

UTAH DIVISION OF OIL AND GAS CONSERVATION

REMARKS: WELL LOG \_\_\_\_\_ ELECTRIC LOGS \_\_\_\_\_ FILE  WATER SANDS \_\_\_\_\_ LOCATION INSPECTED \_\_\_\_\_ SUB. REPORT/abd. \_\_\_\_\_

\* OPERATOR NAME CHANGE 11-26-79

DATE FILED 9-27-77

LAND: FEE & PATENTED STATE LEASE NO. State 27402 PUBLIC LEASE NO. INDIAN

DRILLING APPROVED: 9-24-77

SPUDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 11-14-79. Location Abandoned; Approval suspended until drilling commences

FIELD: WILDCAT 3/86

UNIT:

COUNTY: GRAND COUNTY

WELL NO. STATE 402 #1

API NO: 43-019-30397

LOCATION FT. FROM (N) (S) LINE. FT. FROM (E) (W) LINE. SW (SW NE) 1/4 - 1/4 SEC.

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
17S	20E	36	* TEXOMA PRODUCTION CO,				



*Smead*

LOS ANGELES U.S.A.

AUG 78 - Mar 79



# ENVIRONMENTAL ENGINEERING COMPANY

Professional Engineering Services

June 7, 1977

(307) 234-6186

1645 Court Place  
Suite 229  
Denver, Colorado 80202  
Phone (303) 892-1506

Cleon B. Feight, Director  
Utah Div. Oil, Gas and Mining  
1588 West, North Temple  
Salt Lake City, Utah 84116

RE: The Anschutz Corporation  
✓ #1-State-402  
Sec. 36-T17S-R20E, and  
✓ #2-State-411  
Sec. 23-T18S-R20E  
Grand County, Utah

Dear Cleon:

As we have previously discussed, the referred locations have been staked and I enclose herewith applications to drill these wells.

The alternate locations to these were earlier staked and Form OGC-1a's filed with you May 4 and 5, 1977. Thus far, there has been no response from your office as to the disposition or status of these.

As you know, in an extreme effort by Anschutz to effect the environment the least in this area, they have altered several locations to provide minimal road cuts and ingress-egress. Therefore, it is believed the new filings herewith should be more satisfactory to all concerned by staying on top of Went Ridge, as shown on the map provided, rather than drilling in the bottom lands.

We will appreciate your immediate consideration and blessing for the two new alternate locations for the above reasons, and others.

I would have had these to you sooner, but wanted to send them both together with the one access road map. However, weather and problems of access by the surveyor out of Moab did delay and hamper our staking and it thus has taken us some three weeks to finalize this filing.

I hope you will be available to helicopter into the site soon.

Best wishes:

George H. Fentress  
Agent Consultant for Anschutz  
Phone: 423-0835 or 279-4880 Res.  
P. O. Box 113  
Wheat Ridge, Co. 80033

cc. Anschutz, Denver

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

5. Lease Designation and Serial No.

State 27402

6. If Indian, Allottee or Tribe Name

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

Single Zone

Multiple Zone

2. Name of Operator

The Anschutz Corporation

7. Unit Agreement Name

Nightcrawler

8. Farm or Lease Name

State

9. Well No.

#1-State-402

10. Field and Pool, or Wildcat

wildcat

3. Address of Operator

1110 Denver Club Bldg., Denver, Colorado 80202

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

At surface

2034' FNL 2511' FEL SWSW 1/4

At proposed prod. zone

same

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

36-T17S-R20E

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

27 miles north of Thompson, Utah

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

2034'

16. No. of acres in lease

17. No. of acres assigned to this well

640 Ac.

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

19. Proposed depth

9,400'

20. Rotary or cable tools

Rotary

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

8583' ground

8593 K. B. est.

22. Approx. date work will start\*

August 1, 1977

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	9 5/8"	43.5#	1,300'	500 sacks
8 3/4"	7"	35.0#	7,000'	300 sacks
6 1/8"	4 1/2"	9.5#	9,400'	200 sacks

- This well will be drilled with ait or air mist, unless a wet formation is encountered, in which case a brine will be used, and possibly a mud system, if necessary. If mud is used, it will be of sufficient quality to protect all formations and drilling problems.
- This will be a Morrison test, penetrating some 50' from the top.
- GR\_FDC\_SNP logs are planned for the well. Drill cuttings will be caught from under surface to total depth.
- Location plat and access map of planned route are attached.

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. George H. Fentress

Agent Consultant for  
Anschutz Corporation

June 7, 1977

Signed

*George H. Fentress*

Title

Date

(This space for Federal or State office use)

Permit No.

Approval Date

Approved by

Title

Date

Conditions of approval, if any:

WELL LOCATION MAP OF  
 ANSCHUTZ N<sup>o</sup> 1 STATE N<sup>o</sup> 402 IN  
 SW 1/4 OF NE 1/4, SEC. 36, T17S, R20E, S.L.B. & M.  
 GRAND COUNTY, UTAH

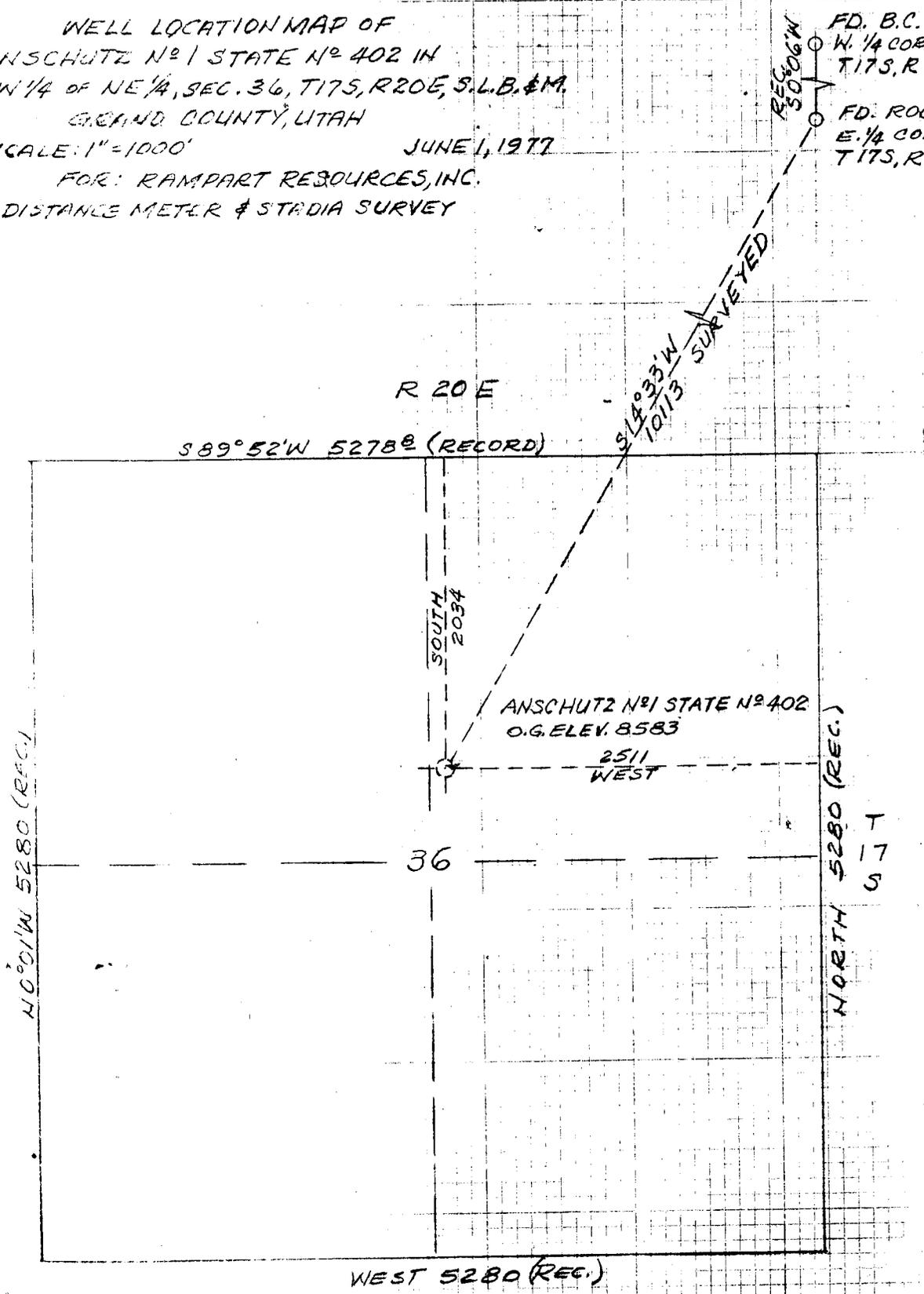
SCALE: 1"=1000'

JUNE 1, 1977

FOR: RAMPART RESOURCES, INC.

DISTANCE METER & STADIA SURVEY

REC'D 3006' W  
 FD. B.C. 1/4 COR.  
 W. 1/4 COR., SEC. 19,  
 T17S, R21E  
 FD. ROCK 1/4 COR  
 E. 1/4 COR., SEC. 24,  
 T17S, R20E



BEARING FROM LINE BETWEEN W 1/4 COR., SEC. 19  
 AND EAST 1/4 COR., SEC. 24 (N 0° 06' E) IS 17 S.L.B. & M.

ELEVATIONS BY VERTICAL ANGLES FROM  
 U.S.G.S. TOPO. QUAD. "SEGO CANYON, UTAH" 1963  
 (KNOLL IN SEC. 19, T17S, R21E = 8522)

John E. Hoag  
 UTAH REG. L.S. N° 1963

June 16, 1977



**STATE OF UTAH**  
Calvin L. Rampton, Governor  
**DEPARTMENT OF**  
**DEVELOPMENT SERVICES**

Division of State History

Melvin T. Smith, Director  
603 East South Temple  
Salt Lake City, Utah 84102  
Telephone: (801) 533-5755

Mr. Cleon B. Feight  
Director  
Division of Oil, Gas & Mining  
1588 West North Temple  
Salt Lake City, Utah 84116

Dear Jack:

Please find enclosed a report of an archeological survey conducted by the Antiquities Section, Division of State History. As you will note, no cultural resources were detected, and in my opinion there should be no problems with development of these locations.

I have forwarded a copy of this Memo to the State Historic Preservation Officer, and he should be in contact with you.

Please find enclosed a statement for our costs.

Sincerely,

*David B. Madsen*

David B. Madsen  
State Archeologist

DBM:ap

Enclosures

**CIRCULATE TO:**

- DIRECTOR \_\_\_\_\_
- PETROLEUM ENGINEER \_\_\_\_\_
- MINE COORDINATOR \_\_\_\_\_
- ADMINISTRATIVE ASSISTANT \_\_\_\_\_
- ALL \_\_\_\_\_

RETURN TO *Schroeder*  
FOR FILING

JUN 17 1977

June 14, 1977

MEMO

TO: DAVID B. MADSEN, State Archeologist  
FROM: KAY SARGENT, Archeologist  
RE: DRILL SITE CLEARANCES FOR ANSCHUTZ CORPORATION

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Friday, June 10, 1977, Ron Danielson, Pat Driscoll, and Howard Leach, representatives of the Utah Division of Oil, Gas, and Mining, accompanied me to three proposed drill sites and their proposed access roads. These are to be developed by the Anschutz Corporation.

The clearance was conducted by examining an area approximately two hundred feet or more on either side of the staked and flagged drill center. The access road, which will be confined mainly to the ridge tops, was not flagged or staked so that a wider area was examined (by a meandering "zig-zag" path) to insure coverage of the route.

Anschutz No. 1 State 492 is located in the SE $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 2, T19S, R21E, in the canyon bottom. The proposed drill site is on the east side of an existing road and as such has been frequented by recent campers as rusted cans and other campfire debris attest. No prehistoric remains were evident from surface examination.

Anschutz No. 2 State 411 is in the SW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 23, T18S, R20E, atop a narrow ridge separating the Right Hand of Fish Creek from Fish Creek proper. The cover was moderately heavy making observation difficult. A forest cover was present, with

Memo

June 14, 1977

Page 2

underbrush and humus. No archaeological remains were observed.

State #402 is located in the SW $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 36, T17S, R20E, in a basin-like area on the east side of Went Ridge. The area has been chained and is now grass covered. Scrub oak and lower brush occurs on the surrounding ridges. No archaeological remains were evident.

Since access roads to the latter two drill sites are to be constructed, an effort was made to examine part of this route also. The proposed access road extends from the end of the existing road in Section 10(?), T19S, R20E, to drill pad St. #402 in Section 36. A spur to connect St. #411 is to leave the main route in the northern portion of Section 27, T18S, R20E. In all, the proposed route is approximately 10-11 miles long. I was able to examine the route of the spur to St. #411 (approximately 1 mile) and the main route from St. #402 south to the SW $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 15 (4 miles). No indications of prehistoric occupation were encountered, somewhat surprising as archaeological sites are known in this general area and game appears to be abundant. The heavy ground cover of some areas did hamper vision to some extent, and it is always possible that archaeological remains may exist without above ground indications. I was informed that the rest of the route will be surveyed and flagged which should facilitate the clearance of the remaining 5-6 miles of access road.

CIRCULATE TO:

DIRECTOR \_\_\_\_\_   
PETROLEUM ENGINEER \_\_\_\_\_   
MINE COORDINATOR \_\_\_\_\_   
ADMINISTRATIVE ASSISTANT \_\_\_\_\_   
ALL \_\_\_\_\_

RETURN TO Kathleen D.  
FOR FILING

June 27, 1977

Memo To File:

Re: Anchutz Corporation  
State #402  
State #411

As of the tenth of June, 1977 Mr. Driscoll and Mr. Daniels accompanied by a state archeologist, Ms. Kay Sargent, flew into a roadless area in the Bookcliffs in order to inspect both sites and possible roadway. An environmental impact statement is being prepared relative to the above sites.

