

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

002

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
 TERRA RESOURCES, INCORPORATED

3. ADDRESS OF OPERATOR
 P. O. Box 2500, Casper, WY 82602

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 1500' SNL and 1200' EWL - LOCATION CHANGE
 131874 1284.52
 At proposed prod. zone 1500' SNL and 1200' EWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 35 NW of Grand Junction, Colorado

16. NO. OF ACRES IN LEASE 2080'
 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3200' WNW of Well #4

17. NO. OF ACRES ASSIGNED TO THIS WELL 320
 20. ROTARY OR CABLE TOOLS Rotary

19. PROPOSED DEPTH 4000'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 Approximate ground level is 5200'

22. APPROX. DATE WORK WILL START*
 Feb. 1, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	32	300	290 sx Reg w/2% CaCl ₂
7 7/8	4 1/2	10.5	4000	280 sx 50-50 Pozmix w/10% salt

1. Drill 12 1/4" hole to 300' and set surface casing.
2. A double ram BOP will be installed, tested and operational checks made daily and each trip for bit.
3. The hole will be air drilled to approx. 4000' to test the Salt Wash member of the Morrison formation.
4. The hole will be logged, and if commercial production is obtained, 4 1/2" casing will be run.

EXHIBITS ATTACHED:

- | | |
|--|---|
| A. Location and Elevation Plat | F. Drill Pad Layout and Cut-Fill, Cross-Section |
| B. Ten-Point Compliance Program | G. Drill Rig & production facilities layout |
| C. Blowout Preventer Diagram | H. Acidizing-Fracturing Layout |
| D. Multipoint Requirement for A.P.D. | I. Rehabilitation Plan |
| E. Access Road Map onto location and radius map of area. | |

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 E. C. Reish TITLE District Manager-Operations DATE 1/4/80
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE FOR E. W. GUYNN DISTRICT ENGINEER DATE JUL 17 1980

APPROVED BY (Orig. Sgd.) R. A. Henricks TITLE _____

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

*See Instructions On Reverse Side

NOTICE OF APPROVAL

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

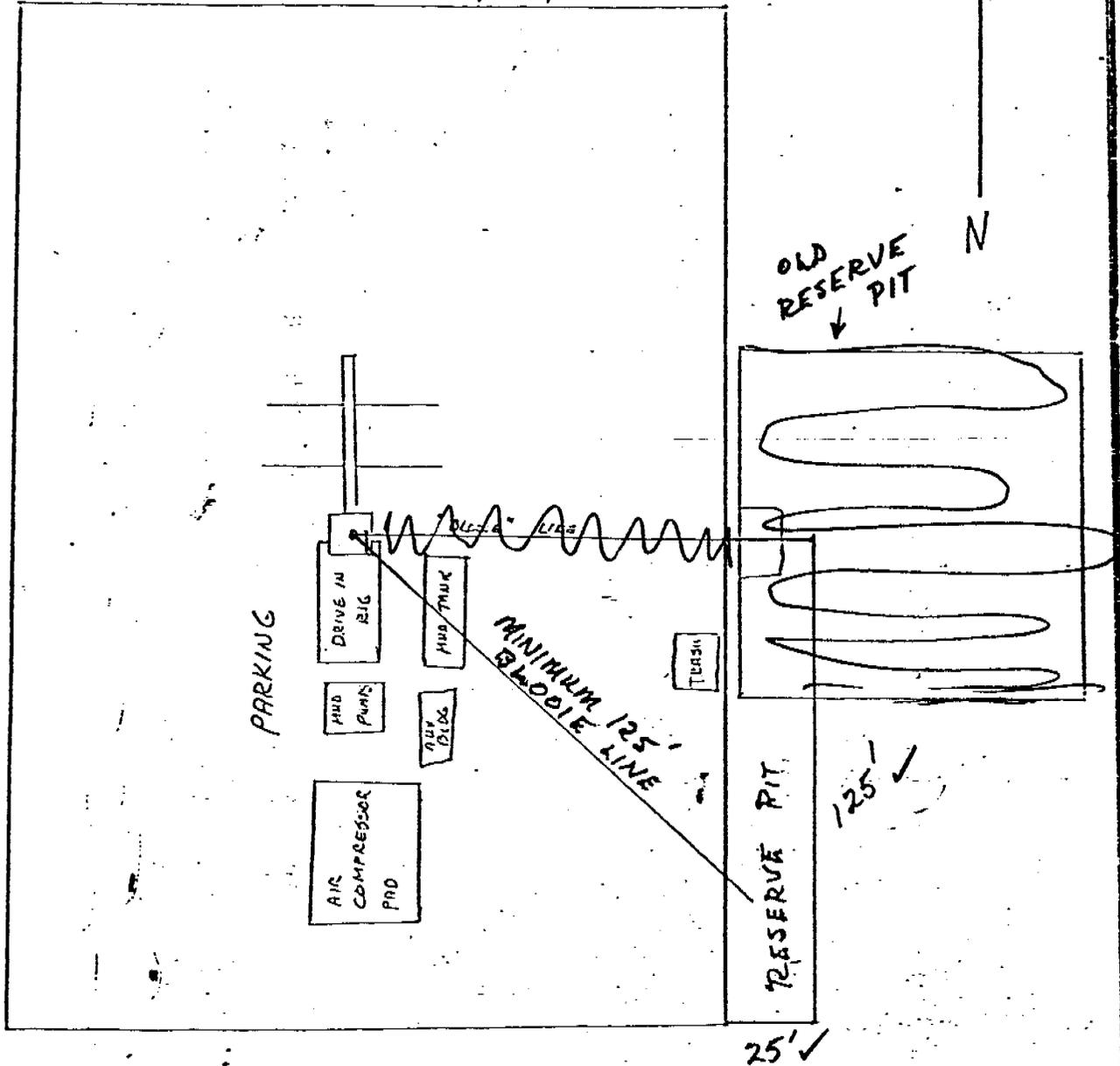
Ut. STATE O+G

TERRA RESOURCES INC
BAR X UNIT #11

ENTRANCE

ACCESS

= 50'



↓ indicates revision made in field

DIAGRAM I

Oil and Gas Drilling

EA No. 254-80

United States Department of the Interior
Geological Survey
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

USUAL ENVIRONMENTAL ASSESSMENT

Date April 21, 1980

Operator Terra Resources Well No. Bar X #11
Location 1318.74' SNL 1284.52' ^{EWL} Section 18 Township 17S Range 26E
County Grand State Utah Field/Unit Bar X
Lease No. SLC-064807 Permit No. _____

Prepared by: Glenn M. Doyle
Environmental Scientist
Grand Junction, Colorado

Joint Field Inspection Date: March 6, 1980

Field Inspection Participants, Titles, and Organizations:

<u>Elmer Duncan</u>	<u>Bureau of Land Management</u>
<u>Jeff Robbins</u>	<u>Bureau of Land Management</u>
<u>Hank Fritzler</u>	<u>Operator</u>
<u>Swede Harper</u>	<u>Dirt Contractor</u>
<u>Glenn Doyle</u>	<u>U. S. Geological Survey</u>
_____	_____
_____	_____

Related Environmental Documents:

BLM-Moab, Book Mountain unit resource analysis.

BLM-Utah, 1979, Final initial wilderness inventory, USDI, August, 50 pp.

Handwritten notes and signatures:
Blair Campbell
254-254-80
1-6

3. Waste disposal
4. Traffic
5. Water requirements
6. Completion
7. Production
8. Transportation of hydrocarbons
9. Other

Details of the proposed action are described in the Application for Permit to Drill.

The location was moved to avoid a drainage and reduce cuts and fills.

Environmental Considerations of the Proposed Action:

Regional Setting/Topography - Regional topography is flat desert and rolling hills grading to the talus-flanked Book Cliffs.

PARAMETER

A. Geology - Surface is Mancos Shale. Other formations are listed in the 10-Point Subsurface Plan.

Information Source: Application to Drill

1. Other Local Mineral Resources to be Protected: Coal in thin, lenticular beds, probably subeconomic amounts in Dakota Sandstone.

Information Source: ME, District Geologist

2. Hazards:

a. Land Stability: Location and access built on Mancos Shale. Material is stable, provided the slopes are moderate and moisture content is low.

Information Source: Field observation, Application to Drill.

b. Subsidence: Subsidence can occur with the withdrawal of oil, gas, and/or water.

Information Source: Keller, Edward A., 1976, Environmental geology, Charles E. Merrill, 488 pp.

c. Seismicity: Seismic risk: low. Statistically, greatest damage would be moderate, corresponding to intensity VII of Modified Mercalli Intensity Scale, 1931.

Information Source: Perkins, David M., 1974, Seismic risk maps, Reprint of Earthquake information bulletin, 6(6) Nov-Dec.; von Hake, Carl A., Earthquake History of Utah, NOAA; Algermissen, S. J., and Perkins, David M., 1977, Earthquake hazards map of the United States, Reprint from Earthquake Information Bulletin, 9(1) Jan-Feb., 4 pp.

d. High Pressure Zones/Blowout Prevention: No high pressure zones expected. Blowout prevention systems detailed in APD.

Information Source: Application to Drill

B. Soils

1. Soil Character: No detailed soil surveys done in area. Changes in soil fertility, horizons, slope stability, etc., cannot be predicted. Soils are considered nitrogen-poor, alkalic soils that support the salt-desert community.

Information Source: Field observation

2. Erosion/Sedimentation: Erosion/sedimentation would increase as would runoff potential. Extent of increases unpredictable without site-specific studies being done.

Information Source: Field observation

C. Air Quality - Well site lies in Class II attainment area. No Class I attainment areas are near, or adjacent to, proposed location.

Information Source: BLM-Moab, Book Mountain unit resource analysis.

D. Noise Levels - Ambient noise levels temporarily elevated. Personnel safety could be jeopardized. Wildlife would avoid area.

Information Source: Field observation

E. Water Resources

1. Hydrologic Character

a. Surface Waters: Original location was staked in a major draw. Excessive amounts of fill would be needed to level the area, increasing erosion/sedimentation/pollution potential.

Information Source: Field observation

b. Groundwaters: Contamination to groundwaters through commingling with drilling fluids is possible.

Information Source: Field observation

2. Water Quality

a. Surface Waters: During flow periods, increases in erosion, sediment yield, and instability (see 2a above) would occur, thus impairing surface water quality.

Information Source: Field observation

b. Groundwaters: Operator proposes 300' of surface casing. Commingling of drilling fluids with potentially usable water could render groundwater unusable. Pits would be unlined.

*Localized -
Not likely -
but very small
area about
from here*

Information Source: Application to Drill

F. Flora and Fauna

1. Endangered and Threatened Species Determination

Based on the formal comments received from the Bureau of Land Management on April 3, 1980, we determine that there would be no effect on endangered and threatened species and/or their critical habitat.

2. Flora: Construction would remove about 1.9 acres of vegetation increasing potential for non-point erosion and decreasing soil fertility.

Information Source: Field observation, Application to Drill.

3. Fauna: Vegetation removal reduces wildlife habitats and food sources. Deer are not known to winter in the area. No known migratory bird nesting areas, strutting or breeding grounds, or fish-spawning areas would be impacted by proposed action.

Information Source: BLM-Moab, Book Mountain unit resource analysis.

G. Land Uses

1. General: Oil and gas operations, recreation, and grazing are major land uses. Amount and quality of land available to livestock, wildlife, and recreationists would be reduced during well life.

Information Source: Field observation

2. Affected Floodplains and/or Wetlands: N/A

Information Source: Field observation

H. Aesthetics: Operation would not blend with natural surroundings. Most likely unappealing to recreationists. Impact duration: life of well.

Information Source: Field observation

I. Socioeconomics: The effect of one well on local and regional population and economy would be considered minor. If major discovery, then consider: Population increase, community services taxed, resources depleted, cumulative impacts multiply, pipelines and transportation routes expand.

Information Source: G. Doyle, Environmental Scientist, USGS

J. Cultural Resources Determination: Based on the formal comments received from the Bureau of Land Management on April 3, 1980, we determine that there would be no effect on cultural resources subject to no stipulations.

K. Adequacy of Restoration Plans: Rehabilitation plan judged as adequate. Problems hampering restoration: a) Area subject to short growing season; b) limited precipitation during growing season; and c) generally, very little topsoil which has limited organic matter and is low in fertility.

Information Source: David Oberwager, Env. Spec. (Reclamation), USGS-AOSO

Alternatives to the Proposed Action:

1. Disapproving the proposed action or no action - If the proposed action is denied, no action would occur, the existing environment would remain in its present state, the lessee/operator would not realize any return on investments and the public would be denied a potential energy source.

2. Approving the project with the recommended stipulations - Under federal oil and gas leasing provisions, the Geological Survey has a responsibility to approve mineral development if the environmental consequences are not too severe or irreversible. Permanent damage to the surface and subsurface would be prevented as much as possible under USGS and Surface Management Agency supervision. Environmental impacts would be significantly mitigated.

Adverse Environmental Effects:

1. If approved as proposed:

a. About 1.9 acres of vegetation would be removed, increasing and accelerating erosion potential.

b. Pollution of groundwater systems ^{could} would occur with the introduction of drilling fluids into the aquifer(s). The potential for interaquifer leakage and lost circulation is ever-present, depending on the casing program.

c. Minor air pollution would be induced on a temporary basis due to exhaust emissions from rig engines and support traffic.

d. The potential for fires, leaks, spills of gas and oil or water exists.

e. During construction and drilling phases of the operation, noise and dust levels would increase.

f. Distractions from aesthetics during the lifetime of the project would exist.

g. Erosion from the site would eventually be carried as sediment in the Colorado River. The potential for pollution to Bitter Creek would exist through leaks and spills.

h. If hydrocarbons would be discovered and produced, further development of the area could be expected to occur, which would result in the extraction of an irreplaceable resource, and further negative environmental impacts. These impacts include the cumulative loss of wildlife habitat due to the areas necessary for roads, pipelines, drillsites, and transmission lines. These actions may disrupt wildlife social behavior and force habitat relocation over an extended period of time. In addition, the cumulative effects of non-point erosion become substantial in a developing field, primarily those located near perennial streams where siltation and sedimentation are critical to aquatic life cycles.

i. Other:

- 1) Constructing location in draw would increase erosion/sedimentation/pollution potential.
- 2) Both cattle and sheep could be endangered by toxic or hazardous fluids in the reserve pit if it is not properly fenced.
- 3) The proposed access route crosses a buried flowline. Unless proper protection to this line is provided, the activity of heavy equipment could fracture it, resulting in a fire hazard plus the loss of a resource.

2. Conditional approval

a. All adverse impacts described in section one above would occur, except

- 1) By moving the wellsite 200' on a bearing of N25°E, impacts to the major draw would be significantly reduced and no adverse effects to the drilling of the target would occur.
- 2) By fencing the reserve pit on three sides prior to drilling and on the 4th side once the rig moves off, hazards posed to wildlife and livestock by harmful fluids would be eliminated.
- 3) By coordinating with Northwest Pipeline, specific protection measures for the flowline would be used during access road construction.

Recommended Approval Conditions:

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

- ~~1. See attached Lease Stipulations.~~
2. See attached BLM Stipulations.
3. Move wellsite 200' on a bearing of N25°E.

4. Fence reserve pit on three sides prior to drilling and on the fourth side once the rig moves off.
5. Operator will contact Northwest Pipeline Corporation and obtain written authorization to cross the buried flowline (ROW U-015664) with the access road.
6. A different rig would be used than the one originally proposed. The revised rig layout (Diagram I) shows the operator-designated changes.

Controversial Issues and Conservation Division Response: None Known

We have considered the proposed action in the preceding pages of this EA and find, based on the analysis of environmental considerations provided therein, no evidence to indicate that it will significantly (40 CFR 1508.27) impact the quality of the human environment.

Determination

I determine that the proposed action (as modified by the recommended approval conditions) does not constitute a major Federal action significantly affecting the quality of the human environment in the sense of NEPA, Section 102(2)(C).

Ed. [Signature]

DISTRICT ENGINEER

APR 29 1980

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

Date



Terra Resources Bar X #11
Sec. 18, T17S, R26E, GRAND Co.,
UTAH

APPENDICES

- APPENDIX I Bureau of Land Management Stipulations
- APPENDIX II Mineral Evaluation Report
- APPENDIX III Mining Report

FROM : DISTRICT GEOLOGIST, ME, SALT LAKE CITY, UTAH
TO : DISTRICT ENGINEER, O&G, SALT LAKE CITY, UTAH
SUBJECT: APD MINERAL EVALUATION REPORT

Slind
LEASE NO. SLC-064807

OPERATOR: TERRA RESOURCES, INC.

WELL NO. 11

LOCATION: 1/4 SW 1/4 NW 1/4 sec. 18, T. 17S, R. 26E, SLM
GRAND County, UTAH

1. Stratigraphy: *Operator estimates seem reasonable.*

2. Fresh Water: *WED reports indicate fresh/usable water may be found to the top of the Mancos Stt. Since this test will spend in the Mancos, significant fresh/usable water zones are not likely below the surface casing.*

3. Leasable Minerals:
prospectively valuable for coal. Coal in the Dakota is likely to be thinly lenticular + subeconomic.

4. Additional Logs Needed: *NONE*

5. Potential Geologic Hazards: *wells in the twosp report no abnormal conditions.*

6. References and Remarks: *USGS Files in SLC, Utah within BAB-X KGS*

MAP Room

Signature: *emb*

Dat

APPENDIX II

Slenn

18 - 175 - 26 E

Memorandum

To: District Oil and Gas Engineer, Mr. Edward Guynn

From: Mining, Supervisor, Mr. Jackson W. Moffitt

Subject: Application for Permit to Drill (form 9-331c) Federal oil and gas lease No. SL-664807 Well No. 11

1. The location appears potentially valuable for:

- strip mining*
- underground mining**
- has no known potential.

2. The proposed area is

- under a Federal lease for _____ under the jurisdiction of this office.
- not under a Federal lease under the jurisdiction of this office.
- Please request the operator to furnish resistivity, density, Gamma-Ray, or other appropriate electric logs covering all formations containing potentially valuable minerals subject to the Mineral Leasing Act of 1920.

*If location has strip mining potential:

Surface casing should be set to at least 50 feet below the lowest strip minable zone at _____ and cemented to surface. Upon abandonment, a 300-foot cement plug should be set immediately below the base of the minable zone.

**If location has underground mining potential:

The minable zones should be isolated with cement from a point 100 feet below the formation to 100 feet above the formation. Water-bearing horizons should be cemented in like manner. Except for salines or water-bearing horizons with potential for mixing aquifers, a depth of 4,000 feet has been deemed the lowest limit for cementing.

Signed *Allen J. Vance*

10 APR RECD



United States Department of the Interior

IN REPLY REFER TO

3100
(U-603)

BUREAU OF LAND MANAGEMENT

Moab District
Grand Resource Area
P. O. Box M
Moab, Utah 84532

April 1, 1980

Memorandum

To: Oil and Gas Office, USGS Conservation Division,
P. O. Box 3768, Grand Junction, CO. 81502

From: Area Manager, Grand

Subject: Terra Resources Inc.
Bar X 11, Lease # SL-064807
Section 18, T. 17 S., R. 26 E., SLB&M
Grand County, Utah

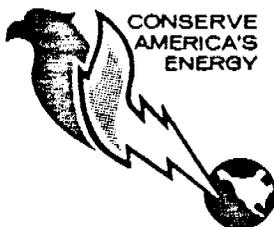
On March 7, 1980, a representative from this office met with Glen Doyle, USGS, and Hank Fritzler agent of Terra Resources, Inc. for an inspection of the above referenced location. Subject to the attached conditions, I am approving the surface management portion of the Application for Permit to Drill.

The archaeological requirement has been fulfilled on this location and a copy is attached for your files. No threatened or endangered flora or fauna are indicated in the area.

Please forward the enclosed information to Terra Resources, Inc.

C. Delano Backus

Enclosures: (3)
1-Reclamation Procedures
2-Cultural Clearance
3-Seed Mixture



APPENDIX I

APR 3 1980
REC'D

STANDARD STIPULATIONS FOR OIL & GAS EXPLORATION

- 1 Contact this office at least 24 hours prior to beginning construction of access road and pad.
- 2 Stockpile the surface 12 inches of topsoil in a pile on the southeast quadrant of the location.
- 3 The upper banks (uphill side) of all cuts will be rounded during construction of the access road and pad.
- 4 Notify the BLM District Archaeologist if cultural material from sub-surface deposits is exposed during the operation.
- 5 The trash pit will be at least six feet deep and fenced with fine mesh wire during drilling operations.
- 6 The "blooey" line will be centered and directed into the pit.
- 7 If production is obtained, the access road will be upgraded to BLM specifications for long-term roads as outlined in the surface use standards section of the "Oil and Gas" pamphlet (joint BLM and USGS publication).
- 8 If production is obtained, all production facilities will be painted "desert tan" or a similar color approved by the Grand Resource Area Manager.
- 9 Rehabilitation of the site and access road will be accomplished in accordance with the enclosed restoration procedures.
- 10 Production facilities and pipeline route are approved on this location under lease rights.
- 11 Well location ~~will~~^{was} be moved 200 feet north, 25 degrees east.
- 12 Operator will contact Northwest Pipeline Corporation and get written permission to cross this line (right-of-way U-015664) with the access road.
- 13 Vegetation will be bladed off the surface of new access road for .3 miles from existing road in southwest corner of Section 7, T. 17 S., R. 26 E., southerly to location in SW/NW, Section 18, T. 17 S., R. 26 E. Vegetation and top soil will be windrowed along the east side of new access road. A maximum 16 foot wide travel surface will be maintained.

<u>SPECIES</u>		<u>LB/ACRE</u>
<u>Grass</u>		
<u>Oryzopsis hymenoides</u>	Indian rice grass	1
<u>Hilaria jamesii</u>	Curley grass	1
<u>Forbs</u>		
<u>Penstemon palmeri</u>	Palmer Penstemon	1
<u>Shrubs:</u>		
<u>Artiplex confertifolia</u>	Shadscale	1
<u>Ceretooides lanata</u>	Winterfat	1
		5

1. Inform this office before beginning work.

RECLAMATION PROCEDURES IN GRAND RESOURCE AREA

1. Disk or rip pads and access roads.
 - a. Overlap passes in order to insure complete treatment.
2. Contour pads and access roads.
 - a. Lay berms into centers.
 - b. Use cut material for fill areas.
 - c. Lay stockpiled surface soil over top of pads and spread evenly.
 - d. On highly erosive soils, it may be more beneficial to grade slopes to reduce steepness.
 - e. Do not smooth pads out, leave a roughened surface. On steeper slopes and slopes with clayey soils scarify or serrate the ground in order to increase water infiltration and reduce erosion.
3. Water bar roads where required by this office.

* 2%	Grade	-	200 ft. intervals
2-4%	Grade	-	100 ft. intervals
4-5%	Grade	-	75 ft. intervals
5%	Grade	-	50 ft. intervals

* Actual spacing may vary according to soil stability. Lighter textured soils will require more frequent water bars. When natural drainage ways are present, water bars are to be constructed to make maximum use of them. Plan operations so that natural drainage ways do not become blocked.
4. Seed roads and pads in the fall (Oct. through mid-Dec.).

EXHIBIT "B"

TEN-POINT COMPLIANCE PROGRAM OF NTL-6

APPROVAL OF OPERATIONS

Attached to Form 9-331C
Company: Terra Resources, Inc.
Well: Bar X Unit Well #11
Well Location: 1500' SNL and 1200' EWL
Sec. 18 T 17S R 26E
County: Grand State: Utah

1. Geologic Surface Formation

Mancos

2. Estimated Important Geologic Markers

<u>Formation</u>	<u>Depth</u>
Frontier	3005'
Dakota Silt	3325'
Dakota	3405'
Morrison	3515'
Salt Wash	3835'
TD	4000'

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

<u>Formation</u>	<u>Depth</u>	<u>Remarks</u>
Dakota	3405'	Possible gas
Upper Morrison	3515'	Possible gas
Salt Wash	3835'	Possible gas

4. The Proposed Casing Program

- (a) Set 8 5/8" 32# K-55 new casing, in 12 1/4" hole at 300' and cement with 290 sx regular cement w/2% CaCl₂.
- (b) Set 4 1/2" 10.5# J-55 new casing, in 7 7/8" hole at TD. (4000') and cement if productive with 280 sx of 50-50 Pozmix w/10% salt.

5. The Operator's Minimum Specifications For Pressure Control

Exhibit "C" is a schematic diagram of the blowout preventer equipment. The BOP's will be hydraulically tested to the full working pressure after nipping up and after any use under pressure. The BOP's will be operationally checked after each 24-hour period and each time pipe is pulled out of the hole.

6. The Type and Characteristics of the Proposed Circulating Muds

Hole will be air drilled from surface to TD (4000').

7. The Auxillary Equipment to be Used

- A) A full opening Hydril or equivalent ball valve will be available on the floor to make up on the drill pipe when the kelly is not in the string.

8. The Testing, Logging, and Coring Programs to be Followed

- (A) No conventional DST's are planned.
- (B) Well logging as follows:
- | | |
|-------------|----------------------|
| CNL, FDC-GR | TD to surface casing |
| IES | TD to surface casing |
- (C) No cores are planned.
- (D) Acidize with 500 gallons 15% MSR and/or Foam Frac with 50,000 gallons of 5% HCl and 70,000# 20-40 and 10/20 sand if the zones merit. See Exhibit "H".

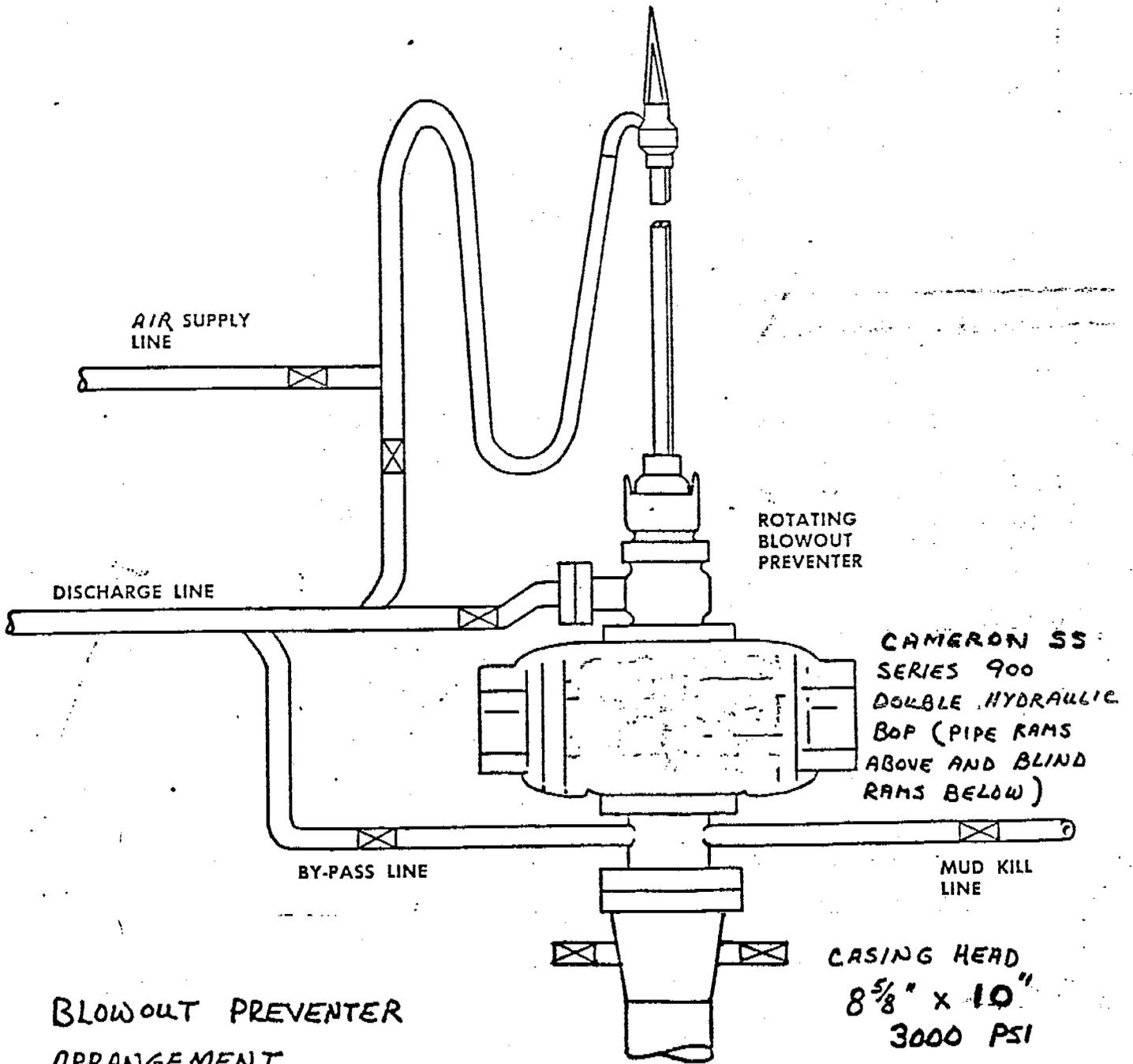
9. Any Anticipated Abnormal Pressures or Temperatures Expected

NONE

10. The Anticipated Starting Date and Duration of the Operations

The anticipated starting date is set for February 1, 1980 or immediately as possible after examination and approval of all drilling requirements.

