

NATURAL GAS CORPORATION
OF CALIFORNIA

85 South 200 East
Vernal, Utah 84078
(801) 789-4573

November 19, 1980

RECEIVED

NOV 24 1980

DIVISION OF
OIL, GAS & MINING

Mr. E. W. Guynn
Geological Survey-Conservation Div.
2000 Administration Bldg.
1745 West 1700 South
Salt Lake City, UT 84104

Mr. Frank M. Hamner
Division of Oil, Gas & Mining
1588 West North Temple
Salt Lake City, UT 84116

Re: Proposed NGC #21-7 Federal
Section 7, T16S, R25E
Grand County, Utah

Gentlemen:

Enclosed are the following documents relating to drilling the above
captioned well:

- 1) Application for Permit to Drill
- 2) Surveyor's Plat
- 3) Ten Point Drilling Procedure
- 4) BOP and Pressure Control Specifications
- 5) Location Layout Map
- 6) Topographic Maps "A" and "B"

Your early consideration and approval of this application would be
appreciated. Should you require any additional information, please
contact this office.

Yours truly,

Wm Ryan

Wm. A. Ryan
Petroleum Engineer

/kh

Encls.

cc: J. C. Bendler
C. T. Clark
E. R. Henry

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

2. NAME OF OPERATOR
 Natural Gas Corporation of California

3. ADDRESS OF OPERATOR
 85 South 200 East, Vernal, UT 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 677' FNL, 2002' FWL, Section 7, T16S, R25E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 21 miles northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 677

16. NO. OF ACRES IN LEASE 1120 (+)

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

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

19. PROPOSED DEPTH 6120'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7253' Ungr. gr.

22. APPROX. DATE WORK WILL START*
 Upon receipt of approval

5. LEASE DESIGNATION AND SERIAL NO.
 U-05010C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Federal

9. WELL NO.
 21-7

10. FIELD AND POOL, OR WILDCAT
 Undesignated

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 7, T16S, R25E

12. COUNTY OR PARISH 13. STATE
 Grand Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#, K55 New	250	250 sacks
8-3/4"	7"	23# K55 New	2890	160 sacks
6-1/8"	4-1/2"	11.6# N80 New	TD	As required.

Operator proposes to drill a 6120' well to test the Morrison formation. All water flows and significant hydrocarbon shows will be evaluated and reported. Drilling operations will be conducted according to the attached procedure and all applicable regulations. Adequate BOP equipment will be installed and maintained as indicated in the attached pressure control specifications. Casing will be run as outlined above and cemented sufficiently to protect all potentially productive intervals. No abnormal pressures, temperatures or other hazards are anticipated.

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING
 DATE: 12/13/80
 BY: [Signature]

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

24. SIGNED Wm. A. Ryan TITLE Petroleum Engineer DATE 11/19/80

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

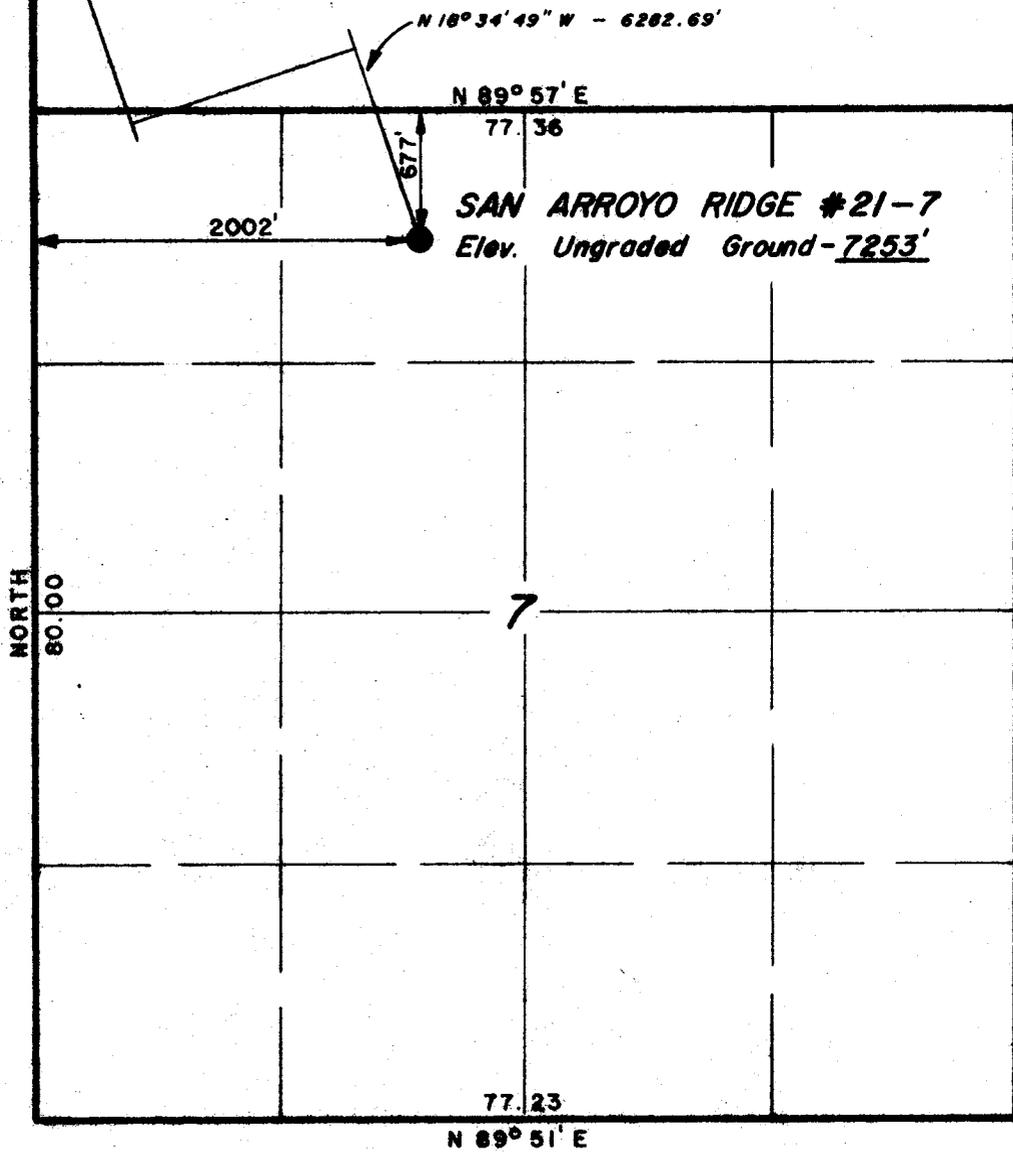
APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

cc: USGS; UT Div. of Oil, Gas & Mining; J.C. Bendler; E.R. Henry; C.T. Clark

NW Cor. Section 6, T16S, R25E, S.L.B. & M.

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



X = Section Corner Located

PROJECT

NATURAL GAS CORP. OF CALIFORNIA

Well location, **SAN ARROYO RIDGE #21-7**, located as shown in the NE1/4 NW1/4 Section 7, T16S, R25E, S.L.B. & M. Grand County, Utah.



CERTIFICATE

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

Lawrence E. Kay
REGISTERED LAND SURVEYOR
REGISTRATION NO 3137
STATE OF UTAH

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

SCALE	1" = 1000'	DATE	10 / 9 / 80
PARTY	RK BK AC	REFERENCES	GLO Plat
WEATHER	Clear / Hot	FILE	NATURAL GAS CORP. OF CALIF.

Natural Gas Corporation of California
 San Arroyo #21-7 Federal
 10 Point Drilling Procedure

1. Surface formation is Green River.

2. Estimated Formation Tops:	<u>Elevation</u>	<u>Datum</u>
Tertiary	Surface	+7253'
Mesaverde	187'	+7066'
Castlegate	1855'	+5398'
Mancos	1962'	+5291'
Mancos B	2892'	+4361'
Dakota Silt	5665'	+1588'
Cedar Mountain	5787'	+1466'
Morrison	5877'	+1376'
TD	6120'	+1134'

3. Estimated zones with gas, oil and/or water.

Mancos B
 Dakota
 Cedar Mountain

4. Casing Program:

Surface -- 9-5/8" @ 250', K-55, STC, 36.0#, New
 Intermediate -- 7" @ 2890', K-55, STC, 23.0#, New
 Production -- 4-1/2" @ 6120', N-80, LTC, 11.6#, New

5. Pressure Control Equipment: See attached diagram. BOP's and choke manifold will be installed and pressure tested before drilling out under surface casing and will be checked daily as to mechanical operating conditions.

6. Mud Program will be fresh water base drilling mud below surface casing to intermediate casing depth. Gel and lime should be used if needed in the event additional viscosity is required for hole cleaning. Conventional types of lost circulation materials should handle minor losses. However, if losses are severe, cement plugs should be utilized to regain circulation.

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>
0 - 250	8.3 - 8.4	27 - 29
250 - 2890	8.4 - 8.8	27 - 29
2890 - TD	Air or air mist	

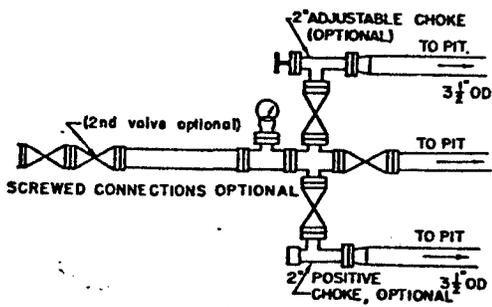
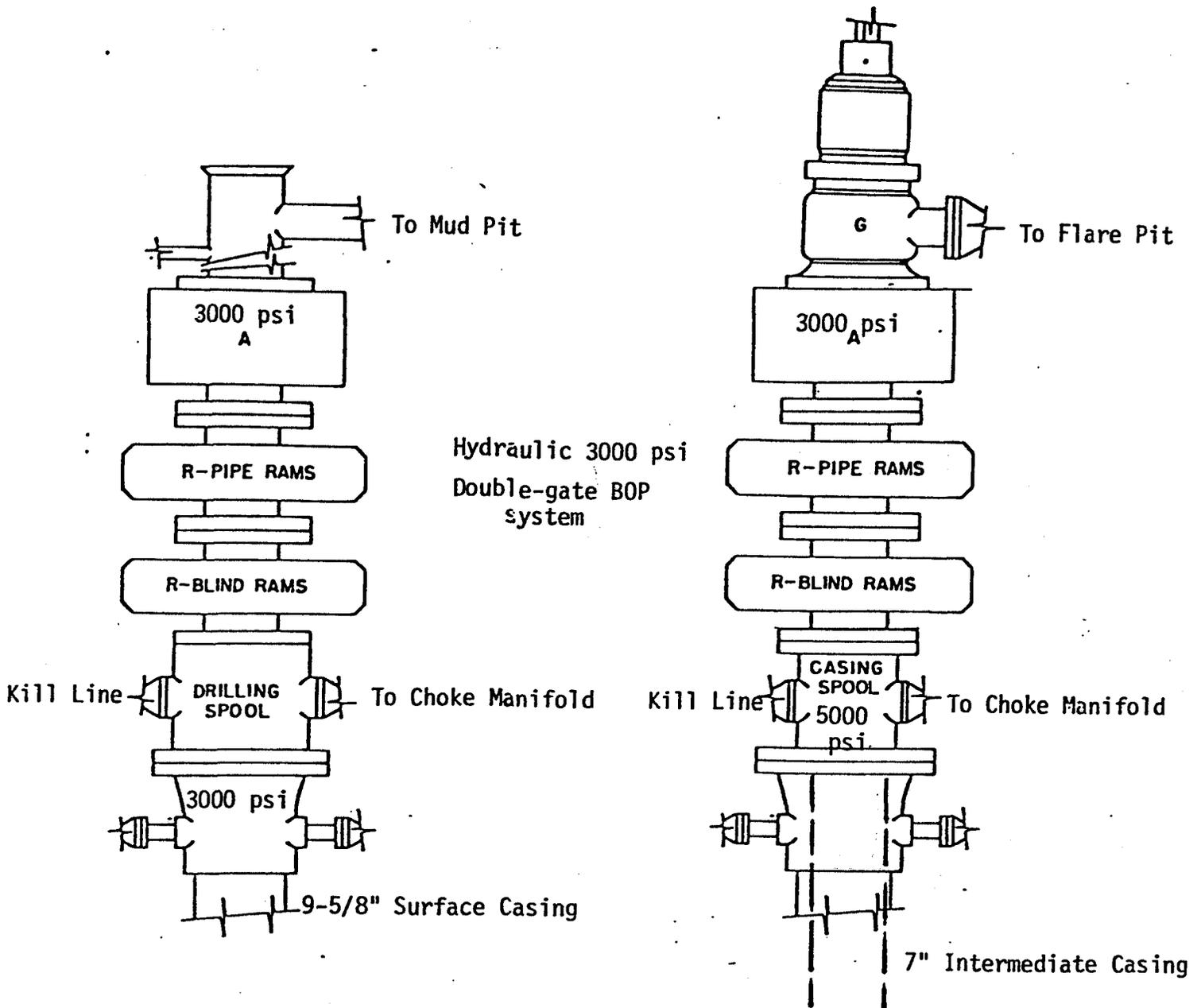
7. Auxiliary equipment will include (1) Kelly cock, (2) drill pipe float (air drilling), (3) monitoring of mud system will be visual, (4) a sub on the floor with a full opening valve to be stabbed into drill pipe when kelly is not in the string and (5) rotating drilling head (air drilling).

8. No coring or drillstem testing has been scheduled for this well, however, frequent flow testing while air drilling through potential formations will be conducted. Logging will include DIL-GR, BHC-Sonic-Gamma Ray and FDC/CNL from 2890' to base surface casing and DIL-SFL, SNP-Gamma Ray, FDC-Gamma Ray and Dipmeter (selective intervals) from TD to base of intermediate casing. A temperature log may be run if the well is flowing gas. Stimulation will be determined at time of completion. A Sundry Notice will be submitted prior to commencing operations.

9. No abnormal pressures or temperatures, hydrogen sulfide, or other hazards are anticipated. However, a mud logger or wellsite geologist will be on location at all times to monitor drilling progress.
10. Anticipated starting date upon receipt of approval. Duration of drilling operations is expected to be about 20 days.

11/19/80

BLOWOUT-PREVENTOR AND ACCESSORY EQUIPMENT



3000 psi
CHOKE MANIFOLD.

Test Schedule

- 1) 10" BOP, choke manifold and 9-5/8" casing to 1000 psi on nipple up.
- 2) 10" BOP, choke manifold and 7" casing to 3000 psi.
- 3) All BOP equipment tested for operation daily and on bit trips.

NGC #21-7 Federal
Section 7, T16S, R25E

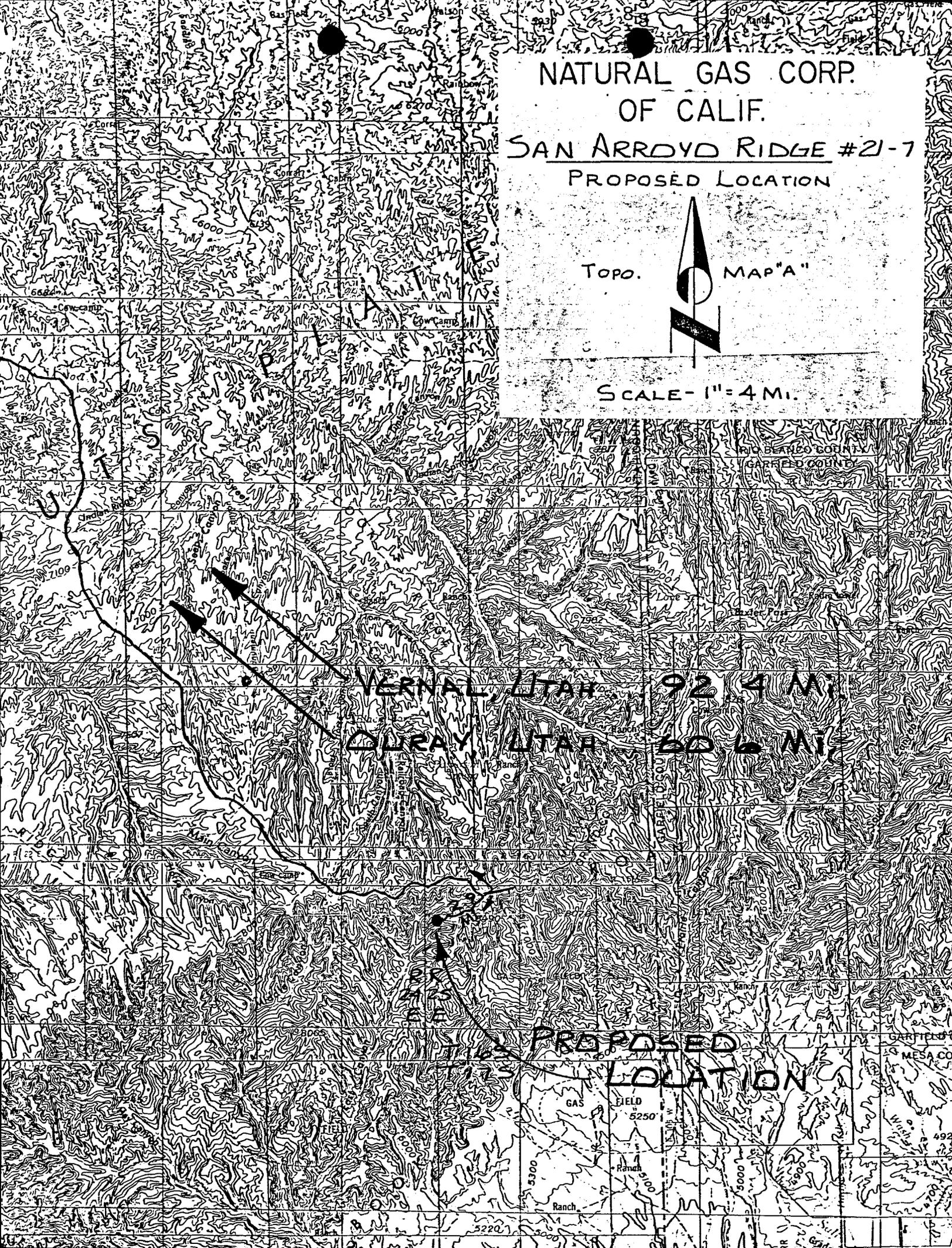
NATURAL GAS CORP.
OF CALIF.
SAN ARROYO RIDGE #21-7
PROPOSED LOCATION

TOPO.

MAP "A"



SCALE - 1" = 4 MI.



VERNAL UTAH 92.4 MI.

COURAY UTAH 60.6 MI.

PROPOSED
LOCATION

GAS FIELD
5250'

Ranch

Ranch

GARTFIELD
MESA CO

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Moab, Utah
SERIAL NO.: U-05010-C

and hereby designates

NAME: Fortune Oil Company
ADDRESS: 50 S. Main Street, Suite 1570
Salt Lake City, Utah 84144

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

T. 16 S., R. 25 E., S.L.M.
Section 7: N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

MONO POWER COMPANY

B. L. Perry
.....
(Signature of lessee)

May 11, 1982
.....
(Date)

P. O. Box 800
Rosemead, California 91770
.....
(Address)

217

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Moab, Utah
SERIAL NO.: U-05010-C

and hereby designates

NAME: Fortune Oil Company
ADDRESS: 50 S. Main Street, Suite 1570
Salt Lake City, Utah 84144

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The lessee agrees promptly to notify the supervisor of any change in the designated operator.

ENERGY INCREMENTS, A DIVISION OF
CARSON WATER COMPANY

Edward F. Kulos
.....
(Signature of lessee)

May 6, 1982
.....
(Date)

5241 Spring Mountain Road
Las Vegas, Nevada 89114
.....
(Address)

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Moab, Utah
SERIAL NO.: U-05010-C

and hereby designates

NAME: Fortune Oil Company
ADDRESS: 50 S. Main Street, Suite 1570
Salt Lake City, Utah 84144

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

T. 16 S., R. 25 E., S.L.M.
Section 7: N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

PACIFIC TRANSMISSION SUPPLY COMPANY

By C. T. Clark, Jr.
(Signature of lessee)

C. T. Clark, Jr., Attorney-in-Fact
245 Market Street
San Francisco, California 94105
(Address)

EVIDENCE OF AUTHORITY FOR ATTORNEY-IN-FACT
IS FILLED IN U-46500 AND SUCH
AUTHORITY IS STILL IN EFFECT.

May 7, 1982
(Date)

U. S. G. S.

Attached please find a new Certification by Michael L. Pinnell of Fortune Oil Company to replace the Certification attached to the enclosed 13 Point Plan

FORTUNE OIL COMPANY

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

11. OTHER INFORMATION - cont...

There are no occupied dwellings or other facilities of this nature in the general area.

