



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.
Utah Federal 12-197, 2,156' FNL, 905' FEL, SE/4 NE/4
Section 12, 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 on surface managed by the Manti La-Sal National Forest. 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.

RECEIVED
JAN 30 2003
DIV. OF OIL, GAS & MINING

FILE COPY

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
Mr. Carter Reed, USDA Forest Service – Price Supervisors Office
Mr. Tom Lloyd, USDA Forest Service – Ferron District Office
Mrs. Diana Mason, Division of Oil, Gas and Mining – Salt Lake Office
Mr. Mark Jones, Division of Oil, Gas and Mining – Price Field Office
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**

5. LEASE DESIGNATION AND SERIAL NO.
UTU-75666

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

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME, WELL NO.
Utah Federal 12-197

9. API WELL NO.
43-015-30591

10. FIELD AND POOL, OR WILDCAT
Undesignated

11. SEC. T, R, M., OR BLK.
**SE/4 NE/4, Section 12,
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**

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

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 (Report location clearly and in accordance with any State requirements.)
At surface **4350473Y 39.35956**
At proposed prod. zone **2,156' FNL, 905' FEL 493119X -111.07987**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
6.7 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)
905'

16. NO. OF ACRES IN LEASE
2.560

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.
2,100'

19. PROPOSED DEPTH
4,456'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6,785' GR

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	4,356'	135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes

Surface Owner: **USA—Manti La-Sal National Forest**
 Surface Representative: **Tom Lloyd—P.O. Box 310, Ferron, Utah 84523; 435-636-3596**
 Federal Bond Number: **S 304604**

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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 1-23-2003

(This space for Federal or State office use)
PERMIT NO. 43-015-30591 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 _____ TITLE _____ DATE _____

***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

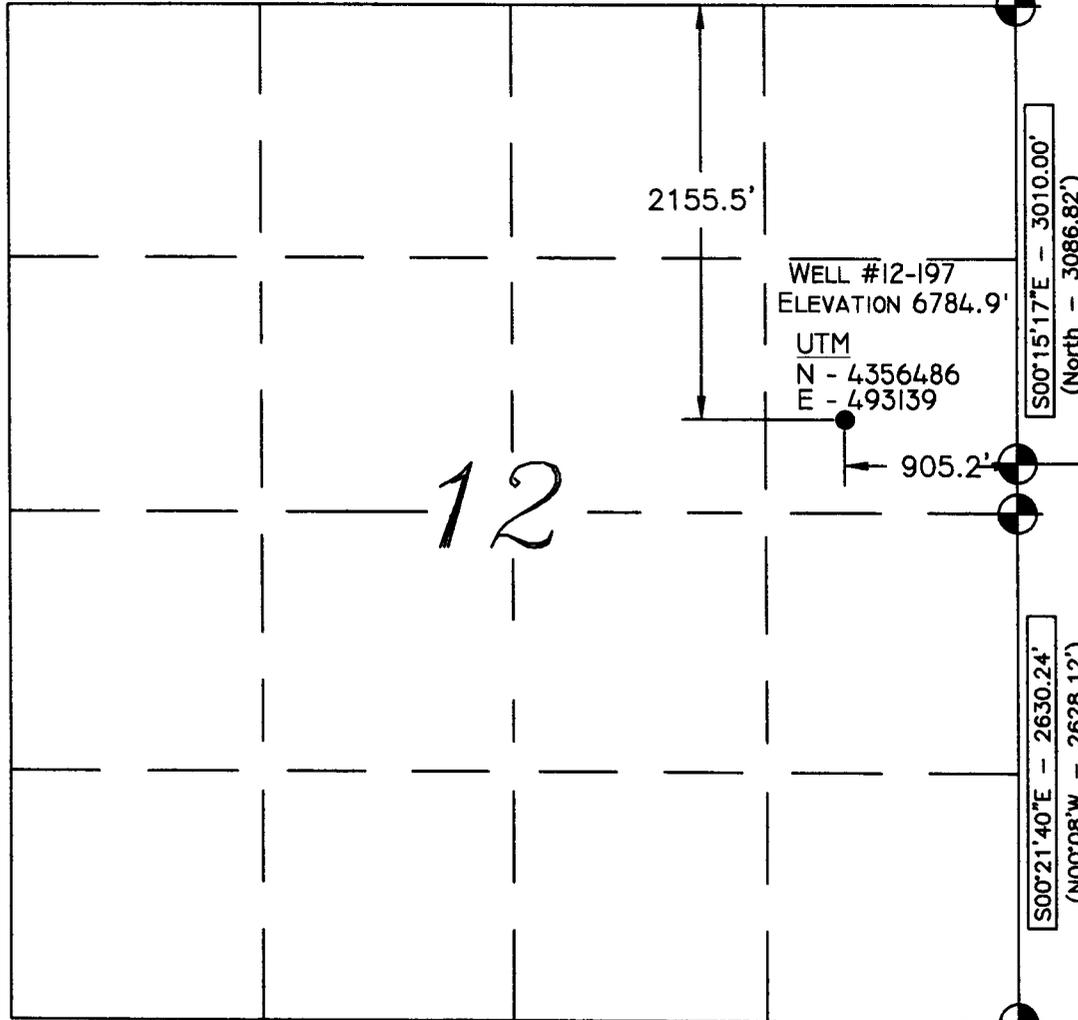
Range 7 East

(N89°51'E - 2647.92')

(N89°31'W - 2665.08')

Township 17 South

(N00°13'W - 5224.56')



(S88°58'W - 2689.50')

(N87°53'W - 2603.04')

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°21'35"
111°04'47"

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:

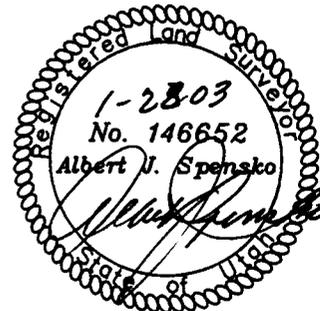
Basis of Elevation of 6608' being at the Northeast Section corner of Section 12, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the SE1/4, NE1/4 of Section 12; being 2155.5' South and 905.2' West from the Northeast Corner of Section 12, 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

0 500' 1000'
(IN FEET)
1 inch = 1000 ft.



TALON RESOURCES, INC.

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

ChevronTexaco

WELL #12-197

Section 12, T17S, R7E, S.L.B.&M.
Emery County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 12/06/02
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 714

Attached to BLM Form 3
 Chevron USA, Inc.
Utah Federal 12-197
 SE/4 NE/4, Sec. 12, T17S, R7E, SLB & M
 2,156' FNL, 905' FEL

Emery County, Utah

8 Point Drilling Program

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	4,056'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones – 4,056' – 4,356'

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"	4,456'	5-1/2"	17# N-80 LT&C	New

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, Manti La-Sal National Forest and Utah Division of Oil, Gas & Mining immediately.

Attached to BLM Form 3
Chevron USA, Inc.
Utah Federal 12-197
SE/4 NE/4, Sec. 12, T17S, R7E, SLB & M
2,156' FNL, 905' FEL
Emery County, Utah

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.

The onsite inspection for the referenced well was conducted on Friday, October 25, 2002 at approximately 10:00am. Weather conditions were cool, overcast and dry. In attendance at the onsite inspection were the following individuals:

Don Hamilton	Permitting Agent	Talon Resources, Inc.
Allen Childs	Project Coordinator	Talon Resources, Inc.
Carter Reed	Forest Geologist	Manti La-Sal National Forest
Tom Lloyd	District Geologist	Manti La-Sal National Forest
Jeff Alexander	Transportation Engineer	Manti La-Sal National Forest
Michael Davis	NEPA Coordinator	Manti La-Sal National Forest
Brian McClelland	Assistant District Geologist	Manti La-Sal National Forest

1. Existing Roads:

- a. The proposed well site is located approximately 6.7 miles northwest of Huntington, UT.
- b. Existing roads are present into the area. 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 cooling towers turn left and proceed through the contractors gate southeast to the ash pile. Turn left at the prominent intersection adjacent to the ash pile and continue southeast approximately 0.37 miles and turn right onto the gravel surfaced road. Proceed in a southwest direction for approximately 800' and turn right onto the native surface two-track road. Proposed access to the proposed well site begins at this intersection and continues to the proposed well site (See Exhibit "B").
- c. The use of roads under Emery County Road Department maintenance is necessary from SR-31 to the contractors gate. An encroachment permit has previously been secured for County Road 304 (Deer Creek Road) and no additional upgrades to the Emery County Road is proposed at this time. An encroachment permit from the Emery County Road Department will be secured prior to any upgrade of the existing county road.
- e. All existing roads will be maintained and kept in good repair during all phases of operation.
- f. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- g. Since no improvements are anticipated to the county access roads no topsoil striping will occur.

- b. All site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. 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 liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- d. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- e. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- f. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- g. All gasoline and diesel-powered equipment will be equipped with effective spark arresters or mufflers. Spark arresters will meet Forest Service specifications discussed in the USDA Forest Service Spark Arrester Guide. In addition, all electrical equipment must be properly insulated to prevent sparks.
- h. A gas and water pipeline and a 3-phase power line are associated with this application and are being applied for at this time. The proposed gas and water pipeline and power line corridor will follow the proposed road to the gravel surface and tie into the existing infrastructure.

5. Location and Type of Water Supply:

- a. All water needed for drilling and construction purposes will be obtained from North Emery Water Users Association (a local source of municipal water) through a direct purchase.
- b. Additional waters, if available, will be properly and legally obtained according to State water laws. The location of diversion, if on Nation Forest System lands, is subject to Forest Service approval.
- c. Because of the anticipated drought situation this year no other source of water is being pursued at this time.

6. Source of Construction Material:

- a. Pad construction material will be obtained from a Private Owner in Huntington Canyon, Utah.
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.
- c. No construction materials will be removed from Forest Service lands
- d. Any gravel used will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities designed for the safe storage and disposal of the waste material.

- b. Drill cutting will be contained and buried on site if they are free of liquid as proven through laboratory analysis to be free of any toxins including barium-containing compounds. Should the cutting fail to meet this requirement as determined by the Forest Service they will be hauled off of Forest Service lands for placement in an approved solid waste disposal site.
- c. The reserve pit will be located inboard of the location and along the northwest side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be lined with 12 mil minimum thickness synthetic liner material unless designated otherwise by the Forest Service officers prior to construction. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. 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.
- g. 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. The contents of the trash container will be hauled off periodically to the approved Emery County Landfill near Huntington, Utah. Burning of trash and debris is prohibited.
- h. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- i. Sanitary facilities are required on site at all times during operations. Sewage will be placed in a portable chemical toilet or holding tank and disposed of in accordance with state and county regulations. The installation of facilities, other than self-contained chemical toilets, is subject to State and Forest Service approval.
- j. The produced fluids (other than water) will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application

9. Well Site Layout :

- a. The well, whether drilling, producing, suspended, or abandoned, will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the southeast.
- c. The pad and road designs will be consistent with Forest Service specification as outlined in the Region 4 Oil and Gas Roding Guidelines and the Manti-La Sal National Forest Oil and Gas Well Site Guidelines and are subject to Forest Service approval. No construction operations may begin prior to approval. Any modifications to approved plans are also subject to review and approval.
- d. A pre-construction meeting including the responsible company representative(s), contractors, and the Forest Service must be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road must be construction-staked prior to this meeting. Site specific requirements will be discussed at that time.
- e. The pad has been staked at its maximum size of 300' X 200' to accommodate the proposed well and the future proposed directional well, however, it will be constructed smaller, if possible, depending upon rig availability. Should the layout change this application will be amended and approved utilizing a sundry notice.
- f. The project engineer and surveyors must be certified by the State in which they reside or maintain their business.
- g. Establishment of campsites on the pad or at other locations on National Forest System lands by the operator or his contractors is subject to Forest Service approval.
- h. All surface disturbing activities, including reclamation, will be supervised by a qualified, responsible official or company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- i. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- j. If the well is productive, the working surface of the drill site will be surfaced with gravel to a depth sufficient to support anticipated loads throughout the life of the well.
- k. Diversion ditches will be constructed as necessary and practical around the well site to prevent surface waters from entering the well site area. Energy dissipating structures will be utilized to prevent excessive erosion at the outflow and trap any sediment produced from the raw slopes and prevent excessive erosion.
- l. A berm will be constructed around the perimeter of the site to contain all precipitation, spills, and other fluids from leaving the site. The berm will be 18 inches high, 12 inches wide at the top, and having a 1-1/2:1 side slopes. The site surface will be graded to drain to a low corner to avoid pit spillage during large storm events. The drainage pattern to be constructed can be modified for the site depending on site-specific conditions.
- m. The stockpiled topsoil (first 12 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil must be stripped from areas to be disturbed and stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- n. Pits will remained fenced until site cleanup.
- o. The blooie line will be located: At least 100 feet from the well head.

- p. To minimize the amount of fugitive dust and spray escaping from the blooie pit water injection will be implemented

10. Plans for Restoration of the Surface:

PRODUCING WELL

- a. Site reclamation for producing wells will be accomplished for portions of the site not required for the continued operation of the well. All disturbed surface will be treated to prevent erosion and to complement the esthetics of the area. A new site plan will be required encompassing the facilities required for operation and interim reclamation measures.
- b. Before any dirt work to restore the location takes place, the reserve pit must be completely dry. Once the reserve pit is dry, the reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. Methods for drying the pit, other than natural evaporation, are subject to prior Forest Service approval.
- c. Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.
- d. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.
- e. The plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit.
- f. At the end of drilling operations, drilling fluids will be hauled to an approved disposal site. All polluting substances or contaminated materials, such as oil, oil-saturated soils, and gravel, will be removed from the Forest.
- g. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The berm will be removed and the drill site graded to drain.
- h. The stockpiled topsoil will be evenly distributed over the disturbed area.
- i. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.
- j. The site will be seeded and/or planted as prescribed by the Forest Service. Nutrients and soil amendments will be applied to the redistributed surface soil later as necessary to meet the revegetation requirements. The Forest Service will assign the seed mix. Seed will be broadcast or drilled between Sept. and Nov., or at a time specified by the Forest Service. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

11. Surface and Mineral Ownership:

- a. Surface Ownership is USDA Forest Service under the management of the Manti-La Sal National Forest 599 Price River Drive, Price, Utah 84501 435-637-2817.
- b. Mineral Ownership is Bureau of Land Management – 82 East Dogwood Avenue, Moab, Utah 84532 435-259-2106.

12. Other Information:

- a. A Class III archeological survey was conducted by Montgomery Archaeological Consultants, No significant cultural resources were found and clearance has been recommended. A copy of this report (MOAC 02-125, December 17, 2002) has been submitted to the appropriate agencies by Montgomery Archaeological Consultants.
- b. 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.

- c. Buys & Associates will conduct a Threatened and Endangered flora and fauna survey in the spring of 2003, No significant species are anticipated at this time. A copy of this report will be submitted to the appropriate agencies by Buys & Associates.
- d. Talon Resources, Inc, conducts an annual aerial raptor survey, No significant nesting raptors species were found in the immediate area in past years and clearance has been recommended. An aerial survey will be completed in the spring of 2003. Talon Resources, Inc will submit a copy of the produced maps to the appropriate agencies.
- e. The Forest Service biologist and the existing Forest EIS document will stipulate wildlife Seasonal Restrictions.
- f. No off location Geophysical Testing will be completed as part of this project.
- g. No drainage crossings that require additional State or Federal approval are being crossed
- h. Fire suppression equipment must be available to all personnel on the project site. Equipment will include a minimum of one hand tool per crewmember consisting of shovels, pulaskis, and chainsaws and one properly rated fire extinguisher per vehicle an/ or internal combustion engine.
- i. The operator will be held responsible for damage and suppression costs for fires started as a result of operations. Fires must be reported to the Forest Service as soon as possible.
- j. All accidents or mishaps resulting in resource damage and/or serious personal injury must be reported to the Forest Service as soon as possible.

- k. Harassment of wildlife and livestock is prohibited.
- l. No merchantable timber exists on the site. Slash burning will be conducted only at locations approved by the Forest Service under authorization or a burning permit

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

Chevron USA, Inc.
Ron Wirth – Operations Supervisor
Address: P.O. Box 618
Orangeville, Utah 84537
435-748-5395

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Permitting Consultant	Don S. Hamilton	1-435-687-5310

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 USA Inc. 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 USA Inc's existing 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 Recompletion 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 Tom Lloyd of the Manti-La Sal National Forest, at (435) 636-3596 and Don Stephens of the BLM – Price Office, 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).

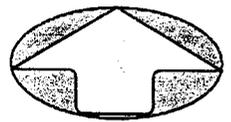
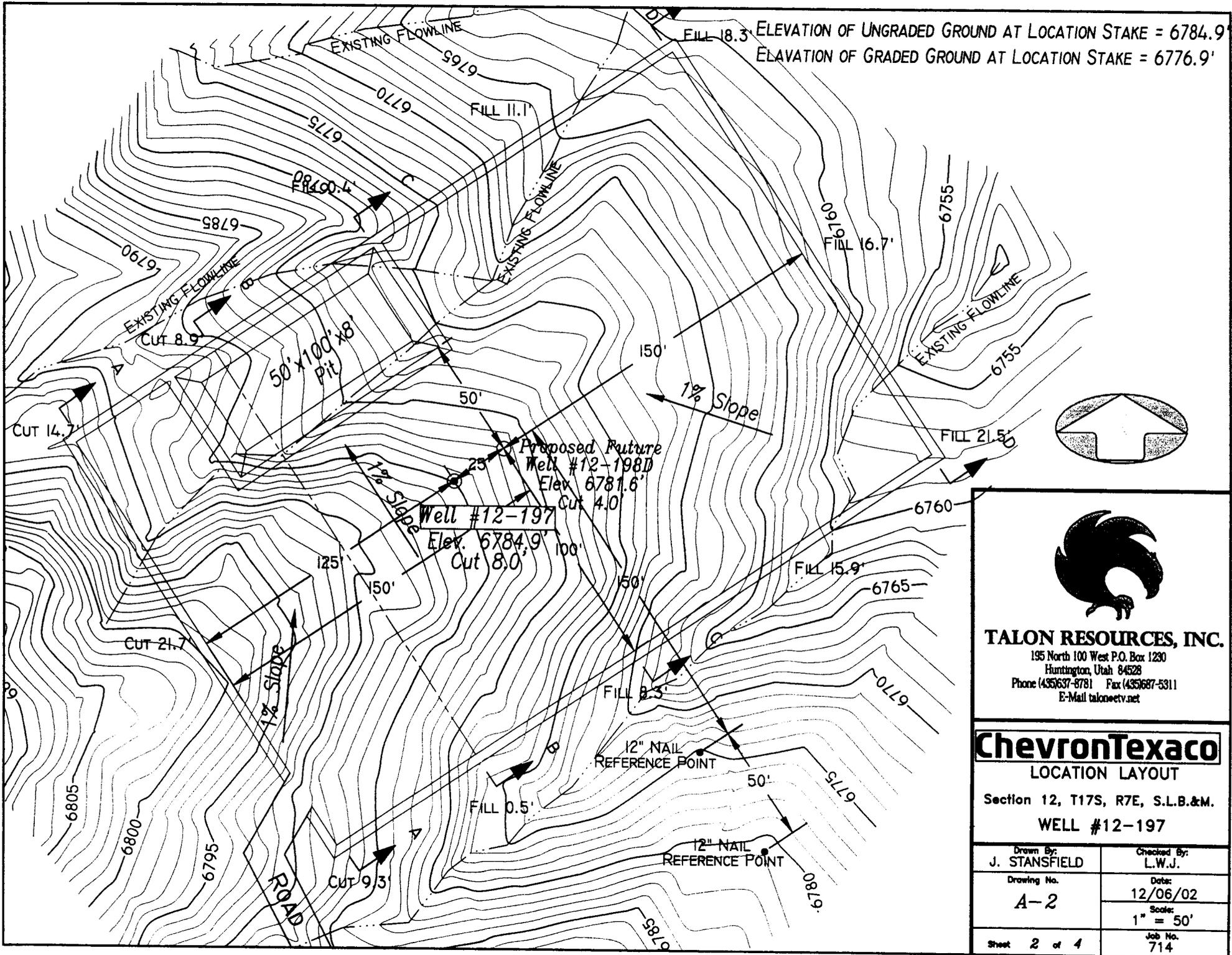
If the person at the above number cannot be reached, notify the Moab District Office at (435) 259-6111. If unsuccessful, notify one of the people listed below.

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

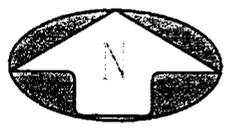
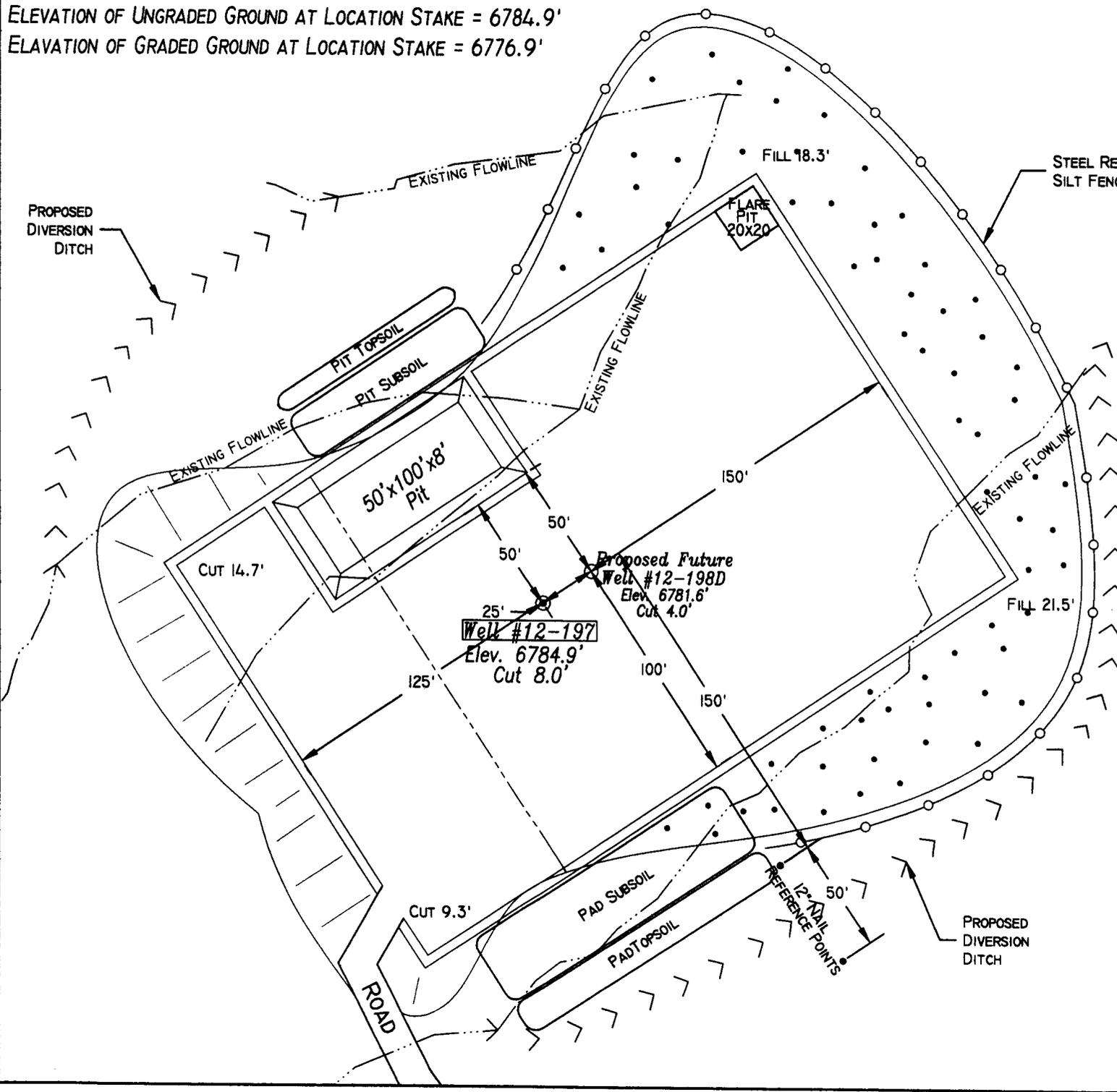


TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)637-8781 Fax (435)687-5311
 E-Mail talon@etv.net

ChevronTexaco
 LOCATION LAYOUT
 Section 12, T17S, R7E, S.L.B.&M.
WELL #12-197

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 12/06/02
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 714

