

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

April 8, 1980

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

Re: Application for Permit to Drill  
Valentine Federal #1  
Section 35-T16S-R25E  
Grand County, Utah

Dear Ms. Melendez:

Please find enclosed an APD, 10 point plan, BOP Schematic, and location plat for the above referenced well.

If you should have any questions, please contact me. Thank you.

Very truly yours,

TEXAS OIL & GAS CORP.



Scott McGlochlin  
Safety & Environmental  
Administrator

SM/vb  
Enclosures

**RECEIVED**

APR 10 1980

DIVISION OF  
OIL, GAS & MINING

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  
 Texas Oil & Gas Corp.

3. ADDRESS OF OPERATOR  
 1800 Lincoln Center Bldg., Denver, CO 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 A. 741' FSL, 1996' FWL, Section 35-T16S-R25E  
 At proposed prod. zone *de SW*

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

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 600'

16. NO. OF ACRES IN LEASE 360

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. 5966'

19. PROPOSED DEPTH 4400'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether SP, RT, GR, etc.) 5681' GR

22. APPROX. DATE WORK WILL START\* April 20, 1980

5. LEASE DESIGNATION AND SERIAL NO.  
 U-38276

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 -----

7. UNIT AGREEMENT NAME  
 -----

8. FARM OR LEASE NAME  
 TXO Valentine Federal

9. WELL NO.  
 1

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

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Section 35-T16S-R25E

12. COUNTY OR PARISH | 13. STATE  
 Grand | Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36# K-55 New	250'	Cement to surface
6 1/4"	4 1/2"	10.5# K-55 New	4400'	Cement top at 3600'

APPROVED BY THE DIVISION  
 OF OIL, GAS, AND MINING  
 DATE: 5-5-80  
 BY: M. G. Minder

**RECEIVED**  
 APR 10 1980  
 DIVISION OF  
 OIL, GAS & MINING

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

24. SIGNED J. A. Varela TITLE Drilling & Production Manager DATE March 13, 1980

(This space for Federal or State office use)

PERMIT NO. 43-019-30639 APPROVAL DATE 5/5/80

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

CONDITIONS OF APPROVAL, IF ANY:



T 16 S, R 25 E, S.L.B. & M.

PROJECT

TEXAS OIL & GAS CORP.

Well location, TXO-VALENTINE FED.#1,  
located as shown in the SE 1/4 SW 1/4  
Section 35, T16S, R25E, S.L.B. & M.  
Grand County, Utah.

EXHIBIT 2



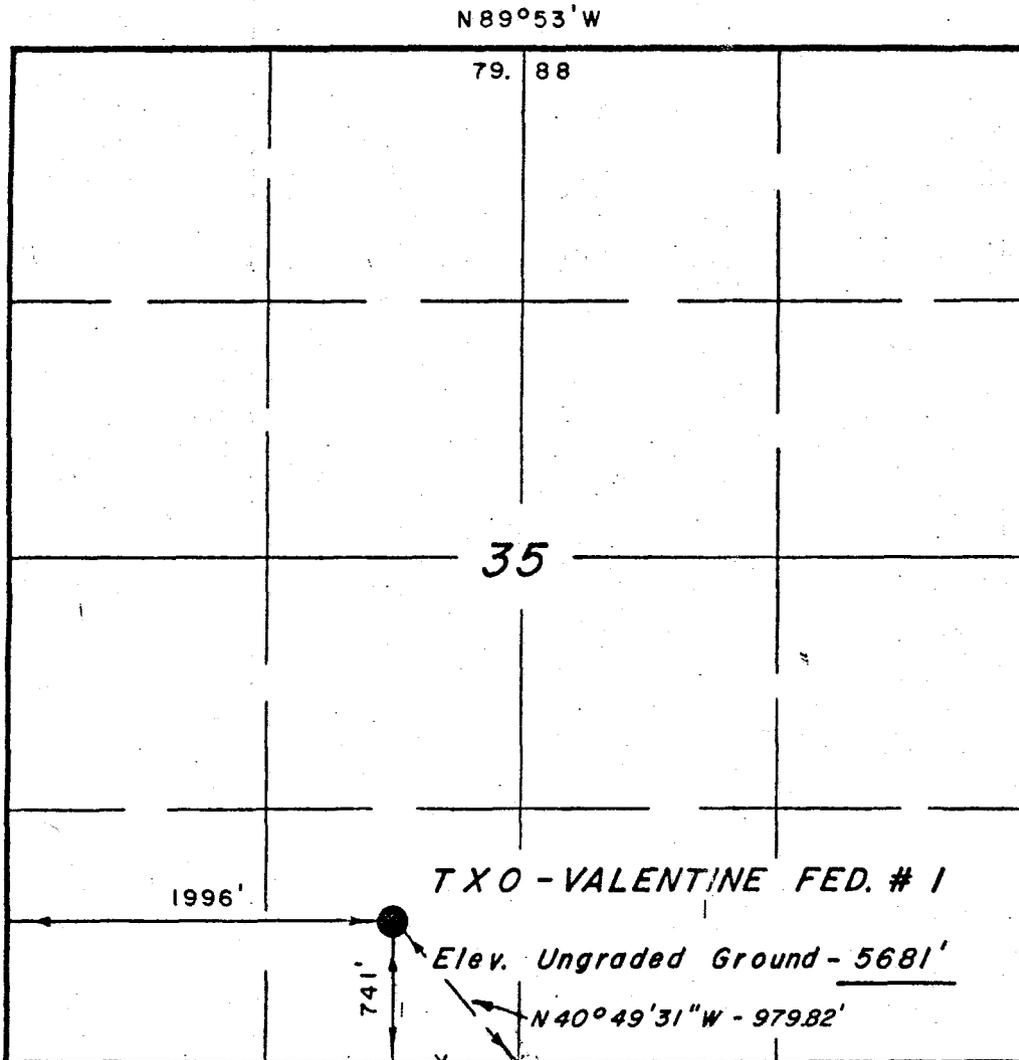
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
REGISTRATION NO 3154  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
P. O. BOX Q - 110 EAST - FIRST SOUTH  
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	3/7/80
PARTY	M.S. K.H. S.B.	REFERENCES	GLO Plat
WEATHER	COOL	FILE	TEXAS OIL & GAS



N 1/2

S 1/2

6.165

N 1/4 Cor. Sec. 2, T17S, R25E,

406.86' EAST

6.385

X = Section Corners Located

9-331-C ADDENDUM

TXO Valentine Federal #1  
Section 35-T16S-R25E  
Grand County, Utah

1. SURFACE FORMATION: Mancos

2. ESTIMATED FORMATION TOPS:

Dakota Silt	3881'
Dakota	3956'
First San Arroyos Sandstone	3971'
Second San Arroyos Sandstone	3994'
Third San Arroyos Sandstone	4030'
Fourth San Arroyos Sandstone	4065'
Buckhorn Sandstone	4104'
Morrison (Brushy Basin Member)	4114'
T.D.	4400'

3. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER OR OTHER MINERAL BEARING ZONES ARE EXPECTED TO BE ENCOUNTERED:

Expected gas zones:

Third San Arroyos Sandstone	4030'
Fourth San Arroyos Sandstone	4065'

4. CASING PROGRAM AS PER FORM 9-331-C.

5. PRESSURE CONTROL EQUIPMENT:

A. After surface casing is set, a double ram type blowout preventer with blind rams and pipe rams, with minimum working pressure of 2000 psi. will be installed. Refer to Exhibit 1. ✓

B. A choke control, fill and kill lines with minimum working pressure of 2000 psi will be installed. ✓

C. A rotating pack-off head will be installed above the blowout preventer to control flow while drilling with air. ✓

D. The equipment in A and B will be pressure-tested to 2000 psi before drilling surface pipe cement; and the blowout preventer will be tested for operations daily and during trips. ✓

6. MUD PROGRAM:

0'	-	250'	Spud mud
250-	-	4400'	Air or air mist

7. AUXILIARY EQUIPMENT:

- A. A kelly cock will be used.
- B. A float valve will be run in the drill string above the bit.
- C. A sub with full opening valve will be kept on the derrick floor to stab into DP when kelly is not in use.

8. CORING, LOGGING, TESTING PROGRAM:

- A. No coring is anticipated.
- B. GR induction.  
SNP-FDC-GR with caliper.

9. ABNORMAL CONDITIONS:

- A. No abnormal pressures or temperatures are expected.
- B. No hazardous gasses such as H<sub>2</sub>S are expected.
- C. While drilling with gas or air, return fluids will be directed through the blow line to the reserve pit, located 125' from the wellhead. All open fires or ignition sources will be prohibited on location while gas or air drilling. A pilot flame will be maintained at the end of the blow line to ensure burning of return gasses that are combustible.

10. ANTICIPATED STARTING DATE:

Start location	April 20, 1980
Spud	May 20, 1980
Complete drilling	May 30, 1980
Completed, ready for pipeline	July 20, 1980

11. Productive zones will be perforated, tested and treated as necessary. Gas will be flared during testing. Produced water will be contained in the unlined drilling reserve pit. The extent of treatment of a zone (acidizing and/or frac-ing) can only be determined after the zone has been tested. A completion program will be furnished after drilling and logging.

