UTAH OIL AND GAS CONSERVATION COMMISSION

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

Commenced Injection 3-14-94

DATE FILED 10-11-85

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-11620 INDIAN

DRILLING APPROVED: 10-17-85 - OIL (Cause No. 102-16B)

SPUDDED IN: 11-1-85

COMPLETED: 11-14-85 POW PUT TO PRODUCING:

INITIAL PRODUCTION: 100 BOPD

GRAVITY A.P.I. 38

GOR:

PRODUCING ZONES: 3087-3131 Dakota

TOTAL DEPTH: 3800

WELL ELEVATION: 5807 KB

DATE ABANDONED:

FIELD: GREATER CISCO

UNIT:

COUNTY: GRAND

WELL NO. CALF CANYON #11 API #43-019-31209

LOCATION 519' FSL FT. FROM (N) (S) LINE. 750' FWL FT. FROM (E) (W) LINE. SW SW 1/4 — 1/4 SEC. 3

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
20S	21E	3	WILLARD PEASE OIL & GAS				

GEOLOGIC TOPS:

QUATERNARY	Star Point	Chinle	Molas
Alluvium	Wahweap	Shinarump	Manning Canyon
Lake beds	Masuk	Moenkopi	Mississippian
Pleistocene	Colorado	Sinbad	Humbug
Lake beds	Sego	PERMIAN	Brazer
TERTIARY	Buck Tongue	Kaibab	Pilot Shale
Pliocene	Castlegate	Coconino	Madison
Salt Lake	Mancos	Cutler	Leadville
Oligocene	Upper	Hoskinnini	Redwall
Norwood	Middle	DeChelly	DEVONIAN
Eocene	Lower	White Rim	Upper
Duchesne River	Emery	Organ Rock	Middle
Uinta	Blue Gate	Cedar Mesa	Lower
Bridger	Ferron	Halgaite Tongue	Ouray
Green River	Frontier	Phosphoria	Elbert
	Dakota	Park City	McCracken
	Burro Canyon	Rico (Goodridge)	Aneth
	Cedar Mountain	Supai	Simonson Dolomite
	Buckhorn	Wolfcamp	Sevy Dolomite
	JURASSIC	CARBON I FEROUS	North Point
Wasatch	Morrison	Pennsylvanian	SILURIAN
Stone Cabin	Salt Wash	Oquirrh	Laketown Dolomite
Colton	San Rafeal Gr.	Weber	ORDOVICIAN
Flagstaff	Summerville	Morgan	Eureka Quartzite
North Horn	Bluff Sandstone	Hermosa	Pogonip Limestone
Almy	Curtis		CAMBRIAN
Paleocene	Entrada	Pardox	Lynch
Current Creek	Moab Tongue	Ismay	Bowman
North Horn	Carmel	Desert Creek	Tapeats
CRETACEOUS	Glen Canyon Gr.	Akah	Ophir
Montana	Navajo	Barker Creek	Tintic
Mesaverde	Kayenta		PRE - CAMBRIAN
Price River	Wingate	Cane Creek	
Blackhawk	TRIASSIC		

ACME VISIBLE CROZET VIRGINIA 100730

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL
OIL WELL [XX] GAS WELL [ ] OTHER SINGLE ZONE [XX] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR
P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
519' FSL & 750' FWL, SW 1/4, SW 1/4, Section 3
At proposed prod. zone
Approximately same SWSW

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20.3 miles northwesterly of Cisco

5. LEASE DESIGNATION AND SERIAL NO.
U-11620

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

7. UNIT AGREEMENT NAME
---

8. FARM OR LEASE NAME
Federal

9. WELL NO.
Calf Canyon #11

10. FIELD AND POOL, OR WILDCAT
GREATER CISCO ~~Calf Canyon~~

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SW 1/4, SW 1/4, Sec 3
T20S, R21E, SLM

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 519'

16. NO. OF ACRES IN LEASE: 354.8

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.: 873'

19. PROPOSED DEPTH: 3800+ Gartner

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR ~~5710~~ 5794

22. APPROX. DATE WORK WILL START*
Oct 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	200'	Circulate cement to surface
7 7/8"	4 1/2"	10.5#	3800'	150+ sx cement

EXHIBITS ATTACHED
Plat #1 - Location and Elevation Plat
Exhibit B - Blowout Preventer
Drilling Program
Surface Use Program
Map #1 - Access Road and Radius Map of wells in area
Map #2 - Vicinity Map
Plat #2 - Drill Pad Layout with Contours
Plat #3 - Cross-sections of Drill Pad
Plat #4 - Drill Rig Layout
Plat #5 - Production Facility Layout

RECEIVED
OCT 11 1985
DIVISION OF OIL, GAS & MINING

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 10/17/85
BY: John R. Baza
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 J. U. Burkhalter TITLE Consulting Engineer DATE 10-10-85

(This space for Federal or State office use)

PERMIT NO. 43-019-31209 APPROVAL DATE

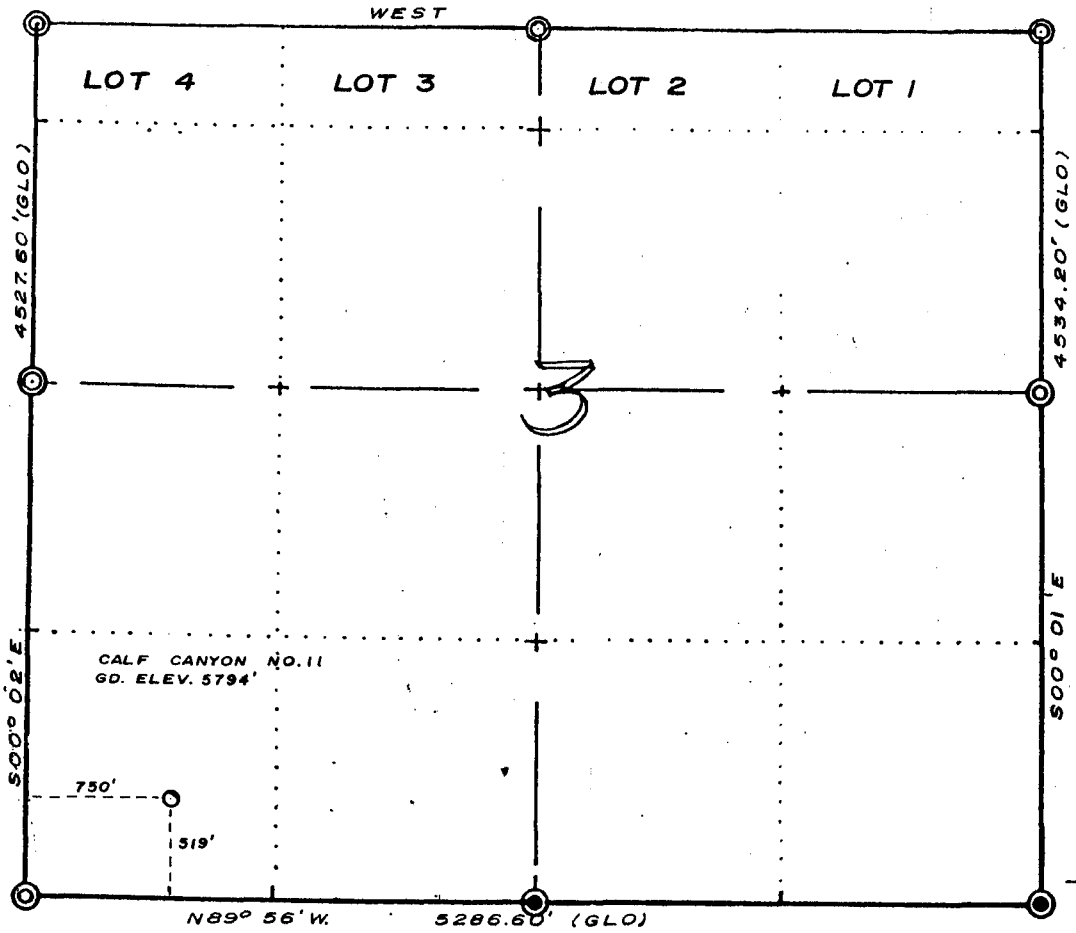
APPROVED BY TITLE DATE
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

PLAT NO. 1

LOCATION PLAT

SEC. 3 , T. 20 S , R. 21E . OF THE S.L.M.



SCALE

500' 0' 1000'

LEGEND

STANDARD LOCATION OF GLO SECTION CORNERS

GLO CORNERS FOUND

WELL LOCATION STAKED.

REFERENCE DOCUMENTS

1921 GLO PLAT

NASH WASH, UTAH QUADRANGLE, USGS

THIS WELL LOCATION PLAT WAS PREPARED FOR WILLARD PEASE OIL & GAS TO LOCATE THE CALF CANYON NO. 11 , 519' F.S. L. & 750' F.W. L. IN THE SW 1/4 SW 1/4, OF SECTION 3 , T. 20S., R. 21E. OF THE S.L.M. GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

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

Larry D. Becker

SURVEYED	10-7-85	
DRAWN	10-8-85	
CHECKED		

ENERGY SURVEYS & ENGINEERING CORP.

715 HORIZON DRIVE, SUITE 350
GRAND JUNCTION, CO 81501
(303) 245-7221

SCALE 1" = 1000'

JOB NO

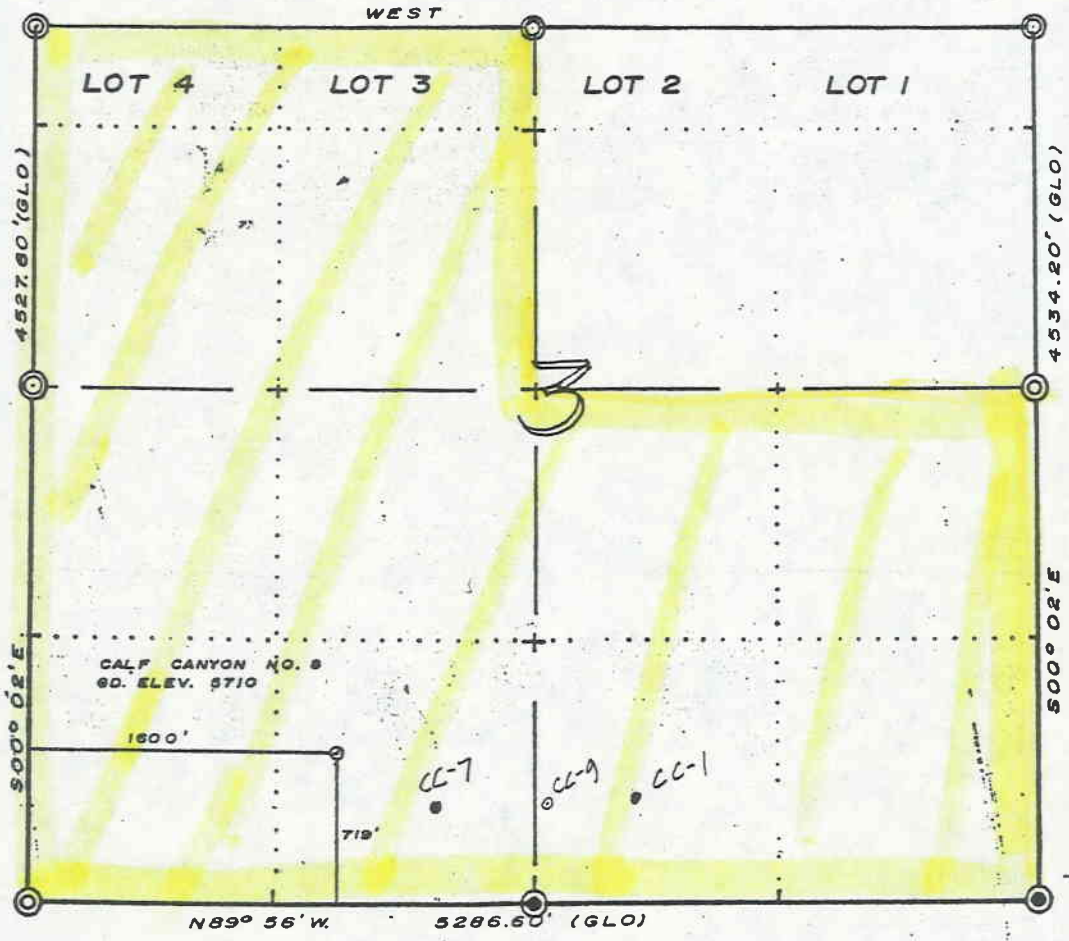
SHEET OF

PLAT NO. 1

LOCATION PLAT

SEC. 3, T. 20 S, R. 21E OF THE S.L.M.

LEASE No. U-11620



SCALE

500' 0' 1000'

LEGEND

- STANDARD LOCATION OF GLO SECTION CORNERS
- GLO CORNERS FOUND
- WELL LOCATION STAKES.

REFERENCE DOCUMENTS

1921 GLO PLAT

NASH WASH, UTAH QUADRANGLE, USGS

THIS WELL LOCATION PLAT WAS PREPARED FOR WILLARD PEASE OIL & GAS TO LOCATE THE CALF CANYON NO. 8, 719 F.S. L. & 1600 F.W. L. IN THE SE 1/4 SW 1/4, OF SECTION 3, T. 20S., R. 21E. OF THE S.L.M. GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

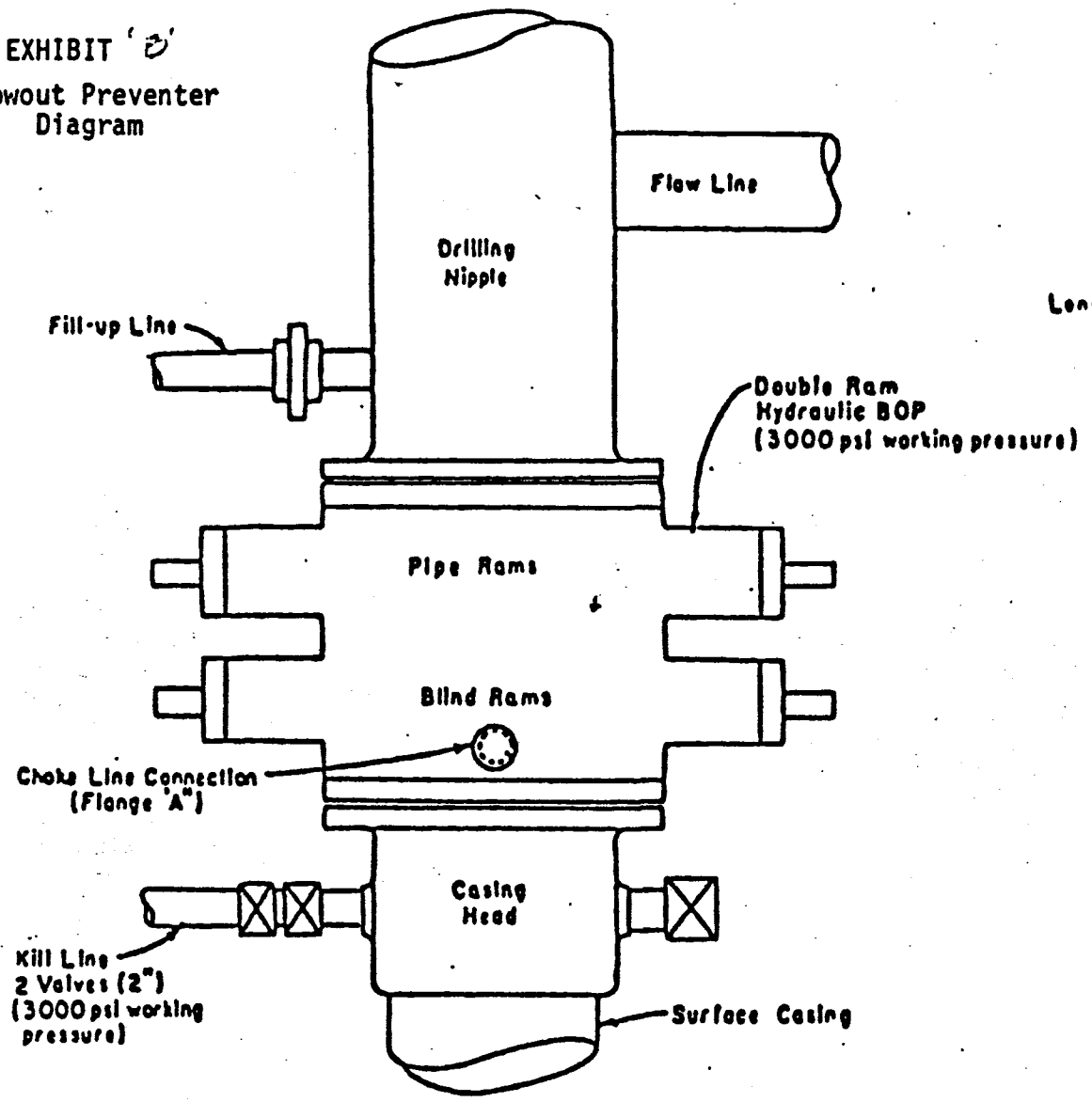
I, LARRY D. BECKER A REGISTERED LAND SURVEYOR IN THE STATE OF UTAH. DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT REPRESENTS SAID SURVEY.

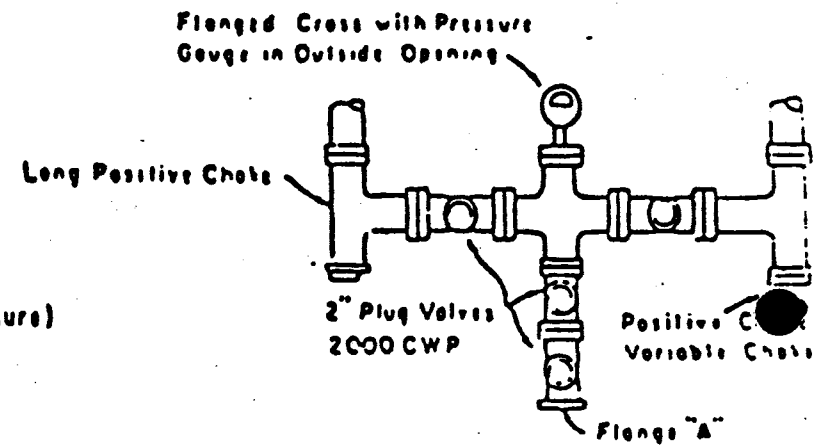
Larry D. Becker

SURVEYED	6/85		ENERGY SURVEYS & ENGINEERING CORP.	715 HORIZON DRIVE, SUITE 330 GRAND JUNCTION, CO 81501 (303) 243-7221	SCALE 1" = 1000'
DRAWN	6/85				JOB NO
CHECKED					SHEET 1 OF

EXHIBIT 'D'

Blowout Preventer Diagram





PLAN VIEW - CHOKE MANIFOL

BURKHALTER ENGINEERING, INC.
715 Horizon Drive, Suite 330
Grand Junction, CO 81501
Telephone (303) 242-8555

Petroleum and Energy Consultants
Registered in Rocky Mountain States

DRILLING PROGRAM

Willard Pease Oil & Gas Company
Calf Canyon #11

1. Surface formation is the Mancos.

2. Anticipated geological markers are: Dakota 2930', Morrison 3120', Summerville 3580', Entrada 3680'.

3. Oil is anticipated in the Dakota, Morrison and Salt Wash formations.

4. Proposed casing program: See item 23 above on A.P.D.

5. Pressure Control Equipment: See attached Exhibit B for schematic of blow out preventer. BOP's will be tested before drilling out from under surface casing and will be checked daily.

6. The well will be air drilled from under surface casing to total depth.

7. Auxillary equipment;

   (a) Kelly cock will be kept in the string.
   (b) A full opening stabbing valve will be on the floor for use when the kelly is not in the string.
   (c) A float will be run at the bit.
   (d) Monitoring equipment will be used on the mud system, if mud is used for drilling.

8. The logging program will consist of a DIL log from TD to base of surface casing; a Gamma-Density and Compensated Neutron Porosity log TD to 200' above Dakota. No cores or drill stem tests are planned.

9. No abnormal pressures, temperatures or poisonous gases are anticipated.

10. Proposed spud date is October 25, 1985. Completion operations following drilling.

SURFACE USE PROGRAM

Willard Pease Oil & Gas Company
Calf Canyon #11
SW 1/4 SW 1/4, Section 3, T20S, R21E, SLM
Grand County, Utah

1. EXISTING ROADS

Reference Maps #1 and #2 and Plat #1. The Calf Canyon #11 well location is 20.3 miles northwesterly of Cisco, Utah. Begin at Cisco, travel 3.8 miles westerly to a T intersection; turn right, travel on County Road 11.7 miles northwesterly toward Cunningham Ranch; to a Y intersection. Turn left, travel 1.6 miles northwesterly on Cunningham Ranch road to a T intersection, turn right, travel northwesterly 0.4 mile to a Y intersection; turn right and travel northerly 2.5 miles to the beginning of the access road. Turn left, travel 0.3 mile on a new road to Calf Canyon #7, thence 0.2 mile on road 675-4, thence 0.2 mile new road to CC-11.

Maintenance blading will be done on the county road portion by Pease and other oil and gas operators and the county. The oil field road portion will be maintained by Pease.

Existing roads are colored green on both Maps #1 and #2.

2. ACCESS ROADS TO BE CONSTRUCTED

See Map #1. New road is complete to 675-4. 0.2 mile new road will be built to CC#11.

Road surface material will be that native to the area. The maximum grade is 8%. The new access road is colored red on Map #1 and #2.

3. LOCATION OF EXISTING WELLS

See Map #1.

4. LOCATION OF EXISTING WELLS AND/OR PROPOSED FACILITITES IF WELL IS PRODUCTIVE

See Plat #5 - Production Facilitites Layout.

5. LOCATION AND TYPE OF WATER SUPPLY

The water source for this well is Nash Wash, 3.2 miles southerly of the location and will be purchased from Bill Cunningham.

6. SOURCE OF CONSTRUCTION MATERIAL

No construction materials will be used other than native materials. Material from cuts will be used in fills. No outside material will be brought in.

7. METHODS FOR HANDLING WASTE DISPOSAL

Cuttings will be buried in the reserve pit and blooie pit at cleanup. Garbage and other waste materials will be contained in a trash cage and it's contents will be disposed of at an approved sanitary land fill. Chemical toilets will be provided and serviced by a local sanitary dealer.

Drilling fluids will be contained in the reserve pit and left to evaporate. Any fluids produced during testing operations will be collected in a test tank or the reserve pit. Any spills of oil, gas, salt water or noxious fluids will be cleaned up and removed.

If the well is productive, produced water will be disposed of on site for 30 days only, or 90 days with the permission of the District Manager. After that time, application will be made for approval of a permanent disposal method in compliance with NTL-2B order, and the rules and regulations of the State of Utah.

8. ANCILLARY FACILITIES

No ancillary facilities are planned.

9. WELLSITE LAYOUT

RE: Plat #2 - Pit and Pad Layout
Plat #3 - Cross-sections
Plat #4 - Rig Layout

The location will be stripped of 4-6" of topsoil and stockpiled on west and east sides, as shown on Plat #2.

The reserve pit will be constructed on the southwesterly side of the pad, with Blooie Pit on northwest corner of pad (RE: Plat #2). The pit will be fenced on three sides during drilling and closed on the fourth side upon rig release. This fence will remain until rehabilitation begins.

10. PLANS FOR RECLAMATION OF THE SURFACE

If the well is productive, the reserve pit will be allowed to dry and then be backfilled. All of the area unused for production will be recontoured, topsoil spread and revegetated with the approved seed mixture.

If the well is abandoned, the disturbed area will be recontoured, similar to it's original state. The topsoil stockpile will be distributed evenly and the area revegetated using the approved seed mixture.

Clean-up will be completed and area reseeded by the spring of 1986.

11. SURFACE OWNERSHIP

All lands involving new construction are Federal lands.

12. OTHER INFORMATION

The well site is on the Mancos desert, north of the Cunningham Ranch. Drainage is easterly.

The flora of the area consists of Rabbit Brush, Cheat Grass, Shadscale, Indian Rice Grass, Sagebrush, Curly Grass, Prickly Pear Cactus and Juniper.

The fauna of the area includes rabbits, deer, coyote, livestock, crows, raptors and songbirds.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE

Willard Pease
Willard Pease Oil & Gas Co.
P.O. Box 1874
Grand Junction, Colo. 81502
303-245-5917

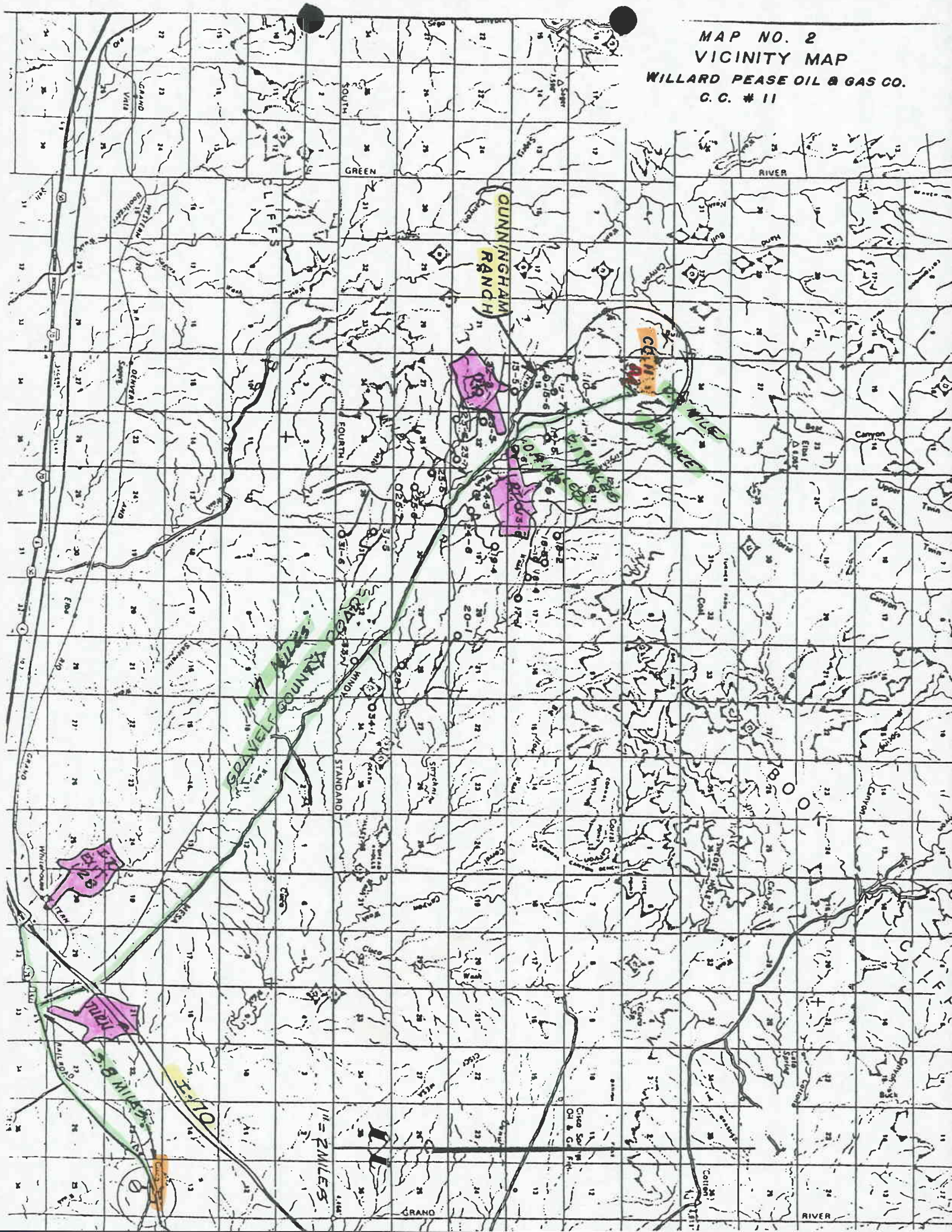
J. N. Burkhalter
Burkhalter Engineering
715 Horizon Dr., #330
Grand Junction, Co. 81506
303-242-8555

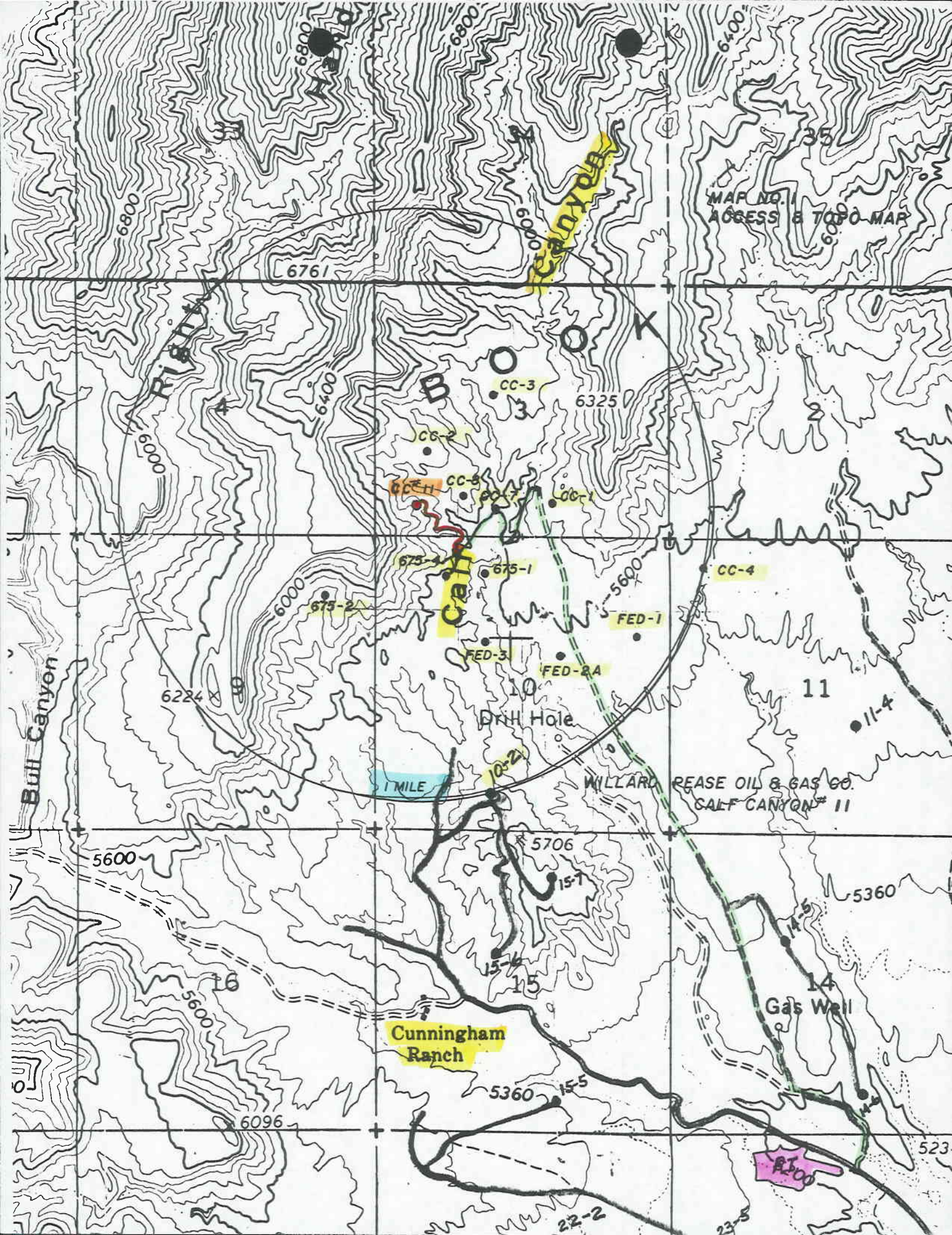
CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Willard Pease Oil & Gas Company and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

10-10-85
Date

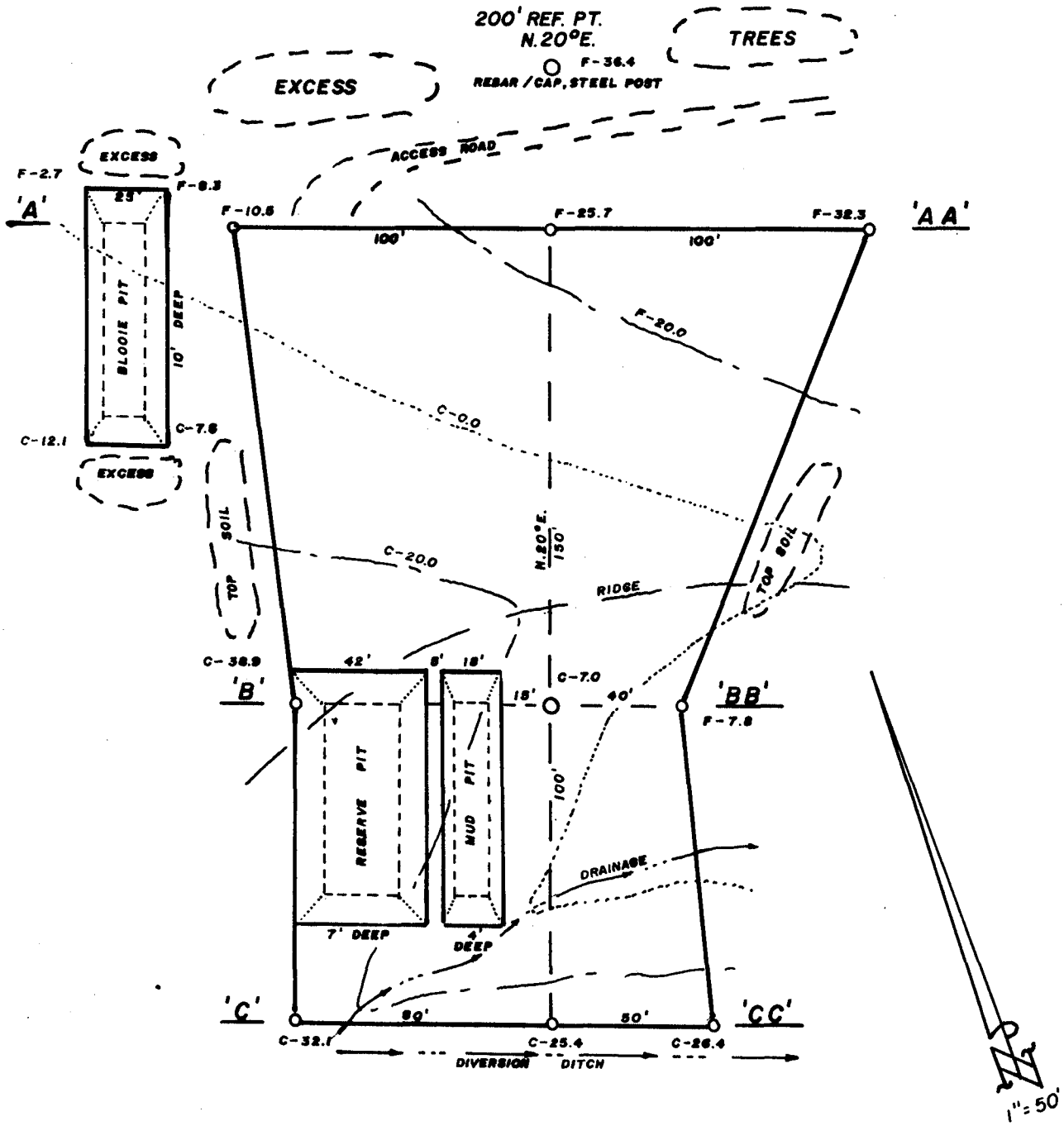
J. M. Burkhalter
Representative


MAP NO. 2
VICINITY MAP
WILLARD PEASE OIL & GAS CO.
C.C. # 11
GREEN
RIVER
CUNNINGHAM RANCH
GRAVEL COUNTY ROAD
I-70
1" = 2 MILES
GRAND
RIVER



MAP NO. 1
ACCESS & TOPO MAP
Canyon
Right
Calf
BOOK
CC-3
CC-2
CC-8
CC-7
CC-1
CC-4
CC-11
675-4
675-1
675-2
FED-1
FED-3
FED-2A
Drill Hole
1 MILE
WILLARD PEASE OIL & GAS CO.
CALF CANYON # 11
Bull Canyon
Cunningham Ranch
Gas Well
6761
6325
6224
5706
5360
6096
6800
6400
6000
5600
33
34
35
4
3
2
9
10
11
16
15
14
10-2
15-7
15-6
15-5
14-5
11-4
22-2
23-5

PLAT NO. 2
PIT & PAD LAYOUT



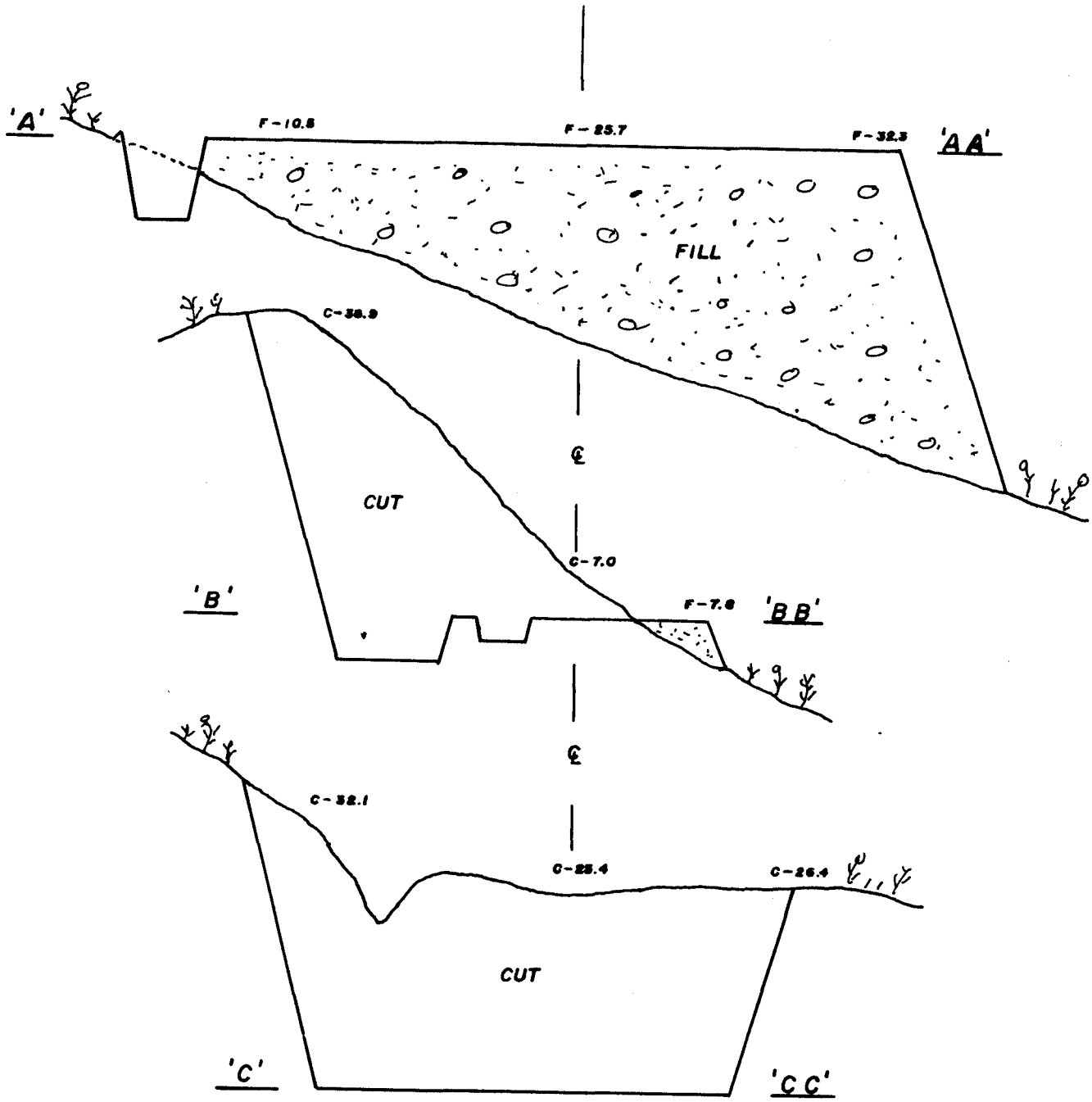
	ESTIMATED QUANTITIES			
	PAD	PIT	TOTAL	
CUT	13800	1368	15168	C.Y.
FILL	7049		7049	C.Y.
TOP SOIL	615	156	771	C.Y.
EXCESS			7348	C.Y.

200' REF. PT. S.20°W.
REBAR / CAP, STEEL POST

C-83.0

WILLARD PEASE OIL & GAS
CALF CANYON NO.11

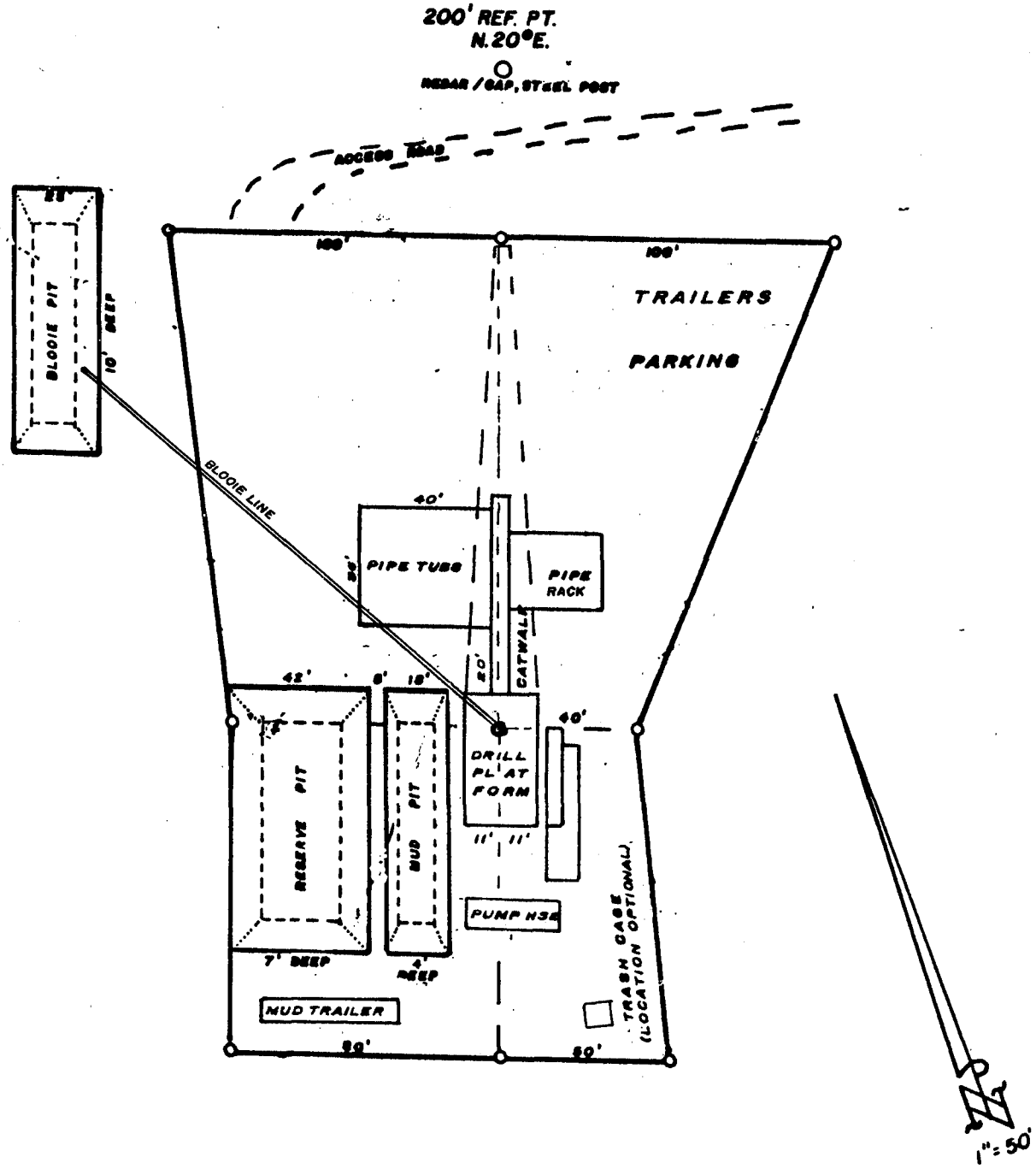
PLAT NO. 2A
CROSS SECTIONS



WILLARD PEASE OIL & GAS CO.
CALF CANYON NO. 11

SCALE
HORIZ. 1" = 50'
VERT. 1" = 20'

PLAT NO. 4
RIG LAYOUT

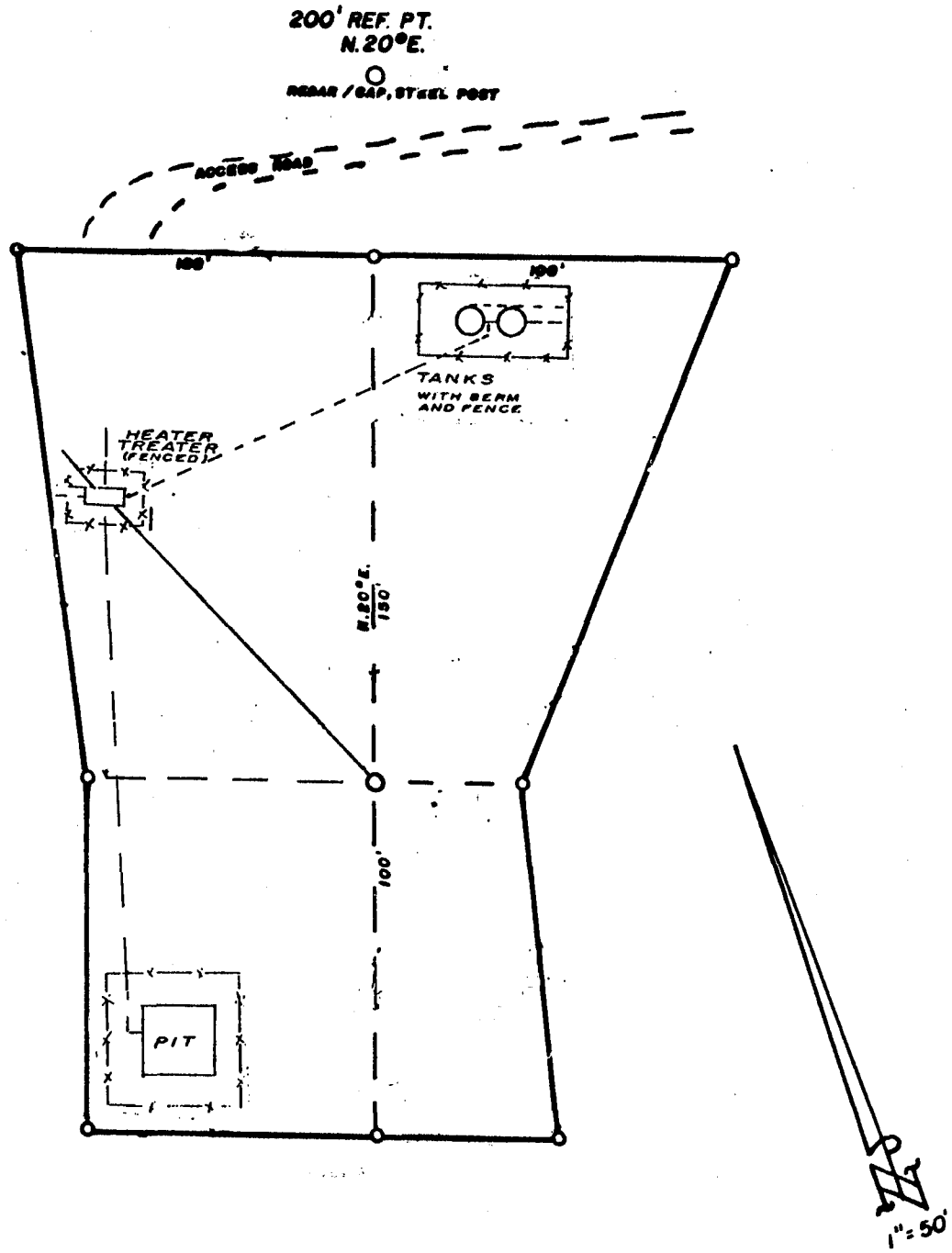


200' REF. PT. S.20°W.
REBAR / CAP, STEEL POST

WILLARD PEASE OIL & GAS
CALF CANYON NO. 11

PLAT NO. 5

PRODUCTION FACILITIES



200' REF. PT. S.20°W.
REBAR / CAP, STEEL POST

WILLARD PEASE OIL & GAS
CALF CANYON NO. 11

BURKHALTER ENGINEERING, INC.
715 Horizon Drive, Suite 330
Grand Junction, CO 81501
Telephone (303) 242-8555

Petroleum and Energy Consultants
Registered in Rocky Mountain States

October 10, 1985

RECEIVED

OCT 15 1985

DIVISION OF OIL
GAS & MINING

Mr. Mark P. Page, Area Engineer
State of Utah
Natural Resources
P.O. Box 718
Price, Utah 84501

Re: Temporary Change Application #85-01-13 Calf Canyon #8, #9, #10

Dear Mr. Page:

My client, Willard Pease Oil & Gas Company will not be able to drill Calf Canyon Well #9 at this time. We have staked Calf Canyon Well #11, 519 FSL, 750 FWL, S3, T20S, R21E, Grand County, Utah. We would respectfully request transferring the Temporary Change Application from Calf Canyon #9 to Calf Canyon #11.

I understand that you will notify the State Oil & Gas people in Salt Lake from this letter.

Very truly yours,

J. N. Burkhalter

J. N. Burkhalter, PE/PLS

JNB/hm
cc: Pease Oil & Gas Co.
Utah Oil & Gas

Mark Page
10/17/85

081503

OPERATOR Willard Pease Oil & Gas DATE 10-16-85

WELL NAME Calf Canyon #11

SEC SWSW 3 T 20S R 21E COUNTY Grand

43-019-31209
API NUMBER

Fed
TYPE OF LEASE

CHECK OFF:

- [x] PLAT
- [x] BOND
- [ ] NEAREST WELL
- [x] LEASE
- [x] FIELD
- [x] POTASH OR OIL SHALE

PROCESSING COMMENTS:
No other well within 400'
~~Need~~ Water permit #85-01-13

APPROVAL LETTER:

SPACING:
- [ ] A-3 _____ UNIT
- [x] c-3-a 102-16B 11/15/79 CAUSE NO. & DATE
- [ ] c-3-b
- [ ] c-3-c

MICROFICHE

STIPULATIONS:
~~1. Water~~

11/2/84
25020

Form 3160-5
(November 1983)
(Formerly 9-331)

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

3

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-11620

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: ——

1. OIL WELL [XX] GAS WELL [ ] OTHER

7. UNIT AGREEMENT NAME: ——

2. NAME OF OPERATOR: Willard Pease Oil & Gas Company

8. FARM OR LEASE NAME: Federal

3. ADDRESS OF OPERATOR: P.O. Box 1874, Grd Jct, Colo. 81502

9. WELL NO.: Calf Canyon #11

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface: 519' FSL, 750' FWL, SWSW Sec 3

RECEIVED
OCT 17 1985
DIVISION OF OIL GAS & MINING

10. FIELD AND POOL, OR WILDCAT: Calf Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SW SW Sec 3, T20S, R21E SLB&M

14. PERMIT NO.:

15. ELEVATIONS (Show whether DF, RT, GR, etc.): Grnd 5794'

12. COUNTY OR PARISH: Grand

13. STATE: Utah

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[ ]	(Other)			
(Other) Correct Elev & Grade			XX	(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.)*

Correct APD as Follows:

1) Grnd Elevation to 5794'
2) Maximum Grade of New Road is 10%

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

SIGNED J. U. Burkhalter TITLE Consulting Engineer DATE 10-15-85

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

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

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

Willard Pease Oil & Gas Company
P. O. Box 1874
Grand Junction, Colorado 81502

Gentlemen:

Re: Well No. Calf Canyon 11 - SW SW Sec. 3, T. 20S, R. 21E
519' FSL, 750' FWL - Grand County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with the Order of Cause No. 102-16B 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 43-019-31209.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals

Form 9-331 C
(May 1963)

SUBMIT IN [illegible]LICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

REC'D [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL
OIL WELL [XX] GAS WELL [ ] OTHER SINGLE ZONE [XX] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR
P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
519' FSL & 750' FWL, SW 1/4, SW 1/4, Section 3

At proposed prod. zone
Approximately same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20.3 miles northwesterly of Cisco

5. LEASE DESIGNATION AND SERIAL NO.
U-11620

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

7. UNIT AGREEMENT NAME
---

8. FARM OR LEASE NAME
Federal

9. WELL NO.
Calf Canyon #11

10. FIELD AND POOL, OR WILDCAT
Calf Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SW 1/4, SW 1/4, Sec 3
T20S, R21E, SLM

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 519'

16. NO. OF ACRES IN LEASE: 354.8

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.: 873'

19. PROPOSED DEPTH: 3800+

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR ~~5710~~ 5794'

22. APPROX. DATE WORK WILL START*
Oct 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	200'	Circulate cement to surface
7 7/8"	4 1/2"	10.5#	3800'	150+ sx cement

RECEIVED
OCT 24 1985
DIVISION OF OIL GAS & MINING

EXHIBITS ATTACHED
Plat #1 - Location and Elevation Plat
Exhibit B - Blowout Preventer
Drilling Program
Surface Use Program
Map #1 - Access Road and Radius Map of wells in area
Map #2 - Vicinity Map
Plat #2 - Drill Pad Layout with Contours
Plat #3 - Cross-sections of Drill Pad
Plat #4 - Drill Rig Layout
Plat #5 - Production Facility Layout

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 J. U. Burkhalter TITLE Consulting Engineer DATE 10-10-85

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY /S/ GENE NODINE TITLE DISTRICT MANAGER DATE 21 OCT 1985

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

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

State of Utah - DOGM

Willard Pease Oil & Gas Company
Well No. Federal Calf Canyon 11
Sec. 3, T. 20 S., R. 21 E.
Grand County, Utah
Lease U-11620

CONDITIONS OF APPROVAL

A. DRILLING PROGRAM

A backup source capable of closing the B.O.P.'s in case of a primary source failure will be available.

All pressure tests and operational checks will be recorded on the driller's log.

Both casing strings will be tested to 1000 psi and this will be recorded on the driller's log.

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 abandoment. 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.

Rec'd MDO OCT 21 1985

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. Culvert sizes will be 18 inch and 18 inch.

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.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

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 an unlined pit.

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.

Production facilities and locations will be looked at, at the time of production.

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 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 and left with a rough surface.

The following seed mixture will be used:

Species		lbs/acre
Grasses		
Elymus salina	Salina wildrye	2 lbs.
Shrubs		
Kochia prostrata	Summer cypress	2 lbs.
		4 lbs/ac.

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: _____

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: (801) 259-7964

Area Office Address:

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

w/ok

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION API #43-019-31209

NAME OF COMPANY: WILLARD PEASE OIL & GAS COMPANY

WELL NAME: CALF CANYON #11

SECTION SW SW 3 TOWNSHIP 20S RANGE 21E COUNTY Grand

DRILLING CONTRACTOR Carmack

RIG # 10

SPUDDED: DATE 11-1-85

TIME 3 PM

HOW Rotary

DRILLING WILL COMMENCE

REPORTED BY Lillie

TELEPHONE # (303) 245-5917

DATE 11-4-85 SIGNED AS

Form 3160-5
(November 1983)
(Formerly 9-331)

STATE OF UTAH
DIVISION OF OIL, GAS, & MINING

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.)

RECEIVED
NOV 06 1985
DIVISION OF OIL GAS & MINING

1. OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: WILLARD PEASE OIL AND GAS COMPANY

3. ADDRESS OF OPERATOR: P.O. BOX 1874, GRAND JUNCTION, CO. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface: 519' FSL and 750' FWL, Sec. 3 SW/4 SW/4 T20S., R21E

5. LEASE DESIGNATION AND SERIAL NO.: U-11620

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Federal

9. WELL NO.: Calf Canyon #11

10. FIELD AND POOL, OR WILDCAT: Calf Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 3, T20S., R21E

14. PERMIT NO.:

15. ELEVATIONS (Show whether DF, RT, GR, etc.): 5794' GR

12. COUNTY OR PARISH: Grand

13. STATE: Utah

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[ ]	(Other)			[ ]
(Other)			[X]	(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.)*

Spud well November 1, 1985
3:00 pm

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

SIGNED Willard Pease, Jr. / lba TITLE Executive Vice-President DATE November 4, 1985

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

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

WILLARD PEASE
OIL AND GAS Co. BOX 1874, GRAND JUNCTION, COLORADO 81502, (303) 245-5917

November 29, 1985

RECEIVED
DEC 19 1985
DIVISION OF OIL
GAS & MINING

State of Utah
Natural Resources
Oil, Gas and Mining
355 W. No. Temple
3 Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

Gentlemen:

Enclosed please find the Well Completion Reports for the Calf Canyon #10 and #11, Lease No. U-11620, Sec. 3, T20S., R21E, Grand County, Utah.

You may take note that both wells are Tight Hole and the information supplied to you is confidential. Thank you.

Very truly yours,

WILLARD PEASE OIL & GAS CO.

Lily Roeland
Administrator

Enclosure

Logs/Report

(Rev. 5-63)

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

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

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

13

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] DRY [ ] Other

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

RECEIVED DEC 19 1985 DIVISION OF OIL GAS & MINING

2. NAME OF OPERATOR: Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR: P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface: 519 FSL, 750 FWL, Sec 3, T20S, R21E
At top prod. interval reported below: same
At total depth:

5. LEASE DESIGNATION AND SERIAL NO.: U-11620
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: -------
7. UNIT AGREEMENT NAME: -------
8. FARM OR LEASE NAME: Federal
9. WELL NO.: CC-11
10. FIELD AND POOL, OR WILDCAT: Greater Cisco ~~Cali Canyon~~
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: SWSW Sec 3, T20S, R21E SLM

14. PERMIT NO.: 43-019-31209 DATE ISSUED: 10-17-85
12. COUNTY OR PARISH: Grand
13. STATE: Utah

15. DATE SPUDDED: 11-1-85
16. DATE T.D. REACHED: 11-6-85
17. DATE COMPL. (Ready to prod.): 11-14-85
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*: GRND 5794 - KB 5802'
19. ELEV. CASINGHEAD: 5795'

20. TOTAL DEPTH, MD & TVD: 3800'
21. PLUG, BACK T.D., MD & TVD: 3706'
22. IF MULTIPLE COMPL., HOW MANY*: N/A
23. INTERVALS DRILLED BY: → ROTARY TOOLS: All CABLE TOOLS: None

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: DAKOTA 3087' - 3131' Confidential
25. WAS DIRECTIONAL SURVEY MADE: yes

26. TYPE ELECTRIC AND OTHER LOGS RUN: DIL, CDL/CNS Tight Hole
27. WAS WELL CORED: no

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24 lb	253	12 1/4	Circulated	None
4 1/2"	10 1/2 lb	3772	7 7/8	350 sx 10-2 Thixotropic	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
N/A				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3150'	None

31. PERFORATION RECORD (Interval, size and number)
3098 3104; 3108 - 3113; 3117 - 3124
w/2 spf, 12 grm, DML, 0.34" holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3098 - 3124	75 bbls diesel w/surfactants
	70 balls

33.* PRODUCTION

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

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
	24	—	→	100	UNKNOWN	NONE	UNKNOWN

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
N/A	25	→	100	UNKNOWN	NONE	38° API

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

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: J. M. Burkhart TITLE: Consulting Engineer DATE: 11-26-85

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

INSTRUCTIONS

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

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

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

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

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

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

37. SUMMARY OF POROUS ZONES:
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
DAKOTA	2982'	3160'	Bottom (3116' to 3160') contains oil, gas & water

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Graneros Mrkr	2951'	2951'
Dakota	2982'	2982'
Morrison	3156'	3156'
Salt Wash	3422'	3422'
Entrada	3748'	3748'

★ U.S. GOVERNMENT PRINTING OFFICE: 1974-780-680/VIII-238

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

SUBMIT IN DUPLICATE (See other instructions on reverse side)

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] DRY [ ] Other

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

RECEIVED DEC 19 1985 DIVISION OF OIL GAS & MINING

2. NAME OF OPERATOR: Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR: P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface: 519 FSL, 750 FWL, Sec 3, T20S, R21E
At top prod. interval reported below: same
At total depth:

5. LEASE DESIGNATION AND SERIAL NO.: U-11620
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: -------
7. UNIT AGREEMENT NAME: -------
8. FARM OR LEASE NAME: Federal
9. WELL NO.: CC-11
10. FIELD AND POOL, OR WILDCAT: Greater Cisco ~~Salt Canyon~~
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: SWSW Sec 3, T20S, R21E SLM

14. PERMIT NO.: 43-019-31209 DATE ISSUED: 10-17-85
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, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
11-1-85	11-6-85	11-14-85	GRND 5794 - KB 5802'	5795'

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
3800'	3706'	N/A	→	All	None

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: DAKOTA 3087' - 3131' Confidential
25. WAS DIRECTIONAL SURVEY MADE: yes
26. TYPE ELECTRIC AND OTHER LOGS RUN: DIL, CDL/CNS Tight Hole
27. WAS WELL CORED: no

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24 lb	253	12 1/4	Circulated	None
4 1/2"	10 1/2 lb	3772	7 7/8	350 sx 10-2 Thixotropic	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
N/A				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3150'	None

31. PERFORATION RECORD (Interval, size and number)
3098 3104; 3108 - 3113; 3117 - 3124
w/2 spf, 12 grm, DML, 0.34" holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3098 - 3124	75 bbls diesel w/surfactants
	70 balls

33.* PRODUCTION

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

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
	24	—	→	100	UNKNOWN	NONE	UNKNOWN

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
N/A	25	→	100	UNKNOWN	NONE	38° API

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

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 J. M. Burkhalter TITLE Consulting Engineer DATE 1-26-85

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

INSTRUCTIONS

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

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

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

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

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

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

37. SUMMARY OF POROUS ZONES:
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
DAKOTA	2980'	3136'	Oil, Gas, Water

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Graneros Mrk	2932'	2932'
Dakota	2980'	2980'
Morrison	3136'	3136'
Salt Wash	3387'	3387'
Entrada	3733'	3733'

★ U.S. GOVERNMENT PRINTING OFFICE: 1974-780-680/VIII-238

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

August 28, 1986

Willard Pease Oil & Gas
P.O. Box 1874
Grand Junction, Colorado 81502

Gentlemen:

Re: Well No. Calf Canyon #11 - Sec. 3, T. 20S., R. 21 E., Grand County, Utah - API #43-019-31209

Review of our records indicate that a copy of the CDL/CNS log which was run on the referenced well as indicated on the Well Completion Report dated November 26, 1985, has not been received in this office.

Rule 312, Oil and Gas Conservation General Rules, requires that copies of well logs be submitted within 90 days of completion of a well.

Please forward the requested information to the address below at your earliest convenience, but not later than September 12, 1986.

Utah Division of Oil, Gas and Mining
Attention: Suspense File - Norm Stout
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
Well File
Suspense File

0431S/9

WILLARD PEASE OIL AND GAS Co.
BOX 1874, GRAND JUNCTION, COLORADO 81502, (303) 245-5917

RECEIVED
SEP 09 1986
DIVISION OF
OIL, GAS & MINING

090919

September 5, 1986

State of Utah
Natural Resources Oil, Gas and Mining
355 W. North Temple
3 Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

Attn: R.J. Firth
Associate Director, Oil and Gas

Dear Mr. Firth,

Enclosed as per your request of August 28, 1986 you will find the CDL/CNS log for the Calf Canyon #11 well-API#43-019-31209.

I sincerely beleive we had sent this information to you in an orderly fashion. Please check your files under the Calf Canyon #10 well as this information would have been sent at the same time and possibly was misfiled.

REMEMBER!! This is a tight hole and the information contained is confidential. Thank you.

Very truly yours,

WILLARD PEASE OIL & GAS CO.

Lily Fitch

Lily R. Fitch

Enclosures

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR INJECTION WELL - UIC FORM 1

OPERATOR WILLARD PEASE OIL AND GAS CO.
ADDRESS P.O. Box 1874
Grand Junction, CO 81502

Well name and number: Calf Canyon #11

Field or Unit name: Calf Canyon Lease no. _____

Well location: QQ SWSW section 3 township 20S range 21E county Grand

Is this application for expansion of an existing project? . . Yes [] No [X]

Will the proposed well be used for: Enhanced Recovery? . . Yes [X] No []
Disposal? . . . . . Yes [] No [X]
Storage? . . . . . Yes [] No [X]

Is this application for a new well to be drilled? . . . . . Yes [] No [X]

If this application is for an existing well,
has a casing test been performed on the well? . . . . . Yes [] No [X]
Date of test: _____
API number: _____

Proposed injection interval: from 3087' to 3132'

Proposed maximum injection: rate 1000 BWPD pressure 800 psig

Proposed injection zone contains [X] oil, [X] gas, and/or [] fresh water within ½ mile of the well.

IMPORTANT: Additional information as required by R615-5-2 should accompany this form.

List of Attachments: per R615-5-2

I certify that this report is true and complete to the best of my knowledge.

Name John H. Benton Signature John H. Benton
Title Engineer Date 9-8-92
Phone No. (303) 839-9626

(State use only)
Application approved by _____ Title _____
Approval Date _____

Comments:

(3/89)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR INJECTION WELL - UIC FORM 1

OPERATOR WILLARD PEASE OIL AND GAS CO.
ADDRESS P.O. Box 1874
Grand Junction, CO 81502

Well name and number: Calf Canyon #11

Field or Unit name: Calf Canyon Lease no. _____

Well location: QQ SWSW section 3 township 20S range 21E county Grand

Is this application for expansion of an existing project? . . Yes [] No [X]

Will the proposed well be used for: Enhanced Recovery? . . Yes [X] No []
Disposal? . . . . . Yes [] No [X]
Storage? . . . . . Yes [] No [X]

Is this application for a new well to be drilled? . . . . . Yes [] No [X]

If this application is for an existing well,
has a casing test been performed on the well? . . . . . Yes [] No [X]
Date of test: _____
API number: _____

Proposed injection interval: from 3087' to 3132'

Proposed maximum injection: rate 1000 BWPD pressure 300 psig

Proposed injection zone contains [X] oil, [X] gas, and/or [] fresh water within ½ mile of the well.

IMPORTANT: Additional information as required by R615-5-2 should accompany this form.

List of Attachments: per R615-5-2

I certify that this report is true and complete to the best of my knowledge.

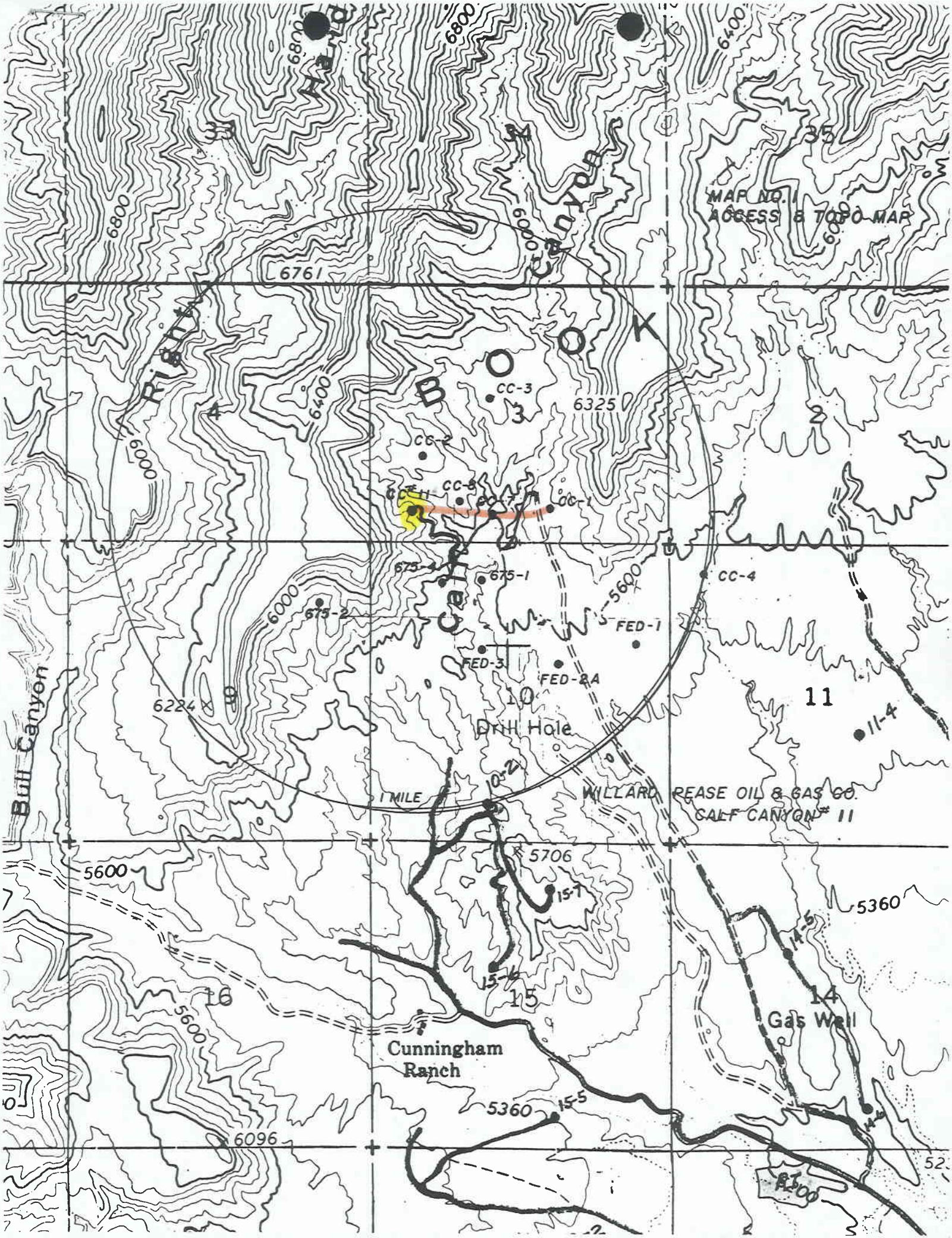
Name John H. Benton Signature John H. Benton
Title Engineer Date 9-8-92
Phone No. (303) 839-9626

(State use only) 295-0066
Application approved by _____ Title _____
Approval Date _____

Comments:

125

(3/89)



MAP NO. 1
ACCESS & TOPO MAP
Right Hand
Canyon
BOOK
Calf
Bull Canyon
6761
6325
6224
6096
5706
5360
5600
6000
6400
6800
CC-1
CC-2
CC-3
CC-4
CC-5
CC-7
CC-8
CC-11
675-1
675-2
675-4
FED-1
FED-2A
FED-3
10-2
11-4
14-5
14-6
15-5
15-6
15-7
1 MILE
Drill Hole
WILLARD PEASE OIL & GAS CO.
CALF CANYON # 11
Gas Well
Cunningham
Ranch
33
34
35
4
3
2
9
10
11
14
15
16

Figure 4

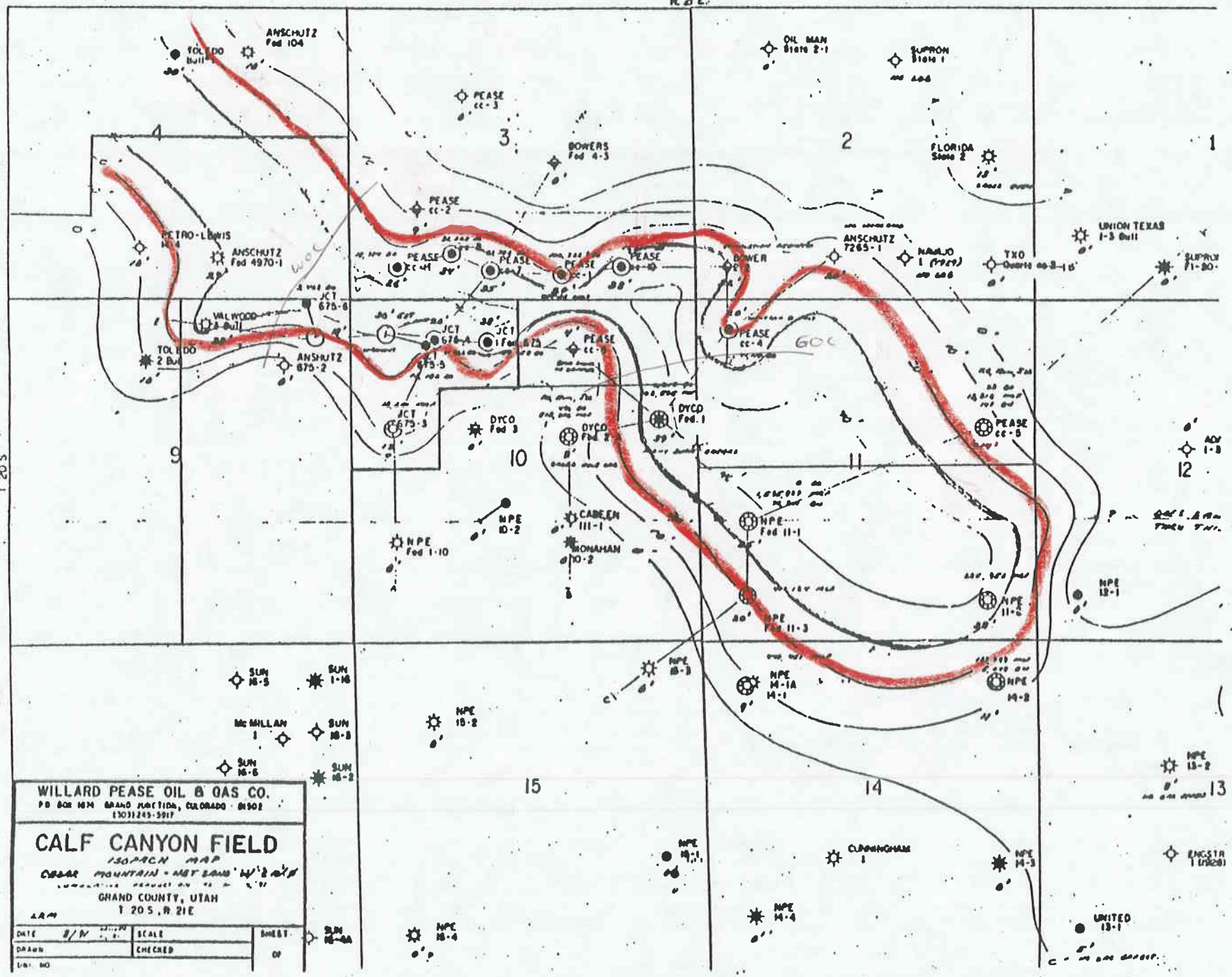

R 21 E.
T 20 S
WILLARD PEASE OIL & GAS CO.
CALF CANYON FIELD
ISOPACH MAP
GRAND COUNTY, UTAH
T 20 S, R 21 E
ANSCHUTZ Fed 104
TOLEDO Bull
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PETRO-LEWIS
ANSCHUTZ Fed 4970-1
PEASE cc-2
PEASE cc-4
ANSCHUTZ 7265-1
NAVAJO 1
TXO
UNION TEXAS 1-3 Bull
VALWOOD
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-6
JCT 675-3
DYCO Fed 3
DYCO Fed 1
PEASE cc-5
NPE Fed 1-10
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed 11-1
NPE Fed 11-3
NPE 12-1
NPE 14-1A 14-1
NPE 14-2
NPE 15-2
McMILLAN 1
SUN 16-5
SUN 1-16
SUN 16-6
SUN 16-2
NPE 13-2
CUNNINGHAM 1
NPE 14-3
NPE 14-4
UNITED 13-1
ENGSTR
NPE 16-4
GOC
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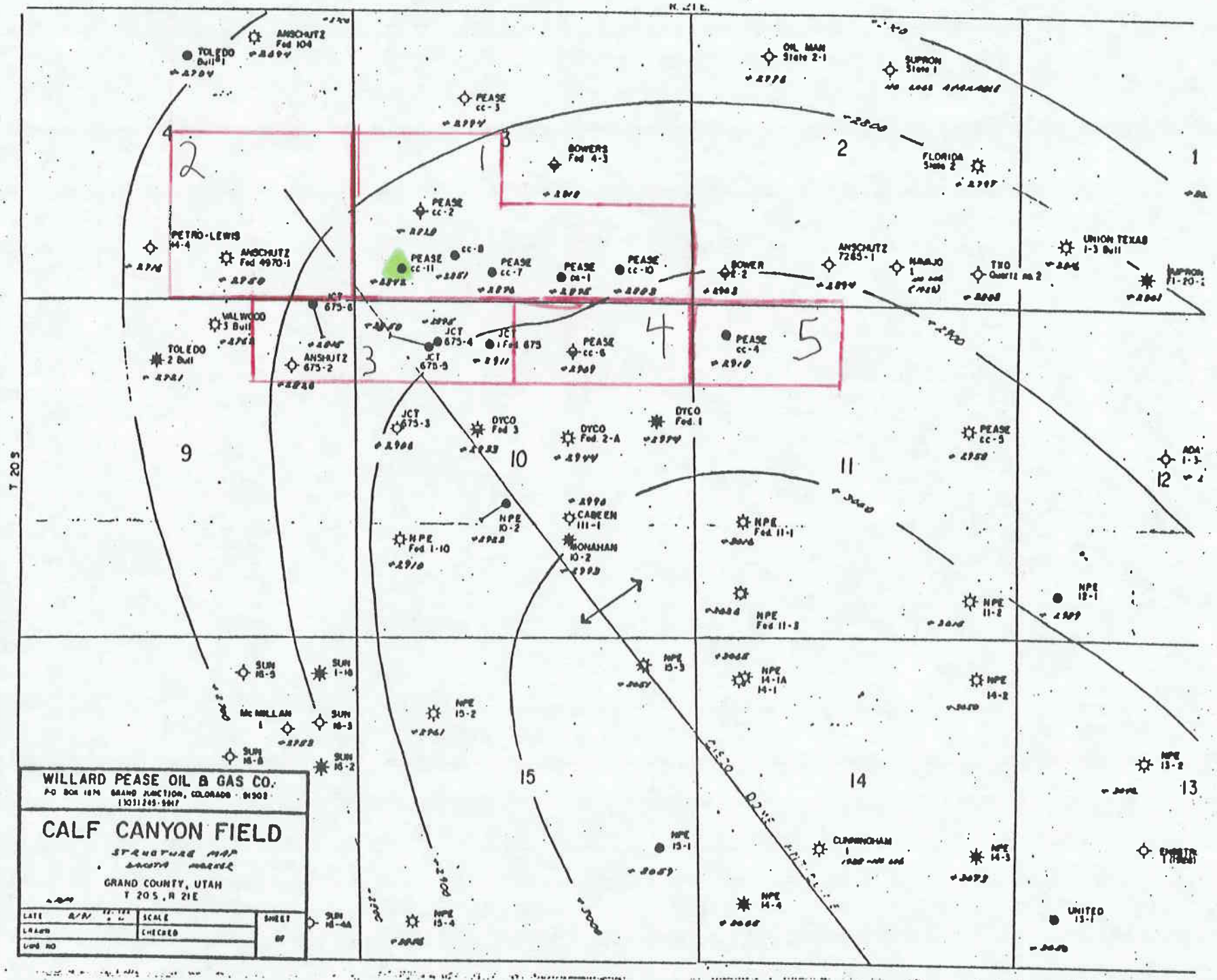
Figure 3


WILLARD PEASE OIL & GAS CO.
CALF CANYON FIELD
GRAND COUNTY, UTAH
T 20 S, R 21 E
TOLEDO Bull #1
ANSCHUTZ Fed 104
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-2
PEASE cc-11
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-6
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed 2-A
DYCO Fed 1
PEASE cc-5
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed 1-10
NPE Fed 11-1
NPE Fed 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
McMILLAN 1
SUN 16-3
SUN 16-8
SUN 16-2
NPE 15-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
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BEFORE THE UTAH BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH.	MOTION DOCKET NO. 92-042 CAUSE NO. 102-75

COMES NOW J.C. Thompson ("Thompson") and National Fuel Corp. ("National") (collectively referred to hereinafter as "Respondent") by and through their counsel Holme Roberts & Owen, and hereby moves this Board pursuant to R641-105-300 of the Utah Administrative Code for leave to file the attached Response in the captioned matter.

As grounds for Respondent's motion, Respondent alleges as follows:

1. That on or about October 23, 1992, Petitioner served Respondent with amended pleadings that materially alter

the terms of relief sought by Petitioner in its original application;

2. That service of the amended pleadings was made after the Response Date established by R641-105-200 of the Utah Administrative Code;

3. That as a result Respondent was not given an opportunity to review, analyze and respond to the amended pleadings in a timely fashion;

4. That Respondent will be substantially prejudiced if it is not allowed to respond to the amended pleadings.

WHEREFORE, Respondent requests that this Board grant it leave to file the attached Response in the captioned matter.

Respectfully submitted this 28th day of October, 1992.

HOLME ROBERTS & OWEN

By: _____
William B. Prince, Esq.
111 E. Broadway, Suite 1100
Salt Lake City, Utah 84111

WBPP/AG2

COPY

LAW OFFICES
PRUITT, GUSHEE & BACHTELL
SUITE 1850 BENEFICIAL LIFE TOWER
SALT LAKE CITY, UTAH 84111
(801) 531-8446

ROBERT G. PRUITT, JR.
OLIVER W. GUSHEE, JR.
THOMAS W. BACHTELL
A. JOHN DAVIS, III
JOHN W. ANDERSON
FREDERICK M. MacDONALD
ANGELA L. FRANKLIN
K. ALLEN FARBER

TELECOPIER (801) 531-8468
OR (801) 533-9223

OF COUNSEL
MICHAEL F. JONES
BRENT A. BOHMAN

September 10, 1992

HAND DELIVERED

RECEIVED
SEP 10 1992
DIVISION OF
OIL GAS & MINING

Janice L. Brown, Secretary to the Board
Utah Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

Re: Petition for Waterflood Recovery Unit under §§ 40-6-7 and -8

Dear Jan:

Enclosed are 13 copies of an Application prepared by John H. Benton, Professional Engineer, of Denver, Colorado, on behalf of Willard Pease Oil and Gas Co., the Applicant. This Application (read: Petition) is to establish a Secondary Recovery Waterflood Unit under the provisions of Sections 40-6-7 and -8, Utah Code Annotated, and will require a Board hearing. Simultaneously, the Applicant is filing a UIC-1 Application for Injection Well with the Division's Gil Hunt, involving the same unit. The Applicant specifically requests that this matter be set for hearing on Wednesday, October 28, 1992, the Board's next scheduled meeting.

Because the proposed unit involves federal oil and gas leases exclusively, the Applicant will be meeting with BLM representatives to confirm the exact unit boundaries. The address list of "parties" is being assembled with the understanding that the proposed Secondary Recovery Unit boundaries may be adjusted by BLM. This boundary issue will be firmly decided well in advance of the October 28 hearing date.

I wish to enter my appearance as legal counsel for the Applicant in this matter. Please excuse certain archaic references in the Application, since your September 10 filing deadline did not allow time for revision from Mr. Benton's original Application.

By copy of this letter, I am delivering the UIC-1 Application and a copy of this Application to Gil Hunt, with a request that he immediately initiate the necessary procedures

under the UIC regulations. Please advise me of the docket and cause numbers assigned to this Petition, and let me know if you have any questions or instructions.

Yours very truly,

Bob

Robert G. Pruitt, Jr.

RGP/cc
0386.53
(13 copies of Petition)
cc: Gilbert L. Hunt (UIC/DOGM)
Willard Pease, Jr.
John H. Benton

BEFORE THE UTAH OIL AND GAS CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH	)	CASE NO._____

RECEIVED
SEP 10 1992
DIVISION OF
OIL GAS & MINING

APPLICATION

COMES NOW Willard Pease Oil and Gas Co., Applicant in the above entitled cause and herewith represents unto this Honorable Commission:

1. Applicant, Willard Pease Oil and Gas Co., is a corporation organized and existing under and by virtue of the laws of the State of Colorado, and is duly authorized to transact business in the State of Utah, with its offices being located at 2135 East Main, Grand Junction, Colorado 81501.

2. Applicant is presently engaged in forming a unit for the purpose of conducting secondary recovery operations in the Cedar Mountain Formation in the Calf Canyon Field, by converting 1 producing well, the Calf Canyon #11, to enhanced recovery/injection well in the SW SW Section 3, T20S-R21E.

3. The proposed Calf Canyon Unit consists of approximately 720 acres, and is described as follows:

   T20S, R21E 6th. ~~P.M.~~ SLM
   - Section 3;SW/4
   - Section 3;S/2 SE/4
   - Section 4;SE/4
   - Section 4;E/2 SW/4
   - Section 9;N/2 NE/4
   - Section 10;N/2 N/2
   - Section 11;NW/4 NW/4

4. Attached hereto, marked Exhibit "B" by this reference specifically incorporated herein, is a plat outlining and showing the following:

   (a) The area affected by the proposed operation and unitization;

   (b) All governmental quarter sections or lots equivalent thereto, directly or diagonally offsetting said area, including the area within one-half mile of each proposed injection well; and

   (c) All wells, including dry, producing, abandoned or drilling wells properly located and designated thereon.

5. Attached hereto, marked Exhibit "A" and by this reference specifically incorporated herein, is a tabulation showing the names and addresses of each owner as defined in the Act, or operator, as shown by the Commission Records, of each separate tract of land within the proposed Unit and Project area, including all persons owning or having an interest in the oil and gas in the proposed unit area or the production therefrom, including mortgagees and the owners of other liens of encumbrances, and including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah with the specific legal description of each separate tract fully set forth on Exhibit "A" of the Unit Agreement, which said Unit Agreement is attached (will be submitted at a later date) hereto marked Exhibit "D", and is by this reference specifically incorporated herein.

6. Attached hereto, marked Exhibit "A1", and by this reference specifically incorporated herein, is a tabulation showing the names and address of each owner, as defined in the Act, or operator, as shown by the Commission Records of all governmental quarter sections or lots equivalent thereto directly or diagonally offsetting the proposed Unit and project area, including all lands which are outside the proposed unit and project area and within one-half mile of each injection well, including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah.

7. The following information and data is presented as to the proposed secondary recovery program and the proposed enhanced recovery/injection wells.

   (a) A secondary recovery program by waterflood is proposed in the Calf Canyon Field, Cedar Mountain Formation, Grand County, Utah. The lithological descriptive thickness is 45' and the depth is 3087' with reference to the proposed injection well, Calf Canyon #11. The Cedar Mountain Formation extends laterally throughout the unit area. Applicant believes, and therefore alleges that the proposed secondary recovery project is in the public interest, protective of correlative rights, reasonably necessary to increase the ultimate recovery and to prevent waste of oil and gas that this Commission should enter an Order so finding and approving the proposed waterflood project;

   (b) The producing interval in the Calf Canyon Field is represented by that certain stratigraphic interval from 3087' to 3132' log measured depth in the Calf Canyon #11 located in the SW/4 SW/4 of Section 3, Township 20 South, Range 21 East, Grand County, Utah. This interval represents formation from which all wells are producing or have produced within the proposed Calf Canyon Unit boundary;

   (c) The primary recovery drive mechanisms include fluid expansion, solution gas and possible partial water drive. The addition of an artificial water drive mechanism through water injection will significantly increase ultimate recovery from the proposed Calf Canyon Unit;

   (d) The identifying names, location and depth of injection of the enhanced recovery/injection wells, including wells to be converted or drilled are set forth in Exhibit "C", which is attached hereto and by this reference specifically incorporated herein;

(e) Injection rates are estimated to range from a minimum of 50 BWPD to a maximum of 1000 BWPD per well. The injection wellhead pressure will not exceed 830 psig. The probable source of injection supply water will be a mixture of water from the Entrada Formation, the top of which is found at a depth of approximately 3732' (2070' above sea level), and treated/recycled produced water in the Calf Canyon #11 from the Cedar Mountain Formation existing within the boundaries of the proposed Calf Canyon Unit.

(f) There are no shallow fresh water zones in this area.

8. Utah Oil and Gas Conservation Commission states that the casing in all new disposal wells shall be tested to 1000 psi or injection pressure, whichever is lower with a minimum pressure of 300 psi when tubing and a packer are installed. The subject well will be equipped with tubing, injection packer and the casing/tubing annulus will be loaded with a corrosion inhibiting fluid. Therefore, Applicant shall test the tubing-casing annulus to 300 psi. The injection system will be equipped with pressure safety switches and the well will be monitored on a regular basis.

9. The operator of the proposed waterflood project is the Applicant herein, Willard Pease Oil and Gas Co., with offices at 2135 East Main, Grand Junction, Colorado 81501.

10. Persons who own at least seventy percent (70%) of the Unit production or proceeds thereof have, or will have, executed and consented to the proposed plan of unitization. Persons who will be required to pay at least seventy percent (70%) of the costs of the Unit operations have, or will have, executed written consents to both the proposed plan of unitization and the proposed operating plan.

11. Certain interested parties are not expected to execute written consents to the proposed plan unitization and/or the proposed operating plan. The names, addresses and interests of each non-consenting interested party will be furnished at the Hearing to be held hereon. Applicant requests that the interest be involuntarily pooled for the unitized management, operation and development of the Cedar Mountain Formation.

12. As to the proposed plan of unitization and proposed operating plan, the Applicant believes and therefore alleges and requests the Commission to find:

(a) The material averments of this Application are true;

(b) The proposed plan of the Unit operation is feasible, will prevent waste and can be reasonably expected to increase the ultimate recovery of oil and gas, the value thereof can be reasonably expected to exceed the estimated additional costs incident to conducting unit operations;

(c) The oil and gas allocated to each separately owned tract within the Unit Area under the proposed plan of unitization represents, so far as can be practically determined, each such tract's just and equitable share of the oil and gas in the Unit Area;

(d) The proposed plan of unitization and proposed operating plan are in the public interest, protective of correlative rights, and reasonably necessary to increase ultimate recovery or to prevent waste of oil and gas; and

(e) As to owners who have not executed the Operating Agreement or agreed to the proposed operating plan, such proposed operating plan:

(i) Makes a fair and equitable adjustment among the owners within the Unit Area for their respective investments in wells, tanks, pumps, machinery, materials and equipment which are contributed to the Unit operation;

(ii) Provides a fair and equitable determination of the cost of Unit operations, including capital investment, and establishes a fair and equitable method for allocating such costs to the separately-owned tracts and for payment of such costs by the owners of such tracts, either directly or out of such owner's respective shares of Unit production;

(iii) Establishes, if necessary, a fair and equitable method for carrying or otherwise financing any owner who elects to be carried, or otherwise financed, allowing a reasonable interest charge for such service payable out of such owner's share of Unit production; and

(iv) Provides that each owner shall have a vote in the supervision and conduct of unit operations corresponding to the percentage of the costs of Unit operations chargeable against the interest of such owner.

13. Schematic diagrams for each enhanced recovery/injection well indicating the name and location of the well, the total depth and/or plug back total depth of the well, the depth of the injection interval, the geologic name of the injection zone, a geologic description of the injection zone including the location and extent of any known faults or fracture systems, the depths of the tops and bottoms of casing and the amount of cement used in the well, the size and specifications of the casing and tubing, and the setting depth and type of packer, if used, are attached hereto, marked Exhibit "E", which is by this reference specifically incorporated herein.

14. Injection into the proposed zone will not initiate vertical fractures into or through the overlying strata which could enable the injected fluids or formation fluids to enter any fresh water strata because no fresh water zones exist, indicated fracture gradients of greater than 0.70 psig/foot, treatment pressures experienced by service company personnel indicated a fracture gradient in excess of the design limit of 830 psig for the proposed Unit, and the manner in which the wells have or will be completed.

15. No unplugged wells exists which would allow the migration of the injected fluids or formation fluids to enter any fresh water strata. There are two abandoned wells: Calf Canyon #2, SW SW Section 3, T20S-R21E, and JCT 675-3, SW NW Section 10, T20S-R21E, within 1/2 mile radius of the proposed injection well, Calf Canyon #11.

16. The maximum proposed daily injection rate will not exceed 1000 BWPD per well and the maximum proposed injection pressure is 830 psig.

17. The fluids to be injected will come from recycled and treated produced water and a source well which is located in the SW/4 SW/4 of Section 3, T20, R21E. The source well will not be used for makeup water unless and/or until Commission approval of this application is granted.

18. Analysis of injection fluids from representative wells and the produced water is presented in Exhibit "F", attached hereto and by this reference specifically incorporated herein.

19. A study discussing the feasibility of waterflooding the proposed Unit is presented in Exhibit "G", attached hereto.

WHEREFORE, Applicant respectfully requests that as to the secondary recovery program by waterflood, the involuntary unitization and the unit operation of the Calf Canyon Unit, this matter be set for Hearing, that notice of such Hearing be given as provided by law; and, that upon evidence produced at such Hearing an Order be entered:

(a) Providing for and approving the unitized management, operation, and development of the common source of supply which is the subject of this APPLICATION;

(b) Authorizing the proposed waterflood project as herein set forth;

(c) Approving the proposed plan of unitization and proposed operating plans;

(d) Providing for the involuntary unitization of that part of the Unit, the owners of which have not approved or executed the proposed Unit Agreement and the proposed Unit Operating Agreement;

(e) Authorizing the operator to convert wells from producing wells to water injection wells, drill additional water injection wells, and abandon water injection wells in the Unit, upon obtaining approval of the Director;

(f) Making such findings and orders in connection herewith as are necessary or required by law; and

(g) Providing for such other and further matters as may be just and equitable.

APPLICANT further requests that as to approval of the injection wells that this matter be set for Hearing in the event that any person files a written objection to the same within ten (10) days of the date of the Notice, and that upon such Hearing, or without a Hearing if no objection is filed, Applicant requests that an Order be entered by the Commission approving the injection wells as aforesaid.

Dated this 8th day of SEPT, 1992.

COLORADO REGISTERED JOHN H. BENTON PROFESSIONAL ENGINEER

Respectfully submitted,
WILLARD PEASE OIL AND GAS CO.
2135 East Main,
Grand Junction, Colorado 81501.

By: John H. Benton
John H. Benton
Registered Professional Engineer

Applicant's Attorneys:

Pruitt, Gushee and Bachtell
1850 Beneficial Life Tower
Salt Lake City, Utah
84111

By: ~~Tom Bachtell~~
Robert G. Pruitt, Jr

VERIFICATION

CITY AND COUNTY OF DENVER)
) **ss.**
STATE OF COLORADO)

Before me, a Notary Public, personally appeared JOHN H. BENTON, as Engineer for Willard Pease Oil and Gas Co., and after first being duly sworn, deposes and say that the above matters are true and correct to the best of his knowledge, information and belief.

Subscribed and sworn to before me this 8th day of Sept., 1992.

Karen A. Johnson
Notary Public

My Commission Expires 5-19-95

Address: 1600 Broadway, Ste 1130
Denver Co 80202

EXHIBIT "A"

(being prepared)

EXHIBIT "A1"

(being prepared)

RECEIVED
SEP 12 1991

JOHN C. KEPHART & CO.
GRAND JUNCTION LABORATORIES
435 NORTH AVENUE ◆ PHONE 242-7618 ◆ GRAND JUNCTION, COLORADO 81501

ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2613 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2613
Sample ID	CC1 8/21/91 1:18PM
Sodium(Na)	10400 mg/l
Calcium(Ca)	456 mg/l
Magnesium(Mg)	164 mg/l
Potassium(K)	176 mg/l
Chloride(Cl)	15900 mg/l
Sulfate(SO4)	15 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	609 mg/l
Dissolved Solids	26100 mg/l
Specific Gravity	1.021
pH	7.8
Conductivity@25 deg. C	34100 umhos/cm
Resistivity@25C	0.293 ohm-m
Bicarbonate	737 mg/l
Carbonate	0 mg/l
Iron(Fe)	0.89 mg/l

Petitioner's Exhibit
F-1

Lab Dir.: Brian S. Bauer

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ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2614 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2614
Sample ID	CC4 8/21/91 1:30PM
Sodium(Na)	10800 mg/l
Calcium(Ca)	334 mg/l
Magnesium(Mg)	157 mg/l
Potassium(K)	190 mg/l
Chloride(Cl)	16500 mg/l
Sulfate(SO4)	44 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	40.6 mg/l
Dissolved Solids	26700 mg/l
Specific Gravity	1.012
pH	6.0
Conductivity@25 deg. C	34500 umhos/cm
Resistivity@25C	0.29 ohm-m
Bicarbonate	49.1 mg/l
Carbonate	0 mg/l
Iron(Fe)	133 mg/l

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F-2

Lab Dir.: Brian S. Bauer

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ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2615 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2615
Sample ID	CC8 8/21/91 1:04PM
Sodium(Na)	8400 mg/l
Calcium(Ca)	262 mg/l
Magnesium(Mg)	190 mg/l
Potassium(K)	68 mg/l
Chloride(Cl)	13700 mg/l
Sulfate(SO4)	43 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	711 mg/l
Dissolved Solids	23700 mg/l
Specific Gravity	1.016
pH	7.2
Conductivity@25 deg. C	32300 umhos/cm
Resistivity@25C	0.31 ohm-m
Bicarbonate	860 mg/l
Carbonate	0 mg/l
Iron(Fe)	29.3 mg/l

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F-3

Lab Dir.: Brian S. Bauer

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SEP 12 1991

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GRAND JUNCTION LABORATORIES
435 NORTH AVENUE ◆ PHONE 242-7618 ◆ GRAND JUNCTION, COLORADO 81501

ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2616 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2616
Sample ID	CC10 8/21/91 1:23PM

Sodium(Na)	7680 mg/l
Calcium(Ca)	151 mg/l
Magnesium(Mg)	76 mg/l
Potassium(K)	58 mg/l
Chloride(Cl)	10500 mg/l
Sulfate(SO4)	43 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	1560 mg/l
Dissolved Solids	20400 mg/l
Specific Gravity	1.015
pH	7.3
Conductivity@25 deg. C	27500 umhos/cm
Resistivity@25C	0.364 ohm-m
Bicarbonate	1890 mg/l
Carbonate	0 mg/l
Iron(Fe)	4.45 mg/l

Petitioner's Exhibit
F-4

Lab Dir.: Brian S. Bauer

EVALUATION OF WATERFLOOD FEASIBILITY

PROPOSED CALF CANYON UNIT

SECTIONS 3,4,9,10 & 11 T20S R21E

GRAND COUNTY, UTAH

April 10, 1992

Petitioner's Exhibit

G (47 pages)

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Appendix A - Unit Production History & Remaining Primary Economics
Appendix B - Waterflood Input Data - PFPM
Appendix C - Complete Waterflood Results & Economics
Appendix D - Estimated Capital Budget

INTRODUCTION

This engineering study evaluates the feasibility of waterflooding the Calf Canyon Field in Grand County, Utah. It was prepared by Ornen International Engineering, Inc. for the Willard Pease Oil and Gas Company and J. C. Thompson, working interest owners of the leases recommended for waterflooding. The primary purposes of this report are as follows:

1) Evaluate the feasibility of waterflooding the proposed Calf Canyon Unit.

2) Recommend a boundary for the proposed Calf Canyon Unit if waterflooding appeared to be economic.

3) Obtain and tabulate all likely parameters of an equity formula for the proposed Calf Canyon Unit;

4) Determine the estimated original oil in place and other recovery parameters;

In the interest of continuing oil production within the proposed Calf Canyon Unit we recommend the formation of a secondary recovery Unit in the Calf Canyon Field in the very near future. Accordingly, in this report the field is referred to as the Calf Canyon Unit and so designated on all Figures.

Respectfully submitted,

John H. Benton
Ornen International Engineering, Inc.

Estimated Capital Budget

Waterflood Installation Costs

Description of Investment	
Coversion of Injector	97,000
Injection Plant	80,000
Flowline Installation	27,000
Engineering & Supervision of Installation	20,000
Tanks	6,000
Wellheads	5,000
Injection packers	5,000
Misc & Unforseen	15,000
Total Investment	**255,000**

CONCLUSIONS

The proposed Calf Canyon Unit has estimated remaining primary reserves of 12,146 STB as of January 1, 1992, which would result in an ultimate primary recovery of 592,816 STB or 13.34 per cent of the original oil in place.

Secondary recovery by waterflooding should result in additional secondary reserves of 325,596 STB or 7.33 per cent of the original oil in place, yielding an ultimate recovery of 918,412 STB or 20.68 per cent of the original oil in place.

Remaining primary and secondary reserves as of January 1, 1992 total 337,742 STB. These reserves should be recovered over the next 22 years.

The capital costs of waterflooding the proposed Calf Canyon Unit are estimated to be $255,000 or $.78 per gross STB of secondary recovery. The present value of the total net operating income from secondary recovery is estimated to be $682,140. Economics were evaluated using a 10% discount factor, constant oil price of $18.00/BBL and constant operating expenses of $1,000/month/well. The project economics are summarized in Table 2.

This secondary recovery project should be undertaken as a single unitized project to maximize economic return and protect correlative rights.