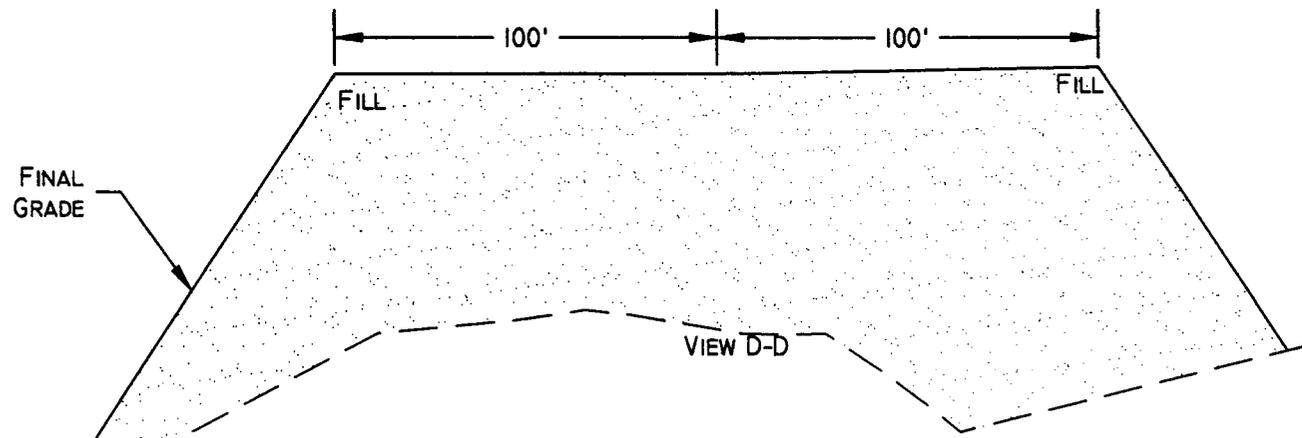
ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6784.9'
 ELAVATION OF GRADED GROUND AT LOCATION STAKE = 6776.9'



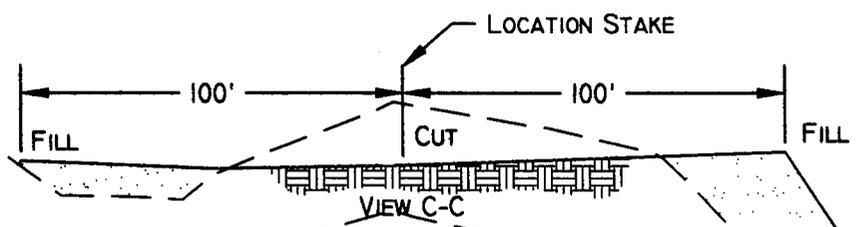
TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)637-8781 Fax (435)687-5311
 E-Mail talon@ctv.net

ChevronTexaco
 LOCATION LAYOUT
 Section 12, T17S, R7E, S.L.B.&M.
 WELL #12-197

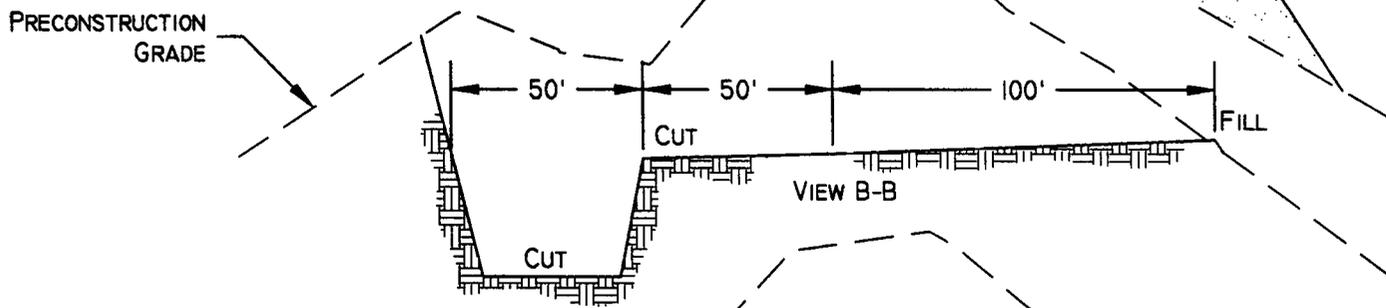
Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 12/06/02
	Scale: 1" = 60'
Sheet 2 of 4	Job No. 714



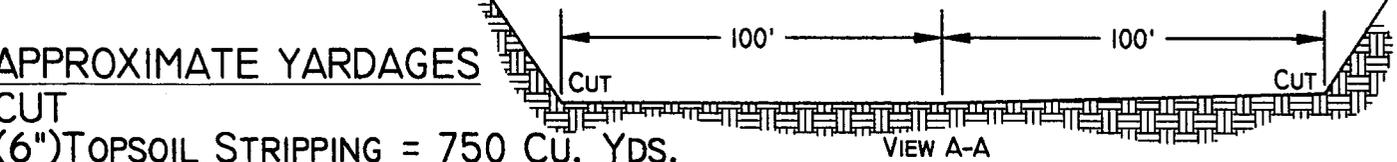
$1" = 10'$
 X-Section
 Scale
 $1" = 40'$



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




TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)637-8781 Fax (435)687-5311
 E-Mail talon@etv.net



APPROXIMATE YARDAGES
CUT
 (6") TOPSOIL STRIPPING = 750 CU. YDS.
 REMAINING LOCATION = 9,575 CU, YDS.
TOTAL CUT = 11,475 CU. YDS.
TOTAL FILL = 10,600 CU. YDS.

ChevronTexaco	
TYPICAL CROSS SECTION	
Section 12, T17S, R7E, S.L.B.&M.	
WELL #12-197	
Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 12/06/02
	Scale: 1" = 50'
Sheet 3 of 4	Job No. 714

487000m E. 489000m E. 491000m E. 493000m E. 495000m E. 497000m E. 499000m E. NAD27 Zone 12S 503000m E.

Chevron USA, Inc.

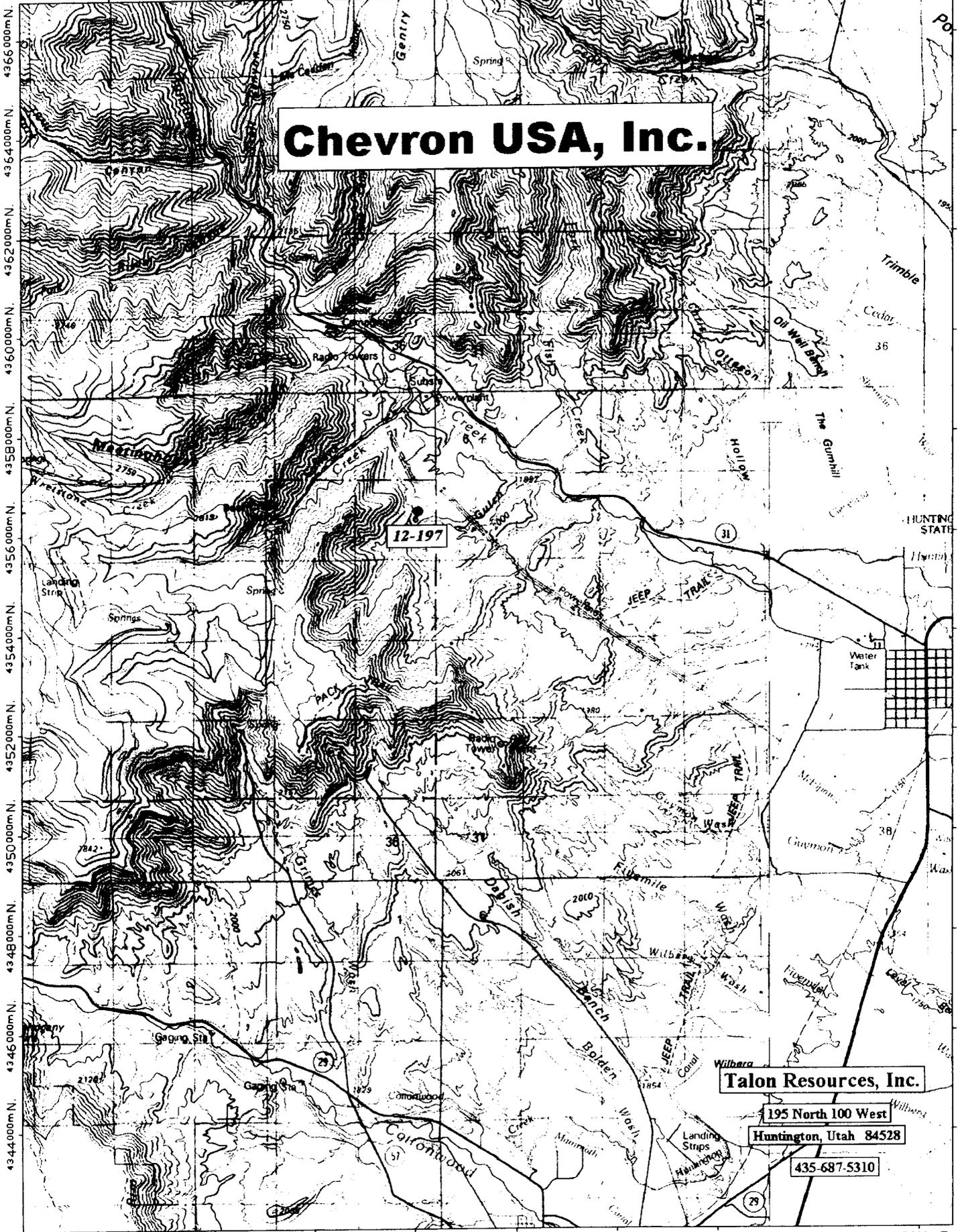
12-197

Talon Resources, Inc.

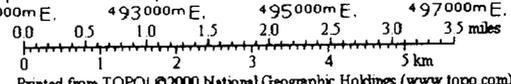
195 North 100 West

Huntington, Utah 84528

435-687-5310

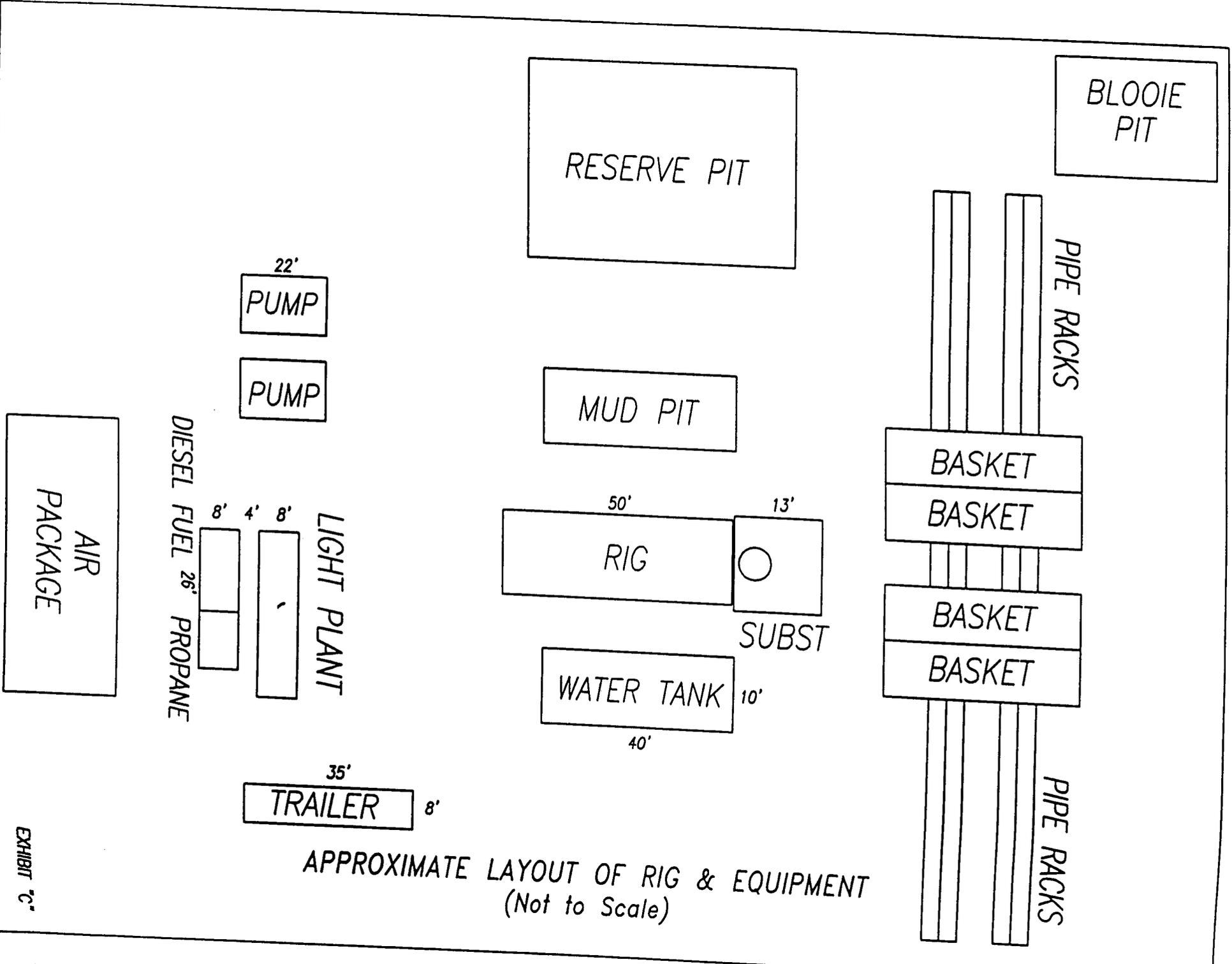


TN 13° MN



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487000m E. 489000m E. 491000m E. 493000m E. 495000m E. 497000m E. 499000m E. NAD27 Zone 12S 503000m E.



APPROXIMATE LAYOUT OF RIG & EQUIPMENT
(Not to Scale)

EXHIBIT 'C'

TYPICAL ROAD CROSS-SECTION

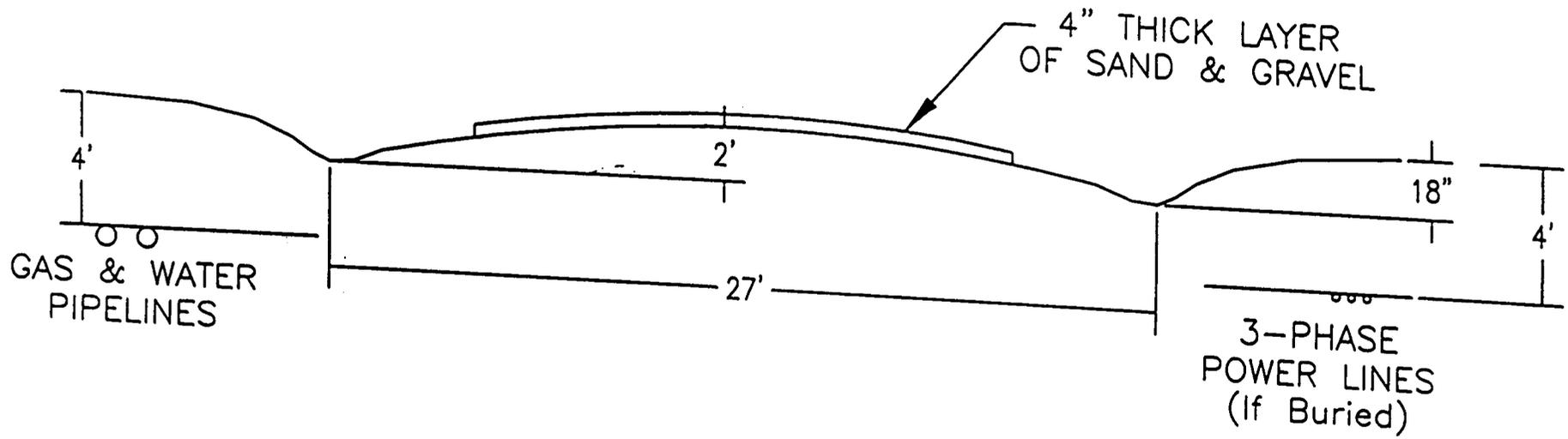


EXHIBIT "F"

BOP Equipment

3000psi WP

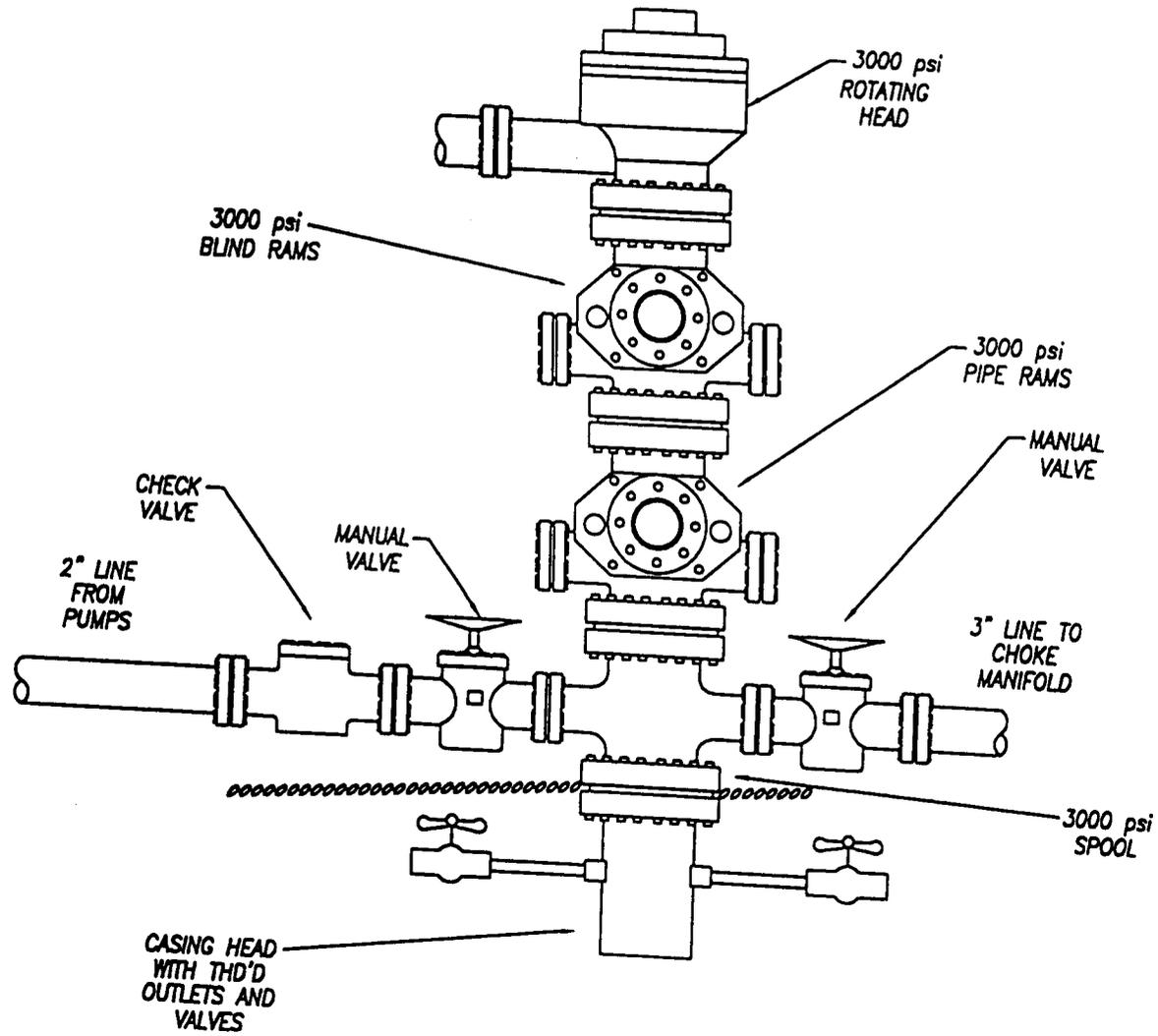
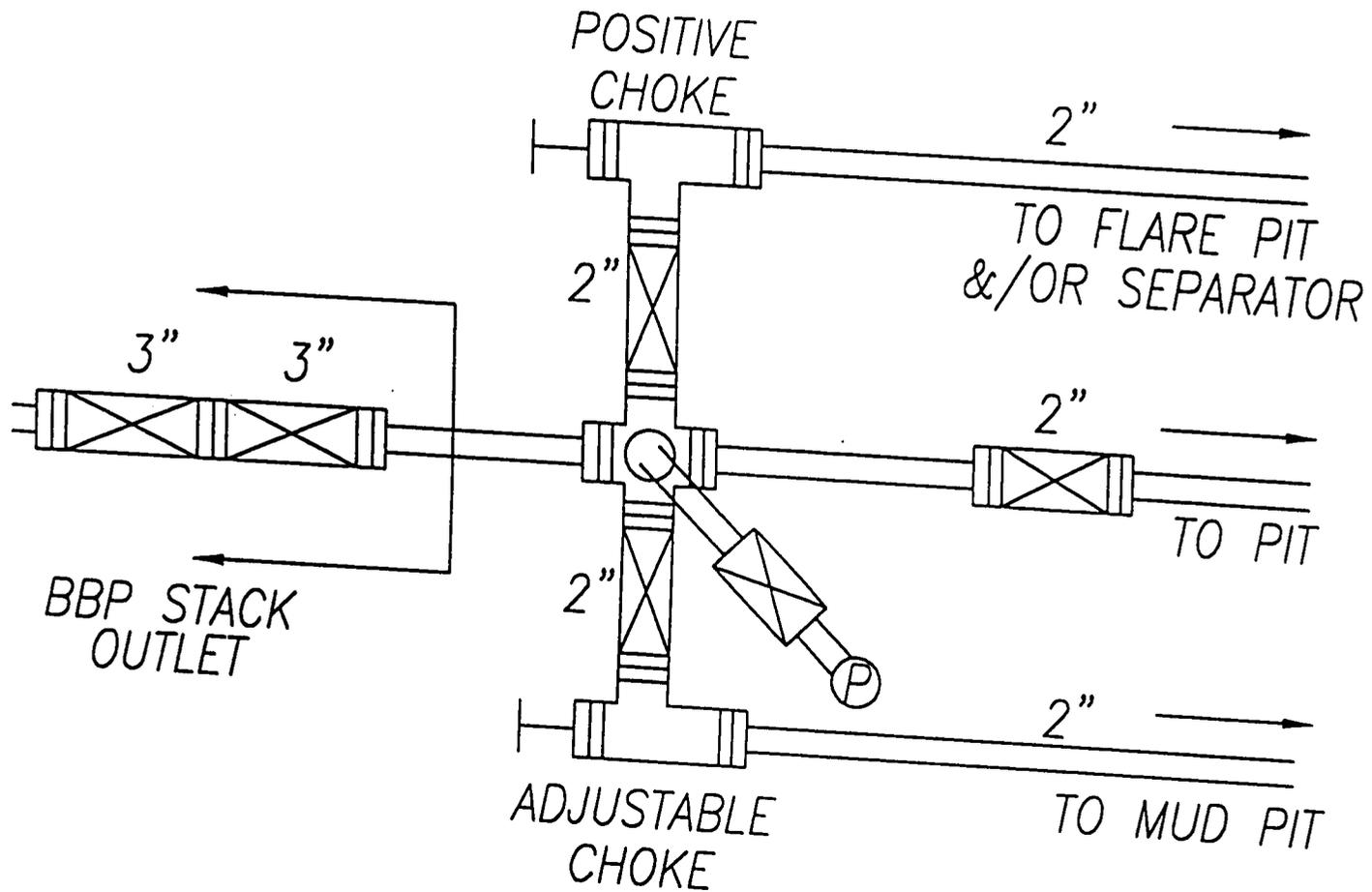


EXHIBIT "C"

CHOKE MANIFOLD



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/30/2003

API NO. ASSIGNED: 43-015-30591

WELL NAME: UTAH FED 12-197
OPERATOR: CHEVRON USA INC (N0210)
CONTACT: DON HAMILTON/AGENT

PHONE NUMBER: 435-687-5310

PROPOSED LOCATION:
SENE 12 170S 070E
SURFACE: 21~~56~~⁴² FNL 0~~905~~⁸⁸⁴ FEL
BOTTOM: 21~~56~~⁴² FNL 0~~905~~⁸⁸⁴ FEL
EMERY
BUZZARD BENCH (132)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-75666
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: FRSD