The operations should be completed within 10 days after spudding the well.



BLOWOUT PREVENTER
ARRANGEMENT

BAR X UNIT WELL # 11

CAMERON SS
SERIES 900
DOUBLE HYDRAULIC
BOP (PIPE RAMS
ABOVE AND BLIND
RAMS BELOW)

CASING HEAD
8 5/8" x 10"
3000 PSI

ALL MANIFOLD AND LINES
WILL HAVE AT LEAST
THE SAME PRESSURE
RATING AS THE BOP STACK

EXHIBIT "D"

MULTI-POINT REQUIREMENTS TO ACCOMPANY A.P.D.

Attached to Form 9-331C
Terra Resources, Inc.
Bar X Unit Well #11
1500' SNL and 1200' EWL
Sec. 8 T17S, R26E
Grand County, Utah

1. Existing Roads

- A. The proposed well site and elevation plat is shown as EXHIBIT "A".
- B. The distance from Mack, Colorado, is 17.2 miles. Proceed West on paved Highway 50, 9.2 miles from the Mack Post Office; thence Northeast on maintained number two road, 4.8 miles to fence on Utah/Colorado boundary; turn North up fence line and proceed 3.1 miles on maintained road to intersection with gas field road; proceed West 2.6 miles to staked access road; proceed South .3 mile to location, as shown on EXHIBIT "E".
- C. All roads are color-coded into location. An access road .3 mile from the existing gas field road will be required, as shown on EXHIBIT "E".
- D. N/A
- E. This is a development well. All existing roads within a one-mile radius are shown on EXHIBIT "E".
- F. The existing roads need no improvement. Maintenance will be performed as required.

2. Planned Access Roads

Map showing all necessary access roads to be constructed or reconstructed is shown as EXHIBIT "E" for the following:

- (1) The maximum width of the running surface of the .3 mile access road as you leave the existing gas field road will be 18'.
- (2) The grade will be 8% (eight percent) or less.
- (3) No turn outs are planned.
- (4) Appropriate water bars will be constructed to assure drainage off location to conform with the natural drainage pattern.

- (5) No culverts are needed. No major cuts or fills are anticipated along access road during drilling operation.
- (6) Surfacing materials will be native soil.
- (7) No gates, cattle guards or fence cuts are needed.
- (8) The new access road to be built has been staked during the time of staking the location, and is centerline flagged as shown on EXHIBIT "E".

3. Location of Existing Wells

For all existing wells within a one-mile radius of development well, see EXHIBIT "E".

- (1) There are no water wells within a one-mile radius of this location.
- (2) There are no abandoned wells within this one-mile radius.
- (3) There are no temporarily abandoned wells.
- (4) There are no disposal wells.
- (5) There are no wells presently being drilled.
- (6) There are two producing wells within this one-mile radius.
- (7) There are no shut-in wells.
- (8) There are no injection wells.
- (9) There are no monitoring or observation wells for other uses.

4. Location of Existing and/or Proposed Facilities

A. Within a one-mile radius of location the following existing facilities are owned or controlled by lessee/operator:

- (1) Tank Batteries: None
- * (2) Production Facilities: Yes, dehydration unit.
- (3) Oil Gathering Lines: None
- * (4) Gas Gathering Lines: Yes, buried.
- (5) Injection Lines: None
- (6) Disposal Lines: None

* All surface facilities excluding the wellhead and tanks are owned and operated by the gas purchaser, N.W. Pipeline.

B. If production is obtained, new facilities will be as follows:

- (1) Production facilities will be located on solid ground of cut area of drill pad, as shown on EXHIBIT "F".
- (2) All well flow lines will be buried.
- (3) Production Facilities will consist of a dehydrator and meter building located on the north corner of the pad.
- (4) All construction materials for pad will be obtained from site. No additional material from outside sources is anticipated.
- (5) Any necessary pits will be fenced and flagged to protect livestock and wildlife.

C. Rehabilitation, whether well is productive or dry, will be made on all unused areas in accordance with the restoration plans presented in ITEM #10 following.

5. Location and Type of Water Supply.

- A. The source of water will be the Colorado River, South of Interstate Highway 70, which is running water.
- B. Water will be transported by truck over existing roadways as needed.
- C. No water well is to be drilled on this lease.

6. Construction Materials

- A. No construction materials are needed for drilling and access roads into the drilling location unless production is obtained. The surface soil materials will be sufficient or will be purchased from Dirt Contractor as needed.
- B. No construction materials will be taken off this Federal land.
- C. All surface soil materials for construction of access roads are sufficient.
- D. All major access roads presently exist as shown on EXHIBIT "E".

7. Handling of Waste Materials and Disposal

- (1) Drill cuttings will be buried in the reserve pit and covered.
- (2) Plan is to drill with air, but water may be encountered which will then be handled in the reserve pit.

- (3) Any fluids produced, oil or water, during drilling test or while making production test will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in reserve pit. Any spills of oil, gas, salt waters or other noxious fluids will be cleaned up and removed.
- (4) Any sewage will be covered or removed. Chemical facilities will be provided for human waste.
- (5) Garbage and non-flammable waste and salts and other chemicals produced during drilling or testing will be handled in trash pit. Flammable waste will be disposed of in burn pit. Drill fluids, water, drilling mud and tailings will be kept in reserve pit, as shown on EXHIBIT "F".
- (6) After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. Any dangerous open pit will be fenced during drilling and kept closed until such time as the pit is leveled. Reserve pit will be fenced on three sides and the fourth side fenced upon removal of the rig. The trash and/or burn pit will be totally enclosed with small mesh wire.

8. Ancillary Facilities

No air strip, camp or other facilities will be built during drilling of this well.

9. Well Site Layout

- (1) EXHIBIT "F" is the Drill Pad Layout as staked, with elevations, by Powers Elevation Company, Inc. of Grand Junction, Colorado. Cuts and fills have been drafted to visualize the planned cut across the location spot and to the deepest part of the pad. Topsoil will be stockpiled per BLM specifications determined at time of pre-drill inspection.
- (2) EXHIBIT "G" is a plan diagram of the proposed rig and equipment, reserve pit, burn and trash pit, pipe racks and mud tanks. No permanent living facilities are planned. There will not be a trailer on site.
- (3) EXHIBIT "G" includes a diagram showing the proposed rig orientation, parking areas and access road.
- (4) The reserve pits will not be lined. Steel mud tanks may be used during drilling operations.

10. Plans for Restoration

- (1) Backfilling, leveling and contouring are planned as soon as all pits have dried. Waste disposal and spoils materials will be buried or hauled away immediately after drilling is completed.

If production is obtained, the unused area will be restored as soon as possible.

- (2) The soil banked material will be spread over the area. Revegetation will be accomplished by planting mixed grasses as per formula provided by the BLM. Revegetation is recommended for road area, as well as around the drill pad.
- (3) Three sides of the reserve pit will be fenced during drilling operations. Prior to rig release, the reserve pit will be fenced on the fourth side to prevent livestock or wildlife from becoming entrapped; and the fencing will be maintained until leveling and cleanup are accomplished.
- (4) If any oil is on the pits and is not immediately removed after operations cease, the pit containing the oil or other adverse substances will be flagged overhead or covered with wire mesh.
- (5) The rehabilitation operations will begin immediately after the drilling rig is removed. Removal of oil or other adverse substances will begin immediately or area will be flagged and fenced. Other cleanup will be done as needed. Planting and revegetation is considered best in April, 1980 unless requested otherwise.

11. Other Information

- (1) The soil is sandy, supporting desert brush and grass. There are small areas of rock outcrops, and the area has some scattered junipers. The geomorphology is intermediate to the desert to the South and bookcliffs to the North.
- (2) The primary surface use is for grazing. The surface is owned by the U. S. Government.
- (3) The closest live water is the Colorado River, South of I-70.

The closest occupied dwelling is a small ranch house 13.2 mile from the location, 1 mile East of number two road on Highway 50.

There are no known archaeological, historical, or cultural heritages that will be disturbed by this drilling.

- (4) There are no reported restrictions or reservations noted on the oil and gas lease.
- (5) Drilling is planned for on or about February 1, 1980. It is anticipated that the casing point will be reached within 10 days after commencement of drilling.

12. Lessee's or Operator's Representative

Cecil Foote
Terra Resources
Box 2500
Casper, Wyoming 82602
Phone: (307) 237-8461

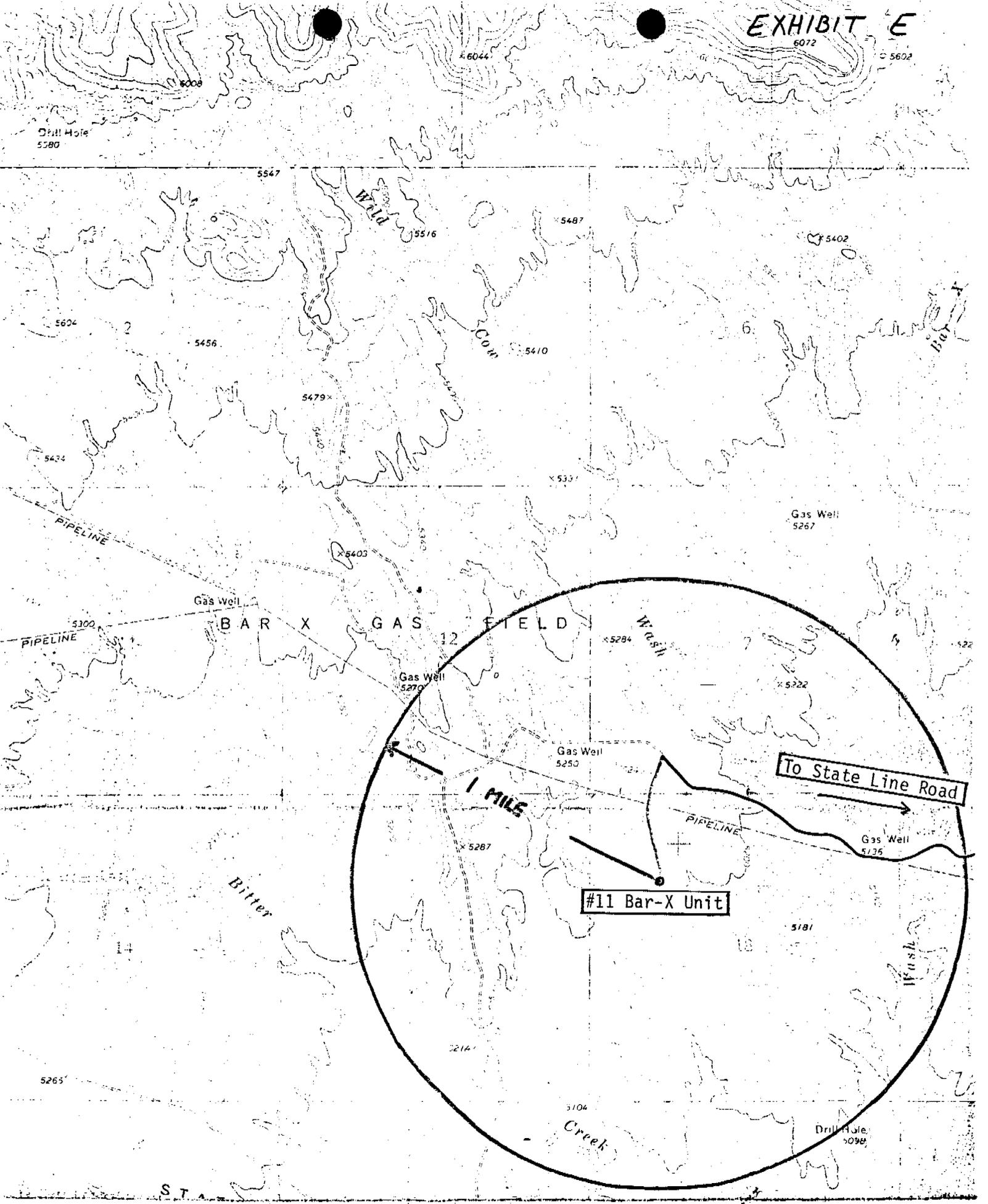
13. Certification

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 Terra Resources and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

1-3-80
Date

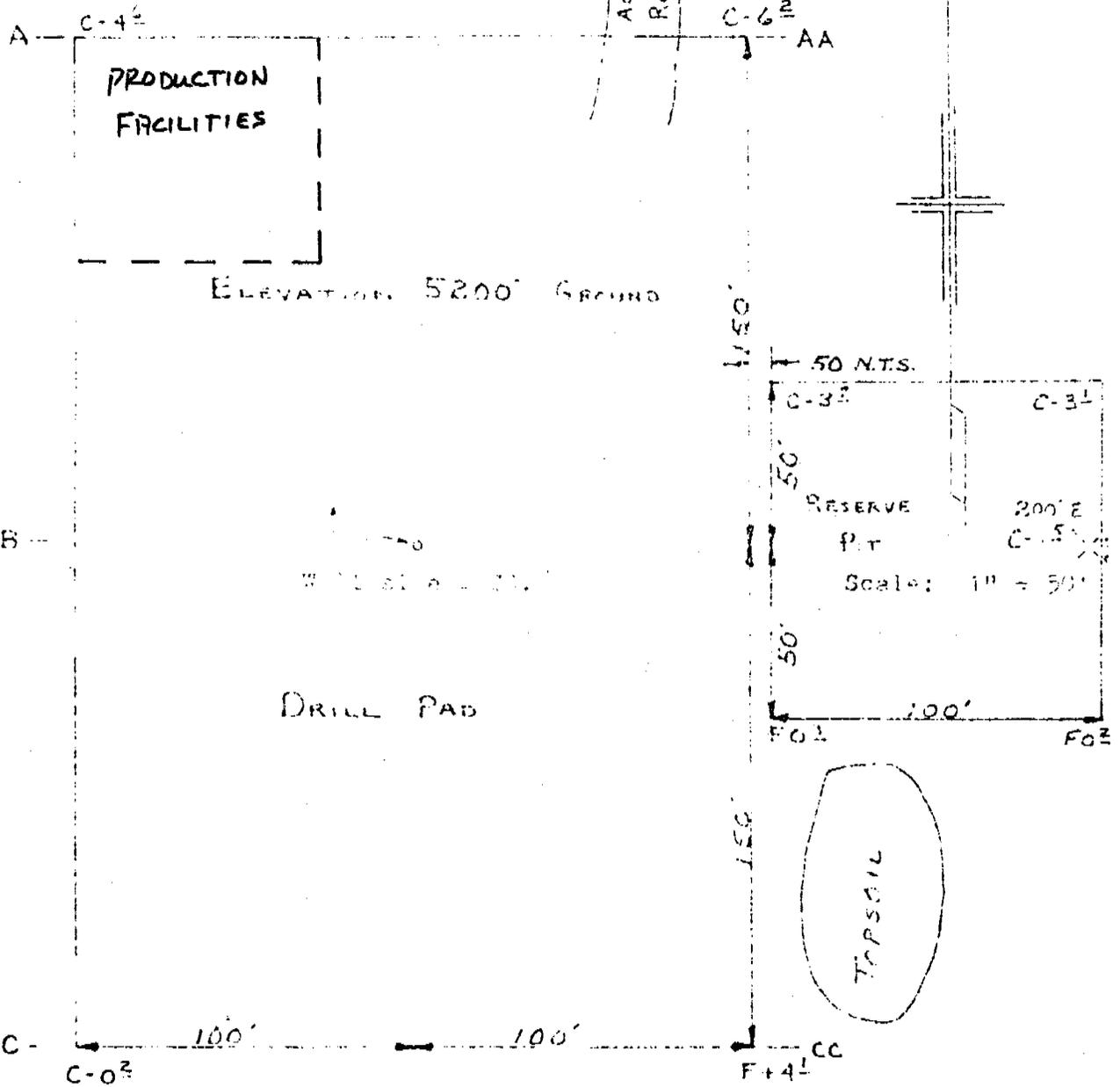
Cecil G Foote

Drill Hole
5580



LEGEND
— Gravel Road
— New Proposed Access

TERRA RESOURCES Co
#1 BAR X UNIT
1500' E & 1200' W SEC. 18 T. 173 R. 36E
GRAND COUNTY X UTAR
200' N
C-8E



200' W

Well site - 20'

150'

50 N.T.S.

RESERVE

PIT

Scale: 1" = 50'

F01

F02

150'

TOPSOIL

C

C-0E

100'

100'

CC

F+42

X 200' S
F+32

Cut

Cut

PROPOSED SITE

by: Richard C. Schulte
Powers Elevation Company, Inc.

RESERVE PIT BB

RESERVE PIT

CC

POOR COPY

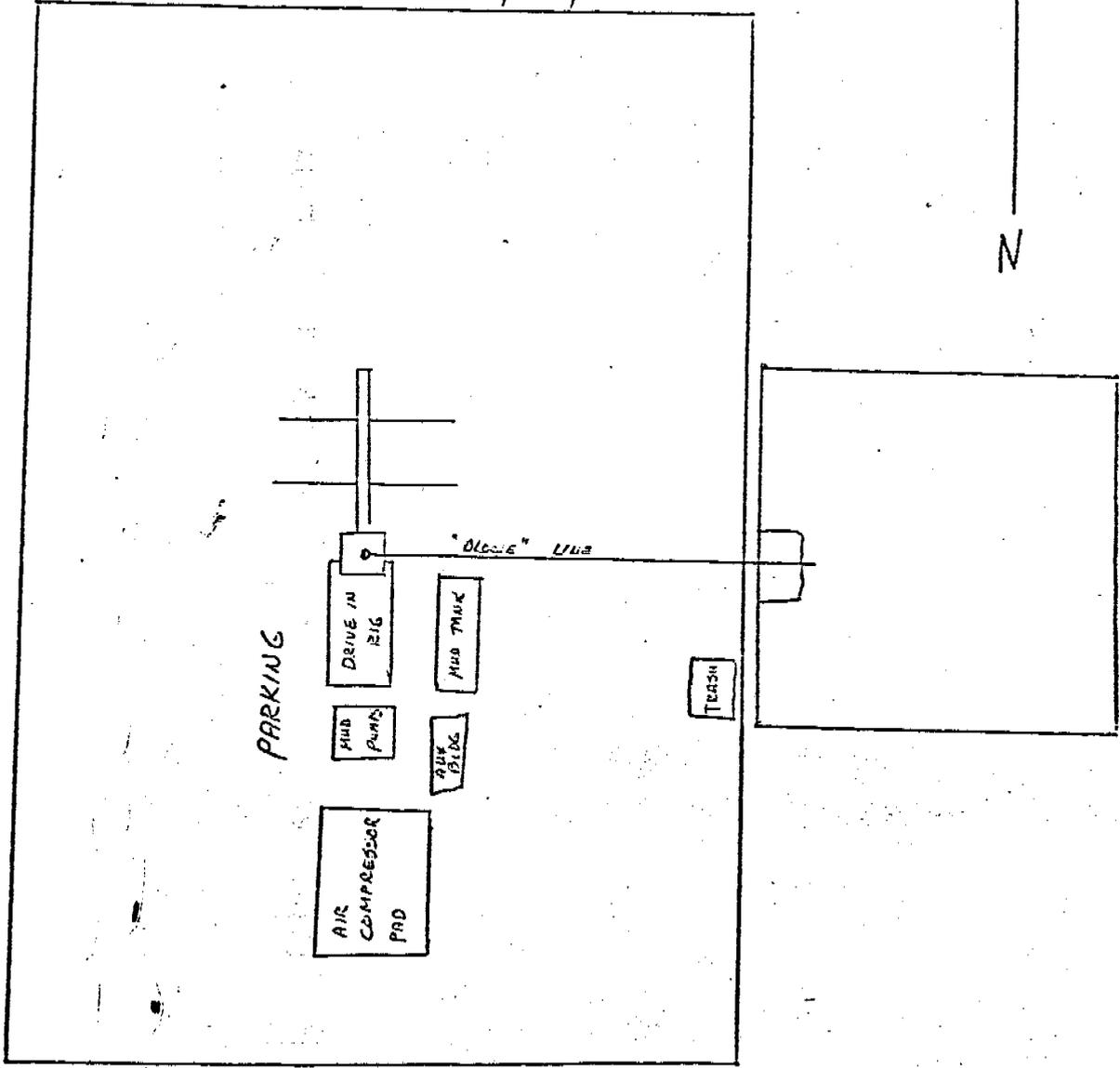
4-24-79

EXHIBIT G

TERRA RESOURCES INC
BAR X UNIT #11.

1" = 50'

ACCESS



TERRA RESOURCES INC
BAR X UNIT #11

1" = 50'

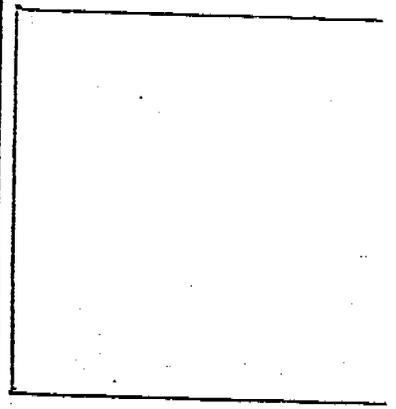
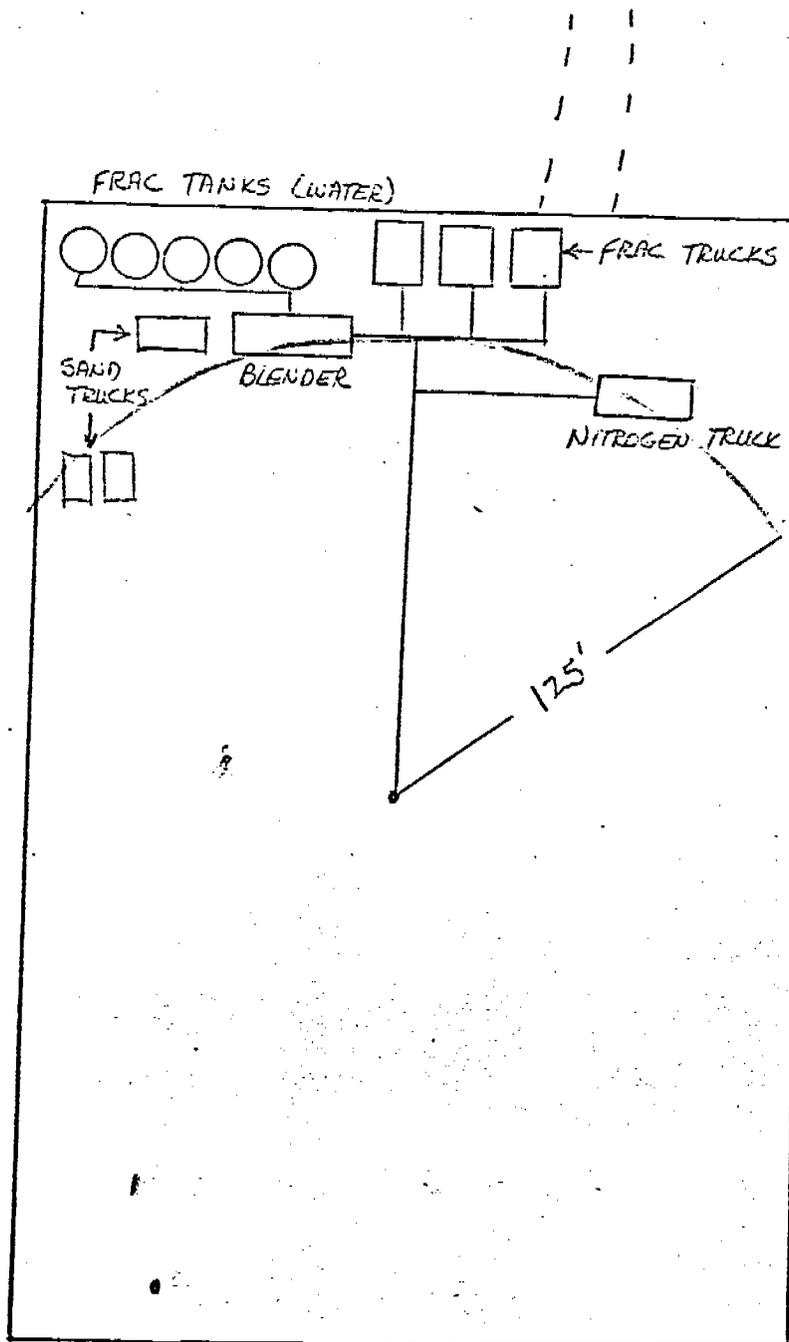


EXHIBIT "I"

(54-02-76)
WY060-3109-3

REHABILITATION PLAN

Lease No.: _____; Well Name and No.: 11 Bar X Unit
Location: 1500 FNL 1200 FWL, Sec. 18, T. 17 S N., R. 26 E W.

Terra Resources ~~XXXXXXXXXX~~ intends to drill a well on surface owned by BLM. The lessee/operator agrees to complete the following rehabilitation work if the well is a producer:

Yes No Maintain access road and provide adequate drainage to road.

Yes No Reshape and reseed any area not needed for maintenance of the pump and support facilities.

Other requirements: none

The following work will be completed when the well is abandoned:

Yes No Pit will be fenced until dry, then filled to conform to surrounding topography.

Yes No Water bars will be constructed as deemed necessary.

Yes No Site will require reshaping to conform to surrounding topography.

Yes No Entire disturbed area will be reseeded. If yes, the following seed mixture will be used:
BLM mixture

Yes No Access road will be closed, rehabilitated and reseeded using the same seed mixture as above.

Yes No Access road will remain for surface owner's use.

Yes No Water bars will be constructed on the access road as deemed necessary.

Other requirements: none

Surface Owner:

Name: BLM
Address: _____
City: _____
State: _____
Telephone: _____
Date: _____

Operator/Lessee

Name: Terra Resources
Address: P.O. Box 2500
City: Casper
State: Wyoming
Telephone: _____
Date: Nov. 13, 1978

I CERTIFY rehabilitation has been discussed with me, the surface owner:

N/A
(Surface owner's signature)

This plan covers rehabilitation requirements only and does not affect any other agreements between the lessee/operator and surface owner.

001

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
SLC-064807

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Bar X

8. FARM OR LEASE NAME

9. WELL NO.
11

10. FIELD AND POOL, OR WILDCAT
Bar X

11. SEC. T. R. M. OR BLK. AND SURVEY OR AREA
Sec. 18, T17S, R26E

12. COUNTY OR PARISH
Grand

13. STATE
UTAH

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
TERRA RESOURCES, INCORPORATED

3. ADDRESS OF OPERATOR
P. O. Box 2500, Casper, WY 82602

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 1500' ~~SNE~~ and 1200' ~~ENE~~
At proposed prod. zone ~~SNE~~ and 1200' EWL SW NW

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
35 NW of Grand Junction, Colorado

16. NO. OF ACRES IN LEASE
2080'

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.
3200' WNW of Well #4

19. PROPOSED DEPTH
4000' Salt Wash

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
Approximate ground level is 5200'

22. APPROX. DATE WORK WILL START*
Feb. 1, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	32	300	290 sx Reg w/2% CaCl ₂
7 7/8	4 1/2	10.5	4000	280 sx 50-50 Pozmix w/10% salt

1. Drill 12 1/4" hole to 300' and set surface casing.
2. A double ram BOP will be installed, tested and operational checks made daily and each trip for bit.
3. The hole will be air drilled to approx. 4000' to test the Salt Wash member of the Morrison formation.
4. The hole will be logged, and if commercial production is obtained, 4 1/2" casing will be run.

