

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 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 ~~FSL~~ ~~FEL~~ ~~WEL~~ 1650 ~~NSL~~ and 1415 ~~WEL~~ NW SE NE SW
 At proposed prod. zone 1650 NSL and 1415 WEL

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 1415'

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.
 3800' NNW of Well #5

19. PROPOSED DEPTH
 4000' Salt Wash

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 Approximate ground level is 5225'

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

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	250 sx Reg 'G' w/2% CaCl ₂
7 7/8	4 1/2	11.6	4000	350 sx RFC 10-0

- Drill 12 1/4" hole to 300' and set surface casing.
- A double ram BOP will be installed, tested and operational checks made daily and each trip for bit.
- The hole will be air drilled to approx. 4000' to test the Salt Wash member of the Morrison formation.
- 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 & Cut-Fill, Cross-Sec. |
| 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 Mgr. Operations



(This space for Federal or State office use)

PERMIT NO. 43-019-30597 APPROVAL DATE January 23, 1980

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DIVISION OF OIL, GAS & MINING

plotted

ke
PI

** FILE NOTATIONS **

DATE: January 23, 1980

Operator: Terra Resources, Inc.

Well No: Bar X Unit #12

Location: Sec. 8 T. 17S R. 26E County: Grand

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-019-30597

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 3rd

Plotted on Map

Approval Letter Written

January 24, 1980

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

Re: Well No. Bar X Unit #12, T. 17S, R. 26E, Sec. 8., Grand County, Utah
Well No. Bar X Unit #13, T. 17S, R. 26E, Sec. 7, Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas wells is hereby granted in accordance with Section 40-8-111, 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 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 #12 - 43-019-30597;
#13 - 43-019-30598.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder
Geological Engineer

/btm

cc: USGS

United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Moab District
P O Box 970
Moab, Utah 84532

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 for each)

Location of Activity 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





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 12, Lease # SL-064807
Section 8, T. 17 S., R. 26 E., SLB&M
Grand County, Utah

On February 13, 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 REC'D

STANDARD STIPULATIONS FOR OIL & GAS EXPLORATION

Contact this office at least 24 hours prior to beginning construction of access road and pad.

Stockpile the surface 12 inches of topsoil in a wind-row on the north west edge of the location.

The upper banks (uphill side) of all cuts will be rounded during construction of the access road and pad.

Notify the BLM District Archaeologist if cultural material from sub-surface deposits is exposed during the operation.

The trash pit will be at least six feet deep and fenced with fine mesh wire during drilling operations.

The "blooey" line will be centered and directed into the pit.

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).

If production is obtained, all production facilities will be painted "desert tan" or a similar color approved by the Grand Resource Area Manager.

Rehabilitation of the site and access road will be accomplished in accordance with the enclosed restoration procedures.

Production facilities and pipeline route are approved on this location under lease rights.

Well site will be 150 feet by 250 feet and the well layout will be reversed putting the compressor to the northwest of the well and pipe-racks to the southeast.

Lessee will be fully responsible for any vegetative loss and soil contamination caused by any fracing process.

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.).

SPECIES

LB/ACRE

Grass

Oryzopsis hymenoides
Hilaria jamesii

Indian rice grass
Curley grass

1
1

Forbs

Penstemon palmeri

Palmer Penstemon

1

Shrubs

Artiplex confertifolia
Ceretooides lanata

Shadscale
Winterfat

1
1
5

1. Inform this office before beginning work.

FROM: DISTRICT GEOLOGIST, M&G, SALT LAKE CITY, UTAH

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

SUBJECT: APD MINERAL EVALUATION REPORT

Glenn

LEASE NO. SIC-064807

OPERATOR: Terra Resources, Inc WELL NO. 12

LOCATION: N $\frac{1}{2}$ SE $\frac{1}{2}$ NW $\frac{1}{2}$ sec. 8, T. 17S, R. 26E, SLM
Grand County, Utah

1. Stratigraphy: Operator logs appear reasonable:

Mancoos (upper shale member) - surface	
Frontier -	2995'
Dakota Fm. -	3305'
Monison -	3414'
Salt Wash -	3735'

2. Fresh Water:
possible in sands of the Mancoos.

3. Leasable Minerals:
Gas in Dakota + Monison

4. Additional Logs Needed:
no.

5. Potential Geologic Hazards:
none expected

6. References and Remarks:
within Bar X K&S
USGS Maps I-736

Signature: *Joseph Incardine* Date: 2-7-80

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-064807 Well No. 12

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:

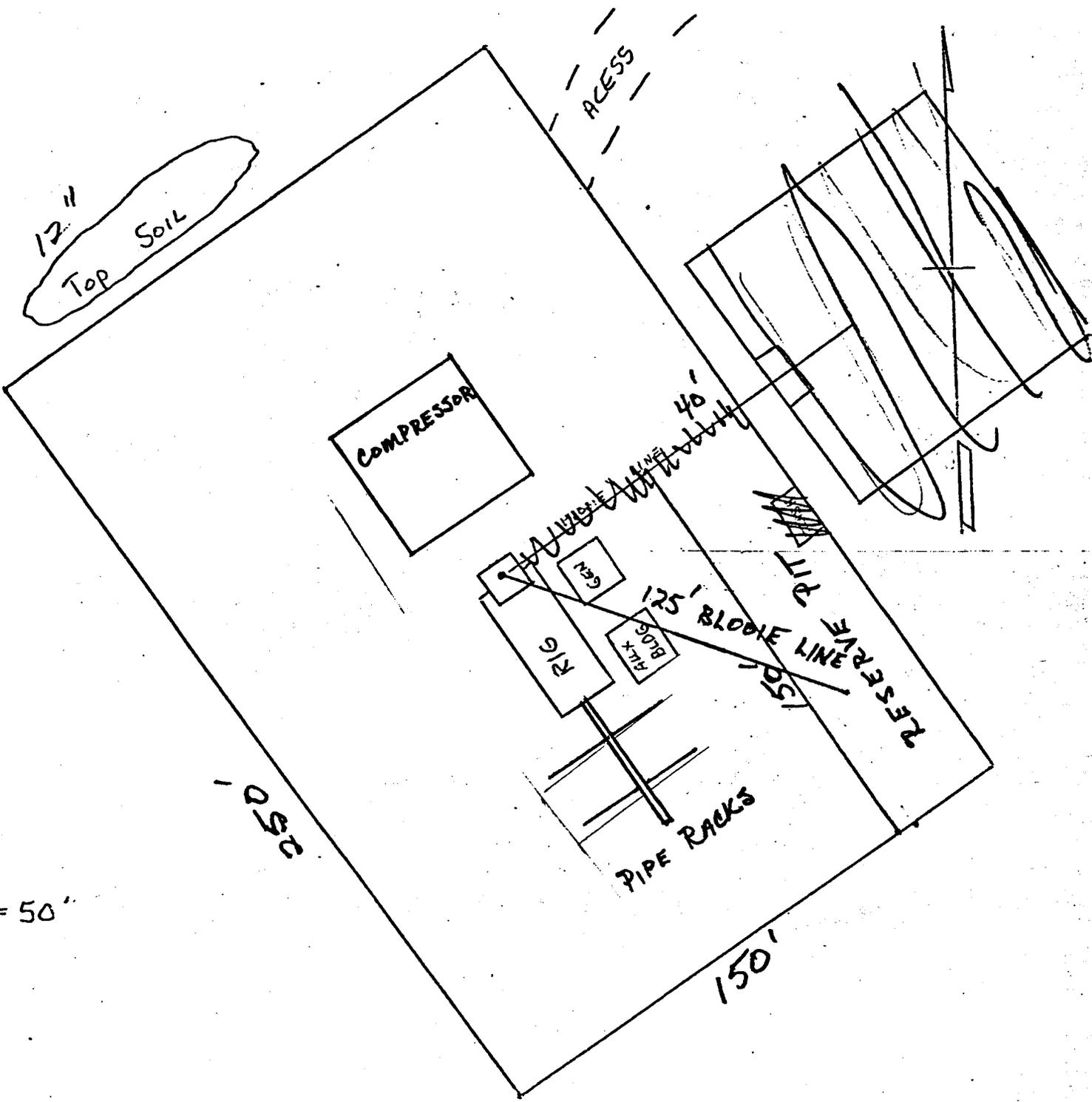
The minable zones should be isolated with cement from a point 100 feet below the formation to 100 feet above the formation. Water-bearing horizons should be cemented in like manner. Except for salines or water-bearing horizons with potential for mixing aquifers, a depth of 4,000 feet has been deemed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

Signed Allen J. Vance

19 FEB 1960

TERCA RESOURCES
BAR X UNIT
1650'FS & 1415 FE SEC 8 T17S R26E
GRAND COUNTY, UTAH

N



1" = 50'

DIAGRAM I

Oil and Gas Drilling

EA No. 240-80

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 22, 1980

Operator Terra Resources, Inc. Well No. 12
Location 1650' NSL 1415' WEL Section 8 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: February 13, 1980

Field Inspection Participants, Titles, and Organizations:

<u>Hank Fritzker</u>	<u>Operator</u>
<u>Bill Buniger</u>	<u>Dirt Contractor</u>
<u>Elmer Duncan</u>	<u>Bureau of Land Management</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.

