

PALMER OIL & GAS COMPANY

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

**COPY**

*Check and see if  
file prepared on  
this well.*

August 24, 1979

U. S. Geological Survey  
8440 Federal Building  
Salt Lake City, Utah 84138

Gentlemen:

Enclosed please find an Application For Permit To Drill covering  
our No. 14-2 Federal Well in Grand County, Utah.

Sincerely,

PALMER OIL & GAS COMPANY

Donna Nyby  
Drilling Department

dln

Enclosures



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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

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  
 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 1220' FNL, 2150' FEL **NW NE**  
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 35 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 480

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None

19. PROPOSED DEPTH 5465' Morrison

20. ROTARY OR CABLE TOOLS Rotary

5. LEASE DESIGNATION AND SERIAL NO.  
 USA U-29641

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Federal

9. WELL NO.  
 14-2

10. FIELD AND POOL, OR WILDCAT  
 San Arroyo

11. SEC., T., R., M., OR BUK. AND SURVEY OR AREA  
 14-T16S-R25E

12. COUNTY OR PARISH 13. STATE  
 Grand Utah

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6424' G.L., 6435' K.B.

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

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	7" new	20#, H-40	1355'	150 sacks
6 1/4"	4 1/2" new	10.5#, K-55	5464' ✓	225 sacks

- Surface formation is the Mesaverde.
- Anticipated geologic markers are: Castlegate-1255, Frontier-4505, Dakota-4875, Morrison-5055.
- Gas is anticipated in the Dakota & 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 intermediate casing, and GR-GDC-SNP or CNL logs from TD to above the Frontier. No cores or DST's are planned. (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 August 23, 1979  
 (This space for Federal or State office use)

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

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

CONDITIONS OF APPROVAL, IF ANY:

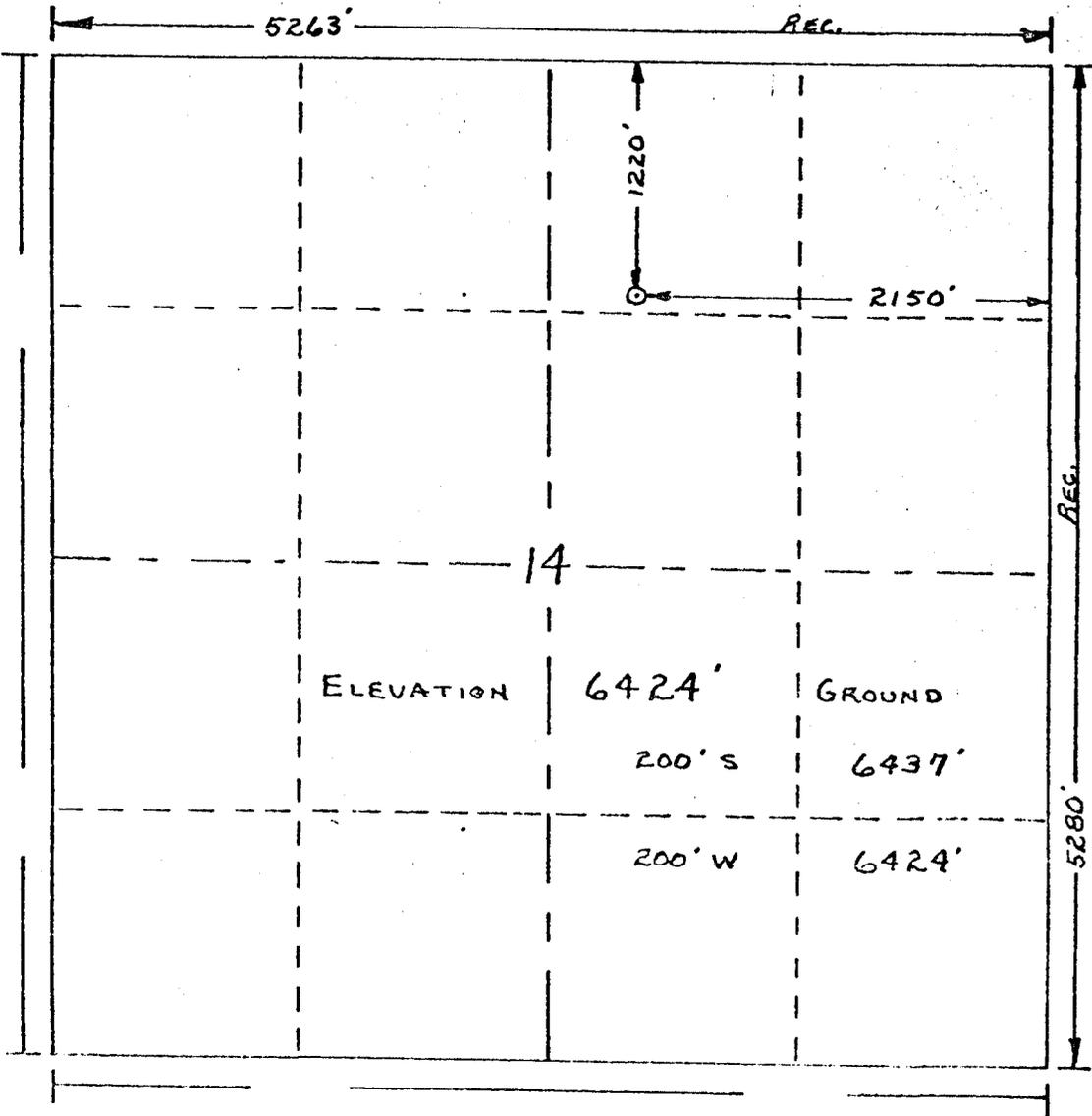
APPLICATION FOR PERMIT TO DRILL (Con't)

9. No abnormal pressures or temperatures anticipated. No poisonous gas anticipated.
10. Anticipated spud date is November 1, 1979, depending on rig availability. Completion operations should commence within 30 days of rig release.
11. Survey plats enclosed.
12. The gas is not dedicated.
13. The spacing unit is the North half of Section 14, containing 320 acres.
14. A stipulation from Universal Resources will be forwarded.
15. Designation of Operator Forms from Universal Resources will be forwarded.



PLAT NO. 1

R. 25 E.



T. 16 S.

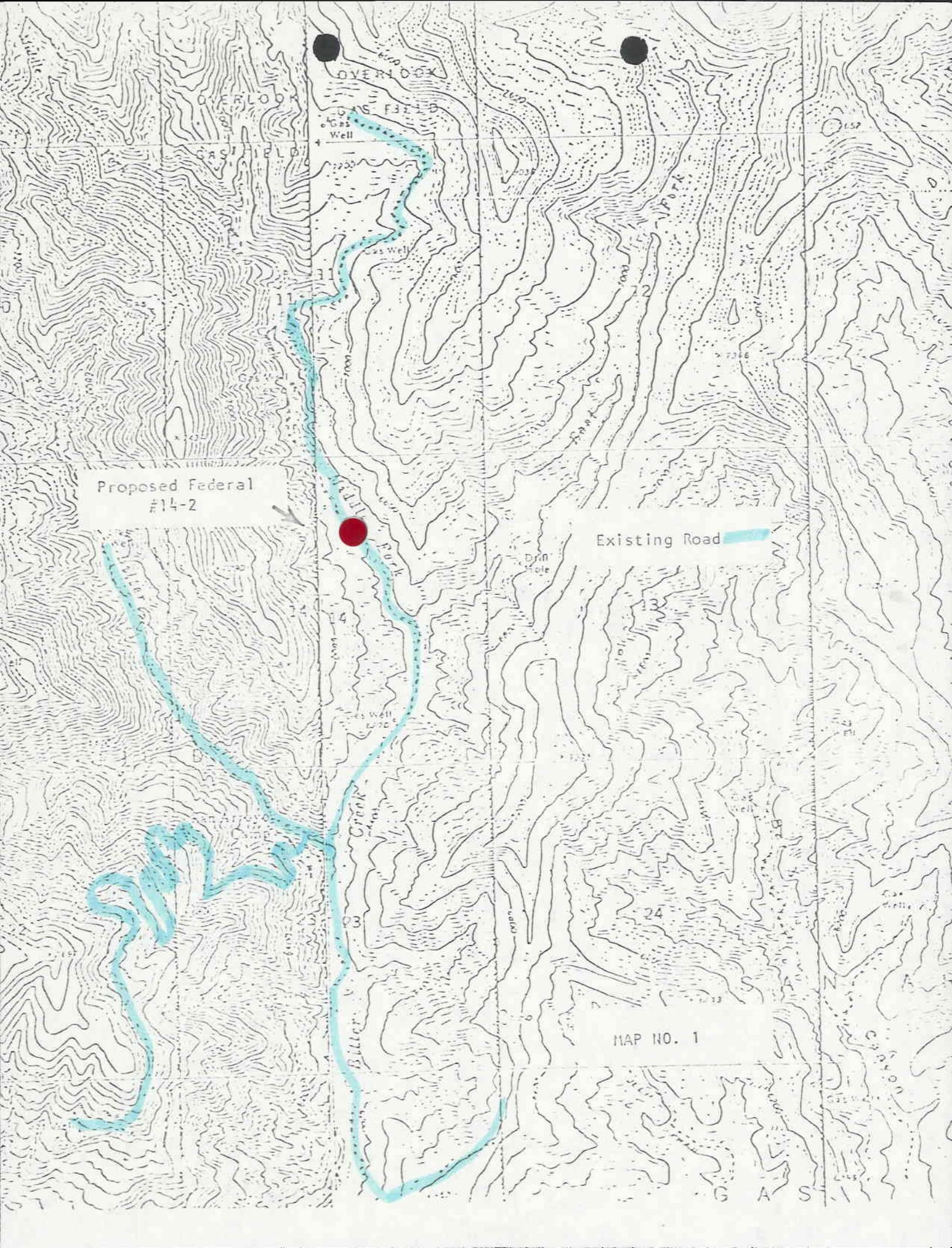
Scale... 1" = 1000'

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 #14-2 FEDERAL to be 1220' FN & 2150' FE Section 14 Township 16 S. Range 25 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 #14-2 FEDERAL

