

16

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
 814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 723' FSL, 708' FEL Section 10, T21S R23E
 At proposed prod. zone: SE/SE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 2 miles Northwest of Cisco, Utah

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

16. NO. OF ACRES IN LEASE TO THIS WELL
 360

17. NO. OF ACRES ASSIGNED TO THIS WELL
 10

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

19. PROPOSED DEPTH
 1200 feet

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4434' Gr.

22. APPROX. DATE WORK WILL START*
 9-27-85

5. LEASE DESIGNATION AND SERIAL NO.
 Federal U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 U-30956

9. WELL NO.
 M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
 ✓ Greater Cisco

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
 Sec. 10, T21S R23E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

RECEIVED
SEP 11 1985

DIVISION OF OIL, GAS & MINING
10
rotary

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	7"	24	180	65 Sx
6 3/4"	4 1/2"	9.5	1200	100 Sx.

Well will be drilled to the Salt Wash Formation unless significant production is encountered above.
 Blowout equipment to be used will be an 8" 900 series double gate Schaeffer Hydraulic type L.W.S. or its equivalent.

FORMATION TOPS

Dakota 725' gas zone
 Brushy Basin 850' oil zone
 Salt Wash 1125' oil and gas zone

APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING
 DATE: 9/24/85
 BY: John R. Dwyer
 WELL SPACING: 102-16 (B)
 11/15/89

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.

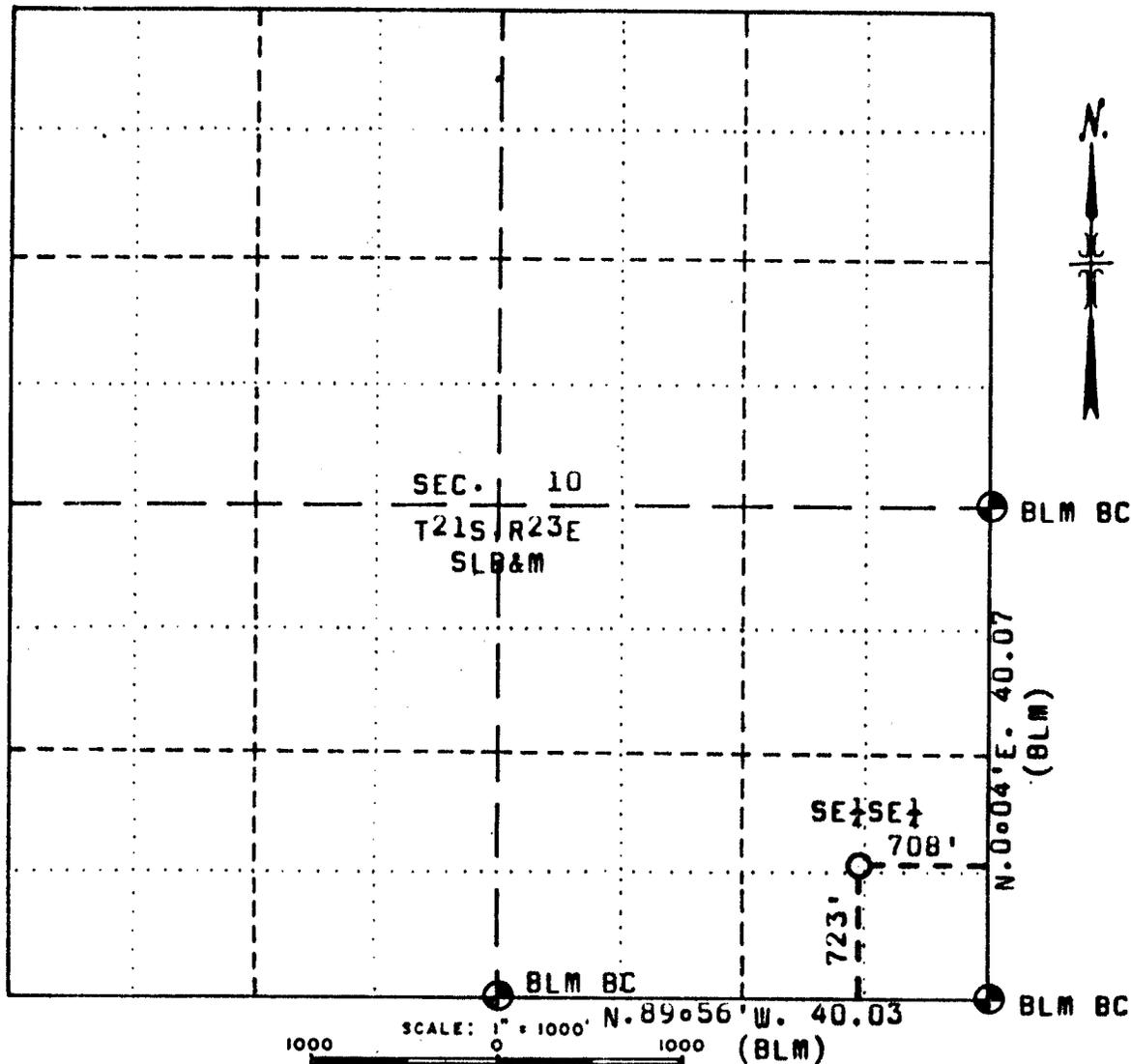
24. SIGNED: Thomas A. Kucel TITLE: President DATE: 9-5-85

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

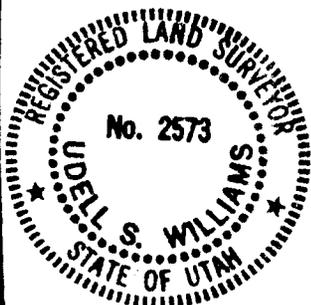


MPD 10-1

Located 723 feet from the south line and 708 feet from the east line of Section 10, T21S, R23E, SLB&M.

Elev. 4434

Grand County, Utah



SURVEYOR'S CERTIFICATE

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

UTAH RLS NO. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MPD 10-1
SE 1/4 SE 1/4 SECTION 10
T21S, R23E, SLB&M

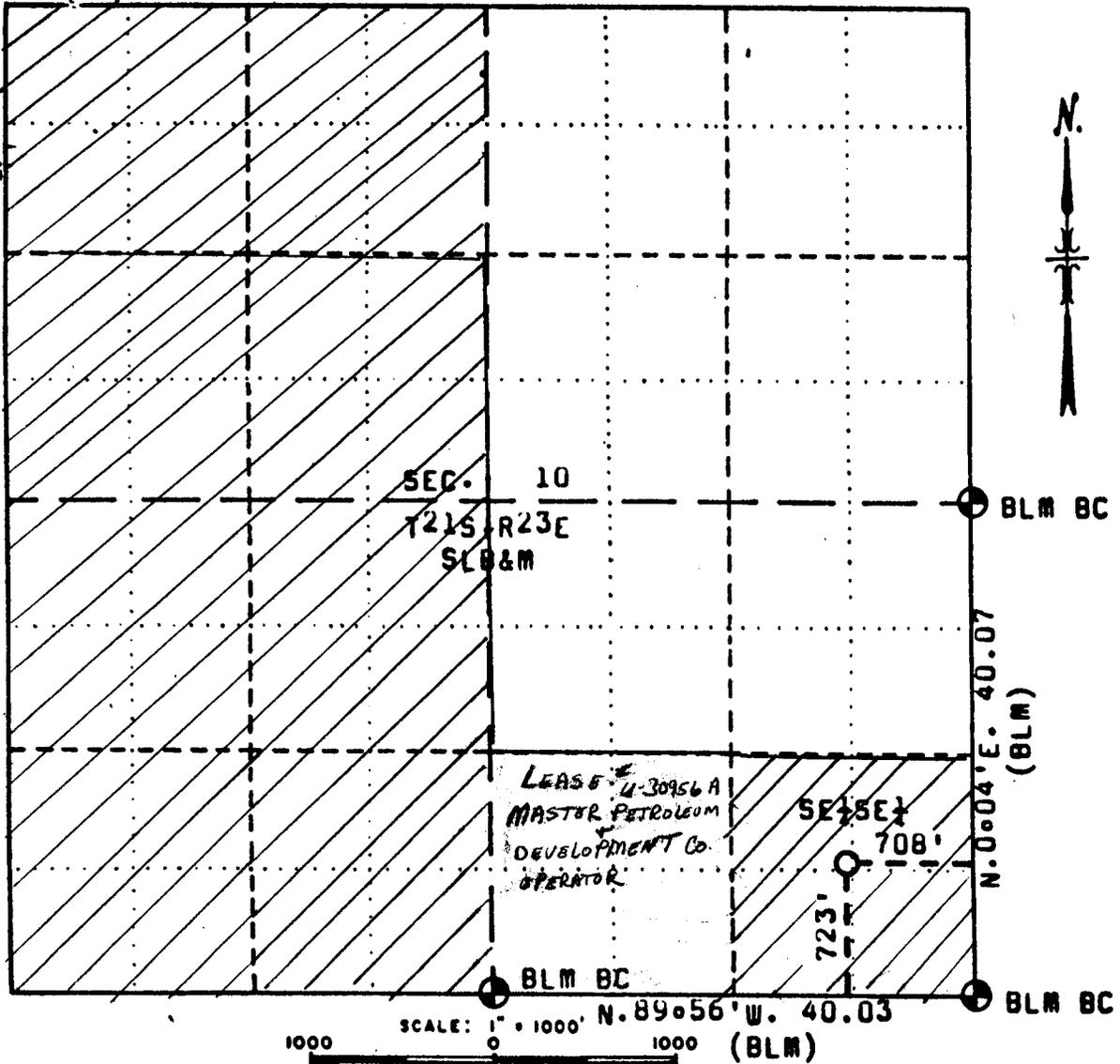
SURVEYED BY: USW DATE: 8/29/85
DRAWN BY: USW DATE: 8/31/85

RECEIVED

BLUE = LEASED ACREAGE

SEP 20 1985

DIVISION OF OIL
GAS & MINING

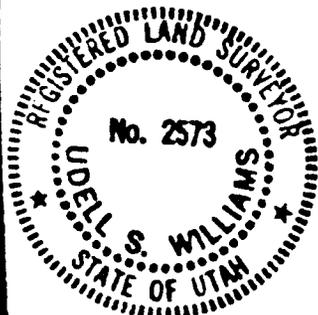


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Udell S. Williams
UTAH RLS NO. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MPD 10-1
SE 1/4 SE 1/4 SECTION 10
T21S, R23E, SLB&M

SURVEYED BY: USW DATE: 8/29/85
DRAWN BY: USW DATE: 8/31/85

A. Thirteen Point Surface Use Plan

1. Existing Roads:

- a) Proposed well site is staked.
- b) Proposed route to location and distance to nearest town:
The well site is located approximately three (3) miles north-west of Cisco, Utah. Exit from old Highway 6-50 at railroad crossing east of Cisco, turn west, and follow existing road parallel to tracks across to Cisco Wash, pass through wash under I-70 Highway and follow existing road to drill site, approximately one (1) mile from I-70.
- c) Access road is dotted in red and existing roads are dotted in green. See map.
- d) None required for drilling. In the event of production, operator will work to maintain a graded and improved road year round following the design standards of a BLM Class II road. This will require cooperation with other operators in this area to maintain this road.

2. Planned Access Roads:

The length of new access road is approximately six-hundred (600) feet. The new access is on a flat surface and will be constructed and maintained to Class III BLM road standards.

- a) width: 16' travel surface, 20' disturbed width. Any disturbed vegetation and top-soil will be windrowed for use during reclamation.
- b) Maximum grade: access route is flat.
- c) Turn-outs: None required
- d) Centerline of proposed access road is flagged.
- e) Drainage: None required, should production be established, the road will be upgraded to include ditch and crown.
- f) Surfacing material: None needed
- g) Other: All travel will be limited to existing access road right-of-way. Access road will be rehabilitated or brought to Class III standards within sixty (60) days of completion of drilling.

3. Location of Existing Wells:

Producing wells in one (1) mile radius are: See Map.

Hafer Gov't 15-2 - Sec. 15 oil well Master Petro. & Dev. Co., Inc.
Frazier 15-1 - Sec. 15 Gas well "" "" "" "" "" ""
Fedral #1 - Sec. 10 oil well Master Petroleum & Development Co., Inc.
Ambra 15-3 - Sec. 15 gas well Four Leaf oil Co.
Ambra 15-5-80 - Sec. 15 gas well Four Leaf Oil Co.

Location of Existing and/or Proposed Production Facilities:

- a) On well pad: See attached pad schematic and production facility layout.
- b) Off well pad: No production facilities to be located off well pad, except a production line should gas be produced. A determination for gas line route would then be determined from right-of-way information after same was obtained from BLM.

All permanent production facilities will be painted sage grey.

All open and exposed pits will be fenced to protect livestock and wildlife, and earthen fire bunker will be built around any tanks with sufficient capacity to contain 150% of the tank volume.

The reserve pit and any portion of the location or access road not needed for production will be rehabilitated within 60 days from the completion of the well, weather permitting.

5. Location and Type of Water Supply:

Colorado River at Fish Ford, south-east of Cisco, Utah per permit from state of Utah (see attached copy). Water will be transported by tank truck utilizing existing roads. No water well is planned or needed.

6. Construction Material:

Should any such materials be required, they will be provided from a private source. However, no materials are planned. Mancos Shale surface bladed and packed roads are best for this area.

7. Method of Handling Waste Disposal:

~~Cuttings and drilling fluids will be discharged into the reserve~~ pit. A portable chemical toilet will be provided for sewage. Garbage and waste materials will be placed in a trash cage and hauled away when work is completed.

Produced fluids (oil and water) will be placed in tanks and pits. The blowby line will be one hundred and twenty five (125) feet long angled into the pit. It will be anchored and misted while drilling with air.

If any material is to be burned a permit will be obtained from the State Land Forestry and Fire control office in Moab, Utah prior to burning.

8. Auxillary Facilities:

None anticipated

9. Well Site Layout:

SEE attached schematic. The well site is flat and requires no cut and fill. Any disturbed vegetation and top soil will be stockpiled on the Northwest side of the location.

The reserve/blouey pit will be fenced on three sides while drilling, the fourth side will be fenced after drilling is completed. Fence will be 36" high, woven wire with one strand of barbed wire on top.

See well pad schematic.

Pit is unlined.

10. Restoration Plan:

- a) Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris from the operation. All trash will be disposed of in a portable trash cage and will be hauled to a local town dumpsite. No trash will be left in the pits.
- b) The operator or his contractor will notify the Grand Resource Area BLM office in Moab, Utah, 24 hours prior to starting rehabilitation work that involves earth moving equipment. The Grand Resource office will again be notified upon completion of restoration.
- c) Prior to dirtwork restoration the reserve/blouey pits will be dry and free of debris.
- d) All stockpiled top-soil will be distributed over the rehabilitation area. All rehabilitated areas will be scarified in two directions perpendicular to each other to provide a proper seed bed.
- e) Rehabilitated area will be reseeded using a mixture approved by the BLM (see attached list).
- f) If well is completed as a producer, any unused areas will be rehabilitated within 60 days from completion, weather permitting.

Rehabilitation will be completed within sixty (60) days of abandonment. The Grand Resource Area will be notified 24 hours prior to moving equipment onto the location.

11. Other Information:

- a) The location is a desert area, with minimal vegetation. However, livestock graze here in the Spring and Fall. The town of Cicso lies three (3) miles south-east, with few residents. There is no evidence of anything of historical, cultural, or archeological value, other than the old railroad bed in the area of the location.
- b) The Grand Resource Area office will be contacted forty-eight (48) hours prior to any work initiation on public lands.
- c) Operators, and contractors will be furnished an approved copy of the surface use plan with stipulations prior to commencing work.
- d) If any cultural material is exposed during work, such will stop and the Grand Resource office will be notified. All persons on site will be notified of possible prosecution of they disturb archeological sites or remove artifacts.

