

TXO

TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

February 12, 1985

RECEIVED

FEB 15 1985

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

DIVISION OF OIL
GAS & MINING

Re: TIGHT HOLE
BMG Federal #7
Section 17-T16S-R26E
Grand County, Utah

Gentlemen:

Enclosed please find three copies of the Application for Permit to Drill and one Drilling Plan and Surface Use Program which were submitted to the BLM for the above referenced well.

The well was staked on a ridge that ran north and south in the section (see enclosed topographic map). Due to topographic constraints, this well could not be located farther than 500 feet from the 320 acre spacing boundary. However, the location was staked as far from the boundary as possible, considering the surrounding topography.

Please hold information from the above well CONFIDENTIAL. If you have any questions don't hesitate to contact me at this office.

Very truly yours,

TXO PRODUCTION CORP.



Terry L. Blankenship
Environmental Scientist

TLB/gbp

Enclosures/as stated

TIGHT HOLE

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

CONFIDENTIAL
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 TXO Production Corp. Attention: Terry Blankenship

3. ADDRESS OF OPERATOR
 1800 Lincoln Center Building, Denver, CO 80264 (303) 861-4246

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 2325' FSL, 2230' FEL Sec. 17-T16S-R26E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 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) 400'

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. 2130'

19. PROPOSED DEPTH 5700' *Adman*

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6387' GR

22. APPROX. DATE WORK WILL START*
 June 1, 1985

5. LEASE DESIGNATION AND SERIAL NO.
 U-05015-A

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

7. UNIT AGREEMENT NAME
 - - -

8. FARM OR LEASE NAME
 BMG Federal

9. WELL NO.
 #7

10. FIELD AND POOL, OR WILDCAT
 ✓ San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 17-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"	36.0#	300'	180 sacks
8 3/4"	7"	20.0#	2100'	150 sacks
6 1/4"	4 1/2"	10.5#	5700'	200 sacks

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
 DATE: 2/29/85
 BY: [Signature]
 WELL SPACING: Change #107-1

TIGHT HOLE

RECEIVED
 FEB 15 1985
 DIVISION OF OIL GAS & MINING

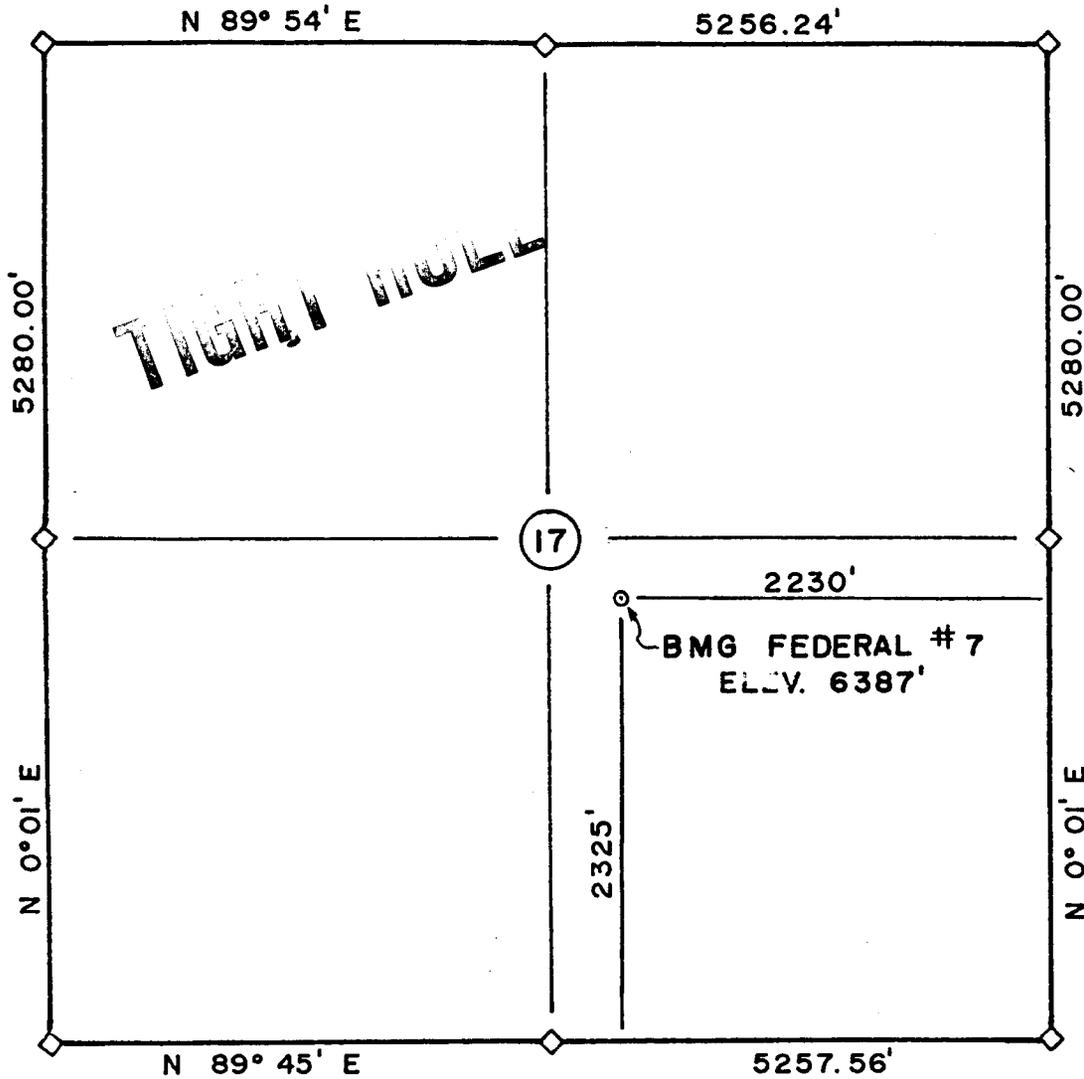
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer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

24. SIGNED Ronald E. Dashner TITLE District Drilling & Prod. Mgr DATE _____
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

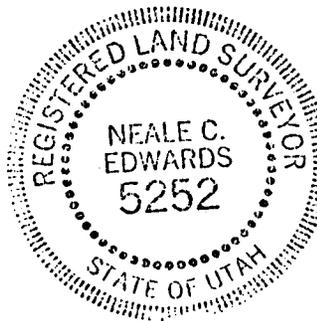
APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

***See Instructions On Reverse Side**



REFERENCE DOCUMENTS

1926 GLO PLAT
 JIM CANYON CO-UT
 QUADRANGLE, USGS



SURVEYOR'S CERTIFICATE

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

Neale C. Edwards

L.S. NO 5252

DATE: 1-24-85

THIS WELL LOCATION PLAT WAS PREPARED FOR TXO PRODUCTION CORP. AS REQUESTED BY TERRY BLANKENSHIP 2325' F.S. L. & 2230' F.E. L. IN THE NW 1/4 SE 1/4, OF SECTION 17, T. 16 S, R. 26 E, OF THE SLB P.M., GRAND COUNTY, UTAH

NCE SURVEYS

364 C.R. 216
 DURANGO, COLO. 81301
 (303) 247-2342

DRILLING PLAN

DATE: February 8, 1985

WELL NAME: BMG Federal #7

SURFACE LOCATION: 2325' FSL, 2230' FEL, Section 17-T16S-R26E
Grand County, Utah

FEDERAL OIL & GAS LEASE NO.: U-05015-A

TXO Production Corp. is covered by Nationwide Bond No. 679 F 434 A.

I. DRILLING PROGRAM

1. SURFACE FORMATION: Mesa Verde
2. ESTIMATED FORMATION TOPS:

Dakota	4787'
Dakota Sandstone	4887'
Buckhorn	5019'
Morrison	5089'
Total Depth	5700'
3. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER OR OTHER MINERAL BEARING ZONES ARE EXPECTED TO BE ENCOUNTERED:

Expected Gas Zones:	Dakota	4787'
	Buckhorn	5019'
	Morrison	5089'

Water may be encountered in the Mesa Verde formation.

4. 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.

5. CASING PROGRAM AS PER FORM 3160-3.

6. MUD PROGRAM:

0-300 Air, if necessary will use native mud.
300'-TD Air or air mist. If necessary will use spud mud
 at 8.8-9.0#gal. vis. 35-45 sec., WL > 10cc.

7. CORING, LOGGING, TESTING PROGRAM:

A. No coring is anticipated.

B. Logging program will consist of: DIL-GR from TD to surface pipe and FDC-SNP-GR-CAL from TD to 2000' above TD; if logged wet, FDC-CNL-GR-CAL from TD to 2000' above TD.

C. No testing is anticipated.

8. 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.

9. 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.

10. ANTICIPATED STARTING DATES:

Start location construction	June 1, 1985
Spud date	June 15, 1985
Complete drilling	July 1, 1985
Completed, ready for pipeline	July 15, 1985

11. Completion:

In the event logging or other information indicates the well is capable of commercial production, production casing will be set as indicated on Form 3160-3. The drilling rig will then be released and removed from the location. A smaller completion rig will be moved on the location to perform completion procedures.

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 treated. A completion program will be furnished after drilling and logging, if requested.

