

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

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

2. NAME OF OPERATOR  
 Palmer Oil & Gas Company - Energy Increments, Inc

3. ADDRESS OF OPERATOR  
 P. O. Box 2564, Billings, Montana 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface 1160  
 At proposed prod. zone 1495' FNL, 1220' FEL  
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 36 miles Northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 1220'

16. NO. OF ACRES IN LEASE  
 1,379.64

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 351.2

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 3442'

19. PROPOSED DEPTH  
 5500 Morrison

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6017' G.L., 6028' K.B.

22. APPROX. DATE WORK WILL START\*  
 August 1, 1979

5. LEASE DESIGNATION AND SERIAL NO.  
 USA U-38838

6. IF INDIAN, ALLOTTED OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Federal

9. WELL NO.  
 SW Federal No. 3-8

10. FIELD AND POOL, OR WILDCAT  
 Bryson Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 3-T17S-R24E

12. COUNTY OR PARISH  
 Grand

13. STATE  
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	7" new	K-55 20#	1100'	250 sacks
6 1/4"	4 1/2" new	K-55 10.5#	5485'	250 sacks

- Surface formation is the Mesaverde.
- Anticipated geologic markers are: Frontier - 4485, Dakota - 4885, Morrison - 5035.
- Gas is anticipated in the Dakota and Morrison. No water, oil, or other minerals are anticipated.
- Proposed casing program: See item No. 23 above.
- Pressure control equipment: See attached well control plan and schematic of drilling contractors BOP stack. BOP's will be tested before drilling out from under surface casing and will be checked daily.
- Air or mist drilling will be used to drill the surface hole unless water is encountered. If water is encountered approximately 300 bbls. of gel type mud will be used. The well will be air drilled from under surface casing to T.D.
- Auxiliary Equipment: See well control plan.
- The logging program will consist of an IES log from TD to the base of surface casing, and GR-FDC-SNP or CNL logs from TD to above the Frontier. No cores or DST's are planned.
- No abnormal pressures or temperatures anticipated. No poisonous gas anticipated.  
(Continued on next page.)

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

24. SIGNED James G. Routson TITLE Petroleum Engineer DATE April 16, 1979  
 James G. Routson  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
 APPROVED BY WP Martin TITLE ACTING DISTRICT ENGINEER DATE JUL 06 1979  
 CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL  
 State G&O

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

NECESSARY FLARING OF GAS DURING DRILLING AND COMPLETION APPROVED SUBJECT TO ROYALTY (NTL-4)

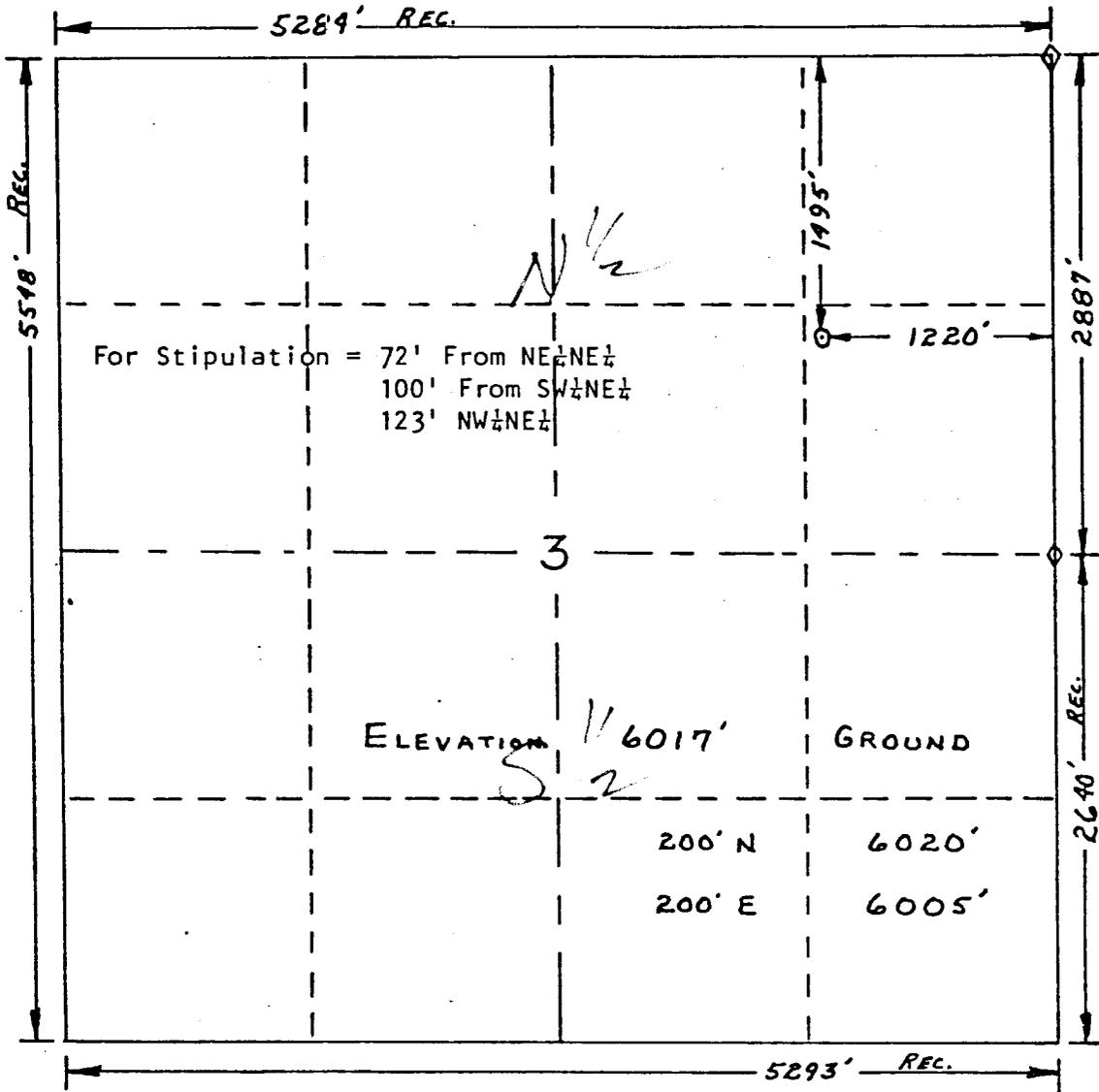
APPLICATION FOR PERMIT TO DRILL (Cont.)

10. Anticipated spud date is August 1, 1979, depending on rig availability. Completion operations should commence within 30 days of rig release.
11. Survey plats enclosed.
12. The gas is dedicated to Southwest Gas Corporation.
13. The spacing unit is the North half of Section 3 containing 351.2 acres.
14. Stipulation from Palmer Oil & Gas Company enclosed.



PLAT NO. 1

R. 24 E.



T. 17 S.

Scale... 1" = 1000'

Powers Elevation Company, Inc. of Denver, Colorado has in accordance with a request from JIM ROUTSON for PALMER OIL AND GAS COMPANY determined the location of #3-8 SW FEDERAL to be 1495' FN & 1220' FE Section 3 Township 17 S. Range 24 E OF THE SALT LAKE Meridian GRAND County, UTAH

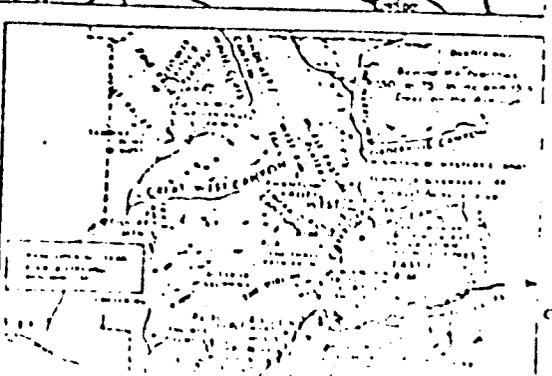
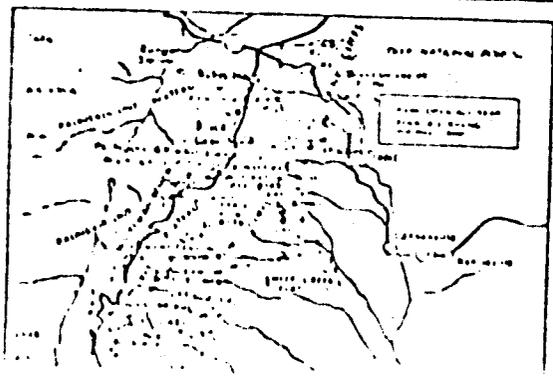
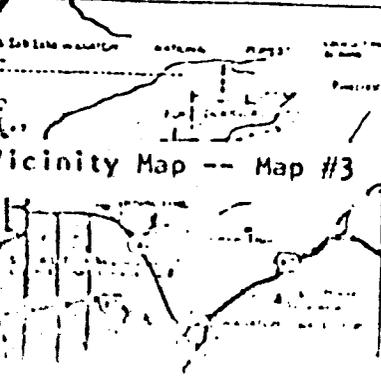
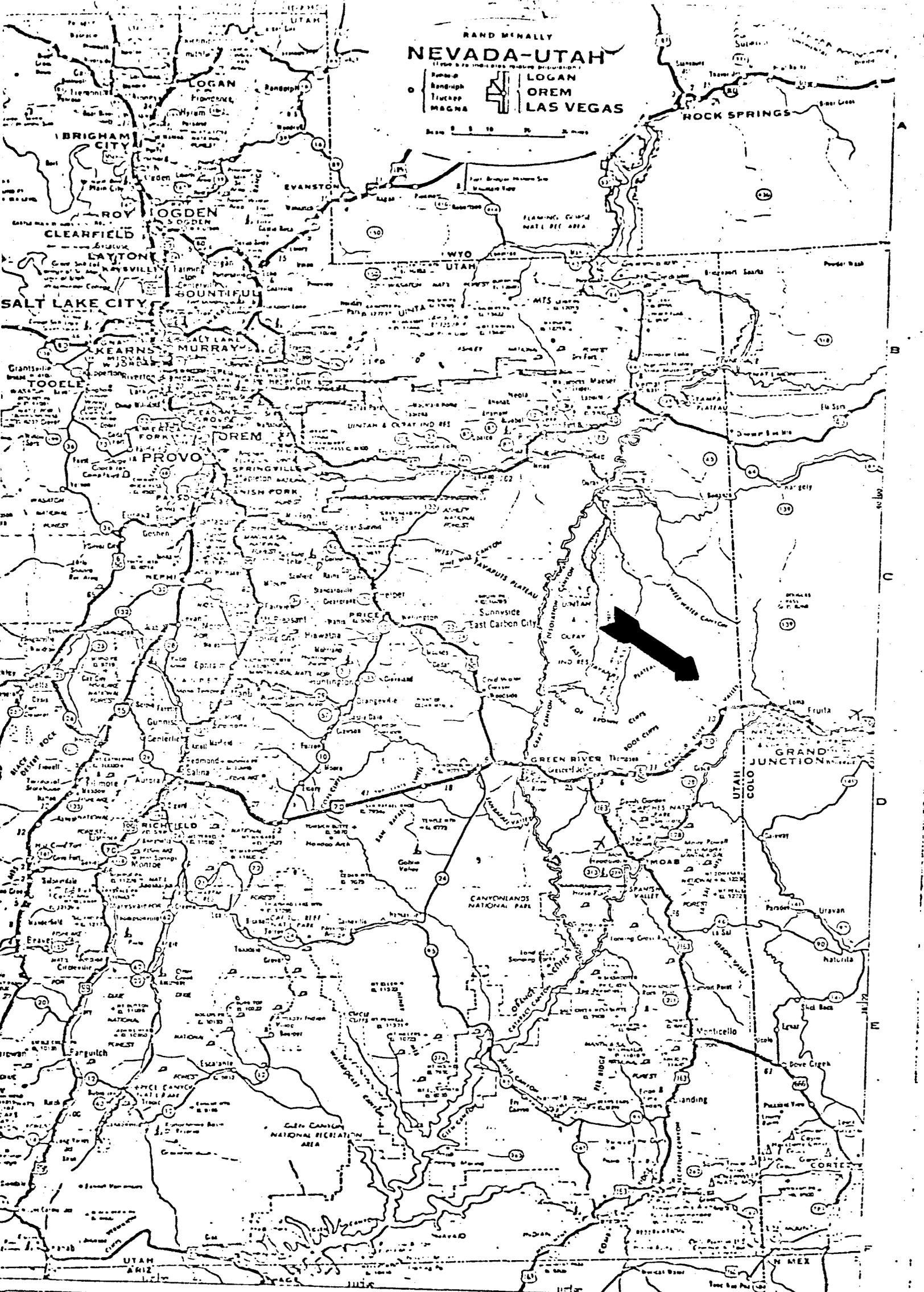
I hereby certify that this plat is an accurate representation of a correct survey showing the location of #3-8 SW FEDERAL

