

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

OPERATOR: Chevron USA
WELL NAME & NUMBER: Zions Federal 02-134
API NUMBER: 43-015-30590
LEASE: Federal **FIELD/UNIT:** _____
LOCATION: 1/4,1/4 NWNW Sec: 2 TWP: 17S RNG: 7E 1074' FNL 533' FWL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): X = 490365 E; Y = 4358562 N SURFACE OWNER: Zions Bank.

PARTICIPANTS

M. Jones (DOGM), Jason Postma (ZIONS Bank/surface), D. Hamilton & A. Childs (Talon), R. Wirth (Chevron USA), R. Petersen (Emery County), M. Kaminski (BLM), and W. Luddington (USFS), was in attendance for this pre-site meeting. DWR was invited to attend this on-site evaluation however chose not to attend.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is located ~7 miles Northwest of Huntington Utah, and ~24 miles Southwest of Price, Utah. Drainage of the site is to the northeast into Huntington Creek, a year-round live water source, which lies northeast of the location ~.5 miles. The soil is gravelly sandy clay loam. Dry washes that have the potential of carrying large amounts of water during seasonal thunderstorms are common throughout the area and it's immediate surroundings.

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: 2 proposed 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: Dry washes are typical throughout the area and immediate surroundings. Meetinghouse Canyon drainage will be crossed in accessing the proposed location. Engineering plans on this crossing regarding construction and culvert size have been evaluated based on EIS completed for this project and has been submitted to the division.

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

SOIL TYPE AND CHARACTERISTICS: Gravely sandy clay loam.

EROSION/SEDIMENTATION/STABILITY: Stable until disturbed.

PALEONTOLOGICAL POTENTIAL: None observed.

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: As per Zions Bank.

CULTURAL RESOURCES/ARCHAEOLOGY: On file with the State.

OTHER OBSERVATIONS/COMMENTS

- Access and pipelines along the roadway with the access continuing further south to another proposed Chevron USA well.
- No raptor issues (USFS).
- Big Game Winter Range (USFS).
- Meetinghouse Canyon drainage crossing plans were discussed as well as rounding North corners of the pad to reduce disturbance to the hillside and avoid encroachment into the drainage.
- The location is proposed in an old mine working area which has long since been reclaimed. The area of the proposed location and access route has been cleared by the archeologists and Historical Society.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

November 13, 2002 / 1:30 pm
DATE/TIME

According to M.L.J he checked with engineering Section concerning old mine workings. Please contact. GH/WT on 5/19/03.

**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>20</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 40 (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.







P.O. Box 1230
195 North 100 West
Huntington, Utah 84528
Phone: 435-687-5310

Cell: 435-650-1886
Fax: 435-687-5311
Email: talon@etv.net

January 23, 2003

Mr. Eric Jones
Petroleum Engineer
Bureau of Land Management
82 East Dogwood
Moab, Utah 84532

RE: Application for Permit to Drill—Chevron USA, Inc.
Zion's Federal 02-134, 1,074' FNL, 533' FWL, NW/4 NW/4
Section 2, T17S, R7E, SLB&M, Emery County, Utah

Dear Mr. Jones:

On behalf of Chevron USA, Inc, (Chevron), Talon Resources, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. The location is an exception to spacing in which a request for exception to spacing and supporting information will be submitted under separate cover from Chevron or Talon in the future. 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" - Onsite Inspection Checklist, 8 Point Drilling Program;

Exhibit "E" - Production Site Layout;

Exhibit "F" - Typical road cross-section;

Exhibit "G" - Typical BOP diagram;

Exhibit "H" - Typical wellhead manifold diagram.

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JAN 30 2003

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CONFIDENTIAL

Please accept this letter as Chevron'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 of Chevron at 435-748-5395 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Agent for Chevron USA, Inc.

cc: Mr. Don Stephens, BLM-Price Field Office
Mrs. Diana Mason, Oil, Gas and Mining
Mr. Mark Jones, Oil, Gas and Mining
Mr. Bryant Anderson, Emery County
Mr. Ron Wirth, Chevron
Mr. Ian Kephart, Chevron
Mr. Gene Herrington, Chevron
Mrs. Julia Caldaro-Baird, Chevron
Chevron Well Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

001

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-74822
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Chevron USA, Inc.		7. UNIT AGREEMENT NAME N/A
3. ADDRESS AND TELEPHONE NO. P.O. Box 618, Orangeville, Utah 84537; 435-748-5395		8. FARM OR LEASE NAME, WELL NO. Zion's Federal 02-134
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1,074' FNL, 533' FWL At proposed prod. zone 4358576 Y 39.37848 490322 X -111.11225		9. API WELL NO. 43-015-30590
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8.7 miles northwest of Huntington, Utah		10. FIELD AND POOL, OR WILDCAT Indesignated
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1074'	16. NO. OF ACRES IN LEASE 1.100.09	11. SEC., T., R., M., OR BLK. NW/4 NW/4, Section 2, T17S, R7E, SLB&M
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None	19. PROPOSED DEPTH 4,785'	12. COUNTY OR PARISH Emery
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7,050' GR		13. STATE Utah
		17. NO. OF ACRES ASSIGNED TO THIS WELL 160 acres
		20. ROTARY OR CABLE TOOLS Rotary
		22. APPROX. DATE WORK WILL START* May 2003

23. 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 flakes
7-7/8"	5-1/2" N-80 LT&C	17	4,685'	135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes

Surface Owner: **Zion's Bank—P.O. Box 30880, Salt Lake City, Utah 84130**
Surface Representative: **Kurt Froerer 1-801-594-8332**

Federal Bond Number: **S 304604**
Fee Bond Number: **6027949**

*Federal Approval of this
Action is Necessary*

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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data 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 Don Hamilton Don Hamilton TITLE Agent for Chevron DATE 1-23-03

(This space for Federal or State office use)
PERMIT NO. 43-015-30590 APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE BRADLEY G. HILL DATE 03-15-03
ENVIRONMENTAL SCIENTIST III

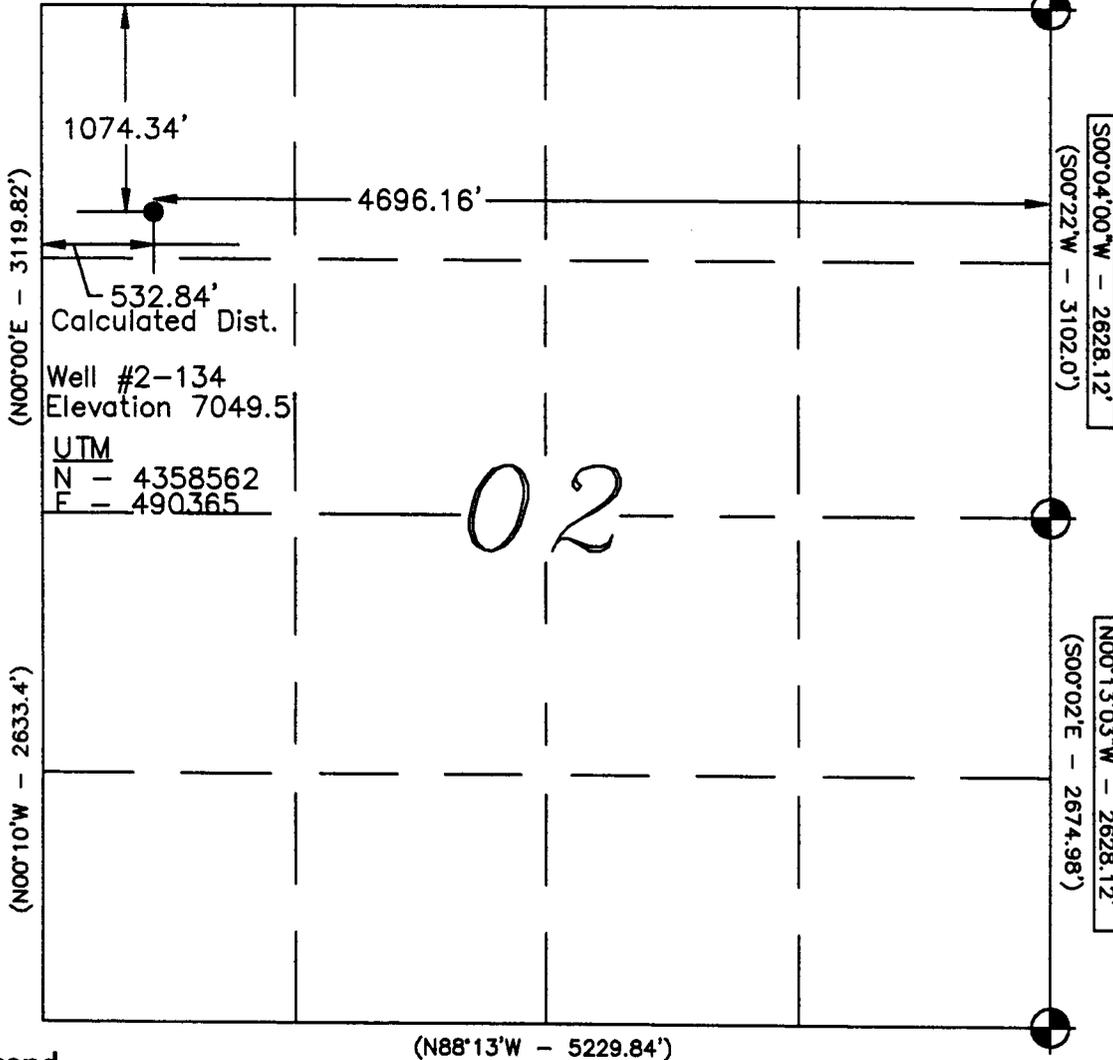
*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

Range 7 East

(N88°26'W - 5253.6')

Township 17 South



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:

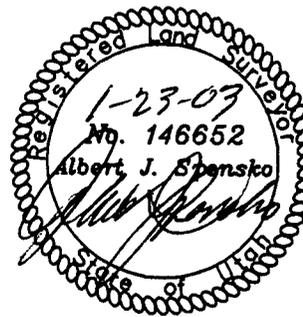
Basis of Elevation of 6828.78' being at the Southwest Section corner of Section 35, Township 16 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the NW1/4, NW1/4 of Section 02; being 1074.34' South and 4696.16' West from the Northeast Corner of Section 02, T17S., R7E., 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.



GRAPHIC SCALE



Legend

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

GPS Measured

NOTE:

UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

Lat / Long
39°22'42"
111°06'43"

REVISION 01/02/03



TALON RESOURCES, INC.

Price - Huntington, Utah
Phone (435)637-8781 Fax (435)636-8608
E-Mail taloncastnet.com

ChevronTexaco

WELL #02-134
Section 02, T17S., R7E., S.L.B.&M.
Emery County, Utah

Drawn By: BEN SCOTT	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 01/02/03
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 803

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/30/2003

API NO. ASSIGNED: 43-015-30590

WELL NAME: ZIONS FED 02-134

OPERATOR: CHEVRON USA INC (N0210)

CONTACT: DON HAMILTON/AGENT

PHONE NUMBER: 435-687-5310

PROPOSED LOCATION:

NWNW 02 170S 070E

SURFACE: 1074 FNL 0533 FWL

BOTTOM: 1074 FNL 0533 FWL

EMERY

UNDESIGNATED (2)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-74822

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: FRSD

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.37848

LONGITUDE: 111.11225

RECEIVED AND/OR REVIEWED:

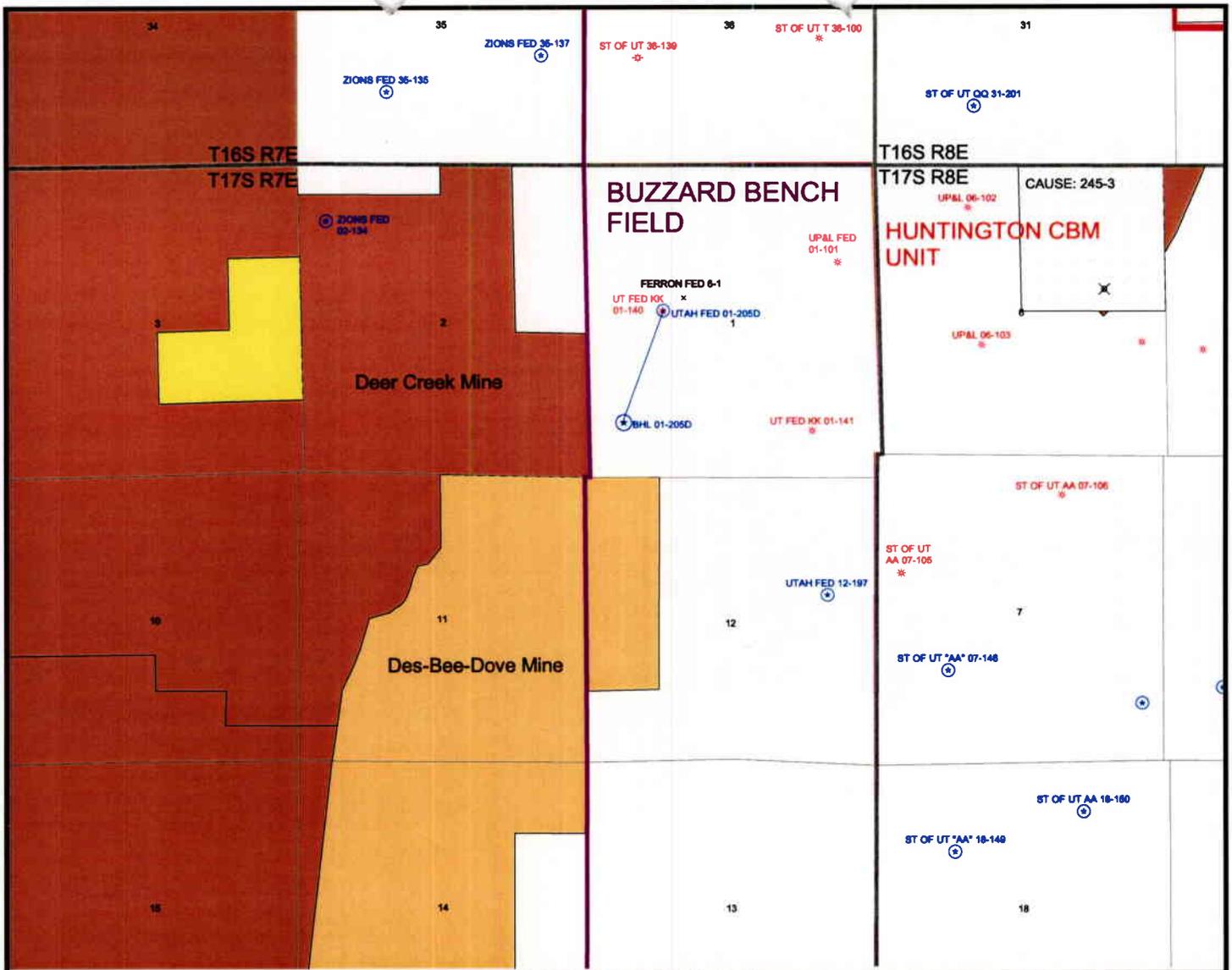
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. S 304604)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

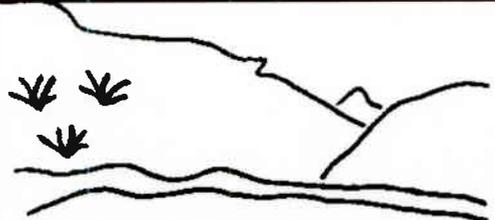
- R649-2-3.
- Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception.
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Need Permit (11-13-02)

STIPULATIONS: 1- federal approval
2- Spacing Shp
3- STATEMENT OF BASIS



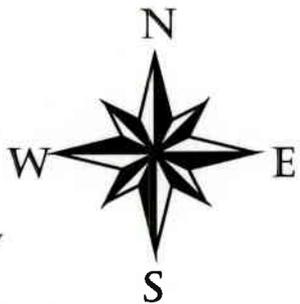
OPERATOR: CHEVRON USA INC (N0210)
SEC. 2 T17S, R7E
FIELD: UNDESIGNATED (002)
COUNTY: EMERY
SPACING: R649-3-3 / EX LOCATION



Utah Oil Gas and Mining

- | WELLS | UNIT STATUS |
|-----------------------|----------------|
| ⤴ GAS INJECTION | □ EXPLORATORY |
| ◦ GAS STORAGE | □ GAS STORAGE |
| ✱ LOCATION ABANDONED | □ NF PP OIL |
| ⊙ NEW LOCATION | □ NF SECONDARY |
| ✦ PLUGGED & ABANDONED | □ PENDING |
| ✱ PRODUCING GAS | □ PI OIL |
| ◦ PRODUCING OIL | □ PP GAS |
| ✦ SHUT-IN GAS | □ PP GEOTHERML |
| ✦ SHUT-IN OIL | □ PP OIL |
| ✦ SHUT-IN OIL | □ SECONDARY |
| ✱ TEMP. ABANDONED | □ TERMINATED |
| ◦ TEST WELL | |
| ▲ WATER INJECTION | |
| ◆ WATER SUPPLY | |
| ⤴ WATER DISPOSAL | |

- | FIELD STATUS |
|-------------------|
| □ ABANDONED |
| □ ACTIVE |
| □ COMBINED |
| □ INACTIVE |
| □ PROPOSED |
| □ STORAGE |
| □ TERMINATED |
| □ COUNTY BOUNDARY |
| □ SECTION LINES |
| □ TOWNSHIP LINES |



PREPARED BY: DIANA MASON
 DATE: 04-FEBRUARY-2003

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

006

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Gas

2. Name of Operator
Chevron USA, Inc.

3. Address and Telephone No.
P.O. Box 618, Orangeville, Utah 84537 435-748-5395

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1,074' FNL, 533' FWL
NW/4 NW/4, Section 2, T17S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-74822

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Zion's Federal 02-134

9. API Well No.

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Pipeline, Powerline, Maintenance Corridor Construction
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Water Shut-Off
	<input checked="" type="checkbox"/> Hydrologic Evaluation	<input type="checkbox"/> Conversion to Injection
		<input type="checkbox"/> Dispose Water

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

Attached is the Hydrologic Evaluation consisting of a plan and profile and a culvert sizing analysis for the Zion's Federal 02-134 drainage requiring design per the Federal Environmental Impact Statement.

Please include the attached evaluation with the previously submitted Application for Permit to Drill.

RECEIVED

FEB 18 2003

DIV. OF OIL, GAS & MINING

FILE COPY

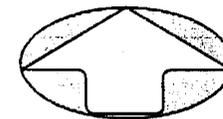
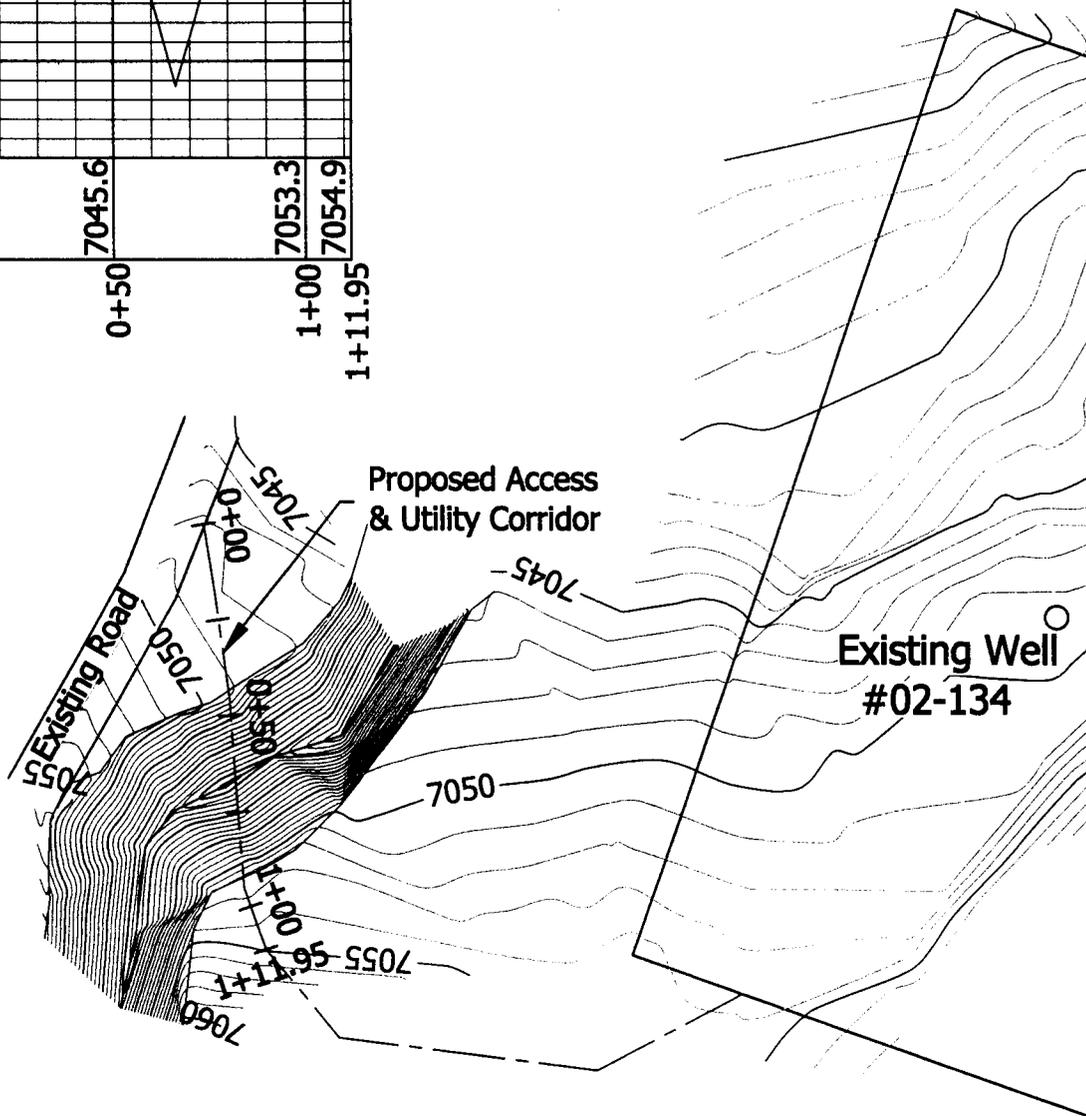
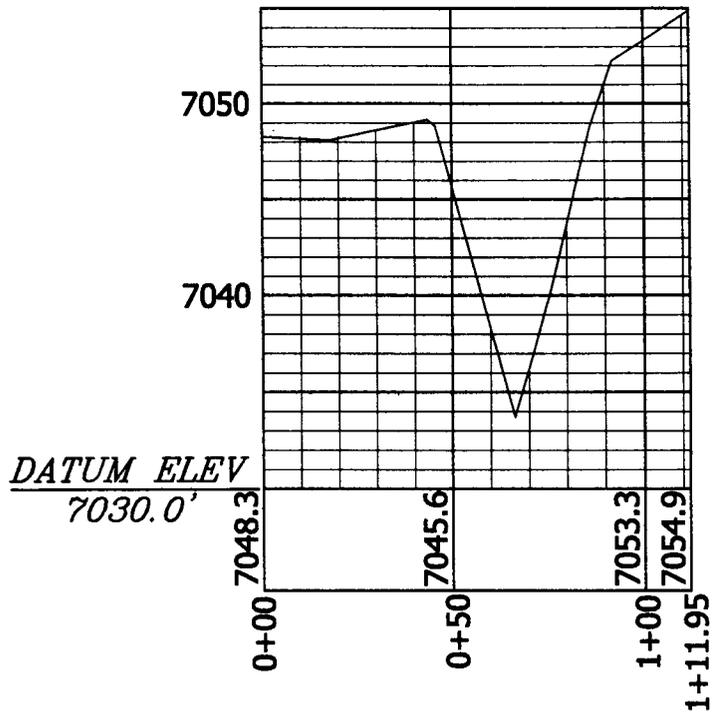
14. I hereby certify that the foregoing is true and correct

Signed Don Hamilton Don Hamilton Title Agent for Chevron, USA, Inc. Date February 11, 2003

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@etv.net

ChevronTexaco

02-134 Corridor Profile
Section 2, T17S, R7E, S.L.B.&M.
Emery County, Utah

Drawn By:
J. STANSFIELD

Checked By:
L.W.J.

Drawing No.

A-2

Date:
01/28/03

Scale:
1" = 50'

Sheet 1 of 2

Job No.
803

Meetinghouse Canyon Drainage Crossing

This **report** summarizes the design and analysis of the culverts proposed to be located at the Meetinghouse Canyon Drainage Crossing on the Hiawatha quadrangle.

Figure 1 shows the watershed above the proposed culvert crossing on the map. The sub-basin drainage area is **5.94 sq. mi.** The mean elevation of the watershed is approximately 9100 ft. This figure was derived from the digital elevation model (DEM) of the Hiawatha quad.

Table 1 gives the flood flows for different return periods from the sub-basin as determined from the National Flood Frequency (NFF) analysis. The projected 10-yr. flood is **135 cfs** and the 50-yr. flood is **251 cfs** (underlined in the table).

Based on the information given to us from Talon Resources, the drainage wash at the culvert crossing has a depth of approximately 15 ft. Therefore, the road embankment was set a **15 ft. high** in the analysis. We used 60 ft. long culverts with a drop in elevation of 1.5 ft. for a slope of 2.5%.

Table 2 shows that a **5.5 ft. diameter** culvert will carry the **10-yr.** flow of 135 cfs without any head on the culvert. The depth of flow in this culvert is **5.24 ft.** (underlined in the table). The table also shows that this 5.5 ft. culvert will carry the **50-yr.** flow of 251 cfs with approximately **3.9 ft. of head** (9.43 ft. - 5.5 ft.) over the culvert (underlined). Finally, the table shows that **347 cfs** will pass through the 5.5 ft. culvert **without overtopping** the 15 ft. high road embankment (underlined).