II. SURFACE USE PROGRAM

1. EXISTING ROADS

- A. Route and distance from nearest town or locatable reference point to where proposed access route leaves main 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. From this point the road proceeds out of the canyon bottom for 1.3 miles to the location of the BMG Federal #2, #3, #4, and the beginning of the planned access road to the BMG Federal #6 and #7.
- B. Access route to location color coded in red and labeled. Refer to Exhibit 2.
- C. For development well, all existing roads within one mile color coded in yellow. Refer to Exhibit 3.
- D. 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 may necessitate watering the road to control dust.

2. PLANNED ACCESS ROAD

The access road will be approximately 4000 feet long, part of which will also be used for the BMG Federal #6 (Exhibit 4). The road will be 18-20 feet wide with grades of 0 to 4 percent. The road will require cuts ranging from 5 to 15 feet and will be constructed with inside bar ditches and water bars to allow for proper drainage. The use of culverts will be determined during construction and no gates or cattleguards will be needed.

3. LOCATION OF EXISTING WELLS

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

- A. Water Wells-None
- B. Injection Wells-None
- C. Abandoned Wells-TXO BMG Federal "A" #1
- D. Disposal Wells-None
- E. Producing Wells-TXO BMG Federal #2 Sec. 8-T16S-R26E
TXO BMG Federal #3 Sec. 18-T16S-R26E
TXO BMG Federal #4 Sec. 17-T16S-R26E
Tenneco State #4 Sec. 16-T16S-R26E

- F. Drilling Wells - None
- G. Shut-in Wells - None
- H. Injection Wells-None

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. On-well pad production facilities, if well is successfully completed for production.

- 1. Proposed facilities 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 dehydrator. It is anticipated that the meter run and dehydrator will be owned, installed, and maintained by the gas purchaser. The anticipated location of these facilities is shown on Exhibit 6. The pit will contain all water production and be built in accordance with NTL-2B IV.4. specifications for disposal of less than five barrels of produced water per day. In the event the volume of produced water exceeds 5 BWPD, TXO will investigate alternate disposal methods and obtain approval as required by NTL-2B.

B. Off-well pad production facilities.

No off-well pad production facilities are anticipated.

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 2.

C. If water well is to be drilled, so state: No water well is contemplated.

6. SOURCES OF CONSTRUCTION MATERIAL

A. Show information either on map or by written description: It is anticipated that cuts on location will furnish sufficient quantities of materials to construct a level location. Topsoil will be stockpiled on the south end of the pad for later use during rehabilitation on the disturbed areas. Excess excavated material will be stockpiled for use during rehabilitation.

- B. Identify if from Federal or Indian land: The affected land is Federal and under the management of the Bureau of Land Management.

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 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. If any oil is in the reserve pit, it will be removed and overhead flagging will be installed.
- 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 7a and 7b.
- B. Location of mud tank, reserve pit, trash bin, pipe racks and other facilities: Refer to Exhibit 7c.
- C. 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 or a commercial plastic liner will be placed in the pit to prevent excessive seepage and groundwater contamination.

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 allowed to dry by evaporation and then will be backfilled. Cuttings, drilling muds, and similar spent chemicals directed to the reserve pit pursuant to Item 7 above will be

buried as the pit is 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 the BLM. If the well is not commercially productive, the entire pad will be reclaimed as described above.

- B. In the event the well is not commercially productive, that portion of the access road requested by BLM to be rehabilitated will be recontoured, covered with topsoil, disked and reseeded with the 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.
- C. Timetable for commencement and completion of rehabilitation operations: Rehabilitation will commence when drilling operations are completed, approximately August 31, 1985 and will be completed within approximately one year. It is anticipated that seeding of the recontoured pad would be performed in the fall following pit backfill and recontouring operations.

11. SURFACE OWNERSHIP

The access road and the well pad are on lands administered by the BLM.

12. OTHER INFORMATION

General description of:

- A. Topography, soil characteristics, geologic features, flora, fauna: The well site is located on moderately sloped 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 piñon pine, juniper, oak brush, and native grasses. Animals inhabiting the area include deer, small mammals, and birds.
- B. Other surface use activities include: 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 archeological survey will be conducted for the road and pad, if necessary.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

- A. 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.

R.E. Dashner
District Drilling & Production Manager
TXO Production Corp.
1800 Lincoln Center Bldg.
1660 Lincoln Street
Denver, Colorado 80264
(303) 861-4246 - Business
(303) 690-5658 - Residence

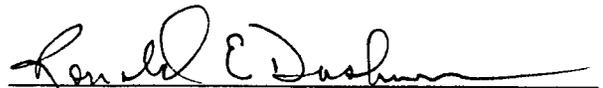
Comments regarding the content of this plan or arrangements for an on-site inspection should be directed to:

Terry Blankenship
Environmental Scientist
TXO Production Corp.
1800 Lincoln Center Building
1660 Lincoln Street
Denver, Colorado 80264
(303) 861-4246 - Business
(303) 420-3028 - Residence

- B. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; 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 and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date:

NAME AND TITLE:


Ronald E. Dashner
District Drilling and Production Manager

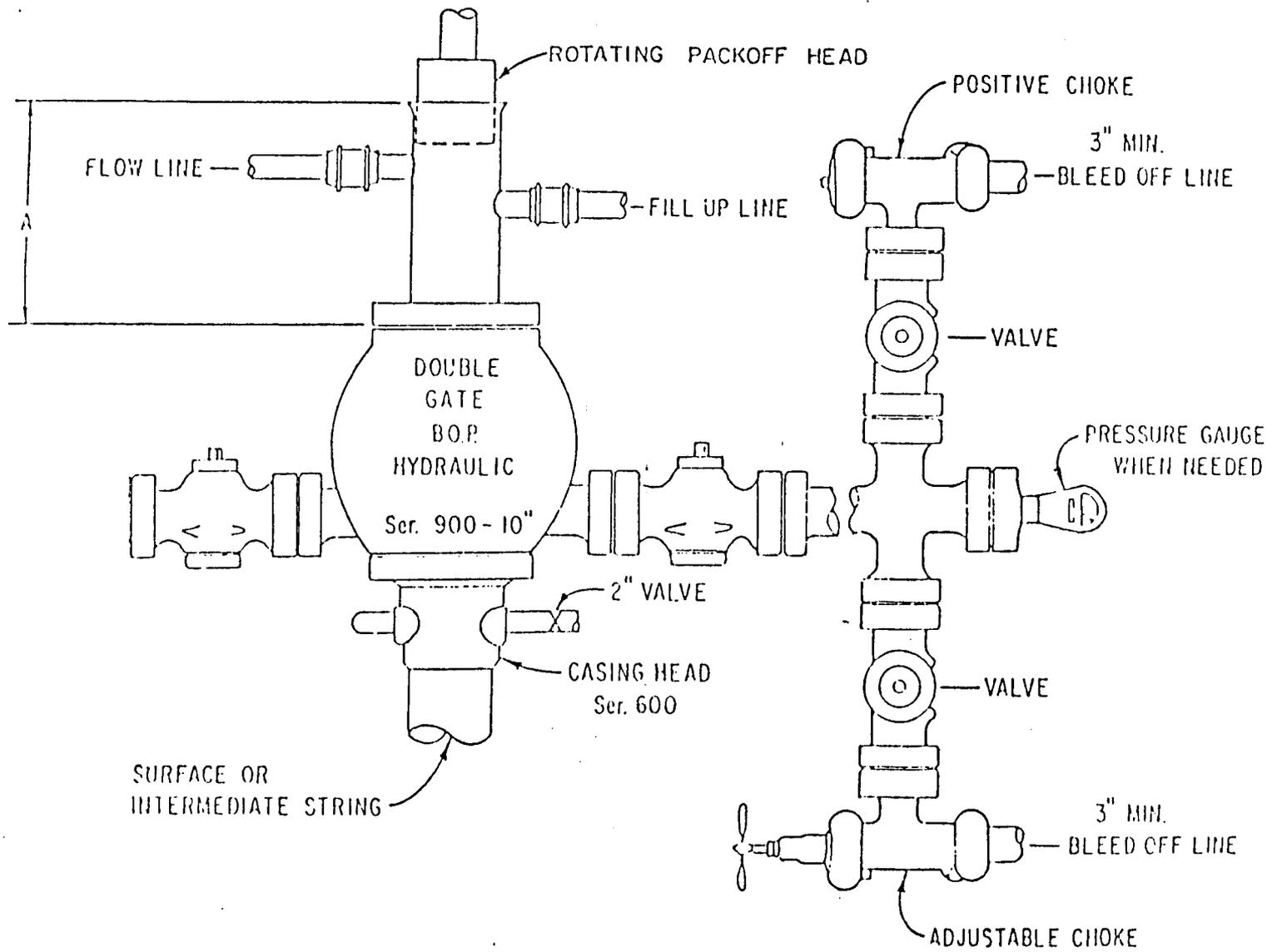
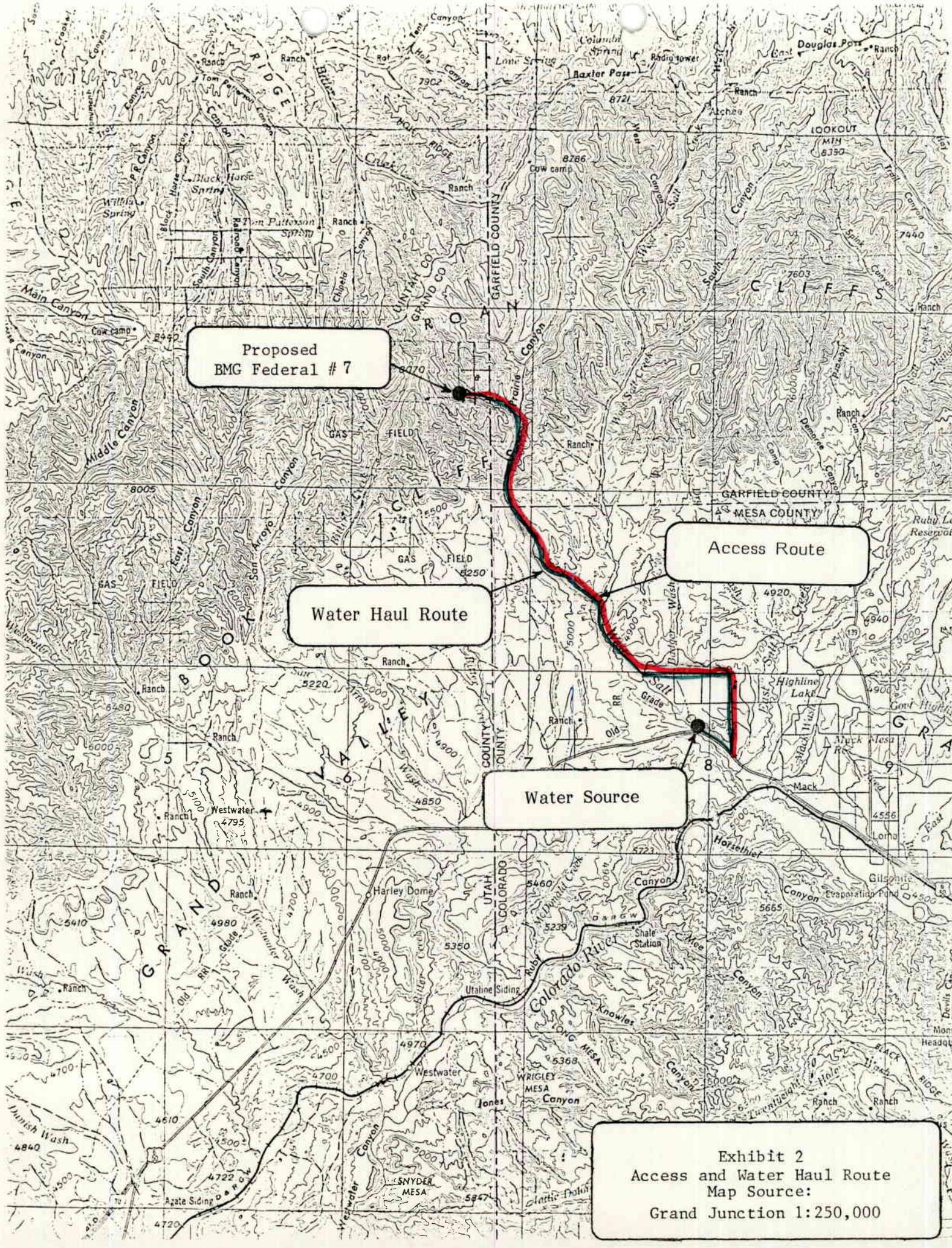


