

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  
 Wyoco Petroleum Corporation

3. ADDRESS OF OPERATOR  
 #9 Exchange Place Suite 403, Salt Lake City, UT 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface NE NW Sec 21, T23S, R17E, S L M  
 At proposed prod. zone 2040' from W-line & 672' from N-line

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approx. 14 miles SE of Green River, UT

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 672'  
 16. NO. OF ACRES IN LEASE 480 acres

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1200'  
 19. PROPOSED DEPTH 9000' *Mississippian*

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 4290' grd; 4302' K B

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITIES OF CEMENT
12 1/4"	9 5/8"	36.00#	300'	100 sks

5. LEASE DESIGNATION AND SERIAL NO. U-41062  
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 7. UNIT AGREEMENT NAME  
 8. FARM OR LEASE NAME Federal  
 9. WELL NO. Gorman Federal #1  
 10. FIELD AND POOL, OR FIELD AND SURVEY OR AREA Salt Lake undesignated  
 11. SEC., T., R., M. OR BLM. AND SURVEY OR AREA NE NW Sec 21, T23S R17E, S L M  
 12. COUNTY OR PARISH AND STATE Grand Utah  
 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 acres  
 20. ROTARY OR CABLE TOOLS Rotary  
 22. APPROX. DATE WORK WILL START\* upon permit approval

It is planned to drill a well at the above location to test the possibilities of the Leadville (Mississippian) formation. The well will be drilled with rotary tools using mud for circulation. The surface casing (9 5/8") will be set and cemented thoroughly with returns to the surface. A blowout preventer will be installed on top of the casing head and tested for leaks up to 2000#. Some anticipated formation tops are: Coconino 2550', Oquirrh-Perm at 3200', Hermosa at 4120', Paradox salt at 5350', Hermosa-Pinkerton Trail at 8200', Molas at 8400", and Leadville at 8800'. Oil and gas shows will be drill-stem-tested. In the event of production, a 5" casing will be set and cemented up thru the Salt section.

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING  
 DATE: 6/10/80  
 BY: CB. Delight

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 Patrick L. Driscoll TITLE Petroleum Engineer DATE June 9 1980

(This space for Federal or State office use)  
 PERMIT NO. 43-019-30658 APPROVAL DATE 6/10/80

APPROVED BY Director TITLE Director  
 CONDITIONS OF APPROVAL, IF ANY:

RECEIVED  
 JUN 10 1980

\*See Instructions On Reverse Side

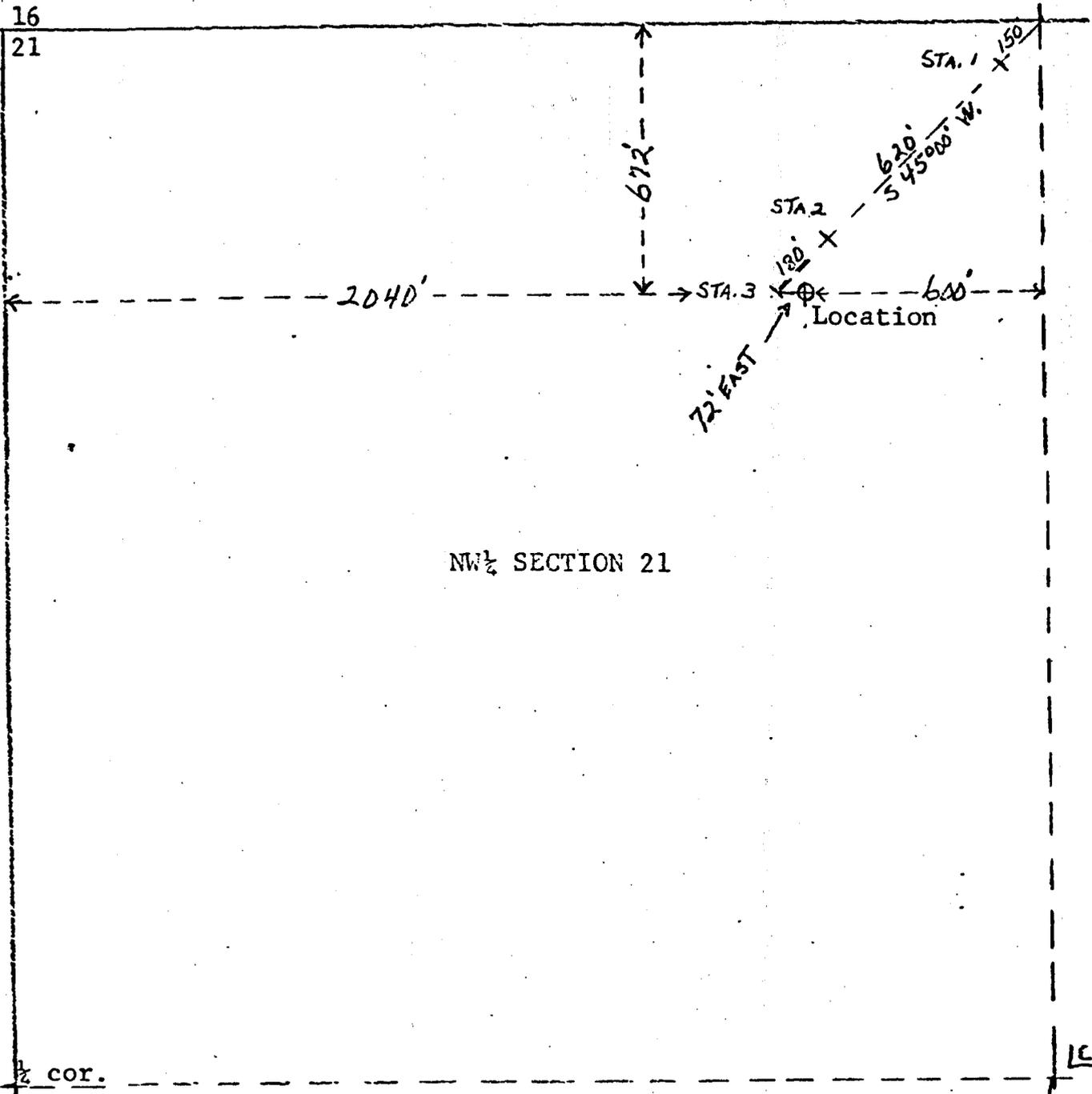
LOCATION PLAT No. 1

FOR

GORMAN FEDERAL #1  
NE.NW.SEC.21-23S-17E  
GRAND COUNTY, UTAH  
Elev.: 4290' grd.

17 16  
20 21

1/2 cor.

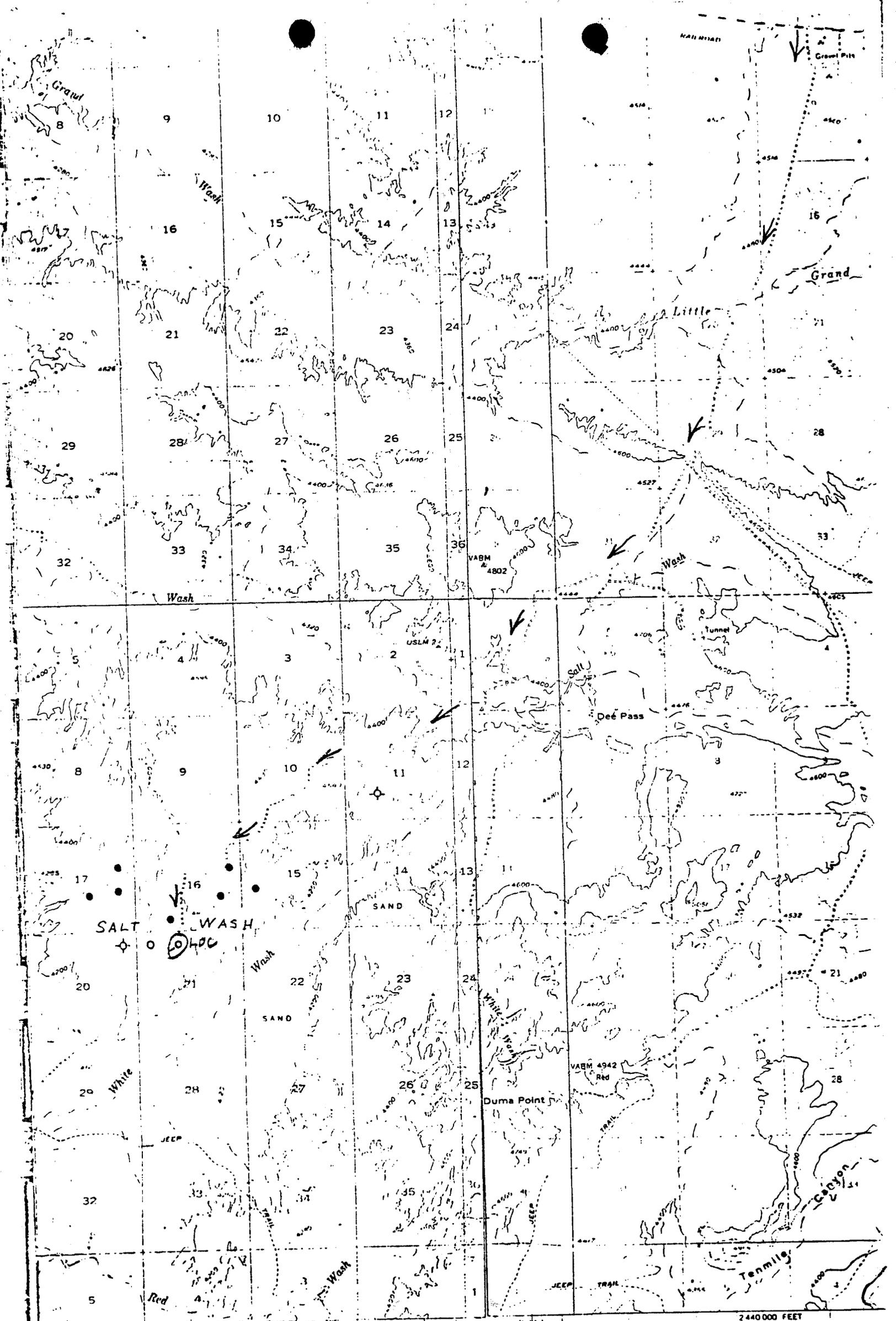


NW 1/4 SECTION 21

I, W. Don Quigley, do hereby  
certify that this plat was  
plotted from notes of a field  
survey made by me on Apr. 16, 1976.

Scale: 1 in. = 400 ft.  
Date: Apr. 17, 1976  
Surveyed by: W. Don Quigley

*W. Don Quigley*



INTERIOR GEOLOGICAL SURVEY WASHINGTON D.C. 20548 1958 NS 1869100m E 110°00' 2440000 FEET

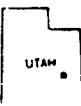
**ROAD CLASSIFICATION**

Medium duty ——— Light duty  
 Unimproved dirt

( ) U.S. Route ( ) State Route

This map also covers by 1:24,000 scale maps, available 1000 meter Universal Transverse Mercator grid lines, in blue and white only, of Tiedwell 1 N1, Tiedwell 1 NW, zone 12, shown in blue. Scale: 1 SW and Tiedwell 1 SE 7.5 minute quadrangles. Dashed land lines indicate approximate locations.

**LOCATION MAP NO 1  
 GORMAN FEDERAL #1 WELL  
 GRAND COUNTY, UTAH**

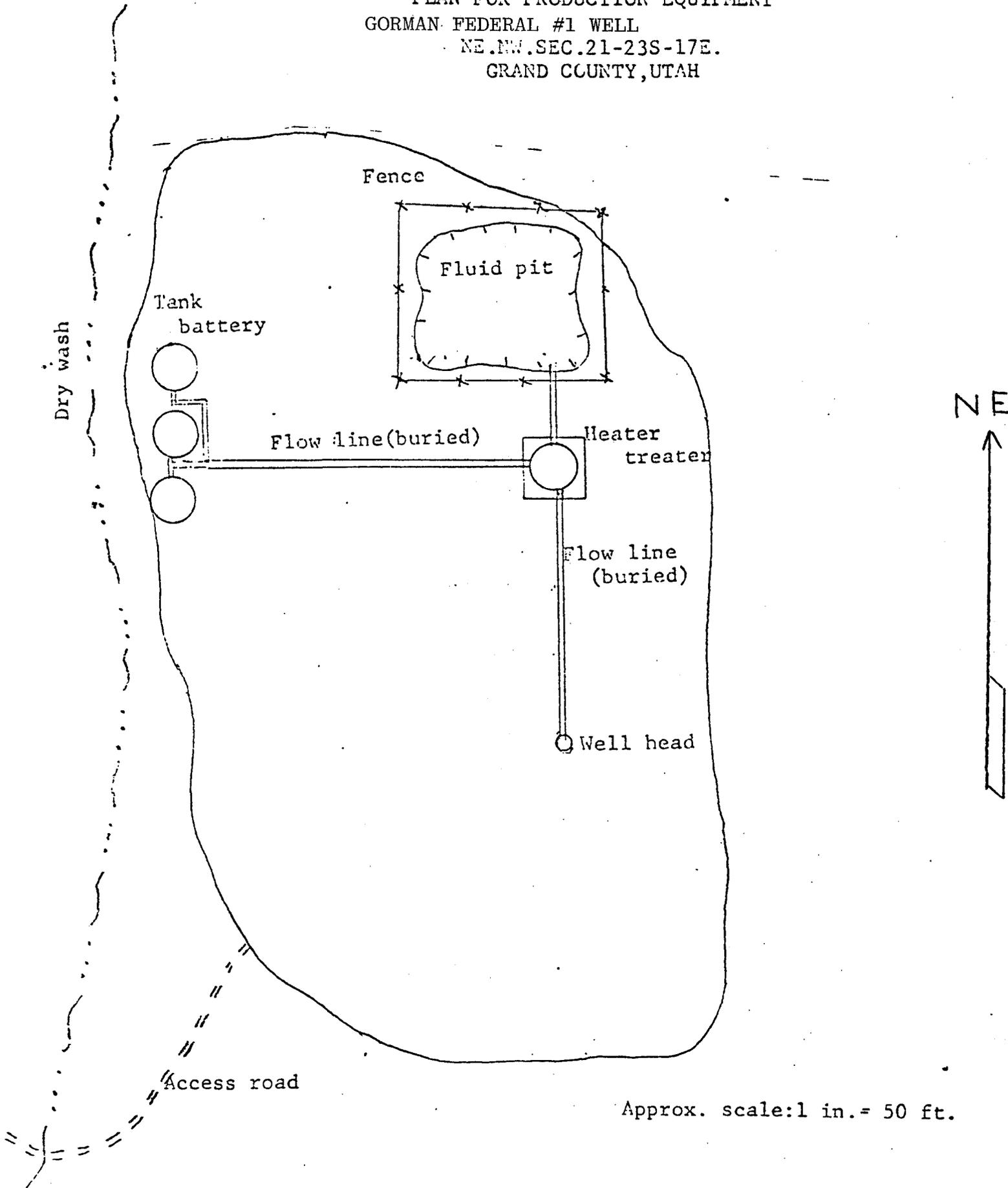


TRUE NORTH  
 MAGNETIC NORTH

LOCATION PLANS FOR  
GORMAN FED.#1 WELL  
NE.NW.SEC.21-23S-17E.  
GRAND COUNTY, UTAH

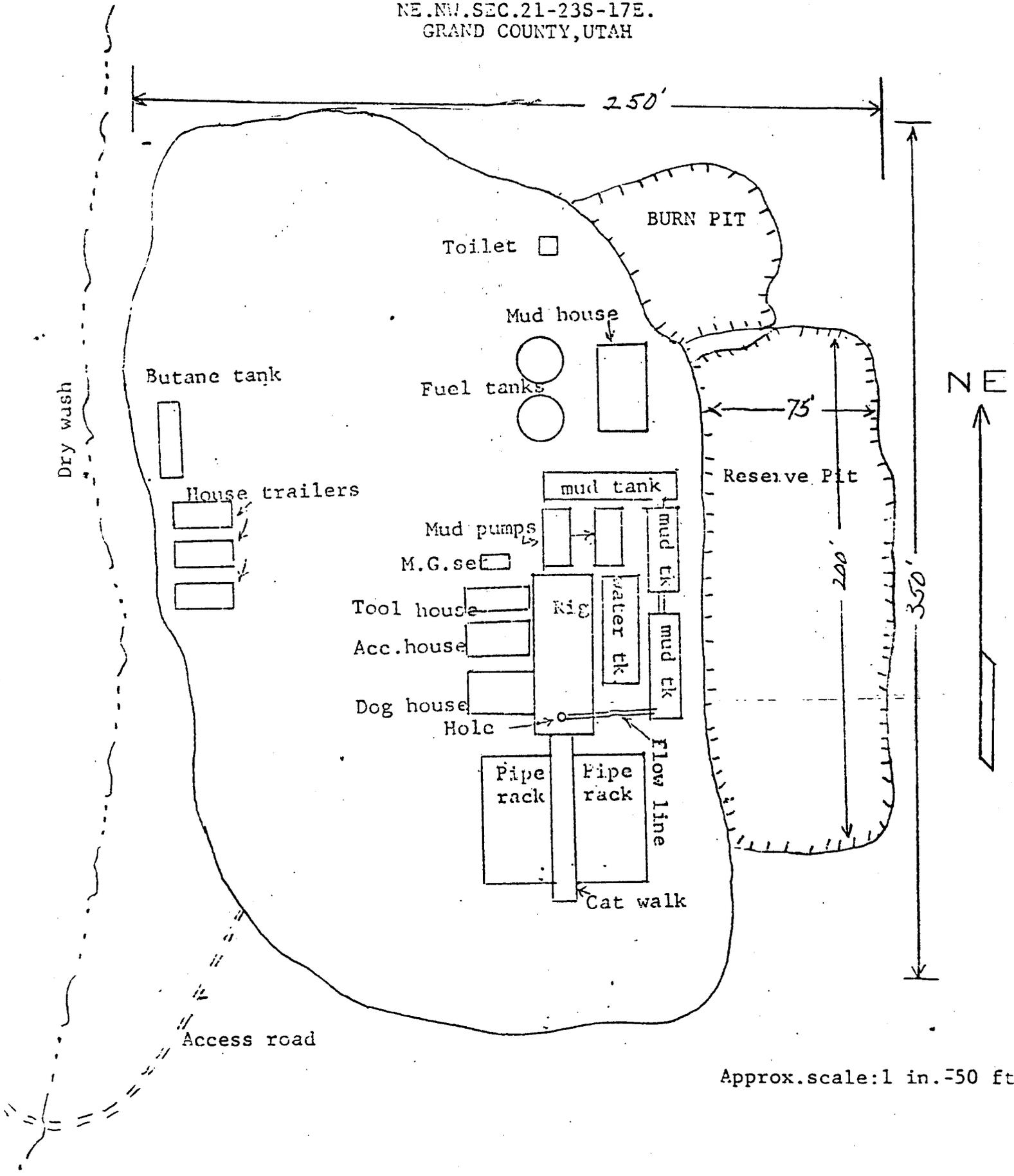
1. A Survey plat (Plat No. 1) is attached showing the location of the proposed well site. Map No. 1 shows the route from Hwy 50-6 to the well site from Floy junction.
2. Map No. 1 shows the access road to the well site from present roads. The road will be along the base of a small ridge and across sand dunes over fairly flat land. No deep cuts or removal of rock will be required.
3. All present wells and dry holes in the Salt Wash Field are shown on Map No. 1.
4. See 1 and 2 above.
5. A plan for the location of the production equipment at the well site, if the well is successful, is shown on Plat No. 2. Since this well is an offset well to present production, it should be an oil well completed in the Mississippian formation, and should flow, thus eliminating the need for a pump jack. The flow lines, heater-treater, tank battery, and fluid pit will be installed as shown.
6. Water for drilling purposes will be obtained from the Green River and will be hauled to the well location by truck. This is a distance of about 3 miles.
7. A plan for the placement of the drilling equipment to be used in the drilling of the proposed well is shown on Plat No. 3. This plat shows the reserve pit and waste or burn pit. Excess drilling mud and waste water will be deposited in the reserve pit during drilling operations. The waste and burnable material will be put in the burn pit. At the completion of the well these pits will be folded-in and levelled.
8. See location of house trailers on Plat No. 3.
9. There are no airstrips in the vicinity of the well location and none will be needed for the work.
10. See Plat No. 3 for the drilling equipment layout.
11. There is little topsoil on top of the rocks at the proposed well site. Mostly sand is present and the vegetation is sparse. Some sagebrush covers the surface sparsely. After the well is completed the location will be cleaned and leveled; and the pits will be covered.
12. As can be seen from Map No. 1, the well site area is fairly level and is near the edge of a cliff (about 80 ft. drop). Sediments belonging to the Entrada and Carmel formations are exposed around the cliff edges and on the hill tops. The flat surfaces are mostly sand and sand dunes. This is in a developed oil field and there are numerous roads and trails criss-crossing the area.

PLAT NO. 2  
PLAN FOR PRODUCTION EQUIPMENT  
GORMAN FEDERAL #1 WELL  
NE. NW. SEC. 21-23S-17E.  
GRAND COUNTY, UTAH

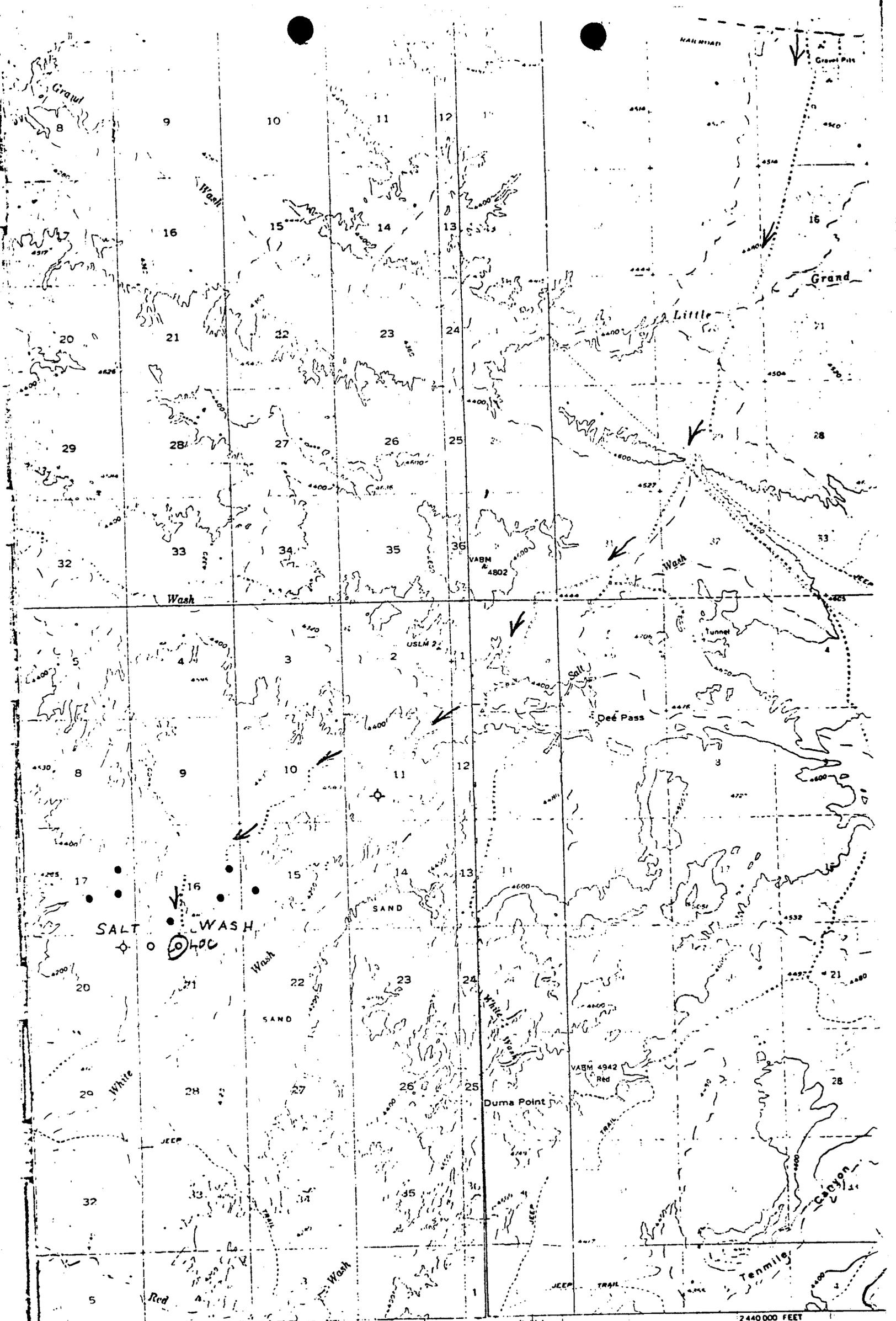


Approx. scale: 1 in. = 50 ft.

PLAT NO. 3  
DRILLING EQUIPMENT LAYOUT  
FOR GORMAN FEDERAL #1 WELL  
NE.NW.SEC.21-23S-17E.  
GRAND COUNTY,UTAH



Approx. scale: 1 in. = 50 ft



INTERIOR GEOLOGICAL SURVEY WASHINGTON D.C. 20548 1958 46 8671111 E 110°00' 2440000 FEET

**ROAD CLASSIFICATION**

Medium duty ——— Light duty  
 Unimproved dirt

( ) U.S. Route ( ) State Route

**LOCATION MAP NO 1  
 GORMAN FEDERAL #1 WELL  
 GRAND COUNTY, UTAH**

This map was derived from 1:24,000 scale maps available 1000 meter Universal Transverse Mercator grid ticks, in black and white only, of Tidwell 1 NE, T12N, R12E, zone 12, shown in blue. See 1 SW and T12N 1 SE 7.5 minute quadrangles. Dashed land lines indicate approximate locations.



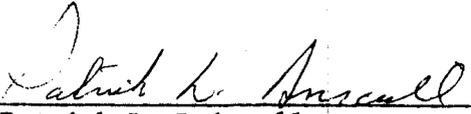
TRUE NORTH  
 MAGNETIC NORTH

OPERATIONAL & SURFACE USE PLAN  
FOR  
GORMAN-FEDERAL #1  
NE NW SEC 21-T23S-R17E  
GRAND COUNTY, UTAH

1. A Well Location Survey Map is attached to this material showing the existing location. This location is about 12 air miles and 24 road miles from the townsite of Green River, Utah. The turnoff, East of the Green River Highway, is about 12 miles with a well defined marker (Salt Wash Field). This road, about 12 miles, is well traveled by heavy trucks and maintained in excellent condition. A detailed Utah State County Road Map is also included showing most of the well roads.
2. Planned Access Roads: See No. 1 above.
3. Location of Existing Wells: There is one producing well near the location. Water can be provided 3 miles away by truck. Salt water within 1 mile. Abandoned wells are Suniland A-1 and Salt Wash #1. Disposal wells are Suniland A-2 and Smoot #2. Drilling wells, none at this time. One producing well is Smoot #3. Shut in wells are Smoot #1, C.F.I. 22-16 & 42-16. Injection well, Suniland A-2.
4. Location of Production Equipment: Within 1½ mile radius of location are 6 tank batteries, several production facilities and oil gathering lines including gas lines. Disposal lines are being used by Richard P. Smoot. It would appear that most of the above lines are above ground without any disturbance of the surface. A plan for the use of the above mentioned equipment could be worked out with S.W. Energy for the drilling operation, if successful. After operations cease should any land disturbances be present, the land surface shall be graded and leveled to the normal and natural terraine.
5. Water Supply: See 3 above.
6. Road Material: No additional road material necessary.
7. Waste Disposal: A reserve pit and a burn pit will be constructed at the well site. All excess water, mud, and drill cuttings will be deposited into the reserve pit. Burnable material and garbage will be put into the burn pit. Both pits will be folded in and covered as soon as feasible after the cessation of the drilling operations.

8. Camp Facilities and Airstrips: One or two trailer houses at the well site will be needed. An airstrip is located North of Salt Wash Field for emergency purposes.
9. Well Site Layout: Location previously approved. All such information is submitted as Exhibits of Location Plans (attached). Details of cross sections of drill pad, mud tanks, burn and trash pits, rig orientation will be provided by the driller.
10. Restoration: After drilling operations have been concluded and the equipment removed, the well site area will be cleaned, levelled and restored to normal. The pits will be covered and all trash removed. If the well is successful, the site will be levelled; pits folded-in and production equipment will be installed.
11. Land Description: See 1 above. The well site is relatively flat within the Salt Wash Field area.
12. Representative: The operator's representative at the well site will probably be Patrick L. Driscoll, Petroleum Engineer, Salt Lake City, Utah. Restoration will probably be done by Wyoco Petroleum Corporation.
13. Certification:

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

  
\_\_\_\_\_  
Patrick L. Driscoll  
Petroleum Engineer

Date: June 10, 1980

June 23, 1980

Wyoco Petroleum Corporation  
#9 Exchange Place, Suite 403  
Salt Lake City, Utah 84111

Re: Well No. Gorman Federal #1  
Sec. 21, T. 23S, R. 17E.,  
Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Rule C-3, General Rules and Regulations and Rules of Practice and Procedure.

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

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 number assigned to this well is 43-019-30658.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder  
Petroleum Engineer

/btm

cc: USGS

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
Wyoco Petroleum Inc.