*Admin Compl ?
Pad 150 x 250
Pct 40 x 150
3/10 mi x 18' new access
15/10 cc
→ Cont 7 Appro PG 6 17
1-6*

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DUPLICATE

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. 12

10. FIELD AND POOL, OR WILDCAT Bar X

SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8, T17S, R26E

11. COUNTY OR PARISH Grand 13. STATE UTAH

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

13. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1415'

14. NO. OF ACRES IN LEASE 2080' 15. NO. OF ACRES ASSIGNED TO THIS WELL 320

16. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3800' NNW of Well #5

17. PROPOSED DEPTH 4000'

18. ROTARY OR CABLE TOOLS Rotary

19. ELEVATIONS (Show whether DF, RT, GR, etc.) Approximate ground level is 5225'

20. APPROX. DATE WORK WILL START* March 1, 1980

RECEIVED
JUN 30 1980
DIVISION OF OIL, GAS & MINING

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	250 sx Reg 'G' w/2% CaCl ₂
7 7/8	4 1/2	11.6	4000	350 sx RFC 10-0

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 & Cut-Fill, Cross-Sec. |
| 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 Mgr.-Operations DATE 1/21/80

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

FOR E. W. GYNN DISTRICT ENGINEER

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

NOTICE OF APPROVAL

*See Instructions On Reverse Side

Utah State Oil & Gas

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

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

DESCRIPTION OF PROPOSED ACTION

Proposed Action:

1. Location State: Utah
County: Grand

1650 ' F S L, 1415 ' F E L, NW ¼ SE ¼
Section 8, T17S, R26E

2. Surface Ownership Location: Public
Access Road: Public

Status of Reclamation Agreements: Not Applicable

3. Dates APD Filed: January 23, 1980
APD Technically Complete: February 8, 1980
APD Administratively Complete: January 23, 1980

4. Project Time Frame Starting Date: April 1980
Duration of drilling activities: 10 days.

A period of 30 to 60 days is normally necessary to complete a well for production if hydrocarbons are discovered. If a dry hole is drilled, recontouring and reseeding would normally occur within one year; revegetation or restoration may take several years. If the well is a producer, an indefinite period of time would occur between completion and rehabilitation.

5. Related actions of other federal or state agencies and Indian tribes:

None known

6. Nearby pending actions which may affect or be affected by the proposed action:

None known

7. Status of variance requests:

None known

The following elements of the proposed action would/could result in environmental impacts:

1. A drill pad 150' wide x 250' long and a reserve pit 40' x 150' would be constructed. Approximately .3 mile of new access road, averaging 18' in width, would be constructed from a maintained road. 1.5 acres of disturbed surface would be associated with the project.

2. Drilling

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.

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: None known

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: Application to Drill, Field observation

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: Algermissen, S. T., and Perkins, David M., 1977, Earthquake hazards map of the United States, Reprint from Earthquake Information Bulletin,

9(1) Jan-Feb., 4 pp.; 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.

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, alkaline 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. Utah State Division of Health, Conservation Committee, 1979, Utah air conservation regulations, Bureau of National Affairs, Inc., February.

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: Several small, intermittent drainages would be levelled and filled. No significant impacts would be expected.

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, increased sediment yields would be expected. Impacts to surface water quality are expected to be negligible.

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.

Local impact

Information Source: Field observation, 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 1.5 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.

Information Source: Bureau of Land Management

L. 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 1.5 acres of vegetation would be removed, increasing and accelerating erosion potential.

b. Pollution of groundwater systems 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 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) To accommodate the rig, the following rig layout changes would result in impacts:

- a) Construction of a narrower reserve pit (40' x 150'),
- b) Shift the pad 10' to the SW.

2) Construction of a trash pit could result in soil degradation, plus it would entail additional surface disturbance.

3) Livestock and wildlife could be harmed by hazardous fluids in the reserve pit unless it was properly fenced.

2. Conditional approval

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

1) By using a trash cage, additional surface disturbance plus potential soil degradation can be avoided.

2) By fencing the reserve pit on three sides prior to drilling, and on the fourth side once the rig moves off, hazards to livestock and wildlife posed by fluids in the reserve pit would be avoided.

3) By shifting the pad 10' to the SW and narrowing the reserve pit to 40' x 150', less surface disturbance would occur and the pad would accommodate the rig better.

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. *None*
2. See attached BLM Stipulations.
3. Shift pad 10' to the SW.
4. Narrow the reserve pit to 40' x 150'.
5. Use a trash cage.
6. Fence reserve pit on three sides prior to drilling and on the fourth side once the rig moves off.

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).

E. S. [Signature]

DISTRICT ENGINEER

APR 28 1980

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

Date



*Terra Resources Bar X #12
Sec. 8, T17S, R26E, Grand Co.,
Utah*

ATTACHMENTS

APPENDIX I **Bureau of Land Management Stipulations**

APPENDIX II **Mineral Evaluation Report**

APPENDIX III **Mining Report**

DIAGRAM I **Revised Rig Layout**



SCOTT M. MATHESON
Governor

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

CLEON B. FEIGHT
Director

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

OIL, GAS, AND MINING BOARD

CHARLES R. HENDERSON
Chairman

JOHN L. BELL
C. RAY JUVELIN
THADIS W. BOX
MAXILIAN A. FARBMAN
EDWARD T. BECK
E. STEELE McINTYRE

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

- (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

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



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

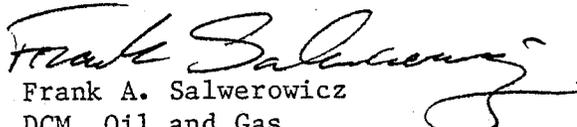
On October 9, 1981, three drilling rig personnel were injured in an air-drilling related accident on federal lands under the supervision of our Grand Junction, Colorado, District Oil and Gas Office. We feel that this accident involved factors that, if correctly handled, could have prevented the accident.

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. 12
Section 8, 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 windrow on the northwest edge 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) A trash cage will be used instead of a trash pit.
- 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) The reserve pit will be 40' X 150'. It will be fenced on three sides prior to drilling and on fourth side once the rig moves off.
- 8) Rehabilitation of the site and access road will be accomplished in accordance with the enclosed restoration procedures.
- 9) Well site will be 150 feet by 250 feet and shifted 20 feet to the southwest. The well layout will be reversed putting the compressor to the northwest of the well and pipe-racks to the southeast.
- 10) Operator will be fully responsible for any vegetative loss and soil contamination caused by any fracing process.

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

IN REPLY REFER TO

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.

UNITED STATES MINERALS MANAGEMENT SERVICE
DEPARTMENT OF THE INTERIORS
GEOLOGICAL SURVEY

Other instructions on reverse side

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.
12

10. FIELD AND POOL, OR WILDCAT
Bar X

11. SEC., T., E., M., OR BLE. AND SURVEY OR AREA
Sec. 8, T17S, R26E

12. COUNTY OR PARISH
Grand

13. STATE
UTAH

22. APPROX. DATE WORK WILL START
June 15, 1982

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

12. 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 1650 NSL and 1415 WEL
At proposed prod. zone 1650 NSL and 1415 WEL

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
1415'

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.
3800' NNN of Well #5

19. PROPOSED DEPTH
4000'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
Approximate ground level is 5225'

23. PROPOSED CASING AND CEMENTING PROGRAM

NWSE

SALT WASH

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	32	300	250 sx Reg 'G' w/2% CaCl ₂
7 7/8	4 1/2	11.6	4000	350 sx RFC 10-0

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

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 6/22/82
BY: [Signature]

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.

