

# TXO

## TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

November 30, 1982

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

Re: Nicor Federal #2  
Section 28-T16S-R25E  
Grand County, Utah

Dear Mr. Stout:

Enclosed please find one copy of the APD/MSUOP for the above-referenced well. Please note that this is a directional drill proposal and that the footages at the proposed production zone are 650' FSL and 1100' FEL, Section 28-T16S-R25E. A 150' radius is planned around the target.

This permit application package has been filed with the U.S. Minerals Management Service office in Salt Lake City, Utah and approval is expected the week of November 29, 1982. TXO Production Corp. has a right-of-way grant from the Moab District Bureau of Land Management for the surface location on Section 33-T16S-R25E.

If you have any questions, please contact me at this office.

Very truly yours,

TXO PRODUCTION CORP.



Paul Urban  
Environmental Scientist

PU/BS  
Enclosure/as stated

**RECEIVED**  
DEC 02 1982

DIVISION OF  
OIL, GAS & MINING

A SUBSIDIARY OF **TEXAS**  
**OIL & GAS CORP.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

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

5. LEASE DESIGNATION AND SERIAL NO.

U-13653

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Nicor Federal

9. WELL NO.

#2

10. FIELD AND POOL, OR WILDCAT

San Arroyo

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

Surface: Section 33-T16S-R25E

TD: Section 28-T16S-R25E

12. COUNTY OR PARISH | 13. STATE

Grand

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

TXO Production Corp. Attention: Paul Urban

3. ADDRESS OF OPERATOR

1800 Lincoln Center Building, Denver, Colorado 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

Section 33-T16S-R25E 773' FNL, 1468' FEL

At proposed prod. zone Dakota Sands: 650' FSL, 1100' FEL, Sec. 28-16S-25E

Total Depth: 775' FSL, 1068' FEL, Sec. 28-16S-25E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approximately 24 miles northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)

650'

16. NO. OF ACRES IN LEASE

280

17. NO. OF ACRES ASSIGNED TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

---

19. PROPOSED DEPTH

6125' MD  
5850' TVD

20. ROTARY OR CABLE TOOLS

Rotary

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

7021'

22. APPROX. DATE WORK WILL START\*

October 27, 1982

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16"	Conductor	40'	2 yards
12 1/2"	9 5/8"	36#	300'	160 sacks
8 3/4"	7"	20#	2400' TVD 2442' MD	200 sacks
6 1/4"	4 1/2"	10.5#	5850' TVD 6125' MD	150 sacks

TXO Production Corp. proposes to directionally drill the subject well using an angle building rate of 2°/100' in accordance with the following table:

	TVD	Deviation	Angle	MD
Kickoff Depth	1000'	0.0'	0.0°	1000'
Angle established	1991'	177.0'	20.2°	2006'
Initial objective	5500'	1470.0'	20.2°	5752'
Total Depth	5850'	1599.0'	20.2°	6125'

The initial target (Dakota Sands) is location 650' FSL, 1100' FEL Section 28-T16S-R25E, and is planned with a 150' target radius to comply with applicable State spacing regulations.

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

24. SIGNED Ronald E. Dashner TITLE Dist. Drilling Engineer DATE 10/14/82

(This space for Federal or State office use)

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

APPROVED BY W. W. Martin TITLE FOR E. W. GUYNN DISTRICT OIL & GAS SUPERVISOR DATE DEC 08 1982

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

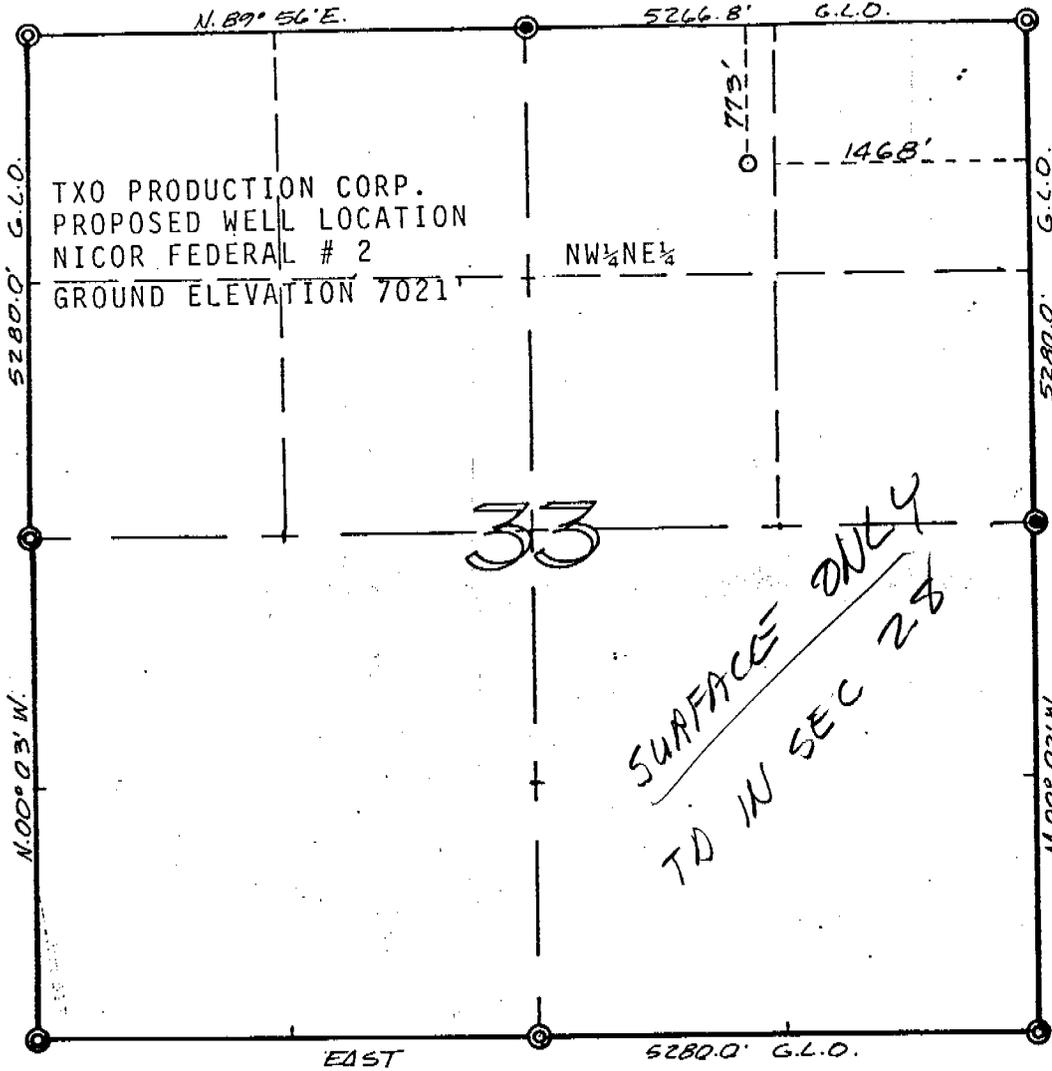
CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

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

*State of CO*

SEC. 33, T. 16 S., R. 25 E. OF THE S.L.M.

PLAT #



THIS WELL LOCATION PLAT WAS PREPARED FOR TXO PRODUCTION CORP.  
 AS REQUESTED BY PAUL URBAN, TO LOCATE THE  
NICOR FEDERAL # 2, 773' F.N.L. & 1468' F.E.L.,  
 IN THE NW 1/4 NE 1/4, OF SECTION 33, T. 16 S., R. 25 E. OF THE S.L.M.  
GRAND COUNTY, UTAH.



**SURVEYOR'S CERTIFICATE**

I, LARRY D. BECKER A REGISTERED LAND SURVEYOR  
 IN THE STATE OF UTAH DO HEREBY CERTIFY THAT THIS  
 SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND  
 THAT THIS PLAT REPRESENTS SAID SURVEY.

*Larry D. Becker*  
 UTAH L.S. NO. 4189

SURVEYED	10-12-82
DRAWN	10-13-82
CHECKED	10-13-82

ENERGY  
SURVEYS &  
ENGINEERING CORP.

1156 BOOKCLIFF AVE. NO 4  
GRAND JUNCTION, CO. 8150  
908 248-7221

Exhibit 2  
Survey Plat

TXO Production Corp.  
Well No. Nicor 2  
Section 28-T16S-R25E  
Grand County, Utah  
Lease No. U-13653

Supplemental Stipulations:

1. The 7" intermediate casing proposed to 2400' will be cemented to tie-in 100' (minimum) with 9 5/8" casing proposed at 300'.
2. Adequate and sufficient magnetic compass multi-shot directional surveys (minimum acceptable) will be made through the entire course of the well bore to determine to the satisfaction of MMS the trajectory of the directionally drilled well bore, and to assure that the well bore follows the projected trajectory or course as approved.
3. One basic and complete log from TXO's log suite, IEL or equivalent will be made from TD to the shoe of the 7" casing (proposed at 2400'). Also, the interval from the proposed surface casing shoe (300') to the proposed setting depth of the 7" intermediate casing will be logged with one similar or equivalent log.
4. Beartooth Oil and Gas Company, through their representative, and at their request to TXO, may witness any or all associated operations as they may pertain to the Beartooth lease. Once the well bore has crossed the Beartooth lease line (U-51052) and is on the TXO lease (U-13653), operations are proprietary to TXO Production Corporation.
5. TXO Production Corporation will provide to Beartooth Oil and Gas all information available and obtained from drilling that portion of the deviated hole on the Beartooth lease if requested by Beartooth. That information will also be available from this office to Beartooth on request (for that portion of the bore hole on the Beartooth lease only).
6. In the event that the drilling of the Nicor No. 2 results in a dry hole TXO will be responsible and liable for plugging and abandonment of the well and the rehabilitation of the drill site and associated surface disturbance to the satisfaction of this office and the Surface Management Agency. However, in the event that the Nicor No. 2 is a dry hole in-so-far as the TXO lease (U-13653), Beartooth by agreement with TXO and between Beartooth and TXO, may assume that portion of the well bore on the Beartooth Lease (U-51052) from 200' from the common lease line (Sec. 33 and 28) to the surface. Beartooth would, as may be agreed with TXO, further assume all surface use liability as associated with the Nicor No. 2 as if the well had been drilled by Beartooth on the Beartooth lease (U-51052, Sec. 33).
7. MMS, Salt Lake City District, will provide to Beartooth, from the information and data from the Nicor No. 2 as provided by TXO, 1) The trajectory of the well bore to the Beartooth lease line (Sec. 33 - U-51052). 2) The bottom hole location of the well bore. 3) The completion interval location only - to assure compliance with the existing spacing order. 4) Availability to that portion of all logs run in the part of the well bore within the Beartooth lease (Sec. 33 - U-51052).

8. In the event that the Nicor No. 2 is completed as a producer from the Dakota sands, the Nicor No. 1, NW/4 NE/4, Sec. 28-T16S-R25E, must be shut-in and either sealed with MMS seals or drillable bridge plug set above perforations.

9. This well cannot be produced until the Spacing Orders for the Section are amended, if they are amended, to 160 acres.

10. The dirt contractor will be furnished with an approved copy of the surface use plan and any additional BLM stipulations prior to any work.

11. If subsurface cultural material is exposed during construction, work in that spot will stop immediately and the Grand Resource Area Office will be contacted. Salvage or excavation of identified archaeological sites will be done only if damage occurs.

12. 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 rights.

13. The top 8 inches of soil material will be removed from the location and stockpiled separate from the vegetation on the west end of the location. Topsoil along the access will be reserved in place.

14. The reserve pit will not be lined. The reserve pit banks will be 1.5 to 2.0 feet above pad, constructed in 8 inch lifts, machinery compacted and sufficiently wide for equipment to pass over. The reserve pit will be fenced, with 4 strands of barbed wire, on 3 sides before drilling starts and on the 4th side as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying. A back stop will be placed on the blooie pit to control flare from starting fires off location.

15. Improvement to the existing road will not be necessary. Proper drainage control will be maintained throughout access. This will include, but not be limited to drainage dips, crown and ditching.

16. New road construction will be limited to an allowable travel surface width of 16 feet. For construction design and survey see attached Class III road standards.

17. 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.

18. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed according to the attached rehabilitation requirements. All of the stockpiled topsoil will be used in reclaiming the unused area.

19. Production facilities will be placed on the south west corner of the location. Flowlines will follow existing access road to the main transmission line.

20. All above ground production facilities will be painted using the attached list of suggested colors.

21. Burning off any combustible material will require a permit. Permits may be obtained from Paul Pratt at the State Lands and Forestry Office in Moab, Utah. Telephone 801-259-8621.

22. 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.

Your Application for Permit to Drill also included a submittal for production facilities. These production facilities are approved for the lessee and his designated operator under Section 1 of the Oil and Gas Lease with the following conditions:

(1) The oil and gas measurement facilities must be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy are to be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. Please provide this office with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports are to be submitted to the Salt Lake City District Oil and Gas Supervisor. Royalty payments will be made on all production volume as determined by the meter measurements or the tank measurements. All measurement facilities must conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

(2) Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs must be housed and/or fenced.

(3) All disturbed areas not required for operations will be rehabilitated.

(4) All produced liquids must be contained including the dehydrator vent/condensate line effluent. All production pits must be fenced.

(5) The well activity, the well status and the date the well is placed on production must be reported on Lessee's Monthly Report of Operations, Form 9-329.

(6) All off-lease storage, off-lease measurement, or commingling on lease or off-lease must have written approval.

(7) All product lines entering and leaving hydrocarbon storage tanks must be locked/sealed.

(8) You are reminded of the requirements for handling, storing, or disposing of water produced from oil and gas wells under NTL-2B.

(9) All materials, trash, junk, debris, etc. not required for production must be removed from the well site and production facility site at the completion of these operations.

(10) A copy of the Gas Sales Contract will be provided to this office and the Royalty Accounting Department as directed.

(11) Construction and maintenance for surface use approved under this plan should be in accordance with the surface use standards as set forth in the BLM/GS Oil and Gas Brochure entitled, "Surface Operating 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.

(12) "Sundry Notice and Reports on Wells" (form 9-331) will be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained verbally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alternations of facilities, including roads, gathering lines, batteries, measurement facilities, etc., will require the filing of a suitable plan and prior approval by the survey.

## 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 the trash cage. Non-burnable debris will be hauled to a local town dump site. Do not leave any trash in pits.
2. The operator or his contractor will contact the Grand Resource Area BLM office in Moab, Utah, phone (801 259-8193), 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 10 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. Broadcast seed will be two times the pounds/acre on the enclosed seed list.
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 vehicle use.
9. Waterbars 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

<u>Species</u>		<u>Rate</u> <u>lbs/acre</u>
<u>Grasses</u>		
Agropyron inerme	Beardless bluebunch	1
Festuca thurberi	Thurber fescue	1
Oryzopsis hymenoides	Indian ricegrass	1
Poa fendleriana	Muttongrass	1
 <u>Forbs</u>		
Medicago sativa	Alfalfa	1
 <u>Shrubs</u>		
Cercocarpus montanus	Birchleaf mountain-mahogany (True mahogany)	1
Purshia tridentata	Antelope bitterbrush	<u>1</u>
	Total	7

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)
<del>Desert Tan</del>	<del>-----</del>
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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.  
U-13653

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

7. UNIT AGREEMENT NAME  
---

8. FARM OR LEASE NAME  
Nicor Federal

9. WELL NO.  
#2

10. FIELD AND POOL, OR WILDCAT  
San Arroyo ✓

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Surface: Section 33-T16S-R25E  
TD: Section 28-T16S-R25E

12. COUNTY OR PARISH 13. STATE  
Grand Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
DRILL  *TEST WELL* DEEPEN  PLUG BACK

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

2. NAME OF OPERATOR  
TXO Production Corp. Attention: Paul Urban

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface  
Section 33-T16S-R25E 773' ENL, 1468' FEL  
At proposed prod. zone Dakota Sands 650' FSL, 1100' FEL, Sec. 28-16S-25E  
Total Depth: 775' FSL, 1068' FEL, Sec. 28-16S-25E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
Approximately 24 miles northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 650'

16. NO. OF ACRES IN LEASE 280

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

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

19. PROPOSED DEPTH 6125' MD, 5850' TVD

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7021'

22. APPROX. DATE WORK WILL START\* October 27, 1982

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16"	Conductor	40'	2 yards
12 1/2"	9 5/8"	36#	300'	160 sacks
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			2442' MD	
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			6125' MD	

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The initial target (Dakota Sands) is location 650' FSL, 1100' FEL Section 28-T16S-R25E, and is planned with a 150' target radius to comply with applicable State spacing regulations.