EXHIBITS ATTACHED:

- | | |
|--|---|
| A. Location and Elevation Plat | F. Drill Pad Layout and Cut-Fill, Cross-Section |
| B. Ten-Point Compliance Program | G. Drill Rig & production facilities layout |
| C. Blowout Preventer Diagram | H. Acidizing-Fracturing Layout |
| D. Multipoint Requirement for A.P.D. | I. Rehabilitation Plan |
| E. Access Road Map onto location and radius map of area. | |

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 E. C. Reish, Jr. TITLE District Manager-Operations

(This space for Federal or State office use)
PERMIT NO. 43-019/30592 APPROVAL DATE JAN 11 1980

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

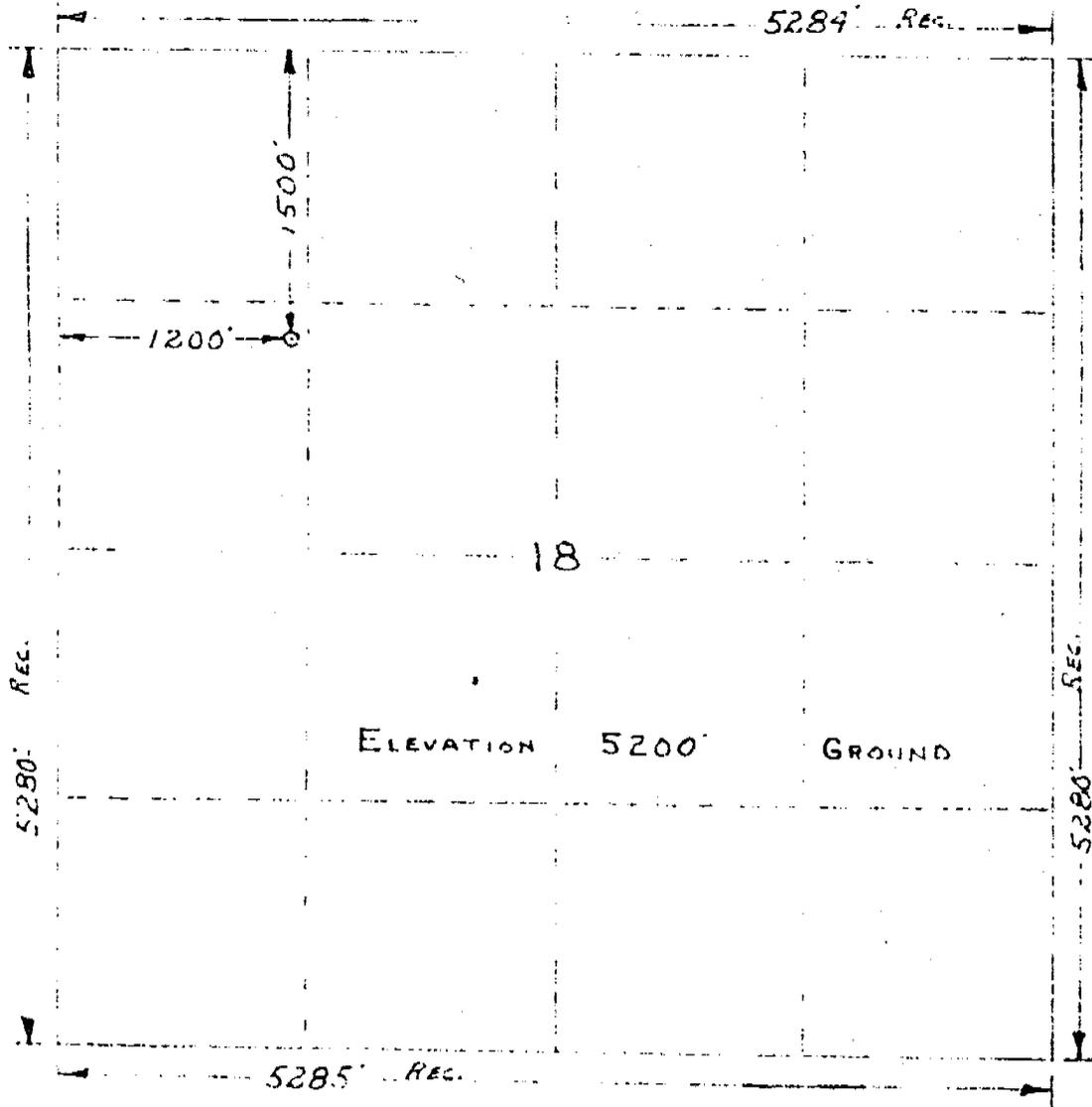


DIVISION OF
OIL, GAS & MINING

*See Instructions On Reverse Side



R 26 E.



Scale - 1" = 1000'

Powers Elevation Company, Inc. of Denver, Colorado
 has in accordance with a request from Cecil Foote
 for TERRA RESOURCES COMPANY
 determined the location of "II BAR X UNIT
 to be 1500' FN & 1200' FW Section 18 Township 17 S.
 Range 26 E. of the SALT LAKE Meridian
 GRAND COUNTY, UTAH

I hereby certify that this plot is an
 accurate representation of a correct
 survey showing the location of

"II BAR X UNIT

Date 4-24-79

 Licensed Land Surveyor No 2711
 State of UTAH

POOR COPY

** FILE NOTATIONS **

DATE: January 15, 1980

Operator: Ira Resources, Inc.

Well No: Box Unit # 11

Location: Sec. 18 T. 17S R. 26E County: Grand

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-019-30592

CHECKED BY:

Geological Engineer: _____

Petroleum Engineer: _____

Director: _____

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. _____

O.K. Rule C-3

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

Lease Designation Box Unit

Plotted on Map

Approval Letter Written

ltm

*he
PI*

January 16, 1980

Terra Resources, Inc.
P.O. Box 2500
Casper, Wyoming 82602

Re: Well No. Bar X Unit #10, Sec. 1, T. 17S, R. 25E., Grand County, Utah
~~Well No. Bar X Unit #11, Sec. 18, T. 17S, R. 26E., Grand County, Utah~~

Insofar as this office is concerned approval to drill the above referred to gas wells are hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules on Practice and Procedure.

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

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 numbers assigned to these wells are #10 - 43-019-30591;
#11 - 43-019-30592.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder
Geological Engineer

/b:tm

cc: USGS



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
P O Box 970
Moab, Utah 84532

005

Evaluation of Compliance With Executive Order 11593 and
Section 106 of the Historic Preservation Act of 1966

Project Name Bar X Unit Wells #10, 11, 12, 13, 17

Developer Terra Resources Inc

Antiquities Permit # 79-ut-028

Name of Permitted Institution Powers Elevation

Description of Activity 5 well pads (40 acres surveyed

Location of Activity for each T17S, R25E, Sec. 1, 11, 12; T17S, R26E, Sec. 7, 8, 18
GRA

Description of Examination Procedures:

- Search of Site Survey Files and Available Literature
- Physical Examination

Evaluation of Findings

- Adequate for compliance with Executive Order 11593.
- Adequate to substantiate a determination of no effect.
- Adequate to provide the basis for a determination of no adverse effect. BLM will have to present its case to the Historic Preservation Office and to the National Advisory Council on Historic Preservation.
- Will require consultation with the contractor to resolve certain questions. See attached analysis.
- Is inadequate for compliance purposes because:

Janet Pierson
03/25/80



February 20, 1981

Terra Resources, Inc,
P.O. Box 2500
Casper, Wyoming 82602

RE: Spudding Notice
See Attached Sheet

Gentlemen:

In reference to the mentioned wells, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill these wells, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If we do not hear from your company within fifteen (15) days, we will assume you do not intend to drill these wells, and action will be taken to terminate the application. If you plan on drilling these locations at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

Barbara Hill
BARBARA HILL
WELL RECORDS

/bjh

FROM : DISTRICT GEOLOGIST, SALT LAKE CITY, UTAH

017

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

SUBJECT: APD MINERAL EVALUATION REPORT

LEASE NO. SLC-064807

OPERATOR: TERRA RESOURCES, INC.

WELL NO. 11

LOCATION: ½ SW ½ NW ½ sec. 18, T. 17S, R. 26E, SLM

GRAND County, UTAH

1. Stratigraphy: *Operators estimates seem reasonable.*

2. Fresh Water: *WED reports indicate fresh/usable water may be found to the top of the Mancos Stt. Since this test will spud in the Mancos, significant fresh/usable water zones are not likely below the surface casing.*

3. Leasable Minerals:

prospectively valuable for coal. Coal in the Dakota is likely to be thinly lenticular & subeconomic.

4. Additional Logs Needed: *NONE*

5. Potential Geologic Hazards: *wells in the twosp report no abnormal conditions.*

6. References and Remarks: *USGS Files in SLC, Utah within BAR-X KGS*

Signature: emb

Date: 2-25-80

008

7
COPIES

TERRA RESOURCES, INC.

ROCKY MOUNTAIN PRODUCTION DISTRICT OFFICE
P.O. BOX 2500
CASPER, WYOMING 82601
(307) 237-8461

March 3, 1981

Spudding Notice
See Attached Sheet

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

Gentlemen:

Please be advised that Terra Resources, Inc., still plans to drill the six (6) Bar X Wells. If a rig can be located Unit #10, #11, #12, and #13 will probably be drilled this spring.

Rock Canyon Rim #1 has been postponed indefinitely,

If we can be of any further assistance in this matter, please advise.

Yours very truly,

TERRA RESOURCES, INC

E.C. Reish, Jr.
E.C. Reish, Jr.
District Manager - Operations

ECR/CGF:ek
Attach.

RECEIVED

MAR 09 1981

DIVISION OF
OIL, GAS & MINING

GENERAL OFFICES

SUITE 300 5416 SOUTH YALE AVENUE TULSA, OKLAHOMA (918) 492-2231

- (1). Well No. Bar X Unit #18
Sec. 12, T. 17S, R. 25E.,
Grand County, Utah
- (2). Well No. Bar X Unit #17
Sec. 11, T. 17S, R. 25E.,
Grand County, Utah
- (3). Well No. Bar X Unit #13
Sec. 7, T. 17S, R. 26E.,
Grand County, Utah
- (4). Well No. Bar X Unit #12
Sec. 8, T. 17S, R. 26E.,
Grand County, Utah
- (5). Well No. Bar X Unit #11
Sec. 18, T. 17S, R. 26E.,
Grand County, Utah
- (6). Well No. Bar X Unit #10
Sec. 1, T. 17S, R. 25E.,
Grand County, Utah
- (7). Well No. Rock Canyon Rim #1
Sec. 1, T. 19S, R. 6E.,
Emery County, Utah

RECEIVED

DIVISION OF
OIL, GAS & MINING

Conservation Division
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

August 10, 1981

Terra Resources, Incorp.
P.O. Box 2500
Casper, Wyoming 82602

Re: Return Application for
Permit to Drill
Well No. 11
Section 18, T. 17S, R. 26E.
Grand County, Utah
Lease No. SLC-064807

Gentlemen:

The Application for Permit to Drill the referenced well was approved July 17, 1980. Since that date no known activity has transpired at the approved location. Under current District policy, application's for permit to drill are effective for a period of one year. In view of the foregoing this office is rescinding the approval of the referenced application without prejudice. If you intend to drill at this location on a future date a new application for permit to drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must, then be submitted. Your cooperation in this matter is appreciated.

Sincerely,

(Orig. Sgd.) E. W. GUYNN

E. W. Guynn
District Oil and Gas Supervisor

bcc: DCM, CR, O&G, Denver
BLM-Moab
State Office (O&G)
State Office (BLM)
USGS-Vernal
Well File
APD Control

RAH/TM/tm

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MAY 7 1982

019

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
 Terra Resources, Inc.

3. ADDRESS OF OPERATOR
 P.O. Box 2500, Casper, Wyoming 82602

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 1500' SNL and 1200' EWL
 1318.74' FNL & 1287.52' FWL
 At proposed prod. zone 1500' SNL and 1200' EWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 35 miles NW of Grand Junction, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest driz. unit line, if any)
 1500'

16. NO. OF ACRES IN LEASE
 2080'

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.
 3200' WNW of Well #4

19. PROPOSED DEPTH
 4000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 Approximate ground level is 5200'

22. APPROX. DATE WORK WILL START*
 June 1, 1982

5. LEASE DESIGNATION AND SERIAL NO.
 SLC-064807

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 Bar X

8. FARM OR LEASE NAME

9. WELL NO.
 11

10. FIELD AND POOL, OR WILDCAT
 Bar X

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
 Sec. 18, T17S, R26E

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
12-1/4	8-5/8	32	300	290 sx Reg w/ 2% CaCl ₂
7-7/8	4-1/2	10.5	4000	280 sx 50-50 Pozmix w/10% s

1. Drill 12-1/2" hole to 300' and set surface casing.
2. A double ram BOP will be installed, tested and operational checks made daily and each trip for bit.
3. The hole will be air drilled to approx. 4000' to test the Salt Wash member of the Morrison formation.
4. The hole will be logged, and if commercial production is obtained, 4-1/2" casing will be run.

EXHIBITS ATTACHED:

- A. Location and Elevation Plat
- B. Ten-Point Compliance Plat
- C. Blowout Preventer Diagram
- D. Multipoint Requirement
- E. Access Road Map onto location and radius map of area.
- F. Drill Pad Layout and Cut-Fill, Cross-Section
- G. Drill Rig & Production Facilities Layout
- H. Acidizing-Fracturing Layout
- I. Rehabilitation Plan

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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: 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 E. J. Reich, Jr. TITLE District Manager-Operations DATE 5/4/82
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
E. W. Guyon
 APPROVED BY E. W. Guyon TITLE District Oil & Gas Supervisor DATE MAY 27 1982
 CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

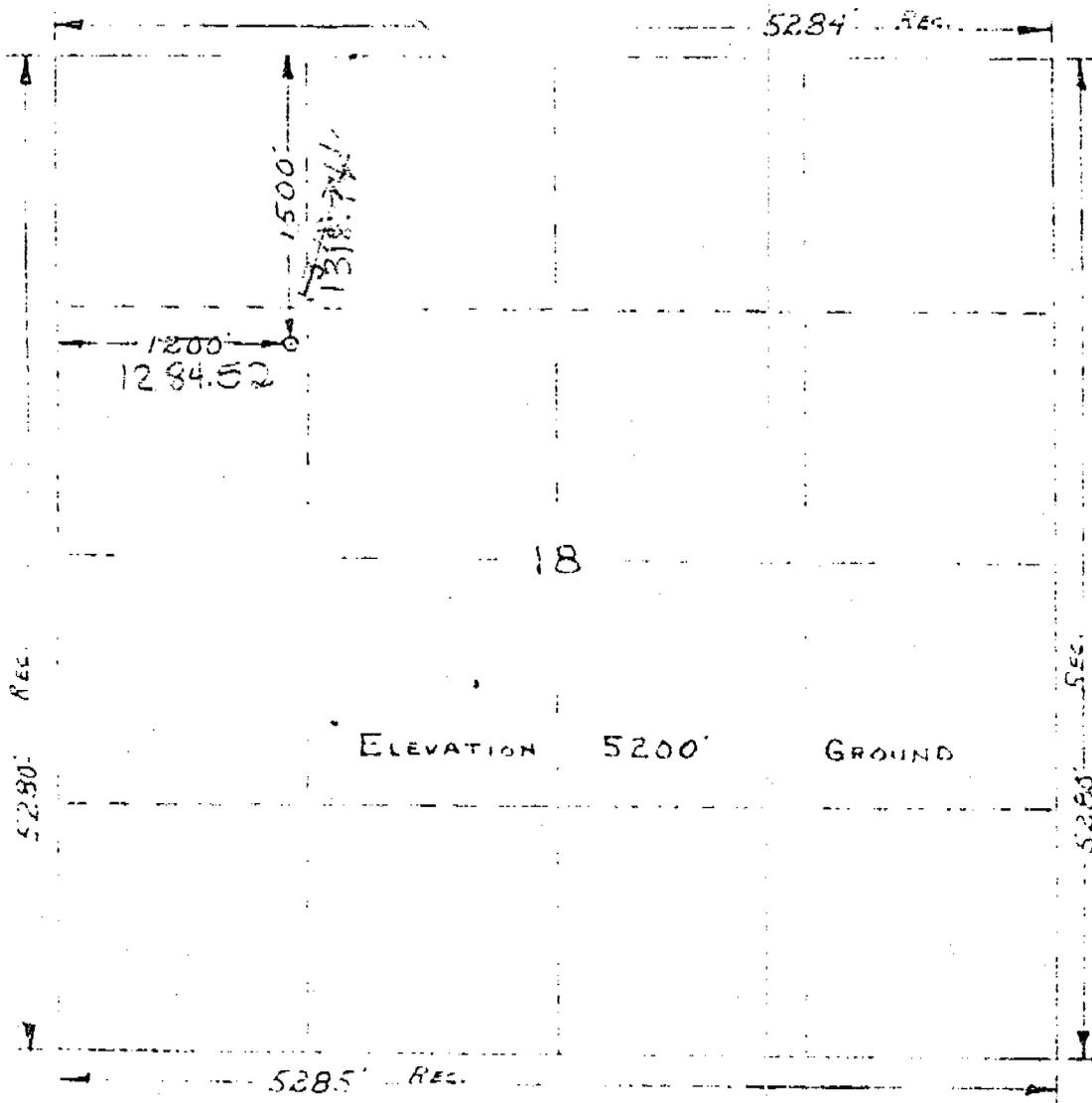
CONDITIONS OF APPROVAL ATTACHED

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

*See Instructions On Reverse Side



A 26 E.



Scale - 1" = 1000'

Powers Elevation Company, Inc. of Denver Colorado has in accordance with a request from Cecil Foote for TERRA RESOURCES COMPANY determined the location of "II BAR X UNIT" to be 1500' EN & 1200' FW Section 18 Township 17 S. Range 26 E OF THE SALT LAKE Meridian GRAND COUNTY, UTAH

I hereby certify that this plot is an accurate representation of a correct survey showing the location of

"II BAR X UNIT"

4-24-72

Licensed Land Surveyor No 2711
State of UTAH

POOR COPY

EXHIBIT "B"TEN-POINT COMPLIANCE PROGRAM OF NTL-6APPROVAL OF OPERATIONS

Attached to Form 9-331C
 Company: Terra Resources, Inc.
 Well: Bar X Unit Well #11
 Well Location: 1500' SNL and 1200' EWL
 Sec. 18 T 17S R 26E
 County: Grand State: Utah

1. Geologic Surface Formation

Mancos

2. Estimated Important Geologic Markers

<u>Formation</u>	<u>Depth</u>
Frontier	3005'
Dakota Silt	3325'
Dakota	3405'
Morrison	3515'
Salt Wash	3835'
TD	4000'

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

<u>Formation</u>	<u>Depth</u>	<u>Remarks</u>
Dakota	3405'	Possible gas
Upper Morrison	3515'	Possible gas
Salt Wash	3835'	Possible gas

4. The Proposed Casing Program

- (a) Set 8 5/8" 32# K-55 new casing, in 12 1/4" hole at 300' and cement with 290 sx regular cement w/2% CaCl₂.
- (b) Set 4 1/2" 10.5# J-55 new casing, in 7 7/8" hole at TD. (4000') and cement if productive with 280 sx of 50-50 Pozmix w/10% salt.

5. The Operator's Minimum Specifications For Pressure Control

Exhibit "C" is a schematic diagram of the blowout preventer equipment. The BOP's will be hydraulically tested to the full working pressure after nipping up and after any use under pressure. The BOP's will be operationally checked after each 24-hour period and each time pipe is pulled out of the hole.

6. The Type and Characteristics of the Proposed Circulating Muds

Hole will be air drilled from surface to TD (4000').

7. The Auxillary Equipment to be Used

- A) A full opening Hydril or equivalent ball valve will be available on the floor to make up on the drill pipe when the kelly is not in the string.

8. The Testing, Logging, and Coring Programs to be Followed

(A) No conventional DST's are planned.

(B) Well logging as follows:

CNL, FDC-GR	TD to surface casing
IES	TD to surface casing

(C) No cores are planned.

(D) Acidize with 500 gallons 15% MSR and/or Foam Frac with 50,000 gallons of 5% HCl and 70,000# 20-40 and 10/20 sand if the zones merit. See Exhibit "H".

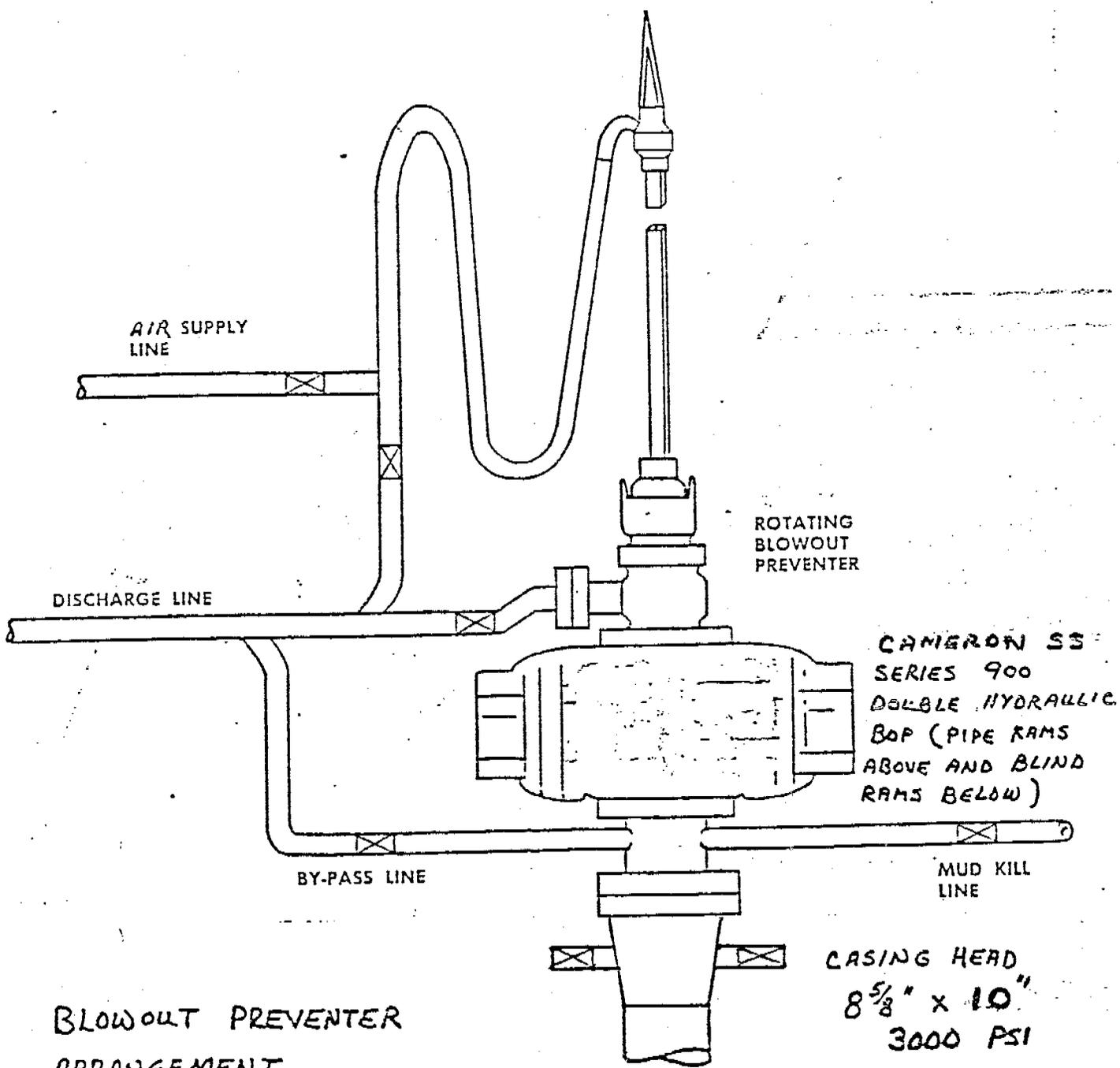
9. Any Anticipated Abnormal Pressures or Temperatures Expected

NONE

10. The Anticipated Starting Date and Duration of the Operations

The anticipated starting date is set for February 1, 1980 or immediately as possible after examination and approval of all drilling requirements.

The operations should be completed within 10 days after spudding the well.



BLOWOUT PREVENTER
ARRANGEMENT

BAR X UNIT WELL # 11

CAMERON SS
SERIES 900
DOUBLE HYDRAULIC
BOP (PIPE RAMS
ABOVE AND BLIND
RAMS BELOW)

CASING HEAD
8 5/8" x 10"
3000 PSI

ALL MANIFOLD AND LINES
WILL HAVE AT LEAST
THE SAME PRESSURE
RATING AS THE BOP STACK

EXHIBIT "D"

MAY 7 1982

MULTI-POINT REQUIREMENTS TO ACCOMMODATE A REPLY, UTAH

Attached to Form 9-331C
Terra Resources, Inc.
Bar X Unit Well #11
1500' SNL and 1200' EWL
Sec. 8 T17S, R26E
Grand County, Utah

1. Existing Roads

- A. The proposed well site and elevation plat is shown as EXHIBIT "A".
- B. The distance from Mack, Colorado, is 17.2 miles. Proceed West on paved Highway 50, 9.2 miles from the Mack Post Office; thence Northeast on maintained number two road, 4.8 miles to fence on Utah/Colorado boundary; turn North up fence line and proceed 3.1 miles on maintained road to intersection with gas field road; proceed West 2.6 miles to staked access road; proceed South .3 mile to location, as shown on EXHIBIT "E".
- C. All roads are color-coded into location. An access road .3 mile from the existing gas field road will be required, as shown on EXHIBIT "E".
- D. N/A
- E. This is a development well. All existing roads within a one-mile radius are shown on EXHIBIT "E".
- F. The existing roads need no improvement. Maintenance will be performed as required.

2. Planned Access Roads

Map showing all necessary access roads to be constructed or reconstructed is shown as EXHIBIT "E" for the following:

- (1) The maximum width of the running surface of the .3 mile access road as you leave the existing gas field road will be 18'.
- (2) The grade will be 8% (eight percent) or less.
- (3) No turn outs are planned.
- (4) Appropriate water bars will be constructed to assure drainage off location to conform with the natural drainage pattern.

- (5) No culverts are needed. No major cuts or fills are anticipated along access road during drilling operation.
- (6) Surfacing materials will be native soil.
- (7) No gates, cattle guards or fence cuts are needed.
- (8) The new access road to be built has been staked during the time of staking the location, and is centerline flagged as shown on EXHIBIT "E".

3. Location of Existing Wells

For all existing wells within a one-mile radius of development well, see EXHIBIT "E".

- (1) There are no water wells within a one-mile radius of this location.
- (2) There are no abandoned wells within this one-mile radius.
- (3) There are no temporarily abandoned wells.
- (4) There are no disposal wells.
- (5) There are no wells presently being drilled.
- (6) There are two producing wells within this one-mile radius.
- (7) There are no shut-in wells.
- (8) There are no injection wells.
- (9) There are no monitoring or observation wells for other uses.

4. Location of Existing and/or Proposed Facilities

A. Within a one-mile radius of location the following existing facilities are owned or controlled by lessee/operator:

- (1) Tank Batteries: None
 - * (2) Production Facilities: Yes, dehydration unit.
 - (3) Oil Gathering Lines: None
 - * (4) Gas Gathering Lines: Yes, buried.
 - (5) Injection Lines: None
 - (6) Disposal Lines: None
- * All surface facilities excluding the wellhead and tanks are owned and operated by the gas purchaser, N.W. Pipeline.

B. If production is obtained, new facilities will be as follows:

- (1) Production facilities will be located on solid ground of cut area of drill pad, as shown on EXHIBIT "F".
- (2) All well flow lines will be buried.
- (3) Production Facilities will consist of a dehydrator and meter building located on the north corner of the pad.
- (4) All construction materials for pad will be obtained from site. No additional material from outside sources is anticipated.
- (5) Any necessary pits will be fenced and flagged to protect livestock and wildlife.

C. Rehabilitation, whether well is productive or dry, will be made on all unused areas in accordance with the restoration plans presented in ITEM #10 following.

5. Location and Type of Water Supply.

- A. The source of water will be the Colorado River, South of Interstate Highway 70, which is running water.
- B. Water will be transported by truck over existing roadways as needed.
- C. No water well is to be drilled on this lease.

6. Construction Materials

- A. No construction materials are needed for drilling and access roads into the drilling location unless production is obtained. The surface soil materials will be sufficient or will be purchased from Dirt Contractor as needed.
- B. No construction materials will be taken off this Federal land.
- C. All surface soil materials for construction of access roads are sufficient.
- D. All major access roads presently exist as shown on EXHIBIT "E".

7. Handling of Waste Materials and Disposal

- (1) Drill cuttings will be buried in the reserve pit and covered.
- (2) Plan is to drill with air, but water may be encountered which will then be handled in the reserve pit.

- (3) Any fluids produced, oil or water, during drilling test or while making production test will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in reserve pit. Any spills of oil, gas, salt waters or other noxious fluids will be cleaned up and removed.
- (4) Any sewage will be covered or removed. Chemical facilities will be provided for human waste.
- (5) Garbage and non-flammable waste and salts and other chemicals produced during drilling or testing will be handled in trash pit. Flammable waste will be disposed of in burn pit. Drill fluids, water, drilling mud and tailings will be kept in reserve pit, as shown on EXHIBIT "F".
- (6) After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. Any dangerous open pit will be fenced during drilling and kept closed until such time as the pit is leveled. Reserve pit will be fenced on three sides and the fourth side fenced upon removal of the rig. The trash and/or burn pit will be totally enclosed with small mesh wire.

