

UTAH OIL AND GAS CONSERVATION COMMISSION

cp

REMARKS WELL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSPECTED SUB REPORT abd

DATE FILED **11-15-83**
 LAND: FEE & PATENTED STATE LEASE NO PUBLIC LEASE NO **U-20871** INDIAN
 DRILLING APPROVED **11-22-83 - OIL**
 SPUDED IN:
 COMPLETED: PUT TO PRODUCING
 INITIAL PRODUCTION
 GRAVITY API
 GOR
 PRODUCING ZONES

TOTAL DEPTH
 WELL ELEVATION **4885' GR**
 DATE ABANDONED **1-2-85 LH application awarded**
 FIELD **WILDCAT 3/86**
 UNIT: **GOLD BAR**
 COUNTY: **GRAND**
 WELL NO **GOLD BAR UNIT #5** API #43-019-31117
 LOCATION **1296' FSE** FROM (N) (S) LINE. **1120' FWL** FT FROM (E) (W) LINE **SWSW** 1/4 - 1/4 SEC **35**

TWP	RGE	SEC	OPERATOR	TWP	RGE	SEC	OPERATOR
25S	20E	35	DAVIS OIL COMPANY				

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

c. NAME OF OPERATOR
 DAVIS OIL COMPANY

d. ADDRESS OF OPERATOR
 410 17th Street, Suite 1400, Denver, Colorado 80202

e. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface C SW Sec. 35, T25S, R20E

f. At proposed prod. zone
 1296' FSL, 1120' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 20 miles east to Moab, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest crlg. unit line, if any) 1320' west

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. NONE

19. PROPOSED DEPTH 7850'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4885' GR Est., 4898' KB Est.

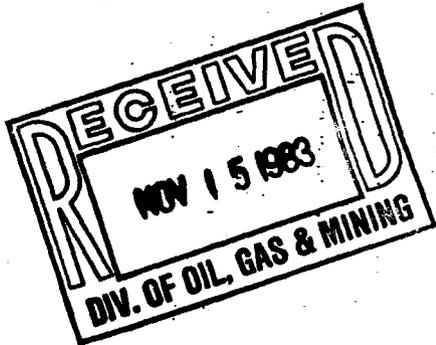
22. APPROX. DATE WORK WILL START*
 Upon approval

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5# K-55	STC(NEW)	0-300' 400 sxs. est.
12 1/4"	9 5/8"	40# K-55	STC(NEW)	0-4550' 200 sxs. est.
8 3/4"	5 1/2"	20# N-80	LTC(NEW)	0-80'
8 3/4"	5 1/2"	17# N-80	LTC(NEW)	80-4400'
8 3/4"	5 1/2"	20# N-80	LTC(NEW)	4400-7850' 1250* sxs.

*cement volume to be calculated from IHV to cover 500' above salt top.

(SEE TEN POINT PROGRAM)



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.