We also looked at 5 ft. and 6 ft. diameter culverts. The **5 ft.** diameter culvert would carry the **10-yr.** 135 cfs at a depth of flow of 5.42 ft., or with only about **0.4 ft. of head** on the culvert. The 5 ft. culvert would carry the **50-yr.** 251 cfs at a depth of 11.91 ft., or with about **6.9 ft. of head** on the culvert.

The **6 ft.** diameter culvert would, of course, carry the **10-yr.** 135cfs without any head on the culvert. The depth of flow would be **4.92 ft.** The 6 ft. culvert would carry the **50-yr.** 251 cfs at a depth of 8.07 ft., or with about **2.1 ft. of head** on the culvert.

We also looked at **stacking two culverts** in the wash. **Table 3** shows that **two 4 ft. diameter** culverts, one on top of the other, with 1 ft between them, will carry the **10-yr.** flow of 135 cfs at a depth of flow of 6.94 ft. (underlined in the table). This means that the flowline will be about **2 ft. below** (9 ft. – 6.94 ft.) the top of the upper culvert. The table also shows that the two 4ft. stacked culverts will carry the **50-yr.** flow of 251 cfs at a depth of flow of 10.7 ft. (underlined). This means that the flowline will be **1.7 ft. above** (10.7 ft. – 9 ft.) the top of the upper culvert. Finally, the table shows that **337 cfs** will pass through the two 4ft. culverts **without overtopping** the 15 ft. road embankment (underlined).

We also looked at **two stacked 3.5 ft.** culverts with 0.5 ft. between them. These 3.5 ft. culverts would carry the **10-yr.** 135 cfs at a depth of 7.23 ft. The flowline would be about **0.3 ft. below** (7.5 ft. – 7.2 ft) the top of the upper culvert. These 3.5 ft. culverts would carry the **50-yr.** 251 cfs at a depth of 13.62 ft. The flowline would be about **6.1 ft. above** (13.6 ft. – 7.5 ft.) the top of the upper culvert. This backed up water depth of 13.6 ft. may be **too close** to the top of the 15 ft. road embankment.

We recommend the single 5.5 ft. diameter culvert, although the single 5 ft. diameter culvert will **almost** satisfy your 10-yr. flow - no head criteria.

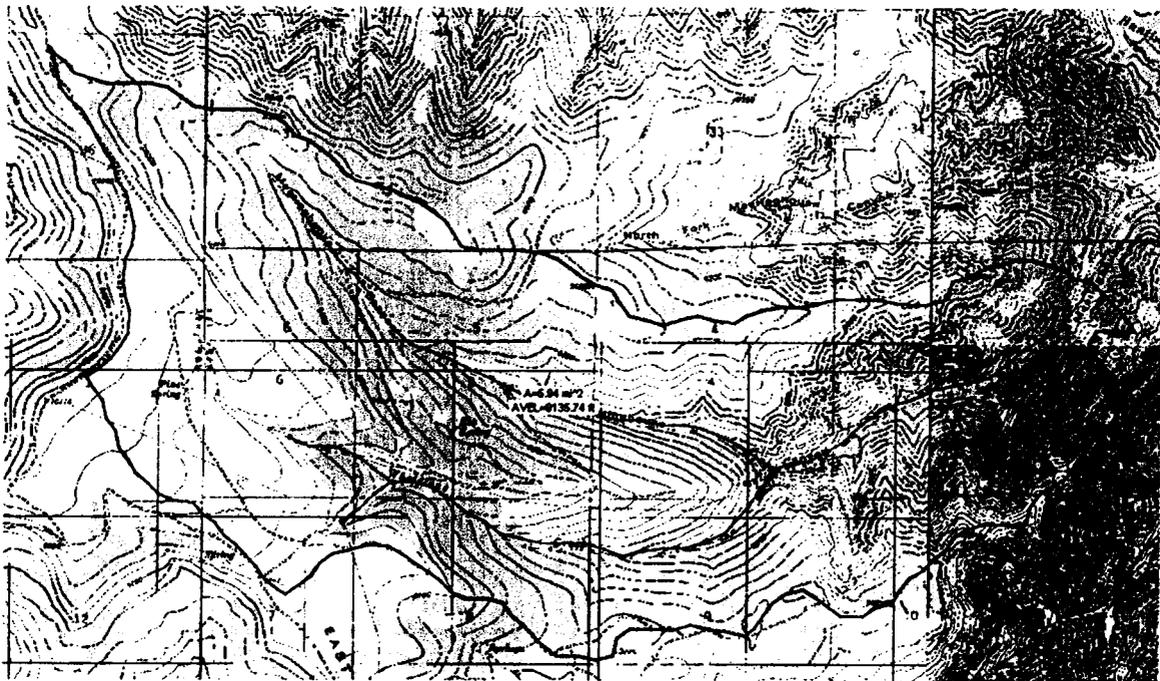


Figure 1. Watershed Delineation and Resulting Area for the Meetinghouse Canyon Drainage

8 Point Drilling Program

Attached to BLM Form 3
Chevron USA, Inc.
Zion's Federal 02-134
NW/4 NW/4, Sec. 2, T17S, R7E, SLB & M
1,074' FNL, 533' FWL
Emery County, Utah

1. The Geologic Surface Formation

Blue Gate Shale Member of the Mancos Shale

2. Estimated Tops of Important Geologic Markers

<u>Marker</u>	<u>MD</u>
Ferron Top	4,385'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones – 4,385' – 4,685'

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, groundwater resources, 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

<u>HOLE SIZE</u>	<u>SETTING DEPTH (INTERVAL)</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE & JOINT</u>	<u>CONDITION</u>
12-1/4"	300'	8-5/8"	24# K-55 ST&C	New
7-7/8"	4,685'	5-1/2"	17# N-80 LT&C	New

CONFIDENTIAL

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.: May 2003.

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

Bureau of Land Management
Moab District / Price Field Office
Application for Permit to Drill
On-Site Inspection Checklist

Company: Chevron USA, Inc. Well No.: Zion's Federal 02-134

Location: *Section 2, T17S, R7E SLB & M*

Lease No.: *Federal UTU-74822*

On-Site Inspection Date: 11-13-02

B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location: *From Huntington, Utah proceed northwest along SR-31 for approximately 7.5 miles. Turn left off of SR-31 just past the plant onto County Road 304 (Deer Creek Road). Just past the substation approximately 0.3 miles southwest of the intersection with SR-31 turn right onto the gravel road. Follow the gravel road around the pond and past the existing 36-138 well. From this well travel southwest approximately 1.5 miles to the proposed well Zion's Federal 02-134 at the reclaimed abandon coal mine within Meetinghouse Canyon (See Exhibit "B").*
- b. Location of proposed well in relation to town or other reference point: *Approximately 8.7 miles northwest of Huntington, UT.*
- c. Contact the County Road Department for use of county roads. The use of Emery County roads will require an encroachment permit from the Emery County Road Department.: *Encroachment permit is presently in place for County Road #304 (Deer Creek Road)*

2. Planned Access Roads:

- a. Location (centerline): *From the existing well 36-138 continue southwest along the flagged existing two-track route to the proposed well site. Planned access begins at a point approximately 1,650' FNL, 850' FWL, Section 36, T16S, R7E.*
- b. Length of new access to be constructed: *Approximately 400'*
- c. Length of existing roads to be upgraded: *Approximately 1.5 miles*
- d. Maximum total disturbed width: *60'*
- e. Maximum travel surface width: *25'*
- f. Maximum grades: *10%*
- g. Turnouts: *None*

- h. Surface materials: *Native*
- i. Drainage (crowning, ditching, culverts, etc): *Roads will be crowned with bar ditches on both sides with approximately 8 culverts placed along the upgraded road.*
- i. Cattleguards: *No cattleguards will be needed, Additional gates will be installed if required by the landowner representative*
- k. Length of new and/or existing roads which lie outside the lease boundary for which a BLM right-of-way is required: *450' across lease UTU-73872*
- l. Other:

Surface disturbance and vehicular travel will be limited to the approved location access road. Any additional area needed must be approved by the Area Manager in advance.

Since a right-a-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

- 3. Location of Existing Wells - on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: *See Exhibit "B"*
- 4. Location of Production Facilities:
 - a. On-site facilities: *See Exhibit "E"*
 - b. Off-site facilities: *None except for the power line and pipelines*
 - c. Pipelines: *Approximately 1.5 miles of pipeline corridor containing 2 (gas and water) 4" to 8" pipelines will be installed along the south side of the proposed road.*
 - d. Power lines: *Approximately 1.5 miles of power line corridor containing one 3-phase power line will be installed along the north side of the proposed road.*

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply

with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: *olive black*

All site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 Colors will be as follows: *olive black*

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit. If water is produced from the well, an application must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on A map): *All water needed for drilling will be obtained from a local municipal water source, Since this well will be primarily drilled with air, minimal water will be needed.*

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): *Private Owner in Huntington Canyon*

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

Any gravel used will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be located: *Inbound and along the southeast side of the pad.*

The reserve pit will be constructed so as not to leak, break, or allow discharge.

The reserve pit will be lined with native material unless designated otherwise by BLM officers prior to construction. Pit walls will be sloped no greater than 2 to 1.

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as

necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: Garbage Containers and Portable Toilets

9. Well Site Layout - The pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1" = 50'.

All well, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.

Access to the well pad will be from: *North*.

The blooie line will be located: *At least 100 feet from the well head*.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: *Water Injection*.

10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: *Adjacent undisturbed land in a windrow fashion*.

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be re-contoured to replicate the natural slope.

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

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Sept. and Nov., or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: *BLM-recommended mixture*.

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, Well name and surveyed description (township, range, section and either quarter-quarter or footage.).

11. **Surface and Mineral Ownership:**
Surface Owner: **Zion's Bank—P.O. Box 30880, Salt Lake City, Utah 84130**
Surface Representative: **Kurt Froerer 1-801-594-8332**

Mineral Ownership: **Federal; Bureau of Land Management**

12. **Other Information:**

- a. **Archeological Concerns:** *A Cultural Resource evaluation was completed by Montgomery Archaeological Consultants and a report has been submitted to the BLM archaeologist (MOAC Report 02-125 December 17, 2003)*

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

1. whether the materials appear eligible for the National Register of Historic Places;
2. the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
3. a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

- b. **Threatened and Endangered Species Concerns:** *None that the operator is aware of.*
- c. **Wildlife Seasonal Restrictions (yes/no):** *See Environmental Impact Statement (EIS)*
- d. **Off Location Geophysical Testing:** *N/A*
- e. **Drainage crossings that require additional State or Federal approval:** *None*
- f. **Other:**

13. Lessee's or Operator's Representative and Certification

Representative: Chevron USA, Inc.

Name: Ron Wirth – Operations Supervisor

Address: P.O. Box 618
Orangeville, Utah 84537

Phone No: 435-748-5395

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 currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Chevron and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Chevron's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 1-23-03

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location - Contact the Resource Area, Natural Resource Protection Specialist at least 24 hours prior to commencing construction of location.

Spud - The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hold digger or big rig.

Daily Drilling Reports - Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations - In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices - There will be no deviation from the proposed drilling and/or workover program without prior approval from the Assistant District Manager. "Sundry Notices and Reports on Wells: (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling suspensions - Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events - Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTLA.

Cultural Resources - If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First production - Should the well be successfully completed for production, the Assistant District Manager, Minerals Division will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report - Whether the well is completed as a dry hole or as a producer, "Well Completion and Re-completion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analysis, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings and/or samples) will be submitted when requested by the Assistant District Manager.

Venting/Flaring of Gas - NTL-4A allows venting/flaring of gas during the initial well evaluation period not to exceed 30 days or 50 Mmcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.

Produced Water - Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the Assistant District Manager for approval.

Off-Lease Measurement, Storage, Commingling - Prior approval must be obtained from the Assistant District Manager for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment - If the well is completed as a dry hole, plugging instructions must be obtained from the BLM, Moab District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Assistant District Manager, Minerals Divisions within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1
NOTIFICATIONS

Notify Don Stephens of the Price Resource Area, at (435) 636-3608 for the following:

2 days prior to commencement of dirt work construction or reclamation;

1 day prior to spudding

50 feet prior to reaching surface and intermediate casing depths;

3 hours prior to testing BOPE;

12 hours prior to reaching kickoff point depth (if applicable).

If the person at the above number cannot be reached, notify the Moab District Office at (435) 259-6111. If unsuccessful, notify one of the people listed below.

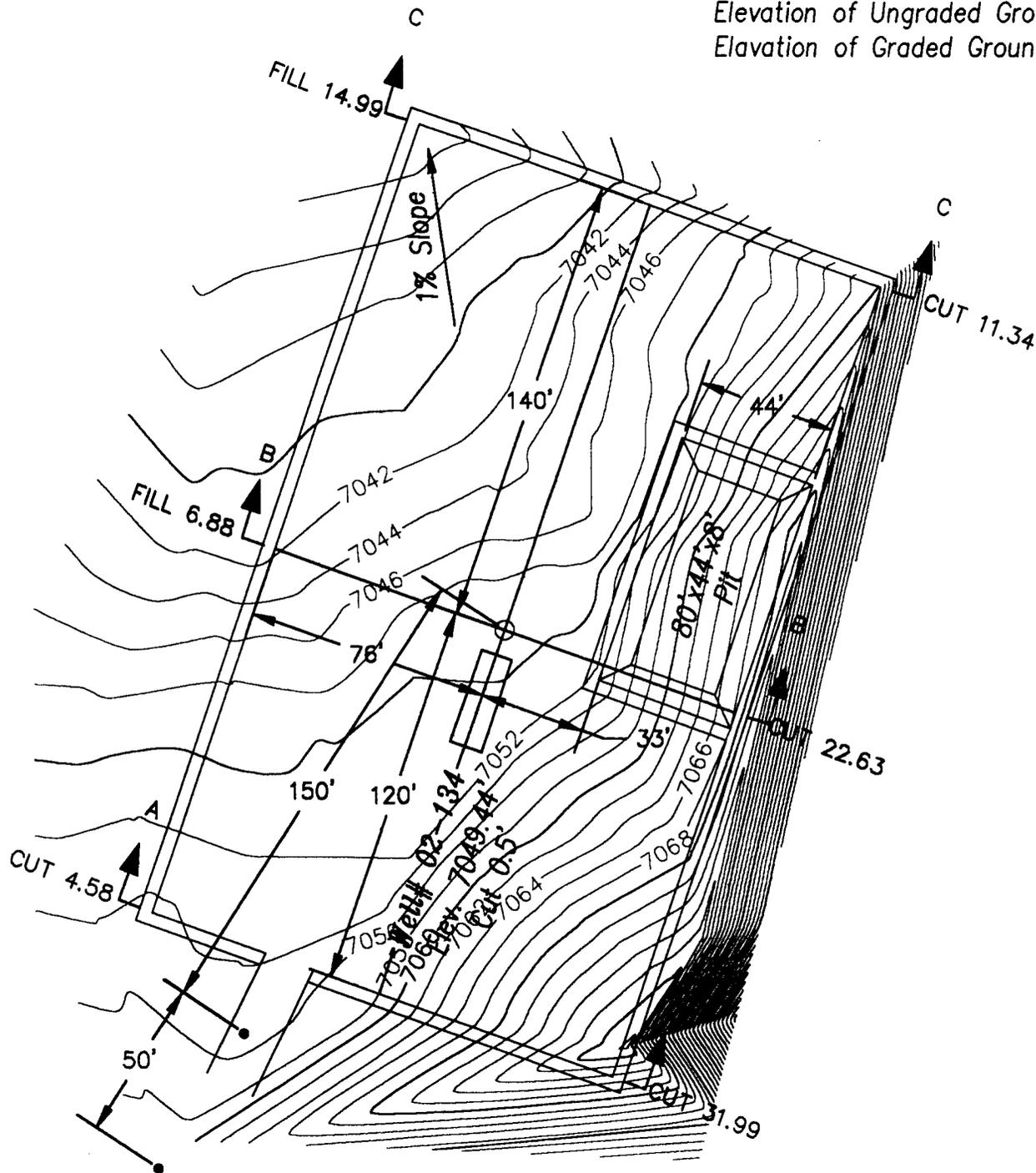
Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (435) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (435) 259-6111

Home: (435) 259-2214

Elevation of Ungraded Ground at Location Stake = 7049.5'
 Elevation of Graded Ground at Location Stake = 7049'



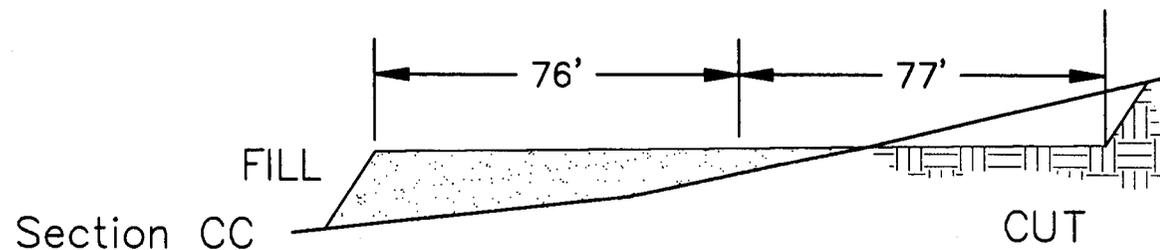
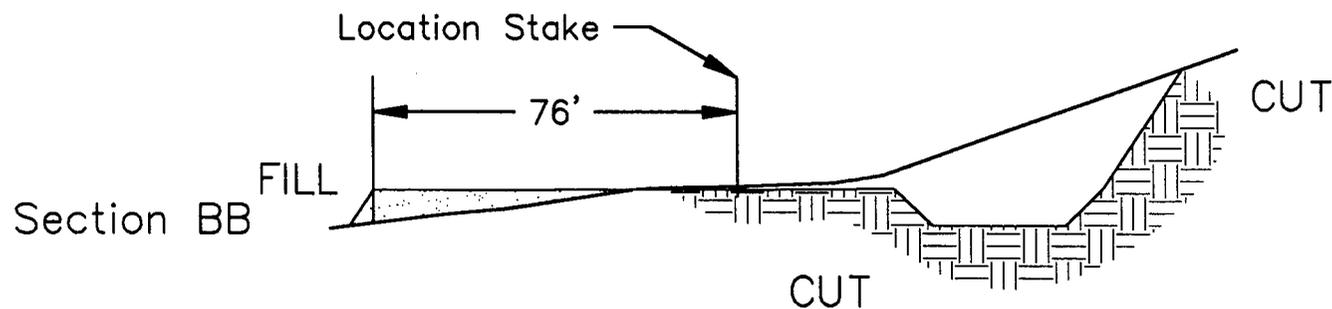
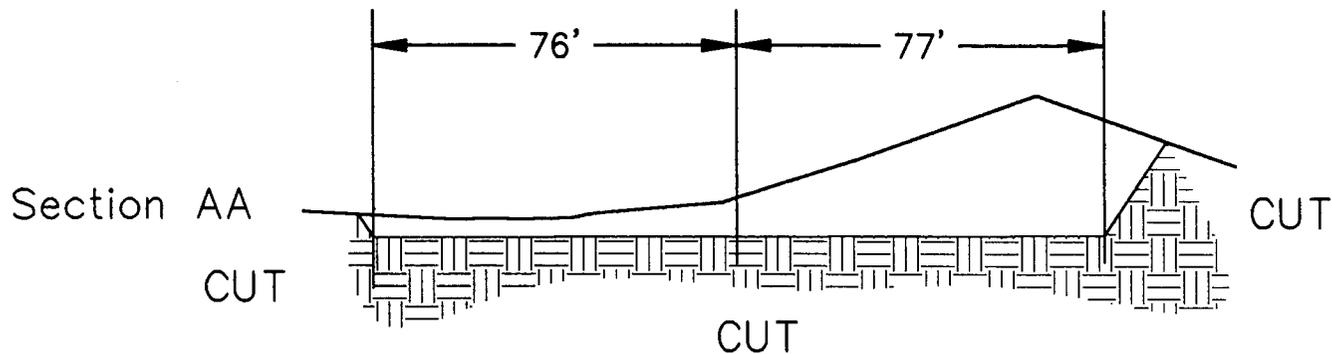
Talon Resources, Inc.

Price - Huntington, Utah
 Phone (435)687-5310 Fax (435)636-8603
 E-Mail talon@trv.net

ChevronTexaco

LOCATION LAYOUT
 Section 02, T17S, R7E, S.L.B.&M.
 WELL #02-134

Drawn By: BEN SCOTT	Checked By: L.W.J.
Drawing No. A-2	Date: 01/14/03
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 803



Slope = 1 1/2 : 1
(Except Pit)
Pit Slope = 1 ; 1



Talon Resources, Inc.

Price - Huntington, Utah
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@trv.net

ChevronTexaco

TYPICAL CROSS SECTION
Section 02, T17S, R7E, S.L.B.&M.
WELL #02-134

Drawn By: BEN SCOTT	Checked By: L.W.J.
Drawing No. C-1	Date: 01/14/03
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 803

APPROXIMATE YARDAGES

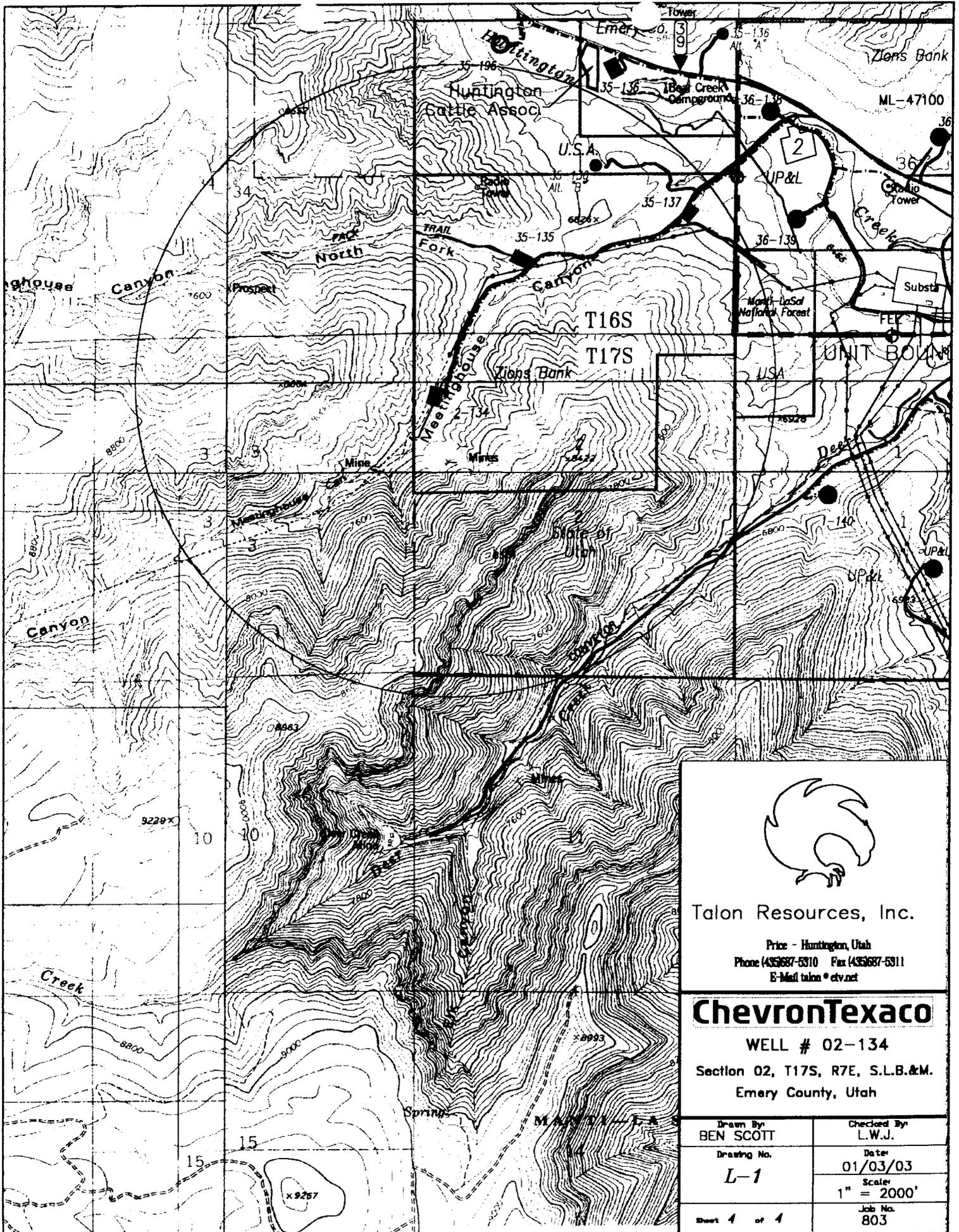
CUT

(6") Topsoil Stripping = 750 Cu. Yds.

Remaining Location = 8050 Cu. Yds.

TOTAL CUT = 7590 Cu. Yds.

TOTAL FILL = 3283 Cu. Yds.



Talon Resources, Inc.