TABLE 1
Pertinent Data Sheet

<u>General Information</u>	
Date of Discovery	: 02/10/77
Discovery Well	: Calf Canyon #1
Spacing Pattern	: 40 Acres
Number of Active Producers	: 8 (proposed unit area only)
Number of Injectors (Proposed)	: 1 (Calf Canyon #11)
Proposed Injector Location	: 519 FSL,750 FWL Sec 3, T20S R21E
Average depth to pay	: 3000 Ft TVD
Average Surface Elevation	: KB = 5724' above sea level
Producing Formation	: Cedar Mountain
Trapping Mechanism	: Stratigraphic Pinchout
Primary Producing Mechanism	: Solution gas drive
Approximate Total Oil Leg Area	: 720 Acres
<u>Proposed Unit Area Only</u>	
Floodable Reservoir Area	: 118 Acres
Average Floodable Net Pay	: 32.6 Ft
Oil Reservoir Area	: 720 Acres
Average Net Pay	: 19.41 Feet
Reservoir Pore Volume	: 2179 Ac-Ft
Average Porosity	: 15.6%
Average Permeability	: 5 md (estimated)
Average Connate Water Saturation	: 44.8%
Average Current Oil Saturation	: 50%
Average Residual Oil Saturation	: 25% (estimated)
Original BHP	: 900 psi (estimated)
Present BHP	: 175 psi (estimated)
Bottom Hole Temperature	: 120 deg F (logs)
Original Oil-Water Contact	: +2700' SS at top Cedar Mountain (est)
Original Gas-Oil Contact	: +2840' SS at top Cedar Mountain (est)
<u>Crude Oil Characteristics</u>	
API Gravity @60 deg F	: 36.5 degrees API
Original FVF (Boi)	: 2.10 RBL/STB (est from correlations)
Current FVF (Bo)	: 1.20 RBL/STB (estimated)
Crude Oil Viscosity at Resv. Temp.	: 1.6 cp

TABLE 1
Pertinent Data - Continued

Recovery & Reserves

Original Oil-in-Place (OOIP)	: 4441.049 MSTB
Primary Recovery through 7/91	: 573.92 MSTB
Estimated Production (8/1-12/31/91)	: 6.75 MSTB
Remaining Primary Reserves (1/1/92)	: 12.146 MSTB
Ultimate Primary Recovery	: 592.816 MSTB
% OOIP (Estimated)	: 13.34 %
7/91 Production Rate	: 1214 BBL/MO
Estimated Secondary Recovery	: 325.596 MSTB
% OOIP	: 7.33 %
Estimated Ultimate Primary and Secondary Recovery	: 918.412 MSTB
% OOIP	: 20.68 %
Remaining Primary & Secondary Reserves	: 337.742 MSTB

Waterflood Data

Estimated Water Injection Rate	: 80 BBL/DAY/WELL
Estimated Waterflood Economic Life	: 21 years 11 months
Typical Completion	: Air drill to TD in Entrada formation. Set 4 1/2" casing to TD and produce with rod pump up 2 3/8" tubing. Perforated with 1 to 2 shots per foot. Several wells have been fracture stimulated with 69,000 to 190,000 lbs sand.

DEVELOPMENT HISTORY

Discovery Well

The proposed Calf Canyon Unit is located in Grand County, Utah. The discovery well in the Calf Canyon Unit was the Calf Canyon #1. This well was completed in February of 1977 and is located in the SW SE of Section 3, Township 20 South, Range 21 East. From available information, the Calf Canyon #1 had an initial potential of approximately 110 BOPD.

Field Development

Development continued through 1985 with wells drilled in Sections 2-4 and Sections 9-11, Township 20 South, Range 21 East. Both Willard Pease Oil and Gas plus National Fuel Corporation (J. C. Thompson) operate wells within the proposed unit area.

Continued field development and primary depletion prompted this review of the Calf Canyon Field to determine if the field could be waterflooded successfully. A properly developed waterflood should increase the total recoverable reserves from this field. There is some degree of risk involved in attempting to recover these reserves.

A total of 10 wells were drilled within the proposed Unit area and completed as producers. Currently, eight wells are producing. Of the current producers, it is proposed to convert the Calf Canyon #11 well located in SW SW of Section 3, T20S, R21E.

Completion Practices

Completion practices have been common to the producing wells within the proposed Unit area. Typically, a completion for these wells involved either coring or drilling the Cedar Mountain followed by an electric log run of the entire hole. If a well was completed, 4 1/2" production casing was set through the Cedar Mountain and cemented in place. The production string was perforated in the Dakota formation with 1-2 shots per foot. Several of the wells within the proposed unit were fractured with 69,000 to 190,000 pounds of 20/40 sand when they were completed.

All wells are rod pumped with either a 114 or 160 pumping unit operating on lease gas. Each tank battery consists of two 300 or two 500 BBL tanks and heater treater. Produced water is run to pits. All oil production is transported from the lease by truck.

GEOLOGY

General

The productive zone of interest in the Calf Canyon Area is the Basal Channel Sandstone unit of the Lower Cretaceous, Cedar Mountain formation. The Cedar Mountain formation unconformably overlies the Jurassic Brushy Basin member of the Morrison formation and is in turn unconformably overlayed by the Dakota formation of probable Upper Cretaceous age.

Although data to determine the lithology of the reservoir at Calf Canyon is very limited, the reservoir is likely to be a cherty, conglomeratic sandstone with irregular sorting and probably calcite cement. The formation contains an undetermined amount of clay in the productive area. The gross sandstone thickness varies from 22 to 51 feet and the net sandstone or pay interval varies from 18 to 38 feet. Separate reservoirs may be present within the overall channel system.

Trapping Mechanisms

A mostly West to East trending channel sandstone is draped across the Northwest plunge of the Cisco Dome anticline and forms a trap where the reservoir pinches-out updip at the edge of the channel.

Primary Drive Mechanism

The primary oil recovery mechanism in the Calf Canyon Unit is solution gas drive. Some water is produced from the Cedar Mountain. However, there is little indication of an active water drive recovery mechanism in the field.

RESERVES

Original Oil in Place

The original oil in place for the field was determined to be 4,435 MSTBO based on recent net pay maps. (See Figure 4, Cedar Mountain Isopach.) Other pertinent values used in the OOIP calculations included 15.6% porosity, current estimated initial water saturation of 44.8%, and a formation volume factor of 2.10 RBL/STB at the initial estimated reservoir pressure of 1300 psi.

The average water saturation and porosity within the pay zone were determined from log and core analysis.

Current gas saturation was based on typical Cedar Mountain GOR's, material balance runs, available pressure data, oil gravity, and correlations to determine bubble point pressure. The current formation volume factor (FVF) of 1.20 was calculated from a nomograph (after Standing).

Primary Reserves

The cumulative primary recovery from the proposed Calf Canyon Unit within the proposed unit boundary as of July 31, 1991, was 573,920 STBO.

The remaining primary reserves as of January 1, 1991 were estimated to be 12,146 STBO. This figure was determined utilizing a summation of extrapolated decline curves (See Appendix A). The ultimate primary recovery was estimated to be 592,816 STBO or 13.34 per cent of the original oil in place. Estimated production data from August to December 1991 was included in the ultimate primary recovery estimate.

Secondary Reserves

Secondary reserves and waterflood performance were based on the expected sweep area between the Calf Canyon #11 (proposed injector) and the remaining producing wells in Sections 3,9 & 10. The expected sweep area was determined from a method described by Slider[1].

Based on the expected sweep area, total floodable reservoir acreage was estimated to be 118 acres with an average net pay of 32.6 feet. Core analysis showed the residual oil saturation to be 25% and connate

---

[1] Slider, H. G. Worldwide Practical Petroleum Reservoir Engineering Methods. PennWell Publishing Company, Tulsa, Oklahoma, 1983, pp 598-607.

water saturation to be 44.8%. Average permeability from core data is 5 md.

Once the floodable pore volume was determined, the field was then modelled using the waterflood portion of Polymer Flood Predictive Model (PFPM) originally developed by Scientific Software-Intercomp under contract to the U.S. Department of Energy and the National Petroleum Council. Waterflood data input to the model was based on a single 118-acre pattern system with one injector and eight producers coupled with the economic assumptions discussed in a later section.

The potential additional secondary reserves from the Cedar Mountain reservoir within the proposed Calf Canyon Unit boundary were estimated by the model to be 325,596 STBO.

WATERFLOOD FEASIBILITY

Analogy to Adjacent Waterfloods

No reasonably commercial Cedar Mountain waterfloods are known to exist in the same area as the proposed Calf Canyon Unit.

Preliminary Calf Canyon Unit Development Plan

The goals of the waterflood development plan are to maximize secondary recovery while providing for sufficient rates of injection to allow rapid return of the waterflood capital investment.

A pilot project is felt to be unnecessary because of the small size of the proposed unit. The estimated capital budget summary for the Calf Canyon Unit is attached (see Appendix D).

Water injection will be established by converting the Calf Canyon #11, SW SW Section 3, T20S, R21E to an injection well. It is proposed to convert the well to injection by perforating the Entrada Formation, setting a packer between the Entrada and Cedar Mountain, and using a conventional rod pump to inject water into the Cedar Mountain. To maintain mechanical integrity, a second packer will have to be set above the Cedar Mountain. The lower packer will be a retrievable production packer run and set on wireline. The upper packer will be run in conjunction with the injection tubing.

A total of 1 injection well and 8 producing wells are planned. Oil recovery rates are based on a total injection rate of 80 BWIPD. This rate will be varied as required by the flood response.

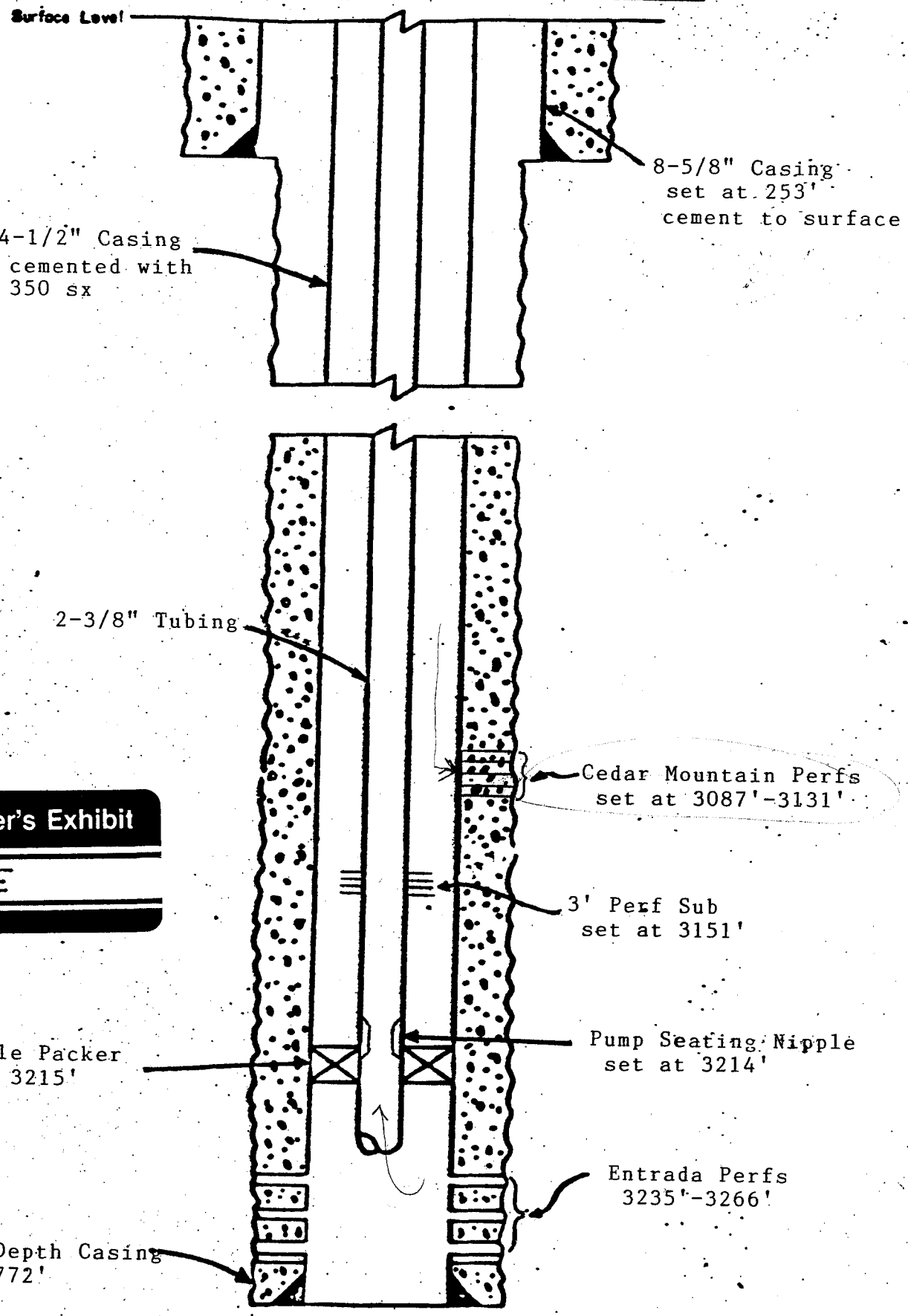
Makeup water will come from the Entrada formation. Produced water will be returned to the water injection plant, recycled and injected.

The water injection plant will consist of water storage, a gas driven water injection pump, filters, meters, and controls. It is not expected that incompatibility between the makeup water and produced water will be a problem. However, alternating injection of the produced water and makeup water may be desirable, and the planned injection facilities will be sufficiently flexible to allow this procedure. The motors, pumps, and filters would be housed and all piping will be steel, plastic coated steel, stainless steel or fiberglass. All equipment will be adequately protected against corrosion.

The water distribution system will consist of 2" high pressure pipe buried below the frost line running from the injection facility to the proposed injector, Calf Canyon #11, in Section 3.

If waterflood response is significant, tank batteries will be

Schematic Drawing of Subsurface Construction
Detail of Injection Well Calf Canyon #11
Made a part of Injection Application dated 09/1992



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consolidated into a single production facility, equipped with a free-water knock-out, emulsion treater and crude oil storage tanks.

It is anticipated that the normal pumping systems (114 & 160 pumping units, 2 3/8" tubing with 7/8ths and 3/4 inch rods) will be adequate for the existing producing wells.

Flood performance will be monitored by frequent well tests and producing wells will be monitored for "pumped off" condition using acoustic fluid level instruments and dynamometers.

ECONOMIC FEASIBILITY

Project economics were calculated utilizing an assumed crude oil price of $18.00 per barrel after deductions for gravity and transportation. The oil price and operating costs were held constant throughout the project life. Production taxes (advalorem, severance, real estate, and conservation) were estimated to be 10.0%.

Economic forecasts were before income taxes in all cases, except where specifically indicated.

The evaluation was effective January 1, 1992 and assumed waterflood plant investment costs of $80,000. Additionally, the investment of project installation, engineering, and conversion of the proposed injector accounts for the remaining $175,000 bringing the total investment to $255,000. Assumed water injection startup date is July or August, 1992.

Discounted cash flows for Unit remaining primary production were obtained by forecasting the remaining primary production for the proposed unit. The remaining primary production trend was determined by evaluation of decline curves. Operating costs were assumed to be $1000 per well per month during primary production. An average unit net revenue interest to working interest ratio of 80.00% was assumed to determine net income.

Similar cash flows for the secondary recovery from the proposed unit were also prepared. Capital costs were estimated as shown in Appendix D. Lease operating expenses were estimated by adding total producing well costs and injection costs divided by the total well count. Per well costs were estimated at $1,000/well/month.

The incremental economic feasibility of the proposed secondary recovery project was obtained by comparing the economic results of unit operation, derived from the PFPM model, with those derived from continued lease primary production. This comparison provides incremental investment costs, operating expense, and revenue attributable to the waterflood.

The remaining primary economic cash flow analysis forecast is shown in Appendix A and the waterflood economic cash flow analysis forecast is shown in Appendix C. The Summary of Economics, Table 2, displays the major results.

Based on the assumptions and methods described above, initial waterflood investment of $255,000 would yield a discounted cash flow before tax of $ 819,353, using a 10% discount rate. Payout would occur within the 26 months from project startup.

TABLE 2
Summary of Economics

	Primary	Future Secondary	Primary & Secondary
Cumulative Oil (07/31/91)	573,920		573,920
Estimated Production (08/01-12/31/91)	6,750		6,750
Reserves (01/01/92)	12,146	325,596	337,742
Ultimate Oil Production	592,816	325,596	918,412
Recovery %	13.34%	7.34%	20.68%
Investment		$255,000	$255,000
Profit After Expenses and Production Taxes (P.W. @ 10%)	$29,701	$682,140	$711,841
Payout, from 08/01/92	N/A	26 months	26 months
Rate of Return, BFIT	N/A	42.9%	42.9%
Return on Investment (Discounted)	N/A	3.79	3.79

PARAMETER SUMMARY

The parameters chosen for use in the participation formula were those most likely to be considered in the efficient development and equitable division of the Calf Canyon Unit. The data and techniques utilized in determining these parameters are described below. Table 3 (will be prepared upon receipt of specific tract descriptions) lists the parameters used in the participation formula on an individual tract basis.

Productive Acres

Productive acreage was defined as the number of acres falling A) within the unit boundary and B) within the reservoir volume zero contour line.

Reservoir Pore Volume

Logs were examined for each well within the sweep area and near the proposed injectors. The analysis determined the top of the Cedar Mountain zone to be approximately 3000' below KB with an estimated average core porosity of 15.6% and average net pay of 19.41 feet. Values for net pay for each well were recorded. A net pay map for the field was then created from these values. Planimetering the net pay map produced the acre-ft of net pay assignable to each tract. Reservoir pore volume was recorded for the Cedar Mountain zone on a tract basis, in units of porosity times acre feet of reservoir rock.

Cumulative Oil Production

Cumulative oil production was compiled on a historical field basis for the Calf Canyon leases through July of 1991. Production is reported to the nearest barrel.

Remaining Primary Reserves

Remaining primary reserves were calculated by fitting a exponential decline curve (straight-line decline) to monthly production data, plotted through July 31, 1991. The individual and field decline curves are shown in Appendix A. Remaining field primary reserves were calculated using this decline trend and current economic data to forecast the amount of oil that could be recovered economically under continued primary operations. Remaining primary reserves were defined as the primary production occurring from August 1, 1991 to the economic limit.

Ultimate Primary

Ultimate primary production was defined as the sum of the cumulative oil production to date plus remaining primary reserves.

Current Production

Current production was compiled on a well/lease basis from production figures reported by the Operator.

TABLE 3
Tract Participation Parameters

30-Apr-92

Calf Canyon Unit
Tract Participation Parameters

OPERATOR: Williard Pease Oil and Gas Company LEASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. (AUG-OCT) BBLS/MO.	%
Section 3	1	296352	51.0720%	4330.190	36.5490%	15628	95.2362%	1096807	34.1524%	5	50.0000%	833	71.2892%
Section 4	2	0	0.0000%	1406.930	11.8752%	0	0.0000%	447576	13.9366%	0	0.0000%	0	0.0000%
Section 9	3	3727	0.6423%	1407.910	11.8835%	0	0.0000%	444160	13.8303%	1	10.0000%	72	6.1596%
Section 10 NW/2	4	229748	39.5938%	1899.350	16.0315%	782	4.7638%	375261	11.6849%	3	30.0000%	201	17.1614%
Section 10 NE/2	5	0	0.0000%	1836.180	15.4983%	0	0.0000%	584131	18.1887%	0	0.0000%	0	0.0000%
Section 11	6	50436	8.6919%	967.070	8.1626%	0	0.0000%	263573	8.2071%	1	10.0000%	63	5.3897%
TOTAL ALL TRACTS:		580263	100.0000%	11847.6	100.0000%	16410	100.0000%	3211509	100.0000%	10	100.0000%	1169	100.0000%

LIST OF FIGURES

Page 16 - Figure 1 - Tract Index Map (will be prepared upon receipt of specific tract descriptions)
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Page 18 - Figure 3 - Calf Canyon Cedar Mountain Structure
Page 19 - Figure 4 - Calf Canyon Cedar Mountain Isopach
Page 20 - Figure 5 - Calf Canyon Field Area Map
Page 21 - Figure 6 - Type Log

Figure 1
Tract Index Map

WILL BE PREPARED UPON RECEIPT OF SPECIFIC TRACT DESCRIPTIONS

Figure 4

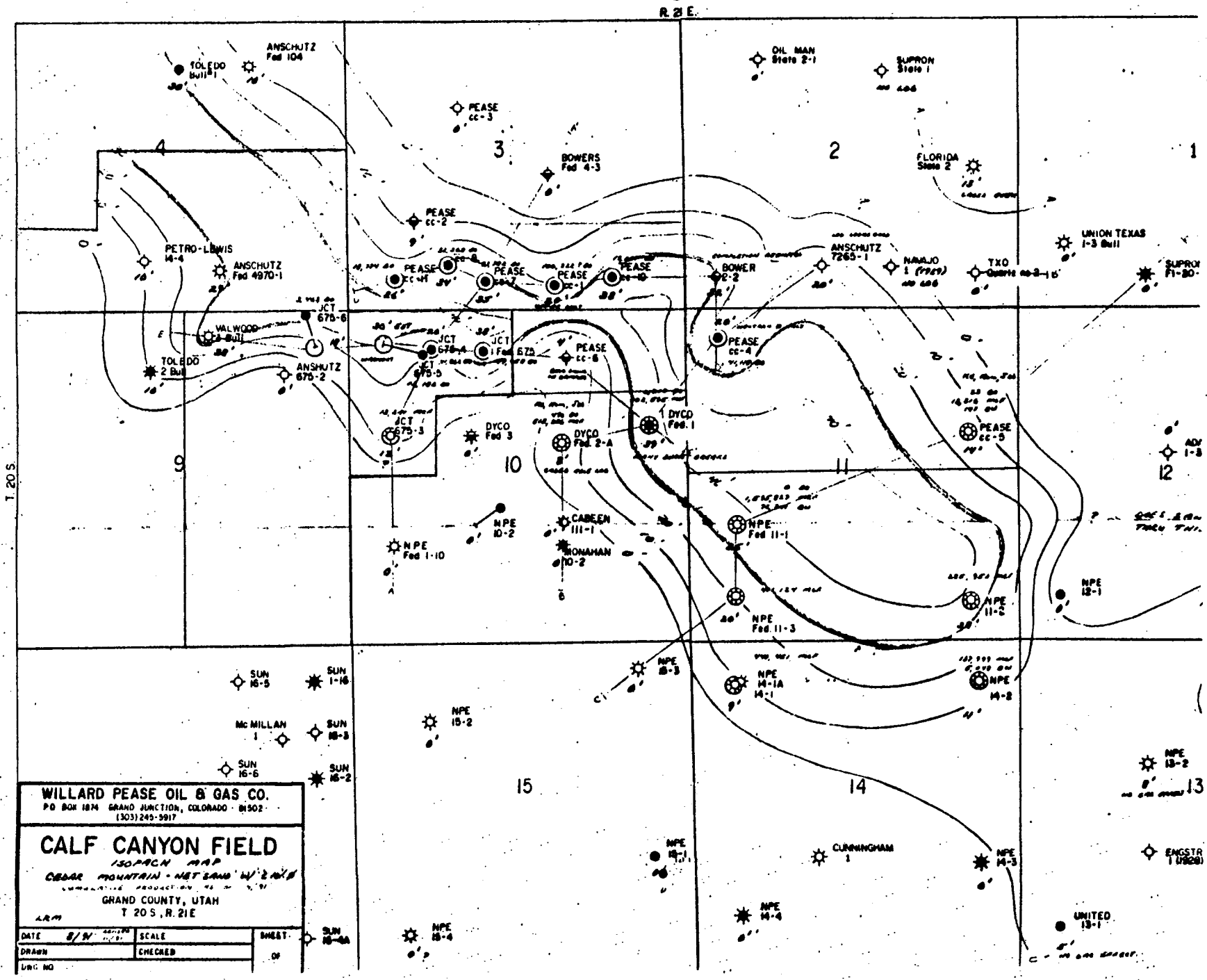

R. 21 E.
T. 20 S.
WILLARD PEASE OIL & GAS CO.
PO BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-5917
CALF CANYON FIELD
ISOPACH MAP
CEDAR MOUNTAIN - NET SAND
GRAND COUNTY, UTAH
T 20 S, R. 21 E
DATE
SCALE
SHEET
DRAWN
CHECKED
DWG NO
ANSCHUTZ Fed 104
TOLEDO Bull 1
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PEASE cc-2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-11
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO
UNION TEXAS 1-3 Bull
SUPRON
JCT 675-6
VALWOOD
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed 1-10
NPE Fed 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
SUN 16-5
SUN 1-16
McMILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
UNITED 13-1
SUN 16-4A
NPE 15-4
1
2
3
4
9
10
11
12
13
14
15

Figure 3

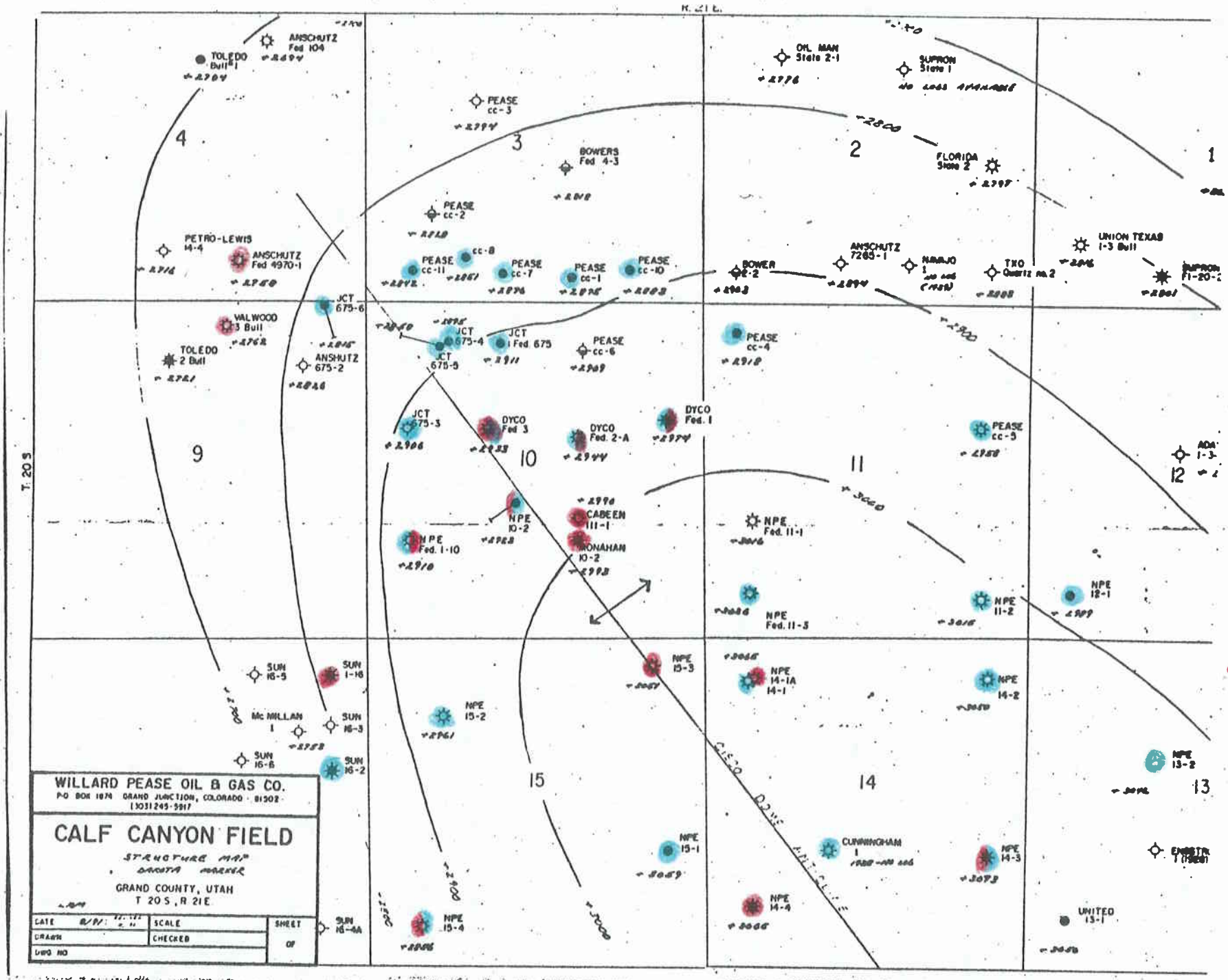
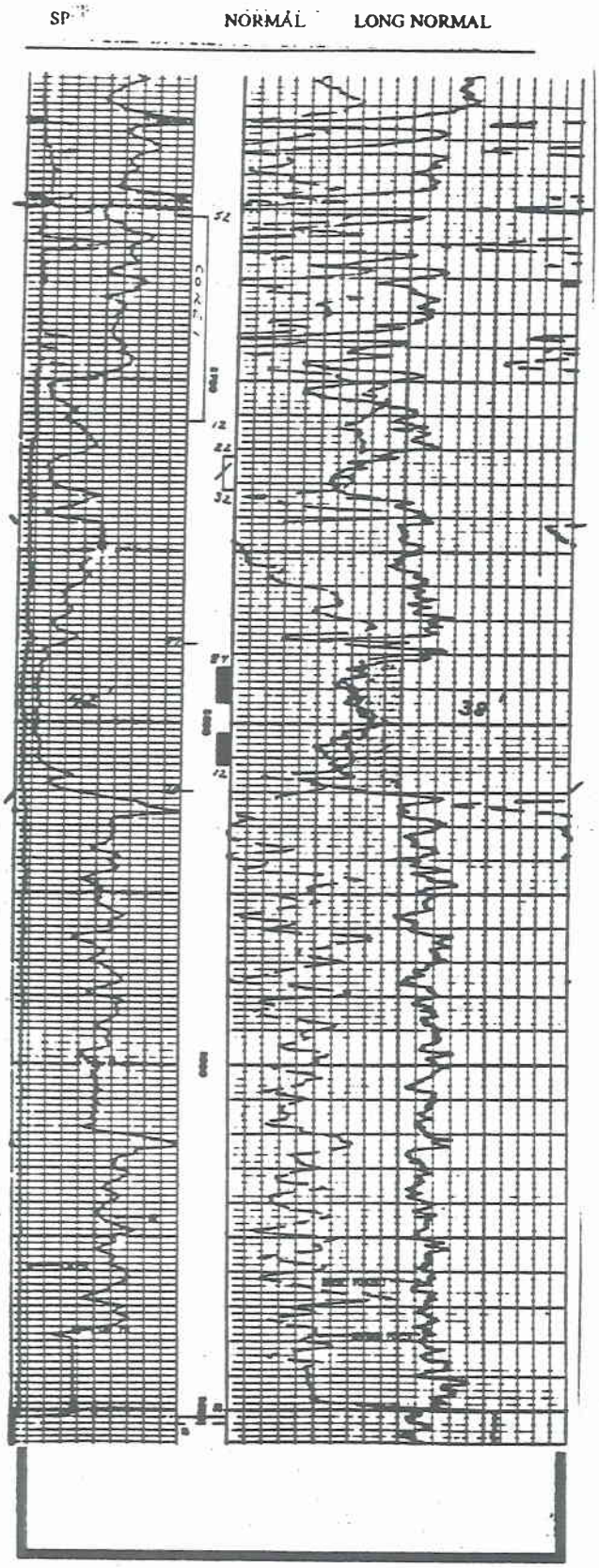

R. 21 E.
T. 20 S.
WILLARD PEASE OIL & GAS CO.
P.O. BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-5917
CALF CANYON FIELD
STRUCTURE MAP
DAKOTA MARKER
GRAND COUNTY, UTAH
T 20 S, R 21 E
DATE
SCALE
SHEET
DRAWN
CHECKED
OF
DWG NO
TOLEDO Bull #1
ANSCHUTZ Fed 104
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PEASE cc-2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-11
cc-8
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
SUPRON F1-20-2
JCT 675-6
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
ADA 1-3
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed. 1-10
NPE Fed. 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
Mc MILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 15-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
CISCO DOME ANTICLINE
1
2
3
4
9
10
11
12
13
14
15

Figure 6
Type Log

Willard Pease Oil and Gas Co. - JCT 1 Federal 675
NE NW Section 10, T20S R21E Completed 4/78



2742' - Cedar Mountain

Figure 3

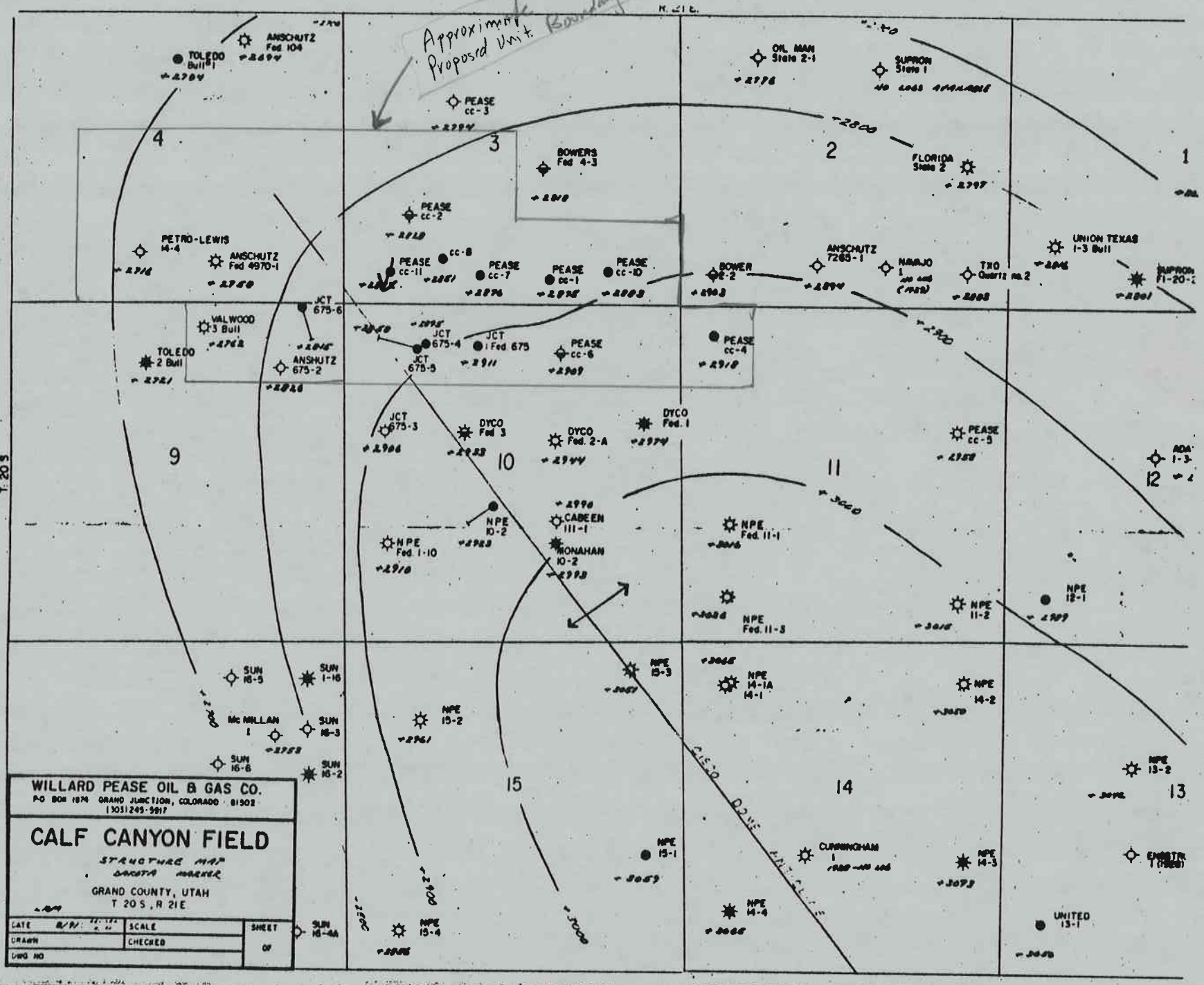
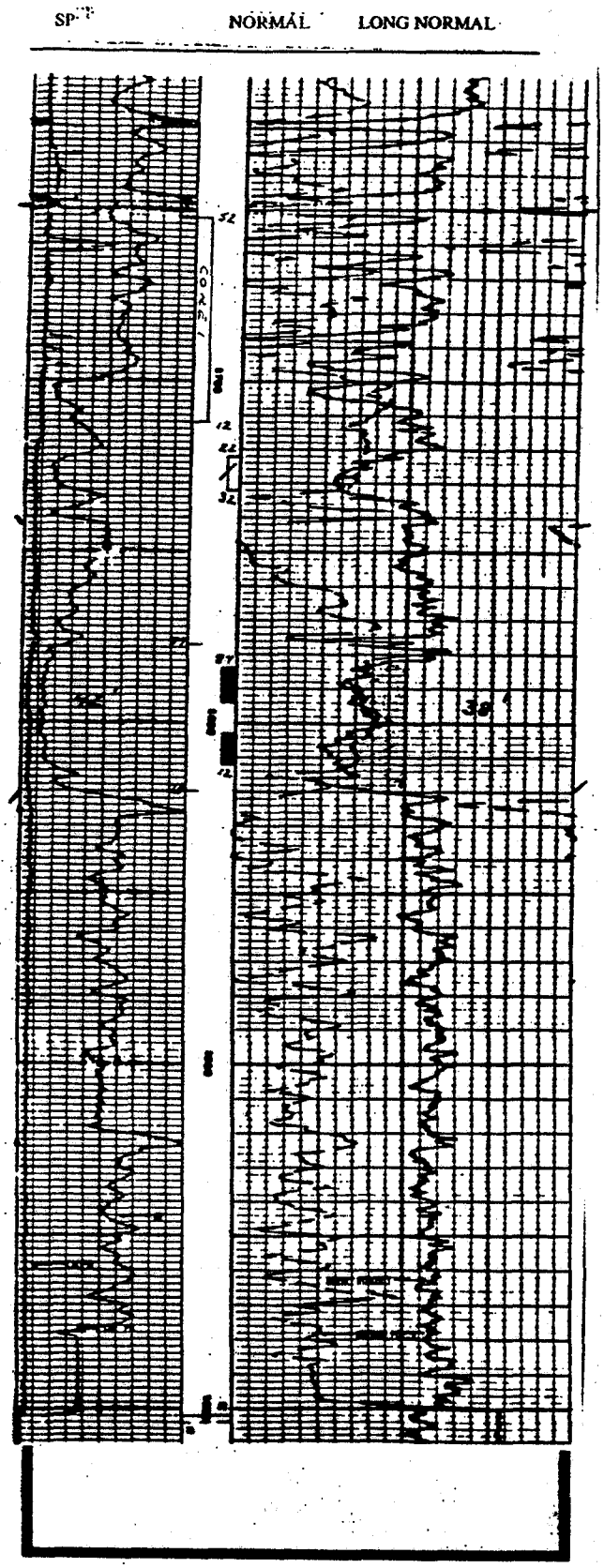

Approximate Proposed Unit Boundary
R. 21 E.
T. 20 S.
WILLARD PEASE OIL & GAS CO.
P.O. BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-9917
CALF CANYON FIELD
STRUCTURE MAP
DAKOTA MARKER
GRAND COUNTY, UTAH
T 20 S, R 21 E
DATE
SCALE
SHEET
OF
DRAWN
CHECKED
DWG NO
TOLEDO Bull 1
ANSCHUTZ Fed 104
PEASE cc-3
OIL MAN State 2-1
SUPRON State 1
BOWERS Fed 4-3
FLORIDA State 2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-2
PEASE cc-11
cc-8
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
SUPRON F1-20-2
JCT 675-6
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
ADA 1-3
NPE 10-2
CABEEN 111-1
NPE Fed. 1-10
MONAHAN 10-2
NPE Fed. 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
McMILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
1
2
3
4
9
10
11
12
13
14
15

Figure 6
Type Log

Willard Pease Oil and Gas Co. - JCT 1 Federal 675
NE NW Section 10, T20S-R21E Completed 4/78



2742' - Cedar Mountain

Figure 3

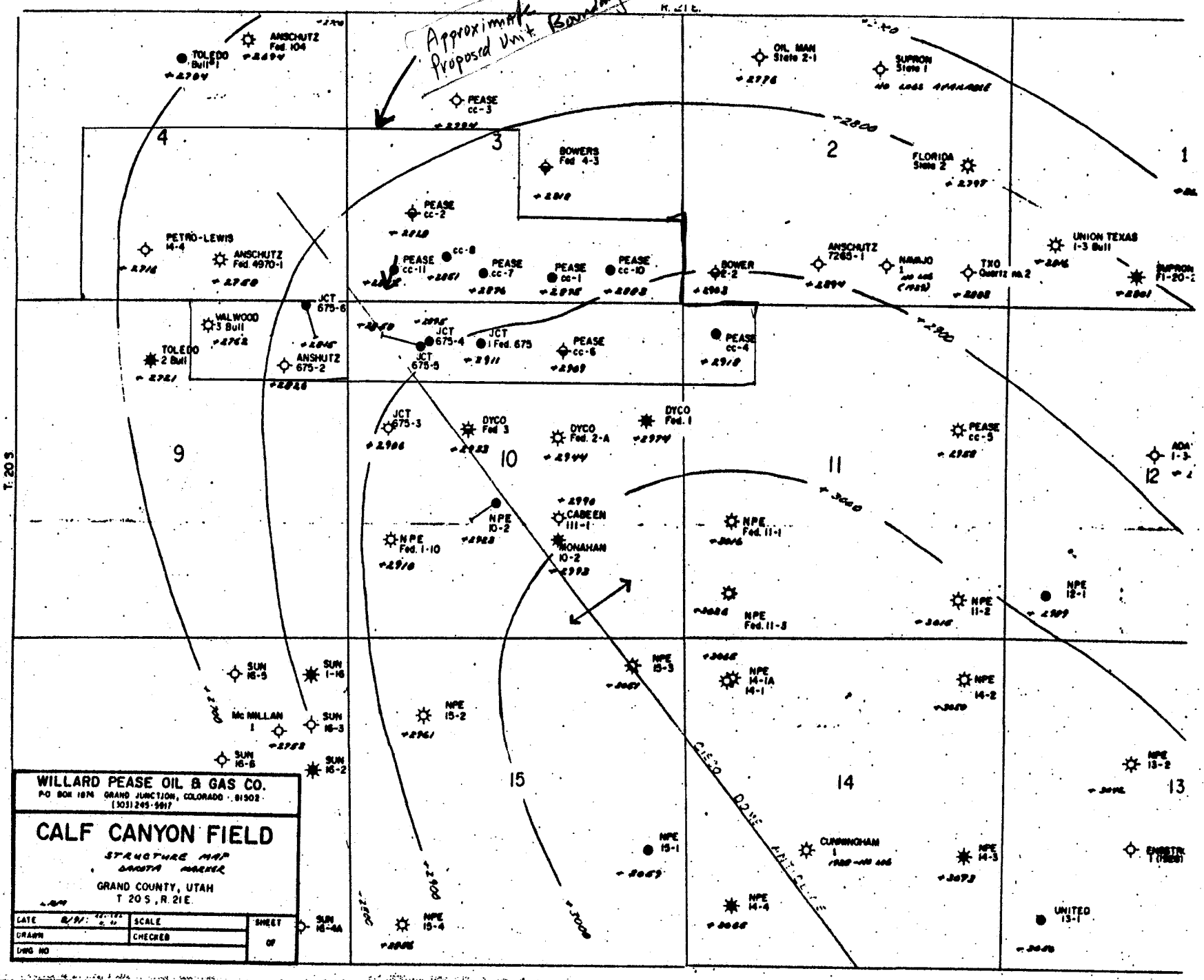

Approximate Proposed Unit Boundary
R. 21 E.
T. 20 S.
TOLEDO Bull 1
ANSCHUTZ Fed. 104
PEASE cc-3
OIL MAN State 2-1
SUPRON State 1
BOWERS Fed 4-3
FLORIDA State 2
PETRO-LEWIS 14-4
ANSCHUTZ Fed. 4970-1
PEASE cc-2
PEASE cc-11
cc-8
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER E-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
SUPRON F1-20-2
JCT 675-6
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed. 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed. 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
ADA 1-3
NPE 10-2
CABEEN 111-1
NPE Fed. 1-10
MONAHAN 10-2
NPE Fed. 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
Mc MILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
CISCO DOME ANTICLINE
4
3
2
1
9
10
11
12
15
14
13
WILLARD PEASE OIL & GAS CO.
P.O. BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-9917
CALF CANYON FIELD
STRUCTURE MAP
DAKOTA MARKER
GRAND COUNTY, UTAH
T 20 S, R 21 E
DATE
SCALE
SHEET
DRAWN
CHECKED
OF
DWG NO

Figure 5
Calf Canyon Field Area Map

Appendix A

Unit Production History & Remaining Primary Economics

OPERATOR: WILLARD PEASE OIL AND GAS CO
LSE WELLNO: PROPOSED CALF CANYON UNIT
FIELD: CALF CANYON
COUNTY: GRAND
STATE: UTAH

CCREMPRIM

OIL GAS PROPERTY REPORT
Proposed Calf Canyon Unit
Report Date: APR 1992
Discount Date: APR 1992
Evaluation Date: JAN 1992

DEPTH: 3000
FORMATION: CEDAR MOUNTAIN
LOCATION: SEC 3,4,9,10,11 T20S R21E

---------- REPORT COMMENTARY ----------

Remaining Primary Determination
Oil Price = $18.00
LOE = $1000/MO/WELL
8 Producing Wells

----- DIVISION OF INTEREST ----

1st NONZERO WI	1/92	100.000000%
1st NONZERO NRI	1/92	80.000000%
FINAL W.I.		100.000000%
FINAL N.R.I.		80.000000%

---- PROFIT AND PRODUCTION INDICATORS ----

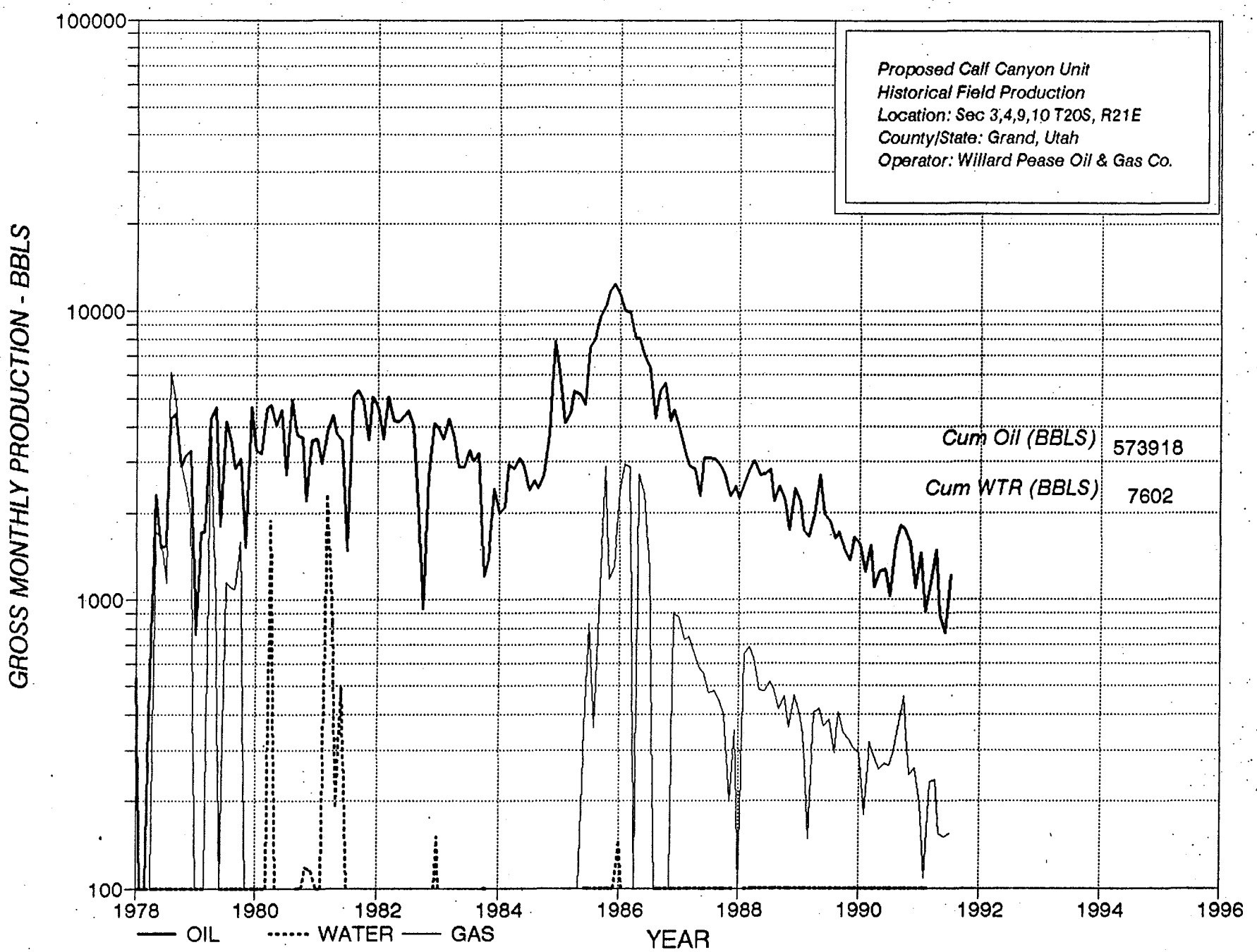
LIFE OF THE PROJECT	1 years 4 months
PAYOUT TERM	N/A
ROI - DISCOUNTED	N/A
ROI - UNDISCOUNTED	N/A
INTERP. IRR	N/A

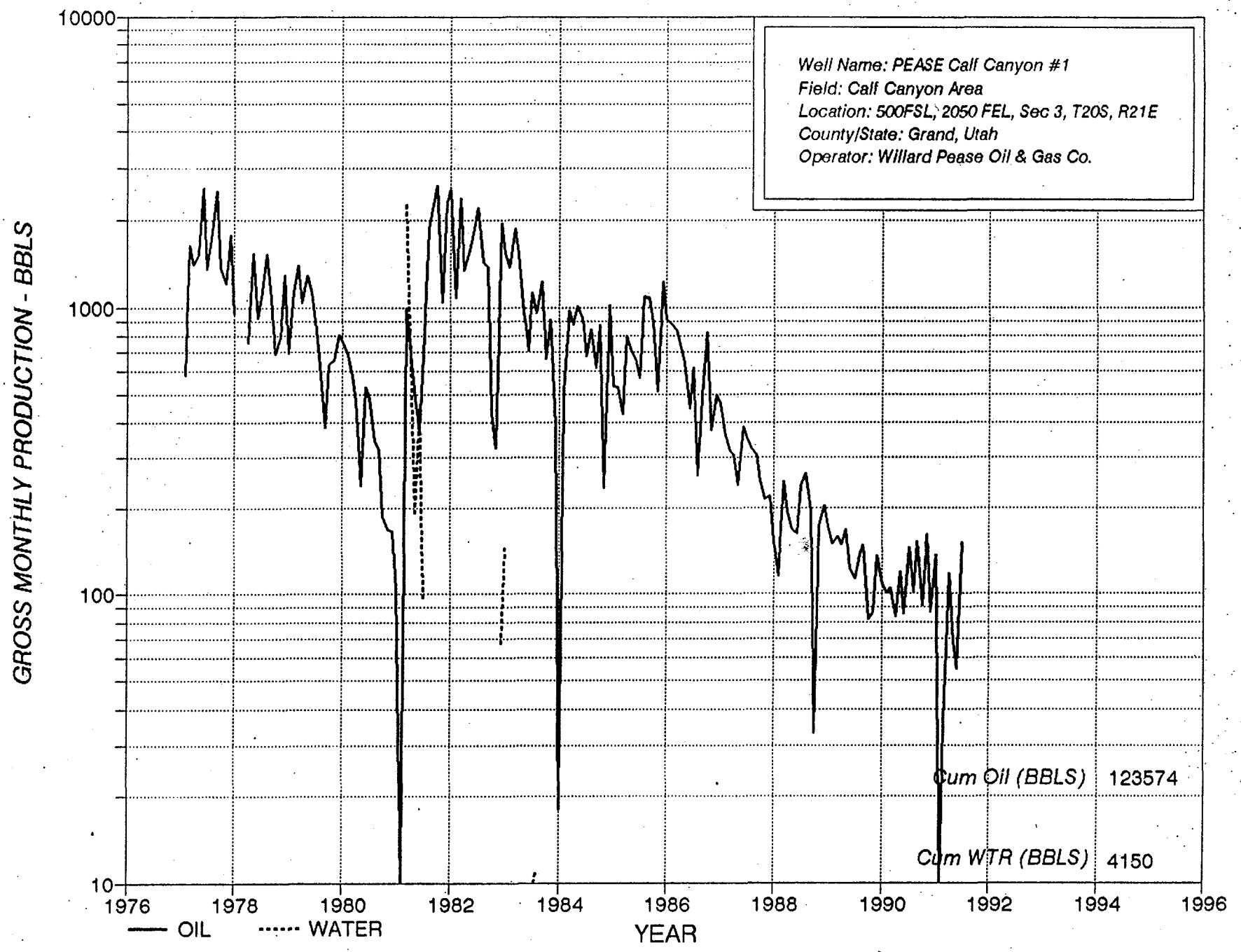
END OF PERIOD (MO/YR)	GROSS PRODUCTION OIL & CND --(MBBL)--	GROSS PRODUCTION GAS & CGS --(MMCF)--	NET PRODUCTION OIL & CND --(MBBL)--	NET PRODUCTION GAS & CGS --(MMCF)--	EFFECTIVE PRICES OIL & CND --($/BBL)--	EFFECTIVE PRICES GAS & CGS ($/MCF)	GROSS REVENUE OIL & CND ----(M$)----	GROSS REVENUE GAS & CGS ----(M$)----	NET REVENUE OIL & CND ----(M$)----	NET REVENUE GAS & CGS ---(M$)----
INTERIM	2.862	0.000	2.289	0.000	18.00	N/A	51.513	0.000	41.211	0.000
12/92	7.122	0.000	5.698	0.000	18.00	N/A	128.196	0.000	102.557	0.000
12/93	2.162	0.000	1.730	0.000	18.00	N/A	38.914	0.000	31.131	0.000
SUB TOTAL	12.146	0.000	9.717	0.000	3.38	N/A	218.623	0.000	174.899	0.000
REMAINDER	0.000	0.000	0.000	0.000	N/A	N/A	0.000	0.000	0.000	0.000
TOTAL	12.146	0.000	9.717	0.000	N/A	N/A	218.623	0.000	174.899	0.000

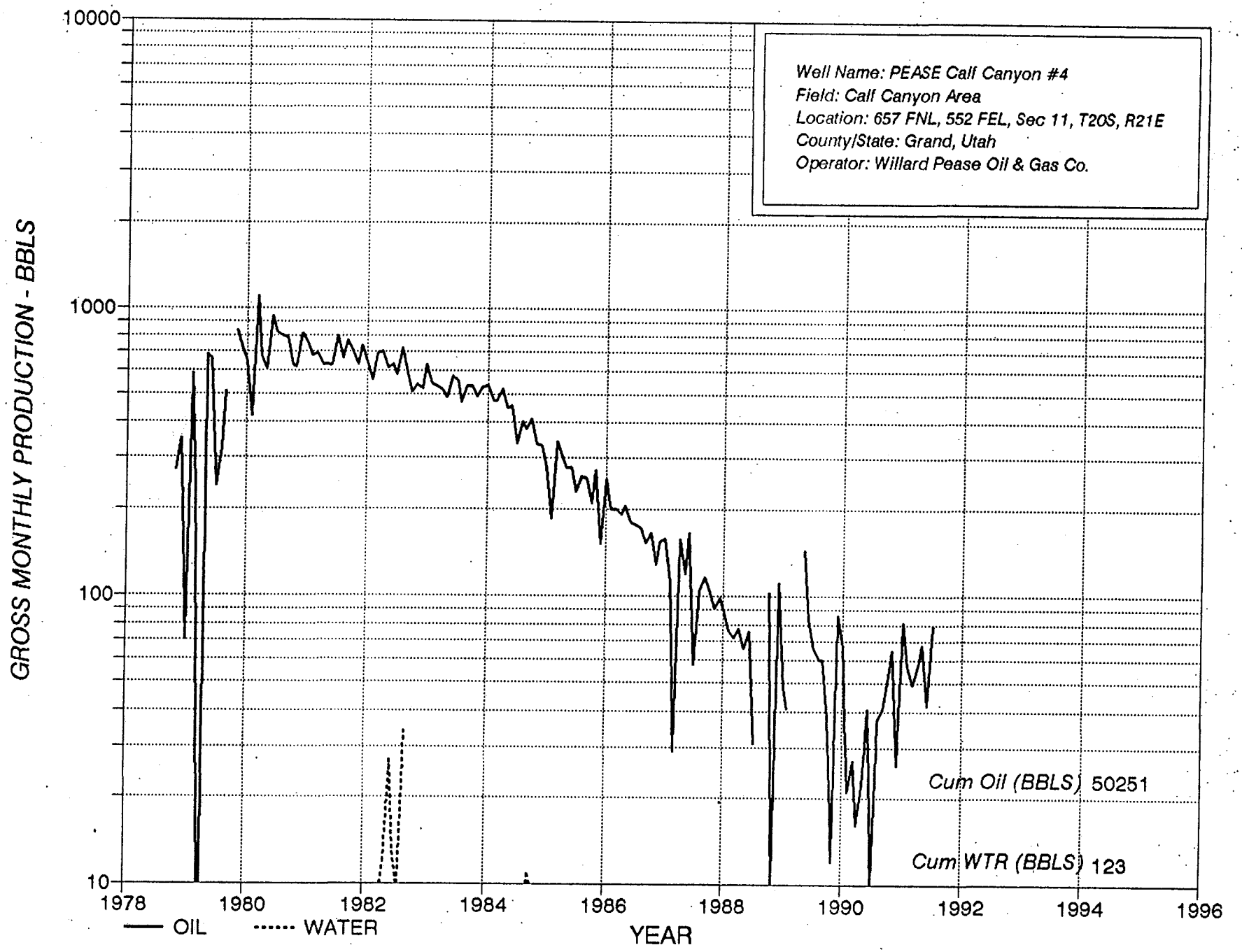
END OF PERIOD (MO/YR)	OPERATING EXPENSES GROSS (8/8) ----(M$)----	OPERATING EXPENSES NET TO WI ---(M$)----	GROSS PROD. TAXES ---(M$)----	NET PROD. TAXES ---(M$)----	NET CASH OPER. INC. ---(M$)----	TOTAL NET INVESTMENT ----(M$)---	NET OPERATING INCOME BFIT UNDISC ----(M$)-	CUM UNDSC ---(M$)-----	DISC @ 10.00% -----(M$)---	CUM DISC ----(M$)---
INTERIM	24.000	24.000	4.453	4.021	13.190	0.000	13.190	13.190	13.307	13.307
12/92	72.000	72.000	11.083	10.006	20.551	0.000	20.551	33.741	19.875	33.182
12/93	32.000	32.000	3.364	3.037	-3.906	0.000	-3.906	29.835	-3.481	29.701
SUB TOTAL	128.000	128.000	18.900	17.064	29.835	0.000	29.835	29.835	29.701	29.701
REMAINDER	0.000	0.000	0.000	0.000	0.000	0.000	0.000	29.835	0.000	29.701
TOTAL	128.000	128.000	18.900	17.064	29.835	0.000	29.835	29.835	29.701	29.701

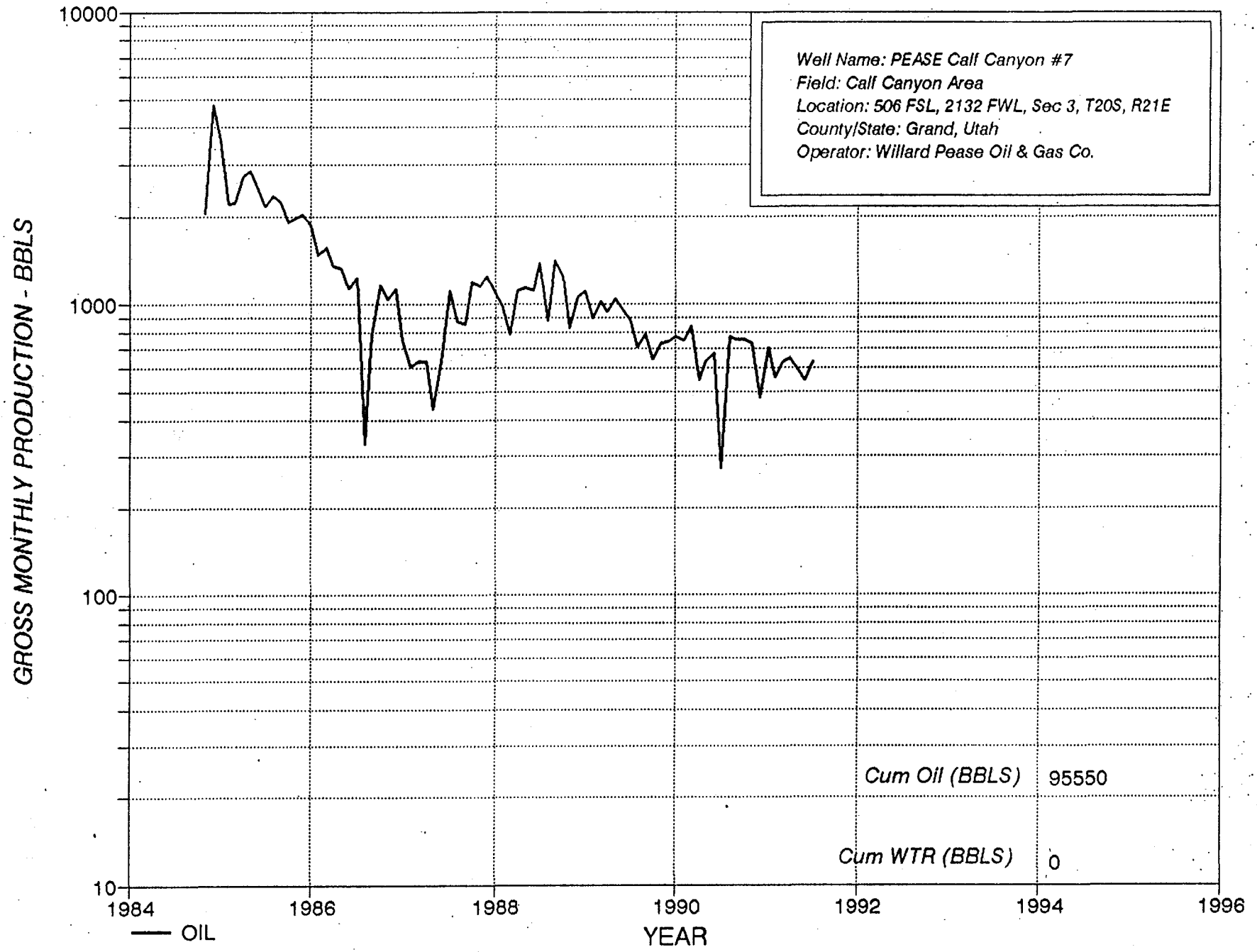
---------- PRESENT WORTH PROFILE ----------

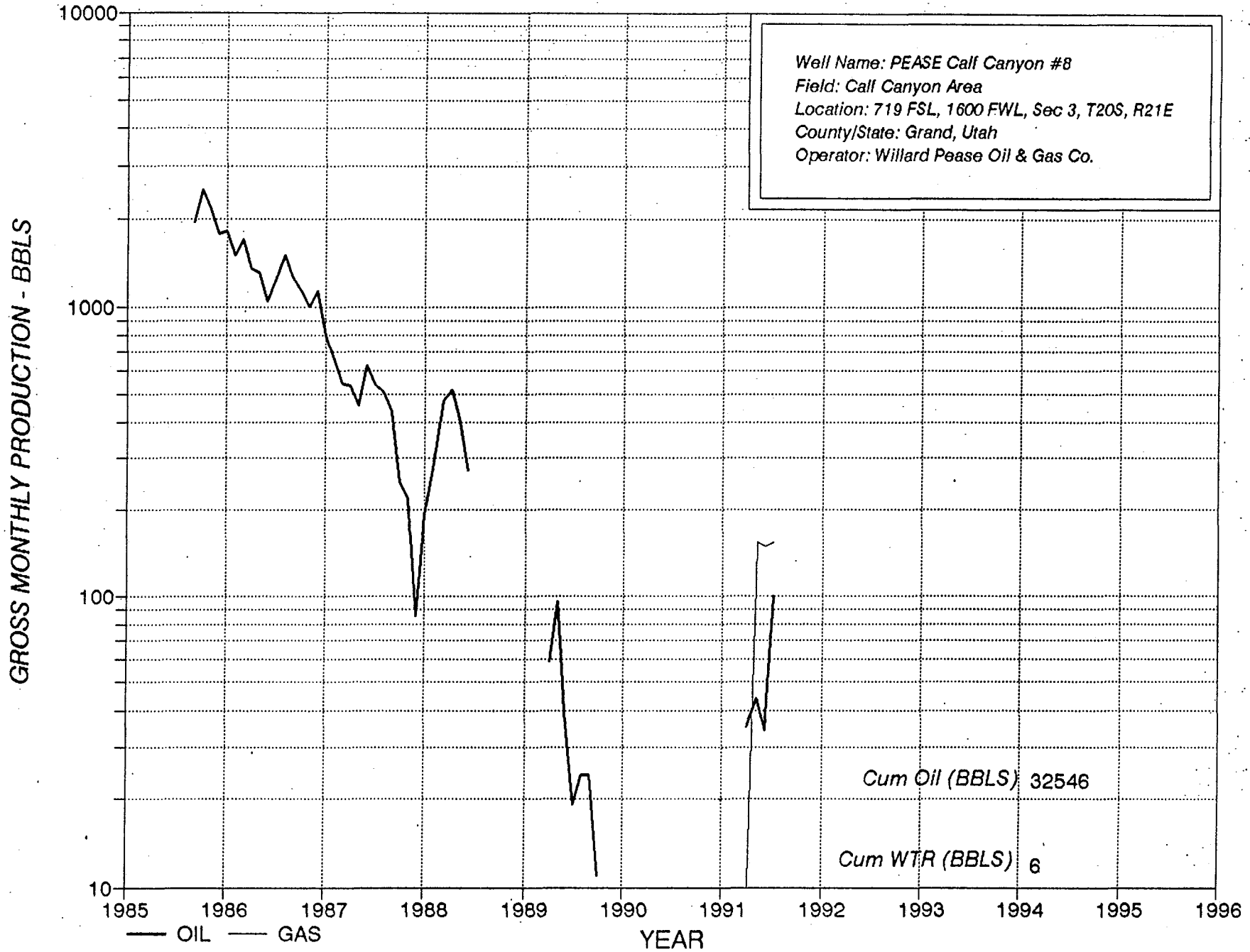
1 -	5.00 %	29.770 M$	3 -	15.00 %	29.630 M$	5 -	25.00 %	29.478 M$	7 - 40.00 % 29.2
2 -	10.00 %	29.701 M$	4 -	20.00 %	29.555 M$	6 -	30.00 %	29.400 M$	

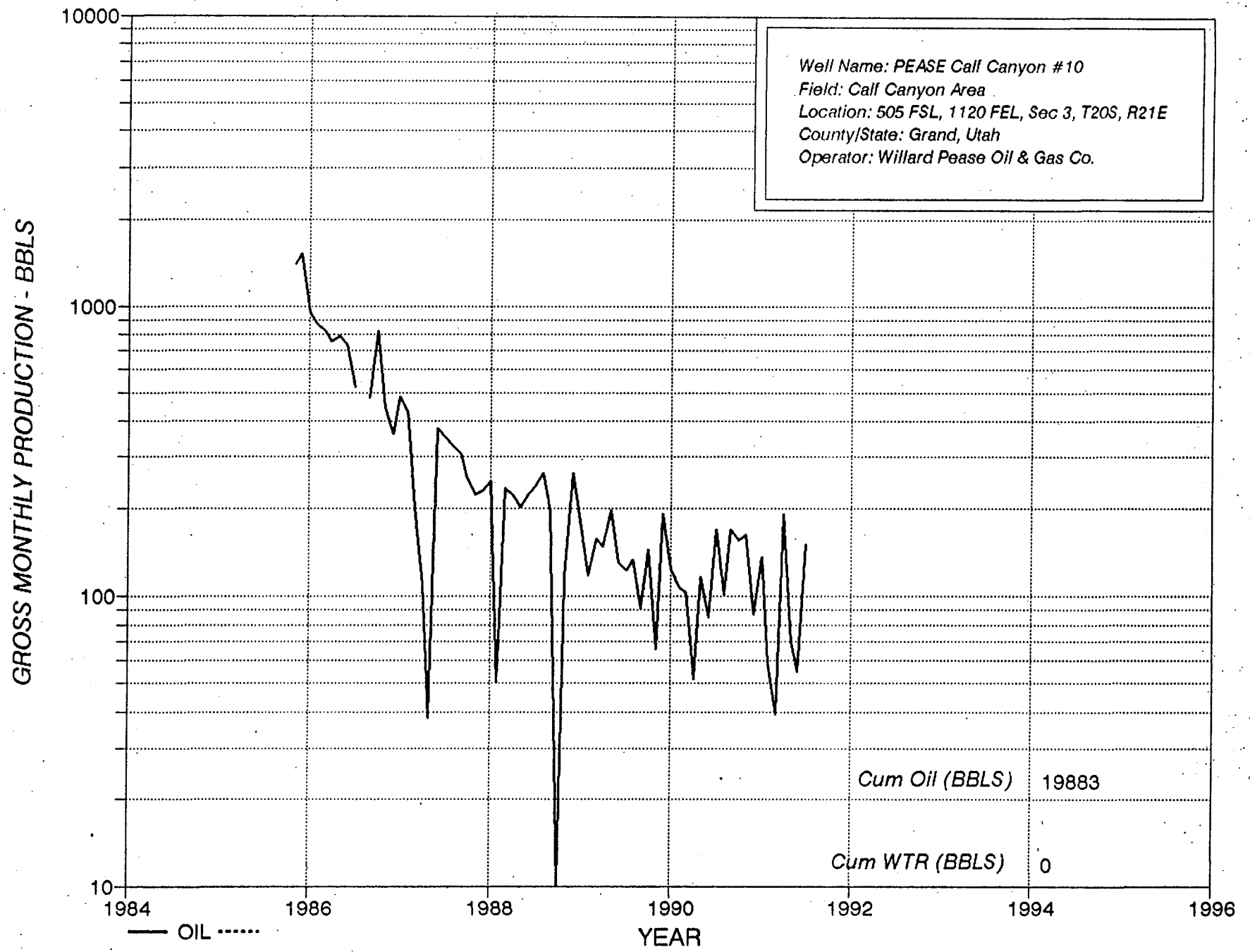

Proposed Calf Canyon Unit
Historical Field Production
Location: Sec 3,4,9,10 T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Cum Oil (BBLS) 573918
Cum WTR (BBLS) 7602
GROSS MONTHLY PRODUCTION - BBLS
100000
10000
1000
100
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER
GAS

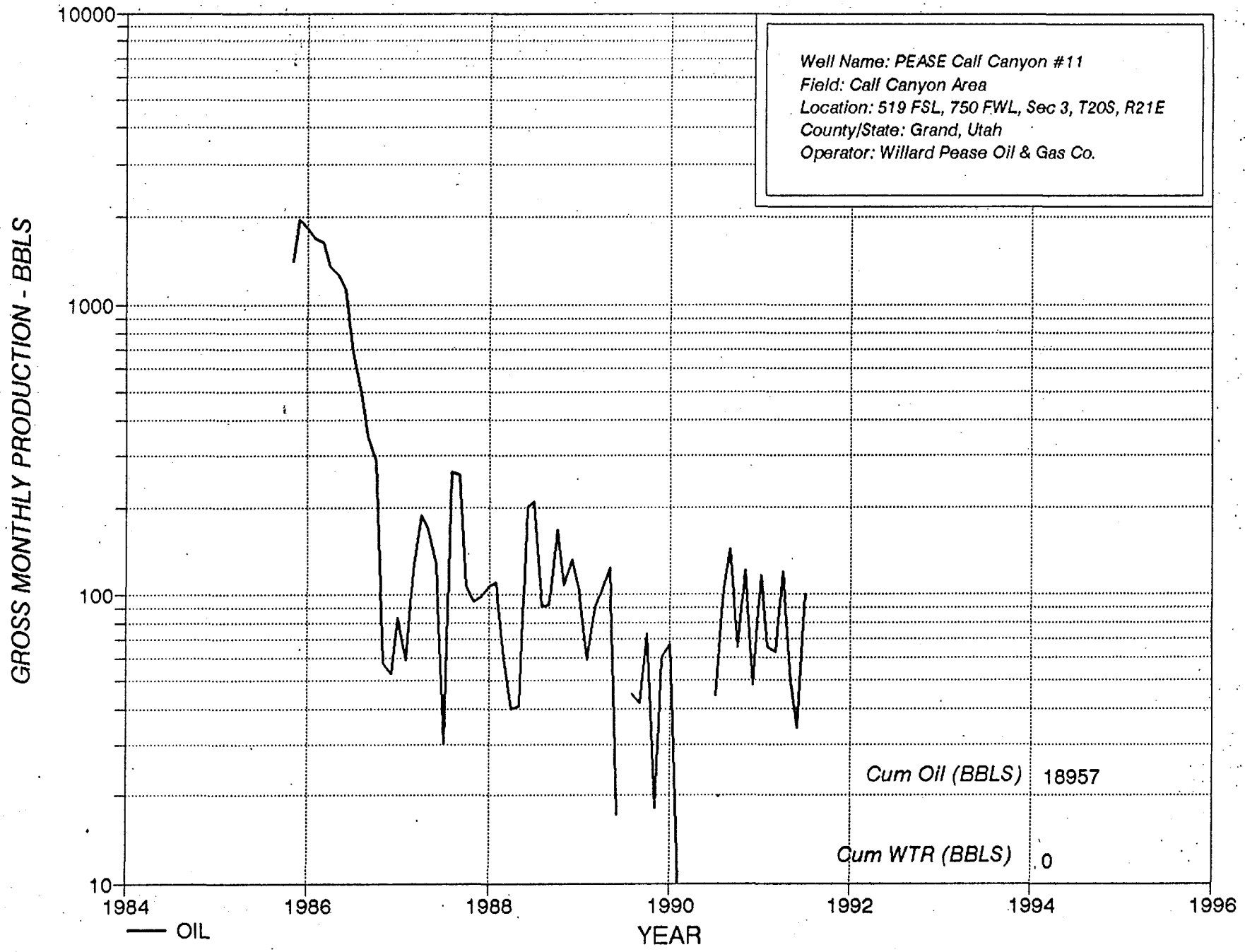

Well Name: PEASE Calf Canyon #1
Field: Calf Canyon Area
Location: 500FSL, 2050 FEL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Cum Oil (BBLS) 123574
Cum WTR (BBLS) 4150
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1976
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER

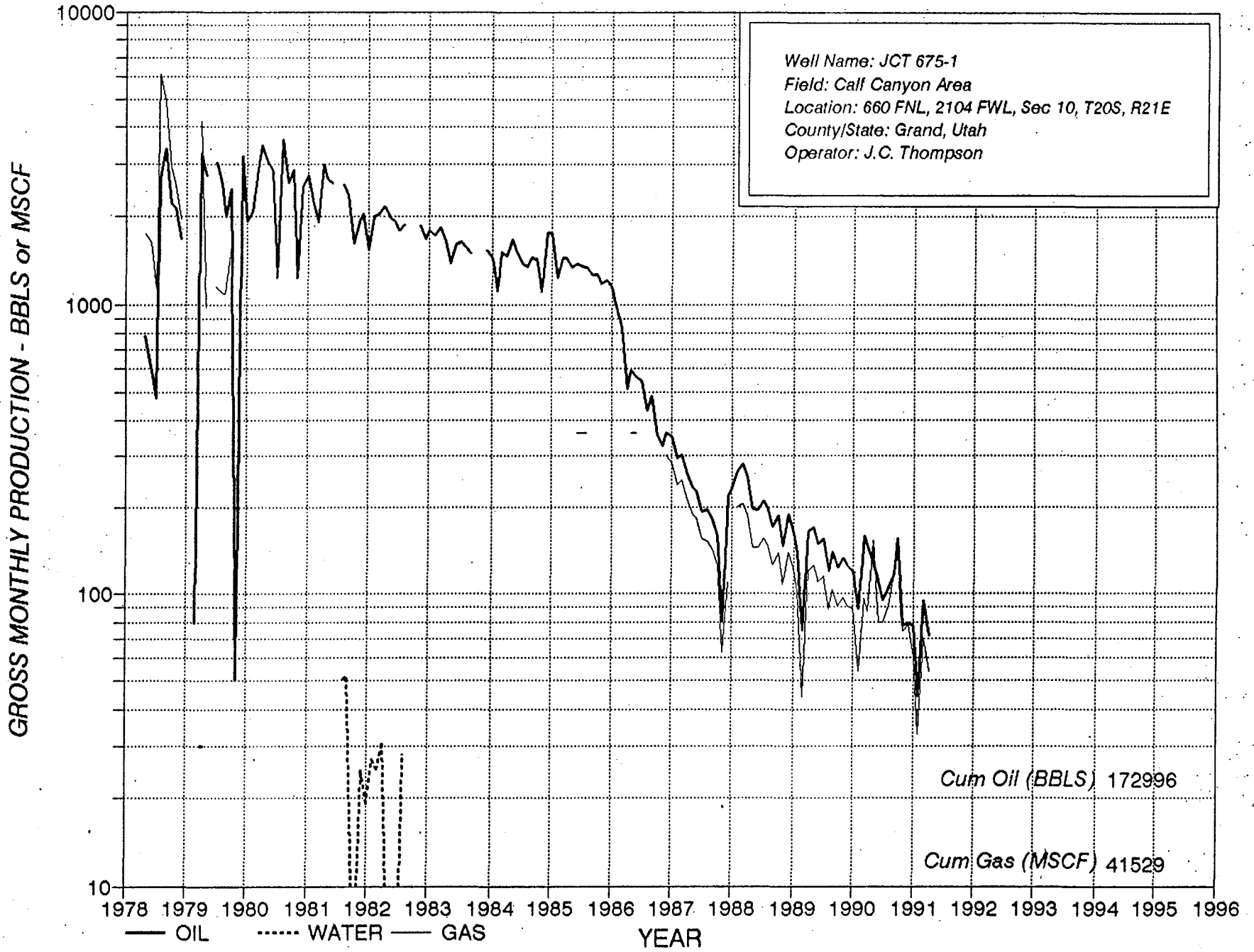

Well Name: PEASE Calf Canyon #4
Field: Calf Canyon Area
Location: 657 FNL, 552 FEL, Sec 11, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER
Cum Oil (BBLS) 50251
Cum WTR (BBLS) 123

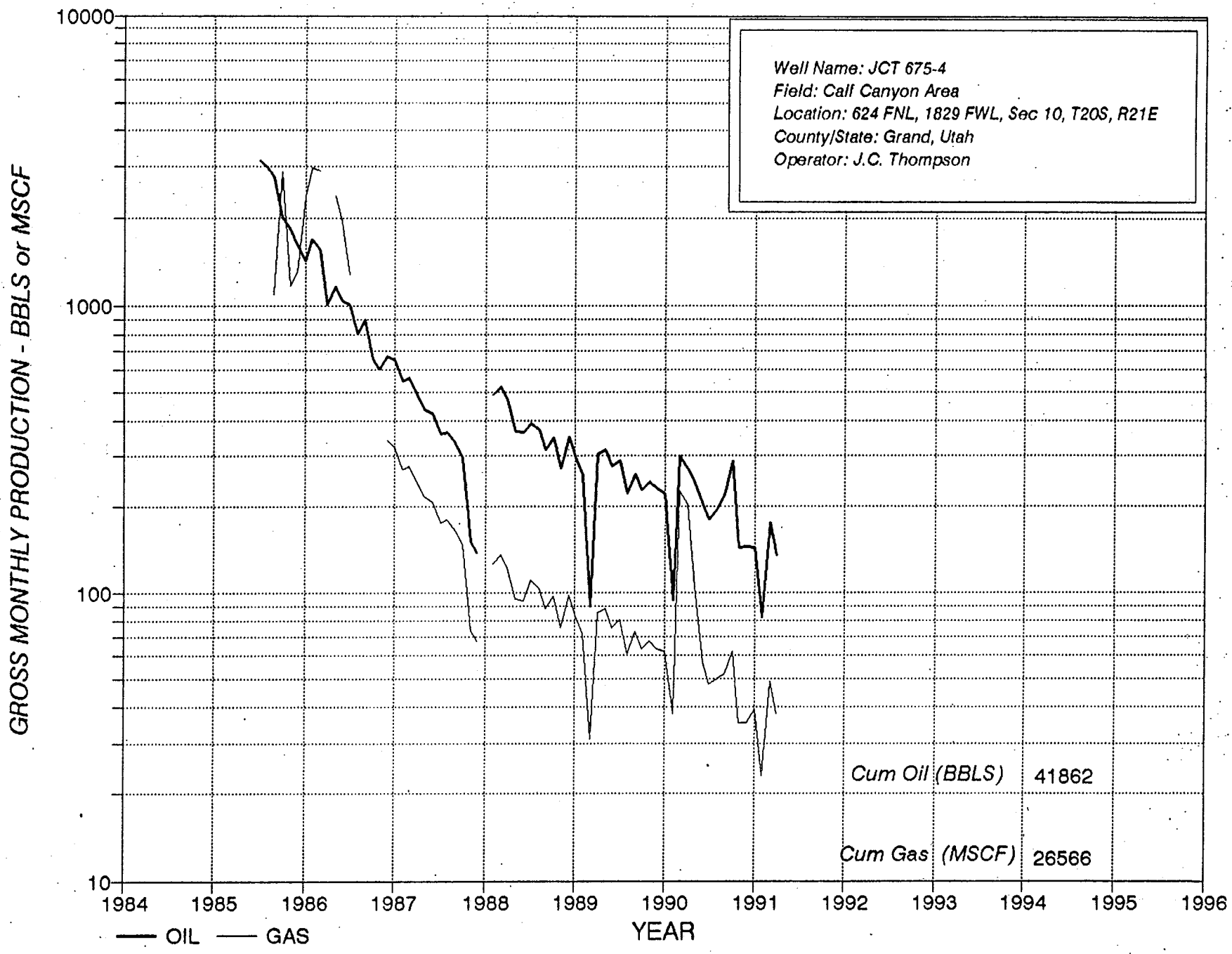

Well Name: PEASE Calf Canyon #7
Field: Calf Canyon Area
Location: 506 FSL, 2132 FWL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Cum Oil (BBLS) 95550
Cum WTR (BBLS) 0
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL

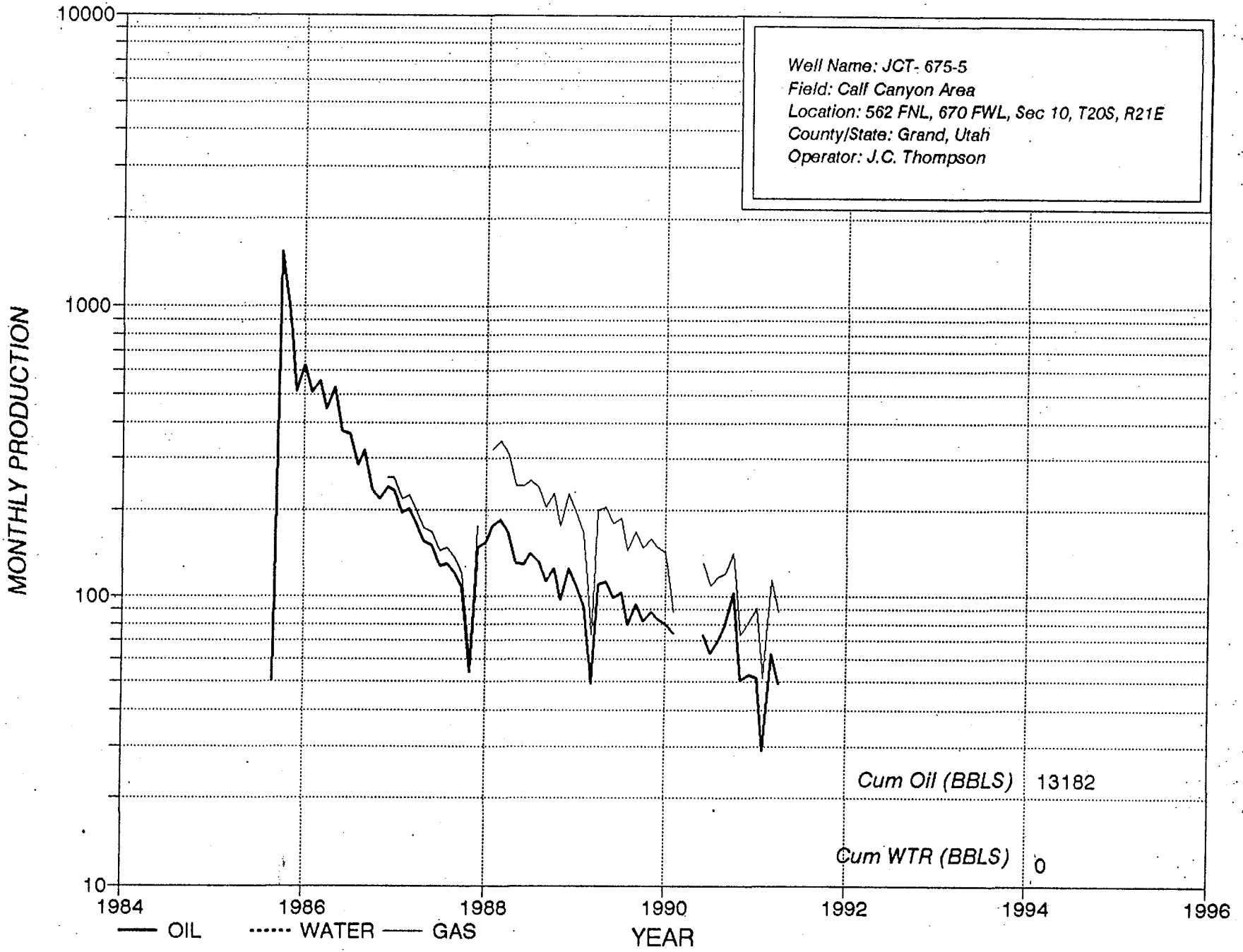

Well Name: PEASE Calf Canyon #8
Field: Calf Canyon Area
Location: 719 FSL, 1600 FWL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
YEAR
OIL
GAS
Cum Oil (BBLS) 32546
Cum WTR (BBLS) 6

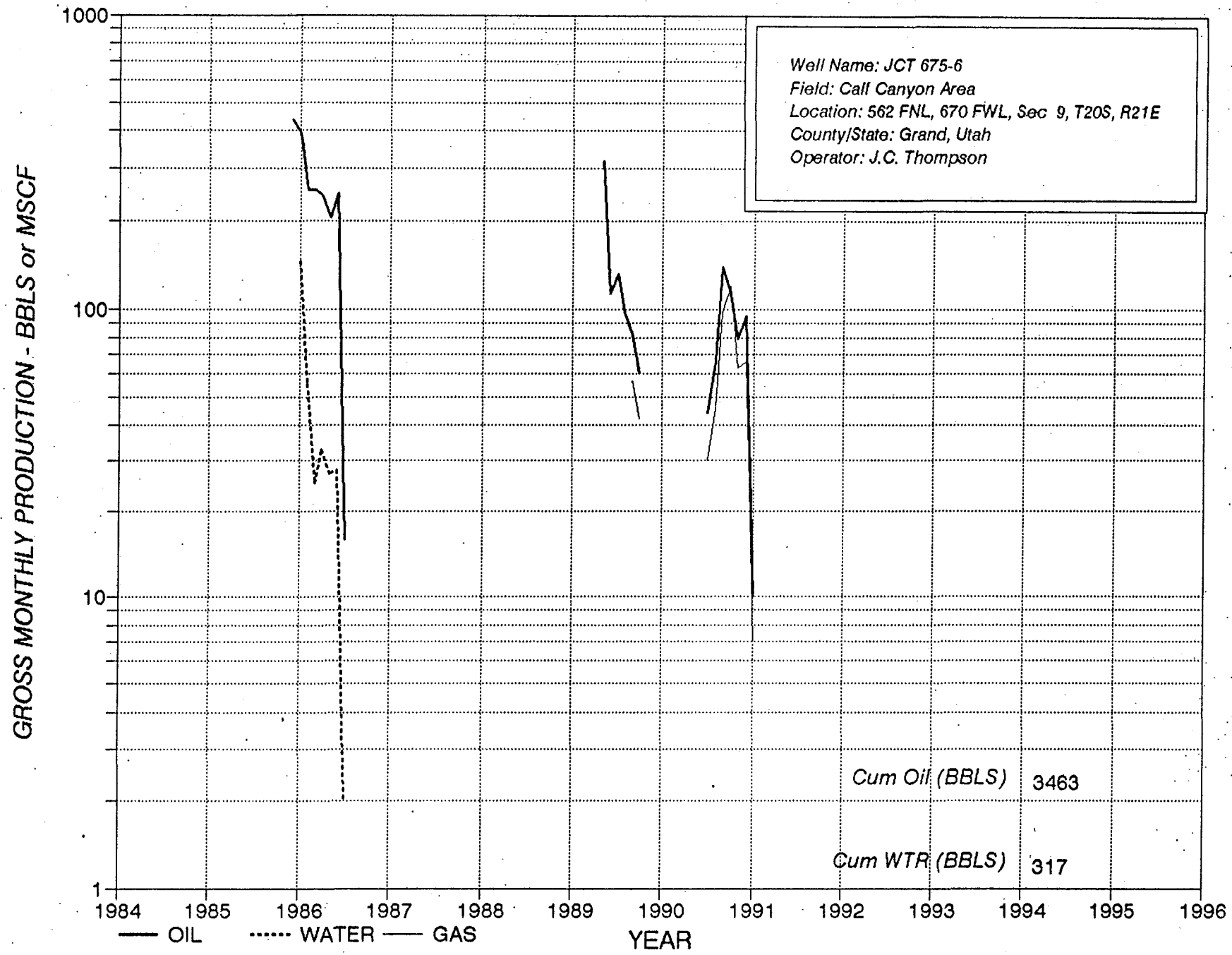

Well Name: PEASE Calf Canyon #10
Field: Calf Canyon Area
Location: 505 FSL, 1120 FEL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
Cum Oil (BBLS) 19883
Cum WTR (BBLS) 0


Well Name: PEASE Calf Canyon #11
Field: Calf Canyon Area
Location: 519 FSL, 750 FWL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
Cum Oil (BBLS) 18957
Cum WTR (BBLS) 0


Well Name: JCT 675-1
Field: Calf Canyon Area
Location: 660 FNL, 2104 FWL, Sec 10, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
GROSS MONTHLY PRODUCTION - BBLS or MSCF
10000
1000
100
10
1978 1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996
YEAR
OIL
WATER
GAS
Cum Oil (BBLS) 172996
Cum Gas (MSCF) 41529


Well Name: JCT 675-4
Field: Calf Canyon Area
Location: 624 FNL, 1829 FWL, Sec 10, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
GROSS MONTHLY PRODUCTION - BBLS or MSCF
10000
1000
100
10
1984
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
YEAR
OIL
GAS
Cum Oil (BBLS) 41862
Cum Gas (MSCF) 26566


Well Name: JCT- 675-5
Field: Calf Canyon Area
Location: 562 FNL, 670 FWL, Sec 10, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
MONTHLY PRODUCTION
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER
GAS
Cum Oil (BBLS) 13182
Cum WTR (BBLS) 0


Well Name: JCT 675-6
Field: Call Canyon Area
Location: 562 FNL, 670 FWL, Sec 9, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
GROSS MONTHLY PRODUCTION - BBLS or MSCF
1000
100
10
1
1984
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
YEAR
OIL
WATER
GAS
Cum Oil (BBLS) 3463
Cum WTR (BBLS) 317

Appendix B

Waterflood Input Data - PFPM

```
*****************************************
*                                       *
*  S C I E N T I F I C  S O F T W A R E *
*        -   I N T E R C O M P          *
*                                       *
*     POLYMER FLOOD PREDICTION MODEL    *
*         (PFPM - RELEASE 3.1)          *
*                                       *
*****************************************
```

W. PEASE OIL AND GAS CO. CALF CANYON WATERFLOOD STUDY: OUT: CALFCAN7.OUT

CASE CONTROLS

OUTPUT CONTROL	0	IOUT
WATER/POLYMER FLOOD CONTROL	0	IOPT (WATERFLOOD)
AREAL SWEEP CALCULATION CONTROL.....	2	IAROPT
ECONOMIC ANALYSIS CONTROL	1	IECON

FORMATION PROPERITIES AND PATTERN VOLUMES

FORMATION DEPTH	3000.0	FT
FORMATION TEMPERATURE	120.0	DEG.F
FORMATION AVE. PERMEABILITY	5.0	MD
FORMATION POROSITY	.2	
TOTAL NET THICKNESS	32.6	FT
TOTAL PORE VOLUME	4655.8	MBBL
ORIGINAL OIL IN PLACE	1956.2	MSTB
OIL IN PLACE AT START OF FLOOD.....	1956.2	MSTB
DYKSTRA-PARSONS COEFFICIENT	.70	VDP
PATTERN AREA	118.00	ACRE
WELLBORE RADIUS.....	.17	FT
INJECTIVITY COEFFICIENT	.65	PSI/FT
INJECTION RATE OVERRIDE	-250.0	RB/D
WATER-OIL MOBILITY RATIO	1.33	
POLYMER-OIL MOBILITY RATIO	.00	

FLUID PROPERTIES

OIL FORMATION VOLUME FACTOR	1.190	RB/STB
WATER FORMATION VOLUME FACTOR	1.005	RB/STB
API OIL GRAVITY	36.5	DEGREES
OIL VISCOSITY	1.600	CP
WATER VISCOSITY	.600	CP
FORMATION PRESSURE.....	175.0	PSI
SOLUTION GAS-OIL RATIO	750.0	SCF/STB
SPECIFIC GRAVITY OF GAS.....	.800	
POLYMER CONCENTRATION	.0	PPM
POLYMER ADSORPTION	.000	LB/AC FT
POLYMER ADSORPTION PARAMETER	.000	VOL SLUG/PV
POLYMER VISCOSITY	.600	CP
RESISTANCE FACTOR	8.00	
RESIDUAL RESISTANCE FACTOR	1.000	
POWER-LAW COEFFICIENT.....	17.000	CP*SEC**(N-1)
POWER-LAW EXPONENT.....	1.000	
POLYMER SLUG SIZE	2.000	PV
MAXIMUM INJECTED PV, POLY+CHASE WAT..	2.000	PV

FORMATION PROPERTY TABLE

DISCRETE LAYER CALCULATION OPTION....	2	LYROPT
NUMBER OF LAYERS	10	NLAYER OR NLDP
AVERAGE POROSITY	.1560	
AVERAGE PERMEABILITY	5.0	MD
TOTAL NET THICKNESS	32.6	FT
AVERAGE INITIAL WATER SATURATION	.50	

LAYER NO.	PHIL	PERML MD	PAYL FT	SWIL
1	.16	77.38	.21	.50
2	.16	35.91	.45	.50
3	.16	23.20	.70	.50
4	.16	16.37	1.00	.50
5	.16	11.97	1.36	.50
6	.16	8.83	1.85	.50
7	.16	6.45	2.53	.50
8	.16	4.54	3.59	.50
9	.16	2.90	5.62	.50
10	.16	1.07	15.28	.50

RELATIVE PERM CURVES

IRREDUCIBLE WATER SATURATION	.500	SWC
RESIDUAL OIL SATN AFTER WATER	.250	SORW
OIL RELATIVE PERM END-POINT	1.000	XKROE
WATER RELATIVE PERM END-POINT	.500	XKRWE
OIL RELATIVE PERM CURVATURE	2.00	XNO
WATER RELATIVE PERM CURVATURE	2.00	XNW

RELATIVE PERMEABILITY TABLE

WATER SATURATN	OIL KRO	WATER KRW	FRACTION WATER	FRACTION POLYMER
.5000	1.0000	.0000	.0000	.0000
.5250	.8100	.0050	.0162	.0162
.5500	.6400	.0200	.0769	.0769
.5750	.4900	.0450	.1967	.1967
.6000	.3600	.0800	.3721	.3721
.6250	.2500	.1250	.5714	.5714
.6500	.1600	.1800	.7500	.7500
.6750	.0900	.2450	.8789	.8789
.7000	.0400	.3200	.9552	.9552
.7250	.0100	.4050	.9908	.9908
.7500	.0000	.5000	1.0000	1.0000

INFLECTION POINT OF FW CURVE = .613

WATERFLOOD REPORT

PATTERN
PRODUCTION SUMMARY

PATTERN LIFE RATIO	61.94	
PATTERN AREA	118.00	ACRE
PATTERN PORE VOLUME	4655.8	MBBL
ORIGINAL OIL IN PLACE	1956.2	MSTB
OIL IN PLACE AT START OF FLOOD	1956.2	MSTB
TOTAL OIL PRODUCTION	869.6	MSTB
OIL RECOVERY - FR. ORIG. OIP	.4445	
OIL REC - FR. OIP AT START OF FLOOD..	.4445	
TOTAL POLYMER INJECTED	.0	MLB
OIL/POLYMER RATIO	.00	STB/LB

Appendix C

Complete Waterflood Results & Economics

APR 2, 1992 4:29 PM

WILLARD PEASE OIL AND GAS COMPANY
CALF CANYON

OPERATOR: WILLARD PEASE OIL AND GAS CO
LSE WELLNO: PROPOSED CALF CANYON UNIT
FIELD: CALF CANYON
COUNTY: GRAND
STATE: UTAH

DEPTH: 3000
FORMATION: CEDAR MOUNTAIN
LOCATION: SEC 3,4,9,10,11 T20S R21E

OIL GAS PROPERTY REPORT
Proposed Calf Canyon Unit
Report Date: APR 1992
Discount Date: APR 1992
Evaluation Date: AUG 1992

---------- REPORT COMMENTARY ----------

Economic Feasibility Determination
Oil Price = $18.00
LOE = $1000/MO/WELL
8 Producing Wells, 1 Injection Well

----- DIVISION OF INTEREST ----

1st NONZERO WI	8/92	100.000000%
1st NONZERO NRI	8/92	80.000000%
FINAL W.I.		100.000000%
FINAL N.R.I.		80.000000%

---- PROFIT AND PRODUCTION INDICATORS ----

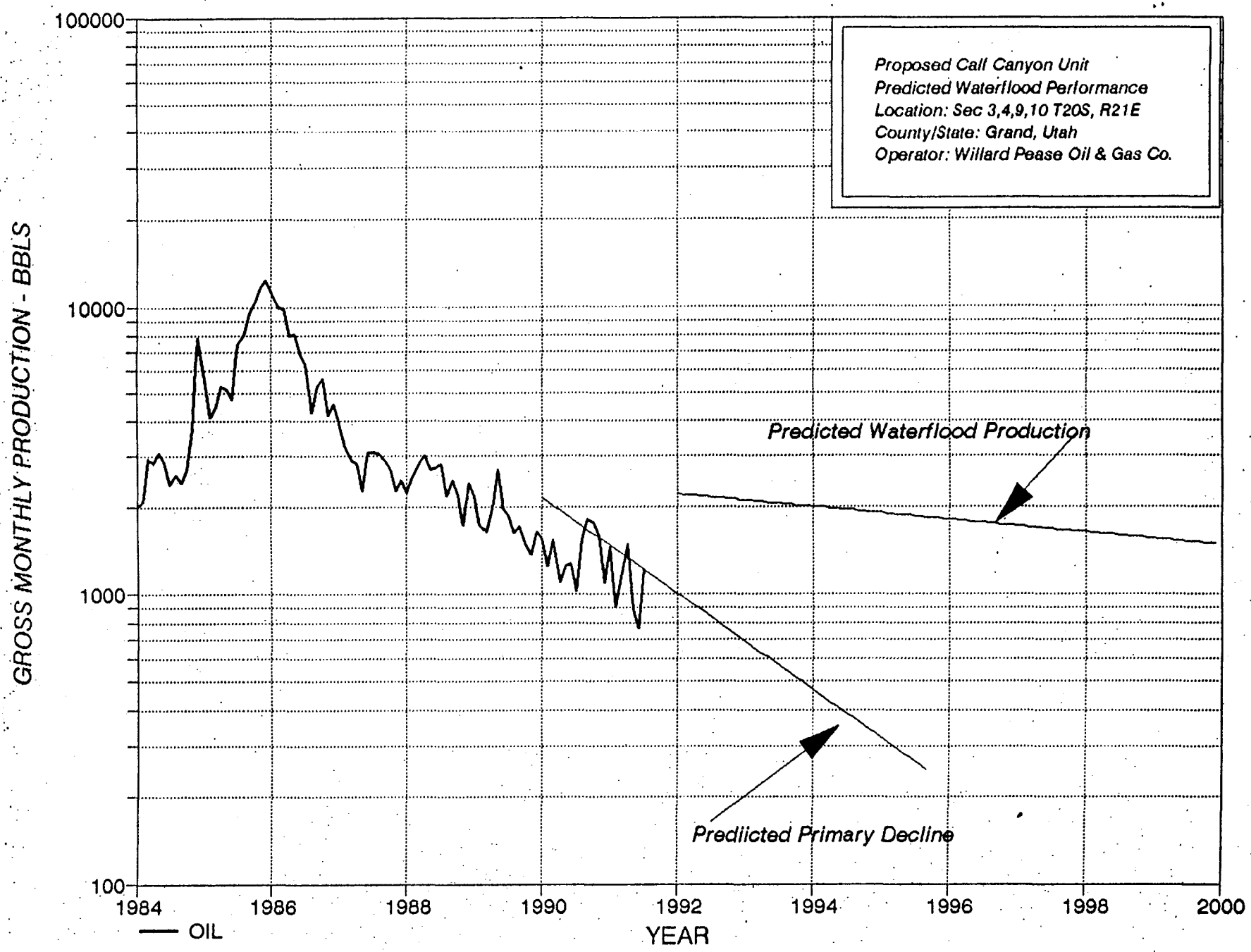
LIFE OF THE PROJECT	21 years 11 months
PAYOUT TERM	2 years 2 months
ROI - DISCOUNTED	378.84 %
ROI - UNDISCOUNTED	731.04 %
INTERP. IRR	42.90 %

END OF PERIOD (MO/YR)	GROSS PRODUCTION OIL & CND (MBBL)	GROSS PRODUCTION GAS & CGS (MMCF)	NET PRODUCTION OIL & CND (MBBL)	NET PRODUCTION GAS & CGS (MMCF)	EFFECTIVE PRICES OIL & CND ($/BBL)	EFFECTIVE PRICES GAS & CGS ($/MCF)	GROSS REVENUE OIL & CND (M$)	GROSS REVENUE GAS & CGS (M$)	NET REVENUE OIL & CND (M$)	NET REVENUE GAS & CGS (M$)
12/92	0.000	0.000	0.000	0.000	N/A	N/A	0.000	0.000	0.000	0.000
12/93	17.608	0.000	14.086	0.000	18.00	N/A	316.944	0.000	253.555	0.000
12/94	20.066	0.000	16.053	0.000	18.00	N/A	361.188	0.000	288.950	0.000
12/95	21.051	0.000	16.841	0.000	18.00	N/A	378.918	0.000	303.134	0.000
12/96	22.428	0.000	17.942	0.000	18.00	N/A	403.704	0.000	322.963	0.000
12/97	21.113	0.000	16.890	0.000	18.00	N/A	380.034	0.000	304.027	0.000
12/98	20.014	0.000	16.011	0.000	18.00	N/A	360.252	0.000	288.202	0.000
12/99	18.972	0.000	15.178	0.000	18.00	N/A	341.496	0.000	273.197	0.000
12/00	17.958	0.000	14.366	0.000	18.00	N/A	323.241	0.000	258.593	0.000
12/01	16.991	0.000	13.593	0.000	18.00	N/A	305.837	0.000	244.670	0.000
SUB TOTAL	176.201	0.000	140.960	0.000	N/A	N/A	3171.614	0.000	2537.291	0.000
REMAINDER	149.395	0.000	119.516	0.000	18.00	N/A	2689.105	0.000	2151.284	0.000
TOTAL	325.596	0.000	260.476	0.000	N/A	N/A	5860.719	0.000	4688.575	0.000

END OF PERIOD (MO/YR)	OPERATING EXPENSES GROSS (8/8) (M$)	OPERATING EXPENSES NET TO WI (M$)	GROSS PROD. TAXES (M$)	NET PROD. TAXES (M$)	NET CASH OPER. INC. (M$)	TOTAL NET INVESTMENT (M$)	NET OPERATING INCOME BFIT UNDISC (M$)	NET OPERATING INCOME BFIT CUM UNDSC (M$)	NET OPERATING INCOME BFIT DISC @ 10.00% (M$)	NET OPERATING INCOME BFIT CUM DISC (M$)
12/92	45.000	45.000	0.000	0.000	-45.000	255.000	-300.000	-300.000	-287.099	-287.099
12/93	108.000	108.000	27.400	24.738	120.817	0.000	120.817	-179.183	105.339	-181.760
12/94	108.000	108.000	31.225	28.191	152.759	0.000	152.759	-26.424	121.592	-60.168
12/95	108.000	108.000	32.758	29.575	165.559	0.000	165.559	139.135	119.089	58.921
12/96	108.000	108.000	34.901	31.510	183.454	0.000	183.454	322.589	119.785	178.706
12/97	108.000	108.000	32.854	29.662	166.365	0.000	166.365	488.954	98.332	277.038
12/98	108.000	108.000	31.144	28.118	152.083	0.000	152.083	641.037	81.372	358.410
12/99	108.000	108.000	29.523	26.654	138.543	0.000	138.543	779.580	67.103	425.513
12/00	108.000	108.000	27.945	25.229	125.364	0.000	125.364	904.944	54.969	480.482
12/01	108.000	108.000	26.440	23.871	112.799	0.000	112.799	1017.743	44.772	525.254
SUB TOTAL	1017.000	1017.000	274.190	247.548	1272.743	255.000	1017.743	1017.743	525.254	525.254
REMAINDER	1350.000	1350.000	232.476	209.888	591.396	0.000	591.396	1609.139	156.886	682.140
TOTAL	2367.000	2367.000	506.666	457.436	1864.139	255.000	1609.139	1609.139	682.140	682.140

---------- PRESENT WORTH PROFILE ----------

1 -	5.00 %	1034.702 M$	3 -	15.00 %	454.440 M$	5 -	25.00 %	193.038 M$	7 - 40.00 % 13.9
2 -	10.00 %	682.140 M$	4 -	20.00 %	300.740 M$	6 -	30.00 %	115.213 M$	


Proposed Call Canyon Unit
Predicted Waterflood Performance
Location: Sec 3,4,9,10 T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Predicted Waterflood Production
Predlicted Primary Decline
GROSS MONTHLY PRODUCTION - BBLS
100000
10000
1000
100
1984
1986
1988
1990
1992
1994
1996
1998
2000
YEAR
OIL

Appendix D

Estimated Capital Budget

INJECTION WELL APPLICATION

REVIEW SUMMARY

Applicant: WILLARD PEASE Well: CALF CANYON 11

Location: section 3 township 20 SOUTH range 21 EAST

API #: 43-019-31209 Well Type: disp.__ enhanced recov. X

If enhanced recovery has project been approved by the Board ? NO

Lease Type: FEDERAL Surface Ownership: BLM

Field: CALF CANYON Unit:_____ Indian Country: NO

UIC Form 1: YES Plat: YES Wells in AOR: 8 Prod. 2 Pa

Logs Available: YES Bond Log: NO Yes Oct. 13th

TOC @ 2350

Casing Program:_____

Integrity Test: TO BE RUN AT CONVERSION

Injection Fluid: H20

Geologic Information: CEDAR MOUNTAIN INJECTION ZONE 3057-3132

Analyses of Injection Fluid: YES except Entrada Formation Fluid: YES Compat. NO

Fracture Gradient Information: YES
Parting Pressure: 837 ESTIMATED

Affidavit of Notice to Owners: YES

Fresh Water Aquifers in Area: NONE

Depth Base of Moderately Saline Water: NO FRESH WATER IN AREA

Confining Interval: DAKOTA AND MORRISON

Reviewer: D. JARVIS Date: 10-01-92

Comments & Recommendation MAX INJECTION PRESSURE 800 PSI, MIT AT TIME OF CONVERSION PRESSURE TO 800 PSI. PROBABLY NEED WATER RIGHTS FOR WTAER SUPPLY. NEED TO run CBL

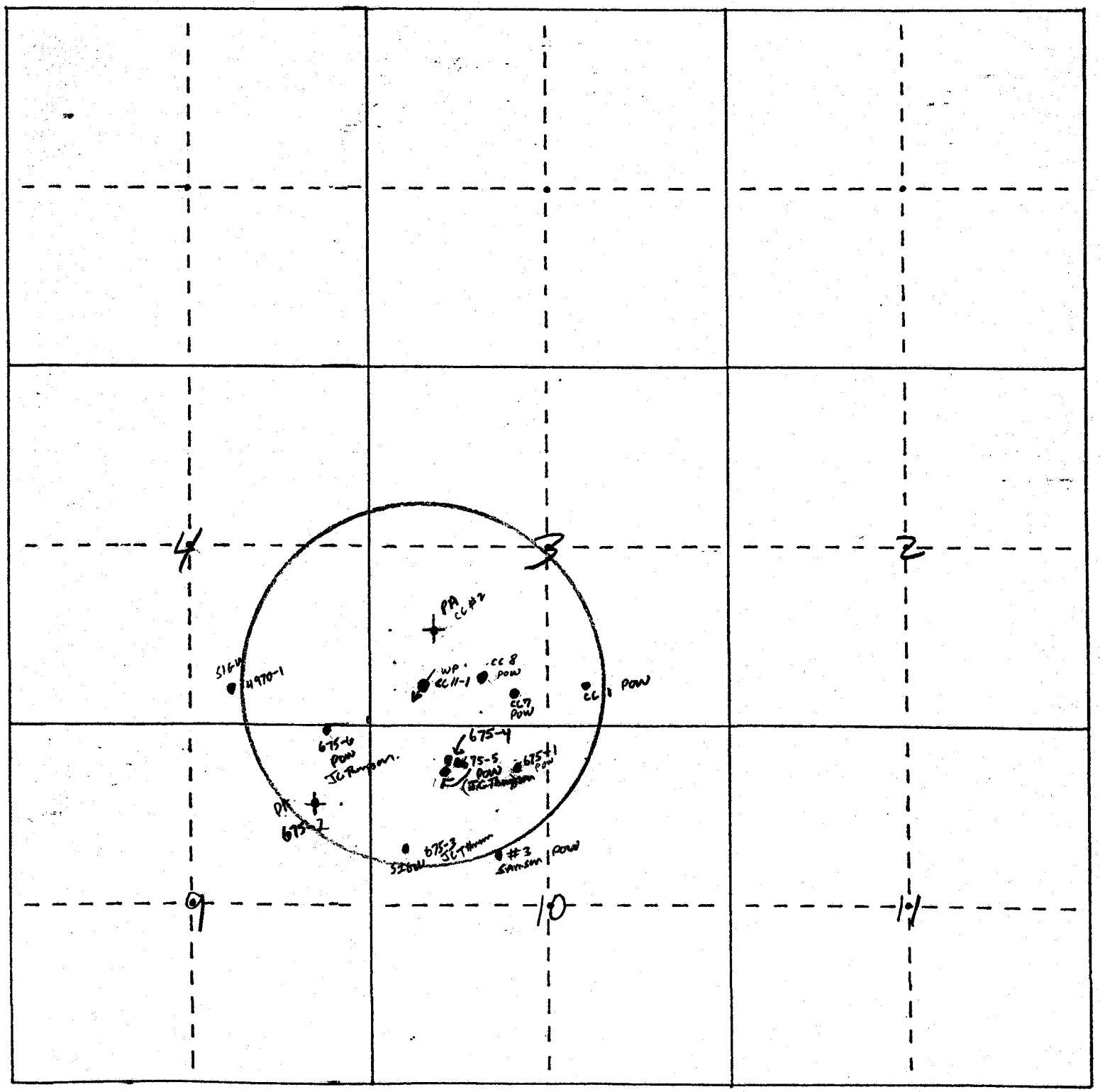
CBL recieved Oct 13th

Operator Willard Pease

Well Salt Canyon 11-1

Location Sec 3 T20S R21E Grand Co. Utah

Salt Canyon Waterflood Project



Wells in AOR

2 PA, 8 Producing

RECEIVED
OCT 0 9 1992
DIVISION OF
OIL, GAS & MINING

3160
(U-922)

October 7, 1992

Ornen International Engineering
1600 Broadway, Suite 2120
Denver, CO 80202-4921
Attn: John Benton

Re: Proposed Calf Canyon Unit
Grand County, Utah

Gentlemen:

We have reviewed the material you sent on October 5, 1992 concerning the above referenced secondary recovery project. The following information must be sent to our office by October 15, 1992 in an approvable format or we will object to the project at the October 29 Board hearing.