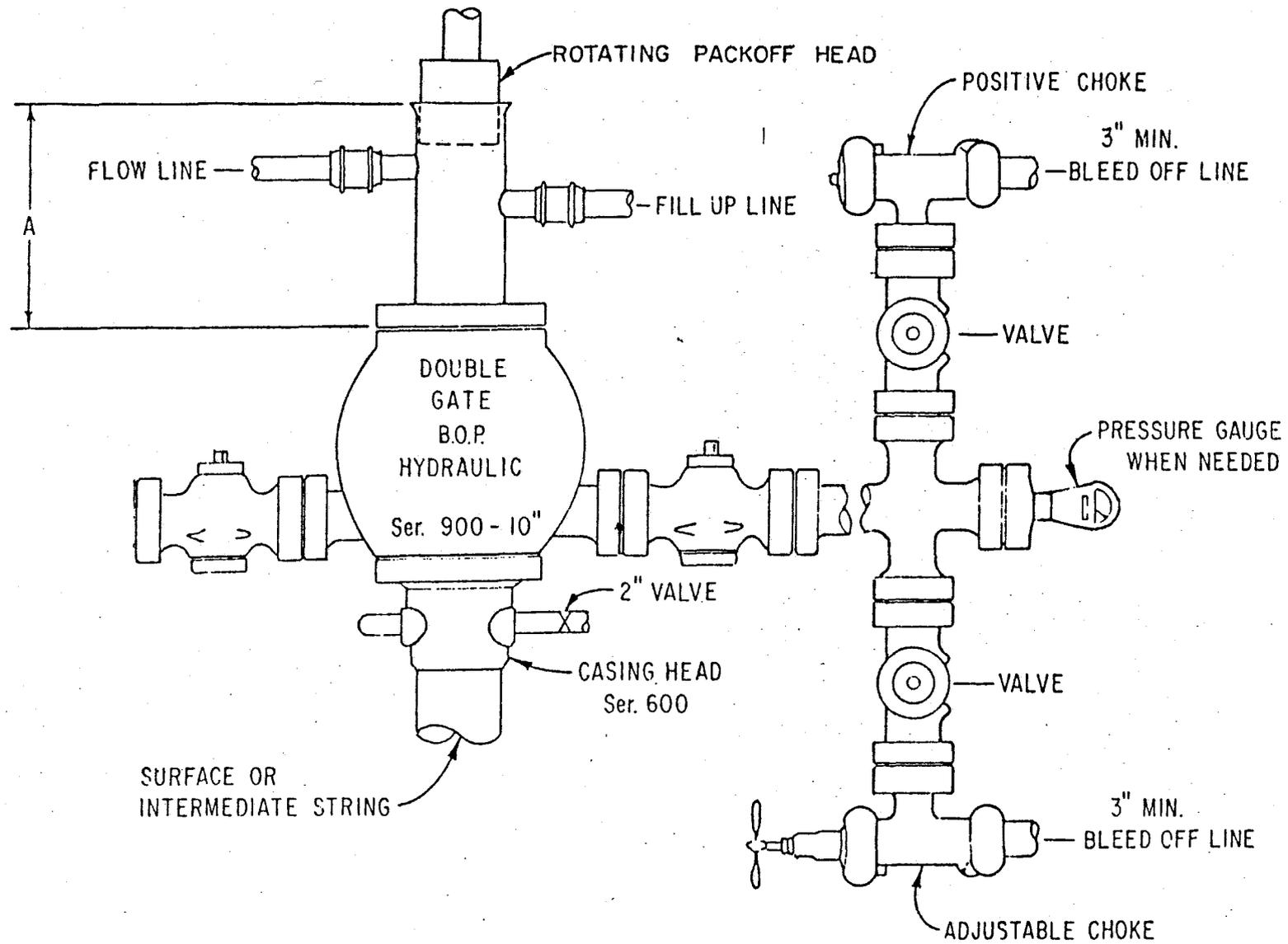


EXHIBIT I  
 BLOWOUT PREVENTER DIAGRAM

\*\* FILE NOTATIONS \*\*

DATE: April 10, 1980

Operator: Texas Oil + Gas Corp

Well No: TXO Valentine Federal #1

Location: Sec. 35 T. 16S R. 25E County: Grand

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-019-30639

CHECKED BY:

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

Petroleum Engineer: M.J. Minder 5-5-80 30 close to  
unit boundary - will request topo except called 4-30-80 <sup>H. Harvey</sup>

Director: already a producing gas well in section

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 149-2B 3/26/80

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

Utm

#3  
kl  
PI

TXO Arco Fed C#1  
producing gas well  
Interval Dakota  
4377-4407

May 8, 1980

Texas Oil and Gas Corporation  
1800 Lincoln Center Building  
Denver, Colorado 80264

Re: Well No. TXO Valentine Federal #1, Sec. 35, T. 16S, R. 25E., Grand County, Utah  
Well No. TXO Valentine Federal #2, Sec. 34, T. 16S, R. 25E., Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas wells is hereby granted in accordance with the Order issued in Cause No. 149-28 dated March 26, 1980.

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 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 #1: 43-019-30639;  
#2: 43-019-30640.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder  
Petroleum Engineer

/btm

cc: USGS

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

May 1, 1980

RECEIVED  
MAY 5 1980

DIVISION OF  
OIL, GAS & MINING

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

Re: Valentine Federal #1  
Section 35-T16S-R25E  
Grand County, Utah

Gentlemen:

Texas Oil & Gas Corp. requests permission to drill the above mentioned well, located 741' FSL, 1996' FWL. The location does not conform to spacing requirements for Section 35, which requires wells within the section to be 1000' from the unit boundary. Unfortunately, the well is located at the base of the Book Cliffs. To move the well further north, in compliance with the spacing regulations, would place the location upon the top of the cliffs. This would require extensive road construction (such as switchbacks), excessive cuts and fills at the location. The cost would be prohibitive and the potential for environmental damage unacceptable. The present well site is relatively level and the access road would also be on level ground. This will reduce the overall costs for construction and minimize the potential for environmental damage. Therefore, Texas Oil & Gas Corp. requests a topographic exception from the spacing requirements for this well.

A topographic map showing the location is attached. Texas Oil & Gas Corp. either controls or owns the acreage within Section 35.

If you should have any questions, please contact me. Thank you.

Very truly yours,

TEXAS OIL & GAS CORP.

*R. A. Varela*

R. A. Varela  
Drilling & Production Manager

SM:bg

Attachment

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

DUPLICATE

5. LEASE DESIGNATION AND SERIAL NO. U-38276

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME TXO Valentine Federal

9. WELL NO. 1

10. FIELD AND POOL, OR WILDCAT San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 35-T16S-R25E

12. COUNTY OR PARISH Grand 13. STATE Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL  DEEPEN  PLUG BACK

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

2. NAME OF OPERATOR Texas Oil & Gas Corp.

3. ADDRESS OF OPERATOR 1800 Lincoln Center Bldg., Denver, CO 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)  
At surface 741' FSL, 1996' FWL, Section 35-T16S-R25E  
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\* 17 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 600'

16. NO. OF ACRES IN LEASE 360

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. 5966'

19. PROPOSED DEPTH 4400'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5681' GR

22. APPROX. DATE WORK WILL START\* April 20, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36# K-55 New	250'	Cement to surface
6 1/4"	4 1/2"	10.5# K-55 New	4400'	Cement top at 3600'

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

RECEIVED  
MAY 13 1980

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 any other pertinent data, including a well log, if available. Give any other pertinent data, including a well log, if available. Give any other pertinent data, including a well log, if available.

24. SIGNED J. A. Varela TITLE Drilling & Production Manager DATE March 13, 1980

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE FOR E. W. GUYNN DISTRICT ENGINEER DATE MAY 08 1980

APPROVED BY W. J. Martin TITLE CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

NOTICE OF APPROVAL

Production Facilities and Flowline NOT Approved

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

State Oil & Gas



# 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 28, 1980

## Memorandum

To: Oil & Gas Office, P.O. Box 3768, Grand Junction,  
Colorado, 81502  
From: Area Manager, Grand  
Subject: Texas Oil & Gas Corporation  
Valentine Federal #1, Lease U-38276  
Sec. 35, T. 16 S., R. 20 E., SLB & M  
Grand County, Utah

On April 9, 1980 a representative from this office met with Glen Doyle, USGS, and Scott McGloughlin agent of the Texas Oil & Gas Corporation, 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 Texas Oil & Gas Corporation.

*C. Delano Backus*

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



*Save Energy and You Serve America!*

29 APR 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 eight inches of topsoil in a wind-row on the south west quadrant 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 "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, USGS & USFS 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.

As agreed to at the pre-drill field examination:

Trees (Pinyon & Juniper) removed from the location will be piled on the northwest quadrant and behind the reserve pit. The trees will be scattered over the re-seeded area during the rehabilitation process.

Run-off water will be channeled to the north and south along the west side of the location.

Maximum pad size will be 150 feet wide by 300 feet long. Both the southeast and northeast corners will be reduced by 15 feet to reduce pad size.

Rocks encountered during pad construction will be placed along the ~~east~~ <sup>west</sup> side of the pad to support the fill soils.

The new access road will traverse BLM administered land and Texas Oil & Gas Lease U-38276 after it passes the northwest corner of Section 2, T. 16 S., R. 25 E. Between the section corner and the pad is approximately 1000 feet and the road enters the pad in the northeast quadrant.

(cont.)

(cont.)

Trees (Pinyon & Juniper) from this 1000 foot access road will be pushed off to the road edge and kept for rehabilitation.

In the event that the well is a non-producer, the 1000 foot access road will be closed to surface travel and fully restored at the same time the pad is restored. The dead trees from the access road and well site will be scattered over the area to break up the surface pattern.

## 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.).

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-38276 Well No 1

1. The location appears potentially valuable for:

strip mining\*

underground mining\*\* *coal*

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*

Oil and Gas Drilling

EA No. 300-80

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

USUAL ENVIRONMENTAL ASSESSMENT

Date May 6, 1980

Operator Texas Oil & Gas Corp. Well No. Valentine Fed. #1  
Location 741' FSL 1996' FWL Section 35 Township 16S Range 25E  
County Grand State Utah Field/Unit San Arroyo  
Lease No. U-38276 Permit No. \_\_\_\_\_

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

Joint Field Inspection Date: April 9, 1980

Field Inspection Participants, Titles, and Organizations:

<u>Scott McGlochlin</u>	<u>Operator</u>
<u>Dallas Galley</u>	<u>Dirt Contractor</u>
<u>Elmer Duncan</u>	<u>Bureau of Land Management-Moab</u>
<u>Glenn Doyle</u>	<u>U. S. Geological Survey</u>
_____	_____
_____	_____
_____	_____

Related Environmental Documents:

- BLM-Moab, Book Mountain unit resource analysis.
- BLM-Utah, 1979, Final initial wilderness inventory, USDI, August, 50 pp.