PATRICK L. DRISCOLL  
CHIEF PETROLEUM ENGINEER

cc Division of State Lands  
PLD/ksw

ENVIRONMENTAL ASSESSMENT  
for  
ANSCHUTZ CORPORATION  
#2 STATE 411 and #1 STATE 402  
WILDCAT OIL AND/OR GAS WELLS

ON  
STATE OF UTAH ML-27411  
SW NW SECTION 23,  
TOWNSHIP 18 SOUTH, RANGE 20 EAST; AND  
STATE OF UTAH ML-27402  
NW $\frac{1}{4}$ , SW $\frac{1}{4}$ , NE $\frac{1}{4}$ , SECTION 36,  
TOWNSHIP 17 SOUTH, RANGE 20 EAST  
GRAND COUNTY, UTAH

JUNE 28, 1977

PREPARED BY:  
UTAH DIVISION OF OIL, GAS, AND MINING  
PATRICK L. DRISCOLL, CHIEF PETROLEUM ENGINEER  
RONALD W. DANIELS, MINED LAND COORDINATOR

I. DESCRIPTION OF THE PROPOSED ACTION:

The Anschutz Corporation plans to drill two (2) wells on existing State oil and gas leases in Section 23, Township 18 South, Range 20 East, SLBM, and in Section 36, Township 17 South Range 20 East, SLBM. These will be rank wildcats and are projected to bottom at and test potential hydrocarbon bearing horizons from the surface to the Cutler Formation. Those formations having potential include the Dakota, Cedar Mountain, Entrada, and the Glen Canyon group of Navajo, Kayenta, and Wingate. The total depth is estimated to be 15,000' for #2-411 and 9,400' for #2-402.

The surface facilities for these wells will necessitate a drilling pad of 350' x 400' (3¼ acres) each. If the wells are successful, these pads can accommodate all surface facilities necessary to produce the wells.

The access to the proposed sites begins at the town of Thompson. From this site, follow a well maintained road up Seego Canyon to the SW¼ SW¼ of Section 10, Township 19 South, Range 20 East. There is a question as to whether or not this is a county maintained road. Nevertheless, it is anticipated that a minimum amount of upgrading is required on the existing road in order to permit a safe and speedy passage of rig components.

The road follows along the top of a well-defined ridge, (Went Ridge) and it branches off to a thumb ridge overlooking Fish Creek. The ridge at the proposed drill-site is quite narrow and will entail a cut of at least 50 feet. It therefore will be recommended to the operator of this proposed project that the contemplated drill-site be moved SSW along the ridge for a distance of seven hundred to one thousand (700-1,000') feet. This move will mitigate the necessity for a large cut (approximately 50 feet) to a much smaller one (approximately 20 feet); the ridge broadens considerably as one moves in the aforementioned direction.

Approximately 4.5 miles of new road will have to be made to well #2-411 and 5½ additional miles of road will be needed to gain access to #1-402, all on Went Ridge. It is estimated that 14' R.O.W. will be needed, and if in the event a dry-hole is apparent, and no further use is proposed for the road, it will be closed through earthwork and blasting, erosion control structures installed, and revegetated for stabilization purposes.

## II. DESCRIPTION OF THE ENVIRONMENT POTENTIALLY AFFECTED:

### A. General -

The majority of the environment affected by this proposed project will occur along the road course (approximately 17 surface acres and two (2) drill sites with an estimated area of  $3\frac{1}{4}$  acres each). The road begins in the mountain brush type at an elevation of 8,500 feet, plus or minus 50 feet. The formation exposed at the beginning of the road is the Wasatch Formation and as one progresses northward, the surface exposure is that of the Lower Green River Formation. This formation is also exposed at the projected drill site on well #1-402.

### B. Topography and Drainage -

The slopes on either side of Went Ridge are quite steep and are estimated to be 60 degrees or more. The soil cover is relatively shallow and is believed not to exceed six (6) inches. No running water and/or ponds are evident within the immediate vicinity of the well location, but Fish Creek,  $\frac{1}{2}$  mile to the east of well #2-411 is assumed to contain water at intermittent points along its course. Well # 1-402 is approximately  $\frac{1}{2}$  mile west of She Canyon which is perennial in certain points along its course.

Fish Creek is a tributary of She Creek and both of these are tributaries to Willow Creek, the main drainage of this area of the Book Cliffs. Willow Creek drains to the Green River near Ouray.

### C. Climate -

Precipitation in this area of the Book Cliffs is variable by season. The majority of precipitation falls from October to April, the normal precipitation for this period is 12 inches, while the period from May through September accounts for a normal of 6 to 8 inches.

The mean minimum temperature for January in this region of the Book Cliffs is 8 degrees and the mean July maximum is 70 degrees.

### D. Soils -

The general soil association for the well pad areas differs from that along the beginning road route. The Argic Cryoborolls-Pachic Cryobor-

olls-Crylic Paleborolls Association is that found on the well pad and is a typical moist mountain slope soil. Moderate to excessive drainage is not uncommon with permeability ranging from slow to rapid.

Runoff from this association is medium to slow and could be classified as non-hazardous from an erosivity standpoint. Sediment production is classified as moderately low.

For the area covered by the beginning of the road route the soil association present is drastically different than that on the well pad itself. From the end of the present road in Sego Canyon, the soil association is the Badland-Rock Land Association.

Only about one (1) mile of road will be constructed in this soil type where runoff is rapid and sediment production can be a major problem.

E. Livestock Grazing -

Forage production of this area of the Book Cliffs changes with topographical vegetative, hydrologic and soil conditions. The access road and well #1-402 are assumed to produce 30-50 Animal Unit Mouths (A.U.M.'s) per section while forest overstory vegetation on the well pad of #2-411 reduces the forage production capability considerably to approximately 20 AUM's per section.

F. Wildlife Resources -

The Book Cliffs region is inhabited by both large and small wildlife species. The principal big game species in the well and road locations are mule deer, elk, black bear, and cougar. Small game species include cottontail rabbit, forest grouse, chukar, and showshoe hare. Other wildlife species are abundant and include coyote, jack rabbit, gopher, eagles, hawks, various rodents, and song birds.

It is not known whether Fish Creek comprises a sport fishery.

Summer range is provided for elk and deer in the higher elevations where the road and well are proposed to be located. These species migrate to surrounding lower elevations when weather and range conditions dictate. Additional wildlife resource input is anticipated from the Division of Wildlife Resources; this will be added to this assessment.

G. Recreation -

As a resource, this block of State ownership has not been developed intensively for recreation. The most prevalent recreational use has been big game hunting. Due to the roadless condition of the Book Cliffs, hunting has been from camps to which access has been gained by foot or on horseback. Some backpacking dispersed recreation undoubtedly occurs in the Book Cliffs, but only on a limited basis.

H. Vegetation -

The Mountain Brush vegetative type dominates both the road and well locations. Some Ponderosa Pine and Douglas Fir sawtimber occur on the site for well #2 State 411. On #1 State 402, range grasses and spray-treated sagebrush dominate the surrounding vegetation.

Shrubs, grasses, and deformed trees dominate the proposed road route. A sampling of this vegetation includes Gamble Oak, Utah Serviceberry, Mountain Mahogany, Bigtooth Maple, Juniper, Pinyon, Western Yarrow, Woods Rose, Annual Brome, Lupines, Bitterbrush, and Elderberry.

I. Historical/Archeological -

Both well pads have been examined by the State Archeologist's representative, and no signs of previous habitation or use were discovered. In addition, a portion of the access road from well #1-402 south for 1½ miles, and the spur ridge road to #2-411 from Went Ridge were surveyed with no positive findings.

J. Socio-Economic -

Human habitation in the Book Cliffs is mostly seasonal and fluctuates with the grazing season. Presently, two "industries" utilize that land which will be affected by the two wells and attendant transportation corridors. These "industries" are the use of natural and managed range through grazing and the utilization of a managed wildlife population through hunting. Peripheral lands to the proposed development area contain producing oil and gas wells.

### III. PROBABLE IMPACTS OF THE PROPOSED ACTION:

#### A. General Impacts -

The areal extent of impacts of this proposal is approximately 24 acres. All of this would be construction-type activity and involves cuts, fills, grading, and borrow. If borrow activities were needed beyond present expectations, the total area disturbed is not expected to exceed 30 surface acres.

Probably the impact of greatest magnitude is the actual road access to this previously unroaded, de-facto primitive area. Conflicting land use desires for this tract by the Division of State Lands lead to this dilemma--valid mineral leases versus a roadless classification by that Division.

Any permission from the Division of State Lands for road access across State Lands into the approved location will be the responsibility of Anschutz.

#### B. Topography and Drainage Impacts -

Major topographical changes are not anticipated through permitting the proposed activity. There will be local topographical changes made through road building and pad construction, especially on well #2-411 where a substantial cut for the placement of pad facilities is anticipated.

Drainage into both Willow Creek and adjacent tributaries will be affected. Activity in roadbuilding and pad construction will cause increased sediment load to this drainage. Because of the nature of the road location, however, it is believed that the increased siltation will be minimal.

Providing access to a previously unroaded area considerably raises the possibility of unrestricted off-road vehicle use in the Willow Creek drainage and thereby the chances for watershed degradation. At this point, the magnitude and severity of this secondary impact are difficult to assess.

In the event that a dry hole is discovered in both of these wells and the road closing is performed in a proper manner continued ORV use can be precluded.

Following the drilling operations, the effects upon the natural drainage system will be lessened through stabilization of disturbed areas.

C. Climate Impacts -

The Book Cliffs climate will not be altered significantly through the completion of this proposal.

D. Soils Impacts -

The soil impacted by this proposal will be that directly in connection with surface activities on the previously mentioned 24-30 acres. Some soil will be lost directly to runoff from the facilities. Erosion will occur both during and after drilling operations. The majority however, will be lost during the operations merely by rill and sheet erosion from exposed ground surfaces.

It is not anticipated that downcutting of erosional channels from the road and drill pads will occur if proper road construction practices are followed. In addition, the road location will contribute to preventing large water accumulations from forming and moving in or on the road bed.

E. Impacts on Livestock Grazing -

Forage available for livestock use will be reduced slightly through the initiation of this project. Assuming a forage production of 30 Animal Unit Mouths per section, the worst possible disturbance, 30 acres, will remove from production 1.4 AUM's of grazing.

Should the wells be dry holes, it is anticipated that final reclamation of the road and drill pads will actually improve available forage through revegetation with more desirable species.

One positive impact of a road into this area of the Book Cliffs is that livestock could be hauled directly into summer range areas as long as the road remains open.

F. Wildlife Resource Impacts -

The wildlife resource values of the Book Cliffs will be impacted to a certain degree through the completion of this proposal. Probably the largest impact will be on the recreational value of hunting big game in a roadless area. While work is progressing in drilling the wells and access is limited to well workers, it is feasible that unauthorized two-wheel vehicle access to the area could be achieved.

It is assumed that the road and wells are not located on areas critical to the perpetuation of the wildlife species present.

Should a well discovery be made, this will create an impetus to develop the adjoining areas. The determination of the extent of this cannot be made at this time. If dry holes are discovered in these two locations, this lessens the possibility considerably that further oil and gas tests will be conducted here.

No rare or endangered species are known to be inhabiting the project area.

G. Impacts to Recreation -

Recreational use patterns could change significantly if the proposed road is not closed permanently, assuming that dry holes are found and the road would be no longer usable.

Should a discovery be made and the access road remains open, an opportunity for broadened recreational use of the Book Cliffs would be presented.

Left uncontrolled and not managed as a new recreational opportunity, the Book Cliffs area would be open to a variety of uses and/or abuses by the general public.

H. Impacts on Vegetation -

It is anticipated that impacts to existing vegetation will not be significant. The 24-30 acres previously mentioned under "Impacts on Livestock Grazing" will be placed out of production on an interim basis.

Approximately 40 sawtimber trees will be felled in the course of constructing the pad for #2-411.

Road Access to this area will improve the vegetation management possibilities available for use here. Fire management, range management, watershed management and vegetative treatments for other objectives would be enhanced with road access for equipment.

I. Impacts on Historical/Archeological Sites -

Since no positive findings have been made in the archeological survey thus far, it can be stated that none of these resources that are known about will be disturbed. Further surveys by the State Archeologist will provide more input on this subject.

J. Socio-Economic Impacts -

Potentially, if a discovery is made, both Grand County and Utah citizens can benefit from such a new development.

Specifically, how much economic benefit is presently derived from grazing and recreational pursuits related to the area is undetermined, but it is thought to be small; thus, a cost benefit analysis is not presented here.

It is equally difficult to evaluate the State-owned block strictly as a roadless area.

IV. MITIGATIVE MEASURES INCLUDED IN THE PROPOSED ACTION:

Two scenarios must be presented to adequately describe all possibilities under mitigative measures.

Under case one, with no discoveries of oil and/or gas made, the mitigative measures would include a closing of the road following the stabilization of all activities on the ground (road and pad). The road would be closed to prevent any further access by blocking with explosives or road demolition by other means.

The second case would include a continual road maintenance job to upgrade and create a haulage way for petroleum products and further exploration equipment. Should discoveries be made, the general site and road edges would be stabilized in much the same way as dry holes except that space would be left for regular vehicle traffic to production facilities.

In either case, water bars and other appropriate erosion control methods will be utilized to reduce erosion and resultant siltation of water courses to the maximum extent practicable.

