

UTAH OIL AND GAS CONSERVATION COMMISSION

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

DATE FILED **7-7-83**

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

DRILLING APPROVED **7-11-83 - OIL (Exception Location)**

SPUDED IN

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION: **5349' GR.**

DATE ABANDONED: **VA Application Rescinded 4-29-86**

FIELD: **Undesignated**

UNIT:

COUNTY: **Emery**

WELL NO **Federal 11-22** API #**43-015-30171**

LOCATION **2134' FNL** FT. FROM (N) (S) LINE. **1745' FWL** FT. FROM (E) (W) LINE **SENW** 1/4 - 1/4 SEC **11**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				16S	12E	11	<i>Texas Eastern</i> SKYLINE OIL COMPANY

SKYLINE 
Oil Company

A TEXAS EASTERN COMPANY

July 5, 1983

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

Re Application for Permit to Drill Skyline Oil
Company's Proposed Federal #11-22 Well,
SE $\frac{1}{4}$ NW $\frac{1}{4}$, Sec. 11, T. 16 S., R. 12 E., SLM,
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. 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 E. Selin
Senior Engineer

Enclosures

RECEIVED

JUL 07 1983

**DIVISION OF
OIL, GAS & MINING**

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MINERAL MANAGEMENT SERVICE
RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO. PERMIT NO. U-43778
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME JUL 7 1983
 7. UNIT AGREEMENT NAME SALT LAKE CITY, UT
 8. FARM OR LEASE NAME
 9. WELL NO. FEDERAL #11-22
 10. FIELD AND POOL, OR WILDCAT Wildcat
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 11, T.16S., R.12E., SLB&M
 12. COUNTY OR PARISH 13. STATE Emery Utah
 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 acres
 20. ROTARY OR CABLE TOOLS Rotary
 22. APPROX. DATE WORK WILL START July 1, 1983

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 43-015-30171
 3. ADDRESS OF OPERATOR 2000 University Club Bldg., S.L.C., Utah 84111
 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1745' FWL, 2134' FNL, SE NW Sec. 11, T.16S., R.12 E., SLB&M
 At proposed prod. zone
 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 18 miles South EAsT of Wellington, Utah
 16. NO. OF ACRES IN LEASE 2320.00
 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 800' from Fed. #11-23
 19. PROPOSED DEPTH 3960'
 21. ELEVATIONS (Show whether DF, RT, GR, etc.) O.G. Elev. 5349'

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	3470'	400 sx Class H

See Attachments and Exhibits "A" to "I".

Also Letter to State of Utah for exception under C-3-c.

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 Selin TITLE Senior Engineer DATE July 5, 1983

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] for E. W. Gynn, Chief,
 CONDITIONS OF APPROVAL, IF ANY: TITLE Branch of Fluid Minerals DATE JUL 27 1983

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

*See Instructions On Reverse Side

FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 11/80

f state O & G

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
 SKYLINE OIL COMPANY

3. ADDRESS OF OPERATOR
 2000 University Club Bldg., S.L.C., Utah 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 1745' FWL, 2134' FNL, SE NW Sec. 11, T.16S., R.12 E., SLB&M
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 18 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)
 1745'

16. NO. OF ACRES IN LEASE
 2320.00

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40 acres

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 800' from Fed. #11-23

19. PROPOSED DEPTH
 3960'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 O.G. Elev. 5349'

22. APPROX. DATE WORK WILL START*
 July 1, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
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14-3/4"	10-3/4"	40.5#/F	500'	450 sx Circ. to Surface
9-7/8"	7-5/8"	26.40#/F	3470'	400 sx Class H

See Attachments and Exhibits "A" to "I".

Also Letter to State of Utah for exception under C-3-c.

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
 DATE: 7/1/83
 BY: [Signature]

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 Sedain TITLE Senior Engineer DATE July 5, 1983

(This space for Federal or State office use)

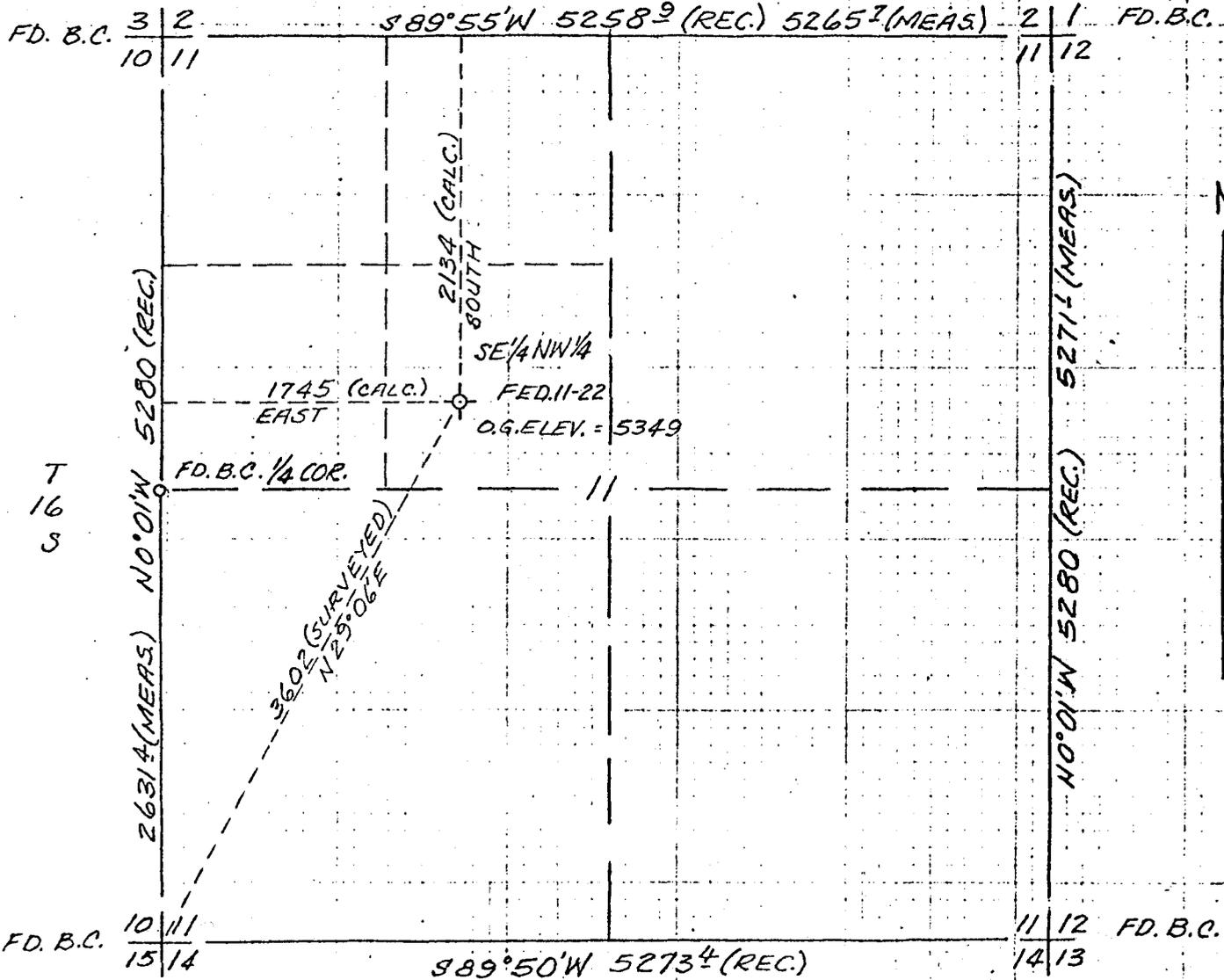
PERMIT NO. 43-015-30171 APPROVAL DATE _____