12. Operator:

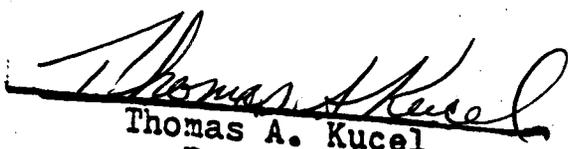
Master Petroleum & Development Co., Inc.
814 South Seventh St.
Grand Junction, Co. 81501
Telephone (303) 241-4213
Attention: Thomas A. Kucel

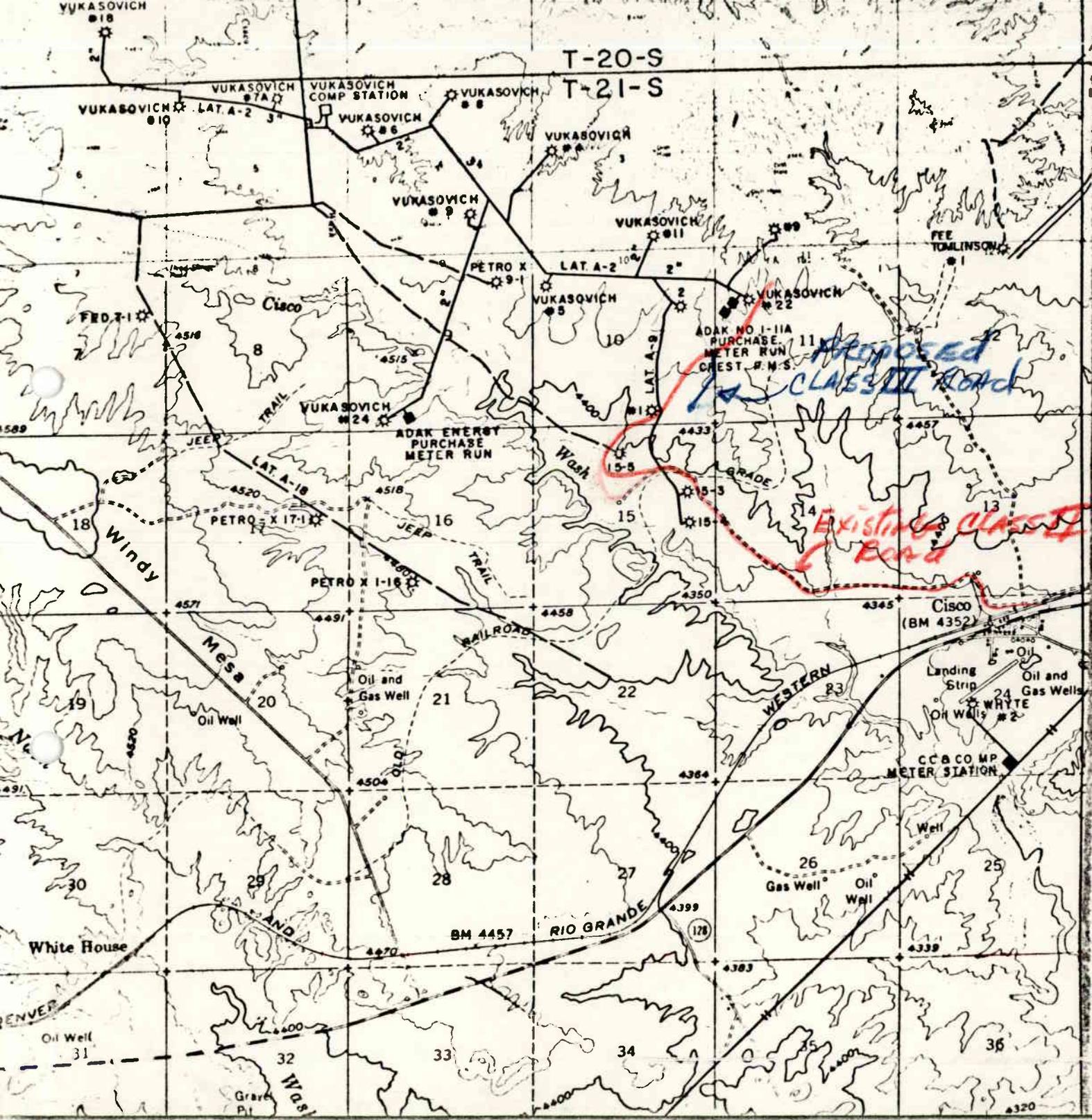
Master Petroleum has a statewide bond for operating in the state of Utah.

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; 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 Master Petroleum & Development Co., Inc. and its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

9-5-85
Date


Thomas A. Kucel
President
Master Petroleum &
Development Co., Inc.



Access to the proposed wells will be gained by the use of the existing class II road to the leases. New class III roads across the subject leases will be constructed and maintained in the event that production is established.

STATE OF COLORADO



**DEPARTMENT OF
STATE**

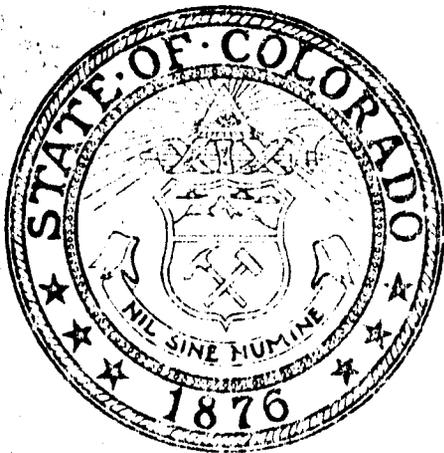
CERTIFICATE

I, NATALIE MEYER, Secretary of State of the State of Colorado hereby certify that

According to the records of this office

**MASTER PETROLEUM & DEVELOPMENT CO., INC.
(COLORADO CORPORATION)**

has complied with the applicable provisions of the laws of the State of Colorado and on this date is in good standing and authorized and competent to transact business or to conduct its affairs within this state.



DATED: **JAN 30 1985**

Natalie Meyer
SECRETARY OF STATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

STATE, NATIONWIDE, OR NATIONAL PETROLEUM RESERVE
IN ALASKA OIL AND GAS BOND

Act of February 25, 1920 (30 U.S.C. Sec. 181)

Act of August 7, 1947 (30 U.S.C. Sec. 351)

Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Other Oil and Gas Leasing Authorities as Applicable

KNOW ALL MEN BY THESE PRESENTS, That we **Master Petroleum & Development Co, Inc.**

of **814 S 7th St., Grand Junction, CO 81501**

as principal, and **New Hampshire Insurance Company**

of **Manchester, NH**

as surety, are held and firmly bound unto the United States of America in the sum of **Twenty-Five Thousand and 00/100** dollars (\$ **25,000.00**), in lawful money of the United States, which sum may be increased or decreased by a rider hereto executed in the same manner as this bond, for the use and benefit of (1) the United States; (2) the owner of any of the land subject to the coverage of this bond, who has a statutory right to compensation in connection with a reservation of the oil and gas deposits to the United States; and (3) any lessee or permittee under a lease or permit issued by the United States prior to the issuance of an oil and gas lease for the same land subject to this bond, covering the use of the surface or the prospecting for, or development of, other mineral deposits in any portion of such land, to be paid to the United States. For such payment, well and truly to be made, we bind ourselves, and each of our heirs, executors, administrators, and successors, jointly and severally.

- The coverage of this bond shall extend to all of the principal's holdings of federal oil and gas leases in the United States, including Alaska, issued or acquired under the Acts cited in Schedule A.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases issued or acquired under the Acts cited and in the States named in Schedule A and to any other State or States that may be named in a rider attached hereto by the lessor with the consent of the surety.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases within the National Petroleum Reserve in Alaska.

SCHEDULE A

Mineral Leasing Act of February 25, 1920 (30 U.S.C. Sec. 181), Acquired Lands Leasing Act of August 7, 1947 (30 U.S.C. Sec. 351), and other oil and gas leasing authorities as applicable.

NAMES OF STATES

1. **UTAH**

The conditions of the foregoing obligations are such that, whereas the said principal has an interest in oil and gas leases issued under the Acts cited in this bond: (1) as lessee; (2) as the approved holder of operating rights in all or part of the lands covered by such leases under operating agreements with the lessees; or (3) as designated operator or agent under such leases pending approval of an assignment or operating agreement; and

WHEREAS the principal is authorized to drill for, mine, ex-

tract, remove, and dispose of oil and gas deposits in or under the lands covered by the leases, operating agreements or designations and is obligated to comply with certain covenants and agreements set forth in such instruments; and

WHEREAS the principal and surety agree that without notice to the surety the coverage of this bond, in addition to the present holdings of the principal, shall extend to and include:



United States Department of the Interior

IN REPLY REFER TO

3104
(U-942)

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
324 SOUTH STATE, SUITE 301
SALT LAKE CITY, UTAH 84111-2303

DEC 18 1984

DECISION

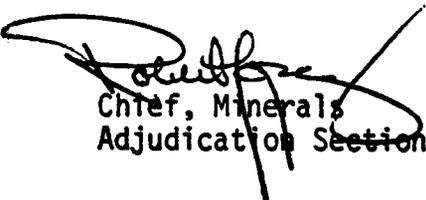
Master Petroleum and Development : \$25,000 Statewide
Company, Inc. : Oil and Gas Bond
814 S. 7th Street :
Grand Junction, Colorado 81501 :

Bond Accepted

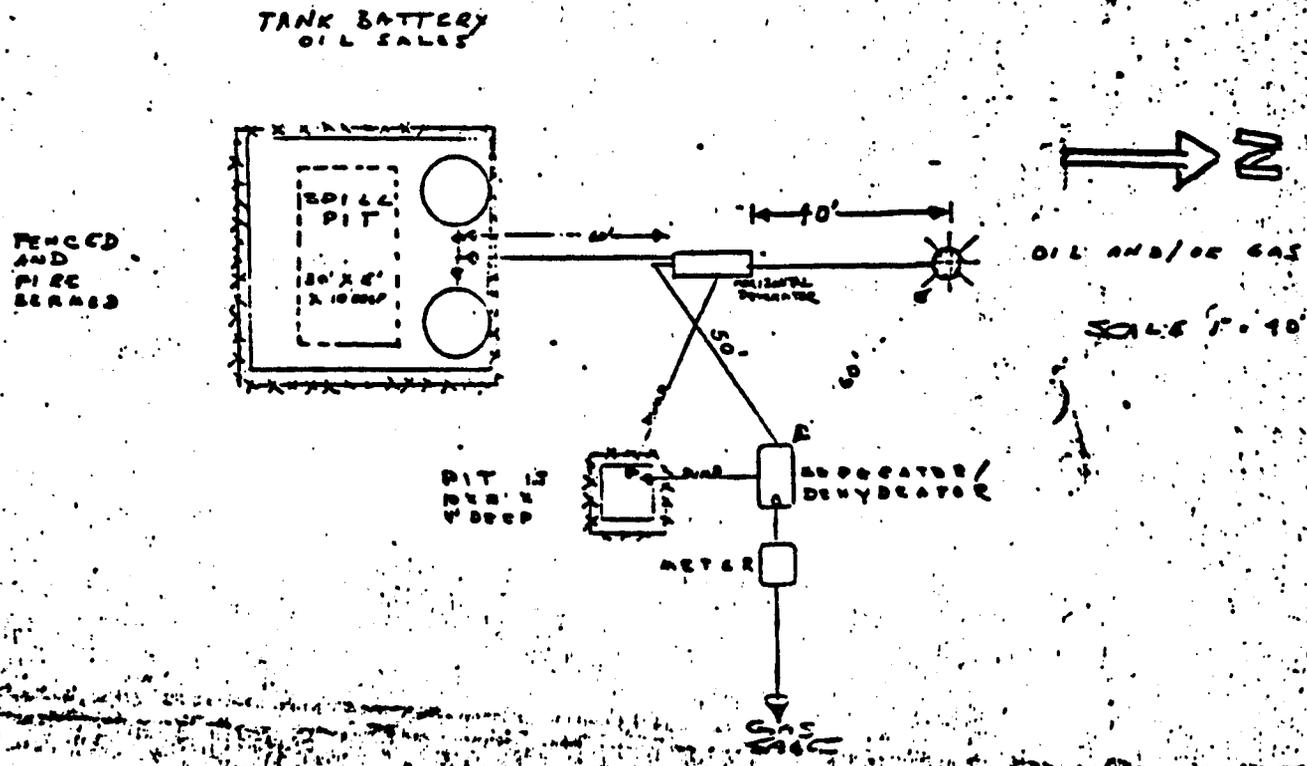
A \$25,000 statewide oil and gas bond, No. 43-45-57, was filed in this office December 7, 1984. The bond was executed October 29, 1984, with Master Petroleum and Development Company, Inc. as principal and New Hampshire Insurance Company as surety.

This bond constitutes coverage in the State of Utah for obligations under oil and gas leases held or hereafter acquired by the principal, including lease offers, assignments, operating agreements, etc., issued under the authority of the Minerals Leasing Act of 1920, as amended, and the Mineral Leasing Act for Acquired Lands, as amended. The bond is satisfactory and is hereby accepted effective December 7, the date of filing.

Coverage under your statewide bond will not, however, extend to include additional principals, and the coverage does not extend to any lands where the principals are or become the unit operator but do not own the record title or operating rights in such lands either solely or jointly with others whose interests are likewise covered by appropriate bonds.


Chief, Minerals
Adjudication Section

Proposed Production Facility Layout



SEED MIXTURE

Desert

Semi-Desert

(Area coverage) N. highway I-70 to first Bench of Bookcliffs from Green River to Bar X field. All lands So. highway I-70, Black Brush Zones, lands west of 163 to the Green River.

Species

lbs/ac

Grasses

Oryzopsis hymenoides	Indian ricegrass	1
Hilaria jamesii	Galleta (Curlygrass)	1
Sporobolus cryptandrus	Sand dropseed	1
Sitanion hystrix	Bottlebrush Squirreltail	1

Forbs

Melilotus officinalis	Yellow sweetclover	1
Medicago sativa	Alfalfa (spreador II, nomad, Ladak)	1

Shrubs

Atriplex canescens	Fourwing saltbush (White greasewood)	1
Eurotia lanata	Winterfat (Whitesage)	$\frac{1}{8}$ lbs/ac

Broadcast seed will be applied at double the above rate.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Grand Resource Area
P.O. Box 11
Moab, Utah 84532

IN REPLY REFER TO

2800 (U-068)
U-54703

RIGHT-OF-WAY

Section A

1. There is hereby granted, pursuant to Title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761), a nonexclusive, nonpossessory right-of-way to:

Master Petroleum & Development Co., Inc.
814 So. 7th.
Grand Junction, CO 81501

In case of change of address the holder shall immediately notify the authorized office.

2. To use, subject to terms and conditions set out below, the following described Public Land.

T. 21 S., R. 23 E., S1/4
Sec. 15: SE 1/4 NE 1/4, E 1/2 SE 1/4.

3. Description of the right-of-way facility and purpose:

Existing access road: Length: 3500 feet
Width: 20 feet
Acreage: 1.61 acres

Permitted Use: Maintenance and use of road (Class II).

A map showing the location of the right-of-way over the above described public land is attached hereto as Exhibit "A".

POOR COPY

TERMS AND CONDITIONS

Section B

1. The right-of-way holder agrees to comply with all the applicable regulations contained in 43 CFR 2800.
2. If the right-of-way holder violates any of the terms and conditions to this grant, the authorized officer, after giving written notice may declare the grant terminated.
3. This grant is subject to all valid rights existing on the effective date of this grant including road R/W U-5012/ (C.C. Company), road R/W U-50139 (Dan Vanover), pipeline R/W U-53719 (Gilliland), NIP lode claims in the SE 1/4 of Section 15.
4. There is hereby reserved to the Authorized Officer the right to grant additional rights-of-way or permits for compatible uses, on, over, under, or adjacent to the lands involved in this grant.
5. The holder shall comply with the applicable Federal and State laws and regulations concerning the uses of pesticides (i.e., insecticides, herbicides, fungicides, rodenticides, and other similar substances) in all activities/operations under this grant. The holder shall obtain from the Authorized Officer approval of a written plan prior to the use of such substances. The plan must provide the type and quantity of material to be used; the pest insect, fungus, etc., to be controlled; the method of application; the location for storage and disposal of containers; and other information that the Authorized Officer may require. The plan should be submitted no later than December 1 of any calendar year that covers the proposed activities for the next fiscal year (i.e., December 1, 1983, deadline for a fiscal year 1985 action). Emergency use of pesticides may occur. The use of substances on or near the right-of-way shall not be used if the Secretary of the Interior has prohibited its use. A pesticide shall be used only in accordance with its registered uses and within other limitations if the Secretary has imposed limitations. Pesticides shall not be permanently stored on public lands authorized for use under this grant.
6. The holder agrees not to exclude any person from participating in employment or procurement activity connected with this grant on the grounds of race, creed, color, national origin, and sex, and to ensure against such exclusion, the holder further agrees to develop and submit to the proper reviewing official specific goals and timetables with respect to minority and female participation in employment and procurement activity connected with this grant. The holder will take affirmative action to utilize business enterprises owned and controlled by minorities or women in its procurement practices connected with this grant. Affirmative action will be taken by the holder to assure all minorities or women applicants full consideration of all employment opportunities connected with this grant. The holder also agrees to post in conspicuous places on its premises which are available to contractors, subcontractors, employees, and other interested individuals, notices which set forth equal

opportunity terms; and to notify interested individuals, such as bidders, contractors, purchasers, and labor unions or representatives of workers with whom it has collective bargaining agreements of the Company's equal opportunity obligations.

7. The right-of-way herein granted is subject to the express covenant that it will be modified, adapted, or discontinued if found by the Secretary to be necessary, without liability of expense to the United States, so as not to conflict with the use and occupancy of the land for any authorized works which may be hereafter constructed thereon under the authority of the United States.
8. The Holder shall indemnify the United States against any liability for damage to life and property arising from the occupancy or use of public lands under this grant.
9. All survey monuments, witness corners, reference monuments and bearing trees must be protected against destruction. Any damaged or obliterated markers must be re-established in accordance with accepted survey practices at the expense of the holder.
10. During periods of wet weather when activity would result in deep rutting to the access roads, the activity will stop. Ruts of six inches or more will be considered excessive.
11. The right-of-way will not be in effect if the well is not a producer. The holder will file a relinquishment (BLM Form Number 1825-3). Upon receipt of a letter from BLM stating the rehabilitation is satisfactory, the holder shall be relieved of liability. The BLM Grand Resource Area must be notified within one year of date of Right-of-Way Grant as to status of well (producer or non-producer).
12. All surface protection procedures for road construction operations, and maintenance set forth in the application are accepted herewith and made a part of this grant.
13. All other terms and conditions. Compliance will be in accordance with the terms and conditions as specified herein and in the thirteen point surface use plan, attached hereto and made a part hereof.
14. Rental is \$25.00 for the first five years pending new regulations. Any additional rental determined to be due as a result of the rental determination shall be paid upon request.
15. This right-of-way grant shall terminate 30 years from the effective date of this grant unless prior thereto it is relinquished, abandoned, terminated, or otherwise modified pursuant to the terms and conditions of this grant or of any applicable Federal law or regulation.
 - a. This grant is subject to review at the end of 20 years from the date of this decision, and at regular intervals thereafter not to exceed 10 years.

- b. This grant may be renewed so long as it is still being used for the purposes granted, and is operated and maintained in accordance with all the provisions of this grant and pursuant to the regulations under which it is granted. If renewed the right-of-way will be subject to regulations existing at the time of renewal, and such other terms and conditions deemed necessary to protect the public interest.

Section C

The effective date of this right-of-way grant is the date of execution by the authorized officer.

The undersigned agrees to the terms and conditions of the right-of-way grant.

The right-of-way is executed this _____ day of _____, 198__

Master Petroleum & Equipment Co. Inc.
Name of Organization, Company, or Corp.

