

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
AUG 22 1988

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

10

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN OIL, GAS & MINING PLUG BACK

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

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

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface
 2195' FSL, 2292 FEL, Section 9, T21S, R23E, SLM
 At proposed prod. zone *NWSE*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 3 1/2 miles Northwest of Cisco, Utah

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 875'

16. NO. OF ACRES IN LEASE 360

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1335'

19. PROPOSED DEPTH 1030 *Morrison*

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4420 Gr.

22. APPROX. DATE WORK WILL START*
 9-20-88

5. LEASE DESIGNATION AND SERIAL NO.
 U- 30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
 MPD 9-2B

10. FIELD AND POOL, OR WILDCAT
 Greater Cisco

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 9, T21S, R23E

12. COUNTY OR PARISH Grand
 13. STATE Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9 3/4"	7"	26#	200'	45 sxs
6 3/4"	5 1/2"	15.5#	1030	25 sxs

Estimated formation tops & expected production
 Dakota - 738' - gas zone
 Dakota - 827' - gas zone
 Morrison - 1030 - gas zone

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

24. SIGNED Thomas A. Kavel TITLE president DATE 8-16-88

(This space for Federal or State office use)

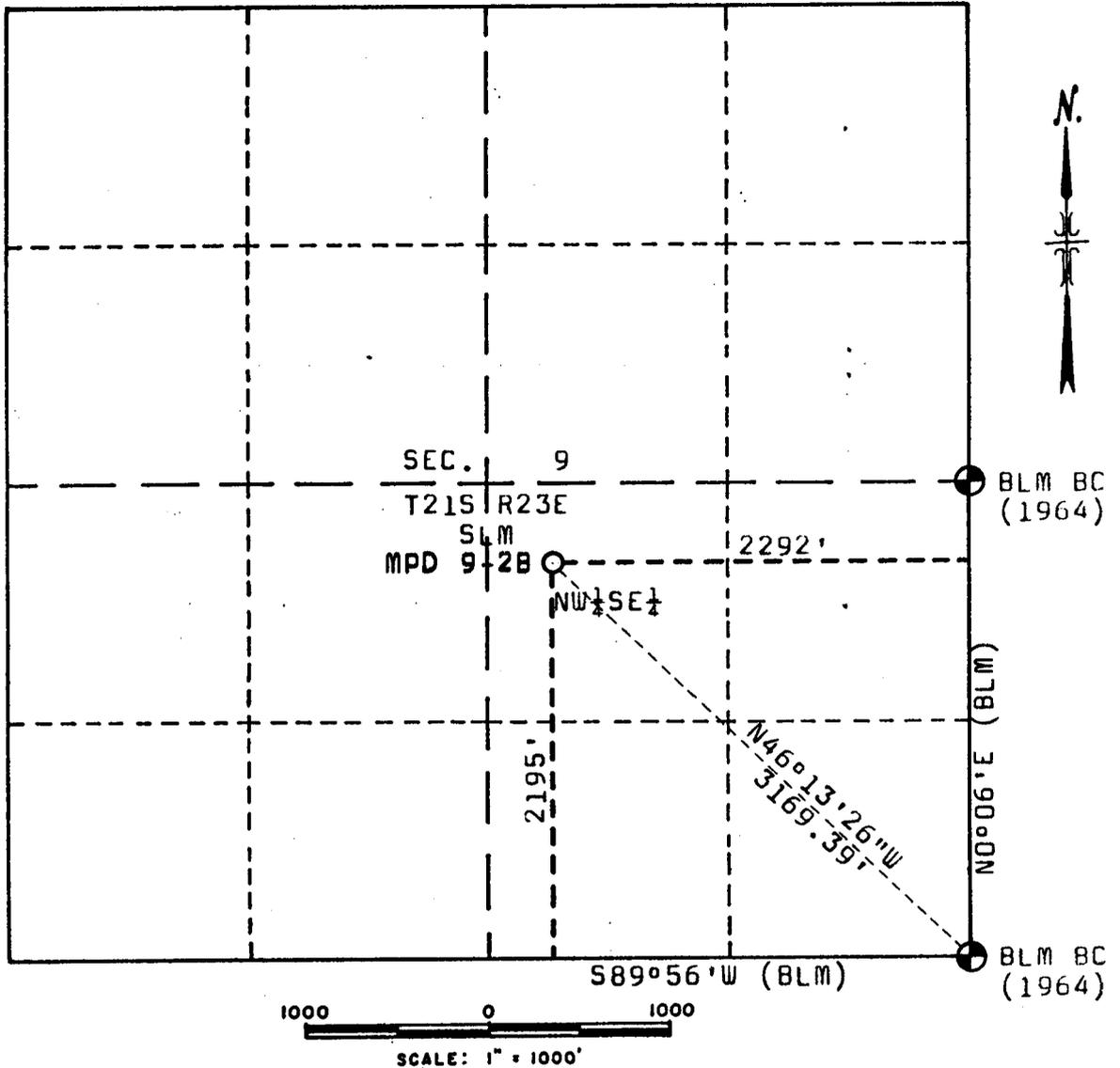
PERMIT NO. 43-019-31281

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

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

DATE: 9-8-88
 BY: [Signature]
 WELL SPACING: Cause No. 102-76B

*See Instructions On Reverse Side



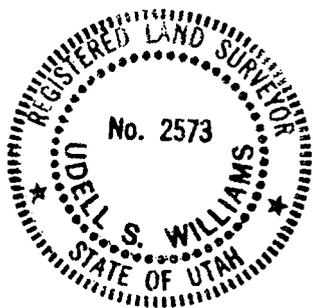
1000 0 1000
 SCALE: 1" = 1000'

MPD 9-2B

Located 2195 feet from the South line and 2292 feet from the East line of Section 9, T21S, R23E, SLM.

Elev. 4420

Grand County, Utah



SURVEYOR'S CERTIFICATE

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

Udell S. Williams
 UTAH RLS NO. 2573



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

PLAT OF
 PROPOSED LOCATION
MPD 9-2B
 NW $\frac{1}{4}$ SE $\frac{1}{4}$ SECTION 9
 T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/11/88
 DRAWN BY: USW DATE: 8/12/88

19

FILING FOR WATER IN THE
STATE OF UTAH

RECEIVED

JUN 22 1988

JUN 20 1988

Rec. by DL
Fec Rec. 30.00
Receipt # 24418
Microfilmed _____
Roll # _____

APPLICATION TO APPROPRIATE WATER RIGHTS
SALT LAKE

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3 of the Utah Code Annotated (1953, as amended).

TEMPORARY

* WATER RIGHT NO. 01 — 287 * APPLICATION NO. A T63316

1. *PRIORITY OF RIGHT: June 20, 1988 * FILING DATE: June 20, 1988

2. OWNER INFORMATION

Name(s): Master Petroleum & Development Co., Inc. * Interest: 100 %
Address: 814 South 7th St.
City: Grand Junction State: Colo. Zip Code: 81501
Is the land owned by the applicant? Yes X No _____
(If "No", please explain in EXPLANATORY section.)

3. QUANTITY OF WATER: _____ cfs and/or 20 ac-ft

4. SOURCE: Colorado river & Cisco springs DRAINAGE: _____
which is tributary to Cisco springs is a tributary of the Colorado river.
which is tributary to _____

POINT(S) OF DIVERSION: _____ COUNTY: Grand
a point in section 9 T20S, R23E in the Cisco wash where a small pond
has been previously constructed by other water users. Water taken from this
will facilitate our drilling project in the same section. Cisco boat launch.

Description of Diverting Works: _____

* COMMON DESCRIPTION: 8 miles NW of Cisco Cisco Springs Quad
Pts. of Div: 1) Cisco Springs: N.110 ft. & W.1020 ft. from S $\frac{1}{2}$ Cor. Sec. 9, T20S, R23E, SLB&M.
2) Colo. River: S.410 ft. & W.970 ft. from NE Cor. Sec. 22, T21S, R24E, SLB

5. POINT(S) OF REDIVERSION: 4 miles SE of Cisco Coates Creek Quad
The water will be rediverted from _____ at a point: _____

Description of Rediverting Works: _____

6. POINT(S) OF RETURN

The amount of water consumed will be _____ cfs or 20.0 ac-ft
The amount of water returned will be _____ cfs or _____ ac-ft
The water will be returned to the natural stream/source at a point(s): _____

7. STORAGE

Reservoir Name: _____ Storage Period: from _____ to _____
Capacity: _____ ac-ft. Inundated Area: _____ acres
Height of dam: _____ feet
Legal description of inundated area by 40 acre tract(s): _____

* These items are to be completed by the Division of Water Rights

Appropriate

8. List any other water rig which will supplement this application None

9. NATURE AND PERIOD OF USE

Irrigation:	From _____ to _____
Stockwatering:	From _____ to _____
Domestic:	From _____ to _____
Municipal:	From _____ to _____
Mining:	From _____ to _____
Power:	From _____ to _____
Other: Drilling	From <u>6-25-88</u> to <u>11-30-88</u>

10. PURPOSE AND EXTENT OF USE

Irrigation: _____ acres. Sole supply of _____ acres.
 Stockwatering (number and kind): _____
 Domestic: _____ Families and/or _____ Persons
 Municipal (name): _____
 Mining: _____ Mining District in the _____ Mine
 Ores mined: _____
 Power: Plant name: _____ Type: _____ Capacity: _____
 Other (describe): Water shall be used in the drilling and completion of oil & gas wells.

11. PLACE OF USE

Legal description of place of use by 40 acre tract(s): 1.) SE $\frac{1}{4}$ NE $\frac{1}{4}$ section 9 T20S, R23E.
2.) NW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 9 T21S, R23E, 3.) NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 10 T21S, R23E.
4.) SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 15 T21S, R23E.
1.) Well # 1-355A -2040' FNL, 600' FEL. 2.) 2025' FSL 1630' FWL. 3.) 2380' FEL 1710' FNL 4.) 2140' FWL 2188' FNL

12. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. (Use additional pages of same size if necessary): Water is to be used in the drilling and completion operations of four proposed oil or gas wells. Anticipated use shall be less than 20 ac.ft.. Water shall be hauled via truck to drillsites as needed. All water used in these operations shall be disposed of in earthen pits.

All water to be used in these operations shall be taken from the Colorado river at a point approximately 3 $\frac{1}{2}$ miles East of the Cisco townsite at a point commonly referred to as the "Cisco Boat launch" except for the water which will be used in the first well located in section 9 T20S, R23E known as the 1-355A oil well.

 The applicant(s) hereby acknowledges that he/she/they are a citizen(s) of the United States of America or intends to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).