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

SKYLINE OIL COMPANY
 FEDERAL #11-22
 SE NW Section 11
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT C

R12E



T
16
S

N
BEARING FROM W LINE, NW 1/4, SEC. 11
(N 0° 01' W)



John Edgar Keogh
 UTAH R.L.S. No. 1963

WELL LOCATION PLAT OF
 FEDERAL 11-22 IN
 S.E. 1/4 N.W. 1/4, SEC. 11, T.16S, R.12E, S.L.B.&M.
 EMERY COUNTY, UTAH
 TRANSIT & E.D.M. SURVEY
 FOR SKYLINE OIL CO.
 SCALE: 1" = 1000' MAY 26, 1983

ELEV. BY VER. ANGLES FROM U.S.G.S. TOPO.
 QUAD "MOUNDS, UTAH" 1969 (S.W. COR.,
 SEC. 11 = 5412.8)

ATTACHMENT "A"

SKYLINE OIL COMPANY
 GRASSY TRAIL FIELD
 FEDERAL #11-22
 SE NW SEC. 11, T. 16 S., R. 12 E.,
 EMERY COUNTY, UTAH

1. The Geologic Name of the Surface Formation:

Cedar Mountain Formation - Cretaceous

2. Estimated Tops of Important Geologic Markers:

Morrison	275'
Curtis	1,125'
Entrada	1,245'
Carmel	1,615'
Navajo	1,890'
Wingate	2,380'
Chinle	2,760'
Moenkopi	3,015'
Sinbad	3,660'
TD	3,960'

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

Water	Navajo	1,890'
Water	Wingate	2,380
Oil	Moenkopi	3,015

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	0-3,470'

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".

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 3450' or depth of intermediate casing.
 - B. Air will be used as drilling medium from 3450' or intermediate casing depth to TD of 3960'. 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.
Compensated Neutron-Formation Density. 500' ± 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 July 14, 1983, with approximately 18 days of drilling and coring to reach TD. Completion operations will require an additional 15-30 days.

Attachment

GOVERNMENT DIRECTED MULTIPOINT PROGRAM
TO ACCOMPANY APPLICATION FOR PERMIT TO DRILL
PROPOSED EXPLORATORY WELL
SKYLINE OIL COMPANY
FEDERAL #11-22, SE NW Sec. 11, T. 16 S., R. 12 E.,
EMERY COUNTY, UTAH

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

- A. Topo Maps "A" and "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 6.1 miles east of Wellington Park on Farnham Dome Road. Go across cattle guard and take Farnham Dome Road to the south for approximately 7.5 miles to D&RG crossing. Then travel approximately 0.6 mile east and turn to the right on an improved road and travel 3 miles to south and east to Skyline Oil Company's well #11-13. Turn north to #11-13. Access road will pass on east side of well site of Federal #11-13 approximately 0.4 miles to the north.
- 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. Maintenance to existing roads will be maintained. Grading and watering down will be done when necessary.

2. Planned Access Road - Exhibit "B"

Access road will be 16' wide and approximately 2000' long with 2 turnouts planned. 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". They are production facilities at Fed. #11-33, Fed. #11-13, Fed. #10-33, Fed. #11-11, Fed. #12-13, Fed. #13-11, Fed. #11-41, Fed. #11-42, Fed. #14-11, Fed. #14-31 and State #2-23.

- B. The proposed production layout for this well is detailed in Exhibit "D" at a 1" = 50' scale. Production and mud pits will be fenced with top flagging over production pit. Three 500 barrel tanks will be placed inside a 40' 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 from Wellington or Price City where it is purchased. Application to the State for water permit has been made. The water will be hauled from Wellington or Price cities some 18 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 under all weather conditions.
- B. Materials will not be obtained from Federal or Indian lands.
- C. No access road 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 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 pits 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.
- D. Provisions for excess water produced from the well will be established.

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 pits will be in at least 4' of cut material. Embankments will be placed in lifts and composted.

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 materials buried or burned (with proper permits) and with all pits filled.
- B. All 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 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 along areas consisting of rock and wash material. Most of the area to be disturbed has little soil development. 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.

- D. No dwellings of any kind exist in the area and no archeological, historical or cultural sites are apparently present. An archeological inspection report is included as Exhibit "I".
- E. The leasehold acreage is Federal with surface administered by the Bureau of Land Management. The well is located on Lease U-43778 with Skyline Oil Company, Operator, conducting operations under Designation of Operator from B. K. Seeley, Jr., lessee of record. The well site access road traverses only land under Lease U-43778.
- F. Surface disturbance and vehicular travel will be limited to the approved location and approved access route.
- G. If subsurface cultural or paleontological material is exposed during construction, work will stop immediately and the Price River Resource Area office contacted.
- H. The BLM representative will be notified 48 hours prior to initiation of any surface disturbance associated with a new access road or drilling pad location.
- I. Upon completion of drilling operations, the BLM's representative will be notified of production and/or restoration plans.
- J. Any production facilities will be painted a single, low gloss, pastel color that blends in with the surrounding soil, rock, and/or vegetation. Color will be approved by the BLM prior to application.

12. Lessee's or Operator's Representative

Skyline Oil Company's representative is Clifford E. Selin, 2000 University Club Building, Salt Lake City, Utah 84111, telephone (801) 521-3500.

