

OIL COMPANY
Fortune

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

RECEIVED

AUG - 2 1983

DIV. OIL, GAS, MINING

August 1, 1983

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

Gentlemen:

On February 7, 1983, Fortune Oil Company received your approval to drill the Federal #42-8 well located in the SW/SE of Section 8, T16S, R25E, Grand County, Utah. Said approval was granted in accordance with the provisions of the Order issued in Cause No. 149-1 dated March 14, 1979.

Fortune spudded this well on June 29, 1983, set 9 5/8" surface casing to 247' and 7" intermediate casing to 2819'. Said well has been drilled to a total depth of 6,748' in the Salt Wash Formation.

During drilling operations, gas was encountered from the Dakota and Cedar Mountain Formations at various intervals from 6195' to 6295'; however, the gas was not of sufficient quantity to justify setting production casing at that time.

On July 10, 1983 an Amerada pressure bomb was placed in the Federal 42-8 well at a depth of 2,750' to determine if pressures would increase at a rate to indicate additional gas reserves and thus justify completion of said well for future sales. As of this date, we are still pressure testing, evaluating the electric logs and geological data for this well and a final determination has not been made. The well at best is considered very marginal.

However, upon thorough review of the geological data available thus far, Fortune feels that a well drilled in the SE/NE of Section 8 would not only provide additional structure information on the San Arroyo Area, but could possibly contain substantially greater recoverable reserves of gas than presently found in the Federal 42-8 well.

The Order issued in Cause No. 149-1 establishing 320-acre drilling and spacing units for the San Arroyo Area specified that only one (1) well could be completed in two or more producing sand intervals in each drilling unit of 320 acres. As a result, Fortune Oil Company herewith requests the approval of the Board of Oil, Gas, and Mining for the "Temporary Abandonment" of the Federal 42-8 well and the approval to drill

a second test on the same 320-acre spacing unit designated as Zone II, Drilling Unit #29.

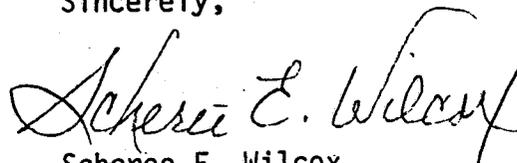
Said proposed well, the Fortune Federal #17-8, would be located in the SE/NE of Section 8, approximately 1790' FNL & 500' FEL, and would also be situated on Federal Lease No. U-05010-C.

Fortune hereby attests and warrants that should the proposed Federal 17-8 well prove commercially productive, the Federal 42-8 well would be permanently plugged and abandoned in accordance with applicable Federal and State regulations. Should, however, the Federal 17-8 prove uneconomical and estimated reserves negate pipeline connection and sales, the Federal 42-8 well would be re-entered, completed, fracture treated and placed on production. Fortune intends for the completion and production of ONLY ONE WELL on this drilling unit.

Should you require additional information relative to our request, please contact either myself, Mr. G.W. Anderson, Vice President or Mr. Michael L. Pinnell, Exploration Manager at 532-7797.

A complete "Application for Permit to Drill" the Federal 17-8 well will be prepared and forwarded to your office at the earliest possible date. If a determination is made that formal notice of our request is required, please insure that the parties listed on the attached Exhibit "A" receive such notice.

Sincerely,



Scheree E. Wilcox
Operations Manager

SW/

Attachments

STATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

CONFIDENTIAL

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 FORTUNE OIL COMPANY

3. ADDRESS OF OPERATOR
 50 South Main, #1570, Salt Lake City, UT 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1748' FNL & 511' FEL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 22 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 511'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL

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

19. PROPOSED DEPTH 7,313'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 8459' GR

22. APPROX. DATE WORK WILL START* When Approved

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Federal

9. WELL NO.
 #17-8

10. FIELD AND POOL, OR WILDCAT
 San Arroyo ✓

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 17, T16S, R25E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36# H-40	250'	Cement to surface
8 3/4"	7"	23# K-55	3800'	Cement to surface
6 1/4"	4 1/2"	N-80, 11.6#	7,313'	" " "
tubing -	2 3/8"	4.7#, J-55	7,313'	" " "

"TIGHT HOLE"

FORTUNE OIL COMPANY PROPOSES TO DRILL A WELL TO TEST THE DAKOTA/MORRISON FORMATIONS. All significant water flows and hydrocarbons shows will be evaluated.

(See Attachments)

(well to be drilled in accordance with the Order issued in Cause No. 149-22, dated 8/25/83 and Cause No. 149-1, dated March 14, 1979, Board of Oil, Gas, and Mining, State of Utah)

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 Schuse Wilcox TITLE Operations Manager DATE 8/31/83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE SEP 15 1983
BY: [Signature]

RECEIVED
DATE
SEP 07 1983

DIVISION OF OIL, GAS & MINING

FORTUNE OIL COMPANY
 San Arroyo Federal 17-8
 10 Point Drilling Procedure

1. Surface formation is Wasatch of the Tertiary Period
2. Estimated formation tops are as follows:

Mesaverde	Surface
Castlegate	3376'
Mancos	3468'
Mancos "B"	4130'
Dakota Silt	6968'
Dakota Sand	7017'
Cedar Mountain	7140'
Morrison	7199'
TD	7313'

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

Water - various sands in Mesaverde from surface to 3376'

sand in Castlegate from 3376' to 3468'

Gas & Oil (condensate) - Castlegate 3376' to 3468'

Mancos "B" 4130' to 6968'

Dakota, Cedar Mountain, Morrison 7017'-7313'

4. Proposed casing plan is as follows: (see form 9-331C, Item #23):

Size:	Weight:	Grade:	Condition:
9 5/8"	36#	H-40	New
7"	23#	J-55	New
4 1/2"	11.6#	N-80	New

5. The BOP system will be a Cameron (or comparable) 10" SS double ram style with pipe rams on top and blind rams below. The pressure rating will be 3000 psi (API series 900). The testing procedure will be as follows:

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

Blind Rams - checked for operation on trips and tested to 1200 psi prior to drilling out from surface and trips.

Annular Preventor - will be used if rig substructure spacing permits. It will be tested with same procedure as pipe rams above.

Choke Manifold - A 3000 psi choke manifold will be installed that includes a positive and variable choke. It will be tested to 1200 psi upon installation.

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

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

Surface hole - Air will be used from surface to 250'.

Intermediate hole - The planned medium will be air unless water is encountered. A foaming and KCL inhibitor will be added to the air stream to form an air mist. If excessive water is encountered and air mist will no longer clean the hole a fresh chem-gel mud will be used to intermediate TD

Production hole - The production hole will be drilled with air. If water or excessive gas is encountered the hole will be finished with fresh chem-gel mud. The hole will be circulated with mud prior to logging or running pipe. No weighting materials will be needed in this under-pressured area.

7. Auxiliary Equipment scheduled for use is as follows:

- A. upper kelly cock
- B. float at bit
- C. string floats are required
- D. TIW safety valve on rig floor.
- E. Gas hot wire for monitoring gas quality at blooey line.

8. Testing Program:

No drill stem tests are planned if the well is drilled with air. A DST is possible in the Dakota/Cedar Mountain if mud is used to complete the hole.