There are no visible archaeological, historical, or cultural sites within any reasonable proximity of the proposed location site. (See Topographic Map "B").

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

Michael L. Pinnell
50 South Main Street, Suite 1570
Salt Lake City, Utah 84144
1-801-532-7797 (Office)
1-801-942-1709 (Residence)

13. CERTIFICATION

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

May 12, 1982

Date


Michael L. Pinnell

NATURAL GAS CORP. OF CALIFORNIA

13 Point Surface Use Plan

for

Well Location

San Arroyo Ridge 21-7

Located In .

Section 7, T16S, R25E, S.L.B. & M.

Grand County, Utah

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo Ridge 21-7
Section 7, T16S, R25E, S.L.B. & M.

1. EXISTING ROADS

See attached Topographic Map "A".

To reach Natural Gas Corp., well location San Arroyo Ridge 21-7, located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 7, T16S, R25E, S.L.B. & M., Grand County, Utah, proceed West from Vernal, Utah along U.S. Highway 40 - 14 miles to the junction of this Highway and Utah State Highway 88 that exits to the South. Proceed South along Utah State Highway 88 - 17.8 miles to Ouray, Utah. Proceed South from Ouray along the Uintah County Road (of which the first 12 miles is paved and the rest an improved dirt road), 53 miles to P.R. Springs; proceed Easterly along a improved dirt road that is called the McCook Ridge road 7.6 miles to the junction of this road and an existing road to the Southwest; proceed Southwesterly along this road 2.7 miles to the beginning of the proposed access road (to be discussed in Item #2).

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to Ouray, Utah at which point the road is surfaced with native asphalt for approximately 12 miles, and then is improved dirt.

There will be no construction on the above described roads. They will meet the necessary standards required to facilitate an orderly flow of traffic during the drilling phase, completion phase, and the production phase of this well at such time that production is established.

The highways mentioned above are under Utah State jurisdiction and are maintained by State Road Crews. The County road is constructed of native asphalt (partially) and is maintained by County Road crews.

The roads that are required for access during the drilling phase, completion phase, and production phase of this well, will be maintained at the standards required by the B.L.M. or other controlling agencies.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The planned access road leaves the existing road described in Item #1 in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 7, T16S, R25E, S.L.B. & M. and proceeds in a Southerly direction approximately 0.2 miles to the proposed location site.

In order to facilitate the anticipated traffic flow necessary to drill and produce this well, the following standards will be met:

The proposed access road will be an 18' crown road (9' either side of the centerline) with drain ditches along either side of the proposed road where it is determined necessary in order to handle any run-off from normal meterological conditions that are prevalent to this area.

Back slopes along the cut areas of the road will be 1 $\frac{1}{2}$ to 1 slopes and terraced.

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

2. PLANNED ACCESS ROAD - cont...

There will be one culvert required along this access road, it will be placed according to specification found in the Oil & Gas Surface Operations Manual.

There will be no turnouts required along this access road.

There are no fences encountered along this access road. There will be no gates or cattleguards required.

Most lands involved in this action are under B.L.M. jurisdiction.

The terrain that is traversed by this road is relatively flat. It is sparsely vegetated with sagebrush and grasses.

3. LOCATION OF EXISTING WELLS

At the present time there are no known water wells, abandoned wells, disposal wells, drilling wells, shut in wells, injection, monitoring or observation wells for other resources within a one mile radius of this location site.

There is however one producing well within a one mile radius. (refer to Topographic Map "B").

4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION GATHERING AND SERVICE LINES

At the present time there are no existing batteries, production facilities, gas gathering lines, injection or disposal lines within a one-mile radius of this location site belonging to Natural Gas Corp. of California.

In the event that production of oil from this well is established, then the existing area of the location will be utilized for the establishment of the necessary production facilities.

This area will be built, if possible, with native materials and if these materials are not available, then the necessary arrangements will be made to get them from private sources.

The total area that is needed for the production of this well will be fenced and cattleguards will be utilized for access to these facilities if deemed necessary by the controlling agencies involved.

In the event that the production of natural gas is established then the necessary arrangements for a gas flowline will be made.

The rehabilitation of the disturbed area that is not required for the production of this well, will meet the requirements of Item #7 and #10 and these requirements and standards will be adhered to.

5. LOCATION AND TYPE OF WATER SUPPLY

See Topographic Map "B".

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

5. LOCATION AND TYPE OF WATER SUPPLY - cont...

The anticipated water supply for this location is from P.R. Springs in Section 33, T15½S, R23E, S.L.B. & M. and will be hauled by truck the 10.5 miles over the roads discussed in Item #1 and #2.

If this water source is not available then the necessary arrangements will be made to acquire the water needed for the drilling and production of this well and all agencies involved will be notified.

All appropriate permits will be acquired and submitted to the proper authorities.

There will be no water well drilled at this location site.

6. SOURCE OF CONSTRUCTION MATERIALS

All construction materials for this location site and access road shall be borrow materials accumulated during construction of the location site and access road. No additional road gravels or pit lining material from other sources are anticipated at this time, but if they are required, the appropriate actions will be taken to acquire them from private sources.

7. METHODS FOR HANDLING WASTE DISPOSAL

See Location Layout Sheet.

The reserve pit will vary in size and depth according to the water table at the time of drilling.

One half of the reserve pit will be used as fresh water storage area during the drilling of this well and the other one half will be used to store non-flammable materials such as cuttings, salts, drilling fluids, chemicals, produced fluids, etc.

If deemed necessary by the agencies concerned, to prevent contamination to surrounding areas, the reserve pits will be lined with a gel.

The pits will have wire and overhead flagging installed at such time as deemed necessary to protect the waterfowl, wildlife and domestic animals.

At the onset of drilling, the reserve pit will be fenced on three sides and at the time the drilling activities are completed, it will be fenced on the fourth side and allowed to dry completely prior to the time that backfilling and reclamation activities are attempted.

When the reserve pit dries and the reclamation activities commence, the pits will be covered with a minimum of four feet of soil and all requirements of Item #10 will be followed.

A portable trash basket will be placed on the location site and all trash will be hauled to the nearest Sanitary Land Fill

A portable chemical toilet will be supplied for human waste.

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

8. ANCILLARY FACILITIES

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. WELL SITE LAYOUT

See Location Layout Sheet.

The B.L.M. Representative shall be notified before any construction begins on the proposed location site.

As mentioned in Item #7, the pits will be unlined unless it is determined by the representatives of the agencies involved that the materials are too porous and would cause contamination to the surrounding area; then the pits will be lined with a gel and any other type material necessary to make them safe and tight.

When drilling activities commence, all work shall proceed in a neat and orderly sequence.

10. PLANS FOR RESTORATION OF SURFACE

As there is some topsoil on the location site, all topsoil shall be stripped and stockpiled. (See Location Layout Sheet & Item #9). When all drilling and production activities have been completed, the location site and access road will be reshaped to the original contour and stockpiled topsoil spread over the disturbed area.

Any drainages re-routed during the construction activities shall be restored to their original line of flow as near as possible. Fences around pits are to be removed upon completion of drilling activities and all waste being contained in the trash pit shall be buried with a minimum of 5' cover.

Restoration activities shall begin within 90 days after completion of the well. Once restoration activities have begun, they shall be completed within 30 days.

When restoration activities have been completed, the location site and access road shall be reseeded with a seed mixture recommended by the B.L.M. Representative when the moisture content of the soil is adequate for germination. The Lessee further covenants and agrees that all of said clean-up and restoration activities shall be done and performed in a diligent and most workmanlike manner, and in strict conformity with the above mentioned Item #7 and #10.

11. OTHER INFORMATION

The Topography of the General Area (See Topographic Map "A").

The terrain of the general area slopes from the rim of the Book Cliff Mountains to the North to the Colorado River to the South and is a portion of the East Tavaputs Plateau.

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

11. OTHER INFORMATION - cont...

The area is interlaced with numerous ridges and canyons formed by non-perennial streams and washes. The sides of the hills and canyons are rather steep and outcrops of sandstones, conglomerates, and shale deposits, are common in the area forming ledges and cliffs along the sides of the canyons.

The visible geologic structures in the area are of the Tuscher Formation Tertiary Period and the Wasatch Formation also of the Tertiary Period.

The major drainage in the area with a year-round flow is the West Fork Bitter Creek to the East.

The majority of the numerous drainages in the surrounding area are of a non-perennial nature flowing only during the early spring run-off and during extremely heavy rain storms of relatively long duration. This type of storm is rather uncommon as the normal annual precipitation is around 8".

The topsoil in the area ranges from a sandy-clay (SM-ML) type soil to a clayey (OL) type soil.

Due to the low precipitation average, climate condition and the types of soils, the vegetation that is found in the area is common of the semi-arid region we are located in, and consists of juniper and pinion pine trees, sagebrush, scrub oak, shadscale, and bitterbrush, and some grasses and cacti as the primary flora.

The fauna of the area is sparse and consists predominantly of the mule deer, coyotes, rabbits and varieties of small ground squirrels and other types of rodents and various forms of reptiles.

The area is used by man for the primary purpose of grazing domestic livestock and sheep.

The birds of the area are raptors, finches, sparrows, magpies, crows, and jays.

The Topography of the Immediate Area (See Topographic Map "B").

The proposed location sits near the bottom of East Canyon on a very steep side hill.

The visible structure of the location is of the Tuscher formation and consists of brownish-gray sandy-clay (SP-CL) with some shale outcrops.

The ground slopes through the location to the Northwest at approximately a 23% grade.

The location is covered with juniper and pinion pine trees, scrub oak, sagebrush, and grasses.

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

11. OTHER INFORMATION - cont...

There are no occupied dwellings or other facilities of this nature in the general area.

There are no visible archaeological, historical, or cultural sites within any reasonable proximity of the proposed location site. (See Topographic Map "B").

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

R. J. Firth
85 South 200 East
Vernal, Utah 84078

1-801-789-4573

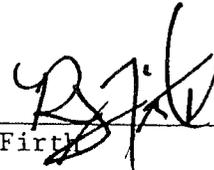
13. CERTIFICATION

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

Date

10/7/80

R.J Firth



FORTUNE OIL COMPANY
 San Arroyo #21-7 Federal
 10 Point Drilling Procedure

1. Surface formation is Green River.

2. Estimated Formation Tops:	<u>Elevation</u>	<u>Datum</u>
Tertiary	Surface	+7253'
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Cedar Mountain	5787'	+1466'
Morrison	5877'	+1376'
TD	6120'	+1134'

3. Possible zones with gas, oil and/or water.

- Mancos B
- Dakota
- Cedar Mountain

4. Casing Program:

- Surface -- 9-5/8" @ 250', K-55, STC, 36.0#, New
- Intermediate -- 7" @ 2890', K-55, STC, 23.0#, New
- Production -- 4-1/2" to T.D., N-80, LTC, 11.6#, New

5. Pressure Control Equipment: See attached diagram. BOP's and choke manifold will be installed and pressure tested before drilling out under surface casing and will be checked daily as to mechanical operating conditons.

6. Mud Program will be fresh water base drilling mud below surface casing to intermediate casing depth. Gel and lime should be used if needed in the event additional viscosity is required for hole cleaning. Conventional types of lost circulation materials should handle minor losses. However, if losses are severe, cement plugs should be utilized to regain circulation.

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>
0 - 250	8.3 - 8.4	27 - 29
250 - 2890	8.4 - 8.8	27 - 29
2890 - TD	Air or air mist	

7. Auxiliary equipment will include (1) Kelly cock, (2) drill pipe float (air drilling), (3) monitoring of mud system will be visual, (4) a sub on the floor with a full opening valve to be stabbed into drill pipe when kelly is not in the string and (5) rotating drilling head (air drilling).

8. No coring or drillstem testing has been scheduled for this well, however, frequent flow testing while air drilling through potential formations will be conducted. Logging will include DIL, and CNL-FDC-BHC Dip meter from TD to base surface casing assuming we are able to mud up for our logging run. If we do not mud up the hole, the above mentioned logging runs will be replaced by SNP-GR and FDC-GR. A temperature log may be run if the well is flowing gas. Stimulation

FOC 10 Point Drilling Procedure

San Arroyo #21-7 Federal

Page 2

will be determined at time of completion. A Sundry Notice will be submitted prior to commencing operations.

9. No abnormal pressures or temperatures, hydrogen sulfide, or other hazards are anticipated. However, a mud logger or wellsite geologist will be on location at all times to monitor drilling progress.
10. Anticipated starting date upon receipt of approval. Duration of drilling operations is expected to be about 12 days.

** FILE NOTATIONS **

DATE: 12-3-80

OPERATOR: Natural Gas Corp of Calif

WELL NO: Deer 27-7

Location: Sec. 7 T. 16S R. 25E County: Mineral

File Prepared:

Entered on N.I.D:

Card Indexed:

Completion Sheet:

API Number 43-019-~~30755~~

CHECKED BY:

Petroleum Engineer: _____

Director: OK as per order issued in case 149-1
This is the drilling unit well for drilling East #1
zone III

Administrative Aide: _____

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 149-1 Mar 14, 73

O.K. Rule C-3

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

Lease Designation Deer

Plotted on Map

Approval Letter Written

Hot Line

P.I.

December 9, 1980

Natural Gas Corporation of California
85 South 200 East,
Vernal, Utah 84078

Re: Well No. Federal 21-7
Sec. 7, T. 16S, R. 25E
Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with the Order issued in Cause No. 149-1 dated March 14, 1973. This is the Unit well for Drilling Unit #1, Zone III.

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~~-30755.

Sincerely,

DIVISION OF OIL, GAS, AND MINING

12/10/80
Cleon B. Feight
Director

/ka
cc: USGS

Conservation Division
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104-3884

RECEIVED
NOV 25 1981

November 19, 1981

DIVISION OF
OIL, GAS & MINING

Natural Gas Corporation of California
85 South 200 East
Vernal, Utah 84078

Re: Applications for Permit to Drill
Well No. 21-7 and 43-7
Section 7-16S-25E
Grand County, Utah
Lease No. U-05610-C

Gentlemen:

The referenced applications for permit to drill were received in this office on November 24, 1980 and December 1, 1980 respectively.

Reviewing the applications disclosed that a Designation of Operator and Bonding is still needed from Emerald Oil Company. This office cannot process the applications as they are deficient, and therefore, is returning your applications unapproved.

This office will commence processing the applications upon receipt of new complete packages.

If you have any questions, please feel free to call.

Sincerely,

E. W. Gynn
District Oil and Gas Supervisor

LE/db

cc: well file
APD Control
SNA
ES
Dist. O&G

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MINERALS SERVICE
OIL & GAS OPERATIONS
RECEIVED
MAY 21 1982

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
Fortune Oil Company 532-7797

3. ADDRESS OF OPERATOR
50 S. Main Street, Suite 1570, Salt Lake City, Utah 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
677' FNL, 2002' FWL, Section 7, T16S, R25E
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 21 miles northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 677

16. NO. OF ACRES IN LEASE 1120 (+)

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

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

19. PROPOSED DEPTH 6120'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7253' Ungr. gr.

22. APPROX. DATE WORK WILL START*
Upon receipt of approval

5. LEASE DESIGNATION AND SERIAL NO.
U-05010-C
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Federal
9. WELL NO.
21-7
10. FIELD AND POOL, OR WILDCAT
San Arroyo
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 7, T16S, R25E
12. COUNTY OR PARISH Grand
13. STATE Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#, K55 New	250	250 sacks
8-3/4"	7"	23#, K55 New	2890	160 sacks
6-1/8"	4-1/2"	11.6# N80 New	TD	As required.

Operator proposes to drill a 6120' well to test the Morrison formation. All water flows and significant hydrocarbon shows will be evaluated and reported. Drilling operations will be conducted according to the attached procedure and all applicable regulations. Adequate BOP equipment will be installed and maintained as indicated in the attached pressure control specifications. Casing will be run as outlined above and cemented sufficiently to protect all potentially productive intervals. No abnormal pressures, temperatures or other hazards are anticipated.

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 Michael L. Pinnell TITLE Exploration Manager DATE April 30, 1982
Michael L. Pinnell

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE
FOR E. W. GUYNN
APPROVED BY W.D. Martin TITLE DISTRICT OIL & GAS SUPERVISOR DATE JUN 16 1982
CONDITIONS OF APPROVAL, IF ANY:

cc: USGS; UT Div. of Oil, Gas & Mining, Nat. Gas Corp., Mono Power, Energy Increments.

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

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

State Oil & Gas

21-7

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
 Fortune Oil Company

3. ADDRESS OF OPERATOR
 50 S. Main Street, Suite 1570, Salt Lake City, Utah 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface
 677' FNL, 2002' FWL, Section 7, T16S, R25E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 21 miles northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 677

16. NO. OF ACRES IN LEASE
 1120 (+)

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

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

19. PROPOSED DEPTH
 6120'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7253' Ungr. gr.

22. APPROX. DATE WORK WILL START*
 Upon receipt of approval

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#, K55 New	250	250 sacks
8-3/4"	7"	23#, K55 New	2890	160 sacks
6-1/8"	4-1/2"	11.6# N80 New	TD	As required.

Operator proposes to drill a 6120' well to test the Morrison formation. All water flows and significant hydrocarbon shows will be evaluated and reported. Drilling operations will be conducted according to the attached procedure and all applicable regulations. Adequate BOP equipment will be installed and maintained as indicated in the attached pressure control specifications. Casing will be run as outlined above and cemented sufficiently to protect all potentially productive intervals. No abnormal pressures, temperatures or other hazards are anticipated.

APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING
 DATE: 6/29/82
 BY: [Signature]

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

24. SIGNED Michael L. Pinnell TITLE Exploration Manager DATE April 30, 1982
 Michael L. Pinnell

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

cc: USGS; UT Div. of Oil, Gas & Mining, Nat. Gas Corp., Mono Power, Energy Increments.

x

NATURAL GAS CORP. OF CALIFORNIA

13 Point Surface Use Plan

for

Well Location

San Arroyo Ridge 21-7

Located In .

Section 7, T16S, R25E, S.L.B. & M.

Grand County, Utah

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo Ridge 21-7
Section 7, T16S, R25E, S.L.B. & M.

1. EXISTING ROADS

See attached Topographic Map "A".

To reach Natural Gas Corp., well location San Arroyo Ridge 21-7, located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 7, T16S, R25E, S.L.B. & M., Grand County, Utah, proceed West from Vernal, Utah along U.S. Highway 40 - 14 miles to the junction of this Highway and Utah State Highway 88 that exits to the South. Proceed South along Utah State Highway 88 - 17.8 miles to Ouray, Utah. Proceed South from Ouray along the Uintah County Road (of which the first 12 miles is paved and the rest an improved dirt road), 53 miles to P.R. Springs; proceed Easterly along a improved dirt road that is called the McCook Ridge road 7.6 miles to the junction of this road and an existing road to the Southwest; proceed Southwesterly along this road 2.7 miles to the beginning of the proposed access road (to be discussed in Item #2).

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to Ouray, Utah at which point the road is surfaced with native asphalt for approximately 12 miles, and then is improved dirt.

There will be no construction on the above described roads. They will meet the necessary standards required to facilitate an orderly flow of traffic during the drilling phase, completion phase, and the production phase of this well at such time that production is established.

The highways mentioned above are under Utah State jurisdiction and are maintained by State Road Crews. The County road is constructed of native asphalt (partially) and is maintained by County Road crews.

The roads that are required for access during the drilling phase, completion phase, and production phase of this well, will be maintained at the standards required by the B.L.M. or other controlling agencies.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The planned access road leaves the existing road described in Item #1 in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 7, T16S, R25E, S.L.B. & M. and proceeds in a Southerly direction approximately 0.2 miles to the proposed location site.

In order to facilitate the anticipated traffic flow necessary to drill and produce this well, the following standards will be met:

The proposed access road will be an 18' crown road (9' either side of the centerline) with drain ditches along either side of the proposed road where it is determined necessary in order to handle any run-off from normal meterological conditions that are prevalent to this area.

Back slopes along the cut areas of the road will be 1 $\frac{1}{2}$ to 1 slopes and terraced.

2. PLANNED ACCESS ROAD - cont...

There will be one culvert required along this access road, it will be placed according to specification found in the Oil & Gas Surface Operations Manual.

There will be no turnouts required along this access road.

There are no fences encountered along this access road. There will be no gates or cattleguards required.

Most lands involved in this action are under B.L.M. jurisdiction.

The terrain that is traversed by this road is relatively flat. It is sparsely vegetated with sagebrush and grasses.