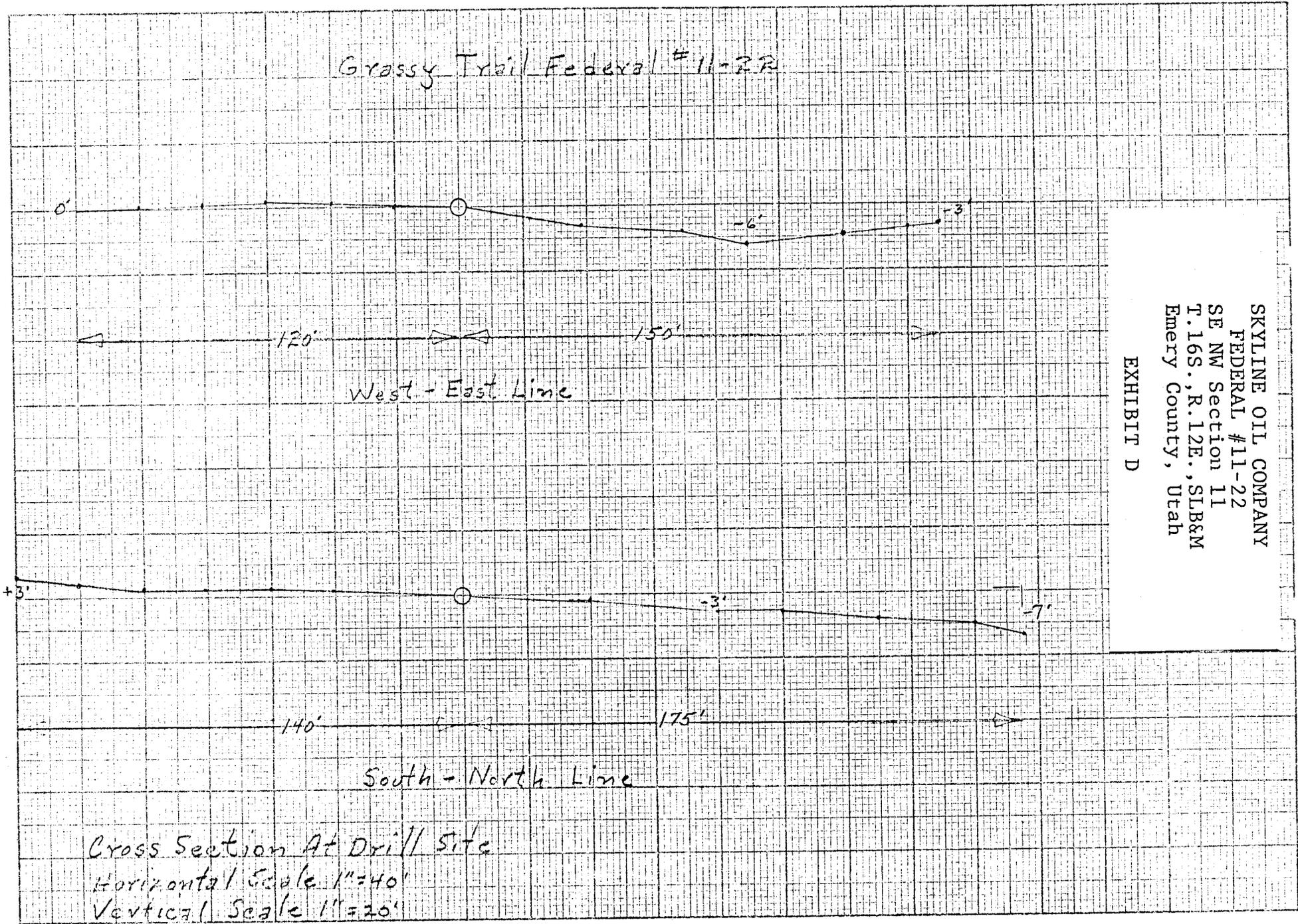
13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Skyline Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

July 5, 1983
Date

Clifford E. Selin
Senior Engineer

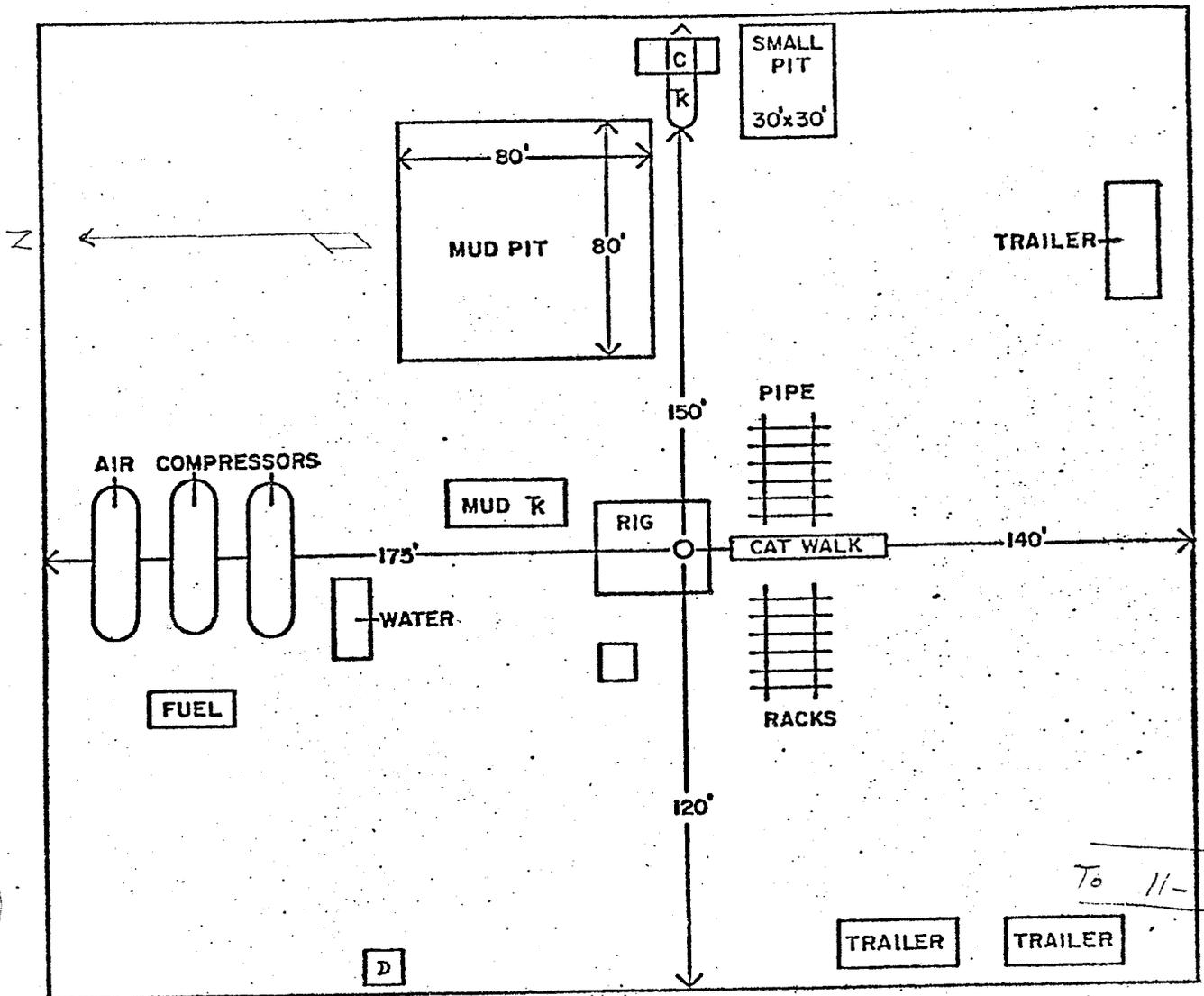
Grassy Trail Federal #11-22



SKYLINE OIL COMPANY
FEDERAL #11-22
SE NW Section 11
T.16S., R.12E., SLB&M
Emery County, Utah