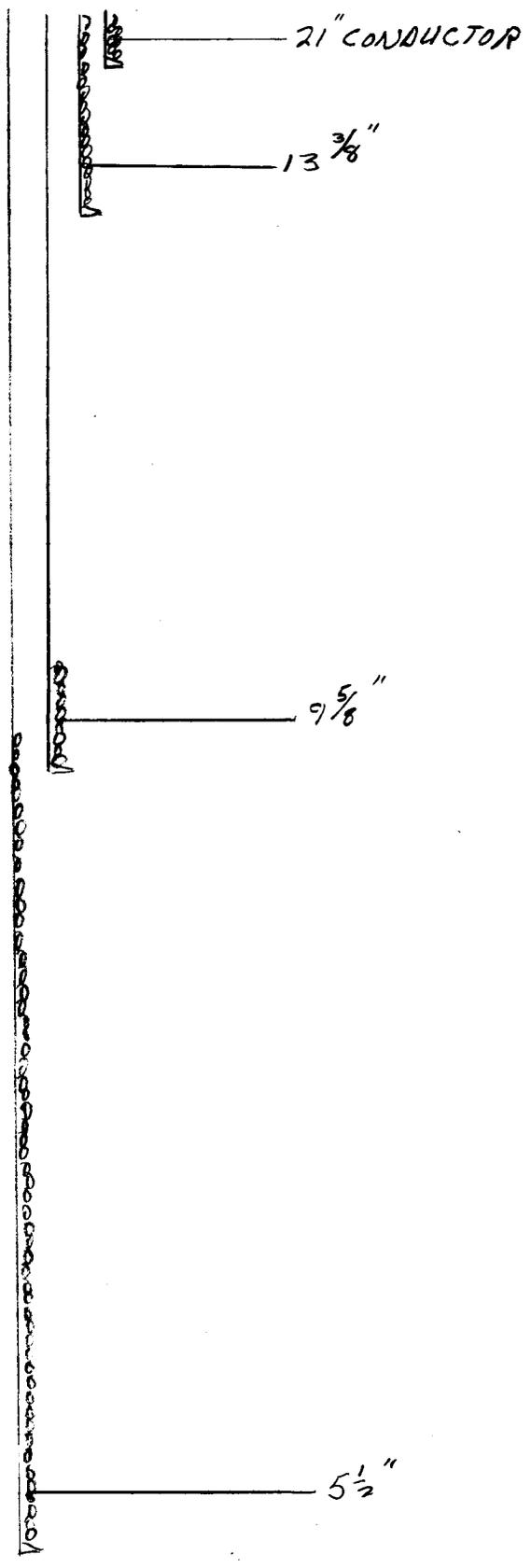
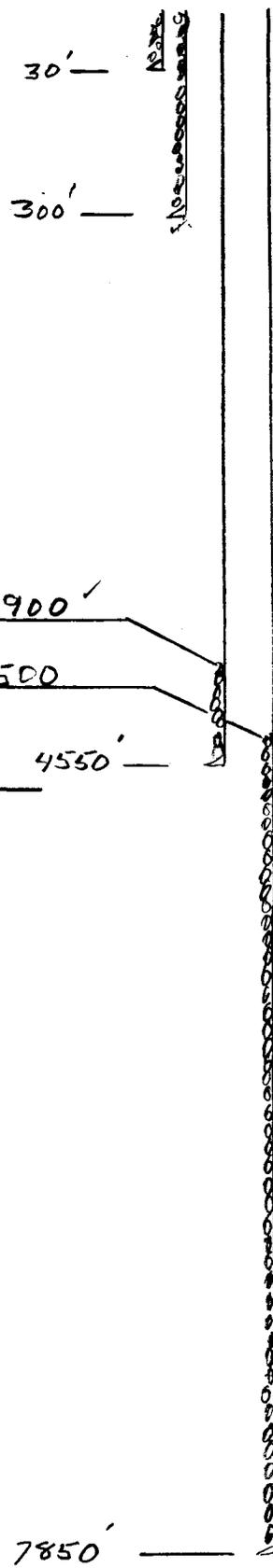
24. SIGNED Ed Lafave TITLE Chief Geologist DATE 10/18/83
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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

A-3 with potash slips.
 11-22-83

DAVIS OIL
GOLDSTAR #5
35-255, 20E
GRAND



TO

[Handwritten signature]

Compliance with the following stipulations is required in order to validate this drilling authorization:

- 1- Prior to spudding, a copy of the Utah Division of Water Rights (tel 801-533-6071) approval for use of water at the drilling site shall be submitted to this office.
- 2- The cement program shall be altered to reflect the use of "salt saturated" cement through salt formations.
- 3- Appropriate logs shall be run promptly through the salt section, and shall be submitted to this office within 10 days.
- 4- a directional survey shall be run from a point at least 20 feet below the salt section to the surface, and shall be submitted to this office prior to completion or abandonment.
- 5- Prior to spudding, furnish by registered mail, a copy of the application to drill, and an appropriate map to all potash owners and/or lessees whose interests are within $\frac{1}{2}$ mile of the proposed well.

