

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE X WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd. _____

DATE FILED **9-11-85**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-014872** INDIAN _____

DRILLING APPROVED: **9-24-85 - OIL (Cause No. 102-16(b))**

SPUDDED IN: _____
 COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED *VA. Application Rescinded 6-19-86*

FIELD: **GREATER CISCO**

UNIT: _____

COUNTY: **GRAND**

WELL NO. **M. P. D. 15-3**

API #**43-019-31206**

LOCATION **2440' FNL** FT. FROM (N) (S) LINE. **2440' FWL** FT. FROM (E) (W) LINE. **SE NW** 1/4 - 1/4 SEC. **15**

| TWP. | RGE. | SEC. | OPERATOR | TWP. | RGE. | SEC. | OPERATOR |
|------|------|------|----------|------|------|------|----------|
|------|------|------|----------|------|------|------|----------|

21S 23E 15 MASTER PETROLEUM & DEVELOPMENT

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: 2440" FNL 2440" FWL
 At proposed prod. zone: *SE/NW* SEP 11 1985

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

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

16. NO. OF CASING RUNNING
 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.

19. PROPOSED DEPTH
 1030 *Salt Wash*

20. ROTARY OR CABLE TOOLS
 rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4381' Gr

22. APPROX. DATE WORK WILL START*
 10-21-85

5. LEASE DESIGNATION AND SERIAL NO.
 Federal U-014872

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

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 U-014872

9. WELL NO.
 M.P.D. 15-3

10. FIELD AND POOL, OR WILDCAT
 Greater Cisco

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 29, T21S R23E S.L.M. & B.

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 11" | 7" | 24 | 180 | 65 Sx |
| 63/4" | 4 1/2" | 91/2 | 1030 | 70 Sx |

Well will be drilled the the Salt Wash.
 Blowout Equipment to be used will be an 8" 900 series double gate Schaeffer Hydraulic type L.W.S. or it's equivalent.

FORMATION TOPS

Dakota 570' gas zone
 Brushy Basin 690' oil zone
 Salt Wash 1030' gas zone

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

DATE: 9/24/85
 BY: John R. Bay
 WELL SPACING: cause No. 102-16 (B) 11/15/79

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. Kevel TITLE President DATE 9-5-85

(This space for Federal or State office use)

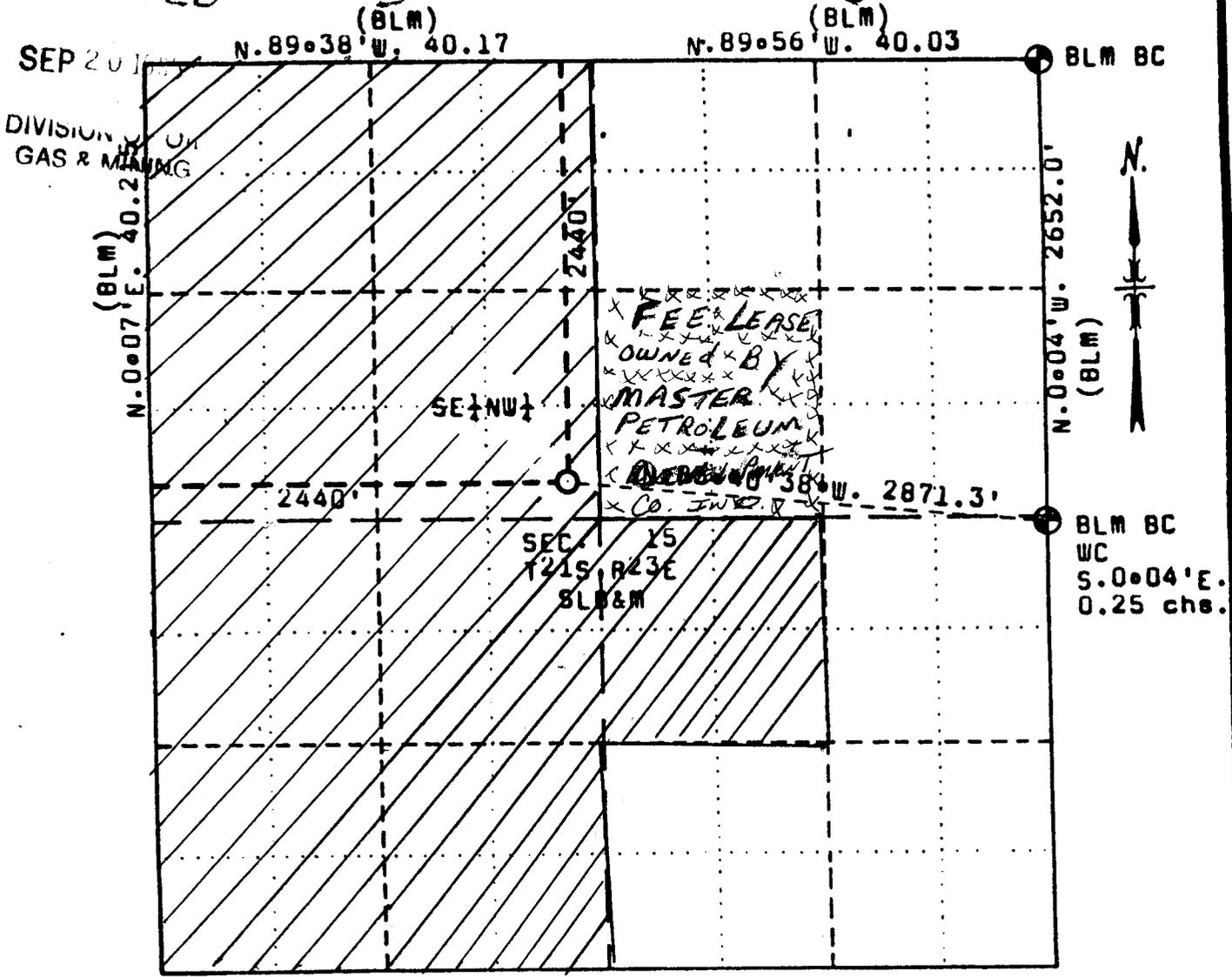
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

RIUE = LEASED AGREEMENT



MPD 15-3

Located 2440 feet from the North line and 2440 feet from the west line of section 15, T21S, R23E, SLB&M.

Elev. 4381

Grand county, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAY 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

PLAY OF
PROPOSED LOCATION
MPD 15-3
SE 1/4 NW 1/4 SECTION 15
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.

0000 0000

Location of Existing Wells:

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

Refer Gov't 15-2 - Sec. 15 oil well Master Petro. & Dev. Co., Inc.
15-1 - Sec. 15 Gas well " " " " " " " "
#1 - Sec. 10 oil well Master Petroleum & Development Co., Inc.
15-3 - Sec. 15 gas well Four Leaf oil Co.
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.

6. 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 blowey 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.

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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. Auxiliary 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.

~~b) 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 if they disturb archeological sites or remove artifacts.

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

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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.
314 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".

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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

