

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077

July 8, 1988

RECEIVED
JUL 11 1988

State of Utah
Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

DIVISION OF
OIL, GAS & MINING

Attention: Ron Firth, Associate Director
Division of Oil, Gas & Mining

Dear Ron:

Enclosed for your approval is an APD for our Hancock State No. 16-1 well (in triplicate). We hope to drill this well in late August, so your expedient approval is appreciated.

Should you have any questions or comments, please feel free to call.

Yours very truly,

LONE MOUNTAIN PRODUCTION COMPANY


James G. Routson

JGR:lw

Enclosures

xc: Larry Becker
Burton W. Hancock

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED
JUL 11 1988
PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Lone Mountain Production Company

3. ADDRESS OF OPERATOR
 P.O. Box 3394, 408 Petroleum Bldg., Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 700' FNL, 850' FEL, Section 16
 At proposed prod. zone NENE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 16 miles northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 700'

16. NO. OF ACRES IN LEASE
 640

17. NO. OF ACRES ASSIGNED TO THIS WELL
 160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2290'

19. PROPOSED DEPTH
 3840' Morrison

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5449' GL, 5460' KB

22. APPROX. DATE WORK WILL START*
 August 25, 1988

5. LEASE DESIGNATION AND SERIAL NO.
 ML-29282

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 State

9. WELL NO.
 State No. 16-1

10. FIELD AND POOL, OR WILDCAT
 State Line (Lead)

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 16: T17S-R25E

12. COUNTY OR PARISH
 Grand

18. STATE
 Utah

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" New	24# H-40STC	300'	200 sacks Class "G" to surface.
7-7/8"	4-1/2" New	10.5# J-55 LTC	3840'	175 sacks RFC.

- Surface formation is the Mancos.
- Anticipated geologic markers are: Dakota Silt - 3460', Dakota - 3546', Morrison - 3688'.
- Gas is anticipated in the Dakota & Morrison. No oil or other minerals are anticipated. No water sands are expected.
- Proposed casing program: See Item No. 23 above.
- Pressure control equipment: See attached Well Control Plan and Schematic of drilling contractor's BOP stack. BOP's will be tested before drilling out from under surface casing and checked daily.
- Air or mist drilling will be used to drill the surface hole unless water is encountered. If water is encountered, chemical-gel type mud will be used. The well will be air drilled from under surface casing to total depth.
- Auxiliary equipment: See Well Control Plan.

(continued on Page 2.)

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 James G. Routson TITLE Petroleum Engineer DATE July 8, 1988

(This space for Federal or State office use)

PERMIT NO. 43-019-31266 APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 8-4-88

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE 8-4-88
BY John R. Bay
WELL SPACING: Case No. 13-6

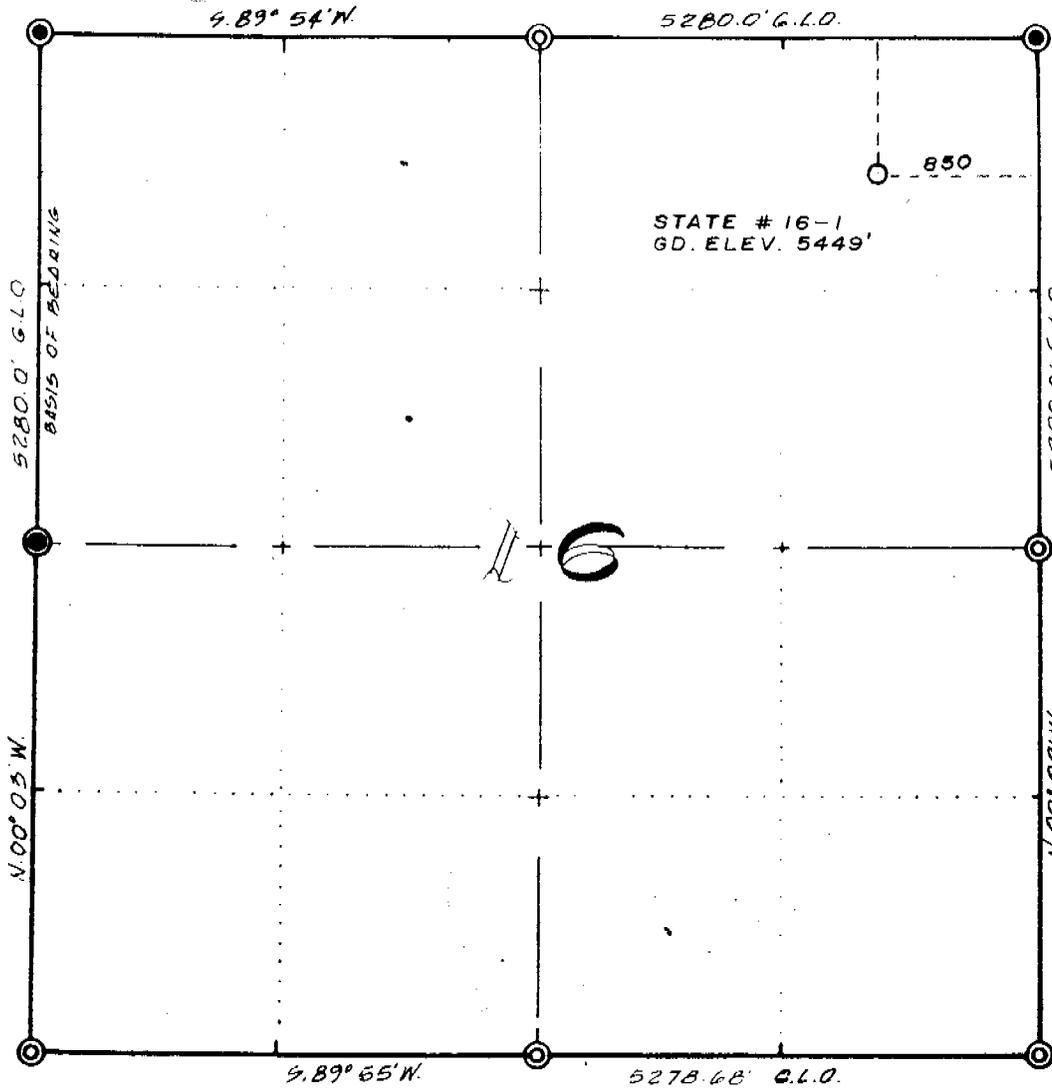
*See Instructions On Reverse Side

Application for Permit to Drill, Deepen, or Plug Back
Hancock State No. 16-1
NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 16: T17S - R25E
Grand County, Utah
Lease ML-29282

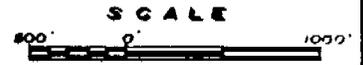
Page 2.

8. The logging program will consist of a DIL log from TD to base of surface casing, and GR-FDC-CNL logs from TD to above the Frontier. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is August 25, 1988. Completion operations should commence within 30 days of rig release.
11. Survey plats are attached.
12. The gas is dedicated to Northwest Pipeline Corporation.
13. The spacing unit will be the NE $\frac{1}{4}$ of Section 16.

SEC. 16, T. 17 S., R. 25 E. OF THE S. L. M.

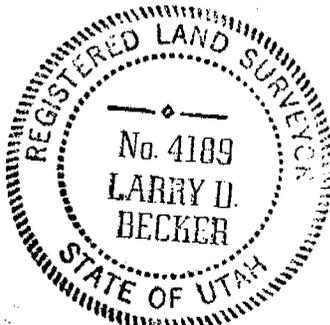


STATE # 16-1
GD. ELEV. 5449'



- LEGEND**
- ⊙ STANDARD LOCATION OF GLO SECTION CORNERS
 - GLO CORNERS FOUND
 - WELL LOCATION STAKED.
- REFERENCE DOCUMENTS**
- 1926 GLO PLAT
 - DRYSON CANYON, UTAH QUADRANGLE, USGS

THIS WELL LOCATION PLAT WAS PREPARED FOR LONE MOUNTAIN PRODUCTION TO LOCATE THE STATE # 16-1, 700' F.N.L. & 850' F.E.L. IN THE NE 1/4 NE 1/4, OF SECTION 16, T. 17 S., R. 25 E. 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.