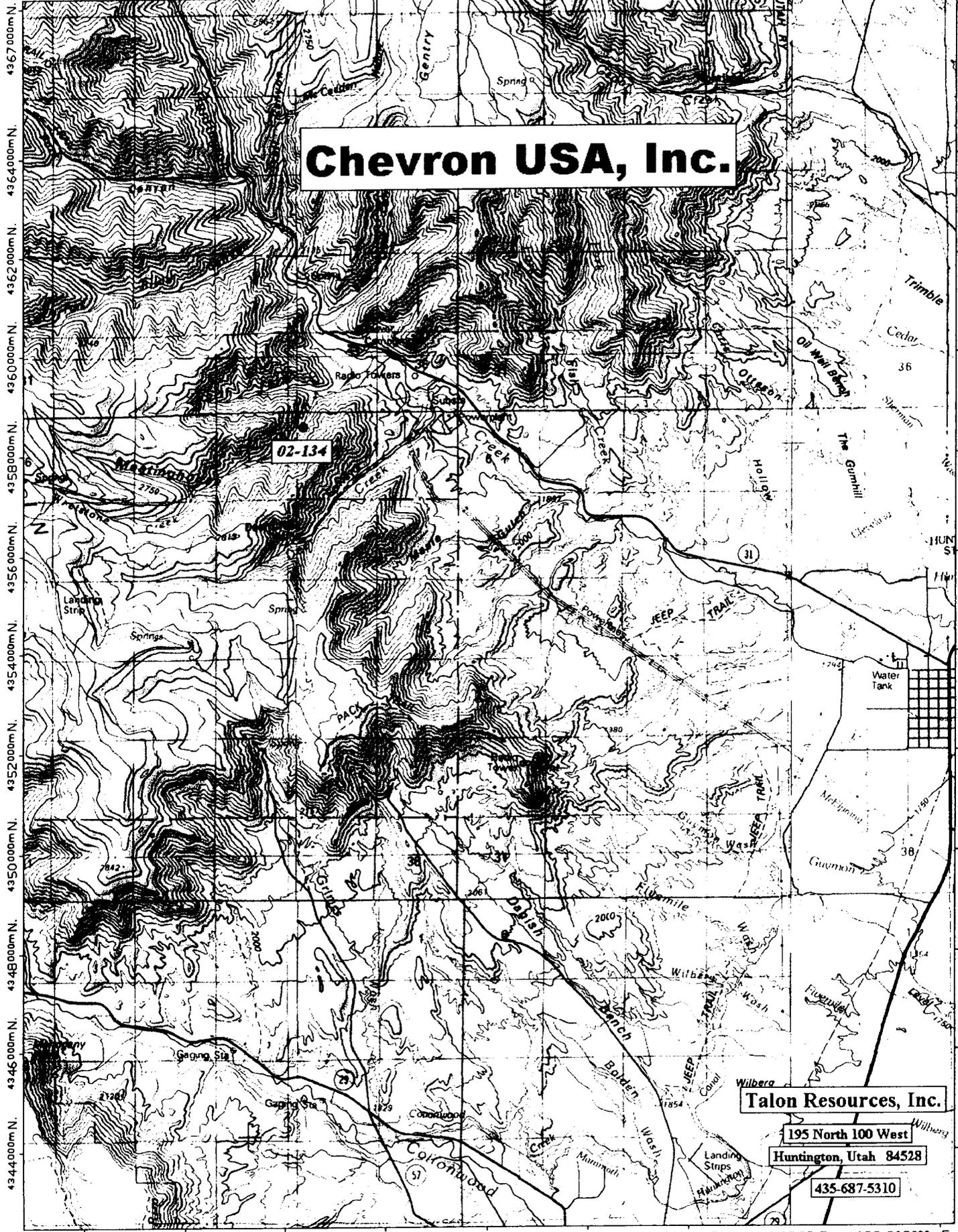
Price - Huntington, Utah
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@ctv.net

ChevronTexaco

WELL # 02-134
 Section 02, T17S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By BEN SCOTT	Checked By L.W.J.
Drawing No. L-1	Date 01/03/03
	Scale 1" = 2000'
Sheet 1 of 1	Job No. 803

486000mE. 488000mE. 490000mE. 492000mE. 494000mE. 496000mE. 498000mE. NAD27 Zone 12S 503000mE.



Chevron USA, Inc.

02-134

Talon Resources, Inc.

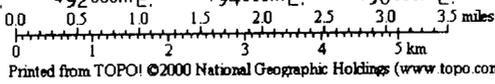
195 North 100 West

Huntington, Utah 84528

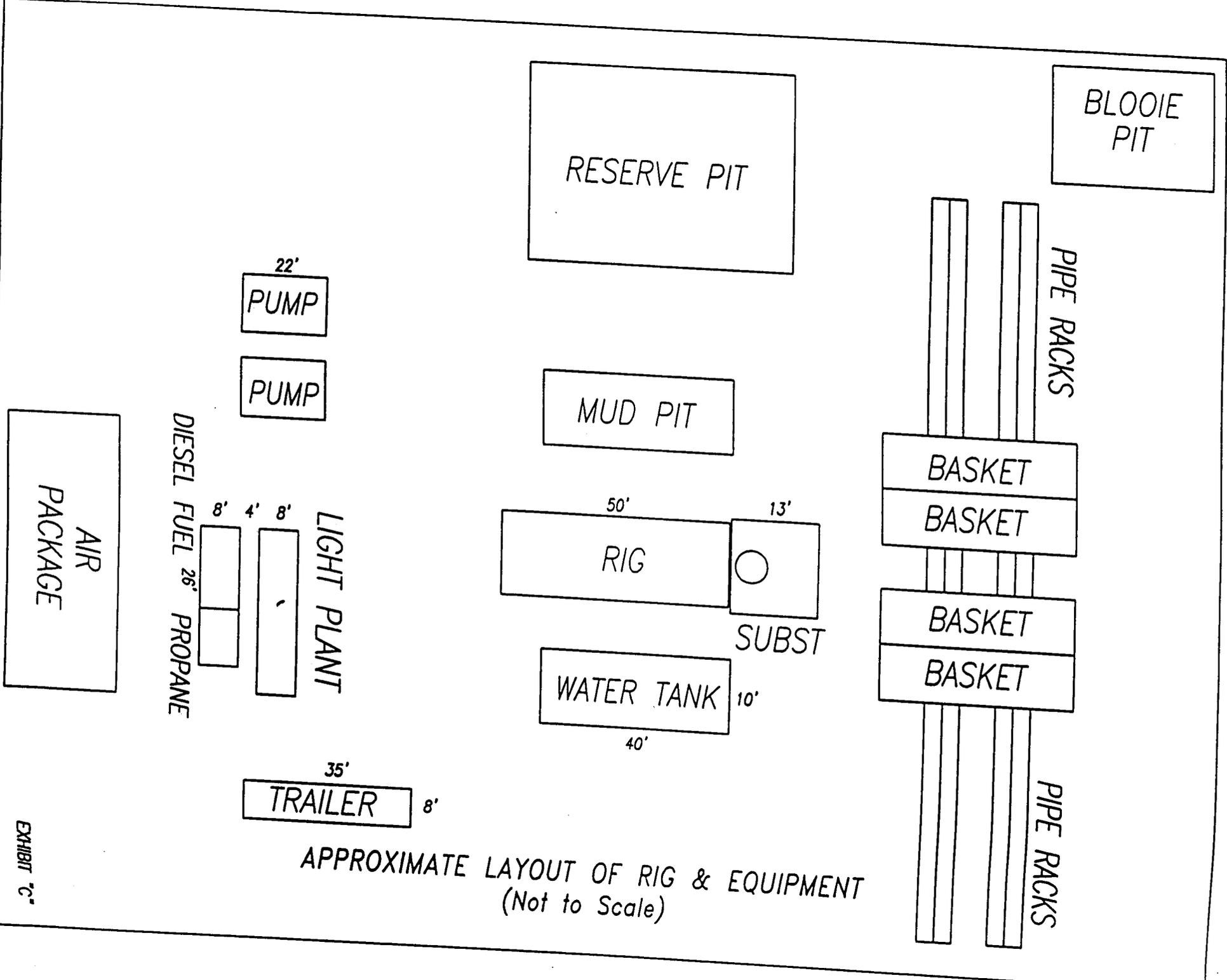
435-687-5310

486000mE. 488000mE. 490000mE. 492000mE. 494000mE. 496000mE. 498000mE. NAD27 Zone 12S 503000mE.

TN
13°



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APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(Not to Scale)

EXHIBIT "C"

ANCHOR (Typ. 4 Pij)

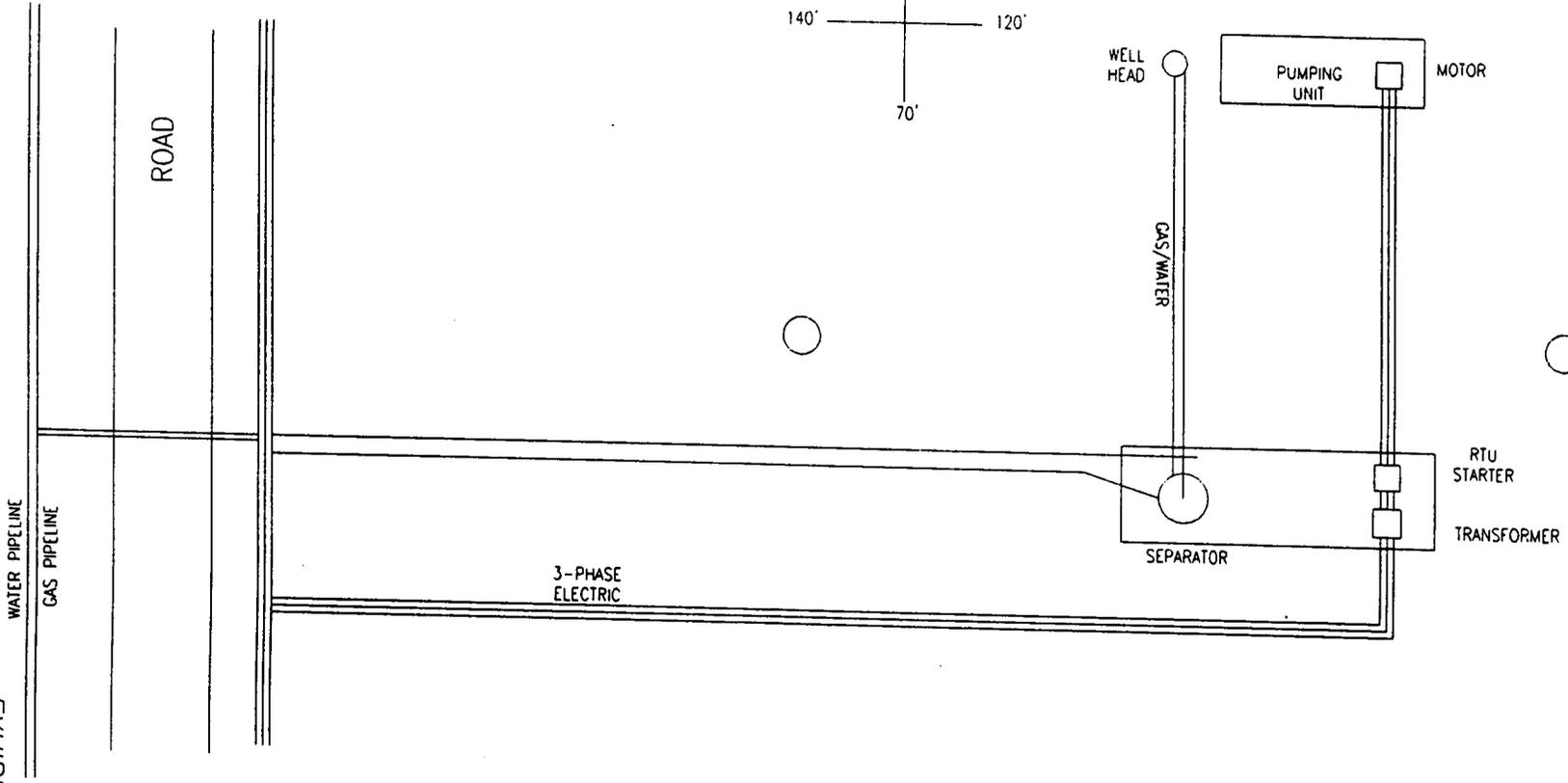
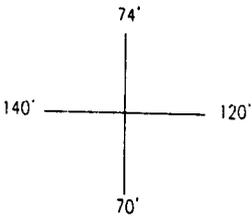


EXHIBIT "E"

WELL SITE LAYOUT
260' X 144'

TYPICAL ROAD CROSS-SECTION

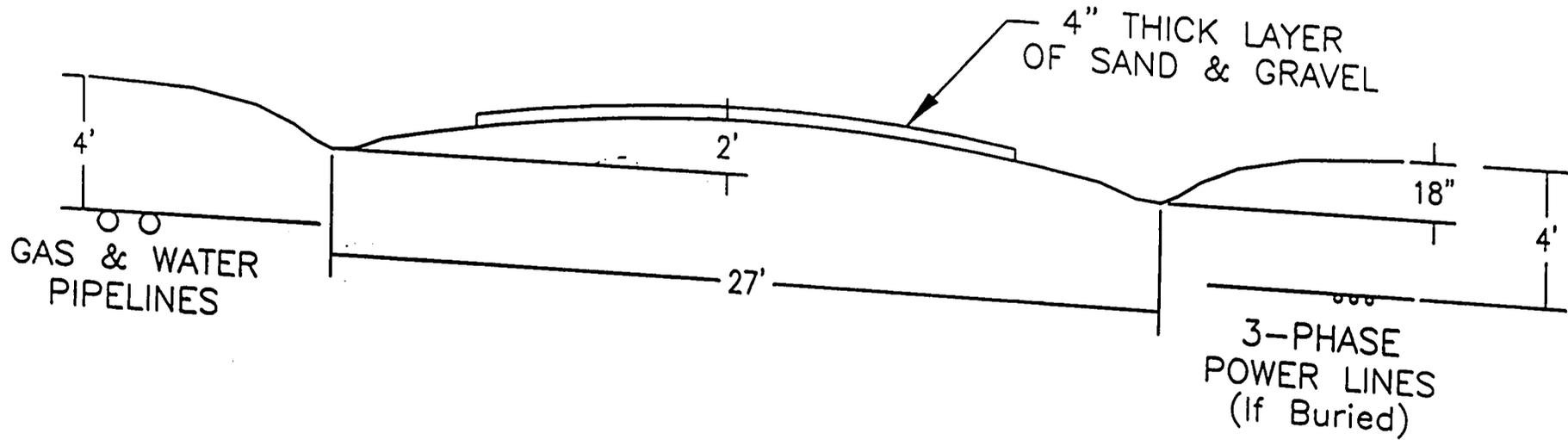


EXHIBIT "F"

BOP Equipment

3000psi WP

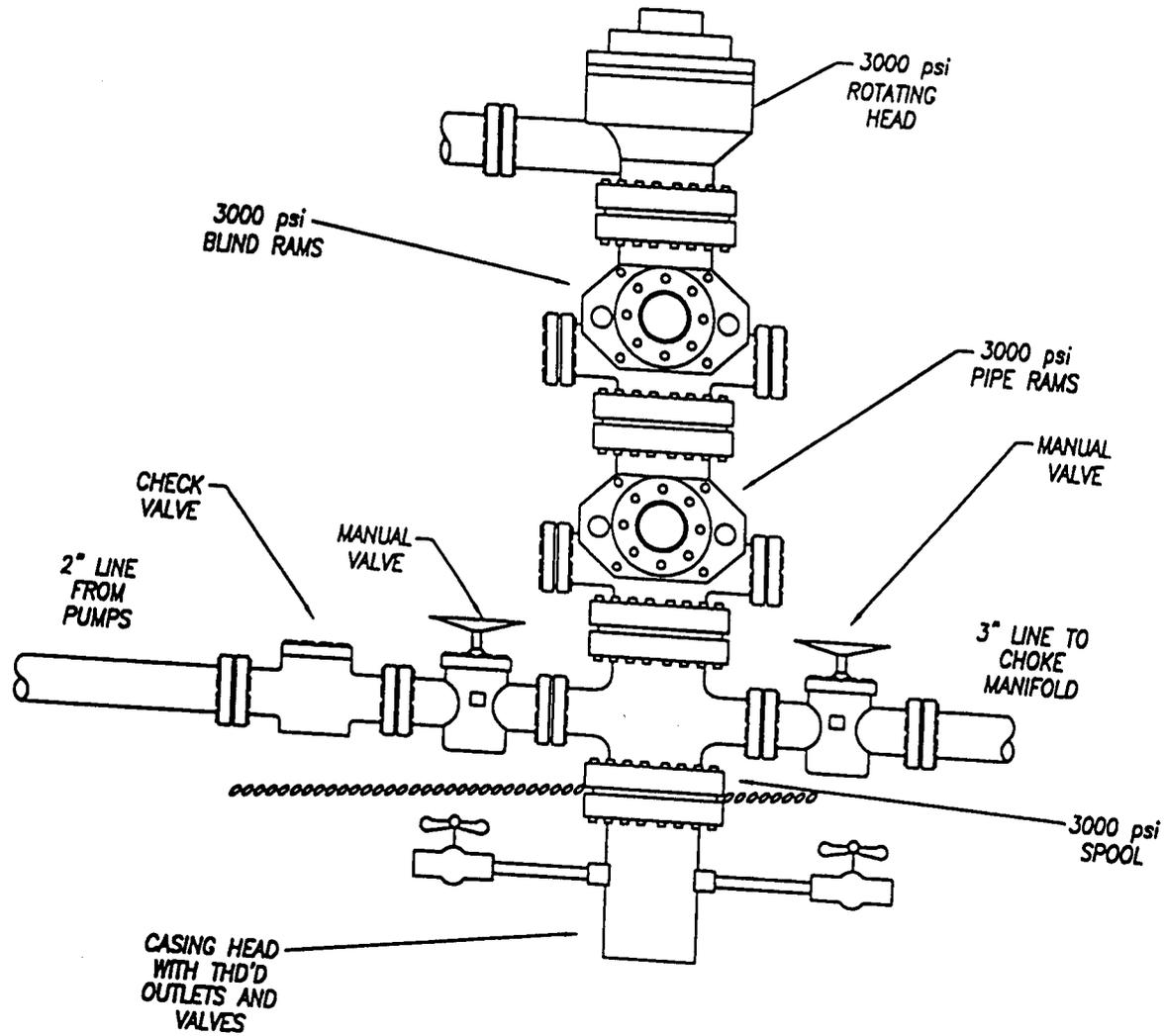


EXHIBIT "C"

CHOKE MANIFOLD

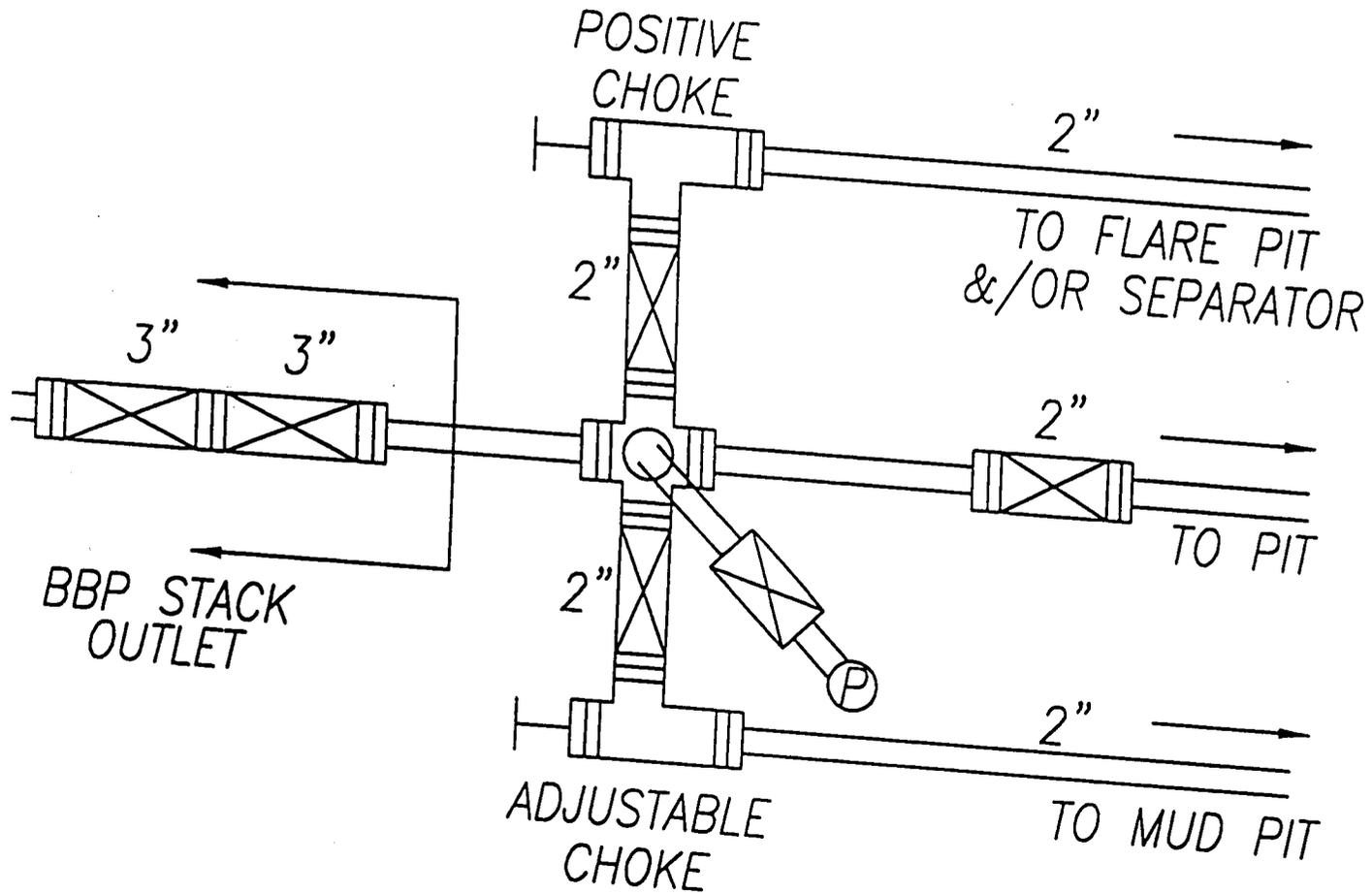


EXHIBIT "H"

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

OPERATOR: Chevron USA
WELL NAME & NUMBER: Zions Federal 02-134
API NUMBER: 43-015-30590
LOCATION: 1/4,1/4 NWNW Sec: 2 TWP: 17S RNG: 7E 1074' FNL 533' FWL

Geology/Ground Water:

The minerals at this proposed location are owned by the Federal government. The casing and cementing program will be evaluated and approved by the BLM.

Reviewer: Brad Hill **Date:** 02-27-2003

Surface:

Proposed location is located ~7 miles Northwest of Huntington Utah, and ~24 miles Southwest of Price, Utah. Drainage of the site is to the northeast into Huntington Creek, a year-round live water source, which lies northeast of the location ~.5 miles. The soil is gravely sandy clay loam. Dry washes that have the potential of carrying large amounts of water during seasonal thunderstorms are common throughout the area and it's immediate surroundings. Meetinghouse Canyon drainage crossing plans were discussed as well as rounding North corners of the pad to reduce disturbance to the hillside and avoid encroachment into the drainage. The location is proposed in an old mine working area which has long since been reclaimed. The area of the proposed location and access route has been cleared by the archeologists and Historical Society. Erosion control, litter and waste disposal, access routes, well-site location and orientation, wildlife concerns, as well as surface owner requests, suggestions, and questions were discussed and agreements were made in regards to during the on-site inspection. BLM and USFS were in attendance at this on-site as was Emery County and a Zions Bank representative. DWR was invited to the on-site inspection but did not attend.

Reviewer: Mark L. Jones **Date:** February 26, 2003.

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.

005

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Gas

2. Name of Operator
 Chevron USA, Inc.

3. Address and Telephone No.
 P.O. Box 618, Orangeville, Utah 84537 435-748-5395

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 1,074' FNL, 533' FWL
 NW/4 NW/4, Section 2, T17S, R7E, SLB&M

5. Lease Designation and Serial No.
 UTU-74822

6. If Indian, Allottee or Tribe Name
 N/A

7. If Unit or CA, Agreement Designation
 N/A

8. Well Name and No.
 Zion's Federal 02-134

9. API Well No.
 43-015-30590

10. Field and Pool, or Exploratory Area
 Undesignated

11. County or Parish, State
 Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Pipeline, Powerline, Maintenance Corridor Construction
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Water Shut-Off
	<input checked="" type="checkbox"/> Drilling Program Changes	<input type="checkbox"/> Conversion to Injection
		<input type="checkbox"/> Dispose Water

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

The drilling program for the referenced well has changed to include the utilization of 8-5/8" 23# WC-50 casing. Following is the updated casing and cement program for the well:

HOLE SIZE	SETTING DEPTH (INTERVAL)	SIZE (OD)	WEIGHT, GRADE & JOINT	CONDITION
12-1/4"	300'	8-5/8"	23# WC-50 ST&C	New
7-7/8"	TD	5-1/2"	17# L-80 LT&C	New

Surface Casing: 225 sacks G + 2 % CaCl₂ + 0.25 pps cellophane flakes;
 Weight: 15.8 #/gal; Yield: 1.16 cu.ft/sk

Production Casing: 138 sacks 10:2 RFC Class G cement + 0.25 pps cellophane flakes;
 Weight: 14.2 #/gal; Yield: 1.61 cu.ft/sk yield.

RECEIVED
 MAR 26 2003
 DIV. OF OIL, GAS & MINING

CONFIDENTIAL

14. I hereby certify that the foregoing is true and correct
 Signed Don Hamilton Don Hamilton Title Agent for Chevron, USA, Inc. Date March 25, 2003

(This space for Federal or State office use)
 Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

003

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Gas

2. Name of Operator
Chevron USA, Inc.

3. Address and Telephone No.
P.O. Box 618, Orangeville, Utah 84537 435-748-5395

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1,074' FNL, 533' FWL
NW/4 NW/4, Section 2, T17S, R7E, SLB&M

5. Lease Designation and Serial No.
UTU-74822

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
Zion's Federal 02-134

9. API Well No.
43-015-30590

10. Field and Pool, or Exploratory Area
Undesignated

11. County or Parish, State
Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Affidavit of Surface Use	<input type="checkbox"/> Dispose Water

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

Attached please find an updated Affidavit of Surface Use for the reference well.

