

UTAH OIL AND GAS CONSERVATION COMMISSION

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

*Rig Skid from Bitter Creek #2*

DATE FILED **11-2-87**

LAND. FEE & PATENTED \_\_\_\_\_ STATE LEASE NO. **ML-25151** PUBLIC LEASE NO \_\_\_\_\_ INDIAN \_\_\_\_\_

DRILLING APPROVED: **11-23-87 (EXCEPTION LOCATION)**

SPUDDED IN: \_\_\_\_\_  
 COMPLETED \_\_\_\_\_ PUT TO PRODUCING: \_\_\_\_\_

INITIAL PRODUCTION: \_\_\_\_\_

GRAVITY A.P.I. \_\_\_\_\_

GOR. \_\_\_\_\_

PRODUCING ZONES. \_\_\_\_\_

TOTAL DEPTH: \_\_\_\_\_

WELL ELEVATION: \_\_\_\_\_

DATE ABANDONED: **LA 5-17-89**

FIELD: **SAN ARROYO**

UNIT: \_\_\_\_\_

COUNTY: **GRAND**

WELL NO **BITTER CREEK STATE #2A**

API NO. **43-019-31330**

LOCATION **494' FNL** FT. FROM (N) (S) LINE **2337' FEL** FT. FROM (E) (W) LINE **NW NE** 1/4 - 1/4 SEC. **2**

**RIG SKID**

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				<b>16S</b>	<b>25E</b>	<b>2</b>	<b>BIRCH CORPORATION</b>

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

RECEIVED  
NOV 02 1987

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

2

DIVISION OF  
OIL, GAS & MINING

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  Re-enter   
Single Zone  Multiple Zone

5. Lease Designation and Serial No.  
ML-25151

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

2. Name of Operator  
Birch Corporation

8. Farm or Lease Name  
Bitter Creek State

3. Address of Operator  
3801 E. Florida, Suite 900, Denver, Colorado 80210

9. Well No.  
#2A

4. Location of Well (Report location clearly and in accordance with any State requirements.)  
At surface 494 FNL 2337 FEL

10. Field and Pool, or Wildcat  
~~Bitter Creek State~~

11. Sec., T., R., M., or Blk. and Survey or Area

14. Distance in miles and direction from nearest town or post office\*  
Approximately 36.3 miles NW of Mack, Colorado

12. County or Parrish 13. State  
Sec. 2 T16S, R25E  
Grand County Utah

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. line, if any)  
494 Ft.

16. No. of acres in lease  
640

17. No. of acres assigned to this well  
320

18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.  
None

19. Proposed depth  
8040 Ft. *Contract*

20. Rotary or cable tools  
Rotary

21. Elevations (Show whether DF, RT, GR, etc.)  
8384' GR

22. Approx. date work will start\*  
November 1, 1987

NW/NE

*Contract*

8450

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
6 1/4"	*9 5/8	32.3# KB	328	300 Sax
6 1/4"	*7"	20#-K-55	3850	150 Sax
6 1/4"	4 1/2"	11.6# K-55	8450	175 Sax

We propose to re-enter <sup>#2</sup> a drill hole as described in the attached program.

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE: 11/30/87  
BY: [Signature]  
WELL SPACING: 20-5-3-3

\*existing casing

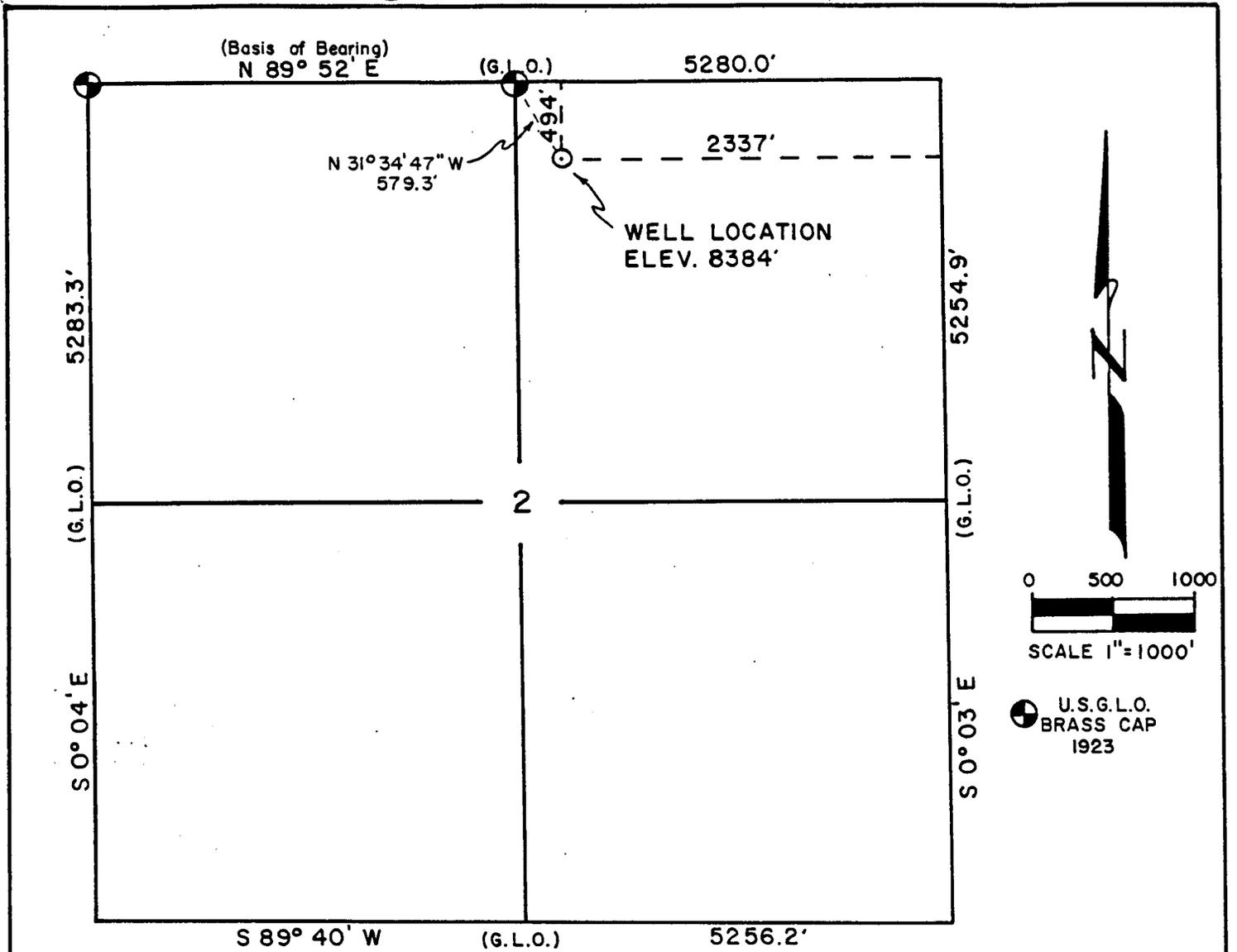
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer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

24. Signed [Signature] Title OPERATIONS MANAGER Date 10/30/87

(This space for Federal or State office use)

Permit No. 43-019-30061 Approval Date

Approved by Title Date  
Conditions of approval, if any:

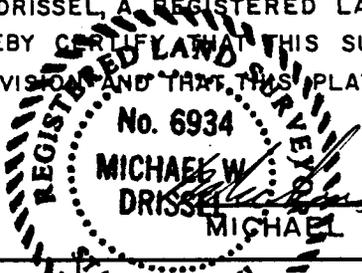


**WELL LOCATION**

494 FT.S.N.L. - 2337 FT.W.E.L.  
SECTION 2 , T.16 S., R.25 E., S.L.B.&M.

**SURVEYOR'S CERTIFICATE**

I, MICHAEL W. DRISSEL, 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.



No. 6934  
MICHAEL W. DRISSEL  
MICHAEL W. DRISSEL  
L.S. 6934

**RECEIVED**

NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

	STATE OF UTAH GORDON ENGINEERING, INC. ENGINEERING - SURVEYING	
	Date 10-19-87	BITTER CREEK STATE 2A
	Drawn by SLH	Sheet 1 of 3
	Checked by MWD	Job # 87029
	Survey date 10-15-87	

RECEIVED  
NOV 02 1987

DRILLING PROGRAM  
BIRCH CORPORATION

DIVISION OF  
OIL, GAS & MINING

BITTER CREEK STATE UNIT NO. 2A  
BITTER CREEK STATE FIELD  
GRAND COUNTY UTAH

1. SURFACE FORMATION AND ESTIMATED FORMATION TOPS:

Green River	Surface
Wasatch	800'
Mesaverde	1715'
Castlegate	3662'
Mancos "A"	4438'
Emery	4896'
Niobrara	5236'
Ferron	6992'
Dakota Silt	7259'
Dakota	7312'
Cedar Mountain	7404'
Morrison	7487'
Entrada	8046'

2. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER, OR OTHER MINERAL-BEARING ZONES ARE EXPECTED:

Potential Oil Zones:

Niobrara	5236'
Ferron	6992'
Dakota	7312'
Cedar Mountain	7404'
Morrison	7487'
Entrada	8046'

Potential Water Zones:

Dakota Silt	7259'
Dakota	7312'
Cedar Mountain	7404'
Morrison	7487'
Entrada	8046'

Potential Gas Zones:

Castlegate	3662'
Mancos "A"	4438'
Emery	4896'
Niobrara	5236'
Ferron	6992'
Dakota Silt	7259'
Dakota	7312'
Cedar Mountain	7404'
Morrison	7487'
Entrada	8046'

Potential Mineral Zones:

Mesaverde (coal)	1715'
Dakota Silt (uranium)	7259'
Dakota (uranium)	7312'
Morrison (uranium)	7487'
Entrada (uranium)	8046'

3. PRESSURE CONTROL EQUIPMENT:

A diagram illustrating the pressure control equipment is attached. BOP equipment will consist of a flanged 10" series 900 hydraulically actuated double gate system complete with blind rams and 3½", 4", or 4½" pipe rams. Remote controls for the system will be operational and hand wheels installed. BOP and the choke manifold will be installed after running and cementing surface casing. This equipment will be used continuously until the well is abandoned or production casing run and cemented for completion. Surface casing, the blind rams, pipe rams and choke manifold will be pressure tested to 1000 psig prior to drilling the plug.