Thomas A. Kuehl, Pres.
 Signature of Applicant(s)

STATE ENGINEER'S ENDORSEMENT

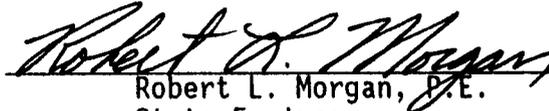
WATER RIGHT NUMBER: 01 - 287

APPLICATION NO. T63316

1. June 20, 1988 Application received by MP.
 2. June 20, 1988 Application designated for APPROVAL by MP and KLJ.
 3. Comments:
-
-

Conditions:

This application is hereby APPROVED, dated July 22, 1988, subject to prior rights and this application will expire on July 22, 1989.


Robert L. Morgan, P.E.
State Engineer



United States Department of the Interior

IN REPLY REFER TO

3104
(U-942)

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

DEC 18 1984

18

DECISION

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

Bond Accepted

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

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

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

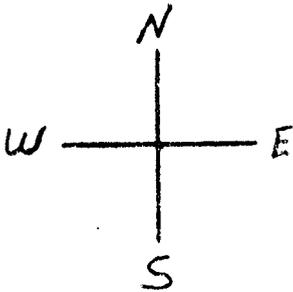
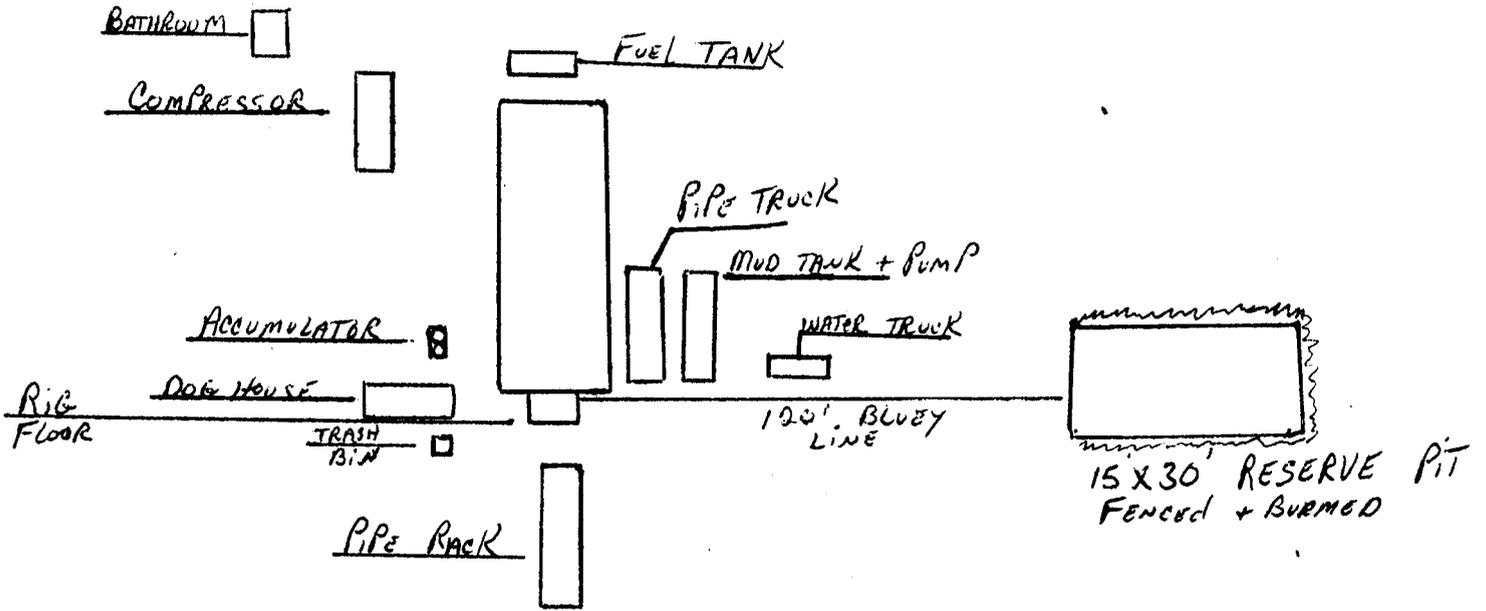
Chief, Minerals
Adjudication Section

WELLSITE SCHEMATIC

RIG LAY OUT

ACCESS ROAD

PARKING AREA

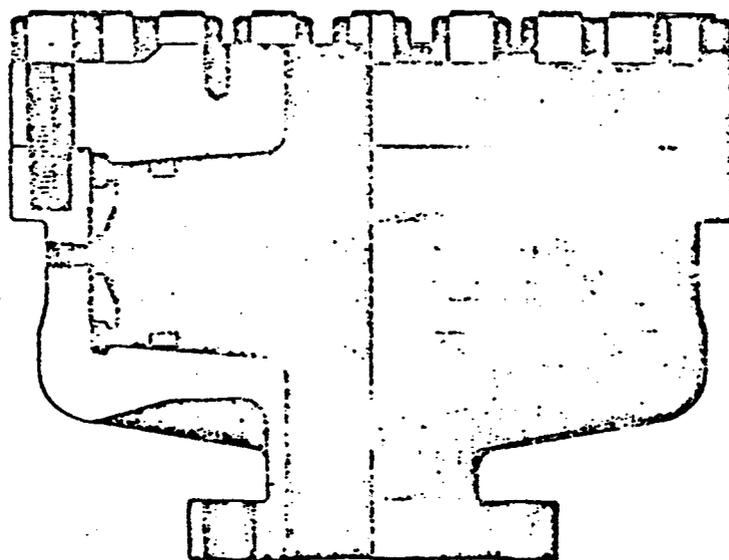


REGAN BLOWOUT PREVENTERS

The Regan Torus Blowout Preventer is used primarily on production and workover rigs for well control up to 3000 PSI working pressure

DESIGN FEATURES

- The Torus Preventer is designed for minimum height to facilitate its use with production and workover rigs.
- The rubber packer will conform to any object in the well bore. Sealing ability is not affected by minor damage to the inner bore.
- The packer will seal an open hole at full working pressure.
- The dual packer design increases the reliability of the preventer since the outer rubber is never exposed to the well bore. Under ordinary service, the outer packer is rarely replaced.



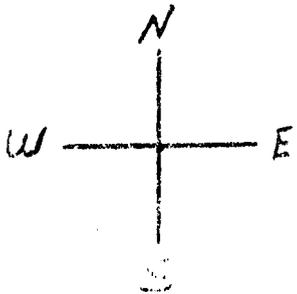
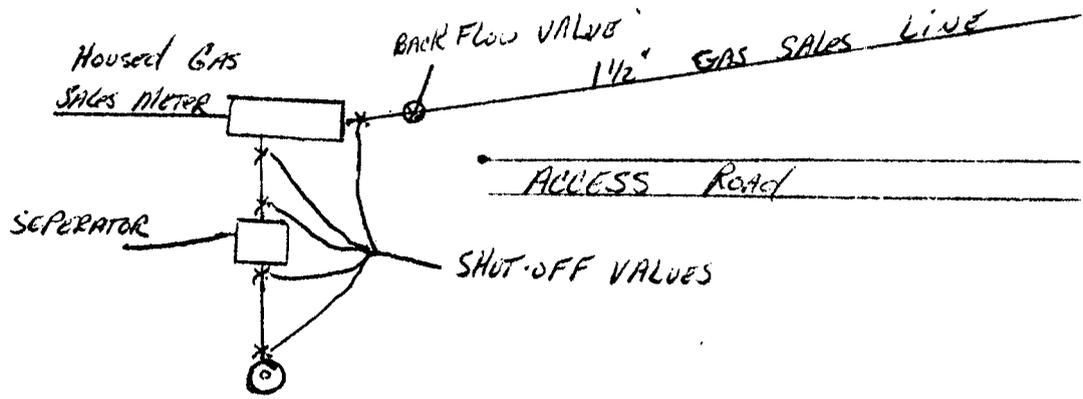
TORUS BLOWOUT PREVENTER
PATENTED

SPECIFICATIONS

Nominal Size	Test Pressure (psi)	DIMENSIONS (in.)			Weight (lb.)	End Flanges (1)	R/RX Ring Grooves	Side Outlet
		Outside Diameter	Thru Bore	Overall Height				
6	3000	27	7 1/8	19 1/2	1260 1450	Nom 6 1-in. G.	45 45	None 2" L.P.
	4500	27 1/2	7 1/8	21 1/2				

(1) Bottom flange holes elongated for use with either 2000 or 3000 psi API-5B flange. (Also can be used with obsolete Ser. 400 API flange.) Top flange normally standard for 3000 psi API-5B flange unless otherwise specified.

WELLSITE SCHEMATIC



MASTER PETROLEUM & DEVELOPMENT CO., INC.

Complete Oil and Gas Land Management
Production Development

814 South 7th Street
Grand Junction, Colorado 81501
(303) 241-4213

RECEIVED
AUG 29 1988

COMMISSION OF
OIL, GAS & MINING

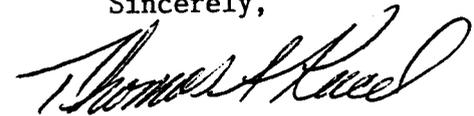
August 25, 1988

Dear Lisha,

Enclosed are the maps we discussed today for the MPD 9-2B, 10-2C and 15-2 wells we propose to drill in Grand County. My apologies for the quality of two of the maps. My copier decided to die. I hope they will suffice.

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

Sincerely,



Thomas A. Kucel, pres.

UT-060-3160-1
(1403f)

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT

CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Master Petroleum & Development Co., Inc. Well No. MPD 9-2B

Location: Sec: 9 T. 21 S R. 23E Lease No. U-30956

Onsite Inspection Date _____

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: _____
Mancus - surface to 788'
Dakota - 783 - 860
Morrison - 1030'

2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral-Bearing Zones are Expected to be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected Oil Zones:	<u>Brushy Basin</u>	<u>915'</u>
	_____	_____
Expected Gas Zones:	<u>Dakota</u>	<u>827'</u>
	_____	_____
Expected Water Zones:	<u>Salt Wash</u>	<u>1050'</u>
	_____	_____
Expected Mineral Zones:	_____	_____
	_____	_____

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth, cased, and cemented. All oil and gas shows will be tested to determine commercial potential.

- 3. Pressure Control Equipment: Regan " Torus " 3000 psi. Blowout preventer with appropriate accumulator . BOP shall be installed and tested prior to drilling out from under surface casing. BOP shall remain in place until well completion.

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

- 4. Casing Program and Auxiliary Equipment: Surface casing shall be cemented to surface(200'). 5 1/2" casing shall be cemented from T.D. to 300 ft. above T.D. using 25 sxs. cement,

Anticipated cements tops will be reported as to depth, not the expected number of sacks.

- 5. Mud Program and Circulating Medium: Well shall be air drilled. Mud pump shall be on location if needed.

Blooe line will be misted to reduce fugative dust when air drilling.

- 6. Coring, Logging and Testing Program: No logs anticipated. Each producing zone penetrated shall be tested for pressure and volumes.

