

UTAH OIL AND GAS CONSERVATION COMMISSION

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

DATE FILED **4-7-80**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-42223** INDIAN _____

DRILLING APPROVED: **4-8-80**

SPUDED IN: _____

COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: *LA well never drilled 6-5-81*

FIELD: *3/8 Gtr. CISCO AREA*

UNIT: _____

COUNTY: **GRAND**

WELL NO. **FEDERAL #11-3** API# **43-019-30629**

LOCATION **660'** FT. FROM ~~XXX~~ (S) LINE. **1980'** FT. FROM (E) ~~XXX~~ LINE. **SW SE¹⁵** 1/4 - 1/4 SEC **11**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				20S	23E	11	INLAND FUELS CORP.

FILE NOTATIONS

Entered in NID File	<input checked="" type="checkbox"/>	Checked by Chief	_____
Entered On S R Sheet	_____	Copy NID to Field Office	_____
Location Map Planned	_____	Approval Letter	_____
Card Indexed	<input checked="" type="checkbox"/>	Disapproval Letter	_____
IWR for State or Fee Land	_____		

COMPLETION DATA:

Date Well Completed	_____	Location Inspected	_____
OW_____ WW_____ TA_____		Bond released	_____
GW_____ OS_____ PA_____		State of Fee Land	_____

LOGS FILED

Driller's Log.....

Electric Logs (No.).....

E..... I..... E-I..... GR..... GR-N..... Micro.....

Let..... Mi-L..... Sonic..... Others.....

10-17-90
JEP

15

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
 Inland Fuels Corporation

3. ADDRESS OF OPERATOR
 2121 South Columbia, Tulsa, Okla. 74114

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface SW. SE. Sec. 11, T 20S, R 23E, S.L.M.
 At proposed prod. zone 660' from S-line and 1980' from E-line

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 6 miles NE. of Cisco, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 660'

16. NO. OF ACRES IN LEASE 1840 Ac.

17. NO. OF ACRES ASSIGNED TO THIS WELL 40 Acres

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1500'

19. PROPOSED DEPTH 2500 ft

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4717' Grd; 4727' K.B. *Entrada*

22. APPROX. DATE WORK WILL START*
 April 30, 1980

5. LEASE DESIGNATION AND SERIAL NO.
 U-42223

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Federal

9. WELL NO.
 Federal #11-3

10. ~~SECTION, T., R., M., OR BLK. AND SURVEY OR AREA~~
Old Cisco Area Cisco Springs

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SW. SE. Sec. 11-20S-23E S.L.M.

12. COUNTY OR PARISH Grand

13. STATE Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24.00#	150'	100 sks <i>circulate to surface</i>
7 7/8"	4 1/2"	10.50#	Thru pay zones	-cemented to 200' above Kd

It is planned to drill a well at the above location to test the oil and/or gas production possibilities of the sands in the Dakota, Cedar Mt., and Morrison formations. The well will be drilled to a point which is near the top of the Entrada formation or to commercial production, whichever is at the lesser depth. The well will be drilled with rotary tools, using air for circulation. The surface casing will be set at about 150 ft. and cemented with returns to the surface. A blowout preventer with hydraulically operated blind and pipe rams will be installed on top of the surface casing, and a rotating head will be used on top of the blowout preventer. Fill and kill lines (2") will be connected below the blind rams. Any gas encountered will be flared at the end of the blowout line, and roughly checked for volume thru 2" line after the pipe rams have been closed. A float valve will be used in the bottom drill collar at all times. Prognosis for well is attached.

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

24. SIGNED [Signature] TITLE President DATE March 28, 1980

(This space for Federal or State office use)
 PERMIT NO. 43-019-30629 APPROVAL DATE 4/8/80

RECEIVED

APPROVED BY _____ TITLE _____ DATE APR 07 1980

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING
 DATE: 4-8-80
 BY: [Signature]

*See Instructions On Reverse Side

DIVISION OF OIL, GAS & MINING

PROGNOSIS FOR
INLAND FUELS CORP.
FEDERAL #11-3 WELL

Location: SW. SE. Section 11, T 20S, R 23E, S.L.M., Grand County, Utah (660' from S-line and 1980' from E-line)

Elevations: 4717' grd; 4727' K.B.

Surface Casing: 150' of 8 5/8", 24.00#, K-55, R-3 casing set and cemented with 100 sks cement w/3% CaCl; with returns to surface. The surface hole (12 1/2") will be drilled to 150' K.B. and will be no more than 1° deviation.

Expected Formation Tops:

<u>Formation</u>	<u>Depth to Top</u>	<u>Thickness</u>	<u>Datum</u>
Mancos	Surface	1507'	4727' K.B.
Dakota *	1507'	100'	3220'
Cedar Mountain *	1607'	90'	3120'
Morrison (Brushy Basin) *	1697'	280'	3030'
(Salt Wash) *	1977'	250'	2750'
Curtis-Summerville	2227'	80'	2500'
Entrada	2307'	—	2420'
Total Depth	2500'		

* Formations with possible hydrocarbons in paying amounts.

1. It is planned to drill a 12 1/2" surface hole for the surface casing down to a depth of about 150 ft. and set 8 5/8 inch casing with approx. 100 sks of cement with returns to the surface. A casing head or flange will be mounted on top of the surface casing and a blowout preventer with blind and pipe rams (hydraulic) will be mounted on top of the blowout preventer. A blowline, at least 125 ft. long, will then be attached to the rotating head and extended into the reserve pit. B.O.P. will be tested to 2000 lbs. before drilling below surface casing.
2. A 7 7/8 hole will then be drilled below the surface casing, using air for circulation. A flare will be maintained at 500' and below. This will insure that no gas will be missed. The air drill-

ing will also minimize the damage to the hydrocarbon reservoir. No toxic gases have ever been encountered in this area and none are expected.

3. Samples of the cuttings will begin at 1200'. 30-ft. samples will be taken from 1200' to 1700', and then 10-ft. samples will be taken from 1700' to total depth.
4. It is planned to drill the well to a depth which is approximately 100 feet below the top of the Entrada formation unless good commercial flow of gas is obtained above this depth.
5. If a high gas flow (several million cubic feet) and/or when the total depth of the well is reached, electric logs will be run. Prior to running logs, high viscosity mud (not less than 100 vis.) will be pumped into the hole to provide control of the gas and to provide a conductive medium for the logs. A dual-induction-latero-log will be run from bottom to the top of the hole, and a gamma-density and compensated neutron porosity log will be run from the bottom to a point which is 150' above the top of the Dakota formation. No toxic gases or high pressure zones are anticipated.
6. If good production (over 750 MCF) is obtained, 4½" O.D., 10.50#, K-55, R-3 new casing will be run and cemented conventionally with sufficient R.F.C. cement to cover 200 ft. above the top of the Dakota formation. The production zone will then be perforated, 2 3/8" O.D. tubing run, and completed conventionally.
7. It is anticipated that the drilling of the well will require less than one week.

W. Don Quigley

W. Don Quigley
Consulting Geologist
Suite 440
57 West South Temple
Salt Lake City, Utah 84101

N T L - 6 P L A N R E P O R T

For

Well Name: INLAND FULES CORPORATION - FEDERAL #11-3Location: SW. SE. SEC. 11-20S-23E, S.L.M., GRAND COUNTY, UTAH1. Existing Roads: (See attached Maps)

A. Well Location: (See Plat #1)

Reference Stakes: 150' N-S-E-W.Perimeter Stakes: As above. Stakes outline maximum perimeter of well pad.

B. Route and Distance to Well Site From Reference Point: (See att. maps)

From the E. Cisco Exit on I-70, the site is 6½ miles along secondary and unimproved roads on Danish Flat.