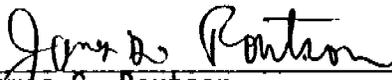
Larry D. Becker
UTAH L.S. # 4189

SURVEYED	6-21-88	ENERGY SURVEYS & ENGINEERING CORP.	715 HORIZON DRIVE, SUITE 330 GRAND JUNCTION, CO 81501 (973) 845-7251	SCALE 1" = 1000'
DRAWN	6-23-88			JOB NO.
CHECKED	6-23-88			SHEET OF

WELL CONTROL PLAN

1. Surface Casing: 8-5/8" O.D., 24#/ft., Grade H-40, ST&C, set at 300' or deeper, cemented with pump and plug method back to the surface or bottom of cellar.
2. Casinghead Flange: 8-5/8" x 8" - 900 Series casinghead with two 2" 2000 psi L.P. Outlets.
3. Intermediate Casing: None.
4. Blowout Preventor: An 8" 3000 psig W.P. double gate hydraulic shaffer BOP (or equivalent) with drill pipe rams and blind rams. All fill, kill and choke lines will be minimum of 2" 2000 psi W.P. A Grant rotating head will be used while air and mist drilling. BOP's will be worked daily. Blind rams will be checked during trips. BOP's will be tested to 1000 psi prior to drilling shoe joint on surface casing.
5. Auxiliary Equipment: (a) Drill pipe floats will be allowed at contractor's discretion. (b) Visual monitoring of air returns will be maintained. (c) Upper kelly cock will be used. (d) Stabbing valve will be kept on floor.
6. Anticipated bottom hole pressure is less than 1000 psi at 3800' or a gradient of .263 psi/ft or less. No abnormal temperatures or hydrogen sulfide gas are anticipated.

LONE MOUNTAIN PRODUCTION COMPANY



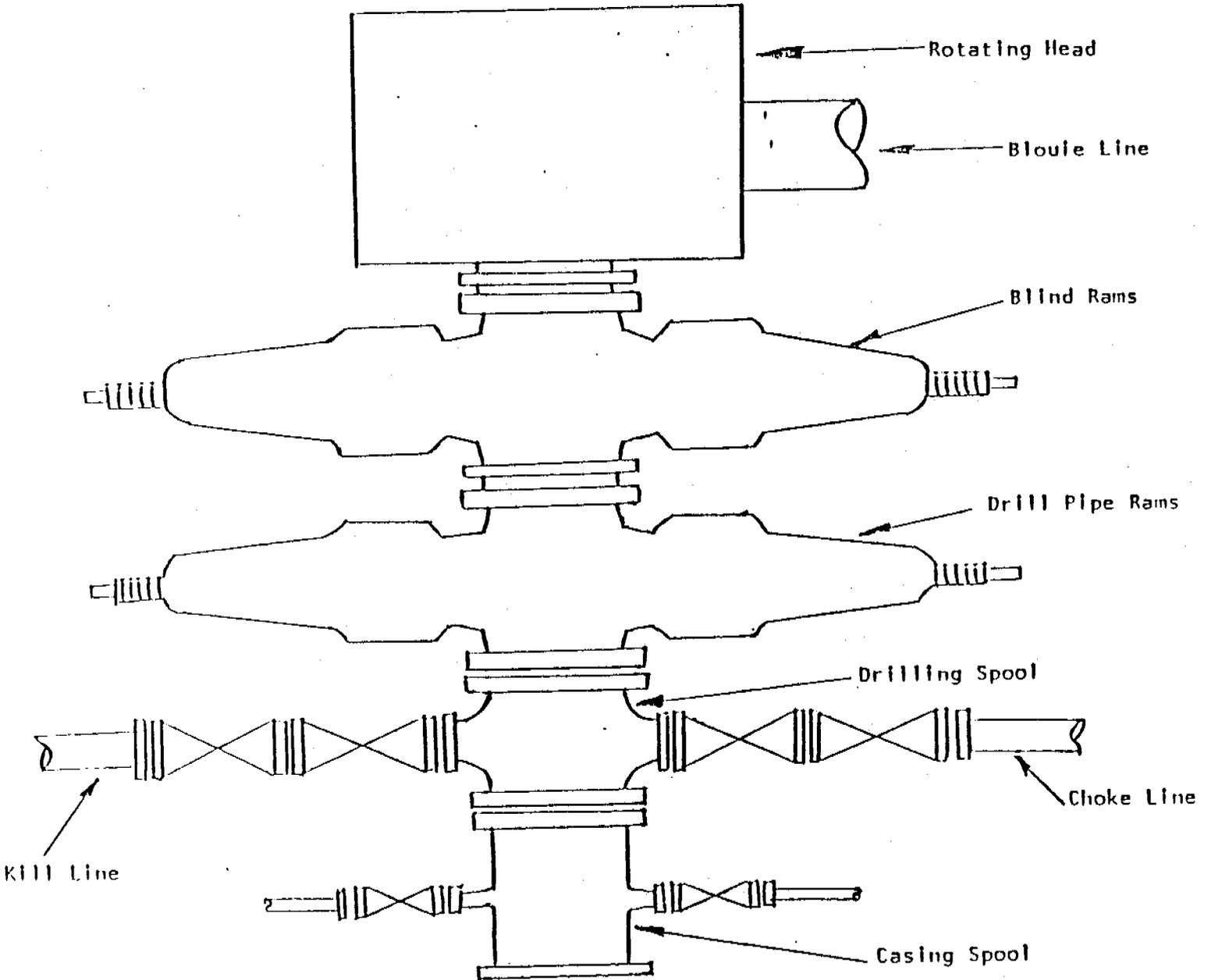
James G. Routson
Petroleum Engineer

Hancock State No. 16-1

SCHEMATIC OF BOP STACK

Air drilled wells using 900 series wellhead equipment.

Interval from 300' to total depth.



SURFACE USE PROGRAM

Lone Mountain Production Company
Hancock Federal No. 16-1
NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 16: T17S-R25E, S.L.M.
Grand County, Utah

1. EXISTING ROADS

See Map No. 1. This proposed well is located approximately 17 air miles northwest of Mack, Colorado. It is reached by going west of Mack on Old Highway 6&50 8.8 miles west to 2 road. Turn right and go 4.1 miles to the state line fence. Continue northwesterly up 2 road 5.9 miles. Turn left and go .1 mile to the location. All of the existing roads used for access are county roads. Lone Mountain will share maintenance on those gravel/dirt roads with Grand County and the other oil and gas operators in the area. The existing roads are colored green on the reference map.

2. ACCESS ROADS TO BE CONSTRUCTED AND RECONSTRUCTED

The location is adjacent to an existing road. No new access roads are necessary.

3. LOCATION OF EXISTING WELLS

See Map 2. There are 4 producing wells, 3 shut-in gas wells, and 1 temporarily abandoned well.

4. LOCATION OF PRODUCTION FACILITIES

a) On Well Pad. See Plat 4. (Paint everything dark green).

5. LOCATION AND TYPE OF WATER SUPPLY

The water source for this well is West Salt Creek in Colorado. The pickup point is on Old Highway 6&50 about 2.5 miles west of Mack, Colorado. The water will be hauled over the existing access roads.

6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials will be used other than native materials. Soil 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 at clean up. Garbage and other waste material will be contained in a trash cage. This cage will

be dumped at an approved sanitary landfill. Human waste will be disposed of in chemically treated sanitary pits.