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 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. **Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:**

Maximum shut in pressure anticipated is 460 psi.. The BOP to be used is rated for 3000 psi. . 120 ft. of bluey line shall be installed when the BOP is and empty all cuttings and fluids, if any, into a fenced and burmed pit. In the event of extreme pressures or volumes of hydrocarbons which may cause physical or enviromental damage the well will be injected with 10# brine water via the mud pump on location.

8. **Anticipated Starting Dates and Notifications of Operations:**

Required verbal notifications are summarized in Table I, attached. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with the BLM, Moab 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 Resource Area in accordance with requirements of NTL-3A.

Should the well be successfully completed for production, the District Manager will be notified when the well is placed in producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: Sufficient marker constructed of the casing on location bearing the well description shall be cemented in place.
The top of the marker will be closed or capped.

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

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

Other: _____

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: 3 1/2 miles Northwest of Cisco, Utah

b. Proposed route to location: Exit Hwy 6 & 50 onto county road headed West from Cisco to Master Petroleum & Development Co., Inc.'s Right of Way # U-54703 to location.

c. Plans for improvement and/or maintenance of existing roads: Operator will attempt to maintain all roads in a class III condition.

d. Other: _____

2. Planned Access Roads:

a. The maximum total disturbed width will be _____ feet.

b. Maximum grades: N/A

c. Turnouts: none

d. Location (centerline): _____

e. Drainage: _____

f. Surface Materials: Any surface material to be moved on location will be stockpiled on the Southeast location border.

g. Other: _____

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.

3. Location of Existing Wells: M.P.D. 9-2 NE $\frac{1}{4}$ SE $\frac{1}{4}$ section 9, Texas American 9-2 SE $\frac{1}{4}$ NE $\frac{1}{4}$ section 9, 1st Zone 9-3 SW $\frac{1}{4}$ NE $\frac{1}{4}$ section 9

4. Location of Tank Batteries and Production Facilities:

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 Inter-agency Committee. All facilities will be painted within (6) six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Desert Tan SAGE GREY

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 largest tank in 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 3162.7-4 regulations will be adhered to.

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

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

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the well head to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from: _____
Colorado river at Fish Ford 4 miles Southeast of Cisco

A temporary water use permit for this operation will be obtained from the Utah State Engineer, Robert L. Morgan, see attached.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from: none needed.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.1-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit (~~will~~/will not) be lined: Cuttings and drilling fluids will be discharged into an unlined reserve pit. Trash will be placed in a trash cage provided by and removed by Operator. Bathroom facilities will be on location.

Three sides of the reserve pit will be fenced with 4 ft. stock fence before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash must be contained and disposed of by: Operator

If burning is required, a permit will be obtained from the State Fire Warden, _____.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other: _____

8. Ancillary Facilities:

Camp facilities (~~XXXX~~/will not) be required. They will be located at:

9. Well Site Layout:

The reserve pit will be located: 120 ft. East of drill hole.

The top _____ inches of soil material will be removed from the location and stockpiled separately on _____.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: Master Petroleum & Development Co., Inc.'s' Right of way # U-54703

The trash pit will be located: see rig lay out plat

10. Plans for Restoration of Surface:

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

Before any dirt work to restore the location takes place, the reserve pit must be completely dry. _____

All disturbed areas will be recontoured to the approximate natural contours. _____

The stockpiled topsoil will be evenly distributed over the disturbed contours. _____

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

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. _____

The following seed mixture will be used: see attached list

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements: _____

11. Surface and Mineral Ownership:

Federal Lease # U-30956 - Master Petroleum & Development Co., Inc.-Operator.

12. Other Information:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.3-2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources are found during construction, all work will stop and the Area Manager will be notified.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's or Operator's Representative and Certification:

Representative

Name Thomas A. Kucel, president

Address 814 South 7th St.
Grand Junction, Colorado

Phone No. 1-303-241-4213, Home- 1-303-434-5220

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with operations proposed herein will be performed by: Master Petroleum & Development Co., Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Name *Thomas A. Kucel*

Title president

Date _____

NOTIFICATIONS

Notify the San Juan Resource Area, at (801) 587-2141 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding;

1 day prior to running and cementing surface casing;

1 day prior to pressure testing of BOPE and/or surface casing.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Steven Jones, Petroleum Engineer Office Phone: (801) 259-6111

Home Phone: (801) 259-7404

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111

Home Phone: (801) 259-7990

Paul Brown, I&E Coordinator

Office Phone: (801) 259-6111

Home Phone: (801) 259-7018

24 hours advance notice is required for all abandonments.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

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

Juniper or Sage Green

The operator or his contractor will notify the Grand Resource Area at (801) 259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

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

The following seed mixture will be used:

<u>Species</u>		<u>lbs/acre</u>
<u>Grasses</u>		
Sporobolus airoides	Alkali sacaton	1
<u>Shrubs</u>		
Kochia prostrata	Summer cypress	<u>2</u>
		3 lbs/acre

Broadcast seed will be applied at double the above rate.

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



FIRST ZONE PRODUCTION, INC.

RECEIVED
SEP 2 1988

DIVISION OF
OIL, GAS & MINING

DIVISION OIL, GAS, & MINING
3 Triad Building
Suite 350
Salt Lake City, Utah 84180-1203

Attn: Ms. Liesha Romero

30 Sept 1988

RE: Location Variance
Section 9, T21S, R23E
MASTER Petroleum

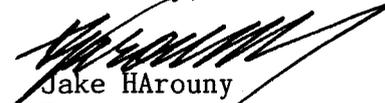
Ms. Romero:

Pursuant to a phone conversation with Mr. Tom Kucel, Master Petroleum, we will not protest the granting of a location variance.

We feel that development and harmony between the Operators is a necessary part of the Oil Business that has been lacking in the past.

If you have any other questions concerning this situation, please call me at your earliest convenience.

Sincerely,


Jake Harouny
President

CC: Tom Kucel

OPERATOR Master Petroleum & Dev. DATE 8-22-88

WELL NAME MPD 9-2B

SEC NWSE 9 T 21S R 23E COUNTY Grand

43-019-31281
API NUMBER

Fed.
TYPE OF LEASE

CHECK OFF:

PLAT

statewide - BSM
 BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

Nearest well ok under Cause 102-16B
Water Permit 01-287 / AT 63316
Request plat of lease acreage. Received 8-29-88
Need approval from First Zone Prod. Received 9-2-88.

APPROVAL LETTER:

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

102-16B 11-15-79 R615-3-3
CAUSE NO. & DATE

STIPULATIONS:

+ Water permit ok



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

September 8, 1988

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

Gentlemen:

Re: MPD 9-2B -NW SE Sec. 9, T. 21S, R. 23E - Grand County, Utah
2195' FSL, 2292' FEL

Approval to drill the referenced 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 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.
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.

Page 2
Master Petroleum & Development Co., Inc.
MPD 9-2B
September 8, 1988

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 43-019-31281.

Sincerely,



R. J. Birt
Associate Director, Oil & Gas

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

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

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At surface
 2195' FSL, 2292 FEL, Section 9, T21S, R23E, SLM
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 3 1/2 miles Northwest of Cisco, Utah

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 (Also to nearest drlg. unit line, if any)
 875'

16. NO. OF ACRES IN LEASE
 360

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1335'

19. PROPOSED DEPTH
 1030

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 4420 Gr.

22. APPROX. DATE WORK WILL START*
 9-20-88

23. PROPOSED CASING AND CEMENTING PROGRAM

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

24. SIGNED Thomas A. Kessel TITLE president DATE 8-16-88

(This space for Federal or State office use)

PERMIT NO. 43-029-31281 APPROVAL DATE _____

APPROVED BY /s/ GENE NODINE TITLE MANAGER DATE OCT 6 1988

CONDITIONS OF APPROVAL, IF ANY:

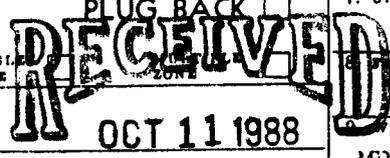
CONDITIONS OF APPROVAL ATTACHED

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

*See Instructions On Reverse Side

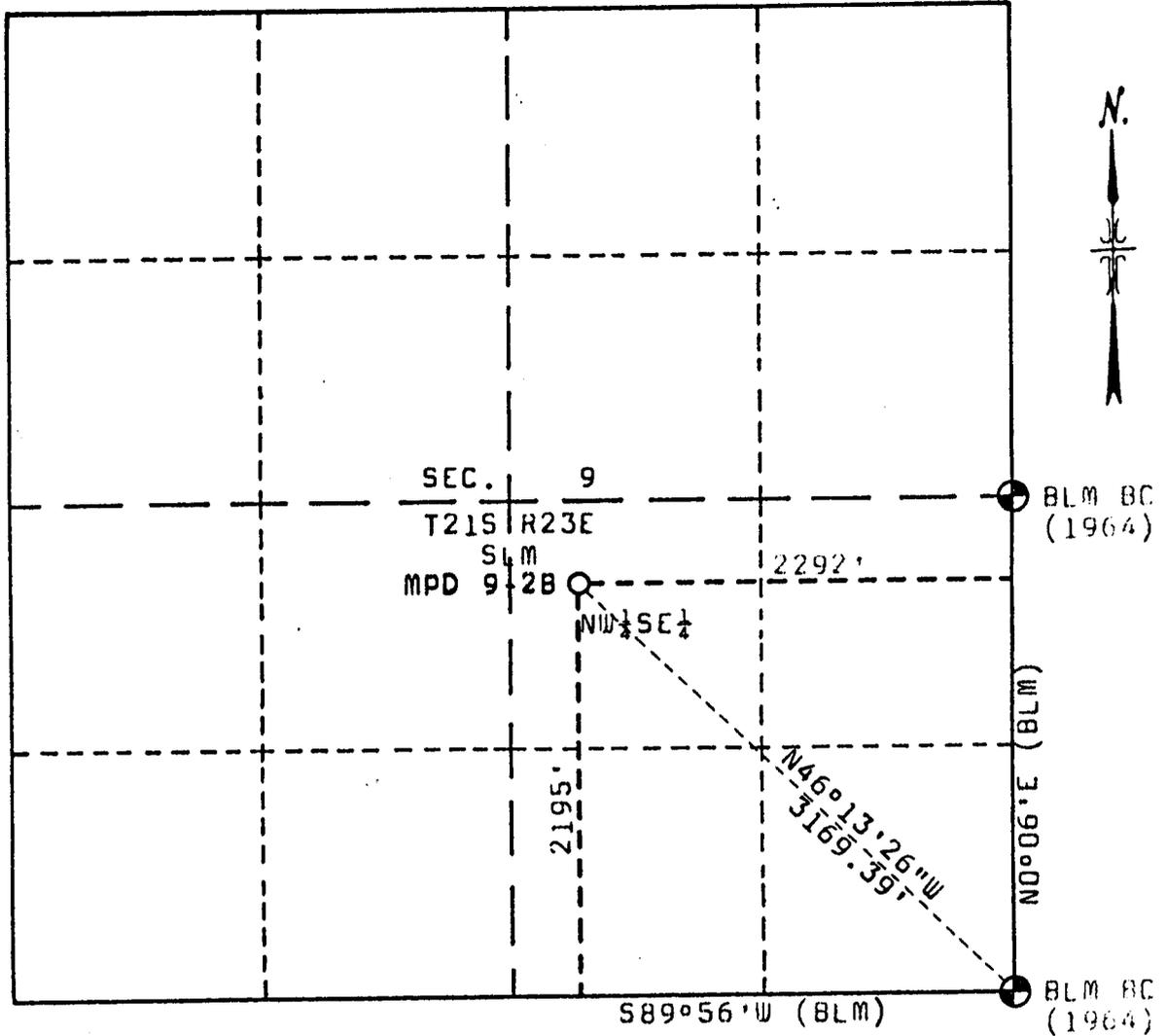
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Docm