C. Access Roads (Identify secondary roads to be used): (See att. maps)

The Danish Flat road going NW. from the E-Cisco Exit is used for the first 5 miles. At this point a road trending east along the pipeline is used for about ½ mile and then a new road trending NE to the well is used for ½ mile.D. Roads Within 3 mile Radius: (See att. maps) The main Danish Flat road is a county road, is partially gravelled, graded, crowned, and ditched. All the other roads around the well site are unimproved and are flat with no drainage provisions. The last ½ mile of road will be improved. It is on Mancos soil and fairly flat topography, and is on shale and silt along pipeline. It is flat with no crown or ditches.

Surface type and conditions: _____

E. Roads Within 1 mile Radius: (See att. maps) See 1-D Above.

The roads within 1-mile of the site are mostly dozed trails (old seis trails) dozed across natural topography and soil. The road base is Mancos shale and soil with some gravel and conglomerate on the bench areas. They are normally about 14 ft. wide.F. Plans for Road Improvement & Maintenance: In the event of production, the last ¾ mile of road will be widened to a maximum disturbed width of 20', graded and crowned with ditches (18" deep) on each side.

F. This road will be crowned and ditched on both sides initially. The road base will be silt and clay and packed down. Some gravel may be added at a later date, if required.

2. Planned Access Roads: (See att. maps) A new road for about 1/2 mile will be required. This road will also be crowned and ditched initially.

(1) Width: Maximum disturbed width will be 20 ft.

(2) Maximum Grades: Less than 2%

(3) Turnouts: None needed

(4) Drainage Design: None needed

(5) Location and Size of Culverts, Cuts, and Fills: None needed

(6) Surfacing Material: The road is across Mancos shale and soil which is composed of clay and silt. No other material will be used initially.

(7) Gates, Cattleguards, or Fence Cuts: None

(8) All new roads have been flagged as required.

3. Location of Existing Wells: (See Map No. 2)

(1) Water Wells: None

(2) Abandoned Wells: See Map #2

(3) Temporarily Abandoned Wells: None

(4) Disposal Wells: None

(5) Drilling Wells: None at present

(6) Producing Wells: Several - See map #2

(7) Shut-in Wells: Three

(8) Injection Wells: None

(9) Monitoring or Observation Wells: None

4. Location of Existing and/or Proposed Facilities:

A. Within 1-mile radius of location show the following existing facilities owned or controlled by lessee/operator:

(1): Tank Batteries: (Size) None

(2) Production Facilities: Operator has one small gas well, the Federal #11-1 in the NE. NE. of Section 11.

(3) Oil gathering lines: None

(4) Gas gathering lines: None

(5) Injection lines: None

(6) Disposal lines: No

(7) Are lines buried? _____

B. If new facilities are contemplated, in the event of production, show: (These facilities depend on the outcome of the proposed well and are really unknown at this time.) Show a general proposed plan. (See Plat No. 2)

(1) Are any facilities planned off well pad? None at this time. If the well is a successful gas well, a gas gathering line 3½", will have to be laid and connected to the main gas line about ½ mile to the south but this will be covered by a separate proposed plan, accompanied with maps, surveys, etc., at a later date.

(2) Give dimensions of facilities: See Plat #2

(3) Construction methods and materials: Location will be levelled for production equipment. Tank batteries will be placed on a 3" gravel pad and surrounded with a 18" dike (15' from tanks). Separators and heater-treaters will be placed on gravel pads or cement bases. Pump jacks will be on cement platforms or on raised dirt and gravel mounds. All pipelines on the pad will be buried.

(4) Protective measures for livestock and wildlife: All open pits will be fenced with woven wire (sheep) fence, 40", and pump jacks or rotating machinery will have guards to prevent danger by moving parts.

C. Plan for rehabilitation of disturbed areas no longer needed after drilling operations are completed: Well site will be cleaned, levelled, and graded for production equipment; pits folded-in or fenced

C. with woven wire if it has fluid before the rig is moved. While production ensues, previous areas of well pad not needed for production operations will be restored as in Item 10 below. Cleaning the site and pit work will be done within 30 days after well is completed, if possible

5. Location & Type of Water Supply: (See att. maps)

A. Type of Water Supply: Cisco Springs (natural flow) located in Sec. 9, T 20S, R 23E. (See Map #3)

B. Method of Transporting Water: The water will be hauled from the spring to the well site by truck along the Danish Flat road. This will be approx. 3 miles from the spring to the well site.

C. Is Water Well Planned? No
If so, describe location, depth and formation: _____

6. Source of Construction Materials:

A. See attached map and describe: None will probably be required, since the well will be drilled during the good weather season.

B. Identify if Federal, Indian, or Fee Land: _____

C. Describe Material: (Where from and how used) _____

D. See item 1-C and 2 above.

7. Waste Disposal:

- The cuttings will be blown into the reserve pit, and the
- (1) Cuttings: blewie line will be directed into the cut portion of the pad
 - (2) Drilling Fluids: In mud tanks; excess put into reserve pit.
 - (3) Producing Fluids (oil or water) Oil in tanks; water in reserve pit.
 - (4) Human Waste: Toilet with pit (4' deep) with lime for odor and sanitation control. Will be covered with soil (3' deep) at end of operation.

(prior to commencement
of drilling)

(5) Garbage & Other Waste: (Burn pit will be adequately fenced with chicken wire to prevent scattering of debris by wind) Into burn pit, 4'X6'X6' deep, and burned periodically. The burn pit will be approx. 125' from well head.

(6) Clean-up: (See item 10 below) All garbage and unburned debris will be buried by at least 3' of cover after the drilling and completion operations are finished. The unused material and all equipment will be removed from the site and taken to supply yards or to the next drill site, as soon as the well is completed.

8. Airstrips and/or Camp Sites (Describe): None needed.

9. Well Site Layout: (See Plat No. 3)

(1) Describe cuts or fills: The location is on fairly level ground, which will be levelled to the sides after the top soil has been removed. No cuts or fills will be required.

(2) Describe pits, living facilities, soil stockpiles: Reserve pit is long and narrow as shown, and will be placed on the east side. Excavated material will be piled at the east end of pit. Top soil, 12" deep, will be piled at the north and south ends of the site. Two or three trailer houses will be provided for supervisory personnel. The reserve pit will be fenced on 3 sides initially.

(3) Rig Orientation, Pipe rack, Access Road Entrance, etc.: (See Plat #3)

(4) Are Pits Lined? Unlined with 4' banks. A 12' to 15' bank will be placed at the east end of the pit.

10. Plans For Restoration:

A. If Well is completed: Site will be cleaned, debris removed, pits folded-in or fenced with woven wire if full of fluid, and site levelled for production equipment. All unused portions will be contoured, graded, scarred, and seeded with wheat grass, or acceptable seed mix authorized by BLM.

B. If Well is abandoned:

(1) Clean-up, levelling, folding pits-in, contouring: These items will be done as soon as possible. Clean-up will be accomplished at

B. (1) time rig is removed. The rest of the work should be done within 10 to 60 days after well is completed.

(2) Seeding location and access road: Site will be seeded with crested wheat grass, or with a seed mix suggested by BLM by drilling. The access road, if no longer needed, will be erased, contoured, seeded, and drilled as above. Water bars will be placed where needed.

(3) Will pits be fenced or covered? If there is any amount of fluid in the reserve pit, it will be fenced with woven wire on the 4th side before rig is released & remain fenced until fluid dries up and pit re-
(4) Is there any oil in reserve pit? _____ claimed.

If so, describe disposal: Should not be any great amount. If there is a large amount, it will be removed prior to covering pit.

(5) When will restoration work be done? As soon as possible. Within 60 days after equipment is removed if weather and availability of clean-up equipment permit and will be completed within 10 days thereafter.

11. Description of Land Surface:

(1) Topography & Surface Vegetation: Location is on fairly flat ground, It is on typical Mancos soil of silt and clay. Sparse sage brush, shad scale, grass and tumble weed are present.

