

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT
GEOLOGICAL SURVEY

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.
43-7

10. FIELD AND POOL, OR WILDCAT
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
**25
Sec 7, T16S, R24E**

12. COUNTY OR PARISH
Grand

13. STATE
Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK
 b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Fortune Oil Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface **1846' FSL, 2083' FEL, Section 7, T16S, R24E**
 At proposed prod. **NW 1/4 SE 1/4**

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

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

16. NO. OF ACRES IN LEASE
1114.69

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

19. PROPOSED DEPTH
6250'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7268 GL 7280 RT

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" OD	32.3#/ft	250 ft.	250 sacks
8-3/4"	7" OD	23#/ft J55	2535 ft.	160 sacks
6-1/4"	4-1/2" OD	11.6#/ft N80	6250 ft.	As required.

Fortune Oil Company proposes to drill well to 6250' 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: **7-13-82**
BY: **[Signature]**

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

24. **Agent for Fortune Oil Co.**
 SIGNED: **[Signature]** TITLE: **Petroleum Engineer** DATE: **7-13-82**

ORDER NO. 149-1, Zone II, Drilling unit no. 27

(This space for Federal or State office use)

PERMIT NO. **[Signature]** APPROVAL DATE **AUG 12 1982**
 APPROVED BY **[Signature]** TITLE **DISTRICT OIL & GAS SUPERVISOR** DATE **AUG 12 1982**

cc: Fortune Oil Company

NOTICE OF APPROVAL

Operator

CONDITIONS OF APPROVAL ATTACHED

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

Identification No. 444-82

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

SALT LAKE CITY, UTAH

AUG 11 1982

OIL & GAS DIVISION
RECEIVED

NEPA CATEGORICAL EXCLUSION REVIEW

PROJECT IDENTIFICATION

Operator Fortune Oil Company
Project Type Gas Well - Wildcat
Project Location 1846 FEL 2083' FEL SEC. 7 T16S R24E. 25
Well No. 43-7 Lease No. U-05010-C
Date Project Submitted 7-16-82

FIELD INSPECTION

Date 7-30-82

Field Inspection
Participants

Craig Hansen MMS-UEL
Tom Duk Fortune Oil
Paul Brown Blm moab
Kevin Cleary " "

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.

8-2-82
Date Prepared

Craig Hansen
Environmental Scientist

I concur

AUG 11 1982
Date

W. J. Martin
FOR E. W. GUYNN
DISTRICT OIL & GAS SUPERVISOR
District Supervisor

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

Recommended stipulations for
Fortune Oil #43-7

1. Production facilities will be placed on the S ~~W~~ Corner of the location. Flowlines will go to a transmission line $\frac{1}{4}$ mile south of the location. Production facilities will be painted a color to blend in with the natural surroundings.
2. Trees will be cut and piled and used as a wood source.
3. Topsoil will be placed on the East edge of the location.
4. Access road will be cut in cut material. Vegetation on road will be used for rehabilitation efforts.
5. Reserve pit will be lined if in rock cut.
6. ~~Trash~~ Trash will be contained in a trash cage and removed when operations are completed.

OIL COMPANY
Fortune

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

Sandra Curtis
State of Utah
4241 State office Building
Salt Lake City, Ut. 84114

7-26-82

RECEIVED

JUL 27 1982

DIVISION OF
OIL, GAS & MINING

Dear Sandra

Enclosed is the Designation of operator
for the Fortune Oil Co. 43-7 Sec. 7 (E 1/2)

T. 16 S. R. 25 E. Grand County, Utah.
(Lease number U-05010-C)

The "D.O." was not included in the A.P.D. your
office received last week because the A.P.D. was
prepared by our consultant engineers in Cody, Wyoming.

Please note that a typographical error was made on the
APD form a-331c (but nowhere else in the information)
Paragraph 4 giving location of well should be changed
from 24 E to 25 E.

Thanks for your enduring patience with
"US OPERATORS"!

Mike Pinnell

** FILE NOTATIONS **

DATE: 8-18-82

OPERATOR: Fortune Oil Co.

WELL NO: Sub. 43-7

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

File Prepared:

Entered on N.I.D:

Card Indexed:

Completion Sheet:

API Number 43-019-30991

CHECKED BY:

Petroleum Engineer: ^{ORDER} OK. #149-1 zone II Drilling unit no. 27

Director: _____

Administrative Aide: see per Order below.

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 149-1 March 14, 1973 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 Sub.

Plotted on Map

Approval Letter Written

Hot Line

P.I.

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

MONTHLY REPORT
OF
OPERATIONS

Lease No. U-050107
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 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
43-7	Sec. 7 NW¼SE¼	16S	25E	WILL SPUD IN SEPTEMBER					
STATE OF UTAH API NO. 43-019-30991									

*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

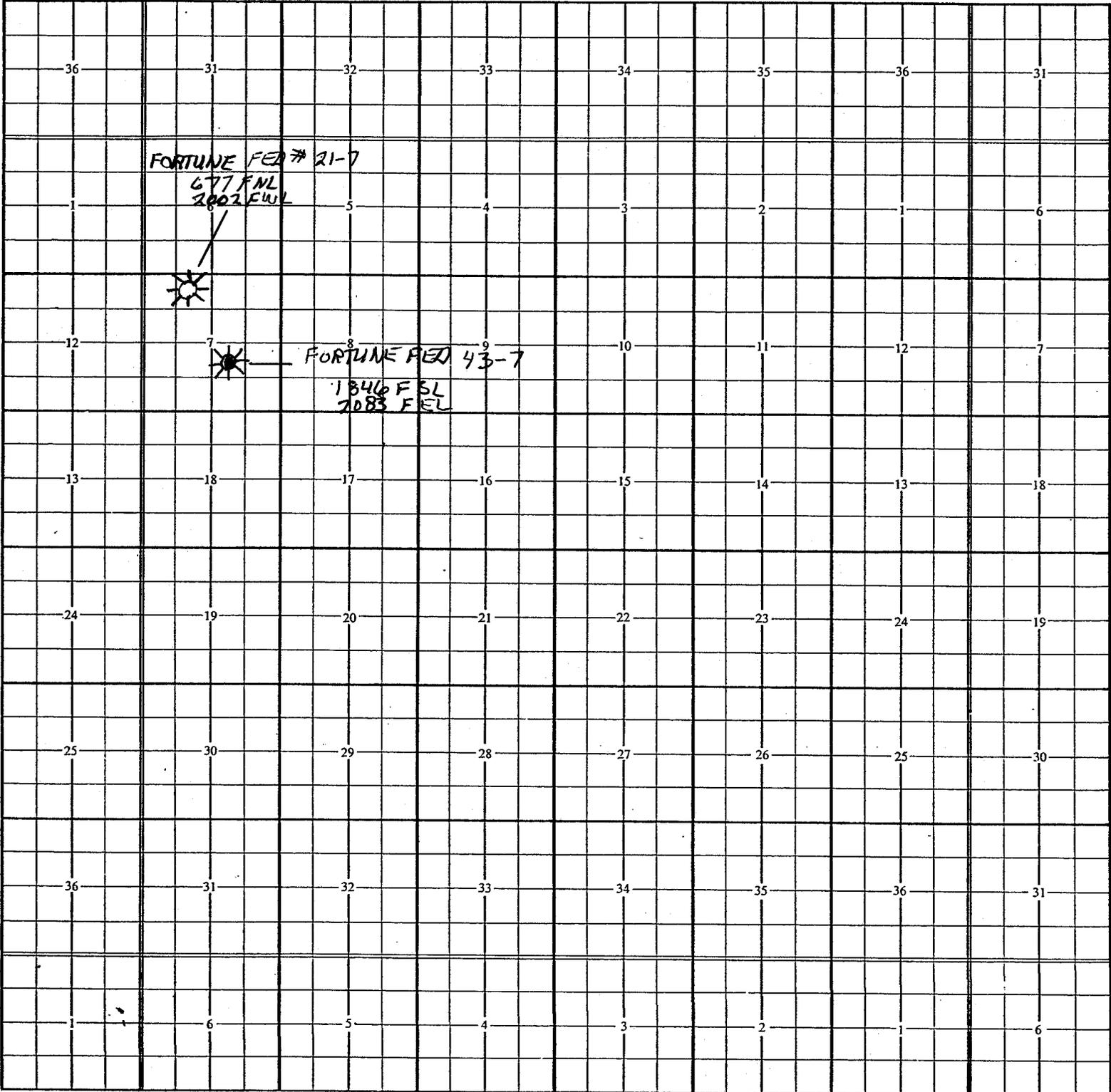
Authorized Signature: Michael L. Russell Address: 50 S. Main Street, Suite 1570
Salt Lake City, UT 84144-0462
Title: Exploration Manager Page 1 of 2

Norm

TOWNSHIP PLAT

Owner FORTUNE OIL CO Date 8-26-82

Township 16S Range 25E County GRAND



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MINERAL MANAGEMENT SERVICE

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.
43-7

10. FIELD AND POOL, OR WILDCAT
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 7, T16S, R24E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

17. NO. OF ACRES ASSIGNED TO WELL
320

18. TYPE OF CABLE TOOLS
Rotary

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

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 South Main, Suite 1570, Salt Lake City, Utah 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface **1846' FSL, 2083' FEL, Section 7, T16S, R24E**
At proposed prod. zone **NW 1/4 SE 1/4**

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)
1846'

16. NO. OF ACRES IN LEASE
1114

17. NO. OF ACRES ASSIGNED TO WELL
320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
6250'

19. PROPOSED DEPTH
6250'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
7268 GL 7280 RT

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

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" OD	32.3#/ft	250 ft.	250 sacks
8-3/4"	7" OD	23#/ft J55	2535 ft.	160 sacks
6-1/4"	4-1/2" OD	11.6#/ft N80	6250 ft.	As required.

Fortune Oil Company proposes to drill well to 6250' 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. **Agent for Fortune Oil Co.**

SIGNED T. W. Dyk TITLE Petroleum Engineer DATE 7-13-82

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
FOR E. W. GUYNN
APPROVED BY [Signature] TITLE DISTRICT OIL & GAS SUPERVISOR DATE AUG 12 1982
CONDITIONS OF APPROVAL, IF ANY:

cc: Fortune Oil Company

NOTICE OF APPROVAL

State O & G

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

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

Diane

OIL COMPANY
Fortune

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

August 13, 1982

State of Utah
Natural Resources and Energy
4241 State Office Building
Salt Lake City, Utah 84144

Attention: Ronald J. Firth
Chief Petroleum Engineer

Re: Federal 43-7 well
Sec. 7: T16S., R25E.,
Grand County, Utah

Dear Mr. Firth:

Enclosed please find two complete copies of the APD affecting captioned well. This APD has now been approved by Minerals Management.