FILE COPY

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

Signed Don Hamilton Don Hamilton Title Agent for Chevron, USA, Inc. Date May 1, 2003

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

RECEIVED

MAY 05 2003

DEPT. OF OIL, GAS & MINING

AFFIDAVIT

W. E. Herrington, of lawful age, being first duly sworn, on oath deposes and says that he is familiar with the following well to be located and drilled in Township 17 South, Range 7 East, Emery County, Utah:

WELL: Zions - Federal 02-134

and that he is also familiar with Zions First National Bank, Trustee who on the 27th day of March, 2003, entered into a Surface Damage Agreement with Chevron U.S.A. Inc. and that said Surface Damage Agreement granted Chevron U.S.A. Inc. the full use of certain surface parcels, roads and pipeline access to said 02-134 well for the consideration stated therein.

Further affiant saith not.



W. E. Herrington
Landman – Price/Ferron
Coalbed Methane Group
Chevron U.S.A. Inc.

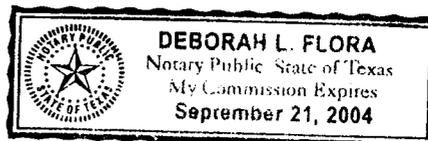
STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me this 2nd day of April, 2003, by W.E. Herrington

WITNESS my hand and official seal.


Notary Public, State of Texas

My Commission expires:



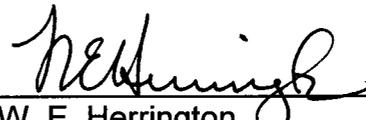
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W. E. Herrington
Landman – Price/Ferron
Coalbed Methane Group
Chevron U.S.A. Inc.

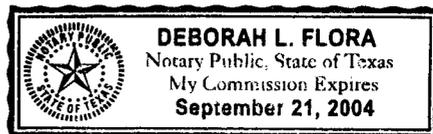
STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me this 13rd day of April, 2003, by W.E. Herrington

WITNESS my hand and official seal.


Notary Public, State of Texas

My Commission expires:



Mid-Continent Business Unit
North American Upstream
11111 S. Wilcrest, Houston, TX 77099
P. O. Box 36366, Houston, TX 77236
Tel (281) 861-3915
Fax (281) 861-3676
hcmee@chevrontexaco.com

W. E. "Gene" Herrington
Landman, Coalbed Methane Group

April 3, 2003

ChevronTexaco

Mr. Barron U. Kidd
Kidd Family Partnership Limited
3838 Oak Lawn, Suite 725
Dallas, Texas 75219

Mr. David Bruce
First National Company of Marshall
225 Baronne Street, 10th Floor
New Orleans, Louisiana 70160

Re: Application for Exception to Well Locations
Emery County, Utah

Gentlemen:

In accordance with Rule R649-3-3 of the Oil and Gas Conservation General Rules and Regulations as established by the Utah Board of Oil, Gas and Mining, Chevron U.S.A. Inc. requests a waiver to drill the following wells at the following locations:

1. Zions-Federal #02-134 located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, being 1,074.34 feet South and 4,696.16 feet West from the Northeast corner of Section 2, Township 17 South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.
2. Zions-Federal #35-135 located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 35, being 1,324.42 feet North and 3,615.69 feet West from the Southeast corner of Section 35, Township 16 South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.
3. Utah-Federal #35-136 located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 35, being 2,127.12 feet South and 2,413.50 feet West from the Northeast corner of Section 35, Township 16 South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.
4. Utah-Federal #35-196 located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 35, being 283.52 feet South and 961.49 feet West from the North quarter corner of Section 35, Township 16 South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.
5. Utah-Federal #12-197 located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 12, being 2,141.80 feet South and 884.30 feet West from the Northeast corner of Section 12, Township 17

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002

Messrs. Kidd and Bruce
 April 3, 2003
 Page 2 of 2

South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.

6. Utah-Federal #12-198D the Surface Location of which is in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 12, being 2,155.48 feet South and 905.22 feet West from the Northeast corner of Section 12, Township 17 South, Range 7 East, Emery County, Utah. The proposed Target Location is located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 12, being 701.98 feet North and 2,815.49 feet West from the surface location of the #12-198D. The primary objective of this well is the Ferron formation.
7. Utah-Federal #12-199 located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 12, being 1,476.0 feet North and 418.3 feet West from the Southeast corner of Section 12, Township 17 South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.
8. Utah-Federal #12-200D the Surface Location of which is in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 12, being 1,453.89 feet North and 406.44 feet West from the Southeast corner of Section 12, Township 17 South, Range 7 East, Emery County, Utah. The proposed Target Location is located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 12, being 145.63 feet South and 2,778.87 feet West from the surface location of the #12-200D. The primary objective of this well is the Ferron formation.

An exception to spacing is hereby requested for each well based on topography since each is located within 460 feet of its respective drilling unit boundary. A plat showing the location of each well is enclosed for your file.

If you, as an offset owner of a working interest, have no objection to the Board granting an exception to Rule R649-3-3 for the above cited wells, please signify the same by signing below and returning a duplicate original of this letter to the undersigned. Your cooperation and timely consideration regarding this matter is greatly appreciated.

Very truly,



W. E. "Gene" Herrington

WEH.pe
 corr\apr03-1

WAIVER

Company Name: First National Company of MARRIAGE

Print Name: LYNDSEY A. JOE - VP

Signature: [Handwritten Signature]

Date: May 15, 2003

RECEIVED

MAY 15 2003

DA 114

Messrs. Kidd and Bruce

April 3, 2003

Page 2 of 2

South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.

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An exception to spacing is hereby requested for each well based on topography since each is located within 460 feet of its respective drilling unit boundary. A plat showing the location of each well is enclosed for your file.

If you, as an offset owner of a working interest, have no objection to the Board granting an exception to Rule R649-3-3 for the above cited wells, please signify the same by signing below and returning a duplicate original of this letter to the undersigned. Your cooperation and timely consideration regarding this matter is greatly appreciated.

Very truly,



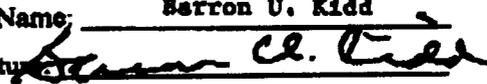
W. E. "Gene" Herrington

WJH:ps
com\sp103-1

WAIVER

Company Name: Kidd Family Partnership Limited

Print Name: Barron U. Kidd

Signature: 

Date: April 4, 2003

RECEIVED

MAY 14 2003

OIL, GAS & MINING



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

1594 West North Temple, Suite 1210
 PO Box 145801
 Salt Lake City, Utah 84114-5801
 (801) 538-5340 telephone
 (801) 359-3940 fax
 (801) 538-7223 TTY
 www.nr.utah.gov

Michael O. Leavitt
 Governor

Robert L. Morgan
 Executive Director

Lowell P. Braxton
 Division Director

May 15, 2003

Chevron USA, Inc.
 P O Box 618
 Orangeville, UT 84537

Re: Zions Federal 02-134 Well, 1074' FNL, 533' FWL, NW NW, Sec. 2, T. 17 South,
 R. 7 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-015-30590.

Sincerely,

for John R. Baza
 Associate Director

pab
 Enclosures

cc: Emery County Assessor
 Bureau of Land Management, Moab District Office

Operator: Chevron USA, Inc.
Well Name & Number Zions Federal 02-134
API Number: 43-015-30590
Lease: UTU-74822

Location: NW NW **Sec.** 2 **T.** 17 South **R.** 7 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

010

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Chevron USA, Inc.

3. Address and Telephone No.

P.O. Box 618, Orangeville, Utah 84537 435-748-5395

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

1,074' FNL, 533' FWL
NW/4 NW/4, Section 2, T17S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-74822

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Zion's Federal 02-134

9. API Well No.

43-015-30590

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Request for Exception to Spacing	<input type="checkbox"/> Dispose Water

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

A request for exception to spacing (R649-3-3) is hereby requested based on topography since the well is located within 460' of the drilling unit boundary.

Approval from the offset owners of the working interest are attached.

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

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

Signed Don Hamilton Don Hamilton Title Agent for Chevron, USA, Inc. Date May 14, 2003

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Mid-Continent Business Unit
North American Upstream
11111 S. Wilcrest, Houston, TX 77099
P. O. Box 36366, Houston, TX 77236
Tel (281) 561-3815
Fax (281) 561-3576
hernwa@chevrontexaco.com

W. E. "Gene" Herrington
Landman, Coalbed Methane Group

April 3, 2003

Chevrontexaco

Mr. Barron U. Kidd
Kidd Family Partnership Limited
3838 Oak Lawn, Suite 725
Dallas, Texas 75219

Mr. David Bruce
First National Company of Marshall
225 Baronne Street, 10th Floor
New Orleans, Louisiana 70160

Re: Application for Exception to Well Locations
Emery County, Utah

Gentlemen:

In accordance with Rule R649-3-3 of the Oil and Gas Conservation General Rules and Regulations as established by the Utah Board of Oil, Gas and Mining, Chevron U.S.A. Inc. requests a waiver to drill the following wells at the following locations:

1. Zions-Federal #02-134 located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, being 1,074.34 feet South and 4,696.16 feet West from the Northeast corner of Section 2, Township 17 South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.
2. Zions-Federal #35-135 located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 35, being 1,324.42 feet North and 3,615.69 feet West from the Southeast corner of Section 35, Township 16 South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.
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Messrs. Kidd and Bruce
April 3, 2003
Page 2 of 2

South, Range 7 East, Emery County, Utah. The well is proposed to be drilled as a straight hole. The primary objective of this well is the Ferron formation.

- 6. Utah-Federal #12-198D the Surface Location of which is in the SE¼NE¼ of Section 12, being 2,155.48 feet South and 905.22 feet West from the Northeast corner of Section 12, Township 17 South, Range 7 East, Emery County, Utah. The proposed Target Location is located in the SE¼NW¼ of Section 12, being 701.98 feet North and 2,815.49 feet West from the surface location of the #12-198D. The primary objective of this well is the Ferron formation.
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An exception to spacing is hereby requested for each well based on topography since each is located within 460 feet of its respective drilling unit boundary. A plat showing the location of each well is enclosed for your file.

If you, as an offset owner of a working interest, have no objection to the Board granting an exception to Rule R649-3-3 for the above cited wells, please signify the same by signing below and returning a duplicate original of this letter to the undersigned. Your cooperation and timely consideration regarding this matter is greatly appreciated.

Very truly,



W. E. "Gene" Herrington

WEH pc
corr\apr03-1

WAIVER

Company Name: FIRST NATIONAL COMPANY OF MARSHALL
 Print Name: LYNDAY A. JOB - VP
 Signature: [Handwritten Signature]
 Date: MAY 13, 2003

Messrs. Kidd and Bruce
April 3, 2003
Page 2 of 2

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Very truly,



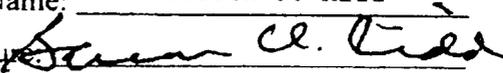
W. E. "Gene" Herrington

WHH:pc
corr\apri03-1

WAIVER

Company Name: Kidd Family Partnership Limited

Print Name: Barron U. Kidd

Signature: 

Date: April 4, 2003



TALON RESOURCES INC

May 24, 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 , resend sundry

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. The attached sundrys reflect the appropriate company name and will accompany the originally sent "Request for Permit Extension Validation" dated May 17, 2004.

State of Utah "GG" 15-148 (43-015-30554) NE/4NW/4, Section 4, T17S, R8E SLB&M, Emery County, Utah (this is a revised application reflecting the correct distances from section line)
Zions Federal 02-134 (43-015-30590) NW/4NW/4, Section 2, T17S, R7E, SLB&M, Emery County, Utah
Utah Federal 12-200D (43-015-30604) NE/4SE/4, Section 12, T17S, R7E, SLB&M, Emery County, Utah
Utah Federal 12-198D (43-015-30605) SE/4NE/4, Section 12, T17S, R7E, SLB&M, Emery County, Utah
Utah Federal 12-197 (43-015-30591) SE/4NE/4, Section 12, T17S, R7E, SLB&M, Emery County, Utah
Utah Federal 35-196 (43-015-30602) NE/4NW/4, Section 35, T16S, R7E, SLB&M, Emery County, Utah
Utah Federal 35-136 (43-015-30603) SW/4NE/4, Section 35, T16S, R7E, SLB&M, Emery County, Utah
Utah Federal 12-199 (43-015-30601) NE/4SE/4, Section 12, T17S, R7E, 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.

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JUN 01 2004

DIV. OF OIL, GAS & MINING

cc: File
Mr. Ken Jackson Chevron USA
Mr. Ron Wirth Chevron USA

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

011

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 checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
2. NAME OF OPERATOR: Chevron USA, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 618 CITY Orangeville STATE UT ZIP 84537		7. UNIT or CA AGREEMENT NAME: Huntington (Shallow)CBM
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FnL, 533' FWL		8. WELL NAME and NUMBER: Zions Federal 02-134
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E S		9. API NUMBER: 4301530590
		10. FIELD AND POOL, OR WILDCAT: Undesignated
		COUNTY: Emery
		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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input checked="" type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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.

Chevron USA hereby requests a one year extension of the state permit for the Zions Federal 02-134

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 06-14-04
By: [Signature]

COPY SENT TO OPERATOR
Date: 6-18-04
Initials: CHD

NAME (PLEASE PRINT) <u>Larry Johnson</u>	TITLE <u>Chevron USA, Inc.</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/24/2004</u>

(This space for State use only)



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

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

API: 4301530590
Well Name: ZIONS FEDERAL 02-134
Location: NW/4 NW/4, Section 2, T17S, R7E, SLB&M
Company Permit Issued to: Chevron USA, Inc.
Date Original Permit Issued: 5/15/2003

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

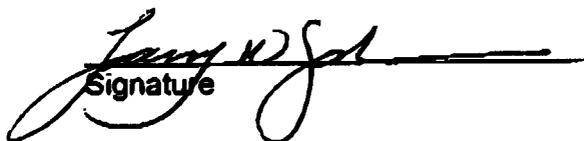
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

5/17/2004
Date

Title: Agent for Chevron

Representing: Chevron USA, Inc.

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JUN 10 2004

DIV. OF OIL, GAS & MINING

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:	Zions Federal 02-134
API number:	43015305890- 30590
Location:	Qtr-Qtr: NESE Section: 02 Township: 17S Range: 7E
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:
	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"/>
<input 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.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Various Leases
2. NAME OF OPERATOR: XTO ENERGY INC. <i>N2615</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington Bldg K, <small>Suite</small> Farmington <small>CITY</small> STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: COUNTY: Emery		8. WELL NAME and NUMBER: See attached list
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		9. API NUMBER: Multiple
		10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
PHONE NUMBER: (505) 324-1090		

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) <i>James L. Death</i>	TITLE <i>Vice President Land</i>
SIGNATURE <i>James L. Death</i>	DATE <i>8/16/04</i>

(This space for State use only)

APPROVED *9/30/2004*

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

(See Instructions on Reverse Side)

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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

OPERATOR CHANGE WORKSHEET

012

X Change of Operator (Well Sold)

ROUTING

1. GLH
2. CDW
3. FILE

Designation of Agent/Operator

Operator Name Change

Merger

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

8/1/2004

FROM: (Old Operator):

N0210-Chevron USA, Inc
11111 S Wilcrest
Houston, TX 77099

Phone: 1-(281) 561-4991

TO: (New Operator):

N2615-XTO Energy Inc
2700 Farmington Ave, Bldg K Suite 1
Farmington, NM 87401

Phone: 1-(505) 324-1090

CA No.

Unit:

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
ZIONS FED 35-135R (RIG SKID)	35	160S	070E	4301530521	13810	Federal	GW	P	C
ZIONS FED 35-137	35	160S	070E	4301530587	13811	Federal	GW	P	C
UTAH FED 35-196	35	160S	070E	4301530602		Federal	GW	APD	C
UTAH FED 35-136	35	160S	070E	4301530603		Federal	GW	APD	C
UT FED KK 01-140	01	170S	070E	4301530507	13553	Federal	GW	P	
UP&L FED 01-101	01	170S	070E	4301530511	13546	Federal	GW	P	
UT FED KK 01-141	01	170S	070E	4301530559	13587	Federal	GW	P	
UTAH FED 01-205D	01	170S	070E	4301530589	13828	Federal	GW	P	C
ZIONS FED 02-134	02	170S	070E	4301530590		Federal	GW	APD	C
UTAH FED 12-197	12	170S	070E	4301530591		Federal	GW	APD	C
UTAH FED 12-199	12	170S	070E	4301530601		Federal	GW	APD	C
UT FED 12-200D	12	170S	070E	4301530604		Federal	GW	APD	C
UT FED 12-198D	12	170S	070E	4301530605		Federal	GW	APD	C
L M LEMMON 10-1	10	170S	080E	4301530242	11724	Fee	GW	P	
L & M CURTIS 10-58	10	180S	070E	4301530310	12201	Fee	GW	TA	
SWD 3	11	180S	070E	4301530303	12915	Fee	WD	I	
UT FED P 12-153	12	180S	070E	4301530551		Federal	GW	APD	C
U P & L 14-53	14	180S	070E	4301530313	12333	Fee	GW	P	
SWD 1	24	180S	070E	4301530272	99990	Fee	WD	A	
A L JENSEN 27-9	27	210S	060E	4301530259	11990	Fee	GW	TA	

K
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K

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/28/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/28/2004
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/19/2004
- Is the new operator registered in the State of Utah: YES Business Number: 5655506-0143
- If **NO**, the operator was contacted on:
- 6a. (R649-9-2) Waste Management Plan has been received on: to follow
- 6b. Inspections of LA PA state/fee well sites complete on: being worked

20

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:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

013

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-74822
2. Name of Operator XTO ENERGY INC.		6. If Indian, Allottee or Tribe Name
3a. Address 2700 Farmington Ave. Bldg K, Suite 1 Farmington, NM 87401	3b. Phone No. (include area code) (505) 324-1090	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <i>T. 17S, R. 7E, S. 2</i>		8. Well Name and No. All Wells on Lease
		9. API Well No. Multiple
		10. Field and Pool, or Exploratory Area Buzzard's Bench
		11. County or Parish, State Emery, Utah

43-015-30590

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Operator Change</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Effective August 1, 2004, the operator for lease # UTU 74822 changed from Chevron U.S.A. Inc. to XTO ENERGY INC.

XTO ENERGY's Nationwide Bond is ~~670473~~.

LTB000138

(Surety ID: 104312780)

CONFIDENTIAL

RECEIVED
MOAB FIELD OFFICE
2004 SEP 29 P 3:02
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

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

Name (Printed/Typed) <i>Edwin S. Ryan, Jr.</i>	Title <i>SR VP-Land</i>
Signature <i>Edwin S. Ryan, Jr.</i>	Date <i>9/27/04</i>

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by ACCEPTED	Title Division of Resources	Date SEP 29 2004
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office MOAB Field Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

cc: UDDGm

Conditions Attached

RECEIVED

OCT 27 2004

DIV. OF OIL, GAS & MINING

API Well Number	Well Name	Well Type	Well Status	County Name	Lease No.	Qtr/Qtr	Section	Location (Twn-Rng)
43-015-30507-00-00	UT FED KK 01-140	Gas Well	Producing	EMERY	UTU74822	SENW	1	17S-7E
43-015-30559-00-00	UT FED KK 01-141	Gas Well	Producing	EMERY	UTU74822	SESE	1	17S-7E
43-015-30511-00-00	UP&L FED 01-101	Gas Well	Producing	EMERY	UTU74822	SENE	1	17S-7E
43-015-30589-00-00	UTAH FED 01-205D	Gas Well	Producing	EMERY	UTU74822	SENW	1	17S-7E
43-015-30590-00-00	ZIONS FED 02-134	Gas Well	Approved permit (APD); not yet spudded Not approved yet	EMERY	UTU74822	NWNW	2	17S-7E

XTO Energy Inc.
Well No. 01-101, 01-205D, 01-140, 01-141 and 02-134
Sections 1 and 2, T. 17 S., R. 7 E.
Lease UTU74822
Emery County, Utah

CONDITIONS OF ACCEPTANCE

Acceptance of these applications does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that XTO Energy Inc. is considered to be the operator of the above wells effective August 1, 2004, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for these wells is provided by UTB000138 (Principal – XTO Energy Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43CFR 3106.7-2 continuing responsibility are met.

NOTE: The 02-134 is a pending Application for Permit to Drill. BLM approval to drill at this located has not yet been granted.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
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.		7. UNIT or CA AGREEMENT NAME: N/A
		8. WELL NAME and NUMBER: ZION'S FEDERAL 02-134
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	9. API NUMBER: 4301530590	
2. NAME OF OPERATOR: XTO ENERGY INC.	10. FIELD AND POOL, OR WILDCAT: Undesignated	
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-1090	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL x 533' FWL		COUNTY: Emery
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>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.
XTO Energy hereby requests a one year extension of the state permit for the above listed well.

Approved by the
**Utah Division of
Oil, Gas and Mining**
Date: 06-27-05
By: [Signature]

COPIES SENT TO OPERATOR
Date: 6-28-05
By: [Signature]

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>[Signature]</u>	DATE <u>6/15/2005</u>

(This space for State use only)

RECEIVED
JUN 20 2005

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

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

API: 43-015-30590
Well Name: Zion's Federal 02-134
Location: Emery, County Utah
Company Permit issued to: Chevron USA, Inc.
Date Original Permit issued: 5/15/2003

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

Kyla Vaughan
Signature

6/21/2005
Date

Title: Regulatory Compliance Tech

Representing: XTO Energy Inc.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
		7. UNIT or CA AGREEMENT NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Zion's Federal 02-134	
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530590
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg B CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: Undesignated
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL x 533' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E S		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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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.

XTO Energy, Inc. hereby requests a one year extension of the state permit for the above listed well. This well was initially acquired by XTO from Chv/Tx in August 2004. XTO cleaned up many permits that were submitted by ChvTx in the drilling program for 2005. However, the APD from the BLM on this particular well was NEVER approved or received by XTO. XTO has been working diligently with the Price BLM to receive approval for this APD over the last few months. XTO believes that we are only a few weeks away from receiving BLM approval of our APD. This well is on the 2006 drilling program for XTO and we plan to drill this well late summer.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 05-25-06
By: [Signature]

6-36-eb
C/D

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/19/2006</u>

(This space for State use only)

RECEIVED
MAY 24 2006

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

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

API: 43-015-30590
Well Name: Zion's Federal 02-134
Location: Emery, County Utah
Company Permit Issued to: Chevron USA, Inc.
Date Original Permit Issued: 5/15/2003

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

Kyla Vaughan
Signature

5/19/2006
Date

Title: Regulatory Compliance Tech

Representing: XTO Energy, Inc.

RECEIVED
MAY 24 2006
DIV. OF OIL, GAS & MINING

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

RECEIVED
FIELD OFFICE

5. LEASE DESIGNATION AND SERIAL NO.

UTU-74822

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME, WELL NO.

Zion's Federal 02-134

9. API WELL NO.

43-015-30590

10. FIELD AND POOL, OR WILDCAT

Undesignated

11. SEC., T., R., M., OR BLK.

NW/4 NW/4, Section 2,

T17S, R7E, SLB&M

12. COUNTY OR PARISH

Emery

13. STATE

Utah

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

DEEPEN

2003 FEB -3 P 3: 17

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

2. NAME OF OPERATOR

Chevron USA, Inc. XTO Energy Inc.

