

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 Co.

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 2100 ft FEL, 1350 ft FSL

At proposed prod. zone
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 21 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)
 540 ft (lse.ln.)

16. NO. OF ACRES IN LEASE
 960 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL
 60 acres

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2748 ft (No. 20-R)

19. PROPOSED DEPTH
 4093 ft

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5531 ft GL, 5541 ft KB

22. APPROX. DATE WORK WILL START
 September 1, 1992

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7" new	17.0#, H40	300 feet	140 sx 6' to surface
6-1/4"	4-1/2" new	10.5#, J55	4093 feet	175 sx 10-0 RFC

See attached Plan

RECEIVED

JUN 17 1992

DIVISION OF
OIL GAS & MINING

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 March 27, 1992

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY /S/ WILLIAM C. STRINGER TITLE Assistant District Manager for Minerals DATE JUN 15 1992

CONDITIONS OF APPROVAL, IF ANY:

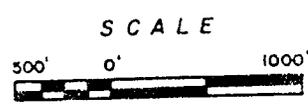
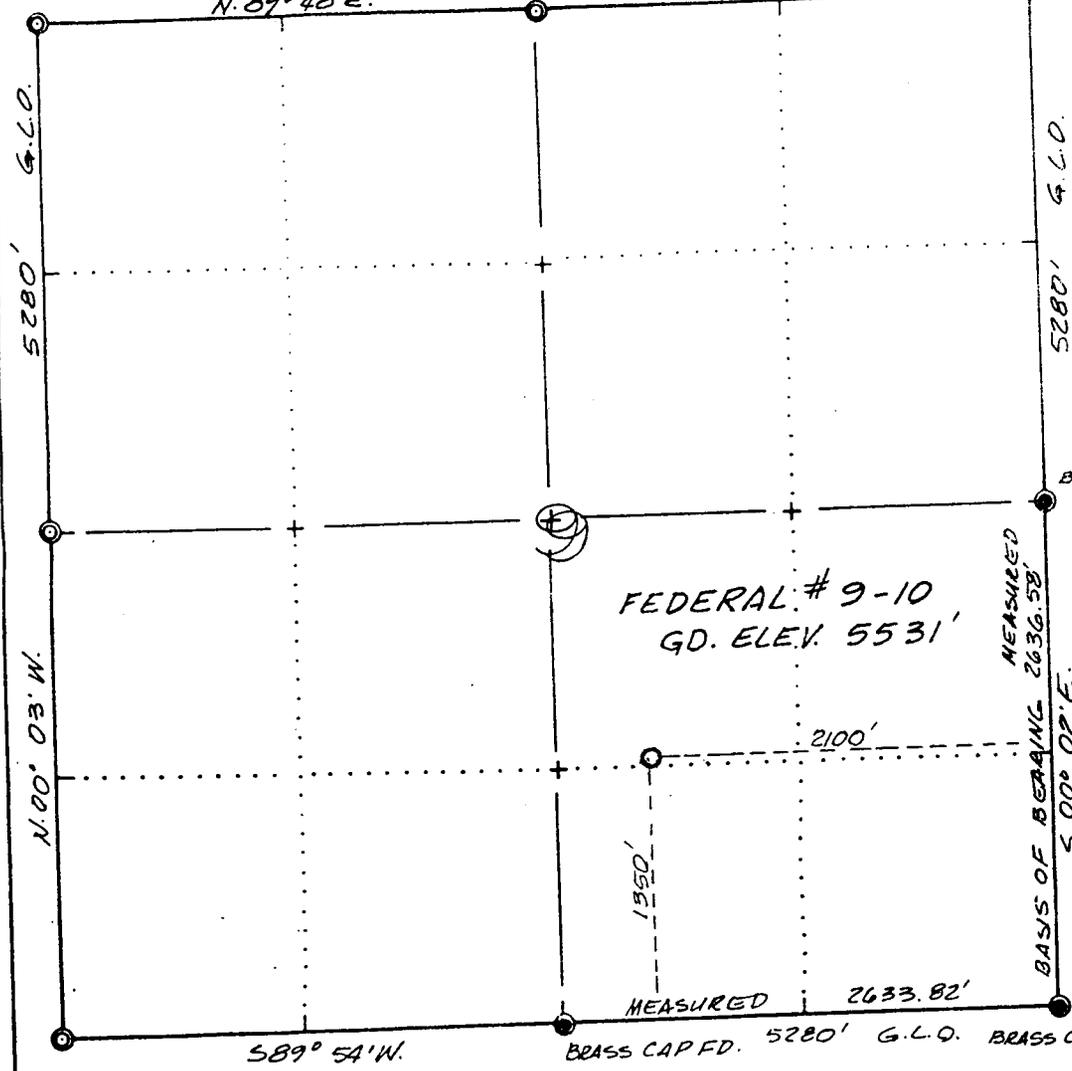
FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A

CONDITIONS

*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.

SEC. 9, T. 17S, R. 25W OF THE S.L.M.
 N. 89° 48' E. 5272.08' G.L.O.



- LEGEND -

- ⊙ STANDARD LOCATION OF GLO SECTION CORNERS.
- GLO CORNERS FOUND.
- ⊙ WELL LOCATION STAKED.

REFERENCE DOCUMENTS

- 1926 GLO PLAT
- BAR-X WASH, UT QUADRANGLE, U.S.G.S.

THIS WELL LOCATION PLAT WAS PREPARED FOR: LONE MOUNTAIN PRODUCTION
 TO LOCATE THE FEDERAL # 9-10, 1350' F.S.L. &
2100' F.E.L. IN THE SW 1/4 SE 1/4, OF SECTION 9, T. 17S, R. 25W
 OF THE S.L.M GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

I, Larry D. Becker: a Registered Land Surveyor In
 The State Of UTAH Do Hereby Certify That This
 Survey Was Made Under My Direct Supervision, and
 That This Plat Represents Said Survey.

Larry D. Becker
 UTAH P.L.S. 4189

SURVEYED	8/91	
DRAWN	9/91	
CHECKED	9/91	

ENERGY
 SURVEYS
 CORPORATION

361 PIKES PEAK DRIVE
 GRAND JUNCTION, CO. 81501
 (303) 245-7221

SCALE: 1" = 1000'
 JOB NO.
 SHEET OF

Lone Mountain Production Company
Bar-X Federal No. 9-10 well
NWSE Sec. 9, T. 17 S., R. 25 E.
Grand County, Utah
Lease U-04955

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 bond no. UT0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR 3104.2.

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

This permit will be valid for a period of one year from the date of approval. A one-time, 90 day extension of this period may be granted. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, 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 field representatives to insure compliance.

A. DRILLING PROGRAM

1. There will be no deviation from the proposed drilling and/or workover program without prior approval from the Assistant District Manager. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

2. Daily drilling and completion progress reports shall be submitted to the District office on a weekly basis.

3. The BLM shall be kept apprised of all fluids entering or leaving the pit, through either weekly drilling reports or a final status report, submitted with the completion report. Either of which shall be submitted prior to reclamation of the pits. Cuttings and air/mist shall be confined to the blooie pit/reserve pit and thereby minimizing the air/mist blowing past the blooie pit.

4. No trivalent or hexavalent chromate additives shall be used in the mud system. Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

5. BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded on the daily drilling report.

6. Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

7. When the completion program is determined, a sundry notice describing the completion shall be submitted to this office for approval.

8. Should the well become productive, the BLM, District Office must be notified no later than five business days after production begins. Notification shall be by letter or sundry notice, or orally to be followed by a letter or sundry notice.

9. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 Mmcf following its completion, whichever comes first, without prior written approval of the Authorized Officer.

10. Surface casing shall be equipped with a centralizer on each of the bottom three joints, and shall be cemented to the surface.

11. A float valve above the bit shall be in place and operational during air/gas drilling.

12. Cement behind the production casing must be brought up to at least 500 feet above the top of the highest potentially productive horizon.

B. SURFACE USE PLAN

1. In order to protect big game winter range, no drilling will be allowed from 12/1 to 4/15. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the authorized officer.
2. The dirt contractor will be furnished with an approved copy of the surface use plan and any additional BLM stipulations prior to starting any work.
3. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
4. Cattleguards will be installed if necessary during production operations. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.
5. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.
6. If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 150% of the storage capacity of the largest tank in the battery. All loading lines and valves will be placed inside the berm surrounding the tank battery.
7. All permanent (on-site for six (6) months or longer) structures constructed or installed (including oil well pumping units) shall be painted a flat, nonreflective, earth tone color to blend with the local environment, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities shall be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors shall be specified by the authorized officer at the time of installation.
8. All site security guidelines identified in 43 CFR 3162.7-5 regulations will be followed.
9. All off-lease storage, off-lease measurement, or commingling (on-lease or off-lease) shall have prior written approval from the Assistant District Manager.
10. At the end of drilling operations and prior to reclamation of the reserve pit, the fourth side of the reserve pit will be fenced and the top of the pit will be covered with netting of one inch or less to prevent access by birds.

