



# TALON RESOURCES INC

February 20, 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 35-136**, 2,127' FNL, 2,414' FEL, SW/4 NE/4  
Section 35, T16S, R7E, SLB&M, Emery County, Utah

Dear Mr. Jones:

On behalf of Chevron USA, Inc, (Chevron), Talon Resources, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. The location is an exception to spacing in which a request for exception to spacing and supporting information will be submitted under separate cover from Chevron or Talon in the future. Included with the APD is the following supplemental information:

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

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

Exhibit "C" - Drilling site layout;

Exhibit "D" - Onsite Inspection Checklist, 8 Point Drilling Program;

Exhibit "E" - Production Site Layout;

Exhibit "F" - Typical road cross-section;

Exhibit "G" - Typical BOP diagram;

Exhibit "H" - Typical wellhead manifold diagram.

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**FILE COPY**

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

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

Sincerely,

*Don Hamilton*

Don Hamilton  
Agent for Chevron USA, Inc.

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

001

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

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <b>UTU-73872</b>
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 <b>N/A</b>
2. NAME OF OPERATOR <b>Chevron USA, Inc.</b>		7. UNIT AGREEMENT NAME <b>N/A</b>
3. ADDRESS AND TELEPHONE NO. <b>P.O. Box 618, Orangeville, Utah 84537; 435-748-5395</b>		8. FARM OR LEASE NAME, WELL NO. <b>Utah Federal 35-136</b>
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface: <b>4359843Y 39.38991</b> At proposed prod. zone: <b>2,127' FNL, 2,414' FEL 491040Y -111.10404</b>		9. API WELL NO. <b>43-015-30603</b>
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>8.56 miles northwest of Huntington, Utah</b>		10. FIELD AND POOL, OR WILDCAT <b>Undesignated</b>
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) <b>156'</b>	16. NO. OF ACRES IN LEASE <b>40</b>	11. SEC., T., R., M., OR BLK. <b>SW/4 NE/4, Section 35, T16S. R7E. SLB&amp;M</b>
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>None</b>	19. PROPOSED DEPTH <b>4,400'</b>	12. COUNTY OR PARISH <b>Emery</b>
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>6,713' GR</b>		13. STATE <b>Utah</b>
23. PROPOSED CASING AND CEMENTING PROGRAM		17. NO. OF ACRES ASSIGNED TO THIS WELL <b>160 acres</b>
20. ROTARY OR CABLE TOOLS <b>Rotary</b>		22. APPROX. DATE WORK WILL START* <b>May 2003</b>

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 <sub>2</sub> + 0.25 pps cellophane flakes
7-7/8"	5-1/2" N-80 LT&C	17	4,300'	135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes

Surface Owner: **USA—Bureau of Land Management**  
Surface Representative: **Don Stephens, Price Field Office — 435-636-3600**

Federal Bond Number: **S 304604**

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**FEB 24 2003**

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*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 2-20-03

(This space for Federal or State office use)  
PERMIT NO. 43-015-30603 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 Bradley G. Hill 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

S89°47'25"W - 2650.15'  
(N89°59'W - 2638.02')

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

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

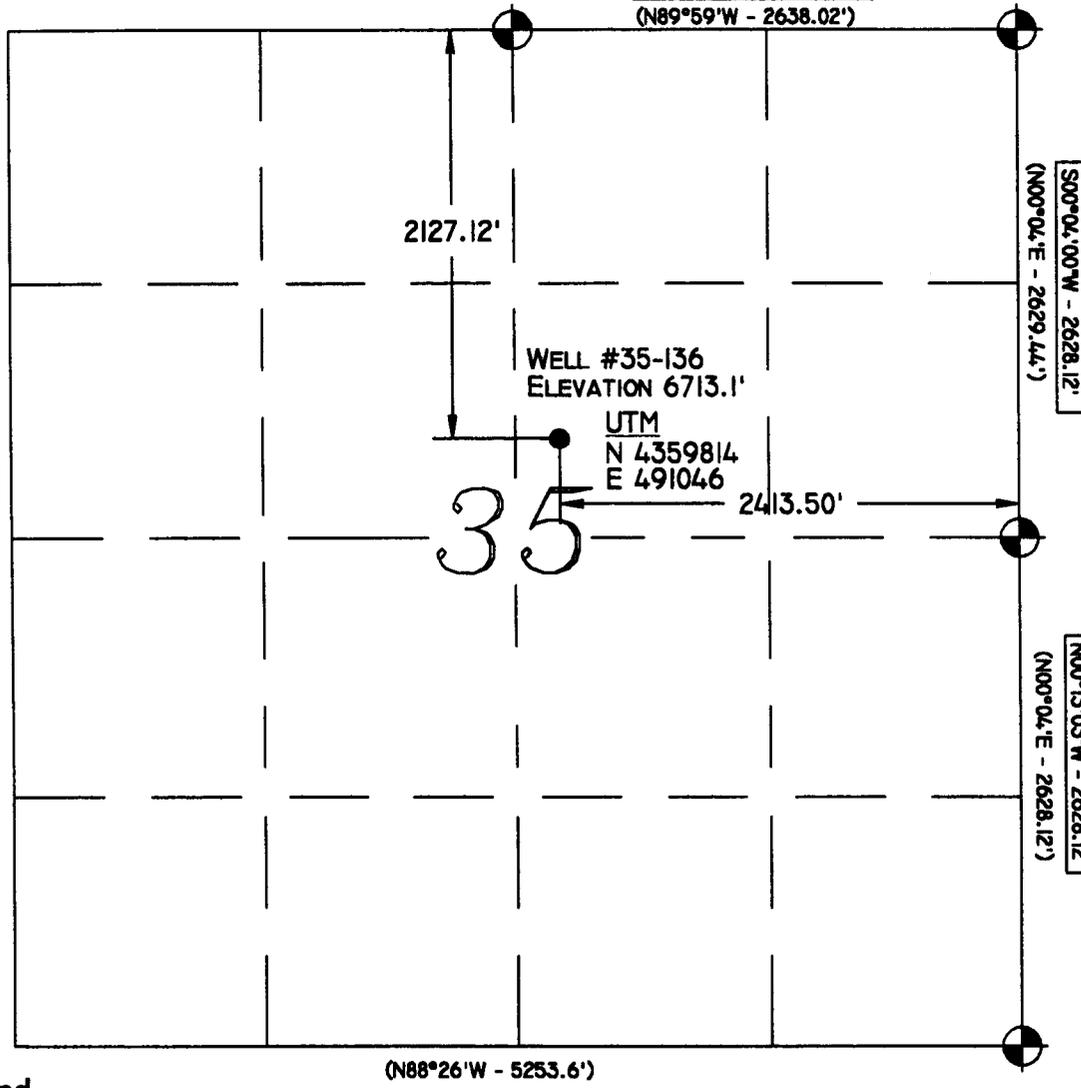
**GLO Bearing:**  
THE BEARINGS INDICATED ARE PER THE RECORDED PLAT OBTAINED FROM THE U.S. LAND OFFICE.

**Basis of Elevation:**  
BASIS OF ELEVATION OF 6395.0' BEING AT THE SOUTHEAST SECTION CORNER OF SECTION 36, TOWNSHIP 16 SOUTH, RANGE 7 EAST, SALT LAKE BASE & MERIDIAN, AS SHOWN ON THE HIAWATHA QUADRANGLE 7.5 MINUTE SERIES MAP.

**Description of Location:**  
PROPOSED DRILL HOLE LOCATED IN THE SW 1/4, NE 1/4 OF SECTION 35; BEING 2127.12' SOUTH AND 2413.50' WEST FROM THE NORTHEAST CORNER OF SECTION 35, T16S., 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.

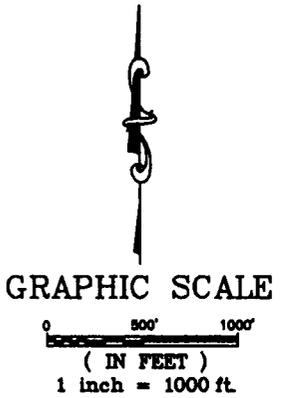
Township 16 South



- 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°23'23"  
111°06'14"





**TALON RESOURCES, INC.**  
Price - Huntington, Utah  
Phone (435)637-8781 Fax (435)636-8603  
E-Mail talon@castnet.com

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**ChevronTexaco**

WELL #35-136

Section 35, T16S, R7E, S.L.B.&M.  
Emery County, Utah

Drawn By: <b>BEN SCOTT</b>	Checked By: <b>L.W.J./A.J.S.</b>
Drawing No. <b>A-1</b>	Date: <b>02/12/03</b>
Scale: <b>1" = 1000'</b>	
Job No. <b>509</b>	

Sheet 1 of 4

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

Company: Chevron USA, Inc. Well No.: Utah Federal 35-136

Location: *Section 35, T16S, R7E SLB & M*

Lease No.: *Federal UTU-73872*

On-Site Inspection Date: 2-19-03

**B. THIRTEEN POINT SURFACE USE PLAN**

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

A pre-construction meeting including the responsible company representative(s), contractors, and the BLM 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.

A 6' fence and locked gate will be constructed around the entire well site to prevent unauthorized access by recreation patrons and youth from the nearby Boy Scout Camp.

1. Existing Roads:

- a. Proposed route to location: *From Huntington, Utah proceed northwest along SR-31 for approximately 7.5 miles. Turn left off of SR-31 just past the plant onto County Road 304 (Deer Creek Road). Just past the substation approximately 0.3 miles southwest of the intersection with SR-31 turn right onto the gravel road. Follow the gravel road around the pond and past the existing 36-138 well. From this well travel southwest approximately 1,300' along the existing road to the lathe directing you northwest to the proposed well Utah Federal 35-136 (See Exhibit "B").*
- b. Location of proposed well in relation to town or other reference point: *Approximately 8.56 miles northwest of Huntington, UT.*
- c. Contact the County Road Department for use of county roads. The use of Emery County roads will require an encroachment permit from the Emery County Road Department.: *Encroachment permit is presently in place for County Road #304 (Deer Creek Road)*
- d. Plans for improvement and/or maintenance of existing roads: *Approximately 1,300' of two-track access will be improved from the 36-138 to the proposed well site.*
- e. Other:

2. Planned Access Roads:

- a. Location (centerline): *From the existing well 36-138 continue southwest along the flagged existing two-track route to the proposed well site. Planned access begins at a point approximately 1,650' FNL, 850' FWL, Section 36, T16S, R7E.*

- b. Length of new access to be constructed: 2,401'
- c. Length of existing roads to be upgraded: 1,300'
- d. Maximum total disturbed width: 60'
- e. Maximum travel surface width: 25'
- f. Maximum grades: 10%
- g. Turnouts: *None*
- h. Surface materials: *Native*
- i. Drainage (crowning, ditching, culverts, etc): *Roads will be crowned with bar ditches on both sides with approximately 4 culverts placed along the upgraded road.*
- i. Cattleguards: *No cattleguards will be needed, Additional gates will be installed if required by the landowner representative*
- k. Length of new and/or existing roads which lie outside the lease boundary for which a BLM right-of-way is required: *None*
- l. Other:

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

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

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

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

- 3. Location of Existing Wells - on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: *See Exhibit "B"*
- 4. Location of Production Facilities:
  - a. On-site facilities: *See Exhibit "E"*
  - b. Off-site facilities: *None except for the power line and pipelines*

- c. Pipelines: *Approximately 3,700' of pipeline corridor containing 2 (gas and water) 4" to 8" pipelines will be installed along the south and east side of the proposed road.*
- d. Power lines: *Approximately 3,700' of power line corridor containing one 3-phase power line will be installed along the south and east side of the proposed road.*

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: *olive black*

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

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

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

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

5. Location and Type of Water Supply:

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

6. Source of Construction Material:

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

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

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

7. Methods of Handling Waste Disposal:

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

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

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

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

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

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: Garbage Containers and Portable Toilets

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

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

Access to the well pad will be from: East.

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

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

10. Plans for Restoration of the Surface:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11. **Surface and Mineral Ownership:**  
Surface Owner: **USA – Bureau of Land Management**  
Surface Representative: **Don Stephens, Price Field Office – 435-636-3600**  
  
Mineral Ownership: **USA – Bureau of Land Management**

12. **Other Information:**

- a. **Archeological Concerns:** *None that the operator is aware of.*

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

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

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

- b. **Threatened and Endangered Species Concerns:** *None that the operator is aware of.*
- c. **Wildlife Seasonal Restrictions (yes/no):** *See Environmental Impact Statement (EIS)*

- d. Off Location Geophysical Testing: *N/A*
- e. Drainage crossings that require additional State or Federal approval: *None*
- f. Other:

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

Representative: Chevron USA, Inc.

Name: Ron Wirth – Operations Supervisor

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

Phone No: 435-748-5395

**Certification:**

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

Signature: Don Hamilton Date: 2-20-03

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**TABLE 1**  
**NOTIFICATIONS**

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

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

1 day prior to spudding

50 feet prior to reaching surface and intermediate casing depths;

3 hours prior to testing BOPE;

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

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

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

Eric Jones, Petroleum Engineer

Office: (435) 259-6111

Home: (435) 259-2214

8 Point Drilling Program

Attached to BLM Form 3  
Chevron USA, Inc.  
Utah Federal 35-136  
SW/4 NE/4, Sec. 35, T16S, R7E, SLB & M  
2,127' FNL, 2,414' FEL  
Emery County, Utah

1. The Geologic Surface Formation

Blue Gate Shale Member of the Mancos Shale

2. Estimated Tops of Important Geologic Markers

<u>Marker</u>	<u>MD</u>
Ferron Top	4,000'

3. Projected Gas & H2O zones (Ferron Formation)

Coals and sandstones – 4,000' – 4300'

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 &amp; JOINT</u>	<u>CONDITION</u>
12-1/4"	300'	8-5/8"	24# K-55 ST&C	New
7-7/8"	4,300'	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 % CaCl<sub>2</sub> + 0.25 pps cellophane flakes;  
Weight: 15.8 #/gal  
Yield: 1.16 cu.ft/sk

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

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

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

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

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

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

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

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

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

Any Anticipated Abnormal Pressures or Temperatures

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

8. Anticipated Starting Date and Duration of the Operations.

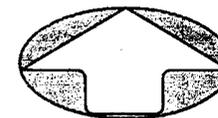
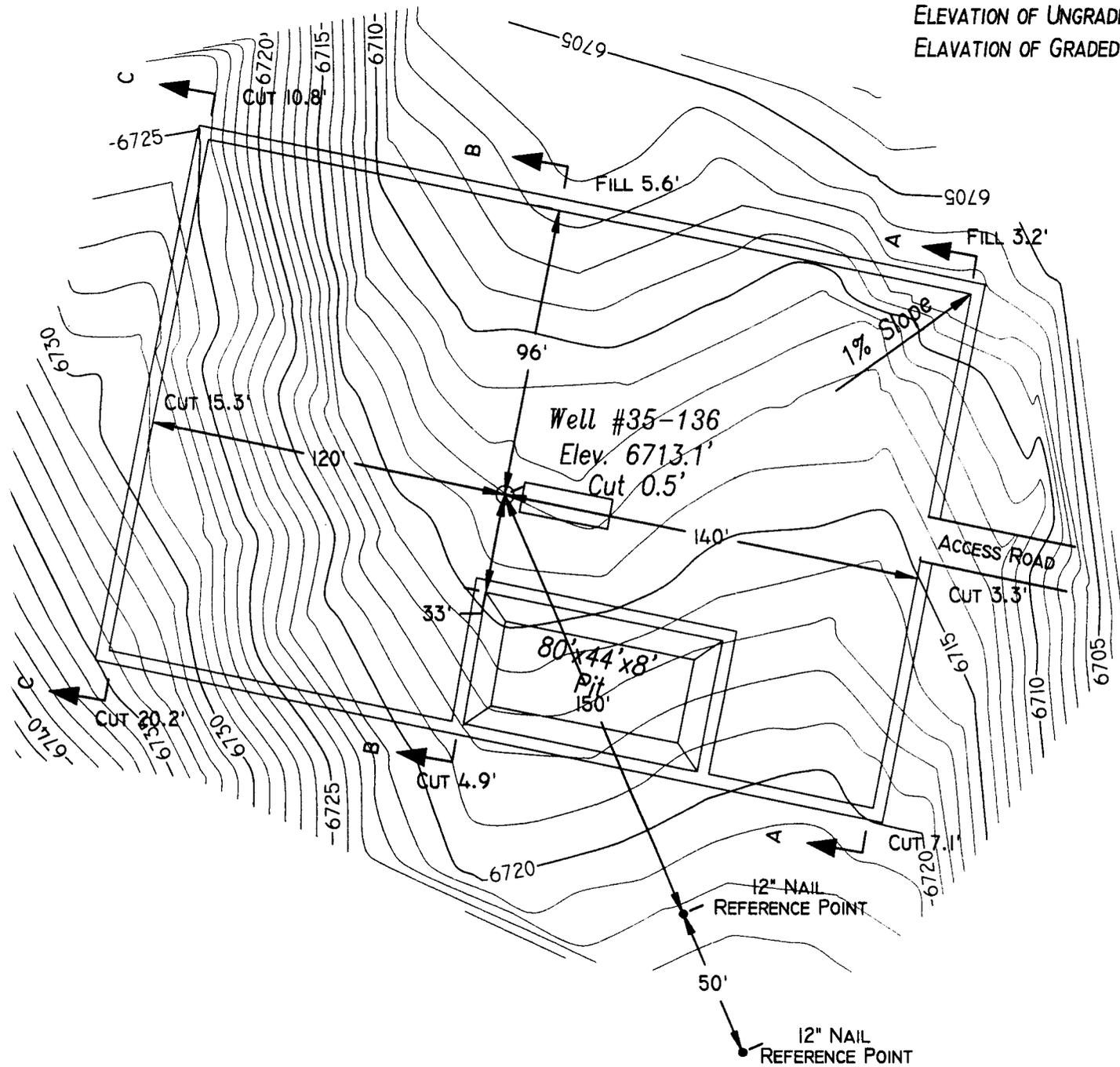
The well will be drilled approx.: May 2003.