POOR COPY

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

Colin P. Christensen, Area Manager
Authorized Officer

By: Thomas A. Kucel

Title: President

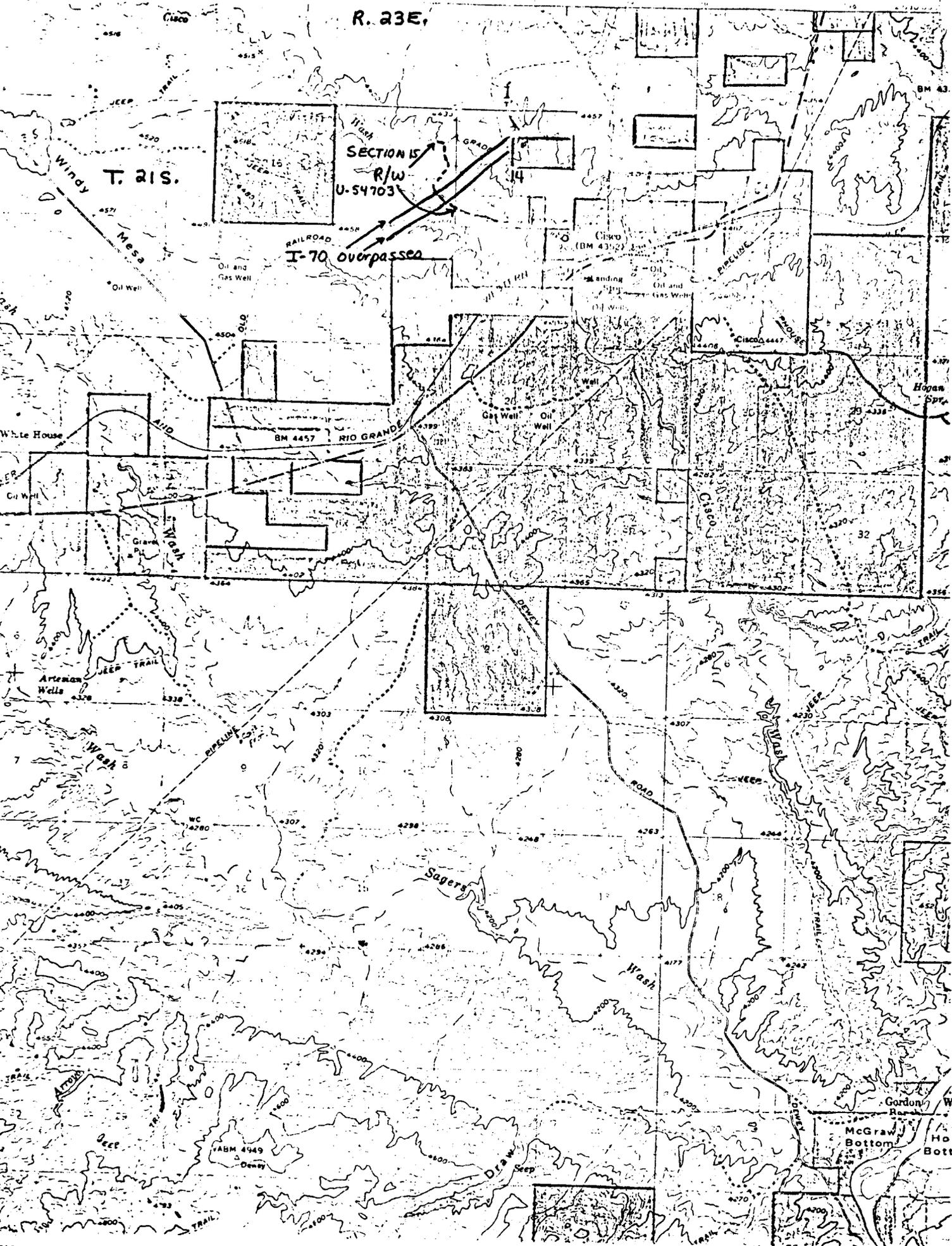
Date: 3-2-85

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. 500101

Subject: Drilling Pad Site and Access Rd. P/U

Moab District - Grand Resource Area
UT- 01-25-04 50 0 145017 0001.00
Filing fee \$100.00
Monitoring fee \$140.00

Applicant:

Master Petroleum & Dev. Co. Inc.
914 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
Moab, Utah
Sig. AB/6/85

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SALTINE ON GOLD BRAND



**DEPARTMENT OF
STATE**

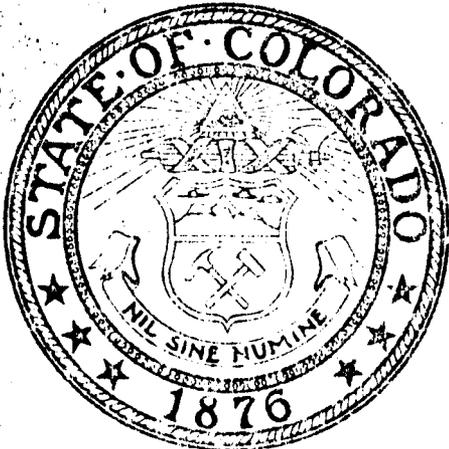
CERTIFICATE

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

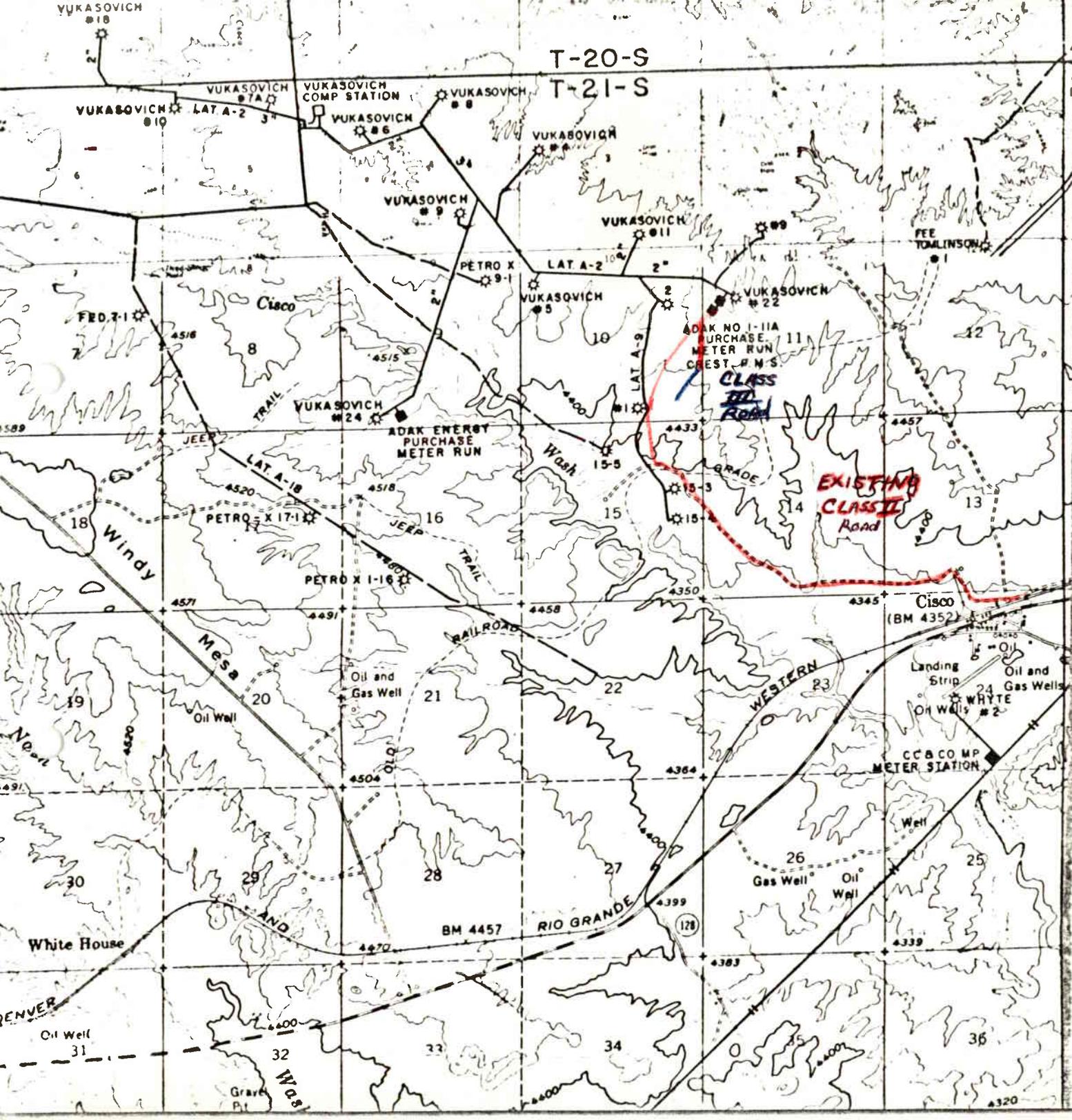
1. UTAH

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

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:

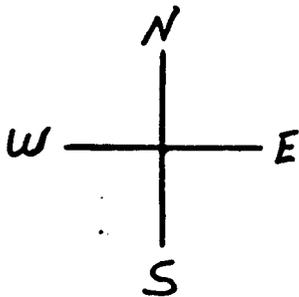
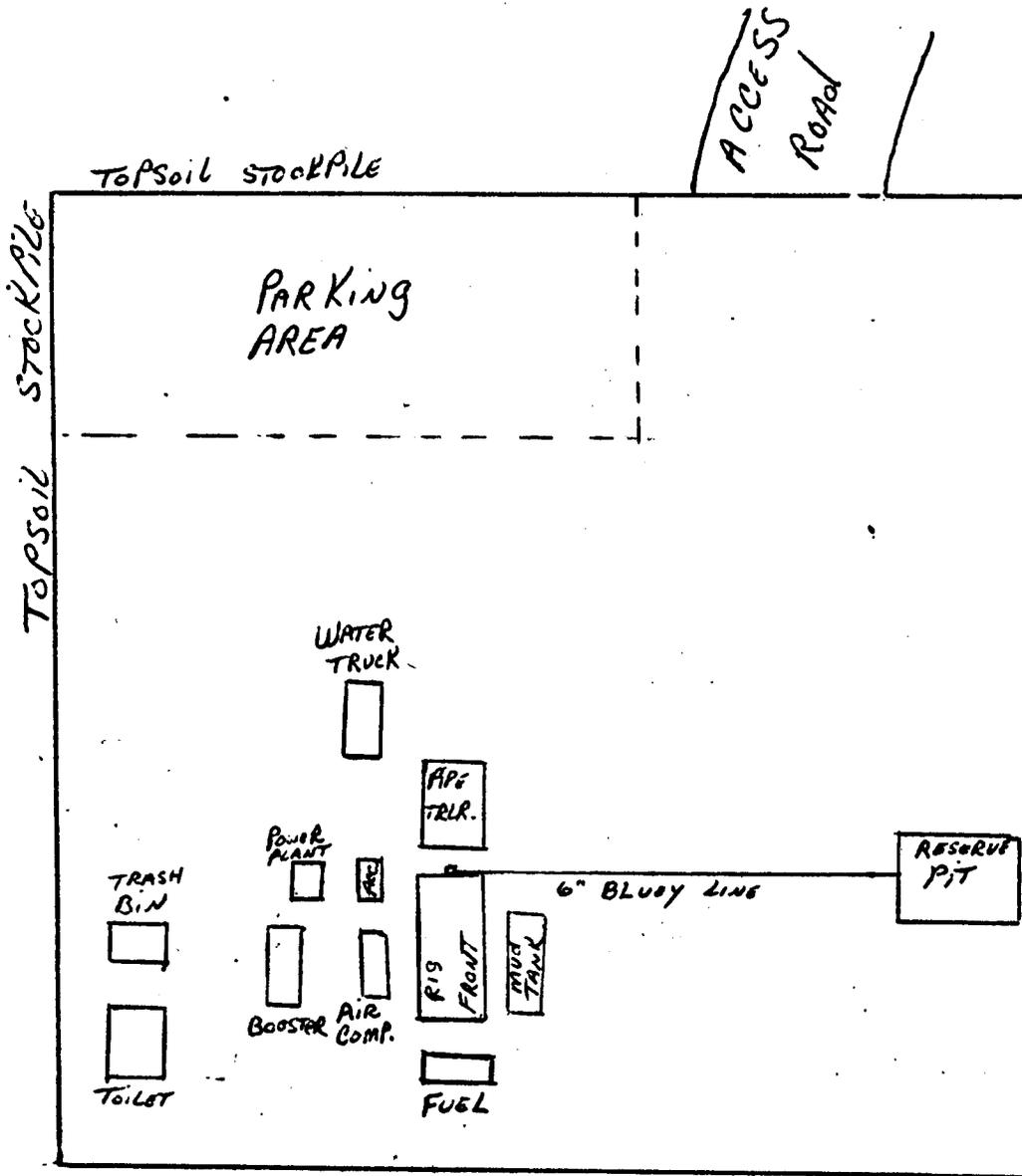
WHEREAS the principal is authorized to drill for, mine, ex-



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.