TEN POINT PROGRAM

1. SURFACE FORMATION: Navajo
- 2 ESTIMATED TOPS: (Water, Oil, Gas or Mineral bearing formations)
& 3

Navajo	surface	sand, wet
Wingate	532'	sand, wet
Chinle	832'	shale
Shinarump	1180'	sand, water, gas
Moenkopi	1258'	shale
Coconino	1454'	sand, wet
Cutler	1793'	silt, shale
Honaker Trail (Hermosa)	3293'	limestone, sand, shale, water, oil, gas
Paradox	4568'	salt
Paradox Salt	4622'	salt
Cane Creek	7593'	limestone, dolomite, gas, H2S
Lower Cane Creek	7673'	limestone, dolomite, gas, H2S
Base Cane Creek	7703'	limestone, dolomite, gas, H2S
Paradox Salt::	7850'	
TD	7850'	

CONTINGENCY PLAN ?

4. CASING PROGRAM:

Hole Size	Csg. Size	WT., lb/ft.	Grade	Thread	New/Used	Interval	Safety Factors		
							T	C	B
26"	21"	Corrugated Pipe			NEW	0-30'	-	-	-
17½"	13 3/8"	54.5	K-55	STC	NEW	0-300'	33	8.0	1.6
12¼"	9 5/8"	40#	K-55	STC	NEW	0-4550'	2.7	1.2	1.9
8 3/4"	5 1/2"	20	N-80	LTC	NEW	0-80'	2.9	200	5.4
8 3/4"	5 1/2"	17	N-80	LTC	NEW	80-4400'	2.4	2.6	4.6
8 3/4"	5 1/2"	20	N-80	LTC	NEW	4400-7850'	6.2	2.1	12.3

- B. Conductor pipe will be cemented to surface with 3 yards Redi-Mix. Surface casing to be cemented with approximately 400 sxs. Class G cement to surface. Light cement may be used if hole conditions dictate it is required. Surface casing will be cemented with 1" pipe from surface if there are no cement returns. Production casing will be cemented with approximately 1250 sxs Class G cement. Anticipated top of cement is 4500 feet or 200' above zones proven to be commercially productive. Intermediate casing will be cemented with approximately 200 sxs. Class G cement. Anticipated top of cement is 3900' or 200' above zones proven to be commercially productive.
- C. Surface casing will be pressure tested to 2000 PSIG. Production casing will be pressure tested to 5000 PSIG. Intermediate casing will be pressure tested to 2000 PSIG.

5. Pressure Control Equipment: (See attached schematic diagram)

BOP's and choke manifold will be installed and pressure tested before drilling out from under surface casing. Ram type preventers and related pressure control equipment will be pressure tested to 2000 PSI. BOPE will be pressure tested every 30 days and will be checked daily as to mechanical operating condition.

6. Mud Program:

- ~~0-300'~~ spud mud
- ~~300-4550'~~ treated water
- ✓ 4550-7850' salt saturated. Maximum anticipated mud weight 10.5 ppg based on offset well information 35-48 viscosity 15 cc water loss 10 PH.

Sufficient mud materials to build an active system will be available at the well site.

7. Auxilliary Equipment:
1. Upper kelly cock
 2. Drill pipe float
 3. Monitoring of the mud system will be by a pit volume totalizer and flow sensor.
 4. A sub on the floor with a full opening safety valve to be stabbed into the drill string when the Kelly is not in the string.

8. Logging:

FDC-CNL-GR with caliper - from 4500' to TD.
BHC Sonic-GR with caliper - from base of surface casing to TD.
DIL-SFL or DLL-SFL from base of surface casing to TD.
Dipmeter - from top of Salt (?) to TD.

Coring:

NONE

Testing:

1 DST Cane Creek

PLANNED COMPLETION AND STIMULATING PROCEDURES: (Ex. proposed completion zone, acidizing, and fracturing programs):

Stimulation:

Cane Creek Formation - frac with 30,000 gallons salt gel with 2 ppg 20/40 sand.