A formal application for designation of the Calf Canyon Unit Area must be filed with our office. Please send one orignal and two copies. Address the application and unit agreement papers to the Chief, Branch of Fluid Minerals, Bureau of Land Management. The following information must be submitted in addition to that information already filed with our office.

1. Application letter.

   a. Set out the benefits to be derived by the proposed operations.

   b. Set forth the proposed basis for allocating unitized production.

   c. Describe the proposed unit area by reference to a land ownership map (Exhibit A of the proposed unit agreement may be used). A legal description of all lands in the proposed unit area may also be included. The map and description should show any odd-sized lots and sections and surveyed tracts and the exact acreage in each. Lands being unitized should be divided into separate tracts for participation purposes on the basis of mineral ownership.

   d. List the serial number of all Federal leases, lease applications, and Indian leases on the land ownership map in sequence (grouped by Land Office identities).

e. State whether engineering and geological data and discussions are to be held confidential.

2. Engineering and Geologic Report.

a. Include copies of all logs, core analysis, and other well data which has not previously been submitted. Provide a table which indicates the reservoir top, reservoir bottom and reservoir thickness as interpreted by the engineering committee. Define the criteria used in interpreting the aforementioned data.

b. Include schematic cross-sections and stratigraphic columns where appropriate i.e., those cross sections referenced on your isopach map.

c. **Define the basis for selecting the boundary of the unit area, i. e., zero sand contour, fault trace or reservoir pinch-out.**

3. Request for approval of form of agreement. This request is normally combined with the application for designation of the unit area). The proposed form of unit agreement, with all deviations from the standard form plainly marked and explained, should be submitted for preliminary approval by the Chief, Branch of Fluid Minerals. (Include Exhibits A, B, and C with the proposed form of unit agreement). Submit 2 copies of the proposed form of agreement. Exhibit "A" should be based on the latest official public land survey (See sample Exhibit A in 43 CFR 3186.1-1) and should show:

a. The proposed unit area, the acreage and official number of each lot, tract, and section, and total acreage of the unit area.

b. The boundary of each separate tract of land based on mineral ownership.

c. The different types of land such as Federal, Indian, State, and Patented. Also, indicate different types of Federal and Indian lands, such as Forest, Fish and Wildlife, Allotted Indian or Tribal.

d. Working interest owners, lease numbers of Federal, Indian, and State leases, and owners of basic royalty interests under Indian and patented lands.

Exhibit "B" depicts the schedule of lands and ownerships, and should be submitted as follows:

a. Area should be divided into tracts on the basis of mineral ownership and the ownership of the mineral interests under each tract should be clearly defined. (See sample Exhibit B in 43 CFR 3186.1-1).

b. The lands in the unit area should be grouped in Exhibit B listing Federal tracts first, followed by Indian, State, and patented tracts in that order.

c. The Federal and Indian leases should be listed in Exhibit B by land office or Indian reservation in order of lease numbers.

d. The subtotal of acreage for each type of land and its percentage of the total unit area should be shown in Exhibit B.

Exhibit "C" depicts the unit Allocation Schedule and should include the following.

a. List tracts in numerical order.

b. Show allocation (percent of production) to be credited to each tract. If allocation formula incorporates more than one phase, show allocation to each tract during each phase.

c. Define basis for allocating production to the individual tracts.

Our designation letter will incorporate the following language which can be submitted as proof of our concurrence at the Board Hearing.

The form of unit agreement and Exhibits "A", "B" and "C" as submitted with your application will be accepted provided they are modified as indicated in red on the enclosed "marked copies".

In the absence of any objections not now apparent, a duly executed agreement, identical with said form, modified as indicated, will be approved if submitted in approvable status within a reasonable period of time.

Upon approval of the Agreement by the Board you will submit the agreement to our office for final approval. Steps for final approval are as follows:

After all interest owners have executed the unit agreement to assure control of operations within the unit area, or sufficient interest as outlined in Sections 40-6-7 and 8, Utah Code Annotated and when the operators are ready to proceed with secondary recovery operations, the executed agreement should be submitted to the Chief, Branch of Fluid Minerals with a request for final approval.

a. If no special types of land are involded, a minimum of four copies must be submitted, inlude one original and three copies. The original copy will be retained by our office. If special types of land are involved, ask how many agreements will be required. If more than one copy is to be returned to the operator increase the number of copies submitted for approval.

b. The text of the unit agreement should be identical to the form approved in the letter from the Chief, Branch of Fluid Minerals designating the unit area.

c. If there is more than one committed working interest owner, two copies of the unit operating agreement must accompany the executed unit agreement when it is submitted for final approval.

d. Every owner of an interest in the unit area must be invited to commit that interest to the unit agreement. If any interest owner declines to join the unit, submit evidence of reasonable effort to obtain a joinder. Try to obtain a letter giving the reasons for nonjoinder from any party who declines to commit his interests.

e. All signatures should be witnessed or acknowledged (notarized). If the signature is by an agent, attorney-in-fact, or other representative, submit evidence of authority to act for the principal. Execution by a corporate officer should show that official's title, and should carry proper attestation and the corporate seal.

Sincerely,

(Orig. Sgd.) R. A. Henricks

R. A. Henricks
Chief, Branch of Fluid Minerals

cc: Pruit Gushee and Fletcher Attn:Bob Pruit
Division of Oil Gas and Mining

RJ

RECEIVED
OCT 0 9 1992
DIVISION OF
OIL GAS & MINING

3160
(U-922)

October 7, 1992

Ornen International Engineering
1600 Broadway, Suite 2120
Denver, CO 80202-4921
Attn: John Benton

Re: Proposed Calf Canyon Unit
Grand County, Utah

Gentlemen:

We have reviewed the material you sent on October 5, 1992 concerning the above referenced secondary recovery project. The following information must be sent to our office by October 15, 1992 in an approvable format or we will object to the project at the October 29 Board hearing.

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e. State whether engineering and geological data and discussions are to be held confidential.

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a. Include copies of all logs, core analysis, and other well data which has not previously been submitted. Provide a table which indicates the reservoir top, reservoir bottom and reservoir thickness as interpreted by the engineering committee. Define the criteria used in interpreting the aforementioned data.

b. Include schematic cross-sections and stratigraphic columns where appropriate i.e., those cross sections referenced on your isopach map.

c. **Define the basis for selecting the boundary of the unit area, i. e., zero sand contour, fault trace or reservoir pinch-out.**

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b. The boundary of each separate tract of land based on mineral ownership.

c. The different types of land such as Federal, Indian, State, and Patented. Also, indicate different types of Federal and Indian lands, such as Forest, Fish and Wildlife, Allotted Indian or Tribal.

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c. The Federal and Indian leases should be listed in Exhibit B by land office or Indian reservation in order of lease numbers.

d. The subtotal of acreage for each type of land and its percentage of the total unit area should be shown in Exhibit B.

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Sincerely,

(Orig. Sgd.) R. A. Henricks

R. A. Henricks
Chief, Branch of Fluid Minerals

cc: Pruit Gushee and Fletcher Attn:Bob Pruit
Division of Oil Gas and Mining

WILLARD PEASE
OIL AND GAS Co.
BOX 1874, GRAND JUNCTION, COLORADO 81502-1874, (303) 245-5917
FAX: (303) 243-8840

RECEIVED
OCT 1 3 1992
DIVISION OF
OIL GAS & MINING

October 12, 1992

Mr. Dan Jarvis
State of Utah
Division of Oil, Gas and Mining
3 Triad Center
355 West North Temple
Salt Lake City, UT 84180

Dear Mr. Jarvis:

Enclosed is the Calf Canyon #11 Cement Bond Log for your records, being sent to you per the request of John Benton, Ornen International Engineering, Inc.

If you have questions or require more information please feel free to call me.

Sincerely,

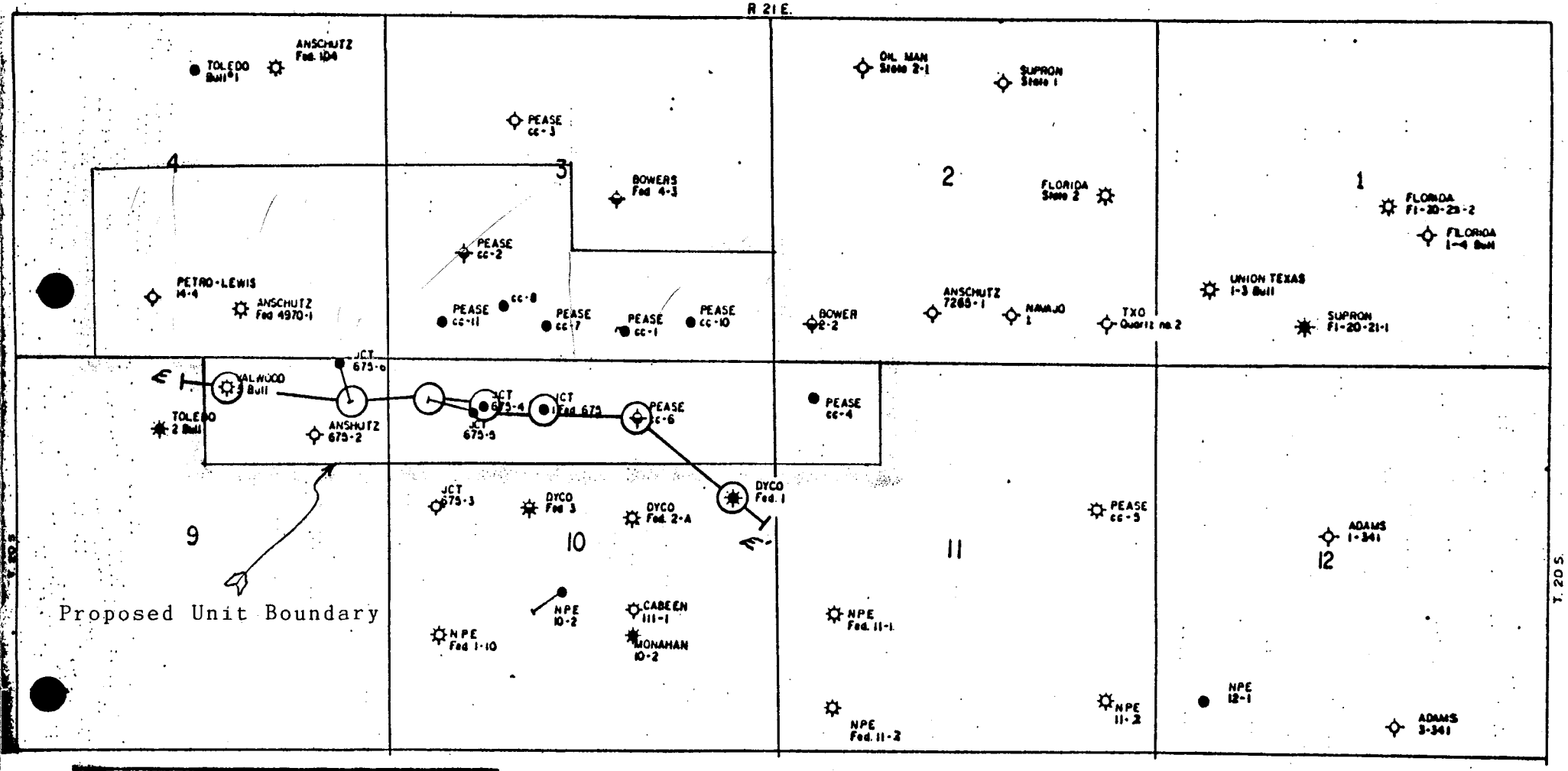
Willard Pease Jr.

Willard Pease Jr.

JR/cp

RECEIVED
OCT 1 3 1992
DIVISION OF
OIL GAS & MINING

Figure 2



WILLARD PEASE OIL & GAS CO.
PO BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-5917

CALF CANYON FIELD

Proposed Unit Boundary

GRAND COUNTY, UTAH
T 20 S., R. 21 E.

DATE 8/91	SCALE	SHEET
DRAWN	CHECKED	OF
DWG NO.		

DIVISION OF OIL, GAS AND MINING
UNDERGROUND INJECTION CONTROL PROGRAM

PERMIT
DECISION DOCUMENT

Applicant: Willard Pease **Well:** Calf Canyon 11

Location: Sec. 3, Twn.20 S.,Rng.21 E. **API:** 43-019-31209

Ownership Issues: All lands and leases within the proposed unit are owned by the federal government.

Well Integrity: An 8 5/8 inch surface casing is set at 253 feet and cemented to surface. A 4 1/2 inch production casing is set to a total depth of 3772 feet and cement was circulated to approximately 2350 feet (bond log). A mechanical integrity test will need to be run when the well is converted. The casing tubing annulus should be pressured to 800 psi and held for 15 minutes.

Ground Water Protection: There are no important USDW's in this area which would be impacted by this proposal.

Oil/Gas & Other Mineral Resources Protection: The geologic interpretation of the proposed unit has been reviewed. The interpretation, as provided to DOGM, has been done using sound and reasonable geologic methods. The proposed waterflood should pose no problems to surrounding hydrocarbon reservoirs.

Bonding: The proposed injection well is located on a Federal lease so surety will be held by the BLM.

Actions Taken and Further Approvals Needed: Federal approval of the unit and Board approval of the waterflood are needed. A permit for diversion of water from the Entrada Formation for flooding purposes may be needed. Counsel for the applicant has been advised of this. The UIC staff recommends approval of this application pending presentation of additional information at the Board hearing. Approval should be conditional on passing a mechanical integrity test prior to beginning injection, also an analysis of water from the Entrada Formation should be provided to the Division. The maximum injection pressure should be limited to 800 psi.

DJJ & BGH
Reviewer(s)

10-27-92
Date

RECEIVED
NOV 2 4 1992
DIVISION OF
OIL GAS & MINING

3160
(U-922)

November 23, 1992

Willard Pease Oil and Gas Co.
Box 1874
Grand Junction, CO 81502-1874

Re: Proposed Calf Canyon Unit
Grand County, Utah

Gentlemen:

Please refer to our letter of October 27, 1992 designating the Calf Canyon Unit Area as logically subject to operations under unitization provisions.

All production accounting discrepancies have been resolved. The Exhibit "C" found in you amended application to the Utah Board of Oil Gas and Mining is acceptable.

A copy of the Exhibit is enclosed.

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

enclosure

bcc: DM Moab w/enclosure
Calf Canyon Unit File w/enclosure
Agr. Sec. Chron.
Division of Oil Gas and Mining w/enclosure
Fluid Chron

MCoulthard:mc:11/23/92

EXHIBIT "C"
TO UNIT AGREEMENT
CALF CANYON UNIT
GRAND COUNTY, UTAH

Attached to and made a part of the Unit Agreement for Calf Canyon Unit Area.

PARTICIPATION FORMULA

TRACT NUMBER	TRACT PARTICIPATION
1	49.0063
2	3.2577
3	32.7585
4	7.1119
5	7.8656
TOTAL	100.0000%

RECEIVED
NOV 2 4 1992
DIVISION OF
OIL GAS & MINING

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(U-922)

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Division of Oil Gas and Mining w/enclosure
Fluid Chron

MCoulthard:mc:11/23/92

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TO UNIT AGREEMENT
CALF CANYON UNIT
GRAND COUNTY, UTAH

Attached to and made a part of the Unit Agreement for Calf Canyon Unit Area.

PARTICIPATION FORMULA

TRACT NUMBER		TRACT PARTICIPATION
1		49.0063
2		3.2577
3		32.7585
4		7.1119
5		7.8656
	TOTAL	100.0000%

BEFORE THE UTAH BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH.	RESPONSE DOCKET NO. 92-042 CAUSE NO. 102-75

RESPONSE

COMES NOW J.C. Thompson ("Thompson") and National Fuel Co. ("National") (Thompson and National are hereinafter collectively referred to as "Respondent"), by and through their counsel Holme Roberts & Owen, and respond to the Application of Willard Pease Oil and Gas Co. ("Petitioner") as follows:

1. Thompson and National are working interest owners in and Thompson is the operator of six wells located within the proposed Calf Canyon Unit.

2. On or about September 10, 1992, Petitioner filed with the Secretary of the Board of Oil Gas and Mining (the "Board") the Application initiating the captioned matter (the "Original Application").

3. The Original Application did not include a copy of a proposed unit agreement or a proposed unit operating agreement, as required by statute, but did include a copy of an Evaluation of Waterflood Feasibility, Proposed Calf Canyon Unit (the "Evaluation Report"). The Evaluation Report sets forth the tract participation parameters on Table 3 (dated April 30, 1992) for six proposed tracts with the unit based on the lands to be included within the Calf Canyon Unit as described in the Original Application. A copy of the tract participation parameters from the Evaluation Report to the Original Application is attached hereto as **Exhibit 1.**

4. Petitioner served Respondent with a copy of the Application with exhibits (the "First Service Application"). A copy of the First Service Application is attached hereto as **Exhibit 2.**

5. The First Service Application included copies of the following as exhibits: (a) a proposed Unit Agreement and Plan of Unitization for the Development and Operating of the Calf Canyon Unit Area (the "Unit Agreement"); (b) a proposed Unit Operating Agreement for the Calf Canyon Unit (the "Unit Operating Agreement") and (c) the Evaluation Report. The

copies of the Unit Agreement, the Unit Operating Agreement and the Evaluation Report transmitted with the First Application are hereinafter collectively referred to as the "First Service Documents".

6. The First Service Documents purport to establish six participating tracts within the proposed Calf Canyon Unit. The tracts are more particularly described on Exhibit "A" to the Unit Operating Agreement, a copy of which is attached hereto as **Exhibit 3**. The proposed participation for the designated tracts is set forth on Exhibit "C" to the Unit Agreement, a copy of which is attached hereto as **Exhibit 4**. The tract participation parameters are set forth on Table 3 to the Evaluation Report (dated October 13, 1992), a copy of which is attached hereto as **Exhibit 5**.

7. On or about October 23, 1992, Petitioner filed with the Secretary of the Board copies of the proposed Unit Agreement, the Unit Operating Agreement and the Evaluation Report. The Unit Agreement, the Unit Operating Agreement and the Evaluation Report filed on October 23 are hereinafter referred to as the "Second Service Documents".

8. The Second Service Documents purport to establish five participation tracts within the proposed Calf Canyon Unit. The tracts are more particularly described on Exhibit "A" to the Unit Operating Agreement, a copy of which is attached hereto as **Exhibit 6**. The proposed participation

for the designated tracts is set forth on Exhibit "C" to the Unit Agreement, a copy of which is attached hereto as **Exhibit 7.** The tract participation parameters are set forth on Table 3 to the Evaluation Report (dated October 22, 1992), a copy of which is attached hereto as **Exhibit 8.**

9. The Original Application, the First Service Documents and the Second Service Documents each describe a different tract configuration for the proposed unit, each describe a different tract participation for the proposed unit and each describe different tract participation parameters for the proposed unit.

10. Respondent obtained copies of the Original Application on or about October 21, 1992, from a review of the materials filed with the Secretary of the Board. Respondent was served with copies of the Second Service Documents on October 26, 1992.

11. As a result of Petitioner's submission of three distinct proposals as a basis for the relief it seeks from the Board, Respondent has been unable to assess the merits of the Application or the manner in which the relief sought in the Application affects Respondent's interests.

12. As a result of the service upon Respondent of the Second Service Documents only two days before this hearing, Respondent was unable to obtain an independent analysis of the Petitioner's proposal which would allow

Respondent to appear at this hearing and adequately participate.

13. As a result of Petitioner's submission of three distinct proposals as a basis for the relief it seeks from the Board, Petitioner has failed to meet the filing, notice and service requirements of Utah Administrative Code ("UAC") R641-105-100, et seq. (1992) and UAC R641-106-100, et seq. (1992).

14. As a result of Petitioner's redesignations of the lands to be included within the proposed unit, the publication notice made by the Board upon Petitioner's Original Application pursuant to UAC R641-106-100 (1992) is insufficient.

15. The Board has no authority to enter an order describing a plan for unit operations pursuant to Utah Code Annotated § 40-6-8(3) until such time as Petitioner can demonstrate that all interested parties have been properly served with an accurate description of Petitioner's proposal and that all interested parties have been given the appropriate time to analyze the merits and impacts of the proposal.

16. The Board has no authority to enter an order approving a plan for unit operations pursuant to Utah Code Annotated § 40-6-8(4) on the basis of the alleged joinder of parties who may have heretofore approved formation of the Calf Canyon Unit until such time as Petitioner demonstrates that

such parties were provided with accurate materials describing the proposal prior to approval of the formation of the unit.

17. Respondent will be substantially prejudiced if the Board grants Petitioner's Application.

WHEREFORE, Respondent respectfully requests the following relief:

1. That Petitioner's Application be dismissed;

2. In the alternative, that the Board's consideration and approval of Petitioner's Application be stayed until such time that:

(a) Petitioner accurately identifies and sets forth the definitive proposal for which it seeks relief;

(b) The Board publishes an additional and correct notice of hearing pursuant to UAC R641-106-100;

(c) Petitioner certifies that all parties have been served with the definitive proposal pursuant to the requirements of UAC R641-105-100, et seq. and R641-106-100 et seq.;

(d) All parties having legally protected interests that may be affected by the Petition have been given the appropriate time to evaluate the substantive merits of Petitioner's definitive proposal; and

3. For such other relief as the Board deems appropriate and necessary in this matter.

Respectfully submitted, this 28th day of October, 1992.

HOLME ROBERTS & OWEN

By: _____

William B. Prince, Esq.
111 E. Broadway, Suite 1100
Salt Lake City, Utah 84111
(801) 521-5800

WBPP/AG1

30-Apr-92

Calf Canyon Unit
Tract Participation Parameters

OPERATOR: Williard Pease Oil and Gas Company LEASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. (AUG-OCT) BBLS/MO.	%
Section 3	1	296352	51.0720%	4330.190	36.5490%	15628	95.2362%	1096807	34.1524%	5	50.0000%	833	71.2892%
Section 4	2	0	0.0000%	1406.930	11.8752%	0	0.0000%	447576	13.9366%	0	0.0000%	0	0.0000%
Section 9	3	3727	0.6423%	1407.910	11.8835%	0	0.0000%	444160	13.8303%	1	10.0000%	72	6.1596%
Section 10 NW/2	4	229748	39.5938%	1899.350	16.0315%	782	4.7638%	375261	11.6849%	3	30.0000%	201	17.1614%
Section 10 NE/2	5	0	0.0000%	1836.180	15.4983%	0	0.0000%	584131	18.1887%	0	0.0000%	0	0.0000%
Section 11	6	50436	8.6919%	967.070	8.1626%	0	0.0000%	263573	8.2071%	1	10.0000%	63	5.3897%
TOTAL ALL TRACTS:		580263	100.0000%	11847.6	100.0000%	16410	100.0000%	3211509	100.0000%	10	100.0000%	1169	100.0000%

EXHIBIT 1

EXHIBIT 2

BEFORE THE UTAH OIL AND GAS CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH	)	CASE NO._____

APPLICATION

COMES NOW Willard Pease Oil and Gas Co., Applicant in the above entitled cause and herewith represents unto this Honorable Commission:

1. Applicant, Willard Pease Oil and Gas Co., is a corporation organized and existing under and by virtue of the laws of the State of Colorado, and is duly authorized to transact business in the State of Utah, with its offices being located at 2135 East Main, Grand Junction, Colorado 81501.

2. Applicant is presently engaged in forming a unit for the purpose of conducting secondary recovery operations in the Cedar Mountain Formation in the Calf Canyon Field, by converting 1 producing well, the Calf Canyon #11, to enhanced recovery/injection well in the SW SW Section 3, T20S-R21E.

3. The proposed Calf Canyon Unit consists of approximately 720 acres, and is described as follows:

   T20S, R21E 6th. ~~P.M.~~ SLM
   - Section 3;SW/4
   - Section 3;S/2 SE/4
   - Section 4;SE/4
   - Section 4;E/2 SW/4
   - Section 9;N/2 NE/4
   - Section 10;N/2 N/2
   - Section 11;NW/4 NW/4

4. Attached hereto, marked Exhibit "B" by this reference specifically incorporated herein, is a plat outlining and showing the following:

   (a) The area affected by the proposed operation and unitization;

   (b) All governmental quarter sections or lots equivalent thereto, directly or diagonally offsetting said area, including the area within one-half mile of each proposed injection well; and

   (c) All wells, including dry, producing, abandoned or drilling wells properly located and designated thereon.

5. Attached hereto, marked Exhibit "A" and by this reference specifically incorporated herein, is a tabulation showing the names and addresses of each owner as defined in the Act, or operator, as shown by the Commission Records, of each separate tract of land within the proposed Unit and Project area, including all persons owning or having an interest in the oil and gas in the proposed unit area or the production therefrom, including mortgagees and the owners of other liens of encumbrances, and including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah with the specific legal description of each separate tract fully set forth on Exhibit "A" of the Unit Agreement, which said Unit Agreement is attached (will be submitted at a later date) hereto marked Exhibit "D", and is by this reference specifically incorporated herein.

6. Attached hereto, marked Exhibit "A1", and by this reference specifically incorporated herein, is a tabulation showing the names and address of each owner, as defined in the Act, or operator, as shown by the Commission Records of all governmental quarter sections or lots equivalent thereto directly or diagonally offsetting the proposed Unit and project area, including all lands which are outside the proposed unit and project area and within one-half mile of each injection well, including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah.

7. The following information and data is presented as to the proposed secondary recovery program and the proposed enhanced recovery/injection wells.

   (a) A secondary recovery program by waterflood is proposed in the Calf Canyon Field, Cedar Mountain Formation, Grand County, Utah. The lithological descriptive thickness is 45' and the depth is 3087' with reference to the proposed injection well, Calf Canyon #11. The Cedar Mountain Formation extends laterally throughout the unit area. Applicant believes, and therefore alleges that the proposed secondary recovery project is in the public interest, protective of correlative rights, reasonably necessary to increase the ultimate recovery and to prevent waste of oil and gas that this Commission should enter an Order so finding and approving the proposed waterflood project;

   (b) The producing interval in the Calf Canyon Field is represented by that certain stratigraphic interval from 3087' to 3132' log measured depth in the Calf Canyon #11 located in the SW/4 SW/4 of Section 3, Township 20 South, Range 21 East, Grand County, Utah. This interval represents formation from which all wells are producing or have produced within the proposed Calf Canyon Unit boundary;

   (c) The primary recovery drive mechanisms include fluid expansion, solution gas and possible partial water drive. The addition of an artificial water drive mechanism through water injection will significantly increase ultimate recovery from the proposed Calf Canyon Unit;

   (d) The identifying names, location and depth of injection of the enhanced recovery/injection wells, including wells to be converted or drilled are set forth in Exhibit "C", which is attached hereto and by this reference specifically incorporated herein;

(e) Injection rates are estimated to range from a minimum of 50 BWPD to a maximum of 1000 BWPD per well. The injection wellhead pressure will not exceed 830 psig. The probable source of injection supply water will be a mixture of water from the Entrada Formation, the top of which is found at a depth of approximately 3732' (2070' above sea level), and treated/recycled produced water in the Calf Canyon #11 from the Cedar Mountain Formation existing within the boundaries of the proposed Calf Canyon Unit.

(f) There are no shallow fresh water zones in this area.

8. Utah Oil and Gas Conservation Commission states that the casing in all new disposal wells shall be tested to 1000 psi or injection pressure, whichever is lower with a minimum pressure of 300 psi when tubing and a packer are installed. The subject well will be equipped with tubing, injection packer and the casing/tubing annulus will be loaded with a corrosion inhibiting fluid. Therefore, Applicant shall test the tubing-casing annulus to 300 psi. The injection system will be equipped with pressure safety switches and the well will be monitored on a regular basis.

9. The operator of the proposed waterflood project is the Applicant herein, Willard Pease Oil and Gas Co., with offices at 2135 East Main, Grand Junction, Colorado 81501.

10. Persons who own at least seventy percent (70%) of the Unit production or proceeds thereof have, or will have, executed and consented to the proposed plan of unitization. Persons who will be required to pay at least seventy percent (70%) of the costs of the Unit operations have, or will have, executed written consents to both the proposed plan of unitization and the proposed operating plan.

11. Certain interested parties are not expected to execute written consents to the proposed plan unitization and/or the proposed operating plan. The names, addresses and interests of each non-consenting interested party will be furnished at the Hearing to be held hereon. Applicant requests that the interest be involuntarily pooled for the unitized management, operation and development of the Cedar Mountain Formation.

12. As to the proposed plan of unitization and proposed operating plan, the Applicant believes and therefore alleges and requests the Commission to find:

(a) The material averments of this Application are true;

(b) The proposed plan of the Unit operation is feasible, will prevent waste and can be reasonably expected to increase the ultimate recovery of oil and gas, the value thereof can be reasonably expected to exceed the estimated additional costs incident to conducting unit operations;

(c) The oil and gas allocated to each separately owned tract within the Unit Area under the proposed plan of unitization represents, so far as can be practically determined, each such tract's just and equitable share of the oil and gas in the Unit Area;

(d) The proposed plan of unitization and proposed operating plan are in the public interest, protective of correlative rights, and reasonably necessary to increase ultimate recovery or to prevent waste of oil and gas; and

(e) As to owners who have not executed the Operating Agreement or agreed to the proposed operating plan, such proposed operating plan:

(i) Makes a fair and equitable adjustment among the owners within the Unit Area for their respective investments in wells, tanks, pumps, machinery, materials and equipment which are contributed to the Unit operation;

(ii) Provides a fair and equitable determination of the cost of Unit operations, including capital investment, and establishes a fair and equitable method for allocating such costs to the separately-owned tracts and for payment of such costs by the owners of such tracts, either directly or out of such owner's respective shares of Unit production;

(iii) Establishes, if necessary, a fair and equitable method for carrying or otherwise financing any owner who elects to be carried, or otherwise financed, allowing a reasonable interest charge for such service payable out of such owner's share of Unit production; and

(iv) Provides that each owner shall have a vote in the supervision and conduct of unit operations corresponding to the percentage of the costs of Unit operations chargeable against the interest of such owner.

13. Schematic diagrams for each enhanced recovery/injection well indicating the name and location of the well, the total depth and/or plug back total depth of the well, the depth of the injection interval, the geologic name of the injection zone, a geologic description of the injection zone including the location and extent of any known faults or fracture systems, the depths of the tops and bottoms of casing and the amount of cement used in the well, the size and specifications of the casing and tubing, and the setting depth and type of packer, if used, are attached hereto, marked Exhibit "E", which is by this reference specifically incorporated herein.

14. Injection into the proposed zone will not initiate vertical fractures into or through the overlying strata which could enable the injected fluids or formation fluids to enter any fresh water strata because no fresh water zones exist, indicated fracture gradients of greater than 0.70 psig/foot, treatment pressures experienced by service company personnel indicated a fracture gradient in excess of the design limit of 830 psig for the proposed Unit, and the manner in which the wells have or will be completed.

15. No unplugged wells exists which would allow the migration of the injected fluids or formation fluids to enter any fresh water strata. There are two abandoned wells: Calf Canyon #2, SW SW Section 3, T20S-R21E, and JCT 675-3, SW NW Section 10, T20S-R21E, within 1/2 mile radius of the proposed injection well, Calf Canyon #11.

16. The maximum proposed daily injection rate will not exceed 1000 BWPD per well and the maximum proposed injection pressure is 830 psig.

17. The fluids to be injected will come from recycled and treated produced water and a source well which is located in the SW/4 SW/4 of Section 3, T20, R21E. The source well will not be used for makeup water unless and/or until Commission approval of this application is granted.

18. Analysis of injection fluids from representative wells and the produced water is presented in Exhibit "F", attached hereto and by this reference specifically incorporated herein.

19. A study discussing the feasibility of waterflooding the proposed Unit is presented in Exhibit "G", attached hereto.

WHEREFORE, Applicant respectfully requests that as to the secondary recovery program by waterflood, the involuntary unitization and the unit operation of the Calf Canyon Unit, this matter be set for Hearing, that notice of such Hearing be given as provided by law; and, that upon evidence produced at such Hearing an Order be entered:

(a) Providing for and approving the unitized management, operation, and development of the common source of supply which is the subject of this APPLICATION;

(b) Authorizing the proposed waterflood project as herein set forth;

(c) Approving the proposed plan of unitization and proposed operating plans;

(d) Providing for the involuntary unitization of that part of the Unit, the owners of which have not approved or executed the proposed Unit Agreement and the proposed Unit Operating Agreement;

(e) Authorizing the operator to convert wells from producing wells to water injection wells, drill additional water injection wells, and abandon water injection wells in the Unit, upon obtaining approval of the Director;

(f) Making such findings and orders in connection herewith as are necessary or required by law; and

(g) Providing for such other and further matters as may be just and equitable.

APPLICANT further requests that as to approval of the injection wells that this matter be set for Hearing in the event that any person files a written objection to the same within ten (10) days of the date of the Notice, and that upon such Hearing, or without a Hearing if no objection is filed, Applicant requests that an Order be entered by the Commission approving the injection wells as aforesaid.

Dated this 8th day of SEPT, 1992.

Respectfully submitted,
WILLARD PEASE OIL AND GAS CO.
2135 East Main,
Grand Junction, Colorado 81501.

By: John H. Benton
John H. Benton
Registered Professional Engineer

Applicant's Attorneys:

Pruitt, Gushee and Bachtell
1850 Beneficial Life Tower
Salt Lake City, Utah
84111

By: ~~Tom Bachtell~~
Robert G. Pruitt, Jr

VERIFICATION

CITY AND COUNTY OF DENVER)
) ss.
STATE OF COLORADO)

Before me, a Notary Public, personally appeared JOHN H. BENTON, as Engineer for Willard Pease Oil and Gas Co., and after first being duly sworn, deposes and say that the above matters are true and correct to the best of his knowledge, information and belief.

Subscribed and sworn to before me this 8th day of Sept., 1992.

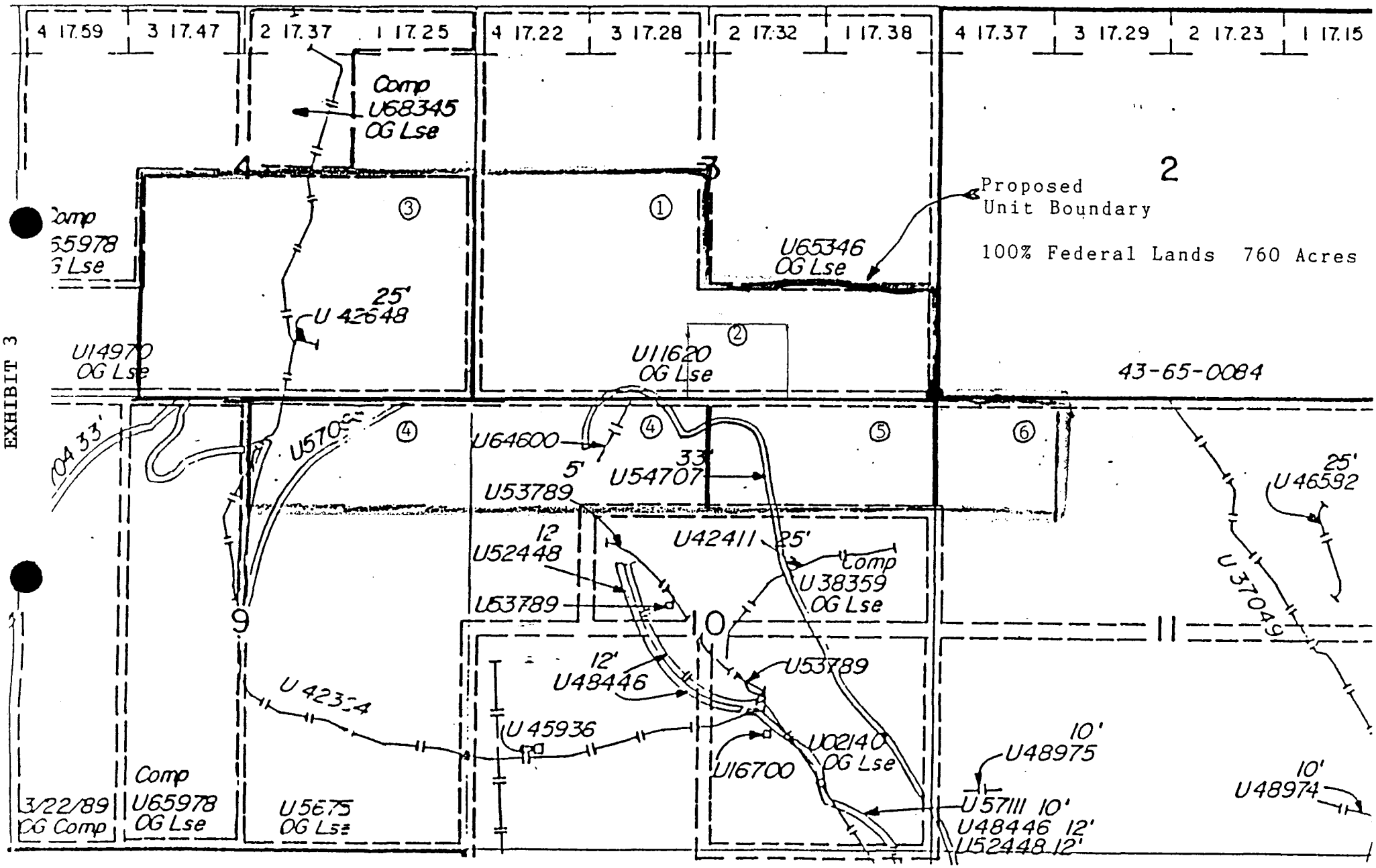
Karen A. Johnson
Notary Public

My Commission Expires 5-19-95

Address: 1600 Broadway, Ste 1130
Denver Co 80202

EXHIBIT "A"

TOWNSHIP 20 SOUTH RANGE 21 EAST



SEE FOLLOWING PAGE FOR WELLS

EXHIBIT 3

EXHIBIT "C"
TO UNIT AGREEMENT
CALF CANYON UNIT
GRAND COUNTY, UTAH

Attached to and made a part of the Unit Agreement for Calf Canyon Unit Area.

PARTICIPATION FORMULA

TRACT NUMBER		TRACT PARTICIPATION
1		37.3205
2		11.8238
3		3.3382
4		32.7744
5		7.1720
6		7.5711
	TOTAL	100.0000%

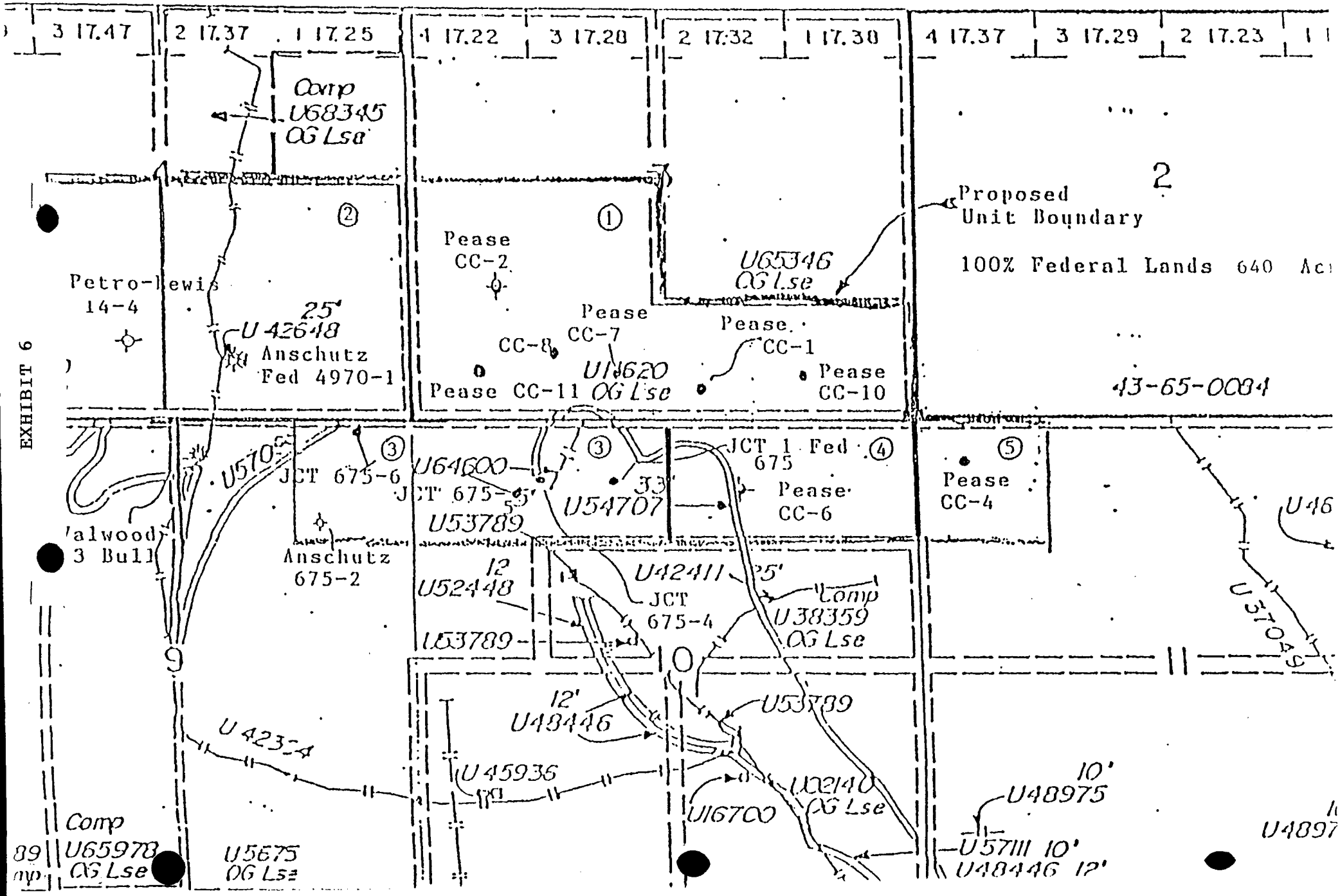
TABLE 3
Tract Participation Parameters

PERATOR: Tillard Pease Oil and Gas Company EASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. BBLS/MO.	%
ection 3; CC 7, 8, 10, 11	1	172113	29.6612%	3080.280	37.7641%	15321	93.3633%	979907	37.7641%	4	40.0000%	742	63.504
ection 3; CC 1	2	124239	21.4108%	302.000	3.7025%	307	1.8729%	96074	3.7026%	1	10.0000%	91	7.785
ection 4; SE, E/2 SW	3	0	0.0000%	680.710	8.3455%	0	0.0000%	216549	8.3454%	0	0.0000%	0	0.000
ection 9, N/2 NW 10	4	233475	40.2361%	2110.100	25.8697%	782	4.7638%	671271	25.8697%	4	40.0000%	273	23.321
ection 10; N/2 NE	5	0	0.0000%	1462.480	17.9299%	0	0.0000%	465249	17.9299%	0	0.0000%	0	0.000
ection 11; NWNW	6	50436	8.6919%	521.070	6.3883%	0	0.0000%	165763	6.3882%	1	10.0000%	63	5.389
TOTAL ALL TRACTS:		580263	100.0000%	8156.6	100.0000%	16410	100.0000%	2594813	100.0000%	10	100.0000%	1169	100.000

EXHIBIT 5

EXHIBIT "A"

TOWNSHIP 20 SOUTH RANGE 21 EAST



22-Oct-92

Calf Canyon Unit
Tract Participation Parameters

TABLE 3
Tract Participation Parameters

OPERATOR: Willard Pease Oil and Gas Company LEASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	EFFECTIVE PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. BBLS/MO.	%
Section 3: CC 1, 7, 8, 10, 11	1	296352	51.0720%	3393.846	40.6057%	15628	95.2346%	1081179	37.4521%	5	50.0000%	833	71.2892%
Section 4: SE	2	0	0.0000%	680.708	8.1443%	0	0.0000%	447576	15.5041%	0	0.0000%	0	0.0000%
Sec 9: NENE/Sec 10: N/2 NW	3	233475	40.2361%	2110.104	25.2464%	782	4.7654%	613058	21.2364%	4	40.0000%	273	23.3211%
Sec[illegible]0; N/2 NE	4	0	0.0000%	1462.403	17.4979%	0	0.0000%	549811	19.0455%	0	0.0000%	0	0.0000%
Sec[illegible]1; NWNW	5	50436	8.6919%	710.906	8.5056%	0	0.0000%	195206	6.7620%	1	10.0000%	63	5.3897%
		0	0.0000%	0.000	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%
		0	0.0000%	0.000	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%
		0	0.0000%	0.000	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%
TOTAL ALL TRACTS		580263	100.0000%	8358.0	100.0000%	16410	100.0000%	2886830	100.0000%	10	100.0000%	1169	100.0000%

EXHIBIT 8

Rec'd. 11/10/92

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND ENHANCED RECOVERY WELLS, AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH, IN ACCORDANCE WITH UTAH CODE ANN. §§ 40-6-7 AND 40-6-8; AND FOR AN ORDER APPROVING THE CONVERSION OF THE CALF CANYON #11 WELL TO A WATER INJECTION WELL IN THE CEDAR MOUNTAIN FORMATION, SW¼SW¼ SECTION 3, TOWNSHIP 20 SOUTH, RANGE 21 EAST, SLM	AMENDED APPLICATION Docket No. 92-042 Cause No. 102-75

COMES NOW Willard Pease Oil and Gas Co., Applicant herein, and through this Amended Application, petitions the Board of Oil, Gas and Mining as follows:

1. Applicant, Willard Pease Oil and Gas Co., is a corporation organized and existing under and by virtue of the laws of the State of Nevada, and is duly authorized to transact business in the State of Utah, with its offices being located at 2135 East Main, Grand Junction, Colorado 81501.

2. Applicant is presently engaged in forming a unit for the purpose of conducting secondary recovery operations in the Cedar Mountain Formation

in the Calf Canyon Field, by converting one (1) producing well, the Calf Canyon #11 located in the SW¼SW¼ of Section 3, T20S-R21E, SLM, to an enhanced recovery/injection well.

3. The proposed Calf Canyon Unit Area will consist of approximately 640 acres in Grand County, Utah, described as follows:

<u>Township 20 South, Range 21 East, SLM</u>

Section 3: SW¼, S½SE¼
Section 4: SE¼
Section 9: NE¼NE¼
Section 10: N½N½
Section 11: NW¼NW¼

4. Attached hereto as Exhibit "B", and by this reference specifically incorporated herein, is a plat outlining and showing the following:

(a) The area affected by the proposed operation and unitization;

(b) All governmental quarter sections or lots equivalent thereto, directly or diagonally offsetting said area, including the area within one-half mile of the proposed injection well; and

(c) All wells, including dry, producing, abandoned or drilling wells properly located and designated thereon.

5. Attached hereto as Exhibit "A", and by this reference specifically incorporated herein, is a tabulation showing the names and addresses of each operator, and mineral and surface owner, as shown by the official records, of each separate tract of land within the proposed unit area, including each person owning a fee, leasehold, mineral or royalty interest, mortgagees and owners of other liens and encumbrances, and all persons owning an interest in the oil and gas or production therefrom. The specific legal description and list of oil and gas owners for each separate tract is fully set forth on Exhibit "B" to the Unit Agreement, which Unit Agreement along with the Unit Operating Agreement are attached hereto as Exhibit "D", and by this reference specifically incorporated herein.

6. Attached hereto is Exhibit "A1", and by this reference specifically incorporated herein, is a tabulation showing the names and address of each operator, and mineral and surface owner, as shown by the official records, of all governmental quarter sections or lots equivalent thereto directly or diagonally offsetting the proposed unit area and within one-half mile of the injection well, including each person owning a fee, leasehold, mineral or royalty interest, mortgagees and owners of other liens and encumbrances,

and all persons owning an interest in the oil and gas or production therefrom.

7. The following information and data is presented in support of the proposed secondary recovery program and the proposed enhanced recovery/injection well.

(a) A secondary recovery program by waterflood is proposed in the Calf Canyon Field, Cedar Mountain Formation, Grand County, Utah. The lithological descriptive thickness is 45' and the depth is 3087' with reference to the proposed injection well, Calf Canyon #11. The Cedar Mountain Formation extends laterally throughout the unit area. Applicant believes, and therefore alleges that the proposed secondary recovery project is in the public interest, promotes conservation, is protective of correlative rights and reasonably necessary to increase the ultimate recovery, and will prevent the waste of oil and gas;

(b) The producing interval in the Calf Canyon Field is represented by that certain stratigraphic interval from 3087' to 3132' log measured depth in the Calf Canyon #11 well. This interval is the formation

from which all wells are currently producing or have produced within the proposed unit area;

(c) The primary recovery drive mechanisms include fluid expansion, solution gas and possible partial water drive. The addition of an artificial water drive mechanism through water injection will significantly increase ultimate recovery from the proposed Calf Canyon Unit;

(d) The identifying names, location and depth of injection of the enhanced recovery/injection wells, including wells to be converted or drilled are set forth in Exhibit "C" attached hereto and by this reference specifically incorporated herein;

(e) Injection rates are estimated to range from a minimum of 50 BWPD to a maximum of 1000 BWPD per well. The injection wellhead pressure will not exceed 830 psig. The probable source of injection supply water will be a mixture of water from the Entrada Formation, the top of which is found at a depth of approximately 3732' (2070' above sea level), and treated/recycled produced water in the Calf

Canyon #11 from the Cedar Mountain Formation existing within the boundaries of the proposed Calf Canyon Unit.

(f) There are no shallow fresh water zones in this area.

8. R649-5-5 of the Utah Administrative Code states that the casing in all new disposal wells shall be tested to 1000 psi or the maximum authorized injection pressure, whichever is lesser, with a minimum pressure of 300 psi when tubing and a packer are installed. The subject well will be equipped with tubing, injection packer and the casing/tubing annulus will be loaded with a corrosion inhibiting fluid. Therefore, Applicant shall test the tubing-casing annulus to 300 psi. The injection system will be equipped with pressure safety switches and the well will be monitored on a regular basis.

9. The operator of the proposed waterflood project is the Applicant herein, Willard Pease Oil and Gas Co., with offices at 2135 East Main, Grand Junction, Colorado 81501.

10. Persons who own at least seventy percent (70%) of the unit production or proceeds thereof have, or will have, executed written consents to the proposed plan of unitization. Persons who will be required to pay at least seventy percent (70%) of the costs of the unit operations have, or will have,

executed written consents to both the proposed plan of unitization and the proposed operating plan.

11. Certain interested parties may not execute written consents to the proposed plan of unitization and/or the proposed operating plan. The names, addresses and interests of each non-consenting interested party will be furnished at the hearing to be held with respect to this Application. Applicant requests that the non-consent interests be involuntarily pooled for the unitized management, operation and development of the Cedar Mountain Formation as requested herein.

12. As to the proposed plan of unitization and proposed operating plan, the Applicant believes and therefore alleges and requests the Board to find:

(a) The material averments of this Application are true and correct;

(b) The proposed plan of unitization and operating plan are feasible, will prevent waste and can be reasonably expected to increase the ultimate recovery of oil and gas, and the value thereof can be reasonably expected to exceed the estimated additional costs incident to conducting unit operations;

(c) The oil and gas allocated to each separately owned tract within the unit area under the proposed plan of unitization represents, so far as can be practically determined, each such tract's just and equitable share of the oil and gas in the unit area;

(d) The proposed plan of unitization and proposed operating plan are in the public interest, and will promote conservation, protect correlative rights, and are reasonably necessary to increase ultimate recovery and to prevent waste of oil and gas; and

(e) As to owners who have not executed the operating agreement or agreed to the proposed plan of unitization, that such plan:

(i) Makes a fair and equitable adjustment among the owners within the unit area for their respective investments in wells, tanks, pumps, machinery, materials, equipment, and other things and services of value which are attributable to unit operations;

(ii) Provides a fair and equitable determination of the cost of unit operations, including capital investments, and establishes a fair and equitable method for allocating such costs to the

separately-owned tracts and for payment of such costs by the owners of such tracts, either directly or out of such owner's respective share of unit production;

(iii) Establishes, if necessary, a fair and equitable method for carrying or otherwise financing any owner who elects to be carried, or otherwise financed, allowing a reasonable interest charge for such service payable out of such owner's share of unit production; and

(iv) Provides that each owner shall have a vote in the supervision and conduct of unit operations corresponding to the percentage of the costs of unit operations chargeable against the interest of such owner.

13. In support of this Application, schematic diagrams for the proposed enhanced recovery/injection well indicating the name and location of the well, the total depth and/or plug back total depth of the well, the depth of the injection interval, the geologic name of the injection zone, a geologic description of the injection zone including the location and extent of any known faults or fracture systems, the depths of the tops and bottoms of

casing and the amount of cement used in the well, the size and specifications of the casing and tubing, and the setting depth and type of packer, if used, are attached hereto as Exhibit "E" and by this reference specifically incorporated herein.

14. Injection into the proposed zone will not initiate vertical fractures into or through the overlying strata which could enable the injected fluids or formation fluids to enter any fresh water strata because no fresh water zones exist, and the manner in which the wells have or will be completed. Further, treatment pressures experienced by service company personnel indicated a fracture gradient of greater than 0.70 psig/foot for the proposed unit, which is in excess of the designed limit of 830 psig surface injection pressure.

15. Two abandoned wells: Calf Canyon #2, SW¼SW¼ Section 3, T20S-R21E, and JCT 675-3, SW¼NW¼ Section 10, T20S-R21E, exist within one-half mile radius of the proposed Calf Canyon #11 injection well; however, no unplugged wells exist which will allow the migration of the injected fluids or formation fluids to enter any fresh water strata.

16. The maximum proposed daily injection rate will not exceed 1000 BWPD per well and the maximum proposed injection pressure is 830 psig.

Doesn't match
From UIC 1
shows 300#
?

17. The fluids to be injected will come from recycled and treated produced water and a source well which is located in the SW¼SW¼ of Section 3, T20S-R21E, SLM. The source well will not be used for makeup water unless and/or until approval of this application is granted by the Board.

18. Analysis of injection fluids from representative wells and the produced water is presented in Exhibit "F" attached hereto and by this reference specifically incorporated herein.

19. A study addressing the feasibility of water flooding the proposed unit is presented in Exhibit "G" attached hereto and by this reference specifically incorporated herein.

WHEREFORE, Applicant respectfully requests as to the secondary recovery program by waterflood and the involuntary unitization and the unit operation of the Calf Canyon Unit, that this matter be set for hearing on December ~~3~~ 2, 1992, that notice of such hearing be given as provided by law, and that upon evidence produced at the hearing, for an order from the Board:

(a) Providing for and approving the unitized management, operation, and development of the Cedar Mountain Formation in the Calf Canyon Field as a common source of supply.

(b) Authorizing the proposed waterflood project for the Cedar Mountain Formation in the Calf Canyon Field as applied for herein;

(c) Approving the proposed plan of unitization and proposed operating plans for the Calf Canyon Unit;

(d) Providing for the pooling of all consenting and nonconsenting interests for the common development and operation of the unit area under the terms and conditions of the Unit Agreement and Unit Operating Agreement attached hereto as Exhibit "D";

(e) Authorizing the operator to convert Calf Canyon #11 well from a producing well to a water injection well, and drill additional water injection wells, and abandon water injection wells in the unit, upon obtaining all necessary approvals as required by law;

(f) Making such findings and orders in connection with this Application as it deems necessary; and

(g) Providing for such other and further relief as may be just and equitable under the circumstances.

FURTHER, Applicant respectfully requests that the matter of converting the Calf Canyon #11 well into an injection well also be set for hearing on December 2, 1992, that notice of such hearing be given as provided by law, and for an order by the Board approving the injection of water into the Cedar Mountain Formation within the Calf Canyon Unit through the Calf Canyon #11 well.

Respectfully submitted this 10th day of November, 1992.

WILLARD PEASE OIL AND GAS CO.
2135 East Main Street
Grand Junction, Colorado 81501

By: _____
John H. Benton
Registered Professional Engineer

Applicant's Attorneys:

PRUITT, GUSHEE & BACHTELL
1850 Beneficial Life Tower
Salt Lake City, Utah 84111

By: _____
Thomas W. Bachtell

VERIFICATION

CITY AND COUNTY OF DENVER)
:ss.
STATE OF COLORADO)

Before me, a Notary Public, personally appeared John H. Benton, as Engineer for Willard Pease Oil and Gas Co., and after first being duly sworn, deposes and says that the above matters are true and correct to the best of his knowledge, information and belief.

Subscribed and sworn to before me this 9th day of November, 1992.

_____
Notary Public
Residing At:
1600 Broadway, Ste. 1130
Denver, Co 80202

My Commission Expires:
5-19-95

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH UTAH CODE ANN. § 40-6-7 AND § 40-6-8; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH	:	NOTICE OF HEARING DOCKET NO. 92-042 CAUSE NO. 102-75

---ooOoo---

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, will conduct a hearing on Wednesday, October 28, 1992, at 10:00 a.m., or as soon thereafter as possible in the Boardroom of the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 520, Salt Lake City, Utah.

The hearing will be conducted in accordance with Utah Code Ann. § 40-6-1 et seq. (1953, as amended), Utah Code Ann. § 63-46b-1 et seq. (1953, as amended), and the Procedural Rules of the Board.

The purpose of the proceeding will be for the Board to receive and consider testimony and evidence regarding the need for secondary recovery for the unit area and whether the proposed unit agreement and unit operating agreement provide a proper plan for such secondary recovery, and make its findings that:

1. Secondary recovery operations within the proposed Calf Canyon Unit are necessary to foster, encourage, and promote development, production and utilization of oil and gas to prevent waste; provide for the operation and

development of oil and gas properties in such a manner that a greater ultimate recovery of oil and gas be obtained; and to provide for protection of correlative rights of all owners;

2. The value of estimated additional recovery of oil and gas substantially exceeds the estimated additional cost incident to conducting such operations;

3. The proposed unit area should be operated as a unit in the manner provided by the unit operating agreement, and enter its order:

   a. Establishing a unit for secondary recovery in the Calf Canyon Unit Area consisting of approximately ~~760~~ 640 acres, more fully described as follows:

      T. 20 S., R. 21 E. 6th, SLM

      Section 3; SW/4
      Section 3; S/2 SE/4
      Section 4; SE/4
      Section 4; E/2 SW/4 ✓80
      Section 9; N/2 NE/4 <40>
      Section 10; N/2 N/2
      Section 11; NW/4 NW/4

   b. Approving the unit agreement and unit operating agreement for secondary recovery operations for the Calf Canyon Unit ~~containing~~ all provisions required by the statute; containing

   c. Approving the plan of development and operations for secondary recovery from the pool;

   d. Granting authority for water injection well(s) set forth in the application and the proposed plan of development and operations;

   e. Suspending existing spacing orders and/or state-wide field or siting rules to the extent said orders or rules are inconsistent with the unit agreement and unit operating agreement proposed in this matter; and

   f. Providing such other relief as may be just and proper under the circumstances.

Natural persons may appear and represent themselves before the Board. All other representation by parties before the Board will be by attorneys licensed to practice law in the State of Utah or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah courts.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Janice L. Brown at 538-5340, at least three working days prior to the hearing date.

Persons interested in this matter may participate pursuant to the Procedural Rules of the Board. The Petition/ Application and any subsequent pleadings may be inspected in the office of the undersigned.

DATED this 6th day of October, 1992.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING
James W. Carter, Chairman

Janice L. Brown

/s/ Janice L. Brown
Secretary of the Board
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

FORM 10

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
355 West North Temple, 3 Triad, Suite 350, Salt Lake City, UT 84180-1203

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

PEASE, WILLARD O&G CO
PO BOX 1874
GRAND JUNCTION CO 81502

UTAH ACCOUNT NUMBER: N1080

REPORT PERIOD (MONTH/YEAR): 2 / 94

AMENDED REPORT ☐ **(Highlight Changes)**

Well Name API Number	Entity	Location	Producing Zone	Well Status	Days Oper	Production Volumes OIL(BBL)	GAS(MCF)	WATER(BBL)
CALF CANYON #11 ~~4301931209~~	09820	20S 21E 3	DKTA	(WIW)		Calf Cyn. Unit	U-11620	
					TOTALS			

COMMENTS:

I hereby certify that this report is true and complete to the best of my knowledge.

Date:

Name and Signature:

Telephone Number:

(12/93)

to: Utah State Oil + Gas Comm

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
~~BOPE~~ Csg. TEST INSPECTION

Date 1/12/94

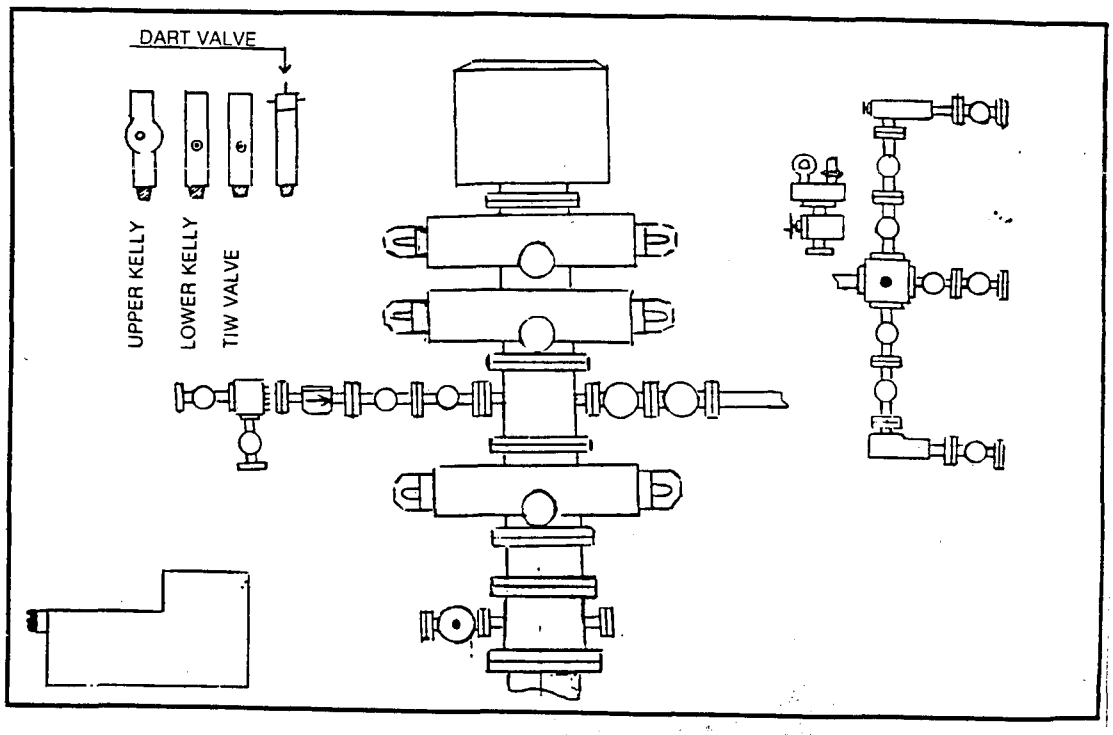
Well Fed. Calf Canyon #11
Operator Willard Pease Oil + Gas
Lease No. UTU 11620
Tested (with/without) test plug?

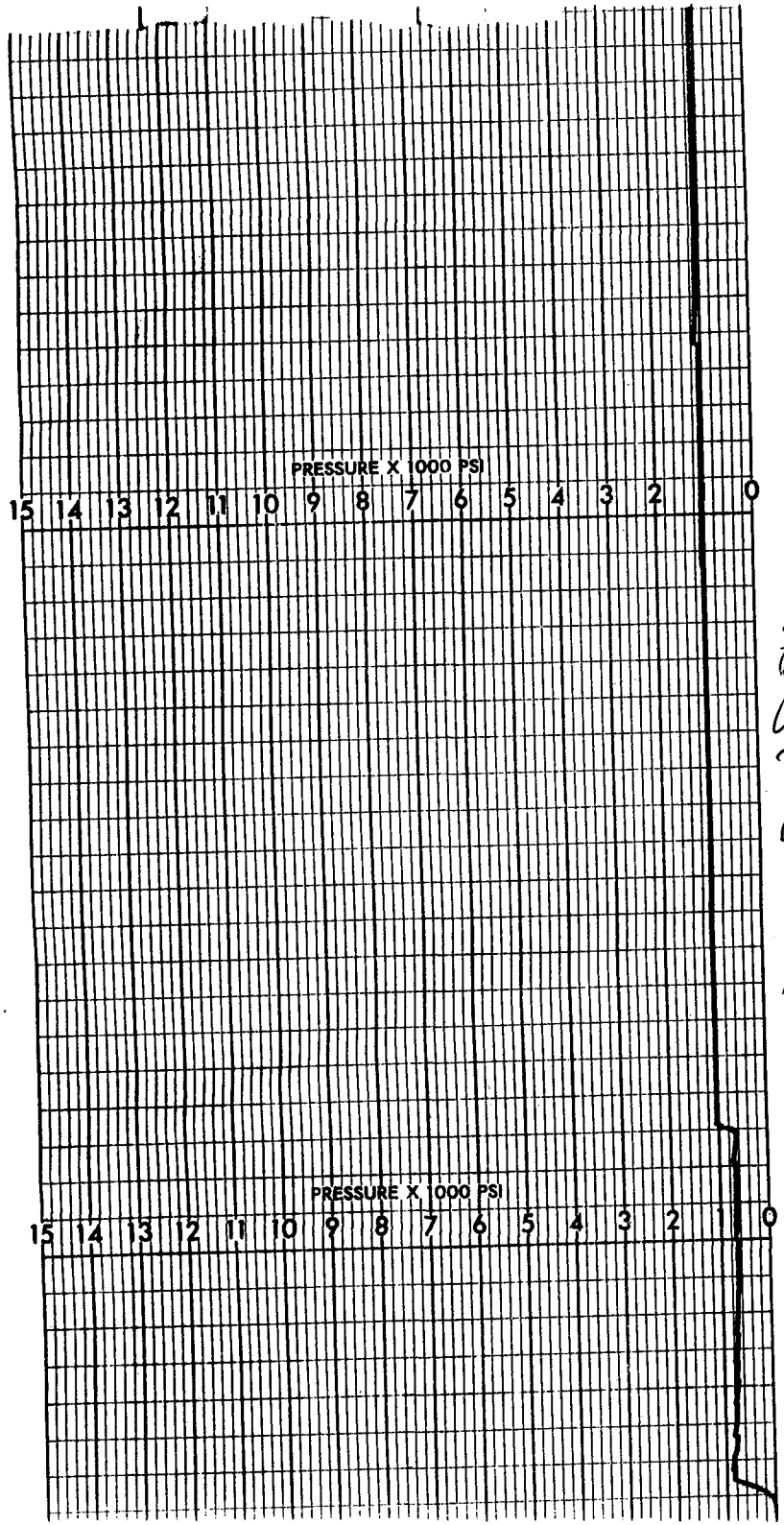
Rig Name and No. Pease O + Gas Rig #1
Required Test Pressure 800#
BOP Rated Working Pressure 2000#

Equipment	Test Number	Test Pressure	Test Period	Pressure Loss	Remarks
Annular					
Pipe Rams					
Blind Rams					
L. Pipe Rams					
Kill Line Valve 1					
Valve 2					
Check					
Choke Line Valve 1					
Valve 2					
Manifold Valves					
Super Choke					
U. Kelly Cock					
L. Kelly Cock					
Safety Valve					
Casing	1	850	3 min	70#	Started test over
"	2	850	5 min	180#	Restart test
	3	1000#	30 min	-0-	Test good.

Additional Tests and Comments:
Had Valve leaking on Line during 1st Test. Valve was Replaced.
Had BOP leaking on 2nd Test - Packing tightened & then put 1000# on + Held for 30 min. Plug. Back TD 3763. Packer Set at 3363.

Indicate on the diagram below which piece of equipment was isolated during which test. Used Packer and Retrievable type plug for Tests.





WESTOMETER

FORT WORTH, TEXAS

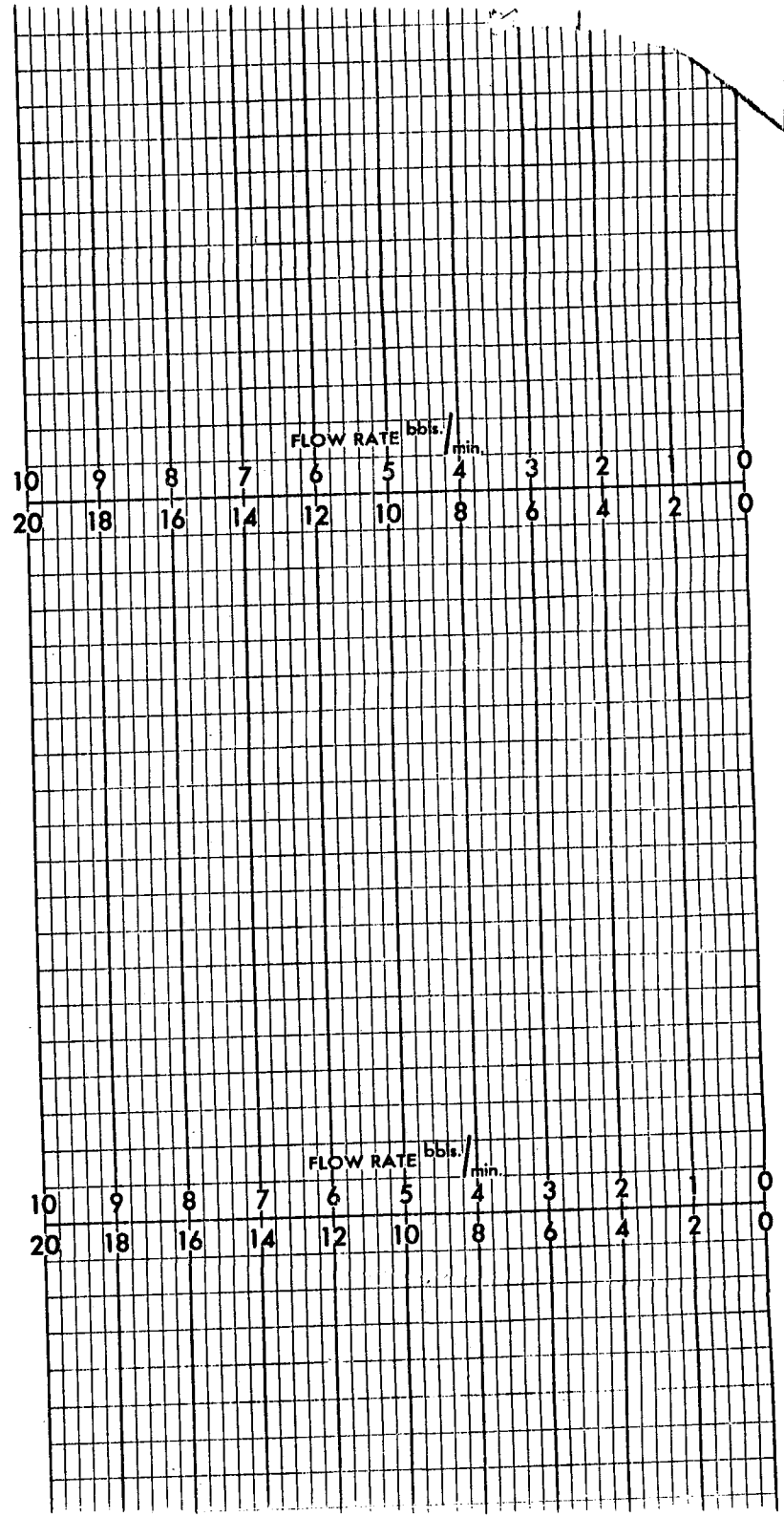
WESTERN CO.

Pressure test
Casing
Pease oil
Calf Canyon #11

K. Pummell
Western Co

12:22

12:12



Form 9

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

6. Lease Designation and Serial Number: U-11620

7. Indian Allottee or Tribe Name: --------

8. Unit or Communitization Agreement: --------

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT— for such proposals.

FEB 22 1994

1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other (specify) Injection

9. Well Name and Number: Calf Canyon #11

2. Name of Operator: Pease Oil and Gas, Inc.

10. API Well Number: 43-019-31209

3. Address of Operator: P.O. Box 1874, Grand Junction, CO 81502

4. Telephone Number: 303/245-5917

11. Field and Pool, or Wildcat: Calf Canyon

5. Location of Well
Footage : 519 FSL, 750 FWL, Sec. 3, T20S, R21E
QQ, Sec, T., R., M. : Sec. 3, T20S, R21E SLM
County : Grand
State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Approximate Date Work Will Start 01/03/94

SUBSEQUENT REPORT (Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of Work Completion

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See attached for injection conversion procedure.

+303-292-1226 - Denver -
+303-245-5917 - Grand Junction -
+303-669-6308 Loveland - Neut

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

Name & Signature John H. Benton

Title Engineer

Date 01/02/94

(State Use Only)

(8/90)

See Instructions on Reverse Side

Conversion Procedure
Calf Canyon Unit No. 11

1. Hot oil tubing. TOOH w/rods, pump and tubing.

2. PU bit and scraper. RIH and drill out float collar and shoe joint to +/- 3760'. Reverse circulate hole clean. TOOH w/bit and scraper.

3. Perforate the Entrada from 3738'-3754' w/4 JSPF. RIH w/tubing and packer. Set packer @ +/- 3600'. Swab test well to catch samples and test deliverability. Samples should be analyzed for compatibility w/Cedar Mountain formation.

4. Stimulate well w/3000 gallons mud acid. Swab back load and swab test well.

5. TOOH w/retrievable packer. PU RBP w/ball catcher and tension packer. Set RBP @ +/- 3390' and packer @ +/- 3015'. TIH and acidize Cedar Mountain perforations (3098-3124') w/3000 gallons of mud acid. Pressure test and load well. Record ISIP, 15-minute SI. Perform MIT test. Swab back load.

6. Release packer, fish RBP and POOH w/RBP and packer. PU and RIH w/production BHA, lok-set injection packer, and tubing. Set packer @ +/- 3410'. Fish standing valve, RIH w/pump and rods. Space out and land pump.

7. Install 228 pumping unit, chemical pump, surface pressure gauges. Run gas line to well. Commence injection.

Form 9

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

FEB 28 1994

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT — for such proposals.

6. Lease Designation and Serial Number: U-11620

7. Indian Allottee or Tribe Name: ------

8. Unit or Communitization Agreement: ------

1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other (specify) Injection

9. Well Name and Number: Calf Canyon #11

2. Name of Operator: Pease Oil and Gas, Inc.

10. API Well Number: 43-019-31209

3. Address of Operator: P.O. Box 1874, Grand Junction, CO 81502

4. Telephone Number: 303/245-5917

11. Field and Pool, or Wildcat: Calf Canyon

5. Location of Well
Footage : 519 FSL, 750 FWL, Sec. 3, T20S, R21E
QQ, Sec, T., R., M. : SWSW Sec. 3, T20S, R21E
County : Grand
State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of Work Completion 01/14/94

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See attached for injection conversion procedure.

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

Name & Signature John H. Benton *John H. Benton* Title Engineer Date 02/22/94

(State Use Only)

(8/90)

See Instructions on Reverse Side

PEASE OIL & GAS COMPANY

Calf Canyon #11
Calf Canyon Waterflood
Grand County, Utah

01-03-94 to 01-10-94

Move in rig, drill out shoe joint to 3763 KB. Perforate Entrada 3738 to 3754 w/ 4 jspf. With pkr at 3610, swab test Entrada at 4.0 bbls water per hour. Initial FL 1100 from surface. Corroborates initial bottom hole pressure measure of 1200 psig.
DWC 1430 CWC 22,224

01-11-94 Tue

ENTRADA SI pressure 0. FL 1100' from surface. Recover 10 bbls water, swab down, establish rate of 4.0 bwph. Begin pumping brkdown. Rate of 2.5 bpm at 1600 psi until acid hits perfs, then broke back to 800 psi at 4 bpm. Dropped balls and rock salt to achieve injection into all holes. Experienced 75 to 100 lb increases as balls and salt hit perfs.

Pumped 70 bbls 7½% HCl, 10 bbls citric acid, 1 gal clay stabilizer, 2 gal 940 surfactant, 2 gal LT32 surfactant, 5 gal LT31, 1 gal inhibitor. 85 bbls total load w/ displacement. Max rate 5 bpm at 1200 psi, max press 1600, ISIP 800, vacuum in two mins.

Took 30 mins to rig down Western, began swabbing. Initial FL 900. First hr swabbed 23.3 bbl, second hr 20.0 bbls and third hr 37.0 bbls water. Flat tank full. Recovered 81 bbls. Still low pH water, unlatched pkr and POOH. SDFN
DWC 9335 CWC 31,579

01-12-94 Wed

0730 hrs: CSG slight vacuum. PU cup type RBP w/ ball catcher and tension pkr and GIH w/ 54 stds + a single & set RBP at 3393. Pulled 6 stds, set pkr at 3016 KB w/ 18,000 lbs tension. Rig up Western and acicize Cedar Mtn perfs 3098 to 3124.

Press test to 4200 & load hole. Press up to 1000 at 2 bpm until acid on perfs. Broke back to 850 lbs. 3 bpm at 1600. At 25 bbls acid into hole, raised rate to 4 bpm at 2100, saw some ball action, 70 balls total, got 3 - 200 lb increases which gradually decreased back to 2100. Acidized w/ 3000 gal 7½% HCl plus exact aditives as listed above for Entrada. Flush w/ 12 bbls 2% KCl. ISIP 1025, on vacuum in 2½ mins. Avg press 2100, avg rate 4.0

01-12-94
Wed

bpm. Max press 2450. SWitched Western to annulus & loaded bkside w/ 19 bbls water, pressured up to 850 for 15 mins. BLM man arrived and witnessed 1000 psi for 30 mins on csg, thus completing MIT test.

Rigged up to swab at 12:00 noon (abt 1½ hrs after pmpng acid). IFL 2500. Pulled 3 swabs in 1st hr, recovered 4 bbls, swabbed down to SN. Fluid entering at 300' every 20 mins. 2nd hr recovered 2 bbls. Making pull every ½ hr, recovering 1.2 bph w/ less than 1% fines. Total recovery 7 bbls load water, 76 bbls load to recover.

Released PKR, fished RBP & POOH w/ RBP & PKR. Recovered 54 balls, tools in good shape. PU Model R PKR w/ 2 jt stinger & GIH to PBTD of 3759 - lost 4' of hole since clean out. Bottom soft. Laid down 8 jts tbg & set pkr at 3511 KB. SDFN at 1730 hrs.
DWC 10,676 (includes all tools) CWC 42,255

01-13-94

0730 hrs: Tbg 0, Csg slight vacuum. Unlatch Model R & POOH, lay down pkr & 4 jts tbg. PU injection BHA & GIH:

109 jts 2 3/8" tbg, bttm at	3369.50	KB
SN	3370.60	
1 jt 2 3/8" tbg,	3401.25	bttm
J-latch on-off tool	3402.75	
2 3/8" tbg pup	3406.75	
Elder AT Lockset pkr	3410.75	bttm
perf 2 3/8 tbg sub	3414.75	
Anchor jt	3440.93	

ND BOP, set lockset w/ 10,000 lbs tension. NU wellhead, rig up to swab. IFL 1100, swabbed 16 bbls water in three runs from Entrada perfs, took sample. Rig down swab, RU to run pump & rods. Ran:

2 x 1¼ x 16' top hold down pump.
73 3/4" rods
34 of 61 7/8" rods

Installed two rod guides on every rod. Hot oiled & blew out flow line w/ air. Tied in annulus to line heater & installed water meter & chemical injection. Tied in gas line to engine. SDFN 1830 hrs
DWC 7880 CWC 50,135

01-14-94 0730 hrs: Tbg 0, Csg 0. Finished running 7/8" rods.
Total rod string:

22' x 1¼" PR	
7/8" ponies	2'
	4'
	6'
60 7/8" rods	1500
73 3/4" rods	1825
	3337 ft of rods

2 x 1¼ x 20' top hold down pump

Placed two rod guides on each rod. Spaced pump w/ plunger 24" off bottom, 36" PR above clamp. Long stroked pump & had pump action. Hung well on, turned engine over - seems OK. Pressured up flow line, seems OK. Released rig.
DWC 3812 CWC 53,947

BACHMAN SERVICES, INC.
P.O. Box 96265
Oklahoma City, OK 73143

Phone: (405) 677-8296
Fax: (405) 677-7483

WATER ANALYSIS REPORT

Company: Pease Oil & Gas
Source: Calf Canyon #11

Date Sampled: January 20, 1994
Date Analyzed: January 21, 1994

pH:	5.70	Total Dissolved Solids (mg/L):	7,040
Dissolved H2S:	ND		
Dissolved CO2:	ND	Total Ionic Strength:	0.168890
Specific Gravity:	1.005		
Density (lbs/gal):	8.3817		

		mg/L	Meq/L
Anions			
	Bicarbonate:	207	3
	Chloride:	2,596	73
	Sulfate:	1,850	39
Cations			
	Calcium:	1,227	61
	Magnesium:	86	7
	Sodium:	1,074	47
	Barium:	0	
	Strontium:	0	
	Total Hardness:	3,420	
	Total Iron:	70.0	

PROBABLE MINERAL COMPOSITION

					Meq/L	mg/L
61	Ca	3	HCO3			
7	Mg	39	SO4			
47	Na	73	Cl	Calcium Bicarbonate:	3	243
				Calcium Sulfate:	39	2,655
				Calcium Chloride:	19	1,055
Saturation Values				Magnesium Bicarbonate:	0	0
In Distilled Water @ 20 C				Magnesium Sulfate:	0	0
				Magnesium Chloride:	7	333
CaCO3	13 mg/L			Sodium Bicarbonate:	0	0
CaSO4 * 2H2O	2,090 mg/L			Sodium Sulfate:	0	0
MgCO3	103 mg/L			Sodium Chloride:	47	2,748

Remarks:

Laboratory Analyst: Lee Robertson

SCALE CALCULATIONS

FIELD NAME : Pease Oil & Gas

SOURCE : Calf Canyon #11
SAMPLE NO: 1/20/94

ION	mg/L
Na	1074
Ca	1227
Mg	86
Ba	0
Sr	0
Cl	2596
SO4	1850
CO3	0
HCO3	207
TDS	7040
pH	5.7
SG	1.005
I (Molar)	.17

TWO PHASE PRODUCTION SYSTEM (WATER + GAS)

CALCIUM CARBONATE SCALING CALCULATIONS

					[----------STIFF & DAVIS----------]				[-O&T-]
%A	TF	Psia	XCO2	pHc	SI	PTB	SIc	PTBc	Is
100	100	200	0	****	-.7	-331.7	*****	*******	*****

SULFATE SCALE CALCULATIONS

			[------CaSO4------]		[-----BaSO4-----]		[-----SrSO4-----]	
%A	TF	Psia	SR	PTB	SR	PTB	SR	PTB
100	100	200	1.2	96.1	0	0	0	-12.3

NOTE: Values of SI & PTB for CaCO3, and SR & PTB for CaSO4 and BaSO4 are calculated at 14.7 psia.

Form 9

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

RECEIVED
FEB 28 1994

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT — for such proposals.

6. Lease Designation and Serial Number: U-11620

7. Indian Allottee or Tribe Name: ------

8. Unit or Communitization Agreement: ------

9. Well Name and Number: Calf Canyon #11

10. API Well Number: 43-019-31209

11. Field and Pool, or Wildcat: Calf Canyon

1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other (specify) Injection

2. Name of Operator: Pease Oil and Gas, Inc.

3. Address of Operator: P.O. Box 1874, Grand Junction, CO 81502

4. Telephone Number: 303/245-5917

5. Location of Well
Footage : 519 FSL, 750 FWL, Sec. 3, T20S, R21E
QQ, Sec, T., R., M. : SWSW Sec. 3, T20S, R21E
County : Grand
State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of Work Completion 01/14/94

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See attached for injection conversion procedure.

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

Name & Signature John H. Benton *John H. Benton* Title Engineer Date 02/22/94

(State Use Only)

(8/90)

See Instructions on Reverse Side

PEASE OIL & GAS COMPANY

Calf Canyon #11
Calf Canyon Waterflood
Grand County, Utah

01-03-94 to 01-10-94

Move in rig, drill out shoe joint to 3763 KB. Perforate Entrada 3738 to 3754 w/ 4 jspf. With pkr at 3610, swab test Entrada at 4.0 bbls water per hour. Initial FL 1100 from surface. Corroborates initial bottom hole pressure measure of 1200 psig.
DWC 1430 CWC 22,224

01-11-94 Tue

ENTRADA SI pressure 0. FL 1100' from surface. Recover 10 bbls water, swab down, establish rate of 4.0 bwph. Begin pumping brkdown. Rate of 2.5 bpm at 1600 psi until acid hits perfs, then broke back to 800 psi at 4 bpm. Dropped balls and rock salt to achieve injection into all holes. Experienced 75 to 100 lb increases as balls and salt hit perfs.

Pumped 70 bbls 7½% HCl, 10 bbls citric acid, 1 gal clay stabilizer, 2 gal 940 surfactant, 2 gal LT32 surfactant, 5 gal LT31, 1 gal inhibitor. 85 bbls total load w/ displacement. Max rate 5 bpm at 1200 psi, max press 1600, ISIP 800, vacuum in two mins.

Took 30 mins to rig down Western, began swabbing. Initial FL 900. First hr swabbed 23.3 bbl, second hr 20.0 bbls and third hr 37.0 bbls water. Flat tank full. Recovered 81 bbls. Still low pH water, unlatched pkr and POOH. SDFN
DWC 9335 CWC 31,579

01-12-94 Wed

0730 hrs: CSG slight vacuum. PU cup type RBP w/ ball catcher and tension pkr and GIH w/ 54 stds + a single & set RBP at 3393. Pulled 6 stds, set pkr at 3016 KB w/ 18,000 lbs tension. Rig up Western and acicize Cedar Mtn perfs 3098 to 3124.

Press test to 4200 & load hole. Press up to 1000 at 2 bpm until acid on perfs. Broke back to 850 lbs. 3 bpm at 1600. At 25 bbls acid into hole, raised rate to 4 bpm at 2100, saw some ball action, 70 balls total, got 3 - 200 lb increases which gradually decreased back to 2100. Acidized w/ 3000 gal 7½% HCl plus exact aditives as listed above for Entrada. Flush w/ 12 bbls 2% KCl. ISIP 1025, on vacuum in 2½ mins. Avg press 2100, avg rate 4.0

01-12-94
Wed

bpm. Max press 2450. SWitched Western to annulus & loaded bkside w/ 19 bbls water, pressured up to 850 for 15 mins. BLM man arrived and witnessed 1000 psi for 30 mins on csg, thus completing MIT test.

Rigged up to swab at 12:00 noon (abt 1½ hrs after pmpng acid). IFL 2500. Pulled 3 swabs in 1st hr, recovered 4 bbls, swabbed down to SN. Fluid entering at 300' every 20 mins. 2nd hr recovered 2 bbls. Making pull every ½ hr, recovering 1.2 bph w/ less than 1% fines. Total recovery 7 bbls load water, 76 bbls load to recover.

Released PKR, fished RBP & POOH w/ RBP & PKR. Recovered 54 balls, tools in good shape. PU Model R PKR w/ 2 jt stinger & GIH to PBTD of 3759 - lost 4' of hole since clean out. Bottom soft. Laid down 8 jts tbg & set pkr at 3511 KB. SDFN at 1730 hrs.
DWC 10,676 (includes all tools) CWC 42,255

01-13-94

0730 hrs: Tbg 0, Csg slight vacuum. Unlatch Model R & POOH, lay down pkr & 4 jts tbg. PU injection BHA & GIH:

109 jts 2 3/8" tbg, bttm at	3369.50	KB
SN	3370.60	
1 jt 2 3/8" tbg,	3401.25	bttm
J-latch on-off tool	3402.75	
2 3/8" tbg pup	3406.75	
Elder AT Lockset pkr	3410.75	bttm
perf 2 3/8 tbg sub	3414.75	
Anchor jt	3440.93	

ND BOP, set lockset w/ 10,000 lbs tension. NU wellhead, rig up to swab. IFL 1100, swabbed 16 bbls water in three runs from Entrada perfs, took sample. Rig down swab, RU to run pump & rods. Ran:

2 x 1¼ x 16' top hold down pump.
73 3/4" rods
34 of 61 7/8" rods

Installed two rod guides on every rod. Hot oiled & blew out flow line w/ air. Tied in annulus to line heater & installed water meter & chemical injection. Tied in gas line to engine. SDFN 1830 hrs
DWC 7880 CWC 50,135

01-14-94 0730 hrs: Tbg 0, Csg 0. Finished running 7/8" rods.
Total rod string:

22' x 1¼" PR		
7/8" ponies	2'	
	4'	
	6'	
60 7/8" rods	1500	
73 3/4" rods	1825	
	3337	ft of rods

2 x 1¼ x 20' top hold down pump

Placed two rod guides on each rod. Spaced pump w/ plunger 24" off bottom, 36" PR above clamp. Long stroked pump & had pump action. Hung well on, turned engine over - seems OK. Pressured up flow line, seems OK. Released rig.

DWC 3812 CWC 53,947

BACHMAN SERVICES, INC.
P.O. Box 96265
Oklahoma City, OK 73143

Phone: (405) 677-8296
Fax: (405) 677-7483

WATER ANALYSIS REPORT

Company: Pease Oil & Gas
Source: Calf Canyon #11

Date Sampled: January 20, 1994
Date Analyzed: January 21, 1994

pH:	5.70	Total Dissolved Solids (mg/L):	7,040
Dissolved H2S:	ND		
Dissolved CO2:	ND	Total Ionic Strength:	0.168890
Specific Gravity:	1.005		
Density (lbs/gal):	8.3817		

		mg/L	Meq/L
Anions			
	Bicarbonate:	207	3
	Chloride:	2,596	73
	Sulfate:	1,850	39
Cations			
	Calcium:	1,227	61
	Magnesium:	86	7
	Sodium:	1,074	47
	Barium:	0	
	Strontium:	0	
	Total Hardness:	3,420	
	Total Iron:	70.0	

PROBABLE MINERAL COMPOSITION

				Meq/L	mg/L
61	Ca	3	HCO3		
7	Mg	39	SO4		
47	Na	73	Cl		
			Calcium Bicarbonate:	3	243
			Calcium Sulfate:	39	2,655
			Calcium Chloride:	19	1,055
			Magnesium Bicarbonate:	0	0
			Magnesium Sulfate:	0	0
			Magnesium Chloride:	7	333
			Sodium Bicarbonate:	0	0
			Sodium Sulfate:	0	0
			Sodium Chloride:	47	2,748

Saturation Values
In Distilled Water @ 20 C

CaCO3	13 mg/L
CaSO4 * 2H2O	2,090 mg/L
MgCO3	103 mg/L

Remarks:

Laboratory Analyst: Les Robertson

SCALE CALCULATIONS

FIELD NAME : Pease Oil & Gas

SOURCE : Calf Canyon #11
SAMPLE NO: 1/20/94

ION	mg/L
Na	1074
Ca	1227
Mg	86
Ba	0
Sr	0
Cl	2596
SO4	1850
CO3	0
HCO3	207
TDS	7040
pH	5.7
SG	1.005
I (Molar)	.17

TWO PHASE PRODUCTION SYSTEM (WATER + GAS)

CALCIUM CARBONATE SCALING CALCULATIONS

					[----------STIFF & DAVIS----------]				[-O&T-]
%A	TF	Psia	XCO2	pHc	SI	PTB	SIc	PTBc	Is
100	100	200	0	****	-.7	-331.7	*****	*******	*****

SULFATE SCALE CALCULATIONS

			[------CaSO4------]		[-----BaSO4-----]		[-----SrSO4-----]	
%A	TF	Psia	SR	PTB	SR	PTB	SR	PTB
100	100	200	1.2	96.1	0	0	0	-12.3

NOTE: Values of SI & PTB for CaCO3, and SR & PTB for CaSO4 and BaSO4 are calculated at 14.7 psia.