Date: 5-28-79

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



OVERLOOK

GAS FIELD

Proposed Federal  
#14-2

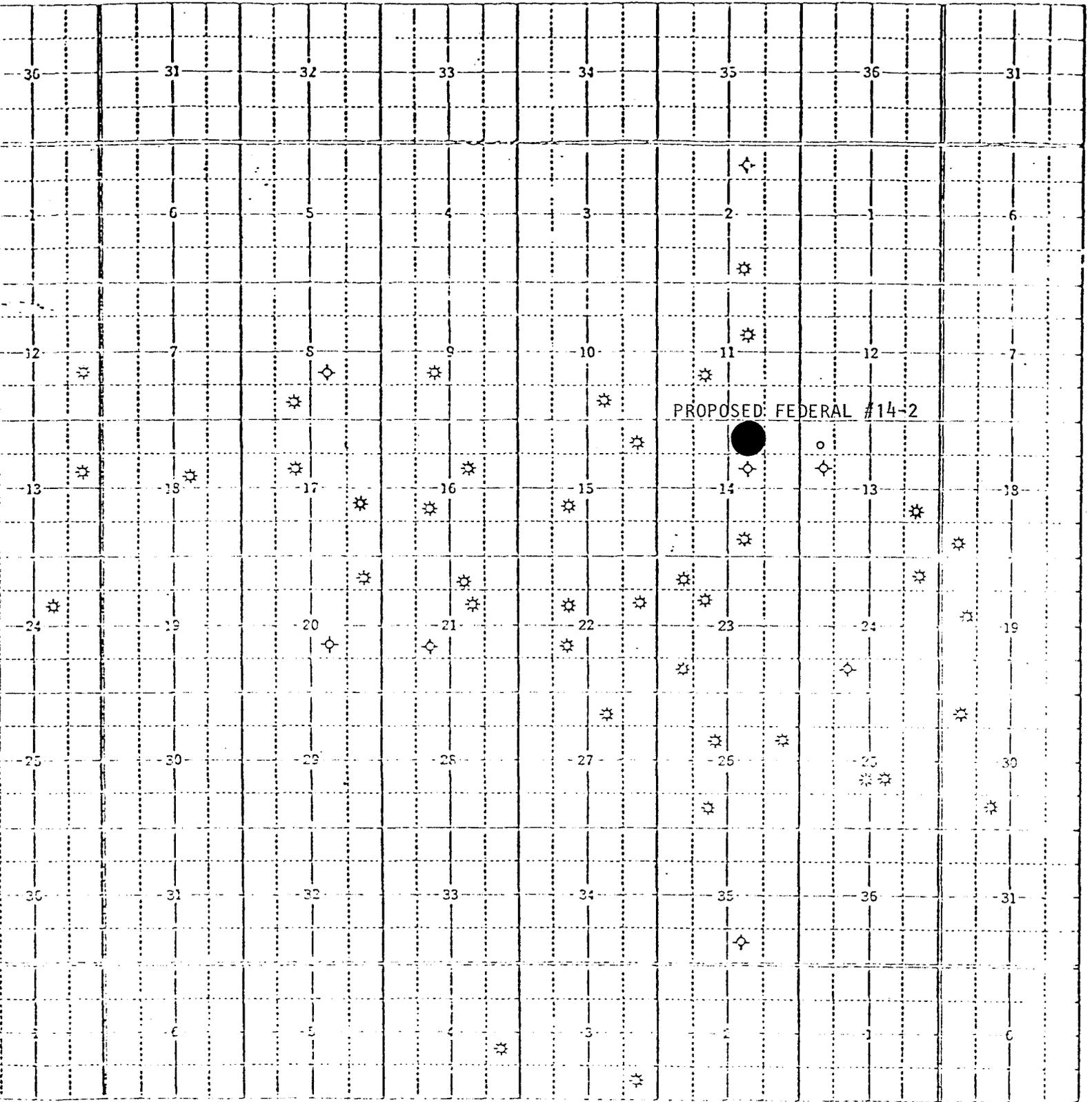
Existing Road

MAP NO. 1

GAS

Township 16S, Range 75E, County Grand, State Utah

1 Township Plat



Map #2 -- Federal #14-2

THIRTEEN POINT PLAN OF DEVELOPMENT  
FOR SURFACE USE FOR PALMER OIL FEDERAL #14-2  
NW $\frac{1}{4}$ NE $\frac{1}{4}$  Section 14-T16S-R25E  
Grand County, Utah

1. Existing Roads

- A. Proposed wellsite: Survey plat enclosed.
- B. Location is approximately 20 miles North of Highway 6 & 50 on 2 Road, to the San Arroyo gas plant. Then approximately 1 $\frac{1}{2}$  miles North to the location on an existing road up the middle fork of Bitter Creek.
- 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 except to blade any rough spots.

2. Planned Access Roads

- A. The location is adjacent to an existing lease road, so no additional access road is required. The road will enter the location via a low water crossing shown on Plat No. 2.

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, locations shown on Map No. 2.
- 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 1 mile radius include separators and meter runs at the gas wells shown on Map No. 2.
  - 3. No oil gathering lines in the area.
  - 4. A field gathering system generally follows the roads shown on Map No. 1. A portion of this system lies about 100' South of the proposed location (See Plat No. 2). The closest major pipeline is the Mesa Pipeline to the South, commencing at the San Arroyo Gas Plant in Section 23.
  - 5. No injection lines in the area.
  - 6. No disposal lines in the area.
- B.
  - 1. The gathering system has been designed, and is described on Plat #3.
  - 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 3 $\frac{1}{2}$ ' 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-contoured, 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.

## THIRTEEN POINT PLAN OF DEVELOPMENT (Con't)

### 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 4 sides during drilling and completion operations.
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 #2-A.
3. Rig orientation: See plan of drillsite layout diagram, Plat #2-A.
4. Pits will be unlined.
5. The location is in a canyon and will require re-routing the Wash around the West edge of the pad. Some minor rip-rapping may be necessary.

### 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: Pit will be fenced on all sides during drilling and completion operations.
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 the middle Fork of Bitter Creek Canyon in the Book Cliffs. The Book Cliffs surround the location.  
Soil: Eroded Mesaverde and Blow Sand.  
Vegetation: Sparse grassland with greasewood, sagebrush, junipers, conifers, and Pinion Pine. Land is used for grazing.  
Fauna: Occasional use by deer, antelope, rabbits, lizards, 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, and gas well maintenance.
3. No water or dwellings are on the lease. An archaeological study has been done by Powers Elevation Company of Eagle, Colorado.

THIRTEEN POINT PLAN OF DEVELOPMENT (Con't)

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 (406) 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 (406) 245-3660 Unit #327

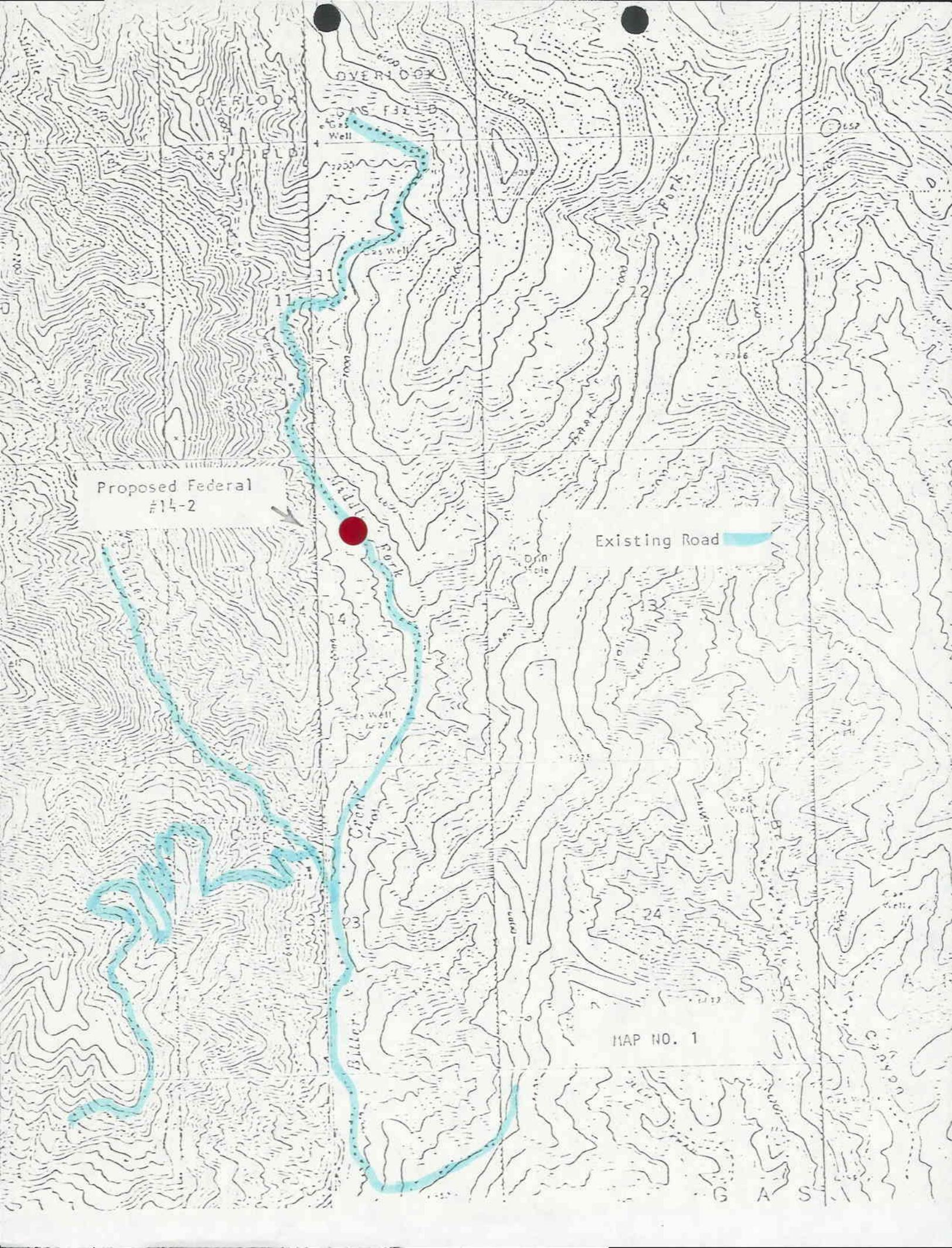
William H. Buniger  
P. O. Box 42  
Loma, Colorado 81524

