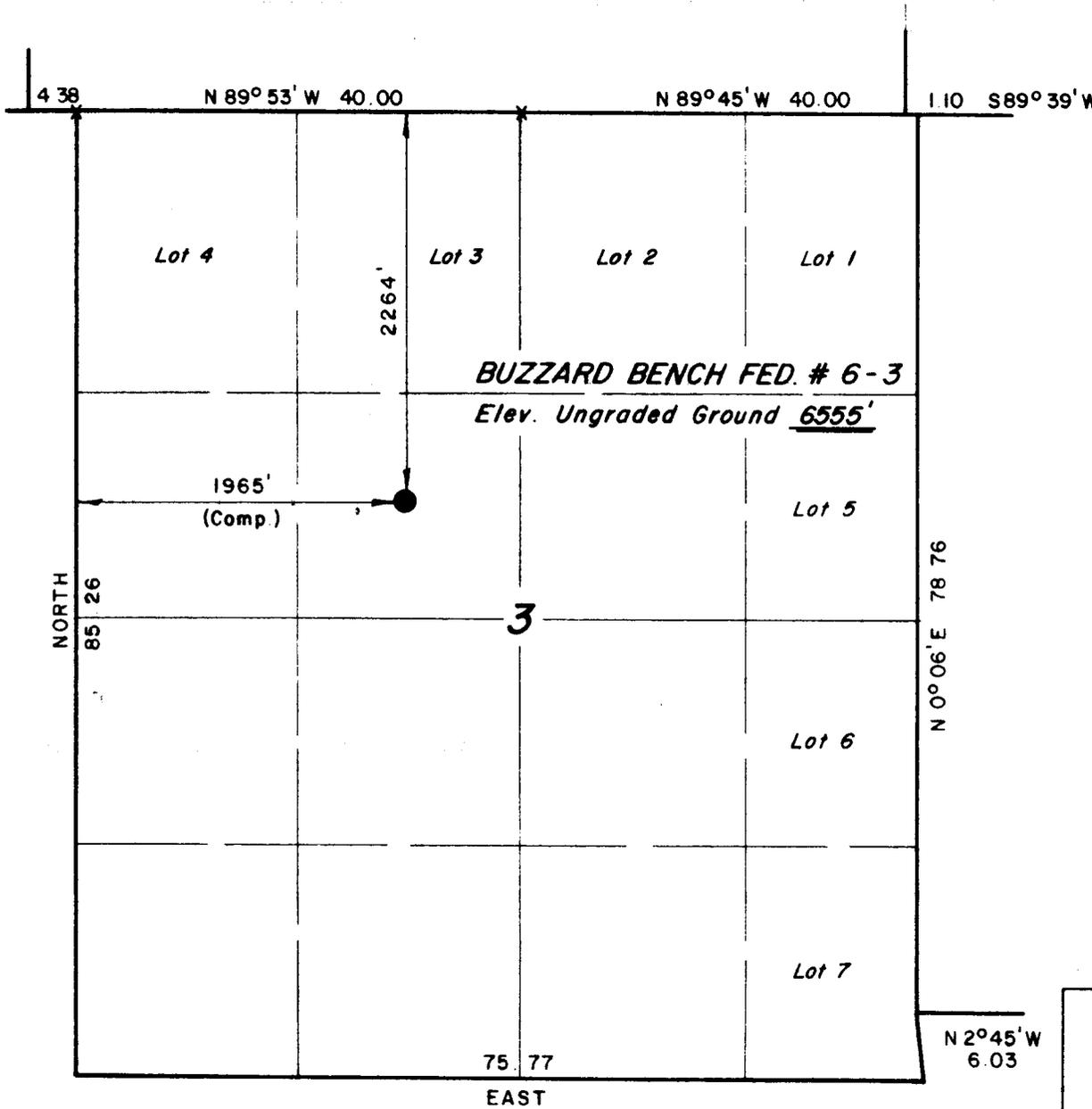
APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

T 19 S, R 7 E, S.L.B. & M.

PROJECT
CHANDLER & ASSOCIATES, INC.

Well location, **BUZZARD BENCH
 FED. # 6-3**, located as shown in
 the SE 1/4 NW 1/4 Section 3, T19S,
 R7E, S.L.B. & M. Emery County,
 Utah.



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.

[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 2454
 STATE OF UTAH

UTAH ENGINEERING & LAND SURVEYING P.O. BOX Q - 85 SOUTH - 200 EAST VERNAL, UTAH - 84078	
SCALE 1" = 1000'	DATE 6 / 9 / 83
PARTY D.A. D.K. B.K. BFW	REFERENCES GLO Plat
WEATHER PARTLY CLOUDY	FILE CHANDLER

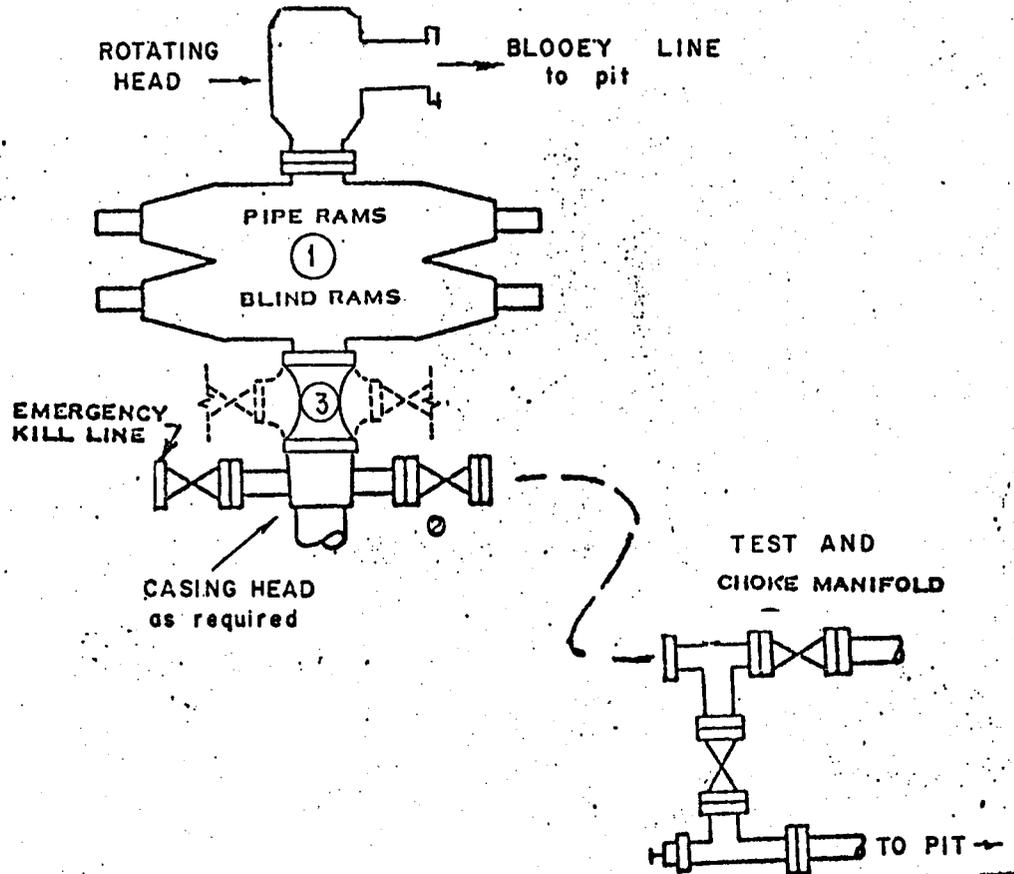
X = Section Corners Located

DOUBLE PREVENTER

FOR

AIR DRILLING

- ① SERIES 900 RAM-TYPE BOP
- ② 2" SERIES 900 VALVE
- ③ SERIES 900 DRILLING SPOOL



..... OPTIONAL EQUIPMENT

CHANDLER AND ASSOCIATES, INC.
RIG # 7
3000 PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP
(SERIES 900 FLANGES OR BETTER)

Rev. 12/77

FIGURE NO. 4

CHANDLER & ASSOCIATES, INC.

13 Point Surface Use Plan

For

Well Location

Buzzard Bench Fed. #6-3

Located In

Section 3, T19S, R7E, S.L.B. & M.

Emery County, Utah



CHANDLER & ASSOCIATES, INC.

1401 DENVER CLUB BUILDING

DENVER, COLORADO 80202

303 629-6756

OIL AND GAS EXPLORATION AND PRODUCTION

Bureau of Land Management
2000 Administration Bldg.
1745 West 1700 South
Salt Lake City, Utah 84104

Re: Buzzard Bench Fed. Unit #6-3
SE NW Sec. 3-19S-7E
Emery County, Utah

Gentlemen:

Enclosed is the additional information required for permitting the above well:

1. Surface Formation: Williams Fork
2. Geological Markers:
 - Emery 490'
 - Bluegate 1690'
 - Ferron 3600'
3. Producing Formation: Ferron
4. Casing Program: Surface - 8-5/8" 24#, Grade new
Production- 5½" 15.5#, Grade K-55, new
5. Blowout Preventer: (a) Shaffer 10" 900 double hydraulic with Payne closing unit. One set rams blind and one set for 4" drill pipe; tested upon installation and daily. (b) 10" 900 rotary head for use while air or mist drilling. Schematic diagram attached.
6. Circulating Medium: Well will be drilled with compressed air and mist if required. Mud up will occur for running casing only.
7. Auxiliary Equipment:
 - (a) Drill String Floats will be used.
 - (b) Float will be used.
 - (c) No monitoring on mud system as air will be used for drilling.
 - (d) Stabbing valve will be used for drill pipe.
8. Evaluation Program: No drill stem tests will be run due to air drilling. No cores are anticipated. An IES

1. EXISTING ROADS

See attached Topographic Map "A" & "B".