3. ADDRESS AND TELEPHONE NO.

2700 Farmington Ave, Bldg K, St. 1, Farmington NM 87401
P.O. Box 618, Orangethorpe, Utah 84537, 435-748-5395

4. LOCATION OF WELL. (Report location clearly and in accordance with any State requirements.)*

At surface

1,074' FNL, 533' FWL

505-564-10970

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

8.7 miles northwest of Huntington, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

1074'

16. NO. OF ACRES IN LEASE

1,100.09

17. NO. OF ACRES ASSIGNED TO THIS WELL

160 acres

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

4,785'

20. ROTARY OR CABLE TOOLS

Rotary

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

7,050' GR

22. APPROX. DATE WORK WILL START*

May 2003

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	WC-SD 8-5/8" K-55 ST&C	24	300'	235 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane flakes 1.164732
7-7/8"	WC-SD 5-1/2" N-80 LT&C	17	4,685'	135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes 1.164732

Surface Owner:
Surface Representative:

Zion's Bank—P.O. Box 30880, Salt Lake City, Utah 84130
Kurt Froerer 1-801-594-8332

Federal Bond Number:
Fee Bond Number:

~~8-304604~~ UTB000138
~~6027949~~

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

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JUN 30 2006
DIV. OF OIL, GAS & MINING
CONFIDENTIAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data 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 Don Hamilton Don Hamilton TITLE Agent for Chevron DATE 1-23-03

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY LS/A. Lynn Jackson TITLE Assistant Field Manager, DATE 1/26/06
Division of Resources

***See Instructions On Reverse Side**

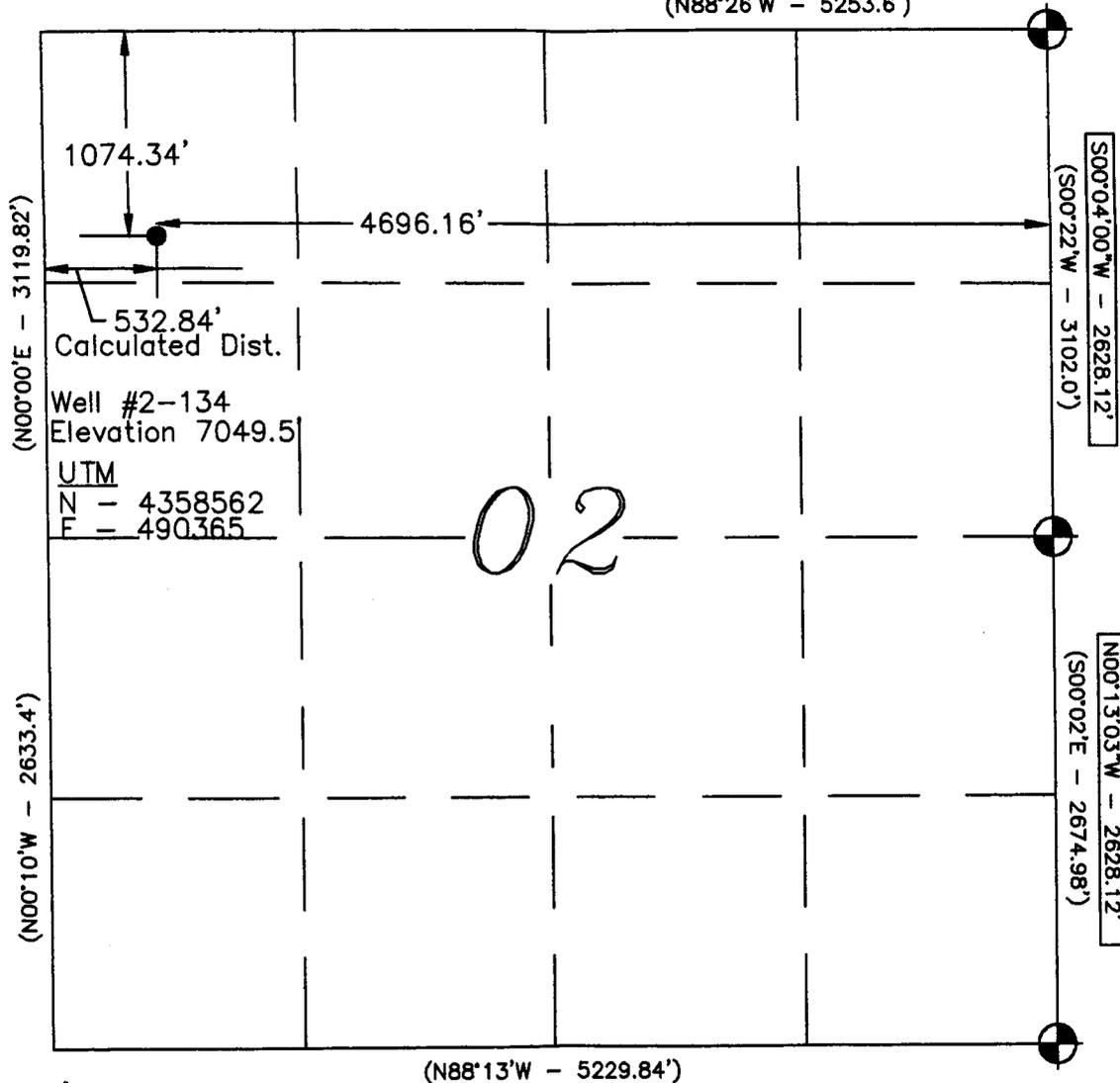
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

CONDITIONS OF APPROVAL ATTACHED

Range 7 East

(N88°26'W - 5253.6')

Township 17 South



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:

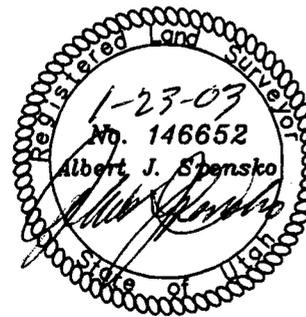
Basis of Elevation of 6828.78' being at the Southwest Section corner of Section 35, Township 16 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

Description of Location:

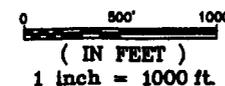
Proposed Drill Hole located in the NW1/4, NW1/4 of Section 02; being 1074.34' South and 4696.16' West from the Northeast Corner of Section 02, T17S., R7E., Salt Lake Base and Meridian.

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.



GRAPHIC SCALE



Legend

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

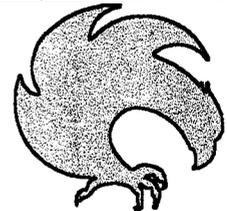
NOTE:

UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

Lat / Long
39°22'42"
111°06'43"

ORIGINAL

REVISION 01/02/03



TALON RESOURCES, INC.

Price - Huntington, Utah
 Phone (435)637-8781 Fax (435)636-8603
 E-Mail talon@castenet.com

ChevronTexaco

WELL #02-134

Section 02, T17S., R7E., S.L.B.&M.
 Emery County, Utah

Drawn By: BEN SCOTT	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 01/02/03
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 803

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to deepen or recomplete a well in a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

RECEIVED
MORNING FIELD OFFICE
2003 MAR 25 P 1:32

DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

1. Type of Well
 Oil Gas

2. Name of Operator
Chevron USA, Inc. *XTC Energy Inc*

3. Address and Telephone No.
P.O. Box 618, Orangeville, Utah 84537 — **435-748-5395**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1,074' FNL, 533' FWL
NW/4 NW/4, Section 2, T17S, R7E, SLB&M
505-564-1090

5. Lease Designation and Serial No.
UTU-74822

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
Zion's Federal 02-134

9. API Well No.
43-015-30590

10. Field and Pool, or Exploratory Area
Undesignated

11. County or Parish, State
Emery County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Change of Name	<input type="checkbox"/> Pipeline, Powerline, Maintenance Corridor Construction
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Water Shut-Off
	<input checked="" type="checkbox"/> Drilling Program Changes	<input type="checkbox"/> Conversion to Injection
		<input type="checkbox"/> Dispose Water

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

The drilling program for the referenced well has changed to include the utilization of 8-5/8" 23# WC-50 casing. Following is the updated casing and cement program for the well:

HOLE SIZE	SETTING DEPTH (INTERVAL)	SIZE (OD)	WEIGHT, GRADE & JOINT	CONDITION
12-1/4"	300'	8-5/8"	23# WC-50 ST&C	New
7-7/8"	TD	5-1/2"	17# L-80 LT&C	New

Surface Casing: 225 sacks G + 2 % CaCl₂ + 0.25 pps cellophane flakes;
Weight: 15.8 #/gal; Yield: 1.16 cu.ft/sk

Production Casing: 138 sacks 10:2 RFC Class G cement + 0.25 pps cellophane flakes;
Weight: 14.2 #/gal; Yield: 1.61 cu.ft/sk yield.

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14. I hereby certify that the foregoing is true and correct
Signed Don Hamilton Don Hamilton Title Agent for Chevron, USA, Inc. Date March 25, 2003

(This space for Federal or State office use)
Assistant Field Manager,
Approved by KL A Lynn Jackson Title Division of Resources Date 6/26/06
Conditions of approval, if any:

XTO Energy, Inc.
Zion's Federal 02-134
Lease U-74822
NW/NW Section 2, T17 S, R 7 E
Emery County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that XTO Energy, Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UTB000138 (Principal – XTO Energy, Inc.) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed 3M BOPE is adequate for anticipated conditions. Testing of the BOPE to 2M standards is sufficient. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
3. When drilling with air, the requirements of Onshore Oil and Gas Order No. 2, part III, E, Special Drilling Operations, shall apply. Among the requirements in this section are:
 - Spark arresters
 - Blooie line discharge 100 feet from wellbore
 - Straight blooie line
 - Deduster equipment
 - Float valve above bit
 - Automatic igniter on the blooie line
4. A cement bond log (CBL), or other appropriate tool for determining top-of-cement, shall be run on the production casing string and shall be submitted to BLM.
5. The APD has been amended to provide for the use of 8-5/8", 23#, WC-50 surface casing.

SURFACE USE

1. The following appendices are attached for your reference. They are to be followed as conditions of approval:

Table A-1, Seed Mixture for Green Strip Areas

Table A-2, Seed Mixture for Final Reclamation, Pinyon-Juniper Areas

EMP 16 & 17, Winter Seasonal Restriction on Critical & High Priority Winter Range

2. Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Olive Black (5W A 20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.
3. Best Management Practices and the BLM Price Field Office Hydrologic Modification Standards will be implemented.
4. The companies Spill Prevention, Containment, and Cleanup Plan shall be followed and a copy submitted to the authorized officer.
5. Dust shall be controlled during all phases of project implementation through the use of water or approved dust suppressants.
6. XTO shall avoid clearing trees in a straight line and maintain the irregular shaped areas of the access road and mitigation project as designed.
7. The proposed action is within critical winter range and the surface disturbance associated with the project exceeds that which was analyzed and mitigated for in the EIS. Since this surface disturbance has not been mitigated for in the EIS, the action is subject to the acre for acre mitigation for surface disturbance on critical winter range as provided for in the San Rafael Resource Management Plan. The proponent shall complete a wildlife enhancement project designed to mitigate impacts on big game critical winter range at the rate of one acre of enhancement for each acre of disturbance. Acceptable projects may include vegetative manipulation designed to increase winter forage or other winter range habitat enhancements to improve big game distribution patterns. Projects shall be completed during the same calendar year as the surface disturbing activity taking place. All aspects of project design and implementation, NEPA compliance, project design and implementation shall be the responsibility of the proponent. Projects proposed by the proponent must be completed on public land and approved in advance by the Authorized Officer of the BLM.

8. Control of non-native, invasive species (noxious weeds) will be in accordance with the Federal Noxious Weed Act, the Utah Noxious Weed Act (R68-9), and County Noxious Weed Control Plans. Control of non-native, invasive species will be completed on all disturbed sites associated with the development and final reclamation of well pads and pipelines. The use of herbicides will be approved through a pesticide use proposal (PUP) submitted to the BLM prior to herbicide application.
9. The Companies will provide georeferenced spatial data depicting as-built locations of all facilities, wells, roads, pipelines, power lines, and other related facilities to the BLM by November 1 of each year until completion of project construction activities has occurred.
10. Reserve pits will be adequately fenced during and after drilling operations until pit is reclaimed so as to effectively keep out wildlife and livestock. Adequate fencing, in lieu of more stringent requirements by the surface owner, is defined as follows:
11. Construction materials will consist of steel or wood posts. Three or four strand wire (smooth or barbed) fence or hog panel (16-foot length by 50-inch height) or plastic snow fence must be used with connectors such as fence staples, quick-connect clips, hog rings, hose clamps, twisted wire, etc. Electric fences will not be allowed.
12. Construction standards: Posts shall be firmly set in ground. If wire is used, it must be taut and evenly spaced, from ground level to top wire, to effectively keep out animals. Hog panels must be tied securely into posts and one another using fence staples, clamps, etc. Plastic snow fencing must be taut and sturdy. Fence must be at least 2-feet from edge of pit. 3 sides fenced before beginning drilling, the fourth side fenced immediately upon completion of drilling and prior to rig release. Fence must be left up and maintained in adequate condition until pit is closed.
13. The reserve pit will be oriented to prevent collection of surface runoff. After the drilling rig is removed, the operator may need to construct a trench on the uphill side of the reserve pit to divert surface drainage around it. If constructed, the trench will be left intact until the pit is closed.
14. The reserve pit will be lined with an impermeable liner if permeable subsurface material is encountered. An impermeable liner is any liner having a permeability less than 10^{-7} cm/sec. The liner will be installed so that it will not leak and will be chemically compatible with all substances that may be put in the pit. Liners made of any man-made synthetic material will be of sufficient strength and thickness to withstand normal installation and pit use. In gravelly or rocky soils, a suitable bedding material such as sand will be used prior to installing the liner.
15. The reserve pit will be constructed so that at least half of its total volume is in solid cut material (below natural ground level).
16. The reserve pit shall have 2 foot of freeboard maintained at all times to prevent overflow of fluids.

GENERAL CONSTRUCTION

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.
3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.
4. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with seed mixture Pinyon-Juniper (see attached).

ROAD and PIPELINE CONSTRUCTION

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction.
9. Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.
10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, and headcut restoration/prevention.
11. Topsoil from access roads and pipelines are to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipators as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipators and gravel dispersion fans may be used, or any other design which would accomplish the desired reversion of flow regime. As necessary cut banks, road drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

PAD CONSTRUCTION

13. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture Pinyon-Juniper (see attached).
14. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be

equipped with rock energy brakes and gravel-bedded dispersion fans.

REHABILITATION PROCEDURES

Site Preparation

15. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation

16. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
17. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
18. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

19. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
20. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
21. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching

22. When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding

23. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.
24. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is Pinyon-Juniper (see attached).

General

25. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.

The following seed mixture would be planted along service road borrow ditches, around the edges of drill pads with a production well, and surrounding other production and maintenance facilities. The purpose for this is to provide a “green strip” buffer to minimize fire hazards and prevent invasion and establishment of noxious weeds in areas that will receive continued disturbance for the life of these areas.

Table A-1

Common Plant Name	Scientific Name	Pounds per acre (PLS)
Forage kochia	<i>Kochia prostrata</i>	2
Wyoming big sagebrush	<i>Artemisia tridentata wyomingensis</i> var. Gordon Creek	1
Douglas low rabbitbrush	<i>Chrysothamnus viscidiflorus</i>	1
TOTAL		4

The following seed mixture is for the area that would receive final reclamation. Areas would be planted to protect them from soil erosion and to restore forage production.

Table A-2

Common Plant Name	Scientific Name	Pounds per acre (PLS) ¹
Pinyon Juniper Areas		
<i>Grasses</i>		
Thickspike wheatgrass	<i>Elymus lanceolatus</i>	1.5
Intermediate wheatgrass	<i>Elytrigia intermedia</i>	1.5
Squirreltail	<i>Elymus elymoides</i>	2
Crested wheatgrass	<i>Agropyron desertorum</i>	2
<i>Forbs</i>		
Lewis flax	<i>Linum perenne lewisii</i>	1
Palmer penstemon	<i>Penstemon palmerii</i>	1
<i>Shrubs</i>		
Forage kochia	<i>Kochia prostrata</i>	2
Fourwing saltbrush	<i>Atriplex canescense</i>	2
Wyoming big sagebrush	<i>Artemesia tridentata wyomingensis</i> var. Gordon Creek	1
Antelope bitterbrush	<i>Purshia tridentata</i>	1
TOTAL		15

1. Seeding rate is listed as pounds per acre of pure live seed (PLS) drilled. Rate is increased by 50 percent if broadcast seeded.

Formula: pure live seed (PLS) = % seed purity x % seed germination

FERRON NATURAL GAS PROJECT AREA

PROPONENT: _____ **WELL #:** _____

EPM 16 & 17: WINTER SEASONAL RESTRICTION (DECEMBER 1 to APRIL 15) ON CRUCIAL AND HIGH PRIORITY WINTER RANGE.

Pg 1 of 1

Restrictions on Construction Phase Activity: Prohibit construction phase activity, described below, on big game high value and critical winter range during the period (December 1 - April 15) without regard for land ownership.

This condition would not apply to normal maintenance and operation of producing wells, described below. On nonfederal lands (where the federal government does not have either surface or subsurface ownership) the Companies would be allowed to conduct construction phase activity if needed to avoid breach of contract or loss of lease rights. In the event construction phase activity proceeds into the winter closure period on non federal interest lands, Companies would make available appropriate documentation to UDWR, upon request.

Construction Phase Activity: Construction phase activity is considered to include all work associated with initial drilling and construction of facilities through completion, including installation of pumping equipment, connection with ancillary facilities and tie-in with pipelines necessary for product delivery.

Companies would not be allowed to initiate construction activity unless it is reasonable to believe that such work can be finished to a logical stopping point prior to December 1 of that year. Specific activities considered to be covered by the seasonal closure include all heavy equipment operation including but not limited to the following:

- Mobilization/Demobilization or operation of heavy equipment (crawler tractor, front end loader, backhoe, road grader, etc.)
- Construction activity (road construction or upgrading, pad, pipeline, powerline, ancillary facilities, etc.),
- Drilling activity (Operator would not propose or initiate drilling activity if the project could not reasonably be expected to be finished to a logical stopping point by the December 1 date of that year.)
- Seismic operation, detonation of explosives

This seasonal closure would not apply to reconnaissance, survey/design and/or flagging of project work or other similar activity not requiring actions listed for heavy equipment operation.

Production Phase: A well is considered to be in production phase when the well and ancillary facilities are completed to the point that they are capable of producing and delivering product for sale. It is noted that heavy equipment operation may be necessary in the performance of maintenance and operation of producing wells.

Restriction on Non Emergency Workover Operations: The Companies will schedule non-emergency workover operations (defined below) on big game crucial and high value winter range outside the December 1 to April 15 date of the seasonal closure.

Non-emergency Workover Operations: Workover operations to correct or reverse a gradual loss of production over time (loss of production of 20 percent or less over a 60 day period) is considered to be routine or non-emergency workover operations and would not be permitted during the December 1 to April 15 time frame.

Emergency Workover Operations: Emergency work over operations are defined as downhole equipment failure problems or workover operation necessary to avoid shut in of the well or to avoid an immediate safety or environmental problem. Loss of production greater than 20 percent within a 60 day period is indicative of pump failure and will be treated as an emergency workover operation. The Companies will submit Sundry notices to BLM within five days of the emergency workover operations between December 1 and April 15.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Price Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office. The Moab Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Don Stephens (435-636-3608) of the BLM Price Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth.

If the person at the above number cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer Office: 435-259-2117
Home: 435-259-2214

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: XTO ENERGY INC.		8. WELL NAME and NUMBER: Zion's Federal 02-134
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg # CITY Farmington STATE NM ZIP 87401		9. API NUMBER: 4301530590
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL x 533' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E S		10. FIELD AND POOL, OR WILDCAT: Undesignated COUNTY: EMERY 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 <small>(Submit in Duplicate)</small> 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 checked="" type="checkbox"/> SUBSEQUENT REPORT <small>(Submit Original Form Only)</small> Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input checked="" 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.

XTO is requesting a name change on the above listed well.

old name: Zion's Federal 02-134

new name: Zion's Federal 17-7-2-11

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE	DATE <u>7/3/2006</u>

(This space for State use only)

RECEIVED
JUL 10 2006
 DIV. OF OIL GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: ZION'S FEDERAL 02-134	
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530590
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL & 533' FWL		COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E		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: <u>8/1/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>CHG CSG WEIGHT</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.

XTO Energy Inc. permitted this well with 8-5/8", 24#, casing run in the 12-1/4" hole. We would like to change the casing to 15.5#, J-55 casing. All other pertinent details of permit remain unchanged.

8-8-06
CWB

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE <i>Holly C. Perkins</i>	DATE <u>7/20/2006</u>

(This space for State use only)

Utah Division of Oil, Gas and Mining

Date: 7/28/06

By: [Signature] (See Instructions on Reverse Side)

Federal Approval Of This Action Is Necessary

JUL 26 2006

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: ZION'S FEDERAL 17-7-2-11	
2. NAME OF OPERATOR: XTO ENERGY INC.	9. API NUMBER: 4301530590	
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K <small>CITY</small> Farmington <small>STATE</small> NM <small>ZIP</small> 87401	PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL & 533' FWL	COUNTY: EMERY	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E	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: <u>8/1/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>CHG CSG WT</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.

AMENDED SUNDRY: FIRST SUNDRY HAD OLD WELL NAME ON IT. PLEASE USE THIS ONE INSTEAD:

XTO Energy Inc. permitted this well with 8-5/8", 24# casing run in the 12-1/4" hole. We would like to change the casing to 15.5#, J-55 casing. All other pertinent details of permit remain unchanged.

8-2-06
CHD

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE	DATE <u>7/25/2006</u>

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 7/31/06
By: D. K. [Signature] (See Instructions on Reverse Side)

Federal Approval Of This
Action Is Necessary

RECEIVED
JUL 31 2006
DIV. OF OIL, GAS & MINING

(5/2000)

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

FORM 6

ENTITY ACTION FORM

Operator: XTO ENERGY INC.
Address: 2700 FARMINGTON AVE K #1
city FARMINGTON
state NM zip 87401

Operator Account Number: N 2615

Phone Number: (505) 324-1090

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301530590	ZION'S FEDERAL 17-7-2-11		NWNW	2	17S	07E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	15299	8/12/2006				
Comments: <u>FRSD</u>							CONFIDENTIAL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

HOLLY C. PERKINS

Name (Please Print)

Signature

Regulatory Compliance Tech 8/15/2006

Title

Date

AUG 17 2006

OFFICE OF OIL, GAS AND MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current depth, or for horizontal, sidetrack wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such purposes.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: ZION'S FEDERAL 17-7-2-11
2. NAME OF OPERATOR: XTO ENERGY INC.			9. API NUMBER: 4301530590
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K <small>CITY</small> Farmington <small>STATE</small> NM <small>ZIP</small> 87401		PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL & 533' FWL			COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E			STATE: UTAH

CONFIDENTIAL

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: <u>8/15/2006</u>	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: CHG SURF & PROD CSG SIZE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. proposes to change surface & production casing size as follows:

Change surface casing size to 8-5/8", 24#, J-55, ST&C.

Change production open hole size to 7-7/8". Change production casing size to 5-1/2", 15.5#, J-55, ST&C.

RECEIVED BY OPERATOR
DATE: 8/12/06
INITIALS: DM

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE	DATE 8/10/2006

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
Action Is Necessary

Date: 8/25/06
By: [Signature]

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current casing depth, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>	2. NAME OF OPERATOR: XTO ENERGY INC.		8. WELL NAME and NUMBER: ZION'S FEDERAL 17-7-2-11
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: (505) 324-1090	9. API NUMBER: 4301530590	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL & 533' FWL		10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E		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: <u>9/18/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input 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.
XTO Energy Inc. proposes to change the casing & cement program per attached.

RECEIVED
SEP 18 2006

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE <i>Holly C. Perkins</i>	DATE 9/13/2006

(This space for State use only)

COPY SENT TO OPERATOR
Date: 9/29/06
Initials: RM

Approved by the
Oil and Gas Division
Date: 9/25/06
Don K...

Federal Approval Of This Action Is Necessary

(5/2000) (See Instructions on Reverse Side)



Well Name: Zion's Federal 17-7-2-11
 Location: 1074' FNL & 533' FWL, Sec. 2, T17S, R07E
 County: Emery County
 State: Utah

Upper Ferron SS (est): 4680

Surface Casing Detail			
Type:	Type V cement (or equivalent) containing 1% CaCl ₂ , 1/4 pps Flocele and 10% Cal_Seal		
Percent Excess:	200.00%	Lead Density (ppg):	14.20
Calc'd Volume (Bbls):	69.0	Lead Yield (cuft/sk):	1.61
Calc'd Volume (cuft):	387.5		
Lead Volume (sxs):	240.7		

Production Casing Detail							
<u>String</u>	<u>Casing Type</u>	<u>Weight</u>	<u>OD</u>	<u>ID</u>	<u>Depth</u>	<u>Open Hole</u>	
Surface	8.625 J-55 24	24.00	8 5/8	8.097	300.0	12 1/4	
Longstring	5.5 J-55 15.5	15.50	5 1/2	4.950	5200.0	7 7/8	
Float Equipment				Cement Tops			
<u>Desc.</u>	<u>Depth</u>	<u>Hyd. Head</u>		Stage 1 Top:	3603		
Float Insert	5155.0	Lead:	424.36	Stage 2 Top:	4380		
Float Shoe	5200.0	Tail:	575.64				
Spacer Description							
Type:	10 bbls chem wash + 5 bbls scavenger slurry						
Volume (bbls):	15	Density (ppg):	9.00				
Lead Description							
Type:	CBM Light Weight Cement with 10 pps Gilsonite and 1/4 pps celloflake						
Percent Excess:	40.00%	Lead Density (ppg):	10.50				
Calc'd Volume (Bbls):	33.6	Lead Yield (cuft/sk):	4.14				
Calc'd Volume (cuft):	188.5	Lead Mix Water (gal/sk):	27.53				
Lead Volume (sxs):	46.0	Mix Water (bbls):	30.2				
Tail Description							
Type:	CBM Light Weight Cement with 10 pps Gilsonite and 1/4 pps celloflake						
Percent Excess:	40.00%	Tail Density (ppg):	13.5				
Calc'd Volume (Bbls):	36.49413	Tail Yield (cuft/sk):	1.81				
Calc'd Volume (cuft):	204.9081	Tail Mix Water (gal/sk):	8.84				
Tail Volume (sxs):	113	Mix Water (bbls):	23.8				
Displacement Description							
Type:	Fresh Water						
Calc'd Volume (Bbls):	123.74	Density (ppg):	8.40				

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL & 533' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 07E		8. WELL NAME and NUMBER: ZION'S FEDERAL 17-7-2-11
PHONE NUMBER: (505) 324-1090		9. API NUMBER: 4301530590
COUNTY: EMERY STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED

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

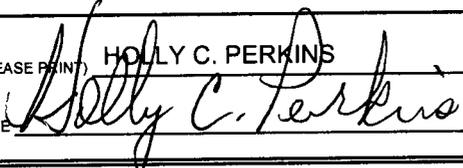
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input 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>SPUD, TD</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.

XTO Energy Inc. spudded 17-1/2" conductor hole 8/12/06. Drilled to 22' & set 12-3/4" conductor casing w/70 sx Redi Mix @ 22'. Drilled 12-1/4" hole & set 8-5/8", 24#, K-55 casing @ 316'. Cemented w/300 sx Type V cement.

Drilling ahead . . .

RECEIVED
OCT 02 2006
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE 	DATE <u>9/22/2006</u>

(This space for State use only)

CONFIDENTIAL



TABULATION OF DEVIATION TESTS

XTO Energy Inc.