LATITUDE: 39.35956
LONGITUDE: 111.07987

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

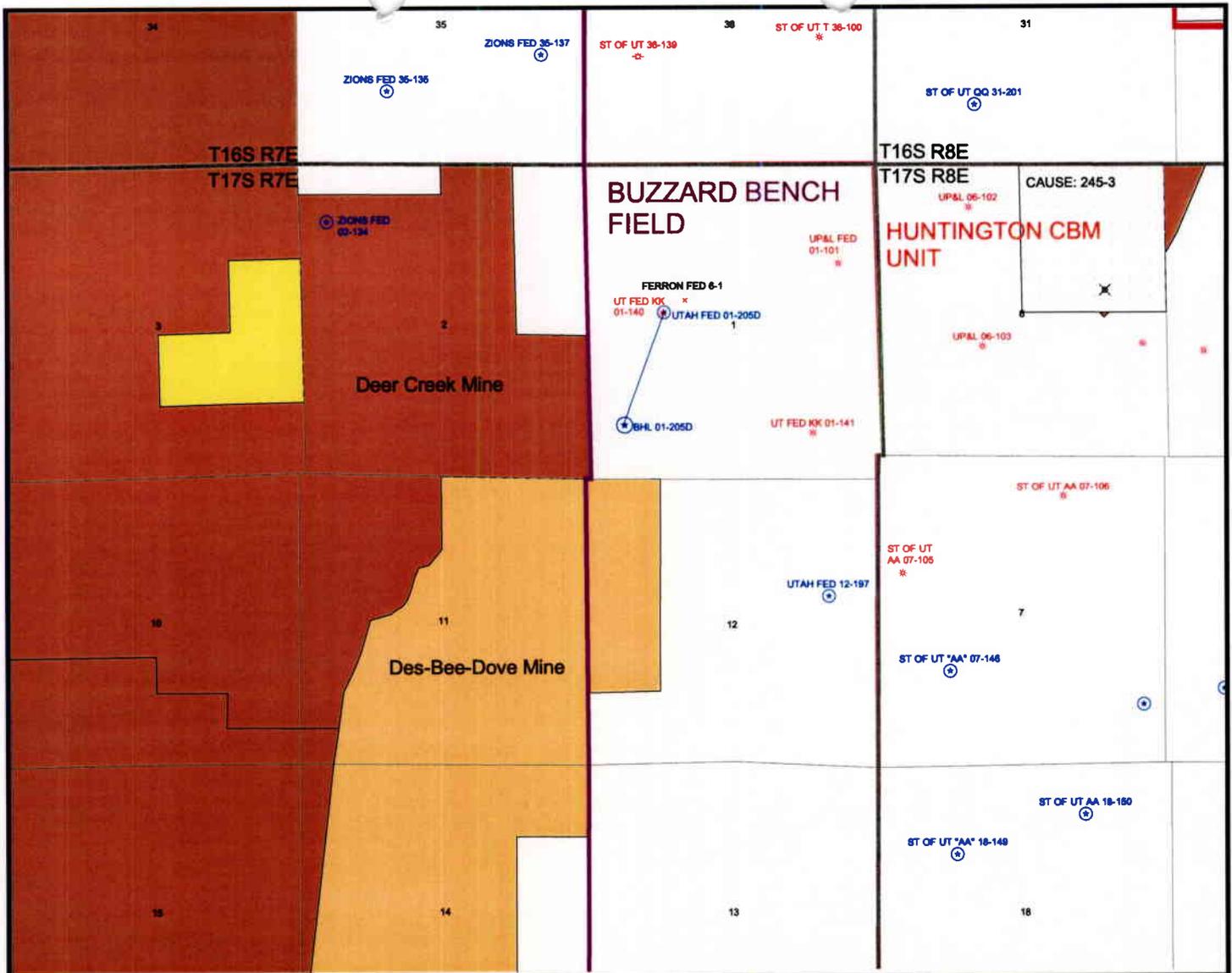
R649-3-3. **Exception.**

___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____

___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- federal approval
2- Spacing Str



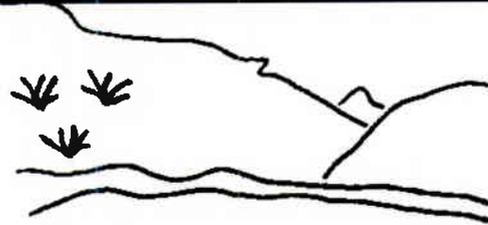
OPERATOR: CHEVRON USA INC (N0210)

SEC. 12 T17S, R7E

FIELD: BUZZARD BENCH (132)

COUNTY: EMERY

SPACING: R649-3-3 / EX LOCATION



Utah Oil Gas and Mining

WELLS

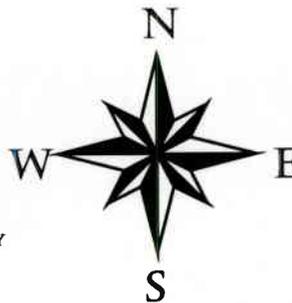
- ⤴ GAS INJECTION
- GAS STORAGE
- ✱ LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⬠ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- ✱ SHUT-IN OIL
- ✱ TEMP. ABANDONED
- ◻ TEST WELL
- ⊕ WATER INJECTION
- ⬠ WATER SUPPLY
- ⬠ WATER DISPOSAL

UNIT STATUS

- ◻ EXPLORATORY
- ◻ GAS STORAGE
- ◻ NF PP OIL
- ◻ NF SECONDARY
- ◻ PENDING
- ◻ PI OIL
- ◻ PP GAS
- ◻ PP GEOTHERML
- ◻ PP OIL
- ◻ SECONDARY
- ◻ TERMINATED

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 RECEIVED

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

5. Lease Designation and Serial No.
UTU-75666

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

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

8. Well Name and No.
Utah Federal 12-197

9. API Well No.
43-015-30591

10. Field and Pool, or Exploratory Area
Undesignated

11. County or Parish, State
Emery County, Utah

SUBMIT IN TRIPLICATE 2003 FEB 18 P 1: 35

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)
**2,156' FNL, 905' FEL
SE/4 NE/4, Section 12, T17S, R7E, SLB&M**

DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

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"/> Relocation of well site	<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 Utah Federal 12-197 well site has been relocated 25' by swapping the proposed vertical drill hole (12-197) with the proposed deviated hole (12-198D). All other aspects of the pad, drilling program and surface use plan remain the same and the well remains on Federal surface under the management of the USDA Manti La-Sal National Forest and Federal mineral.

The revised location for the Utah Federal 12-197 is 2,142' FNL, 884' FEL, SE/4 NE/4, Section 1, T17S, R7E, SLB&M.

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 13, 2003

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

XTO Energy, Inc.
Utah Federal 12-197
Lease U-75666
Surface Location, SE/NE Section 12, T17S, R7E
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.

Attachment 2

Additional Mitigations To The Surface Use Plan Operation

Gas Exploration/Development Utah Federal 12-197, 12-198D, 12-199, and 12-200D

1. No ground disturbing work may commence until the Forest Service approves (in writing) the final plans for construction of the access roads and drill pads on National Forest System lands. Bypass drainages and culverts must be properly sized based on the 50-year flood event. Plans must include best-management practices for sediment and erosion control. Project engineers and surveyors must be certified by the State in which they reside or maintain their business.
2. Before construction, reconstruction, or operation activities can commence, the operator must file a Spill Contingency and Control Plan with the Forest Service. The plan must identify the potential for spills to occur, activities that could result in spills, substances that could be spilled, identify appropriate containment/cleanup actions, and identify equipment/materials to be maintained in vehicles and at the drilling pad to contain or neutralize spilled materials. The plan must identify potentially affected parties, required contacts, and time frames for cleanup in the event of a spill. The plan must be consistent with the United States Environmental Protection Agency Region VIII Oil and Hazardous Substances Regional Contingency Plan. Copies of MSDS Sheets must be available at the project site at all times for all chemicals stored on National Forest System lands for approved operations or used for drilling operations on National Forest System lands.
3. A copy of the approved APD/SUPO with mitigations, the Spill Contingency and Control Plan, and other required permits must be available to personnel at all times on the project site. These permits must be available for inspection at the project site at all times during construction and drilling/testing operations upon request of Forest Service and BLM inspectors.
4. The Forest must be notified 2 business days in advance that heavy equipment will be moved onto National Forest Systems lands and that surface disturbing activities will commence. All equipment must be washed to remove all dirt and grease that may contain noxious weed seed, prior to being brought onto the forest.
5. The Forest Service must be notified of any proposed alterations to the Surface Use Plan of Operations. Any changes to the existing plan are subject to Forest Service review and approval.

6. The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth in Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as National Forest System Roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.
7. Section corners, survey markers and claim corners in the project area must be located and flagged by the operator prior to operations. The proper authority must approve the removal or disturbance of identified markers.
8. The company is responsible to follow Forest and State mandated fire restrictions. The Forest Service reserves the right to suspend operations during periods of high fire potential. On-site company personnel are required during flaring operations.
9. The Memorandum of Understanding with the State of Utah Air Conservation Committee will be implemented. This will assure project implementation activities meet the State and Federal Air quality standards.
10. Reclamation recontouring and reseeding of disturbed areas will be performed as soon as practicable (within the same drilling season).
11. Seeding shall be performed using the certified seed mix. The seed mixture must meet or exceed the pure live seed standards of the Utah Seed Law containing a maximum allowable weed content of less than 2 percent with no noxious weed species. Independent seed analysis is required on seeds to determine other undesirable weed species. The company is responsible for eradication of presently known noxious weeds and eradication of presently unknown noxious weeds that enter any disturbed areas. Below is the recommended seed mix.

Species	Scientific Name	Pounds/Acre
Intermediate Wheatgrass	Agropyron intermediae	2
Slender Wheatgrass	Agropyron trachycaulum	2
Western Wheatgrass	Agropyron smithii	2
Blue Bunch Wheatgrass	Agropyron spicatum	2
Ladak Alfalfa	Medicago sativa ladak	1
Mountain Brome	Bromus carinatus	2
Great Basin Wild Ryegrass	Elymus cinereus	1
Paiute Orchard Grass	Dactylis glomeratus	1
4-Wing Salt Bush	Atriplex canescens	1
	Total	14

12. Revegetation of disturbed areas shall be considered successful when (1.) seventy percent (70%) vegetation and crown cover is re-established over the entire disturbed area, (2.) of the vegetative cover, at least 90% of the living plants must be desirable native plants or seeded species, (3.) ground cover (vegetation, rock, litter) is at least 60%, (4.) there are no signs of active erosion, (5.) and the area is consistently free of noxious weeds. Adjacent undisturbed areas will be used as a base for comparison. If the desired ground cover is not established at the end of each 3-year period, the company will be required to do additional treatment and seeding.
13. An erosion and sediment control plan will be prepared as prescribed in the Soil and Water Conservation Practices Handbook. During operations the operator shall maintain seasonal erosion control and sediment containment structures.
14. Following completion of the project, the pad and project area must be recontoured to blend naturally with the surrounding area. Gravel will be salvaged and stockpiled in an area approved by the Forest Service.
15. The pad area must be fenced (let-down fence) and the project road must be adequately closed off to prevent continued use until the required reclamation standards are successfully achieved.
16. The operator is responsible for maintenance of reclamation facilities such as fences, barricades and temporary drainage structures until the desired reclaimed conditions are achieved.
17. A gate with proper signs/reflectors must be constructed on the pad access roads at the Forest boundary to prevent public access to the pads. The gate must be locked at any time when the pad is unoccupied by company personnel. The Forest Service must approve the gate design and signs prior to installation.
18. Surface aggregate shall be Forest Service gradation F and shall meet wear requirements contained in Forest Service Specifications for Construction of Roads and Bridges, section 703.05. Aggregate must be obtained from a verified weed free source.
19. Drill pads will be designed to prevent or diminish overland flow from entering the site during precipitation events. Pad sites will be sloped to drain all spills and on-site precipitation into the reserve pits. If necessary, pits will be pumped out to reduce their content and insure that overflow does not occur. Fluids will be disposed of off-Forest at a Utah State approved disposal site.
20. Unless otherwise approved plastic pit liners, trash, and garbage must be removed from the reserve pit and disposed of at a site approved to receive these materials, prior to backfilling.

21. Unless otherwise specified in the Forest Service conditions for approval the Surface-Use Plan of Operations, contaminated soils and gravel in the project area and the contents of the reserve pit, including the liner material, will be removed from the National Forest and disposed of at an approved facility. Exceptions may be granted if the operator can demonstrate non-toxicity through testing or isolation through encapsulation.
22. Sediment catchment structures will be added below critical construction areas to reduce sedimentation.
23. Warning signs, meeting MUTCD standards, will be installed at the entrance to road construction or reconstruction projects, at the junction of National Forest System Roads and work roads, and near dispersed camp areas ¼ mile from drilling operations to alert hunters and other Forest users to the presence of working equipment and crews.
24. Drill rigs and heavy equipment shall not be transported into the area during Federal and State holiday weekends or on the opening weekends of the general deer and elk seasons. The “weekends” include Friday.
25. Road and pad construction will be scheduled so as to not to conflict with the established elk and deer winter range protection period.
26. The company shall repair watershed contour furrows damaged during exploration operations as specified by the Forest Service.
27. Drilling operations shall be coordinated with grazing permittees.
28. Gates must be closed after entry unless otherwise specified.
29. The company is responsible to repair of damage to fences, cattle guards, resource improvements, roads, and other structures on National Forest System land that result from their operations. The Forest Service must be notified of damages as soon as possible.
30. Equipment is required to be maintained clean, operationally safe, and in good repair. All equipment will be thoroughly washed to remove accumulations of oil and grease, mud, soil, vegetative material and noxious weed seed prior to entering the forest. The company shall make equipment available for inspection by the responsible Forest officer prior to entering the Forest.
31. If cultural or paleontological resources are found during implementation of the project, operations will immediately cease at that location and the District Ranger will be notified. Unauthorized excavation, removal, or damage of archaeological resources is subject to fines and other penalties under authority of the Archaeological Resources Protection Act (ARPA) of 1979 (as amended).

32. The operator must obtain appropriate permissions and permits to use County, State, and private roads.
33. Dogs and other pets must be kept on a leash and prevented from chasing or otherwise harassing wildlife.
34. Appropriate measures must be taken to prevent fugitive dust on the access roads and pads. Watering and application of approved dust suppressants, such as magnesium chloride, will be applied as needed.
35. The operator is required to participate in the raptor-monitoring program conducted by the Utah Division of Wildlife Resources and the BLM, Price Field Office Wildlife Habitat Mitigation Program for the Price Coalbed Methane Project Program Area, 1998.
36. No construction or drilling operations will be allowed from December 1 through April 15 each year to minimize effects to wintering big game. Only maintenance of producing wells will be allowed during this period.
37. Only maintenance, servicing, and emergency repair of the wells and pipelines are allowed from December 1 through April 15. These activities include normal maintenance and repair of facilities. Emergency repairs are limited to those operations needed to repair water or gas leaks at the wellhead and pipeline or stop the uncontrolled release of other substances to the environment. It does not include work-over of the drill hole, but can include a one time per winter season (December 1 through April 15) servicing of the well with a truck-mounted service rig (not to exceed 3 days including snow removal) in the event that production decreases by more than 30% over a 60-day period as compared to the average production over the prior 6 month period.
38. During the wintering season (December 1 through April 15), routine maintenance visits must be kept to the minimum needed to maintain well facilities in working order and are subject to the following restrictions:
 - a. there will be no stopping along the roadways,
 - b. no straying from roadways of drill pads,
 - c. no shooting will be allowed,
 - d. dogs are not allowed,
 - e. visits will not be conducted during early morning or evening hours (visits may be conducted between 9:00 AM and 3:00 PM), with exceptions discussed in Mitigation 37 above.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Notify the Price Field Office at least 48-hours prior to commencing construction of location.

Spud- Notify the Price Field Office 24-hours prior to spudding. Submit written notification of spud (Sundry Notice, Form 3160-5) 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 that describe the progress and status of the well shall be submitted to the Moab Field Office on a weekly basis. This report may be in any format customarily used by the operator.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- Any modification to the proposed drilling program shall be submitted to the Moab Field Office on a Sundry Notice (Form 3160-5). Regulations at 43 CFR 3162.3-2 describe which operations require prior approval, and which require notification.

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, immediately notify the Price Field Office, and work that might disturb the cultural resources shall cease.

First 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 Price Field Office.

Notify the Moab Field Office when the well is placed into production. Initial notification may be verbal, but must be confirmed in writing within five business days. Please include the date production started, the producing formation and production volumes.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a *Well Completion or Recompletion Report and Log* (Form 3160-4) shall be submitted to the Moab Field Office within thirty-days after completion of the well. 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 to be shut-in until the gas can be captured or until approval to continue the venting/flaring pursuant to NTL-4A is granted. Compensation shall be due for gas that is vented/flared without approval.

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 of production prior to the sales measurement point. The term "commingling" describes both the combining of production from different geologic zones and/or combining production from different leases or agreement areas.

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

A "Subsequent Report of Abandonment" (Sundry Notice, 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:

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth;

Forest Service notification requirements are specified in the Surface Use Plan of Operations.

If the person at the above number cannot be reached, notify the BLM Moab Field Office at 435-259-2100.

Well abandonment operations require 24-hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained from:

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

**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-75666
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. Utah Federal 12-197
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 4356478 Y 39.35961 At proposed prod. zone 2,142' FNL, 884' FEL 493125 X -111.07980		9. API WELL NO. 43015-30591
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 6.7 miles northwest of Huntington, Utah		10. FIELD AND POOL, OR WILDCAT Undesignated
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drng. unit line, if any) 884'	16. NO. OF ACRES IN LEASE 2,560	11. SEC., T., R., M., OR BLK. SE/4 NE/4, Section 12, T17S, R7E, SLB&M
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2,100'	19. PROPOSED DEPTH 4,456'	12. COUNTY OR PARISH Emery
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6,785' 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	4,356'	135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes

Surface Owner: **USA—Manti La-Sal National Forest**
Surface Representative: **Tom Lloyd—P.O. Box 310, Ferron, Utah 84523; 435-636-3596**

Federal Bond Number: **S 304604**

*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 2-13-2003

(This space for Federal or State office use)
PERMIT NO. 43-015-30591 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 05-15-03
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

(N89°51'E - 2647.92')

(N89°31'W - 2665.08')

2141.8'

WELL #12-197
ELEVATION 6781.6'

UTM
N - 4356456
E - 493093

884.3'

S00°15'17"E - 3010.00'
(North - 3086.82')

S00°21'40"E - 2630.24'
(N00°08'W - 2628.12')

(S88°58'W - 2689.50')

(N87°53'W - 2603.04')

12

Township 17 South

(N00°13'W - 5224.56')

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:

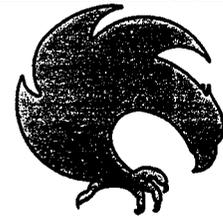
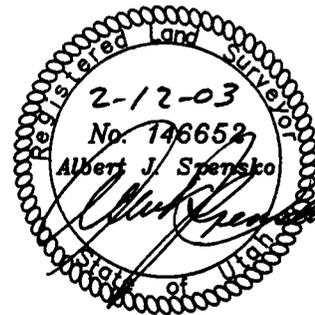
Basis of Elevation of 6608' being at the Northeast Section corner of Section 12, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the SE1/4, NE1/4 of Section 12; being 2141.8' South and 884.3' West from the Northeast Corner of Section 12, 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.



TALON RESOURCES, INC.

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

ChevronTexaco

WELL #12-197

Section 12, T17S, R7E, S.L.B.&M.

Emery County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 12/06/02
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 714

Legend

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

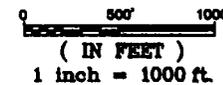
GPS Measured

NOTE:

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

LAT / LONG
39°21'34"
111°04'49"

GRAPHIC SCALE



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)

2,156' FNL, 905' FEL
SE/4 NE/4, Section 12, T17S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-75666

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Utah Federal 12-197

9. API Well No.

43-015-30591

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"/> Relocation of well site	<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 Utah Federal 12-197 well site has been relocated 25' by swapping the proposed vertical drill hole (12-197) with the proposed deviated hole (12-198D). All other aspects of the pad, drilling program and surface use plan remain the same and the well remains on Federal surface under the management of the USDA Manti La-Sal National Forest and Federal mineral.

The revised location for the Utah Federal 12-197 is 2,142' FNL, 884' FEL, SE/4 NE/4, Section 1, T17S, R7E, SLB&M.

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FEB 18 2003

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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 February 13, 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

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Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
UTU-75666

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

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

8. Well Name and No.
Utah Federal 12-197

9. API Well No.
43-015-30591

10. Field and Pool, or Exploratory Area
Undesignated

11. County or Parish, State
Emery County, Utah

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)
**2,142' FNL, 884 FEL
SE/4 NE4, Section 12, T17S, R7E, SLB&M**

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.

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MAR 26 2003
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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)

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

005

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)

2,142' FNL, 884 FEL
SE/4 NE4, Section 12, T17S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-75666

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Utah Federal 12-197

9. API Well No.

43-015-30591

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"/> Location Layout Change / Hydrology	<input type="checkbox"/> Conversion to Injection
		<input type="checkbox"/> Dispose Water

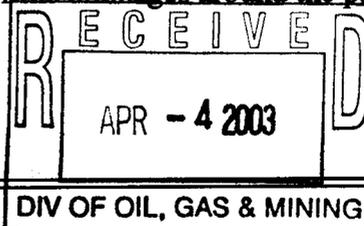
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to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

Attached is an updated location layout reflecting the following addition that was requested during the ID Team evaluation conducted on 2-25-03:

- An armored flat-bottom ditch structure that will gather flows from two areas, divert them around the pad, then release the flows onto an energy-dissipating apron to help insure the integrity of the pad and pit area and the long-term stability of the soil in the general area.

Please replace the respective location layout sheet of the previously submitted APD with the attached sheet reflecting the addition made during the evaluation.

Also attached is a hydrologic evaluation completed for the drainages around the pad area to supplement the previously submitted application.



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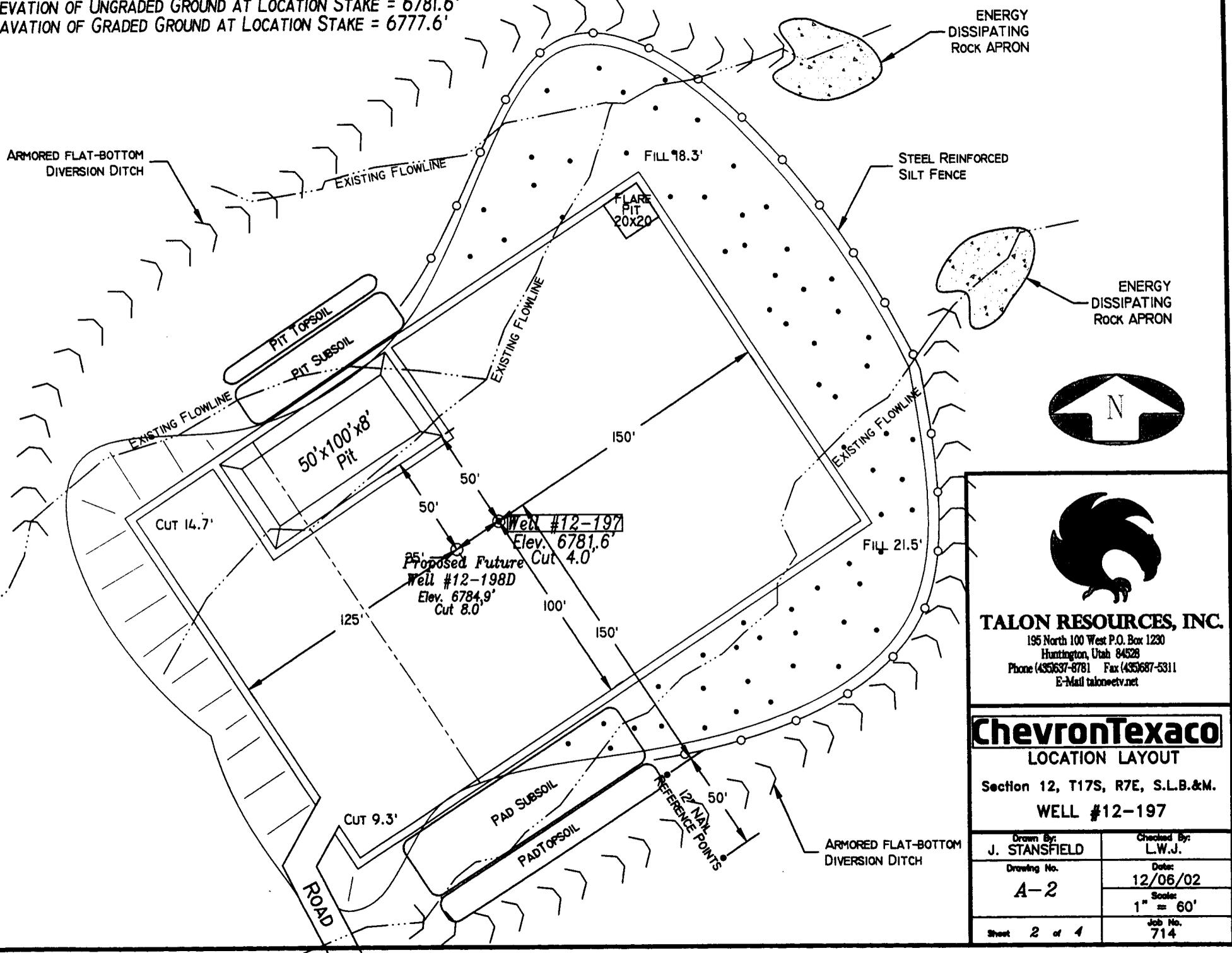
14. I hereby certify that the foregoing is true and correct

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

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6781.6'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6777.6'



TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)637-8781 Fax (435)687-5311
 E-Mail talonnetv.net

ChevronTexaco

LOCATION LAYOUT

Section 12, T17S, R7E, S.L.B.&M.
 WELL #12-197

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 12/06/02
	Scale: 1" = 60'
Sheet 2 of 4	Job No. 714

Hydrologic Analysis for the Drainage near Maple Gulch

This report summarizes the design and analysis of the culverts to be located near Maple Gulch at the proposed Chevron pad 12-197. This analysis is different and more complicated than the previous analyses because the area is smaller and the flows are smaller.

