

FILE NOTATIONS

Entered in NID File ✓  
 Entered On S R Sheet ✓  
 Location Map Pinned ✓  
 Card Indexed ✓  
 I W R for State or Fee Land \_\_\_\_\_

Checked by Chief PMB  
 Copy NID to Field Office ✓  
 Approval Letter In Visit  
 Disapproval Letter \_\_\_\_\_

COMPLETION DATA:

Date Well Completed 11-11-62 Location Inspected \_\_\_\_\_  
 OW \_\_\_\_\_ WW \_\_\_\_\_ TA ✓ Bond released \_\_\_\_\_  
 GW \_\_\_\_\_ OS \_\_\_\_\_ PA \_\_\_\_\_ State of Fee Land \_\_\_\_\_

LOGS FILED

Driller's Log 1-15-63  
 Electric Logs (No.) 2  
 \_\_\_\_\_ E1 ✓ GR ✓ GR-N \_\_\_\_\_ Micro \_\_\_\_\_  
 Lat \_\_\_\_\_ MFL \_\_\_\_\_ Sonic \_\_\_\_\_ Others \_\_\_\_\_

Copy H.L.C.

(SUBMIT IN TRIPLICATE)

Land Office Salt Lake City

Lease No. U-025244

Unit San Arroyo

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY



SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	<input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....		SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....		SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....		SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

SAN ARROYO UNIT

October 4, 1962

Well No. 15 is located 1650 ft. from NS line and 1650 ft. from EW line of sec. 21

SW/4 Sec. 21 16S 25E Salt Lake  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
San Arroyo Grand Utah  
(Field) (County or Subdivision) (State or Territory)

The elevation of the ~~1650~~ <sup>Surface</sup> above sea level is 7103 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

The above location has been selected to test the Dakota and Cedar Mountain formations the tops of which are anticipated at 5500 and 5635 ft. respectively.

We will run and cement (from top to bottom) 9-5/8" OD casing at approximately 300 ft. as surface pipe; we will run and cement 4-1/2 or 5-1/2" OD casing as the oil string.

We will drill this well with rotary tools.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Sinclair Oil & Gas Company  
601 Denver Club Building  
Address Denver 2, Colorado

By Charles E. Brown  
N. E. Brown  
Title Division Chief Clerk  
Production Department

COMPANY Sinclair Oil and Gas Company

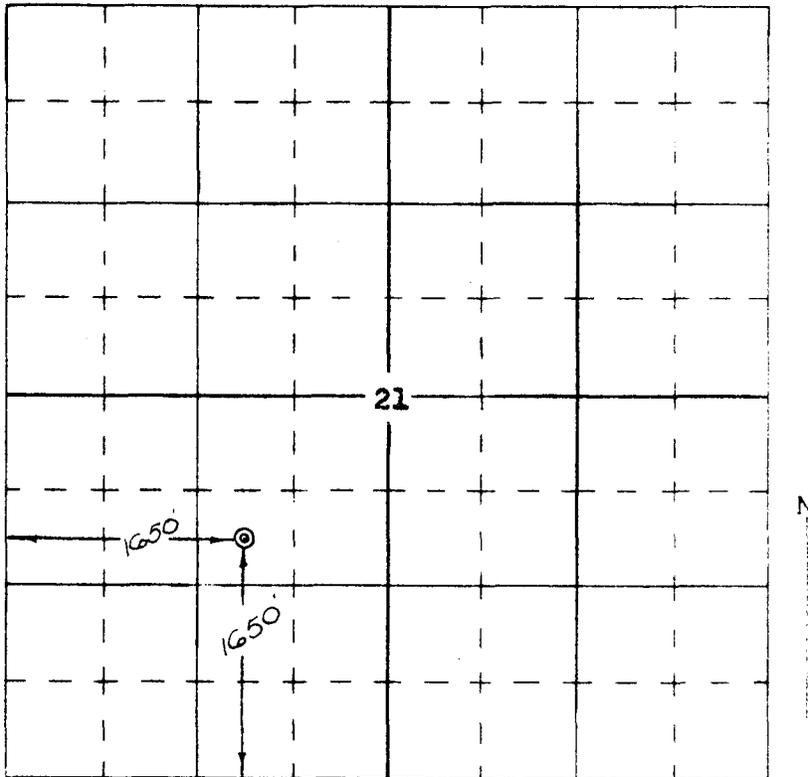
Well Name & No. \_\_\_\_\_ Lease No. \_\_\_\_\_

Location 1650' from the South line and 1650' from the West line

Being in NE 1/4 SW 1/4

Sec. 21, T 16<sup>S</sup> N., R 25<sup>E</sup> W., ~~Range~~, S.L.M., Grand County, Utah

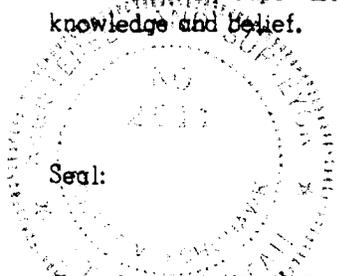
Ground Elevation 7103



Scale -- 4 inches equals 1 mile

Surveyed August 11, 1962

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.



Seal:

Four States Oil Field Surveys  
Farmington, New Mexico

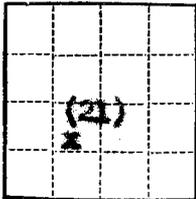
*Ernest V. Echohawk*

Ernest V. Echohawk  
Registered Land Surveyor

~~N. M. Reg. # 1021~~

Utah Reg. No. 2611

Copy H.L.C.



(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Land Office Salt Lake City  
Lease No. U-025244  
Unit San Arroyo

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....	SUPPLEMENTARY WELL HISTORY.....	XX
NOTICE OF INTENTION TO ABANDON WELL.....	NOTICE OF CEMENTING CASING.....	XX

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

SAN ARROYO UNIT

October 25, 1962

Well No. 15 is located 1650 ft. from <sup>N</sup>~~NE~~<sub>S</sub> line and 1650 ft. from <sup>E</sup>~~SE~~<sub>W</sub> line of sec. 21

SW/4 Sec. 21  
(¼ Sec. and Sec. No.)

16S  
(Twp.)

25E  
(Range)

Salt Lake  
(Meridian)

San Arroyo  
(Field)

Grand  
(County or Subdivision)

Utah  
(State or Territory)

The elevation of the ~~depth~~ <sup>Surface</sup> above sea level is 7103 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

- 10-21-62 Spudded at 9:00 P.M.
- 10-23-62 Drilled to 315'. Cemented 9-5/8" casing at 312' with 300 sacks cement. Plug down 7:00 P.M. 10-22-62.
- 10-25-62 Drilling ahead at 1495'.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Sinclair Oil & Gas Co.  
601 Denver Club Building  
Address Denver 2, Colorado

By Morris E. Brown  
M. E. Brown  
Title Division Chief Clerk  
Production Department

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Form approved.  
Budget Bureau No. 42-R354.5.

LAND OFFICE Salt Lake City  
LEASE NUMBER \_\_\_\_\_  
UNIT San Arroyo

3

LESSEE'S MONTHLY REPORT OF OPERATIONS

State UTAH County GRAND Field SAN ARROYO

The following is a correct report of operations and production (including drilling and producing wells) for the month of OCTOBER, 19 62, San Arroyo Unit

Agent's address 601 Denver Club Building Company Sinclair Oil & Gas Co.  
Denver 2, Colorado Signed \_\_\_\_\_

Phone AM 6-2461 Agent's title Division Chief Clerk  
Production Department

SEC. AND 1/4 OF 1/4	TWP.	RANGE	WELL NO.	DATE PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
SW/4 (Lease #U-0370-A) Sec. 22	16S	25E	13							At PB depth 6189' Completed Dual Shut-In Gas well in Morrison & Dakota formations 10-7-62
NE/4 (Lease #U-4113) Sec. 16	16S	25E	14							Spud. 10-9-62. At PB depth 6510' testing.
SW/4 (Lease #U-02524A) Sec. 21	16S	25E	15							Spud 10-21-62. Drilling at 3464'.
SW/4 (Lease #U-0369) Sec. 26	16S	25E	16							Spud. 10-11-62. At total depth 4932' waiting on completion rig.

NOTE.—There were NO runs or sales of oil; NO M cu. ft. of gas sold; NO runs or sales of gasoline during the month. (Write "no" where applicable.)

NOTE.—Report on this form is required for each calendar month, regardless of the status of operations, and must be filed in duplicate with the supervisor by the 6th of the succeeding month, unless otherwise directed by the supervisor.





Copy H.L.C.

	(21)	
X		

(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Land Office Salt Lake City  
Lease No. U-025244  
Unit San Arroyo

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....		SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....		SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....		SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....		SUPPLEMENTARY WELL HISTORY.....	XX
NOTICE OF INTENTION TO ABANDON WELL.....	XX	NOTICE OF CEMENTING CASING.....	XX

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

SAN ARROYO UNIT

November 14, 19 62

Well No. 15 is located 1650 ft. from S line and 1650 ft. from W line of sec. 21

SW/4 Sec. 21  
(1/4 Sec. and Sec. No.)

16S  
(Twp.)

25E  
(Range)

Salt Lake  
(Meridian)

San Arroyo  
(Field)

Grand  
(County or Subdivision)

Utah  
(State or Territory)

The elevation of the Surface ~~1650~~ above sea level is 7103 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

- 10-26-62 At depth 1670' prepare mist drill. Well making water. Down 15 hrs. attempting to blow hole dry. 4 hrs. changing head.
- 10-27-62 At depth 2449' WOC. Ran 63 jts. 7"OD 20# & 16 jts. 7"OD 23# J-55 casing, set at 2448' with 175 sx. regular & 50 sx. regular with 2% CaCl. Plug down 10:15 P.M. 10-28-62.
- 11-11-62 Having drilled to total depth of 6505' & having found no oil or gas in commercial quantities, propose to temporarily abandon well by setting a 20 sack cement from 5735-5632' & a 25 sack cement plug from 2485-2356'. Will weld a swage and valve on top of surface casing. Well will be held for future evaluation.

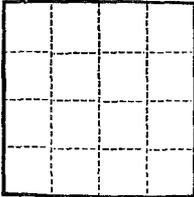
Per verbal approval Office of the United States Geological Survey to Sinclair's Mr. E. E. Sanders.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Sinclair Oil & Gas Company  
601 Denver Club Building  
Address Denver 2, Colorado

By Marion E. Brown  
M. E. Brown  
Title Division Chief Clerk  
Production Department

*Copy H.L.C.*



(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Land Office Salt Lake City  
Lease No. U-025244  
Unit San Arroyo

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	SUBSEQUENT REPORT OF WATER SHUT-OFF
NOTICE OF INTENTION TO CHANGE PLANS	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PULL OR ALTER CASING	SUPPLEMENTARY WELL HISTORY
NOTICE OF INTENTION TO ABANDON WELL	<b>COMPLETION OF TEMPORARY ABANDONMENT XX</b>

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

**SAN AROYO UNIT**

January 7, 1963

Well No. 15 is located 1650 ft. from N line and 1650 ft. from E line of sec. 21  
SW/4 Sec. 21 16S 25E Salt Lake  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
San Arroyo Grand Utah  
(Field) (County or Subdivision) (State or Territory)

The elevation of the Surface derrick floor above sea level is 7103 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Pursuant to Notice submitted November 14, 1962 we have temporarily abandoned well as follows:  
 Set a 20 sack cement plug from 5735-5632', 25 sack cement plug from 2485-2356'.  
 Welded a swage and valve on top of surface casing. ~~COMPLETED TEMPORARILY ABANDONING~~  
 11-11-62.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Sinclair Oil & Gas Company  
601 Denver Club Building  
 Address Denver 2, Colorado

By M. E. Brown  
 Title Division Chief Clerk  
Production Department

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

RECEIVED  
NOV 02 1987

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

11

5. Lease Designation and Serial No.

U-136529

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

San Arroyo

8. Farm or Lease Name

San Arroyo

9. Well No.

Unit #34-A \*

10. Field and Pool, or Wildcat

San Arroyo

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 21 T16S R25E SLB & M

12. County or Parrish 13. State

Grand Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL

DEEPEN

PLUG BACK

b. Type of Well

Oil Well

Gas Well

Other RE-ENTER

Single Zone

Multiple Zone

2. Name of Operator

Birch Corporation

3. Address of Operator

3801 E. Florida Suite 900 Denver, Co. 80212

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface

1599' <sup>NW 1/4</sup> 1665' <sup>E 1/2</sup> <sub>FSL</sub> <sub>FWL</sub>

At proposed prod. zone

NE/SW

14. Distance in miles and direction from nearest town or post office\*

31.2 miles NW of Mack, Colo.

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)

320'

16. No. of acres in lease

520

17. No. of acres assigned to this well

320

18. Distance from proposed location\* to nearest well, drilling, completed, or applied for, on this lease, ft.

2550'

19. Proposed depth

6900' <sub>Entrada</sub>

20. Rotary or cable tools

Rotary

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

7083 Gr

22. Approx. date work will start\*

Nov. 15, 1987

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
Existing	9-5/8"	32.3# H-40 ss R2	312'	300 sx
Existing	7"	20# & 23# J-55	2448'	175 sx
6 1/2"	4 1/2"	11.6# K-55	6900"	300 sx Pozmix or RFC

name change

We propose to re-enter the abandoned Sinclair Oil and Gas San Arroyo Unit Well #15 according to the attached program. The well will be deepened 395' from the original depth to adequately test the Entrada formation. Surface casing is existing casing in the plugged well.

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

24.

Signed Tom Amis

Title Operations Manager

Date 10/30/87

(This space for Federal or State office use)

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

Permit No. 13-019-11091

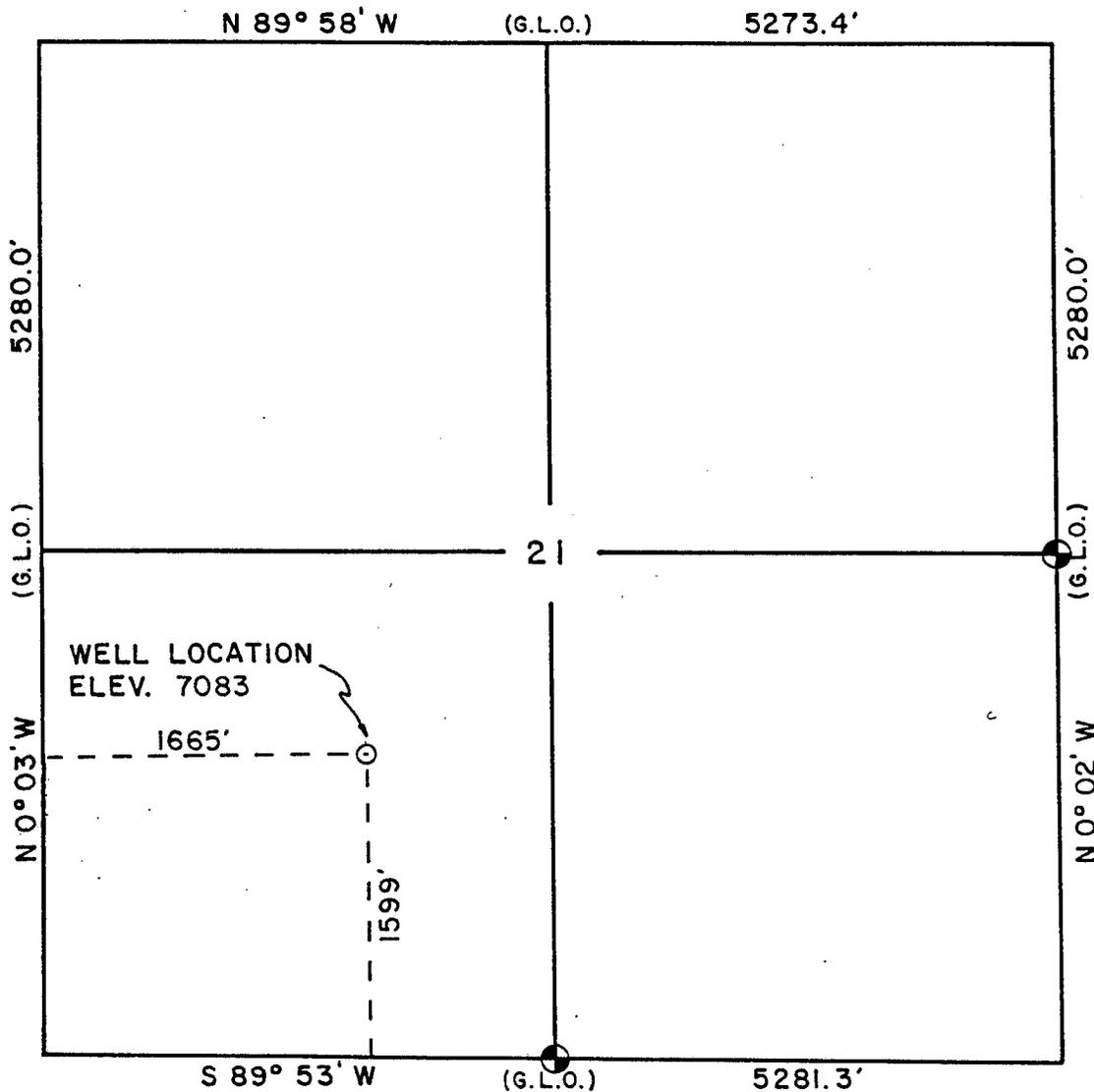
Approval Date

Approved by

Title

DATE: 11-18-87  
BY: [Signature]  
WELL SPACING: 15-2-3

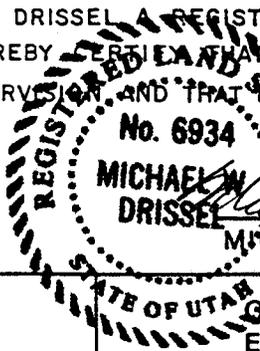
Conditions of approval, if any:



WELL LOCATION  
 1599 FT. N. S. L. - 1665 FT. E. W. L.  
 SECTION 21, T. 16 S., R. 25 E., S.L.B. & M.

SURVEYOR'S CERTIFICATE

I, MICHAEL W. DRISSEL, A REGISTERED LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT REPRESENTS SAID SURVEY.