3. LOCATION OF EXISTING WELLS

At the present time there are no known water wells, abandoned wells, disposal wells, drilling wells, shut in wells, injection, monitoring or observation wells for other resources within a one mile radius of this location site.

There is however one producing well within a one mile radius. (refer to Topographic Map "B").

4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION GATHERING AND SERVICE LINES

At the present time there are no existing batteries, production facilities, gas gathering lines, injection or disposal lines within a one-mile radius of this location site belonging to Natural Gas Corp. of California.

In the event that production of oil from this well is established, then the existing area of the location will be utilized for the establishment of the necessary production facilities.

This area will be built, if possible, with native materials and if these materials are not available, then the necessary arrangements will be made to get them from private sources.

The total area that is needed for the production of this well will be fenced and cattleguards will be utilized for access to these facilities if deemed necessary by the controlling agencies involved.

In the event that the production of natural gas is established then the necessary arrangements for a gas flowline will be made.

The rehabilitation of the disturbed area that is not required for the production of this well, will meet the requirements of Item #7 and #10 and these requirements and standards will be adhered to.

5. LOCATION AND TYPE OF WATER SUPPLY

See Topographic Map "B".

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

5. LOCATION AND TYPE OF WATER SUPPLY - cont...

The anticipated water supply for this location is from P.R. Springs in Section 33, T15½S, R23E, S.L.B. & M. and will be hauled by truck the 10.5 miles over the roads discussed in Item #1 and #2.

If this water source is not available then the necessary arrangements will be made to acquire the water needed for the drilling and production of this well and all agencies involved will be notified.

All appropriate permits will be acquired and submitted to the proper authorities.

There will be no water well drilled at this location site.

6. SOURCE OF CONSTRUCTION MATERIALS

All construction materials for this location site and access road shall be borrow materials accumulated during construction of the location site and access road. No additional road gravels or pit lining material from other sources are anticipated at this time, but if they are required, the appropriate actions will be taken to acquire them from private sources.

7. METHODS FOR HANDLING WASTE DISPOSAL

See Location Layout Sheet.

The reserve pit will vary in size and depth according to the water table at the time of drilling.

One half of the reserve pit will be used as fresh water storage area during the drilling of this well and the other one half will be used to store non-flammable materials such as cuttings, salts, drilling fluids, chemicals, produced fluids, etc.

If deemed necessary by the agencies concerned, to prevent contamination to surrounding areas, the reserve pits will be lined with a gel.

The pits will have wire and overhead flagging installed at such time as deemed necessary to protect the waterfowl, wildlife and domestic animals.

At the onset of drilling, the reserve pit will be fenced on three sides and at the time the drilling activities are completed, it will be fenced on the fourth side and allowed to dry completely prior to the time that backfilling and reclamation activities are attempted.

When the reserve pit dries and the reclamation activities commence, the pits will be covered with a minimum of four feet of soil and all requirements of Item #10 will be followed.

A portable trash basket will be placed on the location site and all trash will be hauled to the nearest Sanitary Land Fill

A portable chemical toilet will be supplied for human waste.

8. ANCILLARY FACILITIES

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. WELL SITE LAYOUT

See Location Layout Sheet.

The B.L.M. Representative shall be notified before any construction begins on the proposed location site.

As mentioned in Item #7, the pits will be unlined unless it is determined by the representatives of the agencies involved that the materials are too porous and would cause contamination to the surrounding area; then the pits will be lined with a gel and any other type material necessary to make them safe and tight.

When drilling activities commence, all work shall proceed in a neat and orderly sequence.

10. PLANS FOR RESTORATION OF SURFACE

As there is some topsoil on the location site, all topsoil shall be stripped and stockpiled. (See Location Layout Sheet & Item #9). When all drilling and production activities have been completed, the location site and access road will be reshaped to the original contour and stockpiled topsoil spread over the disturbed area.

Any drainages re-routed during the construction activities shall be restored to their original line of flow as near as possible. Fences around pits are to be removed upon completion of drilling activities and all waste being contained in the trash pit shall be buried with a minimum of 5' cover.

Restoration activities shall begin within 90 days after completion of the well. Once restoration activities have begun, they shall be completed within 30 days.

When restoration activities have been completed, the location site and access road shall be reseeded with a seed mixture recommended by the B.L.M. Representative when the moisture content of the soil is adequate for germination. The Lessee further covenants and agrees that all of said clean-up and restoration activities shall be done and performed in a diligent and most workmanlike manner, and in strict conformity with the above mentioned Item #7 and #10.

11. OTHER INFORMATION

The Topography of the General Area (See Topographic Map "A").

The terrain of the general area slopes from the rim of the Book Cliff Mountains to the North to the Colorado River to the South and is a portion of the East Tavaputs Plateau.

11. OTHER INFORMATION - cont...

The area is interlaced with numerous ridges and canyons formed by non-perennial streams and washes. The sides of the hills and canyons are rather steep and outcrops of sandstones, conglomerates, and shale deposits, are common in the area forming ledges and cliffs along the sides of the canyons.

The visible geologic structures in the area are of the Tuscher Formation Tertiary Period and the Wasatch Formation also of the Tertiary Period.

The major drainage in the area with a year-round flow is the West Fork Bitter Creek to the East.

The majority of the numerous drainages in the surrounding area are of a non-perennial nature flowing only during the early spring run-off and during extremely heavy rain storms of relatively long duration. This type of storm is rather uncommon as the normal annual precipitation is around 8".

The topsoil in the area ranges from a sandy-clay (SM-ML) type soil to a clayey (OL) type soil.

Due to the low precipitation average, climate condition and the types of soils, the vegetation that is found in the area is common of the semi-arid region we are located in, and consists of juniper and pinion pine trees, sagebrush, scrub oak, shadscale, and bitterbrush, and some grasses and cacti as the primary flora.

The fauna of the area is sparse and consists predominantly of the mule deer, coyotes, rabbits and varieties of small ground squirrels and other types of rodents and various forms of reptiles.

The area is used by man for the primary purpose of grazing domestic livestock and sheep.

The birds of the area are raptors, finches, sparrows, magpies, crows, and jays.

The Topography of the Immediate Area (See Topographic Map "B").

The proposed location sits near the bottom of East Canyon on a very steep side hill.

The visible structure of the location is of the Tuscher formation and consists of brownish-gray sandy-clay (SP-CL) with some shale outcrops.

The ground slopes through the location to the Northwest at approximately a 23% grade.

The location is covered with juniper and pinion pine trees, scrub oak, sagebrush, and grasses.

NATURAL GAS CORP. OF CALIFORNIA
San Arroyo 21-7
Section 7, T16S, R25E, S.L.B. & M.

11. OTHER INFORMATION - cont...

There are no occupied dwellings or other facilities of this nature in the general area.

There are no visible archaeological, historical, or cultural sites within any reasonable proximity of the proposed location site. (See Topographic Map "B").

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

R. J. Firth
85 South 200 East
Vernal, Utah 84078

1-801-789-4573

13. CERTIFICATION

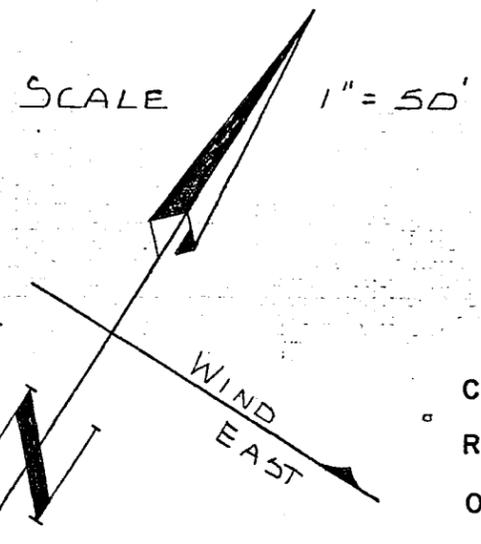
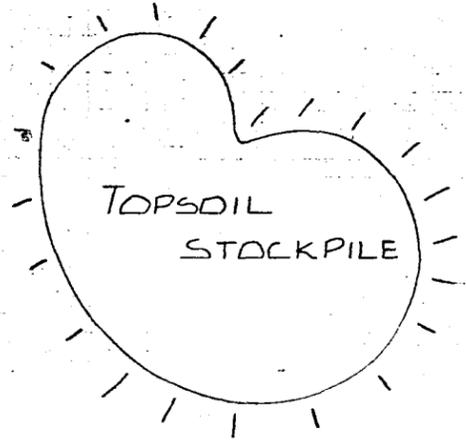
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated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

Date

10/7/80

R.J Firth

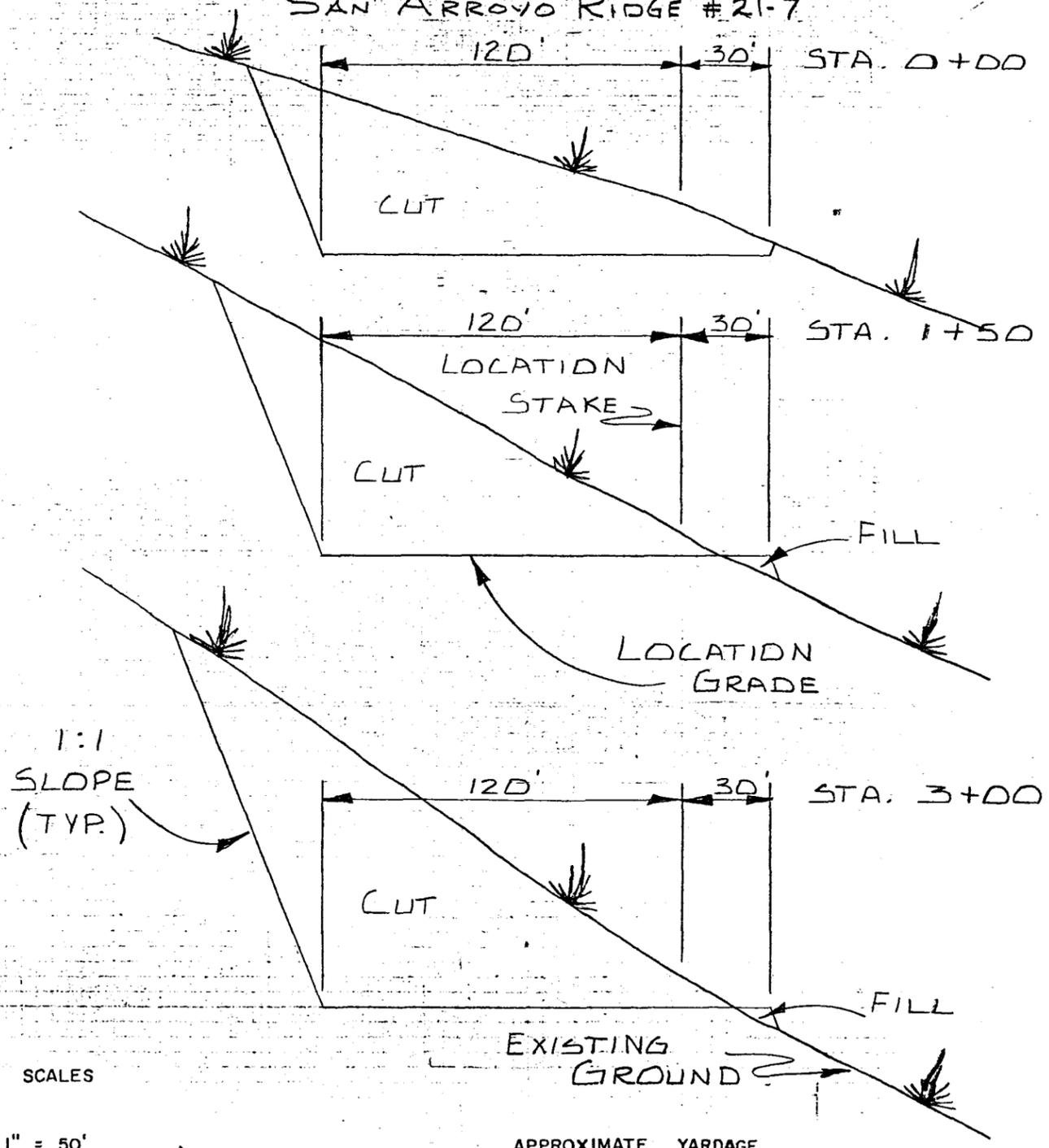




NATURAL GAS CORP. OF CALIF.

SAN ARROYO RIDGE #21-7

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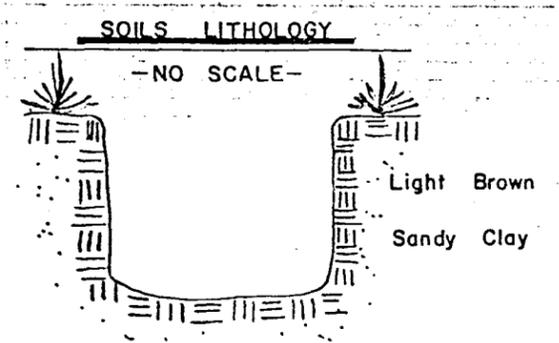
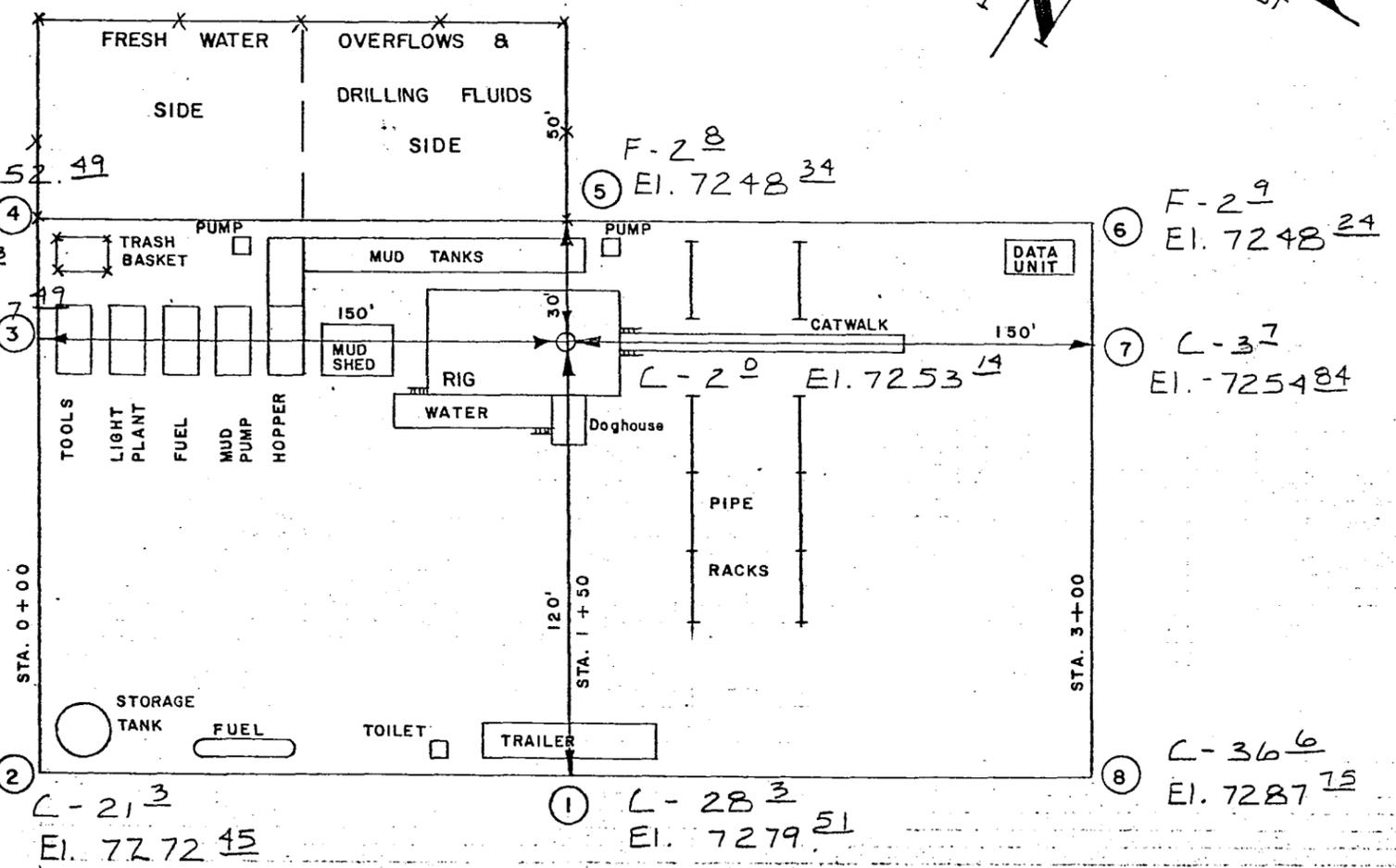


SCALES
1" = 50'

APPROXIMATE YARDAGE

Cubic Yards of Cut - 27,514
Cubic Yards of Fill - 231

RESERVE PITS



UTAH CO
GRAND CO

← VERNAL UTAH ... 92.4 MI

← DURAY UTAH ... 60.6 MI

← P.R. SPRING ... 7.6 MI

T 15 1/2 S
R 10 S

CANYON

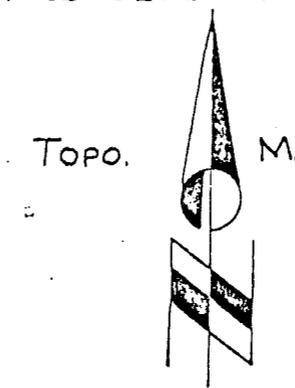
PROPOSED ACCESS ROAD ... 0.2 MI

PROPOSED LOCATION
SAN ARROYO RIDGE #21-

Hideout

RIDGE

NATURAL GAS CORP.
OF CALIF.
SAN ARROYO RIDGE #21-7
PROPOSED LOCATION

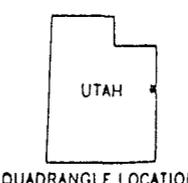


TOPO. MAP "B"

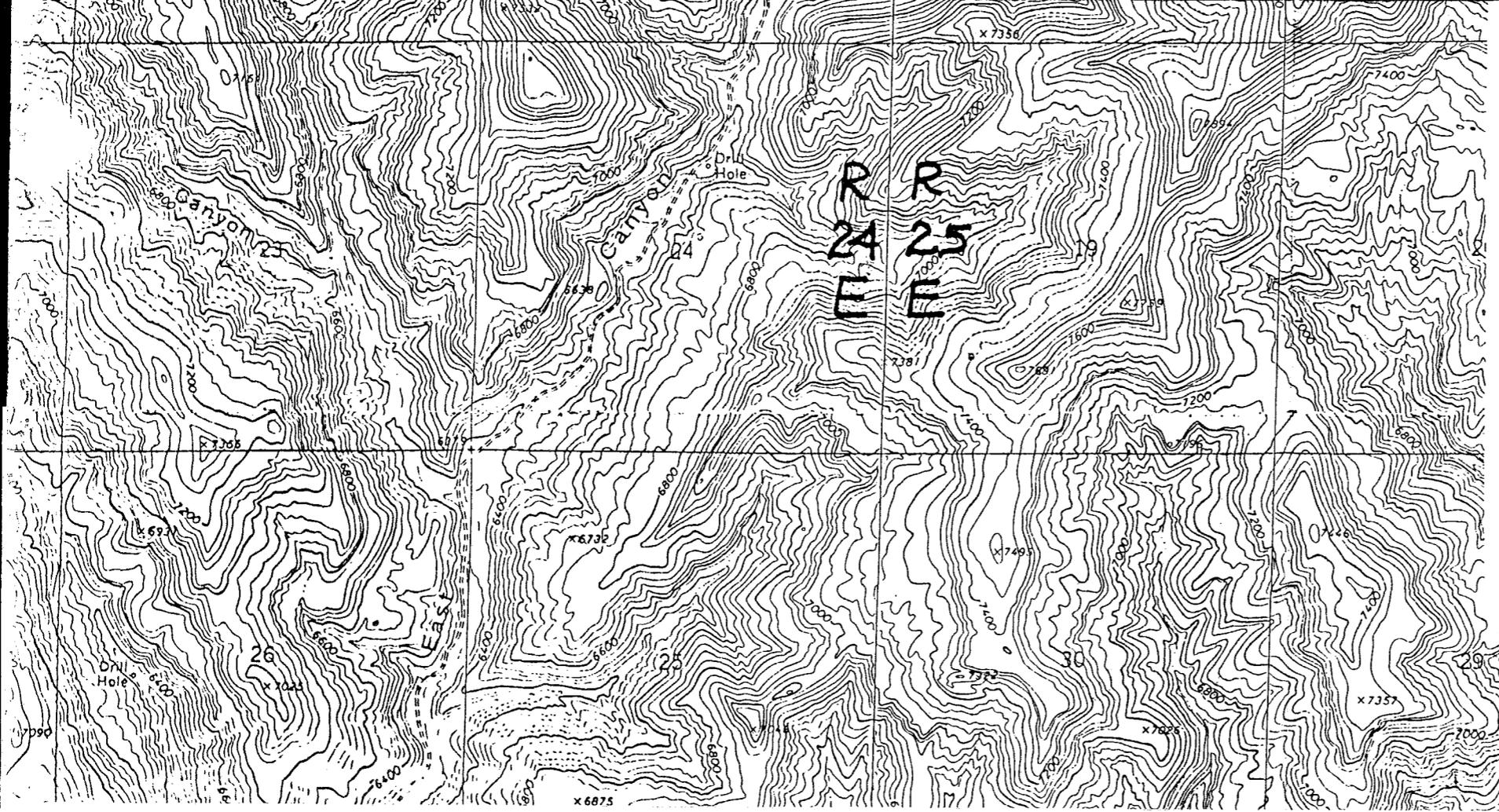
SCALE - 1" = 2000'