During drilling the operation of this equipment will be inspected daily and the pipe rams checked for operation. The blind rams will be closed every trip when the drill string has been removed. All inspections, operations, and tests of this equipment will be recorded on the daily drilling report as specified in R615-3-7.

Other auxiliary equipment will include a float at the bit, Kellycock and full opening pipe valve on the floor.

4. CASING PROGRAM AND AUXILIARY EQUIPMENT:

Surface casing is existing 9 5/8" od 32.3# KB grade set from surface to 328 feet and cemented with 300 sacks of regular cement, intermediate casing is existing 7" od 20# K-55 to 3850 feet set with 150 sacks of regular cement. Production casing will be new 4½" od 11.6#/ft K-55 grade set from 3850 to 8450 feet and cemented with 175 sacks 65/35 pozmix or RFC cement.

Wellhead equipment will be a 3000 psig working pressure bradenhead for the 8 5/8" surface casing. A 3000 psig working pressure tubing head will be used.

NOTE: A 6¼" bit will be used to drill to total depth. This is to be a re-entry of Bitter Creek State Unit No. 2, which was drilled and temporarily abandoned on August 12, 1971.

5. MUD PROGRAM AND CIRCULATING MEDIUM:

Air or air-mist will be used to drill the 6¼" hole until sufficient gas flow or moisture is encountered requiring the use of a chemical gel mud.

6. CORING, TESTING, AND LOGGING PROGRAMS:

No cores or DST's are planned as these are development well. Proposed logs are:

Dual Induction Log	328' - Total Depth
BHC Density-Compensated Neutron	Minimum 2000' at various intervals

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURES AND POTENTIAL HAZARDS:

Maximum pressure anticipated is 1500 psig in the Entrada Formation and should not require more than normal mud weight for control. No abnormal temperatures or hydrogen sulphide are anticipated.

8. ANTICIPATED STARTING DATES AND NOTIFICATIONS OF OPERATIONS:

Anticipated starting date is November 15, 1987, and it is expected that the duration of operations will be up to 120 days for drilling and completion.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the Division. Approval will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the Utah Division of oil, gas and mining within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form DOGM-5) will be submitted to the Division 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 Division in accordance with requirements of R615-3-35.

If a replacement rig is contemplated for completion operations, a Sundry Notice (Form DOGM-5) to that effect will be filed for prior approval of the Division, 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 by the Division Engineer.

No well abandonment operations will be commenced without the prior approval of the Division. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Division Engineer within five (5) days after receiving oral approval, a written notice of intent to plug and abandon will be submitted on form DOGM-5. A "Subsequent Report of Abandonment and Plugging" (Form DOGM-5) will be filed with the Division within thirty (30) days following completion of the well for abandonment. 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 Utah Division of oil, gas and mining or their representative, or the appropriate surface managing agency.

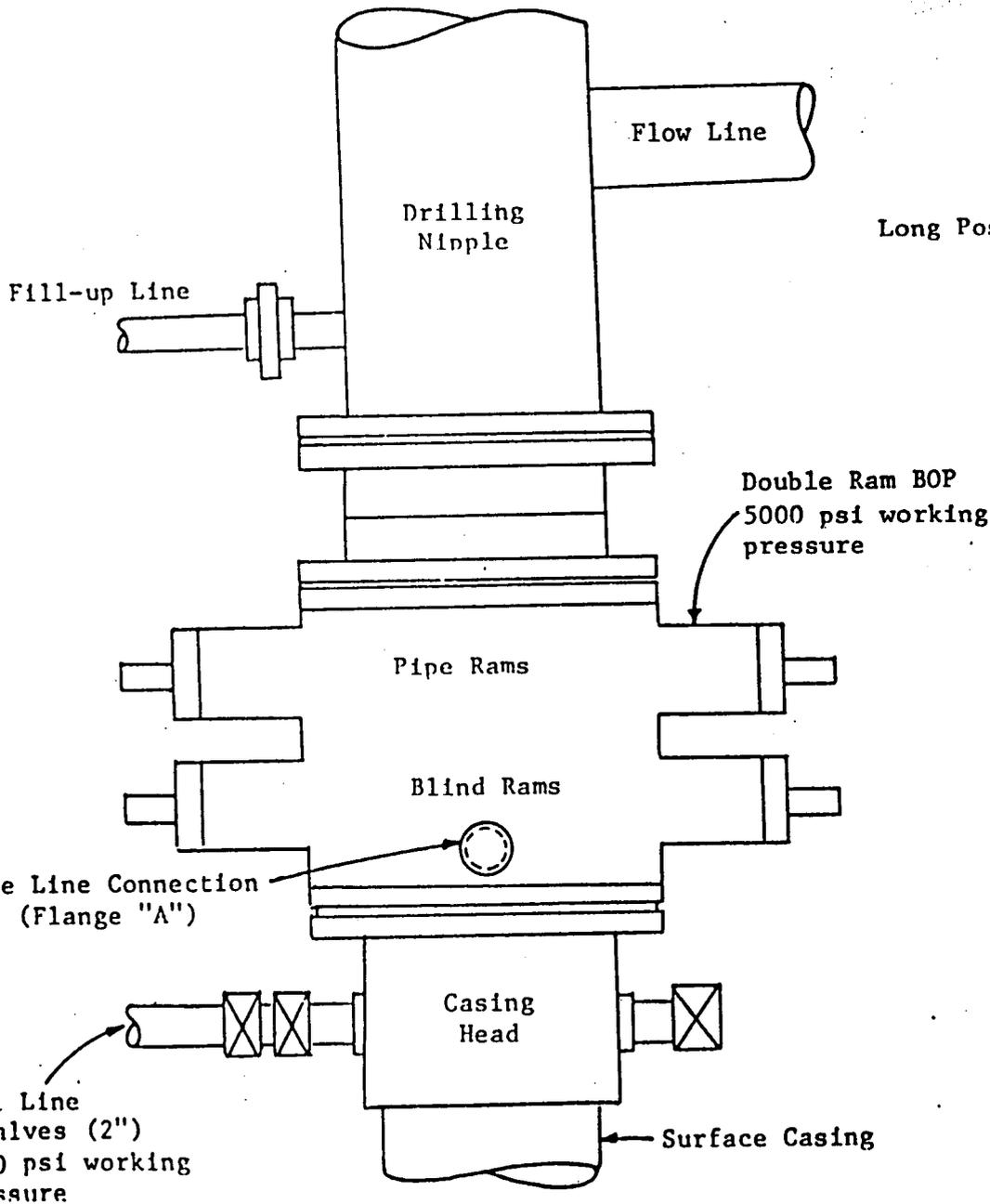
Well testing and gas flaring will be conducted according to R615-3-19, R615-3-21 and R615-3-22.

Upon completion of approved plugging, a marker 4" x 4' long will be erected in accordance with R615-3-26.7. The marker will be constructed after contouring. The top of the marker will be closed or capped and the following minimum information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch.

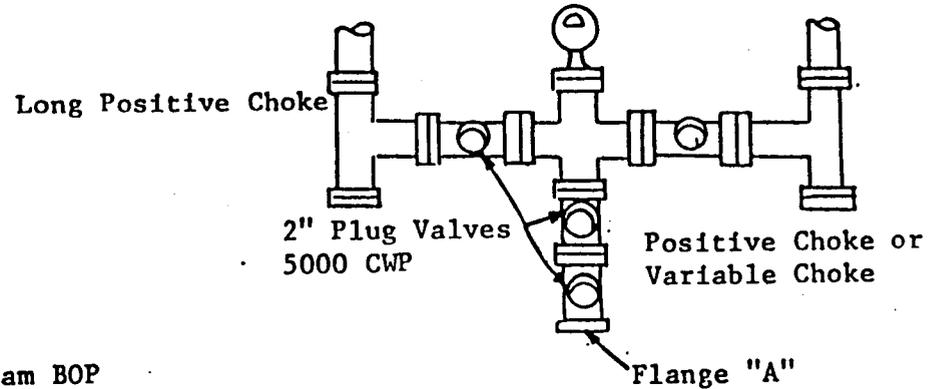
"Well number, location by  $\frac{1}{4}$  section, township, and range."