EXHIBIT D

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



DRILL SITE PLAN

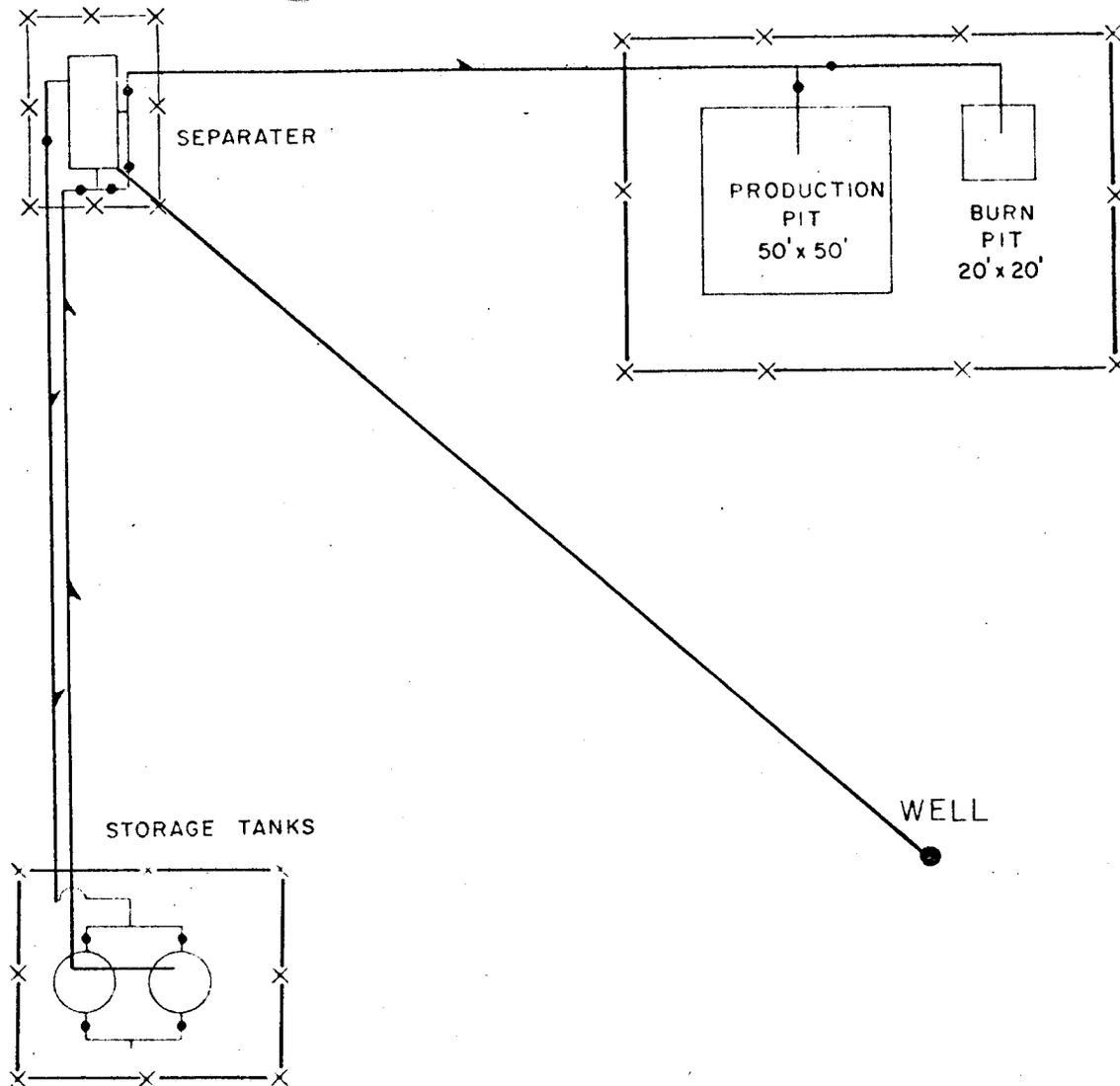
Top Soil



SKYLINE OIL COMPANY
A TEXAS EASTERN COMPANY

SKYLINE OIL COMPANY
FEDERAL #11-22
SE NW Section 11
T.16S., R.12E., SLB&M
Emery County, Utah