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

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

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

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6713.1'  
 ELAVATION OF GRADED GROUND AT LOCATION STAKE = 6712.6'



**TALON RESOURCES, INC.**

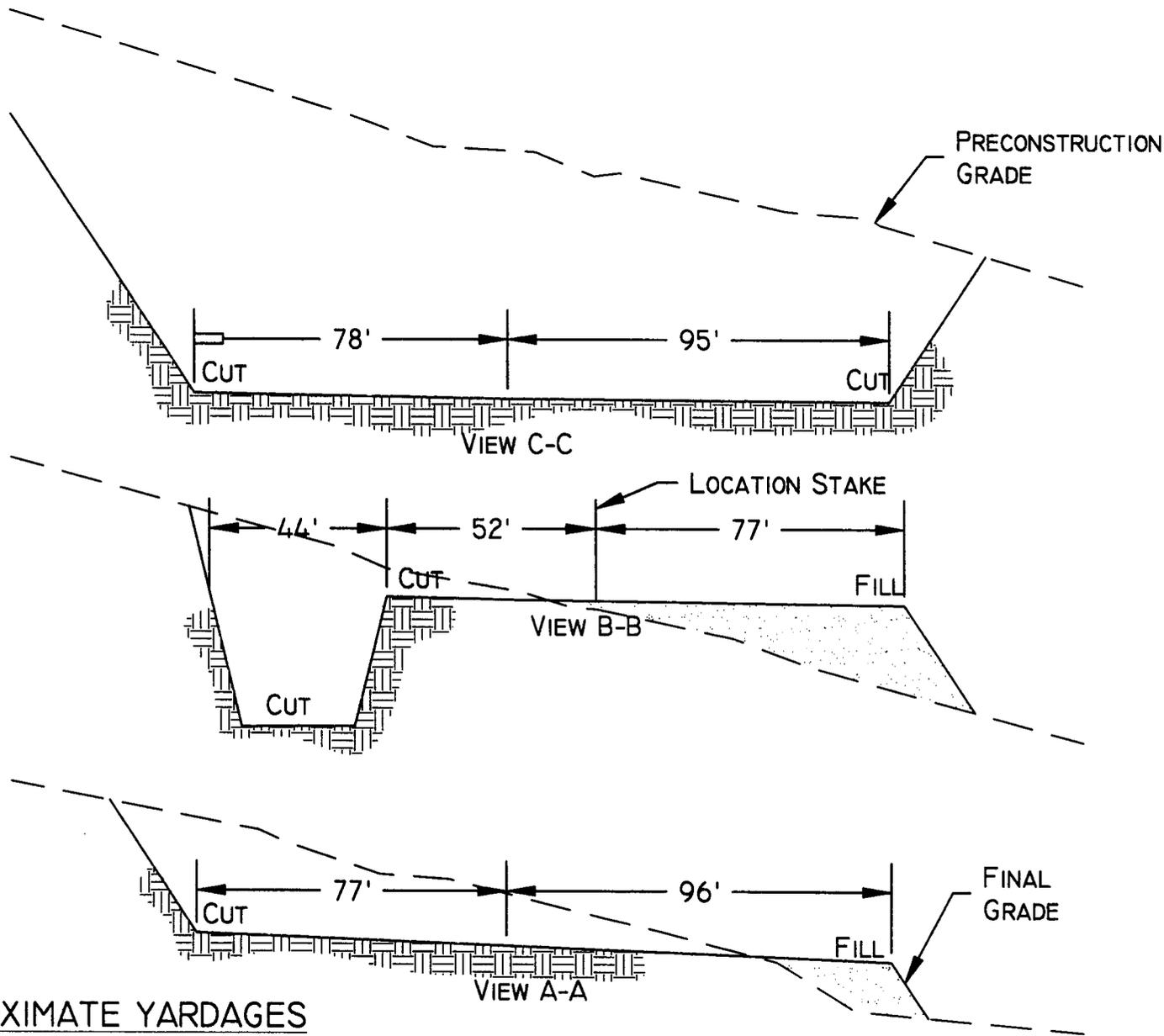
195 North 100 West P.O. Box 1230  
 Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311  
 E-Mail talonnetv.net

**ChevronTexaco**

**LOCATION LAYOUT**  
 Section 35, T16S, R7E, S.L.B.&M.  
 WELL #35-136

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. A-2	Date: 02/12/03
	Scale: 1" = 50'
Sheet 2 of 4	Job No. 509



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)687-5310 Fax (435)687-5311  
 E-Mail talon@etv.net

**ChevronTexaco**

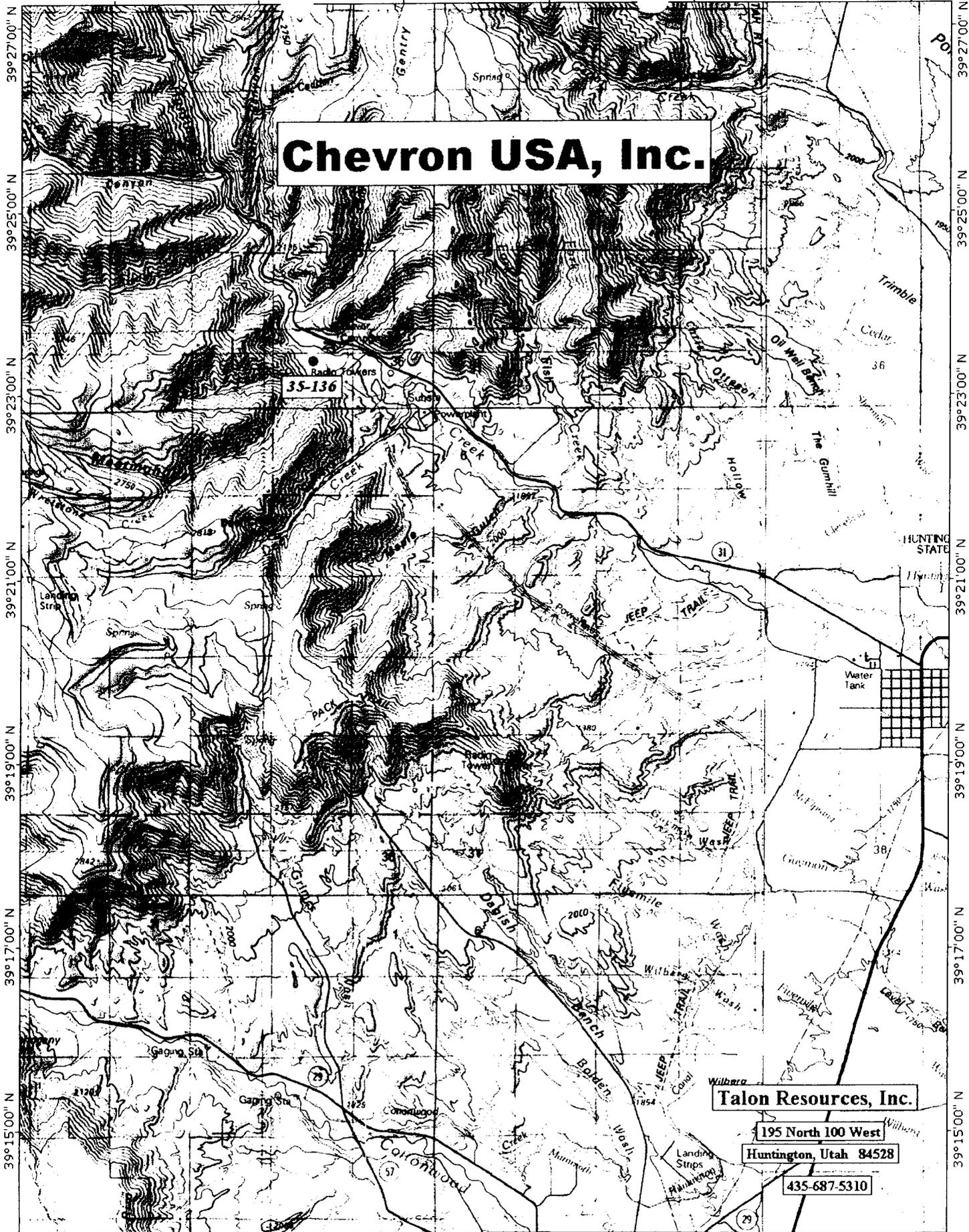
TYPICAL CROSS SECTION  
 Section 35, T16S, R7E, S.L.B.&M.  
 WELL #35-136

Drawn By: J. STANSFIELD	Checked By: L.W.J.
Drawing No. C-1	Date: 02/12/03
	Scale: 1" = 40'
Sheet 3 of 4	Job No. 509

APPROXIMATE YARDAGES  
 CUT  
 (6") TOPSOIL STRIPPING = 750 CU. YDS.  
 REMAINING LOCATION = 7,940 CU, YDS.  
 TOTAL CUT = 8,810 CU. YDS.  
 TOTAL FILL = 1,205 CU. YDS.



111°09'00" W 111°07'00" W 111°05'00" W 111°03'00" W 1°01'00" W NAD27 110°58'00" W



**Chevron USA, Inc.**

35-136

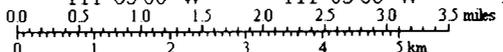
**Talon Resources, Inc.**

195 North 100 West

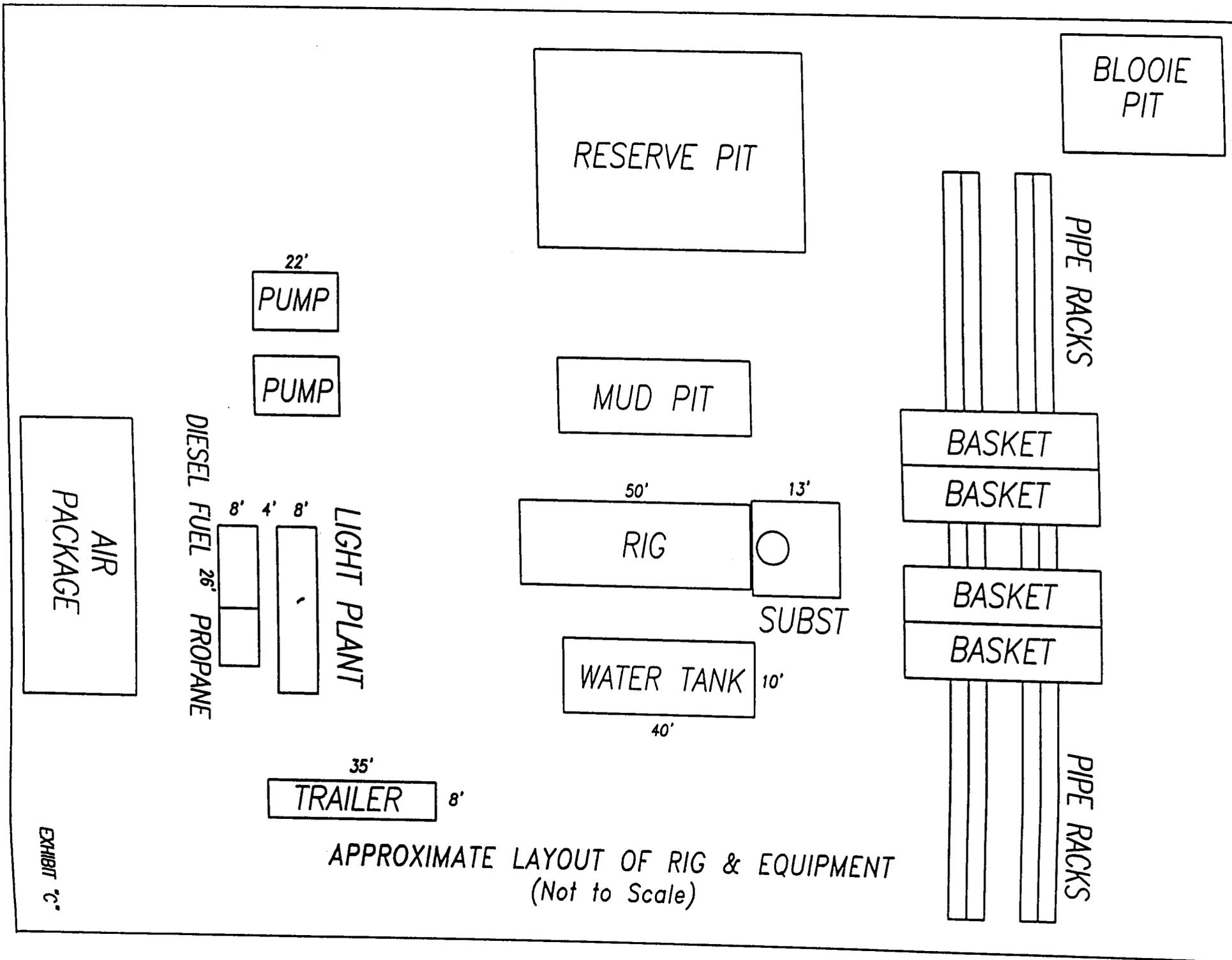
Huntington, Utah 84528

435-687-5310

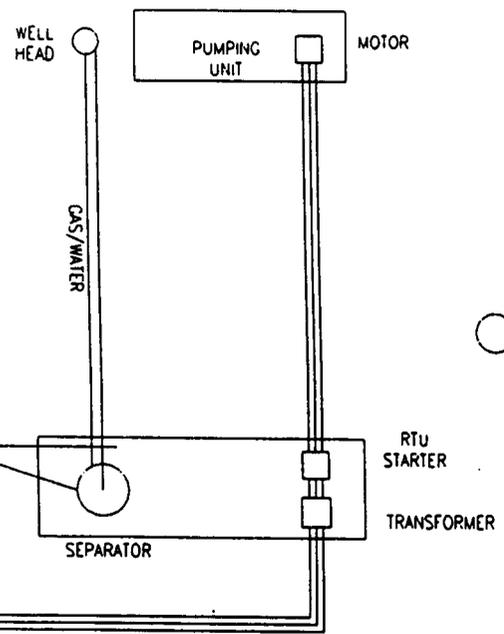
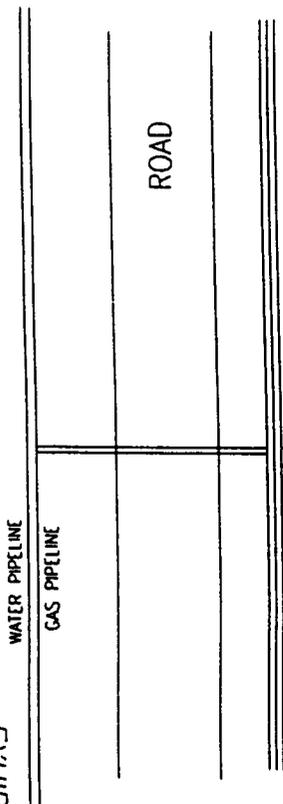
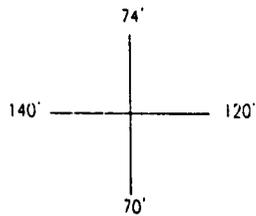
111°09'00" W 111°07'00" W 111°05'00" W 111°03'00" W 111°01'00" W NAD27 110°58'00" W



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ANCHOR (Typ. 4 Pi)



3-PHASE  
ELECTRIC

EXHIBIT "E"

WELL SITE LAYOUT  
260' X 144'

# TYPICAL ROAD CROSS-SECTION

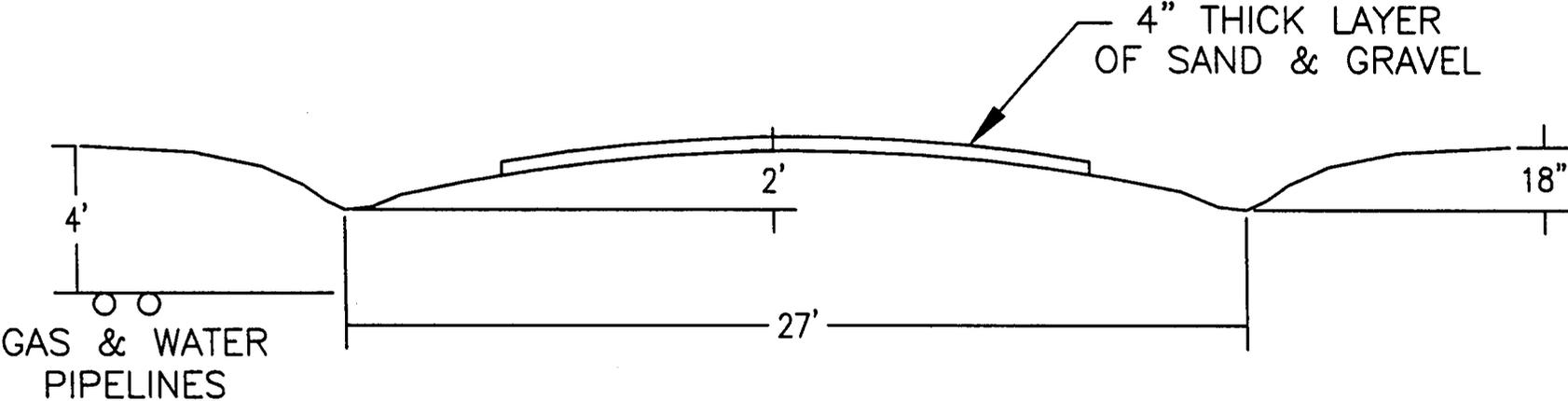


EXHIBIT "F"