SIGNED: [Signature] TITLE District Manager-Operations DATE 5/4/82

PERMIT NO. APPROVAL DATE
APPROVED BY: [Signature] for E. W. Gynn DATE MAY 27 1982
CONDITIONS OF APPROVAL, IF ANY: TITLE District Oil & Gas Supervisor

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

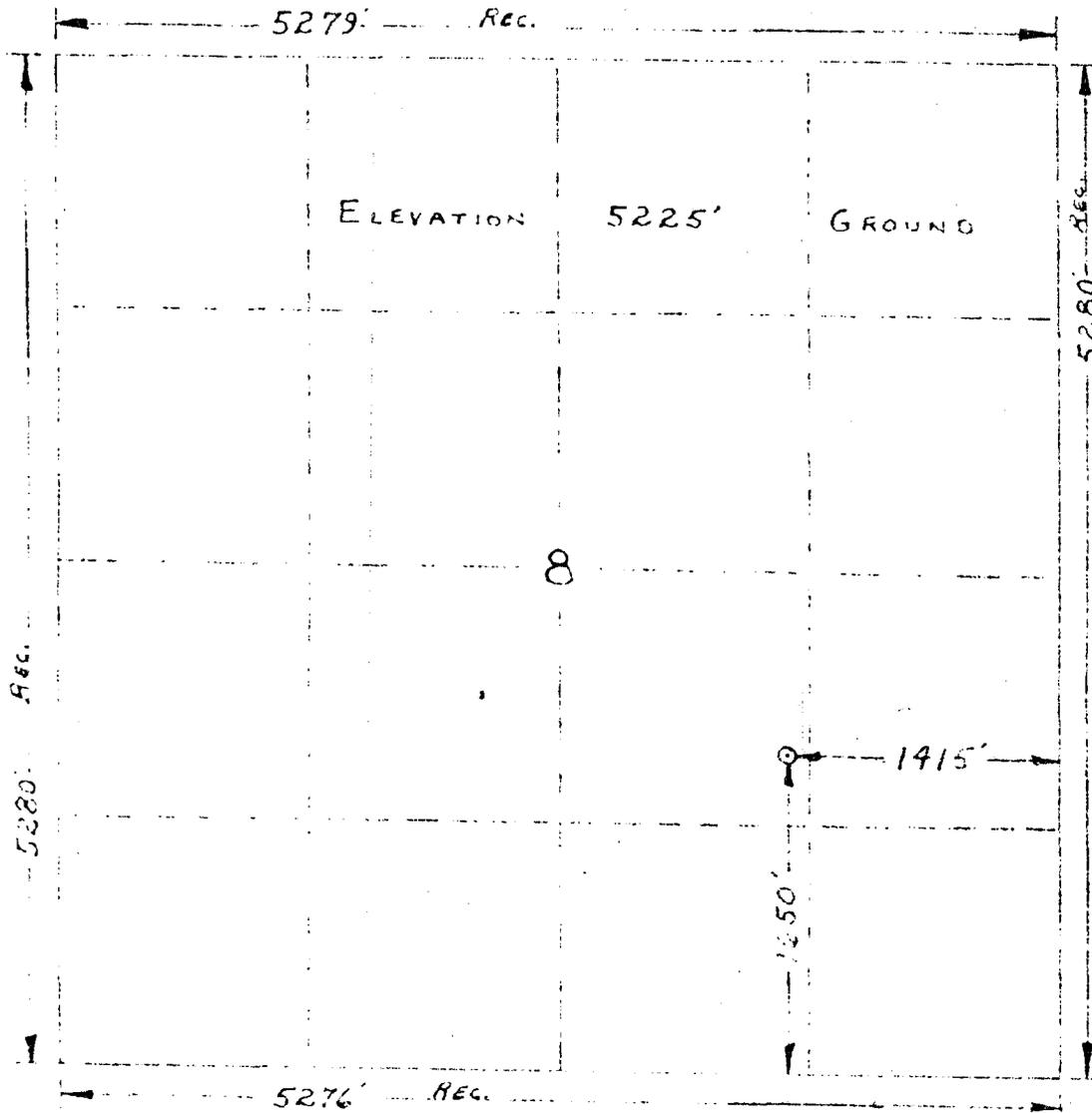
*See Instructions On Reverse Side

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

operator



R. 26 E.



T. 17 S.



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 #12 BAR X UNIT to be 1650' FS & 1415' FE Section 8 Township 17 S. Range 26 E. OF THE SALT LAKE Meridian GRAND County, UTAH

I hereby certify that this plat is an accurate representation of a correct survey showing the location of #12 BAR X UNIT

Date 4-24-79

[Signature]
 Licensed Land Surveyor No. 2711
 State of UTAH

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 #12
Well Location: 1650' NSL and 1415' WEL
Sec. .8 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	2995'
Dakota Silt	3325'
Dakota	3305'
Morrison	3414'
Salt Wash	3735'
TD	3900'

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

<u>Formation</u>	<u>Depth</u>	<u>Remarks</u>
Dakota	3305'	Possible gas
Upper Morrison	3414'	Possible gas
Salt Wash	3735'	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 250 sx regular "G" cement w/2% CaCl₂.
- (b) Set 4 1/2" 11.6#J-55 new casing, in 7 7/8" hole at TD. (4000') and cement if productive with 350 sx of RFC 10-0.

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:

SNP, FDC-GR	TD to surface casing
DIL	TD to surface casing

- C) No cores are planned.

- D) Acidize with 500 gallons 15% MSR and/or Foam Frac with 75,000 gallons of 5% HCl and 70,000# 20-40 and 10/20 sand if the zones merit. See Exhibit "H".

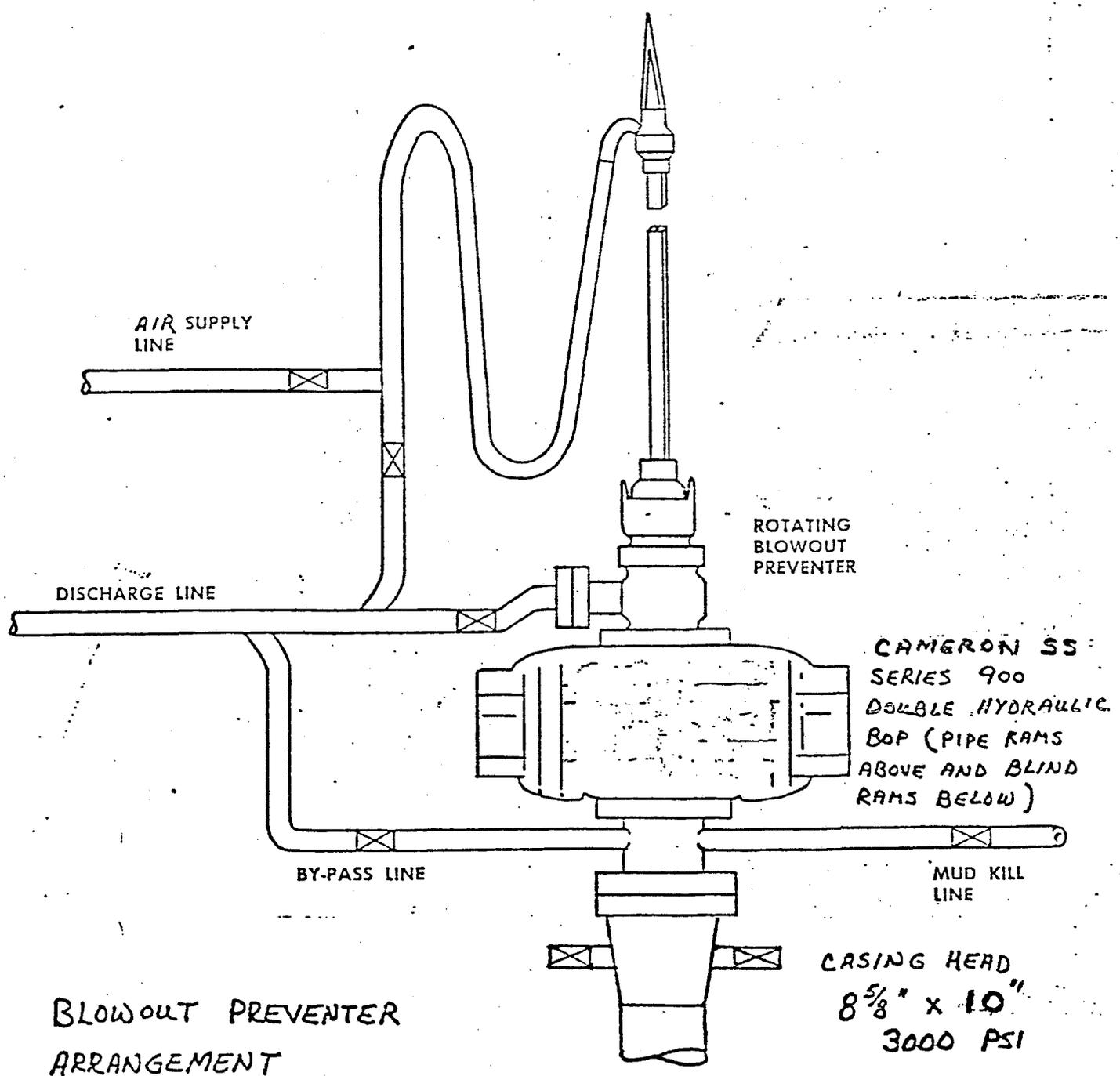
9. Any anticipated Abnormal Pressures or Temperatures Expected

None

10. The Anticipated Starting Date and Duration of the Operations

The anticipated starting date is set for March 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 # 12

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

MINERALS MANAGEMENT
SERVICE
OIL & GAS OPERATIONS
RECEIVED

MAY 7 1982

EXHIBIT "D"

SALT LAKE CITY, UTAH

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

Attached to Form 9-331C
Terra Resources, Inc.
Bar X Unit Well #12
1650' NSL & 1415' WEL
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 North .5 miles to staked access road; proceed West .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 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 is one well 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.

Asking for approval now?
No

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.

Permits

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. *what other sewage* 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 March 1, 1980. It is anticipated that the casing point will be reached within 10 days after commencement of drilling.