*Handwritten:* Cont. Report 1-7

*Handwritten:* Admin. Comm.?,  
Pal 150 X 350,  
P+ 20 X 175,  
110 mi R/W, 441000000,  
5 30 2  
C/O Sur CS9

## DESCRIPTION OF PROPOSED ACTION

Proposed Action:

1. Location State: Utah  
County: Grand

741 ' F S L, 1996 ' F W L, SE 1/4 SW 1/4  
Section 35, T16S, R25E, SLM

2. Surface Ownership Location: Public  
Access Road: Public

Status of Reclamation Agreements: Not Applicable

3. Dates APD Filed: 3/14/80  
APD Technically Complete: 3/24/80  
APD Administratively Complete: 5/7/80

4. Project Time Frame Starting Date: May 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 350' long and a reserve pit 20' x 175' would be constructed. Approximately 1.1 miles of new access road, averaging 16' in width, would be constructed from a maintained road. 3.3 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 - The wellsite lies on a steep talus slope at the mouth of a cliff-flanked canyon which drains to the south from the Book Cliffs. Large boulders, rocks, and unstable soil make up the location.

PARAMETER

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

Information Source: Application to Drill, Field observation

1. Other Local Mineral Resources to be Protected: Prospectively valuable coal in the Neslen Formation.

Information Source: ME, District Geologist.

2. Hazards:

a. Land Stability: Land stability could be a significant problem, especially during wet periods. Because the wellsite lies at the mouth of a main canyon drainage, significant surface water flows, without drainage control and location stabilization, could undermine the stability of the land.

Information Source: 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. Slope stability could be undermined. Drainage control and location stabilization are needed to prevent this from occurring.

Information Source: Field observation

2. Erosion/Sedimentation: Erosion/sedimentation could be significant unless drainage controls are administered to divert flows around the site.

Information Source: Field observation

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

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

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

Information Source: Field observation

## E. Water Resources

### 1. Hydrologic Character

- a. Surface Waters: Surface waters have been described in the Regional Setting/Topography section. During flow periods, especially thunderstorms, this site would be highly exposed to flash floods emanating from the canyon mouth.

Information Source: Field observation, BLM-Moab

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

Information Source: Field observation

2. Water Quality

a. Surface Waters: Surface water quality would be expected to decline because, during flow periods, additional sediment would result from non-point erosion off the wellpad. Any contaminants on the pad would also intermingle with surface waters, further decreasing the quality.

Information Source: Field observation

b. Groundwaters: Operator proposes 250' of surface casing. Commingling of drilling fluids with potentially usable water could render groundwater unusable. Pits would be unlined, provided the soil is not largely composed of talus rock. If it is, rocks must be removed as much as possible, soil spread and compacted, and the pit lined with 2-3" of bentonite gel.

Information Source: Application to Drill, Field observation

## F. Flora and Fauna

1. Endangered and Threatened Species Determination

Based on the formal comments received from the Bureau of Land Management on April 29, 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 3.3 acres of vegetation increasing potential for non-point erosion and decreasing soil fertility.

Information Source: Application to Drill, Field observation

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 29, 1980, we determine that there would be no effect on cultural resources subject to no stipulations. Information Source: BLM

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

Information Source: G. Doyle, Environmental Scientist, USGS;  
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 3.3 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) Land stability would likely be adversely affected by two factors:

a) The wellsite is located on a steep talus slope composed of Mancos soil and large boulders and rocks which have broken off from cliffs above and

b) It lies at the mouth of a main canyon drainage capable of significant water volumes during thunderstorms and runoff periods.

2) Both cattle and sheep could be endangered by toxic or hazardous fluids in the reserve pit if it is not properly fenced.

3) Loss of reserve pit fluids due to leakage through rock fractures is possible because of the large volume of rocks in the wellsite soil.

## 2. Conditional approval

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

1) By diverting drainage around the wellpad, land instability potential would be reduced. Also, runoff would be diverted, reducing the potential for non-point erosion while maintaining a near-natural open stream gradient.

2) By moving boulders and rocks to the west side and reducing the NE and SE corners by approximately 15', steep, natural drainages would not be adversely impacted and pad stability would be improved.

3) If significant volumes of rock are encountered during pit excavation, lining the pit with 2-3" of bentonite would improve pit integrity.

- 4) 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 would be mitigated.

Recommended Approval Conditions:

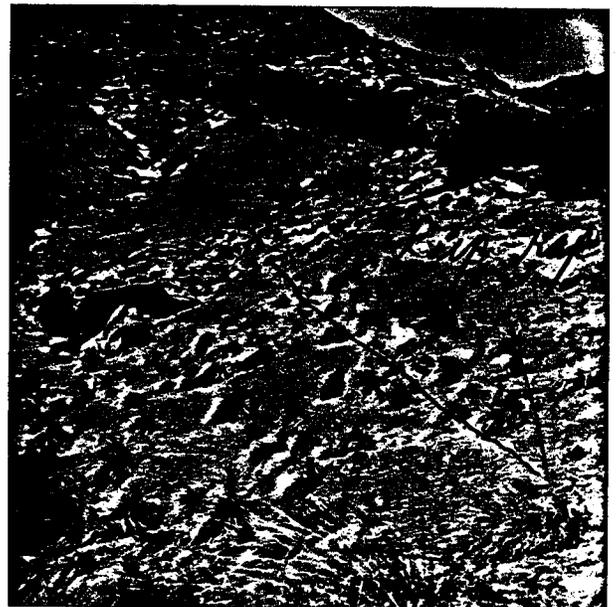
Drilling should be allowed, provided the following mitigative measures are incorporated into the proposed APD and adhered to by the operator:

1. See attached Lease Stipulations. *None*
2. See attached BLM Stipulations.
3. Construct diversion ditches on the north and south sides of the location so that runoff will empty into the drainage to the west edge of the location.
4. Riprap west edge of location with rocks and boulders from the location.
5. Reduce the NE and SE corners by 15' each.
6. USGS and BLM inspect pit excavation to determine if lining is necessary. Two to three inches of bentonite is recommended lining.
7. 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



Texas Oil & Gas Valentine #1  
Sec. 35, T16S, R25E, Grand Co.,  
Utah ~~Wellstake~~ Wellstake



Texas Oil & Gas Valentine #1  
Sec. 35, T16S, R25E, Grand Co.,  
Utah Rip-rap WSW edge of pad

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

MAY 07 1980

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

Date

## REFERENCES

- 1 BLM-Moab, Book Mountain Unit Resource Analysis
- 2 Keller, Edward A., Environmental Geology, 488 pages, 1976, Charles E. Merrill.
- 3 Utah State Division of Health, Conservation Committee, Utah Air Conservation Regulations, Revised February, 1979, Bureau of National Affairs, Inc.
- 4 Perkins, David M., Seismic Risk Maps, Reprint-Earthquake Information Bulletin, Nov-Dec 1974, Vol 6, No. 6.
- 5 von Hake, Carl A., Earthquake History of Utah, NOAA.
- 6 BLM-Utah, Final Initial Wilderness Inventory, 50 pp, August 1979, USDI.
- 7 Brown, Merle, Climates of the States - Utah, 15 pp, Climatography of the U.S., No. 60-42, Feb. 1960.

SEEDING MIXTURE

<u>Species</u>		<u>lbs/acre</u>
<u>Grass</u>		
Oryzopsis hymenoides	Indian rice grass	1
Hilaria jamesii	Curly grass	1
<u>Forbs</u>		
Sphaeralcea ambigua	Globemallow	1
<u>Shrubs</u>		
Atriplex canescens	Fourwing saltbush	1
Ceretoides lanata	Winterfat	1
		<hr/>
		5

1. Inform this office before beginning work.

FROM: : DISTRICT GEOLOGIST, M., SALT LAKE CITY, UTAH

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

SUBJECT: APD MINERAL EVALUATION REPORT

LEASE NO. U-38276

OPERATOR: Texas Oil & Gas Corp

WELL NO. 1

LOCATION: NE 1/4 SE 1/4 SW 1/4 sec. 35, T. 16S, R. 2SE, SLM

Grand County, Utah

- 1. Stratigraphy: tops appear reasonable:
  - Surface - Buck Tongue of Mancos
  - 3956' - Dakota
  - 4030' - Third San Annyos S.S. (gas)
  - 4065' - Fourth " " (gas)
  - 4400' - T.D.

2. Fresh Water:

WRO report for sec. 23 that the Castle Gate S.S. may contain usable water to top of the Mancos Shale

3. Leasable Minerals:

prospectively valuable for coal in the Weslen Member of the Price River formation.

4. Additional Logs Needed:

sufficient

5. Potential Geologic Hazards:

none expected

6. References and Remarks:

1/8 mile south of San Annyo KBS, USGS map I-736, USGS bull. 852

Signature: Joseph H. Ince

Date: 3-19-80

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: Texas Oil and Gas Corporation

WELL NAME: TXO Valentine #1

SECTION 35 SE SW TOWNSHIP 16S RANGE 25E COUNTY Grand

DRILLING CONTRACTOR Calvert Western

RIG # 8

SPUDDED: DATE 5/19/80

TIME 12:30 a.m.

HOW rotary

DRILLING WILL COMMENCE ASAP

REPORTED BY Hugh Harvey

TELEPHONE # 303-861-4246

DATE May 19, 1980

SIGNED \_\_\_\_\_

Original Signed By M. T. Minder

cc: USGS

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

July 24, 1980  
Thursday

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

RECEIVED  
JUL 28 1980

Re: Valentine Federal #1  
Sec. 35-16S-25E  
741 FSL 1996 FWL SE/SW  
Grand County, Utah

DIVISION OF  
OIL, GAS & MINING

Gentlemen:

Enclosed is an open hole log or logs of our captioned well.  
This material is for your files as required by State regulation.  
If this letter is stamped "TIGHT HOLE", would you please keep the  
log(s) of this well confidential for the maximum period allowed by  
regulation, or until we notify you to the contrary.

Very truly yours,

TEXAS OIL & GAS CORP.