PEASE
OIL & GAS COMPANY

DENVER REGIONAL OFFICE: 633 17th Street, Suite 1500 Denver, CO 80202 (303) 292-1226 Fax: (303) 292-1502

March 21, 1994

RECEIVED
MAR 24 1994
DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180

N1080

Re: Change of Name from Willard Pease Oil and Gas Company to Pease Oil and Gas Company.

To Whom it May Concern:

Enclosed please find a copy of documents issued by the Colorado Secretary of State's Office evidencing a name change from Willard Pease Oil and Gas Company to Pease Oil and Gas Company. Please reflect this change in your records.

If you have any questions or need additional information please contact the undersigned.

Sincerely,

PEASE OIL AND GAS COMPANY

Laura Skaer

Laura Skaer
General Counsel

LS:gb

Enclosure

UtahDiv.OGM

(Rev. 7/91)
SUBMIT ONE
Filing fee: $10.00

This document must be typewritten.

Mail to: Secretary of State
Corporations Section
1560 Broadway, Suite 200
Denver, Colorado 80202
(303) 894-2251

FILED COPY

for office use only

931135974 $10.00
506 12-08-93 16:35

FR 89110013 3

CERTIFICATE OF ASSUMED OR TRADE NAME

Willard Pease Oil and Gas Company NC 92, a corporation, limited partnership or limited liability company under the laws of Nevada being desirous of transacting a portion of its business under an assumed or trade name as permitted by 7-71-101, Colorado Revised Statutes hereby certifies:

1. The location of its principal office is: 2135 E. Main, P.O. Box 1874 Grand Junction, CO 81502
2. The name, other than its own, under which business is carried on is (Note 1): Pease Oil and Gas Company, Inc.
3. A brief description of the kind of business transacted under such assumed or trade name is: oil and gas exploration

Limited Partnerships or Limited Liabilities Companies complete this section	Corporations complete this section
In IN WITNESS WHEREOF, the undersigned general partner or manager of said limited partnership or limited liability company has this day executed this certificate _____ 19 ____ _____ (Note 2) by _____ (Note 3) Title, General Partner or Manager _____ Title, General Partner or Manager	IN WITNESS WHEREOF, the undersigned officers of said corporation have this day executed this certificate December 1 1993 WILLARD PEASE OIL AND GAS COMPANY (Note 2) by [signature] (Note 3) Its X President Attest: [signature] Its X Secretary

STATE OF COLORADO

COUNTY OF Mesa ss.

Acknowledged before me this 1st day of Dec 1993, by Willard H. Pease, Jr., as President, and Wilt Roeland as Secretary, of Willard Pease Oil and Gas Company (Insert name(s) as signed above, title(s).)

In witness whereof I have hereunto set my hand and seal

My commission expires 9-2-97 [signature]

EVA M. EDIE-JONES
NOTARY PUBLIC
STATE OF COLORADO

Note 1: Any assumed name used by any corporation shall contain one of the words "Corporation", "Incorporated", "Limited", or one of the abbreviations "Corp.", "Inc.", or "Ltd."
Any assumed name used by any limited partnership shall contain one of the words "Limited Partnership", "Limited", or "Company" or one of the abbreviations "L.P.", "Ltd.", or "Co."
Any assumed name used by a Limited Liability Company must contain the words Limited Liability Company. The words Limited and Company may be abbreviated as Ltd. and Co., but the word Liability cannot be abbreviated.

Note 2: Exact name of corporation, limited partnership or limited liability company making the statement.

Note 3: Signature and title of officers signing (for the corporation, must be president or vice president; and secretary or assistant secretary, for a limited partnership must be general partner for a limited liability company must be a manager.)

CERTIFICATE OF BUSINESS: FICTITIOUS FIRM NAME

FILED

'93 DEC 13 P12:06

THE UNDERSIGNED does hereby certify that it is

conducting a oil and gas exploration business at

c/o The Corporation Trust Company of Nevada, One E. First St., Reno, Nevada,

JUDI BAILEY, CLERK

DEPUTY

under the fictitious firm name of Pease Oil and Gas Company

and that said firm is composed of the following person whose name and address as follows, to-wit:

Willard Pease Oil and Gas Company

2135 E. Main

Grand Junction, CO 81501

Willard H. Pease, Jr., President

WITNESS my hand this 1st day of December, 1993.

WILLARD PEASE OIL AND GAS COMPANY,
a Nevada corporation

By: Willard H. Pease Jr.
Willard H. Pease, Jr.
President

STATE OF Colo)
) ss.
COUNTY OF Mesa)

On this 1ST day of December A.D. 1993 personally appeared before me, a Notary Public, Willard H. Pease, Jr., the President of Willard Pease Oil and Gas Company

who acknowledged that he executed the above instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp at my office in the County of Mesa the day and year in this certificate first above written.

Eva M. Edie-Jones 9/23/97

Signature of Notary

EVA M. EDIE-JONES
NOTARY PUBLIC
STATE OF COLORADO

CC-M-404

FORM 9

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

RECEIVED APR 28 1994 DIV. OF OIL, GAS & MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number: U-11620

6. If Indian, Allottee or Tribe Name: -------

7. Unit Agreement Name: UTU70813A

1. Type of Well: OIL ☐ GAS ☐ OTHER: Water Injection Well

8. Well Name and Number: Calf Canyon #11

2. Name of Operator: Pease Oil & Gas, Inc.

9. API Well Number: 43-019-31209

3. Address and Telephone Number: P.O. Box 1874, Grand JUnction, Co. 81502 (303) 245-5917

10. Field and Pool, or Wildcat: Calf Canyon

4. Location of Well

Footages: 519 FSL, 750 FWL, Sec. 3, T20S, R21E

County: Grand

QQ, Sec.,T.,R.,M.: SWSW Sec. 3, T20S, R21E SLM

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit In Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off
- ☐ Other

Approximate date work will start

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of work completion March 14, 1994

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Conversion to water injection well to enhance production in the Calf Canyon Water Flood Unit.

13.

Name & Signature: William A. Pease Jr. Title: President Date: 4/26/94

(This space for State use only)

(1\93) (See Instructions on Reverse Side)

Bureau of Land Management
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

3100
U-08112 et al
(UT-920)

AUG 30 1994

DECISION

Pease Oil & Gas Company	:	
P. O. Box 1874	:	Oil and Gas
Grand Junction, Colorado 81502	:	U-08112 et al

Corporate Name Change Recognized

Acceptable evidence has been filed in this office concerning the change of name of Willard Pease Oil and Gas Company to Pease Oil and Gas Company on Federal oil and gas leases.

The following oil and gas leases have been noted to reflect the name change.

U-08112	U-0128115	U-0145834
U-0146802	U-0147904	U-0149773
U-0149777	U-1506	U-5675
U-6791	U-11620	U-13666
U-14970	U-16923	U-24185
U-30291A	U-64882	UTU-67867
UTU-72600	UTU-72601	

Due to the name change, the name of the principal on the bond is required to be changed from Willard Pease Oil and Gas Company to Pease Oil and Gas Company on Bond No, 400 DX 0202 (BLM Bond No. UT0073). You may accomplish this name change either by consent of the surety on the original bond or by a rider to the original bond. Otherwise, a replacement bond with the new name should be furnished to this office.

/s/ ROBERT LOPEZ

Chief, Minerals
Adjudication Section

cc: St. Paul Fire & Marine Insurance Co.
385 Washington Street
St. Paul, Minnesota 55102

bc: Vernal District Office
Moab District Office
MMS-Royalty Management Program (Attn: Richard Richards)
UT-920 (Attn: Dianne Wright)
UT-922 (Attn: Teresa Thompson)

Doam
Brad Greesbeck, 11062

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

Routing:

1-LEC	7-SJ
2-DTS	8-FILE
3-VLC	
4-RJF	
5-LEC	
6-PL	

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

☐ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator XXXX Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 12-01-93)

TO (new operator)	PEASE OIL & GAS COMPANY
(address)	PO BOX 1874
	GRAND JUNCTION CO 81502
	LAURA SKAER/303-292-1226
	phone ( )
	account no. N 1080

FROM (former operator)	PEASE, WILLARD O&G CO.
(address)	PO BOX 1874
	GRAND JUNCTION CO 81502
	LAURA SKAER/DENVER
	phone (303) 292-1226
	account no. N1080

Well(s) (attach additional page if needed):

Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
*SEE ATTACHED**	019-31209					

OPERATOR CHANGE DOCUMENTATION

N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form).

Lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 3-24-94)

Lec 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: C0052893. (Name chg aprv. 8-8-94)

Lec 4. **(For Indian and Federal Wells ONLY)** The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.

Lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (9-9-94)

Lup 6. Cardex file has been updated for each well listed above. 9-12 + 9-13-94

Lup 7. Well file labels have been updated for each well listed above. 9-13-94

Lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (9-9-94)

Lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

'ERATOR CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.

ENTITY REVIEW

Lec 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) ____ (If entity assignments were changed, attach copies of Form 6, Entity Action Form). Salt Canyon Unit

Lec 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

N/A 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.

Lec

__ 2. A copy of this form has been placed in the new and former operators' bond files.

__ 3. The former operator has requested a release of liability from their bond (yes/no) ___. Today's date _____ 19___. If yes, division response was made by letter dated _____ 19___.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated _____ 19___, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.

DTS 9/14/94

N/A 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

FILMING

✓ 1. All attachments to this form have been microfilmed. Date: September 29 19 94.

FILING

__ 1. Copies of all attachments to this form have been filed in each well file.

__ 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

940909 Bhm/SL. Aprv. 8-30-94.

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

RECEIVED
MAY 18 1998
DIV. OF OIL, GAS & MINING

5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
U-70813A

1. Type of Well
[X] Oil Well [ ] Gas Well [ ] Other

8. Well Name and No.
See Exhibit "A" Attached

9. API Well No.
See Exhibit "A" Attached

2. Name of Operator
Burkhalter Engineering, Inc.

10. Field and Pool, or Exploratory Area
Calf Canyon

3. Address and Telephone No.
P.O. Box 60095 Grand Junction, CO 81506 (970) 245-5917

11. County or Parish, State
Grand County, Utah

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See Exhibit "A" Attached

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[ ] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Change of Operator	[ ] Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Effective April 1, 1998, Burkhalter Engineering became the operator of the wells listed on Exhibit "A" attached. Burkhalter Engineering is responsible under the terms and conditions of the lease for operations conducted on the leased lands or portions thereof.

Bond coverage for this well will be provided by BLM Bond No. UT1097

Willard Pease Jr.
Willard Pease Jr.
Pease Oil and Gas Company

14. I hereby certify that the foregoing is true and correct
Signed J. W. Burkhalter Title Pres Date May 4, 1998

(This space for Federal or State office use)
Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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

***See Instructions on Reverse Side**

EXHIBIT "A" TO SUNDRY NOTICE
U-70813A

WELL NAME & NO.	API NO.	1/4 1/4	SEC.	TWP.	RNG.	
Calf Canyon #1	43-019-30298	SWSE	3	20S	21E	
Calf Canyon #7	43-019-31168	SESW	3	20S	21E	(WIW)
Calf Canyon #10	43-019-31203	SESE	3	20S	21E	
Calf Canyon #11	43-019-31209	SWSW	3	20S	21E	(WIW)
Federal 675-1	43-019-30376	NENW	10	20S	21E	
Federal 675-4	43-019-31187	NENW	10	20S	21E	
Federal 675-5	43-019-31199	NWNW	10	20S	21E	
Federal 675-6	43-019-31208	NENE	9	20S	21E	

-END-

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

RECEIVED
MAY 28 1998
DIV. OF OIL, GAS & MINING

TRANSFER OF AUTHORITY TO INJECT - UIC FORM 5

Well name and number: Calf Canyon 7 & 11

Field or Unit name: Calf Canyon Waterflood Unit API no. _____

Well location: QQ _____ section 3 township 20S range 21E county Grand

Effective Date of Transfer: 4/1/98

CURRENT OPERATOR

Transfer approved by:

Name Willard Pease Jr. Company Pease Oil and Gas Company

Signature Willard Pease Jr. Address P.O. Box 60219

Title President & CEO Grand Junction, CO 81506

Date 5/26/98 Phone (970) 245-5917

Comments:

NEW OPERATOR

Transfer approved by:

Name J.N. Burkhalter Company Burkhalter Engineering, Inc.

Signature J.N. Burkhalter Address P.O. Box 60095

Title President Grand Junction, CO 81506

Date 5/26/98 Phone (970) 245-5917

Comments:

(State use only)
Transfer approved by D. Hunt Title Tech. Services Manager

Approval Date 1-4-00

(3/89)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-931

August 5, 1999

Burkhalter Engineering, Inc.
P.O. Box 60095
Grand Junction, Colorado 81506

Re: Successor of Operator
Calf Canyon
Grand County, Utah

Gentlemen:

On July 26, 1999, we received an indenture dated July 12, 1999, whereby Pease Oil and Gas Company resigned as Unit Operator and Burkhalter Engineering, Inc. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 5, 1999. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1097 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure
bcc: District Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-932
File - Calf Canyon Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron

UT931:TAThompson:tt:8/5/99

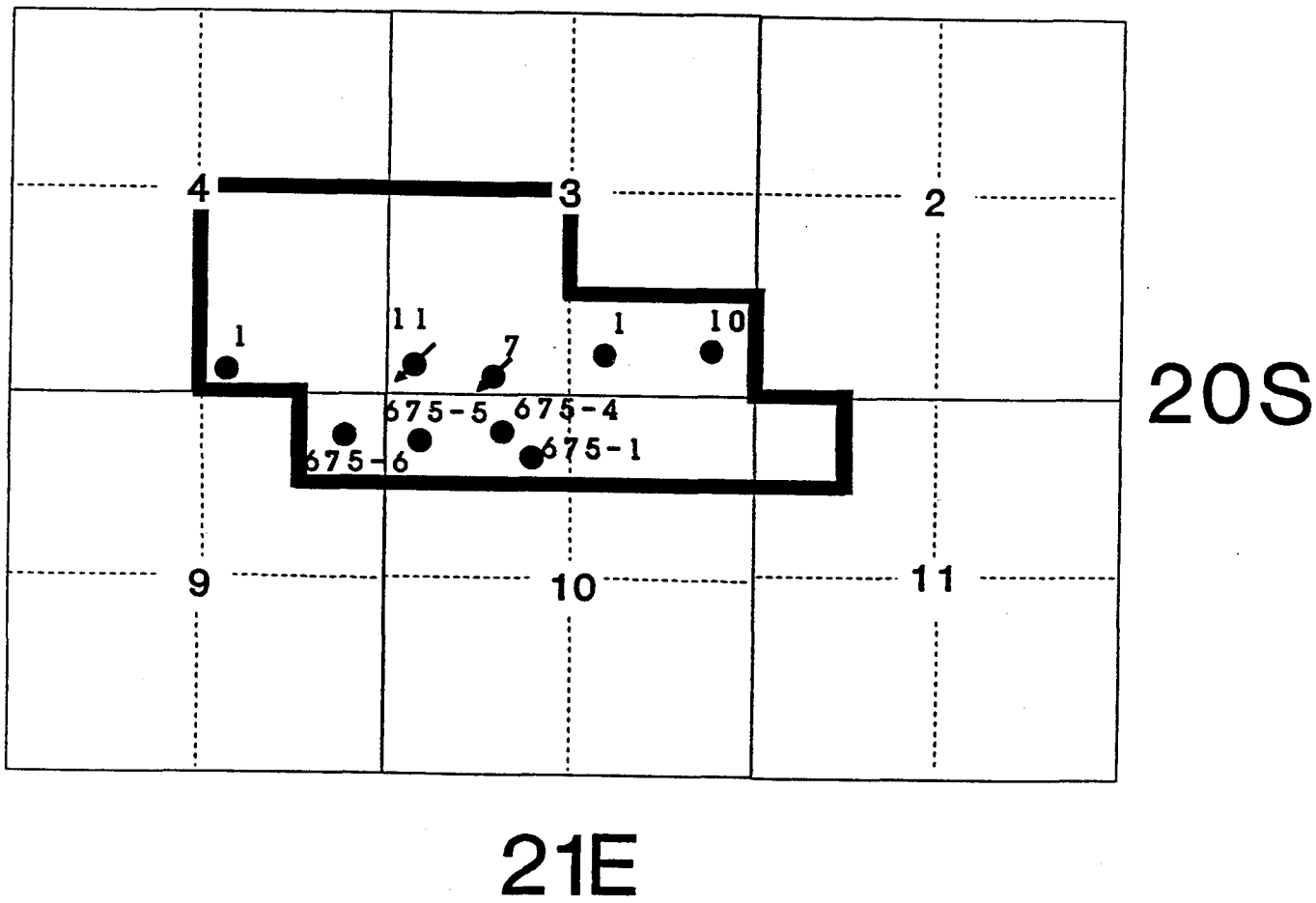
RECEIVED
AUG - 9 1999
DIV. OF OIL, GAS & MINING

Well Status Report
Utah State Office
Bureau of Land Management

Lease	Api Number	Well Name	QTR	Section	Township	Range	Well Status	Operator
** Inspection Item: UTU70813A								
UTU5675	4301930376	1 FEDERAL-675	NENW	10	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU11620	4301930298	1 FEDERAL-ANSCHUTZ-C	SWSE	3	T20S	R21E	OSI	PEASE OIL & GAS COMPANY
UTU11620	4301931203	10 CALF CANYON-FEDER	SESE	3	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU11620	4301931209	11 CALF CANYON	SWSW	3	T20S	R21E	WIW	PEASE OIL & GAS COMPANY
UTU5675	4301931187	4 FEDERAL 675	NENW	10	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU5675	4301931199	5 FEDERAL 675	NWNW	10	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU5675	4301931208	6 FEDERAL 675	NENE	9	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU11620	4301931168	7 FEDERAL CALF CANYO	SESW	3	T20S	R21E	WIW	PEASE OIL & GAS COMPANY

CALF CANYON UNIT
Grand County, Utah

EFFECTIVE: DECEMBER 1, 1993



UNIT OUTLINE (UTU70813A)

640.00 ACRES

SECONDARY ALLOCATION

FEDERAL 100.00%

OIL & GAS INFORMATION SYSTEM

FILE EDIT OIL GAS GAS PLANT UIC REPORTS DB MAINTENANCE OPTIONS HELP DATA CONVERSION

Well Data

WELL SEARCH | WELL DATA | WELL HISTORY | WELL ACTIVITY

WELL NAME	CALF CANYON #11	API NUMBER	4301931209	LEASE TYPE	1	LEASE NUMBER	U-11620
OPERATOR NAME	PEASE OIL & GAS COMPANY	OPERATOR ACCOUNT	N1080	WELL TYPE	WI	WELL STATUS	A
FIELD NAME	GREATER CISCO	FIELD NUMBER	205	ELEVATION	5802* KB	ALT ADDRESS	#
COUNTY	GRAND	CONFIDENTIAL FLAG		Q S T R M	SWSW 03 20.0 S 21.0 E S		
SURF LOCATION	0519 FSL 0750 FWL	CONFIDENTIAL DATE		TOTAL CUMULATIVE OIL	19824		
COORDS SURF N	4327486.00	LA/PA DATE	MM / DD / YYYY	TOTAL CUMULATIVE GAS	6330		
COORDS SURF E	622020.00	DIRECTIONAL		TOTAL CUMULATIVE WATER	797		
COORDS BHL N		INDIAN TRIBE		CB METHANE FLAG		BOND NUMBER	
COORDS BHL E		MULTI-LEG COUNT		SURF OWNER TYPE		BOND TYPE	
FIELD TYPE FLAG		WILDCAT TAX FLAG		C.A. NUMBER			

COMMENTS: 860102 ENTITY ADDED:940314 COMM INJ:940909 OPER NM FR WILLARD PEASE O&G EFF 12-1-93;

Create New Rec | Save | Cancel | To History | To Activity

NUM

Start | Novell-delivered Applicati... | OIL & GAS INFORM... | GroupWise - Mailbox | Clickomania! | 10:12 AM

apprv 8.9.99

Friday, November 19, 1999 10:12:37 AM

INSPECTION FORM 6

STATE OF UTAH
DIVISION OF OIL GAS AND MINING

INJECTION WELL - PRESSURE TEST

Well Name: CALF CANYON 11 API Number: 43-019-31209

Qtr/Qtr: SW/SW Section: 3 Township: 20S Range: 21E

Company Name: PEASE OIL & GAS COMPANY

Lease: State____ Fee____ Federal X Indian____

Inspector: J THOMPSON Date: 11/2/99

Initial Conditions:

Tubing - Rate:____ Pressure: 0 psi

Casing/Tubing Annulus - Pressure: 0 psi

Conditions During Test:

Time (Minutes)	Annulus Pressure	Tubing Pressure
0	500	500
5	490	490
10	490	490
15	470	470
20		
25		
30		

Results: Pass/Fail

Conditions After Test:

Tubing Pressure: 0 psi

Casing/Tubing Annulus Pressure: 0 psi

COMMENTS:

J. N. Burkhalter
Operator Representative

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

Routing:	
1-KDR ✓	
2-GLH ✓	7-KAS ✓
3-JRB JRB	8-SJ ✓
4-CDW ✓	9-FILE
5-KDR ✓	

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

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed, **effective:** 4-1-98

TO: (new operator) BURKHALTER ENGINEERING INC
(address) PO BOX 60095
GRAND JUNCTION CO 81506

Phone: (970)245-5917
Account no. N6820

FROM: (old operator) PEASE OIL & GAS COMPANY
(address) PO BOX 60219
GRAND JUNCTION CO 81506

Phone: (970)245-5917
Account no. N1080

WELL(S) attach additional page if needed: * CALF CANYON UNIT

Name:	API:	Entity:	S	T	R	Lease:
SEE ATTACHED	43019.31209		3	20S	21E	

OPERATOR CHANGE DOCUMENTATION

Lec 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). (Rec'd 5-18-98)

Lec 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). (Rec'd 5-18-98)

N/A 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) _____ If yes, show company file number: _____.

KDR 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below. (Rec'd 8-9-99) (Rec'd 12-22-99)

KDR 5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. (11-19-99) calf canyon u.

KDR 6. **Cardex** file has been updated for each well listed above. (12-30-99)

JH 7. Well **file labels** have been updated for each well listed above.

DR 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. (10-29-99) calf canyon u. (12-30-99)

DR 9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

c:\dons\wpdocs\forms\operchng

- OVER -

OPERATOR CHANGE WORKSHEET (continued) - Initial each item when completed. Write N/A if item is not applicable.

ENTITY REVIEW

KDR 1. (r649-8-7) **Entity assignments have been reviewed** for all wells listed above. Were entity changes made? (yes/no) ____ If entity assignments were changed, attach copies of Form 6, Entity Action Form.

KDR 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been **notified** through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

N/A/fee 1. (r649-3-1) The **NEW** operator of any fee lease well listed above has furnished a proper bond.

N/A/fee 2. A **copy of this form** has been placed in the new and former operator's bond files.

N/A/fee 3. The **FORMER** operator has requested a release of liability from their bond (yes/no) _____, as of today's date _____. If yes, division response was made to this request by letter dated _____.

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

N/A/fee 1. Copies of documents have been sent on _____ to _____ at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.

N/A/fee 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated _____ 19 __, of their responsibility to notify all interest owners of this change.

FILMING

✓ 1. All attachments to this form have been **microfilmed**. Today's date: APR 24 2001 __.

FILING

__ 1. **Copies** of all attachments to this form have been filed in each **well file**.

__ 2. The **original of this form**, and the **original attachments** are now being filed in the Operator Change file.

COMMENTS

990621 per Teresa Thompson w/ Blm, there hasn't been any paperwork filed on Calf Canyon unit. No approval as of yet.
990809 Rec'd Calf Canyon unit approval.
990902 left message for marie McCann (Blm) for fed. wells
990902 Marie (Blm) called me back. Calf Canyon unit wells have been approved, but not the federal ones yet. There is a problem, per marie these approvals will take another week. She will send me a copy as soon as it is approved.
991119 called marie McCann (Blm; 435-259-2135) to find out if fed. wells apprd. She told me not yet, there is a bonding problem. Only Calf Canyon u wells have been approved.

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number CALF CANYON #11	API Number 4301931209
Location of Well Footage : 519 FSL 750 FWL County : GRAND QQ, Section, Township, Range: SWSW 3 20S 21E State : UTAH	Field or Unit Name CALF CANYON Lease Designation and Number U-11620

EFFECTIVE DATE OF TRANSFER: 7/1/2000

CURRENT OPERATOR

Company: BURKHALTER ENGINEERING INC
Address: P.O. BOX 60095
city GRD JUNCTION state CO zip 81506
Phone: (970) 243-6060
Comments:

Name: J.N. BURKHALTER
Signature: J.N. Burkhalter
Title: PRESIDENT
Date: 8/31/2000

NEW OPERATOR

Company: TWIN ARROW, INC.
Address: P.O. BOX 948
city RANGELY state CO zip 81648
Phone: (970) 675-8226
Comments:

Name: LINDA C. GORDON
Signature: Linda C Gordon
Title: OFFICE MANAGER
Date: 8/31/2000

(This space for State use only)

Transfer approved by: [illegible]
Title: Tech Services Manager

Approval Date: 10-23-00

Comments:

RECEIVED
SEP 1 1 2000
DIVISION OF
OIL, GAS AND MINING

(5/2000)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

October 16, 2000

Twin Arrow, Inc.
P.O. Box 948
Rangely, Colorado 81648

Re: Calf Canyon Unit
Grand County, Utah

Gentlemen:

On October 5, 2000, we received an indenture dated September 1, 2000, whereby Burkhalter Engineering, Inc. resigned as Unit Operator and Twin Arrow, Inc. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective October 16, 2000. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1185 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Assad M. Raffoul

for Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-932
File - Calf Canyon Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT931:TAThompson:tt:10/16/00

Results of query for MMS Account Number UTU70813A

API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Rang
4301930298	BURKHALTER ENGINEERING INC	1 FEDERAL-ANSCHUTZ-C	OSI	UTU11620	UTU70813A	20S	21E
4301930376	BURKHALTER ENGINEERING INC	1 FEDERAL-675	POW	UTU5675	UTU70813A	20S	21E
4301931168	BURKHALTER ENGINEERING INC	7 FEDERAL CALF CANYO	WIW	UTU11620	UTU70813A	20S	21E
4301931187	BURKHALTER ENGINEERING INC	4 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E
4301931199	BURKHALTER ENGINEERING INC	5 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E
4301931203	BURKHALTER ENGINEERING INC	10 CALF CANYON-FEDER	POW	UTU11620	UTU70813A	20S	21E
4301931208	BURKHALTER ENGINEERING INC	6 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E
4301931209	BURKHALTER ENGINEERING INC	11 CALF CANYON	WIW	UTU11620	UTU70813A	20S	21E

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

5. Lease Designation and Serial No.
U-11620

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

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

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other water injection well

8. Well Name and No.
Calf Canyon #11

2. Name of Operator
Twin Arrow, Inc.

9. API Well No.
4301931209

3. Address and Telephone No.
P.o. Box 948, Rangely, CO 81648 970-675-8226

10. Field and Pool, or Exploratory Area
Calf Canyon

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SWSW, Sec 3, T20S, R21E

11. County or Parish, State
Grand, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
	☐ Recompletion	☐ New Construction
☐ Subsequent Report	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
☐ Final Abandonment Notice	☐ Altering Casing	☐ Conversion to Injection
	☒ Other Change of Operator	☐ Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Effective Sept. 1, 2000, Twin Arrow, Inc. became the operator of this well. Twin Arrow, Inc. is responsible under the terms and conditions of the lease for operations conducted on the leased lands or portions thereof.

Bond coverage for this lease will be provided by BLM Bond #UT1185

J.N. Burkhalter
J.N. Burkhalter/President
Burkhalter Engineering Inc.

RECEIVED
OCT 16 2000
DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct
Signed [signature] Title Office Manager Date 8/18/2000

(This space for Federal or State office use)
Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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

*See Instruction on Reverse Side

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS ✓
2. CDW		5-~~JRB~~ ✓
3. JLT		6-FILE

Enter date after each listed item is completed

X Change of Operator (Well Sold) Designation of Agent

Operator Name Change (Only) Merger

The operator of the well(s) listed below has changed, effective: **7-1-2000**

FROM: (Old Operator):
BURKHALTER ENGINEERING INC
Address: P. O. BOX 60095

GRAND JUNCTION, CO 81506
Phone: 1-(970)-243-6060
Account No. N6820

TO: (New Operator):
TWIN ARROW INC
Address P. O. BOX 948

RANGLEY, CO 81648
Phone: 1-(970)-675-8226
Account N1415

CA No. **Unit:** **CALF CANYON**

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON # 7	43-019-31168	11666	03-20S-21E	FEDERAL	WI	A
CALF CANYON # 11	43-019-31209	9820	03-20S-21E	FEDERAL	WI	A

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 09/11/2000

2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 09/11/2000

3. The new company has been checked through the **Department of Commerce, Division of Corporations Database on:** 9-29-2000

4. Is the new operator registered in the State of Utah: YES Business Number: _____

9/28/00-PER OPERATOR-PAPERS HAVE BEEN FILED AND BEING PROCESSED BY DOC

5. If **NO**, the operator was contacted contacted on: _____

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 10/16/2000

7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 10/16/2000

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: _____

9. **Underground Injection Control ("UIC") Prog:** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 10/23/2000

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 10/19/2000
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 10/19/2000
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: _____

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
   The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 2.26.01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: _____

COMMENTS:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

N REPLY REFER TO
UT-922

May 24, 2001

Jelco Energy Inc.
P.O. Box 948
Rangely, Colorado 81648

Re: Calf Canyon Unit
Grand County, Utah

Gentlemen:

On May 24, 2001, we received an indenture dated May 23, 2001, whereby Twin Arrow, Inc. resigned as Unit Operator and Jelco Energy Inc. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective May 24, 2001. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1185 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-924
File - Calf Canyon Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
UT922:TAThompson:tt:5/24/01

RECEIVED
MAY 29 2001
DIVISION OF
OIL, GAS AND MINING

Results of query for MMS Account Number UTU70813A

Production	API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Secti
Production	4301930298	TWIN ARROW INCORPORATED	1 FEDERAL-ANSCHUTZ-C	OSI	UTU11620	UTU70813A	20S	21E	3
Production	4301930376	TWIN ARROW INCORPORATED	1 FEDERAL-675	POW	UTU5675	UTU70813A	20S	21E	10
Production	4301931168	TWIN ARROW INCORPORATED	7 FEDERAL CALF CANYO	WIW	UTU11620	UTU70813A	20S	21E	3
Production	4301931187	TWIN ARROW INCORPORATED	4 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E	10
Production	4301931199	TWIN ARROW INCORPORATED	5 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E	10
Production	4301931203	TWIN ARROW INCORPORATED	10 CALF CANYON-FEDER	POW	UTU11620	UTU70813A	20S	21E	3
Production	4301931208	TWIN ARROW INCORPORATED	6 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E	9
Production	4301931209	TWIN ARROW INCORPORATED	11 CALF CANYON	WIW	UTU11620	UTU70813A	20S	21E	3

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

FED. LEASE #	API #	WELL NAME	SEC	QTR	TWP	RNG
UTU5675	430193039200	CALF CANYON #4	11	NWNW	20S	21E
UTU72600	430193039300	CALF CANYON #5	11	SENE	20S	21E
UTU72600	430193109400	FEDERAL #675-3	10	SWNW	20S	21E
UTU11620	430193119700	CALF CANYON #8	3	SESW	20S	21E
UTU70813A	430193029800	CALF CANYON #1	3	SWSE	20S	21E
UTU70813A	430193037600	FEDERAL 675-1	10	NENW	20S	21E
UTU70813A	430193116800	CALF CANYON #7	2	SESW	20S	21E
UTU70813A	430193118700	FEDERAL 675-4	10	NENW	20S	21E
UTU70813A	430193119900	FEDERAL 675-5	10	NWNW	20S	21E
UTU70813A	430193120300	CALF CANYON #10	3	SESE	20S	21E
UTU70813A	430193120800	FEDERAL 675-6	9	NENE	20S	21E
UTU70813A	430193120900	CALF CANYON #11	3	SWSW	20S	21E
UTU02139A	430193035500	FEDERAL 23-1	23	SWNE	20S	21E
UTU02139A	430193035900	FEDERAL 25-1	25	SWNE	20S	21E
UTU02139A	430193043200	FEDERAL 24-3	24	SWSE	20S	21E
UTU02139A	430193048800	FEDERAL 14-3	14	NESE	20S	21E
UTU02139A	430193053000	FEDERAL 24-2	24	NWNW	20S	21E
UTU02139A	430193057500	FEDERAL 25-3	25	SESE	20S	21E
UTU02139A	430193058600	FEDERAL 23-2	23	NWNW	20S	21E
UTU02139A	430193058700	FEDERAL 25-2	25	SWSW	20S	21E
UTU02139A	430193058800	FEDERAL 23-3	23	NESW	20S	21E
UTU02139A	430193074300	FEDERAL 25-4	25	NENW	20S	21E
UTU02139A	430193076000	FEDERAL 23-4	23	NWSE	20S	21E
UTU02139A	430193087800	FEDERAL 14-4	14	SWSW	20S	21E
UTU02139A	430193090000	FEDERAL 24-4	24	NWNE	20S	21E
UTU02140A	430193034800	FEDERAL 13-1	13	SWSW	20S	21E
UTU02140A	430193043000	FEDERAL 14-1	14	NWNW	20S	21E
UTU02140A	430193043600	FEDERAL 14-1A	14	NWNW	20S	21E
UTU02140A	430193048400	FEDERAL 10-1	10	NWSW	20S	21E
UTU02140A	430193048500	FEDERAL 11-1	11	NWSW	20S	21E
UTU02140A	430193048700	FEDERAL 14-2	14	NENE	20S	21E
UTU02140A	430193058500	FEDERAL 15-1	15	NESE	20S	21E
UTU02140A	430193062500	FEDERAL 22-1	22	SENE	20S	21E
UTU02140A	430193063600	FEDERAL 15-2	15	NWNW	20S	21E
UTU02140A	430193063700	FEDERAL 15-3	15	NENE	20S	21E
UTU02140A	430193067300	FEDERAL 13-2	13	SENW	20S	21E
UTU02140A	430193088100	FEDERAL 12-1	12	SWSW	20S	21E
UTU02140A	430193088200	FEDERAL 11-2	11	SESE	20S	21E
UTU02140A	430193088300	FEDERAL 13-3	13	NWNE	20S	21E
UTU02140A	430193088400	FEDERAL 11-3	11	SWSW	20S	21E
UTU02140A	430193088500	FEDERAL 13-4	13	NWSE	20S	21E
UTU02140A	430193088700	FEDERAL 15-4	15	SWSW	20S	21E
UTU02140A	430193121000	FEDERAL 10-2	10	NESW	20S	21E
UTU12702	430193042900	FEDERAL 30-1	30	SWNW	20S	22E
UTU12702A	430193030200	FEDERAL 19-3	19	SWSW	20S	22E
UTU12702A	430193030800	FEDERAL 31-1A	31	NENW	20S	22E
UTU12702A	430193030800	FEDERAL 31-1A	31	NENW	20S	22E
UTU12702A	430193089600	FEDERAL 19-1A	19	SWNW	20S	22E
UTU37730	430193087500	FEDERAL 18-1	18	NESW	20S	22E
STATE WELL						
ML-24295	430193034700	STATE 32-1	32	W 1/2	20S	22E

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL [X] GAS WELL [X] OTHER

8. WELL NAME and NUMBER: see attached list

2. NAME OF OPERATOR: Jelco Energy, Inc.

9. API NUMBER:

3. ADDRESS OF OPERATOR: P.O. Box 948 CITY Rangely STATE CO ZIP 81648 PHONE NUMBER: 9706758226

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
[ ] NOTICE OF INTENT (Submit in Duplicate)	[ ] ACIDIZE	[ ] DEEPEN	[ ] REPERFORATE CURRENT FORMATION
Approximate date work will start:	[ ] ALTER CASING	[ ] FRACTURE TREAT	[ ] SIDETRACK TO REPAIR WELL
	[ ] CASING REPAIR	[ ] NEW CONSTRUCTION	[ ] TEMPORARILY ABANDON
	[ ] CHANGE TO PREVIOUS PLANS	[X] OPERATOR CHANGE	[ ] TUBING REPAIR
	[ ] CHANGE TUBING	[ ] PLUG AND ABANDON	[ ] VENT OR FLARE
[ ] SUBSEQUENT REPORT (Submit Original Form Only)	[ ] CHANGE WELL NAME	[ ] PLUG BACK	[ ] WATER DISPOSAL
Date of work completion:	[ ] CHANGE WELL STATUS	[ ] PRODUCTION (START/RESUME)	[ ] WATER SHUT-OFF
	[ ] COMMINGLE PRODUCING FORMATIONS	[ ] RECLAMATION OF WELL SITE	[ ] OTHER:
	[ ] CONVERT WELL TYPE	[ ] RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

see attached list

Until May 1, 2001 Twin Arrow, Inc. and Jelco Energy Inc. were the same company. We split Twin Arrow, Inc. and Jelco Energy apart so Jelco Energy could operate all the Utah wells and Twin Arrow will operate all the Colorado Wells.

NAME (PLEASE PRINT) Linda C. Gordon TITLE Office Manager

SIGNATURE Linda C. Gordon DATE 6/1/2001

(This space for State use only)

RECEIVED
JUN 15 2001
DIVISION OF
OIL, GAS AND MINING

(5/2000) (See Instructions on Reverse Side)

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number	API Number
Calf Canyon #11	4301931209
Location of Well	**Field or Unit Name**
Footage: 519 FSL 750 FWL County: Grand	Calf Canyon Waterflood
QQ, Section, Township, Range: SWSW Sec 3, T20S, R21E State: UTAH	**Lease Designation and Number**

EFFECTIVE DATE OF TRANSFER: 5/1/2001

CURRENT OPERATOR

Company: Twin Arrow, Inc.
Address: P.O. Box 948
city Rangely state CO zip 81648
Phone: 970-675-8226
Name: Linda C. Gordon
Signature: Linda C Gordon
Title: Office Manager
Date: 6/1/2001
Comments: Until May 1, 2001 Twin Arrow, Inc. and Jelco Energy Inc. were the same company. We split Twin Arrow, Inc. and Jelco Energy apart so Jelco Energy could operate all the Utah wells and Twin Arrow will operate all the Colorado wells.

NEW OPERATOR

Company: Jelco Energy Inc.
Address: P.O. Box 948
city Rangely state CO zip 81648
Phone: 970-675-8226
Name: Linda C. Gordon
Signature: Linda C Gordon
Title: Office Manager
Date: 6/1/2001
Comments:

(This space for State use only)

Transfer approved by: [signature]
Title: Bond Services Manager
Approval Date: 6-18-01

Comments:

RECEIVED
JUN 15 2001
DIVISION OF
OIL, GAS AND MINING

(5/2000)

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING		
1. GLH ✓		4-KAS
2. CDW		5-LP ✓
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold) — Designation of Agent

X **Operator Name Change (Only)** — Merger

The operator of the well(s) listed below has changed, effective: **05-01-2001**

FROM: (Old Operator):	**TO:** (New Operator):
TWIN ARROW INC	JELCO ENERGY INC
Address: P. O BOX 948	Address: P. O . BOX 948
RANGELY, CO 81648	RANGELY, CO 81648
Phone: 1-(970)-675-8226	Phone: 1-(970)-675-8226
Account N1415	Account N1825

CA No. **Unit:** **CALF CANYON**

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON 1	43-019-30298	11666	03-20S-21E	FEDERAL	OW	P
CALF CANYON 7	43-019-31168	11666	03-20S-21E	FEDERAL	WI	A
CALF CANYON FEDERAL 10	43-019-31203	11666	03-20S-21E	FEDERAL	OW	S
CALF CANYON 11	43-019-31209	11666	03-20S-21E	FEDERAL	WI	A
FEDERAL 675-6	43-019-31208	11666	09-20S-21E	FEDERAL	OW	S
FEDERAL 675-1	43-019-30376	11666	10-20S-21E	FEDERAL	OW	P
FEDERAL 675-4	43-019-31187	11666	10-20S-21E	FEDERAL	OW	P
FEDERAL 675-5	43-019-31199	11666	10-20S-21E	FEDERAL	OW	S

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/15/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/15/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database on:** 06/18/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 4825833-0143
5. If **NO**, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 05/24/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 05/25/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A

9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 06/20/2001

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 06/18/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 06/18/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
   The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 7-12-01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: _____

COMMENTS:

UIC FORM 5

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

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number CALF CANYON #11	API Number 4301931209
Location of Well Footage : 519 FSL 750 FWL County : GRAND QQ, Section, Township, Range: SWSW 3 20S 21E State : UTAH	Field or Unit Name CALF CANYON WATERFLOOD Lease Designation and Number

EFFECTIVE DATE OF TRANSFER: 1/1/2003

CURRENT OPERATOR

Company: JELCO ENERGY INC. (formerly Twin Arrow Inc.)
Address: P.O. BOX 948
city RANGELY state CO zip 81648
Phone: (970) 629-1116
Comments:

Name: LINDA C. GORDON
Signature: Linda C Gordon
Title: OFFICE MANAGER
Date: 3/1/2003

NEW OPERATOR

Company: ABS ENERGY LLC
Address: P.O. BOX 736
city RANGELY state CO zip 81648
Phone: (970) 629-1116
Comments:

Name: LINDA C. GORDON
Signature: Linda C Gordon
Title: OFFICE MANAGER
Date: 3/1/2003

(This space for State use only)

Transfer approved by: [signature]
Title: Tech. Services Manager

Approval Date: 7-31-03

Comments:

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DIV. OF OIL, GAS & MINING

(5/2000)

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL [X] GAS WELL [X] OTHER _____

8. WELL NAME and NUMBER: see attached list

2. NAME OF OPERATOR: Jelco Energy (formerly Twin Arrow Inc.)

9. API NUMBER:

3. ADDRESS OF OPERATOR: P.O. Box 948, Rangely, CO 81648 PHONE NUMBER: 970-675-5212

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE: see attached list COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
[ ] NOTICE OF INTENT (Submit in Duplicate)	[ ] ACIDIZE	[ ] DEEPEN	[ ] REPERFORATE CURRENT FORMATION
Approximate date work will start:	[ ] ALTER CASING	[ ] FRACTURE TREAT	[ ] SIDETRACK TO REPAIR WELL
	[ ] CASING REPAIR	[ ] NEW CONSTRUCTION	[ ] TEMPORARILY ABANDON
	[ ] CHANGE TO PREVIOUS PLANS	[X] OPERATOR CHANGE	[ ] TUBING REPAIR
	[ ] CHANGE TUBING	[ ] PLUG AND ABANDON	[ ] VENT OR FLARE
[ ] SUBSEQUENT REPORT (Submit Original Form Only)	[ ] CHANGE WELL NAME	[ ] PLUG BACK	[ ] WATER DISPOSAL
Date of work completion:	[ ] CHANGE WELL STATUS	[ ] PRODUCTION (START/RESUME)	[ ] WATER SHUT-OFF
	[ ] COMMINGLE PRODUCING FORMATIONS	[ ] RECLAMATION OF WELL SITE	[ ] OTHER: _____
	[ ] CONVERT WELL TYPE	[ ] RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective June 1, 2003, Jelco Energy sold all its interest and ownership in the wells listed of the attached list. The new owner and operator is ABS Energy LLC, P.O. Box 736, Rangely, CO 81648 Jelco Energy relinquishes ownership of all operating rights to ABS Energy LLC.

Linda C Gordon

New Operator/ABS Energy LLC.
P.O. Box 736
Rangely, CO 81648
Fax 970-675-8558
Office 970-629-1116
ABS Energy LLC BLM Bond UTB000034

NAME (PLEASE PRINT) Linda C. Gordon TITLE Office Mgr

SIGNATURE Linda C Gordon DATE 7/2/03

(This space for State use only)

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JUL 0 8 2003
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WELL NAMES, ENTITY #'S AND WELL ID

WELL NAME	ENTITY #	API #	WELL TYPE	LEGAL DESCRIPTION	LEASE TYPE	STATUS
FEDERAL 14-1A	08150	4301930436	GAS	T20S,R21E, SEC 14	FEDERAL	TA
FEDERAL 1-10	08141	4301930484	GAS	T20S,R21E, SEC 10	FEDERAL	S
FEDERAL 10-2	08207	4301931210	GAS	T20S,R21E, SEC 10	FEDERAL	TA
FEDERAL 11-1	08142	4301930485	GAS	T20S,R21E, SEC 11	FEDERAL	P
FEDERAL 11-2	08143	4301930882	GAS	T20S,R21E, SEC 11	FEDERAL	S
FEDERAL 11-3	08144	4301930884	GAS	T20S,R21E, SEC 11	FEDERAL	P
FEDERAL 12-1	08145	4301930881	GAS	T20S,R21E, SEC 12	FEDERAL	TA
FEDERAL 13-1	08146	4301930348	GAS	T20S,R21E, SEC 13	FEDERAL	TA
FEDERAL 13-2	08147	4301930673	GAS	T20S,R21E, SEC 13	FEDERAL	P
FEDERAL 13-3	08148	4301930883	GAS	T20S,R21E, SEC 13	FEDERAL	TA
FEDERAL 13-4	08149	4301930885	GAS	T20S,R21E, SEC 13	FEDERAL	TA
FEDERAL 14-1	08169	4301930430	GAS	T20S,R21E, SEC 14	FEDERAL	P
FEDERAL 14-2	08151	4301930487	GAS	T20S,R21E, SEC 14	FEDERAL	P
FEDERAL 14-3	08152	4301930488	GAS	T20S,R21E, SEC 14	FEDERAL	P
FEDERAL 14-4	08153	4301930878	GAS	T20S,R21E, SEC 14	FEDERAL	S
FEDERAL 15-1	11391	4301930585	GAS	T20S,R21E, SEC 15	FEDERAL	TA
FEDERAL 15-2	08154	4301930636	GAS	T20S,R21E, SEC 15	FEDERAL	S
FEDERAL 15-3	08155	4301930637	GAS	T20S,R21E, SEC 15	FEDERAL	P
FEDERAL 15-4	10140	4301930887	GAS	T20S,R21E, SEC 15	FEDERAL	TA
FEDERAL 18-1	08200	4301930875	GAS	T20S,R22E, SEC 18	FEDERAL	S
FEDERAL 19-1A	08201	4301930896	GAS	T20S,R22E, SEC 19	FEDERAL	TA
FEDERAL 19-3	08201	4301930302	GAS	T20S,R22E, SEC 19	FEDERAL	TA
FEDERAL 22-1	08156	4301930625	GAS	T20S,R21E, SEC 22	FEDERAL	P
FEDERAL 23-1	11393	4301930355	GAS	T20S,R21E, SEC 23	FEDERAL	P
FEDERAL 23-2	08140	4301930586	GAS	T20S,R21E, SEC 23	FEDERAL	S
FEDERAL 23-3	08157	4301930588	GAS	T20S,R21E, SEC 23	FEDERAL	P
FEDERAL 23-4	08158	4301930760	GAS	T20S,R21E, SEC 23	FEDERAL	P
FEDERAL 24-2	08159	4301930530	GAS	T20S,R21E, SEC 24	FEDERAL	P
FEDERAL 24-3	11395	4301930432	GAS	T20S,R21E, SEC 24	FEDERAL	P
FEDERAL 24-4	08208	4301930900	GAS	T20S,R21E, SEC 24	FEDERAL	TA
FEDERAL 25-1	11394	4301930359	OIL	T20S,R21E, SEC 25	FEDERAL	S
FEDERAL 25-2	11392	4301930587	OIL	T20S,R21E, SEC 25	FEDERAL	S
FEDERAL 25-3	08171	4301930575	GAS	T20S,R21E, SEC 25	FEDERAL	S
FEDERAL 25-4	08181	4301930743	GAS	T20S,R21E, SEC 25	FEDERAL	P
FEDERAL 30-1	08203	4301930429	GAS	T20S,R22E, SEC 30	FEDERAL	S
FEDERAL 31-1A	08204	4301930308	GAS	T20S,R22E, SEC 31	FEDERAL	P
STATE 32-1	08206	4301930347	GAS	T20S,R22E, SEC 32	STATE	P
CC #1	11666	4301930298	OIL	T20S,R21E, SEC 3	FEDERAL	P
CC #4	02515	4301930392	OIL	T20S,R21E, SEC 11	FEDERAL	S
CC #5	02490	4301930393	OIL	T20S,R21E, SEC 11	FEDERAL	TA
CC #8	09820	4301931197	OIL	T20S,R21E, SEC 3	FEDERAL	S
CC #10	11666	4301931203	OIL	T20S,R21E, SEC 3	FEDERAL	S
FEDERAL 675-1	11666	4301930376	OIL	T20S,R21E, SEC 10	FEDERAL	P
FEDERAL 675-3	00303	4301931094	OIL	T20S,R21E, SEC 10	FEDERAL	S
FEDERAL 675-4	11666	4301931187	OIL	T20S,R21E, SEC 10	FEDERAL	P
FEDERAL 675-5	11666	4301931199	OIL	T20S,R21E, SEC 10	FEDERAL	S
FEDERAL 675-6	11666	4301931208	OIL	T20S,R21E, SEC 9	FEDERAL	S

[redacted]

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

June 9, 2003

ABS Energy LLC.
P.O. Box 736
Rangely, Colorado 81648

Re: Calf Canyon Unit
Grand County, Utah

Gentlemen:

On June 6, 2003, we received an indenture dated January 1, 2003, whereby Jelco Energy Inc. resigned as Unit Operator and ABS Energy LLC. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective June 9, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. B000034 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the name change of unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure
bcc: Field Manager - Moab (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File – Calf Canyon Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
UT922:TAThompson:tt:6/9/03

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold) — Designation of Agent/Operator

X Operator Name Change — Merger

The operator of the well(s) listed below has changed, effective: **1/1/2003**

FROM: (Old Operator):	**TO:** (New Operator):
N1825-Jelco Energy, Inc. PO Box 948 Rangely, CO 81648	N2475-ABS Energy, LLC PO Box 736 Rangely, CO 81648
Phone: (970) 629-1116	Phone: (970) 629-1116

CA No. **Unit:** CALF CANYON

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON 1	03	200S	210E	4301930298	11666	FEDERAL	OW	S
CALF CYN 7	03	200S	210E	4301931168	11666	FEDERAL	WI	A
CALF CANYON FED 10	03	200S	210E	4301931203	11666	FEDERAL	OW	S
CALF CANYON 11	03	200S	210E	4301931209	11666	FEDERAL	WI	A
FEDERAL 675-6	09	200S	210E	4301931208	11666	FEDERAL	OW	S
FEDERAL 675-1	10	200S	210E	4301930376	11666	FEDERAL	OW	P
FEDERAL 675 4	10	200S	210E	4301931187	11666	FEDERAL	OW	P
FEDERAL 675 5	10	200S	210E	4301931199	11666	FEDERAL	OW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 7/8/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 7/8/2003
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 8/7/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 5333071-0161
5. If **NO**, the operator was contacted contacted on: ____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 6/9/2003

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 6/9/2003

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 7/31/2003

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 8/7/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 8/7/2003
3. Bond information entered in RBDMS on: n/a
4. Fee wells attached to bond in RBDMS on: n/a

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: B000034

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a

2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

UIC FORM 5

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

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number: Calf Canyon 11	API Number: 4301931209
Location of Well	Field or Unit Name: Calf Canyon Unit
Footage: 519' FSL and 750' FWL — County: Grand	Lease Designation and Number: UTU-11620
QQ, Section, Township, Range: SWSW 2 20S 21E — State: UTAH	

EFFECTIVE DATE OF TRANSFER: 7/22/2004

CURRENT OPERATOR

Company: ABS Energy, LLC N2475
Address: P.O. Box 307
city Farmington state NM zip 87499
Phone:
Comments:

Name: Andy Saied
Signature:
Title: Managing Member
Date: 8-15-04

NEW OPERATOR

Company: Elk Production, LLC N2650
Address: 770 S. Post Oak Lane, #320
city Houston state TX zip 77056
Phone: (713) 751-9500
Comments:

Name: Richard P. Crist
Signature: Richard P. Crist
Title: Executive Vice President
Date: 8/12/04

(This space for State use only)

Transfer approved by:
Title: Tech. Services Manager

Approval Date: 8-30-04

Comments: CAUSE 102-75
Well due for MIT 11/02/2004

RECEIVED
AUG 17 2004
DIV. OF OIL, GAS & MINING

(5/2000)

FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER _____

2. NAME OF OPERATOR: Elk Production, LLC N2650

3. ADDRESS OF OPERATOR: 770 S. Post Oak Lane #320 CITY Houston STATE TX ZIP 77056 PHONE NUMBER: (713) 751-9500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: See attached list COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
_____	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Change of operator from ABS Energy, LLC to Elk Production LLC.

Old Operator: ABS Energy, LLC N2475

By: _____
Andy Saied, Managing Member
PO Box 307
Farmington, NM 87499

New Operator: ELK PRODUCTION, LLC

NAME (PLEASE PRINT) Richard P. Crist TITLE Executive Vice President

SIGNATURE Richard P. Crist DATE 8/12/04

(This space for State use only)

RECEIVED
AUG 17 2004
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

ATTACHMENT TO SUNDRY NOTICE

Transfer from ABS Energy, LLC to Elk Production, LLC
Effective July 22, 2004

Well Name	API #	Location
State 32-1	43-019-30347	SE¼NW¼, Sec. 32, T 20 S, R 22 E
Federal 31-1A	43-019-30308	NE¼NW¼, Sec. 31, T 20 S, R 22 E
Federal 30-1	43-019-30429	SW¼NW¼, Sec. 30, T 20 S, R 22 E
Federal 25-1	43-019-30359	SW¼NE¼, Sec. 25, T 20 S, R 21 E
Federal 25-2	43-019-30587	SW¼SW¼, Sec. 25, T 20 S, R 21 E
Federal 25-3	43-019-30575	SE¼SE¼, Sec. 25, T 20 S, R 21 E
Federal 25-4	43-019-30743	NE¼NW¼, Sec. 25, T 20 S, R 21 E
Federal 24-4	43-019-30900	NW¼NE¼, Sec. 24, T 20 S, R 21 E
Federal 24-2	43-019-30530	NW¼NW¼, Sec. 24, T 20 S, R 21 E
Federal 24-3	43-019-30432	SW¼SE¼, Sec. 24, T 20 S, R 21 E
Federal 23-1	43-019-30355	SW¼NE¼, Sec. 23, T 20 S, R 21 E
Federal 23-3	43-019-30588	NE¼SW¼, Sec. 23, T 20 S, R 21 E
Federal 23-4	43-019-30760	NW¼SE¼, Sec. 23, T 20 S, R 21 E
Federal 23-2	43-019-30586	NW¼NW¼, Sec. 23, T 20 S, R 21 E
Federal 22-1	43-019-30625	SE¼NE¼, Sec. 22, T 20 S, R 21 E
Federal 19-3	43-019-30302	SW¼SW¼, Sec. 19, T 20 S, R 22 E
Federal 19-1A	43-019-30896	SW¼NW¼, Sec. 19, T 20 S, R 22 E
Federal 18-1	43-019-30875	NE¼SW¼, Sec. 18, T 20 S, R 22 E

Well Name	API #	Location
Federal 15-2	43-019-30636	NW¼NW¼, Sec. 15, T 20 S, R 21 E
Federal 15-1	43-019-30585	NE¼SE¼, Sec. 15, T 20 S, R 21 E
Federal 15-3	43-019-30637	NE¼NE¼, Sec. 15, T 20 S, R 21 E
Federal 15-4	43-019-30887	SW¼SW¼, Sec. 15, T 20 S, R 21 E
Federal 14-3	43-019-30488	NE¼SE¼, Sec. 14, T 20 S, R 21 E
Federal 14-1A	43-019-30436	NW¼NW¼, Sec. 14, T 20 S, R 12 E
Federal 14-2	43-019-30487	NE¼NE¼, Sec. 14, T 20 S, R 21 E
Federal 14-1	43-019-30430	NW¼NW¼, Sec. 14, T 20 S, R 21 E
Federal 14-4	43-019-30878	SW¼SW¼, Sec. 14, T 20 S, R 21 E
Federal 13-2	43-019-30673	SE¼NW¼, Sec. 13, T 20 S, R 21 E
Federal 13-4	43-019-30885	NW¼SE¼, Sec. 13, T 20 S, R 21 E
Federal 13-1	43-019-30348	SW¼SW¼, Sec. 13, T 20 S, R 21 E
Federal 13-3	43-019-30883	NW¼NE¼, Sec. 13, T 20 S, R 21 E
Federal 12-1	43-019-30881	SW¼SW¼, Sec. 12, T 20 S, R 21 E
Calf Canyon 4	43-019-30392	NW¼NW¼, Sec. 11, T 20 S, R 21 E
Federal 11-3	43-019-30884	SW¼SW¼, Sec. 11, T 20 S, R 21 E
Calf Canyon 5	43-019-30393	SE¼NE¼, Sec. 11, T 20 S, R 21 E
Federal 11-1	43-019-30485	NW¼SW¼, Sec. 11, T 20 S, R 21 E
Federal 11-2	43-019-30882	SE¼SE¼, Sec. 11, T 20 S, R 21 E
Federal 675 5	43-019-31199	NW¼NW¼, Sec. 10, T 20 S, R 21 E
Federal 1-10	43-019-30484	NW¼SW¼, Sec. 10, T 20 S, R 21 E

Well Name	API #	Location
Federal 675 4	43-019-31187	NE¼NW¼, Sec. 10, T 20 S, R 21 E
Fed 3-675	43-019-31094	SW¼NW¼, Sec. 10, T 20 S, R 21 E
Federal 675-1	43-019-30376	NE¼NW¼, Sec. 10, T 20 S, R 21 E
Federal 10-2	43-019-31210	NE¼SW¼, Sec. 10, T 20 S, R 21 E
Federal 675-6	43-019-31208	NE¼NE¼, Sec. 9, T 20 S, R 21 E
Calf Canyon 1	43-019-30298	SW¼SE¼, Sec. 3, T 20 S, R 21 E
Calf Canyon 8	43-019-31197	SE¼SW¼, Sec. 3, T 20 S, R 21 E
Calf Canyon Fed 10	43-019-31203	SE¼SE¼, Sec. 3, T 20 S, R 21 E
Calf Cyn 7	43-019-31168	SE¼SW¼, Sec. 3, T 20 S, R 21 E
Calf Canyon 11	43-019-31209	SW¼SW¼, Sec. 2, T 20 S, R 21 E

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

TAKE PRIDE IN AMERICA

IN REPLY REFER TO
3180
(UT-922)

August 30, 2004

Elk Production, LLC
c/o Pruitt Gushee
Attn: Bill Ward
1800 Beneficial Life Tower
36 South State Street
Salt Lake City, Utah 84111-1495

Re: Calf Canyon Secondary Recovery Unit
Grand County, Utah

Gentlemen:

On August 27, 2004, we received an indenture dated July 22, 2004, whereby ABS Energy, LLC resigned as Unit Operator and Elk Production, LLC was designated as Successor Unit Operator for the Calf Canyon Secondary Recovery Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 30, 2004. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under Calf Canyon Secondary Recovery Unit Agreement.

Your Utah statewide oil and gas bond No. UTB000135 will be used to cover all operations within the Calf Canyon Secondary Recovery Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Teresa Thompson

for Terry Catlin
Acting Chief, Branch of Fluid Minerals

Enclosure
bcc: Field Manager - Moab (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Dockets
File - Calf Canyon Secondary Recovery Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
Central Files
UT922:TAThompson:tt:8/30/04

RECEIVED
AUG 31 2004
DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

X Change of Operator (Well Sold) Designation of Agent/Operator

Operator Name Change Merger

The operator of the well(s) listed below has changed, effective: **7/22/2004**

FROM: (Old Operator):	**TO:** (New Operator):
N2475-ABS Energy, LLC	N2650-Elk Production, LLC
PO Box 307	770 S Post Oak Lane, Suite 320
Farmington, NM 87499	Houston, TX 77056
Phone: 1-(	Phone: 1-(713) 751-9500

CA No. **Unit:** **Calf Canyon Unit**

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON 1	03	200S	210E	4301930298	11666	Fed	OW	P
CALF CYN 7	03	200S	210E	4301931168	11666	Fed	WI	A
CALF CANYON 8	03	200S	210E	4301931197	9820	Fed	GW	P
CALF CANYON FED 10	03	200S	210E	4301931203	11666	Fed	OW	S
CALF CANYON 11	03	200S	210E	4301931209	11666	Fed	WI	A
FEDERAL 675-6	09	200S	210E	4301931208	11666	Fed	OW	P
FEDERAL 675-1	10	200S	210E	4301930376	11666	Fed	OW	P
FEDERAL 675 4	10	200S	210E	4301931187	11666	Fed	OW	P
FEDERAL 675 5	10	200S	210E	4301931199	11666	Fed	OW	S
CALF CANYON 4	11	200S	210E	4301930392	2515	Fed	OW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/17/2004
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/17/2004
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 7/27/2004
4. Is the new operator registered in the State of Utah: YES Business Number: 5693065-0161
5. If **NO**, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: to follow

6b. Inspections of LA PA state/fee well sites requested on: 8/31/2004

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM applied for BIA

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: applied for

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 8/30/2004

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 8/31/2004
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 8/31/2004
3. Bond information entered in RBDMS on: 8/31/2004
4. Fee/State wells attached to bond in RBDMS on: 8/31/2004
5. Injection Projects to new operator in RBDMS on: 8/31/2004
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: B000963

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B000969

2. The **FORMER** operator has requested a release of liability from their bond on: TLA held
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 9/1/2004

COMMENTS:

ELK
PRODUCTION, LLC

RECEIVED
JAN 27 2005
DIV. OF OIL, G

January 21, 2005

Mr. John Baza
Associate Director of Oil & Gas
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Baza:

Please find attached "Sundry Notices" for work planned on both the Calf Canyon #7 and #11 wells located in the Cisco Dome field of Grand County, Utah. If you have any questions regarding the attached Sundry Notice, please feel free to contact me at my office at 303/ 296-4505 or on my cellular 303/ 868-9944.

Sincerely,

Tom Young
Vice President – Operations

ELK PRODUCTION, LLC
1401 17TH STREET, SUITE 700, DENVER, COLORADO 80202
PHONE: (303) 296-4505 FAX: (303) 296-4506 E-MAIL: POSTMASTER@ELKRESOURCES.NET

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
UTU 11620

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
Calf Canyon #11

9. API Well No.
43 019 31209

10. Field and Pool, or Exploratory Area
Greater Cisco Cedar Mtn./ Salt Wash

11. County or Parish, State
Grand County, Utah

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other WI

2. Name of Operator **Elk Production LLC**

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. *(include area code)*
303 296 4505

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
519' FSL & 750'FWL, SW/SW Section 3, T20S, R21E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☑ Other **Recomplete from Cedar Mtn. injection to Salt Wash produce**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This wall was used for water injection to maintain BHP and flood the Cedar Mountain formation by a former field operator but the well has not operated as such for a number of years. This workover will return the well to production with the perforating of a behind pipe Salt Wash zone. Elk desires to start work as quickly as approval can be obtained. Work is expected to take 5 or 6 days to complete. The planned work is to clean out scale in the wellbore to below 3700'. A cast iron bridge plug will be set at 3700' and capped with 10' of cement to isolate the Entrada perforations 3738- 54 which had been the water source for the water flood. The Cedar Mountain perforations 3098- 3124 (injection zone) will be squeezed with cement and drilled out. The casing will be tested to 500 psi. A Morrison Salt Wash interval 3390-3400' will be perforated and tested. Zone will be broken down with 500 gal double strength Fe acid if necessary. Assuming a gas well completion, a string of 1 1/4" tubing will be run in the well for production.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* **Tom C. Young** Title **VP Operations**

Signature Date **01/21/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Title Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Accepted by the Utah Division of Oil, Gas and Mining

Date 2/10/05

By:

Cause # 102-16(B)

Federal Approval Of This Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
UTU 11620

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other

8. Well Name and No.
Calf Canyon #11

2. Name of Operator
Elk Production LLC

9. API Well No.
43 019 31209

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. *(include area code)*
303 296 4505

10. Field and Pool, or Exploratory Area
Greater Cisco Cedar Mtn./ Salt Wash

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
519' FSL & 750'FWL, SW/SW Section 3, T20S, R21E

11. County or Parish, State
Grand County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☑ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☑ Other **Convert from Cedar Mtn. injection to Salt Wash producer**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Work began on the subject well on 6/9/05 to convert this Cedar Mountain injector to a Salt Wash producer. Cleaned out hole with tubing bailer to 3406'. Set CIBP @ 3396'. Swab tested Cedar Mountain perfs f/ 3098'-3124'; saw no gas, water or oil entry. Perf Salt Wash f/ 3390'-3391.5' w/ 3 1/8" expendable perf gun, 4 SPF, 32 gr (6 holes). Run in hole w/ 2 3/8" tubing. Flow test well. Well on production on 6/24/05.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Karin Kuhn

Title **Engineering Technician**

Signature Karin Kuhn

Date **07/21/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

AUG 01 2005

DIV. OF OIL, GAS & MINING

UTAH OIL AND GAS CONSERVATION COMMISSION

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

Commenced Injection 3-14-94

DATE FILED 10-11-85

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-11620 INDIAN

DRILLING APPROVED: 10-17-85 - OIL (Cause No. 102-16B)

SPUDDED IN: 11-1-85

COMPLETED: 11-14-85 POW PUT TO PRODUCING:

INITIAL PRODUCTION: 100 BOPD

GRAVITY A.P.I. 38

GOR:

PRODUCING ZONES: 3087-3131 Dakota

TOTAL DEPTH: 3800

WELL ELEVATION: 5807 KB

DATE ABANDONED:

FIELD: GREATER CISCO

UNIT:

COUNTY: GRAND

WELL NO. CALF CANYON #11 API #43-019-31209

LOCATION 519' FSL FT. FROM (N) (S) LINE. 750' FWL FT. FROM (E) (W) LINE. SW SW 1/4 — 1/4 SEC. 3

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
20S	21E	3	WILLARD PEASE OIL & GAS				

GEOLOGIC TOPS:

QUATERNARY	Star Point	Chinle	Molas
Alluvium	Wahweap	Shinarump	Manning Canyon
Lake beds	Masuk	Moenkopi	Mississippian
Pleistocene	Colorado	Sinbad	Humbug
Lake beds	Sego	PERMIAN	Brazer
TERTIARY	Buck Tongue	Kaibab	Pilot Shale
Pliocene	Castlegate	Coconino	Madison
Salt Lake	Mancos	Cutler	Leadville
Oligocene	Upper	Hoskinnini	Redwall
Norwood	Middle	DeChelly	DEVONIAN
Eocene	Lower	White Rim	Upper
Duchesne River	Emery	Organ Rock	Middle
Uinta	Blue Gate	Cedar Mesa	Lower
Bridger	Ferron	Halgaite Tongue	Ouray
Green River	Frontier	Phosphoria	Elbert
	Dakota	Park City	McCracken
	Burro Canyon	Rico (Goodridge)	Aneth
	Cedar Mountain	Supai	Simonson Dolomite
	Buckhorn	Wolfcamp	Sevy Dolomite
	JURASSIC	CARBON I FEROUS	North Point
Wasatch	Morrison	Pennsylvanian	SILURIAN
Stone Cabin	Salt Wash	Oquirrh	Laketown Dolomite
Colton	San Rafeal Gr.	Weber	ORDOVICIAN
Flagstaff	Summerville	Morgan	Eureka Quartzite
North Horn	Bluff Sandstone	Hermosa	Pogonip Limestone
Almy	Curtis		CAMBRIAN
Paleocene	Entrada	Pardox	Lynch
Current Creek	Moab Tongue	Ismay	Bowman
North Horn	Carmel	Desert Creek	Tapeats
CRETACEOUS	Glen Canyon Gr.	Akah	Ophir
Montana	Navajo	Barker Creek	Tintic
Mesaverde	Kayenta		PRE - CAMBRIAN
Price River	Wingate	Cane Creek	
Blackhawk	TRIASSIC		

ACME VISIBLE CROZET VIRGINIA 100730

Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL
OIL WELL [XX] GAS WELL [ ] OTHER SINGLE ZONE [XX] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR
P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
519' FSL & 750' FWL, SW 1/4, SW 1/4, Section 3
At proposed prod. zone
Approximately same SWSW

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20.3 miles northwesterly of Cisco

5. LEASE DESIGNATION AND SERIAL NO.
U-11620

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

7. UNIT AGREEMENT NAME
---

8. FARM OR LEASE NAME
Federal

9. WELL NO.
Calf Canyon #11

10. FIELD AND POOL, OR WILDCAT
GREATER CISCO ~~Calf Canyon~~

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SW 1/4, SW 1/4, Sec 3
T20S, R21E, SLM

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 519'

16. NO. OF ACRES IN LEASE: 354.8

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.: 873'

19. PROPOSED DEPTH: 3800+ Gartner

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR ~~5710~~ 5794

22. APPROX. DATE WORK WILL START*
Oct 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	200'	Circulate cement to surface
7 7/8"	4 1/2"	10.5#	3800'	150+ sx cement

EXHIBITS ATTACHED
Plat #1 - Location and Elevation Plat
Exhibit B - Blowout Preventer
Drilling Program
Surface Use Program
Map #1 - Access Road and Radius Map of wells in area
Map #2 - Vicinity Map
Plat #2 - Drill Pad Layout with Contours
Plat #3 - Cross-sections of Drill Pad
Plat #4 - Drill Rig Layout
Plat #5 - Production Facility Layout

RECEIVED
OCT 11 1985
DIVISION OF OIL, GAS & MINING

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 10/17/85
BY: John R. Baza
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 J. U. Burkhalter TITLE Consulting Engineer DATE 10-10-85

(This space for Federal or State office use)

PERMIT NO. 43-019-31209 APPROVAL DATE

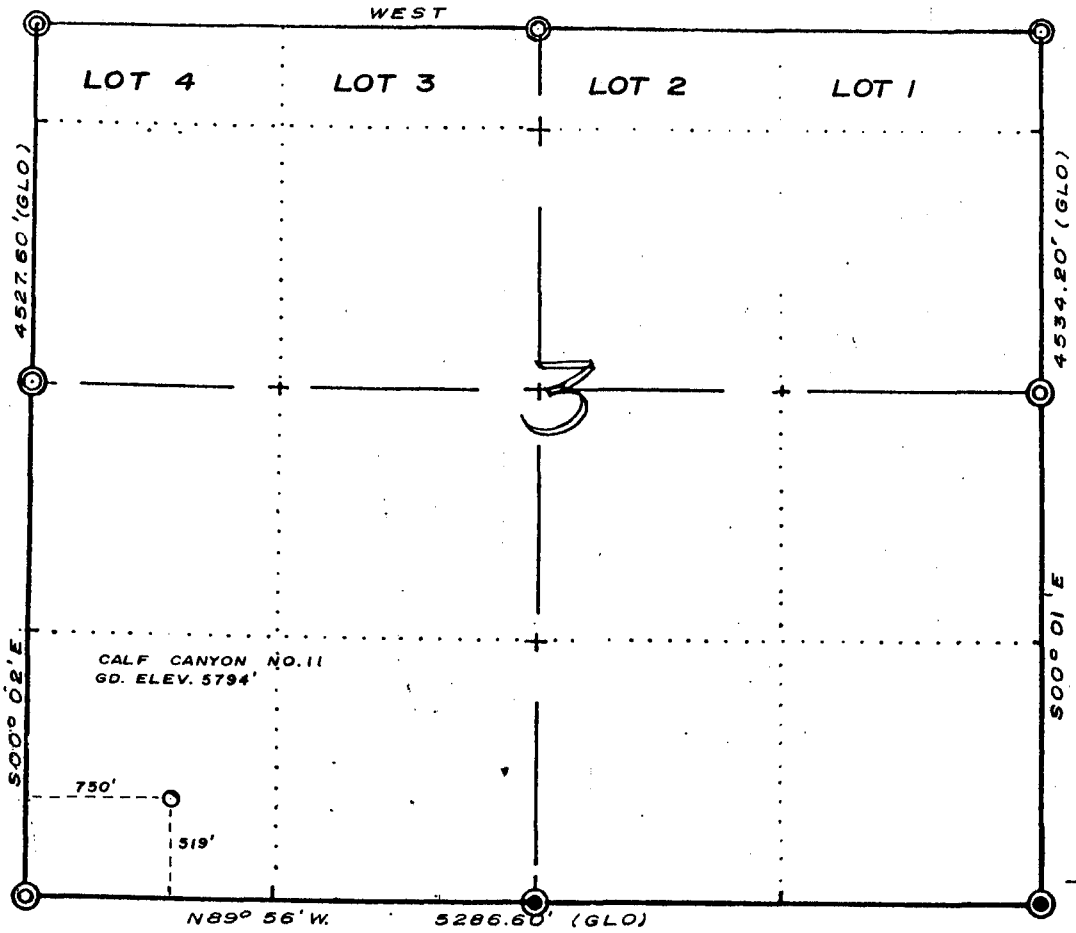
APPROVED BY TITLE DATE
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

PLAT NO. 1

LOCATION PLAT

SEC. 3 , T. 20 S , R. 21E . OF THE S.L.M.



SCALE

500' 0' 1000'

LEGEND

STANDARD LOCATION OF GLO SECTION CORNERS

GLO CORNERS FOUND

WELL LOCATION STAKED.

REFERENCE DOCUMENTS

1921 GLO PLAT

NASH WASH, UTAH QUADRANGLE, USGS

THIS WELL LOCATION PLAT WAS PREPARED FOR WILLARD PEASE OIL & GAS TO LOCATE THE CALF CANYON NO. 11 , 519' F.S. L. & 750' F.W. L. IN THE SW 1/4 SW 1/4, OF SECTION 3 , T. 20S., R. 21E. OF THE S.L.M. GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

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

Larry D. Becker

SURVEYED	10-7-85	
DRAWN	10-8-85	
CHECKED		

ENERGY SURVEYS & ENGINEERING CORP.

715 HORIZON DRIVE, SUITE 350
GRAND JUNCTION, CO 81501
(303) 245-7221

SCALE 1" = 1000'

JOB NO

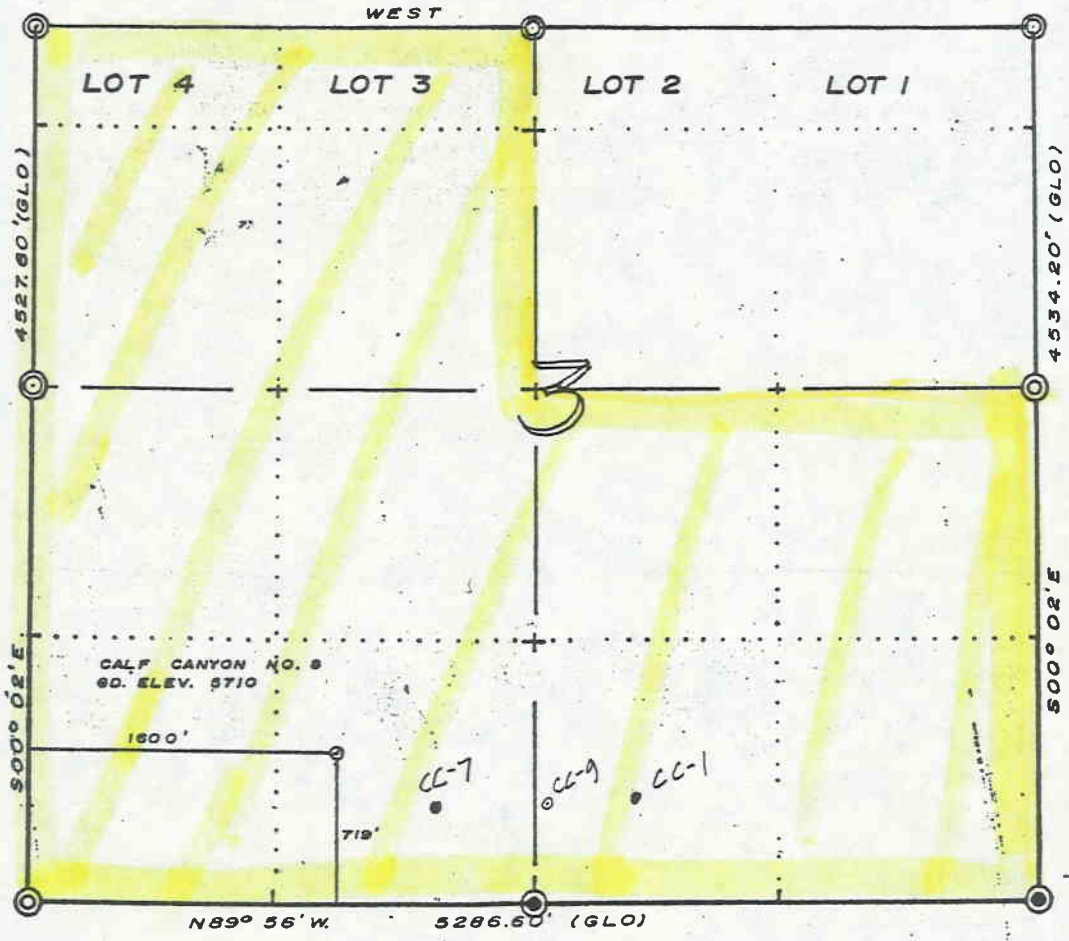
SHEET OF

PLAT NO. 1

LOCATION PLAT

SEC. 3, T. 20 S, R. 21E OF THE S.L.M.

LEASE No. U-11620



SCALE

500' 0' 1000'

LEGEND

- STANDARD LOCATION OF GLO SECTION CORNERS
- GLO CORNERS FOUND
- WELL LOCATION STAKES.

REFERENCE DOCUMENTS

1921 GLO PLAT

NASH WASH, UTAH QUADRANGLE, USGS

THIS WELL LOCATION PLAT WAS PREPARED FOR WILLARD PEASE OIL & GAS TO LOCATE THE CALF CANYON NO. 8, 719 F.S. L. & 1600 F.W. L. IN THE SE 1/4 SW 1/4, OF SECTION 3, T. 20S., R. 21E. OF THE S.L.M. GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

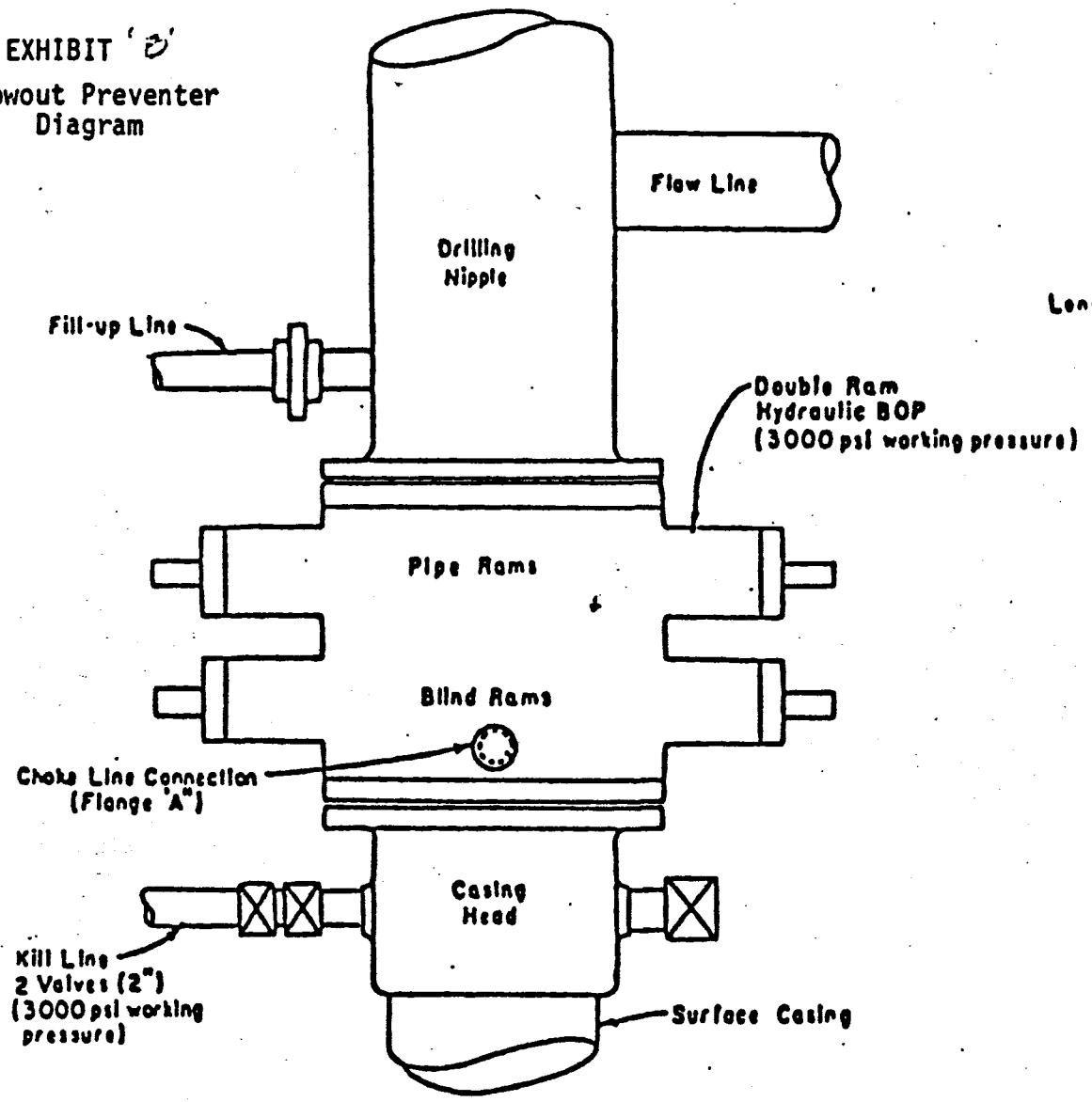
I, LARRY D. BECKER A REGISTERED LAND SURVEYOR IN THE STATE OF UTAH. DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT REPRESENTS SAID SURVEY.

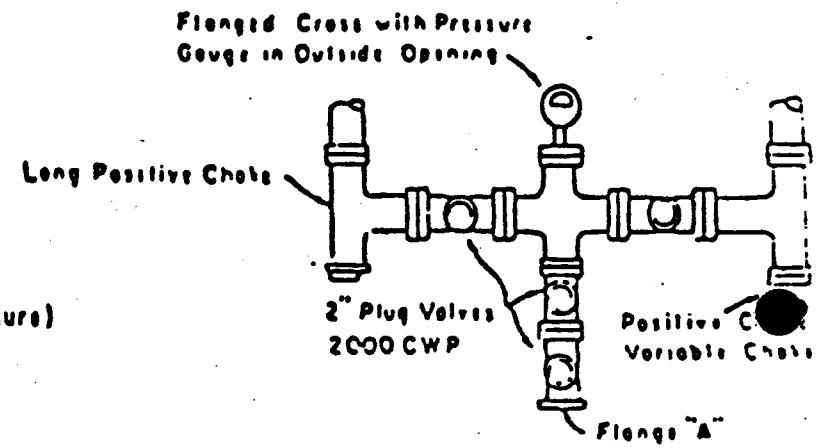
Larry D. Becker

SURVEYED	6/85		ENERGY SURVEYS & ENGINEERING CORP.	715 HORIZON DRIVE, SUITE 330 GRAND JUNCTION, CO 81501 (303) 243-7221	SCALE 1" = 1000'
DRAWN	6/85				JOB NO
CHECKED					SHEET 1 OF

EXHIBIT 'D'

Blowout Preventer Diagram





PLAN VIEW - CHOKE MANIFOL

BURKHALTER ENGINEERING, INC.
715 Horizon Drive, Suite 330
Grand Junction, CO 81501
Telephone (303) 242-8555

Petroleum and Energy Consultants
Registered in Rocky Mountain States

DRILLING PROGRAM

Willard Pease Oil & Gas Company
Calf Canyon #11

1. Surface formation is the Mancos.

2. Anticipated geological markers are: Dakota 2930', Morrison 3120', Summerville 3580', Entrada 3680'.

3. Oil is anticipated in the Dakota, Morrison and Salt Wash formations.

4. Proposed casing program: See item 23 above on A.P.D.

5. Pressure Control Equipment: See attached Exhibit B for schematic of blow out preventer. BOP's will be tested before drilling out from under surface casing and will be checked daily.

6. The well will be air drilled from under surface casing to total depth.

7. Auxillary equipment;

   (a) Kelly cock will be kept in the string.
   (b) A full opening stabbing valve will be on the floor for use when the kelly is not in the string.
   (c) A float will be run at the bit.
   (d) Monitoring equipment will be used on the mud system, if mud is used for drilling.

8. The logging program will consist of a DIL log from TD to base of surface casing; a Gamma-Density and Compensated Neutron Porosity log TD to 200' above Dakota. No cores or drill stem tests are planned.

9. No abnormal pressures, temperatures or poisonous gases are anticipated.

10. Proposed spud date is October 25, 1985. Completion operations following drilling.

SURFACE USE PROGRAM

Willard Pease Oil & Gas Company
Calf Canyon #11
SW 1/4 SW 1/4, Section 3, T20S, R21E, SLM
Grand County, Utah

1. EXISTING ROADS

Reference Maps #1 and #2 and Plat #1. The Calf Canyon #11 well location is 20.3 miles northwesterly of Cisco, Utah. Begin at Cisco, travel 3.8 miles westerly to a T intersection; turn right, travel on County Road 11.7 miles northwesterly toward Cunningham Ranch; to a Y intersection. Turn left, travel 1.6 miles northwesterly on Cunningham Ranch road to a T intersection, turn right, travel northwesterly 0.4 mile to a Y intersection; turn right and travel northerly 2.5 miles to the beginning of the access road. Turn left, travel 0.3 mile on a new road to Calf Canyon #7, thence 0.2 mile on road 675-4, thence 0.2 mile new road to CC-11.

Maintenance blading will be done on the county road portion by Pease and other oil and gas operators and the county. The oil field road portion will be maintained by Pease.

Existing roads are colored green on both Maps #1 and #2.

2. ACCESS ROADS TO BE CONSTRUCTED

See Map #1. New road is complete to 675-4. 0.2 mile new road will be built to CC#11.

Road surface material will be that native to the area. The maximum grade is 8%. The new access road is colored red on Map #1 and #2.

3. LOCATION OF EXISTING WELLS

See Map #1.

4. LOCATION OF EXISTING WELLS AND/OR PROPOSED FACILITITES IF WELL IS PRODUCTIVE

See Plat #5 - Production Facilitites Layout.

5. LOCATION AND TYPE OF WATER SUPPLY

The water source for this well is Nash Wash, 3.2 miles southerly of the location and will be purchased from Bill Cunningham.

6. SOURCE OF CONSTRUCTION MATERIAL

No construction materials will be used other than native materials. Material from cuts will be used in fills. No outside material will be brought in.

7. METHODS FOR HANDLING WASTE DISPOSAL

Cuttings will be buried in the reserve pit and blooie pit at cleanup. Garbage and other waste materials will be contained in a trash cage and it's contents will be disposed of at an approved sanitary land fill. Chemical toilets will be provided and serviced by a local sanitary dealer.

Drilling fluids will be contained in the reserve pit and left to evaporate. Any fluids produced during testing operations will be collected in a test tank or the reserve pit. Any spills of oil, gas, salt water or noxious fluids will be cleaned up and removed.

If the well is productive, produced water will be disposed of on site for 30 days only, or 90 days with the permission of the District Manager. After that time, application will be made for approval of a permanent disposal method in compliance with NTL-2B order, and the rules and regulations of the State of Utah.

8. ANCILLARY FACILITIES

No ancillary facilities are planned.

9. WELLSITE LAYOUT

RE: Plat #2 - Pit and Pad Layout
Plat #3 - Cross-sections
Plat #4 - Rig Layout

The location will be stripped of 4-6" of topsoil and stockpiled on west and east sides, as shown on Plat #2.

The reserve pit will be constructed on the southwesterly side of the pad, with Blooie Pit on northwest corner of pad (RE: Plat #2). The pit will be fenced on three sides during drilling and closed on the fourth side upon rig release. This fence will remain until rehabilitation begins.

10. PLANS FOR RECLAMATION OF THE SURFACE

If the well is productive, the reserve pit will be allowed to dry and then be backfilled. All of the area unused for production will be recontoured, topsoil spread and revegetated with the approved seed mixture.

If the well is abandoned, the disturbed area will be recontoured, similar to it's original state. The topsoil stockpile will be distributed evenly and the area revegetated using the approved seed mixture.

Clean-up will be completed and area reseeded by the spring of 1986.

11. SURFACE OWNERSHIP

All lands involving new construction are Federal lands.

12. OTHER INFORMATION

The well site is on the Mancos desert, north of the Cunningham Ranch. Drainage is easterly.

The flora of the area consists of Rabbit Brush, Cheat Grass, Shadscale, Indian Rice Grass, Sagebrush, Curly Grass, Prickly Pear Cactus and Juniper.

The fauna of the area includes rabbits, deer, coyote, livestock, crows, raptors and songbirds.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE

Willard Pease
Willard Pease Oil & Gas Co.
P.O. Box 1874
Grand Junction, Colo. 81502
303-245-5917

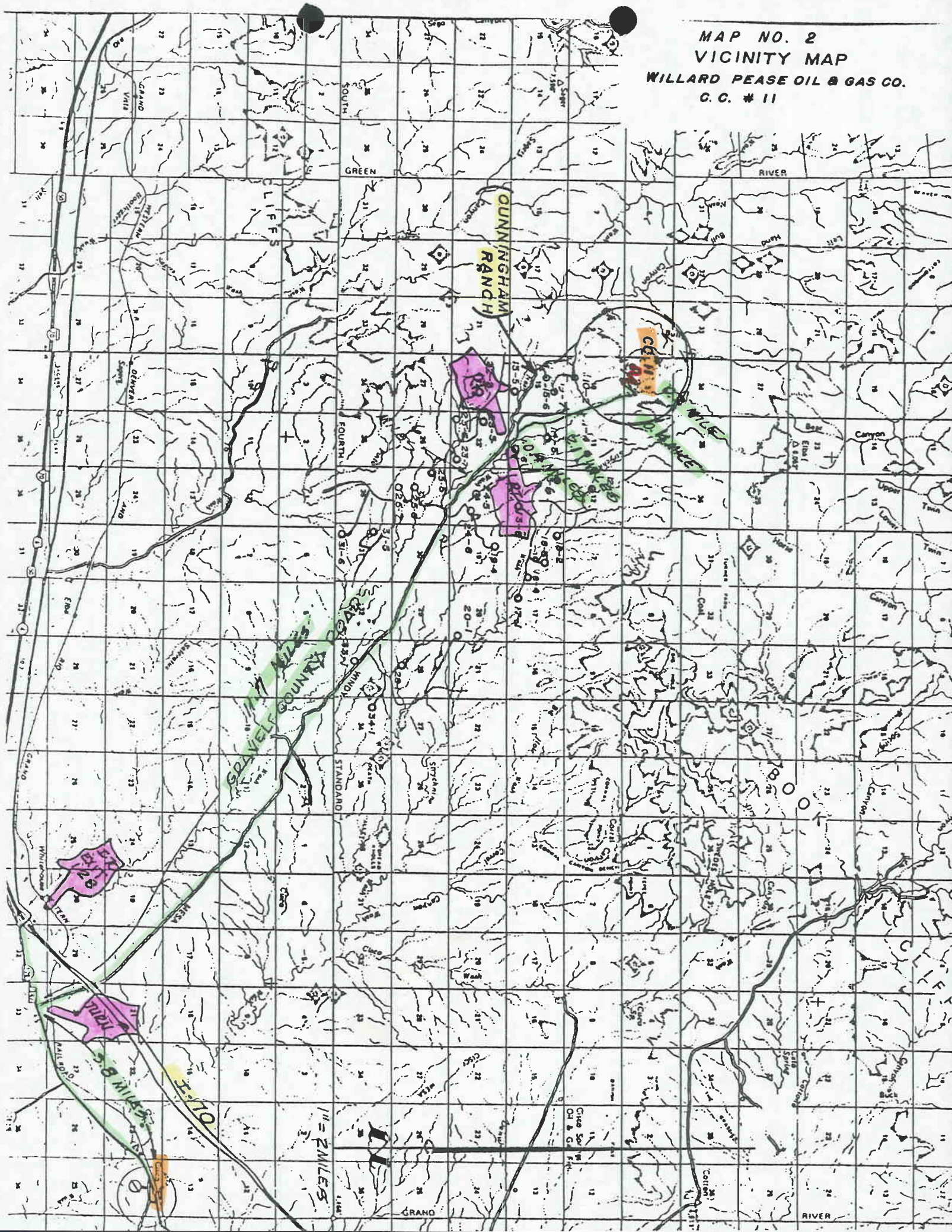
J. N. Burkhalter
Burkhalter Engineering
715 Horizon Dr., #330
Grand Junction, Co. 81506
303-242-8555

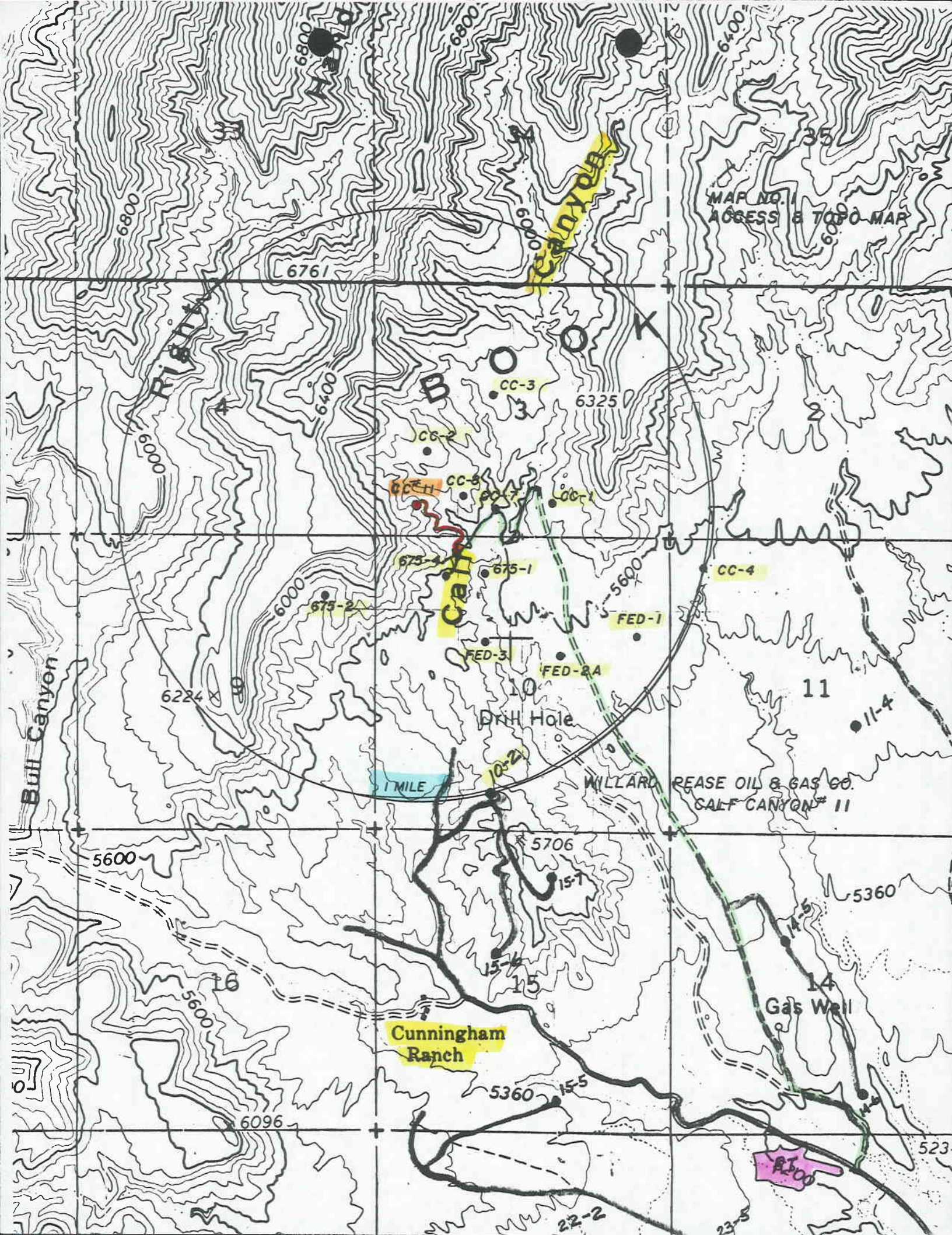
CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Willard Pease Oil & Gas Company and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

10-10-85
Date

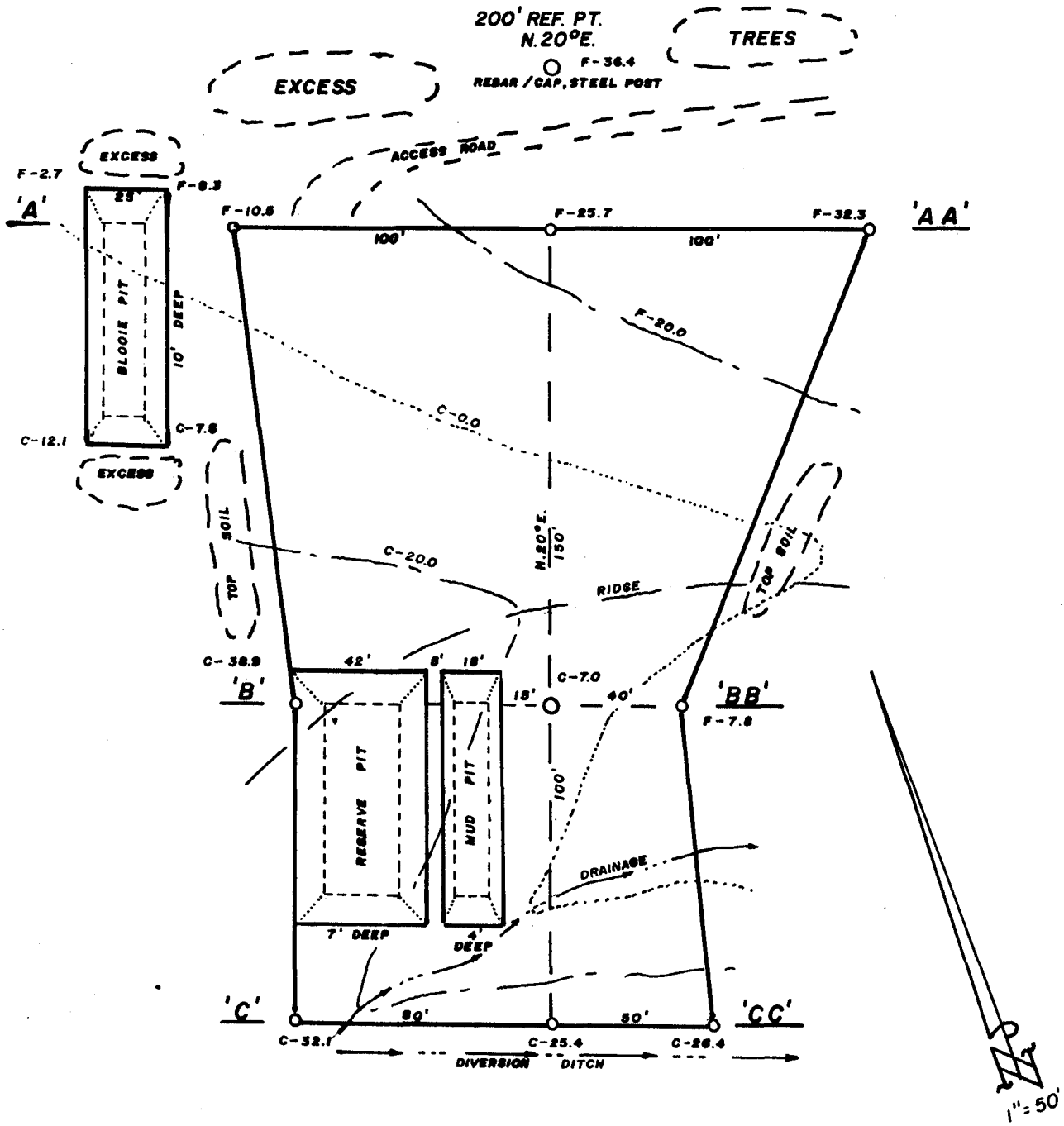
J. M. Burkhalter
Representative


MAP NO. 2
VICINITY MAP
WILLARD PEASE OIL & GAS CO.
C.C. # 11
GREEN
RIVER
SOUTH
FOURTH
STANDARD
GRAND
RIVER
CLIFFS
CUNNINGHAM RANCH
GRAVEL COUNTY ROAD
1" = 2 MILES
I-70



MAP NO. 1
ACCESS & TOPO MAP
Canyon
Right
Calf
BOOK
CC-3
CC-2
CC-8
CC-7
CC-1
CC-4
CC-11
675-4
675-1
675-2
FED-1
FED-3
FED-2A
Drill Hole
1 MILE
WILLARD PEASE OIL & GAS CO.
CALF CANYON # 11
Bull Canyon
Cunningham Ranch
Gas Well
6761
6325
6224
5706
5360
6096
6800
6400
6000
5600
33
34
35
4
3
2
9
10
11
16
15
14
10-2
15-7
15-6
15-5
14-5
11-4
22-2
23-5

PLAT NO. 2
PIT & PAD LAYOUT



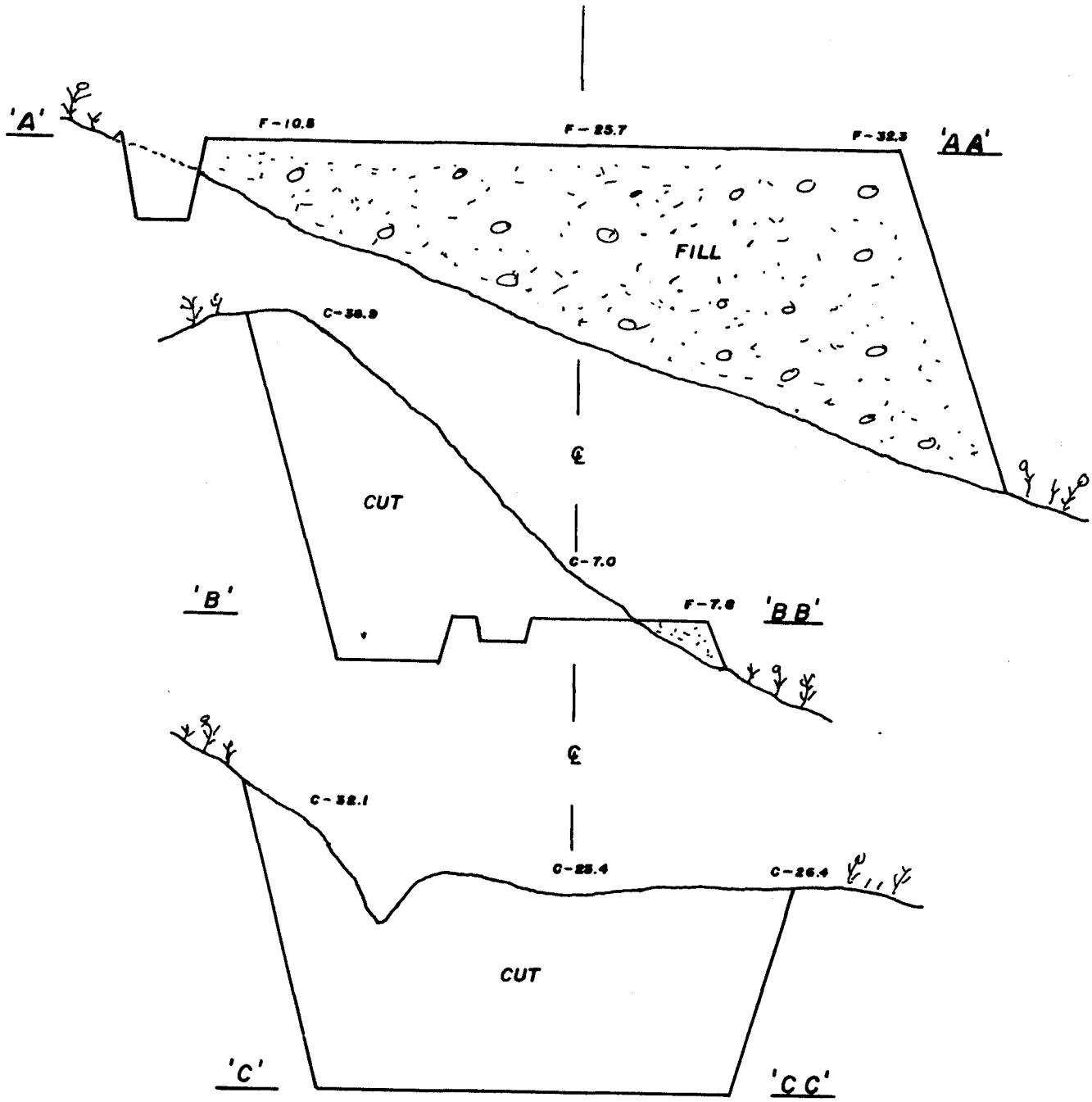
	ESTIMATED QUANTITIES			
	PAD	PIT	TOTAL	
CUT	13800	1368	15168	C.Y.
FILL	7049		7049	C.Y.
TOP SOIL	615	156	771	C.Y.
EXCESS			7348	C.Y.