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. If a test tank is not available, the fluids will be contained in the reserve pit. Any spills of oil, gas, salt water or noxious fluid 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 State Petroleum Engineer. After that time, application will be made for approval of permanent disposal method in compliance with the rules and regulations of the State of Utah.

8. ANCILLARY FACILITIES

No ancillary facilities are planned.

9. WELLSITE LAYOUT

See Plat #2 - Pit and Pad Layout
See Plat #3 - Typical Rig Layout

The location will be constructed large enough to accommodate the drilling rig and associated equipment with allowance made for future completion and fracturing equipment.

The location construction will begin by stripping and stockpiling all available (4-6") topsoil. The stockpile will be along the east side of the location.

The reserve pit will be constructed along the west side of the well pad. The pit will be fenced on three sides during drilling and closed on the fourth side at rig release. The fence will be maintained through completion and while the pit area is drying.

10. PLANS FOR RECLAMATION OF THE SURFACE

If the well is productive, the reserve pit will be allowed to dry and then backfilled. All of the area not necessary for production will be resloped, covered with available topsoil and revegetated using a seed formula agreed to by the surface owner.

If the well is abandoned, the entire area of disturbance will be returned to a reasonable contour approximating the topography of the surrounding area. The topsoil will be distributed over the recontoured area and revegetated using the appropriate seed formula.

Clean-up will begin after completion rig release and resloping should begin by the fall of 1988.

11. SURFACE OWNERSHIP

All lands involving new construction are private surface owned by Mr. Larry McIntyre. Lone Mountain Production Company has an agreement with Mr. McIntyre for such use.

12. OTHER INFORMATION

The vegetation is sparse and includes sagebrush, cheat grass, western wheatgrass, Indian rice grass and a few annual plants.

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

James G. Routson,
Lone Mountain Production Company

P.O. Box 3394
Billings, MT 59103
Office Phone: (406) 245-5077
Home Phone: (406) 245-8797

Larry D. Becker,
Field Consultant

739 27 Road
Grand Junction, CO 81506
Phone: (303) 245-7221

I hereby certify that I, or persons under my supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lone Mountain Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

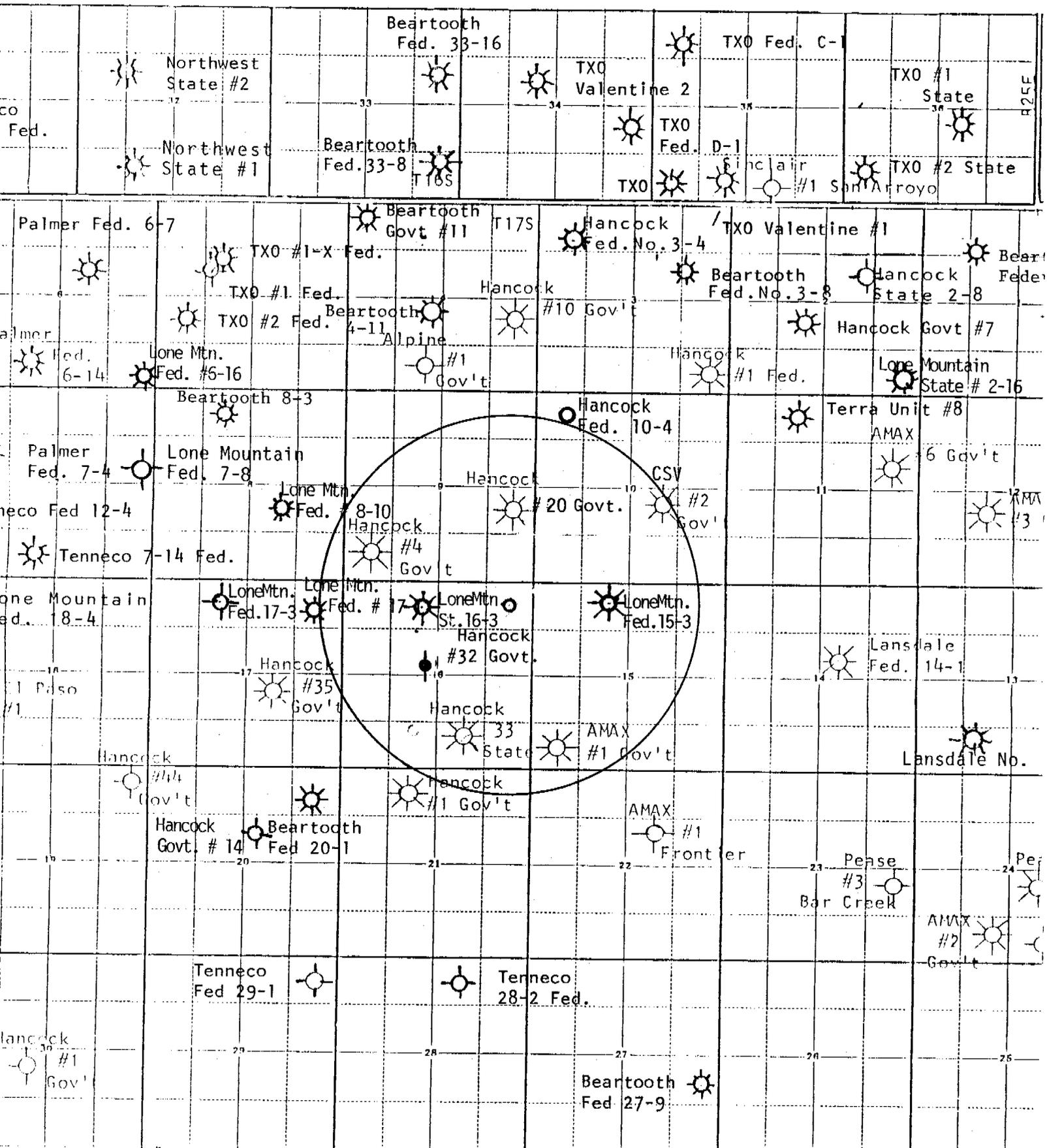
July 8, 1988
(Date)