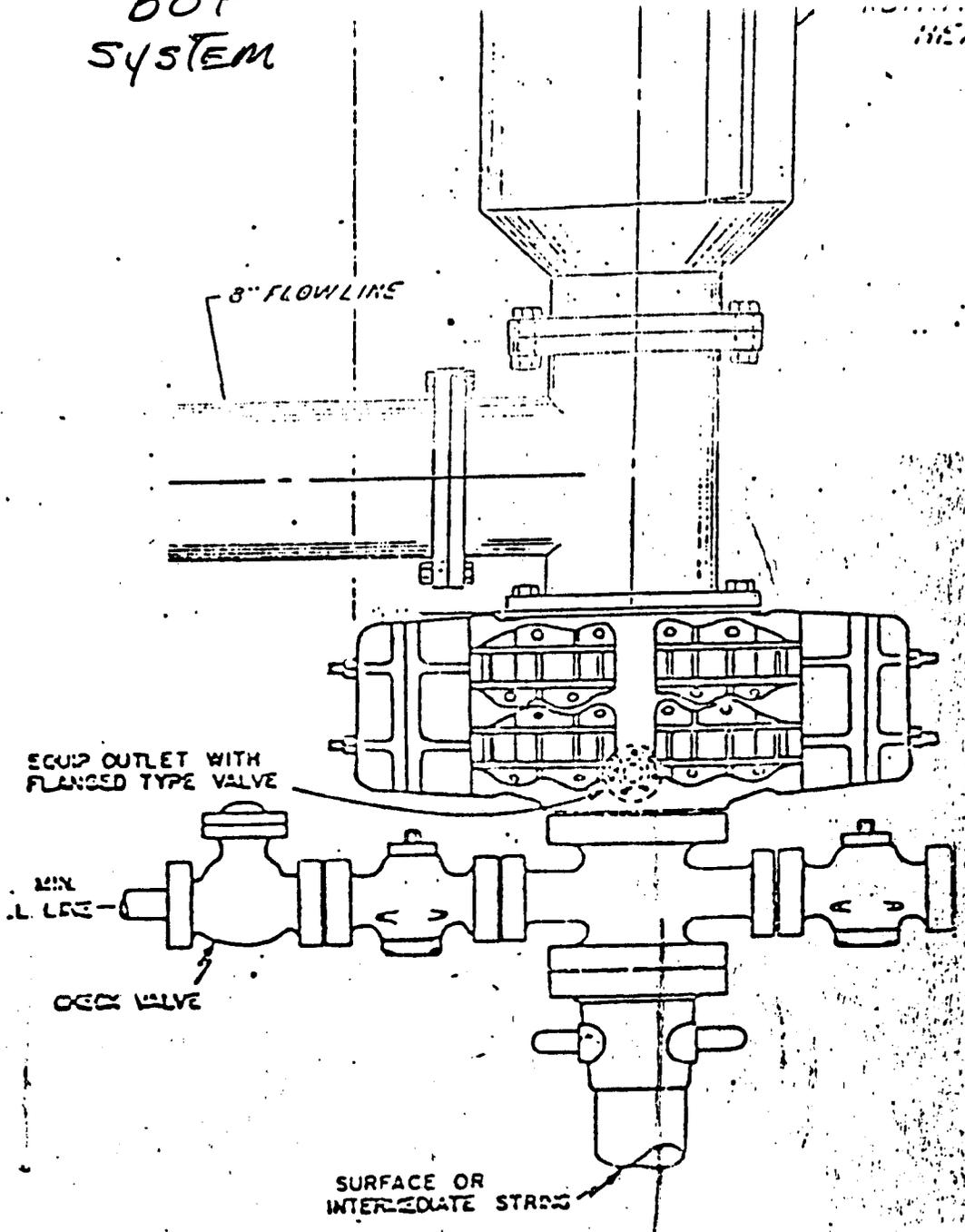
WELLSITE SCHEMATIC

M.P.D. 15-3

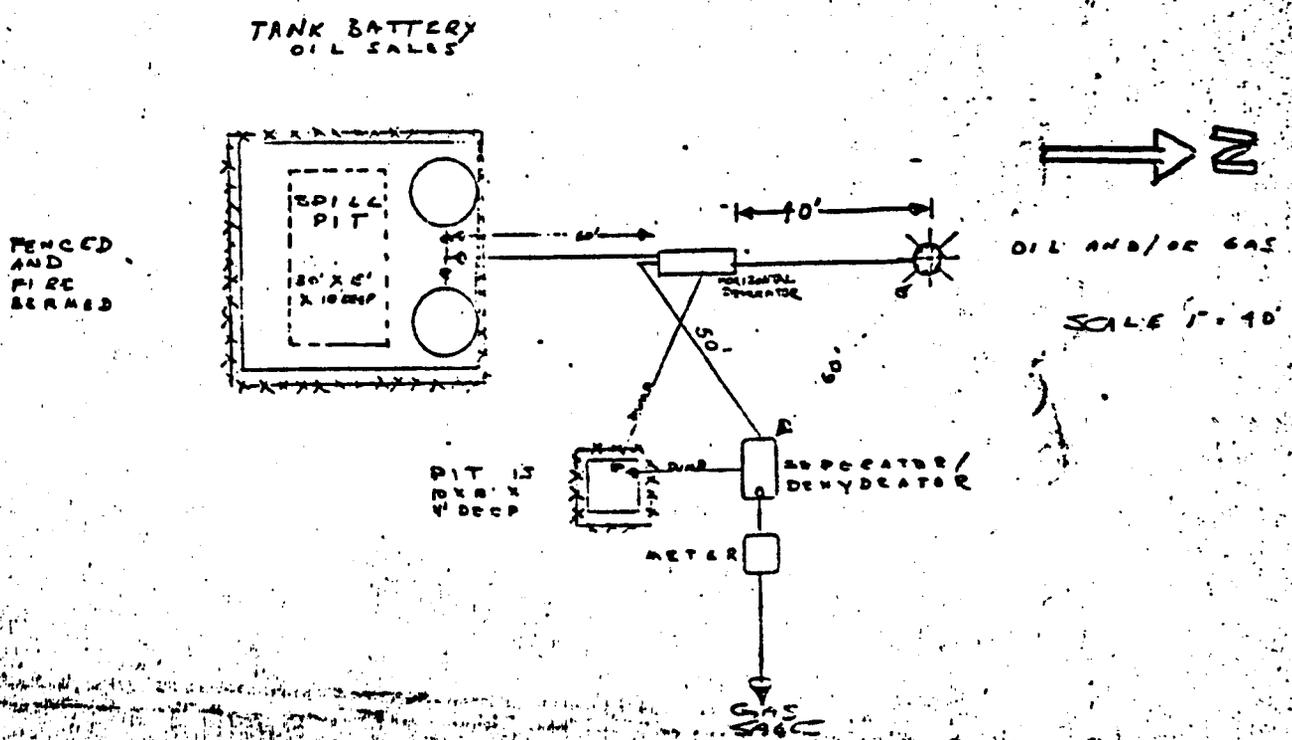


BOP SYSTEM

HEAD



Proposed Production Facility Layout





United States Department of the Interior
BUREAU OF LAND MANAGEMENT

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.

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) | 1 |
| | | <u>8 lbs/ac</u> |

Broadcast seed will be applied at double the above rate.

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, R24E
SLB & M
4 MILES EAST OF CISEO 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

_____ Total _____ Acres

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

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 51M & 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 Master Petroleum & Development Co. DATE 9-17-85

WELL NAME M. P. D. 153

SEC SE NW 15 T 215 R 23E COUNTY Grant

43-019-36206
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 well within 400'

Water of

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. Bangert, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

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

September 24, 1985

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

Gentlemen:

Re: Well No. M. P. D. 15-3 - SE NW Sec. 15, T. 21S, R. 23E
2440' FNL, 2440' FWL - 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 43-019-31206.

Sincerely,


R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

October 17, 1985

Mr. Jerry Anderson
Master Petroleum & Development Co, Inc.
814 South Seventh Street
Grand Junction, Colorado 81501

Master Petroleum
MPD 15-3

Dear Mr. Anderson:

Re: Wells in Sec. 15, T. 21S, R. 23E, Grand County, Utah

Based on my recent conversations with you, the Division staff has reviewed the situation concerning the well no. Frazier 15-1 in the referenced section. A closer look at the language and intent of the Order in Cause No. 102-16B has led us to determine that the Frazier 15-1 well can be completed and produced. A copy of the order is enclosed for your information.

Additionally, we have determined that because the Frazier 15-1 will be completed as a gas well, the two proposed wells for which you have received approval to drill, cannot now be drilled because of their proximity to an existing gas well. Therefore, we will have to suspend approval to drill the well no. Frazier 15-2 located 1668' FNL, 1540' FEL of section 15 and the well no. MPD 15-3 located 2440' FNL, 2440' FWL of the same section. You will receive notice of these suspensions by separate letter.

The Order in Cause No. 102-16B dated November 15, 1979 states that all wells drilled for oil or gas in specific sections of the Greater Cisco area must comply with the following well locating rules:

1. Wells shall be no less than 500' from any property or lease line.
2. Wells shall be no less than 200' from the boundary of a governmental quarter-quarter section or equivalent lot or tracts.
3. Wells shall be no less than 400' from any oil well.
4. Wells shall be no less than 1320' from any gas well.

Page 2

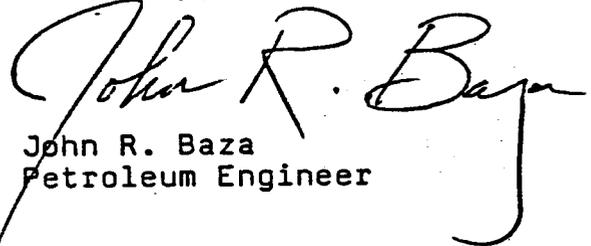
Mr. Jerry Anderson
October 17, 1985

It is our determination that the Frazier 15-1 well does comply with the intent of this order and that it may be allowed to produce as previously stated. However, by the same reasoning, the two other proposed wells in the same section for which your company has obtained approval to drill cannot now be drilled in compliance with this order. To do so would allow the proposed wells to be closer than 1320' to an existing gas well.

In order to be allowed to drill the two proposed wells, Master Petroleum must submit a petition to the Board of Oil, Gas and Mining for a hearing to request an exception to the requirements of the order. At the hearing, sufficient evidence or testimony must be given to show that the requested action will not cause waste, will protect correlative rights and will promote orderly development of the hydrocarbon resource. I have enclosed information on the requirements for submitting such a petition to the Board.

As I mentioned on the phone, the Division will probably make a request to the Board in the near future to consider modification to the existing order. We appreciate your offer of technical assistance in this regard. Thank you for your consideration in this matter and please contact me if you have additional questions.

Sincerely,



John R. Baza
Petroleum Engineer

jmc

enclosure

cc: D.R. Nielson

R.J. Firth

Well Files

U155T-44-45



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

October 25, 1985

Master Petroleum & Development Company
814 South Seventh Street
Grand Junction, Colorado 81501

Gentlemen:

RE: Well No. MPD 15-3, API NO. 43-019-31206, Sec.15, T.21S, R.23E,
Grand County, Utah

As stated in a recent letter to you dated October 17, 1985, approval to drill the referenced well is hereby suspended until the Board of Oil, Gas and Mining allows an exception to the requirements of the order establishing well siting in the area.

It is the responsibility of your company, as operator of the proposed well, to petition the Board for a hearing to determine whether an exception can be granted. Upon approval of the exception, approval to drill will be reinstated.

If you have any questions regarding this matter, please contact this office. Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".
John R. Baza
Petroleum Engineer

sb
cc: D.R. Nielson
R.J. Firth
Well File
0155T-56

3162 (U-065)
(U-0148172)

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

JUN 12 1986

Master Petroleum and Development Co., Inc.
814 South 7th Street
Grand Junction, CO 81501

Re: Returning Application for Permit
to Drill
Well No. M.P.D. 15-3
Sec. 15, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-0148172

Gentlemen:

The Application for Permit to Drill the above well was received September 6, 1985. In a conversation with Tom Kucel June 3, 1986, we were advised that Master Petroleum and Development Co., Inc. has decided not to pursue the approval of this application at this time.

In view of the foregoing, we are returning your Application for Permit to Drill. Should you intend to drill this location at a future date, a new application must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals (801) 259-6111.

Sincerely,

/s/ GENE NODINE

District Manager

Enclosure:
Application for Permit to Drill

cc: Grand Resource Area
State of Utah, Division of Oil, Gas, Mining ✓ (w/o encl.)

CFreudiger/cf 6/9/86



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

June 19, 1986

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

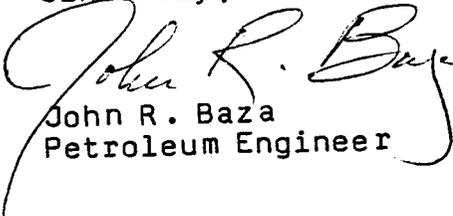
Gentlemen:

RE: Well No. M. P. D. #15-3, Sec.15, T.21S, R.23E,
Grand County, Utah, API NO. 43-019-31206

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,


John R. Baza
Petroleum Engineer

sb
cc: BLM-Moab
D. R. Nielson
R. J. Firth
 Well file
0278T-84

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE X WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd. _____

DATE FILED **9-11-85**

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. **U-014872** INDIAN _____

DRILLING APPROVED: **9-24-85 - OIL (Cause No. 102-16(b))**

SPUDDED IN: _____
 COMPLETED: _____ PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED *VA. Application Rescinded 6-19-86*

FIELD: **GREATER CISCO**

UNIT: _____

COUNTY: **GRAND**

WELL NO. **M. P. D. 15-3**

API #**43-019-31206**

LOCATION **2440' FNL** FT. FROM (N) (S) LINE. **2440' FWL** FT. FROM (E) (W) LINE. **SE NW** 1/4 - 1/4 SEC. **15**

| TWP. | RGE. | SEC. | OPERATOR | TWP. | RGE. | SEC. | OPERATOR |
|------|------|------|----------|------|------|------|----------|
|------|------|------|----------|------|------|------|----------|

21S 23E 15 MASTER PETROLEUM & DEVELOPMENT

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: 2440" FNL 2440" FWL
 At proposed prod. zone: *SE/NW*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
3 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)
 16. NO. OF CASING RUNNING 360

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 19. PROPOSED DEPTH 1030 *Salt Wash*

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4381' Gr

5. LEASE DESIGNATION AND SERIAL NO.
Federal U-014872

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

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
U-014872

9. WELL NO.
M.P.D. 15-3

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 29, T21S R23E S.L.M. & B.