To reach CHANDLER & ASSOCIATES, INC. well location site Buzzard Bench Fed. #6-3, located in the SE 1/4 NW 1/4 Section 3, T19S, R7E, S.L.B. & M. Emery County, Utah:

Proceed Southerly out of Orangeville, Utah on the Utah State Highway 57 + 1 mile to its junction with an existing gravel surfaced road to the Southwest; proceed along this road 2.8 miles to its junction with an existing jeep trail to the Southwest; proceed West; Southwest along this jeep trail (to be upgraded to meet specifications listed under item #2 - Planned access road) - 2.7 miles to the proposed location site.

The Highway mentioned above is a bituminous surfaced road and is maintained by Utah State road crews. The gravel road described above is a County road, and is maintained by County road crews. The Jeep Trail mentioned above will be maintained by CHANDLER & ASSOCIATES, Inc..

The roads that are required for access during the drilling phase, completion phase, and production phase of this well will be maintained to insure proper travel both entering and leaving the area. This may require some minor grader work, for smoothing of the road bed and for snow removal.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The existing jeep trail to be rebuilt leaves the existing County road described in item #1 on the South line of Section 36, T18S, R7E, S.L.B. & M., and proceeds in a Westerly Southwesterly direction 2.7 miles to the proposed location site in the SE 1/4 NW 1/4 Section 3, T19S, R7E, S.L.B. & M.

The proposed access road will be an 18' crown road (9' either side of the centerline) with a drain ditch on the uphill side of the road which will handle any run-off from normal meteorological conditions that are prevalent to the area.

The grade along this road is relatively level, and the maximum grade along this road will not exceed 8%.

There will be either 2 culverts or 2 dry wash drainage crossings along this access road. When it is determined which is to be used they will be placed according to the specifications in the Oil & Gas Surface Operations Manual.

The operator or his contractor will contact the Surface Protection Specialist at the San Rafael Resource Area Office in Price, Utah, phone 801-637-4584, 48 hours prior to beginning any work on public land.

The dirt contractor will be furnished with an approved copy of the surface use plan and any additional BLM stipulations prior to any work.

If subsurface cultural material is exposed during construction, work in that spot will stop immediately and the San Rafael Resource Area Office will be contacted. All employees working in the area will be informed by the operator that they will be subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archeological sites will only be done if damage occurs.

As a result of the Archeological Study the BLM should be present when dirt work on the access road commences.

Improvement to the existing road will be necessary. The upgrading will conform to the Class III road standards. The County road department will be contacted before using any known County road. Contact Ronald Barney 801-381-5450 or 801-381-2550.

New road construction will be in conformance to the Class III road standards. All roads will be constructed with drainage dips (water bars) as detailed in the road standards. All turn outs and water bars will be flagged by BLM personnel.

Trees will be piled along side of access road.

Topsoil will not be saved along the route.

Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

Surfacing material will not be placed on the access road or location without prior BLM approval.

3. EXISTING WELLS

See Topographic Map "B".

There are no known producing wells, water wells, abandoned wells, temporarily abandoned wells, disposal wells, drilling wells, shut-in wells, injection wells, monitoring or observation wells for other resources located within in a one-mile radius of this location site.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

At the present time there are no other CHANDLER & ASSOCIATES, INC. production facilities, gas gathering lines, tank batteries, oil gathering lines, injection lines or disposal lines within a one-mile radius. All existing facilities in the area are owned and operated by other companies.

In the event that production of this well is established, it will be contained within the location site until further plans can be submitted to the authorities for transportation of the produced materials.

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.

Rehabilitation of disturbed areas no longer needed for operations after construction is completed will meet the requirements of Item #10.

5. LOCATION AND TYPE OF WATER SUPPLY

Water to be used for the drilling of this well will be hauled by truck over the roads described in Items #1 and #2 from Cottonwood Creek which is approximately 5.5 miles Northeast of the proposed location.

There will be no water well drilled at this location site.

If in the event water from the above mentioned source is not available, then other arrangements will be made and all concerned agencies will be notified.

Use of water from sources such as wells, springs, streams, or stock ponds for activities associated with this well will be approved, prior to use, by the agency or individual holding the water right (i.e. State of Utah).

6. SOURCE OF CONSTRUCTION MATERIALS

All construction material for this location site shall be borrow material accumulated during construction of the location site and access road. No additional road gravels or pit lining material from other sources are anticipated at this time, but if they are required, the appropriate actions will be taken to acquire them from private sources.

All surface disturbance is on B.L.M. lands.

7. METHODS OF HANDLING WASTE DISPOSAL

See Location Layout Sheet.

A reserve pit will be constructed.

The reserve pit will be approximately 8' deep and at least one half of this depth shall be below the surface of the existing ground.

One half of the reserve pit will be used as a fresh water storage area during the drilling of this well and the other one half will be used to store non-flammable materials such as cuttings, salts, drilling fluids, chemicals and produced fluids, etc.

If deemed necessary by the agencies concerned to prevent contamination to surrounding areas, the reserve pits will be lined with native clay.

The pits will have wire and overhead flagging installed if deemed necessary to protect the water fowl, wildlife, and domestic animals.

As stated in the aforementioned paragraphs, non-flammable materials such as cuttings, salts, and drilling fluids, will be contained in the reserve pits.

At the onset of drilling, the reserve pit will be fenced on three sides and at the time drilling activities are completed, it will be fenced on the fourth side and allowed to dry completely prior to the time that backfilling and other reclamation activities are attempted.

When the reserve pit dries and reclamation activities commence, the pits will be covered with a minimum of four feet of soil and all requirements in Item #10 will be followed.

All produced water, if any will be disposed of according to NTL-2B requirements.

All garbage and other waste material will be contained in a trash basket made of small mesh wire and will be taken to the nearest sanitary landfill for disposal upon completion of the well.

A portable chemical toilet will be provided for human waste.

8. ANCILLARY FACILITIES

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. WELL SITE LAYOUT

See attached Location Layout Sheet.

The B.L.M. District Manager shall be notified before any construction begins on the proposed location site and road.

As mentioned in Item #7, the pits will be unlined unless it is determined by the representatives of the agencies involved that the materials are too porous and would cause contamination to the surrounding area; then the pits will be lined with native clay and any other type of material necessary to make them safe and tight.

When drilling activities commence, all work shall proceed in a neat and orderly sequence.

10. PLANS FOR RESTORATION OF SURFACE

If well goes to production, the Holder shall submit a proposed operation and maintenance plan for the permanent road after consultation with the BLM Authorized Officer for applicable road standards.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed in the methods described in the rehabilitation section. Adequate topsoil will be retained for final reclamation of the location. Any remaining stockpile of topsoil will be seeded in place using the prescribed seed mixture.

All above-ground production facilities will be painted, with a flat, non-contrasting color harmonious with the adjacent landscape.

As there is some topsoil on the location site, the top 6" shall be stripped and stockpiled separately from the trees on the South side of the location. (See location layout sheet). When all drilling and production activities have been completed, the location site and access road will be reshaped to the the original contour and stockpiled topsoil spread over the disturbed area.

Any drainages re-routed during construction activities shall be restored to their original line of flow as near as possible. Fences around pits are to be removed upon completion of drilling activities and all waste being contained in the pits shall be buried with a minimum of 4' of cover.

As mentioned in Item #7, the reserve pits will be completely fenced with wire and overhead flagging installed if there is oil in the pits, and then allowed to dry completely before covering. All items mentioned above will be completed within 90 days after commencement of restoration procedures.

When restoration activities have been completed, the location site and access ramp shall be reseeded with a seed mixture recommended by the B.L.M. District Manager when the moisture content of the soil is adequate for germination. The Lessee further covenants and agrees that all of said clean-up and restoration activities shall be done and performed in a diligent and most workmanlike manner and in strict conformity with the above mentioned Items #7 and #10, and the Oil and Gas Surface Operating Standards Manual.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris resulting from the operation. All trash will be hauled to a local sanitary landfill.

The operator or his contractor will contact the Surface Protection Specialist at the San Rafael Resource Area BLM Office in Price, Utah, phone (801)637-4584, 48 hours prior to starting rehabilitation work that involves earthmoving equipment and upon completion of restoration measures.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and any trash (barrels, metal, etc.) it contains must be removed from public lands.

All disturbed areas will be recontoured to blend as nearly as possible with the surrounding area.

The stockpiled topsoil will be evenly distributed over the disturbed area.

All disturbed areas will be scarified with the contour to a depth of 6". Do not smooth pads, leave a roughened surface.

Seed will be (broadcast/drilled) at a time to be specified by the BLM with the attached seed prescription. When broadcast seeding, a harrow or some such implement will be dragged over the seeded area to assure seed cover.

- 1 lbs/acre Indian ricegrass (Oryzopsis hymenoides)
- 1/2 lbs/acre Fourwing saltbush (Artriplex canescens)
- 1 lbs/acre Green ephedra (Ephedra viridis)
- 1 lbs/acre Crested wheatgrass (Agropyron desertorum)
- 1 lbs/acre Alkali sacaton (Sporobolus airoides)
- 1 lbs/acre Shadscale (Atriplesertifolia)
- 1 lbs/acre Curlygrass (Hilaria jamesii)

After seeding is complete, the stockpiled trees will be scattered evenly over the disturbed areas and walked down with a dozer. The access will be blocked to prevent any use/vehicle use.

Waterbars will be used on all sloping surfaces as shown below:

<u>Grade</u>	<u>Spacing</u>
2%	200 feet spacing
2-4%	100 feet spacing
4-5%	75 feet spacing
+5%	50 feet spacing

11. OTHER INFORMATION

The Topography of the General Area - (See Topographic Map "A").

The area slopes from the Manti - Lasal Forest to the West to the Castle Valley to the East. The area is interlaced with numerous canyons and ridges which are extremely steep with numerous ledges formed in sandstone, conglomerates, and shale deposits.

The soils in this semi-arid area of the Williams Fork Formation (Upper Cretaceous) and Wasatch Formation (Eocene) consist of light brownish-gray clays (OL) to sandy soil (SM-ML) type with poorly graded gravels.

Outcrops of sandstone ledges, conglomerate deposits and shale are common in this area.

The topsoils in the area range from a sandy clay (SM-ML) type soil to a clayey (OL) soil.