3. ADDRESS OF OPERATOR Salt Lake City,  
#9 Exchange Place, Suite 404, Utah 84111

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 2040 FWL, 672 FNL, Sec 21 T17E  
AT TOP PROD. INTERVAL: R23S  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other) Water disposal	<input type="checkbox"/>		<input type="checkbox"/>

5. LEASE  
U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Gorman

9. WELL NO.  
#1

10. FIELD OR WILDCAT NAME  
Salt Wash Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec 21, T~~17E~~<sup>23S</sup>, R~~23S~~<sup>17E</sup>, SLBM

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

14. API NO.  
43-019-30658

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
4290 G.L.

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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

It is planned that upon completion of drilling of this well, any brine water left on location will be trucked to and disposed of through the water disposal facilities operated by R.M. Smoot. Also, if this well is completed as a producing well with associated formation water; then a suitable gathering tank for this water will be erected and a fiberglass line will be laid to the Smoot operated disposal facilities.

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

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

SIGNED R. Driscoll TITLE Petroleum Engineer DATE July 29, 1980

(This space for Federal or State office use)

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



*Kathy*  
*Please take care*  
*of this matter*  
*I*

July 29, 1980

Honorable Cleon Bertram Feight, Esg.  
Division of Oil, Gas & Mining  
Department of Natural Resources  
1588 West North Temple  
Salt Lake City, UT 84116

RE: WYOCO PETROLEUM INC. FEDERAL-GORMAN #1 NE $\frac{1}{4}$  NW $\frac{1}{4}$  SEC 21, T17E, R23S,  
SLBM GRAND COUNTY, UTAH

Dear Jack,

It appears that there will be open acreage close to this proposed well within a relatively short period of time. For this reason, I'm requesting that any information pertinent to the drilling and completion of this well be kept confidential, and the file maintained by your office be transferred to the locked, confidential file drawer.

Cordially,

*P.L. Driscoll*  
Patrick L. Driscoll  
Petroleum Engineer

PLD/kf

cc: file

RECEIVED  
JUL 30 1980

DIVISION OF  
OIL, GAS & MINING

WYOCO PETROLEUM CORPORATION

#9 Exchange Place  
Suite 404  
Salt Lake City, Utah 84111

FROM: : DISTRICT GEOLOGIST, ~~DE~~, SALT LAKE CITY, UTAH

*Glenn*

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

SUBJECT: APD MINERAL EVALUATION REPORT

LEASE NO. U-41062

OPERATOR: WYXCO Pet. Inc.

WELL NO. GORMAN Federal #

LOCATION: SE 1/4 NE 1/4 NW 1/4 sec. 21, T. 23S, R. 17E, SLBM

Grand County, Utah

Estimated TOPS appear reasonable and correspond with stratigraphy of well.

1. Stratigraphy: same SEC. SE 1/4 SE 1/4 :

Projected TOPS:	SURFACE	- Quaternary alluvium
	2550	- Coconino
	4100	- Hermosa
	5350	- Paradox Salt
	8450	- Leadville
	9000	- T.D.

2. Fresh Water:

possible down to the base of the Navajo Sandstone

3. Leasable Minerals:

well would be located on lands considered prospectively valuable for sodium and potash in the Paradox Zn.

4. Additional Logs Needed:

Run series of logs throughout sodium + potash zone to protect the minerals

5. Potential Geologic Hazards:

none anticipated

6. References and Remarks:

X-mine, south of Salt Lake City, U.S.

28 JUL REC'D

Signature: Joseph J. [unclear] Date: 7-16-80

Memorandum

*Glenn*

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

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

Subject: Application for Permit to Drill (form 9-331c) Federal oil and gas lease No. U-41062 Well No. Gorman Fed #1

1. The location appears potentially valuable for:

- strip mining\*
- underground mining\*\* *potush*
- 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*

30 JUL REC'D



# 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

August 5, 1980

## Memorandum

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

From: Area Manager, Grand

Subject: WYOCO Petroleum Incorporated  
Gorman Federal #1  
NENW Section 21, T.23S., R.17E. SLB&M  
Grand County, Utah

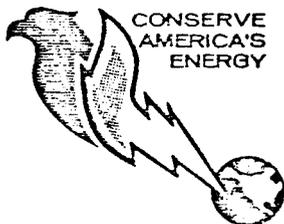
On July 22, 1980 a representative from this office met with Glen Doyle, USGS, and Pat Driscoll agent of the WYOCO Petroleum Inc. for an inspection of the above referenced location. Subject to the attached conditions, I am approving the surface management portion of the Application for Permit to Drill.

The archaeological requirement has been fulfilled on this location. No threatened or endangered flora or fauna are indicated in the area.

Please forward the enclosed information to WYOCO Petroleum Inc.

*C. Delano Backus*

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



*Save Energy and You Serve America!*

AUG 5 REC'D

## STANDARD STIPULATIONS FOR OIL & GAS EXPLORATION

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

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

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

The trash cage will be at the location and fenced with fine mesh wire during drilling operations.

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

If production is obtained, the access road will be upgraded to BLM specifications for long-term roads as outlined in the surface use standards section of the "Oil and Gas" pamphlet (joint BLM, USGS, and 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 upon at the pre-drill field examination.

### Access Road

When Don Quigley was given permission to build the access road to this location in 1976, the road was constructed (the well was never drilled). The 150 yards between the existing road to Ruby Ranch and the well pad will be upgraded as needed. A 30 inch steel culvert 30 feet long will be installed in the gully immediately Northwest of the pad.

### Well Location

Mr. Quigley was given permission to build this location in 1976. The location was constructed, but the well was never drilled. No top soil was stockpiled at this location. The existing pad will be smoothed up, and all activity pertaining to the drilling of the well will be confined to the disturbed area. The rig layout will be turned S.90 degrees E. (counter clock-wise) to fit the location as constructed.

### Rehabilitation

If the venture is not successful, the access road will be closed to traffic by pulling the berms. The culvert can be removed at the discretion of the company. The North slope of the existing pad will be back-sloped to a 3:1 slope to provide some top soils for rehabilitation of the pad. The reserve pit will be fenced with a five strand barbed wire fence. The lessee will inform BLM and the rancher (Gene Dunham) of any fresh water discovered during well drilling.

RECLAMATION PROCEDURES IN GRAND RESERVE 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.).

Seed Mixture

Grasses

Oryzopsis hymenoides (Indian rice grass)  
Hilaria jamesii (Curley grass)

Pounds per acre

1  
1

Forbs

Sphaeralcea coccinea (Globe mallow)

1

Shrubs

Ceretoides lanata (Winter fat)

1  
4



August 6, 1980

Honorable Cleon Bertram Feight, Esq.  
Division of Oil, Gas & Mining  
Department of Natural Resources  
1588 West North Temple  
Salt Lake City, UT 84116

Dear Mr. Feight,

In going over our records, we have found that the letter of July 29, from Pat Driscoll has incorrectly stated the township and range of WYOCO PETROLEUM, INC., FEDERAL-GORMAN #1. The correct township and range are:

Federal-Gorman #1 NE $\frac{1}{4}$  NW $\frac{1}{4}$  Sec 21, T23S, R17E, SLBM

I apologize for any inconvenience this may cause you.

Thank You,

Kathy Fullmer

WYOCO PETROLEUM CORPORATION

---

#9 Exchange Place  
Suite 404

Salt Lake City, Utah 84111

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
(FORM 9-329)  
(2/76)  
OMB 42-RO 356

MONTHLY REPORT  
OF  
OPERATIONS

Lease No. U 4106  
Communitization Agreement No. \_\_\_\_\_  
Field Name Salt Wash  
Unit Name \_\_\_\_\_  
Participating Area \_\_\_\_\_  
County Grand State Utah  
Operator Wyoco Petroleum Inc.  
 Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of August, 19 80

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Well No.	Sec. & ¼ of ¼	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
Gorman-Federal #1	NE NW Sec 21	T23S	R17E	Drilling	---	---	---	---	---

\*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

	Oil & Condensate (BBLs)	Gas (MCF)	Water (BBLs)
*On hand, Start of Month	---	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*Produced	---	---	---
*Sold	---	---	XXXXXXXXXXXXXXXXXX
*Spilled or Lost	---	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXX	---	XXXXXXXXXXXXXXXXXX
*Used on Lease	---	---	XXXXXXXXXXXXXXXXXX
*Injected	---	---	---
*Surface Pits	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	---
*Other (Identify)	---	---	---
*On hand, End of Month	---	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content	---	---	XXXXXXXXXXXXXXXXXX

Authorized Signature: Mike Strand  
Title: General Manager

Address: 9 Exchange Pl, Suite 404, Salt Lake City, UT 84111  
Page 1 of 1

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  
 Wyoco Petroleum, Inc.

3. ADDRESS OF OPERATOR  
 #9 Exchange Place Suite 404, Salt Lake City, UT 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface NE 1/4 NW 1/4 Sec 21 T23S, R17E SLBM  
 At proposed prod. zone 2040' FWL and 672' FNL  
 as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
 Approximately 14 miles

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 672'  
 16. NO. OF ACRES IN LEASE 480 acra

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1200'  
 19. PROPOSED DEPTH 9000'

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4290' G.L.  
 20. ROTARY OR CABLE TOOLS Rotary

22. APPROX. DATE WORK WILL START\* July 5, 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"	36.00 #	300'	200 sacks
7 7/8"	5 1/2"	17.00 #	9000'	1000 sacks

It is planned to drill a well at the above location to test the potential oil production of the Leadville member of the Mississippian Formation. Additional information is contained in the attached supplement.



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

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

24. SIGNED [Signature] TITLE Petroleum Engineer DATE June 18, 1980

(This space for Federal or State office use)

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

APPROVED BY (Orig. Sgd.) A. M. RAFFOUL TITLE FOR E. W. GUYNN DISTRICT ENGINEER DATE AUG 21 1980

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

NOTICE OF APPROVAL

\*See Instructions On Reverse Side

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

*State Oil & Gas*

Production Facilities and Flowline NOT Approved

DUPLICATE COPY

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

USUAL ENVIRONMENTAL ASSESSMENT

Date August 4, 1980

Operator Wyoco Petroleum, Inc. Well No. Gorman Fed'l #1  
Location 2040' FWL 672' FNL Section 21 Township 23S Range 17E  
County Grand State Utah Field/Unit Salt Wash  
Lease No. U-41062 Permit No. \_\_\_\_\_

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

Joint Field Inspection Date: July 22, 1980

Field Inspection Participants, Titles, and Organizations:

<u>Pat &amp; Lillian Driscoll</u>	<u>Operators</u>
<u>Glenn Doyle</u>	<u>U. S. Geological Survey</u>
<u>Elmer Duncan</u>	<u>Bureau of Land Management</u>
<u>Tommy George</u>	<u>Dirt Contractor</u>
<u>Gene Durham</u>	<u>Rancher</u>
<u>Richard Smoot</u>	<u>Lessee</u>
<u>Morris Rambo</u>	<u>Engineer</u>

Typing In: 8/5 Typing Out: 8/12

Related Environmental Documents:

BLM-Moab, Book Mountain Unit Resource Analysis.

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

*Admin Ground?*  
*pad 250 x 350*  
*oil 75 x 200*  
*450' x 18' new access*  
*2 2/1000*  
*pg 1*  
*bound 7 paper pg 6*  
*1-3*  
*4 on 127*

## DESCRIPTION OF PROPOSED ACTION

Proposed Action:

1. Location State: Utah  
County: Grand

2040 ' F W L, 672 ' F N L, NE ¼ NW ¼  
Section 21, T23S, R17E, SLB & M

2. Surface Ownership Location: Public  
Access Road: Public

Status of Reclamation Agreements: Not Applicable

3. Dates APD Filed: 7/1/80  
APD Technically Complete: 7/14/80  
APD Administratively Complete: 8/6/80

4. Project Time Frame Starting Date: August 1980  
Duration of drilling activities: 30-35 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 250' wide x 350' long and a reserve pit 75' x 200' would be constructed. Approximately 450 feet of new access road, averaging 18' in width, would be constructed. 2.2 acres of disturbed surface would be associated with the project.

The wellpad and access had already been approved and constructed but not drilled. A revised, updated APD was submitted on July 1, 1980. The plan is to use the existing road and wellsite, disturbing little additional ground. Where the road crosses a deep drainage, it has been washed out. A 30" culvert would be placed in this drainage to control road erosion.

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

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 flat bench which is surrounded on the north and east by sandstone outcrops. The bench is flat because it was leveled for drilling at a prior date.

PARAMETER

A. Geology - Surface is windblown silts derived from local weathering of Quaternary rock outcrops which may be either Entrada or Carmel Formations. Other formations are detailed in the 10-Point Subsurface Plan.

Information Source: Application to Drill.

1. Other Local Mineral Resources to be Protected: Prospectively valuable for sodium and potash which are found in the Paradox Formation. Identification logs for sodium, potash, and any fresh water zones are requested.

Information Source: ME, District Geologist.

2. Hazards:

- a. Land Stability: Location and access built on windblown silt and rocks. Material is stable, provided the slopes are moderate and moisture content is low.

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: Perkins, David M., 1974, Seismic risk maps, Reprint of Earthquake information bulletin, 6(6) Nov-Dec.; 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.; 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, alkalic soils that support the salt-desert community.

Information Source: Field observation.

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

Information Source: Field observation.

C. Air Quality - 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: Impacts to surface water quality are judged as insignificant, provided the operator maintains a fluid-tight reserve pit.

Information Source: Field observation.

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

Information Source: Field observation.

2. Water Quality

a. Surface Waters: No significant impacts to surface water systems are expected, provided the operator maintains all adverse substances either on the pad or in a fluid-tight reserve pit.

Information Source: Field observation.

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

Information Source: Application to Drill and 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 August 5, 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 2.2 acres of vegetation increasing potential for non-point erosion and decreasing soil fertility.

Information Source: Application to Drill and 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 August 5, 1980, we determine that there would be no effect on cultural resources subject to

Information Source: Bureau of Land Management - Moab.

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

Information Source: David Oberwager, Env. Spec. (Reclamation), USGS-AOSO.  
G. Doyle, Environmental Scientist, USGS.

Alternatives to the Proposed Action:

1. Disapproving the proposed action or no action - If the proposed action is denied, no action would occur, the existing environment would remain in its present state, the lessee/operator would not realize any return on investments and the public would be denied a potential energy source.
2. Approving the project with the recommended stipulations - Under federal oil and gas leasing provisions, the Geological Survey has a responsibility to approve mineral development if the environmental consequences are not too severe or irreversible. Permanent damage to the surface and subsurface would be prevented as much as possible under USGS and Surface Management Agency supervision. Environmental impacts would be significantly mitigated.

Adverse Environmental Effects:

1. If approved as proposed:
  - a. About 2.2 acres of vegetation would be removed, increasing and accelerating erosion potential.
  - b. Pollution of groundwater systems <sup>could</sup> 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 Green River. The potential for pollution to White Wash 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) As proposed, the blooie line would be directed in the direction of the prevailing winds, potentially causing cuttings and dust to be blown back into the rig, hampering safety of operations.
  - 2) Both cattle and sheep could be endangered by toxic or hazardous fluids in the reserve pit if it is not properly fenced.

## 2. Conditional approval

- a. All adverse impacts described in section one above would occur, except
  - 1) By rotating the rig 90° counterclockwise, dust would be blown away from the rig by prevailing winds.
  - 2) By fencing the reserve pit on three sides prior to drilling, and on the fourth side once the rig moves off, hazards posed by fluids 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.
  - 2. See attached BLM Stipulations.
  - 3. Rotate rig 90° counterclockwise.
- 

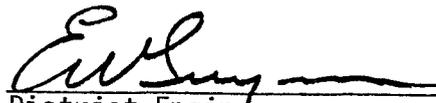
4. Fence reserve pit on three sides prior to drilling, and on the fourth side once the rig moves off.

Controversial Issues and Conservation Division Response: None known.

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

Determination

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



DISTRICT ENGINEER

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

AUG 18 1980

Date

UNITED STATES DEPARTMENT OF INTERIOR  
BUREAU OF LAND MANAGEMENT  
UTAH STATE OFFICE

WILDERNESS PROTECTION STIPULATION

By accepting this lease, the lessee acknowledges that the lands contained in this lease are being inventoried or evaluated for their wilderness potential by the Bureau of Land Management under section 603 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2743, 2785 (43 U.S.C. Sec. 1782).

Until the BLM determines that the lands covered by this lease do not meet the criteria for a wilderness study area as set forth in section 603, or until Congress decides against the designation of lands included within this lease as "wilderness," the following conditions apply to this lease, and override every other provision of this lease which could be considered as inconsistent with them and which deal with operations and rights of the lessee:

1. Any oil or gas activity conducted on the leasehold for which a surface use plan is not required under NTL-6 (for example; geophysical and seismic operations) may be conducted only after the lessee first secures the consent of the BLM. Such consent shall be given if BLM determines that the impact caused by the activity will not impair the area's wilderness characteristics.
2. Any oil and gas exploratory or development activity conducted on the leasehold which is included within a surface use plan under NTL-6 is subject to regulation (which may include no occupancy of the surface) or, if necessary, disapproval until the final determination is made by Congress to either designate the area as wilderness or remove the section 603 restrictions.

If all or any part of the area included within the leasehold estate is formally designated by Congress as wilderness, oil and gas exploration and development operations taking place or to take place on that part of the lease shall become subject to the provisions of the Wilderness Act of 1964 which apply to national forest wilderness areas, 16 U.S.C. Sec. 1131 et seq., as amended, the Act of Congress designating the land as wilderness, and Interior Department regulations and policies pertaining thereto.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
(FORM 9-329)  
(2/76)  
OMB 42-RO 356

MONTHLY REPORT  
OF  
OPERATIONS

Lease No. U 4106  
Communitization Agreement No. \_\_\_\_\_  
Field Name \_\_\_\_\_  
Unit Name \_\_\_\_\_  
Participating Area \_\_\_\_\_  
County Grand State Utah  
Operator Wyoco Petroleum Inc.  
 Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of September, 1980  
(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Well No.	Sec. & 1/4 of 1/4	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
Gorman-Federal #1	NE NW Sec 21	T23S	R17E	Drilling, logging, casing, and cementing procedures on September 26, 1980. Well awaiting completion.		---	---	---	finished

\*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

	Oil & Condensate (BBLs)	Gas (MCF)	Water (BBLs)
*On hand, Start of Month	---	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Produced	---	---	---
*Sold	---	---	XXXXXXXXXXXXXXXXXXXX
*Spilled or Lost	---	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXXXX	---	XXXXXXXXXXXXXXXXXXXX
*Used on Lease	---	---	XXXXXXXXXXXXXXXXXXXX
*Injected	---	---	---
*Surface Pits	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	---
*Other (Identify)	---	---	---
*On hand, End of Month	---	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content	---	---	XXXXXXXXXXXXXXXXXXXX

Authorized Signature: Mike Strand  
Title: Mike Strand  
General Manager

Address: 9 Exchange Pl, Suite 404, Salt Lake City  
Page 1 of 1 UT 84111

January 5, 1981

Wyoco Petroleum, Inc.  
#9 Exchange Place  
Suite 404  
Salt Lake City, Utah 84111

RE: Well No. Gorman-Federal #1  
Sec. 21, T. 23S, R. 17E.,  
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  
enclosures: forms



RECEIVED

JAN 12 1981

January 9, 1981

DIVISION OF  
OIL, GAS & MINING

Ms Barbara Hill  
Well Records  
Utah Division Oil, Gas and Mining  
1588 West North Temple  
Salt Lake City, UT 84116

RE: COMPLETION REPORT AND WELL LOGS FOR GORMAN-FEDERAL #1, Sec 21, T23S,  
R17E, SLBM, GRAND COUNTY, UTAH

Dear Ms Hill,

In response to your letter of January 5, 1981, please note that the above-captioned well has not been completed. When the completion is finished, the necessary report will be filed with your office.

Two copies of the logs on this well were sent to your office by Schlumberger on October 7, 1980. If you cannot locate these logs, please contact me and additional copies will be sent.

If you have any questions, please call me at 801-531-0874.

Best Regards,

*Dianne R. Nielson*

Dianne R. Nielson, Ph.D.  
Consultant for  
Wyoco Petroleum, Inc.

DRN/kf

WYOCO PETROLEUM CORPORATION  
Land Division

No. 9 Exchange Place - Suite 404  
Salt Lake City, Utah 84111  
Telephone: (801) 531-0874

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
Wyoco Petroleum, Inc.

3. ADDRESS OF OPERATOR  
P.O. Box 247, Rawlins, Wyoming 82301

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 2040'FWL & 672'FNL, NE-NW Sec 21  
AT TOP PROD. INTERVAL: As Above  
AT TOTAL DEPTH: As Above

5. LEASE  
U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Gorman

9. WELL NO.  
#1

10. FIELD OR WILDCAT NAME  
Salt Wash Field

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec 21, T23S-R17E, SLBM

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDS, AND WD)  
4290' GL

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF	<input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ABANDON* Temporary	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(other)	<input type="checkbox"/>	<input type="checkbox"/>

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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

Various indicated productive zones were perforated, stimulated and swab tested with questionable results. See detail on reverse side. See Form 9-330 Well Completion Report. At this time the well is shut-in pending evaluation of core data to be obtained by operations on second drilling location. Request approval to have well status as Temporarily Abandoned.

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

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

SIGNED: Thomas J. Wall TITLE Petroleum Engineer DATE 1-17-81

(This space for Federal or State office use)

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

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

(FORM 9-329)

(2/78)

OMB 42-00 356

MONTHLY REPORT  
OF  
OPERATIONS

Lease No. U-41062

Communitization Agreement \_\_\_\_\_

Field Name Salt Wash Field

Unit Name \_\_\_\_\_

Participating Area \_\_\_\_\_

County Grand State Utah

Operator Wyoco Petroleum, Inc.

Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of January, 19 81

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Well No.	Sec. & 1/4 of 34	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
1	Sec 21 NE/NW	23S	17E	TA					Completion operations suspended 1-11-81 Well TA status.

**RECEIVED**  
JAN 26 1981

DIVISION OF  
OIL, GAS & MINING

\*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

	Oil & Condensate (BBLs)	Gas (MCF)	Water (BBLs)
*On hand, Start of Month	-0-	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Produced	-0-	-0-	-0-
*Sold	-0-	-0-	XXXXXXXXXXXXXXXXXXXX
*Spilled or Lost	-0-	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXXXX	-0-	XXXXXXXXXXXXXXXXXXXX
*Used on Lease	-0-	-0-	XXXXXXXXXXXXXXXXXXXX
*Injected	-0-	-0-	-0-
*Surface Pits	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	-0-
*Other (Identify)	-0-	-0-	-0-
*On hand, End of Month	-0-	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content	-0-	-0-	XXXXXXXXXXXXXXXXXXXX

Authorized Signature: [Signature]  
Title: Petroleum Engineer

Address: P. O. Box 247, Rawlins, Wyo. 82301

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R255.5.

3

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1. KIND OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

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

3. NAME OF OPERATOR: Wyoco Petroleum, Inc. S.W. Energy Corp.

4. ADDRESS OF OPERATOR: P.O. Box 247, Rawlins, Wyoming 82301

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface: 2049' FWL, 672' FNL, NE-NW Sec 21

At top prod. interval reported below: As Above

At total depth: As Above

5. LEASE DESIGNATION AND SERIAL NO.  
U-41062

6. IF INDIAN, ALLOTTEE OR TRUST NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Golman

9. WELL NO.  
#1

10. ZONE AND T.L. OF WILDLIFE  
Undesignated

11. SECTION, RANGE, TOWNSHIP OR AREA  
Sec 21, T33S-R17E

SEBM

12. PERMIT NO. 43-019-30658 DATE ISSUED 6-23-1980

13. COUNTY OR PARISH Grand 14. STATE Utah

15. DATE SPURD 8-16-80 16. DATE TD REACHED 9-23-80 17. DATE COMPL. (Ready to prod.) 1-10-81 18. ELEVATIONS (DF, RKB, RE, CR, ETC.)\* 4290' GL 19. WELL CASING HEAD

20. TOTAL DEPTH, MD & TD 8997 MD 21. TVSS, EACH TD, MD & TD CIBF37300', RBF @ 6758' 22. IF MULTIPLE COMPL., HOW MANY\* 1 23. INTERVALS DRILLED BY Rotary 24. ROTARY TOOLS 0-8997 25. MEASUREMENTS

26. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND FWD)\*  
Well Status EA. See Detail on Reverse Side

25. WAS PERFORMED SURVEY MADE  
NO

27. WELL PRODUCTION AND OTHER LOGS RUN  
3-OD-BCS-CWFD

26. WAS WELL COILED  
NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT USED
5 1/2" OD	20# N-80	8991	8-3/4"	1st Stg 1100 SX "H", 2nd Stg 900 SX "H"	-0-

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	5000'	

30. PRODUCTION RECORD (Interval, size and number)

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
<u>See Detail on Reverse Side</u>	

31. PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)

32. PRODUCTION

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WAT.—BBL.	WELL STATUS (Flowing or Shut-in)
							<u>operation suspended</u>

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

29. LIST OF ATTACHMENTS  
Form 9-331 Sundry Notice; Form 9-329 Monthly Report of Operations

33. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE Petroleum Engineer DATE 1-15-81

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

FOUR COPY

8-10-81

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of leads and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, State or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 29 and 31, and 34 below regarding separate reports for separate completions. If not filed prior to the time this summary record is submitted, copies of all engineering drawings (drawings, sketches, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be submitted to the appropriate Federal and/or State laws and regulations. All attachments should be listed on this form, see item 33.

Item 2: If there are no applicable State requirements, indicate on Technical or Indian Land should be described in accordance with Federal requirements. Consult local State or Federal office for special instructions.

Item 3: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. Items 23 and 34: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 23, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 23. Submit a separate report (2230) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: *Geologic Comments*: Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool. Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 29 and 31 above.)

37. SUMMARY OF POROUS ZONES:  
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORE INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL ON, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Leadville	8644'	3997'TD	Perfs 8927'-8933', Brkdwn w/500 gal 5% acid, swab dry; Brkdwn with 1000 gal diesel, swab dry; Pump 1500 gal 15% acid, swab dry; set CIBP @ 6915'
Leadville	8644'	3997'TD	Perfs 8860'-8910'; Drkdwn w/1500 gal 5% acid, swab down; Brkdwn w/1500 gal 15% acid, swab-rec. trace oil; acid frac perfs w/360 bbl 15% acid, swab-rec trace oil; set CIBP @ 7300'
Paradox	5322'	3644'	Perfs 7107'-7111' & 7118'-7126', Brkdwn w/500 gal 5% acid, swab dry; Pump 1500 gal 15% acid, swab-rec SW, no show; set RBP @ 6578'
Paradox	5322'	3644'	Perfs 5775'-5796', Brkdwn w/500 gal 5% acid; swab 50% oil, low influx; sand water frac w/1304 Bbls; swab down - little influx
Paradox	5322'	3644'	Perfs 5734'-5756', swab down, SD with RBP @ 6578' & tbg @ 5500', CWT; well TN status pending results of second drilling well

38. GEOLOGIC MARKERS

NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH

JAN 20 1966  
DIVISION OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

(FORM 9-329)

(2/76)

OMB 42-RO 356

MONTHLY REPORT  
OF  
OPERATIONS

Lease No. U 41062  
Communitization Agreement No. \_\_\_\_\_  
Field Name Salt Wash  
Unit Name \_\_\_\_\_  
Participating Area \_\_\_\_\_  
County Grand State Utah  
Operator Wyco Petroleum, Inc.

Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of November, 19 80

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Well No.	Sec. & ¼ of ¼	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
Gorman-Federal #1	NE NW Sec 21	T23S	R17E	Completion work ongoing.					

RECEIVED

JAN 21 1981

DIVISION OF OIL, GAS & MINING

\*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

	Oil & Condensate (BBLs)	Gas (MCF)	Water (BBLs)
*On hand, Start of Month	_____	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Produced	_____	_____	_____
*Sold	_____	_____	XXXXXXXXXXXXXXXXXXXX
*Spilled or Lost	_____	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXXXX	_____	XXXXXXXXXXXXXXXXXXXX
*Used on Lease	_____	_____	XXXXXXXXXXXXXXXXXXXX
*Injected	_____	_____	_____
*Surface Pits	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	_____
*Other (Identify)	_____	_____	_____
*On hand, End of Month	_____	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content	_____	_____	XXXXXXXXXXXXXXXXXXXX

Authorized Signature: Mike Strand Address: #9 Exchange Pl, #404, Salt Lake City, UT  
Title: Mike Strand, General Manager Page 1 of 1 84111

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
(FORM 9-329)  
(2/76)  
OMB 42-RO 356

MONTHLY REPORT  
OF  
OPERATIONS

Lease No. U 41062  
Communitization Agreement No. \_\_\_\_\_  
Field Name Salt Wash  
Unit Name \_\_\_\_\_  
Participating Area \_\_\_\_\_  
County Grand State Utah  
Operator Wyoco Petroleum, Inc.  
 Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of December, 19 80

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Well No.	Sec. & 1/4 of 1/4	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
Gorman-Federal #1	NE NW Sec 21	T23S	R17E	Completion work ongoing.					