(2) Other Surface Activities & Ownership: The land around the drill site is federal land with minerals and surface owned by the public. Inland Fuels has an oil and gas lse. on the E $\frac{1}{2}$ of Sec. 11; Sec. 2 to the N. is State land. The area does have some grazing by sheep. There are no powerlines or sites, irrigation ditches or cultivation in the area.

(3) Describe other dwellings, archaeological, historical, or cultural sites: There are no known buildings, archaeological, historical or cultural sites in the area. Other oil and gas well drilling and production are present in the general area. Archaeological inspection of the area has been covered by a prior inspection of the whole township (T 20S, R 23E.)

12. Operators Representative: (Address & Phone number)

W. Don Quigley, Suite 440, 57 West So. Temple, Salt Lake City, Utah 84101
801-359-3575

13. Certification:

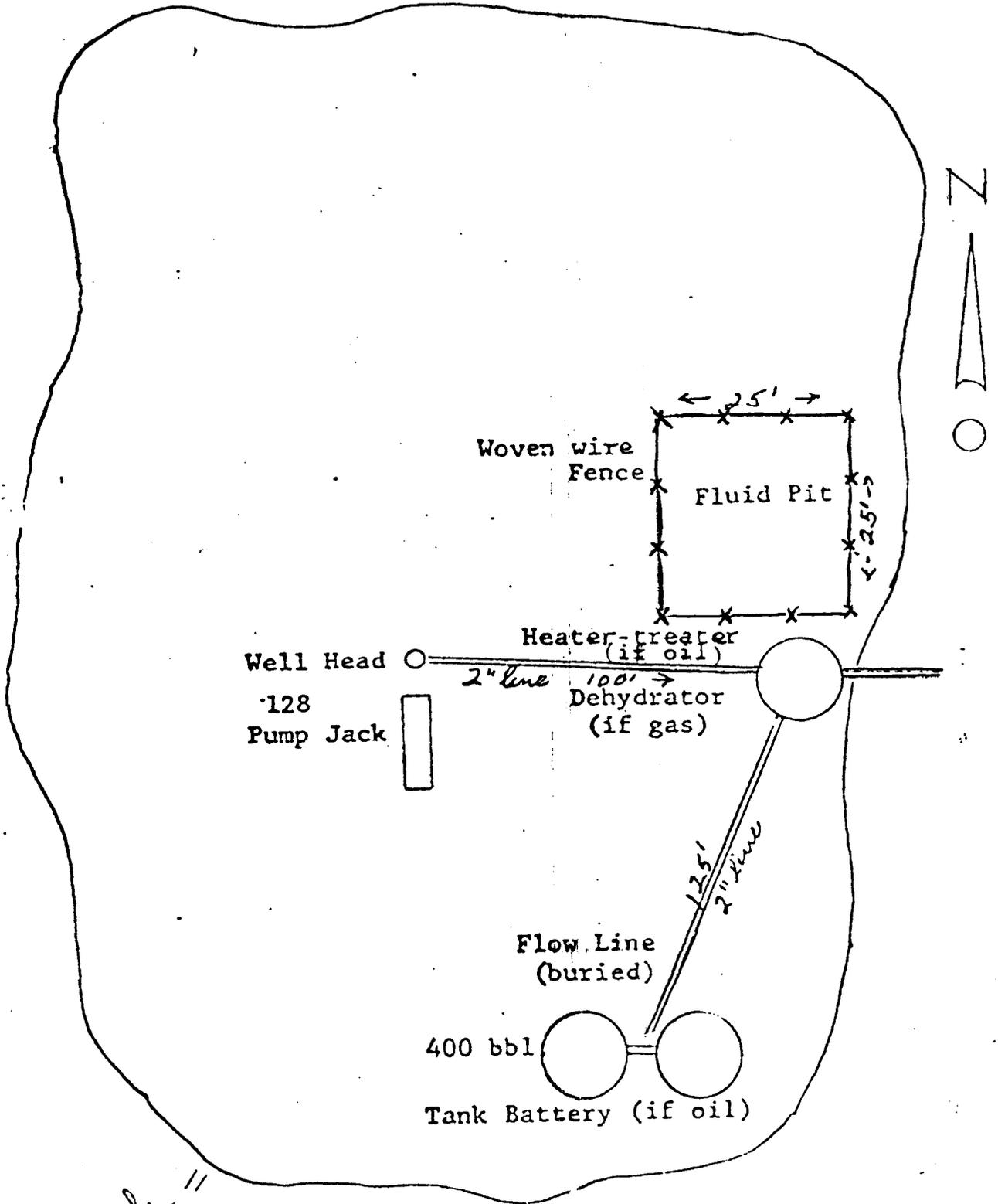
I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access route; that I am familiar with the conditions which presently exist; that statements made in this plan are, to the best of my knowledge, true and correct; and that work associated with the operations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

Date: MARCH 28, 1980

Name: *H. Don Quigley*

Title: Geological Consultant

PLAN FOR PRODUCTION EQUIPMENT
INLAND FUELS CORP.
FEDERAL #11-3 WELL
SW. SE. SEC. 11-20S-23E.

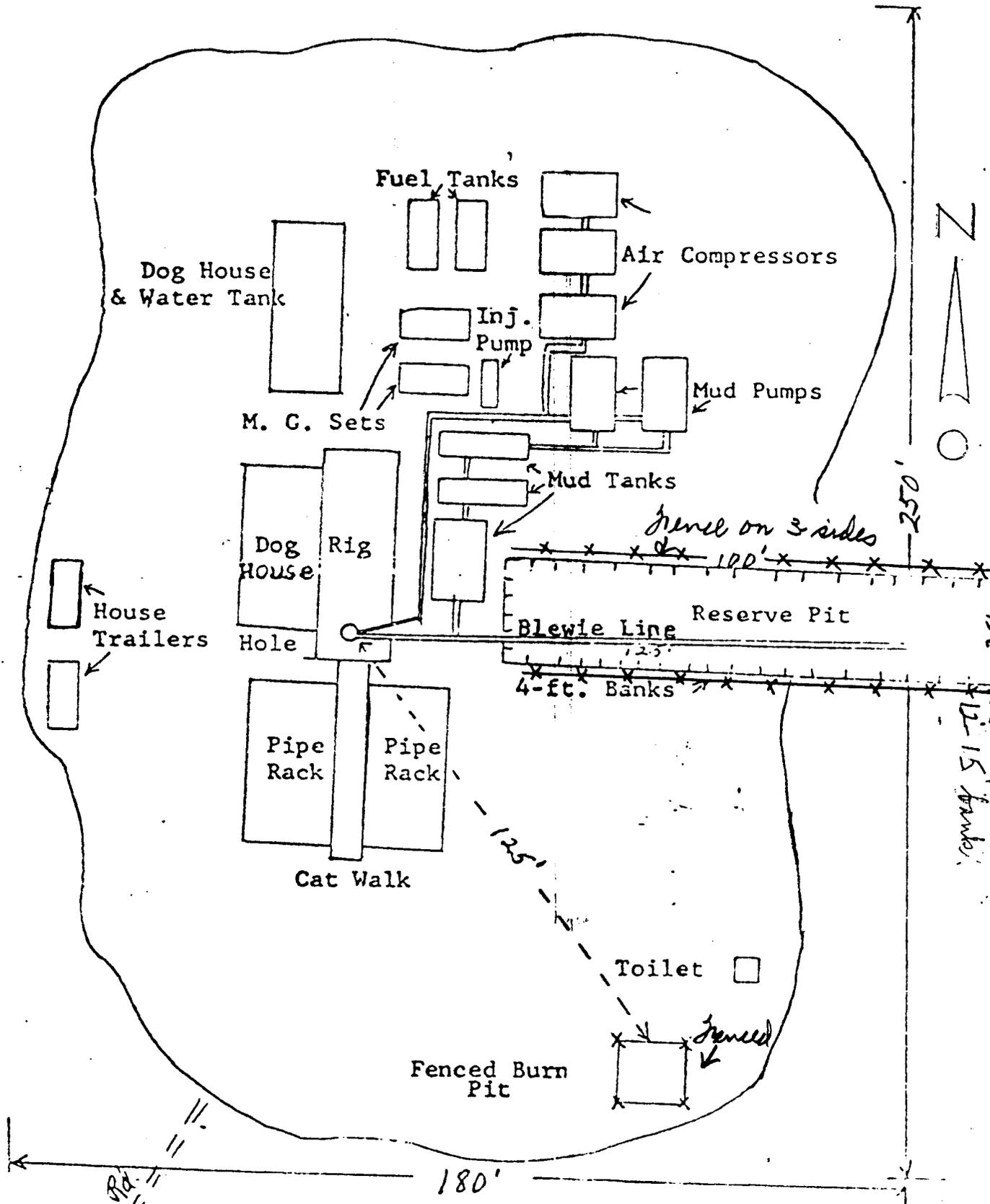


Scale: 1" in. = 30 ft.

