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Suite 101
Price, Utah 84501
Phone: 435-637-8781

Cell: 801-650-1401
801-650-1402
Fax: 435-636-8603
Email: talon@castnet.com

February 7, 2002

Ms. Lisha Cordova
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—State of Utah “JP” 03-160, Emery County, Utah
1291’ FNL, 899’ FWL, Section 3, T17S, R8E, SLB&M.

Dear Ms. Cordova:

On behalf of Texaco Exploration and Production, Inc. (Texaco), Talon Resources, Inc. respectfully submits the enclosed original of the *Application for Permit to Drill (APD)* for the above referenced well. The location of the well is no closer that 460’ from the Huntington (shallow) CBM unit boundary or to an uncommitted Federal or un-leased tract within the Unit Area. Included with the APD is the following supplemental information:

Exhibit “A” - Survey plats and layouts of the proposed well site;

Exhibit “B” - Proposed location maps with pipe, power, and road corridors;

Exhibit “C” - Drilling site layout;

Exhibit “D” - Drilling Program;

Exhibit “E” - Multi Point Surface Use Plan;

Exhibit “F” - Typical road cross-section;

Exhibit “G” - Typical BOP diagram;

Exhibit “H” - Typical wellhead manifold diagram.

RECEIVED

FEB 08 2002

DIVISION OF
OIL, GAS AND MINING

ORIGINAL

Please accept this letter as Texaco Exploration and Production's written request for confidential treatment of all information contained in and pertaining to this application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact myself, or Mr. Ron Wirth at Texaco if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Environmental Manager / Project Coordinator

cc: Mr. Mark Jones, Oil, Gas and Mining
Mr. Bryant Anderson, Emery County
Mr. Ron Wirth, Texaco
Mr. Chuck Snure, Texaco
Mr. Bob Lamarre, Texaco
Mr. Ian Kephart, Texaco
Texaco Well File

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL DEEPEN
B. Type of Well: OIL GAS SINGLE ZONE MULTIPLE ZONE

2. Name of Operator: Texaco Exploration and Production, Inc.
3. Address and Telephone Number: PO Box 618 Orangeville Ut. 84537
3300 North Butler, Suite 100, Farmington, NM 87401, 505-325-4397

4. Location of Well (Footages)
At Surface: 1291' FNL, 899' FWL 4358485 Y
At Proposed Producing Zone: 498538 X

5. Lease Designation and Serial Number: MI-48230
6. If Indian, Allottee or Tribe Name: N/A
7. Unit Agreement Name: Huntington (Shallow) CBM
8. Farm or Lease Name: State of Utah "II"
9. Well Number: 03-160
10. Field or Pool, or Wildcat: Undesignated Buzzard Bench
11. Qtr/Qtr, Section, Township, Range, Meridian: NW/4 NW/4, Section 3, T17S, R8E, SLB&M

14. Distance in miles and direction from nearest town or post office: 4.5 miles northwest of Huntington, Utah
12. County: Emery 13. State: Utah

15. Distance to nearest property or lease line (feet): 899' 16. Number of acres in lease: 393.1 17. Number of acres assigned to this well: 160 acres
18. Distance to nearest well, drilling, completed, or applied for, or None 19. Proposed Depth: 3435' 20. Rotary or cable tools: Rotary

21. Elevations (show whether DF, RT, GR, etc.): 6432' GR 22. Approximate date work will start: April 2002

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55 ST&C	24	300'	230 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane
7-7/8"	5-1/2" N-80 LT&C	17	3435'	135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

Surface Owner: State of Utah
Landowner Representative: SITLA; 675 East 500 South, SLC, Utah 84102-2818; 801-538-5100

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FEB 08 2002
DIVISION OF
OIL, GAS AND MINING
CONFIDENTIAL

24. Name & Signature: Ron With Title: OP. SUPERVISOR Date: 2/6/02

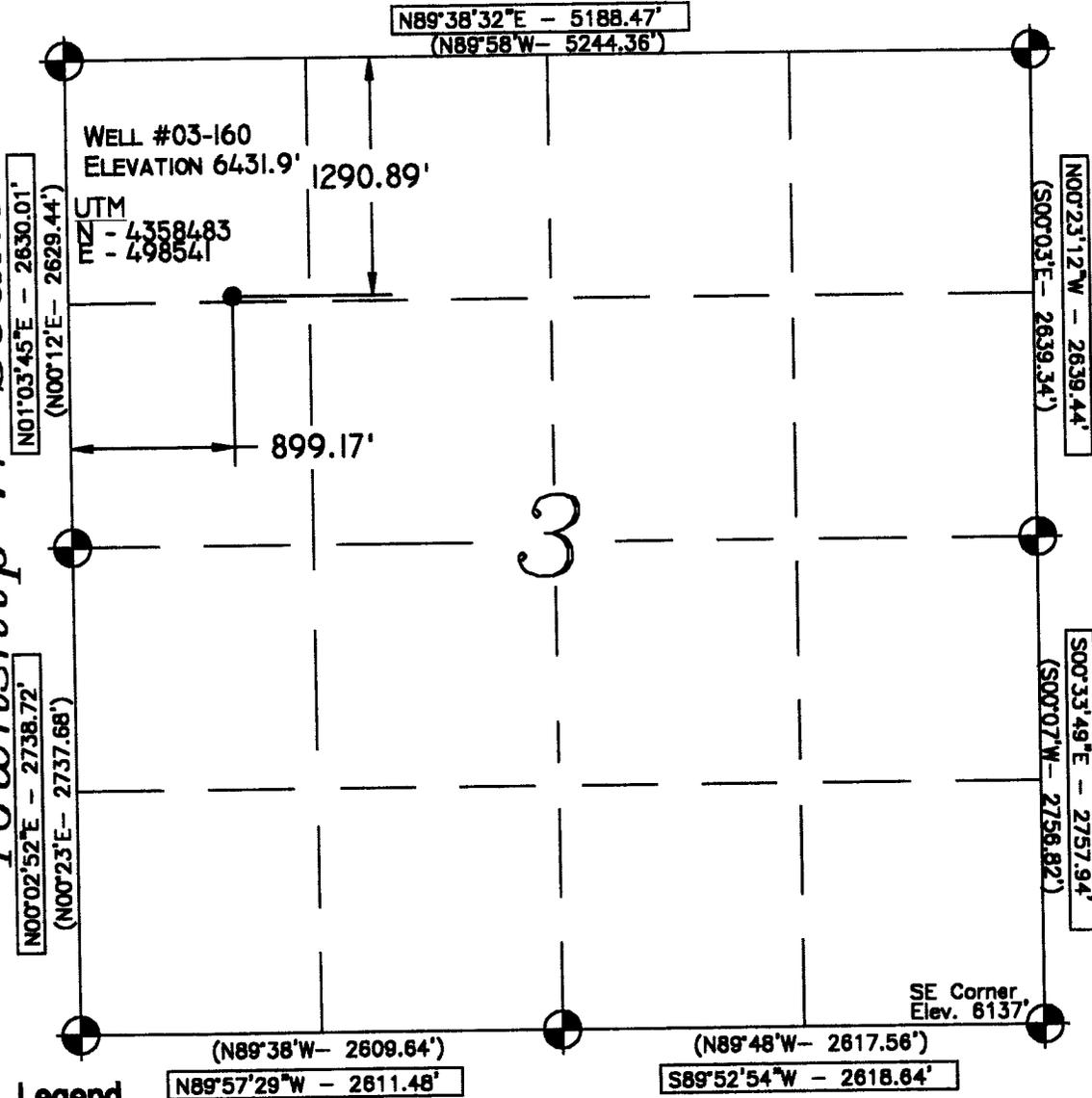
(This space for state use only)
API Number Assigned: 43-015-30549

Approved by the
Utah Approval: _____ of
Oil, Gas & Mining
Date: 05-14-02
By: [Signature]

ORIGINAL

Range 8 East

Township 17 South



Legend

- Drill Hole Location
- ⊕ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
-) GLO
- Measured

NOTE:
 UTM AND LATITUDE / LONGITUDE COORDINATES
 ARE DERIVED USING A GPS PATHFINDER AND ARE
 SHOWN IN NAD 27 DATUM.

LAT / LONG
 39°22'40"
 111°01'04"

Location:
 THE WELL LOCATION WAS DETERMINED USING A TRIMBLE 4700
 GPS SURVEY GRADE UNIT.

Basis of Bearing:
 THE BASIS OF BEARING IS GPS MEASURED.

GLO Bearing:
 THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED
 FROM THE U.S. LAND OFFICE.

Basis of Elevation:
 BASIS OF ELEVATION OF 6137' BEING AT THE SOUTHEAST SECTION
 CORNER OF SECTION 3, TOWNSHIP 17 SOUTH, RANGE 8 EAST, SALT
 LAKE BASE AND MERIDIAN, AS SHOWN ON THE HUNTINGTON
 QUADRANGLE 7.5 MINUTE SERIES MAP.

Description of Location:
 PROPOSED DRILL HOLE LOCATED IN THE NW 1/4, NW 1/4 OF
 SECTION 3; BEING 1290.89' SOUTH AND 899.17' EAST FROM
 THE NORTHWEST CORNER OF SECTION 3, T17S., R8E., SALT
 LAKE BASE AND MERIDIAN.

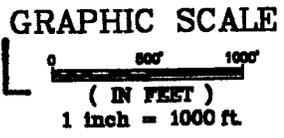
Surveyor's Certificate:
 I, Albert J. Spensko, a Registered Professional
 Land Surveyor, holding Certificate 146652
 State of Utah, do hereby certify that the
 information on this drawing is a true and
 accurate survey based on data of record and
 was conducted under my personal direction
 and supervision as shown hereon.



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-637-8781
 Fax: 435-636-8603

★ **TEXACO E & P** ★
WELL # 03-160
 Section 3, T17S., R8E., S.L.B.&M.
 Emery County, Utah

Drawn By J. STANSFIELD	Checked By L.W.J.
Drawing No. A-1	Date 01/25/02
	Scale 1" = 1000'
Sheet 1 of 1	Job No. 505



ORIGINAL

EXHIBIT "D"
DRILLING PROGRAM

Attached to UDOGM Form 3
Texaco Exploration and Production, Inc.
State of Utah "JJ" 03-160
NW/4 NW/4, Sec. 3, T17S, R8E, SLB & M
1291' FNL, 899' FWL
Emery County, Utah

1. The Geologic Surface Formation

Blue Gate Shale Member of the Mancos Shale

2. Estimated Tops of Important Geologic Markers

Ferron Marker -- 2975'
Top of the A Coal -- 3000'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones – 2975' - 3335'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 1000 psi.

4. The Proposed Casing and Cementing Programs

HOLE SIZE	SETTING DEPTH (INTERVAL)	SIZE (OD)	WEIGHT, GRADE & JOINT	CONDITION
12-1/4"	300'	8-5/8"	24# K-55 ST&C	New
7-7/8"	3435'	5-1/2"	17# N-80 LT&C	New

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Cement Program -Every attempt will be made to bring cement back to surface.

Surface Casing: 230 sacks G + 2 % CaCl₂ + 0.25 pps cellophane flakes;
Weight: 15.8 #/gal
Yield: 1.16 cu.ft/sk

Production Casing: 135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes;
Weight: 14.2 #/gal,
Yield: 1.62 cu.ft/sk yield.

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. **The Operator's Minimum Specifications for Pressure Control**

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOP will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. **The Type and Characteristics of the Proposed Circulating Muds**

0-300	12-1/4" hole	Drill with air, will mud-up if necessary.
300-TD	7-7/8" hole	Drill with air. 400 psi @ 1500-1800 Scf.

7. The Testing, Logging and Coring Programs are as followed

300-TD Gamma Ray, Density, Neutron Porosity, Induction, Caliper

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is approximately 1000 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx.: April 2002.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"
Multipoint Surface Use Plan

Attached to UDOGM Form 3
Texaco Exploration and Production, Inc.
State of Utah "JJ" 03-160
NW/4 NW/4, Sec. 3, T17S, R8E, SLB & M
1291' FNL, 899' FWL
Emery County, Utah

1. Existing Roads

- a. The proposed access road will utilize the existing State Road encroachment and a portion of the access road that accesses the existing State of Utah "CC" 10-123. The existing encroachment has previously been approved by the Utah Department of Transportation (see Exhibit "B").
- b. We do not plan to change, alter or improve upon any other existing state or county roads. Existing roads will be maintained in the same or better condition.

2. Planned Access

- a. Approximately 4600' of existing two-track road will be improved (see Exhibit "B").
- b. Maximum Width: 20' travel surface with a 27' base.
- c. Maximum grade: 10%.
- c. Turnouts: None.
- d. Drainage design: approximately 6 – 18" culvert may be required. Water will be diverted away from the planned access as necessary and practical.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.

3. Location of Existing Wells

- a. There are seven proposed wells and one existing well within a one mile radius of the proposed well site (see Exhibit "B").

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will follow.
- b. Buried powerlines and gathering lines will follow the proposed access road to the intersection with the State of Utah "CC" 10-123 access road (see Exhibit "B").
- c. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be obtained from a local water source (probably North Emery Water Users Association, a local source of municipal water).
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. All necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. Since the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or pad location
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. The location of mud tanks, reserve and flare pits, and soil stockpiles will be located as shown on Exhibit "C".
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the flare pit. The flare pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and recontoured to minimize possible erosion.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.
- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by the existing conditions.
- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the wellsite is to be abandoned, all disturbed areas will be recontoured.

11. Surface Ownership

- a. The wellsite will be constructed on lands owned by the School and Institutional Trust Lands Administration, 675 East 500 South, SLC, Utah 84102-2818; 801-538-5100. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. Other Information:

- a. The primary surface use is wildlife habitat. The nearest dwelling is approximately 7,800' southwest. Nearest live water is Huntington Creek approximately 8,100' southwest.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.
- c. The backslope and foreslope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be at the well site during construction and drilling operations.
- f. There will be no deviation from the proposed construction, drilling, and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. Company Representatives

Ron D. Wirth
Texaco Exploration and Production, Inc.
P.O. Box 618
Orangeville, Utah 84537 (435) 748-5395

Mail Approved A.P.D. To:

Company Representatives

Excavation Contractor

Nielson Construction
625 West 1300 North,
North Loop Road
Huntington, Utah 84528
(435) 687-2494

14. 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 operations proposed herein will be performed by Texaco Exploration and Production, Inc. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

2/6/02
Date



Texaco Exploration and Production, Inc.