*CONF*  
**RECEIVED**  
JAN 21 1981  
DIVISION OF OIL, GAS & MINING

\*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

	Oil & Condensate (BBLs)	Gas (MCF)	Water (BBLs)
*On hand, Start of Month	_____	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Produced	_____	_____	_____
*Sold	_____	_____	XXXXXXXXXXXXXXXXXXXX
*Spilled or Lost	_____	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXXXX	_____	XXXXXXXXXXXXXXXXXXXX
*Used on Lease	_____	_____	XXXXXXXXXXXXXXXXXXXX
*Injected	_____	_____	_____
*Surface Pits	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	_____
*Other (Identify)	_____	_____	_____
*On hand, End of Month	_____	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content	_____	_____	XXXXXXXXXXXXXXXXXXXX

Authorized Signature: Mike Strand Address: #9 Exchange Pl, #404, Salt Lake City, UT  
Title: Mike Strand, General Manager Page 1 of 1 84111

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

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.  
Federal U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Gorman

9. WELL NO.  
Number One (1)

10. FIELD AND POOL, OR WILDCAT  
Salt Wash

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA  
Sec. 21 T23S R17E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

SUNDRY NOTICES AND REPORTS ON WELLS

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

**CONFIDENTIAL**

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Wyoco Petroleum, Inc.

3. ADDRESS OF OPERATOR  
#9 Exchange Place, Suite 404 Salt Lake City, Ut. 84111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface C NE 1/4 NW 1/4 (2040' FWL & 672 FSL)  
Section 21 T23S R17E SLBM

14. PERMIT NO.  
A.P.I. No. 43-019-30658

15. ELEVATIONS (Show whether DF, RT, OR, etc.)  
4308' k.b. 4290' g.l.

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

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

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

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

A report was received @ approximately 11:00 P.M., May 24th, that a leak was occurring from the well-head. Mr. Gene Dunham went to the well and found a leak around the well-head tubing packoff. The leak was in the form of a fine mist and was estimated to have been less than a barrel of water and light oil. The pressure was relieved and the pack-off tightened. This well-head is incomplete, and rectification will be made as soon as the Completion Rig presently on Wyoco-Government 18-2 comes loose. Any physical appearance on the ground around this well will be cleaned up immediately

**RECEIVED**  
MAY 27 1981

DIVISION OF  
OIL, GAS & MINING

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

SIGNED Patrick L. Driscoll TITLE Consulting Engineer DATE May 25, 1981

(This space for Federal or State office use)

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

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
(FORM 9-329-1)  
(2/76)

OMB 42-R0356

MONTHLY REPORT  
OF  
OPERATIONS  
(Continued)

Lease No. Federal U-41062 P&A

Communitization Agreement No. \_\_\_\_\_

Field Name Salt Wash

Unit Name \_\_\_\_\_

Participating Area \_\_\_\_\_

County Grand State Utah

Operator Wyaco Petroleum Inc

Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of May, 19 81

(See Reverse of Form 9-329 for Instructions)

Well No.	Sec. & 1/4 of 1/4	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
<u>German #1</u>	<u>NE NW 1/4 Sec. 21</u>	<u>23S</u>	<u>17E</u>	<u>051</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>Well is being tested prior to moving in a rig for final completion</u>

RECEIVED

JUN 3 1981

DIVISION OF  
OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
Northshore, Ltd.

3. ADDRESS OF OPERATOR 84111  
9 Exchange Pl, Ste 404, Salt Lake City, UT

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
C NW NE Section 21  
AT SURFACE:  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) <u>Well Completion</u>	

5. LEASE U 41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME Federal-Gorman

9. WELL NO. #1

10. FIELD OR WILDCAT NAME Salt Wash

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 21, T23S, R17E

12. COUNTY OR PARISH Grand 13. STATE Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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

Well is currently shut-in and will commence completion as soon as rig becomes available from Federal 18-2 well. Rig is expected within one to two weeks.

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

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

SIGNED [Signature] TITLE Petroleum Engineer DATE July 14, 1981

(This space for Federal or State office use)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR

S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR 847 East 400 South  
Salt Lake City, Utah 84102

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)

AT SURFACE: C NW $\frac{1}{4}$ NE $\frac{1}{4}$  Section 21.

AT TOP PROD. INTERVAL:

AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

PULL OR ALTER CASING

MULTIPLE COMPLETE

CHANGE ZONES

ABANDON\*

(other)

5. LEASE

U 41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal-Gorman

9. WELL NO.

#1

10. FIELD OR WILDCAT NAME

Salt Wash

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

Sec 21, T23S, R17E

12. COUNTY OR PARISH 13. STATE

Grand Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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

Status still the same.

Arrangements are being made for further testing and perforations.

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

Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct. S. W. ENERGY CORPORATION

SIGNED *Richard B. M...* TITLE Operator DATE 2 December 1981

(This space for Federal or State office use)

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

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR  
847 E 400 S, Salt Lake City, Utah 84102

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: C NW $\frac{1}{2}$ NE $\frac{1}{4}$  Section 21  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other)	<input type="checkbox"/>		<input type="checkbox"/>

5. LEASE	<u>U 41062</u>
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME	<u>Federal-Gorman</u>
9. WELL NO.	<u>#1</u>
10. FIELD OR WILDCAT NAME	<u>Salt Wash</u>
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	<u>Sec 21, T23S, R17E</u>
12. COUNTY OR PARISH	<u>Grand</u>
13. STATE	<u>Utah</u>
14. API NO.	<u>43-019-30658</u>
15. ELEVATIONS (SHOW DF, KDB, AND WD)	

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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

Still waiting for further work.

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

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

SIGNED [Signature] for S.W. ENERGY CORPORATION DATE 2 February 1982  
TITLE Operator

(This space for Federal or State office use)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
(FORM 9-329)  
(2/76)  
OMB 42-RO 356

MONTHLY REPORT  
OF  
OPERATIONS

Lease No. U-41062  
Communitization Agreement No. \_\_\_\_\_  
Field Name Salt Wash  
Unit Name \_\_\_\_\_  
Participating Area \_\_\_\_\_  
County Grand State Utah  
Operator S. W. ENERGY CORPORATION  
 Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of June, 1982

(See Reverse of Form for Instructions)

This report is required by law (30 U.S.C. 189, 30 U.S.C. 359, 25 U.S.C. 396 d), regulation (30 CFR 221.60), and the terms of the lease. Failure to report can result in the assessment of liquidated damages (30 CFR 221.54 (j)), shutting down operations, or basis for recommendation to cancel the lease and forfeit the bond (30 CFR 221.53).

Well No.	Sec. & 1/4 of 1/4	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
Gorman #1	21NWNE	23S	17 E		0	0	0	0	Awaiting completion.

**RECEIVED**  
JUL 13 1982  
DIVISION OF  
OIL, GAS & MINING

\*If none, so state.

DISPOSITION OF PRODUCTION (Lease, Participating Area, or Communitized Area basis)

	Oil & Condensate (BBLS)	Gas (MCF)	Water (BBLS)
*On hand, Start of Month	0	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Produced	0	0	0
*Sold	0	0	XXXXXXXXXXXXXXXXXXXX
*Spilled or Lost	0	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXXXX	0	XXXXXXXXXXXXXXXXXXXX
*Used on Lease	0	0	XXXXXXXXXXXXXXXXXXXX
*Injected	0	0	0
*Surface Pits	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	0
*Other (Identify)	0	0	0
*On hand, End of Month	0	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content			XXXXXXXXXXXXXXXXXXXX

Authorized Signature: [Signature] Address: 847 E 400 S, Salt Lake City, Utah  
Title: Operator Page 1 of 1 84102



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

April 22, 1983

S. W. Energy Company  
847 East 400 South  
Salt Lake City, Utah 84102

Re: Well No. Gorman # 1  
Sec. 21, T. 23S, R. 17E.  
Grand County, Utah

Gentlemen:

The above referred to well has been currently under a temporarily abandoned status for six months or longer. Would you be kind enough to inform this office of a change in status, or let us know if it is still temporarily abandoned, submitted on a Sundry Notice (Form OGC-1B, enclosed).

Thank you for your prompt attention to the above submittal.

Respectfully,

DIVISION OF OIL, GAS AND MINING

A handwritten signature in cursive script that reads "Cari Furse".

Cari Furse  
Well Records Specialist

CF/cf  
Enclosure

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

SUBMIT TRIPPLICATE\*  
(Other instructions on reverse side)

API 43-019-30658

5. LEASE DESIGNATION AND SERIAL NO.  
U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Gorman

9. WELL NO.  
#1

10. FIELD AND POOL, OR WILDCAT  
Salt Wash

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA  
Sec 21, T23S, R17E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR  
847 E 400 S, Salt Lake City, Utah 84102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface C NW $\frac{1}{4}$ NE $\frac{1}{4}$  Section 21

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, OR, etc.)

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

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

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

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

Well temporarily shut-in awaiting workover.

RECEIVED  
MAY 03 1983

DIVISION OF  
OIL, GAS & MINING

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

SIGNED

*[Signature]*

TITLE

President

DATE 27 April 1983

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:



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

February 13, 1985

S. W. Energy Corporation  
847 East 400 South  
Salt Lake City, Utah 84102

Gentlemen:

Re: Well No. Federal-Gorman #1 - Sec. 21, T. 23S., R. 17E  
Grand County, Utah - API #43-019-30658

The above-referenced well has been listed under a temporarily abandoned status for six months or longer. If plugs have been set, it is necessary to submit this information on a "Sundry Notice". If plugs haven't been set, the well is not temporarily abandoned; it is either shut in or operations have been suspended.

Please inform this office of the current status on the enclosed Form OGC-1b, "Sundry Notices and Reports on Wells".

Thank you for your prompt attention to the above matter.

Sincerely,

A handwritten signature in cursive script that reads "Claudia L. Jones".

Claudia L. Jones  
Well Records Specialist

Enclosure

cc: Dianne R. Nielson  
Ronald J. Firth  
John R. Baza  
File  
0087S/44

S.W. ENERGY CORPORATION

847 EAST FOURTH SOUTH

SALT LAKE CITY, UTAH 84102

TELEPHONE (801) 532-6664

14 February 1985

State of Utah Natural Resources  
Oil, Gas & Mining  
355 West North Temple, Suite 350  
Salt Lake City, Utah 84180-1203

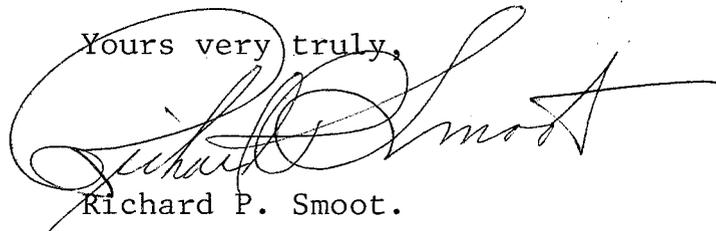
Attention Claudia L. Jones  
Well Records Specialist

Gentlemen:        Re: Federal-Gorman #1, API 43-019-30658  
                              Sec. 21, T23S, R17E, Grand Co., Utah

Enclosed is the completed Sundry Notices and Reports on Wells form which you requested. Reports of Operations covering the above well are sent monthly to the Bureau of Land Management. Should you require copies of these reports, please let us know and we will have them reproduced.

Please advise us if there is any other information you need.

Yours very truly,

A handwritten signature in black ink, appearing to read "Richard P. Smoot", written over the typed name below.

Richard P. Smoot.

Enc.

RPS/ED

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

API 43-019-30658

5. LEASE DESIGNATION AND SERIAL NO.  
U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Gorman

9. WELL NO.  
#1

10. FIELD AND POOL, OR WILDCAT  
Salt Wash

11. SEC., T., R., M., OR BLE. AND SURVEY OR ABBA  
Sec 21, T23S, R17E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

SUNDRY NOTICES AND REPORTS ON WELLS

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

RECEIVED  
FEB 9 1985

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR  
847 East Fourth South  
Salt Lake City, Utah 84102

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations. See also space 17 below.)  
At surface  
Section 21: NW $\frac{1}{4}$ NW $\frac{1}{4}$

14. PERMIT NO.

15. ELEVATIONS (Show whether of, ft, or, etc.)  
4308' k.b. 4290' g.l.

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>6-month status report</u>	

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

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

Presently shut in.

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

SIGNED \_\_\_\_\_ TITLE President DATE 14 Feb 1985

(This space for Federal or State office use)

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

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**RECEIVED**

5. LEASE DESIGNATION AND SERIAL NO. U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME \_\_\_\_\_

7. UNIT AGREEMENT NAME \_\_\_\_\_

8. FARM OR LEASE NAME Federal-Gorman

9. WELL NO. #1

10. FIELD AND POOL, OR WILDCAT Salt Wash

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 21, T23S, R17E

12. COUNTY OR PARISH Grand 13. STATE Utah

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR S. W. ENERGY CORPORATION MAY 06 1985

3. ADDRESS OF OPERATOR 847 E 400 S, Salt Lake City, Utah 84102 DIVISION OF OIL GAS & MINING

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations. See also space 17 below.)  
At surface C NW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> Section 21

14. PERMIT NO. \_\_\_\_\_ 15. ELEVATIONS (Show whether DF, ST, OR, etc.) \_\_\_\_\_

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

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

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

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

Operations are presently suspended on this well.  
Testing is planned within the next ninety days, and the results will be reported.

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

SIGNED [Signature] TITLE President DATE 3 May 1985

(This space for Federal or State office use)

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R1424.

U-41062

SUNDRY NOTICES AND REPORTS ON WELLS

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

RECEIVED  
DEC 30 1986

5. LEASE DESIGNATION AND SERIAL NO.

010503

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal-Gorman

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Salt Wash

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

Sec 21, T23S, R17E

12. COUNTY OR PARISH 13. STATE

Grand

Utah

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR  
847 E 400 S, Salt Lake City, Utah

DIVISION OF  
OIL, GAS & MINING

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

C NE 1/4 NW 1/4 Section 21

14. PERMIT NO.  
73-019-30658

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
4272 GL 4290 KB

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

Deepening

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

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

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

The above well was originally completed in 1980 and has produced + 70 bbls oil from a lime bench between the clastics at 5734-56 and 5776-5796. The well also was tested at 8927-33, 8846-52 and 7107-26. In October 1985 the well was deepened below the old casing shoe at 8965 to 9037. Problems were encountered and operations were suspended. On 11-6-86 a rig was moved back on the well. Cement plugs were spotted across the existing perfs and the well was deepened using a 4 1/2" diamond bit from 9037 to 9134. The formation was the Upper Mississippian all the way. Drilling was halted just short of the main porosity member of the Mississippian. Tubing was run into the well and a drilling break from 9042-9050 was swab tested. The well produced highly gas cut salt water. Packer and tubing failures forced an end to the testing before definite conclusions could be drawn. Operations are presently suspended during which an evaluation will be made as to whether to deepen the well to the main porosity, make completion attempt at present depth or plug back to perfs 5734-5796. Subsequent reports will follow as this decision is reached.

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

SIGNED

*J. M. [Signature]*

TITLE Petroleum Engineer

DATE Dec. 11, 1986

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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

SUBMIT IN TRIPLICATE\*  
(See instructions on reverse side)

3

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**RECEIVED**  
JAN 08 1990

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-41062
2. NAME OF OPERATOR S.W. ENERGY CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 847 E 400 S, Salt Lake City, Utah 84102		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface  C NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 21		8. FARM OR LEASE NAME Federal-Gorman
14. PERMIT NO. 13-019-30058	15. ELEVATIONS (Show whether DF, RT, GR, etc.)	9. WELL NO. #1 4301930658 10660
		10. FIELD AND POOL, OR WILDCAT Salt Wash
		11. SEC., T., R., M., OR SLE. AND SURVEY OR AREA Sec 21, T23S, R17E
		12. COUNTY OR PARISH Grand
		13. STATE Utah

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

NOTICE OF INTENTION TO :		SUBSEQUENT REPORT OF :	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

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

Well temporarily shut in.

OIL AND GAS	
DRN	RF
JRB	CLH
DTS	SLS
1-TAG	
2-	MICROFILM <input checked="" type="checkbox"/>
3-	FILE <input checked="" type="checkbox"/>

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

SIGNED [Signature] TITLE Chairman DATE 5 January 1989

(This space for Federal or State office use)

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

APPLICATION FOR INJECTION WELL - UIC FORM 1

**RECEIVED**  
OCT 25 1990

OPERATOR S. W. ENERGY CORPORATION  
ADDRESS 847 East Fourth South  
Salt Lake City, Utah 84102

DIVISION OF  
OIL, GAS & MINING

Well name and number: Gorman #1 4301930658

Field or Unit name: Salt Wash Lease no. UTU41062

Well location: QONE $\frac{1}{2}$ NW $\frac{1}{4}$  section 21 township 23S range 17E county Grand

Is this application for expansion of an existing project? . . Yes  No

Will the proposed well be used for: Enhanced Recovery? . . Yes  No   
Disposal? . . . . . Yes  No   
Storage? . . . . . Yes  No

Is this application for a new well to be drilled? . . . . . Yes  No

If this application is for an existing well,  
has a casing test been performed on the well? . . . . . Yes  No

Date of test: \_\_\_\_\_  
API number: 4301930658

Proposed injection interval: from 8962 to 9190

Proposed maximum injection: rate 1000 bbls pressure 350 psi psig

Proposed injection zone contains  oil,  gas, and/or  fresh water within  $\frac{1}{2}$  mile of the well.

**IMPORTANT:** Additional information as required by R615-5-2 should accompany this form.

List of Attachments: Plat, Gamma Ray and Neutron logs, Information sheet

I certify that this report is true and complete to the best of my knowledge.

Name Richard P. Smoot  
Title Chairman  
Phone No. (801) 532-6664

Signature *Richard P. Smoot*  
Date October 1990

(State use only)  
Application approved by \_\_\_\_\_ Title \_\_\_\_\_  
Approval Date \_\_\_\_\_

Comments:

Operator

Richard S. Frost

Well

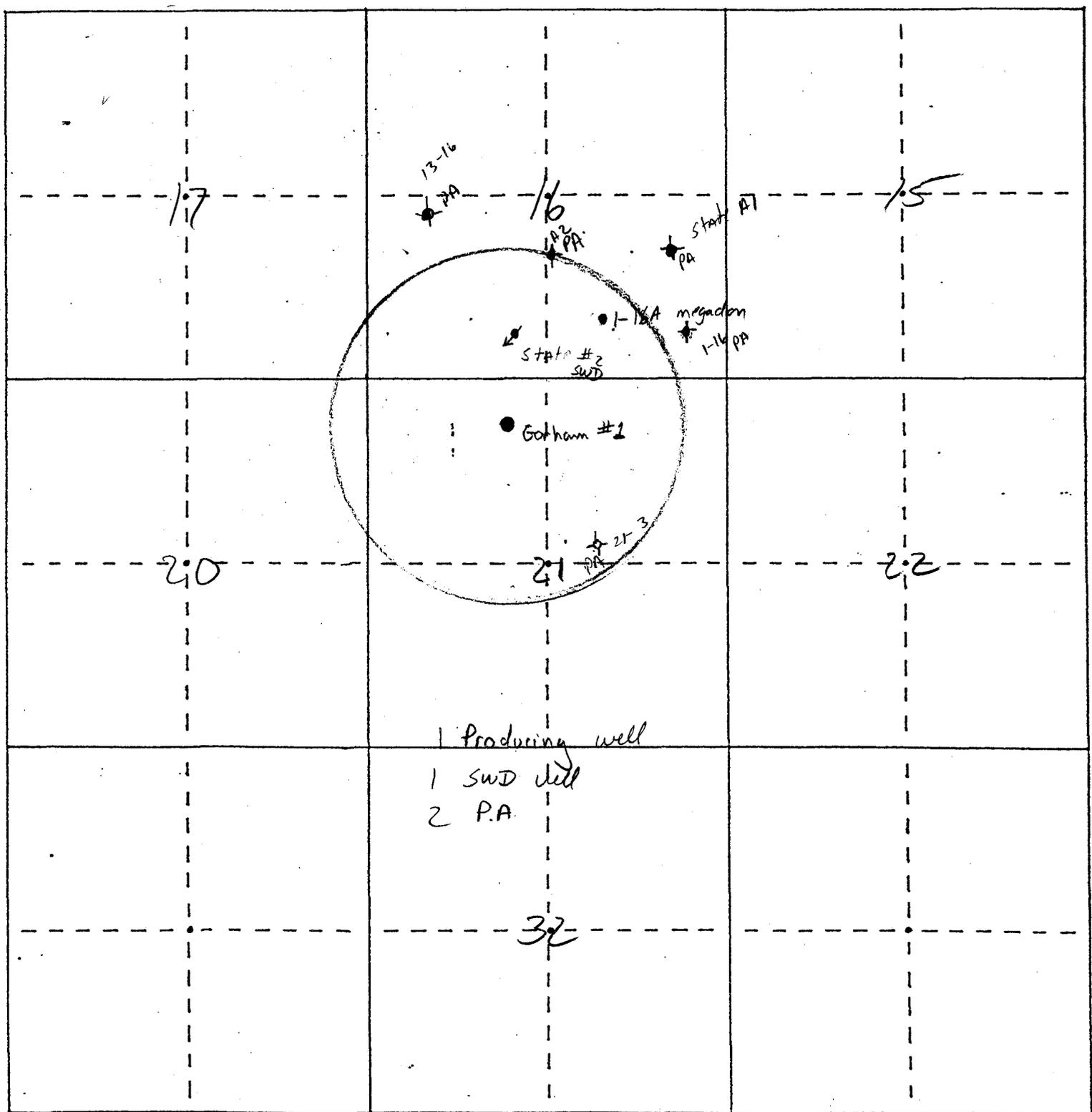
Fed. Gotham #1

Location

sec 21, T23S R17E

Grand County, Utah

6	1
7	12
8	13
9	24
30	25
31	32



Well - Gorman Frd.

S.W. Energy

S 0621, T23S, R17E.

Grand County Utah

G.L.

5 1/2" c 8991'

Proposed injection zone 8962-9190 3/4'

CIBP 8923' / 2' of cement

8991'

Original T.D at 8997' (1980)

In 1985 well was deepened to 9037'

9037'

On 11-6-86 a 4 1/2" hole was drilled to 9134'

9134 T.D.

Deepened to 9206' on 9/88 set CIBP at 8923 with 2' cement on top

9206'

- 2.5 Well has 5½" casing.
- 2.6 To be injected with brine water from Mississippian formation
- 2.7 The interval of injection is below the casing and does not affect any oil producing zone. The brine water is from the identical formation and is compatible. The analysis is currently on record with your disposal well in section 16, Township 23 South, Range 17 East (Suniland A-2) within sixty acres of existing disposal well. However, this well has a 600 foot fault displacement and is on the lower side of the fault.
- 2.8 Pressures should not exceed 350 psi.
- 2.9 Fresh water strata is at least 8000 feet above (3000 feet of salt is included in this 8000 foot section).
- 2.10 The Mississippian formation has a gas section on top, an oil section in the middle, and a water section beneath. The zone for disposal purposes falls within the water section of the Mississippian formation.
- 2.11 The 600 foot fault displacement places the injection zone well below the entire producing Mississippian section.
- 2.12 Operator is the same party for ½ mile radius, except for the present State acreage in section 16 which presently has not been issued to any existing lease owner. Such acreage will be placed on the January bid list from the State Land Board. The remaining acreage in section 21 will be placed on the January bid list of the Federal Land Board.

UTAH 1 INCH = 1 1/2 MILE  
GRAND COUNTY  
SLM.

COUNTY

STATE

TOWNSHIP

RANGE

TOWNSHIP 23 So.

RANGE 17 EAST

6	5	4	3	2	1	6	5	4	3	2	1
7	8	9	10	11	12	7	8	9	10	11	12
18	17	16	15	14	13	18	17	16	15	14	13
19	20	21	22	23	24	19	20	21	22	23	24
30	29	28	27	26	25	30	29	28	27	26	25
31	32	33	34	35	36	31	32	33	34	35	36
6	5	4	3	2	1	6	5	4	3	2	1
7	8	9	10	11	12	7	8	9	10	11	12
18	17	16	15	14	13	18	17	16	15	14	13
19	20	21	22	23	24	19	20	21	22	23	24
30	29	28	27	26	25	30	29	28	27	26	25
31	32	33	34	35	36	31	32	33	34	35	36

TOWNSHIP

RANGE

TOWNSHIP

RANGE

S.W. ENERGY CORPORATION  
847 EAST FOURTH SOUTH  
SALT LAKE CITY, UTAH 84102  
TELEPHONE (801) 532-6664

RECEIVED  
NOV 1 1990

DIVISION OF  
OIL, GAS & MINING

31 October 1990

Mr. Dave Jarvis  
Utah Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center  
Salt Lake City, Utah 84180-1203

Dear Mr. Jarvis: Re: U-41062 - Gorman #1

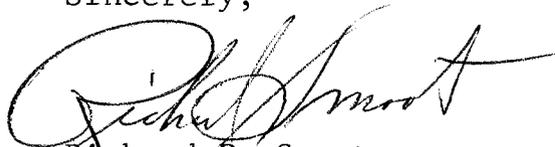
43-019-30658

As you requested, I am enclosing for your file  
copies of the following Sundry Notices:

- (1) Dated 2 September 1988 and approved September 19,  
1988;
- (2) Dated January 25, 1989 and accepted April 7, 1989;
- (3) Dated 31 August 1990 and accepted October 3, 1990.

If additional data is required, please let me know.

Sincerely,

  
Richard P. Smoot

Encs.

RPS/ED

UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

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

Form approved.  
 Budget Bureau No. 1004-0135  
 Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal-Gorman

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Salt Wash

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

Sec 21, T23S, R17E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

SUNDRY NOTICES AND REPORTS ON WELLS

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

OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR

847 E 400 S, Salt Lake City, Utah 84102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
 See also space 17 below.)  
 At surface

C NE $\frac{1}{4}$ NW $\frac{1}{4}$  Section 21

RECEIVED  
 NOV 1 1990

14. PERMIT NO.

15. ELEVATIONS (Show whether OF, RT, GR, etc.)

4272 GL 4290 KB

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Perforate

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

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

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

The above well was originally completed in 1980 and produced 70 bbls of oil from the upper clastics of the Pennsylvanian formation. The above perforations, together with other perforations below, were cemented off in order to drill deeper into the Mississippian formation. Deepening the Mississippian formation below the casing was done in October 1985, November 1986 and October 1988.

We presently request permission to plug back to 5780 and perforate five feet, four shots per foot, between 5735 and 5740. Also, the packer will be set at approximately 5720 and then swabbing operations will be conducted and acidizing, if necessary. Subsequent reports will follow as these results develop.

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

SIGNED

*Richard W. Smith*

TITLE Chairman

DATE 31 August 1990

(This space for Federal or State office use)

ACCEPTED

Branch of Fluid Minerals  
 Moab District

APPROVED BY

TITLE

DATE

OCT 3 1990

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R1424.  
5. LEASE DESIGNATION AND SERIAL NO.

U-41062

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug wells. Use "APPLICATION FOR PERMIT—" for such purposes.)

RECEIVED  
NOV 1 1990

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR  
847 East 400 South, Salt Lake City, Utah 84102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface:

C NE $\frac{1}{4}$ NW $\frac{1}{4}$  Section 21

14. PERMIT NO.

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

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Gorman

9. WELL NO.  
#1

10. FIELD AND POOL, OR WILDCAT  
Salt Wash

11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA  
Sec 21, T23S, R17E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON\*

SHOOTING OR ACIDIZING

ABANDONMENT\*

REPAIR WELL

CHANGE PLANS

(Other) Deepening

(Other)

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

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

Summary of Work - September 26 - October 28, 1988

MIRU Big A Well Service Rig 24.

With considerable difficulty, pulled production equipment. Production packer was torn apart. Fished all packer pieces and packer rubber. Deepen 4 $\frac{1}{2}$ " open hole from 9134 to 9206 (T.D.). Log well from 9206 up to 8300 - Gamma Ray - Neutron. Swab tested well for 3 days - swabbed 20 BPH, 100% water. Attempted to set cement plug in lower open hole - well flowed back cement while reverse circulating. Set CIBP in 5 $\frac{1}{2}$ " casing @ 8923. Cap CIBP with 2 ft cement - PBTD 8921. Perforate 8906-8915 - 9 feet - 2 holes/ft - 18 holes. Isolate zone with packer - swab dry in 2 $\frac{1}{2}$  hours. No fluid entry. Acidize with 250 gals 15% HCL. Swabbed 47 bbls - 6 bbls overload in 1 $\frac{1}{2}$  days. Acidize zone - 8906-15 - with 2000 gals 15% HCL. Swab 125 bbls - 42 bbls over load - 100% water - No oil entry overnight - Release rig.

Will be conducting gas pressure test in the spring and will notify your office of the dates when the testing can be observed.

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

SIGNED John W. Boring

TITLE Consultant

DATE 25/1/89

(This space for Federal or State office use)

APR 7

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

Branch of Fluid Minerals  
Moab District

DATE \_\_\_\_\_

accept : ecj 2/8/89

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

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

Form approved.  
Budget Bureau No. 42-R1424.