200' REF. PT. S.20°W.
REBAR / CAP, STEEL POST

C-83.0

WILLARD PEASE OIL & GAS
CALF CANYON NO.11

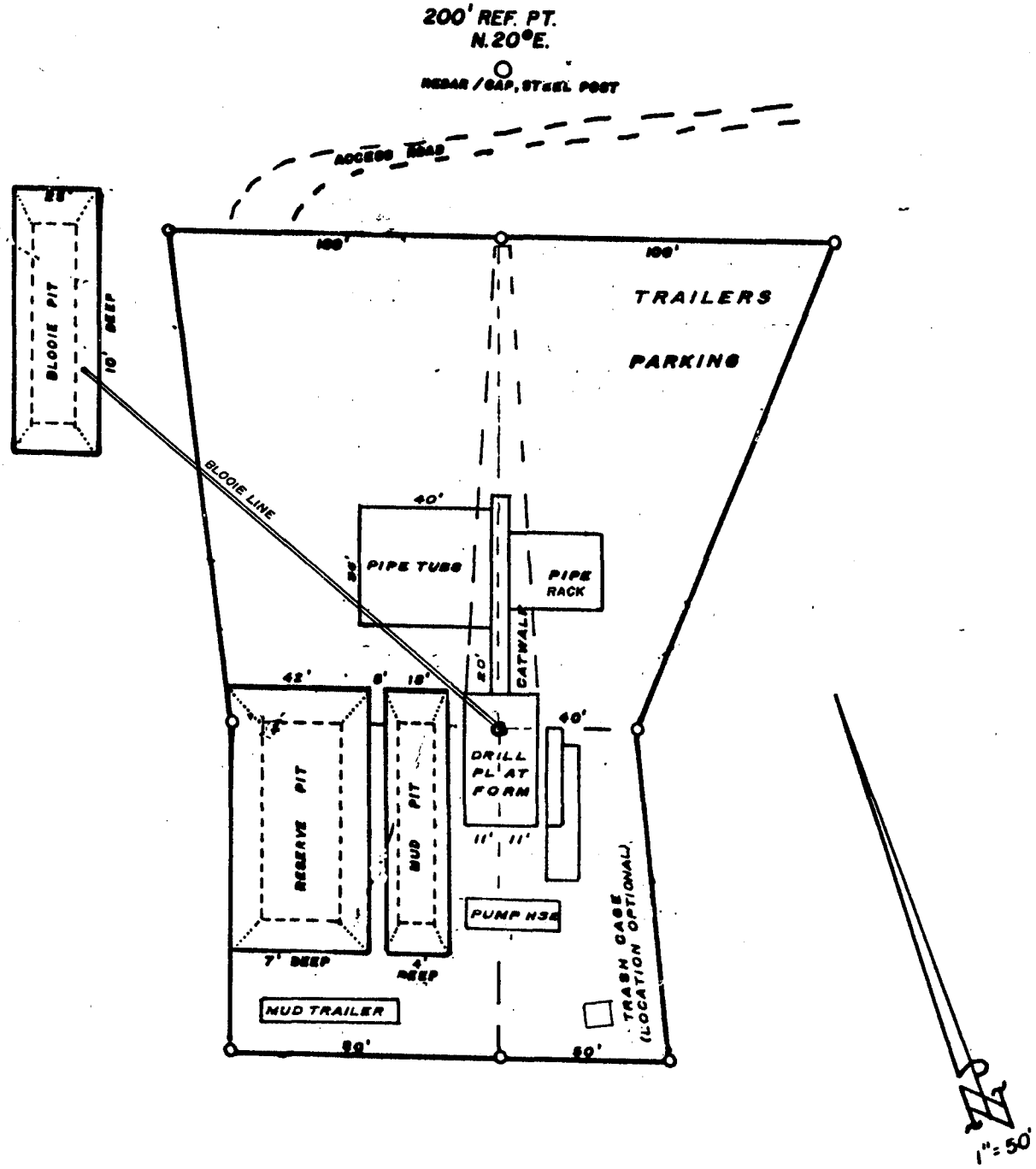
PLAT NO. 2A
CROSS SECTIONS



WILLARD PEASE OIL & GAS CO.
CALF CANYON NO. 11

SCALE
HORIZ. 1" = 50'
VERT. 1" = 20'

PLAT NO. 4
RIG LAYOUT

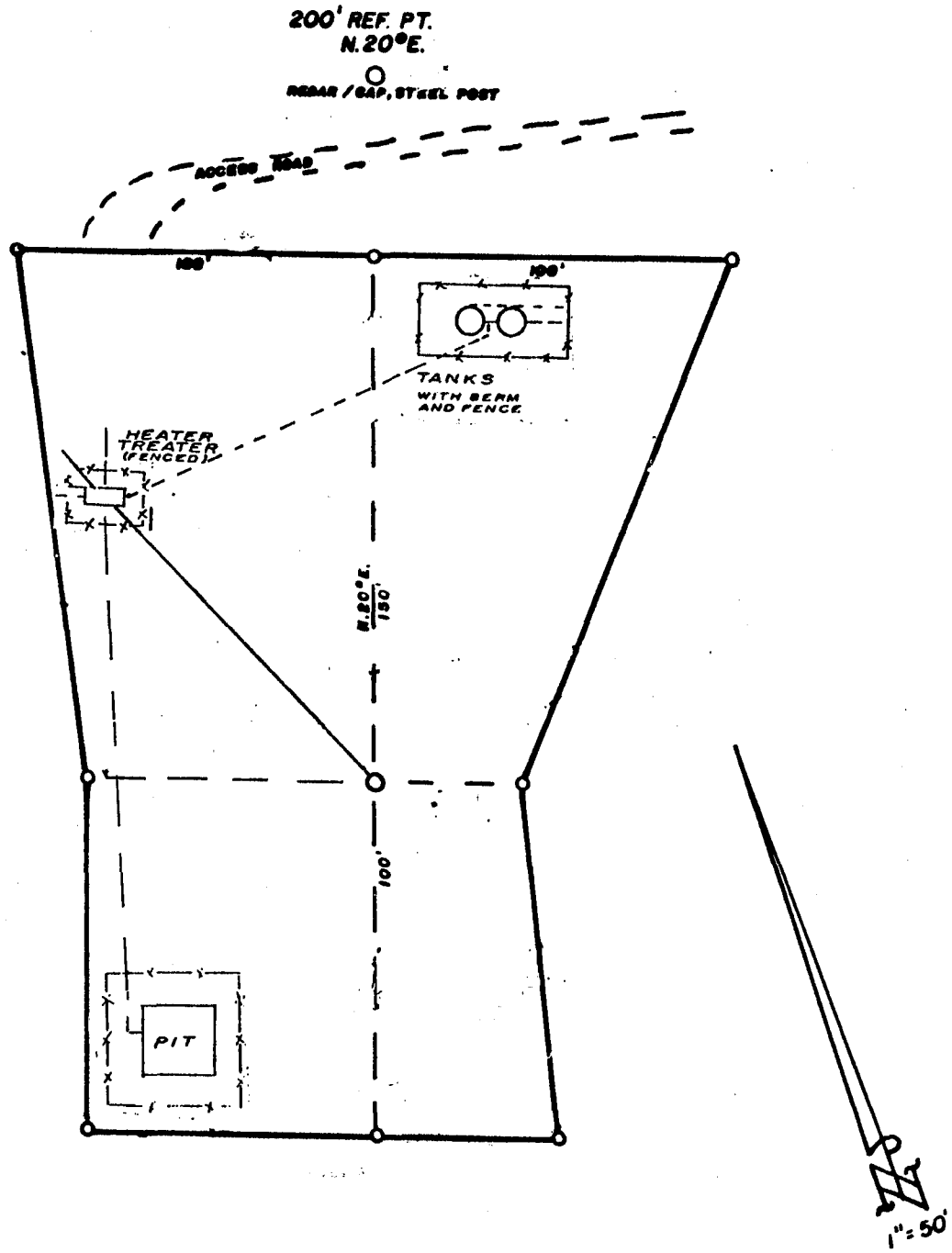


200' REF. PT. S.20°W.
REBAR / CAP, STEEL POST

WILLARD PEASE OIL & GAS
CALF CANYON NO. 11

PLAT NO. 5

PRODUCTION FACILITIES



200' REF. PT. S.20°W.
REBAR / CAP, STEEL POST

WILLARD PEASE OIL & GAS
CALF CANYON NO. 11

BURKHALTER ENGINEERING, INC.
715 Horizon Drive, Suite 330
Grand Junction, CO 81501
Telephone (303) 242-8555

Petroleum and Energy Consultants
Registered in Rocky Mountain States

October 10, 1985

RECEIVED

OCT 15 1985

DIVISION OF OIL
GAS & MINING

Mr. Mark P. Page, Area Engineer
State of Utah
Natural Resources
P.O. Box 718
Price, Utah 84501

Re: Temporary Change Application #85-01-13 Calf Canyon #8, #9, #10

Dear Mr. Page:

My client, Willard Pease Oil & Gas Company will not be able to drill Calf Canyon Well #9 at this time. We have staked Calf Canyon Well #11, 519 FSL, 750 FWL, S3, T20S, R21E, Grand County, Utah. We would respectfully request transferring the Temporary Change Application from Calf Canyon #9 to Calf Canyon #11.

I understand that you will notify the State Oil & Gas people in Salt Lake from this letter.

Very truly yours,

J. N. Burkhalter

J. N. Burkhalter, PE/PLS

JNB/hm
cc: Pease Oil & Gas Co.
Utah Oil & Gas

Mark Page
10/17/85

081503

OPERATOR Willard Pease Oil & Gas DATE 10-16-85

WELL NAME Calf Canyon #11

SEC SWSW 3 T 20S R 21E COUNTY Grand

43-019-31209
API NUMBER

Fed
TYPE OF LEASE

CHECK OFF:

- [x] PLAT
- [x] BOND
- [ ] NEAREST WELL
- [x] LEASE
- [x] FIELD
- [x] POTASH OR OIL SHALE

PROCESSING COMMENTS:
No other well within 400'
~~Need~~ Water permit #85-01-13

APPROVAL LETTER:

SPACING:
- [ ] A-3 _____ UNIT
- [x] c-3-a 102-16B 11/15/79 CAUSE NO. & DATE
- [ ] c-3-b
- [ ] c-3-c

MICROFICHE

STIPULATIONS:
~~1. Water~~

11/2/84
25020

Form 3160-5
(November 1983)
(Formerly 9-331)

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

3

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-11620

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: ——

1. OIL WELL [XX] GAS WELL [ ] OTHER

7. UNIT AGREEMENT NAME: ——

2. NAME OF OPERATOR: Willard Pease Oil & Gas Company

8. FARM OR LEASE NAME: Federal

3. ADDRESS OF OPERATOR: P.O. Box 1874, Grd Jct, Colo. 81502

9. WELL NO.: Calf Canyon #11

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface: 519' FSL, 750' FWL, SWSW Sec 3

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OCT 17 1985
DIVISION OF OIL GAS & MINING

10. FIELD AND POOL, OR WILDCAT: Calf Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SW SW Sec 3, T20S, R21E SLB&M

14. PERMIT NO.:

15. ELEVATIONS (Show whether DF, RT, GR, etc.): Grnd 5794'

12. COUNTY OR PARISH: Grand

13. STATE: Utah

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[ ]	(Other)			
(Other) Correct Elev & Grade			XX	(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.)*

Correct APD as Follows:

1) Grnd Elevation to 5794'
2) Maximum Grade of New Road is 10%

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

SIGNED J. U. Burkhalter TITLE Consulting Engineer DATE 10-15-85

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

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

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

Willard Pease Oil & Gas Company
P. O. Box 1874
Grand Junction, Colorado 81502

Gentlemen:

Re: Well No. Calf Canyon 11 - SW SW Sec. 3, T. 20S, R. 21E
519' FSL, 750' FWL - Grand County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with the Order of Cause No. 102-16B 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 43-019-31209.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals

Form 9-331 C
(May 1963)

SUBMIT IN [illegible]LICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

REC'D [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL
OIL WELL [XX] GAS WELL [ ] OTHER SINGLE ZONE [XX] MULTIPLE ZONE [ ]

2. NAME OF OPERATOR
Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR
P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
519' FSL & 750' FWL, SW 1/4, SW 1/4, Section 3

At proposed prod. zone
Approximately same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20.3 miles northwesterly of Cisco

5. LEASE DESIGNATION AND SERIAL NO.
U-11620

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

7. UNIT AGREEMENT NAME
---

8. FARM OR LEASE NAME
Federal

9. WELL NO.
Calf Canyon #11

10. FIELD AND POOL, OR WILDCAT
Calf Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SW 1/4, SW 1/4, Sec 3
T20S, R21E, SLM

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any): 519'

16. NO. OF ACRES IN LEASE: 354.8

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.: 873'

19. PROPOSED DEPTH: 3800+

20. ROTARY OR CABLE TOOLS: Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR ~~5710~~ 5794'

22. APPROX. DATE WORK WILL START*
Oct 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	200'	Circulate cement to surface
7 7/8"	4 1/2"	10.5#	3800'	150+ sx cement

RECEIVED
OCT 24 1985
DIVISION OF OIL GAS & MINING

EXHIBITS ATTACHED
Plat #1 - Location and Elevation Plat
Exhibit B - Blowout Preventer
Drilling Program
Surface Use Program
Map #1 - Access Road and Radius Map of wells in area
Map #2 - Vicinity Map
Plat #2 - Drill Pad Layout with Contours
Plat #3 - Cross-sections of Drill Pad
Plat #4 - Drill Rig Layout
Plat #5 - Production Facility Layout

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 J. U. Burkhalter TITLE Consulting Engineer DATE 10-10-85

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY /S/ GENE NODINE TITLE DISTRICT MANAGER DATE 21 OCT 1985

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

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

State of Utah - DOGM

Willard Pease Oil & Gas Company
Well No. Federal Calf Canyon 11
Sec. 3, T. 20 S., R. 21 E.
Grand County, Utah
Lease U-11620

CONDITIONS OF APPROVAL

A. DRILLING PROGRAM

A backup source capable of closing the B.O.P.'s in case of a primary source failure will be available.

All pressure tests and operational checks will be recorded on the driller's log.

Both casing strings will be tested to 1000 psi and this will be recorded on the driller's log.

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 abandoment. 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.

Rec'd MDO OCT 21 1985

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. Culvert sizes will be 18 inch and 18 inch.

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.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

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 an unlined pit.

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.

Production facilities and locations will be looked at, at the time of production.

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 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 and left with a rough surface.

The following seed mixture will be used:

Species		lbs/acre
Grasses		
Elymus salina	Salina wildrye	2 lbs.
Shrubs		
Kochia prostrata	Summer cypress	2 lbs.
		4 lbs/ac.

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: _____

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: (801) 259-7964

Area Office Address:

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

w/ok

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION API #43-019-31209

NAME OF COMPANY: WILLARD PEASE OIL & GAS COMPANY

WELL NAME: CALF CANYON #11

SECTION SW SW 3 TOWNSHIP 20S RANGE 21E COUNTY Grand

DRILLING CONTRACTOR Carmack

RIG # 10

SPUDDED: DATE 11-1-85

TIME 3 PM

HOW Rotary

DRILLING WILL COMMENCE

REPORTED BY Lillie

TELEPHONE # (303) 245-5917

DATE 11-4-85 SIGNED AS

Form 3160-5
(November 1983)
(Formerly 9-331)

STATE OF UTAH
DIVISION OF OIL, GAS, & MINING

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.)

RECEIVED
NOV 06 1985
DIVISION OF OIL GAS & MINING

1. OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: WILLARD PEASE OIL AND GAS COMPANY

3. ADDRESS OF OPERATOR: P.O. BOX 1874, GRAND JUNCTION, CO. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface: 519' FSL and 750' FWL, Sec. 3 SW/4 SW/4 T20S., R21E

5. LEASE DESIGNATION AND SERIAL NO.: U-11620

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Federal

9. WELL NO.: Calf Canyon #11

10. FIELD AND POOL, OR WILDCAT: Calf Canyon

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 3, T20S., R21E

14. PERMIT NO.:

15. ELEVATIONS (Show whether DF, RT, GR, etc.): 5794' GR

12. COUNTY OR PARISH: Grand

13. STATE: Utah

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[ ]	(Other)			[ ]
(Other)			[X]	(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.)*

Spud well November 1, 1985
3:00 pm

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

SIGNED Willard Pease, Jr. / lba TITLE Executive Vice-President DATE November 4, 1985

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

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

WILLARD PEASE
OIL AND GAS Co. BOX 1874, GRAND JUNCTION, COLORADO 81502, (303) 245-5917

November 29, 1985

RECEIVED
DEC 19 1985
DIVISION OF OIL
GAS & MINING

State of Utah
Natural Resources
Oil, Gas and Mining
355 W. No. Temple
3 Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

Gentlemen:

Enclosed please find the Well Completion Reports for the Calf Canyon #10 and #11, Lease No. U-11620, Sec. 3, T20S., R21E, Grand County, Utah.

You may take note that both wells are Tight Hole and the information supplied to you is confidential. Thank you.

Very truly yours,

WILLARD PEASE OIL & GAS CO.

Lily Roeland
Administrator

Enclosure

Logs/Report

(Rev. 5-63)

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

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

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

13

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] DRY [ ] Other

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

RECEIVED DEC 19 1985 DIVISION OF OIL GAS & MINING

2. NAME OF OPERATOR: Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR: P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface: 519 FSL, 750 FWL, Sec 3, T20S, R21E
At top prod. interval reported below: same
At total depth:

5. LEASE DESIGNATION AND SERIAL NO.: U-11620
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: -------
7. UNIT AGREEMENT NAME: -------
8. FARM OR LEASE NAME: Federal
9. WELL NO.: CC-11
10. FIELD AND POOL, OR WILDCAT: Greater Cisco ~~Cali Canyon~~
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: SWSW Sec 3, T20S, R21E SLM

14. PERMIT NO.: 43-019-31209 DATE ISSUED: 10-17-85
12. COUNTY OR PARISH: Grand
13. STATE: Utah

15. DATE SPUDDED: 11-1-85
16. DATE T.D. REACHED: 11-6-85
17. DATE COMPL. (Ready to prod.): 11-14-85
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*: GRND 5794 - KB 5802'
19. ELEV. CASINGHEAD: 5795'

20. TOTAL DEPTH, MD & TVD: 3800'
21. PLUG, BACK T.D., MD & TVD: 3706'
22. IF MULTIPLE COMPL., HOW MANY*: N/A
23. INTERVALS DRILLED BY: → ROTARY TOOLS: All CABLE TOOLS: None

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: DAKOTA 3087' - 3131' Confidential
25. WAS DIRECTIONAL SURVEY MADE: yes

26. TYPE ELECTRIC AND OTHER LOGS RUN: DIL, CDL/CNS Tight Hole
27. WAS WELL CORED: no

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24 lb	253	12 1/4	Circulated	None
4 1/2"	10 1/2 lb	3772	7 7/8	350 sx 10-2 Thixotropic	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
N/A				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3150'	None

31. PERFORATION RECORD (Interval, size and number)
3098 3104; 3108 - 3113; 3117 - 3124
w/2 spf, 12 grm, DML, 0.34" holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3098 - 3124	75 bbls diesel w/surfactants
	70 balls

33.* PRODUCTION

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

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
	24	—	→	100	UNKNOWN	NONE	UNKNOWN

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
N/A	25	→	100	UNKNOWN	NONE	38° API

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

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: J. M. Burkhart TITLE: Consulting Engineer DATE: 11-26-85

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

INSTRUCTIONS

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

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

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

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

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

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

37. SUMMARY OF POROUS ZONES:
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
DAKOTA	2982'	3160'	Bottom (3116' to 3160') contains oil, gas & water

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Graneros Mrkr	2951'	2951'
Dakota	2982'	2982'
Morrison	3156'	3156'
Salt Wash	3422'	3422'
Entrada	3748'	3748'

★ U.S. GOVERNMENT PRINTING OFFICE: 1974-780-680/VIII-238

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

SUBMIT IN DUPLICATE (See other instructions on reverse side)

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] DRY [ ] Other

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

RECEIVED DEC 19 1985 DIVISION OF OIL GAS & MINING

2. NAME OF OPERATOR: Willard Pease Oil & Gas Company

3. ADDRESS OF OPERATOR: P.O. Box 1874, Grd Jct, Colo. 81502

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface: 519 FSL, 750 FWL, Sec 3, T20S, R21E
At top prod. interval reported below: same
At total depth:

5. LEASE DESIGNATION AND SERIAL NO.: U-11620
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: -------
7. UNIT AGREEMENT NAME: -------
8. FARM OR LEASE NAME: Federal
9. WELL NO.: CC-11
10. FIELD AND POOL, OR WILDCAT: Greater Cisco ~~Salt Canyon~~
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: SWSW Sec 3, T20S, R21E SLM

14. PERMIT NO.: 43-019-31209 DATE ISSUED: 10-17-85
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, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
11-1-85	11-6-85	11-14-85	GRND 5794 - KB 5802'	5795'

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
3800'	3706'	N/A	→	All	None

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: DAKOTA 3087' - 3131' Confidential
25. WAS DIRECTIONAL SURVEY MADE: yes
26. TYPE ELECTRIC AND OTHER LOGS RUN: DIL, CDL/CNS Tight Hole
27. WAS WELL CORED: no

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24 lb	253	12 1/4	Circulated	None
4 1/2"	10 1/2 lb	3772	7 7/8	350 sx 10-2 Thixotropic	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
N/A				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3150'	None

31. PERFORATION RECORD (Interval, size and number)
3098 3104; 3108 - 3113; 3117 - 3124
w/2 spf, 12 grm, DML, 0.34" holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3098 - 3124	75 bbls diesel w/surfactants
	70 balls

33.* PRODUCTION

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

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
	24	—	→	100	UNKNOWN	NONE	UNKNOWN

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
N/A	25	→	100	UNKNOWN	NONE	38° API

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

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 J. M. Burkhalter TITLE Consulting Engineer DATE 1-26-85

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

INSTRUCTIONS

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

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FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
DAKOTA	2980'	3136'	Oil, Gas, Water

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Graneros Mrk	2932'	2932'
Dakota	2980'	2980'
Morrison	3136'	3136'
Salt Wash	3387'	3387'
Entrada	3733'	3733'

★ U.S. GOVERNMENT PRINTING OFFICE: 1974-780-680/VIII-238

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

August 28, 1986

Willard Pease Oil & Gas
P.O. Box 1874
Grand Junction, Colorado 81502

Gentlemen:

Re: Well No. Calf Canyon #11 - Sec. 3, T. 20S., R. 21 E., Grand County, Utah - API #43-019-31209

Review of our records indicate that a copy of the CDL/CNS log which was run on the referenced well as indicated on the Well Completion Report dated November 26, 1985, has not been received in this office.

Rule 312, Oil and Gas Conservation General Rules, requires that copies of well logs be submitted within 90 days of completion of a well.

Please forward the requested information to the address below at your earliest convenience, but not later than September 12, 1986.

Utah Division of Oil, Gas and Mining
Attention: Suspense File - Norm Stout
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

cc: Dianne R. Nielson
Ronald J. Firth
John R. Baza
Well File
Suspense File

0431S/9

WILLARD PEASE OIL AND GAS Co.
BOX 1874, GRAND JUNCTION, COLORADO 81502, (303) 245-5917

RECEIVED
SEP 09 1986
DIVISION OF
OIL, GAS & MINING

090919

September 5, 1986

State of Utah
Natural Resources Oil, Gas and Mining
355 W. North Temple
3 Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

Attn: R.J. Firth
Associate Director, Oil and Gas

Dear Mr. Firth,

Enclosed as per your request of August 28, 1986 you will find the CDL/CNS log for the Calf Canyon #11 well-API#43-019-31209.

I sincerely beleive we had sent this information to you in an orderly fashion. Please check your files under the Calf Canyon #10 well as this information would have been sent at the same time and possibly was misfiled.

REMEMBER!! This is a tight hole and the information contained is confidential. Thank you.

Very truly yours,

WILLARD PEASE OIL & GAS CO.

Lily Fitch

Lily R. Fitch

Enclosures

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR INJECTION WELL - UIC FORM 1

OPERATOR WILLARD PEASE OIL AND GAS CO.
ADDRESS P.O. Box 1874
Grand Junction, CO 81502

Well name and number: Calf Canyon #11

Field or Unit name: Calf Canyon Lease no. _____

Well location: QQ SWSW section 3 township 20S range 21E county Grand

Is this application for expansion of an existing project? . . Yes [] No [X]

Will the proposed well be used for: Enhanced Recovery? . . Yes [X] No []
Disposal? . . . . . Yes [] No [X]
Storage? . . . . . Yes [] No [X]

Is this application for a new well to be drilled? . . . . . Yes [] No [X]

If this application is for an existing well,
has a casing test been performed on the well? . . . . . Yes [] No [X]
Date of test: _____
API number: _____

Proposed injection interval: from 3087' to 3132'

Proposed maximum injection: rate 1000 BWPD pressure 800 psig

Proposed injection zone contains [X] oil, [X] gas, and/or [] fresh water within ½ mile of the well.

IMPORTANT: Additional information as required by R615-5-2 should accompany this form.

List of Attachments: per R615-5-2

I certify that this report is true and complete to the best of my knowledge.

Name John H. Benton Signature John H. Benton
Title Engineer Date 9-8-92
Phone No. (303) 839-9626

(State use only)
Application approved by _____ Title _____
Approval Date _____

Comments:

(3/89)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR INJECTION WELL - UIC FORM 1

OPERATOR WILLARD PEASE OIL AND GAS CO.
ADDRESS P.O. Box 1874
Grand Junction, CO 81502

Well name and number: Calf Canyon #11

Field or Unit name: Calf Canyon Lease no. _____

Well location: QQ SWSW section 3 township 20S range 21E county Grand

Is this application for expansion of an existing project? . . Yes [] No [X]

Will the proposed well be used for: Enhanced Recovery? . . Yes [X] No []
Disposal? . . . . . Yes [] No [X]
Storage? . . . . . Yes [] No [X]

Is this application for a new well to be drilled? . . . . . Yes [] No [X]

If this application is for an existing well,
has a casing test been performed on the well? . . . . . Yes [] No [X]
Date of test: _____
API number: _____

Proposed injection interval: from 3087' to 3132'

Proposed maximum injection: rate 1000 BWPD pressure 300 psig

Proposed injection zone contains [X] oil, [X] gas, and/or [] fresh water within ½ mile of the well.

IMPORTANT: Additional information as required by R615-5-2 should accompany this form.

List of Attachments: per R615-5-2

I certify that this report is true and complete to the best of my knowledge.

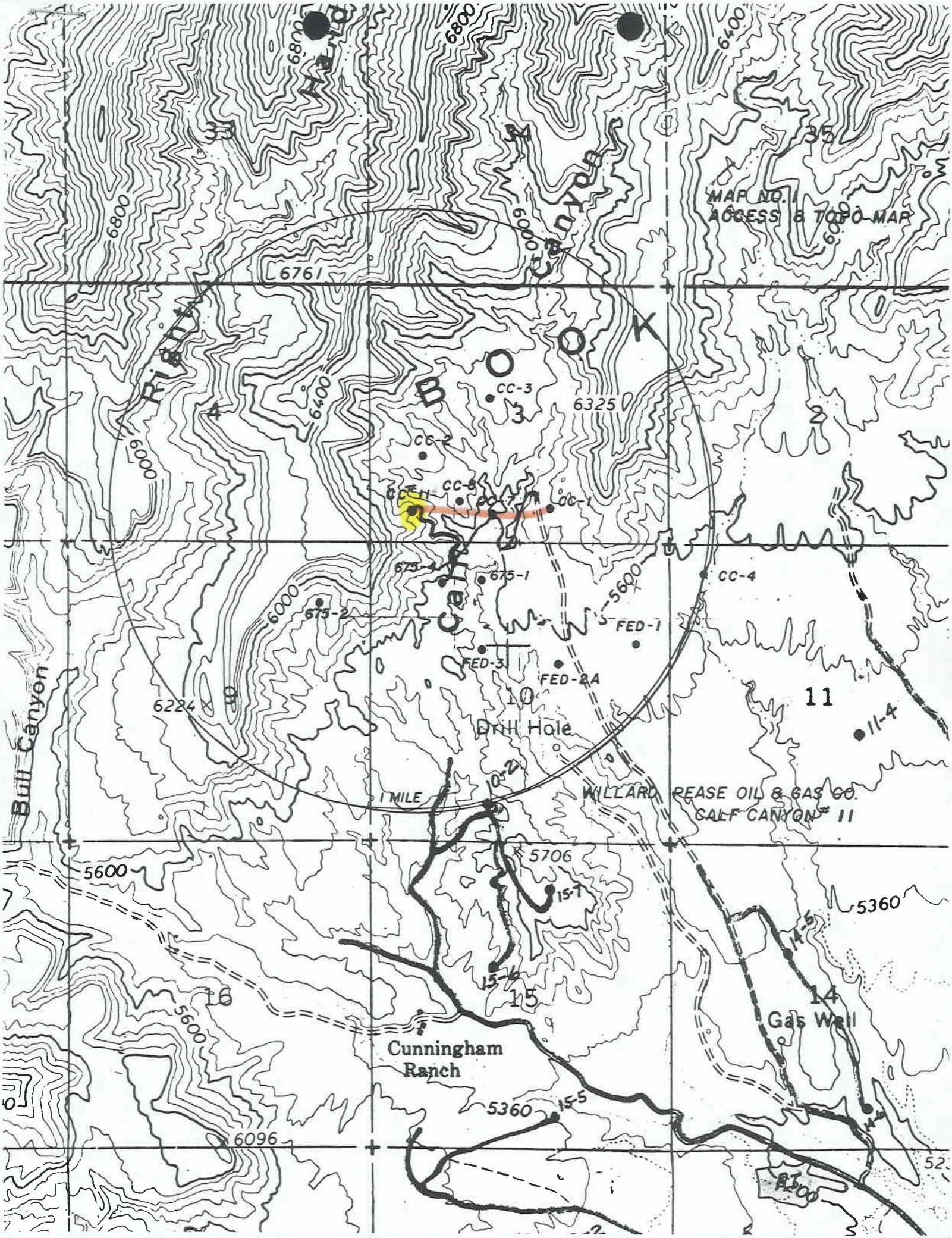
Name John H. Benton Signature John H. Benton
Title Engineer Date 9-8-92
Phone No. (303) 839-9626

(State use only) 295-0066
Application approved by _____ Title _____
Approval Date _____

Comments:

125

(3/89)



MAP NO. 1
ACCESS & TOPO MAP
Right Hand
Canyon
BOOK
Calf
Bull Canyon
6761
6325
6224
6096
5706
5360
5600
6000
6400
6800
CC-1
CC-2
CC-3
CC-4
CC-5
CC-7
CC-8
CC-11
675-1
675-2
675-4
FED-1
FED-2A
FED-3
10-2
11-4
14-5
14-6
15-5
15-6
15-7
1 MILE
Drill Hole
WILLARD PEASE OIL & GAS CO.
CALF CANYON # 11
Gas Well
Cunningham
Ranch
33
34
35
4
3
2
9
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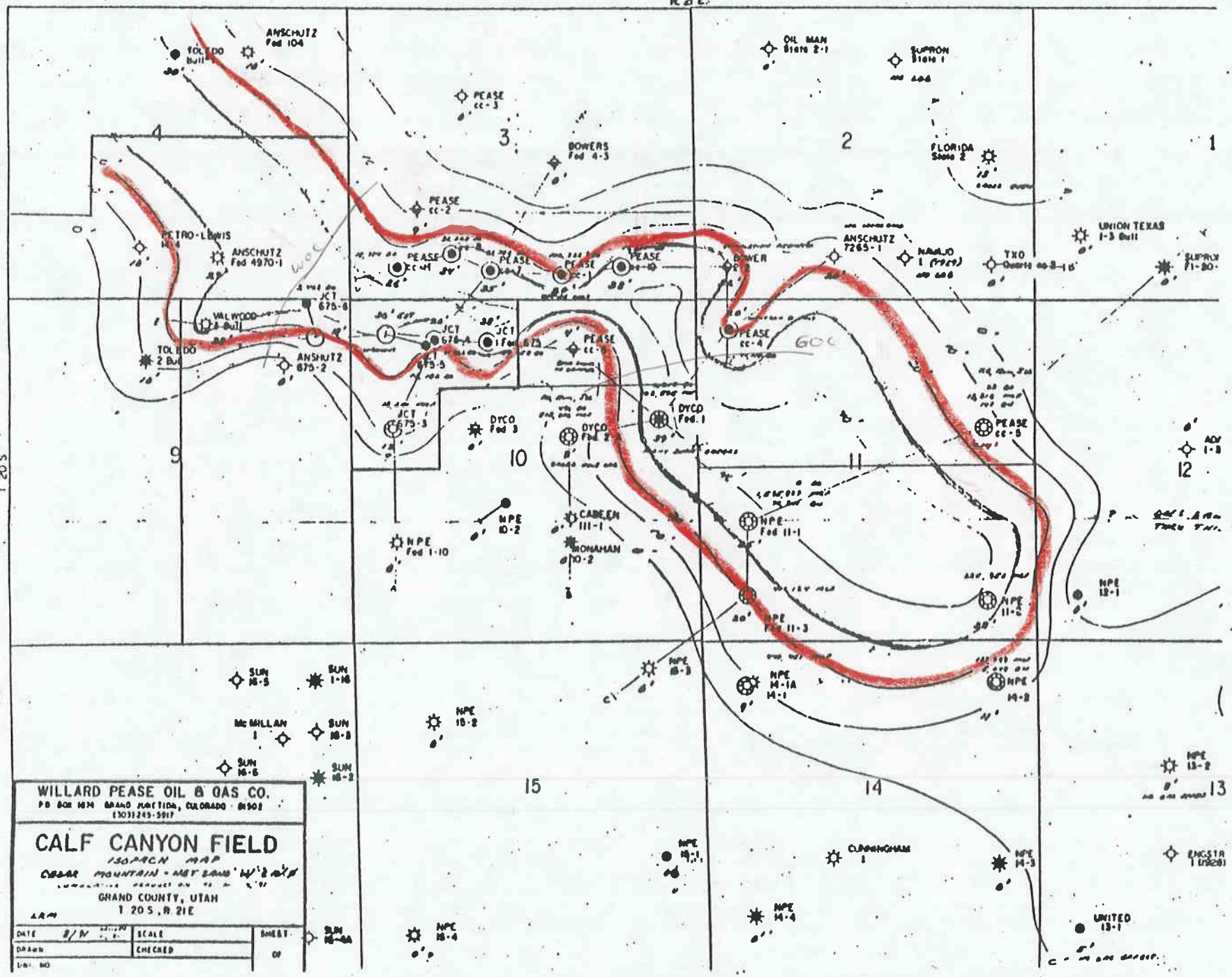
11
14
15
16

Figure 4


R 21 E.
T 20 S
WILLARD PEASE OIL & GAS CO.
CALF CANYON FIELD
ISOPACH MAP
GRAND COUNTY, UTAH
T 20 S, R 21 E
ANSCHUTZ Fed 104
TOLEDO Bull
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PETRO-LEWIS
ANSCHUTZ Fed 4970-1
PEASE cc-2
PEASE cc-4
ANSCHUTZ 7265-1
NAVAJO 1
TXO
UNION TEXAS 1-3 Bull
VALWOOD
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-6
JCT 675-3
DYCO Fed 3
DYCO Fed 1
PEASE cc-5
NPE Fed 1-10
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed 11-1
NPE Fed 11-3
NPE 12-1
NPE 14-1A 14-1
NPE 14-2
NPE 15-2
McMILLAN 1
SUN 16-5
SUN 1-16
SUN 16-6
SUN 16-2
NPE 13-2
CUNNINGHAM 1
NPE 14-3
NPE 14-4
UNITED 13-1
ENGSTR
NPE 16-4
SUN 16-4A
GOC
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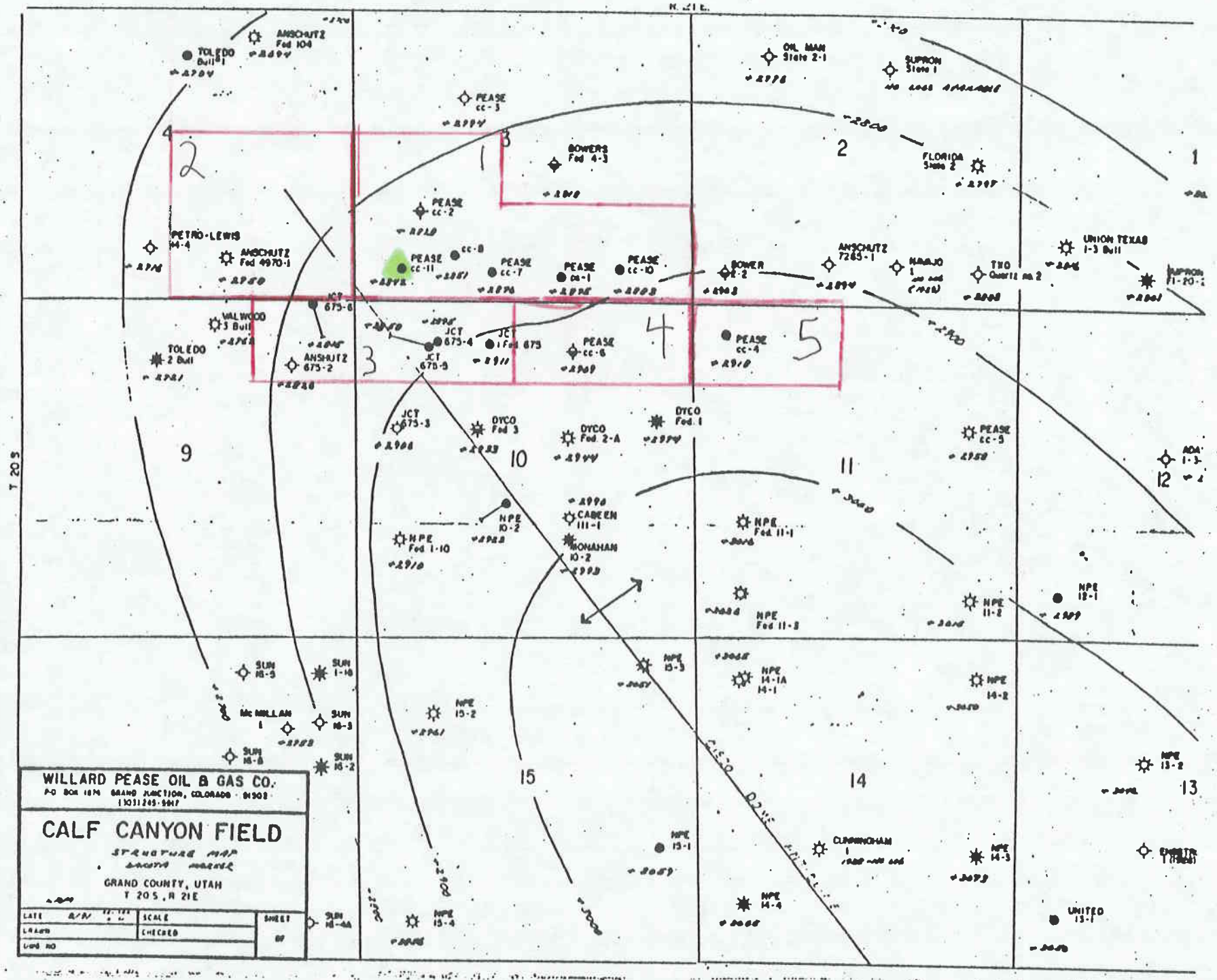
15

Figure 3


WILLARD PEASE OIL & GAS CO.
CALF CANYON FIELD
GRAND COUNTY, UTAH
T 20 S, R 21 E
TOLEDO Bull #1
ANSCHUTZ Fed 104
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-2
PEASE cc-11
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-6
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed 2-A
DYCO Fed 1
PEASE cc-5
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed 1-10
NPE Fed 11-1
NPE Fed 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
McMILLAN 1
SUN 16-3
SUN 16-8
SUN 16-2
NPE 15-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
T 20 S
R 21 E

BEFORE THE UTAH BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH.	MOTION DOCKET NO. 92-042 CAUSE NO. 102-75

COMES NOW J.C. Thompson ("Thompson") and National Fuel Corp. ("National") (collectively referred to hereinafter as "Respondent") by and through their counsel Holme Roberts & Owen, and hereby moves this Board pursuant to R641-105-300 of the Utah Administrative Code for leave to file the attached Response in the captioned matter.

As grounds for Respondent's motion, Respondent alleges as follows:

1. That on or about October 23, 1992, Petitioner served Respondent with amended pleadings that materially alter

the terms of relief sought by Petitioner in its original application;

2. That service of the amended pleadings was made after the Response Date established by R641-105-200 of the Utah Administrative Code;

3. That as a result Respondent was not given an opportunity to review, analyze and respond to the amended pleadings in a timely fashion;

4. That Respondent will be substantially prejudiced if it is not allowed to respond to the amended pleadings.

WHEREFORE, Respondent requests that this Board grant it leave to file the attached Response in the captioned matter.

Respectfully submitted this 28th day of October, 1992.

HOLME ROBERTS & OWEN

By: _____
William B. Prince, Esq.
111 E. Broadway, Suite 1100
Salt Lake City, Utah 84111

WBPP/AG2

COPY

LAW OFFICES
PRUITT, GUSHEE & BACHTELL
SUITE 1850 BENEFICIAL LIFE TOWER
SALT LAKE CITY, UTAH 84111
(801) 531-8446

ROBERT G. PRUITT, JR.
OLIVER W. GUSHEE, JR.
THOMAS W. BACHTELL
A. JOHN DAVIS, III
JOHN W. ANDERSON
FREDERICK M. MacDONALD
ANGELA L. FRANKLIN
K. ALLEN FARBER

TELECOPIER (801) 531-8468
OR (801) 533-9223

OF COUNSEL
MICHAEL F. JONES
BRENT A. BOHMAN

September 10, 1992

HAND DELIVERED

RECEIVED
SEP 10 1992
DIVISION OF
OIL GAS & MINING

Janice L. Brown, Secretary to the Board
Utah Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

Re: Petition for Waterflood Recovery Unit under §§ 40-6-7 and -8

Dear Jan:

Enclosed are 13 copies of an Application prepared by John H. Benton, Professional Engineer, of Denver, Colorado, on behalf of Willard Pease Oil and Gas Co., the Applicant. This Application (read: Petition) is to establish a Secondary Recovery Waterflood Unit under the provisions of Sections 40-6-7 and -8, Utah Code Annotated, and will require a Board hearing. Simultaneously, the Applicant is filing a UIC-1 Application for Injection Well with the Division's Gil Hunt, involving the same unit. The Applicant specifically requests that this matter be set for hearing on Wednesday, October 28, 1992, the Board's next scheduled meeting.

Because the proposed unit involves federal oil and gas leases exclusively, the Applicant will be meeting with BLM representatives to confirm the exact unit boundaries. The address list of "parties" is being assembled with the understanding that the proposed Secondary Recovery Unit boundaries may be adjusted by BLM. This boundary issue will be firmly decided well in advance of the October 28 hearing date.

I wish to enter my appearance as legal counsel for the Applicant in this matter. Please excuse certain archaic references in the Application, since your September 10 filing deadline did not allow time for revision from Mr. Benton's original Application.

By copy of this letter, I am delivering the UIC-1 Application and a copy of this Application to Gil Hunt, with a request that he immediately initiate the necessary procedures

under the UIC regulations. Please advise me of the docket and cause numbers assigned to this Petition, and let me know if you have any questions or instructions.

Yours very truly,

Bob

Robert G. Pruitt, Jr.

RGP/cc
0386.53
(13 copies of Petition)
cc: Gilbert L. Hunt (UIC/DOGM)
Willard Pease, Jr.
John H. Benton

BEFORE THE UTAH OIL AND GAS CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH	)	CASE NO._____

RECEIVED
SEP 10 1992
DIVISION OF
OIL GAS & MINING

APPLICATION

COMES NOW Willard Pease Oil and Gas Co., Applicant in the above entitled cause and herewith represents unto this Honorable Commission:

1. Applicant, Willard Pease Oil and Gas Co., is a corporation organized and existing under and by virtue of the laws of the State of Colorado, and is duly authorized to transact business in the State of Utah, with its offices being located at 2135 East Main, Grand Junction, Colorado 81501.

2. Applicant is presently engaged in forming a unit for the purpose of conducting secondary recovery operations in the Cedar Mountain Formation in the Calf Canyon Field, by converting 1 producing well, the Calf Canyon #11, to enhanced recovery/injection well in the SW SW Section 3, T20S-R21E.

3. The proposed Calf Canyon Unit consists of approximately 720 acres, and is described as follows:

   T20S, R21E 6th. ~~P.M.~~ SLM
   - Section 3;SW/4
   - Section 3;S/2 SE/4
   - Section 4;SE/4
   - Section 4;E/2 SW/4
   - Section 9;N/2 NE/4
   - Section 10;N/2 N/2
   - Section 11;NW/4 NW/4

4. Attached hereto, marked Exhibit "B" by this reference specifically incorporated herein, is a plat outlining and showing the following:

   (a) The area affected by the proposed operation and unitization;

   (b) All governmental quarter sections or lots equivalent thereto, directly or diagonally offsetting said area, including the area within one-half mile of each proposed injection well; and

   (c) All wells, including dry, producing, abandoned or drilling wells properly located and designated thereon.

5. Attached hereto, marked Exhibit "A" and by this reference specifically incorporated herein, is a tabulation showing the names and addresses of each owner as defined in the Act, or operator, as shown by the Commission Records, of each separate tract of land within the proposed Unit and Project area, including all persons owning or having an interest in the oil and gas in the proposed unit area or the production therefrom, including mortgagees and the owners of other liens of encumbrances, and including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah with the specific legal description of each separate tract fully set forth on Exhibit "A" of the Unit Agreement, which said Unit Agreement is attached (will be submitted at a later date) hereto marked Exhibit "D", and is by this reference specifically incorporated herein.

6. Attached hereto, marked Exhibit "A1", and by this reference specifically incorporated herein, is a tabulation showing the names and address of each owner, as defined in the Act, or operator, as shown by the Commission Records of all governmental quarter sections or lots equivalent thereto directly or diagonally offsetting the proposed Unit and project area, including all lands which are outside the proposed unit and project area and within one-half mile of each injection well, including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah.

7. The following information and data is presented as to the proposed secondary recovery program and the proposed enhanced recovery/injection wells.

   (a) A secondary recovery program by waterflood is proposed in the Calf Canyon Field, Cedar Mountain Formation, Grand County, Utah. The lithological descriptive thickness is 45' and the depth is 3087' with reference to the proposed injection well, Calf Canyon #11. The Cedar Mountain Formation extends laterally throughout the unit area. Applicant believes, and therefore alleges that the proposed secondary recovery project is in the public interest, protective of correlative rights, reasonably necessary to increase the ultimate recovery and to prevent waste of oil and gas that this Commission should enter an Order so finding and approving the proposed waterflood project;

   (b) The producing interval in the Calf Canyon Field is represented by that certain stratigraphic interval from 3087' to 3132' log measured depth in the Calf Canyon #11 located in the SW/4 SW/4 of Section 3, Township 20 South, Range 21 East, Grand County, Utah. This interval represents formation from which all wells are producing or have produced within the proposed Calf Canyon Unit boundary;

   (c) The primary recovery drive mechanisms include fluid expansion, solution gas and possible partial water drive. The addition of an artificial water drive mechanism through water injection will significantly increase ultimate recovery from the proposed Calf Canyon Unit;

   (d) The identifying names, location and depth of injection of the enhanced recovery/injection wells, including wells to be converted or drilled are set forth in Exhibit "C", which is attached hereto and by this reference specifically incorporated herein;

(e) Injection rates are estimated to range from a minimum of 50 BWPD to a maximum of 1000 BWPD per well. The injection wellhead pressure will not exceed 830 psig. The probable source of injection supply water will be a mixture of water from the Entrada Formation, the top of which is found at a depth of approximately 3732' (2070' above sea level), and treated/recycled produced water in the Calf Canyon #11 from the Cedar Mountain Formation existing within the boundaries of the proposed Calf Canyon Unit.

(f) There are no shallow fresh water zones in this area.

8. Utah Oil and Gas Conservation Commission states that the casing in all new disposal wells shall be tested to 1000 psi or injection pressure, whichever is lower with a minimum pressure of 300 psi when tubing and a packer are installed. The subject well will be equipped with tubing, injection packer and the casing/tubing annulus will be loaded with a corrosion inhibiting fluid. Therefore, Applicant shall test the tubing-casing annulus to 300 psi. The injection system will be equipped with pressure safety switches and the well will be monitored on a regular basis.

9. The operator of the proposed waterflood project is the Applicant herein, Willard Pease Oil and Gas Co., with offices at 2135 East Main, Grand Junction, Colorado 81501.

10. Persons who own at least seventy percent (70%) of the Unit production or proceeds thereof have, or will have, executed and consented to the proposed plan of unitization. Persons who will be required to pay at least seventy percent (70%) of the costs of the Unit operations have, or will have, executed written consents to both the proposed plan of unitization and the proposed operating plan.

11. Certain interested parties are not expected to execute written consents to the proposed plan unitization and/or the proposed operating plan. The names, addresses and interests of each non-consenting interested party will be furnished at the Hearing to be held hereon. Applicant requests that the interest be involuntarily pooled for the unitized management, operation and development of the Cedar Mountain Formation.

12. As to the proposed plan of unitization and proposed operating plan, the Applicant believes and therefore alleges and requests the Commission to find:

(a) The material averments of this Application are true;

(b) The proposed plan of the Unit operation is feasible, will prevent waste and can be reasonably expected to increase the ultimate recovery of oil and gas, the value thereof can be reasonably expected to exceed the estimated additional costs incident to conducting unit operations;

(c) The oil and gas allocated to each separately owned tract within the Unit Area under the proposed plan of unitization represents, so far as can be practically determined, each such tract's just and equitable share of the oil and gas in the Unit Area;

(d) The proposed plan of unitization and proposed operating plan are in the public interest, protective of correlative rights, and reasonably necessary to increase ultimate recovery or to prevent waste of oil and gas; and

(e) As to owners who have not executed the Operating Agreement or agreed to the proposed operating plan, such proposed operating plan:

(i) Makes a fair and equitable adjustment among the owners within the Unit Area for their respective investments in wells, tanks, pumps, machinery, materials and equipment which are contributed to the Unit operation;

(ii) Provides a fair and equitable determination of the cost of Unit operations, including capital investment, and establishes a fair and equitable method for allocating such costs to the separately-owned tracts and for payment of such costs by the owners of such tracts, either directly or out of such owner's respective shares of Unit production;

(iii) Establishes, if necessary, a fair and equitable method for carrying or otherwise financing any owner who elects to be carried, or otherwise financed, allowing a reasonable interest charge for such service payable out of such owner's share of Unit production; and

(iv) Provides that each owner shall have a vote in the supervision and conduct of unit operations corresponding to the percentage of the costs of Unit operations chargeable against the interest of such owner.

13. Schematic diagrams for each enhanced recovery/injection well indicating the name and location of the well, the total depth and/or plug back total depth of the well, the depth of the injection interval, the geologic name of the injection zone, a geologic description of the injection zone including the location and extent of any known faults or fracture systems, the depths of the tops and bottoms of casing and the amount of cement used in the well, the size and specifications of the casing and tubing, and the setting depth and type of packer, if used, are attached hereto, marked Exhibit "E", which is by this reference specifically incorporated herein.

14. Injection into the proposed zone will not initiate vertical fractures into or through the overlying strata which could enable the injected fluids or formation fluids to enter any fresh water strata because no fresh water zones exist, indicated fracture gradients of greater than 0.70 psig/foot, treatment pressures experienced by service company personnel indicated a fracture gradient in excess of the design limit of 830 psig for the proposed Unit, and the manner in which the wells have or will be completed.

15. No unplugged wells exists which would allow the migration of the injected fluids or formation fluids to enter any fresh water strata. There are two abandoned wells: Calf Canyon #2, SW SW Section 3, T20S-R21E, and JCT 675-3, SW NW Section 10, T20S-R21E, within 1/2 mile radius of the proposed injection well, Calf Canyon #11.

16. The maximum proposed daily injection rate will not exceed 1000 BWPD per well and the maximum proposed injection pressure is 830 psig.

17. The fluids to be injected will come from recycled and treated produced water and a source well which is located in the SW/4 SW/4 of Section 3, T20, R21E. The source well will not be used for makeup water unless and/or until Commission approval of this application is granted.

18. Analysis of injection fluids from representative wells and the produced water is presented in Exhibit "F", attached hereto and by this reference specifically incorporated herein.

19. A study discussing the feasibility of waterflooding the proposed Unit is presented in Exhibit "G", attached hereto.

WHEREFORE, Applicant respectfully requests that as to the secondary recovery program by waterflood, the involuntary unitization and the unit operation of the Calf Canyon Unit, this matter be set for Hearing, that notice of such Hearing be given as provided by law; and, that upon evidence produced at such Hearing an Order be entered:

(a) Providing for and approving the unitized management, operation, and development of the common source of supply which is the subject of this APPLICATION;

(b) Authorizing the proposed waterflood project as herein set forth;

(c) Approving the proposed plan of unitization and proposed operating plans;

(d) Providing for the involuntary unitization of that part of the Unit, the owners of which have not approved or executed the proposed Unit Agreement and the proposed Unit Operating Agreement;

(e) Authorizing the operator to convert wells from producing wells to water injection wells, drill additional water injection wells, and abandon water injection wells in the Unit, upon obtaining approval of the Director;

(f) Making such findings and orders in connection herewith as are necessary or required by law; and

(g) Providing for such other and further matters as may be just and equitable.

APPLICANT further requests that as to approval of the injection wells that this matter be set for Hearing in the event that any person files a written objection to the same within ten (10) days of the date of the Notice, and that upon such Hearing, or without a Hearing if no objection is filed, Applicant requests that an Order be entered by the Commission approving the injection wells as aforesaid.

Dated this 8th day of SEPT, 1992.

COLORADO REGISTERED JOHN H. BENTON PROFESSIONAL ENGINEER

Respectfully submitted,
WILLARD PEASE OIL AND GAS CO.
2135 East Main,
Grand Junction, Colorado 81501.

By: John H. Benton
John H. Benton
Registered Professional Engineer

Applicant's Attorneys:

Pruitt, Gushee and Bachtell
1850 Beneficial Life Tower
Salt Lake City, Utah
84111

By: ~~Tom Bachtell~~
Robert G. Pruitt, Jr

VERIFICATION

CITY AND COUNTY OF DENVER)
) **ss.**
STATE OF COLORADO)

Before me, a Notary Public, personally appeared JOHN H. BENTON, as Engineer for Willard Pease Oil and Gas Co., and after first being duly sworn, deposes and say that the above matters are true and correct to the best of his knowledge, information and belief.

Subscribed and sworn to before me this 8th day of Sept., 1992.

Karen A. Johnson
Notary Public

My Commission Expires 5-19-95

Address: 1600 Broadway, Ste 1130
Denver Co 80202

EXHIBIT "A"

(being prepared)

EXHIBIT "A1"

(being prepared)

RECEIVED
SEP 12 1991

JOHN C. KEPHART & CO.
GRAND JUNCTION LABORATORIES
435 NORTH AVENUE ◆ PHONE 242-7618 ◆ GRAND JUNCTION, COLORADO 81501

ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2613 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2613
Sample ID	CC1 8/21/91 1:18PM
Sodium(Na)	10400 mg/l
Calcium(Ca)	456 mg/l
Magnesium(Mg)	164 mg/l
Potassium(K)	176 mg/l
Chloride(Cl)	15900 mg/l
Sulfate(SO4)	15 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	609 mg/l
Dissolved Solids	26100 mg/l
Specific Gravity	1.021
pH	7.8
Conductivity@25 deg. C	34100 umhos/cm
Resistivity@25C	0.293 ohm-m
Bicarbonate	737 mg/l
Carbonate	0 mg/l
Iron(Fe)	0.89 mg/l

Petitioner's Exhibit
F-1

Lab Dir.: Brian S. Bauer

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435 NORTH AVENUE ◆ PHONE 242-7618 ◆ GRAND JUNCTION, COLORADO 81501

ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2614 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2614
Sample ID	CC4 8/21/91 1:30PM
Sodium(Na)	10800 mg/l
Calcium(Ca)	334 mg/l
Magnesium(Mg)	157 mg/l
Potassium(K)	190 mg/l
Chloride(Cl)	16500 mg/l
Sulfate(SO4)	44 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	40.6 mg/l
Dissolved Solids	26700 mg/l
Specific Gravity	1.012
pH	6.0
Conductivity@25 deg. C	34500 umhos/cm
Resistivity@25C	0.29 ohm-m
Bicarbonate	49.1 mg/l
Carbonate	0 mg/l
Iron(Fe)	133 mg/l

Petitioner's Exhibit
F-2

Lab Dir.: Brian S. Bauer

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ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2615 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2615
Sample ID	CC8 8/21/91 1:04PM
Sodium(Na)	8400 mg/l
Calcium(Ca)	262 mg/l
Magnesium(Mg)	190 mg/l
Potassium(K)	68 mg/l
Chloride(Cl)	13700 mg/l
Sulfate(SO4)	43 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	711 mg/l
Dissolved Solids	23700 mg/l
Specific Gravity	1.016
pH	7.2
Conductivity@25 deg. C	32300 umhos/cm
Resistivity@25C	0.31 ohm-m
Bicarbonate	860 mg/l
Carbonate	0 mg/l
Iron(Fe)	29.3 mg/l

Petitioner's Exhibit
F-3

Lab Dir.: Brian S. Bauer

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JOHN C. KEPHART & CO.
GRAND JUNCTION LABORATORIES
435 NORTH AVENUE ◆ PHONE 242-7618 ◆ GRAND JUNCTION, COLORADO 81501

ANALYTICAL REPORT

Received from: Willard Pease Oil & Gas
Grand Jct., CO 81501

Customer No. _____ Laboratory No. 2616 Sample water

Date Received 8/22/91 Date Reported 9/11/91

Lab number	2616
Sample ID	CC10 8/21/91 1:23PM

Sodium(Na)	7680 mg/l
Calcium(Ca)	151 mg/l
Magnesium(Mg)	76 mg/l
Potassium(K)	58 mg/l
Chloride(Cl)	10500 mg/l
Sulfate(SO4)	43 mg/l
Phenol. Alkalinity(CaCO3)	0 mg/l
Total Alkalinity(CaCO3)	1560 mg/l
Dissolved Solids	20400 mg/l
Specific Gravity	1.015
pH	7.3
Conductivity@25 deg. C	27500 umhos/cm
Resistivity@25C	0.364 ohm-m
Bicarbonate	1890 mg/l
Carbonate	0 mg/l
Iron(Fe)	4.45 mg/l

Petitioner's Exhibit
F-4

Lab Dir.: Brian S. Bauer

EVALUATION OF WATERFLOOD FEASIBILITY

PROPOSED CALF CANYON UNIT

SECTIONS 3,4,9,10 & 11 T20S R21E

GRAND COUNTY, UTAH

April 10, 1992

Petitioner's Exhibit

G (47 pages)

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Appendix A - Unit Production History & Remaining Primary Economics
Appendix B - Waterflood Input Data - PFPM
Appendix C - Complete Waterflood Results & Economics
Appendix D - Estimated Capital Budget

INTRODUCTION

This engineering study evaluates the feasibility of waterflooding the Calf Canyon Field in Grand County, Utah. It was prepared by Ornen International Engineering, Inc. for the Willard Pease Oil and Gas Company and J. C. Thompson, working interest owners of the leases recommended for waterflooding. The primary purposes of this report are as follows:

1) Evaluate the feasibility of waterflooding the proposed Calf Canyon Unit.

2) Recommend a boundary for the proposed Calf Canyon Unit if waterflooding appeared to be economic.

3) Obtain and tabulate all likely parameters of an equity formula for the proposed Calf Canyon Unit;

4) Determine the estimated original oil in place and other recovery parameters;

In the interest of continuing oil production within the proposed Calf Canyon Unit we recommend the formation of a secondary recovery Unit in the Calf Canyon Field in the very near future. Accordingly, in this report the field is referred to as the Calf Canyon Unit and so designated on all Figures.

Respectfully submitted,

John H. Benton
Ornen International Engineering, Inc.

Estimated Capital Budget

Waterflood Installation Costs

Description of Investment	
Coversion of Injector	97,000
Injection Plant	80,000
Flowline Installation	27,000
Engineering & Supervision of Installation	20,000
Tanks	6,000
Wellheads	5,000
Injection packers	5,000
Misc & Unforseen	15,000
Total Investment	**255,000**

CONCLUSIONS

The proposed Calf Canyon Unit has estimated remaining primary reserves of 12,146 STB as of January 1, 1992, which would result in an ultimate primary recovery of 592,816 STB or 13.34 per cent of the original oil in place.

Secondary recovery by waterflooding should result in additional secondary reserves of 325,596 STB or 7.33 per cent of the original oil in place, yielding an ultimate recovery of 918,412 STB or 20.68 per cent of the original oil in place.

Remaining primary and secondary reserves as of January 1, 1992 total 337,742 STB. These reserves should be recovered over the next 22 years.

The capital costs of waterflooding the proposed Calf Canyon Unit are estimated to be $255,000 or $.78 per gross STB of secondary recovery. The present value of the total net operating income from secondary recovery is estimated to be $682,140. Economics were evaluated using a 10% discount factor, constant oil price of $18.00/BBL and constant operating expenses of $1,000/month/well. The project economics are summarized in Table 2.

This secondary recovery project should be undertaken as a single unitized project to maximize economic return and protect correlative rights.

TABLE 1
Pertinent Data Sheet

<u>General Information</u>	
Date of Discovery	: 02/10/77
Discovery Well	: Calf Canyon #1
Spacing Pattern	: 40 Acres
Number of Active Producers	: 8 (proposed unit area only)
Number of Injectors (Proposed)	: 1 (Calf Canyon #11)
Proposed Injector Location	: 519 FSL,750 FWL Sec 3, T20S R21E
Average depth to pay	: 3000 Ft TVD
Average Surface Elevation	: KB = 5724' above sea level
Producing Formation	: Cedar Mountain
Trapping Mechanism	: Stratigraphic Pinchout
Primary Producing Mechanism	: Solution gas drive
Approximate Total Oil Leg Area	: 720 Acres
<u>Proposed Unit Area Only</u>	
Floodable Reservoir Area	: 118 Acres
Average Floodable Net Pay	: 32.6 Ft
Oil Reservoir Area	: 720 Acres
Average Net Pay	: 19.41 Feet
Reservoir Pore Volume	: 2179 Ac-Ft
Average Porosity	: 15.6%
Average Permeability	: 5 md (estimated)
Average Connate Water Saturation	: 44.8%
Average Current Oil Saturation	: 50%
Average Residual Oil Saturation	: 25% (estimated)
Original BHP	: 900 psi (estimated)
Present BHP	: 175 psi (estimated)
Bottom Hole Temperature	: 120 deg F (logs)
Original Oil-Water Contact	: +2700' SS at top Cedar Mountain (est)
Original Gas-Oil Contact	: +2840' SS at top Cedar Mountain (est)
<u>Crude Oil Characteristics</u>	
API Gravity @60 deg F	: 36.5 degrees API
Original FVF (Boi)	: 2.10 RBL/STB (est from correlations)
Current FVF (Bo)	: 1.20 RBL/STB (estimated)
Crude Oil Viscosity at Resv. Temp.	: 1.6 cp

TABLE 1
Pertinent Data - Continued

Recovery & Reserves

Original Oil-in-Place (OOIP)	: 4441.049 MSTB
Primary Recovery through 7/91	: 573.92 MSTB
Estimated Production (8/1-12/31/91)	: 6.75 MSTB
Remaining Primary Reserves (1/1/92)	: 12.146 MSTB
Ultimate Primary Recovery	: 592.816 MSTB
% OOIP (Estimated)	: 13.34 %
7/91 Production Rate	: 1214 BBL/MO
Estimated Secondary Recovery	: 325.596 MSTB
% OOIP	: 7.33 %
Estimated Ultimate Primary and Secondary Recovery	: 918.412 MSTB
% OOIP	: 20.68 %
Remaining Primary & Secondary Reserves	: 337.742 MSTB

Waterflood Data

Estimated Water Injection Rate	: 80 BBL/DAY/WELL
Estimated Waterflood Economic Life	: 21 years 11 months
Typical Completion	: Air drill to TD in Entrada formation. Set 4 1/2" casing to TD and produce with rod pump up 2 3/8" tubing. Perforated with 1 to 2 shots per foot. Several wells have been fracture stimulated with 69,000 to 190,000 lbs sand.

DEVELOPMENT HISTORY

Discovery Well

The proposed Calf Canyon Unit is located in Grand County, Utah. The discovery well in the Calf Canyon Unit was the Calf Canyon #1. This well was completed in February of 1977 and is located in the SW SE of Section 3, Township 20 South, Range 21 East. From available information, the Calf Canyon #1 had an initial potential of approximately 110 BOPD.

Field Development

Development continued through 1985 with wells drilled in Sections 2-4 and Sections 9-11, Township 20 South, Range 21 East. Both Willard Pease Oil and Gas plus National Fuel Corporation (J. C. Thompson) operate wells within the proposed unit area.

Continued field development and primary depletion prompted this review of the Calf Canyon Field to determine if the field could be waterflooded successfully. A properly developed waterflood should increase the total recoverable reserves from this field. There is some degree of risk involved in attempting to recover these reserves.

A total of 10 wells were drilled within the proposed Unit area and completed as producers. Currently, eight wells are producing. Of the current producers, it is proposed to convert the Calf Canyon #11 well located in SW SW of Section 3, T20S, R21E.

Completion Practices

Completion practices have been common to the producing wells within the proposed Unit area. Typically, a completion for these wells involved either coring or drilling the Cedar Mountain followed by an electric log run of the entire hole. If a well was completed, 4 1/2" production casing was set through the Cedar Mountain and cemented in place. The production string was perforated in the Dakota formation with 1-2 shots per foot. Several of the wells within the proposed unit were fractured with 69,000 to 190,000 pounds of 20/40 sand when they were completed.

All wells are rod pumped with either a 114 or 160 pumping unit operating on lease gas. Each tank battery consists of two 300 or two 500 BBL tanks and heater treater. Produced water is run to pits. All oil production is transported from the lease by truck.

GEOLOGY

General

The productive zone of interest in the Calf Canyon Area is the Basal Channel Sandstone unit of the Lower Cretaceous, Cedar Mountain formation. The Cedar Mountain formation unconformably overlies the Jurassic Brushy Basin member of the Morrison formation and is in turn unconformably overlayed by the Dakota formation of probable Upper Cretaceous age.

Although data to determine the lithology of the reservoir at Calf Canyon is very limited, the reservoir is likely to be a cherty, conglomeratic sandstone with irregular sorting and probably calcite cement. The formation contains an undetermined amount of clay in the productive area. The gross sandstone thickness varies from 22 to 51 feet and the net sandstone or pay interval varies from 18 to 38 feet. Separate reservoirs may be present within the overall channel system.

Trapping Mechanisms

A mostly West to East trending channel sandstone is draped across the Northwest plunge of the Cisco Dome anticline and forms a trap where the reservoir pinches-out updip at the edge of the channel.

Primary Drive Mechanism

The primary oil recovery mechanism in the Calf Canyon Unit is solution gas drive. Some water is produced from the Cedar Mountain. However, there is little indication of an active water drive recovery mechanism in the field.

RESERVES

Original Oil in Place

The original oil in place for the field was determined to be 4,435 MSTBO based on recent net pay maps. (See Figure 4, Cedar Mountain Isopach.) Other pertinent values used in the OOIP calculations included 15.6% porosity, current estimated initial water saturation of 44.8%, and a formation volume factor of 2.10 RBL/STB at the initial estimated reservoir pressure of 1300 psi.

The average water saturation and porosity within the pay zone were determined from log and core analysis.

Current gas saturation was based on typical Cedar Mountain GOR's, material balance runs, available pressure data, oil gravity, and correlations to determine bubble point pressure. The current formation volume factor (FVF) of 1.20 was calculated from a nomograph (after Standing).

Primary Reserves

The cumulative primary recovery from the proposed Calf Canyon Unit within the proposed unit boundary as of July 31, 1991, was 573,920 STBO.

The remaining primary reserves as of January 1, 1991 were estimated to be 12,146 STBO. This figure was determined utilizing a summation of extrapolated decline curves (See Appendix A). The ultimate primary recovery was estimated to be 592,816 STBO or 13.34 per cent of the original oil in place. Estimated production data from August to December 1991 was included in the ultimate primary recovery estimate.

Secondary Reserves

Secondary reserves and waterflood performance were based on the expected sweep area between the Calf Canyon #11 (proposed injector) and the remaining producing wells in Sections 3,9 & 10. The expected sweep area was determined from a method described by Slider[1].

Based on the expected sweep area, total floodable reservoir acreage was estimated to be 118 acres with an average net pay of 32.6 feet. Core analysis showed the residual oil saturation to be 25% and connate

---

[1] Slider, H. G. Worldwide Practical Petroleum Reservoir Engineering Methods. PennWell Publishing Company, Tulsa, Oklahoma, 1983, pp 598-607.

water saturation to be 44.8%. Average permeability from core data is 5 md.

Once the floodable pore volume was determined, the field was then modelled using the waterflood portion of Polymer Flood Predictive Model (PFPM) originally developed by Scientific Software-Intercomp under contract to the U.S. Department of Energy and the National Petroleum Council. Waterflood data input to the model was based on a single 118-acre pattern system with one injector and eight producers coupled with the economic assumptions discussed in a later section.

The potential additional secondary reserves from the Cedar Mountain reservoir within the proposed Calf Canyon Unit boundary were estimated by the model to be 325,596 STBO.

WATERFLOOD FEASIBILITY

Analogy to Adjacent Waterfloods

No reasonably commercial Cedar Mountain waterfloods are known to exist in the same area as the proposed Calf Canyon Unit.

Preliminary Calf Canyon Unit Development Plan

The goals of the waterflood development plan are to maximize secondary recovery while providing for sufficient rates of injection to allow rapid return of the waterflood capital investment.

A pilot project is felt to be unnecessary because of the small size of the proposed unit. The estimated capital budget summary for the Calf Canyon Unit is attached (see Appendix D).

Water injection will be established by converting the Calf Canyon #11, SW SW Section 3, T20S, R21E to an injection well. It is proposed to convert the well to injection by perforating the Entrada Formation, setting a packer between the Entrada and Cedar Mountain, and using a conventional rod pump to inject water into the Cedar Mountain. To maintain mechanical integrity, a second packer will have to be set above the Cedar Mountain. The lower packer will be a retrievable production packer run and set on wireline. The upper packer will be run in conjunction with the injection tubing.

A total of 1 injection well and 8 producing wells are planned. Oil recovery rates are based on a total injection rate of 80 BWIPD. This rate will be varied as required by the flood response.

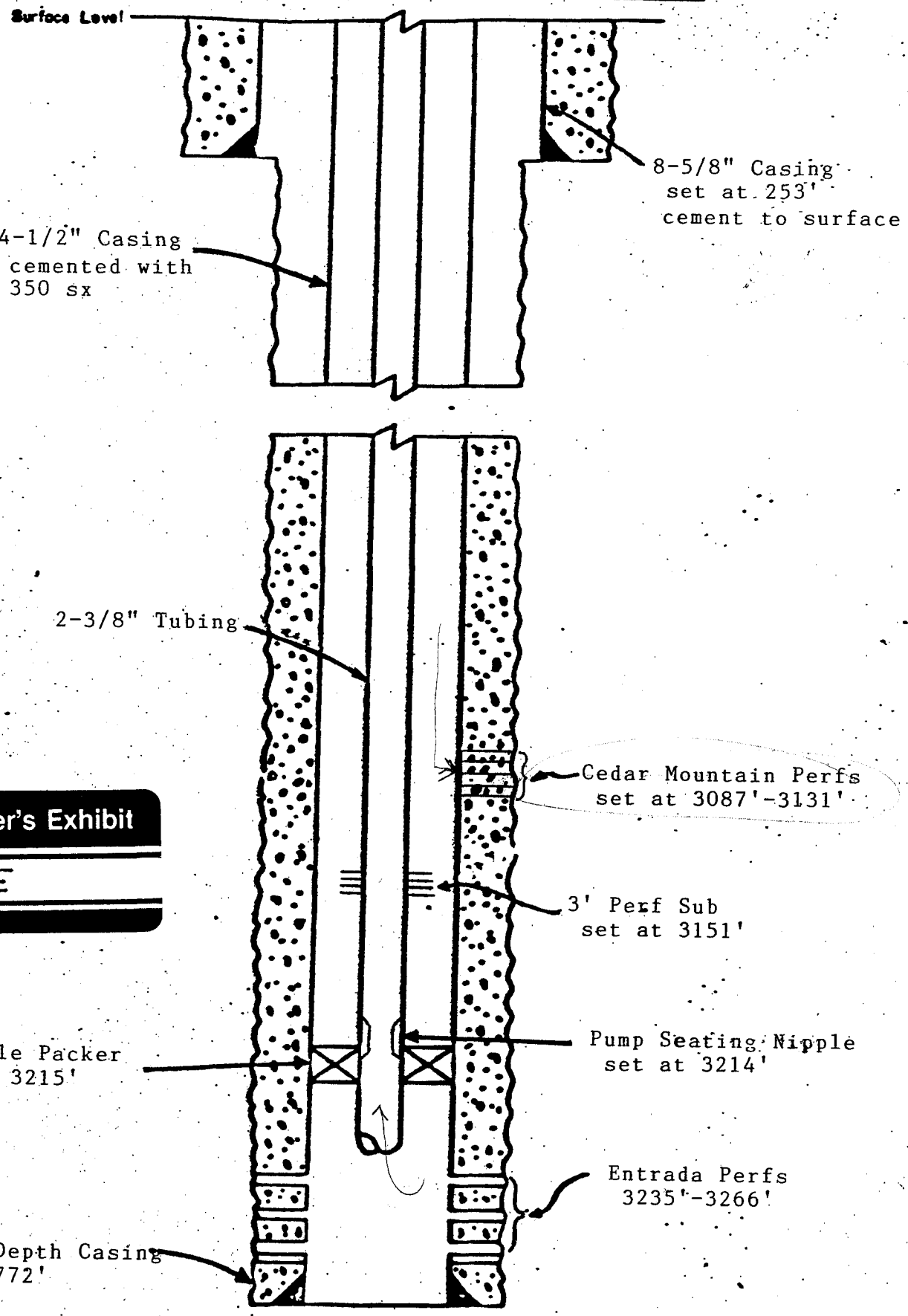
Makeup water will come from the Entrada formation. Produced water will be returned to the water injection plant, recycled and injected.

The water injection plant will consist of water storage, a gas driven water injection pump, filters, meters, and controls. It is not expected that incompatibility between the makeup water and produced water will be a problem. However, alternating injection of the produced water and makeup water may be desirable, and the planned injection facilities will be sufficiently flexible to allow this procedure. The motors, pumps, and filters would be housed and all piping will be steel, plastic coated steel, stainless steel or fiberglass. All equipment will be adequately protected against corrosion.

The water distribution system will consist of 2" high pressure pipe buried below the frost line running from the injection facility to the proposed injector, Calf Canyon #11, in Section 3.

If waterflood response is significant, tank batteries will be

Schematic Drawing of Subsurface Construction
Detail of Injection Well Calf Canyon #11
Made a part of Injection Application dated 09/1992



Petitioner's Exhibit

E

consolidated into a single production facility, equipped with a free-water knock-out, emulsion treater and crude oil storage tanks.

It is anticipated that the normal pumping systems (114 & 160 pumping units, 2 3/8" tubing with 7/8ths and 3/4 inch rods) will be adequate for the existing producing wells.

Flood performance will be monitored by frequent well tests and producing wells will be monitored for "pumped off" condition using acoustic fluid level instruments and dynamometers.

ECONOMIC FEASIBILITY

Project economics were calculated utilizing an assumed crude oil price of $18.00 per barrel after deductions for gravity and transportation. The oil price and operating costs were held constant throughout the project life. Production taxes (advalorem, severance, real estate, and conservation) were estimated to be 10.0%.

Economic forecasts were before income taxes in all cases, except where specifically indicated.

The evaluation was effective January 1, 1992 and assumed waterflood plant investment costs of $80,000. Additionally, the investment of project installation, engineering, and conversion of the proposed injector accounts for the remaining $175,000 bringing the total investment to $255,000. Assumed water injection startup date is July or August, 1992.

Discounted cash flows for Unit remaining primary production were obtained by forecasting the remaining primary production for the proposed unit. The remaining primary production trend was determined by evaluation of decline curves. Operating costs were assumed to be $1000 per well per month during primary production. An average unit net revenue interest to working interest ratio of 80.00% was assumed to determine net income.

Similar cash flows for the secondary recovery from the proposed unit were also prepared. Capital costs were estimated as shown in Appendix D. Lease operating expenses were estimated by adding total producing well costs and injection costs divided by the total well count. Per well costs were estimated at $1,000/well/month.

The incremental economic feasibility of the proposed secondary recovery project was obtained by comparing the economic results of unit operation, derived from the PFPM model, with those derived from continued lease primary production. This comparison provides incremental investment costs, operating expense, and revenue attributable to the waterflood.

The remaining primary economic cash flow analysis forecast is shown in Appendix A and the waterflood economic cash flow analysis forecast is shown in Appendix C. The Summary of Economics, Table 2, displays the major results.

Based on the assumptions and methods described above, initial waterflood investment of $255,000 would yield a discounted cash flow before tax of $ 819,353, using a 10% discount rate. Payout would occur within the 26 months from project startup.

TABLE 2
Summary of Economics

	Primary	Future Secondary	Primary & Secondary
Cumulative Oil (07/31/91)	573,920		573,920
Estimated Production (08/01-12/31/91)	6,750		6,750
Reserves (01/01/92)	12,146	325,596	337,742
Ultimate Oil Production	592,816	325,596	918,412
Recovery %	13.34%	7.34%	20.68%
Investment		$255,000	$255,000
Profit After Expenses and Production Taxes (P.W. @ 10%)	$29,701	$682,140	$711,841
Payout, from 08/01/92	N/A	26 months	26 months
Rate of Return, BFIT	N/A	42.9%	42.9%
Return on Investment (Discounted)	N/A	3.79	3.79

PARAMETER SUMMARY

The parameters chosen for use in the participation formula were those most likely to be considered in the efficient development and equitable division of the Calf Canyon Unit. The data and techniques utilized in determining these parameters are described below. Table 3 (will be prepared upon receipt of specific tract descriptions) lists the parameters used in the participation formula on an individual tract basis.

Productive Acres

Productive acreage was defined as the number of acres falling A) within the unit boundary and B) within the reservoir volume zero contour line.

Reservoir Pore Volume

Logs were examined for each well within the sweep area and near the proposed injectors. The analysis determined the top of the Cedar Mountain zone to be approximately 3000' below KB with an estimated average core porosity of 15.6% and average net pay of 19.41 feet. Values for net pay for each well were recorded. A net pay map for the field was then created from these values. Planimetering the net pay map produced the acre-ft of net pay assignable to each tract. Reservoir pore volume was recorded for the Cedar Mountain zone on a tract basis, in units of porosity times acre feet of reservoir rock.

Cumulative Oil Production

Cumulative oil production was compiled on a historical field basis for the Calf Canyon leases through July of 1991. Production is reported to the nearest barrel.

Remaining Primary Reserves

Remaining primary reserves were calculated by fitting a exponential decline curve (straight-line decline) to monthly production data, plotted through July 31, 1991. The individual and field decline curves are shown in Appendix A. Remaining field primary reserves were calculated using this decline trend and current economic data to forecast the amount of oil that could be recovered economically under continued primary operations. Remaining primary reserves were defined as the primary production occurring from August 1, 1991 to the economic limit.

Ultimate Primary

Ultimate primary production was defined as the sum of the cumulative oil production to date plus remaining primary reserves.

Current Production

Current production was compiled on a well/lease basis from production figures reported by the Operator.

TABLE 3
Tract Participation Parameters

30-Apr-92

Calf Canyon Unit
Tract Participation Parameters

OPERATOR: Williard Pease Oil and Gas Company LEASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. (AUG-OCT) BBLS/MO.	%
Section 3	1	296352	51.0720%	4330.190	36.5490%	15628	95.2362%	1096807	34.1524%	5	50.0000%	833	71.2892%
Section 4	2	0	0.0000%	1406.930	11.8752%	0	0.0000%	447576	13.9366%	0	0.0000%	0	0.0000%
Section 9	3	3727	0.6423%	1407.910	11.8835%	0	0.0000%	444160	13.8303%	1	10.0000%	72	6.1596%
Section 10 NW/2	4	229748	39.5938%	1899.350	16.0315%	782	4.7638%	375261	11.6849%	3	30.0000%	201	17.1614%
Section 10 NE/2	5	0	0.0000%	1836.180	15.4983%	0	0.0000%	584131	18.1887%	0	0.0000%	0	0.0000%
Section 11	6	50436	8.6919%	967.070	8.1626%	0	0.0000%	263573	8.2071%	1	10.0000%	63	5.3897%
TOTAL ALL TRACTS:		580263	100.0000%	11847.6	100.0000%	16410	100.0000%	3211509	100.0000%	10	100.0000%	1169	100.0000%

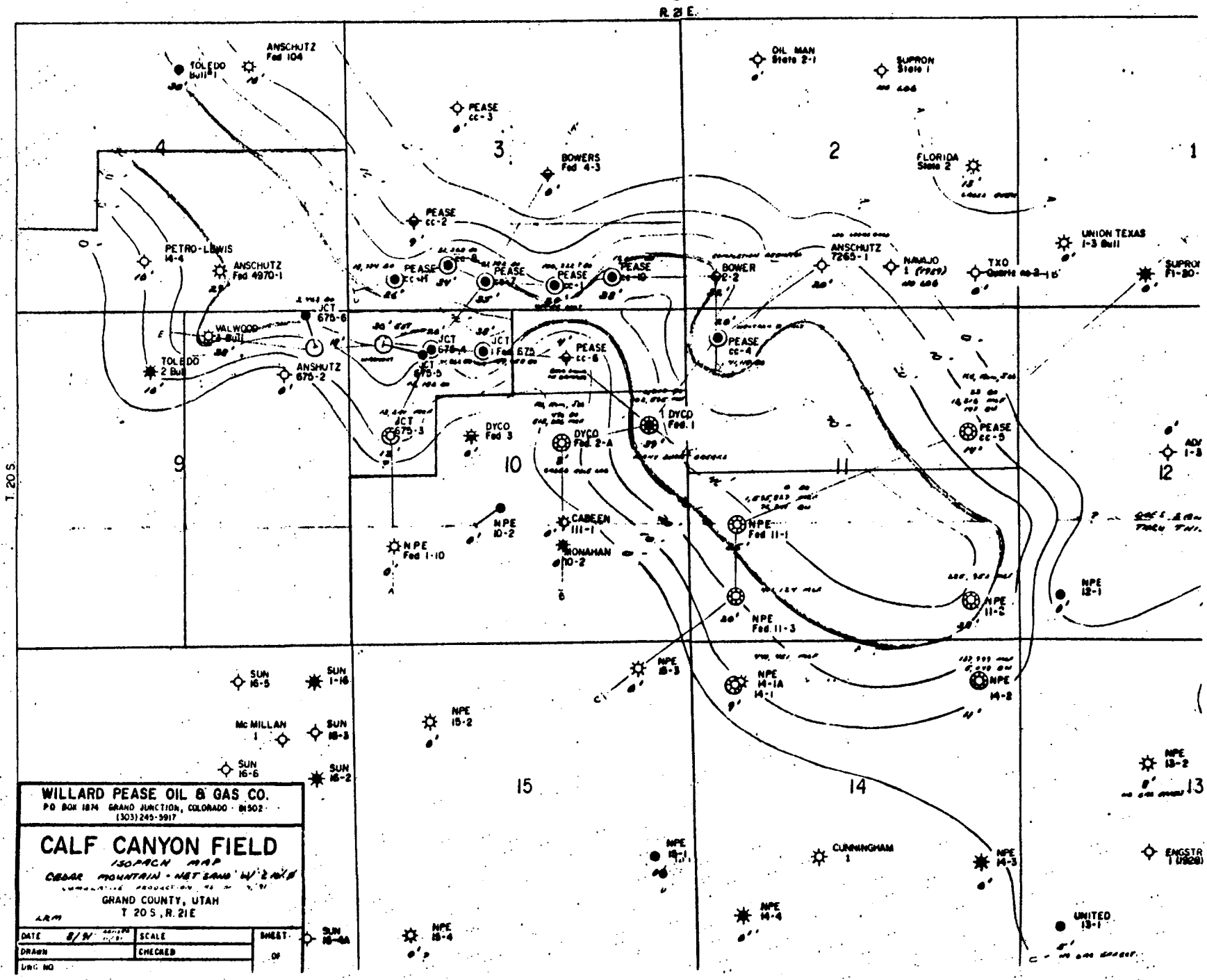
LIST OF FIGURES

Page 16 - Figure 1 - Tract Index Map (will be prepared upon receipt of specific tract descriptions)
Page 17 - Figure 2 - Proposed Unit Boundary
Page 18 - Figure 3 - Calf Canyon Cedar Mountain Structure
Page 19 - Figure 4 - Calf Canyon Cedar Mountain Isopach
Page 20 - Figure 5 - Calf Canyon Field Area Map
Page 21 - Figure 6 - Type Log

Figure 1
Tract Index Map

WILL BE PREPARED UPON RECEIPT OF SPECIFIC TRACT DESCRIPTIONS

Figure 4


R. 21 E.
T. 20 S.
WILLARD PEASE OIL & GAS CO.
PO BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-5917
CALF CANYON FIELD
ISOPACH MAP
CEDAR MOUNTAIN - NET SAND
GRAND COUNTY, UTAH
T 20 S, R. 21 E
DATE
SCALE
SHEET
DRAWN
CHECKED
DWG NO
ANSCHUTZ Fed 104
TOLEDO Bull 1
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PEASE cc-2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-11
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO
UNION TEXAS 1-3 Bull
SUPRON
JCT 675-6
VALWOOD
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed 1-10
NPE Fed 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
SUN 16-5
SUN 1-16
McMILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
UNITED 13-1
SUN 16-4A
NPE 15-4
1
2
3
4
9
10
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12
13
14
15

Figure 3

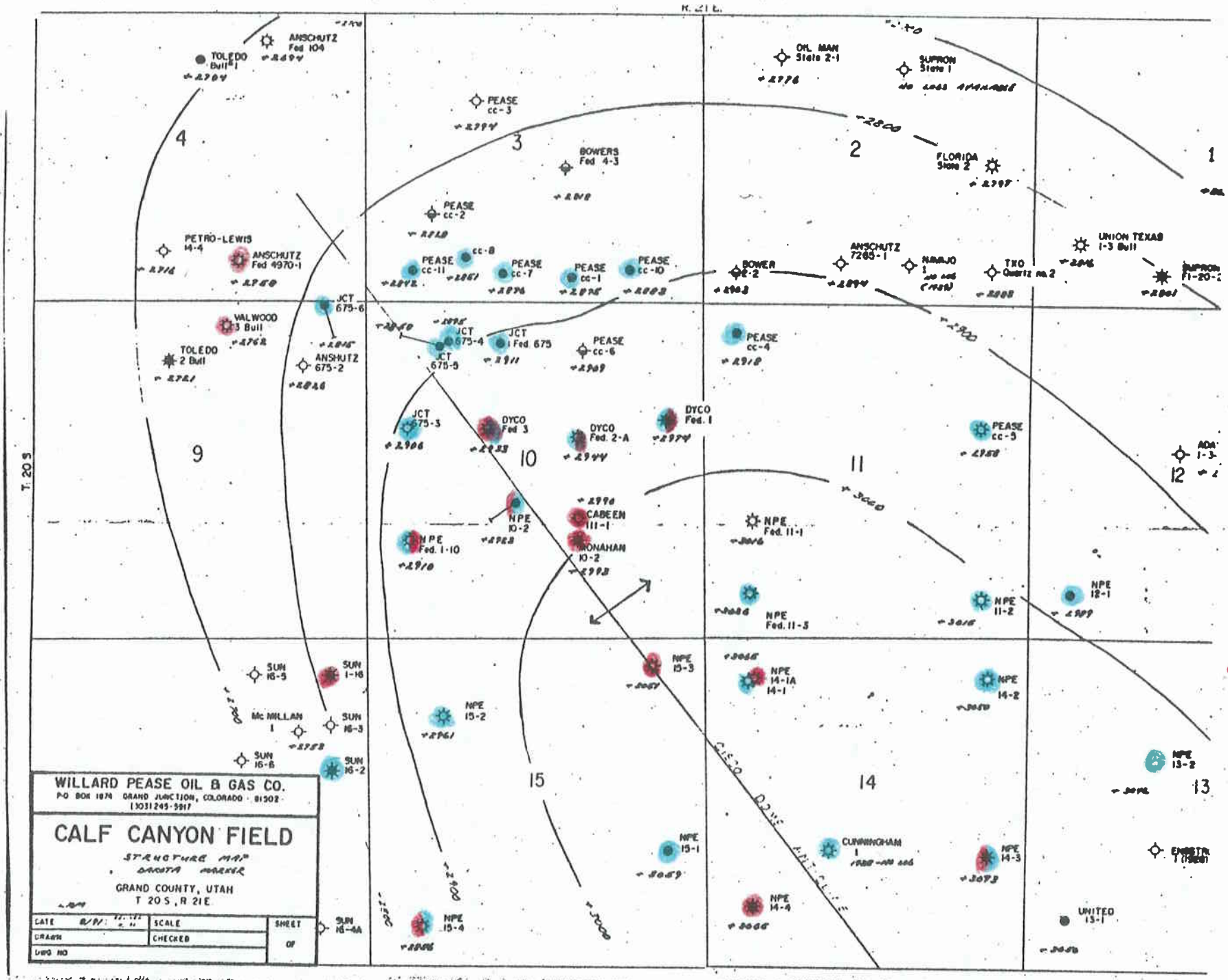
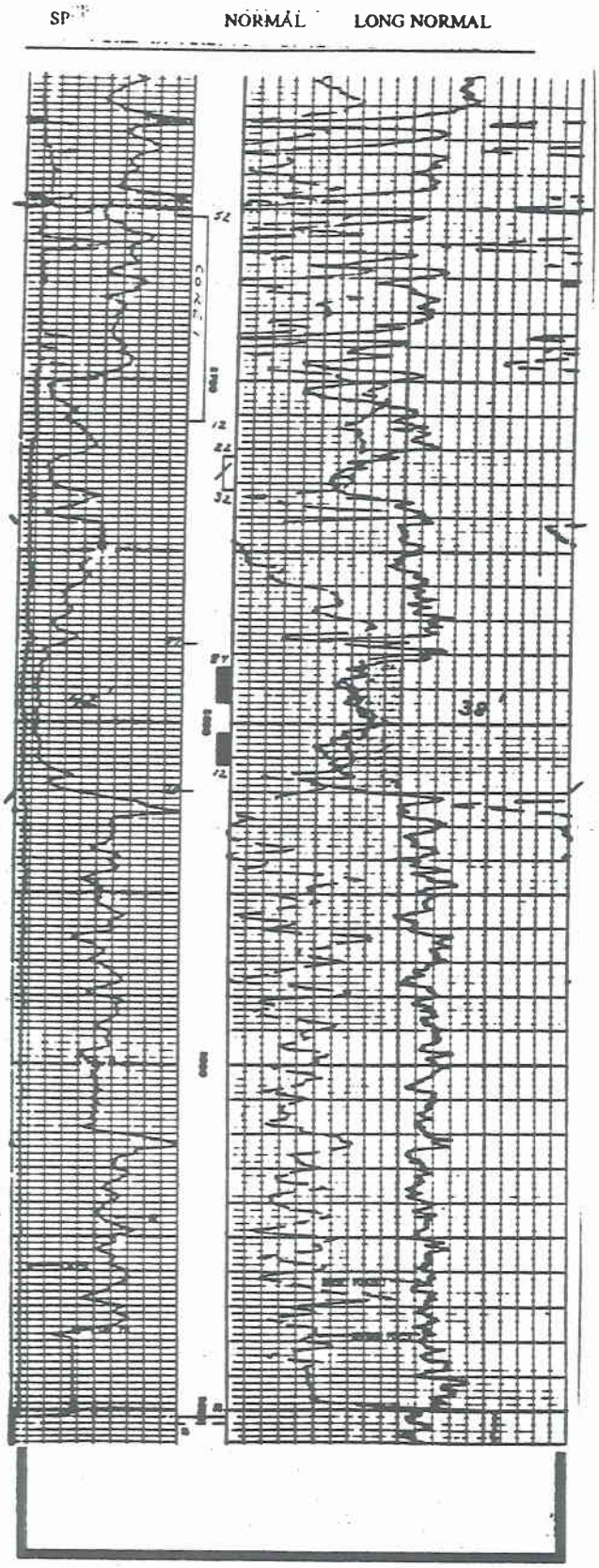

R. 21 E.
T. 20 S.
WILLARD PEASE OIL & GAS CO.
P.O. BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-5917
CALF CANYON FIELD
STRUCTURE MAP
DAKOTA MARKER
GRAND COUNTY, UTAH
T 20 S, R 21 E
DATE
SCALE
SHEET
DRAWN
CHECKED
OF
DWG NO
TOLEDO Bull #1
ANSCHUTZ Fed 104
PEASE cc-3
BOWERS Fed 4-3
OIL MAN State 2-1
SUPRON State 1
FLORIDA State 2
PEASE cc-2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-11
cc-8
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
SUPRON F1-20-2
JCT 675-6
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
ADA 1-3
NPE 10-2
CABEEN 111-1
MONAHAN 10-2
NPE Fed. 1-10
NPE Fed. 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
Mc MILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 15-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
CISCO DOME ANTICLINE
1
2
3
4
9
10
11
12
13
14
15

Figure 6
Type Log

Willard Pease Oil and Gas Co. - JCT 1 Federal 675
NE NW Section 10, T20S R21E Completed 4/78



2742' - Cedar Mountain

Figure 3

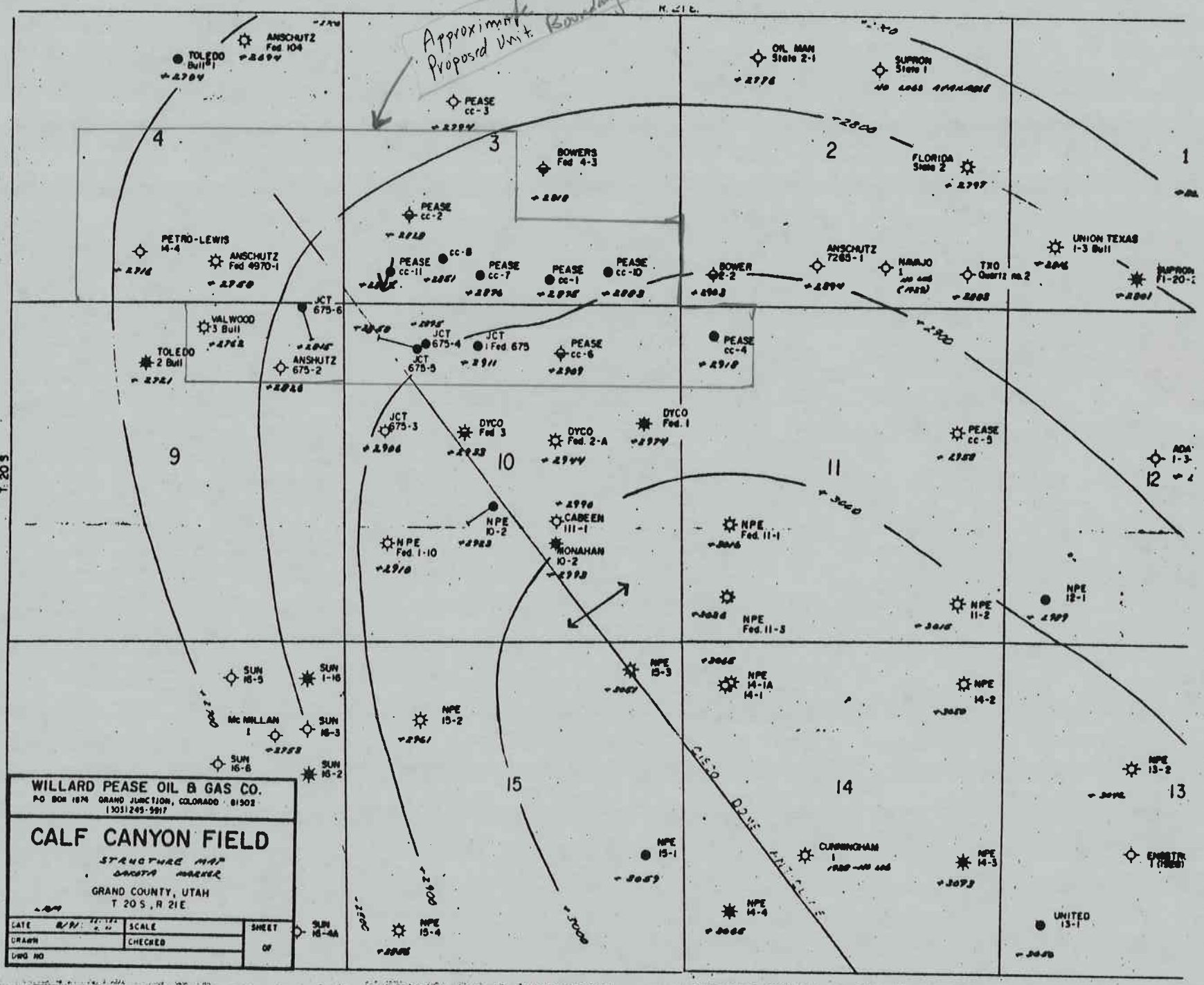
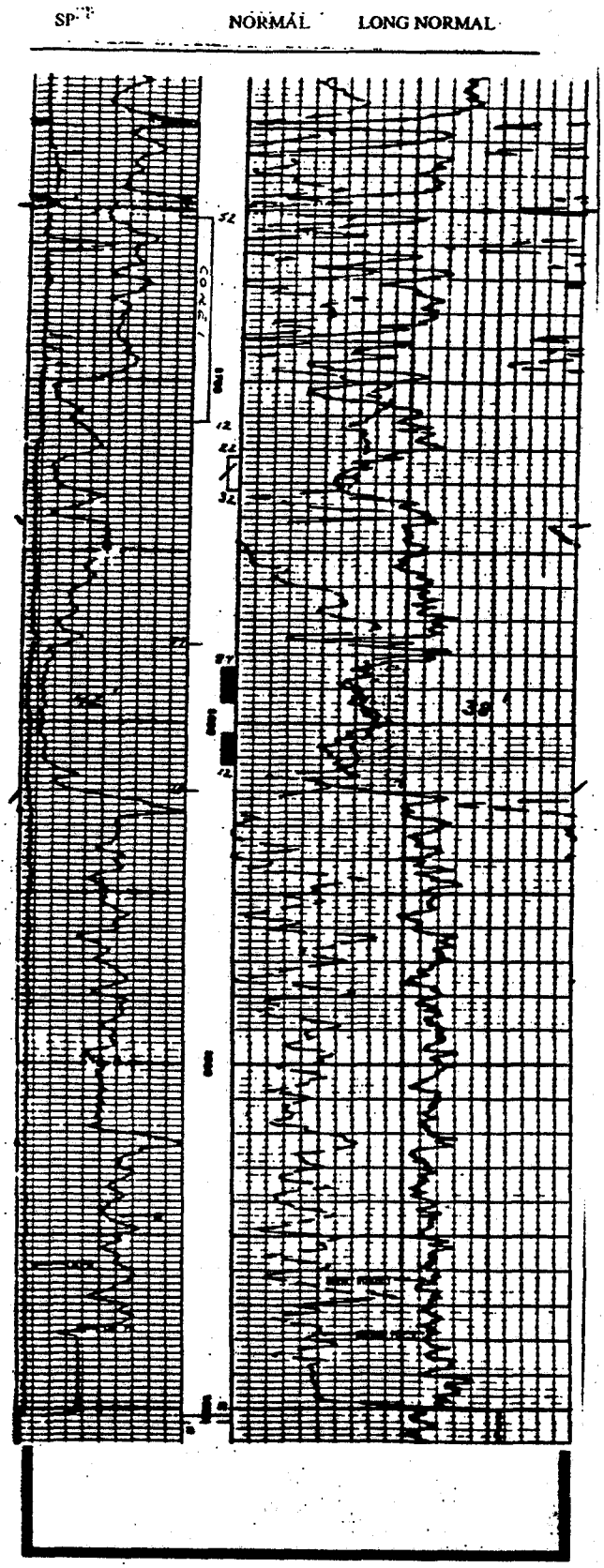