12. COUNTY OR PARISH
Grand

13. STATE
Utah

17. NO. OF ACRES ASSIGNED TO THIS WELL 10

20. ROTARY OR CABLE TOOLS
rotary

22. APPROX. DATE WORK WILL START*
10-21-85

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 |
| 63/4" | 4 1/2" | 91/2 | 1030 | 70 Sx |

Well will be drilled the the Salt Wash.
 Blowout Equipment to be used will be an 8" 900 series double gate Schaeffer Hydraulic type L.W.S. or it's equivalent.

FORMATION TOPS

Dakota 570' gas zone
 Brushy Basin 690' oil zone
 Salt Wash 1030' gas zone

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

DATE: 9/24/85
 BY: John R. Bay

WELL SPACING: lease NO. 102-16 (B) 11/15/79

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. Kneel TITLE President DATE 9-5-85

(This space for Federal or State office use)

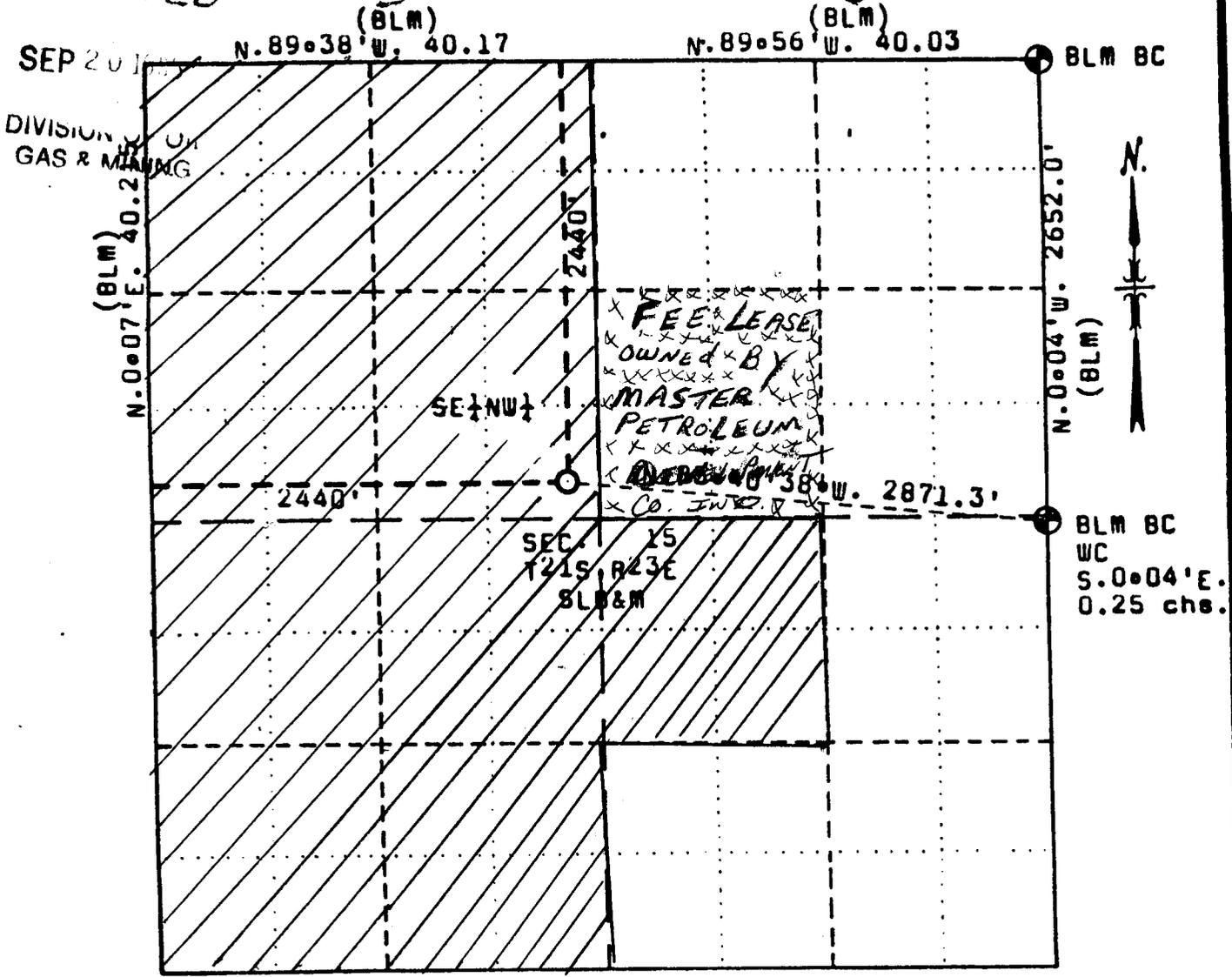
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

RIUE = LEASED AGREEMENT



MPD 15-3

Located 2440 feet from the North line and 2440 feet from the west line of section 15, T21S, R23E, SLB&M.

Elev. 4381

Grand county, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAY 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

PLAY OF
PROPOSED LOCATION
MPD 15-3
SE 1/4 NW 1/4 SECTION 15
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.

0000 0000

Location of Existing Wells:

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

Refer Gov't 15-2 - Sec. 15 oil well Master Petro. & Dev. Co., Inc.
15-1 - Sec. 15 Gas well " " " " " " "
#1 - Sec. 10 oil well Master Petroleum & Development Co., Inc.
15-3 - Sec. 15 gas well Four Leaf oil Co.
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.

6. 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 blowey 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.

POOR COPY

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. Auxiliary 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.

~~b) 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 if they disturb archeological sites or remove artifacts.

POOR COPY

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

POOR COPY



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.
314 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".

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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-50127 (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