9. Abnormal Pressure: This firm does not anticipate any abnormal pressure of temperatures or any other hazards. This is based on previous geological data from nearby wells.

H₂S ?

ESTIMATED BOTTOMHOLE PRESSURE: 4300 PSI

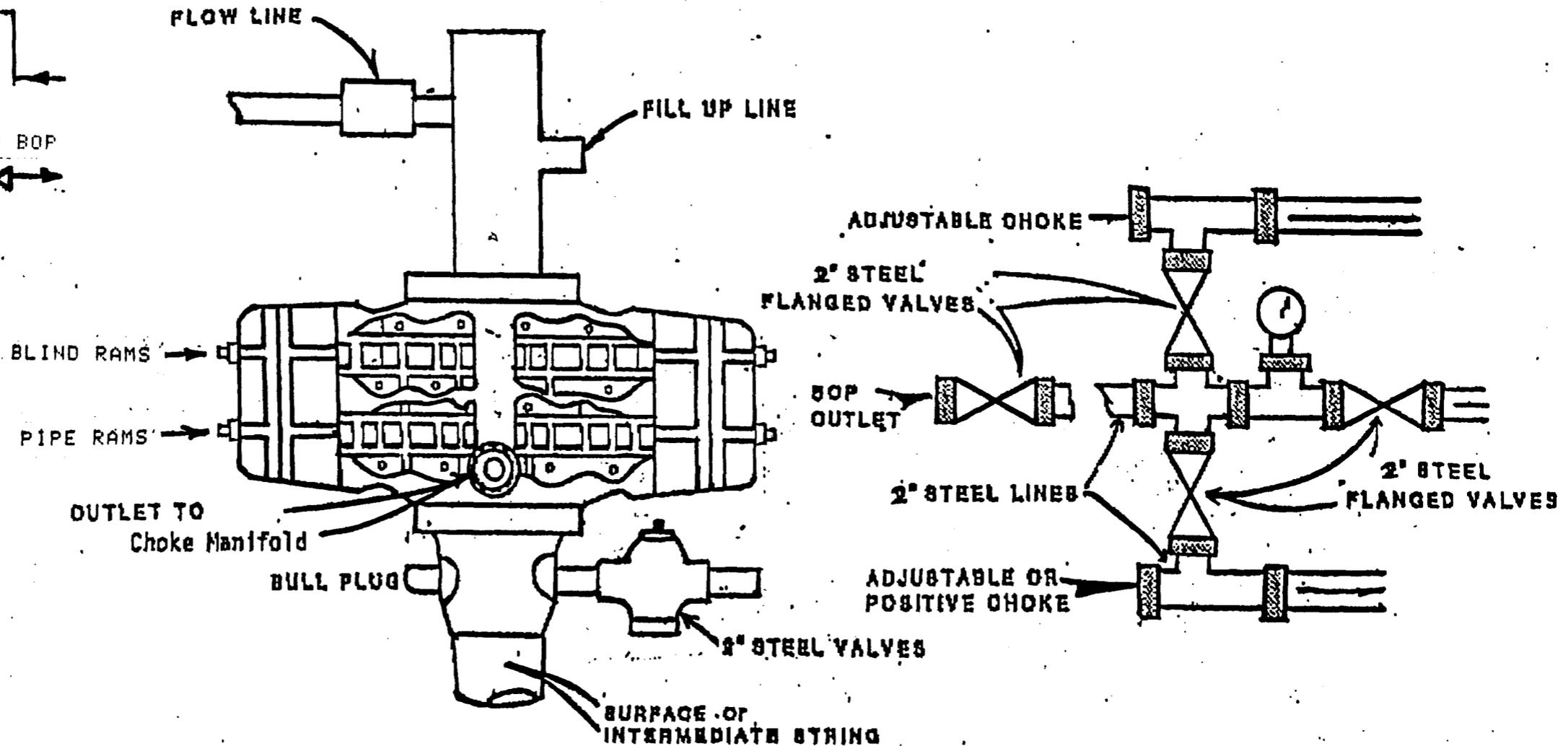
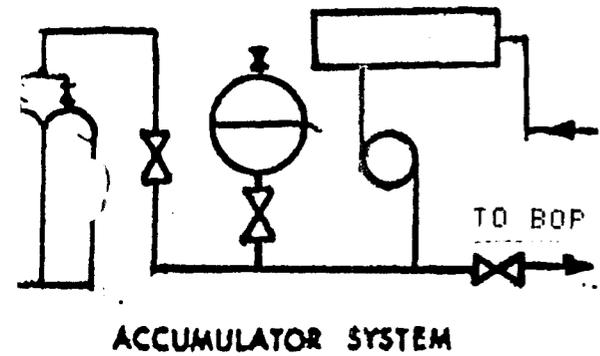
ESTIMATED MAXIMUM SURFACE PRESSURE: 1700 PSI