Date: 4-6-79

*J. Nelson*  
 Licensed Land Surveyor No. 2711  
 State of UTAH







TWELVE POINT PLAN OF DEVELOPMENT  
FOR SURFACE USE FOR PALMER OIL FEDERAL #3-8.  
SE¼NE¼ Section 3-T17S-R24E  
Grand County, Utah

1. Existing roads

- A. Proposed wellsite: Survey plat enclosed.
- B. Location is approximately 20 miles North of Highway 6 & 50 on the East Canyon Road.
- C. Access roads: See Location Map #1.
- D. Not applicable, well is not exploratory.
- E. Existing roads within 1 mile of wellsite: See Location Map #1.
- F. No improvements of existing roads are planned.

2. Planned access roads

- A. The location is adjacent to the East Canyon Road, so no additional access road is required. The location and road are on the same side of the wash, so no low water crossing is needed.

3. Location of existing wells (See Map No. 2)

- 1. There are no existing water wells within a 1 mile radius.
- 2. See Map #2 for location of abandoned wells.
- 3. No temporary abandoned wells are located within a 1 mile radius.
- 4. No disposal wells in the area.
- 5. No drilling wells in the area.
- 6. Producing wells shown on Map No. 2.
- 7. Shut in wells shown on Map No. 2.
- 8. No injection wells in the area.
- 9. No monitoring or observation wells in the area.

4. Location of existing and proposed production facilities

- A.
  - 1. No tank batteries within a 1 mile radius.
  - 2. Production facilities within a 1 mile radius include separators, meter runs, and tanks; located at the gas wells shown on Map No. 2.
  - 3. No oil gathering lines in the area.
  - 4. An existing pipeline owned by Mesa Pipeline parallels the East Canyon Road. A letter from Mesa concerning re-routing the pipeline will be sent.
  - 5. No injection lines in the area.
  - 6. No disposal lines in the area.
- B.
  - 1. The gathering system has not yet been designed.
  - 2. A separator, approximately 5' x 10', and a meter run, approximately 6' x 8', will be on the drillsite pad, and will be painted to blend with the desert environment.
  - 3. No construction materials are necessary. All lines will be coated, wrapped, and buried.
  - 4. A 10' x 10' water disposal pit will be dug within 50' of the separator and will be enclosed by a wire fence. A 6' x 6' x 3½' metal guard will be placed around the wellhead.
- C. Plans for restoration of the surface.  
On completion of the drilling of this well, all pits will be backfilled and top soil replaced and re-contoured back to the original terrain. Upon abandonment all disturbed area, including the location and access road, will be re-countoured, ripped or scarified as needed, and re-vegetated using a seed formula as specified by the BLM. All seeding will be done between September 15 and November 15.

5. Location and type of water supply

- A. Very little water is needed to drill this well because it will be air drilled. Water will be hauled from a water hole in the Westwater drainage. If this is dry, it will be hauled from West Salt Creek drain ditch near Mack, Colorado.
- B. Water will be transported by truck. The truck will use the access road.
- C. No water well is to be drilled.

6. Source of construction materials

- A. No construction materials are to be used.

7. Methods for handling waste disposal

1. Cuttings will be buried 3' under top soil.
2. Drilling fluids (if any) will be left in open pit to evaporate. Pit will be fenced on 3 sides during drilling, 4 sides after rig is moved off.
3. Produced oil or condensate (if any) will be stored in a tank and sold. Produced water will be disposed of in compliance with rules and regulations of the USGS and the State of Utah.
4. Portable chemical toilet will be provided.
5. Trash will be burned in burn pit. The burn pit will be fenced with expanded metal. Noncombustible trash will be buried at least 4' deep in the reserve pit.
6. Drilling fluid in pit, which will be very minimal due to air drilling, will be left to dry, if necessary. After pit area is sufficiently dry, cuttings will be pushed into pit and sub-soil to be placed on top of any remaining fluid and cuttings; then top soil will be used to cover both pit and location area. The area will be policed for all trash when the well is completed and the location will be left as much like the natural environment as possible.

8. Ancillary facilities

No camps or airstrips proposed.

9. Wellsite layout

1. See Plat No. 2 showing location pad. All necessary cuts and fills are shown on this plat, and two cross sections are shown on the bottom of the plat.
2. Location of pits, etc.: See plan of drillsite layout diagram, Plat No. 2-A.
3. Rig orientation: See plan of drillsite layout diagram, Plat No. 2-A.
4. Pits will be unlined.

10. Plans for restoration of surface

1. Backfilling, leveling, etc.: See 7-1 and 4-C.
2. Rehabilitation, etc.: See 4-C.
3. Fencing of pits: See 7-2. This will be done as soon as drilling is complete.
4. Oil on pits: Occurance is improbable. If it does occur, the pits will be flagged to prevent an influx of wild fowl. Any oil which does occur will be trucked off for disposal.
5. Rehabilitation timetable: See 4-C. Contouring will be done as soon as the pits are dry. Barring any unforeseen problems, rehabilitation should be completed within 90 days of completing the well.

11. Other information

1. Topography: Immediate wellsite is in East Canyon. Book Cliffs surround the location.  
Soil: Eroded Mesaverde and Blow Sand.  
Vegetation: Sparse grassland with greasewood, sagebrush, junipers, and Pinion Pine. Land is used for grazing.  
Fauna: Occasional use by deer, antelope, rabbits, lizzards, hawks, and miscellaneous small birds.  
Geologic features: Nothing significant in immediate area.
2. A. Surface Ownership: Public lands administered by the BLM.  
B. Surface Activities: Rabbit and bird hunting, sheep and cattle grazing.
3. No water or dwellings are on the lease. An archaeological study will be done by Powers Elevation Company of Eagle, Colorado.

12. Lessee's or operator's representative

J. G. Routson  
P. O. Box 2564  
Billings, Montana 59103

Office Phone (406) 248-3151  
Home Phone (406) 245-8797  
Mobile Phone (303) 245-3660 Unit #327

R. D. Ballantyne  
P. O. Box 2564  
Billings, Montana 59103

Office Phone (406) 248-3151  
Home Phone (406) 656-1304  
Mobile Phone (303) 245-3660 Unit #327

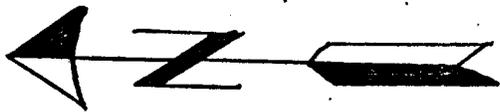
William H. Buniger  
P. O. Box 42  
Loma, Colorado 81524

