

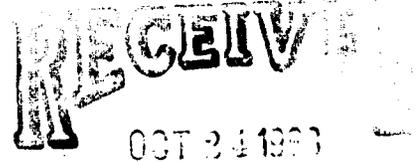
TXO

TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

October 21, 1983



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

**DIVISION OF
OIL, GAS & MINING**

Re: Application for Permit to Drill
BMG Federal #2
Grand County, Utah

Dear Norm:

Enclosed please find three copies of the "Application for Permit to Drill" the above referenced well. Also enclosed is a copy of the APD/MSUOP that was submitted to the Bureau of Land Management.

Due to extremely rough terrain, we were unable to locate the BMG Federal #2 wellsite further than 1,000 feet from the section line. TXO Production Corp. has operating rights in all of the adjacent sections and requests an administrative spacing exception for this prospect.

The water source to be used for the drilling of this well is a pond in Section 9-T18S-R24E which is approved for use under permit number 58364 (01-176).

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

Very truly yours,

TXO PRODUCTION CORP.

A handwritten signature in cursive script that reads "Paul Urban".

Paul Urban
Environmental Scientist

Enclosures/as stated



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 TXO Production Corp. Attn: Paul Urban (303) 861-4246

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 669' FSL, 613' FWL Section 8-T16S-R26E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 15 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) 3929'

16. NO. OF ACRES IN LEASE 2560

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. 4611'

19. PROPOSED DEPTH 5500'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6553' GR

22. APPROX. DATE WORK WILL START*
 November 15, 1983

5. LEASE DESIGNATION AND SERIAL NO.
 U-05015

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

7. UNIT AGREEMENT NAME
 - - -

8. FARM OR LEASE NAME
 BMG Federal

9. WELL NO.
 #2

10. FIELD AND POOL, OR WILDCAT
 San Arroyo ✓

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 8-T16S-R26E

12. COUNTY OR PARISH 13. STATE
 Grand Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	300'	160 sacks
8 3/4"	7"	20#	2050'	150 sacks
6 1/4"	4 1/2"	10.5#	5500'	125 sacks

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 R. E. Dashner TITLE District Drilling Manager DATE October 20, 1983

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

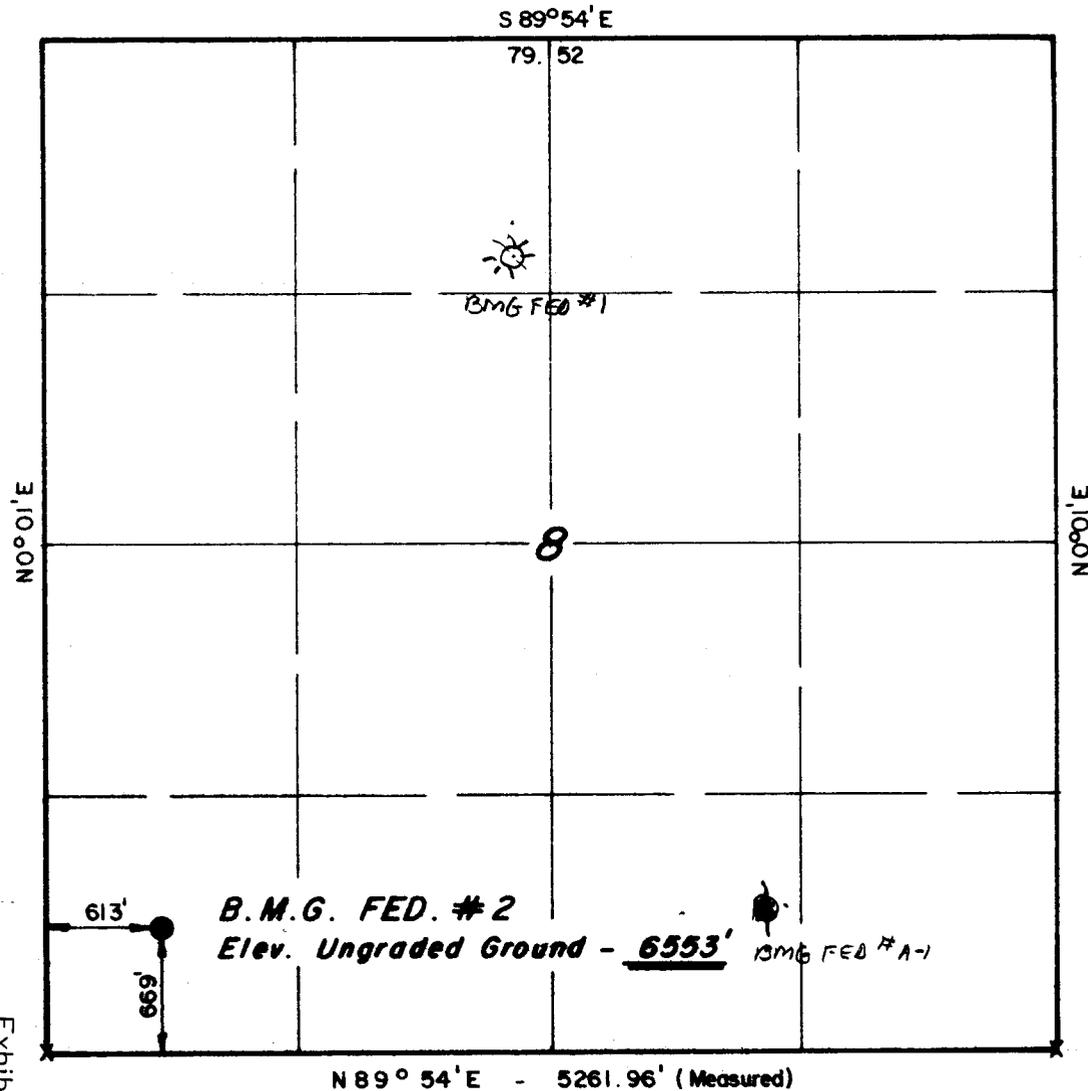
CONDITIONS OF APPROVAL, IF ANY:

107-1 (320' →)
10-28-83
21

T16S, R26E, S.L.B. & M.

PROJECT
TXO PRODUCTION CORP.

Well location, *B.M.G. FED. # 2*,
 located as shown in the SW1/4SW1/4
 Section 8, T16S, R26E, S.L.B. & M.
 Grand County, Utah.



CERTIFICATE

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

Nelson J. ...

REGISTERED LAND SURVEYOR
 REGISTRATION NO 2454
 STATE OF UTAH

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

SCALE	1" = 1000'	DATE	10/14/83
PARTY	DB BK TJ RP	REFERENCES	GLO Plat
WEATHER	Warm / Dry	FILE	TXO

X = Section Corners Located

Exhibit 2
 Survey Plat

OPERATOR TXU Production Corp DATE 10-26-83

WELL NAME BMG Fed #2

SEC SWSW 8 T 16S R 26E COUNTY Grand

43-019-31108
API NUMBER

Fed.
TYPE OF LEASE

POSTING CHECK OFF:

- INDEX
- MAP
- HL
- NID
- PI

PROCESSING COMMENTS:

LAY DOWN 37-0

370's → or ↑ NCT 2500 TO WELL OF SAME FORMATION, OR 500' FR BOUNDARY

no gas wells within 2500'

Colorado water

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 10-29-83

BY: [Signature]

✓
CHIEF PETROLEUM ENGINEER REVIEW:
10/29/83 ✓

APPROVAL LETTER:

SPACING: A-3 _____ UNIT

c-3-a 107-1 2-11-65
CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

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

107-1 320' 2 ↑ or →

UNIT

c-3-b

c-3-c

*BMG FED 1 1140 FNL 2452 FWL
A/A " " A-1 753 FSL 1506 FEL*

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.

October 28, 1983

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

RE: Well No. BMG Federal #2
SWSW Sec. 8, T. 16S, R. 26E
669' PSL, 613' FWL
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. 107-1 dated February 11, 1965.

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 43-019-31108.

Sincerely,


Norman C. Stout
Administrative Assistant

NCS/as
cc: Branch of Fluid Minerals
Encl.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL DEEPEN OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

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

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 669' FSL, 613' FWL Section 8-T16S-R26E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
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21. ELEVATIONS (Show whether DF, RT, GR, etc.)
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22. APPROX. DATE WORK WILL START*
 November 15, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
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24. SIGNED R. E. Dasher TITLE District Drilling Manager DATE October 20, 1983

(This space for Federal, or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY DISTRICT MANAGER TITLE DISTRICT MANAGER DATE 11-8-87

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

DOG M

SUBJECT TO RIGHT OF WAY APPROVAL

FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 11/80

5. LEASE DESIGNATION AND SERIAL NO.
 U-05015

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

7. UNIT AGREEMENT NAME
 - - -

8. FARM OR LEASE NAME
 BMG Federal

9. WELL NO.
 #2

10. FIELD AND POOL OR WILDCAT
 San Gregorio

11. SEC., T., R. M., OR BLK. AND SURVEY OR AREA
 Section 8-T16S-R26E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

NOV 10 1983
 SINGLE ZONE MULTIPLE ZONE

RECEIVED
 UTAH STATE OFFICE
 OCT 21 1983

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company TXO Well No. BMG 2
Location Sec 8 T16S-R26E Lease No. U-05015

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: Lynn Jackson

Office Phone: 801-259-6111 Home Phone: _____

City: Moab State: Utah

Resource Area Manager's Address and contacts are:

Address: _____

Your contact is: Wagne Svajnoch

Office Phone: 259-8193 Home Phone: _____

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.