Sincerely yours,

FORTUNE OIL COMPANY

By: *GW Anderson*
Vice President

GWA/tp

RECEIVED
AUG 16 1982

DIVISION OF
OIL, GAS & MINING

LINTAS CO
GRAND CO

R 24 E
R 25 E

P. R. SPRINGS - 7.4 Mi.

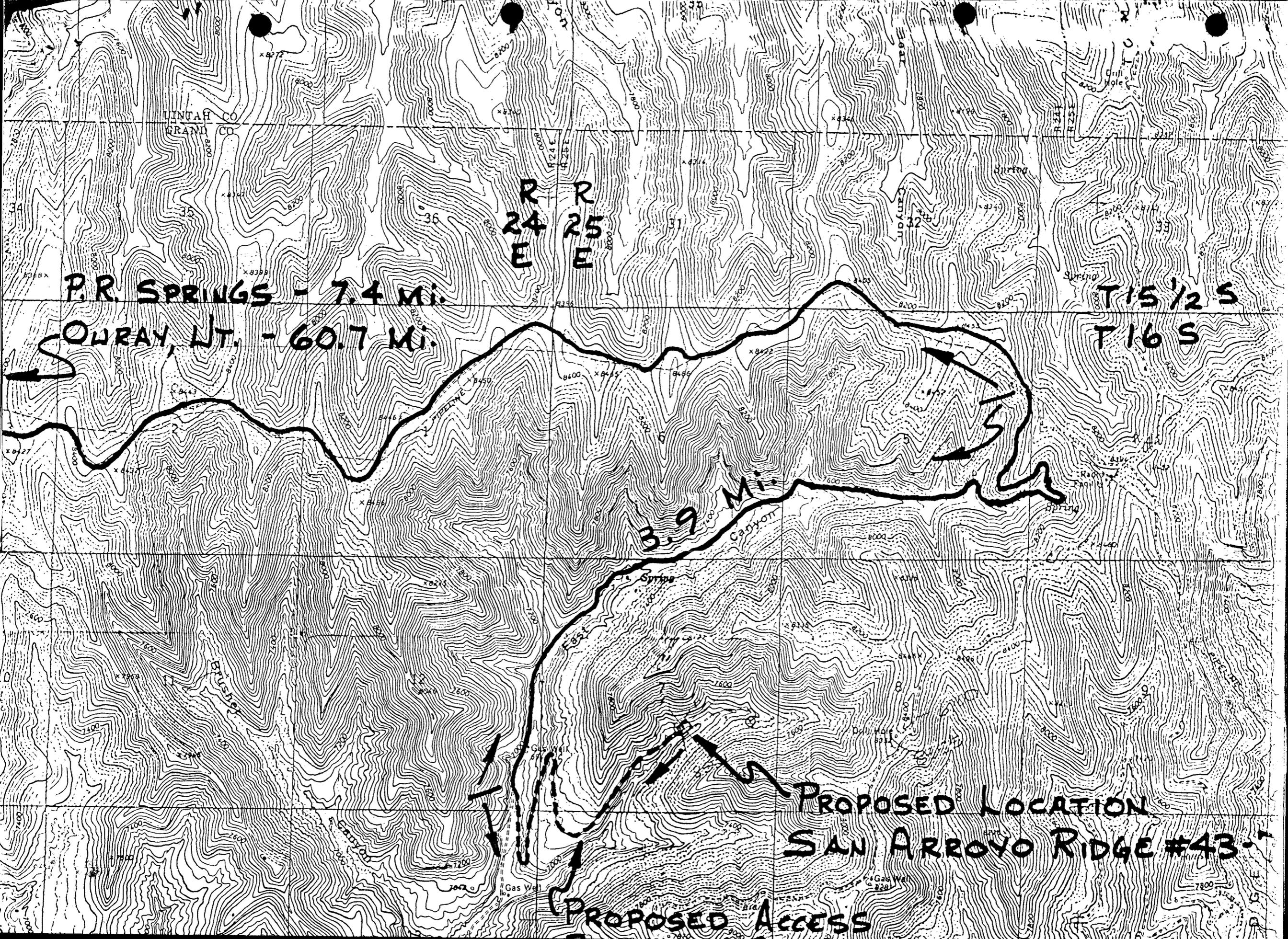
OURAY, UT. - 60.7 Mi.

T 15 1/2 S
T 16 S

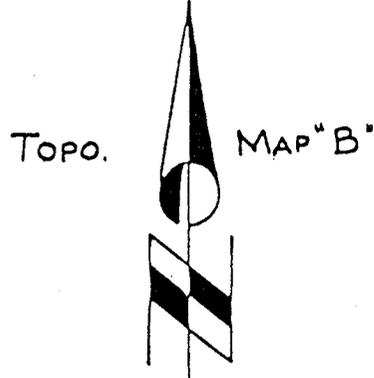
3.9 Mi
Canyon

PROPOSED LOCATION
SAN ARROYO RIDGE #43

PROPOSED ACCESS



FORTUNE OIL
SAN ARROYO RIDGE #43-7
PROPOSED LOCATION



SCALE - 1" = 2000'

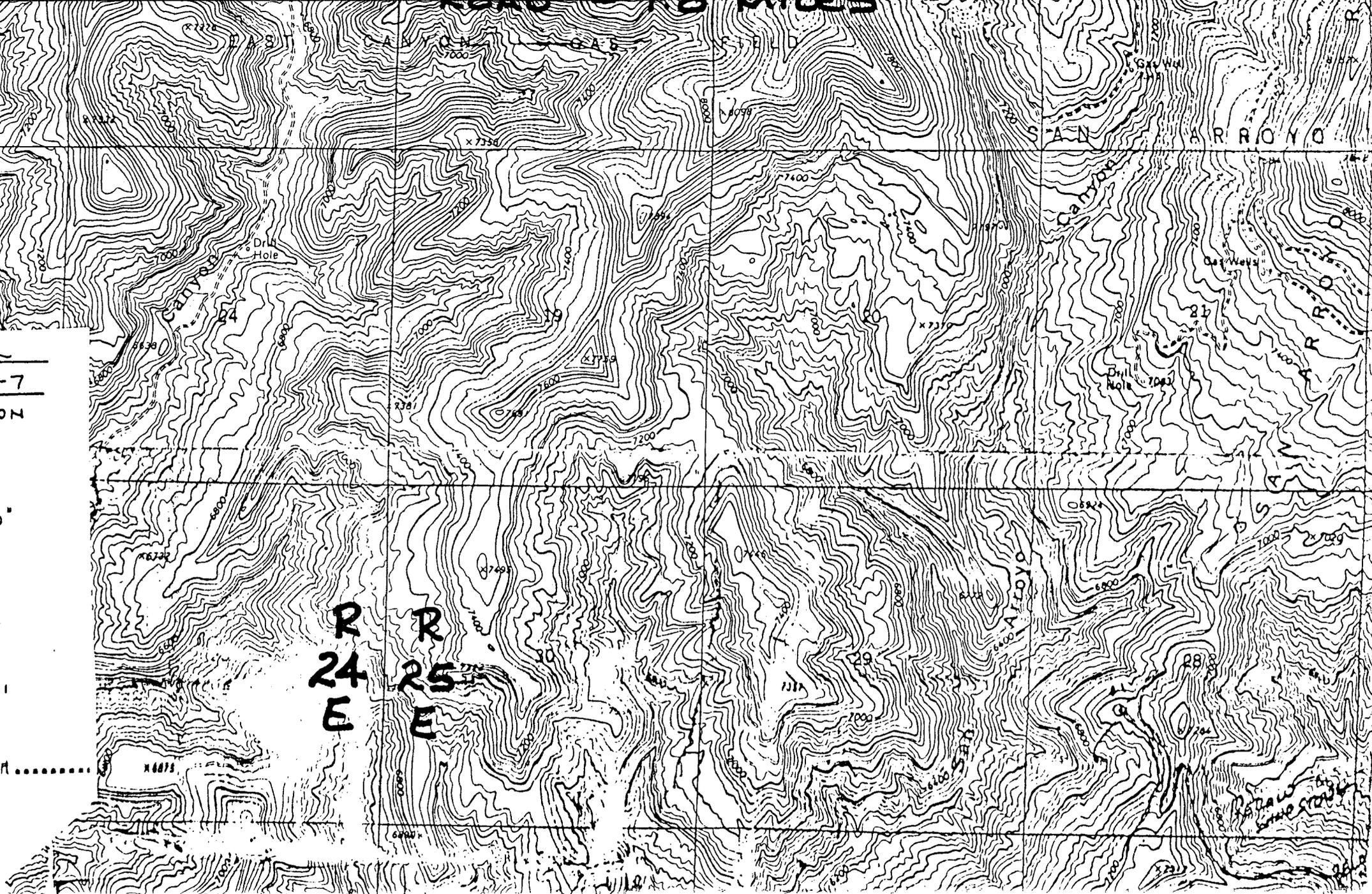
ROAD CLASSIFICATION

Light-duty. ——— Unimproved dirt



UTAH

R R
24 25
E E



OIL COMPANY
Fortune

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

8-19-82

Mr Feight
O. & G. Mining division of Utah
84114

RE Fortune Oil Co.
43-7 Federal APD

Dear Mr Feight

Upon checking with our consultant engineer who handles our paperwork for wells we are currently drilling in Garard County, Utah, it appears that we have not sent to the state a copy of the APD for Fortune Oil Co. 43-7, Sec. 7, T. 16S. R. 25E. Enclosed is a copy of such for your records.

Michael L. Pinnell
Exploration Manager

RECEIVED

AUG 20 1982

DIVISION OF
OIL, GAS & MINING

August 18, 1982

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

RE: Well No. San Arroyo Federal 43-7
NWSE Sec. 7, T. 16S, R. 25E
Grand County, Utah

Gentlemen:

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.

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

RONALD J. FIRTH - Engineer
Office: 533-5771
Home: 571-6068

OR

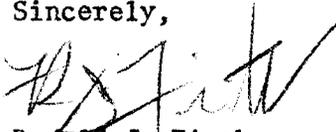
CLEON B. FEIGHT - Director
Office: 533-5771
Home: 466-4455

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 43-019-30991.

Sincerely,


Ronald J. Firth
Chief Petroleum Engineer

RJF/as
cc: Minerals Management Service
Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Form approved.
Budget Bureau No. 42-R356.5. *John*
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, 19 82,

Agent's address 50 S. Main Street, Suite 1570 Company Fortune Oil Company

Salt Lake City, Utah 84144-0462 Signed Michael L. Rimell

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

SEC. AND ¼ OF ¼	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 NW¼SE¼	16S	25E	43-7	WILL	SPUD IN SEPTEMBER					

STATE OF UTAH API NO. 43-019-30991

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.

NOTICE OF SPUD

M...