8. Ancillary Facilities

No air strip, camp or other facilities will be built during drilling of this well.

9. Well Site Layout

- (1) EXHIBIT "F" is the Drill Pad Layout as staked, with elevations, by Powers Elevation Company, Inc. of Grand Junction, Colorado. Cuts and fills have been drafted to visualize the planned cut across the location spot and to the deepest part of the pad. Topsoil will be stockpiled per BLM specifications determined at time of pre-drill inspection.
- (2) EXHIBIT "G" is a plan diagram of the proposed rig and equipment, reserve pit, burn and trash pit, pipe racks and mud tanks. No permanent living facilities are planned. There will not be a trailer on site.
- (3) EXHIBIT "G" includes a diagram showing the proposed rig orientation, parking areas and access road.
- (4) The reserve pits will not be lined. Steel mud tanks may be used during drilling operations.

10. Plans for Restoration

- (1) Backfilling, leveling and contouring are planned as soon as all pits have dried. Waste disposal and spoils materials will be buried or hauled away immediately after drilling is completed.

If production is obtained, the unused area will be restored as soon as possible.

- (2) The soil banked material will be spread over the area. Revegetation will be accomplished by planting mixed grasses as per formula provided by the BLM. Revegetation is recommended for road area, as well as around the drill pad.
- (3) Three sides of the reserve pit will be fenced during drilling operations. Prior to rig release, the reserve pit will be fenced on the fourth side to prevent livestock or wildlife from becoming entrapped; and the fencing will be maintained until leveling and cleanup are accomplished.
- (4) If any oil is on the pits and is not immediately removed after operations cease, the pit containing the oil or other adverse substances will be flagged overhead or covered with wire mesh.
- (5) The rehabilitation operations will begin immediately after the drilling rig is removed. Removal of oil or other adverse substances will begin immediately or area will be flagged and fenced. Other cleanup will be done as needed. Planting and revegetation is considered best in April, 1980 unless requested otherwise.

11. Other Information

- (1) The soil is sandy, supporting desert brush and grass. There are small areas of rock outcrops, and the area has some scattered junipers. The geomorphology is intermediate to the desert to the South and bookcliffs to the North.
- (2) The primary surface use is for grazing. The surface is owned by the U. S. Government.
- (3) The closest live water is the Colorado River, South of I-70.

The closest occupied dwelling is a small ranch house 13.2 mile from the location, 1 mile East of number two road on Highway 50.

There are no known archaeological, historical, or cultural heritages that will be disturbed by this drilling.

- (4) There are no reported restrictions or reservations noted on the oil and gas lease.
- (5) Drilling is planned for on or about February 1, 1980. It is anticipated that the casing point will be reached within 10 days after commencement of drilling.

12. Lessee's or Operator's Representative

Cecil Foote
Terra Resources
Box 2500
Casper, Wyoming 82602
Phone: (307) 237-8461

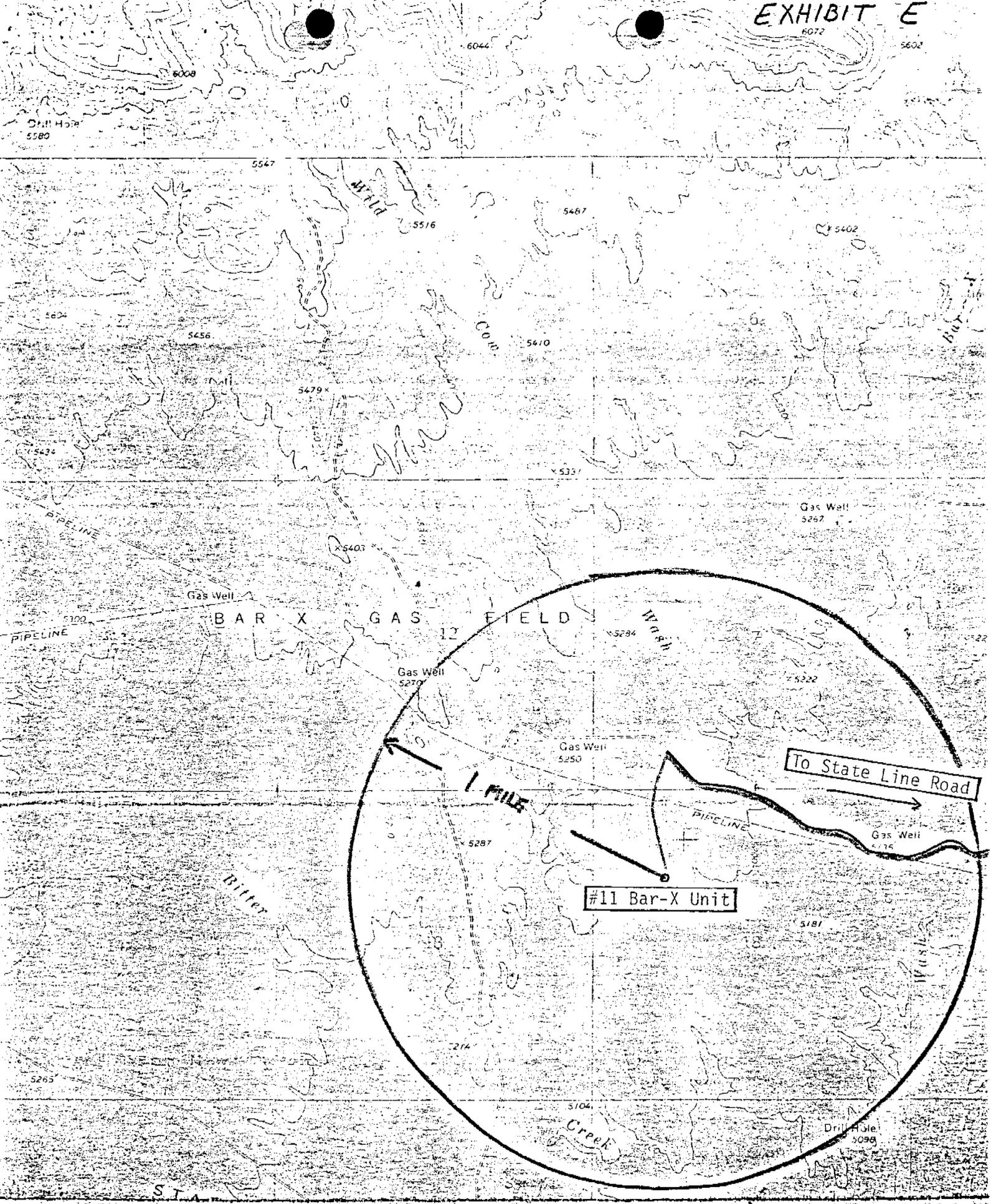
13. Certification

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 Terra Resources and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

1-3-80
Date

Cecil G Foote

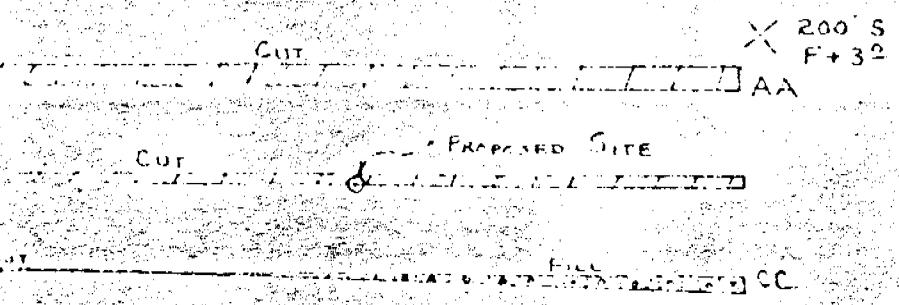
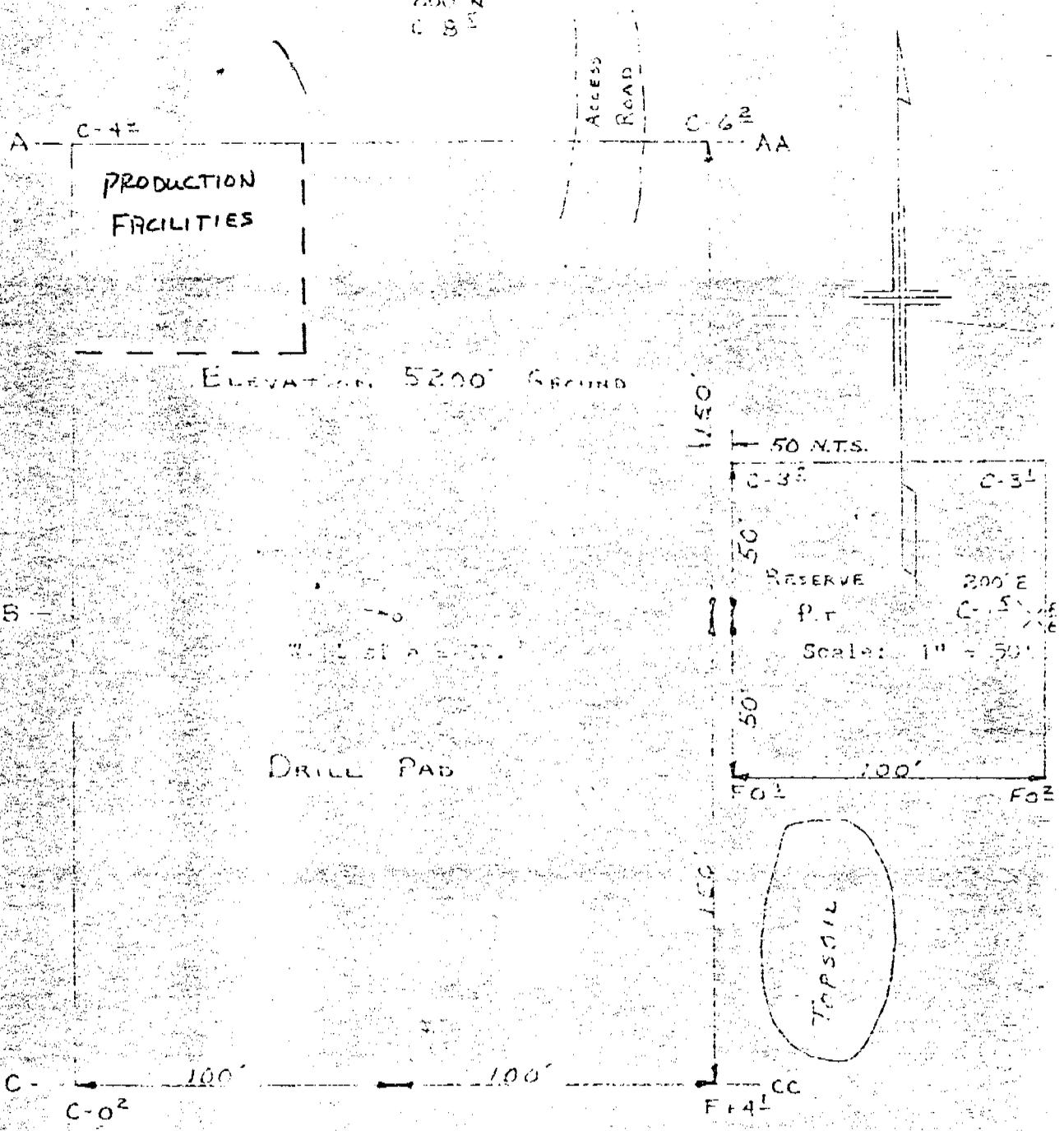
Drill Hole
5580



LEGEND

- Gravel Road
- New Proposed Access

TERRA RESOURCES Co.
#1 BAR X UNIT
15' W 1/4 200' E 1/4 SEC. 18 T112S R30E
GRAND COUNTY UTAH
200' N
C 8 E



by: *Richard C. Schults*
 Powers Elevation Company, Inc.
 BB

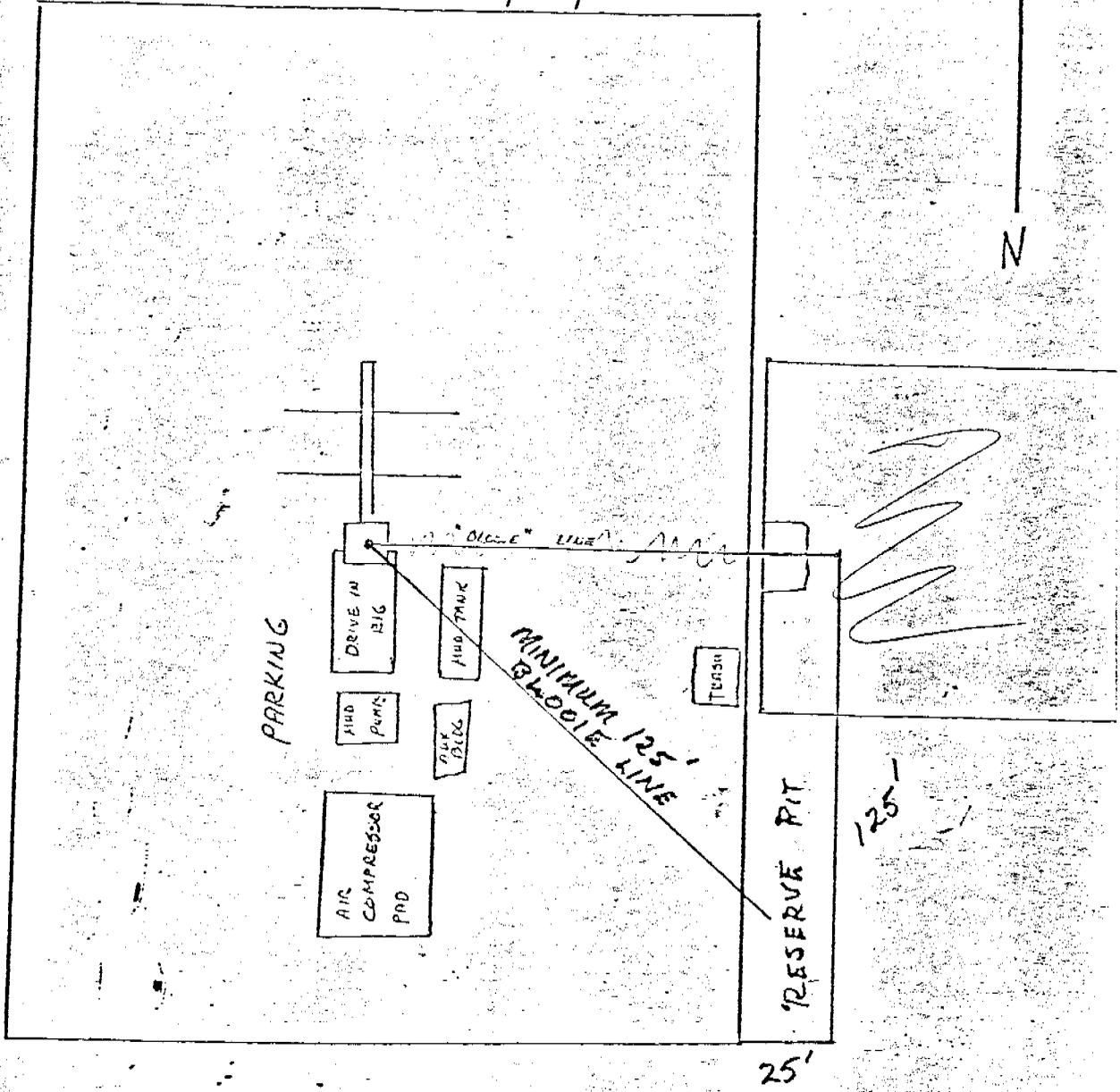
RESERVE PIT

4-24-79

TERRA RESOURCES INC
BAR X UNIT #11.

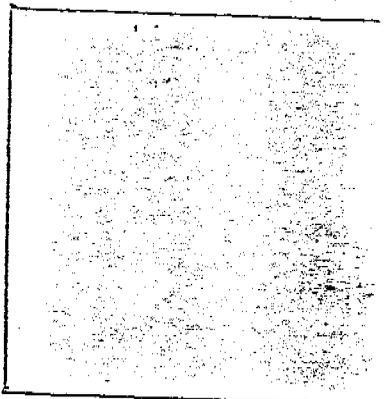
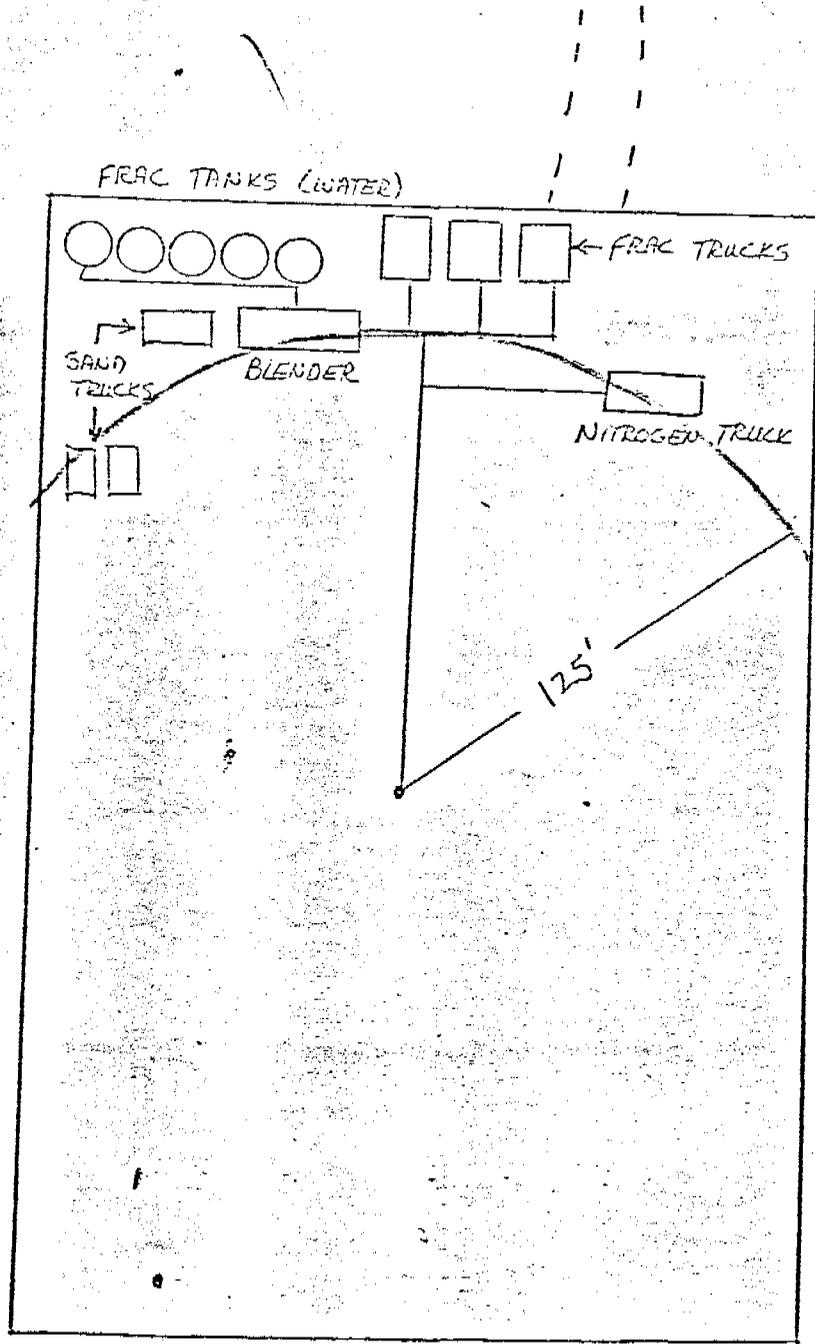
1" = 50'

ACCESS



TERRA RESOURCES INC
BAR X UNIT #11

1" = 50'



NORTHWEST PIPELINE CORPORATION



Memorandum
6284-12-80

To: Cecil Foote, Terra Resources
From: W.F. Rice. *W.F. Rice*
Subject: RIGHT-OF-WAY USE

Date: May 9, 1980

As per your request and with a few stipulations, Northwest Pipeline will permit you to build an access road across our pipeline for location work and drilling purposes in Grand County, Utah, S-18, R-26-E, T-17-S.

The stipulations are:

1. Notify our Grand Junction District Office, 819 21½ Road, telephone # 242-0491 at least 48 hours before any traffic or dirt work begins, that we may flag our line and determine depth where you cross.
2. We will require that you build a dirt ramp across our right-of-way for protection of our pipeline.

DAVID L. HARRIS, GENERAL MANAGER

Operator

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Terra Resources, Inc. Well No. 11
Location Sec. 18, T.17S, R.26E Lease No. SLC-064807

A COPY OF THESE CONDITIONS SHOULD BE FURNISHED YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (30 CFR 221), and the approved plan of operations. The operator is considered fully responsible for the actions of his subcontractors. The following items are emphasized:

1. There shall be no deviation from the proposed drilling and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 30 CFR 221.22. Any changes in operations must have prior approval of this office. Pressure tests are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs. All BOP pressure tests must be recorded on the daily drilling report.
2. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and furnished this office for analysis. All oil and gas shows will be adequately tested for commercial possibilities, reported and protected.
3. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of this office. If operations are to be suspended, prior approval of this office must be obtained and notification given before resumption of operations.

In the event abandonment of the hole is desired, an oral request may be granted by this office, but must be timely followed within 15 days with a "Notice of Intention to Abandon" (form 9-331). Unless the plugging is to take place immediately upon receipt of oral approval, the District Supervisor must be notified at least 48 hours in advance of the plugging of the well in order that a representative may witness plugging operation. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (form 9-331) must be submitted within 15 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration. If surface restoration has not been completed at that time, a follow-up report on form 9-331 should be filed when all surface restoration work has been completed and the location is considered ready for final inspection.

OPERATOR

The Minerals Management Service office address and contacts are:

Address: 2000 Administration Building, 1745 West 1700 South, SLC, Utah 84104-3884

Office Phone: (801) 524-4590

District Supervisor E. W. Guynn

Home Phone: (801) 582-7042

District Drilling Engineer W. P. Martens

Home Phone: (801) 466-2780

District Production Engineer R.A. Henricks

Home Phone: (801) 484-2294

Staff Engineer A.M. Raffoul

Home Phone: (801) 484-2638

7. SURFACE OPERATING STANDARDS

Unless otherwise specified herein, construction and maintenance of surface facilities approved under this plan shall be in accordance with the guidelines set forth in the BLM/FS/GS Oil and Gas Brochure entitled, "Surface Operation Standards for Oil and Gas Exploration and Development." This includes but is not limited to such items as road construction and maintenance, handling of top soil and rehabilitation.

8. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect must be filed, for prior approval of the District Supervisor, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
9. Pursuant to NTL-2B requirements regarding disposal facilities for new wells, this is authorization for unlined pit disposal of the water produced from this well for a period of 90 days from the date of initial production for sales purposes. During this period, an application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted for the District Supervisor's approval. Failure to timely file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order until the application is submitted.
10. This permit is valid for a period of one year from the date of approval. If construction does not commence within 90 days from approval, the operator must contact the Surface Management Agency 15 days prior to beginning construction. Construction under adverse conditions may require additional stipulations. If the permit terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan. After termination, it is required that a new application be filed for approval for any future operations.
11. If a tank battery is constructed on this lease, it must be surrounded by a fire wall of sufficient capacity to adequately contain the storage capacity of the battery.



United States Department of the Interior

GEOLOGICAL SURVEY
BOX 25046 M.S. 609
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY REFER TO:

Memorandum

January 7, 1982

To: Central Region, Oil and Gas Lessee/Operators

Subject: SAFETY ALERT

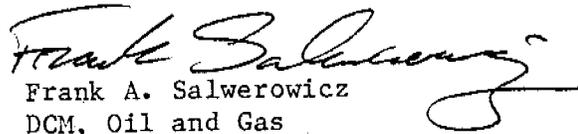
On October 9, 1981, three drilling rig personnel were injured in an air-drilling related accident on federal lands under the supervision of our Grand Junction, Colorado, District Oil and Gas Office. We feel that this accident involved factors that, if correctly handled, could have prevented the accident.

The accident occurred as the retaining ring on the rotating head was being unbolted. This was being done so that the drill collars could be pulled through the rotating head during a trip to change the bit. As the retaining ring was being unbolted, high pressure was unexpectedly encountered. The rubber gasket, and a mixture of air, mud and rocks were expelled with great force; thereby injuring two crewmen standing over the rotary table, and one other crewman on the rig floor.

It was later discovered that the 8-inch blooie line was plugged at a bend leading to the pit. This bend was a tee with one end blind. Apparently, the blooie line plugged at approximately the time the air was shut-off after being used in cleaning the hole while tripping. It must be assumed that the high pressure was the result of air being trapped at the time the blooie line plugged off.

It is recommended that the following precautions be taken during air-drilling operations to prevent reoccurrence of this type of accident:

1. As a normal step in tripping prior to removing the retaining ring on the rotating head, the choke and kill lines should be opened to assure that all pressure has been eliminated from the system.
2. Eliminate the use of 90 degree bends in the blooie line hookup (minimum angle should possibly be 120 degrees).
3. Install a pressure gauge into the blooie line near the rotating head for monitoring.
4. Periodically check the valves and connections in the blooie line for build-up of cuttings.


Frank A. Salwerowicz
DCM, Oil and Gas
Central Region

Terra Resources, Inc.
Well No. 11
Section 18, T.17S, R.26E
Grand County, Utah
Bar X Unit
Lease SLC-064807

Supplemental Stipulations

- 1) Stockpile the surface 12 inches of topsoil in a pile on the southeast quadrant of the location.
- 2) The upper banks (uphill side) of all cuts will be rounded during construction of the access road and pad.
- 3) Notify the BLM District Archaeologist if cultural material from subsurface deposits is exposed during the operation.
- 4) The trash pit will be at least six feet deep and fenced with fine mesh wire during drilling operations.
- 5) The "blooey" line will be centered and directed into the pit.
- 6) If production is obtained, all production facilities will be painted "desert tan" or a similar color approved by the Grand Resource Area Manager.
- 7) Rehabilitation of the site and access road will be accomplished in accordance with the enclosed restoration procedures.
- 8) Production facilities and pipeline route are approved on this location under lease rights.
- 9) Well location was moved 200 feet north, 25 degrees east.
- 10) Operator will contact Northwest Pipeline Corporation and get written permission to cross this line (right-of-way U-015664) with the access road.
- 11) Vegetation will be bladed off the surface of new access road for .3 miles from existing road in southwest corner of Section 7, T.17S, R.26E, Southerly to location in SW/NW, Section 18, T.17S, R.26E. Vegetation and topsoil will be windrowed along the east side of new access road. A maximum 16 foot wide travel surface will be maintained.
- 12) Adequate and sufficient electric/radioactive logs will be run to locate and identify anticipated coal beds in the Dakota formation. Please also provide two copies of drilling logs. Casing and cementing programs will be adjusted to eliminate any potential influence of the well bore or productive hydrocarbon zones on the coal resource. Surface casing program may require adjustment for protection of fresh water aquifers.

RECLAMATION PROCEDURES IN GRAND RESOURCE AREA

1. Disk or rip pads and access roads.
 - a. Overlap passes in order to insure complete treatment.
2. Contour pads and access roads.
 - a. Lay berms into centers.
 - b. Use cut material for fill areas.
 - c. Lay stockpiled surface soil over top of pads and spread evenly.
 - d. On highly erosive soils, it may be more beneficial to grade slopes to reduce steepness.
 - e. Do not smooth pads out, leave a roughened surface. On steeper slopes and slopes with clayey soils scarify or serrate the ground in order to increase water infiltration and reduce erosion.
3. Water bar roads where required by this office.

* 2 percent	Grade	-	200 ft. intervals
2-4 percent	Grade	-	100 ft. intervals
4-5 percent	Grade	-	75 ft. intervals
5 percent	Grade	-	50 ft. intervals

* Actual spacing may vary according to soil stability. Lighter textured soils will require more frequent water bars. When natural drainage ways are present, water bars are to be constructed to make maximum use of them. Plan operations so that natural drainage ways do not become blocked.
4. Seed roads and pads in the fall (Oct. through mid-Dec.).

SEED MIXTURE

<u>Species</u>		<u>lbs/ac</u>
<u>Grasses</u>		
Oryzopsis hymenoides	Indian rice grass	1
Hilaria jamesii	Curley grass	1
<u>Forbs</u>		
Spheralcea coccinea	Globemallow	1
<u>Shrubs</u>		
Ceretoides lanata	Winterfat	1
Atriplex confertifolia	Shadscale	<u>1</u>
	Total	5



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

SUGGESTED COLORS TO PAINT OIL & GAS PRODUCTION FACILITIES

Cisco Desert and Flats below the Bookcliffs:

Dynasty Green	(Sears)
Tumbleweed	(Pratt & Lambert)
Desert Tan	-----
Sage Gray	(Pratt & Lambert)

Bookcliffs Region:

Sage Gray	(Pratt & Lambert)
Sea Life	(Pratt & Lambert)
Dynasty Green	(Sears)

Similar hues other than the ones mentioned above must be approved by the Grand Resource Area Manager.