Colin P. Christensen, Area Manager
Authorized Officer

By: Thomas A. Kucel

Title: President

Date: 3-2-85

R. 23E,

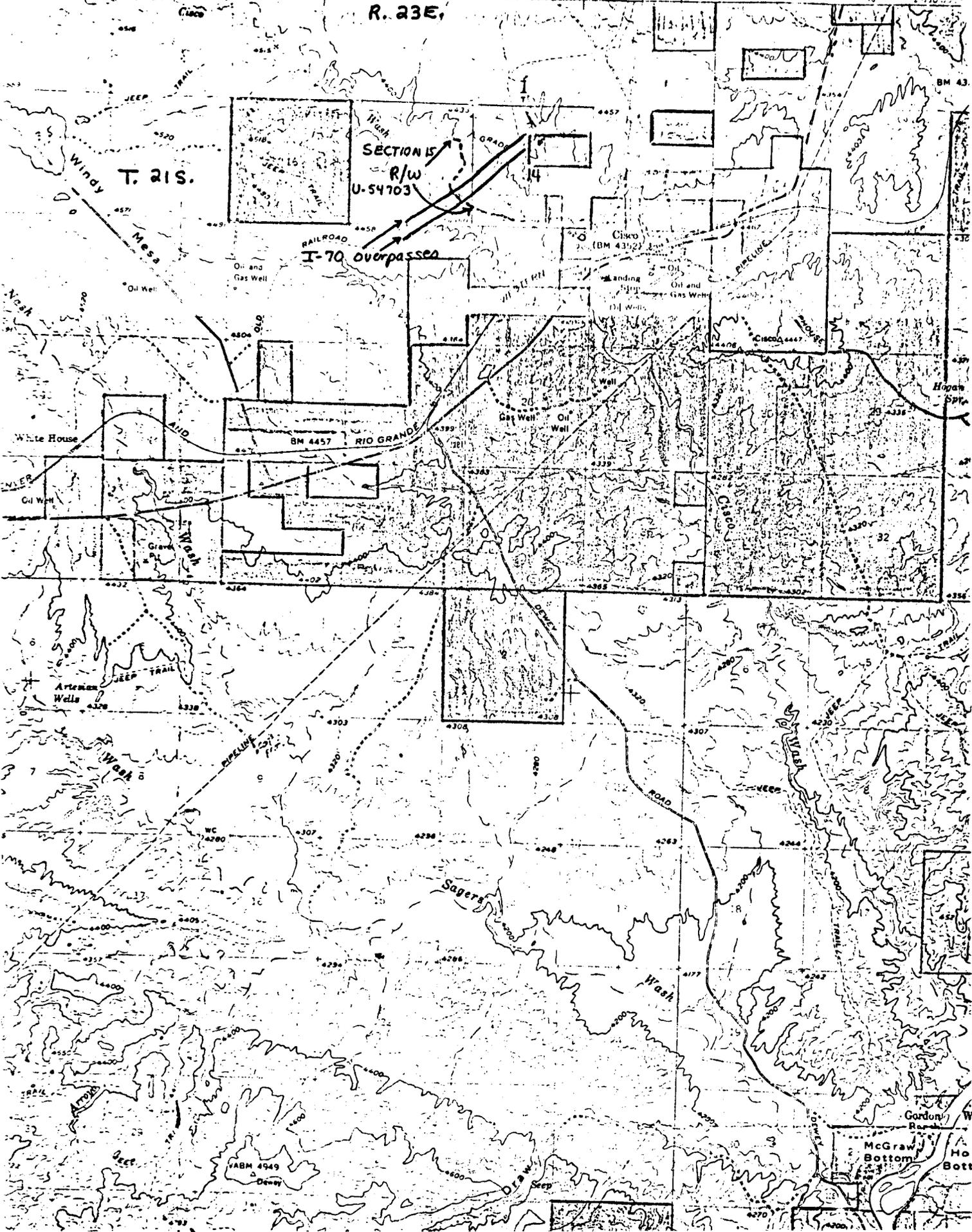
T. 21S.

SECTION 15

R/W

U-54703

I-70 overpasses



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

No. 300101

Subject: Drilling Pad Site and Access

Location - Grand Resource Area
BLM-01-11-00-0-14511-100.00
Filing fee \$100.00
Monitoring fee \$100.00

Applicant:
Master Petroleum Service Co. Inc.
14 S. 7th
Grand Junction, CO 81501

Remitter:

SERIAL NO.

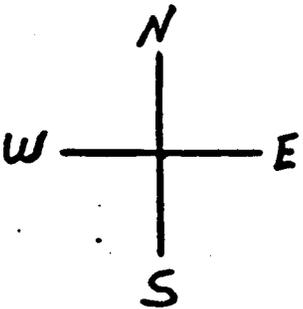
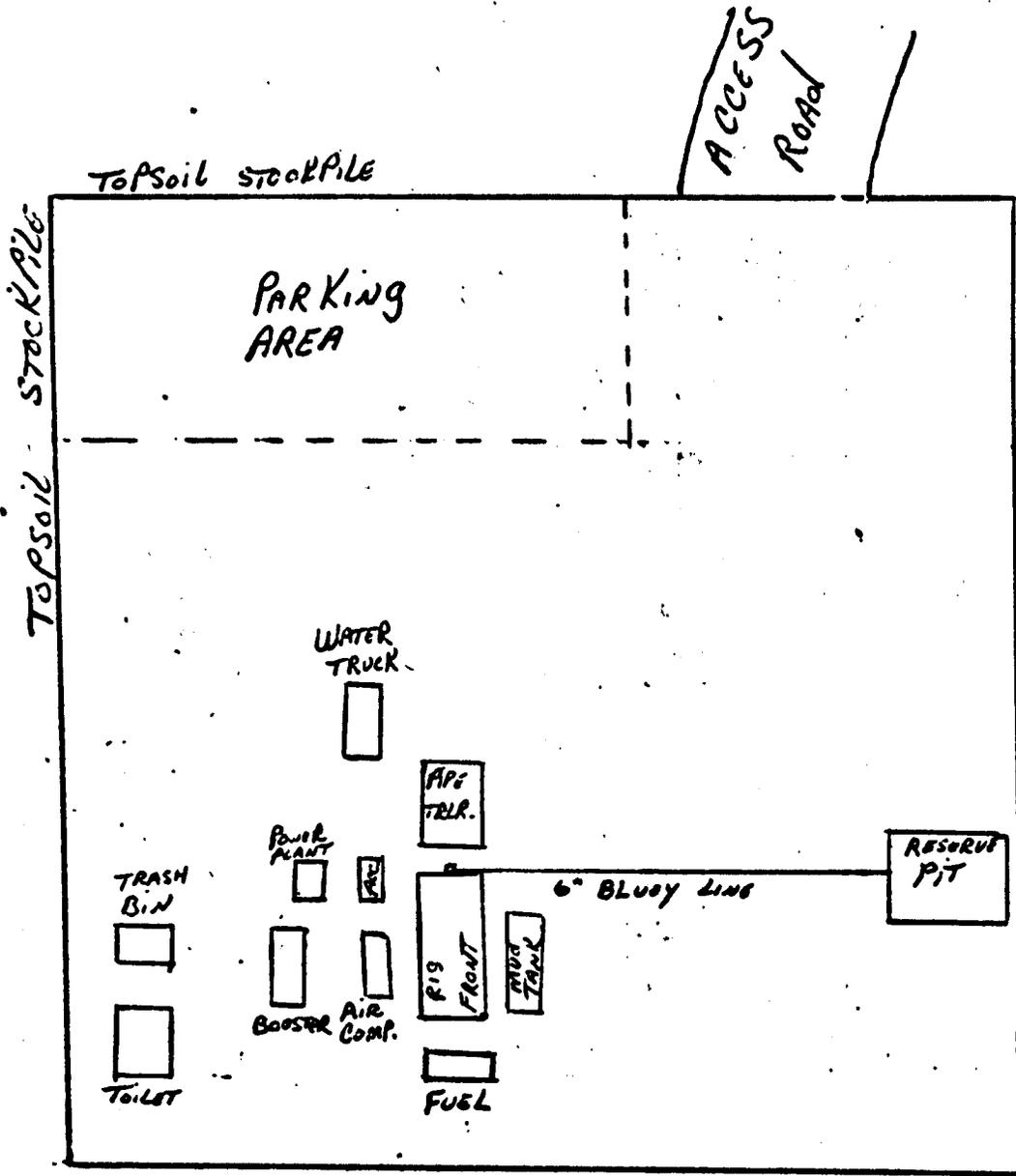
REFER TO THE ABOVE CASE SERIAL NUMBER IN ALL CORRESPONDENCE. PLEASE INFORM THIS OFFICE OF ANY CHANGE IN ADDRESS.

NOTE: This notice is a receipt for monies paid the United States. If these monies are for required fees in connection with your application to lease, purchase, enter, or otherwise acquire an interest in public lands or resources, this receipt is not an authorization to utilize the land applied for and it does not convey any right, title, or interest in the land for which application is made.

PAID
JAN 25 1985
 BUREAU OF LAND MANAGEMENT
 Grand, Utah
 Sig. AB 161621

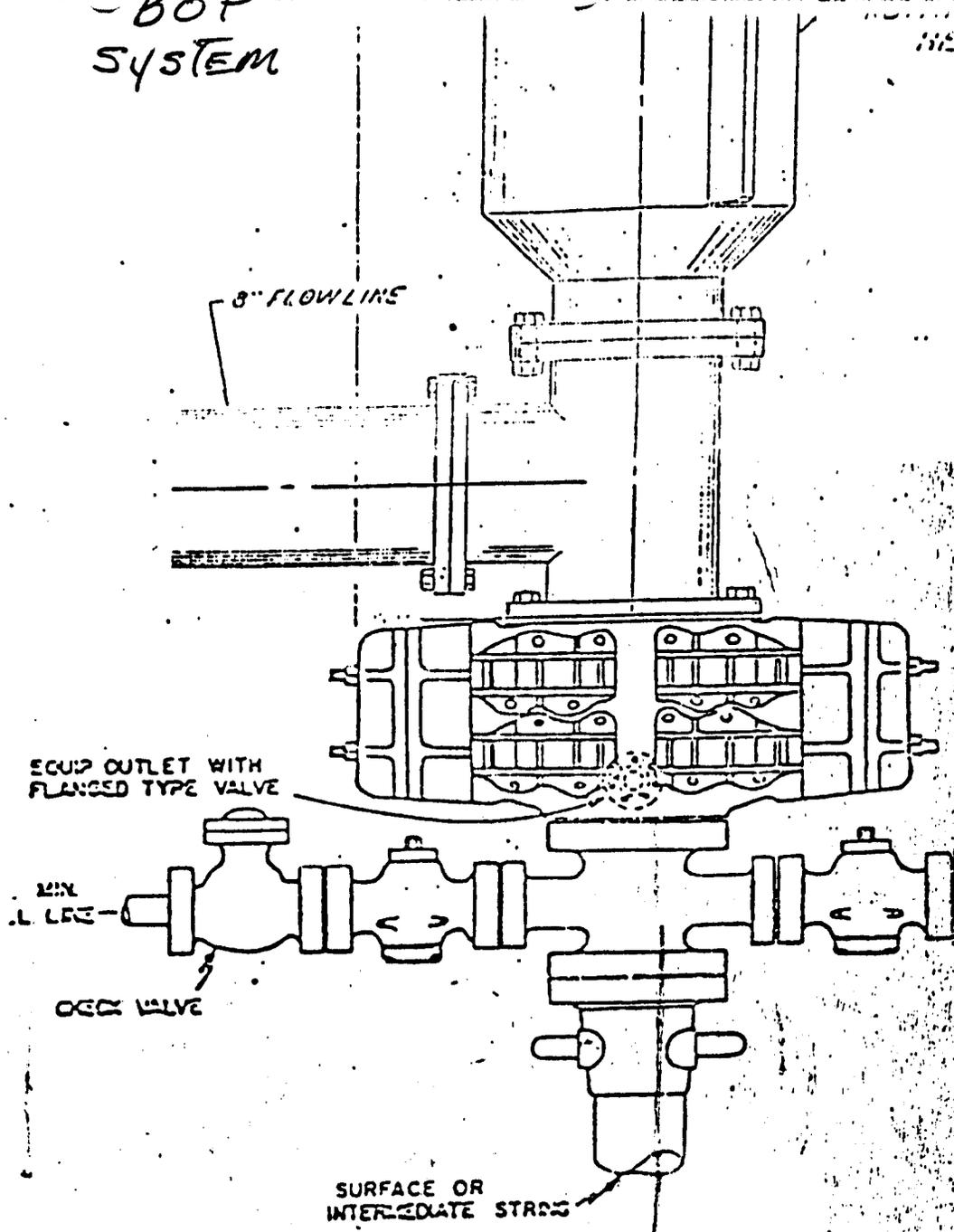
WELLSITE SCHEMATIC

M.P.D. 10-1

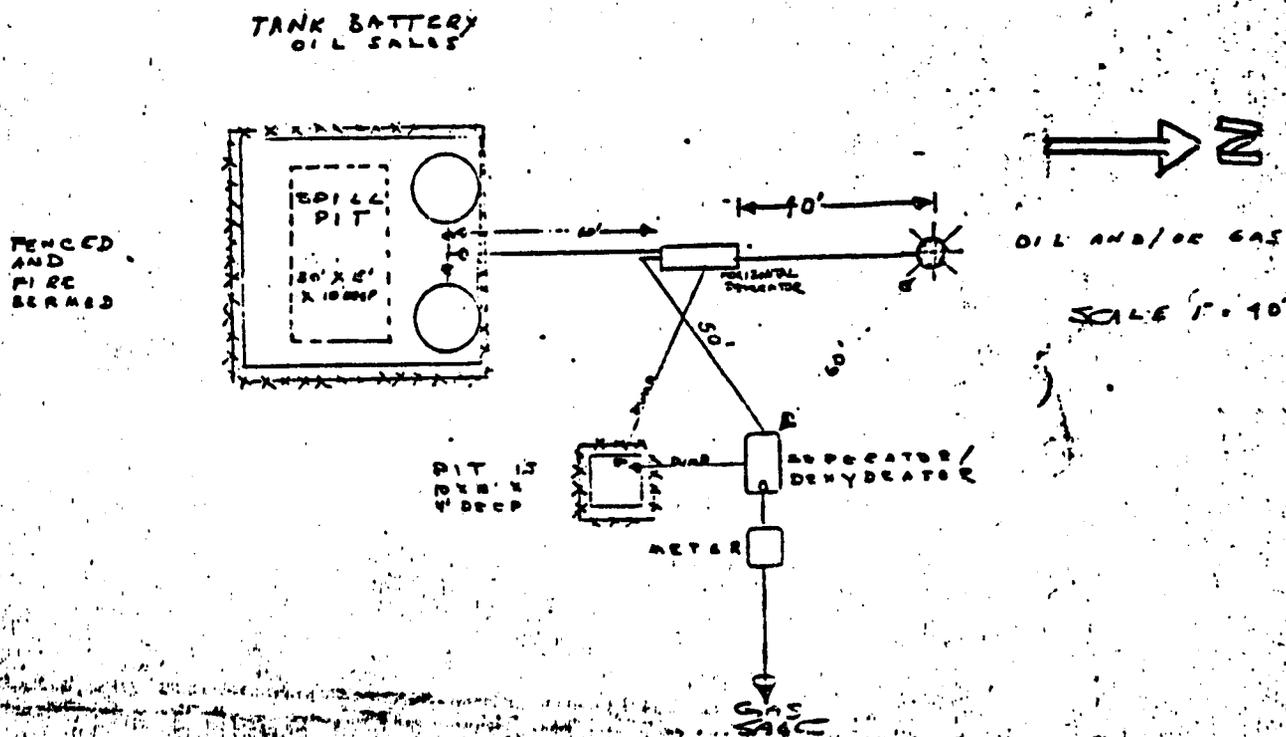


BOP SYSTEM

HEAD



Proposed Production Facility Layout



SEED MIXTURE

Desert

Semi-Desert

(Area coverage) N. highway I-70 to first Bench of Bookcliffs from
Green River to Bar X field. All lands So. highway I-70, Black Brush
Zones, lands west of 163 to the Green River.

Species

lbs/ac

Grasses

Oryzopsis hymenoides	Indian ricegrass	1
Hilaria jamesii	Galleta (Curlygrass)	1
Sporobolus cryptandrus	Sand dropseed	1
Sitanion hystrix	Bottlebrush Squirreltail	1

Forbs

Melilotus officinalis	Yellow sweetclover	1
Medicago sativa	Alfalfa (spreador II, nomad, Ladak)	1

Shrubs

Atriplex canescens	Fourwing saltbush (White greasewood)	1
Eurotia lanata	Winterfat (Whitesage)	1
		<hr style="width: 10%; margin: 0 auto;"/> 8 lbs/ac

Broadcast seed will be applied at double the above rate.

SUGGESTED COLORS TO PAINT OIL & GAS
PRODUCTION FACILITIES

Cisco Desert and Flats below the Bookcliffs:

- Dynasty Green (Sears)
- Tumbleweed (Pratt & Lambert)

- Sage Gray (Pratt & Lambert)

Bookcliffs Region:

- Sage Gray (Pratt & Lambert)
- Sea Life (Pratt & Lambert)
- Dynasty Green (Sears)

Similar hues other than the ones mentioned above must be approved by the Grand Resource Area Manager.

TEMPORARY

Application No. _____

APPLICATION TO APPROPRIATE WATER STATE OF UTAH

NOTE:—The information given in the following blanks should be free from explanatory matter, but when necessary, a complete supplementary statement should be made on the following page under the heading "Explanatory."