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
S. W. ENERGY CORPORATION

3. ADDRESS OF OPERATOR  
847 E 400 S, Salt Lake City, Utah 84102

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface

RECEIVED  
NOV 1 1990

5. LEASE DESIGNATION AND SERIAL NO.  
U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Federal-Gorman

9. WELL NO.  
#1

10. FIELD AND POOL, OR WILDCAT  
Salt Wash

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec 21, T23S, R17E

12. COUNTY OR PARISH  
Grand

13. STATE  
Utah

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
4272 GL 4290 KB

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

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

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

We are planning to deepen the Gorman well to the equivalent porosity or producing zones of the Salt Wash field. These zones have never been encountered in this well, and it is essential to penetrate the productive zone or zones of the field to make proper evaluation of production. Therefore, we will be deepening the well over the line of September 30 to October 1. In the event our efforts fail, this will enable us with an opportunity to come back to the productive zones that were formerly encountered in the Pennsylvania formation, and to bring about that production, perhaps next summer. The above drilling operation will take approximately one week, with additional time for completion.

Casing has been set at 8990 feet and the present well depth is approximately 9130 feet. It is planned to drill approximately 150 additional feet, unless production is encountered at a lesser depth. If recommendations justify, additional footage could possibly be drilled.

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

SIGNED [Signature] TITLE Chairman DATE 2 Sept. 1988

(This space for Federal or State office use)

APPROVED BY [Signature] TITLE Richard Map DATE 9/19/88

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

\*See Instructions on Reverse Side

Approved w/ conditions  
SAM 9/19/88

WER

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

---oo0oo---

IN THE MATTER OF THE APPLICATION	:	NOTICE OF AGENCY ACTION
OF S. W. ENERGY CORPORATION FOR	:	
ADMINISTRATIVE APPROVAL OF THE	:	CAUSE NO. UIC-123
GORMAN #1 WELL LOCATED IN	:	
SECTION 21, TOWNSHIP 23 SOUTH,	:	
RANGE 17 EAST, S.L.B. & M.,	:	
GRAND COUNTY, UTAH, AS A	:	
CLASS II INJECTION WELL	:	

---oo0oo---

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of S. W. Energy Corporation for administrative approval of the Gorman #1 Well, located in Section 21, Township 23 South, Range 17 East, Grand County, Utah, for conversion to a Class II injection well. The proceeding will be conducted according to the provisions of the Administrative Procedures rules, R615-10.

The operating data for the well is as follows:

Injection Interval: 8962' to 9190'

Maximum Injection Rate/Surface Pressure: Rate 1000 bbls - Pressure 350 psi

Administrative approval of this application will be granted unless an objection is filed within fifteen days after publication of this notice by any person authorized to participate as a party in this proceeding. If an objection is received by the Division, a formal adjudicative proceeding will be scheduled before the Board of Oil, Gas and Mining.

DATED this 16th day of November, 1990.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING



R.J. Firth  
Associate Director, Oil and Gas

**S. W. ENERGY CORPORATION  
Gorman #1 Well  
Cause No. UIC-123**

Publication Notices were sent to the following:

Newspaper Agency Corporation  
Legal Advertising  
157 Regent Street  
Salt Lake City, Utah 84110

The Times Independent  
P.O. Box 129  
35 East Center  
Moab, Utah 84532

*259-7525*

S. W. Energy Corporation  
847 East Fourth South  
Salt Lake City, Utah 84102

Bureau of Land Management  
P.O. Box 970  
Moab, Utah 84532

Jim Walker  
Environmental Protection Agency  
999 18th Street, Suite 500  
Denver, Colorado 80202



---

Lisa Clement  
Administrative Secretary  
Oil and Gas  
November 16, 1990



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

November 16, 1990

Newspaper Agency Corporation  
Legal Advertising  
157 Regent Street  
Salt Lake City, Utah 84110

Gentlemen:

Re: Cause No. UIC-123

Enclosed is a Notice of Agency Action before the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah.

It is requested that this notice be published ONCE ONLY, as soon as possible.

Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Clement".

Lisa Clement  
Administrative Secretary  
Oil and Gas

ldc  
Enclosure  
HO15/3



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

November 16, 1990

The Times Independent  
P.O. Box 129  
35 East Center  
Moab, Utah 84532

Gentlemen:

Re: Cause No. UIC-123

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It is requested that this notice be published ONCE ONLY, as soon as possible.

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Sincerely,

A handwritten signature in cursive script that reads "Lisa Clement".

Lisa Clement  
Administrative Secretary  
Oil and Gas

ldc  
Enclosure  
HO15/2

LEGAL ADVERTISING INVOICE

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	BILLING DATE
DIV. OF OIL, GAS/MINING 355 W. N. TEMPLE, #350 SALT LAKE CITY, UT 84180	LE-5385340	11/24/90
FOR BILLING INFORMATION CALL (801) 237-2822		

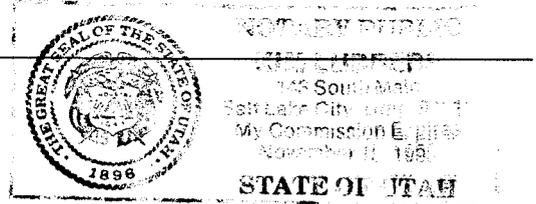
AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY CORPORATION LEGAL BOOKKEEPER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF NOTICE OF AGENCY ACTION CAUSE NO. UIC-123BEFOR FOR DIV. OF OIL, GAS/MINING WAS PUBLISHED BY THE NEWSPAPER AGENCY CORPORATION, AGENT FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH.

PUBLISHED ON NOV 24 1990

SIGNATURE Kim Subbeas

DATE 11/24/90



**NOTICE OF AGENCY ACTION CAUSE NO. UIC-123 BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES, STATE OF UTAH**  
IN THE MATTER OF THE APPLICATION OF S. W. ENERGY CORPORATION FOR ADMINISTRATIVE APPROVAL OF THE GORMAN #1 WELL LOCATED IN SECTION 21, TOWNSHIP 23 SOUTH, RANGE 17 EAST, S.L.B. & M., GRAND COUNTY, UTAH, AS A CLASS II INJECTION WELL.  
THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.  
Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of S. W. Energy Corporation for administrative approval of the Gorman #1 Well, located in Section 21, Township 23-South, Range 17 East, Grand County, Utah, for conversion to a Class II injection well. The proceeding will be conducted according to the provisions of the Administrative Procedures rules, R615-10. The operating data for the well is as follows:  
Injection Interval: 8962' to 9490'  
Maximum Injection Rate: 1000 bbls - Pressure 350 psi  
Administrative approval of this application will be granted unless an objection is filed within fifteen days after publication of this notice by any person authorized to participate as a party in this proceeding. If an objection is received by the Division, a formal adjudicative proceeding will be scheduled before the Board of Oil, Gas and Mining.  
DATED this 16th day of November, 1990.  
STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
/s/ R. J. Firth  
Associate Director, Oil and Gas  
BK820020

ACCOUNT NAME	TELEPHONE	
G	801-538-5340	
SCHEDULE	AD NUMBER	
	BK820020	
CAPTION	MISC. CHARGES	
TICE OF AGENCY ACTION CAUSE NO. UIC-123BEFOR	.00	
TIMES	RATE	AD CHARGE
1	1.56	92.04
PT OF THIS INVOICE	TOTAL AMOUNT DUE	92.04

THANK YOU FOR USING LEGAL ADVERTISING.

**PLEASE RETURN THIS PORTION** LEGAL ADV06-NT  
**YOUR PAYMENT IN THE ENCLOSED ENVELOPE** ADVERTISING

AD NUMBER	BILLING DATE	PAY THIS AMOUNT
BK820020	11/24/90	92.04

ADVERTISING MAKE CHECKS PAYABLE TO:  
REMIT TO: NEWSPAPER AGENCY CORPORATION

DIV. OF OIL, GAS/MINING  
355 W. N. TEMPLE, #350  
SALT LAKE CITY, UT 84180  
AGENCY CORPORATION  
BOX 45838  
SALT LAKE CITY, UTAH 84145-0838





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

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

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

December 13, 1990

Mr. Richard P. Smoot  
S.W. Energy Corporation  
847 East Fourth South  
Salt Lake City, Utah 84102

Dear Mr. Smoot:

Re: Conversion of the Gorman Federal #1 Well, Section 21, Township 23 South, Range 17 East, Grand County, Utah, to a Disposal Well

In accordance with Rule R615-5-3(3), the Oil and Gas Conservation General Rules, administrative approval for conversion of the referenced well to a Class II injection well is granted.

The following actions are necessary to fully comply with this approval:

1. Compliance with the UIC requirements for operation, maintenance and reporting for Class II injection wells. Division approval is required prior to commencing any work on the well other than normal maintenance activities.
2. Run a cement bond log and submit a copy to the Division to determine adequacy of the cement outside the 5 1/2" casing.
3. A pressure test will be performed to verify the mechanical integrity of the well. Twenty-four hour advance notice to the Division is required to facilitate a Division representative witnessing the test.
4. Submit evidence of approval by the Bureau of Land Management of the bonding requirements for plugging the well and restoration of the well site.

Page 2  
Richard P. Smoot  
December 13, 1990

If you have any questions regarding this approval or the necessary requirements, please contact this office.

Best regards,

A handwritten signature in cursive script, appearing to read "Dianne R. Nielson". The signature is fluid and connected, with a large initial "D" and "N".

Dianne R. Nielson  
Director

ldc  
cc: BLM, Moab  
R.J. Firth  
WUI230

S.W. ENERGY CORPORATION  
847 EAST FOURTH SOUTH  
SALT LAKE CITY, UTAH 84102  
TELEPHONE (801) 532-6664

RECEIVED  
DEC 27 1990

DIVISION OF  
OIL, GAS & MINING

26 December 1990

Mr. Gilbert Hunt  
Supervisor Environmental/Geologist  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Dear Mr. Hunt:

*scw*  
43-019-30658  
Sec. 21 T235, R17E

Regarding the recent disposal well permit dated December 13, 1990, on the Gorman Federal #1, I am providing, as per your request of item #4, the bond abstract #UT0133. Regarding item #2, I shall bring to your office the cement bond logs that have already been run on the Gorman well, which should comply with this request.

If there is anything additional needed on these requirements, please let me know.

Sincerely,



Richard P. Smoot

Enc.

RPS:ED

BLM BOND NO: UT0133

PART NO:

SURETY BOND ID:

CASE TYPE: 310434 O&amp;G BOND ALL LANDS

-----  
NAME AND ADDRESS OF BONDED PARTIESB86059796001 BONDED PRINCIPAL  
S W ENERGY CORP  
847 E 400 S  
SALT LAKE CITY UT 84102B85000317001 BONDED PRINCIPAL  
SMOOT RICHARD P  
847 E 4TH S  
SALT LAKE CITY UT 84111-----  
BOND-AREA: STATEWIDE STATES COVERED: UT

TYPE OF LAND: FEDERAL-ALL RIGHTS

BOND TYPE: TREASURY N AMOUNT OF BOND: \$25,000

BONDED ACTIVITY/PURPOSE

COMMODITY(IES)

-----  
GENERAL LSE/DRILLING  
OPERATOR  
UNIT OPERATOR

OIL &amp; GAS

L

-----  
ACTION ACTION  
CODE DATE ACTION TAKEN ACTION REMARKS  
468 7/17/1980 BOND FILED  
469 7/17/1980 BOND ACCEPTED A/  
478 10/31/1980 RIDER FILED  
479 10/31/1980 RIDER ACCEPTED B/

## \*\* GENERAL REMARKS \*\*

01 A/ REC'D \$5,000 T-NOTE #601 & \$10,000 T-NOTE #629  
02 (BOTH MATURING 6-30-82); \$10,000 T-NOTE #1605  
03 (MATURING 4-30-81) TRANSFERRED FROM COVERING  
04 OIL & GAS LEASE U-06060-B.  
05 B/ RIDER ADDS S.W. ENERGY CORP. AS CO-PRINCIPAL.  
06 C/ \$10,000 T-NOTE #1605 MATURED 4-30-81 & PROCEEDS  
07 REFUNDED; REPLACED BY 2 \$5,000 T-NOTES NOS. 22121  
08 & 22122 (MATURING 11-30-82).  
09 D/ \$5,000 T-NOTE #601 & \$10,000 T-NOTE #629 MATURED  
10 6-30-82 & PROCEEDS REFUNDED; REPLACED BY \$10,000  
11 T-NOTE #678 & \$5,000 T-NOTE #283 (MATURING  
12 8-15-87).

BLM BOND NO: UT0133

PART NO:

SURETY BOND ID:

13 E/ TWO \$5,000 T-NOTES NOS. 22121 & 22122 MATURED  
14 11-30-82 & PROCEEDS REFUNDED; REPLACED BY TWO  
15 \$5,000 T-NOTES NOS. 1650 & 1651 (MATURING  
16 5-15-95).  
17 F/ \$5,000 T-NOTE #283 & \$10,000 T-NOTE #678 MATURED  
18 8-15-87 & PROCEEDS REFUNDED; REPLACED BY \$15,000  
19 T-NOTE (MATURING 8-31-89).  
20 G/ \$15,000 T-NOTE MATURED 8-31-89 & PROCEEDS  
21 REFUNDED; REPLACED BY \$15,000 T-NOTE (MATURING  
22 8-31-91). ALSO, CURRENT BOND FORM--6/88 EDITION  
23 (3000-4)--WAS SUBMITTED AT THIS TIME.

# ROUTING AND TRANSMITTAL SLIP

Date

<b>TO:</b> (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1.		
2. <i>Gill Hunt</i>		
3.		
4.		
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

**REMARKS**

attached per your request.

RECEIVED

APR 08 1991

DIVISION OF  
OIL GAS & MINING

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

<b>FROM:</b> (Name, org. symbol, Agency/Post)	Room No.—Bldg.
<i>Indell Street</i>	Phone No.

5041-102 *BLM-Moab*  
GPO : 1987 O - 196-400  
*259-8193*

OPTIONAL FORM 41 (Rev. 7-76)  
Prescribed by GSA  
FPMR (41 CFR) 101-11.206

P 879 596 659

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Moab District  
P. O. Box 970  
Moab, Utah 84532

Sent to	
RICHARD P. SMOOT	
Street and No.	
847 EAST 400 SOUTH	
P.O., State and ZIP Code	
SALT LAKE CITY, UT 84102	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

PS Form 3800, June 1985

Mr. Richard Smoot, President  
S. W. Energy Corp.  
847 East Fourth South  
Salt Lake City, Utah 84102

Re: Water Disposal Well (WDW) Right of Way (ROW)  
Gorman Fed. No. 1  
Terminated Fed. Lease UTU41062  
Sec. 21, T. 23 S., R. 17 E.  
Grand County, Utah

Dear Mr. Smoot:

We have concluded our review with regard to bond coverage on the referenced well. After consultation with cement companies, well service companies and construction companies specializing in well site rehab work, we have determined a bond in the amount of \$15,000 would be sufficient to plug and abandoned the referenced well. We arrived at this figure using the following information and submitting it to the various contractors for quote estimates.

Plugging program - Plug No. 1 8560' - 8740' (180') 22.4 cu-ft; tag  
 Plug No. 2 250' - 350' (100') 22.1 cu-ft; this  
 may require more attention since at this time it is  
 uncertain if perforating and squeezing cement is  
 necessary.  
 Plug No. 3 0' - 50' (50) 21.7 cu-ft;

Total cement volume + 30% = 66.2 cu-ft + 20 cu-ft or 86 cu-ft.

Total mud volume + 30% = 1033 cu-ft + 310 cu-ft or 1343 cu-ft.

Total time required to plug well - 24 hrs.

The average cost supplied from Halliburton and B.J. Hughes  
(Titan Services) for cement operations.....\$7,000.00

Noab District  
P. O. Box 970  
Noab, Utah 84532

2803  
3100  
(UTU41062)  
(U-055)

Mr. Richard Smoot, President  
S. W. Energy Corp.  
847 East Fourth South  
Salt Lake City, Utah 84102

MAR 27 1991

Re: Water Disposal Well (WDW) Right of Way (ROW) Bond Coverage  
Gorman Fed. No. 1  
Terminated Fed. Lease UTU41062  
Sec. 21, T. 23 S., R. 17 E.  
Grand County, Utah

Dear Mr. Smoot:

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necessary.  
Plug No. 3 0' - 50' (50) 21.7 cu-ft;

Total cement volume + 30% = 66.2 cu-ft + 20 cu-ft or 86 cu-ft.

Total mud volume + 30% = 1033 cu-ft + 310 cu-ft or 1343 cu-ft.

Total time required to plug well - 24 hrs.

The average cost supplied from Halliburton and B.J. Hughes  
(Titan Services) for cement operations.....\$7,000.00

The average cost supplied from five well service companies  
for support operations to plug the well.....\$3,400.00

The average cost supplied from two construction firms  
specializing in well site rehabilitation work.....\$2,500.00

Inflationary and extraneous costs.....\$2,100.00

Total costs to plug and rehab well.....\$15,000.00

Therefore, a bond for the aforementioned amount shall be in place prior to the BLM issuing a ROW agreement for disposing water into the Gorman Federal No. 1 well. Please be advised that according to the regulations at 43 CFR 3104.1, the BLM may accept a surety or a personal bond, conditioned upon compliance with all of the terms and conditions of the permit. Personal bonds shall be accompanied by either: 1) Certificate of Deposit; 2) Cashiers Check; 3) Certified Check; 4) Negotiable Treasures' Securities or 5) an Irrevocable Letter of Credit. Also, please be advised all ROW agreement bonds will be administered through the Moab District Office.

This office anticipates S.W. Energy's earliest response in this matter.

If you have any questions, please contact Dale Manchester in the Moab District office at (801) 259-6111.

Sincerely yours,

**/s/ WILLIAM C. STRINGER**

Assistant District Manager  
Mineral Resources

cc:  
U-068, Grand Resource Area Office

bcc:  
U-942, Utah State Office  
U-068, Grand Resource Area (L. Greer)  
U-065, D. Manchester  
U-061, Wang System Maintenance (Freudiger)(Delete)

DManchester:caf:3/27/91 Wang 2948f



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

April 16, 1991

Mr. Brad Palmer  
Area Manager  
Grand Resource Area  
Bureau of Land Management  
885 South Sand Flats Road  
Moab, Utah 84532

Dear Mr. Palmer:

Re: S.W. Energy Corporation, Application for Conversion of the Gorman Federal #1 Well, Section 21, Township 23 South, Range 17 East, Grand County, Utah, to a Class II Injection Well 30658

This letter is written to clarifying the procedures and responsibilities for converting the referenced well to an injection (disposal) well.

The Division of Oil, Gas and Mining has primacy delegation under section 1425 of the federal Safe Drinking Water Act, for implementing the underground injection control (UIC) program for class II wells in Utah. This program as approved, contains all of the regulatory elements, descriptions and procedures. The rules under which injection wells are regulated, are part of the Oil and Gas Conservation, General Rules. Specifically, Admin. R. 615-5 and others as referenced, apply to injection well permitting, testing, operation and reporting.

When an application for conversion of a well to injection is received by the Division it is reviewed for completeness. The original application plus any additions or corrections supplied by the operator and/or Division staff are considered part of the application. After proper notice (and hearing if necessary) an approval to convert to injection letter is issued (see letter dated 12/13/90). This approval letter contains any additional stipulations which may not be spelled out in the rules or application.

Throughout the conversion process there is coordination between the operator and the Division to assure that objectives of the UIC program are met. During and after conversion, necessary changes are made and documented usually via Sundry

Page 2  
Brad Palmer - Letter  
April 16, 1991

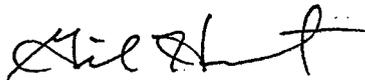
Notice with Division approval. If during the conversion, circumstances were such that requirements could not be met because of mechanical or other problems, the approval to convert would become invalid.

Following conversion, injection wells are inspected regularly and tested for mechanical integrity at least every five year period. Monthly and annual reporting is required as well as an annual fluid analysis, for life of the well or until the permit is revoked for just cause.

Every injection well must be covered by a bond held by the appropriate State or Federal agency until it is properly plugged and abandoned.

I have enclosed with this letter copies of applicable regulations and documents. I hope this will assist in your decision to issue S.W. Energy a right of way. If I can be of any further assistance, please contact me.

Sincerely,



Gil Hunt  
UIC Program Manager

[dc]

Enclosure

cc: S.W. Energy

WUI5

S.W. ENERGY CORPORATION  
847 EAST FOURTH SOUTH  
SALT LAKE CITY, UTAH 84102  
TELEPHONE (801) 532-6664

RECEIVED

JUL 10 1991

DIVISION OF  
OIL GAS & MINING

10 July 1991

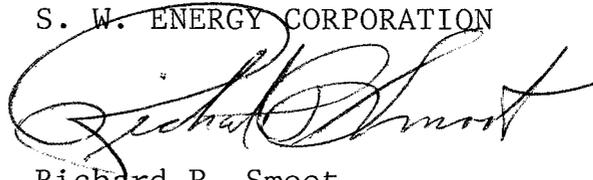
Mr. Gilbert Hunt  
Supervisor Environmental/Geologist  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Dear Mr. Hunt:

Enclosed is the official survey covering the  
line running from the disposal Well #2 to the Gorman  
#1 well in section 21, Township 23 South, Range 17  
East, Grand County, Utah, which was permitted by your  
office on December 13, 1990.

Sincerely yours,

S. W. ENERGY CORPORATION

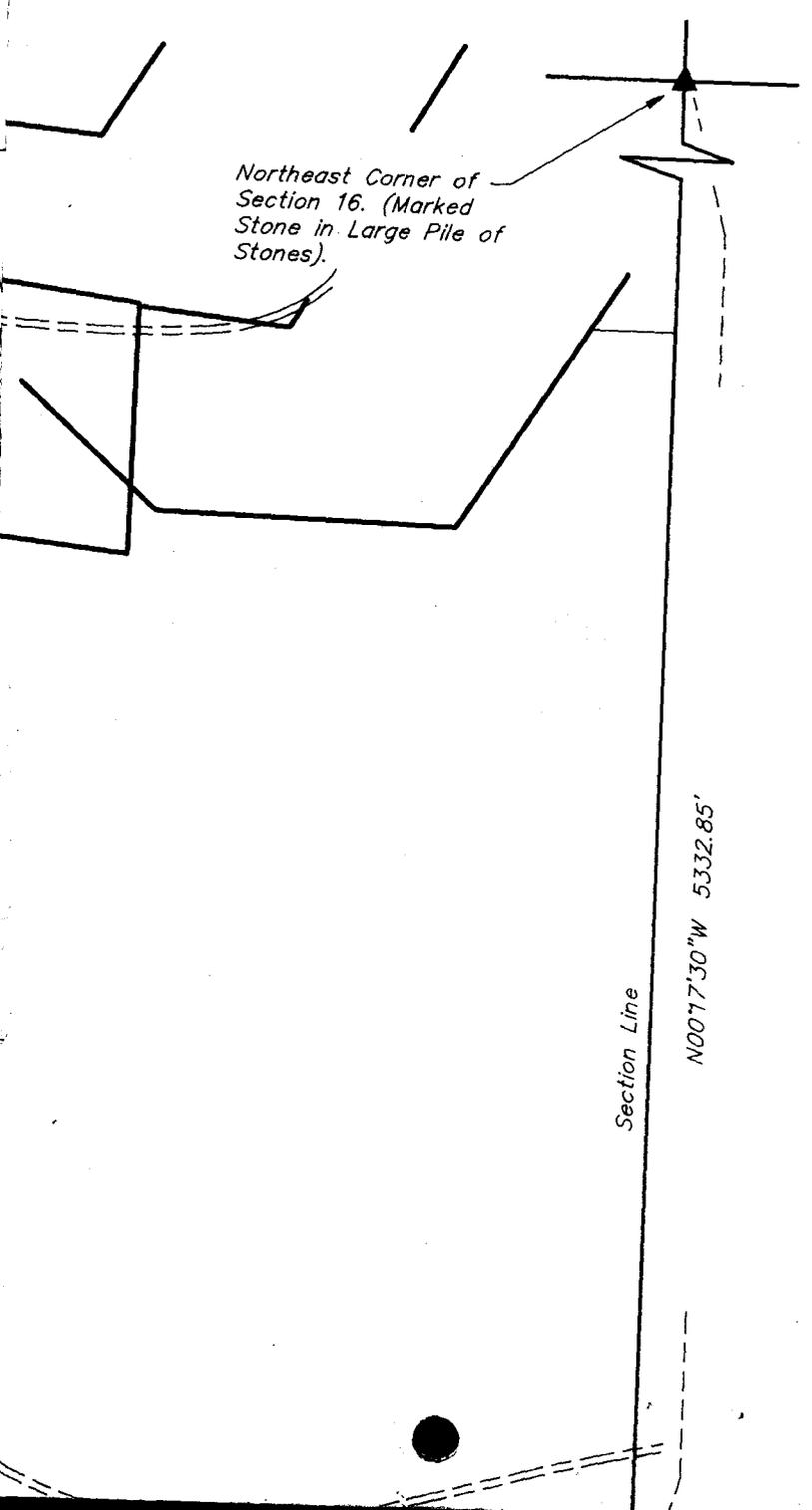


Richard P. Smoot

Enc.

RPS:ED

43-019-20658  
43-019-10833



Northeast Corner of Section 16. (Marked Stone in Large Pile of Stones).

Section Line

N00°17'30"W 5332.85'

**S.W. ENERGY**

**PROPOSED WATER DISPOSAL LINE  
ON U.S.A. (B.L.M.) &  
UTAH STATE LANDS**

*(From State A-2 to Gorman #1)*

LOCATED IN  
SECTIONS 16 & 21, T23S, R17E, S.L.B.&M.  
GRAND COUNTY, UTAH

WATER DISPOSAL RIGHT-OF-WAY ON U.S.A. (B.L.M.) LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 706.65' OR 0.13 MILES.  
WIDTH OF RIGHT-OF-WAY IS 20' (10' PERPENDICULAR ON EACH  
SIDE OF THE CENTERLINE).  
TOTAL AREA IN RIGHT-OF-WAY IS 0.32 ACRES.

ENGINEER'S AFFIDAVIT

STATE OF UTAH

S.S.

COUNTY OF UTAH

ROBERT L. KAY, BEING FIRST DULY SWORN, DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR S.W. ENERGY, THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION); THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THIS WATER DISPOSAL PIPELINE RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM THE FIELD NOTES; AND THE SAME IS ACCURATELY REPRESENTED.

*Robert L. Kay*  
REGISTERED LAND SURVEYOR  
No. 5709  
ROBERT L. KAY.  
REGISTRATION No. 5709  
STATE OF UTAH

2666.64'

Line

Section Corner:  
(Marked Stone,  
not Set).

WAY ON UTAH STATE LANDS

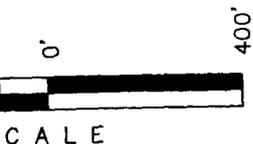
666.45', 40.39 RODS, OR 0.13 MILES.  
PERPENDICULAR ON EACH SIDE OF

0.31 ACRES.

DISPOSAL RIGHT-OF-WAY  
ON UTAH STATE LANDS

ON THE NORTH SIDE OF THE FOLLOWING DESCRIBED

SW 1/4 OF SECTION 16, T23S, R17E,  
1.30' FROM THE SOUTH 1/4 CORNER OF  
SECTION 15' TO A POINT ON THE SOUTH LINE OF  
SECTION 15' WHICH BEARS S89°59'00"W 512.87' FROM THE  
NORTH CORNER OF SAID DESCRIBED RIGHT-OF-WAY  
SECTION. MEASUREMENTS MEET THE GRANTOR'S PROPERTY LINES. BASIS  
OF THE SW 1/4 WHICH IS ASSUMED FROM  
SECTION 15'. SECTION 15' CONTAINS 0.31 ACRES MORE OR LESS.

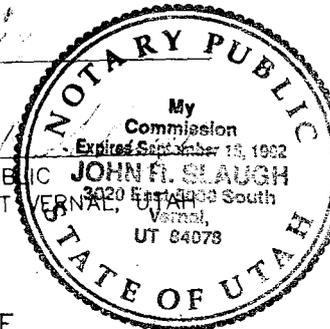


SCALE

SUBSCRIBED AND SWORN TO BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_  
1991.

MY COMMISSION EXPIRES \_\_\_\_\_

NOTARY PUBLIC  
RESIDING AT \_\_\_\_\_



APPLICANT'S CERTIFICATE

I, \_\_\_\_\_, DO HEREBY CERTIFY THAT I AM THE  
AGENT FOR SW ENERGY, HEREINAFTER DESIGNATED THE APPLICANT:  
THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING  
AFFIDAVIT, IS EMPLOYED BY THE APPLICANT TO SURVEY THE  
LOCATION OF THIS WATER DISPOSAL PIPELINE RIGHT-OF-WAY AND  
TO PREPARE THIS MAP: THAT THE LOCATION OF SAID WATER  
DISPOSAL PIPELINE RIGHT-OF-WAY, BEGINNING AND ENDING AS  
SHOWN HEREON IS ACCURATELY REPRESENTED: THAT SUCH SURVEYS  
AS REPRESENTED ON THIS MAP HAVE BEEN ADOPTED BY THE  
APPLICANT AS THE DEFINITE LOCATION OF THE PROPOSED WATER  
DISPOSAL PIPELINE RIGHT-OF-WAY THEREBY SHOWN: AND THAT  
THIS MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY  
OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS A  
PART OF THE APPLICATION FOR SAID FACILITIES TO BE GRANTED  
THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT  
TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON  
AND THEREOVER, FOR SUCH PURPOSES AND WITH THE FURTHER RIGHT  
IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, TO TRANSFER  
THIS WATER DISPOSAL PIPELINE RIGHT-OF-WAY BY ASSIGNMENT,  
GRANT, OR OTHERWISE.