018

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MAY 7 1982

5. LEASE DESIGNATION AND SERIAL NO.
SLC-064807

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Bar X

8. FARM OR LEASE NAME

9. WELL NO.
11

10. FIELD AND POOL, OR WILDCAT
Bar X

11. SEC., T., E., M., OR BLK.
AND SURVEY OR AREA
Sec. 18, T17S, R26E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER

SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Terra Resources, Inc.

3. ADDRESS OF OPERATOR
P.O. Box 2500, Casper, Wyoming 82602

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: ~~1500' SNL and 1200' EWL~~
1318.74' FNL & 1284.52' FWL
At proposed prod. zone: 1500' SNL and 1200' EWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
35 miles NW of Grand Junction, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1500'	16. NO. OF ACRES IN LEASE 2080'	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. 3200' WNW of Well #4	19. PROPOSED DEPTH 4000'	20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
Approximate ground level is 5200'

22. APPROX. DATE WORK WILL START*
June 1, 1982

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4	8-5/8	32	300	290 sx Reg w/ 2% CaCl ₂
7-7/8	4-1/2	10.5	4000	280 sx 50-50 Pozmix w/10% s

1. Drill 12-1/2" hole to 300' and set surface casing.
2. A double ram BOP will be installed, tested and operational checks made daily and each trip for bit.
3. The hole will be air drilled to approx. 4000' to test the Salt Wash member of the Morrison formation.
4. The hole will be logged, and if commercial production is obtained, 4-1/2" casing will be run.

EXHIBITS ATTACHED:

- | | |
|--|---|
| A. Location and Elevation Plat | F. Drill Pad Layout and Cut-Fill, Cross-Section |
| B. Ten-Point Compliance Program | G. Drill Rig & Production Facilities Layout |
| C. Blowout Preventer Diagram | H. Acidizing-Fracturing Layout |
| D. Multipoint Requirement for A.P.D. | I. Rehabilitation Plan |
| E. Access Road Map onto location and radius map of area. | |

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 E. C. Reish TITLE District Manager-Operations DATE 5/4/82
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE E. W. Guynn
W. W. Martin District Oil & Gas Supervisor DATE MAY 27 1982
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY: _____

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY
*See Instructions On Reverse Side

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

State Oil & Gas

Identification No. 288-82

Ref-25480

United States Department of the Interior
Minerals Management Service
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104-3884

MINERALS MANAGEMENT
SERVICE
OIL & GAS OPERATIONS
RECEIVED
MAY 24 1982
SALT LAKE CITY, UTAH

NEPA CATEGORICAL EXCLUSION REVIEW

PROJECT IDENTIFICATION

Operator FERRA Resources

Project Type GAS well - Development

Project Location 1318.7 FNL 1284 FNL SEC 18 T17S R26E

Well No. #11 Lease No. SLC-064807

Date Project Submitted 5-7-82

FIELD INSPECTION Date WAIVED

Field Inspection
Participants _____

I have reviewed the proposal in accordance with the categorical exclusion review guidelines. This proposal would not involve any significant effects and, therefore, does not represent an exception to the categorical exclusions.

5-21-82
Date Prepared

Levin M. Hansen
Environmental Scientist

I concur

MAY 24 1982
Date

W.D. Martin FOR E. W. GUYNN
District Supervisor DISTRICT OIL & GAS SUPERVISOR

CATEGORICAL EXCLUSION REVIEW INFORMATION SOURCE

Criteria DM 2.3.A	Federal/State Agency			Local and private corre- spondence (date)	Previous NEPA	Other studies and reports	Staff expertise	Onsite inspection (date)	Other
	Corre- spondence (date)	Phone check (date)	Meeting (date)						
Public health and safety					EA # 254-82 8				
Unique charac- teristics					8				
Environmentally controversial					8				
Uncertain and unknown risks					8				
Establishes precedents					8				
Cumulatively significant					8				
National Register historic places					8				
Endangered/ threatened species					8				
Violate Federal, State, local, tribal law					8				

CATEGORICAL EXCLUSION REVIEW COMMON REFERENCE LEGEND

1. Surface Management Agency Input
2. Reviews Reports, or information received from Geological Survey
(Conservation Division, Geological Division, Water Resource Division,
Topographic Division)
3. Lease Stipulations/Terms
4. Application Permit to Drill
5. Operator Correspondence
6. Field Observation
7. Private Rehabilitation Agreement
8. Previous NEPA # 254-80



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Grand Resource Area
P. O. Box M
Moab, Utah 84532

MAY 19 1982

IN REPLY REFER TO

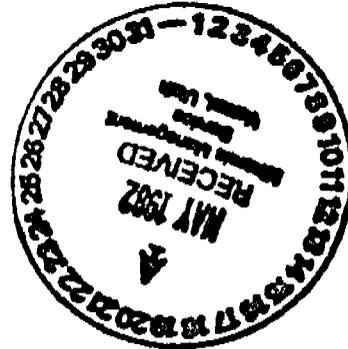
3109
SLC-064807
(U-068)

Memorandum

To: Minerals Management Service
P. O. Box 1037
Vernal, Utah 84078

From: Area Manager, Grand

Subject: Terra Resources
Bar X Field
Unit well #11, Lease #SLC-064807
Unit well #12, Lease #SLC-064807
Unit well #13, Lease #SLC-064807
T. 24 S., R. 25 E., SLB&M
Grand County, Utah



The pre-drill field exam(s) covering the above three (3) locations were done in 1980. There are no changes in pad location and/or access roads, and the same surface protection stipulations still apply.

Please consider this memo to be our approval for these wells.

ACTING

W

** FILE NOTATIONS **

DATE: June 22, 1982
 OPERATOR: Texaco Resources, Inc.
 WELL NO: Bar X^W# 11
 Location: Sec. 18 T. 17S R. 26E County: Grand

File Prepared:

Entered on N.I.D:

Card Indexed:

Completion Sheet:

API Number 43-019-30592

CHECKED BY:

Petroleum Engineer: _____

Director: _____

Administrative Aide: Unit Well

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. _____

O.K. Rule C-3

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

Lease Designation Fed

Plotted on Map

Approval Letter Written

Hot Line

P.I.

June 28, 1982

Terra Resources, Inc.
P.O. Box 2500
Casper, Wyoming 82602

RE: Well No. Bar X Unit #11
Sec. 18, T17S, R26E
Grand County

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953 and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure.

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

CLEON B. FEIGHT
Office: 533-5771
Home: 466-4455

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 43-019-30592.

Sincerely,


RONALD J. FIRTH
CHIEF PETROLEUM ENGINEER

RJF:SC
cc: Minerals Management Service
Enclosure

NOTICE OF SPUD

Company: Service Resources

Caller: Cecil East

Phone: 307-237-8461

Well Number: Unit 11

Location: 18-175-26E

County: Grant State: Wt

Lease Number: _____

Lease Expiration Date: _____

Unit Name (If Applicable): Bal X

Date & Time Spudded: 7:00 PM 6-23-82

Dry Hole Spudder/Rotary: _____

Details of Spud (Hole, Casing, Cement, etc.) _____

Rotary Rig Name & Number: Waco Rig #1

Approximate Date Rotary Moves In: 6-22-82

FOLLOW WITH SUNDRY NOTICE

Call Received By: De Lais

Date: 6-28-82

PI
HOTLINE

DIVISION OF OIL, GAS AND MINING

SPLUDDING INFORMATION

NAME OF COMPANY: TERRA RESOURCES

WELL NAME: BAR X UNIT #11

SECTION NWNW 18 TOWNSHIP 17S RANGE 26E COUNTY GRAND

DRILLING CONTRACTOR VECO

RIG # 1

SPLUDDED: DATE 06-23-82

TIME 7:00 PM

HOW ROTARY

DRILLING WILL COMMENCE _____

REPORTED BY CECIL FOOTE

TELEPHONE # 307-237-8461

DATE 06-30-82 SIGNED SLC



July 12, 1982

Minerals Management Service
2000 Administration Bldg.
1745 West 1700 South
Salt Lake City, Utah 84104

Attn: W.P. Mortens

Re: Plug & Abandon Report
Unit Well #11
Bar X Field
Sec 18, T17S, R26E
Grand County, Utah

Dear Sir:

Enclosed please find three (3) copies each of the U.S.G.S. Form #9-331, "Sundry Notices and Reports on Wells", and Form #9-330, "Well Completion or Recompletion Report and Log", for the above referenced well.

If any additional information is required, please advise.

Yours very truly,

TERRA RESOURCES, INC.

E.C. Reish, Jr.
District Manager - Operations

ECR/cm
Enclosures

cc: Ronald J. Firth - Chief Petroleum Engineer
State of Utah
Natural Resource & Energy
4241 State Office Bldg.
Salt Lake City, Utah 84114

RECEIVED
JUL 14 1982

DIVISION OF
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

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

4

016

5. LEASE DESIGNATION AND SERIAL NO.

SLC - 064807

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

BAR X

8. FARM OR LEASE NAME

9. WELL NO.

11

10. FIELD AND POOL, OR WILDCAT

BAR X

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

Sec 18, T17S, R26E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

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

Terra Resources, Inc.

3. ADDRESS OF OPERATOR

PO Box 2500, Casper, Wyoming 82602

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface

At top prod. interval reported below 1285' EWL 1319' SNL
NW NW Sec 18, T17S, R26E

At total depth

14. PERMIT NO. 43-019-30592
DATE ISSUED 5/27/82

15. DATE SPUDDED 6/23/82
16. DATE T.D. REACHED 6/28/82
17. DATE COMPL. (Ready to prod.) P&A 6/30/82
18. ELEVATIONS (DF, REB, RT, GR, ETC.)* 5209' KB
19. ELEV. CASINGHEAD 5200'

20. TOTAL DEPTH, MD & TVD 3466'
21. PLUG, BACK T.D., MD & TVD
22. IF MULTIPLE COMPL., HOW MANY*
23. INTERVALS DRILLED BY
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
25. WAS DIRECTIONAL SURVEY MADE

NONE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN
DIL/GR, CDC/CNL/GR, CYBERLOOK

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
8-5/8"	24	331'	12-1/4"	240 SX Class G w/ 2% CaCl ₂	NONE

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
P & A						P & A	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

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

TEST WITNESSED BY

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

E.C. [Signature]

TITLE

District Manager - Operations

DATE

July 12, 1982

*(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	TRUE VERT. DEPTH
					Dakota	2850'		----
					Morrison	2970'		----
					Salt Wash	3310'		----
					TD	3466'		----

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

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 Bar X Unit #11

Operator Terra Resources, Inc. Address Box 2500, Casper, Wyoming 82602

Contractor Veco Drilling, Rig #1 Address Box 1705, Grand Junction, CO 81502

Location NW ¼ NW ¼ Sec. 18 T. 17 S R. 26 E County Grand

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	NONE ENCOUNTERED. HOLE WAS AIR DRILLED FROM SURFACE TO TD			
2.	(DRY ALL THE WAY)			
3.				
4.				
5.				

(Continue of reverse side if necessary)

Formation Tops

Dakota	2850
Morrison	2970
Salt Wash	3310
TD	3466

Remarks

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

ORAL APPROVAL TO PLUG AND ABANDON WELL

Operator Terra Resources, Inc. Representative Cecil Foote

Well No. Bar X - Unit #11 Location SW 1/4 SW 1/4 Section 18 Township 17S Range 26 E

County Grand Field Bar X State Utah

Unit Name and Required Depth Base of fresh water sands

T.D. 3466 Size hole and Fill per sack " " Mud Weight and Top 8.4 #/gal. '

Casing Size	Set At	Top of Cement	To Be Pulled	Plugging Requirements		
				From	To	Sacks Cement
<u>8 5/8"</u>	<u>331'</u>			<u>3200'</u>	<u>3000' (Morrison)</u>	
				<u>2800'</u>	<u>2600' (Dakota)</u>	
<u>Formation</u>	<u>Top</u>	<u>Base</u>	<u>Shows</u>	<u>430'</u>	<u>230'</u>	
				<u>@ surface</u>	<u>w/marker</u>	<u>10 sacks</u>

REMARKS

DST's, lost circulation zones, water zones, etc.
P & A 6-29-82 as per M.M.S. plugging instructions.

Approved by R. B. Firth Date 6-30-82 Time a.m. / p.m.

022

D-A
1982
0210000

UTAH STATE
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL AND GAS

INSPECTION RECORD - ABANDONMENT

Date 3-20-84
Location (T-R-S) 17S 26E 18 NWNW
Field Area _____
County Grand
State UT
Inspector Moore

WELL NAME Fed Bar X #11
Operator Terra Resources
Contractor & Rig _____
Lease Number SLC-0641807
Type of Well* _____
INC Issued _____

1. Plugs spotted across perforations if casing set?
2. Plugs spotted at casing stubs?
3. Open hole plugs spotted as specified?
4. Retainers, bridge plugs, or packers set as specified?
5. Cement quantities as specified?
6. Method of verifying and testing plugs as specified?
7. Pipe withdrawal rate satisfactory after spotting plug?
8. All annular spaces plugged to surface?

YES	NO

Plug tested: No Pressured Tagged
If tested, which plug(s) _____

Cement and mechanical plug placement data (attach service company report if available): _____

Cement plug spotting method: _____

Operation(s) witnessed: _____

Additional Remarks: Proper surface restoration and scarification. Marker set. * Rat hole not properly filled.

* Dry hole, depleted producer, service, water well, etc.

UTAH STATE
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL AND GAS

INSPECTION RECORD - ABANDONMENT

PA

43-019-30592

Date 3-20-84
Location (T-R-S) 17S 26E 18 NWNW
Field Area _____
County Grand
State UT
Inspector Moore

WELL NAME Fed Bar X #11
Operator Terra Resources
Contractor & Rig _____
Lease Number SLC-064807
Type of Well* _____
INC Issued _____

	YES	NO
1. Plugs spotted across perforations if casing set?		
2. Plugs spotted at casing stubs?		
3. Open hole plugs spotted as specified?		
4. Retainers, bridge plugs, or packers set as specified?		
5. Cement quantities as specified?		
6. Method of verifying and testing plugs as specified?		
7. Pipe withdrawal rate satisfactory after spotting plug?		
8. All annular spaces plugged to surface?		

Plug tested: No Pressured Tagged
If tested, which plug(s) _____

Cement and mechanical plug placement data (attach service company report if available):

Cement plug spotting method: _____

Operation(s) witnessed: _____

Additional Remarks: Proper surface restoration and scarification. Marker set. * Rat hole not properly filled.

* Dry hole, depleted producer, service, water well, etc.

023

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK
 b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Lone Mountain Production Company

3. ADDRESS OF OPERATOR
 P. O. Box 80965 Billings, MT 59108-0965

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface
 1319' FNL 1285' FWL Section 18 - T17S - R26E
 At proposed prod. zone
 4355167Y 39.33205
 665126X -109.08418

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 20 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)
 1319' FNL

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, 3200' west of OR APPLIED FOR, ON THIS LEASE, FT.
 #4 well

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5200' GL

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24#	331	to surface
7 7/8"	4 1/2"	11.6#	3800' 3750' 40	225 sx 10-2 Thixotropic 1.4lcuft/sf

This well is an existing dryhole. Original T.D. was 3466'. We plan to deepen it to 3750'.

5. LEASE DESIGNATION AND SERIAL NO.
 SL -064806
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 7. UNIT AGREEMENT NAME
 Bar X
 8. FARM OR LEASE NAME
 9. WELL NO.
 11
 10. FIELD AND POOL, OR WILDCAT
 Bar X
 11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA
 SWNW Sec. 18, T17S, R26E
 12. COUNTY OR PARISH | 18. STATE
 Grand | UT

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 [Signature] TITLE Petroleum Engineer DATE 4/3/03

(This space for Federal or State office use)

PERMIT NO. 43-019-30592 APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

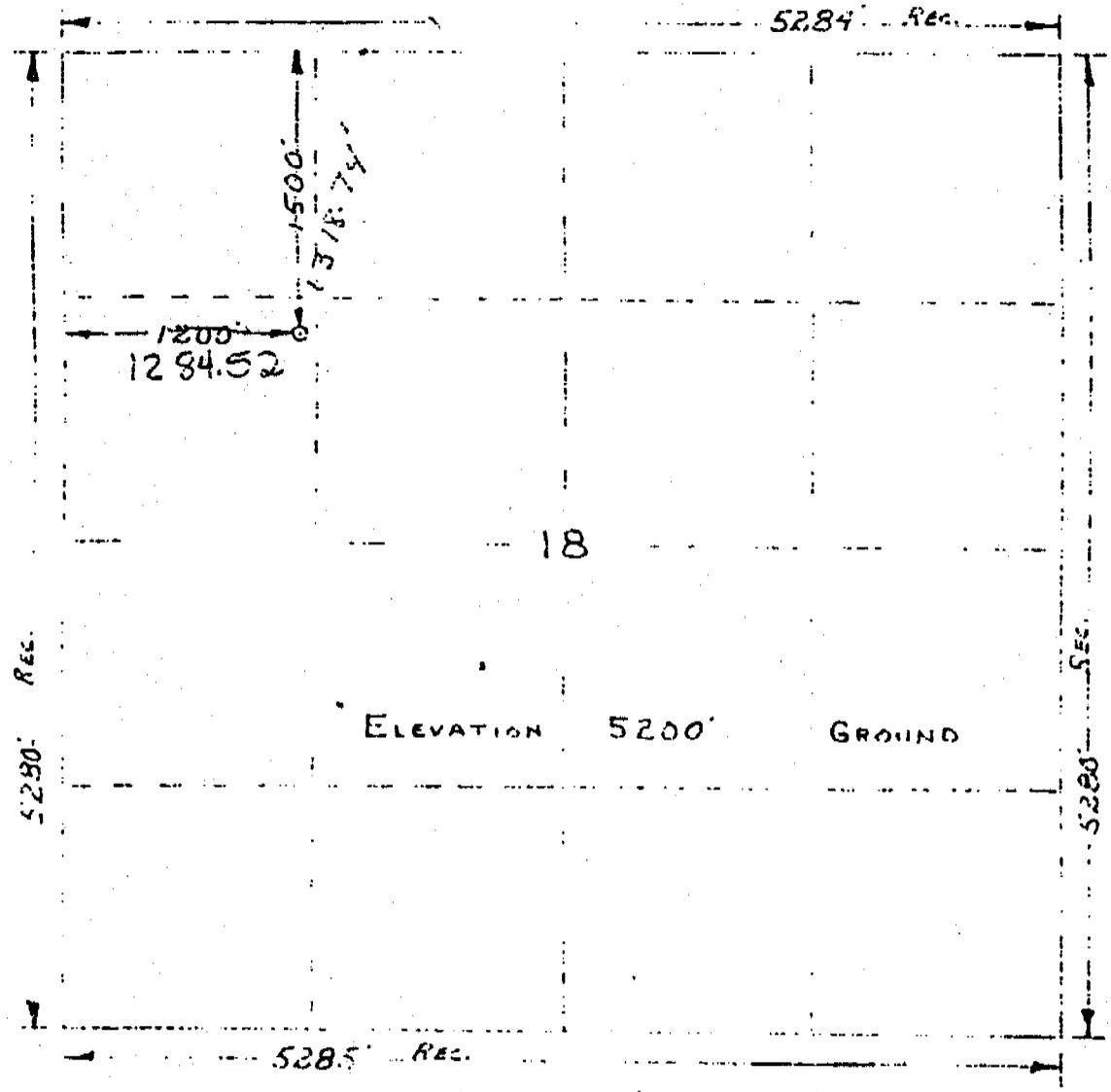
*See Instructions On Reverse Side

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

RECEIVED
 APR 10 2003
 DIV. OF OIL, GAS & MINING



A 26 E.



Scale 1" = 1000'

Powers Elevation Company, Inc. of Denver Colorado
 has in accordance with a request from Cecil Foote
 of TERRA RESOURCES COMPANY
 determined the location of #11 BAR X UNIT
 to be 1500' EN & 1200' FW SECTION 18 Township 17 S.
 Range 26 E OF THE SALT LAKE Meridian
 GRAND COUNTY, UTAH

I hereby certify that this plot is an
 accurate representation of a correct
 survey showing the location of
 #11 BAR X UNIT

4-24-72

Licensed Land Surveyor No 2711
 State of UTAH

Application for Permit to Drill
 Bar X Unit No. 11
 SW ~~N~~ NW Section 18, T17S-R26E
 Grand County, Utah

1. Surface formation is the Mancos Shale
2. Anticipated Geologic Markers: Mancos shale at surface, Dakota at 2850', Morrison at 2970' and Entrada at 3645'. Total Depth at 3750'. All depths true vertical depth.
3. Gas is anticipated in the Entrada. Possible gas shows in the Dakota and Morrison. No water sands are expected.
4. Proposed casing program:

<u>Hole size</u>	<u>Casing size</u>	<u>Depth</u>	<u>Cement</u>
12.25"	8-5/8" 24 lb K55 STC	331 feet	cemented to surface
7.875"	4-1/2" 11.6 lb K55 STC	3750 feet	225 sacks 10-2 thixo
5. Pressure Control equipment: See attached Well Control Plan and schematic of contractor's BOP stack. BOP's will be tested prior to drilling out from surface casing and checked daily.
6. Air or mist drilling will be used to drill the 12-1/4" surface hole and 8-5/8" casing will be set and cemented to surface with a rat hole rig. Then the drilling rig will be moved in to mud drill out under the surface casing. The mud will be water based low solids and non-dispersed.
7. Auxiliary Equipment: See Well Control Plan.
8. The electric logging program will consist of a DIL log from TD to 200' above the Dakota silt and GR-CNL-FDC log from TD to 200' above the Dakota silt. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is May 2, 2003. Completion operations should commence within 30 days of drilling rig release.
11. Survey plats are attached.
12. The gas is dedicated to the Crescendo gas plant in Badger wash at this time.
13. Lone Mountain Production Co.'s Statewide Bond is UT0719.

14. The completion program will be designed after the logs have been evaluated.

WELL CONTROL PLAN

1. Surface casing: 8-5/8", 24.0#/ft, STC, J55 set at 331 feet and cemented back to surface in June of 1982.
2. Casing head Flange: 8-5/8" by 4-1/2" 600 series casing head with two 2" 2000 psi outlets.
3. Blow out preventer: The drilling rig is equipped with a 10", 3000 psi double gate hydraulic BOP (or equivalent) with drill pipe rams and blind rams to meet requirements for a 2000 psi stack as indicated in On Shore Order No. 2. All fill, kill, and choke lines will be a minimum of 2", 2000 psi WP. A rotating head will be used while air or mist drilling. Pipe rams and Hydril will be function tested daily and blind rams on each trip when out of the hole with drill string. BOP's will be tested to 2000 psi but not more than 70% of the casing burst pressure prior to drilling the surface casing shoe joint.
5. Anticipated bottom hole pressure gradient is less than 0.25 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

Lone Mountain Production Company

By: _____


Joe Dyk, Petroleum Engineer

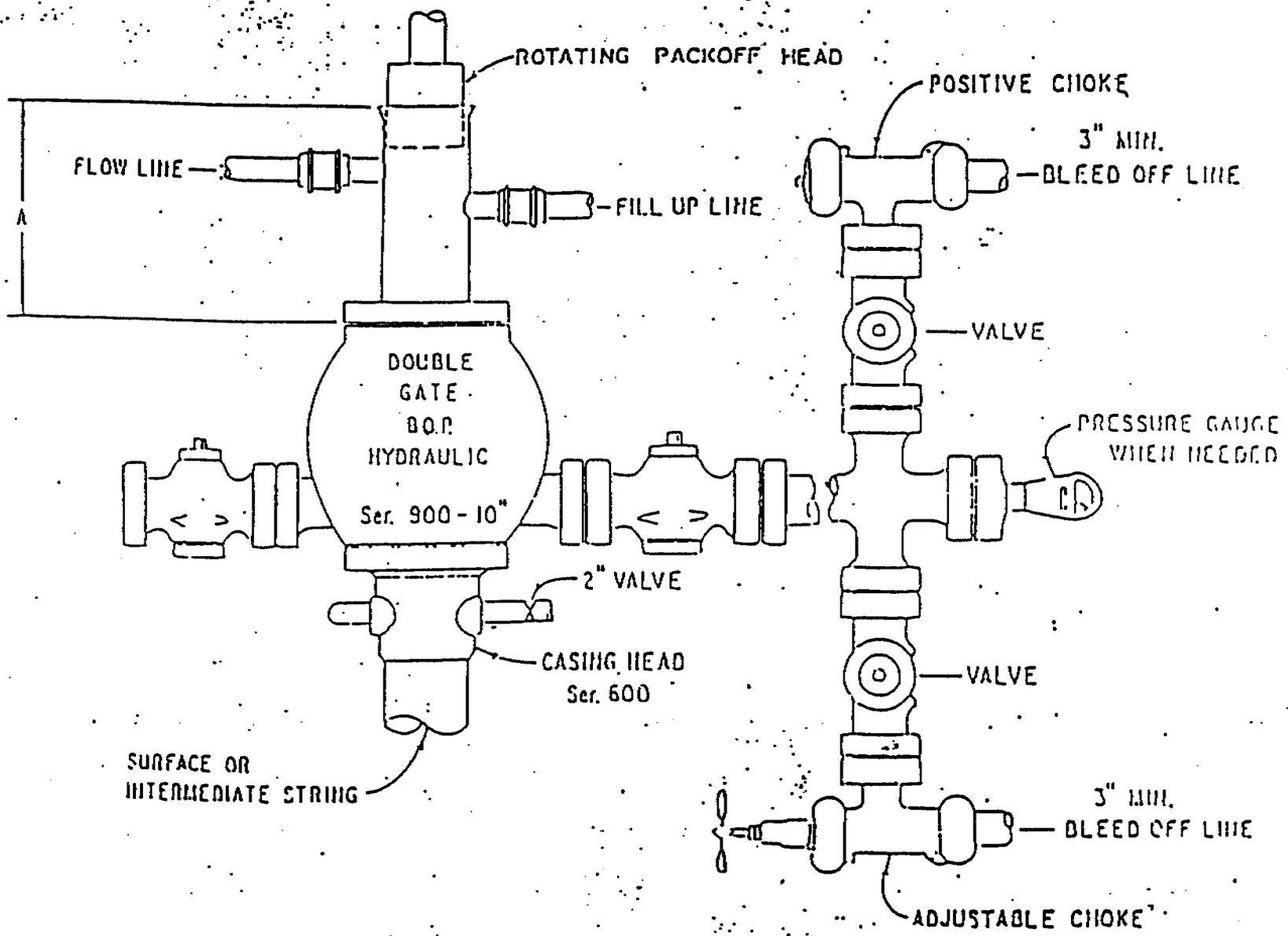


EXHIBIT I
 BLOWOUT PREVENTER DIAGRAM

SURFACE USE PLAN

Lone Mountain Production Company

Bar X Unit No. 11

SW ~~N~~WNW Sec. 18, T17S-R26E

Grand County, Utah

1. EXISTING ROADS

This proposed well is located 20 miles northwest of Mack, Colorado. Proceed west on Highway 6&50 9.2 miles past the Mack post office to 2 road. Turn right and go northeast 4.8 miles to the state line fence. Turn right and go north 3.1 miles. Turn left and go west 2.1 miles. Turn left and go south 0.3 miles to the Bar X Unit No. 11.

2. NEW ROADS

The new road is 1600 feet long and was reclaimed in 1982. It is still visible and will be used again. A 6" surface pipeline owned by Lone Mountain Production will be buried across the road. A fenceline will be crossed and a temporary gate will be used while drilling. The road will be upgraded with a cattle guard replacing the gate after the drilling operation is completed.

3. LOCATION OF EXISTING WELLS

There are 5 wells within a one-mile radius. There are 2 dry holes within a one-mile radius.

4. LOCATION OF PRODUCTION FACILITIES

Upon completion of the well as a producing gas well, sufficient facilities to handle gas production will be installed. This includes a heated separator, a dehydrator and a meter run. An 8' diameter culvert buried 8' in the ground will be used as a water pit. A submittal in accordance with Onshore Order #7 will be completed at that time. All facilities will be painted Pinyon Green to blend in with the natural surroundings.

5. LOCATION AND TYPE OF WATER SUPPLY

Water will be hauled from the Ute water tap located in Mack, Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials will be used other than native materials. Only upon completion will outside material be brought in if deemed necessary for production operations.

7. METHODS FOR HANDLING WASTE MATERIALS

Cuttings will be buried in the reserve pit at cleanup. Garbage and other waste material will be contained in a trash cage, which will be dumped at an approved sanitary land fill. Human waste will be contained in chemically treated portable toilets.