3. 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

Supplemental Stipulations

Operator: TXO

Well: BMG Fed #2

Sec. 8, T. 16 S., R. 26 E.

Grand County, Utah

Lease: U-05015

1. The Operator or his contractor will contact Wayne Svejnoha at the Grand Resource Area office in Moab, Utah phone (801) 259-8193, 48 hours prior to beginning any work on public lands.
2. For construction design of planned access road refer to Moab District Class II road standards.
3. The top 10 to 12 inches of soil material will be removed from the location and stockpiled separate from the trees and vegetation on the southwest side of the location.
4. The top 4 inches of soil material where available will be saved and windrowed along the access route.
5. The fence for the reserve pit will be 4 strand barbed wire.
6. All above ground production facilities will be painted Juniper Green.
7. Once topsoil has been redistributed, all disturbed areas will be scarified with the contour to a depth of 12 inches.
8. Seed mixture for TXO Lauck #1 or USA #1 will be suitable for this location. Seed will be broadcast during the fall of the year (Oct.-Dec.)
9. Post temporary well sign identifying location at time of spud. Information should include company, well number, lease number and legal description including footages or $\frac{1}{4}$.
10. Report spud to Moab District office (801) 259-6111 24 hours prior to spudding well.

ADDITIONAL STIPULATIONS FOR PRODUCTION FACILITIES

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.

9331 C ADDENDUM
BMG Federal #2
Section 8-T16S-R26E
Grand County, Utah

1. SURFACE FORMATION: Mesa Verde

2. ESTIMATED FORMATION TOPS:

Castlegate	1630'
Mancos	1830'
Dakota	5133'
Morrison	5433'
Total Depth	5500'

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

Expected Gas Zones: Dakota 5133'

Water may be encountered in the Mesaverde and Castlegate Formations.

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

5. 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.

6. MUD PROGRAM:

0-300' Air or air mist. If necessary will use spud mud at 8.8-9.2#/gal. vis. 35-45 sec. API.

300'-TD Air or air mist. If necessary, will use 3% KCI mud at 8.6-8.8 wt., vis. 28-32 sec. API.

7. 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.

8. CORING, LOGGING, TESTING PROGRAM:

- A. No coring is anticipated.
- B. Logging program will consist of: DIL from TD to intermediate pipe, GR from TD to surface pipe and FDC-SNP-GR-CAL from TD to 2000' above TD; if logged wet, CNL-FDC-GR-CAL from TD to 2000' above TD.
- C. No testing is anticipated.

9. ABNORMAL CONDITIONS:

- A. No abnormal pressures or temperatures are expected.
- B. No hazardous gases such as H₂S 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.

10. ANTICIPATED STARTING DATES:

Start location construction	November 15, 1983
Spud date	November 25, 1983
Complete drilling	December 15, 1983
Completed, ready for pipeline	December 30, 1983

- 11. 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 20, 1983

WELL NAME: BMG Federal #2

LOCATION: 669' FSL, 613' FWL, Section 8-T16S-R26E, Grand County, Utah.

1. EXISTING ROADS

- A. Proposed well site as staked. Refer to Exhibit 2. The well has been staked 669' FSL and 613' FWL in Section 8-T16S-R26E.
- B. Route and distance from nearest town or locatable reference point to where proposed access route leaves existing road: From Mack, Colorado, proceed west 2.3 miles on State Highway 6 & 50 to Eight Road in Colorado. Turn right on Eight road and proceed north 2.7 miles. Turn left, remaining on pavement, and proceed west 3.0 miles to a curve. Continue to follow the well-traveled and maintained road northwest for 3.1 miles to a fork. Take the left fork and proceed 3.1 miles to a fork. Take the right fork (left fork continues up Jim Canyon) and proceed up Prairie Canyon 1.8 miles to a fork. Take the left fork and proceed up Cottonwood Canyon for 1.6 miles to the Moxa Federal #1 well site. The proposed access road begins here.
- 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: The existing roads should not require any upgrading. During wet periods some maintenance may be necessary to allow passage by drilling rigs and well servicing vehicles. Dry periods necessitate watering the road to control dust.

2. PLANNED ACCESS ROAD

Show all necessary roads to be constructed or reconstructed: An access road, approximately 1.3 miles long, will be constructed between the existing road and the north side of the pad. The proposed road will be 18-20 feet wide with a grade of 10% or less, with short sections (300+) of 12%. Portions of the road are on a slope of approximately 30%, with several drainages requiring low-water crossings. There will be no cattleguards, gates or cutting of fences. Refer to Exhibit 4.

3. LOCATION OF EXISTING WELLS

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

- A. Water Wells-None
- B. Abandoned Wells-TXO BMG Fed. A #1, Sec. 8-T16S-R26E;
- C. Temporarily Abandoned Wells-None
- D. Disposal Wells-None
- E. Drilling Wells-None
- F. Producing Wells-TXO Moxa Fed. #1, Sec. 9-T16S-R26E
- G. Shut-in Wells-TXO BMG Fed. #1, Sec. 8-T16S-R26E
- 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-Moxa Fed. #1, Sec. 9-T16S-R26E
- 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 production unit, and, if necessary, a dehydrator. 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 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 West Salt Wash in Colorado.

- 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 cuts on location will furnish sufficient quantities of materials to construct a level location. Topsoil will be stockpiled on the southwest corner of the pad for later use during rehabilitation on 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 in location should not be required to construct the pad and road. Approximately 2,390 cubic yards of material will be derived from cuts on location and approximately 1976 cubic yards of fill is needed. Refer to Exhibit 7.
- D. Show any needed access roads crossing Federal or Indian Lands: The new access road will cross BLM administered lands in Section 8-T16S-R26E. 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 fracturing 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 woven 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 7.
- B. Location of mud tank, reserve pit, trash bin, pipe racks and other facilities. Refer to Exhibit 7.
- D. Statement regarding pit lining: Reserve pit will be unlined. However, if the sub-surface structure is too porous or is highly fractured, a 1 to 2 inch layer of bentonite will be used as a lining for the pit.

10. PLANS FOR RESTORATION OF SURFACE

- A. Backfilling, leveling, 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 30, 1983, 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 relatively flat ground. The soil in the area consists of a silty loam. Vegetation accounts for approximately 60 percent of the ground cover and is comprised of pinion pine, big sagebrush, juniper, oak brush, herbs and native grasses. Animals inhabiting the area 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 for oil and gas production and livestock grazing.
- 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 Cottonwood Canyon. An archeological survey will be performed and results forwarded to the necessary BLM office.

12. LESSEE'S OR OPERATORS REPRESENTATIVE

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
1600 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
(303) 429-2908