Company: Fortune Oil

Caller: Sandra Kenney

Phone: _____

Well Number: 43-7

Location: NWSE7-165-25E

County: Garcon State: Utah

Lease Number: U-05010C

Lease Expiration Date: _____

Unit Name (If Applicable): _____

Date & Time Spudded: 5:00 pm 9-7-82

Dry Hole Spudder Rotary: _____

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

Rotary Rig Name & Number: Atco #18

Approximate Date Rotary Moves In: 9-11-82 (approx)

FOLLOW WITH SUNDRY NOTICE

Call Received By: Jm

Date: 9-10-82

P1
HOTLINE

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: FORTUNE OIL

WELL NAME: Federal 43-7

SECTION NWSE 7 TOWNSHIP 16S RANGE 25E COUNTY Grand

DRILLING CONTRACTOR Atco Drilling

RIG # Rat Hole Digger

SPUDDED: DATE 9-7-82

TIME 5:00 PM

HOW Dry Hole

DRILLING WILL COMMENCE _____

REPORTED BY Sandy Kinney

TELEPHONE # 532-7796

DATE 9-8-82 SIGNED AS

File

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
RECEIVED

JUL 16 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

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface 1846' FSL, 2083' FEL, Section 7, T16S, R24E
 At proposed prod. zone NW 1/4 SE 1/4

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 16. NO. OF ACRES IN LEASE 1114.69

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 6250'
 17. NO. OF ACRES ASSIGNED TO THIS WELL 320

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7268 GL 7280 RT

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.
 43-7
 10. FIELD AND POOL, OR WILDCAT
 San Arroyo
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 R25E
 Sec 7, T16S, R24E
 12. COUNTY OR PARISH
 Grand
 13. STATE
 Utah

20. ROTARY OR CABLE TOOLS
 Rotary
 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" OD	32.3#/ft	250 ft.	250 sacks
8-3/4"	7" OD	23#/ft J55	2535 ft.	160 sacks
6-1/4"	4-1/2" OD	11.6#/ft N80	6250 ft.	As required.

Fortune Oil Company proposes to drill well to 6250' 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.

CORRECTED COPY

RECEIVED
 SEP 13 1982

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 depths. Give blowout preventer program, if any.

24. Agent for Fortune Oil Co.
 SIGNED [Signature] TITLE Petroleum Engineer DATE 7-13-82
 C. W. Dyk

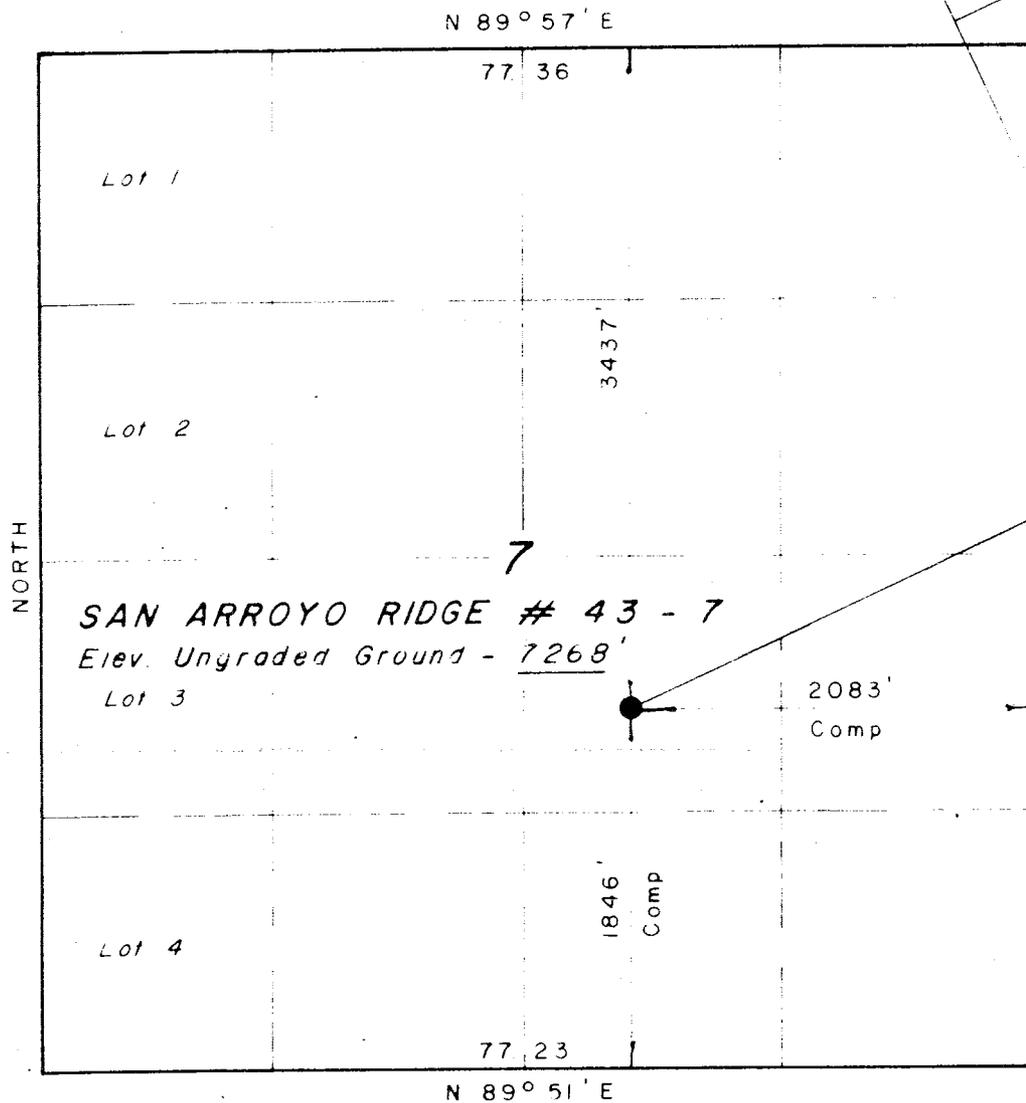
DIVISION OF
 OIL, GAS & MINING

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] FOR E. W. GUYNN
 CONDITIONS OF APPROVAL, IF ANY: _____ TITLE DISTRICT OIL & GAS SUPERVISOR DATE AUG 12 1982

cc: Fortune Oil Company
 NOTICE OF APPROVAL
 FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 1/1/80
 CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

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



NORTH

N 89° 57' E

77.36

Lot 1

Lot 2

7

SAN ARROYO RIDGE # 43 - 7

Elev. Ungraded Ground - 7268'

Lot 3

2083'
Comp

Lot 4

1846'
Comp

77.23

N 89° 51' E

NE Cor. Sec 4
T 16 S, R 25 E,
S.L.B.&M.

SW Cor. Sec 4
T 16 S, R 25 E,
S.L.B.&M.

PROJECT
FORTUNE OIL COMPANY

Well location, SAN ARROYO
RIDGE # 43 - 7, located as shown
in the NW 1/4 SE 1/4 Section 7,
T 16 S, R 25 E, S.L.B.&M. Grand
County, Utah.

NOTE: Distance From Location to
North - South 1/4 Section
Line - 557'



N 64° 55' 29" E - 8124.49'

N 00° 03' W

LAURENCE K. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO 3137
STATE OF UTAH

X = Section Corners Located

UINTAH ENGINEERING & LAND SURVEYING
P O BOX Q - 85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	7/2/82
PARTY	DK BK JT LZ	REFERENCES	GLO Plot
WEATHER	Clear / Warm	FILE	FORTUNE

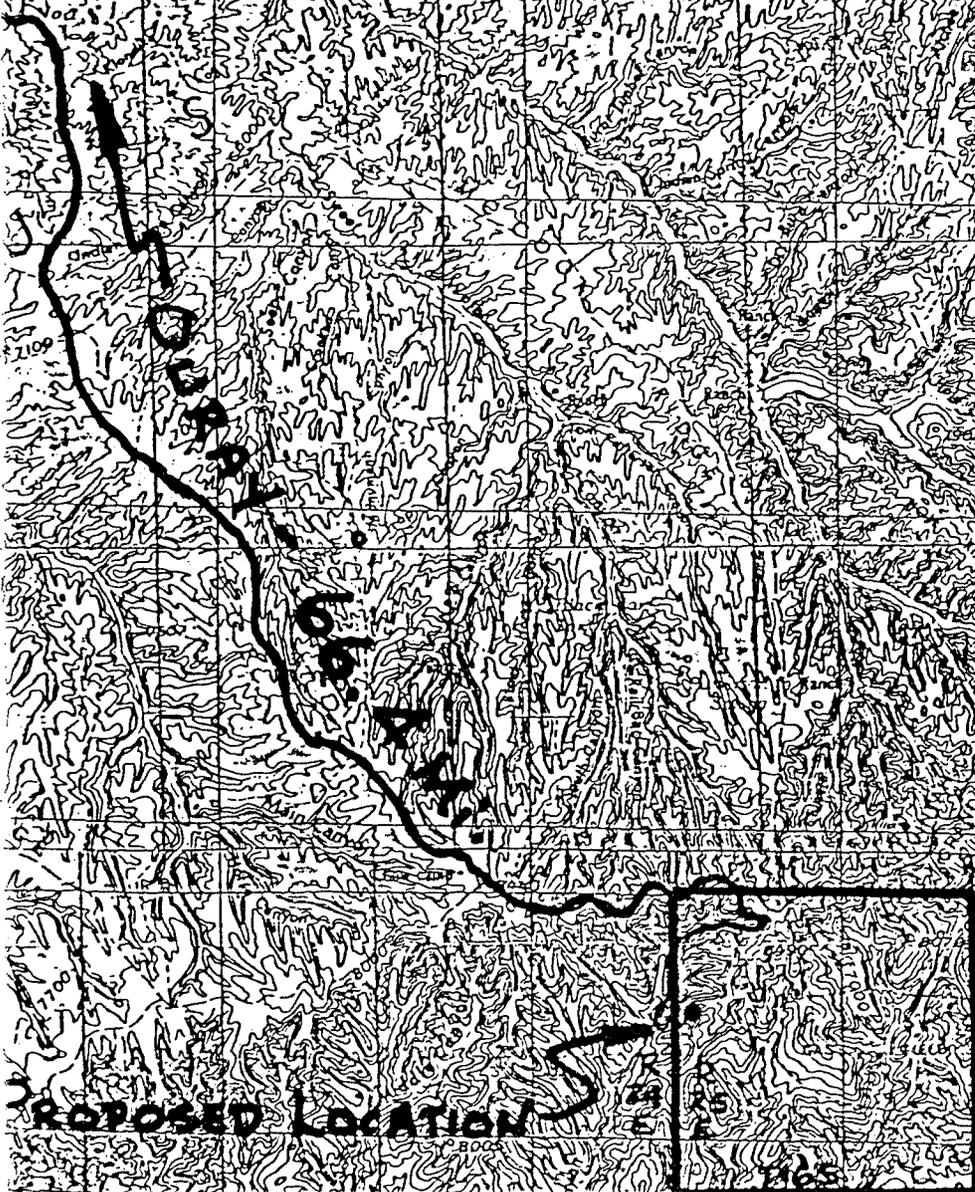
FORTUNE OIL
SAN ARROYO RIDGE #43-7
PROPOSED LOCATION



TOPO.

MAP "A"

SCALE - 1" = 4 MI.



PROPOSED LOCATION

GAS FIELD
3250
Ranch
3300
Ranch
3000

GARFIELD COUNTY
GARFIELD COUNTY
MESA
WOOD

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Fortune Oil Company Well No. 43-7
Location Section 7, T16S, R24E Lease No. U-05010-C

A COPY OF THESE CONDITIONS SHOULD BE FURNISHED YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (30 CFR 221), and the approved plan of operations. The operator is considered fully responsible for the actions of his subcontractors. The following items are emphasized:

1. There shall be no deviation from the proposed drilling and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 30 CFR 221.22. Any changes in operations must have prior approval of this office. Pressure tests are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs. All BOP pressure tests must be recorded on the daily drilling report.
2. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and furnished this office for analysis. All oil and gas shows will be adequately tested for commercial possibilities, reported and protected.
3. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of this office. If operations are to be suspended, prior approval of this office must be obtained and notification given before resumption of operations.