EXHIBIT I
 BLOWOUT PREVENTER DIAGRAM



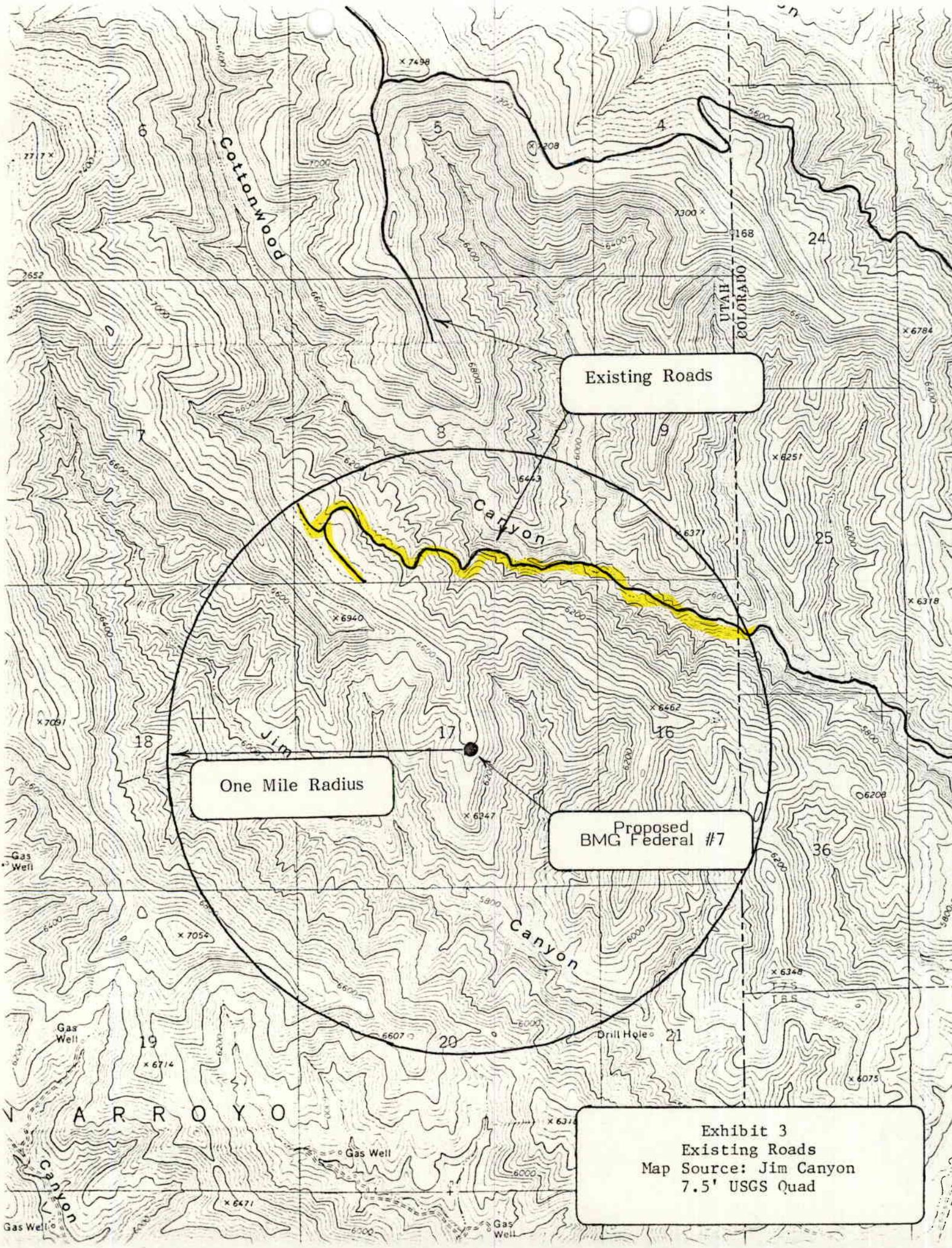
Proposed
BMG Federal # 7

Access Route

Water Haul Route

Water Source

Exhibit 2
Access and Water Haul Route
Map Source:
Grand Junction 1:250,000

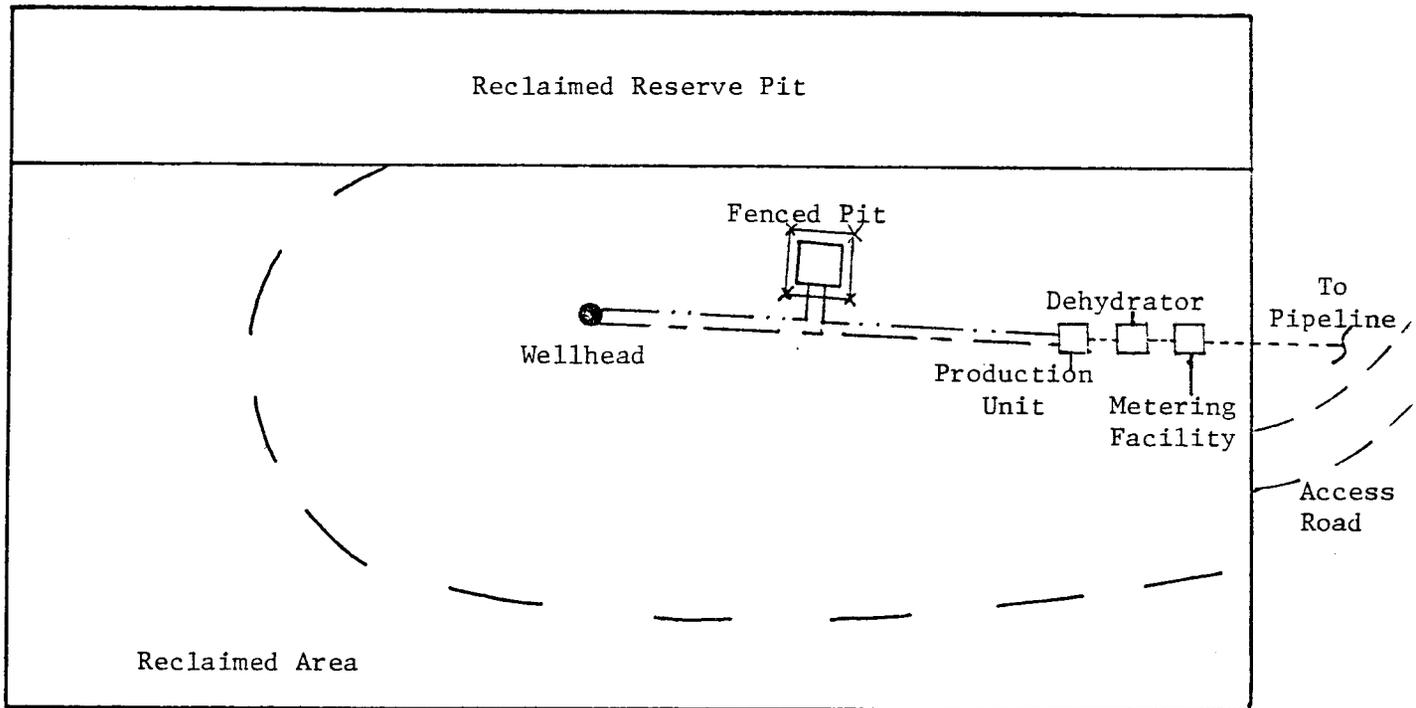


Existing Roads

One Mile Radius

Proposed
BMG Federal #7

Exhibit 3
Existing Roads
Map Source: Jim Canyon
7.5' USGS Quad



- 1) Pits 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.

