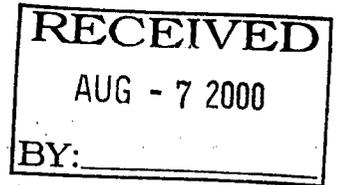




Stat of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Robert L. Morgan
State Engineer

Eastern Area
State/County Building
152 East 100 North
Vernal, Utah 84078-2110
435-781-5327



October 8, 1999

Burt & Christine DeLambert
P.O. Box 607
Vernal, UT 84078

RE: Temporary Change: t23779
Water Right No.: 49-1223

Dear Mr. & Mrs. DeLambert:

The above numbered Temporary Change Application has been approved, subject to prior rights. The application is being made to change 8.4 acre feet (or 0.015cfs) of water for oil well drilling and service work from September 30, 1999 to September 29, 2000.

This temporary change application will permanently lapse one year from the date of this letter.

Sincerely,

Robert W. Leake, P.E.-
Regional Engineer
for
Robert L. Morgan, P.E.
State Engineer

RWL:ac

APPLICATION FOR TEMPORARY CHANGE OF WATER

STATE OF UTAH

Rec. by _____
Fee Paid \$ _____
Receipt # _____
Microfilmed _____
Roll # _____

For the purpose of obtaining permission to make a temporary change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Section 73-3-3 Utah Code Annotated 1953, as amended.

CHANGE APPLICATION NUMBER: t23779

WATER RIGHT NUMBER: 49 - 1223

This Change Application proposes to change the POINT(S) OF DIVERSION, PLACE OF USE, and NATURE OF USE.

1. OWNERSHIP INFORMATION.

A. NAME: Burt & Christine DeLambert INTEREST: 100%
ADDRESS: Box 607, Vernal, UT 84078

B. PRIORITY OF CHANGE: September 27, 1999 FILING DATE: September 27, 1999

C. EVIDENCED BY:

* DESCRIPTION OF CURRENT WATER RIGHT: *

2. SOURCE INFORMATION.

A. QUANTITY OF WATER: 0.015 cfs OR 8.4 acre-feet

B. SOURCE: Unnamed Spring Stream COUNTY: Grand

C. POINT OF DIVERSION -- SURFACE:
(1) S 550 feet E 2290 feet from W $\frac{1}{4}$ corner, Section 6, T 16S, R 23E, SLBM
DIVERT WORKS: pump & pipe

3. WATER USE INFORMATION.

STOCKWATERING: from Jan 1 to Dec 31. EQUIVALENT LIVESTOCK UNITS: 300.

*National Fuel Corp
J.C. Thompson
5000 So. Quebec St
Denver 80237
#640*

4. PLACE OF USE. (Which includes all or part of the following legal subdivisions:)

BASE TOWN RANG SEC	NORTH-WEST¼				NORTH-EAST¼				SOUTH-WEST¼				SOUTH-EAST¼			
	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE
SL 16S 23E 6		X					***					***				***

 * THE FOLLOWING CHANGES ARE PROPOSED: *

5. SOURCE INFORMATION.

A. QUANTITY OF WATER: 0.015 cfs REMAINING WATER: Same as HERETOFORE

B. SOURCE: Unnamed spring COUNTY: Grand

C. POINT OF DIVERSION -- SURFACE: Changed as Follows:
 (1) S 550 feet E 2290 feet from W¼ corner, Section 6, T 16S, R 23E, SLBM
 DIVERT WORKS: Small Pond W/ Pump & Pipe
 SOURCE: Unnamed spring

D. COMMON DESCRIPTION: 65 miles south of Jensen

6. WATER USE INFORMATION. Changed as Follows:

OIL EXPLORATION from 09/30/1999 to 09/29/2000 Oil well drilling and service work

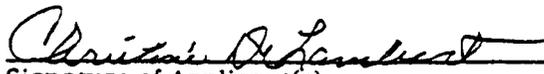
7. PLACE OF USE. Changed as Follows:

(Which includes all or part of the following legal subdivisions:)

BASE TOWN RANG SEC	NORTH-WEST¼				NORTH-EAST¼				SOUTH-WEST¼				SOUTH-EAST¼			
	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE
SL 16S 23E	Entire TOWNSHIP															

8. SIGNATURE OF APPLICANT(S).

The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application, through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).