"Lease number, county, and state."

Blow Out Preventor



Flanged Cross with Pressure Gauge in Outside Opening



Plan View-Choke Manifold

Testing Requirements

- Pipe rams: Operated daily.
- Blind rams: Operated and closed every opportunity.
- Accumulation: Checked daily.

Figure III

**BLOW OUT PREVENTOR**

MULTI-POINT SURFACE USE AND OPERATIONS PLAN  
BIRCH CORPORATION  
BITTER CREEK STATE #2A  
GRAND COUNTY, UTAH

1. EXISTING ROADS:

- A. The location is approximately 36.3 miles northwest of Mack, Colorado.
- B. The proposed route to the location is by traveling west on Highway 6 & 50 approximately 8½ miles to the intersection of Highway 6 & 50 and Mesa County Road No. 2. Turn north off Highway 6 & 50 on Two Road and proceed northwest. Go up Bitter Creek. At San Arroyo Camp climb San Arroyo ridge and proceed North. At the radio towers proceed East along the ridge approximately 2-1/4 miles. Turn right onto the access road and continue approximately 1/4 mile to the location. See Plat No. 1 and 2.
- C. Plans for improvement and maintenance of existing roads: Highway 6 & 50 west of Mack, Colorado is a two-lane paved road while Mesa County Road No. 2 is an upgraded graveled road. The roads up Bitter Creek and San Arroyo ridge to the access to the location are in good shape and will require no improvement. Should maintenance be required, the roads will be flat graded. The roads are currently being used as access to numerous gas wells in the area.

2. PLANNED ACCESS ROADS:

- A. The planned access road to be used has been previously constructed to the location since this is to be a re-entry of a previously plugged well. The road is approximately ¼ mile in length as illustrated by Plat No. 2, and will be upgraded by flat blading.
- B. No grades over 8% will be required.
- C. Turnouts: None.
- D. No centerline has been flagged as the road presently exists.
- E. Drainage: The road is to be ditched and crowned and water bars will be used to control drainage after completion of the well as a producer.
- F. Surface Materials: No surface materials will be required.
- G. Other: No right of way is required since this well is inside the Bitter Creek State Unit.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional areas needed will be approved by the Division in advance.

The access road will be rehabilitated within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Division will be notified so that temporary drainage control can be installed along the access road.

3. LOCATION OF EXISTING WELLS.

Plat No. 3 illustrates the location of all existing wells in a two mile radius: there are seven (7) producing gas wells.

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, non-reflective, earth-tone color. 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 Juniper Green.

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 wellhead to the meter along with any other sections occurring on 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. 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 and completion purposes will be obtained from West Salt Creek as shown by Plat No. 1. The point of divergence is located in Mesa County, Colorado. Water will be hauled to location by truck. A Utah water permit will not be necessary as water is being obtained from Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS:

None.

7. METHOD OF HANDLING WASTE DISPOSAL:

The reserve pit will not be lined. Three sides of the reserve pit will be fenced before drilling starts and the fourth side will be fenced as soon as drilling is completed. The fence will consist of three strands of barbed wire and will be kept in good repair while the pit is drying.

Produced waste water will be confined to the pit for a period not to exceed 90 days after initial production. During the 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 Division's approval.

Plat No. 4 illustrates the rig layout and the position of the trash cage and reserve pit.

- A. Cuttings: These will be contained on location in the reserve pit.
- B. Drilling fluids, chemicals and salts: These will be contained in the reserve pit.
- C. Sewage: Chemical toilets will be used.
- D. Garbage and other waste materials: A portable trash cage will be kept on location to contain these. Periodically the location will be cleaned and all trash placed in the container. No trash will be thrown in the reserve pit. The trash cage will be hauled to a sanitary landfill and emptied when it fills up. Barrels, cable, wood pallets, and all other trash will be hauled to a local sanitary landfill to be disposed of. Open burning of trash or refuse is illegal under Section 2.4 of the Utah Air Conservation Regulations. The Operator will be responsible for all trash and roadside litter generated by their operations along their access route from the County Road to the location.
- E. If burning is required, a permit will be obtained from the State Fire Warden in Moab, Utah.

8. ANCILLARY FACILITIES:

None.

9. WELLSITE LAYOUT:

Plat No. 4 shows the rig layout. Plat No. 5 shows the pad layout. Plat No. 6 illustrates the cuts and fills.

The reserve pit will be located on the west side of the location and a burn pit will be constructed. Both pits will be connected by a small trench so that any accumulation of liquids in the burn pit will drain into the reserve pit. To contain any flare of natural gas, the back side of the burn pit will be banked and this should help keep any material contained. The blowie line will be directed into the burn pit and water will be injected into the blowie line for fugitive dust control.

The access road will enter on the north side of the location and the trash cage will be situated to the southwest of the location, as shown by Plat No. 4.

10. PLANS FOR RESTORATION OF SURFACE:

The Operator or his Contractor will contact the Utah Division of oil, gas and mining, forty-eight (48) hours prior to starting rehabilitation work that involves earth moving equipment, and upon completion of restoration measures.

Before any earthwork to restore the location takes place, the reserve pit will be dry and all trash (barrels, metal, etc.) its contents must be removed and disposed of in a sanitary landfill. And 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.

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 disturbed areas will be reseeded using a seed mixture as stipulated by the Division. Seeding will be accomplished by using a range drill or by doubling the prescribed mixture and broadcasting.

11. PRODUCTION, SURFACE AND MINERAL OWNERSHIP:

If well goes to production, the holder shall submit a proposed operation and maintenance plan for the permanent road after consultation with the authorized officer for applicable road standards.

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

All above ground production facilities will be painted with a flat non-contrasting color harmonious with the adjacent landscape, subject to the approval of the authorized officer.

Plat No. 7 shows the layout of the typical production facilities and sales line. The sales line will follow the alignment of the road and will be a surface line. The diameter of the sales line will be 2 3/8" tubing with screwed construction. The connections will be coated with an adequate joint compound such as "Baker-Lok" to prevent any leakage. The line will be placed either above the cuts on the high side of the road or it will be staked above the road along the cut slopes.

The surface and minerals are owned by the State of Utah and lease number ML-25151 is described as follows:

Township 16 S, Range 25 E, Grand County, Utah  
Section 2: All  
Containing 640 acres

12. OTHER INFORMATION:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with R615-3-5.

"Sundry Notice and Report on Wells" (Form DOGM-5) will be filed for approval for all changes of plans and other operations in accordance with R615-8-8.

A cultural resource clearance has been prepared. If cultural material is exposed during construction, work in that spot will stop immediately and the Utah Division of oil, gas and mining will be contacted. All employees working in that area will be informed by the Operator that they will be subject to prosecution for disturbing archaeological sites will only be done if damage occurs.

The dirt contractor will be furnished with an approved copy of the surface use plan and any additional state stipulations prior to any work.

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 OPERATORS REPRESENTATIVE AND CERTIFICATION:

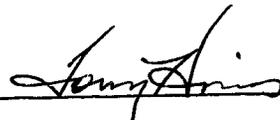
Representative: Gordon Engineering, Inc.  
P.O. Box 3525  
Grand Junction, CO 81502  
(303)-245-1958

Operator: Birch Corporation  
Mr. Tony Hines  
3801 E. Florida, Suite 900  
Denver, CO 80212  
(303)-759-4400

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 the plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Birch Corporation 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 false statements.