Big Salt Wash

Permits?

Arch. clearance?

12. Lessee's or Operator's Representative

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

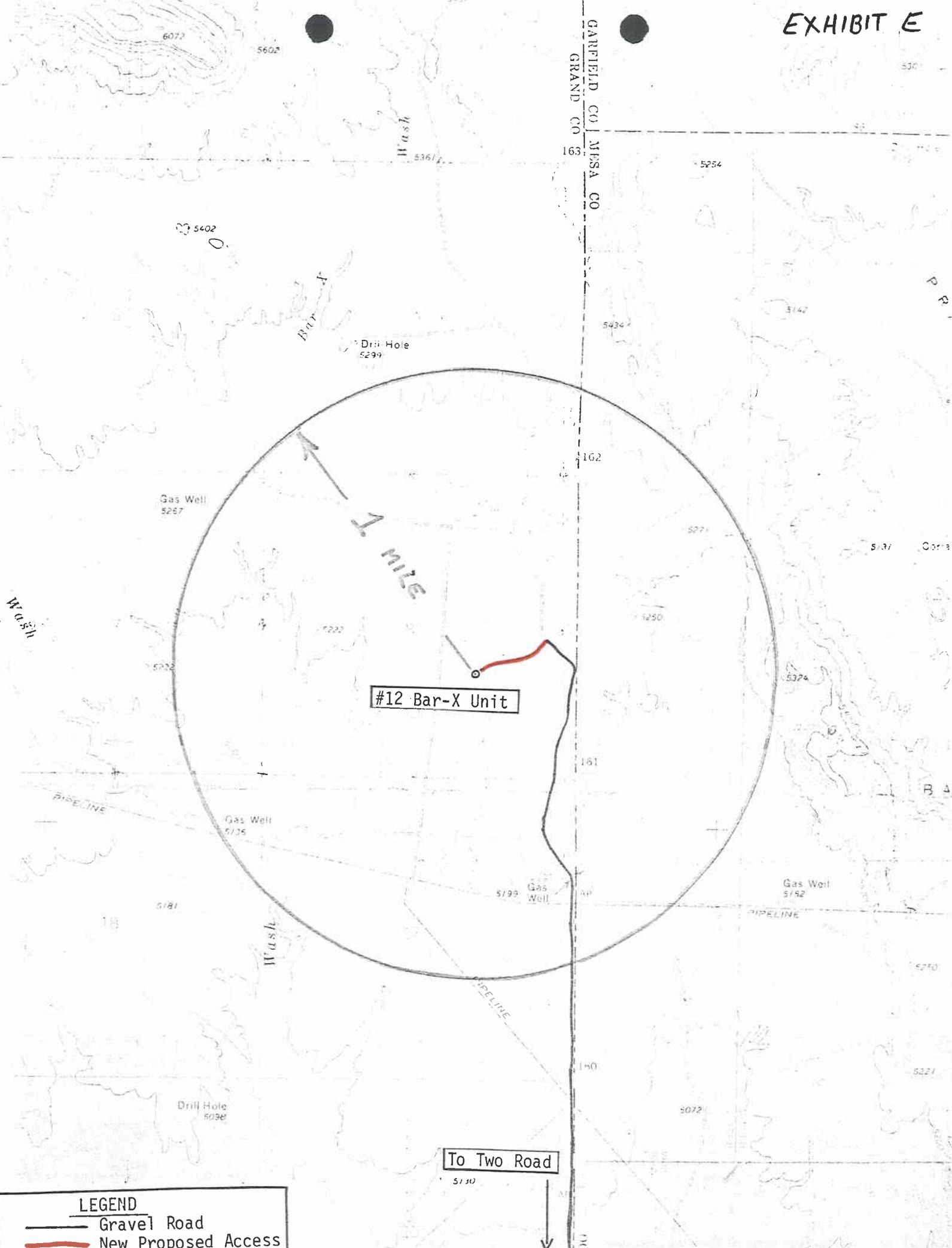
13. Certification

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.

1-16-80
Date

Cecil G Foote

GARFIELD CO MESA CO
GRAND CO



Wash

Wash

5402

Drill Hole
5299

Gas Well
5257

1. MILE

#12 Bar-X Unit

Wash

PIPELINE

Gas Well
5125

Wash

5181

Gas Well
5199

PIPELINE

Gas Well
5152

Drill Hole
5036

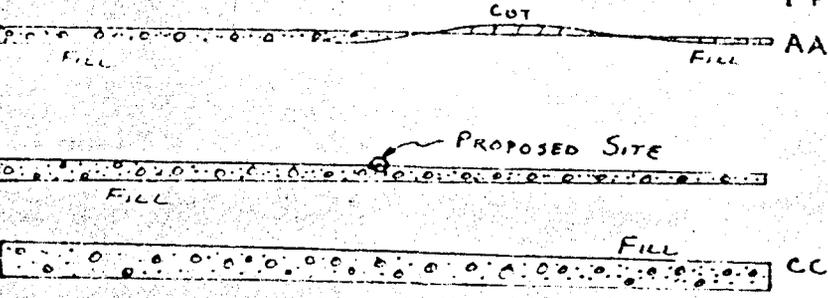
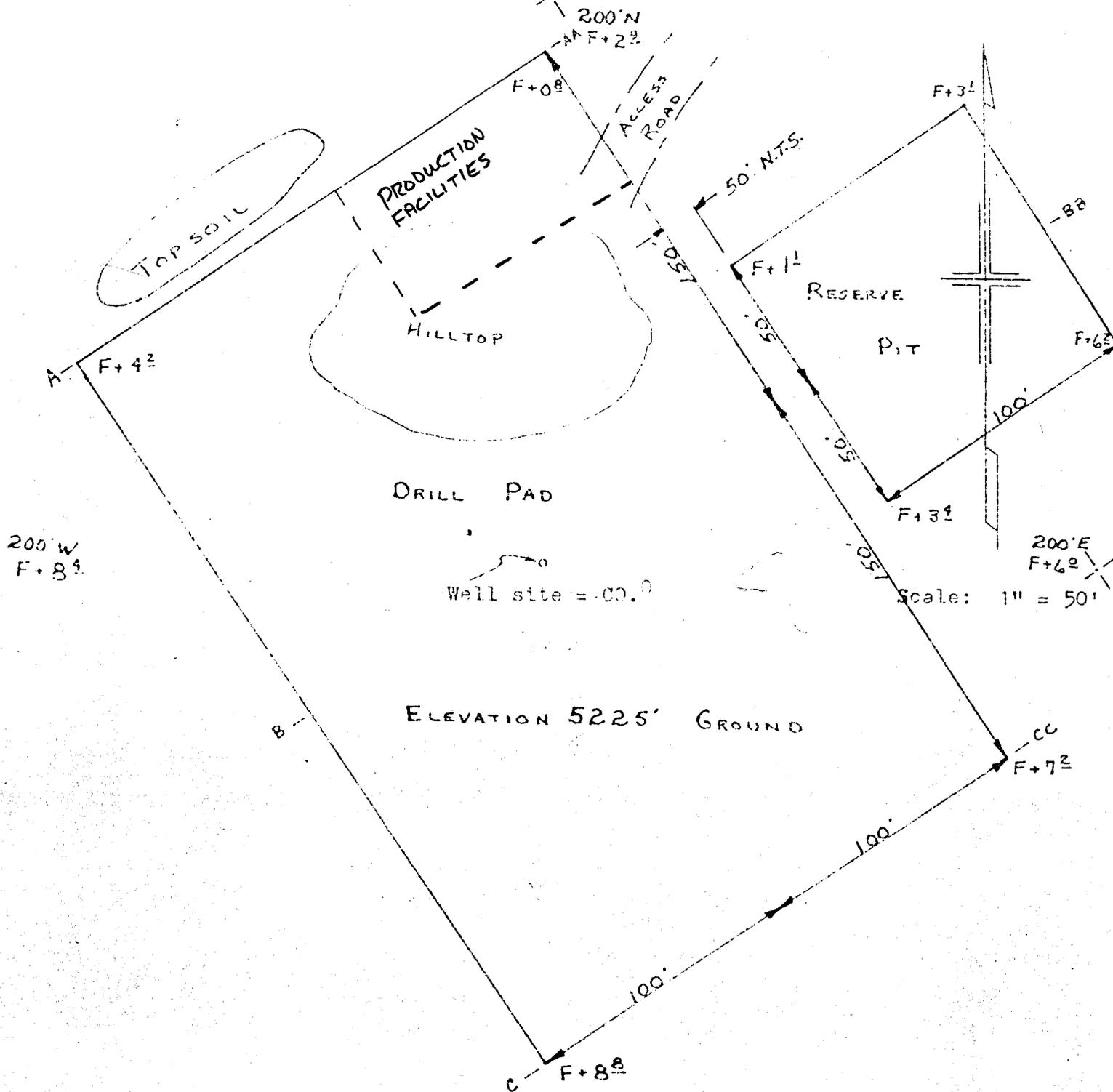
To Two Road