In the event abandonment of the hole is desired, an oral request may be granted by this office, but must be timely followed within 15 days with a "Notice of Intention to Abandon" (form 9-331). Unless the plugging is to take place immediately upon receipt of oral approval, the District Supervisor must be notified at least 48 hours in advance of the plugging of the well in order that a representative may witness plugging operation. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (form 9-331) must be submitted within 15 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration. If surface restoration has not been completed at that time, a follow-up report on form 9-331 should be filed when all surface restoration work has been completed and the location is considered ready for final inspection.

OPERATOR

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

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

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

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

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

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

The Surface Management Agency contact is: Paul Brown, BLM
Office Phone: 801 259-6111, Home Phone: _____
City: Moab, State: Utah

The Minerals Management Service office address and contacts are:

Address: 2000 Administration Building, 1745 West 1700 South, SLC, Utah 84104-3884

Office Phone: (801) 524-4590

District Supervisor E. W. Guynn

Home Phone: (801) 582-7042

District Drilling Engineer W. P. Martens

Home Phone: (801) 466-2780

District Production Engineer R.A. Henricks

Home Phone: (801) 484-2294

Staff Engineer A.M. Raffoul

Home Phone: (801) 484-2638

7. SURFACE OPERATING STANDARDS

Unless otherwise specified herein, construction and maintenance of surface facilities approved under this plan shall be in accordance with the guidelines set forth in the BLM/FS/GS Oil and Gas Brochure entitled, "Surface Operation Standards for Oil and Gas Exploration and Development." This includes but is not limited to such items as road construction and maintenance, handling of top soil and rehabilitation.

8. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect must be filed, for prior approval of the District Supervisor, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
9. Pursuant to NTL-2B requirements regarding disposal facilities for new wells, this is authorization for unlined pit disposal of the water produced from this well for a period of 90 days from the date of initial production for sales purposes. During this period, an application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted for the District Supervisor's approval. Failure to timely file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order until the application is submitted.
10. This permit is valid for a period of one year from the date of approval. If construction does not commence within 90 days from approval, the operator must contact the Surface Management Agency 15 days prior to beginning construction. Construction under adverse conditions may require additional stipulations. If the permit terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan. After termination, it is required that a new application be filed for approval for any future operations.
11. If a tank battery is constructed on this lease, it must be surrounded by a fire wall of sufficient capacity to adequately contain the storage capacity of the battery.

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

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

13. _____

SUPPLEMENTAL STIPULATIONS OF APPROVAL ATTACHED

Fortune Oil Company
Well No. 43-7
Section 7, T16S, R24E
Grand County, Utah
Lease U-05010-C

Supplementary Stipulations

1. The dirt contractor will be furnished with an approved copy of the surface use plan and any additional BLM stipulations prior to any work.
2. Use of water from sources such as wells, springs, streams or stock-ponds for activities associated with this well will be approved prior to use by the agency or individual holding the water right.
3. If subsurface cultural material is exposed during construction, work in that spot will stop immediately and the Grand Resource Area office will be contacted. All employees working in the area will be informed by the operator that they will be subject to prosecution if they are caught disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will only be done if damage occurs.
4. New road construction will be limited to an allowable travel surface width of 18 feet. For construction design and survey refer to Class III road standards attachment and Right-of-Way Grant U-50233. Low water crossings will be used on areas except at exit from existing access road in the SENE of section 12.

Improvement to the existing road will not be necessary. The total disturbed width allowed will be as is. The allowable travel surface will be as is.

Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

Surfacing material will not be placed on the access road or location without prior BLM approval.

Trees greater than 4 inches in diameter will be bucked up and left on the uphill or north side of road. Smaller trees, etc. can be left in fill or south side of road.

Topsoil and small vegetation will be saved along the route between the trees and the road

5. Location: Satisfactory as planned. Move topsoil to NE edge, excess fill on south corner to extend pad/access road.

6. As much as possible of the soil material will be removed from the location and windrowed separate from the trees on the NE side of the location.

Trees greater than 4 inches in diameter will be bucked up and left on the northeast side behind the topsoil.

7. Access road will be constructed in cut material. Vegetation on road will be used for rehabilitation efforts.

8. Trash will be contained in a trash cage and removed when operations are completed.

9. The reserve pit will be lined with commercial bentonite or plastic sufficient to prevent seepage if determined necessary due to fractured subsurface. The reserve pit banks will be 1.5 to 2.0 feet above pad and constructed in 8 inch lifts, machinery compacted, and sufficiently wide for equipment to pass over.

10. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying. The fence will be 4 strand barbed wire.

11. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed in the methods described in the rehabilitation section. All of the stockpiled topsoil will be used in reclaiming the unused areas.

12. All above-ground production facilities will be painted using the attached suggested colors.

13. Production facilities will be placed on the southwest corner of the location. Flowlines will go to a transmission line 1/4 mile south of the location.

14. Access will be to design of Class III road.

15. Adequate and sufficient electric/radioactive logs will be run to locate and identify anticipated coal beds in the Mesaverde formation. Casing and cementing programs will be adjusted to eliminate any potential influence of the well bore or productive hydrocarbon zones on the coal resource. Surface casing program may require adjustment for protection of fresh water aquifers.

REHABILITATION

1. Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris resulting from the operation. All trash will be disposed of in a portable trash cage. Non-burnable debris will be hauled to a local town dump site.
2. The operator or his contractor will contact the Grand Resource Area BLM office in Moab, Utah, phone (801) 259-6111, 48 hours prior to starting rehabilitation work that involves earthmoving equipment and upon completion of restoration measures.
3. Before any dirt work to restore the location takes place, the reserve pit must be completely dry and any trash (barrels, metal etc.) it contains must be removed from public lands.
4. All disturbed areas will be recontoured to blend as nearly as possible with the surrounding area.
5. The stockpiled topsoil will be evenly distributed over the disturbed area.
6. All disturbed areas will be scarified with the contour to a depth of 6 inches. Do not smooth pads out, leave a roughened surface.
7. Seed will be (broadcast/drilled) at a time to be specified by the BLM with the following seed prescription. When broadcast seeding, a harrow or some such implement will be dragged over the seeded area to assure seed cover.
8. After seeding is complete the stockpiled trees will be scattered evenly over the disturbed areas and walked down with a dozer. The access will be blocked to prevent any use/vehicle use.
9. Waters will be used as needed on all sloping surfaces as shown below:

<u>Grade</u>	<u>Spacing</u>
2%	200 ft. spacing
2-4%	100 ft. spacing
4-5%	75 ft. spacing
+5%	50 ft. spacing

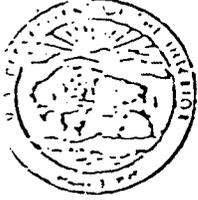
SEED MIXTURE
 FORTUNE OIL COMPANY
 43-7

SPECIES

		<u>lbs/acre</u>
Grasses		
Oryzopsis hymenoides	Indian ricegrass	1
Agropyron cristatum	Crested wheatgrass (Fairway crested wheatgrass)	1
Poa fendleriana	Mutton grass	1
Forbs		
Hedysarum boreale var utahensis	Utah northern sweetvetch	1
Melilotus officinalis	Yellow sweetclover	$\frac{1}{2}$
Sphaeralcea coccinea	Scarlet globemallow	$\frac{1}{2}$
Shrubs		
Amelanchier utahensis	Utah serviceberry	1
Atriplex canescens	Fourwing saltbush (white greasewood)	1
Cowania mexicana	Mexican cliffrose	<u>1</u>
		8 lbs/acre

Broadcast seed will be applied at double the above rate.

Seeding will be done in the fall of the year (Oct. - 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	----- 2
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.

TO: U.S.G.S.

RE: 10 Point Plan - Fortune Oil Company, Federal 43-7,
1846' FSL 2083' FEL, Sec. 7, T16S, R25E.

1. Geologic name of the surface formation - The outcrop on the location at the surface is the Wasatch (Wasatch/Cotton) formation of the Tertiary period.
2. The estimated formation tops will be encountered as follows:

<u>Formation</u>	<u>Depth</u>
Wasatch	Surface
Mesa Verde	35'
Castlegate	2185'
Mancos	2290'
Mancos 'B'	2930'
Dakota Silt	5800'
Cedar Mountain	5980'
Morrison	6050'
T.D.	6250'

3. The estimated depths at which water, oil, gas, or other mineral-bearing formations are expected to be encountered are as follows:

Water - various sands of Mesa Verde from 35 to 2185'
- upper member of Castlegate from 2185 to 2300'

Oil & Gas (Condensate)
- Dakota from 5648 to 5980'
- Cedar Mountain from 5980 to 6050'

4. The proposed casing plan is proposed as follows:

<u>Casing Size</u>	<u>Weight per foot</u>	<u>Grade</u>	<u>Condition</u>	<u>Interval Cased</u>
9-5/8"	32.3#	K-55	new	0 - 250'
7"	20# or 23#	K-55	new	0 - 2535'
4-1/2"	11.6#	N-80	new	0 - 6250'

5. The BOP system will be a Cameron 10" SS double-ram style with pipe rams and blind rams. The pressure rating will be 3000 psi, (API Series 900). The testing procedures will be as follows:

Pipe Rams - checked for operation daily and tested to 1500 psi prior to drilling out from surface and intermediate

Blind Rams - checked for operation on trips and tested to 1500 psi prior to drilling out from surface and intermediate

(See Attached Diagram)

Auxiliary Equipment

Annular (Spherical BOP) - If substructure spacing permits, a spherical BOP will be used together with the double-ram BOP shown above. The spherical BOP will be tested with the same procedure as the pipe rams shown above.

Choke Manifold - A 3000 psi choke manifold will be installed with a choke system that includes a positive and variable choke. The manifold will be tested to 1500 psi on installation.

Rotating Head - A rotating head will be used when drilling with air or air mist. The body pressure rating will be a minimum of 1500 psi.

6. The drilling fluids planned for drilling this hole are as follows:

Conductor hole: Air will be the medium used to drill the conductor hole.

Surface hole: (0-2650'): The planned medium will be air, but water flows are expected in the Mesa Verde. When water flows become too severe, a foaming additive will be added to the air stream and the remainder of the surface hole will be drilled with air mist. If the cuttings cannot be removed from the hole by air mist, then a mud mist will be used in sufficient viscosities to provide proper hole cleaning.

Production hole: (2650'-6018'): The production hole will be drilled with air. If proper hole cleaning cannot be achieved with air, then air mist or mud mist will be utilized.

The hole will be circulated with mud prior to logging and casing. All mud will be chem-gel mud with KCL added to inhibit against swelling shales in any critical zones. No mud weighting materials are planned, but Barite will be used if necessary.