James G. Routson
James G. Routson

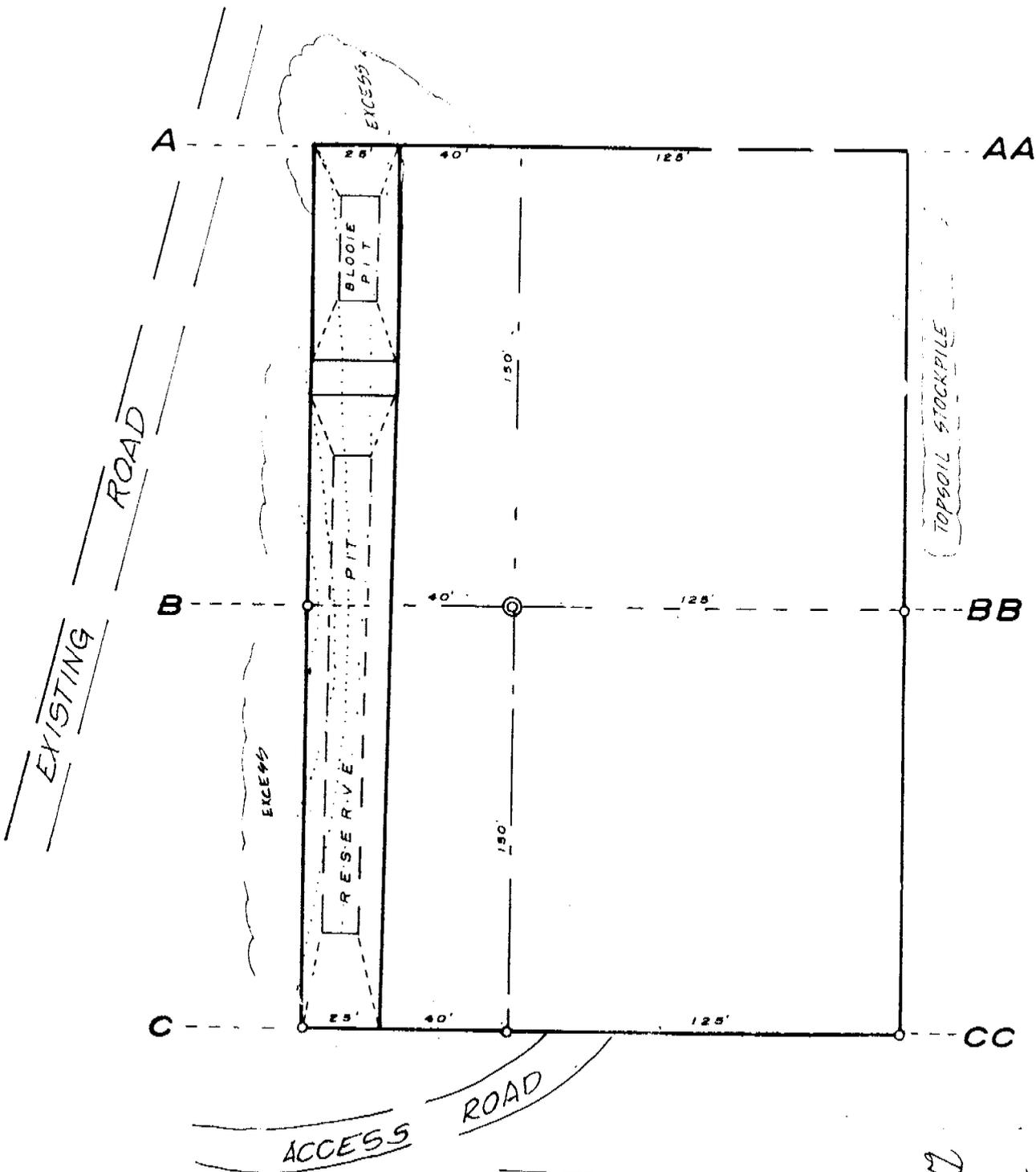
WELL MAP

Map No. 2

16, 17, 18S , Range 24, 25, 26E , County Grand , State Utah



AT NO. 2
PIT & PAD LAYOUT

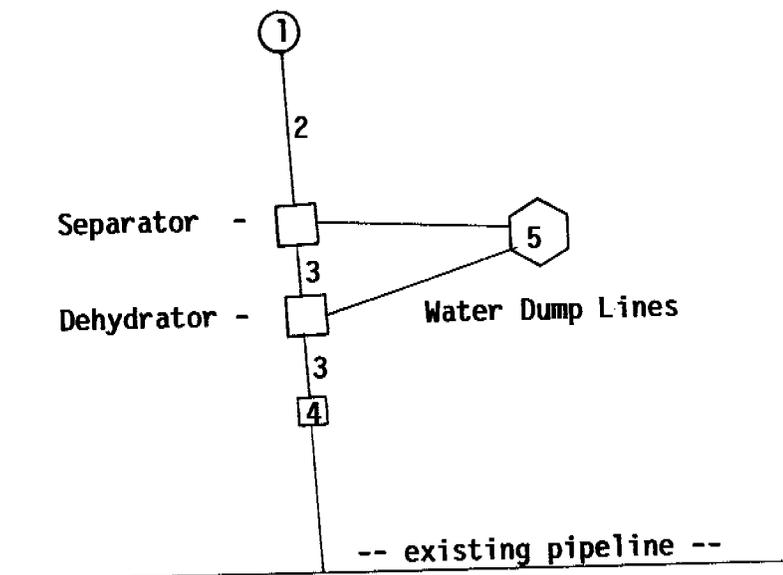


Plat No. 4
FACILITIES PLAT

Hancock State No. 16-1

-- existing roadway --

N
S



1. Wellhead will be an 8-5/8" Larkin Fig. 92 or equivalent. Tubing head will be a 4-1/2" x 6" - 900 Series with two 2" 3000 psi screwed valves. Tree will be 2" screwed x 2000 psi W.P.
2. Line between wellhead and separator will be approximately 100 feet in length and constructed of 2-3/8" .190 wall, welded, wrapped, and buried approximately 5 feet deep.
3. Lines between separator and dehydrator and between dehydrator and meter run will be 2-3/8" OD, .190" wall, welded, coated, wrapped, and buried, and will be approximately 25 feet in length.
4. Meter run will be American 2" run, or equivalent, 1000 psi static rating, 100" of water differential rating.
5. Pit will be 10' x 10', enclosed by dikes and fenced.

CONSTRUCTION MATERIALS:None

SITE RECLAMATION: If the well is dry the site will be regraded, topsoil will be put back in place and the site will be reseeded.

RESERVE PIT

CHARACTERISTICS: A 200'X 25'X 10' reserve pit will be constructed on the north side of the site.

LINING: None needed.

MUD PROGRAM: The well will be drilled with air unless water is encountered. If water is encountered chemical-gel type mud will be used to drill the surface hole and then air will be used to drill to TD.

DRILLING WATER SUPPLY: Any needed water will be hauled in from West Salt Creek.

OTHER OBSERVATIONS

The well will probably be drilled by VECO Rig #2.
Photographs of the site will be put on file.