\_\_\_\_\_  
APPLICANT

\_\_\_\_\_  
TITLE

**RECEIVED**

JUL 10 1991

DIVISION OF  
OIL GAS & MINING

**UELS** UTAH ENGINEERING & LAND SURVEYING  
PHONE: (801) 789-1017  
85 SOUTH 200 EAST - VERNAL, UTAH 84078

SCALE:  
1" = 400'

SURVEYED BY:  
D.A. K.K.

WEATHER:  
HOT

DATE:  
7-3-91

DRAWN BY:  
J.R.S.

FILE:  
31018

T23S, R17E, S.L.B.&M.

Sec. 16

4775

4775

Lot 6

Lot 5

SW 1/4

STATE OF  
UTAH

Well Head:  
SW Energy State A-2

BEGINNING OF PROPOSED  
WATER DISPOSAL PIPELINE  
RIGHT-OF-WAY STA. 0+00  
(At Well Head)

Section Line

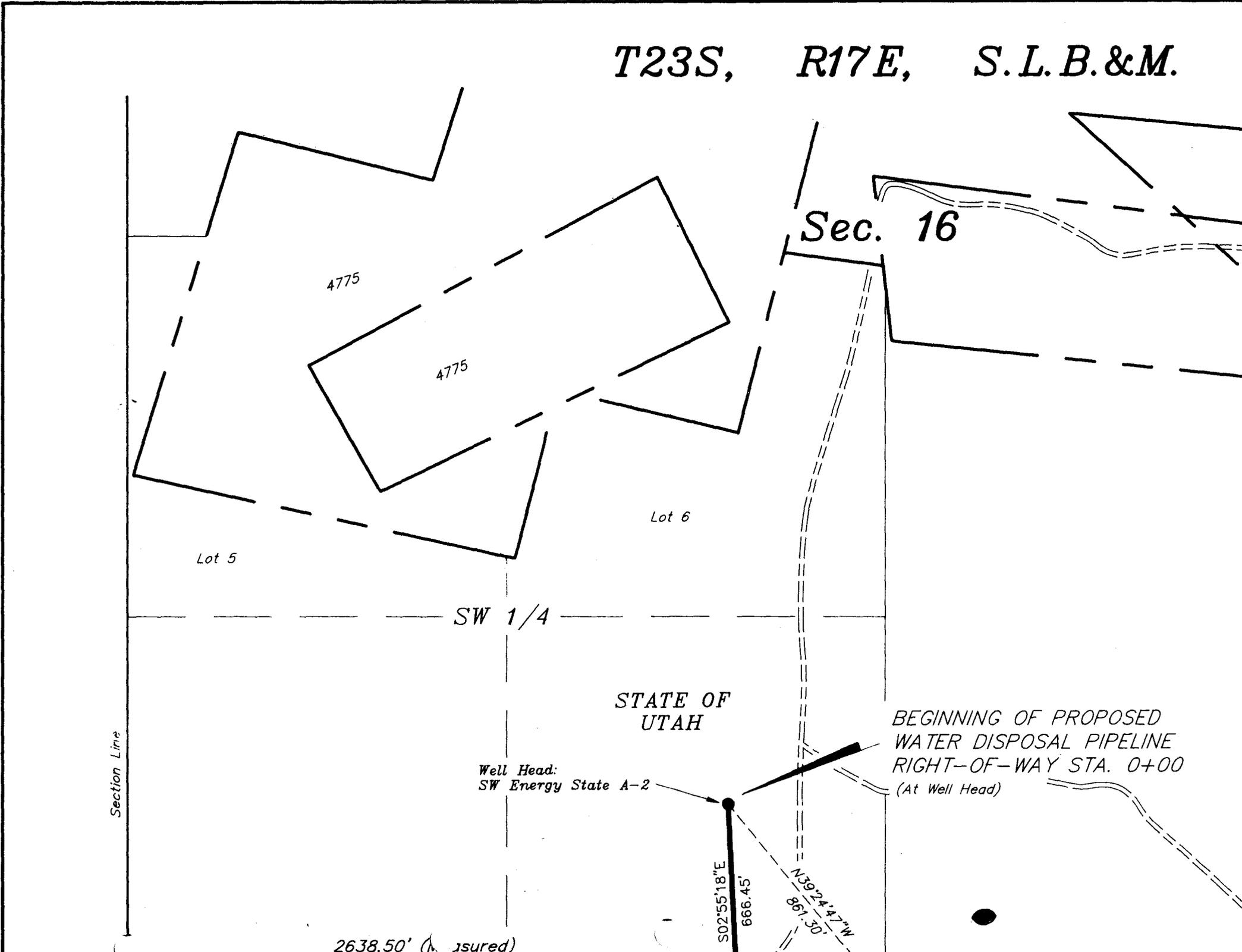
2638.50' (Measured)

S02°55'18"E

666.45'

861.50'

N39°24'47"W



S89°59'W - G.L.O. (basis of Bearings)

S88°51'55"E

2125.63'

P.O.S.L. 6+66.45

512.87'

Section Corner:  
(Set Marked Stone).

Centerline of Water Disposal  
Pipeline Right-of-Way

1/4 Section Corner:  
(Set Marked Stone,  
Large Pile of Stones).

S02°55'18"E  
706.65'

S34°02'27"W  
851.86'

Well Head:  
Gorman #1

END OF PROPOSED  
WATER DISPOSAL PIPELINE  
RIGHT-OF-WAY STA. 13+73.10  
(At Well Head)

U.S.A.  
(B.L.M.)

WATER DISPOSAL RIGHT-OF-WAY

TOTAL LENGTH OF RIGHT-OF-WAY IS  
WIDTH OF RIGHT-OF-WAY IS 20' (10'  
THE CENTERLINE).  
TOTAL AREA IN RIGHT-OF-WAY IS 0.

DESCRIPTION OF WATER  
ON UTAH S

A 20' WIDE RIGHT-OF-WAY 10' ON EACH  
CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4  
S.L.B.&M. WHICH BEARS N39°24'47"W 86  
SAID SECTION, THENCE S2°55'18"E 666.4  
THE SAID SW 1/4 OF SECTION 16 WHICH  
SAID SOUTH 1/4 CORNER. THE SIDE L  
BEING SHORTENED OR ELONGATED TO  
OF BEARINGS IS THE SAID SOUTH LINE  
G.L.O. INFORMATION TO BEAR S89°59'W

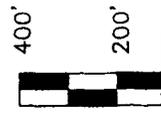
NW 1/4

Road (Typ.)

1/4 Section Line

Sec. 21

1/4 Section Line



▲ = SECTION CORNERS LOCATED.



United States Department of the Interior 2800

BUREAU OF LAND MANAGEMENT

(UTU-67323)  
(U-068)

Moab District  
Grand Resource Area  
885 So. Sand Flats Road  
Moab, Utah 84532

MAR 20 1992

CERTIFIED MAIL--RETURN RECEIPT REQUESTED  
Certification No. P 896 700 430

RECEIVED

MAR 25 1992

Richard P. Smoot  
S.W. East 4th South  
Salt Lake City, 84102

DIVISION OF  
OIL GAS & MINING

Dear Sir:

This is a review of your meeting with Lindell Greer on March 4, 1992, concerning your right-of-way application UTU-67323 for a new off-lease extension of your existing salt water disposal system.

As Lindell explained, over the past few years there has been a growing concern over how to manage the disposal of produced waters generated from oil and gas activities on public lands. While produced waters are not presently considered to be hazardous wastes we are concerned that controls on the disposal of produced water in collective disposal pits may not be sufficient to prevent contaminants or hazardous wastes from being illegally dumped at such facilities. In addition, under some circumstances the mixture and/or commingling of nonhazardous wastes may create hazardous conditions. Due to these concerns our Washington Office found it necessary to issue updated guidance relating to new authorizations for the disposal of produced waters (WO Instruction Memorandum No. 88-187/January 5, 1988). This new policy states that the "conveyance of produced water from its source to the disposal facility shall be in a fully contained and controlled manner, i.e., by pipeline, tank truck or other form of enclosed transport."

This guidance is also the result of past problems associated with unauthorized dumping, spills and other environmental concerns relative to the disposal of produced fluids. This problem is often times compounded due to the remote locations, similar to yours, where continued monitoring may be difficult. Therefore, I strongly recommend you consider a closed disposal system utilizing a contained tank rather than the open disposal pit you now have. The system would then be "fully contained and controlled", and it would be possible for us to proceed with the requested right-of-way.

We recognize that you presently have an approved NTL-2B authorization to operate the pit as a temporary collection and/or holding pond for produced salt water from Federal wells on the lease (U-060660 B). However, since this existing system also collects water from your off-lease private well (Well No. 42-16) a right-of-way is the proper authorization for these facilities.

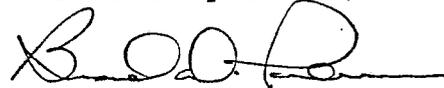
In addition, you also have an existing right-of-way (U-01423716) for a small portion of the pipeline in your current disposal system. However, as Lindell pointed out, this right-of-way was not properly amended when the disposal system was extended and therefore, a large portion of the system is not properly authorized.

It is imperative that we resolve these problems so that you will have a disposal system that is adequate for your needs and is properly authorized and constructed as per BLM policy.

One possible alternative is to take the private well (Well No. 42-16) out of the system. This action would also allow us to proceed with the new proposed right-of-way for the off-lease portion of your facilities. It would require a relinquishment of your existing right-of-way, U-01423716, and removal of all existing water line above the Smoot Federal #3.

If you have any further questions please contact Lindell at (801) 259-8193.

Sincerely Yours,



Area Manager

cc: Gil Hunt, Utah Division of Oil and Gas and Mining

S.W. ENERGY CORPORATION  
847 EAST FOURTH SOUTH  
SALT LAKE CITY, UTAH 84102  
TELEPHONE (801) 532-6664

FILED  
1992 APR 20 PM 1:11  
STATE OF UTAH  
DIVISION OF STATE LANDS

April 16, 1992

Mr. Brad D. Palmer  
Grand Resource Area Manager  
United States Bureau of Land Management  
885 So. Sand Flats Road  
Moab, Utah 84532

Re: Right-of-Way Application No. UTU-67323

Dear Mr. Palmer:

This letter is written in response to your letter of March 20, 1992, which indirectly addressed our pending application for a right-of-way for a water disposal pipeline and for use of the Gorman No. 1 Well in Section 21, Township 23 South, Range 17 East, S.L.M., in the Salt Wash Field, Grand County, Utah for a disposal well. The application has been pending now for 19 months, the underground injection control permit has been issued by the State of Utah for 17 months, and a bond has been posted for 8 months.

Your letter does not raise any issues about the validity or sufficiency of the right-of-way application itself, nor does it raise any concerns about the use of the proposed right-of-way or injection well. You do, however, raise questions about other operations in the Salt Wash Field.

In your letter you raise three specific concerns: First, that unidentified, unknown persons might at some point illegally dispose of hazardous wastes in our in water disposal pits on federal lands; second, that the conveyance of water other than through fully enclosed facilities (i.e., pipelines or trucks) increases the risk of spills; and third, that the risks of these environmental damages will somehow be reduced in the Salt Wash Field if we remove existing water disposal pipelines and abandon an existing right-of-way.

The conclusions reached in your letter are apparently based, in part at least, on incorrect assumptions or misunderstandings about water disposal facilities in the Salt Wash Field. First, we do not dispose of water in the pit in Section 17. That pit is not a disposal pit at all, but a properly authorized temporary collection pit. The pit is fenced and is monitored

Mr. Brad D. Palmer  
April 16, 1992  
Page 2

daily by our pumper. There has never been any suggestion that anyone might have tried to dispose of hazardous waste or of any other substance illegally in the pit.

While the illegal disposal of hazardous materials in water disposal pits may pose a risk in industrialized areas of the country, that is highly unlikely in this area. Even assuming there were sources of such wastes anywhere in the vicinity of this field, it is illogical to assume that a person intentionally planning to illegally and secretly abandon such wastes would drive through miles of uninhabited desert, where the waste could be dumped unseen virtually anywhere, to the one location where he is most certain to be observed -- an attended and monitored well facility.

Furthermore, contrary to the implications of your letter, current B.L.M. regulations do not prohibit open water disposal pits, much less temporary collection pits as part of an otherwise enclosed underground injection system. In fact, the B.L.M. itself is co-sponsoring a seminar in Vernal next month which will feature a field trip to surface pond disposal facilities. A copy of the flyer advertising the seminar is enclosed for your reference.

Second, our water disposal system includes total containment in all conveyance facilities. Indeed, the new right-of-way is for a totally enclosed pipeline system. The collection pit itself is not a "conveyance" facility, but merely a temporary collection facility, which is specifically designed to control and contain both accidental spills and discharges resulting from equipment failures at the wells. To abandon the pit for a system of tanks and trucks, as requested in your letter, would significantly increase the risk of spills by adding several transfer points from tanks to trucks and from trucks to the disposal well, without the spill containment and overflow capacity inherently designed in the collection pit.

Third, removal of the enclosed water disposal pipelines from non-federal wells and abandoning the existing right-of-way would materially increase the very risks about which you express concern. The safest way to transport water from the wells on adjacent state and fee lands to the disposal well on state land in Section 16, as you point out in your letter, is by a totally contained system. That is exactly what the existing pipelines and right-of-way permit.

We find it strange that the B.L.M. now seems to object to the transportation of water produced from a non-federal well

Mr. Brad D. Palmer  
April 16, 1992  
Page 3

across federal land to a disposal well on state land. The federal government has realized more than one million dollars in income through royalties and windfall profits taxes from the federal wells in the Salt Wash Field over the past twenty years. None of that production or income would have been possible if water from federal wells had not been disposed of in the disposal well on non-federal land. The fact is that no production would be possible anywhere in the field without an efficient and economic field-wide water disposal system. Having benefitted from disposal on non-federal land for over two decades, it seems quite inequitable now for the B.L.M. to attempt to cut off the conveyance of non-federal produced water across federal lands through the existing disposal system.

The existing water disposal system, including the temporary collection pit, was installed at substantial expense in accordance with all B.L.M. requirements, has been approved by the B.L.M., and represents the optimum system for this field. Changing over to tanks to collect water prior to disposal would not only be wasteful in terms of abandonment of existing facilities and unnecessary, substantial new expenditures, it would actually increase environmental risks, both at the surface and in the producing formations.

The present open, lined collection pit, with its substantial capacity (including significant reserve capacity to protect against equipment failures) is specifically designed to assure the integrity of the water in the pit for disposal purposes and to reduce the risk of spills or overflows elsewhere in the system. As noted above, the removal of pipelines in favor of tanks and trucks would materially increase the risk of spills every time produced fluids were transferred from tank to truck or from truck to injection well.

A danger to the producing formations in the Salt Wash Field is the presence of paraffin in the produced oil and water. The re-introduction of produced water back into the formation without first removing the paraffin tends to plug both the injection well equipment (disrupting production in the entire field) and the injection formation itself, disturbing natural flow patterns in the formation. The use of the present collection pit permits the paraffin and other hydrocarbons which are not fully removed from produced water by the separators at the wells to separate naturally and to be skimmed regularly from the surface of the water while the water itself is pumped from a lower level in the pit to the injection well.

Mr. Brad D. Palmer  
April 16, 1992  
Page 4

The agitation unavoidably caused by pumping water in and out of any closed tank and the configuration and nature of the closed tanks themselves would prevent any separation and removal of paraffin or other hydrocarbons which pass the separators in normal operations if the collection pit were replaced by tanks.

In addition, the large reserve capacity of the open pit (required, incidentally, by the B.L.M. for this very purpose) protects the wells and formations against equipment failures which would otherwise require produced fluids to be forced back into the formations through the producing wells, to be forced into the injection well without proper separation of hydrocarbons, or simply to flow out onto the ground if possible injection rates were exceeded or if the failure were in the injection well. Closed tanks could not provide the protection against these risks which is afforded by the presently approved system.

The existing water disposal system in the Salt Wash Field was not built by the operators or approved by the B.L.M. accidentally or cavalierly. After many years of operation and evaluation, the present open collection pit is still the best available means consistent with sound operating practices and maximum protection of both surface and subsurface resources to collect produced water. The proposed additional injection well and pipeline right-of-way, by increasing the injection capacity of the system and by providing back-up to the critically important single injection well now in operation, will materially increase the level of environmental protection as well as enhancing the integrity, safety and reliability of all production and injection operations in the field.

We understand from your letter of March 20 that you are prepared to issue the right-of-way, but only if we abandon vested rights under other rights-of-way, modify other facilities which themselves are fully permitted and in compliance with existing B.L.M. regulations, and otherwise modify long-standing operating practices on surrounding non-federal lands in the field. We are troubled by these arbitrary efforts to hold the new right-of-way hostage in order to force us to make expensive and unwarranted changes in otherwise perfectly legal and proper operating facilities and practices.

We have fully complied with all valid applicable requirements for the issuance of the new right-of-way, and we

Mr. Brad D. Palmer  
April 16, 1992  
Page 5

request once again that the right-of-way be issued without further delay.

Very truly yours,

S. W. ENERGY COMPANY

A handwritten signature in cursive script, appearing to read "Richard P. Smoot".

Richard P. Smoot, President

cc.: Mr. Roger Zortman, Moab District Manager  
Mr. Gil Hunt, Utah Division of Oil, Gas and Mining



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Moab District  
P. O. Box 970  
Moab, Utah 84532

2801  
3160  
(UTU-67323)  
(UTU-12368)  
(UTU-06060-B)  
(UTU-01423716)  
(U-065)

CERTIFIED MAIL - RETURN RECEIPT REQUESTED  
Certified No. P 760 007 629

Richard P. Smoot, President  
S. W. Energy Corporation  
847 East 400 South  
Salt Lake City, Utah 84102

MAY 13 1992 RECEIVED

MAY 15 1992

Re: Right-of-Way (ROW) Application Numbers UTU-01423716 and UTU-67323  
Federal Leases UTU-06060-B and UTU-12368, NOTICE OF VIOLATION  
Saltwash Oil Field  
Grand County, Utah

DIVISION OF  
OIL GAS & MINING

Dear Mr. Smoot:

In response to your letter dated April 16, 1992 addressed to Brad Palmer, Grand Resource Area Office, concerning general lease operations on the referenced Federal leases and Federal ROWs, we would like to address some of the issues you raised in that letter. In addition to these issues, field inspections conducted April 24, 1992 and April 28, 1992 revealed a number of incidents of non-compliance (INCs) which we will also address.

The major issue involved appears to be the method in which water will be disposed of in the field. The question is to continue to allow water to be stored in the temporary holding pit prior to injection (open system), or to abandon and reclaim the current pit and place disposal water into a storage tank facility prior to injection (closed system). The following is a discussion addressing this question and the major points you raised in your April 16, 1992 letter pertaining to the referenced ROWs as they relate to your field operations.

Your letter indicates that the pit at the 17-2 well is not a disposal pit but a properly authorized temporary collection pit. This pit was approved as a temporary holding pit in December, 1986 to store produced lease water which would then be pumped to the State injection well. At the time of approval, it was understood the pit was to take water only from the Federal lease wells and not from the State 42-16 well and therefore NTL-2B water disposal was approved for lease UTU-06060-B by way of a Sundry Notice. However, because the pit is now taking water from off lease, both the pit and pipeline system must be included under a ROW that would run from where the line enters Sec. 17 to the storage facility and then to the point where the pipeline leaves the Federal lease.

In addition, because of the location of the pit and the potential of illegal disposal into this facility, we have serious concerns as to the physical nature of this pit. During the inspection conducted on April 24, 1992, there were indications that the pit had leaked on the south side. It was also apparent that fluid levels within the pit have come very close to breaching the top. In the event of a major rain storm this could compound the situation and potentially release roughly 2,400 barrels of fluid into the Green River just 2 miles away. Our contention in proposing a closed system is to eliminate this scenario from happening and prevent any possibility of illegal disposal.

Your letter also suggests that we are proceeding contrary to BLM regulations regarding underground injection systems. Washington Instruction Memorandum (IM) No. 88-187, January 5, 1988, regarding ROWs states that "the conveyance of produced water from its source to the disposal facility shall be in a fully contained and controlled manner, i.e., by pipeline, tank truck or other form of enclosed transport". It appears from your letter that you believe we are forcing the issue of trucking water rather than piping water to the injection well and that the BLM objects to transporting water produced from a non-Federal well across Federal land to a disposal well on State land. In this particular case the BLM does not object to a system crossing Federal land, provided the water is transported from the State well through Federal land by a properly executed ROW and in accordance with the BLM policy indicated above, which requires a closed system. In addition, it was not our contention that water should be required to be trucked, this was simply an option provided for by BLM guidance.

Your letter also states that the existing water disposal system, including the temporary collection pit, were all installed at substantial expense in accordance with BLM requirements and have been approved by the BLM. The system was approved December, 1986; however, as discussed above, the BLM has been instructed through WO IM 88-187/January 5, 1988, to permit systems that dispose of brine waters only through closed systems. A closed system would alleviate our concerns regarding improper disposal and the location of the current pit directly adjacent to a drainage ravine two miles from the Green River.

Your letter further indicates that the existing water disposal system has the function of removing paraffin from the water prior to injection. We do not doubt this function of the pit. However, by using a closed system, the same function could be achieved by using two 500 bbl tanks (1,000 bbl capacity) properly plumbed, along with the use of properly functioning separation equipment. This capacity would allow five days of storage at current estimated rates of 120 bbls water produced per day. In addition, the current NTL-2B approval envisioned the use of the pit as a temporary storage facility, not as a "separation system".

The final issue addressed in your letter indicates that the existing water disposal system, along with your proposed water disposal well, will materially increase the level of environmental protection as well as enhancing the integrity, safety, and reliability of all production and injection operations in the field. After conducting the April 24, 1992 field inspection of your lease, we disagree with this contention based on the condition and location of the present temporary holding pit. Also, in accordance with current BLM policy, the present system does not meet the standards of a closed system.

To summarize the ROW and water disposal issues, after reviewing the March 20, 1992 letter addressed to you from the Grand Resource Area Office, we believe that your current water disposal operations are in noncompliance with existing ROW UTU-01423716. Because the existing system collects water from your State well in Sec. 16 (Well No. 42-16) and that water is transported over Federal land via pipeline to an open pit enroute to the State water disposal well, this system through Sec. 17 should have been covered under ROW UTU-01423716. Currently, ROW UTU-01423716 contains only the corridor of land from where the pipeline crosses from Sec. 16 into Sec. 17 to where water is introduced to the system from Federal wells near the Salt Wash Fed 17-3 well (See enclosed map).

You are hereby ordered to submit to the Grand Resource Area Office within 30 days of receipt of this letter the necessary ROW amendments to include the entire system in which water from State No. 42-16 well is transported through in Sec. 17 and leading into Sec. 21 and the Gorman No. 1 well (proposed backup water disposal well). In addition to bring the system into conformance with

WO IM 88-187, you are ordered to upgrade the current open system and replace it with a closed system. Provided these conditions, and the conditions issued by the Utah State Department of Oil, Gas, and Mining for utilizing the Gorman No. 1 well as a Class II water injection well are met, we have no objection to issuing the ROW.

In addition to the ROW/water disposal issues, a field inspection conducted on April 24, 1992 and April 28, 1992 revealed other operational problems in the field. The following items of non-compliance were found and will require your immediate attention. This list includes information regarding the cited regulation, abatement periods, and whether a formal INCs had already been issued prior to this letter under Form 3160-9:

1. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-1; Remove unused tank storage facility from location and reclaim, or submit a request for approval to leave the tanks in their current status and justification; Minor Violation; 43 CFR 3162.5-1.(a); Abatement period 90 days from receipt of letter; No formal INC issued.
2. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-2; Ineffectively sealed drain line valve on Tank No. 6014; Minor Violation; 43 CFR 3162.7-5.b.(1) and OOGO No. 3. III.A.2.a.; abatement period - 48 hrs within receipt of INC.; INC Form 3160-9 issued May 1, 1992 (JJ92829).
3. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-2; Remove unused pipe from location; Minor Violation; 43 CFR 3162.5-1(a); Abatement period 30 days from receipt of letter; No formal INC issued.
4. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-2; Current NTL-2B (Water Disposal) approval is inaccurate. Current approval reflects that only water from Federal lease UTU-06060-B is being held at the temporary holding pit, where at the present time the temporary holding pit is also being used to transfer water from off lease. Submit an accurate NTL-2B request for approval based on the discussion above; Minor Violation; 43 CFR 3162.5-1(b); Abatement period 30 days from receipt of letter; No formal INC issued.
5. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-3; Remove soil stained with oil on the west side of the tank battery; Minor Violation; 43 CFR 3162.5-1(c); Abatement period 30 days from receipt of letter; No formal INC issued.
6. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-3; Place lease No. on well identification sign; Minor Violation; 43 CFR 3162.6(b); Abatement period 30 days from receipt of letter; No formal INC issued.
7. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-3; Remove unused production equipment and tubulars from location (underground and surface); Minor Violation; 43 CFR 3162.5-1(a); Abatement period 90 days from receipt of letter; No formal INC issued.
8. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-3; Remove all water from the emergency gas flare/vent pit; Minor Violation; 43 CFR 3162.5-1(c); Abatement period 10 days from receipt of letter; No formal INC issued.
9. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-3; Provide this office with keys to access thief hatches for product verification; Minor Violation; 43 CFR 3162.1(c.); Abatement period 30 days from receipt of letter; No formal INC issued.

10. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Well 17-3; Submit to this office a copy of an updated site facility diagram showing all underground plumbing and surface plumbing and all functioning equipment at this well site; Minor Violation; 43 CFR 3162.7.5(d) and OOGO No. 3. III.I; Abatement period 10 days from receipt of letter; No formal INC issued.

11. UTU-06060-B; Sec. 17, T. 23 S., R. 17 E.; Wells 17-1, 17-2 and 17-3; Remove all unused pipe from between all facilities; Minor Violation; 43 CFR 3162.5-1(a); Abatement period 30 days from receipt of letter; No formal INC issued.

12. UTU-12368: Sec. 18, T. 23 S., R. 17 E.; Well 18-2; Remove all trash and plastic and cover and reclaim pit or request approval for pit use; Minor Violation; 43 CFR 3162.5-1.(b); Abatement period 30 days from receipt of letter; INC Form 3160-9 issued May 1, 1992 (JJ92830).

13. UTU-12368: Sec. 18, T. 23 S., R. 17 E.; Well 18-2; Install a unique No. on the front of oil storage tank; Minor Violation; 43 CFR 3162.5-1.(b); Abatement period 3 days from receipt of letter; INC Form 3160-9 issued May 1, 1992 (JJ92831).

We would be available for a meeting with you and your pumper to discuss the above-mentioned ROW issues and INCs discovered on your leases. This meeting can take place either in the field or in our office.

Please contact Dale Manchester or Lynn Jackson for any questions you may have regarding these matters at (801) 259-6111.

You have the right to request a State Director Review of these violations as specified in 43 CFR 3165.3. Such requests, including all supporting documentation must be filed in writing within twenty (20) business days of receipt of the notice to State Director (U-920), Bureau of Land Management, P.O. Box 45155, Salt Lake City, Utah, 84145-0155. As stated in the regulations at 43 CFR 3165.3(e), a request for State Director Review does not automatically suspend the order to correct the violation.