B. SURFACE USE PLAN

1. The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

2. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.

3. A cultural resource clearance will be required before any construction begins. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject 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 (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

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 may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines 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.

4. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried all areas not needed for production will be rehabilitated.

5. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the Area Manager in advance.

6. Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

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

8. If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 150% of the storage capacity of the largest tank in the battery. All loading lines and valves will be placed inside the berm surrounding the tank battery.

9. All permanent (on-site for six (6) months or longer) structures constructed or installed (including oil well pumping units) shall be painted a flat, nonreflective, earth tone color to blend with the local environment, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities shall be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors shall be coordinated with the Price River Resource Area office prior to initiating painting.

10. All off-lease storage, off-lease measurement, or commingling (on-lease or off-lease) shall have prior written approval from the Assistant District Manager.

11. Pipeline construction activity is not authorized under this permit.

12. Copies of all water analysis required by the State of Utah in relation to surface discharge of produced water will be submitted to the Moab District Office, Bureau of Land Management.

13. Produced waste water will be confined to an unlined pit for a period not to exceed ninety (90) days after initial production. During the ninety (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 Assistant District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

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

15. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

C. REQUIRED NOTIFICATIONS AND APPROVALS

Required verbal notifications are summarized in Table 1, attached.

Spud- 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 (regardless of whether spud was made with a dry hole digger or big rig). If the spudding occurs on a weekend or holiday, the written report will be submitted on the following work day.

Undesirable Events/Immediate Reports- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- 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 may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed on production.

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

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and /or gas) will be submitted when requested by the Assistant District Manager.

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the BLM, Moab District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

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. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. 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.

Venting/Flaring of Gas- NTL-4A allows venting/flaring of gas during the initial well evaluation period not to exceed 30 days or 50 Mmcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.

TABLE 1

NOTIFICATIONS

Notify Elmer Duncan or Jack Johnson 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;

50 feet prior to reaching surface casing depths;

3 hours prior to testing BOPE;

If the person at the above number cannot be reached, notify Fred Oneyear in the Moab District Office at (801) 259-6111 or at home at (801) 259-5937. If unsuccessful, notify one of the people listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Dale Manchester, Petroleum Engineer	Office: (801) 259-6111
	Home: (801) 259-6239

Eric Jones, Petroleum Engineer	Office: (801) 259-6111
	Home: (801) 259-2214

If unable to reach the above individuals, please call the following:

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

RECEIVED J 18

SUBMIT IN TIME DATE
(Other instructions on reverse side)

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

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 Co.

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 2100 ft FEL, 1350 ft FSL
At proposed prod. zone Same

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

10. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 540 ft (lse.ln.)
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE 960 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL 60 acres

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2748 ft (No. 20-R)

19. PROPOSED DEPTH 4093 ft

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5531 ft GL, 5541 ft KB

22. APPROX. DATE WORK WILL START
September 1, 1992

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7" new	17.0#, H40	300 feet	140 sx 10-0 to surface
6-1/4"	4-1/2" new	10.5#, J55	4093 feet	175 sx 10-0 RFC

See attached Plan

RECEIVED

FEB 10 1993

DIVISION OF
OIL, GAS & MINING

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 March 27, 1992

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY William C. Hays TITLE Assistant District Manager DATE 6/15/92

CONDITIONS OF APPROVAL, IF ANY:

FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A

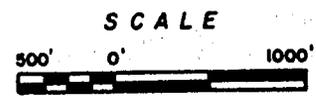
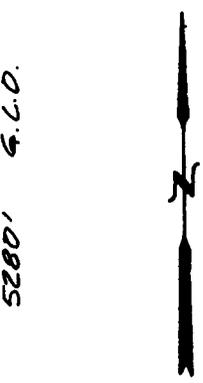
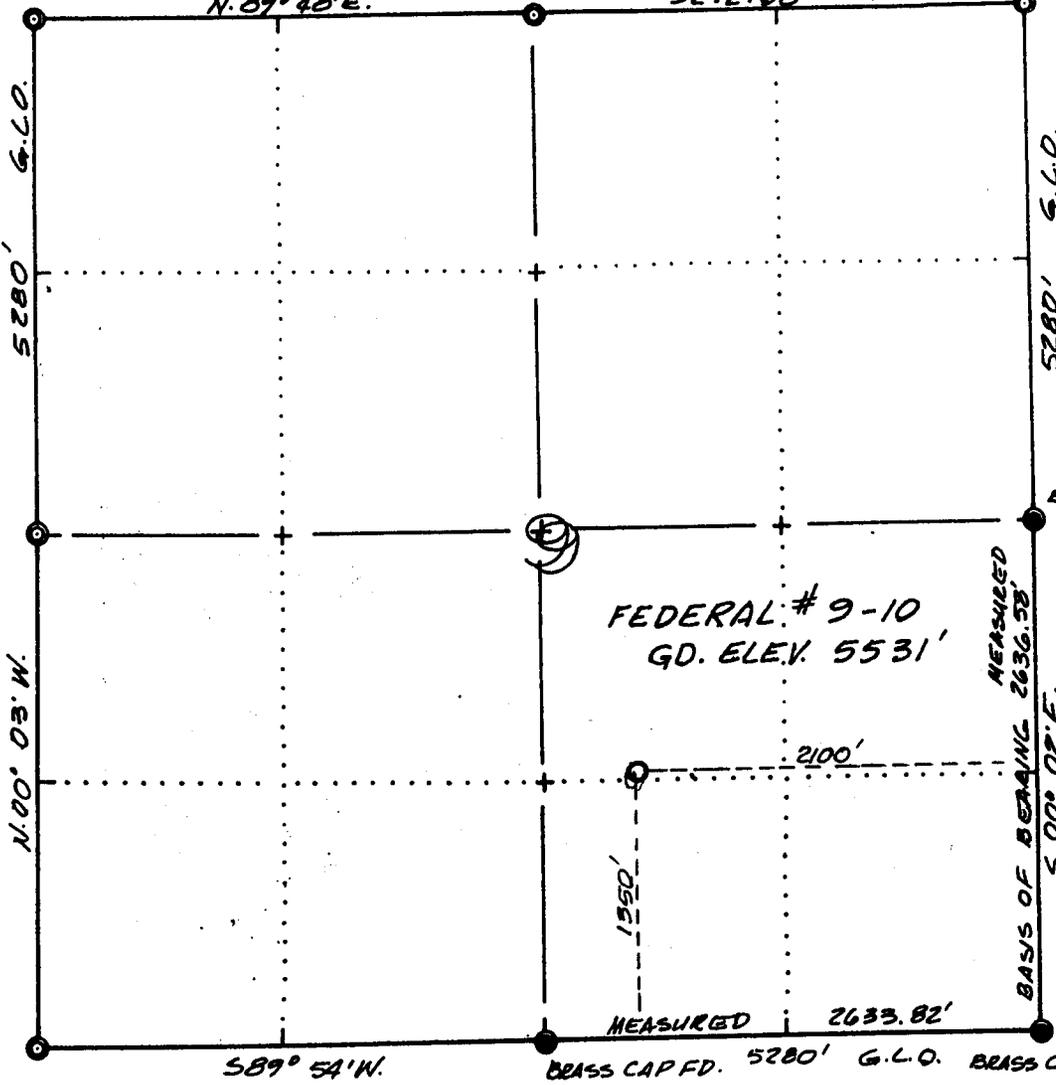
CONDITIONS

*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.

PLAT # 1

SEC. 9, T. 173, R. 25N OF THE S.L.M.
N. 89° 48' E. 5272.08' G.L.O.



- LEGEND -

- ⊙ STANDARD LOCATION OF GLO SECTION CORNERS.
- GLO CORNERS FOUND.
- ⊙ WELL LOCATION STAKED.

REFERENCE DOCUMENTS

- 1926 GLO PLAT
- BAR-X WASH, UT
- QUADRANGLE, U.S.G.S.