ROAD CLASSIFICATION

Light-duty ————— Unimproved dirt - - - - -



QUADRANGLE LOCATION



SUBJECT: Archaeological Reconnaissance of Nine Proposed Natural Gas Wells in the San Arroyo Ridge Area Grand County, Utah

AUTHOR: Clayton W. Cook

DATE: October 1980

PERMIT: BLM# 80-Ut-137
State# 537

PREPARED FOR: Mr. Bill Ryan
Natural Gas Corporation of California
85 South 200 east
Vernal, Utah 84078

Mr. Richard Fike
Bureau of Land Management
136 East South Temple
Salt Lake City, Utah 84111

Dr. David Madsen
State Antiquities Office
307 West 200 South, Suite 1000
Salt Lake City, Utah 84101

Mr. Elmer Duncan
Grand Resource Area, BLM
P. O. Box M, Sand Flats Road
Moab, Utah 84532

Mr. Gene Day
Moab Distirct, BLM
P. O. Box 970
Moab, Utah 84532

U.S. Department of the Interior Bureau of Land Management Utah State Office

BLM Report No. 1-4-10 Report Acceptable Yes No Mitigation Acceptable Yes No Comments:

Summary Report of Inspection for Cultural Resources

Report Title ARCHERDOWN GAS WELLS GRAND CO

Development Company Natural Gas Corporation of California

Report Date 11/19/80

4. Antiquities Permit No. 80-Ut-137

Responsible Institution UTARCO

County Grand

Fieldwork Location: TWN 16S Range 25E Section(s) 7, 8, 9, 10

TWN 16S Range 24E Section(s) 7, 8, 9, 10

Resource Area Ch TWN 15S Range 25E Section(s) 3, 4

PO=PONY EXPRESS, BR=BEAR RIVER, PR=PRICE RIVER, WS=WARM SPRINGS BC=BOOK CLIFFS, HR=HOUSE RANGE, SE=SEVIER RIVER, HM=HENRY MOUNTAINS, BE=BEAVER RIVER, DX=DIXIE, KA=KANAB, ES=ESCALANTE, SJ=SAN JUAN, GR=GRAND, SR=SAN RAFAEL, DM=DIAMOND MOUNTAIN

Fill in spaces 65, 69, 81, 85, 97, 101 Only if V=Vernal Meridian H=Half Township

Description of Examination Procedures:

All areas of proposed impact were intensively surveyed for cultural resources by parallel transects.

Linear Miles Surveyed and/or 5.8 112 117 Definable Acres Surveyed and/or 360 118 123 Legally Undefinable Acres Surveyed

10. Inventory Type R R=Reconnaissance I=Intensive S=Statistical Sample

Description of Findings (attach appendices, if appropriate)

No historic, prehistoric or isolated artifacts were encountered.

12. Number Sites Found: 0 131 136 13. Collection: N Y=Yes, N=No

Actual/Potential National Register Properties Affected:

none

Conclusion/Recommendations:

It is recommended that the project be cleared to continue as scheduled.

Signature and Title of Institutional Officer Responsible

Clayton Cook Staff Archaeologist

INTRODUCTION:

On October 23, 1980, Utah Archaeological Research Corporation was contracted by the Natural Gas Corporation of California to conduct archaeological reconnaissance of nine proposed natural gas wells in the San Arroyo area of Grand County. The proposed wells were located in and around the East Canyon Gas Field and have the following location designations:

Location#	42-8	T16S R25E Sec. 8
✓	21-7	T16S R25E Sec. 7
	43-7	T16S R25E Sec. 7
	23-1	T16S R24E Sec. 1
	21-11	T16S R24E Sec. 11
	31-1	T16S R24E Sec. 1
	41-14	T16S R24E Sec. 14
	12-20	T16S R25E Sec. 20
	34-31	T15½S R25E Sec. 31

Fieldwork was completed on said date by Clayton W. Cook, Staff Archaeologist for UTARC.

METHODOLOGY

Prior to entering the project area a literature search was conducted at the office of the Utah State Historical Society Division of Antiquities. This search showed only one previously recorded site on the San Arroyo Ridge Quadrangle and close to the project area. The site is designated 42GR879 and was recorded by Charles Haecker of the Division of Conservation Archaeology on October 10, 1978. Haecker describes the site as several artifact clusters of lithic, ceramic and bone. He suggests that the site

is a probable hunting camp and points out that due to the heavy leaf cover and brush growth it was impossible to conduct a complete site inventory. 42GR876 will not be impacted by this project, but this information gave the fieldworker an idea as to the type of site that might be encountered and to the problems that might arise in recording sites in this area.

Strategy for survey of the proposed gas wells was to first survey the access roads by walking a fifty foot corridor (25 feet on one side while walking in to the site and 25 feet on the other side while walking out). The access roads had previously been surveyed and staked which made the procedure much easier. Once the well location was reached parallel transects were walked in a zig-zag fashion until approximately 30-40 acres had been surveyed. In this manner all proposed impact areas were thoroughly checked for the presence of historic, prehistoric and isolated artifact remains.

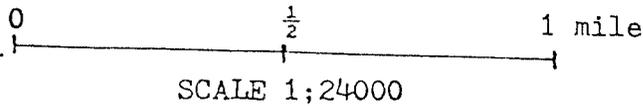
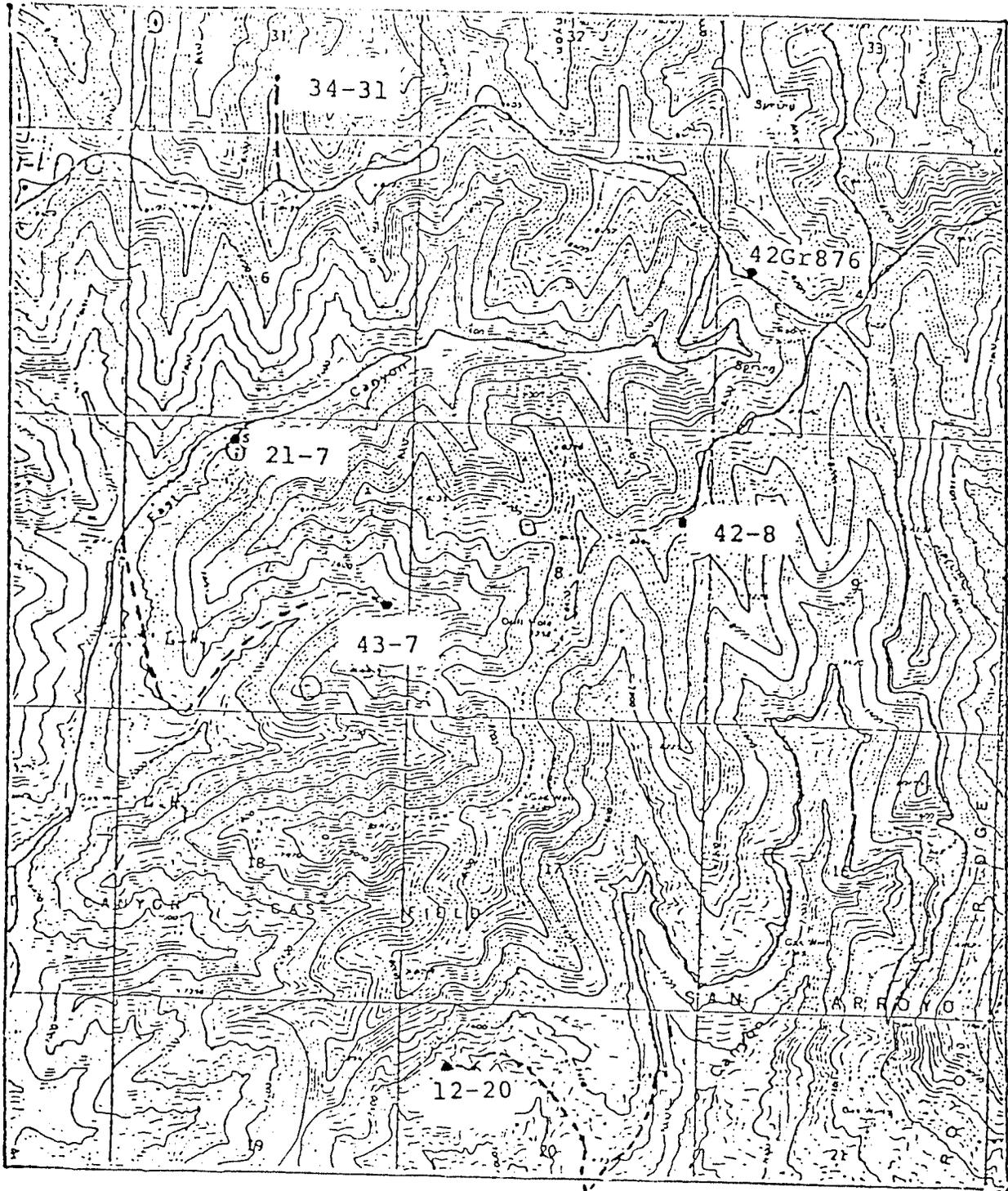
RESULTS OF SURVEY

No cultural remains were encountered at any of the nine proposed gas wells or along any of the proposed access roads. However, two factors that increase survey difficulty should be mentioned. One is the steepness of the canyon sides (the average slope being 60-70%) making it difficult to survey and highly unlikely that cultural remains will be encountered. The one site in the area (42GR876) is located on a natural pass between East Canyon and Chipeta Canyon along Tom Patterson Ridge. This is the most likely place in the area to find cultural remains, on the ridges and in the canyon bottoms.

The second factor is vegetation. The area is covered with thick scrub oak and other brush that makes it difficult not only to walk but also to find cultural remains. In the fall and early winter before the snow comes the leaf cover is quite thick making it very difficult to see the ground. In this situation artifacts could easily be covered up and overlooked. In the summer the brush is too thick to be able to get a good view of the ground. The best time of the year to conduct archaeological reconnaissance in this area would seem to be late spring and early fall before new growth and before leaf fall.

RECOMMENDATIONS

Since no cultural resources were encountered in the project area, it is recommend that the project be cleared to continue as scheduled.



PROJECT: NGC-80-1

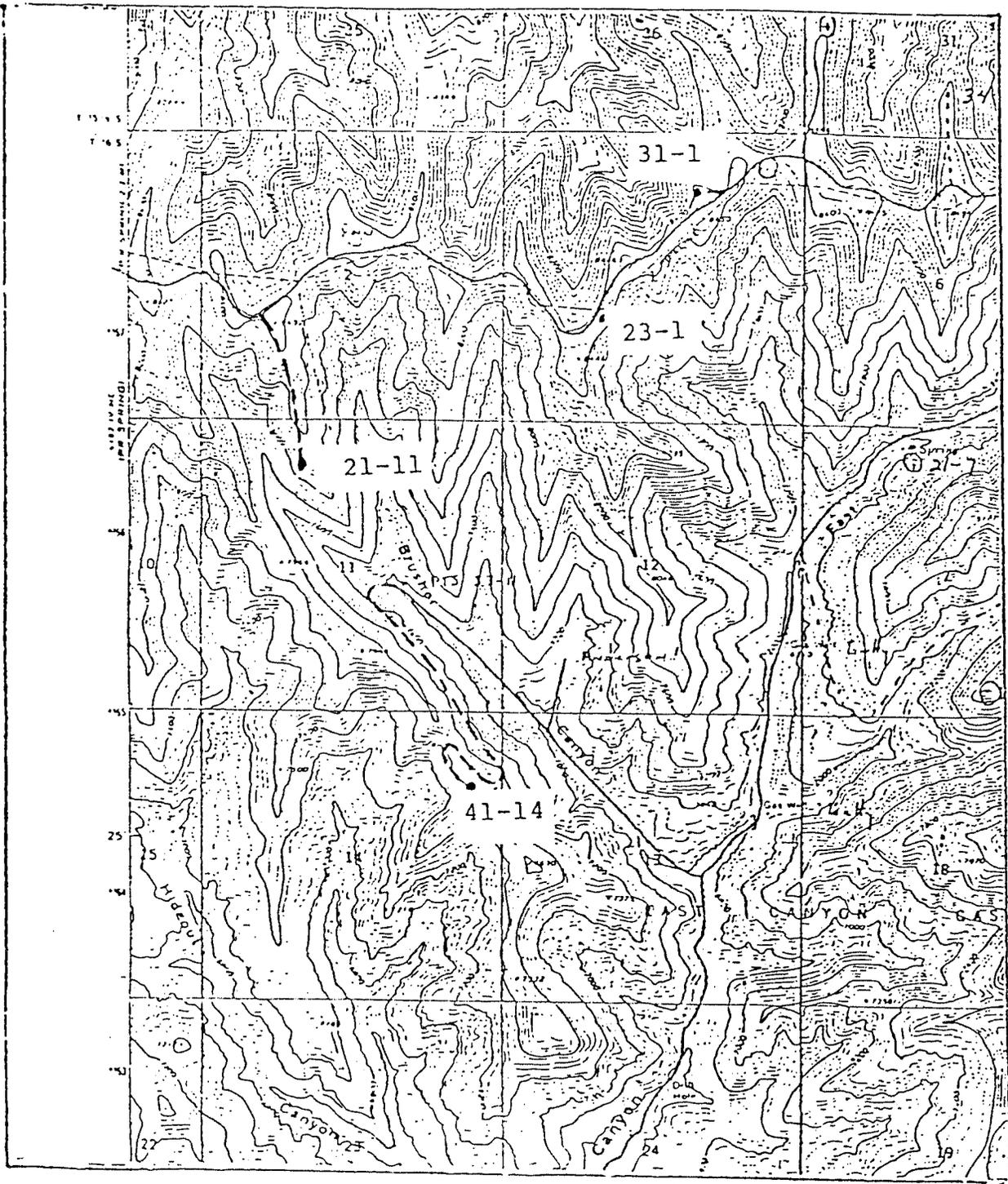
TOWNSHIP: 16S

COUNTY: Grand

RANGE: 25E

QUADRANGLE: San Arroyo Ridge

LEGEND:  Access Road
 Well Location



0 1/2 1 mile
 SCALE 1;24000



PROJECT: NGC-80-1

TOWNSHIP: 16S and 15½S

COUNTY: Grand

RANGE: 24E

QUADRANGLE: San Arroyo Ridge

LEGEND: - - - Access Road
 • Well Location

OIL COMPANY
Fortune

50 South Main Street
Suite 1570
Salt Lake City, Utah 84144
Phone: (801) 532-7797

May 12, 1982

Mineral Management Service
United States Geologic Survey
Oil and Gas Operations
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

Attention: Mr. Edgar W. Guynn
District Supervisor

Gentlemen:

We hereby deliver to you in quadruplicate Form 9-331C, Applications for Permit to Drill the following two development wells in the San Arroyo Gas Field, Grand County, Utah:

Fortune Federal 21-7 Section 7, T. 16 South, Range 25 East

Fortune Federal 23-1 Section 1, T. 16 South, Range 24 East

Applications to drill the above two wells were filed by Natural Gas Corporation with your office in October, 1980. These two locations have been surveyed in and staked, the Bureau of Land Management has approved the drill sites and access thereto and the archaeological surveys have been completed. All of this information was furnished to your office with the Form 9-331C's by Natural Gas Corporation in 1980, but Natural Gas Corp. could not obtain executed Designations of Operator from all working interest owners so you could not approve their APD's.

Attached to the enclosed form 9-331 C's from Fortune is the supporting data previously furnished you by Natural Gas Corp. (a copy of the Survey, and a copy of the Thirteen Point Surface Use Plan, together with its exhibits.) We have also enclosed an up-to-date Certification of the Thirteen Point Plan certified by Michael Pinnell, Exploration Manager of Fortune Oil Company. We also enclosed the archaeological survey of each location.

Three Designations of Operator from each of Fortune's working interest partners listed below are also enclosed herewith:

Federal Lease U-04967-C Natural Gas Corporation of Calif.
Pacific Transmission Supply Company
Mono Power Company
Energy Increments, a Division of
Carson Water Company

MINERALS MANAGEMENT SERVICE
MR. EDGAR W. GUYNN
MAY 12, 1982
PAGE TWO

Federal Lease U-05010-C Natural Gas Corporation of Calif.
Pacific Transmission Supply Company
Mono Power Company
Energy Increments, a Division of
Carson Water Company

If you find anything not to be in order, or if you need anything additional to approve these two permits, please call us and we will furnish any other instruments required.

Sincerely yours,

FORTUNE OIL COMPANY

BY: *G. W. Anderson*
G. W. Anderson
Vice President

GWA/kw

attachments

✓ cc: Utah State Oil, Gas and Mining Division

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Moab, Utah
SERIAL NO.: U-05010-C

and hereby designates

NAME: Fortune Oil Company
ADDRESS: 50 S. Main Street, Suite 1570
Salt Lake City, Utah 84144

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

T. 16 S., R. 25 E., S.L.M.
Section 7: N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

NATURAL GAS CORPORATION OF CALIFORNIA

EVIDENCE OF AUTHORITY FOR ATTORNEY-IN-FACT
IS FILLED IN U-46500 AND SUCH
AUTHORITY IS STILL IN EFFECT

May 7, 1982

(Date)

By C. T. Clark
C. T. Clark, Jr., Attorney-in-Fact
Denver Corporate Center-Tower II
7800 E. Union Avenue, Suite 800
Denver, Colorado 80237

(Address)

OIL COMPANY
Fortune

50 South Main Street
Suite 1570
Salt Lake City, Utah 84144
Phone: (801) 532-7797

Mike Pinnell

May 13, 1982

Division of Oil, Gas & Mining
4241 State Office Building
Salt Lake City, Utah 84114

Attention: Mr. Cleon B. Feight
Director

Gentlemen:

Enclosed please find two copies of an Application for Permit to Drill each of the following described wells for oil and gas in San Arroyo Field, Grand County, Utah:

Fortune Federal 21-7 Section 7, T. 16 S., R. 25 E.

Fortune Federal 23-1 Section 1, T. 16 S., R. 24 E.

Applications to drill the above two wells were filed by Natural Gas Corporation with your office in October, 1980. These two locations have been surveyed in and staked, the Bureau of Land Management has approved the drillsites and access thereto and the archaeological surveys have been completed. All of this information was furnished to your office with the Form 9-331 C's by Natural Gas Corporation in 1980, but Natural Gas Corp. could not obtain executed Designations of Operator from all working interest owners so the U.S.G.S. could not approve their APD's.

Attached to the enclosed form 9-331 C's from Fortune is the supporting data previously furnished you by Natural Gas Corp. (a copy of the Survey, and a copy of the 13 Point Surface Use Plan, together with its exhibits.) We have also enclosed an up-to-date Certification of the 13 Point Plan certified by Michael L. Pinnell, Exploration Manager of Fortune Oil Company. We also enclosed the archaeological survey of each location.

Two copies of the Designations of Operator from each of Fortune's working interest partners listed below are also enclosed herewith:

Federal Lease U-04967-C

Natural Gas Corporation of Calif.
Pacific Transmission Supply Company
Mono Power Company
Energy Increments, A Division of
Carson Water Company

DIVISION OF OIL, GAS & MINING
MR. CLEON B. FEIGHT
MAY 13, 1982
PAGE TWO

Federal Lease U-05010-C

Natural Gas Corporation of Calif.
Pacific Transmission Supply Company
Mono Power Company
Energy Increments, A Division of
Carson Water Company

If you find anything not to be in order, or if you need anything additional to approve these two permits, please call us and we will furnish any other instruments required.