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: August 23, 1979

James G. Routson  
James G. Routson  
Petroleum Engineer



Proposed Federal  
#14-2

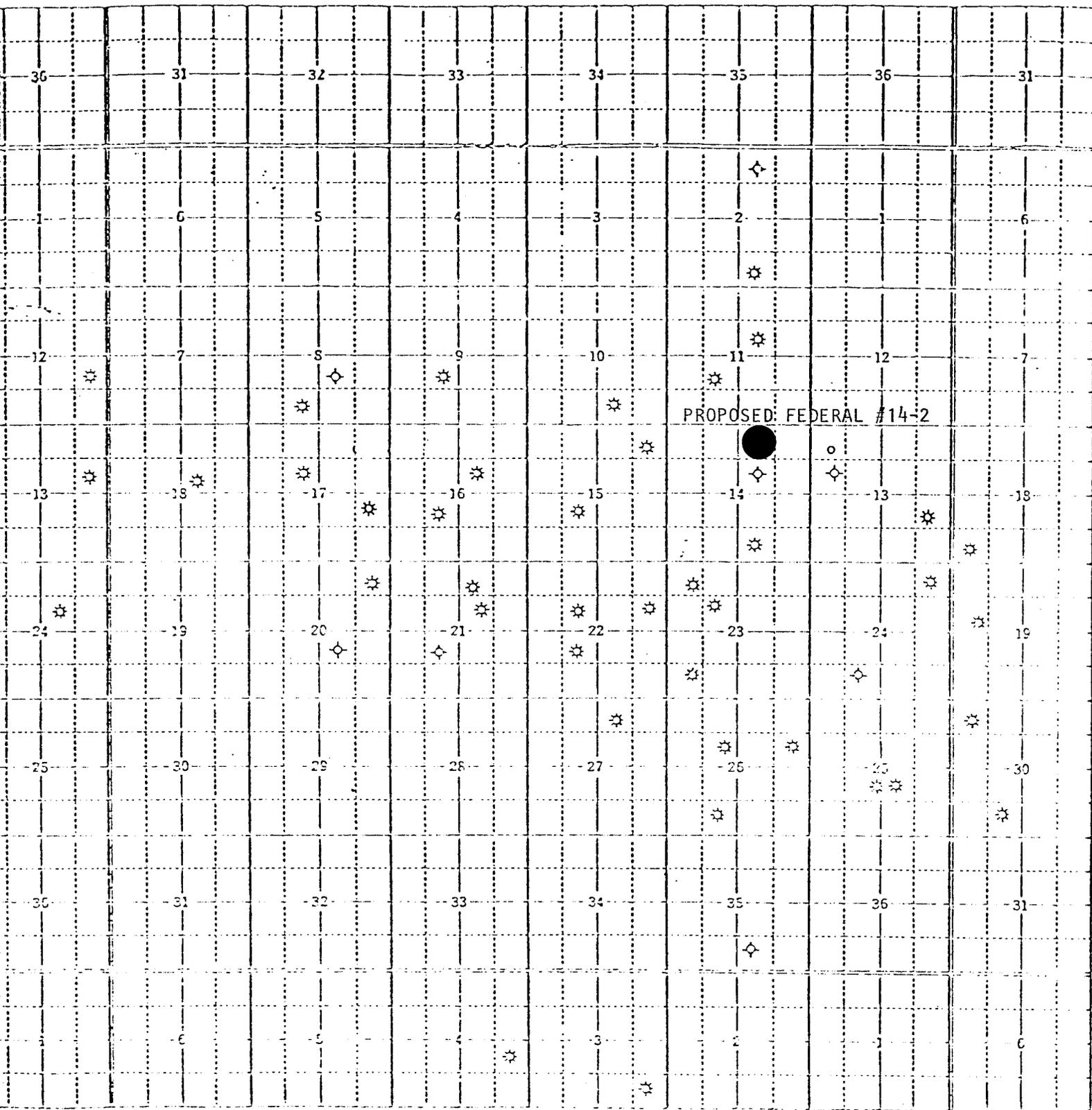
Existing Road

MAP NO. 1

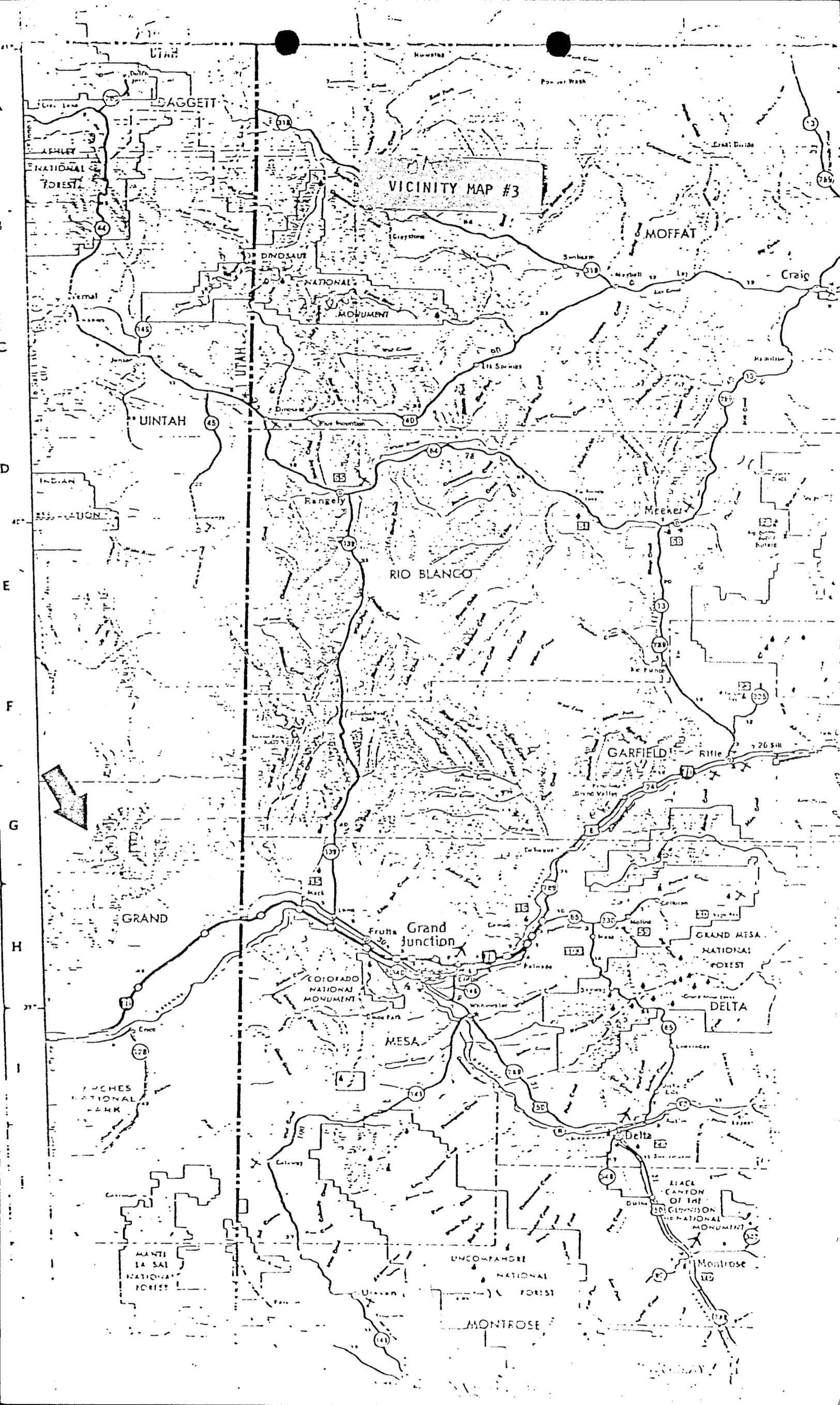
G A S

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

and Township Plat



Map #2 -- Federal #14-2



VICINITY MAP #3

RIO BLANCO

Grand Junction

GARFIELD

GRAND MESA NATIONAL FOREST

DELTA

MESA

UNCOMPAGHORE NATIONAL FOREST

MONTROSE

UINTAH

CAGGETT

MOFFAT

GRAND

ARCHES NATIONAL PARK

MANTI LA SAL NATIONAL FOREST

BLAKE CANYON OF THE GUNNISON NATIONAL MONUMENT

Montrose

Craig

Meeker

Rifle

City Park

Silt

Rangely

Meeker

Keystone

Fruta

Palisade

Moline

Delta

Union

Union

Montrose

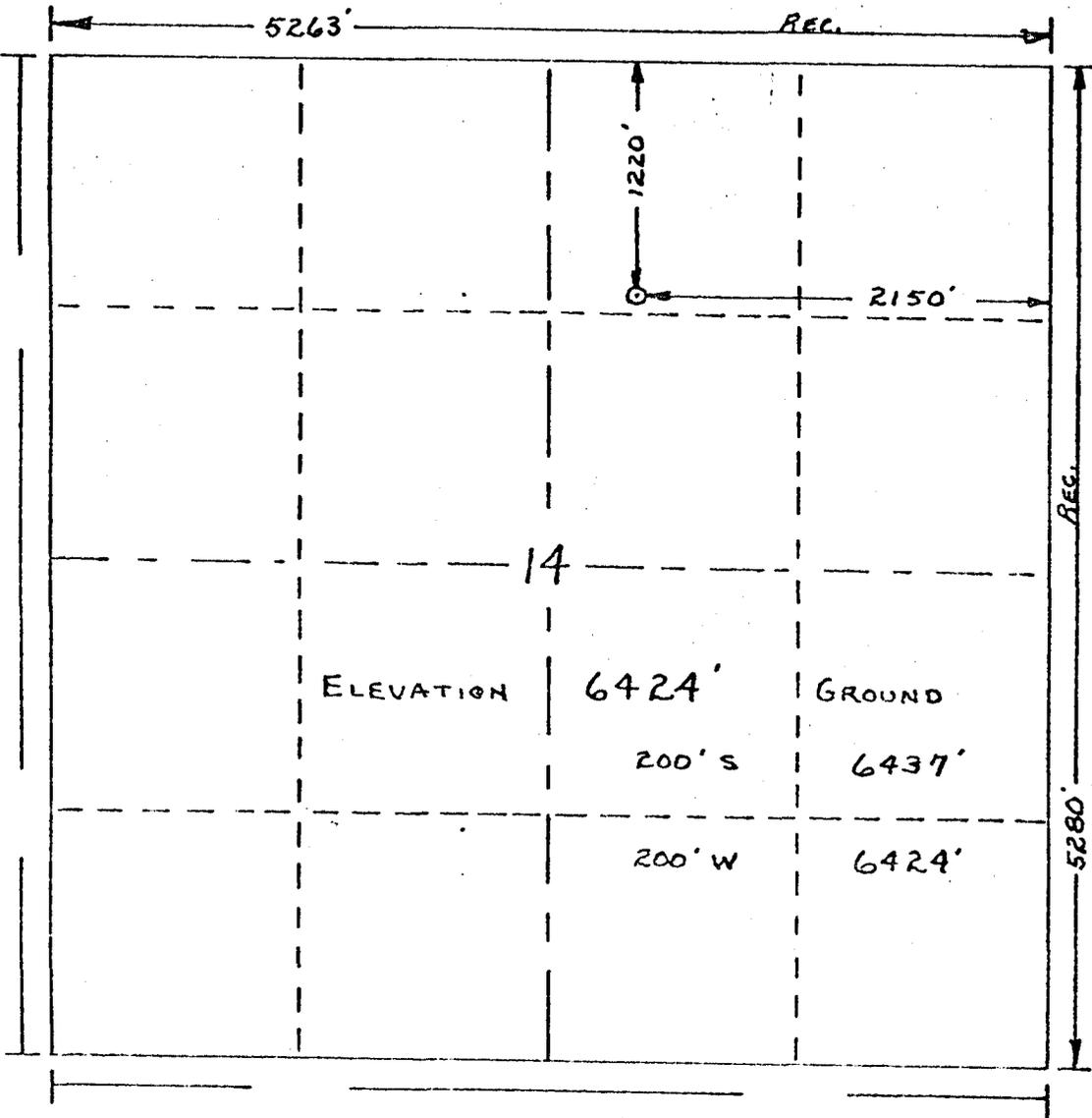
Montrose

Montrose



PLAT NO. 1

R. 25 E.



T. 16 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 #14-2 FEDERAL to be 1220' FN & 2150' FE Section 14 Township 16 S. Range 25 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 #14-2 FEDERAL