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

24. SIGNED Ronald E. Dashner TITLE Dist. Drilling Engineer DATE 10/14/82  
Ronald E. Dashner

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL BY **APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**  
DATE: 12-6-82  
BY: [Signature]

WELL # : NICOR FEDERAL #2

LOCATION : GRAND COUNTY, UTAH

DATE :

JOB TYPE :

JOB # :

SURVEYOR :

DEPTHS : 400'-6054'

DECL. :

ELEV. :

WELL # : WT-E9

DIVS OF CURVATURE METHOD

ANGLE OF PROPOSAL: N 14.50 E

ANGLE FORMAT='DECIMAL DEGREES'

\*\*\*\*\*  
 \* THIS SURVEY IS CORRECT TO THE \*  
 \* BEST OF MY KNOWLEDGE AND IS \*  
 \* SUPPORTED BY ACTUAL FIELD DATA.\*  
 \* \*  
 \* \*  
 \* COMPANY REPRESENTATIVE \*  
 \* \*

\*\*\*\*\*

FINAL STATION DATA:

MEASURED DEPTH FEET	INCLINATION ANGLE DEG.	HOLE DIRECTION DEG.	COURSE LENGTH FEET	TRUE VERTICAL DEPTH FEET	SUBSEA DEPTH FEET	VERTICAL SECTION FEET	RECTANGULAR COORDINATES N/S	RECTANGULAR COORDINATES E/W	DOGLEG SEVERITY DG/100FT
6054.00	30.00	N 37.00 E	31.00	5785.71	5785.71	1494.50	1418.30 N	484.86 E	1.80

CLOSURE DIRECTION DISTANCE  
 N 18.87 E 1498.90

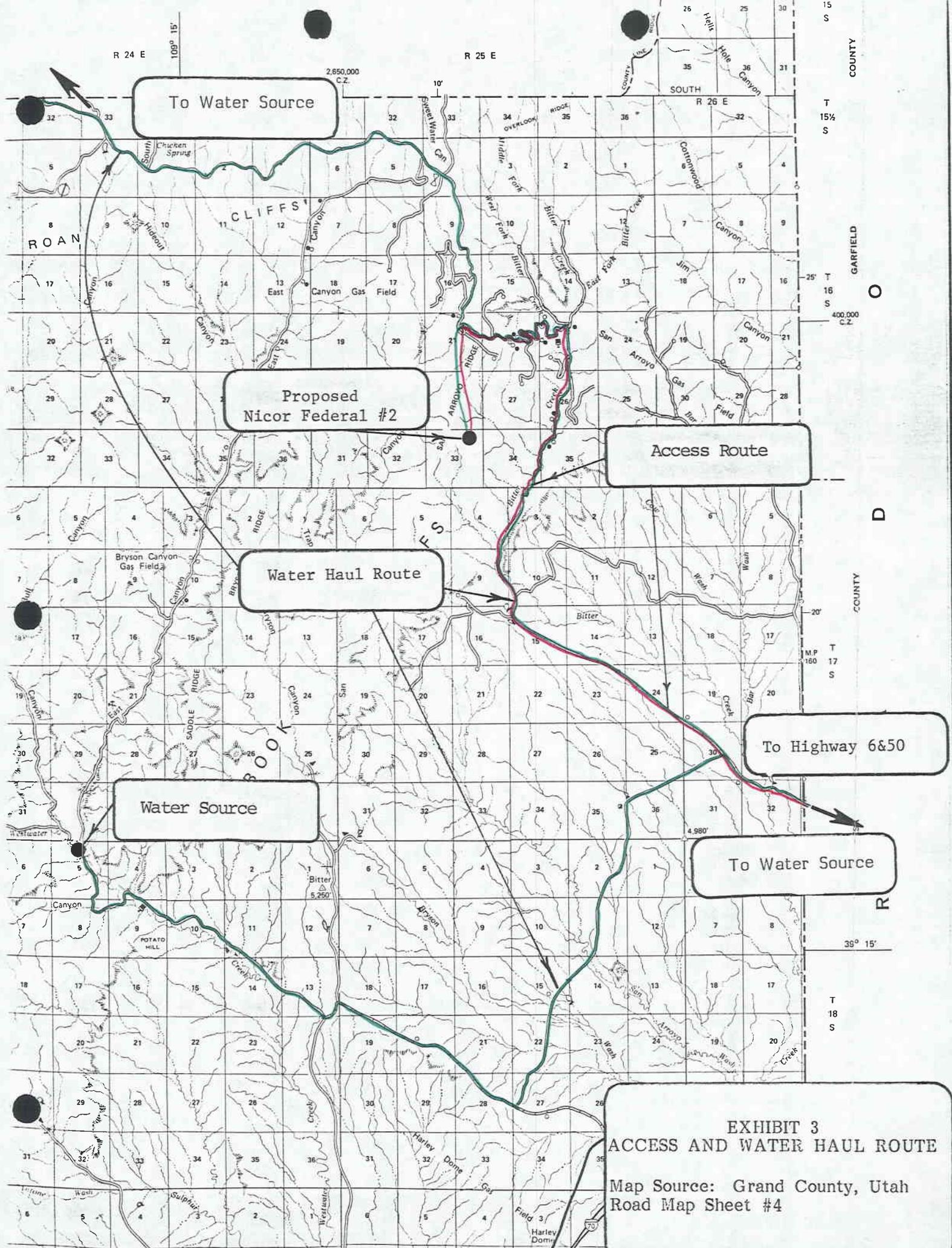
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MEASURED DEPTH FEET	INCLINATION ANGLE DEG.	HOLE DIRECTION DEG.	COURSE LENGTH FEET	TRUE		VERTICAL SECTION FEET	RECTANGULAR COORDINATES		DOGLEG SEVERITY DG/100 FT
				VERTICAL DEPTH FEET	SURSEA DEPTH FEET		N/S	E/W	
400.00	1.00	S 65.00 E	400.00	400.00	400.00	0.00	0.00 N	0.00 E	0.00
492.00	1.50	S 69.00 E	92.00	491.98	491.98	.03	.47 S	1.94 E	.76
584.00	.50	N 20.00 E	92.00	583.96	583.96	1.16	.37 N	3.18 E	1.55
676.00	1.00	S 61.00 E	92.00	675.95	675.95	1.77	.75 N	4.18 E	1.79
766.00	1.00	N 95.00 E	90.00	765.94	765.94	1.84	.42 N	5.69 E	1.50
850.00	.25	N 73.00 E	92.00	857.93	857.93	2.27	.62 N	6.67 E	1.13
979.00	1.25	S 61.00 E	121.00	978.92	978.92	2.49	.45 N	8.21 E	.90
1021.00	1.25	S 85.00 E	42.00	1020.91	1020.91	2.45	.19 N	9.08 E	1.24
1050.00	2.00	N 60.00 E	29.00	1049.90	1049.90	2.82	.36 N	9.87 E	1.10
1080.00	2.00	N 31.00 E	30.00	1079.88	1079.88	3.71	1.09 N	10.61 E	1.30
1140.00	2.00	N 20.00 E	60.00	1139.85	1139.85	5.76	2.98 N	11.51 E	.64
1170.00	3.25	N 20.00 E	30.00	1169.81	1169.81	7.13	4.27 N	11.98 E	4.17
1200.00	4.00	N 20.00 E	30.00	1199.75	1199.75	9.02	6.05 N	12.63 E	2.80
1251.00	5.00	N 20.00 E	31.00	1230.66	1230.66	11.44	8.34 N	13.46 E	3.23
1261.00	6.00	N 15.00 E	30.00	1250.52	1250.52	14.31	11.08 N	14.32 E	3.50
1292.00	7.00	N 11.00 E	31.00	1291.32	1291.32	17.82	14.50 N	15.11 E	3.54
1342.00	8.50	N 09.00 E	50.00	1340.86	1340.86	24.54	21.14 N	16.28 E	3.00
1402.00	10.00	N 05.00 E	60.00	1400.08	1400.08	34.10	30.71 N	17.46 E	2.82
1462.00	10.75	N 02.00 E	60.00	1459.10	1459.10	44.70	41.49 N	18.12 E	1.54
1523.00	12.25	N 02.00 E	61.00	1518.87	1518.87	56.58	53.64 N	18.54 E	2.40
1554.00	12.00	N 01.00 W	31.00	1549.18	1549.18	62.89	60.15 N	18.60 E	2.19
1614.00	13.75	N 02.00 E	60.00	1607.67	1607.67	75.87	73.52 N	18.71 E	3.12
1676.00	15.00	N 02.00 W	62.00	1667.73	1667.73	90.76	88.91 N	18.71 E	2.57
1737.00	16.00	N 01.00 E	61.00	1726.51	1726.51	106.51	105.21 N	18.57 E	2.10
1797.00	16.25	N 01.00 E	60.00	1784.15	1784.15	122.71	121.87 N	18.36 E	.42
1858.00	18.00	N 01.00 W	61.00	1842.44	1842.44	140.10	139.83 N	18.86 E	3.03
1920.00	19.00	N 00.00 E	62.00	1901.24	1901.24	152.10	152.50 N	18.69 E	1.69
1980.00	20.00	N 00.00 E	60.00	1957.79	1957.79	178.49	179.53 N	18.69 E	1.67
2041.00	21.25	N 02.00 W	61.00	2014.88	2014.88	199.19	201.01 N	18.32 E	2.35
2102.00	22.25	N 02.00 W	61.00	2071.54	2071.54	220.87	223.60 N	17.53 E	1.64

MEASURED DEPTH FEET	INCLINATION ANGLE DEG.	HOLE DIRECTION DEG.	COURSE LENGTH FEET	TRUE		VERTICAL SECTION FEET	RECTANGULAR		DOGLEG SEVERITY DG/100FT
				VERTICAL DEPTH FEET	SUBSEA DEPTH FEET		COORDINATES N/S	E/W	
2163.00	23.50	N 01.00 W	61.00	2127.74	2127.74	243.66	247.30 N	16.91 E	2.15
2224.00	24.25	N 01.00 W	61.00	2183.52	2183.52	267.45	271.92 N	16.48 E	1.23
2286.00	25.00	N 02.00 W	62.00	2239.88	2239.88	292.20	297.81 N	15.80 E	1.38
2347.00	26.25	N 01.00 W	61.00	2294.88	2294.88	317.64	324.18 N	15.11 E	2.07
2409.00	27.25	N 01.00 W	62.00	2350.25	2350.25	344.53	352.08 N	14.62 E	1.61
2479.00	28.00	N 01.00 W	30.00	2376.83	2376.83	357.93	365.99 N	14.38 E	2.51
2498.00	28.25	N 01.00 E	59.00	2428.86	2428.86	384.86	393.80 N	14.38 E	1.65
2550.00	29.00	N 01.00 E	32.00	2455.95	2455.95	399.77	409.13 N	14.65 E	2.34
2599.00	27.50	N 01.00 E	69.00	2517.73	2517.73	431.52	441.78 N	15.22 E	2.17
2636.00	25.75	N 04.00 E	31.00	2545.44	2545.44	445.11	455.66 N	15.82 E	7.12
2661.00	24.00	N 08.00 E	31.00	2573.56	2573.56	458.01	468.63 N	17.19 E	7.63
2671.00	22.50	N 12.00 E	38.00	2601.12	2601.12	469.81	480.29 N	19.24 E	7.26
2721.00	20.50	N 15.00 E	30.00	2629.04	2629.04	480.80	490.98 N	21.81 E	7.61
2784.00	18.75	N 16.00 E	63.00	2688.37	2688.37	501.96	511.37 N	27.46 E	2.87
2814.00	18.25	N 17.00 E	30.00	2716.78	2716.78	511.60	520.62 N	30.20 E	1.07
2835.00	19.75	N 15.00 E	22.00	2737.55	2737.55	518.85	527.59 N	32.20 E	5.44
2899.00	20.00	N 13.00 E	73.03	2806.20	2806.20	543.66	551.67 N	38.20 E	8.99
2942.00	20.00	N 12.00 E	63.00	2865.40	2865.40	565.20	572.71 N	42.87 E	6.44
2952.00	20.00	N 12.00 E	60.00	2921.78	2921.78	585.70	592.78 N	47.13 E	0.00
3021.00	19.50	N 11.00 E	99.00	3014.96	3014.96	619.11	625.56 N	53.80 E	1.61
3021.00	18.00	N 06.00 E	90.00	3100.18	3100.18	647.87	654.16 N	58.08 E	2.44
3059.00	16.75	N 12.00 E	48.00	3145.99	3145.99	662.13	668.31 N	60.32 E	4.55
3099.00	15.50	N 17.00 E	30.00	3174.81	3174.81	670.45	676.37 N	62.41 E	6.22
3130.00	15.00	N 22.00 E	31.00	3204.72	3204.72	678.57	684.05 N	65.13 E	4.54
3160.00	15.00	N 26.00 E	30.00	3233.70	3233.70	686.22	691.14 N	68.28 E	3.45
3189.00	15.50	N 26.00 E	49.00	3280.97	3280.97	698.85	702.72 N	73.93 E	1.02
3439.00	16.00	N 25.00 E	30.00	3309.84	3309.84	706.84	710.07 N	77.44 E	1.90
3500.00	16.25	N 26.00 E	61.00	3368.44	3368.44	723.47	725.36 N	84.73 E	1.61
3562.00	16.00	N 27.00 E	62.00	3428.01	3428.01	740.31	740.77 N	92.42 E	1.60
3622.00	15.25	N 33.00 E	60.00	3485.79	3485.79	755.88	754.75 N	100.49 E	2.97

MEASURED DEPTH FEET	INCLINATION ANGLE DEG.	HOLE DIRECTION DEG.	COURSE LENGTH FEET	TRUE		VERTICAL SECTION FEET	R E C T A N G U L A R C O O R D I N A T E S N/S E/W		DOGLEG SEVERITY DG/100FT
				VERTICAL DEPTH FEET	SUBSEA DEPTH FEET				
3651.00	15.25	N 34.00 E	29.00	3513.77	3513.77	763.09	761.12 N	104.70 E	.91
3682.00	15.25	N 35.00 E	31.00	3543.67	3543.67	770.75	767.84 N	102.32 E	.85
3744.00	16.00	N 37.00 E	62.00	3603.38	3603.38	786.29	781.35 N	119.13 E	1.49
3805.00	16.25	N 34.00 E	61.00	3661.98	3661.98	802.10	795.14 N	128.97 E	1.13
3868.00	16.25	N 32.00 E	63.00	3722.47	3722.47	818.82	809.92 N	138.57 E	1.89
3961.00	16.00	N 36.00 E	93.00	3811.81	3811.81	843.16	831.33 N	153.01 E	1.22
4024.00	15.25	N 22.00 E	63.00	3872.48	3872.48	859.55	846.13 N	161.22 E	6.32
4051.00	15.00	N 18.00 E	27.00	3898.54	3898.54	866.56	852.75 N	163.63 E	3.97
4081.00	15.25	N 17.00 E	30.00	3927.50	3927.50	874.38	860.22 N	165.98 E	1.20
4142.00	15.75	N 16.00 E	61.00	3986.29	3986.29	890.67	875.85 N	170.61 E	.95
4234.00	16.25	N 13.00 E	92.00	4074.72	4074.72	916.03	900.40 N	176.96 E	1.75
4327.00	16.50	N 13.00 E	93.00	4163.95	4163.95	942.24	925.95 N	182.86 E	.27
4419.00	16.75	N 18.00 E	92.00	4252.10	4252.10	968.55	951.31 N	189.89 E	1.58
4510.00	16.75	N 22.00 E	91.00	4339.24	4339.24	994.65	975.95 N	198.86 E	1.27
4602.00	17.25	N 23.00 E	92.00	4427.22	4427.22	1021.30	1000.80 N	209.15 E	.63
4693.00	17.00	N 28.00 E	91.00	4514.19	4514.19	1047.60	1025.00 N	220.68 E	1.64
4786.00	17.00	N 32.00 E	93.00	4603.12	4603.12	1073.80	1048.50 N	234.27 E	1.25
4849.00	17.25	N 33.00 E	63.00	4663.33	4663.33	1091.40	1064.10 N	244.24 E	.71
4940.00	17.00	N 34.00 E	91.00	4750.30	4750.30	1116.70	1086.40 N	259.03 E	.42
5038.00	17.00	N 35.00 E	98.00	4844.01	4844.01	1143.60	1116.00 N	275.26 E	.30
5131.00	15.50	N 41.00 E	93.00	4933.30	4933.30	1167.40	1130.50 N	291.27 E	2.42
5181.00	16.00	N 39.00 E	50.00	4981.42	4981.42	1179.70	1140.90 N	299.99 E	1.48
5209.00	16.25	N 37.00 E	28.00	5008.32	5008.32	1186.80	1147.00 N	304.78 E	2.18
5241.00	17.00	N 36.00 E	32.00	5038.98	5038.98	1195.30	1154.40 N	310.23 E	2.51
5272.00	18.00	N 35.00 E	31.00	5068.54	5068.54	1204.00	1162.00 N	315.64 E	3.32
5304.00	19.00	N 32.00 E	32.00	5098.89	5098.89	1213.60	1170.50 N	321.24 E	4.31
5378.00	19.25	N 26.00 E	74.00	5169.81	5169.81	1237.10	1191.70 N	332.99 E	2.68
5409.00	19.50	N 26.00 E	31.00	5198.05	5198.05	1247.20	1200.90 N	337.50 E	.81
5439.00	19.50	N 27.00 E	30.00	5226.33	5226.33	1257.00	1209.90 N	341.97 E	1.11
5470.00	19.75	N 27.00 E	31.00	5255.53	5255.53	1267.20	1219.20 N	346.70 E	.81