One mitigative measure implicit in this proposal is the operator's choice of sites and road location. This choice will cause the least possible environmental degradation in exercising his rights as a State mineral lessee.

In addition to planting vegetation as a facet of the stabilization plan, Anschutz will also improve species composition and quantity of the available livestock and wildlife forage.

Efforts will be made by Anschutz to conserve any commercial sawtimber so that it can be utilized by the timber industry. All commercial logs over eight inches DBH will be cut to 16-foot lengths and stacked at the location for disposition by the Division of State Lands. If desired, the company will

replant the site at #2-411 with tree seedlings if the well is not productive.

V. ALTERNATIVES TO THE PROPOSED ACTION:

1. Denial of the Proposed Action -

To deny the drilling of these wells would be counterproductive to the resolution of our nation's current energy crisis. Further, it would deny to both the citizens of the State and the operator a potential income which could be derived from the sale of hydrocarbons.

Effective management of the State's resources would not be served by denying this operator his right to develop valid mineral leases.

2. Permit Access by Air Only to the Project -

Air access has been considered on other similar projects and has not proven to be a viable alternative, since air-transported drilling rigs are not available in the Continental United States.

3. Permit Access by an Alternative Land Route -

This prospect is possible, but would cause more up-front money to be spent in choosing an alternative land route and planning for same.

It is the authors' opinion that the route chosen is preferable to any other access investigated thus far.

4. Permit the Project as Presented -

This action could be permitted with the stringent and constructive governmental constraints, and if successful, could be a source of vitally needed hydrocarbon energy. If not successful, the area could be returned to a very close approximation of original conditions. The long term productivity of the area would not be endangered, due to the relatively short life of the project, even if successful.

VI. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENTS OF RESOURCES INVOLVED IN THE PROPOSED ACTION:

The depletion of the oil and/or gas reservoir, if in the event such a reservoir is found, would constitute an irreversible action. However, the present utilization of this resource would be a valuable and beneficial contribution, in light of current energy demand conditions. Maintaining a possible reservoir in the ground is of no benefit to man's activities.

Since the roadless quality of this area is due to man's non-incursion in previous years, it exists by default. The commitment of the oil and/or gas resources was made previously in line with the State's School Land leasing policy to gain revenue. This proposal is merely a design to develop that commitment.

VII. RECOMMENDATIONS:

Due to the fact that the benefits possibly to be gained from this proposed short term action seem to outweigh the minimal environmental disturbance and conflicting land use desires, it is recommended that this project be allowed as originally proposed.

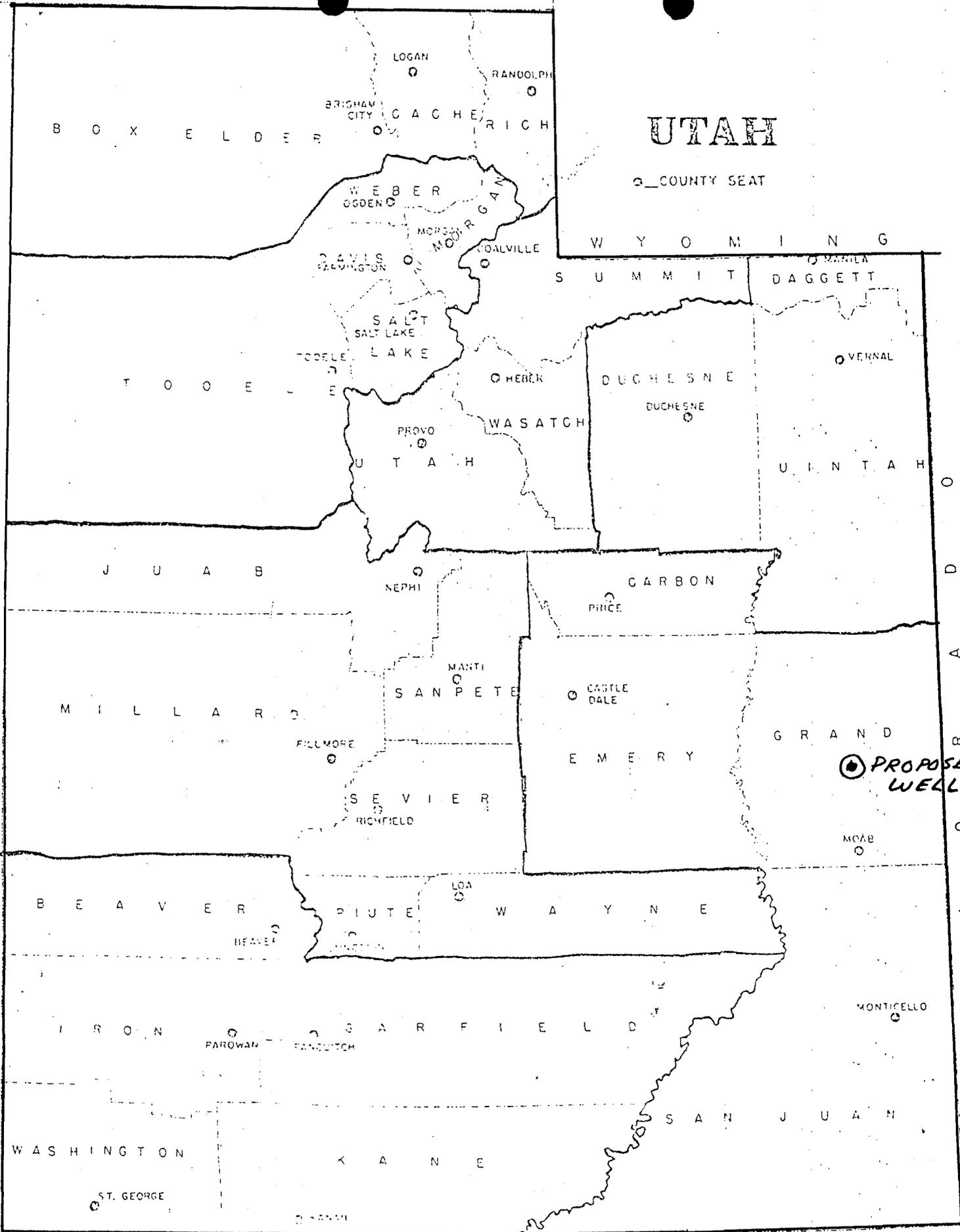
Alternative 3 "Permit Access by an Alternate Land Route" is the authors' second choice.

I D A H O

# UTAH

○ COUNTY SEAT

A  
D  
A  
V  
E  
N



W Y O M I N G  
S U M M I T  
D A G G E T T

● PROPOSED WELLS

O  
D  
A  
R  
O  
L  
C  
C

A B I Z O N A



1110 DENVER CITY BUILDING  
510 WEST 17TH STREET  
DENVER, COLORADO 80202  
TELEPHONE 333-5665

July 1, 1977

Mr. Pat Driscoll  
Chief Petroleum Engineer  
Division of Oil, Gas and Mining  
State of Utah  
1588 West North Temple  
Salt Lake City, Utah 84116

Re: Alternate Access Road for  
State 402 and 411 Well Sites

Dear Mr. Driscoll:

As we discussed by phone today I am submitting to you a possible alternate access route to State 402 and 411 sites. This route has been flagged and is therefore ready for antiquity inspection.

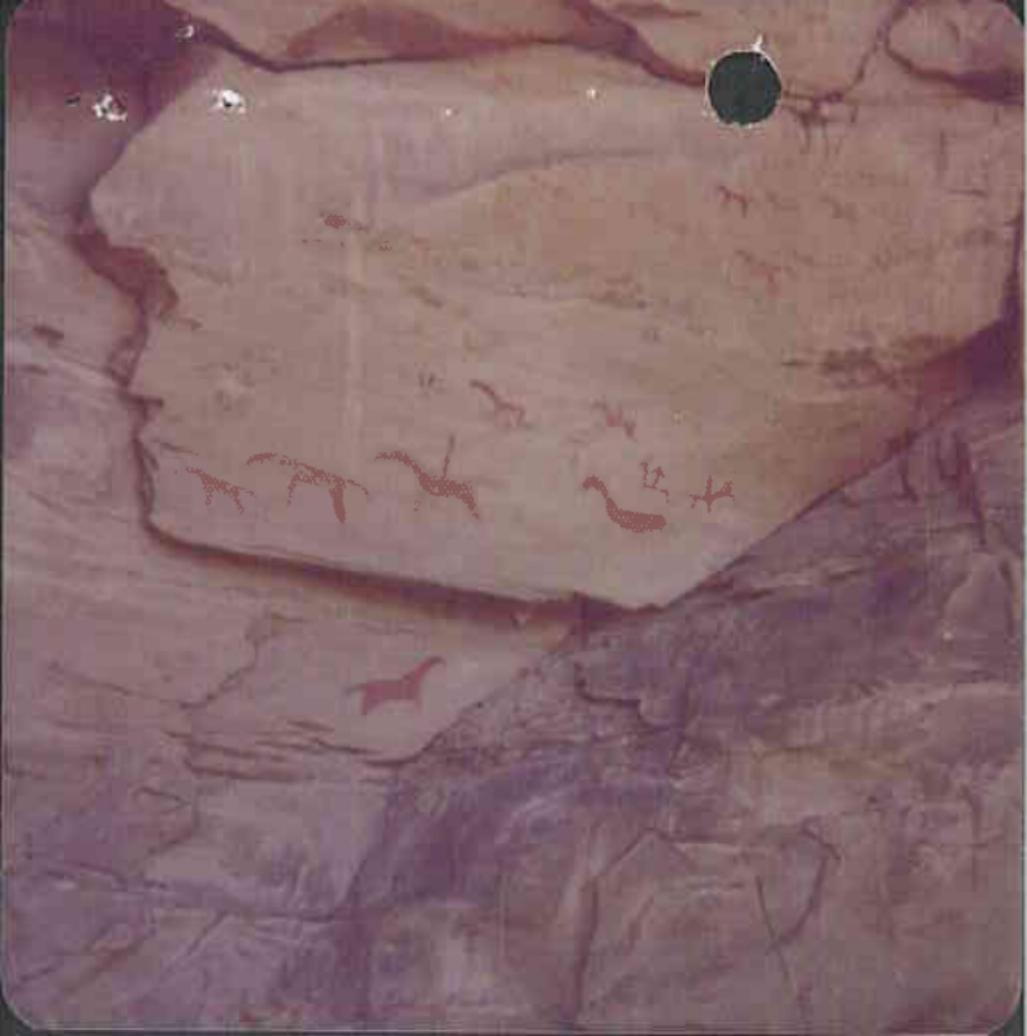
Generally, this access appears to be better both in terms of environmental and construction considerations. This route was flown yesterday with Mr. Donald Smith of the Division of Wildlife. This access was also walked by Harold Loach to analyze construction feasibility and by Mr. George Fentress (environmental consultant) and myself to analyze environmental considerations. If you would like to discuss all of the reasons for the superiority of this access alternative, possibly this could be done best at the actual location. Please indicate if you desire this.

This route heads north from State No. 411 location on the top of ridge to No. 402 location. From here the road continues north on a bench approximately  $\frac{1}{2}$  of the way down the west side of the West Ridge. This portion extends for about 2 miles. At this point the road would switch back to the canyon floor where from this area to the mouth of the canyon the floor is sufficiently wide enough for the road. The road would then turn northeast for approximately one mile in East Willow Creek Canyon. The road then travels north up through the first small canyon onto the top.

Since you indicated you would like this letter by July 5, I will not go into any further detail at this time. Please let me know if you have any questions or would like to see this alternative. Thank you.

Sincerely,  
*W. Lee Kuhre*  
W. Lee Kuhre by BU  
Operations Coordinator  
Environmental Specialist

WLK:lv



approx. N/2 NW/4 LOT 4

Sec 18-175-21 E

Gard County Utah

Facing Northwest into  
recessed cliff face  
Petrographs on a slab  
about to fall off.



# ENVIRONMENTAL ENGINEERING COMPANY

Professional Engineering Services

P. O. Box 3341  
Casper, Wyoming 82601  
Phone (307) 234-6186

1645 Court Place  
Suite 229  
Denver, Colorado 80202  
Phone (303) 892-1506

CIRCULATE TO

- DIRECTOR \_\_\_\_\_
- PETROLEUM ENGINEER \_\_\_\_\_
- MINE COORDINATOR \_\_\_\_\_
- ADMINISTRATIVE ASSISTANT \_\_\_\_\_
- ALL \_\_\_\_\_

RETURN TO: *Scheree*  
FOR FILING

July 26, 1977

Scheree Wilcox  
Utah Oil & Gas Comm.  
Salt Lake City, Utah

Re: Petrographs  
Grand Co., Utah

Dear Scheree:

It was good meeting you last week, especially after all the good help you and the others there have given Anschutz and myself. We all do sincerely appreciate it.

As mentioned to you and Ron Daniels the other day, there are some petrographs in the approximate NE NW of Lot 4 Sec. 18-T18S-R21E of Grand County. I enclose a surveyors plat prepared that you can use to identify where the cliff with petrographs is located.

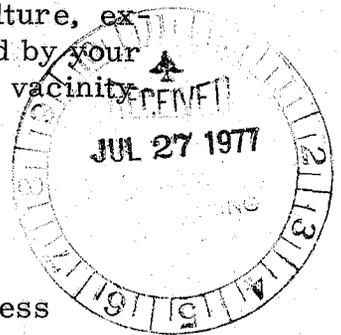
It is a hard walk in off the jeep trail (a very good trail) on Steer Ridge (where Jack, Pat and I traveled) down the southwestward draw to the area. The route is flagged, unless removed by animals or others.