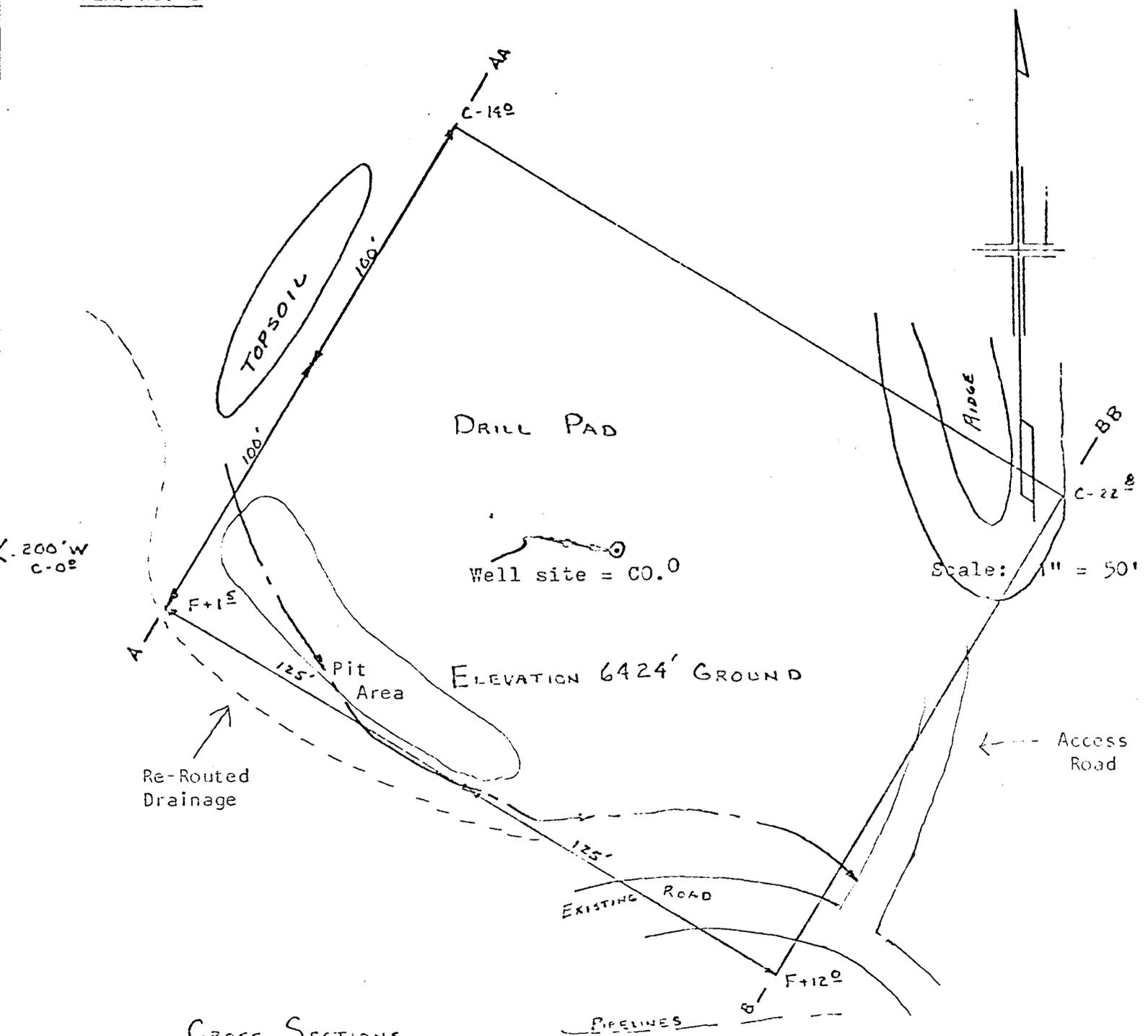
Date: 5-28-79

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

TOPOGRAPHIC MAP

WILMER OIL & GAS CO.  
# 14-2 FEDERAL  
1220' FN & 2150' FE SEC. 14 T16S R25E  
GRAND COUNTY, UTAH

PLAT NO. 2



200' W  
C-02

F+12

AA  
C-140

BB  
C-2210

Scale: 1" = 50'

ELEVATION 6424' GROUND

Re-Routed Drainage

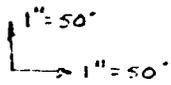
Access Road

EXISTING ROAD

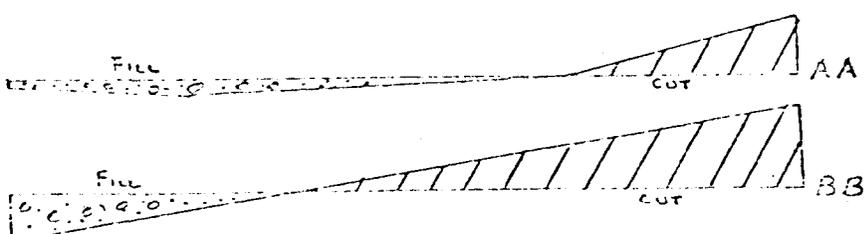
F+120

PIPELINES

CROSS SECTIONS



X 200'S  
C-131

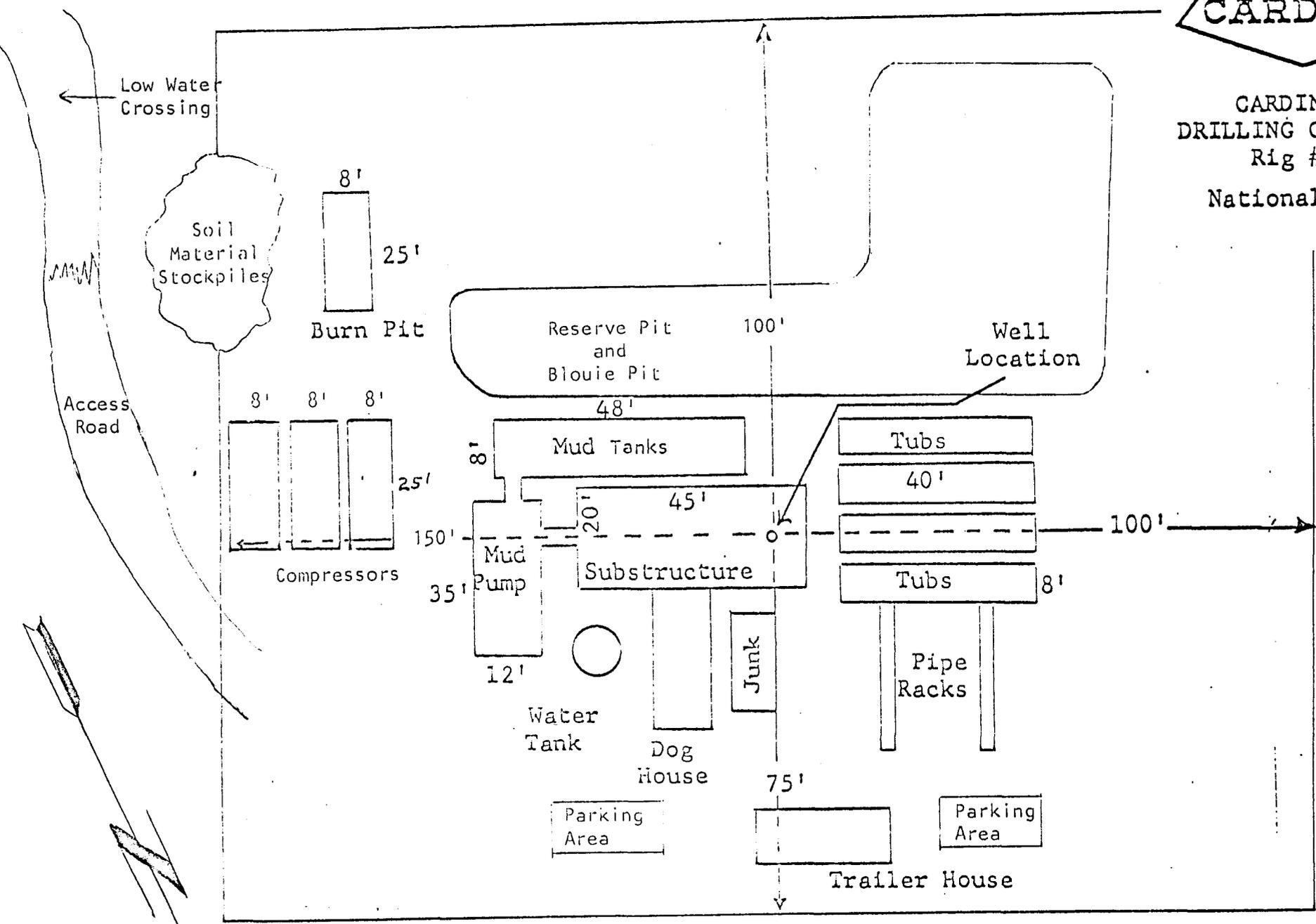


by: *Richard A. Johnson*  
Powers Elevation Company, Inc.