Sincerely yours,

**/S/ WILLIAM C. STRINGER**  
Assistant District Manager  
Mineral Resources

**Enclosures (2)**

- 1-SW Energy Letter
- 2-Saltwash Pipeline Map

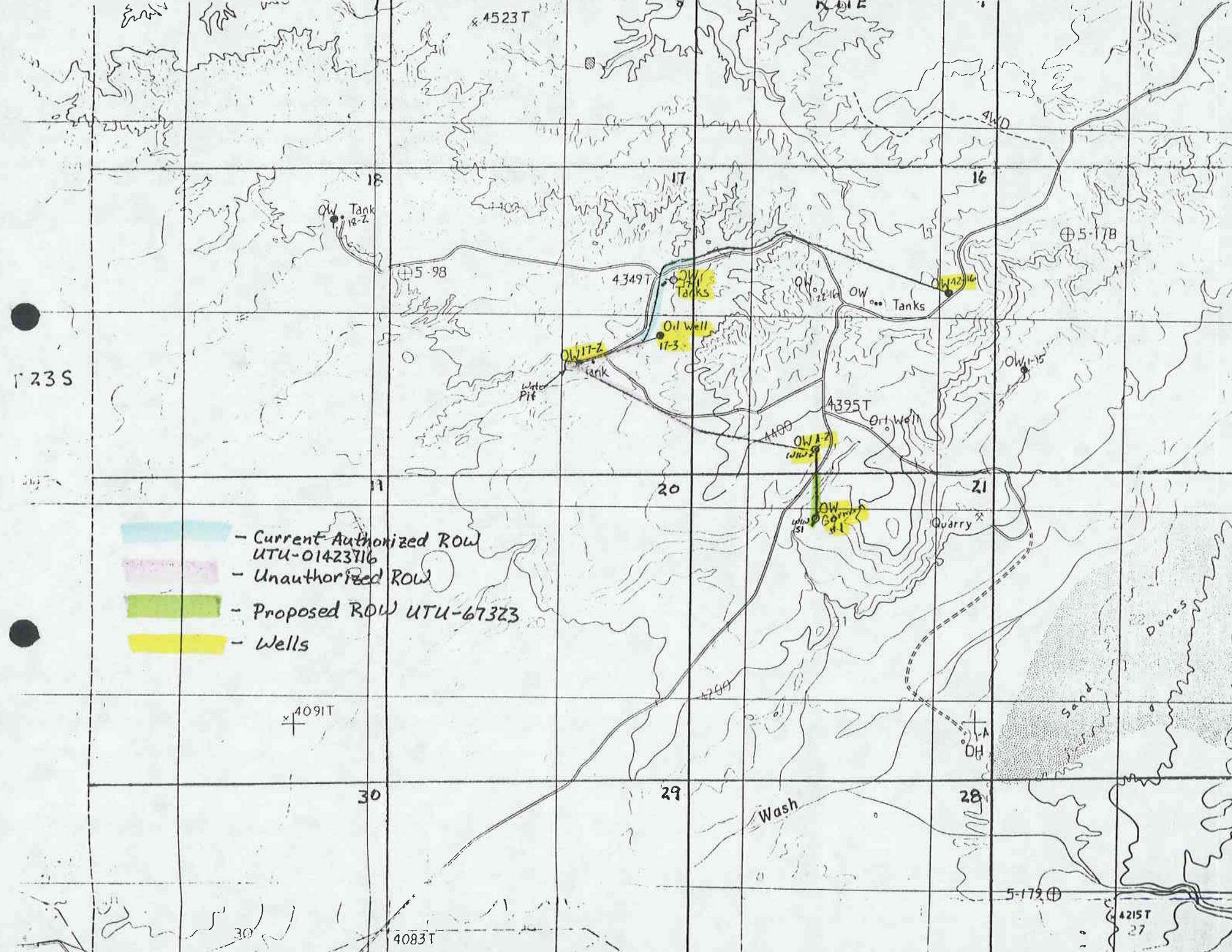
**cc:**

U-068, Grand Resource Area Office (w/Enclosures)  
Mr. Gil Hunt (w/Enclosures) ✓  
Utah Division of Oil, Gas and Mining  
355 W. North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

4523T  
4091T  
4083T

123S

- Current Authorized ROW UTU-01423716
- Unauthorized ROW
- Proposed ROW UTU-67323
- Wells



5-172  
4215T  
27

S.W. ENERGY CORPORATION

847 EAST FOURTH SOUTH

SALT LAKE CITY, UTAH 84102

TELEPHONE (801) 532-6664

April 16, 1992

Mr. Brad D. Palmer  
Grand Resource Area Manager  
United States Bureau of Land Management  
885 So. Sand Flats Road  
Moab, Utah 84532

Re: Right-of-Way Application No. UTU-67323

Dear Mr. Palmer:

This letter is written in response to your letter of March 20, 1992, which indirectly addressed our pending application for a right-of-way for a water disposal pipeline and for use of the Gorman No. 1 Well in Section 21, Township 23 South, Range 17 East, S.L.M., in the Salt Wash Field, Grand County, Utah for a disposal well. The application has been pending now for 19 months, the underground injection control permit has been issued by the State of Utah for 17 months, and a bond has been posted for 8 months.

Your letter does not raise any issues about the validity or sufficiency of the right-of-way application itself, nor does it raise any concerns about the use of the proposed right-of-way or injection well. You do, however, raise questions about other operations in the Salt Wash Field.

In your letter you raise three specific concerns: First, that unidentified, unknown persons might at some point illegally dispose of hazardous wastes in our in water disposal pits on federal lands; second, that the conveyance of water other than through fully enclosed facilities (i.e., pipelines or trucks) increases the risk of spills; and third, that the risks of these environmental damages will somehow be reduced in the Salt Wash Field if we remove existing water disposal pipelines and abandon an existing right-of-way.

The conclusions reached in your letter are apparently based, in part at least, on incorrect assumptions or misunderstandings about water disposal facilities in the Salt Wash Field. First, we do not dispose of water in the pit in Section 17. That pit is not a disposal pit at all, but a properly authorized temporary collection pit. The pit is fenced and is monitored

Mr. Brad D. Palmer  
April 16, 1992  
Page 2

daily by our pumper. There has never been any suggestion that anyone might have tried to dispose of hazardous waste or of any other substance illegally in the pit.

While the illegal disposal of hazardous materials in water disposal pits may pose a risk in industrialized areas of the country, that is highly unlikely in this area. Even assuming there were sources of such wastes anywhere in the vicinity of this field, it is illogical to assume that a person intentionally planning to illegally and secretly abandon such wastes would drive through miles of uninhabited desert, where the waste could be dumped unseen virtually anywhere, to the one location where he is most certain to be observed -- an attended and monitored well facility.

Furthermore, contrary to the implications of your letter, current B.L.M. regulations do not prohibit open water disposal pits, much less temporary collection pits as part of an otherwise enclosed underground injection system. In fact, the B.L.M. itself is co-sponsoring a seminar in Vernal next month which will feature a field trip to surface pond disposal facilities. A copy of the flyer advertising the seminar is enclosed for your reference.

Second, our water disposal system includes total containment in all conveyance facilities. Indeed, the new right-of-way is for a totally enclosed pipeline system. The collection pit itself is not a "conveyance" facility, but merely a temporary collection facility, which is specifically designed to control and contain both accidental spills and discharges resulting from equipment failures at the wells. To abandon the pit for a system of tanks and trucks, as requested in your letter, would significantly increase the risk of spills by adding several transfer points from tanks to trucks and from trucks to the disposal well, without the spill containment and overflow capacity inherently designed in the collection pit.

Third, removal of the enclosed water disposal pipelines from non-federal wells and abandoning the existing right-of-way would materially increase the very risks about which you express concern. The safest way to transport water from the wells on adjacent state and fee lands to the disposal well on state land in Section 16, as you point out in your letter, is by a totally contained system. That is exactly what the existing pipelines and right-of-way permit.

We find it strange that the B.L.M. now seems to object to the transportation of water produced from a non-federal well

Mr. Brad D. Palmer  
April 16, 1992  
Page 3

across federal land to a disposal well on state land. The federal government has realized more than one million dollars in income through royalties and windfall profits taxes from the federal wells in the Salt Wash Field over the past twenty years. None of that production or income would have been possible if water from federal wells had not been disposed of in the disposal well on non-federal land. The fact is that no production would be possible anywhere in the field without an efficient and economic field-wide water disposal system. Having benefitted from disposal on non-federal land for over two decades, it seems quite inequitable now for the B.L.M. to attempt to cut off the conveyance of non-federal produced water across federal lands through the existing disposal system.

The existing water disposal system, including the temporary collection pit, was installed at substantial expense in accordance with all B.L.M. requirements, has been approved by the B.L.M., and represents the optimum system for this field. Changing over to tanks to collect water prior to disposal would not only be wasteful in terms of abandonment of existing facilities and unnecessary, substantial new expenditures, it would actually increase environmental risks, both at the surface and in the producing formations.

The present open, lined collection pit, with its substantial capacity (including significant reserve capacity to protect against equipment failures) is specifically designed to assure the integrity of the water in the pit for disposal purposes and to reduce the risk of spills or overflows elsewhere in the system. As noted above, the removal of pipelines in favor of tanks and trucks would materially increase the risk of spills every time produced fluids were transferred from tank to truck or from truck to injection well.

A danger to the producing formations in the Salt Wash Field is the presence of paraffin in the produced oil and water. The re-introduction of produced water back into the formation without first removing the paraffin tends to plug both the injection well equipment (disrupting production in the entire field) and the injection formation itself, disturbing natural flow patterns in the formation. The use of the present collection pit permits the paraffin and other hydrocarbons which are not fully removed from produced water by the separators at the wells to separate naturally and to be skimmed regularly from the surface of the water while the water itself is pumped from a lower level in the pit to the injection well.

Mr. Brad D. Palmer  
April 16, 1992  
Page 4

The agitation unavoidably caused by pumping water in and out of any closed tank and the configuration and nature of the closed tanks themselves would prevent any separation and removal of paraffin or other hydrocarbons which pass the separators in normal operations if the collection pit were replaced by tanks.

In addition, the large reserve capacity of the open pit (required, incidentally, by the B.L.M. for this very purpose) protects the wells and formations against equipment failures which would otherwise require produced fluids to be forced back into the formations through the producing wells, to be forced into the injection well without proper separation of hydrocarbons, or simply to flow out onto the ground if possible injection rates were exceeded or if the failure were in the injection well. Closed tanks could not provide the protection against these risks which is afforded by the presently approved system.

The existing water disposal system in the Salt Wash Field was not built by the operators or approved by the B.L.M. accidentally or cavalierly. After many years of operation and evaluation, the present open collection pit is still the best available means consistent with sound operating practices and maximum protection of both surface and subsurface resources to collect produced water. The proposed additional injection well and pipeline right-of-way, by increasing the injection capacity of the system and by providing back-up to the critically important single injection well now in operation, will materially increase the level of environmental protection as well as enhancing the integrity, safety and reliability of all production and injection operations in the field.

We understand from your letter of March 20 that you are prepared to issue the right-of-way, but only if we abandon vested rights under other rights-of-way, modify other facilities which themselves are fully permitted and in compliance with existing B.L.M. regulations, and otherwise modify long-standing operating practices on surrounding non-federal lands in the field. We are troubled by these arbitrary efforts to hold the new right-of-way hostage in order to force us to make expensive and unwarranted changes in otherwise perfectly legal and proper operating facilities and practices.

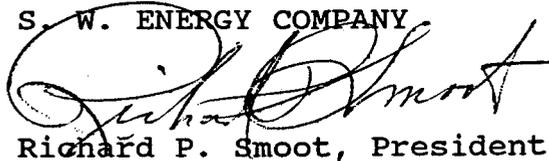
We have fully complied with all valid applicable requirements for the issuance of the new right-of-way, and we

Mr. Brad D. Palmer  
April 16, 1992  
Page 5

request once again that the right-of-way be issued without further delay.

Very truly yours,

S. W. ENERGY COMPANY

A handwritten signature in cursive script, appearing to read "Richard P. Smoot", is written over the typed name below.

Richard P. Smoot, President

cc.: Mr. Roger Zortman, Moab District Manager  
Mr. Gil Hunt, Utah Division of Oil, Gas and Mining

COOPERATION THROUGH COMMUNICATION

# UINTA BASIN

## SYMPOSIUM

May 11, 12 and 13, 1992 / Western Park / Vernal, Utah

### SYMPOSIUM

The symposium will bring together speakers from industry, government and academia to present new findings and perspectives focusing on energy resources from solid and liquid hydrocarbons, and other mineral resources in the Uinta Basin of Utah and Colorado. Cost - \$25.

### GUIDEBOOK

The Utah Geological Association is publishing UGA Guidebook 21 entitled "Hydrocarbon and Mineral Resources of the Uinta Basin, Utah and Colorado" containing technical papers relating to the geology and infrastructure of the Uinta Basin. The guidebook will be provided to all participants, and is included as part of the symposium registration fee.

### FIELD TRIPS

Two field trips are scheduled to run concurrently on Monday, May 11. The trips, which will run from 8:00 AM to about 5:30 PM, will depart from and return to the Western Park. Box lunches will be provided for all participants. Because transportation will need to be arranged prior to the field trips, participants must pre-register.

Field Trip #1 will visit oil and gas related sites within the western Uinta Basin. Planned stops will include the Altamont Field discovery well, water disposal facilities (for both surface ponding and injection wells), a gas plant, and an oil refinery. The field trip will also include several geological and historical stops. Cost - \$10.

Field Trip #2 will visit geological sites related to tar sand, oil shale, gilsonite, phosphate, and oil and gas fields of the eastern Uinta Basin. The trip will focus on stratigraphic, structural, and geomorphic features of this scenic region. Planned stops include Musket Shot Springs, Hells Hole, White River, and Horseshoe Bend. Cost - \$10.

### ICE-BREAKER RECEPTION

An ice-breaker reception will be hosted for registrants and their spouse or guest on Monday, May 11 from 6:30 PM to 8:00 PM at the Western Park. A light buffet and refreshments will be served.

### LUNCHEON & KEYNOTE SESSION

Wednesday, May 13

This event is sponsored by the Bureau of Indian Affairs, in cooperation with the Bureau of Land Management, U.S. Geological Survey, Utah Geological Survey, Utah Geological Assn., and the Gas Research Institute.

### HYDROCARBON AND MINERAL RESOURCES OF THE UINTA BASIN SYMPOSIUM REGISTRATION

Name (Last, First) \_\_\_\_\_ Title \_\_\_\_\_

Nickname for Badge \_\_\_\_\_ Name of Company/Organization \_\_\_\_\_

Mailing Address \_\_\_\_\_ City \_\_\_\_\_ State/Country \_\_\_\_\_

Zip Code \_\_\_\_\_ Daytime phone number: ( ) \_\_\_\_\_ Fax/Telex Number \_\_\_\_\_

#### PLEASE CIRCLE THE FOLLOWING:

Owner/Partner/Officer  
Manager  
Senior Engineer/Geologist  
Engineer/Geologist/Geophysicist  
Consultant/Independent  
Government Agency

#### AREA OF INTEREST

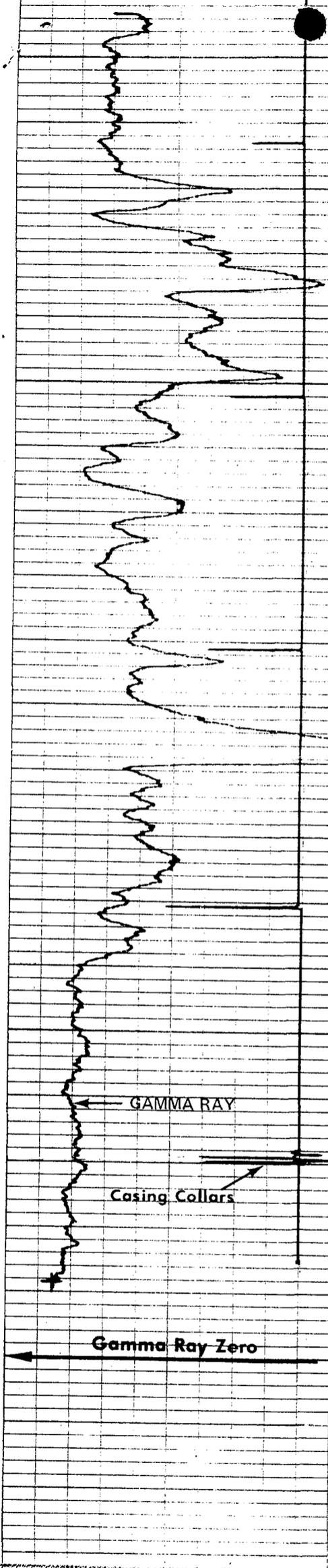
Exploration  
Development  
Distribution  
Processing/Refining  
Research  
Other ( )

#### FIELD TRIP SELECTION

No. 1

No. 2

Delta Airlines offers special discounts to Uinta Basin attendees, call 1-800-221-1212, Special Meetings Dept.  
For lodging information and rates call 1-801-789-1354



8800

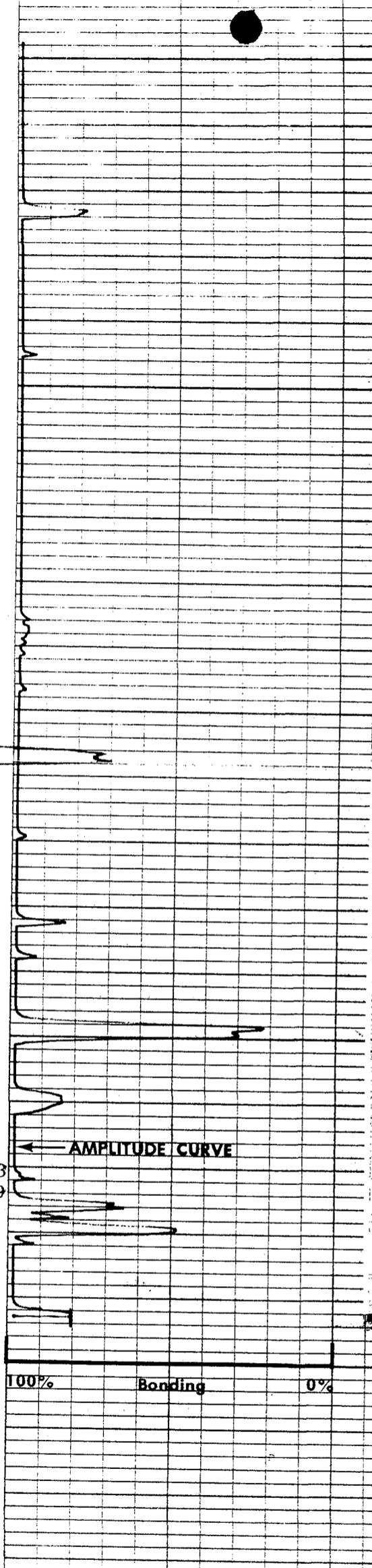
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GAMMA RAY

Casing Collars

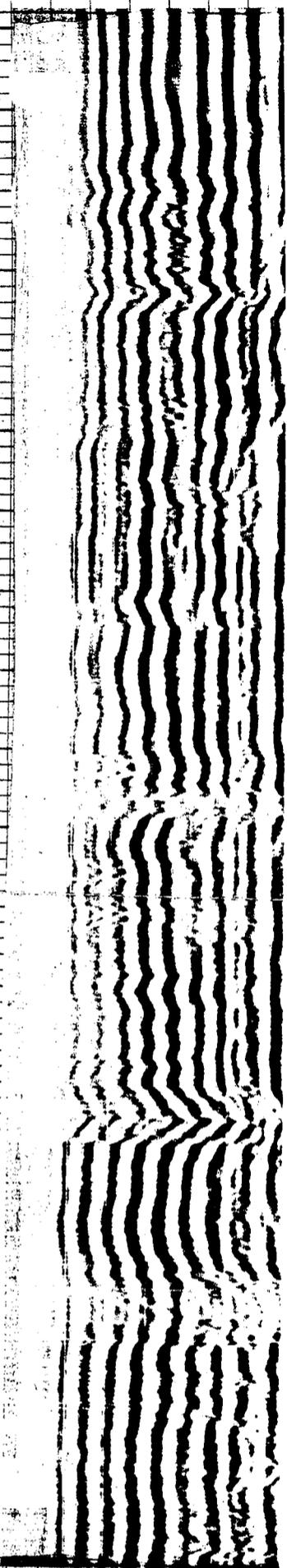
Gamma Ray Zero

RD 8943  
TD 8949

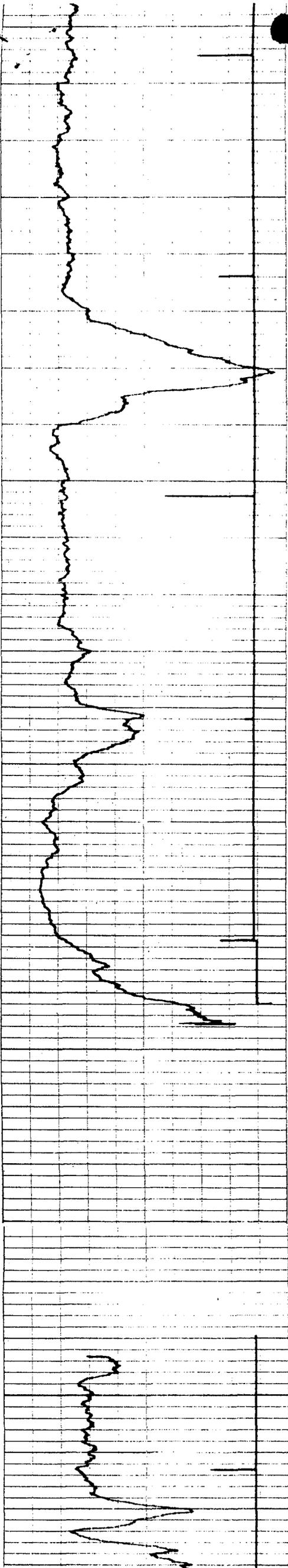


AMPLITUDE CURVE

100% Bonding 0%

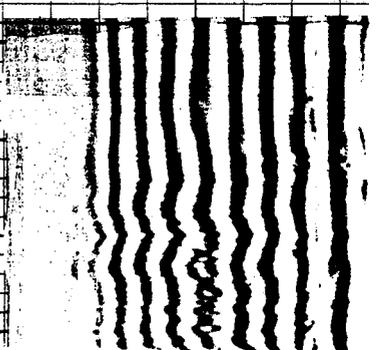
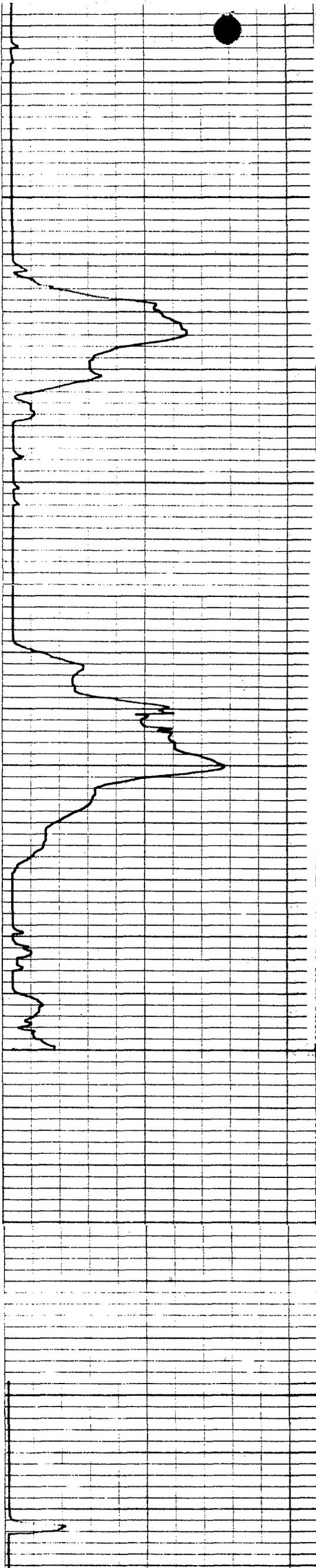


SEISMIC SPECTRUM



7300

7400







# TRIPLE P WELL SERVICE INC.



P.O. Box 107  
Farmington, New Mexico 87499  
(505) 327-3778

10239

SERVICE FOR SW Energy Corp DATE 11-15-95  
 LOADING POINT Monticello Utah COUNTY Grand County  
 DELIVERY POINT German Federal #1 COUNTY Grand county  
 TRUCK NO. 11 TRAILER NO. 6 TERMINAL \_\_\_\_\_ EMPTY WT. O/ \_\_\_\_\_ .000 ORDER NO. \_\_\_\_\_

DESCRIPTION	HRS. OR WT.	RATE	AMOUNT
<u>Drove from Moab Utah to Monticello Part of</u>	HELPER		
<u>Entry &amp; loaded pump. Drove to location German #1</u>		75	825 <sup>00</sup>
<u>Federal #1 &amp; unloaded. Drove to another location</u>		SUB FOR 2 PIES	90 <sup>00</sup>
<u>close by loaded pumpjack unit. Drove to Federal #1</u>		TAX	N/A
<u>&amp; unloaded. Drove back to Farmington.</u>		Total	915 <sup>00</sup>
LOADED MILES			
HELPER'S SIGNATURE <u>Alberto Pineda</u>	DRIVER'S SIGNATURE <u>Victor Pineda</u>		

RECEIVED ABOVE COMMODITIES IN GOOD CONDITION EXCEPT AS NOTED.

By \_\_\_\_\_ Consignee  
 By \_\_\_\_\_ Shipper

CHECK ONE BOX IN EACH COLUMN  
 1. PIPE                       1. I.C.C.  
 2. MACHINERY               2. INTRA  
 3. RIG MOVES               3. NON-REG.  
 4. HEAVY AND CUMBERSOME

REVENUE \_\_\_\_\_  
 NO. OF LOADS IN THIS JOB \_\_\_\_\_

	DATE WORKED	STATE	MILES		HWY. ROUTE
			LOADED	EMPTY	
DATE WORKED	<u>11-15-95</u>	1 ARIZ.			
TIME OUT	<u>4:00<sup>A.M.</sup></u> P.M.	2 COLO.			
TIME FOR MEALS		3 N.M.			
TIME IN	<u>3:00<sup>A.M.</sup></u> P.M.	4 UTAH			
HOURS LOADING		5 NEV.			
HOURS UNLOADING		6 WYO.			
HOURS RIGGING UP		7			
HOURS RIGGING DOWN		8			
HOURS DRIVING		9			
HOURS BREAKDOWN		10			
INSPECTION					
CAR TIME					
TOTAL DRIVER'S HOURS	<u>11 hrs.</u>	TOTAL MILES			
TOTAL HELPER'S HOURS	<u>11 hrs.</u>	RATE PER MILE			
HOURS LOADING AND UNLOADING		TOTAL MILEAGE PAY			
LAYOVER TIME					



# TRIPLE P WELL SERVICE INC.

P.O. Box 107  
Farmington, New Mexico 87499  
(505) 327-3778

10271



## RIG 1

Date 11/15/95 DAILY OPERATIONS  
 Company San Francisco Lease German Federal Well # 1  
 State/County Wahkiakum County

FROM	TO	
		<p><i>Down to location. Rig Up. Rusted Well head. Nipple down well head. Nipple up BOP. Pull 60 stands. Shut down for night. Tubing has previously been over torqued some joints are crimped. Shut down for night.</i></p>

BAS IN	REN-TAL	FULL PACKAGE	COST	BAS IN	REN-TAL		COST
/		PICKUP	/			STRIPPER RUBBERS	
/		POWER TONGS				SWAB CUPS SIZE TYPE	
/		STRIPPER HEAD RECTOR HYDRAULIC				OIL SAVER RUBBERS	
/		COMPANION FLANGE <u>9 3/4</u>	<u>35.00</u>			TONG DIES	
/		B.O.P.				SLIP SEGMENTS	
/		CLOSING UNIT				OIL SAVER BRASS	
/		POWER SWIVEL USED <input type="checkbox"/> STD-BY <input type="checkbox"/>				PIPE DOPE ( ) CANS	
/		PUMP & PIT					
/		HOSES (HIGH PRESS) NUMBER ( )				DIESEL GALS.	
/		PIPE RACKS				EMPLOYEES TIME	
		CATWALK				RIG TIME	6 \$110.00
		SWAB TOOLS				TRAVEL TIME	N/A
		SWAB JARS				OPR. <u>BERNIE POLANCO</u>	6
		TONG HEADS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 3" <input type="checkbox"/> 4" <input type="checkbox"/>				DRK. <u>SAUL CHAVEZ</u>	6
		DEPTHOMETER				F.H. <u>LUI'S CARMANA</u>	6
		SPIDER & SLIPS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 1 3/4" <input type="checkbox"/> 2 1/16" <input type="checkbox"/>				F.H. <u>ELIAS LEIVA</u>	6
		3" <input type="checkbox"/> 4" <input type="checkbox"/>				N.M. Tax	N/A
		ELEVATORS LYT <input type="checkbox"/> 3" <input type="checkbox"/>					
		STEEL LINE FOR B.O.P.				OPR. SIGNATURE <u>BERNIE POLANCO</u>	
		BLOW LINE STANDS & FLOW TEE				TOOL PUSHER SIG. <u>[Signature]</u>	
		B.O.P. RAMS ADDITIONAL 2" <input type="checkbox"/>				ACCEPTED BY: _____	
		MUD PIT ADDITIONAL					
		STANDING VALVE ( ) DROPS					
		ROD STRIPPER HEAD					
		ROD FISHING TOOLS					
		SAND PUMP					
		PARAFFIN KNIFE					
		WINCH TRUCK					
<b>TOTAL DAILY COST</b>							<b>\$ 1145.00</b>



# TRIPLE P

## WELL SERVICE INC.

P.O. Box 107  
Farmington, New Mexico 87499  
(505) 327-3778

10272



# RIG 1

Date 11/16/95 DAILY OPERATIONS  
Company SW Energy Lease German Well # 1  
State/County Utah / Grand

FROM	TO	
		Drive to location. Start Rig. Finish coming out of hole with tubing and locker. Pick-Up 4 3/4 bit and 6 drill collars. Trip in hole tallying tubing. Stand By for tubing Tag Plug. Drop standing valve. Pressure test tubing to 1000 PSI & Had trouble fishing stand valve too much scale. Went to uprod for weight base. Fish out standing valve. Pull up 60 ft. Shut well in. shut down for night.