POOR COPY

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

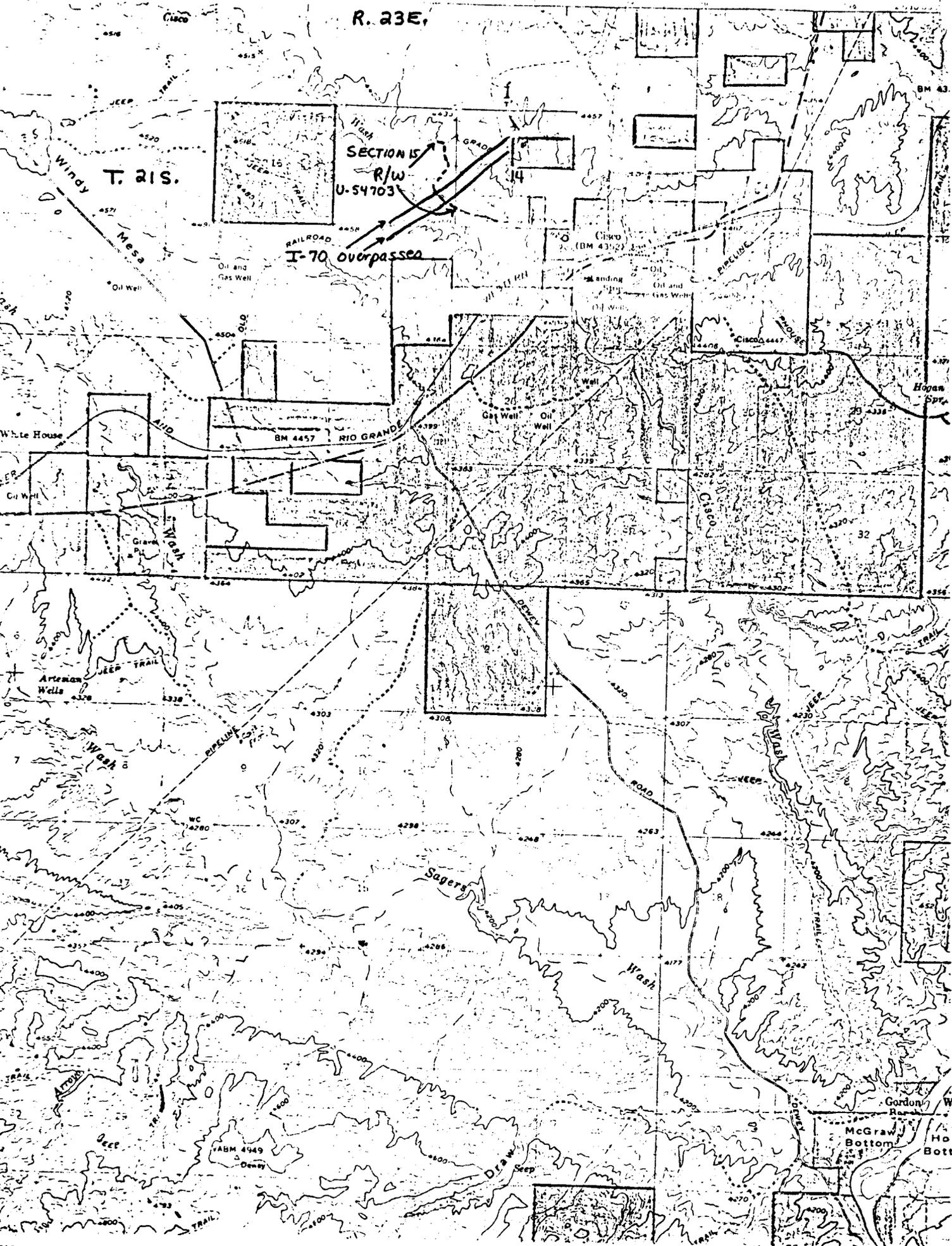
Date: 3-2-85

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. 500101

Subject: Drilling Pad Site and Access Rd. P/U

Moab District - Grand Resource Area
UT- 01-25-04 50 0 145017 0001.00
Filing fee \$100.00
Monitoring fee \$100.00

Applicant:

Master Petroleum & Dev. Co. Inc.
914 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.

| |
|--|
| <p>PAID</p> <p>JAN 25 1985</p> <p>BUREAU OF LAND MANAGEMENT</p> <p>Moab, Utah</p> <p>Sig. <i>AB/6/85</i></p> |
|--|

POOR COPY

SALTINE ON GOLD BRAND



**DEPARTMENT OF
STATE**

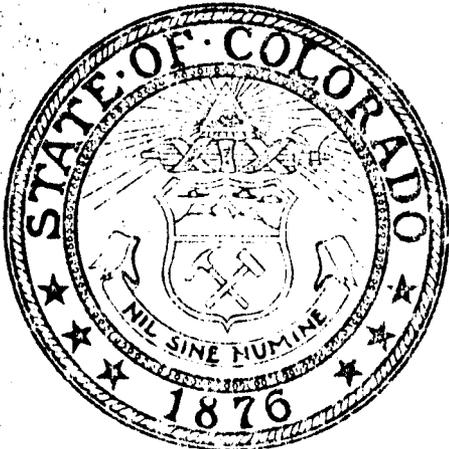
CERTIFICATE

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

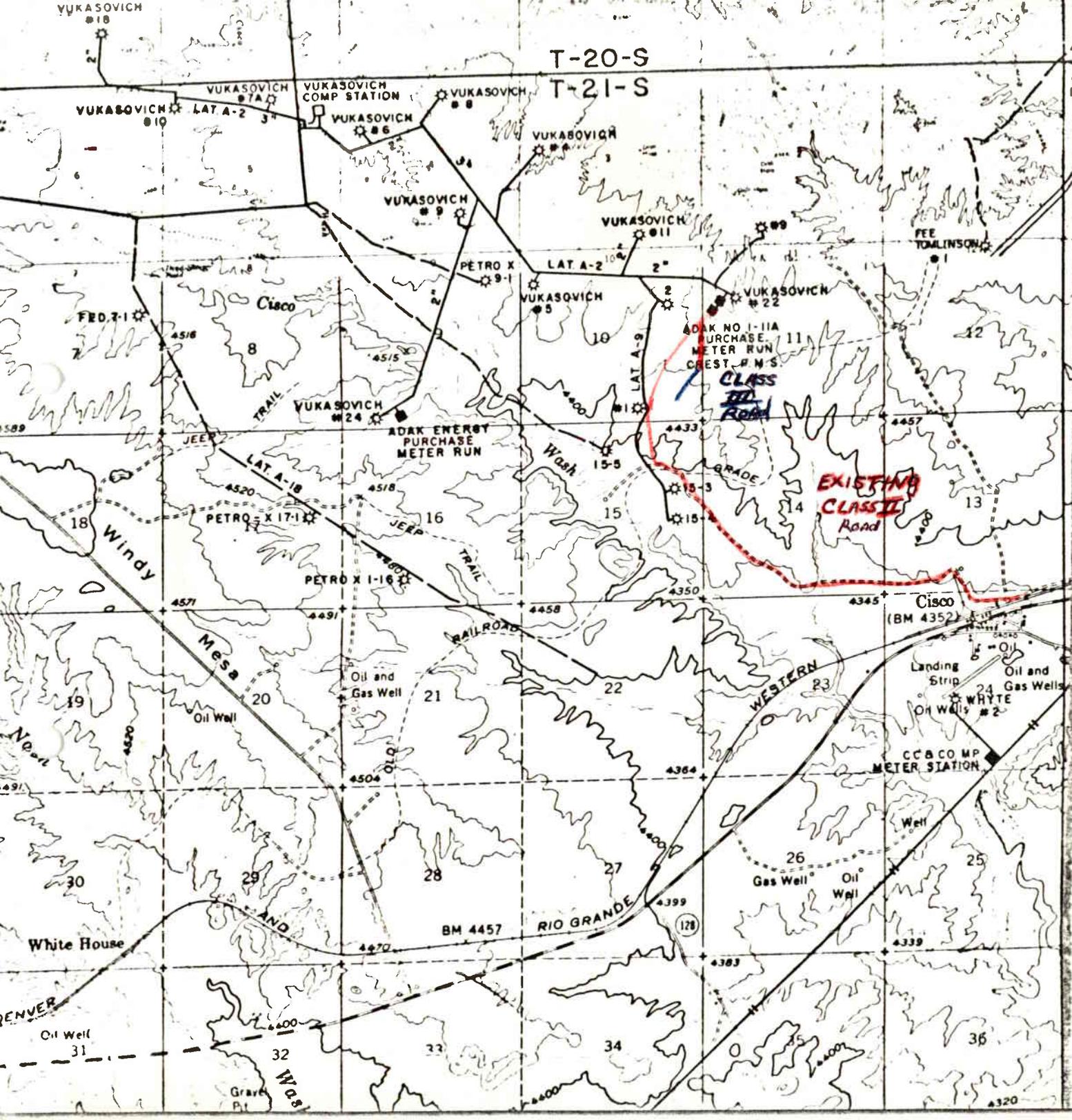
1. UTAH

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

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:

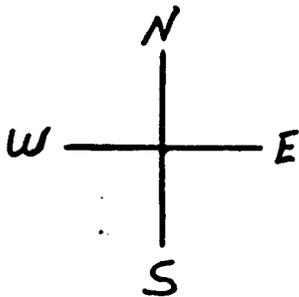
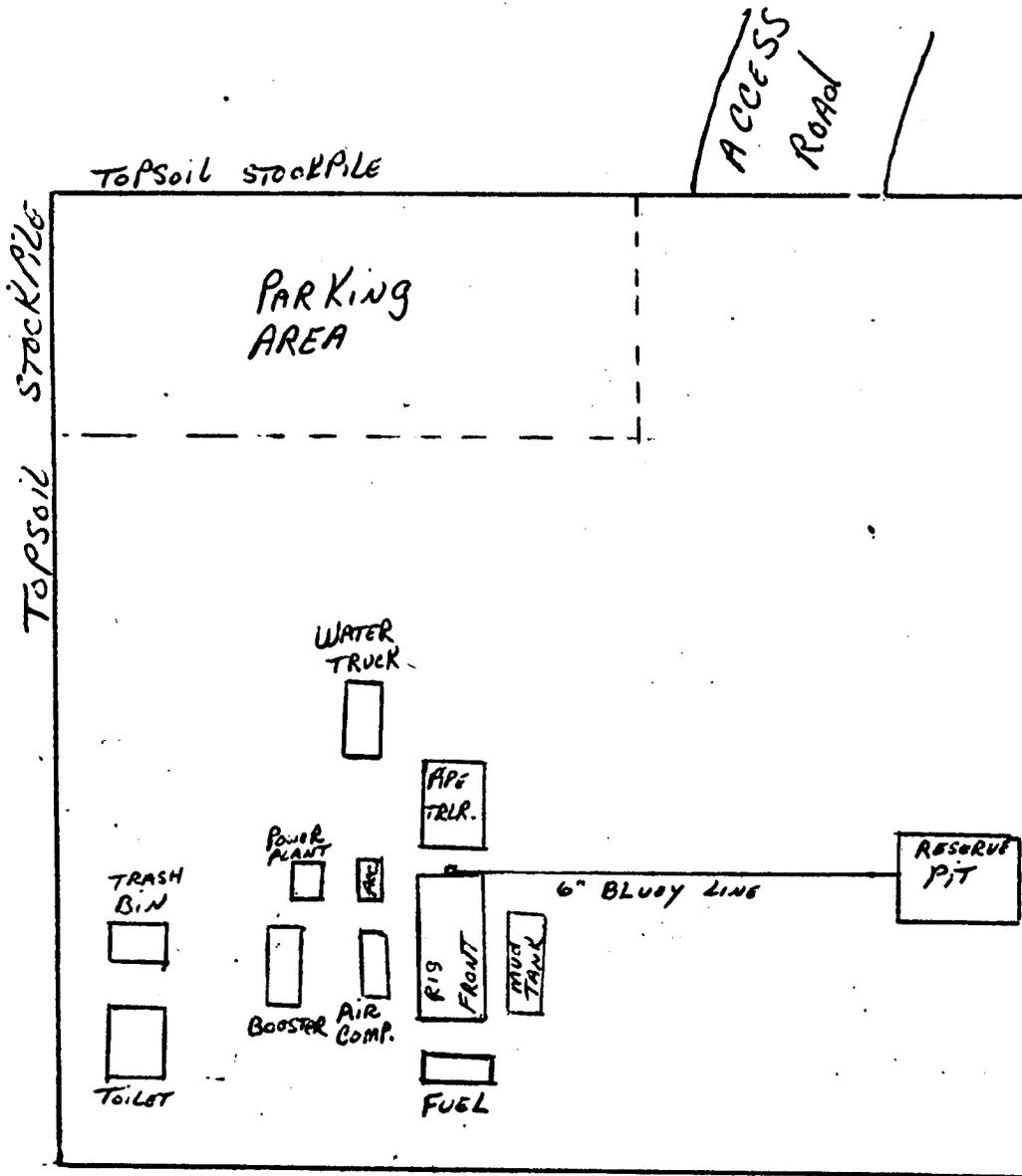
WHEREAS the principal is authorized to drill for, mine, ex-



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.

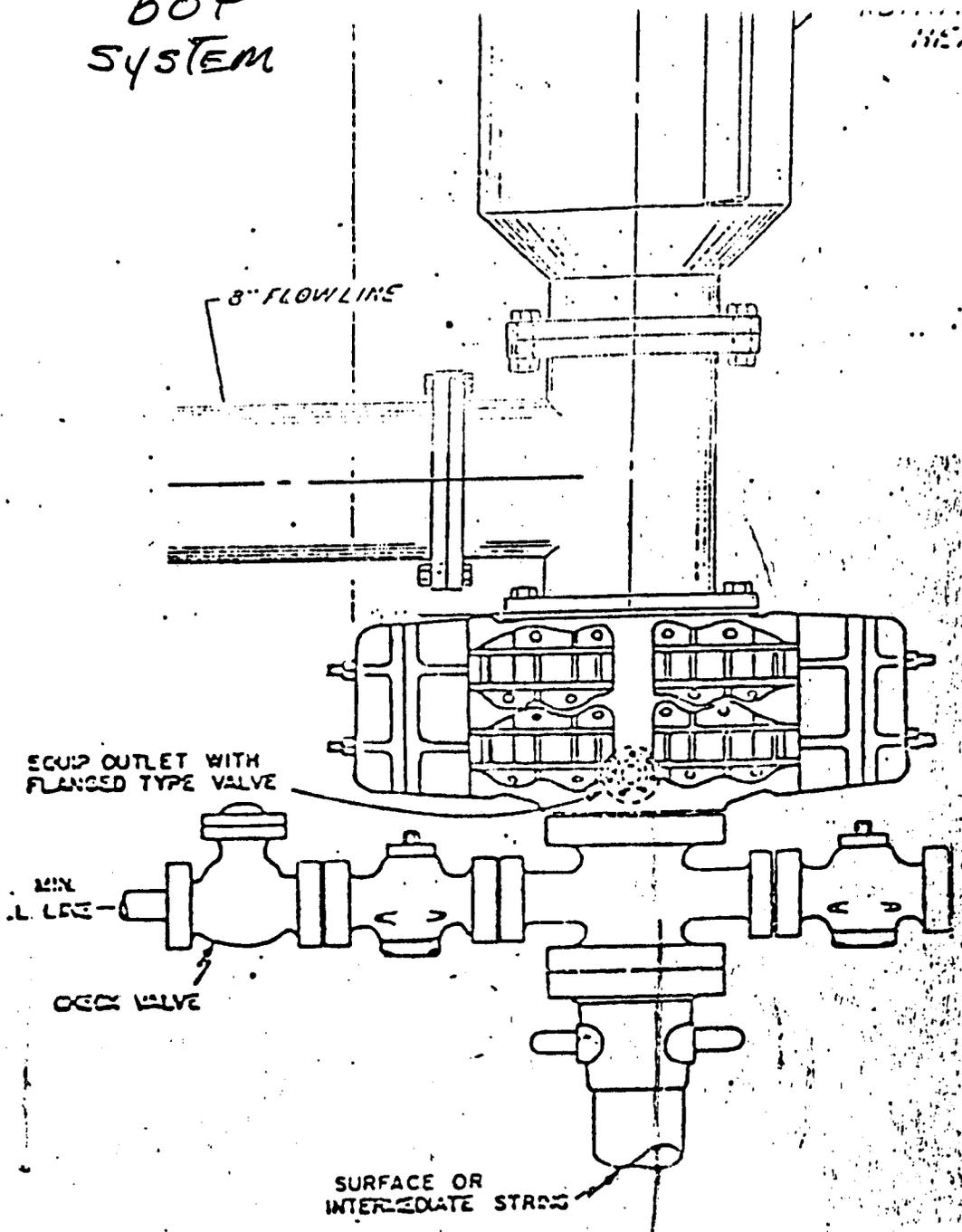
WELLSITE SCHEMATIC

M.P.D. 15-3

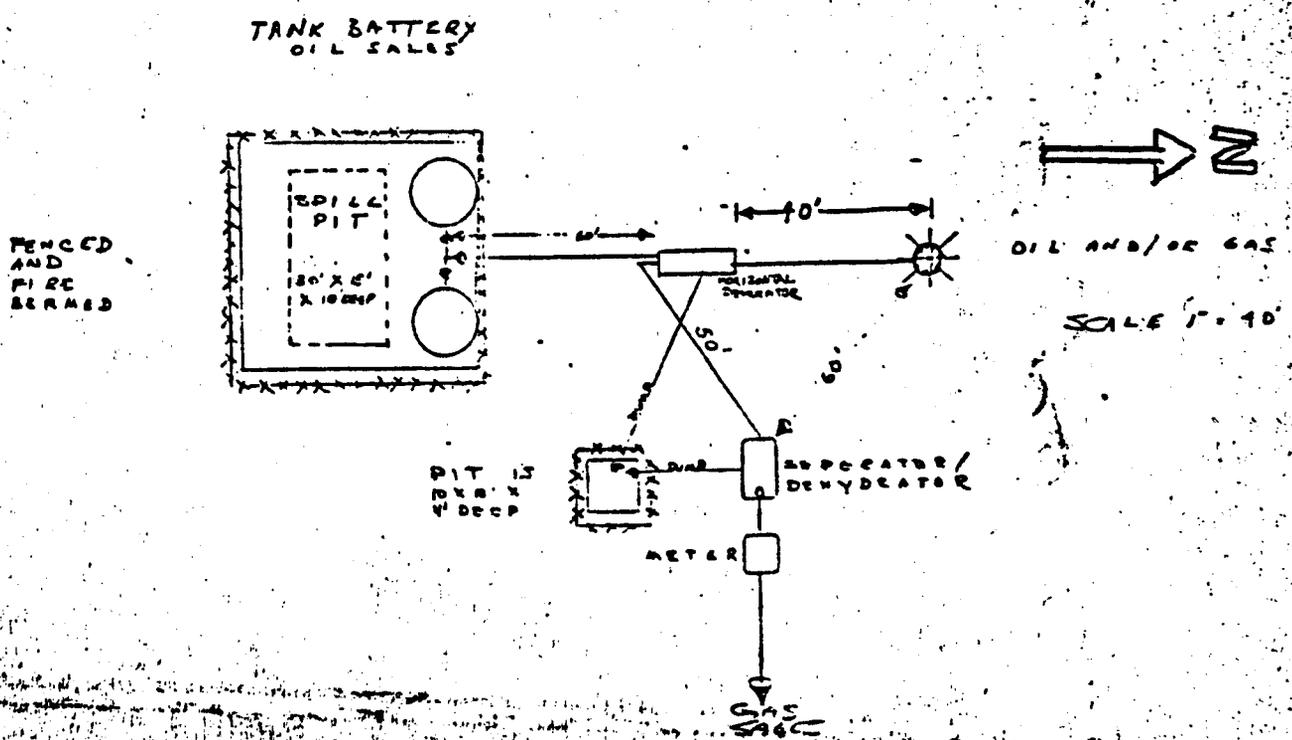


BOP SYSTEM

HEAD



Proposed Production Facility Layout





United States Department of the Interior
BUREAU OF LAND MANAGEMENT

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.