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, for uses indicated by (X) in the proper box or boxes, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

- 1. Irrigation Domestic Stockwatering Municipal Power Mining Other Uses

2. The name of the applicant is MASTER PETROLEUM & DEVELOPMENT CO. INC.

3. The Post Office address of the applicant is 814 S. 7TH ST. GRAND JUNCTION, CO. 81501

4. The quantity of water to be appropriated 750 BBLs second-feet and/or _____ acre-feet

5. The water is to be used for WELL DRILLING from 9-1-85 to 8-30-86
(Major Purpose) (Month) (Day) (Month) (Day)

other use period _____ from _____ to _____
(Minor Purpose) (Month) (Day) (Month) (Day)

and stored each year (if stored) from _____ to _____
(Month) (Day) (Month) (Day)

6. The drainage area to which the direct source of supply belongs is _____
(Leave Blank)

7. The direct source of supply is* COLORADO RIVER
(Name of stream or other source)

which is tributary to _____, tributary to _____

*Note.—Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" in the first space and the remaining spaces should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in the first space, giving its name, if named, and in the remaining spaces, designate the stream channels to which it is tributary, even though the water may sink, evaporate, or be diverted before reaching said channels. If water from a spring flows in a natural surface channel before being diverted, the direct source should be designated as a stream and not a spring.

8. The point of diversion from the source is in GRAND County, situated at a point*

N. 1050 FT & W. 400 FT. FROM S.E. COR. SEC 15, T21S, R34E

SLB & M

4 MILES EAST OF CISED COATES CREEK QUAD.

*Note.—The point of diversion must be located definitely by course and distance or by giving the distances north or south, and east or west with reference to a United States land survey corner or United States mineral monument, if within a distance of six miles of either, or if at a greater distance, to some prominent and permanent natural object. No application will be received for filing in which the point of diversion is not defined definitely.

9. The diverting and carrying works will consist of TANK TRUCK

10. If water is to be stored, give capacity of reservoir in acre-feet N/A height of dam _____
area inundated in acres _____ legal subdivision of area inundated _____

11. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows:
N/A

12. Is the land owned by the applicant? Yes _____ No X If "No," explain on page 2. Total _____ Acres

13. Is this water to be used supplementally with other water rights? Yes _____ No X
If "yes," identify other water rights on page 2.

14. If application is for power purposes, describe type of plant, size and rated capacity. N/A

15. If application is for mining, the water will be used in N/A Mining District at the _____ mine, where the following ores are mined _____

16. If application is for stockwatering purposes, number and kind of stock watered N/A

17. If application is for domestic purposes, number of persons N/A, or families _____

18. If application is for municipal purposes, name of municipality N/A

19. If application is for other uses, include general description of proposed uses DRILLING OPERATIONS FOR OIL & GAS EXPLORATION

20. Give place of use by legal subdivision of the United States Land Survey for all uses described in paragraphs 14 to 19, incl. TOWNSHIP 21 SOUTH, RANGE 23 EAST SLB & B

21. The use of water as set forth in this application will consume _____ second-feet and/or acre-foot of water and _____ second feet and/ or acre feet will be returned to the natural stream or source at a point described as follows:

ONE TIME USE OF APPROX. 750 BBLs

OPERATOR Mystar Petroleum & Development

DATE 9-17-85

WELL NAME M.P.D. 10-1

SEC SE SE 10 T 215 R 23E COUNTY Grant

43-019-31205
API NUMBER

Fed
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other wells within 400'
Water &

APPROVAL LETTER:

SPACING: A-3 _____ UNIT

c-3-a 102-16(B) 11/15/79
CAUSE NO. & DATE

c-3-b

c-3-c

STIPULATIONS:



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

September 24, 1985

Master Petroleum & Development Company, Inc.
814 South 7th Street
Grand Junction, Colorado 81501

Gentlemen:

Re: Well No. M. P. D. 10-1 - SE SE Sec. 10, T. 21S, R. 23E
723' FSL, 708' FEL - Grand County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with the Order of Cause No. 102-16(B) dated November 15, 1979.

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. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.
5. 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 43-019-31205.

Sincerely,

R. J. Firth

Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
 814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: 723' FSL, 708' FEL Section 10, T21S R23E
 At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.
 Federal U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7. LEASE AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 U-30956

9. WELL NO.
 M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
 Greater Cisco

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 10, T21S R23E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 2 miles Northwest of Cisco, Utah

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

16. NO. OF ACRES IN LEASE
 360

17. NO. OF ACRES ASSIGNED TO THIS WELL
 10

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

19. PROPOSED DEPTH
 1200 feet

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4434' Gr.

22. APPROX. DATE WORK WILL START*
 9-27-85

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	7"	24	180	65 Sx
6 3/4"	4 1/2"	9.5	1200	100 Sx.

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 Thomas A. Kuehl TITLE President DATE 9-5-85

(This space for Federal or State office use)

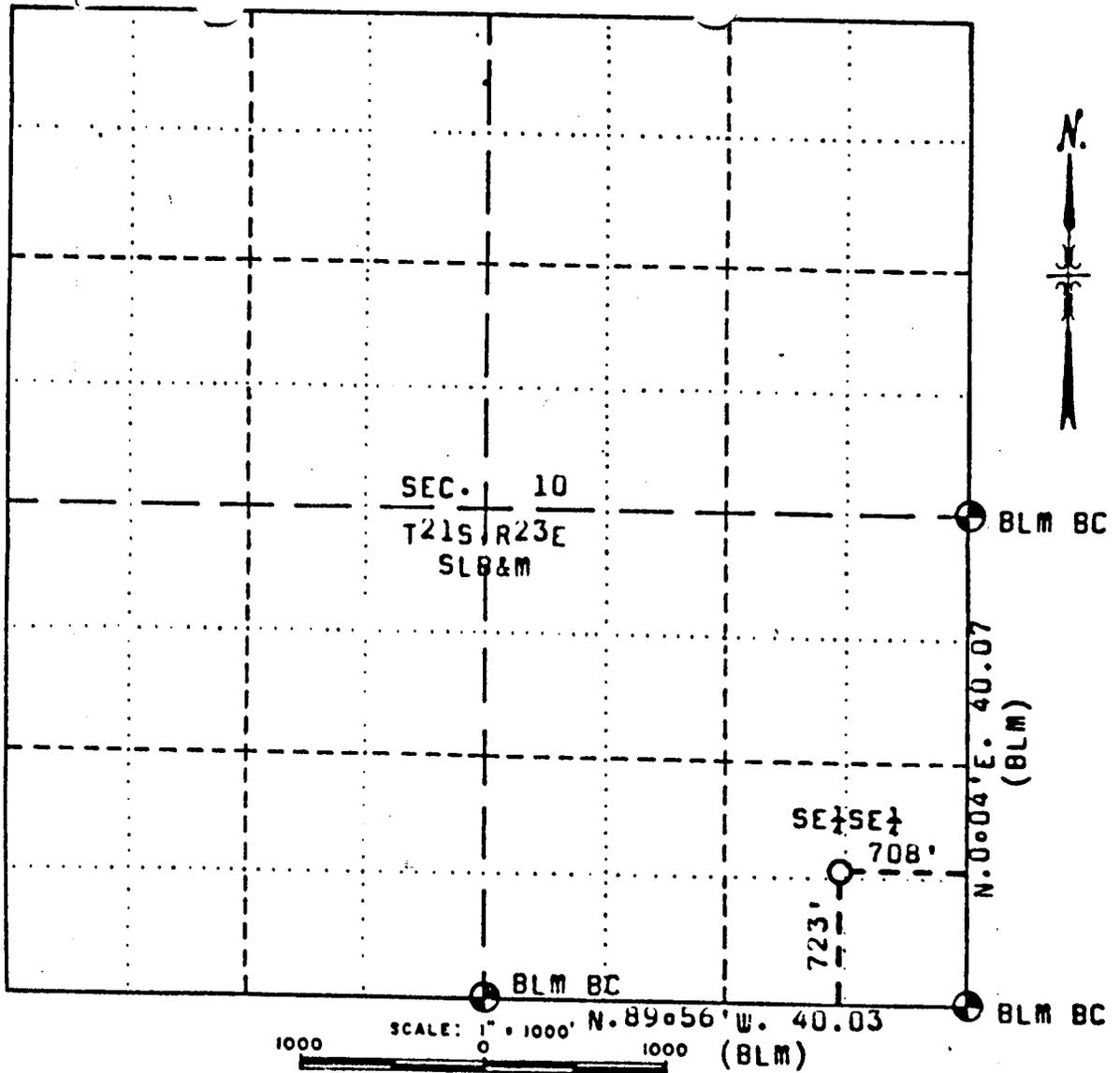
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Kenneth V. Rhea TITLE Acting DISTRICT MANAGER DATE 80 SEP 1985

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

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



MPD 10-1

located 723 feet from the south line and 708 feet from the east line of section 10, T21S, R23E, SLB&M.

Elev. 4434

Grand County, Utah



SURVEYOR'S CERTIFICATE

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

Udell S. Williams
UTAH RLS NO. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MPD 10-1
SE 1/4 SE 1/4 SECTION 10
T21S, R23E, SLB&M

SURVEYED BY: USW DATE: 8/29/85
DRAWN BY: USW DATE: 8/31/85

Master Petroleum & Development Co., Inc.
Well No. M.P.D. 10-1
Sec. 10, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-30956

CONDITIONS OF APPROVAL

A. DRILLING PROGRAM

A backup source capable of closing the B.O.P.'s will be available.

B.O.P.'s will be installed prior to drilling out from surface casing.

B.O.P.'s will be pressure tested before drilling out from surface casing. The pipe rams will be operated every day and the blind rams on every trip to insure good working order. The pressure test and operational checks will be recorded on the driller's log.

The cement must be circulated to surface on the surface casing. If cement returns are not obtained the operator will place cement down the backside to insure cement to surface.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

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 Office. If operations are to be suspended, prior approval of the District Office will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the Area Office within a minimum of 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 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.

In accordance with Onshore 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 continued each month until the well is plugged and abandoned. This report will be sent to the District Office, P.O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Area Office in accordance with requirements of NTL-3A.

If a replacement rig is needed for completion operations, A Sundry Notice (Form 3160-5) to that effect will be filed for prior approval from the District Office, 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 through the District Office.

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.

If the well is to be completed for production the Area Office is to be contacted in order to set up a pre-production conference. When the well is placed in a producing status the District Office is to be notified by telegram or other written communication within five working days.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

No well abandonment operations will be commenced without the prior approval of the District Office. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the District Office. A Subsequent Report of Abandonment (Form 3160-5) will be sent to the District Office within 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 Office, or the appropriate surface managing agency. Upon completion of approved plugging, a dry hole 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; "Fed" or "Ind", as applicable, "Lease number", "Well number", location of well by 1/41/4 section, township, and range.

B. SURFACE USE PROGRAM

The operator will contact the Grand Resource Area at (801) 259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.

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.

Access to the location will be left as a trail. No new work will be done.

There will be little to no pad construction. The pad layout was rotated 130° W. so that the pit will be dug to the southwest.

Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production.

Produced waste water will be confined to a unlined 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).

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site 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.

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.

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.

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows:

Juniper or Sage Green

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.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified, water-barred and left with a rough surface.

The following seed mixture will be used:

<u>Species</u>	<u>lbs/acre</u>
<u>Grasses</u>	
Sporobolus airoides Alkali sacaton	1
<u>Shrubs</u>	
Eurotia lanata Winterfat (Whitesage)	<u>2</u>
	3 lbs/acre

Broadcast seed will be applied at double the above rate.

Final location release will be issued when the seeding is shown to be successful (when perennial vegetation is established).

Your contact with the District Office is:

Greg Noble, Petroleum Engineer

Office Phone: (801)259-6111

Home Phone: (801) 259-8811

District Address:

82 East Dogwood, P.O. Box 970
Moab, Utah 84532

Your contact with the Grand Resource Area Office is:

Jeff Robbins

Office Phone: (801)259-8193

Home Phone: 259-7964

Area Office Address:

Sand Flats Road, P.O. Box M
Moab, Utah 84532

MASTER PETROLEUM & DEVELOPMENT CO., INC. 012211

Drilling

Complete Oil and Gas Land Management
Production Development
814 South 7th Street
Grand Junction, Colorado 81501
(303) 241-4213

JAN 12 1987

DIVISION OF
OIL, GAS & MINING

1-7-87

Dear Claudia,

Enclosed are copies of all sundry notices turned in on the M.P.D. 10-1 & 10-1A wells. I noticed today that the only one which was approved by the State office was the drilling permit, not all of them, as I informed you yesterday. Sorry for the misinformation.

If I can be of further assistance please do not hesitate to ask.

Sincerely

Tom Kucel

Tom Kucel

DICK

100-5
(Number 1043)
Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPL.
(Other instructions
verse side)

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

6. LEASE DESIGNATION AND SERIAL NO.
FEDERAL U-30956A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
N/A

9. WELL NO.
M.P.D. 10-1A

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

11. SEC., T., R., M., OR S.L.B. AND SURVEY OR AREA
Sec. 10, T21S, R23E SLB & M

12. COUNTY OR PARISH 13. STATE
Grand 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.)

OIL WELL GAS WELL OTHER

JAN 1987

1. NAME OF OPERATOR
Master Petroleum & Development Co., Inc.

2. ADDRESS OF OPERATOR
814 South 7th St., Grand Junction, Colo., 81501

3. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 723' FSL, 708' FEL, Section 10, T21S, R23E
658' FEL

14. PERMIT NO.
43-019-31239

15. ELEVATIONS (Show whether DF, ST, OR, etc.)
4434 GR

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

ABANDON WELL
REDRILL WELL
CHANGE PLUG RIG SKIPPED XX

WELL COMPLETION
RECOMPLETION
(Other)

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

17. WORK BEING 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 source points pertinent to this work.)

Move well location from 723' FSL 708' FEL of Section 10, T21S, R23E
50' to the East.

The new well location will be 723' FSL 658' FEL of Section 10, T21S, R23E
This well will be drilled to a total depth of approximately 725' to recover
the natural gas production encountered in the original well.

The original well has been plugged from 945'-1025' and 680'-800' as per
Mr. Greg Noble of the Grand Resource Office, Moab, Utah.

A top hole plug and dry hole marker will be installed as per B.L.M. re-
quirements.

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

SIGNED Thomas A. Kuehl TITLE President

DATE 10-31-85

(This space for Federal or State office use)

APPROVED BY ACCEPTED
CONDITIONS OF APPROVAL IF ANY:

TITLE BRANCH OF FLUID MINERALS
MOAB DISTRICT

DATE 09 NOV 1986

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.)

3. LEASE DESIGNATION AND SERIAL NO.
U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA
Section 10, T21S R23E

12. COUNTY OR PARISH 13. STATE
Grand Utah

OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Master Petroleum & Development Co., Inc. DIVISION OF GAS & ADMIN.

3. ADDRESS OF OPERATOR
814 South 7th St., Grand Junction, Colo. 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface 723' FSL 708' FEL SE SE Sec. 10, T21S R23E

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)
4434

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>

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

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

The M.P.D. 10-1 was originally allocated a ten acre spacing in anticipation of completing it as an oil producing well. This well will be completed as a gas well requiring a 40 acre spacing. We request the spacing be changed from 10 acres to the required 40 acres to enable this well to be produced. There are no other wells existing in the subject area (40 acres) and the closest existing well to the M.P.D. 10-1 is the Federal #1 oil well on lease # U-30956-A which our firm operates.

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

SIGNED [Signature] TITLE President DATE 10-10-85

(This space for Federal or State office use)

APPROVED BY ACCEPTED TITLE BRANCH OF FLUID MINERALS DATE 09 MAY 1986

CONDITIONS OF APPROVAL, IF ANY: MOAB DISTRICT

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NO.

U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

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

Section 10, T21S R23E

12. COUNTY OR PARISH 13. STATE
Grand Utah

JAN 12 1987

OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

Master Petroleum & Development Co. INC. DIVISION OF OIL & GAS & MINING

3. ADDRESS OF OPERATOR

814 South 7th St., Grand Junction, Colo., 81501

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

At surface
723' FSL, 708' FEL SE SE Section 10
T21S R23E

14. PERMIT NO.

43-019-31205

15. ELEVATIONS (Show whether DP, ST, CR, etc.)

4434 gr

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other) Spud

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

X

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

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

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.)

M.P.D. 10-1 well was spudded on September 30, 1985 at approximately 3:00 P.M.. Drilling operations continued 24hrs/day until well was drilled to a total depth of 1202'. Spudding operations were witnessed by Mr. Elmer Duncan of the Moab District Office, B.L.M..

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

SIGNED

[Signature]

TITLE

President

DATE

10-16-85

(This space for Federal or State office use)

APPROVED BY

ACCEPTED

TITLE

BRANCH OF FLUID MINERALS
MOAB DISTRICT

DATE

05 NOV 1985

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

COMPANY: Master Petroleum UT ACCOUNT # _____ SUSPENSE DATE: 1/30/87

TELEPHONE CONTACT DOCUMENTATION

CONTACT NAME: Tom Kucel

CONTACT TELEPHONE NO.: _____

SUBJECT: MPD 10-1

43-019-31205

P.S. has info that well has completed.

(Use attachments if necessary)

RESULTS: Tom will send in info. He says some is stamped.

approved state of Utah.

(Use attachments if necessary)

CONTACTED BY: Claudia Jones

DATE: 1/6/87

1-30-87

Jamie, there are really two wells in question rather than just one as noted on the sundries. The 10-1 was drilled to 1202' and they ran into problems which resulted in plugging (see 10-31-85 sundry for the 10-1A, and make a copy to go in the 10-1 file). The rig was then skidded and a new well (10-1A) was drilled, but not permitted with us. From the info provided by Kucel at Claudia's request, Arlene has prepared a card, folder, and new API no. for the 10-1A, which we now should process as a new APD. Some of the info is not complete, but do the best we can. I've requested more info about the 10-1A (see attached tel. doc, and then place it in suspense).

The 10-1 should be processed as R&A with WCR info gathered from existing info as possible.