Logging Program:

An FDC/CNL/GR/CAL and DIL are planned for the production hole. No open hole logs are planned for the intermediate hole unless significant gas shows are encountered.

Coring:

No cores are planned for this well. Samples will be collected throughout the drilling of the hole.

9. There are no abnormal pressures or temperatures expected. No hydrogen sulfide gas is expected from any of the zones.
10. The anticipated starting date will be when approved and the duration of operations will be approximately 45 days.

FORTUNE OIL COMPANY

FEDERAL 17-8

Sec. 8, T16S, R25E, S.L.B.M.
Grand County, Utah

Surface Use and Operations Plan

1. EXISTING ROADS:

See Exhibit "A" - To reach Fortune Oil Company well location Federal 17-8 located in the SE/4 NE/4 of Sec. 8, T16S, R25E, Grand County, Utah, proceed west from Grand Junction, Colorado along Highway 70 to the Harley Dome Exit, travel north approximately 2 miles and turn-off to the west traveling approximately 12 miles in a west-northwest direction to the entrance to East Canyon. Travel north-northeast along the East Canyon road for a distance of approximately 13.5 miles to the radio facility located in Sec. 4, T16S, R25E, turning right travel approximately 1 mile to the beginning of the proposed access route.

There will be no construction on the above described existing roads. They will be maintained to meet the necessary standards required to facilitate an orderly flow of traffic during the drilling phase, completion phase, and the production phase of the well.

2. PLANNED ACCESS ROADS:

See Exhibit "A" - The planned access road leaves the existing road described in Item 1 above in the NE/4 NE/4 of Section 8 and proceeds in a southerly direction for 0.25 miles to the proposed location.

In order to facilitate the anticipated flow of traffic along this road, the following standards will be met: The proposed access road will be an 18' travel surface with a total disturbed width not to exceed 30'. Construction design will be of BLM Class III standards. Trees and vegetation will be windrowed adjacent to the road. No culverts will be required along this road.

3. LOCATION OF EXISTING WELLS:

See Exhibit "B" - At the present time there are no known water wells, disposal wells, injection, monitoring or observation wells within a one-mile radius of the proposed site. There are however 2 producing wells and 1 temporarily abandoned well within the one-mile radius.

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

See Exhibit "B" - At the present time there are no existing batteries, injection or disposal lines within a one-mile radius of the location belonging to Fortune. In the event that production from this well

is established then the existing area of this location will be utilized to set the necessary production facilities. This area will be built with native material and the wellhead and production facilities will be protected by well guards and/or houses and the production pit will be fenced. In the event that natural gas production is established the necessary arrangements for a gas gathering system will be made.

5. LOCATION AND TYPE OF WATER SUPPLY:

✓ The anticipated water supply for this location is from private sources and will be hauled by truck along existing roads to the location. All appropriate permits will be acquired and submitted prior to commencement of operations.

6. SOURCE OF CONSTRUCTION MATERIALS:

All construction materials for this location and access road will be borrow material accumulated during construction. No additional road gravel or pit lining will be required.

7. METHOD FOR HANDLING WASTE DISPOSAL:

See Exhibit "C" - The reserve pit will vary in size and depth according to the water table at the time of construction. One-half of the pit will be used as fresh water storage during drilling operations and the other half for storage of non-flammable materials such as cuttings, salts, drilling fluid chemicals, etc.

When drilling starts three sides of the pit will be fenced. The fourth side will be fenced when the drilling rig is moved off location. The pit will be allowed to dry before backfilling and rehabilitation are begun. A portable trash basket will be placed on location and all trash will be hauled to a sanitary landfill.

Sanitary holes 12" in diameter and 25' deep will be drilled for trailer disposal. A portable chemical toilet will be supplied for human waste.

8. ANCILLARY FACILITIES:

There will be no ancillary facilities at this location.

9. WELL SITE LAYOUT:

See Exhibit "D" - The BLM representative shall be notified 48 hrs. prior to construction. The pit will be unlined and all work shall proceed in a neat and orderly sequence.

10. PLANS FOR RESTORATION OF THE SURFACE:

As there is some topsoil on the location site, all topsoil shall be stripped and stockpiled (first 6" to 8"). When all drilling and production activities have been completed, the location site and access road will be reshaped to the original contour and stockpiled soil will be spread over the disturbed area. Fences around pits will be removed upon completion of drilling operations and all waste being contained in the trash pit shall be buried with a minimum of 5' cover.

When restoration activities have been completed, the location and access road shall be reseeded with a seed mixture as specified by the BLM when the moisture content of the soil is adequate for germination.

11. OTHER INFORMATION:

The location is covered with juniper and pinion pine trees, scrub oak, sagebrush and grasses. There are no occupied dwellings or other facilities of this nature in the area. There are no archeological, historical, or cultural sites within any reasonable proximity of the proposed location.

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE:

Scheree Wilcox, Operations Manager
Fortune Oil Company
50 South Main, Suite 1570
Salt Lake City, Utah 84144

801-532-7797 (office)
801-969-4721 (home)

13. CERTIFICATION:

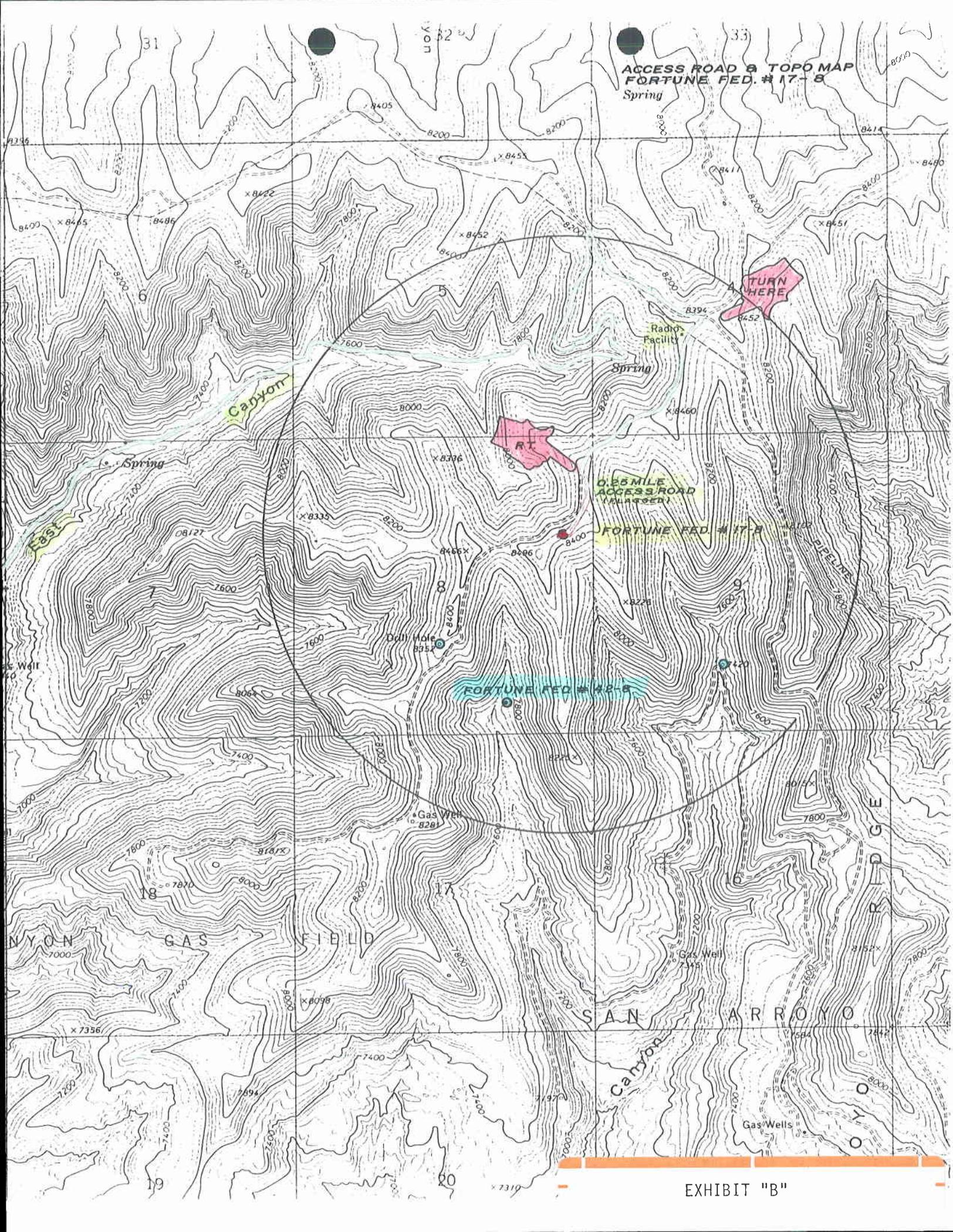
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated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