*Robert C. Dickinson*  
Robert C. Dickinson  
District Exploration Manager

Enclosure  
RCD/11

TIGHT HOLE

WELL NAME: Valentine Federal 1  
 AREA: San Arroyo  
 LOCATION: Section 35-16S-25E  
 COUNTY: Grand  
 STATE: Utah  
 COORDINATIONS: 5681 GL, 5691 KB  
 FOOTAGE: 741' FSL, 1996' FWL,

CONTRACTOR: Calvert Western #8  
 WOB APPROXIM: \_\_\_\_\_  
 EST. ID: 4286'  
 AFE NUMBER: 800799  
 LEASE NUMBER: 56021  
 TNO WT: 100%

COMPANY	CONTACT	ALTERNATE
TO&G 2150 Fidelity Union Tower Dallas, TX 75201	J. D. Huppler Daily Telecopy(214) 747-8341	
J. Grynberg & Assoc. 1050 17th Street Suite 1950 Denver, CO 80265	Call Daily Mail Weekly (303) 572-1455	J. Grynberg

5/19/80 DD #1, 164' made 164' in 5 1/2 hrs. drlg, ss & sh. 8.9, 45, Pump liner size 5 1/2" x 16", SPM 57, GPM 260, Press 500. Bit Record: No. 1, size 12 1/4 RR, type DGJ, Serial #BB0278, Jets 15 15 15. WOB 10-15, RPM 60-80. Spud @ 12:30 am 5/19/80. 16 1/2 RURT, 5 1/2 drlg. DT 9109, CW 9109.

5/20/80 DD #2, 425' made 261 in 12 hrs, WOC, ss & sh, 9.0, 60. Lines size 5 1/2" x 16", SPM 57, GPM 260, Press 500. Bit record: No. 1, size 12 1/4 RR, Mfgr STC, type DGJ, Jets 15 15 15, Serial #BB0278 out 425 ftg 425, Hrs 17 1/2, Cond T 4, B 4, G in. WOB 10-20, RPH 80, 1/4° @ 210', 1/2° @ 329. Drlg 12, TOOH 1 1/2, ST 4, Run csg 2, cmt 1, circ 1 1/2, WOC 2. Ran 10 jnts 9 5/8 36# K-55 ST&C C-A csg. Set @ 421. Cmt w/300 sx Class "G" w/2%cc PD 4 am. Insert float @ 380'. Stuck DC's @ 335'. Worked out to 280'. Went to btm, cir, TOOH. DT 10,120, CW 19,229.

5/21/80 DD #3, 900' made 475' in 7 1/2 hrs. Drlg, sd & sh, air. Bit record: No. 2, size 7 7/8, Mfgr STC, Type V-2, Serial #AR3618, Jets op, ftg 475, hrs 7 1/2. 1° @ 570. NU 10, test 1, trip 3, repairs, 2, survey 1/2, drlg 7 1/2. DT 8930, CW 28,159. BOP 1000# w/ air.

5/22/80 DD #4, 1695' made 795' in 15 1/2 hrs, sd & sh, drlg, air, CFM 1400, Press 1500. Bit No. 2, 7 7/8, U-2, out 980, ftg 555. 1 1/4° @ 910, 1 3/4° @ 1200, 2° @ 1400, 2 1/4° @ 1617. DT 11,083, CW 39,242.

5/23/80 DD #5, 2956' made 1270', drlg, sd & sh, air. 2 3/4° @ 1906, 2 1/2° @ 2126', 2 3/4° 2436', 2 1/2° @ 2716'. DT 10,163, CW 49,405.

5/24/80 DD #6, 3548' made 583' in 8 hrs. TOOH w/fish. sd & sh, air. Bit No. 3, 7 7/8 FP62. Ftg 2568, Hrs 39 1/2. WOB 15-18, RPM 100. 3° @ 2897'. 2 3/4° @ 3240'. Twisted off @ 3304. Left 8 DC in hole. HIG, rec fish. DT 10461, CW 59,866.

5/25/80 DD #7, 4050' made 502' in 14 hrs, drlg, sd & sh. Air. Bit No. 3, 7 7/8, FP 62, Ftg 3070, hrs 51 1/2. WOB 15-18. RPM 100. 2 1/2° @ 3592. LD 3 DC, jars have pulled thread, didnt lay down. DT 9870, CW 69,736.

5/26/80 DD #8, 4619' made 569' in 8 hrs. TIH to LD DP. air, sd & sh. Bit No. 3, 7 7/8, Ftg 3639, hrs 65 1/2. 4 1/4° @ 4160, 3 1/4° @ 4600. Ran FDC-SNP-DIL logs. TD 7 7/8 hole @ 7:30 am 5/24/80. DT 8680. CW 78,416.

5/27/80 DD #9, 4619' made 0'. RDRT. Rel wtr truck, air comp 5/26/80. Set 105 jnts 4 1/2 10.5 K-55 ST&C csg @ 7173'. Cmt w/150 sx 50-50 poz. 5% KCl, 3/4% NFR-1. Displ w/3% KCl wtr. PD 11:45 pm 5/26/80. DT 33,409, CW 111,828.

5/28/80 PBTD 4133, WOCU.

5/29/80 PBTD 4133, WOCU.

5/30/80 PBTD 4133, WOCU.

5/31/80 PBTD 4133, WOCU.

6/1/80 PBTD 4133, WOCU.

TEXAS OIL & GAS CORP.  
DENVER DISTRICT  
VALENTINE FEDERAL 1  
Section 35-16S-25E  
Grand County, Utah

- 6/2/80 PBSD 4133', WOCU.
- 6/3/80 PBSD 4133', WOCU.
- 6/4/80 MIRUCU.
- 6/5/80 TOOH w/tbg. Prep to perf. RIH w/129 jts, 2 3/8 8rd, 4.7#, J-55 R2 Cond A tbg, 3938.18. RU Nat'l, press test BOP & csg to 3000#. Pmp 250 gal Acetic acid. Disp w/14 bbl 3% KCl. SI SDFN.
- 6/6/80 TOOH (to pick up bit to clean out). TOOH w/2 3/8 tbg, RU GO, Ran CBL-GR 3420-4036', Scattered cmt, TOC @ 8900' LTD 4042', TOOH PU. GIH w/gun, perf 3973-75' w/4 holes TOOH, TIH w/drlable cmt ret, set @ 3950'. TIH w/tbg, RU Dowell, AIR 3/4 BPM @ 2000# w/3% KCl. Tried to spot cmt, 100 sx 50-50 poz 5% KCl, 3/4% FR-2. Squeezed 5 1/2 bbls cmt into fm. Stung out of retainer & rev out. STOOH. SDFN.
- 6/7/80 TOOH w/tbg & stinger. TIH w/3 7/8" bit. Bit sub, 128 jnts. RU, reverse circ, drld 2 hrs, made 0', TOOH, SDFD.
- 6/8/80 RIH w/3 7/8 mill. Tag ret & drld. Mill 3 hrs, made 3', plugged mill. TOOH to unplug mill. Found metal & rubber in bit sub. SDFD.
- 6/9/80 SDFS.
- 6/10/80 RIH w/new mill. Drld on junk 5 1/2 hrs. Made 1'. Mill plugged. Unable to break up pieces. TOOH. Found pieces of slip segments stuck in mill. Pieces larger than 1 1/2". Clean out mill. SDFN.
- 6/11/80 RD, repair rig, TIH w/mill and junk basket, milled 2 1/2 hrs, very little progress, rig BD. TOOH, wait for new motor to be installed on rig. Mill was badly worn. 2 jnts corkscrewed. Rec 6 pieces of iron in junk basket.
- 6/12/80 SD for rig repair.
- 6/13/80 WO rig repair.
- 6/14/80 PBSD 4133', RIH w/magnet. Rec iron piece 1 1/2" to 1/4". PU bladed mill & 6-3 1/3" DC 7 TIH. RU power swivel, drlg 10' cmt. SDFD.
- 6/15/80 PBSD 4133', Fin drlg out cmt. Disp hole w/3% KCl wtr. Run GR-CBL fr PBSD to 7050'. 100% bond PBSD to 3940'. 80-90% bond 3920 to 3925. Press test csg to 4000#. Bleed to 1500# in 2 1/4 min. Perf 3961-3975'. RIH w/tbg & land @ 3958'. Spot 250 gal 7 1/2% MSR acid. BD @ 3000#. Disp w/1% KCl wtr. Pull 5 std tbg & SDFN. Left well op.
- 6/16/80 PBSD 4133', Left op to pit. SDFS.
- 6/17/80 PBSD 4133', Op well to pit thru 3/4" ch. 250 BLTBR. F back some sd. SDFD.
- 6/18/80 PBSD 4133', F back frac 70# on 3/4" adj ch. Est 500 MCFD.
- 6/19/80 PBSD 4133', IP 52# on 3/4" ch = 766 MCFD. SI Dakota gas well. WOPL. FINAL REPORT!!  
Stab @ rate of 776 MCFD.

TIME	TBG	CSG	TEMP
10:00	60	150	79
10:10	60	140	77
10:20	57	135	77
10:30	55	135	78
10:40	53	135	80
10:50	53	135	80
11:00	52	135	78
11:10	52	135	80
11:20	52	135	80
11:30	52	135	77
11:40	52	135	76

6/20/80 PBSD 4133', SITP 700#, SICP 750#.

RECEIVED

JAN 12 1981

DIVISION OF  
OIL, GAS & MINING

6/17/80 Additional report: Land tbg @ 3653.48' and install blast jnt across tbg head. Swb  
dwn to 3000'. RU Dowell & frac w/35000 gal 70% quality foam and 28500# 20-40 sd. Dis-  
lace w/7400 gal flush. Frac as follows:

	TP	CP
3000 gal prepad	3300	2100
8000 gal pad	3300	2250
5000 gal 1/2# sd	3400	2500
5000 gal 1# sd	3500	2500
6000 gal 1 1/2# sd	3700	2550
3500 gal 2# sd	3600	2450
7400 gal flush	3700	2500

AIR 14 BPM  
ISIP 3000# CP 2400#.