ORIGINAL

TYPICAL ROAD CROSS-SECTION

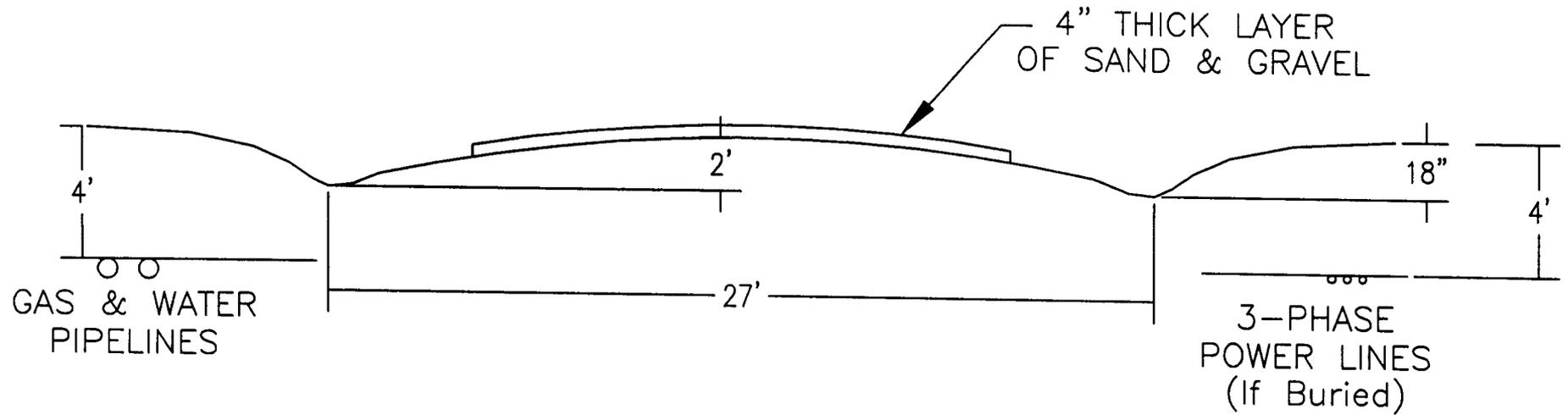


EXHIBIT "F"

BOP Equipment

3000psi WP

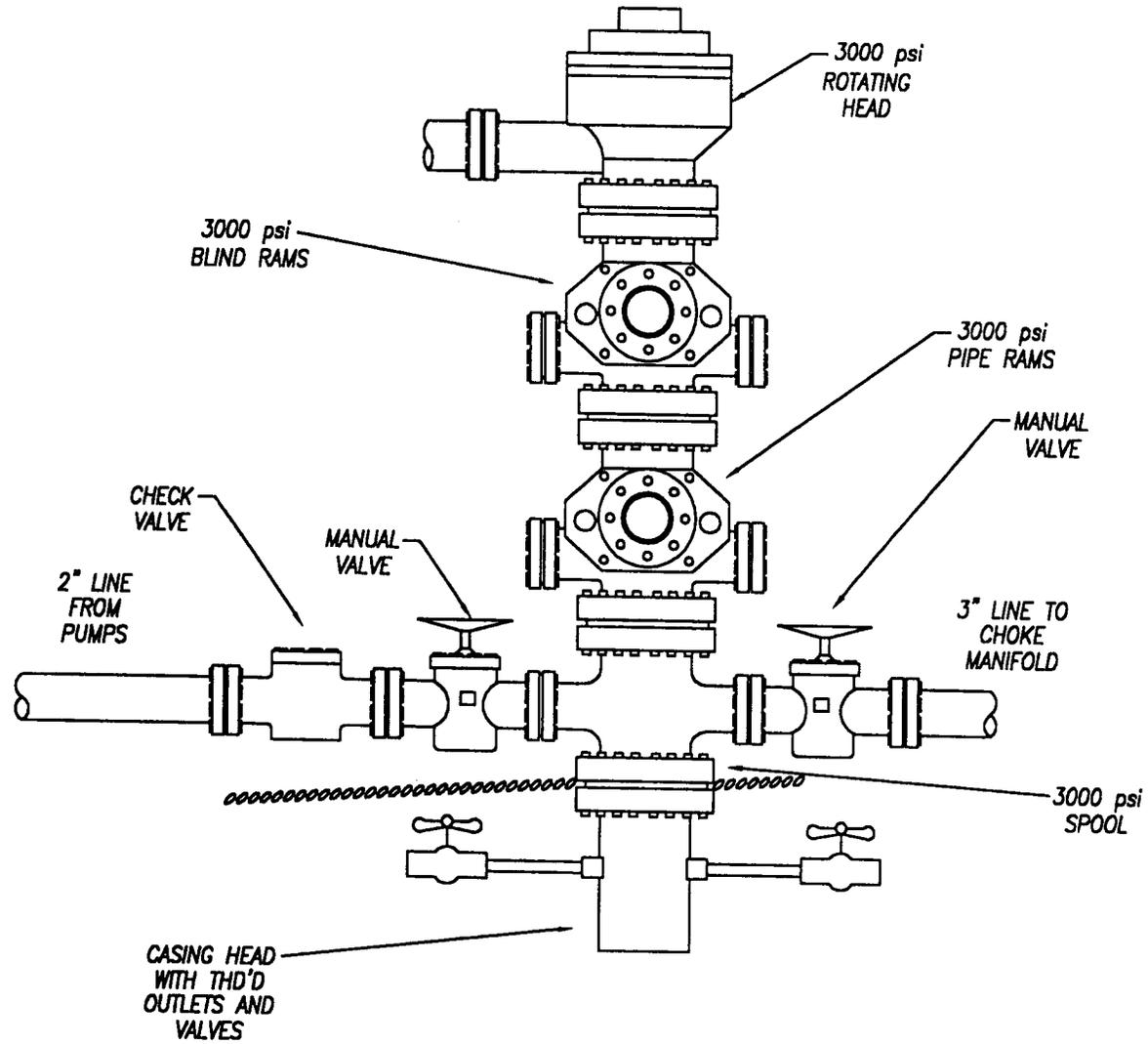


EXHIBIT "G"

CHOKE MANIFOLD

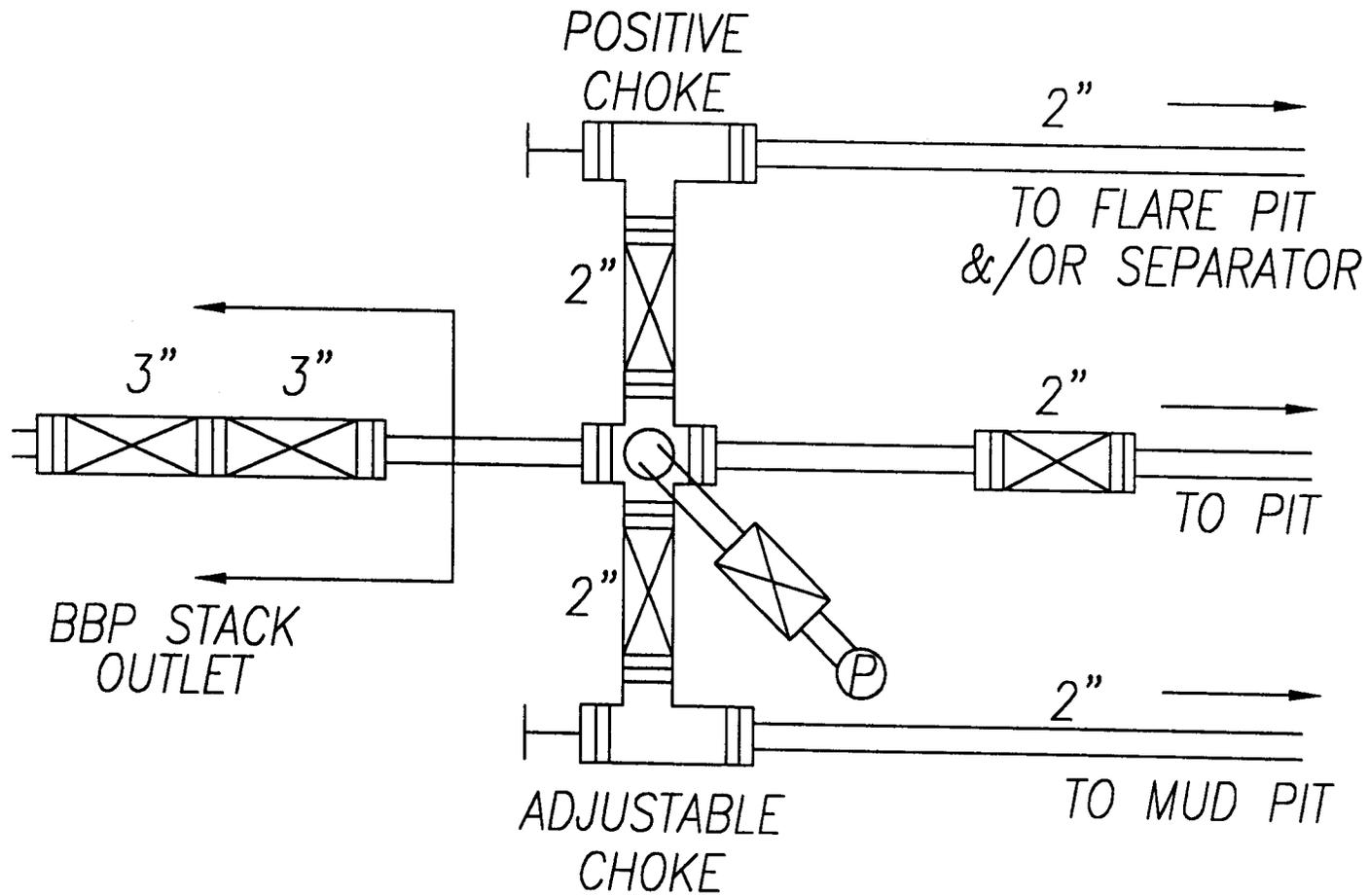
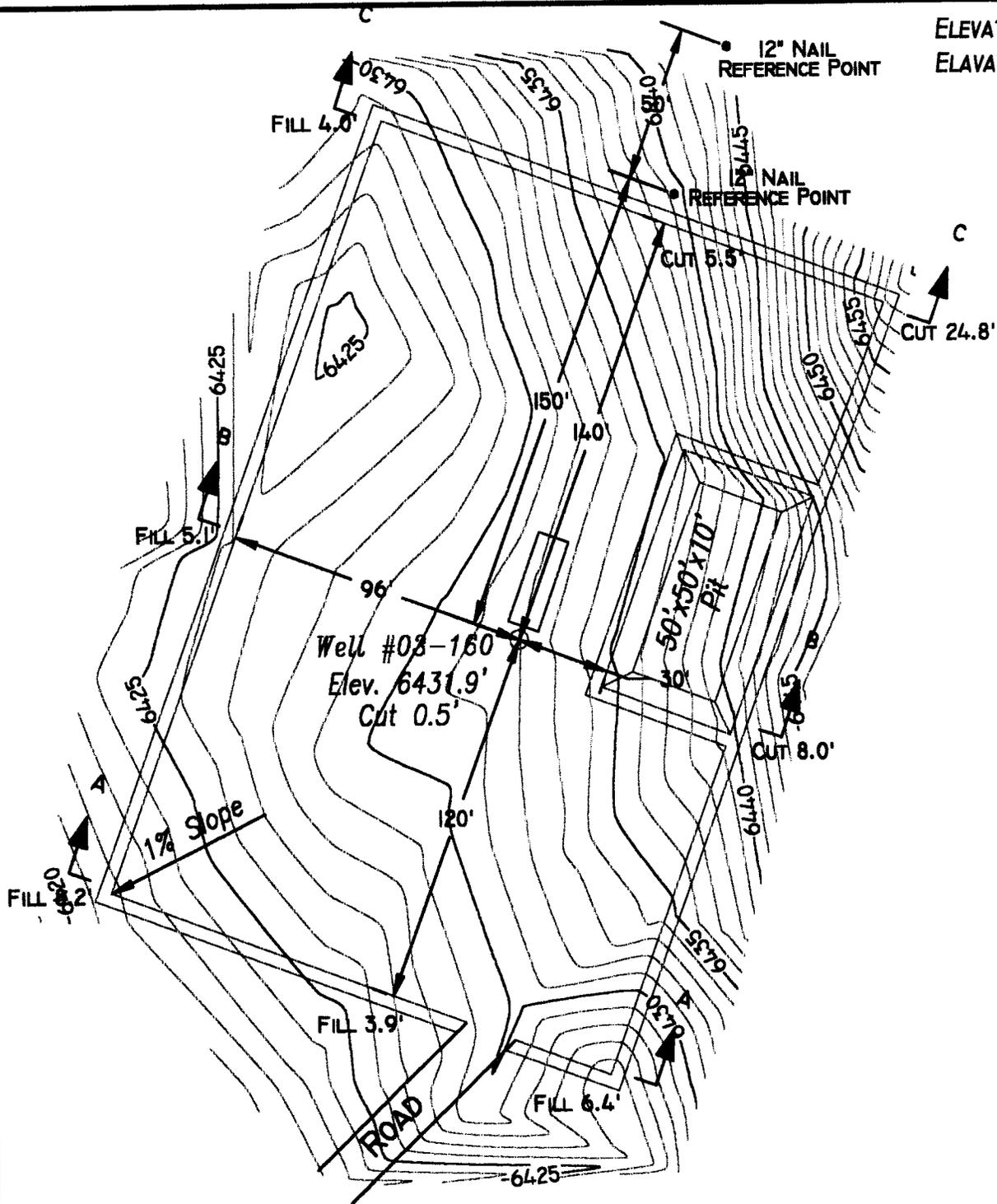


EXHIBIT "H"



ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6431.9'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6431.4'