MEASURED DEPTH FEET	INCLINATION ANGLE DEG.	HOLE DIRECTION DEG.	COURSE LENGTH FEET	TRUE VERTICAL DEPTH FEET	SUBSEA DEPTH FEET	VERTICAL SECTION FEET	R E C T A N G U L A R C O O R D I N A T E S N/S E/W		DOGLEG SEVERITY DG/100FT
5499.00	19.50	N 29.00 E	29.00	5282.84	5282.84	1276.60	1227.80 N	351.27 E	2.47
5531.00	20.00	N 29.00 E	32.00	5312.96	5312.96	1282.20	1232.30 N	356.51 E	1.56
5562.00	20.25	N 30.00 E	31.00	5342.07	5342.07	1297.50	1246.60 N	361.76 E	1.37
5623.00	21.75	N 33.00 E	61.00	5399.02	5399.02	1318.30	1265.20 N	373.18 E	3.02
5686.00	23.75	N 35.00 E	63.00	5457.11	5457.11	1341.30	1285.40 N	386.80 E	1.70
5747.00	24.75	N 35.00 E	61.00	5512.73	5512.73	1364.70	1305.90 N	401.17 E	1.64
5808.00	25.00	N 36.00 E	61.00	5568.07	5568.07	1388.70	1326.60 N	416.07 E	.80
5870.00	26.50	N 37.00 E	62.00	5623.91	5623.91	1413.70	1348.50 N	432.09 E	2.52
5929.00	27.75	N 38.00 E	59.00	5676.42	5676.42	1438.50	1369.80 N	446.47 E	2.26
6023.00	29.75	N 36.00 E	94.00	5758.63	5758.63	1480.20	1405.90 N	475.68 E	2.74
6054.00	50.00	N 37.00 E	31.00	5785.71	5785.71	1494.50	1418.30 N	484.86 E	1.80



To Water Source

Proposed  
Nicor Federal #2

Access Route

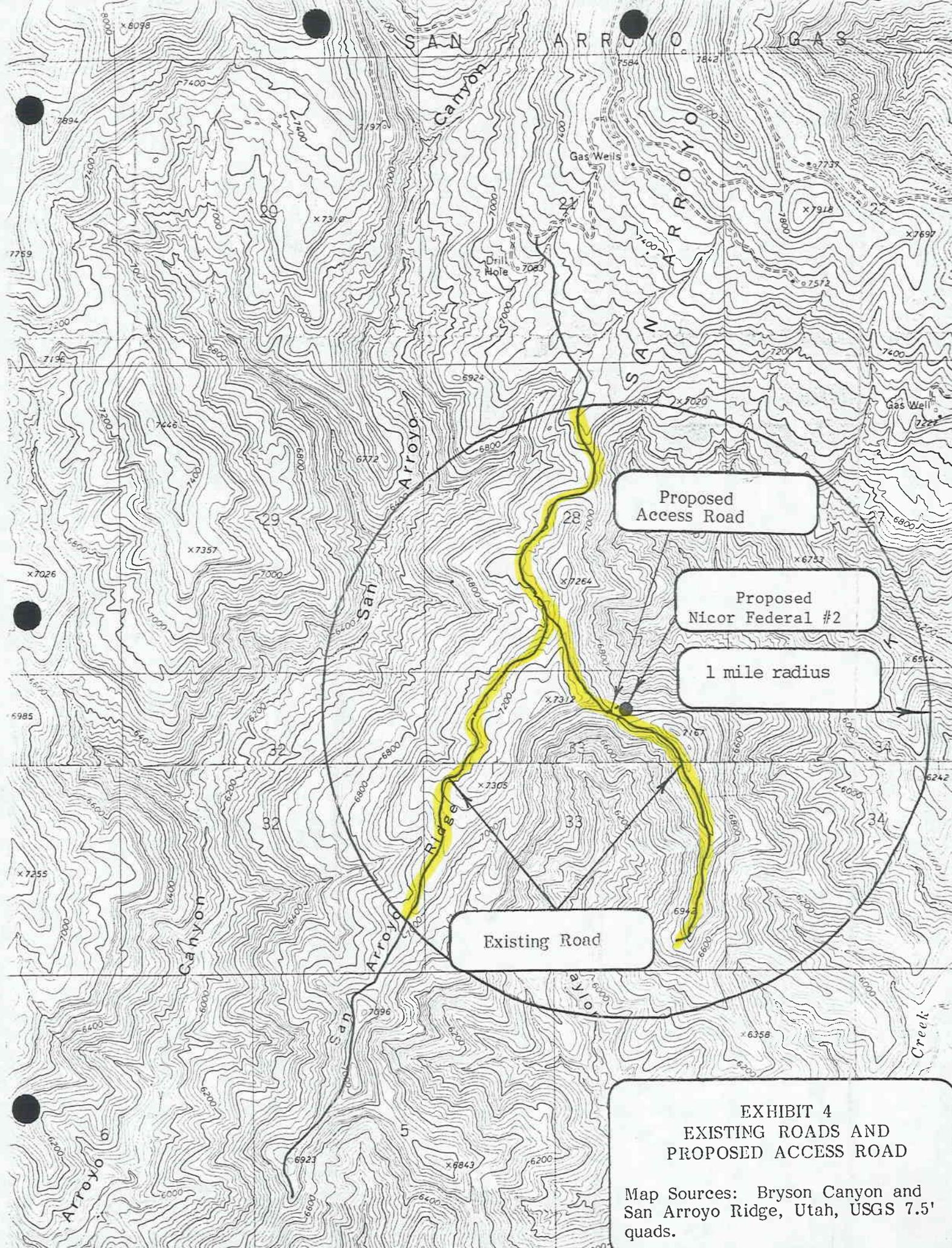
Water Haul Route

To Highway 6&50

Water Source

To Water Source

**EXHIBIT 3**  
**ACCESS AND WATER HAUL ROUTE**  
 Map Source: Grand County, Utah  
 Road Map Sheet #4



Proposed  
Access Road

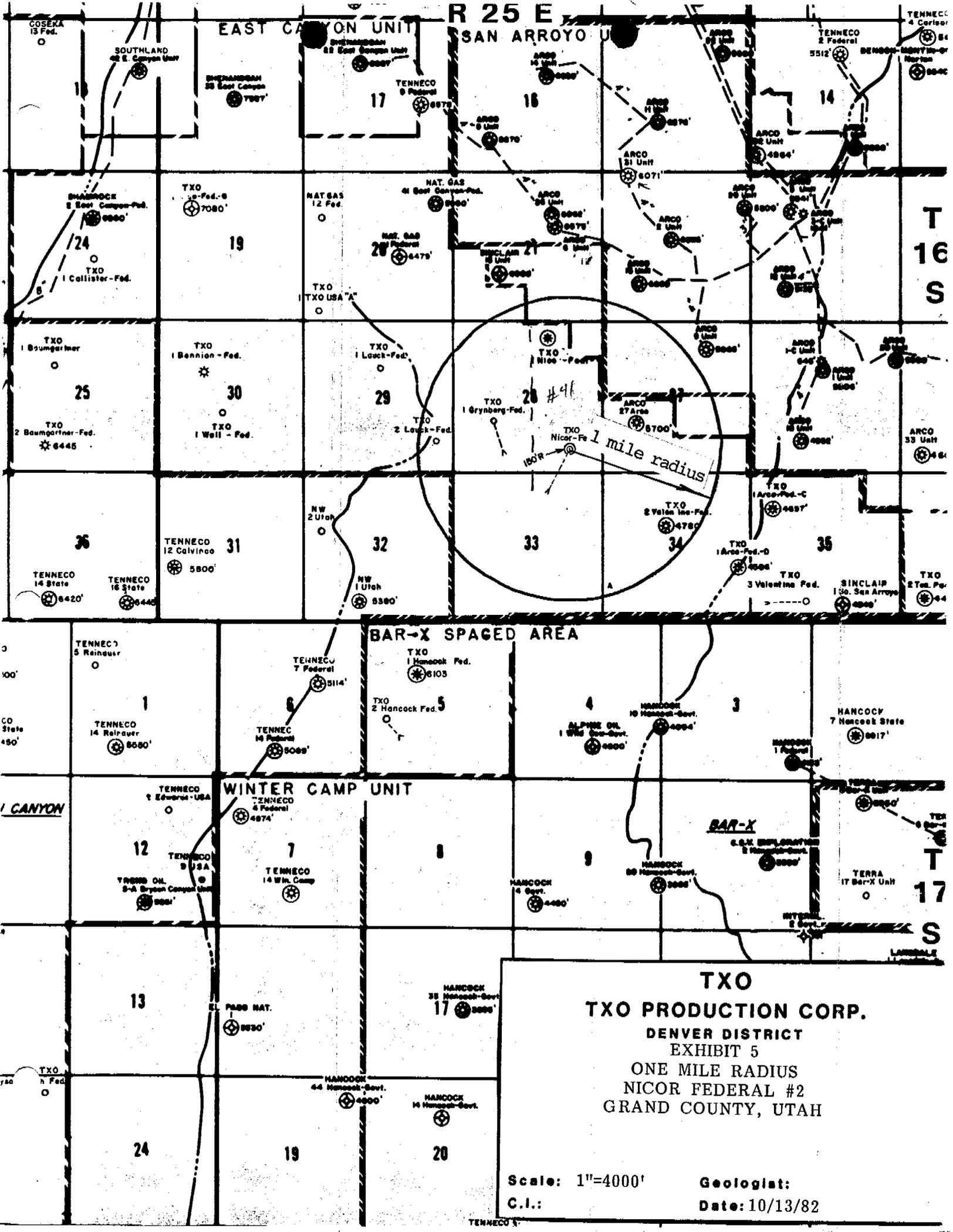
Proposed  
Nicor Federal #2

1 mile radius

Existing Road

**EXHIBIT 4**  
**EXISTING ROADS AND**  
**PROPOSED ACCESS ROAD**

Map Sources: Bryson Canyon and  
San Arroyo Ridge, Utah, USGS 7.5'  
quads.



**TXO**  
**TXO PRODUCTION CORP.**  
 DENVER DISTRICT  
 EXHIBIT 5  
 ONE MILE RADIUS  
 NICOR FEDERAL #2  
 GRAND COUNTY, UTAH

Scale: 1"=4000'  
 Geologist:  
 C.I.:  
 Date: 10/13/82

T  
16  
S

T  
17  
S

LANDS

TENNECO

9-331 C ADDENDUM  
Nicor Federal #2  
Section 33-T16S-R25E  
Grand County, Utah

1. SURFACE FORMATION: Mesaverde
2. ESTIMATED FORMATION TOPS:

Castlegate	1985'
Mancos	2200'
Dakota Silt	5500'
Morrison	5750'
Total Depth	5850'

Depths given are true vertical depths (TVD) below ground level

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

Expected Gas Zone: Dakota 5450' (TVD)

Water may be encountered in the Mesaverde and Castlegate formations.

4. DIRECTIONAL DRILL PROGRAM:

As indicated on Form 9-331C, TXO Production Corp. proposes to directionally drill the subject well. Major depths and angles are listed below:

	<u>TVD</u>	<u>Deviation</u>	<u>Angle</u>	<u>MD</u>
Kickoff depth	1000'	0.0'	0.0°	1000'
Angle established	1991'	177.0'	20.2°	2006'
Initial objective	5550'	1470.0'	20.2°	5752'
Total Depth	5850'	1599.0'	20.2°	6125'

During kickoff, an angle building rate of 2°/100' will be employed with surveys to be taken at between 30 and 90 foot intervals as required by hole conditions. When a total angle of 20.2° from vertical is established, the angle will be held to the proposed TD of 5850' (TVD). The bottomhole target (Dakota sand group) is located 650' FSL, 1100' FEL of Section 28 and is planned with a 150' target radius to comply with applicable state spacing regulations. Surveys through this stage of the hole will be taken by hole conditions.

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

6. PRESSURE CONTROL EQUIPMENT:

A. After surface casing is set, a double ram-type blowout preventer with blind rams and pipe rams, with minimum working pressure of 2000 psi (greater than the anticipated bottomhole pressure of 1100 psi), will be installed. See Exhibit 1.

- B. A choke control, fill and kill lines with minimum working pressure of 2000 psi will be installed.
- C. A rotating pack-off head will be installed above the blowout preventer to control flow while drilling with air.
- D. The equipment in A and B will be pressure-tested to 2000 psi before drilling surface pipe cement, and the blowout preventer will be tested for operations daily and during trips.

7. MUD PROGRAM:

- 0-300'            Air or air mist. If necessary, will use spud mud at 8.8-9.2#/gal., vis. 28-32 sec. API.
- 300'- T.D.        Air or air mist. If necessary, will use aerated 3% KCL mud at 8.6-8.8#/gal., vis. 35-45 sec. API.

8. AUXILIARY EQUIPMENT:

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

9. CORING, LOGGING, TESTING PROGRAM:

- A. No coring is anticipated.
- B. Logging will consist of the following: DISFL-GR (TD to surface), FDC-SNP-GR-CAL (TD to 2000' above TD), if logged wet: FDC-CNL-GR-CAL (TD to 2000' above TD)
- C. No DST's are planned.

10. ABNORMAL CONDITIONS:

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

11. ANTICIPATED STARTING DATES:

Start location	October 27, 1982
Spud date	October 30, 1982
Completed drilling	November 15, 1982
Completed, ready for pipeline	November 30, 1982

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

TXO PRODUCTION CORP.  
MULTIPOINT SURFACE USE AND OPERATIONS PLAN

DATE: October 14, 1982

WELL NAME: Nicor Federal #2

LOCATION: 773' FNL, 1468' FEL, Section 33-T16S-R25E, Grand County, Utah.

FEDERAL OIL & GAS LEASE NO.: U-13653

NOTE: This application is for a directional drill proposal.

1. EXISTING ROADS

- A. Proposed well site as staked. Refer to Exhibit 2. The drill site for this directionally drilled well has been staked 773' FNL and 1468' FEL in Section 33-T16S-R25E.
- B. Route and distance from nearest town or locatable reference point to where well access route leaves main road: From Mack, Colorado, proceed west on Highway 6 for 8 1/4 miles to "2 Road." Then turn right on "2 Road" and proceed northwest on an improved gravel road for 10.2 miles to a fork. Take the left fork and proceed up the San Arroyo Ridge road for 4.4 miles to a fork. Take the left fork and proceed south for 1.6 miles to another fork. Take the left fork and proceed for 0.5 miles to the beginning of the proposed access road.
- C. Access route to location color coded in red and labeled. Refer to Exhibit 3.
- D. For development well, all existing roads within one mile color coded in yellow. Refer to Exhibit 4.
- E. Plans for improvement and maintenance of existing roads: No upgrading of the existing road will be required. During wet periods some maintenance may be necessary to allow passage by drilling rigs and well servicing vehicles. Dry periods may necessitate watering the road to control dust.

2. PLANNED ACCESS ROAD

Show all necessary roads to be constructed or reconstructed: An access road, approximately 100 feet long, will be constructed between the existing road and the pad. The road will be 18-20 feet wide with a grade of 4% or less. There will be no cattleguards, gates or turnouts along the access road. Refer to Exhibit 4. A formal right-of-way application for off-lease surface use and the access road is included at the end of the APD/MSUOP.

3. LOCATION OF EXISTING WELLS

Exhibit 5 is a one-mile radius locating and identifying the following:

- A. Water Wells-None
- B. Abandoned Wells-
- C. Temporarily Abandoned Wells-None
- D. Disposal Wells-None
- E. Drilling Wells-None
- F. Producing Wells-Arco 27 Arco, Sec. 27-16S-25E  
TXO 2 Valentine Fed., Sec. 34-16S-25E
- G. Shut-in Wells-TXO Nicor Federal #1, Sec. 28-16S-25E
- H. Injection Wells-None
- I. Monitoring or Observation Wells for Other Reasons-None

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. Exhibit 5 is a one-mile radius locating the following existing facilities owned by the lessee/operator:

- 1. Tank Batteries-None
- 2. Production Facilities-TXO 2 Valentine Fed., Sec. 34-16S-25E
- 3. Oil Gathering Lines-None
- 4. Gas Gathering Lines-None
- 5. Injection Lines-None
- 6. Disposal Lines-None

B. If new facilities are contemplated, in the event of production, show:

- 1. Proposed location and attendant lines in relation to the well pad. Refer to Exhibit 6.
- 2. Dimensions of facilities: Refer to Exhibit 6.
- 3. The production facilities will include a production pit, a blowdown pit, a production unit, a dehydrator, and a metering facility. These facilities will be painted either a dark green or light tan in accordance with BLM-specified colors for the Book Cliffs area. The facilities will be located as shown on Exhibit 6. The pit will be located in cut, will contain all water production and be built in accordance with NTL-2B specifications. All connection work will be done by an oil field service company using standard oil field materials.
- 4. Protective devices and measures to protect livestock and wildlife: The water production pit will be fenced with four strands of barbed wire to protect livestock and wildlife.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. Location and type of water supply: Water will be obtained from one of three sources: Westwater Creek, a pond in Section 31-T15S-R23E or West Salt Wash in Colorado. The source selected will depend on water availability and road conditions.
- B. Method of transporting water: The water will be hauled in trucks by a certified water hauler, along the route shown in green on Exhibit 3.
- C. If water well is to be drilled, so state: No water well is contemplated.

6. SOURCES OF CONSTRUCTION MATERIALS

- A. Show information either on map or by written description: It is anticipated that cuts on location will furnish sufficient quantities of materials to construct a level location. Prior to constructing location, vegetation will be stripped from pad and this material will be stockpiled on the east side of the pad. Any trees, on the pad or along the access road, larger than 4" in diameter will be bucked into 4' lengths and removed from the location. Approximately 6" of topsoil will be stripped from the pad area and stockpiled on the east side of the pad for later use during rehabilitation of the disturbed areas. Additional material, if needed, will be purchased from the dirt contractor.
- B. Identify if from Federal or Indian Land: All affected land is federal and under the management of the Bureau of Land Management.
- C. Describe where materials such as sand, gravel, stone and soil material are to be obtained and used: Materials other than that supplied by cuts on location should not be required to construct the pad and road. Approximately 24,020 cubic yards of material will be derived from cuts on location and approximately 21,400 cubic yards of fill is needed. Refer to Exhibit 7a.
- D. Show any needed access roads crossing Federal or Indian Lands: The access road will cross BLM administered lands in Section 33-T16S-R25E. Refer to Exhibit 4.