FILE IN TRIPLICATE  
FORM OGC-8-X

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

\*\*REPORT OF WATER ENCOUNTERED DURING DRILLING\*\*

Well Name & Number Valentine Federal #1  
Operator Texas Oil & Gas Corp. Address 1800 Lincoln Center Bldg.  
Denver, Colorado 80264  
Contractor Calvert Western Address P.O. Box 2920  
Grand Junction, Colorado 81502  
Location SE  $\frac{1}{4}$  SW  $\frac{1}{4}$  Sec. 35 T. 16S R. 25E County Grand

**Water Sands**

<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
From	To	Flow Rate or Head	Fresh or Salty
1.		NONE	
2.			
3.			
4.			
5.			

(Continue on reverse side if necessary)

<u>Formation Tops</u>	Dakota Silt	3799'
	Dakota	3868'
	Buckhorn	4048'
	Morrison	4057'

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.

January 5, 1981

Texas Oil & Gas Corporation  
1800 Lincoln Center Building  
Denver, Colorado 80264

RE: Well No. TXO Valentine Federal #2  
Sec. 34, T. 16S, R. 25E.,  
Grand County, Utah  
July thru December 1980

RE; Well No. TXO Valentine Federal #1  
Sec. 35, T. 16S, R. 25E.,  
Grand County, Utah  
June thru December 1980

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

*Barbara Hill*  
BARBARA HILL  
WELL RECORDS

/bjh  
enclosures: forms

February 11, 1981

Texas Oil & Gas Corporation  
1800 Lincoln Center Building  
Denver, Colorado 80264

RE: Well No. TXO Valentine Federal #1  
Sec. 35, T. 16S, R. 25E.,  
Grand County, Utah

RE: Well No. TXO Valentine Federal #2  
Sec. 34, T. 16S, R. 25E.,  
Grand County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

*Barbara Hill*  
BARBARA HILL  
WELL RECORDS

/bjh

Enclosure: forms

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

February 19, 1981

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

Attention: Ms. Barbara Hill

Re: ~~TXO~~ Valentine Federal #1  
TXO Valentine Federal #2  
Completion Reports

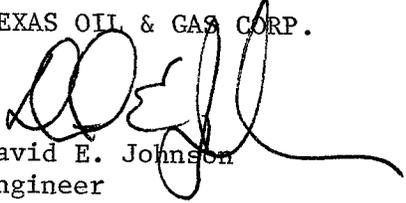
Dear Ms. Hill:

Pursuant to your request, enclosed are copies of completion reports on the above-referenced wells, submitted to your office on June 24, 1980 and July 3, 1980.

If you have any further questions, please contact me.

Very truly yours,

TEXAS OIL & GAS CORP.

  
David E. Johnson  
Engineer

DEJ/ck

enclosures

RECEIVED

FEB 20 1981

DIVISION OF  
OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See instructions on reverse side)

Form approved  
Budget Bureau No. 42 R3555

14

5. LEASE DESIGNATION AND SERIAL NO.

U-38276

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

TXO Valentine Federal

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

San Arroyo

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

Section 35-T16S-R25E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

5681' GR

19. ELEV. CASINGHEAD

23. INTERVALS DRILLED BY

0-4619'

ROTARY TOOLS

CABLE TOOLS

25. WAS DIRECTIONAL SURVEY MADE

No

27. WAS WELL CORED

No

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

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

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

2. NAME OF OPERATOR  
Texas Oil & Gas Corp.

3. ADDRESS OF OPERATOR  
1800 Lincoln Center Bldg., Denver, Colorado 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 741' FSL, 1996' FWL  
At top prod. interval reported below  
At total depth

14. PERMIT NO. DATE ISSUED

43-019-30639

15. DATE SPUNDED 5-19-80  
16. DATE T.D. REACHED 5-25-80  
17. DATE COMPL. (Ready to prod.) 6-18-80

20. TOTAL DEPTH, MD & TVD 4619'  
21. PLUG. BACK T.D., MD & TVD 4133'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
3961'-3975'

26. TYPE ELECTRIC AND OTHER LOGS RUN  
FDC SNP DIL

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36# K-55	421'	12 1/2"	300 SXS	-
4 1/2"	10.5# K-55	7173'	7-7/8"	150 SXS	-

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACER SET (MD)
-					2-3/8"	3653.48'	-

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
INTERVAL	NUMBER	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3961'-3975'	2 JSPF	3961'-3975'	250 gal 7 1/2% MSR acid
	30 holes	3961'-3975'	35000 gal 70% quality foam & 28500# 20-40 sd.

33. PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
		Flowing				Shut-in	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
6-18-80	2	3/4	→	0	65	trace	0
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
52#	135#	→	0	776	trace		

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

35. LIST OF ATTACHMENTS  
None

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records  
SIGNED J.A. Varela TITLE Drilling & Production Mgr. DATE June 24, 1980

RECEIVED  
J. Gordon

FEB 20 1981

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



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

November 12, 1986

TXO Production Corporation  
1880 Lincoln Center Building  
Denver, Colorado 80264

Gentlemen:

Re: Well No. Valentine Federal #1 - T. 16S., R. 25E., Sec. 35  
Grand County, Utah - API #43-019-30639

Thank you for commenting on the September 1986 production report that the referenced well has been plugged and abandoned. A subsequent sundry notice (or a copy of the federal sundry which may have been submitted) describing the plugging procedure should now be provided to properly document the well file. An effort to provide the requested sundry by December 1, 1986 would be appreciated.

Thank you for your prompt attention to this matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Norman C. Stout".

Norman C. Stout  
Administrative Assistant

pk  
cc: Dianne R. Nielson  
Ronald J. Firth  
John R. Baza  
File

0431/3

COMPANY: JYO UT ACCOUNT # N1580 SUSPENSE DATE: \_\_\_\_\_

TELEPHONE CONTACT DOCUMENTATION

CONTACT NAME: Dieder Evans

CONTACT TELEPHONE NO.: (303) 861-4246

SUBJECT: Valentine Fed #1 status

4301930639

16s 25E 35 NKTA

(Use attachments if necessary)

RESULTS: Well is not PA'd but only shut-in.

(Use attachments if necessary)

CONTACTED BY: Claudia Jones

DATE: 12-11-86

4301930639

Dec 1/1986



UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

PRD631822914

DOG M 56-64-21  
an equal opportunity employer

355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Ut  
801-80-1203 • (801-538-5340)

Page 2 of 5

# MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

TXO PRODUCTION CORP.  
1880 LINCOLN CENTER BLDG.  
DENVER CO 80264  
ATTN: DIEDRE E. EVANS

NOV 06 1986

Utah Account No. N1580

Report Period (Month/Year) 9 / 86

Amended Report

Well Name API Number Entity Location	Producing Zone	Days Oper	Production Volume		
			Oil (BBL)	Gas (MSCF)	Water (BBL)
CISCO SPRINGS "B" 2 4301931115 06684 20S 23E 15	MRSN	-0-	-0-	-0-	-0-
HARVEY FEDERAL 1-X 4301930574 06685 16S 25E 5	DK-MR	5	-0-		
HOUGEN FED. A #1-ST #1 4301930799 06686 17S 24E 14	MRSN	-0-	-0-		
LAUCK FED A-1 4301930990 06687 16S 25E 29	DKTA	-0-	-0-		
ARCO FEDERAL D-1 4301930578 06690 16S 25E 34	DKTA	5	-0-		
EVACUATION CREEK #1 4304731307 06691 11S 25E 36	BUKHN	-0-	-0-		
CRACKER FED. #1 4304731532 06693 11S 23E 8	WSTC	5	-0-		
CRACKER FEDERAL #2 4304731690 06694 11S 23E 8	WSTC	5	-0-		
TEXAS PACIFIC ST 1 4301930634 06695 16S 25E 36	DKTA	-0-	-0-		
VALENTINE FED 1 4301930639 06700 16S 25E 35	DKTA	-0-	-0-		
VALENTINE FEDERAL 2 4301930640 06705 16S 25E 34	DKTA	-0-	-0-	-0-	-0-
TEXAS PACIFIC ST 2 4301930670 06710 16S 25E 36	DKTA	-0-	-0-	-0-	-0-
BRIDLE FEDERAL #1 4304731533 06711 06S 22E 34	UNTA	-0-	-0-	-0-	-0-
TOTAL			20,264		

Letter in file dated 11/12/86 requesting PA.

*Claudia,*

Computer shows this well as shut-in. Sorry I didn't give original to you.

Comments (attach separate sheet if necessary)

\* per disposition report, well is PxA'd

cc - JAB  
DTS

I have reviewed this report and certify the information to be accurate and complete.

Date 10/31/86 before. It slipped by me.  
Telephone (303) 861-4246

Authorized signature *Harriet M. Alderman*

Dec 1/1986



UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

PRD631822914

DOG M 56-64-21  
an equal opportunity employer

355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Ut  
801-80-1203 • (801-538-5340)

Page 2 of 5

# MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

TXO PRODUCTION CORP.  
1880 LINCOLN CENTER BLDG.  
DENVER CO 80264  
ATTN: DIEDRE E. EVANS

NOV 06 1986

DEPT. OF  
OIL, GAS & MINING

Utah Account No. N1580

Report Period (Month/Year) 9 / 86

Amended Report

Well Name			Producing Zone	Days Oper	Production Volume			
API Number	Entity	Location			Oil (BBL)	Gas (MSCF)	Water (BBL)	
4301931115	06684	20S 23E 15	MRSN	-0-	-0-	-0-	-0-	
4301930574	06685	16S 25E 5	DK-MR	5	-0-	886	-0-	
4301930799	06686	17S 24E 14	MRSN	-0-	-0-	-0-	-0-	
4301930990	06687	16S 25E 29	DKTA	-0-	-0-	-0-	-0-	
4301930578	06690	16S 25E 34	DKTA	5	-0-	2676	-0-	
4304731307	06691	11S 25E 36	BUKHN	-0-	-0-	SI-WOP	-0-	
4304731532	06693	11S 23E 8	WSTC	5	-0-	8573	-0-	
4304731690	06694	11S 23E 8	WSTC	5	-0-	8129	-0-	
4301930634	06695	16S 25E 36	DKTA	-0-	-0-	-0-	-0-	
4301930639	06700	16S 25E 35	DKTA	-0-	-0-	-0-	-0-	
4301930640	06705	16S 25E 34	DKTA	-0-	-0-	-0-	-0-	
4301930670	06710	16S 25E 36	DKTA	-0-	-0-	-0-	-0-	
4304731533	06711	06S 22E 34	UNTA	-0-	-0-	-0-	-0-	
TOTAL						20,264		-0-

Comments (attach separate sheet if necessary)

*Claudia,*

*Computer shows this well as shut-in. Sorry I didn't give original to you.*

*\* per disposition report, well is PA'd*

CC - JAB  
DTS

I have reviewed this report and certify the information to be accurate and complete.