# BOP Equipment

3000psi WP

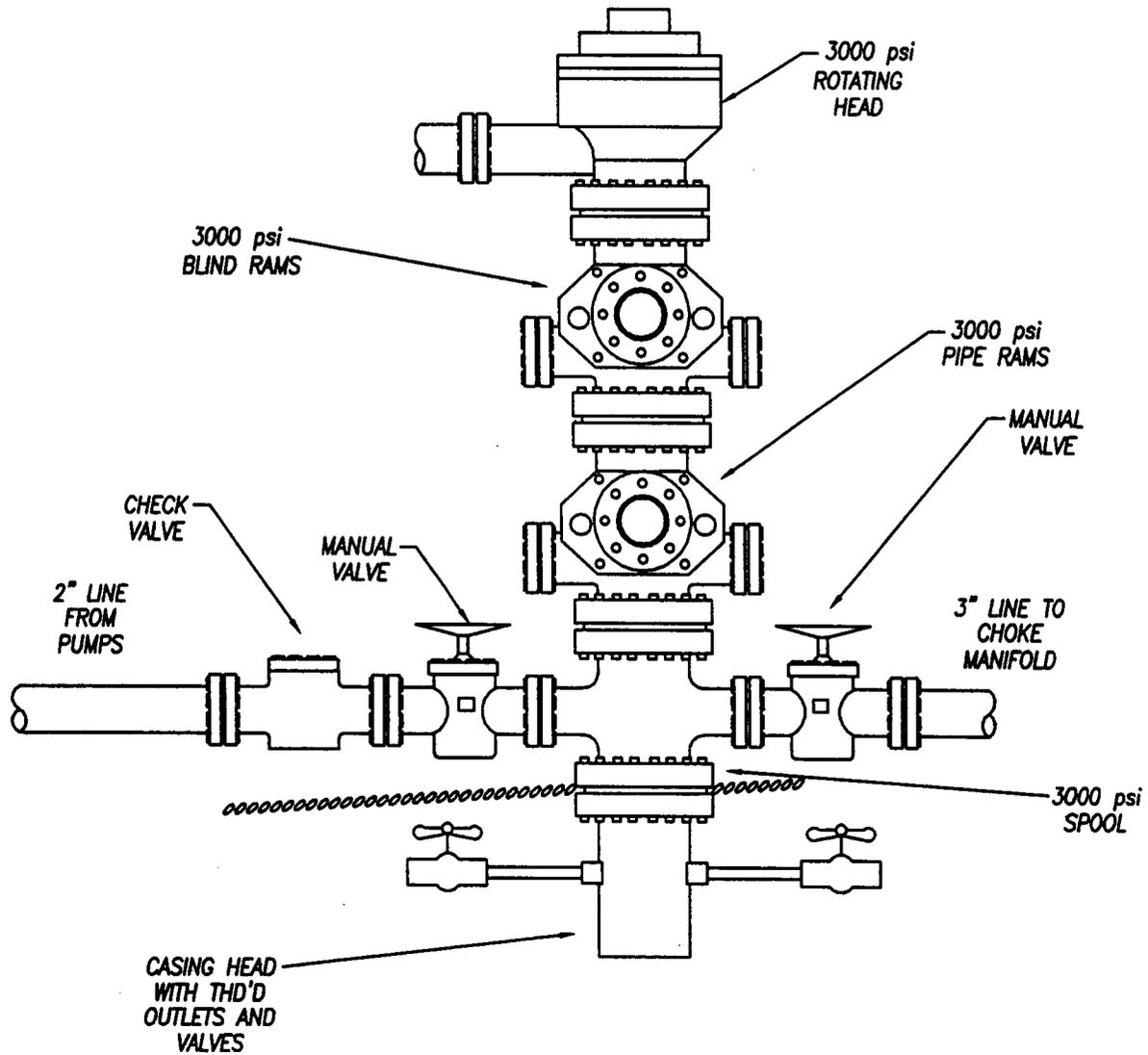
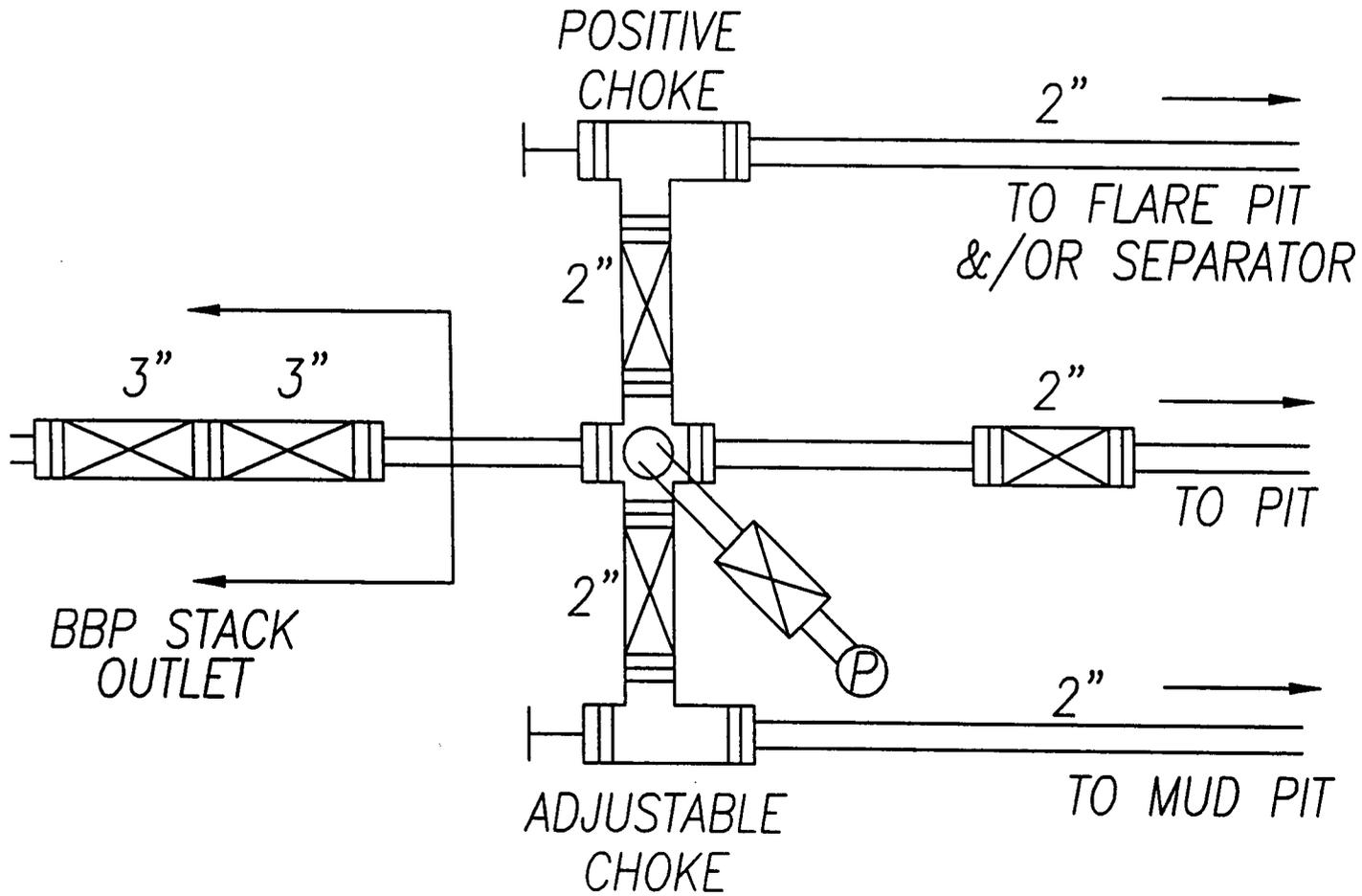


EXHIBIT "G"

# CHOKE MANIFOLD



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/24/2003

API NO. ASSIGNED: 43-015-30603

WELL NAME: UTAH FED 35-136  
OPERATOR: CHEVRON USA INC ( N0210 )  
CONTACT: DON HAMILTON/AGENT

PHONE NUMBER: 435-687-5310

PROPOSED LOCATION:

SWNE 35 160S 070E  
SURFACE: 2127 FNL 2414 FEL  
BOTTOM: 2127 FNL 2414 FEL  
EMERY  
UNDESIGNATED ( 2 )

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

LEASE TYPE: 1 - Federal  
LEASE NUMBER: UTU-73872  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: FRSD

LATITUDE: 39.38991  
LONGITUDE: 111.10404

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. S304604 )
- N Potash (Y/N)
- N Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. MUNICIPAL )
- N RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- NA Fee Surf Agreement (Y/N)

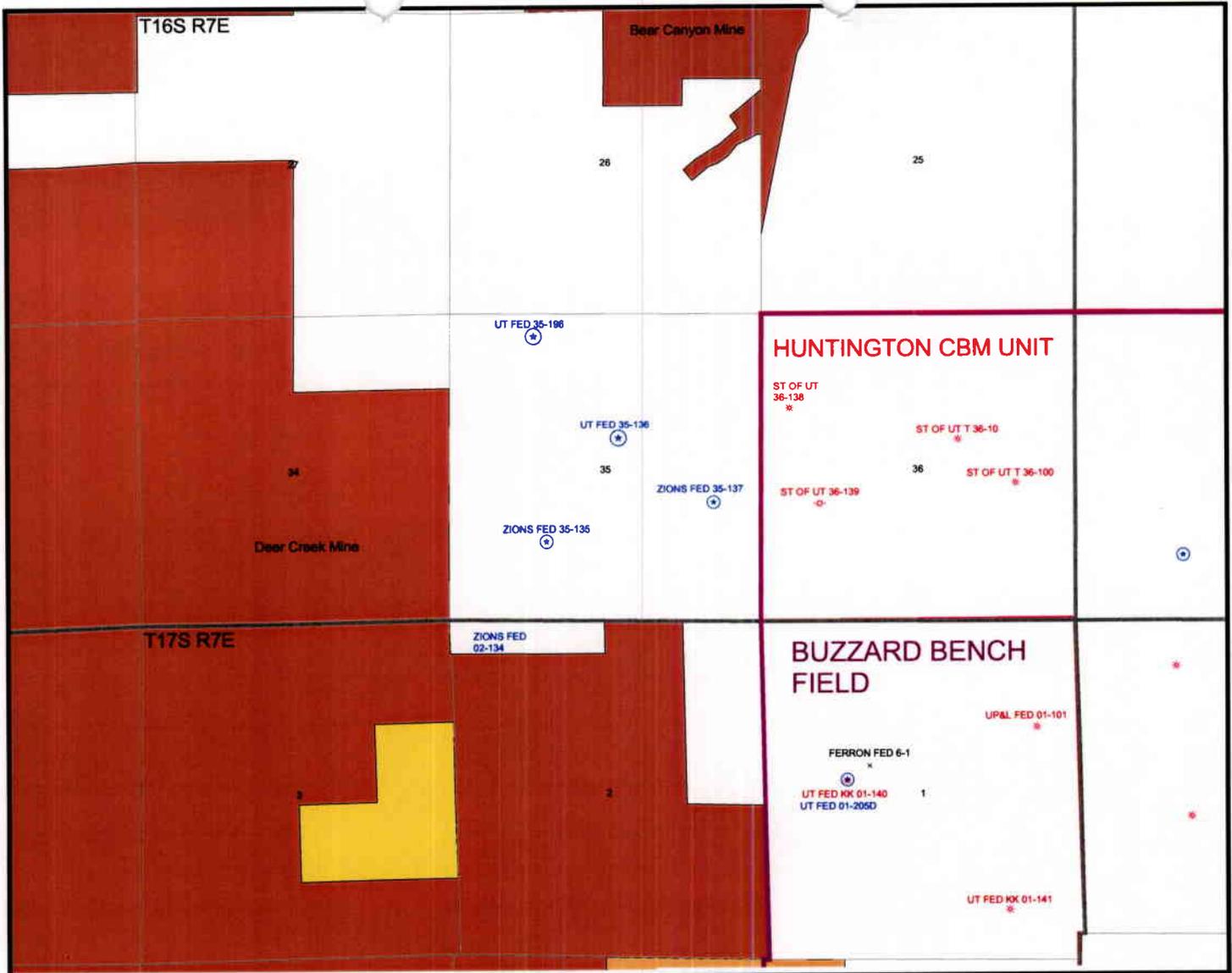
LOCATION AND SITING:

- \_\_\_ 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 approved

2-spacing strip



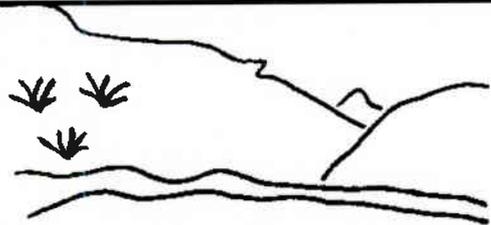
OPERATOR: CHEVRON USA INC (N0210)

SEC. 35 T16S, R7E

FIELD: UNDESIGNATED (002)

COUNTY: EMERY

SPACING: R649-3-3 / EX LOCATION



Utah Oil Gas and Mining

WELLS

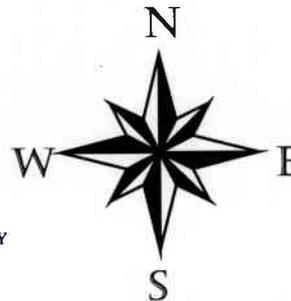
- ⤴ GAS INJECTION
- GAS STORAGE
- \* LOCATION ABANDONED
- ⊕ NEW LOCATION
- ◊ PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- ▲ WATER INJECTION
- ◆ WATER SUPPLY
- ⤴ WATER DISPOSAL

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: 27-FEBRUARY-2003

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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  Other

2. Name of Operator  
~~Chevron USA, Inc.~~ XTO Energy Inc.

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 2,127' FNL, 2,414 FEL  
 SW/4 NE4, Section 35, T16S, R7E, SLB&M

5. Lease Designation and Serial No.  
 UTU-73872

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

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

8. Well Name and No. 35  
 Utah Federal 13-136

9. API Well No.  
 43-015-30603

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 checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Change of Name <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Drilling Program Changes	<input type="checkbox"/> Pipeline, Powerline, Maintenance Corridor Construction <input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <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 % CaCl<sub>2</sub> + 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)

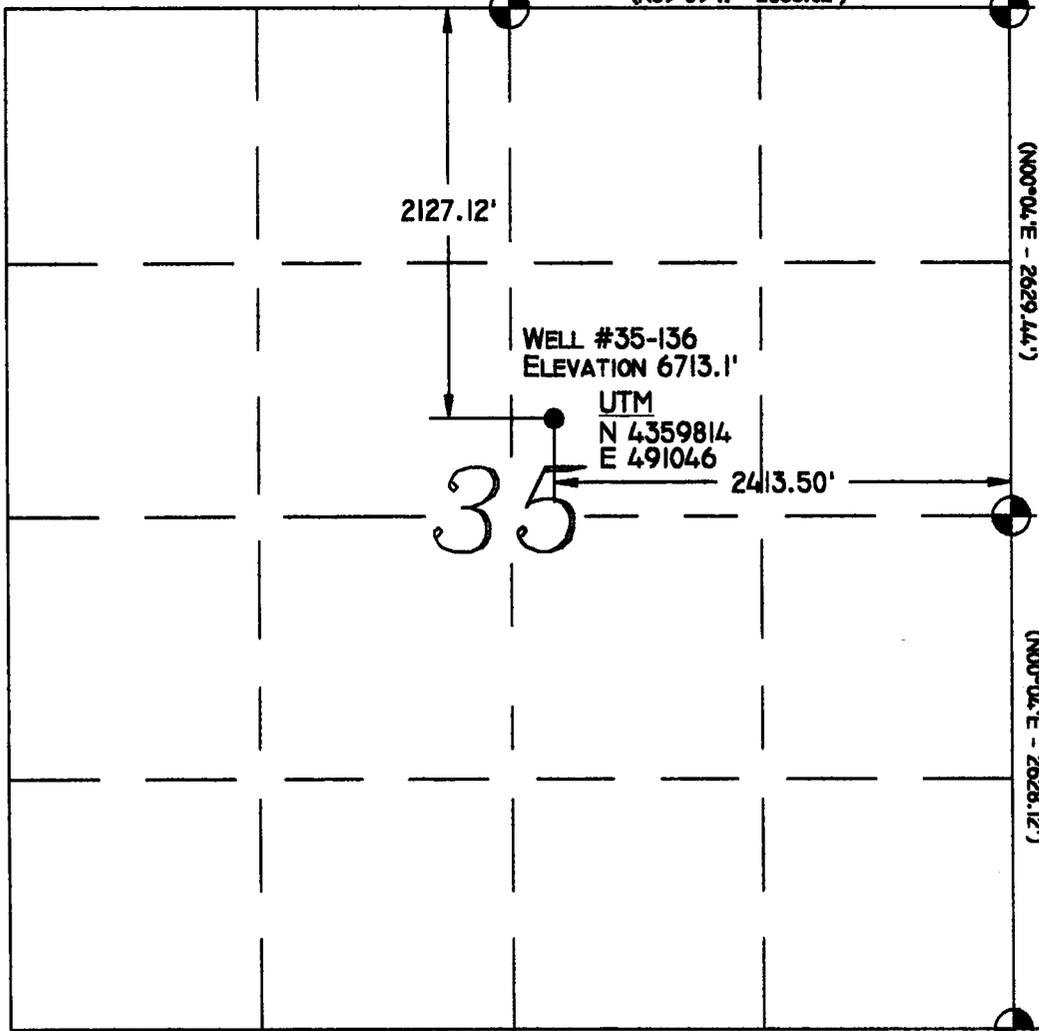
Approved by 1st Eric C. Jones Title Assistant Field Manager, Division of Resources

Conditions of approval, if any:

# Range 7 East

Township 16 South

S89°47'25"W - 2650.15'  
(N89°59'W - 2638.02')



(N88°26'W - 5253.6')

(N00°04'E - 2628.12')

(N00°15'03"W - 2628.12')

WELL #35-136  
ELEVATION 6713.1'  
UTM  
N 4359814  
E 491046

35

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

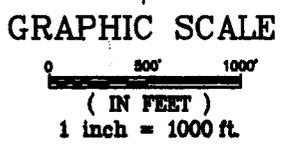
**Basis of Bearing:**  
THE BASIS OF BEARING IS GPS MEASURED.