7. Auxiliary equipment scheduled for use is as follows:

- A. Upper kelly cock
- B. Float at the bit
- C. String float
- D. Safety valve (hero valve) on rig floor
- E. Gas chromatograph for monitoring quality of gas at blooey line

8. Testing Program:

No drill stem tests are planned if the production hole is drilled with air. If the hole is drilled with air mist or mud, the Dakota and/or Cedar Mountain will possibly be drill-stem tested.

8. (contd)

Logging Program:

If the hole is mudded up for logging, then a DIL, CNL-FDC-BHC, and dipmeter log will be run. If no mud is in the hole, a SNP-GR, FDC-GR will be run.

Coring:

There are no cores planned for this well. Sample formation cuttings will be collected throughout the drilling of the hole.

9. There are no abnormal pressures or temperatures expected to be encountered. No hydrogen sulfide is expected from any of the zones.
10. The anticipated starting date for drilling of this well is expected to be August 10, 1982. Drilling and completion operations will last for approximately 55 days.

NATURAL RESOURCES MANAGEMENT
SERVICE
OIL & GAS OPERATIONS
RECEIVED

JUL 16 1982

SALT LAKE CITY, UTAH

FORTUNE OIL COMPANY
13 Point Surface Use Plan
For Well Location

SAN ARROYO RIDGE #43-7

Located in
Section 7, T16S, R25E, S.L.B. & M.
Grand County, Utah

FORTUNE OIL COMPANY
San Arroyo Ridge #43-7
Sec. 7, T16S, R25E, S.L.B. & M.

1. EXISTING ROADS

See attached Topographic Map "A".

To reach Fortune Oil Company, well location San Arroyo Ridge #43-7, located in the NW $\frac{1}{2}$ SE $\frac{1}{2}$, 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 exists 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 an improved dirt road that is called the McCook Ridge road 10.8 miles to the junction of this road and 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 and 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 SE $\frac{1}{2}$ NE $\frac{1}{2}$ Section 12, T16S, R24E, S.L.B. & M. and proceeds in a southerly and easterly direction approximately 1.8 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 meteorological conditions that are prevalent to this area.

Back slopes along the cut areas of the road will be 1-1/2 to 1 slope and terraced.

2. PLANNED ACCESS ROAD - Contd.

There will be one culvert required along this access road. It will be needed at the access road entrance in the SE NE of Section 12. Culverts will be 2' longer than roadbed plus cut and fill slope widths at the crossing point. This culvert will be placed according to specifications found in the Oil & Gas Surface Operation Manual. Any other minor drainage crossing will contain "thank-u-mams".

If deemed necessary by the local governmental agencies or their representatives turnouts will be installed for safety purposes every 0.25 miles or on the top of ridges that will provide the greatest sight distance. These turnouts will be 100' in length and 10' in width and will be tapered from the shoulder of the road for a distance of 25' in length at both the access and the outlet end.

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 steep; running around the point of a steep ridge and up a canyon. The access road will maintain a slope less than 8°.

3. LOCATION OF EXISTING WELLS

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

There are, however, four producing wells and two abandoned wells 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 Fortune Oil Company.

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.

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

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 Item #10 and these requirements and standards will be adhered to.

5. LOCATION AND TYPE OF WATER SUPPLY

See Topographic Map "B".

The anticipated water supply for this location is from Spaddaford in Sec. 5, T18S, R24E, S.L.B. & M. and will be hauled by truck the 13.5 miles over the East Canyon Road.

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.

7. METHODS OF HANDLING WASTE DISPOSAL - Contd

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.

10. PLANS FOR RESTORATION OF SURFACE - Contd.

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 Item #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.

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, shadacale, and bitterbrush, and some grasses and cacti as the primary flora.

FORTUNE OIL COMPANY
San Arroyo #43-7

11. OTHER INFORMATION - Contd.

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 a non-perennial drainage which runs into East Canyon. The location sits 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.

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").

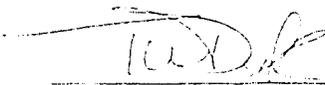
12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

Darita Enterprises
Daryl LeFevre, Tom Dyk, Engineers
P. O. Box 1687
Cody, Wyoming 82414

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 Fortune Oil Company, its contractors and sub-contractors in conformity with this plan and terms and conditions under which it is approved.

11/2/82
Date


T. W. Dyk

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: E $\frac{1}{2}$

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.

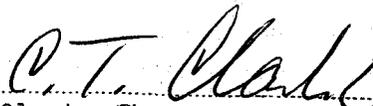
NATURAL GAS CORPORATION OF CALIFORNIA

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, (Signature) Attorney-in-Fact
Denver Corporate Center-Tower II
7800 E. Union Avenue, Suite 800
Denver, Colorado 80237

(Address)

I

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

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	T15S 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. 4268876 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.

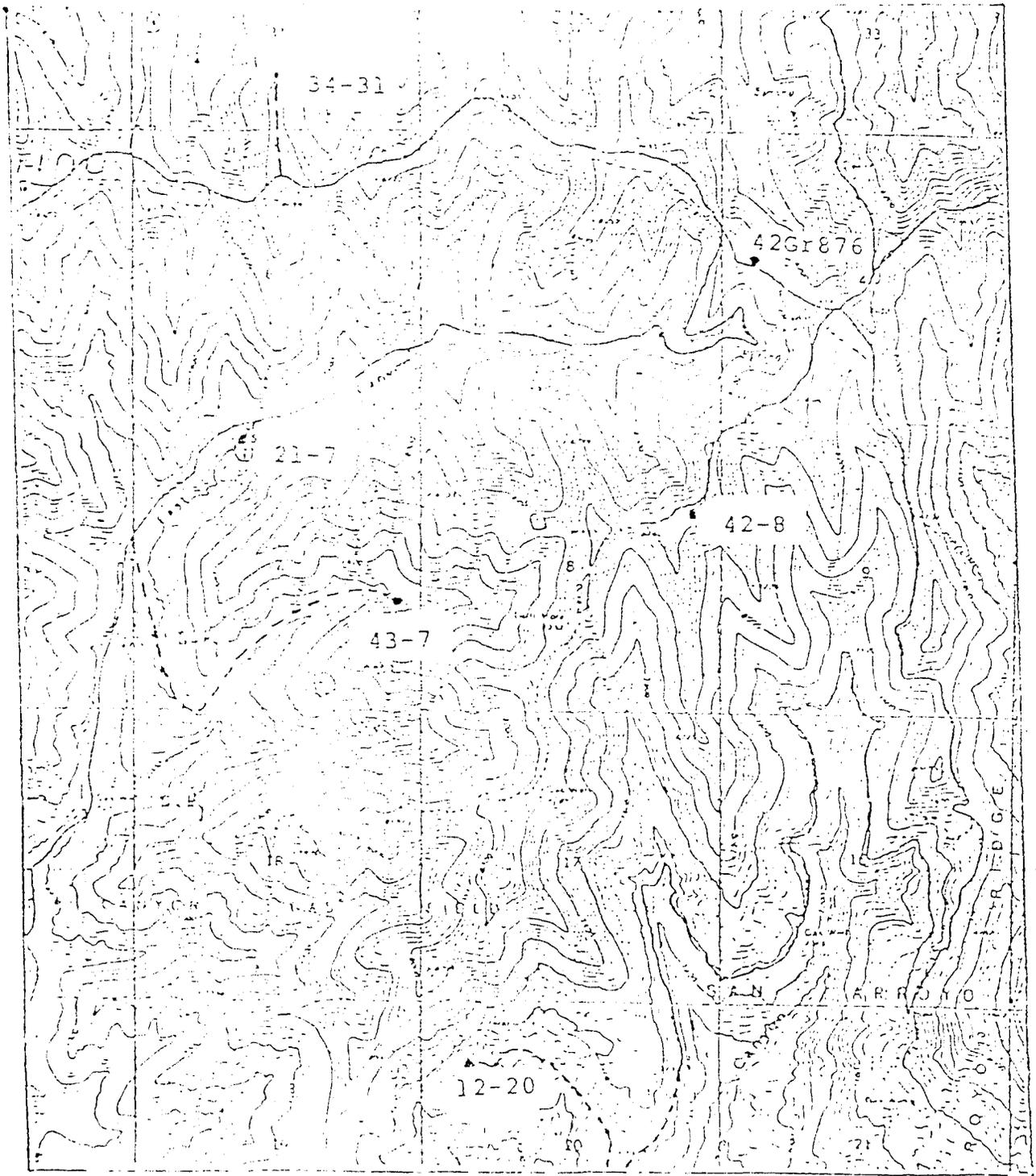
RESULTS OF SURVEY

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 (4268876) 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.