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Cuttings will be contained and disposed of in the reserve pit.
- B. Drilling fluids will be contained and disposed of in the reserve pit. While drilling with air or gas, a dust arresting system will be installed on the blow line.
- C. Produced fracing fluids will be directed to the reserve pit for evaporation.
- D. Sewage: A portable chemical toilet will be on location during operations.

- E. Garbage and other trash will be placed in a trash bin and removed to a sanitary landfill upon completion.
- F. Protective Devices: The flare pit (if necessary) will be fenced with four strands of barbed wire and flagged to protect animals. The drilling reserve pit will be fenced on three sides during drilling, and on the fourth side prior to the rig moving off location.
- G. Statement regarding proper cleanup when rig moves out. When the rig moves out, all trash and refuse will be removed from the location and hauled to a sanitary landfill. All pits will be filled after drying and the area restored as under Item 10 of this plan.

8. ANCILLARY FACILITIES

Identify all proposed camps and airstrips on a map as to their location, area required and construction methods: None planned.

9. WELL SITE LAYOUT ATTACHMENT AND PROPOSED RIG LAYOUT

- A. Cross section of drill pad with cuts and fills: Refer to Exhibit 7b.
- B. Location of mud tank, reserve pit, trash bin, pipe racks and other facilities: Refer to Exhibit 7a.
- C. Rig orientation, parking area: Refer to Exhibit 7a.
- D. Statement regarding pit lining: Reserve pit will be unlined. However, if the sub-surface structure is too porous or is highly fractured, a four inch layer of bentonite will be used as a lining for the pit.

10. PLANS FOR RESTORATION OF SURFACE

- A. Backfilling, levelling, contouring, and waste disposal: Upon completion of the well, the site will be cleared of all debris and the mouse and rat holes filled. The reserve pit will be dried and backfilled. Disturbed areas of the pad not needed for production facilities will be graded to an appearance consistent with the natural contours. These areas will then be covered with topsoil, disked and reseeded with a seed mixture recommended by BLM. If the well is not commercially productive, the entire pad will be reclaimed as described above.

In the event the well is not a producer, that portion of the access road requested by BLM to be rehabilitated will be covered with topsoil, disked and reseeded with a BLM-recommended seed mixture. Shrubby plants removed during road construction will be scattered randomly along the road to provide a natural appearance, control erosion and enhance seed production.

- B. Prior to rig release, pits will be fenced and so maintained until cleanup can be properly done.
- C. If any oil is in the pit, it will be removed or overhead flagging will be installed.

- D. Timetable for commencement and completion of rehabilitation operations: Rehabilitation will commence when drilling operations are completed, approximately December 20, 1982, and will be completed within approximately one year.

11. OTHER INFORMATION

General description of:

- A. Topography, soil characteristics, geologic features, flora, fauna: The location is on a north facing slope. The soil in the area consists of a silty loam. Vegetation accounts for approximately 60 percent of the ground cover. Plants present include pinion pine, sagebrush, juniper oak brush, herbs and native grasses. Animals include deer, small mammals, and birds.
- B. Other surface-use activities and surface ownership of all involved lands: The affected land is federally owned. The primary surface uses are oil and gas production and ranching.
- C. Proximity of water, occupied dwellings, archeological, historical or cultural sites: There are no live streams in the immediate area. An ephemeral stream flows through Bitter Creek Canyon. An archeological survey will be performed and the results forwarded to the Moab BLM.

12. LESSEE'S OR OPERATOR'S REPRESENTATIVES

Include the name, address and phone number of the lessee's or operator's field representative who is responsible for assuring compliance with the approved surface use and operations plan.

Ronald E. Dashner  
District Drilling Engineer  
TXO Production Corp.  
1800 Lincoln Center Building  
1660 Lincoln Street  
Denver, Colorado 80264  
(303) 861-4246 - Business  
(303) 690-5650 - Residence

Comments regarding the content of this plan or arrangements for an on-site inspection should be directed to:

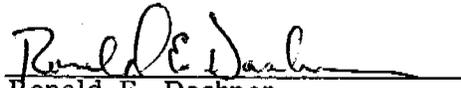
Paul Urban  
Environmental Scientist  
TXO Production Corp.  
1800 Lincoln Center Building  
1660 Lincoln Street  
Denver, Colorado 80264  
(303) 861-4246 - Business  
(303) 429-2908 - Residence

13. CERTIFICATES

The following statement is to be included in the plan and must be signed by the lessee's or operator's field representative who is identified in Item No. 12 of the plan.

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

DATE: October 14, 1982

  
Ronald E. Dashner  
District Drilling Engineer

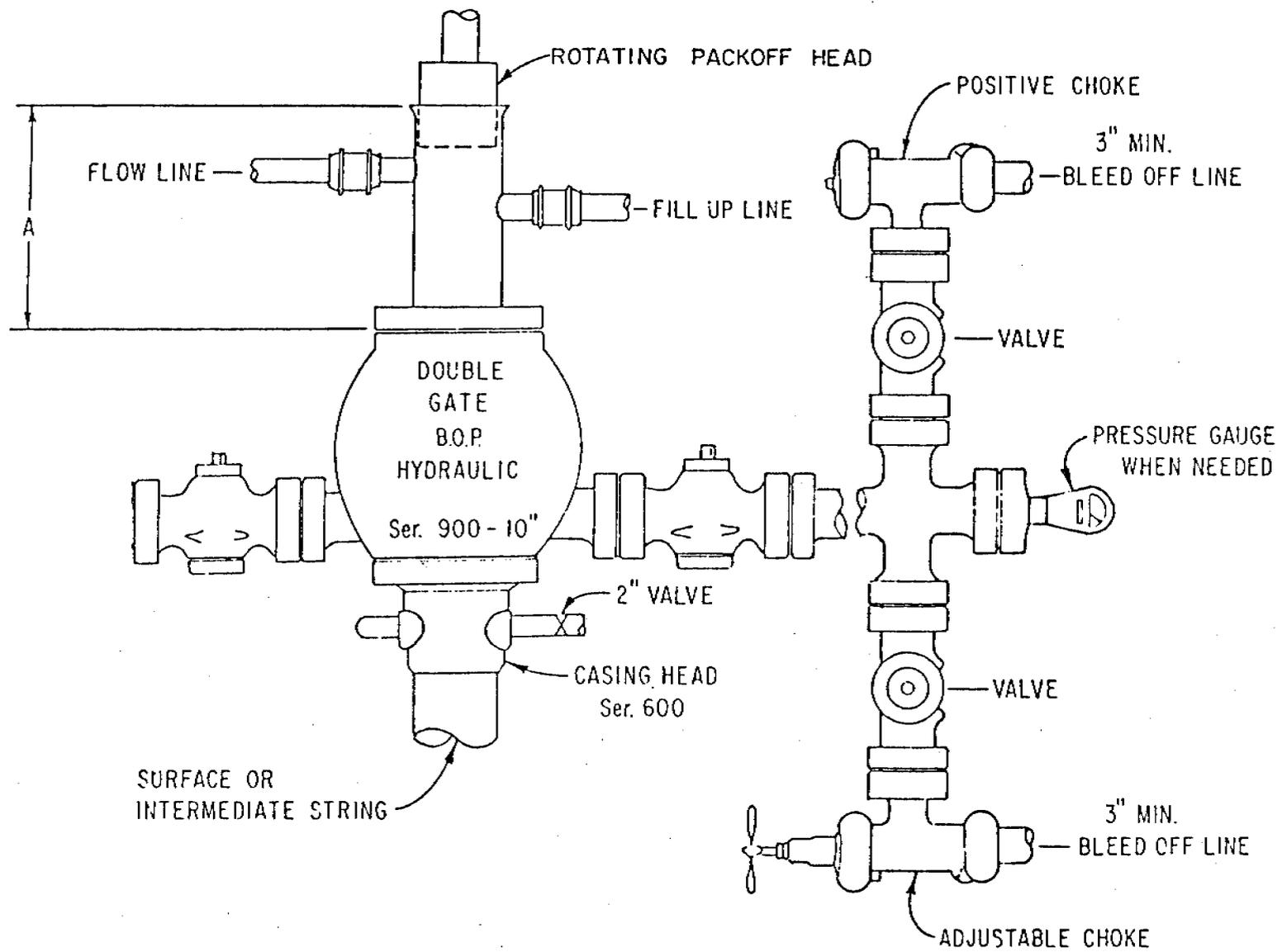


EXHIBIT I  
 BLOWOUT PREVENTER DIAGRAM

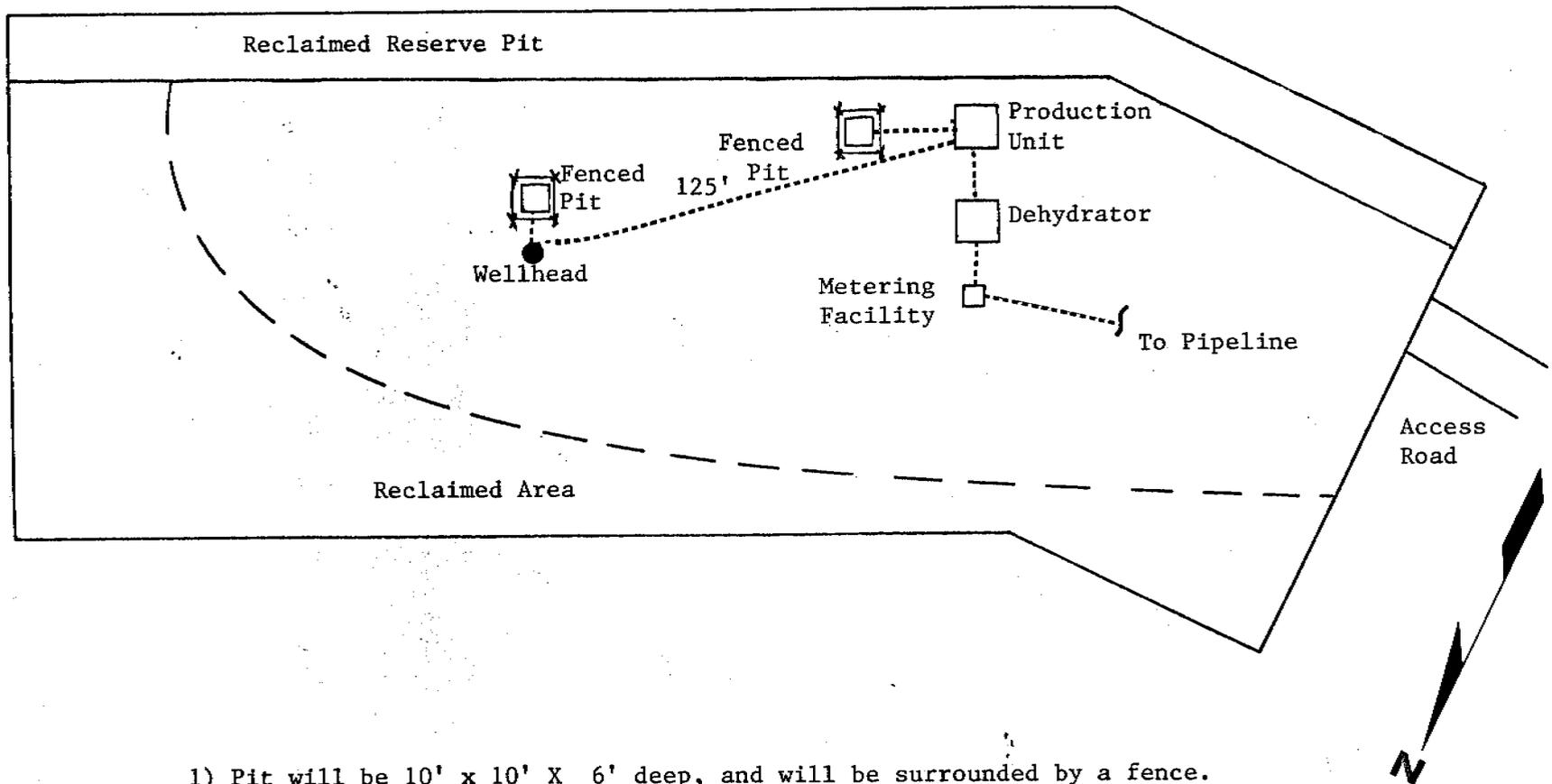


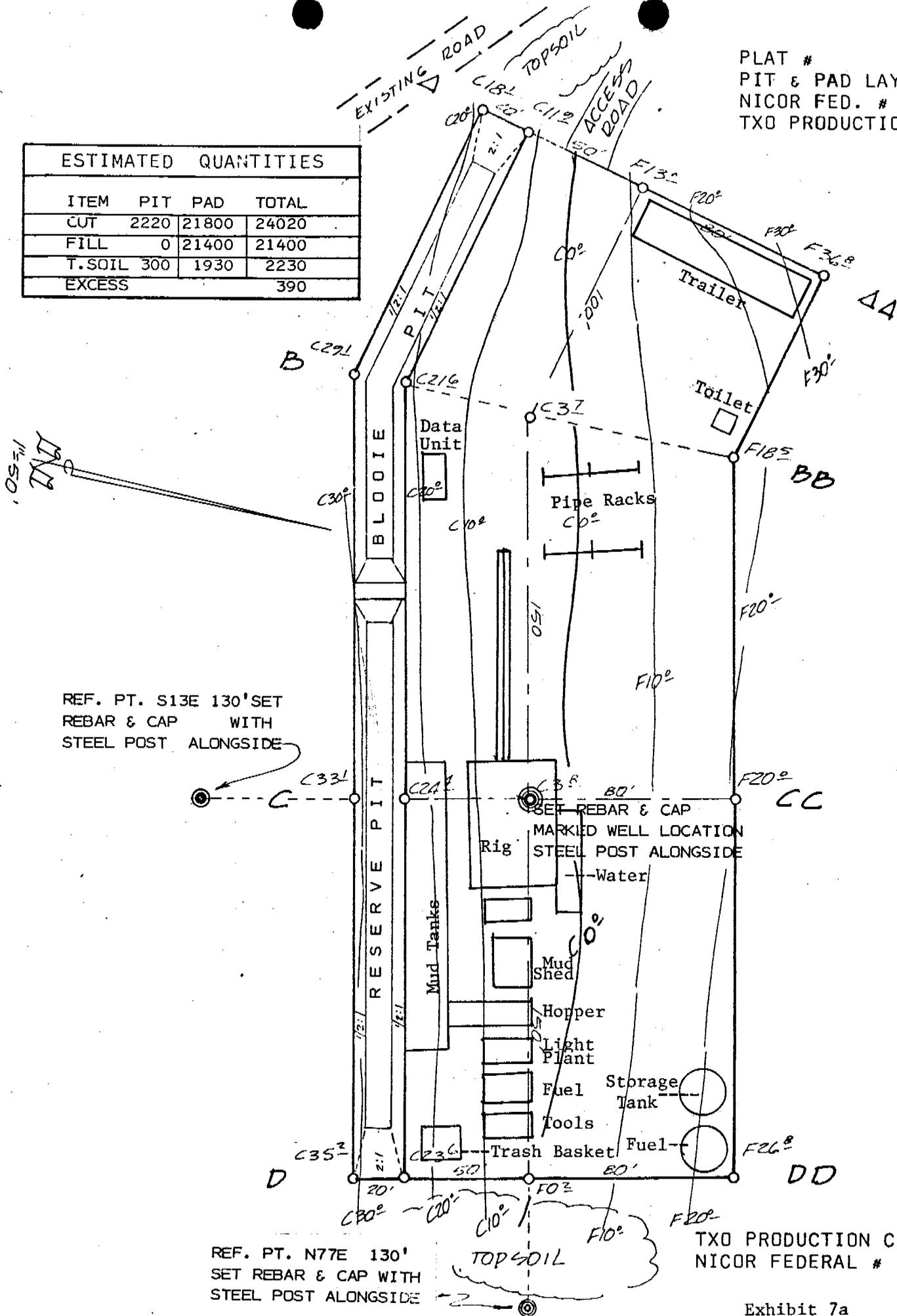
Exhibit 6  
Production  
Facilities

Scale: 1"=50'

- 1) Pit will be 10' x 10' X 6' deep, and will be surrounded by a fence.
- 2) Sacrificial magnesium anodes will be used, if necessary, to control corrosion.
- 3) All pipelines will be coated and wrapped, then buried.
- 4) A surface mounted high/low safety shutdown system will be installed.
- 5) The separator will be an asme coded vessel.

PLAT #  
 PIT & PAD LAYOUT  
 NICOR FED. # 2  
 TXO PRODUCTION CORP.