Figure 1 shows the watershed above the proposed culvert crossing on the map. The sub-basin drainage area is very small at only about **8 acres** (0.0125 sq. mi.). The mean elevation of the watershed is approximately 7000 ft. This figure was not automatically derived from the digital elevation model (DEM) as we have in the past. We modeled the flow paths automatically, and then we found the watershed boundary based on the paths that flow through the culvert location.

Because the watershed is so small, we could not use the NFF equations for the flowrate Q which we have used in the previous evaluations. We decided that the **Rational Equation** for Q is more appropriate. This equation is: $Q = C I A$ where: C is the runoff coefficient (see Table 2 and Table 3 below), I is the precipitation intensity in inches per hour (see Figure 2 and Table 3 below), and A is the drainage area in acres (see Figure 1 and Table 3 below).

The C value is a function of the soil type (group) and land use. Hydrologic soil groups for Utah and the culvert drainage area were obtained from the internet (see Figures 3 and 4). Precipitation values were obtained from the NOAA Atlas maps and plotted against precipitation duration (see Table 1 and Figure 2). The I values for use in the Rational Equation for different frequencies were determined from the duration time equal to the drainage area time of concentration of 8 minutes.

Table 1 gives the precipitation frequency data necessary to generate the intensity-duration-frequency curves for the flood flow analysis. These data come from the NOAA Atlas 2 maps for the Hiawatha Quad location in Utah.

Figure 2 shows the **IDS curves** derived from the NOAA data for the proposed culvert location. The desired 10-, 25- and 50-yr. precipitation intensities are determined from these curves. The I values are used in the Rational Equation to determine the 10-, 25- and 50-yr. flood flows.

Figures 3 and 4 respectively show the Hydrologic Soil Groups for Utah and around the watershed. The pink area is soil group D which is the most impervious soil type and produces the most runoff. The watershed area for the culvert analysis is entirely within soil **group D**.

Table 3 gives the results of the Rational Equation analysis for the different return periods. The value for **C** of **0.25** was selected based on soil group D and land use between pasture and woods. The I values were found from the IDF curves (Figure 2) for a time of concentration or duration of **8 minutes**. The projected **10-yr.** flood is **7.34 cfs**, the **25-yr.** flood is **8.93 cfs** and the **50-yr.** flood is **10.46 cfs** (all underlined in the table).

Based on the information given to us, the drainage wash at the culvert crossing has a depth of about 3 ft. Therefore, the road embankment was set at **3 ft. high** in the culvert analysis. We used a 40 ft. long culvert with a drop in elevation of 1.0 ft. for a slope of **2.5 %** (underlined).

Table 4 shows that a 1.5 ft. diameter culvert will carry the **10-yr.** flow of about 7 cfs with only **0.31 ft.** (1.81 ft. – 1.5 ft.) of **head** (underlined). If this flow is separated and directed into two culverts, the two 1.5 ft. culverts will easily carry each flow without any head. The table also shows that this 1.5 ft. culvert will carry the **25-yr.** flow of about 9 cfs with **0.84 ft.** (2.34 ft. – 1.5 ft.) of **head** (underlined).

In addition, the table shows that this 1.5 ft. culvert will carry the **50-yr.** flow of about 10.5 cfs with **1.33 ft.** (2.83 ft. – 1.5 ft.) of **head** (underlined). If this flow is separated and directed into two culverts, the two 1.5 ft. culverts will carry the divided 10.5 cfs without any head. Finally, the table shows that **10.9 cfs** will pass through the 1.5 ft. culvert **without overtopping** the 3 ft. high road embankment (underlined).

Table 5 shows that a 2.0 ft. diameter culvert will carry the **10-yr.** flow of about 7 cfs at a **1.43 ft. depth** in the culvert (underlined). The table also shows that this 2 ft. culvert will carry the **25-yr.** flow of about 9 cfs at a **1.68 ft. depth** (underlined). In addition, the table shows that this 2 ft. culvert will carry the **50-yr.** flow of about 10.5 cfs at a **1.87 ft. depth** (underlined). Finally, the table shows that **15 cfs** will pass through the 2 ft. culvert **without overtopping** the 3 ft. high road embankment (underlined).

We suggest that **one 1.5 ft. diameter culvert** will carry the 10-, 25- and 50-yr. floods with **acceptable head** and with no overtopping. If the flow is separated and directed to **two 1.5 ft. culverts**, the floods will create **no head** on the culverts nor overtopping of the embankment.

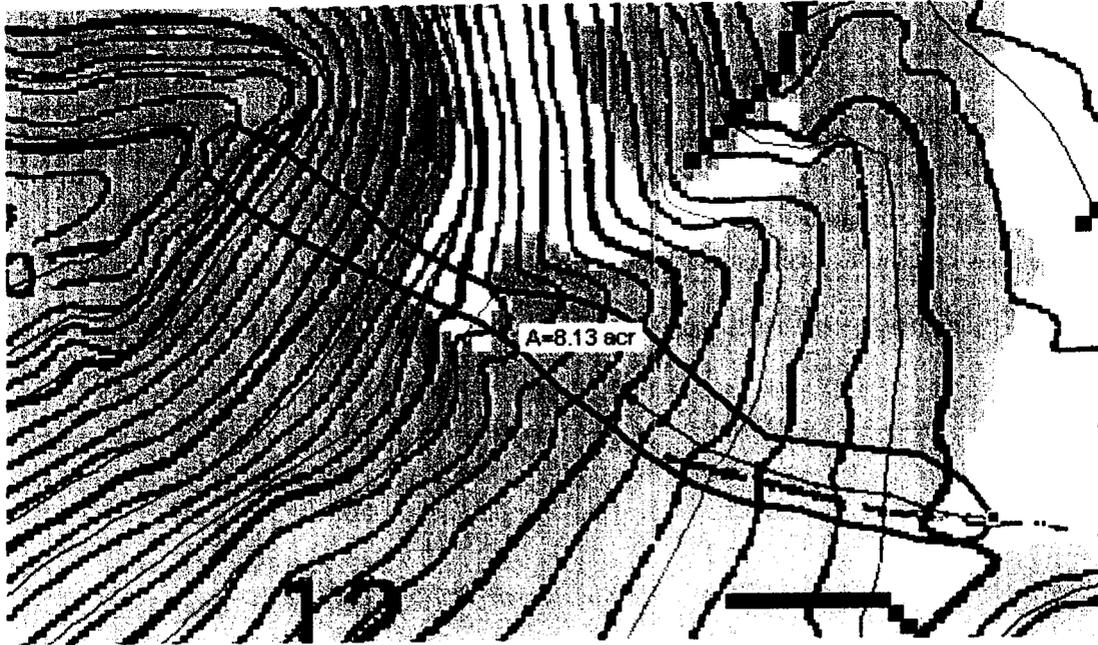


Figure 1. Watershed Delineation and Resulting Area

Table 1. Precipitation Frequency Data
 from NOAA Atlas 2
 Utah 39.3588°N 111.08°W

Map	Precipitation (inches)	Precipitation Intensity (in/hr)
2-year 6-hour	0.89	0.15
2-year 24-hour	1.23	0.05
100-year 6-hour	1.98	0.33
100-year 24-hour	2.80	0.12

IDF-Curves

Hiawath Quad, Utah

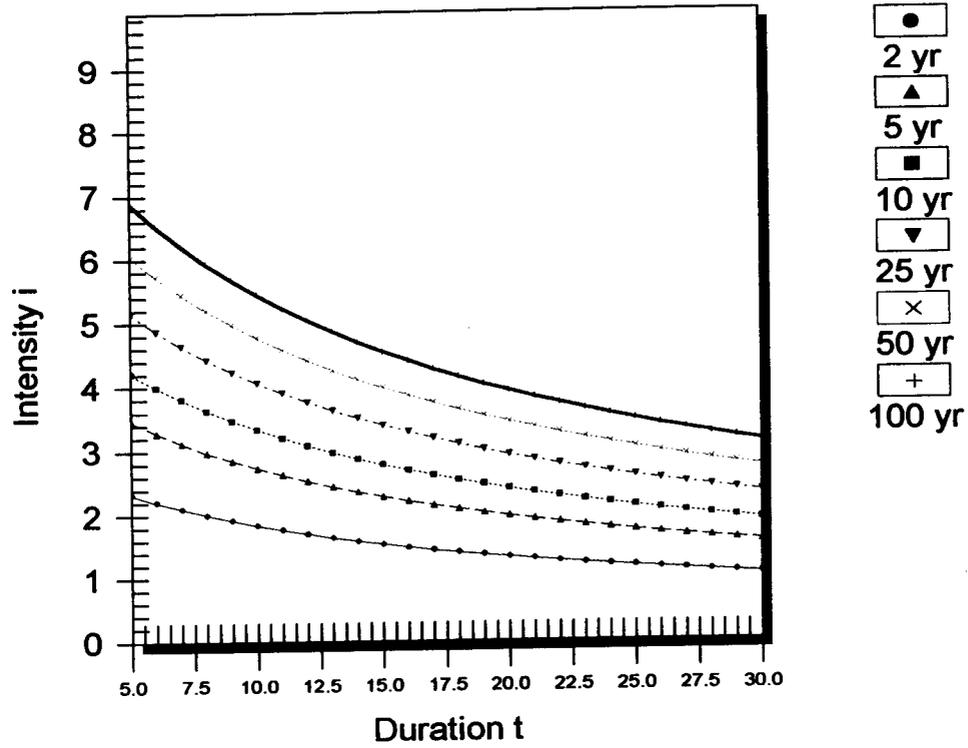


Figure 2. Intensity-Duration-Frequency Curves for Maple Gulch Area



Figure 3. Hydrologic Soil Groups for Utah

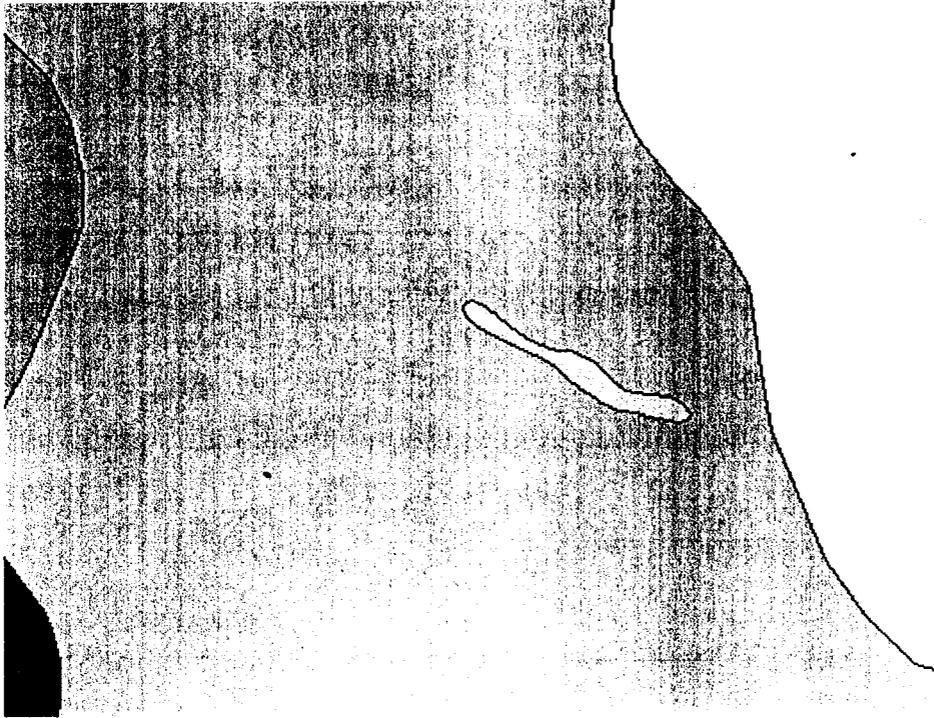


Figure 4. Watershed on Hydrologic Soil Group Map showing entire area in soil group D (see color key on Figure 3)

Table 2. Runoff Coefficients for Rational Equation

Land Use, Crop, and Management	Hydrologic Soil Group			
	A	B	C	D
CULTIVATED, with crop rotations				
Row Crops, poor management	.55	.65	.70	.75
Row Crops, conservation mgmt	.50	.55	.65	.70
Meadow			.30	.35 .40 .45
PASTURE, permanent w/moderate grazing	.10	.20	.25	.30
WOODS, permanent, mature, no grazing	.06	.13	.16	.20

Hydrologic Soil Group Descriptions:

A -- Well-drained sand and gravel; high permeability.

B -- Moderate to well-drained; moderately fine to moderately coarse texture; moderate permeability.

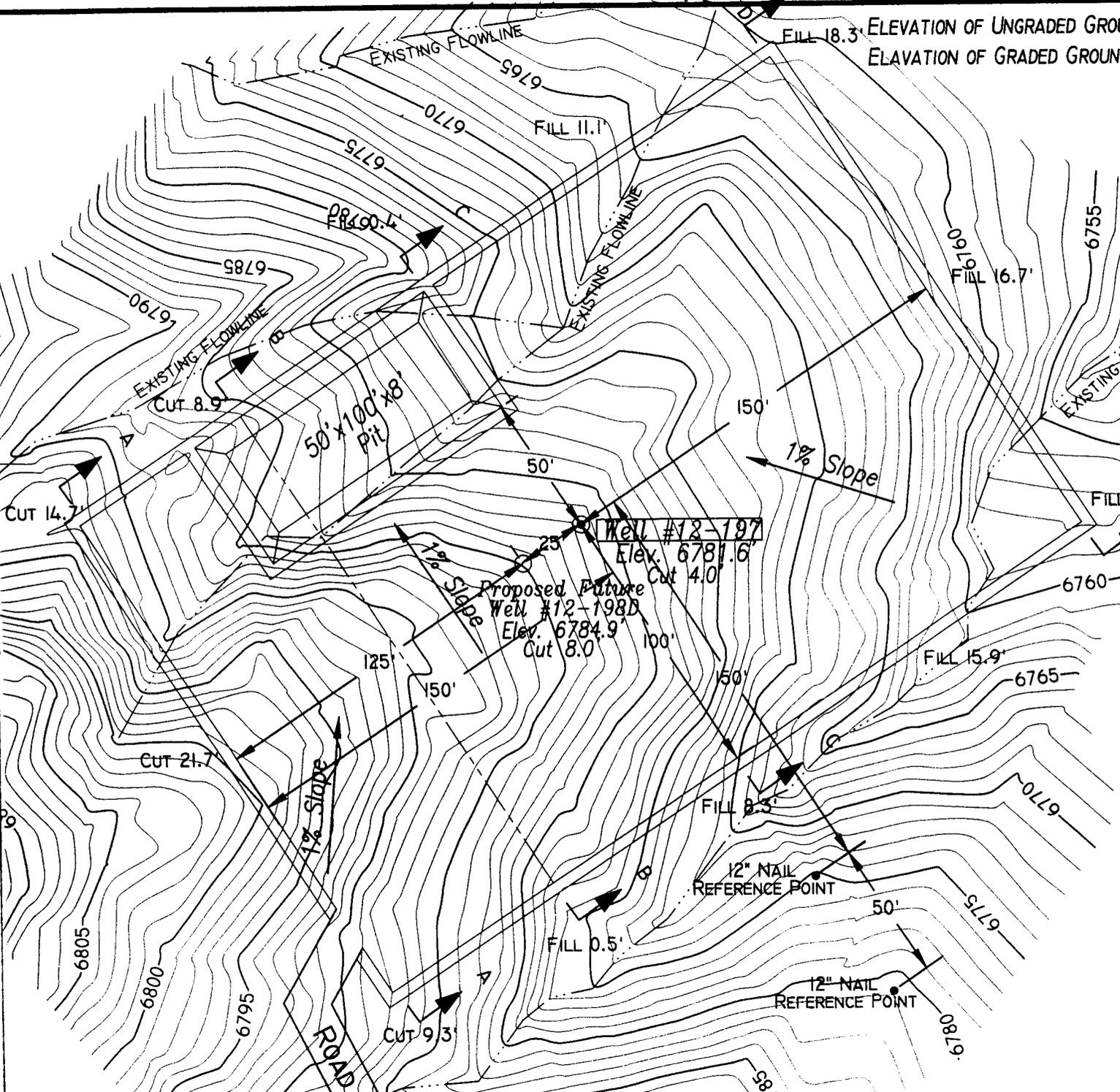
C -- Poor to moderately well-drained; moderately fine to fine texture; slow permeability.

D -- Poorly drained, clay soils with high swelling potential, permanent high water table, claypan, or shallow soils over nearly impervious layer(s).

Table 3. Flows computed from Rational Equation for the 3 Return Periods Including C, I and A values

Storm Q(cfs) C I(in/hr) A(acres)

FILL 18.3' ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6781.6'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6777.6'



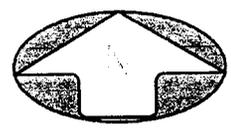
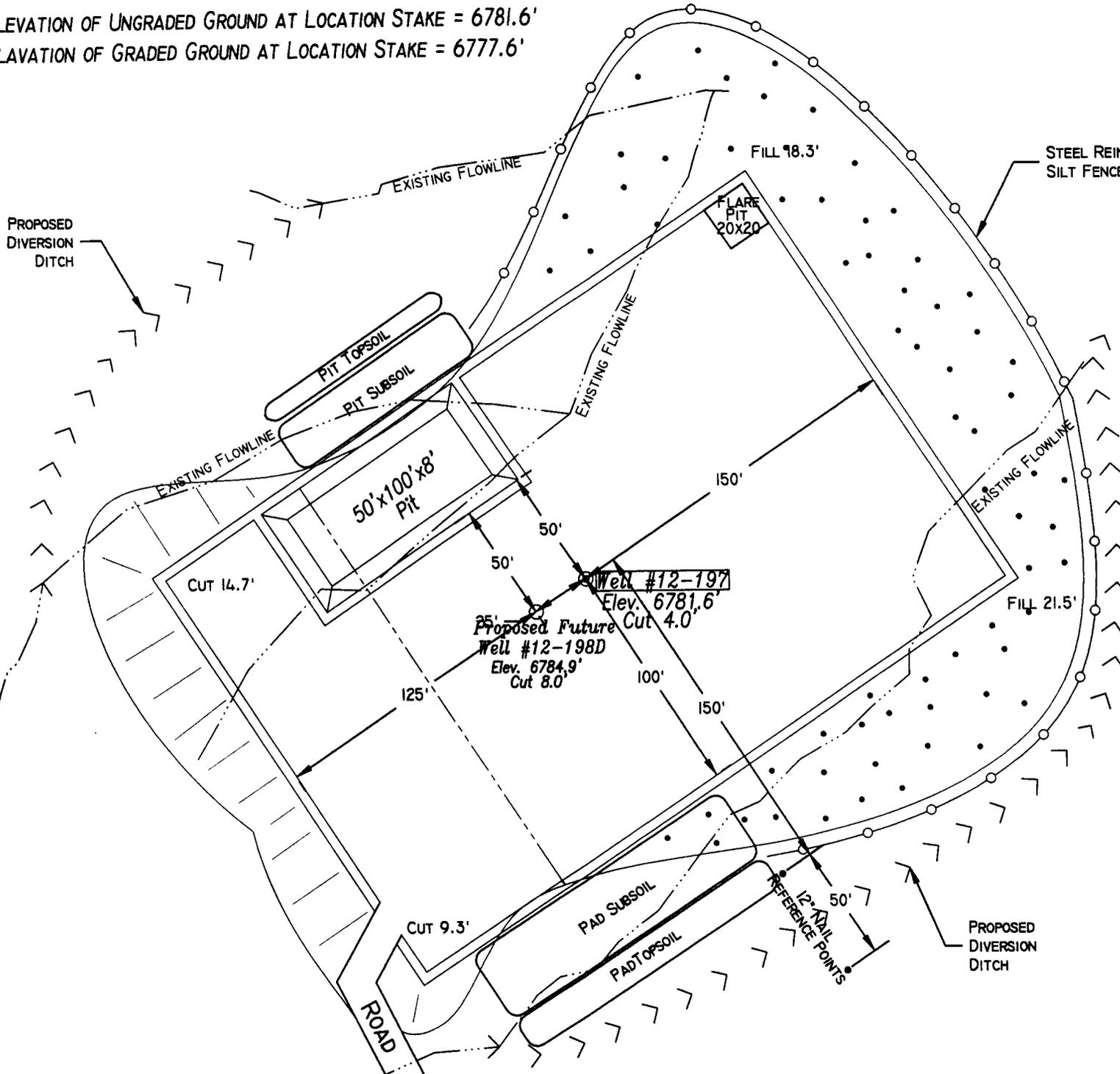
TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)637-8781 Fax (435)687-5311
 E-Mail talon@tqv.net

ChevronTexaco

LOCATION LAYOUT
 Section 12, T17S, R7E, S.L.B.&M.
 WELL #12-197

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 12/06/02
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 714

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6781.6'
 ELAVATION OF GRADED GROUND AT LOCATION STAKE = 6777.6'

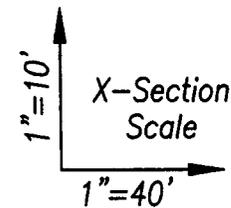
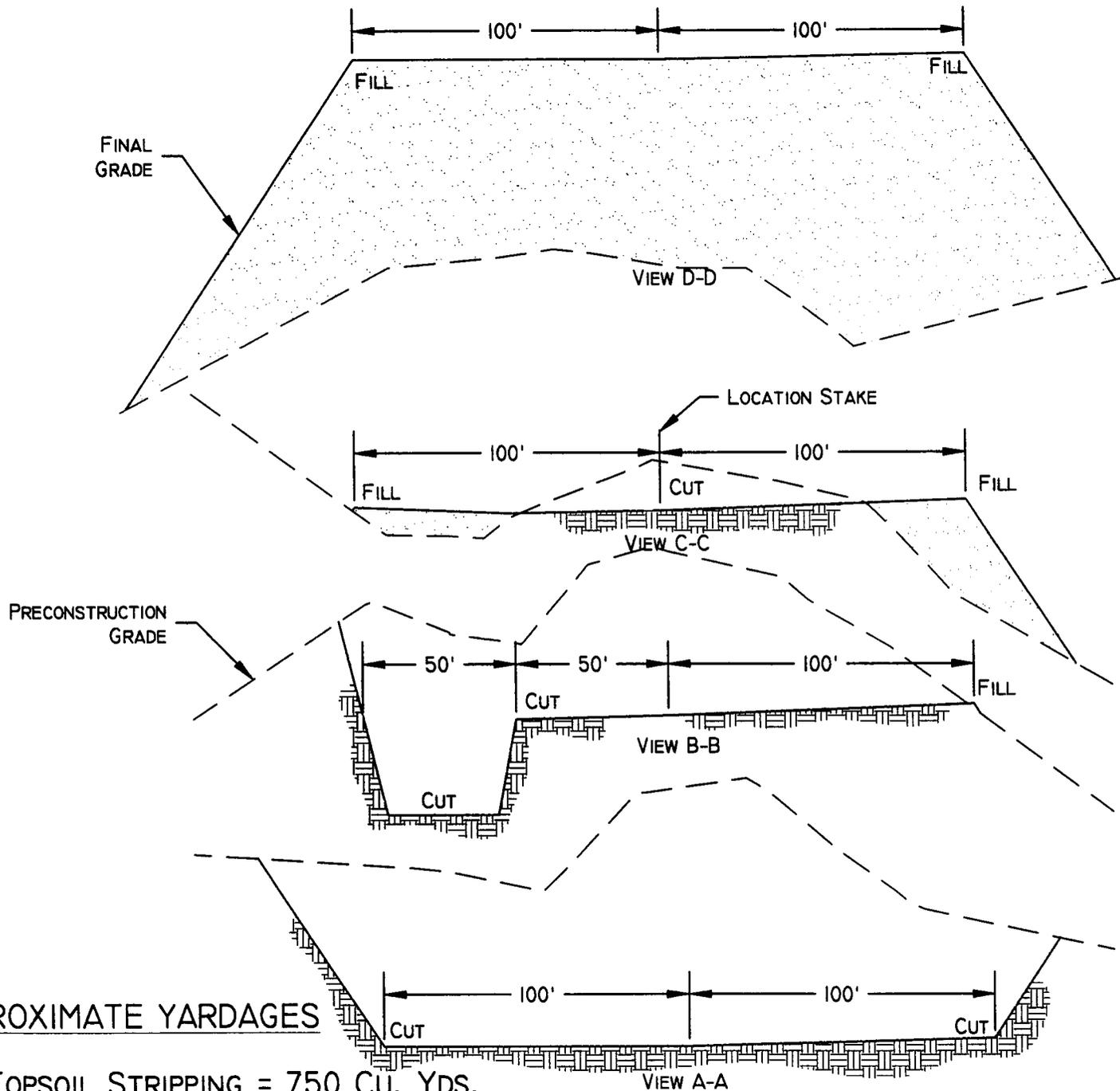