BAS IN	REN-TAL	FULL PACKAGE	COST	BAS IN	REN-TAL		COST
/		PICKUP <u>DAILY COST</u>	70			STRIPPER RUBBERS	
/		POWER TONGS				SWAB CUPS SIZE TYPE	
/		STRIPPER HEAD RECTOR HYDRAULIC				OIL SAVER RUBBERS	
/		COMPANION FLANGE	35 <sup>00</sup>			TONG DIES	
/		B.O.P.				SLIP SEGMENTS	
/		CLOSING UNIT				OIL SAVER BRASS	
/		POWER SWIVEL USED <input type="checkbox"/> STD-BY <input type="checkbox"/>				PIPE DOPE ( ) CANS	
/		PUMP & PIT				<u>WASTE REPAIR</u>	PLUG
		HOSES (HIGH PRESS.) NUMBER ( )				DIESEL GALS.	
		PIPE RACKS	9			EMPLOYEES TIME	
		CATWALK				RIG TIME	11 \$2035
		SWAB TOOLS				TRAVEL TIME	N/A
		SWAB JARS	10			OPR. <u>BERNIE POJANCO</u>	11
		TONG HEADS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 3" <input type="checkbox"/> 4" <input type="checkbox"/>				DRK. <u>SAUL CHAVEZ</u>	11 24 11
		DEPTHOMETER				F.H. <u>ELIAS KEYVA</u>	11
		SPIDER & SLIPS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 1 3/4" <input type="checkbox"/> 2 1/16" <input type="checkbox"/>				F.H. <u>LUIS CARRONA</u>	11
		3" <input type="checkbox"/> 4" <input type="checkbox"/>				N.M. Tax	N/A
		ELEVATORS LYT <input type="checkbox"/> 3" <input type="checkbox"/>				OPR. SIGNATURE	
		STEEL LINE FOR B.O.P.				<u>Roberto</u>	
		BLOW LINE STANDS & FLOW TEE				TOOL PUSHER SIG.	
		B.O.P. RAMS ADDITIONAL 2% <input type="checkbox"/>				ACCEPTED BY:	
		MUD PIT ADDITIONAL					
/		STANDING VALVE ( ) DROPS	35 <sup>00</sup>				
/		ROD STRIPPER HEAD					
/		ROD FISHING TOOLS	150				
		SAND PUMP					
		PARAFFIN KNIFE					
		WINCH TRUCK					

**TOTAL DAILY COST \$ 2411**



# TRIPLE P

## WELL SERVICE INC.

P.O. Box 107  
Farmington, New Mexico 87499  
(505) 327-3778

10273



# RIG 1

Date 11/17/95 DAILY OPERATIONS  
Company SW Energy Lease Common # Well # 1  
State/County Utah / Grand

FROM	TO	
		Drive to location. Start Rig. 8:30 TPO. Lower Run 60' in hole. Pick up power swivel. Break circulation. Bit Plugged. Come up hole 20'. Unplug bit. with 70 lbs. Break 2 hoses. Unplugged bit. Run down and dull out plug. Pick up 90' to tubing. Tally tubing. Top cement. Circulate well clean. Come out of hole 60 ft. Shut well in. Shut down. Circulate old cement to Plug Bit.

BAS IN	REN-TAL	FULL PACKAGE	COST	BAS IN	REN-TAL		COST
/		PICKUP <u>DAILY COST</u>	<u>70</u>	/		STRIPPER RUBBERS	<u>100</u>
/		POWER TONGS		/		SWAB CUPS SIZE TYPE	
/		STRIPPER HEAD RECTOR HYDRAULIC		/		OIL SAVER RUBBERS	
/		COMPANION FLANGE	<u>35</u>	/		TONG DIES	
/		B.O.P.		/		SLIP SEGMENTS	
/		CLOSING UNIT		/		OIL SAVER BRASS	
/		POWER SWIVEL USED <input type="checkbox"/> STD-BY <input type="checkbox"/>		/		PIPE DOPE ( / ) CANS	<u>75</u>
/		PUMP & PIT				DIESEL GALS.	
/		HOSES (HIGH PRESS) NUMBER ( <u>5</u> )				EMPLOYEES TIME	
		PIPE RACKS	<u>9</u>			HOURS	
		CATWALK				RIG TIME	<u>12</u> \$2220
		SWAB TOOLS				TRAVEL TIME	<u>N/A</u>
		SWAB JARS	<u>10</u>			OPR. <u>BERNIE POJANCO</u>	<u>12</u>
		TONG HEADS 1" <input type="checkbox"/> 1" <input type="checkbox"/> 3" <input type="checkbox"/> 4" <input type="checkbox"/>				DRK. <u>SALL CHAVEZ</u>	<u>12</u> 2500
		DEPTHOMETER				F.H. <u>ELIAS LEYVA</u>	<u>12</u>
		SPIGGER & SLIPS 1" <input type="checkbox"/> 1" <input type="checkbox"/> 1" <input type="checkbox"/> 2 1/16" <input type="checkbox"/>				F.H. <u>LUIS CARMONA</u>	<u>12</u>
		3" <input type="checkbox"/> 4" <input type="checkbox"/>				N.M. Tax	<u>N/A</u>
		ELEVATORS LYT <input type="checkbox"/> 3" <input type="checkbox"/>				OPR. SIGNATURE <u>BERNIE POJANCO</u>	
		STEEL LINE FOR B.O.P.				TOOL PUSHER SIG. <u>RUSA RUSA</u>	
		BLOW LINE STANDS & FLOW TEE				ACCEPTED BY: _____	
		B.O.P. RAMS ADDITIONAL 2" <input type="checkbox"/>					
		MUD PIT ADDITIONAL					
		STANDING VALVE ( ) DROPS					
		ROD STRIPPER HEAD					
		ROD FISHING TOOLS					
		SAND PUMP					
		PARAFFIN KNIFE					
		WINCH TRUCK					
							<b>TOTAL DAILY COST \$2500</b>











# TRIPLE P WELL SERVICE INC.

10278



## RIG 1

P.O. Box 107  
Farmington, New Mexico 87499  
(505) 327-3778

Date 11/27/95 DAILY OPERATIONS  
 Company SW Energy Lease German Well # 1  
 State/County Utah / Garfield

FROM	TO	
		<p>Drive to location. Start Rig CPU TPO. Run 5-1/2" for cement. Pick up power swivel - Drill 60' cement. Tag Plug circulate well clean. P.O.H. lay down PC. Pickup returning head. T.O.H. circulate well clean. Patch on to plug. P.O.H. lay down plug. Pick up packer T.111 to 3000' set packer. Injection Rate 2 1/4 BBL/min @ 1000 PSI. Release packer. T.O.H. lay packer down. Shut well in. Shut down for night.</p> <p>Pressure test casing @ 1000 PSI for 30 min. OK</p>

BAS IN	REN-TAL	FULL PACKAGE	COST	BAS IN	REN-TAL	COST
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PICKUP <u>Daily cost</u>	\$70 <sup>00</sup>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STRIPPER RUBBERS 4" 23/8 \$100 <sup>00</sup>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	POWER TONGS				SWAB CUPS SIZE TYPE
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STRIPPER HEAD RECTOR HYDRAULIC				OIL SAVER RUBBERS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	COMPANION FLANGE	\$35 <sup>00</sup>			TONG DIES
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	B.O.P.				SLIP SEGMENTS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CLOSING UNIT				OIL SAVER BRASS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	POWER SWIVEL USED <input type="checkbox"/> STD-BY <input type="checkbox"/>				PIPE DOPE ( ) CANS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PUMP & PIT				
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	HOSES (HIGH PRESS.) NUMBER ( )				DIESEL GALS.
		PIPE RACKS				EMPLOYEES TIME
		CATWALK				HOURS
		SWAB TOOLS				RIG TIME 12 \$2220 <sup>00</sup>
		SWAB JARS				TRAVEL TIME
		TONG HEADS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 3" <input type="checkbox"/> 4" <input type="checkbox"/>				OPR. <u>BERNIE POLANCO</u> 12
		DEPTHOMETER				DRK. <u>SAUL CHAVEZ</u> 12
		SPIDER & SLIPS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 1 3/4" <input type="checkbox"/> 2 1/16" <input type="checkbox"/>				F.H. <u>LUIS CARMONA</u> 12
		3" <input type="checkbox"/> 4" <input type="checkbox"/>				F.H. <u>ELIAS LEIVA</u> 12
		ELEVATORS LYT <input type="checkbox"/> 3" <input type="checkbox"/>				N.M. Tax
		STEEL LINE FOR B.O.P.				
		BLOW LINE STANDS & FLOW TEE				OPR. SIGNATURE <u>BERNIE POLANCO</u>
		B.O.P. RAMS ADDITIONAL 2" <input type="checkbox"/>				
		MUD PIT ADDITIONAL				TOOL PUSHER SIG. _____
		STANDING VALVE ( ) DROPS				
		ROD STRIPPER HEAD				ACCEPTED BY: _____
		ROD FISHING TOOLS				
		SAND PUMP				
		PARAFFIN KNIFE				
		WINCH TRUCK				

**TOTAL DAILY COST \$ 2425<sup>00</sup>**

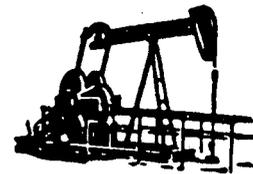




# TRIPLE P WELL SERVICE INC.

P.O. Box 107  
Farmington, New Mexico 87499  
(505) 327-3778

10281



## RIG 1

Date 11/29/75 DAILY OPERATIONS  
 Company SW Energy Lease Common Well # 1  
 State/County Utah / Grand

FROM	TO	
		Drive to location. Start Rig. CPO. TPO. T1H 6 stands.
		Pick up Power Swivel Break Circulator. Drill cut
		plug. Push Plug down to Open hole. Circulate well clean
		bottoms up. Lay down power Swivel TCH 118 stds. Lay down
		drill collar. Pick up Packer T1H to 3000' P.T casing 400 psi
		for 30 min. OK. T1H to 5000'. P.T perfs to 400. 10 psi
		deep. Empty Swivel. Release Packer. T1H to TD. Pressure up
		to 400 PSI. Shut well in. Shut down for night.

BAS IN	REN-TAL	FULL PACKAGE	COST	BAS IN	REN-TAL	COST
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PICKUP <u>DAILY COST</u>	\$70.00			STRIPPER RUBBERS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	POWER TONGS				SWAB CUPS SIZE TYPE
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STRIPPER HEAD RECTOR HYDRAULIC				OIL SAVER RUBBERS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	COMPANION FLANGE	\$35.00			TONG DIES
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	B.O.P.		<input checked="" type="checkbox"/>		SLIP SEGMENTS 1- SET \$110.00
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CLOSING UNIT				OIL SAVER BRASS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	POWER SWIVEL USED <input type="checkbox"/> STD-BY <input type="checkbox"/>				PIPE DOPE ( ) CANS
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PUMP & PIT				
		HOSES (HIGH PRESS.) NUMBER ( )				DIESEL GALS.
		PIPE RACKS				EMPLOYEES TIME
		CATWALK				HOURS
		SWAB TOOLS				RIG TIME 12 \$2220.00
		SWAB JARS				TRAVEL TIME
		TONG HEADS 1/4 <input type="checkbox"/> 1/2 <input type="checkbox"/> 3/4 <input type="checkbox"/> 4/4 <input type="checkbox"/>				OPR. <u>BERNIE POLANCO</u> 12
		DEPTHOMETER				DRK. <u>SAUL CHAVEZ</u> 12
		SPIDER & SLIPS 1" <input type="checkbox"/> 1 1/4 <input type="checkbox"/> 1 1/2 <input type="checkbox"/> 2 1/16 <input type="checkbox"/>				F.H. <u>LUIS CARMONA</u> 12
		3/4 <input type="checkbox"/> 4/4 <input type="checkbox"/>				F.H. <u>ELIAS LEIVA</u> 12
		ELEVATORS LYT <input type="checkbox"/> 3/4 <input type="checkbox"/>				N.M. Tax
		STEEL LINE FOR B.O.P.				
		BLOW LINE STANDS & FLOW TEE				OPR. SIGNATURE <u>BERNIE POLANCO</u>
		B.O.P. RAMS ADDITIONAL 2/4 <input type="checkbox"/>				TOOL PUSHER SIG. <u>Bernie Polanco</u>
		MUD PIT ADDITIONAL				ACCEPTED BY: _____
		STANDING VALVE ( ) DROPS				
		ROD STRIPPER HEAD				
		ROD FISHING TOOLS				
		SAND PUMP				
		PARAFFIN KNIFE				
		WINCH TRUCK				

**TOTAL DAILY COST \$ 2435.00**



# TRIPLE P WELL SERVICE INC.

10282



P.O. Box 107  
Farmington, New Mexico 87499  
(505) 327-3778

## RIG 1

Date 11/30/05 DAILY OPERATIONS  
 Company SUN Energy Lease GRIMAN FEDERA Well # 1  
 State/County Utah/Grand

FROM	TO	DESCRIPTION
		Down to location. Start Rig @ 200 PSI TP on vacuum pressure test to 400 PSI for 30 minutes 2 times. Hold. Release packer T.H. with 7 lbs. Circulate bottom up. Lay down 2 jts. Set packer. Nipple off POP and tubing. Nipple the well head. Pressure test back side for 30 min @ 400 PSI OK. Establish injection rate of 1 1/2 bbl/min @ 1000 psi. Rig down move to next location.

BAS IN	REN-TAL	Full PACKAGE	COST	BAS IN	REN-TAL	DESCRIPTION	COST
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PICKUP				STRIPPER RUBBERS	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	POWER TONGS				SWAB CUPS SIZE TYPE	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STRIPPER HEAD RECTOR HYDRAULIC				OIL SAVER RUBBERS	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	COMPANION FLANGE	35.00			TONG DIES	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	B.O.P.				SLIP SEGMENTS	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CLOSING UNIT				OIL SAVER BRASS	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	POWER SWIVEL USED <input type="checkbox"/> STD-BY <input type="checkbox"/>				PIPE DOPE ( ) CANS	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PUMP & PIT					
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	HOSES (HIGH PRESS) NUMBER ( )				DIESEL GALS.	
		PIPE RACKS				EMPLOYEES TIME	
		CATWALK				RIG TIME	7
		SWAB TOOLS				TRAVEL TIME	
		SWAB JARS				OPR. <u>BERNIE PALANCO</u>	2
		TONG HEADS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 3" <input type="checkbox"/> 4" <input type="checkbox"/>				DRK. <u>SAUL COAVES</u>	2
		DEPTHOMETER				F.H. <u>LUIS CARMONA</u>	2
		SPIDER & SLIPS 1" <input type="checkbox"/> 1 1/2" <input type="checkbox"/> 1 3/4" <input type="checkbox"/> 2 1/16" <input type="checkbox"/>				F.H. <u>FIAS TARANGO</u>	2
		3" <input type="checkbox"/> 4" <input type="checkbox"/>					
		ELEVATORS LYT <input type="checkbox"/> 3" <input type="checkbox"/>					
		STEEL LINE FOR B.O.P.					
		BLOW LINE STANDS & FLOW TEE				OPR. SIGNATURE <u>BERNIE PALANCO</u>	
		B.O.P. RAMS ADDITIONAL 2" <input type="checkbox"/>				TOOL PUSHER SIG. _____	
		MUD PIT ADDITIONAL				ACCEPTED BY: _____	
		STANDING VALVE ( ) DROPS					
		ROD STRIPPER HEAD					
		ROD FISHING TOOLS					
		SAND PUMP					
		PARAFFIN KNIFE					
		WINCH TRUCK					
							<b>TOTAL DAILY COST \$ 1330.00</b>

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

SUBMIT TRIPPLICATE\*  
(Other instructions on reverse side)

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> <small>(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.)</small>		5. LEASE DESIGNATION AND SERIAL NO. U-41062
1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> Water Disposal Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR S. W. Energy Corporation		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 847 East Fourth South, Salt Lake City, Utah 84102		8. FARM OR LEASE NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface Sec 21: NE $\frac{1}{4}$ NW $\frac{1}{4}$ , T23S, R17E, SLM		9. WELL NO. 43-019-30658 Gorman #2/
14. PERMIT NO.		10. FIELD AND POOL, OR WILDCAT Salt Wash
15. ELEVATIONS (Show whether OF, RT, GR, etc.)		11. SEC., T., R., M., OR BLK. AND SURVEY OR ABBA Sec 21, T23S-R17E
12. COUNTY OR PARISH Grand		13. STATE Utah

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

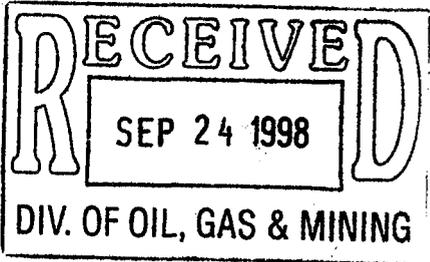
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>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

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

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

Acid treatment of disposal formation - 750 gallons 15% acid, 23 September 1998. This conforms to the maintenance program every three years. No problems encountered.

The recent cloud burst wiped out access road to location. A grader was moved in to remedy the problem, to make the location accessible.



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

SIGNED: [Signature] TITLE: chr DATE: 9/23/98

(This space for Federal or State office use)

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

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

6. Lease Designation and Serial Number  
U-41062

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement

9. Well Name and Number  
Gorman

10. API Well Number  
43-019-30658

11. Field and Pool, or Wildcat  
Salt Wash

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT for such proposals

1. Type of Well  
 Oil Well     Gas Well     Other (specify) Disposal

2. Name of Operator  
S. W. Energy Corporation

3. Address of Operator  
847 E Fourth S, Salt Lake City, Utah 84102

4. Telephone Number  
(801) 532-6664

5. Location of Well  
Footage : \_\_\_\_\_ County : Grand  
QQ, Sec, T., R., M. : NENW sec 21, T23S-R17E, S1M State : UTAH

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other Repair well for pressure testing
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

- Abandonment \*
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate Date Work Will Start October 2000

Date of Work Completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.  
\* Must be accompanied by a cement verification report.

**13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)**

Total depth: 9190 ft.  
Ground: 4772 ft.  
Casing depth: 8990 ft.  
Injection depth: 8962-9190  
Interval of injection: 228 ft.

Locate workover rig, pull tubing, and repair or replace christmas tree. Pressure test well to see if leak is in the surface area or downhole and correct what deficiency may exist.

**RECEIVED**

SEP 18 2000

DIVISION OF  
OIL, GAS AND MINING

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

Name & Signature Richard P. Smoot Title CHAIRMAN Date 9/15/00

(State Use Only)  
**Accepted by the  
Utah Division of  
Oil, Gas and Mining**

Date: 9-19-2000

By: [Signature]

COPY SENT TO OPERATOR  
Date: 9-20-00  
Initials: CHD

# HALEY ENGINEERING INC.

*Petroleum Consultants - Domestic & International  
Petroleum Courses*

5601 South Broadway, Suite 360  
Littleton, Colorado 80121-8030

**18 October 2000**

Phone (303) 795-8578  
FAX (303) 795-5058

**Mr. Richard P. Smoot, Chairman  
S. W. Energy Corporation  
847 East Fourth South  
Salt Lake City UT 84102**

**Re: No. 1 Gorman (SWD)  
NE NW 21-T23S-R17E  
Salt Wash Field  
Grand County, Utah**

**Dear Mr. Smoot:**

**Pursuant to your request, we have reviewed certain data pertaining to the No. 1 Gorman to estimate the feasibility of repairing or replacing the Christmas tree now in place.**

**In September 1999, a representative of the Utah Division of Oil, Gas and Mining witnessed a pressure test at about 300 psig on the 2 3/8 x 5 1/2 annulus and noted a slight leakage around one or more studs holding the split plate above the 5 1/2 slips.**

**On November 20, 1995, a hole in the 5 1/2 located in the interval 2745-77 was squeezed with 250 sacks of cement. Returns to the surface through the 10 3/4 x 5 1/2 annulus were obtained while cementing. Calculated top of cement outside the 5 1/2 is 1630.**

**On 9/15/00, you submitted a Sundry Notice to repair or replace the Christmas tree. Subsequently, we have reviewed photos of the tree, discussed the hook-up with your Field Supervisor, and discussed the wellhead with a representative of Cameron in Vernal.**

**The wellhead is a Recter RT NOM 10 2000 WP. The 5 1/2 slips and seal appear to be of another unidentified manufacturer. Approximately 20 badly corroded allenhead studs into the slips hold the seal. We have been unable to determine that any parts of this cobbled-together assembly still are being manufactured. The 2 3/8 injection tubing and packer appear to be in good condition.**

**The No. 1 Gorman appears to be in satisfactory condition for an injection well. The 2 3/8 tubing and packer are reported to be in good condition. The allenhead studs**

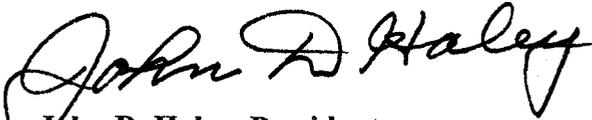
No. 1 Gorman

into the slips are reported not to leak at normal operating pressure; however, their eroded condition is believed to make an attempt to remove them too risky.

Changing the wellhead probably would be prohibitively expensive.

We recommend that the State be informed of the problems, and that their approval be obtained to continue current operating procedures while no adverse effects are detected.

Sincerely,



John D. Haley, President

JDH:j  
swenergy0400

# HALEY ENGINEERING INC.

Petroleum Consultants - Domestic & International  
Petroleum Courses

5601 South Broadway, Suite 360  
Littleton, Colorado 80121-8030

18 October 2000

Phone (303) 795-8578  
FAX (303) 795-5058

Mr. Richard P. Smoot, Chairman  
S. W. Energy Corporation  
847 East Fourth South  
Salt Lake City UT 84102

11/17/95 circulate ed cement  
11-20 ✓ Big Dowell pump  
Cement 350 psi  
11-21 Drill 25' green cement  
11-22 ✓ 60' Cement  
11-22 Pressure test casing 1)  
@ 1000 psi for 30 min sk TE  
11-29 T1H to TD Pressure 1  
up to 400 psi  
11-30 TP on vacuum Pressure  
test to 400 psi for 30 min  
2 times held  
Set packer

Dear Mr. Smoot:

Pursuant to your request, we have re-  
Gorman to estimate the feasibility of re-  
in place.

In September 1999, a representative of the Utah Division of Oil, Gas and Mining witnessed a pressure test at about 300 psig on the 2 3/8 x 5 1/2 annulus and noted a slight leakage around one or more studs holding the split plate above the 5 1/2 slips.

On November 20, 1995, a hole in the 5 1/2 located in the interval 2745-77 was squeezed with 250 sacks of cement. Returns to the surface through the 10 3/4 x 5 1/2 annulus were obtained while cementing. Calculated top of cement outside the 5 1/2 is 1630.

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The wellhead is a Recter RT NOM 10 2000 WP. The 5 1/2 slips and seal appear to be of another unidentified manufacturer. Approximately 20 badly corroded allenhead studs into the slips hold the seal. We have been unable to determine that any parts of this cobbled-together assembly still are being manufactured. The 2 3/8 injection tubing and packer appear to be in good condition.

The No. 1 Gorman appears to be in satisfactory condition for an injection well. The 2 3/8 tubing and packer are reported to be in good condition. The allenhead studs

# HALEY ENGINEERING INC.

*Petroleum Consultants - Domestic & International  
Petroleum Courses*

5601 South Broadway, Suite 360  
Littleton, Colorado 80121-8030

**18 October 2000**

Phone (303) 795-8578  
FAX (303) 795-5058

**Mr. Richard P. Smoot, Chairman  
S. W. Energy Corporation  
847 East Fourth South  
Salt Lake City UT 84102**

**Re: No. 1 Gorman (SWD)  
NE NW 21-T23S-R17E  
Salt Wash Field  
Grand County, Utah**

**Dear Mr. Smoot:**

**Pursuant to your request, we have reviewed certain data pertaining to the No. 1 Gorman to estimate the feasibility of repairing or replacing the Christmas tree now in place.**

**In September 1999, a representative of the Utah Division of Oil, Gas and Mining witnessed a pressure test at about 300 psig on the 2 3/8 x 5 1/2 annulus and noted a slight leakage around one or more studs holding the split plate above the 5 1/2 slips.**

**On November 20, 1995, a hole in the 5 1/2 located in the interval 2745-77 was squeezed with 250 sacks of cement. Returns to the surface through the 10 3/4 x 5 1/2 annulus were obtained while cementing. Calculated top of cement outside the 5 1/2 is 1630.**

**On 9/15/00, you submitted a Sundry Notice to repair or replace the Christmas tree. Subsequently, we have reviewed photos of the tree, discussed the hook-up with your Field Supervisor, and discussed the wellhead with a representative of Cameron in Vernal.**

**The wellhead is a Recter RT NOM 10 2000 WP. The 5 1/2 slips and seal appear to be of another unidentified manufacturer. Approximately 20 badly corroded allenhead studs into the slips hold the seal. We have been unable to determine that any parts of this cobbled-together assembly still are being manufactured. The 2 3/8 injection tubing and packer appear to be in good condition.**

**The No. 1 Gorman appears to be in satisfactory condition for an injection well. The 2 3/8 tubing and packer are reported to be in good condition. The allenhead studs**

No. 1 Gorman

into the slips are reported not to leak at normal operating pressure; however, their eroded condition is believed to make an attempt to remove them too risky.

Changing the wellhead probably would be prohibitively expensive.

We recommend that the State be informed of the problems, and that their approval be obtained to continue current operating procedures while no adverse effects are detected.

Sincerely,



John D. Haley, President

JDH:j  
swenergy0400

S.W. ENERGY CORPORATION

847 EAST FOURTH SOUTH

SALT LAKE CITY, UTAH 84102

TELEPHONE (801) 532-6664

27 December 2000

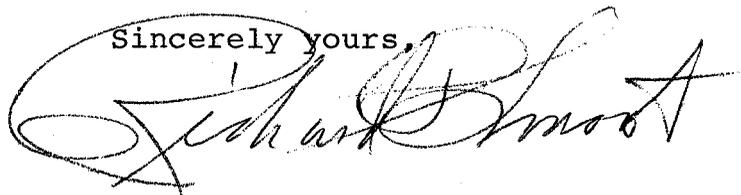
Mr. Dan Jarvis  
Division of Oil, Gas & Mining  
State of Utah  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801

Dear Dan:

I think my last communication with you was regarding Jim Pinneo's wife having her gallbladder out and the recovery time. Since that happened, Jim has had to have both hands operated on and he just returned from surgery yesterday. Prior to this, he had to turn off the well because of his condition, and it will not be turned on until around the tenth of January. The remaining month of January and most of February will be difficult to do any work because of the weather. Hopefully, in March or April we will look forward to scheduling a hot oil truck. The other work on the plugging and abandonment of the two wells will have to wait until we get a rig.

We appreciate your patience and will be in touch.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Richard P. Smoot". The signature is written in black ink and is positioned below the typed name.

Richard P. Smoot

RPS:EW

**RECEIVED**

DEC 28 2000

DIVISION OF  
OIL, GAS AND MINING



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

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

June 19, 2001

SW Energy Corporation  
847 E 400 S  
Salt Lake City, UT 84102

Re: Pressure Test for Mechanical Integrity, Gorman Federal #1 Well, Section 21, Township 23 South, Range 17 East, Grand County, Utah

Gentlemen:

The Underground Injection Control Program, which the Division of Oil, Gas and Mining (DOGM) administers in Utah, requires that all Class, II injection wells demonstrate mechanical integrity. Rule R649-5-5.3 of the Oil and Gas Conservation General Rules requires that the casing-tubing annulus above the packer be pressure tested at a pressure equal to the maximum authorized injection pressure or 1,000 psi, whichever is lesser, provided that no test pressure is less than 300 psi. This test shall be performed at least once in every five-year period beginning in October 1982. Please make arrangements and ready the well for testing during the week of July 23, 2001 as outlined below:

1. Operator must furnish connections, and accurate pressure gauges, hot oil truck (or other means of pressuring annulus), as well as personnel to assist in opening valves etc.
2. The casing-tubing annulus shall be filled prior to the test date to expedite testing, as each well will be required to hold pressure for a minimum of 15 minutes.
3. If mechanical difficulties or workover operations make it impossible for the wells to be tested on this date the tests may be rescheduled.
4. Company personnel should meet DOGM representatives at the field office or other location as negotiated.
5. All bradenhead valves with exception of the tubing on the injection wells must be shut-in 24 hours prior to testing.

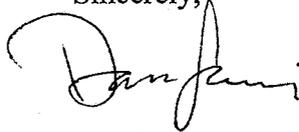
Page 2

SW Energy Corporation

June 19, 2001

Please contact me at (801) 538-5336 to arrange a meeting time and place or negotiate a different date, if this one is unacceptable.

Sincerely,

A handwritten signature in cursive script that reads "Dan Jarvis". The signature is written in black ink and is positioned above the printed name.

Dan Jarvis  
UIC Geologist

INJECTION WELL - PRESSURE TEST

Well Name: Gorman Fed # 1 API Number: 43-019-30658  
 Qtr/Qtr: \_\_\_\_\_ Section: 21 Township: 23 S Range: 17 E  
 Company Name: S W Energy  
 Lease: State \_\_\_\_\_ Fee \_\_\_\_\_ Federal  Indian \_\_\_\_\_  
 Inspector: D. James L. Cordova Date: 7/27/01

Initial Conditions:

Tubing - Rate: 0 Pressure: 0 psi  
 Casing/Tubing Annulus - Pressure: 0 psi

Conditions During Test:

Time (Minutes)	Annulus Pressure	Tubing Pressure
0	_____	_____
5	_____	_____
10	_____	_____
15	_____	_____
20	_____	_____
25	_____	_____
30	_____	_____

Results: Pass/Fail Pass

Conditions After Test:

Tubing Pressure: 0 psi  
 Casing/Tubing Annulus Pressure: 0 psi

COMMENTS: ~~Had~~ Casing/Tubing Annulus was full at  
 begining of test. Hot oil truck pumped a total of 20 bbls  
 of water and backside would not pressure up.  
 Slight pressure increase on tubing while pumping water.  
 (over)

Operator Representative \_\_\_\_\_

Note: <sup>Annulus</sup> ~~Well~~ will stand full until pressured ~~is~~  
up. The well injection at approximately 100psi  
When injection pump is stopped well goes on  
vacuum.