5-28-79



CARDINAL  
DRILLING COMPANY  
Rig #4  
National T-32



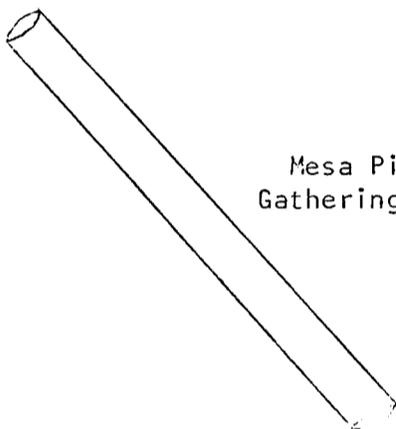
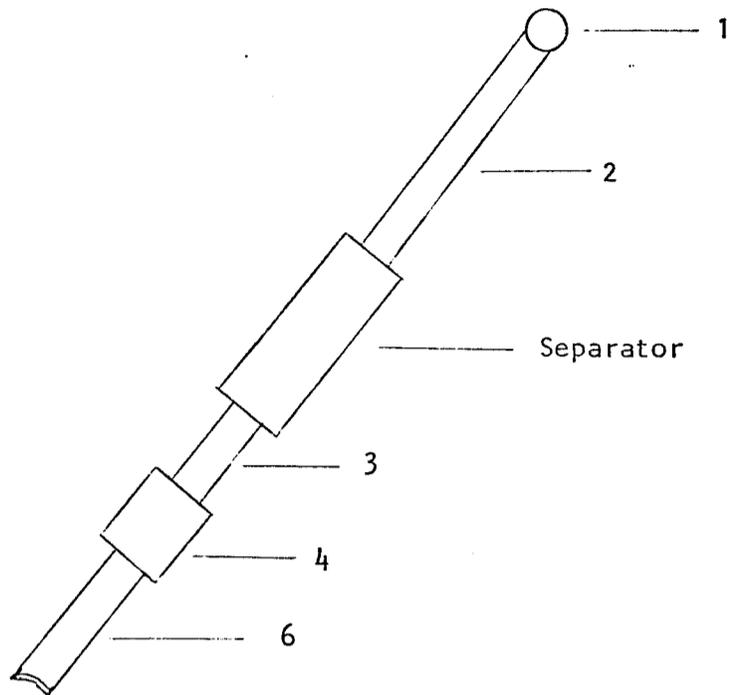
PLAN OF DRILLSITE LAYOUT

PLAT NO. 2-A

PLAT #3



Wellhead  
Federal #14-2



Mesa Pipeline  
Gathering System



Access  
Road

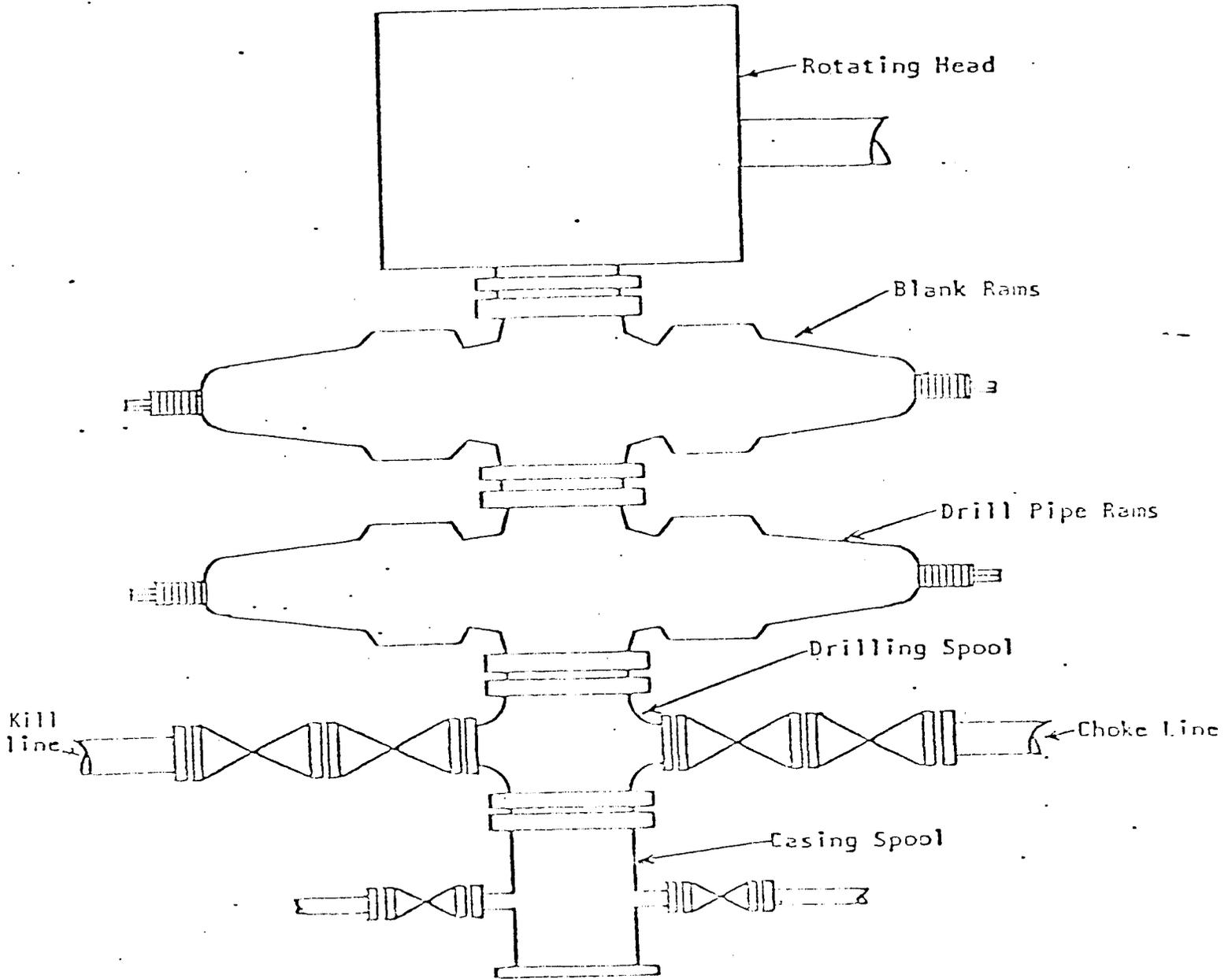
1. Wellhead will be 4-1/2" x 2-3/8" flange x screw with donut hanger full opening valve. All 2000# WP or greater to meet PO&GC specifications.
2. Line between wellhead and separator will be approx. 75 feet in length and constructed of 2-3/8" .218 wall seamless, welded, wrapped and buried approx. 5 feet 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 will be 4" seamless, welded, coated, wrapped & buried, and will be about 150' in length. It will connect the well to the Mesa Pipeline Gathering System and will be on the same lease as the well is on. It will follow the access road and will not require any additional surface disturbance.

SCHEMATIC OF BOP STACK

AIR DRILLED WELLS  
using

900 series well head equipment

Interval from 1355 to TD



WELL CONTROL PLAN

1. Surface Casing: 7" O.D. 20#/ft., Grade K-55, Long T&C, set at 1355' or deeper, cemented with pump and plug method with 150 sacks.
- ✓ 2. Casinghead Flange: 8-5/8" x 10" 900 Series 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) Drill pipe float will be used at the bit. (b) Mud monitoring - none due to drilling with air. (c) Stabbing valve - will be on rig floor at all times. (d) Upper kelly cock - will be available at all times.
6. Anticipated bottom hole pressure is less than 1200 psi at 5400' or a gradient of .22 psi/ft. or less. No abnormal temperatures or hydrogen sulfide gas are anticipated.

PALMER OIL & GAS COMPANY

*James G. Routson*

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James G. Routson  
Petroleum Engineer

\*\* FILE NOTATIONS \*\*

DATE: September 13, 1979

Operator: Palmer Oil & Gas Company

Well No: Federal 14-2

Location: Sec. 14 T. 16S R. 25E County: Grand

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-019-30541

CHECKED BY:

Geological Engineer: \_\_\_\_\_  
\_\_\_\_\_

Petroleum Engineer: CSG OK, BOP OK, J.M. AA.  
\_\_\_\_\_

Director: [Signature]  
\_\_\_\_\_

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 170-1 2/11/65

O.K. Rule C-3

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

# 3

Lease Designation

Plotted on Map

Approval Letter Written

Wm

September 13, 1979

Palmer Oil and Gas Company  
PO Box 2564  
Billings, Montana 59103

Re: Well No. Federal 14-2  
S Sec. 14, T. 16S, R. 25E.,  
Grand County, Utah

Dear Sir:

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with the Order issued in Cause No. 170-1 dated February 11, 1965.

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

FRANK M. HAMNER  
Chief Petroleum Engineer  
Office: 533-5771  
Home: 531-7827

or

MICHAEL T. MINDER  
Geological Engineer  
Office: 533-5771  
Home: 876-3001

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 number assigned to this well is 43-019-30541.

Sincerely,  
DIVISION OF OIL, GAS AND MINING

Frank M. Hamner  
Chief Petroleum Engineer

/bzm  
cc: USGS

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

SUBJECT: APD MINERAL EVALUATION REPORT

CASE NO. USA-U-2964

OPERATOR: Palmer Oil and Gas Company

WELL NO. 14-2

LOCATION: 1/4 NW 1/4 NE 1/4 sec. 14, T. 16S, R. 25E, SLM

Grand County, Utah

1. Stratigraphy: Farrer Formation of the Mesaverde Group

Castlegate	1255	+5169
Frontier	4505	+1919
Dakota	4875	+1849
Morrison	5055	+1369

2. Fresh Water:

Fresh water is possible in the Mesaverde and Castlegate.

3. Leasable Minerals:

Valuable prospectively for coal in the Nesten Formation of the Mesaverde Group. Coal should be at depths less than 900'.

4. Additional Logs Needed:

APD proposed logs should be run up to the top of the Nesten Formation (Depth of 300'±) to aid in identifying coal.

5. Potential Geologic Hazards: None anticipated.

6. References and Remarks:

USGS map I-736  
" Bull 852  
Within San Arroyo RGS

Signature: J. Paul Matheny

Date: 9-28-79

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

## Usual Environmental Analysis

Lease No. U-29641  
 Operator Palmer Oil and Gas Company Well No. 14-2  
 Location 1185' FNL & 2185' FEL Sec. 14 T. 16S R. 25E  
 County Grand State Utah Field San Arroyo  
 Status: Surface Ownership Public Minerals Federal  
 Joint Field Inspection Date October 17, 1979

## Participants and Organizations:

<u>George Diwachak</u>	<u>U.S.G.S. - Salt Lake City, Utah</u>
<u>Elmer Duncan</u>	<u>BLM - Moab, Utah</u>
<u>Lee Freeman</u>	<u>Tenneco/Palmer</u>
<u>Dennis Shellhorn</u>	<u>Armstrong Engineering</u>
<u>Bill Bonniger</u>	<u>Contractor</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

## Related Environmental Analyses and References:

- (1) Unit Resource Analysis, Book Mountain Planning Unit, BLM, Moab, Utah
- (2)

Analysis Prepared By: George Diwachak  
 Environmental Scientist  
 Salt Lake City, Utah

Date: October 25, 1979

Noted - G. Diwachak

Proposed Action:

On August 28, 1979, Palmer Oil & Gas Company filed an Application for Permit to Drill the No. 14-2 development well, a 5465-foot gas test of the Morrison formation; located at an elevation of 6424 feet in the NW/4 NE/4 Sec. 14, T16S R25E on Federal mineral lands and public surface; lease No. U-29641. As an objection was raised to the wellsite it was moved to 1185' FNL & 2185' FEL. This did not change the 1/4 1/4 1/4 coordinates. As an objection was raised to the access road, it was changed to enter the location at the southwest corner of the pad.

A rotary rig would be used for the drilling. An adequate casing and cementing program is proposed. Fresh-water 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 BLM, 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 150 feet wide x 250 feet long and a reserve pit 18 feet x 150 feet. A new access road would be constructed 20 feet wide x 100 feet long from a maintained road. The operator proposes to construct production facilities on disturbed area of the proposed drill pad. The anticipated starting date is upon approval and duration of drilling activities would be about 15 days.