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LOCATION LAYOUT
 Section 12, T17S, R7E, S.L.B.&M.
 WELL #12-197

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 12/06/02
	Scale: 1" = 60'
Sheet 2 of 4	Job No. 714



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



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)637-8781 Fax (435)687-5311
 E-Mail talon@netv.net

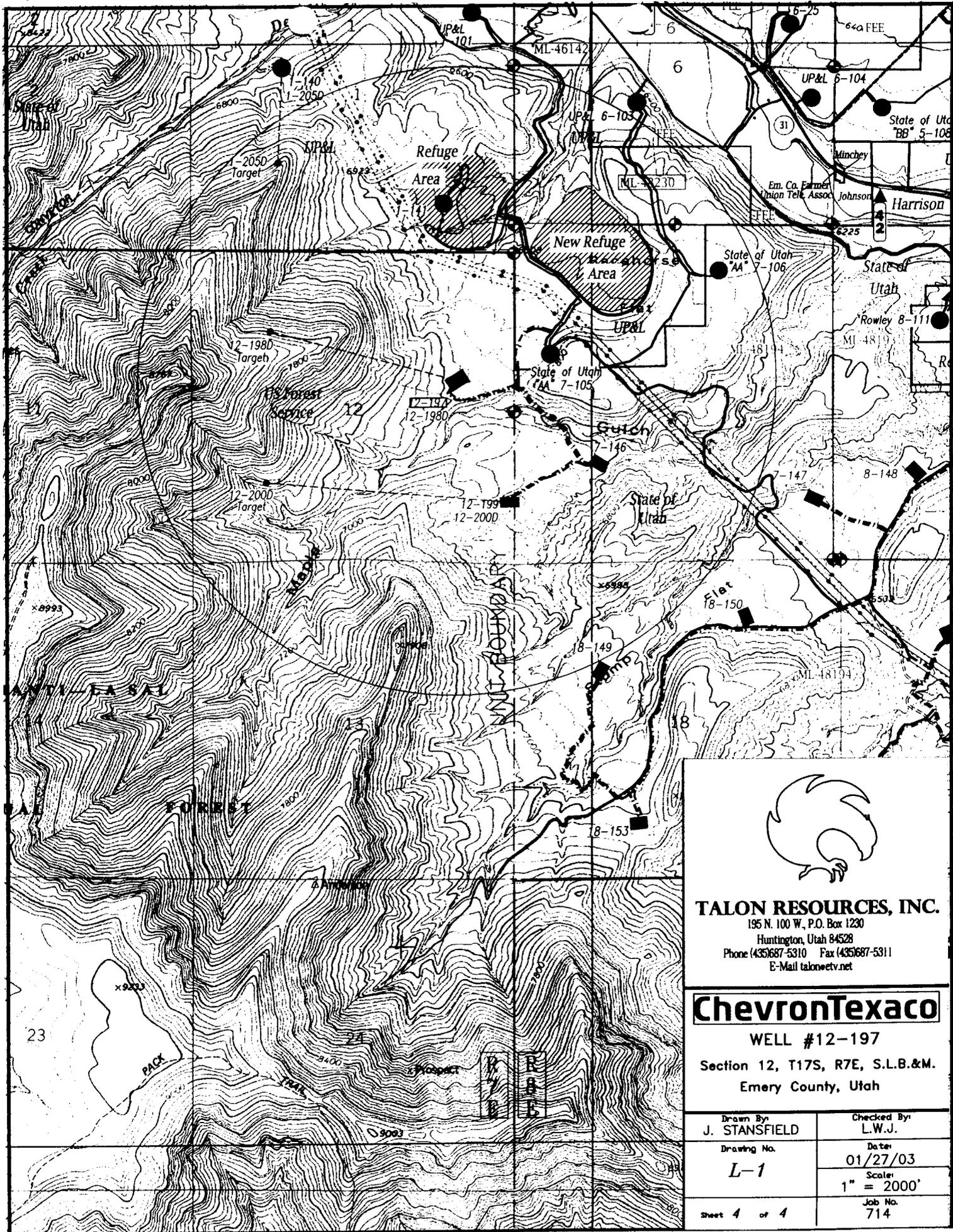
ChevronTexaco

TYPICAL CROSS SECTION
 Section 12, T17S, R7E, S.L.B.&M.
 WELL #12-197

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 12/06/02
	Scale: 1" = 50'
Sheet 3 of 4	Job No. 714

APPROXIMATE YARDAGES

CUT
 (6") TOPSOIL STRIPPING = 750 CU. YDS.
 REMAINING LOCATION = 9,575 CU. YDS.
 TOTAL CUT = 11,475 CU. YDS.
 TOTAL FILL = 10,600 CU. YDS.



TALON RESOURCES, INC.
 195 N. 100 W., P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@etv.net

ChevronTexaco
WELL #12-197
 Section 12, T17S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By J. STANSFIELD	Checked By L.W.J.
Drawing No. L-1	Date 01/27/03
	Scale 1" = 2000'
Sheet 4 of 4	Job No. 714

Mid-Continent Business Unit
North America/Upstream
11111 S. Wilcrest, Houston, TX 77099
P. O. Box 35366, Houston, TX 77236
Tel (281) 861-3815
Fax (281) 861-3576
hermee@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

MAY 1 2003

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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 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.pc
 corr\agp03-1

WAIVER

Company Name: FIRST NATIONAL COMPANY OF UTAH

Print Name: LYNDSEY A. JOE - VP

Signature: [Handwritten Signature]

Date: MAY 15, 2003

RECEIVED

MAY 15 2003

OFFICE OF THE CLERK

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,



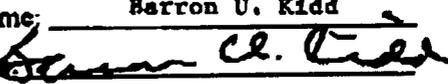
W. E. "Gene" Herrington

WTH:pa
corr/apr03-1

WAIVER

Company Name: Kidd Family Partnership Limited

Print Name: Barron U. Kidd

Signature: 

Date: April 4, 2003

REC-110

APR 11 2003

STAMING



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: Utah Federal 12-197 Well, 2142' FNL, 884' FEL, SE NE, Sec. 12, 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 43-015-30591.

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 Utah Federal 12-197
API Number: 43-015-30591
Lease: UTU-75666

Location: SE NE **Sec.** 12 **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.

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

009

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)
2,142' FNL, 884 FEL
SE/4 NE4, Section 12, T17S, R7E, SLB&M

5. Lease Designation and Serial No.
UTU-75666

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

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

8. Well Name and No.
Utah Federal 12-197

9. API Well No.
43-015-30591

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"/> Request for Exception to Spacing	<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.)*

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.

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 14, 2003

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

RECEIVED

MAY 20 2003

DIV. OF OIL, GAS & MINING

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
herrwe@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:

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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.

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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.

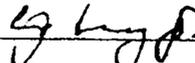
Very truly,



W. E. "Gene" Herrington

WEH.pc
corr\apr\03-1

WAIVER

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

Messrs. Kidd and Bruce

April 3, 2003

Page 2 of 2

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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,



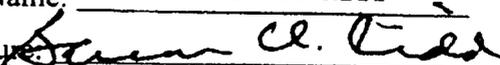
W. E. "Gene" Herrington

W.E.H.pc
corr\apr\03-1

WAIVER

Company Name: Kidd Family Partnership Limited

Print Name: Barron U. Kidd

Signature: 

Date: April 4, 2003

United States
Department of
Agriculture

Forest
Service

Manti-La Sal
National Forest

Supervisor's Office
599 West Price River Drive
Price, UT 84501
Phone # (435) 637-2817
Fax # (435) 637-4940

File Code: 2820-2

Date: March 1, 2004

Dear Participant:

Enclosed is a Record of Decision (ROD) that documents the Manti-La Sal National Forest decision to approve the Surface Use Plans of Operations (SUPO) for Chevron USA's proposed Utah Federal 12-197, 12-198D, 12-199 and 12-200D gas exploration/developments wells. The wells are located in the Maple Gulch area (Section 12, T. 17 S., R. 7 E., SLM, Emery County, Utah) immediately southwest of the fly ash refuse area for the Huntington Power Plant in Huntington Canyon. Two drill pads would be constructed. One vertical borehole and one directional borehole would be drilled on each pad, minimizing the amount of road construction and surface disturbance needed for the proposal. The wells are to be drilled during the 2004 field season.

The Forest Supervisor, Manti-La Sal National Forest, selected Alternative 2, which involves approval of the Surface Use Plan of Operations with mitigations for the protection of non-mineral resources. The decision was based on the environmental analysis documented in the Final Environmental Impact Statement, Ferron Natural Gas Project, 1999, as supplemented with site-specific information presented in the ROD and attachments. This decision was made in consultation with the Bureau of Land Management and their review of the Application for Permit to Drill, which includes the SUPO.

The Forest Service decision is subject to appeal under the regulations cited in the ROD. If you have any questions, contact Carter Reed (435-636-3547) at the Forest Supervisor's Office in Price, Utah or Tom Lloyd (435-636-3596) at the Price/Ferron Ranger District Office in Ferron, Utah.

Sincerely,


ALICE B. CARLTON
Forest Supervisor

Enclosure

cc:
D-2/3
BLM, Moab Field Office
Pat Gubbins, BLM Price Field Office

RECEIVED
MAR 03 2004
DIV. OF OIL, GAS & MINING



Record of Decision

Based on

**Final Environmental Impact Statement
Ferron Natural Gas Project
Final Environmental Impact Statement, 1999**

**Chevron USA, Inc.
Gas Exploration/Development
Utah Federal 12-197, 12-198D, 12-199, and 12-200D
Federal Oil and Gas Lease UTU-75666**

February 2004

Responsible Agency:	USDA Forest Service Intermountain Region Manti-La Sal National Forest
Responsible Official:	Alice Carlton Forest Supervisor Manti-La Sal National Forest 599 West Price River Drive Price, Utah 84501
Cooperating Agency:	Department of the Interior Bureau of Land Management Moab Field Office Moab, Utah 84532 Price Field Office Bureau of Land Management Price, Utah 84501
Information Contact:	Tom Lloyd Team Leader Manti-La Sal National Forest Ferron-Price Ranger District 115 West Canyon Road Ferron, Utah 84523 435-636-3596

I. INTRODUCTION

A. Proposed Action

The Forest Service's proposed action is to authorize Chevron USA to occupy National Forest System lands to drill four exploration/development wells within Federal Leases UTU-75666, consistent with their lease rights, applicable laws and regulation, and the Forest Plan direction for management of the National Forest System lands. Drilling operations (down-hole) would be authorized by approval of the Application for Permit to Drill (APD) by BLM. Authorization of surface operations would be granted by approval of the Surface Use Plan of Operation (SUPO) by the Manti-La Sal National Forest with conditions needed to mitigate effects.

The proponent's proposed action is to drill the wells and if possible, produce and market natural gas at a profit consistent with the rights granted by the Federal Oil and Gas Lease UTU-75666.

Below are the well names, location, and county (Attachment 1, Location Maps):

- **Utah Federal No. 12-197 and Utah Federal No. 12-198D**, Location: NE¼ Section 12, T.17 S., R.7 E., SLB&M, Emery County, Utah.
- **Utah Federal No. 12-199 and Utah Federal No. 12-200D**, Location: SE¼ Section 12, T.17 S., R.7 E., SLB&M, Emery County, Utah.

B. Purpose and Need

The Forest Service's purpose and need is to evaluate the environmental effects of the SUPO contained within the APD, and to assure compliance with applicable laws, regulations, and Forest Plan management direction (page III-12). The decision must be consistent with the rights granted by the oil and gas leases.

The proponent's purpose for this project is to assess the economic recoverability of its lease holdings. The proposed drilling program would provide geologic data necessary to assess oil and gas potential within Federal Oil and Gas Lease UTU-75666. If economic quantities of oil and gas were located, the well(s) would provide a means for the development of the gas reserves for marketing. Oil and gas is needed to meet future energy demands of the state and nation.

C. Decisions to be Made

The Forest Supervisor, Manti-La Sal National Forest, must decide whether or not to approve the SUPOs and, if approved, with what conditions for the protection of National Forest resources. The BLM Moab Field Office Manager must decide whether or not the APD is consistent with their drilling regulations, and if so, will administratively approve the APD. BLM's decision to approve APDs in the project area that are consistent with drilling/operating requirements was made in the Record of Decision, based on the Final Environmental Impact Statement, Ferron Natural Gas Project, 1999 (FEIS FNGP). Authority for the required decisions is provided in the Minerals Leasing Act of 1920, as amended, the Federal Onshore Oil and Gas Leasing Reform Act of 1987 (FOOGLRA), and regulations contained in 36 CFR

- The maximum dimensions of the drill pads (disturbed area) would be 400 by 320 feet, a disturbance of about 2.94 acres/pad. Steel reinforced silt fences would be constructed around the perimeters of the fill slopes. Diversion ditches would be constructed around the disturbed area to prevent surface waters from entering the disturbed areas.
- A reserve pit would be constructed and lined with an impermeable membrane to prevent groundwater contamination and would be used during drilling operations. Upon well completion, contents would be removed to an approved site and the reserve pit would be backfilled.
- The pads would include a berm to contain all fluids and precipitation entering the pad area. The pad would be sloped such that all fluids flow into the reserve pit.
- Project roads would be constructed with erosion and sediment controls to prevent damage and minimize sediment production.

To meet construction and drilling needs, water would be obtained from North Emery Water Users Association through a direct purchase. Additional waters, if available, would be properly and legally obtained according to State water laws. The location of diversion, if on National Forest Systems lands, is subject to Forest Service approval.

If the proposed wells prove to be productive, production facilities would be installed and the pads partially reclaimed to reduce disturbance to the minimum necessary for operations. Underground utility lines would need to be constructed from existing facilities located off-Forest to the Forest boundary, then follow the project roads to each well site. The utilities would be designed and constructed to minimize surface disturbance. They would be placed under and/or directly adjacent to the pad access roads. Underground utilities lines would include a gas production pipeline, electrical power and de-water pipeline. Any disturbed areas other than the immediate well site would be stabilized and revegetated with an appropriate seed mixture to reduce erosion potential.

If a dry well results, reclamation of the site would take place including draining and reclaiming the reserve pit, returning the disturbed area to approximate original contour, distribution of topsoil, fencing the drill site, and revegetation to specified standards.

E. Reasonably Foreseeable Development

If the proposed wells produce gas in economic quantities, Chevron planned to drill additional wells to the south of the proposed wells on Stump Flat on National Forest System lands. However, lease stipulations discussed in Addendum to Wildlife Resources Report, December 15, 2003 (pg. 3) and in included Attachment 2 (Additional Mitigations to Surface Use Plan of Operations), prevent maintenance visits relative to any additional wells during big-game wintering in the affected GWR Management Unit. Due to the lease restrictions and need to minimize effects to big-game during wintering, Chevron plans to limit development to one additional drill pad in the Stump Flat area on non-Federal lands to the east of the Forest boundary. One vertical and three directional wells would be drilled on this single pad; minimizing ground disturbance and human activity. This additional pad would be consistent with current field development plan analyzed in the FEIS-FNGP and further decrease the number of wells and pads originally anticipated and analyzed.

new access roads are not located within any of these areas; therefore there are no surface occupancy conflicts.

The lease contains a Timing Limitation Stipulation that prohibits construction and drilling activities in calving and fawning areas from May 1 through July 5. This stipulation does not apply since it has been determined in site-specific surveys that the project area is not a calving and fawning area.

The lease contains a Timing Limitation Stipulation (TL1) that prohibits high-intensity oil and gas activity (construction and drilling operations) in big-game wintering areas from December 1 through April 15. The stipulation specifies that these dates may be adjusted by up to 14 days at each end of this period, depending on actual weather and big-game use. The project lies within a General Big-Game Winter Range (GWR) Management Unit, therefore this stipulation applies. Construction and drilling activities will not be allowed to occur within the specified dates. This stipulation does not apply to normal operation and maintenance of producing wells.

The lease contains a Controlled Surface Use Stipulation (CSU-TH2) that limits surface disturbance within any General Big-Game Management Unit to 10% of the unit area. During the non-wintering season only the actual disturbed area is considered in the 10% disturbed area determination. During the wintering season, the 10% disturbance area includes the area potentially avoided by wintering big-game. A survey of the area was conducted by Forest wildlife biologists to determine the area of avoidance based on topography and habitat conditions (Addendum to Wildlife Resources Report, December 15, 2003). The Actual surface disturbance within the GWR Management Unit is calculated at 7.8 acres which is 1.1% of the 687-acre GWR unit affected. The avoidance area was calculated at 117 acres that is 17% of the GWR unit, which exceeds the 10% limit. With specifically identified operational mitigations, discussed in the Addendum to Wildlife Resources Report, December 15, 2003 (pg. 3) and included in Attachment 2 (Additional Mitigations to Surface Use Plan of Operations), it was determined that an exemption was warranted because this disturbance is not expected to hamper management objectives for big game populations. However no additional wells can be maintained and operated during the wintering period within this GWR unit.

The lease also contains a Controlled Surface Use Stipulation that limits surface disturbance within any Key Big Game Management Unit to 1% of the unit area. This stipulation does not apply to the current proposal since it lies within a GWR unit.

II. SUMMARY OF PUBLIC INVOLVEMENT

Project scoping for the FEIS FNGP was conducted in February 1997.

Project-specific scoping for the proposed Chevron wells was conducted in accordance with the project-specific Public Involvement Plan approved by the Forest Supervisor (project file). Scoping consisted of listing the project in the Manti-La Sal National Forest *Schedule of Proposed Actions* that was sent to numerous individuals and organizations on a quarterly bases and included on the Forest's Internet Website. Project-specific scoping letters were sent to 43 individuals and organizations on April 4, 2003. The individuals and organizations to whom letters were mailed include: Federal, State, and local governmental or land management agencies; environmental and interest groups or businesses; range

Since completion of the FEIS FNGP, the reasonably foreseeable activities that have actually occurred in the analysis area have been consistent with predictions presented in Chapter 5. One change is that the DesBeeDove Mine did not reopen and is being reclaimed and revegetated. No new major activities, substantially different than predictions, have been proposed or have taken place.

A. Issues Identified for the Proposed Action

The following described issues were identified through consideration of public comments and agency concerns. Issues were formulated considering the proposed action and cumulative activities in the area.

Wildlife

Construction, operations, traffic, and associated noise could affect raptors and wintering big game.

This issue was adequately evaluated in the FEIS PCBM (Direct and Indirect Effects) and FEIS FNGP (Cumulative Effects). The cumulative effects are adequately disclosed in the FEIS FNGP, pages 5-19 through 5-21.

Raptors and big-game species and potential effects of the proposed action were evaluated on a site-specific basis. The results were documented in: Wildlife Resources Report for the Chevron USA, Inc., Oil and Gas Drilling (Federal Oil and Gas Lease UTU-75666) Project, August 7, 2003 and Addendum to the Wildlife Resources Report, December 15, 2003. It was determined by the site-specific analysis and other activities in the area that the effects would be consistent with those disclosed in the FEIS FNGP.

Conditions required for the Chevron wells to mitigate effects to raptors and big-game are consistent those required in the Record of Decision, FEIS FNGP, 1999, for the remaining areas in the Ferron Natural Gas Field development project area. High intensity activities such as road and pad construction and drilling are not allowed during the primary big-game wintering season (December 1 through April 15). Chevron is required to participate in yearly raptor monitoring programs being conducted by qualified consultants funded by area oil and gas operators and the BLM, Price Field Office Wildlife Habitat Mitigation Program for the Price Coalbed Methane Project Program Area, 1998.

Lease stipulation requirements for the wells on National Forest System lands are more stringent than those discussed in the FEIS FNGP for the adjacent lands. Lease stipulations prevent disturbance of more than 10% of the Forest Plan GWR Management Unit, including avoidance areas during the wintering season. It has been determined that the disturbance regarding avoidance due to human activities would be approximately 17% of the GWR unit, which exceeds the limit, but with additional mitigations required as conditions for approval (Attachment 2, Mitigations 37 and 38) of the SUPO, the effects can be mitigated to an acceptable level, consistent with Forest Plan objectives (Addendum to the Wildlife Resources Report, December 15, 2003). In addition, maintenance operations for any additional wells would not be approved during the wintering season within the affected GWR Unit on National Forest System lands.

Social and Economic Effects

Operations would cause economic benefits but could stress existing community infrastructures, and decrease the quality of life

Cumulative effects are discussed in the FEIS FNGP, pages 5-26 through 5-32.

B. Issues Considered, but Dismissed From Further Analysis

Soil Erosion/Water Quality

Construction/operation of the drill pads and pad access roads would result in removal of vegetation and soil erosion.

Construction of the road, with proper drainage, gravel surfacing, and dust control measures, would prevent soil erosion consistent with current levels. Pads and pad access roads will be constructed with required drainage and sediment controls and in accordance with best management practices.

The effects to soils and erosion, would be negligible.

Soil Erosion and Water Quality are discussed cumulatively in the FEIS FNGP on pages 5-17 and 5-18 (Soils) and pages 5-11 and 5-12 (Water Quality).

Recreation

Construction of the pad access roads would provide better access to the area resulting in increased recreation use, decreased solitude, and vegetation damage.

Recreation use in the project area is very low and generally restricted to non-motorized uses due to off-road vehicle restrictions and controlled access to the area. The only road access to the project area is through the Huntington Power Plant Complex and is controlled by PacifiCorp with security measures required for this type of facility. Only authorized traffic is allowed to pass the security checkpoints. Motorized access is generally restricted to PacifiCorp employees, oil and gas operators, and inspectors from authorized agencies. Some hunting and sightseeing by horseback or hiking into the area probably takes place, but only little activity is known or suspected due to the difficulty of access. Increased recreation use and the effects to recreation users from the wells and roads would be negligible. The issue of increased use is not confined to the site-specific project area. Cumulative effects to Recreation are discussed in the FEIS FNGP, Page 5-23.

Disturbance to vegetation is considered in the FEIS FNGP, Pages 5-18 and 5-19.

Predicted disturbances included reopening of the DesBeeDove Coal Mine which did not occur. The land disturbances relative to this mine are currently being reclaimed while sediment control facilities are left to the last stage of reclamation after the other reclaimed areas meet revegetation

In the event that such resources are unearthed during excavation, the operator is required to cease operations and notify the Forest Service. A determination of significance and resource protection measures would be completed prior to allowing operations to continue.

IV. ALTERNATIVES

This section describes the alternatives that were evaluated in detail in the analysis and other alternatives that were dismissed from further evaluation. The alternatives that were evaluated in detail are described relative to the proposed action and how they relate to the alternatives evaluated.

A. Alternatives Evaluated in Detail

Alternative 1 - No Action Alternative - Under this alternative the Forest Supervisor, Manti-La Sal National Forest, would not consent to approval of the SUPOs currently proposed in the APDs.

Under this alternative, development of the coalbed methane fields would continue as approved in the BLM Record of Decision, 1999, for the Ferron Natural Gas Project and as analyzed in the FEIS (Alternative 2 - Proposed Action with Additional Environmental Protection Measures). The difference is that the 4 wells proposed by Chevron would not be drilled on National Forest System lands.

This alternative would not be consistent with the rights granted by the existing oil and gas lease since the lessee grants rights to explore for and produce gas reserves consistent with lease stipulations and applicable laws and regulations.

Alternative 2 – Approve the proposed APDs and SUPOs With Mitigations to Protect Non-Mineral Interests and Minimize Environmental Effects - Under this alternative, the Forest Supervisor, Manti-La Sal National Forest, would approve the SUPO with conditions (Attachment # 2) that would ensure consistency with Forest Plan objectives and minimize effects. BLM would assure consistency with their regulations regarding drilling operations and approve the APD with conditions. Since BLM has approved drilling operations as presented in the FEIS FNGP in their Record of Decision, dated July 6, 1999, BLM would not issue a new Record of Decision.

This alternative corresponds to Alternative 2 (Alternative 2 - Proposed Action with Additional Environmental Protection Measures) analyzed in the FEIS FNGP. The number of wells analyzed in the FEIS FNGP would remain the same, including the Chevron wells, since fewer wells are likely to be drilled than originally predicted in the analysis.

This alternative is consistent with rights granted under the lease and the Forest Plan.