Date

10/30/87



Tony Hines  
Operations Manager

Taken from U.S.G.S. Regional Map Grand Junction, CO-Utah

RIO BLANCO COUNTY  
GARFIELD COUNTY

Proposed Location  
Bitter Creek State 2A

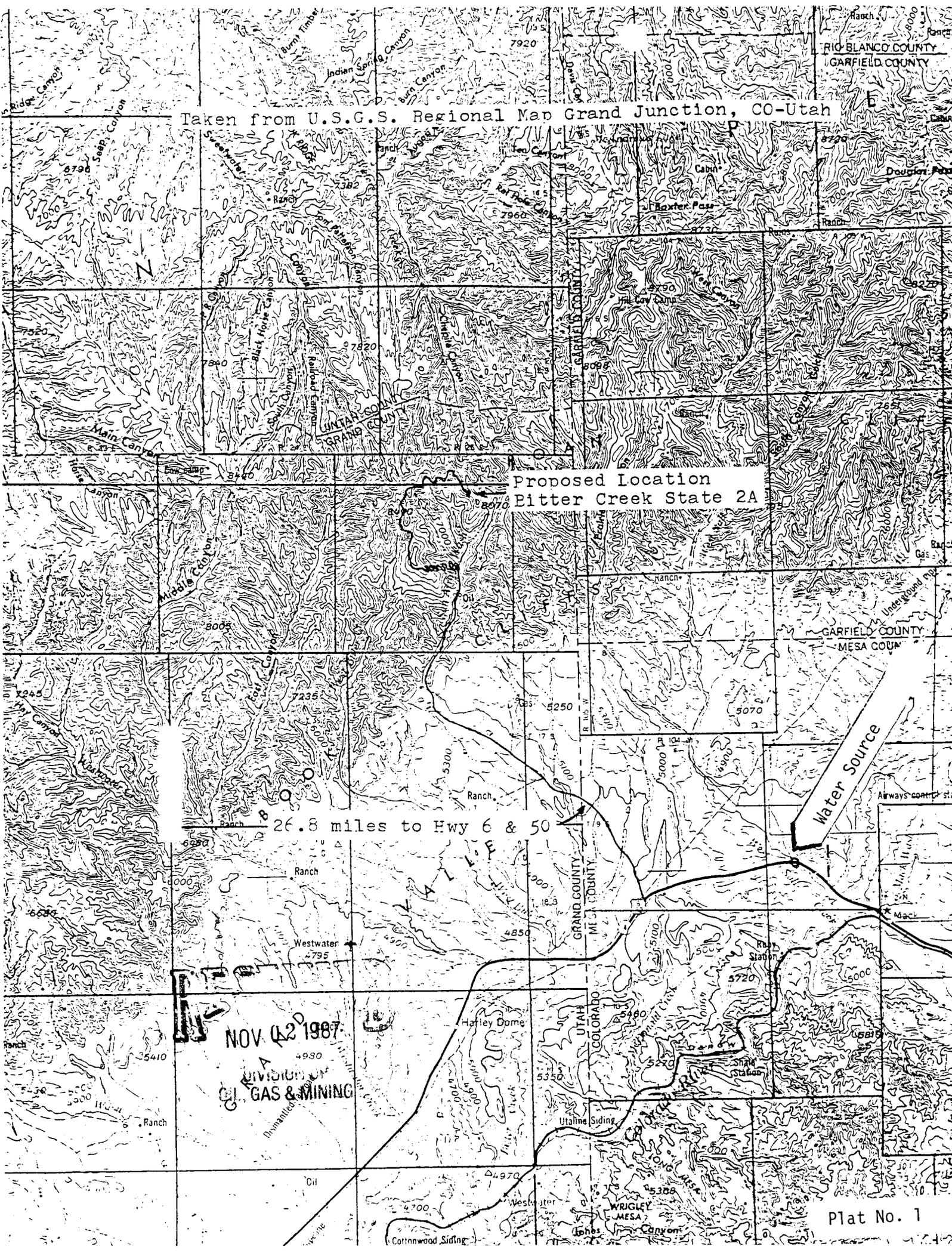
26.8 miles to Hwy 6 & 50

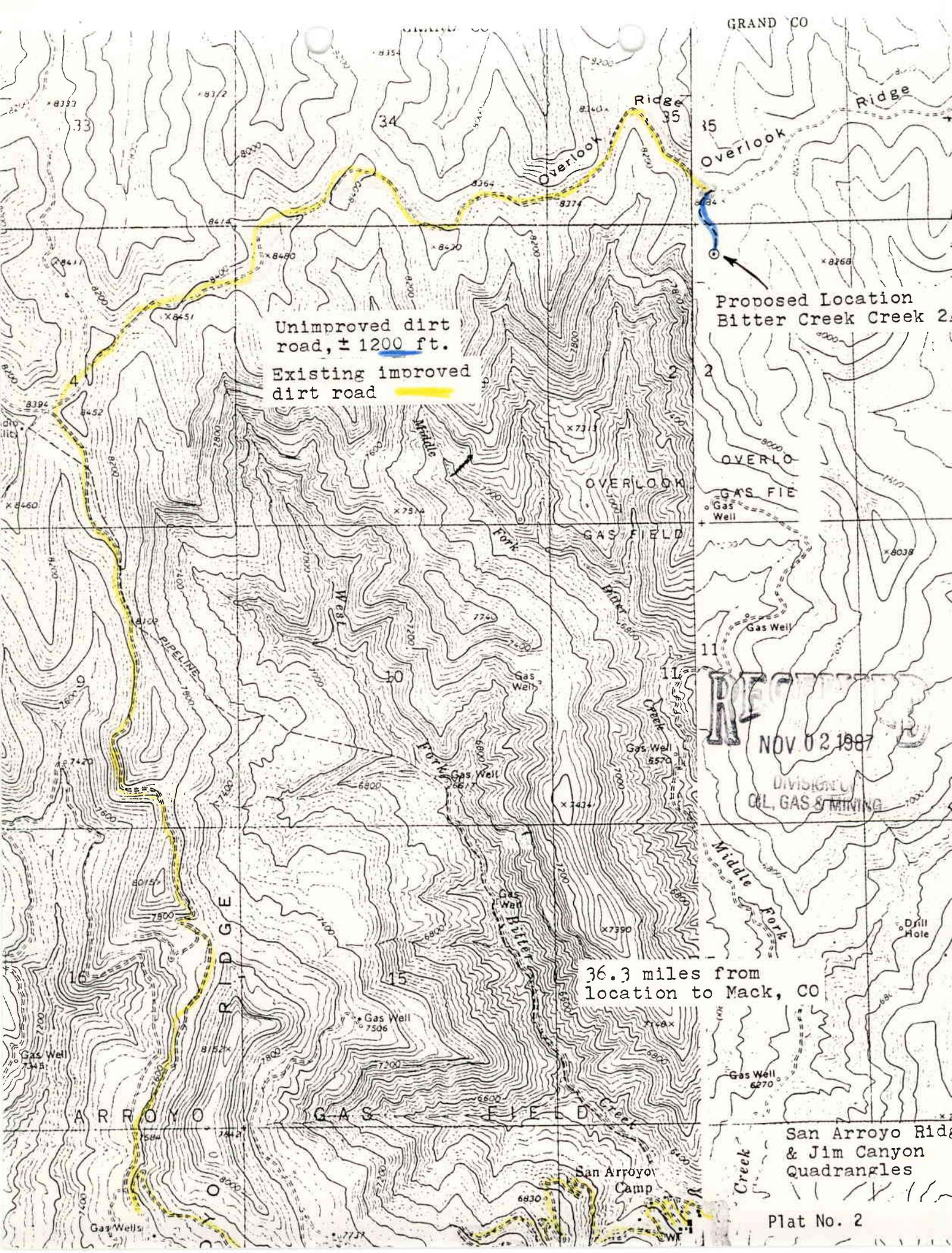
Water Source

NOV 22 1987

DIVISION OF  
OIL, GAS & MINING

Plat No. 1





GRAND CO

Ridge 35

15  
Overlook

Unimproved dirt road, ± 1200 ft.  
Existing improved dirt road

Proposed Location  
Bitter Creek 2

**REVISED**  
NOV 02 1987  
DIVISION OF  
OIL, GAS & MINING

36.3 miles from  
location to Mack, CO