0

1 mile

↑ N

SCALE 1:24,000

PROJECT: NGC-80-1

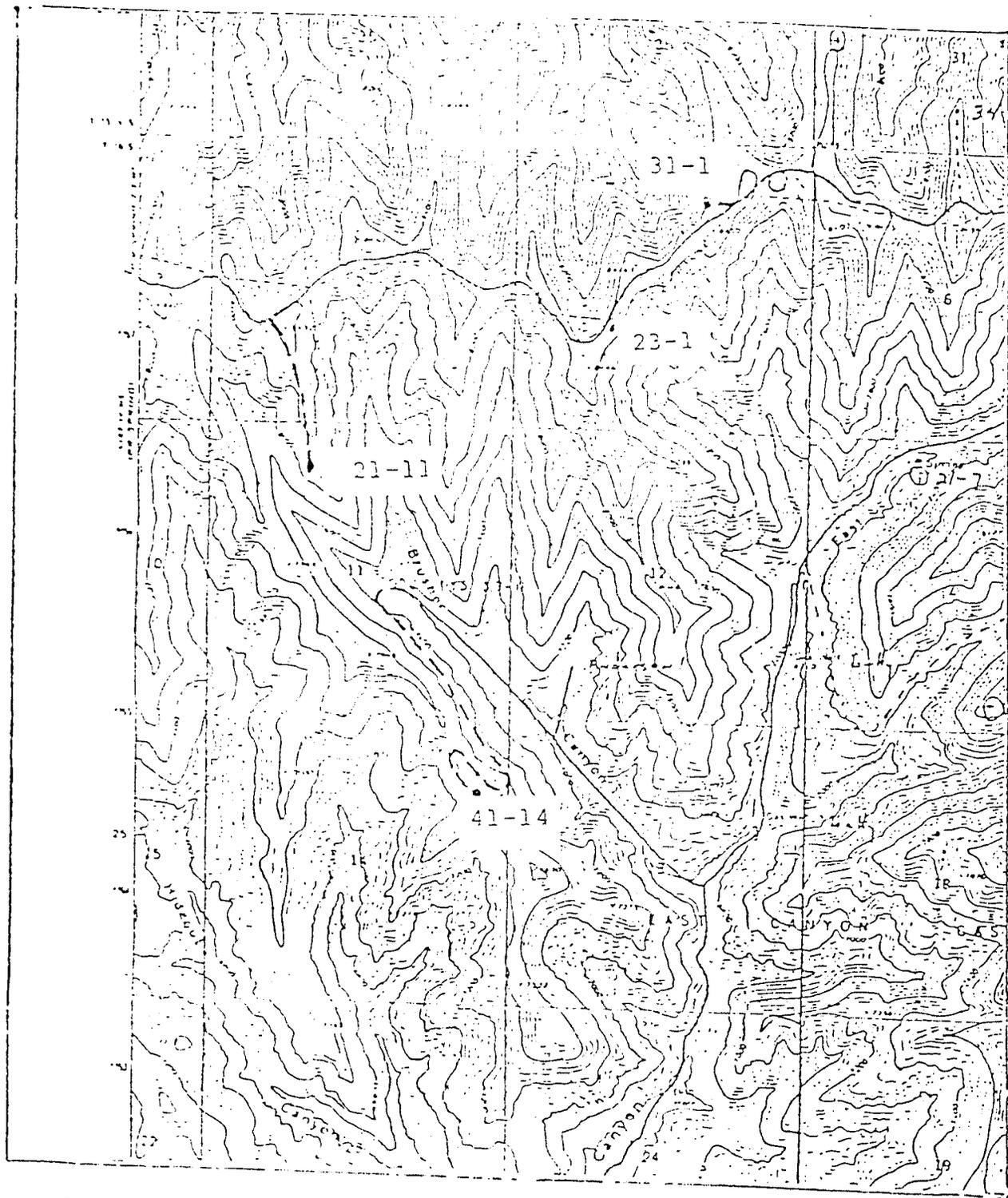
TOWNSHIP: 16S

COUNTY: Grand

RANGE: 25E

QUADRANGLE: San Arroyo Edge

LEGEND: — — — Access Road
 ● Well Location



0 1 mile

SCALE 1:24,000

↑ N

PROJECT: NGC-80-1

TOWNSHIP: 16S and 15½S

COUNTY: Grand

RANGE: 24E

QUADRANGLE: San Arroyo Ridge

LEGEND: - - - Access Road
 • Well Location

Mann

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. U-05010-C
2. NAME OF OPERATOR Fortune Oil Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 50 S. Main Street, Suite 1570, Salt Lake City, UT 84144		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 T. 16 S., R. 25 E., SLB&M, Grand County, Utah Section 7: NW $\frac{1}{4}$ SE $\frac{1}{4}$ (1846' FSL, 2083' FEL)		8. FARM OR LEASE NAME Federal
14. PERMIT NO. 43-019-30991	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 7268 GL 7280 RT	9. WELL NO. Federal 43-7
		10. FIELD AND POOL, OR WILDCAT San Arroyo Field
		11. SEC., T., R., M., OR BLK. 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) <input type="checkbox"/>	
(Other) Drill <input checked="" type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

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

Spudded with dry hole digger at 5 P.M., September 7, 1982. Made 25' of 12 $\frac{1}{4}$ " hole. Will set 250' of 9 5/8" casing.

RECEIVED
SEP 13 1982

DIVISION OF
OIL, GAS & MINING

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

SIGNED Michael L. Pinnell TITLE Exploration Manager DATE 9-8-82
Michael L. Pinnell

(This space for Federal or State office use)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

FIELD 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 Signed Michael R. Pinnell
Phone 801-532-7797 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 NW 1/4 SE 1/4	16S	25E	43-7							
					FORMATION TOPS:		Castlegate 2182, Mancos 2200, Mancos B 2945, Frontier 5476, Dakota Silt 5735, Dakota Sand 5788, Cedar Mountain 5895, Morrison 5992, TD 6107.			
					CASING:		9 5/8" surface to 263' 7" 2568' with 160 sacks cement 4 1/2" 6103 with 150 sacks cement			
					GAS SHOWS:		7 second flare at 2219 (Castlegate) 2195 - 2203 40-70 unit gas show 5455 - 5484 2-3 second flare on connection; 180 unit gas show 5850 - 5890 10' flare from Dakota formation shut down drilling to measure: 300 mcfgpd 5982 - 5990 25 to 30' flare (Cedar Mountain) Zone tested 5065 mcfgpd			
					DEVIATION SURVEY:		2 1/4° @ 2712, 2 3/4° @ 3148, 1/2° @ 3700, 3 1/4° @ 4689, 7 1/2° @ 5256, 12° @ 5496, 11° @ 5666			
API NO.	43-019-30991									

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.

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-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

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
43-7	Sec. 7 NW 1/4 SE 1/4	16S	25E	Drilling	FORMATION TOPS:	Castlegate 2182, Mancos 2200, Mancos B 2945			Frontier 5476, Dakota Silt 5735, Dakota Sand 5788, Cedar Mountain 5895, Morrison 5992, TD 6107.
					CASING:	9 5/8" surface to 263'			7" 2568' with 160 sacks cement
					GAS SHOWS:	4 1/2" 6103 with 150 sacks cement			7 second flare at 2219 (Castlegate)
						2195 - 2203 40-70 unit gas show			5455 - 5484 2-3 second flare on connection
						5850 - 5890 180 unit gas show			10' flare from Dakota Formation
						shut down drilling to measure: 300 mcf/gpd			5982 - 5990 25 to 30' flare (Cedar Mtn)
					DEVIATION SURVEY:	Zone tested 5065 mcf/gpd			2 1/4" @ 2712, 2 3/4" @ 3148, 1 1/2" @ 3700,
						3 1/4" @ 4689, 7 1/2" @ 5256, 12" @ 5496,			11" @ 5666
API NO.	43-019-30991								

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

Authorized Signature: Michael S. Bennett Address: 50 SO. MAIN ST., SUITE 1570, SLC, UT
Title: EXPLORATION MANAGER Page 1 of 1 84144

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

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

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

10

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO. U-04967-C
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Fortune Oil Company		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 50 So. Main, Suite 1570, Salt Lake City, Utah 84144		8. FARM OR LEASE NAME Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 1846' FSL 2083' FEL, Sec. 7, T16S, R25E At top prod. interval reported below At total depth		9. WELL NO. 43-7
14. PERMIT NO. _____ DATE ISSUED _____		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

15. DATE SPUDDED 9/19/82	16. DATE T.D. REACHED 9/25/82	17. DATE COMPL. (Ready to prod.) 10/15/82	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* *7280' KB 7268' GR	19. ELEV. CASINGHEAD 7269
20. TOTAL DEPTH, MD & TVD 6107'	21. PLUG, BACK T.D., MD & TVD 6054'	22. IF MULTIPLE COMPL., HOW MANY* ---	23. INTERVALS DRILLED BY →	ROTARY TOOLS ATCO 18
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Morrison 6042-46 MD Cedar Mountain 5982-92 MD				25. WAS DIRECTIONAL SURVEY MADE No
26. TYPE ELECTRIC AND OTHER LOGS RUN FDC/CNL/GR/CAL <u>DIL/GR/SP</u> 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#	263'	12-1/4"	175 sacks	None
7"	23#	2568'	8-3/4"	160 sacks	None
4-1/2"	11.6 N80	6107'	6-1/4"	160 saks RFC	None

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
N/A					2-3/8"	6010'	N/A

31. PERFORATION RECORD (Interval, size and number) 6042-6046 2 SPF 5982-92 1 SPF		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
		6042-46'	300 gal 7% Mud acid
		5982-92	Natural

33.* PRODUCTION

DATE FIRST PRODUCTION 9-25-82	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing	WELL STATUS (Producing or shut-in) SI w/o Sales Line					
DATE OF TEST 10-14-82	HOURS TESTED 4	CHOKER SIZE 1-1/2	PROD'N. FOR TEST PERIOD →	OIL—BBL. --	GAS—MCF. 269.67	WATER—BBL. --	GAS-OIL RATIO --
FLOW. TUBING PRESS. 61	CASING PRESSURE 450	CALCULATED 24-HOUR RATE →	OIL—BBL. --	GAS—MCF. 1618	WATER—BBL. --	OIL GRAVITY-API (CORR.) --	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented while testing SI waiting on Sales Line	TEST WITNESSED BY T. W. Dyk
---	--------------------------------

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 9/23/82

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

FORTUNE OIL COMPANY
Federal 43-7
1846' FSL, 2083' FEL
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7
T16S, R25E, SLB & M
Grand County, Utah

DAILY DRILLING REPORT

- 9-2-82 Location will be complete on Saturday. Will drill and set surface with rathole digger; then move Atco rig #18 to location.
- 9-4-82 Finished building location.
- 9-7-82 Spudded with rathole digger at 5 p.m. Made 25' of 12 $\frac{1}{4}$ " hole. Will set 250' of 9 5/8" casing.
Cumulative cost \$137,500 (includes location costs and tree removal).
- 9-8-82 Drilled 12 $\frac{1}{4}$ " hole from 25' to 210'. Hole started making fluid at 210'. SDFN.
(Will bring costs up to date next report).
- 9-9-82 Waiting on weather to move rig onto location.
- 9-10-82 Waiting on weather to move rig onto location.
- 9-11-82 Waiting on weather to move rig onto location.
- 9-12-82 Waiting on weather to move rig onto location.
- 9-13-82 Waiting on weather to move rig onto location.
- 9-14-82 Waiting on weather to move rig onto location.
- 9-15-82 Waiting on weather to move rig onto location.
- 9-16-82 Weather clearing. Expect to move Atco #18 rig onto location within next two days.
- 9-17-82 Moved rig to location. Rigging up. Expect to start drilling later today.

FORTUNE OIL COMPANY
Federal 43-7
1846' FSL, 2083' FEL
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7
T16S, R25E, SLB & M
Grand County, Utah

DAILY DRILLING REPORT

9-20-82 Continuing heavy rains in area. Commenced drilling below surface on 9-19-82. Depth at report time 735'. Footage 472'.

Breakdown of hours:

Drilling 9 $\frac{3}{4}$
Trips 1
Surveys $\frac{1}{2}$
Rig Service $\frac{3}{4}$
Work on rotating head $3\frac{1}{2}$
Drilling cement 7
Bottom hole assembly $\frac{1}{2}$
Work on BOP's $1\frac{1}{2}$

Survey $\frac{1}{2}^{\circ}$ @ 514', drill collars 19 6", weight on bit 14 to 16,000#, rotary speed 60 - 80 rpm, air pressure 150# air mist, drilling jars and bumper sub.

Insert float broke. Piece of float jammed in bit. TOH with bit. Got piece of insert out and tripped back in. Drilling ahead in Mesa Verde formation.

Daily cost \$10,032
Cumulative cost \$199,002

Breakdown of costs: \$125,000 location
 13,770 drilling costs before today
 10,500 tree removal
 16,000 move in and rig up drilling rig
 7,000 rat hole rig
 2,800 tangible - casing
 1,500 tangible - casinghead
 1,200 water
 7,000 contingencies (miscellaneous)

9-21-82 Depth at report time 2281'. Footage drilled 1546'. Drilling with air mist in the Mancos formation.

Breakdown of hours:

Drilling 23
Surveys $\frac{1}{4}$
Rig Repair $\frac{3}{4}$

Bit #1 8 $\frac{3}{4}$ ", J-11, depth in 263, footage drilled 2018, rotating hours $34\frac{1}{2}$.

Survey 1° @ 1251'.

Top of Castlegate at 2182'. Had 7 second flare at 2219'.

Gas shows 2195 to 2203' 70-40 units

Drill collars 19 6", weight on bit 25,000#, rotary speed 60 to 80 rpm, air pressure 300# psi, Special tools - jars and bumper sub.