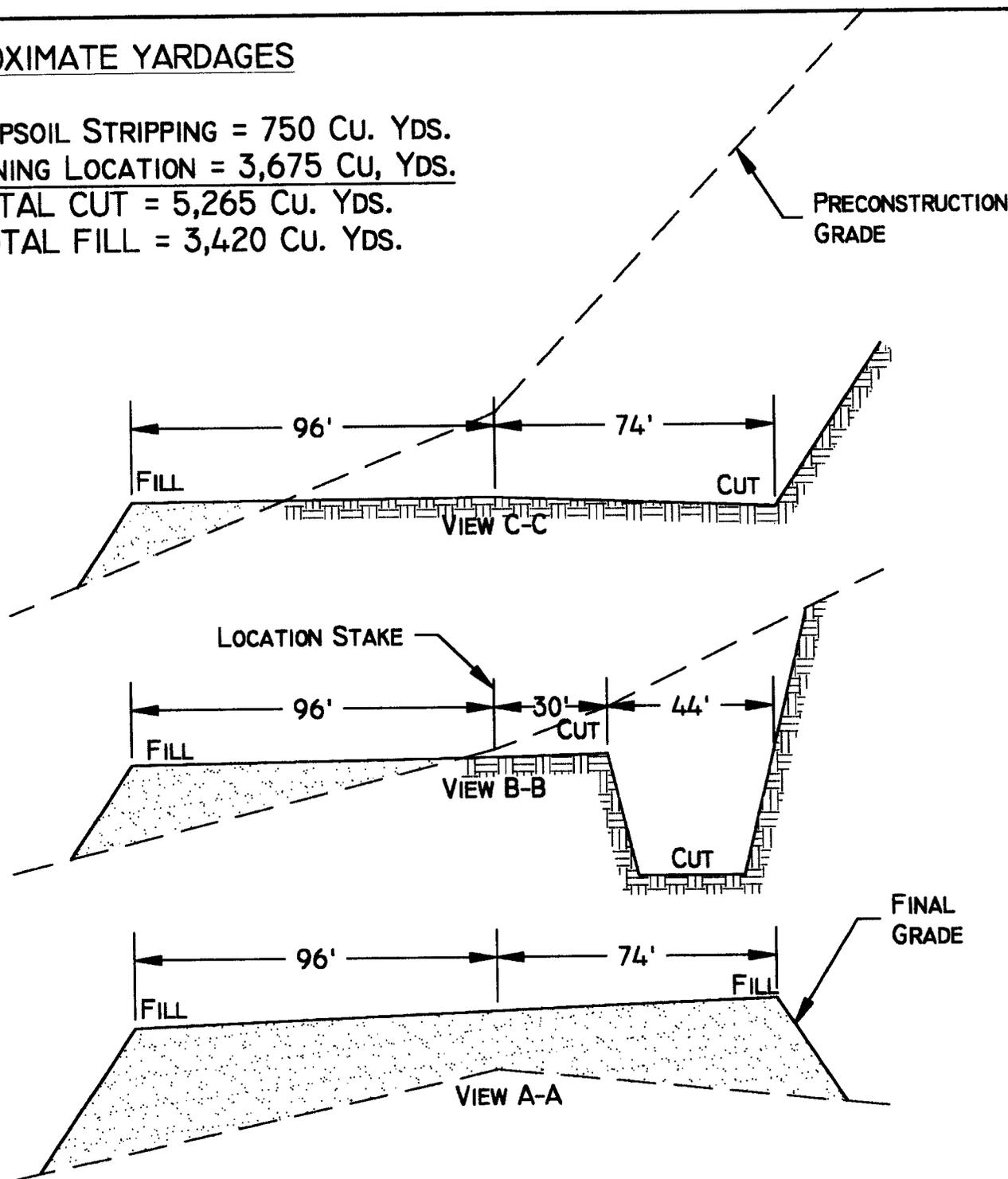
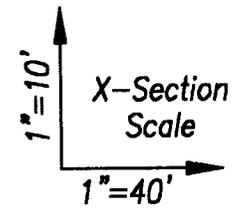
Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Pricer, Utah 84501
 Ph: 435-637-8781
 Fax: 435-636-8603

TEXACO E & P
LOCATION LAYOUT
 Section 3, T17S, R8E, S.L.B.&M.
WELL #03-160

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 01/25/02
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 505

APPROXIMATE YARDAGES

CUT
 (6") TOPSOIL STRIPPING = 750 CU. YDS.
 REMAINING LOCATION = 3,675 CU. YDS.
TOTAL CUT = 5,265 CU. YDS.
 TOTAL FILL = 3,420 CU. YDS.



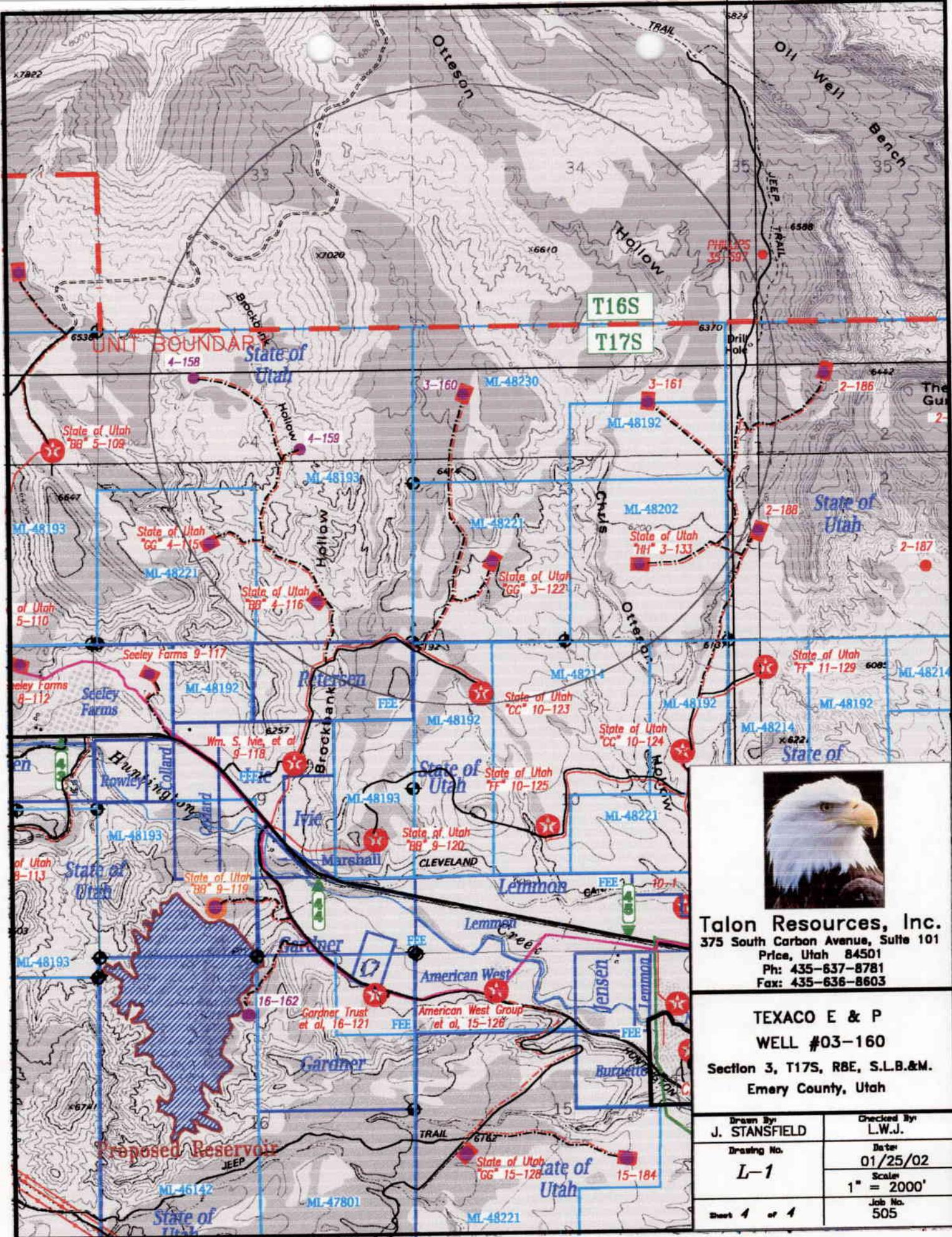
SLOPE = 1 1/2 : 1
 (EXCEPT PIT)
 PIT SLOPE = 1 ; 1



Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-637-8781
 Fax: 435-636-8603

★ TEXACO E & P
TYPICAL CROSS SECTION
 Section 3, T17S, R8E, S.L.B.&M.
 WELL #03-160

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 01/25/02
	Scale: 1" = 40'
Sheet: 3 of 4	Job No. 505

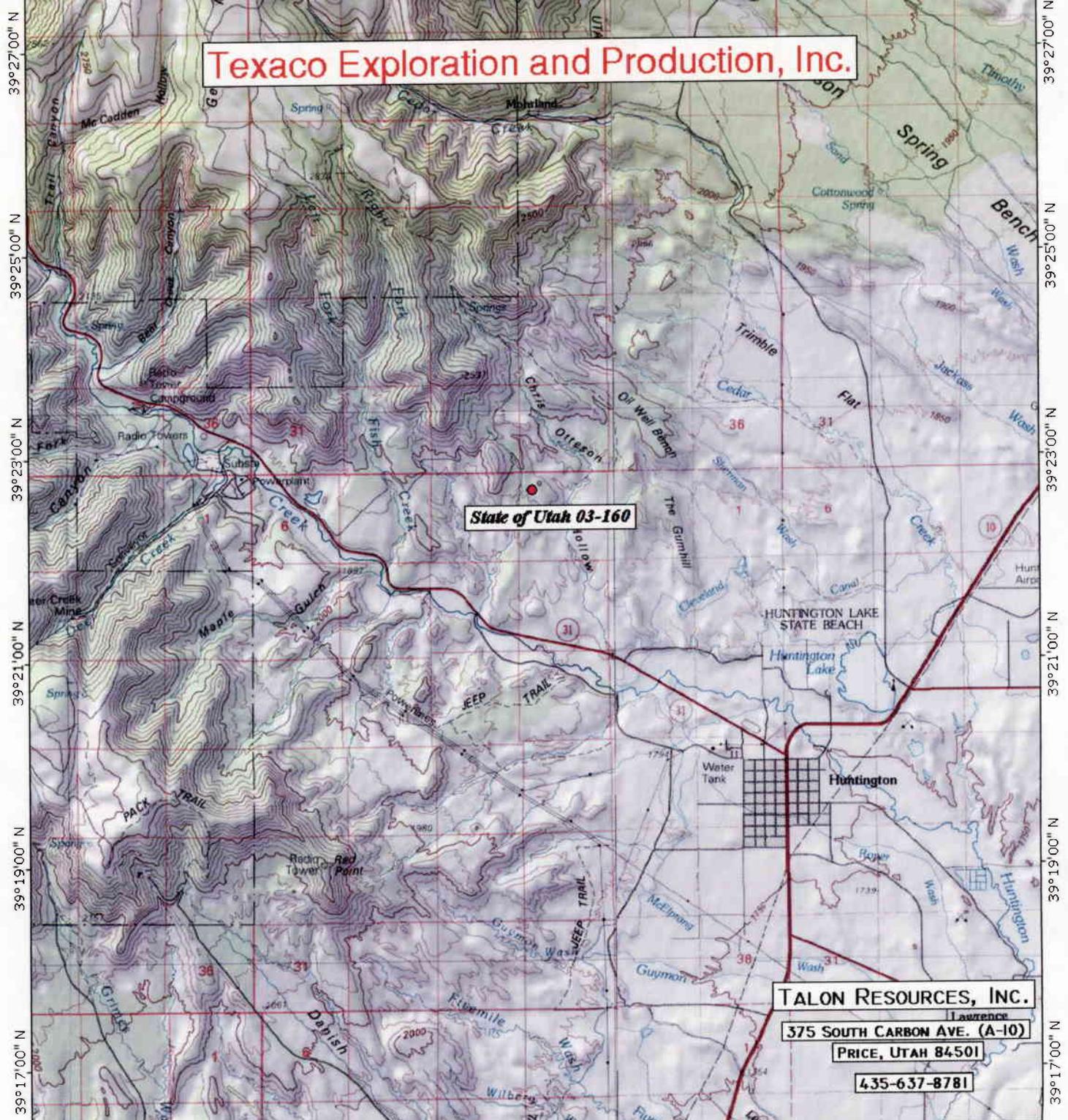


Talon Resources, Inc.
 375 South Carbon Avenue, Suite 101
 Price, Utah 84501
 Ph: 435-637-8781
 Fax: 435-636-8603

TEXACO E & P
WELL #03-160
 Section 3, T17S, R8E, S.L.B.&M.
 Emery County, Utah

Drawn By J. STANSFIELD	Checked By L.W.J.
Drawing No. L-1	Date 01/25/02
	Scale 1" = 2000'
Sheet 4 of 4	Job No. 505

111°06'00" W 111°04'00" W 111°02'00" W 111°00'00" W 110°58'00" W 110°55'00" W WGS84 110°55'00" W



Texaco Exploration and Production, Inc.

State of Utah 03-160

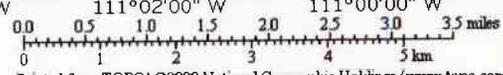
TALON RESOURCES, INC.

Lawrence
375 SOUTH CARBON AVE. (A-10)

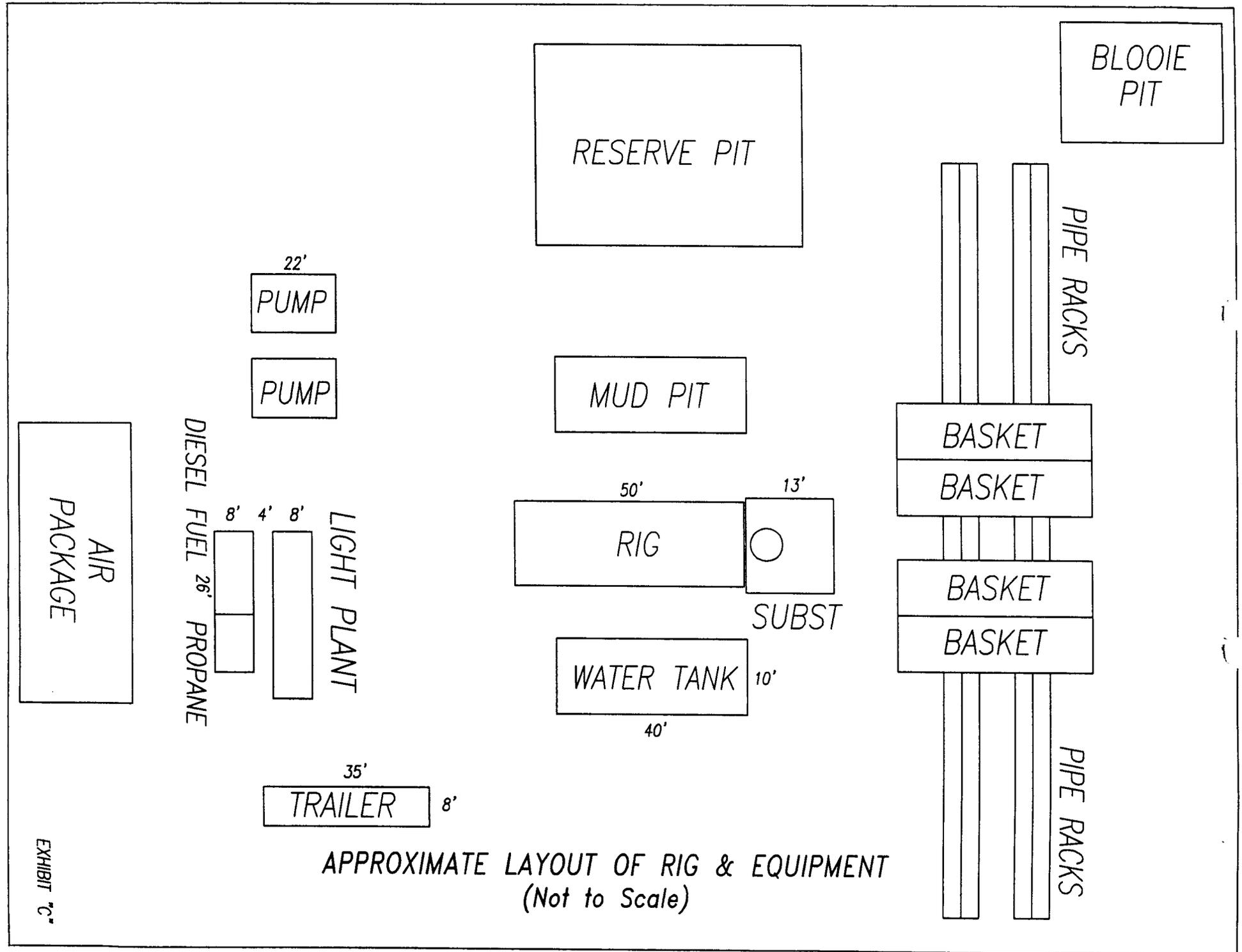
PRICE, UTAH 84501

435-637-8781

TN MN
13°



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APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(Not to Scale)

