

LONE MOUNTAIN PRODUCTION COMPANY

777 VALLEY COURT
GRAND JUNCTION, CO. 81505
(303) 243-5906 OFFICE
(303) 858-1472 HOME

RECEIVED

AUG 24 1990

August 21, 1990

Ronald J. Firth
Division of Oil, Gas, & Mining
State of Utah
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180

DIVISION OF
OIL, GAS & MINING

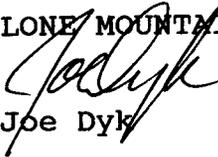
Dear Ron,

Enclosed for your approval, in duplicate, please find the Application for Permit to Drill covering the drilling of our Bar-X Unit No. 17 well in Grand County, Utah. We anticipate drilling this well in mid-September, 1990.

Please call if any further information is needed. Your expedient handling of this APD is appreciated.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY


Joe Dyk

Enclosures
cc: Billings

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 MULTIPLE ZONE

2. NAME OF OPERATOR
 Lone Mountain Production Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: 2501 ft FSL, 640 ft FWL *NW SW*
 At proposed prod. zone: Same

5. LEASE DESIGNATION AND SERIAL NO.
 U-02857

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

7. UNIT AGREEMENT NAME
 Bar-X Unit

8. FARM OR LEASE NAME
 Federal

9. WELL NO.
 No. 17

10. FIELD AND POOL, OR WILDCAT
 Bar-X *160*

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 NWSW Sec 11-T17S-R2 *25E*

12. COUNTY OR PARISH
 Grand

13. STATE
 UT

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 Lse line: 640'

16. NO. OF ACRES IN LEASE
 415.19 Acres

17. NO. OF ACRES ASSIGNED TO THIS WELL
 N/A

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2334'

19. PROPOSED DEPTH
 3742' (Morrison)

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5327' GR, 5337' KB

22. APPROX. DATE WORK WILL START*
 Sept 21, 1990

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	17#, H40, STC	300'	140 sx 'G'+ 3% CaCl
6-1/4"	4-1/2"	10.5#, J55, STC	3742'	175 sx 10-0 RFC

See Attachments

OIL AND GAS	
DFN	RJF
2-JFB	GLH
DIS	SLS
1-TAS	
2-TAS	
5-TAS	
6-	MICROFILM
7-	FILE

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 [Signature] TITLE Petroleum Engineer DATE Aug. 21, 1990

(This space for Federal or State office use)

PERMIT NO. 43-019-31306 APPROVAL DATE APPROVED BY THE STATE

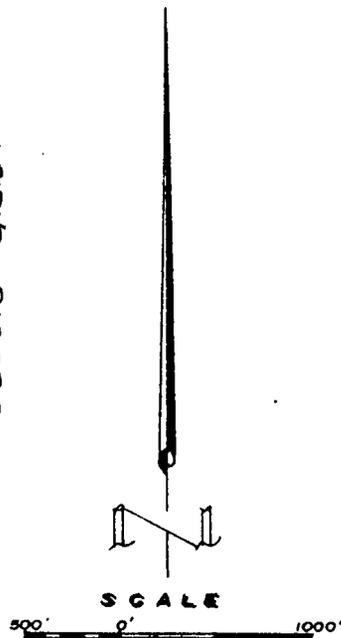
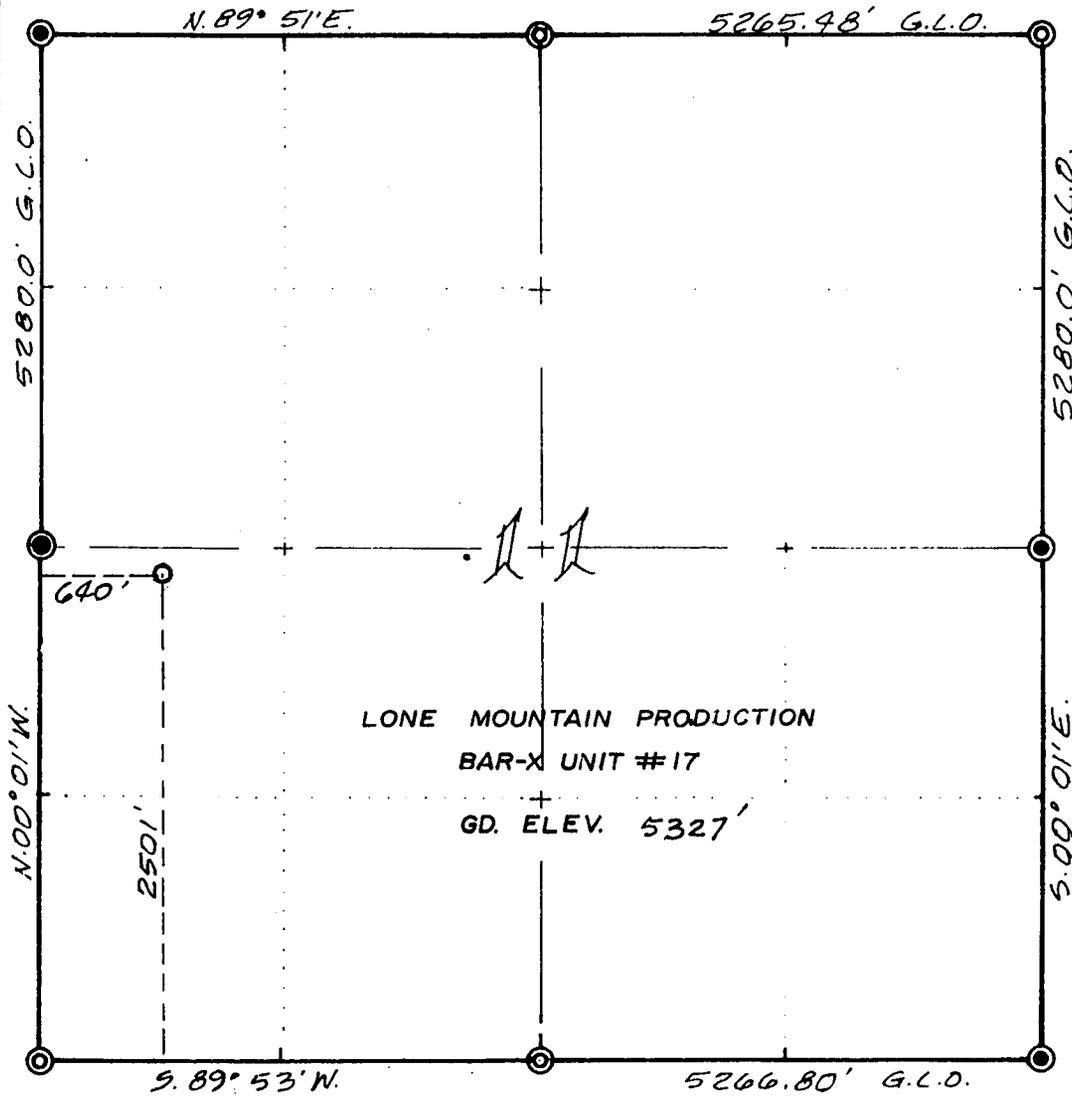
APPROVED BY [Signature] TITLE OF UTAH DIVISION OF OIL, GAS, AND MINING

CONDITIONS OF APPROVAL, IF ANY: DATE: 8-29-90 BY: [Signature]

WELL SPACING: BU150-3

*See Instructions On Reverse Side

SEC. 11, T. 17S, R. 25E. OF THE S.L.M.



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

THIS WELL LOCATION PLAT WAS PREPARED FOR LONE MOUNTAIN PRODUCTION TO LOCATE THE BAR-X UNIT # 17, 2501' F.S.L. 640' F.W.L. IN THE NW 1/4 SW 1/4, OF SECTION 11, T. 17S., R. 25E. OF THE SLM GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

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

Larry D. Becker
UTAH L.S. # 4189

SURVEYED	7/90
DRAWN	7/90
CHECKED	7/90

ENERGY SURVEYS & ENGINEERING CORP.

715 HORIZON DRIVE, SUITE 330
GRAND JUNCTION, CO 81501
(303) 245-7221

SCALE 1" = 1000'

JOB NO.