Drilling fluids will be contained in the reserve pit and left to dry out before reclamation of the pit. Flow back from completion operations will also be contained in the reserve pit. Oil will not be put in the reserve pit.

If the well is productive, produced water will be disposed on site for 30 days or 90 days with the permission of the State Petroleum Engineer. After that time, application will be made for the approval of a permanent disposal method in compliance with the rules and regulations of the State of Utah and Onshore Order No. 7.

8. ANCILLARY FACILITIES

A surface 4" steel pipeline will use the existing pipeline corridor in the Bar-X unit to move the gas from this well to the east boundary of the Bar-X unit. Off lease portion of this pipeline will continue in Colorado over to the Crescendo gas plant in Badger Wash. On lease portion of this line would be approximately 23000 feet. A 4" steel surface line will be laid 500 feet along the east side of the road and tied into the above mentioned pipeline.

9. WELLSITE LAYOUT

See plat #2 - Pit and pad layout

See plat #3 - Cross sections of pit and pad

This location will be up graded with in the disturbance area of the old dry hole location.

No topsoil stripping will be done.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished.

All construction activities will be confined to the minimum area necessary. The exterior boundaries of the construction area will clearly marked prior to any surface disturbing activities or vegetation removal.

10. PLANS FOR RECLAMATION OF THE SURFACE

A biodegradable mulch may be required if soil erosion or vegetation establishment is determined to be a problem by the authorized officer on the access or location reclamation.

All disturbed areas will be seeded with the approved seed mixture. Seed tags will be submitted to the area manager within 30 days of seeding.

Seed bed will be prepared by contour cultivating 4 - 6" deep and drilling seed ½ to 1" deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and then dragged for cover.

Seeding will be completed after September 15, 2003 and prior to October 31, 2003, if feasible, but no later than the fall of 2004.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accommodate year round traffic. Areas unnecessary to production operations will be reshaped, cultivated on the contour, and seeded with the approved seed mixture with a drill ½ to 1" deep. Areas where seed cannot be drilled will be broadcast seeded at 1.5 times the approved application rate and dragged for seed cover. The topsoil will be saved for use during final reclamation unless the site can be re-contoured to blend with the natural topography as required for the final abandonment. Perennial vegetation will be established. Additional work will be required in the case of seeding failures. All permanent facilities will be painted Pinyon green to blend with the natural environment.

If the well is abandoned/dry hole:

Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, fill material will be pushed into cuts and up over the back slope. No depressions will be left that could trap water or form ponds. The location will be seeded according to the approved seed mixture.

The area will be considered to be satisfactorily reclaimed when:

- a) Soil erosion resulting from the operation has been stabilized.
- b) A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

12. NOTIFICATIONS

Lone Mountain will contact the Grand Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and/or well pad.

Lone Mountain will immediately bring to the attention of the Grand Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the area manager. Notice to proceed will be based upon the evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the area manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the area manager determines that data recovery and/or salvage excavations are necessary, Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Grand Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

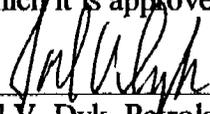
13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

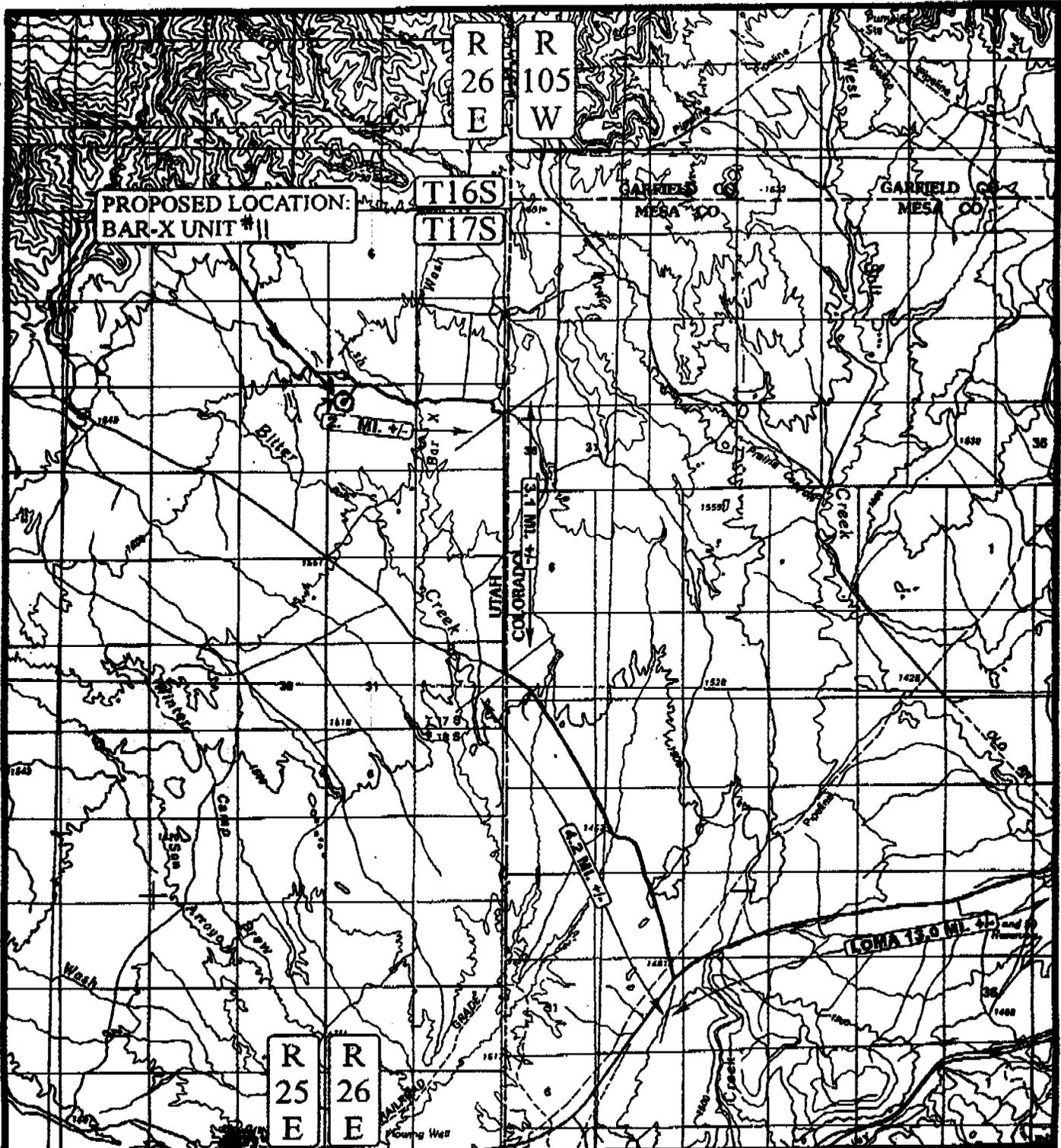
Joel V. Dyk
Petroleum Engineer
1360 Highway 6 & 50
Loma, Colorado 81524
Office Phone: (970) 858-7546
Cell Phone: (970) 250-9770

Jim Routson
Lone Mountain Production Company
P. O. Box 80965
Billings, Montana 59108-0965
Office Phone: (406) 245-5077
Cell Phone: (406) 855-9485

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lone Mountain and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

4/3/03
Date


Joel V. Dyk, Petroleum Engineer



LEGEND:

○ PROPOSED LOCATION

LONE MOUNTAIN PRODUCTION

BAR-X UNIT #11
SECTION 18, T17S, R26E, S.L.B.&M.
1319' FNL 120' FWL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

2 2003
MONTH DAY YEAR

A

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/10/2003

API NO. ASSIGNED: 43-019-30592

WELL NAME: BAR X UNIT 11
OPERATOR: LONE MTN PRODUCTION CO (N7210)
CONTACT: JOE DYK

PHONE NUMBER: 970-858-7546

PROPOSED LOCATION:

SWNW 18 170S 260E
SURFACE: 1319 FNL 1285 FWL
BOTTOM: 1319 FNL 1285 FWL
GRAND
BAR X (160)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: SL-064807
SURFACE OWNER: 1 - Federal

LATITUDE: 39.33205

PROPOSED FORMATION: ENRD

LONGITUDE: 109.08418

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UT0719)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. UTE WATER)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

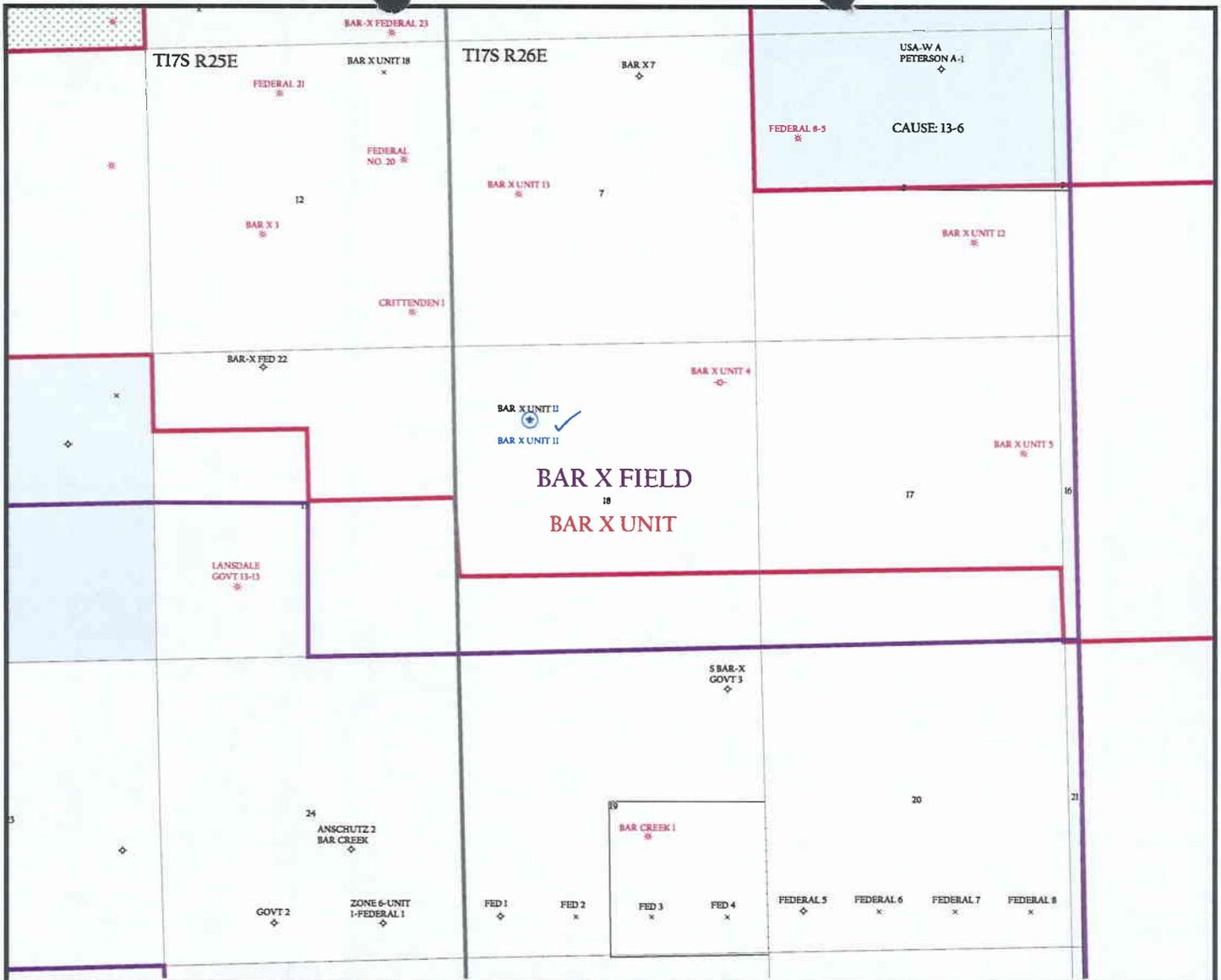
LOCATION AND SITING:

- R649-2-3.
- Unit BAR X
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1. federal approval

2. Spacing stip



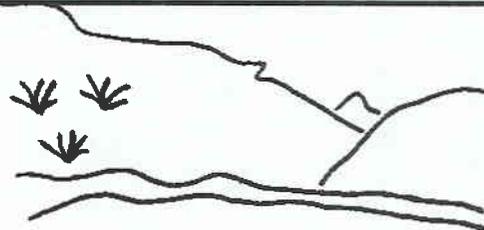
OPERATOR: LONE MOUNTAIN PROD (N7210)

SEC. 18 T17S, R26E

FIELD: BAR X (160)

COUNTY: GRAND

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

WELLS

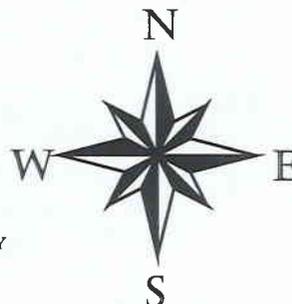
- / GAS INJECTION
- o GAS STORAGE
- x LOCATION ABANDONED
- o NEW LOCATION
- ◇ PLUGGED & ABANDONED
- * PRODUCING GAS
- ★ PRODUCING OIL
- ◇ SHUT-IN GAS
- + SHUT-IN OIL
- × TEMP. ABANDONED
- o TEST WELL
- △ WATER INJECTION
- ◇ WATER SUPPLY
- ◇ WATER DISPOSAL

UNIT STATUS

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

FIELD STATUS

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES



PREPARED BY: DIANA MASON
DATE: 11-APRIL-2003

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

April 14, 2003

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2003 Plan of Development Bar X, Grand County,
Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2003 within the Bar X Unit, Grand County, Utah.

Api Number	Well	Location
(Proposed PZ Entrada)		
43-019-30592	Bar X Unit 11 Sec. 18	T17S R26E 1319 FNL 1285 FWL
43-019-31371	Bar X Unit 25 Sec. 12	T17S R25E 1384 FSL 2165 FEL

Please be advised that there currently is not a participating area covering the Entrada formation within the Bar X Unit.

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Bar X Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:4-14-3

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

029

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. SLC-064807
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Lone Mountain Production Company		7. UNIT AGREEMENT NAME Bar X
3. ADDRESS OF OPERATOR P. O. Box 80965 Billings, MT 59108-0965		8. FARM OR LEASE NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1319' FNL 1284' FWL Section 18 - T17S - R26E At proposed prod. zone		9. WELL NO. 11
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 20 miles Northwest of Mack, Colorado		10. FIELD AND POOL, OR WILDCAT Bar X
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1319' FNL	16. NO. OF ACRES IN LEASE 2080	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SWNW Sec. 18, T17S, R26E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, 3200' west of OR APPLIED FOR, ON THIS LEASE, FT. #4 well	19. PROPOSED DEPTH 3750	12. COUNTY OR PARISH Grand
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5200' GL	20. ROTARY OR CABLE TOOLS Rotary	13. STATE UT
23. PROPOSED CASING AND CEMENTING PROGRAM		22. APPROX. DATE WORK WILL START* April 20, 2003

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24#	331	to surface
7 7/8"	4 1/2"	11.6#	3750'	225 sx 10-2 Thixotropic 1.41cuft/s

This well is an existing dryhole. Original T.D. was 3466'. We plan to deepen it to 3750'.

Federal Approval of this
Action is Necessary

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 08-04-03
By: [Signature]

RECEIVED
MAY 23 2003

DIV. OF OIL, GAS & MINING

RECEIVED
MOAB FIELD OFFICE
2003 APR -4 A 10:36
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

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: [Signature] TITLE: Petroleum Engineer DATE: 4/3/03

(This space for Federal or State office use)

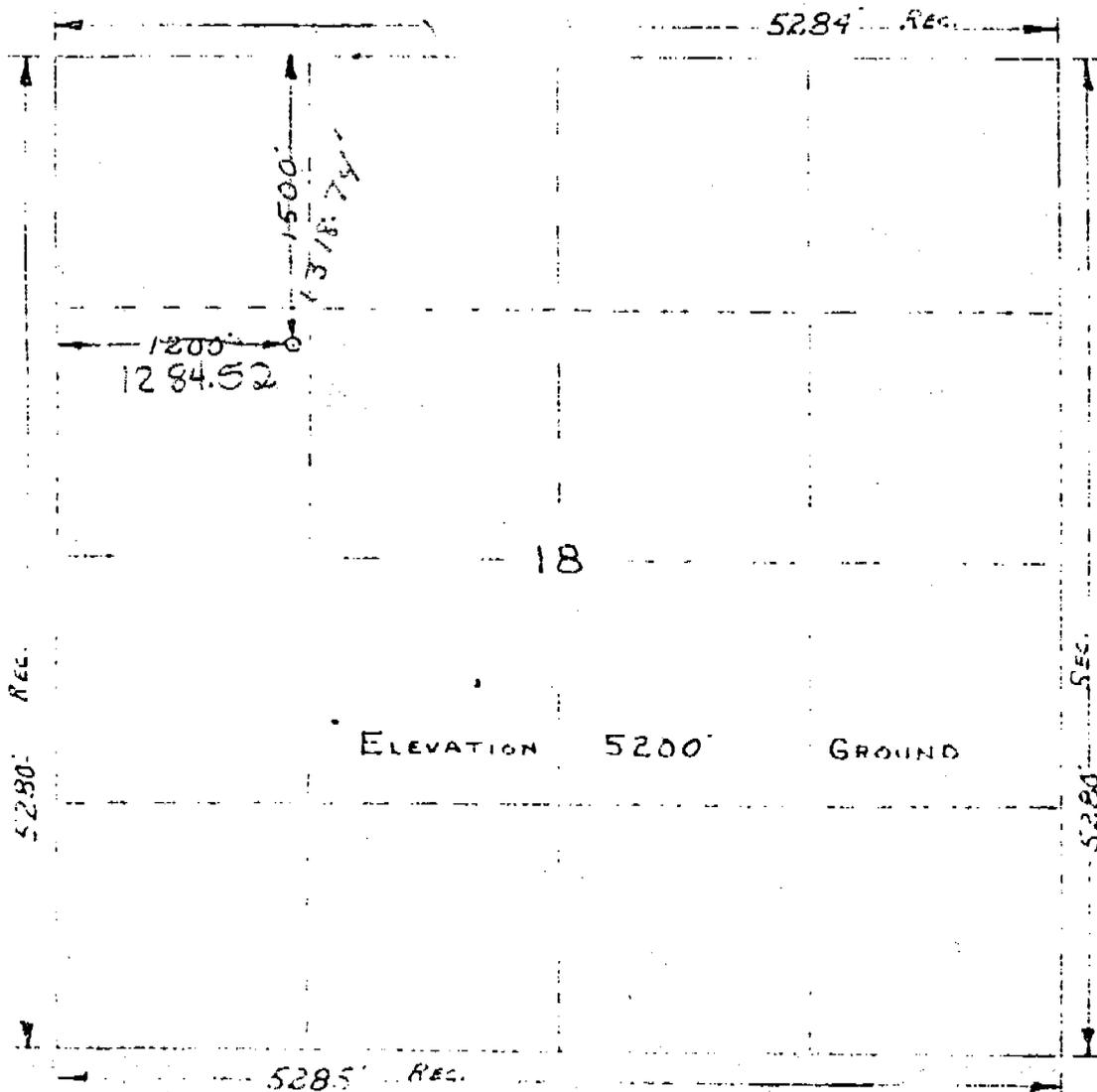
PERMIT NO. _____ APPROVAL DATE: Assistant Field Manager, Division of Resources DATE: MAY 20 2003
APPROVED BY: William Stringer TITLE: _____

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side



A 26 E.



T. 17 S.

Scale 1" = 1000'

Powers Elevation Company, Inc. of Denver, Colorado
 has in accordance with a request from CECIL FOOTE
 for TERRA RESOURCES COMPANY
 determined the location of #11 BAR X UNIT
 to be 1500' FN & 1200' FW Section 18 Township 17 S.
 Range 26 E OF THE SALT LAKE Meridian
 GRAND COUNTY, UTAH

RECEIVED

MAY 23 2003

DIV. OF OIL, GAS & MINING

I hereby certify that this plot is an
 accurate representation of a correct
 survey showing the location of
 #11 BAR X UNIT

Page 4-24-72

Licensed Land Surveyor No 2711
 State of UTAH

Lone Mountain Production Company
Bar-X No. 11
Lease SL-064807
Bar-X Unit
SW/NW Section 18, T17S, R26E
Grand County, Utah

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

CONDITIONS OF APPROVAL

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

Be advised that Lone Mountain Production Company 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 UT0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR 3104.2.

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

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed BOPE is in a 2M configuration, and is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.

B. SURFACE USE PLAN

1. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
2. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
3. The installation of any new pipeline systems will require review and approval from BLM. Additional cultural resource inventories and reports may be required prior to authorization of pipeline installation operations.
4. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
5. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.
6. The operator will be responsible for noxious weed control on the disturbed areas within the limits of the well site and new road construction. The operator is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TABLE 1

NOTIFICATIONS

Notify Rich McClure (435-259-2127) or Jack Johnson (435-259-2129) of the BLM Moab Field Office for the following:

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

1 day prior to spudding (Johnson);

50 feet prior to reaching the surface casing setting depth (Johnson);

3 hours prior to testing BOPs (Johnson).

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

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

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214

027

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
SLC-064807

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Bar X

8. FARM OR LEASE NAME

9. WELL NO.
11

10. FIELD AND POOL, OR WILDCAT
Bar X

11. SEC., T., E., M., OR BLE.
AND SURVEY OR AREA
SWNW Sec. 18, T17S, R26E

12. COUNTY OR PARISH
Grand

13. STATE
UT

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
Lone Mountain Production Company

3. ADDRESS OF OPERATOR
P. O. Box 80965 Billings, MT 59108-0965

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
1319' FNL 1284' FWL Section 18 - T17S - R26E
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20 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)
1319' FNL

16. NO. OF ACRES IN LEASE
2080

17. NO. OF ACRES ASSIGNED TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, 3200' west of OR APPLIED FOR, ON THIS LEASE, FT. #4 well

19. PROPOSED DEPTH
3750

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5200' GL

22. APPROX. DATE WORK WILL START*
April 20, 2003

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24#	331'	to surface
7 7/8"	4 1/2"	11.6#	3750'	225 sx 10-2 Thixotropic 1.4lcuft/

This well is an existing dryhole. Original T.D. was 3466'. We plan to deepen it to 3750'.

RECEIVED
MAY 29 2003
DIV. OF OIL, GAS & MINING

RECEIVED
MOAB FIELD OFFICE
2003 APR -4 A 10:36
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

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 [Signature] TITLE Petroleum Engineer DATE 4/3/03

(This space for Federal or State office use)

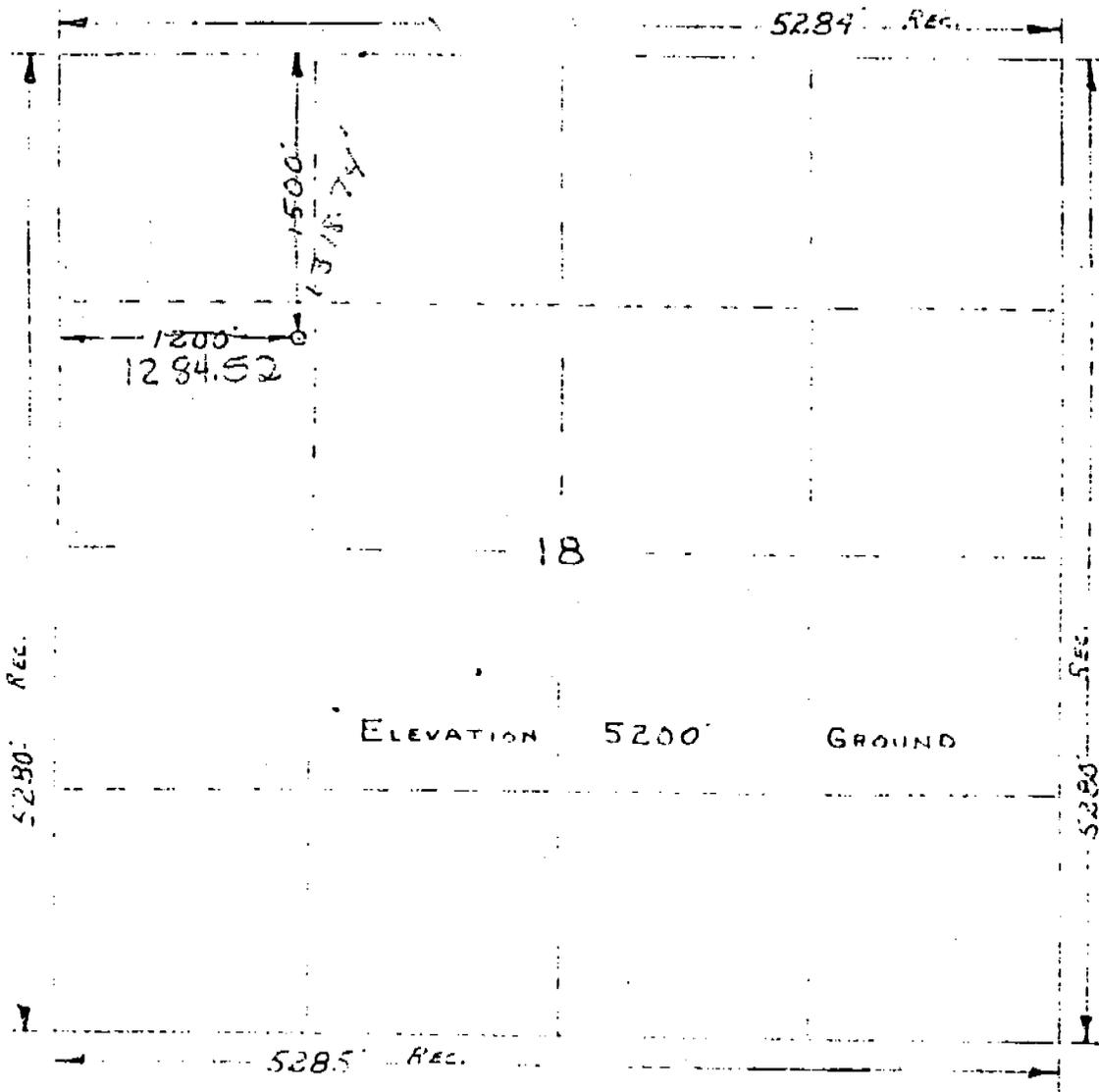
PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE Assistant Field Manager,
CONDITIONS OF APPROVAL, IF ANY: _____ DATE 5/20/03
Division of Resources

CONDITIONS OF APPROVAL ATTACHED
*See Instructions On Reverse Side



EXHIBIT A

R 26 E.



Scale - 1" = 1000'

Powers Elevation Company, Inc. of Denver Colorado
 has in accordance with a request from CECIL FOOTE
 for TERRA RESOURCES COMPANY
 determined the location of #11 BAR X UNIT
 to be 1500' FN & 1200' FW Section 18 Township 17 S.
 Range 26 E of the SALT LAKE Meridian
 GRAND COUNTY, UTAH

I hereby certify that this plot is an
 accurate representation of a correct
 survey showing the location of
 #11 BAR X UNIT

4-24-72

Licensed Land Surveyor No 2711
 State of UTAH

Lone Mountain Production Company
Bar-X No. 11
Lease SL-064807
Bar-X Unit
SW/NW Section 18, T17S, R26E
Grand County, Utah

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

CONDITIONS OF APPROVAL

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

Be advised that Lone Mountain Production Company 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 UT0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR 3104.2.

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

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

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1. The proposed BOPE is in a 2M configuration, and is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGGM) is required before conducting any surface disturbing activities.

B. SURFACE USE PLAN

1. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
2. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
3. The installation of any new pipeline systems will require review and approval from BLM. Additional cultural resource inventories and reports may be required prior to authorization of pipeline installation operations.
4. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
5. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.
6. The operator will be responsible for noxious weed control on the disturbed areas within the limits of the well site and new road construction. The operator is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods.

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Required verbal notifications are summarized in Table 1, attached.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TABLE 1

NOTIFICATIONS

Notify Rich McClure (435-259-2127) or Jack Johnson (435-259-2129) of the BLM Moab Field Office for the following:

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

1 day prior to spudding (Johnson);

50 feet prior to reaching the surface casing setting depth (Johnson);

3 hours prior to testing BOPs (Johnson).