EXHIBIT "C"

Lisha Cordova - Cultural Resource Inventory Status

From: "Don Hamilton" <talon@castlenet.com>
To: "John Baza" <jbaza.nrogm@state.ut.us>
Date: 04/02/2002 10:00 AM
Subject: Cultural Resource Inventory Status
CC: "Lisha Cordova" <lcordova.nrogm@state.ut.us>

Mr. Baza;

As I stated earlier during our phone conversation ChevronTexaco has completed a cultural resource inventory on six of the eight wells that are slated for approval this week:

A cultural resources inventory has been completed on the following six wells slated for immediate approval:

Seeley Farms 09-117	completed 10-5-01
Seeley Farms 08-112	completed 3-21-02
State of Utah "GG" 04-115	completed 3-21-02
State of Utah "BB" 08-113	completed 10-5-01
State of Utah "GG" 04-116	completed 10-5-01
State of Utah "AA" 07-105	completed 10-5-01

The other two wells are further down the priority list and will be completed within the next few weeks:

State of Utah 14-170	pending
State of Utah "GG" 15-128	pending

Both the 10-5-01 and the 3-21-02 reports were completed by Montgomery Archaeological Consultants and are on file at the SHPO office.

I have attached an updated spreadsheet reflecting other wells that have their cultural resource inventory in place at this time to serve a reference for future permits that may follow in the weeks ahead. It also reflects a priority list that ChevronTexaco has assigned that may be of some value to you.

Please feel free to contact me if you have any questions or need additional information.

Don Hamilton
 Talon Resources, Inc.
 435-637-8781

**APD Checklist
for Y2002**

2002 Cultural Inventory Checklist

Priority	WELL NAME & NUMBER	CULTURAL INVENTORY	ON-SITE CONDUCTED	COUNTY PERMIT	ST. APD FILED	ST. APD API Number	Section 1/4-1/4	Township Range	Footages From sec. Line
1	Seeley Farms 08-112	03/21/2002	11-13-01	11/08/2001	09/19/2001	43-015-30495	NE NE	17 S 8 E	580' FNL, 1167' FEL
2	Seeley Farms 09-117	10/05/2001	11-13-01	11/08/2001	09/24/2001	43-015-30501	NW NW	17 S 8 E	500' FNL, 982' FWL
3	Conover 14-171	03/21/2002	01/18/2002	sub. 12/27/01	12/17/2001		NW SW	17 S 8 E	1461' FSL, 773' FWL
4	Malone 14-131	03/21/2002		10/26/2001	03/19/2002		SW NW	17 S 8 E	1935' FNL, 1183' FWL
5	State of Utah "FO" 02-188	03/21/2002	03/26/2002	sub 3-26-02	02/15/2002		NE SE	17 S 8 E	1721' FSL, 611' FWL
6	State of Utah "HH" 03-133	03/21/2002	03/26/2002	11/08/2001	09/24/2001		SE SE	17 S 8 E	1154' FSL, 1093' FEL
7	State of Utah "T" 36-100	03/21/2002	02/19/2002	11/08/2001	10/09/2001		NE SE	16 S 7 E	2355' FSL, 1010' FEL
8	State of Utah 36-138	03/21/2002	02/19/2002	sub 2-14-02	02/01/2002		SW NW	16 S 7 E	1624' FNL, 469' FWL
9	State of Utah "GG" 3-122	03/21/2002	03/26/2002	11/08/2001	09/24/2001		SW SW	17 S 8 E	1256' FSL, 1280' FWL
10	State of Utah "CC" 03-181	03/21/2002	03/26/2002	sub 2-14-02	02/01/2002		SE NE	17 S 8 E	1483' FNL, 1223' FEL
11	State of Utah "BB" 04-116	10/05/2001	12/3/01	11/08/2001	10/09/2001		SW SE	17 S 8 E	823' FSL, 1565' FEL
12	State of Utah "GG" 04-115	03/21/2002	12/3/01	11/08/2001	10/09/2001		NE SW	17 S 8 E	1690' FSL, 1877' FWL
13	State of Utah "BB" 08-113	10/05/2001	12/11/2001	11/08/2001	09/19/2001		NW SE	17 S 8 E	1827' FSL, 2093' FEL
14	State of Utah "BB" 08-119	Complete	10/27/2000	01/25/2001	09/08/2000	43-015-30437	SE SW	17 S 8 E	820' FSL, 1954' FWL
15	State of Utah "AA" 7-105	10/05/2001	11/27/2001	11/08/2001	09/19/2001		SW NW	17 S 8 E	2159' FNL, 483' FWL
16	State of Utah 36-139	03/21/2002	02/19/2002	sub. 12/27/01	12/17/2001		NW SW	16 S 7 E	1878' FSL, 747' FWL
17	UP&L Federal 01-101	10/05/2001	11/27/2001	11/08/2001	10/25/2001		SE NE	17 S 7 E	1805' FNL, 691' FEL
18	Utah Federal "KK" 01-141	03/21/2002					NW SE	17 S 7 E	1741' FSL, 2057' FEL
19	Utah Federal "KK" 01-140	03/21/2002		03/29/2002	03/27/2002		SE NW	17 S 7 E	2652' FNL, 1511' FWL
20	State of Utah "FO" 02-188		03/26/2002	sub 2-14-02	02/07/2002		NE NW	17 S 8 E	1009' FNL, 1740' FWL
21	SWD #3 (Ferron recompleton)	Complete							
22	Existing Chandler Well								

ALTERNATE LOCATIONS:

1	State of Utah "GG" 15-128		12/11/2001	11/08/2001	09/24/2001		NW SW	17 S 8 E	2006' FSL, 615' FWL
2	State of Utah "GG" 15-184							17 S 8 E	1575' FSL, 2040' FEL
3	State of Utah "JJ" 03-180		03/28/2002	sub 2-14-02	02/07/2002		NW NW	17 S 8 E	1291' FNL, 899' FWL
4	State of Utah "BB" 04-158			sub 3-26-02	02/15/2002		NE NW	17 S 8 E	627' FNL, 2190' FWL
5	State of Utah "BB" 04-159			sub 3-26-02	02/15/2002		SW NE	17 S 8 E	2147' FNL, 1858' FEL
6	Federal C 23-84	Completed	01/20/2000		01/28/2000	43-015-30447	NE SW	18 S 7 E	2051' FSL, 1548' FWL
7	State of Utah 01-97		12/03/2001	10/26/2001	10/25/2001	43-015-30498	SE NE	18 S 7 E	1859' FNL, 753' FEL
8	State of Utah "II" 36-96		12/03/2001	10/26/2001	10/25/2001	43-015-30508	NE SE	17 S 7 E	1922' FSL, 764' FEL
9	#16-162								
10	State of Utah "KK" 32-144							16 S 8 E	
11	State of Utah "KK" 32-145							16 S 8 E	
12	State of Utah "II" 36-95		12/03/2001	10/26/2001	10/25/2001	43-015-30509	SW NE	17 S 7 E	2022' FNL, 2130' FEL
LO	#11-174								
LO	#11-172								
LO	Burnside 14-132	10/05/2002	10/05/2001	11/08/2001	10/09/2001		NW NE	17 S 8 E	1276' FNL, 1439' FEL
LO	State of Utah 14-170		01/18/2002	sub. 12/27/01	12/17/2001		SW SE	17 S 8 E	809' FSL, 2292' FEL
LO	31-20								
LO	6-17								
LO	6-18								
LO	31-21								
LO	31-22								
LO	Utah Federal "P" 12-153		03/19/2002	sub 2-14-02	02/01/2002		NW NW	18 S 7 E	276' FNL, 975' FWL
LO	#8-148								

Diana Mason - Additional Cultural Clearances - ChevronTexaco 2002 development

From: "Don Hamilton" <talon@castlernet.com>
To: "Diana Mason" <dmason@state.ut.us>
Date: 5/10/02 12:17 PM
Subject: Additional Cultural Clearances - ChevronTexaco 2002 development
CC: "Lisha Cordova" <lcordova.nrogm@state.ut.us>, "John Baza" <jbaza.nrogm@state.ut.us>

Diana:

A cultural resources inventory has been completed over the past few weeks by Montgomery Archaeological Consultants. The report is dated 5-6-02 and included complete clearance on the following wells:

State of Utah "JJ" 03-160
State of Utah "BB" 04-158
State of Utah "BB" 04-159
State of Utah "BB" 08-113
State of Utah 08-148 (application pending)
State of Utah 14-170
State of Utah "GG" 15-128
State of Utah "GG" 15-184
State of Utah "KK" 32-144 (application pending)
State of Utah "KK" 32-145 (application pending)

Please feel free to contact me if you have any questions or need additional information.

Don

002

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/08/2002

API NO. ASSIGNED: 43-015-30549

WELL NAME: ST OF UT JJ 03-160

OPERATOR: TEXACO E & P INC (N5700)

CONTACT: RON WIRTH

PHONE NUMBER: 505-325-4397

PROPOSED LOCATION:

NWNW 03 170S 080E
SURFACE: 1291 FNL 0899 FWL
BOTTOM: 1291 FNL 0899 FWL
EMERY
BUZZARD BENCH (132)

LEASE TYPE: 3 - State
LEASE NUMBER: ML-48230
SURFACE OWNER: 3 - State

PROPOSED FORMATION: FRSD

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DRD	4/04/02
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. 6049663)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

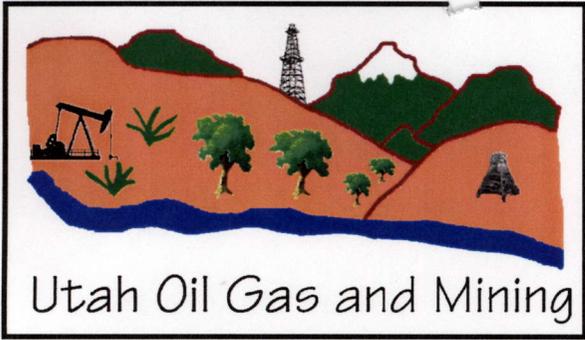
- R649-2-3. Unit HUNTINGTON CBM
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 245-2
Eff Date: 4-25-01
Siting: 460 ft. Unit boundary & Uncomm. Fed lease & unleased tract.
- R649-3-11. Directional Drill

COMMENTS:

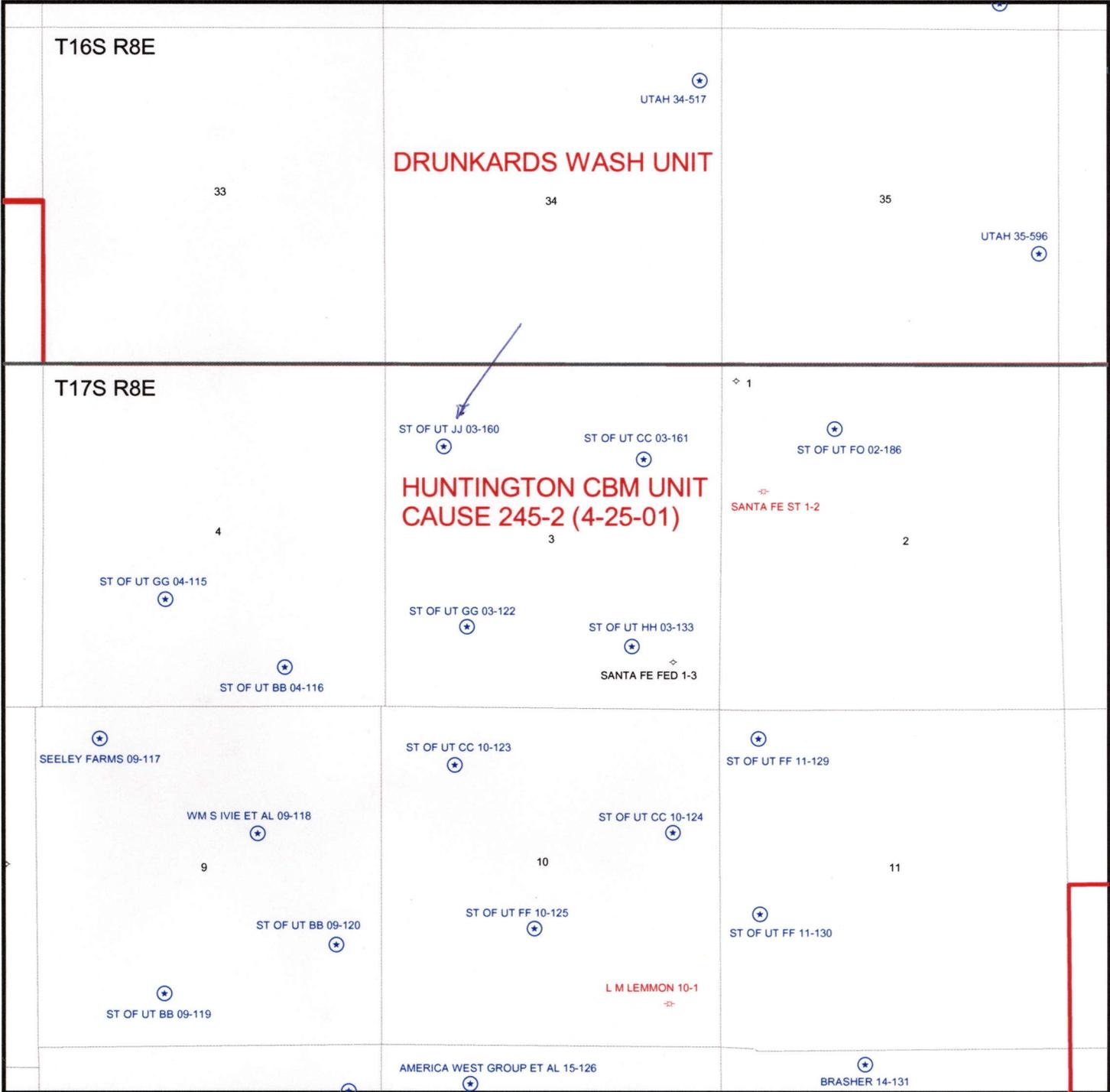
Need presite. (03-2602)

STIPULATIONS:

1-Statement of basis.