Exhibit 6
 TXO Production Corp.
 BMG Federal #7
 Production Facilities

PIT & PAD LAYOUT

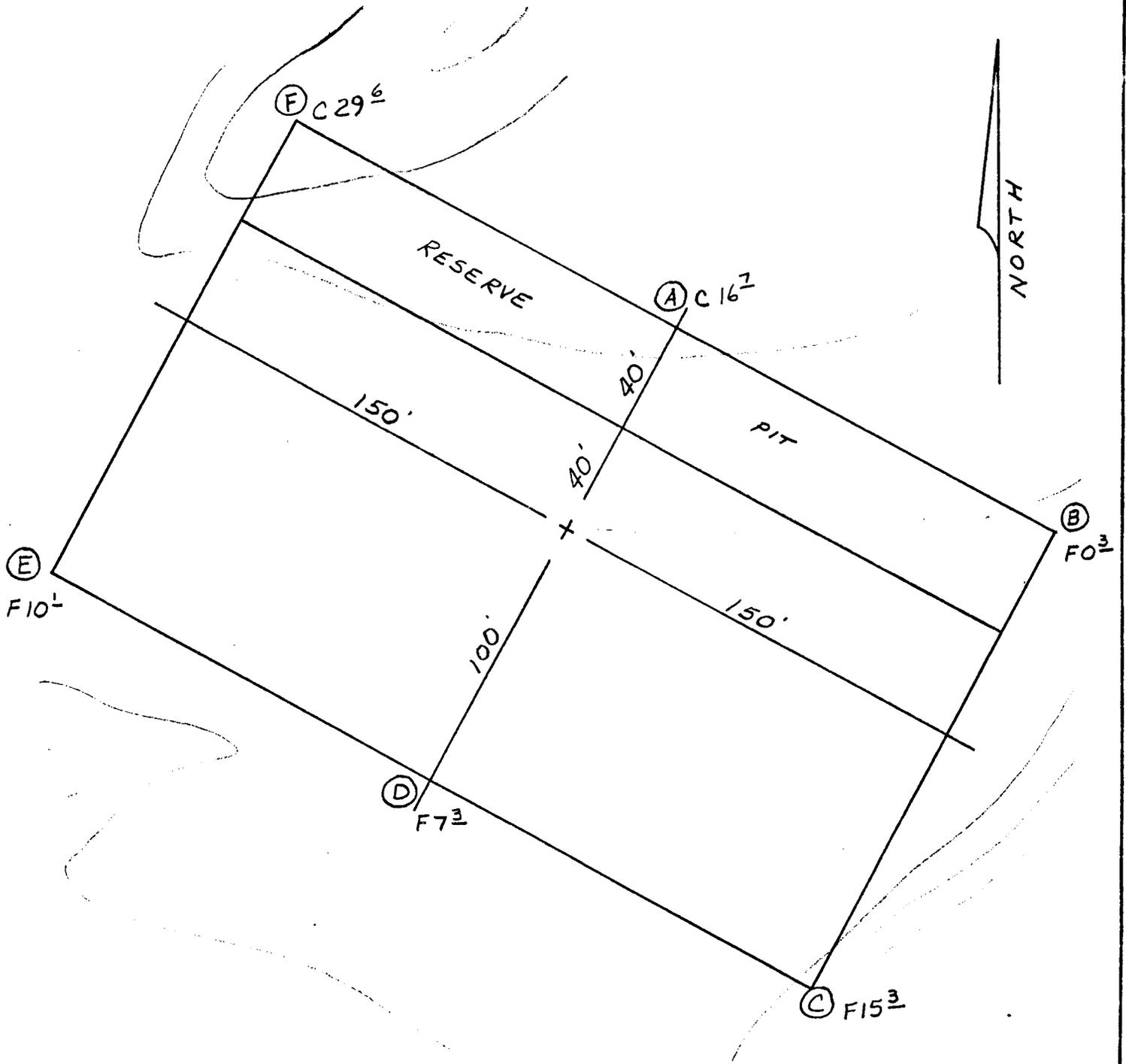


Exhibit 7a
Pit and Pad Lay-out

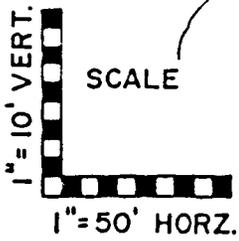
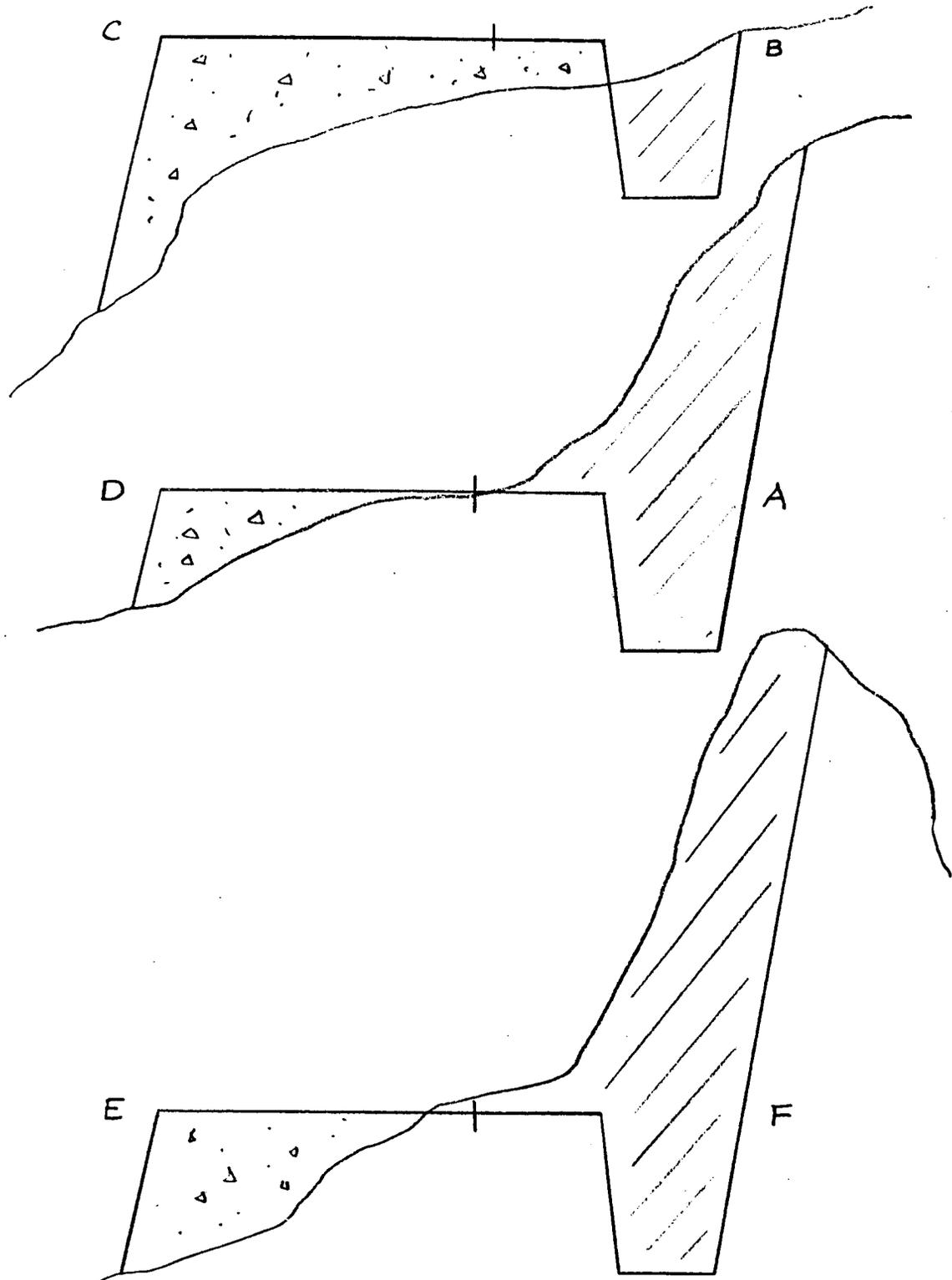
TXO PRODUCTION CORP.
BMG FEDERAL # 7

SCALE
1" = 50'

NCE SURVEYS

DATE: 1-24-85

B.M.G. # 7
CROSS-SECTIONS



SCALE

ESTIMATED QUANTITIES
CUT 10500 CU. YDS.
FILL 5600 CU. YDS.