Home Phone (303) 858-7377  
Mobile Phone (303) 245-3660 Unit #289

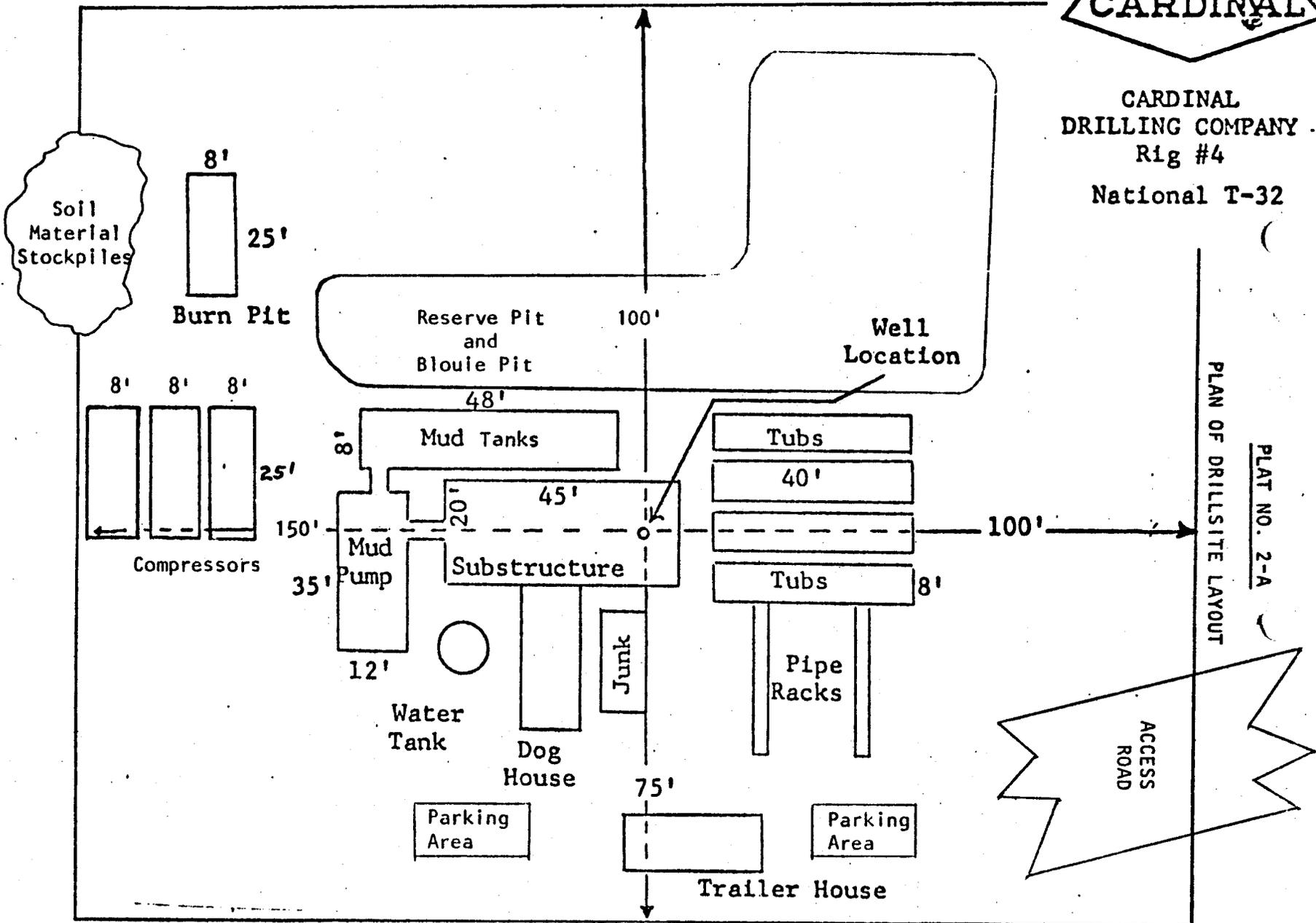
13. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Palmer Oil & Gas Company and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Date: April 16, 1979

James G. Routson  
J. G. Routson  
Petroleum Engineer



CARDINAL  
DRILLING COMPANY  
Rig #4  
National T-32



TOPOGRAPHIC MAP

PAWLER OIL & GAS COMPANY

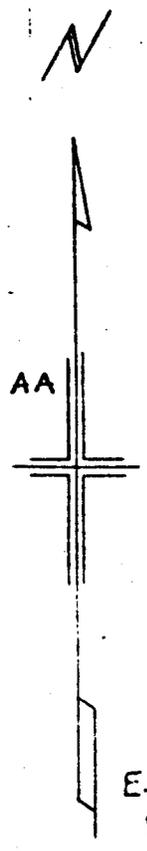
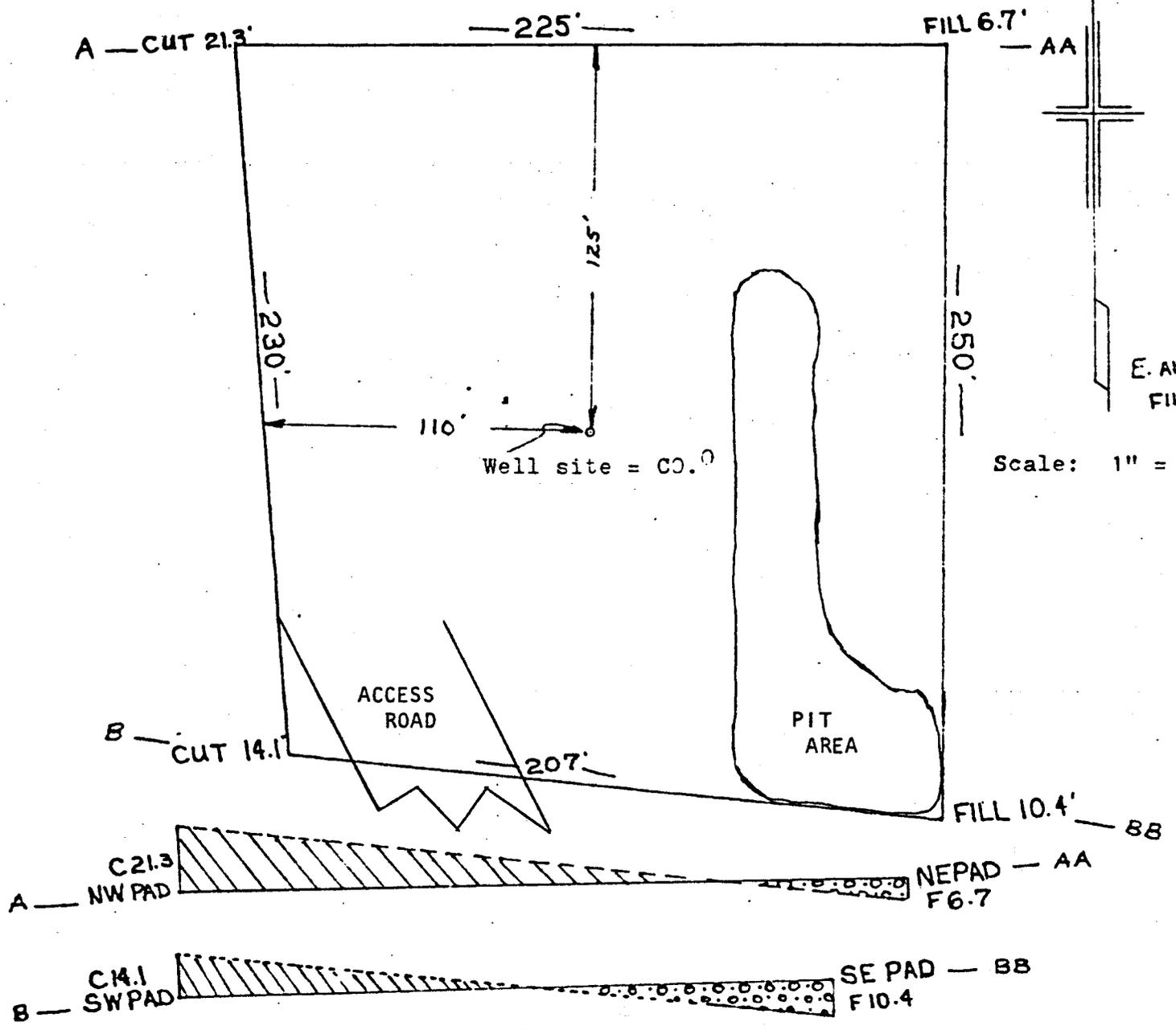
#3-B SW FEDERAL SEC. 3 T17S R24E

1495' FN & 1220' FE

N. ALT.  
CUT 3.1

GRAND Co., UTAH

PLAT NO. 2

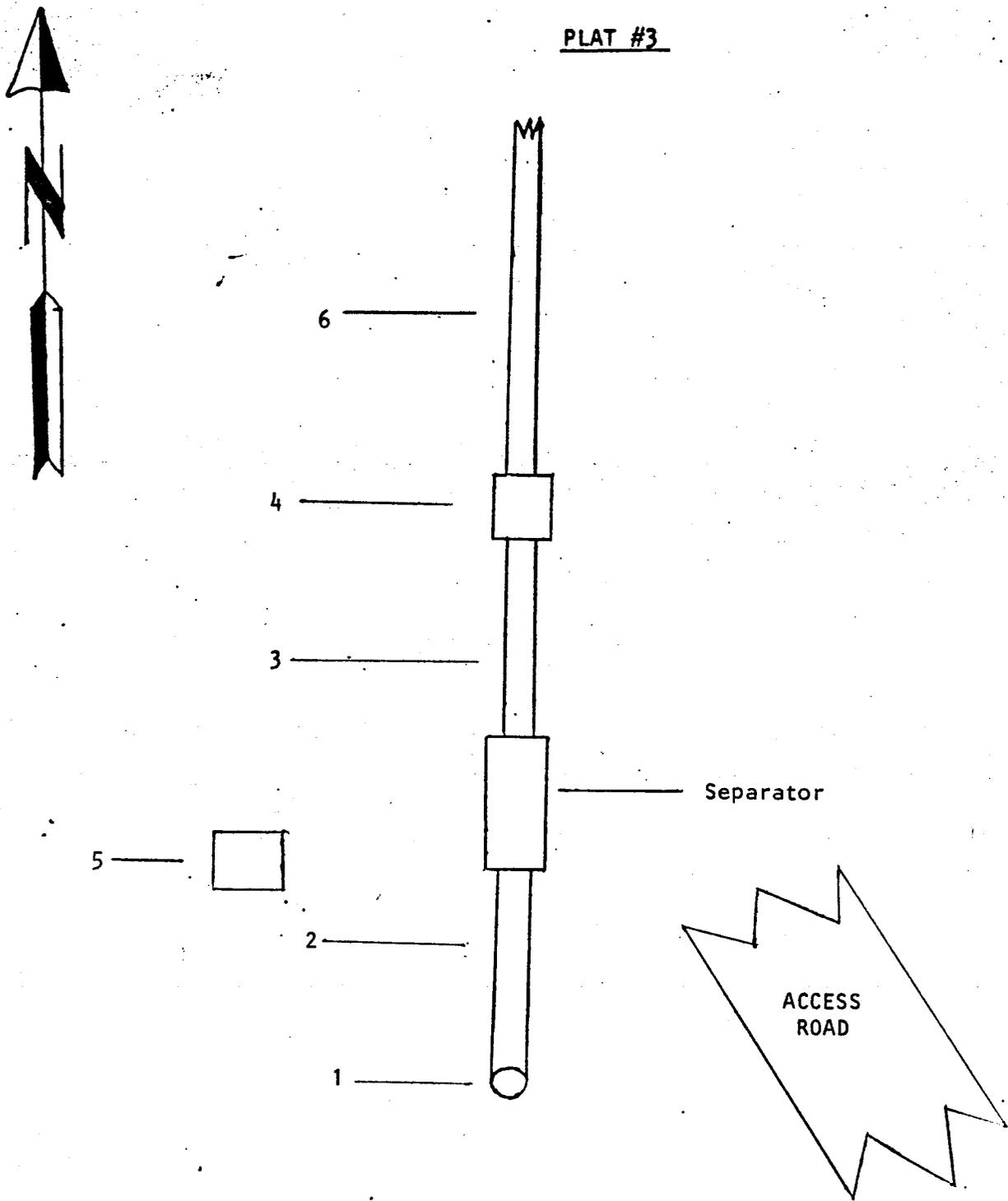


E. ALT.  
FILL 11.6

Scale: 1" = 50'