THIS WELL LOCATION PLAT WAS PREPARED FOR: LONE MOUNTAIN PRODUCTION
 TO LOCATE THE FEDERAL # 9-10, 1350' F.S.L. & E
2100' F. E. L. IN THE SW 1/4 SE 1/4, OF SECTION 9, T. 173, R. 25N
 OF THE S.L.M GRAND COUNTY, UTAH

SURVEYOR'S CERTIFICATE

I, Larry D. Becker: a Registered Land Surveyor In
 The State Of UTAH Do Hereby Certify That This
 Survey Was Made Under My Direct Supervision, and
 That This Plat Represents Said Survey.

Larry D. Becker
 UTAH P.L.S. 4189

SURVEYED	8/91	
DRAWN	9/91	
CHECKED	9/91	

ENERGY
 SURVEYS
 CORPORATION

361 PIKES PEAK DRIVE
 GRAND JUNCTION, CO. 81503
 (303) 245-7221

SCALE: 1" = 1000'
JOB NO.
SHEET OF.

LONE MOUNTAIN PRODUCTION COMPANY

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

(406) 245-5077
FAX 248-6321

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

February 8, 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: Application for Permit to Drill
Federal No. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 9-T17S-R25E
Grand County, Utah

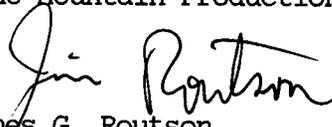
Dear Ron:

Enclosed in duplicate is an APD for the above referenced well. Also enclosed is a copy of the cover page showing BLM approval. It is our intention to drill the well in June of this year.

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

xc: Joe Dyk
Burton W. Hancock

RECEIVED

FEB 10 1993

DIVISION OF
OIL, GAS & MINING

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 Co.

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: 2100 ft FEL, 1350 ft FSL
 At proposed prod. zone: Same

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

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

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2748 ft (No. 20-R) 4093 ft (MRSN)

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5531 ft GL, 5541 ft KB

5. LEASE DESIGNATION AND SERIAL NO.
 U-04955

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

7. UNIT AGREEMENT NAME
 None

8. FARM OR LEASE NAME
 Federal

9. WELL NO.
 No. 9-10

10. FIELD AND POOL, OR WILDCAT
 Bar-X

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 NWSE Sec 9-T17S-R25E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

16. NO. OF ACRES IN LEASE
 960 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL
 160 acres

20. ROTARY OR CABLE TOOLS
 Rotary

22. APPROX. DATE WORK WILL START
 September 1, 1992

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7" new	17.0#, H40	300 feet	140 sx 7/8" to surface
6-1/4"	4-1/2" new	10.5#, J55	4093 feet	175 sx 10-0 RPC

See attached Plan

RECEIVED
 FEB 10 1993
 DIVISION OF
 OIL GAS & MINING

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: March 27, 1992

(This space for Federal or State office use)
 PERMIT NO. 43-019-31333 APPROVAL DATE: _____

APPROVED BY: _____ TITLE: _____
 CONDITIONS OF APPROVAL, IF ANY: _____
 APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
 DATE: 2-16-93
 BY: [Signature]

WELL SPACING: 13-6 (2)

*See Instructions On Reverse Side

Application for Permit to Drill
Federal No. 9-10
NWSE Section 9-T17S-R25E
Grand County, Utah

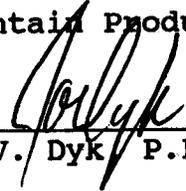
1. The surface formation is the Mancos.
2. Anticipated geologic markers are: Dakota silt 3671', Dakota sand 3746', Morrison 3876', and TD 4093'.
3. Gas is anticipated in the Dakota and Morrison. No oil or other minerals are anticipated. No water sands are expected.
4. Proposed casing program: See item no. 23
5. Pressure control equipment: See attached well control plan and schematic of Drilling contractor's BOP stack. BOP's will be tested before drilling out from under surface casing and checked daily.
6. 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 1, 1992. 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. 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 + 2% 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 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 900 psi at 4093' or 0.22 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

Lone Mountain Production Co.

By: _____


J. V. Dyk P.E.

SURFACE USE PLAN

Lone Mountain Production
Federal No. 9-10
NWSE Section 9-T17S-R25E
Grand County, Utah

1. EXISTING ROADS

See Maps #1 and #2 and Plat #1. This proposed well is located approximately 21 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 4.1 miles to the state line fence. Continue northwesterly up 2 road for 5.8 miles. Take "Y" to the left and proceed west 0.3 miles. Turn right by old corral and proceed 0.5 miles into location.

2. ACCESS ROADS TO BE CONSTRUCTED

The proposed 1200 feet of access road will be constructed with an 18 foot travel width. The entire construction area is on private surface. Lone Mountain has obtained a surface use agreement with McIntyre Livestock Corporation (surface owner). See Map #1 and Plat #2.

Drivable waterbars or "thank-you-mams" will be installed at approximately 250 foot intervals on 1 to 4 percent grades. Placement of a culvert will take the place of a waterbar.

Drivable waterbars will be installed prior to moving the drilling rig onto the location.

3. LOCATION OF EXISTING WELLS

8 producing wells and 2 plugged and abandoned wells are within one mile radius. See Map #3.

4. LOCATION OF PRODUCTION FACILITIES

See Plat #4. Every thing will be painted non reflective 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

No ancillary facilities are planned.

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 accommodate 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 south edges 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 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 biodegradable 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 September 15 and prior to October 31 of the fall of 1992, if feasible, but not later than the fall of 1993.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accommodate 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 belong to McIntyre Livestock Company. Arrangements have been made with McIntyre for use of the surface.

12. OTHER INFORMATION

The vegetation includes sagebrush, greasewood, shadscale, prickly pear cactus, cheatgrass, Indian rice grass, and Colorado wild rye.

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.

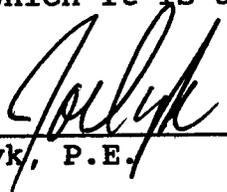
13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

James G. Routson
Petroleum Engineer
P.O. Box 3394
Billings, Montana 59103
Office Phone: 406-245-5077
Home Phone: 406-245-8797

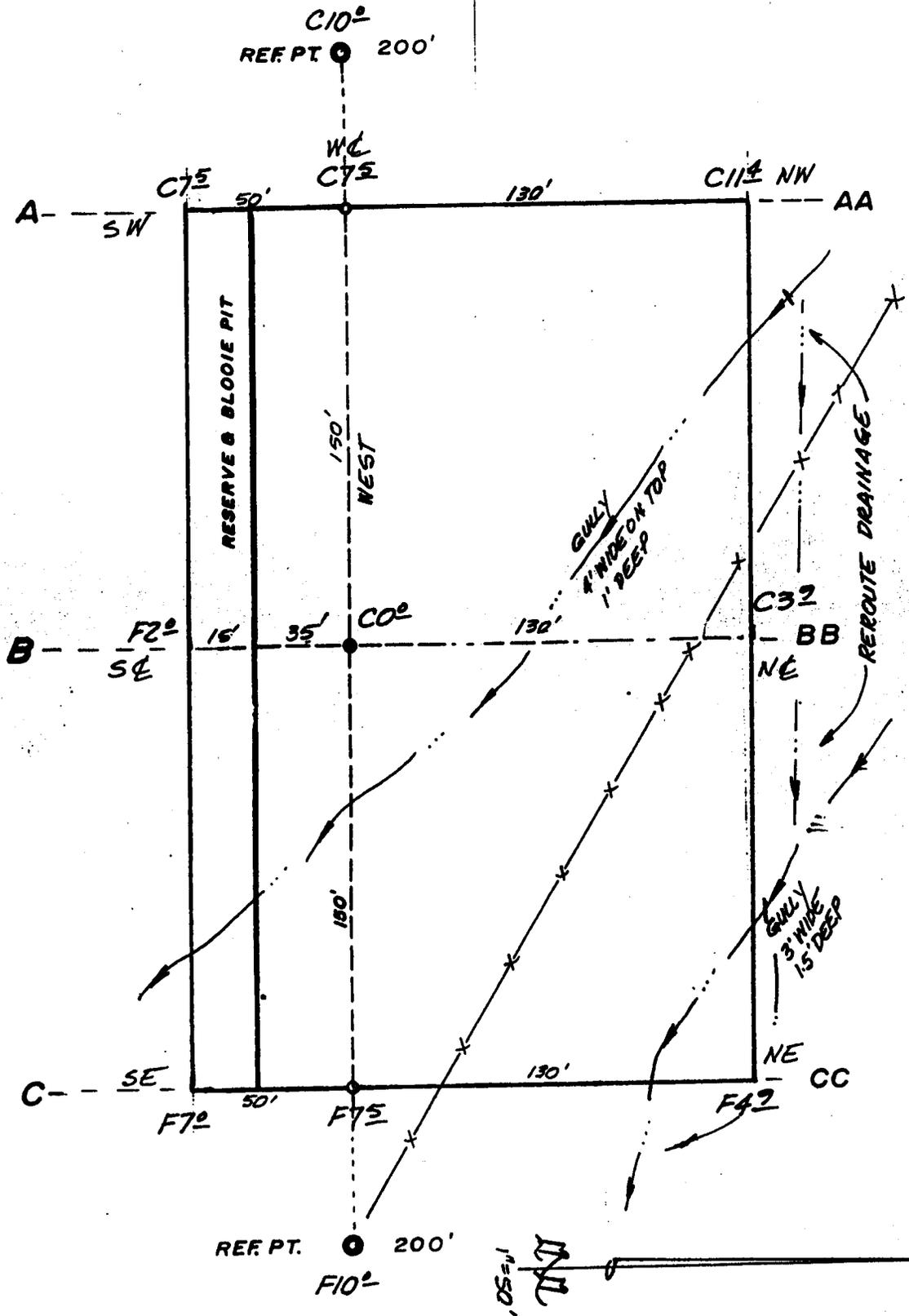
Joe Dyk
Petroleum Engineer
777 Valley Court
Grand Junction, Colorado 81505
Office Phone: 303-243-5906
Home Phone: 303-858-0536