Exhibit 7b
Cross Sections

NCE SURVEYS

DATE: 1-24-85

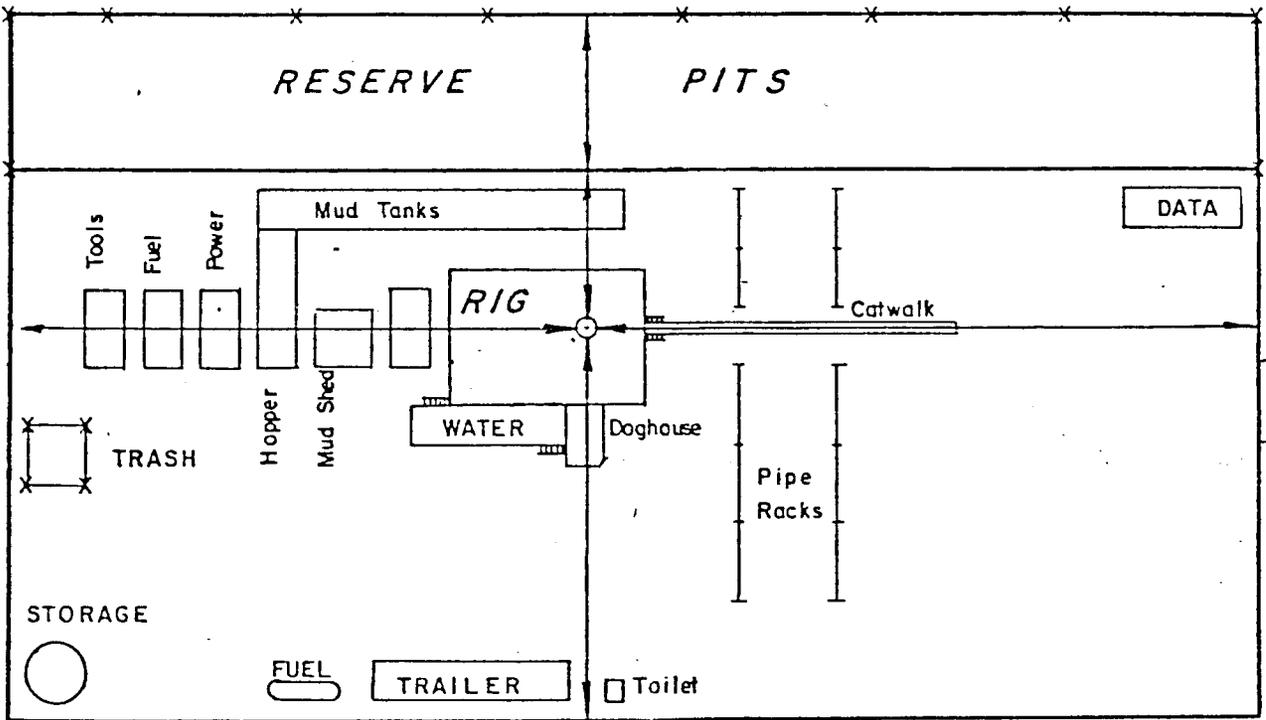


Exhibit 7c
Rig Layout

CONFIDENTIAL

OPERATOR TXO Production Corp

DATE 2-19-85

WELL NAME BMG Fed #17

SEC NW SE 17 T 16S R 26E COUNTY Grant

43-019-31183
API NUMBER

Fed.
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Exception to 107-1 requested (topography)

Need water permit water from Colorado

APPROVAL LETTER:

SPACING:

A-3

UNIT

c-3-a

107-1 2/11/65
CAUSE NO. & DATE

c-3-b

c-3-c

STIPULATIONS:

Water



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

February 20, 1985

TXO Production Corporation
1800 Lincoln Center Bldg.
Denver, Colorado 80264

Attention: Terry Blankenship

Gentlemen:

Re: Well No. BMG Federal #7 - NW SE Sec. 17, T. 16S, R. 26E
2325' FSL, 2230' FEL - Grand County, Utah

Approval to drill the above referenced gas well is hereby granted in accordance with Order of Cause No. 107-1 dated February 11, 1965.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695 or R. J. Firth, Associate Director, (Home) 571-6068.
4. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31183.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals

UNITED STATES DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
U-05015-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

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Sec. 17-T16S-R26E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
TXO Production Corp. Attention: Terry Blankenship

3. ADDRESS OF OPERATOR
1800 Lincoln Center Building, Denver, CO 80264 (303) 861-4246

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19. PROPOSED DEPTH 5700'

20. ROTARY OR CABLE TOOLS Rotary

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22. APPROX. DATE WORK WILL START* June 1, 1985

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RIGHT HOLE

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24. SIGNED Ronald E. Dashner TITLE District Drilling & Prod. Mgr DATE _____
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Kenneth V. Rhea TITLE Acting DISTRICT MANAGER DATE 02 MAY 1985

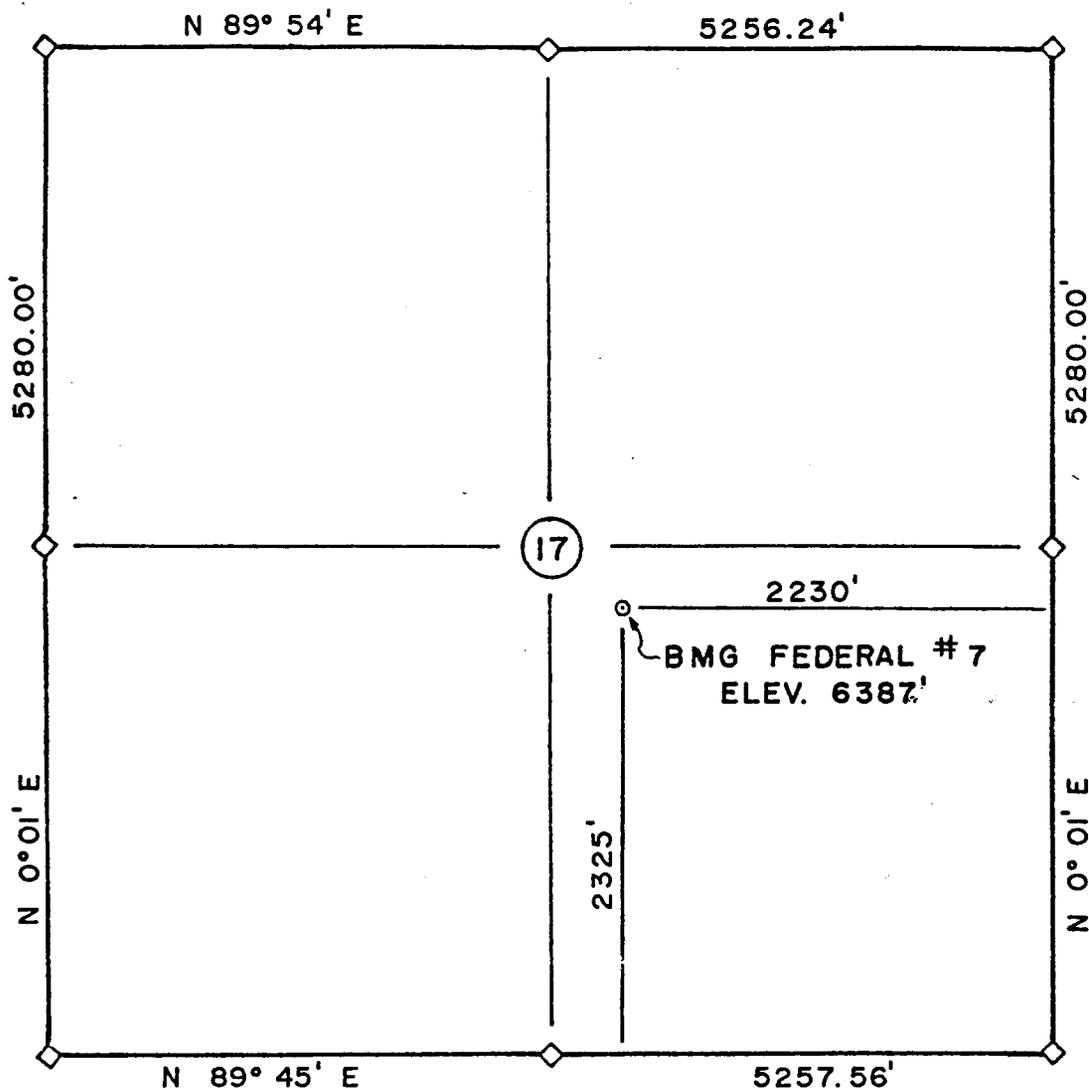
FLARING OR VENTING OF GAS IS SUBJECT OF NTL 4-A DATED 1/1/80

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

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.

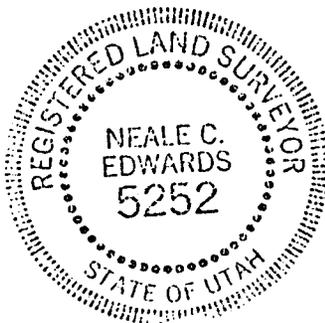
SEC. 17, T. 16 S, R. 26 E, OF THE SLB P.M.