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

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

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214

Application for Permit to Drill
Bar X Unit No. 11
NWNW Section 18, T17S-R26E
Grand County, Utah

1. Surface formation is the Mancos Shale
2. Anticipated Geologic Markers: Mancos shale at surface, Dakota at 2850', Morrison at 2970' and Entrada at 3645'. Total Depth at 3750'. All depths true vertical depth.
3. Gas is anticipated in the Entrada. Possible gas shows in the Dakota and Morrison. No water sands are expected.
4. Proposed casing program:

<u>Hole size</u>	<u>Casing size</u>	<u>Depth</u>	<u>Cement</u>
12.25"	8-5/8" 24 lb K55 STC	331 feet	cemented to surface
7.875"	4-1/2" 11.6 lb K55 STC	3750 feet	225 sacks 10-2 thixo
5. Pressure Control equipment: See attached Well Control Plan and schematic of contractor's BOP stack. BOP's will be tested prior to drilling out from surface casing and checked daily.
6. Air or mist drilling will be used to drill the 12-1/4" surface hole and 8-5/8" casing will be set and cemented to surface with a rat hole rig. Then the drilling rig will be moved in to mud drill out under the surface casing. The mud will be water based low solids and non-dispersed.
7. Auxiliary Equipment: See Well Control Plan.
8. The electric logging program will consist of a DIL log from TD to 200' above the Dakota silt and GR-CNL-FDC log from TD to 200' above the Dakota silt. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is May 2, 2003. Completion operations should commence within 30 days of drilling rig release.
11. Survey plats are attached.
12. The gas is dedicated to the Crescendo gas plant in Badger wash at this time.
13. Lone Mountain Production Co.'s Statewide Bond is UT0719.

14. The completion program will be designed after the logs have been evaluated.

WELL CONTROL PLAN

1. Surface casing: 8-5/8", 24.0#/ft, STC, J55 set at 331 feet and cemented back to surface in June of 1982.
2. Casing head Flange: 8-5/8" by 4-1/2" 600 series casing head with two 2" 2000 psi outlets.
3. Blow out preventer: The drilling rig is equipped with a 10", 3000 psi double gate hydraulic BOP (or equivalent) with drill pipe rams and blind rams to meet requirements for a 2000 psi stack as indicated in On Shore Order No. 2. All fill, kill, and choke lines will be a minimum of 2", 2000 psi WP. A rotating head will be used while air or mist drilling. Pipe rams and Hydril will be function tested daily and blind rams on each trip when out of the hole with drill string. BOP's will be tested to 2000 psi but not more than 70% of the casing burst pressure prior to drilling the surface casing shoe joint.
5. Anticipated bottom hole pressure gradient is less than 0.25 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

Lone Mountain Production Company

By: _____


Joe Dyk, Petroleum Engineer

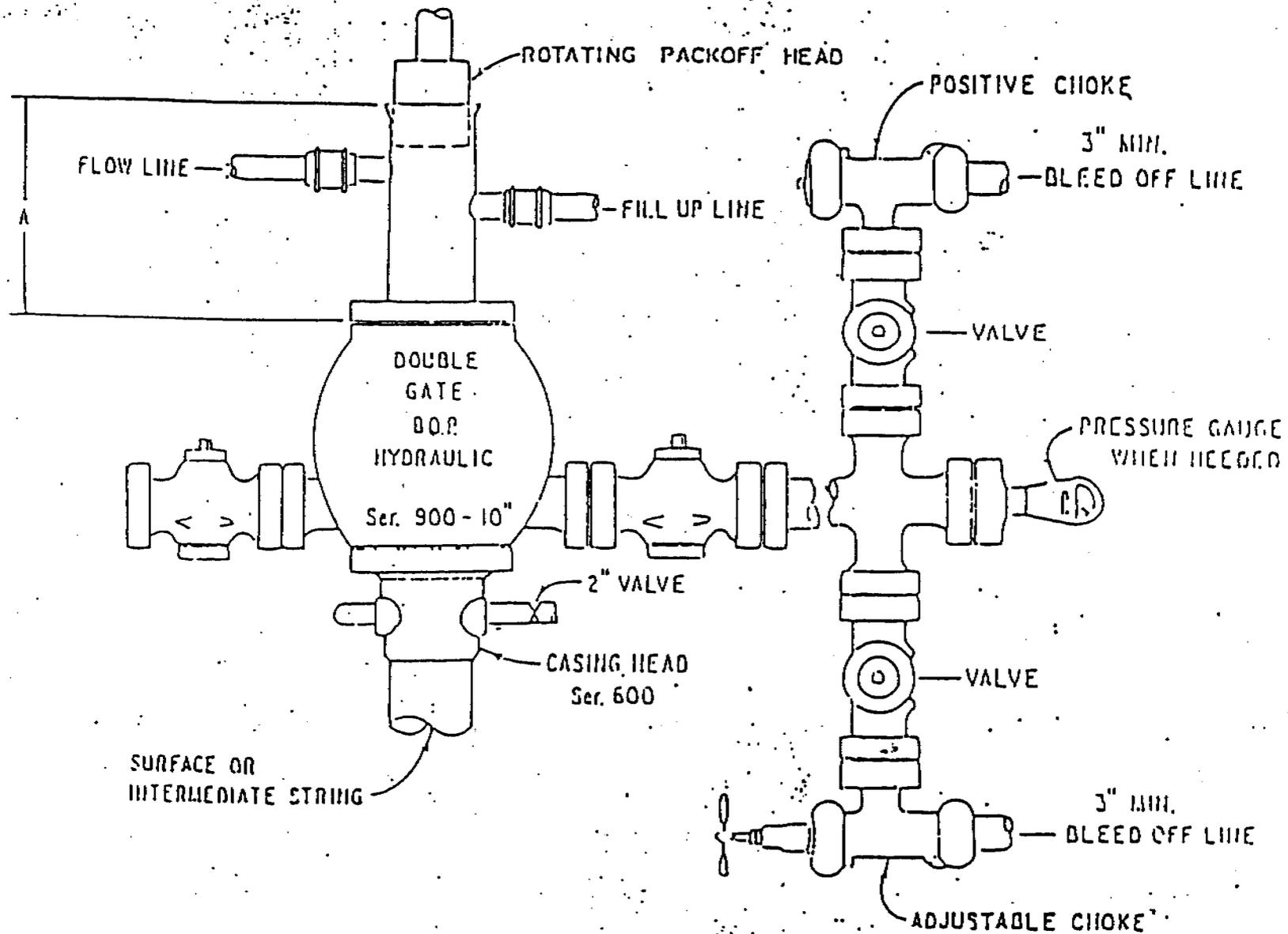


EXHIBIT I
 BLOWOUT PREVENTER DIAGRAM

SURFACE USE PLAN

Lone Mountain Production Company
Bar X Unit No. 11
NWNW Sec. 18, T17S-R26E
Grand County, Utah

1. EXISTING ROADS

This proposed well is located 20 miles northwest of Mack, Colorado. Proceed west on Highway 6&50 9.2 miles past the Mack post office to 2 road. Turn right and go northeast 4.8 miles to the state line fence. Turn right and go north 3.1 miles. Turn left and go west 2.1 miles. Turn left and go south 0.3 miles to the Bar X Unit No. 11.

2. NEW ROADS

The new road is 1600 feet long and was reclaimed in 1982. It is still visible and will be used again. A 6" surface pipeline owned by Lone Mountain Production will be buried across the road. A fenceline will be crossed and a temporary gate will be used while drilling. The road will be upgraded with a cattle guard replacing the gate after the drilling operation is completed.

3. LOCATION OF EXISTING WELLS

There are 5 wells within a one-mile radius. There are 2 dry holes within a one-mile radius.

4. LOCATION OF PRODUCTION FACILITIES

Upon completion of the well as a producing gas well, sufficient facilities to handle gas production will be installed. This includes a heated separator, a dehydrator and a meter run. An 8' diameter culvert buried 8' in the ground will be used as a water pit. A submittal in accordance with Onshore Order #7 will be completed at that time. All facilities will be painted Pinyon Green to blend in with the natural surroundings.

5. LOCATION AND TYPE OF WATER SUPPLY

Water will be hauled from the Ute water tap located in Mack, Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials will be used other than native materials. Only upon completion will outside material be brought in if deemed necessary for production operations.

7. METHODS FOR HANDLING WASTE MATERIALS

Cuttings will be buried in the reserve pit at cleanup. Garbage and other waste material will be contained in a trash cage, which will be dumped at an approved sanitary land fill. Human waste will be contained in chemically treated portable toilets.

Drilling fluids will be contained in the reserve pit and left to dry out before reclamation of the pit. Flow back from completion operations will also be contained in the reserve pit. Oil will not be put in the reserve pit.

If the well is productive, produced water will be disposed on site for 30 days or 90 days with the permission of the State Petroleum Engineer. After that time, application will be made for the approval of a permanent disposal method in compliance with the rules and regulations of the State of Utah and Onshore Order No. 7.

8. ANCILLARY FACILITIES

A surface 4" steel pipeline will use the existing pipeline corridor in the Bar-X unit to move the gas from this well to the east boundary of the Bar-X unit. Off lease portion of this pipeline will continue in Colorado over to the Crescendo gas plant in Badger Wash. On lease portion of this line would be approximately 23000 feet. A 4" steel surface line will be laid 500 feet along the east side of the road and tied into the above mentioned pipeline.

9. WELLSITE LAYOUT

See plat #2 - Pit and pad layout
See plat #3 - Cross sections of pit and pad

This location will be up graded with in the disturbance area of the old dry hole location.

No topsoil stripping will be done.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished.

All construction activities will be confined to the minimum area necessary. The exterior boundaries of the construction area will clearly marked prior to any surface disturbing activities or vegetation removal.

10. PLANS FOR RECLAMATION OF THE SURFACE

A biodegradable mulch may be required if soil erosion or vegetation establishment is determined to be a problem by the authorized officer on the access or location reclamation.

All disturbed areas will be seeded with the approved seed mixture. Seed tags will be submitted to the area manager within 30 days of seeding.

Seed bed will be prepared by contour cultivating 4 - 6" deep and drilling seed ½ to 1" deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and then dragged for cover.

Seeding will be completed after September 15, 2003 and prior to October 31, 2003, if feasible, but no later than the fall of 2004.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accommodate year round traffic. Areas unnecessary to production operations will be reshaped, cultivated on the contour, and seeded with the approved seed mixture with a drill ½ to 1" deep. Areas where seed cannot be drilled will be broadcast seeded at 1.5 times the approved application rate and dragged for seed cover. The topsoil will be saved for use during final reclamation unless the site can be re-contoured to blend with the natural topography as required for the final abandonment. Perennial vegetation will be established. Additional work will be required in the case of seeding failures. All permanent facilities will be painted Pinyon green to blend with the natural environment.

If the well is abandoned/dry hole:

Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, fill material will be pushed into cuts and up over the back slope. No depressions will be left that could trap water or form ponds. The location will be seeded according to the approved seed mixture.

The area will be considered to be satisfactorily reclaimed when:

- a) Soil erosion resulting from the operation has been stabilized.
- b) A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

12. NOTIFICATIONS

Lone Mountain will contact the Grand Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and/or well pad.

Lone Mountain will immediately bring to the attention of the Grand Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the area manager. Notice to proceed will be based upon the evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the area manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the area manager determines that data recovery and/or salvage excavations are necessary, Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Grand Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

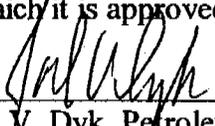
Joel V. Dyk
Petroleum Engineer
1360 Highway 6 & 50
Loma, Colorado 81524
Office Phone: (970) 858-7546
Cell Phone: (970) 250-9770

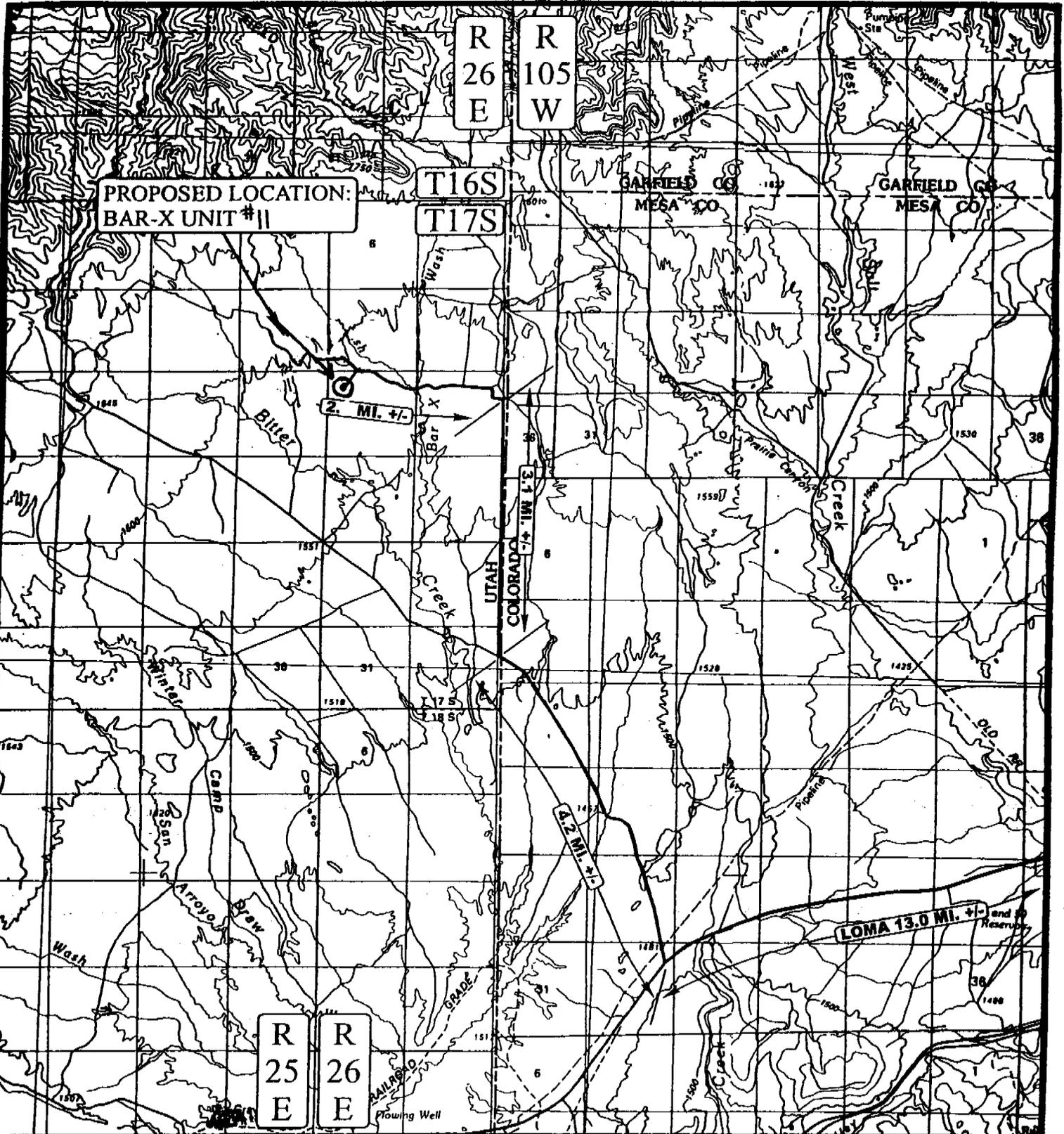
Jim Routson
Lone Mountain Production Company
P. O. Box 80965
Billings, Montana 59108-0965
Office Phone: (406) 245-5077
Cell Phone: (406) 855-9485

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lone Mountain and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date

4/3/03


Joel V. Dyk, Petroleum Engineer



LEGEND:

○ PROPOSED LOCATION



LONE MOUNTAIN PRODUCTION

BAR-X UNIT #11
 SECTION 12, T17S, R25E, S.L.B.&M.
 1384' FSL 2165' FEL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

2	20	03
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00



LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 80965
Billings, MT 59108-0965

(406) 245-5077
FAX 248-6321

Shipping Address:
1911 King Avenue West
Billings, MT 59102

July 31, 2003

John R. Baza
Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: EXCEPTION LOCATION REQUEST, BAR-X UNIT NO. 11

Dear Mr. Baza:

Lone Mountain Production Company hereby requests an exception location for the Bar-X Unit No. 11 well located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec 18-T17S-R26E, Grand County, Utah. The exception is needed for geologic and drainage reasons, and to take advantage of an existing wellbore (this is a re-entry of a well abandoned in 1982). The Bar-X No. 11 will be one of three wells producing from the Entrada formation. It will be 4,382' from the Bar-X No. 25 well and 3,404' from the Bar-X No. 4 well.

The well is in the Bar-X Unit (and will be in a new participating area) and meets state spacing requirements for distance from wells and lease lines; however, it is not situated within 200' of the center of the $\frac{1}{4}$ / $\frac{1}{4}$. There are no other working interest owners or leasehold interests within 460' of the proposed well location. This location was picked for use of the existing wellbore, structural position, and optimum reservoir drainage as the primary criteria.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY


James G. Routson
President

cc: Joe Dyk

RECEIVED
AUG 04 2003
DIV. OF OIL, GAS & MINING



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

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

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

August 4, 2003

Lone Mountain Production Company
P O Box 80965
Billings, MT 59108-0965

Re: Bar X Unit 11 Well, 1319' FNL, 1285' FWL, SW NW, Sec. 18, T. 17 South, R. 26 East,
Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-30592.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

John R. Baza
Associate Director

pab
Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab District Office

Operator: Lone Mountain Production Company
Well Name & Number Bar X Unit 11
API Number: 43-019-30592
Lease: SLC-064807

Location: SW NW **Sec.** 18 **T.** 17 South **R.** 26 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

DIVISION OF OIL, GAS AND MINING**SPUDDING INFORMATION**Name of Company: LONE MTN PRODUCTION COWell Name: BAR X UNIT 11Api No: 43-019-30592 Lease Type: FEDERALSection 18 Township 17S Range 26E County GRANDDrilling Contractor ELENBURG RIG # 12**SPUDDED:**Date 08/28/03Time 5:30 PMHow ROTARY**Drilling will commence:** _____Reported by JOE DYKETelephone # 1-970-250-9770Date 09/02/2003 Signed: CHD

OPERATOR Lone Mountain Production Company

OPERATOR ACCT. NO. N 7210

ADDRESS P. O. Box 80965

Billings, MT 59108

035

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SEP 02 2003

DIV. OF OIL, GAS & MINING

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	APT NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG			
B	99999	10692	43-019-30592	Bar-X Unit No. 11	NONW	18	17S	26E	Grand		9/10/03 8/28/03
WELL 1 COMMENTS: <i>NON UNIT WELL</i> <i>Bar-X Unit No. 11 is a re-entry and will be completed in the Entrada Formation effective 8/28/03</i> <i>Tara 1319 FNL 1284 FWL per Carolyn</i> <i>SWNW</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

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

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

(3/89)

James R. Keith
Signature

President
Title

9/2/03
Date

Phone No. (406) 245-5077

fax 248-6321

J

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 80965
Billings, MT 59108-0965

(406) 245-5077
FAX 248-6321

Shipping Address:
1911 King Avenue West
Billings, MT 59102

September 2, 2003

State of Utah
Division of Oil, Gas & Mining
1594 W. Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: SUNDRY NOTICE
REPORT OF WATER ENCOUNTERED (FORM 7)
BAR-X UNIT NO. 11
NWNW SECTION 18: T17S-R26E
GRAND COUNTY, UTAH

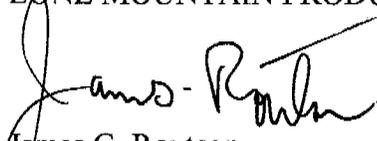
Gentlemen:

Enclosed is one sundry notice, in duplicate, notifying the Division of Oil, Gas & Mining on the current status of the referenced well. Also enclosed is one Report of Water Encountered (Form 7), in duplicate.

Should you have any questions or need further information, please contact me at (406) 245-5077 or Joe Dyk at (970) 858-7546 (office) or (970) 250-9770 (cell).

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY


James G. Routson
President

enclosure

cc: Joe Dyk

RECEIVED
SEP 04 2003
DIV. OF OIL, GAS & MINING

032

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

<p>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</p> <p align="center">SUBMIT IN TRIPLICATE</p>		<p>5. LEASE DESIGNATION AND SERIAL NO. SL-064807</p>
<p>1. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input type="checkbox"/> ZONE <input type="checkbox"/></p>		<p>6. IF INDIAN, ALLOTEE OR TRIBE NAME</p>
<p>2. NAME OF OPERATOR Lone Mountain Production Company</p>		<p>7. IF UNIT OR CA, AGREEMENT DESIGNATION Bar-X Unit UTU-630150</p>
<p>3. ADDRESS OF OPERATOR P. O. Box 80965, Billings, Montana 59108 (406) 245-5077</p>		<p>8. WELL NAME and No. Federal No. 11 BAR X UNIT 11</p>
<p>4. LOCATION OF WELL (Footage, Sec, T., R., M., or Survey Description) 1319' FNL, 1284' FWL Section 18-T17S-R26E (NWNW)</p>		<p>9. API WELL NO. 43-019-30592</p>
		<p>10. Field and Pool, or Exploratory Area Bar-X</p>
		<p>11. County or Parish, State Grand County, Utah</p>

<p>12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</p>		
<p>TYPE OF SUBMISSION</p> <p><input type="checkbox"/> Notice of Intent</p> <p><input checked="" type="checkbox"/> Subsequent Report</p> <p><input type="checkbox"/> Final Abandonment Notice</p>	<p>TYPE OF ACTION</p> <p><input type="checkbox"/> Abandonment</p> <p><input type="checkbox"/> Recompletion</p> <p><input type="checkbox"/> Plugging Back</p> <p><input type="checkbox"/> Casing Repair</p> <p><input type="checkbox"/> Altering Casing</p> <p><input checked="" type="checkbox"/> Other <u>Run Casing</u></p>	<p><input type="checkbox"/> Change of Plans</p> <p><input type="checkbox"/> New Construction</p> <p><input type="checkbox"/> Non-Routine Fracturing</p> <p><input type="checkbox"/> Water Shut-Off</p> <p><input type="checkbox"/> Conversion to Injection</p> <p><input type="checkbox"/> Dispose of Water</p> <p>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)</p>

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

Drilled out cement plugs and ream to 3481'. Drilled new hole to 3481' - 3711'. Ran E-logs.

Log Tops: Dakota Silt @ 2691' (+2520'); Dakota Sand @ 2784' (+2427'); Morrison @ 2905' (+2306'); Entrada @ 3536' (+1675').

Ran 4-1/2" casing to 3705' and cemented with 225 sx. 10/2 thixotropic.

Rig released at 3:00 p.m., 9/1/03.

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

Signed: *James R. Roth* Title: **President** Date: **September 2, 2003**

(This space for Federal or State office use)

APPROVED BY: _____ TITLE: _____ DATE: _____

CONDITIONS OF APPROVAL IF ANY

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

*See Instructions of Reverse Side

RECEIVED
SEP 14 2003
DIV. OF OIL, GAS & MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

1. Well name and number: Bar-X Unit No. 11

API number: 43-019-30592

2. Well Location: QQ NNW Section 18 Township 17S Range 26E County Grand

3. Well operator: Lone Mountain Production Company

Address: P. O. Box 80965

Billings, MT 59108

Phone: (406) 245-5077

4. Drilling contractor: Elenburg Exploration

Address: P. O. Box 2440

Casper, WY 82602

Phone: (307) 235-8609

5. Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
None			

6. Formation tops: Dakota Silt 2691' (+2520')

Dakota Sand 2784' (+2427')

Morrison 2905' (+2306')

Entrada 3536' (+1675')

TD 3711'

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge. Date: 9/02/03

Name & Signature: James G. Routson Title: President

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 80965
Billings, MT 59108-0965

(406) 245-5077
FAX 248-6321

Shipping Address:
1911 King Avenue West
Billings, MT 59102

November 25, 2003

State of Utah
Division of Oil, Gas & Mining
1594 W. Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: WELL COMPLETION REPORT (FORM 8)
BAR-X UNIT NO. 11
NWNW SECTION 18: T17S-R26E
GRAND COUNTY, UTAH

Gentlemen:

Enclosed is one Well Completion Report (Form 8), in duplicate, showing the completion of the referenced well.

Should you have any questions or need further information, please contact our office at (406) 245-5077 or Joe Dyk at (970) 858-7546 (office) or (970) 250-9770 (cell).

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



Carolyn Farmer
Land Department

enclosure

cc: Joe Dyk

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NOV 28 2003
DIV. OF OIL, GAS & MINING

033

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NOV 28 2003

FORM 8

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG						5. LEASE DESIGNATION AND SERIAL NO.	
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____						SL-064807	
1b. TYPE OF COMPLETION: NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESV. <input type="checkbox"/> Other <u>re-entry of abandoned well</u>						6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Lone Mountain Production Company						7. UNIT AGREEMENT NAME Bar-X Unit	
3. ADDRESS OF OPERATOR P. O. Box 80965, Billings, Montana 59108						8. FARM OR LEASE NAME Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1319' FNL, 1284' FWL Sec 18-T17S-R26E At top prod. interval reported below same At total depth same						9. WELL NO. 11	
14. API NO. 43-019-30592						12. COUNTY Grand	
DATE ISSUED 8/04/03						13. STATE Utah	
15. DATE SPUNDED 8/28/03		16. DATE T.D. REACHED 8/31/03		17. DATE COMPL. (Ready to prod.) 11/21/03 (Plg & Abd.)		18. ELEVATIONS (DF, RES, RT, GR, ETC.) 5200' GR, 5211' KB	
19. ELEV. CASINGHEAD 5201'		20. TOTAL DEPTH, MD & TVD 3711'		21. PLUG BACK T.D., MD & TVD 3661'		22. IF MULTIPLE COMPL. HOW MANY 0	
23. INTERVALS DRILLED BY 0-TD						24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 3540' - 3590' Entrada	
25. WAS DIRECTIONAL SURVEY MADE No						26. TYPE ELECTRIC AND OTHER LOGS RUN REC/CNL/GR DIL/GR CBL/GR REC 9-22-03	
27. WAS WELL CORED YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (Submit analysis) DRILL STEM TEST YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (See reverse side)						28. CASING RECORD (Report all strings set in well)	
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)		MOLE SIZE	
8-5/8"		24#		331'		12"	
4-1/2"		11.6#		3705'		7-7/8"	
						CEMENTING RECORD	
						240 sx to surface	
						225 sx 10-2 Thixotropic	
						AMOUNT PULLED	

29. LINER RECORD				30. TUBING RECORD			
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT	
						SCREEN (MD)	
						2-3/8"	
						DEPTH SET (MD)	
						3523'	
						PACKER SET (MD)	
31. PERFORATION RECORD (Interval, size and number) 3542'-3581', 40 shots total, .43" EHD				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED					
3542'-3581'		200 gal 7-1/2% HCl					
33. PRODUCTION							
DATE FIRST PRODUCTION 10/14/03		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) flowing				WELL STATUS (Producing or shut-in) shut-in	
DATE OF TEST 11/21/03		HOURS TESTED 5		CHOKE SIZE 3/8"		PROD'N. FOR TEST PERIOD OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO 247	
FLOW. TUBING PRESS. 500 psig		CASING PRESSURE 550 psig		CALCULATED 24-HOUR RATE OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORE.) 1186			
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) vented						TEST WITNESSED BY Joe Dyk	
35. LIST OF ATTACHMENTS None							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records							
SIGNED James G. Boulton		TITLE President				DATE 11/25/03	

See Spaces for Additional Data on Reverse Side

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 80965
Billings, MT 59108-0965

(406) 245-5077
FAX 248-6321

Shipping Address:
1911 King Avenue West
Billings, MT 59102

December 26, 2003

State of Utah
Division of Oil, Gas & Mining
1594 W. Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: NOTICE OF FIRST PRODUCTION
BAR-X UNIT ENTRADA WELLS
GRAND COUNTY, UTAH

Gentlemen:

Enclosed are three sundry notices, each in duplicate, notifying your office that the Bar-X Unit No. 25 well was turned on for first production on December 23, 2003 at 5:00 p.m. The Bar-X Unit No. 4 and the ~~Bar-X Unit No. 11~~ wells were turned on December 24, 2003 at 2:00 p.m. The gas is being delivered to Crescendo Energy Partners LLC Badger Wash Plant.

Should you have any questions or need further information, please contact our office at (406) 245-5077 or Joe Dyk at (970) 858-7546 (office) or (970) 250-9770 (cell).