by: Richard A. Schultz  
Powers Elevation Company, Inc.  
4-6-79

PLAT #3



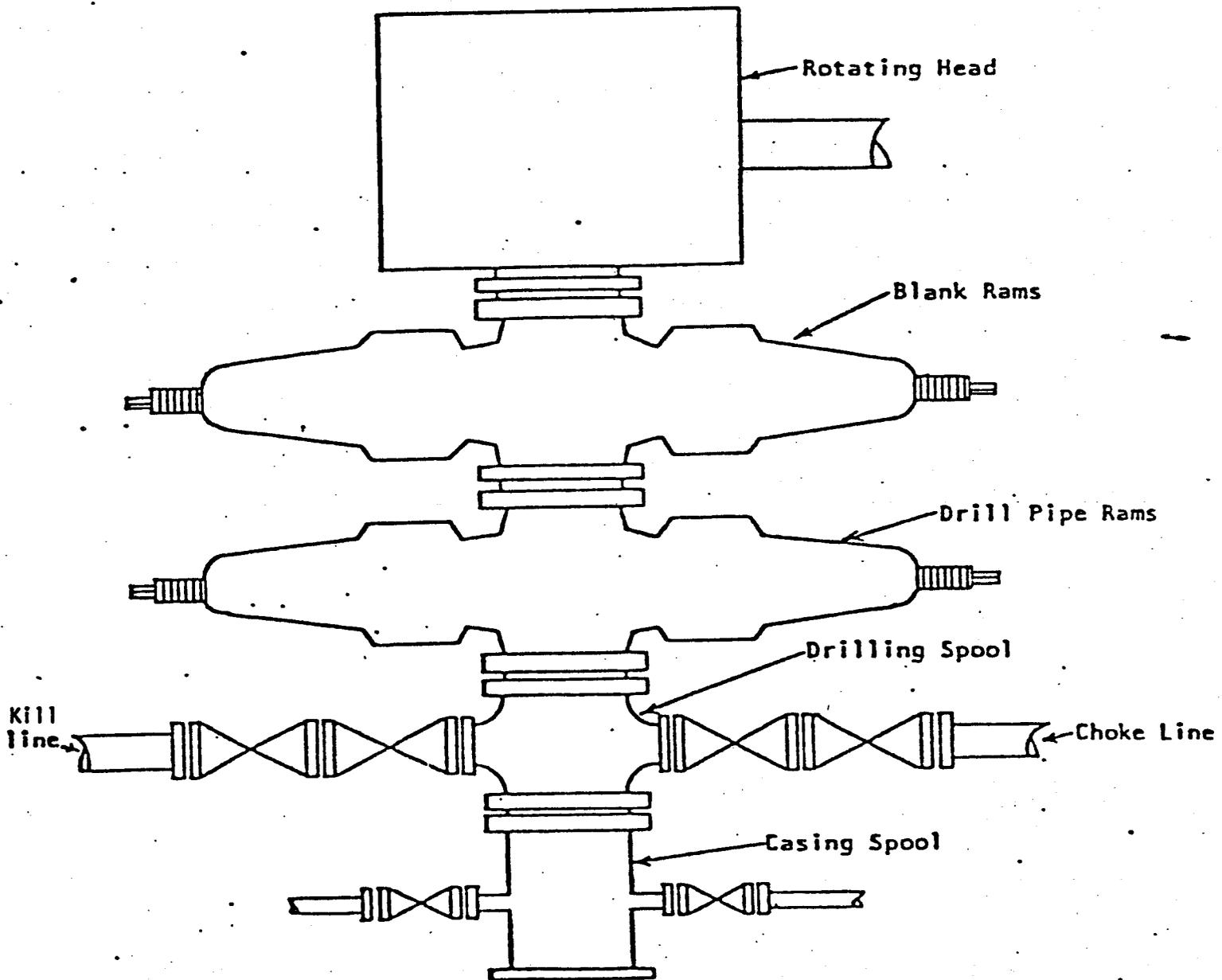
1. Wellhead will be 4-1/2" x 2-3/8" flange x screw with donut hanger full opening valve. All 2000# WP or greater to meet PO&GC specifications.
2. Line between wellhead and separator will be approx. 75 feet in length and constructed of 2-3/8" .218 wall seamless, welded, wrapped and buried approx. 5 feet deep.
3. Line between separator and meter will be 4" or 4.028 OD seamless, welded, coated, wrapped and buried and will be approx. 25 feet in length.
4. Meter run will be American 4" run, 500 psi static rating, 100' of water differential rating.
5. Pit, if necessary will be 10' x 10', enclosed by dikes and fenced.
6. Gathering system has not yet been designed.

SCHEMATIC OF BOP STACK

AIR DRILLED WELLS  
using

900 series well head equipment

Interval from 1100 to TD



WELL CONTROL PLAN

1. Surface Casing: 7" O.D. 20#/ft., Grade K-55, Short T&C, set at 1100' or deeper, cemented with pump and plug method back to the surface or bottom of cellar.
2. Casinghead Flange: 7" swaged to 9-5/8" x 10-3/4" top 1500 psig W.P. Larkin (or equivalent) casinghead with two 2" 1500 psi L.P. outlets.
3. Intermediate Casing: None required.
4. Blowout Preventor: A 10" 3000 psig W.P. Double gate hydraulic Shaffer BOP (or equivalent) with drill; pipe rams and blind rams. All fill, kill and choke lines will be minimum of 2" 2000 psi W.P.
5. Auxiliary equipment: (a) Kelly cock will be run at top of Kelly at all times, (b) Float at bit will be run at all times, (c) No monitoring equipment for mud due to air drilling. Visual monitoring of air returns will be maintained, (d) Stabbing valve will be on rig floor at all times.
6. Anticipated bottom hole pressure is less than 1200 psi at 3650' or a gradient of .27 psi/ft. or less. No abnormal temperatures or hydrogen sulfide gas are anticipated.

PALMER OIL & GAS COMPANY

J. D. Rautem 4/16/79

PALMER OIL & GAS COMPANY

P.O. Box 2564  
BILLINGS, MONTANA 59103  
(406) 248-3151



June 4, 1979

State of Utah  
Division of Oil, Gas, & Mining  
1588 West North Temple  
Salt Lake City, Utah 84116

Gentlemen:

Enclosed please find the Application to Drill covering our No. 3-8  
Federal well in Grand County, Utah.

Sincerely,

PALMER OIL & GAS COMPANY

*Donna Nyby*  
Donna Nyby  
Drilling Department

dln

Enclosure

United States Department of the Interior  
Geological Survey  
8440 Federal Building  
Salt Lake City, Utah 84138

Usual Environmental Analysis

Lease No. U-38838

Operator Palmer Oil & Gas Co., Energy  
Increments, Inc.

Well No. 3-8

Location 1495' FNL 1160' FEL Sec. 3 T. 17S R. 24E

County Grand State Utah Field Bryson Canyon

Status: Surface Ownership Public Minerals Federal

Joint Field Inspection Date May 24, 1979

Participants and Organizations:

<u>George Diwachak</u>	<u>U. S. Geological Survey - Salt Lake</u>
<u>Bob Kershaw</u>	<u>Bureau of Land Management - Moab</u>
<u>Beth Coker</u>	<u>Bureau of Land Management - Moab</u>
<u>Jeff Williams</u>	<u>Bureau of Land Management - Moab</u>
<u>Bob Ballentyne</u>	<u>Palmer Oil &amp; Gas Co.</u>
<u>Bill Buniger</u>	<u>Contractor</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

Related Environmental Analyses and References:

- (1) Unit Resource Analysis, Book Mountain Planning Unit,  
Bureau of Land Management, Moab
- (2)

→ Well moved to  
1495' FNL & 1160' FEL  
→ K&G site road  
Irregular road  
165' W x 207' S x 250' E  
500' W' regular road  
Flow line not in  
→ S&K site  
→ Midway  
3 a-c

Analysis Prepared by: George Diwachak, Environmental Scientist  
Salt Lake City

Date May 30, 1979

Noted - G. Diwachak

Proposed Action:

On April 18, 1979, Palmer Oil and Gas Co., Energy Increments, Inc., filed an Application for Permit to Drill the No. 3-8 development well, a 3500' gas test of the Dakota and Morrison Formations; located at an elevation of 6017' in the SE/4 NE/4, Sec. 3, T17S, R24E on Federal mineral lands and Public surface; lease No. U-38838. As an objection was raised to the wellsite, it was moved to 1495' FNL and 1160' FEL. This did not change the ~~1/4~~ coordinates. The move forced the rerouting of an existing road around the west side of the drill pad.

A rotary rig would be used for the drilling. An adequate casing and cementing program is proposed. Freshwater sands and other mineral-bearing formations would be protected. A Blowout Preventor would be used during the drilling of the well. The proposed pressure rating should be adequate. Details of the operator's NTL-6 10-Point Subsurface Plan are on file in the U.S.G.S. District Office in Salt Lake City, Utah, and the U.S.G.S. Northern Rocky Mountain Area Office in Casper, Wyoming. The 13-Point Surface Protection Plan is on file in the District Office in Salt Lake City.

A working agreement has been reached with the Bureau of Land Management, the controlling surface agency. Rehabilitation plans would be decided upon as the well neared completion; the Surface Management Agency would be consulted for technical expertise on those arrangements.

The operator proposes to construct a drill pad 165' on the north side, 207' on the south and 250' on the east and west sides. A reserve pit would be constructed within the location boundaries. East Canyon Road would be rerouted around the west side of the pad 18' wide x 500' long. The operator proposes to construct production facilities on disturbed area of the proposed drill pad. If production is established, plans for a gas flowline would be submitted to the appropriate agencies for approval. The anticipated starting date is August 1, 1979, and duration of drilling activities would be about 15 days.

Location and Natural Setting:

The proposed drillsite is approximately 36 miles northwest of Mack, Colorado, the nearest town. A fair road runs to the location. This well is in the Bryson Canyon Field.

Topography:

Regional topography is mountainous. The location is situated in East Canyon, a narrow valley within the south flank of the Bookcliffs.

Geology:

The surface geology is Mesa Verde. The soil is sandy clay. No geologic hazards are known near the drillsite. Seismic risk for the area is

minor. Anticipated geologic tops are filed with the 10-Point Subsurface Protection Plan.