STIPULATIONS FOR APD APPROVAL

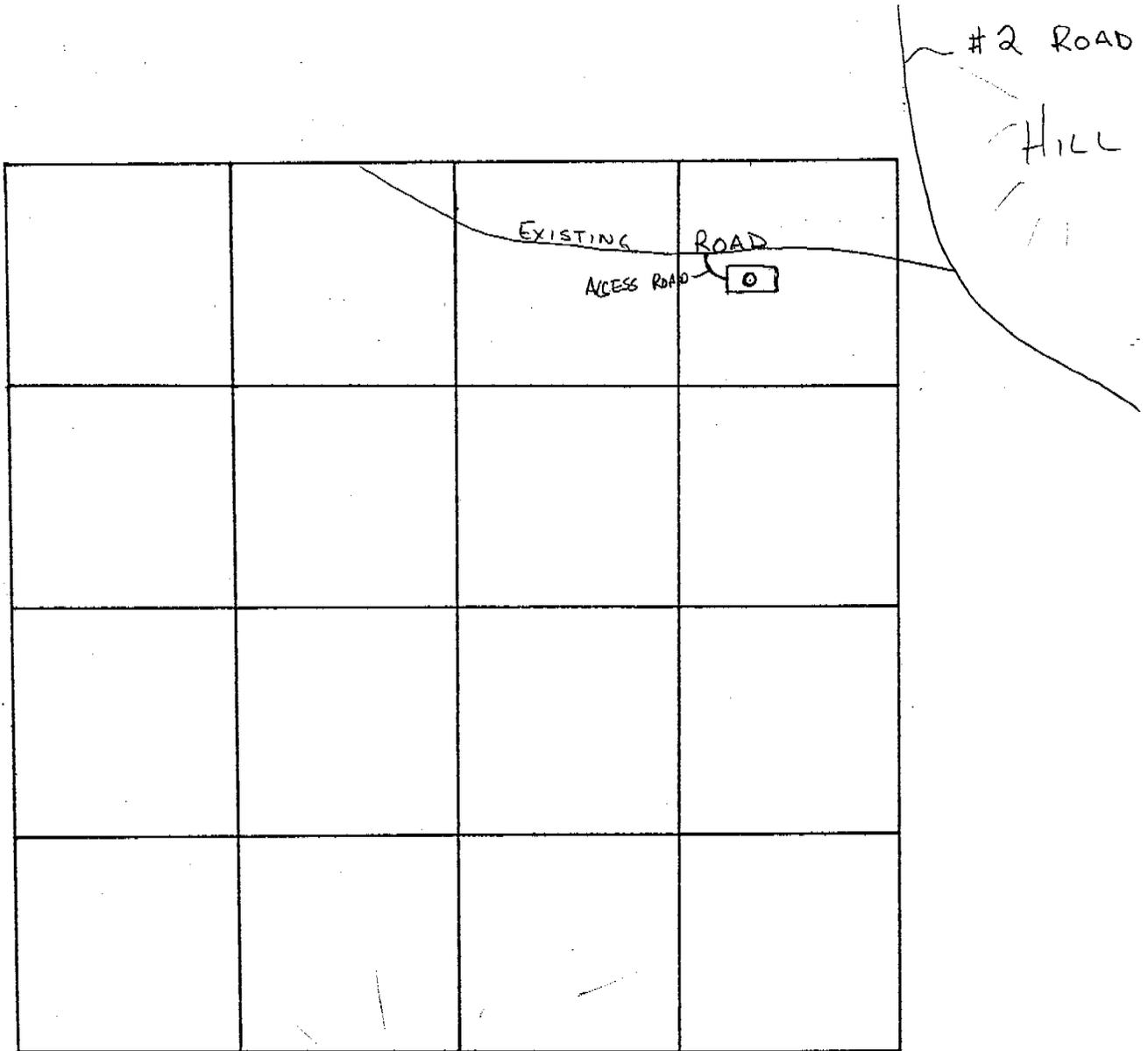
None

ATTACHMENTS

Site sketch.
section sketch.

SECTION 16 TOWNSHIP 17S RANGE 25E COUNTY GRAND STATE UTAH

SCALE = 1" = 1000'



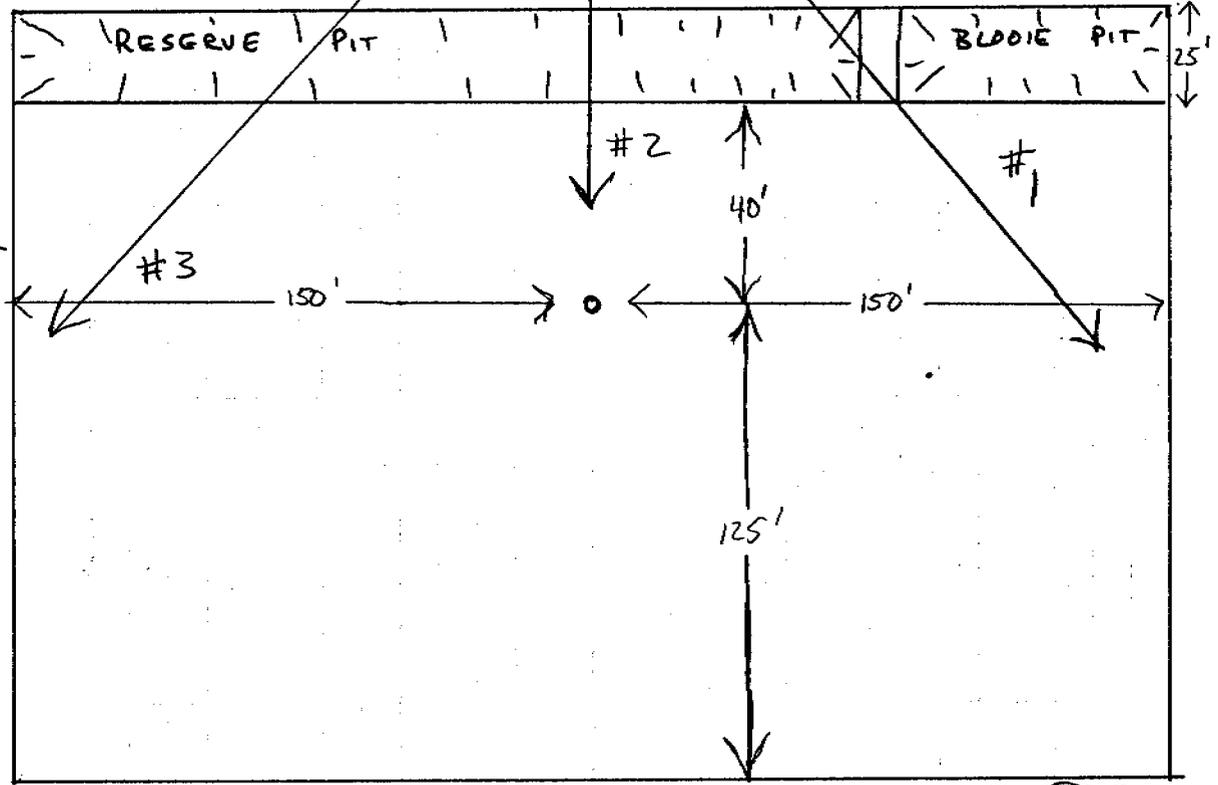
HILL

EXISTING ROAD



ACCESS ROAD

PHOTO POINT



TOPSOIL

Ball 7/19/88

OPERATOR Lone Mountain Prod. Co. DATE 7-11-88

WELL NAME State 16-1

SEC NENE 16 T 17S R 25E COUNTY Grand

43-019-31266
API NUMBER

state
TYPE OF LEASE

CHECK OFF:

(ok as per Ed Bonner)

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Nearest well ok under Cause No. 13-6
Need water permit
Need a bond as per St. Lands (ok - Letter of Credit 80,000)
Need presite done. (Received 7-25-88)

APPROVAL LETTER:

SPACING: R615-2-3 _____ UNIT _____ R615-3-2

13-6 8/28/86 R615-3-3
CAUSE NO. & DATE

STIPULATIONS:

1- Water Permit
2- State history

TECHNICAL REVIEW
Eng. JAB 8-4-88
Geol. WJ 8-2-88
Surface BGM 7-19-88



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

August 4, 1988

Lone Mountain Production Company
408 Petroleum Building
P. O. Box 3394
Billings, Montana 59103

Gentlemen:

Re: State 16-1 - NE NE Sec. 16, T. 17S, R. 25E - Grand County, Utah
700' FNL, 850' FEL

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 13-6 dated August 28, 1986 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.
2. Prior to any ground-disturbing activity on state lands or lands owned or controlled by the state or its subdivisions, a cultural resource clearance report must be filed with and approved by the Division of State History, phone (801) 533-4563. A list of acceptable archaeological contractors is available from the Division of State History.

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

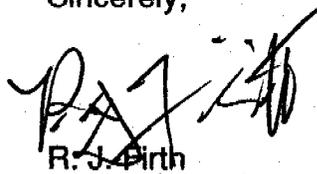
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form OGC-8-X.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.

Page 2
Lone Mountain Production Company
State 16-1
August 4, 1988

5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.
6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. 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 43-019-31266.

Sincerely,



R. J. Pirth
Associate Director, Oil & Gas

lr
Enclosures
cc: Branch of Fluid Minerals
D. R. Nielson
8159T

WATER PERMIT OK

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

API NO. 43-019-31266

NAME OF COMPANY: LONE MOUNTAIN PRODUCTION COMPANY

WELL NAME: STATE #16-1

SECTION NENE 16 TOWNSHIP 17S RANGE 25E COUNTY GRAND

DRILLING CONTRACTOR VECO

RIG # 2

SPUDDED: DATE 9/6/88

TIME 5:00 p.m.