SHEET OF

Application for Permit to Drill
Bar-X Unit No. 17
NWSW Section 11-T17S-R25E
Grand County, Utah

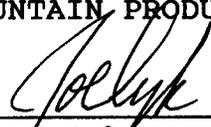
1. Surface formation is the Mancos.
2. Anticipated Geologic markers are: Mancos at surface, Dakota Silt 3142', Dakota 3252', Morrison 3351'.
3. Gas is anticipated in the Dakota and Morrison. No oil or other minerals are anticipated. No water sands are expected.
4. Proposed casing program: See item no. 23 above.
5. Pressure control equipment: See Attached well control plan and schematic of contractor's BOP stack. BOP's will be tested before drilling out from under surface casing and checked daily.
6. Air or mist drilling will be used to drill the surface hole unless water is encountered. If water is encountered, chemical-gel mud will be used. The well will be air drilled from under surface casing to total depth.
7. Auxiliary equipment: See Well Control Plan.
8. The logging program will consist of a DIL log from total depth to base of surface casing and GR-FDC-CNL logs from total depth to above the Frontier. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is September 21, 1990. Completion operations should commence within 30 days of rig release.
11. Survey plats are attached.
12. The gas is not dedicated at this time.
13. Lone Mountain Production Company's Statewide Bond Number is: UT0719
14. The completion program will be designed after the logs have been evaluated.

WELL CONTROL PLAN

1. Surface casing: 7" O.D., 20.0# or 23.0#, used, STC (to meet new pipe specifications for bodywall thickness on 7 inch, 17.0 lb/ft, H-40 casing) set at 300' and cemented back to surface with 140 sx Standard cement + 3% CaCl₂ (yield=1.15 ft³/sk; compressive strength= 650 psi in 6 hours).
2. Casinghead Flange: 7" x 4-1/2" 600 series casinghead with two 2", 2000psi L.P. outlets.
3. Blowout Preventer: The rig is equipped with a 10" 3000 psi W.P. double gate hydraulic Shaffer BOP (or equivalent) with drill pipe rams and blind rams to meet requirements for a 2000 psi stack in Onshore Order No. 2. All fill, kill and choke lines will be a minimum of 2" 2000 psi W.P. A Grant rotating head will be used while air and mist drilling. A new rubber will be installed before drilling through the Dakota. BOP's will be worked daily. Blind rams will be checked during trips. BOP's will be tested to 2000 psi but not more than 70% of casing burst pressure (1617 psig) prior to drilling the shoe joint on intermediate casing.
4. Auxiliary Equipment: (a) Drill pipe floats will be allowed at contractor's discretion. (b) Visual monitoring of air returns will be maintained. (c) Upper kelly cock will be used. (d) Stabbing valve will be kept on the floor.
5. Anticipated bottom hole pressure is less than 800 psi at 3742' or 0.21 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