Approval of the proposed action would be conditioned that adequate and sufficient electric/radioactive/density logging surveys would be made to locate and identify any potential mineral resources. Production casing and cementing would be adjusted to assure no influence of the hydrocarbon zones through the well bore on these minerals. In the event the well is abandoned, cement plugs would be placed with drilling fluid in the hole to assure protection of any mineral resources.

The potential for loss of circulation would exist and is possible in the sandstone units of the Mesa Verde. Loss of circulation may result in the lowering of the mud levels, which might permit exposed upper formations to blow out or to cause formations to slough and stick to drill pipe. A loss of circulation would result in contamination due to the introduction of drilling muds, mud chemicals, filler materials, and water deep into the permeable zone, fissures, fractures, and caverns within the formation in which fluid loss is occurring. The use of special drilling techniques, drilling muds, and lost circulation materials may be effective in controlling lost circulation. The operator plans to use air drilling methods which would reduce the potential for lost circulation.

A geologic review of the proposed action has been furnished by the Area Geologist, U. S. Geological Survey, Salt Lake City, Utah.

The operator's drilling, cementing, casing and blowout prevention programs have been reviewed by the Geological Survey engineers and determined to be adequate.

#### Soils:

No detailed soil survey has been made of the project area. The topsoils in the area range from a sandy clay to a clay type soil. The soil is subject to runoff from rainfall and has a high runoff potential and sediment production would be high. The soils are mildly to moderately alkaline and support the salt-desert shrub community. The pinyon-juniper association is also present.

Topsoil would be removed from the surface and stockpiled on the northeast side of the pad. The soil would be spread over the surface of disturbed areas when abandoned to aid in rehabilitation of the surface. Rehabilitation is necessary to prevent erosion and encroachment of undesired species on the disturbed areas. The operator proposes to rehabilitate the location and access roads per the recommendations of the Bureau of Land Management.

Approximately 1.3 acres of land would be stripped of vegetation. This would increase the erosional potential. Proper construction practice, construction of water bars, reseeding of slope-cut area would minimize this impact.

Air:

No specific data on air quality is available at the proposed location. There would be a minor increase in air pollution due to emissions from rig and support traffic engines. Particulate matter would increase due to dust from travel over unpaved dirt roads. The potential for increased air pollution due to leaks, spills, and fire would be possible.

Relatively heavy traffic would be anticipated during the drilling-operations phase, increasing dust levels and exhaust pollutants in the area. If the well was to be completed for production, traffic would be reduced substantially to a maintenance schedule with a corresponding decrease of dust levels and exhaust pollutants to minor levels. If the project results in a dry hole, all operations and impact from vehicular traffic would cease after abandonment. Due to the limited number of service vehicles and limited time span of their operation, the air quality would not be substantially reduced.

Toxic or noxious gases would not be anticipated.

Precipitation:

Annual rainfall should range from about 8 to 11" at the proposed location. The majority of the numerous drainages in the surrounding area are of a non-perennial nature flowing only during early spring runoff and during extremely heavy rainstorms. This type of storm is rather uncommon as the annual precipitation is around 8".

Winds are medium and gusty, occurring predominantly from southwest to northeast. Air mass inversions are rare. The climate is semiarid with abundant sunshine, hot summers and cold winters with temperature variations on a daily and seasonal basis.

Surface Water Hydrology:

Drainage from the location would be to East Canyon Creek, a tributary of the Colorado River.

Some additional erosion would be expected in the area since surface vegetation would be removed. If erosion became serious, drainage systems such as water bars and dikes would be installed to minimize the problem. The proposed project should have minor impact on the surface water systems. The potentials for pollution would be present from leaks or spills. The operator is required to report and clean up all spills or leaks.

Groundwater Hydrology:

Some minor pollution of groundwater systems would occur with the introduction of drilling fluids (filtrate) into the aquifer. This is normal and unavoidable during rotary drilling operations. The

potential for communication, contamination, and commingling of formations via the well bore would be possible. The drilling program is designed to prevent this. There is need for more data on hydrologic systems in the area and the drilling of this well may provide some basic information as all shows of fresh water would be reported. Water production with the gas would require disposal of produced water per the requirements of NTL-2B. The depths of freshwater formations are listed in the 10-Point Subsurface Protection Plan. The pits would be unlined. If fresh water should be available from the well, the owner or surface agency may request completion as a water well if given approval.

#### Vegetation:

Sagebrush and grasses are present on the location site. Plants in the canyon bottom are of the salt-desert shrub types grading to the pinyon-juniper association.

Proposed action would remove about 1.3 acres of vegetation. Removal of vegetation would increase the erosional potential and there would be a minor decrease in the amount of vegetation available for grazing.

The operator proposes to rehabilitate the surface upon completion of operations.

#### Wildlife:

The fauna of the area consists predominately of elk, mule deer, coyotes, rabbits, foxes, and varieties of small ground squirrels and other types of rodents and various types of reptiles. The area is used by man for the primary purpose of grazing domestic livestock and sheep. The birds of the area are raptors, finches, ground sparrows, magpies, crows and jays.

An animal and plant inventory has been made by the BLM. No endangered plants or animals are known to inhabit the project area.

#### Social-Economic Effect:

An on the ground surface archaeological reconnaissance would be required prior to approval of the proposed action. Appropriate clearances would then be obtained from the surface managing agency. If a historic artifact, an archaeological feature or site is discovered during construction operations, activity would cease until the extent, the scientific importance, and the method of mitigating the adverse effects could be determined by a qualified cultural resource specialist.

There are no occupied dwellings or other facilities of this nature in the general area. Minor distractions from aesthetics would occur over the lifetime of the project and are judged to be minor. All permanent facilities placed on the location would be painted a color to blend in with the natural environment. Present use of the area is grazing, recreation, and oil and gas activities.

Noise from the drilling operation may temporarily disturb wildlife and people in the area. Noise levels would be moderately high during drilling and completion operations. Upon completion, noise levels would be infrequent and significantly less. If the area is abandoned, noise levels should return to pre-drilling levels.

The site is not visible from any major roads. After drilling operations, completion equipment would not be visible to passersby of the immediate area and would not present a major intrusion.

The overall effect of oil and gas drilling and production activity is significant in Grand County but it is difficult to assess the environmental impact of a single well on state and/or national levels. However, if said well was to produce in sufficient quantity, additional development wells might be anticipated. This additional development, in turn, would lead to greater environmental and socioeconomic consequences.

Should the wellsite be abandoned, surface rehabilitation would be done according to the surface agency's requirements and to USGS's satisfaction. This would involve leveling, contouring, reseeding, etc., of the location and possibly the access road. If the well should produce hydrocarbons, measures would be undertaken to protect wildlife and domestic stock from the production equipment.

There are no national, state, or local parks, forests, wildlife refuges or ranges, grasslands, monuments, trails or other formally designated recreational facilities near the proposed location.

The proposed location is within the Book Mountain Planning Unit. This Environmental Assessment Record was compiled by the Bureau of Land Management, the surface managing agency of the Federal surface in the area. The study includes additional information on the environmental impact of oil and gas operations in this area and gives land use recommendations. The E.A.R. is on file in the agency's State offices and is incorporated herein by reference.

#### Waste Disposal:

The mud and reserves pits would contain all fluids used during the drilling operations. A trash pit would be utilized for any solid wastes generated at the site and would be buried at the completion of the operations. Sewage would be handled according to State sanitary codes. For further information, see the 13-Point Surface Plan.

#### Alternatives to the Proposed Action:

1) Not Approving the Proposed Permit--The Oil and Gas Lease grants the lessee exclusive right to drill for, mine, extract, remove and dispose of all oil and gas deposits. Under leasing provisions, the Geological Survey has an obligation to allow mineral development if the environmental

consequences are not too severe or irreversible. Upon rehabilitation of the site, the environmental effects of this action would be substantially mitigated, if not totally annulled. Permanent damage to the surface and subsurface would be prevented as much as possible under U.S.G.S. and other controlling agencies' supervision with rehabilitation planning reversing almost all effects. Additionally, the growing scarcity of oil and gas should be taken into consideration.

2) Minor relocation of the wellsite and access road or any special, restrictive stipulations or modifications to the proposed program would not significantly reduce the environmental impact, but would reduce impacts to an existing pipeline. There are no severe vegetative, animal or archaeological-historical-cultural conflicts at the site. At abandonment, normal rehabilitation of the area such as contouring, reseeding, etc., would be undertaken with an eventual return to the present status as outlined in the 13-Point Surface Plan.

3) Drilling should be allowed provided the following mitigative measures are incorporated into the proposed APD and adhered to by the operator.

a. The location was moved 60' east to avoid disturbance to an existing pipeline on the west edge of the canyon bottom. The move required that East Canyon Road be rerouted around the west side of the pad. Construction of the road should conform to the specifications of the existing road, and should avoid disturbances to the flowline.

b. The east edge of the pad should remain a minimum of 25' from East Canyon Creek which flows along the eastern side of the canyon bottom.

c. The blooie line should be misted with water to suppress dust.

Adverse Environmental Effects Which Cannot Be Avoided:

Surface disturbance and removal of vegetation from approximately 1.3 acres of land surface for the lifetime of the project which would result in increased and accelerated erosional potential. Grazing would be eliminated in the disturbed areas and there would be a minor and temporary disturbance of wildlife and livestock. Minor induced air pollution due to exhaust emissions from rig engines of support traffic engines would occur. Minor increase in dust pollution would occur due to vehicular traffic associated with the operation. If the well is a gas producer, additional surface disturbance would be required to install production pipelines. The potential for fires, leaks, spills of gas, oil or water would exist. During the construction and drilling phases of the project, noise levels would increase. Potential for subsurface damage to freshwater aquifers and other geologic formations exists. Minor distractions from aesthetics during the lifetime of the project would exist. If the well is a producer, an irreplaceable and irretrievable commitment of resources would be made. Erosion from the site would

eventually be carried as sediment in the Colorado River. The potential for pollution to the East Canyon Creek would exist through leaks and spills.

Determination:

This requested action does not constitute a major Federal action significantly affecting the environment in the sense of NEPA, Sec. 102(2)(C).