 Signature of Applicant(s)

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

FORM 3
Amended Report
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. Type of Work DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> B. Type Of Well OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		5. Lease Designation and Serial Number: Fed. U73899 6. If Indian, Allottee or Tribe Name: 7. Unit or CA Agreement Name: 8. Well Name and Number: Federal #13-11 9. Field and Pool, or Wildcat: Moon Ridge, Cdr. Mtn. 10. Qtr/Qtr. Section, Township, Range, Meridian: NW1/4 SW 1/4 Sec. 11, T16S, R21E 11. County: Grand 12. State: Utah	
2. Name of Operator <p align="center">National Fuel Corporation</p>		13. Distance in miles and direction from nearest town or post office: Approximately 69 miles NW of Fruita, CO	
3. Address of Operator 5000 S. Quebec, Suite 640, Denver, CO 80237		14. Distance to nearest property or lease line (feet): 500'	
4. Location of Well (Footages) At Surface: 1500' FSL, 820' FWL (NW SW) Sec. 11-T16S-R21E At Proposed Producing Zone: Same		15. Number of acres in lease: 200	
17. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): None		16. Number of acres assigned to this well: 80	
20. ELEVATIONS (Show whether DF, RT, GR, etc.) 7,327' GR		18. Proposed Depth: 10,200'	
21. Approximate Date Work Will Start: 8/15/00		19. Bond Description: BLM Statewide Drilling Bond #04021517	
22. Estimated Duration 30 days			

4364924 N
622541 E

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, WEIGHT PER FOOT	SETTING DEPTH	CEMENT, QUANTITY, YIELD, and SLURRY WT.
12 1/4 "	9 5/8", K55, 36#	300'	100 sx regular, 1.06 cu ft/sk, 123 lb/cu ft, to surface
8 3/4 "	7", N80, 26#	5,900'	850sx 50-50 pozmix, 1.16 cu ft/sk, 113 lb/cu ft to surf.
6 1/4 "	4 1/2", N80, 13.5#	10,200'	150sx, thixotropic, 1.06 cu ft/sk, 117 lb/cu ft - cmt top
			approx. 8,600' depth or 1,000' above Dakota Silt top

24. VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION RULES:

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- COMPLETE DRILLING PLAN
- Form 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NOTE: Attached is the full Application for Permit to Drill as submitted to the Bureau of Land Management, Vernal, UT Field Office. BLM APD is in processing. Note revised casing/cementing program this State APD.

Name (Please Print): J.C. BROTHERS Title: SENIOR GEOLOGIST
 Signature: *J.C. Brothers* Date: 8/8/2000

(This space for State use only)

API Number Assigned: 43-019-31380

**Approved by the
Utah Division of
Oil, Gas and Mining**

Approval: *[Signature]*
 Date: 8/21/00
 By: *[Signature]*

RECEIVED

AUG 09 2000

DIVISION OF
OIL, GAS AND MINING

**Federal Approval of this
Action is Necessary**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

<p>1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/></p> <p>b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/></p> <p>2. NAME OF OPERATOR National Fuel Corporation</p> <p>3. ADDRESS OF OPERATOR 5000 S. Quebec, Suite 640, Denver, CO 80237</p> <p>4. LOCATION OF WELL (Report location clearly and in accordance with any state requirements.) At Surface 1500' fsl, & 820' fwl (NW SW) Sec. 11, T16S, R21E At proposed prod. zone Same as surface</p> <p>14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 69 miles +/- NW of Fruita, CO</p> <p>15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 500' (820' from MR U02891)</p> <p>16. NO. OF ACRES IN LEASE 200</p> <p>17. NO. OF ACRES ASSIGNED TO THIS WELL 80</p> <p>18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. None</p> <p>19. PROPOSED DEPTH 10,200'</p> <p>20. ROTARY OR CABLE TOOLS Rotary</p> <p>21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7327' GR</p> <p>22. APPROX. DATE WORK WILL START* August, 2000</p>		<p>5. LEASE DESIGNATION AND SERIAL NO. U 73899 (Federal)</p> <p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</p> <p>7. UNIT AGREEMENT NAME</p> <p>8. FARM OR LEASE NAME Moon Ridge</p> <p>9. WELL NO. Federal #13-11</p> <p>10. FIELD AND POOL, OR WILDCAT Stepout, Moon Ridge, Cdr Mtn/Dakota</p> <p>11. SEC., T., RL, M., OR BLK. AND SURVEY ON AREA NW SW Sec. 11, T16S, R21E</p> <p>12. COUNTY OR PARISH Grand</p> <p>13. STATE UT</p>
--	--	---