Sincerely yours,

FORTUNE OIL COMPANY

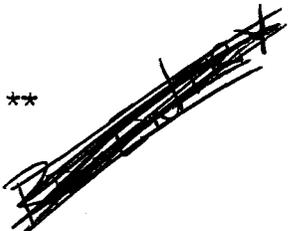
BY:


G. W. Anderson
Vice President

GWA/kw

Attachments

** FILE NOTATIONS **



DATE: May 26, 1982

OPERATOR: Fortune Oil Company

WELL NO: Federal #21-7

Location: Sec. 7 T. 11a S R. 25 E County: Grand

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-019-30755

CHECKED BY:

Petroleum Engineer: HK Spangorder #149-1 Zone III
Drilling Unit #1.

Director: _____

Administrative Aide: AS PER ORDER BELOW

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. ~~148~~ 149-1

149-1

O.K. Rule C-3

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

Lease Designation F&O

Plotted on Map

Approval Letter Written

Hot Line

P.I.

June 30, 1982

Fortune Oil Company
50 S. Main Street, Suite 1570
Salt Lake City, Utah 84144

RE: Well No. Federal #21-7
Sec. 7, T16S, R29E
Grand County 25E

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with the Order issued in Cause No. 149-1, dated 03-14-73.

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

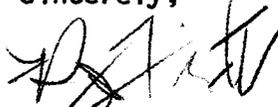
CLEON B. FEIGHT
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-019-30755.

Sincerely,



RONALD J. FIRTH
CHIEF PETROLEUM ENGINEER

RJF:SC
cc: Minerals Management Service
Enclosure

3109
(U-603)

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

FEB 26 1981

Memorandum

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

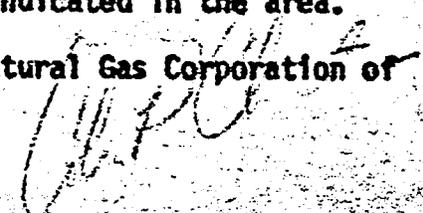
From: Area Manager, Grand

Subject: Natural Gas Corporation of California
Fed. 21-7, Lease #U-05010C
NE/NW section 17, T. 16 S., R. 25 E., SLB&M
Grand County, Utah

On December 16, 1980, a representative from this office met with Glenn Doyle, USGS and Bill Ryan agent of the Natural Gas Corporation of California for an inspection of the above referenced location. Subject to the attached conditions and written approval from USGS, 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 Natural Gas Corporation of California.



Enclosures: (3)
1-Reclamation Procedures
2-Seed Mixture
3-Suggested Colors - Production Facilities

EDuncan:cja 2/26/81

STANDARD STIPULATIONS FOR OIL & GAS EXPLORATION

Contact this office at least 48 hours prior to beginning construction of access road and pad.

Stockpile the surface 9 inches of topsoil in a wind-row on the south east of the location.

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

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

The trash 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. (See enclosed suggested colors - for facilities).

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-

1) Trees and browse removed from the 0.2 miles of new road will be windrowed along the upslope side. They will be pushed back sufficient to allow room for top soils removed from the road to be windrowed along the up-slope side.

2) Surface disturbance will be kept to a minimum, to get drilling equipment to the well site.

3) Maximum disturbed travel surface will be 18 feet wide. Low water crossings will be installed to provide adequate water control for the road. (If the well is a producer, the access road will be up-graded including a center crown at least 3 inches high and borrow ditches where needed.

- 4) Back slopes along the road will be a minimum ratio of 2:1.
- 5) One culvert 36 inches X 30 feet will be placed where the access road crosses the main east canyon drainage.
- 6) If the well is a producer, the east canyon drainage will be riprapped to prevent additional head-cutting at a point a few feet west of the culvert.

Location-

- 1) Reserve pit(s) will be constructed along the north side of the well pad. The pits will be a maximum of 300 feet long X 25 feet wide X 10 feet deep.
- 2) Trees removed from the location will be bucked into 6 foot length, staked behind the pits at the center of the pad border.
- 3) A bladed area, at least 1½ cat blades wide will be cleared behind the pits where the blooey line enters the pit.
- 4) The two up-slope corners will be rounded off, reducing the surface disturbance by 30 feet at each corner.
- 5) Pit(s) will be fenced with 48 inch high woven wire on three sides during drilling and on the forth side prior to removal of the drilling rig. Two strands of barbed wire will be placed along the top for fence support.
- 6) If the well is a producer, the non-producing area will be re-countoured, top soils replaced ripped and seeded from 20 feet outside the deadmen to the extent of the disturbed area.
- 7) If a non-producer, the pad will be re-countoured, top soil replaced, and seeded. The access road will be closed, culvert removed from east canyon drainage, recontoured, top soils replaced, ripped and seeded.

RECLAMATION PROCEDURES IN GRAND RESOURCE AREA

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

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

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

United States Department of the Interior

BUREAU OF LAND MANAGEMENT



SUGGESTED COLORS TO PAINT OIL & GAS PRODUCTION FACILITIES

Cisco Desert and Flats below the Bookcliffs:

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

Bookcliffs Region:

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

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

Identification No. 309-82
Primas-116-81

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

NEPA CATEGORICAL EXCLUSION REVIEW

MINERALS MANAGEMENT
SERVICE
OIL & GAS OPERATIONS
RECEIVED
JUN 14 1982
SALT LAKE CITY, UTAH

PROJECT IDENTIFICATION

Operator Fortune Oil Company
Project Type Gas well-wildcat
Project Location 677' ENL 2002 ENL SEC 7 T16S R25E
Well No. # 21-7 Lease No. U-05010-C
Date Project Submitted 5-21-82

FIELD INSPECTION

Date waived
onsite - April 1981

Field Inspection
Participants _____

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

[Signature]
Date Prepared 6-10-82

[Signature]
Environmental Scientist

I concur

JUN 14 1982
Date

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

CATEGORICAL EXCLUSION REVIEW INFORMATION SOURCE

Criteria 516 DM 2.3.A	Federal/State Agency			Local and private correspondence (date)	Previous NEPA	Other studies and reports	Staff expertise	Onsite inspection (date)	Other
	Corre- spondence (date)	Phone check (date)	Meeting (date)						
Public health and safety					EA 116-81 8			carried	
Unique charac- teristics					8				
Environmentally controversial					8				
Uncertain and unknown risks					8				
Establishes precedents					8				
Cumulatively significant					8				
National Register historic places					8				
Endangered/ threatened species					8				
Violate Federal, State, local, tribal law					8				

CATEGORICAL EXCLUSION REVIEW COMMON REFERENCE LEGEND

1. Surface Management Agency Input
2. Reviews Reports, or information received from Geological Survey
(Conservation Division, Geological Division, Water Resource Division,
Topographic Division)
3. Lease Stipulations/Terms
4. Application Permit to Drill
5. Operator Correspondence
6. Field Observation
7. Private Rehabilitation Agreement
8. *Previous NEPA 116-81*



United States Department of the Interior

IN REPLY REFER TO

BUREAU OF LAND MANAGEMENT

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

3100
(U-068)

JUN 08 1982

Memorandum

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

From: Area Manager, Grand

Subject: Fortune Oil Co. (formerly N.G.C.)
Well # 21-7; Lease #U-05010-C
NE/NW Section 7, T. 16 S., R. 25 E., SLB&M
Grand County, Utah

You can consider this letter as concurrence by BLM that the stipulations on NGC well #21-7 will be applicable in total to Fortune Oil Co. well #21-7.

Please forward the enclosed information to Fortune Oil Co.

Enclosures: (4)
1-APD Face sheet
2-Stipulations
3-Rec. Procedures
4-Colors to Paint - Productions Facilities

ACTING *Ernest Hansen*



PI
HOTZ 1/18

DIVISION OF OIL, GAS AND MINING

SPODDING INFORMATION

NAME OF COMPANY: FORTUNE OIL COMPANY

WELL NAME: FOC 21-7 Federal

SECTION ^{NE NW} 7 TOWNSHIP 16S RANGE 25E COUNTY GRAND

DRILLING CONTRACTOR ADCO

RIG # 18

SPODDED: DATE 7-24-82

TIME 3:15 AM

How

DRILLING WILL COMMENCE

REPORTED BY MICHAEL PINNELL

TELEPHONE # 532-7797

DATE 07-26-82 SIGNED TD

NOTICE OF SPUD

Company: Fortune Oil

Caller: Tom Dike

Phone: 307-527-7362

Well Number: 21-7

Location: Sec 7 - 16S - 25E

County: Ward State: W.Va

Lease Number: 11-2013-3

Lease Expiration Date: _____

Unit Name (If Applicable): _____

Date & Time Spudded: 3:15 AM 7-24-82

Dry Hole Spudder/Rotary: Rotary

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

9 7/8" casing (32.3 lb) set at 2837

cont to survey

Rotary Rig Name & Number: Atec 18

Approximate Date Rotary Moves In: 7-22-82

FOLLOW WITH SUNDRY NOTICE

Call Received By: De Leon

Date: 7-26-82

RECEIVED
JUL 27 1982
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-05010
Communitization Agreement No. _____
Field Name East Canyon
~~Unit Name~~ N½NE¼ Sec.12 T.16S., R.24E. (274.69Ac)
Participating Area Lot 1, E½W½ Sec.7 T.16S., R.25E.
County Grand State Utah
Operator Fortune Oil Company

Amended Report

The following is a correct report of operations and production (including status of all unplugged wells) for the month of July, 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. & ¼ of ¼	TWP	RNG	Well Status	Days Prod.	*Barrels of Oil	*MCF of Gas	*Barrels of Water	Remarks
21-7	NE½NE¼ Sec. 7	16S.	24E.	DRG		NONE	NONE	NONE	

*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: Michael S. Amnell Address: 50 S. Main, Ste. 1570, SLC UT
Title: Exploration Manager Page 2 of 2 84144

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

LAND OFFICE Salt Lake City, Utah
LEASE NUMBER U-05010-C
UNIT

LESSEE'S MONTHLY REPORT OF OPERATIONS

State Utah County Grand Field San Arroyo - East Canyon

The following is a correct report of operations and production (including drilling and producing wells) for the month of August, 1982,

Agent's address 50 S. Main Street, Suite 1570 Company Fortune Oil Company
Salt Lake City, Utah 84144-0462

Phone 801-532-7797 Signed Michael L. Simell
Agent's title Exploration Manager

SEC. AND 1/4 OF 1/4	TWP.	RANGE	WELL NO.	DAYS PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
Sec. 7 NE 1/4 NW 1/4	16S	25E	21-7		TOPS: Castlegate 2256, Mancos 2392, Mancos 5565, Dakota Silt 5846, Dakota Sand					"B" 3014, Frontier 5488, Morrison 6076
					CASING: 9 5/8" to 285' (July 25, 1982) 7" to 2617 (July 29, 1982) 4 1/2" to 6175 (August 4, 1982)					
					GAS SHOWS: 1,500 mcf from Cedar Mountain at 6025					
					Completion attempt will be in September					

STATE OF UTAH API NO. 43-019-30755

NOTE.—There were runs or sales of oil; M cu. ft. of gas sold;

..... runs or sales of gasoline during the month. (Write "no" where applicable.)
NOTE.—Report on this form is required for each calendar month, regardless of the status of operations, and must be filed in duplicate with the supervisor by the 6th of the succeeding month, unless otherwise directed by the supervisor.

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

SUBMIT IN TRIPPLICATE*
(other instructions on
reverse side)

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
FORTUNE OIL COMPANY

3. ADDRESS OF OPERATOR
50 SOUTH MAIN ST. SLC, UT 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
NE $\frac{1}{4}$ NW $\frac{1}{4}$ (677 FNL, 2002 FWL)
Section 7, T.16S., R.25E.

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)
7264 (KB)

5. LEASE DESIGNATION AND SERIAL NO.
U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
21-7

10. FIELD AND POOL, OR WILDCAT
East Canyon, Dakota

11. SEC., T., R., M., OR BLK. AND SUBVST OR AREA
Sec. 7 T.16S. R.25E.

12. COUNTY OR PARISH 13. STATE

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>Monthly Report July, 1982</u> <input checked="" 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 spudded July 24, 1982
July 29: Ran shallow logs, set intermediate casing
July 30: Waiting on cement

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DIVISION OF
OIL, GAS & MINING

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

SIGNED Michael D. Annell TITLE Exploration Manager DATE 8-17-82

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R24E
Grand County, Utah
7251' GL, 7264' KB

DAILY DRILLING REPORT

August 2, 1982 Depth at report time 6,025'. Footage 655'.
Present operation - test gas. Dakota - Cedar
Mountain formation. Drilling cumulative hours 96.

Breakdown of hours:

Drilling 13
Trips 7
Surveys 1 $\frac{3}{4}$
Rig repair $\frac{3}{4}$
Test well $1\frac{1}{2}$

Bit #3, 6 $\frac{1}{4}$ " Smith F-2, depth in 2617', depth out
5758', footage drilled 3141', rotating hours 49 $\frac{1}{2}$;
Bit #4, 6 $\frac{1}{4}$ " Smith F-4, depth in 5758'.

Surveys 6 $\frac{1}{4}$ ^o @ 5480', 6^o @ 5758'. SAMPLE TOPS:
Dakota Silt 5855', Dakota Sand 5905', Cedar Mountain
5987', Morrison 6088', primary TD 6170.

Drill collars 18 4 $\frac{3}{4}$ ", weight on bit 10,000 to
14,000, rotary speed 80 RPM, air pressure 250 PSI,
jars and bumper sub

Start drilling with flare at 6013'. Tested at 6025',
190 PSI on $\frac{1}{2}$ " adjustable choke. 1.5 MCFG per day.

Total daily cost \$13,441
Total cost to date \$193,019

August 3, 1982 Depth at report time 6,170'. Footage 145'.
Present operation - pulling out of hole.
Morrison formation. Drilling cumulative hours
101 $\frac{1}{2}$.

Breakdown of hours:

Drilling 5 $\frac{1}{2}$
Trips 6 $\frac{1}{2}$
Rig repair $\frac{3}{4}$
Circulating 9 $\frac{3}{4}$
Blow hole and gauge gas 1 $\frac{3}{4}$

Bit #4, 6 $\frac{1}{4}$ " Smith F-4, depth in 5758', depth out
6170', rotating hours 12 $\frac{1}{2}$. Mud weight 8.6,
vis 50, fluid loss 11, filter cake 2/32, PH 10.5,
salinity 15,000 PPM, LCM 6%.

Drill collars 18 4 $\frac{3}{4}$ ", weight on bit 14,000#,
rotary speed 80 RPM, air pressure 250 PSI, jars
and bumper sub.

Total daily cost \$14,000
Total cost to date \$207,019.00

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FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R24E
Grand County, Utah
7251' GL, 7264' KB

DAILY DRILLING REPORT

August 4, 1982 Depth at report time 6,175' (T.D.) Footage 5'.
Morrison formation.

Breakdown of hours:

Drilling 1
Trips 5 $\frac{1}{2}$
Rig Service 3/4
Reaming $\frac{1}{4}$
Circulating 3
Lay down drill pipe & drill collars 3 $\frac{1}{2}$
Waiting on loggers 1
Logging well 8 $\frac{1}{4}$
Cut & slip drilling line 3/4

Ran logs, conditioned hole to run casing.
Presently running 4 $\frac{1}{2}$ " casing to T.D.

Total daily cost \$19,008
Total cost to date \$225,027

August 5, 1982 Depth at report time 6,175', Morrison formation.

Rig released at 6:00 P.M., 8-4-82.

Breakdown of hours:

Rig repair $\frac{1}{4}$
Lay down drill collars and drill pipe 1 3/4
Rig up and run casing 4 $\frac{1}{2}$
Cement casing 2
Sit slips 2

Total daily costs \$8,350
Total costs to date \$233,367
Completion costs \$51,697

FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R25E
Grand County, Utah
7251' GL, 7264' KB

COMPLETION REPORT

- 8-24-82 Move in and rig up Monument Well Service Rig #4. Install tubing spool and test. Nipple up BOP's. Unload 2 3/8" tubing. Trip in hole with bit and casing scrapper. Tag plug back TD at 6136 KB. Shut down for night.
- Daily cost \$80,635 - (Includes casing 4 $\frac{1}{2}$ " \$23,710, tubing spool and well head equipment \$6,800, tubing \$13,950--all tang. Plug cement job on production string and flow equipment and rig cost for the day).
- Cumulative cost \$80,635
- 8-25-82 Ordered perforating tool. Will perforate Buckhorn sand then wash perfs with acid. Torrential thunderstorms for two days in area making roads nearly impassable. Pressure test casing to 6500 psi., tubing to 6900 psi. POH. Run bond log. Cement top at 4575', good bond across all production zones. TIH with seating nipple. Shut down for night.
- Daily cost \$6,200
Cumulative cost \$86,835
- 8-26-82 Blew hole dry with nitrogen. Rigged up perforators. Perforated three holes in the Buckhorn at 6096', 6101', and 6111'. Had a small blow, too small to measure, estimated at 1520 cf. TIH with packer. Shut down for night. Will break down Buckhorn perfs in the morning with acid.
- Daily cost \$6,700
Cumulative cost \$93,535
- 8-27-82 SITP 50#, SICP 50#. TIH to 6065', set packer, swab run to check for fluid entry. Rig up Smith servers and acidize perfs at 6096' and 6111' with 300 gal. 7 $\frac{1}{2}$ % mud acid and 9 ball sealers. Broke down Fm at 3500 psi. Injection rate 2 $\frac{1}{2}$ barrels/min. at 2400 psi. Good ball action, flush balls off perfs. Final injection rate 1.9 barrels/min. at 2000 psi. ISIP 1500# to 300# in 5 minutes. Swab back 27 barrels load. Well blowing strong with 8' flare.
- Daily cost \$6,750
Cumulative cost \$100,285
- 8-28-82 Blew well down, SITP 800, tested on $\frac{1}{4}$ " choke at 49 psi 88.3 MCFPD, released packer and swabbed fluid from backside, shut down for night.
- Daily cost \$4,300
Cumulative cost \$104,585
- 8-29-82 SITP 720, SICP 720, blew well down in 40 minutes, made swab run to check for fluid - no fluid, pulled out of hole with packer, shut down for night.
- Daily cost \$3,100
Cumulative cost \$107,685

FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R24E
Grand County, Utah
7251' GL, 7264' KB

DAILY DRILLING REPORT

Spud Date 7-24-82

Spudded well at 3:15 A.M. Details on report for 7-25-82.

July 25, 1982

Depth at report time 285'. Footage 270'
Present operation - waiting on cement
Tertiary formation. Drilling cumulative hours 7 $\frac{1}{4}$.

Breakdown of hours:

Drilling 5
Trips $\frac{1}{2}$
Rig service 3/4
Circulating $\frac{1}{2}$
Run 9 5/8" casing 3 $\frac{1}{2}$
Waiting on cement 2
Cementing 9 3/4

Bit #1 12 $\frac{1}{4}$ " used OSC-retip, depth in 0, depth 285, rotating hours 7 $\frac{1}{4}$. Weight on bit - all, rotary speed 90-120 RPM, air pressure 500 PSI

Details of operation:

Drilled 285', circulate and condition POH, run 282' 9 5/8" 32.3#, fit shoe 283', cemented 225 sacks "G" with 2% CaCl₂ with $\frac{1}{4}$ #/sack celloflake. Had cement to surface, lost returns, pumped 35 sacks down backside. Had cement to surface.

Total daily cost \$15,221 (tangible) (\$2850 for casing)
Total cost to date \$65,881

July 26, 1982

Depth at report time 685'. Footage 400'.
Present operation - drilling and dusting Mesaverde formation. Drilling cumulative hours 15.

Breakdown of hours:

Drilling 8
Rig service 3/4
Drill cement 2
Dry up hole $\frac{1}{4}$
Nipple up BOP 2 $\frac{1}{2}$
Choke line work 4 $\frac{1}{2}$
Make up BHA 4
Test BOP 2

Bit #2 8 3/4" Smith F-2, depth in 285, footage drilled 400', rotating hours 10, drill collars 17 6 $\frac{1}{4}$ " X 2 $\frac{1}{4}$ " X 4 $\frac{1}{2}$ " H90, weight on bit 12-14000#, rotary speed 90 RPM, air pressure 150 PSI

Drilling 60 - 90' an hour

Total daily cost \$17,715
Total cost to date \$83,596

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FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R24E
Grand County, Utah
7251' GL, 7264' KB

DAILY DRILLING REPORT

July 27, 1982

Depth at report time 2,014'. Footage 1,329'.
Present operation - drilling-air mist
Mesaverde formation. Drilling cumulative hours
34

Breakdown of hours:

Drilling 19
Trips 2 $\frac{1}{2}$
Surveys $\frac{1}{2}$
Rig repair 3/4
Blow hole $\frac{1}{2}$
Rig service 3/4

Bit #2 8 3/4" Smith F-2, depth in 285', footage
drilled 1729', rotating hours 29.