The 10-1A should be processed as a new well and brought up to date in terms of speed etc. After the card is posted, it should be placed in the cardex. After the folder is labeled, it should be filed.

I don't understand all the work about this, so screen if you need to ☺

M

16

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

5. LEASE DESIGNATION AND SERIAL NO.

U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

11184

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

MPD 10-1

10. FIELD AND POOL, OR WILDCAT

GREATER CISCO

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

10 T215 R23E

12. COUNTY OR PARISH

GRAND

13. STATE

UTAH

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

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

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

2. NAME OF OPERATOR
MASTER PETROLEUM & DEV CO INC

3. ADDRESS OF OPERATOR

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

At surface 723 FSL 708 FEL

SESE

At top prod. interval reported below

At total depth

14. PERMIT NO. DATE ISSUED

4301931205

15. DATE SPUDDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RES, BT, GR, ETC.)* 19. ELEV. CASINGHEAD

9-30-85

RIG SKID 10-31-85

20. TOTAL DEPTH, MD & TVD 21. PLUG. BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS

1025'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE

PLUGGED FROM 945-1025 & 680-800

26. TYPE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORDED

DRY HOLE

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

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

NO FURTHER INFO AVAILABLE

VC-DOSM

11-16-87

33.* PRODUCTION

DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) WELL STATUS (Producing or 10-31-85 shut-in)

PA RIG SKID

DATE OF TEST HOURS TESTED CHOKE SIZE PROD'N. FOR TEST PERIOD OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO

FLOW. TUBING PRESS. CASING PRESSURE CALCULATED 24-HOUR RATE OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORR.)

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

35. LIST OF ATTACHMENTS

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

SIGNED _____ TITLE _____ DATE _____

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

16

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
 814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 723' FSL, 708' FEL Section 10, T21S R23E
 At proposed prod. zone: SE/SE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 2 miles Northwest of Cisco, Utah

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

16. NO. OF ACRES IN LEASE TO THIS WELL
 360

17. NO. OF ACRES ASSIGNED TO THIS WELL
 10

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

19. PROPOSED DEPTH
 1200 feet

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4434' Gr.

22. APPROX. DATE WORK WILL START*
 9-27-85

5. LEASE DESIGNATION AND SERIAL NO.
 Federal U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 U-30956

9. WELL NO.
 M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
 ✓ Greater Cisco

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
 Sec. 10, T21S R23E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

RECEIVED
SEP 11 1985

DIVISION OF OIL, GAS & MINING

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	7"	24	180	65 Sx
6 3/4"	4 1/2"	9.5	1200	100 Sx.

Well will be drilled to the Salt Wash Formation unless significant production is encountered above.
 Blowout equipment to be used will be an 8" 900 series double gate Schaeffer Hydraulic type L.W.S. or its equivalent.

FORMATION TOPS

Dakota 725' gas zone
 Brushy Basin 850' oil zone
 Salt Wash 1125' oil and gas zone

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

DATE: 9/24/85
 BY: John R. Dwyer
 WELL SPACING: 102-16 (B)
 11/15/89

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.

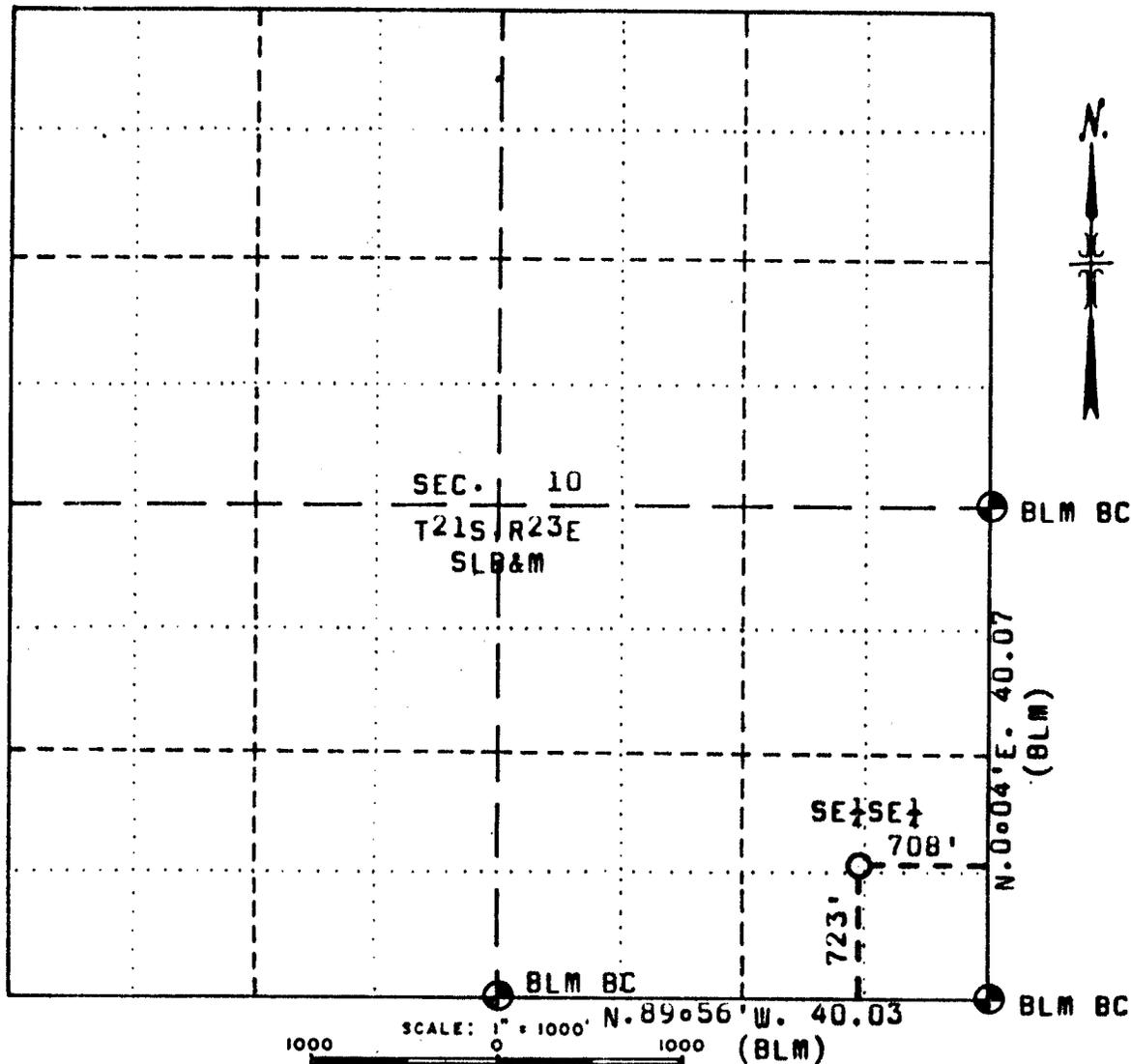
24. SIGNED: Thomas A. Kucel TITLE: President DATE: 9-5-85

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

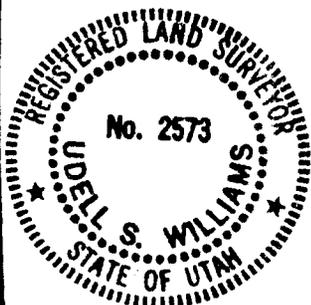


MPD 10-1

Located 723 feet from the south line and 708 feet from the east line of Section 10, T21S, R23E, SLB&M.

Elev. 4434

Grand County, Utah



SURVEYOR'S CERTIFICATE

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

UTAH RLS NO. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MPD 10-1
SE 1/4 SE 1/4 SECTION 10
T21S, R23E, SLB&M

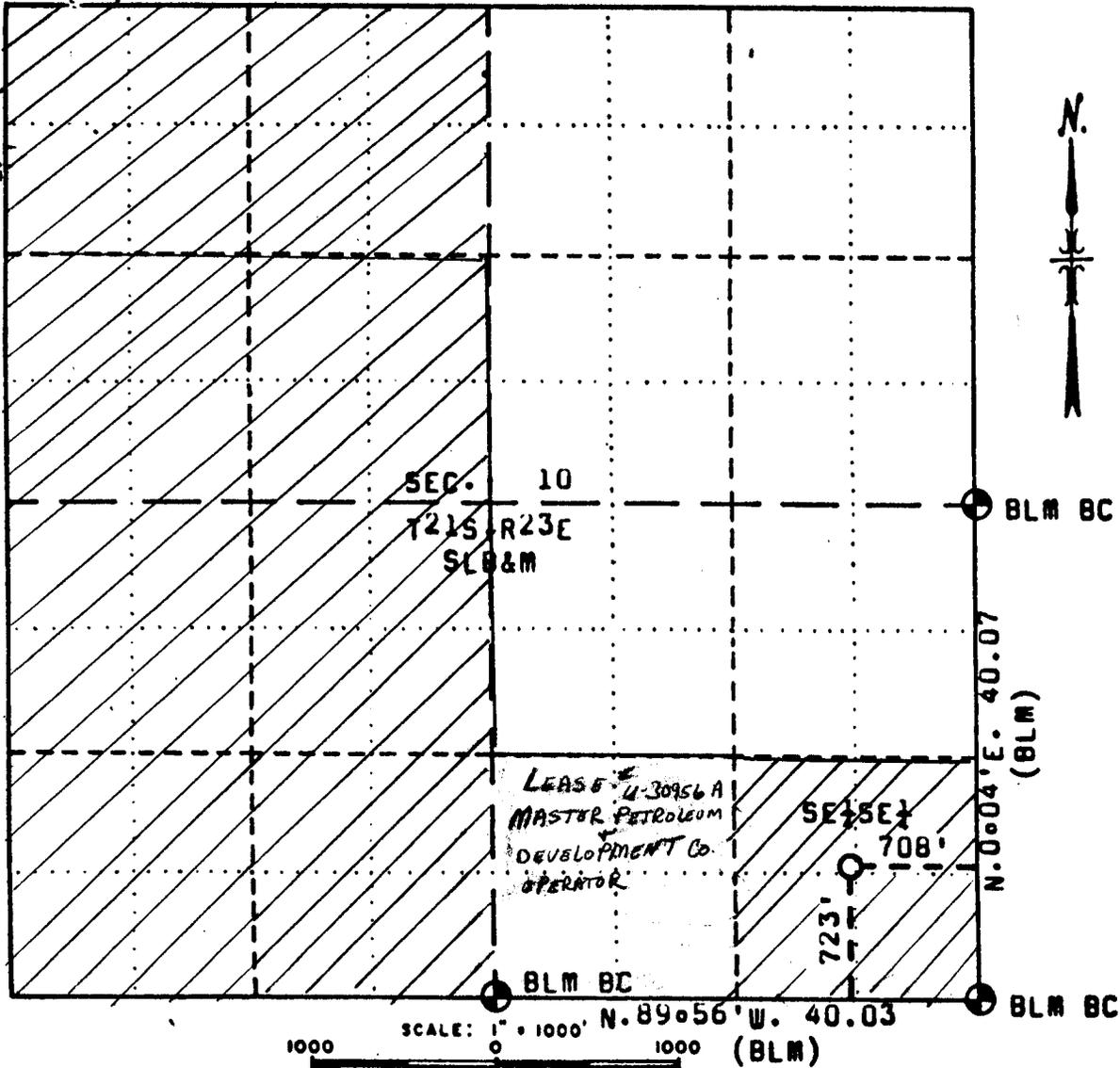
SURVEYED BY: USW DATE: 8/29/85
DRAWN BY: USW DATE: 8/31/85

RECEIVED

BLUE = LEASED ACREAGE

SEP 20 1985

DIVISION OF OIL
GAS & MINING

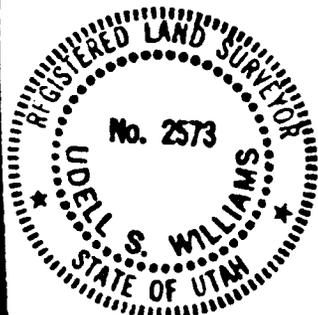


MPD 10-1

Located 723 feet from the south line and 708 feet from the east line of section 10, T21S, R23E, SLB&M.

Elev. 4434

Grand county, Utah



SURVEYOR'S CERTIFICATE

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Udell S. Williams
UTAH RLS NO. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MPD 10-1
SE 1/4 SE 1/4 SECTION 10
T21S, R23E, SLB&M

SURVEYED BY: USW DATE: 8/29/85
DRAWN BY: USW DATE: 8/31/85

A. Thirteen Point Surface Use Plan

1. Existing Roads:

- a) Proposed well site is staked.
- b) Proposed route to location and distance to nearest town:
The well site is located approximately three (3) miles north-west of Cisco, Utah. Exit from old Highway 6-50 at railroad crossing east of Cisco, turn west, and follow existing road parallel to tracks across to Cisco Wash, pass through wash under I-70 Highway and follow existing road to drill site, approximately one (1) mile from I-70.
- c) Access road is dotted in red and existing roads are dotted in green. See map.
- d) None required for drilling. In the event of production, operator will work to maintain a graded and improved road year round following the design standards of a BLM Class II road. This will require cooperation with other operators in this area to maintain this road.

2. Planned Access Roads:

The length of new access road is approximately six-hundred (600) feet. The new access is on a flat surface and will be constructed and maintained to Class III BLM road standards.

- a) width: 16' travel surface, 20' disturbed width. Any disturbed vegetation and top-soil will be windrowed for use during reclamation.
- b) Maximum grade: access route is flat.
- c) Turn-outs: None required
- d) Centerline of proposed access road is flagged.
- e) Drainage: None required, should production be established, the road will be upgraded to include ditch and crown.
- f) Surfacing material: None needed
- g) Other: All travel will be limited to existing access road right-of-way. Access road will be rehabilitated or brought to Class III standards within sixty (60) days of completion of drilling.

3. Location of Existing Wells:

Producing wells in one (1) mile radius are: See Map.

Hafer Gov't 15-2 - Sec. 15 oil well Master Petro. & Dev. Co., Inc.
Frazier 15-1 - Sec. 15 Gas well "" "" "" "" "" ""
Fedral #1 - Sec. 10 oil well Master Petroleum & Development Co., Inc.
Ambra 15-3 - Sec. 15 gas well Four Leaf oil Co.
Ambra 15-5-80 - Sec. 15 gas well Four Leaf Oil Co.

Location of Existing and/or Proposed Production Facilities:

- a) On well pad: See attached pad schematic and production facility layout.
- b) Off well pad: No production facilities to be located off well pad, except a production line should gas be produced. A determination for gas line route would then be determined from right-of-way information after same was obtained from BLM.

All permanent production facilities will be painted sage grey.

All open and exposed pits will be fenced to protect livestock and wildlife, and earthen fire bunker will be built around any tanks with sufficient capacity to contain 150% of the tank volume.

The reserve pit and any portion of the location or access road not needed for production will be rehabilitated within 60 days from the completion of the well, weather permitting.

5. Location and Type of Water Supply:

Colorado River at Fish Ford, south-east of Cisco, Utah per permit from state of Utah (see attached copy). Water will be transported by tank truck utilizing existing roads. No water well is planned or needed.

6. Construction Material:

Should any such materials be required, they will be provided from a private source. However, no materials are planned. Mancos Shale surface bladed and packed roads are best for this area.

7. Method of Handling Waste Disposal:

~~Cuttings and drilling fluids will be discharged into the reserve~~ pit. A portable chemical toilet will be provided for sewage. Garbage and waste materials will be placed in a trash cage and hauled away when work is completed.

Produced fluids (oil and water) will be placed in tanks and pits. The blowby line will be one hundred and twenty five (125) feet long angled into the pit. It will be anchored and misted while drilling with air.

If any material is to be burned a permit will be obtained from the State Land Forestry and Fire control office in Moab, Utah prior to burning.

8. Auxillary Facilities:

None anticipated

9. Well Site Layout:

SEE attached schematic. The well site is flat and requires no cut and fill. Any disturbed vegetation and top soil will be stockpiled on the Northwest side of the location.

The reserve/blouey pit will be fenced on three sides while drilling, the fourth side will be fenced after drilling is completed. Fence will be 36" high, woven wire with one strand of barbed wire on top.

See well pad schematic.

Pit is unlined.

10. Restoration Plan:

- a) Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris from the operation. All trash will be disposed of in a portable trash cage and will be hauled to a local town dumpsite. No trash will be left in the pits.
- b) The operator or his contractor will notify the Grand Resource Area BLM office in Moab, Utah, 24 hours prior to starting rehabilitation work that involves earth moving equipment. The Grand Resource office will again be notified upon completion of restoration.
- c) Prior to dirtwork restoration the reserve/blouey pits will be dry and free of debris.
- d) All stockpiled top-soil will be distributed over the rehabilitation area. All rehabilitated areas will be scarified in two directions perpendicular to each other to provide a proper seed bed.
- e) Rehabilitated area will be reseeded using a mixture approved by the BLM (see attached list).
- f) If well is completed as a producer, any unused areas will be rehabilitated within 60 days from completion, weather permitting.

Rehabilitation will be completed within sixty (60) days of abandonment. The Grand Resource Area will be notified 24 hours prior to moving equipment onto the location.

11. Other Information:

- a) The location is a desert area, with minimal vegetation. However, livestock graze here in the Spring and Fall. The town of Cicso lies three (3) miles south-east, with few residents. There is no evidence of anything of historical, cultural, or archeological value, other than the old railroad bed in the area of the location.
- b) The Grand Resource Area office will be contacted forty-eight (48) hours prior to any work initiation on public lands.
- c) Operators, and contractors will be furnished an approved copy of the surface use plan with stipulations prior to commencing work.
- d) If any cultural material is exposed during work, such will stop and the Grand Resource office will be notified. All persons on site will be notified of possible prosecution of they disturb archeological sites or remove artifacts.