LONE MOUNTAIN PRODUCTION COMPANY

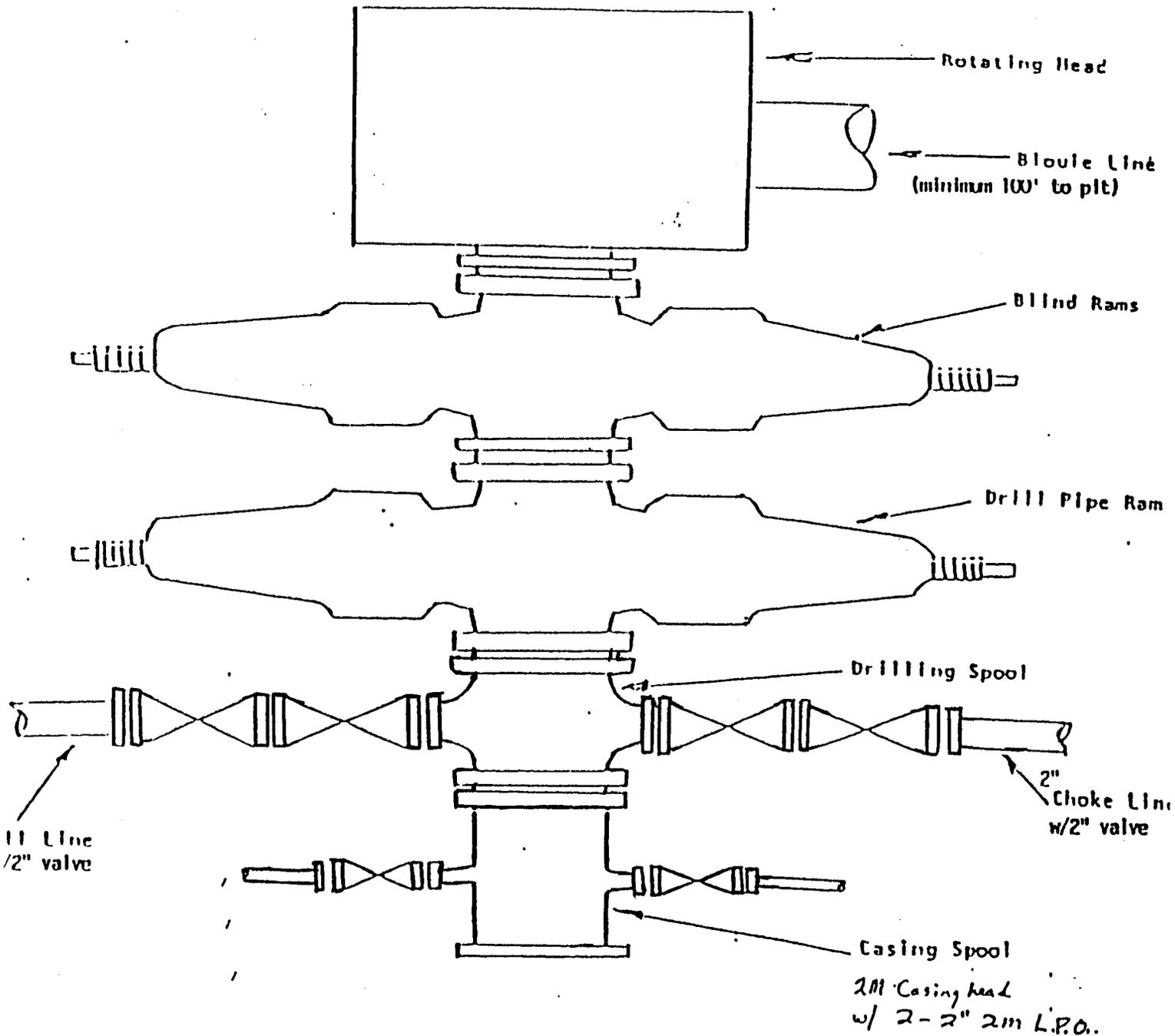
By: _____


J. V. Dyk
Petroleum Engineer

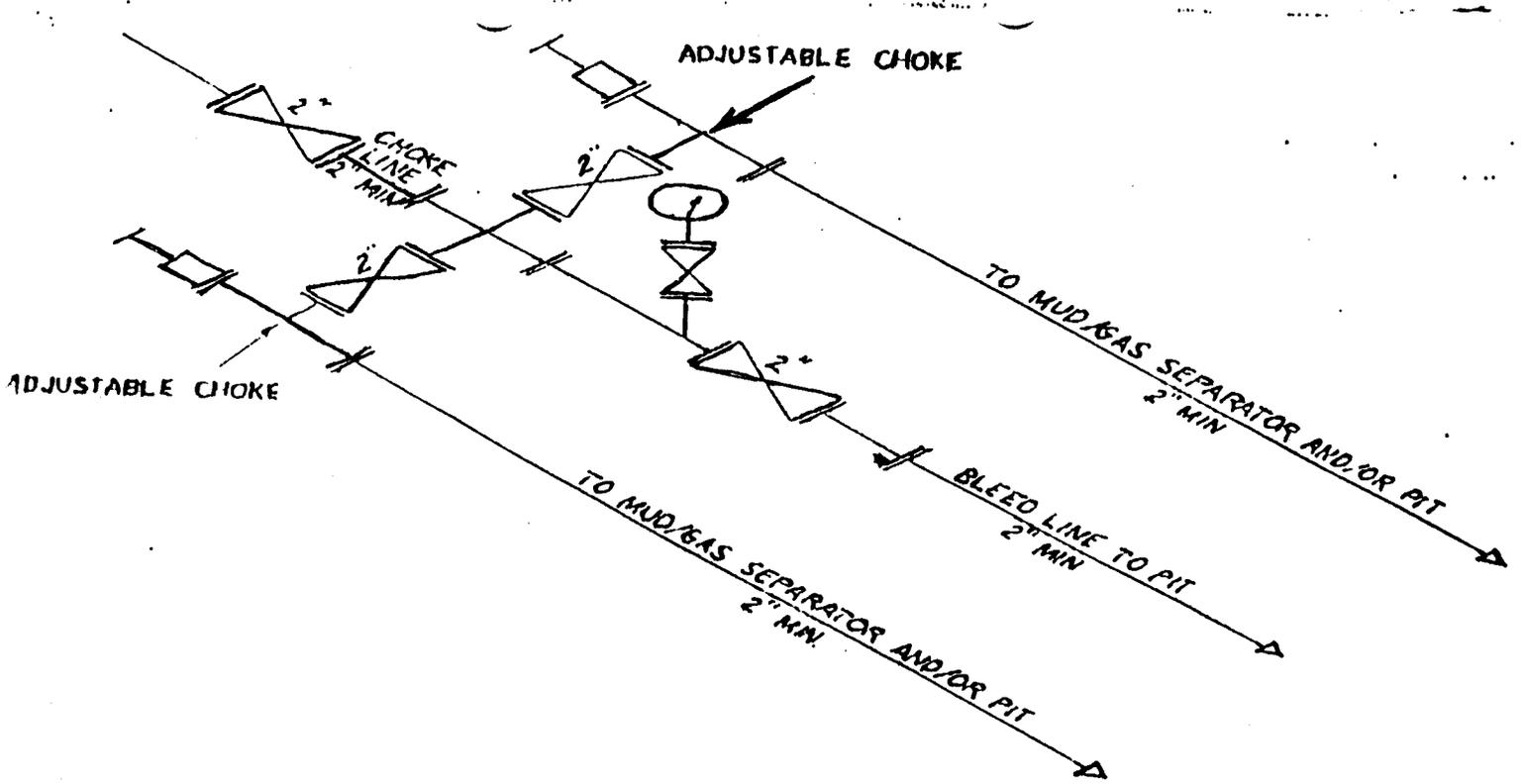
SCHEMATIC OF BOP STACK

Air drilled wells using 900 Series wellhead equipment to meet 2000 psi stack requirement.

Interval from 300' to total depth.



x



2M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

©SURFACE USE PLAN

Lone Mountain Production Company
Bar-X Unit No. 17
NWSW Section 11-T17S-R25E
Grand County, Utah

1. EXHISTING ROADS

See Maps #1 and #2 and Plat #1. This proposed well is located approximately 17 miles northwest of Mack, Colorado. It is reached by going west on Old Highway 6&50 8.8 miles to 2 Road. Turn right and go 10 miles to the Bitter Creek Canyon road. Take the 'Y' to the right and go 0.6 miles north. Turn right and go 1.1 miles to location turnoff. Turn right and go 0.2 miles to location.

2. ACCESS ROADS TO BE CONSTRUCTED

The proposed 0.2 miles of access road will be constructed with an 18 foot travel width. All of the proposed access road is within the Unit boundary. See Map #1 and Plat #2.

The topsoil will be windrowed on the north side of the road. the access road crosses one surface pipeline which is operated by Lone Mountain Production Company and it will be wrapped and buried 4 feet deep.

3. LOCATION OF EXISTING WELLS

7 producing wells and 1 dryhole are within one mile radius. See Map #3.

4. LOCATION OF PRODUCTION FACILITIES

See Plat #5. Every thing will be painted dark green.

5. LOCATION AND TYPE OF WATER SUPPLY

The source of water for this well is West Salt Creek. The pickup point is on old highway 6 & 50 out 2.5 miles west of Mack, Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS

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

7. METHODS FOR HANDLING WASTE MATERIAL

Cuttings will be buried in the reserve pit at cleanup. Garbage and other waste material will be contained in a trash cage. This cage will be dumped at an approved sanitary landfill. Human waste will be contained in chemically treated sanitary holes.

Drilling fluids will be contained in the reserve pit and left to evaporate. Any fluids produced during testing operations will be collected in a test tank. If a test tank is not available, the fluids will be contained in the reserve pit. Any spills of oil, gas, saltwater, or noxious fluid will be cleaned up and removed.

If the well is productive, produced water will be disposed of on site for 30 days only or 90 days with the permission of the State Petroleum Engineer. After that time application will be made for approval of permanent disposal method in compliance with the rules and regulations of the State of Utah.

8. ANCILLARY FACILITIES

A 6" surface pipeline will be layed from the Bar-X Unit No. 17 well north to the Bar-X Unit No. 8 well (approx. 3200').

9. WELLSITE LAYOUT

See Plat #2 - Pit and Pad Layout
See Plat #3 - Cross Sections of Pit and Pad
See Plat #4 - Rig Layout

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

Topsoil will be stripped to a depth of 6 - 8 inches and stockpiled on the southeast edge of the location. No topsoil stripping will be done when soils are moisture saturated to a depth of 3 inches, or frozen below the stripping depth.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. Fencing will be four strands of barb wire or 48 inch woven wire with one strand of barb wire above the woven wire. All corners will be braced. The fence construction will be on cut or undisturbed surface. The backslope of the location will not exceed 1/2:1.

All construction activities will be confined to the minimum area necessary. The exterior boundaries of the construction area will be clearly flagged prior to any surface disturbing activities or vegetation removal.

Lone Mountain Production Company will clear all brush prior to construction. Brush will be stock piled on the south edge of the location and will be kept separate from the soil stock piles. The brush will be used for mulch after the disturbed area has been seeded.

10. PLANS FOR RECLAMATION OF THE SURFACE

A biodegradeable mulch may be required if soil erosion or vegetation establishment is determined to be a problem by the authorized officer on the access or location reclamation.

All disturbed areas will be seeded with the approved seed mixture. Application rates are for pure, live seed (PLS). Seed tags will be submitted to the area manager within 30 days of seeding.

Lone Mountain will prepare seedbed by contour cultivating 4 - 6 inches deep and drilling seed 1/2 to 1 inch deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and covered 1/2 to 1 inch deep with a harrow or drag bar.

Seeding will be completed after August 15/September 1 and prior to October 1 of the fall of 1991, if feasible, but not later than the fall of 1992.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accomodate year-round traffic. Lone Mountain will reshape areas unnecessary to operation, rip or disk on the contour, and seed all disturbed areas outside the work area according to the above seed mixture. The top soil will be saved for use during final reclamation unless the site can be recontoured to blend with the natural topography as required for final abandonment. Perennial vegetation will be established. Additional work will be required in case of seeding failures. All permanent facilities placed on the location will be painted dark green to blend with the natural environment.

If the well is abandoned/dryhole:

Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, fill material will be pushed into cuts and up over the backslope. No depressions will be left that could trap water or form ponds. Topsoil will be distributed evenly over the location and seeding according to the above seed mixture. The access road and location will be ripped or disked prior to seeding.

The area is considered to be satisfactorily reclaimed when:

- A) Soil erosion resulting from the operation has been stabilized.
- B) A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least as desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

12. OTHER INFORMATION

Lone Mountain will contact the Grand Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and well pad.

Lone Mountain will immediately bring to the attention of the Grand Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the Area Manager. Notice to proceed will be based upon evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the Area Manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the Area Manager determines that data recovery and/or salvage excavations are necessary, Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Grand Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