8/31/83
Date

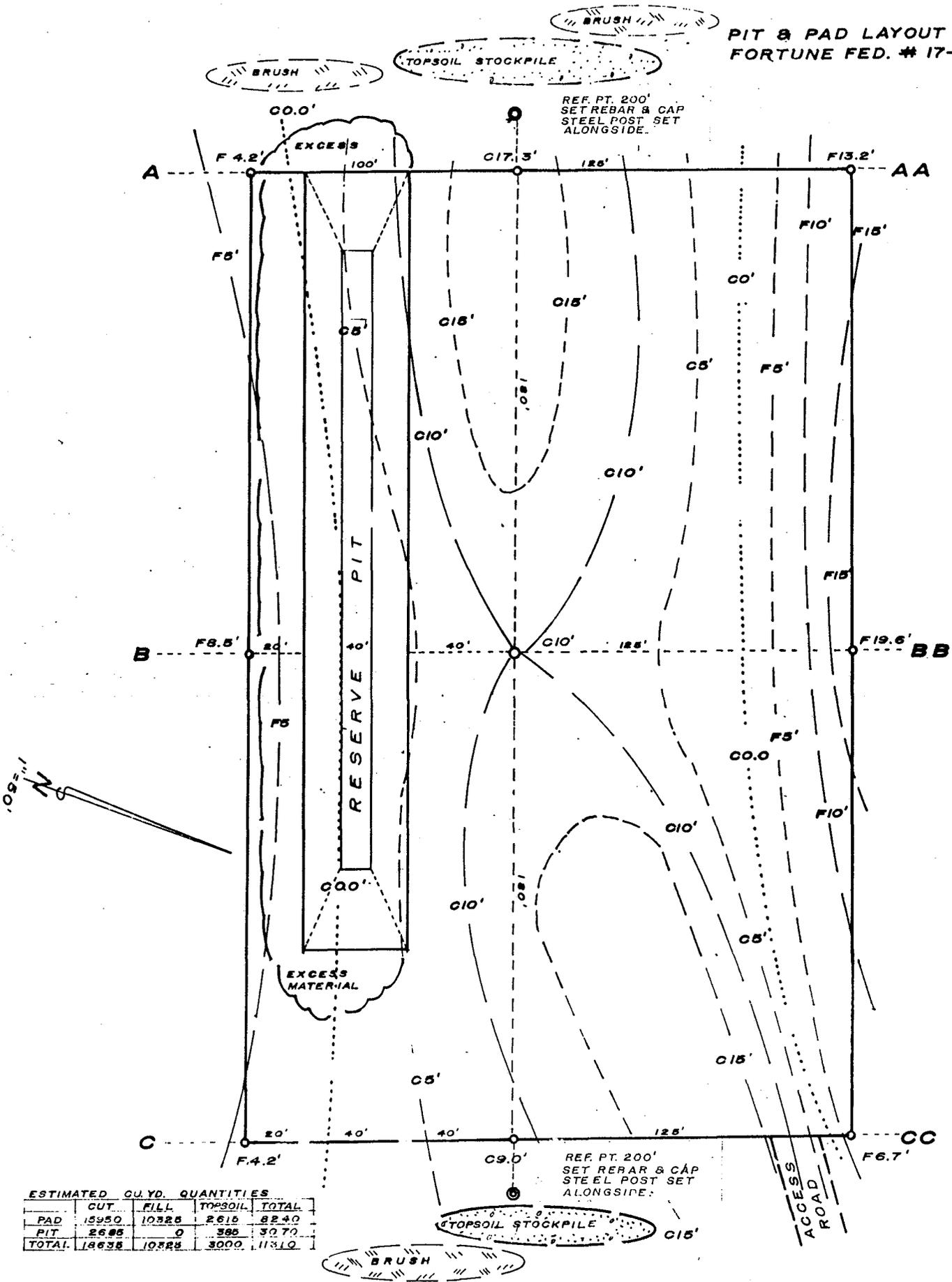
Scheree Wilcox

Operations Manager

ACCESS ROAD & TOPO MAP
FORTUNE FED. #17-B
Spring



PIT & PAD LAYOUT
FORTUNE FED. # 17-8



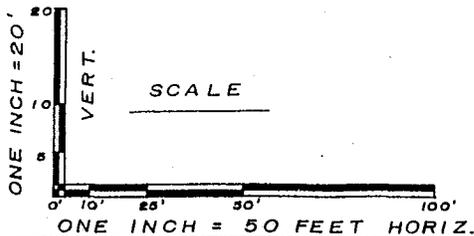
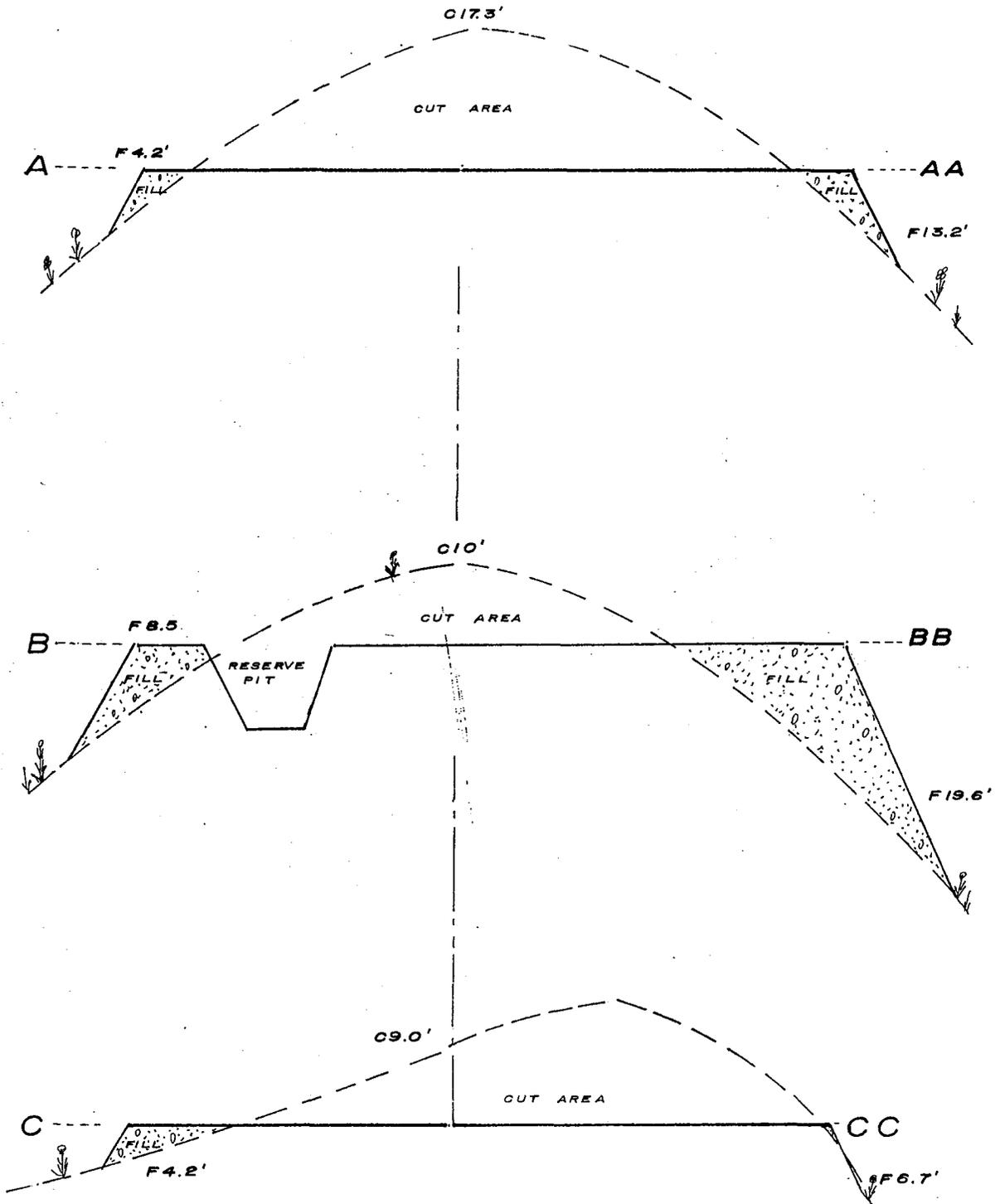
ESTIMATED CU. YD. QUANTITIES

	CUT	FILL	TOPSOIL	TOTAL
PAD	15950	10325	2615	8240
PIT	2685	0	385	3070
TOTAL	18635	10325	3000	11310

FORTUNE OIL CO.

EXHIBIT "D"

CROSS-SECTIONS
OF PIT & PAD



FORTUNE OIL CO.
 FORTUNE FED.#17-8

CONFIDENTIAL

OPERATOR Fortune Oil Co DATE 9-7-83

WELL NAME Feb. 17-8

SEC SENE 7R 8 T 16S R 25E COUNTY Grand

43-019-31699
API NUMBER

Feb
TYPE OF LEASE

POSTING CHECK OFF:

- | | | | | | |
|--------------------------|-------|--------------------------|-----|--------------------------|----|
| <input type="checkbox"/> | INDEX | <input type="checkbox"/> | MAP | <input type="checkbox"/> | HL |
| <input type="checkbox"/> | NID | <input type="checkbox"/> | | <input type="checkbox"/> | PI |

PROCESSING COMMENTS:

✓ CHIEF PETROLEUM ENGINEER REVIEW:

9/8/83, Cause No. 149-22 Test well w/ Determination
as to #42-8 well upon completion of #17-8.

APPROVAL LETTER:

- SPACING: A-3 _____ UNIT c-3-a 149-22 8/25/83
CAUSE NO. & DATE
- c-3-b c-3-c

SPECIAL LANGUAGE:

None

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

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER 149-22

UNIT _____

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

September 8, 1983

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

RE: Well No. Federal 17-8
SENE Sec. 817, T.16S, R.25E
1748' FNL, 511' FBL
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. 149-22 dated August 25, 1983. Prior to spudding, a copy of the Utah Division of Water Rights (Phone No. 801-533-6071) approval for use or purchase of drilling water must be submitted to this office, otherwise this approval is void.

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 - Chief Petroleum Engineer