10. Anticipated starting date: Within 30-45 days from Government approval.

Duration of operation: 30-60 days

BOP AND CHOKE MANIFOLD SCHEMATIC

3000 PSI WORKING PRESSURE



1. Handwheels will be installed and labeled for the manual operation of rams.
2. The minimum acceptable accumulator system will be a 40-gallon 2-station unit and fireproof hydraulic lines to BOP's.
3. The location of the accumulator will be on ground level with labeled controls.

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

SUBMIT IN TRIPPLICATE*
(Other instructions
reverse side)

Form approved,
Budget Bureau No. 42-R1425.

13

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
 DAVIS OIL COMPANY

3. ADDRESS OF OPERATOR
 410 17th Street, Suite 1400, Denver, Colorado 80202

5. LEASE DESIGNATION AND SERIAL NO.
 U-20871

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 Gold Bar Unit

8. FARM OR LEASE NAME

9. WELL NO.
 #5

10. FIELD AND POOL OR WILDCAT
 Wildcat

11. SEC., T., R. M., OR BLK. AND SURVEY OR AREA
 Sec. 35, T25S, R20E

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface C SW Sec. 35, T25S, R20E

At proposed prod. zone
 1296' FSL, 1120' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 20 miles east to Moab, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1320' west

16. NO. OF ACRES IN LEASE _____

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21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4885' GR Est., 4898' KB Est.

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23. PROPOSED CASING AND CEMENTING PROGRAM

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*cement volume to be calculated from IHV to cover 500' above salt top.

RECEIVED
 DEC 14 1983

**DIVISION OF
OIL, GAS & MINING**

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 Ed L. Lave **TITLE** Chief Geologist **DATE** 10/18/83

(This space for Federal or State office use)