Plat No. 2

Access Rd.
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LOCATION PLAN FOR
 INLAND FUELS CORP.
 FEDERAL #11-3 WELL
 SW.SE. SEC. 11-20S-23E.



Scale: 1 in. = approx. 30 ft.

WELL CONTROL EQUIPMENT FOR
INLAND FUELS CORP.
FEDERAL #11-3 WELL
SW. SE. SEC. 11-20S-23E.
GRAND COUNTY, UTAH

The following control equipment is planned for the above designated well: (See attached diagram)

1. Surface Casing:

- A. Hole size for surface casing is 12½".
- B. Setting depth for surface casing is approx. 200 ft.
- C. Casing specs. are: 8 5/8" O.D., K-55, 24.00#, 8 rd. thread, R-3 new or used.
- D. Anticipated pressure at setting depth is approx. 20 lbs.
- E. Casing will be run using three centralizers and a guide shoe, and will be cemented with 75 sks of cement with returns to the surface.
- F. Top of the casing will be near ground level.

2. Casing Head:

Flange size: 10", A.P.I. Pressure rating: 2000# W.P., Series 600; Cameron, OCT, or equivalent; new or used; equipped w/two 2" ports with nipples and 2", 2000# W.P. ball or plug valves. Casing head and valves set above ground level. (A flange only may be used on top of the casing, if the B.O.P. is equipped with 2" outlets below the blind rams.)

3. Intermediate Casing:

None

4. Blowout Preventors:

- A. Double rams; hydraulic; one set of blind rams; one set of rams for 3½" or 4" drill pipe; 10" flange; 2000# or greater W.P.; Series 900; equipped with mechanical wheels and rod for back-up; set on top of casing head flange and securely bolted down, and pressure tested for leaks up to 2000 p.s.i. A hydraulically operated hy-drill may be used in place of the above B.O.P., if equipped with 2" outlets below the rams. B.O.P. will be tested for leaks at 2000# p.s.i. prior to drilling below surface casing.
- B. Rotating Head: Shaffer, Grants or equivalent, set on top of blowout preventor and bolted securely; complete with kelly drive, pressure lubricator; 3½" or 4" rubber for

2000# W.P.; need not have hydril assembly on bottom, if a separate hydril or B.O.P. is used.

- C. Fill and Kill Lines: The fill and kill lines (2" tubing or heavy duty line pipe) are to be connected thru the 2" valves on the casing head and thru a manifold to permit ready switching from the fill to kill lines.

5. Auxillary Equipment:

A float valve is to be used in the bottom drill collar at all times. A safety valve that can be used in the drill pipe will be kept within easy reach on the rig floor at all times.

6. Anticipated Pressures:

The shut-in pressures of the Dakota, Cedar Mountain, and Morrison formations at depths of 2000' to 3000' in the area have been measured at about 600# to 800# maximum. No toxic gases have ever been encountered in the area and none are anticipated.

7. Drilling Fluids:

Air will be used to drill the subject well until water is encountered, then air-soap-water mist will be used to drill the well deeper. In case of excessive caving problems, it may be necessary to convert to mud.

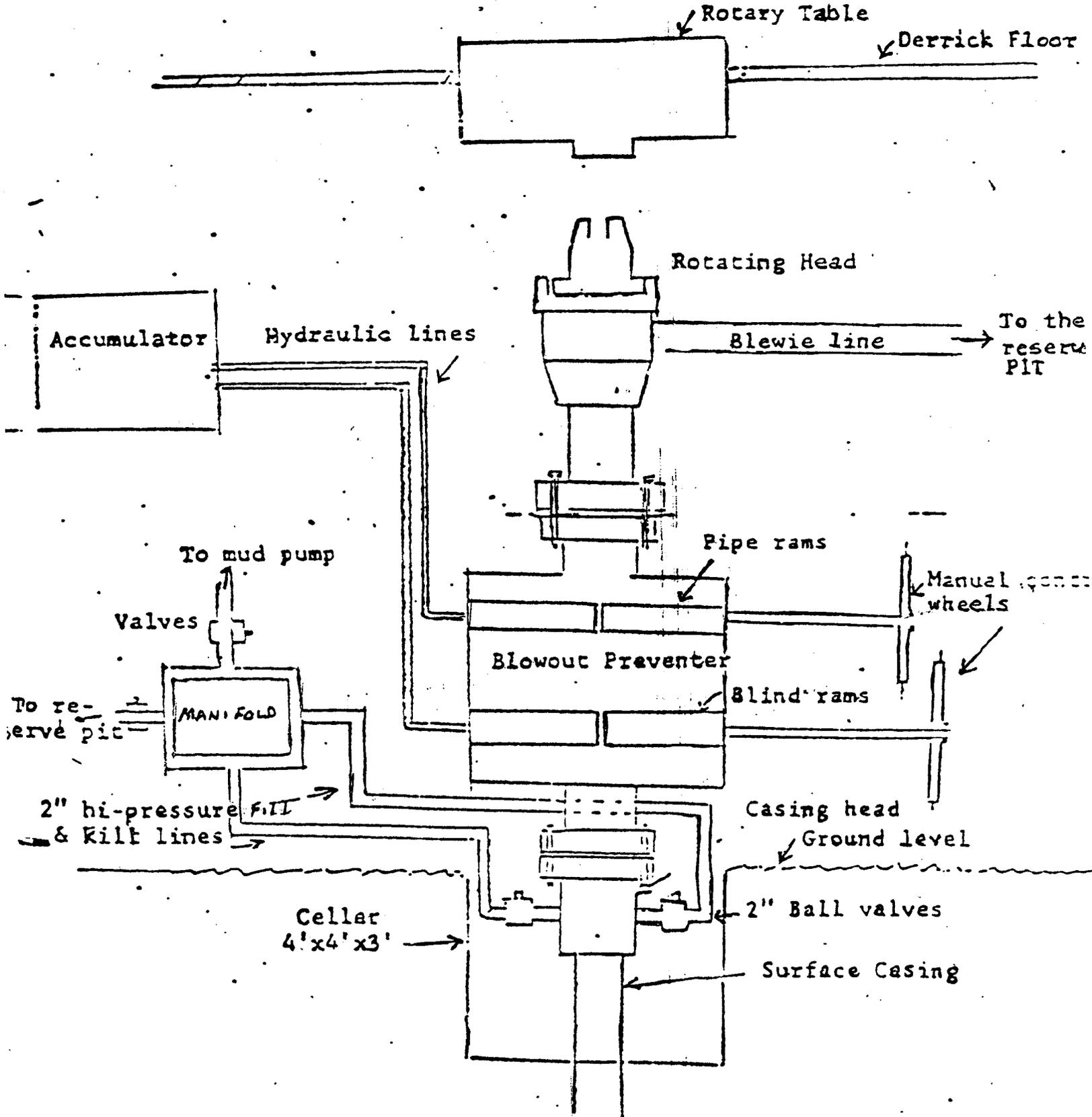
8. Production Casing:

- A. Hole size for production casing will be 7 7/8".
 B. Approx. setting depth will be about 3500'.
 C. Casing Specs. are: 4 1/2" O.D.; K-55; 10.50#; 8-rd thread; R-3, new.
 D. If good production is obtained, the casing will be run with a guide shoe at the bottom and about six centralizers and cemented conventionally with sufficient R.F.C. cement to cover 200 ft. above the top of the Dakota formation. The production zone will be perforated, 2 3/8" O.D. tubing will be run, and the well completed conventionally. In the event the production is small, it may be desirable to minimize the damage to the formation by keeping all mud and cement off the formation. In this case the procedure outlined below will be used.
 E. Casing will be run with about six centralizers and a cement basket with DV tool set above the production zone.