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

James G. Routson
Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103

Office Phone: 406-245-5077

Home Phone: 406-245-8797

Joe Dyk

Lone Mountain Production Company

777 Valley Court

Grand Junction, Colorado 81505

Office Phone: 303-243-5906

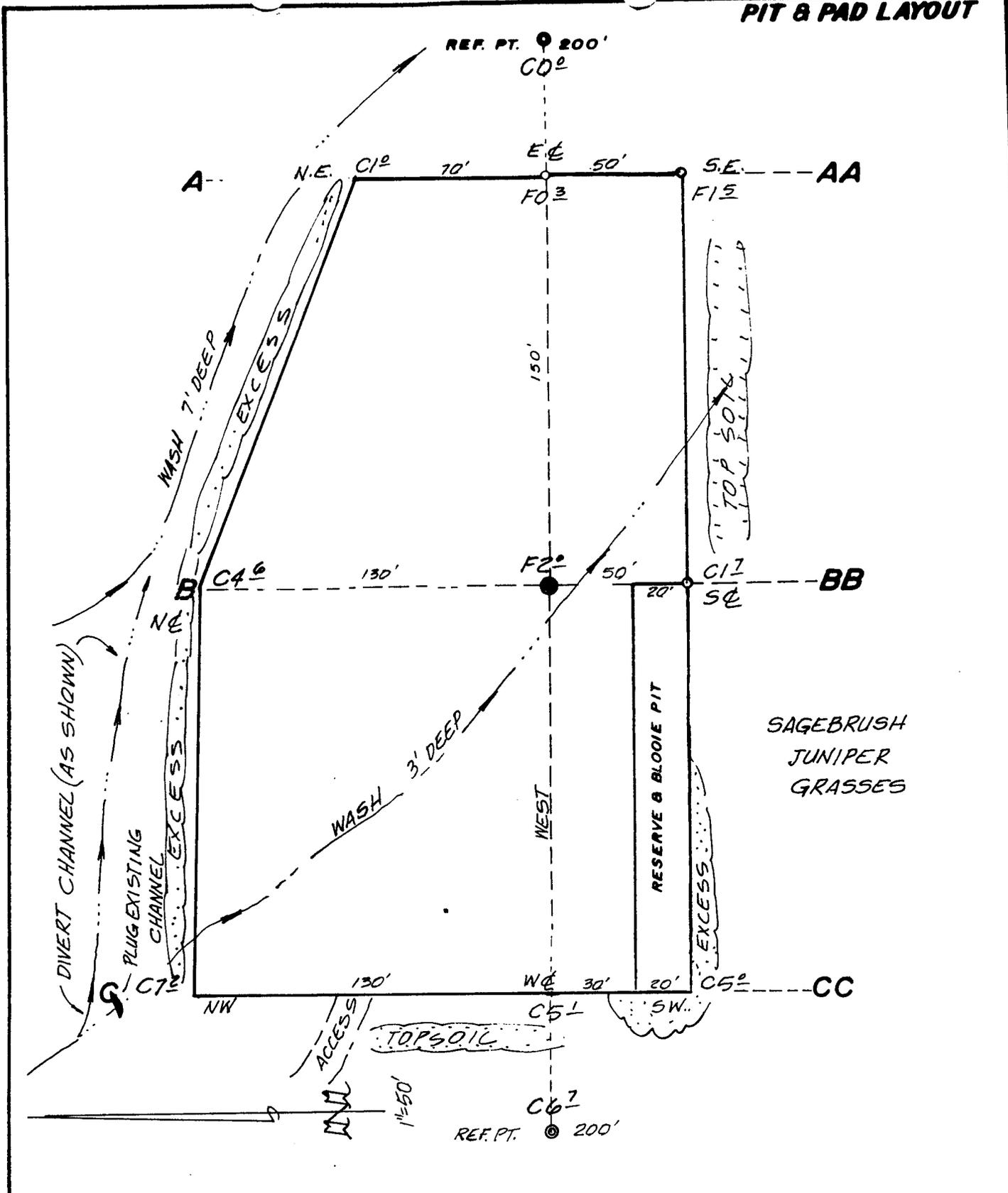
Home Phone: 303-245-7907

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

August 21, 1990
Date

Joe Dyk
Joe Dyk

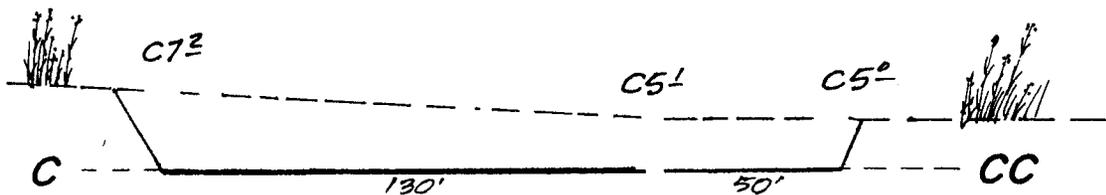
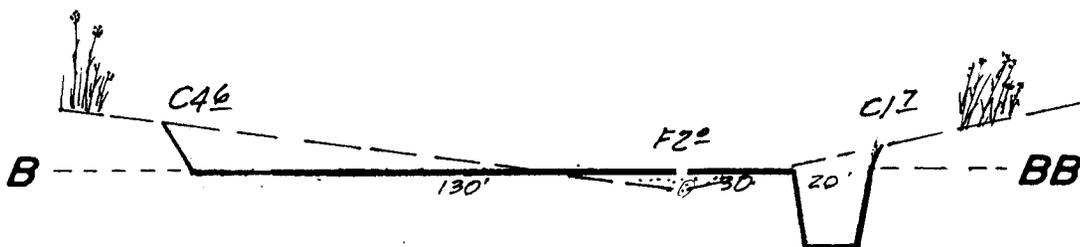
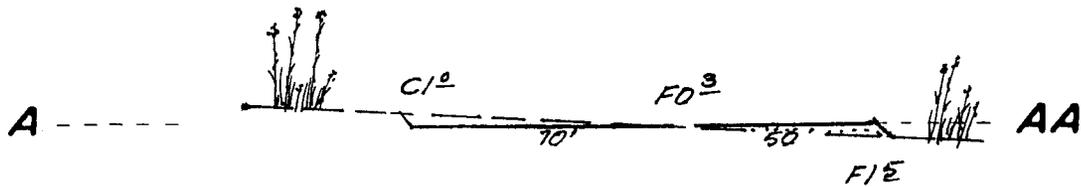
PLAT NO. 2
PIT & PAD LAYOUT



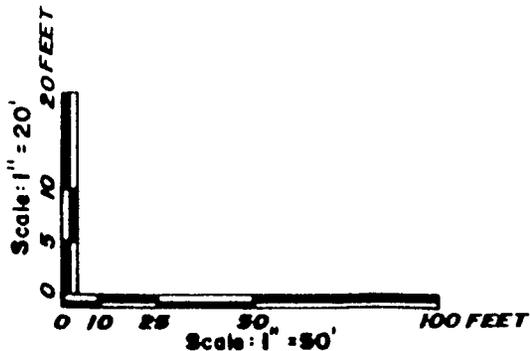
ESTIMATED DIRT QUANTITIES				
ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD	4165	1200	750	
PIT	650			
				2865