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 20, 1983



Ronald E. Dashner
District Drilling Manager

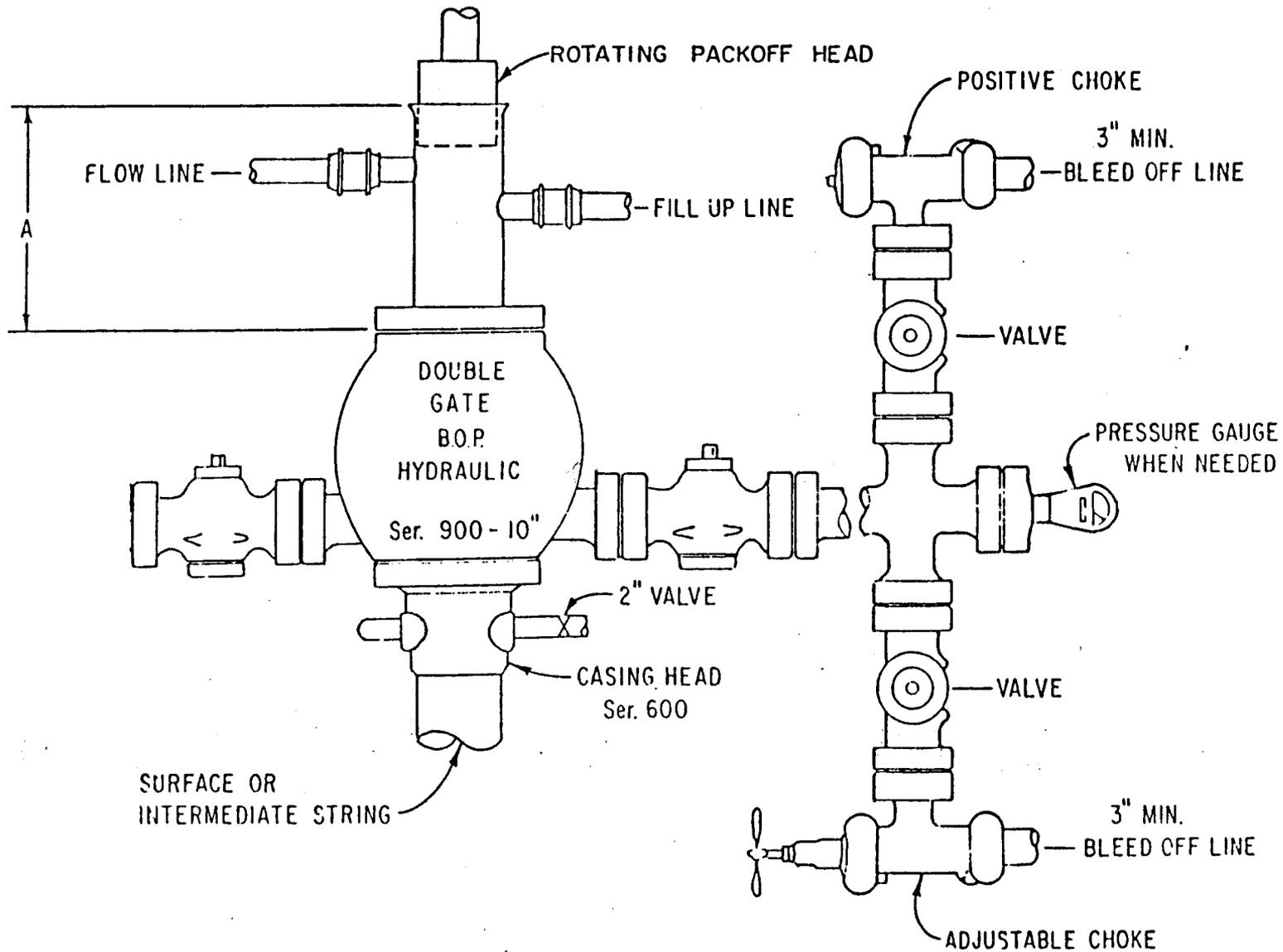
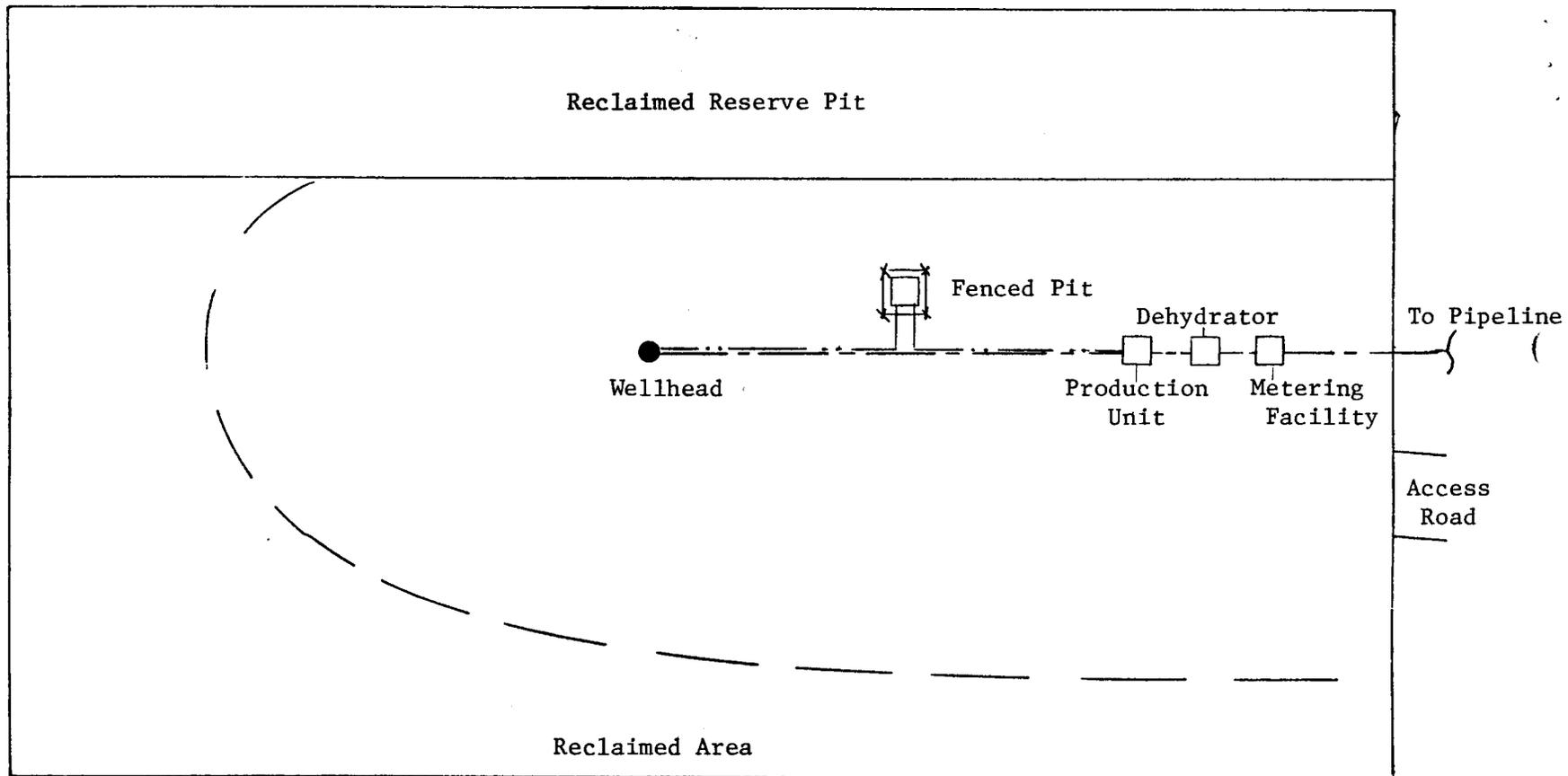


EXHIBIT I
 BLOWOUT PREVENTER DIAGRAM

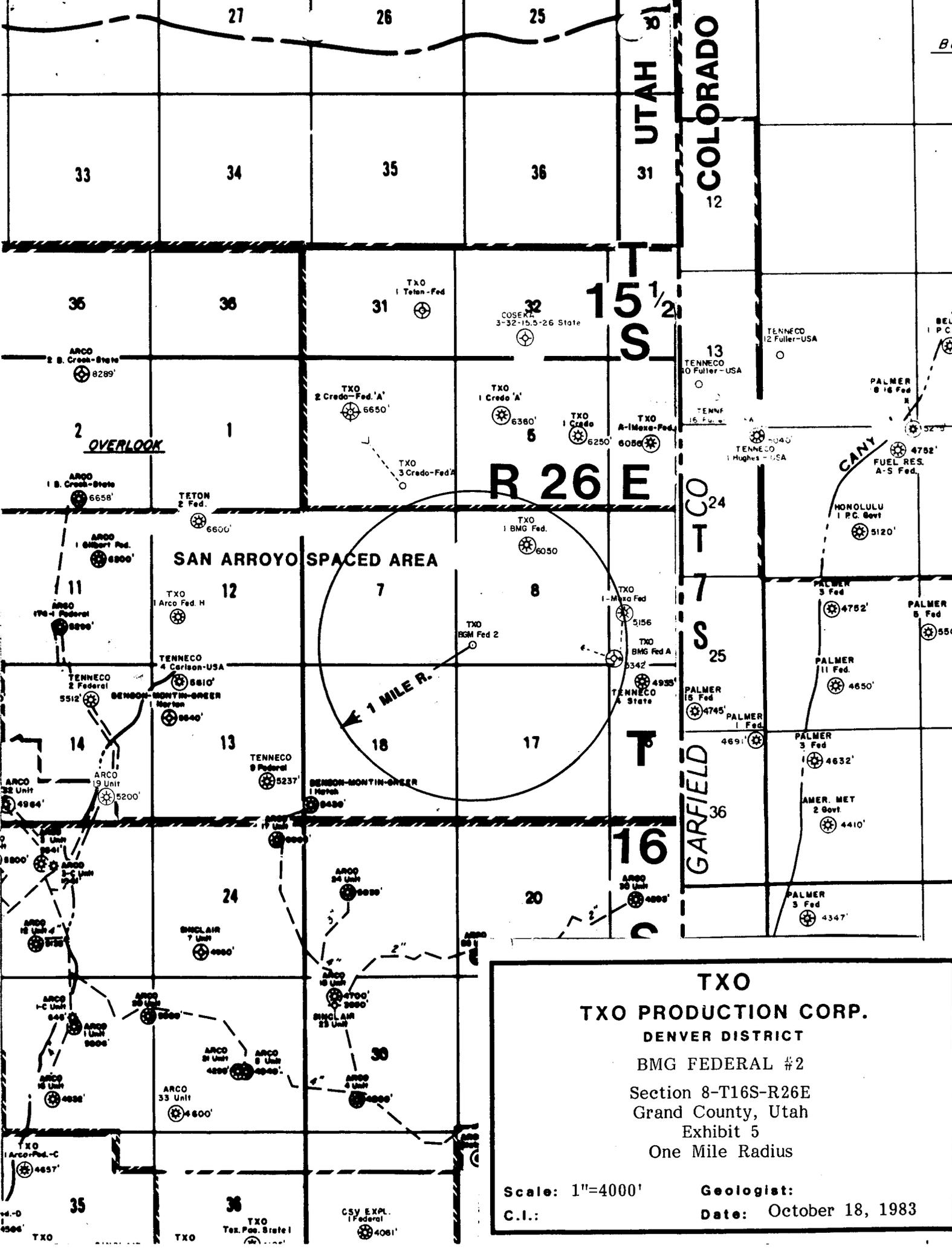


- 1) Pit will be 10' x 10' x 6' deep and will be surrounded by fence.
- 2) Sacrificial magnesium anodes will be used, if necessary, to control corrosion.
- 3) All pipelines will be coated and wrapped, then buried.
- 4) A surface mounted high/low safety shutdown system will be installed.
- 5) The separator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