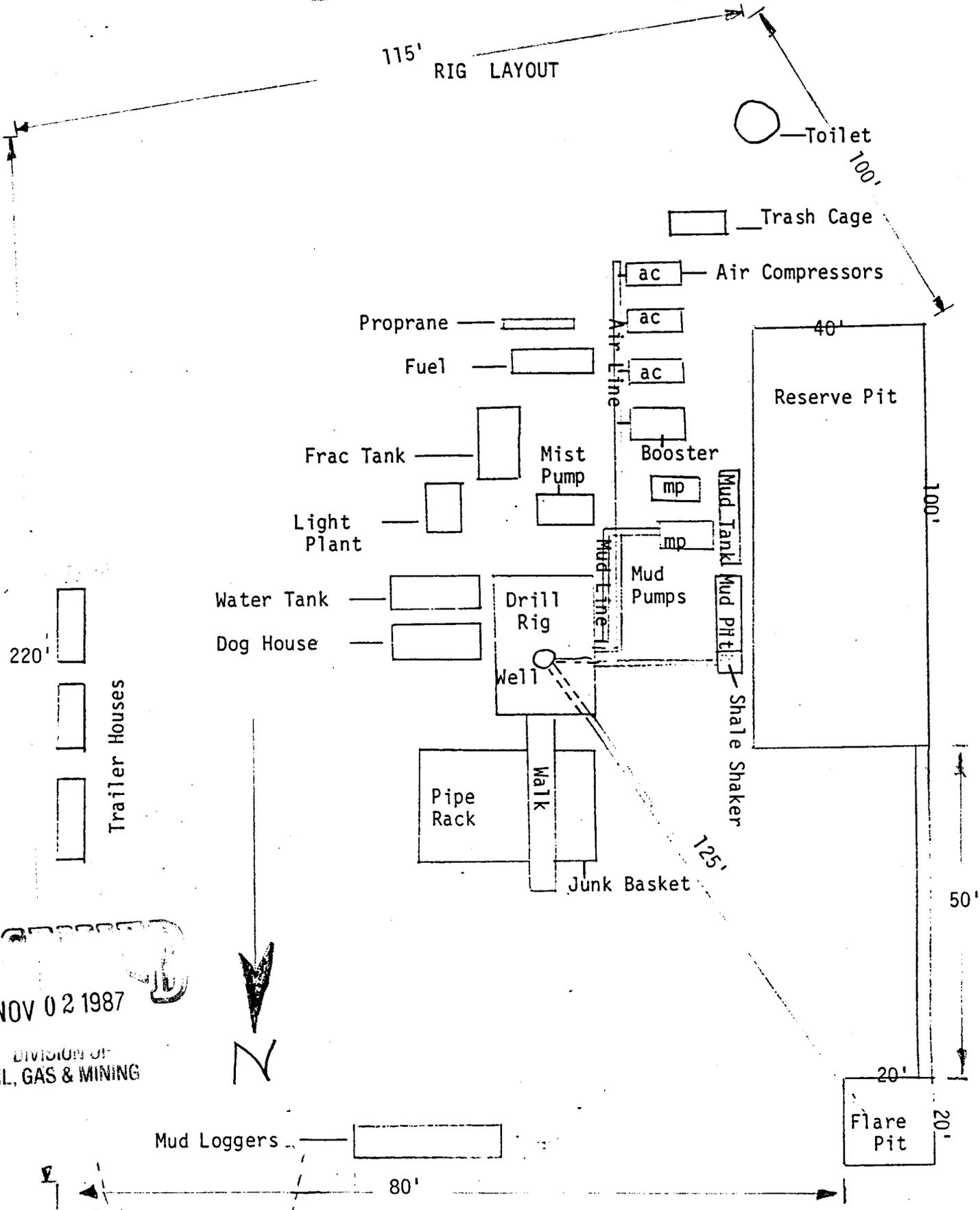
ARROYO GAS FIELD

San Arroyo Ridge  
& Jim Canyon  
Quadrangles

Plat No. 2

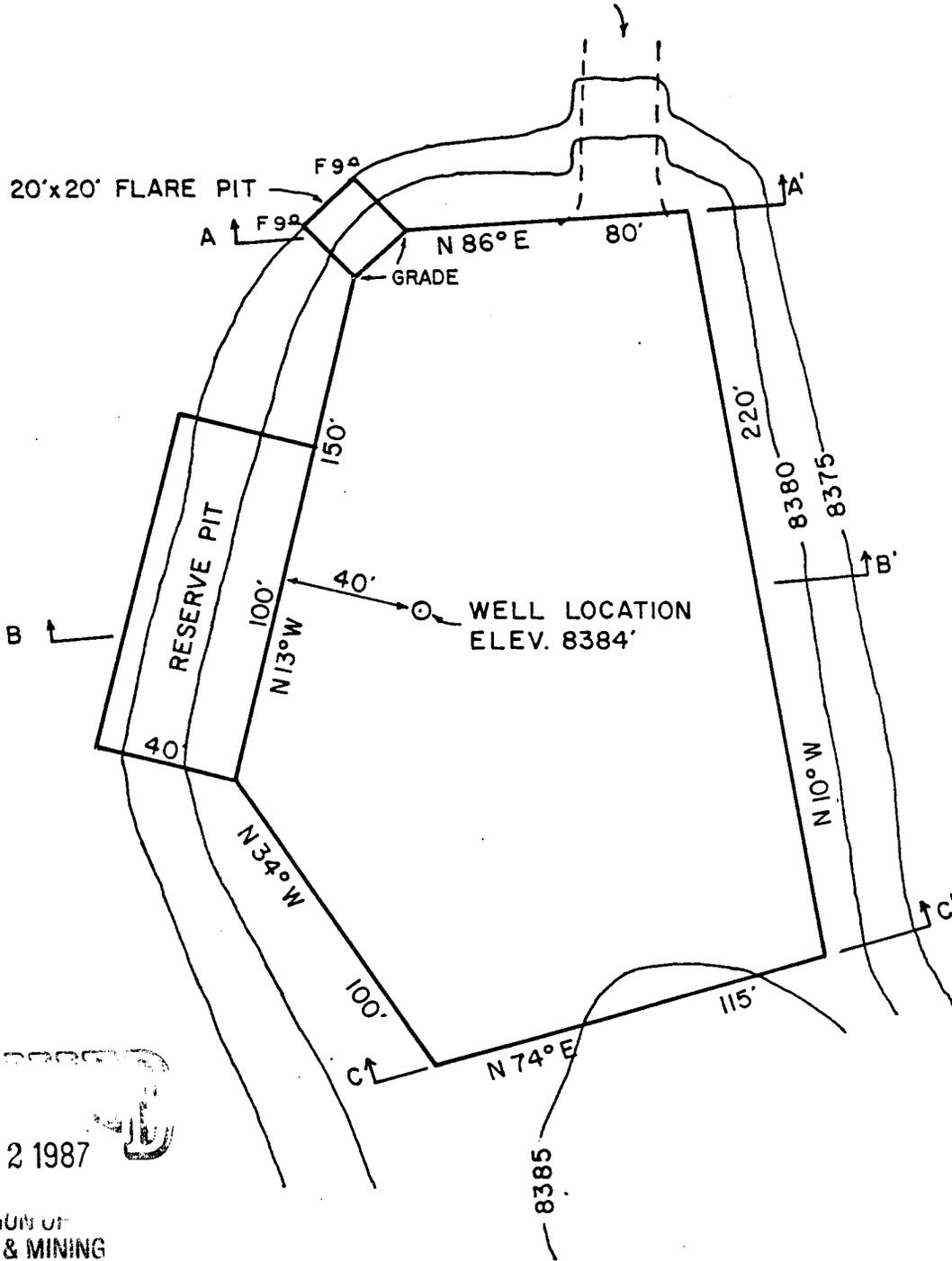


115' RIG LAYOUT



**PAD LAYOUT**  
BITTER CREEK STATE 2A

EXISTING ACCESS TO BE IMPROVED



**RECORDED**  
NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

NOTE: EXISTING PAD TO BE LEVELED & RESERVE PIT CONSTRUCTED ON TERRACE.

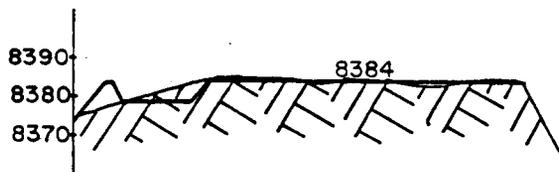
SCALE 1" = 50'

SHEET 2 OF 3

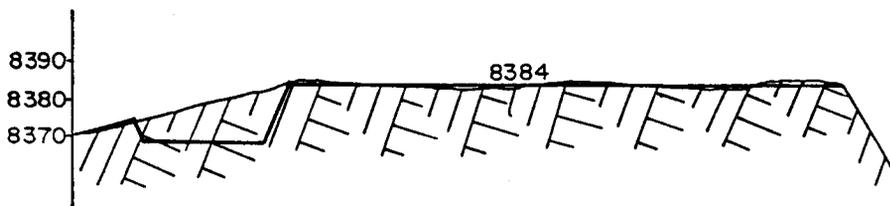
Plat No. 5

CROSS SECTIONS

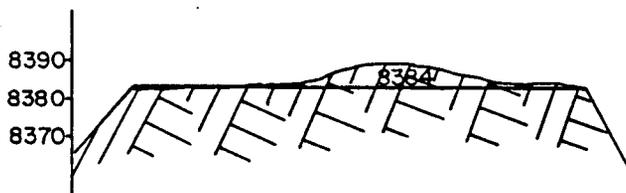
SECTION A - A'



SECTION B - B'



SECTION C - C'