12. Operator:

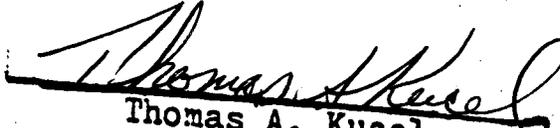
Master Petroleum & Development Co., Inc.
814 South Seventh St.
Grand Junction, Co. 81501
Telephone (303) 241-4213
Attention: Thomas A. Kucel

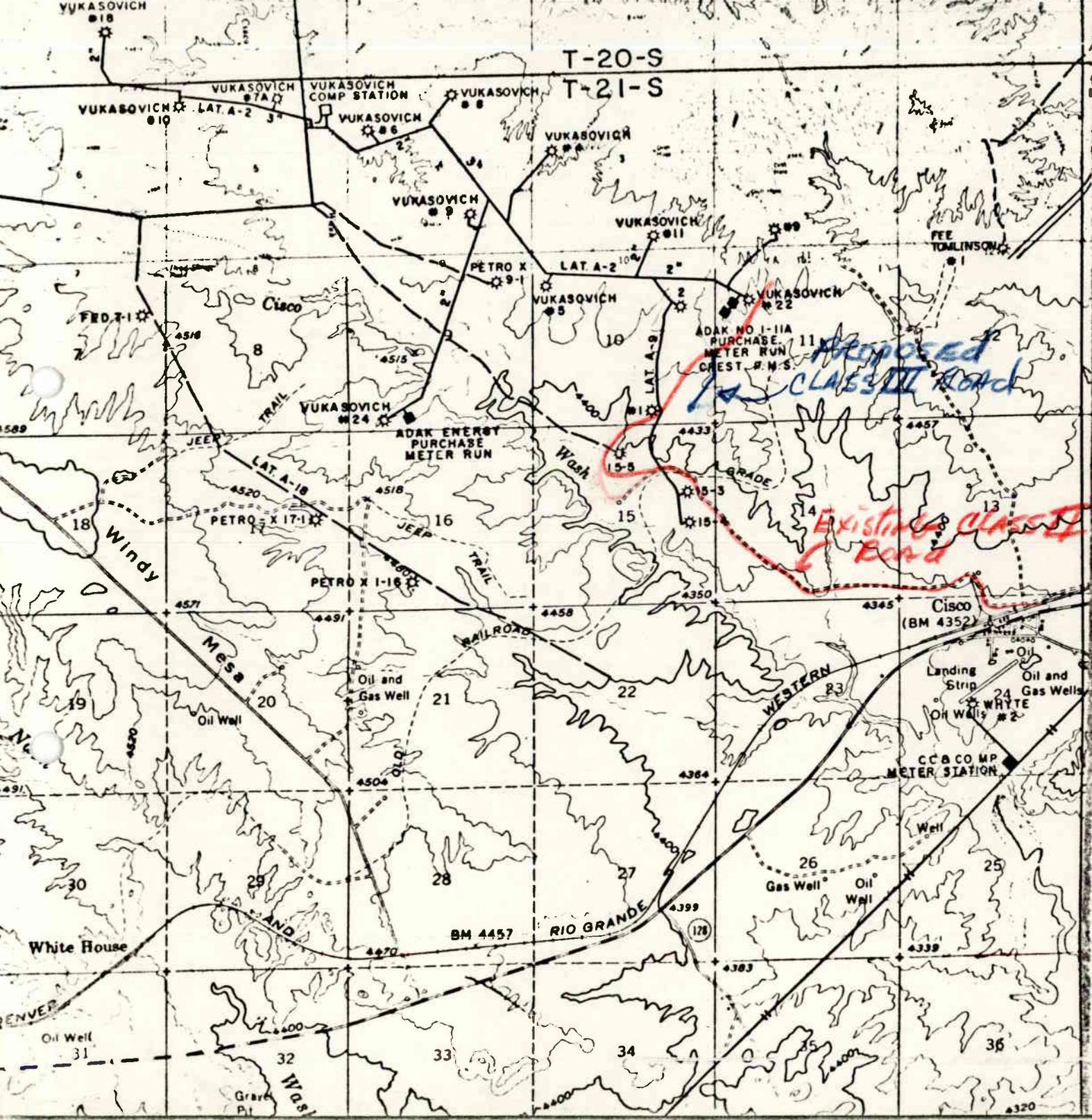
Master Petroleum has a statewide bond for operating in the state of Utah.

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; 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 Master Petroleum & Development Co., Inc. and its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

9-5-85
Date


Thomas A. Kucel
President
Master Petroleum &
Development Co., Inc.



Access to the proposed wells will be gained by the use of the existing class II road to the leases. New class III roads across the subject leases will be constructed and maintained in the event that production is established.

STATE OF COLORADO



**DEPARTMENT OF
STATE**

CERTIFICATE

I, NATALIE MEYER, Secretary of State of the State of Colorado hereby certify that

According to the records of this office

**MASTER PETROLEUM & DEVELOPMENT CO., INC.
(COLORADO CORPORATION)**

has complied with the applicable provisions of the laws of the State of Colorado and on this date is in good standing and authorized and competent to transact business or to conduct its affairs within this state.



DATED: **JAN 30 1985**

Natalie Meyer
SECRETARY OF STATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

STATE, NATIONWIDE, OR NATIONAL PETROLEUM RESERVE
IN ALASKA OIL AND GAS BOND

Act of February 25, 1920 (30 U.S.C. Sec. 181)

Act of August 7, 1947 (30 U.S.C. Sec. 351)

Department of the Interior Appropriations Act, Fiscal Year 1981 (P.L. 96-514)

Other Oil and Gas Leasing Authorities as Applicable

KNOW ALL MEN BY THESE PRESENTS, That we **Master Petroleum & Development Co, Inc.**

of **814 S 7th St., Grand Junction, CO 81501**

as principal, and **New Hampshire Insurance Company**

of **Manchester, NH**

as surety, are held and firmly bound unto the United States of America in the sum of **Twenty-Five Thousand and 00/100** dollars (\$ **25,000.00**), in lawful money of the United States, which sum may be increased or decreased by a rider hereto executed in the same manner as this bond, for the use and benefit of (1) the United States; (2) the owner of any of the land subject to the coverage of this bond, who has a statutory right to compensation in connection with a reservation of the oil and gas deposits to the United States; and (3) any lessee or permittee under a lease or permit issued by the United States prior to the issuance of an oil and gas lease for the same land subject to this bond, covering the use of the surface or the prospecting for, or development of, other mineral deposits in any portion of such land, to be paid to the United States. For such payment, well and truly to be made, we bind ourselves, and each of our heirs, executors, administrators, and successors, jointly and severally.

- The coverage of this bond shall extend to all of the principal's holdings of federal oil and gas leases in the United States, including Alaska, issued or acquired under the Acts cited in Schedule A.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases issued or acquired under the Acts cited and in the States named in Schedule A and to any other State or States that may be named in a rider attached hereto by the lessor with the consent of the surety.
- The coverage of this bond extends only to the principal's holdings of federal oil and gas leases within the National Petroleum Reserve in Alaska.

SCHEDULE A

Mineral Leasing Act of February 25, 1920 (30 U.S.C. Sec. 181), Acquired Lands Leasing Act of August 7, 1947 (30 U.S.C. Sec. 351), and other oil and gas leasing authorities as applicable.

NAMES OF STATES

1. **UTAH**

The conditions of the foregoing obligations are such that, whereas the said principal has an interest in oil and gas leases issued under the Acts cited in this bond: (1) as lessee; (2) as the approved holder of operating rights in all or part of the lands covered by such leases under operating agreements with the lessees; or (3) as designated operator or agent under such leases pending approval of an assignment or operating agreement; and

WHEREAS the principal is authorized to drill for, mine, ex-

tract, remove, and dispose of oil and gas deposits in or under the lands covered by the leases, operating agreements or designations and is obligated to comply with certain covenants and agreements set forth in such instruments; and

WHEREAS the principal and surety agree that without notice to the surety the coverage of this bond, in addition to the present holdings of the principal, shall extend to and include:



United States Department of the Interior

IN REPLY REFER TO

3104
(U-942)

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
324 SOUTH STATE, SUITE 301
SALT LAKE CITY, UTAH 84111-2303

DEC 18 1984

DECISION

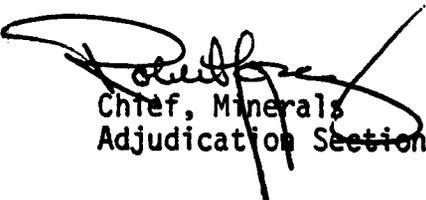
Master Petroleum and Development : \$25,000 Statewide
Company, Inc. : Oil and Gas Bond
814 S. 7th Street :
Grand Junction, Colorado 81501 :

Bond Accepted

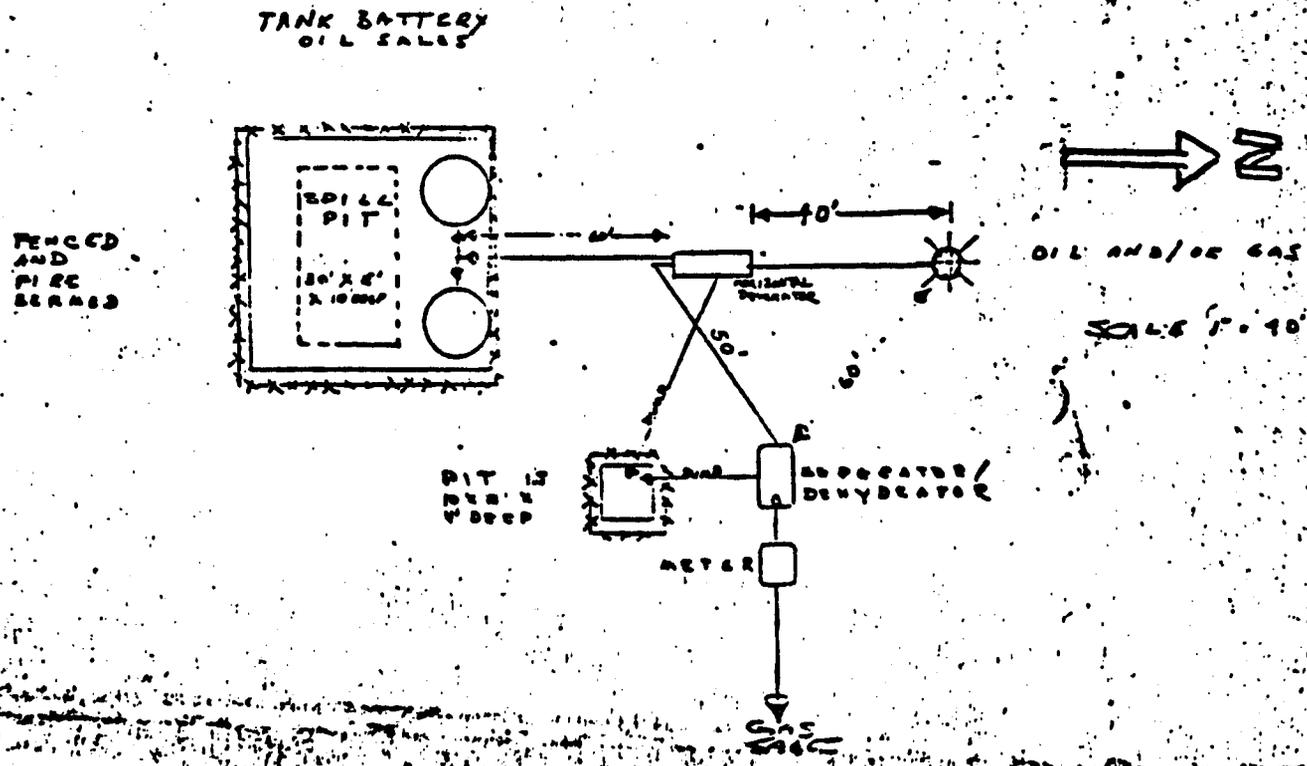
A \$25,000 statewide oil and gas bond, No. 43-45-57, was filed in this office December 7, 1984. The bond was executed October 29, 1984, with Master Petroleum and Development Company, Inc. as principal and New Hampshire Insurance Company as surety.

This bond constitutes coverage in the State of Utah for obligations under oil and gas leases held or hereafter acquired by the principal, including lease offers, assignments, operating agreements, etc., issued under the authority of the Minerals Leasing Act of 1920, as amended, and the Mineral Leasing Act for Acquired Lands, as amended. The bond is satisfactory and is hereby accepted effective December 7, the date of filing.

Coverage under your statewide bond will not, however, extend to include additional principals, and the coverage does not extend to any lands where the principals are or become the unit operator but do not own the record title or operating rights in such lands either solely or jointly with others whose interests are likewise covered by appropriate bonds.


Chief, Minerals
Adjudication Section

Proposed Production Facility Layout



SEED MIXTURE

Desert

Semi-Desert

(Area coverage) N. highway I-70 to first Bench of Bookcliffs from Green River to Bar X field. All lands So. highway I-70, Black Brush Zones, lands west of 163 to the Green River.

<u>Species</u>		<u>lbs/ac</u>
<u>Grasses</u>		
Oryzopsis hymenoides	Indian ricegrass	1
Hilaria jamesii	Galleta (Curlygrass)	1
Sporobolus cryptandrus	Sand dropseed	1
Sitanion hystrix	Bottlebrush Squirreltail	1
<u>Forbs</u>		
Melilotus officinalis	Yellow sweetclover	1
Medicago sativa	Alfalfa (spreador II, nomad, Ladak)	1
<u>Shrubs</u>		
Atriplex canescens	Fourwing saltbush (White greasewood)	1
Eurotia lanata	Winterfat (Whitesage)	$\frac{1}{8}$ lbs/ac

Broadcast seed will be applied at double the above rate.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Grand Resource Area
P.O. Box 11
Moab, Utah 84532

IN REPLY REFER TO

2800 (U-068)
U-54703

RIGHT-OF-WAY

Section A

1. There is hereby granted, pursuant to Title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761), a nonexclusive, nonpossessory right-of-way to:

Master Petroleum & Development Co., Inc.
814 So. 7th.
Grand Junction, CO 81501

In case of change of address the holder shall immediately notify the authorized office.

2. To use, subject to terms and conditions set out below, the following described Public Land.

T. 21 S., R. 23 E., S14
Sec. 15: SE 1/4 NE 1/4, E 1/2 SE 1/4.

3. Description of the right-of-way facility and purpose:

Existing access road: Length: 3500 feet
Width: 20 feet
Acreage: 1.61 acres

Permitted Use: Maintenance and use of road (Class II).

A map showing the location of the right-of-way over the above described public land is attached hereto as Exhibit "A".

POOR COPY

TERMS AND CONDITIONS

Section B

1. The right-of-way holder agrees to comply with all the applicable regulations contained in 43 CFR 2800.
2. If the right-of-way holder violates any of the terms and conditions to this grant, the authorized officer, after giving written notice may declare the grant terminated.
3. This grant is subject to all valid rights existing on the effective date of this grant including road R/W U-5012/ (C.C. Company), road R/W U-50139 (Dan Vanover), pipeline R/W U-53719 (Gilliland), NIP lode claims in the SE 1/4 of Section 15.
4. There is hereby reserved to the Authorized Officer the right to grant additional rights-of-way or permits for compatible uses, on, over, under, or adjacent to the lands involved in this grant.
5. The holder shall comply with the applicable Federal and State laws and regulations concerning the uses of pesticides (i.e., insecticides, herbicides, fungicides, rodenticides, and other similar substances) in all activities/operations under this grant. The holder shall obtain from the Authorized Officer approval of a written plan prior to the use of such substances. The plan must provide the type and quantity of material to be used; the pest insect, fungus, etc., to be controlled; the method of application; the location for storage and disposal of containers; and other information that the Authorized Officer may require. The plan should be submitted no later than December 1 of any calendar year that covers the proposed activities for the next fiscal year (i.e., December 1, 1983, deadline for a fiscal year 1985 action). Emergency use of pesticides may occur. The use of substances on or near the right-of-way shall not be used if the Secretary of the Interior has prohibited its use. A pesticide shall be used only in accordance with its registered uses and within other limitations if the Secretary has imposed limitations. Pesticides shall not be permanently stored on public lands authorized for use under this grant.
6. The holder agrees not to exclude any person from participating in employment or procurement activity connected with this grant on the grounds of race, creed, color, national origin, and sex, and to ensure against such exclusion, the holder further agrees to develop and submit to the proper reviewing official specific goals and timetables with respect to minority and female participation in employment and procurement activity connected with this grant. The holder will take affirmative action to utilize business enterprises owned and controlled by minorities or women in its procurement practices connected with this grant. Affirmative action will be taken by the holder to assure all minorities or women applicants full consideration of all employment opportunities connected with this grant. The holder also agrees to post in conspicuous places on its premises which are available to contractors, subcontractors, employees, and other interested individuals, notices which set forth equal

opportunity terms; and to notify interested individuals, such as bidders, contractors, purchasers, and labor unions or representatives of workers with whom it has collective bargaining agreements of the Company's equal opportunity obligations.