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) | $\frac{1}{8}$ |
| | | 8 lbs/ac |

Broadcast seed will be applied at double the above rate.

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.

- Irrigation Domestic Stockwatering Municipal Power Mining Other Uses
- The name of the applicant is MASTER PETROLEUM & DEVELOPMENT CO. INC.
- The Post Office address of the applicant is 814 S. 7TH ST. GRAND JUNCTION, CO. 81501
- The quantity of water to be appropriated 750 BBLs. second-feet and/or _____ acre-feet
- 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)
- The drainage area to which the direct source of supply belongs is _____
 (Leave Blank)
- 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.

- 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, R24E
SLB & M
4 MILES EAST OF CISEO 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.

- The diverting and carrying works will consist of TANK TRUCK
- 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 _____
- If application is for irrigation purposes, the legal subdivisions of the area irrigated are as follows:
N/A

 _____ Total _____ Acres
- Is the land owned by the applicant? Yes _____ No X If "No," explain on page 2.
- Is this water to be used supplementally with other water rights? Yes _____ No X
 If "yes," identify other water rights on page 2.
- If application is for power purposes, describe type of plant, size and rated capacity. N/A
- If application is for mining, the water will be used in N/A Mining District at
 the _____ mine, where the following ores are mined _____
- If application is for stockwatering purposes, number and kind of stock watered N/A
- If application is for domestic purposes, number of persons N/A, or families _____
- If application is for municipal purposes, name of municipality N/A
- If application is for other uses, include general description of proposed uses DRILLING
OPERATIONS FOR OIL & GAS EXPLORATION
- 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 51M & B
- 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 Master Petroleum & Development Co. DATE 9-17-85

WELL NAME M. P. D. 153

SEC SE NW 15 T 215 R 23E COUNTY Grant

43-019-36206
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 well within 400'

Water of

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. Bangert, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

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

September 24, 1985

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

Gentlemen:

Re: Well No. M. P. D. 15-3 - SE NW Sec. 15, T. 21S, R. 23E
2440' FNL, 2440' FWL - 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 43-019-31206.

Sincerely,


R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

October 17, 1985

Mr. Jerry Anderson
Master Petroleum & Development Co, Inc.
814 South Seventh Street
Grand Junction, Colorado 81501

Master Petroleum
MPD 15-3

Dear Mr. Anderson:

Re: Wells in Sec. 15, T. 21S, R. 23E, Grand County, Utah

Based on my recent conversations with you, the Division staff has reviewed the situation concerning the well no. Frazier 15-1 in the referenced section. A closer look at the language and intent of the Order in Cause No. 102-16B has led us to determine that the Frazier 15-1 well can be completed and produced. A copy of the order is enclosed for your information.

Additionally, we have determined that because the Frazier 15-1 will be completed as a gas well, the two proposed wells for which you have received approval to drill, cannot now be drilled because of their proximity to an existing gas well. Therefore, we will have to suspend approval to drill the well no. Frazier 15-2 located 1668' FNL, 1540' FEL of section 15 and the well no. MPD 15-3 located 2440' FNL, 2440' FWL of the same section. You will receive notice of these suspensions by separate letter.

The Order in Cause No. 102-16B dated November 15, 1979 states that all wells drilled for oil or gas in specific sections of the Greater Cisco area must comply with the following well locating rules:

1. Wells shall be no less than 500' from any property or lease line.
2. Wells shall be no less than 200' from the boundary of a governmental quarter-quarter section or equivalent lot or tracts.
3. Wells shall be no less than 400' from any oil well.
4. Wells shall be no less than 1320' from any gas well.

Page 2

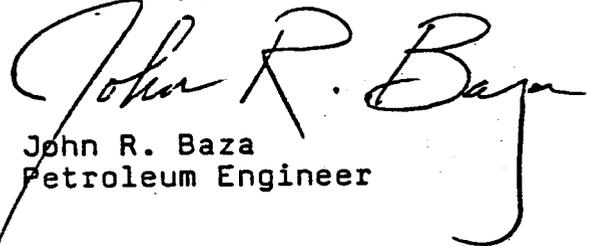
Mr. Jerry Anderson
October 17, 1985

It is our determination that the Frazier 15-1 well does comply with the intent of this order and that it may be allowed to produce as previously stated. However, by the same reasoning, the two other proposed wells in the same section for which your company has obtained approval to drill cannot now be drilled in compliance with this order. To do so would allow the proposed wells to be closer than 1320' to an existing gas well.

In order to be allowed to drill the two proposed wells, Master Petroleum must submit a petition to the Board of Oil, Gas and Mining for a hearing to request an exception to the requirements of the order. At the hearing, sufficient evidence or testimony must be given to show that the requested action will not cause waste, will protect correlative rights and will promote orderly development of the hydrocarbon resource. I have enclosed information on the requirements for submitting such a petition to the Board.

As I mentioned on the phone, the Division will probably make a request to the Board in the near future to consider modification to the existing order. We appreciate your offer of technical assistance in this regard. Thank you for your consideration in this matter and please contact me if you have additional questions.

Sincerely,



John R. Baza
Petroleum Engineer

jmc

enclosure

cc: D.R. Nielson

R.J. Firth

Well Files

U155T-44-45



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

October 25, 1985

Master Petroleum & Development Company
814 South Seventh Street
Grand Junction, Colorado 81501

Gentlemen:

RE: Well No. MPD 15-3, API NO. 43-019-31206, Sec.15, T.21S, R.23E,
Grand County, Utah

As stated in a recent letter to you dated October 17, 1985, approval to drill the referenced well is hereby suspended until the Board of Oil, Gas and Mining allows an exception to the requirements of the order establishing well siting in the area.

It is the responsibility of your company, as operator of the proposed well, to petition the Board for a hearing to determine whether an exception can be granted. Upon approval of the exception, approval to drill will be reinstated.

If you have any questions regarding this matter, please contact this office. Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Petroleum Engineer

sb
cc: D.R. Nielson
R.J. Firth
Well File
0155T-56

3162 (U-065)
(U-0148172)

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

JUN 12 1986

Master Petroleum and Development Co., Inc.
814 South 7th Street
Grand Junction, CO 81501

Re: Returning Application for Permit
to Drill
Well No. M.P.D. 15-3
Sec. 15, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-0148172

Gentlemen:

The Application for Permit to Drill the above well was received September 6, 1985. In a conversation with Tom Kucel June 3, 1986, we were advised that Master Petroleum and Development Co., Inc. has decided not to pursue the approval of this application at this time.

In view of the foregoing, we are returning your Application for Permit to Drill. Should you intend to drill this location at a future date, a new application must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals (801) 259-6111.

Sincerely,

/s/ GENE NODINE

District Manager

Enclosure:
Application for Permit to Drill

cc: Grand Resource Area
State of Utah, Division of Oil, Gas, Mining ✓ (w/o encl.)

CFreudiger/cf 6/9/86



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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

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

June 19, 1986

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

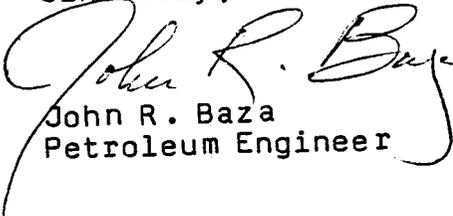
Gentlemen:

RE: Well No. M. P. D. #15-3, Sec.15, T.21S, R.23E,
Grand County, Utah, API NO. 43-019-31206

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,


John R. Baza
Petroleum Engineer

sb
cc: BLM-Moab
D. R. Nielson
R. J. Firth
Well file
0278T-84