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

**Basis of Elevation:**  
BASIS OF ELEVATION OF 6395.0' BEING AT THE SOUTHEAST SECTION CORNER OF SECTION 36, TOWNSHIP 16 SOUTH, RANGE 7 EAST, SALT LAKE BASE & MERIDIAN, AS SHOWN ON THE HIAWATHA QUADRANGLE 7.5 MINUTE SERIES MAP.

**Description of Location:**  
PROPOSED DRILL HOLE LOCATED IN THE SW 1/4, NE 1/4 OF SECTION 35; BEING 2127.12' SOUTH AND 2413.50' WEST FROM THE NORTHEAST CORNER OF SECTION 35, T16S., 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.



**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°23'23"  
111°06'14"

ORIGINAL



TALON RESOURCES, INC.

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

**ChevronTexaco**

WELL #35-136  
Section 35, T16S, R7E, S.L.B.&M.  
Emery County, Utah

Drawn By: BEN SCOTT	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 02/12/03
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 509

XTO Energy Inc.  
Utah Federal 35-136  
Lease UTU73872  
SWNE Section 35, T16 S, R 7 E  
Emery County, Utah

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

CONDITIONS OF APPROVAL

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

Be advised that XTO Energy 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 (DOG M) is required before conducting any surface disturbing activities.
3. When drilling with air, the requirements of Onshore Oil and Gas Order No. 2, part III, E, Special Drilling Operations, shall apply. Among the requirements in this section are:
  - Spark arresters
  - Blooie line discharge 100 feet from wellbore
  - Straight blooie line
  - Deduster equipment
  - Float valve above bit
  - Automatic igniter on the blooie line
4. A cement bond log (CBL), or other appropriate tool for determining top-of-cement, shall be run on the production casing string and shall be submitted to BLM.
5. The APD has been amended to provide for the use of 8-5/8", 23#, WC-50 surface casing.

SURFACE USE

- 1) Best Management Practices and the BLM Price Field Office Hydrologic Modification Standards will be implemented.
- 2) The companies Spill Prevention, Containment, and Cleanup Plan shall be followed and a copy submitted to the authorized officer.
- 3) Dust shall be controlled during all phases of project implementation through the use of water or approved dust suppressants.
- 4) The entire perimeter of Utah Federal 35-136 well site shall be fenced with a 6' security fence, locked gate and appropriate signage to ensure the continued safety of potential recreation near and around the drill site.
- 5) Construction and drilling activities shall be coordinated to avoid construction and drilling activities during holiday weekends and times of peak campground use as directed by BLM.
- 6) No permanent facilities (left on site for longer than six months) would exceed 14 feet in height.
- 7) Within six months of installation, surface structures shall be painted in the following flat, earth tone color: Olive Black (5W A 20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standard are exempt.
- 8) Chevron-Texaco shall utilize low profile pumping unit on the Utah Federal 35-136 drill site to reduce visual impacts.
- 9) Chevron-Texaco shall avoid clearing trees in a straight line and maintain the irregular shaped areas of the access road and mitigation project as designed.
- 10) Monitoring by a qualified archaeologist shall occur at well location Utah Federal 35-136, as well as during subsurface utility construction between well locations Utah Federal 35-196 and Utah Federal 35-136 and beyond to the point where the pipeline ties in with the existing pipeline. Construction monitoring by a qualified archaeologist shall occur concurrent with all surface disturbing activities. Avoidance fencing shall be placed at site 42Em2095 to further ensure protection of cultural resources.
- 11) Whether the mud pit shall be lined will be determined at the time of construction.
- 12) The following appendices are attached for your reference. They are to be followed as conditions of approval:
  - Table A-1, Seed Mixture for Green Strip Areas
  - Table A-2, Seed Mixture for Final Reclamation, Pinyon-Juniper Areas
  - EMP 16 & 17, Winter Seasonal Restriction on Critical & High Priority Winter Range
- 13) The proposed action is within critical winter range and the surface disturbance associated with the project exceeds that which was analyzed and mitigated for in the EIS. Since this surface disturbance has not been mitigated for in the EIS, the action is subject to the acre for acre mitigation for surface disturbance on critical winter range as provided for in the San Rafael Resource Management Plan. The proponent shall complete a wildlife

enhancement project designed to mitigate impacts on big game critical winter range at the rate of one acre of enhancement for each acre of disturbance. Acceptable projects may include vegetative manipulation designed to increase winter forage or other winter range habitat enhancements to improve big game distribution patterns. Projects shall be completed during the same calendar year as the surface disturbing activity taking place. All aspects of project design and implementation, NEPA compliance, project design and implementation shall be the responsibility of the proponent. Projects proposed by the proponent must be completed on public land and approved in advance by the Authorized Officer of the BLM.

- 14) Control of non-native, invasive species (noxious weeds) will be in accordance with the Federal Noxious Weed Act, the Utah Noxious Weed Act (R68-9), and County Noxious Weed Control Plans. Control of non-native, invasive species will be completed on all disturbed sites associated with the development and final reclamation of well pads and pipelines. The use of herbicides will be approved through a pesticide use proposal (PUP) submitted to the BLM prior to herbicide application.

#### GENERAL CONSTRUCTION

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.
3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is necessary.

4. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

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

#### ROAD and PIPELINE CONSTRUCTION

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction.
9. Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.
10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, headcut restoration/prevention.
11. Topsoil from access roads and pipelines is to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch

turnouts shall be equipped with energy dissipaters as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipaters and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

### PAD CONSTRUCTION

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

### REHABILITATION PROCEDURES

#### Site Preparation

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

#### Seedbed Preparation

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

### Fertilization

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

### Mulching

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

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

### Reseeding

23. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over

the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.

24. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is Pinyon-Juniper (see attached).

#### General

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

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

Table A-1

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

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

Table A-2

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

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

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

## FERRON NATURAL GAS PROJECT AREA

PROPONENT: \_\_\_\_\_ WELL #: \_\_\_\_\_

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

Pg 1 of 1

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

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

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

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

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

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

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

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

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

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

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**TABLE 1**

**NOTIFICATIONS**

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

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

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth.

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

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

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil  Gas

2. Name of Operator  
Chevron USA, Inc.

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2,127' FNL, 2,414 FEL  
SW/4 NE4, Section 35, T16S, R7E, SLB&M

5. Lease Designation and Serial No.  
UTU-73872

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 35-136

9. API Well No.  
43-015-30603

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 % CaCl<sub>2</sub> + 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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DIV. OF OIL, GAS & MINING

**CONFIDENTIAL**

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

Signed Don Hamilton Don Hamilton Title Agent for Chevron, USA, Inc. Date March 25, 2003

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

002

Mid-Continent Business Unit  
North American Upstream  
11111 S. Wilcrest, Houston, TX 77099  
P. O. Box 36366, Houston, TX 77236  
Tel (281) 861-3815  
Fax (281) 861-3576  
hemee@chevrontexaco.com

W. E. "Gene" Harrington  
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, 10<sup>th</sup> 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

MINING

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  
corr03-1WAIVERCompany Name: FIRST NATIONAL COMPANY OF UTAHPrint Name: LYNDAN A. JOE - VPSignature: [Handwritten Signature]Date: MAY 15, 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.

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Very truly,



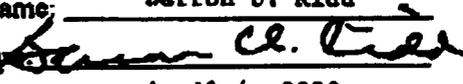
W. E. "Gene" Herrington

WJH:pa  
corr/apr03-1

WAIVER

Company Name: Kidd Family Partnership Limited

Print Name: Barron U. Kidd

Signature: 

Date: April 4, 2003

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DEPT. OF OIL, GAS & MINING



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

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

Michael O. Leavitt  
Governor

Robert L. Morgan  
Executive Director

Lowell P. Braxton  
Division Director

May 15, 2003

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

Re: Utah Federal 35-136 Well, 2127' FNL, 2414' FEL, SW NE, Sec. 35, T. 16 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 43-015-30603.

Sincerely,

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 35-136  
API Number: 43-015-30603  
Lease: UTU-73872

Location: SW NE                      Sec. 35                      T. 16 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**

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

007

**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)

2,127' FNL, 2,414 FEL  
SW/4 NE4, Section 35, T16S, R7E, SLB&M

5. Lease Designation and Serial No.

UTU-73872

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 35-136

9. API Well No.

43-015-30603

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"/> 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  
hemwe@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, 10<sup>th</sup> 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

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,



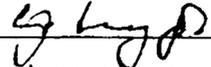
W. E. "Gene" Herrington

WEH:pc  
 corr\apr03-1

WAIVER

Company Name: FIRST NATIONAL COMPANY OF MARSHALL

Print Name: LYNDSEY A. JOB - VP

Signature: 

Date: MAY 13, 2003

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

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

Very truly,



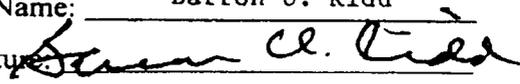
W. E. "Gene" Herrington

WJH pc  
corr\apr03-1

WAIVER

Company Name: Kidd Family Partnership Limited

Print Name: Barron U. Kidd

Signature: 

Date: April 4, 2003

# TALON RESOURCES INC

May 24, 2004

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

RE: Request for Permit Extension----- Chevron USA , resend sundry

Dear Ms. Whitney:

On behalf of Chevron USA, Talon Resources, Inc. respectfully submits these requests for permit extension for the following wells. These extensions will allow Chevron USA time to construct, drill, and complete these wells. The attached sundrys reflect the appropriate company name and will accompany the originally sent "Request for Permit Extension Validation" dated May 17, 2004.

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

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

Sincerely,

  
Larry W. Johnson  
Talon Resources, Inc.

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

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

008

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73872
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Huntington (Shallow)CBM
2. NAME OF OPERATOR: Chevron USA, Inc.		8. WELL NAME and NUMBER: Utah Federal 35-136
3. ADDRESS OF OPERATOR: P.O. Box 618 CITY Orangeville STATE UT ZIP 84537		9. API NUMBER: 4301530603
PHONE NUMBER: (435) 748-5395		10. FIELD AND POOL, OR WILDCAT: Undesignated

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2127' FNL, 2414' FEL COUNTY: Emery  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 35 16S 7E S STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input 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 35-136

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) Larry Johnson TITLE Chevron USA, Inc.  
SIGNATURE [Signature] DATE 5/24/2004

(This space for State use only)

RECEIVED

JUN 01 2004

DIV. OF OIL, GAS & MINING



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

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

**API:** 4301530603  
**Well Name:** Utah Federal 35-136  
**Location:** SW/4NE/4, Section 35, T16S, R7E, SLB&M  
**Company Permit Issued to:** Chevron USA, Inc.  
**Date Original Permit Issued:** 5/15/2003

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

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

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

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

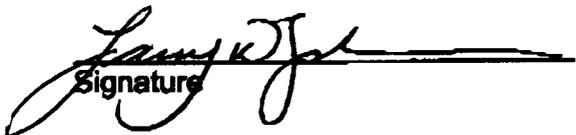
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

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

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

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

  
Signature

5/17/2004  
Date

**Title:** Agent for Chevron

**Representing:** Chevron USA, Inc.

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)

<b>Well name:</b>	Utah Federal 35-136
<b>API number:</b>	4301530603
<b>Location:</b>	Qtr-Qtr: SWNE Section: 35 Township: 16S Range: 7E
<b>Company that filed original application:</b>	Chevron U.S.A. Inc.
<b>Date original permit was issued:</b>	
<b>Company that permit was issued to:</b>	Chevron U.S.A. Inc.

Check one	Desired Action:
	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
	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"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
	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 checked="" type="checkbox"/>
<input type="checkbox"/> If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		<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 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 checked="" type="checkbox"/>
Has the approved source of water for drilling changed?		<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 checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>UT-0848</u>	<input checked="" type="checkbox"/>	

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

Name (please print) James L. Deatt Title Vice President - Land  
 Signature James L. Deatt 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.

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

4. LOCATION OF WELL

FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: **Emery**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input 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 checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Effective August 1, 2004, the operator changed from Chevron U.S.A. Inc. to XTO ENERGY INC. for all wells on the attached list.

BLM #579173  
State and Fee Bond #104312762

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

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

(This space for State use only)

**APPROVED** 9/30/2004  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

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

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

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

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

**ROUTING**

1. GLH
2. CDW
3. FILE

**OPERATOR CHANGE WORKSHEET**

009

**X Change of Operator (Well Sold)**

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **8/1/2004**

<b>FROM: (Old Operator):</b> N0210-Chevron USA, Inc 11111 S Wilcrest Houston, TX 77099 Phone: 1-(281) 561-4991	<b>TO: (New Operator):</b> N2615-XTO Energy Inc 2700 Farmington Ave, Bldg K Suite 1 Farmington, NM 87401 Phone: 1-(505) 324-1090
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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
UP & 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	

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**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

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:**

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

010

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-73872
2. Name of Operator XTO ENERGY INC.		6. If Indian, Allottee or Tribe Name
3a. Address 2700 Farmington Ave. Bldg K, Suite 1 Farmington, NM 87401	3b. Phone No. (include area code) (505) 324-1090	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  2127' FNL & 2414' FEL Sec. 35 T16S, R7E		8. Well Name and No. Utah Federal 35-136
		9. API Well No. 43-015-30603
		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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Operator Change</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Effective August 1, 2004, the operator for lease # UTU 73872 changed from Chevron U.S.A. Inc. to XTO ENERGY INC.

XTO ENERGY's Nationwide Bond is ~~570473~~.

UTB000138 (surety id: 104312750)

*This is a pending APD*

CONFIDENTIAL

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

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

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

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <u>ACCEPTED</u>	Title Division of Resources Moab Field Office	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.		

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: UDOGM

*Conditions Attached*

RECEIVED

OCT 27 2004

DIV. OF OIL, GAS & MINING

XTO Energy Inc.  
Well No. 35-136  
Section 35, T. 16 S., R. 7 E.  
Lease UTU73872  
Emery County, Utah

CONDITIONS OF ACCEPTANCE

**NOTE: This location is a pending Application for Permit to Drill. BLM approval to drill at this location has not yet been granted.**

Acceptance 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 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 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 43CFR 3106.7-2 continuing responsibility are met.

011

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
MOAB FIELD OFFICE

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
DRILL  DEEPEN  2003 FEB 24 P 1:33

b. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE  DEPARTMENT OF THE INTERIOR BUREAU OF LAND MGMT

2. NAME OF OPERATOR  
Chevron USA, Inc. XTO Energy, Inc.

3. ADDRESS AND TELEPHONE NO.  
2700 Farmington Ave Bldg K, St. 1, Farmington NM  
P.O. Box 618, Orangetown, Utah 84537 435-748-5395 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At surface 2,127' FNL, 2,414' FEL  
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
8.56 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) 156'  
16. NO. OF ACRES IN LEASE 40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None  
19. PROPOSED DEPTH 4,400'

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6,713' 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" <del>WT-50</del> ST&C	<del>24</del> 23	300'	205 sacks Class G cement + 2% CaCl <sub>2</sub> + 0.25 pps cellophane flakes 1.16 ft <sup>3</sup> /sack
7-7/8"	5-1/2" <del>LT-80</del> LT&C	17	4,300'	135 sacks 10:1 RFC Class G cement + 0.25 pps cellophane flakes 1.16 ft <sup>3</sup> /sack

Surface Owner: USA—Bureau of Land Management  
Surface Representative: Don Stephens, Price Field Office — 435-636-3600

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Federal Bond Number: S 304604 — LTB00138

DIV. OF OIL, GAS & MINING

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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 2-20-03  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

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

APPROVED BY Eric C. Jones TITLE ACTING Assistant Field Manager, Division of Resources DATE OCT 28 2003

\*See Instructions On Reverse Side

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

CONDITIONS OF APPROVAL ATTACHED

012

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.

6. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73872
8. WELL NAME and NUMBER: UTAH FEDERAL 35-136
9. API NUMBER: 4301530603
10. FIELD AND POOL, OR WILDCAT: BUZZARD BENCH
1. TYPE OF WELL: OIL WELL [ ] GAS WELL [x] OTHER [ ]
2. NAME OF OPERATOR: XTO ENERGY INC.
3. ADDRESS OF OPERATOR: 2700 FARMINGTON AVE. BI CITY FARMINGTON STATE NM ZIP 87401
PHONE NUMBER: (505) 324-1090
4. LOCATION OF WELL: FOOTAGES AT SURFACE: 2127' FNL x 2414' FEL COUNTY: EMERY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 35 16S 7E S STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION: [x] NOTICE OF INTENT (Submit in Duplicate)
TYPE OF ACTION: [ ] ACIDIZE, [ ] DEEPEN, [ ] REPERFORATE CURRENT FORMATION, [ ] ALTER CASING, [ ] FRACTURE TREAT, [ ] SIDETRACK TO REPAIR WELL, [ ] CASING REPAIR, [ ] NEW CONSTRUCTION, [ ] TEMPORARILY ABANDON, [ ] CHANGE TO PREVIOUS PLANS, [ ] OPERATOR CHANGE, [ ] TUBING REPAIR, [ ] CHANGE TUBING, [ ] PLUG AND ABANDON, [ ] VENT OR FLARE, [ ] CHANGE WELL NAME, [ ] PLUG BACK, [ ] WATER DISPOSAL, [ ] CHANGE WELL STATUS, [ ] PRODUCTION (START/RESUME), [ ] WATER SHUT-OFF, [ ] COMMINGLE PRODUCING FORMATIONS, [ ] RECLAMATION OF WELL SITE, [ ] CONVERT WELL TYPE, [ ] RECOMPLETE - DIFFERENT FORMATION

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
XTO Would like to change the name of the above well to the following:
Utah Federal 16-7-35-32

NAME (PLEASE PRINT) Kyla Vaughan TITLE Regulatory Compliance Tech
SIGNATURE [Handwritten Signature] DATE 11/12/2004

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

FORM 9

013

**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:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-7-35 #32</b>
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>		9. API NUMBER: <b>4301530603</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: <b>BUZZARD BENCH</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2127' FNL &amp; 2414' FEL</b>		COUNTY: <b>EMERY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 07E</b>		STATE: <b>UTAH</b>

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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>1/2/2005</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input checked="" type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

XTO Energy Inc. proposes to change from previously approved casing size of 5-1/2", 17#, N80, LT&C casing to 5-1/2", 15.5#, J-55, ST&C casing for this new drill. Drilling is expected to begin approx 4/29/05.