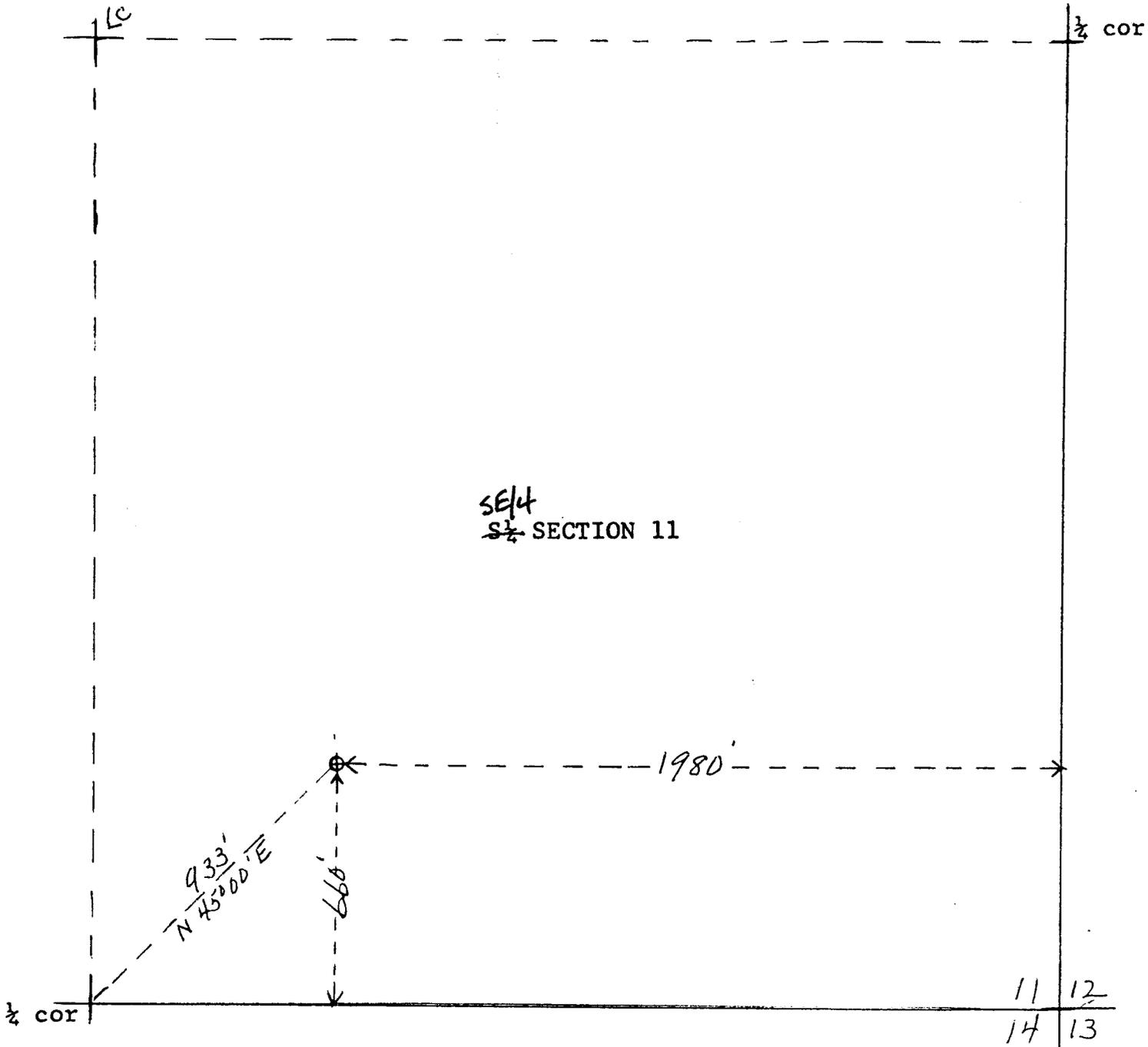
There will be sufficient casing to extend thru the production zone below the basket with a blind guide shoe on the bottom. The casing will be cemented above the packer with about 85 sks of cement (sufficient to cement thru the Dakota formation). The cement will be allowed to cure at least 48 hrs. The plug can then be drilled out and the casing perforated below the DV tool. Two inch tubing will be run and secured in the tubing head prior to perforating.

SCHEMATIC DIAGRAM OF
CONTROL EQUIPMENT FOR THE

INLAND FUELS CORP.
FEDERAL #11-3 WELL
SW. SE. SEC. 11-20S-23E.



LOCATION PLAT FOR
 INLAND FUELS CORPORATION
 FEDERAL #11-3 WELL
 SW. SE. SEC. 11-20S-23E.
 GRAND COUNTY, UTAH
 (660' fr. S-line and 1980' fr. E-line)
 ELEVATION: 4717' Grd.



I, Sherman D. Gardner, hereby certify that this plat was plotted from notes of a field survey made under my direct supervision, responsibility, and checking on March 16, 1980.

Scale: 1" = 400 ft.
 Date: March 28, 1980

Sherman D. Gardner
 Registered Land Surveyor
 State of Utah #1556

PLAT NO. 1

Oil and Gas Drilling

EA #350-80

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

Usual Environmental Analysis

Date: June 2, 1980

Operator: Inland Fuels Corporation Project or Well Name and No.: 11-3

Location: 660' FSL & 1980' FEL Sec.: 11 T.: 20S R.: 23E

County: Grand State: Utah Field/Unit: Cisco Springs

Lease No.: U-42223 Permit No.: N/A

Joint Field Inspection Date: May 13, 1980

Prepared By: George Diwachak

Field Inspection Participants, Titles and Organizations:

George Diwachak	Environmental Scientist	U.S.G.S.
John Connor	Petroleum Engineer	U.S.G.S.
Elmer Duncan	Surface Protection Specialist	BLM
Hart Gleason	Consultant	Inland Fuels Corp.
Leonard Lewis	Cat Skinner	Galley Construction

Related Environmental Analyses and References.

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

lj 6/18/80

*Admin Compl 2,
 Pad 180 x 250
 1/2 mi x 20' new accn
 2 cc
 Stockpile typical
 Coal 2/1/80
 1-5*

Noted - G. Diwachak

1. A drill pad 180' wide x 250' long including a reserve pit would be constructed. Approximately 0.25 miles of new access road, averaging 16' driving surface, would be constructed and approximately 0.5 mile of existing trail would be improved to 16' of driving surface from a maintained road. 2.0 acres of disturbed surface would be associated with the project. Maximum disturbed width of access road would be limited to 20'.

Final equipment and pit alignment will be determined when a drilling rig is secured. Adjustments to the alignment reported in the APD may be necessary, however the operator was instructed to utilize safe drilling techniques, a minimum 125 foot blowie line and to confine all equipment and pits to the approved pad disturbances.