Approximate Proposed Unit Boundary
R. 21 E.
T. 20 S.
WILLARD PEASE OIL & GAS CO.
P.O. BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-9917
CALF CANYON FIELD
STRUCTURE MAP
DAKOTA MARKER
GRAND COUNTY, UTAH
T 20 S, R 21 E
DATE
SCALE
SHEET
OF
DRAWN
CHECKED
DWG NO
TOLEDO Bull 1
ANSCHUTZ Fed 104
PEASE cc-3
OIL MAN State 2-1
SUPRON State 1
BOWERS Fed 4-3
FLORIDA State 2
PETRO-LEWIS 14-4
ANSCHUTZ Fed 4970-1
PEASE cc-2
PEASE cc-11
cc-8
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER 2-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
SUPRON F1-20-2
JCT 675-6
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
ADA 1-3
NPE 10-2
CABEEN 111-1
NPE Fed. 1-10
MONAHAN 10-2
NPE Fed. 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
McMILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
1
2
3
4
9
10
11
12
13
14
15

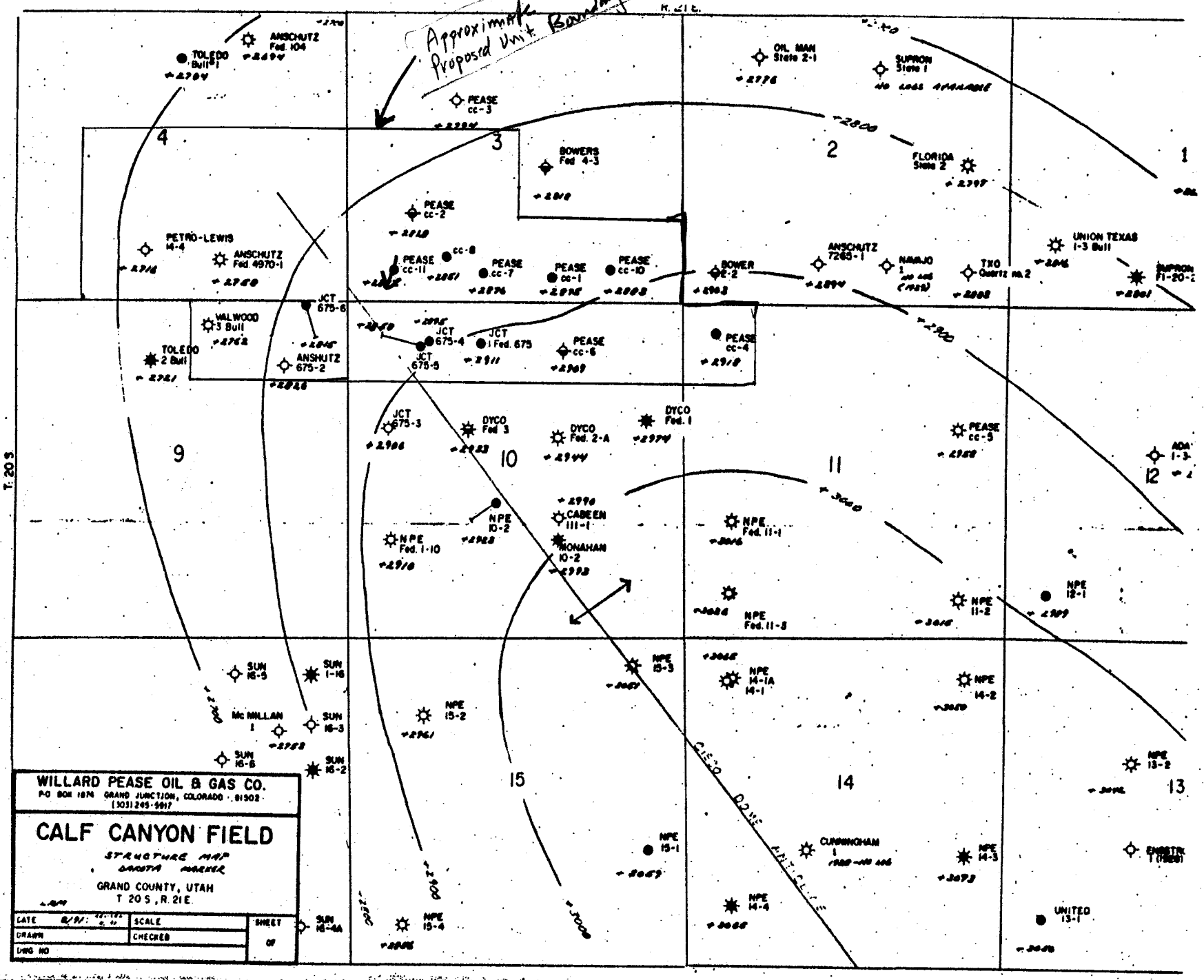
Figure 6
Type Log

Willard Pease Oil and Gas Co. - JCT 1 Federal 675
NE NW Section 10, T20S-R21E Completed 4/78



2742' - Cedar Mountain

Figure 3


Approximate Proposed Unit Boundary
R. 21 E.
T. 20 S.
TOLEDO Bull 1
ANSCHUTZ Fed. 104
PEASE cc-3
OIL MAN State 2-1
SUPRON State 1
BOWERS Fed 4-3
FLORIDA State 2
PETRO-LEWIS 14-4
ANSCHUTZ Fed. 4970-1
PEASE cc-2
PEASE cc-11
cc-8
PEASE cc-7
PEASE cc-1
PEASE cc-10
BOWER E-2
ANSCHUTZ 7265-1
NAVAJO 1
TXO Quartz no. 2
UNION TEXAS 1-3 Bull
SUPRON F1-20-2
JCT 675-6
VALWOOD 3 Bull
TOLEDO 2 Bull
ANSHUTZ 675-2
JCT 675-4
JCT 675-5
JCT 1 Fed. 675
PEASE cc-6
PEASE cc-4
JCT 675-3
DYCO Fed. 3
DYCO Fed. 2-A
DYCO Fed. 1
PEASE cc-5
ADA 1-3
NPE 10-2
CABEEN 111-1
NPE Fed. 1-10
MONAHAN 10-2
NPE Fed. 11-1
NPE Fed. 11-3
NPE 11-2
NPE 12-1
SUN 16-5
SUN 1-16
Mc MILLAN 1
SUN 16-3
SUN 16-6
SUN 16-2
NPE 15-2
NPE 15-3
NPE 14-1A 14-1
NPE 14-2
NPE 13-2
NPE 15-1
CUNNINGHAM 1
NPE 14-3
NPE 14-4
NPE 15-4
SUN 16-4A
UNITED 13-1
CISCO DOME ANTICLINE
4
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12
15
14
13
WILLARD PEASE OIL & GAS CO.
P.O. BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-9917
CALF CANYON FIELD
STRUCTURE MAP
DAKOTA MARKER
GRAND COUNTY, UTAH
T 20 S, R 21 E
DATE
SCALE
SHEET
DRAWN
CHECKED
OF
DWG NO

Figure 5
Calf Canyon Field Area Map

Appendix A

Unit Production History & Remaining Primary Economics

OPERATOR: WILLARD PEASE OIL AND GAS CO
LSE WELLNO: PROPOSED CALF CANYON UNIT
FIELD: CALF CANYON
COUNTY: GRAND
STATE: UTAH

CCREMPRIM

OIL GAS PROPERTY REPORT
Proposed Calf Canyon Unit
Report Date: APR 1992
Discount Date: APR 1992
Evaluation Date: JAN 1992

DEPTH: 3000
FORMATION: CEDAR MOUNTAIN
LOCATION: SEC 3,4,9,10,11 T20S R21E

---------- REPORT COMMENTARY ----------

Remaining Primary Determination
Oil Price = $18.00
LOE = $1000/MO/WELL
8 Producing Wells

----- DIVISION OF INTEREST ----

1st NONZERO WI	1/92	100.000000%
1st NONZERO NRI	1/92	80.000000%
FINAL W.I.		100.000000%
FINAL N.R.I.		80.000000%

---- PROFIT AND PRODUCTION INDICATORS ----

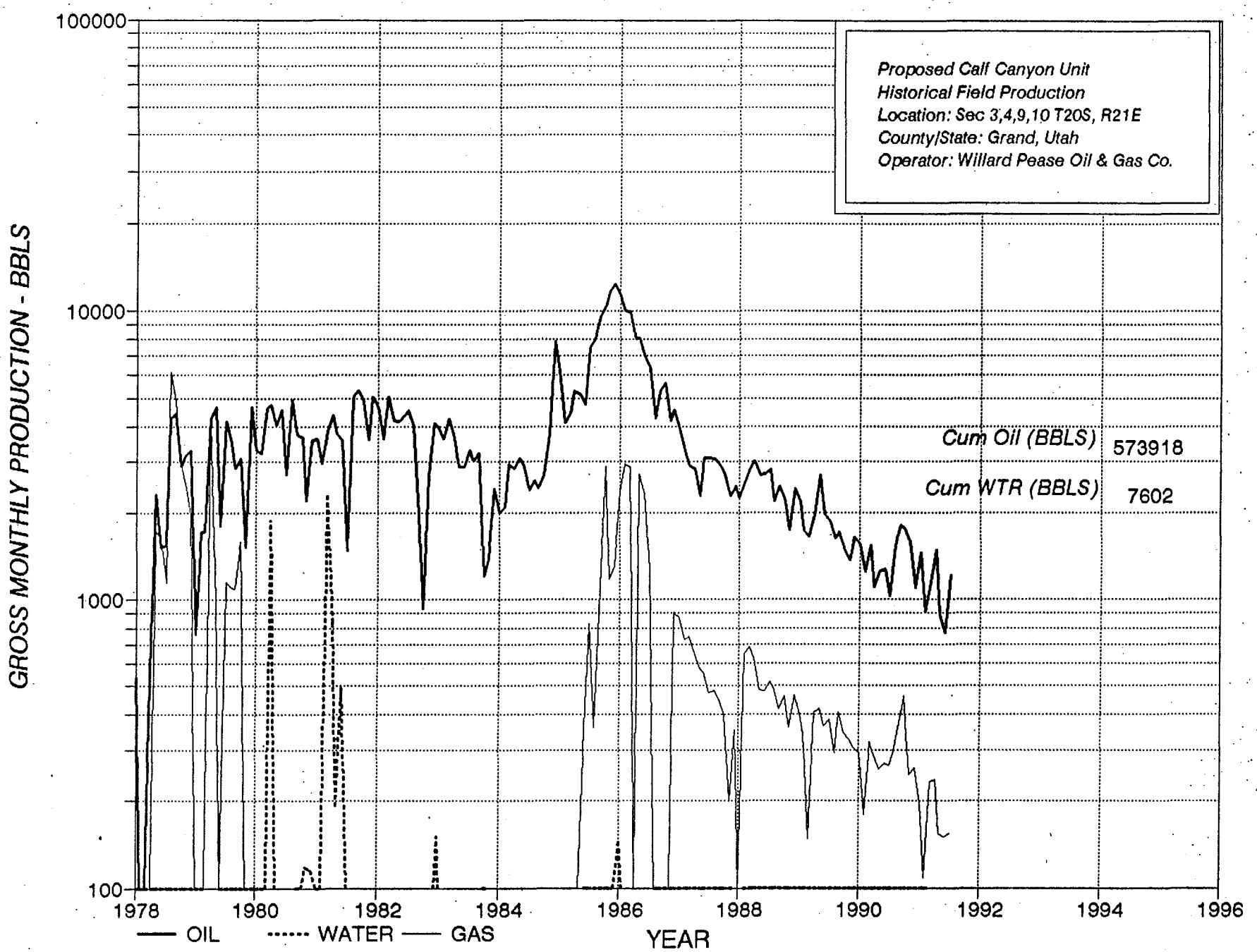
LIFE OF THE PROJECT	1 years 4 months
PAYOUT TERM	N/A
ROI - DISCOUNTED	N/A
ROI - UNDISCOUNTED	N/A
INTERP. IRR	N/A

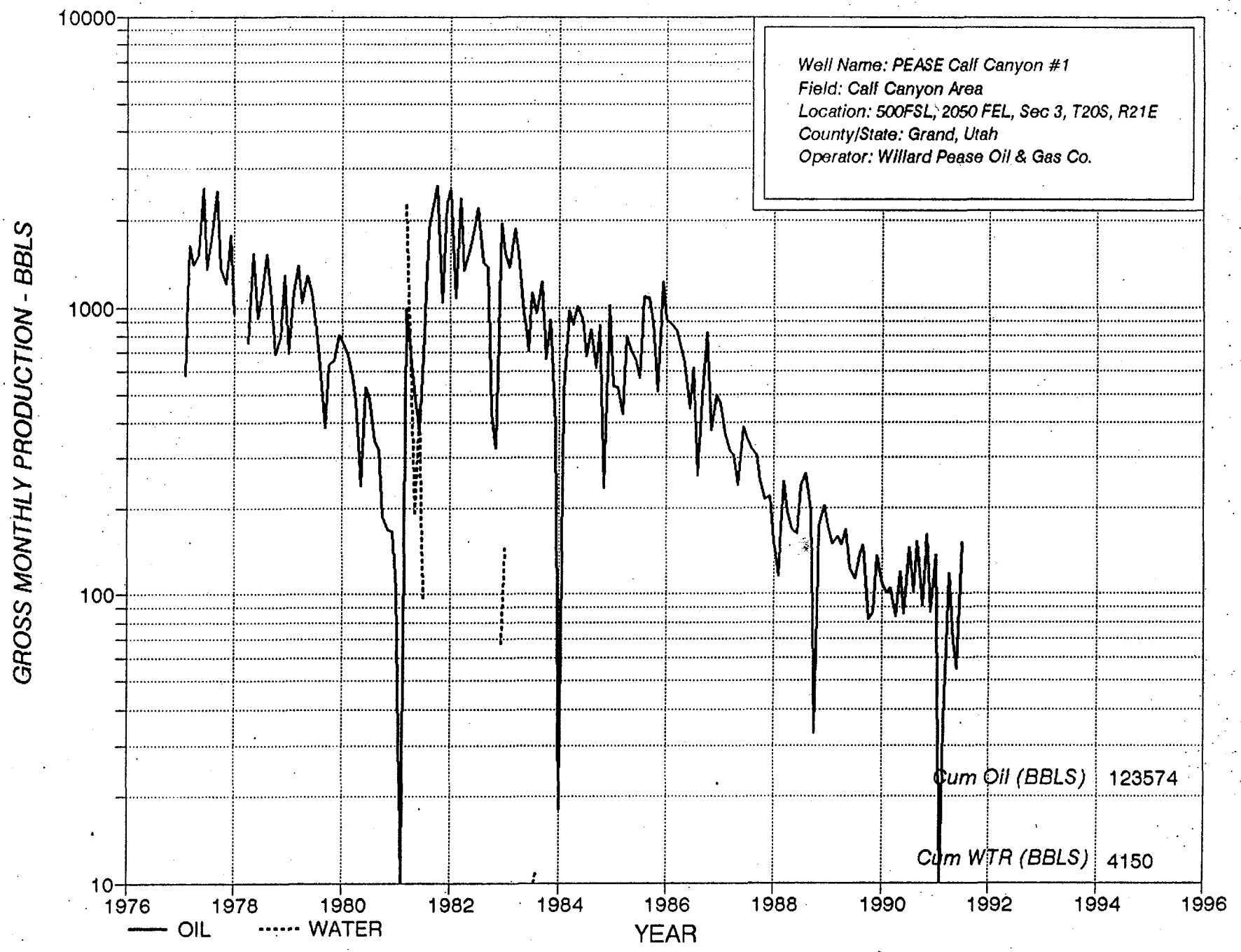
END OF PERIOD (MO/YR)	GROSS PRODUCTION OIL & CND --(MBBL)--	GROSS PRODUCTION GAS & CGS --(MMCF)--	NET PRODUCTION OIL & CND --(MBBL)--	NET PRODUCTION GAS & CGS --(MMCF)--	EFFECTIVE PRICES OIL & CND --($/BBL)--	EFFECTIVE PRICES GAS & CGS ($/MCF)	GROSS REVENUE OIL & CND ----(M$)----	GROSS REVENUE GAS & CGS ----(M$)----	NET REVENUE OIL & CND ----(M$)----	NET REVENUE GAS & CGS ---(M$)----
INTERIM	2.862	0.000	2.289	0.000	18.00	N/A	51.513	0.000	41.211	0.000
12/92	7.122	0.000	5.698	0.000	18.00	N/A	128.196	0.000	102.557	0.000
12/93	2.162	0.000	1.730	0.000	18.00	N/A	38.914	0.000	31.131	0.000
SUB TOTAL	12.146	0.000	9.717	0.000	3.38	N/A	218.623	0.000	174.899	0.000
REMAINDER	0.000	0.000	0.000	0.000	N/A	N/A	0.000	0.000	0.000	0.000
TOTAL	12.146	0.000	9.717	0.000	N/A	N/A	218.623	0.000	174.899	0.000

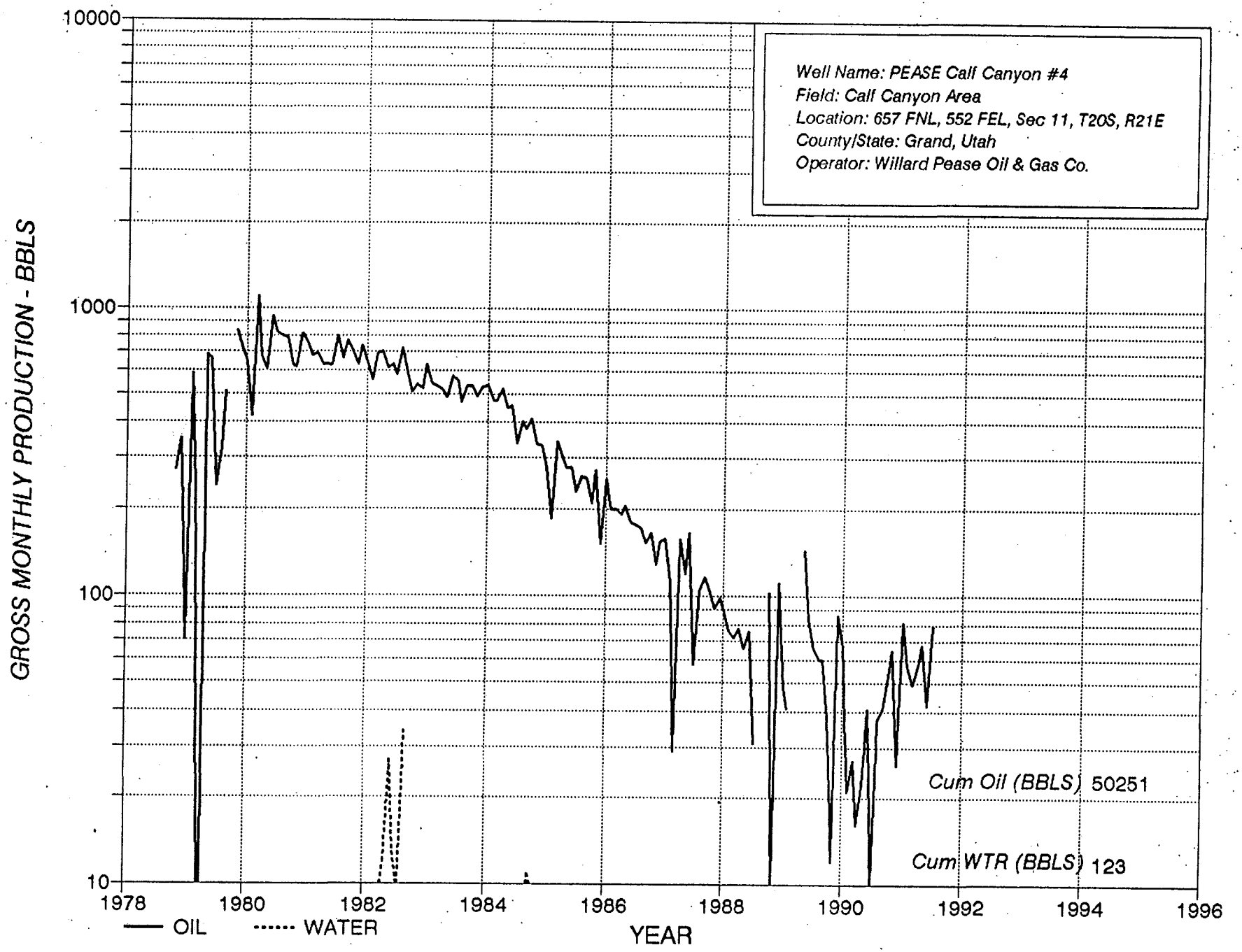
END OF PERIOD (MO/YR)	OPERATING EXPENSES GROSS (8/8) ----(M$)----	OPERATING EXPENSES NET TO WI ---(M$)----	GROSS PROD. TAXES ---(M$)----	NET PROD. TAXES ---(M$)----	NET CASH OPER. INC. ---(M$)----	TOTAL NET INVESTMENT ----(M$)---	NET OPERATING INCOME BFIT UNDISC ----(M$)-	CUM UNDSC ---(M$)-----	DISC @ 10.00% -----(M$)---	CUM DISC ----(M$)---
INTERIM	24.000	24.000	4.453	4.021	13.190	0.000	13.190	13.190	13.307	13.307
12/92	72.000	72.000	11.083	10.006	20.551	0.000	20.551	33.741	19.875	33.182
12/93	32.000	32.000	3.364	3.037	-3.906	0.000	-3.906	29.835	-3.481	29.701
SUB TOTAL	128.000	128.000	18.900	17.064	29.835	0.000	29.835	29.835	29.701	29.701
REMAINDER	0.000	0.000	0.000	0.000	0.000	0.000	0.000	29.835	0.000	29.701
TOTAL	128.000	128.000	18.900	17.064	29.835	0.000	29.835	29.835	29.701	29.701

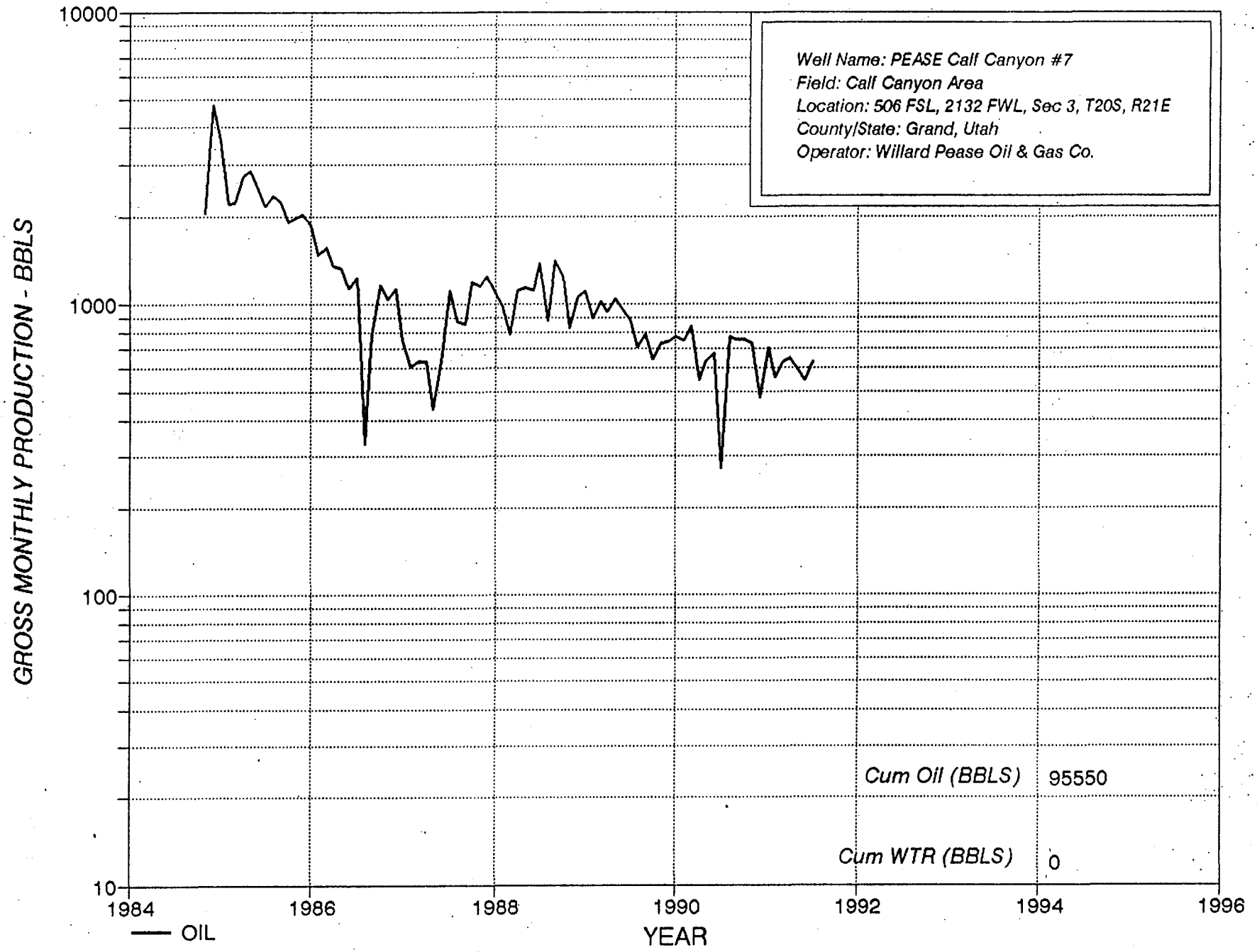
---------- PRESENT WORTH PROFILE ----------

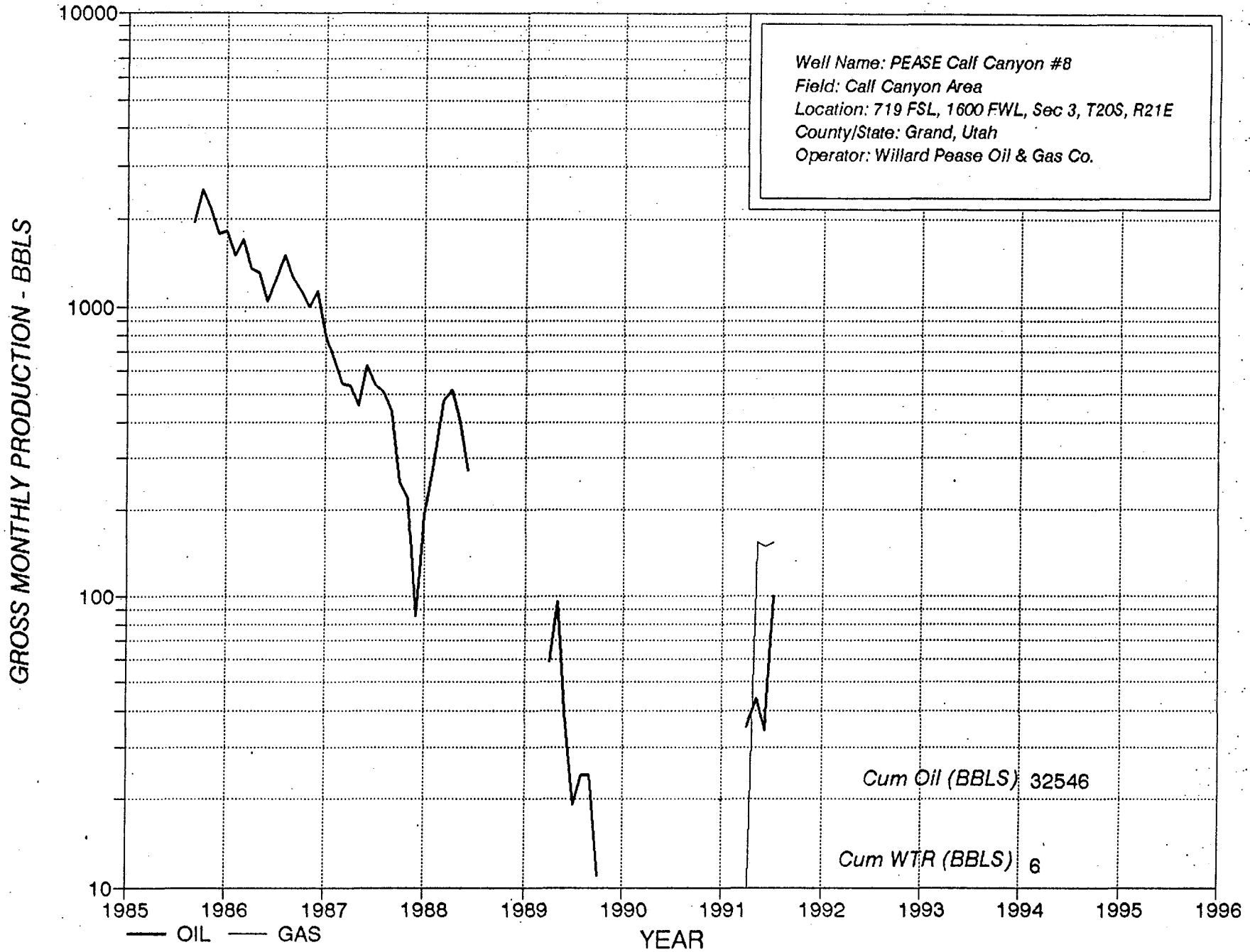
1 -	5.00 %	29.770 M$	3 -	15.00 %	29.630 M$	5 -	25.00 %	29.478 M$	7 - 40.00 % 29.2
2 -	10.00 %	29.701 M$	4 -	20.00 %	29.555 M$	6 -	30.00 %	29.400 M$	

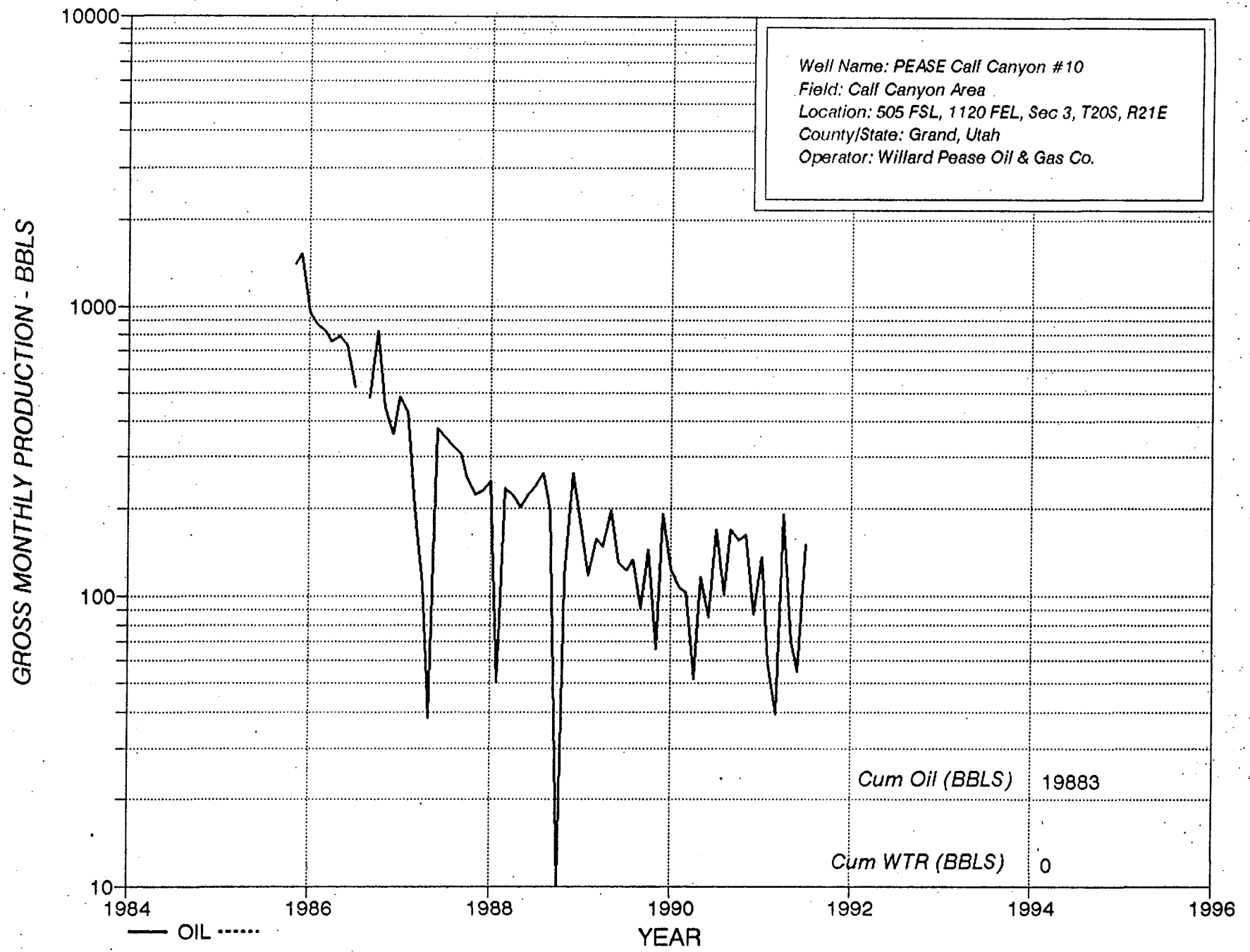

Proposed Calf Canyon Unit
Historical Field Production
Location: Sec 3,4,9,10 T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Cum Oil (BBLS) 573918
Cum WTR (BBLS) 7602
GROSS MONTHLY PRODUCTION - BBLS
100000
10000
1000
100
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER
GAS

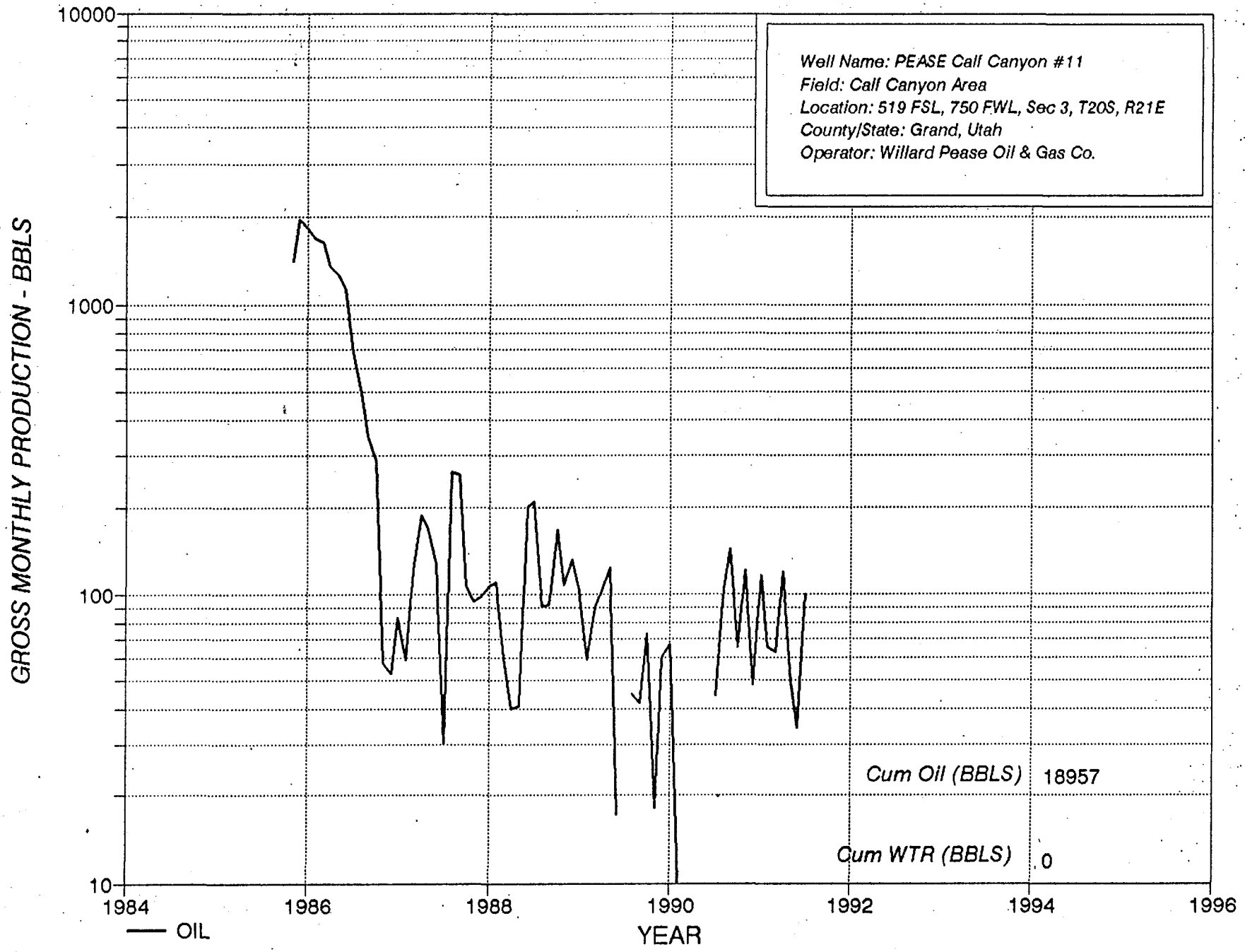

Well Name: PEASE Calf Canyon #1
Field: Calf Canyon Area
Location: 500FSL, 2050 FEL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Cum Oil (BBLS) 123574
Cum WTR (BBLS) 4150
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1976
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER

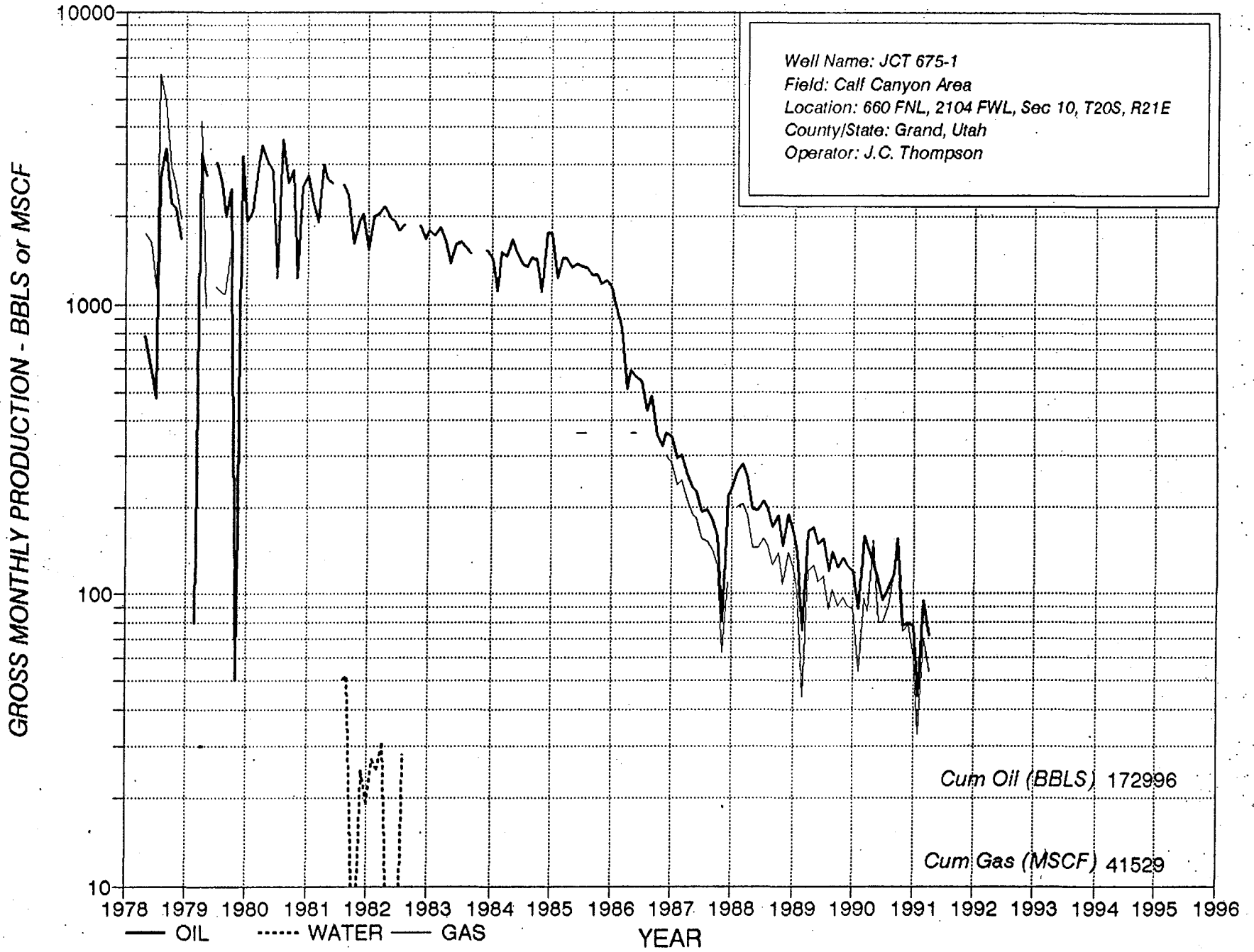

Well Name: PEASE Calf Canyon #4
Field: Calf Canyon Area
Location: 657 FNL, 552 FEL, Sec 11, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER
Cum Oil (BBLS) 50251
Cum WTR (BBLS) 123

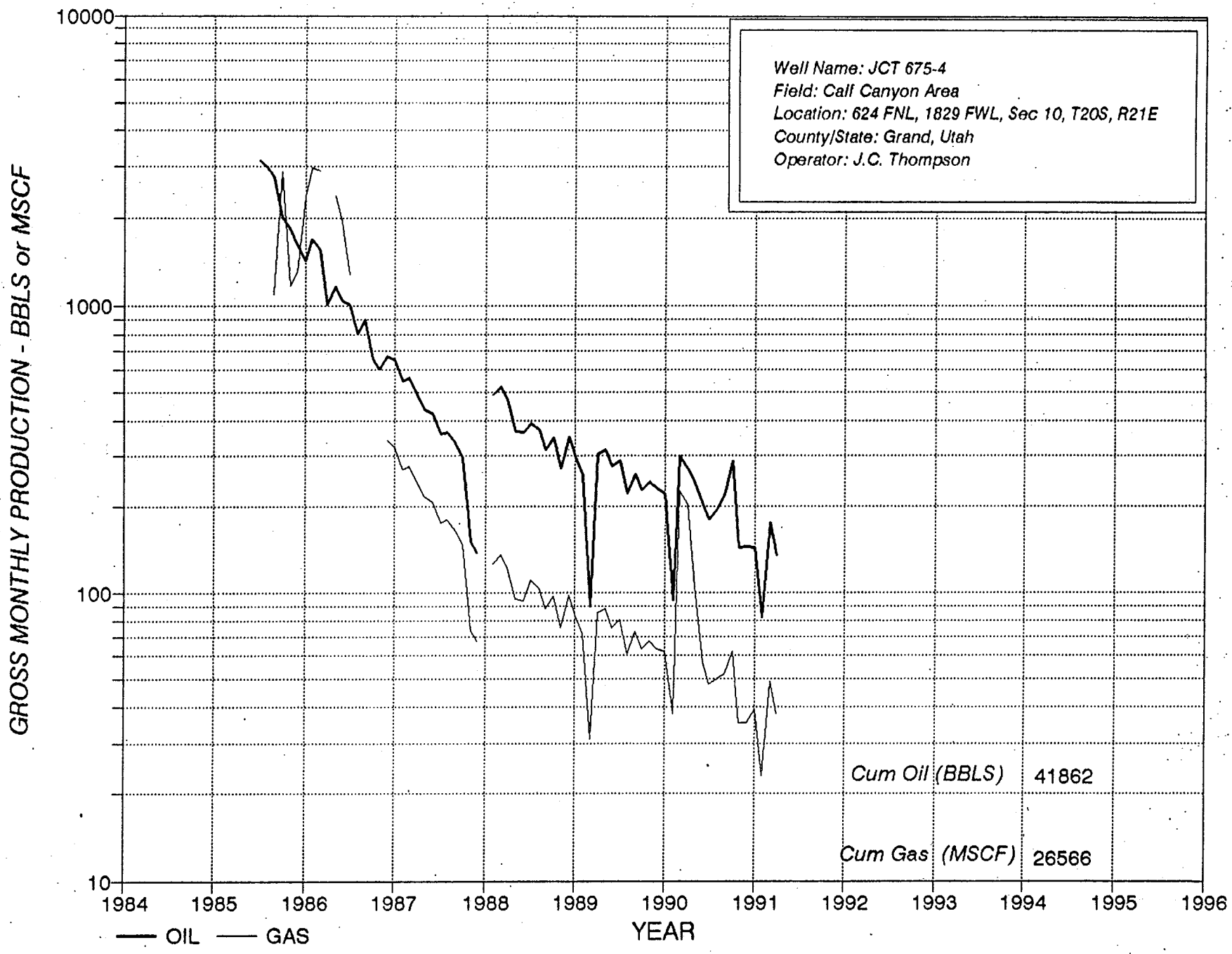

Well Name: PEASE Calf Canyon #7
Field: Calf Canyon Area
Location: 506 FSL, 2132 FWL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Cum Oil (BBLS) 95550
Cum WTR (BBLS) 0
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL

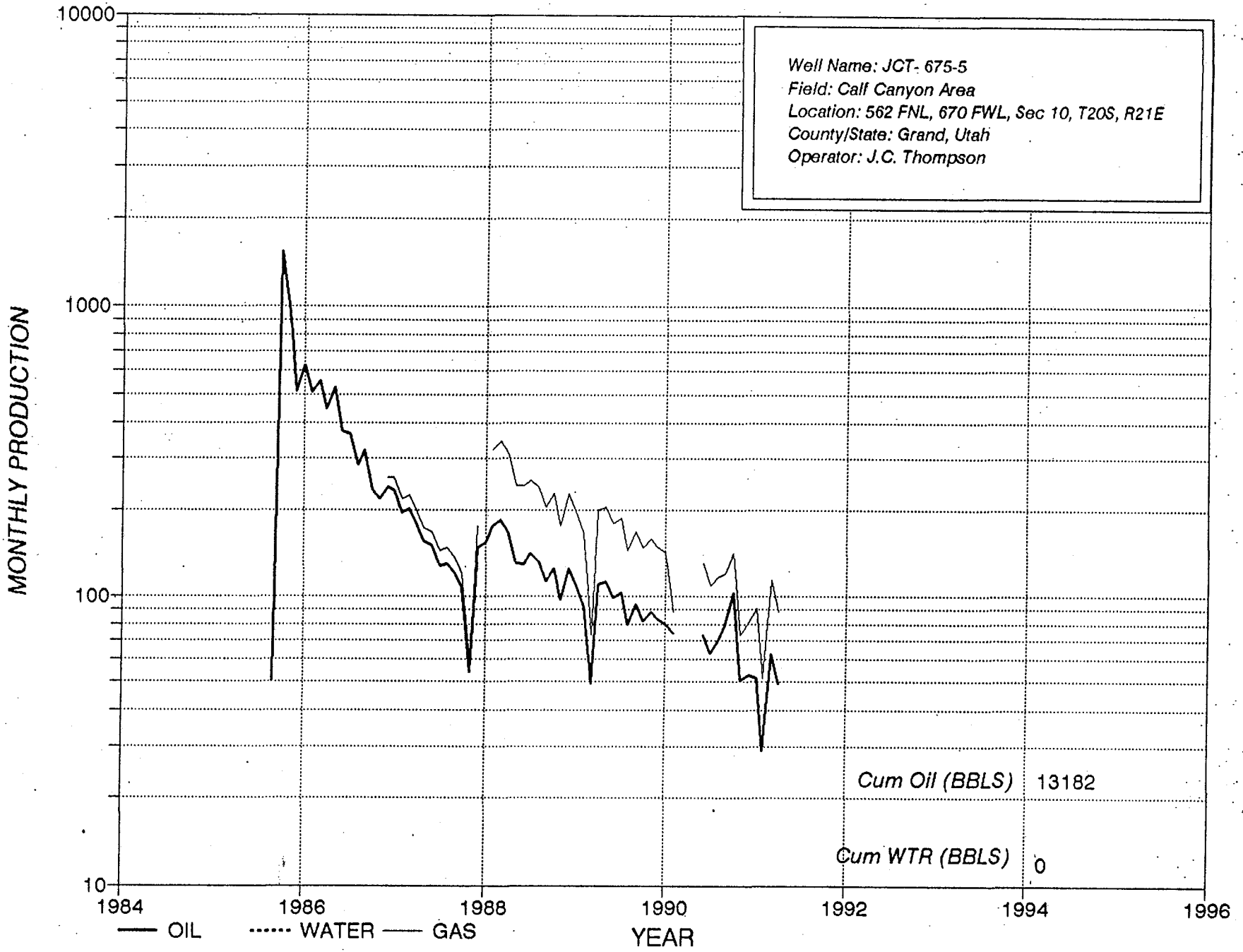

Well Name: PEASE Calf Canyon #8
Field: Calf Canyon Area
Location: 719 FSL, 1600 FWL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
YEAR
OIL
GAS
Cum Oil (BBLS) 32546
Cum WTR (BBLS) 6

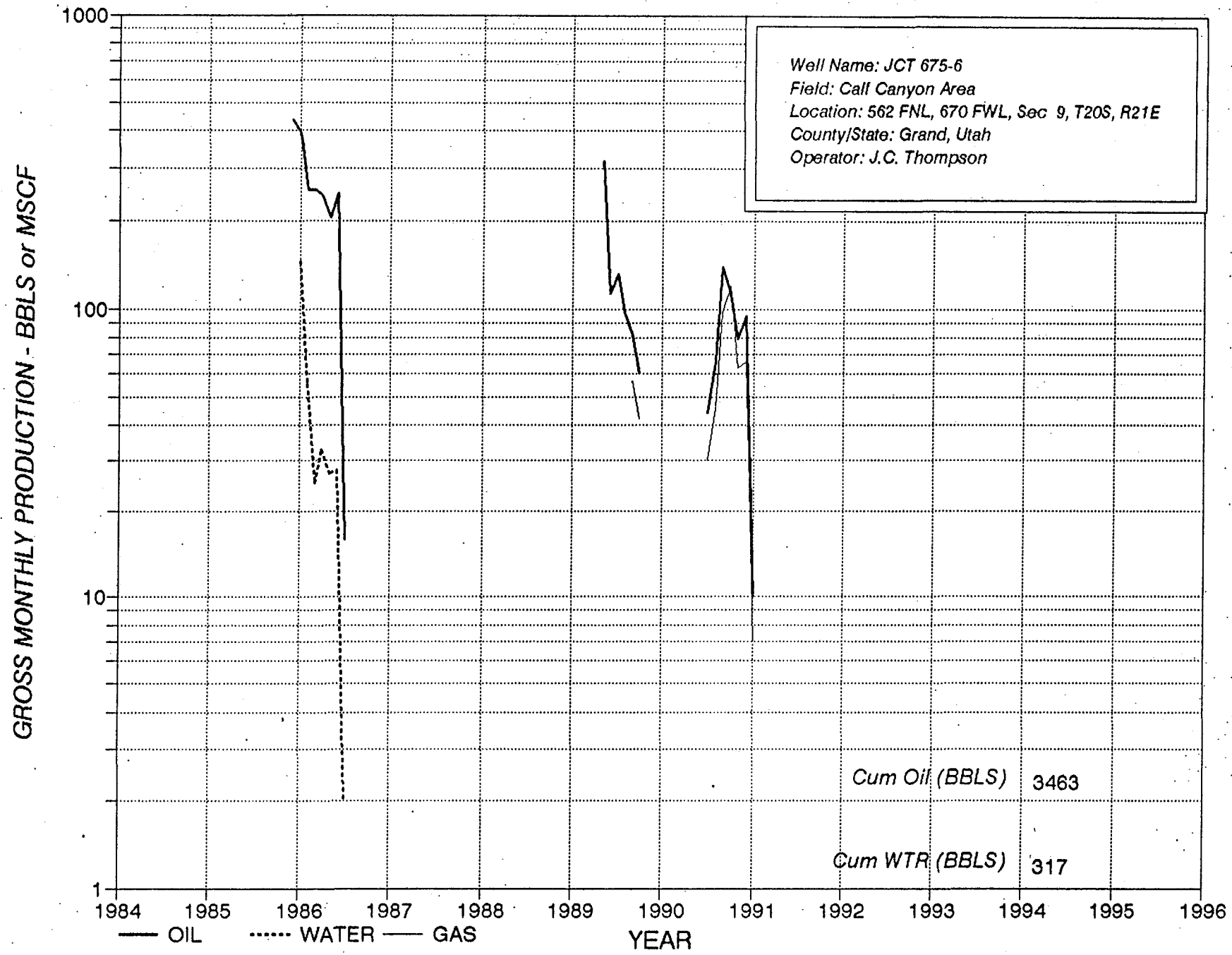

Well Name: PEASE Calf Canyon #10
Field: Calf Canyon Area
Location: 505 FSL, 1120 FEL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
Cum Oil (BBLS) 19883
Cum WTR (BBLS) 0


Well Name: PEASE Calf Canyon #11
Field: Calf Canyon Area
Location: 519 FSL, 750 FWL, Sec 3, T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
GROSS MONTHLY PRODUCTION - BBLS
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
Cum Oil (BBLS) 18957
Cum WTR (BBLS) 0


Well Name: JCT 675-1
Field: Calf Canyon Area
Location: 660 FNL, 2104 FWL, Sec 10, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
GROSS MONTHLY PRODUCTION - BBLS or MSCF
10000
1000
100
10
1978 1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996
YEAR
OIL
WATER
GAS
Cum Oil (BBLS) 172996
Cum Gas (MSCF) 41529


Well Name: JCT 675-4
Field: Calf Canyon Area
Location: 624 FNL, 1829 FWL, Sec 10, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
GROSS MONTHLY PRODUCTION - BBLS or MSCF
10000
1000
100
10
1984
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
YEAR
OIL
GAS
Cum Oil (BBLS) 41862
Cum Gas (MSCF) 26566


Well Name: JCT- 675-5
Field: Calf Canyon Area
Location: 562 FNL, 670 FWL, Sec 10, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
MONTHLY PRODUCTION
10000
1000
100
10
1984
1986
1988
1990
1992
1994
1996
YEAR
OIL
WATER
GAS
Cum Oil (BBLS) 13182
Cum WTR (BBLS) 0


Well Name: JCT 675-6
Field: Call Canyon Area
Location: 562 FNL, 670 FWL, Sec 9, T20S, R21E
County/State: Grand, Utah
Operator: J.C. Thompson
GROSS MONTHLY PRODUCTION - BBLS or MSCF
1000
100
10
1
1984
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
YEAR
OIL
WATER
GAS
Cum Oil (BBLS) 3463
Cum WTR (BBLS) 317

Appendix B

Waterflood Input Data - PFPM

```
*****************************************
*                                       *
*  S C I E N T I F I C  S O F T W A R E *
*        -   I N T E R C O M P          *
*                                       *
*     POLYMER FLOOD PREDICTION MODEL    *
*         (PFPM - RELEASE 3.1)          *
*                                       *
*****************************************
```

W. PEASE OIL AND GAS CO. CALF CANYON WATERFLOOD STUDY: OUT: CALFCAN7.OUT

CASE CONTROLS

OUTPUT CONTROL	0	IOUT
WATER/POLYMER FLOOD CONTROL	0	IOPT (WATERFLOOD)
AREAL SWEEP CALCULATION CONTROL.....	2	IAROPT
ECONOMIC ANALYSIS CONTROL	1	IECON

FORMATION PROPERITIES AND PATTERN VOLUMES

FORMATION DEPTH	3000.0	FT
FORMATION TEMPERATURE	120.0	DEG.F
FORMATION AVE. PERMEABILITY	5.0	MD
FORMATION POROSITY	.2	
TOTAL NET THICKNESS	32.6	FT
TOTAL PORE VOLUME	4655.8	MBBL
ORIGINAL OIL IN PLACE	1956.2	MSTB
OIL IN PLACE AT START OF FLOOD.....	1956.2	MSTB
DYKSTRA-PARSONS COEFFICIENT	.70	VDP
PATTERN AREA	118.00	ACRE
WELLBORE RADIUS.....	.17	FT
INJECTIVITY COEFFICIENT	.65	PSI/FT
INJECTION RATE OVERRIDE	-250.0	RB/D
WATER-OIL MOBILITY RATIO	1.33	
POLYMER-OIL MOBILITY RATIO	.00	

FLUID PROPERTIES

OIL FORMATION VOLUME FACTOR	1.190	RB/STB
WATER FORMATION VOLUME FACTOR	1.005	RB/STB
API OIL GRAVITY	36.5	DEGREES
OIL VISCOSITY	1.600	CP
WATER VISCOSITY	.600	CP
FORMATION PRESSURE.....	175.0	PSI
SOLUTION GAS-OIL RATIO	750.0	SCF/STB
SPECIFIC GRAVITY OF GAS.....	.800	
POLYMER CONCENTRATION	.0	PPM
POLYMER ADSORPTION	.000	LB/AC FT
POLYMER ADSORPTION PARAMETER	.000	VOL SLUG/PV
POLYMER VISCOSITY	.600	CP
RESISTANCE FACTOR	8.00	
RESIDUAL RESISTANCE FACTOR	1.000	
POWER-LAW COEFFICIENT.....	17.000	CP*SEC**(N-1)
POWER-LAW EXPONENT.....	1.000	
POLYMER SLUG SIZE	2.000	PV
MAXIMUM INJECTED PV, POLY+CHASE WAT..	2.000	PV

FORMATION PROPERTY TABLE

DISCRETE LAYER CALCULATION OPTION....	2	LYROPT
NUMBER OF LAYERS	10	NLAYER OR NLDP
AVERAGE POROSITY	.1560	
AVERAGE PERMEABILITY	5.0	MD
TOTAL NET THICKNESS	32.6	FT
AVERAGE INITIAL WATER SATURATION	.50	

LAYER NO.	PHIL	PERML MD	PAYL FT	SWIL
1	.16	77.38	.21	.50
2	.16	35.91	.45	.50
3	.16	23.20	.70	.50
4	.16	16.37	1.00	.50
5	.16	11.97	1.36	.50
6	.16	8.83	1.85	.50
7	.16	6.45	2.53	.50
8	.16	4.54	3.59	.50
9	.16	2.90	5.62	.50
10	.16	1.07	15.28	.50

RELATIVE PERM CURVES

IRREDUCIBLE WATER SATURATION	.500	SWC
RESIDUAL OIL SATN AFTER WATER	.250	SORW
OIL RELATIVE PERM END-POINT	1.000	XKROE
WATER RELATIVE PERM END-POINT	.500	XKRWE
OIL RELATIVE PERM CURVATURE	2.00	XNO
WATER RELATIVE PERM CURVATURE	2.00	XNW

RELATIVE PERMEABILITY TABLE

WATER SATURATN	OIL KRO	WATER KRW	FRACTION WATER	FRACTION POLYMER
.5000	1.0000	.0000	.0000	.0000
.5250	.8100	.0050	.0162	.0162
.5500	.6400	.0200	.0769	.0769
.5750	.4900	.0450	.1967	.1967
.6000	.3600	.0800	.3721	.3721
.6250	.2500	.1250	.5714	.5714
.6500	.1600	.1800	.7500	.7500
.6750	.0900	.2450	.8789	.8789
.7000	.0400	.3200	.9552	.9552
.7250	.0100	.4050	.9908	.9908
.7500	.0000	.5000	1.0000	1.0000

INFLECTION POINT OF FW CURVE = .613

WATERFLOOD REPORT

PATTERN
PRODUCTION SUMMARY

PATTERN LIFE RATIO	61.94	
PATTERN AREA	118.00	ACRE
PATTERN PORE VOLUME	4655.8	MBBL
ORIGINAL OIL IN PLACE	1956.2	MSTB
OIL IN PLACE AT START OF FLOOD	1956.2	MSTB
TOTAL OIL PRODUCTION	869.6	MSTB
OIL RECOVERY - FR. ORIG. OIP	.4445	
OIL REC - FR. OIP AT START OF FLOOD..	.4445	
TOTAL POLYMER INJECTED	.0	MLB
OIL/POLYMER RATIO	.00	STB/LB

Appendix C

Complete Waterflood Results & Economics

APR 2, 1992 4:29 PM

WILLARD PEASE OIL AND GAS COMPANY
CALF CANYON

OPERATOR: WILLARD PEASE OIL AND GAS CO
LSE WELLNO: PROPOSED CALF CANYON UNIT
FIELD: CALF CANYON
COUNTY: GRAND
STATE: UTAH

DEPTH: 3000
FORMATION: CEDAR MOUNTAIN
LOCATION: SEC 3,4,9,10,11 T20S R21E

OIL GAS PROPERTY REPORT
Proposed Calf Canyon Unit
Report Date: APR 1992
Discount Date: APR 1992
Evaluation Date: AUG 1992

---------- REPORT COMMENTARY ----------

Economic Feasibility Determination
Oil Price = $18.00
LOE = $1000/MO/WELL
8 Producing Wells, 1 Injection Well

----- DIVISION OF INTEREST ----

1st NONZERO WI	8/92	100.000000%
1st NONZERO NRI	8/92	80.000000%
FINAL W.I.		100.000000%
FINAL N.R.I.		80.000000%

---- PROFIT AND PRODUCTION INDICATORS ----

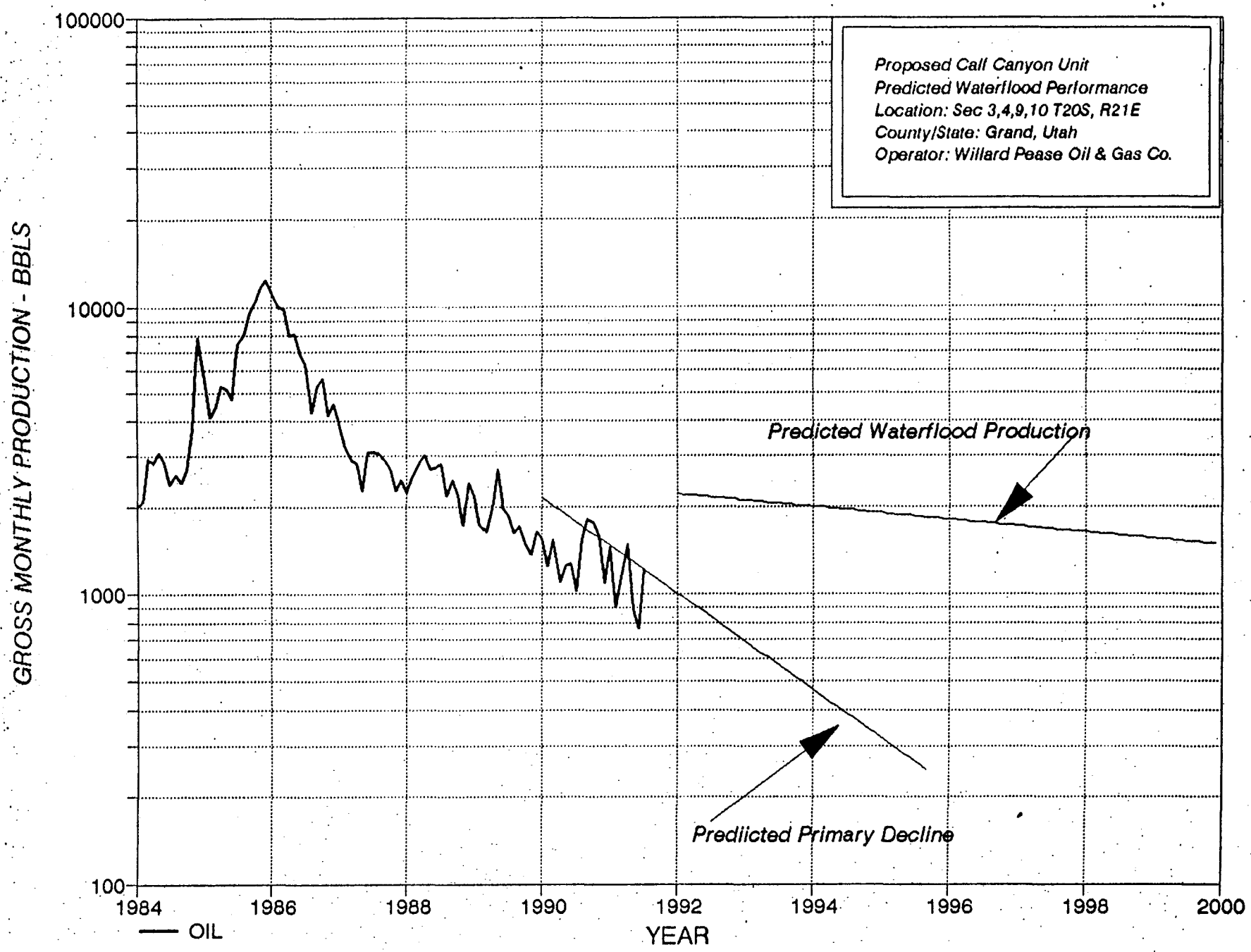
LIFE OF THE PROJECT	21 years 11 months
PAYOUT TERM	2 years 2 months
ROI - DISCOUNTED	378.84 %
ROI - UNDISCOUNTED	731.04 %
INTERP. IRR	42.90 %

END OF PERIOD (MO/YR)	GROSS PRODUCTION OIL & CND (MBBL)	GROSS PRODUCTION GAS & CGS (MMCF)	NET PRODUCTION OIL & CND (MBBL)	NET PRODUCTION GAS & CGS (MMCF)	EFFECTIVE PRICES OIL & CND ($/BBL)	EFFECTIVE PRICES GAS & CGS ($/MCF)	GROSS REVENUE OIL & CND (M$)	GROSS REVENUE GAS & CGS (M$)	NET REVENUE OIL & CND (M$)	NET REVENUE GAS & CGS (M$)
12/92	0.000	0.000	0.000	0.000	N/A	N/A	0.000	0.000	0.000	0.000
12/93	17.608	0.000	14.086	0.000	18.00	N/A	316.944	0.000	253.555	0.000
12/94	20.066	0.000	16.053	0.000	18.00	N/A	361.188	0.000	288.950	0.000
12/95	21.051	0.000	16.841	0.000	18.00	N/A	378.918	0.000	303.134	0.000
12/96	22.428	0.000	17.942	0.000	18.00	N/A	403.704	0.000	322.963	0.000
12/97	21.113	0.000	16.890	0.000	18.00	N/A	380.034	0.000	304.027	0.000
12/98	20.014	0.000	16.011	0.000	18.00	N/A	360.252	0.000	288.202	0.000
12/99	18.972	0.000	15.178	0.000	18.00	N/A	341.496	0.000	273.197	0.000
12/00	17.958	0.000	14.366	0.000	18.00	N/A	323.241	0.000	258.593	0.000
12/01	16.991	0.000	13.593	0.000	18.00	N/A	305.837	0.000	244.670	0.000
SUB TOTAL	176.201	0.000	140.960	0.000	N/A	N/A	3171.614	0.000	2537.291	0.000
REMAINDER	149.395	0.000	119.516	0.000	18.00	N/A	2689.105	0.000	2151.284	0.000
TOTAL	325.596	0.000	260.476	0.000	N/A	N/A	5860.719	0.000	4688.575	0.000

END OF PERIOD (MO/YR)	OPERATING EXPENSES GROSS (8/8) (M$)	OPERATING EXPENSES NET TO WI (M$)	GROSS PROD. TAXES (M$)	NET PROD. TAXES (M$)	NET CASH OPER. INC. (M$)	TOTAL NET INVESTMENT (M$)	NET OPERATING INCOME BFIT UNDISC (M$)	NET OPERATING INCOME BFIT CUM UNDSC (M$)	NET OPERATING INCOME BFIT DISC @ 10.00% (M$)	NET OPERATING INCOME BFIT CUM DISC (M$)
12/92	45.000	45.000	0.000	0.000	-45.000	255.000	-300.000	-300.000	-287.099	-287.099
12/93	108.000	108.000	27.400	24.738	120.817	0.000	120.817	-179.183	105.339	-181.760
12/94	108.000	108.000	31.225	28.191	152.759	0.000	152.759	-26.424	121.592	-60.168
12/95	108.000	108.000	32.758	29.575	165.559	0.000	165.559	139.135	119.089	58.921
12/96	108.000	108.000	34.901	31.510	183.454	0.000	183.454	322.589	119.785	178.706
12/97	108.000	108.000	32.854	29.662	166.365	0.000	166.365	488.954	98.332	277.038
12/98	108.000	108.000	31.144	28.118	152.083	0.000	152.083	641.037	81.372	358.410
12/99	108.000	108.000	29.523	26.654	138.543	0.000	138.543	779.580	67.103	425.513
12/00	108.000	108.000	27.945	25.229	125.364	0.000	125.364	904.944	54.969	480.482
12/01	108.000	108.000	26.440	23.871	112.799	0.000	112.799	1017.743	44.772	525.254
SUB TOTAL	1017.000	1017.000	274.190	247.548	1272.743	255.000	1017.743	1017.743	525.254	525.254
REMAINDER	1350.000	1350.000	232.476	209.888	591.396	0.000	591.396	1609.139	156.886	682.140
TOTAL	2367.000	2367.000	506.666	457.436	1864.139	255.000	1609.139	1609.139	682.140	682.140

---------- PRESENT WORTH PROFILE ----------

1 -	5.00 %	1034.702 M$	3 -	15.00 %	454.440 M$	5 -	25.00 %	193.038 M$	7 - 40.00 % 13.9
2 -	10.00 %	682.140 M$	4 -	20.00 %	300.740 M$	6 -	30.00 %	115.213 M$	


Proposed Call Canyon Unit
Predicted Waterflood Performance
Location: Sec 3,4,9,10 T20S, R21E
County/State: Grand, Utah
Operator: Willard Pease Oil & Gas Co.
Predicted Waterflood Production
Predlicted Primary Decline
GROSS MONTHLY PRODUCTION - BBLS
100000
10000
1000
100
1984
1986
1988
1990
1992
1994
1996
1998
2000
YEAR
OIL

Appendix D

Estimated Capital Budget

INJECTION WELL APPLICATION

REVIEW SUMMARY

Applicant: WILLARD PEASE Well: CALF CANYON 11

Location: section 3 township 20 SOUTH range 21 EAST

API #: 43-019-31209 Well Type: disp.__ enhanced recov. X

If enhanced recovery has project been approved by the Board ? NO

Lease Type: FEDERAL Surface Ownership: BLM

Field: CALF CANYON Unit:_____ Indian Country: NO

UIC Form 1: YES Plat: YES Wells in AOR: 8 Prod. 2 Pa

Logs Available: YES Bond Log: NO Yes Oct. 13th

TOC @ 2350

Casing Program:_____

Integrity Test: TO BE RUN AT CONVERSION

Injection Fluid: H20

Geologic Information: CEDAR MOUNTAIN INJECTION ZONE 3057-3132

Analyses of Injection Fluid: YES except Entrada Formation Fluid: YES Compat. NO

Fracture Gradient Information: YES
Parting Pressure: 837 ESTIMATED

Affidavit of Notice to Owners: YES

Fresh Water Aquifers in Area: NONE

Depth Base of Moderately Saline Water: NO FRESH WATER IN AREA

Confining Interval: DAKOTA AND MORRISON

Reviewer: D. JARVIS Date: 10-01-92

Comments & Recommendation MAX INJECTION PRESSURE 800 PSI, MIT AT TIME OF CONVERSION PRESSURE TO 800 PSI. PROBABLY NEED WATER RIGHTS FOR WTAER SUPPLY. NEED TO run CBL

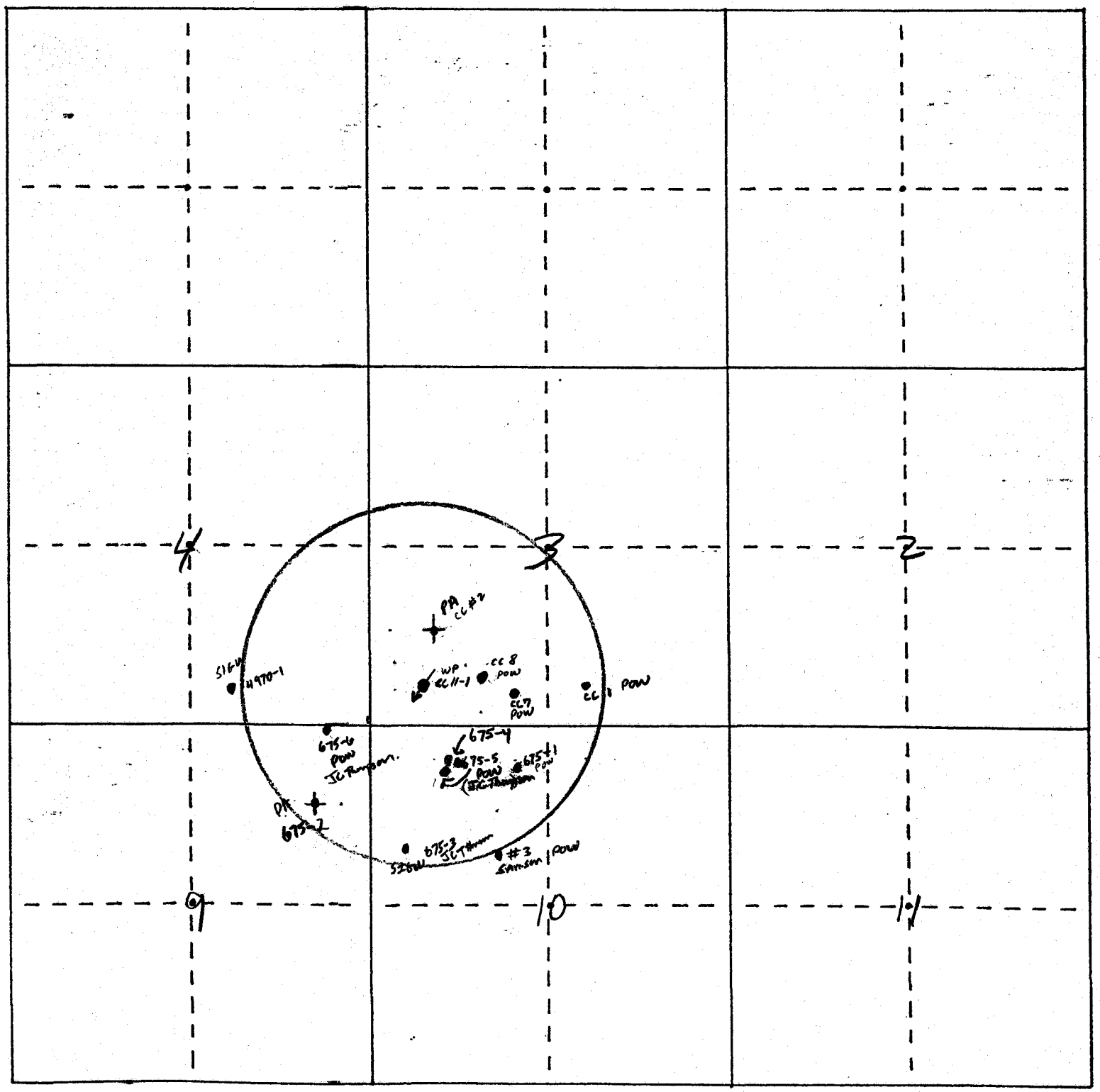
CBL recieved Oct 13th

Operator Willard Pease

Well Salt Canyon 11-1

Location Sec 3 T20S R21E Grand Co. Utah

Salt Canyon Waterflood Project



Wells in AOR

2 PA, 8 Producing

RECEIVED
OCT 0 9 1992
DIVISION OF
OIL, GAS & MINING

3160
(U-922)

October 7, 1992

Ornen International Engineering
1600 Broadway, Suite 2120
Denver, CO 80202-4921
Attn: John Benton

Re: Proposed Calf Canyon Unit
Grand County, Utah

Gentlemen:

We have reviewed the material you sent on October 5, 1992 concerning the above referenced secondary recovery project. The following information must be sent to our office by October 15, 1992 in an approvable format or we will object to the project at the October 29 Board hearing.

A formal application for designation of the Calf Canyon Unit Area must be filed with our office. Please send one orignal and two copies. Address the application and unit agreement papers to the Chief, Branch of Fluid Minerals, Bureau of Land Management. The following information must be submitted in addition to that information already filed with our office.

1. Application letter.

   a. Set out the benefits to be derived by the proposed operations.

   b. Set forth the proposed basis for allocating unitized production.

   c. Describe the proposed unit area by reference to a land ownership map (Exhibit A of the proposed unit agreement may be used). A legal description of all lands in the proposed unit area may also be included. The map and description should show any odd-sized lots and sections and surveyed tracts and the exact acreage in each. Lands being unitized should be divided into separate tracts for participation purposes on the basis of mineral ownership.

   d. List the serial number of all Federal leases, lease applications, and Indian leases on the land ownership map in sequence (grouped by Land Office identities).

e. State whether engineering and geological data and discussions are to be held confidential.

2. Engineering and Geologic Report.

a. Include copies of all logs, core analysis, and other well data which has not previously been submitted. Provide a table which indicates the reservoir top, reservoir bottom and reservoir thickness as interpreted by the engineering committee. Define the criteria used in interpreting the aforementioned data.

b. Include schematic cross-sections and stratigraphic columns where appropriate i.e., those cross sections referenced on your isopach map.

c. **Define the basis for selecting the boundary of the unit area, i. e., zero sand contour, fault trace or reservoir pinch-out.**

3. Request for approval of form of agreement. This request is normally combined with the application for designation of the unit area). The proposed form of unit agreement, with all deviations from the standard form plainly marked and explained, should be submitted for preliminary approval by the Chief, Branch of Fluid Minerals. (Include Exhibits A, B, and C with the proposed form of unit agreement). Submit 2 copies of the proposed form of agreement. Exhibit "A" should be based on the latest official public land survey (See sample Exhibit A in 43 CFR 3186.1-1) and should show:

a. The proposed unit area, the acreage and official number of each lot, tract, and section, and total acreage of the unit area.

b. The boundary of each separate tract of land based on mineral ownership.

c. The different types of land such as Federal, Indian, State, and Patented. Also, indicate different types of Federal and Indian lands, such as Forest, Fish and Wildlife, Allotted Indian or Tribal.

d. Working interest owners, lease numbers of Federal, Indian, and State leases, and owners of basic royalty interests under Indian and patented lands.

Exhibit "B" depicts the schedule of lands and ownerships, and should be submitted as follows:

a. Area should be divided into tracts on the basis of mineral ownership and the ownership of the mineral interests under each tract should be clearly defined. (See sample Exhibit B in 43 CFR 3186.1-1).

b. The lands in the unit area should be grouped in Exhibit B listing Federal tracts first, followed by Indian, State, and patented tracts in that order.

c. The Federal and Indian leases should be listed in Exhibit B by land office or Indian reservation in order of lease numbers.

d. The subtotal of acreage for each type of land and its percentage of the total unit area should be shown in Exhibit B.

Exhibit "C" depicts the unit Allocation Schedule and should include the following.

a. List tracts in numerical order.

b. Show allocation (percent of production) to be credited to each tract. If allocation formula incorporates more than one phase, show allocation to each tract during each phase.

c. Define basis for allocating production to the individual tracts.

Our designation letter will incorporate the following language which can be submitted as proof of our concurrence at the Board Hearing.

The form of unit agreement and Exhibits "A", "B" and "C" as submitted with your application will be accepted provided they are modified as indicated in red on the enclosed "marked copies".

In the absence of any objections not now apparent, a duly executed agreement, identical with said form, modified as indicated, will be approved if submitted in approvable status within a reasonable period of time.

Upon approval of the Agreement by the Board you will submit the agreement to our office for final approval. Steps for final approval are as follows:

After all interest owners have executed the unit agreement to assure control of operations within the unit area, or sufficient interest as outlined in Sections 40-6-7 and 8, Utah Code Annotated and when the operators are ready to proceed with secondary recovery operations, the executed agreement should be submitted to the Chief, Branch of Fluid Minerals with a request for final approval.

a. If no special types of land are involded, a minimum of four copies must be submitted, inlude one original and three copies. The original copy will be retained by our office. If special types of land are involved, ask how many agreements will be required. If more than one copy is to be returned to the operator increase the number of copies submitted for approval.

b. The text of the unit agreement should be identical to the form approved in the letter from the Chief, Branch of Fluid Minerals designating the unit area.

c. If there is more than one committed working interest owner, two copies of the unit operating agreement must accompany the executed unit agreement when it is submitted for final approval.

d. Every owner of an interest in the unit area must be invited to commit that interest to the unit agreement. If any interest owner declines to join the unit, submit evidence of reasonable effort to obtain a joinder. Try to obtain a letter giving the reasons for nonjoinder from any party who declines to commit his interests.

e. All signatures should be witnessed or acknowledged (notarized). If the signature is by an agent, attorney-in-fact, or other representative, submit evidence of authority to act for the principal. Execution by a corporate officer should show that official's title, and should carry proper attestation and the corporate seal.

Sincerely,

(Orig. Sgd.) R. A. Henricks

R. A. Henricks
Chief, Branch of Fluid Minerals

cc: Pruit Gushee and Fletcher Attn:Bob Pruit
Division of Oil Gas and Mining

RJ

RECEIVED
OCT 0 9 1992
DIVISION OF
OIL GAS & MINING

3160
(U-922)

October 7, 1992

Ornen International Engineering
1600 Broadway, Suite 2120
Denver, CO 80202-4921
Attn: John Benton

Re: Proposed Calf Canyon Unit
Grand County, Utah

Gentlemen:

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   a. Set out the benefits to be derived by the proposed operations.

   b. Set forth the proposed basis for allocating unitized production.

   c. Describe the proposed unit area by reference to a land ownership map (Exhibit A of the proposed unit agreement may be used). A legal description of all lands in the proposed unit area may also be included. The map and description should show any odd-sized lots and sections and surveyed tracts and the exact acreage in each. Lands being unitized should be divided into separate tracts for participation purposes on the basis of mineral ownership.

   d. List the serial number of all Federal leases, lease applications, and Indian leases on the land ownership map in sequence (grouped by Land Office identities).

e. State whether engineering and geological data and discussions are to be held confidential.

2. Engineering and Geologic Report.

a. Include copies of all logs, core analysis, and other well data which has not previously been submitted. Provide a table which indicates the reservoir top, reservoir bottom and reservoir thickness as interpreted by the engineering committee. Define the criteria used in interpreting the aforementioned data.

b. Include schematic cross-sections and stratigraphic columns where appropriate i.e., those cross sections referenced on your isopach map.

c. **Define the basis for selecting the boundary of the unit area, i. e., zero sand contour, fault trace or reservoir pinch-out.**

3. Request for approval of form of agreement. This request is normally combined with the application for designation of the unit area). The proposed form of unit agreement, with all deviations from the standard form plainly marked and explained, should be submitted for preliminary approval by the Chief, Branch of Fluid Minerals. (Include Exhibits A, B, and C with the proposed form of unit agreement). Submit 2 copies of the proposed form of agreement. Exhibit "A" should be based on the latest official public land survey (See sample Exhibit A in 43 CFR 3186.1-1) and should show:

a. The proposed unit area, the acreage and official number of each lot, tract, and section, and total acreage of the unit area.

b. The boundary of each separate tract of land based on mineral ownership.

c. The different types of land such as Federal, Indian, State, and Patented. Also, indicate different types of Federal and Indian lands, such as Forest, Fish and Wildlife, Allotted Indian or Tribal.

d. Working interest owners, lease numbers of Federal, Indian, and State leases, and owners of basic royalty interests under Indian and patented lands.

Exhibit "B" depicts the schedule of lands and ownerships, and should be submitted as follows:

a. Area should be divided into tracts on the basis of mineral ownership and the ownership of the mineral interests under each tract should be clearly defined. (See sample Exhibit B in 43 CFR 3186.1-1).

b. The lands in the unit area should be grouped in Exhibit B listing Federal tracts first, followed by Indian, State, and patented tracts in that order.

c. The Federal and Indian leases should be listed in Exhibit B by land office or Indian reservation in order of lease numbers.

d. The subtotal of acreage for each type of land and its percentage of the total unit area should be shown in Exhibit B.

Exhibit "C" depicts the unit Allocation Schedule and should include the following.

a. List tracts in numerical order.

b. Show allocation (percent of production) to be credited to each tract. If allocation formula incorporates more than one phase, show allocation to each tract during each phase.

c. Define basis for allocating production to the individual tracts.

Our designation letter will incorporate the following language which can be submitted as proof of our concurrence at the Board Hearing.

The form of unit agreement and Exhibits "A", "B" and "C" as submitted with your application will be accepted provided they are modified as indicated in red on the enclosed "marked copies".

In the absence of any objections not now apparent, a duly executed agreement, identical with said form, modified as indicated, will be approved if submitted in approvable status within a reasonable period of time.

Upon approval of the Agreement by the Board you will submit the agreement to our office for final approval. Steps for final approval are as follows:

After all interest owners have executed the unit agreement to assure control of operations within the unit area, or sufficient interest as outlined in Sections 40-6-7 and 8, Utah Code Annotated and when the operators are ready to proceed with secondary recovery operations, the executed agreement should be submitted to the Chief, Branch of Fluid Minerals with a request for final approval.

a. If no special types of land are involded, a minimum of four copies must be submitted, inlude one original and three copies. The original copy will be retained by our office. If special types of land are involved, ask how many agreements will be required. If more than one copy is to be returned to the operator increase the number of copies submitted for approval.

b. The text of the unit agreement should be identical to the form approved in the letter from the Chief, Branch of Fluid Minerals designating the unit area.

c. If there is more than one committed working interest owner, two copies of the unit operating agreement must accompany the executed unit agreement when it is submitted for final approval.

d. Every owner of an interest in the unit area must be invited to commit that interest to the unit agreement. If any interest owner declines to join the unit, submit evidence of reasonable effort to obtain a joinder. Try to obtain a letter giving the reasons for nonjoinder from any party who declines to commit his interests.

e. All signatures should be witnessed or acknowledged (notarized). If the signature is by an agent, attorney-in-fact, or other representative, submit evidence of authority to act for the principal. Execution by a corporate officer should show that official's title, and should carry proper attestation and the corporate seal.

Sincerely,

(Orig. Sgd.) R. A. Henricks

R. A. Henricks
Chief, Branch of Fluid Minerals

cc: Pruit Gushee and Fletcher Attn:Bob Pruit
Division of Oil Gas and Mining

WILLARD PEASE
OIL AND GAS Co.
BOX 1874, GRAND JUNCTION, COLORADO 81502-1874, (303) 245-5917
FAX: (303) 243-8840

RECEIVED
OCT 1 3 1992
DIVISION OF
OIL GAS & MINING

October 12, 1992

Mr. Dan Jarvis
State of Utah
Division of Oil, Gas and Mining
3 Triad Center
355 West North Temple
Salt Lake City, UT 84180

Dear Mr. Jarvis:

Enclosed is the Calf Canyon #11 Cement Bond Log for your records, being sent to you per the request of John Benton, Ornen International Engineering, Inc.

If you have questions or require more information please feel free to call me.

Sincerely,

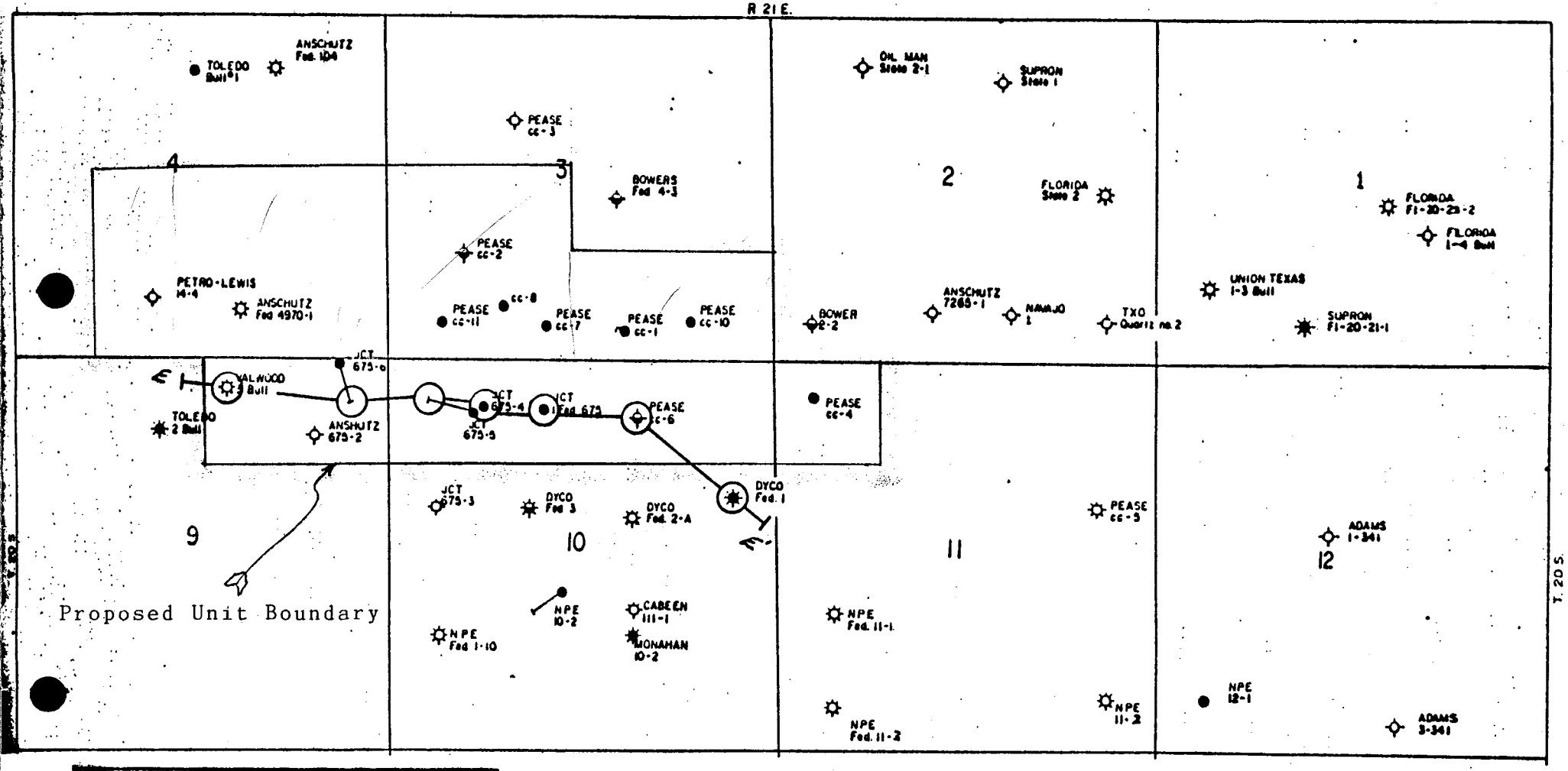
Willard Pease Jr.

Willard Pease Jr.

JR/cp

RECEIVED
OCT 1 3 1992
DIVISION OF
OIL GAS & MINING

Figure 2



WILLARD PEASE OIL & GAS CO.
PO BOX 1874 GRAND JUNCTION, COLORADO 81502
(303) 245-5917

CALF CANYON FIELD

Proposed Unit Boundary

GRAND COUNTY, UTAH
T 20 S., R. 21 E.

DATE 8/91	SCALE	SHEET
DRAWN	CHECKED	OF
DWG NO.		

DIVISION OF OIL, GAS AND MINING
UNDERGROUND INJECTION CONTROL PROGRAM

PERMIT
DECISION DOCUMENT

Applicant: Willard Pease **Well:** Calf Canyon 11

Location: Sec. 3, Twn.20 S.,Rng.21 E. **API:** 43-019-31209

Ownership Issues: All lands and leases within the proposed unit are owned by the federal government.

Well Integrity: An 8 5/8 inch surface casing is set at 253 feet and cemented to surface. A 4 1/2 inch production casing is set to a total depth of 3772 feet and cement was circulated to approximately 2350 feet (bond log). A mechanical integrity test will need to be run when the well is converted. The casing tubing annulus should be pressured to 800 psi and held for 15 minutes.

Ground Water Protection: There are no important USDW's in this area which would be impacted by this proposal.

Oil/Gas & Other Mineral Resources Protection: The geologic interpretation of the proposed unit has been reviewed. The interpretation, as provided to DOGM, has been done using sound and reasonable geologic methods. The proposed waterflood should pose no problems to surrounding hydrocarbon reservoirs.

Bonding: The proposed injection well is located on a Federal lease so surety will be held by the BLM.

Actions Taken and Further Approvals Needed: Federal approval of the unit and Board approval of the waterflood are needed. A permit for diversion of water from the Entrada Formation for flooding purposes may be needed. Counsel for the applicant has been advised of this. The UIC staff recommends approval of this application pending presentation of additional information at the Board hearing. Approval should be conditional on passing a mechanical integrity test prior to beginning injection, also an analysis of water from the Entrada Formation should be provided to the Division. The maximum injection pressure should be limited to 800 psi.

DJJ & BGH
Reviewer(s)

10-27-92
Date

RECEIVED
NOV 2 4 1992
DIVISION OF
OIL GAS & MINING

3160
(U-922)

November 23, 1992

Willard Pease Oil and Gas Co.
Box 1874
Grand Junction, CO 81502-1874

Re: Proposed Calf Canyon Unit
Grand County, Utah

Gentlemen:

Please refer to our letter of October 27, 1992 designating the Calf Canyon Unit Area as logically subject to operations under unitization provisions.

All production accounting discrepancies have been resolved. The Exhibit "C" found in you amended application to the Utah Board of Oil Gas and Mining is acceptable.

A copy of the Exhibit is enclosed.

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

enclosure

bcc: DM Moab w/enclosure
Calf Canyon Unit File w/enclosure
Agr. Sec. Chron.
Division of Oil Gas and Mining w/enclosure
Fluid Chron

MCoulthard:mc:11/23/92

EXHIBIT "C"
TO UNIT AGREEMENT
CALF CANYON UNIT
GRAND COUNTY, UTAH

Attached to and made a part of the Unit Agreement for Calf Canyon Unit Area.

PARTICIPATION FORMULA

TRACT NUMBER	TRACT PARTICIPATION
1	49.0063
2	3.2577
3	32.7585
4	7.1119
5	7.8656
TOTAL	100.0000%

RECEIVED
NOV 2 4 1992
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OIL GAS & MINING

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Calf Canyon Unit File w/enclosure
Agr. Sec. Chron.
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MCoulthard:mc:11/23/92

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CALF CANYON UNIT
GRAND COUNTY, UTAH

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BEFORE THE UTAH BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH.	RESPONSE DOCKET NO. 92-042 CAUSE NO. 102-75

RESPONSE

COMES NOW J.C. Thompson ("Thompson") and National Fuel Co. ("National") (Thompson and National are hereinafter collectively referred to as "Respondent"), by and through their counsel Holme Roberts & Owen, and respond to the Application of Willard Pease Oil and Gas Co. ("Petitioner") as follows:

1. Thompson and National are working interest owners in and Thompson is the operator of six wells located within the proposed Calf Canyon Unit.

2. On or about September 10, 1992, Petitioner filed with the Secretary of the Board of Oil Gas and Mining (the "Board") the Application initiating the captioned matter (the "Original Application").

3. The Original Application did not include a copy of a proposed unit agreement or a proposed unit operating agreement, as required by statute, but did include a copy of an Evaluation of Waterflood Feasibility, Proposed Calf Canyon Unit (the "Evaluation Report"). The Evaluation Report sets forth the tract participation parameters on Table 3 (dated April 30, 1992) for six proposed tracts with the unit based on the lands to be included within the Calf Canyon Unit as described in the Original Application. A copy of the tract participation parameters from the Evaluation Report to the Original Application is attached hereto as **Exhibit 1.**

4. Petitioner served Respondent with a copy of the Application with exhibits (the "First Service Application"). A copy of the First Service Application is attached hereto as **Exhibit 2.**

5. The First Service Application included copies of the following as exhibits: (a) a proposed Unit Agreement and Plan of Unitization for the Development and Operating of the Calf Canyon Unit Area (the "Unit Agreement"); (b) a proposed Unit Operating Agreement for the Calf Canyon Unit (the "Unit Operating Agreement") and (c) the Evaluation Report. The

copies of the Unit Agreement, the Unit Operating Agreement and the Evaluation Report transmitted with the First Application are hereinafter collectively referred to as the "First Service Documents".

6. The First Service Documents purport to establish six participating tracts within the proposed Calf Canyon Unit. The tracts are more particularly described on Exhibit "A" to the Unit Operating Agreement, a copy of which is attached hereto as **Exhibit 3**. The proposed participation for the designated tracts is set forth on Exhibit "C" to the Unit Agreement, a copy of which is attached hereto as **Exhibit 4**. The tract participation parameters are set forth on Table 3 to the Evaluation Report (dated October 13, 1992), a copy of which is attached hereto as **Exhibit 5**.

7. On or about October 23, 1992, Petitioner filed with the Secretary of the Board copies of the proposed Unit Agreement, the Unit Operating Agreement and the Evaluation Report. The Unit Agreement, the Unit Operating Agreement and the Evaluation Report filed on October 23 are hereinafter referred to as the "Second Service Documents".

8. The Second Service Documents purport to establish five participation tracts within the proposed Calf Canyon Unit. The tracts are more particularly described on Exhibit "A" to the Unit Operating Agreement, a copy of which is attached hereto as **Exhibit 6**. The proposed participation

for the designated tracts is set forth on Exhibit "C" to the Unit Agreement, a copy of which is attached hereto as **Exhibit 7.** The tract participation parameters are set forth on Table 3 to the Evaluation Report (dated October 22, 1992), a copy of which is attached hereto as **Exhibit 8.**

9. The Original Application, the First Service Documents and the Second Service Documents each describe a different tract configuration for the proposed unit, each describe a different tract participation for the proposed unit and each describe different tract participation parameters for the proposed unit.

10. Respondent obtained copies of the Original Application on or about October 21, 1992, from a review of the materials filed with the Secretary of the Board. Respondent was served with copies of the Second Service Documents on October 26, 1992.

11. As a result of Petitioner's submission of three distinct proposals as a basis for the relief it seeks from the Board, Respondent has been unable to assess the merits of the Application or the manner in which the relief sought in the Application affects Respondent's interests.

12. As a result of the service upon Respondent of the Second Service Documents only two days before this hearing, Respondent was unable to obtain an independent analysis of the Petitioner's proposal which would allow

Respondent to appear at this hearing and adequately participate.

13. As a result of Petitioner's submission of three distinct proposals as a basis for the relief it seeks from the Board, Petitioner has failed to meet the filing, notice and service requirements of Utah Administrative Code ("UAC") R641-105-100, et seq. (1992) and UAC R641-106-100, et seq. (1992).

14. As a result of Petitioner's redesignations of the lands to be included within the proposed unit, the publication notice made by the Board upon Petitioner's Original Application pursuant to UAC R641-106-100 (1992) is insufficient.

15. The Board has no authority to enter an order describing a plan for unit operations pursuant to Utah Code Annotated § 40-6-8(3) until such time as Petitioner can demonstrate that all interested parties have been properly served with an accurate description of Petitioner's proposal and that all interested parties have been given the appropriate time to analyze the merits and impacts of the proposal.