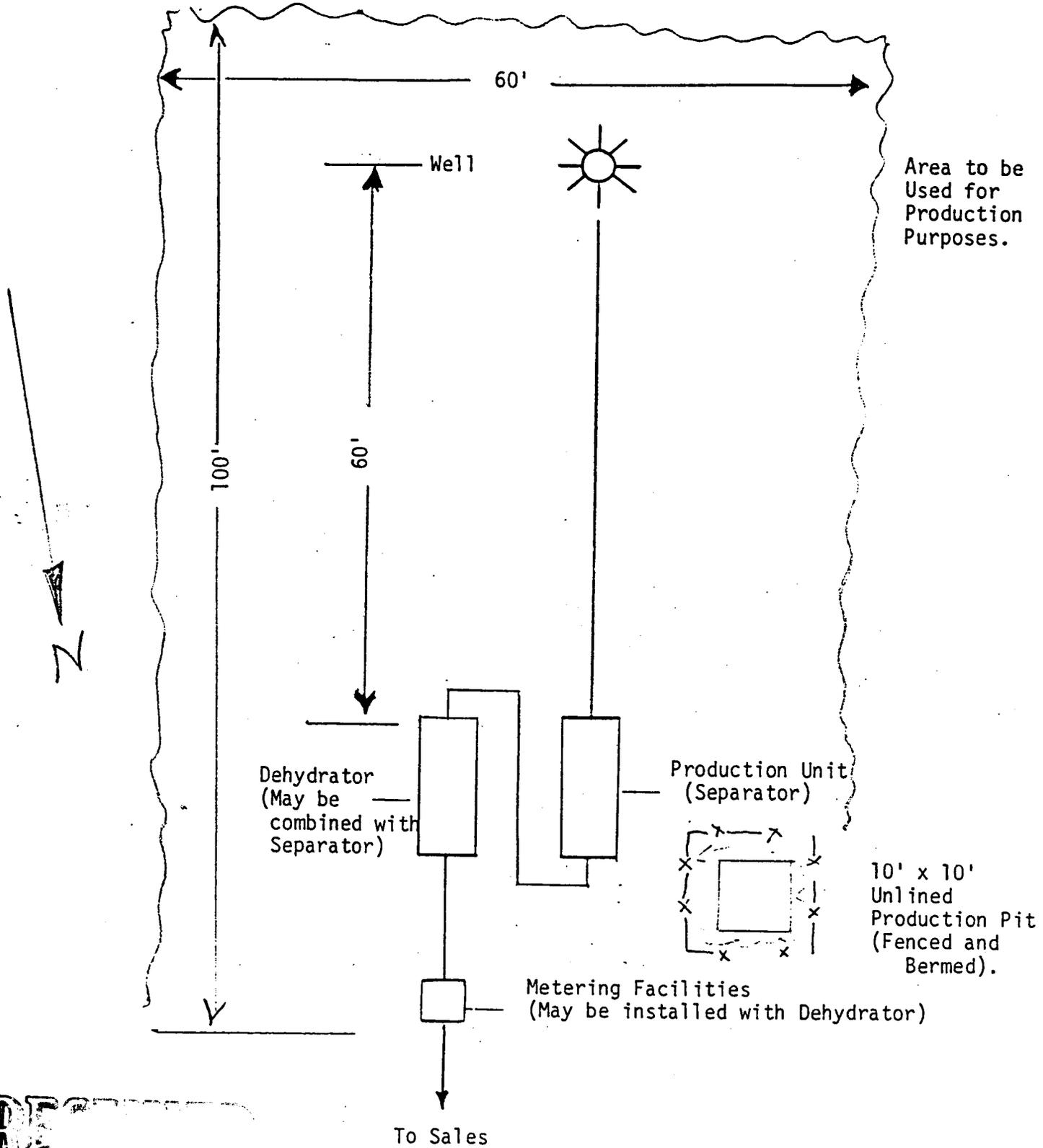


RECORDED  
NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

SCALE 1" = 50' HORIZ. & VERT.

PRODUCTION FACILITIES



Area to be Used for Production Purposes.

10' x 10' Unlined Production Pit (Fenced and Bermed).

**RECORDED**  
NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

DRILLING LOCATION ASSESSMENT  
State of Utah  
Division of Oil, Gas & Mining

OPERATOR: Birch Corporation WELL NAME: Bitter Creek State #2A  
QTR/QTR: NW/NE SECTION: 2 TWP: 16 S RANGE: 25 E  
COUNTY: Grand FIELD: Bitter Creek 494' FN L 2337' FE L  
SFC OWNER: State of Utah LEASE #: ML-25151 Gas  
SPACING: 500' F SECTION LINE 500' F N1/2 Sec. line ~~XXXXXX~~ 2000' F ANOTHER WELL  
INSPECTOR: Ed Deputy DATE & TIME: Oct. 20, 1987, 10:20 AM  
PARTICIPANTS: John Gordon (consultant for Birch Corp.) & Dirt Contractors

REGIONAL SETTING/TOPOGRAPHY: Colorado Plateau, Book Cliffs; location is on existing site of P&A'd well - Bitter Creek State #2, location on north-south trending ridgetop with steep slopes to east and west.

LAND USE

CURRENT SURFACE USE: Cattle Grazing.

PROPOSED SURFACE DISTURBANCE: Drill pad well be approximately 200' X 300', reserve pit 40' X 100' X 10' deep & blooie pit 20' X 40'. Access will be on existing trail.

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Juniper, pine, scrub oak, sage & native grasses. Deer & small birds.

ENVIRONMENTAL PARAMETERS

GEOLOGY

SOIL TYPE AND CHARACTERISTICS: Light tan, silty to sandy clays with moderate permeability, has some small angular rocks.

SURFACE FORMATION & CHARACTERISTICS: Green River Fm. light tan to grayish green siltstone & silty sandstone, moderate permeability.

EROSION/SEDIMENTATION/STABILITY: Stable location - bedrock near surface, has some rain & wind erosion.

SUBSURFACE GEOLOGY

OBJECTIVE(S)/DEPTH(S): Entrada Fm. 8046' to TD @ 8450'.

ABNORMAL PRESSURES - HIGH AND LOW: None anticipated.

CULTURAL RESOURCES/ARCHAEOLOGY: Being conducted

WATER RESOURCES: No drainages through location, water runs off ridgetop and down slopes on east and west.

RESERVE PIT

CHARACTERISTICS: Reserve & blooie pits location on east side, reserve pit 40' X 100' X 10' deep, blooie pit 20' X 40' X 10' deep.

LINING: None

MUD PROGRAM: Water from 0'-350' 8.3-8.5 wt., 350'-7950' air or air mist, gel from 7950'-8450' 8.6-8.9 wt.

DRILLING WATER SUPPLY: West Salt Wash Creek in Colorado.

OTHER OBSERVATIONS: Re-enter a dry hole, reserve pit & blooie pit will extend off existing location, not much additional disturbance.

STIPULATIONS FOR APD APPROVAL:

ATTACHMENTS

# THE BIRCH CORPORATION

3801 East Florida Avenue, Suite 900  
Denver, Colorado 80210  
(303) 759-4400  
Fax (303) 759-3182

November 17, 1987

Mr. Ed Bonner  
Division of State Lands  
Utah Land Board  
355 West North Temple  
Three Triad Center, Suite 400  
Salt Lake City, Utah 84180-1204

RE: Utah State Lease No.'s  
ML-4113, ML-22208, ML-25151  
Grand County, Utah

Dear Mr. Bonner:

Enclosed herewith for your approval please find the following:

- 1) State of Utah Bond executed on behalf of The Birch Corporation, as principal, along with a Certificate of Deposit in the amount of \$80,000.00. Said CD is drawn on the First Interstate Bank of Utah and has been endorsed by the undersigned on behalf of The Birch Corporation.
- 2) Power of Attorney executed on behalf of The Birch Corporation giving Cynthia Ann Marinella full power and authority to endorse certain documents as Attorney-in-Fact.
- 3) Designation of Operator forms, submitted in duplicate, executed on behalf of Utah Reserves, Inc., designating The Birch Corporation as operator of the following State Leases:

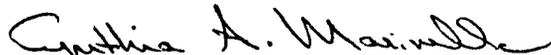
<u>State Lease No:</u>	<u>Description</u>
ML-4113	<u>Township 16 South, Range 25 East</u> Section 16: All
ML-22208	<u>Township 15 1/2 South, Range 24 East</u> Section 36: All <u>Township 16 South, Range 24 East</u> Section 2: All
ML-25151	<u>Township 16 South, Range 24 East</u> Section 2: All

- 4) Certified Articles of Amendment evidencing that Evergreen Waste Management, Inc., has changed its' name to Utah Reserves, Inc., with Exhibit "A" attached setting forth all the State Leases affected by same. Also enclosed is our check in the amount of \$30.00 to cover the fee for processing same.

The Utah State records presently reflect Evergreen Waste Management, Inc. as 100% lessee of record and owner of 100% of the working interest rights vested in the aforementioned leases. We have submitted the Articles of Amendment in lieu of submitting assignments of such leases in favor of Utah Reserves, Inc. and respectfully request your records be amended accordingly.

Should there be any questions regarding the enclosed or should you require further information, please advise. Thank you in advance for your assistance.

Very truly yours,

  
Cynthia A. Marinella  
Land Technician

✓xc: Ms. Arlene Sollis  
Division of Oil, Gas and Mining  
355 West North Temple  
Three Triad Center, Suite 350  
Salt Lake City, Utah 84180-1204

CAM/lh  
enclosure

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Department of Natural Resources, Division of State Lands & Forestry, holder of lease, ML 25151 :

and hereby designates

NAME: The Birch Corporation  
ADDRESS: 3801 East Florida, Suite 900  
Denver, Colorado 80210

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Division of State Lands & Forestry or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (describe acreage to which this designation is applicable):

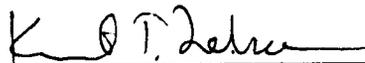
All of Section Two (2), Township Sixteen (16) South, Range Twenty-four (24) East, Salt Lake Meridian, Grand County, Utah.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Division of State Lands & Forestry or his representative.

The lessee agrees promptly to notify the Division of State Lands & Forestry of any change in the designated operator.

UTAH RESERVES, INC.



(Signature of Lessee)

By: Kurt T. Nelson  
Assistant Secretary  
3801 East Florida, Suite 900  
Denver, Colorado 80210

(Address)

November 16, 1987

(Date)

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Department of Natural Resources, Division of State Lands & Forestry, holder of lease, ML 22208 :

and hereby designates

NAME: The Birch Corporation  
ADDRESS: 3801 East Florida, Suite 900  
Denver, Colorado 80210

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Division of State Lands & Forestry or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (describe acreage to which this designation is applicable):

All of Section Thirty-six (36), Township Fifteen and One-half (15 1/2) South, Range Twenty-four (24) East; All of Section Two (2), Township Sixteen (16) South, Range Twenty-four (24) East, Salt Lake Meridian, Grand County, Utah.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Division of State Lands & Forestry or his representative.

The lessee agrees promptly to notify the Division of State Lands & Forestry of any change in the designated operator.

UTAH RESERVES, INC.