LONE MTN. PRODUCTION CO.
BAR-X UNIT # 17

PLAT NO. 3
 CROSS SECTIONS OF PIT & PAD



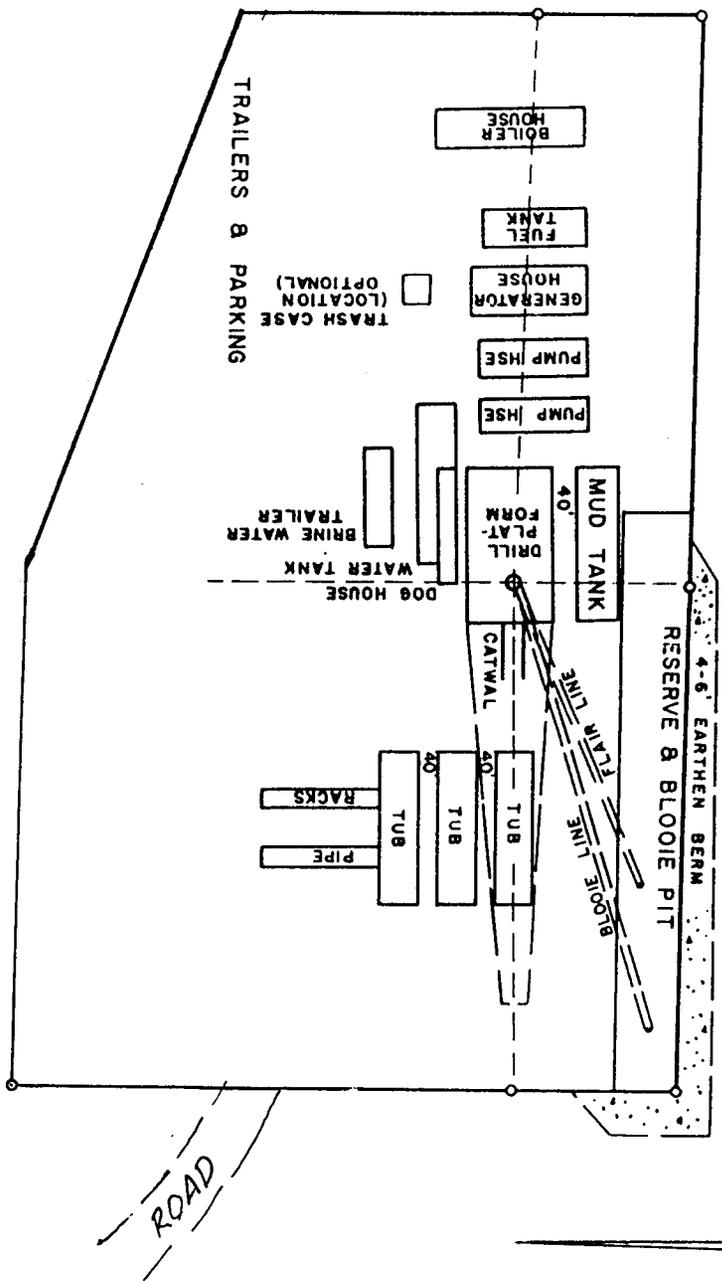
BAR-X UNIT # 17

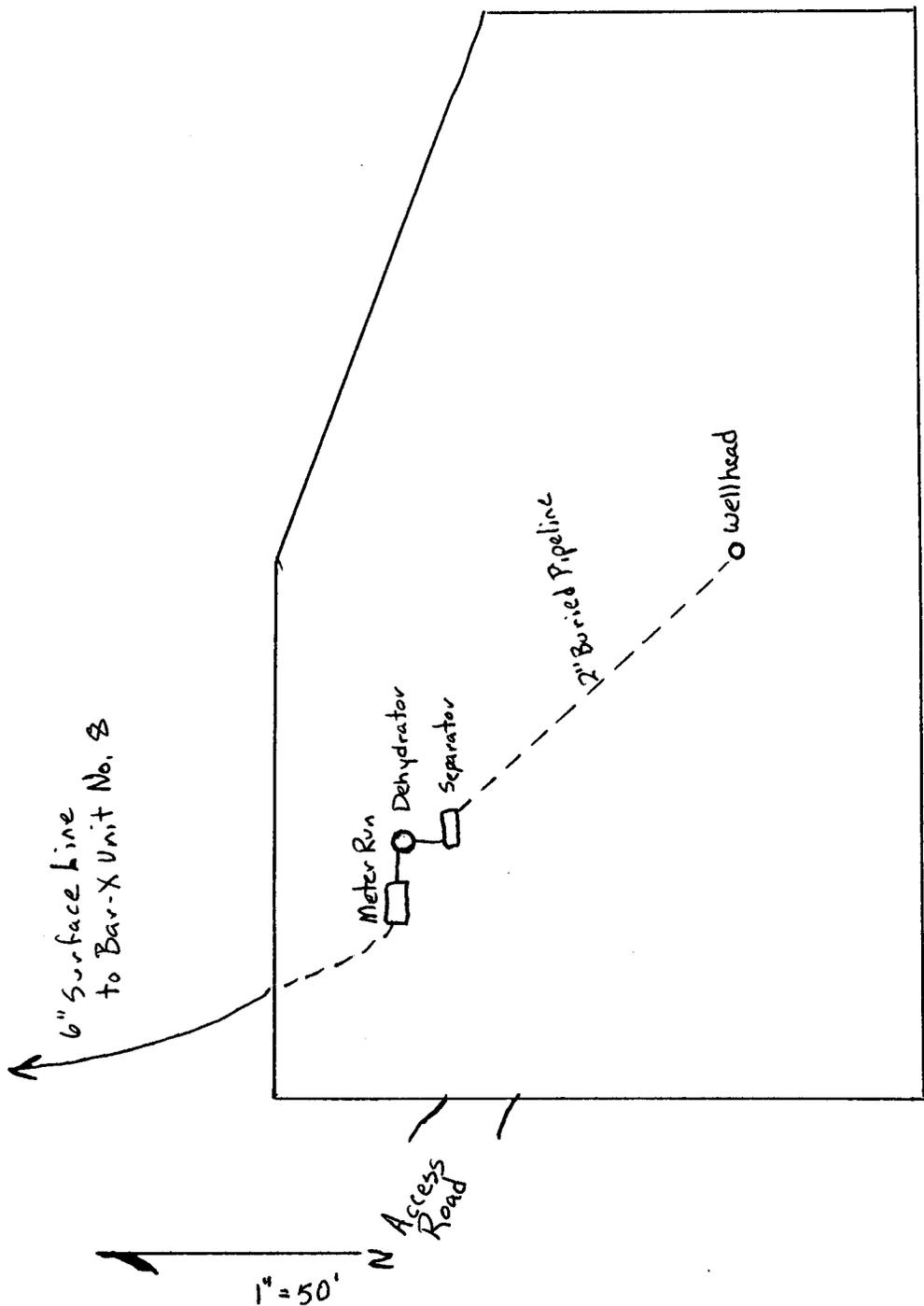


SURVEYED	7/25/90	
DRAWN	7/25/90	
CHECKED	7/25/90	

ENERGY
 SURVEYS &
 ENGINEERING CORP.

PLAT # 4
RIG LAYOUT



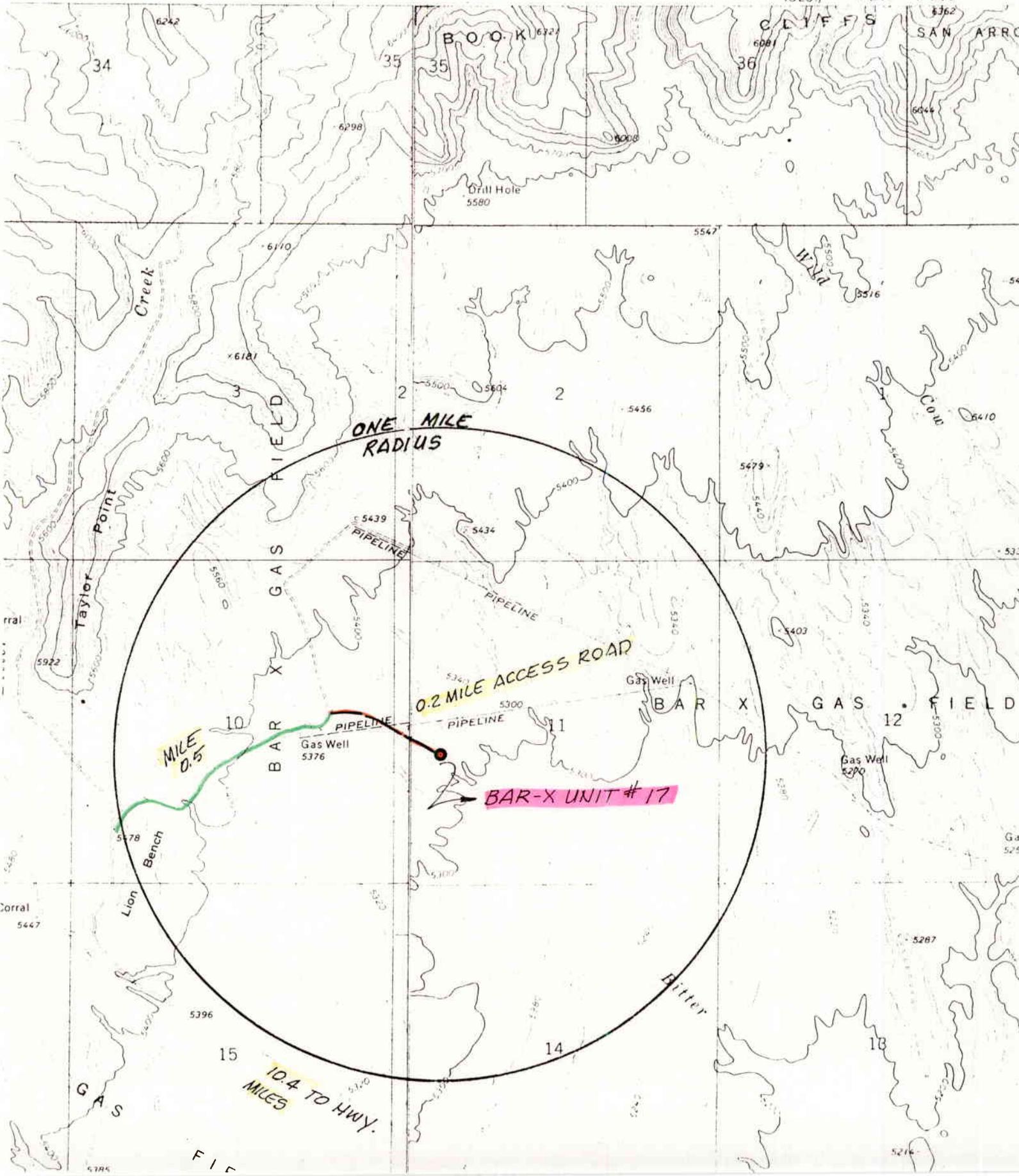


LONE MOUNTAIN PRODUCTION CO.
BAR-X UNIT #17

BRYSON CANYON QUADRANGLE
UTAH-GRAND CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

MAP # 1
TOPO & ACCESS

60 2670000 FEET 109° C



N-7010

OPERATOR Osage Mountain Production DATE 8-08-90

WELL NAME tidual #17

SEC NW SW 11 T 17S R 05E COUNTY Grand

13-019-31306
API NUMBER

tidual (1)
TYPE OF LEASE

CHECK OFF:

PLAT.

BOND

NEAREST WELL

LEASE

FIELD SLBM

POTASH OR OIL SHALE

PROCESSING COMMENTS:

P.O.D approved 3-4-90 per dusa thompson
water permit (hailed from Colorado)

APPROVAL LETTER:

SPACING:

R615-2-3

Bar-X
UNIT

R615-3-2

N/A
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

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

August 29, 1990

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

Gentlemen:

Re: Federal #17 - NW SW Sec. 11, T. 17S, R. 25E - Grand County, Utah
2501' FSL, 640' FWL

Approval to drill the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule R615-2-3, Oil and Gas Conservation General Rules.