2. Drilling.
3. Waste disposal: A chemical toilet will be used for human waste - Garbage and trash would be confined to a fenced trash pit and burned and buried upon cleanup of wellsite.
4. Traffic.
5. Water requirements would involve travel over unimproved roads from Cisco Springs. Since air drilling techniques would be used water requirements are minimal.
6. Completion.
7. Production equipment would be confined to the disturbed area of the drill pad as outlined in the APD.
8. Transportation of hydrocarbons were not requested with the APD. The operator reports that flowline facilities would be applied for if commercial quantities of hydrocarbons are expected.

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

Environmental Considerations of the Proposed Action:

Regional Setting/Topography: The location is within the Cisco Desert, flat to rolling hills grading to the talus flanked Book Cliffs.

PARAMETER

A. Geology

1. Other Local Mineral Resources to be Protected: None.

Information Source: Mineral Evaluation Report, Mining Report.

2. Hazards:

a. Land Stability: Location and access road to be built on Mancos shale which is stable provided slopes are moderate and moisture content is low.

Information Source: Field Observation.

b. Subsidence: None expected.

Information Source: Field Observation.

c. Seismicity: Seismic risk for the area is low. No impacts expected.

Information Source: Rocky Mountain Association of Geologists.

d. High Pressure Zones/Blowout Prevention: No high pressure zones expected. BOP system is detailed in APD.

Information Source: APD, Mineral Evaluation Report.

B. Soils:

1. Soil Character: Topsoil would be stripped and stockpiled requiring revegetation upon abandonment.

Information Source: BLM, Field Observation.

2. Erosion/Sedimentation: Erosion would increase especially during periods of precipitation, however considering the lack of summer precipitation in the area, impacts would be minimal.

Information Source: Field Observation, APD.

C. Air Quality: Wellsite is in a Class II Attainment Area. Drilling activities and vehicle operations would decrease air quality temporarily from exhaust emissions and fugitive dust. Considering short drilling time, impacts would be minimal.

Information Source: Field Observation.

D. Noise Levels: Ambient noise levels would increase temporarily from machinery and equipment operation, affecting wildlife and livestock in a distributional sense.

Information Source: Field Observation.

E. Water Resources1. Hydrologic Character

a. Surface Waters. No perennial drainages exist in area. Siltation to the Colorado River could occur. Water for drilling would be obtained from Cisco Springs to the north in Section 9, T20S, R23E. A State of Utah Permit is necessary.

Information Source: Field Observation.

b. Ground Waters: Commingling of aquifers is possible, but could be reduced by an adequate casing program. No fresh water is expected.

Information Source: Field Observation, Mineral Evaluation Report.

2. Water Quality

a. Surface Waters: No perennial waterways nearby. Spill potential to live surface waters is minimal.

Information Source: Field Observation.

b. Ground Waters: Insignificant impacts are expected since air drilling techniques would be employed.

Information Source: Field Observation, APD.

F. Flora and Fauna1. Endangered and Threatened Species Determination

Based on the formal comments received from the BLM on June 2, 1980, we determine that there would be no effect on endangered and threatened species and their critical habitat.

2. Flora: Plants in the area are of the salt desert shrub varieties with mixed grasses and Russian thistle predominating at the wellsite. Vegetation would be removed by pad construction increasing non-point erosion and decreasing soil fertility. Complete revegetation would be necessary upon abandonment.

Information Source: Field Observation, BLM.

3. Fauna: Wildlife would be disturbed temporarily in a distirbutional sense. Habitat destruction would be minimal.

Information Source: Field Observation.

G. Land Uses

1. General: Grazing and hydrocargon exploration are major activities in the area. Recreation is minimal. Well operations would slightly reduce grazing potential of area.

Information Source: Field Observation.

Information Source: Field Observation.

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

Information Source: Field Observation.

3. Roadless/Wilderness Area: N/A.

Information Source: BLM.

H. Aesthetics: The operation does not blend in with natural surroundings, however considering the short duration and magnitude of drilling operations in the area, this action would pose minimal impacts to area aesthetics. Painting any permanent equipment a color to blend with the surrounding environment would reduce visual impacts.

Information Source: Field Observation.

I. Socioeconomics: The remoteness of the area limits any socioeconomic impacts in Grand County, Utah. Most services and personnel would commute from Grand Junction, Colorado (50 miles east) which is presently experiencing substantial growth due to increased regional hydrocarbon and exploration activities.

Information Source: Field Observation.

J. Cultural Resources Determination: Based on the formal comments received from the BLM on June 2, 1980, we determine that there would be no effect on cultural resources.

Information Source: BLM.

K. Other: None.

L. Adequacy of Restoration Plans: The restoration plans meet the minimum requirements of NTL-6. Additional restoration recommendations been supplied by the BLM.

Information Source: APD, BLM, Field Observation.

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 2 acres of vegetation would be removed, increasing and accelerating erosion potential.
- b. Pollution of groundwater systems could occur with the introduction of drilling fluids into the aquifer(s). The potential for interaquifer leakage and lost circulation is ever-present, depending on the casing program.
- c. Minor air pollution would be induced on a temporary basis due to exhaust emissions from rig engines and support traffic.
- d. The potential for fires, leaks, spills of gas and oil or water exists.
- e. During construction and drilling phases of the operation, noise and dust levels would increase.
- f. Distractions from aesthetics during the lifetime of the project would exist.
- g. Erosion from the site would eventually be carried as sediment in the Colorado River. The potential for pollution to area non-perennial drainages 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 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.

2. Conditional Approval:

- a. All adverse impacts described in section one above could occur, except that painting any permanent production facilities a color to blend with surroundings would reduce visual impacts.

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. A State of Utah Water Use Permit or an agreement with private sources is necessary, ~~prior to APD approval.~~
4. All permanent production facilities would be painted a color to blend with the natural surroundings.
5. No pit toilet will be allowed. A chemical toilet shall be used.

Controversial Issues and Conservation Division Response:

None.

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).