DIVISION OF OIL, GAS & MINING

5. LEASE DENIGATION AND SERIAL NO.
 U- 30956
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 7. UNIT AGREEMENT NAME
 8. FARM OR LEASE NAME
 9. WELL NO.
 MPD 9-2B
 10. FIELD AND POOL, OR WILDCAT
 Greater Cisco
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 9, T21S, R23E
 12. COUNTY OR PARISH
 Grand
 13. STATE
 Utah



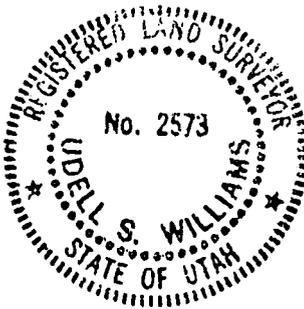
1000 0 1000
SCALE: 1" = 1000'

MPD 9-28

Located 2195 feet from the South line and 2292 feet from the East line of Section 9, T21S, R23E, SLM.

Elev. 4420

Grand County, Utah



SURVEYOR'S CERTIFICATE

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

Udell S. Williams
UTAH RLS NO. 2573



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

PLAT OF
PROPOSED LOCATION

MPD 9-28
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SECTION 9
T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/21/88
DRAWN BY: USW DATE: 8/21/88

Master Petroleum & Development Co., Inc.
Well No. MPD 9-2B
Sec. 9, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-30956

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Master Petroleum & Development Co., Inc., is considered to be the operator of the above well, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by Bond No. 43-45-57 (Bonded Principle - Master Petroleum & Development Co., Inc.) via surety consent as provided for in 43 CFR 3104.3.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

1. Pressure control equipment will be pressure tested to 500 psi or 70% of internal yield of casing. Pressure test will be conducted prior to drilling out from casing shoe.
2. An accumulator and choke manifold system will be installed and operational during drilling operations. This equipment will meet standards set forth in API RP 53. Any deviations must be approved in advance by an authorized officer.
3. All BOP and casing tests will be recorded in drillers log.
4. Cement for surface pipe will be circulated to the surface.
5. Production casing cement volume shall be sufficient enough to isolate fresh water bearing zones.

B. SURFACE USE PROGRAM

During periods of wet weather, when activity would result in deep rutting to access routes, the activity will stop. Ruts of six inches or more will be considered excessive. Roads will be re-graded within five days of occurrence.

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.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to the appropriate rental, or other financial obligation determined by the authorized officer.

Produced waste water will be confined to an unlined pit for a period not to exceed ninety (90) days after initial production. During the ninety day (90) period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

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. Color will be as follows: Slate Gray.

NOTIFICATIONS

Notify the Grand Resource Area, at (801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding;

1 day prior to running and cementing surface casing;

1 day prior to pressure testing of BOPE and/or surface casing.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Dale Manchester, Petroleum Engineer Office Phone: (801) 259-6111

Home Phone: (801) 259-6239

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111

Home Phone: (801) 259-7990

Paul Brown, I&E Coordinator

Office Phone: (801) 259-6111

Home Phone: (801) 259-7018

24 hours advance notice is required for all abandonments.

RECEIVED
DEC 27 1988

ENTITY ACTION FORM - DOGM FORM 6

DIVISION OF
OIL, GAS & MINING

OPERATOR MASTER Petroleum + Development Co., Inc OPERATOR CODE N-9695
ADDRESS 814 So. 7th PHONE NO. 303 241-4213
Grand Jet, Colo
81501

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		
B	09801		43-019-3128	MPD 9-2B	NW/SE	9	21S	23E	Grand	10/27/88	12/09/88
COMMENTS: Federal - Lease Proposed Zone - MRSN Field - Greater Cisco (One other well in sec. 9, same oper, prod. from DK-MR - entity 98017) Not in a Unit											
B	09801		43-019-31276	MPD 10-2C	NW/SW	10	21S	23E	Grand	11/18/88	11/30/88
COMMENTS: Federal - Lease Proposed Zone - STW Field - Greater Cisco (One other well in sec. 10, same operator, prod. from MRSN formation - entity 8171. Not in a Unit * Produces into a different tank battery.											
COMMENTS: * Same purchase meter - operator says they should all be on the same entity number. Assigned on 12-30-88. Lck											
COMMENTS:											
COMMENTS:											

- ACTION CODES: A - ESTABLISH NEW ENTITY FOR NEW WELL (SINGLE WELL ONLY)
 B - ADD NEW WELL TO EXISTING ENTITY (GROUP OR UNIT WELL)
 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)

Thomas A Kucel
SIGNATURE
Pres. 12-9-88
TITLE DATE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(Other In-
structions on
reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

5. LEASE DESIGNATION AND SERIAL NO.

U-30956

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

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

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

RECEIVED
DEC 27 1988

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

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements): At surface 2195' FSL, 2292 FEL, Sec. 9, T21S R23E

At top prod. interval reported below as above
At total depth as above

DIVISION OF
OIL, GAS & MINING

14. PERMIT NO. 43-019-31281 DATE ISSUED 9-8-88

15. DATE SPUDDED 10-27-88 16. DATE T.D. REACHED 11-13-88 17. DATE COMPL. (Ready to prod.) 11-17-88

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 4420 GR.

20. TOTAL DEPTH, MD & TVD 1340' KB 21. PLUG, BACK T.D., MD & TVD 800' KB

23. INTERVALS DRILLED BY ROTARY TOOLS 1340' CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 742' - 757' Dakota

26. TYPE ELECTRIC AND OTHER LOGS RUN None

28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7 5/8"	29.7 #	222.5'	9 5/8"	50 sxs.	none.

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
Open hole completion			

33.* PRODUCTION				WELL STATUS (Producing or Shut-in)			
DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)						
N/A	flowing			shut in			

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
12-3-88	2	1/2"	→	0	12.75	0	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
16 psi	200 psi	→	0	153	0	0	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) shut in awaiting pipeline TEST WITNESSED BY T. Kucel

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 Thomas A. Kucel TITLE President DATE 12-9-88

*(See Instructions and Spaces for Additional Data 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.

38.

GEOLOGIC MARKERS

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.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
1st DINGTA	742	757	GAS - TIGHT SAND WATER. Med. SANDSTONE DEAD OIL + WATER			
2nd DINGTA	885	935				
MORRISON	1283	1325				

OIL AND GAS	
RJF	DRN
GLH	JRB
SLS	DTS
	1-TS
MICROFILM	
FILE	

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

RECEIVED

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		DIVISION OF OIL, GAS & MINING	
2. NAME OF OPERATOR Master Petroleum & Development Co., Inc.			
3. ADDRESS OF OPERATOR 814 South 7th St., Grand Junction, Colorado, 81501			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 2195' FSL, 2292' FEL Section 9, T21S, R23E			
14. PERMIT NO. 43-019-31281		15. ELEVATIONS (Show whether OP, ST, GR, etc.) 4420 Gr.	
12. COUNTY OR PARISH Grand		13. STATE Utah	

5. LEASE DESIGNATION AND SERIAL NO. U-30956
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
9. WELL NO. MPD 9-2B
10. FIELD AND POOL, OR WILDCAT Greater Cisco
11. SEC., T., R., M., OR BLEK. AND SUBST. OR AREA Sec. 9, T21S, R23E SLM & B

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 ACIDISING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) Spud Well <input checked="" 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.)

Well was spudded 10-27-88. PropetroCo, Inc. of Moab, Utah was the drilling contractor. Mr. Mike Kaminski of the B.L.M., Grand Resource office conducted periodic inspections of the drilling operations.

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

SIGNED Thomas A. Kucel TITLE president DATE 12-30-88

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

UT-060-3160-1
(1403f)

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT

CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Master Petroleum & Development Co., Inc. Well No. MPD 9-2B

Location: Sec: 9 T. 21 S R. 23E Lease No. U-30956

Onsite Inspection Date _____

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: _____
Mancus - surface to 788'
Dakota - 783 - 860
Morrison - 1030'

2. Estimated Depth at Which Oil, Gas, Water, or Other Mineral-Bearing Zones are Expected to be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected Oil Zones:	<u>Brushy Basin</u>	<u>915'</u>
Expected Gas Zones:	<u>Dakota</u>	<u>827'</u>
Expected Water Zones:	<u>Salt Wash</u>	<u>1050'</u>
Expected Mineral Zones:	_____	_____
	_____	_____

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth, cased, and cemented. All oil and gas shows will be tested to determine commercial potential.

MOAB DISTRICT

- 3. Pressure Control Equipment: Regan " Torus " 3000 psi. Blowout preventer with appropriate accumulator . BOP shall be installed and tested prior to drilling out from under surface casing. BOP shall remain in place until well completion.

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

- 4. Casing Program and Auxiliary Equipment: Surface casing shall be cemented to surface(200'). 5 1/2" casing shall be cemented from T.D. to 300 ft. above T.D. using 25 sxs. cement,

Anticipated cements tops will be reported as to depth, not the expected number of sacks.

- 5. Mud Program and Circulating Medium: Well shall be air drilled. Mud pump shall be on location if needed.

Blooi line will be misted to reduce fugative dust when air drilling.

- 6. Coring, Logging and Testing Program: No logs anticipated. Each producing zone penetrated shall be tested for pressure and volumes.

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 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

Maximum shut in pressure anticipated is 460 psi.. The BOP to be used is rated for 3000 psi. . 120 ft. of bluey line shall be installed when the BOP is and empty all cuttings and fluids, if any, into a fenced and burmed pit. In the event of extreme pressures or volumes of hydrocarbons which may cause physical or enviromental damage the well will be injected with 10# brine water via the mud pump on location.

8. Anticipated Starting Dates and Notifications of Operations:

Required verbal notifications are summarized in Table I, attached. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with the BLM, Moab 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 Resource Area in accordance with requirements of NTL-3A.

Should the well be successfully completed for production, the District Manager will be notified when the well is placed in producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: Sufficient marker constructed of the casing on location bearing the well description shall be cemented in place.
The top of the marker will be closed or capped.