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 7.
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 R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Lone Mountain Production Company
Federal #17
August 29, 1990

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31306.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
J. L. Thompson
WE14/1-4

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

2. NAME OF OPERATOR
 Lone Mountain Production Company

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

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 At proposed prod. zone: Same

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 U-02857

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

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 Bar-X Unit

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 No. 17

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 Bar-X

11. SEC., T. R., M., OR BLK. AND SURVEY OR AREA
 NWSW Sec 11-T17S-R25E.

12. COUNTY OR PARISH
 Grand

13. STATE
 UT

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

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 Lse line: 640'

16. NO. OF ACRES IN LEASE
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22. APPROX. DATE WORK WILL START*
 Sept 21, 1990

RECEIVED
SEP 14 1990

DIVISION OF
OIL, GAS & MINING

43-019-31306 DRU

PROPOSED CASING AND CEMENTING PROGRAM

OIL AND GAS	
DFN	RJF
JPB	GIH
DIS	SLS
1	MICROFILM ✓
2	FILE

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 [Signature] TITLE Petroleum Engineer DATE Aug. 21, 1990

PERMIT NO. /s/ Gene Nodine APPROVAL DATE DISTRICT MANAGER DATE SEP 12 1990

APPROVED BY _____ TITLE _____ DATE _____

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

CONDITIONS OF APPROVAL ATTACHED

*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.

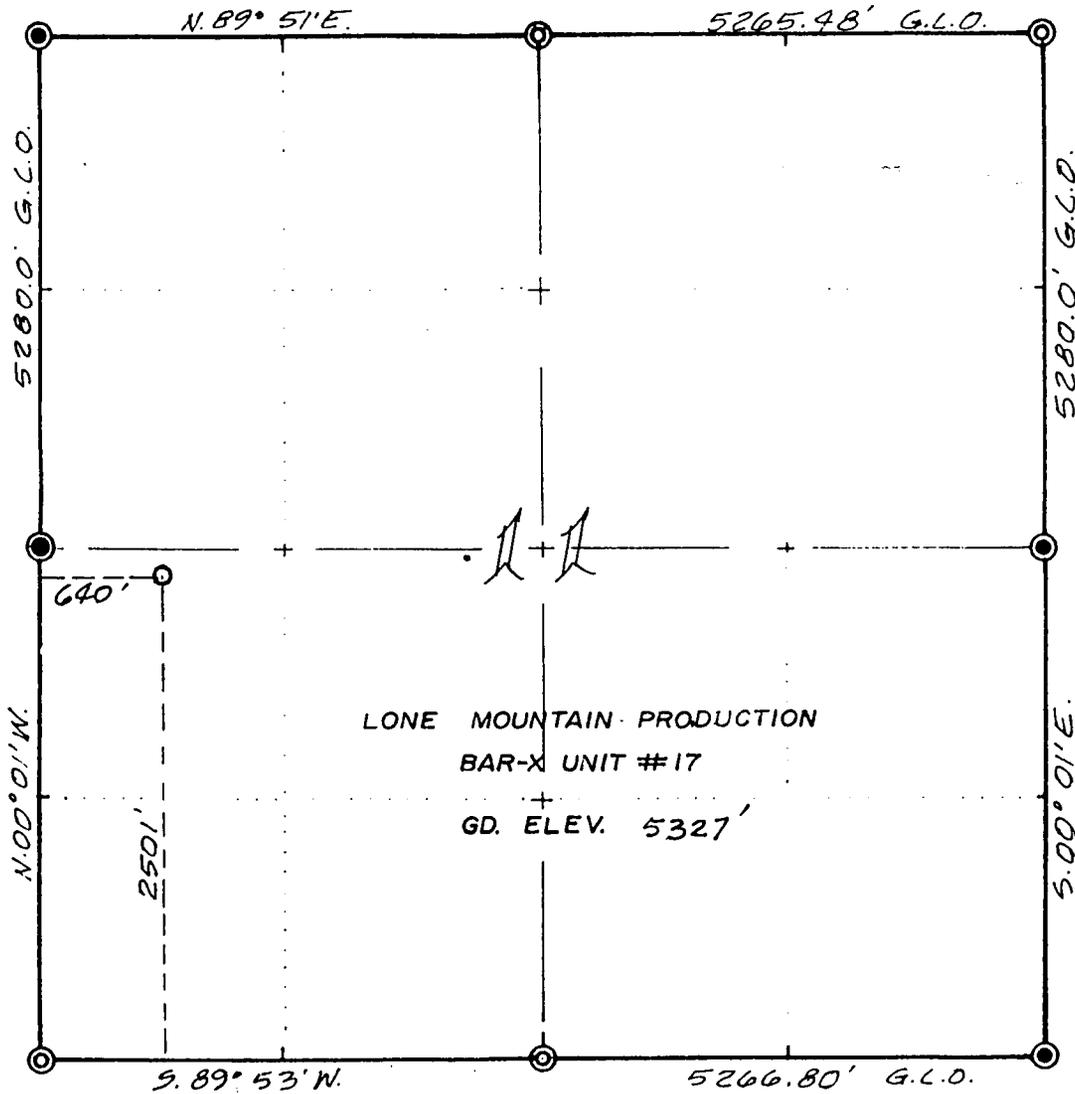
Dagm

1

Application for Permit to Drill
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NWSW Section 11-T17S-R25E
Grand County, Utah

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SEC. 11, T. 17S, R. 25E. OF THE S.L.M.



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

THIS WELL LOCATION PLAT WAS PREPARED FOR LONE MOUNTAIN PRODUCTION TO LOCATE THE BAR-X UNIT # 17, 2501' F.S.L. 640' F.W.L. IN THE NW 1/4 SW 1/4, OF SECTION 11, T. 17S., R. 25E. OF THE SLM GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

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

Larry D. Becker
 UTAH L.S. # 4189

SURVEYED	7/90	ENERGY SURVEYS & ENGINEERING CORP. 715 HORIZON DRIVE, SUITE 330 GRAND JUNCTION, CO 81501 (303) 245-7221	SCALE 1" = 1000'
DRAWN	7/90		JOB NO.
CHECKED	7/90		SHEET OF

Lone Mountain Production Company
Well No. Federal 17
NWSW Sec. 11, T. 17 S., R. 25 E.
Grand County, Utah
Lease U-02857

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 Lone Mountain Production Company 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 UT0719 (Principle - Lone Mountain Production Company) 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

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, Onshore Oil and Gas Order No. 2 and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

Stipulations

Road and drilling pad construction will not be permitted during the fawning season (May 15 - June 30). This time period will allow the fawns to be born and gain some growth & vigor before moving to other areas within their range.

Surface disturbance and vehicular travel will be limited to the approved locations and access roads.

Pipeline construction activity is not authorized under this permit.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator whether the materials appear eligible for the National Register of Historic Places.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

C. Anticipated Starting Dates and Notifications of Operations:

Required verbal notifications are summarized in Table 1, 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.

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 Assistant District Manager, Minerals Division 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.

If a replacement rig is needed for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed for prior approval from the District Office, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved through the District Office.

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 Assistant District Manager, Minerals Division 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 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".

NOTIFICATIONS

Notify Jeff Robbins of 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 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 Assistant District Manager, Minerals Division. 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
Eric Jones, Petroleum Engineer	Office Phone:	(801) 259-6111
	Home Phone:	(801) 259-2214

If unable to reach the above individuals including weekends, holidays, or after hours please call the following:

Lynn Jackson, Chief, Branch of Fluid Minerals	Office Phone:	(801) 259-6111
	Home Phone:	(801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS

DIVISION OF OIL, GAS AND MINING

API NO. 43-019-31306

SPUDDING INFORMATION

NAME OF COMPANY: Lone Mountain Production Co.

WELL NAME: Bar-X Unit #17

SECTION NWSW 11 TOWNSHIP 17S RANGE 25E COUNTY Grand

DRILLING CONTRACTOR VECO

RIG # 2

SPUDED: DATE 9-15-90

TIME 10:00 p.m.

How Rotary

DRILLING WILL COMMENCE _____

REPORTED BY Jim Routson

TELEPHONE # 406-245-5077

OIL AND GAS	
DN	RIF
FB	GIH
PS	SLS
1-TAS	✓
2-FIL	✓
3- MICROFILM	
4- FILE	✓

DATE 9-17-90 SIGNED TAS TAKEN BY: DJC

RECEIVED
TABLE T
SEP 17 1990

NOTIFICATIONS

DIVISION OF
OIL, GAS & MINING

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

- 2 days prior to commencement of dirt work, construction or reclamation;
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24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS

Lone Mountain Production Company
Well No. Federal 17
NWSW Sec. 11, T. 17 S., R. 25 E.
Grand County, Utah
Lease U-02857

43-019-31306

DRL

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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".