REFERENCE DOCUMENTS

1926 GLO PLAT

JIM CANYON CO-UT
QUADRANGLE, USGS



SURVEYOR'S CERTIFICATE

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

Neale C. Edwards

L.S. NO 5252

DATE: 1-24-85

THIS WELL LOCATION PLAT WAS PREPARED FOR TXO PRODUCTION CORP. AS

REQUESTED BY TERRY BLANKENSHIP

2325' F.S. L. & 2230' F.E. L.

IN THE NW 1/4 SE 1/4, OF SECTION 17,

T. 16 S, R. 26 E, OF THE SLB P.M.,

GRAND COUNTY, UTAH

NCE SURVEYS

364 C.R. 216
DURANGO, COLO.
81301
(303) 247-2342

TXO Production Corporation
BMG Fed #7
Sec. 17, T.16S., R.26E.
Grand County, Utah
U-05015-A

CONDITIONS OF APPROVAL

A. Drilling Program

1. The operator will contact the Grand Resource Area at (801)259-8193, forty-eight (48) hours prior to beginning any work on this location.
2. 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 the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.
3. The spud date will be reported orally to the Area Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.
4. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "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 will be filed directly with the BLM District Office, P.O. Box 970, Moab, Utah 84532.
5. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.
6. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. If the replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will 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. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.
8. Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.
9. A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.
10. No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.
11. Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.
12. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker plate, cap or beaded-on with a welding torch:

"Fed" or "Ind", as applicable, "Well Number, location by 1/4 1/4 section, township and range". "Lease Number".

B. Surface Use Program

1. Planned access will be built to the Bureau's Class III road standards.
2. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.
3. The access road will be rehabilitated within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.
4. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

5. Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.
6. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.
7. The hole will be moved 40 feet to the south in order to reduce the cut around station F of exhibit 7a (APD BMG 7). Trees and topsoil will be placed along the edge marked E,D,C or exhibit 7a (APD).

8. Produced waste water will be confined to a pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).
9. The reserve pit will be fenced with 4 strands of barbed wire. The fence will be kept in good repair while the pit is drying.
10. The operator or his contractor will notify the Grand Resource Area at (801)259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.
11. This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

Confidential

DIVISION OF OIL, GAS AND MINING

SPODDING INFORMATION

API #43-019-31183

NAME OF COMPANY: TXO PRODUCTION CORP

WELL NAME: BMG FEDERAL #7

SECTION NW SE 17 TOWNSHIP 16S RANGE 26E COUNTY Grand

DRILLING CONTRACTOR Veco

RIG # 9

SPODDED: DATE 5-30-85

TIME 10:00 PM

HOW Rotary

DRILLING WILL COMMENCE _____

REPORTED BY Matt Holdeman

TELEPHONE # 861-4246

DATE 5-31-85 SIGNED AS



TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

RECEIVED

JUN 10 1985

June 5, 1985

DIVISION OF OIL
GAS & MINING

STATE OF UTAH
Natural Resources
Oil, Gas, & Mining
355 W. North Temple, Ste. 350
3 Triad Center
Salt Lake City, Utah 84180-1203

RE: BMG FEDERAL #7
Section 17, T16S-R26E
Grand County, Utah

Gentlemen:

Please be advised that TXO Production Corp. would appreciate having the above referenced well considered a tight hole effectively immediately.

Also, enclosed please find Form #4 (Sundry Notices and Reports on Wells), notifying you of the spudding of the BMG Federal #7.

If you require anything further, please contact me at the above number.

Sincerely,

TXO PRODUCTION CORP.

Matthew C. Holdeman
Petroleum Engineer

MCH/dee
encl.



RECEIVED

Form 9-331
Dec. 1973

JUN 10 1985

Form Approved.
Budget Bureau No. 42-R1424

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DIVISION OF OIL
GAS & MINING

5. LEASE
U-05015-A
NAME OF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
BMG Federal
9. WELL NO.
#7
10. FIELD OR WILDCAT NAME
San Arroyo
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 17, T-16S-R26E
12. COUNTY OR PARISH
Grand
13. STATE
Utah
14. API NO.
43-019-31183
15. ELEVATIONS (SHOW DF, KDB, AND WD)
6400' KB 6387' GL

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
1800 Lincoln Center Building, Denver, CO 80264

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 2225' FSL & 2230' FEL
AT TOP PROD. INTERVAL: Same as above
AT TOTAL DEPTH: Same as above

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) SPUD <input type="checkbox"/>	X

(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.)*

TXO Production Corp. spudded the BMG Federal #7 at the above location at 10:00 p.m. on 5/30/85. The contractor is Veco Rig #9. Verbal notice of spud was reported to Greg Noble at the BLM in Moab at 4:30 p.m. on 5/30/85 and to Arlene at the Utah Division of Oil, Gas & Mining on 5/31/85. Both verbal notices were reported by Matthew Holdeman.

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

18. I hereby certify that the foregoing is true and correct
SIGNED Matthew C. Holdeman TITLE Petroleum Eng. DATE 6/3/85

(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

RECEIVED

JUL 09 1985

July 2, 1985

DIVISION OF OIL
GAS & MINING

STATE OF UTAH
Division of Oil, Gas, & Mining
355 West North Temple
Salt Lake City, Utah 84180

RE: BMG Federal #7
Section 17, T16S-R26E
Grand County, Utah

Gentlemen:

Please find enclosed three (3) copies of Form 9-330, "Well Completion or Recompletion Report and Log", notifying you of the completion of the above referenced well. The logs were forwarded by the logging company and a complete well history is attached.

If you require anything further, please contact me at the above number.

Sincerely,

TXO Production Corp.



Matthew C. Holdeman
Petroleum Engineer

CC: Form 9-330 (3)

MCH/nb

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

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

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

10

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

5. LEASE DESIGNATION AND SERIAL NO.

U-05015-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

BMG Federal

9. WELL NO.

#7

10. FIELD AND POOL, OR WILDCAT

San Arroyo

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

Sec. 17, T16S- R26E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

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

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

RECEIVED

2. NAME OF OPERATOR

JUL 09 1985

3. ADDRESS OF OPERATOR

1800 Lincoln Center Bldg., Denver, Colorado

DIVISION OF OIL & GAS MINING

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

At surface 2325' FSL & 2230 FEL, Sec. 17, T16S-R26E

At top prod. interval reported below

At total depth Same as above

NWSE

14. PERMIT NO. 43-019-31183 DATE ISSUED 2/22/85

15. DATE SPUNDED 5/30/85 16. DATE T.D. REACHED 6/7/85 17. DATE COMPL. (Ready to prod.) 6/16/85 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 6400' KB 19. ELEV. CASINGHEAD 6387' GL

20. TOTAL DEPTH, MD & TVD 5165' TVD 21. PLUG, BACK T.D., MD & TVD 5131' TVD 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY _____ ROTARY TOOLS All CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
4940' -74 5000' -11
4980' -88 4th & 5th Dakota

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

DIL-GR, COL-SNL-GR

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36#	318'	12 1/4"	100sxs50/50poz, 50sxsCl"G"	None
7"	20#	1850'	8 3/4"	75sxs 50/50poz, 75 sxsCl"G"	None
4 1/2"	10.5#	5130'	6 1/4"	150 sxs Cl "G"	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	4979	None

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

4940' -74'	1 JSRF	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4980' -88'		4940' -74'	2500 gals. 7 1/2% HCI & 750 scf/ bbl
5000' -11'		4980' -88'	N2
		5000' -11'	

33.* PRODUCTION

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

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
6/21/85	24	3/4"	→	_____	756	_____	_____
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
40#	85#	→	_____	756	_____	_____	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented

TEST WITNESSED BY

Matthew C. Holdeman

35. LIST OF ATTACHMENTS

DRILLING HISTORY

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

SIGNED Matthew C. Holdeman TITLE Petroleum Engineer DATE July 1, 1985

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

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

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

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

Item 16: 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, CURSION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES	38. GEOLOGIC MARKERS	TOP	MEAS. DEPTH	TRUE VERT. DEPTH
FORMATION	NAME			
TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.		
	Dakota SILT		4772'	4772'
	1st Dakota S.S.		4865'	4865'
	4th Dakota S.S.		4932'	4932'
	5th Dakota S.S.		4992'	4992'
	Morrison		5048'	5048'

WELL NAME:	BMG Federal #7	PTD:	5700'
AREA:	San Arroyo	ELEVATIONS:	6400' KB, 6387' GL
LOCATION:	Section 17, T16S-R26E	CONTRACTOR:	Veco #9
COUNTY:	Grand	AFE NUMBER:	852015
STATE:	Utah	LSE NUMBER:	73936
FOOTAGE:	2225' FSL & 2230' FEL	TXO WI:	75%

- 06/18/85 5131' PBTD, SITP 790#. SICP 800#. Opened well @ 8:30 AM on 6/17/85 on 3/4" orifice plate. At 9 PM had 38# on 3/4" orifice plate, 85# SICP, 60# FTP, FARO 617 MCFD. LWOTPON. DW: 0. CW: 284,823.
- 06/19/85 5131' PBTD, well flowing to pit on 3/4" orifice plate w/ 38#, 60# FTP, 85# SICP. FARO 617 MCFD. SI well for 6 hrs. SITP 800#, SICP 800#. Opened well to pit on 3/4" orifice. This AM had 47# on 3/4" orifice, 65# FTP, 90# SICP. FARO 720 MCFD. DW: 0. CW: 284,823.
- 06/20/85 5131' PBTD, well flowing to pit on 3/4" orifice plate w/ 50#, 40# FTP, 85# SICP, FARO 756 MCFD. SI well for 4-1/2 hrs. SITP 800#, SICP 800#. DW: 0. CW: 284,823.
- 06/21/85 5131' PBTD, well flowing to pit on 3/4" orifice plate w/ 50#. FTP 40#, SICP 85#, FARO 756 MCFD. SI 4th & 5th Dakota gas well. WOPL. Drop from report. DW: 0. CW: 284,823.