Scale: 1"=40'

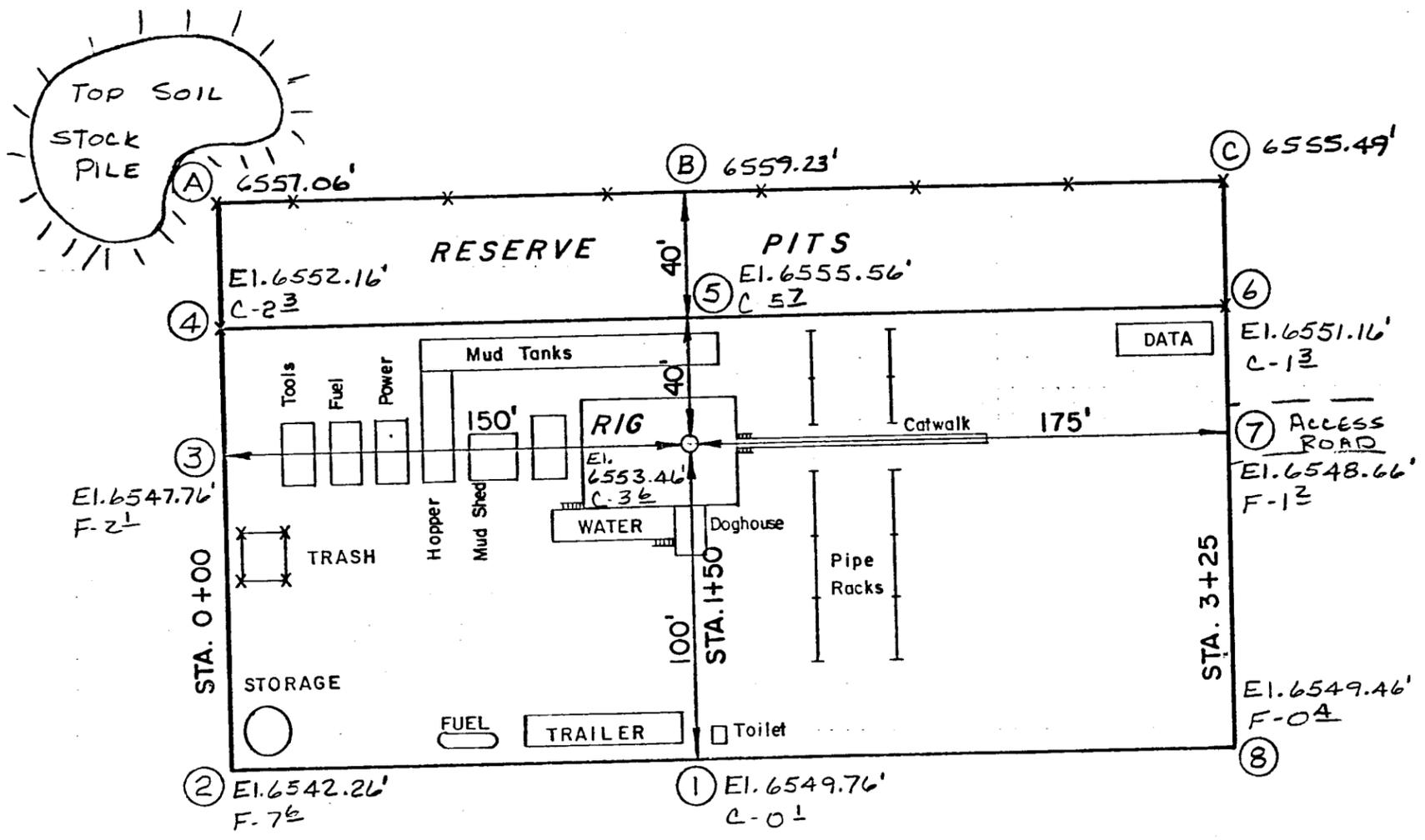
BMG FEDERAL #2
 PRODUCTION FACILITIES

EXHIBIT 6

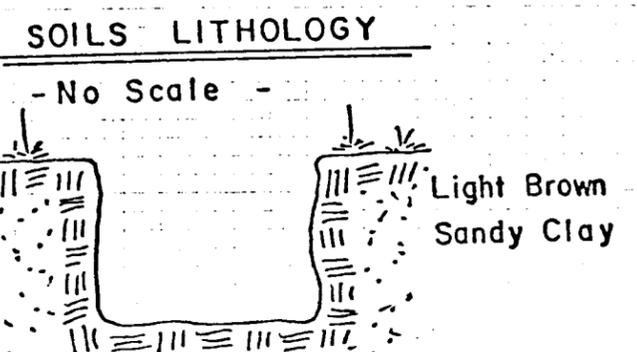
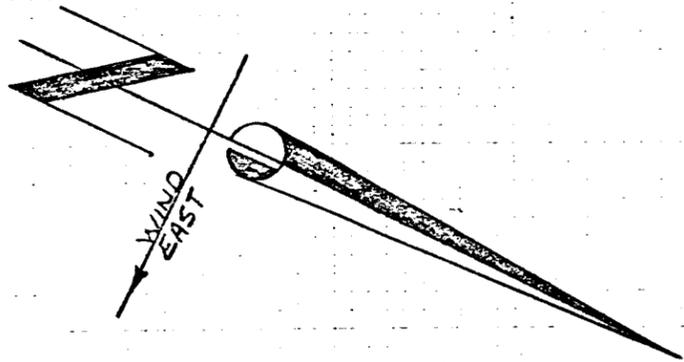
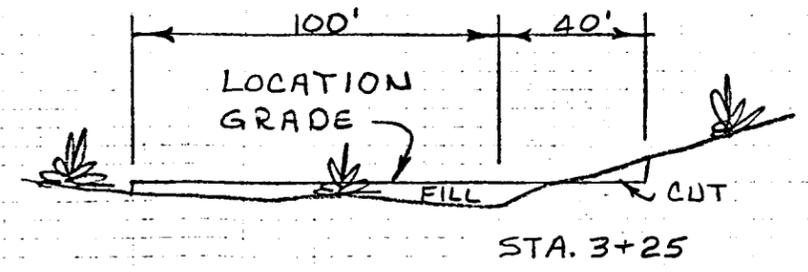
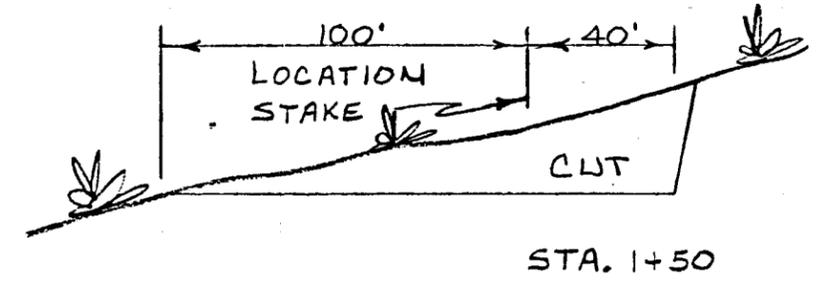
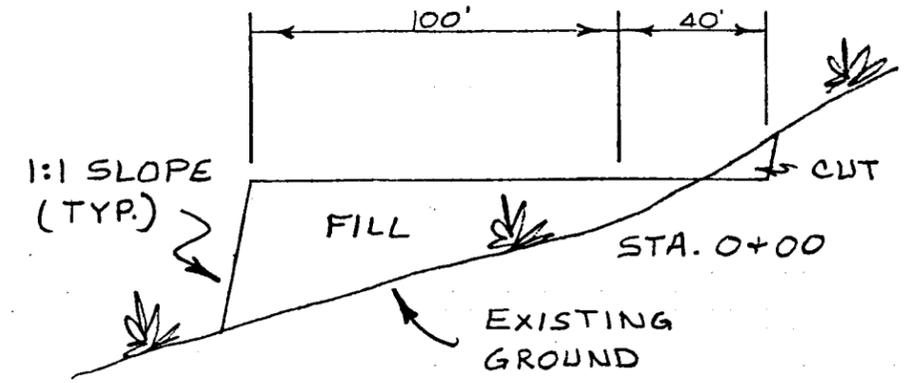