*Michael W. Drissel* 10-28-87  
 MICHAEL W. DRISSEL L.S. 6934

RECEIVED

NOV 02 1987

DIVISION OF  
 OIL, GAS & MINING

GORDON ENGINEERING, INC.  
 ENGINEERING - SURVEYING



Date 10-26-87	SAN ARROYO UNIT 34A
Drawn by SLH	
Checked by MWD	Sheet 1 of 3
Survey date 10-16-87	Job # 87027



**gordon  
engineers**  
Consulting Engineers  
Specialists in Oil and Gas

**RECORDED**

San Arroyo

Lease # U-136529

Prospect/Field San Arroyo Unit #34-A

Well Name Utah County Grand

WELL PROGNOSIS

NOV 02 1987

Location NE 1/4 SW 1/4 Sec. 21 Twp. 165 Rge. 25E

Footage 1599' N/S 1665' E/W

Elevation Gr. 7083' GR

DIVISION OF  
OIL, GAS & MINING

( ) Wildcat

( X ) Development

Kb \_\_\_\_\_

**GEOLOGICAL REQUIREMENTS**

**SAMPLE PROGRAM**

10' samples 350 to 6900'  
\_\_\_\_\_ samples \_\_\_\_\_ to \_\_\_\_\_

Samples to Amstrat: Yes \_\_\_\_\_ No X

Samples to other partners \_\_\_\_\_ No \_\_\_\_\_

Deviation Limit 10° Not to exceed 1°/100'

**LOGGING PROGRAM**

IES \_\_\_\_\_ to \_\_\_\_\_

Dual Induction 350' to 6900'

BHC Acoustic \_\_\_\_\_ to \_\_\_\_\_

BHC Density -CNL Minimum to 6900'

Laterolog 3 \_\_\_\_\_ to \_\_\_\_\_

Microlaterolog \_\_\_\_\_ to \_\_\_\_\_

SNP \_\_\_\_\_ to \_\_\_\_\_

Gamma Ray Neutron \_\_\_\_\_ to \_\_\_\_\_

Dipmeter \_\_\_\_\_ to \_\_\_\_\_

CORING PROGRAM None

DST PROGRAM None

Mud Logger Required: Yes XX No \_\_\_\_\_

Type 24 hr. 4900' to 6900'

Geologist: From No to \_\_\_\_\_

**Formation Tops**

**Depth**

Wasatch	surface
Mesaverde	158'
Castlegate	2105'
Mancos "A"	2881'
Emery	3339'
Niobrara	3679'
Ferron	5435'
Dakota Silt	5702'
Dakota	5755'
Cedar Mountain	5860'
Morrison	5125'
Entrada	6501'
TD	6900'

**Coowners and Participants**

**DRILLING PROGRAM**

HOLE SIZE		CASING PROGRAM			
		Size	Weight	Depth	Cement
* <u>6 1/2"</u>	to <u>312'</u>	<u>9 5/8"</u>	<u>32.3# H-40 ss R2</u>	<u>312'</u>	w/ <u>300</u> sax
* <u>6 1/2"</u>	to <u>2448'</u>	<u>7"</u>	<u>#20 &amp; 23 J-55</u>	<u>2448'</u>	w/ <u>175</u> sax
* <u>6 1/2"</u>	to <u>6900'</u>	<u>4 1/2"</u>	<u>11-6# K-55</u>	<u>6900'</u>	w/ <u>175 sx 65/35; Pozmix or RFC</u>
* existing casing					

**MUD PROGRAM**

Type	Depth		Characteristics			
	From	To	Wt.	Vis.	%Oil	W.L.
Water	0	350	8.3-8.5	-	-	-
Air, <del>AA</del> air mist	350	6400				
Gel	6400	6900	8.6-8.9	35-39	-	8-10

APPROVED: Land \_\_\_\_\_

Production \_\_\_\_\_

Geological \_\_\_\_\_

Management \_\_\_\_\_

RECEIVED  
NOV 02 1987

DRILLING PROGRAM  
BIRCH CORPORATION

DIVISION OF  
OIL, GAS & MINING

SAN ARROYO UNIT WELL NO. 34-A  
SAN ARROYO FIELD  
GRAND COUNTY UTAH

1. SURFACE FORMATION AND ESTIMATED FORMATION TOPS:

Wasatch	Surface
Mesaverde	158'
Castlegate	2105'
Mancos "A"	2881'
Emery	3339'
Niobrara	3679'
Ferron	5435'
Dakota Silt	5702'
Dakota	5755'
Cedar Mountain	5860'
Morrison	5125'
Entrada	6501'

2. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER, OR OTHER MINERAL-BEARING ZONES ARE EXPECTED:

Potential Oil Zones:

Niobrara	3679'
Ferron	5435'
Dakota	5755'
Cedar Mountain	5860'
Morrison	5125'
Entrada	6501'

Potential Water Zones:

Dakota Silt	5702'
Dakota	5755'
Cedar Mountain	5860'
Morrison	5125'
Entrada	6501'

Potential Gas Zones:

Castlegate	2105'
Mancos "A"	2881'
Emery	3339'
Niobrara	3679'
Ferron	5435'
Dakota Silt	5702'
Dakota	5755'
Cedar Mountain	5860'
Morrison	5125'
Entrada	6501'

Potential Mineral Zones:

Mesaverde (coal)	158'
Dakota Silt (uranium)	5702'
Dakota (uranium)	5755'
Morrison (uranium)	5125'
Entrada (uranium)	6501'

3. PRESSURE CONTROL EQUIPMENT:

A diagram illustrating the pressure equipment is attached. BOP equipment will consist of a flanged 10" series 900 hydraulically actuated double gate system complete with blind rams and 3½", 4", or 4½" pipe rams. Remote controls for the system will be operational and hand wheels installed. BOP and the choke manifold will be installed after running and cementing surface casing. This equipment will be used continuously until the well is abandoned or production casing run and cemented for completion. Surface casing, the blind rams, pipe rams and choke manifold will be pressure tested to 1000 psig prior to drilling the plug.

During drilling the operation of this equipment will be inspected daily and the pipe rams checked for operation. The blind rams will be closed every trip when the drill string has been removed. All inspections, operations, and tests of this equipment will be recorded on the daily drilling report.

The Moab BLM office will be notified twenty-four (24) hours in advance of any pressure tests.

Other auxiliary equipment will include a float at the bit, kellycock and full opening pipe valve on the floor.

4. CASING PROGRAM AND AUXILIARY EQUIPMENT:

Surface casing is existing 9-5/8" OD 32.3#/ft. H-44 SS R2 grade set from surface to 312 feet and cemented with 300 sacks of regular cement. Intermediate casing is existing 7" OD consisting of 20# & 23# J-SS grade to 2448 feet set with 175 sacks of regular cement.

Production casing will be new 4-½ OD 11.6#/ft K-55 grade set from 2448 feet to 6900 feet and cemented with 175 sacks 65/35 Pozmix or RFC cement.

Well head equipment will be a 3000 psig working pressure bradenhead for the 9-5/8" surface casing. A 3000 psig working pressure tubing head will be used.

NOTE: A 6½" bit will be used to drill to total depth. This is to be a re-entry of San Arroyo Unit #15 which was drilled and temporarily abandoned on November 12, 1962.

5. MUD PROGRAM AND CIRCULATING MEDIUM:

Air or air-mist will be used to drill the 6½" hole until sufficient gas flow or moisture is encountered requiring the use of a chemical gel mud.

6. CORING, TESTING, AND LOGGING PROGRAMS:

No cores or DST's are planned as these are development wells. Proposed logs are:  
Dual Induction Log 350'-TD  
BHC Density-Compensated Neutron Minimum 2000' at various intervals

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURES AND POTENTIAL HAZARDS:

Maximum pressure anticipated is 1500 psig in the Entrada Formation and should not require more than normal mud weight for control. No abnormal temperatures or hydrogen sulphide are anticipated.

8. ANTICIPATED STARTING DATES AND NOTIFICATIONS OF OPERATIONS:

Anticipated starting date is November 15, 1987, and it is expected that the duration of operations will be up to 120 days for drilling and completion.

The Operator will contact the Moab BLM Office at 801-259-6111, forty-eight hours prior to beginning any dirt work on this location.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are suspended prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the BLM Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a week-end or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the Bureau of Land Management, P. O. Box 970, Moab, Utah 84532.

IMMEDIATE REPORTS: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Moab BLM in accordance with requirements of NTL-3A.

If a replacement rig is contemplated for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.

Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than five (5) business days following the date on which the well is placed in production.

A first production conference will be scheduled with fifteen (15) days after receipt of the first production report. The Grand Resource Office will coordinate the field conference.

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager 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. 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 BLM Area Manager or his representative, or the appropriate surface managing agency.

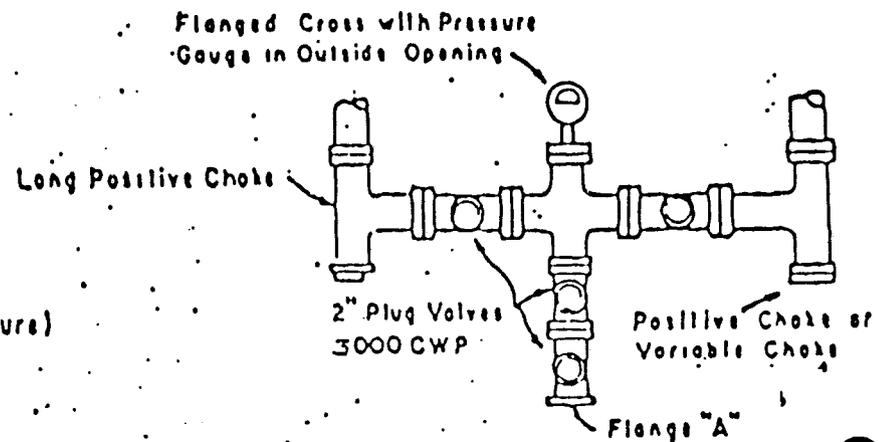
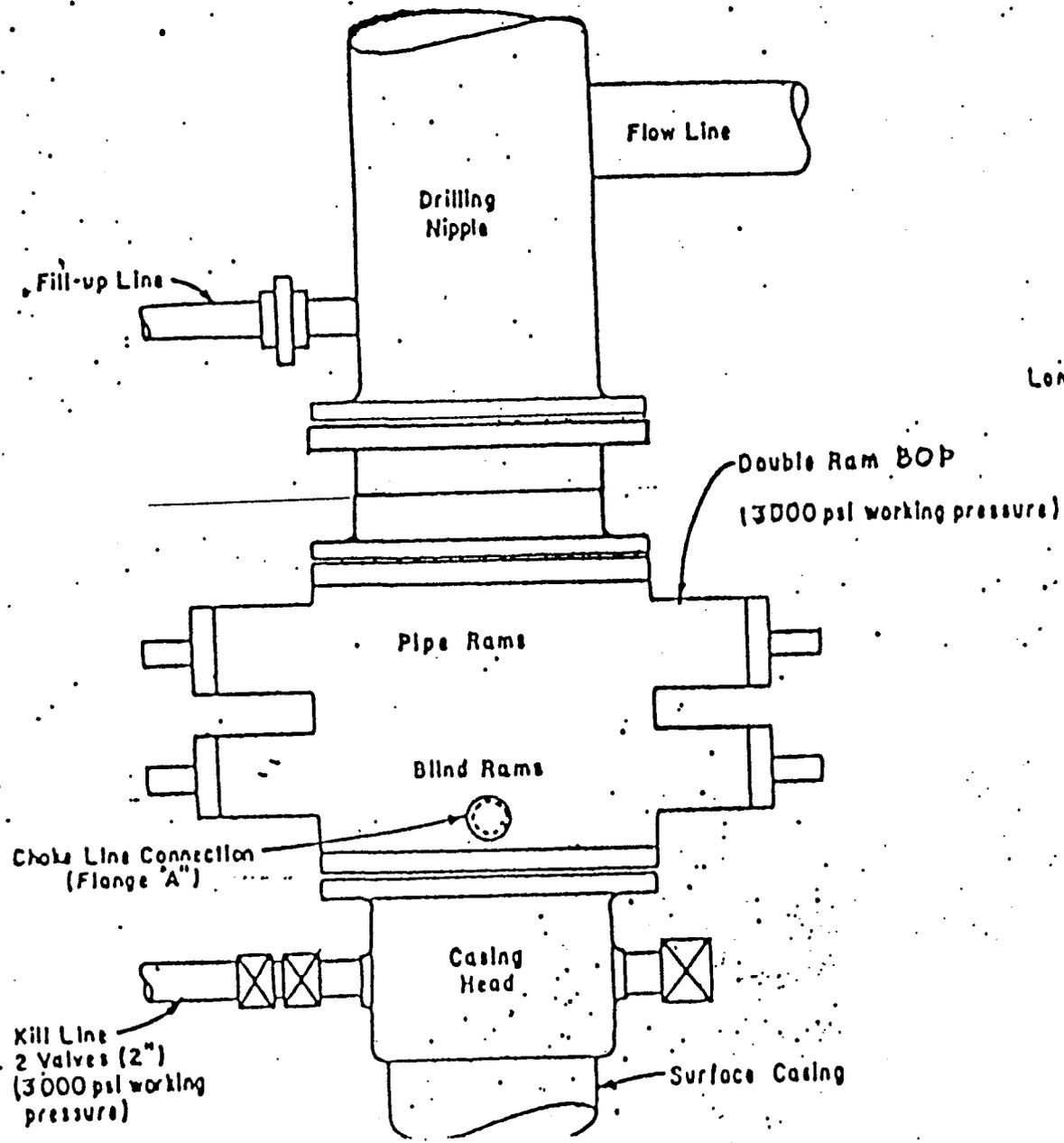
Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed thirty (30) days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guideline in NTL-4A.

Upon completion of approved plugging, a marker 4"x4' long will be erected in accordance with 43 CFR 3162.6. The marker will be constructed after contouring. The top of the marker will be closed or capped and the following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch.

"Fed" or "Ind", as applicable.

"Well number, location by  $\frac{1}{4}$  section, township, and range".

"Lease Number, county, and state".



## PLAN VIEW - CHOKES MANIFOLD

### TESTING REQUIREMENTS

Pipe rams: operated daily

Blind rams: operated and closed every opportunity.

Accumulation: Checked daily

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

BIRCH CORPORATION  
SAN ARROYO UNIT WELL NO. 34-A  
GRAND COUNTY, UTAH

1. EXISTING ROADS:

- A. The location is approximately 31.2 miles northwest of Mack, Colorado.
- B. The proposed route to the location is by traveling west on Highway 6 & 50 approximately  $8\frac{1}{2}$  miles to the intersection of Highway 6 & 50 and Mesa County Road No. 2. Turn north off Highway 6 & 50 on Two Road and proceed northwest. Go up Bitter Creek. At San Arroyo Camp, leave Bitter Creek and climb San Arroyo Ridge. After approximately 2 miles from San Arroyo Camp, the road tops the ridge. Turn left and go west down the west side of the ridge approximately  $\frac{1}{2}$  mile. Turn right and proceed approximately  $\frac{1}{4}$  mile to the location. See Plat No. 1 and Plat No. 2.
- C. Plans for improvement and maintenance of existing roads: Highway 6 & 50 west of Mack, Colorado is a two-lane paved road while Mesa County Road No. 2 is an upgraded graveled road. The road up Bitter Creek and San Arroyo Ridge to the access to the location are in good shape and will require no improvement. Should maintenance be required, the roads will be flat graded. The roads are currently being used as access to numerous gas wells in the area.

2. PLANNED ACCESS ROADS:

- A. The planned access road to be used has been previously constructed to the location since this is to be a re-entry of a previously plugged well. The road is approximately  $\frac{1}{4}$  mile in length as illustrated by Plat No. 2 and will be upgraded by flat blading.
- B. One short portion has a grade of approximately 12%. No other grades over 8% will be required.
- C. Turnouts: None.
- D. No centerline has been flagged as the road presently exists.
- E. Drainage: The road is to be ditched and crowned and water bars will be used to control drainage after completion of the well as a producer.
- F. Surface Materials: No surface materials will be required.

- G. Other: No right of way is required since this well is inside the San Arroyo Unit boundary.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional areas needed will be approved by the appropriate BLM Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the BLM Manager will be notified so that temporary drainage control can be installed along the access road.

3. LOCATION OF EXISTING WELLS:

Plat No. 3 illustrates the location of all existing wells in a two mile radius: there are twenty-two (22) producing gas wells and six (6) dry holes.

4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pumpjacks) will be painted a flat, non-reflective, earth-tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be Juniper Green.

All site security guidelines identified in 43 CF 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager. Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. LOCATION AND TYPE OF WATER SUPPLY:

All water needed for drilling and completion purposes will be obtained from West Salt Creek as shown by Plat No. 1. The point of divergence is located in Mesa County, Colorado. Water will be hauled to location by truck. A Utah water permit will not be necessary as water is being obtained from Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS:

None.

7. METHOD OF HANDLING WASTE DISPOSAL:

The reserve pit will not be lined. Three sides of the reserve pit will be fenced before drilling starts and the fourth side will be fenced as soon as drilling is completed. The fence will consist of three strands of barbed wire and will be kept in good repair while the pit is drying.

Produced waste water will be confined to the 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 for the BLM Manager's approval pursuant to Onshore Oil and Gas Order #3 (NTL-2B).

Plat #4 illustrates the rig layout and the position of the trash cage and reserve pit.

- A. Cuttings: These will be contained on location in the reserve pit.
- B. Drilling fluids, chemicals and salts: These will be contained in the reserve pit.
- C. Sewage: Chemical toilets will be used.
- D. Garbage and other waste materials: A portable trash cage will be kept on location to contain these. Periodically the location will be cleaned and all trash placed in the container. No trash will be thrown in the reserve pit. The trash cage will be hauled to a sanitary landfill and emptied when it fills up. Barrels, cable, wood pallets, and all other trash will be hauled to a local sanitary landfill to be disposed of. Open burning of trash or refuse is illegal under Section 2.4 of the Utah Air Conservation Regulations. The Operator will be responsible for all trash and roadside litter generated by their operations along their access route from the County Road to the location.
- E. If burning is required, a permit will be obtained from the State Fire Warden in Moab, Utah.

8. ANCILLARY FACILITIES:

None.

9. WELLSITE LAYOUT:

Plat #4 shows the rig layout. Plat #5 shows the pad layout. Plat #6 illustrates the cuts and fills.

The reserve pit will be located on the southwest side of the location and a burn pit will be constructed. Both pits will be connected by a small trench so that any accumulation of liquids in the burn pit will drain into the reserve pit. To contain any flare of natural gas, the back side of burn pit will be banked and this should help keep any material contained. The blowie line will be directed into the burn pit and water will be injected into the blowie line for fugitive dust control.

The access road will enter on the northwest side of location and the trash cage will be situated to the southeast of the location, as shown by Plat No. 4.

10. PLANS FOR RESTORATION OF SURFACE:

The Operator or his Contractor will contact the Grand Resource BLM Office in Moab, Utah, telephone (801)-259-8193, forty-eight (48) hours prior to starting rehabilitation work that involves earth moving equipment, and upon completion of restoration measures.

Before any earthwork to restore the location takes place, the reserve pit will be dry and all trash (barrels, metal, etc.) it contains must be removed and disposed of in a sanitary landfill. And immediately upon completion of drilling, the location and surrounding areas will be cleared of all remaining debris, materials, trash and junk not required for production.