I suggest that the petrographs be removed, since the slab is going to fall someday anyway, as can be seen in the photograph. Also, we who viewed this question its authenticity. We also observed very little around the area but what it was quite washed away or silted in. The general area could have sustained indian culture in the bottom of East Willow Creek, but it is quite dubious if any remnants would be found, except petrographs such as this, due to heavy use by animals, man, and especially because of erosion, etc.

Would you kindly show this to Jack and advise him of this. I do believe that any road into this area would have little effect on this culture, except possibly at the site itself and the site should be examined by your archaeologist. A road into the area will avoid the immediate vicinity of the petrographs.

Best Wishes!

*George H. Fentress*  
George H. Fentress

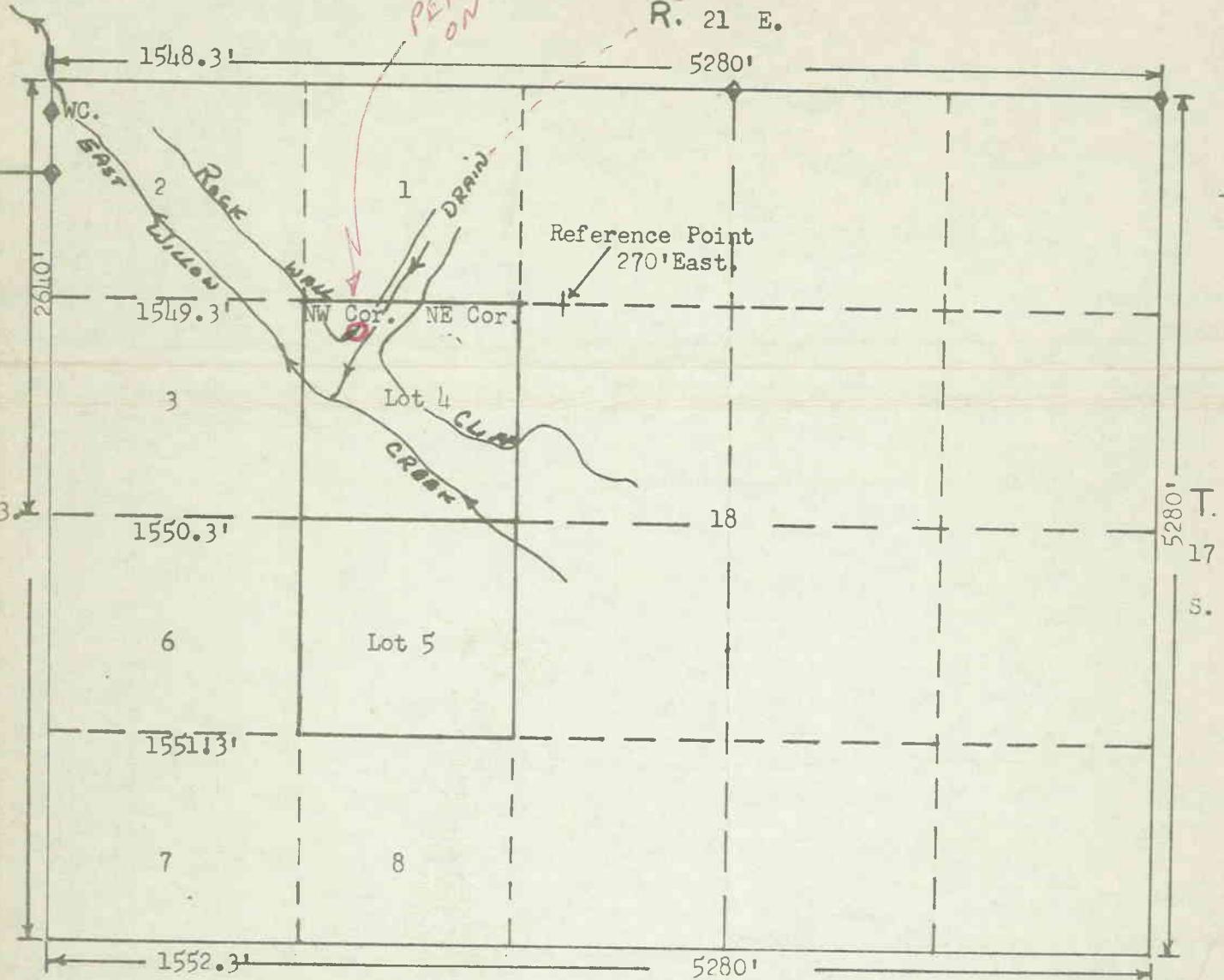




PETROGRAPHS  
ON CLIFF

R. 21 E.

N



Scale 1" = 1000'

Powers Elevation Company, Inc. of Denver, Colorado  
 has in accordance with a request from George Fentress  
 for The Anschutz Corporation  
 determined the location of Northwest & Northeast Corners Lot 4  
 to be Section 18 Township 17 S.  
 Range 21 East of the Salt Lake Base and Meridian  
 Grand County, Utah

I hereby certify that this plat is an  
 accurate representation of a correct  
 survey showing the location of  
 Northwest & Northeast Corners Lot 4.

Date: 7-7-77

*T. Nelson*  
 Licensed Land Surveyor No. 2711  
 State of Utah





# ENVIRONMENTAL ENGINEERING COMPANY

Professional Engineering Services

P. O. Box 3341  
Casper, Wyoming 82601  
Phone (307) 234-6186

1645 Court Place  
Suite 229  
Denver, Colorado 80202  
Phone (303) 892-1506

July 19, 1977

Cleon Feight  
Utah Oil & Gas \$ Mining  
1588 West, North Temple  
Salt Lake City, Utah 84116

RE: Permits to drill  
Anschutz Corporation  
Various wells  
Grand Co., Utah

Dear Cleon:

Enclosed are several items on the above with comments or questions, as follows:

- (1) REVISED TYPE OF WORK ON 9-331C AND ACRES ASSIGNED:  
On Anschutz #1 & #2 Federal 675 and #1 Federal 104, and  
#1, #2, #3 and #4 Federal 335

AMEND TO READ: "Oil Well or Gas Well" "single or multiple zones" (1a and 1b).  
"40-acres or 80-acres, if an oil well", and  
"160-acres or as spaced, if gas well, and  
to not produce from same gas zone horizon  
of any other gas wells within the spacing  
unit area" (#17 on 9-331C).

Revised copies of Form 9-331 C are enclosed for changes.

- (2) ANSCHUTZ #1, #2, #3 and #4 FEDERAL 335:

It is possible I have not sent you applications for permission to drill the four wells. Therefore these applications are enclosed, together with location plats and maps.

- (3) STATUS OF REQUESTS TO DRILL BY ANSCHUTZ:

I enclose a three-page status sheet of wells ready or being prepared to drill by Anschutz, on which I have worked. Would you kindly examine this report and advise me of any changes from this or any reports that you might need. I believe all these wells have now been filed with you now, and, I am wanting to make certain that Utah has approved, or is about to approve, all of these locations as noted.

I am most appreciative of all the help you have given us there in the Oil, Gas and Mining Division.

Best wishes,

George H. Fentress  
Agent Consultant Anschutz

cc. Anschutz

July 11, 1977

Memo To File

PENDING?

Re: Alternate Access Road for  
State 402 and 411 Well Sites

This is the only alternate route submitted to date by Anschutz. It still commences at the South end. We have not considered this proposal to date, and to the best of my knowledge, Anschutz has not submitted a proposed access from the North.

PATRICK L. DRISCOLL  
CHIEF PETROLEUM ENGINEER

PLD/src



SCOTT M. MATHESON  
Governor

GORDON E. HARMSTON  
Executive Director,  
NATURAL RESOURCES

CLEON B. FEIGHT  
Director

OIL, GAS AND MINING BOARD

GUY R. CARDON  
Chairman

CHARLES R. HENDERSON  
ROBERT R. NORMAN  
J. DANIEL STEWART  
HYPERM L. LEE

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING  
1588 West North Temple  
Salt Lake City, Utah 84116  
(801) 533-5771

MEMORANDUM

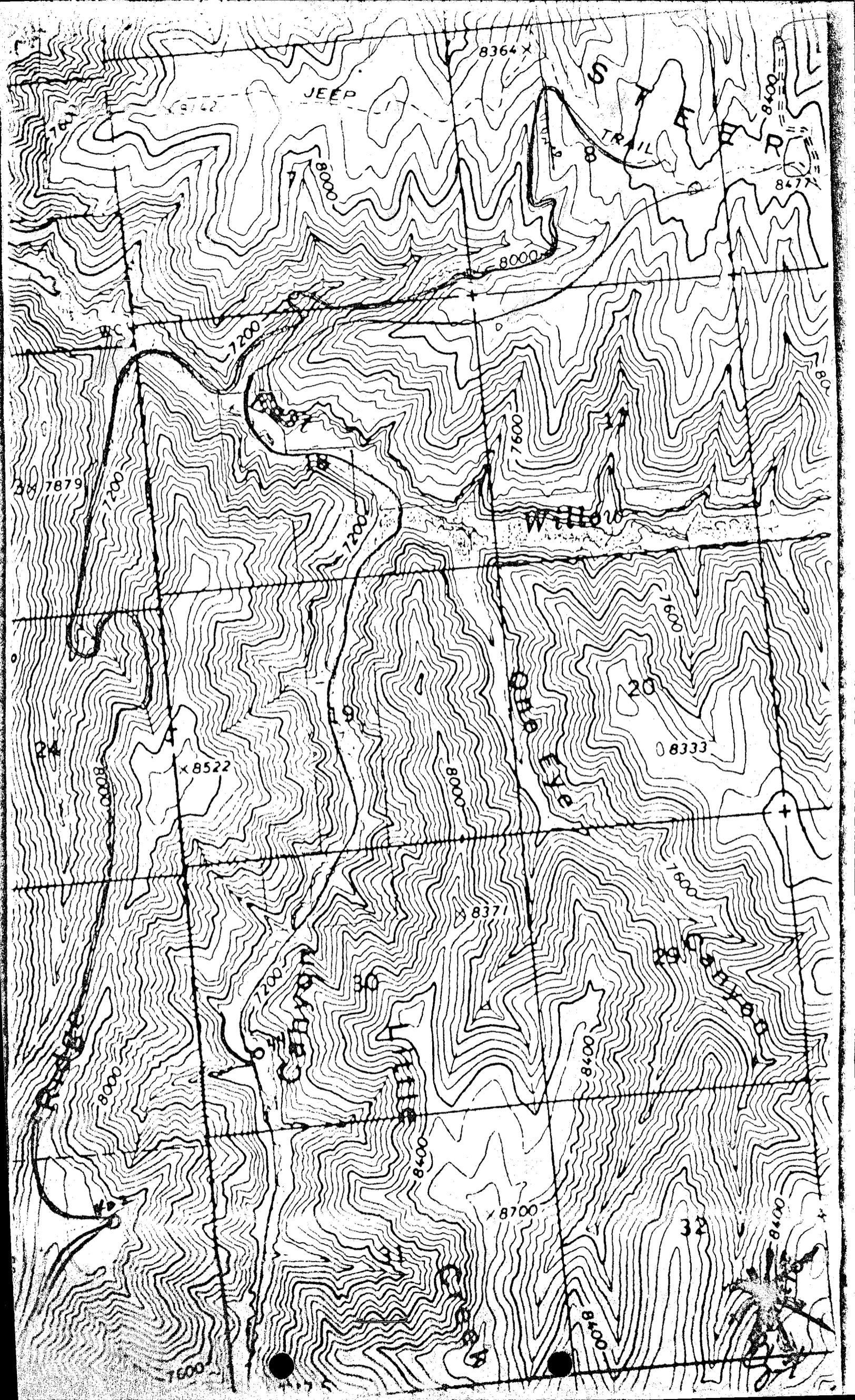
To: Environmental Coordinating Committee through Jean Lucas  
From: Ronald W. Daniels, Coordinator of Mined Land Development  
Date: July 11, 1977  
Subject: Addendum to the Anschutz #1-402 and #2-411 Wildcat oil and/or gas wells

Attached is a map of the revised access route which Anschutz proposes for well #1-402 and #2-411. The environmental assessment for this project was distributed at the July 5, 1977 E.C.C. meeting.

From location #1-402 shown on the map with the assessment you can follow the new access route to the north on the enlarged map. It is generally assumed that the impacts of this activity will be similar to that in the original proposal but a Division field investigation and examination by the archeologist will be conducted before a final determination is made.