5130

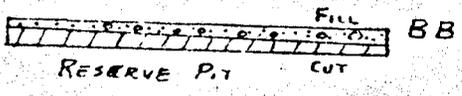
LEGEND

- Gravel Road
- New Proposed Access

TERRA RESOURCES CO.
#12 BAR X UNIT
1650' FS & 1415 FE SEC. 8 T17S R26E
GRAND COUNTY UTAH

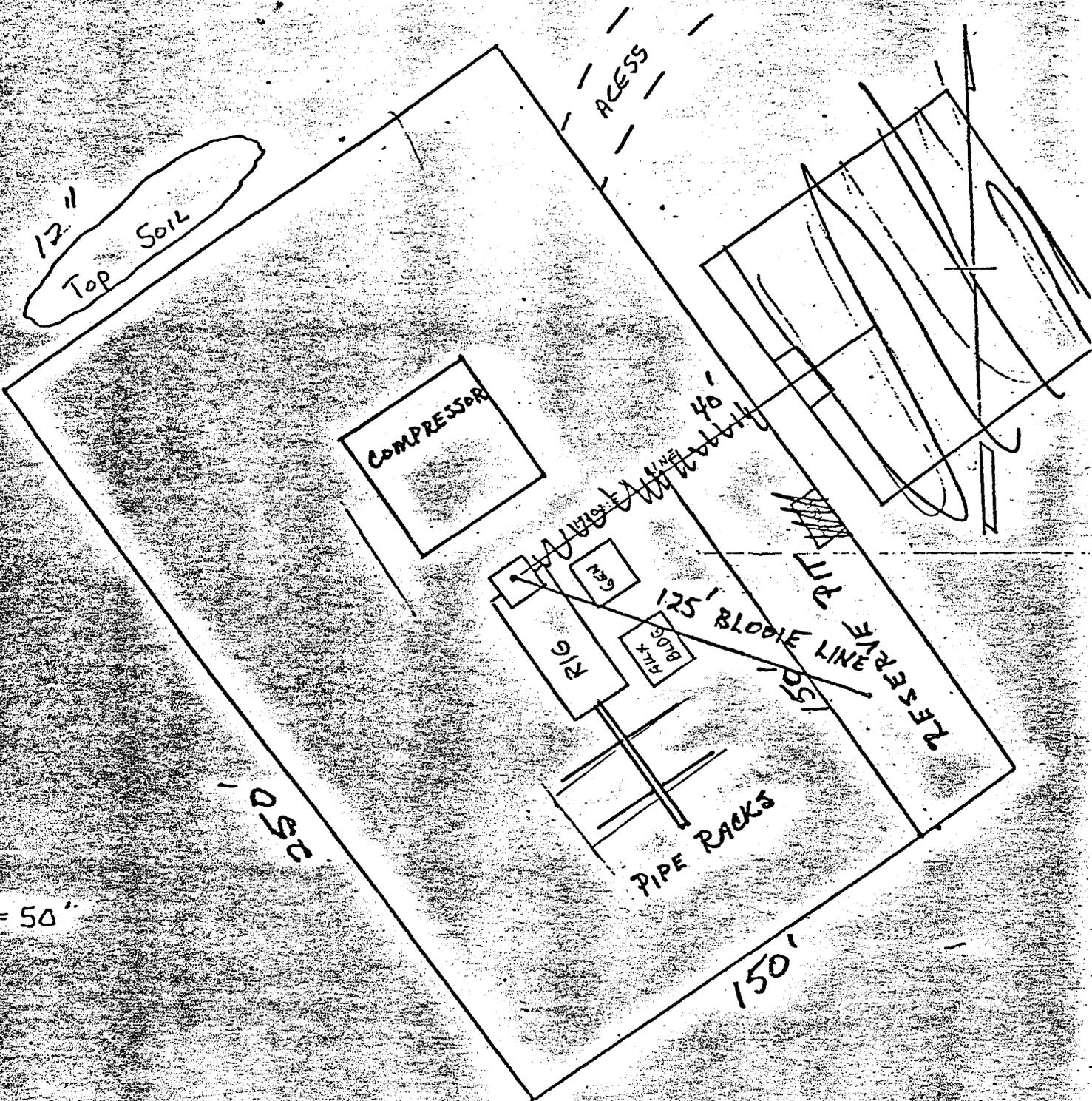


by: Richard A. Schultz
Powers Elevation Company, Inc.
4-24-79



12 BAR X WIT
165 FS & 1415 FE - Sec 8 T1 R26E
GRAND COUNTY, UTAH

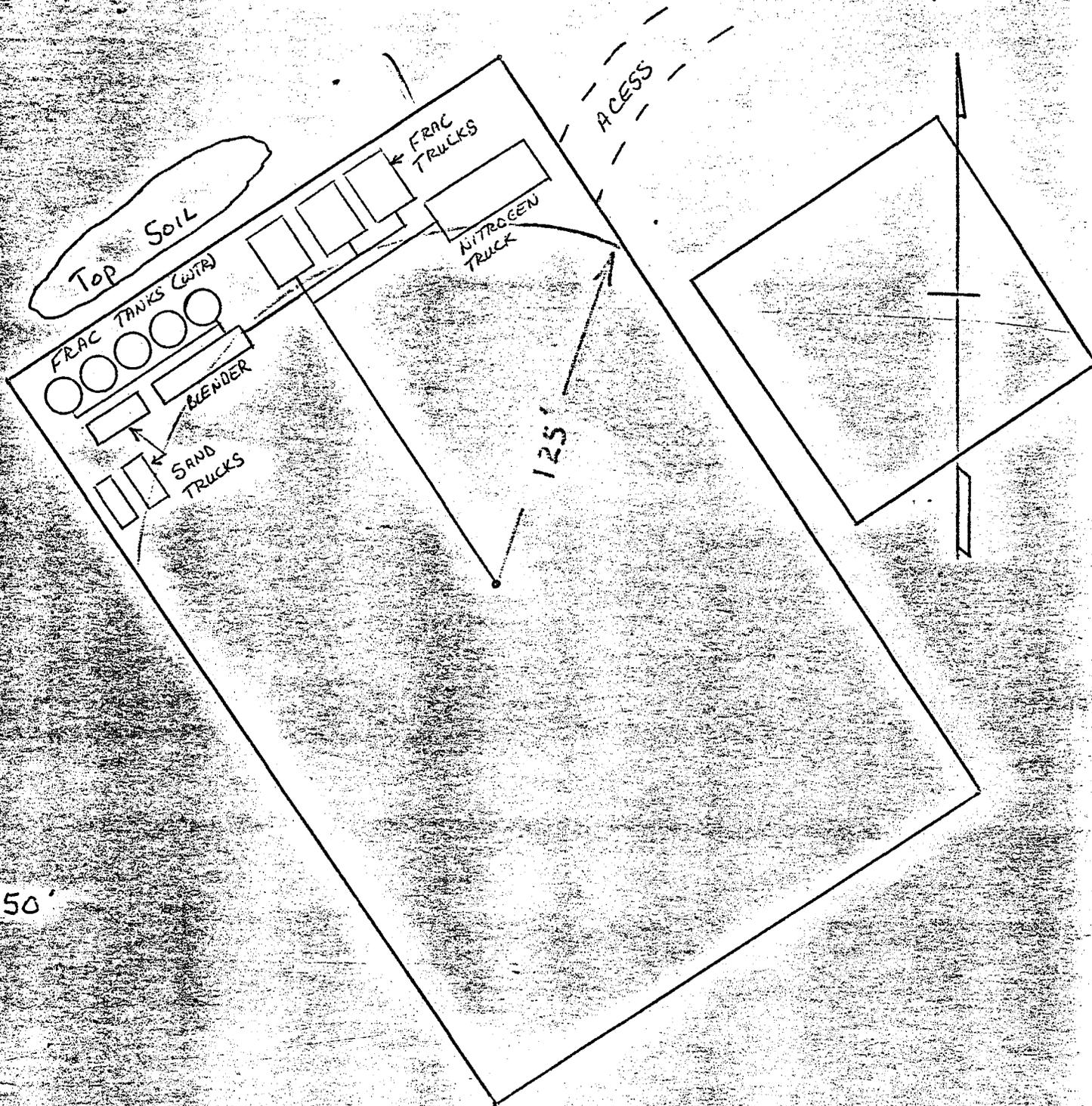
N



1" = 50"

DIAGRAM I

TERRA RESOURCES
#12 BAR X UNIT
1650'FS & 1415 FE SEC 8 T175 R26E
GRAND COUNTY, UTAH



1" = 50'

EXHIBIT "I"

(04-02-76)
WYO60-3109-3

REHABILITATION PLAN

Lease No.: _____; Well Name and No.: 12 Bar X Unit;
Location: 1650 FSL 1415 FEI, Sec. 8, 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: 307-237-8461
Date: January 16, 1980

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.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Terra Resources, Inc Well No. 12
Location Sec 8, T. 17S, R. 26 E 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

4. The spud date will be reported orally to the District Supervisor's office within 48 hours after spudding. If the spudding occurs on a weekend or holiday, wait until the following regular workday to make this report.