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 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 disturbed areas will be reseeded using a seed mixture as stipulated by the Grand Resource BLM Office in Moab, Utah. Seeding will be accomplished by using a range drill or by doubling the prescribed mixture and broadcasting.

11. PRODUCTION, SURFACE AND MINERAL OWNERSHIP:

If well goes to production, the holder shall submit a proposed operation and maintenance plan for the permanent road after consultation with the BLM authorized officer for applicable road standards.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed in the methods described in the Restoration of Surface section.

All above ground production facilities will be painted with a flat non-contrasting color harmonious with the adjacent landscape, subject to the approval of the authorized officer.

Plat No. 7 shows the layout of the typical production facilities and sales line. The sales line will follow the alignment of the road and will be a surface line. The diameter of the sales line will be 2-3/8" tubing with screwed construction. The connections will be coated with an adequate joint compound such as "Baker-Lok" to prevent any leakage. The line will be placed either above the cuts on the high side of the road or it will be staked above the road along the cut slopes.

The surface and minerals are owned by the United States Government and lease number U-136529 is described as follows:

Township 16S, Range 25E, Grand County, Utah

Section 21:  $W\frac{1}{2}$   $NE\frac{1}{4}$ ,  $E\frac{1}{2}$   $NW\frac{1}{4}$   
 $W\frac{1}{2}$   $SE\frac{1}{4}$ ,  $SE\frac{1}{4}$   $SE\frac{1}{4}$   
 $WE\frac{1}{4}$   $SW\frac{1}{4}$   
Section 27:  $W\frac{1}{2}$   $NW\frac{1}{4}$ ,  $SE\frac{1}{4}$   $NW\frac{1}{4}$   
 $NW\frac{1}{4}$   $SE\frac{1}{4}$   
Section 28:  $NE\frac{1}{4}$   $NE\frac{1}{4}$   
Containing 520+ acres

12. OTHER INFORMATION:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the BLM in Moab. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

A cultural resource clearance has been prepared. If cultural material is exposed during construction, work in that spot will stop immediately and the BLM Moab Office will be contacted. All employees working in that area will be informed by the Operator that they will be subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will only be done if damage occurs.

The dirt contractor will be furnished with an approved copy of the surface use plan and any additional BLM stipulations prior to any work.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION:

Representative: Gordon Engineering, Inc.  
P.O. Box 3525  
Grand Junction, CO 81502  
(303)-245-1958

Operator: Birch Corporation  
Mr. Tony Hines  
3801 E. Florida, Suite 900  
Denver, CO 80212  
(303)-759-4400

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 exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Birch Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Date

10/30/87



Tony Hines  
Operations Manager

Taken from U.S.G.S. Regional Map Grand Junction, CO-Utah

Proposed Location  
San Arroya Unit #34A

21.7 miles to Hwy 6 & 50

**RECEIVED**  
NOV 02 1987

U.S. GEOLOGICAL SURVEY  
OIL, GAS & MINING

Plat No. 1



REF  
NOV 02 1987

Oil, Gas & Mining

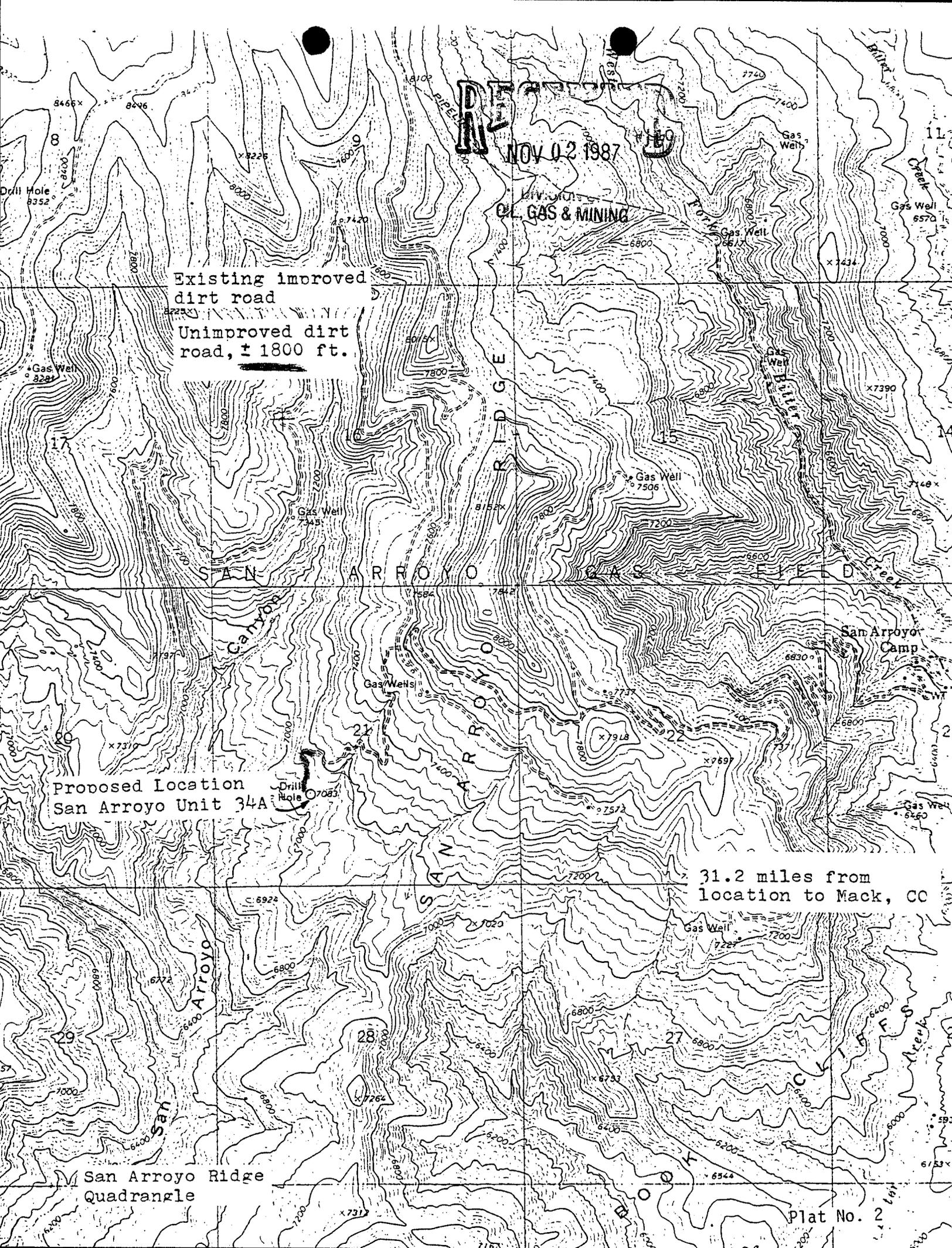
Existing improved dirt road  
Unimproved dirt road, ± 1800 ft.

Proposed Location  
San Arroyo Unit 34A

31.2 miles from location to Mack, CO

San Arroyo Ridge  
Quadrangle

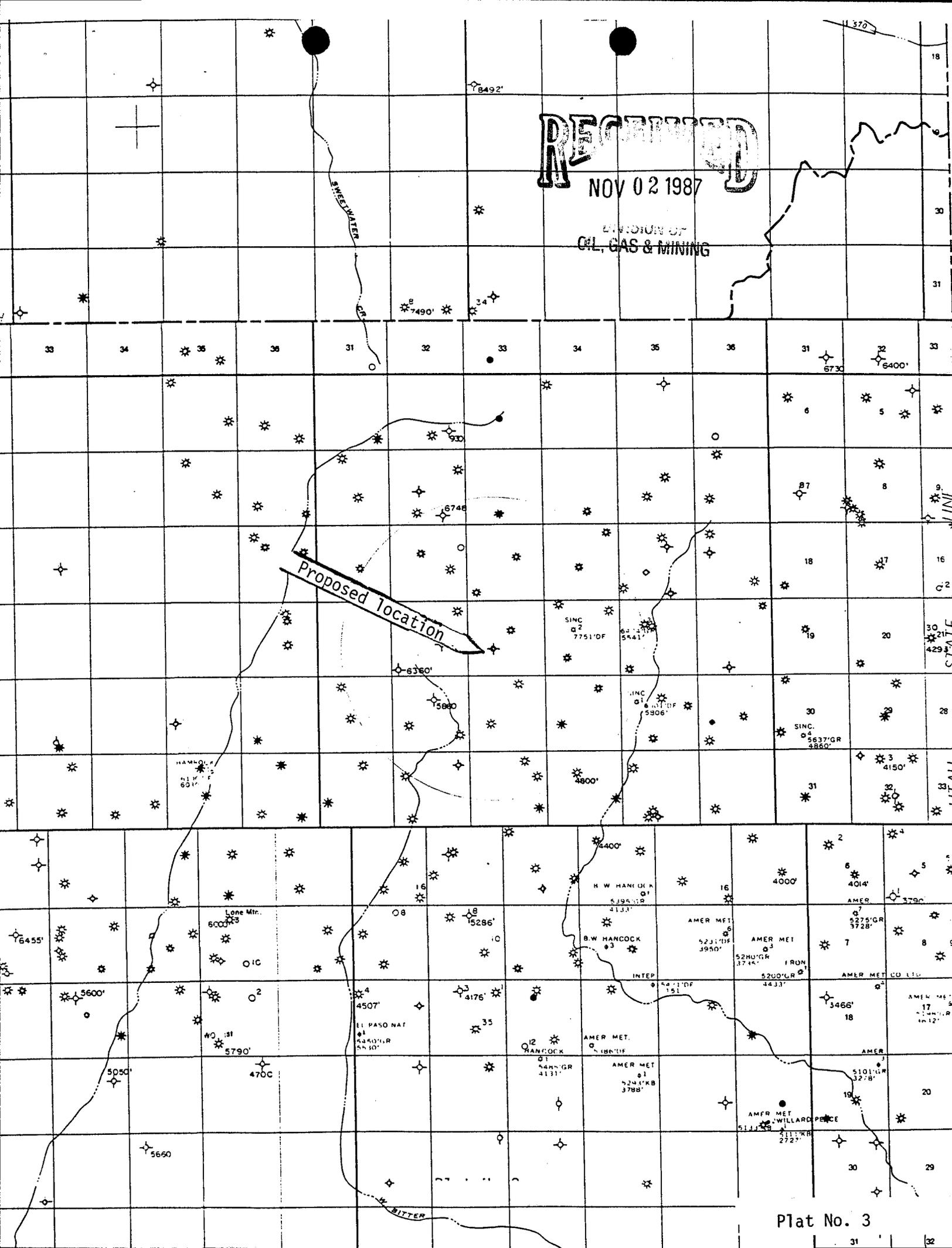
Plat No. 2



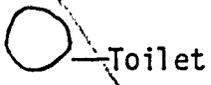
RECORDED  
NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

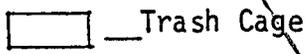
Proposed location



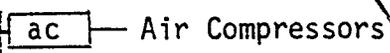
RIG LAYOUT



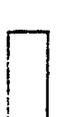
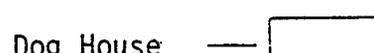
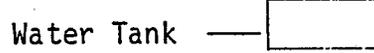
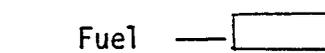
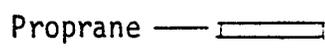
Toilet



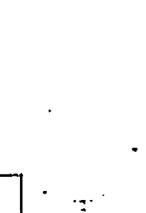
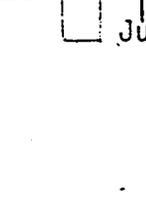
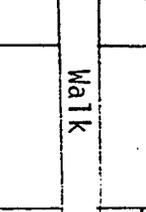
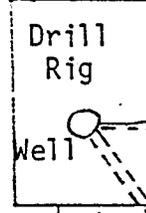
Trash Cage



Air Compressors



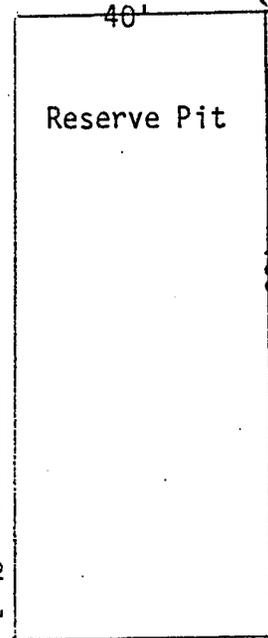
Trailer Houses



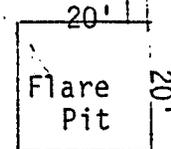
Air Line

Mud Line

Mud Tank  
Mud Pit  
Shale Shaker



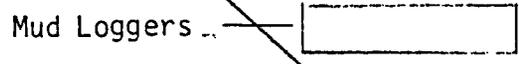
Reserve Pit



Flare Pit

**RECORDED**  
NOV 02 1987

DEPARTMENT OF  
OIL, GAS & MINING

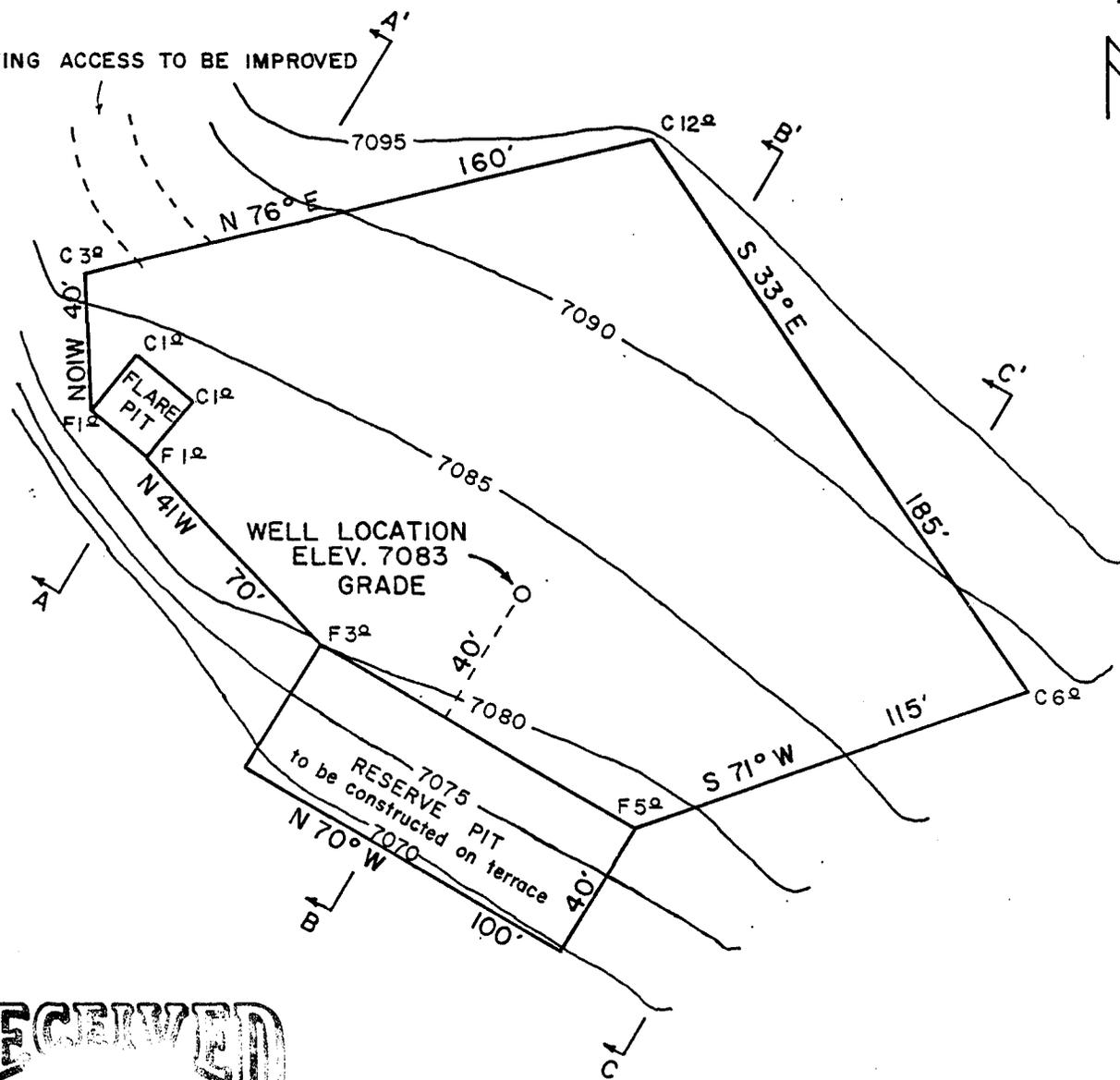


Mud Loggers

Access Road

PAD LAYOUT

EXISTING ACCESS TO BE IMPROVED



**RECEIVED**

NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

SAN ARROYO UNIT 34 A

SCALE 1" = 50'

SHEET 2 OF 3

Plat No. 6

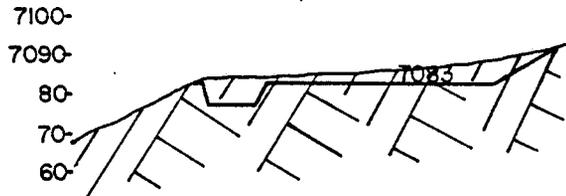
Plat No. 5.