NAME (PLEASE PRINT) <b>HOLLY C. PERKINS</b>	TITLE <b>Regulatory Compliance Tech</b>
SIGNATURE <i>Holly C. Perkins</i>	DATE <b>4/25/2005</b>

(This space for State use only) *For Cost Approval Per*

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**APR 29 2005**

014

ENTITY ACTION FORM

Operator: XTO Energy Inc. Operator Account Number: N 2615  
 Address: 2700 Farmington Ave, K #1  
city Farmington  
state NM zip 87401 Phone Number: (505) 324-1090

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301530603	UTAH FEDERAL 16-7-35-32		NWSE	35	16S	07E	EMERY
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	14720	11/22/2004			5/19/05	
<b>Comments:</b> FRSD XTO Energy drld 17-1/2" surf hole & cmtd 13-3/8" conductor csg in November 2004 & suspended operations. XTO Energy Inc. commenced drlg operations & std drlg 12-1/4" hole 04/26/05.							

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Well 2

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

Well 3

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

ACTION CODES:

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

Holly K Small  
 Name (Please Print)  
Holly K Small  
 Signature  
Drilling Assistant Title  
5/19/05 Date

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**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: <b>UTU-73872</b>
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
			7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: <b>Utah Federal 16-7-35-32</b>
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>			9. API NUMBER: <b>4301530603</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		PHONE NUMBER: <b>(505) 324-1090</b>	10. FIELD AND POOL, OR WILDCAT: <b>Ferron Coal</b>
4. LOCATION OF WELL			
FOOTAGES AT SURFACE: <b>2,127' FNL x 2,414' FEL</b>			COUNTY: <b>Emery</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 07E S</b>			STATE: <b>UTAH</b>

CONFIDENTIAL

**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>Set &amp; cmt surf csg</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.**

4/26/05: Commenced drilling operations. Drld 12-1/4" hole to 142'.  
 4/27/05: Drld fr/142' to 194'.  
 4/28/05: Cmt'd 200' of 12-1/4" hole due to sluffing. Rig on days off until 5/3/05.  
 5/03/05: Drld 11" hole to fr/surf to 84'.  
 5/04/05: Drld fr/84' to 205'.  
 5/05/05: Drld to 341'. TIH w/8-5/8", 24#, J-55, ST&C csg to 336.93'.  
 5/06/05: Cmt'd surf csg w/220 sx CI "A" cmt w/2% CaCl2 & 1/4 PPS Flocele.  
 5/07/05: PT BOPE & surf csg to 1,000 psig for 30 min. Held OK.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Drilling Assistant</u>
SIGNATURE <u><i>Kelly Small</i></u>	DATE <u>5/19/2005</u>

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**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-73872
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: 2,127' FNL x 2,414' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 35 16S 07E S		8. WELL NAME and NUMBER: Utah Federal 16-7-35-32
PHONE NUMBER: (505) 324-1090		9. API NUMBER: 4301530603
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
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<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>Well spud &amp; set conductor csg</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

XTO Energy Inc. spudded 17-1/2" hole on 11/22/04. Set 13-3/8" conductor csg @ 48'. Cmtd csg. Operation suspended until April 2005.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Drilling Assistant</u>
SIGNATURE <u><i>Kelly Small</i></u>	DATE <u>5/19/2005</u>

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

FORM 9

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		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU 73872</b>
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		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u>		8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-7-35-32</b>
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>		9. API NUMBER: <b>4301530603</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		10. FIELD AND POOL, OR WILDCAT: <b>BUZZARD BENCH ABO</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2127' FNL &amp; 2414' FEL</b>		COUNTY: <b>EMERY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 07E</b>		STATE: <b>UTAH</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
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	<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>Move rig off</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. is moving the rig off location and temporarily suspending operations due to fish in the hole. Rig not capable of pulling fish out. XTO Energy will wait on larger rig that should be coming in 3-4 weeks and work will continue at that time.

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE <u>Holly C. Perkins</u>	DATE <u>5/24/2005</u>

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**MAY 27 2005**

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-73872</b>
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: <b>XTO ENERGY INC.</b>		8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-7-35-32</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg # _____ CITY Farmington STATE NM ZIP 87401		9. API NUMBER: <b>4301530603</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2,127' FNL x 2,414' FEL</b>		10. FIELD AND POOL, OR WILDCAT: <b>FERRON SAND</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 07E S</b>		COUNTY: <b>EMERY</b>
		STATE: <b>UTAH</b>

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>April 2005 drilling activity</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.  
See attached report for April 2005 drlg activity.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Drilling Assistant</u>
SIGNATURE <u><i>Kelly K. Small</i></u>	DATE <u>5/25/05</u>

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**MAY 31 2005**  
DIV. OF OIL, GAS & MINING

# Farmington Monthly Report

CONFIDENTIAL

<b>UTAH FEDERAL</b>	<b>Well # 16-7-35-32</b>	<b>FERRON</b>
---------------------	--------------------------	---------------

**Objective:** Drill & Complete

**Rig:** CDDT Rig #2

**AFE:** 402281

**1st Rept:** 02/12/2003

**11/23/04** WOC @ 50' (50'/24 hrs). Air Bit #1, 17-1/2", in @ surf, out @ 50' (50'/5 hrs). RU 4 hrs, drlg 5 hrs, rn csg/cmt 1 hr, WOC 14 hrs. MIRU CDDT Rig #2. Drld conductor hole fr/0' - 50' w/12-1/4" flat hammer bit. Reamed hole to 17-1/2" fr/0' - 42'. Circ hole clean. PU & TIH w/1 jts 13-3/8", 48.0#, H-40, ST&C csg to 48'. WOC.

**DWC:** \$19,600      **CWC:** \$19,600      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** CDDT Rig #2

**11/24/04** WOC @ 50' (0'/24 hrs). WOC. Cmtd conductor csg w/70 sx Premium Neat cmt (mixed @ 15.6 ppg, 1.18 cuft/sx). Cl loc. RDMO rig. WOC. SDFN.

**DWC:** \$1,600      **CWC:** \$21,200      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**4/19/05** Neilson Construction bladed & graveled road.

**DWC:** \$7,300      **CWC:** \$28,500      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**4/20/05** Neilson Construction compl loc.

**DWC:** \$7,300      **CWC:** \$35,800      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**4/27/05** Trip to chk bit @ 142' (142'/24 hrs). Air. Bit #1, 12-1/4", HTC, F2505, SN M2218A3, op, in @ surf (142'/9-3/4 hrs), WOB 16K, RPM 72, PP 200 psig. RU 13 hrs, drlg 9-3/4 hrs, trip 1-1/4 hrs. MIRU Stewart Bros. rig #51. Spudded 12-1/4" hole @ 7:00 p.m., 04/26/05. Drld to 142'. Trip to chk bit.

**DWC:** \$15,000      **CWC:** \$50,800      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**4/28/05** CO hole f/trip @ 194' (52'/24 hrs). Air. Bit #1, 12-1/4", HTC, F2505, SN M2218A3, op, in @ surf (194'/26-3/4 hrs), WOB 19K, RPM 72, PP 200 psig. Drlg 17 hrs, trip 1 hr, C&C 6 hrs. TIH. Wrkd & CO hole (142'). Drld to 194'. Wrkd & CO hole f/trip.

**DWC:** \$13,215      **CWC:** \$64,015      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**4/29/05** Cmt hole @ 194' (0'/24 hrs). Air. Bit #1, 12-1/4", HTC, F2505, SN M2218A3, op, in @ surf (194'/26-3/4 hrs), WOB 19K, RPM 72, PP 200 psig. Trip 6 hrs, cmt 3 hrs (9 ttl hrs). Circ hole & wrkd pipe free. TOH w/DP, DC's & BHA. WO cmt. Cmtd 200' of 8-5/8" hole due to hole sluffing in on top of bit. Note: Rig on days off until 05/04/05.

**DWC:** \$19,500      **CWC:** \$83,515      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-73872</b>
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 <u>CONFIDENTIAL</u>		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>		8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-7-35-32</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K    CITY Farmington    STATE NM    ZIP 87401		9. API NUMBER: <b>4301530603</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2,127' FNL x 2,414' FEL</b>		10. FIELD AND POOL, OR WILDCAT: <b>FERRON SAND</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 07E S</b>		COUNTY: <b>EMERY</b>
		STATE: <b>UTAH</b>

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>MAY 2005 DRLG</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>ACTIVITY</u>

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

See attached for May 2005 drilling activity.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Drilling Assistant</u>
SIGNATURE <u><i>Kelly K. Small</i></u>	DATE <u>6/2/2005</u>

(This space for State use only)

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**JUN 06 2005**

# Farmington Monthly Report

CONFIDENTIAL

<b>UTAH FEDERAL</b>	<b>Well # 16-7-35-32</b>	<b>FERRON</b>
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**Objective:** Drill & Complete

**Rig:** Stewart Bros #51

**AFE:** 402281

**1st Rept:** 02/12/2003

**5/4/05** Drlg @ 84' (84'/24 hrs). Air. Bit #2, 11", HTC, ETD24, SN 191230, op, in @ surf (84'/26-3/4 hrs), WOB 13K, RPM 72, PP 200 psig. RU 1-1/2 hrs, drlg 4-1/2 hrs (6 ttl hrs). RU flow ln. Drlg @ 84'.

**DWC:** \$10,700      **CWC:** \$94,215      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/5/05** Drlg @ 205' (121'/24 hrs). MW 8.7, vis 90. Added 60 sx LCM, 109 sx gel, & 4 sx SA. Bit #2, 11", HTC, ETD24, SN 191230, op, in @ surf (205'/30-1/4 hrs), WOB 21K, RPM 72. RU 11-1/4 hrs, drlg 3-1/2 hrs, trip 1-1/4 hrs, C&C 7-1/2 hrs, repr 1/2 hr. Drl'd to 183'. Fill std falling in on top of bit. TOH. RU mud pit. Mixed mud & LCM. TIH to 183'. Ppd LCM. Circ. No rtrns. Mixed & ppd LCM. Wrkd on sump pmp. Resumed drlg ahead.

**DWC:** \$11,850      **CWC:** \$106,065      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/6/05** Circ @ 341' (136'/24 hrs). Surv: 1 deg @ 341'. MW 8.7, vis 90. Bit #2, 11", HTC, ETD24, SN 191230, op, in @ surf, out @ 341' (341'/42-3/4 hrs), WOB 21K, RPM 72. Drlg 12-1/2 hrs, surv 1/2 hr, trip 3 hrs, C&C 3-1/2 hrs, m csg 4-1/2 hrs. Drl'd to 341'. Circ f/short trip. Short trip. Circ f/LD. TOH & LD DP. TIH w/10 jts 8-5/8", 24#, J-55, ST&C csg to 336.93'. Circ. Note: Notified Don w/BLM 5/5/05 that cmtg would begin @ 2:00 a.m. 05/06/05.

**DWC:** \$10,400      **CWC:** \$116,465      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/7/05** Tstg BOPE & surf csg @ 341' (0'/24 hrs). MIRU Halliburton. Cmt'd csg w/220 sx Cl "A" regular cmt w/2% CaCl2 & 1/4 PPS Flocele (mixed @ 15.6 ppg, 1.20 cuft/sx). Disp w/20 BFW. Bmpd plg @ 12:00 a.m., 05/07/05 w/1,000 psig (960 psig over late pmp press). Float held OK. Ppd 75 bbl cmt dwn csg & up annulas (ran out of cmt). Called Don Stephens w/BLM & was instructed to pmp cmt dwn fr/surf w/3/4" pipe. Tgd cmt @ 55' FS. Ordered more cmt. Ppd cmt fr/55' to surf w/good rtrns. RDMO Halliburton. WOC 3-1/2 hrs. RU BOPE. Tstd BOPE & surf csg to 1,000 psig for 30 min. Held OK.

**DWC:** \$33,933      **CWC:** \$150,398      **DMC:** \$0      **CMC:** \$0

**Casing Location:** Surface

**DV Depth:** 0.00

**Marker 1 Depth:** 0.00

**FC Depth:** 0.00

**Marker 2 Depth:** 0.00

<u>Qty</u>	<u>Type</u>	<u>Description</u>	<u>Cond</u>	<u>Top</u> <u>Depth</u>	<u>Btm</u> <u>Depth</u>	<u>Length</u>
1	manual	8-5/8" Float Shoe	New	336.33	336.93	0.60'

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1	Casing	8-5/8", 24.0#, J-55, ST&C Shoe Jt	New	305.88	336.33	30.45'
1	manual	8-5/8" IFV	New	305.88	305.88	0.00'
9	Casing	8-5/8", 24.0#, J-55, ST&C Casing	New	4.00	305.88	301.88'
						<b>Total</b> 332.93'
						<b>- Cut Off</b> -4.00'
						<b>Landed @</b> 336.93'

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/8/05** Rig repr @ 341' (0'/24 hrs). RU 2 hrs, trip 2 hrs, repr 20 hrs. RU flowline. TIH to 260'. Repl transmission & clutch.

**DWC:** \$10,200      **CWC:** \$160,598      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/9/05** Drlg @ 1,120' (779'/24 hrs). Surv: 3/4 deg @ 808'. Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (779'/22 hrs), WOB 29K, RPM 72. Drlg 22 hrs, surv 1/2 hr, trip 1/2 hr, rig serv 3/4 hr, tst pipe rams 1/4 hr. TIH to 290'. DO cmt/FE fr/290' to 341'. Drl to 424'. Tstd pipe rams. Drl to 808'. Repr clutch. Resumed drlg ahead.

**DWC:** \$10,530      **CWC:** \$171,128      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/10/05** Drlg @ 1,815' (695'/24 hrs). Surv: 1-1/2 deg @ 1,333'. Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (1,474'/45-1/4 hrs), WOB 38K, RPM 72. Drlg 23-1/4 hrs, surv 1/2 hr, tst pipe rams 1/4 hr. Drl to 1,130'. Tstd pipe rams. Drlg ahead.

**DWC:** \$12,730      **CWC:** \$183,858      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/11/05** Drlg @ 2,720' (905'/24 hrs). Surv: 1 deg @ 1,815' & 1-1/4 deg @ 2,316'. Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (2,379'/68-1/4 hrs), WOB 25K, RPM 72. Drlg 23 hrs, surv 3/4 hr, tst pipe rams 1/4 hr. Drl to 1,915'. Tstd pipe rams. Drlg ahead.

**DWC:** \$12,601      **CWC:** \$196,459      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/12/05** Drlg @ 3,740' (1,020'/24 hrs). Surv: 1 deg @ 2,820'. Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (3,399'/91-1/4 hrs), WOB 28K, RPM 72. Drlg 23 hrs, surv 3/4 hr, tst pipe rams 1/4 hr. Drl to 2,779'. Tstd pipe rams. Drlg ahead.

**DWC:** \$18,899      **CWC:** \$215,358      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/13/05** Drlg @ 4,315' (575'/24 hrs). Surv: 1 deg @ 3,300', 1-1/2 deg @ 3,800', & 1 deg @ 4,302'. Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (3,974'/112-1/4 hrs), WOB 28K, RPM 72. Drlg 21 hrs, surv 1 hr, rig serv 3/4 hr, C&C 1 hr, tst pipe rams 1/4 hr. Drl to 3,800'. Tstd pipe rams. Drl to 4,170'. C&C hole @ 4,170' (hole sluffing). Resumed drlg ahead.

**DWC:** \$12,650      **CWC:** \$228,008      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

CONFIDENTIAL

**Rig:** Stewart Bros #51

**5/14/05** TOH f/stuck hole @ 4,410' (95'/24 hrs). Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (4,069'/119 hrs), WOB 28K, RPM 72. Drlg 6-3/4 hrs, trip 8 hrs, rig serv 7-1/2 hrs, C&C 1-1/2 hrs, tst pipe rams 1/4 hr. Drld to 4,362'. Tstd pipe rams. Drld to 4,410'. Circ. TOH & wrkd stuck pip fr/4,410' to 4,302'. Drl ln std to part. SD WO new drl ln. Installed new drl ln. TOH & wrk stuck pipe fr/4,302' to 4,282'.

**DWC:** \$18,788      **CWC:** \$246,796      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/15/05** TOH @ 4,410' (0'/24 hrs). Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (4,069'/119 hrs), WOB 28K, RPM 72. Trip 10-1/2 hrs, fish 13-1/2 hrs. Wrkd pipe fr/4,282' to 4,260'. WO fishing company. MIRU Weatherford. RIH w/free pt tl fr/4,260' to 3,985' & 4,260' to 4,030'. TOH.

**DWC:** \$11,450      **CWC:** \$258,246      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/16/05** Circ @ 4,410' (0'/24 hrs). Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (4,069'/119 hrs), WOB 28K, RPM 72. Trip 13-1/2 hrs, C&C 1 hr, fish 9-1/2 hrs. TOH w/207 jts DP. Unloaded wash over pipe & DCs. RU fishing tls. TIH w/wash over pipe, fishing tls, DCs, & DP. Circ fr/surf to 1,000'.

**DWC:** \$11,450      **CWC:** \$269,696      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/17/05** Wrk on rig @ 4,410' (0'/24 hrs). Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (4,069'/119 hrs), WOB 28K, RPM 72, PP 450 psig. Trip 1-1/2 hrs, rig serv 22-1/2 hrs. Fin TIH w/wash over pipe, fishing tls, DCs, & DP. Circ fr/surf to 1,000'. Wrkd on rig.