If production is established a flowline 150 feet in length would follow the access road connecting the well to the Mesa Pipeline Gathering System. The line would be a 4 inch, seamless, welded, coated, wrapped and buried pipe, and would be entirely on Lease No. U-29641. Flowline construction would cause minimal disturbances. Any production pits constructed on the location should be at least 50 feet from the nearby draw.

Location and Natural Setting:

The proposed drill site is approximately 35 miles northwest of Mack, Colorado, the nearest town. A poor road runs to within 100 feet of the location. This well is in the Arroyo field.

Topography:

Regional topography is mountainous with the Book Cliffs. The location is situated on the north side of the alluvial filled bottom of the canyon the Middle Fork Bitter Creek, with slopes ranging from 10 to 20%. The location was staked immediately adjacent to the drainage. Numerous side drainages dissect the pad area. The location was moved 50 feet northwest and shortened in width by 50 feet to reduce potential impacts to Bitter Creek.

Geology:

The surface geology is the Mesaverde formation.

The soil is sandy clay.

No geological hazards are known near the drillsite.

Seismic risk for the area is moderate. 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 operator plans to use air or mist drilling to drill the surface hole unless water is encountered. If water is encountered approximately 300 barrels of gel type mud would be used. The well would be air drilled from under the surface casing to total depth. The potential for loss of circulation would exist but is minimal because of the circulating medium proposed.

A geologic review of the proposed action has been furnished by the Area Geologist, U.S. Geological Survey, Salt Lake City, Utah, and reports that fresh water is possible in the Mesaverde and Castlegate Formations. It also reports that the prospective for coal in the Nelson member of the Mesaverde exists at depths less than 900 feet, and recommends that the proposed logging program should be adjusted to run up to the top of the Nelson Formation (Depth of 300 feet +) to aid in identifying coal resources.

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 top soils 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 pinyon-juniper association.

Top soil would be removed from the surface and stockpiled on the north-west 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 acre 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 rain fall should range from about 8 to 10" 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 rain storms. This type of storm is rather uncommon as the normal annual precipitation is around 8".

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

#### Surface Water Hydrology:

The location is immediately adjacent to the Middle Fork Bitter Creek, a deep, narrow non-perennial drainage which runs to its confluence with Bitter Creek, then to San Arroyo Wash, a non-perennial tributary of the Colorado River. The location was moved 50 feet northwest and adjusted in size to reduce potential impacts to the drainage. Even with the new pad alignment, proximity to the drainage would require that a portion of the draw be rerouted. This portion of rerouted drainage would require that riprap be installed on the banks to provide stabilization. A portion of the existing road may also require rerouting to provide space for drainage rerouting. Because of the numerous side drainages dissecting the location, a trench at least 18 inches in depth should be constructed on the uphill side of the pad to divert any runoff.

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.

Due to proximity to a drainage, the pits should be lined with an impervious material to insure the retention of fluids.

#### Ground Water Hydrology:

Some minor pollution of ground water 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 comingling 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 fresh water formations are listed in the 10-Point Subsurface Protection Plan. The pits would be lined. 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:

Plants on location consist of pinyon and juniper trees, sagebrush, rabbit brush, mountain mahogany, serviceberry, scrub oak, morman tea, cacti and grasses. Plants in the area are of the pinyon-juniper association.

Proposed action would remove about 1 acre 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.

The operator plans to use a foam fracturing treatment when completing the well. Past Palmer fracing operations of this type have occasionally resulted in destruction of vegetation due to the pressures encountered. The operator should be prepare to rehabilitate any vegetation and land damaged as a result of fracing operations.

Wildlife:

The fauna of the area consists predominantly of 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 has been performed. Appropriate clearances must, however, 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 is 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 be visible to passersby of the immediate area but would not present a major intrusion.

The economic effect on one well would be difficult to determine. The overall effect of oil and gas drilling and production activity are significant in Grand County.

But should this well discover a significant new hydrocarbon source, local, state, and possible national economics might be improved. In this instance, other development wells would be anticipated, with substantially greater environmental and economic impacts.

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.

#### Alternative 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 USGS 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. Therefore, the alternative of not proceeding with the proposed action at this time is rejected.

(2) Minor relocation of the wellsite and access road or any special, restrictive stipulations or modifications to the proposed program would reduce the environmental impact. There are no severe vegetative, animal or archaeological-historical-cultural conflicts at the site. Since a minor impact on the environment would be expected, the alternative of moving and adjusting the location is recommended. 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.

#### Mitigative Measures and Stipulations:

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

1. The location would be moved 50 ft. Northwest to 1185' FNL & 2185' FEL.
2. Pad layout would be changed to 150 ft. by 250 ft.
3. The reserve pit should be lined with an impervious material to insure the retention of fluids.
4. Rip rap would be installed on the banks of any portion of West Fork Bitter Creek that are rerouted.
5. A trench at least 18 inches in depth should be constructed around the uphill side of the location to divert any run off around the pad.
6. The blooie line should be at least 125 ft. long and misted with water to suppress dust.
7. Any vegetation or land damaged as a result of foam fracturing treatments should be rehabilitated to BLM and USGS satisfaction.
8. The proposed logging program should be adjusted to run up to the top of the Nelson Formation of the Mesaverde Group (Depth of 300'+) to aid in the identification of potential coal resources.
9. A buffer zone of undisturbed ground at least 15 ft. wide should remain between the pad and the West Fork Bitter Creek. This may not be possible near the rerouted portion of the creek;



however, the pad edge should be at least 15 ft. from the edge of the rerouted drainage.

Adverse Environmental Effects Which Cannot Be Avoid:

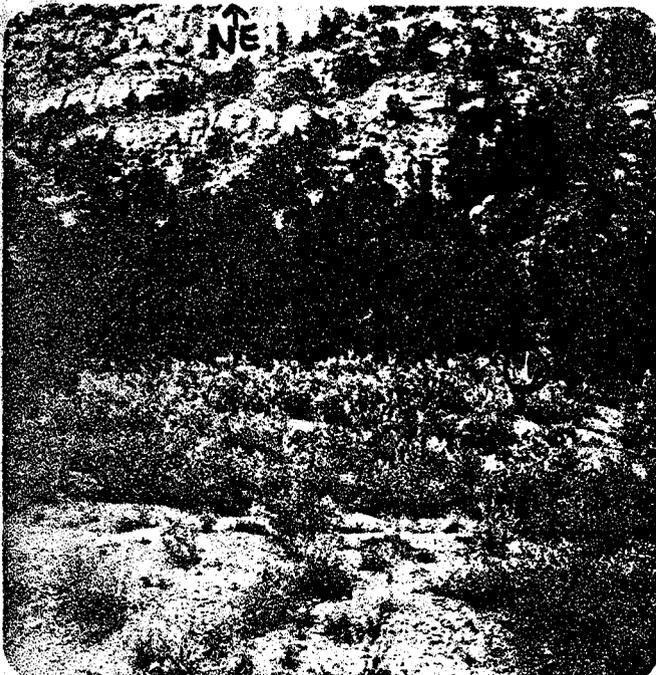
Surface disturbance and removal of vegetation from approximately 1 acres of land surface for the lifetime of the project which would result in increased and accelerated erosional potential. Grazing would be eliminated in the disturbed areas and there would be a minor and temporary disturbance of wildlife 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, gas leaks, and spills of oil and water would exist. During the construction and drilling phases of the project, noise levels would increase. Potential for sub-surface damage to fresh water 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 Middle Fork Bitter Creek would exist through leaks and spills.

Determination:

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

Date

11/1/79



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

**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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

DUPLICATE COPY  
SUBMIT IN TRIPlicate  
(One instruction on reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
 Tenneco Oil Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)  
 At surface  
 1220' FNL, 2150' FEL  
 At proposed prod. zone  
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 35 miles Northwest of Mack, Colorado

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

16. NO. OF ACRES IN LEASE  
 480

17. NO. OF ACRES ASSIGNED TO THIS WELL.  
 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 None

19. PROPOSED DEPTH  
 5465' Morrison

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DP, RT, GR, etc.)  
 6424' G.L., 6435' K.B.

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

5. LEASE DESIGNATION AND SERIAL NO.  
 USA U-29641

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Federal

9. WELL NO.  
 14-2

10. FIELD AND POOL, OR WILDCAT  
 San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 14-T16S-R25E

12. COUNTY OR PARISH  
 Grand

13. STATE  
 Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	7" new	20#, H-40	1355'	150 sacks
6 1/2"	4 1/2" new	10.5#, K-55	5464'	225 sacks

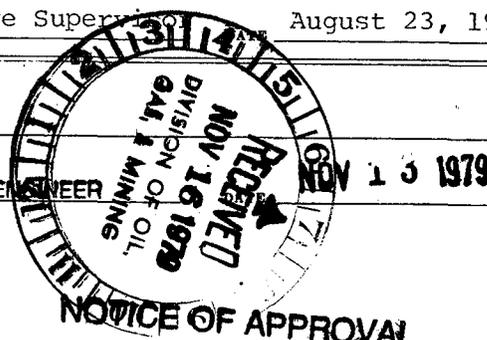
- Surface formation is the Mesaverde.
- Anticipated geologic markers are: Castlegate-1255, Frontier-4505, Dakota-4875, Morrison-5500.
- Gas is anticipated in the Dakota & Morrison. No water, oil, or other minerals are anticipated.
- Proposed casing program: See item No. 23 above.
- Pressure control equipment: 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 intermediate casing & GR-GDC-SNP or CNL logs from TD to above the Frontier. No cores or DST's are planned.

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 J. D. Traywick TITLE Administrative Supervisor August 23, 1979  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
 APPROVED BY (ORIG. SGD.) W. P. MARTENS TITLE ACTING DISTRICT ENGINEER



CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

\*See Instructions On Reverse Side

state orig

*Well file copy*

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: 1220'FNL, 2150'FEL  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

5. LEASE  
USA-U-29641

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal

9. WELL NO.  
14-2

10. FIELD OR WILDCAT NAME  
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec. 14; T16S; R25E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
6424'GL, 6435'KB

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) Spud, surface, prod. csg.			

(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.)\*

11/26/79  
Spud 11/26/79. Drilled 12 1/4" hole and ran 7", H-40, 20# casing set at 1389'. Cmt w/235 sxs of 10.3 RFC, w/12.5#/sk D-29, followed by 120 sxs 10-3 RFC. 1/2#/sk, D-29 (355 total) Reduced hole to 6 1/4" and drilled to 5512. On 12/4/79 set 136 jts. 4 1/2", 10.5#, K-55 csg. Cmt w/225 sxs 10.0 RFC & 1/4#/sk D-29. Circ to surface. PD. Released rig 12/3/79. WOCU.