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 and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

March 27, 1992
Date


Joe Dyk, P.E.

**PLAT NO. 2
PIT & PAD LAYOUT**



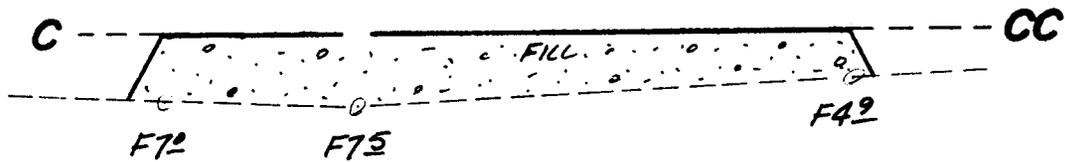
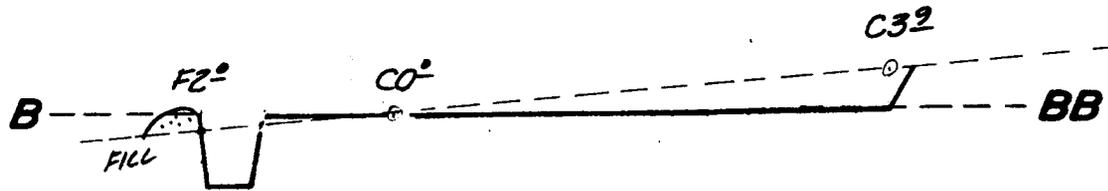
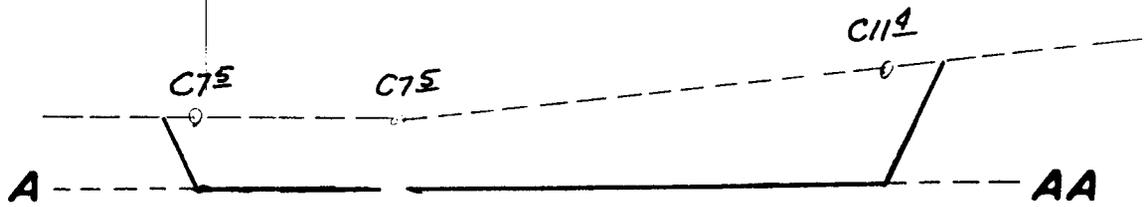
05211
N

ESTIMATED DIRT QUANTITIES				
ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD				
PIT				