**DWC:** \$39,450      **CWC:** \$309,146      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/18/05** SDF rig break dwn @ 4,410' (0'/24 hrs). Bit #3, 7-7/8", HTC, XL30A, SN 5073588, op, in @ 341' (4,069'/119 hrs), WOB 28K, RPM 72, PP 450 psig. Trip 2 hrs, rig serv 21 hrs, C&C 1 hr. Repl pully bearings, pullys, blocks, & drl cables on rig. Circ @ 2,213'. TIH w/14 jts DP. Drl ln hung up & kinked during TIH. TOH w/14 jts DP. Drl ln not spooling. SD due to rig breaking dwn.

**DWC:** \$8,850      **CWC:** \$317,996      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/19/05** Prep to RD drlg rig @ 4,410' (0'/24 hrs). Trip 3-1/4 hrs, repr 9-1/2 hrs, C&C 11-1/4 hrs. Repl pully bearings, pullys, blocks, & drl cable. Circ @ 2,123'. TIH to 2,403'. Tgd fill @ 3,640'. Circ. TIH & circ to 3,783'. TOH. Well depth too deep for rig. Prep to RDMO drlg rig & SWI. Will fish well w/pulling ut.

**DWC:** \$9,650      **CWC:** \$327,646      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**Rig:** Stewart Bros #51

**5/20/05** RD drlg rig @ 4,410' (0'/24 hrs). Trip 16-1/2 hrs, rig repr 4-1/2 hrs (21 ttl hrs). Repl kelly drl

ln. TOH. LD 85 jts DP & fishing tls. TIH w/90 jts DP. TOH & LD DP. RD drlg rig. Crew on days off until 5/26/05.

**DWC:** \$29,443

**CWC:** \$357,089

**DMC:** \$0

**CMC:** \$0

===== UTAH FEDERAL #16-7-35-32 =====

**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: <del>16-7-35</del> <del>16-7-35</del> <b>UTU-73872</b>
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>		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: 1575' FSL & 2041' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW <b>35 16 07</b> <b>15 17S 08E</b>		8. WELL NAME and NUMBER: <b>STATE OF UTAH 17-8-15 #33</b>
PHONE NUMBER: <b>(505) 324-1090</b>		9. API NUMBER: <b>4301530561 30603</b>
		10. FIELD AND POOL, OR WILDCAT: <b>BUZZARD BENCH</b>
		COUNTY: <b>EMERY</b>
		STATE: <b>UTAH</b>

**CONFIDENTIAL**

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

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

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

XTO Energy Inc. proposes to surface commingle the following two wells into our Huntington CDP:

State of Utah 17-8-15 #33; Sec 15-T17S-R08E; 1575' FSL & 2041' FEL; 43-015-30561; State well; Buzzard Bench  
Utah Federal 16-7-35 #32; Sec 35-T16S-R7E; 2127' FNL & 2414' FEL; 43-015-30603; UTU-73875; Buzzard Bench ABO

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

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

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

(This space for State use only)

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

Federal Approval Of The  
Action Is Necessary

**RECEIVED  
JUN 29 2005**

(5/2000)

DATE: 7/8/05 (See Instructions on Reverse Side)  
BY: *D. Stover*

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.

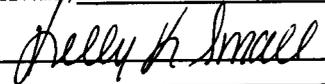
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-73872
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K CITY Farmington STATE NM ZIP 87401		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (505) 324-1090		8. WELL NAME and NUMBER: UTAH FEDERAL 16-7-35-32
4. LOCATION OF WELL		9. API NUMBER: 4301530603
FOOTAGES AT SURFACE: 2,127' FNL x 2,414' FEL		10. FIELD AND POOL, OR WILDCAT: FERRON COAL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 35 16S 07E S		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 checked="" 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 type="checkbox"/> OTHER: <u>June Monthly Report</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

See attached for June 2005 drilling activity.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE 	DATE <u>7/6/2005</u>

(This space for State use only)

**RECEIVED**  
**JUL 12 2005**

## Farmington Monthly Report

<b>UTAH FEDERAL</b>	<b>Well # 16-07-35-32</b>	<b>FERRON</b>
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**Objective:** Drill & Complete**AFE:** 402281**1st Rept:** 02/12/2003

**6/7/05** Notified Don Stevens, BLM Price Utah, on 5-31-05. Neilson Construction closed pit & cldd loc. Rpts susp pending further activity.

**DWC:** \$5,500**CWC:** \$362,589**DMC:** \$0**CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**6/9/05** Shot Echometer FL. FL @ 195' FS. SICP 23 psig.

**DWC:** \$100**CWC:** \$362,689**DMC:** \$0**CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**Rig:** Key Energy #906

**6/24/05** Cont rpts for D&C AFE #402281. Notified Don Stevens, BLM, Price, UT on 6-15-05. SICP 25 psig. MIRU Key Energy #906. BD well. NU BOP w/3,000 psig, 11" x 8-5/8" flg. Clsd cellar. TIH w/7-7/8" Reed insert bit (SN L96904), bit sub, XO sub, 4 - 4-3/4" DC's, XO sub (BHA 128.76') & 99 jts 2-7/8" AOH, 10.4#, S-133 drl pipe. Tgd @ 3,275' (508' fill since susp operations on 5-20-05). TOH w/20 jts drl pipe. Bit @ 2,030'. SDFN.

**DWC:** \$18,400**CWC:** \$381,089**DMC:** \$0**CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**Rig:** Key Energy #906

**6/25/05** RU AFU. Estb circ @ 2,030'. Fin TIH w/99 jts 2-7/8" DP. Tgd @ 3,275'. RU flt & stripping rubber on 99th jt. Estb circ. TIH w/3 jts DP. Cln out to 3,360'. Rec 5 gal cuttings. Could not wash deeper than 3,360'. Except for 3 bridges, hole was very cln. TOH w/22 jts DP. Bit @ 2,030'. SDFN. Rec 225 BPW. Used 25 BFW w/AFU. 0 BLWTR.

**DWC:** \$13,900**CWC:** \$394,989**DMC:** \$0**CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**Rig:** Key Energy #906

**6/26/05** SDF Saturday. 0 BLWTR.

**DWC:** \$0**CWC:** \$394,989**DMC:** \$0**CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**Rig:** Key Energy #906

**6/27/05** SDF Sunday. 0 BLWTR.

**DWC:** \$0**CWC:** \$394,989**DMC:** \$0**CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**Rig:** Key Energy #906

**6/28/05** RU AFU. Estb circ. Fin TIH w/101 jts 2-7/8" DP. RU flt & pwr swivel on 101st jt. Estb circ. PU & TIH w/16 jts DP. Hole got very ti. SD to rep AFU. Estb circ. Wkd stuck DP @ 3,836'. DP came free. Incrd AFU to 10 BFW /hr @ 1.3 mcf/min & std polymer. Std getting hvy shale rets. Cldd hole for 2-1/2 hrs. Rec 200 gal cuttings. RD pwr swivel & AFU. TOH w/16 jts DP. Bit @ 3,330'. SDFN. Rec 380 BPW (605 BPW cum). Used 60 BFW w/AFU.

**DWC:** \$15,000**CWC:** \$409,989**DMC:** \$0**CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**Rig:** Key Energy #906

**6/29/05** PU & TIH w/2 jts 2-7/8" DP. Hole ti. RU AFU & pwr swivel. Estb circ. TIH w/19 jts DP. Circ & wk every jt. On jt #122, drl ln brk. SD to rep rig. Bit at 3,995' KB (2' fr/TOF). Rec 250 BPW (855 BPW cum). Used 80 BFW w/AFU.

**DWC:** \$12,100      **CWC:** \$422,089      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

**Rig:** Key Energy #906

**6/30/05** SD to rep rig. Bit at 3,995' KB (2' fr/TOF). 0 BLWTR.

**DWC:** \$1,911      **CWC:** \$424,000      **DMC:** \$0      **CMC:** \$0

===== UTAH FEDERAL #16-07-35-32 =====

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-73872</b>
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: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-7-35-32</b>	
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>	9. API NUMBER: <b>4301530603</b>	
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg k CITY Farmington STATE NM ZIP 87401	PHONE NUMBER: <b>(505) 324-1090</b>	10. FIELD AND POOL, OR WILDCAT: <b>FERRON COAL</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2,127' FNL &amp; 2,414' FEL</b>		COUNTY: <b>Emery</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 7E S</b>		STATE: <b>UTAH</b>

CONFIDENTIAL

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: <u>7/20/2005</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>SIDETRACK WELL</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. requests approval to sidetrack the above mentioned well by setting a 100' cmt plug above fish (3,900' to 4,000') and a whipstock plug fr/2,700' to 3,000'.

APPROVED BY OPERATOR  
Date: 7-22-05  
Initials: CSH

NAME (PLEASE PRINT) <u>KELLY K. SMALL</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u>Kelly K Small</u>	DATE <u>7/15/2005</u>

(This space for State use only)

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

Date: 7/21/05  
By: [Signature]  
2649-3-10

Federal Approval Of This  
Action Is Necessary

**RECEIVED**  
**JUL 20 2005**  
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.

		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-73872</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-7-35-32</b>
2. NAME OF OPERATOR: <b>XTO ENERGY INC.</b>		9. API NUMBER: <sup>3</sup> <b>4301530602</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K <small>CITY</small> Farmington <small>STATE</small> NM <small>ZIP</small> 87401	PHONE NUMBER: <b>(505) 324-1090</b>	10. FIELD AND POOL, OR WILDCAT: <b>FERRON COAL</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2,127' FNL x 2,414' FEL</b>  QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 T16S R7E S</b>		COUNTY: <b>Emery</b>  STATE: <b>UTAH</b>

**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>July Monthly Drlg Rpt</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
**See attached for July, 2005 drilling activity.**

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kelly K. Small</i></u>	DATE <u>8/4/2005</u>

## Farmington Monthly Report

<b>UTAH FEDERAL</b>	<b>Well # 16-07-35-32</b>	<b>FERRON</b>
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**Objective:** Drill & Complete

**Rig:** Key Energy #906

**AFE:** 402281

**1st Rept:** 02/12/2003

**7/1/05** Compl rig rep. TOH 3 jts 2-7/8" DP. First 5' ti. RU AFU & pwr swivel. Estb circ. TIH 4 jts DP. Circ & wk each jt. Tgd TOF @ 4,022'. Incr foam & circ hole cln. RD AFU & pwr swivel. TOH 19 jts DP. Hole got ti as bit went up hole. 1 hr to pull jts 104 & 105. Well KO and st flwg. Cldd BOP & let well BD. Pipe came free. TOH to flt. BD tbg. Bit @ 3,300'. SDFN. 250 BPW (1,105 BPW cum). Used 80 BFW w/AFU. 0 BLWTR.

**DWC:** \$13,500      **CWC:** \$437,500      **DMC:** \$0      **CMC:** \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

**7/2/05** Fin TOH 123 jts 2-7/8" DP, XO, 4 - 4-3/4" DCs, XO, bit sub & 7-7/8" bit. PU & TIH w/7" x 5-1/4" wavy btm shoe, 2 jts 6" x 5-3/8" washover pipe, 6" XO, 4-3/4" bmpr sub, 4-3/4" jar, 4 - 4-3/4" DCs, 4-3/4" jar slinger, 4-3/4" XO (BHA 224.80') & 97 jts 2-7/8" DP. Btm shoe @ 3,302'. RU rig pmp. Estb circ w/fresh water. Lost 3 BFW/min. Used 240 BFW. RD rig pmp & RU flt. TIH w/15 jts DP. Ti hole @ 3,711'. RU AFU & pwr swivel. Estb circ. Circ & wk each jt. Cln out hole to 3,775'. RD AFU & pwr swivel. TOH w/10 jts DP. Btm shoe @ 3,458'. No drag coming out of hole. SWI. SDFN. 0 BPW (1,105 BPW cum). Used 80 BFW w/AFU. 160 BLWTR.

**DWC:** \$14,800      **CWC:** \$452,300      **DMC:** \$0      **CMC:** \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

**7/3/05** RU AFU & pwr swivel. Estb circ. Incr foam to 3 qrt/BFW & decreased mist to 10 bbl/hr. Air @ 1.4 mcf/min. Good rets. PU & TIH w/16 jts 2-7/8" DP. Circ & wk each jt. Cln out hole to 3,964' (TOF @ 4,022'). Blooie line washed out. RD AFU & pwr swivel. TOH w/2 jts DP. Btm shoe @ 3,902'. SWI. SDFN. 230 BPW (1,285 BPW cum). Used 80 BFW w/AFU. 0 BLWTR.

**DWC:** \$13,900      **CWC:** \$466,200      **DMC:** \$0      **CMC:** \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

**7/4/05** RU AFU & pwr swivel. Estb circ. Btm shoe @ 3,902'. Rep blooie line. PU & TIH w/2 jts 2-7/8" DP. Circ & wk each jt. Cln out hole to 3,964' (TOF @ 4,022'). Could not get below 3,964'. Hvy rets of shale. Lost circ each conn. RD AFU & pwr swivel. TOH w/2 jts DP. Btm shoe @ 3,902'. SWI. SDFN. 430 BPW (1,715 BPW cum). Used 80 BFW w/AFU. 0 BLWTR.

**DWC:** \$14,500      **CWC:** \$480,700      **DMC:** \$0      **CMC:** \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

**7/5/05** RU AFU & pwr swivel. Could not estb circ. Btm shoe @ 3,902'. RD AFU & pwr swivel. TOH w/40 jts 2-7/8" DP. Drilled 1st 6 jts out of hole. Btm shoe @ 2,320'. SWI. SDFN. Rec 80 BPW (1,795 BPW cum). Used 40 BFW w/AFU. 0 BLWTR.

**DWC:** \$15,500      **CWC:** \$496,200      **DMC:** \$0      **CMC:** \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/6/05 Fin TOH w/116 jts 2-7/8" DP & BHA. RD BOP & ld BHA. 4 jts DP & 1 jt 5-3/8" washover pipe cork screwed. RU BOP & TIH w/66 jts DP. Btm DP @ 2,096'. SWL SDFN. 0 BLWTR.  
 DWC: \$11,000 CWC: \$507,200 DMC: \$0 CMC: \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/7/05 TOH & LD 66 jts 2-7/8" DP. RD BOP. SWL. RDMO Key Energy #906. 0 BLWTR.  
 DWC: \$12,000 CWC: \$519,200 DMC: \$0 CMC: \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/8/05 SICP 0 psig. MIRU Key Energy #906. Dig out cellar. NU BOP. Clsd cellar. TIH 66 jts 2-7/8" AOH, 10.4#, S-133 drl pipe. DP @ 2,096'. SWL SDFN.  
 DWC: \$20,500 CWC: \$539,700 DMC: \$0 CMC: \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/9/05 SICP 0 psig. TIH 9 jts 2-7/8" AOH, 10.4#, S-133 DP (75 jts in hole). DP @ 2,381'. Std mixing mud. 10 sx gel, 4 sx low fluid loss, 1 can polymer & 1 gal soap /130 BFW. Ppd 500 bbl mud to estb circ. Losing 1 bbl/ min.  
 DWC: \$31,500 CWC: \$571,200 DMC: \$0 CMC: \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/10/05 DP @ 2,381' (75 jts). Mixing & ppg mud @ 4 BPM. No wtr rets. Losing 1 BPM. TIH 28 jts 2-7/8" DP. Tgd @ 3,265'. Washed to 3,265'. TIH 16 jts DP. Tgd @ 3,771'. Std adding LCM (sawdust) @ 25 sx/130 bbl mud. Std circ cln water @ 120 jts in hole (3,802'). After 80 BPW, only mud rets & fluid loss @ less than 1/4 BPM. Could not wash deeper than 3,960' (125 jts in hole). Very ti. TOH 125 jts 2-7/8" DP.  
 DWC: \$22,500 CWC: \$593,700 DMC: \$0 CMC: \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/11/05 TIH w/7-7/8" Reed insert bit (SN L96904), bit sub, XO sub, 4 - 4-3/4" DC's, XO sub (BHA 128.76') & 113 jts 2-7/8" AOH, 10.4#, S-133 drl pipe. Tgd @ 3,710'. RU pwr swivel. PU & TIH w/7 jts DP. Drilled to 3,931'. Lost 100 bbl mud in 12 hrs.  
 DWC: \$14,000 CWC: \$607,700 DMC: \$0 CMC: \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/12/05 PU & TIH 3 jts DP. Drilled to 4,022' (TOF). Hole vry ti. Circ & wrk each jt. Losing 10 bbl mud /hr.  
 DWC: \$16,000 CWC: \$623,700 DMC: \$0 CMC: \$0

UTAH FEDERAL #16-07-35-32

**Rig:** Key Energy #906

7/13/05 RD pwr swivel. TOH 123 jts tbg & BHA. Hole vry ti from 3,895' - 4,022'. TIH w/7-7/8" Reed insert bit (SN L96904), bit sub, XO sub, 8 - 4-3/4" DC's, XO sub (BHA 252.64') & 115 jts 2-7/8" AOH, 10.4#, S-133 drl pipe. Tgd @ 3,895'. RU pwr swivel. TIH 5 jts DP. Drilled to 4,022' (TOF). TOH w/5 jts DP. TIH w/5 jts DP. Losing 6 bbl mud /hr.

**DWC: \$16,000      CWC: \$639,700      DMC: \$0      CMC: \$0**

UTAH FEDERAL #16-07-35-32

**Rig:      Key Energy #906**

**7/14/05** TOH 4 jts DP. Bit @ 4,022' (TOF). Increased gel & sawdust in mud (15 sx gel/140 bbl & sawdust 12 sx sawdust/140 bbl). Continued working last 4 jts. Hole ti @ 4,000' Losing 1 bbl mud /hr.

**DWC: \$18,000      CWC: \$657,700      DMC: \$0      CMC: \$0**

UTAH FEDERAL #16-07-35-32

**Rig:      Key Energy #906**

**7/15/05** Wkd pipe btw 3,975' - 4,022' (TOF). TOH 2 jts DP. TIH 2 jts DP. Could not get to TOF. TOH w/BHA & DP. LD BHA. TIH 123 jts 2-7/8" DP. EODP @ 3,897'. SDFN.