DISTRICT ENGINEER

Signature & Title of Approving Official

JUN 18 1980

Date

SELECTED REFERENCES

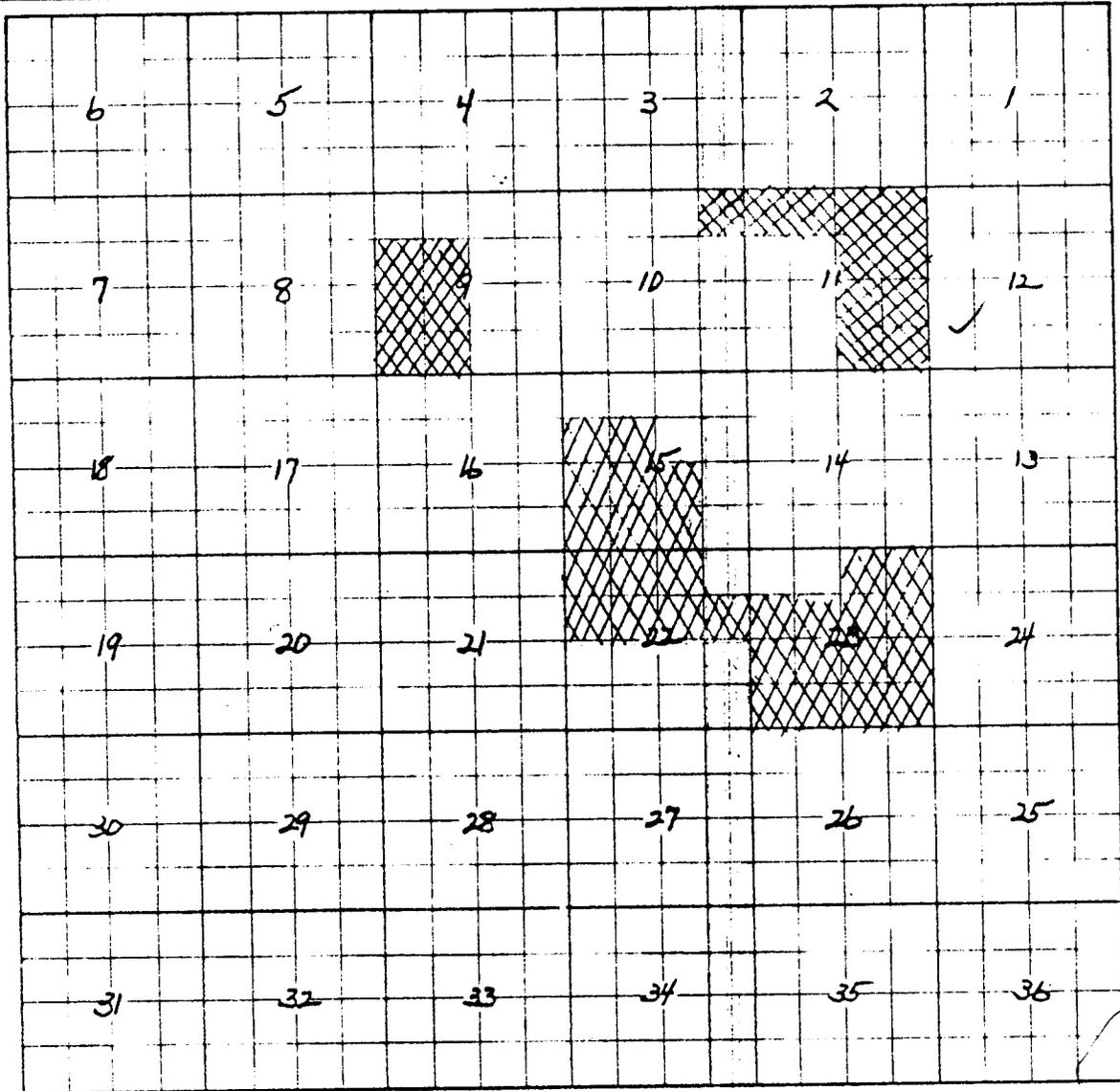
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- Bureau of Land Management, 1979, Final Initial Wilderness Inventory, Utah: U.S. Department of the Interior, BLM, Salt Lake City, Utah, 50 p.
- Bureau of Land Management, 1979, Interim Management Policy and Guidelines for Lands Under Wilderness Review: U.S. Department of the Interior, BLM, Washington, D.C. 32 p.
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- Zarn, Mark, 1977, Ecological Characteristics of Pinyon-Juniper Woodlands on the Colorado Plateau: U.S. Dept. of Interior, Bureau of Land Management, Technical Note 310, Denver, Colorado 183 p.

Utah State

TOWNSHIP 20S RANGE 23E COUNTY Grand County STATE Utah

REMARKS: Lease #U-42223

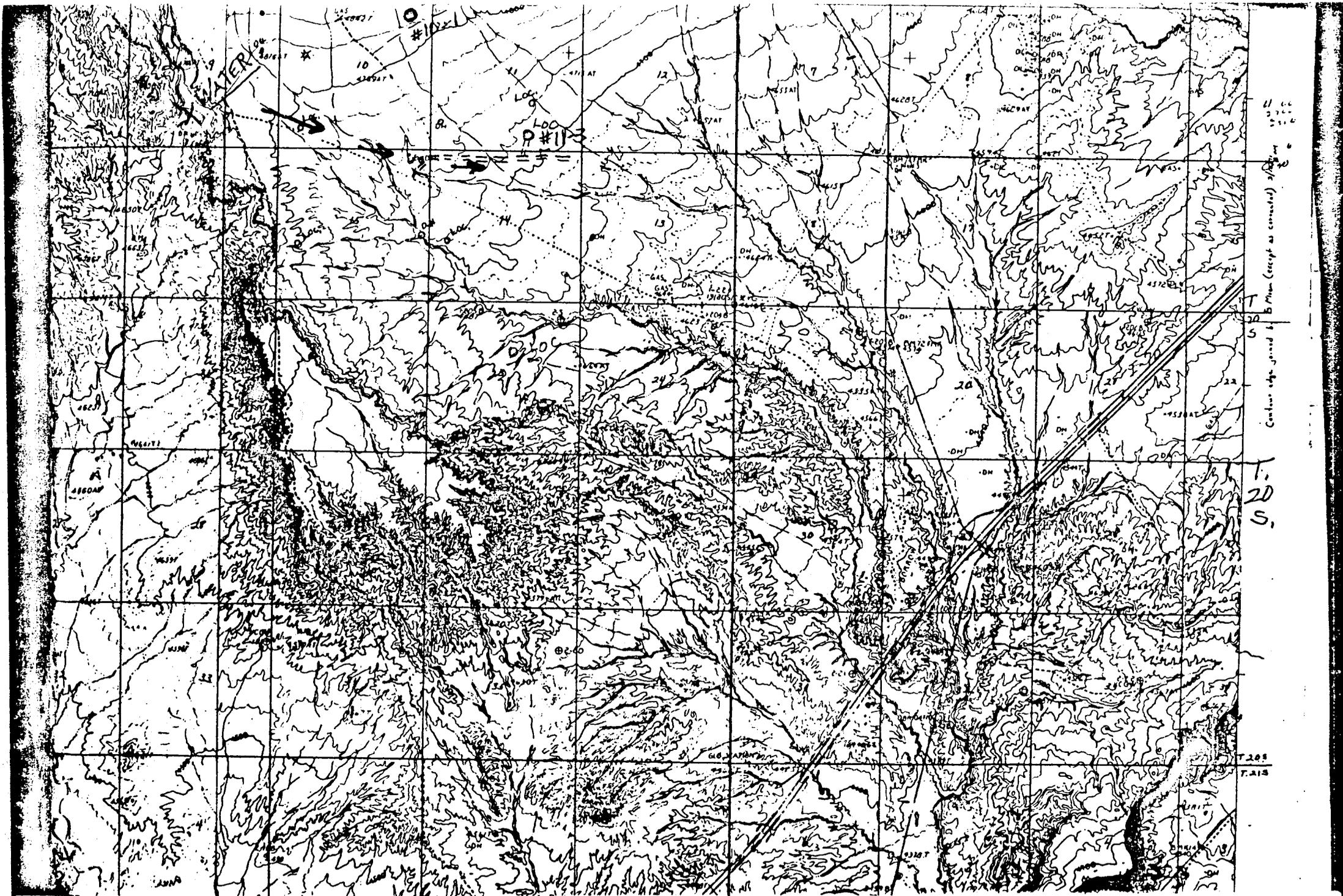
COMPANY Inland Fuels Corp.
2121 South Columbia
Tulsa, Oklahoma 74114



RECEIVED

APR 07 1980

DIVISION OF
OIL, GAS & MINING



R 23 E.

R 24 E

Map # 2

Map # 3

Contour elev. ground to B Min (except as connected) 2/10/10

T. 20 S.

7.205
7.215

** FILE NOTATIONS **

DATE: April 7, 1980

Operator: Inland Fuels Corporation

Well No: Federal #11-3

Location: Sec. 11 T. 20S R. 23E County: Arund

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-019-30629

CHECKED BY:

Geological Engineer: _____

Petroleum Engineer: ~~4-8~~ M. J. Kinder 4-8-80

Director: _____
OK on oil + gas spacing - OK on lease

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 162-16B 11/15/79

O.K. Rule C-3

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

Lease Designation Fed

Plotted on Map

Approval Letter Written

ltm

#3

nl
PI

April 8, 1980

Inland Fuels Corporation
2121 South Columbia
Tulsa, Oklahoma 74114

Re: Well No. Federal # 9-1, Sec. 9, T. 20S, R. 23E., Grand County, Utah
Well No. Federal #10-1, Sec. 10, T. 20S, R. 23E., Grand County, Utah
Well No. Federal #11-3, Sec. 11, T. 20S, R. 23E., Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil/gas well is hereby granted in accordance with the Order issued in Cause No. 102-16B dated November 15, 1979.