ESTIMATED QUANTITIES			
ITEM	PIT	PAD	TOTAL
CUT	2220	21800	24020
FILL	0	21400	21400
T.SOIL	300	1930	2230
EXCESS			390



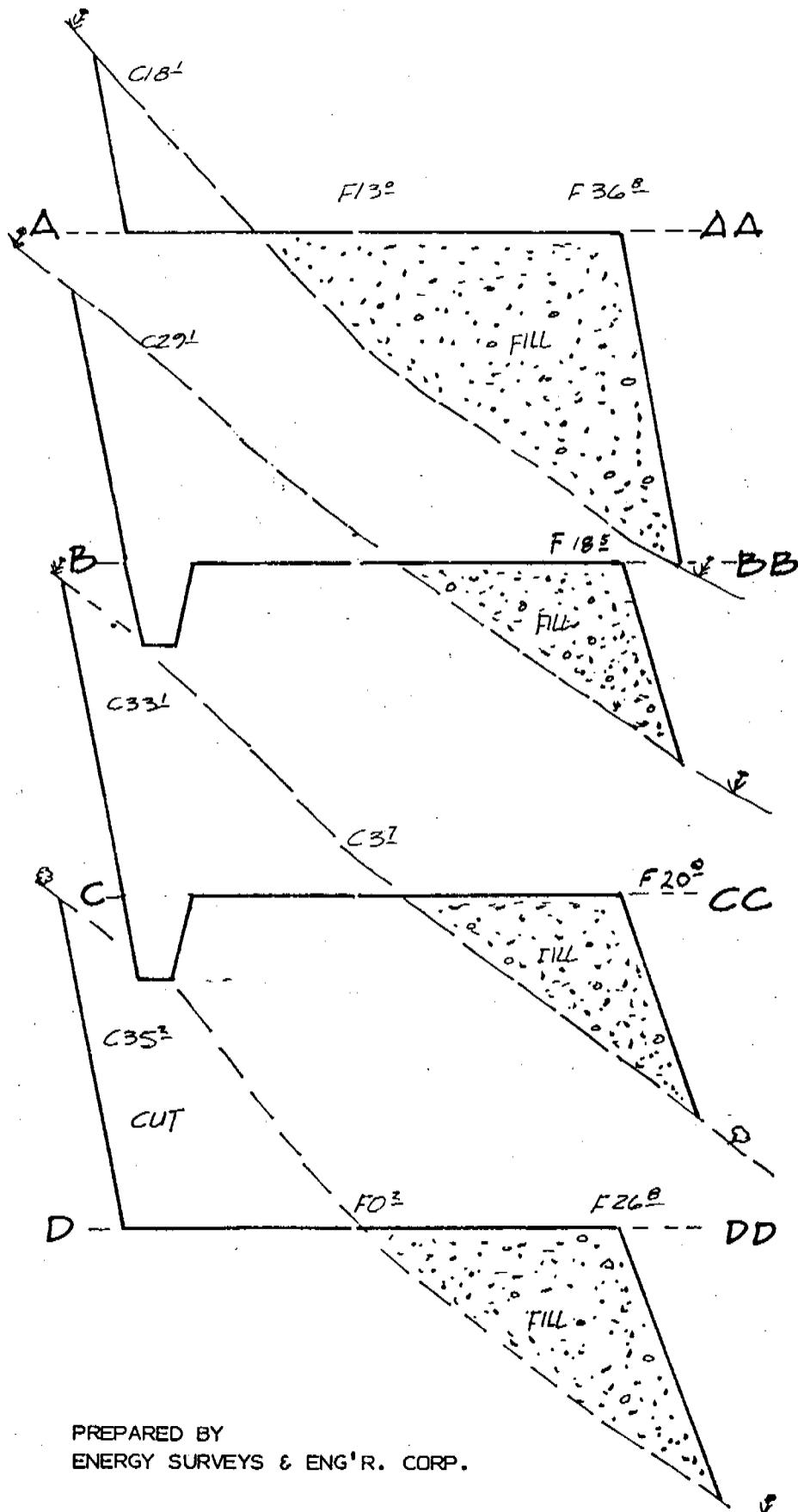
REF. PT. S13E 130' SET  
 REBAR & CAP WITH  
 STEEL POST ALONGSIDE

SET REBAR & CAP  
 MARKED WELL LOCATION  
 STEEL POST ALONGSIDE

REF. PT. N77E 130'  
 SET REBAR & CAP WITH  
 STEEL POST ALONGSIDE

TXO PRODUCTION CORP.  
 NICOR FEDERAL # 2

PLAT #  
CROSS-SECTIONS  
NICOR FEDERAL # 2  
TXO PROD. CORP.



PREPARED BY  
ENERGY SURVEYS & ENG'R. CORP.

Application for Right-of-way  
Under the  
Federal Land Policy and Management Act

Serial Number \_\_\_\_\_  
Date & Time Recorded \_\_\_\_\_

TXO Production Corp. hereby applies for rights-of-way across public lands pursuant to Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761) (FLPMA), the Mineral Leasing Act of February 25, 1920 (30 U.S.C. 185) as amended by the Act of November 16, 1973 (87 U.S.C. 576) and the regulations in 43 CFR Group 2800. TXO Production Corp. agrees that the rights-of-way, if approved, will be subject to the terms and conditions contained in the above authority.

TXO Production Corp. is qualified to do business in the State of Utah. The Corporate Qualification Number for TXO Production Corp. registered with the New Mexico State Office of the Bureau of Land Management, is NM-43000.

This application is for rights-of-way for an access road (Section I) and a drill site (Section II).

I. ACCESS ROADS

- a. The right-of-way will provide access to the well referenced in the APD/MSUOP. Please refer to Map 1.

The existing road will not require upgrading. However, during wet periods some maintenance may be required to allow passage by drilling rigs and well servicing vehicles. Dry periods may necessitate watering the road to control dust.

Approximately 100 feet of new access will need to be constructed between the existing road and the drill pad.

Further information regarding maintenance and construction of the access road may be found in the APD/MSUOP (see Sections 2 and 10).

- b. The requested right-of-way is located in Grand County, Utah.  
Legal description follows:

Section 33 -T 16S -R 25E

- c. The total length of the requested right-of-way is 800 feet. A check for \$ 70.00 will be submitted during the surface inspection of the well and right-of-way route. The check includes \$50.00 for the filing fee and \$20.00 for the monitoring fee.
- d. TXO Production Corp. is exempt from rental payment for access roads per 43 CFR 2803.1-2.

II. DRILL SITE

- a. The right-of-way will be utilized for the purpose of constructing the drill site referenced in the APD/MSUOP. Please refer to Map 1.

The amount of off lease disturbed area will be approximately 2 acres. This drill site will be constructed, maintained and rehabilitated in accordance with the guidelines of the Multipoint Surface Use and Operations Plan.

The proposed drill site has a projected useful life of 30 years or until the project reservoir is fully depleted. Facility life can be increased to exceed the 30-year period if purchase contracts are renegotiated to provide additional reserves. TXO Production Corp. requests the grant of right-of-way for a period of 30 years with the right of renewal clause.

- b. The requested right-of-way is located in Grand County, Utah.  
Legal description follows:

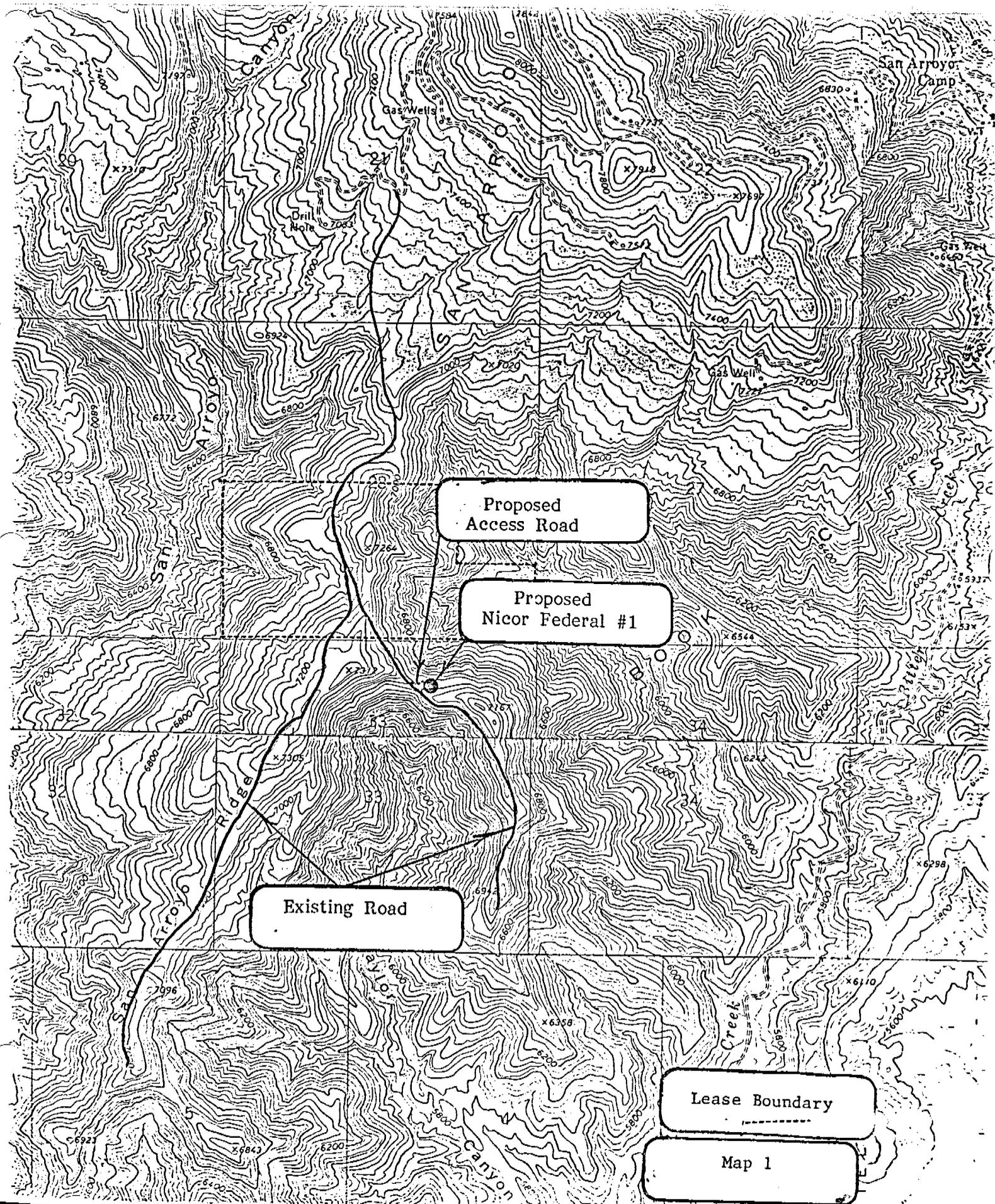
Section 33 -T 16S -R 25E

- c. The total area of the requested right-of-way is 2 acres. A check for the required fees will be submitted during the surface inspection for the well and right-of-way routes.

I hereby certify that I am of legal age and have the authority to execute right-of-way applications for TXO Production Corp., that TXO Production Corp. is authorized to do business in the State of Utah and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Date October 14, 1982

  
\_\_\_\_\_  
Charles K. Curlee  
Environmental Manager



Proposed  
Access Road

Proposed  
Nicor Federal #1

Existing Road

Lease Boundary

Map 1

OPERATOR TXO Production Corp. DATE 12-3-82

WELL NAME Nico Fed #2

SUFFIX NE 33 T 16S R 25E COUNTY Grand  
SEC 7N SE SE 28 T 16S R 25E

43-019-31020  
API NUMBER

Fed.  
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

HL

NID

PI

MAP

PROCESSING COMMENTS:

149-1 establishes this location as drilling unit #41 which  
accommodates the Nico Fed #1 at present. 149-15(B) allows the Nico  
Fed #2 as a test well in the same unit, but with spacing as  
established in 149-1 (500 from unit boundaries and 2000 from  
some lands gas well.) - NO WELLS WITHIN 2000'

APPROVAL LETTER:

SPACING:

A-3

UNIT

c-3-a

149-15(B)  
CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

Directional survey data shall be submitted  
at time of completion. Test period shall not  
exceed 90 days, after which either the Nico Fed #1  
or the Nico Fed #2 must be shut in as provided  
by Cause # 149-15(B).

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING *FED*

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER 199-15 (02)

UNIT \_\_\_\_\_

c-3-b

c-3-c

OUTSTANDING OR OVERDUE REPORTS FOR OTHER WELLS OF THE OPERATOR.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

December 6, 1982

TXO Production Corporation  
Attn: Paul Urban  
1800 Lincoln Center Building  
Denver, Colorado 80264

RE: Well No. Nicor Federal 2  
SESE Sec. 28, 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. 149-15(B) dated November 30, 1982. Directional survey data shall be submitted at time of completion. Test period shall not exceed 90 days, after which either the Nicor Fed. #1 or the Nicor Fed. #2 must be shut in as provided by Cause #149-15(b).

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 43-019-31020.

Sincerely,

  
Norman C. Stout  
Administrative Assistant

NCS/as  
cc: MMS  
Enclosure

NOTICE OF SPUD

Company: TXO Production Corporation

Caller: Chuck Johns

Phone: \_\_\_\_\_

Well Number: Nico #2

Location: SESE 28-16S-25E

County: Grand State: Utah

Lease Number: U-13653

Lease Expiration Date: \_\_\_\_\_

Unit Name (If Applicable): \_\_\_\_\_

Date & Time Spudded: 1-5-83 2:30 P.M.

Dry Hole Spudder/Rotary: \_\_\_\_\_

Details of Spud (Hole, Casing, Cement, etc.) 12 1/4" hole

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Rotary Rig Name & Number: \_\_\_\_\_

Approximate Date Rotary Moves In: \_\_\_\_\_

FOLLOW WITH SUNDRY NOTICE

Call Received By: Ke

Date: 1-6-83

**RECEIVED**  
JAN 07 1983

DIVISION OF  
OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: TXO Productions Corporation

WELL NAME: Nicor Federal #2

Surface NWE 33

SECTION SESE 28 TOWNSHIP 16S RANGE 25 E COUNTY Grand

DRILLING CONTRACTOR CRC Colorado Well

RIG # 75

SPUDED: DATE 1-5-83

TIME 2:30 PM

How Rotary

DRILLING WILL COMMENCE \_\_\_\_\_

REPORTED BY Bruce Wright

TELEPHONE # 303-861-4246

DATE 1-7-83 SIGNED AS

# JUST FILE

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.

2

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

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

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

2. NAME OF OPERATOR  
TXO PRODUCTION CORP.

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 773' FNL & 1468' FEL, Section 33  
At top prod. interval reported below 630' FSL & 995' FEL, Section 28  
At total depth 664' FSL & 969' FEL, Sec. 28

14. PERMIT NO. 43-019-31020      DATE ISSUED 12/08/82

5. LEASE DESIGNATION AND SERIAL NO.  
U-13653

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Nicor Federal

9. WELL NO.  
#2

10. FIELD AND POOL, OR WILDCAT  
San Arroyo

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
Surf: 33-16S-25E  
TD: (28)16S-25E

12. COUNTY OR PARISH Grand      13. STATE Utah

15. DATE SPUNDED 1/05/83      16. DATE T.D. REACHED 1/22/83      17. DATE COMPL. (Ready to prod.) 2/12/83      18. ELEVATIONS (DF, RKB, RT, CR, ETC.)\* 7034' RKB      19. ELEV. CASINGHEAD 7021'

20. TOTAL DEPTH, MD & TVD 6100' MD-5825' TVD      21. PLUG, BACK T.D., MD & TVD 6076' MD-5805' TVD      22. IF MULTIPLE COMPL., HOW MANY\* ---      23. INTERVALS DRILLED BY ---      ROTARY TOOLS All      CABLE TOOLS None

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
6015-43', 6004-10' MD, 5752-76', 5742-47' TVD Buckhorn  
5931-77' MD, 5678-5724' TVD Dakota

25. WAS DIRECTIONAL SURVEY MADE Yes  
26. TYPE ELECTRIC AND OTHER LOGS RUN DIL-GR, CDL-SNL-GR      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"	36#	298'	12-1/4"	160 sxs	none
7"	20#	2441'	8-3/4"	310 sxs	none
4-1/2"	10.5#	6100'	6-1/4"	200 sxs	none

29. LINER RECORD      30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	5874'	----

31. PERFORATION RECORD (Interval, size and number)      32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.\* PRODUCTION

DATE FIRST PRODUCTION 2/11/83	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing	WELL STATUS (Producing or shut-in) SI, WOPL
DATE OF TEST 2/11/83	HOURS TESTED 24	CHOKE SIZE 15/64"
PROD'N. FOR TEST PERIOD →	OIL—BBL. ---	GAS—MCF. 483
WATER—BBL. ---	GAS-OIL RATIO ---	
FLOW. TUBING PRESS. 350#	CASING PRESSURE 420#	CALCULATED 24-HOUR RATE →
OIL—BBL. ---	GAS—MCF. 483	WATER—BBL. ---
OIL GRAVITY-API (CORR.) ---		

34. DISPOSITION OF GAS (Solid, used for fuel, vented, etc.) Vented      TEST WITNESSED BY Glenn Hodge

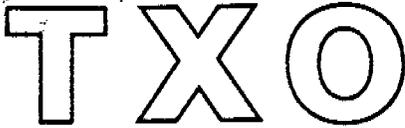
35. LIST OF ATTACHMENTS  
Well history, Directional Survey

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

SIGNED R. Bruce Wright      TITLE Petroleum Engineer      DATE 2/15/83

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





**TXO PRODUCTION CORP.**

1800 LINCOLN CENTER BUILDING

DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

February 18, 1983

DIVISION OF OIL, GAS, & MINING  
4241 State Office Building  
Salt Lake City, Utah 84114

Attn: Mr. Cleon B. Feight  
Director

RE: NICOR FEDERAL #2  
Section 28, T16S-R25E  
Grand County, Utah

Dear Mr. Feight:

Enclosed find two (2) copies of Form 9-330, "Well Completion or Recompletion Report and Log" and copies of the well history and directional surveys for the above referenced well.

If there are any further requirements concerning this well, please contact me at this office.