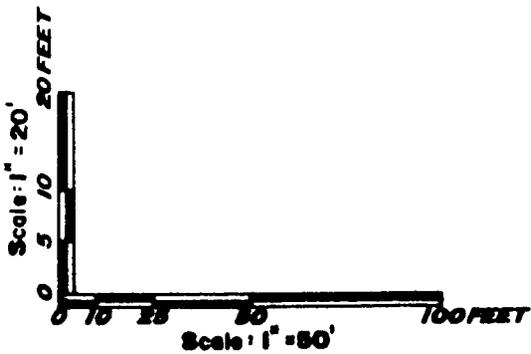
LONE MOUNTAIN PRODUCTION

ENERGY SURVEYS & ENGINEERING
GRAND JUNCTION, COLORADO 303-248-7881

PLAT NO. 3
CROSS SECTIONS OF PIT & PAD

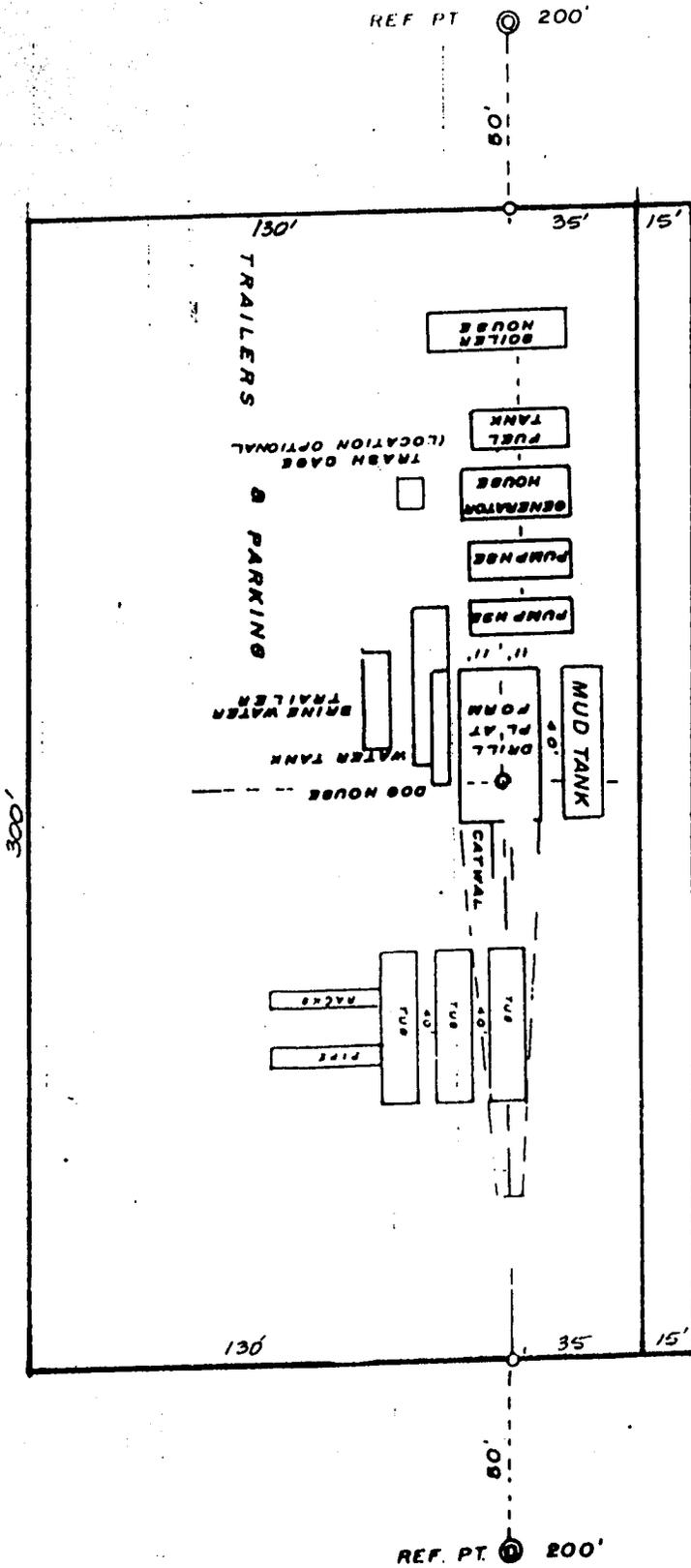


LONE MOUNTAIN PRODUCTION

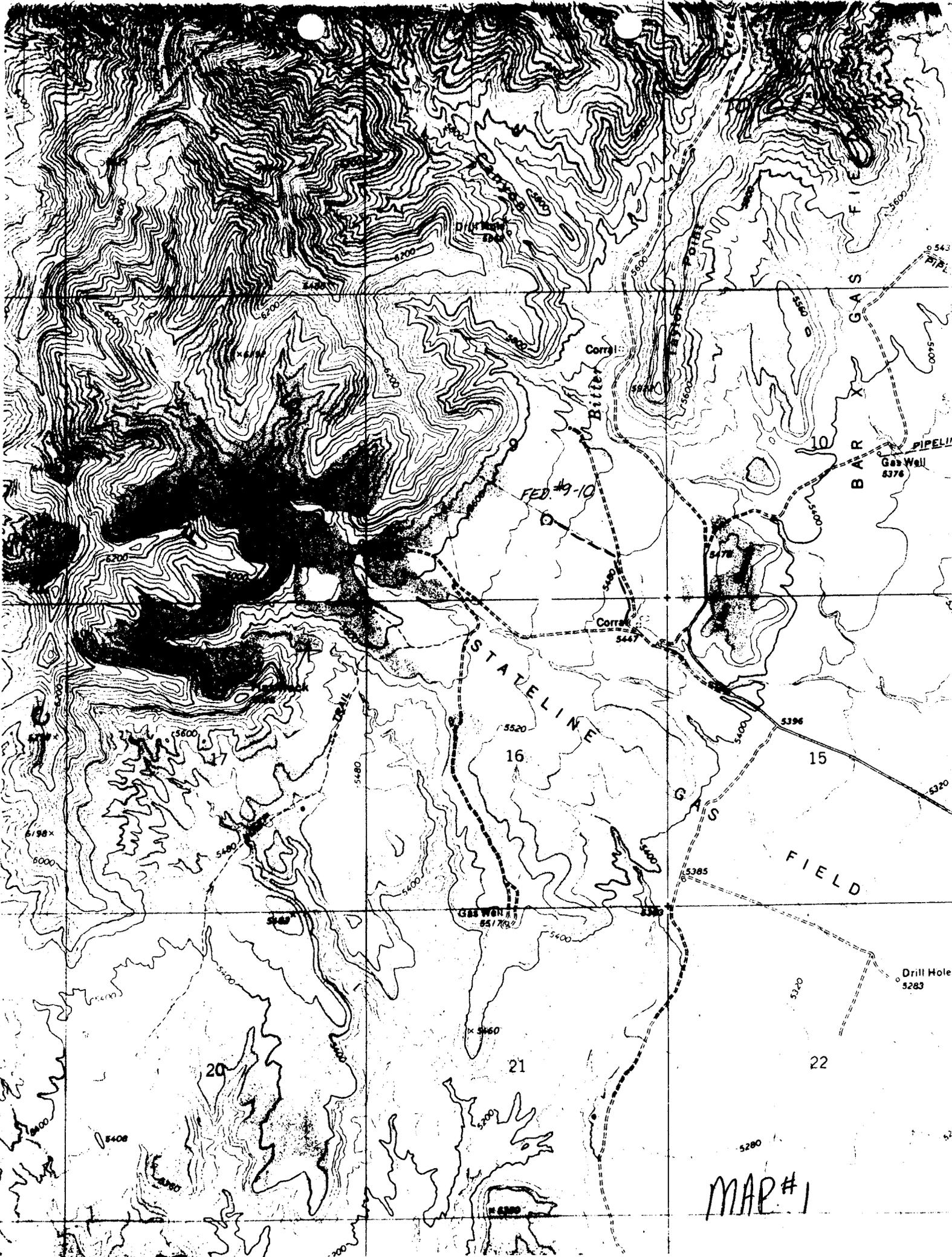


SURVEYED	8/91		ENERGY SURVEYS & ENGINEERING CORP.
DESIGN	7/91		
CHECKED	7/91		

PLAT # 4
RIG LAYOUT



LONE MTN. PRODUCTION CO.
FED # 9-10



1

RIGHT-OF-WAY AGREEMENT

THIS AGREEMENT made and entered into this 9th day of March, 1992, by and between MCINTYRE LIVESTOCK CORPORATION, a Colorado corporation, whose address is Route 1, Box 121, Fruita, Colorado 81521 (McIntyre), and LONE MOUNTAIN PRODUCTION COMPANY, whose address is P.O. Box 3394, Billings, Montana 59103-3394 (Lone Mountain).

WITNESSETH

WHEREAS, McIntyre owns the real property described on Exhibit A hereto attached situated in the county of Grand, State of Utah; and

WHEREAS, Lone Mountain possesses federal and state oil and gas leases and proposes to explore, drill, and produce oil or gas from a drill site to be located in the NW1/4 SE1/4 Section 9, in Township 17 South, Range 25 East of the Salt Lake Meridian, to be known as Federal No. 9-10 (9-10); and

WHEREAS, 9-10 is situated upon property owned by McIntyre and the exploration and development of a well at this site will result in surface damages to McIntyre's property; and

WHEREAS, to access the drillsite above mentioned, it is necessary for Lone Mountain to utilize roads situated on or extend roads through, McIntyre's real property; and

WHEREAS, the parties have determined that it is in their interest to enter into this agreement setting forth and defining Lone Mountain's obligation to reimburse McIntyre for (a) surface damages, and (b) rights to ingress and egress across the McIntyre's property.

COVENANTS AND AGREEMENTS

NOW, THEREFORE, for and in consideration and mutual covenants and agreements herein contained, and in furtherance of the above made, the parties hereto covenant and agree as follows:

1. For and in consideration of \$3,000.00 paid by Lone Mountain to McIntyre, McIntyre agrees that Lone Mountain may:

1.1 access the 9-10 well site over and across McIntyre lands;

1.2 construct the necessary access roads from existing roads to the 9-10 drill site;

1.3 prepare a drill site on said section 9 to aid in the exploration of the proposed 9-10 well; and

1.4 construct necessary pipeline facilities to deliver any production encountered from the well to market.

2. Lone Mountain agrees to re-seed and clean up, i.e., remove all debris and foreign materials from the areas which it disturbs in connection with its road construction, exploration and development and installation of pipeline activities on the McIntyre property.

3. The rights herein granted to Lone Mountain are subject to the following limitations:

3.1 The rights are personal to Lone Mountain and are nonassignable and nontransferable to a third party, partnership, or corporation, except in the event Lone Mountain makes an assignment of its entire rights under the leasehold affecting said well, in which its interest in this agreement may be assigned to such assignee, subject to the limitations herein contained; and

3.2 Lone Mountain, or its permitted assignee, may not use the access rights granted herein for any purpose except accessing the site and pipeline herein described.

4. This agreement shall be binding upon the heirs, successors, representatives and assigns of each of the parties hereto.

IN WITNESS WHEREOF, the parties hereto set their hands and seals the day and year first above written.