7. The right-of-way herein granted is subject to the express covenant that it will be modified, adapted, or discontinued if found by the Secretary to be necessary, without liability of expense to the United States, so as not to conflict with the use and occupancy of the land for any authorized works which may be hereafter constructed thereon under the authority of the United States.
8. The Holder shall indemnify the United States against any liability for damage to life and property arising from the occupancy or use of public lands under this grant.
9. All survey monuments, witness corners, reference monuments and bearing trees must be protected against destruction. Any damaged or obliterated markers must be re-established in accordance with accepted survey practices at the expense of the holder.
10. During periods of wet weather when activity would result in deep rutting to the access roads, the activity will stop. Ruts of six inches or more will be considered excessive.
11. The right-of-way will not be in effect if the well is not a producer. The holder will file a relinquishment (BLM Form Number 1825-3). Upon receipt of a letter from BLM stating the rehabilitation is satisfactory, the holder shall be relieved of liability. The BLM Grand Resource Area must be notified within one year of date of Right-of-Way Grant as to status of well (producer or non-producer).
12. All surface protection procedures for road construction operations, and maintenance set forth in the application are accepted herewith and made a part of this grant.
13. All other terms and conditions. Compliance will be in accordance with the terms and conditions as specified herein and in the thirteen point surface use plan, attached hereto and made a part hereof.
14. Rental is \$25.00 for the first five years pending new regulations. Any additional rental determined to be due as a result of the rental determination shall be paid upon request.
15. This right-of-way grant shall terminate 30 years from the effective date of this grant unless prior thereto it is relinquished, abandoned, terminated, or otherwise modified pursuant to the terms and conditions of this grant or of any applicable Federal law or regulation.
 - a. This grant is subject to review at the end of 20 years from the date of this decision, and at regular intervals thereafter not to exceed 10 years.

- b. This grant may be renewed so long as it is still being used for the purposes granted, and is operated and maintained in accordance with all the provisions of this grant and pursuant to the regulations under which it is granted. If renewed the right-of-way will be subject to regulations existing at the time of renewal, and such other terms and conditions deemed necessary to protect the public interest.

Section C

The effective date of this right-of-way grant is the date of execution by the authorized officer.

The undersigned agrees to the terms and conditions of the right-of-way grant.

The right-of-way is executed this _____ day of _____, 198__

Master Petroleum & Equipment Co. Inc.
Name of Organization, Company, or Corp.

Colin P. Christensen, Area Manager
Authorized Officer

By: Thomas A. Kucel

Title: President

Date: 3-2-85

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIPT AND ACCOUNTING ADVICE

No. 300101

Subject: Drilling Pad Site and Access

Location - Grand Resource Area
BLM-01-11-00-0-14511-10000
Filing fee \$100.00
Monitoring fee \$100.00

Applicant:
Master Petroleum & Dev. Co. Inc.
14 S. 7th
Grand Junction, CO 81501

Remitter:

SERIAL NO.

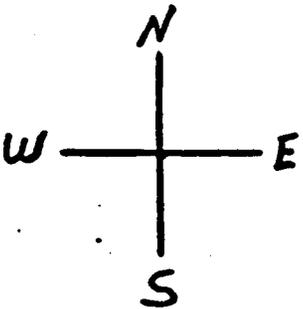
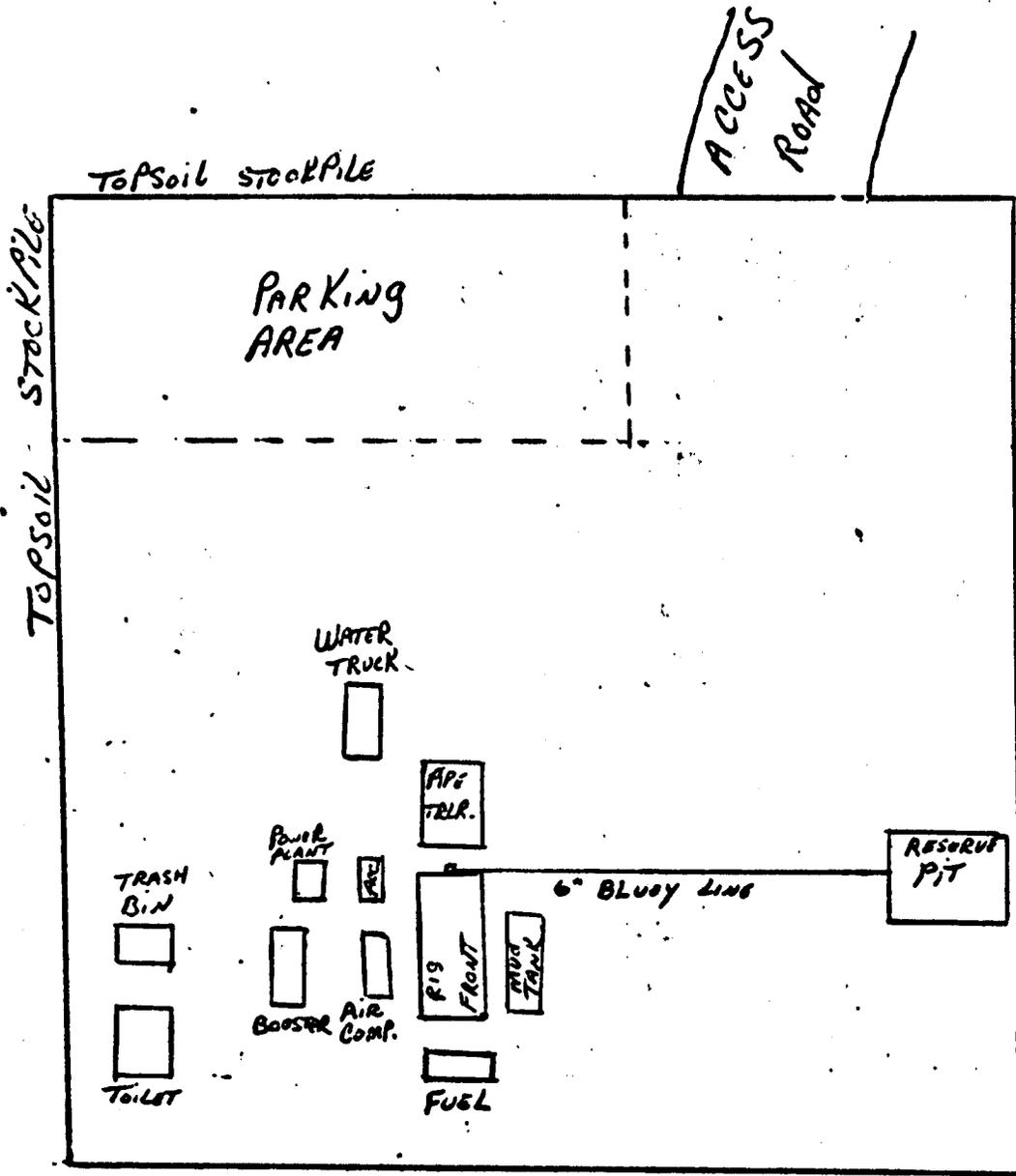
REFER TO THE ABOVE CASE SERIAL NUMBER IN ALL CORRESPONDENCE. PLEASE INFORM THIS OFFICE OF ANY CHANGE IN ADDRESS.

NOTE: This notice is a receipt for monies paid the United States. If these monies are for required fees in connection with your application to lease, purchase, enter, or otherwise acquire an interest in public lands or resources, this receipt is not an authorization to utilize the land applied for and it does not convey any right, title, or interest in the land for which application is made.

PAID
JAN 25 1985
 BUREAU OF LAND MANAGEMENT
 Mont. Utah
 Sig. AB 161621

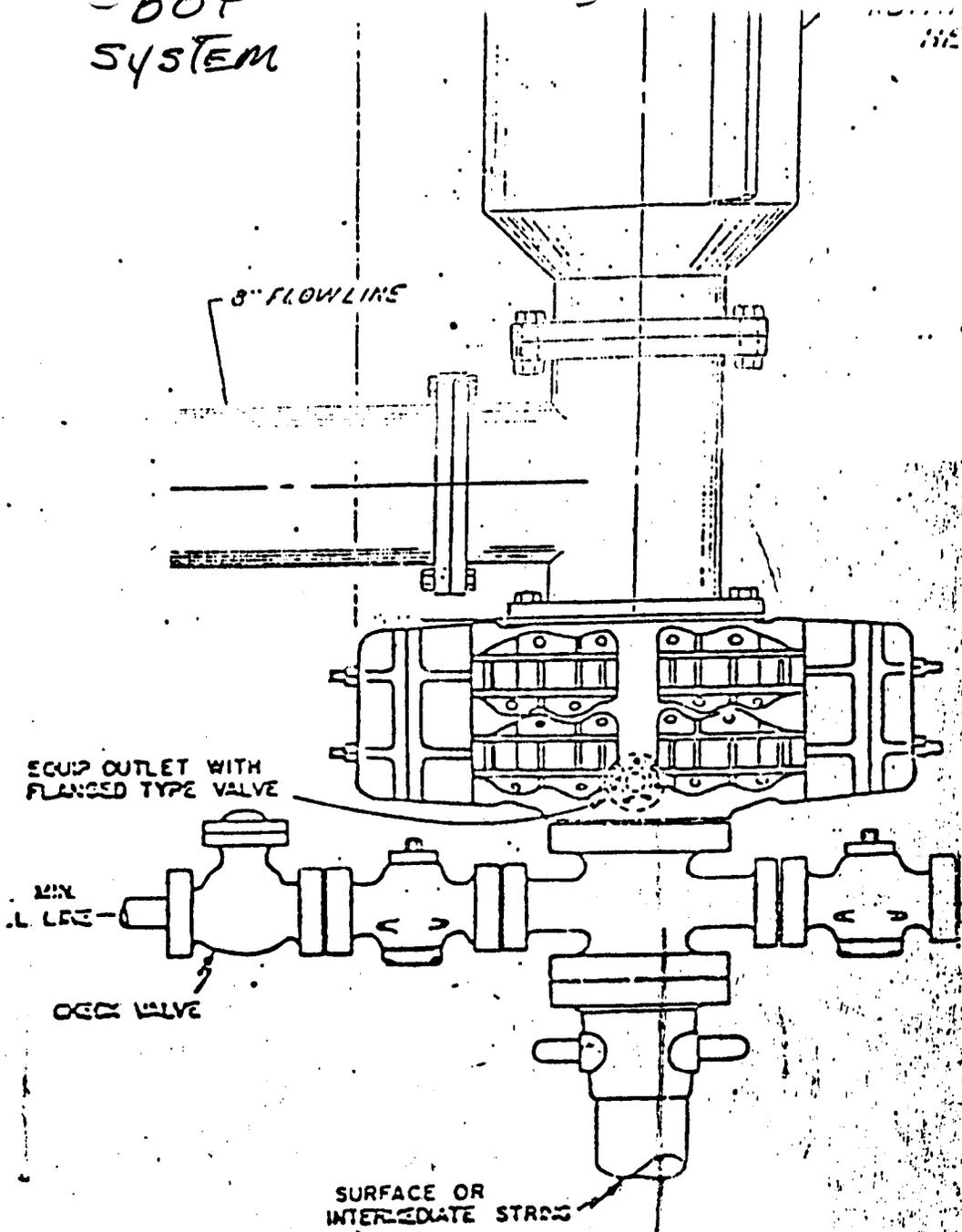
WELLSITE SCHEMATIC

M.P.D. 10-1



BOP SYSTEM

HEAD



8" FLOWLINE

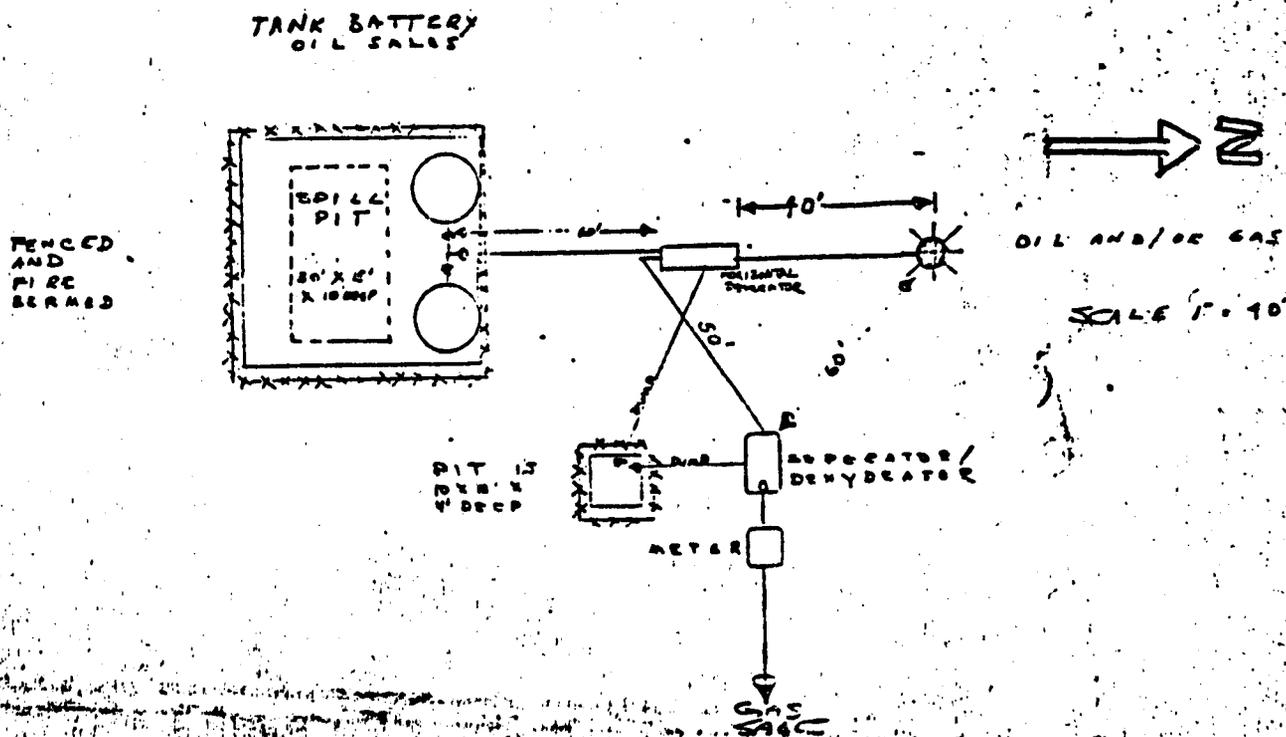
EQUIP OUTLET WITH FLANGED TYPE VALVE

MIN. L. LEG

OCC VALVE

SURFACE OR INTERMEDIATE STROD

Proposed Production Facility Layout



SEED MIXTURE

Desert

Semi-Desert

(Area coverage) N. highway I-70 to first Bench of Bookcliffs from
Green River to Bar X field. All lands So. highway I-70, Black Brush
Zones, lands west of 163 to the Green River.

Species

lbs/ac

Grasses

Oryzopsis hymenoides	Indian ricegrass	1
Hilaria jamesii	Galleta (Curlygrass)	1
Sporobolus cryptandrus	Sand dropseed	1
Sitanion hystrix	Bottlebrush Squirreltail	1

Forbs

Melilotus officinalis	Yellow sweetclover	1
Medicago sativa	Alfalfa (spreador II, nomad, Ladak)	1

Shrubs

Atriplex canescens	Fourwing saltbush (White greasewood)	1
Eurotia lanata	Winterfat (Whitesage)	1
		<hr style="width: 10%; margin: 0 auto;"/> 8 lbs/ac

Broadcast seed will be applied at double the above rate.

SUGGESTED COLORS TO PAINT OIL & GAS
PRODUCTION FACILITIES

Cisco Desert and Flats below the Bookcliffs:

- Dynasty Green (Sears)
- Tumbleweed (Pratt & Lambert)

- Sage Gray (Pratt & Lambert)

Bookcliffs Region:

- Sage Gray (Pratt & Lambert)
- Sea Life (Pratt & Lambert)
- Dynasty Green (Sears)

Similar hues other than the ones mentioned above must be approved by the Grand Resource Area Manager.

TEMPORARY

Application No. _____

APPLICATION TO APPROPRIATE WATER STATE OF UTAH

NOTE:—The information given in the following blanks should be free from explanatory matter, but when necessary, a complete supplementary statement should be made on the following page under the heading "Explanatory."

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, for uses indicated by (X) in the proper box or boxes, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

- 1. Irrigation Domestic Stockwatering Municipal Power Mining Other Uses

2. The name of the applicant is MASTER PETROLEUM & DEVELOPMENT CO. INC.

3. The Post Office address of the applicant is 814 S. 7TH ST. GRAND JUNCTION, CO. 81501

4. The quantity of water to be appropriated 750 BBLs second-feet and/or _____ acre-feet

5. The water is to be used for WELL DRILLING from 9-1-85 to 8-30-86
(Major Purpose) (Month) (Day) (Month) (Day)

other use period _____ from _____ to _____
(Minor Purpose) (Month) (Day) (Month) (Day)

and stored each year (if stored) from _____ to _____
(Month) (Day) (Month) (Day)

6. The drainage area to which the direct source of supply belongs is _____
(Leave Blank)

7. The direct source of supply is* COLORADO RIVER
(Name of stream or other source)

which is tributary to _____, tributary to _____

*Note.—Where water is to be diverted from a well, a tunnel, or drain, the source should be designated as "Underground Water" in the first space and the remaining spaces should be left blank. If the source is a stream, a spring, a spring area, or a drain, so indicate in the first space, giving its name, if named, and in the remaining spaces, designate the stream channels to which it is tributary, even though the water may sink, evaporate, or be diverted before reaching said channels. If water from a spring flows in a natural surface channel before being diverted, the direct source should be designated as a stream and not a spring.

8. The point of diversion from the source is in GRAND County, situated at a point*

N. 1050 FT & W. 400 FT. FROM S.E. COR. SEC 15, T21S, R34E

SLB & M

4 MILES EAST OF CISED COATES CREEK QUAD.

*Note.—The point of diversion must be located definitely by course and distance or by giving the distances north or south, and east or west with reference to a United States land survey corner or United States mineral monument, if within a distance of six miles of either, or if at a greater distance, to some prominent and permanent natural object. No application will be received for filing in which the point of diversion is not defined definitely.

9. The diverting and carrying works will consist of TANK TRUCK

10. If water is to be stored, give capacity of reservoir in acre-feet N/A height of dam _____
area inundated in acres _____ legal subdivision of area inundated _____

11. If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows:
N/A

12. Is the land owned by the applicant? Yes _____ No X If "No," explain on page 2. Total _____ Acres

13. Is this water to be used supplementally with other water rights? Yes _____ No X
If "yes," identify other water rights on page 2.