Your comments on the new road route are welcome.

g.l



ACCESS ROUTES TO STATES 402 and 411

Considerations	South Route (Through Cunningham)		North Route (By Pass Cunningham)	
Amount of Blasting	Two days	-1	Thirty days	-4
Cost	180,000	-1	\$400,000 - 600,000 +	-4
Grade	5-15%	-1	15-30%	-3
Spring, summer, fall maintenance	Small	-1	Moderate	-2
Winter maintenance	Mod.	-1	Constant - Extreme	-2
Physical assistance (hoisting)	Required in bad weather only	+1	Constantly required	-2
Safety	Less hazardous	+1	Most hazardous (might loose someone)	-2
Amount of destruction to create	Moderate - 8 miles	-1	Great - 4 miles	-2
Amount of refuse from road onto other owners grazing land	Small	+1	Great	-1
Erosion problems created	Small	+1	Great-road on a very steep hill side	-2
Effect on wildlife	Moderate effect for 100 acres	-1	Moderate effect for 4500 acres	-3
Effect on water quality (Other than general drainage)	Directly in no minor or major drainages	+1	Directly in one minor and one major drainage. Indirect access to 20 drainages.	-1
Amount of land road provides easy access to - if barrier breached	100 acres in roadless area	-1	4500 acres in roadless area	-3
Archaeological considerations	No archaeological findings	+1	Petrographs could be destroyed	-2
Ability to control barrier during operations	Harder	-1	Easier	+1
Ability to destroy complete road	Easier	+1	Impossible to restore to original	-2
Ability to revegetate	Easier	+1	Harder	-1

# of Negative Aspects -9 -36

# of Positive Aspects +8 +1

-1 -35

ACCESS ROUTES TO STATES 402 and 411

Considerations

South Route  
(By Pass Cunningham)

North Route  
(Through Cunningham)

Considerations	South Route (By Pass Cunningham)		North Route (Through Cunningham)	
Amount of Blasting	Five days	-2	Fifteen days	-3
Cost	250,000 dollars	-2	250,000 dollars	-2
Grade	15-20%	-2	15-30%	-3
Spring, summer, fall maintenance	Small	-1	Moderate	-2
Winter maintenance	Med.	-1	Constant - Extreme	-2
Physical assistance (hoisting)	Probably not required	-1	Constantly required, because of steep grade	-2
Safety	Less hazardous	+1	More hazardous	-1
Amount of destruction to create	Moderate - 9 miles	-2	Great - 4 miles	-2
Amount of refuse from road onto other owners grazing land	Small	+1	Great	-1
Erosion	Med	-1	Great - Road on a very steep hill side	-1
Effect on wildlife	Moderate effect for 4500 acres	-3	Moderate effect for 4500 acres	-3
Effect on water quality (other than general drainage)	Directly in one major drainage. Indirect access to 20 drainages	-1	Directly in one minor & one major drainage. Indirect access to 20 drainages.	-1
Amount of land road provides easy access to - if barrier breached	4500 acres in roadless area	-3	4500 acres in roadless area	-3
Archaeological considerations	No archaeological findings	+1	Access to petroglyphs	-1
Ability to control barrier, during operations	Harder	-1	Easier	+1
Ability to destroy complete road	Easier	+1	Virtually impossible	-1
Ability to revegetate	Easier	+1	Harder	-1

# of Negative Aspects -20

-29

# of Positive Aspects +5

+1

-15

-28

# THE ATTORNEY GENERAL



**STATE OF UTAH**  
STATE CAPITOL · SALT LAKE CITY 84114  
(801) 533-5261

· **ROBERT B. HANSEN**  
ATTORNEY GENERAL  
· **MICHAEL L. DEAMER**  
DEPUTY ATTORNEY GENERAL

August 25, 1977

Charles R. Hansen, Esquire  
Director  
Division of State Lands  
Department of Natural Resources  
105 State Capitol Building  
Salt Lake City, Utah 84114

Re: Request dated August 17, 1977, for a legal opinion with respect to (a) rights of Anschutz Corporation as holder of 1971 subsisting State oil, gas and hydrocarbon mineral leases covering State lands in Grand County, Utah, and (b) as to the extent of authority of the Division of State Lands to deny or restrict access by the State's lessee to any of its proposed drilling sites.

Dear Mr. Hansen:

Your request for a legal opinion dated August 17, 1977, relating to the above captioned subject-matter, has been referred to the undersigned with instructions for expeditious preparation of such opinion. Attached to your request is an undated "MEMORANDUM - SUBJECT: Roadless Area in the Book Cliffs State Land Block". There is appended to this report and opinion, a copy of a legal opinion dated September 10, 1976, issued in response to a request of Cleon B. Feight, Esquire, Director of the Division of Oil, Gas and Mining, pertaining to an application filed by Anschutz Corporation for a drilling location within the SE 1/4 SW 1/4 of Section 32, Township 18 South, Range 21 East, Salt Lake Meridian, under State oil, gas and hydrocarbon mineral lease ML 27414. Your office a year ago at the request of the undersigned furnished copies of minutes of the Board of State Lands relating to the withdrawal of the area from further mineral leasing. Although the application of Anschutz for a permit to drill at the site referred to in the opinion dated September 10, 1976, subsequently was withdrawn, that opinion is relevant to the current inquiry for the reason that such opinion referred to the authority of the Board of State Lands and of the Division of State Lands in granting access of a lessee over State lands.

The Division of Oil, Gas and Mining, by virtue of Sec. 40-6-15, U. C. A. 1953 as amended is "the oil, gas, and mining regulatory body for the State of Utah." That division has the authority to approve applications for drilling permits whether the proposed drill-site is on State land or on private land. Having been advised that the original application of Anschutz for permit to drill a well under mineral lease ML 27414 on Section 32, T18S, R21E, 61M, was abandoned or withdrawn, upon receipt of a copy of your request, I asked the

Charles R. Hansen, Director  
Division of State Lands  
LEGAL OPINION  
August 25, 1977  
Page 3

light of investigations then made, it was stated in the legal opinion to the Director of the Division of Oil, Gas and Mining, dated September 10, 1976, paragraph 6, on page 3, as follows:

"6. In reviewing the order of August 21, 1975, for establishment of a roadless area, it appears to me that the Board of State Lands manifested no intention to rescind nor to cancel any valid mineral lease nor other contracts not in default. Nor do I construe that order as designed to prevent reasonable access to leasehold areas by lessees of the State of Utah holding valid mineral leases or valid contracts with Lessees holding State leases. That order does not abrogate any rights of State's lessees." (Underscoring added).

In the first paragraph on page 2 of your request for legal opinion, you state:

"Recently The Anschutz Corporation met with us and advised us that they would like to set up an oil and gas unit which would include almost all of the roadless area. They explained that their geology indicated that the prime locations showing the most promise for recovery of crude oil and gas were located in this area, and they expressed their intent to move in and begin drilling operations. They, of course, would have to get formal approval from the Division of Oil, Gas, and Mining as to the exact location of drilling and for the drilling procedures as well."

In the second paragraph on page 2, you mention: "We find there is a large amount of opposition to having Anschutz move in on this property." You further state that it "appears at this time that Anschutz is determined to exercise its rights. This leads us to the following questions on which we would like to have your legal opinion." The first question actually involves two separate questions, so that it is desirable to answer each one separately:

"1. Does the granting of oil, gas and hydrocarbon lease at all times give the implied right to the lessee to explore for oil and gas and ultimately drill for these products?"

ANSWER: Yes. However, an examination of the State oil, gas and hydrocarbon mineral leases issued by the Division of State Lands in 1971, not only shows an implied right, but an express right to explore for and drill for oil and gas, as illustrated by the language of each of the mineral leases. Quoting from Section 1 of State mineral lease ML 27402, dated March 24, 1971, issued to The Anschutz Corporation, under the heading of "RIGHTS OF LESSEE", it is provided

"That Lessor, in consideration of the rents and royalties to be paid and the covenants and agreements hereinafter contained and to be performed by Lessee, does hereby grant and lease to Lessee the following described tract of land in the County of Grand, State of Utah, to wit:

(Description of lands leased includes portions of Section 34,  
all of Section 35, and all of Section 36, Township 17 South,  
Range 20 East, Salt Lake Meridian)

"containing 1,760.00 acres, more or less, for the purposes and with the exclusive right of prospecting for, of mining for, of excavating, quarrying, or stripmining for and/or drilling for oil, natural gas, elaterite, ozocerite, other hydrocarbons \* \* \* but excluding coal, gilsonite, and oil shale \* \* \* and producing, taking and removing such substances from the above described lands, the Lessee to have the rights to construct and maintain on said lands all works, buildings, plants, waterways, roads communication lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, subject, however, to the conditions hereinafter set forth." (Underscoring added).

"1. \* \* \* What would be the effect on any such implied rights of designating the land as a roadless area after the granting of the leases?"

ANSWER: None. As above indicated the rights granted are not just "implied rights", but express rights stated in some detail. As stated in the opinion to Cleon B. Feight, Director of the Division of Oil, Gas and Mining, dated September 10, 1976, "the Board of State Lands manifested no intention to rescind nor to cancel any valid mineral lease nor other contracts not in default", by the order, dated August 21, 1975, which designated a "roadless area". Nor did the undersigned "construe that order as designed to prevent reasonable access to leasehold areas by lessees of the State of Utah."

Article I, Section 10 of the Constitution of the United State forbids any State to pass any law "impairing the obligations of contracts." Such constitutional interdiction would apply with equal force against any State Board or administrative agency.

"2. Could we defend the position that it was in the public interest for roads not to be made in this roadless area and, therefore, deny them the right of entering at all?"

ANSWER: No. These lands held under oil, gas and hydrocarbon leases by The Anschutz Corporation, are assets of the Permanent School Fund, which is a permanent trust fund under Article X, Section 3 of the Constitution of Utah. By Section 5 of said Article X, it is provided that the proceeds of all lands granted by the Act of July 16, 1894, shall "constitute permanent funds, to be safely invested and held by the State; and the income thereof shall be used exclusively for the support and maintenance of the different institutions and colleges, respectively, in accordance with the requirements and conditions of said Acts of Congress." By Section 7, it is specified

Charles R. Hansen, Director  
Division of State Lands  
LEGAL OPINION  
August 25, 1977  
Page 5

that "All public School Funds shall be guaranteed by the State against loss or diversion ." It appears from my investigation that the Director and the Board of State Lands during the past six years, in which I have been assigned to do the regular legal work for the Division of State Lands, have followed a policy of issuing mineral leases for the benefit of the respective trust funds to obtain the maximum revenue authorized by law for those trust funds. Lessees under valid State mineral leases, of course, are entitled to exercise their contract rights under their mineral leases to establish such roads as may be reasonably necessary to drill oil and gas wells on existing leaseholds.

"3. Could we defend the position that it was in the public interest to leave this area in its pristine condition and refund their lease rentals and deny them the right of access and drilling?"

ANSWER: No. Inasmuch as the mineral leases in question are assets of the Permanent School Fund, a trust fund established by the Constitution of Utah, and those mineral leases are not in default, it could not be contended as a matter of law that it is "in the public interest" to cancel the leases and merely refund the money paid as rentals, when there are contract rights from the State giving the lessee the right to drill for oil and gas, protected by Federal, as well as State, constitutional provisions.

No valid evidence has been presented from any source to warrant any conclusion that it would be "in the public interest" to deny drilling for oil and gas on these trust fund lands.

"4. If they were agreeable to rescinding their leases upon our paying their costs in the matter, would such costs include only the lease rentals or would they include all of the exploration and other costs in addition to the amount of the lease rentals?"

ANSWER: This question is based on an assumption which the undersigned

does not believe to be valid. Counsel for Anschutz has indicated that his company will not relinquish. The undersigned does not believe that Anschutz would entertain any proposal for rescission which would omit all of its exploratory costs, if it would consider rescission at all.

Question 5 is subdivided into parts (a), (b) and (c). There is a general answer to question 5 independent of the answers to subdivisions.

"5. To what degree could we insist on the exact route for their coming into the area to reach the proposed drilling sites?"

ANSWER: IN GENERAL: The State as owner of the surface estate is entitled to insist on means and methods which are reasonable and not arbitrary nor capricious. As pointed out in the opinion dated September 10, 1976, the Division of State Lands might disallow the establishment of a public road, require a gate at the entrance which would be controlled by a lock and a watchman, while drilling operations are conducted. The State might reasonably require that in the event the well were not a producer that the entrance, at an appropriate place, be blocked, to avoid general use by the public. From the standpoint of engineering, a great variety of means of access are possible. The State might initially require that the road be a temporary one, with access by the lessee's contractors, operators, and by State employees having to do with inspection, investigation, and compliance with State regulations. If there is production, a more permanent type of road might be in order. If it becomes necessary to cross State land other than within the particular leasehold, it might be proper to require a temporary special use lease or permit for access purposes.

"5. \* \* \*

"a. Since the area has been designated as a roadless area, which automatically includes more environmental restrictions, could we hold them to a more restricted degree of reasonable access than we otherwise could even though the roadless area designation came after the leases were granted?"

ANSWER: In view of the fact that the lease was validly issued, the lessee would be entitled to access, and to explore, prospect for, and to mine and drill by appropriate methods by virtue of the rights expressly granted by the lease. As stated September 10, 1976, by the undersigned, the so-called order for a roadless area, actually could not be construed to cancel any mineral leases. The authority to withdraw the area from further mineral leasing until further action of the Board of State Lands apparently is not challenged. That authority is granted by Section 65-1-45 as amended. One of the purposes of that grant of authority is to make careful investigation of mineral leasing opportunities, and to take lands potentially valuable for minerals off the market temporarily and to permit the State to obtain a higher bonus bid, when opened for leasing under simultaneous bidding procedures.

Charles R. Hansen, Director  
Division of State Lands  
LEGAL OPINION  
August 25, 1977  
Page 7

I am not able to assume that designating the area as a "roadless area" "automatically includes more environmental restrictions". Such a designation after issuance of the leases could not unilaterally impose on the lessees greater burdens than those actually contracted by them.

"5. \* \* \*

"b. Could we go so far as to insist that they bring all of their equipment to the drilling site by helicopter or some similar method and thus obviate the necessity for such roads?"

ANSWER: No. Such a requirement would be arbitrary and capricious, inasmuch as the designation of "roadless area", occurred after issuance of the leases. The lease expressly granted the right to build roads. Information furnished on inquiry as to costs of helicopter services would indicate that such a cost would be prohibitive.