**DWC: \$17,500      CWC: \$675,200      DMC: \$0      CMC: \$0**

UTAH FEDERAL #16-07-35-32

**Rig:      Key Energy #906**

**7/16/05** Received verbal approval fr/Eric Jones, BLM Moab, UT, on 7/15/05 @ 4:40 p.m. to set 100' cmt pg over TOF @ 4,022' & 300' cmt pg fr/2,700' - 3,000'. MIRU Big 4 pmp trk. TIH 2 jts 2-7/8" DP. EODP @ 3,955'. Ppd 40 sx Class G cmt fr/3,922 to 4,022'. TOH & LD 30 jts DP. EODP @ 3,007'. Pmp 160 sx class G cmt w/3/4% dispersant. TOH 20 jts DP. Circ hole. SWI 4 hrs to set cmt. TIH 13 jts DP. Tgd @ 2,770'. RDMO Big 4 pmp trk. TOH & LD 88 jts DP. SDFN.

**DWC: \$22,500      CWC: \$697,700      DMC: \$0      CMC: \$0**

UTAH FEDERAL #16-07-35-32

**Rig:      Key Energy #906**

**7/17/05** Cln mud tks. ND BOP. Load DP, DCs & fishing tls. RDMO Key Energy #906.

**DWC: \$11,000      CWC: \$708,700      DMC: \$0      CMC: \$0**

UTAH FEDERAL #16-07-35-32

**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.

<b>1. TYPE OF WELL</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-73872
<b>2. NAME OF OPERATOR:</b> XTO ENERGY INC.		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b> N/A
<b>3. ADDRESS OF OPERATOR:</b> 2700 Farmington Ave. Bldg # _____ CITY Farmington STATE NM ZIP 87401		<b>7. UNIT or CA AGREEMENT NAME:</b> N/A
<b>4. LOCATION OF WELL</b> FOOTAGES AT SURFACE: 2,127' FNL x 2,414' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 35 T16S R7E S		<b>8. WELL NAME and NUMBER:</b> UTAH FEDERAL 16-7-35-32
PHONE NUMBER: (505) 324-1090		<b>9. API NUMBER:</b> 4301530602
		<b>10. FIELD AND POOL, OR WILDCAT:</b> FERRON SANDSTONE/COAL

COUNTY: Emery

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
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	<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>Weekly drlg activity</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>Aug 26, 2005</u>

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

There was no drlg activity for the week of Aug 26, 2005. WO sidetrack.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kelly K. Small</i></u>	DATE <u>08/26/2005</u>

(This space for State use only)

RECEIVED  
AUG 31 2005  
DIV. OF OIL, GAS & MINING

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

FORM 9

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: XTO ENERGY INC.			8. WELL NAME and NUMBER: UTAH FEDERAL 16-7-35-32
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg # _____ CITY Farmington STATE NM ZIP 87401			9. API NUMBER: 430153060#3
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,127' FNL x 2,414' FEL		PHONE NUMBER: (505) 324-1090	10. FIELD AND POOL, OR WILDCAT: FERRON SANDSTONE/COAL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 35 T16S R7E S		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>Weekly drlg activity</u> <u>Sept 23, 2005</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.  
Drlg activity is expected to commence mid October 2005.

NAME (PLEASE PRINT) <u>Kelly K. Small</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kelly K Small</i></u>	DATE <u>9/23/2005</u>

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SEP 23 2005

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-73872</b>
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: <b>XTO ENERGY INC.</b>			8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-7-35-32</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K <small>CITY</small> Farmington    STATE <b>NM</b> ZIP <b>87401</b>			9. API NUMBER: <b>47301530603</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2,127' FNL x 2,414' FEL</b>			10. FIELD AND POOL, OR WILDCAT: <b>FERRON SANDSTONE/COAL</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 07E S</b>			COUNTY: <b>EMERY</b>
			STATE: <b>UTAH</b>

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>COMMENCE DRLG</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.  
**MIRU drlg rig & commenced sidetrack drlg operations on 11/28/2005.**

NAME (PLEASE PRINT) <u>Kelly Small</u>	TITLE <u>Regulatory Compliance Tech</u>
SIGNATURE <u><i>Kelly Small</i></u>	DATE <u>12/3/2005</u>

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**DEC 09 2005**  
DIV. OF OIL, GAS & MINING

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

JAN 11 2006

FORM 9

DIV. OF OIL, GAS & MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU-73872

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
UTAH FEDERAL 16-7-35-32

2. NAME OF OPERATOR:  
XTO ENERGY INC.

9. API NUMBER:  
4301530603

3. ADDRESS OF OPERATOR:  
2700 Farmington Ave. K #1 CITY Farmington STATE NM ZIP 87401

PHONE NUMBER:  
(505) 324-1090

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

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2,127' FNL x 2,414' FEL

COUNTY: EMERY

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 35 16S 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>ST SURF, TD &amp; ST</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>PROD CSG</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
Drd to 194'. Cmtd 200' of 8-5/8" hole due to sluffing. Drld 11" hole fr/surf to 341'. TIH w/8-5/8", 24#, J-55, ST&C csg to 336.93'. Cmtd csg w/220 sx CI "A" cmt w/2% CaCl2 & 1/4 PPS celloflake. PT BOPE & surf csg to 1,000 psig for 30 min. Held OK. Reached driller's TD of 4,508 on 01/03/06. TIH w/106 jts 5-1/2" 15.5#, J-55 csg to 4,490.81'. Cmtd prod csg with 300 sx Type V cmt w/10% Cal-Seal, 1% CaCl2, & 1/4 PPS flocele. Released rig.

\*\*Completion will not start until April 2006 due to Division of Wildlife Resources closure

NAME (PLEASE PRINT) KELLY K. SMALL

TITLE Regulatory Compliance Tech

SIGNATURE *Kelly Small*

DATE 1/6/2006

(This space for State use only)

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-73872</b>
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: <b>XTO ENERGY INC.</b>		8. WELL NAME and NUMBER: <b>UTAH FEDERAL 16-07-35-32</b>
3. ADDRESS OF OPERATOR: 2700 Farmington Ave. Bldg K <small>CITY</small> Farmington <small>STATE</small> NM <small>ZIP</small> 87401		9. API NUMBER: <b>4301530603</b>
		10. FIELD AND POOL, OR WILDCAT: <b>FERRON SANDSTONE</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2127' FNL &amp; 2414' FEL</b>		COUNTY: <b>EMERY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 35 16S 07E</b>		STATE: <b>UTAH</b>

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>MONTHLY REPORT</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
Attached is an activity period for this well from May 1 - June 21, 2006.

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

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**RECEIVED**  
**JUN 26 2006**

## Farmington Well Workover Report

<b>UTAH FEDERAL</b>	<b>Well # 16-07-35-32</b>	<b>FERRON</b>
---------------------	---------------------------	---------------

**Objective:** Drill & Complete

**First Report:** 02/12/2003

**AFE:** 402281

**5/24/06** Cont rpt for AFE # 402281 to D & C Ferron Coal well 3-3-06 to 5-23-06. MIRU Bran-Dex WLU. Run CBL/CCL/GR fr/ 4,419' to surf. TOC @ 3,378'. Log showed vry gd bond. Corrolate log w/Schlumberger RST-IC/GR/CCL log dated 1-25-06. RDMO Bran-Dex WLU. Susp rpt pending further activity

**6/2/06** Cont rpt for AFE # 402281 to D & C Ferron Coal well 5-25-06 to 6-1-06. Set & fill 14 - 500 bbl frac tanks. Inst frac vlvs. MIRU Hot Oil Express. PT csg, WH & frac valve to 4,000 psig for 15". Tstd OK. RDMO Hotoil Express. MIRU Bran-Dex WL. RIH w/ 4" Csg Gun. Perf Ferron Coal w/3 JSPF fr/4,232' - 4,309' (99 holes, 22.7 gm, .41" dia, 120 deg ph). All dpts correlated w/Bran-Dex CBL/CCL/GR log ran on 5/23/05. LD csg gun. RDMO Bran-Dex WLU. MIRU Halliburton. Frac L/Ferron Coal perfs fr/4,232' - 4,309' dwn 5-1/2" csg w/1,000 gal, 15% HCl @ 10 BPM, 2500 psig. Ppd 6,500 gal 20# linear gel, 189,199 gal 20# XL gel (delta 140) carrying 168,460# 20/40 sd & 217,420# 16/30 sd (trtd w/ SandWedge NT). Flshd w/4,100 gals 20# linear gel. ATP 2,229 psig. MTP 2,514 psig. AIR 58.9 bpm. ISIP 1,570 psig. 5" SIP 1,436 psig. 10" SIP 1,352 psig. 15" SIP 1,294 psig. SWI. RDMO Halliburton. BLWTR 4,802. Susp rpt pending further activity.

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

**CONFIDENTIAL**

FORM 8  
(highlight changes)

FORM 8

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**UTU-73872**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT OR CA AGREEMENT NAME

8. WELL NAME and NUMBER:  
**UTAH FEDERAL 16-7-35-32**

9. API NUMBER:  
**4301530603**

10. FIELD AND POOL, OR WILDCAT  
**FERRON SANDSTONE**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
**SWNE 35 16S 07E**

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: **2127' FNL & 2414' FEL**  
AT TOP PRODUCING INTERVAL REPORTED BELOW:  
AT TOTAL DEPTH:

14. DATE SPUDDED: **4/26/2005** 15. DATE T.D. REACHED: **1/4/2006** 16. DATE COMPLETED: **7/15/2006** ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
**6713'**

18. TOTAL DEPTH: MD **4,680** TVD \_\_\_\_\_ 19. PLUG BACK T.D.: MD **4,470** 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/CCL/GR/RST/IC**

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 H40	48#		42		NEAT 70		0	0
11	8 5/8 J55	24#		337		A 220		0	0
7 7/8	5 1/2 J55	15.5#		4,491		V 300		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	4,430							

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	4,232	4,309			4,232 4,309	0.41"	99	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								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"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4232' - 4309'	Acidized w/1000 gals 15% HCl acid. Frac'd w/6500 gals 20# linear gel, 189,199 gals 20# XL gel (Delta 140) carrying 168,460# 20/40 sd & 217,420# 16/30 sand treated w/Sandwedge NT

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS  GEOLOGIC REPORT  DST REPORT  DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION  CORE ANALYSIS  OTHER: \_\_\_\_\_

30. WELL STATUS:

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DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 7/15/2006		TEST DATE: 7/16/2006		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 0	WATER - BBL: 350	PROD. METHOD: PUMPING
CHOKE SIZE: N/A	TBG. PRESS. 80	CSG. PRESS. 0	API GRAVITY 0.65	BTU - GAS 922	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 0	WATER - BBL: 350	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

TO BE SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				MANCOS MARKER	4.046
				UPPER FERRON SS	4.184
				LOWER FERRON SS	4.394

36. 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.

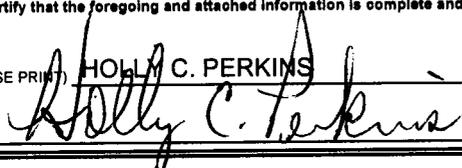
NAME (PLEASE PRINT)

HOLLY C. PERKINS

TITLE

REGULATORY COMPLIANCE TECH

SIGNATURE



DATE

8/28/2006

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

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OCT 02 2006

DIV. OF OIL, GAS & MINING

**CONFIDENTIAL**

**Farmington Well Workover Report**

UTAH FEDERAL	Well # 16-07-35-32	FERRON
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43015.30603  
16 S 7E 35

**Objective:** Drill & Complete

**First Report:** 02/12/2003

**AFE:** 402281

6/23/06 Cont rpt for AFE # 402281 to D & C Ferron Coal. SICP 0 psig. MIRU Key Energy WS rig # 906. ND frac vlv. NU BOP. PU 4-3/4" bit, bit sub & 2-7/8" SN. TIH w/BHA & 131 jts 2-7/8" tbg. Tgd sd @ 4,250'. PBTD @ 4,438'. Ferron Coal perfs fr/4,232' - 4,309'. RU pwr swivel. Ppd 30 BFW & estb circ. CO fill fr/4,250 - 4,290'. Circ well cln for 20". RD pwr swivel. TOH w/4 jts 2-7/8" tbg. EOT @ 4,121'. SWI. SDFN. Lost 80 BFW while circ for day. 4,912 BLWTR.

6/24/06 SITP 0 psig, SICP 0 psig. TOH w/127 jts 2-7/8" tbg, LD cone bit. PU blade bit & TIH w/131 jts 2-7/8" tbg. Tgd fill @ 4,290' (130' fill). PBTD @ 4,420'. Ferron Coal perfs fr/4,232' - 4,309'. RU pwr swivel. Pmp 15 BFW & estb circ. CO fill fr/4,290' - 4,430'. Circ well cln for 20". DO cmt fr/4,430' - 35' w/cmt rets. DO fr/4,435' - 36'. Rets indic cmt w/rubber. DO fr/4,436' - 4,440' w/cmt rets. LC @ 4,440'. Unable to re-estb circ w/300 BPW. RD pwr swivel. TOH w/10 jts 2-7/8" tbg. EOT @ 4,099'. SWI. SDFWE. Lost 810 BFW while circ for day. 5,737 BLWTR.

6/27/06 SITP 0 psig, SICP 0 psig. TOH w/140 jts 2-7/8" tbg. LD blade bit. MIRU Brand Dex WL. RIH w/GR & tgd FC @ 4,487'. POH & LD GR. Rpt PBTD to office and WO CIBP. RIH and set CIBP @ 4,470'. Note new PBTD @ 4,470'. POH & LD setting tls. RIH & dump bld 1 sk cmt on top of CIBP. TIH w/133 jts 2-7/8" tbg. EOT @ 4,373'. Ferron Coal perfs @ 4,232' - 4,309'. RU swab tls. BFL @ 900' FS. S. 0 BO, 42 BLW, 3 runs, 30". FFL @ 900' FS w/tbg on vac. SICP 0 psig. Cln wtr smpls w/tr of sd. RD swab tls. SWI. SDFN. 5,695 BLWTR.

6/28/06 SITP 0 psig, SICP 0 psig. Ferron Coal perfs fr/4,232' - 4,309'. RU swab tls. BFL @ 1,100' FS. S. 0 BO, 198 BLW, 24 runs, 10 hrs. FFL @ 1,100' FS w/tbg on vac. SICP 0 psig. RD swab tls. TIH w/3 jts 2-7/8" tbg. Tgd fill @ 4,469' (1'). PBTD @ 4,470'. TOH w/137 jts 2-7/8" tbg. Ld bit & bit sub. SWI. SDFN. 5,497 BLWTR.

6/29/06 SITP 0 psig, SICP 0 psig. TIH w/2-7/8" X 20' OPMA, 1 jt 2-7/8" tbg, 2707 Cavins Desander, 2-7/8" x 4' tbg sub, 2-7/8" SN, 6 jts 2-7/8" tbg, 5-1/2" x 2-7/8" TAC, 126 jts 2-7/8", 6.5#, J-55, EUE, 8rd tbg. ND BOP. Set TAC @ 4,146' w/10K tens. Ld tbg w/tbg hanger. NU WH. SN @ 4,344'. EOT @ 4,417'. Ferron Coal perfs fr/4,232' - 4,309'. PBTD @ 4,470'. PU & loaded 2-1/2" x 2" x 28' RHBC pmp (XTO #090) w/1" x 1" stnr nip, 2-7/8" x 4' stabilizers, 6 - 1-1/2" x 25' sbs, 126 - 3/4" gr "D" skr d w/3 guides per rod, 39 - 7/8" gr "D" skr d w/3 guides per rod, 3 - 7/8" rod subs (8', 4' & 2') & 26' PR w/14' lnr. PT tbg to 500 psig w/15 BLW 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. 5,512 BLWTR.

**Tubing Location:** Lower  
**ZONE 1 Desc:** Ferron Top Perf: 4,232 Btm Perf: 4,309 OH: No

Qty	Type	Description	Cond	Top Depth	Btm Depth	Length
126	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	6	4,149	4,143.00'
1	Tubing	5-1/2" TAC	New	4,149	4,152	3.00'
6	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	4,152	4,349	197.00'
1	Tubing	2-7/8" SN	New	4,349	4,350	1.00'
1	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing Sub	New	4,350	4,354	4.00'
1	Tubing	2-7/8" Cavins 2707 Desander	New	4,354	4,374	20.00'
1	Tubing	2-7/8", 6.5#, J-55, EUE, 8rd Tubing	New	4,374	4,406	32.00'
1	Tubing	2-7/8" OPMA	New	4,406	4,426	20.00'
					<b>Total</b>	<b>4,420.00'</b>

Landed @ 4,420.00'

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**7/11/06** Cont rpt for AFE #402281 to D&C Ferron Coal well. MIRU Nielsons Crane. Built gravel pad. Set 3 new Jensen 18" x 18" x 130" cmt pads, new Dynapump size 7 PU Cyllinder (SN 3878), w/ power box (SN 4352) & 40 hp elec motor (SN DVA 324TTDC4026AA5) fr/Dynapump Inc. RDMO Nielsons Crane. Susp rpts pending further activity.

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**7/13/06** Inst new Autopilot RTU # A06BJ133, solar panel, btry and box, wtr mtr, tbg & csg press xmtrs. M.D.S. radio kit. Allen Bradley elec pmp panel. cntl transformer, fuses, lightning arrestors, motor starter, Dyna Pump Pumping Unit, #2 cable, elec conduit and figs. trenched to lay cables from transformer to pmp panel and gas-wtr sep. Inst sep dump pmp. Auto inst compl.

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**7/15/06** P. 0 , 175 , 0 MCF, FTP 80 psig, FCP 0 psig , LP 6 psig, SP 0 psig, DP 0 psig, 12 hrs. 24 hrs O&W prod. Cont rpt for AFE #402281 to D&C Ferron Coal well. SITP 0 psig, SICP 0 psig. Std PU @ 12:00 p.m., 7/14/06. Ppg @ 5 x 208" SPM. WO csg to build psig to first deliver gas sales.