Office: 533-5771
Home: 571-6068

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 43-019-31099.

Sincerely,


R. J. Firth
Chief Petroleum Engineer

RJF/as
cc: Branch of Fluid Minerals
Encl.

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

NAME OF COMPANY: FORTUNE OIL COMPANY

WELL NAME: FED. 17-8

SECTION SENE 8 TOWNSHIP 16S RANGE 25E COUNTY GRAND

DRILLING CONTRACTOR

RIG #

SPUDDED: DATE 9-20-83

TIME 10:00 AM

How DRY HOLE DIGGER

DRILLING WILL COMMENCE

REPORTED BY Sheree

TELEPHONE #

DATE 9-20-83 SIGNED RJF

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OIL & GAS
RECEIVED

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
17503

UNIT AGREEMENT NAME
CITY OF UTAH

8. FARM OR LEASE NAME
Federal

9. WELL NO.
#17-8

10. FIELD AND POOL, OR WILDCAT
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 17, 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
FORTUNE OIL COMPANY

3. ADDRESS OF OPERATOR
50 South Main, #1570, Salt Lake City, UT 84144

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 1748' FSL & 511' FEL
At proposed prod. zone FNL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 22 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 511'

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17. NO. OF ACRES ASSIGNED TO THIS WELL

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

19. PROPOSED DEPTH
7,313'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
8459' GR

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When Approved

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6 1/4"	4 1/2"	N-80, 11.6#	7,313'
tubing -	2 3/8"	4.7#, J-55	7,313'

QUANTITY OF CEMENT
Cement to surface
Cement to surface

RECEIVED
SEP 21 1983

DIVISION OF OIL, GAS & MINING

FORTUNE OIL COMPANY PROPOSES TO DRILL A WELL TO TEST THE DAKOTA/MORRISON FORMATIONS. All significant water flows and hydrocarbons shows will be evaluated.