Periodic drilling progress reports must be filed directly with the District Supervisor's office on a frequency and form or method as may be acceptable to the District Supervisor.

In accordance with NTL-1, this well must be reported on Form 9-329 "Monthly Report of Operations," starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed, in duplicate, directly with the U.S. Geological Survey Accounting, P.O. Box 2859, Casper, Wyoming 82602.

Any change in the program must be approved by the District Supervisor. "Sundry Notices and Reports on Wells" (form 9-331) must be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alteration of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground will require the filing of a suitable plan pursuant to NTL-6, and prior approval by the District Supervisor.

5. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (form 9-330) will be submitted not later than 15 days after completion of the well or after completion of operations being performed, in accordance with 30 CFR 221.59. Two copies of all logs run, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 9-330. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by this office.

6. Significant surface values (are) ~~(are not)~~ involved at this location. Accordingly, you (must) ~~(need not)~~ notify the Surface Management Agency at least ~~(24)~~ (48) hours prior to commencing field operations to allow the Surface Management Agency office to have personnel present for consultation during the construction of roads and locations.

The Surface Management Agency contact
Office Phone: (801) 259-6111,
City: Moab

is: Elmer Duncan
Home Phone: _____
State: Utah

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.

12. This Application for Permit to Drill is approved subject to the requirement that, should the well be successfully completed for production, this office must be notified when it is placed in a producing status. Such notification will be by telegram or other written communication, and must be received in this office by not later than the first business day next following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

- a. Operator name, address and telephone number.
- b. Well name and number.
- c. Well location (1/4, 1/4, Section, Township, Range and Prime Meridian).
- d. Date well was placed in a producing status.
- e. The nature of the well's production, i.e. crude oil, or crude oil and casinghead gas, or natural gas and entrained liquid hydrocarbons.
- f. The OCS, Federal or Indian lease prefix and number on which the well is located. Otherwise, the non-Federal or non-Indian land category, i.e. State or private.
- g. If appropriate, the unit agreement name, number and participating area name.
- h. If appropriate, the communitization agreement number.

13. _____

SUPPLEMENTAL STIPULATIONS OF APPROVAL ATTACHED

MINERAL MANAGEMENT SERVICE
DEPARTMENT OF THE INTERIORS
GEOLOGICAL SURVEY

(Other instructions on reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER 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 1650 NSL and 1415 WEL
At proposed prod. zone 1650 NSL and 1415 WEL

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1415'

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. 3800' NNW of Well #5

19. PROPOSED DEPTH 4000'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
Approximate ground level is 5225'

22. APPROX. DATE WORK WILL START*
June 15, 1982

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	250 sx Reg 'G' w/2% CaCl ₂
7 7/8	4 1/2	11.6	4000	350 sx RFC 10-0

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 & 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. Reiser, Jr. TITLE District Manager-Operations DATE 5/4/82
(This space for Federal or State office use)

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

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. 289-62
Ref-240-80

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

NEPA CATEGORICAL EXCLUSION REVIEW

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

PROJECT IDENTIFICATION

Operator TERRA Resources
Project Type GAS well-Development
Project Location 1650N SL 1415 West Sec 8 T17S R26E
Well No. #12 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

[Signature]
Environmental Scientist

I concur

MAY 24 1982
Date

[Signature] FOR E. W. GUYNN
DISTRICT OIL & GAS SUPERVISOR
District Supervisor

CATEGORICAL EXCLUSION REVIEW INFORMATION SOURCE

Criteria DM 2.3.A	Federal/State Agency			Local and private correspondence (date)	Previous NEPA	Other studies and reports	Staff expertise	Onsite inspection (date)	Other
	Corre- spondence (date)	Phone check (date)	Meeting (date)						
Public health safety					EA 240-80 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 - 240-80



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



June 15, 1982

Application for Permit to Drill
Terra Resources, Inc.
Bar X Unit Well #11, 12, & 13
Grand County, Utah

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

Gentlemen:

Enclosed please find two (2) copies of Form #9-331C,
"Application for Permit to Drill" for each of the above
referenced wells.

Your approval of these applications at an early date
will be greatly appreciated.

Yours very truly,

TERRA RESOURCES, INC.

D.R. Flack
District Operations Supervisor

DRF/CGF:dI
Enclosure

RECEIVED
JUN 21 1982

DIVISION OF
OIL, GAS & MINING

** FILE NOTATIONS **

DATE: June 22, 1982

OPERATOR: Terra Resources, Inc.

WELL NO: Bar X Unit #12

Location: Sec. 8 T. 17S R. 26E County: Grand

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-019-30597

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 F&D

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 #12
Sec. 8, 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 43-019-30597.

Sincerely,


RONALD J. FIRTH
CHIEF PETROLEUM ENGINEER

RJF:SC
cc: Minerals Management Service
Enclosure

NOTICE OF SPUD

Company: Jerra Resources

Caller: Cecil Foote

Phone: 307-237-8461

Well Number: Unit # 12

Location: Sec 8-175-26E

County: Grand State: Utah

Lease Number: SLE-064807

Lease Expiration Date: _____

Unit Name (If Applicable): Box X

Date & Time Spudded: 1:00 AM 7-6-82

Dry Hole Spudded Rotary: _____

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

Rotary Rig Name & Number: Ueco #1

Approximate Date Rotary Moves In: 7-5-82

FOLLOW WITH SUNDRY NOTICE

Call Received By: De Leo

Date: 7-6-82

State

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: TERRA RESOURCES

WELL NAME: BAR X UNIT #12

SECTION NWSE 8 TOWNSHIP 17S RANGE 26E COUNTY GRAND

DRILLING CONTRACTOR VECO

RIG # 1

SPUDED: DATE 7-6-82

TIME 1:00 AM

How ROTARY

DRILLING WILL COMMENCE _____

REPORTED BY CECIL FOOTE

TELEPHONE # 307-237-8461

DATE 07-06-82 SIGNED SLC



August 19, 1982

Completion Reports
Bar X #12 & #13
Grand County, Utah

Minerals Management Service
2000 Administration Bldg.
1745 W. 1700 S.
Salt Lake City, UT 84104

Attn: W. P. Mortens

Dear Sir:

Enclosed please find three (3) copies of the U.S.G.S. form #9-330, 'Well Completion or Recompletion Report and Log', for the above referenced wells.

If any additional information is required, please advise.

Yours very truly,

TERRA RESOURCES, INC.

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

ECR/CMM:pc
Enclosures

cc: Ronald J. Firth
State of Utah
Natural Resources & Energy
4241 State Office Bldg.
Salt Lake City, UT 84114

RECEIVED
AUG 25 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.

10

WELL COMPLETION OR RECOMPLETION REPORT

RECEIVED
AUG 25 1982

5. LEASE DESIGNATION AND SERIAL NO.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Bar X

9. WELL NO.
12

10. FIELD AND POOL, OR WILDCAT

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

Sec. 8, T17S-R26E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

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
P.O. Box 2500, Casper, WY 82602

DIVISION OF
OIL, GAS & MINING

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface
At top prod. interval reported below 1415' WEL, 1650' NSL
At total depth NW. SE Sec. 8, T17S-R26E

NWSE

14. PERMIT NO. 43-019-30597
DATE ISSUED 6/28/82

15. DATE SPUNDED 7/6/82
16. DATE T.D. REACHED 7/14/82
17. DATE COMPL. (Ready to prod.) 8/6/82
18. ELEVATIONS (DF, REB, RT, GR, ETC.)* 5232' KB
19. ELEV. CASINGHEAD 5223'

20. TOTAL DEPTH, MD & TVD 3555'
21. PLUG, BACK T.D., MD & TVD 3539'
22. IF MULTIPLE COMPL., HOW MANY* 2
23. INTERVALS DRILLED BY → All
ROTARY TOOLS
CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
Upper Morrison - 3215'-3219'
Lower Morrison - 3243'-3249'
25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
DIL/GR, FDC-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	322'	12 1/4"	210 sx Class B w/2% CaCl	None
4 1/2"	11	3551'	7 7/8"	350 sx Class H w/10% THC-60, 15% salt, 50%KCl	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	3135'	3135'

31. PERFORATION RECORD (Interval, size and number)

3215'-3219' 2 SPF 3 1/8" gun
3243'-3249' 2 SPF 3 1/8" gun

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3214-3218'	500 gal 7 1/2% acid 2250 psi
3242-3248'	2 gal HAI-75, 1 gal Clay Sta 1 gal FFS
3214-18, 3242-48'	Sand frac 60,000# 20-40 mesh sand

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
	Flow	Prod.
DATE OF TEST 8/6/82	HOURS TESTED 24	CHOKE SIZE 1 1/2 orf.
	PROD'N. FOR TEST PERIOD →	OIL—BBL. 1694.754
	GAS—MCF. 1695	WATER—BBL.
FLOW. TUBING PRESS. 45	CASING PRESSURE 25	CALCULATED 24-HOUR RATE →
	OIL—BBL.	GAS—MCF.
	WATER—BBL.	OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Solid, 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. Smith TITLE District Manager-Operations DATE 8/20/82

*(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	GEOLOGIC MARKERS	
DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES		DESCRIPTION, CONTENTS, ETC.		NAME	MEAS. DEPTH
		TOP	BOTTOM	TRUE VERT. DEPTH	
				Dakota Silt	2912'
				Dakota	2988'
				Morrison	3103'
				Salt Wash	3440'
				TD	3555'

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 12

Operator Terra Resources, Inc Address P.O. Box 2500, Casper, WY 82602

Contractor Veco Drilling Rig #1 Address P.O. Box 1705, Grand Jct., CO 81502

Location NW 1/4 SE 1/4 Sec. 8 T. 17S R. 26E County Grand

Water Sands

	<u>Depth</u>		<u>Volume</u> Flow Rate or Head	<u>Quality</u> Fresh or Salty
	From	To		
1.	None Encountered.			
2.	(Dry all the way)			
3.				
4.				
5.				