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

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

Other: _____

_____.

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: 3 1/2 miles Northwest of Cisco, Utah

_____.

b. Proposed route to location: Exit Hwy 6 & 50 onto county road headed West from Cisco to Master Petroleum & Development Co., Inc.'s Right of Way # U-54703 to location.
_____.

c. Plans for improvement and/or maintenance of existing roads: Operator will attempt to maintain all roads in a class III condition.
_____.

d. Other: _____

_____.

2. Planned Access Roads:

a. The maximum total disturbed width will be _____ feet.

b. Maximum grades: N/A

_____.

c. Turnouts: none

_____.

d. Location (centerline): _____

_____.

e. Drainage: _____

_____.

f. Surface Materials: Any surface material to be moved on location will be stockpiled on the Southeast location border.

g. Other: _____

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.

3. Location of Existing Wells: M.P.D. 9-2 NE $\frac{1}{4}$ SE $\frac{1}{4}$ section 9, Texas American 9-2 SE $\frac{1}{4}$ NE $\frac{1}{4}$ section 9, 1st Zone 9-3 SW $\frac{1}{4}$ NE $\frac{1}{4}$ section 9

4. Location of Tank Batteries and Production Facilities:

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 (6) six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: ~~Desert Tan~~ SAGE GREY

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 largest tank in 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 3162.7-4 regulations will be adhered to.

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

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

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the well head to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from: _____
Colorado river at Fish Ford 4 miles Southeast of Cisco

A temporary water use permit for this operation will be obtained from the Utah State Engineer, Robert L. Morgan, see attached.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from: none needed.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.1-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit (~~will~~/will not) be lined: Cuttings and drilling fluids will be discharged into an unlined reserve pit. Trash will be placed in a trash cage provided by and removed by Operator. Bathroom facilities will be on location.

Three sides of the reserve pit will be fenced with 4 ft stock fence before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash must be contained and disposed of by: Operator

If burning is required, a permit will be obtained from the State Fire Warden, _____.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other: _____

8. Ancillary Facilities:

Camp facilities (~~XXXX~~/will not) be required. They will be located at:

9. Well Site Layout:

The reserve pit will be located: 120 ft. East of drill hole.

The top _____ inches of soil material will be removed from the location and stockpiled separately on _____.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: Master Petroleum & Development Co., Inc.s' Right of way # U-54703

The trash pit will be located: see rig lay out plat

10. Plans for Restoration of Surface:

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

Before any dirt work to restore the location takes place, the reserve pit must be completely dry. _____

All disturbed areas will be recontoured to the approximate natural contours. _____

The stockpiled topsoil will be evenly distributed over the disturbed contours. _____

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

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. _____

The following seed mixture will be used: see attached list

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements: _____

11. Surface and Mineral Ownership:

Federal Lease # U-30956 - Master Petroleum & Development Co., Inc.-Operator.

12. Other Information:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.3-2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources are found during construction, all work will stop and the Area Manager will be notified.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's or Operator's Representative and Certification:

Representative

Name Thomas A. Kucel, president

Address 814 South 7th St.

Grand Junction, Colorado

Phone No. 1-303-241-4213, Home- 1-303-434-5220

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with operations proposed herein will be performed by: Master Petroleum & Development Co., Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Name *Thomas A. Kucel*

Title president

Date 8-16-88

NOTIFICATIONS

Notify the San Juan Resource Area, at (801) 587-2141 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding;

1 day prior to running and cementing surface casing;

1 day prior to pressure testing of BOPE and/or surface casing.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Steven Jones, Petroleum Engineer Office Phone: (801) 259-6111

Home Phone: (801) 259-7404

Lynn Jackson, Chief, Branch of Fluid Minerals

Office Phone: (801) 259-6111

Home Phone: (801) 259-7990

Paul Brown, I&E Coordinator

Office Phone: (801) 259-6111

Home Phone: (801) 259-7018

24 hours advance notice is required for all abandonments.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

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

Juniper or Sage Green

The operator or his contractor will notify the Grand Resource Area at (801) 259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

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

The following seed mixture will be used:

<u>Species</u>	<u>lbs/acre</u>
<u>Grasses</u>	
Sporobolus airoides Alkali sacaton	1
<u>Shrubs</u>	
Kochia prostrata Summer cypress	<u>2</u>
	3 lbs/acre

Broadcast seed will be applied at double the above rate.

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

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

SUBMIT TRIPPLICATE*
(Other instructions on reverse side)

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <i>UTU-30956</i>
2. NAME OF OPERATOR Master Petroleum & Development Co., Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 814 South 7th St., Grand Junction, CO., 81501		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface <i>NW 1/8 Sec. 9, T21S, R23E SLM + B</i>		8. FARM OR LEASE NAME
14. PERMIT NO. <i>4301931281</i>	15. ELEVATIONS (Show whether DF, RT, OR, etc.)	9. WELL NO. <i>MPD 9-2B</i>
		10. FIELD AND POOL, OR WILDCAT <i>Greater Cased</i>
		11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA <i>SEC. 9 T21S, R23E SLM + B</i>
		12. COUNTY OR PARISH <i>GRAND</i>
		13. STATE <i>UTAH</i>

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

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

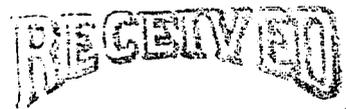
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to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

Effective immediately the new Operator is:

Saturn Resources Corp.
P.O. Box 870171
Dallas, Texas, 75287

Phone # 214-380-2977

Attn: Lynn or J.T. Dempsey



AUG 20 1991

DIVISION OF
OIL GAS & MINING

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

SIGNED *Thomas A. Rice* TITLE pres. DATE 8-14-91

(This space for Federal or State office use)

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

VIA
NATURAL RESOURCES
FILE FILE & TRAINING

North Temple, 3 Tiled Center, Suite 350, Salt Lake City, UT
803.01801-530-5340

MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

• MASTER PET & DEVEL CO INC.
814 SOUTH 7TH
GRAND JUNCTION CO 81501
ATTN: TOM KUCEL

Utah Account No. N9675

Report Period (Month/Year) 7 / 91

Amended Report

Well Name	Producing Zone	Days Oper	Production Volume		
API Number	Entity	Location	Oil (BBL)	Gas (MSCF)	Water (BBL)
4301930404	04500	20S 23E 27	0	0	0
4301930404	04500	20S 23E 27	0	0	0
4301930456	04500	20S 23E 27	0	0	0
4301930456	04500	20S 23E 27	0	0	0
4301930475	08171	21S 23E 10	5	0	5
4301930475	08171	21S 23E 10	5	0	5
4301931105	08172	21S 23E 24	0	0	0
4301931105	08172	21S 23E 24	0	0	0
4301931189	08173	21S 23E 15	0	0	0
4301931189	08173	21S 23E 15	0	0	0
4301915014	08174	19S 24E 31	0	0	0
4301915014	08174	19S 24E 31	0	0	0
4301930791	09056	21S 23E 2	0	0	0
4301930791	09056	21S 23E 2	0	0	0
4301930561	09057	21S 23E 2	0	0	0
4301930561	09057	21S 23E 2	0	0	0
4301931068	09800	20S 21E 27	0	0	0
4301931068	09800	20S 21E 27	0	0	0
4301931216	09801	21S 23E 9	0	0	0
4301931216	09801	21S 23E 9	0	0	0
4301931276	09801	21S 23E 10	76	3024	0
4301931276	09801	21S 23E 10	76	3024	0
4301931281	09801	21S 23E 9	0	0	0
4301931281	09801	21S 23E 9	0	0	0
4301931277	11003	21S 23E 15	0	0	0
4301931277	11003	21S 23E 15	0	0	0
TOTAL			87	3024	5

Comments (attach separate sheet if necessary)

I have reviewed this report and certify the information to be accurate and complete.

Date 8-20-91

Thomas A. Kucel, Pres.
Authorized signature

Telephone 303.241-4213

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File _____

(Location) Sec ___ Twp ___ Rng ___
(API No.) _____

Suspense
(Return Date) _____
(To - Initials) _____

Other
OPERATOR CHANGE

1. Date of Phone Call: 8-22-91 Time: 4:15

2. DOGM Employee (name) L. ROMERO (Initiated Call
Talked to:
Name TOM KUCEL (Initiated Call - Phone No. (303) 241-4213
of (Company/Organization) MASTER PETROLEUM & DEV. CO., INC. / N9675

3. Topic of Conversation: EFFECTIVE DATE OF OPERATOR CHANGE TO SATURN RESOURCES CORP.

4. Highlights of Conversation: MR. KUCEL CONFIRMED THE EFFECTIVE DATE OF "8-1-91".

**911029 This change reflects Master Petroleum properties only.
(see Sundry submitted by Saturn Resources dated 10-7-91)
Properties regarding Abraham R. Gladstone / EPS will be handled separately.
Lease WTU7945/Jacobs #1 will also be handled separately.*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NO.
See below

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.
VARIOUS

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR ASS.
*T203829E
T215823E*

12. COUNTY OR PARISH 13. STATE
COCONDO UTAH

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Saturn Resources Corp.

3. ADDRESS OF OPERATOR
PO BOX 870171

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

14. PERMIT NO.

15. ELEVATIONS (Show whether DP, RT, OR, etc.)

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

NOTICE OF INTEREST TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

WELL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANE

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

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

17. DETAILED 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.)*

WE HAVE purchased the leases + properties listed on attached exhibits. purchased from Master Petroleum + Development AND Abraham R. Gladstone WE are operators of these leases + wells as of 8-1-91

There is one additional lease which we do not have information on. It is lease # UTY 7945. It has 1 gas well on it - Jacobs #1 well

I hereby certify that the foregoing is true and correct

SIGNED *R. [Signature]* TITLE *Vice president* DATE *10-7-91*

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATES (Other instructions on reverse side)

Budget Bureau No. 100-1-0135 Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NO. UTU 30956
8. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
9. WELL NO. SEE Below
10. FIELD AND POOL, OR WILDCAT
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 9 + 10
12. COUNTY OR PARISH 13. STATE GRAND County UTAH

1. OIL WELL [X] GAS WELL [X] OTHER
2. NAME OF OPERATOR Saturn Resources Corp.
3. ADDRESS OF OPERATOR PO Box 87071 Dallas Texas 75287
14. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface SEE Below

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

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: TEST WATER SHUT-OFF, FRACTURE TREAT, SHOOT OR ACIDIZE, REPAIR WELL, (Other)
PCLL OR ALTER CASING, MULTIPLE COMPLETE, ABANDON*, CHANGE PLANS
SUBSEQUENT REPORT OF: WATER SHUT-OFF, FRACTURE TREATMENT, SHOOTING OR ACIDIZING, (Other)
REPAIRING WELL, ALTERING CASING, ABANDONMENT*
(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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

CHANGE OF OPERATOR

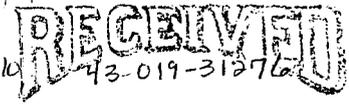
eff. 8/1/91

Saturn Res. Corp is taking over operations of the above captioned well.