The majority of the numerous washes and draws in the area are of non-perennial nature flowing during the early spring run-off and heavy rain storms of long duration which are rare as the normal annual rainfall in the area is only 10".

Due to the low precipitation average, climatic conditions and the marginal types of soils, the vegetation that is found in the area are common of the semi-arid regions and consists of pine and oak brush as the primary flora with areas of sagebrush, rabbitbrush, greasewood, some grasses and cacti.

The fauna of the areas is sparse and consists predominantly of the mule deer, coyotes, bears, rabbits, and varieties of small ground squirrels and other types of rodents.

The birds of the area are raptors, finches, ground sparrows, magpies, crows, and jays.

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

The Topography of the Immediate Area - (See Topographic Map "B").

Buzzard Bench Fed. #6-3 is located on a sloping hillside area known as Cedar Bench which slopes to the Southeast onto Rock Canyon Creek.

The ground slopes through this location site at approximately a 6% grade towards the East.

The majority of the drainages in the area around this location are non-perennial and run in a Southeasterly direction into Rock Canyon Creek.

The geologic structure of the area immediately surrounding the location site is of the Williams Fork Formation and consists of light brown sandy clay soil with some sandstone outcrops.

The vegetation in the immediate area surrounding the location site is predominantly sagebrush and grasses, with some juniper and pinion pine.

All lands disturbed by this location site and road are under B.L.M. jurisdiction.

There are no visible archaeological, historical or cultural sites within any reasonable proximity of the proposed location site. It will be determined by an archaeologist whether there are any archaeological findings in the area. (See Topographic Map "B").

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

Richard Veghte
Vice President and Engineer
1401 Denver Club Building
Denver, CO 80202

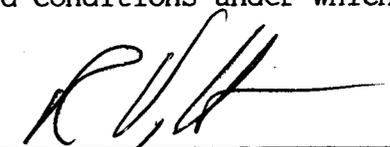
1-303-629-6756

13. CERTIFICATION

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; 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 operation proposed herein will be performed by CHANDLER & ASSOCIATES INC. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

6-13-83

Date



Richard Veghte

8. Evaluation Program Cont.: Should this evaluation program indicate commercial quantities of hydrocarbons are in place, casing will be set and completion attempted utilizing hydraulic fracturing techniques. The size of treatment, pounds of propan, volume and type of fluid will be determined after log and formation analysis is completed.
9. Potential Hazards: No abnormal high pressure, temperatures or hydrogen sulfide gas should be encountered. productive zone is normal in pressure and gas analysis indicate no H₂S hazard.
10. Starting Date: The anticipated starting date is June 26,
1983 with operations being conducted
for 10 days.

Please notify us if any additional information is necessary for the permitting of this well.

Yours truly,

CHANDLER & ASSOCIATES, INC.



Richard Veghte
Petroleum Engineer

RV/fs

Attachment

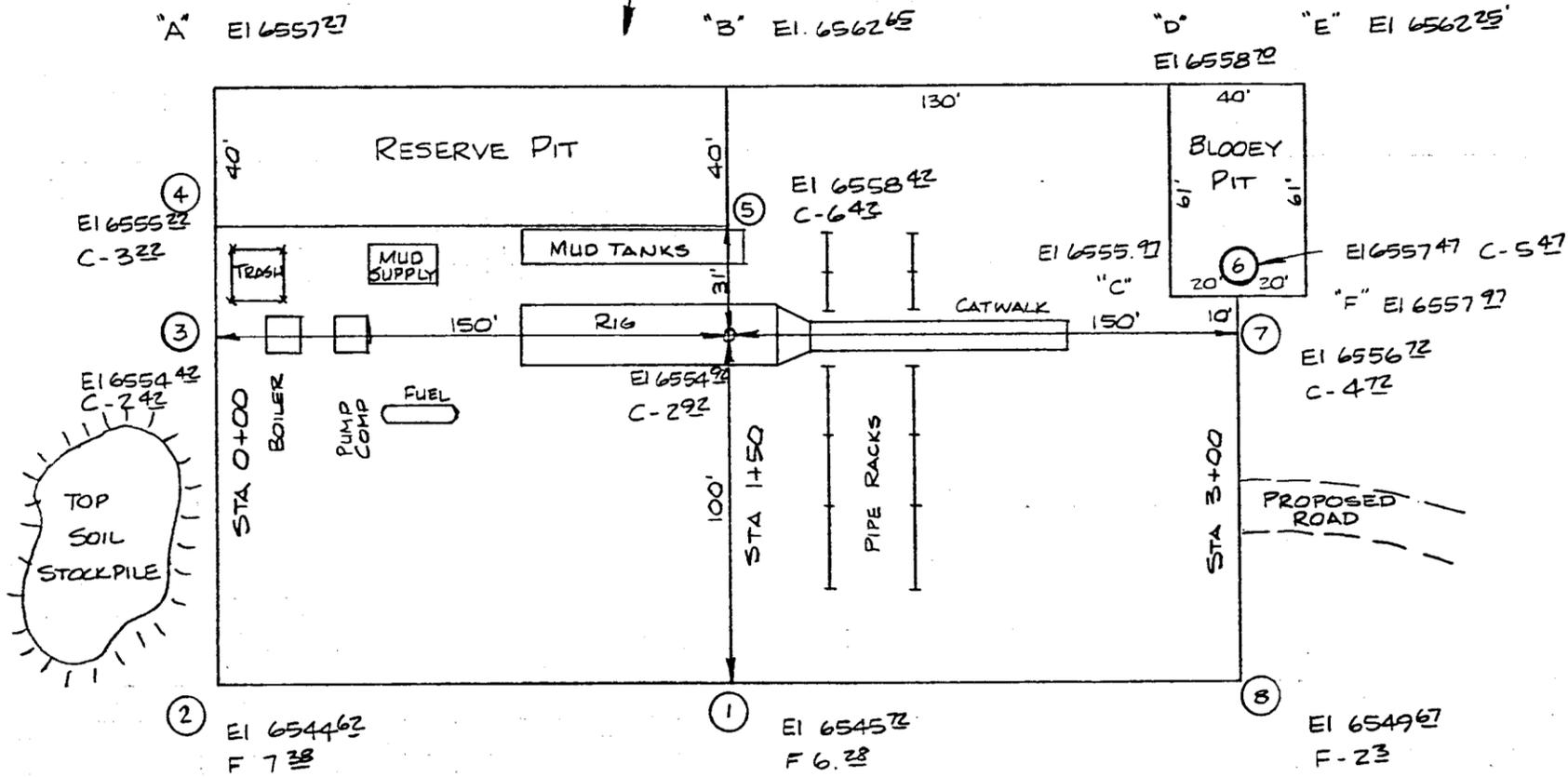
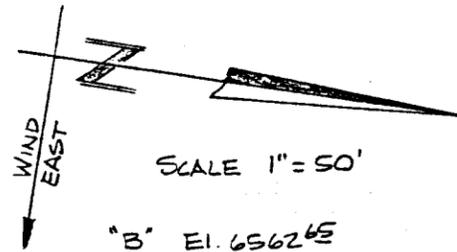
Chandler & Associates, Inc.
Well No. 6-3
Section 3, T. 19 S., R. 7 E.
Emery County, Utah
Buzzard Bench Unit
Lease U-18897-A

Supplemental Stipulations

- 1) The Operator will have a qualified archaeologist present to monitor all surface disturbances in proximity of identified archaeological sites.
- 2) Adequate and sufficient electric/radioactive logs will be run to locate and identify the anticipated coal beds in the Ferron. Please also provide two copies of drilling logs. Casing and cementing programs will be adjusted to eliminate any potential influence of the well bore or productive hydrocarbon zones on the coal resource. Surface casing program may require adjustment for protection of fresh water aquifers.