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



Carolyn Farmer
Land Department

enclosures

cc: Joe Dyk

DEC 26 2003

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN
TRIPLICATE*
(Other Instructions on
reverse side)

Form Approved,
Budget Bureau No. 1004-0135
Expires : March 31, 1993

5. LEASE DESIGNATION AND SERIAL NO.
SL-064807

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUBMIT IN TRIPLICATE

7. IF UNIT OR CA, AGREEMENT DESIGNATION
Bar-X Unit UTU-630150

8. WELL NAME and No.
Federal No. 11

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

2. NAME OF OPERATOR
Lone Mountain Production Company

3. ADDRESS OF OPERATOR
P. O. Box 80965, Billings, Montana 59108 (406) 245-5077

4. LOCATION OF WELL (Footage, Sec, T., R., M., or Survey Description)
1319' FNL, 1284' FWL Section 18-T17S-R26E (NWNW)

9. API WELL NO.
43-019-30592

10. Field and Pool, or Exploratory Area
Bar-X

11. County or Parish, State
Grand County, Utah

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

TYPE OF SUBMISSION
 Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION
 Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other **Notice of First Production**

Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose of Water
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)

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

Please be advised that the Bar-X Unit No. 11 well was turned on for first production on December 24, 2003 at 2:00 p.m. The gas is being delivered to Crescendo Energy Partners LLC Badger Wash Plant at a rate of 1,000 MCFD.

RECEIVED
DEC 29 2003

DIV. OF OIL, GAS & MINING

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

Signed: James Parton

Title: **President**

Date: **December 26, 2003**

(This space for Federal or State office use)

APPROVED BY: _____ TITLE: _____ DATE: _____
CONDITIONS OF APPROVAL IF ANY

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

*See Instructions of Reverse Side

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

3/7/2014

FROM: (Old Operator): LONE MOUNTAIN PRODUCTION COMPANY (N7210) P O BOX 80965 BILLING MT 59108-0965 Phone: 1 (406) 245-5077	TO: (New Operator): SOUTHWESTERN ENERGY VENTURES COMPANY, LLC (N4035) PO BOX 1056 BAYFIELD CO 81122-1056 Phone: 1 (970) 669-7411
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
BAR X UNIT 4	18	170S	260E	4301915023	10692	Federal	GW	S
BAR X UNIT 11	18	170S	260E	4301930592	10692	Federal	GW	S
BAR X UNIT 25	12	170S	250E	4301931371	10692	Federal	GW	S

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 3/24/2014
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 3/11/2014
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/26/2014
- Is the new operator registered in the State of Utah: Business Number: 8812939-0161
- (R649-9-2) Waste Management Plan has been received on: Not Yet
- Inspections of LA PA state/fee well sites complete on: N/A
- Reports current for Production/Disposition & Sundries on: 3/26/2014
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Yes INDIAN N/A
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 3/26/2014
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 3/26/2014
- Bond information entered in RBDMS on: N/A
- Fee/State wells attached to bond in RBDMS on: N/A
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: RLB0015347
- Indian well(s) covered by Bond Number: N/A
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number N/A
- The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

BLM terminated Bar X Unit Endrada PA effective 2/6/2014. Well will be assigned new stand alone entities



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3160 – UTU63015X
(UT-922000)

FEB 28 2014

RECEIVED

MAR 19 2014

DIV. OF OIL, GAS & MINING

Mr. James G. Rouston
Lone Mountain Production Company
2590 Holman Avenue, Suite B-1
Billings, Montana 59102

Re: Termination of Entrada Participating Area
Bar X Unit, Grand County, Utah

Dear Mr. Rouston:

On February 6, 2014, the Bar X Unit Agreement was amended to exclude all formations from the top of the Entrada Formation. As a result of the amendment, the Entrada Participating Area, Case Recordation System Number, UTU63015B, Office of Natural Resource Revenue IID, 891000324B, terminated effective February 6, 2014, the approval date of the amendment.

The following wells shall be reported and handled on a lease basis effective February 6, 2014.

API	Well Name	Location	Lease
4301930592	Bar X Unit 11	NWNW, Section 18, T17S, R26E, SLB&M	UTSL064807
4301931371	Bar X Unit 25	NWSE, Section 12, T17S, R25E, SLB&M	UTSL064806
4301915023	Bar Unit 4	NENE, Section 18, T17S, R26E, SLB&M	UTSL064807

If you have any questions, please contact Mickey Coulthard of this office at (801)-539-4042.

Sincerely,

Roger L. Bankert
Chief, Branch of Minerals

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

FORM 9

RECEIVED

MAR 24 2014

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: SL-064087
2. NAME OF OPERATOR: Southwestern Energy Ventures Company LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P. O. Box 1056 CITY Bayfield STATE CO ZIP 81122-1056		7. UNIT or CA AGREEMENT NAME: Bar-X Unit UTU-630150
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1319' FNL, 1284' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 18 17S 26E S		8. WELL NAME and NUMBER: Bar-X Unit No. 11
PHONE NUMBER: (970) 669-7411		9. API NUMBER: 019-30952
COUNTY: GRAND		10. FIELD AND POOL, OR WILDCAT: Bar-X
STATE: UTAH		

RECEIVED

MAR 24 2014

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

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

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

Southwestern Energy Ventures Company LLC assumed operation of the above referenced well, effective March 7, 2014. The former Operator is Lone Mountain Production Company.

Bond coverage is provided by Southwestern Energy Ventures Company LLC's Statewide Bond RLB0015348.

BLM: RLB0015347

Lone Mountain Production Company

By: James G. Routson
James G. Routson, President

NAME (PLEASE PRINT) <u>MATTHEW HACKER</u>	TITLE <u>MANAGER</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/6/14</u>

(This space for State use only)

APPROVED

MAR 26 2014

DIV. OIL GAS & MINING
Rachel Medina

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

RECEIVED

FORM 6

MAR 26 2014

Div. of Oil, Gas & Mining

ENTITY ACTION FORM

Operator: Southwestern Energy Ventures Company LLC Operator Account Number: N 4035
Address: 2154 W. Eisenhower Blvd.
city Loveland
state CO zip 80537 Phone Number: (970) 669-7411

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301915023	Bar-X Unit No. 4		NENE	18	17S	26E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	10692	19412				2/6/2014	
Comments: <u>enrd</u> <u>3126114</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301930592	Bar-X Unit No. 11		NWNW	18	17S	26E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	10692	19413				2/6/2014	
Comments: <u>enrd</u> <u>3126114</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931371	Bar-X Unit No. 25		NWSE	12	17S	25E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	10692	19414				2/6/2014	
Comments: <u>enrd</u> <u>3126114</u>							

ACTION CODES:

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

Kellie Diffendaffer

Name (Please Print)

Kellie Diffendaffer
Signature

Accountant

3/26/2014
Date

Title

Date

Division of Oil, Gas and Mining
 Operator Change/Name Change Worksheet-for State use only

Effective Date: 11/1/2014

FORMER OPERATOR:	NEW OPERATOR:
Southwestern Energy Ventures Company, LLC N4035 2154 W Eisenhower Blvd Loveland, CO 80537 970-669-7411	SWEVCO-SABW, LLC N4155 2154 W Eisenhower Blvd Loveland, CO 80537 970-669-7411
CA Number(s):	San Arroyo

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

OPERATOR CHANGES DOCUMENTATION:

- Sundry or legal documentation was received from the **FORMER** operator on: 10/21/2014
- Sundry or legal documentation was received from the **NEW** operator on: 10/21/2014
- New operator Division of Corporations Business Number: 8820416-0161

REVIEW:

- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
- Reports current for Production/Disposition & Sundries: 10/27/2014
- OPS/SI/TA well(s) reviewed for full cost bonding: 10/27/2014
- UIC5 on all disposal/injection/storage well(s) approved on: N/A
- Surface Facility(s) included in operator change: None
- Inspections of PA state/fee well sites complete on (only upon operators request): N/A

NEW OPERATOR BOND VERIFICATION:

- Federal well(s) covered by Bond Number: RLB0015753
- Indian well(s) covered by Bond Number: RLB0015753
- State/fee well(s) covered by Bond Number(s): RLB0015799

DATA ENTRY:

- Well(s) update in the **OGIS** on: 11/3/2014
- Entity Number(s) updated in **OGIS** on: 11/3/2014
- Unit(s) operator number update in **OGIS** on: 11/3/2014
- Surface Facilities update in **OGIS** on: N/A
- State/Fee well(s) attached to bond(s) in **RBDMS** on: 11/3/2014
- Surface Facilities update in **RBDMS** on: N/A

LEASE INTEREST OWNER NOTIFICATION:

- The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 11/3/2014

COMMENTS:

Southwestern Energy Ventures Company, LLC to SWEVCO-SABW, LLC

Effective November 1, 2014

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral	Surface	Type	Status	Unit
ARCO 27-1	27	160S	250E	4301930570	11595	Federal	Federal	GW	P	
BLACK HORSE CANYON FED 31-1	31	150S	240E	4304730765	8345	Federal	Federal	GW	P	
FEDERAL 174 1	11	160S	250E	4301915884	8340	Federal	Federal	GW	P	
FEDERAL GILBERT 1	11	160S	250E	4301911089	8341	Federal	Federal	GW	P	
ARCO STATE 36-7	36	155S	240E	4301931162	9710	State	State	GW	P	
ARCO-STATE 2-1	2	160S	240E	4301930240	520	State	State	GW	P	
ARCO-STATE 2-2	2	160S	240E	4301930241	520	State	State	GW	P	
BITTER CREEK 1	2	160S	250E	4301930047	515	State	State	GW	P	
BAR X UNIT 11	18	170S	260E	4301930592	19413	Federal	Federal	GW	S	
BAR X UNIT 25	12	170S	250E	4301931371	19414	Federal	Federal	GW	S	
BAR X UNIT 4	18	170S	260E	4301915023	19412	Federal	Federal	GW	S	
ARCO STATE 36-8	36	155S	240E	4301931192	9710	State	State	GW	S	
FEDERAL 47	31	160S	260E	4301931318	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 12	23	160S	250E	4301915893	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 13	22	160S	250E	4301915894	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 16	26	160S	250E	4301915896	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 17	24	160S	250E	4301915897	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 18	30	160S	260E	4301915898	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 19	14	160S	250E	4301915899	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 20	26	160S	250E	4301915900	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 21	25	160S	250E	4301915901	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 22	15	160S	250E	4301915902	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 24	19	160S	260E	4301915903	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 25	21	160S	250E	4301915904	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 26	20	160S	260E	4301915905	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 27	29	160S	260E	4301915906	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 28	29	160S	260E	4301915907	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 3	23	160S	250E	4301915886	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 30	21	160S	260E	4301915909	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 33	25	160S	250E	4301930608	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 4	30	160S	260E	4301915887	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 44	30	160S	260E	4301931301	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 45	20	160S	260E	4301931299	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 49	29	160S	260E	4301931316	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 9	27	160S	250E	4301915891	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 35	24	160S	250E	4301911090	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 36-A	19	160S	260E	4301931251	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 37	20	160S	260E	4301931252	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 42	30	160S	260E	4301931290	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 43	29	160S	260E	4301931291	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 8	16	160S	250E	4301915890	500	Federal	State	GW	P	SAN ARROYO
SAN ARROYO U 38	16	160S	250E	4301931253	500	State	State	GW	P	SAN ARROYO
SAN ARROYO U 41	36	160S	250E	4301931289	500	State	Fee	GW	P	SAN ARROYO
SAN ARROYO 1	26	160S	250E	4301916532	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 11	15	160S	250E	4301915892	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 1625-220	22	160S	250E	4301931580	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 2	22	160S	250E	4301915885	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 29	22	160S	250E	4301915908	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 31	22	160S	250E	4301930527	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 32	14	160S	250E	4301930528	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 5	25	160S	250E	4301915888	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 6	21	160S	250E	4301915889	505	Federal	Federal	GW	S	SAN ARROYO

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: See Attached
2. NAME OF OPERATOR: SOUTHWESTERN ENERGY VENTURES COMPANY, LLC Operator #N4035		8. WELL NAME and NUMBER: See Attached
3. ADDRESS OF OPERATOR: 2154 W. Eisenhower Blvd. CITY Loveland STATE CO ZIP 80537		9. API NUMBER: Attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached		10. FIELD AND POOL, OR WILDCAT:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		COUNTY: See Attached
		STATE: UTAH

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

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

Please see attached list of wells, transferring operations to new operator SWEVCO-SABW, LLC #N4155

NAME (PLEASE PRINT) <u>Ezra Lee</u>	TITLE <u>President, Southwestern Energy Ventures Comp.</u>
SIGNATURE	DATE <u>10-16-14</u>

(This space for State use only)

APPROVED

NOV 03 2014

DIV. OIL GAS & MINING (See Instructions on Reverse Side)

BY: Rachel Medina

RECEIVED

OCT 21 2014

DIV. OF OIL, GAS & MINING

UTAH																									
API Well Number	Well Name	Operator	Well Status	Well Type	WI	NRI	RI	OR	Field Name/Unit #	Surface Ownership	Mineral Lease	Lease Number	County	Qtr/Qtr	Section	Township-Range	FNL/FSL	FEL/FWL	Latitude	Longitude	Elev. GR	TD	Unit #	PUMPER	
OPERATED																									
Outside the Unit																									
43-019-30570	ARCO STATE 27-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	Federal	Federal	U-29645	GRAND	NWSW	27	16S-25E	1787	S	1200	W	39.3846	-109.14821	6740	5700	Chris
43-019-31162	ARCO STATE 36-7	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSE	36	15.5S-24E	540	S	1550	E	39.45341	-109.21341	8319	7945	Chris
43-019-31192	ARCO STATE 36-8	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSW	36	15.5S-24E	945	S	850	W	39.54688	-109.22361	7789	7490	Chris
43-019-30240	ARCO STATE 2-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NESE	2	16S-24E	2194	S	991	E	39.44346	-109.23015	8443	7600	Chris
43-019-30241	ARCO STATE 2-2	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NWNW	2	16S-24E	769	N	857	W	39.44995	-109.24212	7886	7250	Chris
43-019-30047	BITTER CREEK 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	State	State	ML-25151	GRAND	SWSE	2	16S-25E	395	S	2530	E	39.4387	-109.12413	7375	6658	Chris
43-047-30765	BLACK HORSE CANYON FED 31-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	BLACK HORSE CYN	Federal	Federal	U-14234	UINTAH	NWSW	31	15S-24E	1820	S	500	W	39.46736	-109.28001	8262	7910	Chris
43-019-15884	FEDERAL 174 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84875000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SESW	11	16S-25E	1285	S	2090	W	39.42669	-109.1264	6577	5299	Chris
43-019-11089	FEDERAL GILBERT 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SWNE	11	16S-25E	1700	N	1830	E	39.4329	-109.12144	7001	6200	Chris
43-019-15023	BAR X UNIT 4	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NENE	18	17S-26E	660	N	660	E	39.33379	-109.07281	5146	3599	Chris
43-019-30592	BAR X UNIT 11	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NWNW	18	17S-26E	1319	N	1285	W	39.33203	-109.08486	5200	3466	Chris
43-019-31371	BAR X UNIT 25	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064806	GRAND	NWSE	12	17S-25E	1384	S	2165	E	39.33965	-109.09684	5273	3742	Chris
San Arroyo Unit																									
43-019-16532	SAN ARROYO 1	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-071307	GRAND	SESW	26	16S-25E	1712	N	2566	W	39.38943	-109.12453	6033	5065	Chris
43-019-15892	SAN ARROYO 11	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05059C	GRAND	SESW	15	16S-25E	1760	S	1990	W	39.41349	-109.14544	7524	6367	Chris
43-019-15893	SAN ARROYO 12	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SWSW	23	16S-25E	1140	S	1220	W	39.39734	-109.12949	6507	4731	Chris
43-019-15894	SAN ARROYO 13	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	C-SW	22	16S-25E	1320	S	1320	W	39.39783	-109.14783	7592	6260	Chris
43-019-15896	SAN ARROYO 16	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	26	16S-25E	1125	S	1790	W	39.38276	-109.12746	5922	4884	Chris
43-019-15897	SAN ARROYO 17	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25243	GRAND	NENE	24	16S-25E	660	N	940	E	39.40676	-109.09956	5983	5003	Chris
43-019-15898	SAN ARROYO 18	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNW	30	16S-26E	660	N	990	W	39.39241	-109.09272	5778	4128	Chris
43-019-15899	SAN ARROYO 19	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSE	14	16S-25E	820	S	1610	E	39.41086	-109.12089	6305	5200	Chris
43-019-15885	SAN ARROYO 2	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0370A	GRAND	SESW	22	16S-25E	2420	N	2430	W	39.40199	-109.14379	7752	6826	Chris
43-019-15900	SAN ARROYO 20	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENE	26	16S-25E	1380	N	170	E	39.39025	-109.11553	6855	5457	Chris
43-019-15901	SAN ARROYO 21	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2066	S	2340	E	39.3853	-109.1047	5878	4299	Chris
43-019-15902	SAN ARROYO 22	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011A	GRAND	NENE	15	16S-25E	1210	N	990	E	39.41968	-109.13711	6480	5500	Chris
43-019-15903	SAN ARROYO 24	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06188	GRAND	SESW	19	16S-26E	2450	N	1495	W	39.40194	-109.09106	6023	4815	Chris
43-019-15904	SAN ARROYO 25	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25244	GRAND	SWNE	21	16S-25E	1520	N	1805	E	39.40437	-109.15872	7599	5894	Chris
43-019-15905	SAN ARROYO 26	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25297	GRAND	SWSW	20	16S-26E	660	S	660	W	39.39603	-109.07543	5800	4800	Chris
43-019-15906	SAN ARROYO 27	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06021	GRAND	NESE	29	16S-26E	1990	S	2100	W	39.3851	-109.07027	5584		Chris
43-019-15907	SAN ARROYO 28	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-5650	GRAND	NWNE	29	16S-26E	660	N	1980	E	39.39225	-109.06591	5690	4260	Chris
43-019-15908	SAN ARROYO 29	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	NENE	22	16S-25E	1300	N	195	E	39.40492	-109.13429	6849	5200	Chris
43-019-15886	SAN ARROYO 3	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	SESW	23	16S-25E	1425	N	1450	W	39.40481	-109.12847	6474	5460	Chris
43-019-15909	SAN ARROYO 30	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSW	21	16S-26E	2600	S	900	W	39.40124	-109.05587	5481	4293	Chris
43-019-30527	SAN ARROYO 31	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNW	22	16S-25E	1111	N	913	W	39.40567	-109.14907	7742	6071	Chris
43-019-30528	SAN ARROYO 32	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSW	14	16S-25E	678	S	370	W	39.41086	-109.13255	6325	4964	Chris
43-019-30608	SAN ARROYO 33	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SWSW	25	16S-25E	634	S	728	W	39.3815	-109.1126	5966	4600	Chris
43-019-15887	SAN ARROYO 4	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	30	16S-26E	1080	S	1800	W	39.38264	-109.09012	5735	4860	Chris
43-019-31301	SAN ARROYO 44*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-06023	GRAND	SENE	30	16S-26E	1342	N	741	E	39.39033	-109.08018		5020	Chris
43-019-31299	SAN ARROYO 45*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSE	20	16S-26E	1482	S	1866	E	39.39813	-109.06575		4786	Chris
43-01931318-	SAN ARROYO 47*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNE	31	16S-26E	600	N	1400	E	39.3779	-109.08244		4505	Chris
43-019-31316	SAN ARROYO 49*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-025245	GRAND	NENW	29	16S-26E	1300	N	1666	W	39.39059	-109.07165		4835	Chris
43-019-15888	SAN ARROYO 5	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2030	S	2290	E	39.3852	-109.10452	5878	4940	Chris
43-019-15889	SAN ARROYO 6	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-025244	GRAND	SWNE	21	16S-25E	1940	N	1695	E	39.40321	-109.15836	7588	6510	Chris
43-019-15890	SAN ARROYO 8	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	State	Federal	U-0369	GRAND	SWSW	16	16S-25E	1110	S	1310	W	39.41172	-109.16659	7350	5870	Chris
43-019-15891	SAN ARROYO 9	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNE	27	16S									

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
See Attached

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:
See Attached

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
See Attached

2. NAME OF OPERATOR:
SWEVCO-SABW, LLC Operator #N4155

9. API NUMBER:
Attached

3. ADDRESS OF OPERATOR:
2154 W. Eisenhower Blvd. CITY Loveland STATE CO ZIP 80537

PHONE NUMBER:
(970) 669-7411

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **See Attached** COUNTY: **See Attached**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: **UTAH**

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

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

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

Please see attached list of wells, taking over as operator from Southwestern Energy Ventures Company, LLC #N4035
 Effective date: November 1, 2014
 BLM Bond: RLB 0015753
 State Bond: RLB0015799

NAME (PLEASE PRINT) Kellie Diffendaffer TITLE Accounting Manager
 SIGNATURE *Kellie Diffendaffer* DATE 10/14/14

(This space for State use only)

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OCT 21 2014

APPROVED
NOV 03 2014
DIV. OIL GAS & MINING
BY: Rachel Medina

(5/2000) (See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

UTAH																									
API Well Number	Well Name	Operator	Well Status	Well Type	WI	NRI	RI	OR	Field Name/Unit #	Surface Ownership	Mineral Lease	Lease Number	County	Qtr/Qtr	Section	Township-Range	FNL/FSL	FEL/FWL	Latitude	Longitude	Elev. GR	TD	Unit #	PUMPER	
OPERATED																									
Outside the Unit																									
43-019-30570	ARCO 27-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	Federal	Federal	U-29645	GRAND	NWSW	27	16S-25E	1787	S	1200	W	39.3846	-109.14821	6740	5700	Chris
43-019-31162	ARCO STATE 36-7	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSE	36	15.5S-24E	540	S	1550	E	39.45341	-109.21341	8319	7945	Chris
43-019-31192	ARCO STATE 36-8	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSW	36	15.5S-24E	945	S	850	W	39.45468	-109.22361	7789	7490	Chris
43-019-30240	ARCO STATE 2-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NESE	2	16S-24E	2194	S	991	E	39.44346	-109.23015	8443	7600	Chris
43-019-30241	ARCO STATE 2-2	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NWNW	2	16S-24E	769	N	857	W	39.44995	-109.24212	7886	7250	Chris
43-019-30047	BITTER CREEK 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	State	State	ML-25151	GRAND	SWSE	2	16S-25E	395	S	2530	E	39.4387	-109.12413	7375	6658	Chris
43-047-30765	BLACK HORSE CANYON FED 31-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	BLACK HORSE CYN	Federal	Federal	U-14234	UINTAH	NWSW	31	15S-24E	1820	S	500	W	39.46736	-109.28001	8262	7910	Chris
43-019-15884	FEDERAL 174 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84875000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SESW	11	16S-25E	1285	S	2090	W	39.42669	-109.1264	6577	5299	Chris
43-019-11089	FEDERAL GILBERT 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SWNE	11	16S-25E	1700	N	1830	E	39.4329	-109.12144	7001	6200	Chris
43-019-15023	BAR X UNIT 4	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NENE	18	17S-26E	660	N	660	E	39.33379	-109.07281	5146	3599	Chris
43-019-30592	BAR X UNIT 11	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NWNW	18	17S-26E	1319	N	1285	W	39.33203	-109.08486	5200	3466	Chris
43-019-31371	BAR X UNIT 25	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064806	GRAND	NWSE	12	17S-25E	1384	S	2165	E	39.33965	-109.09684	5273	3742	Chris
San Arroyo Unit																									
43-019-16532	SAN ARROYO 1	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-071307	GRAND	SESW	26	16S-25E	1712	N	2566	W	39.38943	-109.12453	6033	5065	Chris
43-019-15892	SAN ARROYO 11	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05059C	GRAND	NESE	15	16S-25E	1760	S	1990	W	39.41349	-109.14544	7524	6367	Chris
43-019-15893	SAN ARROYO 12	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SWSW	23	16S-25E	1140	S	1220	W	39.39734	-109.12949	6507	4731	Chris
43-019-15894	SAN ARROYO 13	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	C-SW	22	16S-25E	1320	S	1320	W	39.39783	-109.14783	7592	6260	Chris
43-019-15896	SAN ARROYO 16	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	26	16S-25E	1125	S	1790	W	39.38276	-109.12746	5922	4884	Chris
43-019-15897	SAN ARROYO 17	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25243	GRAND	NENE	24	16S-25E	660	N	940	E	39.40676	-109.09956	5983	5003	Chris
43-019-15898	SAN ARROYO 18	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNW	30	16S-26E	660	N	990	W	39.39241	-109.09272	5778	4128	Chris
43-019-15899	SAN ARROYO 19	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSE	14	16S-25E	820	S	1610	E	39.41086	-109.12089	6305	5200	Chris
43-019-15885	SAN ARROYO 2	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0370A	GRAND	SESW	22	16S-25E	2420	N	2430	W	39.40199	-109.14379	7752	6826	Chris
43-019-15900	SAN ARROYO 20	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENE	26	16S-25E	1360	N	170	E	39.39025	-109.11553	6855	5457	Chris
43-019-15901	SAN ARROYO 21	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2066	S	2340	E	39.3853	-109.1047	5878	4299	Chris
43-019-15902	SAN ARROYO 22	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011A	GRAND	NENE	15	16S-25E	1210	N	990	E	39.41968	-109.13711	6480	5500	Chris
43-019-15903	SAN ARROYO 24	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06188	GRAND	SESW	19	16S-26E	2450	N	1495	W	39.40194	-109.09106	6023	4815	Chris
43-019-15904	SAN ARROYO 25	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25244	GRAND	SWNE	21	16S-25E	1520	N	1805	E	39.40437	-109.15872	7599	5894	Chris
43-019-15905	SAN ARROYO 26	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25297	GRAND	SWSW	20	16S-26E	660	S	660	W	39.39603	-109.07543	5800	4800	Chris
43-019-15906	SAN ARROYO 27	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06021	GRAND	NESE	29	16S-26E	1990	S	2100	W	39.3851	-109.07027	5584		Chris
43-019-15907	SAN ARROYO 28	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-5650	GRAND	NWNE	29	16S-26E	660	N	1980	E	39.39225	-109.06591	5690	4260	Chris
43-019-15908	SAN ARROYO 29	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	NENE	22	16S-25E	1300	N	195	E	39.40492	-109.13429	6849	5200	Chris
43-019-15886	SAN ARROYO 3	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	SESW	23	16S-25E	1425	N	1450	W	39.40481	-109.12847	6474	5460	Chris
43-019-15909	SAN ARROYO 30	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSW	21	16S-26E	2600	S	900	W	39.40124	-109.05587	5481	4293	Chris
43-019-30527	SAN ARROYO 31	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNW	22	16S-25E	1111	N	913	W	39.40567	-109.14907	7742	6071	Chris
43-019-30528	SAN ARROYO 32	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSW	14	16S-25E	678	S	370	W	39.41066	-109.13255	6325	4964	Chris
43-019-30608	SAN ARROYO 33	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SWSW	25	16S-25E	634	S	728	W	39.3815	-109.1126	5966	4600	Chris
43-019-15887	SAN ARROYO 4	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	30	16S-26E	1080	S	1800	W	39.38264	-109.09012	5735	4860	Chris
43-019-31301	SAN ARROYO 44*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-06023	GRAND	SENE	30	16S-26E	1342	N	741	E	39.39033	-109.08018		5020	Chris
43-019-31299	SAN ARROYO 45*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSE	20	16S-26E	1482	S	1866	E	39.39813	-109.06575		4786	Chris
43-01931318-	SAN ARROYO 47*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNE	31	16S-26E	600	N	1400	E	39.3779	-109.08244		4505	Chris
43-019-31316	SAN ARROYO 49*	SWEVCO-SABW	Producing	Gas Well	0.2429414	0.20026781	-	0.00240052	SAN ARROYO	Federal	Federal	U-025245	GRAND	NENW	29	16S-26E	1300	N	1666	W	39.39059	-109.07165		4835	Chris
43-019-15888	SAN ARROYO 5	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2030	S	2290	E	39.3852	-109.10452	5878	4940	Chris
43-019-15889	SAN ARROYO 6	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-025244	GRAND	SWNE	21	16S-25E	1940	N	1695	E	39.40321	-109.15836	7588	6510	Chris
43-019-15890	SAN ARROYO 8	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	State	Federal	U-0369	GRAND	SWSW	16	16S-25E	1110	S	1310	W	39.41172	-109.16659	7350	5870	Chris
43-019-15891	SAN ARROYO 9	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNE	27	16S-									

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-31928
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: TIN CUP MESA
1. TYPE OF WELL Water Injection Well	8. WELL NAME and NUMBER: TIN CUP MESA 1-25
2. NAME OF OPERATOR: MAR/REG OIL COMPANY	9. API NUMBER: 43037306900000
3. ADDRESS OF OPERATOR: PO Box 18148 , Reno, NV, 89511	PHONE NUMBER: 755 852-7444 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1950 FNL 0790 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 25 Township: 38.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: TIN CUP MESA COUNTY: SAN JUAN STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/30/2014	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Request for Extension"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Request an extension to conduct remedial work. Request extension to April 30, 2015. Operator will monitor casing pressure weekly and file pressure report monthly.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 11.3.2014
Initials: KS

Date: 10/31/14
By: [Signature]

NAME (PLEASE PRINT) Tariq Ahmad	PHONE NUMBER 775 852-7444	TITLE Petroleum Engineer
SIGNATURE N/A	DATE 10/29/2014	