Saturn Res. Corp 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. UT0841.

Sec 9 N 1/2 SE 1/4 WELL MPD 9-2 21S 23E Sec. 9 43-019-31216
N 1/2 SE 1/4 MPD 9-2B 21S 23E Sec. 9 43-019-31281
Sec 10 S 1/2 NW 1/4 MPD 10-2C 21S 23E Sec. 10 43-019-31276



OCT 30 1991

Township 21 South Range 23 East

DIVISION OF OIL GAS & MINING

18. I hereby certify that the foregoing is true and correct
SIGNED R. Lynn Dempsey TITLE Vice president DATE 9-16-91
APPROVED BY William C. Hays TITLE for Minerals DATE 10/25/91
CONDITIONS OF APPROVAL, IF ANY: CONDITIONS OF APPROVAL ATTACHED

*See Instructions on Reverse Side

APPROVE w/ change of operator cond: 10/15/91 ALJ 10/25/91
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.

Routing

1- RCR 6-ADA
2- DTS OTS
3- VLC
4- RJF
5- RWM
7- LEP

Attach all documentation received by the Division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold) Designation of Agent
 Designation of Operator Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 8-1-91)

TO (new operator)	<u>SATURN RESOURCES CORP.</u>	FROM (former operator)	<u>MASTER PETROLEUM & DEV.</u>
(address)	<u>P. O. BOX 870171</u>	(address)	<u>814 SOUTH 7TH STREET</u>
	<u>DALLAS, TX 75287</u>		<u>GRAND JUNCTION, CO 81501</u>
	<u>LYNN OR J.T. DEMPSEY</u>		<u>TOM KUCEL</u>
	phone <u>(214) 418-1701</u>		phone <u>(303) 241-4213</u>
	account no. <u>N1090 (10-11-91)</u>		account no. <u>N9675</u>

Well(s) (attach additional page if needed):

Name: <u>MPD 10-2C/MRSN</u>	API: <u>43-019-31276</u>	Entity: <u>9801</u>	Sec <u>10</u> Twp <u>21S</u> Rng <u>23E</u>	Lease Type: <u>U-30956</u>
Name: <u>MPD 9-2B/DKTA</u>	API: <u>43-019-31281</u>	Entity: <u>9801</u>	Sec <u>9</u> Twp <u>21S</u> Rng <u>23E</u>	Lease Type: <u>U-30956</u>
Name: <u>MPD 15-2/CDMTN</u>	API: <u>43-019-31277</u>	Entity: <u>11003</u>	Sec <u>15</u> Twp <u>21S</u> Rng <u>23E</u>	Lease Type: <u>UTUO14817</u>
Name: <u>M.P.D. 9-2/DK-MR</u>	API: <u>43-019-31216</u>	Entity: <u>9801</u>	Sec <u>9</u> Twp <u>21S</u> Rng <u>23E</u>	Lease Type: <u>U-30956</u>
Name: <u>ESCONDITO #1/DKTA</u>	API: <u>43-019-30561</u>	Entity: <u>9057</u>	Sec <u>2</u> Twp <u>21S</u> Rng <u>23E</u>	Lease Type: <u>ML-2779</u>
Name: <u>CHASE GROSSMAN #1/DKTA</u>	API: <u>43-019-15014</u>	Entity: <u>8174</u>	Sec <u>31</u> Twp <u>19S</u> Rng <u>24E</u>	Lease Type: <u>U-01236</u>
Name: <u>FRAZIER 15-1/MR-SW</u>	API: <u>43-019-31189</u>	Entity: <u>8173</u>	Sec <u>15</u> Twp <u>21S</u> Rng <u>23E</u>	Lease Type: <u>FEE</u> (B)

OPERATOR CHANGE DOCUMENTATION

1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 8-20-91)*
2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Ref. 8-26-91) (Rec'd 10-7-91)*
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: #115016.
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.
5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(10-29-91)*
6. Cardex file has been updated for each well listed above.
7. Well file labels have been updated for each well listed above.
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(10-29-91)*
9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) (If entity assignments were changed, attach copies of Form 6, Entity Action Form). (Entity 9801 3/wells "Common tank", and 4500 2/wells "Common tank".)
- 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. (Not as of yet. Will pursue.)
- 2. A copy of this form has been placed in the new and former operators' bond files. ** upon completion of routing.*
- 3. The former operator has requested a release of liability from their bond (yes/no). Today's date Aug. 22 1991. If yes, division response was made by letter dated _____ 19____. (CD #1568-\$5,000 secures "Frazier 15-1 & Venover Fee #2")

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 11-4 1991, 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. *letter 11-4-91*
- 2. Copies of documents have been sent to State Lands for changes involving State leases. *To Ed Bonner 11-1-91*

RECORDING

- 1. All attachments to this form have been microfilmed. Date: Nov 8 1991. *Rum*

INDEXING

- 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.

REMARKS

911028 Btm/meab "Approved 10-25-91 eff. 8-1-91"

TRUSTEE'S DEED AND BILL OF SALE

This indenture, made this 29th day of November, 2000, between Janice D. Loyd as Trustee appointed for Saturn Resources, Inc., debtor in case number BK-97-15213-BH and Ray Lynn Dempsey, debtor in case number BK-99-16587-BH in the United States Bankruptcy Court for the Western District of Oklahoma, parties of the first part and Falcon Energy, L.L.C., 4103 S. 500 West, Salt Lake City, Utah, 84123, party of the second part, and pursuant to Rule 6004 of the Federal Rules of Bankruptcy Procedure authorize the execution of this document.

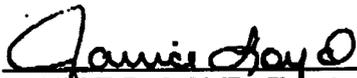
NOW THEREFORE, know ye that I, Janice D. Loyd, Trustee, by virtue of the power and authority in me vested, as aforesaid, and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, to me in hand paid, the receipt of which is hereby acknowledged, do hereby quit claim, grant, bargain, sell and convey unto the said party of the second part all my right, title, interest, estate and every claim and demand, both at law and equity, in and to the following described property, free and clear of the known liens and encumbrances, to-wit:

See Exhibit "A" attached

together with all and singular tenements, hereditaments and appurtenances thereunto belonging.

To have and to hold the said above described premises unto party of the second part, its successors and assigns forever, so that neither Janice D. Loyd, Trustee, said party of the first part nor any person in her name or on her behalf, shall or will hereafter claim or demand any right or title to the said premises or any part thereof; that they and everyone of them shall by these presents be excluded and forever barred.

IN WITNESS WHEREOF, the party of the first part has hereunto set her hand and seal this 29th day of November, 2000.



JANICE D. LOYD, Trustee,
and only as Trustee, of the
Estate of Saturn Resources, Inc.
BK-97-15213-BH and Ray Lynn
Dempsey, BK-99-16587-BH

BELMONT, COLLINS &
Loyd, P.C.
2050 Oklahoma Tower
210 Park Avenue
Oklahoma City, Okla.
73102

RECEIVED

FEB 08 2001

DIVISION OF
OIL, GAS AND MINING

FF

STATE OF OKLAHOMA)
) SS:
 COUNTY OF OKLAHOMA)

On this 29th day of November, 2000, before me the undersigned notary public in and for the county and state aforesaid, personally appeared Janice D. Loyd, Trustee to me known to be the Identical person who signed the name of the maker thereof to the within and foregoing Instrument, as trustee of the estates of Satum Resources, Inc., case number BK-97-15213-BH and Ray Lynn Dempsey, case number BK-99-16587-BH, and acknowledged to me that she executed the same as her free and voluntary act for the use and purposes therein set forth.

Given under my hand and seal the day and year first above written.

Sheilah Theising

 Notary Public

My Commission Expires:
5-16-01

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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.

- 5. Lease Serial No. *See Attached List.*
- 6. If Indian, Allottee or Tribe Name *-*
- 7. If Unit or CA/Agreement, Name and/or No. *-*
- 8. Well Name and No. *See Attached*
- 9. API Well No. *See Attached*
- 10. Field and Pool, or Exploratory Area *Greater Cisco Area*
- 11. County or Parish, State *Grand, Utah*

SUBMIT IN TRIPLICATE - Other Instructions on reverse side 2:18

1. Type of Well
 Oil Wells Gas Wells Other *Right-of-Ways*

2. Name of Operator *Falcon Energy, LLC*

3a. Address *4103 So. 500 W. Salt Lake City, Utah 84123* 3b. Phone No. (include area code) *801-269-0701*

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

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <i>Change of Operator</i>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomple 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.)

Change of Operator Effective 11/29/2000

Falcon Energy, LLC is taking over operations of the attached list of wells and rights-of-way.

Falcon Energy, LLC is responsible under the terms and conditions of the leases for operations conducted on the leased lands or rights-of-way or portions thereof.

Bond coverage for the wells will be provided by BLM Bond No. UT1049

RECEIVED

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

Name (Printed/Typed) *Douglas H. Powell* Title *Manager*

Signature *Douglas H. Powell* Date *12-6-00*

FEB 08 2001

DIVISION OF OIL, GAS AND MINING

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *William Stunzi* Title *Assistant Field Manager* Date *2/2/01*

Office *Division of Resources*

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.

(Instructions on reverse)

CONDITIONS OF APPROVAL ATTACHED

Falcon Energy, LLC
Well Nos: List Attached
Leases: List Attached
Grand County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Falcon Energy, LLC is considered to be the operator of the attached list of wells and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for these wells is provided by UT1049 (Principal - Falcon Energy, LLC) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

Falcon Energy, LLC is already recognized as the operator of wells 9-3, 9-5 and 9-6 on lease UTU42223.

Falcon is already recognized as the operator of well 9-1, which is located on lease UTU75536; not UTU44440 as referenced on the attached list. Lease UTU75536 was created effective August 1, 1996, by segregation out of lease UTU44440, and is held by Great West Natural Gas of Grand Junction, Colorado.

Pursuant to a conversation between representatives of Falcon Energy, LLC and BLM, Falcon also assumes operations of well M6-130 on lease UTU58207.

The transfer of all rights-of-way will be addressed separately, and are not included in this approval.

Listing of wells by lease, well name, API number, and percentage of well ownership by Saturn Resources and Ray Lynn Dempsey as reflected in Grand County Court, Utah, records.