HOW ROTARY

DRILLING WILL COMMENCE 9/7/88

REPORTED BY JIM ROUTSON

TELEPHONE #

DATE 9/7/88 SIGNED TAS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on re-
verse side)

Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.
ML-29282

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
State

9. WELL NO.
Hancock State No. 16-1

10. FIELD AND POOL, OR WILDCAT
State Line

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

NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 16: T17S-R25E

12. COUNTY OR PARISH 13. STATE
Grand Utah

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Lone Mountain Production Company

3. ADDRESS OF OPERATOR
P.O. Box 3394, 408 Petroleum Bldg., Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
700' FNL, 850' FEL, Section 16

14. PERMIT NO.
43-019-31266

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5449' GL, 5460' KB

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)

Report of Spud

(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.)*

Spudded 12 $\frac{1}{4}$ " hole at 5:00 PM on September 6, 1988; Veco Rig No. 2. Verbal notification given to the State of Utah Division of Oil, Gas & Mining on September 7, 1988.

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

SIGNED James R. Penton

TITLE Petroleum Engineer

DATE 9/7/88

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

SEP 09 1988

ENTITY ACTION FORM - DOGM FORM 6

OPERATOR Lone Mountain Production Company
ADDRESS P. O. Box 3394
408 Petroleum Building
Billings, MT 59103

OPERATOR CODE N-7210
PHONE NO. 406, 245-5077

OPERATORS MUST COMPLETE FORM UPON SPUDDING NEW WELL OR WHEN CHANGE IN OPERATIONS OR INTERESTS NECESSITATES CHANGE IN EXISTING ENTITY NUMBER ASSIGNMENT.

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	10924	43-019-31266	State No. 16-1 Hancock	NE NE	16	17S	25E	Grand	9-6-88	9-6-88
COMMENTS: <i>State-lease Not in a Unit Field-Stateline Proposed Zone-Morrison (one other well in sec. producing- Dkt A formation. Assign new entity 10924 on 9-12-88) JCR</i>											
COMMENTS:											
COMMENTS:											
COMMENTS:											
COMMENTS:											
COMMENTS:											

RECEIVED
SEP 09 1988

DIVISION OF
OIL, GAS & MINING

ACTION CODES: A - ESTABLISH NEW ENTITY FOR NEW WELL
B - ADD NEW WELL TO EXISTING ENTITY
C - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO ANOTHER EXISTING ENTITY
D - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO A NEW ENTITY
E - OTHER (EXPLAIN IN COMMENTS SECTION)
(SEE INSTRUCTIONS ON BACK OF FORM)

James D. Routson
SIGNATURE
James Routson, Petroleum Engineer
9/7/88
TITLE DATE

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077

RECEIVED
SEP 16 1988

September 14, 1988

DIVISION OF
OIL, GAS & MINING

State of Utah
Dept. of Natural Resources
Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Hancock State No. 16-1
NE NE Section 16: T17S-R25E
Grand County, Utah

Gentlemen:

Enclosed in triplicate is a Sundry Notice Status Report and Report of Water Encountered During Drilling for the subject well.

Yours very truly,

LONE MOUNTAIN PRODUCTION COMPANY

James G. Routson (by lw)

James G. Routson

JGR:lw

Enclosures

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
5. LEASE DESIGNATION AND SERIAL NO.
ML-29282

SUNDRY NOTICES AND REPORTS

(Do not use this form for proposals to drill or to deepen or plug a well. Use "APPLICATION FOR PERMIT" for such purposes.)

RECEIVED
SEP 16 1988

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR **Lone Mountain Production Company** DIVISION OF **OIL, GAS & MINING**

3. ADDRESS OF OPERATOR **P.O. Box 3394, 408 Petroleum Bldg., Billings, MT 59103**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface **700' FNL, 850' FEL, Section 16**

5. LEASE DESIGNATION AND SERIAL NO. **ML-29282**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME **State**

9. WELL NO. **Hancock State No. 16-1**

10. FIELD AND POOL, OR WILDCAT **State Line**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA **NE1/4, Sec. 16: T17S-R25E**

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

14. PERMIT NO. **43-019-31266** 15. ELEVATIONS (Show whether DF, RT, GR, etc.) **5449' GL, 5460' KB**

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	Status Report <input checked="" type="checkbox"/>
(Other) <input type="checkbox"/>			(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

Drilled 12-1/4" hole to 325'. Ran 9-5/8", 36#, J-55 casing to 318'. Cemented to surface with 200 sacks Class "G", 3% Calcium Chloride.

Drilled 7-7/8" hole to 3855'. Set 4-1/2", 10.5#, J-55 casing at 3843'. Plug back at 3803'. Cemented with 175 sacks 10-0 cement, 1000 gal. of mud flush.

Log Tops: Dakota Silt 3488' (+1972)
Dakota Sand 3560' (+1900)
Morrison 3701' (+1759)

Rig released September 10, 1988 at 4:30 PM.

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

SIGNED James O. Rector (Signature) TITLE Petroleum Engineer DATE September 14, 1988

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

STATE OF UTAH
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING
 3 TRIAD CENTER, SUITE 350
 SALT LAKE CITY, UT 84180-1203

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number Hancock State No. 16-1
 Operator Lone Mountain Production Company Address P.O. Box 3394, Billings, MT 59103
 Contractor Veco Drilling, Inc. Address P.O. Box 1705, Grand Junction, CO 81502
 Location NE 1/4 NE 1/4 Sec. 16 T. 17S R. 25E County Grand

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	-none-		-no water encountered-	
2.				
3.				
4.				
5.				

(Continue on reverse side if necessary)

<u>Formation Tops</u>	<u>Mancos</u>	<u>Surface</u>
	Dakota Silt	3488' (+1972)
	Dakota Sand	3560' (+1900)
<u>Remarks</u>	Morrison	3701' (+1759)

- NOTE: (a) Report on this form as provided for in Rule 806, Oil and Gas Conservation General Rules.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077

RECEIVED
SEP 29 1988

September 26, 1988

DIVISION OF OIL, GAS & MINING
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

DIVISION OF
OIL, GAS & MINING

Re: Hancock State No. 16-1
NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 16: T17S-R25E
Grand County, Utah

Gentlemen:

Enclosed, in duplicate, is the Well Completion Report on the captioned well.

Very truly yours,

Lone Mountain Production Company

James G. Routson (by lw)

James G. Routson

JGR:lw

Enclosures

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

SUBMIT IN DUPLICATE
(See other instructions
on reverse side)

56 64 01

RECEIVED
SEP 29 1988

WELL COMPLETION OR RECOMPLETION

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

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

2. NAME OF OPERATOR
LONE MOUNTAIN PRODUCTION COMPANY

3. ADDRESS OF OPERATOR
P.O. Box 3394, 408 Petroleum Bldg., Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **700' FNL, 850' FEL**
At top prod. interval reported below **same**
At total depth **same**

5. LEASE DESIGNATION AND SERIAL NO.
ML-29282

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
State

9. WELL NO.
Hancock State No. 16-1

10. FIELD AND POOL, OR WILDCAT
State Line

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
NE 1/4 Sec. 16: T17S-R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. PERMIT NO.
43-019-31266

DATE ISSUED
8-4-88

15. DATE SPUNDED
9-6-88

16. DATE T.D. REACHED
9-9-88

17. DATE COMPL. (Ready to prod.)
9-17-88

18. ELEVATIONS (DF, RKB, RT, OR, ETC.)*
5449' GL, 5460' KB

19. ELEV. CASINGHEAD
5451'

20. TOTAL DEPTH, MD & TVD
3855'

21. PLUG, BACK T.D., MD & TVD
3794'

22. IF MULTIPLE COMPL., HOW MANY*
--

23. INTERVALS DRILLED BY
0 - TD

ROTARY TOOLS
0 - TD

CAULS TOOLS
--

24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
Dakota Sandstone - 3606' - 3702'

25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
SP-DYL, GR-FDC-CNL *atc mil*

27. WAS WELL CORRD.
No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36# J-55	318'	12-1/4"	200 sacks Class G to surf.	(none)
4-1/2"	10.5# J-55	3843'	7-7/8"	175 sacks Thixotropic (top @ 2928')	(none)

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
None				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	3708'	None

31. FRACTIONATION RECORD (Interval, size and number)

3606-3634', 1 SPF, 29 holes, .40" diameter
3664-3674', 1 SPF, 11 holes, .40" diameter
3685-3702', 1 SPF, 18 holes., .40" diameter

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3606 - 3702'	None

33. PRODUCTION

DATE FIRST PRODUCTION
9-16-88

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)
Flowing

WELL STATUS (Producing or shut-in)
Shut In

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
9-17-88	4	1/4"		0	281.25	0	--

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
772 psig	802 psig		--	1125 MCFD	--	--

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

TEST WITNESSED BY
Ralph Snow

35. LIST OF ATTACHMENTS
None

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

SIGNED James G. Routson TITLE Petroleum Engineer DATE September 26, 1988

*(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.