(Signature of Lessee)  
By: Kurt T. Nelson  
Assistant Secretary

3801 East Florida, Suite 900  
Denver, Colorado 80210

(Address)

November 16, 1987  
(Date)

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Department of Natural Resources, Division of State Lands & Forestry, holder of lease, ML 4113 :

and hereby designates

NAME: The Birch Corporation  
ADDRESS: 3801 East Florida, Suite 900  
Denver, Colorado 80210

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Division of State Lands & Forestry or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (describe acreage to which this designation is applicable):

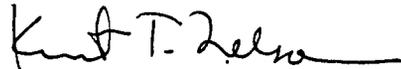
All of Section Sixteen (16), Township Sixteen (16) South, Range Twenty-five (25) East, Salt Lake Meridian, Grand County, Utah.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Division of State Lands & Forestry or his representative.

The lessee agrees promptly to notify the Division of State Lands & Forestry of any change in the designated operator.

UTAH RESERVES, INC.



(Signature of Lessee)

By: Kurt T. Nelson  
Assistant Secretary  
3801 East Florida, Suite 900  
Denver, Colorado 80210

(Address)

November 16, 1987  
(Date)

STATE OF UTAH  
BOND OF LESSEE

KNOW ALL MEN BY THESE PRESENTS, that we The Birch Corporation

of 3801 E. Florida, Ste. 900, Denver, Co. Address 80210  
as principal and not applicable, as  
surety, are held and firmly bound unto the State of Utah in the sum of Eighty Thousand & no/100  
Dollars (\$ 80,000.00) lawful money of the United States to be paid to the Board of  
State Lands and Forestry, as agent for the State of Utah, for the use and benefit of the  
State of Utah, and of any patentee or purchaser of any portion of the land covered by  
the hereinafter described lease heretofore sold or which may hereafter be sold with a  
reservation to the State of Utah, on the surface or of other mineral deposits of any  
portion of such lands, for which payment, will and truly to be made, we bind ourselves,  
and each of us, and each of our heirs, executors, administrators, successors, sub-  
lessees, and assignees, jointly and severally by these presents.

Signed with our hands and seals this \_\_\_\_\_ day of November in the  
year of our Lord, 1987.

The condition of the foregoing obligation is such that,

WHEREAS, The State of Utah, as Lessor, issued a(n) Oil and Gas  
lease, Lease Number \_\_\_\_\_ and dated \_\_\_\_\_, to \_\_\_\_\_  
as lessee (and said lease has been duly  
assigned under date of September 1, 1987 to Utah Reserves, Inc. (Formerly Evergreen  
Waste Management, Inc.) to drill for, mine, extract, and remove all of the hydrocarbon  
deposits in and under the following described lands to wit:

State Wide

NOW, THEREFORE, THE principal shall be obligated to pay all monies, rentals,  
royalties, cost of reclamation, damages to the surface and improvements thereon and any  
other costs which arise by operation of the above described lease(s) accruing to the  
Lessor and shall fully comply with all other terms and conditions of said lease, the  
rules, regulations, and policies relating thereto of the Board of State Lands and  
Forestry, Division of State Lands and Forestry, the Board of Oil, Gas and Mining, and  
the Division of Oil, Gas and Mining as they may now exist or may from time to time be  
modified or amended. This obligation is in effect even if the principal has conveyed  
part of the purchase agreement interest to a successor in interest. If the principal  
fully satisfies the above described obligations, then the surety's obligation to make  
payment to the State of Utah is void and of no effect, otherwise, it shall remain in  
full force and effect until released by the Division of State Lands and Forestry.

Signed, sealed and delivered  
in the presence of

The Birch Corporation

Cynthia A. Marinella  
Witness

Kurt T. Nelson (SEAL)  
Principal

Deborah Christensen  
Witness

BONDING COMPANY BY N/A

Attest: N/A

APPROVED AS TO FORM:  
DAVID L. WILKINSON  
ATTORNEY GENERAL

Resident Agent: C T Corporation System  
136 S. Main St., Salt Lake City, UT. 81101

Bonding Co. Address: N/A

By [Signature]

Corporate Seal of Bonding Company Must be Affixed.

General Power of Attorney-By Corporation

STATE OF COLORADO     )  
                                  ) ss.  
COUNTY OF DENVER     )

THE BIRCH CORPORATION, a Colorado corporation, having its principal office at 3801 East Florida Avenue, Suite 900, Denver, Colorado 80210, does hereby constitute and appoint CYNTHIA A. MARINELLA of Denver, Colorado, its true and lawful attorney in fact to exercise or perform any act, power, duty, right or obligation whatsoever that The Birch Corporation may now have or may hereafter acquire, relating to any person, matter, transaction or property, real or personal, tangible or intangible, now owned or hereafter the acquired by The Birch Corporation. The Birch Corporation grants to its said attorney full power and authority to do and perform all and every act necessary in exercising any of the powers granted herein, with full power of revocation, hereby ratifying and confirming all that said attorney shall lawfully do or cause to be done by virtue of this Power of Attorney.

IN WITNESS WHEREOF, The Birch Corporation, has caused this instrument to be sealed with its corporate seal and duly attested by the signature of its vice-president this 18<sup>th</sup> day of November, 1987.

The Birch Corporation

(SEAL)

By Dennis B. Veron  
Dennis B. Veron, Vice-President

Subscribed and sworn to before me this 18 day of November, 1987.

Witness my hand and official seal.

Judith J. Dale  
Notary Public  
3801 E. Florida #900  
Denver, Co. 80210

My commission expires: Nov. 19, 1990

**ARAPAHOE OPERATING COMPANY**

PAYEE	CHECK NUMBER	DATE
Division of State Land & Forestry	1688	11-16-87

Name change from Evergreen Waste Management, Inc.  
to Utah Reserves, Inc. affecting Utah State Lease  
# ML-4113, ML-22208, ML-25151

*[Faint, illegible text]*

**ARAPAHOE OPERATING COMPANY**

3801 E. Florida D-900 • Denver, Colorado 80210  
(303) 759-4400

**Ken-Caryl National Bank**  
10288 West Chatfield Avenue  
Littleton, Colorado 80127

82-406  
1070

The sum of \$30 and 00 cts

PAY

TO  
THE  
ORDER  
OF

Division of State Land & Forestry  
355 West North Temple  
Three Tried Center, Suite 400  
Salt Lake City, UT 84180-1204

CHECK NUMBER	DATE	PAY EXACTLY
1688	11-16-87	***30.00***

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 90 DAYS

*[Handwritten Signature]*

AUTHORIZED SIGNATURE

⑈001845⑈ ⑆107004064⑆ 10 0479⑈

EXHIBIT "A"  
Exhibit of State Leases  
Affected by Articles of Amendment  
Changing the Name of  
Evergreen Waste Management, Inc.  
to Utah Reserves, Inc.

<u>State Lease No.</u>	<u>Description of Lands Covered by Lease</u>
ML-4113	<u>Township 16 South, Range 25 East, SLM</u> Section 16: All Grand County, Utah Containing 640.00 acres, more or less
ML-22208	<u>Township 15 1/2 South, Range 24 East,</u> <u>SLM</u> Section 36: All <u>Township 16 South, Range 24 East, SLM</u> Section 2: All Grand County, Utah Containing 454.16 acres, more or less
ML-25151	<u>Township 16 South, Range 25 East, SLM</u> Section 2: All Grand County, Utah Containing 638.68 acres, more or less



**gordon  
engineering**  
Consulting Engineer  
Specialists in Oil & Gas

Prospect / Field Bitter Creek State  
Well Name Bitter Creek State  
State Utah  
Location NW 1/4 NE 1/4  
Footage 494 FNL - 2337 FEL  
Elevation Gr. 8384'

Lease # ML 25151  
Unit # 2A  
County Grand  
Sec. 2 Twp. 16S Rge. 25E  
Kb 8428 K.B.

WELL PROGNOSIS NOV 02 1987

DIVISION OF  
OIL, GAS & MINING

( ) Wildcat ( ) Development

**GEOLOGICAL REQUIREMENTS**

SAMPLE PROGRAM  
10' samples 350 to 8450'  
samples \_\_\_\_\_ to \_\_\_\_\_

Samples to Amstrat: Yes \_\_\_\_\_ No \_\_\_\_\_  
Samples to other partners \_\_\_\_\_ No \_\_\_\_\_

Deviation Limit 10° Not to exceed 1°/100'

**LOGGING PROGRAM**

IES \_\_\_\_\_ to \_\_\_\_\_  
Dual Induction 350' to 8450'  
BHC Acoustic \_\_\_\_\_ to \_\_\_\_\_  
BHC Density -CNL Minimum to 8450'  
Laterolog 3 \_\_\_\_\_ to \_\_\_\_\_  
Microlaterolog \_\_\_\_\_ to \_\_\_\_\_  
SNP \_\_\_\_\_ to \_\_\_\_\_  
Gamma Ray Neutron \_\_\_\_\_ to \_\_\_\_\_  
Dipmeter \_\_\_\_\_ to \_\_\_\_\_  
\_\_\_\_\_ to \_\_\_\_\_

CORING PROGRAM None

DST PROGRAM None

Mud Logger Required: Yes X No \_\_\_\_\_  
Type 24 hr. 6450' to 8450'

Geologist: From None to \_\_\_\_\_

**Formation Tops**

**Depth**

Green River	Surface
Wasatch	800'
Mesaverde	1715'
Castlegate	3662'
Mancos "A"	4438'
Emery	4896'
Niobrara	5236'
Ferron	6992'
Dakota Silt	7259'
Dakota	7312'
Cedar Mountain	7404'
Morrison	7487'
Entrada	8046'

TD \_\_\_\_\_ 8450'

**Coowners and Participants**

**DRILLING PROGRAM**

HOLE SIZE		CASING PROGRAM			
		Size	Weight	Depth	Cement
*6 1/4"	to 328'	9 5/8"	32.3# KB #	328	W/ 300 sax
*6 1/4"	to 3850	7"	20 # K-55 #	3850	W/ 150 sax
6 1/4"	to 8450	4 1/2"	11.6# K-55 #	8450	W/ 175 sx 65/35 Pozmi or RFC
*existing casing					

**MUD PROGRAM**

Type	Depth		Characteristics			
	From	To	Wt.	Vis.	%Oil	W.L.
Water	0	350	8.3-8.5	-	-	-
Air, Air Mist	350	7950				
Gel	7950	8450	8.6-8.9	35-39		8-10

APPROVED: Land \_\_\_\_\_ Production \_\_\_\_\_  
Geological \_\_\_\_\_ Management \_\_\_\_\_



Buch Corp.