Date 10/31/86 before. It slipped

Telephone (303) 861-4246 by me.

Authorized signature *Ann Marie M. Holdenman*



355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Ut 84180-1203. (801-538-5340)

# MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

• TXO PRODUCTION CORP.  
 P. O. BOX 2690  
 CODY WY 82414  
 ATTN: R. P. MEABON

Utah Account No. N1580  
 Report Period (Month/Year) 12 / 90  
 Amended Report

Well Name	Producing Zone	Days Oper	Production Volume		
API Number Entity Location			Oil (BBL)	Gas (MSCF)	Water (BBL)
ARCO FEDERAL D-1 U-29645 4301930578 06690 16S 25E 34	DKTA ✓				
EVACUATION CREEK #1 ML-39868 4304731307 06691. 11S 25E 36	BUKHN ✓				
CRACKER FED. #1 U-54197 4304731532 06693 11S 23E 8	WSTC ✓				
CRACKER FEDERAL #2 U-54197 4304731690 06694 11S 23E 8	WSTC ✓				
TEXAS PACIFIC ST 1 ML-4468A 4301930634 06695 16S 25E 36	DKTA ✓				
VALENTINE FED 1 U-38276 4301930639 06700 16S 25E 35	DKTA ✓				
VALENTINE FEDERAL 2 U-38276 4301930640 06705 16S 25E 34	DKTA ✓				
TEXAS PACIFIC ST 2 ML-4668A 4301930670 06710 16S 25E 36	DKTA ✓				
BRIDLE FEDERAL #1 U-47866 4304731533 06711 06S 22E 34	UNTA ✓				
BRIDLE FEDERAL #2 U-47866 4304731655 06712 06S 22E 34	UNTA ✓				
BRIDLE FEDERAL 3 U-47866 4304731678 06713 06S 22E 34	UNTA ✓				
MOXA FEDERAL 1 U-24638 4301930698 06715 16S 26E 9	DKTA ✓				
PTASYSKI FEDERAL 1 U-24603-A 4301930780 06725 17S 23E 15	DKTA ✓				
TOTAL					

Comments (attach separate sheet if necessary) \_\_\_\_\_

I have reviewed this report and certify the information to be accurate and complete. Date \_\_\_\_\_

Authorized signature \_\_\_\_\_ Telephone \_\_\_\_\_

RECEIVED  
JAN 24 1991



P.O. Box 2690  
Cody, Wyoming 82414  
Telephone 307/587-4960

DIVISION OF  
OIL, GAS & MINING

*dg*  
*1/3*  
*my DRN*  
*-a R Furth*

January 22, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

UTAH DIVISION OF OIL, GAS & MINING  
3 Triad Center, Ste. 350  
Salt Lake City, UT 84180-1203  
Attention: State Director

Re: The Merger of TXO Production Corp. into  
Marathon Oil Company

Gentlemen:

As Marathon Oil Company advised in its October 8, 1990 letter, TXO Production Corp., a Delaware corporation ("TXO") was being merged into Marathon Oil Company, an Ohio corporation ("Marathon"), on or before January 1, 1991. As stated in the October letter, before this merger, both TXO and Marathon were subsidiaries of USX Corporation.

Effective January 1, 1991, TXO was merged into Marathon, with Marathon becoming the surviving corporation, as evidenced by the enclosed Certificate of Merger signed by the Secretary of State for the State of Ohio. Due to this statutory merger, by operation of law, Marathon, as the surviving entity, has succeeded to all of the assets, property, rights, privileges, power and authority, and has assumed all obligations and liabilities of TXO which existed on the date of the merger.

Marathon requests that your records and filings be changed to reflect this merger, including making any appropriate change in your operator or ownership records. For the purposes of any change, mailing or notification, please substitute the following address and phone number for TXO:

Marathon Oil Company  
Attention: Mr. R. P. Meabon  
1501 Stampede Avenue  
P. O. Box 2690  
Cody, WY 82414  
(307) 587-4961

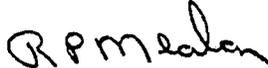
Utah Division of Oil, Gas & Mining  
January 22, 1991  
Page 2

Any bond in the name of TXO should be cancelled and all wells and properties shown on the attached Exhibit "A" should be placed on Marathon's statewide bond for the state of Utah.

Marathon respectfully requests that you acknowledge your receipt of this letter by signing the enclosed duplicate original of this letter in the space provided below, and returning it to me in the self-addressed, stamped envelope provided. Also, please provide Marathon with confirmation of the bond cancellations in accordance with the substitution requested above.

Marathon appreciates your patience and cooperation in this matter, and if Marathon can be of any further assistance, please feel free to contact this office.

Sincerely,



R. P. Meabon  
Regulatory Coordinator  
Rocky Mountain Region  
Extension 3003

RPM:mh

Attachments

RECEIVED AND ACCEPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_,  
1991, BY:

\_\_\_\_\_  
[Governmental Agency or Department]

By \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_  
Title \_\_\_\_\_

UNITED STATES OF AMERICA,  
STATE OF OHIO,  
OFFICE OF THE SECRETARY OF STATE. }

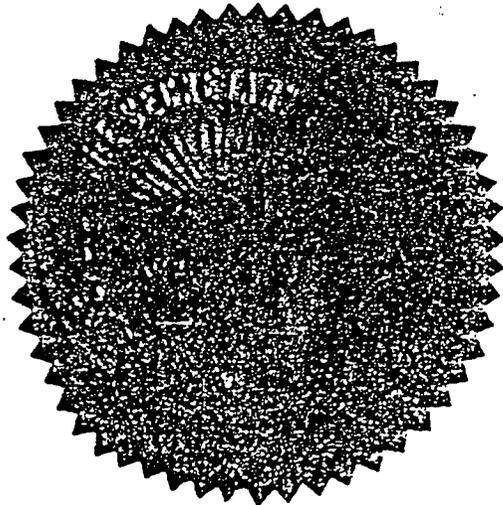
I, Sherrod Brown

do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign corporations; that said records show an AGREEMENT OF MERGER of MARATHON PETROLEUM COMPANY, an Ohio corporation, Charter No. 7265, having its principal location in Findlay, County of Hancock, and incorporated on August 1, 1887, and TXO PRODUCTION CORP., a Delaware corporation, having qualified to do business within the State of Ohio on November 2, 1983, under License No. 623328, into MARATHON OIL COMPANY, an Ohio corporation, Charter No. 584981, the survivor of said Merger, filed in this office on December 24, 1990, recorded in the Records of Incorporation. Said surviving corporation, MARATHON OIL COMPANY, an Ohio corporation, Charter No. 584981, having its principal location in Findlay, County of Hancock, was incorporated on November 18, 1981 and is currently in GOOD STANDING upon the records of this office.

WITNESS my hand and official seal at

Columbus, Ohio, this

28th day of December, A.D. 1990



*Sherrod Brown*

Sherrod Brown  
Secretary of State

DOGm - FYI - From Connie Larson - TAX Commission

Tax Compliance Division



Findlay, Ohio 45840  
Telephone 419/422-2121

January 23, 1991

N1580

TO WHOM IT MAY CONCERN:

Effective immediately after the close of business on December 31, 1990, TXO Production Corporation, taxpayer I.D. 75-1710388, a Delaware Corporation, was merged into Marathon Oil Company, taxpayer I.D. 25-1410539.

Following the merger, all business activity previously conducted by TXO Production Corporation will be conducted by and under the name of Marathon Oil Company.

Marathon Oil Company  
Tax Organization

GRL:pah  
GRL100T

FEB 14 1991  
REC'D US TO P.B.

Send a copy to DOGM 2-219

Copy sent to Master  
File Mail

Routing:

1- LCR	<i>la</i>
2- DTS	<i>TS</i>
3- VLC	<i>✓</i>
4- RJF	<i>✓</i>
5- RWM	<i>la</i>
6- LOR	<i>la</i>

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 1-1-91 )

TO (new operator) <u>MARATHON OIL COMPANY</u>	FROM (former operator) <u>TXO PRODUCTION CORP.</u>
(address) <u>P. O. BOX 2690</u>	(address) <u>P. O. BOX 2690</u>
<u>CODY, WY 82414</u>	<u>CODY, WY 82414</u>
phone <u>(307) 587-4961</u>	phone <u>(307) 587-4961</u>
account no. <u>N 3490</u>	account no. <u>N1580</u>

Well(s) (attach additional page if needed):                    **\*\*\*MERGER\*\*\***

Name: <u>**SEE ATTACHED**</u>	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(see documentation)*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec. 1-24-91)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- See 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(2-26-91)*
- See 6. Cardex file has been updated for each well listed above.
- See 7. Well file labels have been updated for each well listed above.
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 5, Entity Action Form).
- 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. *(Federal & State wells only!)*
- 2. A copy of this form has been placed in the new and former operators' bond files. *(upon completion of routing)*
- 3. The former operator has requested a release of liability from their bond (yes) no yes. Today's date February 27, 1991. If yes, division response was made by letter dated March 1, 1991.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated \_\_\_\_\_ 19\_\_\_\_, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State leases. *Sent 3-5-91*

MICROFILMING

- 1. All attachments to this form have been microfilmed. Date: March 11 1991.