<u>Lease #</u>	<u>Well Name</u>	<u>API Well #</u>	<u>Oil/Gas</u>	<u>Ownership</u>
Ownership - Ray Lynn Dempsey				
UTU-012362-B	Chase Grossman #1 <i>Sec. 31, T. 19S., R. 24 E</i>	430191501400S01	Gas	100 %
Ownership - Saturn Resources				
UTU-30956	<i>Sec. 9</i> MPD 9-2	430193121600S01	Oil	100%
	<i>Sec. 9</i> MPD 9-2B	430193128100S01	Gas	100 %
	<i>Sec. 10</i> MPD 10-2C <i>T. 21S. R. 23E.</i>	430193127600S01	Gas	70 %
UTU-30956A	Cisco Fed #1 <i>Sec. 10, T. 21S, R. 23E</i>	430193047500S01	Oil	100 %
UTU-6355-B	Fed 1-355	430193011500S01	Gas	100%
	Fed 1-355-A	430193126500S01	Gas	100%
	Fed 3-355 <i>Sec. 9, T. 20S., R. 23 E.</i>	430193012300S01	Gas	100%
UTU-011879-A	Swanson Fed 31-72 <i>Sec. 31, T. 20S. R. 24E</i>	430191577100S01	Gas	100%
UTU-27403	Fed 30-88X	430193000600S01	Gas	100%
	Martha #4	430193121200S01	Gas	100%
	Martha #1 <i>Sec. 30, T. 20S. R. 24 E.</i>	430193102400S01	Gas	100%
UTU-148172	MPD 15-2 <i>Sec. 15, T. 21S, R. 23 E.</i>	430193127700S01	Oil/Gas	100%
UTU-17245-A	Fed Cisco #3	430193040400S01	Gas	100%
	Fed Cisco #1 <i>Sec. 27, T. 20S., R. 23 E.</i>	430193045600S01	Oil/Gas	100%
UTU-7623	<i>Sec. 24</i> Fed 24-1	430193051000S01	Gas	100%
	<i>Sec. 8</i> Thompson Fed #8	430193014800S01	Gas	100%
	<i>Sec. 25</i> Jacobs Fed 1-25	430193048600S01	Oil	80%
	<i>Sec. 13</i> Thompson 2-A	430193118200S01	Gas	100%
	<i>Sec. 13</i> Len 13-3	430193121700S01	Oil	100%
	<i>Sec. 24</i> Cisco Springs 24-3	430193117900S01	Gas	97%
	<i>Sec. 24</i> Len 24-4 <i>T. 20S. R. 23E</i>	430193122300S01	Gas	97%
UTU-17309	W K #1	430193026600S01	Oil	100%
	W.K. #2	430193027000S01	Gas	100%
	W.K. #3	430193026700S01	Oil	100%
	W.K. 1-13	430193042000S01	Oil	100%
	1-14	430193029900S01	Oil	100%
	CP 1-5	430193067400S01	Gas	100%
	CP 1-4 <i>Sec. 1, T. 21S., R. 23 E.</i>	430193067100S01	Oil	100%

<u>Lease #</u>	<u>Well Name</u>	<u>API Well #</u>	<u>Oil/Gas</u>	<u>Ownership</u>
UTU-58207	Robin G 24-4	430193126100S01	Oil	100%
	Robin G 24-1	430193125500S01	Gas	100%
	ML-130	4301931346		
	<i>Sec. 24, T. 20S., R. 23 E.</i>			

Wells on leases held by other companies:

UTU- 4440 ⁷⁵⁵³⁶	TXO Springs 9-1	430193071300S01	Gas	75%
	<i>Sec. 9, T. 20S., R. 23 E.</i>			
UTU-042223*	Inland Fuels 9-6	430193114200S01	Gas	50%
	Inland Fuels 9-5	430193108500S01	Gas	50%
	Cisco SS 9-3	430193104800S01	Gas	70%
	<i>Sec. 9, T. 20S., R. 23 E.</i>			
UTU-6791**	Mustang 3-1	430193112800S01	Oil/Gas	90%
	<i>Sec. 3, T. 20S., R. 23 E.</i>			

* Lessee of Record - Ambra Oil & Gas

** Lessee of Record - Amoco

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS	✓
2. CDW	✓	5- SP	✓
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: **11-29-2000**

FROM: (Old Operator):
SATURN RESOURCES CORPORATION
Address: P. O. BOX 372
SPRINGBORO, OH 45066
Phone: 1-(937)-438-3243
Account N1090

TO: (New Operator):
FALCON ENERGY LLC
Address: 55 SOUTH HIGHWAY 89
NORTH SALT LAKE, UT 84054
Phone: 1-(801)-936-2222
Account N6710

CA No. Unit:

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CHASE GROSSMAN 1	43-019-15014	8174	31-19S-24E	FEDERAL	GW	S
FEDERAL 1-355	43-019-30115	240	09-20S-23E	FEDERAL	OW	S
FEDERAL 1-355A	43-019-31265	10941	09-20S-23E	FEDERAL	GW	S
FEDERAL 3-355	43-019-30123	10947	09-20S-23E	FEDERAL	GW	S
THOMAS FEDERAL 8	43-019-30148	565	13-20S-23E	FEDERAL	GW	S
THOMAS 2-A	43-019-31182	572	13-20S-23E	FEDERAL	GW	S
LEN 13-3	43-019-31217	572	13-20S-23E	FEDERAL	GW	S
M6-130	43-019-31346	12343	24-20S-23E	FEDERAL	GW	TA
FEDERAL 24-1	43-019-30510	569	24-20S-23E	FEDERAL	GW	S
JACOBS FEDERAL 1-25	43-019-30486	568	25-20S-23E	FEDERAL	OW	P
CISCO 3	43-019-30404	4500	27-20S-23E	FEDERAL	GW	S
FEDERAL CISCO 1	43-019-30456	4500	27-20S-23E	FEDERAL	GW	S
FEDERAL 30-88X	43-019-30006	9659	30-20S-24E	FEDERAL	GW	S
MARTHA 4	43-019-31212	9655	30-20S-24E	FEDERAL	GW	S
MARTHA 1	43-019-31024	9655	30-20S-24E	FEDERAL	GW	S
SWANSON FEDERAL UTI 31-72	43-019-15771	9653	31-20S-24E	FEDERAL	GW	S
MPD 9-2	43-019-31216	9801	09-21S-23E	FEDERAL	GW	S
MPD 9-2B	43-019-31281	9801	09-21S-23E	FEDERAL	GW	S
MPD 10-2C	43-019-31276	9801	10-21S-23E	FEDERAL	OW	S
MPD 15-2	43-019-31277	11003	15-21S-23E	FEDERAL	GW	S

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/08/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 02/08/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/12/2001

4. Is the new operator registered in the State of Utah: YES Business Number: 2022926-0160
5. If **NO**, the operator was 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: 12/06/2000
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 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: _____

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/13/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/13/2001
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: APR. 25 2001

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filed in each well file on: _____

COMMENTS:

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

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:		5/15/2006
FROM: (Old Operator): N6710-Falcon Energy, LLC 1137 19 Rd Fruita, CO 81521-9678 Phone: 1 (970) 858-8252	TO: (New Operator): N2195-Running Foxes Petroleum, Inc. 7060 B S. Tucson Centennial, CO 80112 Phone: 1 (720) 377-0923	
CA No.	Unit:	

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/7/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/31/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/6/2006
- Is the new operator registered in the State of Utah: YES Business Number: 6097088-0143
- (R649-9-2)Waste Management Plan has been received on: requested 12/18/06
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: _____
- 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 6/19/2006 BIA _____
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 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: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 12/14/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/14/2006
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000207
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a
 - 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:

- (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:

Two wells remain in dispute regarding leases and were not moved - 4301930713 TXO Springs 9-1 and 4301931284 FZ 22-3

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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Change of Operator</u>		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Running Foxes Petroleum, Inc. N2195		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 7060 B South Tucson CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (720) 377-0923		8. WELL NAME and NUMBER:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		9. API NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT:
		COUNTY: <u>Grand</u>
		STATE: <u>UTAH</u>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>May 15, 2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This is to inform the State of Utah that there will be a change of operator from Falcon Energy LLC to Running Foxes Petroleum, Inc. for the attached well list. The BLM issued bond number is UTB-000207 and the bond was accepted on May 15, 2006. All wells and leases are on Federal Land and all operations have been deemed as satisfactory at this point. If there are any questions or information needed please contact our office and all inquiries will be addressed.

NAME (PLEASE PRINT) <u>Neil D. Sharp</u>	TITLE <u>Geologist</u>
SIGNATURE	DATE <u>05/23/06</u>

(This space for State use only)

APPROVED 12/14/2006

Earlene Russell
Earlene Russell, Engineering Technician

RECEIVED
MAY 31 2006
DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER:
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Change of Operator</u>		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Falcon Energy LLC		8. WELL NAME and NUMBER:
3. ADDRESS OF OPERATOR: 1383 Bridal Path Court CITY <u>Fruita</u> STATE <u>CO</u> ZIP <u>81521</u>	PHONE NUMBER: <u>(970) 234-8095</u>	9. API NUMBER:
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: COUNTY: <u>Grand</u> STATE: <u>UTAH</u>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>5/15/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This is to inform the State of Utah that there will be a change of operator from Falcon Energy LLC to Running Foxes Petroleum, Inc. for the attached well list. The BLM issued bond number is UTB-000207 and the bond was accepted on May 15, 2006. All wells and leases are on Federal Land and all operations have been deemed as satisfactory at this point. If there are any questions or information needed please contact our office and all inquiries will be addressed.

NAME (PLEASE PRINT) <u>Wayne Stant</u>	TITLE <u>Manager</u>
SIGNATURE <u>Wayne O Stant</u>	DATE <u>11-14-06</u>

(This space for State use only)

APPROVED 12/14/2006

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
DEC 07 2006
DIV. OF OIL, GAS & MINING

FALCON ENERGY LLC (N6710) TO RUNNING FOXES PETROLEUM, INC (N2195)