McINTYRE LIVESTOCK COMPANY
a Colorado corporation

by *Sam A. McIntyre*
President

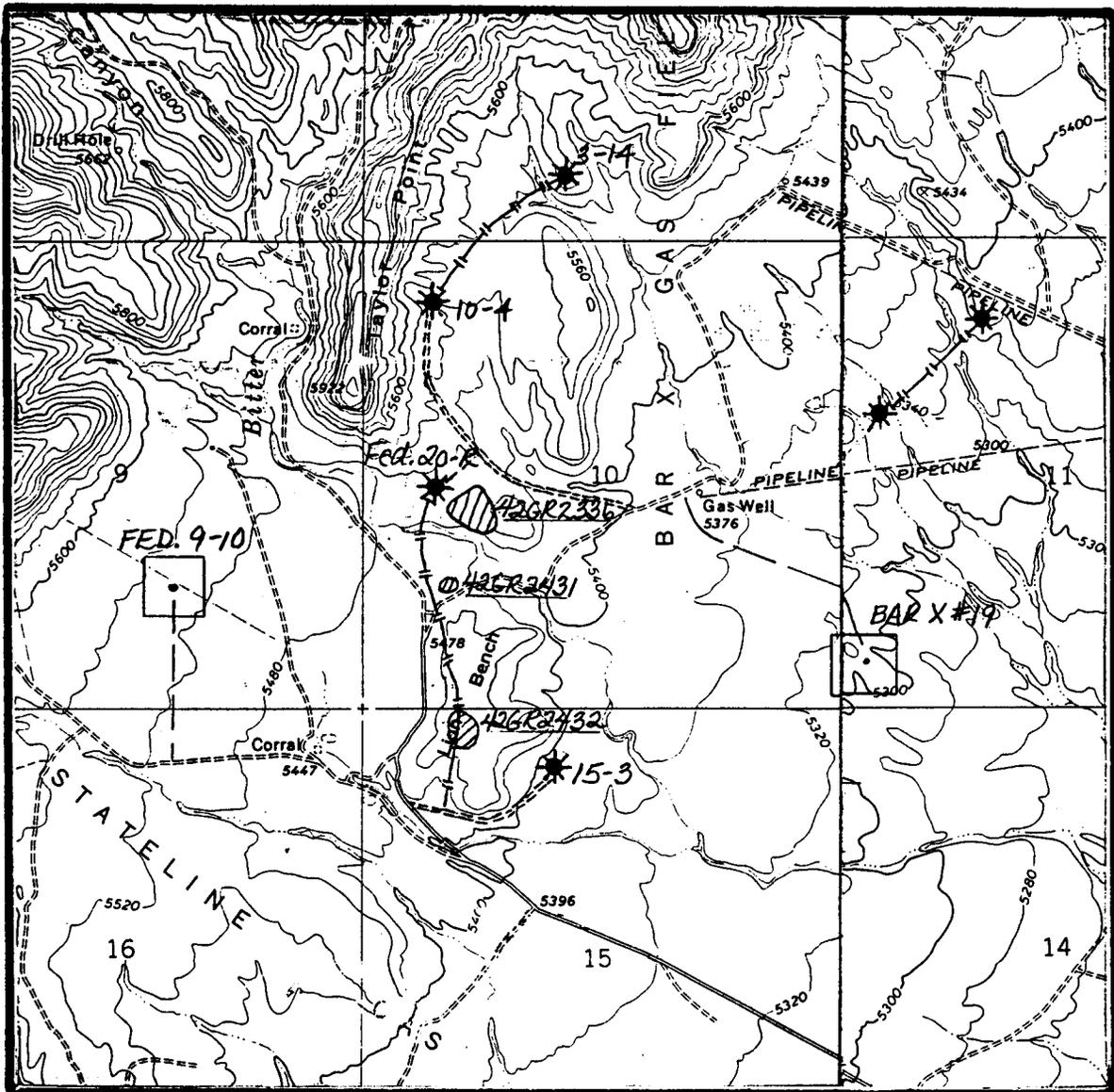
LONE MOUNTAIN PRODUCTION COMPANY

by *John A. ...*
District Engineer

EXHIBIT A

SE1/4SE1/4 of Section 8; S1/2SW1/4, SE1/4, SW1/4NE1/4 of Section 9; W1/2NE1/4, SE1/4NW1/4, NE1/4SW1/4, W1/2SW1/4 of Section 10; NW1/4NW1/4 of Section 15; NE1/4NE1/4 of Section 17; All of Section 16, all in Township 17 South, Range 25 East of the Salt Lake Meridian.

All of Section 19, Township 17 South, Range 26 East of the Salt Lake Meridian.



Bryson Canyon and Bar X Wash Quadrangles
 Utah--Grand County
 1970/Photorevised 1987
 USGS 7.5' Series (topographic)
 Scale 1:24000
 Contour interval 40 feet

T. 17S., R. 25E., S.L.P.M.

Cultural resources inventory on the proposed Bar X #19 and Fed. #9-10 well locations and related access routes in Grand County, Utah, for Lone Mountain Production. Areas surveyed for cultural resources are highlighted. [GRI Project No. 9154, 11/15/91]

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

DATE RECEIVED: 02/10/93

OPERATOR: LONE MOUNTAIN PRODUCTION
WELL NAME: FEDERAL 9-10

OPERATOR ACCT NO: N-7010

API NO. ASSIGNED: 43-019-31333

LEASE TYPE: FED LEASE NO: U-04955
LOCATION: NWSE 09 - T17S - R25E GRAND COUNTY
FIELD: BAR-X FIELD CODE: 160

RECEIVED AND/OR REVIEWED:

- Plat
- Bond
(Number federal)
- Potash (Y/N)
- Oil shale (Y/N)
- Water permit
(Number no permit #)
- RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

- R649-2-3. Unit: _____
- R649-3-2. General.
- R649-3-3. Exception.
- Drilling Unit.
Board Cause no: 13-b (w)
Date: 3-26-87

COMMENTS:

falls within 160 ac. guidelines.
480 acre drilling unit - Section 9: E 1/2 + Section 10: W 1/2 W 1/2
Township 17S, Range 25 East
Wells: #10-4 NW 1/4 NW 1/4 Sec 10, 575' FNL & 810' FNL, producing.
#20-R NW 1/4 SW 1/4 Sec 10 730' FSL & 794' FNL, producing.
#20 NE 1/4 SE 1/4 Sec 9, 1593' FSL & 112' FEL, 8-1-91.

STIPULATIONS:

~~total permit~~
cc: Grand county assessor



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter

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

February 16, 1993

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

Gentlemen:

Re: Federal No. 9-10 Well, 1350 feet from the south line, 2100 feet from the east line, NW 1/4 SE 1/4, Section 9, Township 17 South, Range 25 East, Grand County, Utah

Pursuant to Utah Code Ann. § 40-6-6, (1953, as amended) and the order issued by the Board of Oil, Gas and Mining in Cause No. 13-6(2) dated March 26, 1987, approval to drill the referenced well is hereby granted.

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

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
2. Notification within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.

Page 2
Lone Mountain Production Company
Federal No. 9-10 Well
February 16, 1993

6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

Trash and sanitary waste should be properly contained and transported to approved disposal locations, not retained in or disposed of in pits on location or downhole. Prior to the commencement of drilling operations, the operator should consult the local/county sanitarian and/or the Department of Environmental Quality, Division of Drinking Water/Sanitation, regarding appropriate disposal of sanitary waste.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-019-31333.

Sincerely,



R.J. Fifth
Associate Director, Oil and Gas

ldc
Enclosures
cc: Bureau of Land Management
Grand County Assessor
J.L. Thompson
WO11

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

August 18, 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: FEDERAL NO. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 9-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE & ENTITY ACTION FORM

Dear Ron:

Enclosed in duplicate are the referenced notices for our Federal No. 9-10 well which was spud at 9:30 P.M., August 17, 1993. I gave a verbal notice of spud to Frank Matthews at 9:00 A.M. today.

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

Very truly yours,

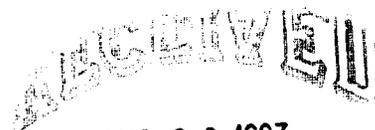
Lone Mountain Production Company



James G. Routson
President

Enclosures

xc: Joe Dyk



AUG 20 1993

DIVISION OF
OIL, GAS & MINING

OPERATOR LONE MOUNTAIN PRODUCTION CO

OPERATOR CODE N7210

ENTITY ACTION FORM - DOGM FORM 6

ADDRESS P O BOX 3394

PHONE NO. 406 245-5077

BILLINGS MT 59103-3394

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

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11512	43-019-31333	Federal No. 9-10	NWSE	9	17S	25E	Grand	8-17-93	8-17-93
COMMENTS: <i>Entity added 8-24-93. f. Lee</i>											
COMMENTS:											
COMMENTS:											
COMMENTS:											
COMMENTS:											
COMMENTS:											

APPROVED
AUG 20 1993

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

DIVISION OF OIL, GAS & MINING

Jana Rauten
 SIGNATURE
 President
 TITLE
 8-18-93
 DATE

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

August 18, 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: FEDERAL NO. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 9-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE & ENTITY ACTION FORM

Dear Ron:

Enclosed in duplicate are the referenced notices for our Federal No. 9-10 well which was spud at 9:30 P.M., August 17, 1993. I gave a verbal notice of spud to Frank Matthews at 9:00 A.M. today.

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

Enclosures

xc: Joe Dyk

AUG 20 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-04955

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Federal

8. Well Name and No.

No. 9-10

9. API Well No.

43-019-31333

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

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 59103-3394

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

1350' FSL, 2100' FEL Sec 9: T17S-R25E

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" 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 Spud
	<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.)*

Referenced well was spud 9:30 pm, Tuesday, August 17, 1993. Prior notice of spud was given verbally to Jack Johnson at (801) 259-8193 7:30 am, Tuesday, August 17, 1993 by Bill Lloyd of Lone Mountain.

RECEIVED

AUG 20 1993

**DIVISION OF
OIL, GAS & MINING**

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

Signed *James D. Beaton*

Title President

Date 8-18-93

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

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**

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-04955

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Federal

8. Well Name and No.

No. 9-10

9. API Well No.

43-019-31333

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

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 59103-3394

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

1350' FSL, 2100' FEL Sec 9: T17S-R25E

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" 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 Spud
	<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.)*

Referenced well was spud 9:30 pm, Tuesday, August 17, 1993. Prior notice of spud was given verbally to Jack Johnson at (801) 259-8193 7:30 am, Tuesday, August 17, 1993 by Bill Lloyd of Lone Mountain.