INDEXING

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

REMARKS

910204 Bfm/maab ~~No doc. as of yet.~~ (In the process of changing) will call when approved.  
 Bfm/S.Y. Book Cliffs Unit, Oil Springs Unit, Marble Mansion Unit (Not approved as of yet)

910204 st. Lands - No documentation as of yet. (Copy hand delivered 2-8-91) for

910222 Bfm/S.Y. - Approved 2-20-91 - OK for DOGM to recognize eff. date 1-1-91. (T. Thompson)

910226 st. Lands - Needs additional info. "will take 2-3 weeks". (Proceed with change per DTS)

LONE MOUNTAIN PRODUCTION COMPANY

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

February 22, 1993

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

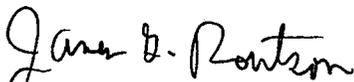
Re: Change of Operator  
Sundry Notices  
Grand and Uintah Counties, Utah

Gentlemen:

Enclosed in triplicate are Sundry Notices for 53 wells located on Federal lands in Utah for which Lone Mountain Production Company is assuming operations effective February 22, 1993. Two separate lists of the wells and lease numbers, by sorted by BLM district, are attached. The wells were all previously operated by Marathon Oil Company. If any further information is needed please advise either me or Joe Dyk in our Grand Junction office.

Very truly yours,

Lone Mountain Production Company

  
James G. Routson  
President

Enclosures

xc: Joe Dyk  
Marathon

**RECEIVED**

FEB 25 1993

DIVISION OF  
OIL GAS & MINING

RECEIVED

FEB 25 1993

UTAH FEDERAL WELLS

VERNAL BLM DISTRICT

DIVISION OF  
OIL GAS & MINING

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Shuffleboard Fed. No. 1	U-31255	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 27-T6S-R21E
Stirrup Fed. No. 28-1	U-34711	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 28-T6S-R21E
Stirrup Fed. No. 29-2	U-46699	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T6S-R21E
Stirrup Fed. No. 29-3	U-46699	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T6S-R21E
Football Fed. No. 29-4	U-46699	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 29-T6S-R21E
Croquet Fed. No. 1	U-53862	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 35-T6S-R21E
Croquet Fed. No. 2	U-53862	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 35-T6S-R21E
Croquet Fed. No. 3	U-53862	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35-T6S-R21E
Bridle Fed. No. 1	U-47866	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 2	U-47866	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 3	U-47866	SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 4	U-47866	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 34-T6S-R22E
Cracker Fed. No. 1	U-54197	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 8-T11S-R23E
Cracker Fed. No. 2	U-54197	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 8-T11S-R23E
Cracker Fed. No. 3	U-54193	SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T11S-R23E
Cracker Fed. No. 4	U-54196	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 7-T11S-R23E
Marble Mansion Unit #1	U-54201	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 18-T11S-R23E
Wells Fed. A No. 1	U-54198	SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 12-T11S-R23E
Oil Springs Unit #5	U-08424-A	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5-T12S-R24E
Oil Springs Unit #7	U-08424-A	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 4-T12S-R24E
Oil Springs Unit #10	U-08424-A	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 5-T12S-R24E

# UTAH FEDERAL WELLS

## MOAB BLM DISTRICT

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Bookcliffs Unit No. 1	U-036905	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 32-T18S-R22E
Bookcliffs Unit No. 3	U-036905	Sw $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 33-T18S-R22E
Hancock Fed. No. 2	U-38720	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5-T17S-R25E
Hougen Fed. No. A-1	U-42480	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 14-T17S-R24E
TXO-POGO-USA No. 15-9	U-49535	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 15-T17S-R24E
Callister Fed. No. 1	U-38363	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24-T16S-R24E
Ptasynski Fed. No. 1	U-24603-A	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 15-T17S-R23E
Arco Fed. B No. 1	U-9831	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 6-T16S-R25E
Arco Fed. C No. 1	U-06188-B	NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35-T16S-R25E
Arco Fed. D No. 1	U-29645	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 34-T16S-R25E
Arco Fed. H No. 1	U-0126528	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 12-T16S-R25E
Grynberg Fed. No. 1	U-13653	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 28-T16S-R25E
Lauck Fed. A No. 1	U-34033	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T16S-R25E
Lauck Fed. No. 2	U-34033	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 29-T16S-R25E
Nicor Fed. No. 1	U-31807	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 28-T16S-R25E
Nicor Fed. No. 2	U-13653	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. <sup>28</sup> 33-T16S-R25E
Valentine Fed. No. 1	U-38276	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35-T16S-R25E
Valentine Fed. No. 2	U-38276	SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 34-T16S-R25E
Valentine Fed. No. 3	U-38276	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35-T16S-R25E
Wall Fed. No. 1	U-24632	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 30-T16S-R25E
Bennion Fed. No. 1	U-24632	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 30-T16S-R25E
Harvey Fed. No. 1-X	U-10427	Sw $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T16S-R25E

UTAH FEDERAL WELLSMOAB BLM DISTRICT

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
BMG Fed. No. 1	U-05015	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 8-T16S-R26E
BMG Fed. No. 2	U-05015	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 8-T16S-R26E
BMG Fed. No. 3	U-05015-A	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 18-T16S-R26E
BMG Fed. No. 4	U-05015-A	NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 17-T16S-R26E
BMG Fed. No. 5	U-05015-A	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 18-T16S-R26E
BMG Fed. No. 7	U-05015-A	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 17-T16S-R26E
Credo Fed. No. 1	U-24638	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T16S-R26E
Credo Fed. A No. 1	U-24638	SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 5-T16S-R26E
Moxa Fed. No. 1	U-24638	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 9-T16S-R26E
Moxa Fed. A No. 1	U-24638	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 4-T16S-R26E

## UTAH STATE WELLS

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Texas Pacific No. 1	ML-4468-A	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 36-T16S-R25E Grand County
Texas Pacific No. 2	ML-4468-A	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36-T16S-R25E Grand County
Little Berry No. 1	ML-21061	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 2-T16S-R23E Grand County
Evacuation Creek No. 1	ML-39868	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36-T11S-R25E Uintah County
Evacuation Creek A No. 1	ML-28043	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 2-T12S-R25E Uintah County
Evacuation Creek 23-2-1	ML-28043	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 2-T12S-R25E Uintah County
Stirrup No. 32-1	ML-22036	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County
Stirrup No. 32-2	ML-22036	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County
Stirrup No. 32-4	ML-22036	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)</p>		5. LEASE DESIGNATION & SERIAL NO. See Below
1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		6. IF INDIAN ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Marathon Oil Company		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 2590, Cody, Wyoming 82414		8. FARM OR LEASE NAME See Below
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface At proposed prod. zone See Below		9. WELL NO. See Below
14. API NO. See Below		10. FIELD AND POOL, OR WILDCAT - See Below
15. ELEVATIONS (Show whether DF, RT, GR, etc.)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA See Below
		12. COUNTY Grand and Uintah
		13. STATE Utah

**RECEIVED**

FEB 25 1993

DIVISION OF  
OIL GAS & MINING

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

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

APPROX. DATE WORK WILL START \_\_\_\_\_

DATE OF COMPLETION \_\_\_\_\_

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.)

\* Must be accompanied by a cement verification report.

On 2/22/93 with an effective date of October 1, 1992, Marathon Oil Company sold all of its rights, title and interests shown on Exhibit 'A' and 'B' to:

Lone Mountain Production Company  
P.O. Box 3394, 408 Production Building  
Billings, Montana 59103-3394

By copy of this sundry notice to Lone Mountain Production Company, Marathon is advising that Lone Mountain Production Company is responsible for operating these leases and wells within the federal and state rules and regulations.

Utah O&G--cc: WRF,RDS,CLB,RPM,KJI,TITLE AND CONTR(HOU),ACCTG.,CFR,LONE MTN. PROD.

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

SIGNED R.P. Meabon TITLE Regulatory Coordinator DATE 2/23/93

(This space for Federal or State office use)

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

List of Properties sold by Marathon Oil Company to Lone Mountain Production Company, P.O. Box 3394, 408 Petroleum Building, Billings, Montana 59103-3394

WELL	LOCATION	LEASE	API #
<b>North Horse Point Field</b>			
Little Berry State #1	SW/4 SW/4, Sec. 2-16S-23E	ML-21061	043-019-31075
<b>BAR X West Field</b>			
Hancock Federal #2	NW/4 SW/4, Sec. 5-17S-25E	U-38720	043-019-30833
<b>Bryson Canyon Field</b>			
Hougen Federal A#1- St #1	SW/4 SW/4 Sec. 14-17S-24E	U-42480	043-019-30799
TXO Pogo USA #19-9	NE/4 SE/4, Sec. 15-17S-24E	U-49535	043-019-30779
<b>East Canyon Field</b>			
Callister Federal #1	NW/4 SE/4 Sec. 24-16S-24E	U-38363	043-019-30857
Ptasynski Federal #1	NE/4 NW/4 Sec. 15-17S-23E	U-24603-A	043-019-30780
<b>Horseshoe Bend Field</b>			
Bridle Federal #1	SW/4 SW/4 Sec. 34-6S-22E	U-47866	043-047-31533
Bridle Federal #2	NE/4 SE/4 Sec. 34-6S-22E	U-47866	043-047-31655
Bridle Federal #3	SE/4 NE/4 Sec. 34-6S-22E	U-47866	043-047-31678
Bridle Federal #4	SE/4 NE/4 Sec. 34-6S-22E	U-47866	043-047-31866
Croquet Federal #1	SE/4 NE/4 Sec. 35-6S-21E	U-53862	043-047-31440
Croquet Federal #2	NE/4 SE/4 Sec. 35-6S-21E	U-53862	043-047-31672
Croquet Federal #3	NE/4 NW/4 Sec. 35-6S-21E	U-53862	043-047-31867
Football Fed #29-4	SE/4 SW/4 Sec. 29-6S-21E	U-46699	043-047-31883
Shuffleboard Fed #1	NE/4 NE/4 Sec. 27-6S-21E	U-31255	043-047-31668
Stirrup Fed. #28-1	NW/4 SW/4 Sec. 28-6S-21E	U-34711	043-047-31571
Stirrup Fed. #29-2	NW/4 SE/4 Sec. 29-6S-21E	U-46699	043-047-31508
Stirrup Fed. #29-3	SE/4 SE/4 Sec. 29-6S-21E	U-46699	043-047-31634
Stirrup State #32-1	NW/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31557
Stirrup State #32-2	SE/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31626
Stirrup State #32-4	NW/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31648
<b>Rockhouse Field</b>			
Cracker Fed. #1	SE/4 NE/4 Sec. 8-11S-23E	U-54197	043-047-31532
Cracker Fed. #2	SE/4 SE/4 Sec. 8-11S-23E	U-54197	043-047-31690
Cracker Fed. #3	SW/4 SE/4 Sec. 5-11S-23E	U-54193	043-047-31689
Cracker Fed. #4	SE/4 NE/4 Sec. 7-11S-23E	U-54196	043-047-31748
Marble Mansion #1	SE/4 SE/4 Sec. 18-11S-23E	U-54201	043-047-31865
Wells Fed. A #1	SW/4 SE/4 Sec. 12-11S-23E	U-54198	043-047-31603