Daily cost \$11,551
Total cost to date \$210,553

FORTUNE OIL COMPANY
Federal 43-7
1846' FSL, 2083' FEL
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7
T16S, R25E, SLB & M
Grand County, Utah

DAILY DRILLING REPORT

9-22-82 Depth at report time 2,589'. Footage drilled 308. Mancos formation.

Breakdown of hours:
Drilling 4 $\frac{1}{2}$
Trips 3 $\frac{1}{2}$
Rig repair $\frac{1}{2}$
Circulate $\frac{1}{4}$
Run casing 2 $\frac{1}{2}$
Cement 1 $\frac{1}{2}$
Nipple up 6 $\frac{1}{2}$
PUDC & BHA 2
Pressure test 2 $\frac{1}{4}$
Unload hole $\frac{1}{2}$

Bit #1, J-11, depth in 263, depth out 2589, footage drilled 2326 rotating hours 39; Bit 32, F-2, depth in 2589.

Set 66 joints 7" 23# at 2568, collar at 2532. Cement 160 sacks H with 2% CaCl₂ and $\frac{1}{4}$ # celloflake. Drill collars 19 6", weight on bit 18 to 20,000#, rotary speed 70, air pressure 350 PSI. Plug down @ 6:00 p.m.

Daily cost \$36,166 (includes \$17,847.60 for casing)
Cumulative cost \$246,719

9-23-82 Depth at report time 3,908'. Footage drilled 1319. Mancos B formation. Cumulative drilling hours 56 $\frac{1}{4}$.

Breakdown of hours:
Drilling 17 $\frac{1}{4}$
Trips 3/4
Surveys 3/4
Rig service 3/4
Drilling cement and shoe 4 $\frac{1}{2}$

Bit #2, 6 $\frac{1}{4}$ ", F-2, depth in 2589, footage drilled 1319, rotating hours 17 $\frac{1}{4}$.

Surveys: 2 $\frac{1}{4}$ ^o @ 2712', 2 3/4^o @ 3198', $\frac{1}{2}$ ^o @ 3700

Weight on bit 15,000#, rotary speed 60 to 70 RPM, air pressure 125 PSI.

Top of Mancos B 2945', Top of Mancos B Base 3690'.
3 - 4 second flares on connections from 2945 to 3690.

Daily cost \$8,865
Cumulative cost \$255,584

FORTUNE OIL COMPANY
Federal 43-7
1846' FSL, 2083' FEL
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7
T16S, R25E, SLB & M
Grand County, Utah

DAILY DRILLING REPORT

9-24-82 Footage drilled in last 24 hours 1504'. Presently drilling in Frontier formation.

Breakdown of hours:
Drilling 21 $\frac{1}{2}$
Surveys 2
Rig Service 3/4

Bit #2, 6 $\frac{1}{4}$ ", F-2, depth in 2589, footage drilled 2823, rotating hours 38.

Surveys: 2 3/4 $^{\circ}$ @ 4201, 3 $\frac{1}{4}$ $^{\circ}$ @ 4689, 7 $\frac{1}{2}$ $^{\circ}$ @ 5256.

Weight on bit 10 to 18,000#, rotary speed 70 rpm, air pressure 125 PSI.

Special tools: Near bit stabilizer, short drill collar, IBS, drill collar, IBS.

Frontier Top 5,476'. Started getting 6 - 18 units background gas at 5455'. Had a 2 - 3 second flare on connection at 5484. Same connection had 180 units of gas.

Daily cost \$11,165
Cumulative cost \$266,749

9-25-82 Footage drilled in last 24 hours 613'. Presently drilling in Morrison formation.

Breakdown of hours:
Drilling 12 $\frac{1}{2}$
Trips 6 $\frac{1}{4}$
Surveys 1
Rig Service $\frac{1}{4}$
Circulation $\frac{1}{4}$
Change BHA 2
Test well 1 $\frac{1}{2}$

Bit #2, 6 $\frac{1}{4}$ ", F-2, depth in 2589, depth out 5507, footage drilled 2918, rotating hours 41 $\frac{1}{2}$.

Bit #3, 6 $\frac{1}{4}$ ", Smith F-4, depth in 5567, footage drilled 458, rotating hours 9 $\frac{1}{4}$.

Surveys: 12 $^{\circ}$ @ 5496, 11 $^{\circ}$ @ 5666.

Weight on bit 10 to 15,000#, rotary speed 70 rpm, air pressure 150 PSI.

Daily cost \$12,970
Cumulative cost \$279,719

9-26-82 Depth at report time 6107', footage drilled in last 24 hours 82, presently laying down drill pipe.

Breakdown of hours:
Drilling 2
Trips 6
Let up and condition 6
Logging 7
Lay down drill pipe 3

Bit #3, 6 $\frac{1}{4}$ ", Smith F-4, depth in 5567, depth out 6107, footage drilled 540, rotating hours 11 $\frac{1}{4}$.

Mud weight 90, viscosity 50, fluid loss 8, filter cake 2/32, Ph 9.5.

Weight on bit 12,000#, rotary speed 70 rpm, air pressure 150 PSI

Daily cost \$22,121 (includes logging \$10,800)
Cumulative cost \$301,840

FORTUNE OIL COMPANY
Federal 43-7
1846' FSL, 2083' FEL
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7
T16S, R25E, SLB & M
Grand County, Utah

DAILY DRILLING REPORT

9-27-82 Depth at report time 6107', rig released at 8:00 p.m. on
9-26-82. Reached total depth in Morrison formation.

Breakdown of hours:

Lay down drill collars & pipe 3 $\frac{1}{2}$
Rig up and run casing 4
Cement casing 1 $\frac{1}{2}$
Nipple down & set slip 5

Details of operation:

Set 147 joints of 4 $\frac{1}{2}$ " 11.6 lb/ft. N 80 casing @ 6103 with
fill collar @ 6060'. Cemented with 150 sacks 10 - 0 R FC,
good returns, plugged down 3100' 9-26-82, rig released at
8:00 p.m.

Daily cost \$7,395

Cumulative cost \$309,235

Completion cost \$53,735 - Includes tangible:

Casing cement	\$5,500
Casing crew	\$3,000
Slips	\$1,500

9-29-82 Too wet to get to location.

RECEIVED

OCT 01 1982

**DIVISION OF
OIL, GAS & MINING**

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....., 19..82.

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

Salt Lake City, Utah 84144..... Signed *Michael L. Pinnell*.....

Phone801-532-7797..... Agent's title Exploration Manager.....

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

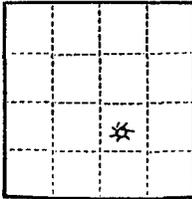
Sec. & 1/4 of 1/4	Twp.	Range	Well No.	*Status	Oil Bbls.	Water Bbls.	Gas MCF's	REMARKS (If drilling, Depth; if shut down, Cause; Date & Results of Water Shut-Off Test; Contents of Gas; and Gas-Oil Ratio Test)
Sec. 7 NW 1/4 SE 4	16S	25E	43-7	API NO. 43-019-30991				
								No. of Days Produced
Perforated 6042 to 6046' with 2 shots per foot. Acidized perms with 300 gallons 7 1/2% mud acid. Tested well on 1/2" choke at 243 mcf/gpd. Perforated Cedar Mountain 5982 to 5992' with one shot per foot. Immediately flowed 1,600 to 1,700 mcf/gpd.								
Waiting on equipment for back pressure tests.								

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



(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office SLC, UT
Lease No. U-05010-C
Unit N/A

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 22, 1982

Well No. 43-7 is located 1846 ft. from XX line and 2083 ft. from E line of sec. 7

NW¹/₄SE¹/₄ 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 7279 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 17, 1982 at 1:00 P.M. at a rate of 797 MCFGPD. Flowing tubing pressure was 750 P.S.I., casing pressure was 820 P.S.I., and tubing pressure was 800 P.S.I.

Date	Flow Rate	Tubing Pressure	Casing Pressure
12-18-82	580 MCFGPD		
12-19-82	396 MCFGPF		
12-20	215 MCFGPD	340#	540# - blew 15 min.

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 22, 1982

RECEIVED
DEC 23 1982

DIVISION OF
OIL GAS & MINING

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 43-7 Federal
T. 16 S., R. 25 E.
Sec. 7: NW $\frac{1}{4}$ SE $\frac{1}{4}$
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 /sk

Michael L. Pinnell
Exploration Manager

MLP/sk

Enclosures

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

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, Suite 1470 SLC

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1846' FSL & 2083' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

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

REQUEST FOR APPROVAL TO:

- TEST WATER SHUT-OFF
- FRACTURE TREAT
- SHOOT OR ACIDIZE
- REPAIR WELL
- PULL OR ALTER CASING
- MULTIPLE COMPLETE
- CHANGE ZONES
- ABANDON*

(other) Fracture Treat

SUBSEQUENT REPORT OF

-
-
-
-
-
-
-
-

RECEIVED
JUN 07 1983

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

DIVISION OF
OIL, GAS & MINING

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.
#43-7

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.
43-019-30991

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7268' GR

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 our intent to acidize and fracture treat the subject well in accordance with the attached procedure.

Operations commenced 5/31/83, procedures 1 through 2 completed.

Completion Rig: Carmack Rig #10, acidized by Dowell and fracture treatment by Nowsco

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

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

SIGNED Sheri E. Wilcox TITLE Operations Manager DATE June 2, 1983

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

FORTUNE OIL COMPANY

FEDERAL 43-7
Sec.7, T16S, R25E
Grand County, Utah

WELL DATA

Elevation - 7280' K.B. + 12' above G.L.
Casing - 4-1/2", 11.6#/A - N-80 @ 6107' w/160 sacks RFC
Tubing - 2-3/8", 4.7#/A - J-55 @ 6010'
Perfs - 6042-6046' 2 SPF 9 holes (Temporarily Abandoned)
5982-5992' 1 SPF 11 holes
PBTB - 6020' Cement Retainer

PROCEDURE

1. Move in, rig up workover rig. Blow well down. Nipple down tree. Nipple up BOP's.
2. POH with tubing. Pick up 4-1/2" packer and set @ 5950'± 10. Acidize lower Cedar Mountain, 5982-92', w/350 gal. 7½% HCL clay stabilizer and 20 sealer balls. Swab back acid and flow test.
3. POH with tubing and packer. Rig up wireline. Perforate as follows with 0.32" select-fire HSC:
Dakota - 5852', 60', 67', 75', 80', and 88'.
Cedar Mountain - 5936', 43', 48', and 56'.
4. TIH w/RBP and packer Set RBP @ 5964' and packer at 5915'. Acidize Cedar Mountain with 350 gallon 15% MCA and clay stabilizer. Swab back acid. Set RBP at 5915' and packer at 5830'. Acidize Dakota with 500 gallon 15% MCA and clay stabilizer. Swab back acid. Flow test Cedar Mountain and Dakota.
5. POH with tools. Pick up RBP w/out ball catcher. Run in hole to 5550' w/tubing. Set RBP @ 5950'± 10. Frac with 20,000 lbs. 100 mesh and 80,000 lbs. 20/40 mesh sand in 75% quality N₂Foam. (5% HCL base).
6. Flow back frac and test Dakota Cedar Mountain.
7. Remove RBP and flow Dakota and Cedar Mountain to production.
8. Land tubing. Nipple down BOP. Nipple up tree. Move out workover rig.