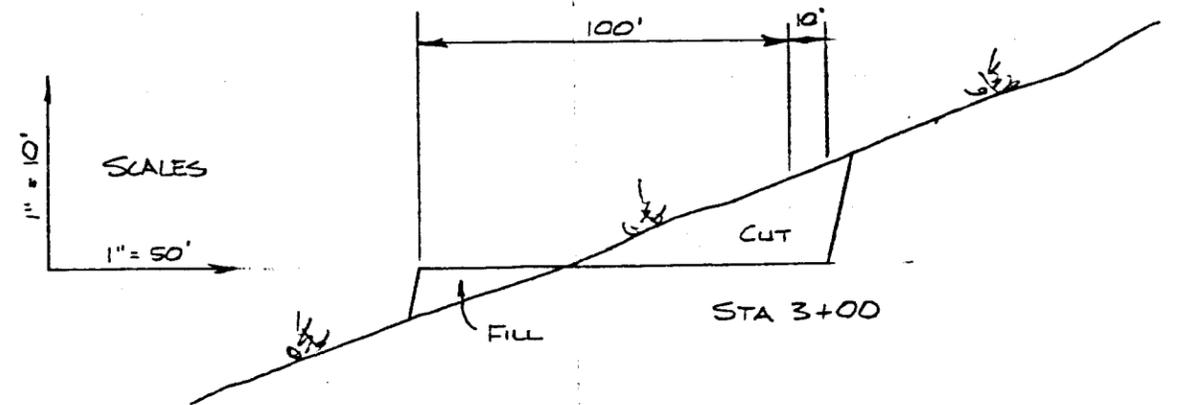
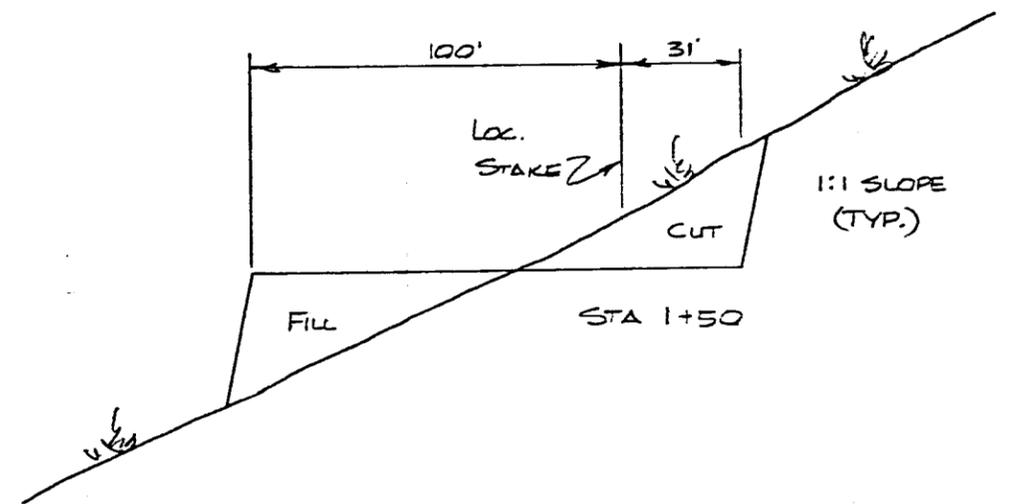
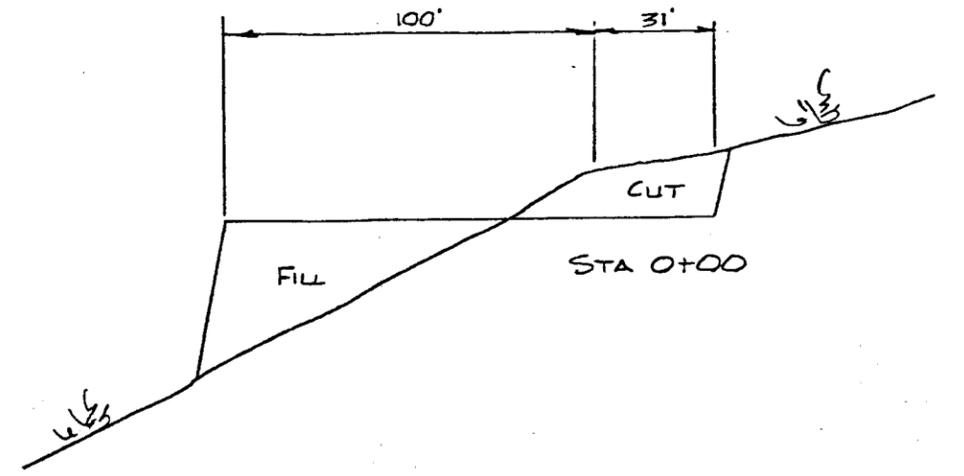
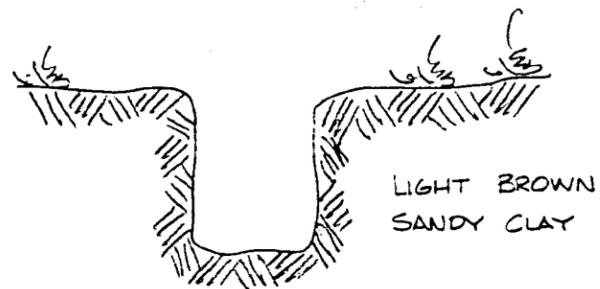
CHANDLER & ASSOC., INC.

• BUZZARD BENCH FED. #6-3



SOILS LITHOLOGY

NO - SCALE



SCALES
1" = 10'
1" = 50'

APPROX. YARDAGES

CUT 2571 CU. YDS.
FILL 2275 CU. YDS.

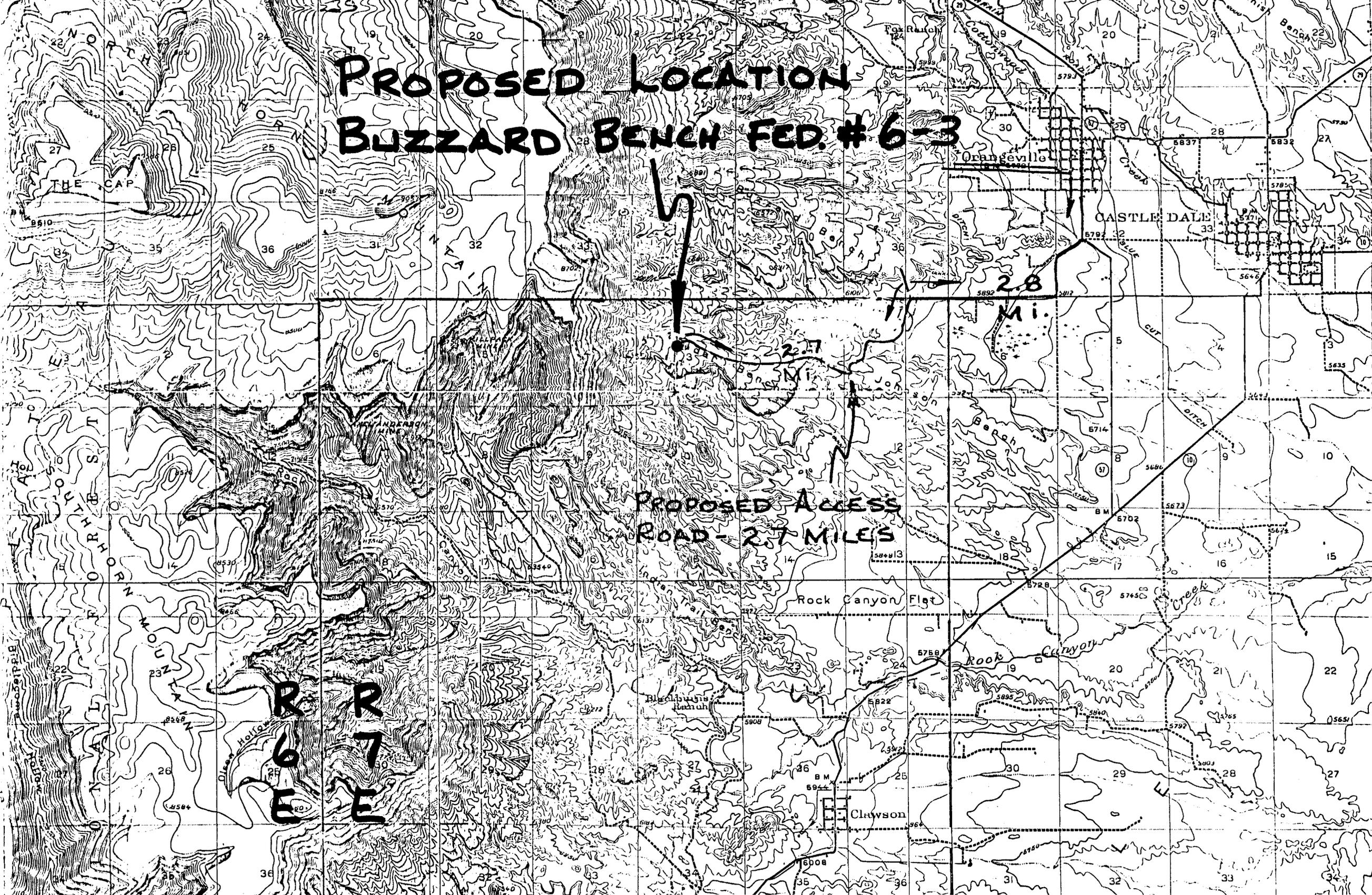
PROPOSED LOCATION BUZZARD BENCH FED. # 6-3



PROPOSED ACCESS
ROAD - 2.7 MILES

RR
6
7
E
E

2.8
MI.



T19S
T20S

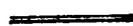
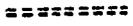
CHANDLER & ASSOCIATES INC.
Buzzard Bench Fed. #6-3
PROPOSED LOCATION

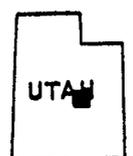
TOPO.

MAP "B"

SCALE 1" = 5000'

ROAD CLASSIFICATION

Light duty road, all weather, improved surface  Unimproved road fair or dry weather 



UTAH
QUADRANGLE LOCATION

2 080 000 FEET
(Emery 1:62 500)

MOORE 2.3 MI.
EMERY 8.5 MI.

R. 7 E.

(Emery 1:62 500)

498 000m E. R. 8 E.

OPERATOR CHANDLER ASSOCIATES, INC DATE 6-15-83

WELL NAME BUZZARD BENCH FED 6-3

SEC SE NW 3 T 19S R 7E COUNTY EMERY

43-015-30168
API NUMBER

FED.
TYPE OF LEASE

POSTING CHECK OFF:

- INDEX
- MAP
- HL
- NID
- PI

PROCESSING COMMENTS:

Unit well.

CHIEF PETROLEUM ENGINEER REVIEW:

6/17/83 Unit test well.

APPROVAL LETTER:

- SPACING: A-3 Buzzard Bench c-3-a CAUSE NO. & DATE
- c-3-b c-3-c

SPECIAL LANGUAGE:

Approval is contingent upon compliance with the following stipulations: (1) A copy of the Utah Division of Water Rights (801-533-607) approval for use or purchase of drilling water shall be submitted prior to spudding, if air drilling plans are changed to fluid drilling.

(2) Determination of agent and plan of development showing unit operator and BLM acceptance of this well as a unit well.