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077
FAX 248-6321

September 17, 1990

Utah Division of Oil, Gas and Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

RECEIVED
SEP 19 1990

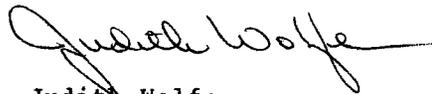
DIVISION OF
OIL, GAS & MINING

Gentlemen:

Please find enclosed two (2) copies each of the Spud Report and Entity Action Form for the Bar-X Unit No. 17 well in Grand County, Utah.

If you are in need of further information, please advise.

Very truly yours,



Judith Wolfe

/jlw

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIP DATE
(Other instruction, reverse side)

Form approved
Budget Bureau No. 1001-013
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.)

D. LEASE DESIGNATION AND SERIAL NO.
U-02857
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Bar-X

8. FARM OR LEASE NAME

Federal

WELL NO.

No. 17

9. FIELD AND POOL, OR WILDCAT

Bar-X

11. SEC., T., S., M., OR BLE. AND SURVEY OR AREA

NWSW Sec. 11: T17S-R25E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

RECEIVED
SEP 19 1990
DIVISION OF OIL, GAS & MINING

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Lone Mountain Production Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface
2501' FSL, 640' FWL, Sec. 11

14. PERMIT NO.
43-019-31306 DRL

15. ELEVATIONS (Show whether DF, RT, OR, etc.)
5327' GL, 5337' KB

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)

PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON*
CHANGE PLANE
Spud Report

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.)

Spudded 8-3/4" hole at 9:30 p.m., September 15, 1990. Drilled to 308'. Ran 7", 23#, L.S. casing to 304'. Cemented to surface with 140 sx class "G", 3% CaCl₂ # celloflake/sack. Plug down at 12:30 p.m., 9-16-90.

Notified Dale Manchester with the BLM, Moab, Utah, at 10:00 p.m., 9-15-90.

Notified Dee Cox with the Utah DOGM at 8:30 a.m., 9-17-90.

OIL AND GAS	
DFN	RJF
JFB	GLH
DIS	SLS
1-DNEV	
2-TASI	
3-MICROFLM ✓	
4-FLE	

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

SIGNED James G. Routson
James G. Routson
(This space for Federal or State office use)

TITLE Petroleum Engineer

DATE September 17, 1990

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

*See Instructions on Reverse Side

OPERATOR Lone Mountain Production Company

OPERATOR ACCT. NO. N-7210

ADDRESS 408 Petroleum Building, P.O. Box 3394

Billings, MT 59103

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	00455	^{DRL} 43-019-31306	(Bar-X Unit) ^{Federal} No # 17	NWSW	11	17S	25E	Grand	9-15-90	9-15-90

WELL 1 COMMENTS: *Federal - Lease Field - Bar X Unit - Bar X* *Proposed Zone - MRSN (Unit well - DKTA/mesud P.A. entity 00455 is the # assigned to Lone mtn. DK-MF P.A.) (B) Added 9-24-90. lca*

WELL 2 COMMENTS:

WELL 3 COMMENTS:

OIL AND GAS	
DFN	RJF
JFB	GTH
DPS	SLS
<i>lca</i>	
<i>ALER</i>	
2-	MICROFILM ✓
2-	F&E

WELL 4 COMMENTS:

WELL 5 COMMENTS:

WELL 6 COMMENTS:

WELL 7 COMMENTS:

WELL 8 COMMENTS:

WELL 9 COMMENTS:

- ACTION CODES (See instructions on back of form)
- 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)

NOTE: Use COMMENT section to explain why each Action Code was selected.

RECEIVED
SEP 19 1990

DIVISION OF
OIL, GAS & MINING

James D. Routson
Signature James G. Routson

Petroleum Engineer 9/17/90
Title Date

Phone No. (406) 245-5077

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077
FAX 248-6321

RECEIVED
SEP 26 1990

DIVISION OF
OIL, GAS & MINING
September 24, 1990

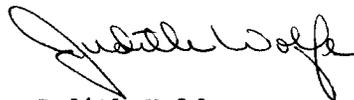
Utah Division of Oil, Gas & Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

Gentlemen:

Enclosed please find two (2) copies each of the Status Report and Report of Water Encounter During Drilling for the Bar-X Unit No. 17 well in Grand County, Utah.

If you are in need of further information, please advise.

Sincerely,



Judith Wolfe

/jlw
Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

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

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)

RECORDED
SEP 26 1990

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
LONE MOUNTAIN PRODUCTION COMPANY

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

4. LOCATION OF WELL (Report location clearly and in accordance with applicable State requirements. See also space 17 below.)
At surface
2501' FSL, 640' FWL, Sec. 11

14. PERMIT NO.
43-019-31306

15. ELEVATIONS (Show whether DF, RT, OR, etc.)
5327' GL, 5337' KB

5. LEASE DESIGNATION AND SERIAL NO.
U-02857

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Bar-X

8. FARM OR LEASE NAME
Federal

9. WELL NO.
No. 17

10. FIELD AND POOL, OR WILDCAT
Bar-X

11. SEC., T., S., M., OR BLK. AND SURVEY OR AREA
NWSW Sec. 11: T17S-R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	Status Report <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.)*

Drilled 6 1/4" hole to 3589' TD. Ran logs. Log tops:

Dakota silt	2992 (+2345)
Dakota sand	3088 (+2249)
Morrison	3199 (+2138)

Ran 4 1/2", 10.5#, J-55 production casing to 3589'. Cemented with 175 sacks 10-0 thixotropic cement. Plug down at 4:15 p.m., September 20, 1990. Rig released at 6:00 p.m., September 20, 1990.

OIL AND GAS	
DN	RJF
JTB	GLH
DIS	SLS
1 DM	
2	MICROFILM ✓
3	FILE

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

SIGNED James G. Routson TITLE Petroleum Engineer DATE 9-21-90
James G. Routson
(This space for Federal or State office use)

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

*See Instructions on Reverse Side

RECEIVED
 (1/89)
 SEP 26 1990

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM

DIVISION OF
 OIL, GAS & MINING

1. Well name and number: Bar-X Unit No. 17
 API number: 43-019-31306
2. Well location: QQ NWSW section 11 township 17S range 25E county Grand
3. Well operator: Lone Mountain Production Company
 Address: 408 Petroleum Bldg., P.O. Box 3394 phone: 406-245-5077
Billings, MT 59103
4. Drilling contractor: Veco Drilling Company
 Address: P.O. Box 1705 phone: 303-242-6412
Grand Junction, CO 81502

5. Water encountered (continue on reverse side if necessary)

Depth		Volume (flow rate or head)	Quality (fresh or salty)	OIL AND GAS	
from	to			DFN	RJF
		NO WATER ENCOUNTERED			

	GLH
/	SLS
2	MICROFILM
1	FILE

6. Formation tops:
- | | | |
|--------------------|-------------|----------------|
| <u>Dakota silt</u> | <u>2992</u> | <u>(+2345)</u> |
| <u>Dakota sand</u> | <u>3088</u> | <u>(+2249)</u> |
| <u>Morrison</u> | <u>3199</u> | <u>(+2138)</u> |

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

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

Name James G. Routson Signature James G. Routson
 Title Petroleum Engineer Date September 21, 1990

Comments:

RECEIVED
OCT 31 1990

DIVISION OF
OIL, GAS & MINING

Burton W. Hancock

402 Petroleum Building
Billings, Montana 59101

October 29, 1990

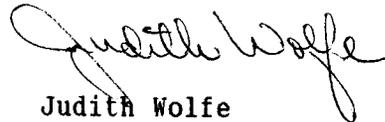
Utah Division of Oil, Gas & Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

Gentlemen:

Enclosed please find two (2) copies of the Well Completion Report for the Hancock Federal No. 3-14 Well in Grand County, Utah.

If you are in need of further information, please advise.