WELL NAME:	BMG Federal #7	PTD:	5700'
AREA:	San Arroyo	ELEVATIONS:	6400' KB, 6387' GL
LOCATION:	Section 17, T16S-R26E	CONTRACTOR:	Veco #9
COUNTY:	Grand	AFE NUMBER:	852015
STATE:	Utah	LSE NUMBER:	73936
FOOTAGE:	2225' FSL & 2230' FEL	TXO WI:	75%

- 06/07/85 5165' (38'), LD DC's. (150# air dust.) Morrison. Drld 5127-5165' (38'). TD @ 7 AM 6/6/85. Circ. Test gas (130# on 3/4" orifice - approx 2 MMCFD). Short trip 10 stnds. TIH to btm. No fill. TOOH. WO lubricators 4 hrs. Finish logging. TIH to 5165'. No fill. TOOH. LD DP & DC's. DW: 12,987. CW: 193,165. DD 8.
- 06/08/85 5165' (0'), release rig. Morrison. Finish LD 4-3/4" DC. RU casers. Run 133 jts 4-1/2", 10.5#, K-55, ST&C csg from 0-5130'. RU Dowell. Pumped 100 BM, 20 bbls mud flush. Cntd w/ 150 sxs Cl "G" w/ 5% KCL, 1/4#/sx celloflake. Dspl w/ 81.5 bbls 3% KCL wtr. PD @ 2:37 PM. BP @ 1800#. Float held. Full returns. RD Dowell. ND BOP. Cut csg & set slips w/ 45,000#. Release rig @ 6 PM 6/7/85. Drop from report until completion begins. CW: 243,350. DD 9.
- 06/13/85 5131' PBTB, MIRUCT. ND wellhead. PU & TIH w/ 3-7/8" bit, 4-1/2" csg scraper, & 2-3/8" tbg. Tag PBTB @ 5140' KB. RU tbg swab. Swab 37 BW. FL @ 2864' KB. TOOH w/ tbg. RU GO. Perf 5000-11', 12 holes, 1 JSPF, & 4980-88', 9 holes, & 4940-74', 35 holes. LTD 5131'. RD GO. No blow. PU pkr. TIH w/ Baker Model "R" pkr (7'), 2-3/8" SSN (1.1'), 157 jts 2-3/8", OD, 8rd, 4.7#, J-55, R-2, C-B tbg (4905'). Set pkr @ 4915'. RU blow line to pit. Slight blow on tbg. LWOPTON. SDFN. DW: 27,040. CW: 270,390.
- 06/14/85 5131' PBTB, slight blow on tbg. PT backside to 2000# for 15 min, OK. RU swab. IFL @ 3000'. Made 3 runs. Rec 15 BF. FFL @ SSN. Had 8' lazy flare. RU Smith. Acidized well w/ 2500 gals 7-1/2% HCL w/ additives & 750 scf/bbl N₂. Fm broke @ 4250#. Good ball action. Balled off @ end of acid. Surged balls off. Began displacement. Balled off @ end of job. MIR 8 BPM. MTP 5950#. AIR 7 BPM. ATP 3200#. LSIP 5500#, 5 min 1500#, 10 min 1030#, 15 min 970#. SI well for 1 hr. Opened well on 3/4" ch. Well flowed for 1 hr & died. RU swab. IFL @ 3500'. Made 3 runs. Rec 15 BF. FFL @ 4800'. Rel pkr. Ran pkr past perms. RU swab. IFL @ 2000'. Made 6 runs. Rec 25 BF. FFL @ 4200'. Tbg on vac after each run. LWOTPON. DW: 10,503. CW: 280,893.
- 06/15/85 5131' PBTB, slight blow on tbg, 1' lazy flare. SICP 375#. RU swab. IFL @ 2800'. Made 6 runs. FFL @ SSN. Rec 40 BF. Strong blow after swab runs. Blew dn backside, made 2 wiper runs past perms w/ pkr. TOOH. LD pkr. TIH w/ notched collar, 1 jt tbg, SSN & rest of 2-3/8" tbg. TIH to 5067'. RU swab. IFL @ 4800'. Made 4 runs. Rec 2 BF. FFL @ SSN. After swab runs, had 5-8' flare, SICP 70#. SI well for 5 min. Opened well w/ 10-12' flare. SI well for 30 min, SICP 200#. Opened well, CP dropped to 175# after 5 min. Well flowing w/ 15-20' flare. Made 1 swab run, rec tr wtr. FFL @ SSN. TOOH 3 jts, tbg landed @ 4975'. 0# FTP, 30# SICP. SI well for 2 hrs. SICP 560#. Opened well up w/ 80# FTP, 560# CP. Well flowing w/ heavy mist. After 15 mins, 20# FTP, 80# SICP. Appears to be dry. LWOTPON. DW: 2350. CW: 283,243.
- 06/16/85 5131' PBTB, 5# FTP, 50# SICP. Well flowing w/ heavy mist. Tested well w/ orifice tester, had 55# on 1/2" orifice plate. FARO 362 MCFD. RU swab. IFL @ SSN. Rec no fluid. TOOH. PU csg scraper & TIH. Ran past perms 4 times to remove any ball sealers. TOOH & LD csg scraper. TIH w/ notched collar, 1 jt 2-3/8" tbg, SSN, 158 jts 2-3/8" tbg. ND BOP. NU wellhead. Tbg landed @ 4979'. SSN @ 4948'. LWOTPON. RR @ 4 PM 6/16/85. DW: 1580. CW: 284,823.
- 06/17/85 5131' PBTB, well flowing to pit on 1/2" orifice, 78# FTP, 115# SICP, FARO 481 MCFD, medium mist. Mist appears to be condensate. SI well @ 8 PM on 6/16/85. Will open well this AM. DW: 0. CW: 284,823.

WELL NAME:	BMG Federal #7	PTD:	5700'
AREA:	San Arroyo	ELEVATIONS:	6400' KB, 6387' GL
LOCATION:	Section 17, T16S-R26E	CONTRACTOR:	Veco #9
COUNTY:	Grand	AFE NUMBER:	852015
STATE:	Utah	LSE NUMBER:	73936
FOOTAGE:	2225' FSL & 2230' FEL	TXO WI:	75%

*****RECEIVED*****

APCOT FINADEL JOINT VENTURE
P. O. Box 2159, Ste. 1848
Dallas, Texas 75221
Attn: Houston Welch