(Continue of reverse side if necessary)

Formation Tops

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.

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

WELL INSPECTION RECORD

NAME OF COMPANY: TERRA RESOURCES Lease 064807

WELL NAME: BAR X FIELD UNIT 12

SECTION: 8 TOWNSHIP: 17 S RANGE: 26 E COUNTY: GRAND

DATE: Aug 3 19 83 LOCATION INSPECTED

TOTAL DEPTH: 3555 AT TIME OF VISIT 5232

NAME OF DRILLING CONTRACTOR: _____

RIG NUMBER: _____

COMMENTS:

The well head pressure at 400 psi and 360 psi at the annulus. The sump is fenced,
and empty. There was a horizontal treater, considerable gas escape from flutter valve
A Avertical treater was on line, it had a small shed at the base to cover valves etc.
The sump was empty. A metser co. meter and a barton control were on the line .
This was a fairly neat operation.

DATE: Aug 10, 1983

SIGNED: Jean Lester Denton

SEND TYPED COPY TO COMPANY: YES _____ NO _____

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

METER CODE	WELL NAME	LOC	RUN	DAY	MO/YR	STARTING TIME
93772016	BAR X #16	06	02	<u>18</u>	12/85	<u>0800</u>
92002012	BAR X #4 17S. 24E. 18	06	12	<u>1</u>	11/85	<u>T.D.</u>
92003019	BAR X #6 CS 17S. 25E. 11	06	12	<u>13</u>	11/85	<u>1100</u>
92005011	CRITTENDON #1 CASING 17S. 25 12	06	12	<u>13</u>	11/85	<u>1000</u>
92006018	CRITTENDON #1 TUBING " "	06	12	<u>13</u>	11/85	<u>0900</u>
92013014	BAR X #5 17S. 24E. 17	06	12	<u>6</u>	11/85	<u>1000</u>
92292010	BAR X #12 17S. 24E. 17	06	12	<u>6</u>	11/85	<u>1100</u>
92293017	BAR X #13 17S. 24E. 7	06	12	<u>13</u>	11/85	<u>0800</u>
93549015	BAR X #9	06	12	<u>6</u>	11/85	<u>0900</u>
92100012	BAR X #8 17S. 25E. 11	06	12	<u>3</u>	12/85	<u>0900</u>

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
 OIL AND GAS INSPECTION RECCRD

NW
SE

OPERATOR Terra Resources LEASE _____
 WELL NO. Box X Unit #12 API 43-019-30597
 SEC. 8 T. 17SR. 26E CONTRACTOR _____
 COUNTY Crowd FIELD Box X

DRILLING/COMPLETION/WORKOVER:

<input type="checkbox"/> APD	<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> SCPE
<input type="checkbox"/> SAFETY	<input type="checkbox"/> POLL. CONTROL	<input type="checkbox"/> SURFACE USE	<input type="checkbox"/> PITS
<input type="checkbox"/> OPERATIONS	<input type="checkbox"/> OTHER		

SHUT-IN / TA :
 WELL SIGN HOUSEKEEPING EQUIPMENT* SAFETY
 OTHER

ABANDONED:
 MARKER HOUSEKEEPING REHAB. OTHER

PRODUCTION:
 WELL SIGN HOUSEKEEPING EQUIPMENT* FACILITIES*
 METERING* POLL. CONTROL PITS DISPOSAL
 SECURITY SAFETY OTHER

GAS DISPOSITION:
 VENTED/FLARED SOLD LEASE USE

LEGEND: Y - YES OR SATISFACTORY
 N - NO OR UNSATISFACTORY
 NA - NOT APPLICABLE

*FACILITIES INSPECTED: LOC wh metering post

REMARKS: 260 psi fully & cog.

ACTION: _____

INSPECTOR: JM DATE 7-12-88

UTAH STATE DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL AND GAS

INSPECTION RECORD-- PRODUCING

T. 17 R. 26 SEC. 8
NWSE
COUNTY Grand
FIELD Bar X
INSPECTOR Moore
INC ISSUED

WELL NAME Bar X Unit #12 30597
LEASE NO. SLC 064807
UNIT NAME & NO.
OPERATOR Terra Resources
DATE 3-20-84

A. GENERAL

- 1. Well Signs
2. Well Equipment Satisfactory
3. Environmental Protection Satisfactory
4. Temporary or Emergency Pits Satisfactory
5. Lease Free of Evidence of Spills/Discharge/Seepage
6. Dikes Around Tanks, if Required
7. Flow Lines Buried, if Required
8. All Surface Use Approved and Not Excessive
9. Does Current 9-329 Confirm Reasonableness of:
a. Production vs. Sales
b. Tank Capacity vs. Inventory
c. Reported Well Status vs. Actual

Table with columns YES, NO, I, N, A, T, E, N, R and rows corresponding to items 1-9.

LEASE REQUIREMENTS

- (4.) Emergency Pits Approved
(6.) Are Dikes Around Tanks Required?
(7.) Is Burial of Flow Lines Required?

SALES APPROVAL INFORMATION:

- (10.) Sale by LACT Unit
(11.) Seals on All Tank Access Lines Required?
(14.) On Lease Storage
(15.) Off Lease Storage
(16.) Commingling: Not Approved

GAS

- (13.) Special Restrictions Applicable
(21.) On Lease Sales
(22.) Off Lease Sales
(23.) Liquid Collection From Drips Required?

OTHER REQUIREMENTS

- (24.) NTL-23 Not Applicable
Analysis: Gas Screen, STV
(29.) Is a Contingency Plan Required?

B. LIQUID HYDROCARBON PRODUCTION

- 10. Method of Measurement: (A) LACT Meter; (B) Tank Gauge; (C) Other
11. Method of Measurement Satisfactory
12. Liquid Handling Equipment Satisfactory
13. All Lines Leaving Tankage Sealed/Locked
14. Production Scored on Lease, if Required
15. Production Measured on Lease, if Required
16. Commingling as Approved

Table with columns YES, NO, I, N, A, T, E, N, R and rows corresponding to items 10-16.

C. NATURAL GAS PRODUCTION

- 17. Type of Gas Production: (A) Gas Well; (B) Casinghead
18. Gas Disposition: (A) Sold; (B) Flared/Vented; (C) Used on Lease; (D) Other
19. Method of Measurement: (A) Orifice Meter; (B) Turbine Meter; (C) Estimated; (D) Other
20. Method of Measurement Satisfactory
21. Gas Handling/Treating Equipment Satisfactory
22. Production Measured on Lease, if Required
23. Liquids Collected From Drips, if Required

Table with columns YES, NO, I, N, A, T, E, N, R and rows corresponding to items 17-23.

D. WATER DISPOSAL

- 24. Disposal Method: (A) Unlined Pit; (B) Lined Pit; (C) Subsurface; (D) Other
25. If Disposal by Pits, are Pits Satisfactory
26. Additional Disposal Facilities Satisfactory

Table with columns YES, NO, I, N, A, T, E, N, R and rows corresponding to items 24-26.

E. HYDROGEN SULFIDE OPERATIONS

- 27. Are Tank Batteries Properly Equipped
28. Are Warning Signs Properly Installed
29. If Required, is the Contingency Plan Available
30. Are Personnel Properly Protected

Table with columns YES, NO, I, N, A, T, E, N, R and rows corresponding to items 27-30.

(S) Shut-in (W) Formal Warning (I) Informal Warning

REMARKS PGW: 380 psi head and casing pressure; Bantex meter; Inverted scale; 375 on site, clay/silty sand soil

LONE MOUNTAIN PRODUCTION COMPANY

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

RECEIVED
MAR 10 1989

March 8, 1989

DIVISION OF OIL, GAS & MINING
STATE OF UTAH
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

DIVISION OF
OIL, GAS & MINING

Re: Bar-X Unit
GRAND COUNTY, UTAH and
MESA COUNTY, COLORADO

Gentlemen:

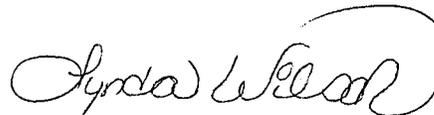
Following is a list of wells and well locations which make up the Utah portion of the Bar-X Unit. Change of operator for this unit was effective January 1, 1989.