RECEIVED

AUG 20 1993

DIVISION OF
OIL, GAS & MINING

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

Signed James D. Ranta

Title President

Date 8-18-93

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

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

RECEIVED

AUG 25 1993

DIVISION OF
OIL, GAS & MINING

August 23, 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: FEDERAL NO. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 9-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE & REPORT OF WATER ENCOUNTERED

Dear Ron:

Enclosed in duplicate are the referenced notices for our Federal No. 9-10 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

Enclosures

xc: Joe Dyk

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-04955

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Federal

8. Well Name and No.

No. 9-10

9. API Well No.

43-019-31333

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

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 59103-3394

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

1350' FSL, 2100' FEL Sec 9: T17S-R25E
(NW $\frac{1}{4}$ SE $\frac{1}{4}$)

AUG 25 1993

DIVISION OF
OIL, GAS & MINING

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" 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 <u>Status Report</u>
	<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.)*

Drilled 8 3/4" hole to 315'. Ran 7" casing to 304'. Cemented to surface with 175 sacks Class "G".

Drilled 6 1/4" hole to TD 4132'. Ran Logs. Log Tops: Dakota Silt-3640' (+1902), Dakota Sand-3750' (+1792), Morrison-3830 (+1702).

Ran 4 1/2" casing to 4126'. Cemented with 175 sacks of 10-0 Thixotropic.

Rig released 1:45 am, 8-23-93.

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

Signed

John S. Rowton

Title

President

Date

8-23-93

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

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.

SUBMIT IN TRIPLICATE

AUG 25 1993

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Lone Mountain Production Company

DIVISION OF

OIL, GAS & MINING

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)

1350' FSL, 2100' FEL Sec 9: T17S-R25E
(NW $\frac{1}{4}$ SE $\frac{1}{4}$)

5. Lease Designation and Serial No.

U-04955

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Federal

8. Well Name and No.

No. 9-10

9. API Well No.

43-019-31333

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

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 Status Report

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.)*

Drilled 8 3/4" hole to 315'. Ran 7" casing to 304'. Cemented to surface with 175 sacks Class "G".

Drilled 6 1/4" hole to TD 4132'. Ran Logs. Log Tops: Dakota Silt-3640' (+1902), Dakota Sand-3750' (+1792), Morrison-3830 (+1702).

Ran 4 1/2" casing to 4126'. Cemented with 175 sacks of 10-0 Thixotropic.

Rig released 1:45 am, 8-23-93.

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

Signed James A. Rantan

Title President

Date 8-23-93

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

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

ORIGINAL

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7 (1/89)

AUG 25 1993

DIVISION OF
 OIL, GAS & MINING

1. Well name and number: Federal No. 9-10
 API number: 43-019-31333
2. Well location: QQ NWSE section 9 township 17S range 25E county Grand
3. Well operator: Lone Mountain Production Company
 Address: P. O. Box 3394 phone: (406) 245-5077
Billings, MT 59103
4. Drilling contractor: Veco Drilling Company, Inc. Rig No. 2
 Address: P. O. Box 1705 phone: (303) 242-6912
Grand Junction, CO 81502

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

Depth		Volume (flow rate or head)	Quality (fresh or salty)
from	to		
0	4132	none encountered	

6. Formation tops:	<u>Dakota silt</u>	<u>3640</u>	<u>+1902</u>
	<u>Dakota sand</u>	<u>3750</u>	<u>+1792</u>
	<u>Morrison</u>	<u>3830</u>	<u>+1712</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 President Date 8-27-93

Comments:

RECEIVED

AUG 25 1993

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7 (1/89)

DIVISION OF
OIL, GAS & MINING

1. Well name and number: Federal No. 9-10
API number: 43-019-31333
2. Well location: QQ NWSE section 9 township 17S range 25E county Grand
3. Well operator: Lone Mountain Production Company
Address: P. O. Box 3394 phone: (406) 245-5077
Billings, MT 59103
4. Drilling contractor: Veco Drilling Company, Inc. Rig No. 2
Address: P. O. Box 1705 phone: (303) 242-6912
Grand Junction, CO 81502

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

Depth		Volume (flow rate or head)	Quality (fresh or salty)
from	to		
0	4132	none encountered	

6. Formation tops: Dakota silt 3640 +1902
Dakota sand 3750 +1792
Morrison 3830 +1712

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 President Date 8-23-93

Comments:

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 1, 1993

RECEIVED

SEP 07 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: FEDERAL NO. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 9-T17S-R25E
GRAND COUNTY, UTAH
SUNDRY NOTICE

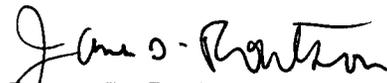
Dear Ron:

Enclosed in duplicate is a sundry notice outlining the completion procedure for our Federal No. 9-10 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

Enclosures

xc: Joe Dyk

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.

RECEIVED

SUBMIT IN TRIPLICATE

SEP 07 1993

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)
 1350' FSL, 2100' FEL Sec 9: T17S-R25E
 (NW $\frac{1}{4}$ SE $\frac{1}{4}$)

5. Lease Designation and Serial No.
 U-04955

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
 Federal

8. Well Name and No.
 No. 9-10

9. API Well No.
 43-019-31333

10. Field and Pool, or Exploratory Area
 Bar X

11. County or Parish, State
 Grand County, UT

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 <u>Completion</u>
	<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 intends to complete the Fed No. 9-10 well as per the attached completion procedure.

We hope to start about September 15, 1993 depending upon rig availability.

9-8-93
Matthews

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

Signed James S. Rountan Title President Date 9-1-93

(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.

RECEIVED

SEP 07 1993

DIVISION OF
OIL, GAS & MINING

FED. NO. 9-10

COMPLETION PROCEDURE

4½", 10.5#, J-55 casing
@ 4126', float @ 4082'
cemented with 175 sx.

- 1: Rig up mast truck and wireline truck. Run GR-CBL-VDL logs PBTD to cement top. Rig down wireline truck.
- 2: MIRU service rig. Nipple up tubing head & BOP's. Run 2 3/8" tbg, 4½" casing scraper, 3 3/4" bit to PBTD. Circulate well clean. Pressure test casing, tbg head & BOP's to 4000 psi. Drop standing valve, test tubing to 7000 psi. Swab well dry, COH with tubing.
- 3: Run 2 3/8" tubing with SN on bottom to ± 3940. Nipple down BOP's, nipple up tree.
- 4: Rig up wireline truck, perforate the Morrison through tubing, 3964'-3978', 4 SPF, 57 shots total. Rig down wireline truck. Test well and catch gas sample.
- 5: Rig down and move off service rig.

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 21, 1993

RECEIVED

SEP 23 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: FEDERAL NO. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC. 9-T17S-R25E
GRAND COUNTY, UTAH
WELL COMPLETION REPORT

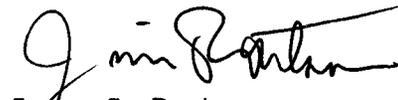
Dear Ron:

Enclosed in duplicate is a Well Completion Report for the Federal No. 9-10 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

SUBMIT IN DUPLIC.

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

(See other In-
structions on
reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

U-04955

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

No. 9-10

10. FIELD AND POOL, OR WILDCAT

Bar-X

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

NWSE Sec. 9-T17S-R25E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other **SEP 23 1993**

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESRV. Other **DIVISION OF OIL, GAS & MINING**

2. NAME OF OPERATOR
Lone Mountain Production Company

3. ADDRESS OF OPERATOR
P.O. Box 3394, 100 N. 27th St., Suite 450, Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface **1350' FSL, 2100' FEL, Sec. 9**

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

At total depth **same**

14. PERMIT NO. DATE ISSUED

43-019-31333 2-16-93

15. DATE SPUDDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RKB, RT, GE, ETC.)* 19. ELEV. CASINGHEAD

8-17-93 8-21-93 9-19-93 5531 GL, 5541 KB 5533

20. TOTAL DEPTH, MD & TVD 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS

4132 4081 → 0-TD

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE

Morrison 3964'-3978' No

26. TYPE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORED

GR-FDC-CNL, SP-DIL, GR-CBL-VDL 9-20-23 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"	175 sx (to surface)	None
4 1/2"	10.5# J-55	4126	6 1/4"	175 sx (top at 2480')	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-3/8"	3938	None

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

**Morrison 3964-3978
1 SPF, 15 holes total, .4" dia.**

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	None

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
9-18-93	Flowing	shut-in

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
9-19-93	1	3/4	→	0	87	0	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
160 psi	830 psi	→	0	2100	0	