Just Mail

JUL 09 1985

DIVISION OF OIL
GAS & MINING

- 05/31/85 168' (168'), drlg. Mesaverde. 50# air mist. 8.4, 29, NC, 10. Finish MIRU Veco Rig #9. Drill RH & MH. Spud @ 10 PM on 5/30/85. Hit a wtr flow @ 151'. Mist up. Drilling ahead to 168'. DW: 29,960. CW: 29,960. DD 1.
- 06/01/85 322' (154'), NU. Mesaverde. (50# air mist.) 8.4, 35, NC, 10. Mud in pit. Drilled to 322' (154'). Circ & cond. Start TOOH. Work tight hole @ 151'. TIH to btm. Circ & cond. TOOH. RU & run 9-5/8" csg. Ran 7 jts 9-5/8", 36#, K-55, ST&C csg (0-318'), shoe set @ 318', float set @ 276'. Had to work csg by tight spot @ 151'. RU Dowell. Pumped 35 BM, 10 bbls H₂O spacer. Cmtd w/ 100 sxs of 50/50 poz w/ 2% CaCl₂, 1/4#/sx celloflake. Tailed w/ 50 sxs Cl "G" w/ 2% CaCl₂, 1/4#/sx celloflake. Dspl w/ 20.5 BW. PD @ 8:05 PM. BP @ 800#. Float held OK. No returns. Had to 1" backside. Cmt standing @ surf. RD Dowell. CO cellar. Start NU WH. 1" backside w/ 35 sxs Cl "G" w/ 2% CaCl₂ & 1/4#/sx celloflake. 1/2° @ 322'. DW: 12,620. CW: 42,580. DD 2.
- 06/02/85 1286' (964'), drlg. Mesaverde. (150# air mist.) 8.4, 35, NC, 10. Mud in pit. Finish NU & test BOP. Test to 1000#. Held OK for 15 min. Change out kelly. TIH & tag up @ 276'. Drill out float collar & shoe. Drill from 322-1286' (964'). Had to mist up @ approx 900'+. 1° @ 646', 1° @ 966', 1° @ 1236'. DW: 22,450. CW: 65,030. DD 3.
- 06/03/85 1856' (570'), PU 4-3/4" DC's. Mancos. (150# air mist.) 8.4, 30, NC, 10. Mud in pit. Drill from 1286-1856' (570'). Circ & blow hole. Survey. Short trip 8 stnds. TIH & ream 40' to btm. Circ. Start TOOH. LD (20) 6-1/4" DC's. RU casers. Run 7" csg to 1850' KB. Ran 43 jts 7", 20#, K-55, ST&C csg (0-1850'). RD casers. RU Dowell. WO pump truck for 1 hr. Cmt csg. Pumped 25 bbls of mud, 10 bbls of mud flush, 10 bbls wtr spacer. Cmtd w/ 75 sxs 50/50 poz w/ 2% gel, 2% CaCl₂, 1/4#/sx celloflake. Tail w/ 75 sxs Cl "G" w/ 2% CaCl₂, 1/4#/sx celloflake. Dspl w/ 73 BW. PD @ 10:27 PM. BP @ 500#. Float held OK. Full returns. RD casers. ND & cut csg. Set slips w/ 24,000#. NU BOP test to 1000#. Test OK. Start PU 4-3/4" DC. Fm tops: Castlegate 1350', Mancos 1567'. DW: 46,583. CW: 111,613. DD 4.
- 06/04/85 3034' (1178'), drlg. Mancos "B". (130# air dust.) Finish PU 4-3/4" DC & TIH. Drill out FC @ 1808' & shoe. Drill from 1850-3034' (1184'). Mancos "B" top @ 2020'. Mancos "B" base @ 2817'. 1-1/2° @ 2159', 1° @ 2471', 1-1/4° @ 2777'. DW: 23,150. CW: 134,763. DD 5.
- 06/05/85 4365' (1331'), drlg. Mancos. Air dust 150#. Drld from 3034-3051' (17'). TFB #4. Had a 30 second trip flare @ 3051'. TIH. Drld from 3051-4365' (1314'). No more flares. 1-1/2° @ 3051', 1-1/4° @ 3320', 1-1/4° @ 3650', 1-1/4° @ 3974', 1° @ 4281'. DW: 260,725. CW: 161,488. DD 6.
- 06/06/85 5127' (762'), drlg. Morrison. 150# air dust. Drld from 4365-4533' (168'). Survey. Trip for bit #5. Cut drlg line. TIH w/ bit #5. Drilled 4533-4960'. Had a 15' connection flare. Drill to 4980'. Continuous 30-40' flare. Drill ahead to 5127'. 4960-15' connection flare. 4980' had 30-40' flare (Buckhorn), 100# on 1" plate. 150# on 3/4" plate. Est 1500-2000 MCFD. Fm tops: Dakota Silt 4769', Dakota 4880', Buckhorn 4970', Morrison 5090'. 4° @ 4532', 2° @ 4790'. DW: 18,690. CW: 180,178. DD 7.



UTAH NATURAL RESOURCES Oil, Gas & Mining

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

MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

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 []

Table with columns: Well Name, API Number, Entity, Location, Producing Zone, Days Oper, Production Volume (Oil, Gas, Water). Includes entries for BMG FEDERAL, OIL SPRINGS UNIT, TOC TXO POGO USA, EVACUATION CREEK STATE, CROQUET FEDERAL, WELLS FEDERAL, SHUFFLEBOARD FEDERAL, STIRRUP FEDERAL, and CRACKER FEDERAL.

TOTAL

Comments (attach separate sheet if necessary) * Evacuation Creek - Terminated eff. 1-24-91.

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

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) 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.

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. *RWM*

INDEXING

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

REMARKS

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

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

910222 Bfm/S.Y. - Approved 2-20-91 - OK for DOBm 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)

DOGm - FYI - From Connie Larson - TAX COMMISSION

Tax Compliance Division



Findlay, Ohio 45840
Telephone 419/422-2121

January 23, 1991

N1580

TO WHOM IT MAY CONCERN:

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

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

Marathon Oil Company
Tax Organization

GRL:pah
GRL100T

FEB 14 1991
REC'D USITC P.H.

Send a copy to Room 2-2191

A subsidiary of USX Corporation

Copy sent to Master
File Mail

RECEIVED
JAN 24 1991



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

DIVISION OF
OIL, GAS & MINING

dg
1-3
my DRW
-cc 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

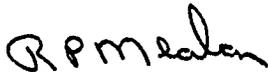
Utah Division of Oil, Gas & Mining
January 22, 1991
Page 2

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. }

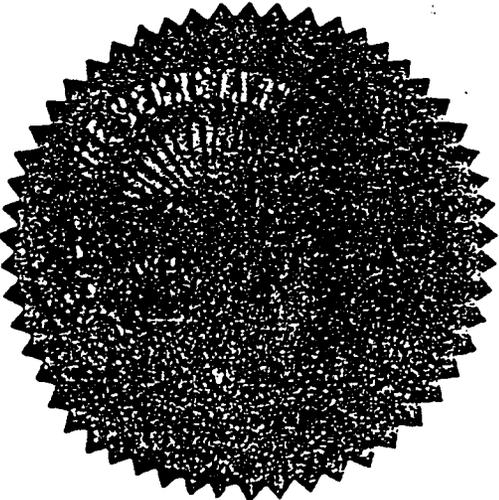
I, Sherrod Brown

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

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

- Sec 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)*
- Sec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 2-25-93)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: _____.
- Sec 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.
- Sec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-16-93)*
- Sec 6. Cardex file has been updated for each well listed above. *(3-16-93)*
- Sec 7. Well file labels have been updated for each well listed above. *(3-16-93)*
- Sec 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)*
- Sec 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

- sec* 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).
- sla* 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- sla* 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- sla* 2. A copy of this form has been placed in the new and former operators' bond files.
- sla* 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

- sla* 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.
- DTG* 2. Copies of documents have been sent to State Lands for changes involving State leases. 3/17/93 for sub Banner

MICROFILMING

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

FILED

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

COMMENTS

930316 B.L.M./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 chgd 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

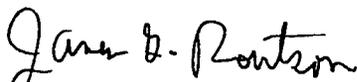
Re: Change of Operator
Sundry Notices
Grand and Uintah Counties, Utah

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

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

RECEIVED

FEB 25 1993

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Lone Mountain Production Company

DIVISION OF
OIL GAS & MINING

3. Address and Telephone No.

P.O. Box 3394, Billings, MT 59103

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

2325' FSL, 2230' FEL, Sec. 17-T16S-R26E
(NW $\frac{1}{4}$ SE $\frac{1}{4}$)

8. Well Name and No.
BMG Fed. No. 7
9. API Well No.
43-019-31183
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.

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

Signed James R. Rowson

Title Petroleum Engineer

Date Feb. 22, 1993

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

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

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION & SERIAL NO. See Below
6. IF INDIAN ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME See Below
9. WELL NO. See Below
10. FIELD AND POOL, OR WILDCAT See Below
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA See Below
12. COUNTY Grand and Uintah
13. STATE Utah

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

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Marathon Oil Company

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

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

14. API NO.
See Below

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

RECEIVED

FEB 25 1993

DIVISION OF
OIL GAS & MINING

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

<p>NOTICE OF INTENTION TO:</p> <table border="0"> <tr> <td>TEST WATER SHUT-OFF <input type="checkbox"/></td> <td>PULL OR ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>FRACTURE TREAT <input type="checkbox"/></td> <td>MULTIPLE COMPLETE <input type="checkbox"/></td> </tr> <tr> <td>SHOOT OR ACIDIZE <input type="checkbox"/></td> <td>ABANDON <input type="checkbox"/></td> </tr> <tr> <td>REPAIR WELL <input type="checkbox"/></td> <td>CHANGE PLANS <input type="checkbox"/></td> </tr> <tr> <td>(Other) <input type="checkbox"/></td> <td></td> </tr> </table> <p>APPROX. DATE WORK WILL START _____</p>	TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>	REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>		<p>SUBSEQUENT REPORT OF:</p> <table border="0"> <tr> <td>WATER SHUT-OFF <input type="checkbox"/></td> <td>REPAIRING WELL <input type="checkbox"/></td> </tr> <tr> <td>FRACTURE TREATMENT <input type="checkbox"/></td> <td>ALTERING CASING <input type="checkbox"/></td> </tr> <tr> <td>SHOOTING OR ACIDIZING <input type="checkbox"/></td> <td>ABANDONMENT* <input type="checkbox"/></td> </tr> <tr> <td>(Other) <input type="checkbox"/></td> <td></td> </tr> </table> <p>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</p> <p>DATE OF COMPLETION _____</p>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>	(Other) <input type="checkbox"/>	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>																		
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>																		
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>																		
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>																		
(Other) <input type="checkbox"/>																			
WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>																		
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>																		
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>																		
(Other) <input type="checkbox"/>																			

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

See Instructions On Reverse Side

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

WELL	LOCATION	LEASE	API #
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

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FEB 25 1995

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

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. U-05015-A
2. Name of Operator Lone Mountain Production Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 3394, Billings, MT 59103	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2325' FSL, 2230' FEL, Sec. 17-T16S-R26E (NW$\frac{1}{4}$ SE$\frac{1}{4}$)	8. Well Name and No. BMG Fed. No. 7
	9. API Well No. 43-019-31183
	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 Change of Operator
	<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.

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MAR 15 1993

DIVISION OF
OIL GAS & MINING

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

Signed *Jean S. Rowton* Title Petroleum Engineer Date Feb. 22, 1993

(This space for Federal or State office use)
757 Brent Northrup ACTING Assistant District Manager for Minerals Date Feb 22 1993

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

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

Devin

Lone Mountain Production Company
Well No. BMG Fed. 7
NWSE Sec. 17, 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