Sincerely,

TXO PRODUCTION CORP.

*R. Bruce Wright*

R. Bruce Wright  
Petroleum Engineer

RBW/dek  
encls.



WELL NAME: Nicor Federal #2  
AREA: San Arroyo  
LOCATION: Section 28, T16S-R25E  
COUNTY: Grand  
STATE: Utah  
FOOTAGE: 650' FSL & 1100' FEL

PTD: 5850'  
ELEVATIONS: 7021' GL, 7034' KB  
CONTRACTOR: CRC #75  
AFE NUMBER: 830393  
LSE NUMBER: 94022  
TXO WI: 100%

\*\*\*\*\*

02/11/83 3/4" ch, FARO 318 MCFD. Well making 1/2" stream of wtr. DW: 6955.  
CW: 517,464.

02/12/83 6076' P<sup>2</sup>BTD, well flowing to pit w/ 10# FTP, 450# CP, FARO 318 MCFD w/  
no wtr. Attempted to swab, unable to get swab dn with gas flowrate.  
Put well on 15/64" ch w/ 350# FTP, 420# CP, FARO 483 MCFD w/ no wtr.  
Put well on 3/8" ch w/ 130# FTP, 420# CP, FARO 483 MCFD w/ no wtr.  
LOTPON. RR @ 3:30 PM on 2/11/83. DW: 1140. CW: 518,604.

02/13/83 6076' P<sup>2</sup>BTD, well flowing to pit on 3/8" ch w/ 130# FTP, 425# CP, FARO  
483 MCFD w/ no wtr. SI WOPL. SI Buckhorn & Dakota gas well. Drop  
from report until first sales. DW: 0. CW: 518,604.

WELL NAME:	Nicor Federal #2	PTD:	5850'
AREA:	San Arroyo	ELEVATIONS:	7021' GL, 7034' KB
LOCATION:	Section 28, T16S-R25E	CONTRACTOR:	CRC #75
COUNTY:	Grand	AFE NUMBER:	830393
STATE:	Utah	LSE NUMBER:	94022
FOOTAGE:	650' FSL & 1100' FEL	TXO WI:	100%

\*\*\*\*\*

- 02/01/83 3440' PBTD, PU bit & scraper. Scraper wouldn't go through wellhead. WO new csg scraper & tally tbg. PU bit & new scraper & TIH w/ 2-3/8", 4.7#, J-55, tbg. Tag cmt @ 3440' KB. RU power swivel & flat tank to drill out cmt. SDFN. DW: 2375. CW: 486,087.
- 02/02/83 3440' PBTD, thaw out lines. Drld cmt from 3440-3560' @ 1 MPF. TOOH & LD csg scraper. PU new bit & TIH. Drained all equipment & lines. SDFN. Prep to drill out cmt this AM. DW: 2665. CW: 488,752.
- 02/03/83 3440' PBTD, RU power swivel, lines, & pump. Drld cmt from 3560-4132'. Drained lines for night. SDFN. Prep to continue drlg cmt this AM. DW: 2725. CW: 491,477.
- 02/04/83 3440' PBTD, RU power swivel, lines, & pump. Drld cmt from 4132-4762'. Circ hole clean, drain lines & equipment. SDFN. Prep to cont drlg cmt this AM. DW: 2780. CW: 494,257.
- 02/04/83 3440' PBTD, RU power swivel, lines, & pump. Drld cmt from 4132-4762'. Circ hole clean, drain lines & equipment. SDFN. Prep to cont drlg cmt this AM. DW: 2780. CW: 494,257.
- 02/05/83 6076' PBTD, RU lines, power swivel, & tank. Drld cmt from 4762-5370'. Experiencing excessive torque & drag. Drain lines & equipment & SDFN. DW: 2610. CW: 496,867.
- 02/06/83 6076' PBTD, RU lines, power swivel, & tank. Mixed 30 gal of soap into wtr. Drld cmt from 5370-5968'. Experienced much less torque & drag. Drain lines & equipment & SDFN. DW: 3365. CW: 500,232.
- 02/07/83 6076' PBTD, RU power swivel, lines, & tank. Drld cmt from 5968-6076'. Circ hole clean. TOOH. PU csg scraper. TIH. No tight spots. Circ hole clean. Pulled 1 jt. Tbg stuck. Could move dn, but not up. SDFN. Prep to slug w/ soap this AM to loosen tbg. DW: 3627. CW: 503,859.
- 02/08/83 6076' PBTD, mixed & pumped 30 gal of soap, tbg came free. TOOH, LD bit & scraper. RU GO. TIH w/ CBL-VDL-GR & stacked out @ 2566'. POOH. GO ran into lubricator, pulled out of rope socket. Dropped tool into hole @ 12 noon. WO fishing tool until 2:30 PM. TIH w/ fishing tool & tbg. Engaged fish @ 6046'. TOOH w/ fish, LD tool. Prep to PU new tool this AM & run bond log. DW: 2625. CW: 506,484.
- 02/09/83 6076' PBTD, attempted to run 16' x 3.3" OD VDL-CBL-GR. Tool wouldn't go past 3244'. POOH & TIH w/ 3-7/8" bit & tbg to 6076'. Did not tag anything. Spotted 30 bbls 3% KCL. POOH to 5000'. Swabbed FL dn to 4300'. Attempted to run 11' x 2-1/8" OD CBL. Tool wouldn't go past 5248'. POOH & run 1-11/16" GR-CCL from 6076-5600'. Attempted to run 10' x 3-1/8" csg gun. Wouldn't go past 3100'. POOH. Attempted to run 2-1/8" CBL again w/ sinker bars on btm. Couldn't get tool past 5275'. POOH. SDFN. Prep to perf w/ 1-11/16" perf gun this AM. DW: 2300. CW: 508,784.
- 02/10/83 6076' PBTD, RU GO. RIH w/ 1-11/16" perf gun, 1st run was misfire. Made 6 runs & perf'd Buckhorn from 6015-43' w/ 1 shot/3 ft. Perf'd 6004-10' w/ 1 shot/3 ft. Perf'd 4th & 5th Dakota from 5931-77' w/ 1 shot/3 ft. Total of 29 holes (.33" dia). Had gas to surf after Buckhorn was perf'd. SIFN. Prep to run & land tbg & swab well dn this AM. DW: 1725. CW: 510,509.
- 02/11/83 6076' PBTD, SICP 250#. Blew well dn. PU notched collar, SSN & TIH w/ 186 jts 2-3/8", 4.7#, J-55, EUE tbg. Land tbg @ 5874'. Installed blast jt @ surf & NU wellhead. RU swab. IFL @ 4000'. Made 12 swab runs, rec + 20 bbls GCF. FFL @ 5200'. LOTPON. 10# FTP, 525 # CP,

WELL NAME: Nicor Federal #2  
 AREA: San Arroyo  
 LOCATION: Section 28, T16S-R25E  
 COUNTY: Grand  
 STATE: Utah  
 FOOTAGE: 650' FSL & 1100' FEL

PTD: 5850'  
 ELEVATIONS: 7021' GL, 7034' KB  
 CONTRACTOR: CRC #75  
 AFE NUMBER: 830393  
 LSE NUMBER: 94022  
 TXO WI: 100%

\*\*\*\*\*

01/21/83 cont.	MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES N E
	5304'	19°	N 32 E	5099.02	1214.20	1170.92-321.46
	5378'	19-1/4°	N 26 E	5168.94	1237.70	1192.13-333.21
	5409'	19-1/2°	N 26 E	5198.18	1247.79	1201.37-337.72
	5439'	19-1/2°	N 27 E	5226.46	1257.60	1210.33-342.19
	5470'	19-3/4°	N 27 E	5255.66	1267.78	1219.61-346.91

01/22/83 5970' (516'), drlg. Dakota. Mist 300#. Drld to 5775'. Experienced high amount of torquing. TOOH. LD IBS & PU 3 pt reamer. New BHA consists of bit, float sub, 3 pt reamer, monel collar. TIH & resume drlg. Began taking 30-35' flare @ 5944' MD, 5690' TVD. Dakota Silt @ 5750' MD, 5516' TVD. DW: 12,338. CW: 333,022. DD 17.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES N E
5499'	19-1/2°	N 29 E	5282.97	1277.24	1228.17-351.56
5531'	20°	N 29 E	5313.09	1287.75	1237.67-356.73
5562'	20-1/4°	N 30 E	5332.81	1294.74	1243.96-360.29
5623'	21-3/4°	N 33 E	5399.15	1319.01	1265.59-373.40
5686'	23-3/4°	N 35 E	5457.25	1342.02	1285.79-387.03
5747'	24-3/4°	N 35 E	5512.86	1365.54	1306.31-401.40
5808'	25°	N 36 E	5568.20	1389.55	1327.20-416.30
5870'	26-1/2°	N 37 E	5624.05	1414.58	1348.85-432.32
5929'	27-3/4°	N 38 E	5676.56	1439.40	1370.19-448.69

01/23/83 6100' (130'), TOOH to log. Morrison. Mist 300#. Flare incr to 45-50' @ 6014'. TD 6-1/4" hole @ 6100'. Made 10 stnd short trip. Had no tight spots & 10' of fill. Blew hole clean & TOOH. RU loggers. Tag obstruction @ 6042'. Couldn't work through. POOH. TIH w/ bit & same BHA. Tag fill @ 6042'. Circ & clean out fill to TD. Circ on btm for 1 hr. TOOH to log. Morrison @ 6020' MD, 5756' TVD. DW: 14,635. CW: 347,657. DD 18.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES N E
6023'	29-3/4°	N 36 E	5758.97	1481.28	1406.30-475.90
6054'	30°	N 37 E	5785.85	1495.63	1418.71-485.09
6100'	30°	N 37 E	5825.69	1516.88	1437.08-498.93

01/24/83 6100' (0'), RU to run 4-1/2" csg. Morrison. Mist 300#. Fin TOOH for logs. RU & ran logs. Had 2' of fill on 1st run, had 20' of fill on 2nd run. RD loggers. TIH w/ bit to cond hole for csg. Had 40' of fill. CO fill to btm & blew hole for 1-1/4 hrs. TOOH, LD DP & DC. RU csg crew. DW: 18,660. CW: 366,317. DD 19.

01/25/83 6100' (0'), RDRT. (RR @ 3 AM on 1/25/83). Morrison. Ran 151 jts 4-1/2", 10.5#, K-55, ST&C set @ 6100'. FC @ 6076'. Tagged fill w/ csg @ 6045'. Circ csg to btm w/ mist w/ good returns. Cmtd w/ 107 BM, 200 sxs Cl-H w/ 2% gel, 5% KCL, 1/4#/sx celloflake. Had partial returns. Dspl w/ 55 bbls 3% KCL when press rose to 2000#. Dspl to float should have been 94 bbls. Worked press up to 3500#. Attempted to reciprocate pipe, pulled 80,000# (16,000# over string wt), top collar broke off clean @ threads. Float held OK. PU csg w/ catline & set slips. ND, clean mud tanks & RR. Drop from report until completion begins. DW: 71,654. CW: 437,971. DD 20.

01/31/83 6076' PBTD, RU rig. Set pump, tank, BOP & power swivel. Pulled all equipment up San Arroyo w/ D-9. DW: 45,741. CW: 483,712.

WELL NAME: Nicor Federal #2  
 AREA: San Arroyo  
 LOCATION: Section 28, T16S-R25E  
 COUNTY: Grand  
 STATE: Utah  
 FOOTAGE: 650' FSL & 1100' FEL

PTD: 5850'  
 ELEVATIONS: 7021' GL, 7034' KB  
 CONTRACTOR: CRC #75  
 AFE NUMBER: 830393  
 LSE NUMBER: 94022  
 TXO WI: 100%

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01/17/83 cont.	3682'	15-1/4°	N 35 E	3543.67	769.97	766.67-112.70
	3744'	16°	N 37 E	3603.38	785.54	780.18-122.51
	3805'	16-1/4°	N 34 E	3661.98	801.39	793.97-132.35
	3868'	16-1/4°	N 32 E	3722.46	818.14	808.76-141.95
	3961'	16°	N 26 E	3811.80	843.19	831.35-154.48
	4024'	15-1/4°	N 22 E	3872.47	859.94	846.85-161.38
	4051'	15°	N 18 E	3898.54	866.95	853.47-163.79

01/18/83 4958' (892'), drlg. Mancos "B". Dust 165#. Drld to 4801' varying wt & RPM to attempt to control angle & direction. TOOH. LD 3 pt reamer & PU near-bit IBS. TIH & resume drlg. DW: 10,090'. CW: 284,897. DD 13.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES	
					N	E
4081'	15-1/4°	N 17 E	3927.50	874.77	860.94	166.14
4142'	15-3/4°	N 16 E	3986.28	891.07	876.57	170.77
4234'	16-1/4°	N 13 E	4074.72	916.43	901.12	177.12
4327'	16-1/2°	N 13 E	4163.94	942.63	926.66	183.02
4419'	16-3/4°	N 18 E	4252.10	968.95	952.03	190.05
4510'	16-3/4°	N 22 E	4339.24	995.07	976.67	199.02
4602'	17-1/4°	N 23 E	4427.34	1021.37	1001.14	209.34
4693'	17°	N 28 E	4514.31	1047.30	1025.32	220.88
4786'	17°	N 32 E	4603.24	1070.95	1048.87	234.47
4849'	17-1/4°	N 33 E	4663.45	1091.62	1064.52	244.44
4940'	17°	N 34 E	4750.42	1117.01	1086.86	259.23

01/19/83 5147' (189'), orienting dyna-drill. Mancos "B". Drld to 5147'. Last survey showed a 1-1/2° drop in angle. Misted up hole. TOOH 45 stnds, working tight spots. TIH to btm. Blow hole clean. TOOH. PU dyna-drill #7 w/ 2-1/2° bent sub to correct angle & direction. TIH. No tight spots or fill. Having trouble orienting dyna-drill on btm. DW: 11,032. CW: 295,929. DD 14.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES	
					N	E
5038'	17°	N 35 E	4844.14	1143.99	1110.48	275.46
5131'	15-1/2°	N 41 E	4933.42	1167.91	1130.98	291.48

01/20/83 5173' (26'), orienting dyna-drill. Mancos "B". Attempt to drl & orient dyna-drill. Drld 26', unable to keep 2-1/2° bent sub at desired angle. TOOH. LD 2-1/2° sub & PU 2° bent sub & dyna-drill #8. TIH. Orient dyna-drill & blow hole. Pressured up. TOOH 45 stnds into intermediate casing. Check motor, motor not working. TOOH. PU dyna-drill #9. TIH & orient dyna-drill. DW: 11,760 CW: 307,689 DD 15.

01/21/83 5454' (281'), drlg. Frontier. Mist 300#. Finish orienting dyna-drill. Drill w/ dyna-drill to correct angle & direction. Drld to 5367'. Bit quit drlg. TOOH. Bit was balled up. TIH w/ new BHA. New BHA consists of bit, float sub, near-bit IBS & monel collar. TIH, unload hole & wash 15' to bottom. Resume drlg. DW: 12,995. CW: 320,684. DD 16.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES	
					N	E
5181'	16°	N 39 E	4981.54	1180.30	1141.53	300.02
5209'	16-1/4°	N 37 E	5008.45	1187.35	1147.51	304.99
5241'	17°	N 36 E	5039.11	1195.86	1154.87	310.44
5272'	18°	N 35 E	5068.67	1204.58	1162.46	315.85

WELL NAME: Nicor Federal #2  
 AREA: San Arroyo  
 LOCATION: Section 28, T16S-R25E  
 COUNTY: Grand  
 STATE: Utah  
 FOOTAGE: 650' FSL & 1100' FEL

PTD: 5850'  
 ELEVATIONS: 7021' GL, 7034' KB  
 CONTRACTOR: CRC #75  
 AFE NUMBER: 830393  
 LSE NUMBER: 94022  
 TXO WI: 100%

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11/13/82 cont.	2691'	22 1/2°	N 12 E	2601.07	468.99	479.20-22.52
	2721'	20 1/2°	N 15 E	2628.98	479.99	489.89-25.09
	2784'	18-3/4°	N 16 E	2688.32	501.14	510.28-30.74

01/14/83 3241' (437'), mist hole up for dyna-drill run. Mancos "B". Dust 175#. Drld to 3241'. Attempting to control deviation & direction by varying weight & RPM. In last 90', deviation dropped 1-1/2° & direction lost 5° to the north. Presently misting up hole to prep for dyna-drill run. Mancos "B" @ 2770' MD, 2675' TVD. DW: 10,448. CW: 233,817. DD 9.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES N E
2814'	18-3/4°	N 17 E	2716.73	510.78	519.53-33.48
2846'	19-3/4°	N 15 E	2746.94	521.33	529.67-36.39
2909'	20°	N 13 E	2806.19	542.75	550.45-41.57
2972'	20°	N 12 E	2865.39	564.28	571.49-46.23
3032'	20°	N 12 E	2900.77	584.78	591.56-57.17
3131'	19-1/2°	N 11 E	3014.95	618.17	624.34-57.17
3221'	18°	N 6 E	3100.17	646.93	652.95-61.45

01/15/83 3330' (99'), TOO H w/ dyna-drill #5. Mancos "B". Mist 250#. Fin mist up hole for dyna-drill run. TOO H & PU dyna-drill #4. TIH, orient dyna-drill & begin drlg. Drld 40', made connection. Press built up, couldn't circ. TOO H. Btm bearings worn out. TIH w/ dyna-drill #5. Drld 2 hrs. Bit quit drlg. TOO H. DW: 14,484. CW: 248,301. DD 10.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES N E
3269'	16-3/4°	N 12 E	3145.98	661.19	667.11-63.69
3299'	15-1/2°	N 17 E	3174.80	669.52	675.18-65.77