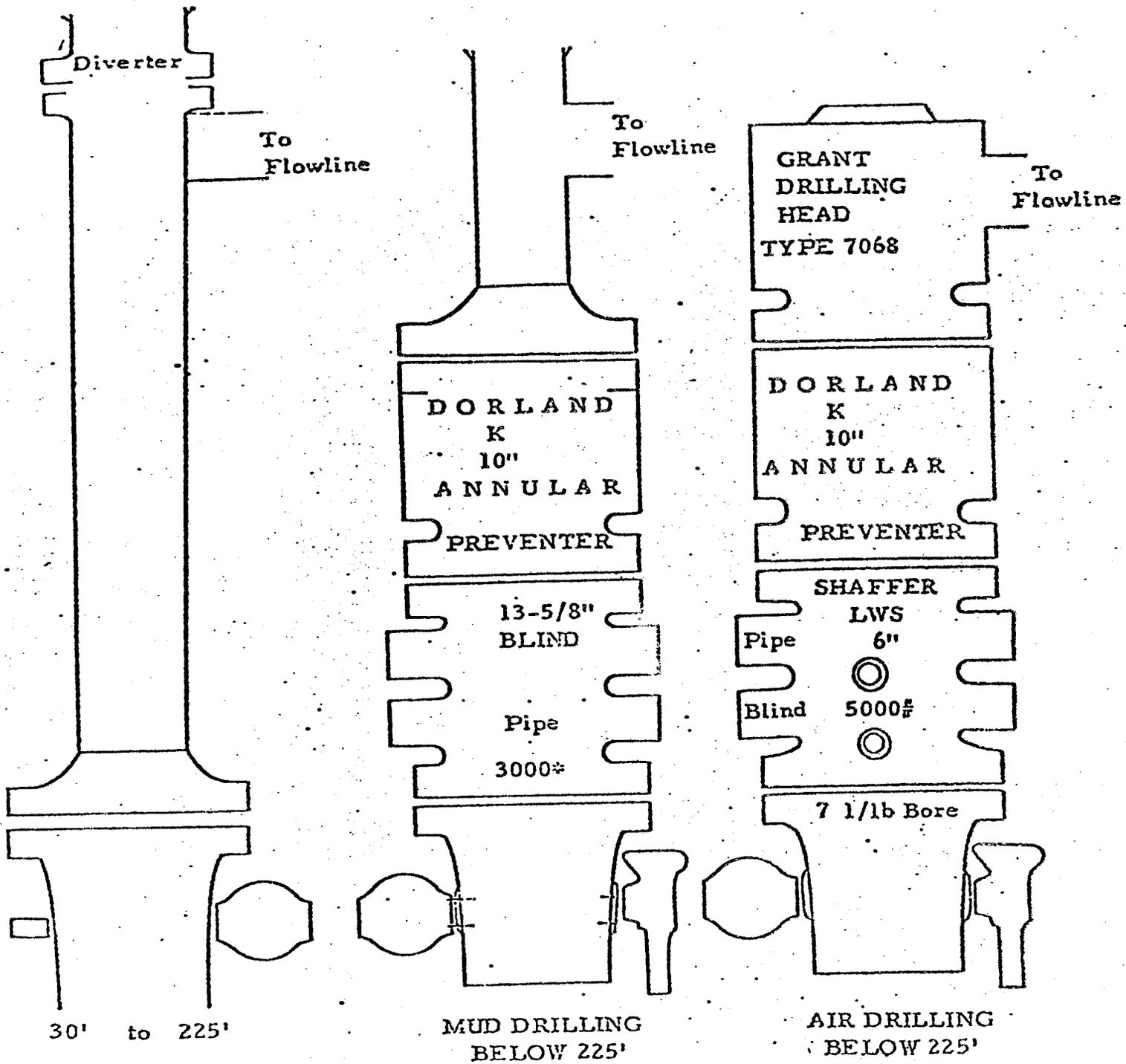
EXHIBIT E



SCALE 1" = 50'

SKYLINE OIL COMPANY
 FEDERAL #11-22
 SE NW Section 11
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT F



SKYLINE OIL COMPANY
 FEDERAL #11-22
 SE NW Section 11
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT G

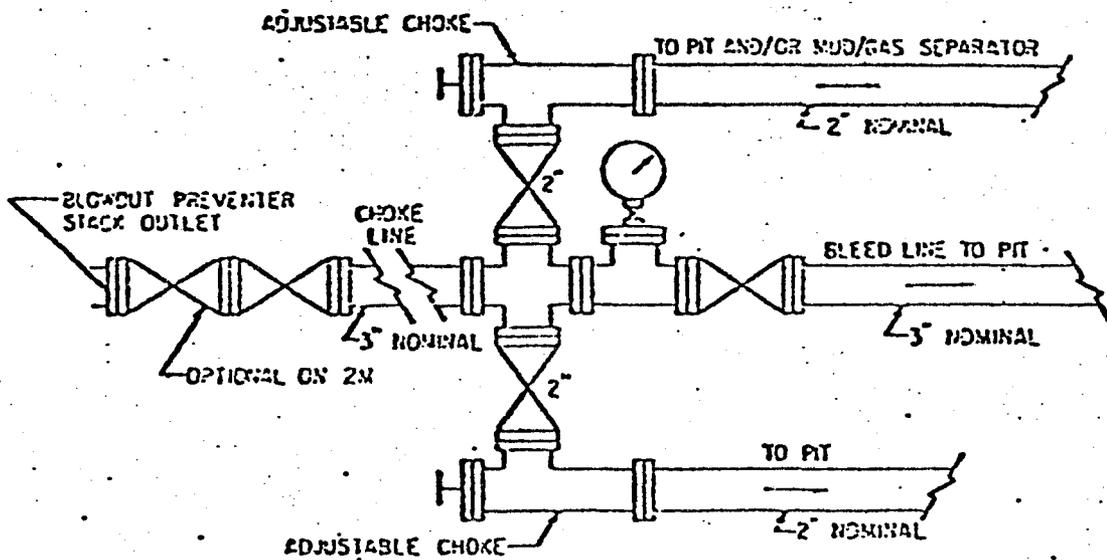


FIG. 3.A.1
 TYPICAL CHOKE MANIFOLD ASSEMBLY
 FOR 2M AND 3M RATED WORKING
 PRESSURE SERVICE - SURFACE INSTALLATION

SKYLINE OIL COMPANY
 FEDERAL #11-22
 SE NW Section 11
 T.16S., R.12E., SLB&M
 Emery County, Utah

EXHIBIT H

Company: SKYLINE OIL

Well: FEDERAL 11-422

Location: T16S, R12E Sec 11

On Site: May 27, 1987

The on-site inspection for subject wells was conducted in response to a notice of staking. The APD is recommended for approval subject to the following stipulations:

- X 1. shall insure that all individuals working at or near the location are aware of and comply with all applicable stipulations.
- X 2. The BLM's representative (Sid Vogelpohl, 801-673-4584) will be notified at least 48 hours prior to any surface disturbing activities associated with new access roads or drill pad location. A pre-construction on-site shall be arranged by at which representatives of the BLM, and the dirt contractor shall be present.
- X 3. Roads shall be constructed where flagging was located during the on-site inspection. Driving surface widths of the road is to be limited to 16 feet with turnouts at least every 1,000 feet or less as determined by terrain. Roads will be crowned and ditched or sloped with water bars and water turnouts where feasible, if the well is a producer. (Refer to BLM/USGS Surface Operating Standards, figures 1 through 7). Changes in finished road design may be required by the BLM.
- X 4. Six to 8 inches of topsoil on the entire pad site or all available topsoil shall be removed and stockpiled in a manner to minimize soil loss to wind and water erosion. 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. A seed mix will be provided by the BLM.
- X 5. Vegetative clearing shall be confined to the limits of actual construction. Larger vegetative debris shall be manually scattered at least 15 feet outside the limits of construction.
- X 6. Littering of access roads or pad area by personnel involved in the drilling operation or construction shall be prevented or corrected by . Litter pickup along access roads or in the pad area may be required. Collected garbage and trash will be disposed of at an authorized landfill. Drained equipment oil will be disposed of in pits at drill sites or at a landfill. *Sanitation facilities will be provided as required by the state of Utah.*

X 7. The completed road used for a producing well shall be maintained so that the travel surface is free of excessive ruts, holes, soft spots, slides and washboards. The road, drainages and shoulders shall be free of large rocks, vegetative debris and slides. Drainage ditches shall be relatively free of sediments and not excessively eroded. Low water crossings shall be maintained.

X 8. During periods of weather when activity would result in deep rutting (6 inches or more) of the driving surface or excessive disturbance on the right-of-way, a stop work order may be verbally issued by the Authorized Officer with a follow-up written order. An authorization to resume work will be required.

X 9. Residues and contaminated earth in mud pits may be required to be completely removed if, with reclamation, same would be near to exposed at the surface.

X 10. Upon completion of drilling operations, the BLM's representative shall be notified by [REDACTED] 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.

X 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. X

X 12. Reclamation, when determined necessary by the BLM, will return all disturbed areas to a color and topographic form that blends with the surroundings. Any topsoil stockpiled will be redistributed and the area seeded as specified by the BLM at the time of reclamation. Erosion control devices will be required as determined by the BLM.