14. If application is for power purposes, describe type of plant, size and rated capacity. N/A

15. If application is for mining, the water will be used in N/A Mining District at the _____ mine, where the following ores are mined _____

16. If application is for stockwatering purposes, number and kind of stock watered N/A

17. If application is for domestic purposes, number of persons N/A, or families _____

18. If application is for municipal purposes, name of municipality N/A

19. If application is for other uses, include general description of proposed uses DRILLING OPERATIONS FOR OIL & GAS EXPLORATION

20. Give place of use by legal subdivision of the United States Land Survey for all uses described in paragraphs 14 to 19, incl. TOWNSHIP 21 SOUTH, RANGE 23 EAST SLB & B

21. The use of water as set forth in this application will consume _____ second-feet and/or acre-feet of water and _____ second feet and/ or acre feet will be returned to the natural stream or source at a point described as follows:
ONE TIME USE OF APPROX. 750 BBLs

OPERATOR Mystar Petroleum & Development DATE 9-17-85

WELL NAME M.P.D. 10-1

SEC SE SE 10 T 215 R 23E COUNTY Grand

43-019-31205
API NUMBER

Fed
TYPE OF LEASE

CHECK OFF:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> PLAT | <input checked="" type="checkbox"/> BOND | <input checked="" type="checkbox"/> NEAREST WELL |
| <input checked="" type="checkbox"/> LEASE | <input checked="" type="checkbox"/> FIELD | <input checked="" type="checkbox"/> POTASH OR OIL SHALE |

PROCESSING COMMENTS:

No other wells within 400'
Water &

APPROVAL LETTER:

SPACING: A-3 _____ UNIT c-3-a 102-16(B) 11/15/79
CAUSE NO. & DATE

c-3-b c-3-c

STIPULATIONS:



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

September 24, 1985

Master Petroleum & Development Company, Inc.
814 South 7th Street
Grand Junction, Colorado 81501

Gentlemen:

Re: Well No. M. P. D. 10-1 - SE SE Sec. 10, T. 21S, R. 23E
723' FSL, 708' FEL - Grand County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with the Order of Cause No. 102-16(B) dated November 15, 1979.

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. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.
5. 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 43-019-31205.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
 814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 723' FSL, 708' FEL Section 10, T21S R23E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 2 miles Northwest of Cisco, Utah

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

16. NO. OF ACRES IN LEASE
 360

17. NO. OF ACRES ASSIGNED TO THIS WELL
 10

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

19. PROPOSED DEPTH
 1200 feet

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4434' Gr.

22. APPROX. DATE WORK WILL START*
 9-27-85

5. LEASE DESIGNATION AND SERIAL NO.
 Federal U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 N/A

7. LEASE AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 U-30956

9. WELL NO.
 M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
 Greater Cisco

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 10, T21S R23E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

RECEIVED
SEP 25 1985
DIVISION OF OIL
GAS & MINING

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	7"	24	180	65 Sx
6 3/4"	4 1/2"	9.5	1200	100 Sx.

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 Thomas A. Kuehl TITLE President DATE 9-5-85

(This space for Federal or State office use)

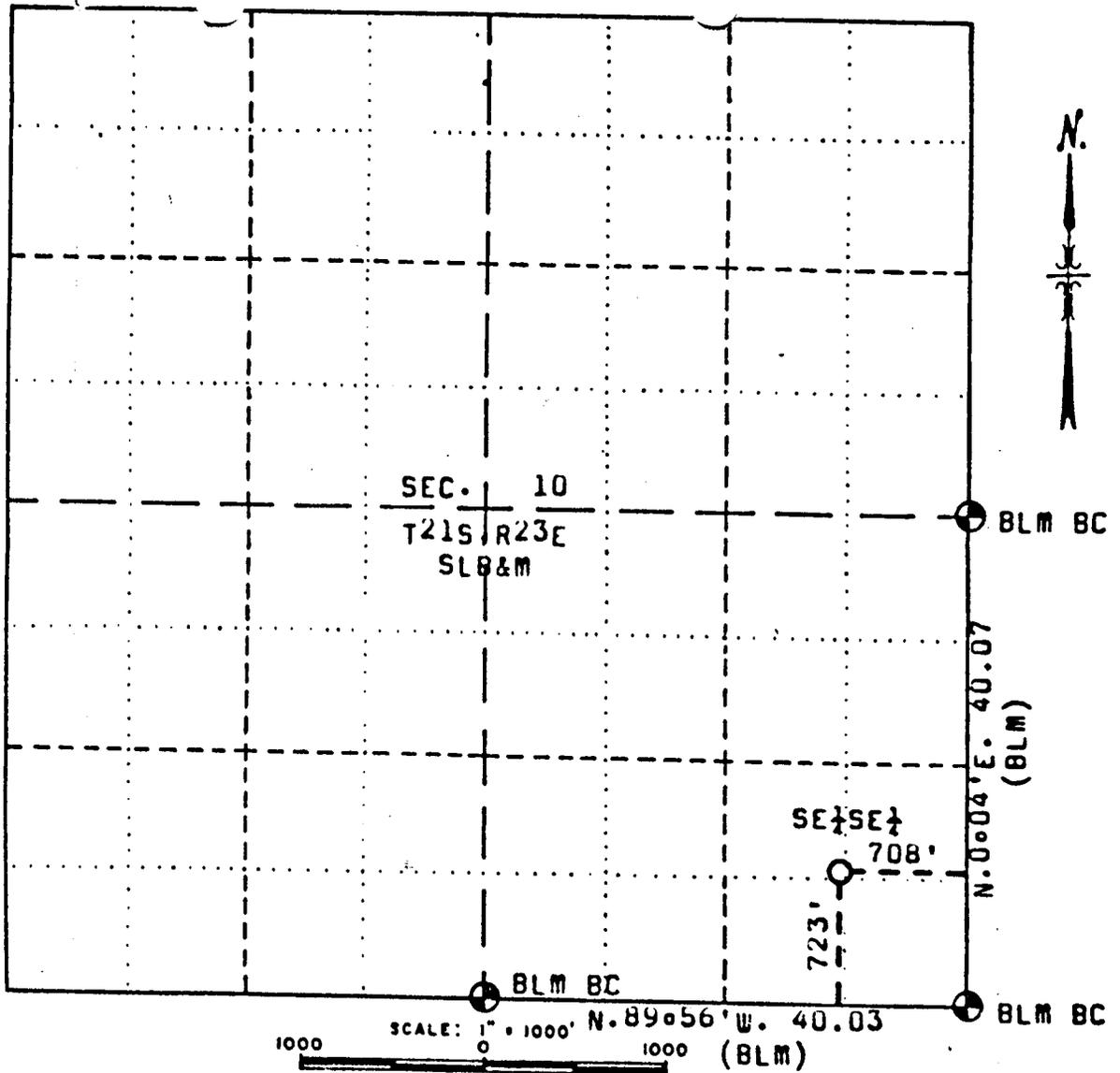
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY Kenneth V. Rhea TITLE Acting DISTRICT MANAGER DATE 80 SEP 1985

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

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



MPD 10-1

located 723 feet from the south line and 708 feet from the east line of section 10, T21S, R23E, SLB&M.

Elev. 4434

Grand County, Utah



SURVEYOR'S CERTIFICATE

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

Udell S. Williams
UTAH RLS NO. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MPD 10-1
SE 1/4 SE 1/4 SECTION 10
T21S, R23E, SLB&M

SURVEYED BY: USW DATE: 8/29/85
DRAWN BY: USW DATE: 8/31/85

Master Petroleum & Development Co., Inc.
Well No. M.P.D. 10-1
Sec. 10, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-30956

CONDITIONS OF APPROVAL

A. DRILLING PROGRAM

A backup source capable of closing the B.O.P.'s will be available.

B.O.P.'s will be installed prior to drilling out from surface casing.

B.O.P.'s will be pressure tested before drilling out from surface casing. The pipe rams will be operated every day and the blind rams on every trip to insure good working order. The pressure test and operational checks will be recorded on the driller's log.

The cement must be circulated to surface on the surface casing. If cement returns are not obtained the operator will place cement down the backside to insure cement to surface.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

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 Office. If operations are to be suspended, prior approval of the District Office will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the Area Office within a minimum of 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 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.

In accordance with Onshore 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 continued each month until the well is plugged and abandoned. This report will be sent to the District Office, P.O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Area Office in accordance with requirements of NTL-3A.

If a replacement rig is needed for completion operations, A Sundry Notice (Form 3160-5) to that effect will be filed for prior approval from the District Office, 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 through the District Office.

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.

If the well is to be completed for production the Area Office is to be contacted in order to set up a pre-production conference. When the well is placed in a producing status the District Office is to be notified by telegram or other written communication within five working days.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

No well abandonment operations will be commenced without the prior approval of the District Office. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the District Office. A Subsequent Report of Abandonment (Form 3160-5) will be sent to the District Office within 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 Office, or the appropriate surface managing agency. Upon completion of approved plugging, a dry hole 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; "Fed" or "Ind", as applicable, "Lease number", "Well number", location of well by 1/41/4 section, township, and range.

B. SURFACE USE PROGRAM

The operator will contact the Grand Resource Area at (801) 259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.

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.

Access to the location will be left as a trail. No new work will be done.

There will be little to no pad construction. The pad layout was rotated 130° W. so that the pit will be dug to the southwest.

Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production.

Produced waste water will be confined to a unlined 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).

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site 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.

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.

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.

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows:

Juniper or Sage Green

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.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified, water-barred and left with a rough surface.

The following seed mixture will be used:

<u>Species</u>	<u>lbs/acre</u>
<u>Grasses</u>	
Sporobolus airoides Alkali sacaton	1
<u>Shrubs</u>	
Eurotia lanata Winterfat (Whitesage)	<u>2</u>
	3 lbs/acre

Broadcast seed will be applied at double the above rate.

Final location release will be issued when the seeding is shown to be successful (when perennial vegetation is established).

Your contact with the District Office is:

Greg Noble, Petroleum Engineer

Office Phone: (801)259-6111

Home Phone: (801) 259-8811

District Address:

82 East Dogwood, P.O. Box 970
Moab, Utah 84532

Your contact with the Grand Resource Area Office is:

Jeff Robbins

Office Phone: (801)259-8193

Home Phone: 259-7964

Area Office Address:

Sand Flats Road, P.O. Box M
Moab, Utah 84532

MASTER PETROLEUM & DEVELOPMENT CO., INC. 012211

Drilling

Complete Oil and Gas Land Management
Production Development
814 South 7th Street
Grand Junction, Colorado 81501
(303) 241-4213

JAN 12 1987

DIVISION OF
OIL, GAS & MINING

1-7-87

Dear Claudia,

Enclosed are copies of all sundry notices turned in on the M.P.D. 10-1 & 10-1A wells. I noticed today that the only one which was approved by the State office was the drilling permit, not all of them, as I informed you yesterday. Sorry for the misinformation.

If I can be of further assistance please do not hesitate to ask.

Sincerely

Tom Kucel

Tom Kucel

DICK

100-5
(Number 1043)
Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPL.
(Other instructions
verse side)

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

6. LEASE DESIGNATION AND SERIAL NO.
FEDERAL U-30956A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
N/A

9. WELL NO.
M.P.D. 10-1A

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

11. SEC. T., R., M. OR S.L.B. AND SURVEY OR AREA
Sec. 10, T21S, R23E SLB & M

12. COUNTY OR PARISH 13. STATE
Grand 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.)

OIL WELL GAS WELL OTHER

JAN 1987

1. NAME OF OPERATOR
Master Petroleum & Development Co., Inc.

2. ADDRESS OF OPERATOR
814 South 7th St., Grand Junction, Colo., 81501

3. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 723' RSL, 708' FEL, Section 10, T21S, R23E
658' FEL

14. PERMIT NO.
43-019-31239

15. ELEVATIONS (Show whether DF, ST, OR, etc.)
4434 GR

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

ABANDON WELL
REDRILL WELL
CHANGE PLUG RIG SKIPPED XX

WELL COMPLETION
RECOMPLETION
(Other)

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

17. WORK BEING 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 source points pertinent to this work.)

Move well location from 723' FSL 708' FEL of Section 10, T21S, R23E
50' to the East.

The new well location will be 723' FSL 658' FEL of Section 10, T21S, R23E
This well will be drilled to a total depth of approximately 725' to recover
the natural gas production encountered in the original well.

The original well has been plugged from 945'-1025' and 680'-800' as per
Mr. Greg Noble of the Grand Resource Office, Moab, Utah.

A top hole plug and dry hole marker will be installed as per B.L.M. re-
quirements.

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

SIGNED Thomas A. Kuehl TITLE President

DATE 10-31-85

(This space for Federal or State office use)

APPROVED BY ACCEPTED
CONDITIONS OF APPROVAL IF ANY:

TITLE BRANCH OF FLUID MINERALS
MOAB DISTRICT

DATE 09 NOV 1986

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.)

3. LEASE DESIGNATION AND SERIAL NO.
U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 10, T21S R23E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
814 South 7th St., Grand Junction, Colo. 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)
At surface
723' FSL 708' FEL SE SE Sec. 10, T21S R23E

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, CR, etc.)
4434

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	(Other) <input type="checkbox"/>	

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

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

The M.P.D. 10-1 was originally allocated a ten acre spacing in anticipation of completing it as an oil producing well. This well will be completed as a gas well requiring a 40 acre spacing. We request the spacing be changed from 10 acres to the required 40 acres to enable this well to be produced. There are no other wells existing in the subject area (40 acres) and the closest existing well to the M.P.D. 10-1 is the Federal #1 oil well on lease # U-30956-A which our firm operates.

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

SIGNED [Signature] TITLE President DATE 10-10-85

(This space for Federal or State office use)

APPROVED BY ACCEPTED TITLE BRANCH OF FLUID MINERALS DATE 09 MAY 1986

CONDITIONS OF APPROVAL, IF ANY: MOAB DISTRICT

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NO.

U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

M.P.D. 10-1

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

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

Section 10, T21S R23E

12. COUNTY OR PARISH 13. STATE
Grand Utah

JAN 12 1987

OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR

Master Petroleum & Development Co. INC. DIVISION OF OIL & GAS & MINING

3. ADDRESS OF OPERATOR

814 South 7th St., Grand Junction, Colo., 81501

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

At surface 723' FSL, 708' FEL SE SE Section 10
T21S R23E

14. PERMIT NO.

43-019-31205

15. ELEVATIONS (Show whether DP, ST, CR, etc.)

4434 gr

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other) Spud

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

X

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

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

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.)

M.P.D. 10-1 well was spudded on September 30, 1985 at approximately 3:00 P.M.. Drilling operations continued 24hrs/day until well was drilled to a total depth of 1202'. Spudding operations were witnessed by Mr. Elmer Duncan of the Moab District Office, B.L.M..

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

SIGNED

[Signature]

TITLE

President

DATE

10-16-85

(This space for Federal or State office use)

APPROVED BY

ACCEPTED

TITLE

BRANCH OF FLUID MINERALS
MOAB DISTRICT

DATE

05 NOV 1985

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

COMPANY: Master Petroleum UT ACCOUNT # _____ SUSPENSE DATE: 1/30/87

TELEPHONE CONTACT DOCUMENTATION

CONTACT NAME: Tom Kucel

CONTACT TELEPHONE NO.: _____

SUBJECT: MPD 10-1

43-019-31205

P.S. has info that well has completed.

(Use attachments if necessary)

RESULTS: Tom will send in info. He says some is stamped.

approved state of Utah.

(Use attachments if necessary)

CONTACTED BY: Claudia Jones

DATE: 1/6/87

1-30-87

Jamie, there are really two wells in question rather than just one as noted on the sundries. The 10-1 was drilled to 1202' and they ran into problems which resulted in plugging (see 10-31-85 sundry for the 10-1A, and make a copy to go in the 10-1 file). The rig was then skidded and a new well (10-1A) was drilled, but not permitted with us. From the info provided by Kucel at Claudia's request, Arlene has prepared a card, folder, and new API no. for the 10-1A, which we now should process as a new APD. Some of the info is not complete, but do the best we can. I've requested more info about the 10-1A (see attached tel. doc, and then place it in suspense).

The 10-1 should be processed as R&A with WCR info gathered from existing info as possible.

The 10-1A should be processed as a new well and brought up to date in terms of speed etc. After the card is posted, it should be placed in the cardex. After the folder is labeled, it should be filed.

I don't understand all the words about this, so screen if you need to ☺

M

16

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

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

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

2. NAME OF OPERATOR
MASTER PETROLEUM & DEV CO INC

3. ADDRESS OF OPERATOR

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

At surface 723 FSL 708 FEL

At top prod. interval reported below

SESE

At total depth

14. PERMIT NO. DATE ISSUED

4301931205

5. LEASE DESIGNATION AND SERIAL NO.

U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

11184

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

MPD 10-1

10. FIELD AND POOL, OR WILDCAT

GREATER CISCO

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

10 T215 R23E

12. COUNTY OR PARISH

GRAND

13. STATE

UTAH

15. DATE SPUDDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RES, BT, GR, ETC.)* 19. ELEV. CASINGHEAD

9-30-85

RIG SKID 10-31-85

20. TOTAL DEPTH, MD & TVD 21. PLUG. BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS

1025'

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE

PLUGGED FROM 945-1025 & 680-800

26. TYPE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORDED

DRY HOLE

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

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

NO FURTHER INFO AVAILABLE

VC-DOSM

11-16-87

33.* PRODUCTION

DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) WELL STATUS (Producing or 10-31-85 shut-in)

PA RIG SKID

DATE OF TEST HOURS TESTED CHOKE SIZE PROD'N. FOR TEST PERIOD OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO

FLOW. TUBING PRESS. CASING PRESSURE CALCULATED 24-HOUR RATE OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORR.)

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

35. LIST OF ATTACHMENTS

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

SIGNED _____ TITLE _____ DATE _____

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