(See Attachments)

(well to be drilled in accordance with the Order issued in Cause No. 149-22, dated 8/25/83 and Cause No. 149-1, dated March 14, 1979, Board of Oil, Gas, and Mining, State of Utah)

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 Scherer Wilcox TITLE Operations Manager DATE 8/31/83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Kenneth V. Rhee TITLE Associate District Manager DATE 9/6/83

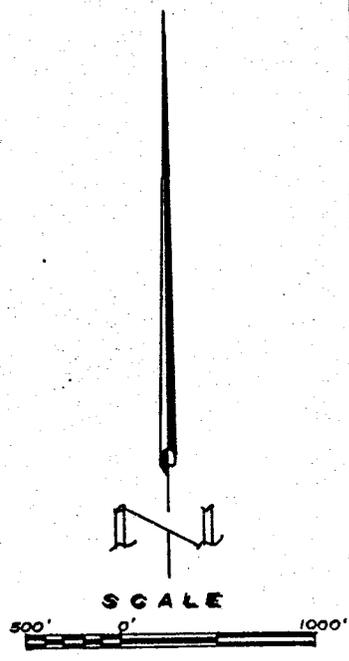
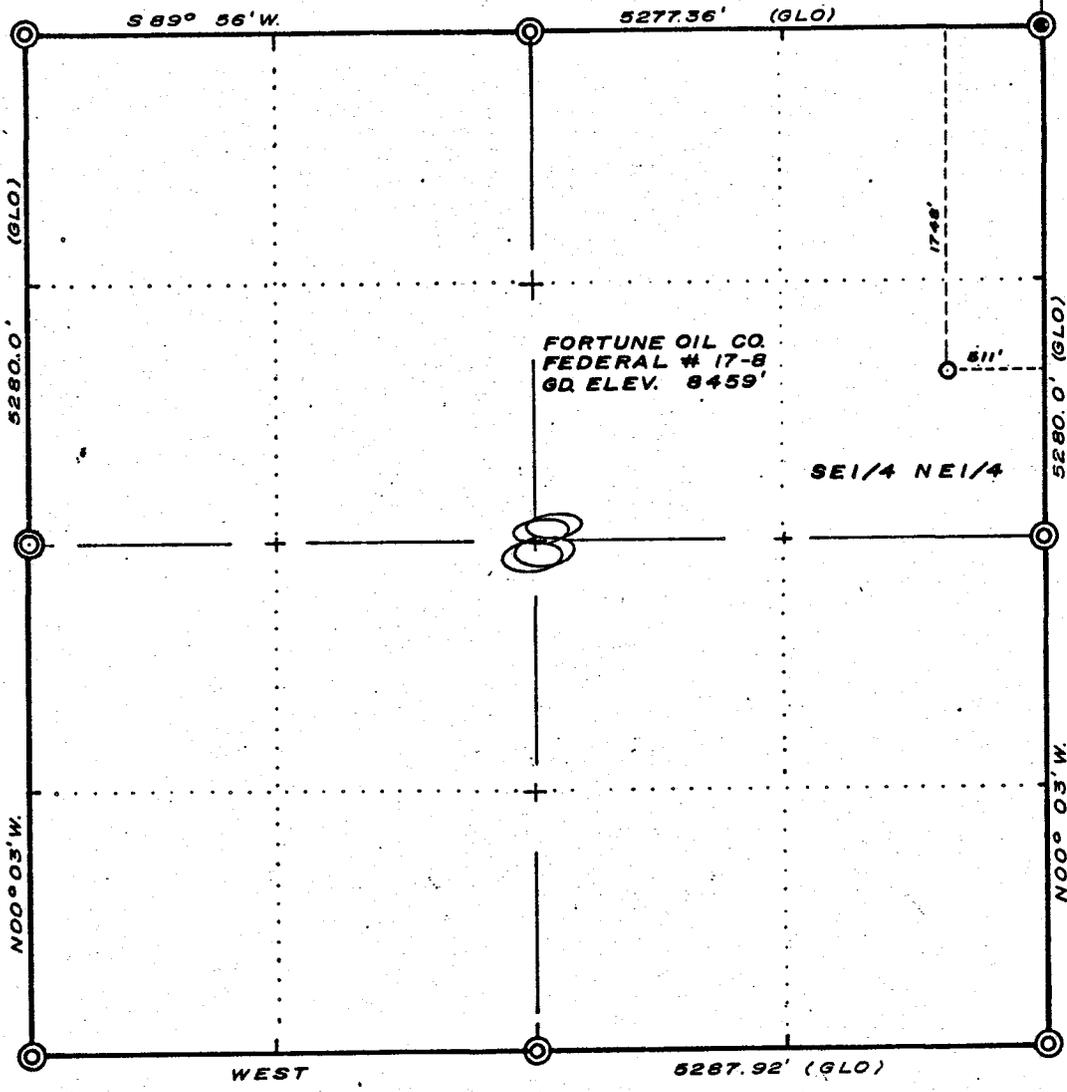
CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

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

SEC. 8, T. 16 S., R. 25 E. OF THE S.L.M.

LOCATION PLAT



- LEGEND**
- ⊙ STANDARD LOCATION OF GLO SECTION CORNERS
 - GLO CORNERS FOUND
 - WELL LOCATION STAKED.
- REFERENCE DOCUMENTS**
- 1924 GLO PLAT.
 - SAN ARROYA RIDGE, UTAH QUADRANGLE, USGS

THIS WELL LOCATION PLAT WAS PREPARED FOR FORTUNE OIL CO.
 TO LOCATE THE FORTUNE FEDERAL # 17-8, 1748' F.N. L. &
511' F.E. L. IN THE SE 1/4 NE 1/4, OF SECTION 8, T.16S., R.25E.
 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

SURVEYED	8-17	ENERGY SURVEYS & ENGINEERING CORP.	715 HORIZON DRIVE, SUITE 330 GRAND JUNCTION, CO 81501 (303) 245-7221	SCALE 1" = 1000'
DRAWN	8-18			JOB NO.
CHECKED	8-19-83			SHEET OF

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Fortune Oil Company Well No. 17-8
Location Sec. 8, T. 16 S., R. 25 E. Lease No. U-05010-C

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

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

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

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

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

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

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

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

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

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

Your contact with the District Office is: Tom Hare

Office Phone: 801-259-6111 Ext 235 Home Phone: 801-259-7965

City: Moab State: Utah

Resource Area Manager's Address and contacts are:

Address: Old Sand Flat Road, P.O. Box M, Moab, Utah 84532

Your contact is: Wayne Svejnoha

Office Phone: 801-259-8193 Home Phone: 801-259-8476

7. SURFACE OPERATING STANDARDS

Unless otherwise specified herein, construction and maintenance of surface facilities approved under this plan shall be in accordance with the guidelines set forth in the BLM/FS/GS Oil and Gas Brochure entitled, "Surface 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.

8. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect must be filed, for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
9. Pursuant to NTL-2B requirements regarding disposal facilities for new wells, this is authorization for unlined pit disposal of the water produced from this well for a period of 90 days from the date of initial production for sales purposes. During this period, an application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted for the District Manager's approval. Failure to timely file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order until the application is submitted.
10. This permit is valid for a period of one year from the date of approval. If construction does not commence within 90 days from approval, the operator must contact this office 15 days prior to beginning construction. Construction under adverse conditions may require additional stipulations. If the permit terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan. After termination, it is required that a new application be filed for approval for any future operations.
11. If a tank battery is constructed on this lease, it must be surrounded by a fire wall of sufficient capacity to adequately contain the storage capacity of the battery.
12. This Application for Permit to Drill is approved subject to the requirement that, should the well be successfully completed for production, this office must be notified when it is placed in a producing status. Such notification will be by telegram or other written communication, and must be received in this office by not later than the first business day next following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address and telephone number.
 - b. Well name and number.
 - c. Well location (1/4, 1/4, Section, Township, Range and Prime Meridian).
 - d. Date was placed in a producing status.
 - e. The nature of the well's production, i.e. crude oil, or crude oil and casinghead gas, or natural gas and entrained liquid hydrocarbons.

- f. The OCS, Federal or Indian lease prefix and number on which the well is located. Otherwise, the non-Federal or non-Indian land category, i.e. State or private.
- g. If appropriate, the unit agreement name, number and participating area name.
- h. If appropriate, the communitization agreement number.

13.

SUPPLEMENTAL STIPULATIONS OF APPROVAL ATTACHED

Fortune Oil Company
Well No. 17-8
Sec. 8, T. 16 S., R. 25 E.
Grand County
Lease U-05010-C

Supplemental Stipulations:

1. Adequate and sufficient electric/radioactive logs will be run to locate and identify anticipated coal beds in the Neslen coal bearing member of the Price River 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.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

SUGGESTED COLORS TO PAINT OIL & GAS

PRODUCTION FACILITIES

Recommended
Color

_____	Sand Beige	(5Y 6/3)
_____	Desert Brown	(10YR 6/3)
_____	Carlsbad Canyon	(2.5Y 6/2)
_____	Slate Gray	(5Y 6/1)
_____	Sudan Brown	(2.5Y 4/2)
_____	Brush Brown	(10YR 5/3)
✓	Juniper Green	
✓	Shale Green	(5Y 4/2)
_____	Yuma Green	(5Y 3/1)
_____	Largo Red	(2.5Y 5/6)

These colors were selected by the Rocky Mtn. Five State Interagency Oil and Gas committee) to be used as standard environmental colors. The states involved with this committee are Colorado, Montana, New Mexico, Utah and Wyoming.

The paint names referred to above are manufactured by Kansas Paint and Color Company, Wichita, Kansas. Numbers in parenthesis () refer to Munsell Soil Color Charts. Since manufacturer's names vary for paint colors any paint with an equal Munsell color notation can be substituted.

SEED MIXTURE

<u>Species</u>		<u>lbs/acre</u>
<u>Grasses</u>		
Elymus salinus	Salina wildrye	1
* Oryzopsis hymenoides	Indian ricegrass	2
<u>Forbs</u>		
Melilotus officinalis	Yellow sweetclover	1
<u>Shrubs</u>		
Amelanchier utahensis	Utah serviceberry	1
Cowania mexicana	Mexican cliffrose	<u>1</u>
		6 lbs/acre

Broadcast seed will be applied at double the above rate.

Seeding will be done in the fall of the year (Oct. - Dec.) however, if the company desires, once the reserve pit is dry, rehabilitation and reseedling can commence. This may allow or facilitate completion of the location while the earthmoving equipment is still on location.

NOTICE OF SPUD

*wtr ok
ef*

Company: Fortune Oil Company

Caller: Sherie

Phone: _____

Well Number: 17-8

Location: SENE 8-16S-25E

County: Grand State: Utah

Lease Number: U-05010-C

Lease Expiration Date: _____

Unit Name (If Applicable): _____

Date & Time Spudded: 9-20-83 10:00 A.M.

Dry Hole Spudder Rotary: _____

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

Rotary Rig Name & Number: Ueko #2

Approximate Date Rotary Moves In: 9-24-83

FOLLOW WITH SUNDRY NOTICE

Call Received By: Ks

Date: 9-20-83

RECEIVED

SEP 22 1983

DIVISION OF
OIL, GAS & MINING

STATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. oil well gas well other

2. NAME OF OPERATOR
FORTUNE OIL COMPANY

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1748' FNL & 511' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

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

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

5. LEASE
U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal

9. WELL NO.
#17-8

10. FIELD OR WILDCAT NAME
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 8, T16S, R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8459' GR

"TIGHT HOLE"

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

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

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

Spud Date: 9/28/83 @ 11:00 p.m.
Drilling Contractor: Veco Rig #2

Formation Tops:

Casing: 9 5/8" SA 277'
7" SA 3840'
4 1/2" SA 7660'

Castlegate	-	3382'
Mancos	-	3470'
"B"	-	4144'
Base	-	4922'
Frontier	-	6708'
Dakota Silt	-	6982'
Sand	-	7028'
Cedar Mtn	-	7180'
Morrison	Set @	7274' Ft.
Salt Wash	-	7509'

Total Depth: 7660' reached 10/8/83
Completion Operations to commence 10/17/83

Subsurface Safety Valve: Manu. and Type _____

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

SIGNED Cherise Wilson TITLE Operations Manager DATE 10/11/83

(This space for Federal or State office use)

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

STATE
M

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. oil well gas well other

2. NAME OF OPERATOR
FORTUNE OIL COMPANY

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1748' FNL & 511' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

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

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

REPORT OF OPERATIONS

5. LEASE
U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal

9. WELL NO.
#17-8

10. FIELD OR WILDCAT NAME
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 8, T16S, R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. API NO.
43-019-31099

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8459' GR

TIGHT HEAD RECEIVED
NOV 9 1983

(NOTE: Report results of multiple completions and change on Form 9-331-C)

DIVISION OF
OIL, GAS & MINING

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

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

TD: 7660'
OC completion operations 10/12/83

Perforations:

- 7526'-36' (acidized w/12.2 bbls. 15% WSE-1, fraced w/420 bbls. 7550'-55' 5% HCL, 1,570 MSCF nitrogen, 14,000# 100-mesh sand, 56,000# 20-40 sand. flow tested at average rate of 450 MCF/D (Salt Wash).
- 7269'-46' (acidized w/350 gal. 7 1/2% WSC-1 acid, swabbed,)
7200'-08' (acidized w/450 gal. 7 1/2% WSC-1 acid, swabbed,)

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.
(see attachment "A")

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

SIGNED Sherie C. Wilcox TITLE Operations Manager DATE 11/7/83

(This space for Federal or State office use)

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

ATTACHMENT "A"

Fortune Oil Company
Federal #17-8
Sec. 8, T16S, R25E
Grand County, Utah

Sundry Notices and Reports on Wells (con't.)

- 3) 7148'-58' (acidized w/650 gal. 7½% WSC-10, swabbed,
7072'-96' fraced interval 7072'-7269' w/78918 gal. 75 quality
foam using triple entry technique, used 476 bbls.
5% HCL, 2.57 MSCF nitrogen, 15,000# 100 mesh sand,
and 74,000# 20-40 sand.)

Currently flow-testing Dakota and Cedar Mountain Formations
for stabilized rate.