Depth	Degrees	Depth	Degrees	Depth	Degrees
150'	½°	2815'	2 ¼°		
308'	1°	3063'	1 ½°		°
320'	½°	3287'	¾°		°
1111'	1°	3789'	1 ½°		°
1614'	1°	4103'	2°		°
2033'	2 ¾°	4700'	5°		°
2180'	3°	4763'	5°		°
2463'	2 ½°	4826'	4 ¼°		°
2620'	2 ¾°	4889'	4 ¼°		°

A F F I D A V I T

THIS IS TO CERTIFY that to the best of my knowledge the above survey details the deviation tests taken on XTO ENERGY INC'S

Zions Federal 17-7-2-11
in Section 2, T17S, R7E,
API # 43-015-30590

Emery County, Utah.

Signed *Brent H. Martin*
Printed Name **Brent H. Martin**
Title **Drilling Manager**

RECEIVED
OCT 24 2006

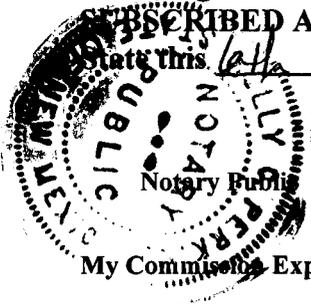
THE STATE OF NEW MEXICO))
) SS.
COUNTY OF SAN JUAN))

DIV. OF OIL, GAS & MINING

BEFORE ME, the undersigned authority, on this day personally, Brent H. Martin, known to me to be Drilling Manager for XTO Energy Inc and to be the person whose name is subscribed to the above statement, who, being by me duly sworn on oath, states that he has knowledge of the facts stated herein and that said statement is true and correct.

SUBSCRIBED AND SWORN to before me, a Notary Public in and for said County and State this 14th day of October, 2006.

Wally C. Perkins



My Commission Expires:

9-1-2008

CONFIDENTIAL

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-74822

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

ZION'S FEDERAL 17-7-2-11

9. API NUMBER:

4301530590

10. FIELD AND POOL, OR WILDCAT:

FERRON SANDSTONE

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2700 Farmington Ave. Bldg K Farmington CITY STATE NM ZIP 87401

PHONE NUMBER:
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4. LOCATION OF WELL
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COUNTY: EMERY

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E S

STATE: UTAH

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

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<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/26/2006	<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>MONTHLY REPORT</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.

Attached is the monthly activity report from 9/30/2006 to 10/26/2006 FOR THIS WELL

NAME (PLEASE PRINT) HOLLY C. PERKINS
SIGNATURE *Holly C. Perkins*

TITLE REGULATORY COMPLIANCE TECH
DATE 10/26/2006

(This space for State use only)

RECEIVED
OCT 31 2006

EMERY

ZION'S FEDERAL 17-7-2-11

LOCATION : NWNW, Sec 2, T17S, R7E
CONTRACTOR: Stewart Bros. 48
WI %:
AFE#: 600347
API#: 43015305900000
DATE FIRST RPT: 8/13/2006

DATE: 8/13/2006
OPERATION: Repairing pull down chain
DFS: 0.44 Footage Made: 22 Measured Depth: 22
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 58,692.00 CWC: 58,692.00
TIME DIST: (5.75) Loading equipment and moving to new location. (0.25) Safety Meeting, discuss the use of spotters, pinch points and obeying posted speed limits.. (7.50) Rigging up on new location. (1.00) Start drilling to set conductor, 0' to 9'. (1.50) Waiting on Air package (Weatherford) to fix fuel problems to compressors. (1.75) Drilling from 9' to 22'. (0.25) Safety meeting, good communications between workers, obey posted signs. (5.45) Continue to work first 22' of hole, hole keeps caving in.. (0.25) Broke pull down chain, start repair.

DATE: 8/14/2006
OPERATION: Air Drilling
DFS: 1.44 Footage Made: 1 Measured Depth: 23
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 12,692.00 CWC: 71,384.00
TIME DIST: (1.50) Finish repairing pull down chain. (3.00) Drilling and reaming conductor hole. (0.25) Circ. hole. (1.00) Running conductor. (0.25) Shift change safety meeting, Pinch points and PPE. (1.00) Finish running conductor. (2.00) Cemented conductor casing with 70 sx Redi mix. (8.75) Waiting on Cement. (0.25) Shift change safety meeting, Keep working area and location clean, PPE. (2.50) Rig up Flowline. (2.75) Pick up bit, collar and subs. (0.25) Tag cement at 23'. (0.50) Drilling out from under conductor.

DATE: 8/15/2006
OPERATION: Circulating to run 8 5/8" Csg
DFS: 2.44 Footage Made: 297 Measured Depth: 320
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 12,629.00 CWC: 84,013.00
TIME DIST: (5.75) Drilling from 22' to 44'. (0.25) Shift change safety meeting. Obey posted signs, Drink water in hot weather, pinch points.. (9.00) Drilling from 44' to 162'. (0.25) Survey at 150' @ 1/2 degree. (0.75) Fix pull down chain. (1.75) Drilling from 162' to 183'. (0.25) Shift change safety meeting, PPE, high pressure lines, slick spots on work floor. (5.75) Drilling from 183' to 320'. (0.25) Circulate hole.

DATE: 8/16/2006
OPERATION: Rig released and moving
DFS: 3.44 Footage Made: 0 Measured Depth: 320
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 36,431.00 CWC: 120,444.00
TIME DIST: (1.00) Circulate hole. (0.50) Survey at 320' @ 1/2 degree. (3.25) Trip out of hole laying down. (0.25) Rig up to run casing. (0.75) Start running casing. (0.25) Shift change safety meeting. (1.00) Finish running casing. (10.75) Wait on Halliburton.. (1.75) Hold safety meeting, rig up and pump surface job. (4.00) W.O.C.. (0.50) Start nipping down to move.

DATE: 9/12/2006
OPERATION: MOL
DFS: 30.98 Footage Made: 0 Measured Depth: 320
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 40,900.00 CWC: 161,344.00
TIME DIST: (12.00) MOL.

DATE: 9/13/2006

OPERATION: RU Equipment & Rig. NU BOP
DFS: 31.98 **Footage Made:** 0 **Measured Depth:** 320
MW: **VISC:**
WOB: **RPM:**
DMC: **CMC:** **DWC:** 22,900.00 **CWC:** 184,244.00
TIME DIST: (8.00) Spot equipment & RU. (4.00) NU BOP Stack.

DATE: 9/15/2006
OPERATION: Finish NU BOP. Test BOP. RU Flow Line
DFS: 33.44 **Footage Made:** 0 **Measured Depth:** 320
MW: **VISC:**
WOB: **RPM:** **DWC:** 22,900.00 **CWC:** 207,144.00
DMC: **CMC:**
TIME DIST: (4.75) NU BOP, Choke Manifold Etc. Had Problems with leaks. (4.25) BOP Test. 3000 psi high & 250 low. Test casing to 1000 psi. Test good. (3.00) NU Flow Line. (2.00) RU Stand pipe by pass for air drilling. (1.00) MU Kelly Spnner. Dropped pipe for Kelly Spinner. Could not find anywhere. Could have gone down hole.. (3.00) Drilling Rat & Mouse Holes. (1.75) Wait on Magnet. (1.75) RIH w/magnet to fish pin. 2 Runs No Ptn.. (2.50) Drilling Cement.

DATE: 9/16/2006
OPERATION: Air Drilling
DFS: 34.44 **Footage Made:** 1,109 **Measured Depth:** 1,425
MW: **VISC:**
WOB: 30 **RPM:** 50 **DWC:** 38,800.00 **CWC:** 245,944.00
DMC: **CMC:**
TIME DIST: (4.50) Drilling Cement 280'-320'. (0.50) Survey @ 308' 1 degree. (1.25) Air Drilling. (0.25) BOP Function Test. (3.50) Air Drilling. (0.25) Survey @ 608' 1 degree. (7.25) Air Drilling. (0.25) Survey @ 1111' 1 degree. (6.25) Air Drilling.

DATE: 9/17/2006
OPERATION: Air Drilling
DFS: 35.44 **Footage Made:** 818 **Measured Depth:** 2,243
MW: **VISC:**
WOB: 30 **RPM:** 50 **DWC:** 24,600.00 **CWC:** 270,544.00
DMC: **CMC:**
TIME DIST: (4.75) Air Drilling. (0.25) Survey @ 1614' 1 degree. (10.00) Air Drilling. Hole Got wet @ 1830'. Making 4-5 bbbs pr hr. Start mist drilling w/foamer & shale treat. (0.50) Survey @ 2023' 2 3/4 degrees. (6.50) Mist Drilling. Decrease WOB to 15K & Increase RPM to 75. (0.50) Survey @ 2180' 3 degrees. (1.50) Mist drilling.

DATE: 9/18/2006
OPERATION: Mist Drilling
DFS: 36.44 **Footage Made:** 635 **Measured Depth:** 2,878
MW: **VISC:**
WOB: 15 **RPM:** 80 **DWC:** 34,820.00 **CWC:** 305,364.00
DMC: **CMC:**
TIME DIST: (4.75) Mist Drilling. (0.50) Survey @ 2306' 2 3/4 degrees. Rig Service & BOP Function Test. (3.50) Mist Drilling. (0.25) Survey @ 2463' 2 1/2 degrees. (5.00) Mist Drilling. (0.25) Survey @ 2620' 2 3/4 degrees. (1.75) TOOH to check bit. ROP Slowed. (2.25) Make up motor & new bit. TIH to 2200'. (0.75) Unload hole. (1.00) TIH to 2640'. Make up Kelly. (3.00) Mist Drilling. (0.50) Survey @ 2815' 1 1/4 degrees. (0.50) Mist Drilling.

DATE: 9/19/2006
OPERATION: Mist Drilling
DFS: 37.44 **Footage Made:** 1,122 **Measured Depth:** 4,000
MW: **VISC:**
WOB: 15 **RPM:** 80 **DWC:** 32,540.00 **CWC:** 337,904.00
DMC: **CMC:**
TIME DIST: (2.75) Mist Drilling. (1.00) Survey @ 3003' 1 1/2. (6.50) Mist Drilling. (0.50) Survey @ 3287' 3/4 degree. Rig Service. (9.00) Mist Drilling. (0.50) Survey @ 3789' 1 1/2 degree. (3.75) Mist Drilling.

DATE: 9/20/2006
OPERATION: Mist Drilling
DFS: 38.44 **Footage Made:** 738 **Measured Depth:** 4,738
MW: **VISC:**

WOB: 7 **RPM:** 115
DMC: **CMC:** **DWC:** 25,900.00 **CWC:** 363,804.00
TIME DIST: (3.50) Mist Drilling. (0.50) Survey @ 4103' 2 degrees. (6.50) Mist Drilling. (0.50) Survey @ 4417' 3 degrees. (10.50) Mist Drilling Hit Upper Ferron Sand @ 4553'. (0.50) Survey @ 4700' 5 degrees. (2.00) Mist Drilling.

DATE: 9/21/2006
OPERATION: Mist Drilling
DFS: 39.44 **Footage Made:** 362 **Measured Depth:** 5,100
MW: **VISC:**
WOB: 7 **RPM:** 115
DMC: **CMC:** **DWC:** 27,290.00 **CWC:** 391,094.00
TIME DIST: (3.75) Mist Drilling. (0.50) Survey @ 4763' 5 degrees. (5.00) Mist Drilling. (0.50) Survey @ 4826' 4 1/4 degrees. (4.00) Mist Drilling. (0.50) Survey @ 4889' 4 1/4 degrees. (6.00) Mist Drilling. (1.75) Hole Got Wet @ 5046'. Pressured up to 1300 psi. Got Hole Unloaded and continued drilling. (2.00) Mist Drilling to 5100' (TD).

DATE: 9/22/2006
OPERATION: Tripping, Attempt to log & Ream & Wash
DFS: 40.44 **Footage Made:** 0 **Measured Depth:** 5,100
MW: **VISC:**
WOB: **RPM:**
DMC: **CMC:** **DWC:** 77,250.00 **CWC:** 468,344.00
TIME DIST: (0.25) Circulate Bottoms Up. (2.50) Short Trip 20 stands. (4.50) TOOH for logs. Pump 135 bbls KCL down hole for logging. (1.75) WO Loggers. Service Rig. (3.75) trip. (3.75) RU Loggers & TIH w/logging tools. tag bridge @ 4305'. Could not work through bridge. TOOH w/logging tools. RD Loggers. Fluid level @ 2000'. (3.50) TIH to 3000'. Unload hole w/800 psi.. (2.75) TIH and tag @ 4310'. Unload hole. (1.25) Got stuck. Worked loose. Ream to 4449'. Could not unload hole or make connection.

DATE: 9/23/2006
OPERATION: Mud Up. TIH, Wash & Ream
DFS: 41.44 **Footage Made:** 0 **Measured Depth:** 5,100
MW: 8.5 **VISC:** 55
WOB: **RPM:**
DMC: 5,732.25 **CMC:** 5,732.25 **DWC:** 23,200.00 **CWC:** 491,544.00
TIME DIST: (1.25) Try to ream @ 4449'. Kept tagging @ 4449'. (2.75) TOOH. (7.00) RD Bloole Line & RU flow line to mud pit. Rig Service. Mix Mud. (9.75) Mix Mud. (3.75) TIH. Tag @ 4292'. PU to 4103. Pulled 55K over to free pipe.. (1.50) Work Pipe through tight spot. (4.00) Wash from 4103'-4323'.

DATE: 9/24/2006
OPERATION: Reaming. Working Stuck Pipe
DFS: 42.44 **Footage Made:** 0 **Measured Depth:** 5,100
MW: 8.5 **VISC:** 55
WOB: **RPM:**
DMC: 3,324.50 **CMC:** 9,056.75 **DWC:** 23,550.00 **CWC:** 515,094.00
TIME DIST: (11.75) Wash & Ream 4323'-4449'. (0.25) Rig Service & BOP function test. (8.00) Wash & Ream 4490'-4560'. Unable to make connection. Hole kept caving in. Got Stuck & lost circulation.. (4.00) Worked stuck pipe. Got pipe free & LD 2 jts. Pulled 120K over string weight. Took 4 hrs to free pipe..

DATE: 9/25/2006
OPERATION: Wash & Ream
DFS: 43.44 **Footage Made:** 0 **Measured Depth:** 5,100
MW: 8.5 **VISC:** 97
WOB: **RPM:**
DMC: 2,158.35 **CMC:** 11,215.10 **DWC:** 20,150.00 **CWC:** 535,244.00
TIME DIST: (1.00) TOOH to 4100'. PU Kelly & build vis to 100. (0.25) WO Mud Delivery. (3.75) Mix Mud & Rig Service. (0.75) TIH Tag @ 4460. MU Kelly & Break Circulation. (9.75) Wash & Ream 4460'-4575'. (2.00) Circulate & Work Pipe. (6.50) Wash & Ream 4575'-4858'.

DATE: 9/26/2006
OPERATION: Ream. TOOH. Run Casing
DFS: 44.44 **Footage Made:** 0 **Measured Depth:** 5,100
MW: **VISC:**
WOB: **RPM:**
DMC: **CMC:** 11,215.10 **DWC:** 19,950.00 **CWC:** 555,194.00

TIME DIST: (8.00) Wash & Ream 4858'-5100'. (1.00) Circulate Hole. Safety Meeting. (7.25) TOOH. Pipe quit coming @ 4858' Had to Kelly Up to 4700'.. (1.50) RU casing crew & change out pipe rams. Did not run Centralizers in lower part of hole due to anticipated hole conditions. See cement & casing report for placement information.. (4.75) RIH w/5 1/2, 15.50# casing. Tag @ 4770'.. (1.50) Wash down casing 4770'-4790'. Washing down @ 6' pr hr @ 06:00.

DATE: 9/27/2006

OPERATION: Casing & Cement

DFS: 45.44

Footage Made: 0

Measured Depth: 5,100

MW:

VISC:

WOB:

RPM:

DMC:

CMC:

11,215.10

DWC:

50,450.00

CWC: 605,644.00

TIME DIST:

(6.00) Wash Down Casing 4889'-5065'. (2.50) PU last joint of casing. Started washing down & lost circulation. LD 31' joint. Work pipe & re-established circ. Slowly work casing to 5065' w/full returns.. (1.50) Cement 5 1/2 15.50 lb casing set @ 5065'. Cement w/46 sx lead 10.5 lbs pr gal w/1/4 lb flocele & 10 lbs gilsonite pr sx. Yield 4.31. 113 sx tall 13.5 lbs per gal w/1/4 lb & 10 lbs gilsonite pr sx. Yield 1.74. Had full circulation through out cement job. Bump plug @ 900 psi. Float held. Est TOC @ 2100'.. (6.00) ND BOP & set Slips..

Farmington Morning Report

 Thursday, October 26, 2006

Date	Description	Sales Volume	Comment
10/24/06	El Paso	86,053 MCF	LP 135 psig
10/24/06	Western Gas	3,067 MCF	LP 282 psig
10/24/06	Williams	29,750 MCF	LP 119 psig
10/24/06	Durango	62,721 MCF	LP 311 psig
10/24/06	Raton	45,457 MCF	LP 1,192 psig
10/24/06	Utah	19,711 MCF	LP 499 psig
10/24/06	Fuel Estimated	17,222 MCF	
10/24/06	TOTAL	263,981MCF	

ZIONS FEDERAL	Well # 17-07-02 11	Emery, UT
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Objective: Drill & Complete

AFE: 600347

1st Rept: 08/15/2006

10/3/06 Cont report for Drill & Complete AFE #600347 for pipeline inst. Std fusing 1,700' of 4" SDR/7 poly wtr line.

DWC: \$3,400 CWC: \$645,044 DMC: \$0 CMC: \$0

10/4/06 Cont rpt for AFE # 600347 to D & C Ferron Sd/Coal. MIRU Nielson crane trk. MIRU Schlumberger WL. Run RST Sigma mode fr/5,016' - 3,750'. Run RST IC mode fr/5,016' - 4,500' & Gamma Ray fr/5,016' - 300' fr/surf. LD logging tls. RDMO WL. RDMO crane trk. Susp rpts to further activity.

DWC: \$15,856 CWC: \$660,900 DMC: \$0 CMC: \$0

STATE OF UTAH
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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: ZION'S FEDERAL 17-7-2-11
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530590
3. ADDRESS OF OPERATOR: 2700 Farmington, Bldg K-1 CITY Farmington STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL & 533' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 2 17W 07E		COUNTY: EMERY 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 12/6/2006	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: MONTHLY RPT
	<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.

Attached is XTO Energy Inc.'s monthly report for the period of 10/27/06 to 12/6/06.

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE _____	DATE <u>12/6/2006</u>

(This space for State use only)

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DIV. OF OIL, GAS & MINING

Farmington Well Workover Report

ZIONS FEDERAL	Well # 17-07-02 11	FERRON SANDSTON
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Objective: Drill & Complete

First Report: 08/15/2006

AFE: 600347

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11/9/06 Cont rpt for AFE # 600347 to D & C Ferron Sd/Coal. Fr/10-4-06 - 11-9-06. NU frac vlv. Set & fill 15 - 500bbl frac tanks w/FW. MIRU Hot Oil Express. PT csg, WH & frac vlv to 4000 psig for 30". Tstd OK. RDMO Hot oil express. MIRU Bran-DEX WL. Run GR/CCL/CBL fr/4,941' to Surf. Dpt correlated w/RST/GR/CCL ran on 10-3-06. Log showed gd cmt bond fr/4,941' to 4,450' & pr cmt fr/4,450' to TOC @ 4,320'. LD logging tls. RDMO Bran-Dex WLU. SWI. Susp rpts to further activity.

11/14/06 Cont rpt for AFE #600347 to D&C Ferron Coal well. Build WH mnfd. Build sep & mtr run pad. Set used Pesco 24" x 10' 250 psig WP, 2 ph vert sep/mtr run combo w/heated wtr bath (SN 23560), 250 MBTU burner & 3" 600S mtr run w/Daniel flgs (SN 2090742). Inst & conn used 3 hp Baldor elec motor (SN# F0510131666) fr/Industrial Electric on new Ebara 1" inl x 1" otl, 170 BWPD, centrifugal wtr trans pmp (SN# BFY210009) on sep wtr dump ln. Dug trench fr/WH to sep & mtr run. Inst & conn welded 4" S40 FB pipe FL fr/WH tbg mnfd to sep inl. Inst & conn 6" welded S 40 FB pipe FL fr/WH csg mnfd to sep inl. Dug trench fr/sep to sales ln. Inst & conn welded 6" S40 FB pipe gas sales ln fr/mtr run to sales ln. Inst & conn 4" S 40 FB pipe fr/sep dmp to wtr ln. Backfill trench. Cld loc. Susp rpts pending further activity.

11/15/06 Cont rpt for AFE # 600347 to D & C Ferron Coal/Sd fr/ 11-9-06 to 11-15-06. MIRU Bran-Dex WL. RIH w/ 4" Slick Csg Gun. Perf L/Ferron Coal w/3 JSPF fr/4,734' - 4,736' & 4,761' - 4,765'. (18 holes, 22.7 gm, .41" dia, 120 deg ph). All dpts correlated fr/RST/GR/CCL log ran on 10-3-06. LD csg gun. RDMO Bran-Dex WLU. SWI.

11/16/06 MIRU Bran-Dex WL. RIH w/dump blr & dmpd 10 gals 28 % HCL @ 4,762'. POH & LD dump blr. RD Bran-Dex WLU. MIRU Halliburton frac crew. A L/Ferron Coal perfs fr/4,734' - 4,765' dwn 5-1/2 csg w/979 gals 15% HCL at 9.5 BPM & 923 psig. Caught press w/350 gals ppd. Form BD @ 10 BPM & 1300 psig. Frac L/Ferron Coal perfs fr/4,734' - 4,765' w/22,293 gals frac G 20# slickwater, 38,684 gals 20# Delta 140 frac fld carrying 41,500 lbs 20/40 Brady sd, & 58,200 lbs 16/30 Brady sd. Frac Gradient .59. Flshd w/47,36 gals frac G 20# slickwater, 0.5 bbls short. Sd Conc 0.3 - 4.99 ppg. All sd coated w/sd wedge NT. ISIP 700 psig, 5" SIP 582 psig, 10" SIP 505 psig, 15" SIP 428 psig, ATP 1,068 psig. AIR 31 bpm. Max TP 1,289 psig. Max IR 33 bpm. Max sd conc 4.99 ppg. 1,475 BLWTR (L/Ferron). RD Halliburton. RU Bran-DEX WL. RIH & set 5-1/2" CBP @ 4,715'. POH w/ WL. Press tst CBP to 2,000 psig for 5". Tstd OK. RIH w/4" slick Csg Gun. Perf U/Ferron Coal w/1 JSPF & 3 JSPF 120 deg ph @ 4,588' - 4,594' (18 holes @ 3SPF), 4,607' - 4,617' (30 holes @ 3 SPF), 4,646' - 4,654' (9 holes @ 1 SPF) & 4,679' - 4,687' (24 holes @ 3 SPF). (81 ttl holes, 22.7 gm, .41" dia, 120 deg ph). All dpts correlated w/Schlumberger RST/GR/CCL log Dated 10-3-06. POH. LD csg gun. RDMO Bran-Dex WLU. SICP 0 psig. Hole full. RU Halliburton frac crew. A U/Ferron Coal perfs fr/4,588' - 4,687' dwn 5-1/2" csg w/1,000 gals 15% HCL ac @ 10 BPM & 825 psig. Form BD @ 60.0 BPM & 1,750 psig. Frac U/Ferron Coal perfs fr/ 4,588' - 4,687' w/53,437 gals frac G 20# slickwater, 125,823 gals 20# Delta 140 frac fld carrying 143,400 lbs 20/40 Brady sd & 195,800 lbs 16/30 Brady sd. Frac Gradient 0.76. Flshd w/4,473 gals 20# Linear Gel, 3 bbls short. Sd Conc .30 - 5.95 ppg. All sd coated w/Sd Wedge NT. ISIP 1,516 psig, 5" SIP 918 psig, 10" SIP 828 psig, 15" SIP 787. AIR 58.0 bpm, ATP 1,571 psig. Max TP 1,665 psig. Max IR 60.5 bpm, Max sd conc 5.95 ppg. 5,767 BLWTR (ttl). RDMO Halliburton. SWI. Susp rpts to further activity.

11/21/06 Cont rpt for AFE # 600347 to D & C Ferron Coal/sd. fr/11-16-06 to 11-21-06. SICP 0 psig. Inst & tst two rig anchors. MIRU BHWS rig# 1. ND frac vlv. NU BOP. PU & TIH w/4-3/4" blade bit, xo & 104 jts 2-7/8", 6.5#, J-55, EUE, 8rd tbg. SWI. SDFN. 5,767 BLWTR.

11/22/06 SITP 0 psig, SICP 0 psig. TIH w/37 jts 2-7/8", 6.5#, J-55, EUE, 8rd tbg. Tgd fill @ 4,631'. U/Ferron Coal fr/ 4,588' - 4,687'. PBD @ 4,951'. RU pwr swivel. Estb circion w/130 BFW. CO 5' of fill fr/4,631' - 4,636' & LC. RD pwr swivel. TOH w/6 jt tbg. MIRU Basic AFU. Dr pmp & lines. SWI. SDFN. Lost 390 BFW while circ for day. 6,157 BLWTR.

11/23/06 SITP 0 psig, SICP 0 psig. TIH w/6 jts 2-7/8" 6.5# J-55 EUE 8rd tbg. RU pwr swivel. RU Basic AFU. Estb circion. U/Ferron Coal fr/4,588' - 4,697'. CBP @ 4,715'. CO fill & DO CBP fr/4,631' - 4,715' w/3 jts tbg. Circ cln. RD pwr swivel. TIH w/5 jts tbg. Tgd fill @ 4,884'. L/Ferron Coal/sd perfs @ 4,734' - 4,765'. PBTD @ 5,020'. RU pwr swivel. Estb circ w/AFU. CO fill fr/4,884' - 5,020' (PBTD) w/5 jts tbg. Circ well cln. RD pwr swivel. RD AFU. TOH w/6 jts tbg. Bit @ 4,821'. RU swb tls. BFL @ 500' FS. S. 0 BO, 58 BLW, 6 runs, 1 hr, FFL @ 1,500' FS. Fld smpls on all runs showed foamy wtr w/lt/tr sd. RD swb tls. Csg psig incr'd to 110 psig while swbing. TIH w/6 jts tbg. Tgd no addl fill @ 5,020'. TOH & LD 12 jts 2-7/8" tbg. SWI. RDMO BHWS rig #1 to inst PU over HWE. SDFHWE. Rec 550 BLW today. 5,607 BLWTR.