Date

7/5/79

*E. W. ...*

District Engineer  
U. S. Geological Survey  
Conservation Division  
Oil and Gas Operations  
Salt Lake City District



FROM: DISTRICT GEOLOGIST, ME, SALT LAKE CITY, UTAH

TO: DISTRICT ENGINEER, O&amp;G, SALT LAKE CITY, UTAH

SUBJECT: APD MINERAL EVALUATION REPORT

LEASE NO. U-38838OPERATOR: PALMER OIL & GAS Co.WELL NO. SW Fed. No. 3-8LOCATION: 1/2 SE 1/2 NE 1/2 sec. 3, T. 17 S., R. 24 E., SLMGRAND County, UTAH

1. Stratigraphy: OPERATOR ESTIMATES ARE REASONABLE

2. Fresh Water: SEE ATTACHED WRD REPORT FOR WELL IN SEC. 6, SAME TWP.

3. Leasable Minerals: VALUABLE PROSPECTIVELY FOR COAL. DAKOTA COAL IS LIKELY TO BE THIN, LENTICULAR AND SUBECONOMIC.

4. Additional Logs Needed: NONE

5. Potential Geologic Hazards: WELLS IN THE TWP. REPORT NO UNUSUAL CONDITIONS.

6. References and Remarks: WITHIN 1 MI OF BRYSON CANYON KGS

Signature: TJRADate: 4 - 27 - 79

Sec 6, T.17S., R.24 E., SLM

Oil Resources-Westwater #2--continued

2. Fresh Water Sands--continued

"In this vicinity the deepest fresh-water zone is the Castle Gate Member of the Mancos Shale:

Castle Gate Mem 1500'-1600', aquifer, may contain fresh water or water not too brackish to be used by stock.

Deeper formation, if aquifers, may yield salty water or brine.

Note: Interval mentioned here is provided by WRD. Tops in item 1 are probably better because of the close proximity of well from which the information was obtained."

WRD 12/2/69

STATE OF UTAH  
DIVISION OF OIL, GAS, AND MINING

\*\* FILE NOTATIONS \*\*

Date: June 6, 1979

Operator: Palmer Oil & Gas Co. - Energy Increments, Inc.

Well No: Federal 3-8

Location: Sec. 3 T. 17S R. 24E County: Grand

File Prepared:  Entered on N.I.D.:

Card Indexed:  Completion Sheet:

API Number: 43-019-30521

CHECKED BY:

Administrative Assistant: \_\_\_\_\_

Remarks:

Petroleum Engineer: M.S. Minder 6-12-79

Remarks:

Director: Feight

Remarks:

INCLUDE WITHIN APPROVAL LETTER:

Bond Required:  Survey Plat Required:

Order No. 165-4 5/23/79 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:

Letter Written/Approved

# 3



SCOTT M. MATHESON  
Governor

OIL, GAS, AND MINING BOARD

GORDON E. HARMSTON  
Executive Director,  
NATURAL RESOURCES

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES

CHARLES R. HENDERSON  
Chairman

CLEON B. FEIGHT  
Director

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

JOHN L. BELL  
C. RAY JUVELIN  
THADIS W. BOX  
CONSTANCE K. LUNDBERG  
EDWARD T. BECK  
E. STEELE McINTYRE

June 14, 1979

PALMER OIL AND GAS - ENERGY INCREMENTS  
P O BOX 2564  
BILLINGS MT 59103

Re: Well No. Federal 3-8, Sec. 3, T17S, R24E, Grand County, UT  
FEDERAL 4-12, Sec. 4, T17S, R24E, Grand County, UT  
Federal 29-15, Sec. 29, T16S, R24E, Grand County, UT

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to well is hereby granted in accordance with the Order issued in Cause No. 165-4 dated May 23, 1979.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Geological Engineer  
HOME: 876-3001  
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. Your cooperation in completing this form will be appreciated.

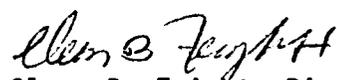
Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API numbers assigned to the above wells are as follows:

Federal 3-8 43-019-30521  
Federal 4-12 43-019-30522  
Federal 29-15 43-019-30519

Yours very truly,

DIVISION OF OIL, GAS, AND MINING

  
Cleon B. Feight, Director

cc: U. S. Geological Survey

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

*no compl.  
note*

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
Palmer Oil & Gas Company

3. ADDRESS OF OPERATOR  
P. O. Box 2564, Billings, Montana 59103

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 1495' FNL, 1160' FEL  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

5. LEASE  
U-38838

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal

9. WELL NO.  
3-8

10. FIELD OR WILDCAT NAME  
Bryson Canyon

11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA  
SE 1/4 Sec 3-17S-24E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

14. API NO.  
43-019-30521

15. ELEVATIONS (SHOW DF, KDB, AND WD)

REQUEST FOR APPROVAL TO:      SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

PULL OR ALTER CASING

MULTIPLE COMPLETE

CHANGE ZONES

ABANDON\*

(other) Pipeline Hookup

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING  
DATE: Sept 13, 1979  
*Frank M...*

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

REVISED

Palmer Oil & Gas Company requests permission for pipeline hookup under Section 1 of the lease rights to tie into Northwest Pipeline's Grand Valley Gathering System, 8" Lateral A-6.

Lateral A-6 is a 4" line, .188 wall thickness, Grade "B" ERW. Design pressure 720 psi, X-Trucoat wrapping. Line will be welded and buried. Disturbed areas will be rehabilitated as required by the BLM.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

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

SIGNED Robert D. Ballantyne TITLE Drilling Sup't DATE August 9, 1979  
Robert D. Ballantyne

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL IF ANY:

*TRACT 13*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
Palmer Oil & Gas Company -Energy Increments

3. ADDRESS OF OPERATOR  
P. O. Box 2564- Billings, Montana

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 1495' FNL, 1160' FEL  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other) <u>Status Report</u>			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Well spudded at 3:30 AM on 8/5/79. Drilled 11" hole to 67'. Hit 3" stream of water at 40'. Ran 1 joint of 9-5/8" conductor pipe to 52' KB.

Ran 43 joints 7" 20# casing to 1328' KB and cemented with 250 sx, 2% cc. Plug down at 1:00 PM on 8/7/79. Trace of cement to surface.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

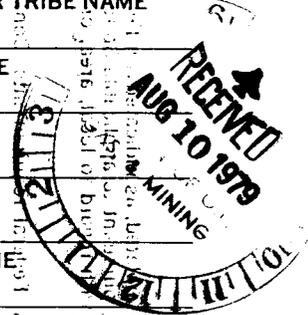
18. I hereby certify that the foregoing is true and correct

SIGNED Grace F. Brown TITLE Assistant Secretary DATE August 7, 1979

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

5. LEASE <u>U-38838</u>	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME <u>Federal</u>	
9. WELL NO. <u>3-8</u>	
10. FIELD OR WILDCAT NAME <u>Bryson Canyon</u>	
11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA <u>SE 1/4 Sec. 3-17S-24E</u>	
12. COUNTY OR PARISH <u>Grand</u>	13. STATE <u>Utah</u>
14. API NO. <u>43-019-3052</u>	
15. ELEVATIONS (SHOW DF, KDB, AND WD)	



(NOTE: Report results of multiple completion or zone change on Form 9-330.)

FILE IN QUADRUPLICATE  
FORM OGC-8-X



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING  
1588 West North Temple  
Salt Lake City, Utah 84116

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number: .....Federal #3-8

Operator: Palmer Oil & Gas Company Address: P. O. Box 2564, Billings, Montana

Contractor: Cardinal Drilling Company Address: P. O. Box 1077, Billings, Montana

Location SE 1/4 NE 1/4; Sec. 3 T. 17 ~~N~~ S, R. 24 E; Grand County  
S XMX

Water Sands:

<u>Depth:</u>		<u>Volume:</u>	<u>Quality:</u>
From-	To-	Flow Rate or Head	Fresh or Salty
1. 0	40'	3" stream of fresh water	
2.			
3.			
4.			
5.			

(Continue on Reverse Side if Necessary)

Formation Tops:

Mesaverde - surface

Remarks:

- NOTE: (a) Upon diminishing supply of forms, please inform this office.  
(b) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.  
(c) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE\*

(See instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R355.8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
Palmer Oil & Gas Company

3. ADDRESS OF OPERATOR  
P. O. Box 2564, Billings, Montana 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 1495' FNL, 1160' FEL  
At top prod. interval reported below same  
At total depth same



5. LEASE DESIGNATION AND SERIAL NO.

U-38838

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

3-8

10. FIELD AND POOL, OR WILDCAT

Bryson Canyon

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

SE 1/4 NE 1/4 Sec. 3-17S-24E

14. PERMIT NO. 43-019-30521 DATE ISSUED 6/14/79  
12. COUNTY OR PARISH Grand 13. STATE Utah

15. DATE SPUNDED 8/5/79 16. DATE T.D. REACHED 8/30/79 17. DATE COMPL. (Ready to prod.) 9/15/79 18. ELEVATIONS (DF, REB, RT, GR, ETC.)\* 6017 GL, 6028 KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 5436' 21. PLUG, BACK T.D., MD & TVD 5402' 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY 0-TD ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 4963-5112 - Dakota 25. WAS DIRECTIONAL SURVEY MADE no

26. TYPE ELECTRIC AND OTHER LOGS RUN Schlumberger DIL, CND 27. WAS WELL CORED no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20#	1328' KB	8-3/4"	250 sacks	
4 1/2"	10.5#	5430' KB	6-1/4"	225 sacks	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	5260'	none

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4963, 4967, 4797, 4980, 5033, 5040, 5045, 5050, 5054, 5108 and 5112' - 11 holes	600 gal. 7 1/2 MSR; fraced
	100 mesh, 80,000# 20/40 sand,
	2,432,000 scf nitrogen.