Surveys 3/4^o @ 782'. Mud weight - mixing

Connection gas:	1580 - 1983	2-12 units
Background gas:	1580 - 1611	12 units
	1611 - 1677	8 units
	1767 - 1829	4-6 units
	1929 - 2014	0 units

Note: Gas from coals - same as 23-1 Federal
Running 100' low to prognosis.

Drill collars 17 6 X 2 3/8" X 4 $\frac{1}{2}$ "H90, weight on
bit 14,000#, rotary speed 80 RPM, air pressure
300 PSI, Drilling jars and bumper sub

Details of operation:

POH and lay down stabilizers. TIH. Dust to
1485, got damp, went to air mist. Drilled ahead
to 2014 with air mist.

Total daily cost \$11,011
Total cost to date \$94,607

FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R24E
Grand County, Utah
7251' GL, 7264' KB

DAILY DRILLING REPORT

July 28, 1982

Depth at report time 2,617'. Footage 603'.
Present operation - trip out to log
Mancos formation. Drilling cumulative hours
46 $\frac{3}{4}$

Breakdown of hours:

Drilling 12 $\frac{3}{4}$
Trips 2 $\frac{1}{2}$
Rig service $\frac{3}{4}$
Reaming $\frac{3}{4}$
Circulating 4 $\frac{1}{2}$
Nipple up flowline to pit 1
Blow hole with air mist 1 $\frac{3}{4}$

Bit #2, 8 $\frac{3}{4}$ " Smith F-2, depth in 285', depth out
2,617', footage drilled 2,332', rotating hours 41 $\frac{3}{4}$
Mud weight 8.7, Vis 63, fluid loss 10, filter cake 2,
PH 8.5.

Castlegate at 2267' - 21 feet of sand
Background gas 0 units prior to Castlegate
500 units gas while drilling Castlegate
800 - 1000 units connection gas
200 - 400 units gas after Castlegate
Gas flare on connection - 10 to 15' flare lasting
30 to 45 seconds, dull orange with some blue.
Drill collars 17 6 X 2 $\frac{3}{8}$ " X 4 $\frac{1}{2}$ " H90, weight on
bit 14,000#, rotary speed 80 RPM, air pressure
300 PSI. Drilling jars and bumper sub.

Details of operation:

Drilled to 2617'. Hole tite on connections. POH
above Castlegate, mud up hole. Tite while pulling
out. Nipple up flow line to pit. Circulate and
condition hole for log. POH to log. Hole in good
shape while pulling out.

Total daily cost \$12,561
Total cost to date \$107,168

FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R24E
Grand County, Utah
7251' GL, 7264' KB

DAILY DRILLING REPORT

July 29, 1982 Depth at report time 2,617'. Footage 0'.
Present operation - waiting on cement.
Mancos formation. Drilling cumulative hours 46 3/4

Breakdown of hours:

Trips 7
Surveys $\frac{1}{2}$
Rig repair 3/4
Circulating $\frac{1}{2}$
Rig up and run casing 4 $\frac{1}{2}$
Waiting on loggers $\frac{1}{2}$
Rig up loggers $\frac{1}{2}$
Run logs 5
Waiting on cement 4 $\frac{1}{2}$
Cementing casing $\frac{1}{2}$

Bit #2 8 3/4" Smith F-2, depth in 285', depth out
2617', footage drilled 2332', rotating hours 41 3/4.

Surveys 2 $^{\circ}$ @ 2617'. Mud weight 8.7, vis. 63, fluid
loss 10, filter cake 2/32, PH 8.5.

Details of operation:

Finish POH to log. Run FDC/CNL and DIL with Gearhardt.
GIH and condition for pipe. POH and lay down drill
collars. Rig up and run 2599' of 7" 23# casing.
Shoe at 2614'. Fill collar at 2560'. Cement with
160 sacks G cement with 2% Ca Cl₂ and $\frac{1}{4}$ # per sack
Celloflake. Plug down at 1:45 A.M., 7-29-82.
Waiting on cement.

Total daily cost \$34,996
Total cost to date \$142,164

July 30, 1982 Depth at report time 2,617'. Footage 0'.
Present operation - waiting on cement
Mancos formation. Drilling cumulative hours 46 3/4.

Breakdown of hours:

Trips 7
Surveys $\frac{1}{2}$
Rig repair 3/4
Circulating $\frac{1}{2}$
Pressure test BOP 1 $\frac{1}{2}$
Nip and cut 3/4
Pick up bottom hole assembly 4 $\frac{1}{2}$
WO cement 4
Weld and cut casing 6 3/4
Nipple up BOP 3
Repair main chain drive 3

Bit #3 6 $\frac{1}{2}$ " Smith F-2, depth in 2617. Mud weight 8.7,
vis 63, fluid loss 10, filter cake 2/32, PH 8.5,
LCM 10%. Drill collars 17 4 3/4 IF.
Special tools - near bit IBS, 1 short collar, IBS,
2 drill collars, IBS, 10 drill collars, Bowen jars
and bumper sub, 5 drill collars.

Details of operation:

BOP test 1500 lbs, held OK, repaired main chain drive
on rig, pick up bottom hole assembly, TIH.

Total daily cost \$11,694
Total cost to date \$153,858

FORTUNE OIL COMPANY
Federal 21-7
677' FNL, 2002' FWL
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 7
T16S, R24E
Grand County, Utah
7251' GL, 7264' KB

DAILY DRILLING REPORT

July 31, 1982 Depth at report time 3,742'. Footage 1125'.
Present operation - drilling. Mancos B formation.
Drilling cumulative hours 62.

Breakdown of hours:

Drilling 15 $\frac{1}{2}$
Trips 1 $\frac{1}{2}$
Surveys $\frac{1}{4}$
Rig Repair 3/4
Unload hole 1 $\frac{1}{2}$
Drill cement 4 $\frac{1}{2}$
Dry up hole $\frac{1}{4}$

Bit #3, 6 $\frac{1}{2}$ " Smith F-2, depth in 2,617', footage drilled 1125, rotating hours 19 3/4.

Surveys 2 $^{\circ}$ @ 3617'. Mud weight 8.7, vis 63, fluid loss 10, filter cake 2/32, PH 8.5, LCM 10%. Drill collars 17 4 3/4", weight on bit 14,000 to 16,000#, rotary speed 80 RPM, air pressure 250 PSI.

Mancos B top 3,000'. Gas on every connection 3186' to 3742'. No background, Kds est. 5876'

Special tools - near bit IBS, short drill collar IBS, 2 drill collars IBS, 10 drill collars, jars and bumper sub, 2 drill collars

Total daily cost \$15,621
Total cost to date \$169,479

August 1, 1982 Depth at report time 5,370', Footage 1628'.
Present operation - drilling. Mancos B formation.
Drilling cumulative hours 83

Breakdown of hours:

Drilling 21
Rig service 3/4
Circulating 1 $\frac{1}{4}$
Repair sprocket drive 1

Bit #3 6 $\frac{1}{2}$ ", Smith F-2, depth in 2617', footage drilled 2753', rotating hours 40 3/4

Surveys 2 3/4 $^{\circ}$ @ 4011', 3 $\frac{1}{4}$ $^{\circ}$ @ 4755'. Mud weight 8.7, vis 63, fluid loss 10, filter cake 2/32, PH 8.5, LCM 10%. Drill collars 17 4 3/4, weight on bit 14,000#, rotary speed 80 RPM, air pressure 250 PSI.

Total daily cost \$10,099
Total cost to date \$179,578

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

OMB 42-R0356

MONTHLY REPORT
OF
OPERATIONS
(Continued)

Lease No. U-0501

Communitization Agreement No. N/A

Field Name San Arroyo - East Canyon

Unit Name N/A

Participating Area N/A

County Grand State Utah

Operator Fortune Oil Company

Amended Report CORRECTED REPORT

The following is a correct report of operations and production (including status of all unplugged wells) for the month of August, 19 82

(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
21-7	Sec. 7 NE 1/4 NW 1/4	16S	25E	DRG					<p>TOPS: Castlegate 2256, Mancos 2392, Mancos "B" 3014, Frontier 5565, Dakota Silt 5846, Dakota Sand 5488, Morrison 6076</p> <p>CASING: 9 5/8" to 285' (July 25, 1982) 7" to 2617 (July 29, 1982) 4 1/2" to 6175 (August 4, 1982)</p> <p>GAS SHOWS: 1,500 mcf from Cedar Mountain at 6025</p> <p>Completion attempt will be in September</p>

STATE OF UTAH API NO. 43-019-30755

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

OMB 42-R0356

MONTHLY REPORT
OF
OPERATIONS
(Continued)

September, 1982

Lease No. U-05-C

Communitization Agreement No. N/A

Field Name San Arroyo - East Canyon

Unit Name N/A

Participating Area N/A

County Grand State Utah

Operator FORTUNE OIL COMPANY

Amended Report

CORRECTED REPORT

Page 2 of 2 Pages

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

(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
21-7	Sec. 7 NE 1/4 NW 1/4	16S	25E	Drilling		API NO. 43-019-30755			
(CONTINUED)									
Flowed the well clean to clean up. Overnight shutin pressure 800#. Flow rate 419 mcf/gpd. Overnight, well cleaned up more to flow 625 mcf/gpd. Flow increased to 814 mcf/gpd. When attempting to pull bridge plug out of hole, plug stuck at 5600'.									
Lost 14 days trying to remove stuck plug. Milled on plug until removed.									
From September 14 to 30, flowed daily for short period in order to clean out drilling water and clean up perfs. Flow rate initially was 300 mcf/gpd. Gradually increased to 552 mcf/gpd at end of month.									
Additional tests will follow to determine potential.									

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

MONTHLY REPORT
OF
OPERATIONS

Lease No. U-05010
Communitization Agreement No. N/A
Field Name San Arroyo - East Canyon
Unit Name N/A
Participating Area N/A
County Grand State Utah
Operator FORTUNE OIL COMPANY

Amended Report CORRECTED REPORT

The following is a correct report of operations and production (including status of all unplugged wells) for the month of September, 19 82

(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
21-7	Sec. 7 NE 1/4 NW 1/4	16S	25E	Drilling			API NO. 43-019-30755		
Blew hole dry with nitrogen. Perforated 6096, 6101, 6111 (Buckhorn). Had small blow. After 24 hours, SITP 50#, SICP 50#. Acidized perfs with 300 ga. 7 1/2% mud acid. Broke down formation at 3500 PSI. Injection rate 2 1/2 bbls/min @ 2400 PSI. ISIP 1500# to 300# in 5 minutes. Swabbed back 27 bbls load; well blowing 8' flare. After 24 hours, SITP 800#; tested 88.3 mcfgpd.									
Perforated Dakota and Cedar Mountain formations @ 5460, 67, 79, 6003, 09, 22, 48, 61 and 69. Tested all perfs at 130 mcfgpd.									
After 24 hours, SITP 790#, SICP 790#. Set bridge plug at 6080 and packer at 5990. Acidized Cedar Mountain perfs at 6003 to 6069 with 650 gallons 7 1/2% MCA acid. ISIP 1300#, fell to 0# in 5 minutes.									
Set bridge plug to 5990, moved packer to 5911. Acidized Dakota formation perfs from 5960 - 5979 with 350 gallons 7 1/2% MCA acid. Initial breakdown at 3200#. ISIP 1300#, fell to 0 in 5 minutes. Moved bridge plug to 6080, moved packer back to 5911. Swabbed back acid from Dakota and Cedar Mountain perfs. Recovered load; well started flowing gas after 6 runs; cleaned up to 10' flare.									

*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	NONE	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*Produced	NONE	NONE	NONE
*Sold	NONE	NONE	XXXXXXXXXXXXXXXXXX
*Spilled or Lost	NONE	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*Flared or Vented	XXXXXXXXXXXXXXXXXX	NONE	XXXXXXXXXXXXXXXXXX
*Used on Lease	NONE	NONE	XXXXXXXXXXXXXXXXXX
*Injected	NONE	NONE	NONE
*Surface Pits	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	NONE
*Other (Identify)	NONE	NONE	NONE
*On hand, End of Month	NONE	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
*API Gravity/BTU Content	NONE	NONE	XXXXXXXXXXXXXXXXXX

Authorized Signature: Michael L. Powell Address: 50 S. Main St., Ste 1570, SLC, UT 84144
Title: EXPLORATION MANAGER

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

Budget Bureau No. 42-R356.6.
Approval expires 12-31-60.

LAND OFFICE Salt Lake City, Utah
LEASE NUMBER U-05010-C
UNIT

LESSEE'S MONTHLY REPORT OF OPERATIONS

State Utah County Grand Field San Arroyo - East Canyon

The following is a correct report of operations and production (including drilling and producing wells) for the month of September, 1982.

Agent's address 50 S. Main Street, Suite 1570 Company Fortune Oil Company
Salt Lake City, Utah 84144-0462

Phone 801-532-7797 Signed Michael A. Pinnell
Agent's title Exploration Manager

SEC. AND ¼ OF ¼	TWP.	RANGE	WELL NO.	DATE PRODUCED	BARRELS OF OIL	GRAVITY	CU. FT. OF GAS (In thousands)	GALLONS OF GASOLINE RECOVERED	BARRELS OF WATER (If none, so state)	REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)
Sec. 7 NE¼NW¼	16S	25E	21-7				API NO. 43-019-30755			
Blew hole dry with nitrogen. Perforated 6096, 6101, 6111 (Buckhorn). Had small blow. After 24 hours, SITP 50#, SICP 50#. Acidized perfs with 300 gal. 7½% mud acid. Broke down formation at 3500 PSI. Injection rate 2½ bbls/min @ 2400 PSI. ISIP 1500# to 300# in 5 minutes. Swabbed back 27 bbls load; well blowing 8' flare. After 24 hours, SITP 800#; tested 88.3 mcf/gpd.										
Perforated Dakota and Cedar Mountain formations @ 5450, 67, 79, 6003, 09, 22, 48, 61 and 69. Tested all perfs at 130 mcf/gpd.										
After 24 hours, SITP 790#, SICP 790#. Set bridge plug at 6080 and packer at 5990. Acidized Cedar Mountain perfs at 6003 to 6069 with 650 gallons 7½% MCA acid. ISIP 1300#, fell to 0# in 5 minutes.										
Set bridge plug to 5990, moved packer to 5911. Acidized Dakota formation perfs from 5960 - 5979 with 350 gallons 7½% MCA acid. Initial breakdown at 3200#. ISIP 1300#, fell to 0 in 5 minutes. Moved bridge plug to 6080, moved packer back to 5911. Swabbed back acid from Dakota and Cedar Mountain perfs. Recovered load; well started flowing gas after 6 runs; cleaned up to 10' flare.										
Flowed the well clean to clean up. Overnight shutin pressure 800#. Flow rate 419 mcf/gpd. Overnight, well cleaned up more to flow 625 mcf/gpd. Flow increased to 814 mcf/gpd. When attempting to pull bridge plug out of hole, plug stuck at 5600'.										
Lost 14 days trying to remove stuck plug. Milled on plug until removed.										
From September 14 to 30, flowed daily for short period in order to clean out drilling water and clean up perfs. Flow rate initially was 300 mcf/gpd. Gradually increased to 552 mcf/gpd at end of month.										
Additional tests will follow to determine potential.										

NOTE.—There were NO runs or sales of oil; NO M cu. ft. of gas sold; NO runs or sales of gasoline during the month. (Write "no" where applicable.)

NOTE.—Report on this form is required for each calendar month, regardless of the status of operations, and must be filed in duplicate with the supervisor by the 6th of the succeeding month, unless otherwise directed by the supervisor.



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

October 27, 1982

TXO Production Corporation
1800 Lincoln Center Building
Denver, Colorado 80264

RE: Arco Federal "B" #2
Sec. 6, T. 16S, R. 25E
Grand County, Utah

Gentlemen:

As expressed in our recent telephone conversations with Mr. Bruce Wright, a formal protest has been received by the Division of Oil, Gas and Mining from Fortune Oil Company as to the State of Utah approval of the Application to Drill for the referenced well. This matter has been scheduled for hearing before the Board of Oil, Gas and Mining at the regular monthly meeting in November.

Therefore, we request that TXO Production Corporation delay site preparation and spudding of this well until such time as this matter is presented to and a determination received from the Board. Your cooperation and compliance with this request is appreciated.

Very truly yours,

R. Z. Firth
Chief Petroleum Engineer

RJF/as
cc: Fortune Oil Company

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION
 Salt Lake City 14, Utah

REPORT OF OPERATIONS AND WELL STATUS REPORT

State Utah County Grand Field or Lease San Arroyo - East Canyon

The following is a correct report of operations and production (including drilling and producing wells) for
October, 1982.

Agent's address 50 S. Main St., #1570 Company Fortune Oil Company

Salt Lake City, Utah 84144 Signed Michael L. Pinnell

Phone 801-532-7797 Agent's title Exploration Manager

State Lease No. _____ Federal Lease No. U-05010-C Indian Lease No. _____ Fee & Pat.

Sec. & 1/4 of 1/4	Twp.	Range	Well No.	*Status	Oil Bbls.	Water Bbls.	Gas MCF's	REMARKS (If drilling, Depth; if shut down, Cause; Date & Results of Water Shut-Off Test; Contents of Gas; and Gas-Oil Ratio Test)
Sec. 7 NE 1/4 NW 1/4	16S	25E	21-7	API NO.	43-019-30755			<div style="border: 1px solid black; padding: 2px;">No. of Days Produced</div>
Flow tested 443 mcf/gpd on 15/64" choke from all perforated zones. Shut well in for build-up tests. Well flowed at 519 mcf/gpd with 300# flowing tubing pressure after seven-day test.								
Waiting to hook up production equipment.								

Note: There were NO runs or sales of oil; NO M cu. ft. of gas sold; NO runs or sales of gasoline during the month.

NOTE: Report on this form as provided for in Rule C-22. (See back of form.)

FILE IN DUPLICATE

*STATUS: F-Flowing P-Pumping GL-Gas Lift
 SI-Shut In D-Dead
 GI-Gas Injection TA-Temp. Aban.
 WI-Water Injection



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

October 27, 1982

Fortune Oil Company
50 South Main Street, Suite 1570
Salt Lake City, Utah 84144

Attn: Mr. G. W. Anderson, Vice-President

RE: Fortune Oil Company's Protest to
State of Utah Approval of TXO
Production Corporation Application
To Drill, Arco Federal B-2 Well,
Sec. 6, T. 16S, R. 25E,
Grand County, Utah

Dear Mr. Anderson:

In regard to Fortune Oil Company's formal protest of State of Utah approval of the Application to Drill the TXO Production Corporation Federal B-2 Well, this is to advise you that this matter has been scheduled for hearing before the Board of Oil, Gas and Mining at the regular monthly hearing in November. We have also requested TXO Production Corporation delay the spudding of this well until the differing opinions as to the directional drilling procedures and operations might be presented and a determination received from the Board.

The directional drilling issue as expressed in item 2 of your letter of October 25, 1982, appears to be the only possible basis for the Fortune protest submittal. The critical statement and accusation in item 3 of your letter inferring that the Division of Oil, Gas and Mining "overstepped its authority (or to say the least, did not use good judgement) in approving the TXO application without first notifying adjacent lease owners and giving them a chance to protest TXO's location" is not appropriate nor appreciated by the Division Staff. This particular location was approved in complete compliance with the General Rules and Regulations and Rules of Practice and Procedure and the Order of Cause No. 149-1. As this approved location is not an exception location to the Order of Cause No. 149-1, the Division is not obligated to advise adjacent lease owners so that they might protest or intercede in this procedure.

Mr. G. W. Anderson
Page 2
October 27, 1982

We hope that during the November hearing that the presentation of suitable scientific and engineering evidence in which the Board must rely for an equitable decision will not be superseded by public airing of contending company complaints and circumstances.

Very truly yours,



R. D. Firth
Chief Petroleum Engineer

RJF/as

cc: Minerals Management Service
Natural Gas Corporation of California
Mono Power Company
Energy Increments,
Division of Carson Water Company

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other In-
structions on
reverse side)

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

5. LEASE DESIGNATION AND SERIAL NO.

U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

21-7

10. FIELD AND POOL, OR WILDCAT

San Arroyo

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

Sec. 7, T16S, R25E
S.L.B. & M.