OPERATOR: TEXACO E&P INC (N5700)
 SEC. 3, T17S, R8E
 FIELD: BUZZARD BENCH (132)
 COUNTY: EMERY UNIT: HUNTINGTON CBM
 CAUSE: 245-2



04-02 Texaco ST of UT JJ C_160

Casing Schematic

Surface

BlueGate

8-5/8"
MW 8.3
Frac 19.3

TOC @
1.

w/25% washout

Surface
300. MD

BOP
 $(0.052)(8.4)(3435) = 1500 \text{ psi}$
 Anticipated = 1000 psi

Gas
 $\frac{(0.12)(3435)}{1000} = 412 \text{ psi}$
 MASP = 1088 psi

3 m BOP E proposed

Adequate DRD
4/04/02

2975'
Ferron
3000'
"A" coal

5-1/2"
MW 8.3

TOC @
2660.

2975'

w/15% washout

coals 550'

3335'

Production
3435. MD

Well name:	04-02 Texaco ST of UT JJ 03-160		
Operator:	Texaco E&P	Project ID:	43-015-30549
String type:	Surface		
Location:	Emery County, Utah		

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 0 psi
Internal gradient: 0.433 psi/ft
Calculated BHP: 130 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor: 1.125

Burst:
Design factor: 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 262 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 69 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 299 ft

Cement top: 1 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 3,435 ft
Next mud weight: 8.330 ppg
Next setting BHP: 1,486 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 300 ft
Injection pressure: 300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	300	8.625	24.00	K-55	ST&C	300	300	7.972	14.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	130	1370	10.56	130	2950	22.73	7	263	36.54 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural Resources

Phone: (801) 538-5281
FAX: (801)359-3940

Date: April 4,2002
Salt Lake City, Utah

N/A.

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	04-02 Texaco ST of UT JJ 03-160	
Operator:	Texaco E&P	Project ID:
String type:	Production	43-015-30549
Location:	Emery County, Utah	

Design parameters:

Collapse
 Mud weight: 8.330 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:
 Design factor 1.125

Burst:
 Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 113 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 2,660 ft

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.433 psi/ft
 Calculated BHP: 1,486 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on air weight.
 Neutral point: 3,001 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3435	5.5	17.00	N-80	LT&C	3435	3435	4.767	118.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1486	6290	4.23	1486	7740	5.21	58	348	5.96 J

Prepared by: Dustin K. Doucet
 Utah Dept. of Natural Resources

Phone: (801) 538-5281
 FAX: (801) 359-3940

Date: April 4, 2002
 Salt Lake City, Utah

N/A.
 Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
 Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: ChevronTexaco
WELL NAME & NUMBER: State of Utah 03-160
API NUMBER: 43-015-30549
LEASE: State

LOCATION: 1/4,1/4 NWNW Sec: 3 TWP: 17S RNG: 8E 1291' FNL 899' FWL

Geology/Ground Water:

The Lower Emery Sandstone is a possible aquifer with high quality ground water, that will be penetrated at this location, however there are only 5 known culinary water wells in all of Emery County. A search of the Division of Water Rights records revealed that there are 0 points of diversion or water supply within a mile radius of this location. A moderately permeable soil is developed on Quaternary alluvium pediment mantle, which covers the Lower Member of the Emery Sandstone. The proposed surface casing and cementing program should be sufficient to ensure the protection of any unknown ground water resources and 300' of surface casing and cement will protect the water table in any of the drainages accessing Huntington Creek. This creek is about 1 mile to the south and is active all year long. It is also the major source for agricultural water in this part of the state.

Reviewer: K. Michael Hebertson **Date:** 3-April-2002

Surface:

Proposed location is located ~4.22 miles Northwest of Huntington Utah, and ~18.83 miles Southwest of Price, Utah. Huntington Creek, a year-round live water source, lies South of the location ~1.73 miles. The soil is gravelly clay. A hillside exists to the East side of the pad and a small drainage lies to the West. Raptor Nest # 128 is within .5 mile of the location, placing this well under Raptor Seasonal Nesting Closure from Jan 1 to July 15. Emery County was in attendance as well as DWR. SITLA was invited but chose not to attend.

Reviewer: Mark L. Jones **Date:** April 1, 2002.

Conditions of Approval/Application for Permit to Drill:

1. Berm the location and reserve pit.
2. Culverts as needed to deflect and collect runoff.
3. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: ChevronTexaco
WELL NAME & NUMBER: State of Utah "JJ" 03-160
API NUMBER: 43-015-30549
LEASE: State **FIELD/UNIT:** _____
LOCATION: 1/4,1/4 NWNW Sec: 3 TWP: 17S RNG: 8E 1291' FNL 899' FWL
LEGAL WELL SITING: 460 from unit boundary or uncommitted tracts.
GPS COORD (UTM): X =498538 E; Y = 4358485 N **SURFACE OWNER:** SITLA.

PARTICIPANTS

M. Jones (DOGM), B. Anderson (Emery County), D. Hamilton & A. Childs (Talon), R. Wirth (ChevronTexaco), C. Colt (DWR). SITLA was invited but did not attend.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is located ~4.22 miles Northwest of Huntington Utah, and ~18.83 miles Southwest of Price, Utah. Huntington Creek, a year-round live water source, lies South of the location ~1.73 miles. The soil is gravely clay. A hillside exists to the East side of the pad and a small drainage lies to the West.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife habitat and grazing.

PROPOSED SURFACE DISTURBANCE: 260' x 150' with a pit included.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 7 proposed wells, 1 SI well, and 3 PA wells are within a 1 mile radius.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Along roadways.

SOURCE OF CONSTRUCTION MATERIAL: Locally and transported in.

ANCILLARY FACILITIES: None.

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. Crude oil production is unlikely. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected into the Navajo Sandstone via a salt-water disposal well. Used oil from drilling operations and support is hauled to a used oil recycler and reused.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: Huntington creek, a year round live water source lies South of the pad ~1.73 miles. Dry washes are prominent throughout the immediate area.

FLORA/FAUNA: Pinion Juniper, Sagebrush, grasses, deer, small game, rodents, birds.

SOIL TYPE AND CHARACTERISTICS: Gravelly clay.

EROSION/SEDIMENTATION/STABILITY: Stable until disturbed.

PALEONTOLOGICAL POTENTIAL: None.

RESERVE PIT

CHARACTERISTICS: Dugout Earthen Pit.

LINER REQUIREMENTS (Site Ranking Form attached): Liner required.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: SITLA will sign-off on the APD.

CULTURAL RESOURCES/ARCHAEOLOGY: On file with the State.

OTHER OBSERVATIONS/COMMENTS

It was decided upon during the on-site to rotate the well 35' counter-clockwise to pull part of the location out of a large amount of cut.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

March 26, 2002 / 1:45 pm
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 20 (Level I Sensitivity)

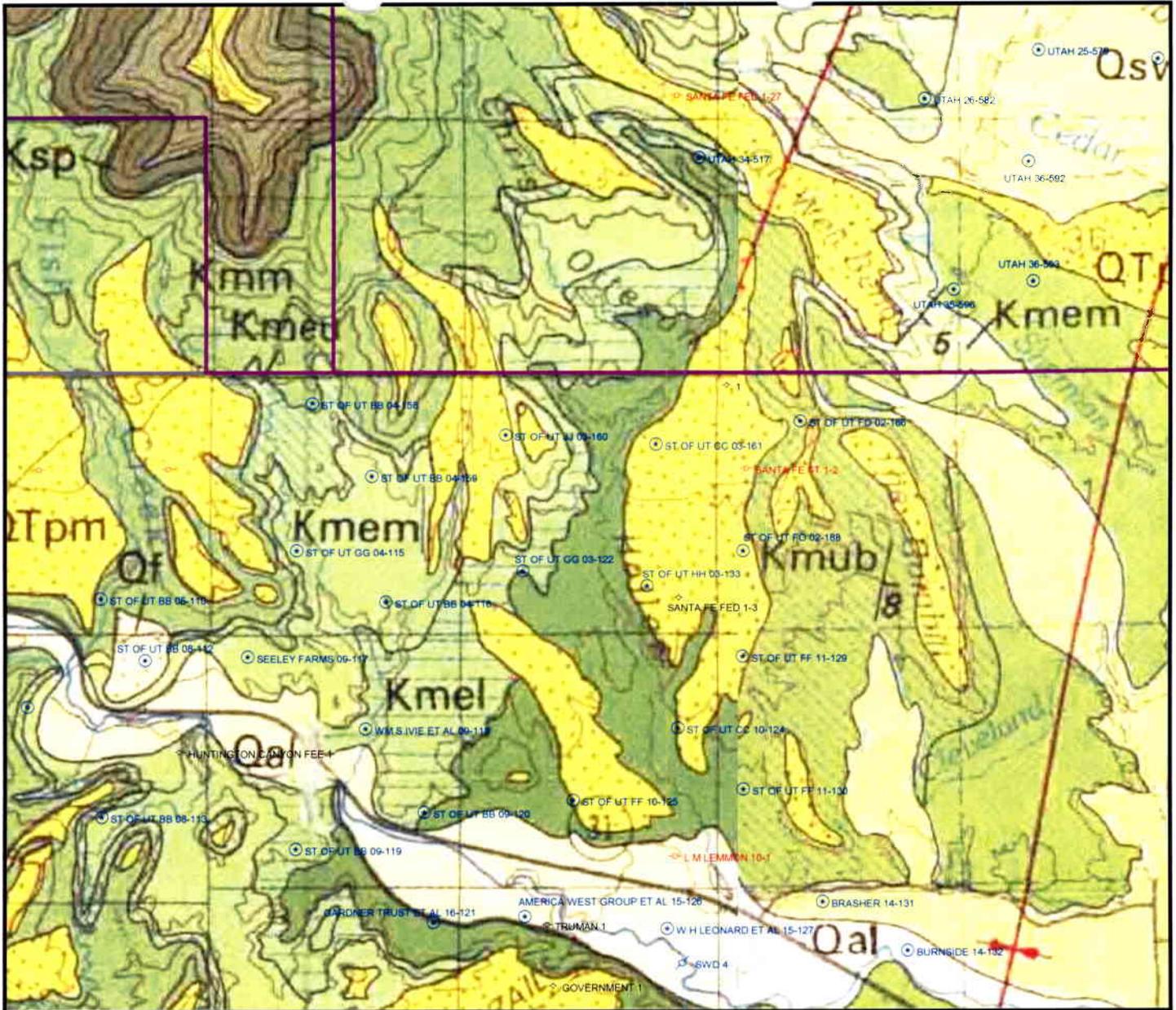
Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





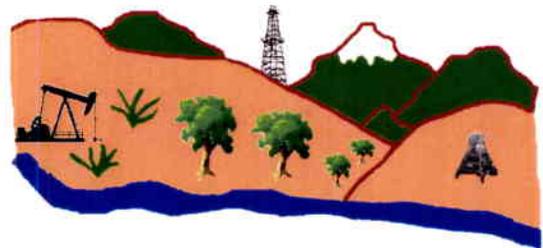


LEGEND

Well Status

- GAS INJECTION
- GAS STORAGE WELL
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- ▲ WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

- County Boundary
- Sections
- Township
- Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