Swab	Zone:	Ferron			
	Event Desc:	Swab	Top Interval: 4,588	Bottom Interval: 4,765	
		Swab	Beg	BBLs	
	Time	Runs	FL	Rec	Comments
	2:12:00 PM	1	500	15	BFL @ 500'
	2:25:00 PM	4	1,500	33	
	3:30:00 PM	1	1,500	10	FFL @ 1,500'
			Ttl Bbls:	58	

11/28/06 SITP 4 psig SICP 22 psig. BD well. (Rig was moved off loc over HWE to allow time for PU inst.) Inst & tst four new rig anchor. MIRU BHWS rig# 1. PU & TIH w/12 jts 2-7/8", 6.5#, J-55, EUE, 8rd tbg. Tgd no addl fill @ 5,020' PBTD. LD 1 jt tbg. Ferron Coal perfs 4,588' - 4,765'. MIRU Tefteller SLU to run Protechnics logging tls. RIH w/2.347" GR to 4,993'. POH w/GR. Run Protechnics SpectraScan log fr/4,993' - 4,100'. POH. LD logging tls. RDMO SLU. RU swb tls. BFL @ 1,300' FS. S. 0 BO, 39 BLW, 5 runs, 1 hr, FFL @ 1,400' FS. Fld smpls on all runs showed foamy wtr w/lt - tr sd. RD swb tls. Csg psig did not incr while swbing. SWI. SDFN. 5,568 BLWTR. Cont rpt for AFE # 600347 to D & C Ferron Coal well. Built WH mnfd. MIRU Nielsons Crane. Built gravel pad. Set used weatherford 8' x 24' x 16" cmt pad, used Darco C456-305-120" PU w/44" gearbox sheave (SN B45601-29), Teco 50 hp elect motor (SN CN7233340005) w/9" motor sheave & 4 cp 210 belts fr/XTO stk. RDMO Nielsons Crane. Susp rpts pending further activity.

Swab	Zone:	Ferron			
	Event Desc:	Swab Report	Top Interval: 4,588	Bottom Interval: 4,765	
		Swab	Beg	BBLs	
	Time	Runs	FL	Rec	Comments
	3:50:00 PM	1	1,300	5	BFL @ 1,300'
	4:05:00 PM	3	1,400	27	
	4:40:00 PM	1	1,400	8	BFL @ 1,400'
			Ttl Bbls:	39	

11/29/06 SITP 0 psig, SICP 0 psig. Bit @ 4,815'. RU swb tls. BFL @ 1,400'. S. 0 BO, 105 BLW, 20 runs, 4 hrs, FFL @ 1,700' FS. Fld smpls on all runs showed cln wtr. RD swb tls. SICP 0 psig. TIH w/6 jts 2-7/8", 6.5#, J-55, EUE, 8rd, tbg. Tgd 1' of fill @ 5,019'. LD 6 jts tbg. TOH w/146 jts tbg. LD BHA. TIH w/30' OPMA, 1 jt tbg, 2705 Cavins Desander, 4' x 2-7/8" tbg sub, 2-7/8" SN, 12 jts 2-7/8" tbg, 5-1/2" TAC & 135 jts 2-7/8" tbg. Ld tbg w/donut tbg hanger in 15,000 # tens. TAC @ 4,465', SN @ 4862'. EOT @ 4946'. PBTD @ 5,020'. Ferron Coal perfs fr/4,588' - 4,765'. ND BOP. NU WH. SWI. SDFN. 5,463 BLWTR.

Tubing	Location:	Lower					
	ZONE 1 Desc:	Ferron	Top Perf: 4,588	Btm Perf: 4,765	OH: No		
				Top	Btm		
	Qty	Type	Description	Cond	Depth	Depth	Length
	135	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	12	4,463	4,450.97'
	1	Tubing	5-1/2" TAC	New	4,463	4,466	2.70'
	12	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	4,466	4,861	395.65'

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

AMENDED REPORT [] FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL [] GAS WELL [x] DRY [] OTHER []
b. TYPE OF WORK: NEW WELL [x] HORIZ. LATS. [] DEEP-EN [] RE-ENTRY [] DIFF. RESVR. [] OTHER []

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-74822

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
ZION'S FEDERAL 17-7-2-11

2. NAME OF OPERATOR:
XTO Energy Inc.

9. API NUMBER:
4301530590

3. ADDRESS OF OPERATOR:
2700 Farmington Ave K1 CITY Farmington STATE NM ZIP 87401

10. FIELD AND POOL, OR WILDCAT
FERRON SANDSTONE

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1074' FNL & 533' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWNW 2 17S 07E

12. COUNTY EMERY 13. STATE UTAH

14. DATE SPURRED: 8/12/2006 15. DATE T.D. REACHED: 9/26/2006 16. DATE COMPLETED: 1/3/2007
ABANDONED [] READY TO PRODUCE [x]

17. ELEVATIONS (DF, RKB, RT, GL):
7050' GL

18. TOTAL DEPTH: MD 5,065 TVD

19. PLUG BACK T.D.: MD 5,020 TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
RST IC/GAMMA RAY/GR/CCL/CBL

23. WAS WELL CORED? NO [x] YES [] (Submit analysis)
WAS DST RUN? NO [x] YES [] (Submit report)
DIRECTIONAL SURVEY? NO [x] YES [] (Submit copy)

Table with 10 columns: HOLE SIZE, SIZE/GRADE, WEIGHT (#/ft.), TOP (MD), BOTTOM (MD), STAGE CEMENTER DEPTH, CEMENT TYPE & NO. OF SACKS, SLURRY VOLUME (BBL), CEMENT TOP **, AMOUNT PULLED. Rows include 17 1/2, 12 1/4, and 7 7/8 inch holes.

Table with 9 columns: SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD). Row includes 2 7/8 size with 4,947 depth set.

Table with 5 columns: FORMATION NAME, TOP (MD), BOTTOM (MD), TOP (TVD), BOTTOM (TVD). Rows include FERRON SS with top at 4,588 and bottom at 4,765.

Table with 8 columns: INTERVAL (Top/Bot - MD), SIZE, NO. HOLES, PERFORATION STATUS. Rows include intervals of 4,734-4,765 and 4,588-4,687.

Table with 2 columns: DEPTH INTERVAL, AMOUNT AND TYPE OF MATERIAL. Row includes 1588' - 1765' interval with acid and frac fluid treatments.

29. ENCLOSED ATTACHMENTS: [] ELECTRICAL/MECHANICAL LOGS [] GEOLOGIC REPORT [] DST REPORT [] DIRECTIONAL SURVEY [] SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION [] CORE ANALYSIS [] OTHER:

30. WELL STATUS:

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DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 1/3/2007		TEST DATE: 12/8/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 0	WATER - BBL: 262	PROD. METHOD: PPG
CHOKE SIZE: N/A	TBG. PRESS. 68	CSG. PRESS. 0	API GRAVITY 0.71	BTU - GAS 861	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 0	WATER - BBL: 262	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

TO BE SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				MANCOS MARKER UPPER FERRON SS LOWER FERRON SS	4.419 4.549 4.769

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) HOLLY C. PERKINS

TITLE REGULATORY COMPLIANCE TECH

SIGNATURE *Holly C. Perkins*

DATE 1/5/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

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

Phone: 801-538-5340
Fax: 801-359-3940

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR: XTO ENERGY INC.

3. ADDRESS OF OPERATOR: 2700 Farmington, Bldg K-1 CITY Farmington STATE NM ZIP 87401 PHONE NUMBER: (505) 324-1090

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1074' FNL & 533' FWL COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 07E STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER: ZION'S FEDERAL 17-7-2-11

9. API NUMBER: 4301530590

10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE

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: 12/1/2006	<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>DEC MONTHLY RPT</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.

Enclosed is the December monthly report for this well. Due to closure in this area, monthly reporting will resume on this well in April, 2007.

NAME (PLEASE PRINT) HOA LY C. PERKINS TITLE REGULATORY COMPLIANCE TECH

SIGNATURE *Hoaly C. Perkins* DATE 1/10/2007

(This space for State use only)

RECEIVED
JAN 16 2007

Farmington Well Workover Report

ZIONS FEDERAL	Well # 17-07-02 11	FERRON SANDSTON
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Objective: Drill & Complete

First Report: 08/15/2006

AFE: 600347

12/7/06 P. 0 , 168 , 0 MCF, FTP 84 psig, SICP 95 psig, , LP 18 psig, SP 0 psig, DP 0 psig, 24 hrs.

12/8/06 P. 0 , 420 , 0 MCF, FTP 72 psig, FCP 0 psig, , LP 18 psig, SP 0 psig, DP 0 psig, 24 hrs.

12/9/06 P. 0 , 262 , 0 MCF, FTP 68 psig, FCP 0 psig, , LP 18 psig, SP 0 psig, DP 0 psig, 24 hrs. Susp rpts pending further activity.

1/4/07 SITP 75 psig, SICP 350 psig. Bd well. MIRU Key Energy WS Rig #928. Ferron Coal perfs fr/4,588' - 4,765'. PBTD @ 5,020'. Unhung & LS well. Pmp not seated. Seated pmp. PT tbg to 500 psig w/4 BFW for 10". Tstd ok. Rlsd press. LD 1-1/4" x 26' PR & 2 -4' x 7/8" rod subs. TOH w/84 - 7/8" gr D skr d w/5 molded guides per rod, 102 - 3/4" gr D plain skr d, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod & 2-1/2" x 1-3/4" x 16' RHBC (XTO #121) pmp w/1' x 1" stnr nip. Ppd 13 BFW dwn csg & KW. ND WH. NU BOP. Rlsd TAC. TIH w/3 jts tbg. Tgd 4' of fill @ 5,016'. LD 3 jts tbg. Re-set TAC. ND BOP. NU WH. Ppd 5 BFW & flshd tbg. PU & loaded 2-1/2" x 1-3/4" x 16' RHBC-DV pmp (XTO #124) w/1' X 1" stnr nip. TIH w/pmp, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 2 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 102 - 3/4" gr D plain skr d, 84 - 7/8" gr D skr d w/5 molded guides per rod, 2 - 4' x 7/8" rod subs & 1-1/4" x 26' PR w/1-1/2" x 14' lnr. Seated pmp. PT tbg to 500 psig w/5 BFW for 10". Tstd ok. Rlsd press. LS pmp w/rig to 500 psig. Gd PA. HWO. RDMO Key Energy WS rig #928. RWTP @ 6:00 p.m. 1-3-07 ppg @ 8.5 SPM x 120" SL. 27 BLWTR.

1/10/07 P. FTP 65 psig, SICP 63 psig. OWU @ 9:00 a.m., 1/9/07. Delivered first gas sales to Questar via XTO's HT CDP. IFR 12 MCFPD. Ppg @ 8 x 120" SPM.

Farmington Well Workover Report

ZIONS FEDERAL	Well # 17-07-02 11	FERRON
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Objective: Facilities

First Report: 02/19/2007

AFE: 600347

2/19/07 Inst Allen Bradley elec V.F.D. Serial # 1JBF4VG9 and Dynamic Brake resistor on P.U.

4/28/07 SITP 20 psig, SICP 12 psig. Bd well. WO PU to be rmvd. MIRU BHWS Rig #1. Ferron Coal perfs fr/4,588' - 4,765'. PBTD @ 5,020'. Unhung well. Unseat pmp. LD 1-1/4" x 26' PR, 2 -4' x 7/8" rod subs, 84 - 7/8" skr d w/5 molded guides per rod, 102 - 3/4" slick skr d , 4 - 7/8" x 4' stabilizer rods, 6 - 1-1/2" x 25' sbs & 2-1/2" x 1-3/4" x 16' RHBC-DV (XTO #121) pmp w/1" x 1" strn nip. ND WH. Rlsd TAC. NU BOP. PU 3 jts tbg. Tgd 9' of fill @ 5,011'. LD 3 jts tbg. Dropd SV & PT tbg to 1500 psig for 10" w/16 BFW. Tstd ok. Rlsd press. Retrd SV. SWI. SDFWE. 16 BLWTR.

5/1/07 SITP 0 psig, SICP 0 psig. TOH w/135 jts 2-7/8" 6.5#, J-55, EUE, 8rd tbg, 2-7/8" x 5-1/2" TAC, 12 jts tbg, 1 - 2-7/8" SN, 1 - 2 7/8" x 4' tbg sub, 1 - 2-7/8" x 20' 2707 Cavins desander, 1 - jt 2 7/8" tbg & 1 - 2 7/8" X 30' OPMA. TIH w/4-3/4" blade bit, 2-7/8" tbg pmp blr & 148 jts 2-7/8" tbg. PU 4 jts tbg. Tgd fill @ 5,011'. CO fr/5,011' - 5,020' (PBTD). LD 4 jts 2-7/8" tbg. TOH w/148 jts 2-7/8" tbg. LD blr assy & bit. (Truck w/new sub pmp broke dwn in rout to loc.) SWI. SDFN. 16 BLWTR.

5/2/07 SITP 0 psig, SICP 0 psig. PU new motor shroud (Btm 30' of BHA inside shroud. Top of shroud atted 1' abv pmp intake sub), new Sentinel sensor (SN 10340275), new 65 HP, 940 Volt, 52 amp, model DMFI motor (SN 10308456), new motor seals models DSFB3-SB-PFSA-HL, (SN 10230519), new pmp intake sub model FPDSINT (SN 10347372), new 213 stage, P6 model 400PUSND pmp (SN 10343646), 1- 2-3/8" x 2-7/8" CX, 2-7/8" x 4' tbg sub & 2-7/8" dr sub. TIH w/pmp BHA & 146 jts 2-7/8", J-55, 6.5#, EUE, 8rd tbg, banding #4 CPNF cbl to tbg w/2 bands per jt. ND BOP. NU WH. Ld tbg in Centrilift WH w/EOP (motor sensor) @ 4,877' & pmp intake 4,847'. Ferron Coal perfs @ 4,588' - 4,765'. PBTD @ 5,020'. RD Centrilift cbl spooler. RDMO BHWS rig #1. RWTP @ 7:00 p.m. 5-1-07. Ppg @ 50 amps w/pmp rate @ 600 BPD. 16 BLWTR.

Tubing Location: Lower
ZONE 1 Desc: Ferron Top Perf: 4,588 Btm Perf: 4,765 OH: No

<u>Qty</u>	<u>Type</u>	<u>Description</u>	<u>Cond</u>	<u>Top Depth</u>	<u>Btm Depth</u>	<u>Length</u>
146	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	12	4,824	4,811.57'
1	manual	2-7/8" Drain Sub	New	4,824	4,824	0.50'
1	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	4,824	4,828	4.00'
1	manual	2-3/8" x 2-7/8" CX	New	4,828	4,829	0.86'
1	manual	Pump	New	4,829	4,846	17.50'
1	manual	Pump Intake Sub	New	4,846	4,847	1.00'
1	manual	Pump Seal	New	4,847	4,852	4.50'
1	manual	Motor	New	4,852	4,873	20.80'
1	manual	Centinal Sensor	New	4,873	4,877	4.09'

Total 4,864.82'
Landed @ 4,864.82'

5/3/07 P. 0 , -1 , 1 MCF, FTP 37 psig, FCP 35 psig, , LP 14 psig, SP 0 psig, DP 0 psig, 5 hrs.

5/4/07 P. 0 , 648 , 15 MCF, FTP 52 psig, FCP 50 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs.

5/5/07 P. 0 , 785 , 25 MCF, FTP 54 psig, FCP 48 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs.

5/6/07 P. 0 , 775 , 28 MCF, FTP 54 psig, FCP 30 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs.

5/7/07 P. 0 , 754 , 32 MCF, FTP 84 psig, FCP 32 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs. FR. Pmp XO
now ESP.

4301530590

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-73965

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
LM LEMMON #10-01

9. API NUMBER:
Various (see attached)

10. FIELD AND POOL, OR WILDCAT:
FERRON SANDSTONE

1. TYPE OF WELL: OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
XTO ENERGY INC.

3. ADDRESS OF OPERATOR: 2700 Farmington, Bldg K-1 Farmington, STATE NM ZIP 87401

PHONE NUMBER: (505) 324-1090

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 660' FSK & 792' FEL

COUNTY: EMERY

STATE: UTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 10 17S 08E

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 <u>1/1/2004</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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 checked="" 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	
	<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. acquired wells from Chevron/Texaco on August 1, 2004. Chevron/Texaco failed to file a Notice of Intent to surface commingle these wells and XTO Energy Inc. was unaware until recently that nothing had been filed. We are including with this application for surace commingle a list of the wells in Emery County and a spreadsheet showing production figures for these wells. Each well has its own meter then runs through a central delivery point where allocations are made.

XTO Energy Inc. is requesting approval for the commingle of these wells as well as off-lease measurement. As wells are drilled, additional sundries will be submitted to add to our surface commingle.

COPY SENT TO OPERATOR
Date: 6-12-07
Initials: pmz

NAME (PLEASE PRINT) HOLLY C. PERKINS TITLE REGULATORY COMPLIANCE TECH

SIGNATURE Holly C. Perkins DATE 5/15/2007

This space for State use only)

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

DATE: 5/15/07

BY: [Signature]

Federal Approval Of This Action Is Necessary

RECEIVED
MAY 18 2007

DIV. OF OIL, GAS & MINING

5/2000) (See Instructions on Reverse Side)

Utah Wells Surface Commingled at Huntington CDP

Well Name	API #	Status	Lease
American West Group 15-128	43-015-30484	Shut In	State
Conover 14-171	43-015-30529	Producing	State
Gardner Trust 16-121	43-015-30478	Producing	State
Lemmon LM 10-01	43-015-30242	Producing	Federal
Malone 14-131	43-015-30556	Producing	State
Rowley 08-111	43-015-30486	Producing	State
Seeley 08-112	43-015-30495	Producing	State
Seeley Farms 09-117	43-015-30501	Producing	State
State of Utah 16-8-31-12D	43-015-30608	Producing	State
State of Utah 16-8-31-32DX	43-015-30634	Producing	State
State of Utah 16-8-31-44D	43-015-30606	Producing	State
State of Utah 16-8-32-43	43-015-30566	Producing	State
State of Utah 17-8-15-14	43-015-30622	Producing	State
State of Utah 17-8-15-33	43-015-30561	Producing	State
State of Utah 17-8-17-32	43-015-30672	Producing	State
State of Utah 17-8-18-12	43-015-30626	Producing	State
State of Utah 17-8-18-24	43-015-30678	Producing	State
State of Utah 17-8-18-31	43-015-30671	Producing	State
State of Utah 17-8-18-43	43-015-30670	Producing	State
State of Utah 17-8-20-22	43-015-30623	Producing	State
State of Utah 17-8-21-33	43-015-30679	Producing	State
State of Utah 17-8-21-41	43-015-30631	Producing	State
State of Utah 17-8-22-14	43-015-30676	Producing	State
State of Utah 17-8-22-21	43-015-30624	Producing	State
State of Utah 17-8-28-12X	43-015-30699	Producing	State
State of Utah 17-8-3-11X	43-015-30635	Producing	State
State of Utah 17-8-4-21	43-015-30620	Producing	State
State of Utah 17-8-5-42R	43-015-30686	Producing	State
State of Utah 17-8-7-34	43-015-30621	Producing	State
State of Utah 17-8-8-14	43-015-30673	Producing	State
State of Utah 36-138	43-015-30550	Producing	State
State of Utah 36-139	43-015-30530	Producing	State
State of Utah AA 07-105	43-015-30497	Producing	State
State of Utah AA 07-106	43-015-30396	Producing	State
State of Utah AA 07-146	43-015-30569	Producing	State
State of Utah BB 04-116	43-015-30503	Producing	State
State of Utah BB 05-107	43-015-30479	Producing	State
State of Utah BB 05-108	43-015-30480	Producing	State
State of Utah BB 05-109	43-015-30481	P&A	State
State of Utah BB 05-110	43-015-30482	Producing	State
State of Utah BB 08-113	43-015-30496	Shut In	State
State of Utah BB 09-119	43-015-30437	Producing	State
State of Utah BB 09-120	43-015-30444	Producing	State
State of Utah CC 03-161	43-015-30552	Producing	State
State of Utah CC 10-123	43-015-30454	Producing	State
State of Utah CC 10-124	43-015-30438	Producing	State
State of Utah FF 10-125	43-015-30458	Producing	State
State of Utah FF 11-129	43-015-30459	Producing	State
State of Utah FF 11-130	43-015-30462	Shut In	State

Utah Wells Surface Commingled at Huntington CDP

State of Utah FO 02-186	43-015-30533	Producing	State
State of Utah FO 02-188	43-015-30553	Producing	State
State of Utah GG 03-122	43-015-30499	Producing	State
State of Utah GG 04-115	43-015-30504	Producing	State
State of Utah HH 03-133	43-015-30500	Producing	State
State of Utah II 36-95	43-015-30509	Producing	State
State of Utah II 36-96	43-01530508	Shut In	State
State of Utah KK 32-144	43-015-30567	Producing	State
State of Utah QQ 31-201	43-015-30592	Producing	State
State of Utah SS 22-165	43-015-30520	Producing	State
State of Utah T 36-10	43-015-30268	Producing	State
State of Utah T 36-100	43-015-30506	Producing	State
UP&L 06-102	43-015-30441	Producing	State
UP&L 06-103	43-015-30483	Producing	State
UP&L 06-104	43-015-30442	Producing	State
UP&L Federal 01-101	43-015-30511	Producing	Federal
Utah Federal 01-205D	43-015-30589	Producing	Federal
* Utah Federal 16-7-35-21	43-015-30602	Producing	Federal
* Utah Federal 16-7-35-32	43-015-30603	Producing	Federal
X Utah Federal 17-7-12-22D	43-015-30605	Producing	Federal
Utah Federal 17-7-12-24D	43-015-30604	Producing	Federal
† Utah Federal 17-7-12-42	43-015-30591	Producing	Federal
Utah Federal 17-7-12-43	43-015-30601	Producing	Federal
Utah Federal 17-7-3-41D	43-015-30697	Producing	Federal
Utah Federal KK 01-140	43-015-30507	Producing	Federal
Utah Federal KK 01-141	43-015-30559	Producing	Federal
Utah Federal M 06-25	43-015-30292	Producing	Federal
WH Leonard 15-127	43-015-30485	Producing	State
Wm S Ivie 09-118	43-015-30443	Producing	State
Zion's Federal 35-135R	43-015-30521	Producing	Federal
† Zion's Federal 17-7-2-11	43-015-30590	Producing	Federal
Zion's Federal 35-137	43-015-30587	Producing	Federal

Utah Wells Surface Commingled at Orangeville CDP

Well Name	API #	Status	Lease	Notes
Curtis D&D 14-54	43-015-30319	Shut In	Federal	
Curtis L&M 10-58	43-015-30310	Shut In	Federal	
Curtis L&M 15-67	43-015-30325	Producing	Federal	
Federal A 18-7-26-12	43-015-30445	Producing	Federal	
Federal A 26-02	43-015-30244	Shut In	Federal	
Federal A 26-04	43-015-30246	Shut In	Federal	
Federal A 34-07	43-015-30249	Producing	Federal	
Federal A 35-05	43-015-30248	Producing	Federal	
Federal A 35-06	43-015-30247	Producing	Federal	
Federal A 35-89	43-015-30446	Producing	Federal	
Federal B 21-03	43-015-30243	Shut In	Federal	
Federal C 18-7-23-23R	43-015-30629	Producing	Federal	
Federal C 23-08	43-015-30245	Producing	Federal	
Federal P 03-92	43-015-30448	Producing	Federal	
Federal P 03-93	43-015-30449	Producing	Federal	
Federal T 18-07-22-34	43-015-30452	Producing	Federal	
Federal T 22-69	43-015-30451	Producing	Federal	
Federal T 27-87	43-015-30456	P&A	Federal	
Ferron St 4-36-18-7	43-015-30253	Producing	Federal	Operator: Merrion Oil & Gas
Jensen AL 27-09	43-015-30259	Shut In	State	
Jones D&A 09-59	43-015-30329	Producing	Federal	
Jones D&A 15-68	43-015-30318	Shut In	State	
Klinkhammer 1	43-015-30610	Shut In	Federal	Operator: Merrion Oil & Gas
Norris RG 14-40	43-015-30324	Producing	Federal	
Peacock 07-64	43-015-30327	Producing	Federal	
Peacock P&K 08-62	43-015-30320	Producing	Federal	
Peacock Trust 08-61	43-015-30326	Producing	Federal	
Peacock Trust 08-63	43-015-30328	Producing	Federal	
Peacock Trust 09-60	43-015-30321	Producing	Federal	
State of Utah 01-97	43-015-30498	Producing	State	
State of Utah 17-7-36-33R	43-015-30687	Producing	State	
State of Utah 17-8-19-11D	43-015-30695	P&A	State	
State of Utah 18-7-2-33R	43-015-30674	Producing	State	
State of Utah DD 31-98	43-015-30439	Producing	State	
State of Utah II 36-95	43-015-30509	Producing	State	
State of Utah II 36-96	43-015-30508	P&A	State	
State of Utah U 02-11	43-015-30270	Producing	State	
State of Utah U 02-48	43-015-30306	Producing	State	
State of Utah U 02-49	43-015-30309	P&A	State	
State of Utah U 02-50	43-015-30308	Producing	State	
State of Utah X 16-65	43-015-30312	Shut In	State	
State of Utah X 16-66	43-015-30311	Producing	State	
UP&L 14-53	43-015-30313	Producing	State	
UP&L 14-55	43-015-30314	Producing	Federal	
UP&L 23-51	43-015-30315	Producing	Federal	
UP&L 24-57	43-015-30316	Producing	State	
USA 03-74	43-015-30383	Producing	Federal	