33.\* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
shut in	flowing	shut in
DATE OF TEST 9/15/79	HOURS TESTED 1	CHOKE SIZE 1-1/4"
PROD'N. FOR TEST PERIOD	OIL—BBL. 2,056	GAS—MCF. 86
FLOW. TUBING PRESS. 42 psi	CASING PRESSURE 350 psi	CALCULATED 24-HOUR RATE
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) to be sold		TEST WITNESSED BY R. D. Ballantyne

35. LIST OF ATTACHMENTS

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

SIGNED Robert D Ballantyne TITLE Drilling Superintendent DATE 9/17/79  
Robert D. Ballantyne

\*(See Instructions and Spaces for Additional Data on Reverse Side)

# INSTRUCTIONS

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

**Item 4:** If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

**Item 18:** Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

**Item 29: "Sacks Cement":** Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

**Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP TRUB VERT. DEPTH
				Dakota Silt	4743'	
				Dakota	4819'	
				Morrison	4984'	
				Salt Wash	5288'	

**37. SUMMARY OF POROUS ZONES:** SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

**38. GEOLOGIC MARKERS**

WELL CONTROL PLAN

1. Surface Casing: 7" O.D. 20#/ft., Grade K-55, Short T&C, set at 1100' or deeper, cemented with pump and plug method back to the surface or bottom of cellar.
2. Casinghead Flange: 7" swagged to 9-5/8" x 10-3/4" top 1500 psig W.P. Larkin (or equivalent) casinghead with two 2" 1500 psi L.P. outlets.
3. Intermediate Casing: None required.
4. Blowout Preventor: A 10" 3000 psig W.P. Double gate hydraulic Shaffer BOP (or equivalent) with drill; pipe rams and blind rams. All fill, kill and choke lines will be minimum of 2" 2000 psi W.P.
5. Auxiliary equipment: (a) Kelly cock will be run at top of Kelly at all times, (b) Float at bit will be run at all times, (c) No monitoring equipment for mud due to air drilling. Visual monitoring of air returns will be maintained, (d) Stabbing valve will be on rig floor at all times.
6. Anticipated bottom hole pressure is less than 1200 psi at 3650' or a gradient of .27 psi/ft. or less. No abnormal temperatures or hydrogen sulfide gas are anticipated.

PALMER OIL & GAS COMPANY

J. D. Rantam 4/16/79

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. Oil well  Gas well  other

2. NAME OF OPERATOR  
Tenneco Oil Company

3. ADDRESS OF OPERATOR  
720 S. Colorado Blvd., Denver, CO 80222

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 1495'FNL & 1160'FEL  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) <u>Change of Operator</u>	

5. LEASE

6. FARM OR AN ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal

9. WELL NO.  
3-8

10. FIELD OR WILDCAT NAME  
Bryson Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 3, T17S, R24E

12. COUNTY OR PARISH 13. STATE  
Grand Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
6017'GL

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The above mentioned well was purchased by Tenneco Oil Company effective date September 25, 1979, from Palmer Oil and Gas Company, P.O. Box 2564, Billings, Montana 59103.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

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

SIGNED [Signature] TITLE Admin. Supervisor DATE 10/18/79

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL IF ANY:

**Tenneco Oil**  
A Tenneco Company

Penthouse  
720 South Colorado Blvd.  
Denver, Colorado 80222  
(303) 758-7130



*Kathy 7*

October 23, 1979



Mr. Cleon B. Feight  
Utah Division of Oil, Gas & Mining  
1588 West, North Temple  
Salt Lake City, Utah 84111

RE: Tenneco Well formerly operated  
by Palmer Oil and Gas Company  
Grand County, Utah

Gentlemen:

The following wells formerly operated by Palmer Oil and Gas Company will now be operated by Tenneco Oil Company. Please note that record title to several of these wells will be held by Energy Increments, Inc., and Pate Oil Company, however, Tenneco Oil Company will continue to operate the wells.

Grand County, Utah

Township 16 South, Range 24 East

Sec. 33: 33-14/~~Section 29: Federal 29-15~~

Sec. 35: 35-10/ Section 28: Federal 28-15

Township 16 South, Range 25 East

Section 13: Federal 13-9-SIGW

Section 17: Federal 17-9-SIGW

Section 14: Federal 14-2

Township 16 South, Range 26 East

Section 32: State 32-1-SIGW

State 32-11-SIGW

Section 33: Federal 33-13-SIGW

Section 16: State 16-4

Township 17 South, Range 24 East

-SIGW-Section 3: Federal 3-8/Section 5: Federal 5-13

SIGW-Federal 3-15/Section 14: Federal 14-4

Section 4: Federal 4-12

Township 17 South, Range 25 East

Section 6: Federal 6-7

Federal 6-14-SIGW

Section 7: Federal 7-4-SIGW

Section 29: Federal 29-1

Township 17 South, Range 26 East

Section 5: Federal 5-4-SIGW

Federal 5-9-SIGW

Section 8: Federal 8-5-SIGW

\*\*\*SIGW=SHUT IN GAS WELL

REMAINING ARE DRILLING WELLS

March 27, 1980

Tenneco Oil Co.  
720 S. Colorado Blvd.  
Denver, Colorado 80222

Re: Well No. Federal 3-8  
Sec. 3, T. 17S, R. 24E.  
Grand County, Utah

Gentlemen:

According to our records, a "Well Completion Report" filed with this office 9-17-79, from above referred to well indicates the following electric logs were run: Schumberger DIL, CND. As of todays date this office has not received these logs.

Rule C-5, General Rules and Regulations and Rules of Practice and Procedure requires that a well log shall be filed with the Commission together with a copy of the electric and radioactivity logs.

Your prompt attention to the above will be greatly appreciated.

Sincerely,

DIVISION OF OIL, GAS, AND MINING



JANICE TABISH  
CLERK-TYPIST

# Tenneco Oil Company

A Tenneco Company

Western Rocky Mountain Division

P.O. Box 3249  
Englewood, Colorado 80155  
(303) 740-4800

RECEIVED

APR 27 1984



DIVISION OF OIL  
GAS & MINING

Delivery Address:  
6162 South Willow Drive  
Englewood, Colorado

April 25, 1984

State of Utah  
Department of Oil & Gas Conservation  
4241 State Office Bldg.  
Salt Lake City, UT 84114

Gentlemen:

Attached is a list of wells for which Tenneco Oil Company has been providing you with monthly state reports. Effective March 1, 1984, these wells were purchased by Quinoco Petroleum, Inc., 3801 East Florida Avenue, Suite 300, P. O. Box 10800, Denver, Colorado 80210. Quinoco will now be responsible for all state reporting on these wells beginning with March 1984 business.

Very truly yours,

TENNECO OIL COMPANY

*Ursula C. Sulzbach*  
Ursula C. Sulzbach  
Senior Revenue Analyst

UCS/wt  
Attachment

TENNECO OIL COMPANY  
Utah Wells Sold to Quinoco  
Effective March 1, 1984

091  
✓T. 17S R 24E Sec 4 Federal 4-12  
✓T17S R 24E Sec. 14 Hogle USA 14-4  
✓T17S R24E Sec 3 Federal 3-8  
✓T17S R24E Sec 3 Federal 3-15  
✓T16S R24E Sec 35 Federal 35-10  
✓T17S R24E Sec 2 Dietler State 2-14  
✓T17S R24E Sec 2 Dietler State 2-7  
✓T16S R25E Sec 31 Calvinco USA 31-12  
✓T17S R24E Sec 1 Reinauer 1-5  
✓T17S R24E Sec 1 Reinauer 1-14  
✓T16S R24E Sec 36 Tenneco State 36-14  
✓T16S R24E Sec 36 Tenneco State 36-16  
✓T16S R 24E Sec 35 Brown USA 35-3  
✓T17S R24E Sec 12 Edward 12-2  
✓T17S R25E Sec 7 Winter Camp Unit 7-14  
✓T17S R24E Sec 11 Hogle 11-12  
✓T17S R25E Sec 6 Federal 6-7  
✓T17S R25E Sec 7 Federal 7-4  
✓T16S R25E Sec 17 Federal 17-9  
✓T16S R25E Sec 14 Federal 14-2  
✓T16S R26E Sec 16 State 16-4  
✓T16S R25E Sec 13 Carlson USA 13-4  
✓T17S R24E Sec 5 Federal 5-13  
✓T16S R24E Sec 33 Wilson USA 33-15  
✓T17S R25E Sec 6 Federal 6-14  
✓T16S R25E Sec 13 Federal 13-9  
✓T16S R26E Sec 33 Federal 33-13  
T17S R26E Sec 5 Federal 5-4  
✓T16S R26E Sec 32 State 32-1  
✓T16S R26E Sec 32 State 32-11  
✓T17S R24E Sec 12 Tenneco USA 12-9

THE FOLLOWING METERS WILL HAVE CALIBRATION / SETTLEMENT TESTS RUN ON THE DATES INDICATED. STARTING TIME WILL BE 0800 OR AS SPECIFIED BELOW AND AT THE OFFICE OF THE NORTHWEST PIPELINE GRAND JUNCTION DISTRICT YOU WILL BE NOTIFIED SHOULD ANY CHANGES OCCUR IN THIS SCHEDULE. IF YOU HAVE ANY QUESTIONS ABOUT THE SCHEDULE, CONTACT OR WRITE THE DISTRICT OFFICE.

METER CODE	WELL NAME	LOC	RUN	DAY	MO/YR	STARTING TIME
93760016	FULLER USA #13-16	06	02	<u>3</u>	12/85	<u>0900</u>
93761014	FULLER USA #18-12	06	02	<u>3</u>	12/85	<u>1100</u>
92110010	FEDERAL #3-8 17S. 24E. 3 ✓	06	07	<u>7</u>	10/85	<u>0830</u>
92111016	FEDERAL #3-15 17S. 24E. 3	06	07	<u>7</u>	10/85	<u>0930</u>
92112012	FEDERAL #35-10 14S. 24E. 36	06	07	<u>7</u>	10/85	<u>1100</u>
92150011	FEDERAL #4-12 17S. 24E. 4	06	07	<u>8</u>	10/85	<u>0900</u>
92155013	WILSON USA #33-15 14S. 24E. 33	06	07	<u>8</u>	10/85	<u>1030</u>
92198014	BROWN USA #35-3 14S. 24E. 35	06	07	<u>8</u>	10/85	<u>1130</u>
92117014	FEDERAL #6-7 17S. 25E. 6	06	07	<u>6</u>	11/85	<u>0930</u>
92118010	FEDERAL #6-14 17S. 25E. 6	06	07	<u>6</u>	11/85	<u>0830</u>
92119017	FEDERAL #7-4 17S. 25E. 7	06	07	<u>4</u>	11/85	<u>1030</u>
92158012	DIETLER STATE #2-14 17S. 24E. 2	06	07	<u>7</u>	11/85	<u>0830</u>
92160017	STATE #36-14 14S. 24E. 36	06	07	<u>7</u>	11/85	<u>0930</u>
92186016	EDWARDS USA #12-9 17S. 24E. 12	06	07	<u>4</u>	11/85	<u>0930</u>
92188019	CALVINCO USA #31-12 16S. 25E. 31	06	07	<u>5</u>	11/85	<u>0830</u>
92190013	REINAUER #1-14 17S. 24E. 1	06	07	<u>5</u>	11/85	<u>0930</u>
92199010	REINAUER #1-5 17S. 24E. 1	06	07	<u>7</u>	11/85	<u>1030</u>
92231011	WINTER CAMP #7-14 17S. 25E. 7	06	07	<u>4</u>	11/85	<u>0830</u>

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

SEE INSTRUCTIONS ON REVERSE SIDE

031723pgw

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. U-38838
2. NAME OF OPERATOR Ominex Petroleum, Inc.		6. IF INDIAN, ALLOTTED OR TRIBE NAME
3. ADDRESS OF OPERATOR Stanford Place 1, Suite 1060 8055 E. Tufts Ave. Pkwy., Denver, CO 80237		7. UNIT ASSIGNMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface  6017' GL, 6028' KB		8. FARM OR LEASE NAME Federal
14. PERMIT NO. 43-019-30521		9. WELL NO. 3-8
15. ELEVATIONS (Show whether DF, ST, GR, etc.) 6017 GL, 6028 KB		10. FIELD AND POOL, OR WILDCAT Bryson Canyon
		11. SEC., T., R., M., OR BLE. AND SUBST OR AREA Sec. 3-17S-24E SE/4, NE/4
		12. COUNTY OR PARISH    13. STATE Grand                      Utah

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDISE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>

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

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Change of Operator from Quinoco Petroleum, Inc., P.O. Box 378111, Denver, CO 80237 to Ominex Petroleum, Inc. effective as of March 1, 1987.