16. The Board has no authority to enter an order approving a plan for unit operations pursuant to Utah Code Annotated § 40-6-8(4) on the basis of the alleged joinder of parties who may have heretofore approved formation of the Calf Canyon Unit until such time as Petitioner demonstrates that

such parties were provided with accurate materials describing the proposal prior to approval of the formation of the unit.

17. Respondent will be substantially prejudiced if the Board grants Petitioner's Application.

WHEREFORE, Respondent respectfully requests the following relief:

1. That Petitioner's Application be dismissed;

2. In the alternative, that the Board's consideration and approval of Petitioner's Application be stayed until such time that:

(a) Petitioner accurately identifies and sets forth the definitive proposal for which it seeks relief;

(b) The Board publishes an additional and correct notice of hearing pursuant to UAC R641-106-100;

(c) Petitioner certifies that all parties have been served with the definitive proposal pursuant to the requirements of UAC R641-105-100, et seq. and R641-106-100 et seq.;

(d) All parties having legally protected interests that may be affected by the Petition have been given the appropriate time to evaluate the substantive merits of Petitioner's definitive proposal; and

3. For such other relief as the Board deems appropriate and necessary in this matter.

Respectfully submitted, this 28th day of October, 1992.

HOLME ROBERTS & OWEN

By: _____

William B. Prince, Esq.
111 E. Broadway, Suite 1100
Salt Lake City, Utah 84111
(801) 521-5800

WBPP/AG1

30-Apr-92

Calf Canyon Unit
Tract Participation Parameters

OPERATOR: Williard Pease Oil and Gas Company LEASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. (AUG-OCT) BBLS/MO.	%
Section 3	1	296352	51.0720%	4330.190	36.5490%	15628	95.2362%	1096807	34.1524%	5	50.0000%	833	71.2892%
Section 4	2	0	0.0000%	1406.930	11.8752%	0	0.0000%	447576	13.9366%	0	0.0000%	0	0.0000%
Section 9	3	3727	0.6423%	1407.910	11.8835%	0	0.0000%	444160	13.8303%	1	10.0000%	72	6.1596%
Section 10 NW/2	4	229748	39.5938%	1899.350	16.0315%	782	4.7638%	375261	11.6849%	3	30.0000%	201	17.1614%
Section 10 NE/2	5	0	0.0000%	1836.180	15.4983%	0	0.0000%	584131	18.1887%	0	0.0000%	0	0.0000%
Section 11	6	50436	8.6919%	967.070	8.1626%	0	0.0000%	263573	8.2071%	1	10.0000%	63	5.3897%
TOTAL ALL TRACTS:		580263	100.0000%	11847.6	100.0000%	16410	100.0000%	3211509	100.0000%	10	100.0000%	1169	100.0000%

EXHIBIT 1

EXHIBIT 2

BEFORE THE UTAH OIL AND GAS CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH CHAPTER 5 OF THE RULES AND REGULATIONS OF THE UTAH OIL AND GAS CONSERVATION COMMISSION; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH	)	CASE NO._____

APPLICATION

COMES NOW Willard Pease Oil and Gas Co., Applicant in the above entitled cause and herewith represents unto this Honorable Commission:

1. Applicant, Willard Pease Oil and Gas Co., is a corporation organized and existing under and by virtue of the laws of the State of Colorado, and is duly authorized to transact business in the State of Utah, with its offices being located at 2135 East Main, Grand Junction, Colorado 81501.

2. Applicant is presently engaged in forming a unit for the purpose of conducting secondary recovery operations in the Cedar Mountain Formation in the Calf Canyon Field, by converting 1 producing well, the Calf Canyon #11, to enhanced recovery/injection well in the SW SW Section 3, T20S-R21E.

3. The proposed Calf Canyon Unit consists of approximately 720 acres, and is described as follows:

   T20S, R21E 6th. ~~P.M.~~ SLM
   - Section 3;SW/4
   - Section 3;S/2 SE/4
   - Section 4;SE/4
   - Section 4;E/2 SW/4
   - Section 9;N/2 NE/4
   - Section 10;N/2 N/2
   - Section 11;NW/4 NW/4

4. Attached hereto, marked Exhibit "B" by this reference specifically incorporated herein, is a plat outlining and showing the following:

   (a) The area affected by the proposed operation and unitization;

   (b) All governmental quarter sections or lots equivalent thereto, directly or diagonally offsetting said area, including the area within one-half mile of each proposed injection well; and

   (c) All wells, including dry, producing, abandoned or drilling wells properly located and designated thereon.

5. Attached hereto, marked Exhibit "A" and by this reference specifically incorporated herein, is a tabulation showing the names and addresses of each owner as defined in the Act, or operator, as shown by the Commission Records, of each separate tract of land within the proposed Unit and Project area, including all persons owning or having an interest in the oil and gas in the proposed unit area or the production therefrom, including mortgagees and the owners of other liens of encumbrances, and including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah with the specific legal description of each separate tract fully set forth on Exhibit "A" of the Unit Agreement, which said Unit Agreement is attached (will be submitted at a later date) hereto marked Exhibit "D", and is by this reference specifically incorporated herein.

6. Attached hereto, marked Exhibit "A1", and by this reference specifically incorporated herein, is a tabulation showing the names and address of each owner, as defined in the Act, or operator, as shown by the Commission Records of all governmental quarter sections or lots equivalent thereto directly or diagonally offsetting the proposed Unit and project area, including all lands which are outside the proposed unit and project area and within one-half mile of each injection well, including each person owning a fee, leasehold, mineral or royalty interest, as disclosed by the public records of Grand County, Utah.

7. The following information and data is presented as to the proposed secondary recovery program and the proposed enhanced recovery/injection wells.

   (a) A secondary recovery program by waterflood is proposed in the Calf Canyon Field, Cedar Mountain Formation, Grand County, Utah. The lithological descriptive thickness is 45' and the depth is 3087' with reference to the proposed injection well, Calf Canyon #11. The Cedar Mountain Formation extends laterally throughout the unit area. Applicant believes, and therefore alleges that the proposed secondary recovery project is in the public interest, protective of correlative rights, reasonably necessary to increase the ultimate recovery and to prevent waste of oil and gas that this Commission should enter an Order so finding and approving the proposed waterflood project;

   (b) The producing interval in the Calf Canyon Field is represented by that certain stratigraphic interval from 3087' to 3132' log measured depth in the Calf Canyon #11 located in the SW/4 SW/4 of Section 3, Township 20 South, Range 21 East, Grand County, Utah. This interval represents formation from which all wells are producing or have produced within the proposed Calf Canyon Unit boundary;

   (c) The primary recovery drive mechanisms include fluid expansion, solution gas and possible partial water drive. The addition of an artificial water drive mechanism through water injection will significantly increase ultimate recovery from the proposed Calf Canyon Unit;

   (d) The identifying names, location and depth of injection of the enhanced recovery/injection wells, including wells to be converted or drilled are set forth in Exhibit "C", which is attached hereto and by this reference specifically incorporated herein;

(e) Injection rates are estimated to range from a minimum of 50 BWPD to a maximum of 1000 BWPD per well. The injection wellhead pressure will not exceed 830 psig. The probable source of injection supply water will be a mixture of water from the Entrada Formation, the top of which is found at a depth of approximately 3732' (2070' above sea level), and treated/recycled produced water in the Calf Canyon #11 from the Cedar Mountain Formation existing within the boundaries of the proposed Calf Canyon Unit.

(f) There are no shallow fresh water zones in this area.

8. Utah Oil and Gas Conservation Commission states that the casing in all new disposal wells shall be tested to 1000 psi or injection pressure, whichever is lower with a minimum pressure of 300 psi when tubing and a packer are installed. The subject well will be equipped with tubing, injection packer and the casing/tubing annulus will be loaded with a corrosion inhibiting fluid. Therefore, Applicant shall test the tubing-casing annulus to 300 psi. The injection system will be equipped with pressure safety switches and the well will be monitored on a regular basis.

9. The operator of the proposed waterflood project is the Applicant herein, Willard Pease Oil and Gas Co., with offices at 2135 East Main, Grand Junction, Colorado 81501.

10. Persons who own at least seventy percent (70%) of the Unit production or proceeds thereof have, or will have, executed and consented to the proposed plan of unitization. Persons who will be required to pay at least seventy percent (70%) of the costs of the Unit operations have, or will have, executed written consents to both the proposed plan of unitization and the proposed operating plan.

11. Certain interested parties are not expected to execute written consents to the proposed plan unitization and/or the proposed operating plan. The names, addresses and interests of each non-consenting interested party will be furnished at the Hearing to be held hereon. Applicant requests that the interest be involuntarily pooled for the unitized management, operation and development of the Cedar Mountain Formation.

12. As to the proposed plan of unitization and proposed operating plan, the Applicant believes and therefore alleges and requests the Commission to find:

(a) The material averments of this Application are true;

(b) The proposed plan of the Unit operation is feasible, will prevent waste and can be reasonably expected to increase the ultimate recovery of oil and gas, the value thereof can be reasonably expected to exceed the estimated additional costs incident to conducting unit operations;

(c) The oil and gas allocated to each separately owned tract within the Unit Area under the proposed plan of unitization represents, so far as can be practically determined, each such tract's just and equitable share of the oil and gas in the Unit Area;

(d) The proposed plan of unitization and proposed operating plan are in the public interest, protective of correlative rights, and reasonably necessary to increase ultimate recovery or to prevent waste of oil and gas; and

(e) As to owners who have not executed the Operating Agreement or agreed to the proposed operating plan, such proposed operating plan:

(i) Makes a fair and equitable adjustment among the owners within the Unit Area for their respective investments in wells, tanks, pumps, machinery, materials and equipment which are contributed to the Unit operation;

(ii) Provides a fair and equitable determination of the cost of Unit operations, including capital investment, and establishes a fair and equitable method for allocating such costs to the separately-owned tracts and for payment of such costs by the owners of such tracts, either directly or out of such owner's respective shares of Unit production;

(iii) Establishes, if necessary, a fair and equitable method for carrying or otherwise financing any owner who elects to be carried, or otherwise financed, allowing a reasonable interest charge for such service payable out of such owner's share of Unit production; and

(iv) Provides that each owner shall have a vote in the supervision and conduct of unit operations corresponding to the percentage of the costs of Unit operations chargeable against the interest of such owner.

13. Schematic diagrams for each enhanced recovery/injection well indicating the name and location of the well, the total depth and/or plug back total depth of the well, the depth of the injection interval, the geologic name of the injection zone, a geologic description of the injection zone including the location and extent of any known faults or fracture systems, the depths of the tops and bottoms of casing and the amount of cement used in the well, the size and specifications of the casing and tubing, and the setting depth and type of packer, if used, are attached hereto, marked Exhibit "E", which is by this reference specifically incorporated herein.

14. Injection into the proposed zone will not initiate vertical fractures into or through the overlying strata which could enable the injected fluids or formation fluids to enter any fresh water strata because no fresh water zones exist, indicated fracture gradients of greater than 0.70 psig/foot, treatment pressures experienced by service company personnel indicated a fracture gradient in excess of the design limit of 830 psig for the proposed Unit, and the manner in which the wells have or will be completed.

15. No unplugged wells exists which would allow the migration of the injected fluids or formation fluids to enter any fresh water strata. There are two abandoned wells: Calf Canyon #2, SW SW Section 3, T20S-R21E, and JCT 675-3, SW NW Section 10, T20S-R21E, within 1/2 mile radius of the proposed injection well, Calf Canyon #11.

16. The maximum proposed daily injection rate will not exceed 1000 BWPD per well and the maximum proposed injection pressure is 830 psig.

17. The fluids to be injected will come from recycled and treated produced water and a source well which is located in the SW/4 SW/4 of Section 3, T20, R21E. The source well will not be used for makeup water unless and/or until Commission approval of this application is granted.

18. Analysis of injection fluids from representative wells and the produced water is presented in Exhibit "F", attached hereto and by this reference specifically incorporated herein.

19. A study discussing the feasibility of waterflooding the proposed Unit is presented in Exhibit "G", attached hereto.

WHEREFORE, Applicant respectfully requests that as to the secondary recovery program by waterflood, the involuntary unitization and the unit operation of the Calf Canyon Unit, this matter be set for Hearing, that notice of such Hearing be given as provided by law; and, that upon evidence produced at such Hearing an Order be entered:

(a) Providing for and approving the unitized management, operation, and development of the common source of supply which is the subject of this APPLICATION;

(b) Authorizing the proposed waterflood project as herein set forth;

(c) Approving the proposed plan of unitization and proposed operating plans;

(d) Providing for the involuntary unitization of that part of the Unit, the owners of which have not approved or executed the proposed Unit Agreement and the proposed Unit Operating Agreement;

(e) Authorizing the operator to convert wells from producing wells to water injection wells, drill additional water injection wells, and abandon water injection wells in the Unit, upon obtaining approval of the Director;

(f) Making such findings and orders in connection herewith as are necessary or required by law; and

(g) Providing for such other and further matters as may be just and equitable.

APPLICANT further requests that as to approval of the injection wells that this matter be set for Hearing in the event that any person files a written objection to the same within ten (10) days of the date of the Notice, and that upon such Hearing, or without a Hearing if no objection is filed, Applicant requests that an Order be entered by the Commission approving the injection wells as aforesaid.

Dated this 8th day of SEPT, 1992.

Respectfully submitted,
WILLARD PEASE OIL AND GAS CO.
2135 East Main,
Grand Junction, Colorado 81501.

By: John H. Benton
John H. Benton
Registered Professional Engineer

Applicant's Attorneys:

Pruitt, Gushee and Bachtell
1850 Beneficial Life Tower
Salt Lake City, Utah
84111

By: ~~Tom Bachtell~~
Robert G. Pruitt, Jr

VERIFICATION

CITY AND COUNTY OF DENVER)
) ss.
STATE OF COLORADO)

Before me, a Notary Public, personally appeared JOHN H. BENTON, as Engineer for Willard Pease Oil and Gas Co., and after first being duly sworn, deposes and say that the above matters are true and correct to the best of his knowledge, information and belief.

Subscribed and sworn to before me this 8th day of Sept., 1992.

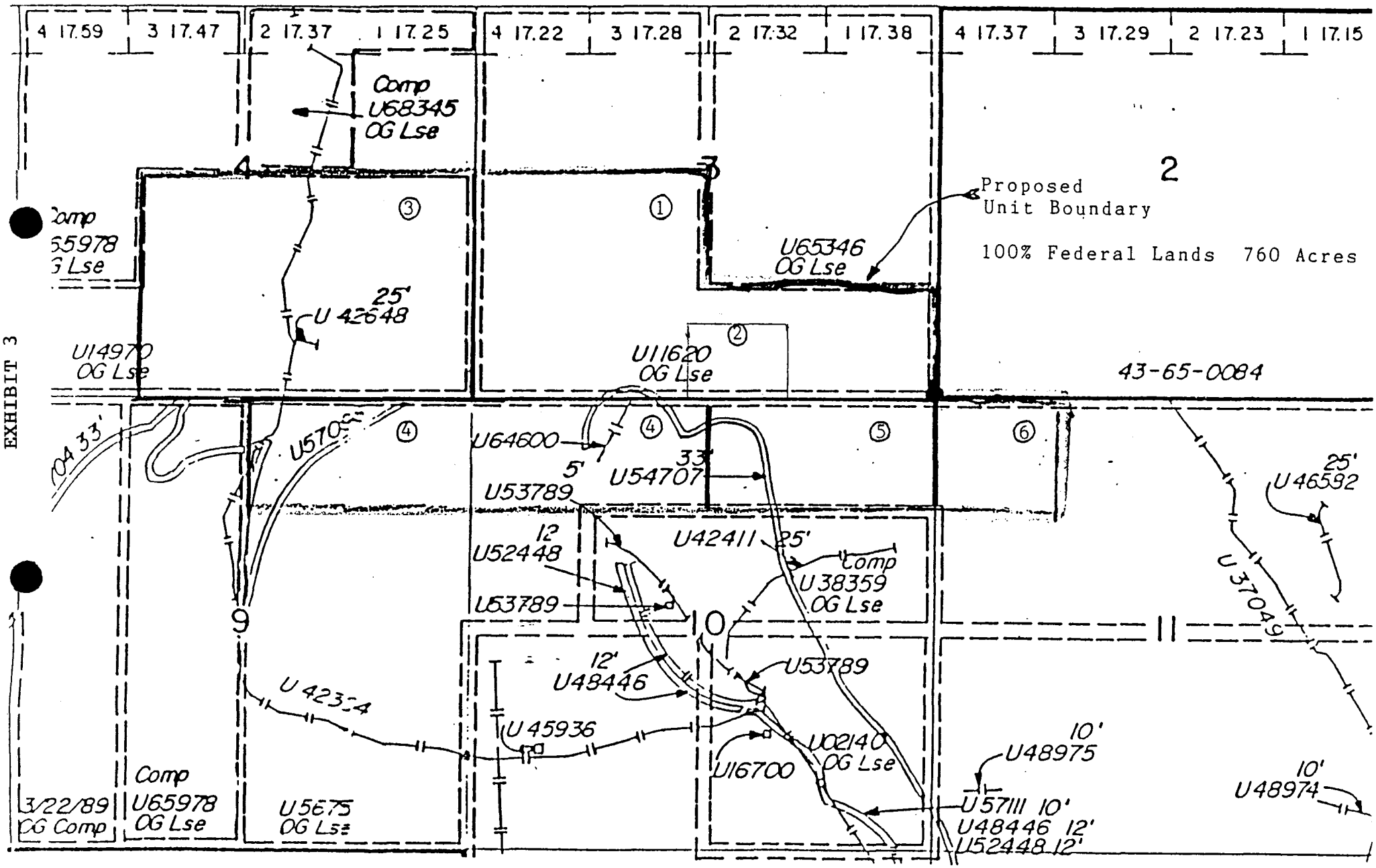
Karen A. Johnson
Notary Public

My Commission Expires 5-19-95

Address: 1600 Broadway, Ste 1130
Denver Co 80202

EXHIBIT "A"

TOWNSHIP 20 SOUTH RANGE 21 EAST



SEE FOLLOWING PAGE FOR WELLS

EXHIBIT 3

EXHIBIT "C"
TO UNIT AGREEMENT
CALF CANYON UNIT
GRAND COUNTY, UTAH

Attached to and made a part of the Unit Agreement for Calf Canyon Unit Area.

PARTICIPATION FORMULA

TRACT NUMBER		TRACT PARTICIPATION
1		37.3205
2		11.8238
3		3.3382
4		32.7744
5		7.1720
6		7.5711
	TOTAL	100.0000%

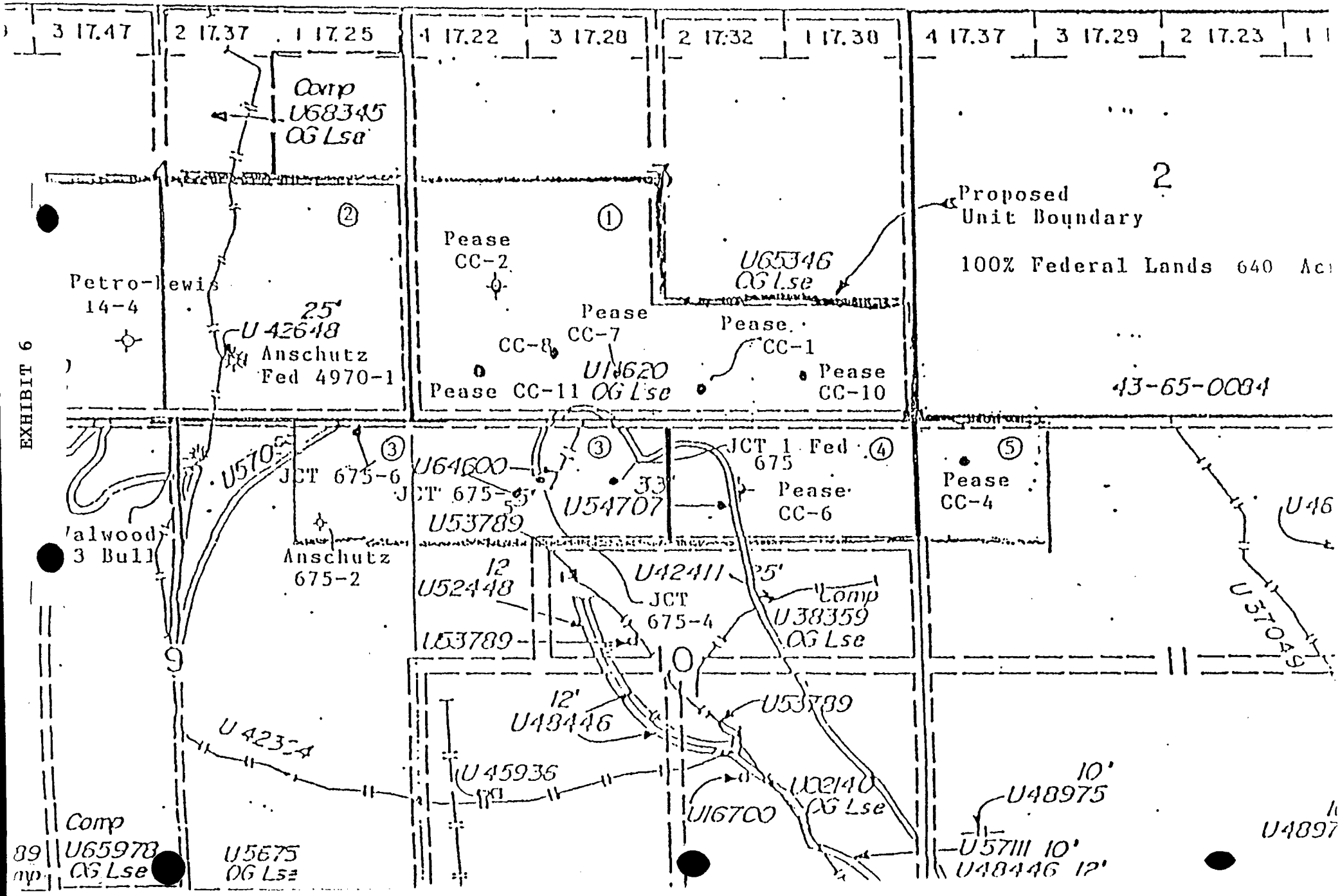
TABLE 3
Tract Participation Parameters

PERATOR: Tillard Pease Oil and Gas Company EASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. BBLS/MO.	%
ection 3; CC 7, 8, 10, 11	1	172113	29.6612%	3080.280	37.7641%	15321	93.3633%	979907	37.7641%	4	40.0000%	742	63.504
ection 3; CC 1	2	124239	21.4108%	302.000	3.7025%	307	1.8729%	96074	3.7026%	1	10.0000%	91	7.785
ection 4; SE, E/2 SW	3	0	0.0000%	680.710	8.3455%	0	0.0000%	216549	8.3454%	0	0.0000%	0	0.000
ection 9, N/2 NW 10	4	233475	40.2361%	2110.100	25.8697%	782	4.7638%	671271	25.8697%	4	40.0000%	273	23.321
ection 10; N/2 NE	5	0	0.0000%	1462.480	17.9299%	0	0.0000%	465249	17.9299%	0	0.0000%	0	0.000
ection 11; NWNW	6	50436	8.6919%	521.070	6.3883%	0	0.0000%	165763	6.3882%	1	10.0000%	63	5.389
TOTAL ALL TRACTS:		580263	100.0000%	8156.6	100.0000%	16410	100.0000%	2594813	100.0000%	10	100.0000%	1169	100.000

EXHIBIT 5

EXHIBIT "A"

TOWNSHIP 20 SOUTH RANGE 21 EAST



22-Oct-92

Calf Canyon Unit
Tract Participation Parameters

TABLE 3
Tract Participation Parameters

OPERATOR: Willard Pease Oil and Gas Company LEASE NAME/WELL:	TRACT UNIT NO.	ULTIMATE PRIMARY RESERVES BBLS.	%	EFFECTIVE PORE VOLUME ACRE-FT	%	REMAINING PRIMARY 8/8THS RESERVES BBLS.	%	REMAINING OIL IN PLACE BBLS.	%	USABLE WELL COUNT NO.	%	CURRENT PROD. 3 MO. AVG. BBLS/MO.	%
Section 3: CC 1, 7, 8, 10, 11	1	296352	51.0720%	3393.846	40.6057%	15628	95.2346%	1081179	37.4521%	5	50.0000%	833	71.2892%
Section 4: SE	2	0	0.0000%	680.708	8.1443%	0	0.0000%	447576	15.5041%	0	0.0000%	0	0.0000%
Sec 9: NENE/Sec 10: N/2 NW	3	233475	40.2361%	2110.104	25.2464%	782	4.7654%	613058	21.2364%	4	40.0000%	273	23.3211%
Sec[illegible]0; N/2 NE	4	0	0.0000%	1462.403	17.4979%	0	0.0000%	549811	19.0455%	0	0.0000%	0	0.0000%
Sec[illegible]1; NWNW	5	50436	8.6919%	710.906	8.5056%	0	0.0000%	195206	6.7620%	1	10.0000%	63	5.3897%
		0	0.0000%	0.000	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%
		0	0.0000%	0.000	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%
		0	0.0000%	0.000	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%	0	0.0000%
TOTAL ALL TRACTS		580263	100.0000%	8358.0	100.0000%	16410	100.0000%	2886830	100.0000%	10	100.0000%	1169	100.0000%

EXHIBIT 8

Rec'd. 11/10/92

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND ENHANCED RECOVERY WELLS, AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH, IN ACCORDANCE WITH UTAH CODE ANN. §§ 40-6-7 AND 40-6-8; AND FOR AN ORDER APPROVING THE CONVERSION OF THE CALF CANYON #11 WELL TO A WATER INJECTION WELL IN THE CEDAR MOUNTAIN FORMATION, SW¼SW¼ SECTION 3, TOWNSHIP 20 SOUTH, RANGE 21 EAST, SLM	AMENDED APPLICATION Docket No. 92-042 Cause No. 102-75

COMES NOW Willard Pease Oil and Gas Co., Applicant herein, and through this Amended Application, petitions the Board of Oil, Gas and Mining as follows:

1. Applicant, Willard Pease Oil and Gas Co., is a corporation organized and existing under and by virtue of the laws of the State of Nevada, and is duly authorized to transact business in the State of Utah, with its offices being located at 2135 East Main, Grand Junction, Colorado 81501.

2. Applicant is presently engaged in forming a unit for the purpose of conducting secondary recovery operations in the Cedar Mountain Formation

in the Calf Canyon Field, by converting one (1) producing well, the Calf Canyon #11 located in the SW¼SW¼ of Section 3, T20S-R21E, SLM, to an enhanced recovery/injection well.

3. The proposed Calf Canyon Unit Area will consist of approximately 640 acres in Grand County, Utah, described as follows:

<u>Township 20 South, Range 21 East, SLM</u>

Section 3: SW¼, S½SE¼
Section 4: SE¼
Section 9: NE¼NE¼
Section 10: N½N½
Section 11: NW¼NW¼

4. Attached hereto as Exhibit "B", and by this reference specifically incorporated herein, is a plat outlining and showing the following:

(a) The area affected by the proposed operation and unitization;

(b) All governmental quarter sections or lots equivalent thereto, directly or diagonally offsetting said area, including the area within one-half mile of the proposed injection well; and

(c) All wells, including dry, producing, abandoned or drilling wells properly located and designated thereon.

5. Attached hereto as Exhibit "A", and by this reference specifically incorporated herein, is a tabulation showing the names and addresses of each operator, and mineral and surface owner, as shown by the official records, of each separate tract of land within the proposed unit area, including each person owning a fee, leasehold, mineral or royalty interest, mortgagees and owners of other liens and encumbrances, and all persons owning an interest in the oil and gas or production therefrom. The specific legal description and list of oil and gas owners for each separate tract is fully set forth on Exhibit "B" to the Unit Agreement, which Unit Agreement along with the Unit Operating Agreement are attached hereto as Exhibit "D", and by this reference specifically incorporated herein.

6. Attached hereto is Exhibit "A1", and by this reference specifically incorporated herein, is a tabulation showing the names and address of each operator, and mineral and surface owner, as shown by the official records, of all governmental quarter sections or lots equivalent thereto directly or diagonally offsetting the proposed unit area and within one-half mile of the injection well, including each person owning a fee, leasehold, mineral or royalty interest, mortgagees and owners of other liens and encumbrances,

and all persons owning an interest in the oil and gas or production therefrom.

7. The following information and data is presented in support of the proposed secondary recovery program and the proposed enhanced recovery/injection well.

(a) A secondary recovery program by waterflood is proposed in the Calf Canyon Field, Cedar Mountain Formation, Grand County, Utah. The lithological descriptive thickness is 45' and the depth is 3087' with reference to the proposed injection well, Calf Canyon #11. The Cedar Mountain Formation extends laterally throughout the unit area. Applicant believes, and therefore alleges that the proposed secondary recovery project is in the public interest, promotes conservation, is protective of correlative rights and reasonably necessary to increase the ultimate recovery, and will prevent the waste of oil and gas;

(b) The producing interval in the Calf Canyon Field is represented by that certain stratigraphic interval from 3087' to 3132' log measured depth in the Calf Canyon #11 well. This interval is the formation

from which all wells are currently producing or have produced within the proposed unit area;

(c) The primary recovery drive mechanisms include fluid expansion, solution gas and possible partial water drive. The addition of an artificial water drive mechanism through water injection will significantly increase ultimate recovery from the proposed Calf Canyon Unit;

(d) The identifying names, location and depth of injection of the enhanced recovery/injection wells, including wells to be converted or drilled are set forth in Exhibit "C" attached hereto and by this reference specifically incorporated herein;

(e) Injection rates are estimated to range from a minimum of 50 BWPD to a maximum of 1000 BWPD per well. The injection wellhead pressure will not exceed 830 psig. The probable source of injection supply water will be a mixture of water from the Entrada Formation, the top of which is found at a depth of approximately 3732' (2070' above sea level), and treated/recycled produced water in the Calf

Canyon #11 from the Cedar Mountain Formation existing within the boundaries of the proposed Calf Canyon Unit.

(f) There are no shallow fresh water zones in this area.

8. R649-5-5 of the Utah Administrative Code states that the casing in all new disposal wells shall be tested to 1000 psi or the maximum authorized injection pressure, whichever is lesser, with a minimum pressure of 300 psi when tubing and a packer are installed. The subject well will be equipped with tubing, injection packer and the casing/tubing annulus will be loaded with a corrosion inhibiting fluid. Therefore, Applicant shall test the tubing-casing annulus to 300 psi. The injection system will be equipped with pressure safety switches and the well will be monitored on a regular basis.

9. The operator of the proposed waterflood project is the Applicant herein, Willard Pease Oil and Gas Co., with offices at 2135 East Main, Grand Junction, Colorado 81501.

10. Persons who own at least seventy percent (70%) of the unit production or proceeds thereof have, or will have, executed written consents to the proposed plan of unitization. Persons who will be required to pay at least seventy percent (70%) of the costs of the unit operations have, or will have,

executed written consents to both the proposed plan of unitization and the proposed operating plan.

11. Certain interested parties may not execute written consents to the proposed plan of unitization and/or the proposed operating plan. The names, addresses and interests of each non-consenting interested party will be furnished at the hearing to be held with respect to this Application. Applicant requests that the non-consent interests be involuntarily pooled for the unitized management, operation and development of the Cedar Mountain Formation as requested herein.

12. As to the proposed plan of unitization and proposed operating plan, the Applicant believes and therefore alleges and requests the Board to find:

(a) The material averments of this Application are true and correct;

(b) The proposed plan of unitization and operating plan are feasible, will prevent waste and can be reasonably expected to increase the ultimate recovery of oil and gas, and the value thereof can be reasonably expected to exceed the estimated additional costs incident to conducting unit operations;

(c) The oil and gas allocated to each separately owned tract within the unit area under the proposed plan of unitization represents, so far as can be practically determined, each such tract's just and equitable share of the oil and gas in the unit area;

(d) The proposed plan of unitization and proposed operating plan are in the public interest, and will promote conservation, protect correlative rights, and are reasonably necessary to increase ultimate recovery and to prevent waste of oil and gas; and

(e) As to owners who have not executed the operating agreement or agreed to the proposed plan of unitization, that such plan:

(i) Makes a fair and equitable adjustment among the owners within the unit area for their respective investments in wells, tanks, pumps, machinery, materials, equipment, and other things and services of value which are attributable to unit operations;

(ii) Provides a fair and equitable determination of the cost of unit operations, including capital investments, and establishes a fair and equitable method for allocating such costs to the

separately-owned tracts and for payment of such costs by the owners of such tracts, either directly or out of such owner's respective share of unit production;

(iii) Establishes, if necessary, a fair and equitable method for carrying or otherwise financing any owner who elects to be carried, or otherwise financed, allowing a reasonable interest charge for such service payable out of such owner's share of unit production; and

(iv) Provides that each owner shall have a vote in the supervision and conduct of unit operations corresponding to the percentage of the costs of unit operations chargeable against the interest of such owner.

13. In support of this Application, schematic diagrams for the proposed enhanced recovery/injection well indicating the name and location of the well, the total depth and/or plug back total depth of the well, the depth of the injection interval, the geologic name of the injection zone, a geologic description of the injection zone including the location and extent of any known faults or fracture systems, the depths of the tops and bottoms of

casing and the amount of cement used in the well, the size and specifications of the casing and tubing, and the setting depth and type of packer, if used, are attached hereto as Exhibit "E" and by this reference specifically incorporated herein.

14. Injection into the proposed zone will not initiate vertical fractures into or through the overlying strata which could enable the injected fluids or formation fluids to enter any fresh water strata because no fresh water zones exist, and the manner in which the wells have or will be completed. Further, treatment pressures experienced by service company personnel indicated a fracture gradient of greater than 0.70 psig/foot for the proposed unit, which is in excess of the designed limit of 830 psig surface injection pressure.

15. Two abandoned wells: Calf Canyon #2, SW¼SW¼ Section 3, T20S-R21E, and JCT 675-3, SW¼NW¼ Section 10, T20S-R21E, exist within one-half mile radius of the proposed Calf Canyon #11 injection well; however, no unplugged wells exist which will allow the migration of the injected fluids or formation fluids to enter any fresh water strata.

16. The maximum proposed daily injection rate will not exceed 1000 BWPD per well and the maximum proposed injection pressure is 830 psig.

Doesn't match
From UIC 1
shows 300#
?

17. The fluids to be injected will come from recycled and treated produced water and a source well which is located in the SW¼SW¼ of Section 3, T20S-R21E, SLM. The source well will not be used for makeup water unless and/or until approval of this application is granted by the Board.

18. Analysis of injection fluids from representative wells and the produced water is presented in Exhibit "F" attached hereto and by this reference specifically incorporated herein.

19. A study addressing the feasibility of water flooding the proposed unit is presented in Exhibit "G" attached hereto and by this reference specifically incorporated herein.

WHEREFORE, Applicant respectfully requests as to the secondary recovery program by waterflood and the involuntary unitization and the unit operation of the Calf Canyon Unit, that this matter be set for hearing on December ~~3~~ 2, 1992, that notice of such hearing be given as provided by law, and that upon evidence produced at the hearing, for an order from the Board:

(a) Providing for and approving the unitized management, operation, and development of the Cedar Mountain Formation in the Calf Canyon Field as a common source of supply.

(b) Authorizing the proposed waterflood project for the Cedar Mountain Formation in the Calf Canyon Field as applied for herein;

(c) Approving the proposed plan of unitization and proposed operating plans for the Calf Canyon Unit;

(d) Providing for the pooling of all consenting and nonconsenting interests for the common development and operation of the unit area under the terms and conditions of the Unit Agreement and Unit Operating Agreement attached hereto as Exhibit "D";

(e) Authorizing the operator to convert Calf Canyon #11 well from a producing well to a water injection well, and drill additional water injection wells, and abandon water injection wells in the unit, upon obtaining all necessary approvals as required by law;

(f) Making such findings and orders in connection with this Application as it deems necessary; and

(g) Providing for such other and further relief as may be just and equitable under the circumstances.

FURTHER, Applicant respectfully requests that the matter of converting the Calf Canyon #11 well into an injection well also be set for hearing on December 2, 1992, that notice of such hearing be given as provided by law, and for an order by the Board approving the injection of water into the Cedar Mountain Formation within the Calf Canyon Unit through the Calf Canyon #11 well.

Respectfully submitted this 10th day of November, 1992.

WILLARD PEASE OIL AND GAS CO.
2135 East Main Street
Grand Junction, Colorado 81501

By: _____
John H. Benton
Registered Professional Engineer

Applicant's Attorneys:

PRUITT, GUSHEE & BACHTELL
1850 Beneficial Life Tower
Salt Lake City, Utah 84111

By: _____
Thomas W. Bachtell

VERIFICATION

CITY AND COUNTY OF DENVER)
:ss.
STATE OF COLORADO)

Before me, a Notary Public, personally appeared John H. Benton, as Engineer for Willard Pease Oil and Gas Co., and after first being duly sworn, deposes and says that the above matters are true and correct to the best of his knowledge, information and belief.

Subscribed and sworn to before me this 9th day of November, 1992.

_____
Notary Public
Residing At:
1600 Broadway, Ste. 1130
Denver, Co 80202

My Commission Expires:
5-19-95

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE APPLICATION OF WILLARD PEASE OIL AND GAS CO. FOR APPROVAL OF A SECONDARY RECOVERY PROGRAM BY WATERFLOOD AND THE UNITIZATION OF INTERESTS IN THE OIL AND GAS IN THE CEDAR MOUNTAIN FORMATION IN THE CALF CANYON FIELD, GRAND COUNTY, UTAH: AND FOR APPROVAL OF ENHANCED RECOVERY WELLS IN ACCORDANCE WITH UTAH CODE ANN. § 40-6-7 AND § 40-6-8; IN THE CALF CANYON UNIT, GRAND COUNTY, UTAH	:	NOTICE OF HEARING DOCKET NO. 92-042 CAUSE NO. 102-75

---ooOoo---

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, will conduct a hearing on Wednesday, October 28, 1992, at 10:00 a.m., or as soon thereafter as possible in the Boardroom of the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 520, Salt Lake City, Utah.

The hearing will be conducted in accordance with Utah Code Ann. § 40-6-1 et seq. (1953, as amended), Utah Code Ann. § 63-46b-1 et seq. (1953, as amended), and the Procedural Rules of the Board.

The purpose of the proceeding will be for the Board to receive and consider testimony and evidence regarding the need for secondary recovery for the unit area and whether the proposed unit agreement and unit operating agreement provide a proper plan for such secondary recovery, and make its findings that:

1. Secondary recovery operations within the proposed Calf Canyon Unit are necessary to foster, encourage, and promote development, production and utilization of oil and gas to prevent waste; provide for the operation and

development of oil and gas properties in such a manner that a greater ultimate recovery of oil and gas be obtained; and to provide for protection of correlative rights of all owners;

2. The value of estimated additional recovery of oil and gas substantially exceeds the estimated additional cost incident to conducting such operations;

3. The proposed unit area should be operated as a unit in the manner provided by the unit operating agreement, and enter its order:

   a. Establishing a unit for secondary recovery in the Calf Canyon Unit Area consisting of approximately ~~760~~ 640 acres, more fully described as follows:

      T. 20 S., R. 21 E. 6th, SLM

      Section 3; SW/4
      Section 3; S/2 SE/4
      Section 4; SE/4
      Section 4; E/2 SW/4 ✓80
      Section 9; N/2 NE/4 <40>
      Section 10; N/2 N/2
      Section 11; NW/4 NW/4

   b. Approving the unit agreement and unit operating agreement for secondary recovery operations for the Calf Canyon Unit ~~containing~~ all provisions required by the statute; containing

   c. Approving the plan of development and operations for secondary recovery from the pool;

   d. Granting authority for water injection well(s) set forth in the application and the proposed plan of development and operations;

   e. Suspending existing spacing orders and/or state-wide field or siting rules to the extent said orders or rules are inconsistent with the unit agreement and unit operating agreement proposed in this matter; and

   f. Providing such other relief as may be just and proper under the circumstances.

Natural persons may appear and represent themselves before the Board. All other representation by parties before the Board will be by attorneys licensed to practice law in the State of Utah or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah courts.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Janice L. Brown at 538-5340, at least three working days prior to the hearing date.

Persons interested in this matter may participate pursuant to the Procedural Rules of the Board. The Petition/ Application and any subsequent pleadings may be inspected in the office of the undersigned.

DATED this 6th day of October, 1992.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING
James W. Carter, Chairman

Janice L. Brown

/s/ Janice L. Brown
Secretary of the Board
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

FORM 10

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
355 West North Temple, 3 Triad, Suite 350, Salt Lake City, UT 84180-1203

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

PEASE, WILLARD O&G CO
PO BOX 1874
GRAND JUNCTION CO 81502

UTAH ACCOUNT NUMBER: N1080

REPORT PERIOD (MONTH/YEAR): 2 / 94

AMENDED REPORT ☐ **(Highlight Changes)**

Well Name API Number	Entity	Location	Producing Zone	Well Status	Days Oper	Production Volumes OIL(BBL)	GAS(MCF)	WATER(BBL)
CALF CANYON #11 ~~4301931209~~	09820	20S 21E 3	DKTA	(WIW)		Calf Cyn. Unit	U-11620	
					TOTALS			

COMMENTS:

I hereby certify that this report is true and complete to the best of my knowledge.

Date:

Name and Signature:

Telephone Number:

(12/93)

to: Utah State Oil + Gas Comm

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
~~BOPE~~ Csg. TEST INSPECTION

Date 1/12/94

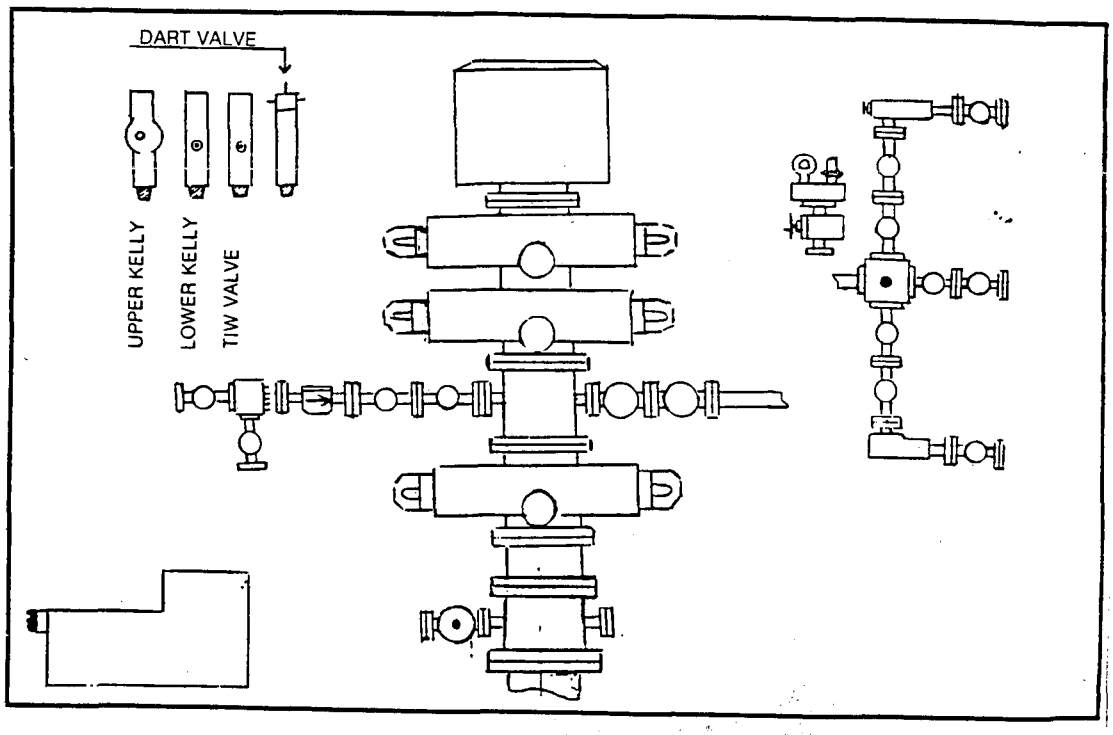
Well Fed. Calf Canyon #11
Operator Willard Pease Oil + Gas
Lease No. UTU 11620
Tested (with/without) test plug?

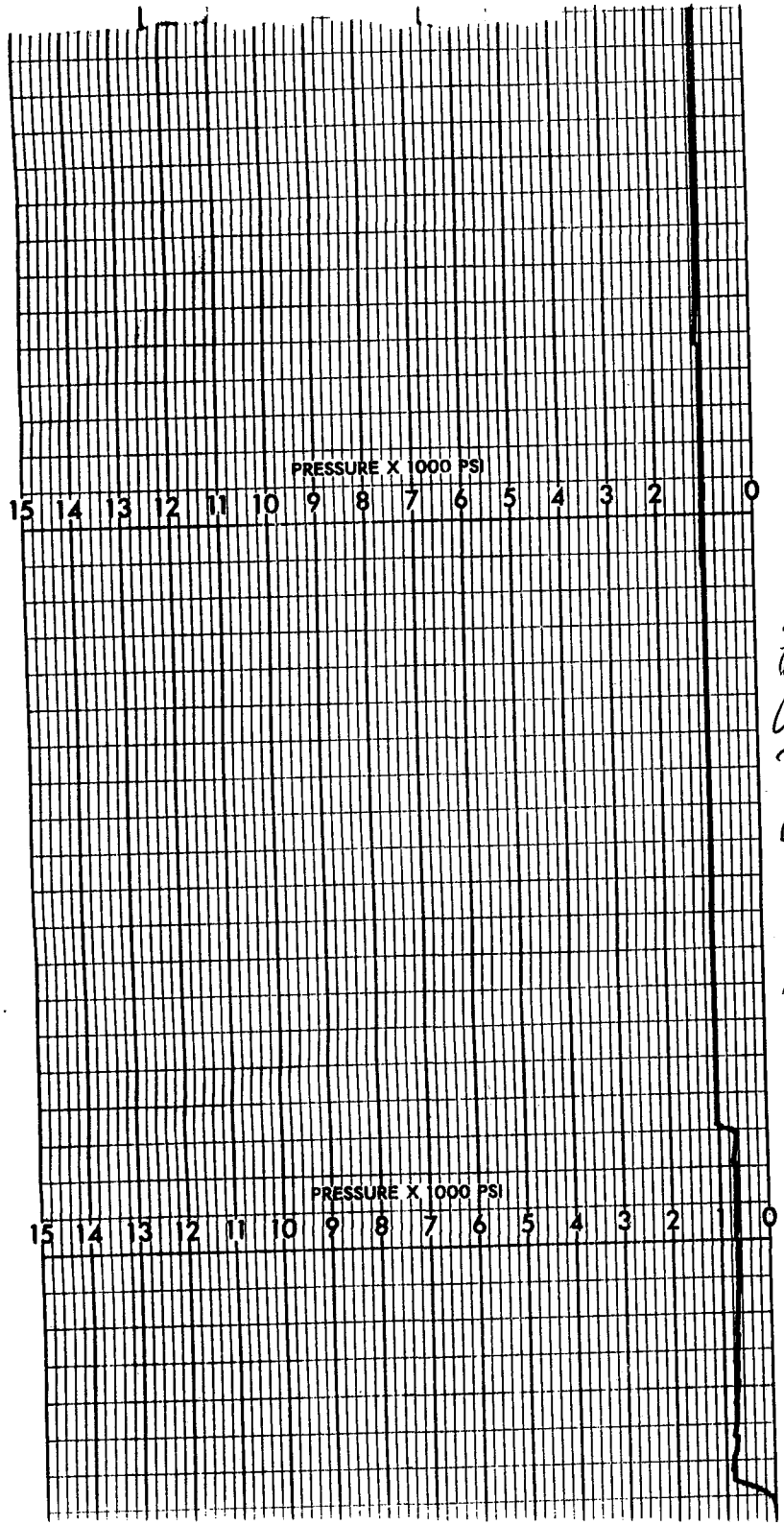
Rig Name and No. Pease O + Gas Rig #1
Required Test Pressure 800#
BOP Rated Working Pressure 2000#

Equipment	Test Number	Test Pressure	Test Period	Pressure Loss	Remarks
Annular					
Pipe Rams					
Blind Rams					
L. Pipe Rams					
Kill Line Valve 1					
Valve 2					
Check					
Choke Line Valve 1					
Valve 2					
Manifold Valves					
Super Choke					
U. Kelly Cock					
L. Kelly Cock					
Safety Valve					
Casing	1	850	3 min	70#	Started test over
"	2	850	5 min	180#	Restart test
	3	1000#	30 min	-0-	Test good.

Additional Tests and Comments:
Had Valve leaking on Line during 1st Test. Valve was Replaced.
Had BOP leaking on 2nd Test - Packing tightened & then put 1000# on + Held for 30 min. Plug. Back TD 3763. Packer Set at 3363.

Indicate on the diagram below which piece of equipment was isolated during which test. Used Packer and Retrievable type plug for Tests.





WESTOMETER

FORT WORTH, TEXAS

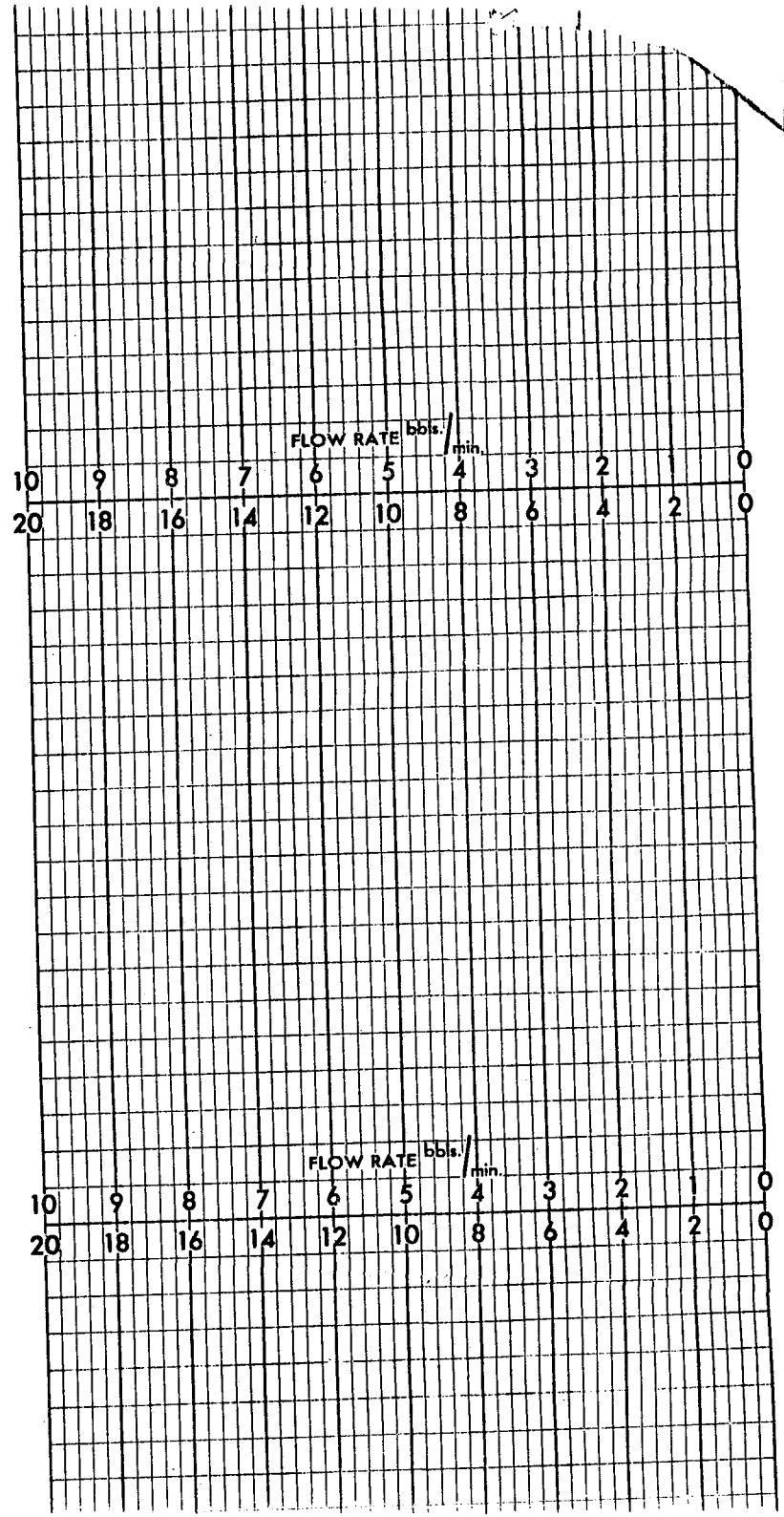
WESTERN CO.

Pressure test
Casing
Pease oil
Calf Canyon #11

K. Pummell
Western Co

12:22

12:12



Form 9

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

6. Lease Designation and Serial Number: U-11620

7. Indian Allottee or Tribe Name: --------

8. Unit or Communitization Agreement: --------

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT— for such proposals.

FEB 22 1994

1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other (specify) Injection

9. Well Name and Number: Calf Canyon #11

2. Name of Operator: Pease Oil and Gas, Inc.

10. API Well Number: 43-019-31209

3. Address of Operator: P.O. Box 1874, Grand Junction, CO 81502

4. Telephone Number: 303/245-5917

11. Field and Pool, or Wildcat: Calf Canyon

5. Location of Well
Footage : 519 FSL, 750 FWL, Sec. 3, T20S, R21E
QQ, Sec, T., R., M. : Sec. 3, T20S, R21E SLM
County : Grand
State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Approximate Date Work Will Start 01/03/94

SUBSEQUENT REPORT (Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of Work Completion

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See attached for injection conversion procedure.

+303-292-1226 - Denver -
+303-245-5917 - Grand Junction -
+303-669-6308 Loveland - Neut

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

Name & Signature John H. Benton

Title Engineer

Date 01/02/94

(State Use Only)

(8/90)

See Instructions on Reverse Side

Conversion Procedure
Calf Canyon Unit No. 11

1. Hot oil tubing. TOOH w/rods, pump and tubing.

2. PU bit and scraper. RIH and drill out float collar and shoe joint to +/- 3760'. Reverse circulate hole clean. TOOH w/bit and scraper.

3. Perforate the Entrada from 3738'-3754' w/4 JSPF. RIH w/tubing and packer. Set packer @ +/- 3600'. Swab test well to catch samples and test deliverability. Samples should be analyzed for compatibility w/Cedar Mountain formation.

4. Stimulate well w/3000 gallons mud acid. Swab back load and swab test well.

5. TOOH w/retrievable packer. PU RBP w/ball catcher and tension packer. Set RBP @ +/- 3390' and packer @ +/- 3015'. TIH and acidize Cedar Mountain perforations (3098-3124') w/3000 gallons of mud acid. Pressure test and load well. Record ISIP, 15-minute SI. Perform MIT test. Swab back load.

6. Release packer, fish RBP and POOH w/RBP and packer. PU and RIH w/production BHA, lok-set injection packer, and tubing. Set packer @ +/- 3410'. Fish standing valve, RIH w/pump and rods. Space out and land pump.

7. Install 228 pumping unit, chemical pump, surface pressure gauges. Run gas line to well. Commence injection.

Form 9

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

FEB 28 1994

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT — for such proposals.

6. Lease Designation and Serial Number: U-11620

7. Indian Allottee or Tribe Name: ------

8. Unit or Communitization Agreement: ------

1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other (specify) Injection

9. Well Name and Number: Calf Canyon #11

2. Name of Operator: Pease Oil and Gas, Inc.

10. API Well Number: 43-019-31209

3. Address of Operator: P.O. Box 1874, Grand Junction, CO 81502

4. Telephone Number: 303/245-5917

11. Field and Pool, or Wildcat: Calf Canyon

5. Location of Well
Footage : 519 FSL, 750 FWL, Sec. 3, T20S, R21E
QQ, Sec, T., R., M. : SWSW Sec. 3, T20S, R21E
County : Grand
State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of Work Completion 01/14/94

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See attached for injection conversion procedure.

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

Name & Signature John H. Benton *John H. Benton* Title Engineer Date 02/22/94

(State Use Only)

(8/90)

See Instructions on Reverse Side

PEASE OIL & GAS COMPANY

Calf Canyon #11
Calf Canyon Waterflood
Grand County, Utah

01-03-94 to 01-10-94

Move in rig, drill out shoe joint to 3763 KB. Perforate Entrada 3738 to 3754 w/ 4 jspf. With pkr at 3610, swab test Entrada at 4.0 bbls water per hour. Initial FL 1100 from surface. Corroborates initial bottom hole pressure measure of 1200 psig.
DWC 1430 CWC 22,224

01-11-94 Tue

ENTRADA SI pressure 0. FL 1100' from surface. Recover 10 bbls water, swab down, establish rate of 4.0 bwph. Begin pumping brkdown. Rate of 2.5 bpm at 1600 psi until acid hits perfs, then broke back to 800 psi at 4 bpm. Dropped balls and rock salt to achieve injection into all holes. Experienced 75 to 100 lb increases as balls and salt hit perfs.

Pumped 70 bbls 7½% HCl, 10 bbls citric acid, 1 gal clay stabilizer, 2 gal 940 surfactant, 2 gal LT32 surfactant, 5 gal LT31, 1 gal inhibitor. 85 bbls total load w/ displacement. Max rate 5 bpm at 1200 psi, max press 1600, ISIP 800, vacuum in two mins.

Took 30 mins to rig down Western, began swabbing. Initial FL 900. First hr swabbed 23.3 bbl, second hr 20.0 bbls and third hr 37.0 bbls water. Flat tank full. Recovered 81 bbls. Still low pH water, unlatched pkr and POOH. SDFN
DWC 9335 CWC 31,579

01-12-94 Wed

0730 hrs: CSG slight vacuum. PU cup type RBP w/ ball catcher and tension pkr and GIH w/ 54 stds + a single & set RBP at 3393. Pulled 6 stds, set pkr at 3016 KB w/ 18,000 lbs tension. Rig up Western and acicize Cedar Mtn perfs 3098 to 3124.

Press test to 4200 & load hole. Press up to 1000 at 2 bpm until acid on perfs. Broke back to 850 lbs. 3 bpm at 1600. At 25 bbls acid into hole, raised rate to 4 bpm at 2100, saw some ball action, 70 balls total, got 3 - 200 lb increases which gradually decreased back to 2100. Acidized w/ 3000 gal 7½% HCl plus exact aditives as listed above for Entrada. Flush w/ 12 bbls 2% KCl. ISIP 1025, on vacuum in 2½ mins. Avg press 2100, avg rate 4.0

01-12-94
Wed

bpm. Max press 2450. SWitched Western to annulus & loaded bkside w/ 19 bbls water, pressured up to 850 for 15 mins. BLM man arrived and witnessed 1000 psi for 30 mins on csg, thus completing MIT test.

Rigged up to swab at 12:00 noon (abt 1½ hrs after pmpng acid). IFL 2500. Pulled 3 swabs in 1st hr, recovered 4 bbls, swabbed down to SN. Fluid entering at 300' every 20 mins. 2nd hr recovered 2 bbls. Making pull every ½ hr, recovering 1.2 bph w/ less than 1% fines. Total recovery 7 bbls load water, 76 bbls load to recover.

Released PKR, fished RBP & POOH w/ RBP & PKR. Recovered 54 balls, tools in good shape. PU Model R PKR w/ 2 jt stinger & GIH to PBTD of 3759 - lost 4' of hole since clean out. Bottom soft. Laid down 8 jts tbg & set pkr at 3511 KB. SDFN at 1730 hrs.
DWC 10,676 (includes all tools) CWC 42,255

01-13-94

0730 hrs: Tbg 0, Csg slight vacuum. Unlatch Model R & POOH, lay down pkr & 4 jts tbg. PU injection BHA & GIH:

109 jts 2 3/8" tbg, bttm at	3369.50	KB
SN	3370.60	
1 jt 2 3/8" tbg,	3401.25	bttm
J-latch on-off tool	3402.75	
2 3/8" tbg pup	3406.75	
Elder AT Lockset pkr	3410.75	bttm
perf 2 3/8 tbg sub	3414.75	
Anchor jt	3440.93	

ND BOP, set lockset w/ 10,000 lbs tension. NU wellhead, rig up to swab. IFL 1100, swabbed 16 bbls water in three runs from Entrada perfs, took sample. Rig down swab, RU to run pump & rods. Ran:

2 x 1¼ x 16' top hold down pump.
73 3/4" rods
34 of 61 7/8" rods

Installed two rod guides on every rod. Hot oiled & blew out flow line w/ air. Tied in annulus to line heater & installed water meter & chemical injection. Tied in gas line to engine. SDFN 1830 hrs
DWC 7880 CWC 50,135

01-14-94 0730 hrs: Tbg 0, Csg 0. Finished running 7/8" rods.
Total rod string:

22' x 1¼" PR	
7/8" ponies	2'
	4'
	6'
60 7/8" rods	1500
73 3/4" rods	1825
	3337 ft of rods

2 x 1¼ x 20' top hold down pump

Placed two rod guides on each rod. Spaced pump w/ plunger 24" off bottom, 36" PR above clamp. Long stroked pump & had pump action. Hung well on, turned engine over - seems OK. Pressured up flow line, seems OK. Released rig.
DWC 3812 CWC 53,947

BACHMAN SERVICES, INC.
P.O. Box 96265
Oklahoma City, OK 73143

Phone: (405) 677-8296
Fax: (405) 677-7483

WATER ANALYSIS REPORT

Company: Pease Oil & Gas
Source: Calf Canyon #11

Date Sampled: January 20, 1994
Date Analyzed: January 21, 1994

pH:	5.70	Total Dissolved Solids (mg/L):	7,040
Dissolved H2S:	ND		
Dissolved CO2:	ND	Total Ionic Strength:	0.168890
Specific Gravity:	1.005		
Density (lbs/gal):	8.3817		

		mg/L	Meq/L
Anions			
	Bicarbonate:	207	3
	Chloride:	2,596	73
	Sulfate:	1,850	39
Cations			
	Calcium:	1,227	61
	Magnesium:	86	7
	Sodium:	1,074	47
	Barium:	0	
	Strontium:	0	
	Total Hardness:	3,420	
	Total Iron:	70.0	

PROBABLE MINERAL COMPOSITION

					Meq/L	mg/L
61	Ca	3	HCO3			
7	Mg	39	SO4			
47	Na	73	Cl	Calcium Bicarbonate:	3	243
				Calcium Sulfate:	39	2,655
				Calcium Chloride:	19	1,055
Saturation Values				Magnesium Bicarbonate:	0	0
In Distilled Water @ 20 C				Magnesium Sulfate:	0	0
				Magnesium Chloride:	7	333
CaCO3	13 mg/L			Sodium Bicarbonate:	0	0
CaSO4 * 2H2O	2,090 mg/L			Sodium Sulfate:	0	0
MgCO3	103 mg/L			Sodium Chloride:	47	2,748

Remarks:

Laboratory Analyst: Lee Robertson

SCALE CALCULATIONS

FIELD NAME : Pease Oil & Gas

SOURCE : Calf Canyon #11
SAMPLE NO: 1/20/94

ION	mg/L
Na	1074
Ca	1227
Mg	86
Ba	0
Sr	0
Cl	2596
SO4	1850
CO3	0
HCO3	207
TDS	7040
pH	5.7
SG	1.005
I (Molar)	.17

TWO PHASE PRODUCTION SYSTEM (WATER + GAS)

CALCIUM CARBONATE SCALING CALCULATIONS

					[----------STIFF & DAVIS----------]				[-O&T-]
%A	TF	Psia	XCO2	pHc	SI	PTB	SIc	PTBc	Is
100	100	200	0	****	-.7	-331.7	*****	*******	*****

SULFATE SCALE CALCULATIONS

			[------CaSO4------]		[-----BaSO4-----]		[-----SrSO4-----]	
%A	TF	Psia	SR	PTB	SR	PTB	SR	PTB
100	100	200	1.2	96.1	0	0	0	-12.3

NOTE: Values of SI & PTB for CaCO3, and SR & PTB for CaSO4 and BaSO4 are calculated at 14.7 psia.

Form 9

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

RECEIVED
FEB 28 1994

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT — for such proposals.

6. Lease Designation and Serial Number: U-11620

7. Indian Allottee or Tribe Name: ------

8. Unit or Communitization Agreement: ------

9. Well Name and Number: Calf Canyon #11

10. API Well Number: 43-019-31209

11. Field and Pool, or Wildcat: Calf Canyon

1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other (specify) Injection

2. Name of Operator: Pease Oil and Gas, Inc.

3. Address of Operator: P.O. Box 1874, Grand Junction, CO 81502

4. Telephone Number: 303/245-5917

5. Location of Well
Footage : 519 FSL, 750 FWL, Sec. 3, T20S, R21E
QQ, Sec, T., R., M. : SWSW Sec. 3, T20S, R21E
County : Grand
State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of Work Completion 01/14/94

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

See attached for injection conversion procedure.

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

Name & Signature John H. Benton *John H. Benton* Title Engineer Date 02/22/94

(State Use Only)

(8/90)

See Instructions on Reverse Side

PEASE OIL & GAS COMPANY

Calf Canyon #11
Calf Canyon Waterflood
Grand County, Utah

01-03-94 to 01-10-94

Move in rig, drill out shoe joint to 3763 KB. Perforate Entrada 3738 to 3754 w/ 4 jspf. With pkr at 3610, swab test Entrada at 4.0 bbls water per hour. Initial FL 1100 from surface. Corroborates initial bottom hole pressure measure of 1200 psig.
DWC 1430 CWC 22,224

01-11-94 Tue

ENTRADA SI pressure 0. FL 1100' from surface. Recover 10 bbls water, swab down, establish rate of 4.0 bwph. Begin pumping brkdown. Rate of 2.5 bpm at 1600 psi until acid hits perfs, then broke back to 800 psi at 4 bpm. Dropped balls and rock salt to achieve injection into all holes. Experienced 75 to 100 lb increases as balls and salt hit perfs.

Pumped 70 bbls 7½% HCl, 10 bbls citric acid, 1 gal clay stabilizer, 2 gal 940 surfactant, 2 gal LT32 surfactant, 5 gal LT31, 1 gal inhibitor. 85 bbls total load w/ displacement. Max rate 5 bpm at 1200 psi, max press 1600, ISIP 800, vacuum in two mins.

Took 30 mins to rig down Western, began swabbing. Initial FL 900. First hr swabbed 23.3 bbl, second hr 20.0 bbls and third hr 37.0 bbls water. Flat tank full. Recovered 81 bbls. Still low pH water, unlatched pkr and POOH. SDFN
DWC 9335 CWC 31,579

01-12-94 Wed

0730 hrs: CSG slight vacuum. PU cup type RBP w/ ball catcher and tension pkr and GIH w/ 54 stds + a single & set RBP at 3393. Pulled 6 stds, set pkr at 3016 KB w/ 18,000 lbs tension. Rig up Western and acicize Cedar Mtn perfs 3098 to 3124.

Press test to 4200 & load hole. Press up to 1000 at 2 bpm until acid on perfs. Broke back to 850 lbs. 3 bpm at 1600. At 25 bbls acid into hole, raised rate to 4 bpm at 2100, saw some ball action, 70 balls total, got 3 - 200 lb increases which gradually decreased back to 2100. Acidized w/ 3000 gal 7½% HCl plus exact aditives as listed above for Entrada. Flush w/ 12 bbls 2% KCl. ISIP 1025, on vacuum in 2½ mins. Avg press 2100, avg rate 4.0

01-12-94
Wed

bpm. Max press 2450. SWitched Western to annulus & loaded bkside w/ 19 bbls water, pressured up to 850 for 15 mins. BLM man arrived and witnessed 1000 psi for 30 mins on csg, thus completing MIT test.

Rigged up to swab at 12:00 noon (abt 1½ hrs after pmpng acid). IFL 2500. Pulled 3 swabs in 1st hr, recovered 4 bbls, swabbed down to SN. Fluid entering at 300' every 20 mins. 2nd hr recovered 2 bbls. Making pull every ½ hr, recovering 1.2 bph w/ less than 1% fines. Total recovery 7 bbls load water, 76 bbls load to recover.

Released PKR, fished RBP & POOH w/ RBP & PKR. Recovered 54 balls, tools in good shape. PU Model R PKR w/ 2 jt stinger & GIH to PBTD of 3759 - lost 4' of hole since clean out. Bottom soft. Laid down 8 jts tbg & set pkr at 3511 KB. SDFN at 1730 hrs.
DWC 10,676 (includes all tools) CWC 42,255

01-13-94

0730 hrs: Tbg 0, Csg slight vacuum. Unlatch Model R & POOH, lay down pkr & 4 jts tbg. PU injection BHA & GIH:

109 jts 2 3/8" tbg, bttm at	3369.50	KB
SN	3370.60	
1 jt 2 3/8" tbg,	3401.25	bttm
J-latch on-off tool	3402.75	
2 3/8" tbg pup	3406.75	
Elder AT Lockset pkr	3410.75	bttm
perf 2 3/8 tbg sub	3414.75	
Anchor jt	3440.93	

ND BOP, set lockset w/ 10,000 lbs tension. NU wellhead, rig up to swab. IFL 1100, swabbed 16 bbls water in three runs from Entrada perfs, took sample. Rig down swab, RU to run pump & rods. Ran:

2 x 1¼ x 16' top hold down pump.
73 3/4" rods
34 of 61 7/8" rods

Installed two rod guides on every rod. Hot oiled & blew out flow line w/ air. Tied in annulus to line heater & installed water meter & chemical injection. Tied in gas line to engine. SDFN 1830 hrs
DWC 7880 CWC 50,135

01-14-94 0730 hrs: Tbg 0, Csg 0. Finished running 7/8" rods.
Total rod string:

22' x 1¼" PR		
7/8" ponies	2'	
	4'	
	6'	
60 7/8" rods	1500	
73 3/4" rods	1825	
	3337	ft of rods

2 x 1¼ x 20' top hold down pump

Placed two rod guides on each rod. Spaced pump w/ plunger 24" off bottom, 36" PR above clamp. Long stroked pump & had pump action. Hung well on, turned engine over - seems OK. Pressured up flow line, seems OK. Released rig.

DWC 3812 CWC 53,947

BACHMAN SERVICES, INC.
P.O. Box 96265
Oklahoma City, OK 73143

Phone: (405) 677-8296
Fax: (405) 677-7483

WATER ANALYSIS REPORT

Company: Pease Oil & Gas
Source: Calf Canyon #11

Date Sampled: January 20, 1994
Date Analyzed: January 21, 1994

pH:	5.70	Total Dissolved Solids (mg/L):	7,040
Dissolved H2S:	ND		
Dissolved CO2:	ND	Total Ionic Strength:	0.168890
Specific Gravity:	1.005		
Density (lbs/gal):	8.3817		

		mg/L	Meq/L
Anions			
	Bicarbonate:	207	3
	Chloride:	2,596	73
	Sulfate:	1,850	39
Cations			
	Calcium:	1,227	61
	Magnesium:	86	7
	Sodium:	1,074	47
	Barium:	0	
	Strontium:	0	
	Total Hardness:	3,420	
	Total Iron:	70.0	

PROBABLE MINERAL COMPOSITION

				Meq/L	mg/L
61	Ca	3	HCO3		
7	Mg	39	SO4		
47	Na	73	Cl		
			Calcium Bicarbonate:	3	243
			Calcium Sulfate:	39	2,655
			Calcium Chloride:	19	1,055
			Magnesium Bicarbonate:	0	0
			Magnesium Sulfate:	0	0
			Magnesium Chloride:	7	333
			Sodium Bicarbonate:	0	0
			Sodium Sulfate:	0	0
			Sodium Chloride:	47	2,748

Saturation Values
In Distilled Water @ 20 C

CaCO3	13 mg/L
CaSO4 * 2H2O	2,090 mg/L
MgCO3	103 mg/L

Remarks:

Laboratory Analyst: Les Robertson

SCALE CALCULATIONS

FIELD NAME : Pease Oil & Gas

SOURCE : Calf Canyon #11
SAMPLE NO: 1/20/94

ION	mg/L
Na	1074
Ca	1227
Mg	86
Ba	0
Sr	0
Cl	2596
SO4	1850
CO3	0
HCO3	207
TDS	7040
pH	5.7
SG	1.005
I (Molar)	.17

TWO PHASE PRODUCTION SYSTEM (WATER + GAS)

CALCIUM CARBONATE SCALING CALCULATIONS

					[----------STIFF & DAVIS----------]				[-O&T-]
%A	TF	Psia	XCO2	pHc	SI	PTB	SIc	PTBc	Is
100	100	200	0	****	-.7	-331.7	*****	*******	*****

SULFATE SCALE CALCULATIONS

			[------CaSO4------]		[-----BaSO4-----]		[-----SrSO4-----]	
%A	TF	Psia	SR	PTB	SR	PTB	SR	PTB
100	100	200	1.2	96.1	0	0	0	-12.3

NOTE: Values of SI & PTB for CaCO3, and SR & PTB for CaSO4 and BaSO4 are calculated at 14.7 psia.

PEASE
OIL & GAS COMPANY

DENVER REGIONAL OFFICE: 633 17th Street, Suite 1500 Denver, CO 80202 (303) 292-1226 Fax: (303) 292-1502

March 21, 1994

RECEIVED
MAR 24 1994
DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180

N1080

Re: Change of Name from Willard Pease Oil and Gas Company to Pease Oil and Gas Company.

To Whom it May Concern:

Enclosed please find a copy of documents issued by the Colorado Secretary of State's Office evidencing a name change from Willard Pease Oil and Gas Company to Pease Oil and Gas Company. Please reflect this change in your records.

If you have any questions or need additional information please contact the undersigned.

Sincerely,

PEASE OIL AND GAS COMPANY

Laura Skaer

Laura Skaer
General Counsel

LS:gb

Enclosure

UtahDiv.OGM

(Rev. 7/91)
SUBMIT ONE
Filing fee: $10.00

This document must be typewritten.

Mail to: Secretary of State
Corporations Section
1560 Broadway, Suite 200
Denver, Colorado 80202
(303) 894-2251

FILED COPY

for office use only

931135974 $10.00
506 12-08-93 16:35

FR 89110013 3

CERTIFICATE OF ASSUMED OR TRADE NAME

Willard Pease Oil and Gas Company NC 92, a corporation, limited partnership or limited liability company under the laws of Nevada being desirous of transacting a portion of its business under an assumed or trade name as permitted by 7-71-101, Colorado Revised Statutes hereby certifies:

1. The location of its principal office is: 2135 E. Main, P.O. Box 1874 Grand Junction, CO 81502
2. The name, other than its own, under which business is carried on is (Note 1): Pease Oil and Gas Company, Inc.
3. A brief description of the kind of business transacted under such assumed or trade name is: oil and gas exploration

Limited Partnerships or Limited Liabilities Companies complete this section	Corporations complete this section
In IN WITNESS WHEREOF, the undersigned general partner or manager of said limited partnership or limited liability company has this day executed this certificate _____ 19 ____ _____ (Note 2) by _____ (Note 3) Title, General Partner or Manager _____ Title, General Partner or Manager	IN WITNESS WHEREOF, the undersigned officers of said corporation have this day executed this certificate December 1 1993 WILLARD PEASE OIL AND GAS COMPANY (Note 2) by [signature] (Note 3) Its X President Attest: [signature] Its X Secretary

STATE OF COLORADO

COUNTY OF Mesa ss.

Acknowledged before me this 1st day of Dec 1993, by Willard H. Pease, Jr., as President, and Wilt Roeland as Secretary, of Willard Pease Oil and Gas Company (Insert name(s) as signed above, title(s).)

In witness whereof I have hereunto set my hand and seal

My commission expires 9-2-97 [signature]

EVA M. EDIE-JONES
NOTARY PUBLIC
STATE OF COLORADO

Note 1: Any assumed name used by any corporation shall contain one of the words "Corporation", "Incorporated", "Limited", or one of the abbreviations "Corp.", "Inc.", or "Ltd."
Any assumed name used by any limited partnership shall contain one of the words "Limited Partnership", "Limited", or "Company" or one of the abbreviations "L.P.", "Ltd.", or "Co."
Any assumed name used by a Limited Liability Company must contain the words Limited Liability Company. The words Limited and Company may be abbreviated as Ltd. and Co., but the word Liability cannot be abbreviated.

Note 2: Exact name of corporation, limited partnership or limited liability company making the statement.

Note 3: Signature and title of officers signing (for the corporation, must be president or vice president; and secretary or assistant secretary, for a limited partnership must be general partner for a limited liability company must be a manager.)

CERTIFICATE OF BUSINESS: FICTITIOUS FIRM NAME

FILED

'93 DEC 13 P12:06

THE UNDERSIGNED does hereby certify that it is

conducting a oil and gas exploration business at

c/o The Corporation Trust Company of Nevada, One E. First St., Reno, Nevada,

JUDI BAILEY, CLERK

DEPUTY

under the fictitious firm name of Pease Oil and Gas Company

and that said firm is composed of the following person whose name and address as follows, to-wit:

Willard Pease Oil and Gas Company

2135 E. Main

Grand Junction, CO 81501

Willard H. Pease, Jr., President

WITNESS my hand this 1st day of December, 1993.

WILLARD PEASE OIL AND GAS COMPANY,
a Nevada corporation

By: Willard H. Pease Jr.
Willard H. Pease, Jr.
President

STATE OF Colo)
) ss.
COUNTY OF Mesa)

On this 1ST day of December A.D. 1993 personally appeared before me, a Notary Public, Willard H. Pease, Jr., the President of Willard Pease Oil and Gas Company

who acknowledged that he executed the above instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp at my office in the County of Mesa the day and year in this certificate first above written.

Eva M. Edie-Jones 9/23/97

Signature of Notary

EVA M. EDIE-JONES
NOTARY PUBLIC
STATE OF COLORADO

CC-M-404

FORM 9

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

RECEIVED APR 28 1994 DIV. OF OIL, GAS & MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number: U-11620

6. If Indian, Allottee or Tribe Name: -------

7. Unit Agreement Name: UTU70813A

1. Type of Well: OIL ☐ GAS ☐ OTHER: Water Injection Well

8. Well Name and Number: Calf Canyon #11

2. Name of Operator: Pease Oil & Gas, Inc.

9. API Well Number: 43-019-31209

3. Address and Telephone Number: P.O. Box 1874, Grand JUnction, Co. 81502 (303) 245-5917

10. Field and Pool, or Wildcat: Calf Canyon

4. Location of Well

Footages: 519 FSL, 750 FWL, Sec. 3, T20S, R21E

County: Grand

QQ, Sec.,T.,R.,M.: SWSW Sec. 3, T20S, R21E SLM

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit In Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off
- ☐ Other

Approximate date work will start

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☐ Change of Plans
- ☒ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of work completion March 14, 1994

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Conversion to water injection well to enhance production in the Calf Canyon Water Flood Unit.

13.

Name & Signature: William A. Pease Jr. Title: President Date: 4/26/94

(This space for State use only)

(1\93) (See Instructions on Reverse Side)

Bureau of Land Management
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

3100
U-08112 et al
(UT-920)

AUG 30 1994

DECISION

Pease Oil & Gas Company	:	
P. O. Box 1874	:	Oil and Gas
Grand Junction, Colorado 81502	:	U-08112 et al

Corporate Name Change Recognized

Acceptable evidence has been filed in this office concerning the change of name of Willard Pease Oil and Gas Company to Pease Oil and Gas Company on Federal oil and gas leases.

The following oil and gas leases have been noted to reflect the name change.

U-08112	U-0128115	U-0145834
U-0146802	U-0147904	U-0149773
U-0149777	U-1506	U-5675
U-6791	U-11620	U-13666
U-14970	U-16923	U-24185
U-30291A	U-64882	UTU-67867
UTU-72600	UTU-72601	

Due to the name change, the name of the principal on the bond is required to be changed from Willard Pease Oil and Gas Company to Pease Oil and Gas Company on Bond No, 400 DX 0202 (BLM Bond No. UT0073). You may accomplish this name change either by consent of the surety on the original bond or by a rider to the original bond. Otherwise, a replacement bond with the new name should be furnished to this office.

/s/ ROBERT LOPEZ

Chief, Minerals
Adjudication Section

cc: St. Paul Fire & Marine Insurance Co.
385 Washington Street
St. Paul, Minnesota 55102

bc: Vernal District Office
Moab District Office
MMS-Royalty Management Program (Attn: Richard Richards)
UT-920 (Attn: Dianne Wright)
UT-922 (Attn: Teresa Thompson)

Doam
Brad Greesbeck, 11062

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

Routing:

1-LEC	7-SJ
2-DTS	8-FILE
3-VLC	
4-RJF	
5-LEC	
6-PL	

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

☐ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator XXXX Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 12-01-93)

TO (new operator)	PEASE OIL & GAS COMPANY
(address)	PO BOX 1874
	GRAND JUNCTION CO 81502
	LAURA SKAER/303-292-1226
	phone ( )
	account no. N 1080

FROM (former operator)	PEASE, WILLARD O&G CO.
(address)	PO BOX 1874
	GRAND JUNCTION CO 81502
	LAURA SKAER/DENVER
	phone (303) 292-1226
	account no. N1080

Well(s) (attach additional page if needed):

Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
*SEE ATTACHED**	019-31209					

OPERATOR CHANGE DOCUMENTATION

N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form).

Lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 3-24-94)

Lec 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: C0052893. (Name chg aprv. 8-8-94)

Lec 4. **(For Indian and Federal Wells ONLY)** The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of **Federal and Indian** well operator changes should take place prior to completion of steps 5 through 9 below.

Lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (9-9-94)

Lup 6. Cardex file has been updated for each well listed above. 9-12 + 9-13-94

Lup 7. Well file labels have been updated for each well listed above. 9-13-94

Lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (9-9-94)

Lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

'ERATOR CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.

ENTITY REVIEW

Lec 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) ____ (If entity assignments were changed, attach copies of Form 6, Entity Action Form). Salt Canyon Unit

Lec 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

N/A 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.

Lec

__ 2. A copy of this form has been placed in the new and former operators' bond files.

__ 3. The former operator has requested a release of liability from their bond (yes/no) ___. Today's date _____ 19___. If yes, division response was made by letter dated _____ 19___.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated _____ 19___, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.

DTS 9/14/94

N/A 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

FILMING

✓ 1. All attachments to this form have been microfilmed. Date: September 29 19 94.

FILING

__ 1. Copies of all attachments to this form have been filed in each well file.

__ 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

940909 Bhm/SL. Aprv. 8-30-94.

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

RECEIVED
MAY 18 1998
DIV. OF OIL, GAS & MINING

5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
U-70813A

1. Type of Well
[X] Oil Well [ ] Gas Well [ ] Other

8. Well Name and No.
See Exhibit "A" Attached

9. API Well No.
See Exhibit "A" Attached

2. Name of Operator
Burkhalter Engineering, Inc.

10. Field and Pool, or Exploratory Area
Calf Canyon

3. Address and Telephone No.
P.O. Box 60095 Grand Junction, CO 81506 (970) 245-5917

11. County or Parish, State
Grand County, Utah

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
See Exhibit "A" Attached

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[ ] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Change of Operator	[ ] Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Effective April 1, 1998, Burkhalter Engineering became the operator of the wells listed on Exhibit "A" attached. Burkhalter Engineering is responsible under the terms and conditions of the lease for operations conducted on the leased lands or portions thereof.

Bond coverage for this well will be provided by BLM Bond No. UT1097

Willard Pease Jr.
Willard Pease Jr.
Pease Oil and Gas Company

14. I hereby certify that the foregoing is true and correct
Signed J. W. Burkhalter Title Pres Date May 4, 1998

(This space for Federal or State office use)
Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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

***See Instructions on Reverse Side**

EXHIBIT "A" TO SUNDRY NOTICE
U-70813A

WELL NAME & NO.	API NO.	1/4 1/4	SEC.	TWP.	RNG.	
Calf Canyon #1	43-019-30298	SWSE	3	20S	21E	
Calf Canyon #7	43-019-31168	SESW	3	20S	21E	(WIW)
Calf Canyon #10	43-019-31203	SESE	3	20S	21E	
Calf Canyon #11	43-019-31209	SWSW	3	20S	21E	(WIW)
Federal 675-1	43-019-30376	NENW	10	20S	21E	
Federal 675-4	43-019-31187	NENW	10	20S	21E	
Federal 675-5	43-019-31199	NWNW	10	20S	21E	
Federal 675-6	43-019-31208	NENE	9	20S	21E	

-END-

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

RECEIVED
MAY 28 1998
DIV. OF OIL, GAS & MINING

TRANSFER OF AUTHORITY TO INJECT - UIC FORM 5

Well name and number: Calf Canyon 7 & 11

Field or Unit name: Calf Canyon Waterflood Unit API no. _____

Well location: QQ _____ section 3 township 20S range 21E county Grand

Effective Date of Transfer: 4/1/98

CURRENT OPERATOR

Transfer approved by:

Name Willard Pease Jr. Company Pease Oil and Gas Company

Signature Willard Pease Jr. Address P.O. Box 60219

Title President & CEO Grand Junction, CO 81506

Date 5/26/98 Phone (970) 245-5917

Comments:

NEW OPERATOR

Transfer approved by:

Name J.N. Burkhalter Company Burkhalter Engineering, Inc.

Signature J.N. Burkhalter Address P.O. Box 60095

Title President Grand Junction, CO 81506

Date 5/26/98 Phone (970) 245-5917

Comments:

(State use only)
Transfer approved by D. Hunt Title Tech. Services Manager

Approval Date 1-4-00

(3/89)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-931

August 5, 1999

Burkhalter Engineering, Inc.
P.O. Box 60095
Grand Junction, Colorado 81506

Re: Successor of Operator
Calf Canyon
Grand County, Utah

Gentlemen:

On July 26, 1999, we received an indenture dated July 12, 1999, whereby Pease Oil and Gas Company resigned as Unit Operator and Burkhalter Engineering, Inc. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 5, 1999. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1097 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure
bcc: District Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-932
File - Calf Canyon Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron

UT931:TAThompson:tt:8/5/99

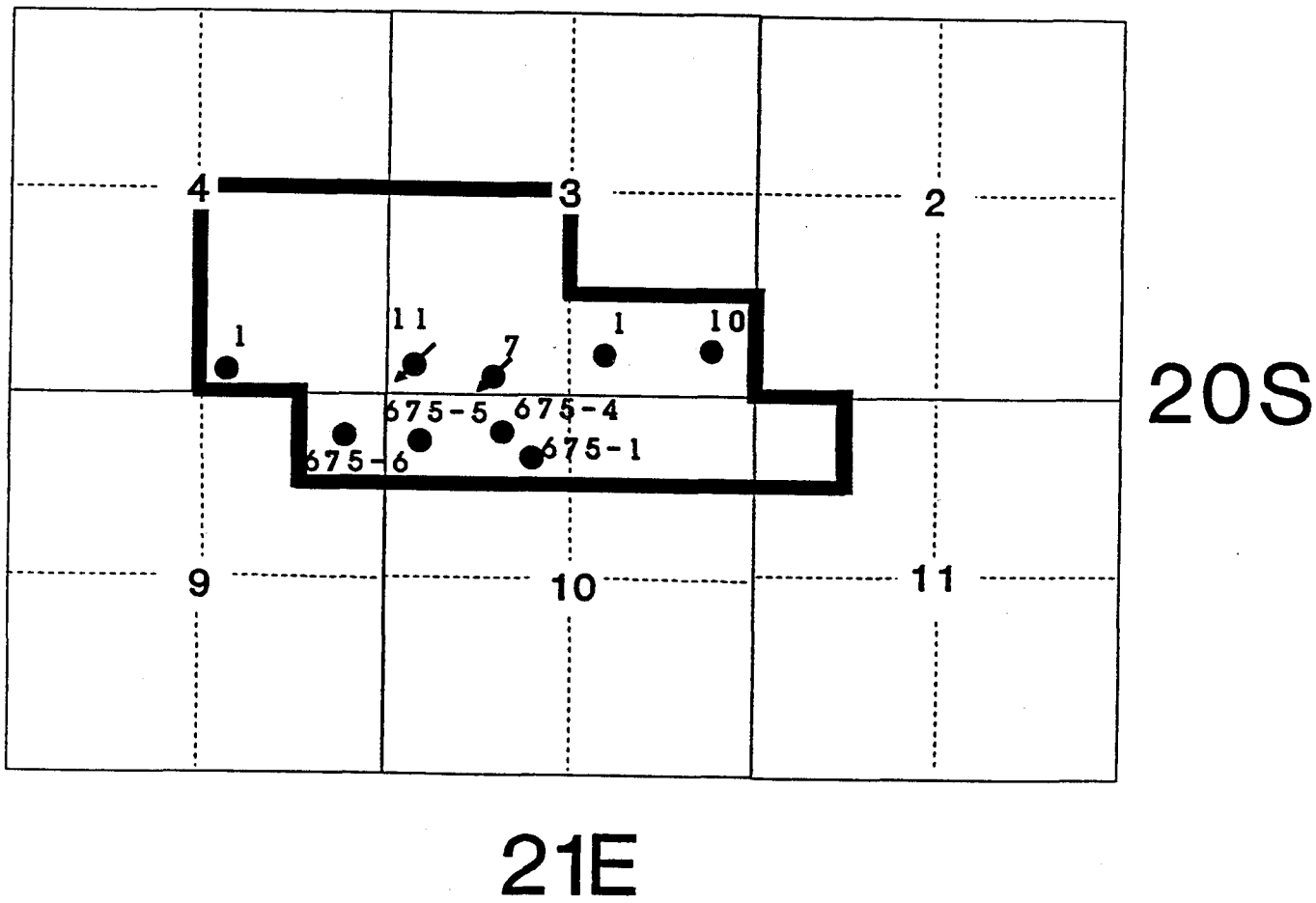
RECEIVED
AUG - 9 1999
DIV. OF OIL, GAS & MINING

Well Status Report
Utah State Office
Bureau of Land Management

Lease	Api Number	Well Name	QTR	Section	Township	Range	Well Status	Operator
** Inspection Item: UTU70813A								
UTU5675	4301930376	1 FEDERAL-675	NENW	10	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU11620	4301930298	1 FEDERAL-ANSCHUTZ-C	SWSE	3	T20S	R21E	OSI	PEASE OIL & GAS COMPANY
UTU11620	4301931203	10 CALF CANYON-FEDER	SESE	3	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU11620	4301931209	11 CALF CANYON	SWSW	3	T20S	R21E	WIW	PEASE OIL & GAS COMPANY
UTU5675	4301931187	4 FEDERAL 675	NENW	10	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU5675	4301931199	5 FEDERAL 675	NWNW	10	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU5675	4301931208	6 FEDERAL 675	NENE	9	T20S	R21E	POW	PEASE OIL & GAS COMPANY
UTU11620	4301931168	7 FEDERAL CALF CANYO	SESW	3	T20S	R21E	WIW	PEASE OIL & GAS COMPANY

CALF CANYON UNIT
Grand County, Utah

EFFECTIVE: DECEMBER 1, 1993



UNIT OUTLINE (UTU70813A)

640.00 ACRES

SECONDARY ALLOCATION

FEDERAL 100.00%

OIL & GAS INFORMATION SYSTEM

FILE EDIT OIL GAS GAS PLANT UIC REPORTS DB MAINTENANCE OPTIONS HELP DATA CONVERSION

Well Data

WELL SEARCH | WELL DATA | WELL HISTORY | WELL ACTIVITY

WELL NAME	CALF CANYON #11	API NUMBER	4301931209	LEASE TYPE	1	LEASE NUMBER	U-11620
OPERATOR NAME	PEASE OIL & GAS COMPANY	OPERATOR ACCOUNT	N1080	WELL TYPE	WI	WELL STATUS	A
FIELD NAME	GREATER CISCO	FIELD NUMBER	205	ELEVATION	5802* KB	ALT ADDRESS	#
COUNTY	GRAND	CONFIDENTIAL FLAG		Q S T R M	SWSW 03 20.0 S 21.0 E S		
SURF LOCATION	0519 FSL 0750 FWL	CONFIDENTIAL DATE		TOTAL CUMULATIVE OIL	19824		
COORDS SURF N	4327486.00	LA/PA DATE	MM / DD / YYYY	TOTAL CUMULATIVE GAS	6330		
COORDS SURF E	622020.00	DIRECTIONAL		TOTAL CUMULATIVE WATER	797		
COORDS BHL N		INDIAN TRIBE		CB METHANE FLAG		BOND NUMBER	
COORDS BHL E		MULTI-LEG COUNT		SURF OWNER TYPE		BOND TYPE	
FIELD TYPE FLAG		WILDCAT TAX FLAG		C.A. NUMBER			

COMMENTS: 860102 ENTITY ADDED:940314 COMM INJ:940909 OPER NM FR WILLARD PEASE O&G EFF 12-1-93;

Create New Rec | Save | Cancel | To History | To Activity

NUM

Start | Novell-delivered Applicati... | OIL & GAS INFORM... | GroupWise - Mailbox | Clickomania! | 10:12 AM

apprv 8.9.99

Friday, November 19, 1999 10:12:37 AM

INSPECTION FORM 6

STATE OF UTAH
DIVISION OF OIL GAS AND MINING

INJECTION WELL - PRESSURE TEST

Well Name: CALF CANYON 11 API Number: 43-019-31209

Qtr/Qtr: SW/SW Section: 3 Township: 20S Range: 21E

Company Name: PEASE OIL & GAS COMPANY

Lease: State____ Fee____ Federal X Indian____

Inspector: J THOMPSON Date: 11/2/99

Initial Conditions:

Tubing - Rate:____ Pressure: 0 psi

Casing/Tubing Annulus - Pressure: 0 psi

Conditions During Test:

Time (Minutes)	Annulus Pressure	Tubing Pressure
0	500	500
5	490	490
10	490	490
15	470	470
20		
25		
30		

Results: Pass/Fail

Conditions After Test:

Tubing Pressure: 0 psi

Casing/Tubing Annulus Pressure: 0 psi

COMMENTS:

J. N. Burkhalter
Operator Representative

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

Routing:	
1-KDR ✓	
2-GLH ✓	7-KAS ✓
3-JRB JRB	8-SJ ✓
4-CDW ✓	9-FILE
5-KDR ✓	

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

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed, **effective:** 4-1-98

TO: (new operator) BURKHALTER ENGINEERING INC
(address) PO BOX 60095
GRAND JUNCTION CO 81506

Phone: (970)245-5917
Account no. N6820

FROM: (old operator) PEASE OIL & GAS COMPANY
(address) PO BOX 60219
GRAND JUNCTION CO 81506

Phone: (970)245-5917
Account no. N1080

WELL(S) attach additional page if needed: * CALF CANYON UNIT

Name:	API:	Entity:	S	T	R	Lease:
SEE ATTACHED	43019.31209		3	20S	21E	

OPERATOR CHANGE DOCUMENTATION

Lec 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). (Rec'd 5-18-98)

Lec 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). (Rec'd 5-18-98)

N/A 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) _____ If yes, show company file number: _____.

KDR 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below. (Rec'd 8-9-99) (Rec'd 12-22-99)

KDR 5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. (11-19-99) calf canyon u.

KDR 6. **Cardex** file has been updated for each well listed above. (12-30-99)

JH 7. Well **file labels** have been updated for each well listed above.

DR 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. (10-29-99) calf canyon u. (12-30-99)

DR 9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

c:\dons\wpdocs\forms\operchng

- OVER -

OPERATOR CHANGE WORKSHEET (continued) - Initial each item when completed. Write N/A if item is not applicable.

ENTITY REVIEW

KDR 1. (r649-8-7) **Entity assignments have been reviewed** for all wells listed above. Were entity changes made? (yes/no) ____ If entity assignments were changed, attach copies of Form 6, Entity Action Form.

KDR 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been **notified** through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

N/A/fee 1. (r649-3-1) The **NEW** operator of any fee lease well listed above has furnished a proper bond.

N/A/fee 2. A **copy of this form** has been placed in the new and former operator's bond files.

N/A/fee 3. The **FORMER** operator has requested a release of liability from their bond (yes/no) _____, as of today's date _____. If yes, division response was made to this request by letter dated _____.

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

N/A/fee 1. Copies of documents have been sent on _____ to _____ at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.

N/A/fee 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated _____ 19 __, of their responsibility to notify all interest owners of this change.

FILMING

✓ 1. All attachments to this form have been **microfilmed**. Today's date: APR 24 2001 __.

FILING

__ 1. **Copies** of all attachments to this form have been filed in each **well file**.

__ 2. The **original of this form**, and the **original attachments** are now being filed in the Operator Change file.

COMMENTS

990621 per Teresa Thompson w/ Blm, there hasn't been any paperwork filed on Calf Canyon unit. No approval as of yet.
990809 Rec'd Calf Canyon unit approval.
990902 left message for marie McCann (Blm) for fed. wells
990902 Marie (Blm) called me back. Calf Canyon unit wells have been approved, but not the federal ones yet. There is a problem, per marie these approvals will take another week. She will send me a copy as soon as it is approved.
991119 called marie McCann (Blm; 435-259-2135) to find out if fed. wells apprd. She told me not yet, there is a bonding problem. Only Calf Canyon u wells have been approved.

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number CALF CANYON #11	API Number 4301931209
Location of Well Footage : 519 FSL 750 FWL County : GRAND QQ, Section, Township, Range: SWSW 3 20S 21E State : UTAH	Field or Unit Name CALF CANYON Lease Designation and Number U-11620

EFFECTIVE DATE OF TRANSFER: 7/1/2000

CURRENT OPERATOR

Company: BURKHALTER ENGINEERING INC
Address: P.O. BOX 60095
city GRD JUNCTION state CO zip 81506
Phone: (970) 243-6060
Comments:

Name: J.N. BURKHALTER
Signature: J.N. Burkhalter
Title: PRESIDENT
Date: 8/31/2000

NEW OPERATOR

Company: TWIN ARROW, INC.
Address: P.O. BOX 948
city RANGELY state CO zip 81648
Phone: (970) 675-8226
Comments:

Name: LINDA C. GORDON
Signature: Linda C Gordon
Title: OFFICE MANAGER
Date: 8/31/2000

(This space for State use only)

Transfer approved by: [illegible]
Title: Tech Services Manager

Approval Date: 10-23-00

Comments:

RECEIVED
SEP 1 1 2000
DIVISION OF
OIL, GAS AND MINING

(5/2000)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

October 16, 2000

Twin Arrow, Inc.
P.O. Box 948
Rangely, Colorado 81648

Re: Calf Canyon Unit
Grand County, Utah

Gentlemen:

On October 5, 2000, we received an indenture dated September 1, 2000, whereby Burkhalter Engineering, Inc. resigned as Unit Operator and Twin Arrow, Inc. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective October 16, 2000. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1185 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Assad M. Raffoul

for Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-932
File - Calf Canyon Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT931:TAThompson:tt:10/16/00

Results of query for MMS Account Number UTU70813A

API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Rang
4301930298	BURKHALTER ENGINEERING INC	1 FEDERAL-ANSCHUTZ-C	OSI	UTU11620	UTU70813A	20S	21E
4301930376	BURKHALTER ENGINEERING INC	1 FEDERAL-675	POW	UTU5675	UTU70813A	20S	21E
4301931168	BURKHALTER ENGINEERING INC	7 FEDERAL CALF CANYO	WIW	UTU11620	UTU70813A	20S	21E
4301931187	BURKHALTER ENGINEERING INC	4 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E
4301931199	BURKHALTER ENGINEERING INC	5 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E
4301931203	BURKHALTER ENGINEERING INC	10 CALF CANYON-FEDER	POW	UTU11620	UTU70813A	20S	21E
4301931208	BURKHALTER ENGINEERING INC	6 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E
4301931209	BURKHALTER ENGINEERING INC	11 CALF CANYON	WIW	UTU11620	UTU70813A	20S	21E

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

5. Lease Designation and Serial No.
U-11620

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

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

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other water injection well

8. Well Name and No.
Calf Canyon #11

2. Name of Operator
Twin Arrow, Inc.

9. API Well No.
4301931209

3. Address and Telephone No.
P.o. Box 948, Rangely, CO 81648 970-675-8226

10. Field and Pool, or Exploratory Area
Calf Canyon

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SWSW, Sec 3, T20S, R21E

11. County or Parish, State
Grand, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☐ Notice of Intent	☐ Abandonment	☐ Change of Plans
	☐ Recompletion	☐ New Construction
☐ Subsequent Report	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
☐ Final Abandonment Notice	☐ Altering Casing	☐ Conversion to Injection
	☒ Other Change of Operator	☐ Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Effective Sept. 1, 2000, Twin Arrow, Inc. became the operator of this well. Twin Arrow, Inc. is responsible under the terms and conditions of the lease for operations conducted on the leased lands or portions thereof.

Bond coverage for this lease will be provided by BLM Bond #UT1185

J.N. Burkhalter
J.N. Burkhalter/President
Burkhalter Engineering Inc.