TXO
TXO PRODUCTION CORP.
 DENVER DISTRICT
 BMG FEDERAL #2
 Section 8-T16S-R26E
 Grand County, Utah
 Exhibit 5
 One Mile Radius

Scale: 1"=4000'
 Geologist:
 C.I.: Date: October 18, 1983



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1" = 10'

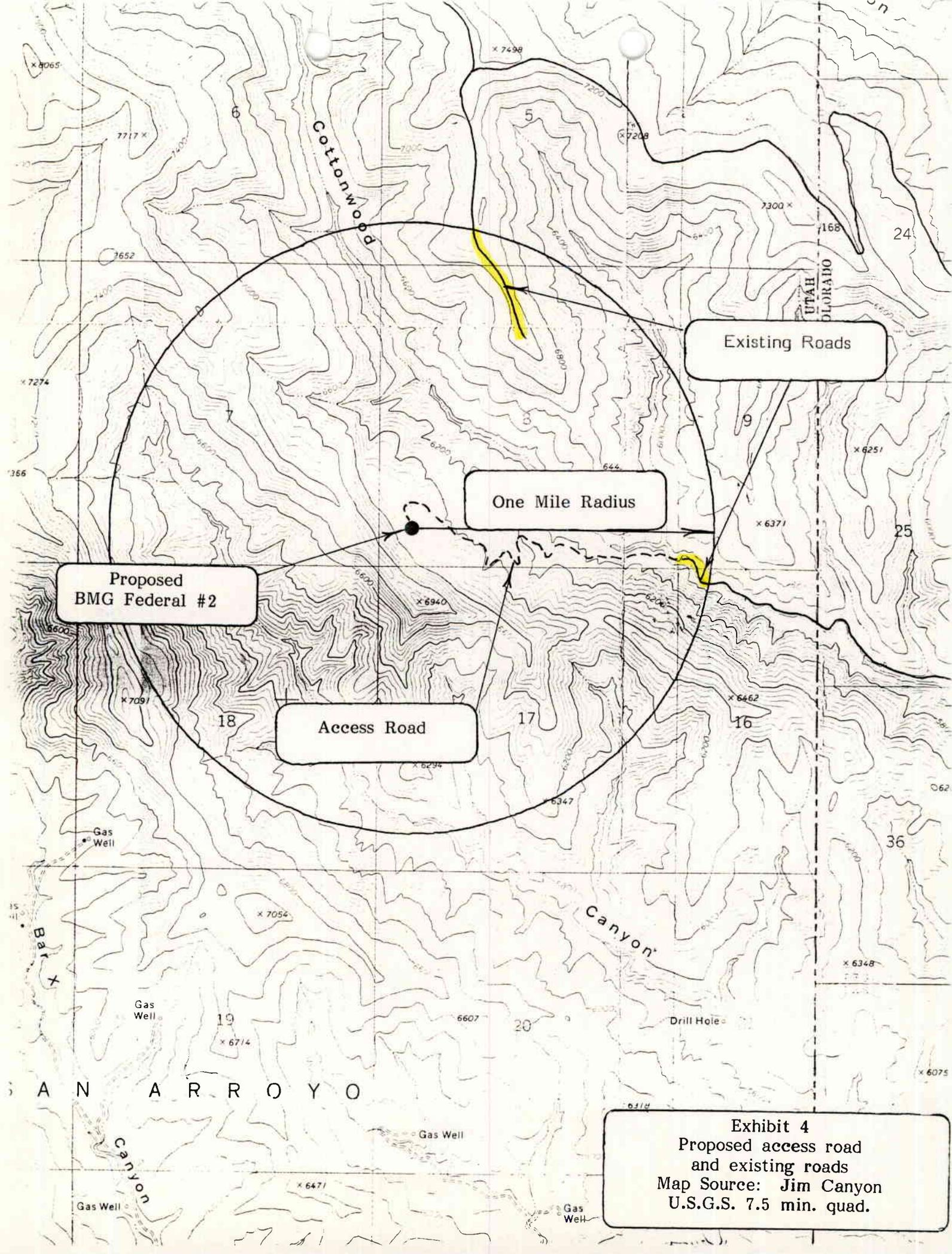
Scales

1" = 50'

APPROXIMATE YARDAGES

Cu. Yds. Cut - 2,390

Cu. Yds. Fill - 1,976



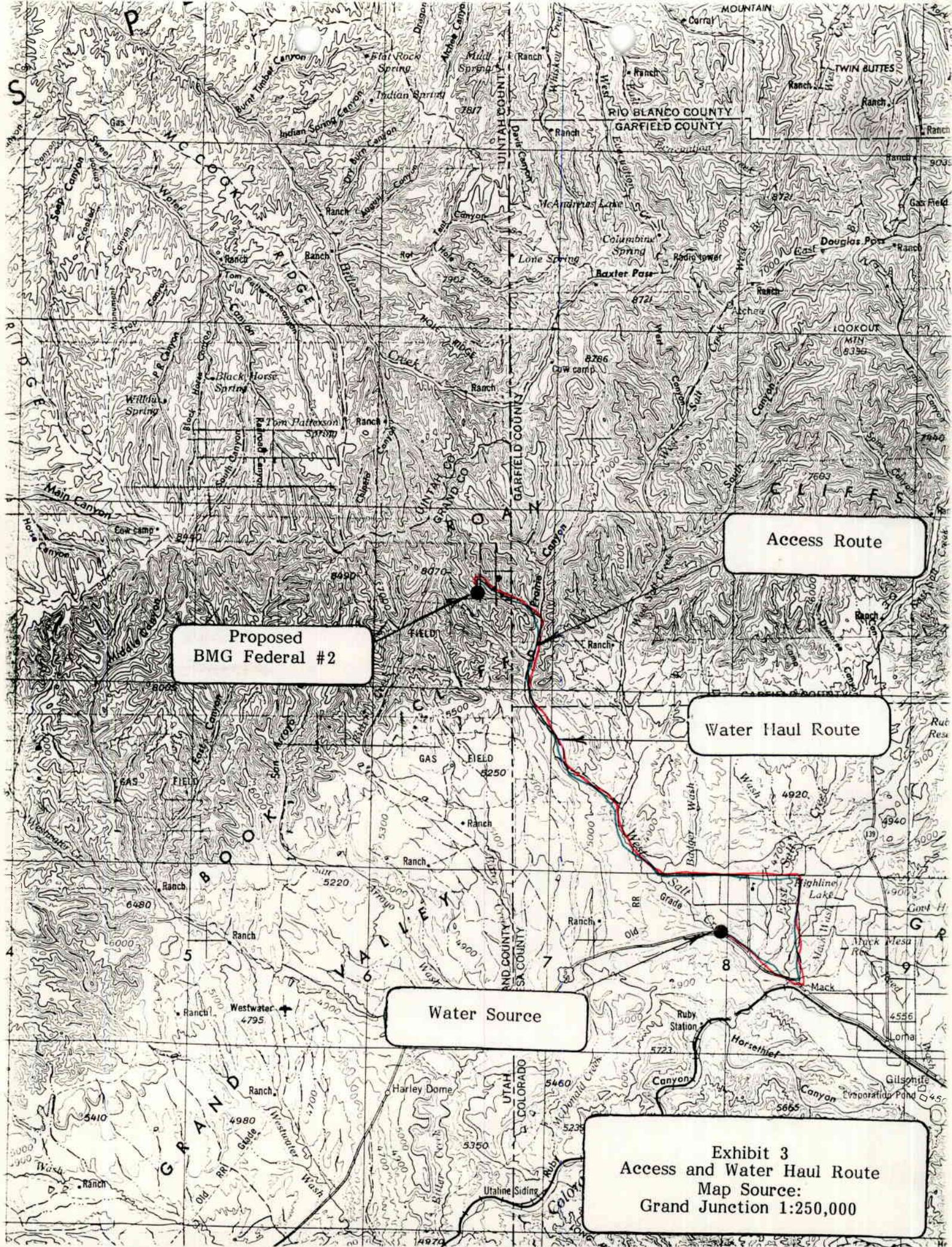
Proposed
BMG Federal #2

One Mile Radius

Access Road

Existing Roads

Exhibit 4
Proposed access road
and existing roads
Map Source: Jim Canyon
U.S.G.S. 7.5 min. quad.



Proposed
BMG Federal #2

Access Route

Water Haul Route

Water Source

Exhibit 3
Access and Water Haul Route
Map Source:
Grand Junction 1:250,000

TXO

TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

December 12, 1983

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

Re: BMG Federal #2
Section 8, T16S-R26E
Grand County, Utah

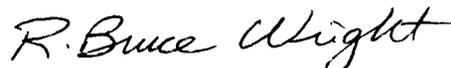
Gentlemen:

Please find enclosed three (3) copies of Form 9-331, "Sundry Notices and Reports on Wells", reporting the spudding of the above referenced well.