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48# H40	300'	350 sx regular cement
12 1/4"	8 5/8"	32# J 55	5,900'	1,935 sx 50/50 pozmix cement
6 1/4"	4 1/2"	11.6# N80	10,200'	150 sx thixotropic cement

Move in rotary rig and drill 17 1/2" hole to 300' and run 300' of 13 3/8" surface casing set with 350 sx regular cement. Drill 12 1/4" hole to 5,900' or through Castlegate using mud. Run 5,900' of 8 5/8" intermediate casing set with 1,935 sx of 50/50 pozmix cement circulated to surface. Drill 6 1/4" hole to 10,200' TD using air. Run 10,200' of 4 1/2" production csg set with 150 sx thixotropic cement (cement top approx. 1,000' above top of Dakota Silt). Perforate and test Cedar Mountain/Dakota for production. May frac if necessary. Connect new gathering line to existing system in Moon Ridge Field.

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 *J.C. Brothers* J.C. Brothers TITLE Sr. Geologist DATE 7/20/00

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITION OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

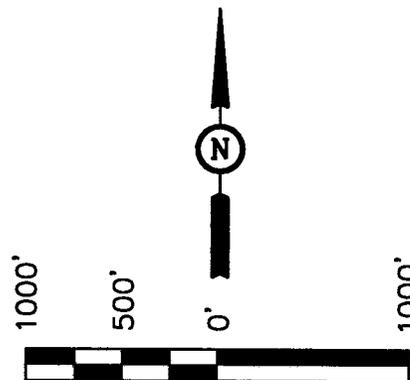
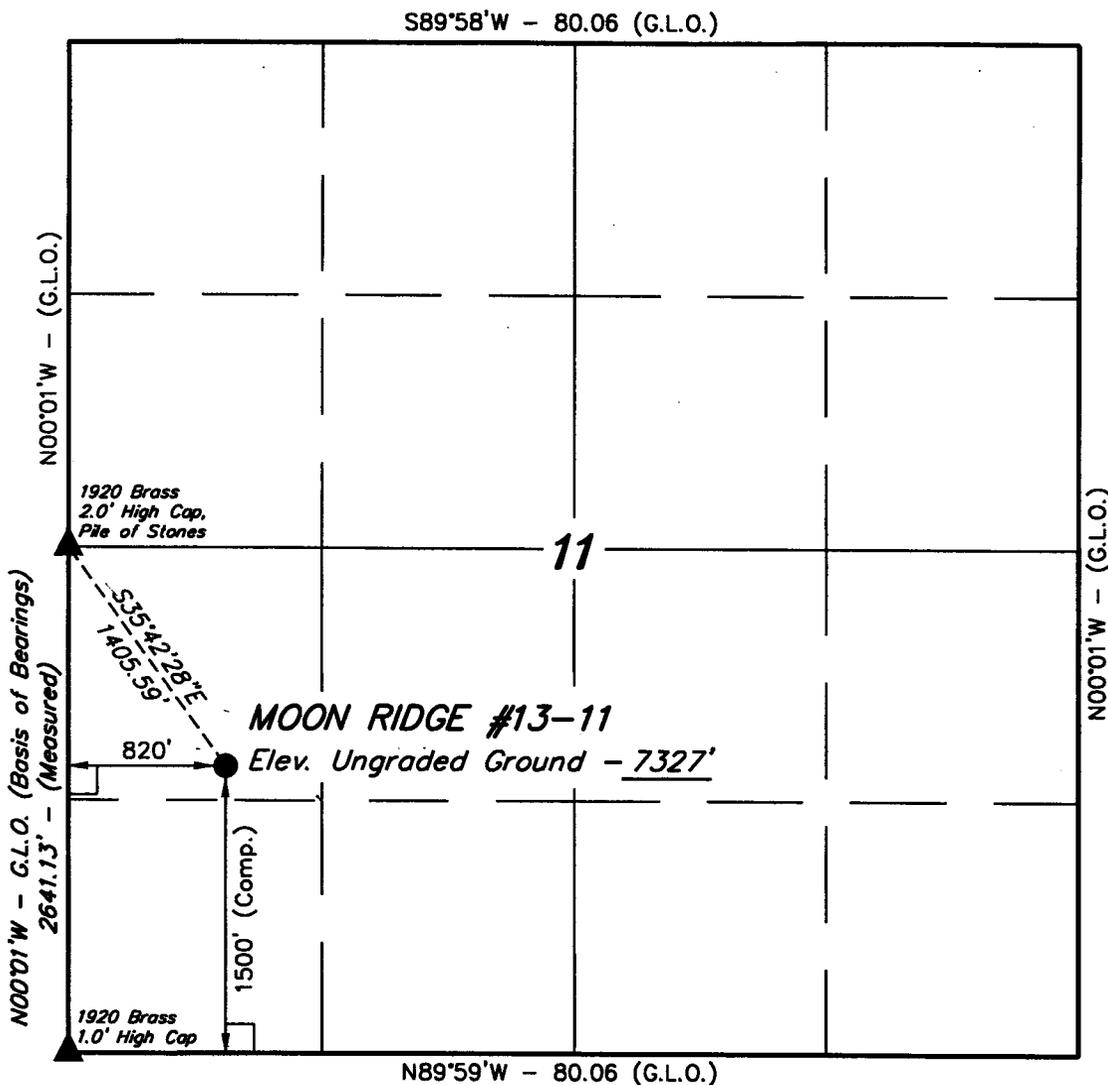
T16S, R21E, S.L.B.&M.