D. L. LeFevre

**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: 1846' FSL & 2083' FEL
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.
43-7

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.
43-019-30991

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7268' 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 checked="" type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>	<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>	<input type="checkbox"/>
(other)		

(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 has been performed on the subject well:

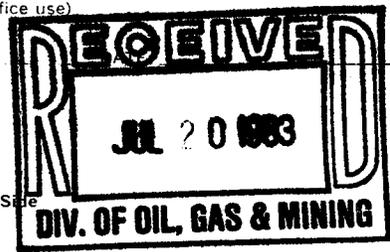
Operations commenced 5/31/83, moved Carmack rig #10 on location, blew well down. On 6/1/83, nipped down tree and nipped up BOP, TOOH with 103 stands (6021.79') tubing and F nipple 1 jt off bottom. Picked up 4½" packer and TIH, set packer at 5959' KB, Dowell acidized lower Cedar Mountain from 5982'-5992', with 350 gal 7½% MSR 100 acid (HCL) with 20 ball sealers, had ball action to 2400 psi and did not ball off. Began swabbing fluid back, tag fluid at 300' and swabbed down to 5930'. Released packer and wiped perfs of sealer balls, pulled packer to 5950' and hang free, flow tested well. Perforated well in upper Cedar Mountain at 5936', 43', 48',

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

18. I hereby certify that the foregoing is true and correct
 SIGNED *Scherie Wilcox* TITLE Operations Manager DATE July 18, 1983

(This space for Federal or State office use)

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



*See Instructions on Reverse Side

Attachment to Form 9-331 (July 18, 1983)

and 5956', and perforated lower Dakota at 5852'-60'-67'-75'-80'-88'. Tagged cement retainer at 6037', set RBP at 5965', pull and hang packer at 5905', tested well. Set packer at 5910', acidized upper Cedar Mountain 5936'-5956' with 350 gal 15% San-1 acid and 10 sealer balls. Moved RBP to 5915' and packer to 5824', acidized lower Dakota 5832'-5888' with 500 gal 15% San-1 at 2.3 barrels/minute and 2400 psi maximum, swabbed.

Fraced lower Dakota and upper Cedar Mountain Formations (5884'-5956') with 20,125 gal 5% HCL, 20,000# 100 mesh sand and 80,000# 20-40 sand and 2.2 MMSCF nitrogen. Fraced at 30 barrels/minute with 7.5 barrels fluid/minute and 22.5 barrels gas/minute nitrogen. Average tubing pressure was 6,000 psi and casing pressure 5,000 psi. Foaming agents - 10 lb/1000 NWP-15 gelling agent, 3 gal/1000 NFA-345 foaming agent, 25 lb/1000 NIS-545 clay stabilizer. Displaced annulus w/50 MSCF nitrogen after blowback started. Blew back nitrogen and heavy mist, began intermittant burn, casing pressure 240#, started making intermittant flare, tested at 605 MCF/Day to atmosphere. Picked up retrieving head and TIH to 5965', had problem pulling up - laid down 9 jts and landed bottom of retrieving head at 5766'. Blew 50 MCF nitrogen around backside to tubing. Unloaded fluid and sand. Well stabilized at rate of 800 MCF/Day to atmosphere with heavy mist. Shut-in well for pressure build-up on 6/9/83. Well turned to production pipeline on 6/10/83 at 9:00 a.m. - RBP still in hole, waiting for well to stabilize then completion rig will be moved on hole and re-entered to retrieve bridge plug.

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 So. Main, #1570, SLC, UT 84144

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1846' FSL & 2083' FEL
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.
43-7

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 | 13. STATE
Grand | Utah

14. API NO.
43-019-30991

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7268' 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) REMOVE RBP			

[Handwritten signature and scribbles over the form]

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

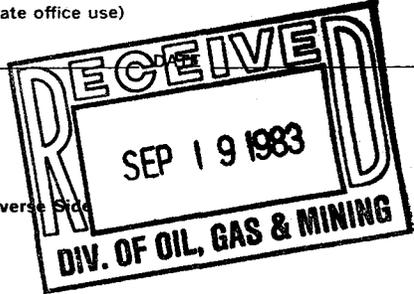
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to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

Fortune Oil Company herewith reports that on 9/2/83, Colorado Well Service Rig #42 was moved onto location. Western Air Drilling blew sand from RBP (set at 5965') and TOOH with RBP and TIH with 99 stands (5789') of tubing. Released rig at 6:00 p.m. Well placed back on production.

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

18. I hereby certify that the foregoing is true and correct
SIGNED *Sherrie Wilcox* TITLE Operations Manager 9/12/83

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



*See Instructions on Reverse Side

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: 1846' FSL & 2083' FEL
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) 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. #43-7

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. 43-019-30991

15. ELEVATIONS (SHOW DF, KDB, AND WD) 7268' GR

STATE

(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.)*

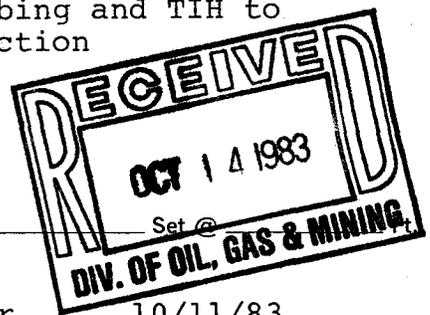
Fortune Oil Company herewith reports that on 9/25/83, the subject well was shut-in at 5:30 p.m. for temperature logging - on 9/26/83, Geosource rigged up to run logs, static temperature log, and turned well back to production for night. On 9/27/83, well flowed at rate of 180 MCF/D, FTP 440, FCP 495, pipeline pressure 412. Ran Temperature Log - On 9/28/83, rigged up Colorado Well service #15 and blew down well. Picked up tubing and TIH to 5874'. Final Report - Well returned to production

Temperature Log Attached

Subsurface Safety Valve: Manu. and Type _____

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

SIGNED Sherie Wilson 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

2
10

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. oil well gas well other

2. NAME OF OPERATOR
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: 1846' FSL & 2083' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

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

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.
#43-7

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.
43-019-30991

15. ELEVATIONS (SHOW DF, KDB, AND WD)
7268' GR **CDMTN**

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

PULL OR ALTER CASING

MULTIPLE COMPLETE

CHANGE ZONES

ABANDON*

(other) WELL ON PRODUCTION

SUBSEQUENT REPORT OF:

RECEIVED
FEB 19 1986

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

DIVISION OF
OIL, GAS & MINING

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 July 11, 1985, was placed back on production on November 20, 1985.

Per applicable regulations, verbal notification was given BLM office, Moab District, on November 25, 1985.

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

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

SIGNED Sherie Cole 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.

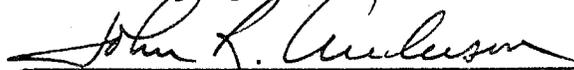
Personnel shall be the same under both Fortune Oil, Ltd. and Anderson Exploration Company. Please address further correspondence with respect to Fortune Oil Company interests to its successor in interest as follows:

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:

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

Utah Account No. N2260

Report Period (Month/Year) 2 / 86

Amended Report

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

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

N5685

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 Bonneville 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
/ Federal #17-8	4301931099	00585
/ Federal #31-1	4301931030	00586
/ Federal #34-31	4301931046	00586
/ Federal #43-7	4301930991	00587
/ Federal #24-1	4301930955	00588
/ Federal #21-7	4301930755	00589

Please be advised that Bonneville 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 Bonneville, including the Monthly Oil and Gas Production Report and the Disposition Report. We assume that Bonneville has initiated the necessary paperwork with your office to set up their payor account. In the event it is necessary to contact Bonneville 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>
92283011	FEDERAL #21-7 16S 25E 7	06	07	<u>4</u>	12/85	<u>0930</u>
92283014	FEDERAL #24-1 16S 24E 24	06	07	<u>4</u>	12/85	<u>1130</u>
92286010	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>

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

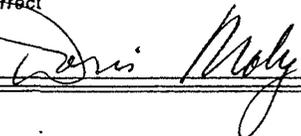
MAR 08 1993

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 08 1993

DIVISION OF
OIL GAS & MINING



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

RECEIVED

MAR 16 1993

Page ____ of ____

PRODUCING ENTITY ACTION

DIVISION OF OIL, GAS & MINING

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.

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

(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	00586		4301931030	Federal 31-1	1	16S	24E	SESE	Grand	DKTA

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

F	00586		4301931046	Federal 34-31	31	15S	25E	SWSW	Grand	DKTA
---	-------	--	------------	---------------	----	-----	-----	------	-------	------

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

F	00587		4301930991	Federal 43-7	7	16S	25E	NWSE	Grand	CDMTN
---	-------	--	------------	--------------	---	-----	-----	------	-------	-------

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

F	08079		4304731247	Federal 7-30-15-23	30	15S	23E	NWSE	Uintah	DKTA
---	-------	--	------------	--------------------	----	-----	-----	------	--------	------

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

an equal opportunity employer

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. 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 or 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

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

U-DS010-C

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No. Well No 43-7

=SEE EXHIBIT "A"

9. API Well No.

43-019-30991

10. Field and Pool, or Exploratory Area

11. County or Parish, State

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Beartooth Oil & Gas Company

3. Address and Telephone No.

P. O. Box 2564, Billings, Montana 59103 (406) 259-2451

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

NWSE Sec. 7, T. 16S, R. 25E

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Change of Operator
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

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

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

Beartooth Oil & Gas Company has acquired Bonneville Fuel Corporation's interest in the wells listed on the attachment and assumed operations effective March 1, 1993.

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

UT 0033

MAR 9 1993
RECEIVED
ELI
District

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

Signed Donald E. Roberts
(This space for Federal or State office use)

Title President

Date March 9, 1993

Approved by William C. Stinger
Conditions of approval, if any:

Title Assistant District Manager for Minerals

Date 3/15/93

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

*See Instruction on Reverse Side

Routing:

1-LEC	7-LEC
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)	<u>BEARTOOTH OIL & GAS CO</u>	FROM (former operator)	<u>BONNEVILLE FUELS CORP</u>
(address)	<u>PO BOX 2564</u>	(address)	<u>1660 LINCOLN STE 1800</u>
	<u>BILLINGS MT 59103</u>		<u>DENVER CO 80264</u>
			<u>DORIS MALY</u>
	phone <u>(406) 259-2451</u>		phone <u>(303) 863-1555</u>
	account no. <u>N 1790</u>		account no. <u>N 5685</u>

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

- Yes 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)
- Yes 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: .
- Yes 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.
- Yes 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (5-12-93)
- Yes 6. Cardex file has been updated for each well listed above. (5-12-93)
- Yes 7. Well file labels have been updated for each well listed above. (5-12-93)
- Yes 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)
- Yes 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.

FILMING

- 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.

COMMENTS

930512 Bfm/Moab Approved on 3-15-93, eff. 3-1-93.
 Bfm/S.Y. Approved CA's UT060849-840719 & mo499-84700C eff. 4-20-93.