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

Sincerely,

TXO PRODUCTION CORP.



R. Bruce Wright
Petroleum Engineer

RBW/nb
encl.



DIVISION OF
OIL, GAS & MINING



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. oil well gas well other

2. NAME OF OPERATOR
TXO Production Corp.

3. ADDRESS OF OPERATOR 80264
1800 Lincoln Center Bldg., Denver, CO

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 669' FSL, 613' FWL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

5. LEASE
U-05015

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

7. UNIT AGREEMENT NAME
- - -

8. FARM OR LEASE NAME
BMG Federal

9. WELL NO.
#2

10. FIELD OR WILDCAT NAME
San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 8, T16S-R26E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. API NO.
43-019-31108

15. ELEVATIONS (SHOW DF, KDB, AND WD)
6553' GL

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

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF	<input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	<input 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) Spudding	<input type="checkbox"/>	XX

(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.)*

✓ The above well was **spudded** at 10:30 PM on 12/9/83. The drilling contractor is Veco Drilling, Inc. Rig #9. The spud was reported to Ms. Carol Freudiger in the Moab office at 9:00 AM on 12/12/83.

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 R. Bruce Wright TITLE Petroleum Engr DATE 12/12/83

(This space for Federal or State office use)

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

TXO

TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

February 21 1984

RECEIVED
FEB 24 1984

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

Attn: Mr. Cleon B. Feight
Director

**DIVISION OF
OIL, GAS & MINING**

RE: BMG Federal #2
Section 8, T16S-R26E
Grand County, Utah

Gentlemen:

Enclosed find two (2) copies of Form 9-330, "Well Completion or Recompletion Report and Log" and a copy of the well history for the above referenced well. The logs were forwarded by the logging company.

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

Sincerely,

TXO PRODUCTION CORP.



Charles H. Johns
Petroleum Engineer

CHJ/dek
encls.

**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.

13

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 Bldg., Denver, CO 80264

4. LOCATION OF WELL (Report location clearly and in accordance with instructions on reverse side)
At surface 699' FSL 613' FWL
At top prod. interval reported below
At total depth

RECEIVED
FEB 24 1984

5. LEASE DESIGNATION AND SERIAL NO.
U-5015

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
BMG Federal

9. WELL NO.
#2

10. FIELD AND POOL, OR WILDCAT
San Arroyo

11. SEC. T. R. M., OR BLOCK AND SURVEY OR AREA
Section 8-T16S-R26E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. PERMIT NO. DATE ISSUED
43-019-3199 DIVISION OF OIL, GAS & MINING
FEB 24 1984

15. DATE SPUNDED 12-9-83 16. DATE T.D. REACHED 12-16-83 17. DATE COMPL. (Ready to prod.) 2-13-84 18. ELEVATION OF WORKB. RT, GR, ETC.* GL 6553', KB 6569'

20. TOTAL DEPTH, MD & TVD 5400' 21. PLUG, BACK T.D., MD & TVD 5386' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY Rotary

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
4th Dakota 5227-47

25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
DIL-GR, SMP-EDC, CR-CAL

27. WAS WELL COBED
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#	303	1 1/2"	125sx 50-50poz, 40sxCl "G"	
7"	20#	1995	8-3/4"	75sx 50-50poz, 75sxCl "H"	
4 1/2"	10.5#	5400'	6 1/2"	150 sx Cl "G"	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8	5153'	

31. PERFORATION RECORD (Interval, size and number)
5227-47 w/ 1 shot/ft.
Total of 21 holes, 0.36" diameter

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5227-47	25,000 SCF N2 followed by 1200 gal 7 1/8 HCL w/750SCF/BBL N2, Frac w/72,000# 20-40 sand, 46 ton CO2, 43,500 gal fluid

33.* PRODUCTION

DATE FIRST PRODUCTION 2-13-84 PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) Shut-In-WOPL

DATE OF TEST 2-13-84 HOURS TESTED 4 CHOKE SIZE 1/2 PROD'N. FOR TEST PERIOD 433 OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO

FLOW. TUBING PRESS. 400# CASING PRESSURE 600# CALCULATED 24-HOUR RATE 2,600 OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SI-WOPL TEST WITNESSED BY Glen Hodge

35. LIST OF ATTACHMENTS
Well History, Logs

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

SIGNED Charles H. Johns TITLE Petroleum Engineer DATE 2-15-84

*(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 32, below regarding separate reports for separate completions.

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

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

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

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

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

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES		38. GEOLOGIC MARKERS	
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			NAME
			MEAS. DEPTH
			TOP
			TRUE VERT. DEPTH
			Castlegate 1563'
			Mancoos 1750'
			Mancoos "B" (top) 2298'
			Mancoos "B" (base) 3078'
			Dakota Silt 5061'
			Morrison 5326'

WELL NAME: BMG Federal #2
AREA: San Arroyo
LOCATION: Section 8, T16S-R26E
COUNTY: Grand
STATE: Utah
FOOTAGE: 669' FSL & 613' FWL

PTD: 5500'
ELEVATIONS: 6569' KB, 6553' GL
CONTRACTOR: Veco #9
AFE NUMBER: 841397
LSE NUMBER: 73277
TXO WI: 50%

MARTIN
2323 S. Wadsworth Blvd.
Denver, Colorado 80227
Attn: Kathy Reilly
Phone: (303) 988-3500

Call Daily
Mail Weekly

APCOT FINADEL JOINT VENTURE
American Petrofina, Inc.
P. O. Box 2159
Dallas, Texas 75221
Attn: James H. Henderson

Just Mail

RECEIVED
DEC 8 4 1983

DIVISION OF
OIL, GAS & MINING

- 12/10/83 158' (158'), drlg. Mesaverde. Dust 80#. Fin RURT. Spudded 12-1/4" hole @ 10:30 PM 12/9/83. DW: 59,610. CW: 59,610.
- 12/11/83 314' (156'), test BOP. Mesaverde. Dust 80#. TD 12-1/4" hole @ 11 AM 12/10/83. Blew hole clean. TOOH. RU & run 8 jts 9-5/8", 36#, K-55, ST&C surf csg (303'). RU BJ & cmt d csg. Pumped 10 BW. Cmt d w/ 125 sxs of 50/50 poz w/ 2% gel, 2% CaCl₂ & 2#/sx gilsonite & 1/4#/sx celloflake. Tail w/ 40 sxs Cl "G" w/ 2% CaCl₂. Shoe @ 303'. PD @ 4:30 PM on 12/10/83. Full returns. Cmt to surf. WOC 4 hrs. Screwed on wellhead @ 7 PM on 12/10/83. NU BOP. 3/4" @ 314'. DW: 18,587. CW: 78,197. DD 2.
- 12/12/83 1432' (1118'), drlg. Mesaverde. Mist 240#. Fin NU & test BOP. TIH, dried up hole, drld cmt & shoe, resumed drlg. Hole got wet @ 690', went to air mist, resumed drlg. 1" @ 690', 1-1/4" @ 980', 1-1/4" @ 1280'. DW: 20,289. CW: 95,476. DD 3.
- 12/13/83 2024' (592'), WOC & NU. Mancos. Mist 250#. TD 8-3/4" hole @ 4 PM on 12/12/83. Made 10 stnd short trip, no tight spots or fill. TOOH, LD DC. RU & ran 71 jts 7", 20#, K-55, ST&C csg (1995'). Shoe set @ 1995'. Float set @ 1967'. RU Halliburton & cmt d csg. Pumped 85 BW. Cmt d w/ 75 sxs 50/50 poz w/ 2% CaCl₂, 1/4#/sx celloflake & .75% friction reducer. Tail w/ 75 sxs Cl "H" w/ 2% CaCl₂, 1/4#/sx celloflake & .75% friction reducer. PD @ 2 AM on 12/13/83. BP @ 1500#. Float held. No returns. ND, set slips & cut-off csg @ 4 AM on 12/13/83. WOC & begin NU. Castlegate @ 1573', Mancos @ 1750'. 1" @ 1620', 1" @ 1931'. DW: 42,951. CW: 138,427. DD 4.
- 12/14/83 2825' (801'), drlg. Mancos. Dust 210#. Fin NU, test BOP to 1000#, OK. PU bit #3, 4-3/4" DC's, & TIH. Test pipe rams to 1000#, OK. Unloaded hole. Drld out cmt & shoe. Resumed drlg w/ dust. 1" @ 2234', 1-1/4" @ 2546'. DW: 14,812. CW: 153,239. DD 5.
- 12/15/83 4260' (1435'), TOOH for bit. Mancos. Dust 210#. Drld ahead to 4260'. TOOH for bit #4 & LD square collar. 1" @ 2825', 1-1/4" @ 3136', 1-1/4" @ 3450', 1-1/4" @ 3750', 1-1/2" @ 4060'. DW: 24,100. CW: 176,939. DD 6.
- 12/16/83 5123' (863'), drlg. Mancos. Dust 220#. Fin TOOH for bit. LD square collar. PU & TIH w/ bit #4. No fill or tight spots. Resumed drlg. 1-3/4" @ 4350', 1" @ 4661', 1-1/2" @ 4969'. DW: 15,261. CW: 192,200. DD 7.
- 12/17/83 5400' (277'), LD DP. Morrison. Dust 220#. Drld ahead to 5238'. Took continuous 30' flare to TD. TD 6-1/4" hole @ 2:30 PM on 12/16/83. Blew hole clean. TOOH. RU Gearhart, ran logs. RD Gearhart. Tested well for 1 hr on 1-1/4" orifice. Stabilized @ 36#, FARO 1836 MCFD. TIH w/ bit, no fill. Blew hole for 1/2 hr, began TOOH. LD drill string. Dakota Silt @ 5061', 1st Dakota @ 5158', 2nd