B. Alternatives Dismissed from Further Evaluation

Alternative pad and road locations were evaluated and dismissed. The proposed site locations were evaluated by the Interdisciplinary Team and Chevron during the field reviews. Chevron proposed the most advantageous sites in the Surface Use Plans of Operations. Other sites were evaluated, but the

B. Forest Plan Direction

Forestwide Direction Leaseable Minerals

Forest Plan, Page III-35, Minerals Management Leaseable (01) "Negative recommendations, denials, or consent for leasing, permitting, or licensing will be based on site specific environmental assessments using appropriate standards and guidelines. Mitigations for these activities should minimize and/or mitigate effects or conflicts with other resource uses and should return disturbed lands to conditions compatible with the emphasis of the management unit or adjacent management unit."

I have decided to consent to the current proposal to allow gas exploration, subject to mitigations prescribed in Attachment 2, needed to mitigate the effects consistent with management emphasis for the affected management units. The mitigations in combination with Federal Regulations for permitting exploration (43 CFR 3102, 36 CFR 228E 106, and Appendix A) provide for management consistent with emphasis for individual Forest Plan Management Units.

Alternative 1 (No Action) would not be consistent with this direction. Alternative 2 (Consent to the proposed APDs With Mitigations to Protect Non-Mineral Interests and Minimize Environmental Effects), the selected alternative, would be consistent with this direction.

Management Unit Direction

GWR (General Big-Game Winter Range) Management Unit

Emphasis is on providing general big-game winter range. Permanent roads and special uses may be permitted. Short-term or temporary roads are obliterated and rehabilitated within one year after intended use. Motorized use is managed as appropriate to prevent unacceptable stress on big-game animals during the primary use season.

Management Unit Direction, Minerals Management General (G00), Forest Plan Page III-62/III-63:

01 Lease for oil and gas with the "Timing Limitation" stipulation (TL1) to prohibit construction and drilling from 12/1-4/15. Dates can be adjusted up to 14 days at each end of the season with exception, modification, or waiver. *Could be excepted if winter range is not being used.*

02 Lease for oil and gas with the "Controlled Surface Use" stipulation (CSU-TH2) to limit surface disturbance to 10% of any GWR. *Could be excepted if adjacent habitat is enhanced increasing GWR or KWR habitat in or adjacent to the unit disturbed.*

Alternative 2, the selected alternative, is consistent with this direction since provisions of the SUPO and additional requirements for approval of the SUPO (Attachment 2) would provide adequate mitigation.

The Beneficial uses and high quality water in the streams in the project area will be maintained during and following project implementation through proper implementation of BMP's and Project Design Features. No effects to the quality of water in Maple Gulch (ephemeral) or downstream perennial drainages (Huntington Creek) are anticipated.

Endangered Species Act of 1973, as Amended - Based upon the effects analysis in chapters four and five of the FEIS FNGP, the site-specific Biological Assessment (project file), and concurrence with the US Fish and Wildlife Service, it has been determined that there will be no adverse effects to populations of threatened, endangered, or candidate wildlife, fish, or plant species relative to the Selected Alternative.

Migratory Bird Treaty Act of 1918 - The Selected Alternative will retain viable populations of native species.

Forest Plan Management Indicator Species - Management Indicator Species (MIS) include elk, deer, golden eagles, goshawks, macroinvertebrates, and Abert squirrels (only on the Monticello District and not further discussed in this document). Effects to MIS are addressed in the Wildlife Resources Report for the Chevron USA, Inc., Oil and Gas Drilling Project, 8/7/03 and the Addendum to the Wildlife Resources Report, 12/15/03.

With required mitigations, the project will be generally consistent with management direction for big-game species. Effects are expected to be consistent with Forest Plan objectives.

There are three golden eagle nest sites located within 2 miles of the proposed drilling sites. The proposed project will not directly affect these nest sites or any other golden eagle nest habitat. They may forage in the vicinity of the project and they could be diverted to other areas, however the proposed project will not directly affect these nest sites or any other golden eagle nest habitat.

The project area consists of pinion-juniper and does not contain suitable habitat for goshawks. There will be no effects.

Effects to macroinvertebrate species will be negligible. The effected drainage is ephemeral and no downstream effects to Huntington Creek are anticipated due to the distance and best management practices.

American Antiquities Act of 1906 and Historic Preservation Act of 1966 - Based upon the project-specific survey, and consultation with the Utah State Historic Preservation, it has been determined that there will be no effects to any Historic, Archaeological, or Paleontological resources.

Clean Air Act, as Amended in 1977 - Based upon the effects analysis in chapters four and five of the the cumulative effects analysis in the FEIS FNGP (Page 5-17), it has been determined that there will be no measurable effects to air quality and that all alternatives will comply with State air quality requirements and the Clean Air Act.

- (1) fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;
- (2) assure for all Americans safe, healthful, productive, and esthetically and culturally pleasing surroundings;
- (3) attain the widest range of beneficial uses of the environment without degradation, risk to health, or safety, or other undesirable and unintended consequences;
- 4) preserve important historic, cultural, and natural aspects of our national heritage, and maintain, wherever possible, an environment which supports diversity and a variety of individual choice;
- (5) achieve a balance between population and resource use which permit high standards of living and a wide sharing of life's amenities; and
- (6) enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

From the perspective of causing the least amount of change to the natural environment, Alternative 1 (No Action) would be preferable. Considering a combination of all of the items described above, I believe that Alternative 2 best meets the goals of Section 101, and is therefore the environmentally preferable alternative for this proposed federal action.

Alternative 1 does not provide the best balance between socioeconomic benefits and effects to the natural environment. Therefore, I did not select it.

IX. IMPLEMENTATION DATE

This project can be implemented after conclusion of the 45-day appeal period plus 5 days for mailing if no appeals are received. In the event that an appeal is received, the appeal must be decided within 60 days of the end of the 45-day appeal period.

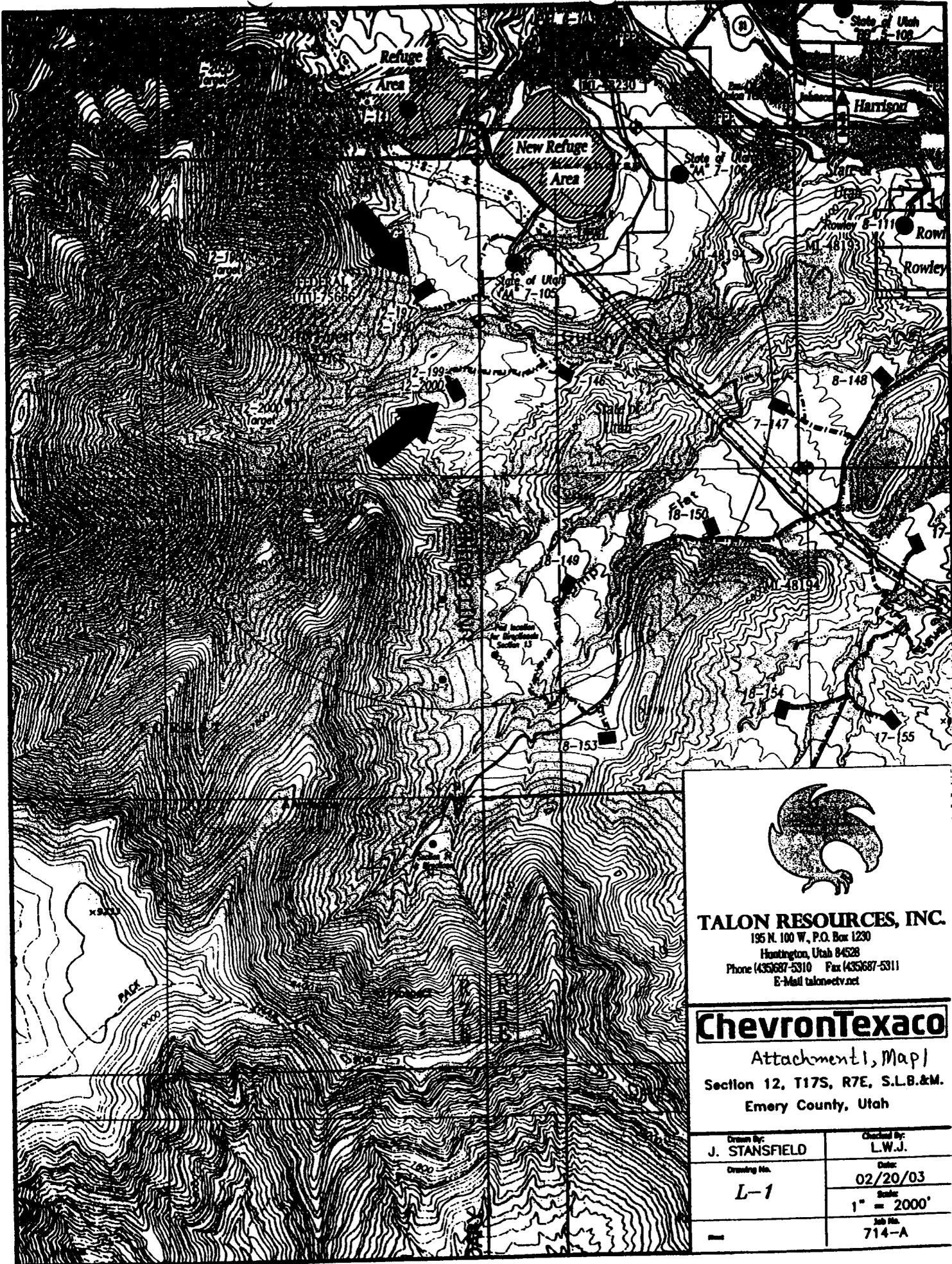
X. ADMINISTRATIVE REVIEW

This decision is subject to appeal pursuant to 36 CFR 215.7. Any written appeal must be postmarked or received by the Appeal Deciding Officer within 45 days of the publication of a legal notice in the *Sun Advocate*. The Appeal Deciding Officer is: Regional Forester, Intermountain Region, 324-25th Street, Ogden, UT 84401. Appeals must meet the content requirements of 36 CFR 215.14.

This decision is subject to appeal pursuant to 36 CFR 251.82. Notice of appeal must be postmarked or received by the Appeal Reviewing Officer within 45 days of the date of this decision. A notice of appeal, including the reasons for appeal, must be filed with the Regional Forester, Intermountain Region, Federal Building, 324-25th Street, Ogden, Utah 84401. A copy of the notice of appeal must be

Attachment 1

Project Maps



TALON RESOURCES, INC.
 195 N. 100 W., P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talonectv.net

ChevronTexaco

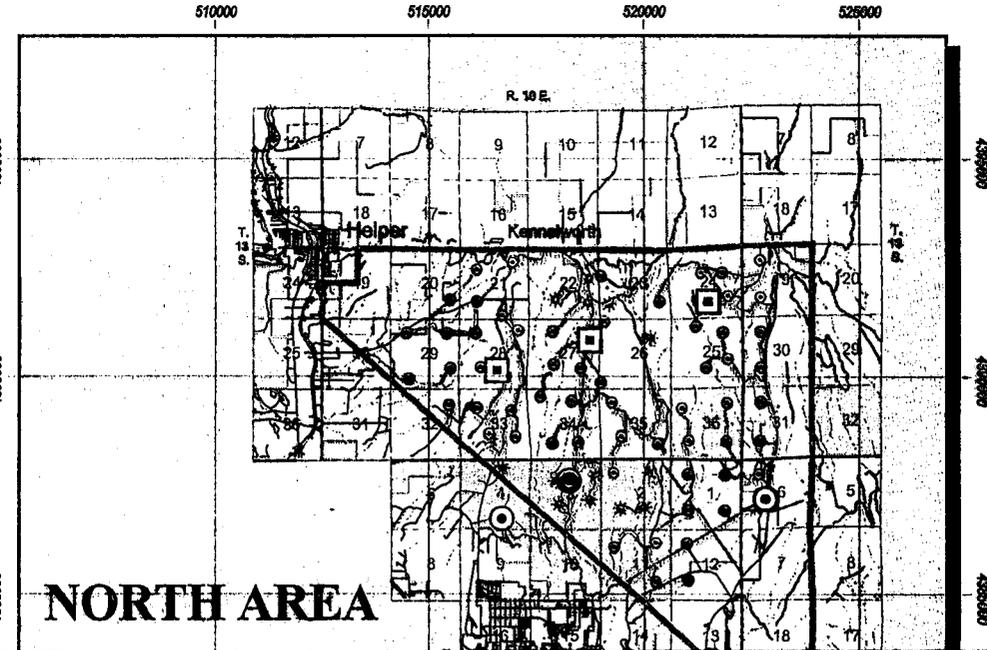
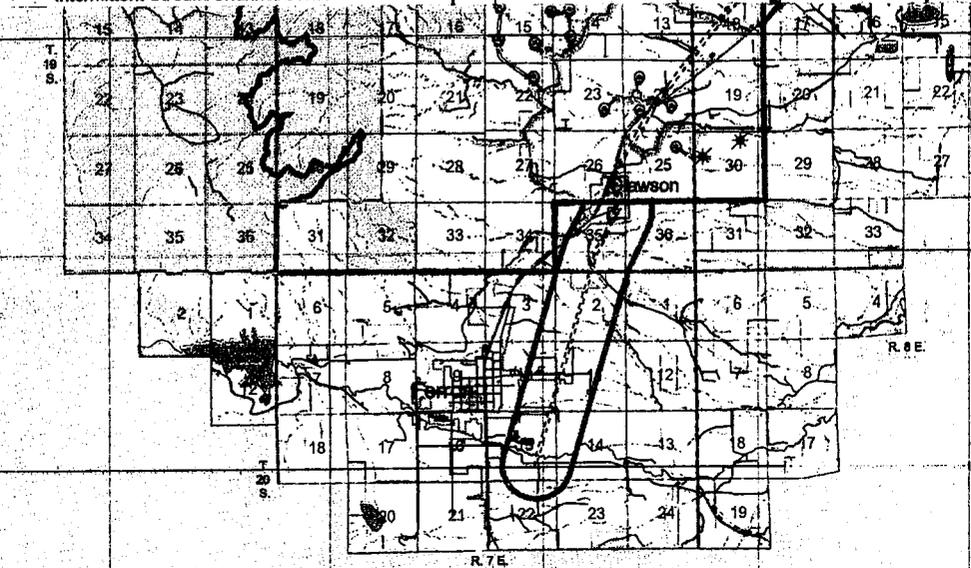
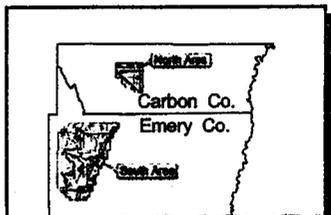
Attachment 1, Map 1
 Section 12, T17S, R7E, S.L.B.&M.
 Emery County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. L-1	Date: 02/20/03
	Scale: 1" = 2000'
	Job No. 714-A

LEGEND

- EIS Project Area Boundary & Pipeline Corridor
- National Forest Boundary
- Primary Road
- Secondary/ Unimproved Road
- Railroad
- Proposed Anadarko Well
- Proposed Texaco Well
- Proposed Chandler Well
- Existing Texaco Well
- Existing Chandler Well
- Company Shut-in Well
- Non-company Shut-in Well
- Proposed Local Road
- Proposed Resource Road
- Potentially Upgraded Road
- Proposed Central Production Facility
- Proposed Compressor Station
- Existing Central Production Facility
- Proposed Questar Pipeline
- Existing Pipeline
- Powerline
- Perennial Stream
- Intermittent Stream/Channel/Canal

Map Location



NORTH AREA

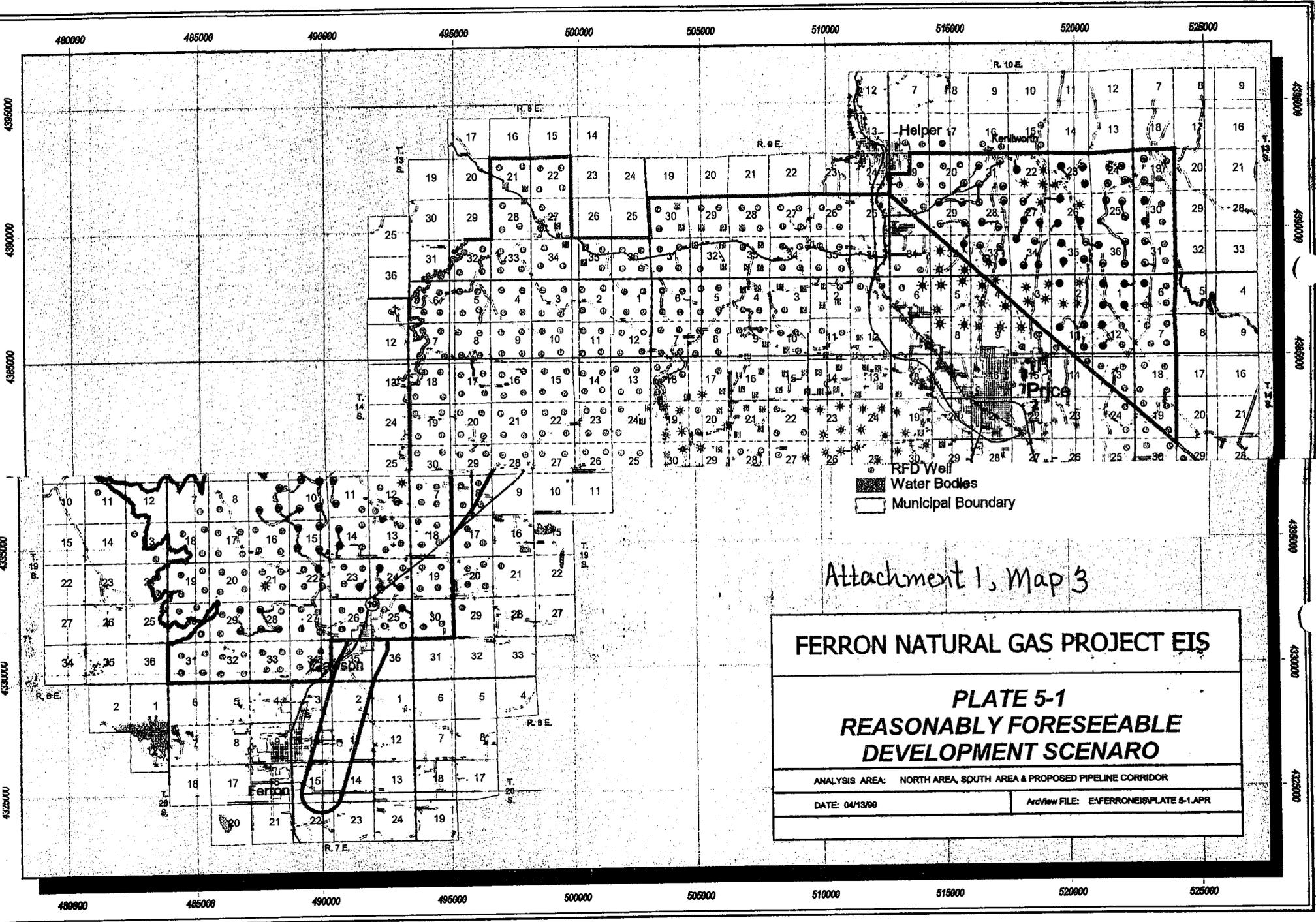
Attachment 1, Map 2

FERRON NATURAL GAS PROJECT EIS	
PLATE 2-4 ALTERNATIVE 2	
ANALYSIS AREA: NORTH AREA, SOUTH AREA & PROPOSED PIPELINE CORRIDOR	
DATE: 94/13/99	ArcView FILE: E:\FERRON\BIS\PLATE 2-4.APR

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Attachment 1, Map 3

FERRON NATURAL GAS PROJECT EIS	
PLATE 5-1	
REASONABLY FORESEEABLE DEVELOPMENT SCENARIO	
ANALYSIS AREA: NORTH AREA, SOUTH AREA & PROPOSED PIPELINE CORRIDOR	
DATE: 04/13/99	AutoView FILE: E:\FERRONEIS\PLATE 5-1.APR

Attachment 2

Additional Mitigations To The Surface Use Plan Operation Chevron USA, Inc. Gas Exploration/Development Utah Federal 12-197, 12-198D, 12-199, and 12-200D

1. No ground disturbing work may commence until the Forest Service approves (in writing) the final plans for construction of the access roads and drill pads on National Forest System lands. Bypass drainages and culverts must be properly sized based on the 50-year flood event. Plans must include best-management practices for sediment and erosion control. Project engineers and surveyors must be certified by the State in which they reside or maintain their business.
2. Before construction, reconstruction, or operation activities can commence, the operator must file a Spill Contingency and Control Plan with the Forest Service. The plan must identify the potential for spills to occur, activities that could result in spills, substances that could be spilled, identify appropriate containment/cleanup actions, and identify equipment/materials to be maintained in vehicles and at the drilling pad to contain or neutralize spilled materials. The plan must identify potentially affected parties, required contacts, and time frames for cleanup in the event of a spill. The plan must be consistent with the United States Environmental Protection Agency Region VIII Oil and Hazardous Substances Regional Contingency Plan. Copies of MSDS Sheets must be available at the project site at all times for all chemicals stored on National Forest System lands for approved operations or used for drilling operations on National Forest System lands.
3. A copy of the approved APD/SUPO with mitigations, the Spill Contingency and Control Plan, and other required permits must be available to personnel at all times on the project site. These permits must be available for inspection at the project site at all times during construction and drilling/testing operations upon request of Forest Service and BLM inspectors.
4. The Forest must be notified 2 business days in advance that heavy equipment will be moved onto National Forest Systems lands and that surface disturbing activities will commence. All equipment must be washed to remove all dirt and grease that may contain noxious weed seed, prior to being brought onto the forest.
5. The Forest Service must be notified of any proposed alterations to the Surface Use Plan of Operations. Any changes to the existing plan are subject to Forest Service review and approval.

12. Revegetation of disturbed areas shall be considered successful when (1.) seventy percent (70%) vegetation and crown cover is re-established over the entire disturbed area, (2.) of the vegetative cover, at least 90% of the living plants must be desirable native plants or seeded species, (3.) ground cover (vegetation, rock, litter) is at least 60%, (4.) there are no signs of active erosion, (5.) and the area is consistently free of noxious weeds. Adjacent undisturbed areas will be used as a base for comparison. If the desired ground cover is not established at the end of each 3-year period, the company will be required to do additional treatment and seeding.
13. An erosion and sediment control plan will be prepared as prescribed in the Soil and Water Conservation Practices Handbook. During operations the operator shall maintain seasonal erosion control and sediment containment structures.
14. Following completion of the project, the pad and project area must be recontoured to blend naturally with the surrounding area. Gravel will be salvaged and stockpiled in an area approved by the Forest Service.
15. The pad area must be fenced (let-down fence) and the project road must be adequately closed off to prevent continued use until the required reclamation standards are successfully achieved.
16. The operator is responsible for maintenance of reclamation facilities such as fences, barricades and temporary drainage structures until the desired reclaimed conditions are achieved.
17. A gate with proper signs/reflectors must be constructed on the pad access roads at the Forest boundary to prevent public access to the pads. The gate must be locked at any time when the pad is unoccupied by company personnel. The Forest Service must approve the gate design and signs prior to installation.
18. Surface aggregate shall be Forest Service gradation F and shall meet wear requirements contained in Forest Service Specifications for Construction of Roads and Bridges, section 703.05. Aggregate must be obtained from a verified weed free source.
19. Drill pads will be designed to prevent or diminish overland flow from entering the site during precipitation events. Pad sites will be sloped to drain all spills and on-site precipitation into the reserve pits. If necessary, pits will be pumped out to reduce their content and insure that overflow does not occur. Fluids will be disposed of off-Forest at a Utah State approved disposal site.
20. Unless otherwise approved plastic pit liners, trash, and garbage must be removed from the reserve pit and disposed of at a site approved to receive these materials, prior to backfilling.

32. The operator must obtain appropriate permissions and permits to use County, State, and private roads.
33. Dogs and other pets must be kept on a leash and prevented from chasing or otherwise harassing wildlife.
34. Appropriate measures must be taken to prevent fugitive dust on the access roads and pads. Watering and application of approved dust suppressants, such as magnesium chloride, will be applied as needed.
35. The operator is required to participate in the raptor-monitoring program conducted by the Utah Division of Wildlife Resources and the BLM, Price Field Office Wildlife Habitat Mitigation Program for the Price Coalbed Methane Project Program Area, 1998.
36. No construction or drilling operations will be allowed from December 1 through April 15 each year to minimize effects to wintering big game. Only maintenance of producing wells will be allowed during this period.
37. Only maintenance, servicing, and emergency repair of the wells and pipelines are allowed from December 1 through April 15. These activities include normal maintenance and repair of facilities. Emergency repairs are limited to those operations needed to repair water or gas leaks at the wellhead and pipeline or stop the uncontrolled release of other substances to the environment. It does not include work-over of the drill hole, but can include a one time per winter season (December 1 through April 15) servicing of the well with a truck-mounted service rig (not to exceed 3 days including snow removal) in the event that production decreases by more than 30% over a 60-day period as compared to the average production over the prior 6 month period.
38. During the wintering season (December 1 through April 15), routine maintenance visits must be kept to the minimum needed to maintain well facilities in working order and are subject to the following restrictions:
 - a. there will be no stopping along the roadways,
 - b. no straying from roadways of drill pads,
 - c. no shooting will be allowed,
 - d. dogs are not allowed,
 - e. visits will not be conducted during early morning or evening hours (visits may be conducted between 9:00 AM and 3:00 PM), with exceptions discussed in Mitigation 37 above.