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

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT _____

c-3-b *gna*

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

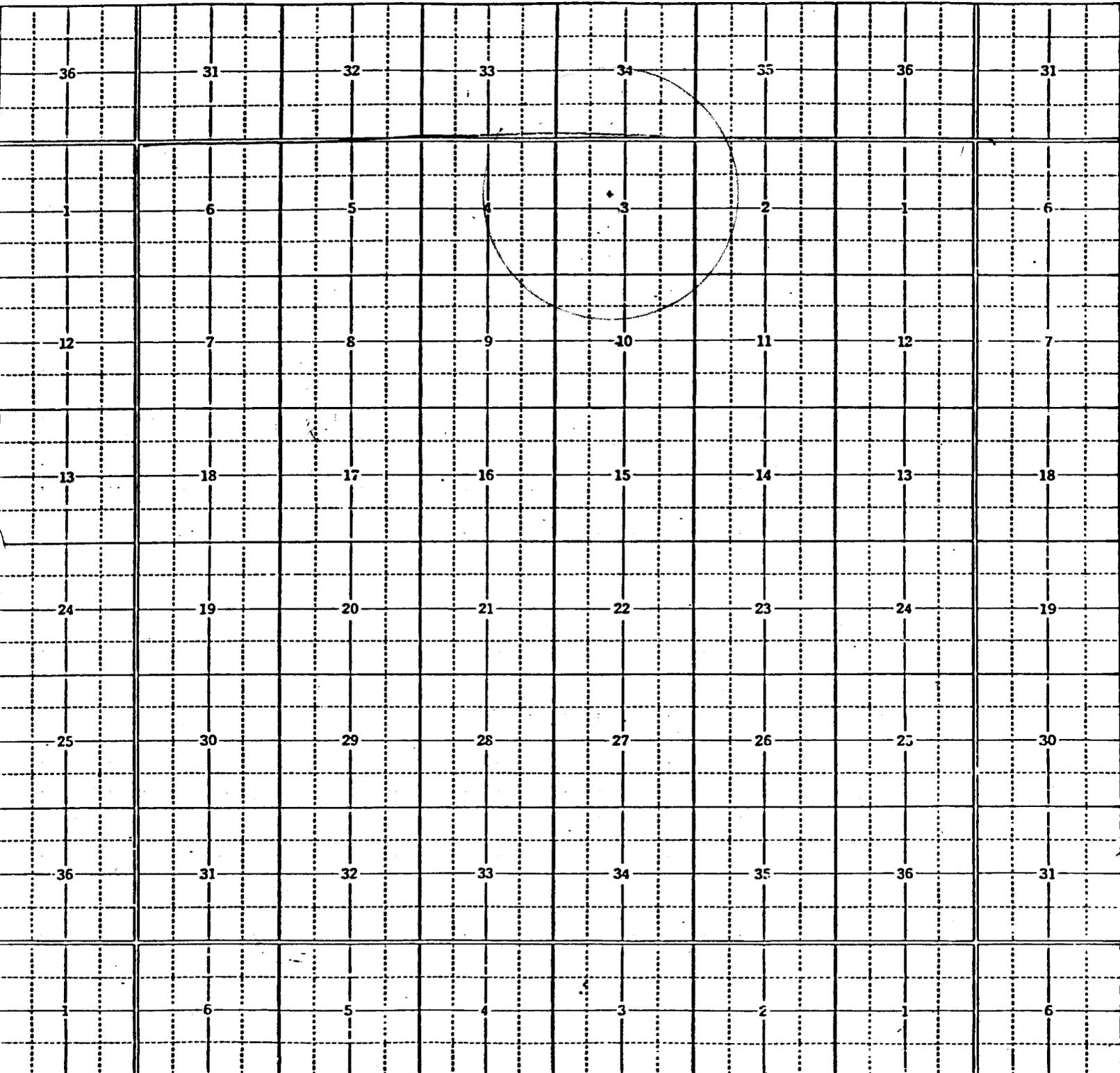
IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

OPERATOR _____ DATE _____

TOWNSHIP _____ RANGE _____ COUNTY _____

185

195 - 7E



June 16, 1983

Chandler & Associates, Inc
1401 Denver Club Bldg.
Denver, Colorado 80202

RE: Well No. Buzzard Bench Fed. 6-3
SENW Sec. 3, T.19S, R.7E
2264 FNL, 1965 FWL
Emery County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure. Approval is contingent on a copy of the Utah Division of Water Rights (801-533-6071) approval for use or purchase of drilling water be submitted prior to spudding.

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

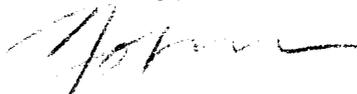
RONALD J. FIRTH - Chief Petroleum Engineer
Office: 533-5771
Home: 571-6068

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 43-015-30168.

Sincerely,



Norman C. Stout
Administrative Assistant

NCS/as
cc: Oil & Gas Operations
Encl.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Chandler & Associates, Inc.

3. ADDRESS OF OPERATOR
 1401 Denver Club Bldg.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 2264' FNL; 1965 FWL SE NW
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approx. 8 miles southwest of Orangeville, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1965'

16. NO. OF ACRES IN LEASE 1,481.65

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. NA

19. PROPOSED DEPTH 3600'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6555'

22. APPROX. DATE WORK WILL START* June 20, 1983

5. LEASE DESIGNATION AND SERIAL NO. U-18897-A RECEIVED

6. IF INDIAN, ALLOTTEE OR TRIBE NAME ----- JUN 14 1983

7. UNIT AGREEMENT NAME Buzzard Bench Unit SALT LAKE CITY, UTAH

8. FARM OR LEASE NAME Buzzard Bench Fed.

9. WELL NO. 6-3

10. FIELD AND POOL, OR WILDCAT Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 3-T19S-R7E

12. COUNTY OR PARISH Emery

13. STATE Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2	8-5/8	24#	120	125 sx
7 7/8	5 1/2	15.5#	3600	150 sx

1. Drill to TD of 3600 (Ferron).
2. Run 5 1/2" casing if commercial production is indicated.
3. If dry hole, P & A as instructed by the USGS.
4. Well will be drilled with compressed air, tested open hole and mud up to run 5 1/2" casing.
5. Well control equipment will include double hydraulic system of 900 series. A fillup line will be installed, equipment pressure mechanically checked daily while drilling.

Well Name: Buzzard Bench Fed. 6-3

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 Pat Mary TITLE Petroleum Engineer DATE _____
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] TITLE E. W. Guynn DATE JUN 20 1983
 District Oil & Gas Supervisor

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY
 *See Instructions On Reverse Side

NOTICE OF APPROVAL

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

STATE 0 & G

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: CHANDLER & ASSOCIATES, INC.

WELL NAME: BUZZARD BENCH FEDERAL UNIT # 6-3

SECTION SEW 3 TOWNSHIP 19S RANGE 7E COUNTY EMERY

DRILLING CONTRACTOR DESERT

RIG # 1

SPUDDED: DATE 6-27-83

TIME 11 PM

HOW ROTARY

DRILLING WILL COMMENCE _____

REPORTED BY DAVE BURNETT

TELEPHONE # 303-629-6756

DATE 6-28-83 SIGNED NCS

I talked with Pat Mary and Dave Burnett about not verifying water approval prior to spudding. I told them the matter should be resolved by COB 6-30-83, or that they should cease drilling until they can comply.

Mark Page (Water Rights in Price) called in ^{Yours} 6-29-83 verbal approval for water use ^{Yours} 7-1-83

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Chandler & Associates, Inc.

3. ADDRESS OF OPERATOR
1401 Denver Club Bldg., Denver, CO 80202

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 2264' FNL; 1965' FWL (SE NW)
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH: Same

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

5. LEASE
U-18897-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Buzzard Bench Unit

8. FARM OR LEASE NAME
Buzzard Bench Fed.

9. WELL NO.
6-3

10. FIELD OR WILDCAT NAME
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 3-19S-7E

12. COUNTY OR PARISH | 13. STATE
Emery | Utah

14. API NO.
43-015-30168

15. ELEVATIONS (SHOW DF, KDB, AND WD)
6500' DR

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

PULL OR ALTER CASING

MULTIPLE COMPLETE

CHANGE ZONES

ABANDON*

(other) Information

SUBSEQUENT REPORTS:

RECEIVED

JUL 08 1983

DIVISION OF
OIL GAS & MINING

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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

Current status of well is WOCU. History is as follows:

- 1) SPUD well 6-27-83 at 11:00 PM.
- 2) Set 3 jts 8 5/8" 24# csg at 130' KB w/130 sx Class "G", 3% CaCl and 1/2#/sk flocele. Plug down w/good return 6:20 PM 6-28-83.
- 3) Ran DIL-SP-GR, FDC-CNL-GR, BHC-Sonic-GR on 7-3-83.
- 4) TD was 3,362'. Set 82 jts 5 1/2" 15.5# prod csg at 3362' KB w/230 sx 50/50 POZ mix, 2% gel, 10% salt, 0.75% CFR-2. Plug down 8:30 PM 7-4-83. RIG RELEASED 12 Midnight 7-4-83.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED W.P. Marx W.P. Marx TITLE Senior Engineer DATE 7-5-83

(This space for Federal or State office use)

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

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

46

5. LEASE DESIGNATION AND SERIAL NO.

U-18897-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Buzzard Bench Unit

8. FARM OR LEASE NAME

Buzzard Bench Fed.

9. WELL NO.

6-3

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 3-19S-7E

12. COUNTY OR PARISH

Emery

13. STATE

Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR
CHANDLER & ASSOCIATES, INC.

3. ADDRESS OF OPERATOR
1401 Denver Club Building, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 2264' FNL, 1965' FWL (SE NW)
At top prod. interval reported below same
At total depth same

14. PERMIT NO. DATE ISSUED
API NO. 43-015-30168 6-16-83

15. DATE SPUNDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* 19. ELEV. CASINGHEAD
6-27-83 7-3-83 Perfed 7-15-83 6555' GR --

20. TOTAL DEPTH, MD & TVD 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 24. ROTARY TOOLS 25. CABLE TOOLS
3362' 3306' -- -- All --

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE
2925-2937' Ferron no

26. WERE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORED
DL-SP-GR, EDC-CNL-GR, BHC-Sonic-GR no

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24	130' KB	12 1/4"	130 sks	--
5-1/2"	15.5#	3362' KB	7-7/8"	230 sks	--

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
n/a					1.90"	2944.16' KB	--

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

INTERVAL	SIZE	NUMBER	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2925-2937'	.43"	23 gr, 4" csg gun, 24 holes	2925-2937	Acidize w/250 gals 7 1/2% MSR & 500 gal NARS 200. Foam frac w/40,000 gal 75 qual. form, 46,100 20/40 & 10/20 sd.

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
Perfed 7-15-83	flowing	S.I.					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
7-22-83	24	1 1/2"	→	--	1175	mist	--
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
125	465	→	--	1175	mist	--	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY
Shut in, waiting on market. Bill Reese

35. LIST OF ATTACHMENTS
Logs and geologic report to be sent by subcontractor.

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

SIGNED William P. Marx TITLE Senior Engineer DATE 7-29-83

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

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

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

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Emery Ss	120		No DSTs.
Blue Gate Sh	1316		
Ferron Ss	2913		
Tununk Sh	3220		
T.D.	3362		

38.

GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number Buzzard Bench Federal Unit #6-3
Operator Chandler & Associates, Inc. Address 1401 Denver Club Building
Denver, Colorado 80202
Contractor Desert Drilling Address Moab, Utah
Location SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 3 T. 19S R. 7E County Emery

Water Sands No water sands were encountered.

<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
From	To	Flow Rate or Head	Fresh or Salty
1.			
2.			
3.			
4.			
5.			

(Continue of reverse side if necessary)

Formation Tops

Remarks The well was drilled with air. Total depth was 3362' KB.

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

PERMIT IN TRIPPLICATE
(Other instructions on
reverse side)

Permit Approved
Budget Bureau No. 1004-0135
Expires August 31, 1985

U-18897-A

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug a well. Use "APPLICATION FOR PERMIT" for such proposals.)

RECEIVED
MAR 12 1990

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
CHANDLER & ASSOCIATES, INC.

3. ADDRESS OF OPERATOR
1860 Lincoln St., Suite 770, Denver, CO 80203

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface
2264' FNL, 1965' FWL (SE NW)

5. NAME OF AGREEMENT
Buzzard Bench Unit

6. NAME OF LEASE
BUZZARD BENCH

7. WELL NO.
6-3

8. FIELD AND POOL, OR WILDCAT
Buzzard Bench

9. SEC. T., R., N., OR BLK. AND SURVEY OR AREA
Sec 3-19S-7E

10. COUNTY OR PARISH
Emery

11. STATE
UT

12. PERMIT NO.
43-015-30168

13. ELEVATIONS (Show whether DF, ST, OR, etc.)
GR 6555'

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANE <input type="checkbox"/>	(Other) <u>Extension of ST Status</u> <input checked="" type="checkbox"/>	

(NOTE: Report results of multiple completion or Well Completion or Recompletion Report and Log form.)

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

Economic and marketing conditions for connecting this well for gas sales have not changed. Chandler & Associates, Inc. is therefore requesting an extension of shut-in status.

OIL & GAS	
1. IRB ✓	RJF
	GLH
	SLS
2-TAS	
3-	MICROFILM ✓
4-	FILE ✓

cc: State of Utah
Div of Oil, Gas & Mining

18. I hereby certify that the foregoing is true and correct

SIGNED Hugo Cartaya TITLE Petroleum Engineer DATE March 8, 1990

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

RECEIVED

MAR 19 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DIVISION OF
OIL GAS & MINING

FORM APPROVED
Budget Bureau No. 1004-1135
Expires September 30 1990

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5 Lease Designation and Serial No

U-18897-A

6 If Indian, Allottee or Tribe Name

N/A

7 If Unit or CA, Agreement Designation

Buzzard Bench

8 Well Name and No.

BUZZARD BENCH 6-3

9 API Well No.

43 015 30168 *PGW*

10 Field and Pool, or Exploratory Area

Buzzard Bench

11 County or Parish, State

Emery, UT

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Chandler & Associates, Inc.

3. Address and Telephone No.

1850 Anaconda Tower, 555 - 17th St., Denver, CO 80202

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2264' FNL, 1965' FWL (SE NW) Sec 3-19S-7E

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection

Notice of First Delivery/Sales

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

This well was drilled and completed in July, 1983. It has been shut in since that time. In March, 1991, well was hooked up to pipeline with first production and sales on March 10, 1991. MCF rate - 616.

cc: Utah Division of Oil, Gas & Mining

14. I hereby certify that the foregoing is true and correct

Signed

Hugo Cantaya
Hugo Cantaya

Title Petroleum Engineer

Date March 12, 1991

Approved by

Conditions of approval, if any:

Title

Date



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO
UT-922

June 18, 2002

Merrion Oil & Gas Corporation
610 Reilly Avenue
Farmington, New Mexico 87401

Re: Buzzard Bench Unit
Emery County, Utah

Gentlemen:

On June 10, 2002, we received an indenture dated April 15, 2002, whereby Shenandoah Energy Inc. resigned as Unit Operator and Merrion Oil & Gas Corporation was designated as Successor Unit Operator for the Buzzard Bench Unit, Emery County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective June 18, 2002. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Buzzard Bench Unit Agreement.

Your statewide (New Mexico) oil and gas bond No. 0883 will be used to cover all operations within the Buzzard Bench Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-942
File - Buzzard Bench Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT922:TAThompson:tt:6/18/02

Results of query for MMS Account Number 8910204190

Production	API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Section	Quarter
Production	4301530168	SHENANDOAH ENERGY INCORPORATED	6-3 BUZZARD BENCH FE	PGW	UTU18897A	8910204190	19S	7E	3	SESW
Production	4301530229	SHENANDOAH ENERGY INCORPORATED	3-24 BUZZARD BENCH-F	PGW	UTU18897A	8910204190	19S	7E	3	SESW

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>See Exhibit A</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>See Exhibit A</u>
2. NAME OF OPERATOR: MERRION OIL & GAS CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 610 Reilly Avenue CITY Farmington STATE NM ZIP 87401-2634 PHONE NUMBER: (505) 327-9801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>See Exhibit A</u> COUNTY: <u>Emery</u>		8. WELL NAME and NUMBER: <u>See Exhibit A</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>See Exh. A</u> STATE: <u>UTAH</u>		9. API NUMBER: <u>Exhibit A</u>
		10. FIELD AND POOL, OR WILDCAT: <u>See Exhibit A</u>

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 type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input 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 checked="" type="checkbox"/> OTHER: <u>Change of Operator</u>
	<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.

Shenandoah Energy, Inc., 475 17th St., Suite 1000, Denver, CO 80202, (303) 295-0400, hereby resigns effective May 1, 2002.

SHENANDOAH ENERGY, INC.

NAME (Please Print) Gary L. Nordloh TITLE President
SIGNATURE [Signature] DATE 5/7/02

Please be advised that effective May 1, 2002, Merrion Oil & Gas Corporation, 610 Reilly Avenue, Farmington, NM 87401-2634, 505-327-9801, has assumed the operatorship of the wells described on Exhibit A attached hereto and made a part hereof. Merrion Oil & Gas Corporation is now responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage for the lease activities is provided by NM 0883.

State Fee Bonding in process.

MERRION OIL & GAS CORPORATION

NAME (PLEASE PRINT) George F. Sharpe TITLE President Investment Mgr
SIGNATURE [Signature] DATE 5-15-02

(This space for State use only)

EXHIBIT A

Attached to and made a part of that certain Form 9, dated effective May 1, 2002, by
 SHENANDOAH ENERGY, INC. and MERRION OIL AND GAS CORPORATION

<u>Box 1</u> <u>Type of Well</u>	<u>Box 4</u> <u>Footages at Surface</u>	<u>Box 4</u> <u>Q/Q/Sec/T/R/M</u>	<u>Box 5</u> <u>Lease Designation & Serial #</u>	<u>Box 8</u> <u>Well Name and Number</u>	<u>Box 9</u> <u>API Number</u>	<u>Box 10</u> <u>Field and Pool</u>
Gas	1994' FNL & 1867' FEL	SWNE 12-19S-7E	UTU-18134	Ferron Fed 7-12-19-7	43-015-30257	Buzzard Bench
Gas	511' FSL & 899' FEL	SESE 9-19S-7E	UTU-69403	Ferron Fed 16-9-19-7	43-015-30256	Lone Mountain
Oil	770' FSL & 684' FEL	SESE 20-17S-8E	UT ST ML-48176	Ferron Fed 16-20-17-8	43-015-30110	Lone Mountain
Gas	1011' FNL & 520' FWL	NWNW 36-18S-7E	UT ST ML-28195	Ferron State 4-36-18-7	43-015-30253	Buzzard Bench
Gas	502' FSL & 845' FWL	NWNW 1-19S-7E	UTU-18134	Orangeville U 4-1-19-7	43-015-30221	Buzzard Bench
Oil	775' FSL & 507' FEL	SESE 6-18S-8E	UT ST ML-48265	Orangeville Fed 16-6-18-8	43-015-30108	Lone Mountain
Gas	1236' FSL & 1595' FWL	SESW 3-19S-7E	U-18897-A	Buzzard Bench Fed 3-24-19-7	43-015-30229	Buzzard Bench
Gas	2264' FNL & 1965' FWL	SESW 3-19S-7E	U-18897-A	Buzzard Bench Fed 6-3-19-7	43-015-30168	Buzzard Bench
Gas	572' FNL & 795' FEL	NENE 11-19S-7E	U-18134	Orangeville U 1-11-19-7	43-015-30222	Buzzard Bench
Gas	1992; FSL & 2073' FEL	NWSE 2-19S-7E	UT ST ML-28199	Orangeville 10-2-19-7	43-015-30179	Buzzard Bench

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

<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>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 – for such proposals</p>		6. Lease Designation and Serial Number
		7. Indian Allottee or Tribe Name
		8. Unit or Communitization Agreement
1. Type of Well		9. Well Name and Number
<input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		10. API Well Number
2. Name of Operator <i>Shenandoah Energy Inc.</i>		11. Field and Pool, or Wildcat
3. Address of Operator <i>475 17th Street, Suite #1000 Denver, Colorado 80202</i>	4. Telephone Number <i>303-295-0400</i>	
5. Location of Well		
Footage : Please see attached spreadsheet County :		
QQ, Sec, T., R., M. : State :		

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																											
<p align="center">NOTICE OF INTENT (Submit in Duplicate)</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Approximate Date Work Will Start _____</p>	<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____		<p align="center">SUBSEQUENT REPORT (Submit Original Form Only)</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Abandonment *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other <u>Change of Operator</u></td> <td></td> </tr> </table> <p>Date of Work Completion _____</p> <p><small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.</small></p>	<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>	
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<input checked="" type="checkbox"/> Other <u>Change of Operator</u>																											

13. 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.)