CROSS SECTIONS

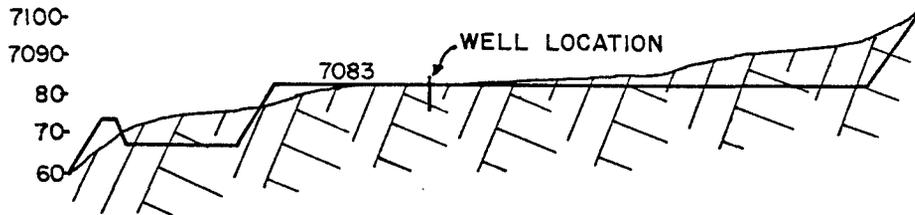
RECEIVED  
NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

SECTION A - A'



SECTION B - B'

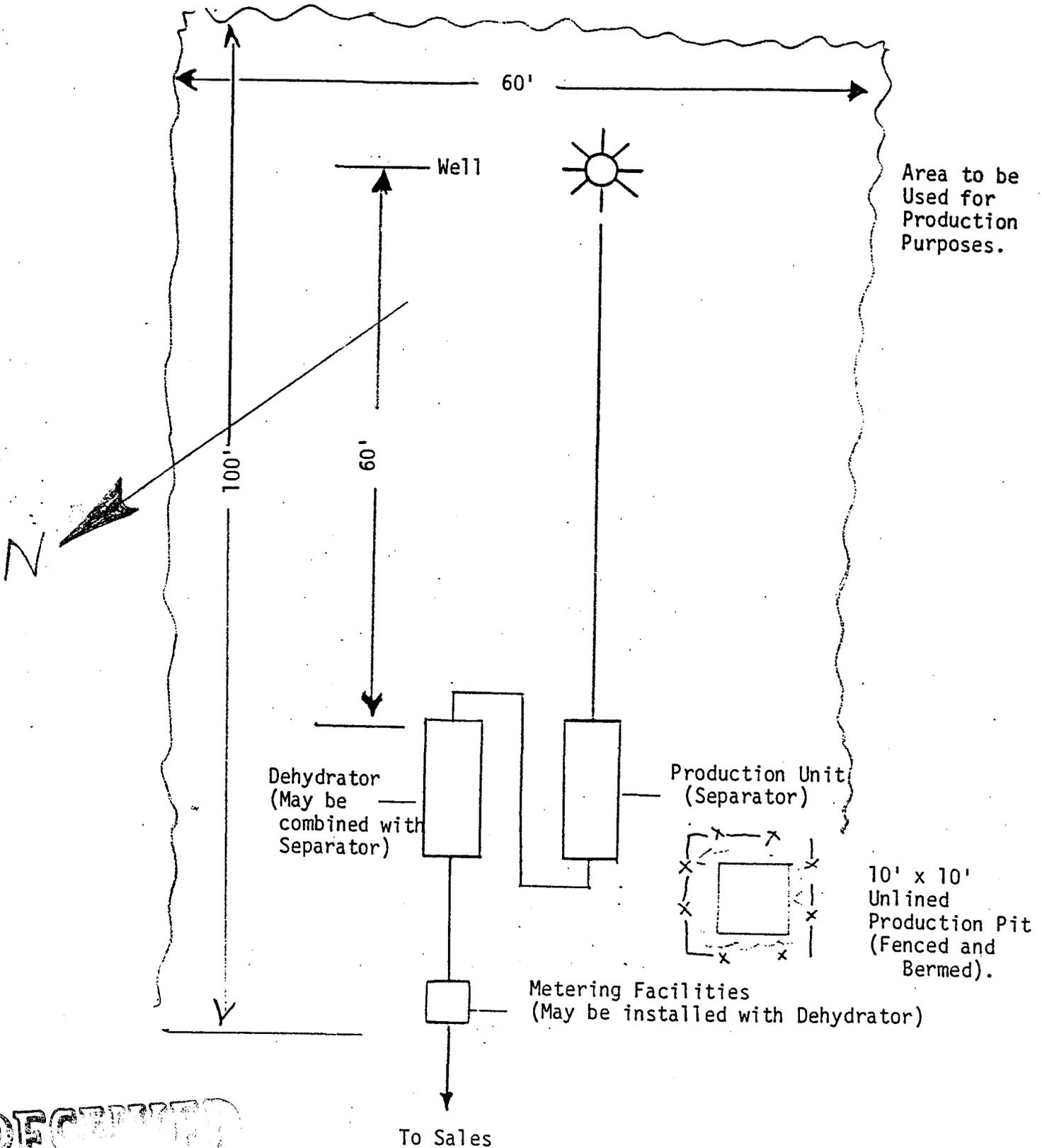


SECTION C - C'



SCALE 1" = 50' HORIZ. & VERT.

PRODUCTION FACILITIES



**RECEIVED**  
NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

Re-Entry

111916

OPERATOR Buil Corp. DATE 11-4-87

WELL NAME San Arroyo Unit # 34-A

SEC NE SW 21 T 16S R 25E COUNTY Grand

43-019-11091  
API NUMBER

Fed  
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Unit well - Re-enter #15 (child to 34-A)  
Water & - from Colorado

APPROVAL LETTER:

SPACING:

R615-2-3

San Arroyo  
UNIT

R615-3-2

CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

November 18, 1987

Birch Corporation  
3801 E. Florida Avenue, Suite 900  
Denver, Colorado 80212

Gentlemen:

Re: San Arroyo Unit #34-A - NE SW Sec. 21, T. 16S, R. 25E  
1599' FSL, 1665' FWL - Grand County, Utah

Approval to re-enter the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule R615-2-3, Oil and Gas Conservation General Rules.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2  
Firth Corporation  
San Arroyo Unit #34-A  
November 18, 1987

6. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-11091.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

es  
Enclosures  
cc: Branch of Fluid Minerals  
D. R. Nielson  
3159T

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
 Birch Corporation

3. ADDRESS OF OPERATOR  
 3801 E. Florida Suite 900 Denver, Co. 80212

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
 At surface: 1599'N/S 1665E/W  
 At proposed prod. zone: NA

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 31.2 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 320'

16. NO. OF ACRES IN LEASE  
 520

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 2550'

19. PROPOSED DEPTH  
 6900'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 7083 GR

22. APPROX. DATE WORK WILL START\*  
 Nov. 15, 1987

5. LEASE DESIGNATION AND SERIAL NO.  
 U#136529

6. IF INDIAN, LIST THE ORIGIN NAME  
 Drl.

7. UNIT AGREEMENT NAME  
 San Arroyo

8. FARM OR LEASE NAME  
 San Arroyo

9. WELL NO.  
 Unit #34-A

10. FIELD AND POOL, OR WILDCAT  
 San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 21 T16S R25E SLM & M

12. COUNTY OR PARISH  
 Grand

13. STATE  
 Utah

RECEIVED  
NOV 23 1987

DIVISION OF  
OIL, GAS & MINING

43-019-11091

PROPOSED CASING AND CEMENTING PROGRAM

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

24. SIGNED Jerry Davis TITLE Operations Manager DATE 10/30/87

(This space for Federal or State office use)

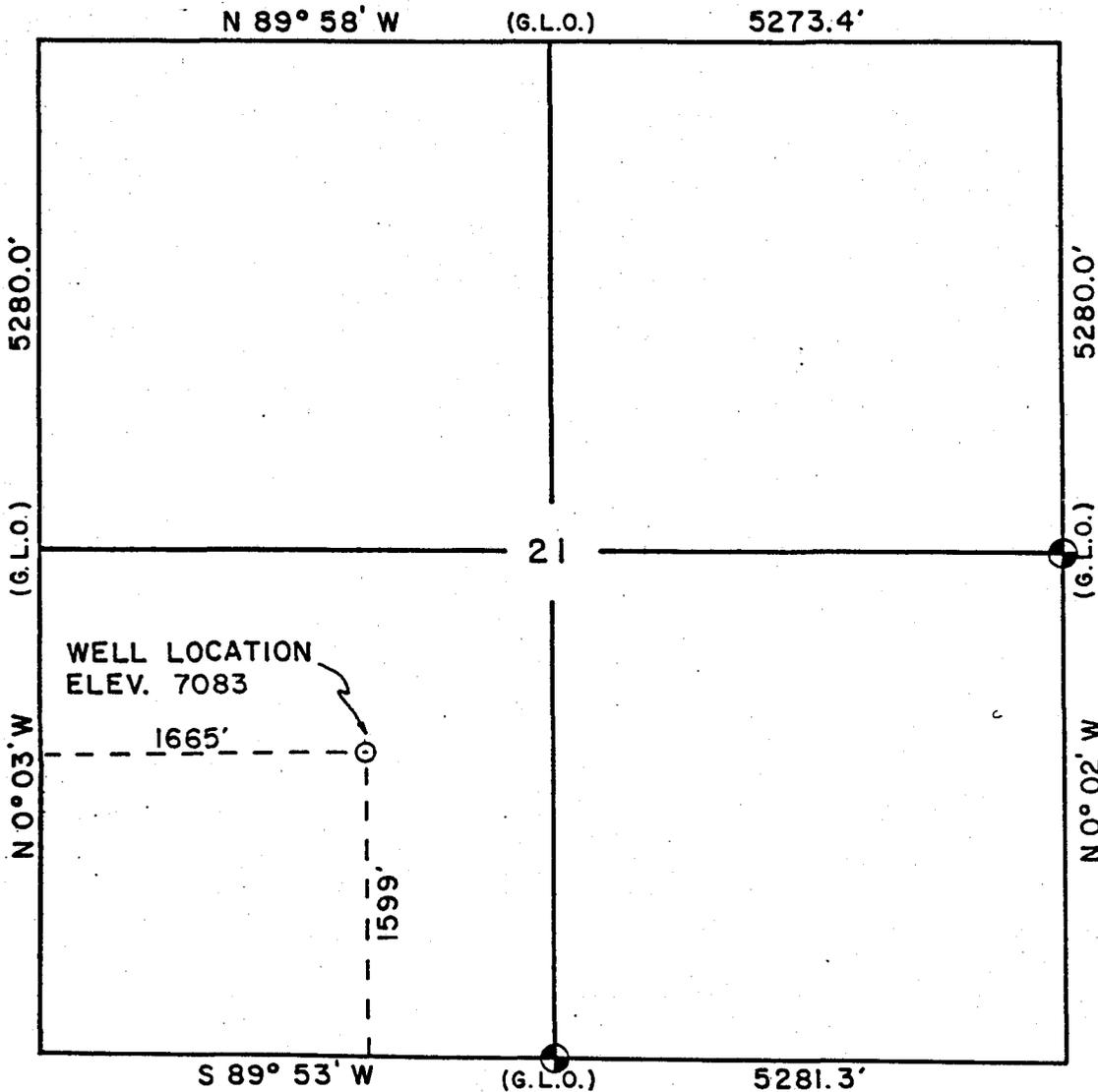
PERMIT NO. 43-019-11091 APPROVAL DATE NOV 17 1987

APPROVED BY /s/ Kenneth V. Rhea TITLE Acting District Manager DATE NOV 17 1987

CONDITIONS OF APPROVAL ATTACHED

\*See Instructions On Reverse Side

FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 1/1/80

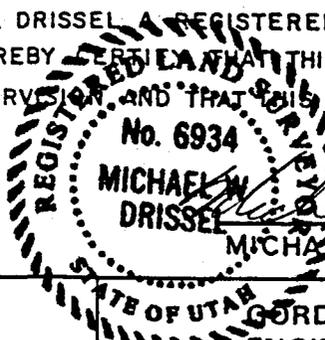


**WELL LOCATION**

1599 FT. N. S. L. - 1665 FT. E. W. L.  
SECTION 21, T. 16 S., R. 25 E., S.L.B. & M.

**SURVEYOR'S CERTIFICATE**

I, MICHAEL W. DRISSEL, A REGISTERED LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT REPRESENTS SAID SURVEY.



MICHAEL W. DRISSEL  
*Michael W. Drissel* 10-28-87  
MICHAEL W. DRISSEL L.S. 6934

	GORDON ENGINEERING, INC. ENGINEERING - SURVEYING	
	Date 10-26-87	SAN ARROYO UNIT 34A
	Drawn by SLH	
Checked by MWD	Sheet 1 of 3	
10-16-87	87027	

Birch Corporation  
Well No. San Arroyo Unit 34-A  
Sec. 21, T. 16 S., R. 25 E.  
Grand County, Utah  
Lease U-0136529

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.

A. DRILLING PROGRAM

1. B.O.P.E. will be consistent with API RP 53.

B. SURFACE USE PROGRAM

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to the appropriate rental, or other financial obligation determined by the authorized officer.

Because of difficult terrains, special recontouring techniques may have to be designed in order to facilitate revegetation and/or visual impacts.

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

The following seed mixture will be used:

<u>Species</u>	<u>lbs/acre</u>
<u>Grasses</u>	
Western wheatgrass	3
Smooth brometgrass	3
Intermediate or pubescent whestgrass	3
<u>Shrubs</u>	
Fourwing saltbrush	3
Prostrate kochia (summer cypress)	2
	<u>14 lbs/ac</u>

Broadcast seed will be applied at double the above rate.

Final location release will be issued when the seeding is shown to be successful (when perennial vegetation is established).

NOTIFICATIONS

Notify the Grand Resource Area, at (801) 259-8193 for the following:

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

1 day prior to spudding;

1 day prior to pressure testing of BOPE and/or surface casing.

Your contact with the Grand Resource Area Office is:

Jeff Robbins

Office Phone (801) 259-8193

Home Phone (801) 259-7964

Grand Resource Area office address:

Grand Resource Area  
Sand Flats Road, P.O. Box M  
Moab, Utah 84532

Notify the Moab District Office, Branch of Fluid Minerals, at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Steven Jones, Petroleum Engineer

Office Phone: (801) 259-6111

Home Phone: (801) 259-7404

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone (801) 259-6111

Home Phone (801) 259-7990

Paul Brown, I&E Coordinator

Office Phone (801) 259-6111

Home Phone (801) 259-7018

24 hours advance notice is required for all abandonments.

3162 (U-065)  
(U-0136529)

JAN 28 1989

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

DIVISION OF  
OIL, GAS & MINING

JAN 19 1989

Birch Corporation  
P.O. Box 5427 T.A.  
Denver, CO 80217

Re: Rescinding Application for Permit  
to Drill  
Well No. San Arroyo Unit 34-A  
NESW Sec. 21, T. 16 S., R. 25 E.  
Grand County, Utah  
Lease U-0136529

43-019-11091

Gentlemen:

The Application for Permit to Drill the above well was approved November 17, 1987. In a conversation with our engineering staff December 29, 1988, you requested your application be rescinded.

The purpose of this well was to re-enter the existing gas shut-in San Arroyo Unit 15. Birch Corporation as San Arroyo Unit Operator is still liable for the plugging re-contouring and seeding of the existing No. 15 well should you decide not to produce or re-enter.

In view of the foregoing, we are **rescinding** your Application for Permit to Drill. At a future date, if you intend to re-enter this location a new application must be permitted.

If you have any questions, please contact the Branch of Fluid Minerals (801) 259-6111.

Sincerely yours,  
/s/ Kenneth V. Rhea

District Manager

cc: Grand Resource Area

State of Utah, Division of Oil, Gas and Mining ✓  
Salt Lake City, Utah 84180-1203

bcc: USO, U-942

CFreudiger/cf 1/17/89



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

January 26, 1989

Birch Corporation  
P.O. Box 5427 T.A.  
Denver, CO 80217

Gentlemen:

Re: San Arroyo Unit 34-A, Sec.21, T.16S, R.25E, Grand County, Utah  
API No. 43-019-11091

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

*APD was for  
a re-entry of  
SI well. At this  
time, well remains  
SI. DTS  
6-16-87*

Sincerely,

Don T. Staley  
Administrative Supervisor

TAS/tc

cc: D. R. Nielson

R. J. Firth

BLM-Moab

Well file

WE16/100

ENTITY ACTION FORM - FORM 6

ADDRESS P. O. BOX 5427, T.A.

DENVER, COLORADO 80217

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99998	10993	43-019-11091	SAN ARROYO UNIT #34-A	NESW	21	16S	25E	GRAND	10-21-62	
WELL 1 COMMENTS: *SAN ARROYO UNIT - ENTRADA P.A. - ENTITY ADDED EFFECTIVE AT TIME BIRCH TOOK OVER WELL 11-18-87. (SEE FILE)											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- 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)

NOTE: Use COMMENT section to explain why each Action Code was selected.

LISHA ROMERO

Signature

ADMINISTRATIVE ANALYST 6-29-89

Title

Date

Phone No. ( )

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 or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER  Change of Operator

2. NAME OF OPERATOR: The Birch Corporation

3. ADDRESS OF OPERATOR: 3801 E. Florida Ave., #900, Denver, CO 80210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface  
1599' N/S & 1665 E/W

5. LEASE DESIGNATION AND SERIAL NO.: U-0136529

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME: San Arroyo

8. FARM OR LEASE NAME: San Arroyo

9. WELL NO.: Unit #34-A

10. FIELD AND POOL, OR WILDCAT: San Arroyo

11. SEC., T., R., M., OR BLK. AND SUBST OR AREA: Sec. 21-T16S-R25E SLM&M

12. COUNTY OR PARISH: Grand STATE: Utah

13. ELEVATIONS (Show whether OF, RT, GR, etc.): 7083 Gr.

14. PERMIT NO.: 43-019-11091

RECEIVED  
NOV 16 1989  
DIVISION OF OIL, GAS & MINING

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) Change of Operator <input checked="" type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. 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.)

On 10/30/87, The Birch Corporation proposed to re-enter the temporary abandoned San Arroyo Unit well #15 and deepen it to test the Entrada formation. **This work was never done.**

On April 1, 1989, The Birch Corporation resigned as unit operator. Graham Royalty, Ltd. was designated operator of the unit. The leases were assigned to Prudential-Bache Energy Growth Fund L.P.G.-1 and L.P.G-2 effective November 1, 1988 recorded in Grand County, Utah, Book 412, Page 417.

\*Entity 10993, changed to 00505, San Arroyo Unit/ENRD P.A.  
Effective 4-1-89. LCR

cc: VC

OIL AND GAS	
DRN	RJF
JRB	GLH
2-DTS	SLS
1-TAS	
3- MICROFILM	
4- FILE	

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

SIGNED: [Signature] TITLE: Operations - Mgr. DATE: 11/15/89

(This space for Federal or State office use)

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

1-12-90

Spud	10-21-62	
Compl	11-11-62	
TA'D	11-11-62	cement plug 2485-2356
Re-entry APD	11-18-87	
APD Resinded	1-26-89	

JAN 81 - MAR 84 PROD REPORTS SHOW "TA AS OF 11-62"

APR 84 - MAY 89 NO REPORTS  
 JUN 89 - FEB 90 0'S ENTERED

My question: IS WELL TA'D OR SI? IF TA, IT NEEDS TO BE REMOVED FROM TURNAROUND. IF SI, I NEED TO ENTER 0'S FROM JAN 84 TO MAY 89. RIGHT?

TA'D per DTS  
A-16-90

Vicky

4-11-90

FROM ONE SEMI-IMPORTANT PERSON TO ANOTHER:

I AM I

PLEASE REVIEW FILE -  
 DTS & I FEEL IT SHD  
 BE TA. WHAT DO  
 YOU THINK?



TA'D.

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

6. Lease Designation and Serial Number

M 0621

7. Indian Allottee or Tribe Name

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT for such proposals.

8. Unit or Communitization Agreement

SAN ARROYO

1. Type of Well  
 Oil Well     Gas Well     Other (specify)

9. Well Name and Number

Unit # 15

2. Name of Operator  
 GRAHAM ROYALTY/NORTHSTAR GAS COMPANY (AGENT)

10. API Well Number

4301911091

3. Address of Operator  
 15000 NW Freeway; Suite 203; Houston, Tx 77040

4. Telephone Number  
 (713) 937-4314

11. Field and Pool, or Wildcat

SAN ARROYO

5. Location of Well

Footage :  
 QQ, Sec. T., R., M. : 16S 25E 21

County : GRAND  
 State : UTAH

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

**NOTICE OF INTENT**  
 (Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandonment             | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Casing Repair           | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans         | <input type="checkbox"/> Recompletion         |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize     |
| <input type="checkbox"/> Fracture Treat          | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion     | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____             |   |

Approximate Date Work Will Start \_\_\_\_\_

**SUBSEQUENT REPORT**  
 (Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandonment *                                     | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Casing Repair                                     | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans                                   | <input type="checkbox"/> Shoot or Acidize     |
| <input type="checkbox"/> Conversion to Injection                           | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat                                    | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other <u>ANNUAL WELL STATUS REPORT</u> |   |

Date of Work Completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

1991 ANNUAL WELL STATUS REPORT:

Well shut in entire year--Temporarily abandoned.