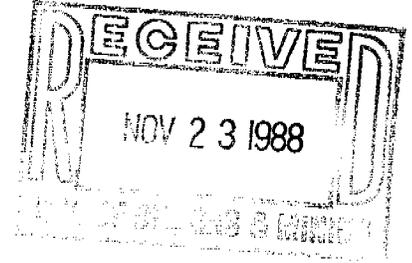
Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

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, CURSION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURE, AND RECOVERIES		38. GEOLOGIC MARKERS	
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Dakota Sand	3606'	3634'	Tight gas Tight gas Gas
Dakota Sand	3664'	3674'	
Dakota Sand	3685'	3702'	
			NAME
			MEAS. DEPTH
			TRUE TEST. DEPTH
			Dakota Silt Dakota Sand Morrison
			3488' 3560' 3701'
			(+1972) (+1900) (+1759)

OIL AND GAS	
D-N	R-J-F
J-R-S	G-L-H
I-K	S-L-S
1-TAS	3-ASJ
2-	MICROFILM ✓
4-	FILE

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077



November 21, 1988

State of Utah
Dept. of Natural Resources
Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180

RE: State No. 16-1 ¹⁷
NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 16, T16S-R25E
Grand County, Utah
State of Utah Lease ML-29282

Gentlemen:

Enclosed in triplicate please find the Sundry Notice - Report of 1st
Production for the captioned well located in Grand County, Utah.

Yours very truly,

Lone Mountain Production Company

A handwritten signature in cursive script that reads "Lynda Wilson".

Lynda Wilson

/lw

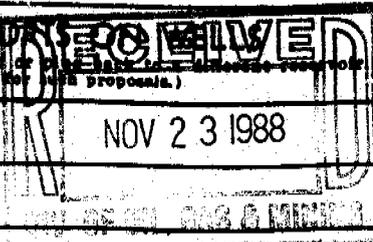
enclosures/3

xc: working interest owners

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

SUNDRY NOTICES AND REPORTS RECEIVED

(Do not use this form for proposals to drill or to deepen or otherwise alter an oil or gas well.
Use "APPLICATION FOR PERMIT" for such proposals.)



1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Lone Mountain Production Company

3. ADDRESS OF OPERATOR
408 Petroleum Building, P. O. Box 3394, Billings, Montana 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)
At surface
700' FNL, 850' FEL, Section 16

16. PERMIT NO.
43-019-31266

18. ELEVATIONS (Show whether DF, ST, OR, etc.)
5449' GL, 5460' KB

5. LEASE DESIGNATION AND SERIAL NO.
ML-29282

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
State

9. WELL NO.
16-1 State

10. FIELD AND POOL, OR WILDCAT
State Line

11. SEC., T., R., M., OR BLE. AND SUBVST OR ARSA
NE NE Sec. 16, T17S-R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>REPORT OF FIRST PRODUCTION</u> <input checked="" type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

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

First delivered (to Grand Valley Gas) at 11:00 A. M., November 19, 1988.

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

SIGNED James G. Routson TITLE James G. Routson Petroleum Engineer DATE Nov. 21, 1988

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

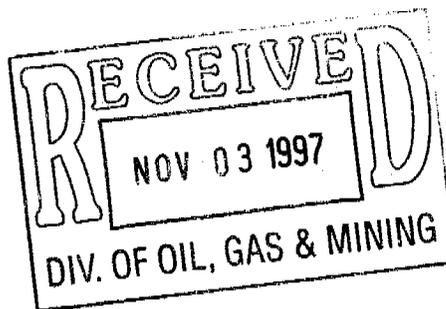
LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

October 31, 1997



John Baza
Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Hancock State No. 16-1
NE/NE Sec. 16-T17S-R25E
Grand County, Utah
Fracture treatment Sundry Notice

Dear John:

Enclosed in duplicate is a sundry notice of our intent to fracture treat the upper Dakota in the referenced well. This zone has been perforated, originally through tubing, and we intend to shoot it with a casing gun to make sure it will take the frac easily.

If any further information is needed please advise.

Sincerely,

Lone Mountain Production Company

A handwritten signature in cursive script that reads "James G. Routson".

James G. Routson
President

Enclosures

cc: Joe Dyk

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS <small>(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.)</small>		3. LEASE DESIGNATION & SERIAL NO. ML-29282	
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR Lone Mountain Production Company		8. FARM OR LEASE NAME State	
3. ADDRESS OF OPERATOR P. O. Box 3394, Billings, Montana 59103		9. WELL NO. 16-1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also spaces 17 below.) At surface 700' FNL, 850' FEL, Section 16 At proposed prod. zone Same		10. FIELD AND POOL, OR WILDCAT State Line	
		11. SEC. T., R., M. OR BLK. AND SURVEY OR AREA NENE Sec. 16-T17S-R25E	
14. API NO. 43-019-31266	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5449' GL, 5460' KB	12. COUNTY Brand	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 <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> (XX) SHOOT OR ACIDIZE <input type="checkbox"/> REPAIR WELL <input type="checkbox"/> (Other)	WATER SHUT-OFF <input type="checkbox"/> FRACTURE TREATMENT <input type="checkbox"/> SHOOTING OR ACIDIZING <input type="checkbox"/> (Other)
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETE <input type="checkbox"/> ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> ABANDONMENT* <input type="checkbox"/>
APPROX. DATE WORK WILL START _____	DATE OF COMPLETION _____

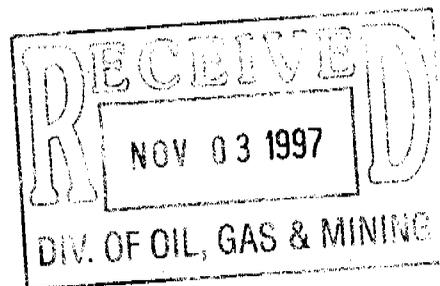
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)

* Must be accompanied by a cement verification report.

Lone Mountain Production Company intends to reperfrate the upper Dakota 3606'-3634' and fracture treat the zone with 75,000 # 20-40 sand in cross linked borate fluid

This zone was initially perforated through tubing and has never been stimulated.