Utah Wells Surface Commingled at Orangeville CDP

USA 03-75	43-015-30384	Producing	Federal
USA 11-72	43-015-30387	Producing	Federal
USA 18-7-11-23	43-015-30640	Producing	State
USA 34-80	43-015-30389	Shut In	Federal
USA 34-82	43-015-30390	Producing	Federal
Utah Federal 17-7-35-42	43-015-30641	Drilling	Federal
Utah Federal 18-7-27-44R	43-015-30628	Producing	Federal
Utah Federal 18-7-9-11	43-015-30639	Producing	Federal
Utah Federal D 34-12	43-015-30282	Producing	Federal
Utah Federal D 35-13	43-015-30285	Producing	Federal
Utah Federal D 35-14	43-015-30286	Producing	Federal
Utah Federal D 35-15	43-015-30287	Producing	Federal
Utah Federal H 06-21	43-015-30294	TA	Federal
Utah Federal P 10-42	43-015-30276	Producing	Federal
Utah Federal P 10-43	43-015-30277	Producing	Federal
Utah Federal P 10-47	43-015-30258	Producing	Federal
Utah Federal Q 04-44	43-015-30280	Producing	Federal
Utah Federal R 09-45	43-015-30275	Producing	Federal
Utah Federal S 08-46	43-015-30274	Producing	Federal
Utah State 01-76	43-015-30381	Producing	State
Utah State 36-78	43-015-30382	Producing	State

BUZZARD BENCH / TAI PRODUCTION

MONTHLY GAS PRODUCTION

Apr-05

Light Wells

WELL No.	Days On	MONTHLY WATER PRODUCTION	FIELD ESTIMATED PRODUCTION										ACTUAL ALLOCATED SALES					FIELD PRODUCTION		
			Coastal Statement	PROD %	FIELD EST. PROD	Gas	Lse Gas	Vented CO2	Vented Gas	VENIED GAS	ADJ	FIELD ESTIMATED SALES	ALLOCATED SALES	Lse Gas	Vented CO2	Vented Gas	VENTED GAS		ADJ	
10-01	30	435	1478	0.00488716	1479	45	38	98	1708	1708	1708	1246	81	98	98	179	1425			
T35-10	30	2667	18292	0.06048442	18296	45	47	1708	1708	1708	16095	15424	492	1708	1708	2206	17624			
M08-25	30	723	16969	0.05610978	16975	45	414	2280	2280	2280	14236	14308	459	2280	2280	2739	17047			
H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
07-106	30	579	5052	0.01673803	5064	45	124	789	789	789	4106	4288	169	789	789	958	5226			
09-119	30	85	728	0.0024009	726	45	18	108	108	108	558	612	53	108	108	171	783			
10-124	30	129	951	0.00314458	951	45	23	38	38	38	454	502	68	38	38	106	908			
08-102	30	823	20121	0.06850244	20119	45	491	2219	2219	2219	17354	18959	536	2219	2219	2755	19714			
06-104	30	803	12922	0.04272795	12925	45	315	2156	2156	2156	10410	10895	380	2156	2156	2516	13412			
09-118	30	163	797	0.0263536	797	45	19	100	100	100	633	672	64	100	100	147	905			
09-120	30	214	899	0.03297284	899	45	22	80	80	80	752	758	67	80	80	0	0			
18-7-23-23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
17-8-15-33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
10-123	30	261	1348	0.0044573	1343	45	53	89	89	89	1182	1137	78	89	89	167	1304			
10-125	30	266	3361	0.00177234	536	45	13	32	32	32	446	452	58	32	32	90	542			
11-129	29	0	396	0.00130942	395	44	10	16	16	16	327	334	53	16	16	59	403			
11-130	30	1847	1621	0.00053567	1621	45	4	7	7	7	106	137	49	7	7	56	193			
16-121	30	275	757	0.0025031	757	45	8	42	42	42	552	638	53	42	42	105	743			
05-107	29	242	8230	0.02721336	8233	44	201	1397	1397	1397	6591	6940	244	1397	1397	1641	8581			
05-108	30	611	4934	0.01631478	4936	45	20	830	830	830	1044	1056	76	830	830	209	1265			
05-109	30	113	1252	0.00413987	1252	45	31	133	133	133	209	204	81	133	133	275	1508			
05-110	30	31	1462	0.00483426	1463	45	36	194	194	194	1188	1233	81	194	194	1509	9210			
06-103	30	346	9133	0.03019922	9136	45	223	1241	1241	1241	7627	7701	268	1241	1241	0	0			
15-126	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
15-127	30	1462	3530	0.01187232	3531	45	56	226	226	226	3174	2977	131	226	226	357	3334			
08-111	29	143	1513	0.00500289	1614	44	37	203	203	203	1230	1276	80	203	203	283	1559			
08-112	30	118	13261	0.00438456	1325	45	32	143	143	143	1106	1118	77	143	143	220	1338			
08-113	30	0	756	0.00249979	756	45	18	108	108	108	585	637	63	108	108	171	808			
07-105	30	909	5760	0.02235265	6782	45	165	1197	1197	1197	5355	5700	210	1197	1197	1407	7107			
03-122	30	0	456	0.00150781	456	45	11	30	30	30	370	385	56	30	30	56	471			
03-133	30	132	331	0.00109449	331	45	9	18	18	18	260	279	53	18	18	71	350			
09-117	30	37	545	0.00312805	346	45	23	136	136	136	742	798	68	136	136	204	1002			
04-116	30	114	603	0.00199388	603	45	15	63	63	63	480	508	50	63	63	123	631			
04-115	30	258	1186	0.00392163	1186	45	29	130	130	130	982	1000	74	130	130	204	1204			
T36-100	30	3714	34839	0.11519881	34851	45	851	5000	5000	5000	28955	29376	896	5000	5000	5896	35272			
01-140	30	1506	4065	0.01344135	4088	45	99	482	482	482	3460	3428	144	482	482	606	4034			
01-101	30	1199	24478	0.08093908	24486	45	596	2937	2937	2937	20907	20640	643	2937	2937	3580	24220			
22-165	30	1690	4630	0.01530958	4632	45	113	162	162	162	1323	1266	37	162	162	179	1445			
35-135R	30	4133	1501	0.00496321	1502	0	37	142	142	142	4325	3917	158	142	142	321	4238			
14-171	30	3033	4645	0.01535918	4647	45	113	163	163	163	7689	7600	265	163	163	1062	8927			
36-139	30	734	9013	0.02980243	9015	45	220	1062	1062	1062	1327	1327	7689	7689	7689	101	586			
02-186	30	193	575	0.0019013	575	45	14	42	42	42	474	485	59	42	42	107	5938			
36-138	30	555	5299	0.0175217	5301	45	129	396	396	396	4730	4468	174	396	396	107	578			
03-161	30	61	558	0.00184509	558	45	4	48	48	48	452	471	59	48	48	113	891			
02-186	30	176	923	0.003052	923	45	23	45	45	45	811	778	68	45	45	71	1823			
14-131	30	793	1967	0.00650409	1968	45	48	71	71	71	1804	1659	93	71	71	392	2244			
01-141	30	59	2208	0.00730096	2209	45	54	283	283	283	1827	1862	99	283	283	631	32817			
32-144	30	3738	31387	0.10378441	31398	45	766	5540	5540	5540	25047	26486	811	5540	5540	605	2932			
07-145	30	672	2760	0.00912623	2761	0	67	538	538	538	2156	2327	57	538	538	1560	11352			
35-137	30	1356	11613	0.0383896	11617	0	284	1276	1276	1276	10057	9782	284	1276	1276	322	2564			
01-205D	30	4123	2659	0.00879228	2660	0	55	257	257	257	2338	2242	65	257	257	322	35538			
31-201	30	1581	35490	0.11731834	35492	0	366	4755	4755	4755	29871	29917	866	4755	4755	5621	35538			
TOTAL		43726	302425	1	302525	1930	5	7383	38990	38990	48303	5	254225	5	255009	9312	38990	38990	48302	303311

210 041SALES MTR 255006

Oil Wells

Oil Wells	Days On	MONTHLY WATER PRODUCTION	FIELD ESTIMATED PRODUCTION										ACTUAL ALLOCATED SALES					
			Costal Statement	PROD %	FIELD EST PROD	Irr Gas	Lse Use Gas	Vented Gas	Vented Gas	VENTED GAS	ADJ	ESTIMATED SALES	ALLOCATED SALES	Lse Use Gas	Vented CO2	TOTAL VENTED	TOTAL ADJ	FIELD PRODUCTION
	321-03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	A26-02	29	88	490	0.001657751	490	39	13	15	15	671	423	432	52	15	437	15	499
	C23-08	30	3432	9140	0.030922051	9,140	45	236	437	437	718	8,422	8,062	281	437	2	437	8,780
	A25-04	15	0	0	0.00023905	0	0	0	0	0	0	0	0	0	0	0	0	0
	A35-06	30	1211	29098	0.09844307	29,098	45	150	1,706	1,706	2,501	26,597	25,655	795	1,706	7	1,706	28,166
	A35-05	18	700	289	0.00097773	289	27	0	0	0	0	0	0	0	0	0	0	289
	A34-07	30	2845	53831	0.01821153	5,383	45	39	361	361	545	4,834	4,748	184	361	6	361	5,293
	P10-47	30	734	391	0.00047028	391	210	0	6	6	220	0	0	0	0	0	0	343
	A27-09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
IAME PROB	U02-11	30	50211	15291	0.05173184	15,291	45	394	1,255	1,255	1,694	13,597	13,487	439	1,255	1,255	1,694	15,181
	S08-46	29	11	519	0.001755861	519	203	13	230	230	246	73	458	216	230	0	230	904
	R09-45	30	36	444	0.00150212	444	210	11	102	102	323	121	392	221	102	0	102	715
	P10-42	29	7609	819	0.0027708	819	44	21	144	144	236	610	722	65	144	144	61	931
	P10-43	30	3060	605	0.002046811	605	45	16	11	11	125	54	63	114	11	0	61	658
	Q04-44	16	5442	71	0.0002402	71	12	2	11	11	125	54	63	114	11	0	61	1,497
	D34-12	24	2583	1471	0.00497662	1,471	36	38	126	126	206	1,271	1,297	74	126	349	349	1,207
	D35-13	30	142110	896	0.0003131	396	45	23	349	349	417	479	790	68	349	57	191	359
	D35-14	24	647	293	0.00099126	293	36	8	57	57	101	192	258	44	57	0	57	20,346
	D35-15	30	1830	20903	0.07071811	20,903	45	539	1,326	1,326	1,910	18,993	18,438	584	1,326	0	1,326	0
	H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,287
	U02-48	25	7527	2310	0.00781509	2,310	42	60	148	148	250	2,060	2,037	148	148	0	148	2,664
	U02-50	30	706	2703	0.00914487	2,703	45	70	165	165	280	2,423	2,384	15	165	18	49	355
	U02-49	15	173	347	0.00117396	347	23	9	18	18	49	298	306	31	18	0	0	0
	10-58	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	X18-66	28	307	290	0.00098112	290	42	7	38	38	87	203	256	49	38	0	38	343
	X18-65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	*4-53	30	298	827	0.00279787	827	45	21	50	50	116	711	729	66	50	50	50	845
	14-55	30	9023	6552	0.041965343	124,042	90	3,196	7,739	7,739	11,025	113,017	109,405	3,266	7,739	7,739	11,025	120,430
	*4-55A	30	0	58520	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	23-51	30	175	259	0.00091007	269	45	7	9	9	61	208	237	52	9	0	61	298
	24-57	30	254	581	0.00230393	581	45	18	22	22	85	598	601	63	22	0	22	686
	15-68	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	14-54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CK	08-62	29	23	491	0.00166113	491	44	13	179	179	235	256	433	58	179	179	235	560
RUST	09-60	29	1445	1074	0.00363351	1,074	44	28	294	294	365	709	947	71	294	294	365	1,312
	14-40	30	4320	2701	0.0091379	2,701	45	70	154	154	269	2,432	2,382	115	154	154	269	2,851
	15-67	26	202	261	0.000883	261	39	7	14	14	60	201	230	46	14	14	60	290
	08-61	30	478	9427	0.03189301	9,427	45	243	528	528	816	8,611	8,315	288	528	528	816	9,131
RUST	07-54	30	1092	1557	0.00560589	1,557	45	43	495	495	583	1,074	1,461	88	495	495	583	2,044
	08-63	30	264	1654	0.00559574	1,654	45	43	777	777	855	789	1,459	88	777	777	855	2,324
RUST	09-59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	01-76	30	2108	4980	0.01684812	4,980	45	128	326	326	499	4,481	4,392	173	326	326	499	4,891
	35-78	30	903	5802	0.01962907	5,802	45	150	380	380	575	5,227	5,117	195	380	380	575	5,692
	03-74	27	24620	1325	0.00446258	1,325	45	34	30	30	105	1,220	1,169	75	30	30	105	1,274
	03-75	30	5879	4356	0.01487235	4,356	45	113	299	299	457	3,939	3,877	158	299	299	457	4,334
	11-72	30	45297	522	0.00311927	922	45	24	21	21	48	65	100	27	21	0	21	1,059
	34-80	15	44	113	0.0003823	113	24	3	21	21	48	65	100	27	21	0	21	148
	34-82	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	31-98	30	10	1482	0.00501384	1,482	45	38	133	133	216	1,288	1,307	83	133	133	216	1,523
	A35-89	30	9902	34803	0.01174398	34,803	45	897	2,021	2,021	2,963	31,840	30,696	942	2,021	2,021	2,963	33,658
	P03-92	30	1184	886	0.00299748	886	45	23	89	89	157	729	781	68	89	89	157	938
	P03-93	28	9434	546	0.00218552	646	42	17	96	96	155	491	570	59	96	96	155	725
	T22-59	30	320	1130	0.00382297	1,130	45	29	58	58	104	998	997	74	58	58	104	1,129
	127-87	30	574	546	0.0018472	546	45	14	27	27	86	460	482	59	27	27	86	568
	01-97	30	0	1194	0.00403949	1,194	0	31	73	73	104	1,090	1,053	31	73	73	104	1,157
	36-95	30	61	470	0.00159008	470	0	12	49	49	61	409	415	12	49	49	61	476
	36-95	30	1503	1260	0.00426278	1,260	0	32	130	130	162	1,098	1,111	32	130	130	162	1,273
MERRON GAS WELLS																		
hammer		29	10537	481	0.0016273	481	0	12	15	15	27	454	424	12	15	15	27	451
al	4-36-18-7	30	985	493	0.0015679	493	0	0	28	28	28	465	435	0	28	28	463	463
			35307	25582		25582	448	7604	20,777	20,777	30,529	264,753	260,704	10,843	20,777	20,777	30,832	291,539

BTU

SALES MTR

SALES LESS MERRION WELLS

PIPELINE

LE WELLS FROM OCARTA STATEMENT

	29777								
	0								
	7604				7604				
	2448			2448					
	0				0				
Id statement + memon	974								
	31803		295682	2448	7604				0

SALES DIFFERENCE

9576

JC137 W

395211	597033	597137	4379	14975	59724	59724	79077	518080	514853	19355	59724	59724	79079	593932
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OCT 12 2004

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
XTO ENERGY INC. *N2615*

3. ADDRESS OF OPERATOR: 2700 Farmington Bldg K, Sul. Farmington 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

5. LEASE DESIGNATION AND SERIAL NUMBER
Various Leases

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

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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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

RECEIVED
MAY 18 2007
DIV. OF OIL, GAS & MINING

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

(See Instructions on Reverse Side)

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-67532
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1815' FNL & 897' FWL QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 26 18S 07E		8. WELL NAME and NUMBER: FEDERAL A 18-7-26 #12
		9. API NUMBER: 4301530445
		10. FIELD AND POOL OR WILDCAT: BUZZARD BENCH ABO
		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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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>SURFACE</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>COMMINGLE</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. proposes to surface commingle the following two wells into our Orangeville CDP:
Federal A 18-7-26 #12; Sec 26-T18S-R07E; 1815' FNL & 897' FWL; 43-015-30445; UTU-67532; Buzzard Bench
Federal T 18-7-22 #34; Sec 22-T18S-R07E; 539' FSL & 1831' FEL; 43-015-30452; UTU-68535; Buzzard Bench

Both of these wells have their own wellhead allocation meter. Both wells will have the sales point or custody transfer at the Orangeville System.

COPY SENT TO OPERATOR
Date: 7-11-05
Initials: CHD

NAME (PLEASE PRINT) <u>MOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE <u>Molly C. Perkins</u>	DATE <u>6/23/2005</u>

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
Action Is Necessary

RECEIVED
JUN 29 2005

(5/2000)

Date: 7/18/05 (See instructions on Reverse Side)

By: Dustin Ducet

Dustin Ducet??

DIV. OF OIL, GAS & MINING

IN WELLS FROM COASTAL STATEMENT

	0	302425			
	38990				
	104	104			
	256029				
s Check #	0				
s Check #2	0			G	
	7383			7383	D
	1931		1930 5		
	0				
	304437	302529	1930 5	7383	G

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74822
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington, Bldg K-1 CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1074' FNL & 533' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 2 17S 7E		8. WELL NAME and NUMBER: ZIONS FEDERAL 17-7-2-11
		9. API NUMBER: 4301530590
		10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE
		COUNTY: EMERY
		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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 6/6/2007	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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: JUNE 2007 MONTHLY RPT
	<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.
The daily drilling/completion report for this past month is attached for your review.

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE <u><i>Holly C. Perkins</i></u>	DATE <u>6/6/2007</u>

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JUN 11 2007

DIV. OF OIL, GAS & MINING

Farmington Well Workover Report

ZIONS FEDERAL	Well # 17-07-02 11	FERRON
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Objective: Pump Rpr

First Report: 04/28/2007

4/28/07 SITP 20 psig, SICP 12 psig. Bd well. WO PU to be rmvd. MIRU BHWS Rig #1. Ferron Coal perfs fr/4,588' - 4,765'. PBTB @ 5,020'. Unhung well. Unseat pmp. LD 1-1/4" x 26' PR, 2 -4' x 7/8" rod subs, 84 - 7/8" skr d w/5 molded guides per rod, 102 - 3/4" slick skr d , 4 - 7/8" x 4' stabilizer rods, 6 - 1-1/2" x 25' sbs & 2-1/2" x 1-3/4" x 16' RHBC-DV (XTO #121) pmp w/1" x 1" strn nip. ND WH. Rlsd TAC. NU BOP. PU 3 jts tbg. Tgd 9' of fill @ 5,011'. LD 3 jts tbg. Dropd SV & PT tbg to 1500 psig for 10" w/16 BFW. Tstd ok. Rlsd press. Retrd SV. SWI. SDFWE. 16 BLWTR.

5/1/07 SITP 0 psig, SICP 0 psig. TOH w/135 jts 2-7/8" 6.5#, J-55, EUE, 8rd tbg, 2-7/8" x 5-1/2" TAC, 12 jts tbg, 1 - 2-7/8" SN, 1 - 2 7/8" x 4' tbg sub, 1 - 2-7/8" x 20' 2707 Cavins desander, 1 - jt 2 7/8" tbg & 1 - 2 7/8" X 30' OPMA. TIH w/4-3/4" blade bit, 2-7/8" tbg pmp blr & 148 jts 2-7/8" tbg. PU 4 jts tbg. Tgd fill @ 5,011'. CO fr/5,011' - 5,020' (PBTB). LD 4 jts 2-7/8" tbg. TOH w/148 jts 2-7/8" tbg. LD blr assy & bit. (Truck w/new sub pmp broke dwn in rout to loc.) SWI. SDFN. 16 BLWTR.

5/2/07 SITP 0 psig, SICP 0 psig. PU new motor shroud (Btm 30' of BHA inside shroud. Top of shroud atted 1' abv pmp intake sub), new Sentinel sensor (SN 10340275), new 65 HP, 940 Volt, 52 amp, model DMFI motor (SN 10308456), new motor seals models DSFB3-SB-PFSA-HL, (SN 10230519), new pmp intake sub model FPDSINT (SN 10347372), new 213 stage, P6 model 400PUSND pmp (SN 10343646), 1- 2-3/8" x 2-7/8" CX, 2-7/8" x 4' tbg sub & 2-7/8" dr sub. TIH w/pmp BHA & 146 jts 2-7/8", J-55, 6.5#, EUE, 8rd tbg, banding #4 CPNF cbl to tbg w/2 bands per jt. ND BOP. NU WH. Ld tbg in Centrilift WH w/EOP (motor sensor) @ 4,877' & pmp intake 4,847'. Ferron Coal perfs @ 4,588' - 4,765'. PBTB @ 5,020'. RD Centrilift cbl spooler. RDMO BHWS rig #1. RWTP @ 7:00 p.m. 5-1-07. Ppg @ 50 amps w/pmp rate @ 600 BPD. 16 BLWTR.

Tubing Location: Lower
ZONE 1 Desc: Ferron Top Perf: 4,588 Btm Perf: 4,765 OH: No

<u>Qty</u>	<u>Type</u>	<u>Description</u>	<u>Cond</u>	<u>Top Depth</u>	<u>Btm Depth</u>	<u>Length</u>
146	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	12	4,824	4,811.57'
1	manual	2-7/8" Drain Sub	New	4,824	4,824	0.50'
1	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	4,824	4,828	4.00'
1	manual	2-3/8" x 2-7/8" CX	New	4,828	4,829	0.86'
1	manual	Pump	New	4,829	4,846	17.50'
1	manual	Pump Intake Sub	New	4,846	4,847	1.00'
1	manual	Pump Seal	New	4,847	4,852	4.50'
1	manual	Motor	New	4,852	4,873	20.80'
1	manual	Centinal Sensor	New	4,873	4,877	4.09'
					Total	4,864.82'
					Landed @	4,864.82'

5/3/07 P. 0 , -1 , 1 MCF, FTP 37 psig, FCP 35 psig, , LP 14 psig, SP 0 psig, DP 0 psig, 5 hrs.

5/4/07 P. 0 , 648 , 15 MCF, FTP 52 psig, FCP 50 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs.

5/5/07 P. 0 , 785 , 25 MCF, FTP 54 psig, FCP 48 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs.

5/6/07 P. 0 , 775 , 28 MCF, FTP 54 psig, FCP 30 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs.

5/7/07 P. 0 , 754 , 32 MCF, FTP 84 psig, FCP 32 psig, , LP 16 psig, SP 0 psig, DP 0 psig, 24 hrs. FR. Pmp XO
now ESP.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

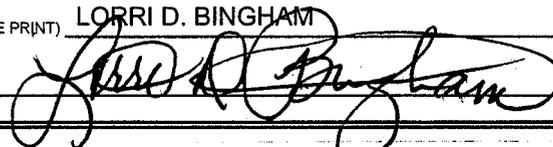
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: MULTIPLE		8. WELL NAME and NUMBER: MULTIPLE Zions Fed 17-7-2-11
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 17S 7E 2		9. API NUMBER: MULTIPLE 43 015 30590
COUNTY: EMERY		10. FIELD AND POOL, OR WILDCAT:
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: SURFACE COMMINGLE
	<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.

XTO Energy Inc. applied for surface commingle on the attached list of wells on 7/5/07 and State of UT DOGM approval was received on 7/13/07. Due to the rejection of the Federal application, XTO would like to withdraw the commingling application and subsequent work will not be done.

NAME (PLEASE PRINT) LORRI D. BINGHAM	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE 	DATE 9/23/2008

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DIV. OF OIL, GAS & MINING

Utah Wells Surface Commingled at Huntington CDP			
State of Utah FO 02-186	43-015-30533	Producing	State
State of Utah FO 02-188	43-015-30553	Producing	State
State of Utah GG 03-122	43-015-30499	Producing	State
State of Utah GG 04-115	43-015-30504	Producing	State
State of Utah HH 03-133	43-015-30500	Producing	State
State of Utah KK 32-144	43-015-30567	Producing	State
State of Utah QQ 31-201	43-015-30592	Producing	State
State of Utah SS 22-165	43-015-30520	Producing	State
State of Utah T 36-10	43-015-30268	Producing	State
State of Utah T 36-100	43-015-30506	Producing	State
UP&L 06-102	43-015-30441	Producing	State
UP&L 06-103	43-015-30483	Producing	State
UP&L 06-104	43-015-30442	Producing	State
UP&L Federal 01-101	43-015-30511	Producing	Federal
Utah Federal 01-205D	43-015-30589	Producing	Federal
Utah Federal 16-7-35-21	43-015-30602	Producing	Federal
Utah Federal 16-7-35-32	43-015-30603	Producing	Federal
Utah Federal 17-7-12-22D	43-015-30605	Producing	Federal
Utah Federal 17-7-12-24D	43-015-30604	Producing	Federal
Utah Federal 17-7-12-42	43-015-30591	Producing	Federal
Utah Federal 17-7-12-43	43-015-30601	Producing	Federal
Utah Federal 17-7-3-41D	43-015-30697	Producing	Federal
Utah Federal KK 01-140	43-015-30507	Producing	Federal
Utah Federal KK 01-141	43-015-30559	Producing	Federal
Utah Federal M 06-25	43-015-30292	Producing	Federal
WH Leonard 15-127	43-015-30485	Producing	State
Wm S Ivie 09-118	43-015-30443	Producing	State
Zion's Federal 35-135R	43-015-30521	Producing	Federal
Zion's Federal 17-7-2-11	43-015-30590	Producing	Federal
Zion's Federal 35-137	43-015-30587	Producing	Federal

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