RECEIVED

FEB 10 1992

DIVISION OF  
 OIL GAS & MINING

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

Name & Signature Paul A. Bernard, Jr.

Title Controller

Date 02/07/92

(State Use Only)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. Lease Designation and Serial Number: M 0621
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.		6. If Indian, Allottee or Tribe Name:
1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:		7. Unit Agreement Name: SAN ARROYO
2. Name of Operator: GRAHAM ROYALTY/NORTHSTAR GAS COMPANY (AGENT)		8. Well Name and Number: UNIT # <del>5</del> 34-A
3. Address and Telephone Number: 15000 NW FREEWAY; SUITE 203; HOUSTON, TX 77040 (713)937-4314		9. API Well Number: 4301911091
4. Location of Well Footages: 1650' FSL 1650' FWL OO, Sec., T., R., M.: 16S 25E 21		10. Field and Pool, or Wildcat: SAN ARROYO  County: GRAND State: UTAH

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandonment <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandonment * <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input checked="" type="checkbox"/> Other ANNUAL WELL STATUS REPORT
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recompletion <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion _____  <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.</small>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

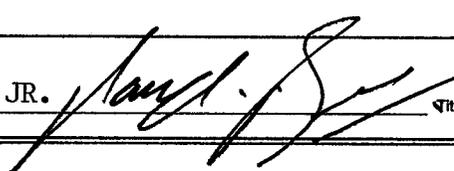
1992 ANNUAL WELL STATUS REPORT:

Well shut in entire year--Temporarily abandoned.

RECEIVED

JAN 25 1993

DIVISION OF  
OIL, GAS & MINING

13. Name & Signature: PAUL BERNARD, JR.  Title: CONTROLLER Date: 1-21-93

(This space for State use only)

# MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

C/O NORTHSTAR GAS CO INC  
GRAHAM ROYALTY LTD  
15000 NW FREEWAY STE 203  
HOUSTON TX 77040

UTAH ACCOUNT NUMBER: N0505

REPORT PERIOD (MONTH/YEAR): 6 / 93

AMENDED REPORT  (Highlight Changes)

Well Name	Producing Zone	Well Status	Days Oper	Production Volumes		
				OIL(BBL)	GAS(MCF)	WATER(BBL)
<del>4301931252</del> SAN ARROYO UNIT #37	DK-MR	<del>U-5650</del>				
<del>4301931253</del> SAN ARROYO UNIT #38	MRSN	<del>ml-4113</del>				
<del>4301931289</del> SAN ARROYO UNIT #41	DKTA	<del>ml-4668</del>				
<del>4301931290</del> SAN ARROYO UNIT #42	DKTA	<del>U-06023</del>				
<del>4301931291</del> SAN ARROYO UNIT #43	DK-MR	<del>U-06021</del>				
<del>4301931299</del> SAN ARROYO #45	DK-MR	<del>U-05650</del>				
<del>4301931301</del> SAN ARROYO #44	DK-MR	<del>U-06023</del>				
<del>4301931316</del> FEDERAL #49	DK-MR	<del>U-025245</del>				
<del>4301931318</del> FEDERAL #47	DK-MR	<del>U-06023</del>				
<del>4301911091</del> SAN ARROYO UNIT #34-A	ENRD	<del>U-136529</del>				
<del>4301915885</del> SAN ARROYO 2	ENRD	<del>U-0370A</del>				
<del>4301915886</del> SAN ARROYO 3	ENRD	<del>U-0369</del>				
<del>4301915888</del> SAN ARROYO 5	ENRD	<del>U-0369</del>				
<b>TOTALS</b>						

COMMENTS: \_\_\_\_\_

I hereby certify that this report is true and complete to the best of my knowledge.

Date: \_\_\_\_\_

Name and Signature: \_\_\_\_\_

Telephone Number: \_\_\_\_\_



PRODUCTION SERVICES CO.

Denver District

RECEIVED

JUL 16 1993

DIVISION OF  
OIL GAS & MINING

July 14, 1993

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

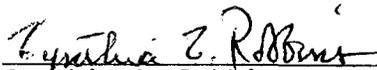
Attn: Ms. Lisha Cordova

Dear Ms. Cordova,

Effective August 1, 1993 we would like to change our operator name from Graham Royalty, Ltd. to Graham Energy, Ltd. Per our conversation this date it should be a simple change as no bond changes are required.

Attached is a list of the wells affected. Thank you.

Sincerely,

  
\_\_\_\_\_  
Cynthia C. Robbins  
Regulatory Affairs Supervisor

CC: Ken McKinney

Division of Oil, Gas and Mining  
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File \_\_\_\_\_  
\_\_\_\_\_  
(Location) Sec \_\_\_ Twp \_\_\_ Rng \_\_\_  
(API No.) \_\_\_\_\_

Suspense  
(Return Date) \_\_\_\_\_  
(To - Initials) \_\_\_\_\_

Other  
*Operator Change*

1. Date of Phone Call: 7-19-93 - Time: 3:00

2. DOGM Employee (name) L. Cordova (Initiated Call )  
Talked to:

Name Cynthia Robbins (Initiated Call ) - Phone No. (303) 629-1736  
of (Company/Organization) Graham

3. Topic of Conversation: Confirm address for Graham Energy LTD.

4. Highlights of Conversation:

Agent "Northstar Gas Co. Inc." is to remain the same as is Houston  
mailing address. Change address for Graham Energy LTD from  
LA to TX. (updated 7.22.93)

\* 931116 - Linda Goldsby "Graham" referred to Btm (S.Y.)

Division of Oil, Gas and Mining  
**PHONE CONVERSATION DOCUMENTATION FORM**

Route original/copy to:

Well File \_\_\_\_\_  
(Location) Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_  
(API No.) \_\_\_\_\_

Suspense  
(Return Date) \_\_\_\_\_  
(To - Initials) \_\_\_\_\_

Other  
*Operator Change*

1. Date of Phone Call: 12-9-93 Time: 3:00

2. DOGM Employee (name) J. Cordova (Initiated Call   
Talked to:

Name Ken McKinney (Initiated Call  - Phone No. (504) 893-8391  
of (Company/Organization) Graham Royalty / Graham Energy

3. Topic of Conversation: Oper. nm. chg. "Graham Royalty to Graham Energy"

4. Highlights of Conversation: \_\_\_\_\_

Add'l info. required by Btms. L. "San Arroyo Unit", also Graham Energy has sold the wells to Northstar Gas Co. Inc. Documentation will follow.

\* Northstar Gas Co. Inc. / Paul Bernard (713) 937-4314  
Mailing documentation ASAP.

RECEIVED

DEC 30 1993

DIVISION OF  
OIL, GAS & MINING

Bureau of Land Management  
Branch of Fluid Minerals (UT-922)  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

December 29, 1993

Graham Energy, Ltd.  
P.O. Box 3134  
Covington, Louisiana 70434-3134

RE: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On December 27, 1993, we received an indenture whereby Graham Royalty, Ltd. resigned as Unit Operator and Graham Energy, Ltd. was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

The instrument is hereby approved effective December 29, 1993. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the San Arroyo Unit Agreement.

Your nationwide (Wyoming) oil and gas bond No. 1845 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/S/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
Division of Oil, Gas & Mining  
Division of Lands and Mineral Operations U-942  
File - San Arroyo Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

WELL STATUS REPORTS  
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM 891003859A		SAN ARROYO DK MO							
891003859A	✓430191589200S1	11	NESW	15	16S	25E	PGW	UTU05059C	GRAHAM ROYALTY LIMITED
891003859A	✓430191589300S1	12	SWSW	23	16S	25E	PGW	UTSL071307	GRAHAM ROYALTY LIMITED
891003859A	✓430191589400S1	13	NESW	22	16S	25E	GS1	UTU0370A	GRAHAM ROYALTY LIMITED
<del>891003859A</del>	<del>✓430191589500X1</del>	<del>14</del>	<del>SWNE</del>	<del>16</del>	<del>16S</del>	<del>25E</del>	<del>ABD</del>	<del>STATE</del>	<del>GRAHAM ROYALTY LIMITED</del>
891003859A	✓430191109100S1	15	NESW	21	16S	25E	TA	UTU0136529	GRAHAM ROYALTY LIMITED
891003859A	✓430191589600S1	16	SESW	26	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430191589700S1	17	NENE	24	16S	25E	PGW	UTU025243	GRAHAM ROYALTY LIMITED
891003859A	✓430191589800S1	18	NWNW	30	16S	26E	GS1	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430191589900S1	19	SWSW	14	16S	25E	PGW	UTU05011B	GRAHAM ROYALTY LIMITED
891003859A	✓430191590000S1	20	SENE	26	16S	25E	PGW	UTSL071307	GRAHAM ROYALTY LIMITED
891003859A	✓430191590100S1	21	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430191590200S1	22	NENE	15	16S	25E	PGW	UTU05011A	GRAHAM ROYALTY LIMITED
891003859A	✓430191590300S1	24	SENW	19	16S	26E	PGW	UTU06188	GRAHAM ROYALTY LIMITED
891003859A	✓430191590400S1	25	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ROYALTY LIMITED
891003859A	✓430191590500S1	26	SWSW	20	16S	26E	PGW	UTU025297	GRAHAM ROYALTY LIMITED
891003859A	✓430191590600S1	27	NESW	29	16S	26E	PGW	UTU06021	GRAHAM ROYALTY LIMITED
891003859A	✓430191590700S1	28	NWNE	29	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430191590800S1	29	NENE	22	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859A	✓430191590900S1	30	NWSW	21	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430193052700S1	31	NWNW	22	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859A	✓430193052800S1	32	SWSW	14	16S	25E	PGW	UTU05011B	GRAHAM ROYALTY LIMITED
891003859A	✓430193060800S1	33	SWSW	25	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430191109000S1	35	SESW	24	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859A	✓430193125100S1	36-A	SESE	19	16S	26E	PGW	UTU06188	GRAHAM ROYALTY LIMITED
891003859A	✓430193125200S1	37	SWNE	20	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430193125300S1	38	NESW	16	16S	25E	PGW	STATE	GRAHAM ROYALTY LIMITED
891003859A	✓430191588700S1	4	SESW	30	16S	26E	PGW	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193128900S1	41	NENE	36	16S	25E	PGW	STATE	GRAHAM ROYALTY LIMITED
891003859A	✓430193129000S1	42	NESE	30	16S	26E	PGW	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193129100S1	43	NESE	29	16S	26E	PGW	UTU06021	GRAHAM ROYALTY LIMITED
891003859A	✓430193130100S1	44	SENE	30	16S	26E	PGW	UTU06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193129900S1	45	NWSE	20	16S	26E	PGW	UTU05650	GRAHAM ROYALTY LIMITED
891003859A	✓430193131800S1	47	NENE	31	16S	26E	PGW	U06023	GRAHAM ROYALTY LIMITED
891003859A	✓430193131600S1	49	NENW	29	16S	26E	PGW	UTU025245	GRAHAM ROYALTY LIMITED
891003859A	✓430191589000S1	8	SWSW	16	16S	25E	PGW	STATE	GRAHAM ROYALTY LIMITED
891003859A	✓430191589100S1	9	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
** INSPECTION ITEM 891003859B		SAN ARROYO EN							
891003859B	✓430191653200S1	1	SENW	26	16S	25E	PGW	UTSL071307	GRAHAM ROYALTY LIMITED
891003859B	✓430191588500S1	2	SENW	22	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859B	✓430191588600S1	3	SENW	23	16S	25E	GS1	UTU0369	GRAHAM ROYALTY LIMITED
891003859B	✓430193125000S1	40	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ROYALTY LIMITED
891003859B	✓430191588800S1	5	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ROYALTY LIMITED
891003859B	✓430191588900S1	6	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ROYALTY LIMITED

## MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

C/O NORTHSTAR GAS CO INC  
 GRAHAM ENERGY LTD  
 15000 NW FREEWAY STE 203  
 HOUSTON TX 77040

UTAH ACCOUNT NUMBER: N7590

REPORT PERIOD (MONTH/YEAR): 12 / 93

AMENDED REPORT  (Highlight Changes)

Well Name			Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entity	Location				OIL(BBL)	GAS(MCF)	WATER(BBL)
SAN ARROYO UNIT #38								
✓ 4301931253	00500	16S 25E 16	MRSN					
SAN ARROYO UNIT #41								
✓ 4301931289	00500	16S 25E 36	DKTA					
SAN ARROYO UNIT #42								
✓ 4301931290	00500	16S 26E 30	DKTA					
SAN ARROYO UNIT #43								
✓ 4301931291	00500	16S 26E 29	DK-MR					
SAN ARROYO #45								
✓ 4301931299	00500	16S 26E 20	DK-MR					
SAN ARROYO #44								
✓ 4301931301	00500	16S 26E 30	DK-MR					
ERAL #49								
✓ 4301931316	00500	16S 26E 29	DK-MR					
FEDERAL #47								
✓ 4301931318	00500	16S 26E 31	DK-MR					
SAN ARROYO UNIT #34-A								
✓ 4301911091	00505	16S 25E 21	ENRD					
SAN ARROYO 2								
✓ 4301915885	00505	16S 25E 22	ENRD					
SAN ARROYO 3								
✓ 4301915886	00505	16S 25E 23	ENRD					
SAN ARROYO 5								
✓ 4301915888	00505	16S 25E 25	ENRD					
SAN ARROYO 6								
✓ 4301915889	00505	16S 25E 21	ENRD					
<b>TOTALS</b>								

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I hereby certify that this report is true and complete to the best of my knowledge.

Date: \_\_\_\_\_

Name and Signature: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:

1-LEC	7-SJ	✓
2-DTS	8-FILE	✓
3-VLC		✓
4-RJF		✓
5-EMC		✓
6-PL		✓

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)                       Designation of Agent  
 Designation of Operator                               Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 8-1-93)

TO (new operator) GRAHAM ENERGY LTD  
 (address) C/O NORTHSTAR GAS CO INC  
15000 NW FREEWAY STE 203  
HOUSTON, TX 77040  
 phone (713) 937-4314  
 account no. N 7590

FROM (former operator) GRAHAM ROYALTY LTD  
 (address) C/O NORTHSTAR GAS CO INC  
15000 NW FREEWAY STE 203  
HOUSTON, TX 77040  
 phone (713) 937-4314  
 account no. N 0505(A)

Well(s) (attach additional page if needed):

**\*SAN ARROYO UNIT, NW-115, ETC.**

Name <b>**SEE ATTACHED**</b>	API: <u>019-11091</u>	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- lec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 7-16-93)*
- N/A 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *Abx Graham Royalty, LTD, Graham Energy, LTD and Graham Resources Inc.*
- lec 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes)/no \_\_\_\_ If yes, show company file number: #100783.
- lec 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(1-10-94)*
- lec 6. Cardex file has been updated for each well listed above. *(1-10-94)*
- lec 7. Well file labels have been updated for each well listed above. *(1-10-94)*
- lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(1-10-94)*
- lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes  no  \_\_\_\_ (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

*\* 50,000 Surety \* St. Paul Fire and Marine Ins. Co; No chg. necessary, no Fee wells currently associated with bond.*

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- 2. A copy of this form has been placed in the new and former operators' bond files.
- 3. The former operator has requested a release of liability from their bond (yes/no) \_\_\_\_ Today's date \_\_\_\_\_ 19\_\_\_\_. If yes, division response was made by letter dated \_\_\_\_\_ 19\_\_\_\_.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated \_\_\_\_\_ 19\_\_\_\_, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- 1. All attachments to this form have been microfilmed. Date: March 10 1994.

FILING

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

940107 Bfm/S.Y. Approved C.A. NW-115 and San Arroyo Unit eff. 12-29-93.

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

6. Lease Designation and Serial Number

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement

891003859A

9. Well Name and Number

SEE BELOW

10. API Well Number

SEE BELOW

11. Field and Pool, or Wildcat

SAN ARROYO UNIT

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT— for such proposals

1. Type of Well  
 Oil Well       Gas Well       Other (specify)

2. Name of Operator  
 NORTHSTAR GAS COMPANY INC.

3. Address of Operator 15000 NORTHWEST FWY, SUITE 203  
 HOUSTON TX 77040

4. Telephone Number  
 713-937-4314

5. Location of Well

Footage :  
 QQ, Sec, T., R., M. :

County : GRAND  
 State : UTAH

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

NOTICE OF INTENT  
 (Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate Date Work Will Start \_\_\_\_\_

SUBSEQUENT REPORT  
 (Submit Original Form Only)

- Abandonment \*
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other CHANGE OF OPERATOR
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Date of Work Completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

NORTHSTAR GAS COMPANY INC. TOOK OVER AS OPERATOR FROM GRAHAM ROYALTY LTD. ON 09-01-93 WITH THE EFFECTIVE DATE OF SALE 09-01-93.

Well Name	API #	LOCATION
San Arroyo 35	4301911090	16S 25E 24
San Arroyo <del>35</del> 34-A	4301911091	16S 25E 21
San Arroyo 4	4301915887	16S 26E 30
San Arroyo 8	4301915890	16S 25E 16
San Arroyo 9	4301915891	16S 25E 27
San Arroyo 11	4301915892	16S 25E 15
San Arroyo 12	4301915893	16S 25E 23
San Arroyo 13	4301915894	16S 25E 22
San Arroyo 16	4301915896	16S 25E 26
San Arroyo 17	4301915897	16S 25E 24
San Arroyo 18	4301915898	16S 26E 30

RECEIVED  
 JAN 14 1994  
 DIVISION OF  
 OIL, GAS & MINING

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

Name & Signature PAUL BERNARD



Title SEC/TREAS

Date 12-20-93

(State Use Only)

**S. E. U. T. CO.**

Accommodation Recording  
Not Examined

**ASSIGNMENT, BILL OF SALE  
AND CONVEYANCE**

Entry No. **429639**  
Recorded 10-22-93 2 36 PM  
BK: 457 Pg. 83 Fee 80.00  
96  
Marlene Mosher  
Recorder of Grand County

This Assignment, Bill of Sale and Conveyance ("Assignment"), is from each of Prudential-Bache Energy Growth Fund, L.P. G-1 and Prudential-Bache Energy Growth Fund, L.P. G-2, each a Delaware limited partnership and acting herein through their general partner, Graham Energy, Ltd. (collectively, "Assignor"), to Northstar Gas Company, Inc. ("Assignee"). Assignor has an address of 109 Northpark Boulevard, Covington, Louisiana 70433, and Assignee has an address of 15000 Northwest Freeway, Suite 203, Houston, Texas 77040.