Utah Oil Gas and Mining

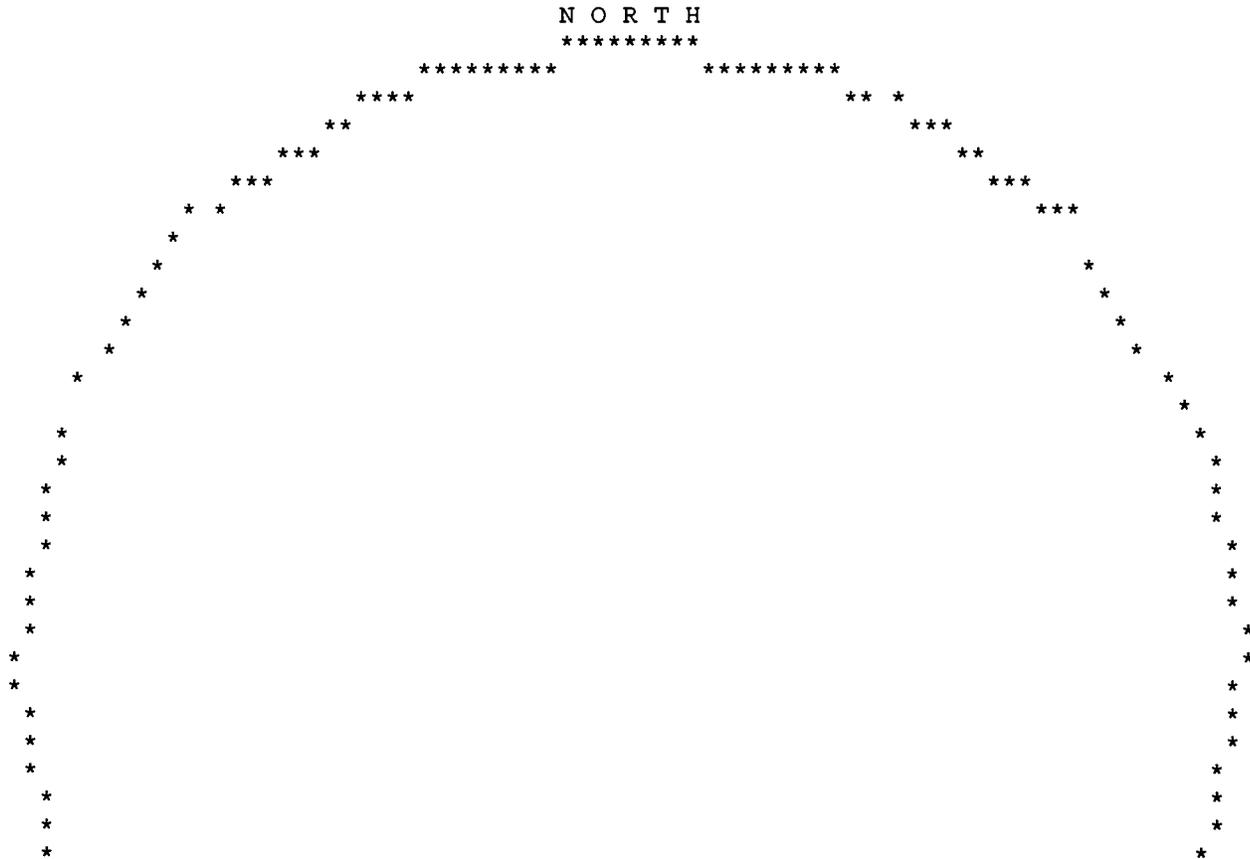


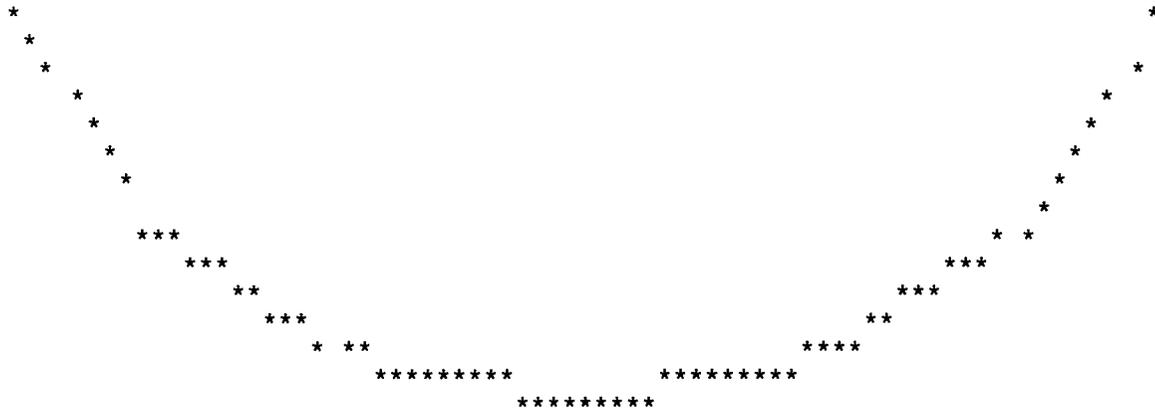
Prepared By: K. Michael Hebertson

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED WED, APR 3, 2002, 9:54 AM
PLOT SHOWS LOCATION OF 0 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET FROM A POINT
S 1291 FEET, E 899 FEET OF THE NW CORNER,
SECTION 3 TOWNSHIP 17S RANGE 8E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FEET







Chevron

Chevron U.S.A. Production Company
Mid-Continent Business Unit
P.O. Box 36366
Houston, TX 77236
Phone 713 754 2000

April 9, 2002

Mr. John Baza,
Associate Director of Oil and Gas
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 W. North Temple St., Suite 1210
Salt Lake City, UT 84114-5801

RECEIVED

APR 12 2002

DIVISION OF
OIL, GAS AND MINING

Dear Mr. Baza:

As you may recall from our meeting last year, we planned to combine the assets of Chevron U.S.A. Inc. ("CUSA"), by merger, and Texaco Exploration and Production Inc. ("TEPI"), by assignment, into a new entity which we referred to as "Newco LP". Along the way, additional information came to light and it was decided that this proposed corporate restructure would not be preferable. Therefore, CUSA and TEPI have continued to operate as separate entities.

We are now planning a simpler restructuring process where TEPI will assign most of its assets/operatorship to CUSA effective May 1, 2002. We plan to use the existing CUSA bonds/letters of credit, operator identification numbers, etc., for the TEPI assets that will be assigned.

A task force of Land, Regulatory and Environmental Compliance personnel are finishing the work that was begun last year to assign TEPI's assets—using the same forms and procedures as before. We have "new faces" in this task force due to reassignments and departures. In some cases, it may be worthwhile to visit you and your staff in person where new people are involved or if we need to review/clarify your forms and procedures. Otherwise, we will endeavor to complete the work to assign TEPI's assets/operatorship to CUSA and deliver the requisite materials to you in a timely manner.

During discussions last year, our focus was on Land, Regulatory and Environmental matters. The Finance organization also desires to join in this effort. For State Tax, Royalty and Regulatory reporting purposes (applicable to production from May 2002 through December 2002), we intend to generate two reports and two payments.



However, the reporting company name and identification number will be CUSA's. Beginning with January 2003 production and thereafter, we will issue only one CUSA report and payment. We trust this plan meets with your approval. Any questions or comments should be directed to Rick Dunlavy (telephone 713/752-7411, rickdunlavy@chevrontexaco.com).

We appreciate the cooperation and guidance you provided us in the past, and we look forward to bringing these efforts to a conclusion.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Don R. Sellars". The signature is written in a cursive style with a large initial "D".

Don R. Sellars

Sr. Environmental Specialist

Chevron U. S. A. Inc
 Permian Business Unit
 Aneth Operations
 San Juan County, Utah

Name / Operatorship Change
 Texaco Exploration and Production Inc
 to
 Chevron U. S. A Inc.

Account Number	Section	Township	Range	API Number	Well Name	Lease Type	Well Status Main	Well Type Main
N5700	36	160S	070E	4301530506	ST OF UT T 36-100	3		DRL
N5700	36	160S	070E	4301530268	ST OF UT T 36-10	3	P	GW
N5700	36	160S	070E	4301530530	ST OF UT 36-139	3		DRL
N5700	36	160S	070E	4301530550	ST OF UT 36-138	3		DRL
N5700	36	170S	070E	4301530382	UTAH STATE 36-78	3	P	GW
N5700	36	170S	070E	4301530508	ST OF UT II 36-96	3		DRL
N5700	36	170S	070E	4301530509	ST OF UT II 36-95	3		DRL
N5700	02	170S	080E	4301530533	ST OF UT FO 02-186	3		DRL
N5700	02	170S	080E	4301530553	ST OF UT FO 02-188	3	P	GW
N5700	03	170S	080E	4301530499	ST OF UT GG 03-122	3		DRL
N5700	03	170S	080E	4301530500	ST OF UT HH 03-133	3	P	GW
N5700	03	170S	080E	4301530549	ST OF UT JJ 03-160	3		APD
N5700	03	170S	080E	4301530552	ST OF UT CC 03-161	3		DRL
N5700	04	170S	080E	4301530503	ST OF UT BB 04-116	3	P	GW
N5700	04	170S	080E	4301530504	ST OF UT GG 04-115	3	P	GW
N5700	04	170S	080E	4301530554	ST OF UT BB 04-158	3		APD
N5700	04	170S	080E	4301530555	ST OF UT BB 04-159	3		APD
N5700	05	170S	080E	4301530479	ST OF UT BB 05-107	3	P	GW
N5700	05	170S	080E	4301530480	ST OF UT BB 05-108	3	P	GW
N5700	05	170S	080E	4301530481	ST OF UT BB 05-109	3	P	GW
N5700	05	170S	080E	4301530482	ST OF UT BB 05-110	3	P	GW
N5700	07	170S	080E	4301530396	ST OF UT AA 07-106	3	P	GW

N5700	07	170S	080E	4301530497	ST OF UT AA 07-105	3	P	GW
N5700	08	170S	080E	4301530496	ST OF UT BB 08-113	3		DRL
N5700	09	170S	080E	4301530437	ST OF UT BB 09-119	3		DRL
N5700	09	170S	080E	4301530444	ST OF UT BB 09-120	3	P	GW
N5700	10	170S	080E	4301530438	ST OF UT CC 10-124	3	P	GW
N5700	10	170S	080E	4301530454	ST OF UT CC 10-123	3	P	GW
N5700	10	170S	080E	4301530458	ST OF UT FF 10-125	3	P	GW
N5700	11	170S	080E	4301530459	ST OF UT FF 11-129	3	P	GW
N5700	11	170S	080E	4301530462	ST OF UT FF 11-130	3	P	GW
N5700	14	170S	080E	4301530528	ST OF UT 14-170	3		APD
N5700	15	170S	080E	4301530502	ST OF UT GG 15-128	3		APD
N5700	31	170S	080E	4301530439	ST OF UT DD 31-98	3	S	GW
N5700	06	170S	090E	4301530393	ST OF UT EE 06-138	3		APD
N5700	01	180S	070E	4301530381	UTAH STATE 1-76	3	P	GW
N5700	01	180S	070E	4301530498	ST OF UT 01-97	3		DRL
N5700	02	180S	070E	4301530270	ST OF UT U 2-11	3	P	GW
N5700	02	180S	070E	4301530306	ST OF UT U 2-48	3	P	GW
N5700	02	180S	070E	4301530308	ST OF UT U 2-50	3	P	GW
N5700	02	180S	070E	4301530309	ST OF UT U 2-49	3	P	GW
N5700	16	180S	070E	4301530311	ST OF UT X 16-66	3	P	GW
N5700	16	180S	070E	4301530312	ST OF UT X 16-65	3	P	GW

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>Operator Name Change</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached List of Wells
2. NAME OF OPERATOR: Chevron U.S.A. Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: BLM & State of Utah
3. ADDRESS OF OPERATOR: P.O. Box 36366 CITY Houston STATE TX ZIP 77236		7. UNIT or CA AGREEMENT NAME: Orangeville & Huntington
PHONE NUMBER: (281) 561-3443		8. WELL NAME and NUMBER: See Attached List of Wells
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached List of Wells		9. API NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT:

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"/> 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Operator Name Change (Merger)</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.

Effective May 1, 2002, Chevron U.S.A. Inc. is the new operator of the attached list of subject wells and leases that were previously operated by Texaco Exploration and Production Inc. The subject wells are located North of Orangeville and North of Huntington, Emery County, Utah. These Wells will be protected by the following surety bonds:

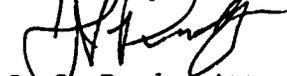
STATE OF UTAH Bond #: 103521627-0010 in the amount of \$80,000. (This bond will replace United Pacific Insurance Company bond number U89-75-80-0059. We respectfully request this bond be released and returned.)

BLM Nationwide Bond#: U89-75-81-0034 in the amount of \$300,000.

Key Contacts:

Ron Wirth - Operations Supervisor - 435 748-5395 x1

Texaco Exploration & Production Inc.

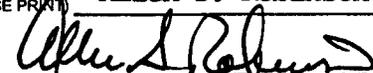


J. S. Purdy, Attorney-In-Fact

RECEIVED

MAY 06 2002

DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Allen S. Robinson</u>	TITLE <u>Attorney-In-Fact</u>
SIGNATURE 	DATE <u>April 30, 2002</u>

(This space for State use only)

003



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

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

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

May 14, 2002

Texaco Exploration and Production Inc.
PO Box 618
Orangeville UT 84537

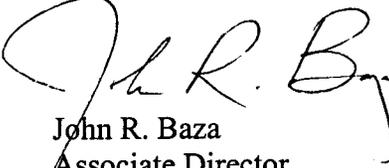
Re: State of Utah JJ 03-160 Well, 1291' FNL, 899' FWL, NW NW, Sec. 3, T. 17 South,
R. 8 East, Emery County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-015-30549.

Sincerely,



John R. Baza
Associate Director

er

Enclosures

cc: Emery County Assessor
SITLA

Operator: Texaco Exploration and Production Inc.
Well Name & Number State of Utah JJ 03-160
API Number: 43-015-30549
Lease: ML 48230

Location: NW NW Sec. 3 T. 17 South R. 8 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

004

Diana Mason - Raptor restrictions on "JJ" 3-160

CONFIDENTIAL

From: Chris Colt
To: Mason, Diana
Date: 6/6/02 5:27 PM
Subject: Raptor restrictions on "JJ" 3-160 43-015-30549 Sec. 3, 175, 8E
CC: Colt, Chris; talon@castlenet.com

Diana,

The Division of Wildlife Resources (DWR) recommends releasing the seasonal construction/drilling restriction for active raptor nests on the ChevronTexaco "JJ" 3-160.

DWR and ChevronTexaco completed a raptor survey on 13 May, 2002 of the ChevronTexaco field. During that survey we carefully inspected the known raptor nests and surveyed for new nests within one mile of the above listed wells. There are no active raptor nests this year within one mile of the 3-160 or the proposed access road. Therefore, ChevronTexaco could commence construction on the wells without negatively impacting nesting birds of prey.

If you have any questions, please contact Chris Colt (Wildlife Biologist) at 435-636-0279.

Sincerely,

Chris Colt

Chris Colt
Wildlife Biologist, Habitat Section
Utah Division of Wildlife Resources
475 W. Price River Dr. #C
Price, UT 84501
435-636-0279
ccolt@state.ut.us

005

Diana Mason - ChevronTexaco Permit status

From: "Don Hamilton" <talon@castlenet.com>
To: "Diana Mason" <dmason.nrogm@state.ut.us>
Date: 6/7/02 10:54 AM
Subject: ChevronTexaco Permit status

Diana:

Just wanted to check on the status of two ChevronTexaco permits

As of 4-23-02 we were outstanding on the cultural resource survey for the following two wells:

- State of Utah "FO" 02-186
- State of Utah "JJ" 03-160

The cultural resource survey has been completed on both of these wells and we were wondering when permit approval was anticipated.

Thank you in advance for your work on this.