WELL NAME:	BMG Federal #2	PTD:	5500'
AREA:	San Arroyo	ELEVATIONS:	6569' KB, 6553' GL
LOCATION:	Section 8, T16S-R26E	CONTRACTOR:	Veco #9
COUNTY:	Grand	AFE NUMBER:	841397
STATE:	Utah	LSE NUMBER:	73277
FOOTAGE:	669' FSL & 613' FWL	TXO WI:	50%

- 12/17/83 Dakota @ 5202', 4th Dakota @ 5226', Morrison @ 5326'. DW: 9088. CW: cont. 201,288. DD 8.
- 12/18/83 5400' (0'), RDRT. (RR @ 4:30 PM 12/17/83.) Morrison. 8.5, 39, 25, 9. Fin LD drill string. RU & ran 136 jts 4-1/2", 10.5#, K-55, ST&C csg (5400'). Shoe set @ 5400', float set @ 5386'. RU BJ & cmtd csg. Pumped 150 BM, 10 bbls flush, 10 bbls 3% KCL. Cmtd w/ 150 sxs C1 "G" w/ 5% KCL, 2% gel, 3#/sx gilsonite. Dspl w/ 3% KCL. PD @ 3 PM on 12/17/83. BP @ 1200#. Float held. No returns. ND, set slips, cut-off csg @ 4:30 PM 12/17/83. Drop from report until completion begins. DW: 49,261. CW: 250,549. DD 9.
- 01/27/84 5386' PBTB, MIRUCU, pump & tank. Unload 6000' 2-3/8" tbg. Strap tbg & SDFN. DW: 30,425. CW: 385,025.
- 01/28/84 5386' PBTB, PU & RIH w/ bit, csg scraper, SSN & 173 jts 2-3/8" tbg. Tag PBTB @ 5386'. TOOH 2 stnds. Swab FL dn to 4300'. Rec 60 bbls. TOOH. LD bit & scraper. NU BOP. RU Gearhart & perf as follows: 4th Dakota fm @ 5227-47' w/ 1 JSPF, total 21 holes, .36" dia. RD Gearhart. PU model HD pkr & SSN. TIH w/ 20 stnds & SDFN. DW: 6850. CW: 391,875.
- 01/29/84 5386' PBTB, fin TIH w/ tbg & pkr. Set pkr @ 5278'. Press test float to 3000# for 15 min. Held OK. Unseat pkr & reset @ 5059'. RU swab. Rec 15 bbls. Well KO & started flowing gas @ a rate TSTM. RU pump & PT annulus to 2500# for 15 min. Held OK. Bleed press off to 2000#. RU Western & Newsco. Pumped 25,000 scf N₂ pad followed by 350 gal 7.5% HCL w/ additives & 750 scf/bbl N₂. Drop 10 ball sealers, pumped 210 gal HCL-N₂ mixture & dropped 10 ball sealers. Pumped final 220 gal HCL-N₂ mixture & dspl w/ 15.8 bbls 2% KCL wtr w/ 750 scf/bbl N₂. Good ball action but no ball off. Pumped total of 1200 gal HCL w/ additives & 750 scf/bbl N₂ w/ 40 (7/8") ball sealers. 44.3 BLWTBR. MIR 7.5 BPM, AIR 7.5 BPM. MTP 4000#, ATP 2100#. Min TP 1900#, ISIP 1100#, 5 min 800#, 10 min 750#, 15 min 650#. Surge off balls. RU & flow to pit on full 2" choke. LWO to pit. SDFN. DW: 8150. CW: 400,025.
- 01/30/84 5386' PBTB, SDFS. DW: 0. CW: 400,025.
- 01/31/84 5386' PBTB, rel pkr & kill well w/ 51 bbls 3% KCL from annulus. PU 3 stnds. Make 2 wiper runs w/ pkr to knock balls off perms. TOOH w/ tbg & pkr. TIH w/ notched collar, SSN, 165 jts 2-3/8" tbg, 4'x2-3/8" blast jt. Land tbg @ 5158' KB. ND BOP. NU wellhead. RU to swab. Make 20 swab runs. Rec 48 BW. Well KO after 20th run. RD swab. Flow to pit through 1/2" ch. Monitor for 2 hrs. TP would not build. Change to 1/4" ch. Had 160# FTP & 300# SICP w/ no mist. FARO 260 MCFD, not stabilized. Start to RD rig for move to BMG Federal #3. SDFN. DW: 3550. CW: 48,975.
- 02/01/84 5386' PBTB, 8 AM had 360# SICP, 300# FTP, 65# on 1/4" orifice plate, not stabilized. FARO 110 MCFD. 10:15 AM had 360# SICP, 350# FTP, 90# on 1/4" orifice plate, stabilized, FARO 145 MCFD. SWI @ 10:30 AM 1/31/84. Drop from report pending frac. DW: 0. CW: 48,975.
- 02/05/84 Flow test well for 24 hrs on 5/16" ch. FTP 320#, CP 340#, 800 MCFD. SWI. Prep to frac.
- 02/06/84 Will frac well this AM. DW: 0. CW: 48,975.
- 02/07/84 5386' PBTB, RU Halco for frac. Pump 4000 gal 25% methanol prepad w/ 750/bbl CO₂ prepad @ 18.8 BPM & 2210#, 12,000 gal versagel 1500 w/ 750 scf/bbl CO₂ pad @ 18.9 BPM & 2270#, 3000 gal versagel 1400 w/ 750 scf/bbl CO₂ w/ 1 ppg 20/40 @ 18.9 BPM @ 2730#, 6000 gal versagel 1400

WELL NAME:	BMG Federal #2	PTD:	5500'
AREA:	San Arroyo	ELEVATIONS:	6569' KB, 6553' GL
LOCATION:	Section 8, T16S-R26E	CONTRACTOR:	Veco #9
COUNTY:	Grand	AFE NUMBER:	841397
STATE:	Utah	LSE NUMBER:	73277
FOOTAGE:	669' FSL & 613' FWL	TXO WI:	50%

- 02/07/84 w/ 750 scf/bbl CO₂ & 2 ppg 20/40 sd @ 18.9 BPM & 2730#, 6000 gal versagel 1400 w/ 750 scf/bbl CO₂ & 3 ppg 20/40 sd @ 20.5 BPM & 2680#, 6000 gal versagel 1400 w/ 750 scf/bbl CO₂ 4 ppg 20/40 sd @ 20 BPM & 2870#, 3000 gal versagel 1400 w/ 750 scf/bbl CO₂ 5 ppg 20/40 sd @ 20 BPM & 2920#. Flush w/ 3500 gal KCL wtr w/ 750 scf/bbl CO₂ @ 20 BPM & 3200#. Pumped total of 72,000# 20/40 sd, 46 tons CO₂ & 43,500 gal fluid. MTP 3200#, ATP 2600#, MTR 20 BPM, ATR 19 BPM. ISIP 1430#, 5 min 1010#, 10 min 810#, 15 min 650#. Left well SI 3 hrs. RU & flow well to pit on 3/8" ch. This AM well flowing w/ CP 500#, TP 400#, making steady stream of wtr. DW: 48,875. CW: 97,850.
- 02/08/84 5386' PBTD, flow well to pit on 3/8" choke. FTP 400#, CP 540#. This AM well making heavy mist. DW: 1100. CW: 98,9
- 02/09/84 5386' PBTD, flow well to pit on 3/8" ch. FTP 525#, CP 575#. Well making heavy mist w/ tr sd. Gas will burn w/ 25' flare. DW: 0. CW: 453,550.
- 02/10/84 5386' PBTD, flow well to pit on 3/8" ch. FTP 525#, CP 575#. Well making heavy mist w/ tr sd. Gas will burn w/ 25' flare. DW: 0. CW: 98,950.
- 02/11/84 5386' PBTD, well SI. SICP 825#, SITP 800#. Blew well 1 hr in morning & 1 hr in evening. Rec light mist. DW: 0. CW: 453,550.
- 02/12/84 5386' PBTD, SICP 850#, SITP 800#. Blew well 1 hr. Made heavy mist. SWI. DW: 0. CW: 453,550.
- 02/13/84 5386' PBTD, SICP 880#, SITP 830#. Blew well 1 hr, rec light mist. DW: 0. CW: 453,550.
- 02/14/84 5386' PBTD, flow test well for 4 hrs. FTP 400#, CP 600# on 1/2" ch. Flare at rate of 2600 MCFD w/ very light mist. SWI. WOPL. SI 4th Dakota gas well. Drop from report. DW: 0. CW: 453,550.