For, and in consideration of Ten Dollars (\$10.00) cash and other good and valuable consideration in hand paid, the receipt and adequacy of which are hereby acknowledged, each Assignor does hereby, severally, and not jointly, Bargain, Sell, Transfer, Set Over, Grant, Assign, Convey and Deliver unto Assignee, all of such Assignor's right, title, interest and estate in and to the oil and gas properties described on Exhibit "A" (the "Oil and Gas Properties"). The Oil and Gas Properties shall include all mineral interests, working interests, overriding interests, reversionary interests, net profits interests, net revenue interests and any other interest of any kind without warranty of title either express or implied, to the extent they are owned and may be conveyed by Sellers.

The Oil and Gas Properties shall include, to the extent each Assignor may lawfully assign same, all of such Assignor's rights, title, interest and estate in and to the property and rights incident, and to the extent attributable, to the Oil and Gas Properties, the lands covered thereby or utilized therewith, including, without limitation, (i) all presently existing pooling or unitization agreements and the units created thereby, and all units formed by virtue of orders issued by applicable State regulatory agencies, (ii) all presently existing operating agreements and all other contracts, agreements and records, (iii) all personal property, easements, permits, surface leases, servitudes and rights-of-way situated upon or used in connection with the production, treating, storing or transportation of oil, gas or other hydrocarbons or minerals.

**TO HAVE AND TO HOLD** the Oil and Gas Properties unto Assignee and its successors and assigns forever.

**NOTWITHSTANDING ANY PROVISION IN THIS ASSIGNMENT OR ANY DOCUMENT DELIVERED IN CONNECTION HERewith TO THE CONTRARY, THE OIL AND GAS PROPERTIES AND ANY OTHER PROPERTY OR RIGHTS CONVEYED HEREUNDER ARE CONVEYED "AS IS," "WHERE IS," "WITH ALL FAULTS," AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR, AND WITHOUT ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING WARRANTY OF TITLE OR ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR CONFORMITY TO MODELS OR SAMPLES OR AS TO ANY CLAIM BY ASSIGNEE FOR DAMAGES BECAUSE OF DEFECTS, WHETHER KNOWN OR UNKNOWN, OR ANY OTHER SORT OF WARRANTY. ASSIGNEE HAS INSPECTED, OR HAS HAD THE OPPORTUNITY TO INSPECT, THE OIL AND**

**GAS PROPERTIES AND PREMISES FOR ALL PURPOSES, INCLUDING WITHOUT LIMITATION FOR THE PURPOSE OF DETERMINING THE PRESENCE OF ENVIRONMENTAL CONDITIONS, OF DETECTING THE PRESENCE OF NATURALLY OCCURRING RADIOACTIVE MATERIAL "(NORM)" AND MAN-MADE MATERIAL FIBERS "(MMM)" AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITIONS, BOTH SURFACE AND SUBSURFACE. ASSIGNEE ACCEPTS ALL OF THE SAME IN THEIR "AS IS," "WHERE IS," CONDITION, AND EACH ASSIGNOR EXPRESSLY DISCLAIMS ANY LIABILITY ARISING IN CONNECTION WITH ANY PRESENCE OR ENVIRONMENTAL CONDITIONS, NORM OR MMM ON THE OIL AND GAS PROPERTIES.**

From and after the Effective Time, Assignee hereby agrees to assume, be bound by and subject to each Assignor's express and implied covenants, rights, obligations and liabilities with respect to the Oil and Gas Properties, and Assignee's interest in the Oil and Gas Properties shall bear its proportionate share of royalty interests, overriding royalty interests and other payments out of or measured by production from and after the Effective Time.

This Assignment is made expressly subject to all existing overriding royalties or other burdens affecting the Oil and Gas Properties as listed on Exhibit "A."

Assignee and its permitted successors and assigns shall preserve and maintain all lease, contract and title files, well logs, well files, division orders and related files, title documentation, correspondence and other data and records in the possession of Assignor pertaining to the Oil and Gas Properties (the "Records") for a period of two (2) years from the date of acknowledgement of this Assignment, during such period shall afford Assignor and its duly authorized representatives access at all reasonable times during normal business hours to all Records as Assignor shall request in order to defend against, oppose or otherwise investigate any claims or potential claims against Assignor arising as a result of any acts, events or operations prior to the date of acknowledgement of this Assignment or as a result of this Assignment, and shall make any conveyance or transfer of the Oil and Gas Properties specifically subject to the obligations of this paragraph.

Notwithstanding any other provision herein to the contrary, this Assignment is made with full substitution and subrogation of Assignee in and to all covenants and warranties by others heretofore given or made to Assignors in respect of the Oil and Gas Properties or any part thereof.

The provisions hereof shall be covenants running with the land and shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

In the event two or more Oil and Gas Properties cover the same land (e.g., an oil and gas leasehold interest included within the Oil and Gas Properties may cover the same land as a mineral, royalty or overriding interest included within the Oil and Gas Properties), no merger of title shall occur, and each of the Oil and Gas Properties covering the same land is conveyed and shall be owned by Assignee as a separate and distinct property.

Separate assignments of certain of the Oil and Gas Properties may be executed on officially approved forms by Assignor to Assignee in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Oil and Gas Properties conveyed herein.

The parties agree to take all such further actions and execute, acknowledge and deliver all such further documents that are necessary or useful in carrying out the purposes of this Assignment. Assignor agrees to execute, acknowledge and deliver to Assignee all such other additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be necessary to more fully and effectively grant, convey and assign to Assignee the Oil and Gas Properties conveyed hereby or intended so to be.

This Assignment may be executed in any number of counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one assignment.

References in this Assignment and in Exhibit "A," to contracts, agreements or instruments shall not be deemed to create any rights in favor of any third party.

Assignee joins in the execution hereof for the purpose of being bound by all the terms, provisions, obligations and covenants herein specified.

IN WITNESS WHEREOF, this instrument is signed and executed in multiple counterparts as of the date (s) set forth on the acknowledgements hereto, but, shall be effective for all purposes as of 7:00 o'clock A.M., local time, September 1, 1993 (the "Effective Time").

ATTEST:

By: \_\_\_\_\_

ASSIGNORS:

PRUDENTIAL-BACHE ENERGY  
GROWTH FUND, L.P. G-1

By: Graham Energy, Ltd.,  
as General Partner

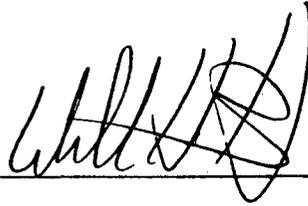
By: \_\_\_\_\_

Kenneth M. McKinney  
Vice President

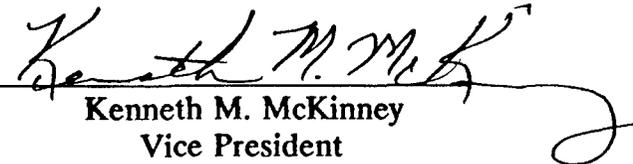
[SEAL]

PRUDENTIAL-BACHE ENERGY  
GROWTH FUND, L.P. G-2

ATTEST:

By: 

By: Graham Energy, Ltd., as  
General Partner

By:   
Kenneth M. McKinney  
Vice President

[SEAL]

WITNESSES TO ASSIGNORS'  
SIGNATURES:

Muna E. Merc

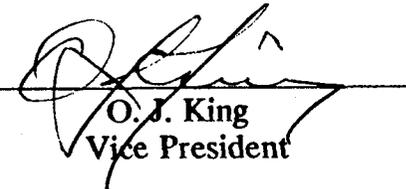
Belinda J. Meitz

ATTEST:

By: 

ASSIGNEE:

NORTHSTAR GAS COMPANY, INC.

By:   
O. J. King  
Vice President

[SEAL]

WITNESSES TO ASSIGNEE'S  
SIGNATURE:

Muna E. Merc

Belinda J. Meitz

STATE OF LOUISIANA

PARISH OF ORLEANS

ON THIS, the 20<sup>th</sup> day of October, 1993, before me, the undersigned Notary, personally appeared Kenneth M. McKinney, who acknowledged that he is the Vice President of Graham Energy, Ltd., the general partner of Prudential-Bache Energy Growth Fund, L.P. G-1, a Delaware limited partnership, and that as President he is authorized to execute the foregoing instrument for the purposes therein contained by signing the name of said corporation as general partner of Prudential-Bache Energy Growth Fund, L.P. G-1.

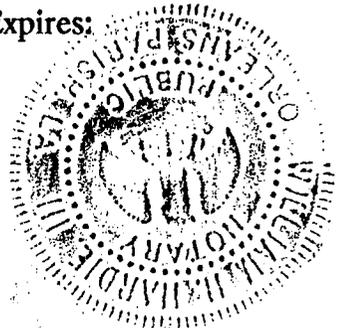
IN WITNESS WHEREOF, I hereunder set my hand and official seal.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

WILLIAM H. HARDIE, III  
NOTARY PUBLIC  
Parish of Orleans, State of Louisiana  
My Commission is issued for Life.

[SEAL]



STATE OF LOUISIANA

PARISH OF ORLEANS

ON THIS, the 20<sup>th</sup> day of October, 1993, before me, the undersigned Notary, personally appeared Kenneth M. McKinney, who acknowledged that he is the Vice President of Graham Energy, Ltd., the general partner of Prudential-Bache Energy Growth Fund, L.P. G-2, a Delaware limited partnership, and that as President he is authorized to execute the foregoing instrument for the purposes therein contained by signing the name of said corporation as general partner of Prudential-Bache Energy Growth Fund, L.P. G-2.

IN WITNESS WHEREOF, I hereunder set my hand and official seal.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires

WILLIAM H. HARDIE, III  
NOTARY PUBLIC  
Parish of Orleans, State of Louisiana  
My Commission is issued for Life.

[SEAL]

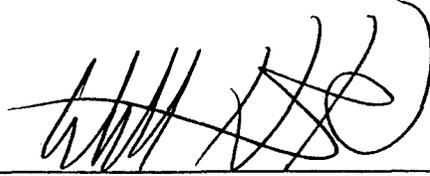


STATE OF LOUISIANA

PARISH OF ORLEANS

ON THIS, the 20<sup>th</sup> day of October, 1993, before me, the undersigned Notary, personally appeared O. J. King, who acknowledged that he is the Vice President of Northstar Gas Company, Inc., a Texas corporation, and that as Vice President he is authorized to execute the foregoing instrument for the purposes therein contained by signing the name of said corporation.

IN WITNESS WHEREOF, I hereunder set my hand and official seal.

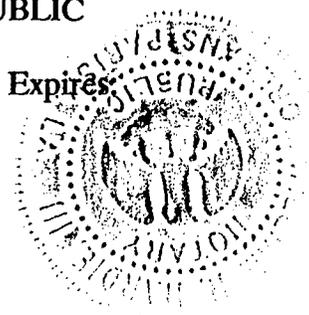


NOTARY PUBLIC

My Commission Expires

WILLIAM H. HARDIE, III  
NOTARY PUBLIC  
Parish of Orleans, State of Louisiana  
My Commission is issued for Life.

[SEAL]



**EXHIBIT "A"**  
**ATTACHED TO ASSIGNMENT,**  
**BILL OF SALE AND CONVEYANCE**  
**PART I**  
**LANDS AND LEASES**  
**ALL IN GRAND COUNTY, UTAH UNLESS OTHERWISE SPECIFIED**

Lease Serial Number	Lessor	Lessee	Description of Lands	Book	Page	Lease Date	Associated Properties
ML-22208 (1038)	State of Utah	Atlantic Richfield Company	T15 1/2S, R24E, SLM Sec. 36: All T16S, R24E, SLM Sec. 2: All	220	177	9-28-64	ARCO State 2-1, 2-2, 36-7, 36-8
U-29645 (1174)	U.S.A.	Atlantic Richfield Company	T16S, R25E, SLM Sec. 27: SW/4, S/2 SE/4 Sec. 34: NE/4, NE/4 NW/4, NE/4 SE/4			5-1-75	ARCO 27-1 Valentine Fed #2 ARCO Fed D-1
ML-25151 (191-1)	State of Utah	Sinclair Oil & Gas Company	T16S, R25E, SLM Section 2: All	163	390	3-7-68	Bittercreek #1
J-0126528 (174-1)	U.S.A.	James F. Gilbert	T16S, R25E, SLM Sec. 11: N/2, N/2 SW/4, SE/4 SW/4, SE/4 Sec. 12: S/2			12-1-63	Federal Gilbert #1 Federal 174-1 ARCO Fed H-1
U-0141420 (180-1)	U.S.A.	Sinclair Oil Company	T16S, R25E, SLM Sec. 11: SW/4 SW/4			8-1-64	Federal 174-1
ML-4113 (44-1)	State of Utah	Lois A. Aubrey	T16S, R25E, SLM Sec. 16: All	6-Q	207	1-2-52	San Arroyo Unit Area
U-05011-A (45-2)	U.S.A.	Pierce T. Norton	T16S, R25E, SLM Sec. 14: NW/4, SE/4 SE/4, N/2 SE/4, NE/4 SW/4 Sec. 15: NE/4			9-1-51 *4-1-55	Tenneco Fed 14-2 San Arroyo Unit Area

Lease Segregated Effective

**EXHIBIT "A"**  
**PART I**

<b>Lease Serial Number</b>	<b>Lessor</b>	<b>Lessee</b>	<b>Description of Lands</b>	<b>Book</b>	<b>Page</b>	<b>Lease Date</b>	<b>Associated Properties</b>
U-0369 (46-1)	U.S.A.	Clair D. Jones	T16S, R25E, SLM Sec. 23: N/2 Sec. 24: W/2, SE/4, S/2 NE/4 Sec. 25: All Sec. 26: N/2 S/2, SE/4 SW/4, S/2 SE/4			2-1-51	San Arroyo Unit Area
SL-071307 (47-1)	U.S.A.	James E. Croudace	T16S, R25E, SLM Sec. 23: S/2 Sec. 26: N/2			12-1-50	San Arroyo Unit Area
U-0370-A (48-1)	U.S.A.	Clair D. Jones	T16S, R25E, SLM Sec. 21: E/2 NE/4, NE/4 SE/4 Sec. 22: All Sec. 27: NE/4, NE/4 NW/4, NE/4 SE/4			2-1-51 *6-1-55	San Arroyo Unit Area
U-05059-A (49-2)	U.S.A.	L. J. Batchelor	T16S, R25E, SLM Sec. 15: NW/4 SW/4, E/2 NW/4, SW/4 NW/4			10-1-51 *9-19-61	San Arroyo Unit Area
U-06021 (51-1)	U.S.A.	Fred A. Moore	T16S, R26E, SLM Sec. 29: S/2, S/2 NW/4, NW/4 NW/4			2-1-52	San Arroyo Unit Area
U-06023 (52-1)	U.S.A.	Adiel E. Stewart	T16S, R26E, SLM Sec. 30: All Sec. 31: N/2 N/2			2-1-52	San Arroyo Unit Area
U-06188 (53-1)	U.S.A.	C. M. Rood	T16S, R26E, SLM Sec. 19: SW/4, S/2 NW/4, W/2 SE/4, SE/4 SE/4			*3-1-52	San Arroyo Unit Area

**Lease Segregated Effective**

## EXHIBIT "A"

## PART I

Lease Serial Number	Lessor	Lessee	Description of Lands	Book	Page	Lease Date	Associated Properties
U-05011-B (56-1)	U.S.A.	Pierce T. Norton	T16S, R25E, S1M Sec. 14: SW/4 SE/4, W/2 SW/4, SE/4 SW/4 Sec. 15: SE/4			9-1-51 *2-1-57	San Arroyo Unit Area
U-05059-C (57-1)	U.S.A.	L. J. Batchelor	T16S, R25E, S1M Sec. 15: E/2 SW/4, SW/4 SW/4			*3-1-57	San Arroyo Unit Area
U-025243 (60-1)	U.S.A.	Clair D. Jones	T16S, R25E, S1M Sec. 24: N/2 NE/4			*8-27-57	San Arroyo Unit Area
U-025245 (61-1)	U.S.A.	Fred A. Moore	T16S, R26E, S1M Sec. 29: NE/4 NW/4			2-1-52 *9-1-57	San Arroyo Unit Area
U-025297 (64-2)	U.S.A.	C. M. Rood	T16S, R26E, S1M Sec. 19: N/2 N/2 S/2 NE/4, NE/4 SE/4 Sec. 20: W/2			3-1-52	San Arroyo Unit Area
U-06188-B (74-1)	U.S.A.	Sinclair Oil Corporation	T16S, R25E, S1M Sec. 35: N/2			3-1-52	San Arroyo Unit Area
U-05059-F (134-1)	U.S.A.	L. J. Batchelor	T16S, R25E, S1M Sec. 15: NW/4 NW/4			10-1-51 *9-19-61	San Arroyo Unit Area
U-025243-A (139-1)	U.S.A.	Clair D. Jones	T16S, R25E, S1M Sec. 26: SW/4 SW/4			2-1-51 *1-1-61	San Arroyo Unit Area
U-05650 (176-1)	U.S.A.	Virginia E. Lewis	T16S, R26E, S1M Sec. 21: Lots 2, 3, 4, W/2 W/2 Sec. 20: E/2 Sec. 28: Lots 1, 2, 3, 4 W/2 W/2 Sec. 29: NE/4			12-1-51	San Arroyo Unit Area

Lease Segregated Effective

**EXHIBIT "A"**  
**PART I**

<u>Lease Serial Number</u>	<u>Lessor</u>	<u>Lessee</u>	<u>Description of Lands</u>	<u>Book</u>	<u>Page</u>	<u>Lease Date</u>	<u>Associated Properties</u>
U-0136529 (4000-1)	U.S.A.	Clair D. Jones	T16S, R25E, S1M Sec. 21: W/2 NE/4, E/2 NW/4, W/2 SE/4, SE/4 SE/4, NE/4 SW/4, Sec. 27: W/2 NW/4, SE/4 NW/4, NW/4 SE/4 Sec. 28: NE/4 NE/4			2-1-51 *1-22-64	San Arroyo Unit Area
U-05650-A (177-1)	U.S.A.	Virginia E. Lewis	T16S, R26E, S1M Sec. 21: Lot 1			12-1-51 *10-1-61	San Arroyo Unit Area
U-9831 (949)	U.S.A.	Williams H. Short, Jr. and Franklin Knobel	T16S, R25E, S1M INSOFAR AND ONLY INSOFAR as said lease covers: Sec. 6: All			10-10-69	ARCO Fed B-1
U-14234	U.S.A.	Arthur E. Meinhart	T15S, R24E, S1M Sec. 30: All Sec. 31: All Uintah Co., UT			4-1-71	Black Horse Canyon Federal 31-1