ARCHEOLOGICAL - ENVIRONMENTAL RESEARCH CORPORATION

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

May 27, 1983

Subject: Cultural Resource Evaluations of Three Proposed Well Locations in the Mounds Locality of Emery County, Utah

Project: Skyline Oil Company - Locations 11-22, 11-23, and 11-32

Project No.: SKOC-83-1

Permit: Dept. of Interior 81-Ut-179

To: ✓ Mr. Clifford Selin, Skyline Oil Company, 2000 University Club Bldg., 136 East South Temple, Salt Lake City, Utah 84111

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

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

Info: Mr. Richard Fike, BIM State Archeologist, Bureau of Land Management, University Club Bldg., 136 East South Temple, Salt Lake City, Utah 84111

SKYLINE OIL COMPANY
FEDERAL #11-22
SE NW Section 11
T.16S., R.12E., SLB&M
Emery County, Utah

EXHIBIT I

Summary Report of
Inspection for Cultural Resources

Report Title EVALUATIONS IN MOUNTAINS LOCALITY

Development Company Skyline Oil Company, Wells 11-22, 11-23, & 11-32

Report Date 05-27-1983 4. Antiquities Permit No. 81-Ut-179

Responsible Institution AERC County Emery

Fieldwork Location: TWN 16S Range 12E Section(s) 11

Resource Area PR TWN 94 Range 98 Section(s) 102103 104105 106107 103

PO= PONY EXPRESS, BR= BEAR RIVER, PR= PRICE RIVER, WS= WARM SPRINGS
 BC= 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
 SP= SAN RAFAEL, DM= DIAMOND MOUNTAIN

8. Description of Examination Procedures:
 The archeologist, F. R. Hauck of AERC, walked a series of 10 meter wide transects on the staked well locations and along the access routes leading from # 11-23 and 11-23 Alternate to # 11-22. A short access leading from Well 11-13 to # 11-23 was also examined. An area covering a 50 meter radius around the well center stake was evaluated. Access corridor examinations

9. Linear Miles Surveyed and/or Definable Acres Surveyed and/or * Legally Undefinable Acres Surveyed

10. Inventory Type I

R= Reconnoissance
 I= Intensive
 S= Statistical Sample

1. Description of Findings (attach appendices, if appropriate) 12. Number Sites Found: 0

No cultural resource site of prehistoric or historic activity was observed or recorded. Several primary flakes were observed in the #11-22 location but a careful evaluation of the surface failed to produce sufficient material or association to warrant designation as a site.

4. Actual/Potential National Register Properties Affected:
 The National Register has been consulted and no registered properties will be affected by this project.

5. Literature Search, Location/Date:
 Price Area Office, -5-27-83

6. Conclusion/Recommendations:
 AERC recommends that a cultural resource clearance be granted to SKYLINE OIL COMPANY based upon adherence to the stipulations noted on the reverse:

7. Signature F. R. Hauck

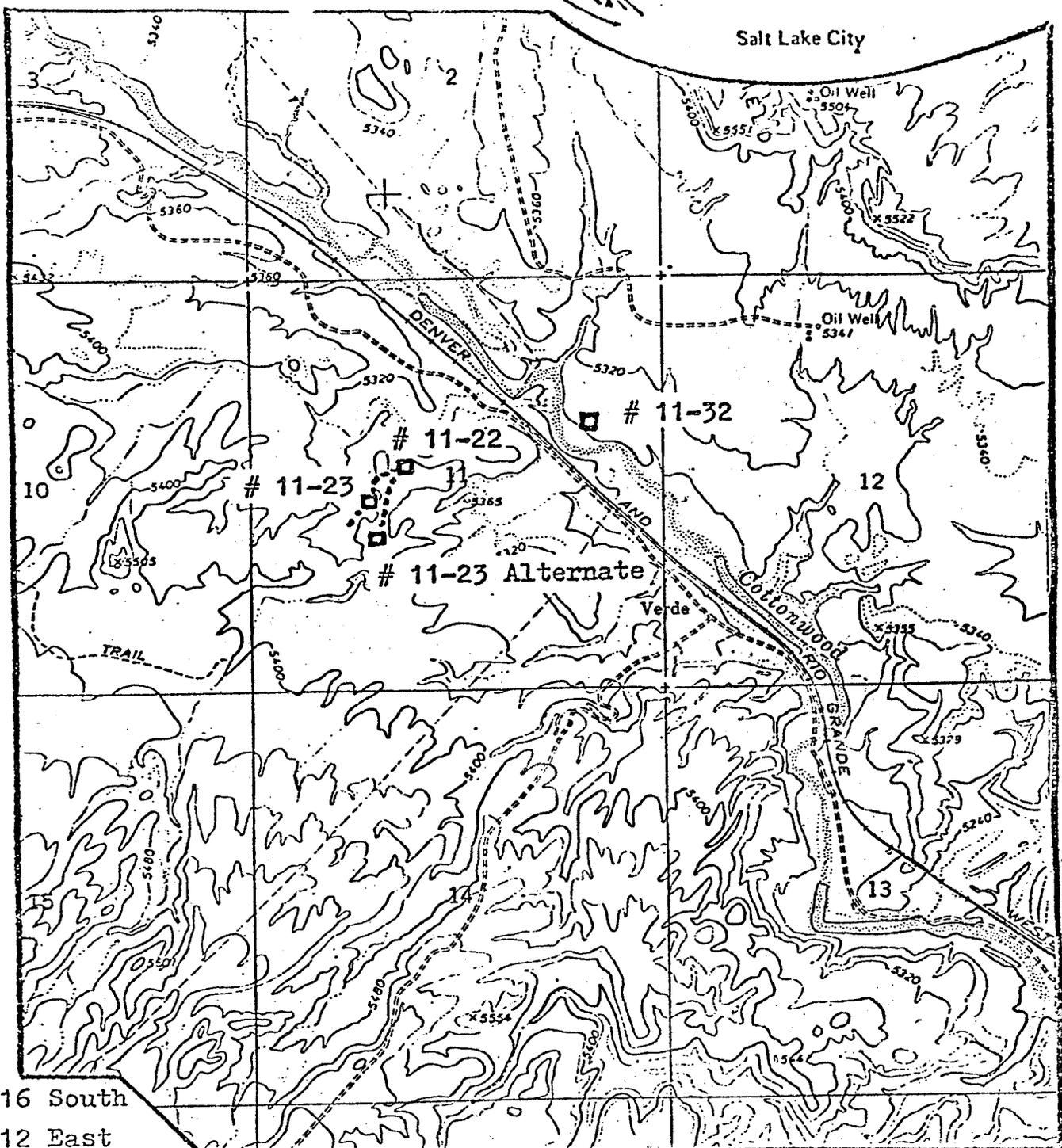
8. Description of Examination Procedures Continued:

covered an average width of 20 meters. Proposed well location 11-23 had been examined during the recent seismic line survey in the locality and therefore was not reexamined. Location 11-32, situated on the north side of Cottonwood Creek, had been generally examined by F. R. Hauck in the fall of 1982, during the access road surveys for Well 12-13.