Formation Tops:

Castlegate	-	3382'
Mancos	-	3470'
"B"	-	4144'
Base	-	4922'
Frontier	-	6708'
Dakota Silt	-	6982'
Sand	-	7028'
Cedar Mountain	-	7180'
Morrison	-	7274'
Salt Wash	-	7509'

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

TIGHT HOLE
Form approved by Budget Bureau No. 47-1355.5

5. LEASE DESIGNATION AND SERIAL NO.

U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

#17-8

10. FIELD AND POOL, OR WILDCAT

San Arroyo Area

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

Sec. 8, T16S, R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

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

2. NAME OF OPERATOR
FORTUNE OIL COMPANY

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1748' FNL & 511' FEL
At top prod. interval reported below
At total depth

SENE

14. PERMIT NO. 43-019-31099 DATE ISSUED

15. DATE SPUDDED 9/28/83 16. DATE T.D. REACHED 10/7/83 17. DATE COMPL. (Ready to prod.) 11/10/83 SIGW 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* 8459' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 7660' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY Surf.-TD ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
7526'-7555' Salt Wash 7200'-7269' Cedar Mountain 7072'-7158' Dakota 25. WAS DIRECTIONAL SURVEY MADE

26. TYPE ELECTRIC AND OTHER LOGS RUN
Temperature Log; CBL, PDL-GR, CDI-SNL 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# H-40	277'	12 1/4"	250 sx, 2% CaCl	None
7"	23# J-55	3840'	8 3/4"	150 sx, 2% CaCl	None
4 1/2"	11.6# N-80	7650'	6 1/4"	175 sx 10-0 cmt	None

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2 3/8"	7117'	

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
INTERVAL	PERFORATION	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7526'-7536'	selectively perforated		
7550'-7555'	"		
7269'-7246'	"		
7200'-7208'	"		
7148'-7158'	"		
33. 7072'-7096'	"		

33. PRODUCTION

DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) WELL STATUS (Producing or shut-in) Shut-In

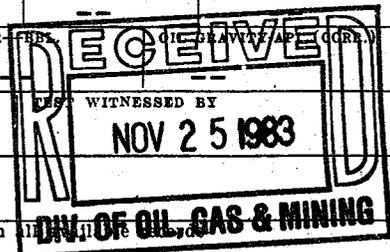
DATE OF TEST 11/13/83 HOURS TESTED 24 CHOKE SIZE 12/64" PROD'N. FOR TEST PERIOD -- OIL—BBL. 445 GAS—MCF. WATER—BBL. GAS-OIL RATIO

FLOW. TUBING PRESS. 350 CASING PRESSURE 350 CALCULATED 24-HOUR RATE -- OIL—BBL. 445 GAS—MCF. WATER—BBL. GAS-OIL RATIO

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
to be sold when well placed on production

35. LIST OF ATTACHMENTS
Attachment "A"

36. I hereby certify that the foregoing and attached information is complete and correct as determined from
SIGNED Schesee E. Wilcox TITLE Operations Manager DATE 11/22/83



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

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions. If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

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

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

No Cores, No DST's

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP TRUE VERT. DEPTH
37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES						
				Castlegate	3382'	
				Mancos	3470'	
				Mancos "B"	4144'	
				Base	4922'	
				Frontier	6708'	
				Dakota Silt	6982'	
				Dakota Sand	7028'	
				Cedar Mountain	7180'	
				Morrison	7274'	
				Salt Wash	7509'	
				TD:	7660'	
38. GEOLOGIC MARKERS						

Attachment "A"
Fortune Federal 17-8
Sec. 8, T16S, R25E
Grand County, Utah

Item 32: Acid, Shot, Fracture, Cement Squeeze, Etc.:

<u>Depth Interval:</u>	<u>Amount and Kind of Material Used:</u>
1) 7526'-7536' 7550'-7555'	acidized w/12.2 bbls. 15% WSE-1, fraced w/420 bbls. 5% HCL, 1,570 MSCF nitrogen, 14,000# 100-Mesh Sand & 56,000# 20-40 sand
2) 7269'-7246' 7200'-7208'	acidized w/350 gal. 7½% WSC-1 acid, swabbed acidized w/450 gal. 7½% WSC-1 acid, swabbed
3) 7148'-7158' 7072'-7096'	acidized w/650 gal. 7½% WSC-10, swabbed,
4) 7072'-7269'	fraced w/78918 gal. 75 quality foam using triple entry technique, using 476 bbls. 5% HCL, 2.57 MSCF Nitrogen, 15,000# 100 mesh sand, and 74,000# 20-40 sand.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. oil well gas well other

2. NAME OF OPERATOR
Fortune Oil Company

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1748' FNL & 511' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

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

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

5. LEASE U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME Federal

9. WELL NO. #17-8

10. FIELD OR WILDCAT NAME San Arroyo Area

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8, T16S, R25E

12. COUNTY OR PARISH Grand 13. STATE Utah

14. API NO. 43-019-31099

15. ELEVATIONS (SHOW DF, KDB, AND WD) 8459' GR

(NOTE: Report results of multiple completions change on Form 9-330.)

CONFIDENTIAL

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

Fortune Oil Company herewith advises that the subject well was placed on production February 3, 1984 at 1:30 p.m.

Rate: 394 MCF/D Choke: 12/64"

Tubing Pressure: 770 psi
Casing Pressure: 800 psi

Transporter: Northwest Pipeline Company
Purchaser: Southwest Gas Corporation

RECEIVED
FEB 8 1984

**DIVISION OF
OIL, GAS & MINING**

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

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

SIGNED Scherie Wilson TITLE Operations Manager DATE February 6, 1984

(This space for Federal or State office use)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. oil well gas well other

2. NAME OF OPERATOR
Fortune Oil Company

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1748' FNL & 511' FEL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

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

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

5. LEASE
U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Federal

9. WELL NO.
#17-8

10. FIELD OR WILDCAT NAME
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 8, T16S, R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. API NO.
43-019-31099

15. ELEVATIONS (SHOW DF, KDB, AND WD)
8459' GR

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

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

Fortune Oil, Ltd., herewith advises that the subject well which was shut-in on July 11, 1985, was placed back on production on November 20, 1985.

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

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

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

SIGNED *Cherise A. Wacey* TITLE Operations Manager DATE 2/18/86

(This space for Federal or State office use)

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

OIL COMPANY LTD.
Fortune

February 17, 1986

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

RECEIVED
FEB 24 1986

Attention: Mr. Norm Stout

DIVISION OF
OIL, GAS & MINING

Gentlemen:

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

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

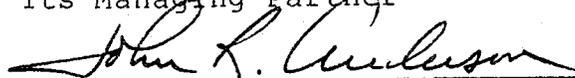
Personnel shall be the same under both Fortune Oil, Ltd. and Anderson Exploration Company. Please address further correspondence with respect to Fortune Oil Company interests to its successor in interest as follows:

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

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

Sincerely yours,

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



John R. Anderson
President



UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

OLD *NEW*

~~© FORTUNE OIL COMPANY~~ **FORTUNE OIL LTD**
3450 HIGHLAND DR #200
SALT LAKE CITY UT 84106
ATTN: SCHEREE E. WILCOX

Utah Account No. N2260
Report Period (Month/Year) 2 / 86
Amended Report

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

Comments (attach separate sheet if necessary) _____

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

Authorized signature _____ Telephone _____

RECEIVED
JUL 14 1987

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

DIVISION OF
OIL, GAS & MINING

July 13, 1987

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

072825

15685

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

Gentlemen:

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

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

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

Sincerely yours,

FORTUNE OIL LTD.