PERMIT NO. _____ **APPROVAL DATE** _____

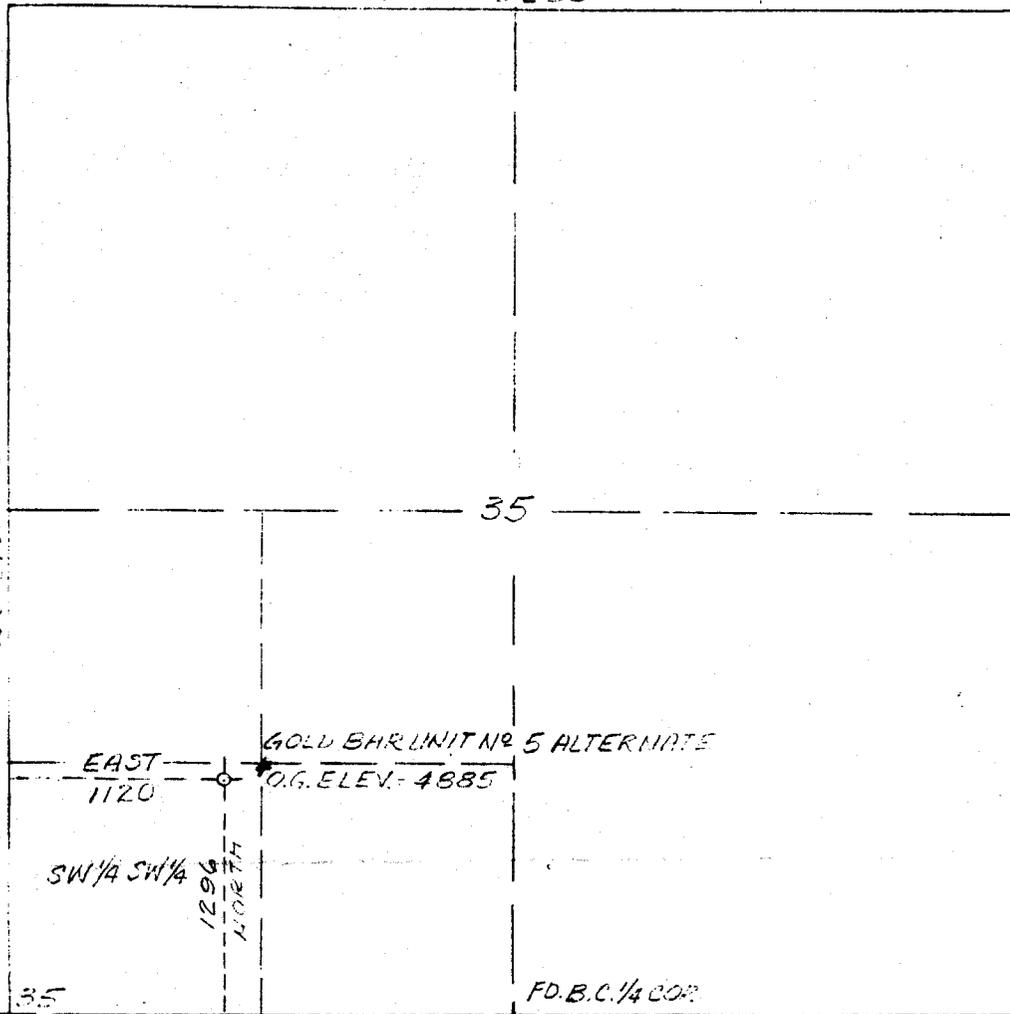
APPROVED BY s/James J. Travis **TITLE** Acting District Manager **DATE** 12/12/83

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

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

R 20 E
WEST 5256⁶



0825 N 10 0 0
T 25 S
N
BEARING FROM S. LINE, SW 1/4, SEC. 35 (WEST)

I.D.E.C. 34 35 2641 1/2 MEAS. WEST 2640

SEC. B'DRY CALLS HRE REC. G.L.O. MAP 1230



UTAH R.L.S. No 1965

WELL LOCATION PLAT OF
 GOLD BAR UNIT NO 5 ALTERNATE
 IN SW 1/4 SW 1/4, SEC. 35, T25S, R20E, S.154M.
 GRAND COUNTY, UTAH
 FOR: DAVIS OIL CO.
 SCALE: 1" = 1000' OCT. 1983
 TRANSIT & E.D.M. SURVEY
 ELEV. BY VER. ANGLES FROM U.S.G.S.
 TOPO. QUAD. "MOAB, UTAH" 1959
 (SW COR., SEC. 35 = 4720)

Davis Oil Company
Gold Bar Unit #5
Section 35, T. 25 S., R. 20 E.
Grand County, Utah
Lease: U-20871

SUPPLEMENTAL STIPULATION

1. Extend surface casing to 550' to protect Navajo sandstone aquifer,
(Surface casing shall be modified to cover entire Navajo section).

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company Davis Oil Company

Well No. Gold Bar #5

Location Sec. 35, T. 25 S., R. 20 E.

Lease No. U-20871

**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.

RECEIVED
DEC 14 1981

DIVISION OF
OIL, GAS & MINING

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. "Sunday 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 Ext 248 Home Phone: _____

City: Moab State: Utah

Resource Area Manager's Address and contacts are:

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

Your contact is: Paul Brown

Office Phone: 801-259-8193 Home Phone: 801-259-7018

7. SURFACE OPERATING STANDARDS

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

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

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

13.