Lease Segregated Effective

**EXHIBIT A**  
**Attached to Assignment,**  
**Bill of Sale and Conveyance**

**Part II**

**[OMITTED]**

EXHIBIT A  
ATTACHED TO ASSIGNMENT, BILL OF SALE AND CONVEYANCE  
PART III  
CONTRACTS AND AGREEMENTS

PROPERTY  
REFERENCE

- |  |  |
|--|--|
| San Arroyo<br>Unit Area                                | 1. Unit Agreement for the Development and Operation of the San Arroyo Unit Area, dated June 11, 1956.  |
| San Arroyo<br>Unit Area                                | 2. Unit Operating Agreement for the San Arroyo Unit Area, dated August 16, 1961.   |
| Valentine<br>Fed #2                                    | 3. Communitization Agreement covering the W $\frac{1}{2}$ of Section 34, T16S-R25E.  |
| ARCO<br>Fed. D-1                                       | 4. Communitization Agreement covering the E $\frac{1}{2}$ of Section 34, T16S-R25E.  |
| Fed. 174-1   | 5. Communitization Agreement, dated March 3, 1965 covering the W $\frac{1}{2}$ Section 11, T16S-R25E.  |
| Tenneco<br>Fed. 14-2                                   | 6. Communitization Agreement dated January 1, 1980, covering the N $\frac{1}{2}$ of Section 14, T16S-R25E.   |
| Tenneco<br>Fed. 14-2                                   | 7. Operating Agreement dated June 5, 1980, designating Tenneco Oil Company as Operator and covering the N $\frac{1}{2}$ of Section 14, T16S-R25E.  |
| ARCO<br>Fed. H-1<br>Fed. D-1                           | 8. Farmout Agreement and Operating Agreement dated August 16, 1982, between ARCO Oil & Gas Company and TXO Production Corp., covering the S $\frac{1}{2}$ Section 12, T16S-R25E.   |
| San Arroyo<br>Unit Area                                | 9. Farmout Agreement dated June 6, 1955 by and between H. W. Dougherty and Sinclair Oil and Gas Company, covering lands in sections 21, 22, 23, 24, 25, 26 and 27, T16S-R25E.  |
| ARCO<br>Fed. B-1,<br>Fed. C-1;<br>Valentine<br>Fed. #2 | 10. Farmout Agreement and Operating Agreement between ARCO Oil and Gas Company and Texas Oil and Gas Corp., dated September 30, 1979, covering all of Sections 6 and 34 and the N $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{2}$ NE $\frac{1}{4}$ and S $\frac{1}{2}$ N $\frac{1}{2}$ of Section 35, T16S-R25E. |

EXHIBIT "A"  
 ATTACHED TO ANE MADE A PART OF THE  
 ASSIGNMENT, BILL OF SALE AND CONVEYANCE  
 PART IV  
 INTEREST IN PROPERTIES AND WELLS

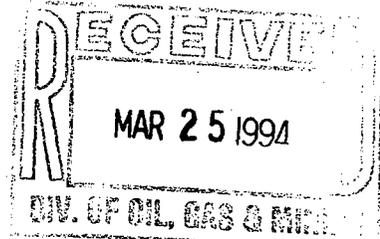
PROPERTY NAME	COUNTY	STATE	OPERATOR	WORKING INTEREST DECIMAL	NET REVENUE INTEREST DECIMAL	OVERRIDING ROYALTY INTEREST DECIMAL
ARCO STATE #2-1	GRAND	UTAH	URI	1.00000000	0.87500000	
ARCO STATE #2-2	GRAND	UTAH	URI	1.00000000	0.87500000	
ARCO STATE #36-7	GRAND	UTAH	URI	1.00000000	0.87500000	
ARCO STATE #36-8	GRAND	UTAH	URI	1.00000000	0.87500000	
ARCO STATE #27-1	GRAND	UTAH	URI	1.00000000	0.87500000	
VALENTINE FED, #2	GRAND	UTAH	LONE MIN.	0.04375000	0.038281200	
FEDERAL 174 #1	GRAND	UTAH	URI	1.00000000	0.848750000	
BITTERCREEK #1	GRAND	UTAH	URI	1.00000000	0.875000000	
ARCO FEDERAL #B-1	GRAND	UTAH	LONE MIN.	0.00000000	0.000000000	0.125000000
ARCO FEDERAL #C-1	GRAND	UTAH	LONE MIN.	0.50000000	0.420000000	
ARCO FEDERAL #D-1	GRAND	UTAH	LONE MIN.	0.21875000	0.191406200	
ARCO FEDERAL #H-1	GRAND	UTAH	LONE MIN.	0.00000000	0.000000000	0.062500000
TENNECO FED. #14-2	GRAND	UTAH	LONE MIN.	0.50000000	0.412500000	
GILBERT FEDERAL #1	GRAND	UTAH	URI	1.00000000	0.845000000	

SAN ARROYO UNIT AREA  
 ENTRADA PARTICIPATING AREA

SAN ARROYO #1	GRAND	UTAH	URI	1.00000000	0.825000000	
SAN ARROYO #2	GRAND	UTAH	URI	1.00000000	0.825000000	
SAN ARROYO #3	GRAND	UTAH	URI	1.00000000	0.825000000	
SAN ARROYO #5	GRAND	UTAH	URI	1.00000000	0.825000000	
SAN ARROYO #6	GRAND	UTAH	URI	1.00000000	0.825000000	
SAN ARROYO #40U	GRAND	UTAH	URI	1.00000000	0.825000000	
SAN ARROYO #40L	GRAND	UTAH	URI	1.00000000	0.825000000	

San Arroyo Wells ARE SUBJECT TO A NET PROFITS INTEREST CREATED BY AND SUBJECT TO THAT CERTAIN FARMOUT AGREEMENT DATED JUNE 6, 1955.

**COPY**



Bureau of Land Management  
Branch of Fluid Minerals  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

March 23, 1994

Northstar Gas Company, Inc.  
820 Gessner, Suite 1630  
Houston, Texas 77024

Re: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On March 17, 1994, we received an indenture dated November 29, 1993, whereby Graham Energy, Ltd. resigned as Unit Operator and Northstar Gas Company, Inc. was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

The instrument is hereby approved effective March 23, 1994. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Unit Agreement.

Your statewide (Utah) oil and gas bond No. UT0845 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

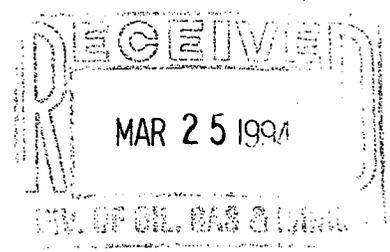
Sincerely,

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
~~Division of Oil, Gas & Mining~~  
Division of Lands and Mineral Operations U-942  
File - San Arroyo Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

U-922:TAThompson:tt:03-23-94



WELL STATUS REPORTS  
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM 891003859A		SAN ARROYO DK MO							
891003859A	430191589200S1	11	NESW	15	16S	25E	PGW	UTU05059C	GRAHAM ENERGY LIMITED
891003859A	430191589300S1	12	SWSW	23	16S	25E	PGW	UTSL071307	GRAHAM ENERGY LIMITED
891003859A	430191589400S1	13	NESW	22	16S	25E	GS1	UTU0370A	GRAHAM ENERGY LIMITED
891003859A	430191589500X1	14	SWNE	16	16S	25E	P+A	STATE	GRAHAM ENERGY LIMITED
891003859A	430191109100S1	15	NESW	21	16S	25E	TA	UTU0136529	GRAHAM ENERGY LIMITED
891003859A	430191589600S1	16	SESW	26	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430191589700S1	17	NENE	24	16S	25E	PGW	UTU025243	GRAHAM ENERGY LIMITED
891003859A	430191589800S1	18	NWNW	30	16S	26E	GS1	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430191589900S1	19	SWSE	14	16S	25E	PGW	UTU05011B	GRAHAM ENERGY LIMITED
891003859A	430191590000S1	20	SENE	26	16S	25E	PGW	UTSL071307	GRAHAM ENERGY LIMITED
891003859A	430191590100S1	21	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430191590200S1	22	NENE	15	16S	25E	PGW	UTU05011A	GRAHAM ENERGY LIMITED
891003859A	430191590300S1	24	SENW	19	16S	26E	PGW	UTU06188	GRAHAM ENERGY LIMITED
891003859A	430191590400S1	25	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ENERGY LIMITED
891003859A	430191590500S1	26	SWSW	20	16S	26E	PGW	UTU025297	GRAHAM ENERGY LIMITED
891003859A	430191590600S1	27	NESW	29	16S	26E	PGW	UTU06021	GRAHAM ENERGY LIMITED
891003859A	430191590700S1	28	NWNE	29	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430191590800S1	29	NENE	22	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859A	430191590900S1	30	NWSW	21	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430193052700S1	31	NWNW	22	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859A	430193052800S1	32	SWSW	14	16S	25E	PGW	UTU05011B	GRAHAM ENERGY LIMITED
891003859A	430193060800S1	33	SWSW	25	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430191109000S1	35	SESW	24	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859A	430193125100S1	36-A	SESE	19	16S	26E	PGW	UTU06188	GRAHAM ENERGY LIMITED
891003859A	430193125200S1	37	SWNE	20	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430193125300S1	38	NESW	16	16S	25E	PGW	STATE	GRAHAM ENERGY LIMITED
891003859A	430191588700S1	4	SESW	30	16S	26E	PGW	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430193128900S1	41	NENE	36	16S	25E	PGW	STATE	GRAHAM ENERGY LIMITED
891003859A	430193129000S1	42	NESE	30	16S	26E	PGW	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430193129100S1	43	NESE	29	16S	26E	PGW	UTU06021	GRAHAM ENERGY LIMITED
891003859A	430193130100S1	44	SENE	30	16S	26E	PGW	UTU06023	GRAHAM ENERGY LIMITED
891003859A	430193129900S1	45	NWSE	20	16S	26E	PGW	UTU05650	GRAHAM ENERGY LIMITED
891003859A	430193131800S1	47	NENE	31	16S	26E	PGW	U06023	GRAHAM ENERGY LIMITED
891003859A	430193131600S1	49	NENW	29	16S	26E	PGW	UTU025245	GRAHAM ENERGY LIMITED
891003859A	430191589000S1	8	SWSW	16	16S	25E	PGW	STATE	GRAHAM ENERGY LIMITED
891003859A	430191589100S1	9	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
** INSPECTION ITEM 891003859B		SAN ARROYO EN							
891003859B	430191653200S1	1	SENW	26	16S	25E	PGW	UTSL071307	GRAHAM ENERGY LIMITED
891003859B	430191588500S1	2	SENW	22	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859B	430191588600S1	3	SENW	23	16S	25E	GS1	UTU0369	GRAHAM ENERGY LIMITED
891003859B	430193125000S1	40	NWNE	27	16S	25E	PGW	UTU0370A	GRAHAM ENERGY LIMITED
891003859B	430191588800S1	5	NWSE	25	16S	25E	PGW	UTU0369	GRAHAM ENERGY LIMITED
891003859B	430191588900S1	6	SWNE	21	16S	25E	PGW	UTU0136529	GRAHAM ENERGY LIMITED

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:

1- <del>LC</del> 7-SJ	✓
2- <del>DT</del> 8-FILE	✓
3-VLC	✓
4-RJH	✓
5- <del>LE</del>	✓
6-PL	✓

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)       Designation of Agent  
 Designation of Operator       Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 9-1-93)

TO (new operator)	<u>NORTHSTAR GAS COMPANY INC</u>	FROM (former operator)	<u>GRAHAM ENERGY LTD</u>
(address)	<u>820 GESSNER #1630</u>	(address)	<u>15000 NW FREEWAY STE 203</u>
	<u>HOUSTON, TX 77024</u>		<u>HOUSTON, TX 77040</u>
	<u>PAUL BERNARD</u>		<u>C/O NORTHSTAR GAS CO INC</u>
	<u>phone (713) 935-9542</u>		<u>phone (713) 937-4314</u>
	<u>account no. N6680</u>		<u>account no. N 7590</u>

Well(s) (attach additional page if needed):

**\*\*SAN ARROYO UNIT**

Name: <b>**SEE ATTACHED**</b>	API: <u>019-11091</u>	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- Sec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Reg. 1-14-94) (Reg. 3-28-94) (Reol. Bill of Sale 4-11-94)*
- Sec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Reol. 1-14-94)*
- Sec 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes)/no \_\_\_\_\_ If yes, show company file number: #144214.
- Sec 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- Sec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-31-94)*
- Sec 6. Cardex file has been updated for each well listed above. *(3-31-94)*
- Sec 7. Well file labels have been updated for each well listed above *(3-31-94)*
- Sec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-31-94)*
- Sec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Jec* 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no)      (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A* 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- N/A* 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- Jec*      2. A copy of this form has been placed in the new and former operators' bond files.
- 3. The former operator has requested a release of liability from their bond (yes/no)     . Today's date                      19    . If yes, division response was made by letter dated                      19    .

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A* 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated                      19    , of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- OTS*  
*4/14/94*  
*N/A* 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- 1. All attachments to this form have been microfilmed. Date:     4-19     19  94  .

FILING

- Jec* 1. Copies of all attachments to this form have been filed in each well file.
- Jec* 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

*940328 Rm/S.Y. Appr. eff. 3-23-94.*

STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801

## MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

KATHY TUSON  
 NORTHSTAR GAS COMPANY INC  
 820 GESSNER #1630  
 HOUSTON TX 77024

UTAH ACCOUNT NUMBER: N6680

REPORT PERIOD (MONTH/YEAR): 4 / 96

AMENDED REPORT  (Highlight Changes)

Well Name API Number	Entity	Location	Producing Zone	Well Status	Days Oper	Production Volumes		
						OIL(BBL)	GAS(MCF)	WATER(BBL)
✓ SAN ARROYO U #38 4301931253	00500	16S 25E 16	MRSN			ML-4113		
✓ SAN ARROYO UNIT #41 4301931289	00500	16S 25E 36	DKTA			ML-4668		
✓ SAN ARROYO UNIT #42 4301931290	00500	16S 26E 30	DKTA			U-06023		
✓ SAN ARROYO UNIT #43 4301931291	00500	16S 26E 29	DK-MR			U-06021		
✓ SAN ARROYO #45 4301931299	00500	16S 26E 20	DK-MR			U-05650		
✓ SAN ARROYO #44 4301931301	00500	16S 26E 30	DK-MR			U-06023		
✓ ERAL #49 4301931316	00500	16S 26E 29	DK-MR			U-025245		
✓ FEDERAL #47 4301931318	00500	16S 26E 31	DK-MR			U-06023		
✓ SAN ARROYO UNIT #34-A 4301911091	00505	16S 25E 21	ENRD			U-136529		
✓ SAN ARROYO 2 4301915885	00505	16S 25E 22	ENRD			U-0370-A		
✓ SAN ARROYO 3 4301915886	00505	16S 25E 23	ENRD			U-0369		
✓ SAN ARROYO 5 4301915888	00505	16S 25E 25	ENRD			U-0369		
✓ SAN ARROYO 6 4301915889	00505	16S 25E 21	ENRD			U-025244		
<b>TOTALS</b>								

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

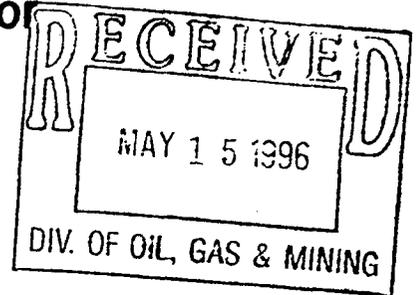
I hereby certify that this report is true and complete to the best of my knowledge. Date: \_\_\_\_\_  
 Name and Signature: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

**COPY**

**United States Department of the Interior**

**BUREAU OF LAND MANAGEMENT**

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



IN REPLY REFER TO:  
UT-922

May 13, 1996

Enogex Exploration Corporation  
P.O. Box 24300  
Oklahoma City, Oklahoma 73124-0300

Re: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On April 29, 1996, we received an indenture dated April 19, 1996, whereby Northstar Gas Company, Inc. resigned as Unit Operator and Enogex Exploration Corporation was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the San Arroyo Unit Agreement. The instrument is hereby approved effective May 13, 1996.