01/16/83 3595' (265'), drlg. Mancos "B". Dust 125#. Fin TOO H w/ dyna-drill #5. Bit was T-8, B-8 and out-of-gauge 1". TIH w/ dyna-drill #6 & drld to 3405'. TOO H w/ dyna-drill #6. TIH w/ bit, 3 pt reamer, monel collar, under gauge IBS, 1 DC & full gauge IBS. Dry hole & begin drlg ahead varying wt & RPM to control deviation & direction. DW: 15,595. CW: 263,896. DD 11.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES N E
3330'	15°	N 22 E	3204.71	677.74	682.86-68.50
3360'	15°	N 26 E	3233.69	685.31	689.96-71.65
3439'	16°	N 25 E	3309.84	705.96	708.89-80.81
3500'	16-1/4°	N 26 E	3368.44	722.61	724.18-88.10
3562'	16°	N 27 E	3428.00	739.47	739.59-95.79

01/17/83 4066' (471'), drlg. Mancos "B". Dust 165#. Unable to build angle w/ all the available wt on the bit. TOO H, LD 3 pt reamer & middle IBS. PU & TIH w/ bit, near-bit IBS, monel collar, 1 DC & IBS. Ream 35' fill & begin drlg. Drld to 4039'. Unable to build angle or control deviation. TOO H. LD 2 IBS's. PU & TIH w/ bit, 3 pt reamer, & monel collar. TIH & resume drlg. DW: 10,911. CW: 274,807. DD 12.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES N E
3622'	15-1/4°	N 33 E	3485.78	755.07	753.59-103.87
3651'	15-1/4°	N 34 E	3513.76	762.29	759.95-108.08

WELL NAME: Nicor Federal #2  
 AREA: San Arroyo  
 LOCATION: Section 28, T16S-R25E  
 COUNTY: Grand  
 STATE: Utah  
 FOOTAGE: 650' FSL & 1100' FEL

PTD: 5850'  
 ELEVATIONS: 7021' GL, 7034' KB  
 CONTRACTOR: CRC #75  
 AFE NUMBER: 830393  
 LSE NUMBER: 94022  
 TXO WI: 100%

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01/10/83 cont.	MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES
	1462	10-3/4	N 2 E	1459.09	44.32	40.13 21.61
	1523	12-1/4	N 2 E	1518.87	56.18	52.28 22.03
	1554	12	N 1 W	1549.18	62.45	58.79 22.09
	1614	13-3/4	N 2 E	1607.67	75.44	72.16 22.21
	1676	15	N 2 W	1667.73	90.32	87.55 22.21
	1737	16	N 1 E	1726.51	106.04	03.86 22.06
	1797	16-1/4	N 1 E	1784.11	122.35	20.64 22.36
	1858	18	N 1 W	1842.37	139.83	38.73 22.36
	1920	19	N	1901.16	158.80	58.40 22.19
	1980	20	N	1957.72	178.17	78.43 22.19

01/11/83 2467' (470'), WOC. Mancos. Drld to 2467' varying wt & RPM to attempt to control deviation & direction. Blew hole, made 10 stnd short trip. TIH. Had 15' of fill. Blew hole clean to btm. TOO. RU & ran 63 jts 7", 20#, K-55, ST&C set @ 2441' KB. FC @ 2403' KB. Cmtd w/ 110 bbls gelled wtr, 160 sxs 50/50 poz w/ 2% gel, 2% CaCl<sub>2</sub> & 1/4#/sx celloflake, tailed by 150 sxs Cl "H" w/ 2% CaCl<sub>2</sub> & 1/4#/sx celloflake. PD @ 4:55 AM on 1/11/83. BP to 1400#. Float held. Returns to surf. ND BOP. Set slips, presently WOC. Mancos top @ 2170' TVD. DW: 56,182. CW: 194,855. DD 6.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES
					N E
2041'	21-1/4°	N 2 W	2014.81	198.84	199.92-21.81
2102'	22-1/4°	N 2 W	2071.47	220.47	222.51-21.02
2163'	23-1/2°	N 1 W	2127.67	243.23	246.21-20.40
2224'	24-1/4°	N 1 W	2183.45	266.98	270.90-19.97
2286'	25°	N 2 W	2239.82	291.71	296.71-19.08
2347'	26-1/4°	N 1 W	2294.82	317.02	322.08-18.39
2409'	27-1/4°	N 1 W	2350.18	343.87	350.99-17.90
2439'	28°	N 1 W	2376.76	357.25	364.89-17.66

01/12/83 2550' (83'), TIH w/ dyna-drill. Mancos. NU. Test BOP to 1000# for 15 min. Held OK. LD 6-1/4" DC. PU bit, near-bit IBS, monel collar, & 4-3/4" DC's & TIH. Drld out float, cmt & shoe. Drld to 2550'. Took two surveys. Drlg w/ 3000-4000# on bit. Angle still building, and directional still holding. TOO. PU new bit & dyna-drill & TIH. DW: 13,928. CW: 208,783.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES
					N E
2498'	28-1/4°	N 1 E	2428.80	384.14	392.71-17.66
2530'	29°	N 1 E	2456.89	399.03	408.03-17.93

01/13/83 2804' (254'), drlg. Mancos. Dust 250#. Fin TIH w/ dyna-drill, began drlg w/ dyna-drill. Short tripped two times for tight hole. Had 6000# drag. Fin dynadrill run @ 2752'. TOO & PU new BHA. New BHA is as follows: bit, float sub, x-over, near-bit IBS, monel collar, ~~under-gauge IBS, collar, full-gauge IBS.~~ TIH & attempt to blow hole dry. Presently drlg ahead & attempting to dry up hole. DW: 14,586. CW: 223,369. DD 8.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES
					N E
2599'	27-1/2°	N 1 E	2517.67	430.74	440.69-18.50
2630'	25-3/4°	N 4 E	2545.38	444.31	454.57-19.10
2661'	24°	N 8 E	2573.50	457.19	467.54-20.46

WELL NAME: Nicor Federal #2  
 AREA: San Arroyo  
 LOCATION: Section 28, T16S-R25E  
 COUNTY: Grand  
 STATE: Utah  
 FOOTAGE: 650' FSL & 1100' FEL

PTD: 5850'  
 ELEVATIONS: 7021' GL, 7034' KB  
 CONTRACTOR: CRC #75  
 AFE NUMBER: 830393  
 LSE NUMBER: 94022  
 TXO WI: 100%

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01/06/83 320' (320'), cmtg. Mesaverde. Dust 125#. Spud 12-1/4" hole @ 2:30 PM 1/5/83. TD hole @ 320'. Short trip. No fill. TOOH. Run 8 jts 9-5/8", 36#, K-55, ST&C set @ 298'. Float @ 253'. RU to cmt. 1° @ 320'. DW: 23,165. CW: 23,165. DD 1.

01/07/83 442' (122'), drlg. Mesaverde. Dust 125#. Cmt w/ 100 sxs 50/50 poz w/ 2% CaCl<sub>2</sub>, 1/4#/sx celloflake, 2% gel. Cmt w/ 60 sxs Cl "G", 2% CaCl<sub>2</sub>, 1/4#/sx celloflake. Dspl w/ 22 bbls KCL. PD @ 6:25 AM 1/01/83. BP to 800#. Float held. 1/2 bbl returns. 1" backside in 3 stages, 25 sxs per stage. Bridge off 20' from surf. Pump 15 sxs Cl "G" w/ 2% CaCl<sub>2</sub> around top of surf pipe. 1° @ 400' S65E. DW: 75,600. CW: 98,765. DD 2.

01/08/83 1128' (686'), drlg w/ dyna-drill. Mesaverde. Air mist 275#. Drld to 991'. TOOH. PU new bit, dyna-drill, monel collar & TIH. Begin drlg w/ dyna-drill. DW: 16,122. CW: 114,887. DD 3.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES	
					S	E
400	1	S 65 E	399.98	-.62	1.48	3.16
492	1-1/2	S 88 E	491.96	-.57	1.95	5.11
584	1/2	N 20 E	583.95	.64	1.05	6.44
676	1	S 61 E	675.94	1.33	0.63	7.56
766	1	N 85 E	765.93	1.41	0.95	9.11
858	1/4	N 73 E	857.92	1.85	0.76	10.10
979	1-1/4	S 61 E	978.91	2.09	0.92	11.67
1021	1-1/4	S 85 E	1020.90	2.06	1.19	12.55
1050	2	N 60 E	1049.89	2.44	1.01	13.35
1080	2	N 31 E	1079.87	3.34	0.28	14.10

01/09/83 1340' (212'), TIH. Mesaverde. Air mist 300#. Drld to 1161' w/ dyna-drill #1. TOOH. Had 1 cone missing off bit. TIH w/ magnet & junk basket. Rec cone & 90% of bearings. TIH w/ new bit & same motor. Drld to 1340'. TOOH. LD dyna-drill. TIH w/ new bit, near-bit IBS, monel collar, 9 DC's jars & 3 DCs. DW: 12,173. CW: 127,060. DD 4.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES	
					S	E
1140	2	N 20 E	1139.83	5.40	1.61	15.00
1170	3-1/4	N 20 E	1169.80	6.76	2.90	15.47
1200	4	N 20 E	1199.74	8.65	4.68	16.12
1231	5	N 20 E	1230.65	11.08	6.97	16.95
1261	6	N 15 E	1260.51	13.95	9.71	17.81
1292	7	N 11 E	1291.31	17.45	13.13	18.60

01/10/83 1997' (657'), drlg. Castlegate. Air mist 190#. Fin TIH w/ bit #5 & building assembly. Drld to 1585'. From 1540-85' returns showed 100% white quartzite sd. Survey @ 1554' showed a 1/4° decr in angle and a 3° decr in direction. Unable to put more than 3000-4000# on bit without torquing up. TOOH. Bit was 1/4" out of gauge, but showed no wear on shoulders. TIH w/ bit #6, full gauge, and same building assembly. Tagged 45' of fill, washed out fill to btm & resumed drlg. Controlling angle & direction by varying weight & RPM. DW: 11,613. CW: 138,673. DD 5.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES	
					N	E
1342	8-1/2	N 9 E	1340.85	24.17	19.77	19.77
1402	10	N 5 E	1400.07	33.73	29.34	20.95

TXO

**TXO PRODUCTION CORP.**

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

February 25, 1983

STATE OF UTAH  
Natural Resources & Energy  
Oil, Gas & Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Attention: Mr. Cleon B. Feight  
Director

*SIO*  
RE: NICOR FEDERAL #2  
Section ~~3378~~ T16S-R25E  
Grand County, Utah

Dear Mr. Feight:

Please be advised that TXO Production Corp. would appreciate having the status of the above referenced well changed to a tight hole.

Thank you for your attention to this matter.

Sincerely,

TXO PRODUCTION CORP.

*Diedre Erin Kay*

Diedre Erin Kay  
Drilling Secretary

DEK

RECEIVED  
MAR 07 1983

DIVISION OF  
OIL, GAS & MINING

A SUBSIDIARY OF **TEXAS**  
OIL & GAS CORP.

# TXO

## TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

February 3, 1984

STATE OF UTAH  
Natural Resources  
Oil, Gas, & Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

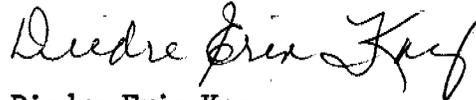
RE: Nicor Federal #2  
Section 28, T16S-R25E  
Grand County, Utah

Dear Ms. Jones:

Enclosed please find the logs requested in your letter of January 24, 1984, for the above referenced well.

Sincerely,

TXO PRODUCTION CORP.



Diedre Erin Kay  
Drilling Secretary

DEK  
encls.

RECEIVED  
FEB 6 1984

DIVISION OF  
OIL, GAS & MINING

A SUBSIDIARY OF TEXAS  
OIL & GAS CORP.



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

January 24, 1984

TXO Production Corp.  
1660 Lincoln #1800  
Denver, CO 80264

RE: Well No. Nicor Federal #2  
773' FNL, 1468' FEL NW/NE  
Sec. 28 T. 16S, R. 25E  
Grand County, Utah

Gentlemen:

According to our records, a "Well Completion Report" filed with this office February 15, 1983 on the above referred to well, indicates the following electric logs were run: DIL-GR and CDL-SNL-GR. As of today's date, this office has not received these logs.

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,

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

Claudia Jones  
Well Records Specialist

CJ/cj

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
92290018	VALENTINE FEDERAL #3 14S. 25E. 35	06	12	<u>7</u>	11/85	<u>1000</u>
92122018	ARCO FEDERAL D #1 16S. 25E. 34	06	12	<u>5</u>	12/85	<u>0900</u>
92129012	VALENTINE FEDERAL #2 14S. 25E. 34	06	12	<u>5</u>	12/85	<u>0800</u>
92238016	HANCOCK FEDERAL #1X 17S. 25E. 5	06	12	<u>12</u>	12/85	<u>1300</u>
92248011	HANCOCK FEDERAL #2 17S. 25E. 2	06	12	<u>12</u>	12/85	<u>1100</u>
92297012	NICOR FEDERAL #2 14S. 25E. 28	06	12	<u>12</u>	12/85	<u>1000</u>
92299015	GRYNBERG FEDERAL #1 16S. 25E. 28	06	12	<u>12</u>	12/85	<u>0900</u>
92322017	LAUCK FEDERAL #2 14S. 25E. 29	06	12	<u>10</u>	12/85	<u>0900</u>

STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 INSPECTION RECORD

Dakota / Buckhorn

Operator TXO Prod. Corp. Lease U-13653

Contractor 43-019-31020

Well No. Nichol Fed. #2

Location SESE Sec. 28 T. 16S R. 25E

Field San Arroyo

County Grand State UT

Operation: Drilling \_\_\_\_\_  
 Workover \_\_\_\_\_  
 Completion \_\_\_\_\_  
 Abandonment \_\_\_\_\_  
 Producing P66  
 Other \_\_\_\_\_

Individual Well Inspection

General:

Well Sign <input checked="" type="checkbox"/>	BOP <u>NA</u>	Pollution control <input checked="" type="checkbox"/>	Marker <u>NA</u>
Housekeeping <input checked="" type="checkbox"/>	Safety <input checked="" type="checkbox"/>	Surface use <input checked="" type="checkbox"/>	Location <input checked="" type="checkbox"/>

Remarks: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Lease and Facilities Inspection

Facilities inspected: <u>Meter; Heater; Treater; wellhead; pit</u>	
Identification <input checked="" type="checkbox"/>	Pollution control <input checked="" type="checkbox"/>
Housekeeping <input checked="" type="checkbox"/>	Pits and ponds <input checked="" type="checkbox"/>
Measurement facilities <input checked="" type="checkbox"/>	Water disposal <input checked="" type="checkbox"/>
Storage and handling facilities <input checked="" type="checkbox"/>	Other _____

Remarks: 1.125 orifice; 500 psi on wellhead; pit in clayey silt  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Action: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Name Wm Moore Title Inspector Date 5-3-84

Use:  for yes or satisfactory  
 x for no or unsatisfactory  
 NA for not applicable

April 5, 1984

STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 INSPECTION RECORD

DAKOTA / BUCKHORN

Operator TXO Prod.