Bittercreek 2A

NW/NE Sec. 2, T16S, R25E

Grand County

43-019-30061

4/25/89



BIRCH CORPORATION

BITTER CREEK STATE #2A

NW/NE Sec. 2, T16S, R25E

Grand County, Utah

Pre-drill inspection Oct. 20, 1987

Re-enter dry hole, Arco: Bitter Creek State #2











Re-Entry

173004

OPERATOR Burk Corp. DATE 11-4-87

WELL NAME Bitter Creek State #2A

SEC NW NE 2 T 165 R 25E COUNTY Grand

31330  
43-019-30061  
API NUMBER

State  
TYPE OF LEASE

CHECK OFF:

PLAT

BOND

NEAREST WELL

LEASE

FIELD

POTASH OR OIL SHALE

PROCESSING COMMENTS:

*Statewide*  
Re-enter #2 (ch'd to #2A) - No other well in Sec. 2  
Water - from Colorado  
Exception requested on original APD - 5-17-68

APPROVAL LETTER:

SPACING:

R615-2-3

UNIT

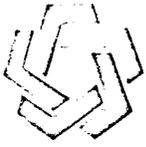
R615-3-2

CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



November 23, 1987

Birch Corporation  
3801 E. Florida, Suite 900  
Denver, Colorado 80210

Gentlemen:

Re: Bitter Creek #2A - NW NE Sec. 2, T. 16S, R. 25E  
494' FNL, 2337' FEL - Grand County, Utah

Approval to re-enter the referenced well is hereby granted in accordance with Rule R615-3-3, Oil and Gas Conservation General Rules.

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

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2  
Birch Corporation  
Bitter Creek State #2A  
November 23, 1987

6. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of all 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 43-019-30061.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

as  
Enclosures  
cc: State Lands  
Branch of Fluid Minerals  
D. R. Nielson  
8159T

STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 OIL AND GAS INSPECTION RECORD

Dr. 03

OPERATOR \_\_\_\_\_ LEASE \_\_\_\_\_  
 WELL NO. Bitter Creek State 2A API 43-019-30061  
 SEC. 2 T. 16S R. 25E CONTRACTOR \_\_\_\_\_  
 COUNTY Crow FIELD \_\_\_\_\_

DRILLING/COMPLETION/WORKOVER:

<input type="checkbox"/> APD	<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> SCPE
<input type="checkbox"/> SAFETY	<input type="checkbox"/> POLL. CONTROL	<input type="checkbox"/> SURFACE USE	<input type="checkbox"/> PITS
<input type="checkbox"/> OPERATIONS	<input type="checkbox"/> OTHER		

SHUT-IN \_\_\_\_\_ / TA \_\_\_\_\_ :

<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> EQUIPMENT*	<input type="checkbox"/> SAFETY
<input type="checkbox"/> OTHER			

ABANDONED:

<input type="checkbox"/> MARKER	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> REHAB.	<input type="checkbox"/> OTHER
---------------------------------	---------------------------------------	---------------------------------	--------------------------------

PRODUCTION:

<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> EQUIPMENT*	<input type="checkbox"/> FACILITIES*
<input type="checkbox"/> METERING*	<input type="checkbox"/> POLL. CONTROL	<input type="checkbox"/> PITS	<input type="checkbox"/> DISPOSAL
<input type="checkbox"/> SECURITY	<input type="checkbox"/> SAFETY	<input type="checkbox"/> OTHER	

GAS DISPOSITION:

<input type="checkbox"/> VENTED/FLARED	<input type="checkbox"/> SOLD	<input type="checkbox"/> LEASE USE
----------------------------------------	-------------------------------	------------------------------------

LEGEND: Y - YES OR SATISFACTORY  
 N - NO OR UNSATISFACTORY  
 NA - NOT APPLICABLE

\*FACILITIES INSPECTED: No location built well not drilled

REMARKS: \_\_\_\_\_

ACTION: NFIN

INSPECTOR: JM DATE 10-12-88

**PHONE CONVERSATION DOCUMENTATION FORM**

Route original/copy to:

**Well File** \_\_\_\_\_

**Suspense**  
(Return Date) \_\_\_\_\_

**Other**  
\_\_\_\_\_  
\_\_\_\_\_

(Location) Sec 2 Twp 16S Rng 2SE  
(API No.) \_\_\_\_\_

1. Date of Phone Call: 1/3/89 Time: 1:15 PM

2. DOGM Employee (name) Asllin (Initiated Call )  
Talked to:

Name Sony Henis (Initiated Call ) - Phone No. (303) 759-4400  
of (Company/Organization) Birch Corporation

3. Topic of Conversation: Asked if well was going to be re-entered.

4. Highlights of Conversation: Mr. Henis said they had not re-entered this well and would not until later in 1989 at which time they would resubmit a new APD.

STATE OF UTAH  
 DIVISION OF OIL, GAS AND MINING  
 OIL AND GAS INSPECTION RECORD

OPERATOR Buck Corp LEASE \_\_\_\_\_  
 WELL NO. Bitter Creek 2A API 43-019-3006.1  
 NW/NE SEC. 2 T. 16S R. 25E CONTRACTOR \_\_\_\_\_  
 COUNTY Garfield FIELD \_\_\_\_\_

DRILLING/COMPLETION/WORKOVER:

<input type="checkbox"/> APD	<input type="checkbox"/> WELL SIGN	<input type="checkbox"/> HOUSEKEEPING	<input type="checkbox"/> BOPE
<input type="checkbox"/> SAFETY	<input type="checkbox"/> POLL. CONTROL	<input type="checkbox"/> SURFACE USE	<input type="checkbox"/> PITS
<input type="checkbox"/> OPERATIONS	<input type="checkbox"/> OTHER		

SHUT-IN \_\_\_\_\_ / TA \_\_\_\_\_ :  
 WELL SIGN \_\_\_\_\_ HOUSEKEEPING \_\_\_\_\_ EQUIPMENT\* \_\_\_\_\_ SAFETY \_\_\_\_\_  
 OTHER \_\_\_\_\_

ABANDONED:  
 MARKER \_\_\_\_\_ HOUSEKEEPING \_\_\_\_\_ REHAB. \_\_\_\_\_ OTHER \_\_\_\_\_

PRODUCTION:  
 WELL SIGN \_\_\_\_\_ HOUSEKEEPING \_\_\_\_\_ EQUIPMENT\* \_\_\_\_\_ FACILITIES\* \_\_\_\_\_  
 METERING\* \_\_\_\_\_ POLL. CONTROL \_\_\_\_\_ PITS \_\_\_\_\_ DISPOSAL \_\_\_\_\_  
 SECURITY \_\_\_\_\_ SAFETY \_\_\_\_\_ OTHER \_\_\_\_\_

GAS DISPOSITION:  
 VENTED/FLARED \_\_\_\_\_ SOLD \_\_\_\_\_ LEASE USE \_\_\_\_\_

LEGEND: Y - YES OR SATISFACTORY  
 N - NO OR UNSATISFACTORY  
 NA - NOT APPLICABLE

\*FACILITIES INSPECTED: loc.

REMARKS: No work done on location of Bitter Creek 2.

ACTION: OK to use and APD

INSPECTOR: [Signature] DATE 4-25-89



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

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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

May 17, 1989

Birch Corporation  
3801 E. Florida, Suite 900  
Denver, Colorado 80210

Gentlemen:

RE: Bitter Creek #2A, Sec.2, T.16S, R.25E, Grand County, Utah,  
API No. 43-019-30061

Due to excessive time delay in commencing drilling operations, and in accordance with Utah Oil and Gas Conservation General Rule R615-3-4.4, approval to drill the subject well is hereby rescinded.

If it is your intent to proceed with operations on the well, you must file a new Application for Permit to Drill with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,

A handwritten signature in cursive script that reads "Don T. Staley".

Don T. Staley  
Administrative Supervisor

TAS/tc  
cc: E. W. Bonner  
D. R. Nielson  
R. J. Firth  
Well file  
WE16/106