Sincerely,



Judith Wolfe

/jlw
Enclosures

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)

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

5. LEASE DESIGNATION AND SERIAL NO.

U-02857

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Bar-X

8. LEASE OR RENT NAME

Federal

9. WELL NO.

No. 17

10. FIELD AND POOL, OR WILDCAT

Bar-X

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

NWSW Sec. 11-T17S-R25E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

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

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

2. NAME OF OPERATOR
Lone Mountain Production Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **2501' FSL, 640' FWL, Sec. 11**

At top prod. interval reported below **same**

At total depth **same**

14. PERMIT NO. **43-019-31306** DATE ISSUED **8-29-90**

15. DATE SPUDDED **9-15-90** 16. DATE T.D. REACHED **9-19-90** 17. DATE COMPL. (Ready to prod.) **10-25-90** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* **5327 GL, 5337 KB** 19. ELEV. CASINGHEAD **5328**

20. TOTAL DEPTH, MD & TVD **3589** 21. PLUG, BACK T.D., MD & TVD **3550** 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY **→** ROTARY TOOLS **0-TD** CABLE TOOLS _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
**Dakota 3094-3134, 3080-3199
Morrison 3232-3242, 3508-3534**

25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
GR-FDC-CNL, SP-DIL, GR-CBL-VDL 10-22-90

27. WAS WELL CORED
No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	23# L.S.	304	8-3/4"	140 sx (to surface)	None
4 1/2"	10.5# J-55	3589	6 1/4"	175 sx (top at 1774')	None

29. LINER RECORD

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

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	3537	None

31. PERFORATION RECORD (Interval, size and number)
3523-33, 11-.36" dia. holes; 3508-3518, 11-.36" dia. holes, 1-.36" dia. hole at each of the following depths: 3102, 3104, 3111, 3117, 3127, 3188, 3189, 3190, 3191, 3192, 3237, 3240; 12 holes total

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3102-3240	None
3508-3533	None

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
10-25-90	Flowing	shut-in					
DATE OF TEST	HOURS TESTED	CHOKED SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
10-26-90	5	1/2"	→	0	373	0	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
305 psi	370 psi	→	0	1788	0		

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

TEST WITNESSED BY
Joe Dyk

35. LIST OF ATTACHMENTS

None

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

SIGNED James G. Routson TITLE Petroleum Engineer DATE 10-29-90

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

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
Dakota	3094	3134	gas	Dakota silt	2992	+2345.
Dakota	3080	3199	gas	Dakota sand	3088	+2249
Morrison	3232	3242	tight gas	Morrison	3199	+2138
Mottison	3508	3534	tight gas			

38. GEOLOGIC MARKERS

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077
FAX 248-6321

November 19, 1990

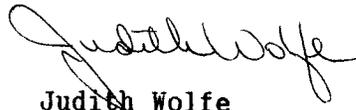
Utah Division of Oil, Gas and Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180

Gentlemen:

Enclosed please find two (2) copies of the *Notice of First Production* for the Bar-X No. 17 well located in Grand County, Utah.

If you are in need of further information, please advise.

Sincerely,



Judith Wolfe

/jlw
Enclosures

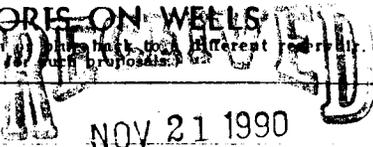
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Form approved.
Budget Bureau No. 1004-01
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen wells that are different from those proposed. Use "APPLICATION FOR PERMIT" form.)



1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Lone Mountain Production Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface
2501' FSL, 640' FWL, Sec. 11

14. PERMIT NO.
43-019-31306

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5327' GL, 5337' KB

5. LEASE DESIGNATION AND SERIAL NO.
U-02857

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Bar-X

8. FARM OR LEASE NAME
Federal

9. WELL NO.
No. 17

10. FIELD AND POOL, OR WELDCAT
Bar-X

11. SEC., T., R., M., OR PLK. AND SURVEY OR AREA
NWSW Sec. 11: T17S-R25E

12. COUNTY OR PARISH
Grand

13. STATE
Utah

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)

PULL 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*

Notice of 1st Production

(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 first delivered into Lone Mountain's Bar-X pipeline at 4:00 p.m., November 17, 1990.

Reported to Moab, Utah BLM by Joe Dyk on 11-19-90.

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

SIGNED *James G. Routson*
James G. Routson

TITLE Petroleum Engineer

DATE 11-19-90

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____ DATE _____

*See Instructions on Reverse Side

LONE MOUNTAIN PRODUCTION COMPANY

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

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

June 29, 1993

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

Re: Fracture Stimulate
Sundry Notices
Grand County, Utah

Dear Ron:

Enclosed in duplicate are Sundry Notices to fracture stimulate two wells operated by Lone Mountain Production Company in Grand County, Utah.

The wells are:

Bar-X Unit No. 17
NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 11-T17S-R25E
Lease U-02857
Federal No. 6-7
SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 6-T17S-R25E
Lease U-38842

We plan to do this work in August, 1993.

If any further information is needed please advise either me or Joe Dyk in our Grand Junction office.

Very truly yours,

Lone Mountain Production Company



James G. Routson
President

Enclosures

RECEIVED

JUL 06 1993

DIVISION OF
OIL GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-02857

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
Bar-X Unit

8. Well Name and No.
Federal No. 17

9. API Well No.
43-019-31306

10. Field and Pool, or Exploratory Area
Bar-X

11. County or Parish, State
Grand County, Utah

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Lone Mountain Production Company

3. Address and Telephone No.
P. O. Box 3394 Billings, MT 59103 (406) 245-5077

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2501' FSL, 640' FWL, Sec. 11 T17S-R25E
NW $\frac{1}{4}$ SW $\frac{1}{4}$**

12. CHECK APPROPRIATE BOX(S) 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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Fracture Stimulate
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Lone Mountain Production Company plans to foam frac the Bar-X Unit No. 17 well as per the attached workover procedure. This work will be done in August, 1993. A small flowback pit (10' x 10') will be dug on the existing location. No other surface disturbance will occur. The pit will be back-filled as soon as it dries, and will be seeded in the fall.

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

DATE: 2/8/93
BY: JM Matthews

RECEIVED

JUL 06 1993

DIVISION OF
OIL GAS & MINING

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

Signed Juan S. Renteria Title Petroleum Engineer Date 6-29-93

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

BAR-X UNIT NO. 17

WORKOVER PROCEDURE

- 1: MIRU service rig. Blow well down, nipple up BOP's, frac spool, and stripping head.
- 2: Pick up 2 3/8" tubing. Tag PBTB @ \pm 3550'. Pull tbg to 3450', circulate 5 sacks sand down tbg to cover perforations 3508'-3533'. Tag fill, COH with tbg.
- 3: Run RBP on tbg to \pm 2950'. Load hole with water. Pressure test casing, BOP's, and frac spool to 4000 psi. Drop standing valve, test tbg to 7000 psi. Swab well dry, COH w/tbg & RBP.
- 4: Pull tbg to \pm 2850', Land with blast joint and N-80 pup joint in top of string.
- 5: Foam frac with 20,000# 100 mesh sand, 80,000# 20-40 sand in 75 quality foam at 36 BPM total rate, triple entry with 20% of the nitrogen on annulus. Maximum pressure 4000 psi on annulus, 7000 psi on tubing.
- 6: Open well to flow back, displace annulus with nitrogen. Flow overnight to clean up, then test rate.
- 7: Lay down blast jt and N-80 pup jt. Reverse out sand with well gas to PBTB.
- 8: Flange well up as before, rig down and move off service rig. Return well to production.

LONE MOUNTAIN PRODUCTION COMPANY

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

(406) 245-5077
FAX 248-6321

Shipping Address:
404 Petroleum Building
2812 1st Avenue North
Billings, MT 59101-2312

September 30, 1993

RECEIVED

OCT 04 1993

DIVISION OF
OIL, GAS & MINING

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

RE: BAR-X UNIT NO. 17
NW $\frac{1}{4}$ SW $\frac{1}{4}$ SEC. 17-T17S-R25E *Sec 11*
GRAND COUNTY, UTAH
SUNDRY NOTICE

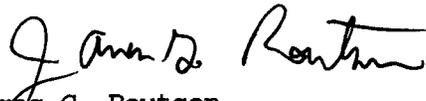
Dear Ron:

Enclosed in duplicate is a Sundry Notice for a recent fracture stimulation treatment of the Bar-X Unit No. 17 well.

If any further information is needed please give me or Joe Dyk a call.

Very truly yours,

Lone Mountain Production Company


James G. Routson
President

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCT 04 1993

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS-

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

5. Lease Designation and Serial No.

U-02857

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar X Unit

8. Well Name and No.

No. 17

9. API Well No.

43-019-31306

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

SUBMIT IN TRIPLICATE DIVISION OF OIL, GAS & MINING

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

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

2501' FSL, 640' FWL Sec 11: T17S-R25E
(NW $\frac{1}{4}$ SW $\frac{1}{4}$)

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other Fracture Stimulate
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

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

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Foam Fractured existing Dakota-Morrison Perforations 3102'-3240' on 9-26-93. Injected a total of 20,000 # 100 mesh sand; 80,000 # 20-40 sand; 633 bbls. 5% HCl; 1,500,000 scf Nitrogen.

Average rate 36 BPM @ 3300 psi. Cleaned out to PBTD 3550'. Flanged up with 2 3/8" tubing tail at 3252'. Tested 1142 MCFD with 80 psi FTP, 210 psi FCP on 9-27-93. Will return to well to production after cleaning up.

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

Signed

Jana S. Rantan

Title

President

Date

9-30-93 ✓

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

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

*See instruction on Reverse Side