16. CONTINUED:

1. All vehicular traffic, personnel movement, and construction be confined to the locations examined and to the evaluated access roads.
2. All personnel refrain from collecting 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.

ARK



I. 16 South
R. 12 East

Meridian: Salt Lake B. & M.

Quad: Mounds, Utah

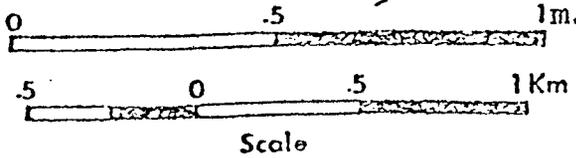
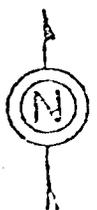
Project: SKOC-83-1
Series: Price River
Date: 5-27-83

Cultural Evaluations
Proposed Wells 11-22,
11-23, 11-23 Alternate,
and 11-32 in the Mounds
Locality of Emery Co.,
Utah

7.5 minute, USGS

Legend:
Well Location □

Access Route



ARK

OPERATOR Skylark Oil Co. DATE 7-8-83

WELL NAME Sec. # 11-22

SEC SE NW 11 T 16S R 12E COUNTY Emery

43-015-30171
API NUMBER

Federal
TYPE OF LEASE

POSTING CHECK OFF:

- INDEX
- MAP
- HL
- NID
-
- PI

PROCESSING COMMENTS:

✓ See exception letter

CHIEF PETROLEUM ENGINEER REVIEW:

1/4/83 Exception location - Grassly Tran Field Area.

APPROVAL LETTER:

- SPACING: A-3 _____ UNIT c-3-a _____ CAUSE NO. & DATE
- c-3-b c-3-c

SPECIAL LANGUAGE:

Water

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON FLAT 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

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.

**SKYLINE
Oil Company**

A TEXAS EASTERN COMPANY

July 5, 1983

Utah State Division of Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84114

Re Application for Permit to Drill Skyline Oil Company
Federal #11-22 Well, Section 11, Township 16 South,
Range 12 East, S.L.M., Emery County, Utah

Gentlemen:

We request that an exception to an unauthorized location be made as provided for under rule C-3-"C" be granted to this well location because of geophysical location with relation to Federal #11-23. Also topographical conditions favor this location. We are aware that the well is located 880' from Skyline Oil Company's Federal #11-23 and ask for approval based on these factors and the location within the 40 acre quarter-quarter spacing.

The ownership of all oil and gas leases within a radius of over 660' of the proposed location is common with the ownership of the oil and gas lease under the proposed location.

Very truly yours,

SKYLINE OIL COMPANY



Clifford Selin
Senior Engineer

July 11, 1983

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

RE: Well No. Federal 11-22
SENW Sec. 11, T.16S, R.12E
2134' FNL, 1745' FWL
Emery County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to oil well on said unorthodox location is hereby granted in accordance with Rule C-3(c), General Rules and Regulations and Rules of Practice and Procedure. A copy of the Utah Division of Water Rights (801-533-6071) approval for use or purchase of drilling water must be submitted to this office prior to spudding, otherwise this approval is void.

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 43-015-30171.

Sincerely,



R. J. Firth
Chief Petroleum Engineer

RJF/as
cc: Oil & Gas Operations
Encl.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
(FORM 9-329)
(2/76)
OMB 42-RO 356

MONTHLY REPORT
OF
OPERATIONS

Lease No. U-4377°
Communitization Agreement No. _____
Field Name Undesignated
Unit Name _____
Participating Area _____
County Emery State Utah
Operator SKYLINE OIL COMPANY
 Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of September, 1983

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Well No.	Sec. & ¼ of ¼	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
11-22	NE SW Sec. 11	16S	12E	DRG	--	--	--	--	Attempting completion in Moenkopi

RECEIVED
OCT 1983
DIVISION OF
OIL, GAS & MINING

*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

	Oil & Condensate (BBLs)	Gas (MCF)	Water (BBLs)
*On hand, Start of Month	_____	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*Produced	_____	_____	_____
*Sold	_____	_____	XXXXXXXXXXXXXXXXXX
*Spilled or Lost	_____	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXX	_____	XXXXXXXXXXXXXXXXXX
*Used on Lease	_____	_____	XXXXXXXXXXXXXXXXXX
*Injected	_____	_____	_____
*Surface Pits	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	_____
*Other (Identify)	_____	_____	_____
*On hand, End of Month	_____	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content	_____	_____	XXXXXXXXXXXXXXXXXX

Authorized Signature: M.D. Anderson Address: 2000 University Club Bldg., SLC,
Title: Staff Engineer Page 1 of 1 UT 84111



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

May 2, 1985

Skyline Oil Company
PO Box 2521
Houston, Texas 77250

Gentlemen:

Re: Well No. Federal 11-22 - Sec. 11, T. 16S., R. 12E.,
Emery County, Utah - API #43-015-30171

Our records indicate that this office has not received proper notification of spudding as requested in the letter of approval to drill.

Also it is necessary that you file drilling reports for the months of November 1983 to present on the above referenced well. Our rules and regulations stipulate that these reports be filed by the sixteenth of each month until the well is completed.

If the above referenced well has been completed, a "Well Completion or Recompletion Report and Log" is due also.

Enclosed are forms for your convenience in filing the necessary reports as soon as possible but no later than May 16, 1985.

Please complete the enclosed Form OGC-3, and forward it to this office as soon as possible, but not later than May 16, 1985.

Thank you for your prompt attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Pam Kenna".

Pam Kenna
Well Records Specialist

Enclosure

cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
File

0170S/41

TEXAS 
EASTERN
Skyline Oil Company
A TEXAS EASTERN COMPANY

RECEIVED

MAY 20 1985

DIVISION OF OIL
GAS & MINING

May 14, 1985

Utah State Division of Oil, Gas and Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attention: Ms. Pam Kenna
Well Records Specialist

Re: Grassy Trail Field
Well #11-22
SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 11, T. 16 S., R. 12 E., S.L.M.
Emery County, Utah

Gentlemen:

In reference to your recent request for additional information on the above-captioned well, please be advised that the #11-22 well was never drilled and had no surface disturbing operations performed on the location. The location was abandoned.

Very truly yours,

SKYLINE OIL COMPANY


Clifford Selin
Senior Engineer

RJS:tk



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

October 10, 1985

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

Gentlemen:

Re: Well No. Feddeal 11-22 - Sec. 11, T. 16S., R. 12E.,
Emery County, Utah - API 43-015-30717

Please find enclosed a copy of the September and October 1983 drilling reports for the above referenced well, indicating the well is in the process of being completed.