Lease 13653  
~~U-31807~~

Contractor 43-019-31020

Well No. Nitor Fed #2

Location ~~AWATE~~ <sup>SESE</sup> Sec. 28 T. 16S R. 25E

Operation: Drilling \_\_\_\_\_  
 Workover \_\_\_\_\_  
 Completion \_\_\_\_\_  
 Abandonment \_\_\_\_\_  
 Producing PGW  
 Other \_\_\_\_\_

Field San Arroyo

County Grand State UT

Individual Well Inspection

General:

Well Sign  BOP NA Pollution control  Marker NA  
 Housekeeping  Safety  Surface use  Location

Remarks: One pit full of blown down sand, needs enlarging

Lease and Facilities Inspection

Facilities inspected: meter, wellhead

Identification  Pollution control   
 Housekeeping  Pits and ponds   
 Measurement facilities  Water disposal   
 Storage and handling facilities  Other

Remarks:

Action: Pit needs enlarging, pumper says it will be done in near future

Name Wm Moore Title Inspector Date 11/15/84

Use:  for yes or satisfactory  
 for no or unsatisfactory  
 NA for not applicable

April 5, 1984

STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 INSPECTION RECORD

011667

D

Operator TXO Prod. Lease 13653  
U-31307  
 Contractor \_\_\_\_\_  
 Well No. Nitor Fed #2 31020 Operation: Drilling \_\_\_\_\_  
 Location SESE ~~AWAE~~ Sec. 28 T. 16S R. 25E Workover \_\_\_\_\_  
 Field San Arroyo Completion \_\_\_\_\_  
 Abandonment \_\_\_\_\_  
 Producing PGW  
 Other \_\_\_\_\_  
 County Grand State UT

Individual Well Inspection

General:

Well Sign  BOP NA Pollution control  Marker NA  
 Housekeeping  Safety  Surface use  Location

Remarks: One pit full of blown down sand, needs enlarging  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Lease and Facilities Inspection

Facilities inspected: meter, wellhead  
 Identification  Pollution control   
 Housekeeping  Pits and ponds   
 Measurement facilities  Water disposal   
 Storage and handling facilities  Other \_\_\_\_\_

Remarks: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Action: Pit needs enlarging, pumper says it will be done in near future  
 \_\_\_\_\_  
 \_\_\_\_\_

Name W. W. Moore Title Inspector Date 11/15/84

Use:  for yes or satisfactory  
 for no or unsatisfactory  
 NA for not applicable

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
INSPECTION RECORD

P

Operator TXO Prod. Corp. Lease U-13653

Contractor \_\_\_\_\_

Well No. Nichol Fed. #2 31020

Location SESE Sec. 28 T. 16S R. 25E

Field San Arroyo

County Grand State UT

Operation: Drilling \_\_\_\_\_  
Workover \_\_\_\_\_  
Completion \_\_\_\_\_  
Abandonment \_\_\_\_\_  
Producing PGW  
Other \_\_\_\_\_

Individual Well Inspection

General:

Well Sign <input checked="" type="checkbox"/>	BOP <u>NA</u>	Pollution control <input checked="" type="checkbox"/>	Marker <u>NA</u>
Housekeeping <input checked="" type="checkbox"/>	Safety <input checked="" type="checkbox"/>	Surface use <input checked="" type="checkbox"/>	Location <input checked="" type="checkbox"/>

Remarks: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Lease and Facilities Inspection

Facilities inspected: Meter, Heater, Treater, wellhead, pit

Identification <input checked="" type="checkbox"/>	Pollution control <input checked="" type="checkbox"/>
Housekeeping <input checked="" type="checkbox"/>	Pits and ponds <input checked="" type="checkbox"/>
Measurement facilities <input checked="" type="checkbox"/>	Water disposal <input checked="" type="checkbox"/>
Storage and handling facilities <input checked="" type="checkbox"/>	Other _____

Remarks: 1.125 orifice; 500 psi on wellhead; pit in clayey silt  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Action: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name Wm Moore Title Inspector Date 5-3-84

Use:  for yes or satisfactory  
x for no or unsatisfactory  
NA for not applicable

April 5, 1984

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
OIL AND GAS INSPECTION RECORD

OPERATOR TKD LEASE 13653  
WELL NO. New Feb #2 API 43-09-31020  
SEC. 28 T. 16 S. R. 2 W E CONTRACTOR \_\_\_\_\_  
COUNTY Garfield FIELD San Antonio

DRILLING/COMPLETION/WORKOVER:

APD  WELL SIGN  HOUSEKEEPING  BORE  
 SAFETY  POLL. CONTROL  SURFACE USE  PITS  
 OPERATIONS  OTHER

SHUT-IN Y / TA \_\_\_\_\_ :  
 WELL SIGN  HOUSEKEEPING  EQUIPMENT\*  SAFETY  
 OTHER

ABANDONED:  
 MARKER  HOUSEKEEPING  REHAB.  OTHER

PRODUCTION:  
 WELL SIGN  HOUSEKEEPING  EQUIPMENT\*  FACILITIES\*  
 METERING\*  POLL. CONTROL  PITS  DISPOSAL  
 SECURITY  SAFETY  OTHER

GAS DISPOSITION:  
 VENTED/FLARED  SOLD  LEASE USE

LEGEND: Y - YES OR SATISFACTORY  
N - NO OR UNSATISFACTORY  
NA - NOT APPLICABLE

\*FACILITIES INSPECTED: loc, wh, meter, pit

REMARKS: appears to be SI &

ACTION: \_\_\_\_\_

INSPECTOR: [Signature] DATE 7-13-88

STATE OF UTAH  
DIVISION OF OIL, GAS & MINING  
OIL AND GAS INSPECTION RECORD

SE OPERATOR TXO Production Co LEASE Fed  
SE WELL NO. Nico Federal #2 API 43-019-31020  
SEC. 28 T. 16s R. 25e CONTRACTOR \_\_\_\_\_  
COUNTY Grand FIELD San Antonio

DRILLING/COMPLETION/WORKOVER:

APD  WELL SIGN  HOUSEKEEPING  BOPE  
 SAFETY  POLL. CONTROL  SURFACE USE  PITS  
 OPERATIONS  OTHER

SHUT-IN      / TA     :

WELL SIGN  HOUSEKEEPING  EQUIPMENT\*  SAFETY  
 OTHER

ABANDONED:

MARKER  HOUSEKEEPING  REHAB.  OTHER

PRODUCTION:

WELL SIGN  HOUSEKEEPING  EQUIPMENT\*  FACILITIES\*  
 METERING\*  POLL. CONTROL  PITS  DISPOSAL  
 SECURITY  SAFETY  OTHER

GAS DISPOSITION:

VENTED/FLARED  SOLD  LEASE USE

LEGEND: Y - YES OR SATISFACTORY  
N - NO OR UNSATISFACTORY  
NA - NOT APPLICABLE

\*FACILITIES INSPECTED: loc., WH, comp. in shed, 2 pits, htd. sys,  
boom-type derrick, water house

REMARKS: PEW

ACTION: \_\_\_\_\_

INSPECTOR: [Signature] DATE: 11-7-90



# MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

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

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

Well Name	Producing Zone	Days Oper	Production Volume		
			Oil (BBL)	Gas (MSCF)	Water (BBL)
MOXA FEDERAL A-1 4301930792 06730 16S 26E 4 U-24638	DKTA ✓				
NICOR FED #2 4301931020 06731 16S 25E 28 U-13653	DK-BK ✓				
CREDO FEDERAL 1 4301930797 06740 16S 26E 5 U-24638	BUKHN ✓				
CREDO FEDERAL A-1 4301930798 06745 16S 26E 5 U-24638	DKTA ✓				
HANCOCK FEDERAL 2 4301930833 06750 17S 25E 5 U-38720	DKTA ✓				
BENNION FED. 1 4301930893 06760 16S 25E 30 U-24632	DK-MR ✓				
WYO FEDERAL H-1 4301931002 06765 16S 25E 12 U-0126528	MRSN ✓				
VALENTINE FEDERAL 3 4301931009 06770 16S 25E 35 U-38276	DKTA ✓				
WALL FEDERAL #1 4301930838 06771 16S 25E 30 U-24632	DK-BK ✓				
OIL SPRINGS UNIT 5 4304715930 06775 12S 24E 5 U-08424A	WSTC ✓		Need successors to unit oper. (TXO to marathon)		
OIL SPRINGS UNIT #10 4304731656 06776 12S 24E 5 U-08424A	WSTC ✓				
GRYNBERG FEDERAL #1 4301930657 06781 16S 25E 28 U-13653	DKTA ✓				
BMG FEDERAL #1 4301931017 06791 16S 26E 8 U-05015	BUKHN ✓				
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 \_\_\_\_\_

DOGm - FYI - From Connie Larson - TAX COMMISSION

Tax Compliance Division



Findlay, Ohio 45840  
Telephone 419/422-2121

January 23, 1991

N1580

TO WHOM IT MAY CONCERN:

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

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

Marathon Oil Company  
Tax Organization

GRL:pah  
GRL100T

FEB 14 1991  
REC'D USITC P.B.

Send a copy to DOGM 2-21-9

A subsidiary of USX Corporation

Copy sent to Master  
File Mail

RECEIVED  
JAN 24 1991



**Marathon  
Oil Company**

P.O. Box 2690  
Cody, Wyoming 82414  
Telephone 307/587-4961

DIVISION OF  
OIL, GAS & MINING

*dg  
1-2  
Mug DRJ  
-a R Furth*

January 22, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

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

Gentlemen:

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

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

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

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

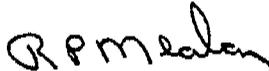
Utah Division of Oil, Gas & Mining  
January 22, 1991  
Page 2

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

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

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

Sincerely,



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

RPM:mh

Attachments

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

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

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

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

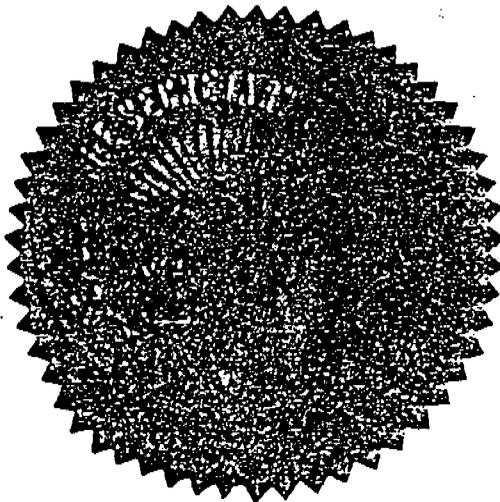
I, Sherrod Brown

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

WITNESS my hand and official seal at

Columbus, Ohio, this

28th day of December, A.D. 19 90



*Sherrod Brown*

Sherrod Brown  
Secretary of State

Routing:

1- LCR	<input checked="" type="checkbox"/>
2- DTS	<input checked="" type="checkbox"/>
3- VLC	<input checked="" type="checkbox"/>
4- RJF	<input checked="" type="checkbox"/>
5- RWM	<input checked="" type="checkbox"/>
6- LOR	<input checked="" type="checkbox"/>

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

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

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

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

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

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

OPERATOR CHANGE DOCUMENTATION

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

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. *(Federal & State wells only!)* *(upon completion of routing)*
- 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) Yes. Today's date February 27, 1991. If yes, division response was made by letter dated March 1, 1991.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

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

MICROFILMING

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

INDEXING

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

REMARKS

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

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

910222 Btm/S.Y. - Approved 2-20-91 - ok for DGBM to recognize eff. date 1-1-91. (T. Thompson)

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

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
OIL AND GAS INSPECTION RECORD

OPERATOR: MARATHON OIL COMPANY

LEASE: U-13653

WELL NAME: NICOR FED #2

API: 43-019-31020

SEC/TWP/RNG: 28 16.0 S 25.0 E

CONTRACTOR:

COUNTY: GRAND

FIELD NAME: SAN ARROYO

DRILLING/COMPLETION/WORKOVER:

- APD	- WELL SIGN	- HOUSEKEEPING	- BOPE
- SAFETY	- POLLUTION CNTL	- SURFACE USE	- PITS
- OPERATIONS	- OTHER		

SHUT-IN \_ / TA \_:

- WELL SIGN	- HOUSEKEEPING	- EQUIPMENT *	- SAFETY
- OTHER			

ABANDONED:

- MARKER	- HOUSEKEEPING	- REHAB	- OTHER
----------	----------------	---------	---------

PRODUCTION:

Y WELL SIGN	Y HOUSEKEEPING	Y EQUIPMENT *	Y FACILITIES *
Y METERING *	Y POLLUTION CNTL	Y PITS	- DISPOSAL
Y SECURITY	Y SAFETY	- OTHER	

GAS DISPOSITION:

- VENTED/FLARED	Y SOLD	Y LEASE USE
-----------------	--------	-------------

LEGEND: Y = YES/SATISFACTORY N = NO/UNSATISFACTORY A = NOT APPLICABLE

\*FACILITIES INSPECTED:

LOC., WH, 2 PITS, COMP, MET, HTD SEP, SHED, DEHY.

REMARKS:

PGW.

ACTION:

INSPECTOR: CHRIS KIERST

DATE: 09/17/91

STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 OIL AND GAS INSPECTION RECORD

OPERATOR: MARATHON OIL COMPANY LEASE: U-13653  
 WELL NAME: NICOR FED #2 API: 43-019-31020  
 SEC/TWP/RNG: 28 16.0 S 25.0 E CONTRACTOR:  
 COUNTY: GRAND FIELD NAME: SAN ARROYO

DRILLING/COMPLETION/WORKOVER:

- APD	- WELL SIGN	- HOUSEKEEPING	- BOPE
- SAFETY	- POLLUTION CNTL	- SURFACE USE	- PITS
- OPERATIONS	- OTHER		

SHUT-IN / TA - :  
 - WELL SIGN - HOUSEKEEPING - EQUIPMENT \* - SAFETY  
 - OTHER

ABANDONED:  
 - MARKER - HOUSEKEEPING - REHAB - OTHER

PRODUCTION:  
 N WELL SIGN Y HOUSEKEEPING Y EQUIPMENT \* Y FACILITIES \*  
 Y METERING \* Y POLLUTION CNTL Y PITS Y DISPOSAL  
 Y SECURITY Y SAFETY - OTHER

GAS DISPOSITION:  
 - VENTED/FLARED Y SOLD Y LEASE USE

LEGEND: Y = YES/SATISFACTORY N = NO/UNSATISFACTORY A = NOT APPLICABLE

\*FACILITIES INSPECTED:  
 LOC,WH,SHED,PITS X2,COMP,HTD SEP,DEHY,MET X2

REMARKS:  
 PGW,WELL SIGN READS WELL IN SEC #33

ACTION:

INSPECTOR: TED SMITH

DATE: 07/01/92

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

SUBMIT IN TRIPLICATE

**RECEIVED**  
FEB 25 1993

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. U-13653
2. Name of Operator Lone Mountain Production Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 3394, Billings, MT 59103	7. If Unit or CA, Agreement Designation CR-48
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 773' FNL, 1468' FEL, Sec. 28-T16S-R25E (NW $\frac{1}{4}$ NE $\frac{1}{4}$ )	8. Well Name and No. Nicor Fed. No. 2
	9. API Well No. 43-019-31020
	10. Field and Pool, or Exploratory Area San Arroyo
	11. County or Parish, State Grand County, Utah

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

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

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

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

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

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

Field Operations will be handled by our Grand Junction office.

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

Signed James R. Portman Title Petroleum Engineer Date Feb. 22, 1993

(This space for Federal or State office use)

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

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.

**LONE MOUNTAIN PRODUCTION COMPANY**

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

February 22, 1993

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

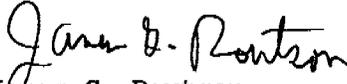
Re: Change of Operator  
Sundry Notices  
Grand and Uintah Counties, Utah

Gentlemen:

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

Very truly yours,

Lone Mountain Production Company

  
James G. Routson  
President

Enclosures

xc: Joe Dyk  
Marathon

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FEB 25 1993

DIVISION OF  
OIL GAS & MINING

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FEB 25 1993

UTAH FEDERAL WELLS

VERNAL BLM DISTRICT

DIVISION OF  
OIL GAS & MINING

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

## UTAH FEDERAL WELLS

### MOAB BLM DISTRICT

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

UTAH FEDERAL WELLSMOAB BLM DISTRICT

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

## UTAH STATE WELLS

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

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION & SERIAL NO.

See Below

6. IF INDIAN ALLOTTEE OR TRIBE NAME

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.)

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

See Below

9. WELL NO.

See Below

10. FIELD AND POOL, OR WILDCAT

See Below

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

See Below

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR

Marathon Oil Company

3. ADDRESS OF OPERATOR

P.O. Box 2590, Cody, Wyoming 82414

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

At surface

At proposed prod. zone

See Below

RECEIVED

FEB 25 1993

DIVISION OF OIL GAS & MINING

14. API NO.

See Below

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

12. COUNTY  
Grand and Uintah

13. STATE  
Utah

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON

CHANGE PLANS

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

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) \_\_\_\_\_

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

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

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

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

\* Must be accompanied by a cement verification report.

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

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

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

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

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

SIGNED R.P. Meabon *RPM*

TITLE Regulatory Coordinator

DATE 2/23/93

(This space for Federal or State office use)

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

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

See Instructions On Reverse Side

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

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

San Arroyo Field

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

Oil Springs Field

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

Evacuation Creek Field

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

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

March 26, 1993

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

Re: Successor of Operator  
Communitization Agreement (CA)  
CR-48  
Grand County, Utah

Gentlemen:

We received an indenture dated February 22, 1993, whereby Marathon Oil Company resigned as Operator and Lone Mountain Production Company was designated as Operator for CA CR-48, Grand County, Utah.

This instrument is hereby accepted effective as of March 26, 1993. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under CA CR-48.

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

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

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
Division Oil, Gas, & Mining  
File - CR-48 (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

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

WELL STATUS REPORTS  
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM CR48									
CR48	430193065600S1	1	NWNE	28	16S	25E	TA	UTU31807	MARATHON OIL COMPANY
CR48	430193102000S1	2	SESE	33	16S	25E	PGW	UTU13653	MARATHON OIL COMPANY

Marathon Oil Company  
Change of Operator

CONDITIONS OF APPROVAL

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

---

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

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

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

**RECEIVED**

MAR 22 1993

DIVISION OF  
OIL GAS & MINING

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

Routing:

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

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

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

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

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

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

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

**OPERATOR CHANGE DOCUMENTATION**

- 1 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 2-25-93)*
- 2 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 2-25-93)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- 3 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.
- 3 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-30-93)*
- 3 6. Cardex file has been updated for each well listed above. *(3-30-93)*
- 3 7. Well file labels have been updated for each well listed above. *(3-30-93)*
- 3 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-30-93)*
- 3 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

**ENTITY REVIEW**

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

**BOND VERIFICATION (Fee wells only)**

1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date 3/15/93 1993. If yes, division response was made by letter dated 3/15/93 1993.

**LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY**

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 3/15/93 1993, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases.

**MICROFILMING**

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

**FILED**

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

**APPROVALS**

- 930316 Btm/Inoab Approved some of the wells on 3-10-93 eff. 2-23-93. (See other change)
- 930323 Btm/Wesnal Approved some of the wells on 3-16-93 eff. 10-1-92. The remaining wells are unitized or under a C.A. (will be handled on separate change).
- 930330 Btm/S.Y. Approved C.A. changes eff. 3-26-93.
- Unit operator changes approved 3-25-93. (Booker Hills, Marble Mansion, Oil Springs)