well name	sec	tpw	rng	api	entity	lease	well	stat	qtr_qtr	l_num	op no
CHASE GROSSMAN 1	31	190S	240E	4301915014	8174	Federal	GW	S	SENE	UTU-012362B	N6710
SWANSON FEDERAL UTI 31-72	31	200S	240E	4301915771	9653	Federal	GW	S	NENE	UTU-011879A	N6710
FEDERAL 30-88X	30	200S	240E	4301930006	9659	Federal	GW	S	SESE	UTU-027403	N6710
FEDERAL 1-355	09	200S	230E	4301930115	240	Federal	OW	P	SENE	UTU-6355B	N6710
FEDERAL 3-355	09	200S	230E	4301930123	10947	Federal	GW	S	NENE	UTU-6355B	N6710
THOMAS FED 8	13	200S	230E	4301930148	565	Federal	GW	S	NESE	UTU-7623	N6710
ROBERT S WEST WK 1	01	210S	230E	4301930266	566	Federal	OW	P	SWSW	UTU-17309	N6710
WK 3	01	210S	230E	4301930267	566	Federal	OW	S	SWNW	UTU-17309	N6710
WK 2	01	210S	230E	4301930270	566	Federal	GW	S	SWSE	UTU-17309	N6710
W-KOLMAN FED 1-14	01	210S	230E	4301930299	566	Federal	OW	S	SWNE	UTU-17309	N6710
JACOBS 1	13	200S	230E	4301930378	567	Federal	GW	P	SWSW	UTU-7945	N6710
CISCO 3	27	200S	230E	4301930404	4500	Federal	GW	S	NENW	UTU-17245A	N6710
WK 1-13	01	210S	230E	4301930420	566	Federal	OW	S	SESW	UTU-17309	N6710
FED CISCO 1	27	200S	230E	4301930456	4500	Federal	GW	S	SENE	UTU-17245A	N6710
FEDERAL LANSDALE 3	29	200S	240E	4301930458	9185	Federal	OW	P	SWNE	UTU-7218	N6710
CISCO FEDERAL 1	10	210S	230E	4301930475	8171	Federal	GW	P	SWSE	UTU-30956A	N6710
JACOBS FED 1-25	25	200S	230E	4301930486	568	Federal	OW	P	SENW	UTU-7623	N6710
FEDERAL 24-1	24	200S	230E	4301930510	569	Federal	GW	S	SESW	UTU-7623	N6710
PETRO FED 15-3	15	210S	230E	4301930523	8212	Federal	GW	S	SENE	UTU-75141	N6710
PETRO 15-5-80A	15	210S	230E	4301930611	2241	Federal	GW	P	NWNE	UTU-75141	N6710
CP 1-4	01	210S	230E	4301930671	566	Federal	OW	P	SESW	UTU-17309	N6710
CP 1-5	01	210S	230E	4301930674	566	Federal	GW	PA	SESW	UTU-17309	N6710
FEDERAL 2-037	03	200S	230E	4301930864	250	Federal	OW	P	SESW	UTU-19037	N6710
KATHY 1	24	200S	230E	4301930906	8183	Federal	GW	S	NWSE	UTU-15049	N6710
HOPE 2	24	200S	230E	4301930907	640	Federal	OW	S	NWNE	UTU-17610	N6710
NICOL 1	24	200S	230E	4301930908	8184	Federal	GW	S	SWSE	UTU-75894	N6710
HOPE 4	24	200S	230E	4301930909	11170	Federal	GW	S	NENE	UTU-17610	N6710
FEDERAL 3-037	03	200S	230E	4301930992	13039	Federal	OW	S	SESW	UTU-19037	N6710
FED PIONEER 2A	13	200S	230E	4301930993	10976	Federal	GW	P	SESW	UTU-0148171B	N6710
FEDERAL 7-037	03	200S	230E	4301931015	250	Federal	OW	S	SWSE	UTU-19037	N6710
MARTHA 1	30	200S	240E	4301931024	9655	Federal	GW	S	NWNW	UTU-027403	N6710
CISCO SS 15-8	15	200S	230E	4301931052	2285	Federal	OW	S	NWSE	UTU-64270	N6710
CISCO SPRINGS B 1	15	200S	230E	4301931065	6683	Federal	OW	S	NESE	UTU-62845	N6710
CISCO SPRINGS A 1	09	200S	230E	4301931076	6682	Federal	GW	S	NWNE	UTU-62845	N6710
CISCO SPRINGS B 2	15	200S	230E	4301931115	6684	Federal	GW	S	NESE	UTU-62845	N6710
MUSTANG 3-1	03	200S	230E	4301931128	9860	Federal	GW	S	SWSW	UTU-6791	N6710
CISCO SPRINGS 24-3	24	200S	230E	4301931179	571	Federal	GW	PA	NESW	UTU-7623	N6710
THOMAS 2A	13	200S	230E	4301931182	572	Federal	GW	S	SWSE	UTU-7623	N6710
MARTHA 4	30	200S	240E	4301931212	9655	Federal	GW	P	SWNW	UTU-027403	N6710
M P D 9-2	09	210S	230E	4301931216	9801	Federal	GW	S	NESE	UTU-30956	N6710
LEN 13-3	13	200S	230E	4301931217	572	Federal	GW	S	SESE	UTU-7623	N6710
LEN 24-4	24	200S	230E	4301931223	573	Federal	GW	S	NWSW	UTU-7623	N6710
ROBIN G NO 24-1	24	200S	230E	4301931255	10837	Federal	GW	P	SENW	UTU-58207	N6710
ROBIN G 24-4	24	200S	230E	4301931261	10963	Federal	GW	S	SENW	UTU-58207	N6710
FEDERAL 1-355A	09	200S	230E	4301931265	10941	Federal	GW	P	SENE	UTU-6355B	N6710
MPD 10-2C	10	210S	230E	4301931276	9801	Federal	OW	P	NWSW	UTU-30956	N6710
MPD 15-2	15	210S	230E	4301931277	11003	Federal	GW	S	SENW	UTU-0148172	N6710
MPD 9-2B	09	210S	230E	4301931281	9801	Federal	GW	S	NWSE	UTU-30956	N6710
M6-130	24	200S	230E	4301931346	12343	Federal	OW	P	SENW	UTU-58207	N6710
POWELSON 1	24	200S	230E	4301931374	12893	Federal	OW	PA	SESE	UTU-75984	N6710
STOUT 2	24	200S	230E	4301931375	12894	Federal	OW	S	NESE	UTU-75984	N6710
ROBERTS 1	24	200S	230E	4301931376	12895	Federal	GW	P	SESE	UTU-75894	N6710

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.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 RUNNING FOXES PETROLEUM, INC.

3a. Address
 7060 B.S. TUCSON WAY CENTENNIAL, CO. 80112

3b. Phone No. (include area code)
 720-889-0510

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

SE NW Sec 9 T 21S - R 23 E

5. Lease Serial No.
 30956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
 MPD 9-2B

9. API Well No.
 43019-~~XXXX~~ 31281

10. Field and Pool, or Exploratory Area

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			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Change of Operator</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomplate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Running Foxes Petroleum is taking over operating responsibility for the above captioned well. Bond # 000207.

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

Title
 V. P. Operations

Signature

Date
 8/24/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

Division of Resources

Date

8/24/06

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.

Moab Field Office
 Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 312 make it unlawful 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 31 2006
 DIV. OF OIL, GAS & MINING

Conditions Attached

RECEIVED
 DIVISION OF RESOURCES
 MOAB FIELD OFFICE
 2006 AUG 24 P 3 01

Running Foxes Petroleum, Inc.
Well No. MPD 9-2B
Section 9, T21S, R23E
Lease UTU30956
Grand County, Utah

CONDITIONS OF ACCEPTANCE

Acceptance of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Running Foxes Petroleum, Inc. is considered to be the operator of the above well effective August 24, 2006, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UTB000207 (Principal – Running Foxes Petroleum, Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43CFR 3106.7-2 continuing responsibility are met.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

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.

5. Lease Serial No.
UTU-30956

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
MPD 9-2B

9. API Well No.
43-019-31281

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Running Foxes Petroleum

3a. Address
7060 B South Tucson Way Centennial, CO 80112

3b. Phone No. (include area code)
720-889-0510

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2195' fsl & 2292' fel NW SE
S9 T21S R23E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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Original Spud Date: October 27, 1988
Original Completion Date: September 13, 1988
Re-Entry Dates: May 17 to 24, 2007
Elevation: 4420 ft. GL 4430 ft. KB
Original TD: 1340' GL (Salt Wash) by Master Petroleum Development (MPD)
Total Depth (RFP): 1180' GL (Brushy Basin)
PBTD (RFP): 1010' GL (Brushy Basin)
Surface Casing (29.7#): 7 5/8 inch x 222 ft. (50 sacks; This was the original surface casing set by MPD)
Production Casing (10.5#/J55): 4.5 inch x 1010 ft. (50 sacks; Type III Cement)

RECEIVED
SEP 13 2007

DIV. OF OIL, GAS & MINING

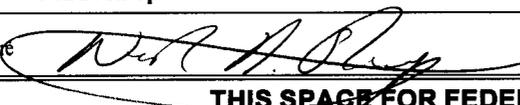
***This well was originally drilled by Master Petroleum Development. Running Foxes Petroleum (RFP) took over this well & found that the open hole completion had caved in. This well was drilled out by Propetroco, Inc. of Moab, UT & had proper production casing set. This well has not been tested. Well will be tested upon completion of the Running Foxes Petroleum Tap into the Northwest Pipeline. A full well completion report will be submitted once the well's final status is determined.**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Neil D. Sharp

Title **Geologist**

Signature



Date

09/14/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

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.

Daily Drilling Report

Operator: Running Foxes Petroleum	Location:	Coord.: 2195' FSL & 2292' FEL
Well Name: MPD 9-2B	County: Grand State: Utah	Sec.: 9
Project Area: Cisco Springs	API #: 43-019-31281	Twp: 21s
Spud Date: 10/27/1988	Logging Geologist: Greg Bratton	Rge: 23e
Field: Greater Cisco		GL Elev: 4420' KB: 4430'

Drilling Contr: Propetroco, Inc.	Set @: 222'	Toolpusher: Terry Leach
Surf. Casing: 7 5/8"	Out @:	Cement Date:
Surf. Bit:	In @:	Hole size: 7 5/8"
Bit #1: 6 1/4" PDC	In @:	Drilling fluid: Air/Mud
Bit #2:	In @:	Mud Pumps: Gardner Denver 5 1/2" x 8"
Bit #3:	In @:	

Date	Start Depth	End Depth	Ft. Drilled
5/18/07	500'	958'	458'(Cleared Out)

OPERATIONS

Drillers tripped pipe into hole until bridge was encountered at around 650'. Drillers broke through bridge with air and large chunks of rock were seen coming out of the blooie line (4-5" x 2"). Increased oil and gas were seen right after the breakthrough, but not substantial (maybe 1-2 gallons of oil) At that point it was decided to mud-up and finish the clean out with mud. Drilling stopped at 4:30pm. Drillers then tripped pipe back out of hole to safe zone. Drillers leave site shortly after 5pm. Well will continued to be cleared out Monday, May 21.

Time	Depth	Bit Weight	Pump PSI	Pump SPM	Table RPM	Mud Weight	Viscosity
3:15pm	945'					9.8	123sec.

Mud/Chemicals Mixed:

32 sacks of Bentonite Gel; 2 sacks of caustic; 2 sacks of soda ash.

Formation Entered	Depth	Units Gas	Core Run	From	To	Recover
Mancos	0		N/A	N/A	N/A	N/A
Dakota (Kd1)	742'					
Kd2	772'					
Kd3	805'					
Cedar Mountain (Kcm)	815'					

			Desorption Samples	From	To
			N/A	N/A	N/A

OIL SHOWS	DESCRIPTION

Comments

Max gas recorded at first bridge breakthrough - 1926u. Max background gas @ 800' while drilling with mud - 584u. Max background gas @ 900' - 681u. All drill cuttings throughout the day were dominated by grey to dark grey shale with occasional bentonite chips. 670' - 900' produced a variety of small bridges, but from 900' - 958' tightly packed cave-ins were encountered and drilling slowed down substantially. Air rig pit was too deep to collect an oil sample. Formation tons are subject to change because lack of sample from cuttings. Max trip out gas recorded = 1308u.

RECEIVED
SEP 13 2007
DIV. OF OIL, GAS & MINING