JAN 14 1980  
DIVISION OF  
OIL, GAS & MINING

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

18. I hereby certify that the foregoing is true and correct  
SIGNED *Carley Stott* TITLE Admin. Supervisor DATE 1/7/80

(This space for Federal or State office use)

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

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. Colo. Blvd., Denver, CO 80222

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 1220'FNL, 2150'FEL  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

5. LEASE  
USA-U-29641

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal

9. WELL NO.  
14-2

10. FIELD OR WILDCAT NAME  
San Arroyo

11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA  
Sec. 14, T16S, R25E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
6424'GL, 6435'KB

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) Status Report: Completion	

(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.)\*

1/17/80-1/30/80  
MIRUCU on 1/17. Tagged PBD @ 5475'. Rolled hole w/4% KCL water. Press. tested to 400 PSI. Perf'd Morrison @ 5389-99 w/2 SPF (20 holes). Acidized w/300 gal 15% MSR acid. Frac'd tubg. and annulus w/75% foam. Frac'd @ 20 BPM w/60000# sand, 10000# 100 mesh, & 50000# 20/40 sand. Abandoned Morrison perf by setting CIBP @ 5300'. Perf'd Dakota @ 4878'-81, 4917-24 w/2 SPF (28 holes). Acidized w/400 gal 15% MSR acid @ 3000 PSI. w/56 ball sealers. Frac'd tubg. & annulus w/50000# 20/40 sand & 10000# 100 mesh sand. Landed 2 3/8" tubg. @ 4890'. Removed BOP's RDMOCU on 1/29/80.

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_

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

SIGNED Carly Hatton TITLE Admin. Supervisor DATE 1/31/80

(This space for Federal or State office use)

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

**RECEIVED**  
FEB 07 1980  
DIVISION OF GAS & MINING

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY**

SUBMIT IN DUPLICATE\*

(See instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R355.5

2

**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  
Tenneco Oil Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 1220'FNL, 2150'FEL, NW NE  
At prod. interval reported below  
At total depth

5. LEASE DESIGNATION AND SERIAL NO.

USA-U-29641

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

14-2

10. FIELD AND POOL, OR WILDCAT

San Arroyo

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

Sec. 14; T16S; R25E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

14. PERMIT NO. DATE ISSUED

43-019-30541

15. DATE SPUDDED 11/26/79 16. DATE T.D. REACHED 12/4/79 17. DATE COMPL. (Ready to prod.) 1/29/80 18. ELEVATIONS (DF, BKB, RT, GR, ETC.)\* 6124'GL, 6435'KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 5512 21. PLUG, BACK T.D., MD & TVD 5300 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY 0-TD 24. ROTARY TOOLS: no 25. CABLE TOOLS: no

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 4878-4924(Dakota) 25. WAS DIRECTIONAL SURVEY MADE? yes

26. TYPE ELECTRIC AND OTHER LOGS RUN DIL, GR, FDC, SNP 27. WAS WELL CORED? yes

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#	1389'	12 1/4"	355 SXS	
4 1/2"	10.5#	5512'	6 1/4"	225 SXS	

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"	4890'	

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

INTERVAL	SIZE	NUMBER	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5389-99			4878-5399	300 gal 15% MSR acid
4878-81	w/2SPF (48 holes)			60000# sand, 10000#/100 mesh
4892-96				50000# 20/40 sand
4917-24				400 gal 15% MSR acid

33. PRODUCTION 34000# 20/40 sand, 10000# 100 mesh  
DATE FIRST PRODUCTION 1/31/80 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) flowing WELL STATUS (Producing or shut-in) Shut In

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) vented

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
1/31/80	24				990		

35. LIST OF ATTACHMENTS Electric logs forwarded by Schlumberger.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available data.  
SIGNED Carley Statham TITLE Admin. Supervisor

**RECEIVED**  
FEB 15 1980

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



# Tenneco Oil Company

A Tenneco Company

Western Rocky Mountain Division

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

Delivery Address:  
6162 South Willow Drive  
Englewood, Colorado

April 25, 1984

RECEIVED

APR 27 1984



DIVISION OF OIL  
GAS & MINING

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

095  
TENNECO OIL COMPANY  
Utah Wells Sold to Quinoco  
Effective March 1, 1984

✓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

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

SUBMIT TO THE DIVISION OF OIL, GAS, AND MINING  
(Other instructions on reverse side)

PG-1

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. USA 29641
2. NAME OF OPERATOR Omimex Petroleum, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME <b>041407</b>
3. ADDRESS OF OPERATOR Stanford Place 1, Suite 1060 8055 E. Tufts Ave. Pkwy., Denver, CO 80237		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface  1220' FNL & 2150' FEL		8. FARM OR LEASE NAME Federal
14. PERMIT NO. 4301930541	15. ELEVATIONS (Show whether OF, RT, OR, etc.) 6435' KB, 6424' GL	9. WELL NO. 14-2
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data		10. FIELD AND POOL, OR WILDCAT San Arroyo (Dakota)
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 14, T16S R25E
		12. COUNTY OR PARISH Grand
		13. STATE UT

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

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

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

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

Effective March 1, 1987, the Federal #14-2 was sold to Omimex Petroleum, Inc. by Quinoco Petroleum, Inc., P.O. Box 378111, Denver, CO 80237.

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

SIGNED Mary E. Carle TITLE Production Analyst DATE 3-27-87

(This space for Federal or State office use)

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

CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_



# Angeles

QUINOCO PETROLEUM, INC.

Stanford Place 3 4582 S. Ulster St. Parkway, Suite 1700 Post Office Box 378111 Denver, Colorado 80237  
(303) 850-7373

March 30, 1987

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

Attn: Mr. Norm Stout

**RECEIVED**  
APR 02 1987

DIVISION OF  
OIL, GAS & MINING

Re: Federal #14-2  
San Arroyo #10  
Grand County, Utah

Dear Norm:

Per our telephone conversation of March 27, please find enclosed:

- 1) copy of the assignment from GEO to Quinoco Petroleum of the Federal Lease #27564 covering the acreage on which the San Arroyo #10 well is located.
- 2) corrected Sundry Notice for the Federal #14-2.

The San Arroyo #10 is not specifically mentioned in the assignment as it had been TA'd for a number of years.

I hope this information will be adequate to transfer operatorship to Omimex Petroleum, Inc. Please call if you have further questions.

Sincerely,

**QUINOCO PETROLEUM, INC.**

*Mary Earle*

Mary Earle  
Production Analyst

ME/hr  
Enclosures  
cc: Omimex Petroleum, Inc.

COMPANY: QUINOCO

UT ACCOUNT # \_\_\_\_\_

SUSPENSE DATE: 3-24-87  
~~3-19-87~~

KAY

TELEPHONE CONTACT DOCUMENTATION

CONTACT NAME: DEBBIE ROBERTS TAKING MSG FOR CATHLEEN OGDEN

CONTACT TELEPHONE NO.: (303) 850-7373

SUBJECT: QUESTION ON QUINOCO AUTHORITY TO TRANSFER WELLS TO OMIMEX  
WHEN THOSE WELLS SHOW OPERATOR OF RECORD OTHER THAN QUINOCO.

(FED 14-2 14, 175, 24E 43-019-31225 - LAKE MOUNTAIN)

#1 32,165,24E 43-019-15910 - BIRCH)

ALSO REQUESTED ADDRESS, TEL, AND CONTACTS FOR OMIMEX.

(Use attachments if necessary)

RESULTS: DEBBIE SAID SHE WOULD GIVE MSG TO CATHLEEN -

3-20-87 KAY SAID SHE WOULD GIVE SAME MSG TO CATHLEEN

3-25-87 CATHLEEN CALLED TO SAY SHE WOULD INVESTIGATE AND CALL BACK

(Use attachments if necessary)

CONTACTED BY: Moyri

DATE: 3-17-87

ASSIGNMENT OF OPERATING RIGHTS

CERTIFICATE NO. \_\_\_\_\_  
GRAZING LEASE NO. \_\_\_\_\_  
MINERAL LEASE NO. 27564

APPLICATION NO. \_\_\_\_\_

The undersigned, as owner of (a) 100% (b) 50 percent of operating rights in and to the State of Utah Mineral Lease No. 27564; Certificate No. \_\_\_\_\_ as designated, for good and valuable consideration and \_\_\_\_\_ TEN \_\_\_\_\_ DOLLARS does hereby assign to \_\_\_\_\_ see attached Schedule "A" \_\_\_\_\_, ADDRESS: \_\_\_\_\_

the operating rights and privileges as lessee in such lands, to the extent indicated below, subject to the reservation of overriding royalties as herein noted:

1. Land affected by this assignment in County of Grand, State of Utah. Described herein as:

(a) Township 16 South, Range 26 East  
Section 32: N/2NW/4, SE/4NW/4, NE/4  
containing 280 acres, more or less;

(b) Township 16 South, Range 26 East  
Section 32: S/2  
containing 320 acres, more or less;

insofar as the above described lands in 1(a) and 1(b) above cover zones and formations from the surface down to a depth of 4,338 feet subsurface and subject to Assignment of Operating Rights dated September 22, 1978 from Anschutz Corp., Nicor Exploration Company and Narmco Inc. and Palmer Oil & Gas Co.

- 2. Interest of assignor in such lands (a) 100%; (b) 50% \_\_\_\_\_.
- 3. Percent of operating rights conveyed to Assignee (Note percentage of 2.) 100% \_\_\_\_\_.
- 4. Overriding royalty reserved herein to Assignor (Note percentage only) None \_\_\_\_\_.
- 5. Overriding royalty previously reserved (Note percentage only) 14.75% \_\_\_\_\_.

It is hereby certified that the statements made herein are true, complete, and correct to the best of the undersigned's knowledge and belief and are made in good faith.

Executed and witnessed this 9 day of April, 1984, to be effective between the parties January 1, 1984.

WITNESS:

GEO Oil & Gas Company of Houston

By: P. W. Cayce, Jr.  
(Lessee-Assignor)

P. W. Cayce, Jr., Attorney-in-Fact

LESSOR--ASSIGNOR'S ACKNOWLEDGEMENT

STATE OF Colorado )  
COUNTY OF Arapahoe ) ss.

On the 9 day of April, A.D. 1984, personally appeared before me P. W. Cayce, Jr., signer(s) of the above instrument, who duly acknowledged to me that he is the attorney-in-fact of Tennesso Oil Company, a corporation, and that said instrument was signed in behalf of said grantor by authority, and said P. W. Cayce, Jr. acknowledged to me that he, as such attorney-in-fact, executed the same.

My commission expires:

6-24-85

Charlotte Flanagan  
Notary Public  
Residing at: Denver, Colorado

INDIVIDUAL'S ACCEPTANCE OF ASSIGNMENT  
AFFIDAVIT OF CITIZENSHIP OF ASSIGNEE

I (we), \_\_\_\_\_ on oath, do solemnly swear that I am (we are) at the present time (a) \* \_\_\_\_\_ Citizen(s) of the United States of America and of legal age, and I (we) hereby assume and agree to perform all of the covenants and obligations of said lease on the part of the lessee(s) to be kept and performed, and accept the foregoing instrument.