Attachment 3

Response to Comments

Letters are identified and summarized below followed by responses and a description about how the comment was considered in issue development:

USDOJ, Fish and Wildlife Service

- Habitat impacts for species on the Service's 2002 list of Birds of Conservation Concern should be evaluated in project plans.

Response - It has been determined that operations, with Forest Service mitigations would have negligible effects (Wildlife Report, 2003).

- All possible measures should be taken to prevent the introduction or further proliferation of noxious species. Any associated production and utility pipelines should follow the existing road to the extent practicable, in order to minimize surface disturbance, habitat fragmentation, and avenues for invasive species. Monitoring and control efforts should be implemented following construction. Revegetation seed mixes should, to the extent practicable, contain native plants or non-natives that will not naturalize.

Response - The operator is required to wash vehicles and heavy equipment prior to moving onto the Forest. Prior to excavation, the operator is required to remove noxious weeds in a manner that would prevent the spread of seeds. Monitoring of reclaimed areas will be conducted by the operator and Forest Service inspectors. If noxious weed species are found, the operator will be required to treat them appropriately. All imported materials such as gravel and straw for sediment control must be certified as free of noxious weed seeds. Native plants are emphasized in reclamation seed mixes.

The Manti-La Sal National Forest has taken appropriate measures to minimize surface disturbance by working with the operator to locate the drill pads and roads in the best locations that will meet the operator's objectives. Pipelines and powerlines will be placed in or directly adjacent to the access roads. The Forest has no authority to require such measures on non-Federal lands adjacent to the Forest.

- Proposed mitigation strategies should be monitored, and all monitoring efforts should have measurable performance criteria, to be met within time frames appropriate to sensitive periods in life histories of species of concern or recovery rates of site-specific vegetation and soil types, and 'triggers' or thresholds that require remedial action.

Response - There are three golden eagle nest sites located within 2 miles of the proposed drilling sites. The proposed project will not directly affect these nest sites or any other golden eagle nest habitat. They may forage in the vicinity of the project and they could be diverted to other areas, however the proposed project will not directly affect these nest sites or any other golden eagle nest habitat.

The operator is required to participate in the monitoring and mitigation program conducted by the operator, BLM, and UDWR as prescribed for the Ferron Natural Gas Project.

- Finally, enhancement should take place roughly equal to the footprint of the roads and drill pads. Because this mitigation addresses a regional problem of cumulative habitat loss rather than the local impact of these wells, the habitat improvement project can be located elsewhere in the lower Huntington drainage. Treatment of pinyon/juniper woodlands to encourage shrubs and forbs is one possible action that would benefit mule deer, elk, and prey species for raptors.

Response - The operator is required to participate in the raptor-monitoring program conducted by the Utah Division of Wildlife Resources and the BLM, Price Field Office Wildlife Habitat Mitigation Program for the Price Coalbed Methane Project Program Area, 1998. Through payment of appropriate funds, the BLM, UDWR, and Forest Service would conduct the mitigations described in the comment.

Utah Environmental Congress

- UEC requests a programmatic EIS to evaluate the numerous coal, oil and gas exploration and extraction activities being proposed across the Wasatch Plateau. The cumulative impacts of these activities on the environment are enormous, with consequences for wildlife, soils, water quality, and in some cases roadless character.

Response - The effects of coal mining, oil and gas leasing and development, and other activities were considered in the Land and Resource Management Plan for the Manti-La Sal National Forest and Final Environmental Impact Statement, 1986. The Forest Plan and FEIS were supplemented with preparation of the FEIS for Oil and Gas Leasing on Lands Administered by the Manti-La Sal National Forest, 1992 that evaluated the cumulative effects of oil and gas leasing and reasonably foreseeable development, and other activities. In addition, cumulative effects of activities in the Ferron Natural Gas Project and Price Coalbed Methane Project areas, and other reasonably foreseeable activities in the project areas were evaluated in the FEIS FNGP. The proposed project and the anticipated effects are consistent with these documents.

Working Group, Boise, Idaho). The project area contains sparse sagebrush and pinyon/juniper with an extremely sparse understory in an area of canyon/ridge topography. The adjacent area has been chained and there is continued encroachment by pinyon/juniper. The area lacks the landscape heterogeneity, site potential, site conditions, and habitat needs of sage grouse during different segments of their life cycle: breeding, nesting, brood rearing, wintering, etc.

- o The proposed actions will impact approximately 6 acres of National Forest land not including impacts of road construction or roads across private and State lands. What impact will this have on forage availability for big game, livestock, and other resources? How will any reduction in forage availability, when combined with other past, present, and reasonably foreseeable activities in the area impact competition for forage between big game, livestock, and other resources? This is of special concern currently due to the ongoing drought conditions.

Response - The project area is not grazed by livestock because of the lack of water sources and because it is not easily accessible. It is isolated from grazing areas on the Plateau by the eastern erosional escarpment of the Wasatch Plateau. Competition for forage between livestock and wildlife is therefore not a concern.

The effects to wildlife for the Selected Alternative (Alternative 2 - Proposed Action with Additional Environmental Protection Measures) are discussed in the Ferron Natural Gas Project Final Environmental Impact Statement (pages 4-54 through 4-59), considering all of the anticipated wells (including the Chevron wells and access roads). The cumulative effects considering the existing conditions, the proposed action, and reasonably foreseeable future actions are presented in this FEIS, pages 5-18 through 5-20.

The current drought is of great concern. Monitoring of wildlife species in the project area by the Utah Division of Wildlife Resources has shown that mule deer populations are down, generally coinciding with the last 5 years of drought (Utah Division of Wildlife Resources Statewide Management Plan for Mule Deer, November 13, 2003, Page 3, D. Population Status). Habitat changes related to developments in the area are probably a factor as predicted in the FEIS FNGP, but it is thought that the drought is the dominant factor.

The operator is required to participate in the raptor-monitoring program conducted by the Utah Division of Wildlife Resources and the BLM, Price Field Office Wildlife Habitat Mitigation Program for the Price Coalbed Methane Project Program Area, 1998.

The cumulative effects as well as the effects of the drought have been considered in making the required decisions.

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.

RECEIVED

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

011

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-75666
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
PHONE NUMBER: (435) 748-5395		8. WELL NAME and NUMBER: Utah Federal 12-197
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2142' FNL, 884' FEL		9. API NUMBER: 4301530591
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 12 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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extend State Permit</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Chevron USA, Inc. hereby requests a one year extension of the state permit for the Utah Federal 12-197

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)

RECEIVED
JUN 01 2004



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

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

API: 4301530591
Well Name: Utah Federal 12-197
Location: SE/4 NE/4, Section 12, 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

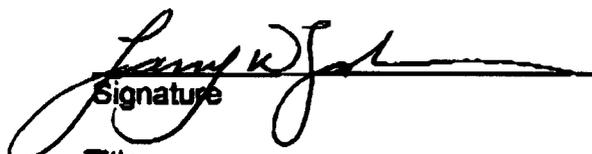
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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
Title: Agent for Chevron

5/17/2004
Date

Representing: Chevron USA, Inc.

RECEIVED
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:	Utah Federal 12-197
API number:	4301530591
Location:	Qtr-Qtr: NESE Section: 12 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:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
<input type="checkbox"/>	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
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

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

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

Name (please print) James G. Deeth Title Vice President - Land
 Signature James G. Deeth 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, Sul CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (505) 324-1090		8. WELL NAME and NUMBER: See attached list
4. LOCATION OF WELL FOOTAGES AT SURFACE:		9. API NUMBER: Multiple
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: Buzzard Bench
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 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)

RECEIVED
SEP 28 2004

DIV. OF OIL, GAS & MINING

API Well Number	Well Name	Well Type	County Name	Qtr/Qtr	Section	TwN-Rng
43-015-30242-00-00	L M LEMMON 10-1	Gas Well	EMERY	SESE	10	17S-8E
43-015-30243-00-00	FEDERAL B21-3	Gas Well	EMERY	NESW	21	19S-7E
43-015-30244-00-00	FEDERAL A26-2	Gas Well	EMERY	SESW	26	18S-7E
43-015-30245-00-00	FEDERAL C23-8	Gas Well	EMERY	NENW	23	18S-7E
43-015-30246-00-00	FEDERAL A26-4	Gas Well	EMERY	SWSE	26	18S-7E
43-015-30247-00-00	FEDERAL A35-6	Gas Well	EMERY	NWNW	35	18S-7E
43-015-30248-00-00	FEDERAL A35-5	Gas Well	EMERY	NWNE	35	18S-7E
43-015-30249-00-00	FEDERAL A34-7	Gas Well	EMERY	NENE	34	18S-7E
43-015-30258-00-00	UTAH FED P 10-47	Gas Well	EMERY	NWNW	10	18S-7E
43-015-30259-00-00	A L JENSEN 27-9	Gas Well	EMERY	SESE	27	21S-6E
43-015-30268-00-00	ST OF UT T 36-10	Gas Well	EMERY	SWNE	36	16S-7E
43-015-30270-00-00	ST OF UT U 2-11	Gas Well	EMERY	NWNW	2	18S-7E
43-015-30272-00-00	SWD 1	Water Disposal Well	EMERY	SWNW	24	18S-7E
43-015-30274-00-00	UTAH FED S 8-46	Gas Well	EMERY	SESW	8	18S-7E
43-015-30275-00-00	UTAH FED R 9-45	Gas Well	EMERY	NWNE	9	18S-7E
43-015-30276-00-00	UTAH FED P 10-42	Gas Well	EMERY	NWNE	10	18S-7E
43-015-30277-00-00	UTAH FED P 10-43	Gas Well	EMERY	NWSE	10	18S-7E
43-015-30280-00-00	UTAH FED Q 4-44	Gas Well	EMERY	SESE	4	18S-7E
43-015-30282-00-00	UTAH FED D 34-12	Gas Well	EMERY	SESE	34	17S-7E
43-015-30285-00-00	UTAH FED D 35-13	Gas Well	EMERY	SWSW	35	17S-7E
43-015-30286-00-00	UTAH FED D 35-14	Gas Well	EMERY	NWNW	35	17S-7E
43-015-30287-00-00	UTAH FED D 35-15	Gas Well	EMERY	SWSE	35	17S-7E
43-015-30292-00-00	UTAH FED M 6-25	Gas Well	EMERY	SENE	6	17S-8E
43-015-30294-00-00	UTAH FED H 6-21	Gas Well	EMERY	SESW	6	20S-7E
43-015-30303-00-00	SWD 3	Water Disposal Well	EMERY	SENE	11	18S-7E
43-015-30306-00-00	ST OF UT U 2-48	Gas Well	EMERY	NWNE	2	18S-7E
43-015-30308-00-00	ST OF UT U 2-50	Gas Well	EMERY	NESW	2	18S-7E
43-015-30309-00-00	ST OF UT U 2-49	Gas Well	EMERY	NWSE	2	18S-7E
43-015-30310-00-00	L & M CURTIS 10-58	Gas Well	EMERY	SWSW	10	18S-7E
43-015-30311-00-00	ST OF UT X 16-66	Gas Well	EMERY	SESW	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	SESW	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	SESW	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	SESW	18	17S-8E
43-015-30573-00-00	ST OF UT "MM" 20-192	Gas Well	EMERY	SESW	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	SESW	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	

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: _____
- (R649-9-2) Waste Management Plan has been received on: to follow
- Inspections of LA PA state/fee well sites complete on: being worked

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

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.

013

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 XTO ENERGY INC.

3a. Address
 2700 Farmington Ave. Bldg K, Suite 1 Farmington, NM 87401

3b. Phone No. (include area code)
 (505) 324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 T.17S, R.7E, S.12 43:015.305911

5. Lease Serial No.
 UTU-75666

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 checked="" 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 recomplate 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 recompletion 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 2004, the operator for lease # UTU 75666 changed from Chevron U.S.A. Inc. to XTO ENERGY INC.

XTO ENERGY's National Bond is 579473.

UTB000136

(Security ID: 104312750)

All of these are pending APDs.

RECEIVED
 MOAB FIELD OFFICE
 2004 SEP 29 P 3:30
 DEPT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

Edwin S. Ryan, JR.

Title *SR. VP-Land*

Signature

Edwin S. Ryan, JR.

Date

9/27/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

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.

Moab Field Office
 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: UDCGM

Conditions Attached

RECEIVED

OCT 27 2004

DIV. OF OIL, GAS & MINING

XTO Energy Inc.
Well No. 12-197, 12-199, 12-198D and 12-200D
Section 12, T. 17 S., R. 7 E.
Lease UTU75666
Emery County, Utah

CONDITIONS OF ACCEPTANCE

NOTE: Each of the above listed locations are pending Applications for Permit to Drill. BLM approval to drill at these locations has not yet been granted.

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 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 43CFR 3106.7-2 continuing responsibility are met.

API Well Number	Well Name	Well Type	Well Status	County Name	Lease No.	Qtr/Qtr	Section	Location (Twn-Rng)
43-015-30591-00-00	UTAH FED 12-197	Gas Well	Approved permit (APD); not yet spudded	EMERY	UTU75666	SENE	12	17S-7E
43-015-30601-00-00	UTAH FED 12-199	Gas Well	Approved permit (APD); not yet spudded	EMERY	UTU75666	NESE	12	17S-7E
43-015-30604-00-00	UT FED 12-200D	Gas Well	Approved permit (APD); not yet spudded	EMERY	UTU75666	NESE	12	17S-7E
43-015-30605-00-00	UT FED 12-198D	Gas Well	Approved permit (APD); not yet spudded	EMERY	UTU75666	SENE	12	17S-7E

None of these permits have
been approved yet.

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.

RECEIVED
MOAB FIELD OFFICE

SUBMIT IN TRIPLICATE 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.

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)
2,142' FNL, 884 FEL
SE/4 NE4, Section 12, T17S, R7E, SLB&M

5. Lease Designation and Serial No.
UTU-75666

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

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

8. Well Name and No.
Utah Federal 12-197

9. API Well No.
43-015-30591

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.

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) Assistant Field Manager,

Approved by HA Lynn Jackson Title Division of Resources

Conditions of approval, if any:

JUN 14 2005

Range 7 East

(N89°51'E - 2647.92')

(N89°31'W - 2665.08')

2141.8'

WELL #12-197
ELEVATION 6781.6'

UTM
N - 4356456
E - 493093

884.3'

500°15'17"E - 3010.00'
(North - 3086.82')

500°21'40"E - 2630.24'
(N00°08'W - 2628.12')

(S88°58'W - 2689.50')

(N87°53'W - 2603.04')

12

Township 17 South

(N00°13'W - 5224.56')

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:

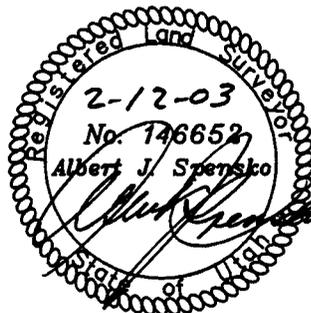
Basis of Elevation of 6608' being at the Northeast Section corner of Section 12, Township 17 South, Range 7 East, Salt Lake Base & Meridian, as shown on the Red Point Quadrangle 7.5 Minute Series Map.

Description of Location:

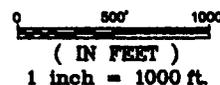
Proposed Drill Hole located in the SE1/4, NE1/4 of Section 12; being 2141.8' South and 884.3' West from the Northeast Corner of Section 12, T17S, R7E, Salt Lake Base and Meridian.

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°21'34"
111°04'49"



TALON RESOURCES, INC.

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

ChevronTexaco

WELL #12-197

Section 12, T17S, R7E, S.L.B.&M.
Emery County, Utah

Drawn By: J. STANSFIELD	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 12/06/02
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 714

F
JUN 20 2005
DIV OF OIL, GAS & LEASING

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

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

RECEIVED
MOAB FIELD OFFICE

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO. **UTU-75666**

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

7. UNIT AGREEMENT NAME **N/A**

8. FARM OR LEASE NAME, WELL NO. **Utah Federal 12-197**

9. API WELL NO. **43-015-30591**

10. FIELD AND POOL, OR WILDCAT **Undesignated**

11. SEC., T., R., M., OR BLK. **SE/4 NE/4, Section 12, T17S. R7E. SLB&M**

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

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* **6.7 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) **884'**

16. NO. OF ACRES IN LEASE **2.560**

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. **2,100'**

19. PROPOSED DEPTH **4,456'**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **6,785' GR**

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 23	300'	235 sacks Class G cement + 2% CaCl ₂ + 0.25 pps cellophane flakes 1.1164 ³ /sack
7-7/8"	5-1/2" N-80 LT&C	17	4,356'	138 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes 1.1164 ³ /sack

Surface Owner: **USA—Manti La-Sal National Forest**
Surface Representative: **Tom Lloyd—P.O. Box 310, Ferron, Utah 84523; 435-636-3596**

Federal Bond Number: **~~S-304604~~ ~~ES0022~~ UTB 000138**

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 2-13-2003

(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: **Assistant Field Manager, Division of Resources**
APPROVED BY 151 A. Lynn Jackson TITLE _____ DATE JUN 14 2005

***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 **CONDITIONS OF APPROVAL ATTACHED**

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.

		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75666
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
		7. UNIT or CA AGREEMENT NAME: HUNTINGTON (Shallow) CBM
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Utah Federal 12-197
2. NAME OF OPERATOR: XTO ENERGY INC.		9. API NUMBER: 4301530591
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: 2142' FNL x 884' FEL		10. FIELD AND POOL, OR WILDCAT: FERRON SAND
COUNTY: Emery		STATE: UTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 12 17S 7E S		

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. XTO just received verbal approval from the BLM for the Federal APD on 06/14/05. It is XTO intention to drill this well mid July 2005.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 06-27-05
By: [Signature]

COPY SENT TO OPERATOR
Date: 6-28-05
Initials: LVH

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>Kyla Vaughan</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: 43-015-30591
Well Name: Utah Federal 12-197
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

6/21/05
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

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-75666
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2142' FNL x 884' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 12 17S 7E S		8. WELL NAME and NUMBER: Utah Federal 12-197
PHONE NUMBER: (505) 324-1090		9. API NUMBER: 4301530591
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 checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input 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 Energy requests a well name change on the above listed well to the following:

Utah Federal 17-7-12-42

CONSENT OF OPERATOR
 Date: 6/21/05
 Initials: KV

NAME (PLEASE PRINT) <u>Kyla Vaughan</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>Kyla Vaughan</u>	DATE <u>6/21/2005</u>

(This space for State use only)

Accepted by the Utah Division of Oil, Gas and Mining
 Date: 6/29/05
 By: [Signature]

Federal Approval Of This Action Is Necessary

RECEIVED
JUN 24 2005
 DIV. OF OIL, GAS & MINING

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

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: XTO ENERGY INC

Well Name: UTAH FED 17-7-12-42

Api No: 43-015-30591 Lease Type: FEDERAL

Section 12 Township 17S Range 07E County EMERY

Drilling Contractor ROSS DRILLING RIG # RATHOLE

SPUDDED:

Date 08/04/05

Time _____

How DRY

Drilling will Commence: _____

Reported by GARY HANCOCK

Telephone # 1-435-749-1632

Date 08/08/05 Signed CHD

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-75666

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

N/A

7. UNIT or CA AGREEMENT NAME:

N/A

8. WELL NAME and NUMBER:

UTAH FEDERAL 17-7-12-42

9. API NUMBER:

4301530591

10. FIELD AND POOL, OR WILDCAT:

FERRON COAL

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
XTO ENERGY INC.

CONFIDENTIAL

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

PHONE NUMBER:
(505) 324-1090

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2,142' FNL & 884' FEL

COUNTY: EMERY

QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 12 T17S R7E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SPUD & SET CONDUCTOR CSG
	<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" hole on 07/29/05. Set 13-3/8" conductor csg @ 40' FS. Cmtd csg.

NAME (PLEASE PRINT) Kelly K. Small

TITLE Regulatory Compliance Tech

SIGNATURE *Kelly K. Small*

DATE 8/5/2005

(This space for State use only)

RECEIVED

AUG 11 2005

(See Instructions on Reverse Side)

(5/2000)

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

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-75666
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg # _____ CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,142' FNL & 884' FEL		8. WELL NAME and NUMBER: UTAH FEDERAL 17-7-12-42
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 12 17S 07E S		9. API NUMBER: 4301530591
COUNTY: EMERY		10. FIELD AND POOL, OR WILDCAT: FERRON COAL
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>8/23/2005</u>	<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 checked="" 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>CHG PROD CSG/ CMT</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. received verbal approval fr/Eric Jones on 8/22/05 (BLM, Moab) to chg the prod csg design to 5-1/2", 15.5#, J-55, LT&C csg to TD (aprox 4,310'). XTO Energy Inc. also received verbal approval fr/Eric Jones on 8/22/05 (BLM, Moab) to add an additional +/- 300 sx light weight cmt (10.5 ppg, 4.14 cuft/sx) ahead of the permitted cmt slurry in order to protect the pipe from corrosion. XTO Energy will attempt to circ cmt to surf.

COPY SENT TO OPERATOR
Date: 8-25-05
Initials: CHP

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>Kelly K Small</u>	DATE <u>8/22/2005</u>

(This space for State use only)

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: 8/25/05
By: [Signature]

(See Instructions on Reverse Side)

Federal Approval Of This
Action Is Necessary

RECEIVED
SEP 25 2005
DIVISION OF OIL, GAS & MINING

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

RECEIVED
AUG 29 2005
DIV. OF OIL, GAS & MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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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-75666
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,142' FNL & 884' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 12 17S 07E S		8. WELL NAME and NUMBER: UTAH FEDERAL 17-7-12-42
PHONE NUMBER: (505) 324-1090		9. API NUMBER: 4301530591
COUNTY: EMERY		10. FIELD AND POOL, OR WILDCAT: FERRON COAL
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: 8/23/05	<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: ST SURF CSG/TD
	<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.

8/05/05: Drid to 325'. TIH w/8-5/8", 24#, J-55, ST&C csg to 320'. Circ cmt to surf. Released rig.
8/14/05: MIRU. PT BOPE & surf csg to 1,000 psig f/30 min. Held OK. DO cmt fr/297' to 344'. Drid to 688'.
8/15/05 - 8/19/05: Drid fr/688' to 4,112'.
8/20/05: Reached driller's TD of 4,310'. Circ f/logs & csg.
8/21/05: RU loggers. Attempted to log. Failed.
8/22/05: Logged op hole. RD loggers.
8/23/05: TIH w/5-1/2", 15.5#, J-55, LT&C csg to 4,281.63'. Cmt prod csg w/400 sx CBM Light cmt w/1/4 PPS Flocele & PPS Gilsonite followed by 175 sx Type V cmt w/10% Cal-Seal, 1% CaCl2, & 1/4 PPS Flocele. Did not circ cmt to surf. Released rig.

NAME (PLEASE PRINT) Kelly K. Small	TITLE Regulatory Compliance Tech
SIGNATURE <i>Kelly K. Small</i>	DATE 8/25/2005

(This space for State use only)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-75666

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
UTAH FEDERAL 17-7-12-42

9. API NUMBER:
4301530591

10. FIELD AND POOL, OR WILDCAT:
FERRON SANDSTONE/COAL

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 Ave. K #1 CITY: Farmington STATE: NM ZIP: 87401 PHONE NUMBER: (505) 324-1090

4. LOCATION OF WELL

FOOTAGES AT SURFACE: **2,142' FNL x 884' FEL** COUNTY: **EMERY**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SENE 12 17S 07E S** STATE: **UTAH**

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

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

Completion of well will not start until 4/2006 due to closure.....

NAME (PLEASE PRINT) KELLY K. SMALL TITLE Regulatory Compliance Tech

SIGNATURE *Kelly K Small* DATE 1/3/2006

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JAN 06 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-75666
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: XTO ENERGY INC.		8. WELL NAME and NUMBER: UTAH FEDERAL 17-07-12-42
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K Farmington STATE NM ZIP 87401		9. API NUMBER: 4301530591
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2142' FNL & 884' FEL		10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 12 17S 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 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: MONTHLY REPORT
	<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 an activity period for this well from May 1 - June 21, 2006.