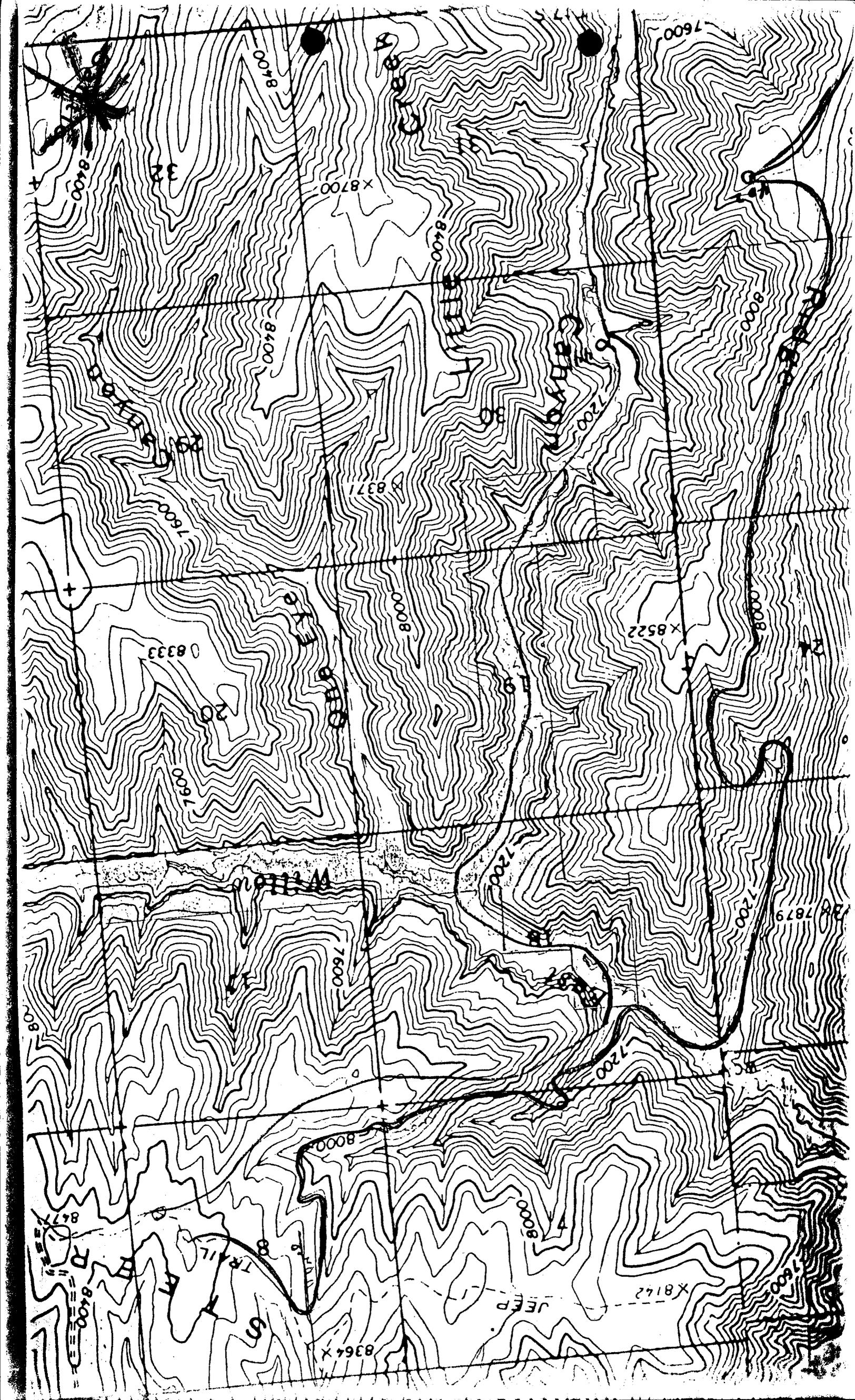
"5. \* \* \*

"c. So long as our suggested route was practical (by road and not by helicopter means), could we insist that they accept such route even though they would prefer another route?"

ANSWER: Yes, if the route proposed by the State were reasonable and did not create unreasonable hazards or impose specifications which would not facilitate access. The lessee likewise would not be entitled to select a route nor a type of road which would unreasonably promote erosion. Properly constructed roads can reduce the hazards of erosion. Unstable areas can be made stable by certain types of road construction.

The undersigned now refers to the provisions of Section 5 of each of said mineral leases held by Anschutz, "RIGHTS RESERVED TO LESSOR", set out in detail on pages 2 and 3 of the opinion dated September 10, 1976. The Division of State Lands as Trustee of the assets of the Permanent State School Fund, as owner of the surface in a trust capacity, regardless of any "roadless designation", would have the right to determine whether the access road shall be a public road or a private road or a temporary road or a permanent road; and also to terminate the temporary road if there is no production resulting from drilling operations.

While in private law practice, between 1936 and 1941, and also during a period of 1951 and 1964, the undersigned examined proposed drill sites and proposed routes for access roads, with engineers and others. During a period of more than 20 years, as a diversion from the practice of law, the undersigned supervised construction of more than 7 miles of mountain roads on privately owned





LAW OFFICES

PRUITT & GUSHEE

79 SOUTH STATE-SUITE 400

SALT LAKE CITY, UTAH 84111

(801) 531-8446

ROBERT G. PRUITT, JR.  
OLIVER W. GUSHEE, JR.  
PHILLIP WM. LEAR

September 16, 1977

Honorable Scott M. Matheson  
Governor of the State of Utah  
State Capitol Building  
Salt Lake City, UT 84114

Dear Govenor Matheson:

A report in the Salt Lake Tribune on September 11 erroneously states that Anschutz Corporation has offered to sell back its 66,000 acres of state leases for \$6.5 million. Mike Youngren assures me that you made no such statement, and you certainly know that the company has not made any such offer. However, the news report has created the false impression that "for a price" Anschutz would abandon development and sell its leases back to the State.

As the sole representative of Anschutz Corporation on the helicopter inspection of September 10, I want to deny that any such offer was made, or even discussed. It would be ridiculous for the State to spend tax money or School Funds to buy a valuable oil property merely to lock it up. But since false impressions die slowly, if at all, unless explained away, I feel compelled to explain the company's position, and the reason why the company has been meeting with so many state agencies.

In 1971 Anschutz purchased oil and gas leases from the State of Utah covering most of a large block of state lands which were specifically acquired in the 1960's by the State Land Board because of their mineral potential (bituminous sands, oil and gas, and coal). During 1975 the Utah Division of Wildlife Resources convinced the State Land Board that a roadless area should be established to provide for "a select wilderness hunting experience" and "a quality big game hunting unit" where a restricted number of hunters could enjoy "hunting relatively unmolested by the activities of other hunters".\*

I cannot imagine what statutory authority the Land Board relied upon in "declaring a roadless area", but they were apparently

---

\*Statements in quotes are exact quotations from the DWR proposal dated May, 1974, on file in the Division of State Lands.

Honorable Scott M. Matheson  
Page Two  
September 16, 1977

unmindful at the time that Anschutz Corporation already held state and federal oil and gas leases covering virtually the entire proposed area. All of the Anschutz leases expressly grant to the lessee an unrestricted right of access, including the right to build roads, for the purpose of exploring and producing leased mineral deposits. Two recent Utah Attorney General opinions clearly confirm these expressed rights of the lessee.

In 1976 Anschutz first learned that the "roadless area" had been established in 1975 for the benefit of the Division of Wildlife Resources, when Anschutz sought to form an oil and gas drilling unit. Numerous meetings were held with the staff of the Division of State Lands in an effort to reach an agreement on proposed drill sites and the establishment of necessary access roads. Environmental studies by the Utah Division of Oil, Gas and Mining led to the approval of three drilling locations within the roadless area and necessary access roads into the area from existing public roads to the south. Anschutz is most anxious to drill two of these approved locations, both involving wells situated on Went Ridge and accessible by a new road to be built along the open sage brush flat top of the ridge connecting to an existing public road at the head of Segoe Canyon. These are the well sites and the road route which you inspected by helicopter on September 10.

The Division of Wildlife Resources has taken the position that the company should abandon its plans for drilling and road access within the roadless area, but that is simply not possible. Only when DWR concluded that an oil lessee could not legally be stopped, did they suggest that state monies might be expended to keep the area undeveloped for the benefit of hunters.

When Gordon Harmston requested that we meet in your office on August 15, we believed that you intended to resolve the conflict among the three agencies of the Department of Natural Resources - Wildlife Resources, Oil, Gas and Mining, and State Lands - created when the State Land Board promised an impossible "lock up" of the Book Cliffs area for the benefit of DWR and a select group of hunters. A decision by your office was postponed pending review by at least two additional committees, and eventually to permit your personal inspection of the area in controversy. During that period we read several distorted newspaper accounts of the purpose and the results of these deliberations, which have only served to further confuse the issues.

Honorable Scott M. Matheson  
Page Three  
September 16, 1977

Your most recent request, that the director of still another state agency, the Utah Geological and Mineral Survey, review certain of the company's confidential geological and geophysical data, was agreed to in the hope that his report would convince you of the necessity of drilling at the proposed locations. Somehow this most recent development was divulged to the press along with false information that Anschutz was offering to sell back to the State its oil and gas leases for several million dollars. At this stage I became distressed that the company's good faith efforts to cooperate with the several state agencies, and with your office, are only resulting in delays, rather than an acceptable resolution to a problem created by the 1975 Land Board action.

The environmental reports conclude that the drilling and road building activities will cause no lasting damage unless a major oil field is developed. The only remaining expressed concern is that the general public will utilize a new road to uncontrollably overrun the area, causing damage to the environment and frightening the wildlife. The company has agreed to safeguards and restoration which will adequately prevent that possibility. I submit that the real issue is the determination of DWR that a hunting area be maintained at any cost for a select few hunters, from which the public and any oil lessee must be barred. Only your office can convince DWR that drilling and road access cannot be legally prevented, and that a cooperative attitude is necessary to assure the best planning.

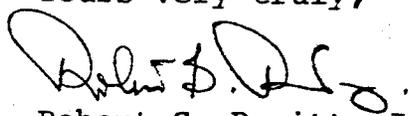
It would be greatly appreciated if, promptly after the Director of the Geological and Mineral Survey reports to you regarding our scheduled meeting on September 21, your office or the Department of Natural Resources would sit down with Anschutz personnel to mutually decide upon the route onto Went Ridge which will best satisfy all the competing concerns in this matter. Based on that mutual decision, Anschutz Corporation will make the necessary preparations for access to the approved drillsites and accomplish the work involved. Further unjustified delays cannot be permitted, since road building and drilling operations during the winter will increase costs and result in damage to the environment.

Copies of this letter are being directed to the affected state agencies in an effort to dispell some of the growing

Honorable Scott M. Matheson  
Page Four  
September 16, 1977

confusion concerning the company's intentions and plans for action. Anschutz Corporation has a genuine desire to cooperate with the State of Utah in any reasonable manner, but it has no intention of abandoning this large and very important drilling project.

Yours very truly,



Robert G. Pruitt, Jr.  
Attorney for The Anschutz  
Corporation

RGP:jo

cc Gordon Harmston, Department of Natural Resources  
Charles R. Hansen, Division of State Lands  
Cleon B. Feight, Division of Oil, Gas & Mining  
Don Smith, Division of Wildlife Resources  
Howard Ritzma, Geological and Mineral Survey  
Paul E. Reimann, Assistant Attorney General

September 22, 1977

Mr. Philip Anschutz, President  
Anschutz Corporation  
1110 Denver Club Building  
518 - 17th Street  
Denver, Colorado 80202

Dear Phil:

Accompanied by State personnel and your representative Bob Pruitt, I have visited the roadless area by helicopter. I determined that we would have your technical data appraised by competent people in the Utah Geological and Mineral Survey.

Mr. Howard Ritzma and Mr. Josh Campbell have gone over the data with representatives of your concern. They concluded that the information you have amassed warrants a drilling program to determine the extent and value of any oil and gas reservoirs in the area.

Therefore, based on this information and the opinion from the Attorney General, I have concluded that we should allow access for this drilling effort. You expressed real commitment to the preservation of the environment and the values we seek to preserve.

After flying over the area, I am convinced that the State of Utah would prefer the northern route. I pledge the best efforts of the various interested divisions of State government to help you locate a road that would most nearly meet our needs.

Receipt of this letter will allow you to commence negotiations with the Division of State Lands to prepare an acceptable plan.

Sincerely,

Governor

SMM:geh

cc: Robert G. Pruitt  
Charles R. Hansen  
bcc: Donald Smith



SCOTT M. MATHESON  
Governor

OIL, GAS, AND MINING BOARD

GORDON E. HARMSTON  
Executive Director,  
NATURAL RESOURCES

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS, AND MINING

1588 West North Temple  
Salt Lake City, Utah 84116  
(801) 533-5771

I. DANIEL STEWART  
Chairman

CHARLES R. HENDERSON  
JOHN L. BELL  
THADIS W. BOX  
C. RAY JUVELIN

CLEON B. FEIGHT  
Director

September 24, 1977

The Anschutz Corporation  
1110 Denver Club Building  
Denver, Colorado 80202

Re: Well No's:

#1 State 402,

Sec. 36, T. 17 S, R. 20 E,

#2 State 411,

Sec. 23, T. 18 S, R. 20 E,

Grand County, Utah

Gentlemen:

In accordance with the September 22, 1977, letter from Governor Scott M. Matheson to Mr. Philip Anschutz, approval to drill the above referred to wells is hereby granted.

Should you determine that it will be necessary to plug and abandon this well(s), please notify the following immediately:

PATRICK L. DRISCOLL - Chief Petroleum Engineer  
HOME: 582-7247  
OFFICE: 533-5771

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the rig number and drilling contractor be identified.

The API number assigned to this well(s) is: #402-43-019-30397, and #411 - 43-019-30398.