34. DISPOSITION OF GAS (Bold, used for fuel, vented, etc.) TEST WITNESSED BY

vented 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. Koutson TITLE **Petroleum Engineer** DATE **9-21-93**

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

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

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):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Dakota	3764	3788	Tight gas	Dakota silt	3640	+1902
Dakota	3812	3826	Tight gas	Dakota sand	3750	+1792
Morrison	3964	3978	Gas	Morrison	3830	+1702

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

RECEIVED

OCT 18 1993

**DIVISION OF
OIL, GAS & MINING**

October 15, 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: SUNDRY NOTICE OF FIRST PRODUCTION

Dear Ron:

Enclosed in duplicate are Sundry Notices of first production for the following wells in Grand County, Utah:

Federal No. 9-10
NW $\frac{1}{4}$ SE $\frac{1}{4}$ SEC 9-T17S-R25E
Lease U-04955

Bar-X Unit No. 20
SE $\frac{1}{4}$ NE $\frac{1}{4}$ SEC 12-T17S-R25E
Lease SL-064806

Very truly yours,

Lone Mountain Production Company


James G. Routson
President

Enclosures

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-04955

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Federal

8. Well Name and No.

No. 9-10

9. API Well No.

43-019-31333

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

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 59103-3394

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

1350' FSL, 2100' FEL Sec 9: T17S-R25E
(NW $\frac{1}{4}$ SE $\frac{1}{4}$)

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" 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 <u>First Production</u>
	<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.)*

The Federal No. 9-10 well delivered into Bar-X pipeline at 12:00 pm, October 14, 1993.

RECEIVED

OCT 18 1993

DIVISION OF
OIL, GAS & MINING

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

Signed

John J. [Signature]

Title

President

Date

9-1-93

(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

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

February 3, 1994

RECEIVED

FEB 07 1994

DIVISION OF
OIL, GAS & MINING

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

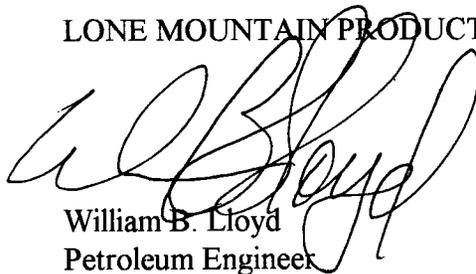
RE: SUNDRY NOTICE
Federal No. 9-10
NWSE Sec. 9, T17S-R25E
Grand County, Utah

Dear Ron,

Enclosed in duplicate is a sundry notice for recompletion of the referenced well to the Dakota zone. Should you have any questions or comments, please contact me.

Very truly yours,

LONE MOUNTAIN PRODUCTION COMPANY



William B. Lloyd
Petroleum Engineer

Enclosures

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS <small>(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</small>		5. LEASE DESIGNATION & SERIAL NO. U-04955
		6. IF INDIAN ALLOTTEE OR TRIBE NAME NA
1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		7. UNIT AGREEMENT NAME None
2. NAME OF OPERATOR Lone Mountain Production Company		8. FARM OR LEASE NAME Federal
3. ADDRESS OF OPERATOR P.O. Box 3394 Billings, MT 59103		9. WELL NO. No. 9-10
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1350' FSL, 2100' FEL At proposed prod. zone Same		10. FIELD AND POOL, OR WILDCAT Bar-X
		11. SEC. T. R. M. OR BLK. AND SURVEY OR AREA S9, T17S-R25E
14. API NO. 43-019-31333	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5531' GL; 5541' KB	12. COUNTY Grand
		13. STATE Utah

RECEIVED

DIVISION OF OIL, GAS & MINING

FEB 07 1994

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 checked="" 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 checked="" type="checkbox"/>

(Other)
Recomplete to Dakota
 APPROX. DATE WORK WILL START March 5, 1994

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

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

This recompletion workover will abandon the existing Morrison Perforation (3964'-78') below a cast iron bridge plug & 35' of cement. The Dakota zone will be opened from 3,766'-89' with 1 shot every 2 ft. Total of 11, 0.4" holes and from 3816'-22' with 1 SPF total of 6, 0.4" holes. The Dakota will be frac'd with approximately 50,000 gallons of 70 quality N₂ foam & approximately 120,000 lbs. of 16/30 mesh white sand. Work is estimated to take 3-5 days. Existing production facilities will be used.

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

DATE: 2-28-94
[Signature]

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

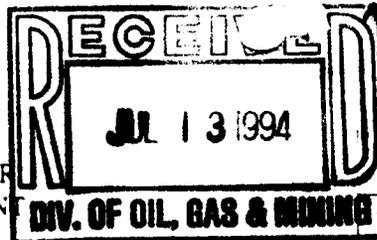
SIGNED *[Signature]* TITLE **Petroleum Engineer** DATE 2-3-94 ✓

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE Tax Credit

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



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

Lease Designation and Serial No
-04955

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

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 59103-3394

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

1350' FSL, 2100' FEL Sec 9: T17S-R25E
(NW $\frac{1}{4}$ SE $\frac{1}{4}$)

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Federal

8. Well Name and No.

No. 9-10

9. API Well No.

43-019-31333

10. Field and Pool, or Exploratory Area

Bar-X

11. County or Parish, State

Grand County, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other _____
	<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.)*

Well was plugged as follows: Pumped 20 sx Class G neat followed by 127 sx Class G + 16% gel, 3% salt down 4-1/2" casing. Bullhead 30 sx Class G neat down annulus between 4-1/2" and 7-1/2" casing. Cut off wellhead and weld on permanent dry hole marker.

Location will be rehabilitated and reseeded this fall.

P&A witnessed by Jack Johnson, Moab BLM. Well plugged 6:37 p.m. 7/7/94

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

Signed

Title

Petroleum Engineer

Date

7-8-94

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
DEC 29 1994
DIV OF OIL, GAS & MINING

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 11, 1995

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

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 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1350' FSL, 2100' FEL Sec 9: T17S-R25E
 (NW 1/4 SE 1/4)**

5. Lease Designation and Serial No.
955

6. If Indian, Allotter or Tribe Name

7. If Unit or CA, Agreement Designation
Federal

8. Well Name and No.
No. 9-10

9. API Well No.
43-019-31333

10. Field and Prod. or Exploratory Area
Bar-X

11. County or Parish, State
Grand County, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input checked="" type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<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.)*

Well was plugged as follows: Pumped 20 sx Class G neat followed by 127 sx Class G + 16% gel, 3% salt down 4-1/2" casing. Bullhead 30 sx Class G neat down annulus between 4-1/2" and 7-1/2" casing. Cut off wellhead and weld on permanent dry hole marker.

Location will be rehabilitated and reseeded this fall.

P&A witnessed by Jack Johnson, Moab BLM. Well plugged 6:37 p.m. 7/7/94

RECEIVED
BUREAU OF LAND MANAGEMENT
DEC 29 AM 10:10
MAIL ROOM

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

Signed [Signature] Title Petroleum Engineer Date 7-8-94

(This space for Federal or State office use)

Approved by /s/ WILLIAM C. STRINGER Title Associate District Manager Date DEC 27 1994

Conditions of approval, if any:

CONDITIONS OF APPROVAL ATTACHED

Lone Mountain Production Company
Well No. Federal 9-10
NWSE Sec. 9, T. 17 S., R. 25 E.
Grand County, Utah
Lease U-04955

CONDITIONS OF APPROVAL

Contact Rich McClure of the Bureau of Land Management, Grand Resource Area at (801) 259-8193 for surface reclamation requirements.

Section V. of Onshore Oil and Gas Order No. 1 requires that operators submit three, separate Notices (Form 3160-5) in relation to the plugging and abandonment of any jurisdictional well, i.e., a Notice of Intent to Abandon (NIA) as a precursor to the commencement of actual abandonment operations or as a written confirmation of an orally prescribed abandonment program; a Subsequent Report of Abandonment (SRA) reflecting the actual downhole abandonment operations performed, which is to be submitted within 30 days of completing those operations; and, a notice from the operator that the required surface reclamation requirements have been completed and, thus, the site is now ready for inspection. Section V. also states that "Final abandonment shall not be approved until the surface reclamation work required by the approved drilling permit or approved abandonment notice (NIA) has been completed to the satisfaction of the Grand Resource Area.

Accordingly, final approval of an abandoned well has two components:

- 1) Satisfactory completion of the approved downhole plugging plan.
- 2) Satisfactory reclamation of the site.

You will therefore be required to submit a Final Abandonment Notice (Sundry Notice - Form 3160-5) when vegetative reclamation is complete. You will not be released from bond liability on this location until such final abandonment has been approved by the Moab District Office.