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

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

My commission expires:

\_\_\_\_\_  
Notary Public  
Residing at: \_\_\_\_\_

NOTE: a\* Insert here whether native born or naturalized. If naturalized, it will be necessary to file with this office Proof of Citizenship or Declaration of Intention to become a citizen in the form of a letter or certificate of verification from Court of Issuance, and registration fee of \$1.00.

THIS DOCUMENT MAY BE DUPLICATED

93400

SCHEDULE A

<u>Assignees' Names:</u>	<u>Percentage of Total Interest Conveyed to be Held by Each Assignee</u>
Quinoco Oil and Gas Income Program 1983-2	18%
Quinoco Oil and Gas Income Program 1983-3	32%
Quinoco Oil and Gas Income Program 1983-4	50%
all Texas limited partnerships	

ACCEPTANCE OF ASSIGNMENT

RE: State of Utah Mineral Lease  
Nos. 31281, 33908, 29608,  
27489, 27564

Come now the undersigned, QUINOCO OIL AND GAS INCOME PROGRAM 1983-2, QUINOCO OIL AND GAS INCOME PROGRAM 1983-3 and QUINOCO OIL AND GAS INCOME PROGRAM 1983-4, all Texas limited partnerships, and hereby accept the assignments from GEO OIL & GAS COMPANY OF HOUSTON of the above-referenced State of Utah Mineral Leases, which assignments are each dated April 9, 1984, subject to all of the covenants and obligations of said lessee.

IN WITNESS WHEREOF, the undersigned have executed this acceptance this 11 day of May, 1984.

QUINOCO OIL AND GAS INCOME PROGRAM 1983-2, a Texas limited partnership

By: QUINTEX ENERGY PARTNERS, LTD., a Texas limited partnership, as Managing General Partner of Quinoco Oil and Gas Income Program 1983-2

By: QUINOCO RESOURCES, INC., a Delaware corporation, as General Partner of Quintex Energy Partners, Ltd.

By:

Richard A. Wollin  
Richard A. Wollin  
Vice President

QUINOCO OIL AND GAS INCOME PROGRAM 1983-3, a Texas limited partnership

By: QUINTEX ENERGY PARTNERS, LTD., a Texas limited partnership, as Managing General Partner of Quinoco Oil and Gas Income Program 1983-3

By: QUINOCO RESOURCES, INC., a Delaware corporation, as General Partner of Quintex Energy Partners, Ltd.

By:

Richard A. Wollin  
Richard A. Wollin  
Vice President

QUINOCO OIL AND GAS INCOME PROGRAM 1983-4, a Texas limited partnership

By: QUINTEX ENERGY PARTNERS, LTD., a Texas limited partnership, as Managing General Partner of Quinoco Oil and Gas Income Program 1983-3





Angeles

VERDIE ROBERTS

QUINOCO PETROLEUM, INC.

Stanford Place 3 4582 S. Ulster St. Parkway, Suite 1700 Post Office Box 378111 Denver, Colorado 80237  
(303) 850-7373

March 3, 1987

Utah Natural Resource  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180

RE: Omimex Purchase

Gentlemen:

In connection with the attached Designation of Operator documentation, Quinoco Income Programs and E M Nominee Partnership Company have recently sold such well to Omimex Petroleum, Inc. As part of the sales agreement, the operator has agreed to continue to cover this well on their plugging bonds until the earlier of June 30, 1987 or the date on which Omimex Petroleum, Inc. obtains adequate plugging bonds. Therefore, unless Quinoco notifies you earlier, this well will remain on their plugging bonds until June 30, 1987.

Sincerely,

QUINOCO PETROLEUM, INC.

Cathleen Osborn  
Vice President

RECEIVED  
MAR 12 1987

DIVISION OF  
OIL, GAS & MINING

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394  
408 PETROLEUM BUILDING  
BILLINGS, MONTANA 59103-3394  
(406) 245-5077  
FAX 248-6321

June 24, 1992

State of Utah  
Dept. of Natural Resources  
Division of Oil, Gas, & Mining  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180

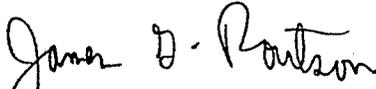
Re: Change of Operator  
Sundry Notices  
Grand County, Utah

Gentlemen:

Enclosed in triplicate are Sundry Notices for eight wells which Lone Mountain Production Company is assuming operations effective July 1, 1992. The wells were all previously operated by Omimex Petroleum. If any further information is needed please advise either me or Joe Dyk in our Grand Junction office.

Very truly yours,

Lone Mountain Production Company



James G. Routson  
President

Enclosures

xc: Joe Dyk  
Omimex

**RECEIVED**

JUN 26 1992

DIVISION OF  
OIL GAS & MINING

LONE MOUNTAIN PRODUCTION COMPANY  
FEDERAL NO. 5-4  
NW NW SEC. 5, T17S, R26E  
GRAND COUNTY, UTAH  
EL. 5348 GL  
LEASE # U-30301  
C.A. # NRM-1689

LONE MOUNTAIN PRODUCTION COMPANY  
FEDERAL NO. 33-13  
SW SW SEC. 33, T16S, R26E  
GRAND COUNTY, UTAH  
EL. 5409 GL  
LEASE # U-37856

LONE MOUNTAIN PRODUCTION COMPANY  
CARLSON FEDERAL NO. 13-4  
NW NW SEC. 13, T16S, R25E  
GRAND COUNTY, UTAH  
EL. 6495 GL  
LEASE # U-25189

LONE MOUNTAIN PRODUCTION COMPANY  
FEDERAL NO. 13-9  
NE SE SEC. 13, T16S, R25E  
GRAND COUNTY, UTAH  
EL. 6223 GL  
LEASE # U-29641

LONE MOUNTAIN PRODUCTION COMPANY  
FEDERAL NO. 14-2  
NW NE SEC. 14, T16S, R25E  
GRAND COUNTY, UTAH  
EL. 6495 GL  
LEASE # U-29641  
C.A. # CR-92

LONE MOUNTAIN PRODUCTION COMPANY  
FEDERAL NO. 17-9  
NE SE SEC. 17, T16S, R25E  
GRAND COUNTY, UTAH  
EL. 7367 GL  
LEASE # U-29642

LONE MOUNTAIN PRODUCTION COMPANY  
STATE NO. 32-1  
NE NE SEC. 32, T16S, R26E  
GRAND COUNTY, UTAH  
EL. 5517 GL  
LEASE # ML-27564

LONE MOUNTAIN PRODUCTION COMPANY  
STATE NO. 32-11  
NE SW SEC. 32, T16S, R26E  
GRAND COUNTY, UTAH  
EL. 5440 GL  
LEASE # ML-27564

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE\*  
(Other instructions on re-  
verse side)

Budget Bureau 5-1094-11  
Expires August 31, 1985  
5. LEASE DESIGNATION AND SERIAL NO.  
U-29641

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
**Lone Mountain Production Company**

3. ADDRESS OF OPERATOR  
**404 Petroleum Building, P. O. Box 3394, Billings, MT 59103**

4. LOCATION OF WELL. (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface  
**1220' FNL, 2150' FEL, Sec. 14**

14. PERMIT NO. **43-019-30541**

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**6495 GL**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
**C. A. # CR-92 CR-94**

8. FARM OR LEASE NAME  
**Federal**

9. WELL NO.  
**No. 14-2**

10. FIELD AND POOL, OR WILDCAT  
**San Arroyo**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**NW NE Sec. 14, T16S, R25E**

12. COUNTY OR PARISH **Grand**

13. STATE **Utah**

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

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

(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.)\*

Lone Mountain Production Company will become operator of the above referenced well effective July 1, 1992. The well was formerly operated by Omimex Petroleum.

RECEIVED

JUN 26 1992

DIVISION OF  
OIL GAS & MINING

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

SIGNED James G. Routson TITLE President DATE June 24, 1992  
(This space for Federal or State office use)

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

\*See Instructions on Reverse Side

RECEIVED

OCT 01 1992

DIVISION OF  
OIL GAS & MINING

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

September 30, 1992

Lone Mountain Production Company  
P.O. Box 3394  
Billings, Montana 59103-3394

Re: Successor of Operator  
Communitization Agreement (CA)  
CR-94  
Grand County, Utah

Gentlemen:

We received an indenture whereby Omimex Petroleum, Inc. resigned as Operator and Lone Mountain Production Company was designated as Operator for CA CR-94, Grand County, Utah.

This instrument is hereby accepted effective as of September 30, 1992. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under CA CR-94.

Your statewide (Utah) oil and gas bond No. 0719 will be used to cover CA operations.

Please advise all interested parties of the change in operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
DOGM  
File - CR-94 (w/enclosure)  
MMS - Reference Data Branch  
Agr. Sec. Chron  
Fluid Chron

U-922:TAThompson:tt:09-30-92

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

Routing:	
1- LCR	7- LCR
2- DFS	DS
3- VLC	
4- RJF	
5- RWM	
6- ADA	

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: 7-1-92)

TO (new operator)	<u>LONE MTN PROD CO</u>	FROM (former operator)	<u>OMIMEX PETROLEUM INC</u>
(address)	<u>PO BOX 3394</u>	(address)	<u>8055 E TUFTS AVE STE 1060</u>
	<u>BILLINGS, MT 59103</u>		<u>DENVER, CO 80237</u>
	<u>JAMES ROUTSON, PRES</u>		
phone	<u>(406) 245-5077</u>	phone	<u>(303) 771-1661</u>
account no.	<u>N7210</u>	account no.	<u>N0735</u>

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

**\*CA CR-94**

Name: <u>FEDERAL 14-2/DKTA</u>	API: <u>43-019-30541</u>	Entity: <u>6655</u>	Sec <u>14</u> Twp <u>16S</u> Rng <u>25E</u>	Lease Type <u>U-29641</u>
Name: _____	API: _____	Entity: _____	Sec ___ Twp ___ Rng ___	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec ___ Twp ___ Rng ___	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec ___ Twp ___ Rng ___	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec ___ Twp ___ Rng ___	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec ___ Twp ___ Rng ___	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec ___ Twp ___ Rng ___	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *see Btm Approval*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(rec'd 6-26-92)*
- 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: \_\_\_\_\_
- See 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.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(10-2-92)*
- See 6. Cardex file has been updated for each well listed above. *(10-2-92)*
- See 7. Well file labels have been updated for each well listed above. *(10-2-92)*
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(10-2-92)*
- See 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

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

BOND VERIFICATION (Fee wells only)

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

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

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

FILMING

- Rwan* 1. All attachments to this form have been microfilmed. Date: Oct 6 1992.

FILING

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

COMMENTS

920824 B2m/s.y. CA CR-94 still "Omimex Retro."  
 921002 B2m/s.y. Approved 9-30-92.