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

SIGNED James S. Rantson TITLE President DATE 10/31/97

(This space for Federal or State office use)

APPROVED BY John R. Baya TITLE Associate Director DATE 11/7/97

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS <small>(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.)</small>		5. LEASE DESIGNATION & SERIAL NO. ML-29282
<div style="border: 2px solid black; padding: 10px; font-size: 2em; font-weight: bold; text-align: center;"> RECEIVED DEC 01 1997 </div>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
		7. UNIT AGREEMENT NAME
1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		8. FARM OR LEASE NAME
2. NAME OF OPERATOR Lone Mountain Production Company		State 9. WELL NO. No. 16-1
3. ADDRESS OF OPERATOR P. O. Box 3394, Billings, Montana 59103		10. FIELD AND POOL, OR WILDCAT
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also spaces 17 below.) At surface 700' FNL, 850' FEL, Section 16 At proposed prod. zone Same		State Line 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA NENE Sec. 16: T17S-R25E
14. API NO. 43-019-31326 31266	15. ELEVATIONS (Show whether SP, RT, GR, etc.) 5449' GL, 5460' KB	12. COUNTY 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 <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> SHOOT OR ACIDIZE <input type="checkbox"/> REPAIR WELL <input type="checkbox"/> (Other) <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/> FRACTURE TREATMENT <input checked="" type="checkbox"/> SHOOTING OR ACIDIZING <input type="checkbox"/> (Other) <input type="checkbox"/>
FULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETE <input type="checkbox"/> ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> ABANDONMENT* <input type="checkbox"/>
APPROX. DATE WORK WILL START _____	DATE OF COMPLETION _____

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

* Must be accompanied by a cement verification report.

November 8-22, 1997

Reperforated Dakota 3606'-3634', 2 SPF, .36" EHD, 57 shots total.
 Spearheaded frac with 500 gallons 7½% MSR.
 Fractured with 81,500 # 20-40 sand in 727 bbls cross linked borate fluid.

Returned well to production November 24, 1997, making 170 MCFD with 430 psi FCP, 360 psi FTP.

18. I hereby certify that the foregoing is true and correct:
 SIGNED J. Ann R. Rounton TITLE President DATE 11/25/97

(This space for Federal or State office use)

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

See Instructions On Reverse Side

NO tax credit 7/98

LONE MOUNTAIN PRODUCTION COMPANY

State No. 16-1

NENE Sec. 16: T17S-R25E

Grand County, Utah

DAILY WORKOVER REPORT

November 7, 1997 MIRU Monument Well Service rig no. 7. Nipped up BOP's. TOH w/112 jts 2³/₈" tubing, strap 3692'. Round tripped 3⁷/₈" bit & 4¹/₂" csg scraper. SDFN. Daily Cost: \$2480

November 8, 1997 SICP 190 psi. Blew down csg, rig up RMWS wireline truck. Perforated upper Dakota 3606'-3634' w/ 2 SPF, .36" EHD. Set Arrow production packer w/ 2.688" bore & knockout plug on wireline @ 3570'. Pressure tested casing to 3700 psi. TIH w/ tbg, swab well dry, TOH w/ tbg. Shut well in, SDFN. Daily cost \$10,972 Cumulative \$13,452.

November 11, 1997 SICP 300 psi. Rigged up B.J., spearheaded frac w/ 500 gallons 7 1/2% MSR, frac well with 81,500 # 20-40 sand in 727 bbls cross linked borate fluid. Average rate 17.6 BPM @ 1660 psi, maximum 2200 psi, ISDP 1830 psi, 15 min 1450 psi, calculated frac gradient .93 psi/ft. Shut well in overnight. Daily cost \$35,460 Cumulative \$48,912.

November 12, 1997 SICP 0 psi. TIH W/ 2 jts 1¹/₂" tbg, 102 jts 2³/₈" tubing, tbg tail @ 3424', SN @ 3361'. Rigged up to swab, initial fluid level 800'. Swabbed 64 bbls load in 13 runs, final fluid level 2600'. Started getting some sand on last run. SDFN. Daily cost \$2,037 Cumulative \$50,949.

November 13, 1997 Too muddy to get into field and work, shut down for day.

November 14, 1997 SICP 60 psi, SITP 0 psi. Made 1 swab run, tagged fluid @ 2600'. Reversed sand out of well 3503'-3655' using 70,000 SCF Nitrogen. Set down on knockout plug in packer @ 3655'. Couldn't knock plug out. Pounded on plug with tbg, no progress. TOH w/tbg, 2 jts 1¹/₂" tbg left in well, threads on 1¹/₂" X 2³/₈" swage were galled. Attempted to run overshot to retrieve 1¹/₂" tbg, had burr in casing below BOP's. SDFN. Will ream burr off and run overshot in morning. Daily cost \$6,631 Cumulative \$57,580.

November 15, 1997 Casing blowing TSTM. Reamed off burr. TIH w/outside cutter & cut lip guide. Tagged sand on top of fish, could not wash over due to ported knife blades on cutter. TOH w/ cutter & overshot. Shut well in, SDFN. Daily cost \$3,390 Cumulative \$60,970.

November 16, 1997 SICP 120 psi. TIH w/ finger basket & 2 jts 3³/₄" washpipe, bumper sub & jars, 106 jts tbg. Unloaded well with nitrogen, reversed sand off fish, cleaned to top of packer @ 3655'. TOH & recovered fish. TIH w/ 110 jts 2³/₈" tbg, mule shoed jt on bottom. Tagged sand @ 3620'. Reversed out sand to packer. Hammered on knockout plug for 55 minutes, wouldn't knock out. Ran out on Nitrogen. TOH w/ tbg. SDFN. Daily cost \$11,522 Cumulative \$72,492.

November 18, 1997 Did not work Monday, lined out equipment to mill out packer today.

State No. 16-1

DAILY WORKOVER REPORT

November 19, 1997 SICP 450 psi. Blew csg down, TIH w/ 3 $\frac{3}{4}$ " x 3" mill, 4- 3" drill collars, 106 jts 2 $\frac{3}{8}$ " tbg. Tagged sand @ 3601'. washed sand to 3606'. Well went on vacuum, washed with no returns to 3655'. Milled through packer in 2 $\frac{1}{2}$ hours with no returns. Pushed packer to 3705', TOH w/ mill. 138 bbls total fluid pumped in well. Recovered top half of packer inside mill. TIH w/ 106 jts 2 $\frac{3}{8}$ " tbg, notched collar and SN on bottom. Landed w/ SN @ 3496', SDFN. Daily cost \$5,250 Cumulative \$77,742.

November 20, 1997 SICP 0 psi, SITP 0 psi. Swabbed 80 bbls in 38 swab runs. IFL 1700'. Lowered tbg and tagged sand @ 3690'. Left tbg hanging w/ SN @ 3594'. Csg pressure built to 40 psi by 5:00 pm. SDFN. Daily cost \$2,150 Cumulative \$79,892

November 21, 1997 SICP 230 psi, SITP 10 psi. Swabbed 44 bbls in 34 swab runs. IFL @ 2600'. FFL @ 3000'. Tagged sand @ 3611'. Left tbg tail @ 3595'. SWIFN. Daily cost \$2,150 Cumulative \$82,042

November 22, 1997 SICP 400 psi, SITP 150 psi. Washed sand with well gas to 3658'. Shut well in 1 hr to let csg pressure build to 300 psi. Washed sand to 3705'. Pulled tbg tail to 3595'. Well logged off, swabbed once every 45 min to keep well flowing, making est 2 BW/hr. Flanged well up with 109 jts 2 $\frac{3}{8}$ " tbg, 3593', SN on bottom @ 3603'. Shut in for night. Daily cost \$2,150 Cumulative \$84,192

November 23, 1997 SICP 490 psi, SITP 490 psi. Flowed well to pit on $\frac{3}{4}$ " choke. After 2 hours had 220 psi FCP, 16 psi FTP, 345 MCFD, heavy mist. Rigged down and moved off service rig. Opened well on $\frac{1}{2}$ " choke to pit overnight. Daily cost \$1,700 Cumulative \$85,892.

@7:00 a.m., 205 psi FCP, 65 psi FTP, 432 MCFD, still very wet. Shut well in.

November 25, 1997 SICP 490 psi, SITP 490 psi. Returned well to production @ 9 a.m. on November 24 @ 150 MCFD. At 5:00 pm, well making 170 MCFD with 430 psi FCP, 360 psi FTP.

FINAL REPORT