Very truly yours,  
DIVISION OF OIL, GAS, AND MINING

CLEON B. FEIGHT  
Director

State  
(Secured)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

\*\* FILE NOTATIONS \*\*

Date: Sept. 27- Syoma Production  
Operator: ~~Gaschubert~~  
Well No: #1 State 402  
Location: Sec. 36 T. 17S R. 20E County: Snaud

File Prepared:  Entered on N.I.D.:   
Card Indexed:  Completion Sheet:

API NUMBER: B-019 30394

CHECKED BY:

Administrative Assistant [Signature]

Remarks:

Petroleum Engineer [Signature]

Remarks:

Director [Signature]

Remarks:

INCLUDE WITHIN APPROVAL LETTER:

Bond Required: OK state Survey Plat Required:

Order No.  Surface Casing Change   
to \_\_\_\_\_

Rule C-3(c), Topographic exception/company owns or controls acreage  
within a 660' radius of proposed site

O.K. Rule C-3  O.K. In \_\_\_\_\_ Unit

Other:

9-27-44 approved  
by Gov. office

Letter Written/Approved

JOHN E. KEOGH, Land Surveyor

CITY - COUNTY BUILDING

Box 274

MOAB, UTAH 84532

October 4, 1977

Lee Kuhre  
Anschutz Corp.  
1110 Denver Club Building  
Denver, Colorado 80202

OCT 7 1977

Dear Mr. Kuhre:

Enclosed find plan and profile of the route from the jeep trail in Section 8, T17S, R21E on Steer Ridge, Southerly and Westerly along the canyon to East Willow Creek near the Northwest Corner of Section 18.

The grades shown are based on straight line distances between accessible survey stations; the grades would be diminished somewhat on the route construction equipment would have to follow around the small side canyons.

the first 3340 feet with a grade of 12.8% will be the simplest to construct as there is room for switchbacks, the east and west side of the draw being relatively gentle.

From station 33 40 ahead will be extremely difficult, costly and hazardous to construct. We surveyed the route along the north wall of the canyon in order to be on top of the point in NW $\frac{1}{4}$ , Section 18. This north canyon wall is difficult to walk over, let alone operate equipment on because of many small cliffs, huge boulders and steep north to south slope.

The south wall is more negotiable because it is smoother, not having so many cliffs and boulders but is so steep (60%) that switchbacks will be difficult to construct if required to diminish the grade to less than 14%.

I suggest that alternative routes, if available, be considered because of what appears to me to be a hazardous road not only in construction, but in maintenance and use.

Sincerely yours,

*John E. Keogh*  
John E. Keogh

JEK:jw  
Enclosure

*Provised*

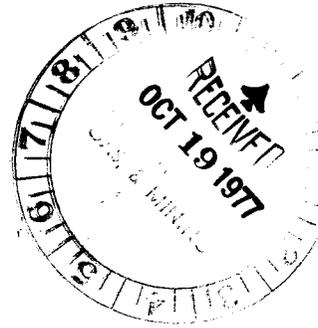


# C & W CONTRACTING CO.

*Dist. Contractor*

P. O. BOX 1236  
MOAB, UTAH 84532

October 7, 1977



NEAL SWISHER  
PHONE 801 259-7625

RECEIVED

OCT 12 1977

Anschutz Corporation  
1110 Denver Club Bldg.  
Denver, Colorado 80202

Dear Lee:

I have 25 years experience building roads and locations for Oil and Gas Companies in Southeast Utah. The majority of them are in San Juan and Grand County. This is one of the most difficult jobs I have had to estimate. I suppose all the easy ones have been drilled.

In regard to the two routes to build roads to locations Atrans #402 and State #411 are as follows.

To build a road off Steer Ridge to the top of Went Ridge will require a of blasting and switchbacks. You could have trouble with rock slides when it rains or snows, due to the slope of the ridge. The altitude drops from 8,000 to 7,000 feet in about a half of a mile distance. So you can see how steep the road would be.

Lee, it will cost approximately \$150,000.00 to build the road and level locations.

To go the Segó Canyon route, it will cost approximately \$85,000.00 to build the roads and level locations. This is the way I would recommend for two reasons. Number 1: The cost to build the road and locations. Number 2: As a resident and tax payer in Grand County all wages from drillers, roughnecks and salesmen would be spent in Fruita and Grand Junction, Colorado because of the distance. Should the road be built the Segó Canyon route, Moab, Green River and Thompson, Utah would benefit from the trade.

If the two wells cost approximately \$2,000,000.00 to drill fourty per-cent going for wages, this amounts to approximately \$800,000.00 the county could use.

Not knowing, in case you make a well which way your pipe lines and market might be, this may help in your decision as to which route to take.

We would appreciate the opportunity to serve you. If I can be of any further help, please let me know.

Yours truly,

*J. D. Wilson*  
J. D. Wilson

North access to State 402 + 411  
9-27-77

Top of  
Stur Ridge

not  
bad-con  
possibly reduce  
grade by  $\frac{1}{2}$  grading  
(3200') 13.5%

14%

Confluence  
of drainages

not bad can possibly  
reduce grade by moving  
to south side (2000')

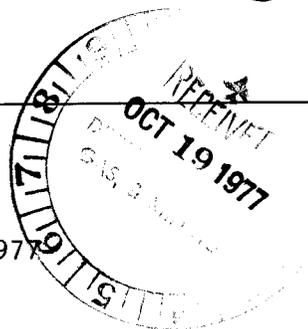
\* bad area -  
cannot reduce the  
14% grade - straight  
shot (4000') 14.5%

Petrographs





1110 DENVER CLUB BUILDING  
518 SEVENTEENTH STREET  
DENVER, COLORADO 80202  
TELEPHONE 303-573-5665



October 18, 1977

Mr. Cleon B. Feight, Director  
Division of Oil, Gas and Mining  
1588 West, North Temple  
Salt Lake City, Utah 84116

Re: North Access Route  
State 402 and 411 No. 1  
Grand County, Utah

Dear Mr. Feight:

As we discussed by phone on October 18, 1977, I am submitting some information to you concerning the North access alternative to our two locations, State 402 No. 1 and State 411 No. 2. There is one very important thing to note on the profile of the North route from the top of Steer Ridge to the bottom of East Willow Creek. There is a section of 14% grade for approximately 4000' which cannot be reduced. There is no way to construct switch backs. I am enclosing a statement by the individual that prepared the survey, John Keogh, and by two dirt contractors. In addition I am enclosing an Environmental Review that I prepared on the North Route.

Mr. Feight, we sincerely thank you for the understanding and assistance that you have shown us. This type of help is hard to find anymore.

Would you please send me a copy of the statement that you send to the Governor. Thanks.

Sincerely,

W. Lee Kuhre  
Operations Coordinator and  
Environmental Specialist:

WLK:bv  
Enclosures



1110 DENVER CLUB BUILDING  
518 SEVENTEENTH STREET  
DENVER, COLORADO 80202  
TELEPHONE 303-573-5665



Environmental Review

North Access  
Route to

State 402 and State 411  
Grand County, Utah

By: W. Lee Kuhre  
Operations Coordinator and  
Environmental Specialists

October 10, 1977

Several access routes to drill locations in the roadless area have been considered by The Anschutz Corporation. A route through Hay Canyon, along Steer Ridge and down into the East Willow Creek is referred to as the "North Route". Another route being considered, the "South Route", travels through Sego Canyon and along Went Ridge. The South Route has been reviewed in detail by the Division of Oil and Gas and found by this agency to be a favorable route. The North Route however, has not been reported upon environmentally in any detail. This report, with the exception of a few closing paragraphs, will address only the North Route which is preferred by some State agencies. The major items discussed will cover amount of environmental destruction in terms of erosion, wildlife, cattle, vegetation and water quality. This report will conclude with a brief comparison of the major aspects of both routes.

#### Environmental Analysis of North Route

The North Route is characterized by new road construction on the sides of very steep canyons, through major drainages. The greatest amount of direct environmental destruction will be from the blasting and the sliding cut material. Indirect environmental destruction will occur as a result of man's entry to this sensitive canyon area.

The most obvious environmental destruction, and the first that would occur, will be from blasting. The majority of the North Route new construction contains massive areas of solid rock. As a result approximately three miles of road construction will require extensive blasting. All flora and fauna in the immediate area ( which includes more than just the road width ) will obviously be either destroyed or seriously affected. Several of the areas that will require dynamite border large grass lands in the canyon bottoms. It would be impossible to prevent tons of rock from falling on this grass land. The cattle, elk, deer and smaller animals that utilize these extremely productive areas will suffer from a decreased food supply and camouflage cover.

The plants and animals in the area along and below the construction that escape being directly affected by dynamite blast will probably be buried because of construction above on the steep inclines. With a slope of 55% or more, the cut into the canyon wall that will be required will be extremely deep. This cut will start a negative chain of environmental events that will be very hard to stop.

For at least three-quarters of all of the new construction (8 miles) the steep slope will cause 99% of the dirt that is cut to uncontrollably slide to the bottom of the canyon. The dozer will have to keep cutting deeper and deeper into the hill side to get the required width. When the dozer is done there will be huge raw dirt banks above the road that can never be stabilized. Erosion will progress from these banks to the top of the canyon wall, impossible to stop because of the slope; and would simultaneously work its way to the drainage below. The majority of the thousands of tons of material from the deep cut into the canyon wall would slide down the hill to blanket animal and plant life. Eventually most of this material, will work its way to the canyon floor and the drainage channels.

The combination of the cut material in the drainage along with the created absence of vegetation will lead to water quality problems. With no vegetation present to

impede its progress the rains would run across the disturbed slopes with great speed. This would combine with the cut material lying in the drainage and emerge from the canyon as a turbid stream of muddy water. The bottom of East Willow Creek will be blanketed for miles; and aquatic life cannot help but be adversely effected.

In addition to the aspects already discussed, wildlife will suffer due to destruction of feed and opening up of the canyon areas. With people and vehicles in these canyons the safety, migration and general life style of the elk, deer and smaller animals will be negatively effected.

The final purely environmental consideration that will be discussed will be re-sloping and revegetation of the access road not blocked and used as a barrier. In general, due to grade, it will be impossible to reslope the majority of the North Route. There would be no way to pull the eroded soil from its resting place in the bottom of East Willow Creek up the canyon side, restore it effectively to the roadway and hold it effeciently in place. Without good soil base on the canyon sides revegetation could not be expected to succeed. The North Route will remain an ugly scar, increasing with time in severity. Any attempts at reclamation will be in vain.

Archaeological considerations are not strictly environmental, but should be discussed as well. At the point where the road would drop out into East Willow Creek are several unauthenticated Petrographs. These possible Indian paintings would stand a good chance of destruction during the blasting and heavy dozer phase of the construction. If they survived the road construction, they would become an easy taget of vandalism.

The North Route can generally be summarized as an environmentally unacceptable access. As was pointed out the majority of the new construction will be in sensitive areas due to presense of solid rock, high degree of slope, and major drainages. The overall effect will be negatively felt in terms of water quality, erosion, wildlife, and revegetation.

#### Comparison of the North and South Routes

The South Route was addressed in the Division of Oil and Gas Assessment and will therefore, not be considered in detail here. There are several environmental and non-environmental points which should be discussed for both routes at this time, however. These important comparison points are:

- (1) ability to destroy routes after completion of operations
- (2) amount of roadless land the routes would provide easy access to if barriers were breached
- (3) cost
- (4) distance
- (5) grade
- (6) maintenance
- (7) actual use and safety

The ability to destroy a portion of either route after operations are terminated, in order to prevent public access into the area by off road vehicles is by far the most important point to several state officials. These officials believe that the North Route is preferable mainly because it can be closed by simply blasting down the canyon walls to effectively close the road. After studying both areas it is

apparent that unauthorized access on either route could be equally prevented, both during and after the operations. The South Route could be destroyed to completely prevent access at a section of road in the south half of Section 21, T19S, R20E. The road in this area is on a knife edge ridge with 1000-foot drops on both sides. The presently vulnerable area further along the road in Section 16 could be completely and effectively sealed by destruction of the road in Section 21. The access road could also be effectively blocked in Section 10, T19S, R20E.

Another consideration is the amount of land both routes would open to access during operations and until either route is closed. The North Route provides easy access to approximately 4600 roadless acres, since the North Route not only is constructed on two ridge tops, but is built in canyon bottoms as well. These open, flat canyon bottoms, which were not previously accessible to vehicles, provide natural freeway-like routes into some twenty different tributary canyons in the roadless area. The South Route provides easy access to only 100 roadless acres since the entire route is confined to ridge tops. This fact is important environmentally in terms of wildlife, water quality and vegetation. The environmental analysis of the North Route pertained primarily to the road construction area only. It is important to realize that recreational vehicles could extend the projected environmental damage to as much as 4600 roadless acres made accessible by the North Route, until it is eventually blocked and closed.

Also if either of the two proposed wells on Went Ridge are completed as producing wells, the North Route could not be utilized to transport the product to market. The South Route is the natural haulage road for oil and supplies. Thus, if production is obtained, the South Route would need to be constructed immediately. If the North Route has already been constructed, this would result in a through road entering the area from the South and exiting the area at the North.

The remaining statements regarding both routes are not environmental in nature. They are important, however, and should be considered. In terms of cost, the North Route will cost approximately \$500,000. The South Route will cost approximately \$200,000. Anschutz, like any prudent operator, is particularly anxious to reduce costs when those reductions are the result of an overwhelmingly logical action. The total distance from paved highways of the North Route is 58 miles, and the South Route 25 miles. The North Route will have a maximum grade of 14%, the South Route only 8%. Because of the steep North Route grade constant maintenance, repair and physical assistance to heavy equipment traffic will be required. A far greater negative aspect of the North Route grade is the safety implication. The 14% grade for over 4000 feet, on the North Route, where the road would drop off Steer Ridge down into Willow Creek, is hazardous and unsafe for use by anyone, especially heavily loaded trucks. The Anschutz Corporation opposes creating a situation where injury or loss of life could easily occur, or accepting responsibility for injury or death because of a State "recommendation".