Scheree Wilcox
Scheree Wilcox
Operations Manager

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

METER CODE	WELL NAME	LOC	RUN	DAY	MO/YR	STARTING TIME
92311015	FEDERAL #31-1 16S 24E 1	06	07	1	10/85	1000
92114015	ANDERSON #2 16S 24E 12	06	07	9	12/85	0900
92283011	FEDERAL #21-7 16S 25E 7	06	07	4	12/85	0930
92283014	FEDERAL #24-1 16S 24E 24	06	07	4	12/85	1130
92286010	FEDERAL #43-7 16S 25E 7	06	07	4	12/85	1030
92312011	FEDERAL #34-31 15 1/2 S 25E 31	06	12	2	10/85	0900
92314014	FEDERAL #17-8 16S 25E 8	06	12	11	11/85	1100
92113019	ANDERSON #1 16S 25E 8	06	12	10	12/85	1100
92284018	FEDERAL #23-1 16S 24E 1	06	12	10	12/85	1200

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLE COPY
(Other instructions on re-
verse side)

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

5. LEASE DESIGNATION AND SERIAL NO.

U-05010-C

PGW

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

093006

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

17-8

10. FIELD AND POOL, OR WILDCAT

San Arroyo Area

11. SEC., T., E., N., OR BLK. AND SURVEY OR AREA

Sec. 8, T16S, R25E

12. COUNTY OR PARISH 13. STATE

Grand

Utah

14. PERMIT NO.

43-019-31099

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

8459' GR

16.

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANS

(Other)

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

(Other) turn well on to production

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

Bonneville Fuels Corporation herewith provides written notification that the Federal 17-8 was turned on to production on September 9, 1987.

RECEIVED

SEP 28 1987

SECTION OF OIL
9-11-87

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

SIGNED

Greg Frombly

TITLE

PRESIDENT

DATE

9-11-87

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Form 100-5
(November 1983)
Formerly 9-331

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

Form approved
Budget Bureau No. 1000-0145
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NO.

U-05010-C

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

17-8

10. FIELD AND POOL, OR WILDCAT

San Arroyo Area

11. SEC., T., E., N., OR BLE. AND SURVEY OR AREA

Sec. 8, T16S, R25E

12. COUNTY OR PARISH 13. STATE

Grand

Utah

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

Bonneville Fuels Corporation

3. ADDRESS OF OPERATOR

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

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

1748' FNL, 511' FEL

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RI, GR, etc.)

43-019-31099

8459' GR

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other) turn well on to production

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other) _____

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

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

Bonneville Fuels Corporation herewith provides written notification that the Federal 17-8 was turned on to production on September 9, 1987.

RECEIVED

SEP 28 1987

DEPT OF OIL
AND GAS

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

SIGNED

Greg Trumble

TITLE

PRESIDENT

DATE

9-11-87

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Title 15 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.

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

<u>Lease Number</u>	<u>Well Name</u>	<u>API #</u>	<u>Location</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Fee 00582	Anderson 1-8	4301930135	SE/SW	8	16S	25E
U-05010-C	Federal 17-8	430 ⁰¹⁹ 017 31099	SW/NE	8	16S	25E
U-05010-C	Federal 21-7	4301930755	NE/NW	7	16S	25E
U-04967-C	Federal 23-1	4301930721	NE/SW	1	16S	24E
U-04967-C	Federal 31-1	4301931030	SE/SE	1	16S	24E
U-04967-C	Federal 34-31	4301931046	SW/SW	31	15S	25E
U-05010-C	Federal 43-7	4301930991	NW/SE	7	16S	25E
U-08351	Federal 7-30-15-23	43047 31247	NW/SE	30	15S	23E

RECEIVED

MAR 08 1993

DIVISION OF
OIL GAS & MINING

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

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO.
2. NAME OF OPERATOR Beartooth Oil & Gas Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR P. O. Box 2564, Billings, MT 59103 (406)259-2451		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface		8. FARM OR LEASE NAME
14. PERMIT NO.		9. WELL NO. SEE EXHIBIT "A"
15. ELEVATIONS (Show whether DF, RT, OR, etc.)		10. FIELD AND POOL, OR WILDCAT
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
		12. COUNTY OR PARISH
		13. STATE

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

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

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

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

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

RECEIVED

MAR 12 1993

DIVISION OF
OIL GAS & MINING

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

SIGNED Grace E. Brown TITLE Lease Consultant DATE 3/10/93

(This space for Federal or State office use)

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

EXHIBIT "A"

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

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

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

RECEIVED

MAR 12 1993

DIVISION OF
OIL GAS & MINING



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

RECEIVED

MAR 10 1993

UT 50-41-3
7 AS

Page ____ of ____

DIVISION OF
OIL GAS & MINING
PRODUCING ENTITY ACTION

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

ACTION CODE

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

BRACKET WELLS TO BE GROUPED TOGETHER.

(Use black ink or typewriter ribbon.)

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

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

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

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

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

Explanation of action:

Change operator form Bonneville Fuels to Beartooth Oil & Gas Company

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

Explanation of action:

Change operator from Bonneville Fuels to Beartooth Oil & Gas Company

an equal opportunity employer

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

April 20, 1993

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

Re: Successor of Operator
Communitization Agreement (CA)
UT060P49-84C719
Grand County, Utah

Gentlemen:

We received an indenture dated March 1, 1993, whereby Bonneville Fuels Corporation resigned as Operator and Beartooth Oil & Gas Company was designated as Operator for CA UT060P49-84C719, Grand County, Utah.

This instrument is hereby accepted effective as of April 20, 1993. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under CA UT060P49-84C719.

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

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

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)
Division Oil, Gas, & Mining/
File - UT060P49-84C719 (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron

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

RECEIVED
APR 21 1993
DIVISION OF
OIL GAS & MINING

WELL STATUS REPORTS
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM UT060P4984C719									
UT060P4984C719	430193109900S1	17-8	SENE	8	16S	25E	PGW	UTU05010C	BONNEVILLE FUELS CORPORAT

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

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

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

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

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

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

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

OPERATOR CHANGE DOCUMENTATION

1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 3-8-93)*
2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Reg. 3-10-93) (Rec'd 3-12-93)*
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: _____.
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.
5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(5-12-93)*
6. Cardex file has been updated for each well listed above. *(5-12-93)*
7. Well file labels have been updated for each well listed above. *(5-12-93)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(5-12-93)*
9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

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

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

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

MICROFILMING

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

FILED

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

REMARKS

930512 Btm/moab Approved on 3-15-93, eff. 3-1-93.
 Btm/S.Y. Approved CA's UTO60P49-840719 & mo49P-84700C eff. 4-20-93.