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OCT 16 2000
DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct
Signed [signature] Title Office Manager Date 8/18/2000

(This space for Federal or State office use)
Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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

*See Instruction on Reverse Side

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS ✓
2. CDW		5-~~JRB~~ ✓
3. JLT		6-FILE

Enter date after each listed item is completed

X Change of Operator (Well Sold) Designation of Agent

Operator Name Change (Only) Merger

The operator of the well(s) listed below has changed, effective: **7-1-2000**

FROM: (Old Operator):
BURKHALTER ENGINEERING INC
Address: P. O. BOX 60095

GRAND JUNCTION, CO 81506
Phone: 1-(970)-243-6060
Account No. N6820

TO: (New Operator):
TWIN ARROW INC
Address P. O. BOX 948

RANGLEY, CO 81648
Phone: 1-(970)-675-8226
Account N1415

CA No. **Unit:** **CALF CANYON**

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON # 7	43-019-31168	11666	03-20S-21E	FEDERAL	WI	A
CALF CANYON # 11	43-019-31209	9820	03-20S-21E	FEDERAL	WI	A

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 09/11/2000

2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 09/11/2000

3. The new company has been checked through the **Department of Commerce, Division of Corporations Database on:** 9-29-2000

4. Is the new operator registered in the State of Utah: YES Business Number: _____

9/28/00-PER OPERATOR-PAPERS HAVE BEEN FILED AND BEING PROCESSED BY DOC

5. If **NO**, the operator was contacted contacted on: _____

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 10/16/2000

7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 10/16/2000

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: _____

9. **Underground Injection Control ("UIC") Prog:** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 10/23/2000

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 10/19/2000
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 10/19/2000
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: _____

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
   The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 2.26.01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: _____

COMMENTS:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

N REPLY REFER TO
UT-922

May 24, 2001

Jelco Energy Inc.
P.O. Box 948
Rangely, Colorado 81648

Re: Calf Canyon Unit
Grand County, Utah

Gentlemen:

On May 24, 2001, we received an indenture dated May 23, 2001, whereby Twin Arrow, Inc. resigned as Unit Operator and Jelco Energy Inc. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective May 24, 2001. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1185 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-924
File - Calf Canyon Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
UT922:TAThompson:tt:5/24/01

RECEIVED
MAY 29 2001
DIVISION OF
OIL, GAS AND MINING

Results of query for MMS Account Number UTU70813A

Production	API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Secti
Production	4301930298	TWIN ARROW INCORPORATED	1 FEDERAL-ANSCHUTZ-C	OSI	UTU11620	UTU70813A	20S	21E	3
Production	4301930376	TWIN ARROW INCORPORATED	1 FEDERAL-675	POW	UTU5675	UTU70813A	20S	21E	10
Production	4301931168	TWIN ARROW INCORPORATED	7 FEDERAL CALF CANYO	WIW	UTU11620	UTU70813A	20S	21E	3
Production	4301931187	TWIN ARROW INCORPORATED	4 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E	10
Production	4301931199	TWIN ARROW INCORPORATED	5 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E	10
Production	4301931203	TWIN ARROW INCORPORATED	10 CALF CANYON-FEDER	POW	UTU11620	UTU70813A	20S	21E	3
Production	4301931208	TWIN ARROW INCORPORATED	6 FEDERAL 675	POW	UTU5675	UTU70813A	20S	21E	9
Production	4301931209	TWIN ARROW INCORPORATED	11 CALF CANYON	WIW	UTU11620	UTU70813A	20S	21E	3

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

FED. LEASE #	API #	WELL NAME	SEC	QTR	TWP	RNG
UTU5675	430193039200	CALF CANYON #4	11	NWNW	20S	21E
UTU72600	430193039300	CALF CANYON #5	11	SENE	20S	21E
UTU72600	430193109400	FEDERAL #675-3	10	SWNW	20S	21E
UTU11620	430193119700	CALF CANYON #8	3	SESW	20S	21E
UTU70813A	430193029800	CALF CANYON #1	3	SWSE	20S	21E
UTU70813A	430193037600	FEDERAL 675-1	10	NENW	20S	21E
UTU70813A	430193116800	CALF CANYON #7	2	SESW	20S	21E
UTU70813A	430193118700	FEDERAL 675-4	10	NENW	20S	21E
UTU70813A	430193119900	FEDERAL 675-5	10	NWNW	20S	21E
UTU70813A	430193120300	CALF CANYON #10	3	SESE	20S	21E
UTU70813A	430193120800	FEDERAL 675-6	9	NENE	20S	21E
UTU70813A	430193120900	CALF CANYON #11	3	SWSW	20S	21E
UTU02139A	430193035500	FEDERAL 23-1	23	SWNE	20S	21E
UTU02139A	430193035900	FEDERAL 25-1	25	SWNE	20S	21E
UTU02139A	430193043200	FEDERAL 24-3	24	SWSE	20S	21E
UTU02139A	430193048800	FEDERAL 14-3	14	NESE	20S	21E
UTU02139A	430193053000	FEDERAL 24-2	24	NWNW	20S	21E
UTU02139A	430193057500	FEDERAL 25-3	25	SESE	20S	21E
UTU02139A	430193058600	FEDERAL 23-2	23	NWNW	20S	21E
UTU02139A	430193058700	FEDERAL 25-2	25	SWSW	20S	21E
UTU02139A	430193058800	FEDERAL 23-3	23	NESW	20S	21E
UTU02139A	430193074300	FEDERAL 25-4	25	NENW	20S	21E
UTU02139A	430193076000	FEDERAL 23-4	23	NWSE	20S	21E
UTU02139A	430193087800	FEDERAL 14-4	14	SWSW	20S	21E
UTU02139A	430193090000	FEDERAL 24-4	24	NWNE	20S	21E
UTU02140A	430193034800	FEDERAL 13-1	13	SWSW	20S	21E
UTU02140A	430193043000	FEDERAL 14-1	14	NWNW	20S	21E
UTU02140A	430193043600	FEDERAL 14-1A	14	NWNW	20S	21E
UTU02140A	430193048400	FEDERAL 10-1	10	NWSW	20S	21E
UTU02140A	430193048500	FEDERAL 11-1	11	NWSW	20S	21E
UTU02140A	430193048700	FEDERAL 14-2	14	NENE	20S	21E
UTU02140A	430193058500	FEDERAL 15-1	15	NESE	20S	21E
UTU02140A	430193062500	FEDERAL 22-1	22	SENE	20S	21E
UTU02140A	430193063600	FEDERAL 15-2	15	NWNW	20S	21E
UTU02140A	430193063700	FEDERAL 15-3	15	NENE	20S	21E
UTU02140A	430193067300	FEDERAL 13-2	13	SENW	20S	21E
UTU02140A	430193088100	FEDERAL 12-1	12	SWSW	20S	21E
UTU02140A	430193088200	FEDERAL 11-2	11	SESE	20S	21E
UTU02140A	430193088300	FEDERAL 13-3	13	NWNE	20S	21E
UTU02140A	430193088400	FEDERAL 11-3	11	SWSW	20S	21E
UTU02140A	430193088500	FEDERAL 13-4	13	NWSE	20S	21E
UTU02140A	430193088700	FEDERAL 15-4	15	SWSW	20S	21E
UTU02140A	430193121000	FEDERAL 10-2	10	NESW	20S	21E
UTU12702	430193042900	FEDERAL 30-1	30	SWNW	20S	22E
UTU12702A	430193030200	FEDERAL 19-3	19	SWSW	20S	22E
UTU12702A	430193030800	FEDERAL 31-1A	31	NENW	20S	22E
UTU12702A	430193030800	FEDERAL 31-1A	31	NENW	20S	22E
UTU12702A	430193089600	FEDERAL 19-1A	19	SWNW	20S	22E
UTU37730	430193087500	FEDERAL 18-1	18	NESW	20S	22E
STATE WELL						
ML-24295	430193034700	STATE 32-1	32	W 1/2	20S	22E

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL [X] GAS WELL [X] OTHER

8. WELL NAME and NUMBER: see attached list

2. NAME OF OPERATOR: Jelco Energy, Inc.

9. API NUMBER:

3. ADDRESS OF OPERATOR: P.O. Box 948 CITY Rangely STATE CO ZIP 81648 PHONE NUMBER: 9706758226

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
[ ] NOTICE OF INTENT (Submit in Duplicate)	[ ] ACIDIZE	[ ] DEEPEN	[ ] REPERFORATE CURRENT FORMATION
Approximate date work will start:	[ ] ALTER CASING	[ ] FRACTURE TREAT	[ ] SIDETRACK TO REPAIR WELL
	[ ] CASING REPAIR	[ ] NEW CONSTRUCTION	[ ] TEMPORARILY ABANDON
	[ ] CHANGE TO PREVIOUS PLANS	[X] OPERATOR CHANGE	[ ] TUBING REPAIR
	[ ] CHANGE TUBING	[ ] PLUG AND ABANDON	[ ] VENT OR FLARE
[ ] SUBSEQUENT REPORT (Submit Original Form Only)	[ ] CHANGE WELL NAME	[ ] PLUG BACK	[ ] WATER DISPOSAL
Date of work completion:	[ ] CHANGE WELL STATUS	[ ] PRODUCTION (START/RESUME)	[ ] WATER SHUT-OFF
	[ ] COMMINGLE PRODUCING FORMATIONS	[ ] RECLAMATION OF WELL SITE	[ ] OTHER:
	[ ] CONVERT WELL TYPE	[ ] RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

see attached list

Until May 1, 2001 Twin Arrow, Inc. and Jelco Energy Inc. were the same company. We split Twin Arrow, Inc. and Jelco Energy apart so Jelco Energy could operate all the Utah wells and Twin Arrow will operate all the Colorado Wells.

NAME (PLEASE PRINT) Linda C. Gordon TITLE Office Manager

SIGNATURE Linda C. Gordon DATE 6/1/2001

(This space for State use only)

RECEIVED
JUN 15 2001
DIVISION OF
OIL, GAS AND MINING

(5/2000) (See Instructions on Reverse Side)

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number	API Number
Calf Canyon #11	4301931209
Location of Well	**Field or Unit Name**
Footage: 519 FSL 750 FWL County: Grand	Calf Canyon Waterflood
QQ, Section, Township, Range: SWSW Sec 3, T20S, R21E State: UTAH	**Lease Designation and Number**

EFFECTIVE DATE OF TRANSFER: 5/1/2001

CURRENT OPERATOR

Company: Twin Arrow, Inc.
Address: P.O. Box 948
city Rangely state CO zip 81648
Phone: 970-675-8226
Name: Linda C. Gordon
Signature: Linda C Gordon
Title: Office Manager
Date: 6/1/2001
Comments: Until May 1, 2001 Twin Arrow, Inc. and Jelco Energy Inc. were the same company. We split Twin Arrow, Inc. and Jelco Energy apart so Jelco Energy could operate all the Utah wells and Twin Arrow will operate all the Colorado wells.

NEW OPERATOR

Company: Jelco Energy Inc.
Address: P.O. Box 948
city Rangely state CO zip 81648
Phone: 970-675-8226
Name: Linda C. Gordon
Signature: Linda C Gordon
Title: Office Manager
Date: 6/1/2001
Comments:

(This space for State use only)

Transfer approved by: [signature]
Title: Bond Services Manager
Approval Date: 6-18-01

Comments:

RECEIVED
JUN 15 2001
DIVISION OF
OIL, GAS AND MINING

(5/2000)

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING		
1. GLH ✓		4-KAS
2. CDW		5-LP ✓
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold) — Designation of Agent

X **Operator Name Change (Only)** — Merger

The operator of the well(s) listed below has changed, effective: **05-01-2001**

FROM: (Old Operator):	**TO:** (New Operator):
TWIN ARROW INC	JELCO ENERGY INC
Address: P. O BOX 948	Address: P. O . BOX 948
RANGELY, CO 81648	RANGELY, CO 81648
Phone: 1-(970)-675-8226	Phone: 1-(970)-675-8226
Account N1415	Account N1825

CA No. **Unit:** **CALF CANYON**

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON 1	43-019-30298	11666	03-20S-21E	FEDERAL	OW	P
CALF CANYON 7	43-019-31168	11666	03-20S-21E	FEDERAL	WI	A
CALF CANYON FEDERAL 10	43-019-31203	11666	03-20S-21E	FEDERAL	OW	S
CALF CANYON 11	43-019-31209	11666	03-20S-21E	FEDERAL	WI	A
FEDERAL 675-6	43-019-31208	11666	09-20S-21E	FEDERAL	OW	S
FEDERAL 675-1	43-019-30376	11666	10-20S-21E	FEDERAL	OW	P
FEDERAL 675-4	43-019-31187	11666	10-20S-21E	FEDERAL	OW	P
FEDERAL 675-5	43-019-31199	11666	10-20S-21E	FEDERAL	OW	S

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/15/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/15/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database on:** 06/18/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 4825833-0143
5. If **NO**, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 05/24/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 05/25/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A

9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 06/20/2001

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 06/18/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 06/18/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
   The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 7-12-01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: _____

COMMENTS:

UIC FORM 5

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

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number CALF CANYON #11	API Number 4301931209
Location of Well Footage : 519 FSL 750 FWL County : GRAND QQ, Section, Township, Range: SWSW 3 20S 21E State : UTAH	Field or Unit Name CALF CANYON WATERFLOOD Lease Designation and Number

EFFECTIVE DATE OF TRANSFER: 1/1/2003

CURRENT OPERATOR

Company: JELCO ENERGY INC. (formerly Twin Arrow Inc.)
Address: P.O. BOX 948
city RANGELY state CO zip 81648
Phone: (970) 629-1116
Comments:

Name: LINDA C. GORDON
Signature: Linda C Gordon
Title: OFFICE MANAGER
Date: 3/1/2003

NEW OPERATOR

Company: ABS ENERGY LLC
Address: P.O. BOX 736
city RANGELY state CO zip 81648
Phone: (970) 629-1116
Comments:

Name: LINDA C. GORDON
Signature: Linda C Gordon
Title: OFFICE MANAGER
Date: 3/1/2003

(This space for State use only)

Transfer approved by: [signature]
Title: Tech. Services Manager

Approval Date: 7-31-03

Comments:

RECEIVED
JUL 08 2003
DIV. OF OIL, GAS & MINING

(5/2000)

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL [X] GAS WELL [X] OTHER _____

8. WELL NAME and NUMBER: see attached list

2. NAME OF OPERATOR: Jelco Energy (formerly Twin Arrow Inc.)

9. API NUMBER:

3. ADDRESS OF OPERATOR: P.O. Box 948, Rangely, CO 81648 PHONE NUMBER: 970-675-5212

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE: see attached list COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
[ ] NOTICE OF INTENT (Submit in Duplicate)	[ ] ACIDIZE	[ ] DEEPEN	[ ] REPERFORATE CURRENT FORMATION
Approximate date work will start:	[ ] ALTER CASING	[ ] FRACTURE TREAT	[ ] SIDETRACK TO REPAIR WELL
	[ ] CASING REPAIR	[ ] NEW CONSTRUCTION	[ ] TEMPORARILY ABANDON
	[ ] CHANGE TO PREVIOUS PLANS	[X] OPERATOR CHANGE	[ ] TUBING REPAIR
	[ ] CHANGE TUBING	[ ] PLUG AND ABANDON	[ ] VENT OR FLARE
[ ] SUBSEQUENT REPORT (Submit Original Form Only)	[ ] CHANGE WELL NAME	[ ] PLUG BACK	[ ] WATER DISPOSAL
Date of work completion:	[ ] CHANGE WELL STATUS	[ ] PRODUCTION (START/RESUME)	[ ] WATER SHUT-OFF
	[ ] COMMINGLE PRODUCING FORMATIONS	[ ] RECLAMATION OF WELL SITE	[ ] OTHER: _____
	[ ] CONVERT WELL TYPE	[ ] RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective June 1, 2003, Jelco Energy sold all its interest and ownership in the wells listed of the attached list. The new owner and operator is ABS Energy LLC, P.O. Box 736, Rangely, CO 81648 Jelco Energy relinquishes ownership of all operating rights to ABS Energy LLC.

Linda C Gordon

New Operator/ABS Energy LLC.
P.O. Box 736
Rangely, CO 81648
Fax 970-675-8558
Office 970-629-1116
ABS Energy LLC BLM Bond UTB000034

NAME (PLEASE PRINT) Linda C. Gordon TITLE Office Mgr

SIGNATURE Linda C Gordon DATE 7/2/03

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DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WELL NAMES, ENTITY #'S AND WELL ID

WELL NAME	ENTITY #	API #	WELL TYPE	LEGAL DESCRIPTION	LEASE TYPE	STATUS
FEDERAL 14-1A	08150	4301930436	GAS	T20S,R21E, SEC 14	FEDERAL	TA
FEDERAL 1-10	08141	4301930484	GAS	T20S,R21E, SEC 10	FEDERAL	S
FEDERAL 10-2	08207	4301931210	GAS	T20S,R21E, SEC 10	FEDERAL	TA
FEDERAL 11-1	08142	4301930485	GAS	T20S,R21E, SEC 11	FEDERAL	P
FEDERAL 11-2	08143	4301930882	GAS	T20S,R21E, SEC 11	FEDERAL	S
FEDERAL 11-3	08144	4301930884	GAS	T20S,R21E, SEC 11	FEDERAL	P
FEDERAL 12-1	08145	4301930881	GAS	T20S,R21E, SEC 12	FEDERAL	TA
FEDERAL 13-1	08146	4301930348	GAS	T20S,R21E, SEC 13	FEDERAL	TA
FEDERAL 13-2	08147	4301930673	GAS	T20S,R21E, SEC 13	FEDERAL	P
FEDERAL 13-3	08148	4301930883	GAS	T20S,R21E, SEC 13	FEDERAL	TA
FEDERAL 13-4	08149	4301930885	GAS	T20S,R21E, SEC 13	FEDERAL	TA
FEDERAL 14-1	08169	4301930430	GAS	T20S,R21E, SEC 14	FEDERAL	P
FEDERAL 14-2	08151	4301930487	GAS	T20S,R21E, SEC 14	FEDERAL	P
FEDERAL 14-3	08152	4301930488	GAS	T20S,R21E, SEC 14	FEDERAL	P
FEDERAL 14-4	08153	4301930878	GAS	T20S,R21E, SEC 14	FEDERAL	S
FEDERAL 15-1	11391	4301930585	GAS	T20S,R21E, SEC 15	FEDERAL	TA
FEDERAL 15-2	08154	4301930636	GAS	T20S,R21E, SEC 15	FEDERAL	S
FEDERAL 15-3	08155	4301930637	GAS	T20S,R21E, SEC 15	FEDERAL	P
FEDERAL 15-4	10140	4301930887	GAS	T20S,R21E, SEC 15	FEDERAL	TA
FEDERAL 18-1	08200	4301930875	GAS	T20S,R22E, SEC 18	FEDERAL	S
FEDERAL 19-1A	08201	4301930896	GAS	T20S,R22E, SEC 19	FEDERAL	TA
FEDERAL 19-3	08201	4301930302	GAS	T20S,R22E, SEC 19	FEDERAL	TA
FEDERAL 22-1	08156	4301930625	GAS	T20S,R21E, SEC 22	FEDERAL	P
FEDERAL 23-1	11393	4301930355	GAS	T20S,R21E, SEC 23	FEDERAL	P
FEDERAL 23-2	08140	4301930586	GAS	T20S,R21E, SEC 23	FEDERAL	S
FEDERAL 23-3	08157	4301930588	GAS	T20S,R21E, SEC 23	FEDERAL	P
FEDERAL 23-4	08158	4301930760	GAS	T20S,R21E, SEC 23	FEDERAL	P
FEDERAL 24-2	08159	4301930530	GAS	T20S,R21E, SEC 24	FEDERAL	P
FEDERAL 24-3	11395	4301930432	GAS	T20S,R21E, SEC 24	FEDERAL	P
FEDERAL 24-4	08208	4301930900	GAS	T20S,R21E, SEC 24	FEDERAL	TA
FEDERAL 25-1	11394	4301930359	OIL	T20S,R21E, SEC 25	FEDERAL	S
FEDERAL 25-2	11392	4301930587	OIL	T20S,R21E, SEC 25	FEDERAL	S
FEDERAL 25-3	08171	4301930575	GAS	T20S,R21E, SEC 25	FEDERAL	S
FEDERAL 25-4	08181	4301930743	GAS	T20S,R21E, SEC 25	FEDERAL	P
FEDERAL 30-1	08203	4301930429	GAS	T20S,R22E, SEC 30	FEDERAL	S
FEDERAL 31-1A	08204	4301930308	GAS	T20S,R22E, SEC 31	FEDERAL	P
STATE 32-1	08206	4301930347	GAS	T20S,R22E, SEC 32	STATE	P
CC #1	11666	4301930298	OIL	T20S,R21E, SEC 3	FEDERAL	P
CC #4	02515	4301930392	OIL	T20S,R21E, SEC 11	FEDERAL	S
CC #5	02490	4301930393	OIL	T20S,R21E, SEC 11	FEDERAL	TA
CC #8	09820	4301931197	OIL	T20S,R21E, SEC 3	FEDERAL	S
CC #10	11666	4301931203	OIL	T20S,R21E, SEC 3	FEDERAL	S
FEDERAL 675-1	11666	4301930376	OIL	T20S,R21E, SEC 10	FEDERAL	P
FEDERAL 675-3	00303	4301931094	OIL	T20S,R21E, SEC 10	FEDERAL	S
FEDERAL 675-4	11666	4301931187	OIL	T20S,R21E, SEC 10	FEDERAL	P
FEDERAL 675-5	11666	4301931199	OIL	T20S,R21E, SEC 10	FEDERAL	S
FEDERAL 675-6	11666	4301931208	OIL	T20S,R21E, SEC 9	FEDERAL	S

[redacted]

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

June 9, 2003

ABS Energy LLC.
P.O. Box 736
Rangely, Colorado 81648

Re: Calf Canyon Unit
Grand County, Utah

Gentlemen:

On June 6, 2003, we received an indenture dated January 1, 2003, whereby Jelco Energy Inc. resigned as Unit Operator and ABS Energy LLC. was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective June 9, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under Calf Canyon Unit Agreement.

Your statewide (Utah) oil and gas bond No. B000034 will be used to cover all operations within the Calf Canyon Unit.

It is requested that you notify all interested parties of the name change of unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure
bcc: Field Manager - Moab (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File – Calf Canyon Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
UT922:TAThompson:tt:6/9/03

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold) — Designation of Agent/Operator

X Operator Name Change — Merger

The operator of the well(s) listed below has changed, effective: **1/1/2003**

FROM: (Old Operator):	**TO:** (New Operator):
N1825-Jelco Energy, Inc. PO Box 948 Rangely, CO 81648	N2475-ABS Energy, LLC PO Box 736 Rangely, CO 81648
Phone: (970) 629-1116	Phone: (970) 629-1116

CA No. **Unit:** CALF CANYON

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON 1	03	200S	210E	4301930298	11666	FEDERAL	OW	S
CALF CYN 7	03	200S	210E	4301931168	11666	FEDERAL	WI	A
CALF CANYON FED 10	03	200S	210E	4301931203	11666	FEDERAL	OW	S
CALF CANYON 11	03	200S	210E	4301931209	11666	FEDERAL	WI	A
FEDERAL 675-6	09	200S	210E	4301931208	11666	FEDERAL	OW	S
FEDERAL 675-1	10	200S	210E	4301930376	11666	FEDERAL	OW	P
FEDERAL 675 4	10	200S	210E	4301931187	11666	FEDERAL	OW	P
FEDERAL 675 5	10	200S	210E	4301931199	11666	FEDERAL	OW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 7/8/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 7/8/2003
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 8/7/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 5333071-0161
5. If **NO**, the operator was contacted contacted on: ____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 6/9/2003

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 6/9/2003

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 7/31/2003

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 8/7/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 8/7/2003
3. Bond information entered in RBDMS on: n/a
4. Fee wells attached to bond in RBDMS on: n/a

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: B000034

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a

2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

UIC FORM 5

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

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number: Calf Canyon 11	API Number: 4301931209
Location of Well	Field or Unit Name: Calf Canyon Unit
Footage: 519' FSL and 750' FWL — County: Grand	Lease Designation and Number: UTU-11620
QQ, Section, Township, Range: SWSW 2 20S 21E — State: UTAH	

EFFECTIVE DATE OF TRANSFER: 7/22/2004

CURRENT OPERATOR

Company: ABS Energy, LLC N2475
Address: P.O. Box 307
city Farmington state NM zip 87499
Phone:
Comments:

Name: Andy Saied
Signature:
Title: Managing Member
Date: 8-15-04

NEW OPERATOR

Company: Elk Production, LLC N2650
Address: 770 S. Post Oak Lane, #320
city Houston state TX zip 77056
Phone: (713) 751-9500
Comments:

Name: Richard P. Crist
Signature: Richard P. Crist
Title: Executive Vice President
Date: 8/12/04

(This space for State use only)

Transfer approved by:
Title: Tech. Services Manager

Approval Date: 8-30-04

Comments: CAUSE 102-75
Well due for MIT 11/02/2004

RECEIVED
AUG 17 2004
DIV. OF OIL, GAS & MINING

(5/2000)

FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER _____

2. NAME OF OPERATOR: Elk Production, LLC N2650

3. ADDRESS OF OPERATOR: 770 S. Post Oak Lane #320 CITY Houston STATE TX ZIP 77056 PHONE NUMBER: (713) 751-9500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: See attached list COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
_____	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Change of operator from ABS Energy, LLC to Elk Production LLC.

Old Operator: ABS Energy, LLC N2475

By: _____
Andy Saied, Managing Member
PO Box 307
Farmington, NM 87499

New Operator: ELK PRODUCTION, LLC

NAME (PLEASE PRINT) Richard P. Crist TITLE Executive Vice President

SIGNATURE Richard P. Crist DATE 8/12/04

(This space for State use only)

RECEIVED
AUG 17 2004
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

ATTACHMENT TO SUNDRY NOTICE

Transfer from ABS Energy, LLC to Elk Production, LLC
Effective July 22, 2004

Well Name	API #	Location
State 32-1	43-019-30347	SE¼NW¼, Sec. 32, T 20 S, R 22 E
Federal 31-1A	43-019-30308	NE¼NW¼, Sec. 31, T 20 S, R 22 E
Federal 30-1	43-019-30429	SW¼NW¼, Sec. 30, T 20 S, R 22 E
Federal 25-1	43-019-30359	SW¼NE¼, Sec. 25, T 20 S, R 21 E
Federal 25-2	43-019-30587	SW¼SW¼, Sec. 25, T 20 S, R 21 E
Federal 25-3	43-019-30575	SE¼SE¼, Sec. 25, T 20 S, R 21 E
Federal 25-4	43-019-30743	NE¼NW¼, Sec. 25, T 20 S, R 21 E
Federal 24-4	43-019-30900	NW¼NE¼, Sec. 24, T 20 S, R 21 E
Federal 24-2	43-019-30530	NW¼NW¼, Sec. 24, T 20 S, R 21 E
Federal 24-3	43-019-30432	SW¼SE¼, Sec. 24, T 20 S, R 21 E
Federal 23-1	43-019-30355	SW¼NE¼, Sec. 23, T 20 S, R 21 E
Federal 23-3	43-019-30588	NE¼SW¼, Sec. 23, T 20 S, R 21 E
Federal 23-4	43-019-30760	NW¼SE¼, Sec. 23, T 20 S, R 21 E
Federal 23-2	43-019-30586	NW¼NW¼, Sec. 23, T 20 S, R 21 E
Federal 22-1	43-019-30625	SE¼NE¼, Sec. 22, T 20 S, R 21 E
Federal 19-3	43-019-30302	SW¼SW¼, Sec. 19, T 20 S, R 22 E
Federal 19-1A	43-019-30896	SW¼NW¼, Sec. 19, T 20 S, R 22 E
Federal 18-1	43-019-30875	NE¼SW¼, Sec. 18, T 20 S, R 22 E

Well Name	API #	Location
Federal 15-2	43-019-30636	NW¼NW¼, Sec. 15, T 20 S, R 21 E
Federal 15-1	43-019-30585	NE¼SE¼, Sec. 15, T 20 S, R 21 E
Federal 15-3	43-019-30637	NE¼NE¼, Sec. 15, T 20 S, R 21 E
Federal 15-4	43-019-30887	SW¼SW¼, Sec. 15, T 20 S, R 21 E
Federal 14-3	43-019-30488	NE¼SE¼, Sec. 14, T 20 S, R 21 E
Federal 14-1A	43-019-30436	NW¼NW¼, Sec. 14, T 20 S, R 12 E
Federal 14-2	43-019-30487	NE¼NE¼, Sec. 14, T 20 S, R 21 E
Federal 14-1	43-019-30430	NW¼NW¼, Sec. 14, T 20 S, R 21 E
Federal 14-4	43-019-30878	SW¼SW¼, Sec. 14, T 20 S, R 21 E
Federal 13-2	43-019-30673	SE¼NW¼, Sec. 13, T 20 S, R 21 E
Federal 13-4	43-019-30885	NW¼SE¼, Sec. 13, T 20 S, R 21 E
Federal 13-1	43-019-30348	SW¼SW¼, Sec. 13, T 20 S, R 21 E
Federal 13-3	43-019-30883	NW¼NE¼, Sec. 13, T 20 S, R 21 E
Federal 12-1	43-019-30881	SW¼SW¼, Sec. 12, T 20 S, R 21 E
Calf Canyon 4	43-019-30392	NW¼NW¼, Sec. 11, T 20 S, R 21 E
Federal 11-3	43-019-30884	SW¼SW¼, Sec. 11, T 20 S, R 21 E
Calf Canyon 5	43-019-30393	SE¼NE¼, Sec. 11, T 20 S, R 21 E
Federal 11-1	43-019-30485	NW¼SW¼, Sec. 11, T 20 S, R 21 E
Federal 11-2	43-019-30882	SE¼SE¼, Sec. 11, T 20 S, R 21 E
Federal 675 5	43-019-31199	NW¼NW¼, Sec. 10, T 20 S, R 21 E
Federal 1-10	43-019-30484	NW¼SW¼, Sec. 10, T 20 S, R 21 E

Well Name	API #	Location
Federal 675 4	43-019-31187	NE¼NW¼, Sec. 10, T 20 S, R 21 E
Fed 3-675	43-019-31094	SW¼NW¼, Sec. 10, T 20 S, R 21 E
Federal 675-1	43-019-30376	NE¼NW¼, Sec. 10, T 20 S, R 21 E
Federal 10-2	43-019-31210	NE¼SW¼, Sec. 10, T 20 S, R 21 E
Federal 675-6	43-019-31208	NE¼NE¼, Sec. 9, T 20 S, R 21 E
Calf Canyon 1	43-019-30298	SW¼SE¼, Sec. 3, T 20 S, R 21 E
Calf Canyon 8	43-019-31197	SE¼SW¼, Sec. 3, T 20 S, R 21 E
Calf Canyon Fed 10	43-019-31203	SE¼SE¼, Sec. 3, T 20 S, R 21 E
Calf Cyn 7	43-019-31168	SE¼SW¼, Sec. 3, T 20 S, R 21 E
Calf Canyon 11	43-019-31209	SW¼SW¼, Sec. 2, T 20 S, R 21 E

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

TAKE PRIDE IN AMERICA

IN REPLY REFER TO
3180
(UT-922)

August 30, 2004

Elk Production, LLC
c/o Pruitt Gushee
Attn: Bill Ward
1800 Beneficial Life Tower
36 South State Street
Salt Lake City, Utah 84111-1495

Re: Calf Canyon Secondary Recovery Unit
Grand County, Utah

Gentlemen:

On August 27, 2004, we received an indenture dated July 22, 2004, whereby ABS Energy, LLC resigned as Unit Operator and Elk Production, LLC was designated as Successor Unit Operator for the Calf Canyon Secondary Recovery Unit, Grand County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 30, 2004. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under Calf Canyon Secondary Recovery Unit Agreement.

Your Utah statewide oil and gas bond No. UTB000135 will be used to cover all operations within the Calf Canyon Secondary Recovery Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Teresa Thompson

for Terry Catlin
Acting Chief, Branch of Fluid Minerals

Enclosure
bcc: Field Manager - Moab (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Dockets
File - Calf Canyon Secondary Recovery Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
Central Files
UT922:TAThompson:tt:8/30/04

RECEIVED
AUG 31 2004
DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

X Change of Operator (Well Sold) Designation of Agent/Operator

Operator Name Change Merger

The operator of the well(s) listed below has changed, effective: **7/22/2004**

FROM: (Old Operator):	**TO:** (New Operator):
N2475-ABS Energy, LLC	N2650-Elk Production, LLC
PO Box 307	770 S Post Oak Lane, Suite 320
Farmington, NM 87499	Houston, TX 77056
Phone: 1-(	Phone: 1-(713) 751-9500

CA No. **Unit:** **Calf Canyon Unit**

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
CALF CANYON 1	03	200S	210E	4301930298	11666	Fed	OW	P
CALF CYN 7	03	200S	210E	4301931168	11666	Fed	WI	A
CALF CANYON 8	03	200S	210E	4301931197	9820	Fed	GW	P
CALF CANYON FED 10	03	200S	210E	4301931203	11666	Fed	OW	S
CALF CANYON 11	03	200S	210E	4301931209	11666	Fed	WI	A
FEDERAL 675-6	09	200S	210E	4301931208	11666	Fed	OW	P
FEDERAL 675-1	10	200S	210E	4301930376	11666	Fed	OW	P
FEDERAL 675 4	10	200S	210E	4301931187	11666	Fed	OW	P
FEDERAL 675 5	10	200S	210E	4301931199	11666	Fed	OW	S
CALF CANYON 4	11	200S	210E	4301930392	2515	Fed	OW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/17/2004
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/17/2004
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 7/27/2004
4. Is the new operator registered in the State of Utah: YES Business Number: 5693065-0161
5. If **NO**, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: to follow

6b. Inspections of LA PA state/fee well sites requested on: 8/31/2004

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM applied for BIA

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: applied for

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 8/30/2004

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 8/31/2004
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 8/31/2004
3. Bond information entered in RBDMS on: 8/31/2004
4. Fee/State wells attached to bond in RBDMS on: 8/31/2004
5. Injection Projects to new operator in RBDMS on: 8/31/2004
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: B000963

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B000969

2. The **FORMER** operator has requested a release of liability from their bond on: TLA held
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 9/1/2004

COMMENTS:

ELK
PRODUCTION, LLC

RECEIVED
JAN 27 2005
DIV. OF OIL, G

January 21, 2005

Mr. John Baza
Associate Director of Oil & Gas
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Baza:

Please find attached "Sundry Notices" for work planned on both the Calf Canyon #7 and #11 wells located in the Cisco Dome field of Grand County, Utah. If you have any questions regarding the attached Sundry Notice, please feel free to contact me at my office at 303/ 296-4505 or on my cellular 303/ 868-9944.

Sincerely,

Tom Young
Vice President – Operations

ELK PRODUCTION, LLC
1401 17TH STREET, SUITE 700, DENVER, COLORADO 80202
PHONE: (303) 296-4505 FAX: (303) 296-4506 E-MAIL: POSTMASTER@ELKRESOURCES.NET

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
UTU 11620

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
Calf Canyon #11

9. API Well No.
43 019 31209

10. Field and Pool, or Exploratory Area
Greater Cisco Cedar Mtn./ Salt Wash

11. County or Parish, State
Grand County, Utah

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other WI

2. Name of Operator **Elk Production LLC**

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. *(include area code)*
303 296 4505

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
519' FSL & 750'FWL, SW/SW Section 3, T20S, R21E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☑ Other **Recomplete from Cedar Mtn. injection to Salt Wash produce**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This wall was used for water injection to maintain BHP and flood the Cedar Mountain formation by a former field operator but the well has not operated as such for a number of years. This workover will return the well to production with the perforating of a behind pipe Salt Wash zone. Elk desires to start work as quickly as approval can be obtained. Work is expected to take 5 or 6 days to complete. The planned work is to clean out scale in the wellbore to below 3700'. A cast iron bridge plug will be set at 3700' and capped with 10' of cement to isolate the Entrada perforations 3738- 54 which had been the water source for the water flood. The Cedar Mountain perforations 3098- 3124 (injection zone) will be squeezed with cement and drilled out. The casing will be tested to 500 psi. A Morrison Salt Wash interval 3390-3400' will be perforated and tested. Zone will be broken down with 500 gal double strength Fe acid if necessary. Assuming a gas well completion, a string of 1 1/4" tubing will be run in the well for production.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* **Tom C. Young** Title **VP Operations**

Signature Date **01/21/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Title Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Accepted by the Utah Division of Oil, Gas and Mining

Date 2/10/05

By:

Cause # 102-16(B)

Federal Approval Of This Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
UTU 11620

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other

8. Well Name and No.
Calf Canyon #11

2. Name of Operator
Elk Production LLC

9. API Well No.
43 019 31209

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. *(include area code)*
303 296 4505

10. Field and Pool, or Exploratory Area
Greater Cisco Cedar Mtn./ Salt Wash

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
519' FSL & 750'FWL, SW/SW Section 3, T20S, R21E

11. County or Parish, State
Grand County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☑ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☑ Other **Convert from Cedar Mtn. injection to Salt Wash producer**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Work began on the subject well on 6/9/05 to convert this Cedar Mountain injector to a Salt Wash producer. Cleaned out hole with tubing bailer to 3406'. Set CIBP @ 3396'. Swab tested Cedar Mountain perfs f/ 3098'-3124'; saw no gas, water or oil entry. Perf Salt Wash f/ 3390'-3391.5' w/ 3 1/8" expendable perf gun, 4 SPF, 32 gr (6 holes). Run in hole w/ 2 3/8" tubing. Flow test well. Well on production on 6/24/05.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Karin Kuhn

Title **Engineering Technician**

Signature Karin Kuhn

Date **07/21/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

AUG 01 2005

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
1. DJJ
2. CDW

X - Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **8/1/2011**

FROM: (Old Operator):	**TO:** (New Operator):
N2650-Elk Production, LLC	N3785-SEP - Cisco Dome LLC
1401 17th Street, Suite 700	1245 Brickyard Rd, Suite 210
Denver, CO 80202	Salt Lake City, UT 84106
Phone: 1 (303) 296-4505	Phone: 1 (435) 940-9001

CA No. **Unit:** **CALF CANYON**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST - 10 WELLS								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/6/2011
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/6/2011
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 7/18/2011

4a. Is the new operator registered in the State of Utah: Business Number: 7934251-0160

5a. (R649-9-2)Waste Management Plan has been received on: Requested 9/21/2011

5b. Inspections of LA PA state/fee well sites complete on: n/a

5c. Reports current for Production/Disposition & Sundries on: ok

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a
7. **Federal and Indian Units:**
   The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
8. **Federal and Indian Communization Agreements ("CA"):**
   The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 9/20/2011
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 9/20/2011
3. Bond information entered in RBDMS on: 9/6/2011
4. Fee/State wells attached to bond in RBDMS on: 9/21/2011
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000465
2. Indian well(s) covered by Bond Number: n/a

3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number

3b. The **FORMER** operator has requested a release of liability from their bond on: not yet

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: Calf Canyon Unit

8. WELL NAME and NUMBER: See attached list

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☑ OTHER

2. NAME OF OPERATOR: SEP - CISCO DOME, LLC N3785

3. ADDRESS OF OPERATOR: 1245 Brickyard Rd., Ste 210 CITY Salt Lake City STATE UT ZIP 84106 PHONE NUMBER: (435) 940-9001

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Grand County

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Change of Operator
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Previous Operator:
Elk Production, LLC N2650
1401 17th Street, Suite 700
Denver, Colorado 80202
303-296-4505

New Operator:
SEP - CISCO DOME, LLC
1245 Brickyard Rd., Ste. 210
Salt Lake City, UT
435-940-9001

Utah DOGM Bond #
BLM Bond # UT1300465

effective 8/1/2011

SEP - CISCO DOME, LLC representative:

Name (Please Print): David Lillywhite Title: President

Signature Date 7/28/11

NAME (PLEASE PRINT) John Whisler TITLE Chief Executive Officer

SIGNATURE DATE 7/28/11

(This space for State use only)

RECEIVED
SEP 06 2011
DIV. OF OIL, GAS & MINING

APPROVED 9/20/2011
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000) (See Instructions on Reverse Side)

ELK PRODUCTION, LLC (N2650) to SEP-Cisco Dome, LLC (N3785) effective 8/1/2011

well_name	sec	twp	rng	api	entity	well	stat
CALF CANYON 1	03	200S	210E	4301930298	11666	OW	S
FEDERAL 675-1	10	200S	210E	4301930376	11666	OW	S
CALF CANYON 4	11	200S	210E	4301930392	2515	OW	S
CALF CYN 7	03	200S	210E	4301931168	11666	GW	S
FEDERAL 675 4	10	200S	210E	4301931187	11666	OW	P
CALF CANYON 8	03	200S	210E	4301931197	16780	GW	S
FEDERAL 675 5	10	200S	210E	4301931199	11666	OW	S
CALF CANYON FED 10	03	200S	210E	4301931203	11666	OW	S
FEDERAL 675-6	09	200S	210E	4301931208	11666	OW	S
CALF CANYON 11	03	200S	210E	4301931209	15278	GW	S

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
1. DJJ
2. CDW

X - Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **9/1/2011**

FROM: (Old Operator):	**TO:** (New Operator):
N3785-SEP - Cisco Dome LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001	N3805-SEP - Cisco Dome II LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001

CA No. **Unit:** **CALF CANYON**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST - 10 WELLS								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/2011
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/2011
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 9/15/2011

4a. Is the new operator registered in the State of Utah: Business Number: 7934251-0160

5a. (R649-9-2)Waste Management Plan has been received on: Requested 9/21/2011

5b. Inspections of LA PA state/fee well sites complete on: n/a

5c. Reports current for Production/Disposition & Sundries on: ok

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 9/20/2011 BIA n/a
7. **Federal and Indian Units:**
   The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
8. **Federal and Indian Communization Agreements ("CA"):**
   The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 9/20/2011
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 9/20/2011
3. Bond information entered in RBDMS on: n/a
4. Fee/State wells attached to bond in RBDMS on: n/a
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000466
2. Indian well(s) covered by Bond Number: n/a

3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number

3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Calf Canyon Unit

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: see attached list

2. NAME OF OPERATOR: SEP - CISCO DOME II, LLC N3805

9. API NUMBER: attached

3. ADDRESS OF OPERATOR: 1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER: (435) 940-9001

10. FIELD AND POOL, OR WILDCAT: Greater Cisco

4. LOCATION OF WELL

FOOTAGES AT SURFACE: see attached

COUNTY: Grand County

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☑ NOTICE OF INTENT (Submit in Duplicate)

Approximate date work will start: 9/15/2011

☐ SUBSEQUENT REPORT (Submit Original Form Only)

Date of work completion:

TYPE OF ACTION

☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Previous Operator: N3785
SEP – CISCO DOME, LLC
1245 BRICKYARD RD, STE 210
SALT LAKE CITY, UT 84106
435-940-9001

New Operator:
SEP – CISCO DOME II, LLC N3805
1245 BRICKYARD RD, STE 210
SALT LAKE CITY, UT 84106
435-940-9001

BLM Bond #: UTB-000466

x
David Knudson,
Land Manager
15 Sept. 2011

x
David Knudson,
Land Manager
15 Sept. 2011

effective 9/1/2011

NAME (PLEASE PRINT) Jeremy Schwendiman TITLE Landman

SIGNATURE DATE 8/10/2011

(This space for State use only) APPROVED 9/20/2011
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
SEP 15 2011
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

SEP-Cisco Dome, LLC (N3785) to SEP-Cisco Dome II, LLC (N3805) effective 9/1/2011

well_name	sec	twp	rng	api	entity	well	stat
CALF CANYON 1	03	200S	210E	4301930298	11666	OW	S
FEDERAL 675-1	10	200S	210E	4301930376	11666	OW	S
CALF CANYON 4	11	200S	210E	4301930392	2515	OW	S
CALF CYN 7	03	200S	210E	4301931168	11666	GW	S
FEDERAL 675 4	10	200S	210E	4301931187	11666	OW	P
CALF CANYON 8	03	200S	210E	4301931197	16780	GW	S
FEDERAL 675 5	10	200S	210E	4301931199	11666	OW	S
CALF CANYON FED 10	03	200S	210E	4301931203	11666	OW	S
FEDERAL 675-6	09	200S	210E	4301931208	11666	OW	S
CALF CANYON 11	03	200S	210E	4301931209	15278	GW	S

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
http://www.blm.gov/ut/st/en.html

TAKE PRIDE IN AMERICA

IN REPLY REFER TO:
3180 (UTU70813A)
UT-922

SEP 19 2011

David Knudson
SEP-Cisco Dome II, LLC
1245 Brickyard Rd., Suite 210
Salt Lake City, UT 84106

Re: Successor Operator
Calf Canyon Unit
Agreement No. UTU70813A
Grand County, Utah

Dear Mr. Knudson:

On September 1, 2011, we received an indenture dated August 29, 2011, whereby Elk Production, LLC resigned as Unit Operator and SEP-Cisco Dome II, LLC was designated as Successor Unit Operator for the Calf Canyon Unit, Grand County, Utah. The indenture was executed by both parties and the signatory parties (working interest owners) have complied with Sections 5 and 6 of the unit agreement.

The instrument is hereby approved effective September 15, 2011. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Calf Canyon Unit Agreement.

Your statewide oil and gas bond, No. ZSB802726 (BLM Bond No. UTB000466) will be used to cover unit operations.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate Federal offices, with one copy returned herewith.

Sincerely,

Roger L. Bankert

Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
ONRR - Leona Reilly
BLM FOM - Moab w/enclosure

RECEIVED
SEP 20 2011
DIV. OF OIL, GAS & MINING

FORM 9

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

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-11620

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: CALF CANYON

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: CALF CANYON 11

2. NAME OF OPERATOR: SEP CISCO DOME II, LLC

9. API NUMBER: 43019312090000

3. ADDRESS OF OPERATOR: 1245 Brickyard Rd Ste 210 , Salt Lake City, UT, 84106

PHONE NUMBER: 4359409004 Ext

9. FIELD and POOL or WILDCAT: GREATER CISCO

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0519 FSL 0750 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 03 Township: 20.0S Range: 21.0E Meridian: S

COUNTY: GRAND

STATE: UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ NOTICE OF INTENT
  Approximate date work will start:
- ✓ SUBSEQUENT REPORT
  Date of Work Completion: 5/15/2012
- ☐ SPUD REPORT
  Date of Spud:
- ☐ DRILLING REPORT
  Report Date:

TYPE OF ACTION

☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
✓ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	✓ CONVERT WELL TYPE
☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
✓ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Summary of Activity: -Jet cut tubing at 3324' (wireline depth) to leave packer assembly fish at 3324' - 3393'. -Cast Iron Cement Retainer set at 3336' (tubing depth). -1/2 bbl cement below the retainer and 1 bbl cement set on top of the retainer to plug back and abandon the Morrison. -Cedar Mountain perforated at 3098'-3130' with 4 spf. Current Status: Injection well for Calf Canyon Unit Cedar Mountain Waterflood. Attachment: Daily Work-Over Summary and CurrentWellbore diagram for Calf Canyon 11 as of the date of this Sundry.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
September 17, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Crystal Hammer	435 940-9001	Geo Tech

SIGNATURE	DATE
N/A	8/31/2012

RECEIVED: Aug. 31, 2012

Well Activity Summary Report

Well:	CALF CANYON 11
Location:	Grand County, Utah
Field:	Greater Cisco
Purpose:	Recomplete

Monday-April 16, 2012

Well Pluggers Inc. (Red) moved in by pulling rig with a dozer. Dug out the dead men, RU and began pulling on the tbg going up to 45,000 pounds but still could not pull it far enough to get his slips under the well head. It was recommended that a hot oil truck be called out to run hot water down the annulus and tbg. Hot oil truck was ordered and will be on location tomorrow.

Tuesday-April 17, 2012

Well Pluggers Inc. (Red) RU the hot oil truck and pumped hot water down the annulus primarily and a little down the tbg. Hot oiler was moved out of the way and Red pulled 50,000 pounds on the tbg but still could not get his slips under the well head. Called Dale Daniels at DLD and he could perform a jet cut for us. He arrived, Red helped rig him up and the tbg was jet cut at 3324 (Dales number), 3330 (Reds number) which was ~194 feet below the bottom of the injection perfs. POOH with tbg and it stacked out at 3327. Red then RIH with bit, scraper and 40 joints of tbg.

Wednesday-April 18, 2012

Well Pluggers Inc. (Red) took tbg, bit, and scraper down to the bottom and tagged 3338. POOH the tbg, bit, and scraper and RIH with a CICR set it at 3336. With the stinger in the retainer, the retainer, mix and pump 15 sacks of cement, ½ BBL went through and below the retainer with the remainder being set on top of the retainer. POOH tbg and stinger and RIH with tbg and an Aeroset X-1 packer and set it at 3075. Pressure up annulus pressure up to 500 PSI and went down to 450 in 10 minutes. Pressured up to 500 PSI a second time and it held.

Thursday-April 19, 2012

Well Pluggers Inc. (Red) unset the packer and POOH the tbg and packer. Red helped rig up DLD to perf from 3098 to 3130. RIH with tbg and Aeroset X-1 packer and set at 3062. Reconnected the well head and pressured up the annulus to 500 PSI and after 30 minutes it held. Red pumped back up to 550 PSI and it was still at 540 PSI 20 min later.

Friday-April 20, 2012

Well Pluggers Inc. (Red) took Friday off, although Red was out in Field on Friday on his own time and witnessed that the pressure was still holding at 520 PSI

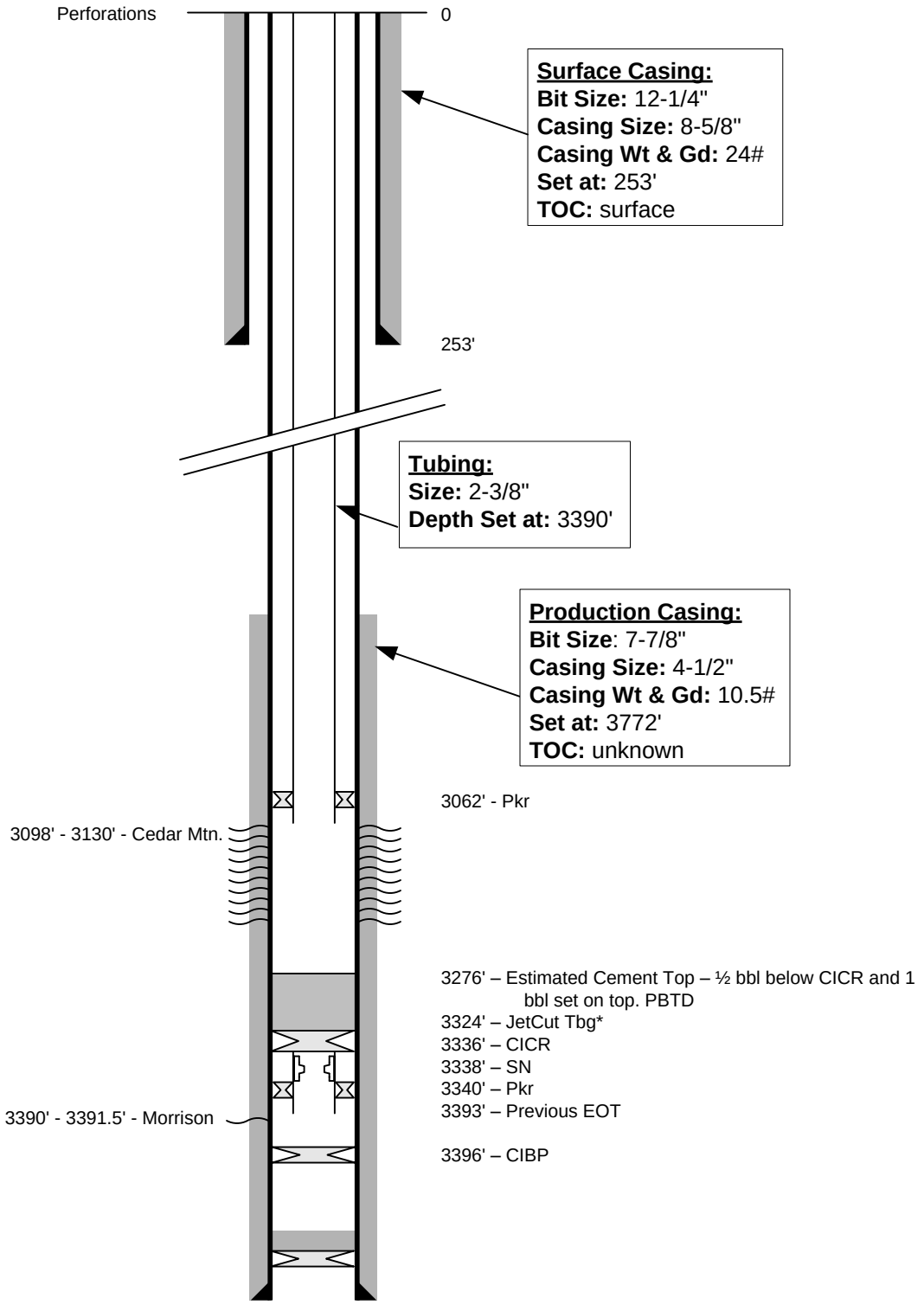
Monday-April 23, 2012

Well Pluggers Inc. (Red) Red checked the annulus pressure first thing Monday morning and it was just above 500 PSI, it had held through the weekend. Bart Kettle from UDOGM arrived at about 10:00 and witnessed it holding above 500 PSI for an acceptable length of time and the well passed its MIT and Bart gave authority to begin injection. Although packer is set at 3062, Bart rounded to 3060 for his notes.

RECEIVED: Aug. 31, 2012

Calf Canyon 11
API # 43-019-31209
Greater Cisco Field
Grand County, Utah
SWSW Sec. 3, T20S-R21E, 519' FSL, 750' FWL
39.08982° N, -109.58982° W
Elevation: 5794' GL, 5802' KB

31 August 2012



TD = 3800'
PBTD = 3276'
(Not to Scale)

*Note:
Jetcut tubing was measured at 3324' by the cutting company and as 3338' by tally.

RECEIVED: Aug. 31, 2012

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-11620

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: CALF CANYON

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: CALF CANYON 11

2. NAME OF OPERATOR: SEP CISCO DOME II, LLC

9. API NUMBER: 43019312090000

3. ADDRESS OF OPERATOR: 1245 Brickyard Rd Ste 210 , Salt Lake City, UT, 84106

PHONE NUMBER: 4359409004 Ext

9. FIELD and POOL or WILDCAT: GREATER CISCO

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0519 FSL 0750 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 03 Township: 20.0S Range: 21.0E Meridian: S

COUNTY: GRAND

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ NOTICE OF INTENT — Approximate date work will start:
- ✓ SUBSEQUENT REPORT — Date of Work Completion: 4/23/2012
- ☐ SPUD REPORT — Date of Spud:
- ☐ DRILLING REPORT — Report Date:

TYPE OF ACTION

☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	✓ CONVERT WELL TYPE
☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Well passed MIT test On April 23, 2012 with 500 psi held for an appropriate length of time, observed and approved by Bart Kettle with UDOGM. Well converted to injection, summary of activity: jet cut tubing at 3324' to leave packer assembly fish at 3324' - 3393'; cast iron cement retainer set at 3336'; 1/2 bbl cement below and 1 bbl cement set on top of retainer to plug back and abandon Morrison Formation; Cedar Mountain Formation perforated at 3098' - 3130' with 4 spf. Attached: current wellbore diagram and daily workover summary.

Accepted by the Utah Division of Oil, Gas and Mining

Date: November 07, 2013

By:

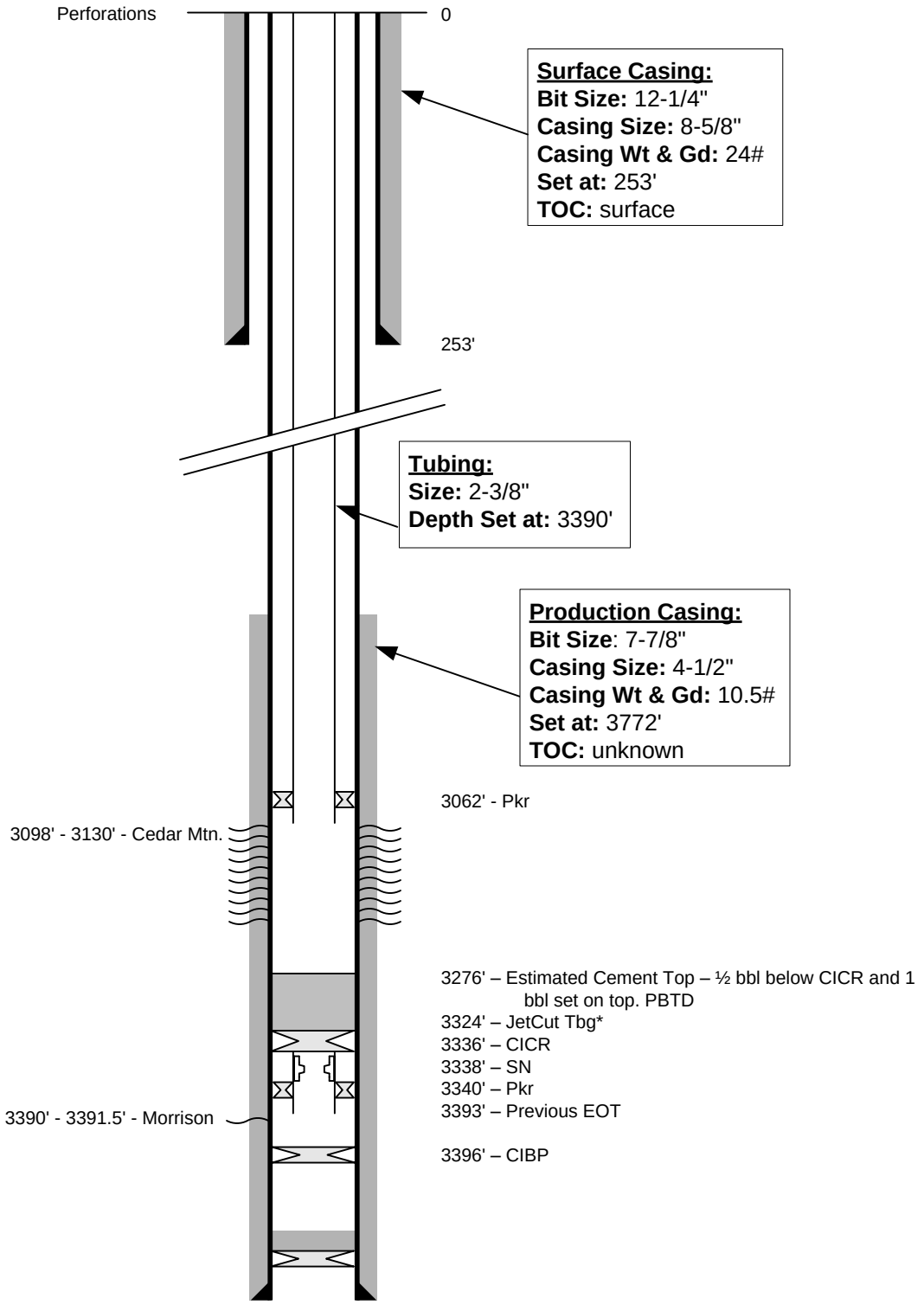
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Crystal Hammer	435 940-9001	Geo Tech

SIGNATURE	DATE
N/A	10/10/2013

RECEIVED: Oct. 10, 2013

Calf Canyon 11
API # 43-019-31209
Greater Cisco Field
Grand County, Utah
SWSW Sec. 3, T20S-R21E, 519' FSL, 750' FWL
39.08982° N, -109.58982° W
Elevation: 5794' GL, 5802' KB

31 August 2012



TD = 3800'
PBTD = 3276'
(Not to Scale)

*Note:
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RECEIVED: Oct. 10, 2013

Well Activity Summary Report

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Location:	Grand County, Utah
Field:	Greater Cisco
Purpose:	Recomplete

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Well Pluggers Inc. (Red) took tbg, bit, and scraper down to the bottom and tagged 3338. POOH the tbg, bit, and scraper and RIH with a CICR set it at 3336. With the stinger in the retainer, the retainer, mix and pump 15 sacks of cement, ½ BBL went through and below the retainer with the remainder being set on top of the retainer. POOH tbg and stinger and RIH with tbg and an Aeroset X-1 packer and set it at 3075. Pressure up annulus pressure up to 500 PSI and went down to 450 in 10 minutes. Pressured up to 500 PSI a second time and it held.

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RECEIVED: Oct. 10, 2013

FORM 9

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

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-11620

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: CALF CANYON

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: CALF CANYON 11

2. NAME OF OPERATOR: SEP CISCO DOME II, LLC

9. API NUMBER: 43019312090000

3. ADDRESS OF OPERATOR: 1245 Brickyard Rd Ste 210 , Salt Lake City, UT, 84106

PHONE NUMBER: 801-657-5780 Ext

9. FIELD and POOL or WILDCAT: GREATER CISCO

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0519 FSL 0750 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 03 Township: 20.0S Range: 21.0E Meridian: S

COUNTY: GRAND

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ NOTICE OF INTENT — Approximate date work will start:
- ✓ SUBSEQUENT REPORT — Date of Work Completion: 5/21/2014
- ☐ SPUD REPORT — Date of Spud:
- ☐ DRILLING REPORT — Report Date:

TYPE OF ACTION

☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	✓ CONVERT WELL TYPE
☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This well was worked over to convert it back to a water injection well in the Cedar Mountain Formation. Water injection into this well was resumed on May 21, 2014 with injection of 35 BWPD injected at 0 psi on the tubing and casing. Injection rate was limited by availability of water.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
September 04, 2014

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Ellis Peterson	801 657-5780	Sr Petroleum Engineer

SIGNATURE	DATE
N/A	8/11/2014

RECEIVED: Aug. 11, 2014

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

FORM 9

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SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: CALF CANYON

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: CALF CANYON 11

2. NAME OF OPERATOR: SEP CISCO DOME II, LLC

9. API NUMBER: 43019312090000

3. ADDRESS OF OPERATOR: 1245 Brickyard Rd Ste 210 , Salt Lake City, UT, 84106

PHONE NUMBER: 801-657-5780 Ext

9. FIELD and POOL or WILDCAT: GREATER CISCO

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0519 FSL 0750 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 03 Township: 20.0S Range: 21.0E Meridian: S

COUNTY: GRAND

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ NOTICE OF INTENT — Approximate date work will start:
- ✓ SUBSEQUENT REPORT — Date of Work Completion: 11/24/2014
- ☐ SPUD REPORT — Date of Spud:
- ☐ DRILLING REPORT — Report Date:

TYPE OF ACTION

☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
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☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Water Analysis

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached herein is the water analysis for water injected into this well, taken at the wellhead of the source well (Calf Canyon 8, API 43-019-31197).

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
December 22, 2014

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Chris Pell	801 441-3082	Operations Engineer

SIGNATURE	DATE
N/A	12/18/2014

RECEIVED: Dec. 18, 2014

Questar Applied Technology Services

1210 D Street
Rock Springs, Wyoming 82902
Phone: (307) 352-7292
Fax: (307) 352-7326

WATER ANALYSIS REPORT

COMPANY:	Summit Operating	FORMATION:	Morrison
FIELD:	~~N/A~~ Cisco	SAMPLE POINT:	Wellhead
COUNTY:	~~N/A~~ Grand	TYPE OF WATER:	Produced / Injected
STATE:	~~N/A~~ Utah	DATE SAMPLED:	11/20/14
WELL:	~~Sample A~~ Calf Canyon 8	DATE ANALYZED:	11/24/14
		ANALYZED BY:	Putnam
		SAMPLED BY:	ROUSH

DISSOLVED SOLIDS	mg / L
CATIONS:	
Sodium, Na:	6,486
Calcium, Ca:	412
Magnesium, Mg:	66
Barium, Ba:	N/A
ANIONS:	
Chloride, Cl:	10,500
Sulfate, SO_4:	250
Carbonate, CO_4:	0
Bicarbonate, HCO_4:	400
Iron, Fe:	0
Sulfide, H_2S:	N/A
TOTAL DISSOLVED:	18,114
OTHER PROPERTIES:	
pH:	7.8
Specific Gravity, 60/60F:	1.0154
Resistivity: (ohms/meter)	0.39
Sample Temperature:	67*f

REMARKS & RECOMMENDATIONS:

GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 27, 2011

SEP-Cisco Dome II, LLC
1245 Brickyard Road, Suite 1210
Salt Lake City, UT 84106

Subject: Calf Canyon Unit Well: Calf Canyon 11, Section 3, Township 20 South, Range 21 East, SLBM, Grand County, Utah, API Well # 43-019-31209

Gentlemen:

Pursuant to Utah Admin. Code R649-5-3-3, the Division of Oil, Gas and Mining (the "Division") issues its administrative approval for re-activation of the referenced well to a Class II injection well. Accordingly, the following stipulations shall apply for full compliance with this approval:

1. Compliance with all applicable requirements for the operation, maintenance and reporting for Underground Injection Control ("UIC") Class II injection wells pursuant to Utah Admin. Code R649-1 et seq.

2. Conformance with all conditions and requirements of the complete application submitted by SEP-Cisco Dome II, LLC.

3. A casing\tubing pressure test shall be conducted prior to commencing injection. Please contact the Division 48 hours prior to conducting this test.

4. Pressure shall be monitored between the surface casing and the production casing on a regular basis. Any pressure changes observed shall be reported to the Division immediately.

A final approval to commence injection will be issued upon satisfactory completion of the listed stipulations. If you have any questions regarding this approval or the necessary requirements, please contact Mark Reinbold at 801-538-5333 or Brad Hill at 801-538-5315.

Sincerely,

for John Rogers
Associate Director

JR/MLR/js
cc: Bruce Suchomel, Environmental Protection Agency
Bureau of Land Management, Moab
Grand County
Well File
N:\O&G Reviewed Docs\ChronFile\UIC

DIVISION OF OIL, GAS AND MINING
UNDERGROUND INJECTION CONTROL PROGRAM
PERMIT
STATEMENT OF BASIS

Applicant: SEP-Cisco Dome II, LLC **Well:** Calf Canyon 11 (proposed reactivation)

Location: 3/20S/21E **API:** 43-019-31209

Ownership Issues: All lands and leases within the unit are owned by the federal government. The proposed well is located on BLM land. The well is located in the Calf Canyon Unit. Lands in the one-half mile radius of the well are administered by the BLM. The Federal Government is the mineral owner within the area of review (AOR). The current operator of the unit is SEP-Cisco Dome II, LLC, effective 9/1/2011.

Well Integrity: An 8 5/8 inch surface casing is set at 253 feet and cemented to surface. A 4 ½ inch production casing is set to a total depth of 3,772 feet, and cement was circulated to approximately 2,350 feet (bond log). A good top of cement is indicated at 2,320 feet depth. The well last passed a mechanical integrity test (MIT) on 11/02/1999. It will be required to pass a new MIT prior to issuance of a new injection permit. Within the one-half mile area of review (AOR) there are 2 producing oil wells, 3 shut-in oil wells, 3 shut-in gas wells (including the subject well, Calf Canyon 11, and also Calf Canyon 7), and 2 plugged and abandoned wells. Prior to being shut-in, the Calf Canyon 11 well was producing gas from the Morrison Formation, with perforations between 3,390 and 3,391.5 feet. It is proposed to abandon these Morrison perforations by cement squeeze. The Cedar Mountain will then be re-perforated in the interval 3,098'-3,130'. (Cause No. 102-75 originally permitted an injection interval in the Cedar Mountain at 3,087-3,132 feet). A 2 3/8 inch tubing with a packer will be set at 3,070 feet. All wells in the AOR have adequate cement and plugs to prevent migration of water. No new wells have been drilled within the AOR since 1985. Cause No. 102-75 established the Calf Canyon Unit January 21, 1993, also permitting the injection in Calf Canyon 11.

Ground Water Protection: There are no USDW's in this area which would be impacted by this proposal. Injection shall be limited to the interval between 3,098 feet and 3,130 feet in the Cedar Mountain Formation. The DOGM Permit Decision Document (10/27/1992) states that the maximum injection pressure in Calf Canyon 11 should be limited to 800 psig. As stated in the Amended Application (Docket No. 92-042, Cause No. 102-75, received 11/10/1992), "Further, treatment pressures experienced by service company personnel indicated a fracture gradient of greater than 0.70 psig/foot for the proposed unit, which is in excess of the designed limit of 830 psig surface injection pressure." Injection at this pressure should not initiate any new fractures or propagate existing fractures in the adjacent confining intervals. Any ground water present should be adequately protected.

Oil/Gas& Other Mineral Resources Protection: The Board of Oil, Gas & Mining approved the Calf Canyon Unit on January 21, 1993 (Cause No. 102-75). Correlative rights issues were addressed at that time. Previous reviews in this area indicate that other mineral resources in the area have been protected or are not at issue.

Bonding: Bonded with the BLM (UTB-000466)

Actions Taken and Further Approvals Needed: On October 6, 1992, a notice of agency action (Cause No. 102-75, Docket No. 92-042) was sent to the Newspaper Agency Corporation (Salt Lake Tribune and Deseret News) and the Times Independent (Moab, Utah) in the matter of the initial application for approval of a secondary recovery program in the Calf Canyon Field. The original applicant was Pease Oil and Gas Company. Since that time the unit has undergone several changes of operator and Transfers of Authority to Inject. The most recent operator change was to SEP-Cisco Dome II, LLC, effective 9/1/2011. A casing/tubing pressure test will be required prior to injection. It is recommended that approval of this application be granted.

Note: Applicable technical publications concerning water resources in the general vicinity of this project have been reviewed and taken into consideration during the permit review process.

Reviewer(s): Mark Reinbold Date 12/14/2011

SEP - CISCO DOME II, LLC
1245 Brickyard Road, Suite 210
SLC, UT 84106
PH: 435.940.9001 FX: 435.940.9002

RECEIVED
DEC 13 2011
DIV. OF OIL, GAS & MINING

December 1, 2011

Brad Hill, Oil and Gas Permitting Manager
Dustin Doucet, Petroleum Engineer
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Reactivation of Waterflood in Greater Cisco: SEP – Cisco Dome II, LLC

Dear Brad Hill & Dustin Doucet:

SEP – Cisco Dome II, LLC requests to reactivate a waterflood in the Greater Cisco Field in Grand County, Utah. Attached in triplicate are sundry notices reflecting the work contemplated along with the current wellbore configurations for the producing Calf Canyon 7 and Calf Canyon 11 wells, alongside the proposed wellbore configurations for converting them into injector wells.

The attached sundry notices and wellbore configurations were prepared by SEP Cisco Dome II, LLC's technical staff which include Senior Petroleum Engineer Ellis Peterson, Geologist Carl F. Kendell and Crystal Hammer Geological Technician. If you have any questions of a technical nature, please feel free to contact them at the above letterhead.

Please keep us informed as to the progress of your review and feel free to contact us for any reason.

Sincerely,

Steve Fliflet

Steve Fliflet,
Project Manager
435-941-9001

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-11620

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Calf Canyon Unit

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: Calf Canyon 11

2. NAME OF OPERATOR: SEP-Cisco Dome II, LLC

9. API NUMBER: 4301931209

3. ADDRESS OF OPERATOR: 1245 E. Brickyard Rd, St 210 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER: (435) 940-9001

10. FIELD AND POOL, OR WILDCAT: Greater Cisco, Calf Canyon

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 519 feet FSL & 750 feet FWL

COUNTY: Grand County

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 3 20S 21E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☑ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
12/15/2011	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☑ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☑ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Approval is requested to resume water injection into the Cedar Mountain in Calf Canyon 11 as allowed under UIC Permit Number 102-75.1. Perforations in the Morrison Formation at 3390' - 3392' will be abandoned by cementing below a cement retainer set at approximately 3370'. The Cedar Mountain will be reperforated with 4 SPF at 3098' - 3130'. A packer will be run on 2-3/8" injection tubing and set no more than 50' above the Cedar Mountain perforations.

Attachment: Wellbore diagram for Calf Canyon 11

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NAME (PLEASE PRINT) STEVEN FLIFLET TITLE PROJECT MANAGER

SIGNATURE Steven Fliflet DATE 12/1/11

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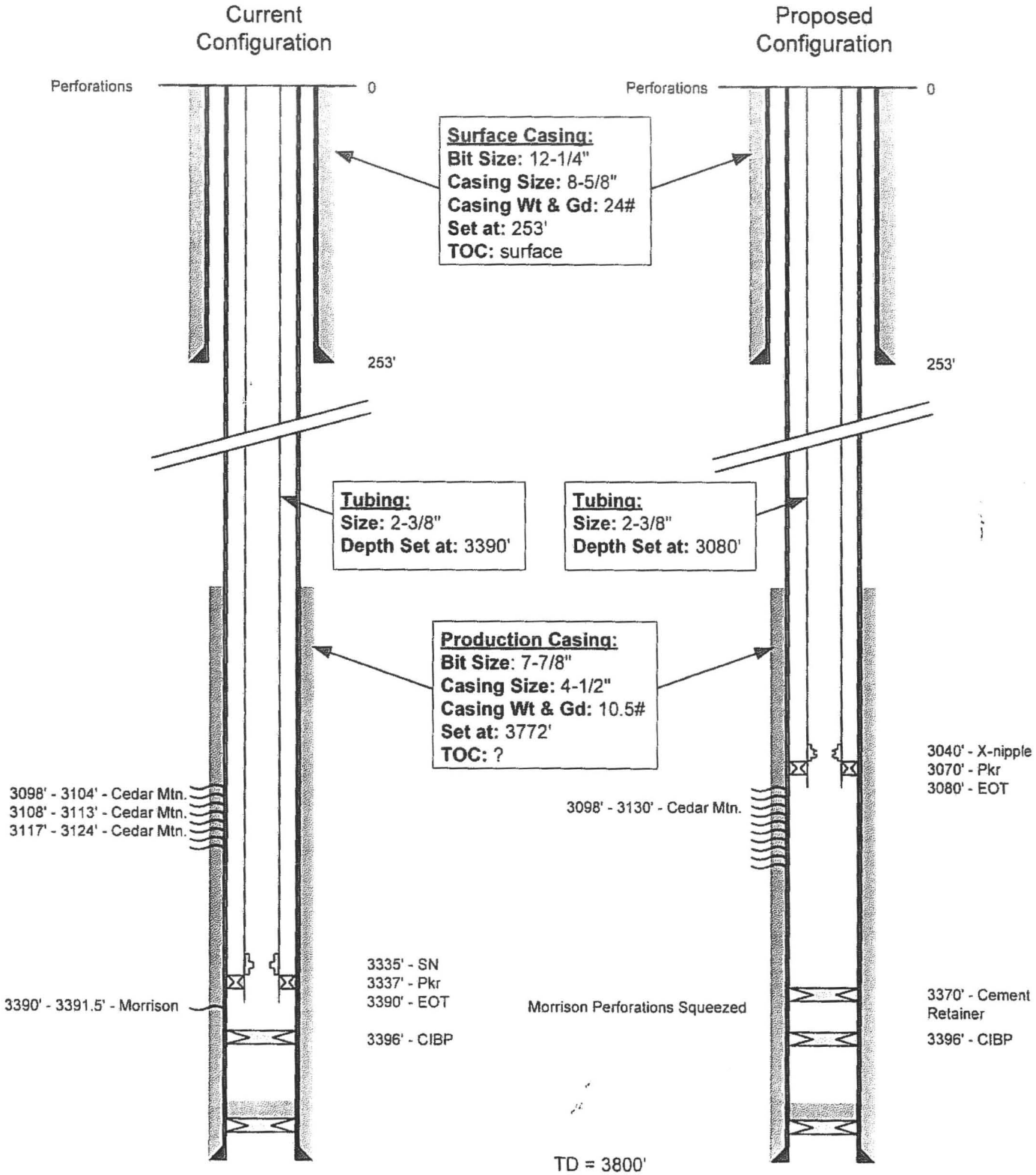
Calf Canyon 11
API # 43-019-31209
Greater Cisco Field
Grand County, Utah
SWSW Sec. 3, T20S-R21E, 519' FSL, 750' FWL
39.308982° N, -109.58982° W
Elevation: 5794' GL, 5802' KB



TD = 3800'
PBTD = 3706'
(Not to Scale)

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7. UNIT or CA AGREEMENT NAME: Calf Canyon Unit

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: Calf Canyon 11

2. NAME OF OPERATOR: SEP-Cisco Dome II, LLC

9. API NUMBER: 4301931209

3. ADDRESS OF OPERATOR: 1245 E. Brickyard Rd, St 210 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER: (435) 940-9001

10. FIELD AND POOL, OR WILDCAT: Greater Cisco, Calf Canyon

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 519 feet FSL & 750 feet FWL

COUNTY: Grand County

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 3 20S 21E S

STATE: UTAH

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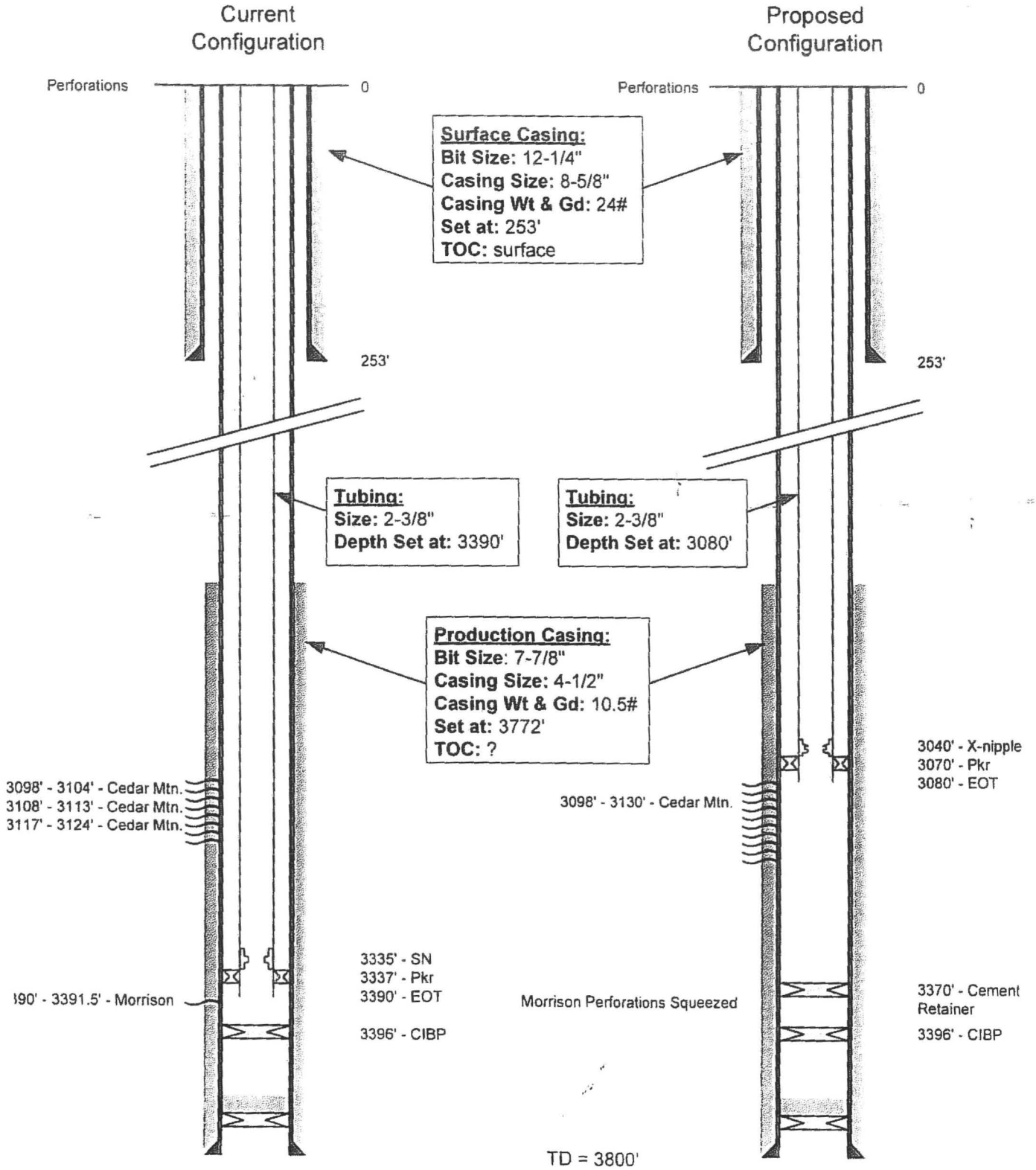

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8. WELL NAME and NUMBER: Calf Canyon 11

2. NAME OF OPERATOR: SEP-Cisco Dome II, LLC

9. API NUMBER: 4301931209

3. ADDRESS OF OPERATOR: 1245 E. Brickyard Rd, St 210 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER: (435) 940-9001

10. FIELD AND POOL, OR WILDCAT: Greater Cisco, Calf Canyon

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 519 feet FSL & 750 feet FWL

COUNTY: Grand County

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 3 20S 21E S

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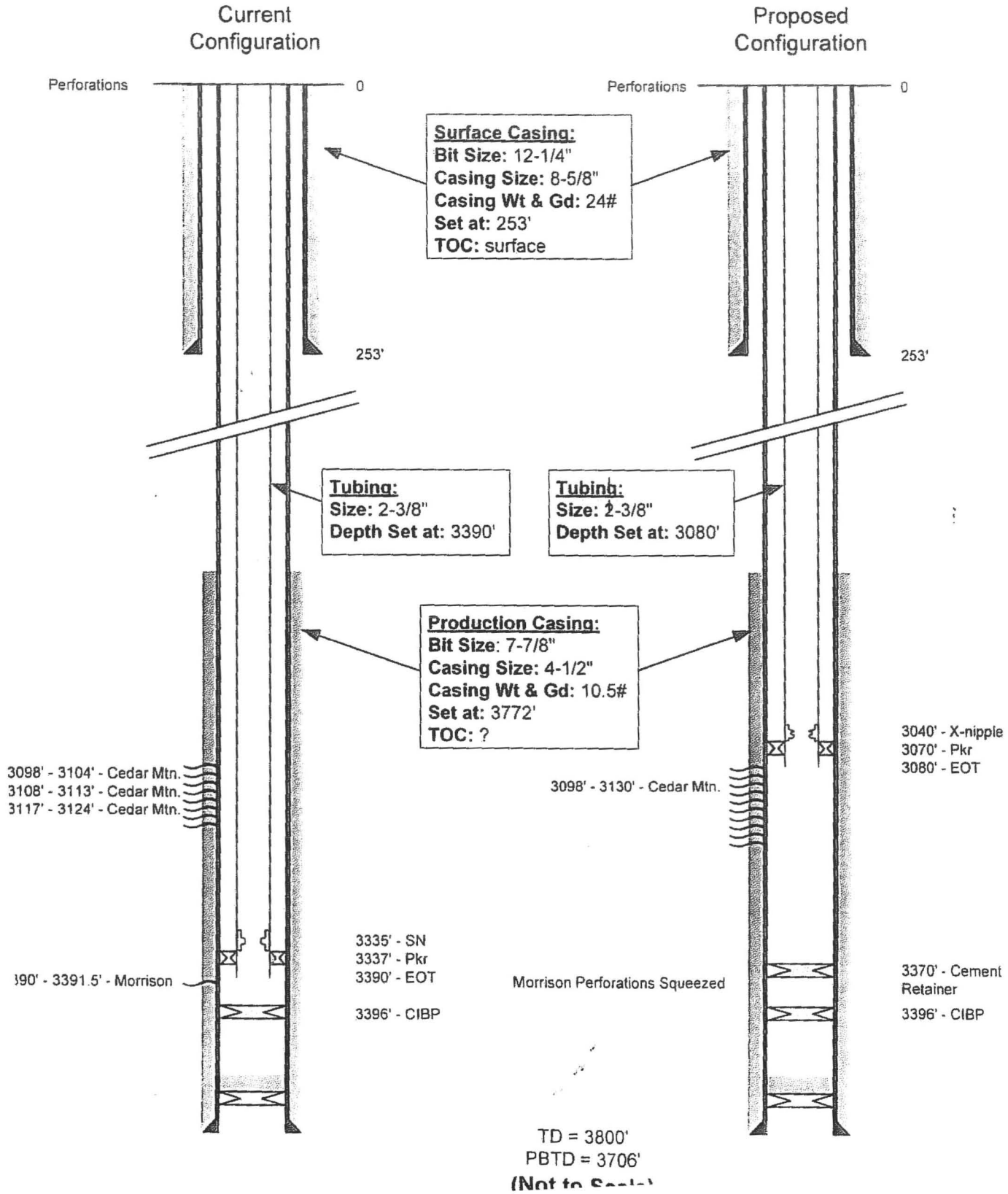

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7. UNIT or CA AGREEMENT NAME: Calf Canyon Unit

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: Calf Canyon 7

2. NAME OF OPERATOR: SEP-Cisco Dome II, LLC

9. API NUMBER: 4301931168

3. ADDRESS OF OPERATOR: 1245 E. Brickyard Rd, St 210 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER: (435) 940-9001

10. FIELD AND POOL, OR WILDCAT: Greater Cisco, Calf Canyon

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 506 feet FSL & 2116 feet FWL

COUNTY: Grand County

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 3 20S 21E S

STATE: UTAH

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Approval is requested to resume water injection into the Cedar Mountain in Calf Canyon 7 as allowed under UIC Permit Number UIC-169.1. Perforations in the Dakota Formation at 2718' - 2796' will be abandoned by cement squeeze. The Cedar Mountain will be reperforated with 4 SPF at 2830' - 2845' and 2852' - 2878'. A packer will be run on 2-3/8" injection tubing and set between the abandoned Dakota Formation perforations and the Cedar Mountain perforations.

Attachment: Wellbore diagram for Calf Canyon 7

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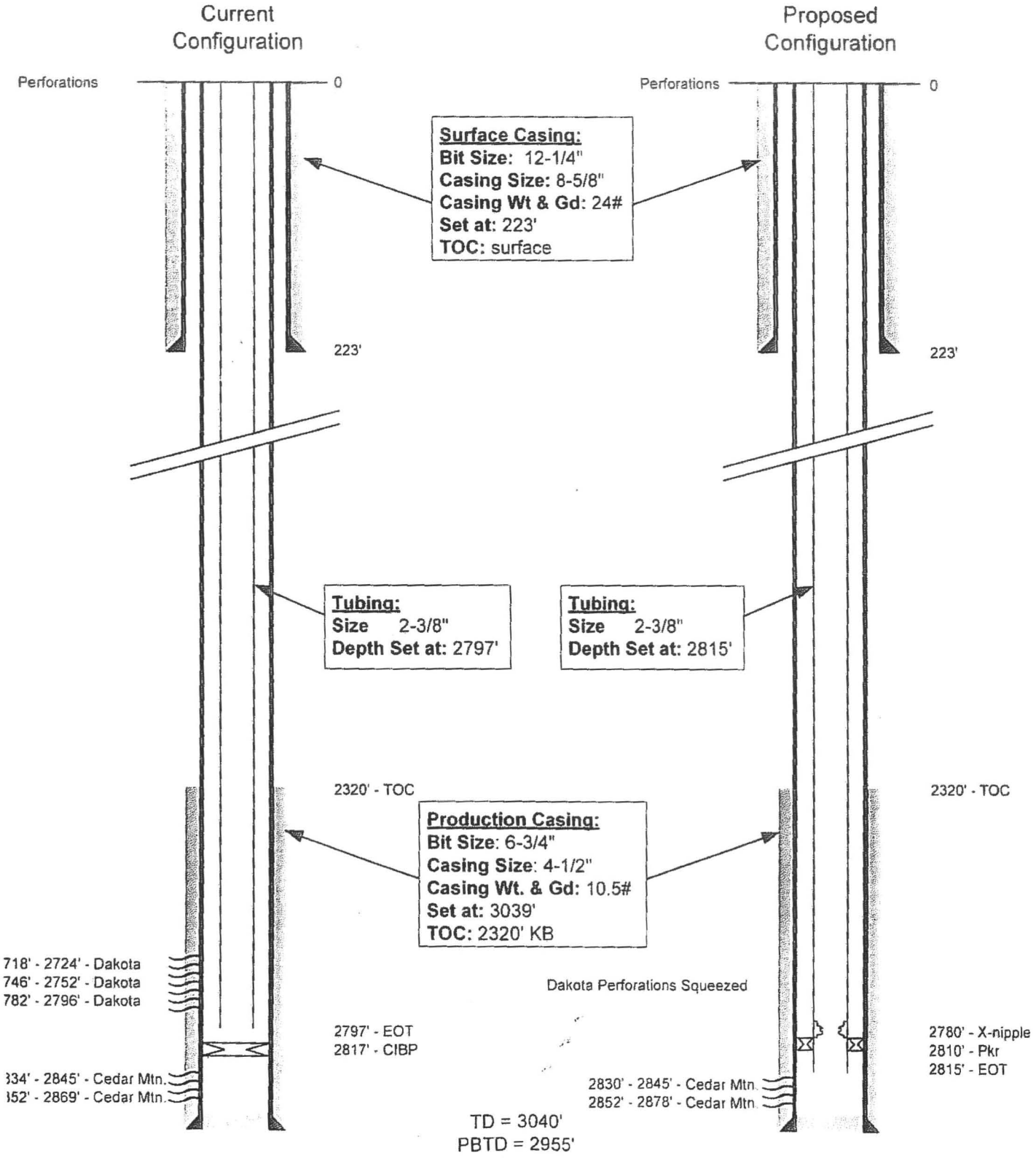
Calf Canyon 7
API # 43-019-31168
Greater Cisco Field
Grand County, Utah
SESW Sec. 3, T20S-R21E, 506' FSL, 2116' FWL
39.08972° N, -109.58501° W
Elevation: 5556' GL, 5565' KB



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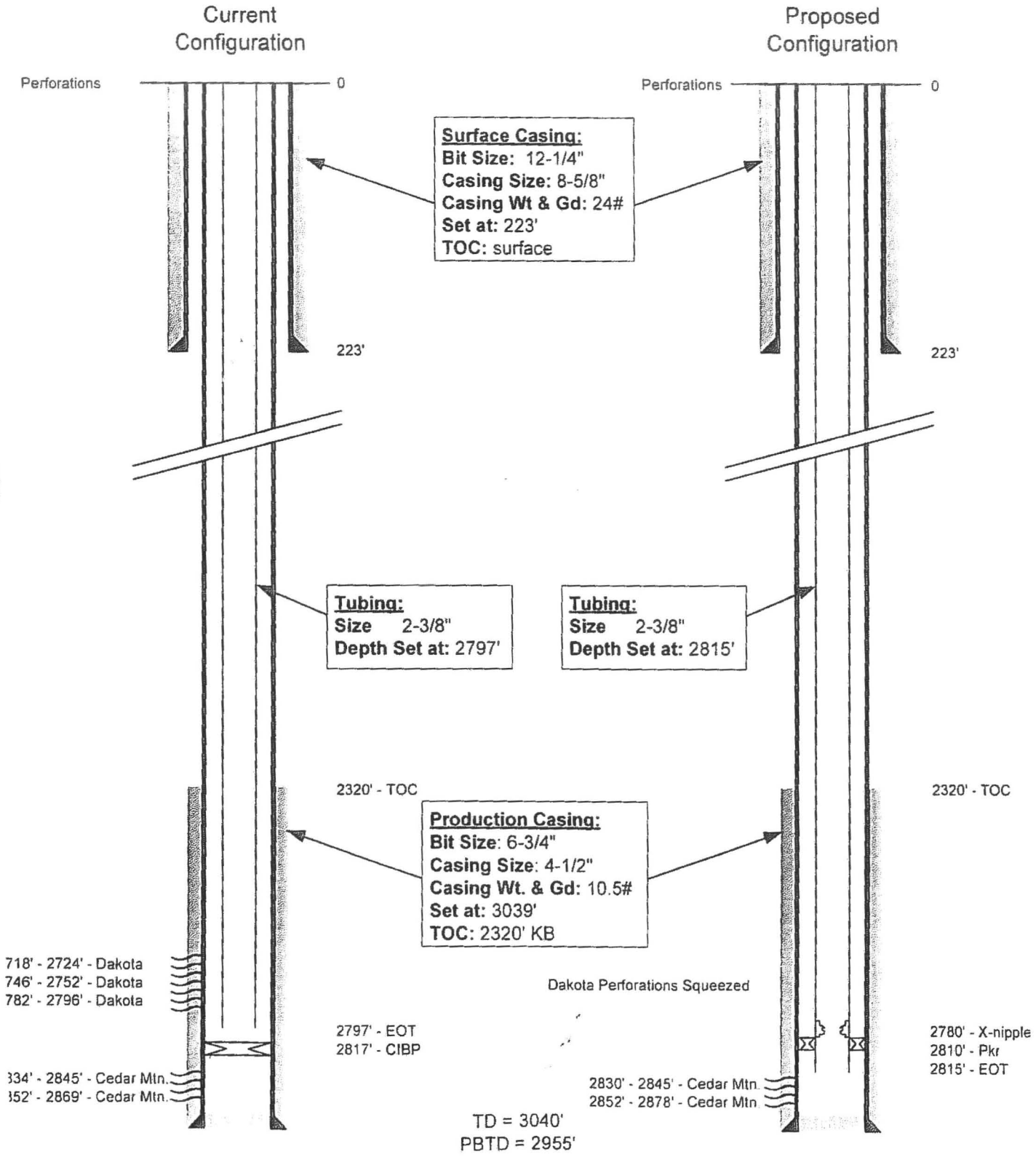

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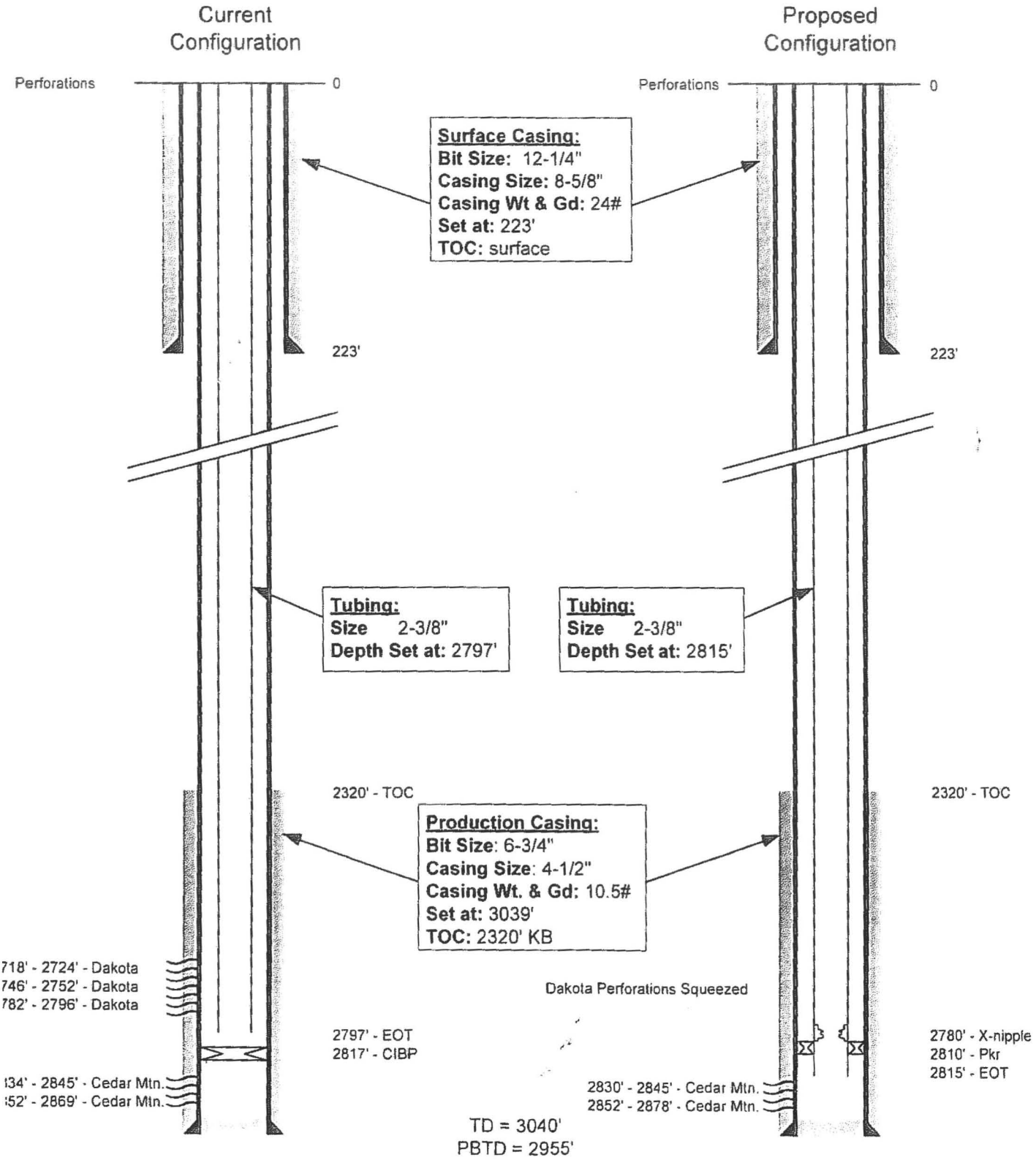

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1245 Brickyard Road, Suite 210
SLC, UT 84106
PH: 435.940.9001 · FX: 435.940.9002

December 1, 2011

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Please keep us informed as to the progress of your review and feel free to contact us for any reason.

Sincerely,

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Steve Fliflet,
Project Manager
435-940-9001

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DIV. OF OIL, GAS & MINING

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-11620

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: Calf Canyon Unit

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: Calf Canyon 11

2. NAME OF OPERATOR: SEP-Cisco Dome II, LLC

9. API NUMBER: 4301931209

3. ADDRESS OF OPERATOR: 1245 E. Brickyard Rd, St 210 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER: (435) 940-9001

10. FIELD AND POOL, OR WILDCAT: Greater Cisco, Calf Canyon

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 519 feet FSL & 750 feet FWL

COUNTY: Grand County

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 3 20S 21E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☑ REPERFORATE CURRENT FORMATION
Approximate date work will start: 12/15/2011	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☑ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☑ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Approval is requested to resume water injection into the Cedar Mountain in Calf Canyon 11 as allowed under UIC Permit Number 102-75.1. Perforations in the Morrison Formation at 3390' - 3392' will be abandoned by cementing below a cement retainer set at approximately 3370'. The Cedar Mountain will be reperforated with 4 SPF at 3098' - 3130'. A packer will be run on 2-3/8" injection tubing and set no more than 50' above the Cedar Mountain perforations.

Attachment: Wellbore diagram for Calf Canyon 11

NAME (PLEASE PRINT) STEVEN FLIFLET TITLE PROJECT MANAGER

SIGNATURE Steven Fliflet DATE 12/1/11

(This space for State use only)

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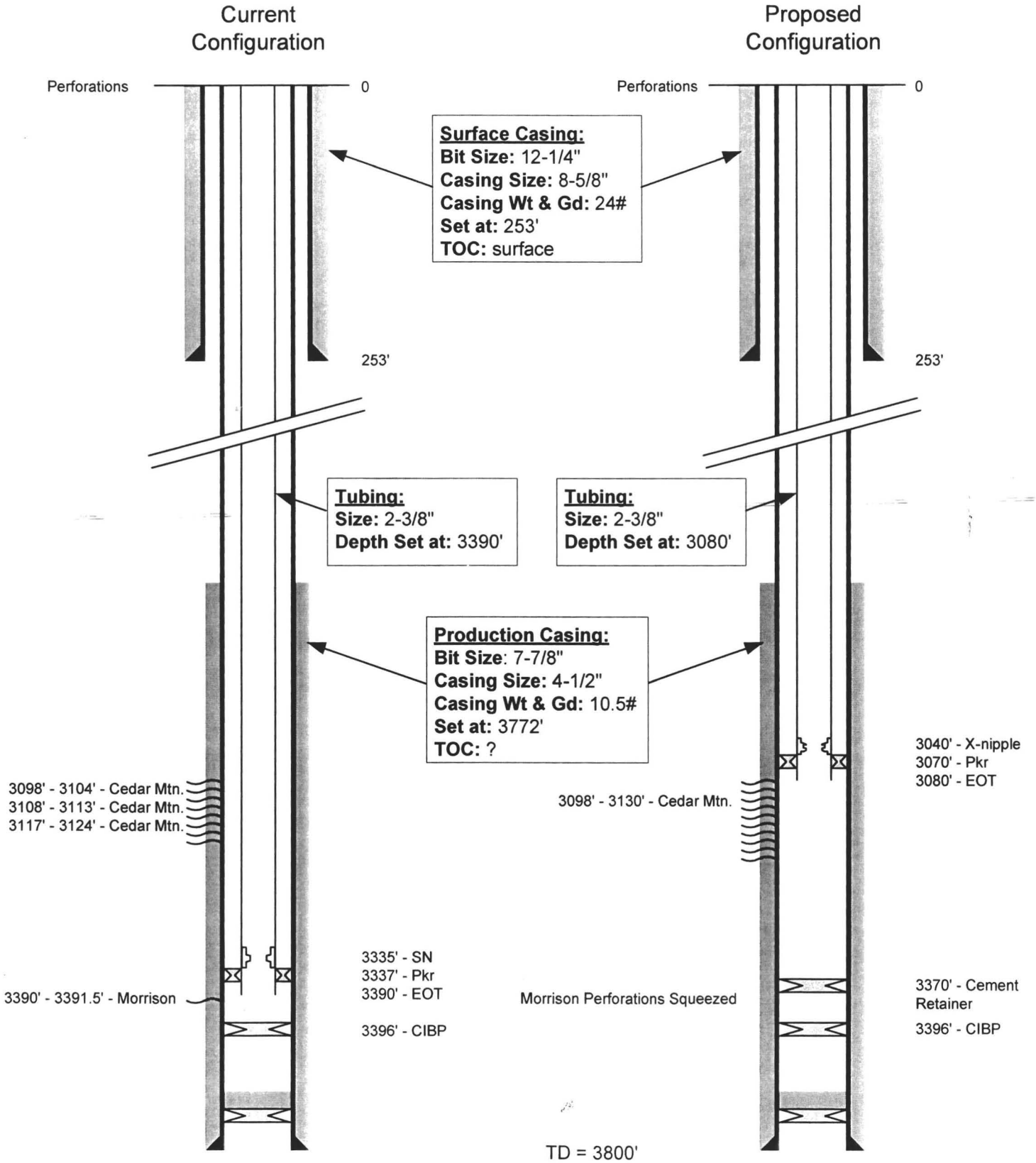
(5/2000) (See Instructions on Reverse Side)

Calf Canyon 11
API # 43-019-31209
Greater Cisco Field
Grand County, Utah
SWSW Sec. 3, T20S-R21E, 519' FSL, 750' FWL
39.308982° N, -109.58982° W
Elevation: 5794' GL, 5802' KB



TD = 3800'
PBTD = 3706'

(Not to Scale)