San Arroyo Field

Arco Fed. B #1	SE/4 SE/4 Sec. 6-16S-25E	U-9831	043-019-30552
Arco Fed. C #1	NW/4 NW/4 Sec. 35-16S-25E	U-06188-B	043-019-30572
Arco Fed. D #1	NE/4 SE/4 Sec. 34-16S-25E	U-29645	043-019-30578
Arco Fed. H #1	NW/4 SW/4 Sec. 12-16S-25E	U-0126528	043-019-31002
Bennion Fed. #1	NE/4 NW/4 Sec. 30-16S-25E	U-24632	043-019-30893
BMG Fed. #1	NE/4 NW/4 Sec. 8-16S-26E	U-05015	043-019-31017
BMG Fed. #2	SW/4 SW/4 Sec. 8-16S-26E	U-05015	043-019-31108
BMG Fed. #3	SW/4 SW/4 Sec. 8-16S-26E	U-05015-A	043-019-31114
BMG Fed. #4	NW/4 NW/4 Sec. 17-16S-26E	U-05015-A	043-019-31130
BMG Fed. #5	NW/4 SW/4 Sec. 8-16S-26E	U-05015-A	043-019-31131
BMG Fed. #7	NW/4 SE/4 Sec. 17-16S-26E	U-05015-A	043-019-31183
Bookcliffs #1	SE/4 SE/4 Sec. 32-18S-22E	U-036905	043-019-15410
Bookcliffs #3	SW/4 NE/4 Sec. 33-18S-22E	U-036905	043-019-15411
Credo Fed. #1	NE/4 SE/4 Sec. 5-16S-26E	U-24638	043-019-30797
Credo Fed. A #1	SE/4 NW/4 Sec. 5-16S-26E	U-24638	043-019-30798
Grynberg Fed. #1	NE/4 SW/4 Sec. 28-16S-25E	U-13653	043-019-30657
Harvey Fed. #1-X	SW/4 SE/4 Sec. 5-16S-25E	U-10427	043-019-30574
Lauck Fed. A #1	SE/4 SE/4 Sec. 29-16S-25E	U-34033	043-019-30990
Lauck Fed. #2	NW/4 SW/4 Sec. 29-16S-25E	U-34033	043-019-31109
Moxa Fed. #1	SW/4 SW/4 Sec. 9-16S-26E	U-24638	043-019-30698
Moxa Fed. A #1	NE/4 SE/4 Sec. 4-16S-26E	U-24638	043-019-30792
Nicor Fed. #1	NW/4 NE/4 Sec. 28-16S-25E	U-31807	043-019-30656
Nicor Fed. #2	NW/4 NE/4 Sec. 33-16S-25E	U-13653	043-019-31020
Texas Pac St #1	NW/4 SE/4 Sec. 36-16S-25E	ML-4468-A	043-019-30634
Texas Pac St #2	SW/4 SW/4 Sec. 36-16S-25E	ML-4468-A	043-019-30670
Valentine Fed. #1	SE/4 SW/4 Sec. 35-16S-25E	U-38276	043-019-30639
Valentine Fed. #2	SE/4 NW/4 Sec. 34-16S-25E	U-38276	043-019-30640
Valentine Fed. #3	SE/4 SW/4 Sec. 35-16S-25E	U-38276	043-019-31009
Wall Fed. #1	NE/4 SW/4 Sec. 30-16S-25E	U-24632	043-019-30838

Oil Springs Field

Oil Springs #5	NE/4 SW/4 Sec. 5-12S-24E	U-08424-A	043-047-15930
Oil Springs #7	SE/4 SW/4 Sec. 4-12S-24E	U-08424-A	043-047-31248
Oil Springs #10	NE/4 NE/4 Sec. 5-12S-24E	U-08424-A	043-047-31656

Evacuation Creek Field

Evacuation Creek State A #1	NE/4 NE/4 Sec. 2-12S-25E	ML-28043	043-047-31674
Evacuation Cr.#23-2-1	NE/4 SW/4 Sec. 2-12S-25E	ML-28043	043-047-15675
Evacuation Creek State #1	SE/4 SW/4 Sec. 36-11S-25E	ML-39868	043-047-31307

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

SUBMIT IN TRIPLICATE

**RECEIVED**  
FEB 25 1993

5. Lease Designation and Serial No.

U-38276

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

CR-41

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P.O. Box 3394, Billings, MT 59103

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

741' FSL, 1996' FWL, Sec. 35-T16S-R25E  
(SE $\frac{1}{4}$  SW $\frac{1}{4}$ )

8. Well Name and No.

Valentine Fed. No. 1

9. API Well No.

43-019-30639

10. Field and Pool, or Exploratory Area

San Arroyo

11. County or Parish, State

Grand County, Utah

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

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

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

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

Lone Mountain Production Company has assumed operations of the above referenced well effective February 22, 1993. The former operator was Marathon Oil Company.

Bond Coverage is provided by Lone Mountain's Statewide Oil & Gas BLM Bond No. UT0719.

Field Operations will be handled by our Grand Junction office.

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

Signed J. A. Parkin

Title Petroleum Engineer

Date Feb. 22, 1993

(This space for Federal or State office use)

Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

Date \_\_\_\_\_

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

\*See Instruction on Reverse Side

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

Routing:

1-LEC	7-LEC
2-DPTS	
3-VLC	
4-RJF	
5-RWM	
6-ADA	

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 2-22-93)

TO (new operator)	<u>LONE MTN PRODUCTION CO</u>	FROM (former operator)	<u>MARATHON OIL COMPANY</u>
(address)	<u>P. O. BOX 3394</u>	(address)	<u>P. O. BOX 2690</u>
	<u>BILLINGS, MT 59103-3394</u>		<u>CODY, WY 82414</u>
	<u>phone (406) 245-5077</u>		<u>phone (307) 587-4961</u>
	<u>account no. N 7210</u>		<u>account no. N 3490</u>

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

Name: <b>**SEE ATTACHED**</b>	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- 1 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 2-25-93)*
- 1 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 2-25-93)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- 1 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- 1 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-30-93)*
- 1 6. Cardex file has been updated for each well listed above. *(3-30-93)*
- 1 7. Well file labels have been updated for each well listed above. *(3-30-93)*
- 1 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-30-93)*
- 1 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- 2. A copy of this form has been placed in the new and former operators' bond files.
- 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date 3/31/93 1993. If yes, division response was made by letter dated 3/31/93 1993.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 3/31/93 1993, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State leases.

MICROFILMING

- 1. All attachments to this form have been microfilmed. Date: \_\_\_\_\_ 19\_\_\_\_.

FILED

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

REMARKS

930316 Btm/Inoab Approved some of the wells on 3-10-93 eff. 2-23-93. (see other change)

930323 Btm/Vernal Approved some of the wells on 3-16-93 eff. 10-1-92. The remaining wells are unitized or under a C.A. (will be handled on separate change).

930330 Btm/S.Y. Approved C.A. changes eff. 3-26-93.

Unit operator changes approved 3-25-93. (Bookcliffs, Marble Mansion, Oil Springs)

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

March 26, 1993

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

Re: Successor of Operator  
Communitization Agreement (CA)  
CR-41  
Grand County, Utah

Gentlemen:

We received an indenture dated February 22, 1993, whereby Marathon Oil Company resigned as Operator and Lone Mountain Production Company was designated as Operator for CA CR-41, Grand County, Utah.

This instrument is hereby accepted effective as of March 26, 1993. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under CA CR-41.

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

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

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
Division Oil, Gas, & Mining  
File - CR-41 (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

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

WELL STATUS REPORTS  
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM CR41									
CR41	430193063900S1	1	SESW	35	16S	25E	PGW	UTU38276	MARATHON OIL COMPANY
CR41	430193100900S1	3	SESW	35	16S	25E	PGW	UTU38276	MARATHON OIL COMPANY

Marathon Oil Company  
Change of Operator

CONDITIONS OF APPROVAL

We have reviewed your proposal for technical adequacy and concur with the request providing the following stipulations are included as a part of the approval.

---

1. This change of operator approval is for the following wells only:

<u>WELL NAME &amp; NUMBER</u>	<u>LEASE NUMBER</u>
Stirrup Fed. 28-1	U - 34711
Stirrup Fed. 29-2	U - 46699
Stirrup Fed. 29-3	U - 46699
Stirrup Fed. 29-4	U - 46699
Croquet Fed. 1	U - 53862
Croquet Fed. 3	U - 53862
Bridle Fed. 1	U - 47866
Bridle Fed. 2	U - 47866
Bridle Fed. 3	U - 47866
Bridle Fed. 4	U - 47866
Cracker Fed. 1	U - 54197
Cracker Fed. 2	U - 54197
Cracker Fed. 3	U - 54193
Cracker Fed. 4	U - 54196
Wells Fed. 1	U - 54198

2. The other wells as listed in the attachment to this sundry notice are denied. The reason for denial is because the wells are either in a Communitization Agreement (C.A.) or a Federal Unit or they are located outside of the Vernal District. Changes of operator for wells that are C.A.s or Federal Units needed to be filed with our BLM State Office in Salt Lake City, Utah. The changes for the other wells will need to be filed in the appropriate District or Resource Area Office.

**RECEIVED**

MAR 22 1993

DIVISION OF  
OIL GAS & MINING