Please be advised that effective 1/1/200 Chandler & Associates, Inc has changed its name to Shenandoah Energy Inc. Shenandoah Energy Inc. is responsible under the terms and conditions of the lease for the operation conducted upon the leased lands. Shenandoah Energy Inc. is bonded in the amount of \$80,000.00 to the School and Inst. Trust Lands via a name change rider filed with the State. Continental Casualty Bond # 159261960.

14. I hereby certify that the foregoing is true and correct.

Name & Signature Thomas D. Taylor Title Production Geologist Date 05/25/2000

(State Use Only)

SHENANDOAH ENERGY INC.
UTAH OPERATED WELLS

A.P.I. #	ENTITY	WELL NAME	WELL #	LOCATION	FIELD NAME	PROD. ZONE	FORMATION	WELL TYPE	AGREEMENT
43-047-15090-00	04915	WRU	#31-4	SWSE 4, 8S-22E	WHITE RIVER		GREENRIVER	WSW	8910035090
43-047-15081-00	04915	WRU	#16-9	SWSE 9, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	891003509D
43-047-15084-00	04915	WRU	#20-9	NESW 9, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	891003509D
43-047-15087-00	04915	WRU	#25-9	NENE 9, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	891003509D
43-047-31354-00	05170	WRU	#43-16	NENW 16, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	
43-047-31399-00	09915	WRU	#45-16	NENE 16, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	
43-047-32052-00	11468	DESERT SPRINGS FED.	#20-1	NESW 20, 10S-18E	WILDCAT	GRRV	GREEN RIVER	OW	
43-013-32088-00	12497	W. DESERT SPRING	#11-20	NESW 20, 10S-17E	WILDCAT	WSTC	WASATCH	OW	
43-013-32057-00	12497	W. RIVER BEND	#16-17-10-17	SESE 17, 10S-17E	WILDCAT	GRRV	GREEN RIVER	OW	
43-013-31888-00	12497	W. RIVER BEND	#3-12-10-15	NENW 12, 10S-15E	WILDCAT	GRRV	GREEN RIVER	OW	
43-013-32084-00	12497	WILKIN RIDGE	#13-23	SWSW 23, 10S-16E	WILDCAT	WSTC	GREEN RIVER	OW	
43-047-33163-00		DESERT SPRING	#7-30-10-18	SWNE 30, T10S-R18E	APD	WSTC			

RECEIVED

MAY 30 2000

DIVISION OF
OIL, GAS AND MINING

RECEIVED

MAY 30 2000

SHENANDOAH ENERGY INC.
UTAH OPERATED WELLS

DIVISION OF
OIL, GAS AND MINING

A.P.I. #	ENTRITY	WELL NAME	WELL #	LOCATION	FIELD NAME	PROD. ZONE	FORMATION	WELL TYPE	AGREEMENT
43-015-30168-00	10684	BUZZARD BENCH FED	#6-3	SENW 3, 19S-7E	BUZZARD BENCH	FRSD	FERRON	GW	8910204190
43-015-30229-00	10670	BUZZARD BENCH FED	#3-24	SESW 3, 19S-7E	BUZZARD BENCH	FRSD	FERRON	GW	8910204190
43-015-30110-00	10685	FERRON FED	#16-20	SESE 20, 17S-8E	BUZZARD BENCH	FRSD	FERRON	OW	
43-015-30257-00	11837	FERRON FEDERAL	#7-12-19-7	SWNE 12, 19S-7E	BUZZARD BENCH	FRSD	UPPER FERRON	GW	
43-015-30000-00		FERRON FEDERAL	#16-9-10-7	SESE 9, 19S-7E	FERRON		FERRON	DRG	
43-015-3025300	11836	FERRON STATE	#4-36	SWNW 36, 18S-7E	BUZZARD BENCH	FRSD	FERRON	GW	
43-015-30222-00	11029	ORANGEVILLE FED	#1-11	NENE 11, 19S-7E	BUZZARD BENCH	FRSD	UPPER FERRON	GW	891020388A
43-015-30221-00	10600	ORANGEVILLE FED	#4-1	NWNW 1, 19S-7E	BUZZARD BENCH	FRSD	UPPER FERRON	GW	
43-015-30102-00	10920	ORANGEVILLE ST	#1-36	SESE 36, 18S-7E	BUZZARD BENCH	FRSD	UPPER FERRON	GW	8910203880
43-015-30179-00	00535	ORANGEVILLE STATE	#10-2	NWSE 2, 19S-7E	BUZZARD BENCH	FRSD	LOWER FERRON	GW	891020388A
43-015-30108-00	10978	ORANGEVILLE UNIT	#16-6	SESE 6, 18S-8E	BUZZARD BENCH	FRSD	FERRON	OW	
43-047-33164-00	12496	DESERT SPRING	#16-19-10-18	SESE 19, 10S-18E	DESERT SPRING	GRRV	GREEN RIVER	OW	
43-047-3316200	12523	DESERT SPRING	#3-29-10-18	NWNE 29, 10S-18E	DESERT SPRING	GRRV	GREEN RIVER	OW	
43-047-32493-00	11630	E COYOTE FEDERAL	#14-4-8-25	SESW 4, 8S-25E	EAST COYOTE FEDERAL	GRRV	GREENRIVER	OW	
43-047-31555-00	09497	ANTELOPE DRAW	#2-17-4C	SESW 17, 8S-22E	GLEN BENCH	GRRV	GREENRIVER	OW	UTU73974X
43-047-31556-00	09498	ANTELOPE DRAW	#3-17-3C	SESE 17, 8S-22E	GLEN BENCH	GRRV	GREENRIVER	OW	UTU73974X
43-047-32476-00	11862	GLEN BENCH	#8-19	SENE 19, 8S-22E	GLEN BENCH	GRRV	GREENRIVER	OW	UTU73974X
43-047-31257-00	11587	GLEN BENCH FED	#44-19	L 20 19, 8S-22W	GLEN BENCH	GRRV	GREEN RIVER	OW	UTU73974X
43-047-31355-00	11588	GLEN BENCH FED	#13-20	NWSW 20, 8S-22E	GLEN BENCH	GRRV	GREENRIVER	OW	UTU73974X
43-047-31356-00	06135	GLEN BENCH FED	#22-20	SENW 20, 8S-22E	GLEN BENCH		GREEN RIVER	WIW	UTU73974X
43-047-31433-00	06196	GLEN BENCH FED	#31-20	NWNE 20, 8S-22E	GLEN BENCH	GRRV	GREENRIVER	OW	UTU73974X
43-047-31008-00	06045	GLEN BENCH FED	#31-30	L 6 30, 8S-22E	GLEN BENCH	GRRV	GREEN RIVER	OW	UTU73974X
43-047-31260-00	06050	GLEN BENCH FED	#22-30	SENW 30, 8S-22E	GLEN BENCH	GRRV	GREEN RIVER	OW	UTU73974X
43-047-32549-00	11716	GLEN BENCH STATE	#6-16	SENW 16, 8S-22E	GLEN BENCH	GRRV	GREENRIVER	OW	UTU73974X
43-047-32582-00	11716	GLEN BENCH STATE	#7-16	SENE 16, 8S-22E	GLEN BENCH		GREENRIVER	WIW	UTU73974X
43-047-32583-00	11732	GLEN BENCH STATE	#12-16	NWSW 16, 8S-22E	GLEN BENCH		GREENRIVER	WIW	UTU73974X
43-047-32756-00	11955	GLEN BENCH UNIT	#15-19-8-22	SWSE 19, 8S-22E	GLEN BENCH		GREEN RIVER	WIW	UTU73974X
43-047-32755-00	12014	GLEN BENCH UNIT	#4-30-8-22	NWNW 30, 8S-22E	GLEN BENCH	GRRV	GREEN RIVER	OW	UTU73974X
43-047-32857-00	12219	GLEN BENCH UNIT	#11-16-8-22	NESW 16, 8S-22E	GLEN BENCH	GRGBS	GREEN RIVER	OW	UTU73974X
43-013-3147700	12248	UTD WALTON	#26-03	NENW 26, 9S-16E	MONUMENT BUTTE	GRRV	GREEN RIVER	OW	
43-047-33252-00	12527	GLEN BENCH STATE	#2-36-8-21	NENW 36, 8S-21E	NATURAL BUTTES	WSTC	WASATCH	GW	
43-047-33037-00	12377	GLEN BENCH STATE	#8A-36-8-21	SWNE 36, 8S-21E	NATURAL BUTTES	WSTC	WASATCH	GW	
43-047-33038-00	12378	GLEN BENCH STATE	#6-36-8-21	SENW 36, 8S-21E	NATURAL BUTTES	WSTC	WASATCH	GW	
43-047-32746-00	11944	SAGE GROUSE FEDERAL	#6-14-8-22	SENW 14, 8S-22E	NATURAL BUTTES	GRRV	GREEN RIVER	GW	
43-047-32724-00	12361	SAGE GROUSE FEDERAL	#8-36-8-21	SENE 36, 8S-21E	NATURAL BUTTES	GRRV	GREEN RIVER	GW	
43-047-3309500	12528	WHITE RIVER UNIT	#13-35-8-22	SWSW 35, 8S-22E	NATURAL BUTTES	WSTC	WASATCH	GW	891003509B
43-047-3306100	12528	WHITE RIVER UNIT	#15-35-8-22	SWSE 35, 8S-22E	NATURAL BUTTES	WSTC	WASATCH	GW	891003509B
43-047-3275400	12003	FLU KNOLLS FED.	#23-3	NESW 3, 10S-18E	UTELAND BUTTE	GRRV	GREEN RIVER	OW	
43-047-15083-00	04915	WHITE RIVER UNIT	#19-9	SWNE 9, 8S-22E	WHITE RIVER		GREENRIVER	WIW	891003509D
43-047-15080-00	04915	WRU	#15-9	NESE 9, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	891003509D
43-047-15085-00	04915	WRU	#24-10	NESW 10, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	891003509D
43-047-15086-00	04915	WRU	#27-10	SWNE 10, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	891003509D
43-047-31561-00	10000	WRU	#47-10	L1 10, 8S-22E	WHITE RIVER	GRRV	GREENRIVER	OW	

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS ✓
2. CDW ✓		5- SH ✓
3. JLT		6-FILE

Enter date after each listed item is completed

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: **8-24-2000**

FROM: (Old Operator):
CHANDLER & ASSOCIATES INC
Address: 475 17TH STREET STE 1000
DENVER, CO 80202
Phone: 1-(303)-295-0400
Account No. N3320

TO: (New Operator):
SHENANDOAH ENERGY INC
Address: 475 17TH STREET STE 1000
DENVER, CO 80202
Phone: 1-(303)-295-0400
Account No. N4235

CA No.