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**7/16/06** P. 0 , 300 , 0 MCF, FTP 80 psig, FCP 0 psig , LP 6 psig, SP 0 psig, DP 0 psig, 24 hrs. P. FTP 80 psig, SICP 200 psig. OWU @ 10:00 a.m., 7/15/06. Delivered first gas sales to Questar via XTO's HT CDP. IFR 30 MCFPD. Ppg @ 5 x 208" SPM.

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**7/17/06** P. 0 , 350 , 0 MCF, FTP 80 psig, FCP 0 psig , LP 6 psig, SP 0 psig, DP 0 psig, 24 hrs.

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**7/18/06** P. 0 , 306 , 20 MCF, FTP 80 psig, FCP 4 psig , LP 6 psig, SP 0 psig, DP 0 psig, 24 hrs.

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**7/19/06** P. 0 , 169 , 26 MCF, FTP 90 psig, FCP 38 psig , LP 6 psig, SP 0 psig, DP 0 psig, 24 hrs.

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**7/20/06** P. 0 , 167 , 7 MCF, FTP 90 psig, FCP 30 psig , LP 6 psig, SP 0 psig, DP 0 psig, 24 hrs. FR for compl. P. FTP 80 psig, FCP 30 psig. SD PU. Inst & conn new 3 hp Baldor elec motor (SN# F0605013281) fr/Industrial Electric on new Ebara 1" inl x 1" otl, 170 BWPD, centrifugal wtr trans pmp (SN# BG5210091) on sep wtr dump ln. STD PU & RWTP @ 10:00 a.m., 7/19/06. Ppg @ 5 x 208" SPM.

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# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO  
3105  
UT-922

NOV 08 2006

XTO Energy  
Attention: Dan C. Foland  
810 Houston Street  
Fort Worth, TX 76102-6298

43-015-30603  
T165 R 7E Sec 35

CONFIDENTIAL

Gentlemen:

Enclosed is one approved copy of Communitization Agreement No. UTU84720. This agreement communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Ferron Formation, covering the NE $\frac{1}{4}$  of Section 35, Township 16 South, Range 7 East, SLB&M, Emery County, Utah. This agreement conforms with the spacing set forth in Order No. 245-04 which was issued by the State of Utah, Board of Oil, Gas and Mining on May 17, 2006.

This agreement is effective as of July 15, 2006. The communitized area covers 160.00 acres and includes portions of Federal oil and gas leases UTU73085 and UTU73872.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

Minerals Management Service Form MMS-4054, "Oil & Gas Operations Report", must be submitted for this agreement beginning with the month in which drilling operations commence for Well No. 16-7-35-32, SWNE, Section 35, Township 16 South, Range 7 East, SLB&M, Emery County, Utah, API #43-015-30603, on Federal lease No. UTU73872. Form MMS-4054 is to be mailed to the Minerals Management Service, Minerals Revenue Management Reporting Services, P. O. Box 17110, Denver, Colorado 80217-0110.

Please furnish all interested principals with necessary evidence of this approval.

Sincerely,

/s/ Douglas F. Cook

Douglas F. Cook  
Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

DEC 12 2006

DIV. OF OIL, GAS & MINING

bcc: Minerals Adjudication Group w/enclosure  
Moab Field Office w/enclosure  
Division Oil, Gas & Mining  
SITLA  
File – UTU84720  
MMS - Data Management Division (Attn: James Sykes)  
Agr. Sec. Chron.  
Reading File  
Central Files

UT922:CSeare:cs(12/7/06)XTO

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

4301530603

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, NM 87401

PHONE NUMBER:  
(505) 324-1090

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 660' FSK & 792' FEL

COUNTY: EMERY

STATE: UTAH

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

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start 1/1/2004	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input 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	

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 surface 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: RM

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

SIGNATURE *Holly C. Perkins* DATE 5/15/2007

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE: 5/15/07  
BY: *[Signature]*

Federal Approval Of This  
Action Is Necessary

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

This space for State use only

### 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	
<del>State of Utah II 36-95</del>	<del>43-015-30509</del>	Producing	State	
<del>State of Utah II 36-96</del>	<del>43-015-30508</del>	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

WELL No.	Days On	MONTHLY WATER PRODUCTION	FIELD ESTIMATED PRODUCTION										ACTUAL ALLOCATED SALES					FIELD PRODUCTION			
			Coastal Statement	PROD %	FIELD EST PROD	In Gas	Lse Use Gas	Vented CO2	Vented Gas	VENTED GAS	ADJ	FIELD ESTIMATED SALES	ALLOCATED SALES	Lsa Use Gas (m)	Vented CO2	Vented Gas	VENTED GAS		ADJ		
																				a	b
10-01	30	435	1478	0.00488716	1479	45	36	98	30	98	179	1299	1246	91	98	0	98	179	1425		
T38-10	30	2667	18292	0.06048442	18298	45	447	1708	0	1708	2200	16095	15424	492	1708	0	1708	2200	17624		
M06-25	30	723	16969	0.05610978	16975	45	414	2280	0	2280	2739	14236	14308	459	2280	0	2280	2739	17047		
H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
07-108	30	679	5052	0.01673803	5064	45	124	789	0	789	958	4106	4268	169	789	0	789	958	5226		
09-119	30	85	725	0.0024009	726	45	18	108	0	108	171	658	812	53	108	0	108	171	783		
10-124	30	129	951	0.00314458	951	45	23	38	0	38	106	845	802	68	38	0	38	106	909		
08-102	30	823	20121	0.06650244	20119	45	491	2219	0	2219	2755	17354	16959	536	2219	0	2219	2755	19714		
06-104	30	809	12922	0.04272795	12925	45	319	2166	0	2166	2516	10410	10895	350	2166	0	2166	2516	13412		
08-118	30	163	797	0.00263536	797	45	19	100	0	100	164	633	672	64	100	0	100	164	836		
09-129	30	214	899	0.00297264	899	45	22	80	0	80	147	752	758	67	80	0	80	147	905		
18-7-23-23	0	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	0		
10-123	30	26	1348	0.0044573	1348	45	33	89	0	89	167	1182	1137	78	89	0	89	167	1304		
10-125	30	266	536	0.00177234	536	45	13	32	0	32	90	446	452	58	32	0	32	90	542		
11-129	29	0	396	0.00130942	396	44	10	16	0	16	59	327	334	53	16	0	16	59	403		
11-130	30	1847	1821	0.00050557	1821	45	4	7	0	7	56	109	137	49	7	0	7	106	193		
16-121	30	276	757	0.0025031	757	45	18	42	0	42	105	652	638	63	42	0	42	105	743		
05-107	29	242	8230	0.02721336	8233	44	201	1397	0	1397	1641	6591	6940	244	1397	0	1397	1641	8581		
05-108	30	611	4934	0.01631479	4936	45	120	830	0	830	965	3940	4150	165	830	0	830	965	5155		
05-109	30	113	1252	0.00413987	1252	45	31	133	0	133	209	1044	1056	76	133	0	133	209	1285		
05-110	30	31	1462	0.00483426	1463	45	36	194	0	194	275	1188	1233	81	194	0	194	275	1508		
05-103	30	945	9133	0.03019922	9136	45	223	1241	0	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	0		
15-127	30	1452	3530	0.01167232	3531	45	66	226	0	226	357	3174	2977	131	226	0	226	357	3334		
08-111	29	145	1513	0.00500289	1514	44	37	203	0	203	283	1230	1276	80	203	0	203	283	1559		
08-112	30	118	1326	0.00438456	1326	45	32	143	0	143	220	1106	1118	77	143	0	143	220	1338		
08-113	30	0	756	0.00249979	756	45	16	108	0	108	171	585	637	63	108	0	108	171	808		
07-105	30	909	5760	0.02235265	6782	45	165	1197	0	1197	1407	5355	5700	210	1197	0	1197	1407	7107		
03-122	30	0	456	0.00150781	456	45	11	30	0	30	86	370	385	56	30	0	30	86	471		
03-133	30	102	331	0.00109449	331	45	8	18	0	18	71	260	279	53	18	0	18	71	350		
09-117	30	37	946	0.00312805	946	45	23	136	0	136	204	742	796	68	136	0	136	204	1002		
04-116	30	114	603	0.00199388	603	45	15	63	0	63	123	480	508	50	63	0	63	123	631		
04-115	30	258	1196	0.00392163	1186	45	29	130	0	130	204	982	1000	74	130	0	130	204	1204		
T36-100	30	3714	34839	0.11519881	34851	45	851	5000	0	5000	5896	28955	29376	896	5000	0	5000	5896	35273		
01-140	30	1506	4065	0.01344135	4066	45	99	462	0	462	506	3460	3428	144	462	0	462	506	4034		
01-101	30	1199	24478	0.08093906	24496	45	596	2937	0	2937	3580	20907	20640	643	2937	0	2937	3580	24220		
22-165	30	1690	4530	0.01530956	4632	45	113	162	0	162	179	4312	3904	158	162	0	162	179	4224		
35-135R	30	4133	1501	0.00466321	1502	0	37	142	0	142	179	1323	1266	37	142	0	142	179	1445		
14-171	30	3033	4645	0.01535918	4647	45	113	163	0	163	321	4325	3917	158	163	0	163	321	4238		
35-139	30	734	9013	0.02980243	9016	45	220	1062	0	1062	1327	7689	7800	265	1062	0	1062	1327	8927		
02-186	30	193	575	0.0019013	575	45	14	42	0	42	101	474	485	59	42	0	42	101	586		
35-138	30	555	5299	0.0175217	5301	45	129	396	0	396	570	4730	4468	174	396	0	396	570	5038		
03-161	30	61	558	0.00184509	558	45	14	48	0	48	107	452	471	59	48	0	48	107	578		
02-186	30	176	923	0.003052	923	45	23	45	0	45	113	811	778	68	45	0	45	113	991		
14-131	30	793	1967	0.00650409	1968	45	46	71	0	71	164	1804	1659	93	71	0	71	164	1823		
01-141	30	59	2208	0.00730098	2209	45	54	283	0	283	392	1827	1962	99	283	0	283	392	2244		
32-144	30	3738	31387	0.10378441	31398	45	766	5540	0	5540	6351	25047	26466	811	5540	0	5540	6351	82817		
07-145	30	672	2760	0.00912623	2761	0	67	538	0	538	605	2156	2327	57	538	0	538	605	2932		
35-137	30	1356	11613	0.0383995	11617	0	284	1276	0	1276	1550	10057	9792	284	1276	0	1276	1550	11352		
01-205D	30	4123	2659	0.00879226	2660	0	55	257	0	257	322	2338	2242	65	257	0	257	322	2564		
31-201	30	1581	35480	0.11731834	35492	0	966	4755	0	4755	5621	29871	29917	866	4755	0	4755	5621	35536		
			43726	302425	1	302529	1930	5	7383	38990	38990	48303	5	254225	5	255009	9312	38990	38990	48302	303311
													255006						255006		

BTU 1.04 SALES MTR

Oil Wells

Well	Days On	MONTHLY WATER PRODUCTION	FIELD ESTIMATED PRODUCTION										ACTUAL ALLOCATED SALES					TOTAL ADJ	FIELD PRODUCTION								
			Costal Statement	PROD %	FIELD EST PROD	Irr Gas	Lse Use Gas	Ventod Gas	Vented Gas	VENTED GAS	ADJ	ESTIMATED SALES	ALLOCATED SALES	Lse Use Gas	Vented CO2	Vented Gas	TOTAL VENTED										
B21-03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
A26-02	25	86	490	0.00185775	490	39	13	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	499			
C23-05	30	3432	9140	0.03092205	9,140	45	236	437	437	437	437	437	437	437	437	437	437	437	437	437	437	437	437	718	8,780		
A28-04	15	0	68	0.00023005	68	23	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	26	86	
A35-06	30	141	29098	0.09844307	29,098	46	750	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	1,706	2,501	28,166	
A35-05	18	700	289	0.00097773	289	27	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	41	298	
A34-07	30	2845	5383	0.01821153	5,383	45	39	361	361	361	361	361	361	361	361	361	361	361	361	361	361	361	361	361	545	5,293	
P10-47	30	734	139	0.00047026	139	210	4	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	220	343
IAME PROB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
U02-11	30	50211	15291	0.05173184	15,291	45	394	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,255	1,594	15,181	
S06-46	29	1	519	0.00175586	519	203	13	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	446	904
RC9-45	30	36	444	0.00150212	444	210	11	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	323	715
P10-42	29	7809	819	0.00277308	819	44	21	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	209	931
P10-43	30	3050	605	0.00204681	605	45	16	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	122	658
Q04-44	16	5442	71	0.0002402	71	112	2	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	125	189
Q04-44	16	5442	71	0.0002402	71	112	2	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	125	189
D34-12	24	2583	1471	0.00497662	1,471	36	38	126	126	126	126	126	126	126	126	126	126	126	126	126	126	126	126	126	126	200	1,497
D35-13	30	1421101	896	0.00303131	896	45	28	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	417	1,207
D35-13	30	1421101	896	0.00303131	896	45	28	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	349	417	1,207
D35-14	24	647	293	0.00099126	293	36	6	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	101	359
D35-14	24	647	293	0.00099126	293	36	6	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	57	101	359
D35-15	30	1830	20903	0.07071811	20,903	45	539	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,910	20,346
H06-21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
U02-48	26	7527	2310	0.00781509	2,310	42	60	148	148	148	148	148	148	148	148	148	148	148	148	148	148	148	148	148	148	250	2,287
U02-50	30	706	2703	0.00914457	2,703	45	70	165	165	165	165	165	165	165	165	165	165	165	165	165	165	165	165	165	165	280	2,664
U02-49	15	173	347	0.00117395	347	23	9	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	49	355
U02-49	15	173	347	0.00117395	347	23	9	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	49	355
X16-66	28	307	290	0.00098112	290	42	7	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	38	87	843
X16-65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
X16-65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14-53	30	295	827	0.00279787	827	45	21	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	116	845
14-55	30	9023	65522	0.41965343	124,042	90	3,196	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	7,739	11,025	120,430
14-55A	30	0	68520	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23-51	30	175	269	0.00091007	269	45	7	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	61	298
24-57	30	254	581	0.00230393	581	45	18	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	22	85	686
14-56	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14-54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
08-62	29	23	491	0.00166113	491	44	13	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179	179	235	656
09-60	29	1445	1074	0.00363351	1,074	44	28	294	294	294	294	294	294	294	294	294	294	294	294	294	294	294	294	294	294	365	1,312
14-40	30	4320	2701	0.0091379	2,701	45	70	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	269	2,851
14-40	30	4320	2701	0.0091379	2,701	45	70	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	269	2,851
14-40	30	4320	2701	0.0091379	2,701	45	70	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	269	2,851
14-40	30	4320	2701	0.0091379	2,701	45	70	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	269	2,851
08-61	30	478	9427	0.03189301	9,427	45	243	528	528	528	528	528	528	528	528	528	528	528	528	528	528	528	528	528	528	816	9,131
07-54	30	1092	1557	0.00560589	1,557	45	43	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	563	2,044
08-63	30	264	1554	0.00559574	1,554	45	43	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	495	563	2,044
09-59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
01-76	30	3108	4980	0.01684812	4,980	45	128	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	499	4,891
01-76	30																										

LE WELLS FROM COASTAL STATEMENT

	20777				SALES DIFFERENCE	
	0					
	7604				7604	0
	2448		2448			
	0			0		
Id statement + margin	974					
	31833		29582	2448	7604	0

24.8

JC137 50

395211	597033	597137	4379	14975	59724	790771	516050	514853	19355	58724	59724	79079	593932
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OCT 12 2004

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

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: COUNTY: Emery  
OTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

BLM #579173

State and Fee Bond #104312762

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

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

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

(This space for State use only)

APPROVED 9/30/2004  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

(5/2000)

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

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

FORM 9

6. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU-67532

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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.

8. WELL NAME and NUMBER:  
FEDERAL A 18-7-26 #12

9. API NUMBER:  
4301530445

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER CONFIDENTIAL

2. NAME OF OPERATOR:  
XTO ENERGY INC.

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

10. FIELD AND POOL, OR WILDCAT:  
BUZZARD BENCH ABO

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 1815' FNL & 897' FWL

COUNTY: EMERY

QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 26 18S 07E

STATE: UTAH

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

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

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

XTO Energy Inc. proposes to surface commingle the following two wells into our Orangeville CDP:

Federal A 18-7-26 #12; Sec 26-T18S-R07E; 1815' FNL & 897' FWL; 43-015-30445; UTU-67532; Buzzard Bench  
Federal T 18-7-22 #34; Sec 22-T18S-R07E; 539' FSL & 1831' FEL; 43-015-30452; UTU-68535; Buzzard Bench

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

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

NAME (PLEASE PRINT) HOLLY C. PERKINS TITLE REGULATORY COMPLIANCE TECH  
SIGNATURE Holly C. Perkins DATE 6/23/2005

(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

(52000)

Date: 7/8/05 (See Instructions on Reverse Side)

By: Dst Kl Duct

Dustin Ducet ??

DIV. OF OIL, GAS & MINING

WELLS FROM COASTAL STATEMENT		302425			
	0				
	38990				
	04		104		
	256029				
s Check #	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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		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: <b>XTO ENERGY INC.</b>		8. WELL NAME and NUMBER: <b>MUE UT Fed 46-7-35-32</b>
3. ADDRESS OF OPERATOR: <b>382 CR 3100</b> CITY <b>AZTEC</b> STATE <b>NM</b> ZIP <b>87410</b>		9. API NUMBER: <b>MULTIPLE 43 015 30603</b>
PHONE NUMBER: <b>(505) 333-3100</b>		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>MULTIPLE</b>		COUNTY: <b>EMERY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>16S 7E 35</b>		STATE: <b>UTAH</b>

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><b>SURFACE</b></u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u><b>COMMINGLE</b></u>

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)

**RECEIVED**  
**SEP 29 2008**

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

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SEP 29 2003

DIV. OF OIL, GAS & MINING