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE <i>Holly C. Perkins</i>	DATE 6/21/2006

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JUN 23 2006
DIV. OF OIL, GAS & MINING

Farmington Well Workover Report

UTAH FEDERAL	Well # 17-07-12-42	FERRON
---------------------	---------------------------	---------------

Objective: Drill & Complete

First Report: 06/30/2005

AFE: 503160

5/13/06 Cont rpt for AFE # 503160 to D & C Lower Ferron Coal well. 4/11/06 to 5/12/06. MI 31 - 500 bbl frac tks. Inst 5K, 5-1/2" frac vlv. MIRU Big Red Hot Oil. Tstd csg to 4,000 psig for 30". Gd tst. RDMO Big Red Hot Oil. MIRU Bran-Dex WLU. Run CBL/GR/CCL fr/4,237' to surf. TOC @ 3,850'. Fair bond. RIH w/4" EEG csg gun. Perf Lower Ferron Coal w/3 JSPF fr/3,915' - 3,974' (45 holes, 22.7 gm, .41" dia, 120 deg ph). All dpts correlate w/Schlumberger Platform Express/GR log ran on 8/21/05. LD csg gun. RDMO Bran-Dex WLU. SDFWE.

5/16/06 Cont rpt for AFE # 503160 to D & C Lwr Ferron Coal well. MIRU Halliburton. MIRU Bran-Dex WLU. RIH and dump bld 10 gal 28% HCl @ 3,965'. Lwr Ferron Coal perfs @ 3,915' - 3,974'. RDMO Bran-Dex WLU. Noticed tbg hd had 3,000psi WP outlet. Insufficient pressure rating for frac. Called for WH isol tl. SDFN.

5/17/06 RU Express Hot Oil Ser. Heat frac H2O to 95deg. RDMO Hot Oil Express. MIRU Halliburton Frac equip. MIRU Stinger isol tl. Frac Lwr Ferron Coal perfs @ 3,915' - 3,974' dwn 5-1/2 csg. Pump 1,000 gal 15% HCl (10 bpm & 800 psi), 5,000 gal 20# linear gel, 146,992 gal 20# XL gel (delta 140) carrying 189,000# 20/40 sd & 82,000# 16/30 sd (0.5 - 5.0ppg stages treated w/SandWedge NT). Flshd w/3,706 gals 20# linear gel. Max sd conc 5.0 ppg. ATP 1,826 psig. MTP 1,937 psig. AIR 40.4 bpm. ISIP 1330 psig. 5" SIP 1095 psig. 10" SIP 1042 psig. 15" SIP 998 psig. Remove isol tl. SWI. RDMO Stinger. RDMO Halliburton. 3,731 BLWTR. Susp rpts pending further activity.

5/19/06 Cont rpt for AFE #503160 to D&C Ferron Coal well. Build sep & mtr run pad. Set new CIP Inc 30" x 10', 500 psig WP, 2 ph, vert sep w/heated wtr bath (SN 4202), 250 MBTU burner & new Daniel 3" 150 C mtr run w/Daniel flgs (SN 05220124) fr/XTO stk. 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.

5/24/06 SICP O psig. MIRU Key Energy rig # 906. ND frac vlv. NU BOP. MIRU Bran-dex WL. RIH w/4.875" GR to 3,918'. POH w/WL. LD GR. RIH w/5-1/2" CBP. Set plug @ 3,900'. POH w/WL. RIH & dmp bld 1 sk of sd on CBP. POH w/WL. LD dmp blr. PT CBP to 2,000 psig for 10" w/15 BFW. Tstd OK. Rlsd press. RIH w/4" HSC csg gun & perf csg w/3 JSPF @ 3,839' (22.7 gm chrsg, 0.41" EOD). POH WL. Ppd 22 BFW & estb circ to surf thru Bradenhead vlv @ 3 BPM & AIP of 500 psig. RIH & set 5-1/2" CICR @ 3,815'. RDMO Bran-dex WL. SWI. SDFN. 3,731 BLWTR (Lwr Ferron Coal). Verbal approval of indent for remedial sqz wk w/Dustin Doucet, Utah Division of Oil, Gas & Mining 5/22/06 & Eric Jones Utah BLM 5/22/06.

5/25/06 SICP O psig. TIH w/CICR cmt tl & 114 jts 2-7/8" tbg. Sting in CICR set @ 3,815'. MIRU Halliburton cmt equip. Ppd 20 BFW followed by 135 sks Type V cmt w/10% Cal Seal, 1% CC & 5%halad-322 additives (mixed @14.2 ppg, 1.61 yield). Displ cmt w/21 BFW. Stung out of CICR @ 1,480 psig leaving 1 bbl of cmt on top of CICR. No cmt circ to surf. RC & TOH 108 jts 2-7/8" tbg. LD 6 jts 2-7/8" tbg & cmt tl. RDMO Halliburton Cmt equip. TIH w/4-3/4" bit, bit sub, 6 - 3-1/2" DC's, xo & 98 jts 2-7/8" tbg. SWI. SDFN. Verbal approval of indent for sqz wk w/Dustin Doucet, Utah Division of Oil, Gas & Mining 5/22/06 & Eric Jones Utah BLM 5/22/06.

5/26/06 SICP O psig. TIH w/10 jts 2-7/8", tagd CICR @ 3,815'. RU Pwr swivel. Estb circ. DO CICR & cmt fr/ 3,815' - 3,839'. Circ well cln. RD swivel. TIH w/2 jts 2-7/8" tbg. Tagd sd @ 3,880'. Estb circ. CO sd to CBP @ 3,900'. Circ well cln. RD swivel. PT csg to 500 psi for 10". Tstd OK. TOH w/4 jts 2-7/8" tbg. SWI. SDFN.

5/27/06 RDMO Key #906. MIRU Bran- Dex WLU. RIH w/ 4" csg gun & perf U/Ferron Coal w/3 JSPF fr/3,840' - 3,869' (33 holes, 22.7 gm, .41" dia, 120 deg ph). Ld csg gun. RIH w/ 4" bailer & dump 10 gal 28% HCl @

3,863'. RDMO Bran-Dex. SWI. SDFN.

- 6/1/06 RU Halliburton frac equip. RU Stinger isol tl. Frac Upr Ferron Coal perfs @ 3,840' -3,869' dwn 5-1/2 csg as follows: Estb inj rate & BD perfs @ 1,691psi. Ppd 1,000 gal 15% HCl (10 bpm & 2,600 psi), 5,000 gal 20# linear gel, 96,897 gal 20# XL gel (delta 140) carrying 123,60000# 20/40 sd & 50,300# 16/30 sd (trtd w/SandWedge NT). Flshd w/ 3,710 gal 20# linear gel. ATP 1,997 psig. MTP 2618 psig. AIR 41.2bpm. ISIP 1,410 psig. 5" SIP 1,191 psi. 10" SIP 1,078 psi. 15" SIP 999 psi. ND isol tl. SWI. RDMO Halliburton frac equip. RDMO Stinger. 2,562 BLWTR (Upr Ferron coal). 6,293 BLWTR ttl. Susp rpts pending further activity.

- 6/7/06 Crew safety meeting in Vernal. Arrive on location @ 11:00 AM. SICP 10 psig. MIRU Key Energy rig #906. Bd well. ND frac vlv. NU BOP. PU 4-3/4" bit, bit sub & 2-7/8" SN. TIH w/BHA & 50 jts 2-7/8" tbg. EOT @ 1,655', U/Ferron Coal perfs @ 3,840' - 3,869', L/Ferron Coal perfs @ 3,915' - 3,974'. CBP set @ 3,900', PBSD @ 4,239'. FL @ surf. SWI. SDFN. 6,293 BLWTR.

- 6/8/06 SITP 0 psig, SICP 0 psig. Fin TIH w/67 (117 ttl) jts 2-7/8" tbg & 4-3/4" bit. Tgd sd fill @ 3,851'. U/Ferron Coal perfs @ 3,840' - 3,869'. RU swivel. Estb circ w/2 BFW. CO fill from/3,851' - 3,900' (CBP) Circ well cln. SD 2-1/2 hrs to service & rep rig pmp. Tgd CBP @ 3,900'. Estb circ & DO CBP. Lost circ after drill thru CBP. Estb circ after 60 BFW. Circ well cln. RD swl. TOH w/3 jts tbg to above perfs. EOT @ 3,839'. SWI. SDFN. 6,355 BLWTR.

- 6/9/06 SITP 0 psig, SICP 0 psig. TIH w/3 jts (120 ttl) jts 2-7/8" tbg & 4-3/4" bit. Tgd sd fill @ 3,938'. L/Ferron coal perfs @ 3,915' - 3,974'. RU swivel. Estb circ w/5 BFW. CO fill from/3,938' - 3,971'. Lost circ @ 3,971'. Estb circ w/265 BFW. CO sd fill from/3,971' - 4,244' (PBSD). Lost circ after tgd PBSD. Estb circ after 270 BFW. Circ well cln for 30". RD swivel. TOH w/7 jts tbg. EOT @ 4,025'. RU Swb tls. BFL @ surf. S. 0 BO, 45 BLW, 1/2 hr. FFL @ SN. Tbg KO flwg. FTP - TSTM after 2 swab runs. SWI. SDFN. 6,850 BLWTR.

- 6/10/06 SITP 0 psig, SICP 0 psig. EOT @ 4,025'. U/Ferron coal perfs @ 3,839' - 3,869', L/Ferron coal perfs @ 3,915' - 3,974'. PBSD @ 4,239'. RU swab tls. BFL @ 200'. S. 0 BO, 255 BLW, 15 runs, 7-1/2 hrs, FFL @ 900' FS w/tbg on vac. SICP 0 psig. Cln wtr w/tr of sd. SWI. SDFN. 6,590 BLWTR.

- 6/11/06 SITP 0 psig, SICP 0 psig. EOT @ 4,025'. Ferron coal perfs @ 3,840' - 3,974'. PBSD @ 4,242'. RU swab tls. BFL @ 900'. S. 0 BO, 16 BLW, 1 runs pulled from SN. FFL @ 900' FS w/tbg on vac. SICP 0 psig. Cln wtr no sd. LD swab tls. TIH w/7 jts 2-7/8" tbg. Tgd PBSD @ 4,242'. No fill. TOH w/129 jts 2-7/8" tbg . LD bit sub & bit. TIH w/2-7/8" x 20' OPMA, 2 jts 2-7/8" tbg, 2707 cavins desander, 1 - 2-7/8" x 4' tbg sub, 1 - 2-7/8" SN, 16 jts 2-7/8" tbg, 5-1/2" x 2-7/8" TAC & 107 jts 2-7/8", 6.5#,J-55, EUE, 8rd tbg. ND BOP. Set TAC @ 3,549' w/10K tens. Ld tbg w/hanger. EOT @ 4,189', SN set @ 4,079', PBSD @ 4,244'. NU WH. PU & loaded 2-1/2" x 2" x 18' RHBC- Z (DV) (XTO #085) pmp w/1" x 1" strainer nipple. 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, 122 - 3/4" gr "D" skr d w/3 guides per rod, 33 - 7/8" gr "D" skr d w/5 guides per rod, 1 - 7/8" X 4' rod sub & 1 - 1-1/4" x 26' PR w/14' lnr. Pt tbg to 500 psig w/10 BFW for 10". Tstd ok. Rlsd press. LS pmp w/rig to 500 psig. Gd PA. Clamped off rods . SWI. RDMO Key Energy WS rig # 906. SDFN. 6,584 BLWTR.

Tubing

Location:	Lower						
ZONE 1	Desc:	Ferron	Top Perf:	3,840	Btm Perf:	3,974	OH: No
					Top	Btm	
Qty	Type	Description	Cond	Depth	Depth	Length	
107	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	0	3,547	3,547.00'	
1	Tubing	5-1/2" TAC	New	3,547	3,549	2.00'	
16	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	3,549	4,078	529.00'	
1	Tubing	2-7/8" SN	New	4,078	4,079	1.00'	
1	Tubing	2-7/8" PUP JTS	New	4,079	4,083	4.00'	
1	Tubing	2-7/8" Cavins 2707 Desander	New	4,083	4,103	20.00'	
2	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	4,103	4,169	66.00'	

1	Tubing	2-7/8" OPMA JT	New	4,169	4,189	20.00'
					Total	4,189.00'
					Landed @	4,189.00'

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

CONFIDENTIAL

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-75666

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
UTAH FEDERAL 17-07-12-42

9. API NUMBER:
4301530591

10. FIELD AND POOL, OR WLDCAT
FERRON SANDSTONE

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SENE 12 17S 7E

12. COUNTY
EMERY

13. STATE
UTAH

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

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

2. NAME OF OPERATOR:
XTO Energy Inc.

3. ADDRESS OF OPERATOR:
2700 Farmington Ave K1 CITY Farmington STATE NM ZIP 87401 PHONE NUMBER: **(505) 324-1090**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **2142' FNL & 884' FEL**
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPURRED: **8/4/2005** 15. DATE T.D. REACHED: **8/20/2005** 16. DATE COMPLETED: **6/30/2006** ABANDONED READY TO PRODUCE 17. ELEVATIONS (DF, RKB, RT, GL): **6785' GL**

18. TOTAL DEPTH: MD **4,310** TVD _____ 19. PLUG BACK T.D.: MD **4,239** 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)
CBL/GR/CCL

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

24. CASING AND LINER RECORD (Report all strings set in well)

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
17 1/2"	13 3/8			40		4		0	0
12 1/4'	8 5/8 J55	24#		320		V 220		0	0
7 7/8"	5 1/2 J55	15.5#		4,282		V 575		0	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	4.189							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) FERRON COAL	3,840	3,974			3,915 3,974	0.41"	45	Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)					3,840 3,869	041"	33	Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
3915-3974'	A. w/1000 gals 15% HCl ac. Frac'd w/5000 gals 10# linear gel, 146,992 gals 20# XL gel carrying 189,000# 20/40 sand & 82,000# 16/30 sand w/SW NT. 3840'-3869': A. w/1000 gals 15% HCl acid. Frac'd w/ 5000 gals 20# linear gel, 96,897 gals 20# linear gel carrying 123,600# 20/40 sand & 50,300# 16/30 sand w/SW NT.

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

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:

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 6/30/2006		TEST DATE: 7/2/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 243	WATER - BBL: 487	PROD. METHOD: PUMPING
CHOKE SIZE: N/A	TBG. PRESS. 70	CSG. PRESS. 60	API GRAVITY 921.00	BTU - GAS 1	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 243	WATER - BBL: 487	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	3.692
				UPPER FERRON SS	3.813
				TOP OF COAL	3.839
				LWR FERRON SS	3.996

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

7/26/2006

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

RECEIVED
JUL 31 2006

DIV. OF OIL, GAS & MINING

Farmington Well Workover Report

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

UTAH FEDERAL	Well # 17-07-12-42	FERRON
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Objective: Drill & Complete**First Report:** 06/30/2005**AFE:** 503160

6/30/06 Inst new Autopilot RTU # A06BJ131, solar panel, btry and box, wtr mtr, tbg & csg press xmtrs. M.D.S. radio kit. Allen Bradley elec pmp panel. cntl transformer, fuses, lighting arrestors, motor starter, Micro Logix 1500 PLC, Microview 300 Panelview, #2 cable, elec conduit and fgs. trenched to lay cables from transformer to pmp panel and gas-wtr sep. Inst sep dump pmp. Auto inst compl.

7/1/06 Cont rpt for AFE # 503160 to D & C Ferron Coal well. SITP 0 psig, SICP 100 psig. OWU & Std PU @ 6:00 p.m., 6/30/06. Delivered first gas sales to Questar via XTO's HT CDP. IFR 140 MCFPD. Ppg @ 7.5 x 120" SPM.

7/2/06 P. 0 , 165 , 26 MCF, FTP 40 psig, FCP 38 psig, , LP 32 psig, SP 0 psig, DP 0 psig, 12 hrs. 24 hrs O&W prod.

7/3/06 P. 0 , 487 , 243 MCF, FTP 70 psig, FCP 60 psig, , LP 5 psig, SP 0 psig, DP 0 psig, 24 hrs.

7/4/06 P. 0 , 383 , 305 MCF, FTP 70 psig, FCP 60 psig, , LP 5 psig, SP 0 psig, DP 0 psig, 24 hrs.

7/5/06 P. 0 , 283 , 311 MCF, FTP 160 psig, FCP 150 psig, , LP 5 psig, SP 0 psig, DP 0 psig, 24 hrs. FR for compl.

9/18/06 Cont rpt for AFE #503160 to D&C Ferron Coal well. MI Soli-Bond. Backfill res pit. Clnd loc. MO Soli-Bond. Approved by Tom Lloyd w/BLM Price, Utah. Backfill of pit compl.

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

4301530591 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.

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

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 1/1/2004	<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: **DMZ**

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: **5/11/07**
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
h Utah Federal 17-7-12-24D	43-015-30604	Producing	Federal
h Utah Federal 17-7-12-42	43-015-30591	Producing	Federal
h Utah Federal 17-7-12-43	43-015-30601	Producing	Federal
h 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

Apr-05

glion Wells

WELL No.	Days On	MONTHLY WATER PRODUCTION	FIELD ESTIMATED PRODUCTION										ACTUAL ALLOCATED SALES					FIELD PRODUCTION	
			Coastal Statement	PROD %	FIELD EST PROD	Gas	Use Gas	Vented CO2	Vented Gas	VENIED GAS	ADJ	FIELD ESTIMATED SALES	ALLOCATED SALES	Gas Use (m)	Vented CO2	Vented Gas	VENTED GAS		ADJ
10-01	30	435	1478	0.00488716	1479	45	36	98	1708	1708	179	1298	1248	81	90	70	58	179	1425
T35-10	30	2667	18292	0.00048442	18298	45	447	1708	1708	2200	16095	15424	492	1708	0	1709	2200	17624	
M06-25	30	723	18969	0.05610978	16975	45	414	2280	2280	2739	14236	14308	459	2260	0	2280	2739	17047	
H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
07-106	30	879	5052	0.01673803	5064	45	124	789	789	958	4106	4268	169	789	0	789	958	5226	
09-119	30	85	725	0.0024009	726	45	18	108	108	171	558	512	53	108	0	108	171	783	
10-124	30	129	951	0.00314458	951	45	23	38	38	176	845	802	38	38	0	38	106	908	
06-102	30	823	20112	0.06650244	20119	45	318	2219	2219	2755	17354	18959	536	2219	0	2219	2755	19714	
06-104	30	809	12922	0.04272795	12925	45	318	2156	2156	2516	10410	10895	330	2156	0	2156	2516	13412	
06-118	30	163	797	0.00263536	797	45	19	100	100	64	533	533	64	100	0	100	64	836	
09-129	30	214	899	0.00297264	899	45	22	80	80	47	752	758	67	80	0	80	147	906	
18-7-23-23	0	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	0	
10-123	30	261	1348	0.0044573	1348	45	33	89	89	167	1182	1137	78	89	0	89	167	1304	
10-125	30	286	536	0.00177234	536	45	13	32	32	90	446	452	58	32	0	32	90	542	
11-129	29	0	396	0.00130942	395	44	10	16	16	59	327	334	53	16	0	16	59	403	
11-130	30	1847	182	0.00053567	182	45	4	7	7	56	109	137	49	7	0	7	56	193	
16-121	30	276	757	0.0025031	757	45	18	42	42	109	552	638	63	42	0	42	105	743	
05-107	29	242	8230	0.02721336	8233	44	201	1397	1397	1641	6591	6940	244	1397	0	1397	1641	8681	
05-108	30	611	4934	0.01631479	4938	45	120	830	830	995	3940	4160	165	830	0	830	995	5155	
05-109	30	113	1252	0.00413987	1252	45	31	133	133	209	1044	1056	76	133	0	133	209	1285	
05-110	30	31	1462	0.00483426	1463	45	36	194	194	275	1188	1233	81	194	0	194	275	1508	
06-103	30	946	9133	0.03019922	9136	45	223	1241	1241	1509	7627	7701	268	1241	0	1241	1509	9210	
15-126	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15-127	30	1452	3530	0.01187232	3531	45	58	226	226	357	3174	2977	131	226	0	226	357	3334	
08-111	29	43	1513	0.00500289	1514	44	37	203	203	283	1230	1276	80	203	0	203	283	1558	
08-112	30	118	1326	0.00438456	1328	45	37	143	143	220	1106	1118	77	143	0	143	220	1338	
08-113	30	0	756	0.00249979	756	45	18	108	108	171	585	637	63	108	0	108	171	808	
07-105	30	909	5760	0.02235265	6782	45	165	1197	1197	1407	5355	5700	210	1197	0	1197	1407	7107	
03-122	30	0	456	0.00150781	456	45	11	30	30	86	370	385	56	30	0	30	86	471	
03-133	30	102	331	0.00109449	331	45	8	18	18	71	260	279	53	18	0	18	71	350	
09-117	30	37	645	0.00312805	646	45	23	136	136	204	742	798	68	136	0	136	204	1002	
04-116	30	114	603	0.00199388	603	45	15	63	63	123	480	508	60	63	0	63	123	631	
04-115	30	258	1186	0.00392163	1186	45	29	130	130	204	982	1000	74	130	0	130	204	1204	
T36-100	30	3714	34839	0.11519881	34851	45	851	5000	5000	5996	28956	29376	896	5000	0	5000	5996	35272	
01-140	30	1506	4065	0.01344135	4086	45	99	482	482	506	3460	3428	144	482	0	482	506	4034	
01-101	30	1199	24478	0.08093908	24486	45	596	2937	2937	3580	20907	20640	643	2937	0	2937	3580	24220	
22-165	30	1650	4630	0.01530958	4632	45	113	162	162	320	1323	1266	37	162	0	162	320	4224	
35-135R	30	4133	1501	0.00496321	1502	0	37	142	142	179	1323	1266	37	142	0	142	179	1445	
14-171	30	3033	4645	0.01535918	4647	45	113	163	163	321	4325	3917	158	163	0	163	321	4238	
38-139	30	734	9013	0.02980243	9016	45	220	1082	1082	1327	7689	7600	265	1082	0	1082	1327	8527	
02-186	30	193	575	0.0019013	575	45	14	42	42	101	474	485	59	42	0	42	101	586	
35-138	30	555	5299	0.0175217	5301	45	129	398	398	570	4730	4468	174	398	0	398	570	5038	
03-161	30	61	558	0.00184509	558	45	4	48	48	113	811	778	68	48	0	48	113	891	
02-188	30	176	923	0.0030502	923	45	23	49	49	113	804	1659	93	49	0	49	113	1823	
14-131	30	793	1967	0.00650409	1968	45	48	171	171	164	1804	1862	99	171	0	171	164	2244	
01-141	30	59	2208	0.00730098	2209	45	54	283	283	392	1827	1862	99	283	0	283	392	2244	
32-144	30	3738	31387	0.10378441	31398	45	766	6540	6540	6351	25047	25486	811	6540	0	6540	6351	32617	
07-146	30	672	2760	0.00912623	2761	0	67	538	538	695	2156	2327	57	538	0	538	695	2932	
35-137	30	1356	11613	0.0383995	11617	0	284	1276	1276	1560	10057	9792	284	1276	0	1276	1560	11352	
01-205D	30	4123	2659	0.00879226	2660	0	55	257	257	322	2338	2242	65	257	0	257	322	2954	
31-201	30	1581	35480	0.11731834	35492	0	366	4755	4755	5621	28971	29917	866	4755	0	4755	5621	35558	
TOTAL		3726	302425		302529	1930	5	7383	38990	38990	48303	5	254226	5	255009	93	38990	48302	303311

BTU 04 SALES MTR 255006

LE WELLS FROM QUANTA STATEMENT

20777

SALES DIFFERENCE

2575

JC137 W

0

7604

7604

0

2448

2448

0

0

974

Id statement + memon

0

31800

295682

2448

7604

0

395211

597033

597137

4379

14975

59724

79077

59724

79077

518080

514853

19355

59724

59724

59724

79079

593932

OCT 12 2004

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 GAS WELL OTHER _____

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

3. ADDRESS OF OPERATOR:
2700 Farmington Bldg K, Suite _____ Farmington STATE NM ZIP 87401

PHONE NUMBER:
(505) 324-1090

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

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

COUNTY: Emery

STATE: UTAH

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

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)

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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"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>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: 2-11-05
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 DIV. OF OIL, GAS & MINING
Date: 7/8/05 (See Instructions on Reverse Side)
By: Dustin Ducet
Dustin Ducet??

WELLS FROM COASTAL STATEMENT

	0	302425			
	38990				
	04	104			
	256029				
s Check #	0			0	
s Check #2	0			0	
	7383			7383	0
	1931		1930 5		
	0				
	304437	302529	1930 5	7383	0

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: XTO ENERGY INC.		8. WELL NAME and NUMBER: MUE Wt Fed 17-7-12-42
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		9. API NUMBER: MULTIPLE 43 015 30591
4. LOCATION OF WELL FOOTAGES AT SURFACE: MULTIPLE		10. FIELD AND POOL, OR WILDCAT:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 17S 7E 12		COUNTY: EMERY STATE: UTAH
5. PHONE NUMBER: (505) 333-3100		

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) <u>LORRI D. BINGHAM</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE	DATE <u>9/23/2008</u>

(This space for State use only)

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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

RECEIVED

SEP 29 2003

DIV. OF OIL, GAS & MINING