12. COUNTY OR PARISH
Grand

13. STATE
Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____
b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR
Fortune Oil Company

3. ADDRESS OF OPERATOR
50 So. Main, Suite 1570, Salt Lake City, Utah 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 667' FNL 2002' FWL, Sec. 7, T16S, R25E
At top prod. interval reported below
At total depth

43-019-30755

14. PERMIT NO. DATE ISSUED

15. DATE SPUDDED 7/24/82 16. DATE T.D. REACHED 8/3/82 17. DATE COMPL. (Ready to prod.) 9/16/82 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* *7264 KB 7251 GR 19. ELEV. CASINGHEAD 7265'

20. TOTAL DEPTH, MD & TVD 6170' 21. PLUG, BACK T.D., MD & TVD 6136' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ATCO 18 24. ROTARY TOOLS NA 25. CABLE TOOLS NA

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
6096-6111 Morrison 6003-6069 Cedar Mountain
5960-79 Dakota 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN FDC/CNL/CAL/GR DIL/GR/SP CBL 27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	32.3#	283'	12-1/4"	175 sacks	None
7"	23#	2614'	8-3/4"	160 sacks	None
4-1/2"	11.6 N-80	6168'	6-1/4"	160 sacks RFC	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
NA					2-3/8	6095'	NA

31. PERFORATION RECORD (Interval, size and number)
6096, 6101, 6111
5960, 5967, 5979, 6003, 6009, 6022, 6048
6061, 6069

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6096-6111	300 gal 7½% Mud Acid
6003-6069	650 gal 7½% Mud Acid
5960-5979	350 gal 7½% Mud Acid

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in) SI w/o sales line					
Aug 1, 1982	Flowing						
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
10/9/82	24	15/64	→	Tr	519	Tr	--
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
368	450	→	--	519	--	--	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
Vented while testing SI wait on sales line TEST WITNESSED BY Wendell Potter

35. LIST OF ATTACHMENTS

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

SIGNED T. W. Dyk TITLE Petroleum Engineer DATE 11/22/82

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

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple-stage cementing and the location of the cementing tool. **Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP		BOTTOM	DESCRIPTION, CONTENTS, ETC.
	MEAS. DEPTH	TRUE VERT. DEPTH		
Castlegate	2256		2392	S.S. VF.Gr. 600 units gas while mist drilling.
Mancos 'B'	3014		3777	Silty S.S. small gas shows.
Dakota	5894		5988	S.S. VFGR up to 120 unit gas while air drilling.
Cedar Mountain	5988		6076	SS FGR Tested 1.5 MMCFPD at 6025.

38.

GEOLOGIC MARKERS

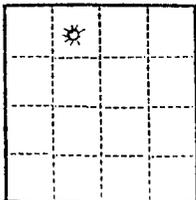
NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Castlegate	2256	
Mancos	2392	
Mancos B	3014	
Frontier	5565	
Dakota Silt	5846	
Dakota Sand	5894	
Cedar Mountain	5988	
Morrison	6076	
TD	6170	

(SUBMIT IN TRIPLICATE)

Land Office SLC, UT

Lease No. U-05010-C

Unit N/A



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	SUBSEQUENT REPORT OF WATER SHUT-OFF	
NOTICE OF INTENTION TO CHANGE PLANS	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	SUBSEQUENT REPORT OF ALTERING CASING	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	SUBSEQUENT REPORT OF ABANDONMENT	
NOTICE OF INTENTION TO PULL OR ALTER CASING	SUPPLEMENTARY WELL HISTORY	
NOTICE OF INTENTION TO ABANDON WELL	Subsequent Report of Form 9-330	
	Well Completion Report and Log	X

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

December 21, 1982

Well No. 21-7 is located 677 ft. from N line and 2002 ft. from W line of sec. 7

NE 1/4 NW 1/4 Sec. 7 16 S. 25 E. S. L.
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)

San Arroyo-East Canyon Grand Utah
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 7263 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Production from the above captioned well began December 13, 1982 at 1:00 P.M. at a rate of 522 MCFGPD. Flowing tubing pressure was 710 P.S.I., casing pressure was 850 P.S.I., tubing pressure was 800 P.S.I.

Date	Flow Rate	Tubing Pressure	Casing Pressure
12-14-82	451 MCFGPD	520#	550#
12-15-82	451 MCFGPD	500#	530#
12-16-82	488 MCFGPD	470#	490#
12-17-82	484 MCFGPD	440#	450#
12-18-82	459 MCFGPD		
12-19-82	468 MCFGPD		
12-20-82	459 MCFGPD	420#	440#

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company FORTUNE OIL COMPANY

Address 50 S. MAIN STREET, SUITE 1570

SALT LAKE CITY, UT 84144

By Michael L. Pinnell
Michael L. Pinnell

Title Exploration Manager

OIL COMPANY
Fortune

50 South Main Street
Suite 1570
Salt Lake City, Utah 84144
Phone: (801) 532-7797

December 17, 1982

Bureau of Land Management
Minerals Management Service
Oil and Gas Operations
Suite 2000, 1745 W., 1700 S.
Salt Lake City, Utah 84104

Attention: Mr. Ed Guynn

Re: Fortune Oil Company 21-7 Federal
T. 16 S., R. 25 E.
Sec. 7: NE $\frac{1}{4}$ NW $\frac{1}{4}$
Grand County, Utah
Initial Production

Dear Mr. Guynn:

Per our recent conversation regarding Fortune Oil Company wells in Grand County, Utah, please find enclosed three copies of Sundry Notices and Reports on Wells (Form 9-331a) for the 21-7 Federal which gives the date and time production was initiated on same. It also gives a brief history of daily flow rates with pressure decline information. If you need additional information which I can supply, please let me know.

We hope three copies are sufficient for you to provide one to the Accounting Section in Casper.

By copy of this letter, we are also providing two copies of this report to the State of Utah Division of Oil, Gas & Mining.

Very truly yours,

FORTUNE OIL COMPANY

Michael L. Pinnell

Michael L. Pinnell
Exploration Manager

MLP/sk

Enclosures

✓ cc: Division of Oil, Gas & Mining/with encl.

RECEIVED
DEC 23 1982

DIVISION OF
OIL, GAS & MINING

2
STATE 11

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 well proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
FORTUNE OIL COMPANY

3. ADDRESS OF OPERATOR
50 South Main, #1570, SLC, Utah 84144

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 677' FNL & 2002' FWL
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 checked="" 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-05010-C
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME	Federal
9. WELL NO.	21-7
10. FIELD OR WILDCAT NAME	San Arroyo
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	Sec. 7, T16S, R25E
12. COUNTY OR PARISH	Grand
13. STATE	Utah
14. API NO.	43-019-30755
15. ELEVATIONS (SHOW DF, KDB, AND WD)	7253' GR

(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.)*

Fortune Oil Company hereby advises that the subject well will be fracture treated in accordance with the attached procedure.

Operations commenced 6/9/83 - moved in Carmack Rig #10-

RECEIVED
JUN 16 1983

DIVISION OF
OIL, GAS & MINING

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.
18. I hereby certify that the foregoing is true and correct
SIGNED Sharon A. Wilcox TITLE Operations Manager DATE June 10, 1983

(This space for Federal or State office use)

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

FORTUNE OIL COMPANY

FEDERAL #21-7
Sec.7, T16S, R25E
Grand County, Utah

WELL DATA

ELEVATION: 7264' K.B. 7251' G.L.
CASING: 4-1/2", N-80, 11.6#/ft.
TUBING: 2-3/8", J-55, 4.7#/ft.
PERFS: 5960', 5967', 5979', 6003', 6009', 6022',
6048', 6061', 6069', 6096', 6101', 6111'.

PROCEDURE

1. MIRU Well Service unit. Blow well down. Nipple down tree. Nipple up BOP's.
2. POH with tubing. Pick up RBP and set @ 6085'. Use full bore retrieving head.
3. Space tubing with N-80 pup and blast joint in wellhead.
4. Frac Dakota/Cedar Mountain with 20,000 lbs. 100 mesh sand and 80,000 lbs. 20/40 sand in 75 Quality N₂ Foam with triple entry technique.
5. Blow back immediately after rigging down frac crew and production test.
6. TIH w/tubing and retrieve RBP. TIH and land tubing at 6070' ±. Nipple down BOP. Nipple up tree. Rig down service unit. Flow to clean up well. Place well on production.

3
STATE M

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 ~~well proposals~~.)

1. oil well gas well other

2. NAME OF OPERATOR
FORTUNE OIL COMPANY

3. ADDRESS OF OPERATOR
50 South Main, #1570, SLC, Utah 84144

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 677' FNL & 2002' FWL
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"/>

REPORT OF OPERATIONS

5. LEASE	U-05010-C
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME	Federal
9. WELL NO.	21-7
10. FIELD OR WILDCAT NAME	San Arroyo
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	Sec. 7, T16S, R25E
12. COUNTY OR PARISH	Grand
13. STATE	Utah
14. API NO.	43-019-30755
15. ELEVATIONS (SHOW DF, KDB, AND WD)	7253' GR

(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.)*

Fortune Oil Company herewith advises that the following work has been performed on the subject well:

Operations commenced 6/9/83, MI Carmack Rig #10, set retrievable bridge plug (RBP) at 5901', pressure tested csg to 5500 psi, moved RBP to 5532' and pressure tested to 5500 psi for 15 minutes, no bleed-off. Suspect csg leak - TIH & set RBP at 5901', TOOH, TIH and set packer at 5840', pressure tested 5840' - 5901' to 3000 psi, held ok. found leak in casing from 5600' - 5630', dumped 4 sx sand down tubing, TOOH and lay down packer. TIH to 5647', Dowell spotted 25 sx class "G" neat cmt. cmt plug 5647'-5324', sq l bbl slurry in csg hole, reversed out. TOOH, picked up bit and scraper and TIH.

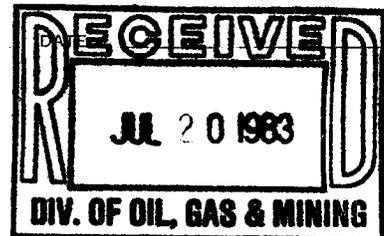
Subsurface Safety Valve: Manu. and Type _____ Set @ (see pg 2) ft.

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

SIGNED: Sheri Wilson TITLE: Operations Manager DATE: July 18, 1983

(This space for Federal or State office use)

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



Fortune Oil Company
Federal 21-7
Page Two

Attachment to Form 9-331, July 18, 1983

Tagged cement top at 5398', drilled hard cement to 5643' and TIH to 5870' and tagged sand. Washed 6' sand, pressure tested sq. to 2750 psi for 15 minutes. TOOH with bit and scraper. TIH with retrieving head to RBP at 5902'. Halliburton blew well with nitrogen, TOOH with RBP and ran 199 jts. 2 3/8" tubing to 6106' KB. Standing valve at 6076'. Well placed back on production 6/17/83.

Fortune Oil Company is currently having Halliburton Company design a program for a fracture treatment of the subject well through tubing due to the casing break. We propose to frac the Dakota formation when said program has been designed and when a string of 2 7/8" tubing becomes available.

STATE *M*

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 ~~well proposals~~)

1. oil well gas well other

2. NAME OF OPERATOR
FORTUNE OIL COMPANY

3. ADDRESS OF OPERATOR
50 So. Main, #1570, SLC, UT 84144

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 677' FNL & 2002' FWL
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 checked="" 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-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
FEDERAL

9. WELL NO.
21-7

10. FIELD OR WILDCAT NAME
San Arroyo Area

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 7, T16S, R25E

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

14. API NO.
43-019-30755

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7253' GR

Fortune Oil
(NOTE: Report results of multiple completion or zone change on Form 9-330.)
To Release per [unclear]

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.)*

Fortune Oil Company herewith reports that the following work was performed on the subject well:

Colorado Well Service Rig #42 moved onto location 9/2/83 - Run Model HE RBP, set at 5996', packer set at 5988', pressure tested 2 3/8" tubing to 6500 psi. Moved packer to 5723' and set. Acidized Dakota perfs 5960'-5979' w/300 gal. 15% mud clean-out acid at 4.3 bpm at 3500 psi, blew back load fluid w/nitrogen. Moved packer to 5710' and set, pressure tested annulus to 1200 psi, filled backside w/3% KCL water - NOWSCO fraced Dakota perfs 5960'-67'-79' w/10,000# 100-mesh sand, 30,000# 20-40 mesh sand, and 9,000 gal. 5% HCL acid foamed to 75% quality with nitrogen. Fraced at 7.2 bpm, 6400 psi

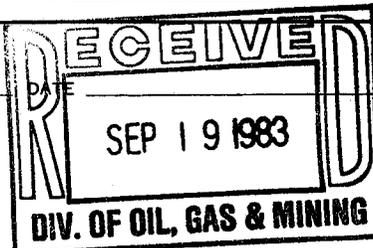
Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED *Cheser Wilcox* TITLE Operations Manager DATE 9/12/83

(This space for Federal or State office use)

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



Subsequent Report of Fracture Treatment

down 2 3/8" tubing with packer set at 5710'. Left well shut-in for 2 hours and began flowback. Flowed well overnight, intermittent 10'- 15' flare. Pressured annulus to 500 psi w/nitrogen and opened by-pass valve on packer. Pressured to 3600 psi on casing and unloaded fluid from hole. Unseated packer and run in hole to 5830', left packer hang, blew well through 3/8" orifice. Swabbed, flowtest for stabilized rate of 81 MCF/D through 1/4" orifice.

STATE

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 well proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
FORTUNE OIL COMPANY

3. ADDRESS OF OPERATOR
50 South Main, #1570, SLC, UT 84144

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 677' FNL & 2002' FWL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

5. LEASE
U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal

9. WELL NO.
#21-7

10. FIELD OR WILDCAT NAME
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 7, T16S, R25E

12. COUNTY OR PARISH
Grand

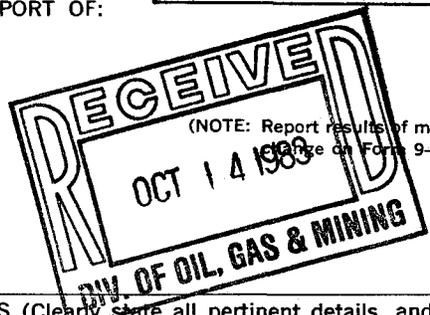
13. STATE
Utah

14. API NO.
43-019-30755

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7253' GR

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>REPORT OF OPERATIONS</u>		



(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.)*

Fortune Oil Company herewith reports the following work was performed on the subject well: On 9/12/83, after 40-hour buildup, TOOH w/packer TIH with retrieving head, hooked up NOWSCO and reversed sand off RBP. Began pulling plug, pulled up to 5724', stuck, shut-in backside let gas blow out tubing, set down on bridge plug and plug came loose. Finished coming out of hole with RBP. TIH w/production string, nipple down BOP's, NU wellhead - rigged down pulling unit. On 9/26/83 well shut-in at 9:00 a.m. for temperature logging. On 9/27/83, after 26 hours shut-in, Geosource ran temperature logs - On 9/28/83, Colorado Well Service #15 rigged up and blew down well, TIH w/tubing to 5982'. Final Report - well returned to production.

Temperature Logs Attached
Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct
SIGNED Sherie Wilcox TITLE Operations Manager DATE 10/11/83

(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

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

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

November 8, 1983

Fortune Oil Company
50 South Main, Suite 1570
Salt Lake City, Utah 84144

RE: See Attached Sheet

Gentlemen:

According to our records, "Well Completion Reports" filed with this office November 22, 1982 and September 23, 1982 from the above referred to wells, indicate the following electric logs were run: Federal #21-7: FDC/CNL/CAL/GR, DIL/GR/SP, CBL; Federal #23-1: SNP/CNL/GR/CAL, DIL/GR/SP, CBL; Federal #24-1: FDC/CNL/GR/CAL, DIL/GR, CBL; Federal #43-7: FDC/CNL/GR/CAL, DIL/GR/SP, CBL. As of todays date, this office has not received these logs: CBL on all listed wells.

Rule C-5, General Rules and Regulations and Rules of Practice and Procedure, requires that a well log shall be filed with the Commission together with a copy of the electric and radioactivity logs.

We will be happy to acknowledge receipt of your response to this notice if you will include an extra copy of the transmittal letter with a place for our signature, and a self addressed envelope for the return. Such acknowledgment should avoid unnecessary mailing of a second notice from our agency.

Your prompt attention to the above will be greatly appreciated.

Respectfully,

DIVISION OF OIL, GAS AND MINING

Claudia Jones
Well Records Specialist

CJ/cj

Attachment

Well No. Federal #21-7
API # 43-019-30755
Sec. 7, T. 16S, R. 25E.
Grand County, Utah

Well No. Federal #23-1
API # 43-019-30721
Sec. 1, T. 16S, R. 24E.
Grand County, Utah

Well No. Federal #24-1
API # 43-019-30955
Sec. 24, T. 16S, R. 24E.
Grand County, Utah

Well No. Federal #43-7
API # 43-019-30991
Sec. 7, T. 16S, R. 25E.
Grand County, Utah

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 ~~XXX~~ other

2. NAME OF OPERATOR
Fortune Oil Company

3. ADDRESS OF OPERATOR
3450 Highland Dr. #200, SLC, UT

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 550' FNL & 1800' FWL
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 ON PRODUCTION</u>		

5. LEASE U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal

9. WELL NO.
#21-7

10. FIELD OR WILDCAT NAME
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 7, T16S, R25E

12. COUNTY OR PARISH Grand 13. STATE Utah

14. API NO.
43-019-30755 *CDMTN*

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7251' GR

(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.)*

Fortune Oil, Ltd., herewith advises that the subject well which was shut-in on July 11, 1985, was placed back on production January 2, 1986.

Per applicable regulations, verbal notification was given BLM office, Moab District, on January 7, 1986.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED *Sherrie Secoy* TITLE Operations Manager DATE 2/18/86

(This space for Federal or State office use)

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

OIL COMPANY LTD.
Fortune

February 17, 1986

Utah Division of Oil, Gas & Mining
3 Triad Center
355 West North Temple
Salt Lake City, Utah 84180

RECEIVED
FEB 24 1986

Attention: Mr. Norm Stout

DIVISION OF
OIL, GAS & MINING

Gentlemen:

Effective January 10, 1986, Fortune Oil Company, a privately held corporation duly organized and existing under the laws of the State of Utah, was officially and formally dissolved. Effective that date, all remaining assets of that Corporation, including any and all interest in producing wells, leasehold estates, outside operated wells, Farmout Agreements, etc., will be held and, where applicable, operated by Fortune Oil, Ltd., a Utah limited partnership.

All operations which have previously been conducted by Fortune Oil Company will continue to be handled by Fortune Oil Ltd. New and additional operations, including future prospective exploratory programs, will be conducted under Anderson Exploration Company, a corporation duly organized in October, 1980, validly existing and in good standing under the laws of the State of Utah.

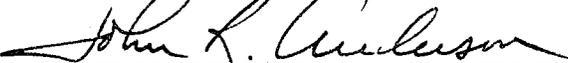
Personnel shall be the same under both Fortune Oil, Ltd. and Anderson Exploration Company. Please address further correspondence with respect to Fortune Oil Company interests to its successor in interest as follows:

FORTUNE OIL, LTD.
3450 Highland Drive, Suite 200
Salt Lake City, Utah 84106

Should you have any questions relative to the above, please call (801) 485-7797.

Sincerely yours,

FORTUNE OIL, LTD., by
K & J INVESTMENT COMPANY,
its Managing Partner



John R. Anderson
President



UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

<i>OLD</i>	<i>NEW</i>
• FORTUNE OIL COMPANY FORTUNE OIL LTD	
3450 HIGHLAND DR #200	
SALT LAKE CITY UT 84106	
ATTN: SCHEREE E. WILCOX	

Utah Account No. N2260

Report Period (Month/Year) 2 / 86

Amended Report

Well Name	API Number	Entity	Location	Producing Zone	Days Oper	Production Volume		
						Oil (BBL)	Gas (MSCF)	Water (BBL)
✓ ANDERSON FEDERAL #1	4301930135	00582	16S 25E 8	CDMTN				
✓ ANDERSON FED #2	4301930136	00583	16S 24E 12	CDMTN				
✓ FEDERAL #23-1	4301930721	00584	16S 24E 1	CDMTN				
✓ FEDERAL #17-8	4301931099	00585	16S 25E 8	DKTA				
✓ FEDERAL #31-1	4301931030	00586	16S 24E 1	DKTA				
✓ FEDERAL #34-31	4301931046	00586	15S 25E 31	DKTA				
✓ FEDERAL #43-7	4301930991	00587	16S 25E 7	CDMTN				
✓ FEDERAL 24-1	4301930955	00588	16S 24E 24	CDMTN				
✓ FEDERAL #21-7	4301930755	00589	16S 25E 7	CDMTN				
TOTAL								

Comments (attach separate sheet if necessary) _____

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

Authorized signature _____ Telephone _____

**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 ~~small proposals~~.)

1. oil well gas well other

2. NAME OF OPERATOR
Fortune Oil, Ltd.

3. ADDRESS OF OPERATOR
3450 Highland Dr. #200, SLC, UT 84106

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 550' FNL & 1800' FWL
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"/>	REPORT OF UNDESIREABLE EVENT	<input type="checkbox"/>

5. LEASE
U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Fortune Federal

9. WELL NO.
#21-7

10. FIELD OR WILDCAT NAME
San Arroyo Area

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 7, T16S, R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. API NO.
43-019-30755

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7251' GR

(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.)*

Fortune Oil, Ltd., herewith provides written notification as required by NTL-3A, of a minor spill at the subject location. Please reference the attached "Report of an Undesireable Event" for details.