Operator will be notified as to what action  
will be required.

**WELL PROFILE**

OPERATOR <i>S.K. Energy</i>	Casing	Liner	Tubing
WELL # <i>Gorman Fed #1</i>	SIZE <i>5 1/2"</i>		<i>2 3/8</i>
FIELD <i>Salt Wash</i>	WEIGHT <i>15.3, 17</i>		<i>4.7</i>
COUNTY <i>Grand</i>	GRAD <i>JSS</i>		<i>JSS</i>
STATE <i>Utah</i>	TI HEAD <i>M80</i>		<i>M80</i>
DATE <i>12-13-95</i>	DEPTH <i>8962</i>		<i>EUE 8'0</i>
<input type="checkbox"/> NEW COMPLETION <input checked="" type="checkbox"/> WORKOVER			<i>9060</i>

ITEM NO	EQUIPMENT AND SERVICES	ESTIMATE OR DEPTH
1	Tail pipe 7 fts = 210.80	9060'
2	R-3 Packer 5 1/2 X 2 3/8 = 7.0'	8842.25
3	Tubing 2 fts = 60.79'	8842.25
4	Seating nipple = L10	8781.46
5	Tubing 280 fts = 8762.36	8780.36
6	KB 18'	18.00

Post-it Fax Note 7671

Date: <i>8/30/01</i>	# of pages: <i>1</i>
To: <i>DAN JARVIS</i>	From: <i>JACK HALEY</i>
Co Dept:	Co:
Phone #	Phone # <i>202-742-8476</i>
Fax # <i>601-507-3746</i>	Fax # <i>-5623</i>

*297 fts total fts. 2 3/8 Tubing*

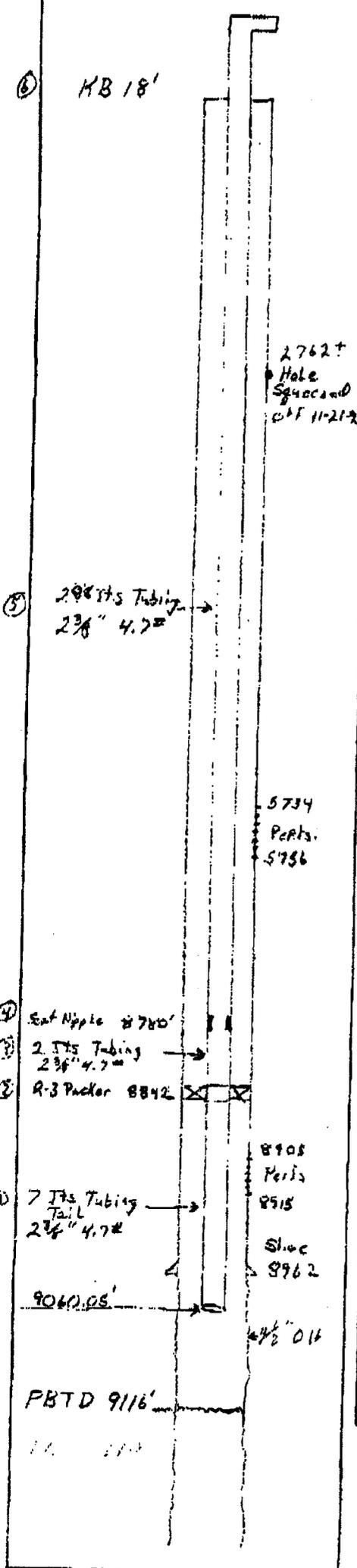
COMMENTS *Packer was set and 15 gal. of Packer Fluid was pumped in the ANN. 400 psi was held on ANN for 1 hr. when tubing was landed.*

PREPARED BY *Red* OFFICE *AMOT GJT* PHONE *858-9228*

**MILLER** SERVICE TOOLS PRODUCTION TOOLS COMPLETION SYSTEMS REPAIRS

**PACKERS** **SCHEIDT** **LIVED** **ELDER**

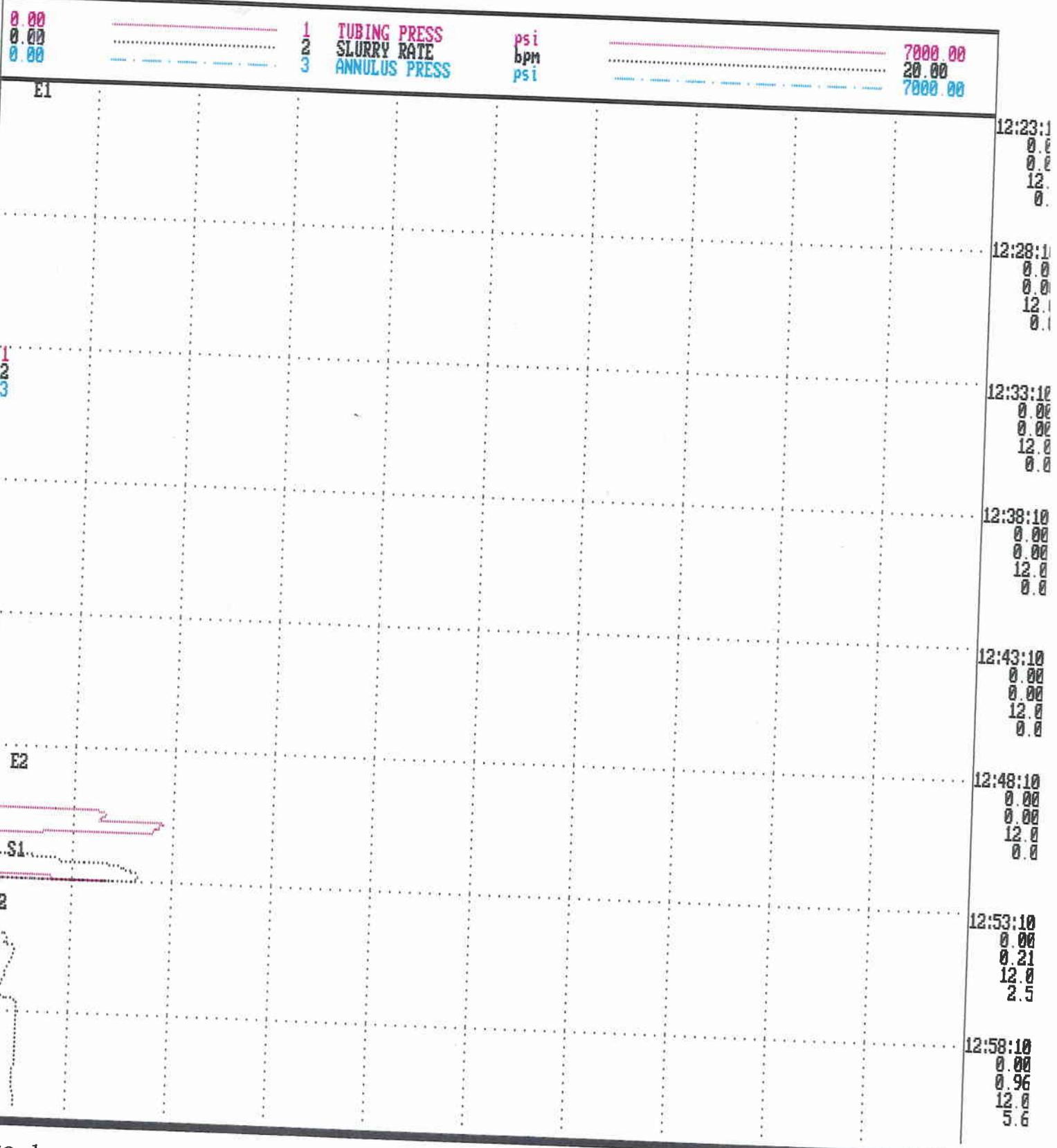
YORKTOWN TEXAS 75164 (512) 564-2202



Customer: S&W ENERGY  
 Well Desc: GOR 1  
 Formation: SALT WASH

Date: 17-Sep-2001  
 Ticket #: 1510995  
 Job Type:

- 1. Casing Press (psi)
- 2. Slurry Rate (bpm)
- 3. Stage Size (bbl)
- 4. Job Volume (bbl)



0.00  
0.00  
0.00

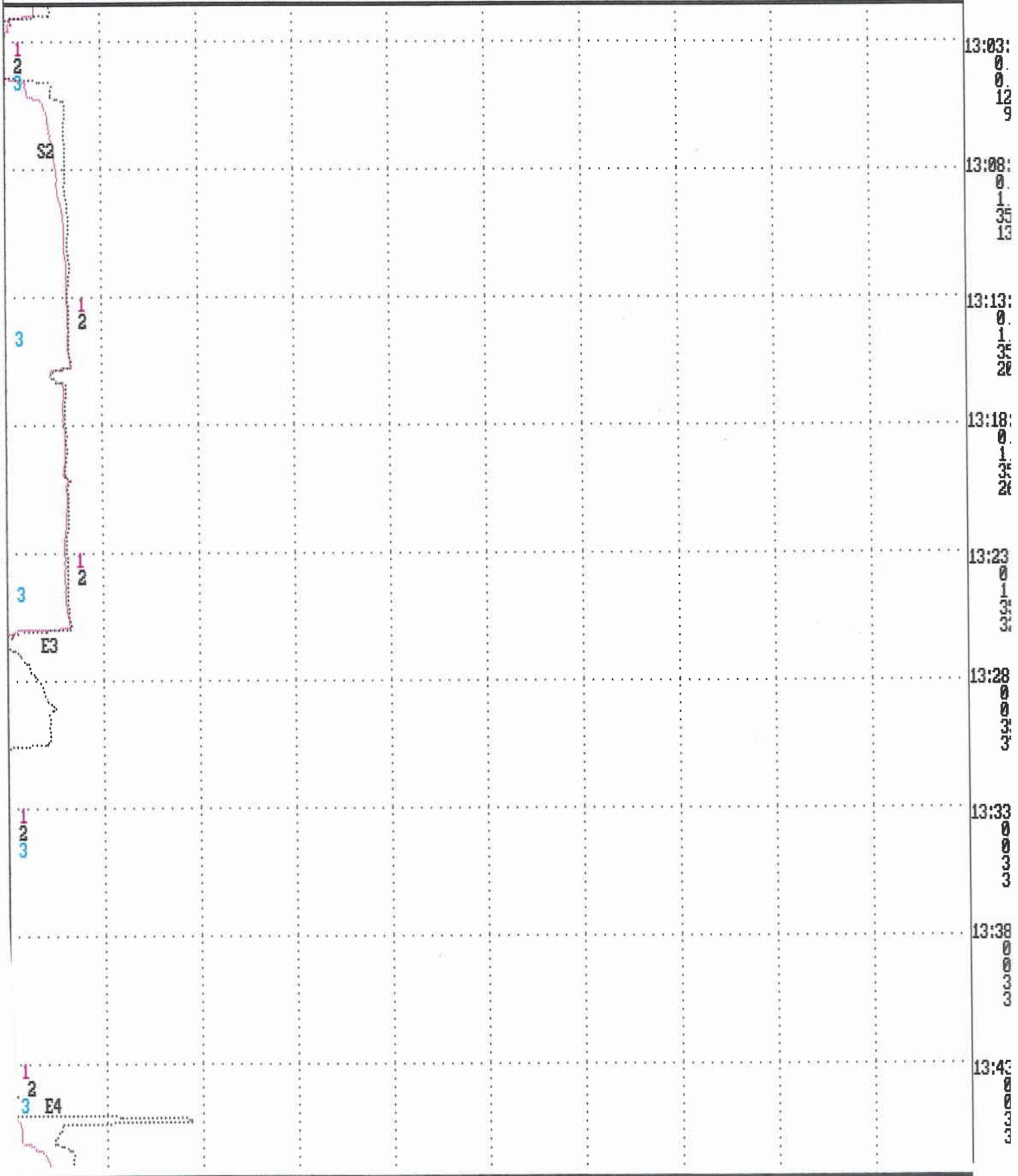
..... 1  
..... 2  
..... 3

1 TUBING PRESS  
2 SLURRY RATE  
3 ANNULUS PRESS

psi  
bpm  
psi

.....  
.....  
.....

7000.00  
20.00  
7000.00

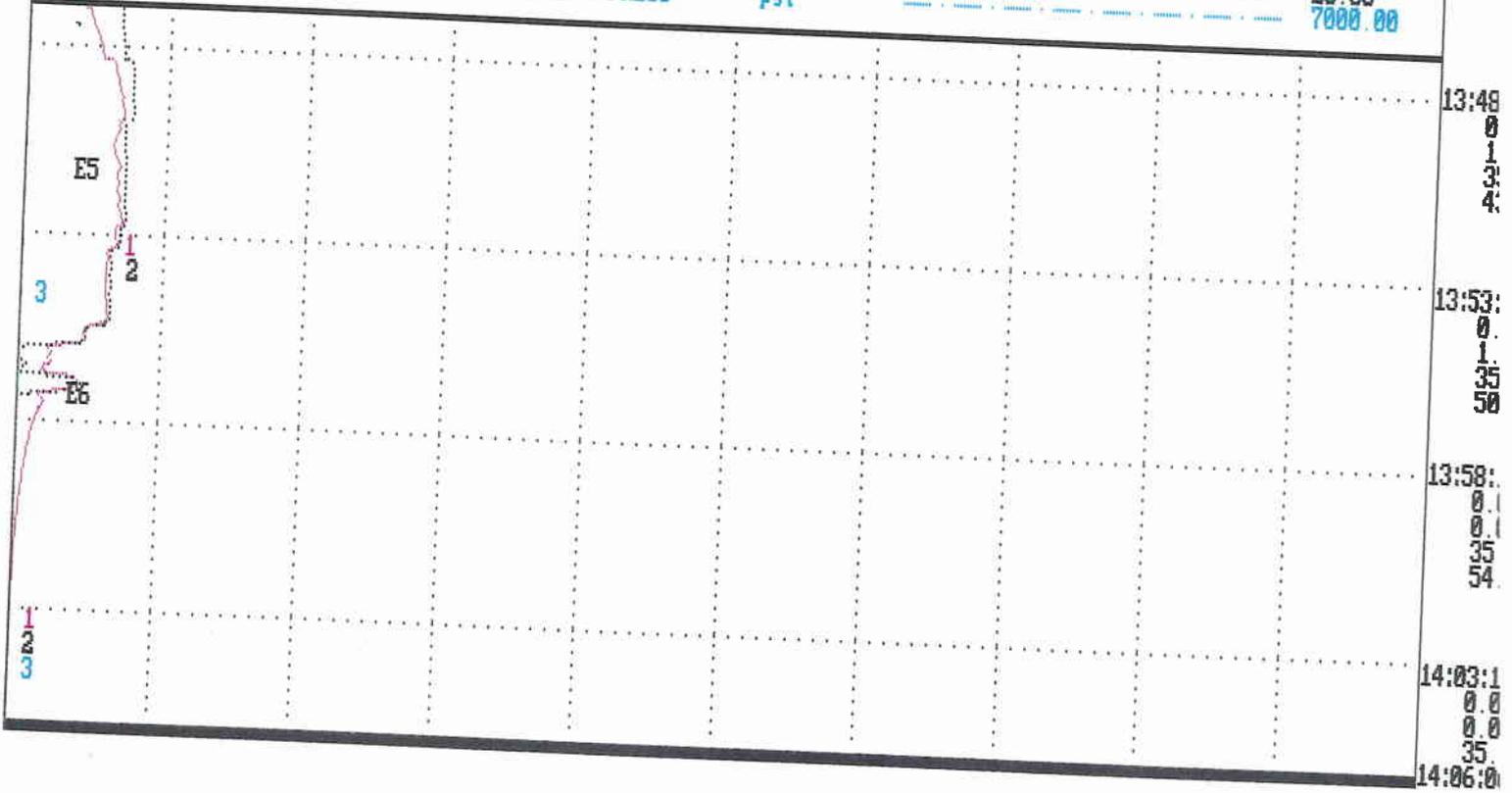


0.00  
0.00  
0.00

1 TUBING PRESS  
2 SLURRY RATE  
3 ANNULUS PRESS

psi  
bpm  
psi

7000.00  
20.00  
7000.00



13:48  
0  
1  
3  
4

13:53  
0  
1  
35  
50

13:58  
0  
1  
35  
54

14:03  
0  
0  
35  
50

14:06:0

Customer: S&W ENERGY  
 Well Desc: GORMAN 1  
 Formation: SALT WASH

Date: 17-Sep-2001  
 Ticket #: 1510995  
 Job Type:

### STAGE SUMMARY

Stage Times

Stage	Start Time	End Time	Elapsed Time
1	12:52:09	13:07:23	00:15:14
2	13:07:23	14:06:06	00:58:43
Total	12:52:09	14:06:06	01:13:57

AVERAGES OR VOLUMES PER STAGE -- Planned Volume vs. Actual Volume

Stage	Planned Sl Volume (bbl)	Slurry Volume (bbl)
1	12.0	12.5
2	35.0	42.1
Tot/Avg	47.0	54.6

AVERAGES OR VOLUMES PER STAGE -- Strip Chart Variables

Stage	Tubing Pressure (psi)	Slurry Rate (bpm)	Annulus Pressure (psi)
1	155.26	0.96	0.00
2	243.14	1.18	0.00
Tot/Avg	220.83	1.11	0.00

MAXIMUM VALUE PER STAGE -- Strip Chart Variables

Stage	Tubing Pressure (psi)	Slurry Rate (bpm)	Annulus Pressure (psi)
1	1109.16	3.33	0.00
2	500.66	3.79	0.00
Max Job	1109.16	3.79	0.00

✓ *new pressure on annulus*

Water analysis for Gorman Disposal Well

$(\text{Conductivity}) (\text{empirical factor}) = \text{est. TDS (salinity)}$

Empirical factor ranges from 0.59 - 0.9 depending on water matrix. High factors are used for saline water.

Sample measured: EC = 150,000  $\mu\text{mhos/cm}$

For hard water (factor = 0.67)

$(150,000 \mu\text{mhos/cm}) (0.67) = 100,000 \text{ ppm salinity}$

For saline waters (up to a factor of 0.9)

$(150,000 \mu\text{mhos/cm}) (0.9) = 135,000 \text{ ppm salinity}$

Based on EC used on highly saline waters where acid is not present.

Steve Bigley  
dated 4/16/02



COACHELLA VALLEY WATER DISTRICT

STEVE BIGLEY  
WATER QUALITY SPECIALIST

RECEIVED

MAY 16 2002

DIVISION OF  
WATER, GAS AND MINING

✓  
work  
copy

5 1/2" Casing  
N-80 - 20 #

2 3/8" Tubing  
N-80 - 4 #

TIGHT Spots  
6912  
7449

C.I.S.P. / 1095 7310

✓ ✓ 8915

1-7-81  
5734-56 Perf

12-19-81  
5776-5796 Perf  
Frac 12/30/80 73500# 20-40 Sds  
6500 Squeeze holes ?

← 6525 - D.V. Tool

12-19-80  
✓ act 6586 Hawco RBP

= 7107-11, 7118-26 Perf

7345 - Squeeze holes ?  
7100 ✓ Na

= 8846-42, 8813-10 Perfs

= 8860-58, 8855-52

← 8927-33 Perf

T.D. Drilling 8990

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Disposal</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>U-41062</u>
2. NAME OF OPERATOR: <u>S. W. Energy Corporation</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: <u>847 East 400 So. Salt Lake</u> CITY STATE <u>UT</u> ZIP <u>84102</u> PHONE NUMBER: <u>801-532-6664</u>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>C NE 1/4 NW 1/4 0672 FUL 2040 FUL</u> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>NE 1/4 NW 1/4 21 23S 17E SL</u>		8. WELL NAME and NUMBER: <u>Gorman #1 FEDERAL</u>
		9. API NUMBER: <u>43-019-30658</u>
		10. FIELD AND POOL, OR WILDCAT: <u>Salt Wash</u>
		COUNTY: <u>Grand</u>
		STATE: <u>UTAH</u>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>OCT. 20-23, 2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Repair well for pressure testing.</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Total depth: 9190 ft.  
 Ground: 4772 ft.  
 Casing depth: 8990 ft.  
 Injection depth: 8962-9190

Have pressure test done. Determine if leak is in the surface area or downhole. Release packer, pull tubing, locate leak and correct what deficiency may exist.

**COPY SENT TO OPERATOR**  
 Date: 10.21.2010  
 Initials: KS

NAME (PLEASE PRINT) ROSANNE SMOOT HENSHAW TITLE PRESIDENT  
 SIGNATURE Rosanne Smoot Henshaw DATE 10/11/10

(This space for State use only)

**APPROVED BY THE STATE**  
 OF UTAH DIVISION OF OIL, GAS, AND MINING  
 DATE: 10/13/2010  
 BY: [Signature]

**RECEIVED**  
 OCT 11 2010  
 DIV. OF OIL, GAS & MINING

(5/2000) \* Once problem is identified, Operator should contact Division, propose remedial plan and get approval prior to proceeding.

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-41062</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME:
		8. WELL NAME and NUMBER: <b>Gorman #1</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Disposal</u>	2. NAME OF OPERATOR: <b>S. W. Energy Corporation</b>	9. API NUMBER: <b>43-019-30658</b>
3. ADDRESS OF OPERATOR: <b>847 East 400 So. Salt Lake</b> CITY STATE <b>UT</b> ZIP <b>84102</b>	PHONE NUMBER: <b>801-532-6664</b>	10. FIELD AND POOL, OR WILDCAT: <b>Salt Wash</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>C NE 1/4 NW 1/4 0692 FNL 2040 FWL</b>		COUNTY: <b>Grand</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NE 1/4 NW 1/4 21 23S 17E SL</b>		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>APPROX. 10/29/10</b>	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION
		<input type="checkbox"/> REPERFORATE CURRENT FORMATION
		<input type="checkbox"/> SIDETRACK TO REPAIR WELL
		<input type="checkbox"/> TEMPORARILY ABANDON
		<input type="checkbox"/> TUBING REPAIR
		<input type="checkbox"/> VENT OR FLARE
		<input type="checkbox"/> WATER DISPOSAL
		<input type="checkbox"/> WATER SHUT-OFF
		<input type="checkbox"/> OTHER: _____

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

Original plan was to release Packer at 8842 and place 200 FT. Cement Plug on top. Have changed to P/A well.

1) Set 200 FT plug at 5500-5700 30 SK cement.

2) Set 100 FT Plug at 2700-2800 → ± 112K D&D

3) Set CICR at 1500. Perf and squeeze, set 200 FT Plug on top. → ± 8031 D&D

4) Set CICR at 350. Perf and squeeze, Take cement to surface. → ± 120: D&D

COPY SENT TO OPERATOR

Date: 11.8.2010

Initials: KS

NAME (PLEASE PRINT) <u>ROSANNE SMOOT HENSHAW</u>	TITLE <u>PRESIDENT</u>
SIGNATURE <u>Rosanne Smoot Henshaw</u>	DATE <u>10/28/10</u>

(This space for State use only)

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

Federal Approval Of This  
Action Is Necessary

RECEIVED  
OCT 28 2010

(5/2000)

DATE: 10/28/10  
BY: [Signature]

(See instructions on Reverse Side)

\* Verbal approval given 10/27/10

DIV. OF OIL, GAS & MINING

# Wellbore Diagram

API Well No: 43-019-30658-00-00 Permit No: UIC-123.1 Well Name/No: GORMAN FED 1

Company Name: S W ENERGY CORPORATION

Location: Sec: 21 T: 23S R: 17E Spot: NENW

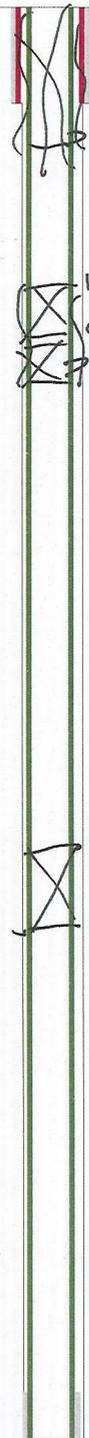
Coordinates: X: 582323 Y: 4294957

Field Name: UNDESIGNATED

County Name: GRAND

### String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (ft/cf)
SURF	300	9.625			
PROD	8991	5.5	20		8.031
				4 3/4" x 5 1/2" (108)	2.9387
				4 5/8" x 5 1/2"	3.716



Cement from 300 ft. to surface **Plug # 4**  
 Surface: 9.625 in. @ 300 ft.  
 Hole: Unknown  
 $0.4 \times 50' / (1.15) (2.9387) = 155K$   
 $1.75 \times 300' / (1.15) (3.716) = 705K$   
 $1.1 \times 350' / (1.15) (8.031) = 385K$   
1235K total

### Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	8991			
SURF	300	0	G	100

**Plug # 3**  
 $1.1 \times 50' / (1.15) (8.031) = 65K$   
 $0.4 \times 200' / (1.15) (2.9387) = 595K$   
 $1.1 \times 150' / (1.15) (8.031) = 175K$   
 $820K \text{ total}$   
 $\pm 600K \text{ below, } 200K \text{ above}$

**Plug # 2**  
 $100' / (1.15) (8.031) = 115K$

### Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
8962	9190			

**Plug # 1**  
 $305K \times (1.15) (8.031) = 277'$   
 Total 5423'

Collaps P @ 5700'

### Formation Information

Formation	Depth
PRDX	5322
LDLL	8644

Cement from 8991 ft.  
 Production: 5.5 in. @ 8991 ft.  
 Hole: Unknown

TD: TVD: PBD:

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

U-41062

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL

OIL WELL  GAS WELL  OTHER Disposal

8. WELL NAME and NUMBER:

Gorman #1

2. NAME OF OPERATOR:

S. W. Energy Corporation

9. API NUMBER:

43-019-30658

3. ADDRESS OF OPERATOR:

847 East 400 So. Salt Lake CITY STATE UT ZIP 84102

PHONE NUMBER:

801-532-6664

10. FIELD AND POOL, OR WILDCAT:

Salt Wash

4. LOCATION OF WELL

FOOTAGES AT SURFACE: C NE $\frac{1}{4}$ NW $\frac{1}{4}$  692 FWL 2040 FWL

COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NE $\frac{1}{4}$ NW $\frac{1}{4}$ 21 23S 17E SL

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <u>29 Oct 2010</u>	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Work completed 29 October 2010 as per attached report from WESTERN WELLSITE SERVICES LLC.

NAME (PLEASE PRINT) Rosanne S. Henshaw

TITLE President

SIGNATURE

*Rosanne S. Henshaw*

DATE 16 December 2010

(This space for State use only)

RECEIVED

DEC 16 2010

GORMAN FED # 1

MI RIG UP ND WH NU BOPE PULL ON 2.3/8 TUBING PIPE STOCK IN WELL  
WORK PIPE DON'T COME FREE RIG UP WIRE LINE CUT PIPE AT 6518' PULL  
ON TUBING DON'T COME FREE RIG WIRE LINE FREE POINT TUBING STOCK AT  
5800' CUT PIPE AT 5895' TOH/WL PUMP 30 SXS 2% CC TOH/TUBING WOC TIH  
/TUBING TAG CEMENT AT 5495' TOH/TUBING TO 2808' PUMP 20 SXS 2% CC  
TOH/TUBING WOC TIH/TUBING TAG CEMENT AT 2616' TOH/TUBING RIG UP  
WIRE LINE SHOT 4 HOLES AT 1500' TOH/WL PU GUN SHOT 4 HOLES AT 350'  
TOH/WL PU 4.5/8 BIT TIH/TUBING TO 1500' TOH/TUBING LAID DOWN BIT PU  
5.1/2 CICR TIH/TUBING SET TOOL AT 1455' PUMP 60 SXS INTO SPOT 20 SXS ON  
TOP TOH/TUBING TO 1221' PUMP 18 SXS 2% CC TOH/TUBING WOC TIH/TUBING  
TAG CEMENT AT 1103' SPOT 12 SXS ON TOP TOH/TUBING PU 5.1/2 CICR TIH/  
TUBING SET TOOL AT 306' PUMP 200 SXS CAN'T GET CEMENT TO SURFACE  
STING OUT PUMP 45 SXS GOOD CEMENT TO SURFACE TOH/TUBING DIG AND  
CUT WELL HEAD TIH/1" TO 100' PUMP 40 SXS GOOD CEMENT TO SURFACE  
TOH/1" CEMENT FALL DOWN 3' PER SECOND WOC PUMP 45 SXS GOOD  
CEMENT TO SURFACE WELDED INFORMATION PLATE ON RIG DOWN MOVE OUT

WORK 2 DAYS ON WELL HOURLY RATE

TOTAL CEMENT PUMP ON WELL 500 SXS

WIRELINE TOTAL COST \$ 7780