019-15027	Crittenden No. 1	SE SE Section 12:	T17S-R25E, Grand Co., UT
019-15022	Bar-X Unit No. 3	NE SW Section 12:	T17S-R25E, Grand Co., UT
019-15023	Bar-X Unit No. 4	NE NE Section 18:	T17S-R26E, Grand Co., UT
019-15024	Bar-X Unit No. 5	SE NE Section 17:	T17S-R26E, Grand Co., UT
019-15025	Bar-X Unit No. 6	SE NE Section 11:	T17S-R25E, Grand Co., UT
019-15026	Bar-X Unit No. 7	NW NE Section 7:	T17S-R26E, Grand Co., UT
019-30494	Bar-X Unit NO. 8	NE NW Section 11:	T17S-R25E, Grand Co., UT
019-30597	Bar-X Unit No. 12	NW SE Section 8:	T17S-R26E, Grand Co., UT
019-30598	Bar-X Unit No. 13	NW SW Section 7:	T17S-R26E, Grand Co., UT

Should you require any further information, please feel free to call.

Very truly yours,

Lone Mountain Production Company



Lynda Wilson

/lw

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
 OIL AND GAS INSPECTION RECORD

OPERATOR Lone Mt. Prod Co. LEASE SL-064807
 WELL NO. 12 Box X Unit API 43-019-30597
 NW/SE SEC. 8 T. 17S R. 26E CONTRACTOR _____
 COUNTY Cannonville FIELD Box X

DRILLING/COMPLETION/WORKOVER:

APD WELL SIGN HOUSEKEEPING BOPE
 SAFETY POLL. CONTROL SURFACE USE PITS
 OPERATIONS OTHER _____

SHUT-IN _____ / TA _____ :
 WELL SIGN HOUSEKEEPING EQUIPMENT* SAFETY
 OTHER _____

ABANDONED:
 MARKER HOUSEKEEPING REHAB. OTHER

PRODUCTION:
 WELL SIGN HOUSEKEEPING EQUIPMENT* FACILITIES*
 METERING* POLL. CONTROL PITS DISPOSAL
 SECURITY SAFETY OTHER _____

GAS DISPOSITION:
 VENTED/FLARED SOLD LEASE USE

sect 3

LEGEND: Y - YES OR SATISFACTORY
 N - NO OR UNSATISFACTORY
 NA - NOT APPLICABLE

*FACILITIES INSPECTED: hoc + wh

REMARKS: While driving by at 4:15 PM noticed gas
blowing straight up in the air. Ball valve
on tree was wide open closed it!

ACTION: _____

INSPECTOR: _____ DATE 7/10/89

OPERATOR 1 mmi Prod Co. LEASE SL-064807
 WELL NO. 13-019-30597
 SEC. 8
 COUNTY _____



DRILLING/COMPLETION
 API
 SAFETY
 OTHER
 SHUT-IN
 WELL
 OTHER
 ABANDONED
 MISC.

BOPE
 PITS

SAFETY

OTHER

PRODUCTION:
 WELL SIGN
 METERING*
 SECURITY
 HOUSEKEEPING
 POLL. CONTROL
 SAFETY
 EQUIPMENT
 PITS
 OTHER
 FACILITIES*
 DISPOSAL

GAS DISPOSITION:
 VENTED/FLARED
 SOLD
 LEASE USE

sect 3
 LEGEND: Y - YES OR SATISFACTORY
 N - NO OR UNSATISFACTORY
 NA - NOT APPLICABLE

*FACILITIES INSPECTED: hoc + wh

REMARKS: while driving by at 4:15 PM noticed gas blowing straight up in the air. Ball valve on tree was wide open closed it!

ACTION: _____

INSPECTOR: _____ DATE 7/10/89

LONE MOUNTAIN PRODUCTION COMPANY

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

RECEIVED
FEB 20 1990

DIVISION OF
OIL, GAS & MINING

February 16, 1990

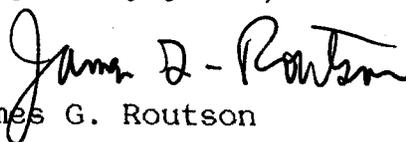
Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180

Re: Bar-X #12
NW¼ SE¼ Sec. 8: T7S-R26E
Grand County, Utah

Gentlemen:

Enclosed, please find two (2) copies of the Sundry Notice regarding the installation of surface lateral for the above captioned well.

Very truly yours,


James G. Routson

JGR/mjt
Enclosures

**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 August 31, 1985

10

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. SL-064807	
2. NAME OF OPERATOR Lone Mountain Production Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 408 Petroleum Building, P.O. Box 3394, Billings, MT 59103		7. UNIT AGREEMENT NAME Bar-X Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1415' FEL, 1650' FSL Sec. 8		8. FARM OR LEASE NAME Federal	
14. PERMIT NO. 43-019-30597		9. WELL NO. 12	
15. ELEVATIONS (Show whether DF, RT, OR, etc.) 5232 KB		10. FIELD AND POOL, OR WILDCAT Bar-X	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NW SE Sec. 8: 17S	
		12. COUNTY OR PARISH Grand	
		13. STATE Utah	

FEB 20 1990

DIVISION OF OIL GAS & MINING

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

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

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

Lone Mountain has completed laying a low pressure lateral from the Bar-X Unit No. 12 to the Unit No. 9. The Unit No. 12 was turned down the line on February 2, 1990. Production increased from 25 - 30 MCFD to 175 - 200 MCFD.

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

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

SIGNED *James G. Routson* TITLE Petroleum Engineer DATE February 16, 1990
JAMES G. ROUTSON
 (This space for Federal or State office use)

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

*See Instructions on Reverse Side

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL-064807
---	--

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: BAR X
--	---

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: BAR X UNIT 12
-----------------------------	---

2. NAME OF OPERATOR: LONE MTN PRODUCTION CO	9. API NUMBER: 43019305970000
--	----------------------------------

3. ADDRESS OF OPERATOR: PO Box 80965 , Billings , MT, 59108	PHONE NUMBER: 406 245-5077 Ext	9. FIELD and POOL or WILDCAT: BAR X
--	-----------------------------------	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 1650 FSL 1415 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 08 Township: 17.0S Range: 26.0E Meridian: S	COUNTY: GRAND 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: 11/1/2015 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Plugging Procedure for Bar X #12 Move in and rig up ND wellhead NU BOPs POOH tubing with Otis Seal Assy. RIH w/ 4 1/2" CICR and set at 3090' Fill hole with 9 ppg mud and test casing Mix & pump 35 sx cement (25 sx below CICR and 10 sx above CICR) Lay down tubing Perforate 4 1/2" casing at 380' Mix and pump 120 sx cement down 4 1/2" casing or until cement is at surface in 4 1/2" X 8 5/8" annulus Cut wellhead off 3' below surface and install dry hole marker

Accepted by the Utah Division of Oil, Gas and Mining

Date: October 13, 2015

By: Derek Duff

NAME (PLEASE PRINT) Nettie Reed	PHONE NUMBER 970 858-7546	TITLE Vice President
SIGNATURE N/A		DATE 10/7/2015

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: UTSL-064807
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 Gas Well		7. UNIT or CA AGREEMENT NAME: BAR X
2. NAME OF OPERATOR: LONE MTN PRODUCTION CO		8. WELL NAME and NUMBER: BAR X UNIT 12
3. ADDRESS OF OPERATOR: PO Box 80965 , Billings , MT, 59108		9. API NUMBER: 43019305970000
PHONE NUMBER: 406 245-5077 Ext		9. FIELD and POOL or WILDCAT: BAR X
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1650 FSL 1415 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 08 Township: 17.0S Range: 26.0E Meridian: S		COUNTY: GRAND
		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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/8/2015	<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 checked="" 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 type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

Lone Mountain plugged this well as of 12-8-15. Witnessed by Lee Oliver, BLM Moab Moved in and rigged up ND wellhead NU BOPs POOH tubing with Otis Seal Assy. RIH w/ 4 1/2" CICR and set at 3093' 12-3-15 Filled hole with 9 ppg mud and tested casing to 200 psi Mixed & pumped 35 sx cement (25 sx below CICR and 10 sx above CICR) 12-7-15 Laid down tubing Perforated 4 1/2" casing at 380' 12-7-15 Mixed and pumped 120 sx cement down 4 1/2" casing until cement at surface in 4 1/2" X 8 5/8" annulus 12-8-15 Cut wellhead off 3' below surface and installed dry hole marker 12-9-15

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
December 11, 2015**

NAME (PLEASE PRINT) Nettie Reed	PHONE NUMBER 970 858-7546	TITLE Vice President
SIGNATURE N/A	DATE 12/11/2015	