RECEIVED
MAR 04 1986

DIVISION OF
OIL, GAS & MINING

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct
SIGNED *Shereka Wiley* TITLE Operations Manager DATE Feb. 28, 1986

(This space for Federal or State office use)

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

Fortune Oil, Ltd.
San Arroyo Area
Grand County, Utah

REPORT OF UNDESIREABLE EVENT - MINOR EVENT

Location of Incident: Fortune Federal #21-7 wellsite, Sec. 7, T16S, R25E, Grand County, Utah. Federal Lease U-05010-C.
Surface Ownership: Bureau of Land Management (BLM)

Date and Time of Occurrence: The spill was discovered by Fortune's contract pumper, Mr. Greg Gardner (D & G Roustabout Service) at 9:00 a.m. February 25, 1986. Mr. Gardner notified the Fortune Salt Lake office upon his return to Grand Junction at approximately 4:00 p.m. on February 26. Mr. Gardner's previous inspection of this location was February 24 at 11:00 a.m.; the location was secure and there was no evidence of the valve rupture at that time. The Moab District office of the BLM was given verbal notification on February 27 at 9:00 a.m. Notice was given by Ms. Scheree Wilcox, Operations Manager, to Mr. Jeff Robbins.

Specific Nature and Cause of Incident: The low pressure load line valve located on the storage tank apparently froze and ruptured. All tank security seals were in place.

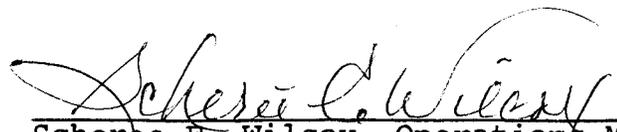
Resultant Damage: The discharge of condensate was completely contained within the berm surrounding the tank - no significant damage to the location. The damage to the valving and piping on the tank is minimal.

Action Taken, Time Required for Control: No significant action was required due to the containment of the fluids within the berm area. Control was effected immediately.

Estimated Volumes Discharged and Lost: Approximately 60 to 65 barrels

Actions Taken to Prevent a Recurrence: The ruptured valve and any corresponding piping will be replaced. Due to the elevation of the wellsite (7253' GR) it is impossible to prevent freezing at this location. The majority of pipelines and gathering lines at this site are insulated, wrapped and buried. However, the location of this particular valve on the storage tank is not conducive to insulation wrap. A high pressure ball valve will be installed in addition to the valve which ruptured to hopefully alleviate any type of water build-up within the lines. Repairs and modifications should be complete by Monday, March 3.

Other Agencies Notified: Division of Oil, Gas and Mining to receive a copy of this report in accordance with their Rule 319.


Scheree E. Wilcox, Operations Manager
February 28, 1986

RECEIVED
JUL 14 1987

FORTUNE OIL LTD.
3450 HIGHLAND DRIVE, SUITE 200
SALT LAKE CITY, UTAH 84106
(801) 485-7797

DIVISION OF
OIL, GAS & MINING

July 13, 1987

Division of Oil, Gas, and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

072825

15685

RE: Fortune Oil Ltd. Account No. N2260
San Arroyo Gas Field, Grand County, Utah

Gentlemen:

This letter is to advise you that Fortune Oil Ltd. has, effective June 1, 1987, sold all of its interest in the below listed producing gas wells and in the Federal leases upon which the wells are located in the San Arroyo Gas Field, Grand County, Utah, to Bonnevillle Fuels Corporation, Denver, Colorado.

<u>FEDERAL WELL NUMBER</u>	<u>API NUMBER</u>	<u>STATE ENTITY</u>
X Anderson Federal #1	4301930135	00582
X Anderson Federal #2	4301930136	00583
X Federal #23-1	4301930721	00584
X Federal #17-8	4301931099	00585
X Federal #31-1	4301931030	00586
X Federal #34-31	4301931046	00586
X Federal #43-7	4301930991	00587
X Federal #24-1	4301930955	00588
X Federal #21-7	4301930755	00589

Please be advised that Bonnevillle Fuels Corporation will be furnishing all reports to you in the future for these wells beginning June, 1987. Please forward any future correspondence and report forms required for these wells and properties to Bonnevillle, including the Monthly Oil and Gas Production Report and the Disposition Report. We assume that Bonnevillle has initiated the necessary paperwork with your office to set up their payor account. In the event it is necessary to contact Bonnevillle Fuels, their address is 600 Seventeenth Street, Suite 710 North, Denver, Colorado 80202, attention Mr. Greg Twombly, President, and their telephone number is (303) 623-5600.

Sincerely yours,

FORTUNE OIL LTD.

Scheree Wilcox
Scheree Wilcox
Operations Manager

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

METER CODE	WELL NAME	LOC	RUN	DAY	MO/YR	STARTING TIME
92311015	FEDERAL #31-1 16S 24E 1	06	07	<u>1</u>	10/85	<u>1000</u>
92114015	ANDERSON #2 16S 24E 12	06	07	<u>9</u>	12/85	<u>0900</u>
92288011	FEDERAL #21-7 16S 25E 7	06	07	<u>4</u>	12/85	<u>0930</u>
92288014	FEDERAL #24-1 16S 24E 24	06	07	<u>4</u>	12/85	<u>1130</u>
92288010	FEDERAL #43-7 16S 25E 7	06	07	<u>4</u>	12/85	<u>1030</u>
92312011	FEDERAL #34-31 15 1/2 S 25E 31	06	12	<u>2</u>	10/85	<u>0900</u>
92314014	FEDERAL #17-8 16S 25E 8	06	12	<u>11</u>	11/85	<u>1100</u>
92113019	ANDERSON #1 16S 25E 8	06	12	<u>10</u>	12/85	<u>1100</u>
92284018	FEDERAL #23-1 16S 24E 1	06	12	<u>10</u>	12/85	<u>1200</u>

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0155
Expires August 31, 1985

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.)

5. LEASE DESIGNATION AND SERIAL NO.

U-05010-C

PGW

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

093005

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

21-7

10. FIELD AND POOL, OR WILDCAT

San Arroyo Area

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

Sec. 7, T16S, R25E

12. COUNTY OR PARISH 13. STATE

Grand

Utah

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

Bonneville Fuels Corporation

3. ADDRESS OF OPERATOR

600 17th Street, Suite 705 North, Denver, Colorado 80202

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

550' FNL, 1800' FWL

14. PERMIT NO.

43-019-30755

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

7251' GR

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHORT OR ACIDIZE

REPAIR WELL

(Other) turn well on to production

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANE

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

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.)*

Bonneville Fuels Corporation, herewith provides written notification that the Federal 21-7 was turned on to production on September 10, 1987.

RECEIVED

SEP 28 1987

BUREAU OF OIL
AND GAS MINING

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

SIGNED

Greg Foulds

TITLE

PRESIDENT

DATE

9-11-87

(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
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPlicate
(Other instructions on reverse side)

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

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
Bonneville Fuels Corporation

3. ADDRESS OF OPERATOR
600 17th Street, Suite 705 North, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
550' FNL, 1800' FWL

14. PERMIT NO. 43-019-30755

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
7251' GR

5. LEASE DESIGNATION AND SERIAL NO.
U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal

9. WELL NO.
21-7

10. FIELD AND POOL, OR WILDCAT
San Arroyo Area

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA
Sec. 7, T16S, R25E

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) _____	

(Other) turn well on to production

(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 and 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.)*

Bonneville Fuels Corporation, herewith provides written notification that the Federal 21-7 was turned on to production on September 10, 1987.

SEP 28 1987
BUREAU OF OIL
AND GAS MINING

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

SIGNED Greg Joubert TITLE PROSIDENT DATE 9-11-87

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

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

RECEIVED

6. Lease Designation and Serial Number
U-05010C

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement
MO49084700C

9. Well Name and Number
Federal 21-7

10. API Well Number
43-019-30755

11. Field and Pool, or Wildcat
San Arroyo

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)

2. Name of Operator
Bonneville Fuels Corporation

3. Address of Operator
1660 Lincoln Street, Ste 1800, Denver, CO 80264

4. Telephone Number
(303) 863-1555

5. Location of Well
Footage : 550 FNL, 1800' FWL
County : Grand
QQ, Sec, T., R., M. : NE/NW 7, T16S R25E
State : UTAH

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

NOTICE OF INTENT
(Submit in Duplicate)

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

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

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

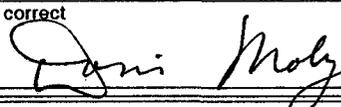
Date of Work Completion _____

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.)

Report of minor spill at subject location.
Date & Time of Occurrence: The spill was discovered January 29th, 1992 by our company pumper Pat McDonald when he visited the location. Mr McDonald's previous inspection of this location was on January 25th, 1992. At that time the tank was secure and no evidence of the valve or pipe rupture was seen.
Nature and Cause of Incident: The valve located on the storage tank froze and ruptured allowing contents of tank to spill.
Resultant Damage: The discharge of condensate and BS&W was completely contained within the berm surrounding the tank. There is no significant damage to the location.
Action Taken, Time Required for Control:
All fluids were contained within the berm around the storage tank. Valve repair or replacement will be completed by end of the month. This well is on an intermitter, discharge is currently going through the tank and out the drain pipe to the produced water pit.
Estimated Volumes Discharged and Lost: Approximately 41 bbls fluid were lost, 23 bbls condensate and 18 bbls BS&W. Condensate has evaporated and BS&W frozen within the area between the berm and the tank.

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

Name & Signature Doris Maly  Title Engineering Tech. Date 1/21/92

(State Use Only)

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

6. Lease Designation and Serial Number

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement

9. Well Name and Number

See Exhibit A

10. API Well Number

11. Field and Pool, or Wildcat

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)

2. Name of Operator

Bonneville Fuels Corporation

3. Address of Operator

1660 Lincoln Street, Ste 1800, Denver, CO 80264

4. Telephone Number

(303) 863-1555

5. Location of Well

Footage : See Exhibit A
QQ, Sec. T., R., M. :

County :

State : UTAH

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

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|---|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Change of Operator</u> | |

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

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.)

Bonneville Fuels Corporation has sold all of its interest in the attached wells to Beartooth Oil and Gas. Beartooth Oil & Gas will assume operations of these wells March 1st 1993.

RECEIVED

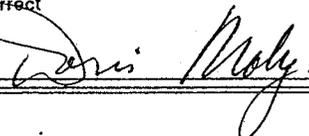
MAR 08 1993

DIVISION OF
OIL GAS & MINING

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

Name & Signature

Doris Maly



Title

Engineering Tech

Date

3/1/93

(State Use Only)

EXHIBIT "A"

Attached to and made a part of that certain Sundry Notice
Executed March 1, 1993, Change of Operator

<u>Lease Number</u>	<u>Well Name</u>	<u>API #</u>	<u>Location</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Fee 00582	Anderson 1-8	4301930135	SE/SW	8	16S	25E
U-05010-C	Federal 17-8	430 ^{0/9} 17 31099	SW/NE	8	16S	25E
U-05010-C	Federal 21-7	4301930755	NE/NW	7	16S	25E
U-04967-C	Federal 23-1	4301930721	NE/SW	1	16S	24E
U-04967-C	Federal 31-1	4301931030	SE/SE	1	16S	24E
U-04967-C	Federal 34-31	4301931046	SW/SW	31	15S	25E
U-05010-C	Federal 43-7	4301930991	NW/SE	7	16S	25E
U-08351	Federal 7-30-15-23	43047 31247	NW/SE	30	15S	23E

RECEIVED

MAR 06 1993

DIVISION OF
OIL GAS & MINING

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

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO.
2. NAME OF OPERATOR Beartooth Oil & Gas Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR P. O. Box 2564, Billings, MT 59103 (406)259-2451		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		8. FARM OR LEASE NAME
14. PERMIT NO.		9. WELL NO. SEE EXHIBIT "A"
15. ELEVATIONS (Show whether DF, RT, GR, etc.)		10. FIELD AND POOL, OR WILDCAT
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
		12. COUNTY OR PARISH 18. STATE

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) _____	
(Other) CHANGE OF OPERATOR <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.) *

Beartooth Oil & Gas Company has acquired Bonneville Fuel Corporation's interest in the wells listed on Exhibit "A" and assumed operations of these wells on March 1, 1993.

These wells will be covered under Beartooth's Federal Statewide Bond No. 55-77-50.

RECEIVED

MAR 12 1993

DIVISION OF
OIL GAS & MINING

18. I hereby certify that the foregoing is true and correct
SIGNED Grace E. Brown TITLE Lease Consultant DATE 3/10/93
Grace E. Brown

(This space for Federal or State office use)
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

EXHIBIT "A"

Attached to and made a part of that certain Sundry Notice
Executed March 9, 1993, Change of Operator

<u>Lease Number</u>	<u>Well Name</u>	<u>API #</u>	<u>Location</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
U-05010-C	Anderson 1-8	4301930135	SE $\frac{1}{4}$ SW $\frac{1}{4}$	8	16S	25E
U-05010-C	Federal 17-8	4304731099	SW $\frac{1}{4}$ NE $\frac{1}{4}$	8	16S	25E
U-05010-C	Federal 21-7	4301930755	NE $\frac{1}{4}$ NW $\frac{1}{4}$	7	16S	25E
U-04967-C	Federal 23-1	4301930721	NE $\frac{1}{4}$ SW $\frac{1}{4}$	1	16S	24E
U-04967-C	Federal 31-1	4301931030	SE $\frac{1}{4}$ SE $\frac{1}{4}$	1	16S	24E
U-04967-C	Federal 34-31	4301931046	SW $\frac{1}{4}$ SW $\frac{1}{4}$	31	15S	25E
U-05010-C	Federal 43-7	4301930991	NW $\frac{1}{4}$ SE $\frac{1}{4}$	7	16S	25E
U-08351	Federal 7-30	4304731247	NW $\frac{1}{4}$ SE $\frac{1}{4}$	30	15S	23E

All located in Grand County, Utah with the
exception of the Federal 7-30 which is located
in Uintah County, Utah.

RECEIVED

MAR 12 1993

DIVISION OF
OIL GAS & MINING



3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

RECEIVED

MAR 16 1993

4.156 61.3
7 AS

Page ____ of ____

DIVISION OF OIL, GAS & MINING
PRODUCING ENTITY ACTION

Operator Name BEARTOOTH OIL & GAS CO.
 Address P. O. BOX 2564
 City BILLINGS State MT Zip 59103
 Utah Account No. N1790
 Authorized Signature *Julie Roe*
 Effective Date March 1, 1993 Telephone (406) 259-2451

ACTION CODE

- A Establish new entity for new well(s).
- B Add new well(s) to existing entity.
- C Delete well(s) from existing entity.
- D Establish new entity for well(s) being deleted from existing entity.
- E Change well(s) from one entity to another existing entity.
- F Other. (Specify using attachments if necessary.)

BRACKET WELLS TO BE GROUPED TOGETHER.

(Use black ink or typewriter ribbon.)

Action Code	Current Entity No.	New Entity No.	API No.	Well Name	Well Location					Producing Formation
					Sec.	T	R	Q/Q	County	
F	00582		4301930135	Anderson Federal #1	8	16S	25E	SESW	Grand	CDMTN

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

F	00585		4301931099	Federal 17-8	8	16S	25E	SWNE	Grand	DKTA
---	-------	--	------------	--------------	---	-----	-----	------	-------	------

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

F	00589		4301930755	Federal 21-7	7	16S	25E	NENW	Grand	CDMTN
---	-------	--	------------	--------------	---	-----	-----	------	-------	-------

Explanation of action:

Change operator form Bonneville Fuels to Beartooth Oil & Gas Company

F	00584		4301930721	Federal 23-1	1	16S	24E	NESW	Grand	CDMTN
---	-------	--	------------	--------------	---	-----	-----	------	-------	-------

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

an equal opportunity employer

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

April 20, 1993

Beartooth Oil & Gas Company
P.O. Box 2564
Billings, Montana 59103

Re: Successor of Operator
Communitization Agreement (CA)
MO49P-84700C
Grand County, Utah

Gentlemen:

We received an indenture dated March 1, 1993, whereby Bonneville Fuels Corporation resigned as Operator and Beartooth Oil & Gas Company was designated as Operator for CA MO49P-84700C, Grand County, Utah.

This instrument is hereby accepted effective as of April 20, 1993. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under CA MO49P-84700C.

Your statewide (Utah) oil and gas bond No. 0033 will be used to cover CA operations.

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

Sincerely,

/S/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)
Division Oil, Gas, & Mining/
File - MO49P-84700C (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron

U-922:TAThompson:tt:04-20-93

RECEIVED

APR 21 1993

DIVISION OF
OIL, GAS & MINING

WELL STATUS REPORTS
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM MO49P84700C MO49P84700C	430193075500S1	21-7	NENW	7	16S	25E	PGW	UTU05010C	BONNEVILLE FUELS CORPORAT

Routing:	
1-LEC	7-1-93
2-DPS/TS	
3-VLC	
4-RJF	
5-RWM	
6-ADA	

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 3-1-93)

TO (new operator) BEARTOOTH OIL & GAS CO
 (address) PO BOX 2564
BILLINGS MT 59103
 phone (406) 259-2451
 account no. N 1790

FROM (former operator) BONNEVILLE FUELS CORP
 (address) 1660 LINCOLN STE 1800
DENVER CO 80264
DORIS MALY
 phone (303) 863-1555
 account no. N 5685

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

Name: <u>ANDERSON FED #1/CDMTN</u>	API: <u>43-019-30135</u>	Entity: <u>582</u>	Sec <u>8</u> Twp <u>16S</u> Rng <u>25E</u>	Lease Type: <u>U05010C</u>
Name: <u>FED #23-1/CDMTN</u>	API: <u>43-019-30721</u>	Entity: <u>584</u>	Sec <u>1</u> Twp <u>16S</u> Rng <u>24E</u>	Lease Type: <u>U04967C</u>
Name: <u>FED #17-8/DKTA</u>	API: <u>43-019-31099</u>	Entity: <u>585</u>	Sec <u>8</u> Twp <u>16S</u> Rng <u>25E</u>	Lease Type: <u>U05010C</u>
Name: <u>FED #31-1/DKTA</u>	API: <u>43-019-31030</u>	Entity: <u>586</u>	Sec <u>1</u> Twp <u>16S</u> Rng <u>24E</u>	Lease Type: <u>U04967C</u>
Name: <u>FED #34-31/DKTA</u>	API: <u>43-019-31046</u>	Entity: <u>586</u>	Sec <u>31</u> Twp <u>15S</u> Rng <u>25E</u>	Lease Type: <u>U04967C</u>
Name: <u>FED #43-7/CDMTN</u>	API: <u>43-019-30991</u>	Entity: <u>587</u>	Sec <u>7</u> Twp <u>16S</u> Rng <u>25E</u>	Lease Type: <u>U05010C</u>
Name: <u>FED #21-7/CDMTN</u>	API: <u>43-019-30755</u>	Entity: <u>589</u>	Sec <u>7</u> Twp <u>16S</u> Rng <u>25E</u>	Lease Type: <u>U05010C</u>

OPERATOR CHANGE DOCUMENTATION

- See 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 3-8-93)*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Reg. 3-10-93) (Rec'd 3-12-93)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: _____.
- See 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(5-12-93)*
- See 6. Cardex file has been updated for each well listed above. *(5-12-93)*
- See 7. Well file labels have been updated for each well listed above. *(5-12-93)*
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(5-12-93)*
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- 2. A copy of this form has been placed in the new and former operators' bond files.
- 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date 5/14/93 1993. If yes, division response was made by letter dated 5/14/93 1993.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 5/14/93 1993, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State Leases.

MICROFILMING

- 1. All attachments to this form have been microfilmed. Date: May 18 1993.

FILED

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

REMARKS

930512 Btm/Moab Approved on 3-15-93, eff. 3-1-93.
 Btm/S.Y. Approved CA's UT060P49-84C719 & mo49P-84700C eff. 4-20-93.