Don

OPERATOR CHANGE WORKSHEET

006

ROUTING

1. GLH	
2. CDW	<input checked="" type="checkbox"/>
3. FILE	

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change

X Merger

The operator of the well(s) listed below has changed, effective: 05-01-2002	
FROM: (Old Operator):	TO: (New Operator):
TEXACO EXPLORATION & PRODUCTION INC	CHEVRON USA INC
Address: 3300 NORTH BUTLER, STE 100	Address: P O BOX 36366
FARMINGTON, NM 87401	HOUSTON, TX 79702
Phone: 1-(505)-325-4397	Phone: 1-(915)-687-2000
Account No. N5700	Account No. N0210

CA No. **Unit:** **HUNTINGTON CBM**

WELL(S)						
NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
ST OF UTAH T 36-100	36-16S-07E	43-015-30506	13161	STATE	GW	DRL
ST OF UTAH T 36-138	36-16S-07E	43-015-30550	13161	STATE	GW	DRL
ST OF UTAH T 36-139	36-16S-07E	43-015-30530	13161	STATE	GW	DRL
ST OF UTAH FO 02-186	02-17S-08E	43-015-30533	13161	STATE	GW	DRL
ST OF UTAH FO 02-188	02-17S-08E	43-015-30553	13161	STATE	GW	P
ST OF UTAH GG 03-122	03-17S-08E	43-015-30499	13161	STATE	GW	DRL
ST OF UTAH HH 03-133	03-17S-08E	43-015-30500	13161	STATE	GW	P
ST OF UTAH JJ 03-160	03-17S-08E	43-015-30549	99999	STATE	GW	APD
ST OF UTAH CC 03-161	03-17S-08E	43-015-30552	13161	STATE	GW	DRL
ST OF UTAH GG 04-115	04-17S-08E	43-015-30504	13161	STATE	GW	P
ST OF UTAH BB 04-116	04-17S-08E	43-015-30503	13161	STATE	GW	P
ST OF UTAH BB 04-158	04-17S-08E	43-015-30554	99999	STATE	GW	APD
ST OF UTAH BB 04-159	04-17S-08E	43-015-30555	99999	STATE	GW	APD
ST OF UTAH BB 05-107	05-17S-08E	43-015-30479	13161	STATE	GW	P
ST OF UTAH BB 05-108	05-17S-08E	43-015-30480	13161	STATE	GW	P
ST OF UTAH BB 05-109	05-17S-08E	43-015-30481	13161	STATE	GW	P
ST OF UTAH BB 05-110	05-17S-08E	43-015-30482	13161	STATE	GW	P
ST OF UTAH AA 07-105	07-17S-08E	43-015-30497	13161	STATE	GW	P
ST OF UTAH AA 07-106	07-17S-08E	43-015-30396	13161	STATE	GW	P
ST OF UTAH BB 08-113	08-17S-08E	43-015-30496	13161	STATE	GW	DRL

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-2-10) Sundry or legal documentation was received from the **FORMER** operator on: 05/06/2002
2. (R649-2-10) Sundry or legal documentation was received from the **NEW** operator on: 04/12/2002
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 10/16/2002
4. Is the new operator registered in the State of Utah: YES Business Number: 564408-0143
5. If **NO**, the operator was contacted on: N/A

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **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: N/A

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** 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: 10/16/2002

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/16/2002

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: 6049663

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: N/A

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: N/A

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 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

LEASE INTEREST OWNER NOTIFICATION:

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: N/A

COMMENTS: Chevron USA Inc merged with Texaco Exploration & Production Inc to form ChevronTexaco Inc although all the Utah operations will be operated by Chevron USA Inc.

TALON RESOURCES INC

May 15, 2003

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Permit Extension —Chevron USA, Inc.

Dear Mrs. Mason:

On behalf of Chevron USA, Inc. (Chevron) Talon Resources, Inc. respectfully submits this request for permit extension for the following wells with attached *Request for Permit Extension Validation*. A one year extension will allow Chevron to construct, drill and complete the wells.

- State of Utah "GG" 15-128 (43-015-30502) NW/4 SW/4, Section 15, T 17S, R8E, SLB&M, Emery County, Utah
- State of Utah 14-170 (43-015-30528) SW/4 SE/4, Section 14, T17S, R8E, SLB&M, Emery County, Utah
- State of Utah "JJ" 03-160 (43-015-30549) NW/4 NW/4, Section 3, T17S, R8E, SLB&M, Emery County, Utah
- State of Utah "BB" 04-158 (43-015-30554) NE/4 NW/4, Section 4, T17S, R8E, SLB&M, Emery County, Utah
- State of Utah "BB" 04-159 (43-015-30555) SW/4 NE/4, Section 4, T17S, R8E, SLB&M, Emery County, Utah

Thank you for your timely consideration this request. Please feel free to contact myself or Mr. Ron Wirth with Chevron at 435-748-5395 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Agent for Chevron

cc: Mr. Ron Wirth, Chevron
Mr. Ken Jackson, Chevron
Chevron Well File

**Approved by the
Utah Division of
Oil, Gas and Mining**
Date: 05-27-03
By: *[Signature]*

COPY SENT TO OPERATOR
Date: 5-28-03
Initials: CHO

RECEIVED
MAY 20 2003
DIV. OF OIL, GAS & MINING
FILE COPY

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-015-30549
Well Name: State of Utah "JJ" 03-160
Location: NW/4 NW/4, Section 3, T17S, R18E, SLB&M
Company Permit Issued to: Chevron USA, Inc.
Date Original Permit Issued: 5/14/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Don Hamilton
Signature

5/15/2003
Date

Title: Agent for Chevron

Representing: Chevron USA, Inc.

RECEIVED
MAY 20 2003
DIV. OF OIL, GAS & MINING

TALON RESOURCES INC

May 10, 2004

Ms. Diana Whitney
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Permit Extension----- Chevron USA

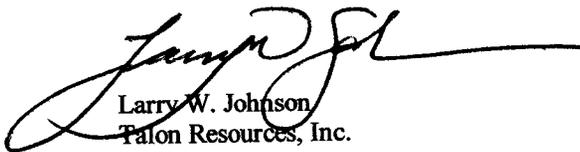
Dear Ms. Whitney:

On behalf of Chevron USA, Talon Resources, Inc. respectfully submits these requests for permit extension for the following wells. These extensions will allow Chevron USA time to construct, drill, and complete these wells.

State of Utah "GG" 15-184 (43-015-30561) NW/4SE/4, Section 15, T17S, R8E SLB&M, Emery County,
Utah
State of Utah "GG" 15-128 (43-015-30502) NW/4SW/4 Section 15, T17S, R8E, SLB&M, Emery County,
Utah
State of Utah "BB" 04-158 (43-015-30554) NE/4NW/4 Section 4, T17S, R8E, SLB&M, Emery County,
Utah
State of Utah "BB" 04-15- (43-015-30555) SW/4NE/4 Section 4, T17S, R8E, SLB&M, Emery County,
Utah
State of Utah "JJ" 03-160 (43-015-30549) NW/4NW/4 Section 3, T17S, R8E, SLB&M, Emery County,
Utah
State of Utah 15-170 (43-015-30528) SW/4SE/4 Section 14, T17S, R8E, SLB&M, Emery County, Utah

Please feel free to contact me at 435-687-5310 or Mr. Ron Wirth with Chevron USA at 435-748-5395 if you have any questions or concerns.

Sincerely,



Larry W. Johnson
Talon Resources, Inc.

cc: File
Mr. Ken Jackson
Mr. Ron Wirth

Chevron USA
Chevron USA

RECEIVED

MAY 12 2004

DIV. OF OIL, GAS & MINING

P.O. # 1230
(435) 687-5310

195 N. 100 West
(435) 687-5311

Huntington, Utah 84528
talon@etv.net

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

008

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.

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-48230

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

7. UNIT or CA AGREEMENT NAME:
Huntington (Shallow)CBM

8. WELL NAME and NUMBER:
State of Utah "JJ" 03-160

9. API NUMBER:
4301530549

10. FIELD AND POOL, OR WILDCAT:
Undesignated

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Chevron USA, Inc.

3. ADDRESS OF OPERATOR:
P.O. Box 618 CITY Orangeville STATE UT ZIP 84537 PHONE NUMBER: (435) 748-5395

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1291' FNL, 899' FWL COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 3 17S 8E S STATE: UTAH

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

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

Texaco Exploration and Production, Inc. hereby requests a one year extension of the state permit for the Utah State "JJ" 03-160

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-12-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 5-12-04
Initials: [Signature]

NAME (PLEASE PRINT) Larry Johnson TITLE Chevron USA, Inc.

SIGNATURE [Signature] DATE 5/10/2004

(This space for State use only)

RECEIVED

MAY 12 2004

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-015-30549
Well Name: State of Utah "JJ" 03-160
Location: NW/4 NW/4, Section 3, T17S, R08E, SLB&M
Company Permit Issued to: Chevron USA, Inc.
Date Original Permit Issued: 5/14/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

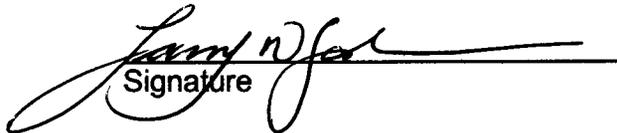
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

5/10/2004

Date

Title: Agent for Chevron

Representing: Chevron USA, Inc.

RECEIVED

MAY 12 2004

DIV. OF OIL, GAS & MINING

7. **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

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** 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: 9/28/2004

DATA ENTRY:

- 1. Changes entered in the Oil and Gas Database on: 9/30/2004
- 2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 9/30/2004
- 3. Bond information entered in RBDMS on: 9/30/2004
- 4. Fee/State wells attached to bond in RBDMS on: 9/30/2004
- 5. Injection Projects to new operator in RBDMS on: 9/30/2004
- 6. Receipt of Acceptance of Drilling Procedures for APD/New on: 9/28/2004

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 579173

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number 104312762

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

LEASE INTEREST OWNER NOTIFICATION:

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: 10/5/2004

COMMENTS:

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
Various Leases

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
See attached list

9. API NUMBER:
Multiple

10. FIELD AND POOL, OR WILDCAT:
Buzzard Bench

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:
XTO ENERGY INC. *N2615*

3. ADDRESS OF OPERATOR:
2700 Farmington Bldg K, Sui *Farmington* CITY STATE *NM* ZIP *87401* PHONE NUMBER: *(505) 324-1090*

4. LOCATION OF WELL
FOOTAGES AT SURFACE: COUNTY: *Emery*
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: *UTAH*

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Effective August 1, 2004, the operator changed from Chevron U.S.A. Inc. to XTO ENERGY INC. for all wells on the attached list.

BLM #579173
State and Fee Bond #104312762

Kenneth W. Jackson
Kenneth W. Jackson Regulatory Specialist ChevronTexaco for Chevron U.S.A. Inc. *N0210*

NAME (PLEASE PRINT) *James L. Death* TITLE *Vice President Land*
SIGNATURE *James L. Death* DATE *8/16/04*

(This space for State use only)
APPROVED *9/30/2004*
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
SEP 28 2004
DIV. OF OIL, GAS & MINING

API Well Number	Well Name	Well Type	County Name	Qtr/Qtr	Section	TwN-Rng
43-015-30242-00-00	L M LEMMON 10-1	Gas Well	EMERY	SESE	10	17S-8E
43-015-30243-00-00	FEDERAL B21-3	Gas Well	EMERY	NESW	21	19S-7E
43-015-30244-00-00	FEDERAL A26-2	Gas Well	EMERY	SESW	26	18S-7E
43-015-30245-00-00	FEDERAL C23-8	Gas Well	EMERY	NENW	23	18S-7E
43-015-30246-00-00	FEDERAL A26-4	Gas Well	EMERY	SWSE	26	18S-7E
43-015-30247-00-00	FEDERAL A35-6	Gas Well	EMERY	NWNW	35	18S-7E
43-015-30248-00-00	FEDERAL A35-5	Gas Well	EMERY	NWNE	35	18S-7E
43-015-30249-00-00	FEDERAL A34-7	Gas Well	EMERY	NENE	34	18S-7E
43-015-30258-00-00	UTAH FED P 10-47	Gas Well	EMERY	NWNW	10	18S-7E
43-015-30259-00-00	A L JENSEN 27-9	Gas Well	EMERY	SESE	27	21S-6E
43-015-30268-00-00	ST OF UT T 36-10	Gas Well	EMERY	SWNE	36	16S-7E
43-015-30270-00-00	ST OF UT U 2-11	Gas Well	EMERY	NWNW	2	18S-7E
43-015-30272-00-00	SWD 1	Water Disposal Well	EMERY	SWNW	24	18S-7E
43-015-30274-00-00	UTAH FED S 8-46	Gas Well	EMERY	SESW	8	18S-7E
43-015-30275-00-00	UTAH FED R 9-45	Gas Well	EMERY	NWNE	9	18S-7E
43-015-30276-00-00	UTAH FED P 10-42	Gas Well	EMERY	NWNE	10	18S-7E
43-015-30277-00-00	UTAH FED P 10-43	Gas Well	EMERY	NWSE	10	18S-7E
43-015-30280-00-00	UTAH FED Q 4-44	Gas Well	EMERY	SESE	4	18S-7E
43-015-30282-00-00	UTAH FED D 34-12	Gas Well	EMERY	SESE	34	17S-7E
43-015-30285-00-00	UTAH FED D 35-13	Gas Well	EMERY	SWSW	35	17S-7E
43-015-30286-00-00	UTAH FED D 35-14	Gas Well	EMERY	NWNW	35	17S-7E
43-015-30287-00-00	UTAH FED D 35-15	Gas Well	EMERY	SWSE	35	17S-7E
43-015-30292-00-00	UTAH FED M 6-25	Gas Well	EMERY	SENE	6	17S-8E
43-015-30294-00-00	UTAH FED H 6-21	Gas Well	EMERY	SESW	6	20S-7E
43-015-30303-00-00	SWD 3	Water Disposal Well	EMERY	SENE	11	18S-7E
43-015-30306-00-00	ST OF UT U 2-48	Gas Well	EMERY	NWNE	2	18S-7E
43-015-30308-00-00	ST OF UT U 2-50	Gas Well	EMERY	NESW	2	18S-7E
43-015-30309-00-00	ST OF UT U 2-49	Gas Well	EMERY	NWSE	2	18S-7E
43-015-30310-00-00	L & M CURTIS 10-58	Gas Well	EMERY	SWSW	10	18S-7E
43-015-30311-00-00	ST OF UT X 16-66	Gas Well	EMERY	SENE	16	18S-7E
43-015-30312-00-00	ST OF UT X 16-65	Gas Well	EMERY	NWNE	16	18S-7E
43-015-30313-00-00	U P & L 14-53	Gas Well	EMERY	SESE	14	18S-7E
43-015-30314-00-00	U P & L 14-55	Gas Well	EMERY	NWNW	14	18S-7E
43-015-30315-00-00	U P & L 23-51	Gas Well	EMERY	SENE	23	18S-7E
43-015-30316-00-00	U P & L 24-57	Gas Well	EMERY	NWNW	24	18S-7E
43-015-30318-00-00	D & A JONES 15-68	Gas Well	EMERY	NENW	15	18S-7E
43-015-30319-00-00	D&D CURTIS 14-54	Gas Well	EMERY	SENE	14	18S-7E
43-015-30320-00-00	P & K PEACOCK 8-62	Gas Well	EMERY	SWNE	8	18S-7E
43-015-30321-00-00	PEACOCK TRUST 9-60	Gas Well	EMERY	NWSW	9	18S-7E
43-015-30323-00-00	SWD 2	Water Disposal Well	EMERY	NWNW	14	18S-7E
43-015-30324-00-00	R G NORRIS 14-40	Gas Well	EMERY	NESW	14	18S-7E
43-015-30325-00-00	L & M CURTIS 15-67	Gas Well	EMERY	NENE	15	18S-7E
43-015-30326-00-00	PEACOCK TRUST 8-61	Gas Well	EMERY	NESE	8	18S-7E
43-015-30327-00-00	PEACOCK 7-64	Gas Well	EMERY	NENE	7	18S-7E
43-015-30328-00-00	PEACOCK TRUST 8-63	Gas Well	EMERY	SENE	8	18S-7E
43-015-30329-00-00	D & A JONES 9-59	Gas Well	EMERY	SESE	9	18S-7E
43-015-30381-00-00	UTAH STATE 1-76	Gas Well	EMERY	NWNW	1	18S-7E
43-015-30382-00-00	UTAH STATE 36-78	Gas Well	EMERY	SWSW	36	17S-7E
43-015-30383-00-00	USA 3-74	Gas Well	EMERY	SESE	3	18S-7E
43-015-30384-00-00	USA 3-75	Gas Well	EMERY	NENE	3	18S-7E
43-015-30385-00-00	USA 11-70	Gas Well	EMERY	SWSE	11	18S-7E
43-015-30386-00-00	USA 11-71	Gas Well	EMERY	SWNE	11	18S-7E
43-015-30387-00-00	USA 11-72	Gas Well	EMERY	NWNW	11	18S-7E
43-015-30388-00-00	USA 11-73	Gas Well	EMERY	NWSW	11	18S-7E
43-015-30389-00-00	USA 34-80	Gas Well	EMERY	SENE	34	17S-7E
43-015-30390-00-00	USA 34-82	Gas Well	EMERY	SESW	34	17S-7E
43-015-30393-00-00	ST OF UT EE 06-138	Gas Well	EMERY	NENW	6	17S-9E
43-015-30396-00-00	ST OF UT AA 07-106	Gas Well	EMERY	NWNE	7	17S-8E
43-015-30437-00-00	ST OF UT BB 09-119	Gas Well	EMERY	SESW	9	17S-8E
43-015-30438-00-00	ST OF UT CC 10-124	Gas Well	EMERY	SENE	10	17S-8E
43-015-30439-00-00	ST OF UT DD 31-98	Gas Well	EMERY	NWSW	31	17S-8E
43-015-30440-00-00	FEDERAL T 27-85	Gas Well	EMERY	SENE	27	18S-7E
43-015-30441-00-00	UP&L 06-102	Gas Well	EMERY	NENW	6	17S-8E
43-015-30442-00-00	UP&L 06-104	Gas Well	EMERY	NESE	6	17S-8E
43-015-30443-00-00	WM S IVIE ET AL 09-118	Gas Well	EMERY	SWNE	9	17S-8E