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 - Petroleum Engineer
Office: 533-5771
Home: 876-3001

Enclosed please find Form CGC-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 #9-1 -- 43-019-30627;
#10-1 -- 43-019-30628; #11-3 -- 43-019-30629.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder
Petroleum Engineer

/b:tm

cc: USGS



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

May 29, 1980

Memorandum

To: Oil & Gas Office, USGS Conservation Division,
Salt Lake City, Utah

From: Area Manager, Grand Acting

Subject: Inland Fuels Corporation
Federal 11-3, Lease U-42223
SW/SE Section 11, T. 20 S., R. 23 E. SLB&M
Grand County, Utah

On May 13, 1980, a representative from this office met with George Diwachak, USGS, and Hart Gleason agent of Inland Fuels Corp. 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. No threatened or endangered flora or fauna are indicated in the area.

Please forward the enclosed information to Inland Fuels Corp..

Enclosures (2)
1-Reclamation Procedures
2-Seed Mixture



Save Energy and You Serve America!

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 end 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 subsurface 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.

A pit toilet will be used. If the pad and surrounding area becomes unsanitary, a chemical toilet will be required on future sites.

Inland Fuels Corp. will use a pipeline right-of-way for one-half mile of their access route. They will contact pipeline prior to using this route.

One quarter mile of new access road will be constructed from pipeline right-of-way to the pad. Topsoil will be wider and along the east side of the new road.

The disturbed surface area can be seeded immediately after the well is drilled, the area cleaned up and the surface recontoured. If the seeding is not successfully, then additional seed will be drilled into the ground during the fall of 1980.

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.).

<u>SPECIES</u>		<u>LB/ACRE</u>
<u>Grasses</u>		
Oryzopsis hymenoides	Indian Rice Grass	1
Hilaria jamesii	Curley Grass	1
<u>Forbs</u>		
Sphaeralcea coccini	Globe Mallow	1
<u>Shrubs</u>		
Artiplex confertifolia	Shadscale	1
Ceretoides lanata	Winter Fat	1
		<hr/> 5

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

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

SUBJECT: APD MINERAL EVALUATION REPORT

LEASE NO. 11 42223

OPERATOR: Inland Fuels

WELL NO. 11-3

LOCATION: 1/2 SW 1/4 SE 1/4 sec. 11, T. 20S, R. 23E, 5th
Grand County, Utah

1. Stratigraphy:
- Mancoos - surface
 - Dakota 1500
 - Cedar Mt 1600
 - Morrison 1700
 - salt wash 1980
 - Entrada 2300 TD 2500

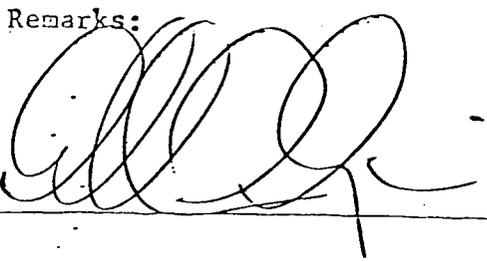
2. Fresh Water: none probable

3. Leasable Minerals: gas, possible oil from Dakota to TD

Additional Logs Needed: designate

Potential Geologic Hazards: none expected

References and Remarks:

Signature: 

Date: 4 - 15 - 80

Inland Fuels
11-205-23E
- 11-3

Glenn

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. U-42223 well No 11-3

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 Science

November 19, 1980

Inland Fuels Corporation
2121 South Columbia
Tulsa, Oklahoma 74114

RE: SEE SHEET ATTACHED FOR WELLS
INVOLVED.

Gentlemen:

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

This office has not received any notification of spudding. If you do not intend to drill this well (these wells), please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan on drilling this location 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

Debbie Haugegard
DEBBIE HAUREGARD
CLERK TYPIST

SHEET ATTACHMENT:

- (1) Well No. Fed. #9-1
Sec. 9, T. 20S, R. 23E,
Grand County, Utah
- (2) Well No. Fed. #10-1
Sec. 10, T. 20S, R. 23E,
Grand County, Utah
- (3) Well No. Fed. #11-3
Sec. 11, T. 20S, R. 23E,
Grand County, Utah
- (4) Well No. Fed. #22-2
Sec. 22, T. 20S, R. 23E,
Grand County, Utah
- (5) Well No. Fed. #23-3
Sec. 23, T. 20S, R. 23E,
Grand County, Utah

DAVID H. MONNICH
P. O. Box 5004
CARROLLTON, TEXAS 75006

December 16, 1980

DIVISION OF
OIL, GAS & MINING

DEC 22 1980

RECEIVED

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

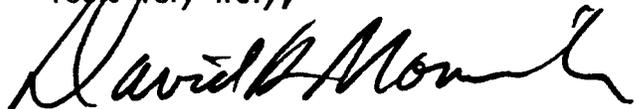
Dear Ms. Beauregard --

Re Well No. Fed. #9-1, Sec. 9,
Well No. Fed. #10-1, Sec 10
Well No. Fed. #11-3, Sec 11
Well No. Fed #22-2, Sec 22
Well No. Fed. #23-3, Sec 23
T. 20S, R. 23E, Grand County,
Utah

In answer to your letter of November 19, 1980 concerning the wells for which we applied to drill, we have not spudded any and are on hold until we can get further geological information. We will inform you of our plans.

Thank you.

Yours very truly,



David H. Monnich

SCOTT M. MATHESON
Governor



OIL, GAS, AND MINING BOARD

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

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

CHARLES R. HENDERSON
Chairman

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

CLEON B. FEIGHT
Director

May 19, 1981

Inland Fuels Corporation
2121 South Columbia
Tulsa, Oklahoma 74114

Re: SEE ATTACHED SHEET ON WELL DUE

Gentlemen:

Our records indicate that you have not filed the Monthly drilling reports for the months indicated above on the subject wells.

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1B, (U.S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING


SANDY BATES
CLERK-TYPIST

1. Well No. Federal 9-1
Sec. 9, T. 20S. R.23E.
Grand County, Utah
(Janurary - April 1981)

2. Well No. Federal 10-1
Sec. 10, T.20S. R. 23E.
Grand County, Utah
(Janurary - April 1981)

3. Well No. Federal 11-3
Sec. 11, T.20S. R.23E.
Grand County, Utah
(Janurary - April 1981)

4. Well No. Federal 22-2
Sec. 22, T.20S. R.23E.
Grand County, Utah
(Janurary - April 1981)

5. Well No.Federal 23-3
Sec. 23, T.20S. R. 23E.
Grand County, Utah
(Janurary - April 1981)

660
DAVID H. MONNICH
P. O. Box 5004
CARROLLTON, TEXAS 75006

June 5, 1981

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

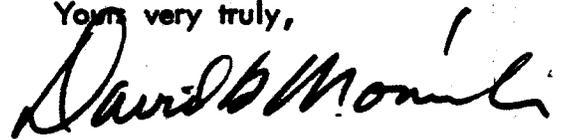
Reference:

Well No. Fed. #9-1, Sec. 9,
Well No. Fed. #10-1, Sec. 10,
Well No. Fed. #11-3, Sec 11,
Well No. Fed. #22-2, Sec 22,
Well No. Fed. #23-3, Sec 23
T. 20S, R. 23E, Grand County, Utah

Dear Ms. Bates:

In answer to your letter of May 19, 1980 concerning the wells for which we applied to drill, we have abandoned plans to drill. We will reapply for drilling permits.

Yours very truly,



David H. Monnich

RECEIVED
JUN 8 1981
DIVISION OF
OIL, GAS & MINING