WLK:ch  
10-18-77

RECEIVED

OCT 13 1977

It is my opinion as Grand County Road Supervisor  
that the road of 14% grade at 4,000 ft. is an  
unsafe road.

*J. N. Armstrong*



Mike's Water & Dozer  
Harold Stone  
P.O.Box 426  
Gillette, Wyoming  
Gillette- Phone-307-682-4425  
Evenston-Phone--307-789-2602  
Grand Jnt, Colo.-303-242-5962



Anschutz Corporation  
1110 Denver Club Bldg.  
Denver, Colorado  
80202

RECEIVED

OCT 12 1977

To Whom it May Concern:

I Harold Stone, have looked over the road leading into the 402 and the 411 locations of The Anschutz Corporation# from the North route.

I have found at Hay Canyon, that some of the curves will need a considerable amount of work done, Continuing down the jeep trail until the trail ends and heading South toward 402 and 411.

I have flown in a helicopter twice and I walked once, I could find no way to get down the first mile without having a 15% grade after the road was completed. There would need to be a considerable amount of dynamiting done through rock to get the road to a 15% grade.

After crossing East Willow Creek for the next 3 miles to the 402 the grade will be in places 10 to 12% grade. For 1 to 1½ miles of the route will be through solid rock. A considerable amount of dynamite will be needed there. From 402 to 411 the road will remain on top of the divide without any dynamiting.

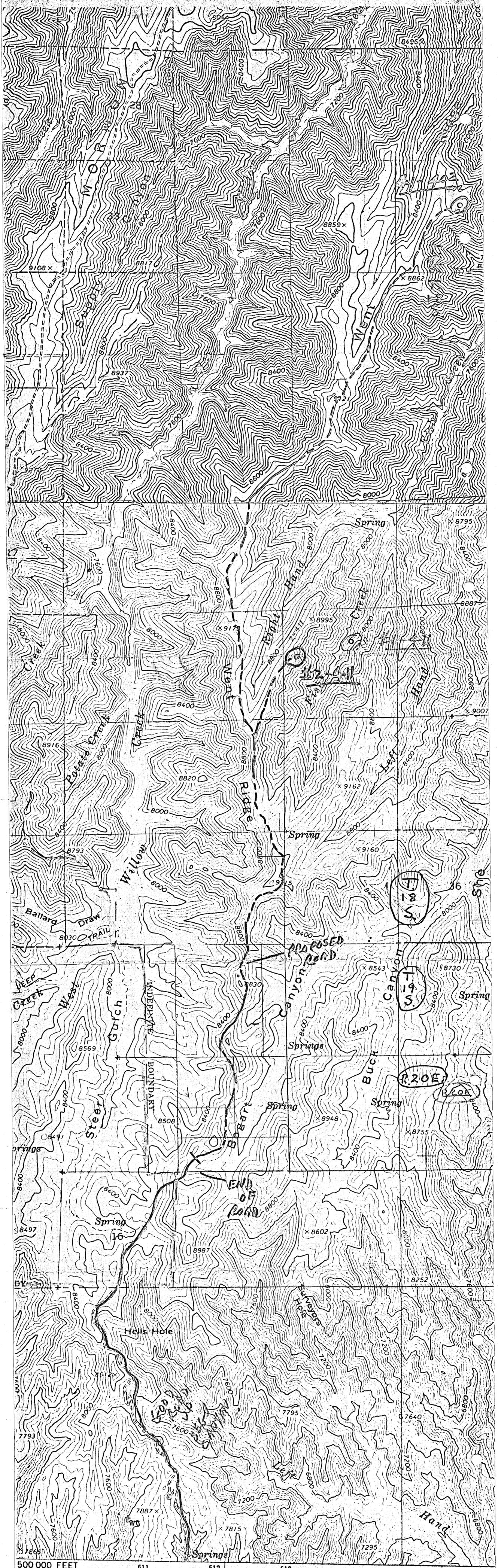
Some dynamiting may have to be done on the jeep trail and on Hay Canyon in order to get the big rig through that is going to drill the 411 location.

After looking at the North route thoughouly I'm convinced that it would cause hazardous conditions to the men and the equipment to come in the North route during operations of drilling the wells.

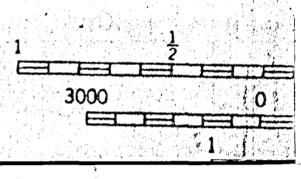
Sincerely, *Harold Stone*

*witnessed  
ayj*

Harold Stone  
Mike's Water and Dozer



500 000 FEET 611 612 613 614 40' R. 20E



10-25-77

UTAH GEOLOGICAL AND MINERAL SURVEY

7

Dear Jack -

606 BLACK HAWK WAY  
SALT LAKE CITY, UTAH 84108  
(801) 581-6831

SCOTT M. MATHESON  
Governor

GORDON E. HARMSTON  
Executive Director  
Department of Natural Resources

Gordon asked me  
an honest question  
and I gave him an  
honest answer.

October 12, 1977

*Put in  
well file  
Anschutz - well #402*

But I have heard  
not one single word  
in reply.

ston, Executive Director,  
f Natural Resources

Ritzma, Assistant Director, UGMS

support, proposed Anschutz drilling program, Queant  
look Cliffs area

*Howard*

The question of where service support for this drilling operation  
will come is considered as follows:

ACCESS FROM SOUTH

Drilling crews would probably live in Green River, Moab, or Thompson,  
Utah or Grand Junction, Colorado and would likely be airlifted by helicopter  
during bad weather or possibly all the time. Time spent traveling back and  
forth and wear and tear on vehicles (and people) is very important to drilling  
contractors who want to keep operations moving smoothly and keep morale  
high among employees.

Servicing for the operation will come from wherever needed service  
is located - Vernal, Roosevelt, Grand Junction, Farmington (NM), Casper  
(WY), etc. Drilling operations are definitely not tied to rigidity of geography.  
When an operator or drilling contractor needs something in a hurry, he orders  
it from wherever available. Mileage charges are minor compared to standby  
or down time on a big rig.

Moab has almost no servicing for big oil and gas drilling rigs except  
for welding. Grand Junction has some servicing firms, but not as complete  
an array of facilities as Vernal and Roosevelt. These Uinta Basin points will  
get the major share of the servicing business no matter what the access is.  
If the access is from the south, servicing business will probably go from the  
Uinta Basin via Rangely, Douglas Pass, and then U.S. 6-50. Most servicing  
companies - logging units, pipe, mud and water haulers, etc. - would rather  
travel 200 miles on pavement than 50 miles through dust or mud.



DONALD T. McMILLAN  
Director

UTAH GEOLOGICAL AND MINERAL SURVEY

606 BLACK HAWK WAY  
SALT LAKE CITY, UTAH 84108  
(801) 581-6831

7  
SCOTT M. MATHESON  
Governor

GORDON E. HARMSTON  
Executive Director  
Department of Natural Resources

October 12, 1977

TO: Gordon Harmston, Executive Director,  
Department of Natural Resources

FROM: Howard R. Ritzma, Assistant Director, UGMS

SUBJECT: Service support, proposed Anschutz drilling program, Queant  
Unit, Book Cliffs area

*Put in  
well file  
anschutz - well #402*

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companies - logging units, pipe, mud and water haulers, etc. - would rather  
travel 200 miles on pavement than 50 miles through dust or mud.

## ACCESS FROM NORTH

Mileage by road to the rig sites from Roosevelt and Vernal is almost identical:

Vernal or Roosevelt via Ouray  
 32 miles paved  
 65 to 70 miles graded gravel or dirt  
 8 to 10 miles to be constructed  
 Total: about 110 miles

Much of the 65 to 70 miles is very slow going with sharp curves and a surface that is treacherous when wet. The part to be constructed will be very expensive and difficult to travel because of hairpin turns and steep grades. This road will cause much grief to pipe trucks, water and mud haulers, or any traffic. I doubt that it can be kept passable in bad weather.

Because of the mileage involved and the difficulty and danger of this road, the drilling crews may prefer to be airlifted in from the south. Much will depend on what the contractor and his crews decide is best for them. Travel time and vehicle abuse is an important factor in keeping competent drilling crews intact.

Access to the rigs from the north is possible with difficulty, but having this access will not materially assist or assure support of the drilling operation from Uinta Basin points. Support will come from wherever it can be furnished quickly.

## GENERAL STATEMENT

Requiring the access to come from the north is going to add a lot of extra cost and grief to the operator and drilling contractor on this operation. But it's not just the "big companies" who will be stuck for money and inconvenience. There will also be a lot of little, ordinary people and small service businesses - drillers, roughnecks, truck drivers, welders, roustabouts, etc. - who will be put to a lot of trouble, lost time, and extra expense. Their safety and their lives may be placed in great jeopardy.

People should be considered here. Personally, the life or maiming of one person working on this operation is not worth all the wildlife habitat and pristine solitude in Utah.

The operator and drilling <sup>contractor</sup>~~operator~~ should be permitted to have the shortest, easiest, most practicable and safest access route to the rigs. Consideration for people should dictate that there be enough room at every rig site for a helicopter pad in event of accident and injury.



HOWARD R. RITZMA  
 Assistant Director



1110 DENVER CLUB BUILDING  
518 SEVENTEENTH STREET  
DENVER, COLORADO 80202  
TELEPHONE 303-573-5665  
TWX 910 931 2620

July 18, 1978

State of Utah  
Dept. of Natural Resources  
Division of Oil, Gas, and Mining  
1588 West North Temple  
Salt Lake City, Utah 84116

Attention: Kathy Ostler, Records Clerk

Dear Ms. Ostler:

As requested in your letter of June 8, 1978 the following is submitted.

To update your records the following wells have not yet been drilled and our plans have not changed.

Well No. Federal 258-#4, Sec. 5, T. 18S, R. 24E,  
Grand County, Utah

Well No. Federal 335-#2, Sec. 20, T. 19S, R. 23E,  
Grand County, Utah

Well No. Federal 335-#4, Sec. 19, T. 19S, R. 23E,  
Grand County, Utah

Well No. Federal 350-#1, Sec. 4, T. 18S, R. 24E,  
Grand County, Utah

Well No. State 400-#1, Sec. 17, T. 16S, R. 23E,  
Grand County, Utah

Well No. State 402-#1, Sec. 36, T. 17S, R. 20E,  
Grand County, Utah

Well No. State 404-#1, Sec. 23, T. 17S, R. 21E,  
Grand County, Utah

Well No. State 411-#2, Sec. 23, T. 18S, R. 20E,  
Grand County, Utah

Well No. State 414-#1, Sec. 32, T. 18S, R. 21E,  
Grand County, Utah



ATTACHMENT, WELLS.

- 1) Fereral 258 No. 7
- 2) Fereral 258 No. 8
- 3) Federal 350 No. 1
- 4) Federal 350 No. 2
- 5) Federal 350 No. 3
- 6) State 400 No. 1
- 7) State 402 No. 1
- 8) State 404 No. 1
- 9) State 414 No. 1
- 10) State 7265 No. 2
- 11) State 7265 No. 3
- 12) State 920 No. 1
- 13) Federal 675 No. 3
- 14) Federal 4076 No. 14-23
- 15) State 915 No. 1
- 16) Federal 258 No. 4



SCOTT M. MATHESON  
Governor

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GORDON E. HARMSTON  
*Executive Director,*  
NATURAL RESOURCES

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

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*Director*

DIVISION OF OIL, GAS, AND MINING

1588 West North Temple  
Salt Lake City, Utah 84116  
(801) 533-5771

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November 14, 1979

~~Anschutz Corp.~~

*Sepoma Production*  
2400 Anaconda Tower 555 17<sup>th</sup> Street  
Denver Colo,

80202

RE: See Attached Sheet For  
Well Information.

Gentlemen:

In reference to above mentioned well(s), considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. As of the above date we are suspending approval of these applications pending notification as to what you are doing on each well. Since approval has already been obtained a new application will not be necessary if you decide to drill, but we will require a letter stating the date you intend to spudd-in.

Your prompt attention will be greatly appreciated.

Very truly yours,  
DIVISION OF OIL, GAS, AND MINING

*Debbie Beauregard*  
DEBBIE BEAUREGARD  
CLERK-TYPIST

CC: U.S. Geological Survey

ATTACHMENT, WELLS.

- 1) Fereral 258 No. 7
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2400 ANACONDA TOWER • 555 SEVENTEENTH STREET • DENVER, COLORADO 80202 • 303-825-6100 • TWX 910-931-2620

November 26, 1979

State of Utah  
Department of Natural Resources  
Division of Oil, Gas, and Mining  
1588 West North Temple  
Salt Lake City, Utah 84116

Re: Your letter dated 11-14-79  
Well Information.

Attention: Debbie Beauregard

Debbie:

In reference to your letter of November 14, 1979, pertaining to the notification of spudding for 16 wells that you had on an attached list. We are no longer operator for these wells, and therefore have not sent you the notification, as these belong to ~~Texoma Production Company~~. The information that you request will have to come from Texoma Production Company.

We will forward a copy of your letter to Texoma Production Co., and a copy of our letter, to you, so that they can comply with your request. Thank you.

Very truly yours,

Wayne C. Pierce  
Production Manager

WCP:amc

CC: Texoma Production Company  
U. S. Geological Survey



*Location Abandoned*