API Well Number	Well Name	Well Type	County Name	Qtr/Qtr	Section	Twn-Rng
43-015-30444-00-00	ST OF UT BB 09-120	Gas Well	EMERY	NESE	9	17S-8E
43-015-30445-00-00	FEDERAL A 26-88	Gas Well	EMERY	SWNW	26	18S-7E
43-015-30446-00-00	FEDERAL A 35-89	Gas Well	EMERY	NWSW	35	18S-7E
43-015-30447-00-00	FEDERAL C 23-84	Gas Well	EMERY	NESW	23	18S-7E
43-015-30448-00-00	FEDERAL P 3-92	Gas Well	EMERY	SESW	3	18S-7E
43-015-30449-00-00	FEDERAL P 3-93	Gas Well	EMERY	SWNW	3	18S-7E
43-015-30450-00-00	FEDERAL T 21-94	Gas Well	EMERY	NENE	21	18S-7E
43-015-30451-00-00	FEDERAL T 22-69	Gas Well	EMERY	NENE	22	18S-7E
43-015-30452-00-00	FEDERAL T 22-83	Gas Well	EMERY	SWSE	22	18S-7E
43-015-30453-00-00	FEDERAL T 22-91	Gas Well	EMERY	NENW	22	18S-7E
43-015-30454-00-00	ST OF UT CC 10-123	Gas Well	EMERY	NWNW	10	17S-8E
43-015-30455-00-00	FEDERAL T 27-86	Gas Well	EMERY	SENE	27	18S-7E
43-015-30456-00-00	FEDERAL T 27-87	Gas Well	EMERY	SESE	27	18S-7E
43-015-30457-00-00	FEDERAL T 27-90	Gas Well	EMERY	NWSW	27	18S-7E
43-015-30458-00-00	ST OF UT FF 10-125	Gas Well	EMERY	NESW	10	17S-8E
43-015-30459-00-00	ST OF UT FF 11-129	Gas Well	EMERY	NWNW	11	17S-8E
43-015-30462-00-00	ST OF UT FF 11-130	Gas Well	EMERY	NWSW	11	17S-8E
43-015-30478-00-00	GARDNER TRUST ET AL 16-121	Gas Well	EMERY	NENE	16	17S-8E
43-015-30479-00-00	ST OF UT BB 05-107	Gas Well	EMERY	SENE	5	17S-8E
43-015-30480-00-00	ST OF UT BB 05-108	Gas Well	EMERY	NWSW	5	17S-8E
43-015-30481-00-00	ST OF UT BB 05-109	Gas Well	EMERY	SENE	5	17S-8E
43-015-30482-00-00	ST OF UT BB 05-110	Gas Well	EMERY	SWSE	5	17S-8E
43-015-30483-00-00	UP&L 06-103	Gas Well	EMERY	NESW	6	17S-8E
43-015-30484-00-00	AMERICA WEST GROUP ET AL 15-126	Gas Well	EMERY	NENW	15	17S-8E
43-015-30485-00-00	W H LEONARD ET AL 15-127	Gas Well	EMERY	NENE	15	17S-8E
43-015-30486-00-00	ROWLEY 08-111	Gas Well	EMERY	SENE	8	17S-8E
43-015-30490-00-00	SWD 4	Water Disposal Well	EMERY	SENE	15	17S-8E
43-015-30495-00-00	SEELEY 08-112	Gas Well	EMERY	NENE	8	17S-8E
43-015-30496-00-00	ST OF UT BB 08-113	Gas Well	EMERY	NWSE	8	17S-8E
43-015-30497-00-00	ST OF UT AA 07-105	Gas Well	EMERY	SWNW	7	17S-8E
43-015-30498-00-00	ST OF UT 01-97	Gas Well	EMERY	SENE	1	18S-7E
43-015-30499-00-00	ST OF UT GG 03-122	Gas Well	EMERY	SWSW	3	17S-8E
43-015-30500-00-00	ST OF UT HH 03-133	Gas Well	EMERY	SWSE	3	17S-8E
43-015-30501-00-00	SEELEY FARMS 09-117	Gas Well	EMERY	NWNW	9	17S-8E
43-015-30502-00-00	ST OF UT GG 15-128	Gas Well	EMERY	NWSW	15	17S-8E
43-015-30503-00-00	ST OF UT BB 04-116	Gas Well	EMERY	SWSE	4	17S-8E
43-015-30504-00-00	ST OF UT GG 04-115	Gas Well	EMERY	NESW	4	17S-8E
43-015-30505-00-00	BURNSIDE 14-132	Gas Well	EMERY	NWNE	14	17S-8E
43-015-30506-00-00	ST OF UT T 36-100	Gas Well	EMERY	NESE	36	16S-7E
43-015-30507-00-00	UT FED KK 01-140	Gas Well	EMERY	SENE	1	17S-7E
43-015-30508-00-00	ST OF UT II 36-96	Gas Well	EMERY	NWSE	36	17S-7E
43-015-30509-00-00	ST OF UT II 36-95	Gas Well	EMERY	NWNE	36	17S-7E
43-015-30510-00-00	SWD 5	Water Disposal Well	EMERY	SESE	23	17S-8E
43-015-30511-00-00	UP&L FED 01-101	Gas Well	EMERY	SENE	1	17S-7E
43-015-30520-00-00	ST OF UT SS 22-165	Gas Well	EMERY	NENE	22	17S-8E
43-015-30521-00-00	ZIONS FED 35-135R (RIG SKID)	Gas Well	EMERY	NESW	35	16S-7E
43-015-30528-00-00	ST OF UT 14-170	Gas Well	EMERY	SWSE	14	17S-8E
43-015-30529-00-00	CONOVER 14-171	Gas Well	EMERY	NWSW	14	17S-8E
43-015-30530-00-00	ST OF UT 36-139	Gas Well	EMERY	NWSW	36	16S-7E
43-015-30533-00-00	ST OF UT FO 02-186	Gas Well	EMERY	NENW	2	17S-8E
43-015-30549-00-00	ST OF UT JJ 03-160	Gas Well	EMERY	NWNW	3	17S-8E
43-015-30550-00-00	ST OF UT 36-138	Gas Well	EMERY	SWNW	36	16S-7E
43-015-30551-00-00	UT FED P 12-153	Gas Well	EMERY	NWNW	12	18S-7E
43-015-30552-00-00	ST OF UT CC 03-161	Gas Well	EMERY	SENE	3	17S-8E
43-015-30553-00-00	ST OF UT FO 02-188	Gas Well	EMERY	NWSW	2	17S-8E
43-015-30554-00-00	ST OF UT BB 04-158	Gas Well	EMERY	NENW	4	17S-8E
43-015-30555-00-00	ST OF UT BB 04-159	Gas Well	EMERY	SWNE	4	17S-8E
43-015-30556-00-00	MALONE 14-131	Gas Well	EMERY	SWNW	14	17S-8E
43-015-30559-00-00	UT FED KK 01-141	Gas Well	EMERY	SESE	1	17S-7E
43-015-30560-00-00	ST OF UT FO 02-189	Gas Well	EMERY	SWNE	2	17S-8E
43-015-30561-00-00	ST OF UT GG 15-184	Gas Well	EMERY	NWSE	15	17S-8E
43-015-30562-00-00	STATE OF UTAH "LL" 31-20	Gas Well	EMERY	NWNW	31	17S-8E
43-015-30566-00-00	ST OF UT "KK" 32-145	Gas Well	EMERY	NESE	32	16S-8E
43-015-30567-00-00	ST OF UT "KK" 32-144	Gas Well	EMERY	SWSW	32	16S-8E
43-015-30568-00-00	ST OF UT "AA" 18-153	Gas Well	EMERY	SESW	18	17S-8E

API Well Number	Well Name	Well Type	County Name	Qtr/Qtr	Section	TwN-Rng
43-015-30569-00-00	ST OF UT "AA" 07-146	Gas Well	EMERY	NESW	7	17S-8E
43-015-30570-00-00	ST OF UT "AA" 18-154	Gas Well	EMERY	NESE	18	17S-8E
43-015-30571-00-00	ST OF UT "AA" 17-156	Gas Well	EMERY	SWSE	17	17S-8E
43-015-30572-00-00	ST OF UT "AA" 18-149	Gas Well	EMERY	SENW	18	17S-8E
43-015-30573-00-00	ST OF UT "MM" 20-192	Gas Well	EMERY	SENW	20	17S-8E
43-015-30574-00-00	ST OF UT "MM" 20-193	Gas Well	EMERY	NENE	20	17S-8E
43-015-30575-00-00	ST OF UT MM 20-194	Gas Well	EMERY	NWSW	20	17S-8E
43-015-30576-00-00	ST OF UT AA 07-147	Gas Well	EMERY	SESE	7	17S-8E
43-015-30577-00-00	ST OF UT BB 08-148	Gas Well	EMERY	NWSW	8	17S-8E
43-015-30578-00-00	ST OF UT AA 18-150	Gas Well	EMERY	NWNE	18	17S-8E
43-015-30579-00-00	ST OF UT NN 19-157	Gas Well	EMERY	NENE	19	17S-8E
43-015-30580-00-00	ST OF UT AA 17-152	Gas Well	EMERY	NENE	17	17S-8E
43-015-30581-00-00	ST OF UT OO 16-190	Gas Well	EMERY	NESW	16	17S-8E
43-015-30582-00-00	ST OF UT PP 16-191	Gas Well	EMERY	NESE	16	17S-8E
43-015-30583-00-00	ST OF UT AA 17-151	Gas Well	EMERY	NENW	17	17S-8E
43-015-30585-00-00	ST OF UT MM 21-195	Gas Well	EMERY	NENW	21	17S-8E
43-015-30586-00-00	ST OF UT GG 21-163	Gas Well	EMERY	NENE	21	17S-8E
43-015-30587-00-00	ZIONS FED 35-137	Gas Well	EMERY	NESE	35	16S-7E
43-015-30589-00-00	UTAH FED 01-205D	Gas Well	EMERY	SENW	1	17S-7E
43-015-30590-00-00	ZIONS FED 02-134	Gas Well	EMERY	NWNW	2	17S-7E
43-015-30591-00-00	UTAH FED 12-197	Gas Well	EMERY	SENE	12	17S-7E
43-015-30592-00-00	ST OF UT QQ 31-201	Gas Well	EMERY	SESW	31	16S-8E
43-015-30593-00-00	ST OF UT AA 17-155	Gas Well	EMERY	SWSW	17	17S-8E
43-015-30601-00-00	UTAH FED 12-199	Gas Well	EMERY	NESE	12	17S-7E
43-015-30602-00-00	UTAH FED 35-196	Gas Well	EMERY	NENW	35	16S-7E
43-015-30603-00-00	UTAH FED 35-136	Gas Well	EMERY	SWNE	35	16S-7E
43-015-30604-00-00	UT FED 12-200D	Gas Well	EMERY	NESE	12	17S-7E
43-015-30605-00-00	UT FED 12-198D	Gas Well	EMERY	SENE	12	17S-7E
43-015-30606-00-00	ST OF UT QQ 31-204D	Gas Well	EMERY	SESW	31	16S-8E
43-015-30607-00-00	ST OF UT QQ 31-203D	Gas Well	EMERY	SESW	31	16S-8E
43-015-30608-00-00	ST OF UT QQ 31-202D	Gas Well	EMERY	SESW	31	16S-8E
43-015-30609-00-00	ST OF UT HH 23-166	Gas Well	EMERY	NENW	23	17S-8E

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	State of Utah JJ 03-160
API number:	4301530549
Location:	Qtr-Qtr: NWNW Section: 03 Township: 17S Range: 8E
Company that filed original application:	Chevron U.S.A. Inc.
Date original permit was issued:	
Company that permit was issued to:	Chevron U.S.A. Inc.

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>UT-0848</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please/print) James L. Death Title Vice President-Land
 Signature James L. Death Date 8/16/04
 Representing (company name) XTO ENERGY INC.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

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State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 20, 2005

Kyla Vaughan
XTO Energy Inc.
2700 Farmington Ave.
Bldg K Ste 1
Farmington NM 87401

Re: APD Rescinded – State of Utah JJ 03-160, Sec. 3 T. 17S, R. 8E
Emery County, Utah API No. 43-015-30549

Dear Ms. Vaughan:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 14, 2002. On May 27, 2003 and May 12, 2004, the Division granted a one-year APD extension.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 12, 2005.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,

A handwritten signature in cursive script that reads "Diana Whitney".
Diana Whitney
Engineering Technician

cc: Well File
SITLA, Ed Bonner