RECEIVED  
MAR 12 1987

DIVISION OF  
OIL, GAS & MINING

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

SIGNED Mary E. Le TITLE Production Analyst DATE 3-1-87

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: U-38838
2. Name of Operator: OMIMEX PETROLEUM, INC.		6. If Indian, Allocated or Tribe Name: ---
3. Address and Telephone Number: 8055 E. Tufts Avenue Parkway, #1060 Denver, CO 80237 (303) 771-1661		7. Unit Agreement Name: ---
4. Location of Well Footages: 1495' FNL, 1160' FEL QQ, Sec., T., R., M.: SENE Sec. 3-17S-24E		8. Well Name and Number: Federal 3-8
		9. API Well Number: 43-0193052100
		10. Field and Pool, or Wildcat: Bryson Canyon
		County: Grand State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandonment <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandonment * <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input checked="" type="checkbox"/> Other Annual Status Report
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recompletion <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>Shut in - February 1991</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.</small>

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

Omimex has no future plans for this well.

**RECEIVED**

MAR 15 1993

DIVISION OF  
OIL GAS & MINING

13.  
Name & Signature: B. J. Whitney *B.J. Whitney* Title: Production Analyst Date: 3/10/93

(This space for State use only)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

UTU38838A

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. If Indian, Allottee or Tribe Name:

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

7. Unit Agreement Name:

NOV 15 1993

1. Type of Well: OIL  GAS  OTHER:

8. Well Name and Number:

Federal #3-8

2. Name of Operator:  
Omimex Petroleum, Inc.

DIVISION OF  
OIL, GAS & MINING

9. API Well Number:

43-01930521

3. Address and Telephone Number:  
8055 E. Tufts Ave. Pkway., #1060 - Denver, CO 80237 (303)771-1661

10. Field and Pool, or Wildcat:

Bryson Canyon Field

4. Location of Well

Footages:

County: Grand

CQ, Sec., T., R., M.: SENE 3-17S-24E

State: Utah

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

NOTICE OF INTENT  
(Submit in Duplicate)

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

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

SUBSEQUENT REPORT  
(Submit Original Form Only)

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

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

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

\* Must be accompanied by a cement verification report.

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

Effective November 1, 1993 operatorship transferred to:

North Star Resources, Inc. (corporate office)  
15000 NW Freeway  
Houston, TX 77040

2210 Highway 6N50 (operations office)  
Grand Junction, CO 81505  
(303) 245-5902

13.

Name & Signature:

*B. J. Whitney*  
B. J. Whitney

Title: Production Analyst

Date: 11/11/93

(This space for State use only)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.  
**UTU38838A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

8. Well Name and No.

**FEDERAL #3-8**

2. Name of Operator

**NORTHSTAR GAS COMPANY INC.**

9. API Well No.

**43-01930521**

3. Address and Telephone No.

**820 GESSNER SUITE 1630 713-935-9542**

10. Field and Pool, or Exploratory Area

**BRYSON CANYON**

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

**HOUSTON TX 77024**

11. County or Parish, State

**SENE 3-17S-24E**

**GRAND COUNTY, UTAH**

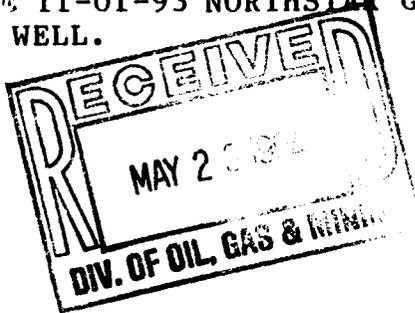
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

EFFECTIVE 11-01-93 NORTHSTAR GAS CO. INC. WILL BECOME OPERATOR OF THE ABOVE WELL.



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

Signed **PAUL BERNARD**

Title **SEC/TREAS**

Date **05-04-94**

(This space for Federal or State official use)  
/s/ **WILLIAM C. STRINGER**

Title **Associate District Manager**

Date **MAY 15 1994**

Approved by  
Conditions of approval, if any:

CONDITION OF APPROVAL ATTACHED

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

Northstar Gas Company, Inc.  
Well No. Federal 3-8  
SENE Sec. 3, T. 17 S., R. 24 E.  
Grand County, Utah  
Lease U-38838A

CONDITIONS OF APPROVAL

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

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

Bond coverage for this well is provided by UT0845 (Principal - Northstar Gas Company, Inc.) via surety consent as provided for in 43 CFR 3104.2.

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

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

6. Lease Designation and Serial Number:

UTU38838A

8. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

FEDERAL #3-8

9. API Well Number:

43-01930521

10. Field and Pool, or Wildcat:

BRYSON CANYON

1. Type of Well: OIL  GAS  OTHER:

2. Name of Operator: NORTHSTAR GAS COMPANY, INC.

3. Address and Telephone Number:  
820 GESSNER, SUITE 1630, HOUSTON, TX 77024 713-935-9542

4. Location of Well

Footages:

OO, Sec., T., R., M.: SENE 3-17S-24E

County: GRAND

State: UTAH

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

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

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

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

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

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

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

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

\* Must be accompanied by a cement verification report.

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

EFFECTIVE NOVEMBER 1, 1993 OPERATORSHIP TRANSFERRED FROM:  
OMIMEX PETROLEUM, INC.  
8055 E. TUFTS AVE. PKWAY. #1060  
DENVER CO 80237 (303) 771-1661

TO:  
NORTHSTAR GAS COMPANY, INC.  
820 GESSNER, SUITE 1630  
HOUSTON, TX 77024 (713) 935-9542

MAY 2 1994  
DIV. OF OIL, GAS AND MINING

13. Name & Signature: Larry Dean Title: President Date: 5/24/94

(This space for State use only)

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

Routing:

1- LJC	7- LJC
2- DTS	
3- VLC	
4- RJF	
5- PL	
6- SJ	

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 11-1-93)

TO (new operator)	<u>NORTHSTAR GAS COMPANY INC.</u>	FROM (former operator)	<u>OMIMEX PETROLEUM INC.</u>
(address)	<u>15000 NW FWY STE 203</u>	(address)	<u>8055 E TUFTS AVE STE 1060</u>
	<u>HOUSTON, TX 77040</u>		<u>DENVER, CO 80237</u>
	<u>PAUL BERNARD</u>		
	phone <u>(713) 937-4314</u>		phone <u>(303) 771-1661</u>
	account no. <u>N 6680</u>		account no. <u>N 0735</u>

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

- |       |                             |                         |         |             |     |           |     |            |     |            |       |       |                |
|-------|-----------------------------|-------------------------|---------|-------------|-----|-----------|-----|------------|-----|------------|-------|-------|----------------|
| Name: | <u>FEDERAL 3-8/DKTA</u>     | <u>API:43-019-30521</u> | Entity: | <u>6545</u> | Sec | <u>3</u>  | Twp | <u>17S</u> | Rng | <u>24E</u> | Lease | Type: | <u>U38838A</u> |
| Name: | <u>FEDERAL 3-15/DK-MR</u>   | <u>API:43-019-30463</u> | Entity: | <u>6530</u> | Sec | <u>3</u>  | Twp | <u>17S</u> | Rng | <u>24E</u> | Lease | Type: | <u>U38838A</u> |
| Name: | <u>FEDERAL 5-13/DKTA</u>    | <u>API:43-019-30544</u> | Entity: | <u>6528</u> | Sec | <u>5</u>  | Twp | <u>17S</u> | Rng | <u>24E</u> | Lease | Type: | <u>U41372</u>  |
| Name: | <u>FEDERAL 28-15/DKTA</u>   | <u>API:43-019-30545</u> | Entity: | <u>9160</u> | Sec | <u>28</u> | Twp | <u>16S</u> | Rng | <u>24E</u> | Lease | Type: | <u>U10152A</u> |
| Name: | <u>WILSON 33-2/MNCSE</u>    | <u>API:43-019-30703</u> | Entity: | <u>9162</u> | Sec | <u>33</u> | Twp | <u>16S</u> | Rng | <u>24E</u> | Lease | Type: | <u>U31468</u>  |
| Name: | <u>WILSON 33-15/DKTA</u>    | <u>API:43-019-30520</u> | Entity: | <u>2870</u> | Sec | <u>33</u> | Twp | <u>16S</u> | Rng | <u>24E</u> | Lease | Type: | <u>U31468</u>  |
| Name: | <u>BROWN USA 35-3/DK-MR</u> | <u>API:43-019-30771</u> | Entity: | <u>6526</u> | Sec | <u>35</u> | Twp | <u>16S</u> | Rng | <u>24E</u> | Lease | Type: | <u>U10152</u>  |
- CONT.

**OPERATOR CHANGE DOCUMENTATION**

- LJC 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Rec'd 11-15-93)
- LJC 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Reg. 11-19-93) (Rec'd 5-23-94)
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) \_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- LJC 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- LJC 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (5-31-94)
- LJC 6. Cardex file has been updated for each well listed above. 6-1-94
- LJC 7. Well file labels have been updated for each well listed above. 6-1-94
- LJC 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (5-31-94)
- LJC 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

**ENTITY REVIEW**

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

**BOND VERIFICATION (Fee wells only)**

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

**LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY**

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

**FILMING**

- 1. All attachments to this form have been microfilmed. Date: June 8 1994.

**FILING**

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

**COMMENTS**

940531 Btm/Moab Aprv. 5-15-94 eH. 11-1-93.

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