SUPPLEMENTAL STIPULATIONS OF APPROVAL ATTACHED

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.

OPERATOR DAVIS OIL CO

DATE 11-22-83

WELL NAME GOLD BAR UNIT #5

SEC SW SW 35 T 25 S R 20 E COUNTY GRAND

43-019-31117
API NUMBER

FED
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

MAP

HL

NID

PI

PROCESSING COMMENTS:

POTASH AREA

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

DATE: 11-22-83

BY: [Signature]

CHIEF PETROLEUM ENGINEER REVIEW:

11/29/83
[Signature]

APPROVAL LETTER:

SPACING:

A-3

GOLD BAR UNIT

c-3-a

CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

WATER

(see attached work sheet)

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

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT GOLD BAR

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

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

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

VERIFY LEGAL AND SUFFICIENT DRILLING WATER

November 22, 1983

Davis Oil Company
410 - 17th Street, Suite 1400
Denver, Colorado 80202

RE: Well No. Gold Bar Unit #5
SWSW Sec. 35, T. 25S, R. 20E
1296' FSL, 1120' FWL
Grand County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure.

Compliance with the following stipulations is required in order to validate this drilling authorization:

1. Prior to spudding, a copy of the Utah Division of Water Rights (Phone No. 801-533-6071) approval for use of water at the drilling site shall be submitted to this office.
2. The cement program shall be altered to reflect the use of "salt saturated" cement through salt formations.
3. Appropriate logs shall be run promptly through the Salt Section, and shall be submitted to this office within 10 days.
4. A directional survey shall be run from a point at least 20 feet below the Salt Section to the surface, and shall be submitted to this office prior to completion or abandonment.
5. Prior to spudding, furnish by registered mail, a copy of the application to drill and an appropriate map to all potash owners and/or lessees whose interests are within 1/2 mile of the proposed well.

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

Davis Oil Company
Well No. Gold Bar Unit #5
Page 2
November 22, 1983

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 43-019-31117.

Sincerely,



Norman C. Stout
Administrative Assistant

NCS/as
cc: Branch of Fluid Minerals
Encl.

RECEIVED

DEC 17 1984

DIVISION OF
OIL, GAS & MINING

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

3162 (U-065)
(U-20871)

14 DEC 1984

Davis Oil Company
410 - 17th Street, Suite 1400
Denver, CO 80202

Re: Rescinding Application for Permit
to Drill
Well No. Gold Bar Unit 5
C SW Sec. 35, T: 25 S., R. 20 E.
Grand County, Utah
Lease U-20871

Gentlemen:

The Application for Permit to Drill the referenced well was approved on December 12, 1983. Since that date no known activity has transpired at the approved location.

The Gold Bar Unit Agreement was voluntarily terminated effective October 27, 1984. Also Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the above application.

Should you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted. If you have any questions, please contact the Branch of Fluid Minerals (801) 259-6111.

Sincerely,

Kenneth V. Rhea

Acting District Manager

cc: Grand Resource Area

bcc: U-942, Utah State Office
State of Utah, Division of Oil, Gas, Mining ✓

CFreudiger/cf 12/13/84



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dianne R. Nielson, Ph.D., Division Director

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

January 2, 1985

Davis Oil Company
410 Seventeenth Street, Suite 1400
Denver, Colorado 80202

Gentlemen:

Re: Well No. Gold Bar Unit #5 - Sec. 35, T. 25S., R. 20E.
Grand County, Utah - API #43-019-31117

In concert with action taken by the Bureau of Land Management, December 14, 1984, approval to drill the above referred to well is hereby rescinded without prejudice.

A new "Application for Permit to Drill" must be filed with this office, for approval, prior to future drilling of the subject location.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza". The signature is written in dark ink and is positioned above the typed name and title.

John R. Baza
Petroleum Engineer

clj

cc: Dianne R. Nielson
Ronald J. Firth
File

0009S/5