Your statewide (Utah) oil and gas bond No. 1044 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

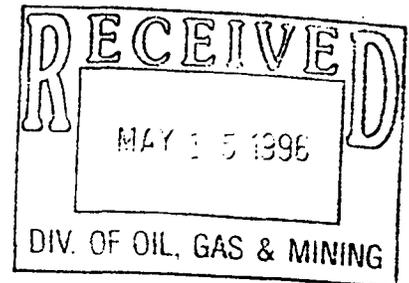
/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
~~Division of Oil, Gas & Mining~~  
Division of Lands and Mineral Operations U-942  
File - San Arroyo Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

WELL STATUS REPORTS  
UTAH STATE OFFICE



INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
<b>** INSPECTION ITEM 891003859A SAN ARROYO DK MO</b>									
891003859A	430191589200S1	11	NESW	15	16S	25E	PGW	UTU05059C	NORTHSTAR GAS COMPANY INC
891003859A	430191589300S1	12	SWSW	23	16S	25E	PGW	UTSL071307	NORTHSTAR GAS COMPANY INC
891003859A	430191589400S1	13	NESW	22	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
<del>891003859A</del>	430191589500X1	14	SWNE	16	16S	25E	P+A	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430191109100S1	15	NESW	21	16S	25E	TA	UTU0136529	NORTHSTAR GAS COMPANY INC
891003859A	430191589600S1	16	SESW	26	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430191589700S1	17	NENE	24	16S	25E	PGW	UTU025243	NORTHSTAR GAS COMPANY INC
891003859A	430191589800S1	18	NWNW	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430191589900S1	19	SWSE	14	16S	25E	PGW	UTU05011B	NORTHSTAR GAS COMPANY INC
891003859A	430191590000S1	20	SENE	26	16S	25E	PGW	UTSL071307	NORTHSTAR GAS COMPANY INC
891003859A	430191590100S1	21	NWSE	25	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430191590200S1	22	NENE	15	16S	25E	PGW	UTU05011A	NORTHSTAR GAS COMPANY INC
891003859A	430191590300S1	24	SESW	19	16S	26E	PGW	UTU06188	NORTHSTAR GAS COMPANY INC
891003859A	430191590400S1	25	SWNE	21	16S	25E	PGW	UTU0136529	NORTHSTAR GAS COMPANY INC
891003859A	430191590500S1	26	SWSW	20	16S	26E	PGW	UTU025297	NORTHSTAR GAS COMPANY INC
891003859A	430191590600S1	27	NESW	29	16S	26E	PGW	UTU06021	NORTHSTAR GAS COMPANY INC
891003859A	430191590700S1	28	NWNE	29	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430191590800S1	29	NENE	22	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859A	430191590900S1	30	NWSW	21	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430193052700S1	31	NWNW	22	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859A	430193052800S1	32	SWSW	14	16S	25E	PGW	UTU05011B	NORTHSTAR GAS COMPANY INC
891003859A	430193060800S1	33	SWSW	25	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430191109000S1	35	SESW	24	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859A	430193125100S1	36-A	SESE	19	16S	26E	PGW	UTU06188	NORTHSTAR GAS COMPANY INC
891003859A	430193125200S1	37	SWNE	20	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430193125300S1	38	NESW	16	16S	25E	PGW	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430191588700S1	4	SESW	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430193128900S1	41	NENE	36	16S	25E	PGW	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430193129000S1	42	NESE	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430193129100S1	43	NESE	29	16S	26E	PGW	UTU06021	NORTHSTAR GAS COMPANY INC
891003859A	430193130100S1	44	SENE	30	16S	26E	PGW	UTU06023	NORTHSTAR GAS COMPANY INC
891003859A	430193129900S1	45	NWSE	20	16S	26E	PGW	UTU05650	NORTHSTAR GAS COMPANY INC
891003859A	430193131800S1	47	NENE	31	16S	26E	PGW	U06023	NORTHSTAR GAS COMPANY INC
891003859A	430193131600S1	49	NENW	29	16S	26E	PGW	UTU025245	NORTHSTAR GAS COMPANY INC
891003859A	430191589000S1	8	SWSW	16	16S	25E	PGW	STATE	NORTHSTAR GAS COMPANY INC
891003859A	430191589100S1	9	NWNE	27	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
<b>** INSPECTION ITEM 891003859B SAN ARROYO EN</b>									
891003859B	430191653200S1	1	SESW	26	16S	25E	PGW	UTSL071307	NORTHSTAR GAS COMPANY INC
891003859B	430191588500S1	2	SESW	22	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859B	430191588600S1	3	SESW	23	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859B	430193125000S1	40	NWNE	27	16S	25E	PGW	UTU0370A	NORTHSTAR GAS COMPANY INC
891003859B	430191588800S1	5	NWSE	25	16S	25E	PGW	UTU0369	NORTHSTAR GAS COMPANY INC
891003859B	430191588900S1	6	SWNE	21	16S	25E	PGW	UTU0136529	NORTHSTAR GAS COMPANY INC

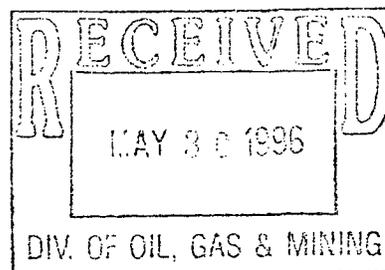


600 Central Park Two / 515 Central Park Drive / Oklahoma City, OK 73105  
Post Office Box 24300 / Oklahoma City, Oklahoma 73124-0300  
405 525-7788 / FAX 405 557-5258

May 21, 1996

Ms. Lisha Cordova  
State of Utah  
Department of Oil, Gas & Mining  
Salt Lake City, Utah 84111-2303

Re: Acquisition of Producing Properties  
and Operatorship from Northstar Resources  
Grand and Uintah Counties, Utah



Dear Ms. Cordova:

Enogex Exploration Corporation acquired the working interest and operatorship of certain properties in Grand and Uintah Counties, Utah from Northstar Resources, Inc. effective 5/1/96. In this regard we enclose the following for the records:

1. Original Sundry Notices filed in triplicate for each of the wells on the three leases where the State of Utah owns the mineral rights.
2. Three copies each of the Sundry Notices for the 1 Gilbert and the 27-1 which has been approved by the BLM.
3. A copy of the Resignation of Unit Operator and Designation of Successor Unit Operator for the San Arroyo Unit along with approval of same by the BLM.
4. A copy of the Successor Operator of Communitization Agreement NW-115 along with approval of same by the BLM.
5. A list of the wells and locations which Enogex Exploration Corporation acquired from Northstar Resources and will be operating.

Please be advised we provided our State of Utah Blanket Bond in the amount of \$80,000 with our letter dated April 16, 1996, to the School & Institutional Trust Lands Administration

If any thing further is needed, please contact the undersigned at 405 557-5281.

Sincerely,

A handwritten signature in cursive script that reads "Claudine Gilliam". The signature is fluid and connected, with a large initial 'C'.

Claudine Gilliam  
Senior Landman

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

	5. Lease Designation and Serial Number: ML-4113
	6. If Indian, Allottee or Tribe Name:
	7. Unit Agreement Name:
1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:	8. Well Name and Number: San Arroyo Unit
2. Name of Operator: ENOGEX EXPLORATION CORPORATION	9. API Well Number:
3. Address and Telephone Number: P.O. Box 24300, Oklahoma City, OK 73124-0300 405 557-5281	10. Field and Pool, or Wildcat:
4. Location of Well Footage: OO, Sec., T., R., M.:	County: Grand State: Utah

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete           |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

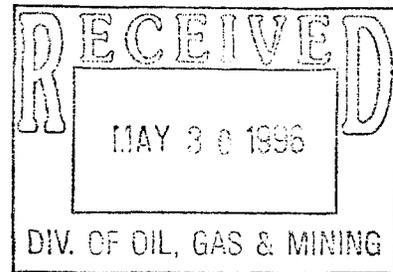
- |   |   |
|---|---|
| <input type="checkbox"/> Abandon                                    | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing                              | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans                            | <input type="checkbox"/> Reperforate          |
| <input type="checkbox"/> Convert to Injection                       | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize                  | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other <u>Change of Operator</u> |   |

Date of work completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)



13. Name & Signature: Claudine Gilliam Title: Senior Landman Date: 5/20/96

(This space for State use only)



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office  
324 South State, Suite 301  
Salt Lake City, Utah 84111-2303

IN REPLY REFER TO:

May 13, 1996

Enogex Exploration Corporation  
P.O. Box 24300  
Oklahoma City, Oklahoma 73124-0300

Re: San Arroyo Unit  
Grand County, Utah

Gentlemen:

On April 29, 1996, we received an indenture dated April 19, 1996, whereby Northstar Gas Company, Inc. resigned as Unit Operator and Enogex Exploration Corporation was designated as Successor Unit Operator for the San Arroyo Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the San Arroyo Unit Agreement. The instrument is hereby approved effective May 13, 1996.

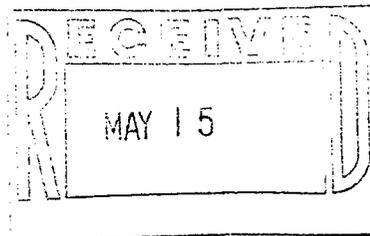
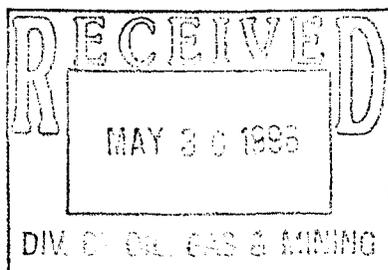
Your statewide (Utah) oil and gas bond No. 1044 will be used to cover all operations within the San Arroyo Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure



RESIGNATION OF UNIT OPERATOR

SAN ARROYO UNIT AREA

COUNTY OF GRAND

STATE OF UTAH

UNIT AGREEMENT NO. 14-08-001-3859

Under and pursuant to the provisions of Section 5 of the Unit Agreement for the Development and Operation of the San Arroyo Unit Area, Grand County, Utah, Northstar Gas Company, Inc., the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of a successor Unit Operator.

EXECUTED with effect as aforesaid the 23<sup>rd</sup> day of April, 1996.

ATTEST:

NORTHSTAR GAS COMPANY, INC.

Kenneth M. McK  
Title Corporate Secretary

By: Kenneth M. McK  
Title: E. Vice President

RESIGNATION OF UNIT OPERATOR

SAN ARROYO UNIT AREA

COUNTY OF GRAND

STATE OF UTAH

UNIT AGREEMENT NO. 14-08-001-385

THIS INDENTURE, dated as of the 19<sup>th</sup> day of April, 1996, by and between ENOGEX EXPLORATION CORPORATION, hereinafter designated as "First Party", and the owners of the unitized working interests, hereinafter designated as "Second Parties",

Return to:  
Enogex Exploration Corporation  
Post Office Box 24300  
Oklahoma City, OK 73124-0300

W I T N E S S E T H:

WHEREAS, under the provisions of the Act of February 15, 1920, 4 Stat. 437, 30 U.S.C. Sec. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the 2nd day of August, 1957, approved a Unit Agreement for the San Arroyo Unit Area, wherein Sinclair Oil Company was designated as Unit Operator, and

WHEREAS, Northstar Gas Company, Inc. by subsequent designation is currently Unit Operator, but has resigned hereby as such Operator and the designation of a successor Unit Operator is now required pursuant to the terms thereof, and

WHEREAS, the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties and obligations of Unit Operator under the same Unit Agreement.

NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the premises hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the San Arroyo Unit agreements, and the Second Parties covenant and agree that, effective upon approval of this indenture by the chief, Branch of Fluid Minerals, Bureau of Land Management, First Party shall be granted the exclusive privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

ATTEST:

FIRST PARTY

ENOGEX EXPLORATION CORPORATION

BY: John J. Morozuk  
TITLE: SECRETARY

BY: J. O. Edwards, Jr.  
TITLE: J.O. EDWARDS, JR., PRESIDENT

DATE: 4/19/96

*Jm*  
*6/9*

ATTEST:

SECOND PARTY

NORTHSTAR GAS COMPANY, INC.

BY: Kenneth M. McKinney  
TITLE: Corporate Secretary

BY: Kenneth M. McKinney  
TITLE: E. Vice President  
DATE: 4/23/96

BOOK CLIFFS OIL & GAS COMPANY

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

NATIONAL FUEL CORPORATION

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

STATE OF TEXAS            )  
  ) SS  
COUNTY OF HARRIS        )

This instrument was acknowledged before me on the 23RD day of APRIL, 1996, by Kenneth M. McKinney, as Executive Vice President of NORTHSTAR GAS COMPANY, INC., a Texas Corporation, on behalf of said corporation.

Katherine Tuson  
Notary Public in and for the  
State of TEXAS  
My commission expires 11/8/99



STATE OF OKLAHOMA )  
 )  
COUNTY OF OKLAHOMA )

This instrument was acknowledged before me on the 19th  
day of April, 1996, by J.O. EDWARDS, as President of  
ENOGEX EXPLORATION CORPORATION, an Oklahoma corporation, on  
behalf of said corporation.

*Candice Gilliam*  
Notary Public in and for the  
State of Oklahoma  
My Commission expires 4/22/99

STATE OF )  
 ) SS  
COUNTY OF )

The foregoing instrument was acknowledged before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 1996, by \_\_\_\_\_,  
as \_\_\_\_\_ and by \_\_\_\_\_, as Assistant  
Secretary of BOOK CLIFFS OIL & GAS COMPANY, a \_\_\_\_\_  
corporation.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

Place of Residence:

\_\_\_\_\_

STATE OF )  
 ) SS  
COUNTY OF )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 1996, by \_\_\_\_\_, as \_\_\_\_\_, and by \_\_\_\_\_, as Assistant Secretary of NATIONAL FUEL CORPORATION, a \_\_\_\_\_ corporation.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

Place of Residence:

\_\_\_\_\_

# OPERATOR CHANGE WORKSHEET

1-LEC	6-LEC
2-GLH/141	7-KDR
3-DPS 255	8-SJ
4-VLD	9-FILE
5-RJF	

Attach all documentation received by the division regarding this change.  
Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)       Designation of Agent  
 Designation of Operator       Operator Name Change Only

The operator of the well(s) listed below has changed, effective: 5-13-96

**TO: (new operator)** ENOGEX EXPLORATION CORP.  
 (address) PO BOX 24300  
OKLAHOMA CITY OK 73124-0300

**FROM: (old operator)** NORTHSTAR GAS COMPANY INC  
 (address) 820 GESSNER #1630  
HOUSTON TX 77024

Phone: (405) 525-7788  
 Account no. N7430

Phone: (713) 935-9542  
 Account no. N6680

**WELL(S)** attach additional page if needed:      **\*SAN ARROYO UNIT**

Name: <b>**SEE ATTACHED**</b>	API: <u>43-019-11091</u>	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

## OPERATOR CHANGE DOCUMENTATION

- lec 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(filed 5-30-96)*
- lec 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(filed 5-30-96)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- lec 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- lec 5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. *(6-12-96)*
- lec 6. Cardex file has been updated for each well listed above. *(6-13-96)*
- lec 7. Well file labels have been updated for each well listed above. *(6-13-96)*
- lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(6-12-96)*
- lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

**ENTITY REVIEW**

- LC 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

**BOND VERIFICATION - (FEE WELLS ONLY)** *Trust Lands / \$80,000 "Energy" on file.*

- LC 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- N/A 2. A copy of this form has been placed in the new and former operator's bond files.
- N/A 3. The FORMER operator has requested a release of liability from their bond (yes/no) \_\_\_\_\_, as of today's date \_\_\_\_\_. If yes, division response was made to this request by letter dated \_\_\_\_\_.

**LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY**

- DTS 1. Copies of documents have been sent on 7/8/96 to Ed Bonner at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.

**FILMING**

- VDR 1. All attachments to this form have been microfilmed. Today's date: July 18, 1996.

**FILING**

- \_\_\_ 1. Copies of all attachments to this form have been filed in each well file.
- \_\_\_ 2. The original of this form, and the original attachments are now being filed in the Operator Change file.

**COMMENTS**

9/00524 ALM/SL Aprv. eff. 5-13-96.

**Daniel T. Reineke, PE, P.C.**

Registered Engineer  
4301 N.W. 63rd, Suite 210  
Oklahoma City, OK 73116

July 15, 1999

ATTN: Mr. Robert J. Krueger  
Petroleum Engineer  
State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West Temple, Ste. 1210  
Salt Lake City, Utah 84114-5801

RE: Temporarily Abandoned Well Compliance Notice  
San Arroyo #15 / #34A  
Sec. 21-T16S-R25E  
Grand County, Utah  
B.L.M. Lease No. U-14234  
API #4019-11091

Dear Mr. Krueger:

Earlier today I spoke to Mr. Baza and he suggested I send you this letter. Enogex Exploration received a letter from your office in February concerning the plugging and abandonment of the referenced well. We have researched our files and the public records and have come to the conclusion that the well was temporarily abandoned. At this time we have not determined the current wellbore condition. We have scheduled a wireline truck to be on location Wednesday, July 21. The wireline truck will check TD and try to get a sample of what is on bottom. At that time I would like to call you and get your approval to plug and abandon this well. If there is already a plug at the base of the surface pipe, then I propose a 30 foot cement plug at the surface with a dry hole marker.

Please let me know how we should proceed in this matter. I apologize for contacting you only days before the work is scheduled to begin.

*~500' thick mud. - 2215'  
thick  
mud.*

Sincerely,



Dan Reineke  
405-843-3498

Post-It™ brand fax transmittal memo 7671		# of pages	1
To	Robert Krueger		
From	Dan Reineke		
Co.			
Dept.			
Fax #	801-359-3940		
Phone #	405-843-3498		
Fax #	405-843-3490		

Form 1060-1  
June 1990

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Bureau Order No. 1004-0112  
Expires March 1, 1993  
Lease Designation and Serial No.  
**BLM U-14234**  
If Indian, Allottee or Tribe Name

SUNDAY 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 Well  Gas Well  Other Temporarily Abandoned

2. Name of Operator  
Enogax Exploration

3. Address and Telephone  
P.O. Box 24300 Oklahoma City, OK 73124

4. Location of Well (Vintage, Sec., T., R., M., or Survey Description)  
1579 FSL 1665 FWL  
 sec 21-165-25E

5. Well Name and No.  
San Arroyo #15

6. API Well No.  
43-019-11091

7. Field and Foot of Exploratory Area  
San Arroyo

8. County or Parish, State  
Grand Co., Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Resubmission
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Arched Casing
	<input type="checkbox"/> Other
	<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

Note: Attach results and presentation of Well Completion or Submission Report and Log form.

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.

will perforate 4 holes in 7" casing @ 400ft. Establish circulation. Fill 7" and 9 5/8" annulus with 150 sacks of class H cement. Will check annulus for full back of cement. cut off pipe. Weld on dry hole marker.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

COPY SENT TO OPERATOR  
Date: 7-30-99  
Initials: CHP

Date: 7-28-99  
By: RJK

14. I hereby certify that the foregoing is true and correct.  
Signed: [Signature] Title: Engineer Date: 7-21-99  
(This space for Federal or State office use)

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

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

TO: Robert Krueger 801-759-3940

From: Dan Reinecke

Sunday Notice.

2 Pages

---

Dear Bob,

Attached is the procedure we will  
follow today. If you need to get  
in touch with me, try 405-650-5700.

Thank you.

DAN REINECKE

Post-It® Fax Note .7671

Date	10/5/99	# of pages	1
To	Bob Krueger	From	Eric Jones
Co./Dept.		Co.	BLM, Moab
Phone #		Phone #	
Fax #		Fax #	

RECEIVED  
MOAB FIELD OFFICE  
ERIC JONES

FORM APPROVED  
Bureau Order No. 1004-01.3  
Edition: March 1, 1994  
Lease Designation and Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

1999 OCT -4 P 1:47

BLM-U-14234 U-0136529

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.

DEPT OF THE INTERIOR  
BUREAU OF LAND MGMT

SUBMIT IN TRIPLICATE

7. If Unit or SA Agreement Designation

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: TEMPORARILY ABANDONED	3. Well Name and No. Unit #34-A
2. Name of Operator ENOGEX EXPLORATION	4. API Well No. SAN ARROYO #35
3. Address and Telephone No. P.O. BOX 24300 OKLAHOMA CITY, OK 73124	5. Field and Pool or Exploratory Area 43-019-11091
4. Location of Well (Federal, Sec., T., R., M., or Survey Description) 1650 FSL 1599 FSL SECTION 21-T16S-R25E 1650 FWL 1665 FWL	6. County or Parish, State SAN ARROYO GRAND COUNTY, UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Reassignment
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Sealing Repair
	<input type="checkbox"/> Storage Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Rescue Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Disposal Well

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 status pertinent to this work.)

7-22-99 RIGGED UP WIRELINE. GO IN HOLE. TAG BOTTOM @ 580 FEET. PERFORATE 4 HOLES @ 400 FEET. RIG UP HALIBURTON. ESTABLISH CIRCULATION. PUMP 150 SACKS OF CLASS H CEMENT. GOOD CIRCULATION. GOOD RETURNS. CUT OFF PIPE 3 FEET BELOW GROUND LEVEL. WELD ON DRY HOLE MARKER.

COPY SENT TO OPERATOR  
Date: 10-6-99  
Initials: CHD

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Date: 10-5-99  
By: RK

14. I hereby certify that the foregoing is true and correct.  
Signed: [Signature] Title: ENGINEER Date: 10-15-99

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

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.