Unit: BUZZARD BENCH

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
BUZZARD BENCH FEDERAL 6-3	43-015-30168	10684	03-19S-07E	FEDERAL	GW	P
BUZZARD BENCH FEDERAL 3-24	43-015-30229	10670	03-19S-07E	FEDERAL	GW	P

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 05/30/2000
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 05/30/2000
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 11/02/2000
- Is the new operator registered in the State of Utah: YES Business Number: 1467732-0143
- If **NO**, the operator was contacted on: _____
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 06/05/2000
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 08/24/2000
- Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator

change for all wells listed involved in a ~~Case~~ on: N/A

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

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 11/06/2000
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 11/06/2000
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: _____

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 3.2.01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filed in each well file on: _____

COMMENTS:



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

In Reply Refer To:
3100
U-058 et al
(UT-932)

JUN 5 2000

NOTICE

Shenandoah Operating Company, LLC : Oil and Gas Leases
475 17th Street, Suite 1000 :
Denver, CO 80202 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the change of name of Chandler & Associates, LLC to Shenandoah Operating Company, LLC on Federal oil and gas leases.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our automated records system. We have not abstracted the lease files to determine if the entity affected by the name change holds an interest in the leases identified nor have we attempted to identify leases where the entity is the operator on the ground maintaining no vested record title or operating rights interests. We are notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the name change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

A rider to statewide Surety Bond No. 124 29 03 64 (BLM Bond No. UT0969) changing the name on the bond from Chandler & Associates, LLC to Shenandoah Energy Inc. has been accepted by this office effective January 26, 2000. However, the rider makes no mention of Shenandoah Operating Company, LLC. A rider to the above bond adding the name of Shenandoah Operating Company, LLC needs to be submitted to this office.

/s/ Robert Lopez

Robert Lopez
Chief, Branch of
Minerals Adjudication

Enclosure
Exhibit of Leases

RECEIVED

JUN 06 2000

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

N REPLY REFER TO
UT-931

August 24, 2000

Attn: Scott M. Webb
Shenandoah Energy Inc.
465 17th Street, Suite 1000
Denver, Colorado 80202

Re: Buzzard Bench Unit
Emery County, Utah

Gentlemen:

On August 24, 2000, we received an indenture dated August 18, 2000, whereby Shenandoah Operating Company, L.L.C. resigned as Unit Operator and Shenandoah Energy Inc. was designated as Successor Unit Operator for the Buzzard Bench Unit, Emery County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 24, 2000. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Buzzard Bench Unit Agreement.

Your statewide (Utah) oil and gas bond No. 0969 will be used to cover all operations within the Buzzard Bench Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-932
File - Buzzard Bench Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron

UT931:TAThompson:tt:8/24/00

Results of query for MMS Account Number 8910204190

API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Section	Q
4301530168	SHENANDOAH ENERGY INCORPORATED	6-3 BUZZARD BENCH FE	PGW	UTU18897A	8910204190	19S	7E	3	S
4301530229	SHENANDOAH ENERGY INCORPORATED	3-24 BUZZARD BENCH-F	PGW	UTU18897A	8910204190	19S	7E	3	S

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING

CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

9/1/2010

FROM: (Old Operator): N0630-Merrion Oil & Gas Corp 610 Reilly Ave Farmington, NM 87401 Phone: 1 (505) 534-5300	TO: (New Operator): N2170-Coastal Plains Energy, Inc. 420 Throckmorton, Suite 630 Fort Worth, TX 76102 Phone: 1 (817) 882-9055
---	--

CA No.

Unit:

BUZZARD BENCH

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
BUZZARD BENCH FED 6-3	03	190S	070E	4301530168	10684	Federal	GW	P
BUZZARD BENCH FED 3-24	03	190S	070E	4301530229	10670	Federal	GW	P
HUMPY #1	03	190S	070E	4301530348	15674	Federal	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/16/2010
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/20/2010
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 12/29/2010
- 4a. Is the new operator registered in the State of Utah: _____ Business Number: 5104445-0143
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: not yet
- 5c. Reports current for Production/Disposition & Sundries on: OK
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 12/30/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/30/2010
- Bond information entered in RBDMS on: 12/30/2010
- Fee/State wells attached to bond in RBDMS on: 12/30/2010
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000213
- Indian well(s) covered by Bond Number: _____
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number CTCS267895;
- 3b. The **FORMER** operator has requested a release of liability from their bond on: not yet

COMMENTS:

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

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SEP 20 2010

FORM 9

DIV. OF OIL, GAS & MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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 _____

2 NAME OF OPERATOR: Coastal Plains Energy, Inc. N3170

3 ADDRESS OF OPERATOR: 420 Throckmorton Fort Worth STATE Tx ZIP 76102 PHONE NUMBER: 817 882-9055

4 LOCATION OF WELL: FOOTAGES AT SURFACE: _____ COUNTY: Emery

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER: See attached well list

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: _____

7. UNIT or CA AGREEMENT NAME: _____

8. WELL NAME and NUMBER: See attached well list

9. API NUMBER: _____

10. FIELD AND POOL, OR WILDCAT: See attached well list

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 checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input 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.

See attached list

BLM Bond No UT6000213

STATE BLANKET BOND CTCS 267895

INDIVIDUAL BONDS FUZZBALL 1 TFTS 899537

FERRON ST 4-36-18-7 TFTS 899542

ORANGVILLE U 10-2 TFTS 899545

NAME (PLEASE PRINT) William R Biggs TITLE President

SIGNATURE William R Biggs DATE 9-14-10

(This space for State use only)

APPROVED 12/30/2010

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER:
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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Merrion Oil & Gas Corporation		8. WELL NAME and NUMBER: See Attached
3. ADDRESS OF OPERATOR: 610 Reilly Ave CITY Farmington STATE NM ZIP 87401		9. API NUMBER: 43-015-
PHONE NUMBER: (505) 324-5300		10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		COUNTY: Emery STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<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 checked="" type="checkbox"/> OTHER: <u>Change of Operator</u>
	<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.

Merrion Oil & Gas Corporation has sold the attached list of wells to Coastal Plains effective 9/1/2010

NAME (PLEASE PRINT) Philana Thompson	TITLE Regulatory Compliance Specialist
SIGNATURE	DATE 8/24/2010

(This space for State use only)

APPROVED 12/30/2010
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

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SEP 16 2010

DIV. OF OIL, GAS & MINING

N2170

LIST OF UTAH PROPERTIES SOLD TO COASTAL PLAINS ENERGY, INC EFFECTIVE JULY 1, 2010

WELL NAME	QTR/QTR	SECTION	TWNSHP	RANGE	API NO.	LEASE NO.	COUNTY
BUZZARD BENCH 3-24	SESW	SEC 3	19S	7E	43-015-30229	U-18897-A	EMERY
BUZZARD BENCH 6-3	SENW	SEC 3	19S	7E	43-015-30168	U-18897-A	EMERY
CAHILL 1R	SWNW	SEC 15	19S	7E	43-015-30627	U-69403	EMERY
CROWSFOOT 1R	SENE	SEC 9	19S	7E	43-015-30613	U-69403	EMERY
FERRON FEDERAL 16-9	SESE	SEC 9	19S	7E	43-015-30256	U-69403	EMERY
FERRON FEDERAL 16-20	SESE	SEC 20	17S	8E	43-015-30110	ML-48176	EMERY
FERRON FEDERAL 7-12	SWNE	SEC 12	19S	7E	43-015- ³⁰²⁵⁷ 30254	U-18134	EMERY
FERRON STATE 4-36	NWNW	SEC 36	18S	7E	43-015-30253	ML-28195	EMERY
FUZZBALL 1	SWNW	SEC 2	19S	7E	43-015-30557	ML-28199	EMERY
HUMPY 1	SWNE	SEC 3	19S	7E	43-015-30348	U-51015	EMERY
KLINKHAMMER 1	NENW	SEC 34	18S	7E	43-015-30610	U-72356	EMERY
ORANGEVILLE 1-11	NENE	SEC 11	19S	7E	43-015-30222	U-18134	EMERY
ORANGEVILLE 16-6	SESE	SEC 6	18S	8E	43-015-30108	ML-48777 ✓	EMERY
ORANGEVILLE 4-1	NWNW	SEC 1	19S	7E	43-015-30221	U-18134	EMERY
ORANVEVILLE 10-2	NWSE	SEC 2	19S	7E	43-015-30179	^{ML 28199} U-18134	EMERY
SPARKLE DUN 1	NENE	SEC 16	19S	7E	43-015-30615	ML-49168	EMERY

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AUG 30 2010
DIV. OF OIL, GAS & MINING

Plugged
8/23/2007

PUMP AND DEHYDRATOR



August 24,2010

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

Ladies & Gentlemen:

Effective date July 1,2010 Merrion Oil & Gas Corp. sold all of its interest in the Buzzard Bench Field. The New operator and owner: Coastal Plains Energy,Inc. 420 Throckmorton, Suite 630 Fort Worth, Texas 76102. Merrion Oil & Gas will no longer be reporting production and revenue for these wells. Also Severance Tax reports and Conservation reports will not be filed after the effective date of sale.

A List of the wells has been included with a Form 9.

Respectfully,
Merrion Oil & Gas Corp.

A handwritten signature in cursive script that reads "Wayne".

Wayne O'berg
Staff Accountant

RECEIVED
AUG 30 2010
DIV. OF OIL, GAS & MINING