Please submit a sundry notice to this office showing exactly what work has been performed and what the future plans are for this well.

Your prompt attention to this matter will be greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Pam Kenna".

Pam Kenna
Well Records Specialist

Enclosure

cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
File

0170S/80

GEOLOGICAL SURVEY

(FORM 9-329F)

(2/76)

OMB 42-RO 356

MONTHLY REPORT OF OPERATIONS

Communitization Agreement No.

Field Name Undesign

Unit Name

Participating Area Moer

County Emery

State Utah

Operator Skyline Oil Company

Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of October, 19 83

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Table with 10 columns: Well No., Sec. & 1/4 of 1/4, TWP, RNG, Well Status, Days Prod., *Barrels of Oil, *MCF of Gas, *Barrels of Water, Remarks. Rows include well numbers like 11-22, 11-23, 11-33, 11-41, 11-42, 14-11, 14-31 with their respective production and status.

*If none, so state.

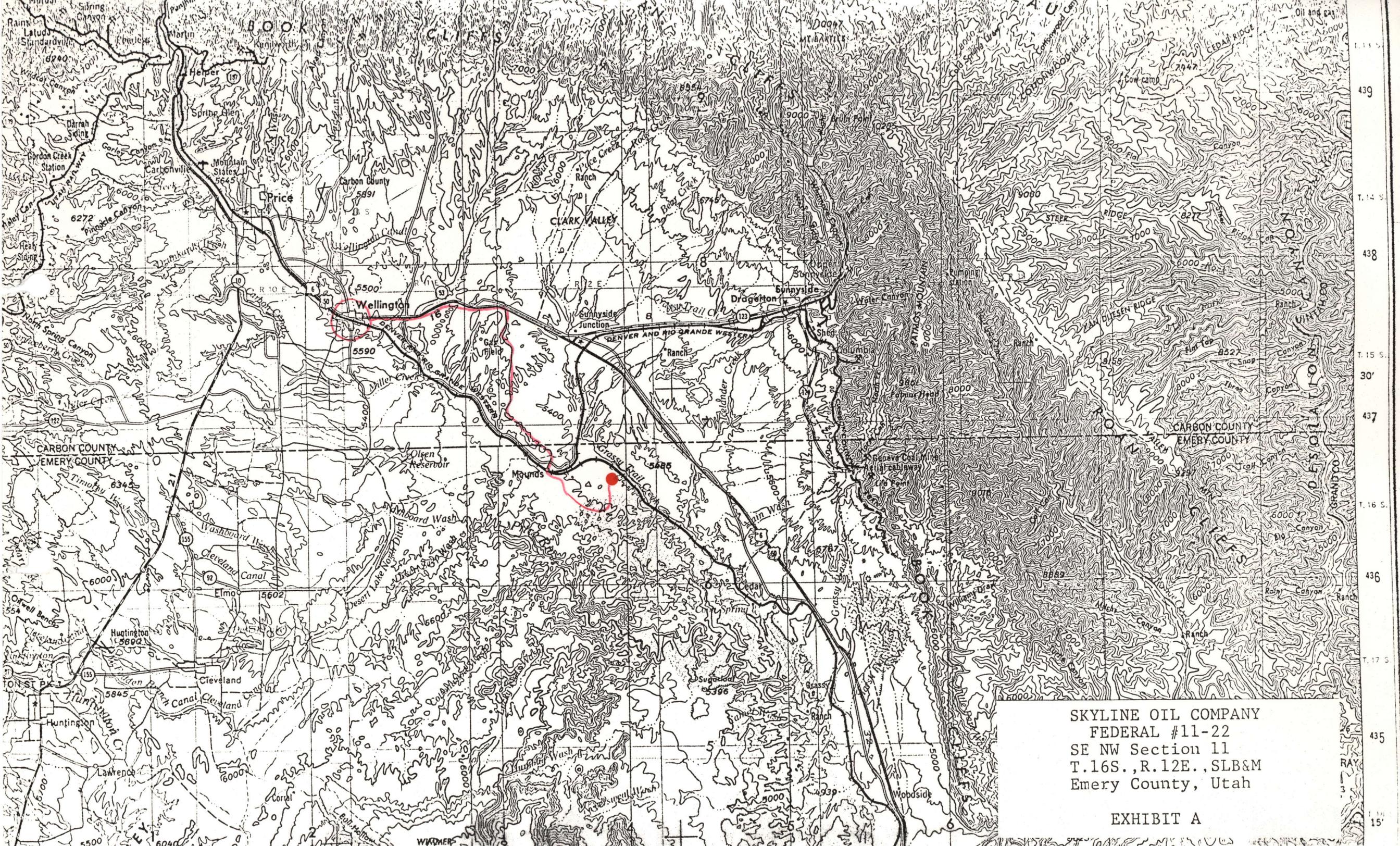
DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

Summary table with 3 columns: Oil & Condensate (BBLs), Gas (MCF), Water (BBLs). Rows include production metrics like 'On hand, Start of Month', 'Produced', 'Sold', 'Spilled or Lost', 'Flared or Vented', 'Used on Lease', 'Injected', 'Surface Pits', 'Other (Identify)', 'On hand, End of Month', and 'API Gravity/BTU Content'.

Authorized Signature: Douglas Peters, Supervisor, Production Services

Address: P.O. Box 2521 Houston, TX 77252

Page 1 of 1



SKYLINE OIL COMPANY
FEDERAL #11-22
SE NW Section 11
T.16S., R.12E., SLB&M
Emery County, Utah

EXHIBIT A

**TEXAS
EASTERN
Skyline Oil Company**

A TEXAS EASTERN COMPANY

RECEIVED

OCT 21 1985

**DIVISION OF OIL
GAS & MINING**

October 17, 1985

State of Utah
Division of Oil, Gas, & Mining
355 W. North Temple
Suite 350
Salt Lake City, Utah 84180-1203

ATTN: Pam Kenna

Re: Federal #11-23
NE SW Sec. 11, T16S, R12E
Emery County, Utah

Dear Ms. Kenna:

In reference to your letter dated October 10, 1985, please be advised of a typographical error on the Monthly Report of Operations for September, 1983 and an incorrect addition in the Report for October, 1983. The well stated as well #11-22 on the September 1983 Report should be #11-23. The report for well #11-22 in October 1983 should be deleted. Corrected reports are attached for your files.

All pertinent sundry notices should be on file for well #11-23. Well #11-22 was not drilled.

If you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

TEXAS EASTERN SKYLINE OIL COMPANY



Michael D. Anderson
Engineering Manager

OCT 22 1985

MDA:sdc
Enclosures

3162 (U-065)
(U-43778)

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

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 11-22
Sec. 11, 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 July 27, 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

RECEIVED
APR 24 1986

DIVISION OF
OIL, GAS & MINING



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 #11-22, Sec.11, T.16S, R.12E,
Emery County, Utah, API NO. 43-015-30171

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-53