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:

• 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	Gas (MSCF)	Water (BBL)
API Number Entity Location			Oil (BBL)		
BOOK CLIFFS UNIT 1 U-037005 4301915410 06665 18S 22E 32	DKTA ✓		Need successor to Unit Oper. (TXO - to Marathon)		
BOOK CLIFFS U #3 U-036905 4301915411 06665 18S 22E 33	DKTA ✓				
LITTLE BERRY ST #1 ml-19905-B 4301931075 06666 16S 23E 2	BUKHN ✓				
NICOR FEDERAL #1 U-31807 4301930656 06667 16S 25E 28	DKTA ✓				
LAUCK #2 U-34033 4301931109 06668 16S 25E 29	MRSN ✓				
BMG FEDERAL #2 U-05015 4301931108 06669 16S 26E 8	DKTA ✓				
WELISTER FEDERAL #1 U-38363 4301930857 06671 16S 24E 24	DK-MR ✓				
ARCO FEDERAL B-1 U-9831 4301930552 06675 16S 25E 6	DKTA ✓				
ARCO FEDERAL C-1 U-6188-B 4301930572 06680 16S 25E 35	DKTA ✓				
BMG FEDERAL #3 U-05015-A 4301931114 06681 16S 26E 18	DK-BK ✓				
HARVEY FEDERAL T-X U-10427 4301930574 06685 16S 25E 5	DK-MR ✓				
HOUGEN FED. A #1-ST #1 U-42480 4301930799 06686 17S 24E 14	MRSN ✓				
LAUCK FED A-1 U-34033 4301930990 06687 16S 25E 29	DKTA ✓				
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 _____

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:	
1- LCR	<i>[initials]</i>
2- DTS	<i>[initials]</i>
3- VLC	<i>[initials]</i>
4- RJF	<i>[initials]</i>
5- RWM	<i>[initials]</i>
6- LOR	<i>[initials]</i>

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: _____

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). *(Rec. 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 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. *(Federal & state wells only)*
- 2. A copy of this form has been placed in the new and former operators' bond files. *(upon completion of routing)*
- 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. *Sent 3-5-91*

MICROFILMING

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

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

- 910204 Bfm/Moab ~~No doc. as of yet.~~ (In the process of changing) will call when approved.
- Bfm/S.Y. Book Cliffs Unit, Oil Springs Unit, Marble Mension Unit (Not approved as of yet)
- 910204 St. Lands - No documentation as of yet. (Copy hand delivered 2-8-91) fee
- 910222 Bfm/S.Y. - Approved 2-20-91 - ok for OOGM 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)

DOG:m - 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

SRL:pah
GRL100T

REC'D USITC P.B.
FEB 14 1991

Send a copy to DOGM 2-21-91

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

DRN
1-3
-C 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

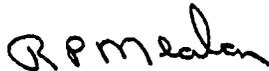
Utah Division of Oil, Gas & Mining
January 22, 1991
Page 2

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.

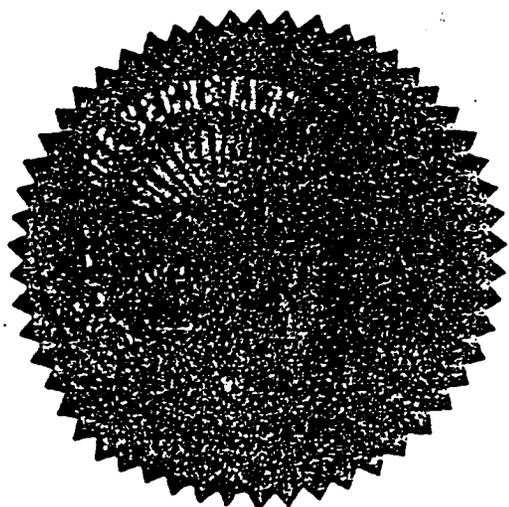
WITNESS my hand and official seal at

Columbus, Ohio, this

28th day of December, A.D. 1990

Sherrod Brown

Sherrod Brown
Secretary of State



Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

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

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

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

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

TO (new operator)	<u>LONE MTN PRODUCTION CO</u>	FROM (former operator)	<u>MARATHON OIL COMPANY</u>
(address)	<u>PO BOX 3394</u>	(address)	<u>PO 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: **SEE ATTACHED**	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. (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. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 2-25-93)*
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. *(3-16-93)*
6. Cardex file has been updated for each well listed above. *(3-16-93)*
7. Well file labels have been updated for each well listed above. *(3-16-93)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-16-93)*
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

- lec 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).
- la 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- la 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- le 2. A copy of this form has been placed in the new and former operators' bond files.
- la 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date 3/17/93 1993. If yes, division response was made by letter dated 3/17/93 1993.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- la 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 3/17/93 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.
- la 2. Copies of documents have been sent to State Lands for changes involving State leases. 3/17/93 to SD Ranger

MICROFILMING

- la 1. All attachments to this form have been microfilmed. Date: March 25 1993.

FILED

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

COMMENTS

930316 Bdm/Moab Approved 3-10-93 eff. 2-22-93.
 (Other wells will be handled on a separate change - partial change only!)
 St. Lease wells also being chg'd at this time.

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

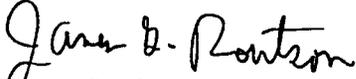
Re: Change of Operator
Sundry Notices
Grand and Uintah Counties, Utah

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

RECEIVED

FEB 25 1993

DIVISION OF
OIL GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

5. Lease Designation and Serial No.

U-05015

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

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

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P.O. Box 3394, Billings, MT 59103

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

669' FSL, 613' FWL, Sec. 8-T16S-R26E
(SW $\frac{1}{4}$ SW $\frac{1}{4}$)

RECEIVED

FEB 25 1993

DIVISION OF

OIL GAS & MINING

8. Well Name and No.

BMG Fed. No. 2

9. API Well No.

43-019-31108

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 J. J. [Signature]
(This space for Federal or State office use)

Title Petroleum Engineer

Date Feb. 22, 1993

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION & SERIAL NO.
See Below

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.)

6. IF INDIAN ALLOTTEE OIL TRIBE NAME

1. OIL WELL GAS WELL OTHER

RECEIVED

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR
Marathon Oil Company

8. FARM OR LEASE NAME

3. ADDRESS OF OPERATOR
P.O. Box 2690, Cody, Wyoming 82414

See Below

FEB 25 1993

9. WELL NO.

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

DIVISION OF
OIL GAS & MINING

10. FIELD AND POOL, OR WILDCAT

At proposed prod. zone See Below

See Below

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

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:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)

PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON
CHANGE PLANS

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING
(Other)

REPAIRING WELL
ALTERING CASING
ABANDONMENT*

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

APPROX. DATE WORK WILL START _____

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

TITLE Regulatory Coordinator

DATE 2/23/93

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

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 #
North Horse Point Field			
Little Berry State #1	SW/4 SW/4, Sec. 2-16S-23E	ML-21061	043-019-31075
BAR X West Field			
Hancock Federal #2	NW/4 SW/4, Sec. 5-17S-25E	U-38720	043-019-30833
Bryson Canyon Field			
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
East Canyon Field			
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
Horseshoe Bend Field			
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
Rockhouse Field			
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

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. ²⁹ 33 -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

RECEIVED

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 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-05015 A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P.O. Box 3394, Billings, MT 59103

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

669' FSL, 613' FWL, Sec. 8-T16S-R26E'
(SW $\frac{1}{4}$ SW $\frac{1}{4}$)

8. Well Name and No.

BMG Fed. No. 2

9. API Well No.

43-019-31108

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

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

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

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

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

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.

RECEIVED

MAR 15 1993

DIVISION OF
OIL GAS & MINING

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

Signed J. Ward Rantzen

Title Petroleum Engineer

Date Feb. 22, 1993

(This space for Federal or State office use)
By Brem Northrup

Assistant District Manager
ACTING
Title for Minerals

Date Feb 1 1993

Approved by _____
Conditions of approval, if any:

Date _____

CONDITIONS OF APPROVAL ATTACHED

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

*See Instruction on Reverse Side

Dogm

Lone Mountain Production Company
Well No. BMG Fed. 2
SWSW Sec. 8, T. 16 S., R. 26 E.
Grand County, Utah
Lease U-05015A

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Lone Mountain Production Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

RECEIVED

MAR 15 1993

DIVISION OF
OIL GAS & MINING