NATIONAL FUEL CORPORATION

Well Location, MOON RIDGE #13-11, located as shown in the NW 1/4 SW 1/4 of Section 11, T16S, R21E, S.L.B.&M. Grand County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT AN OIL WELL LOCATED IN THE NE 1/4 OF SECTION 15, T16S, R21E, S.L.B.&M. TAKEN FROM THE TENMILE CANYON NORTH QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7620 FEET.



SCALE

CERTIFICATE

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

No. 161319
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

REVISED: 7-20-00 D.COX

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

LATITUDE = 39°25'38"

LONGITUDE = 109°34'35"

SCALE 1" = 1000'	DATE SURVEYED: 4-28-00	DATE DRAWN: 5-12-00
PARTY K.K. B.H. G.S. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE NATIONAL FUEL CORPORATION	

Attached to:

APPLICATION FOR PERMIT TO DRILL
Bureau of Land Management, Form 3160-3

Company National Fuel Corporation Well No. Moon Ridge Federal #13-11

Location: Sec. 11, T. 16S, R. 21E, Lease No. U 73899

Notification Requirements:

Location Construction – forty-eight (48) hours prior to construction of location and access roads

Location Completion – prior to moving on the drilling rig.

Spud Notice – at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing – twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and Related Equipment Tests – twenty four (24) hours prior to initiating pressure tests.

First Production Notice – within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: Tertiary Green River Fm. @ surface

Wasatch 2375’;	Mesaverde 3835’;
Sego 5,325’;	Buck Tongue 5,480’;
Castlegate 5,690’;	Mancos 5,835’;
Emery / Mancos “B” 6,415’	
Dakota Silt 9,610’	
Dakota “Sand” 9,730’	
Cedar Mountain / Buckhorn 9,870’	
Morrison 9,910’	; T.D. 10,200’

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

Expected Oil Zones: Depth/Formation
None

Expected Gas Zones: Cedar Mtn. / Buckhorn (9,870'-9,910'); Castlegate (5,690-5,835')
cased & cemented behind production casing respectively.
 Expected Water Zones: Less than 300' (cased & cemented behind surf. csg.).
Wasatch & Upper Mesaverde (300'-5,690') and Castlegate (5,690'-5,830') cased and
cemented behind intermediate casing.
 Expected Mineral Zones: None

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment – include schematics of the BOP and choke manifold, and describe testing procedures: See attached procedures and schematics exhibit.
 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 in the drilling log and in the daily drilling report.

4. Casing Program and Auxiliary Equipment – include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned):
- | | | | | | | | |
|---------|-------------------|---------|-------|------|------|------------|-----|
| 300' | surface csg. | 13 3/8" | 48# | H-40 | ST&C | 0'-300' | New |
| 5,900' | intermediate csg. | 8 5/8" | 32# | J-55 | ST&C | 0'-5,900' | New |
| 10,100' | production csg. | 4 1/2" | 11.6# | N-80 | ST&C | 0'-10,100' | New |

5. Cement – include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques:
Surface csg. – 350 sx regular cement – 25:75% poz/g; 2% si Ca Cl₂; .25 sk D-29 celloflake to surf. 1.18cu ft/sk
Intermed. csg. – 1935 sx 50:50% pozmix – 2% Si Ca Cl₂; .25 sx D-29 celloflake to surf. 1.07 cu ft/sk
Production – 150 sx thixotropic; ± 8,700' or 1,000' above Dakota Silt top. 1.18 cu ft/sk

Surface and intermediate casing shall be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string.

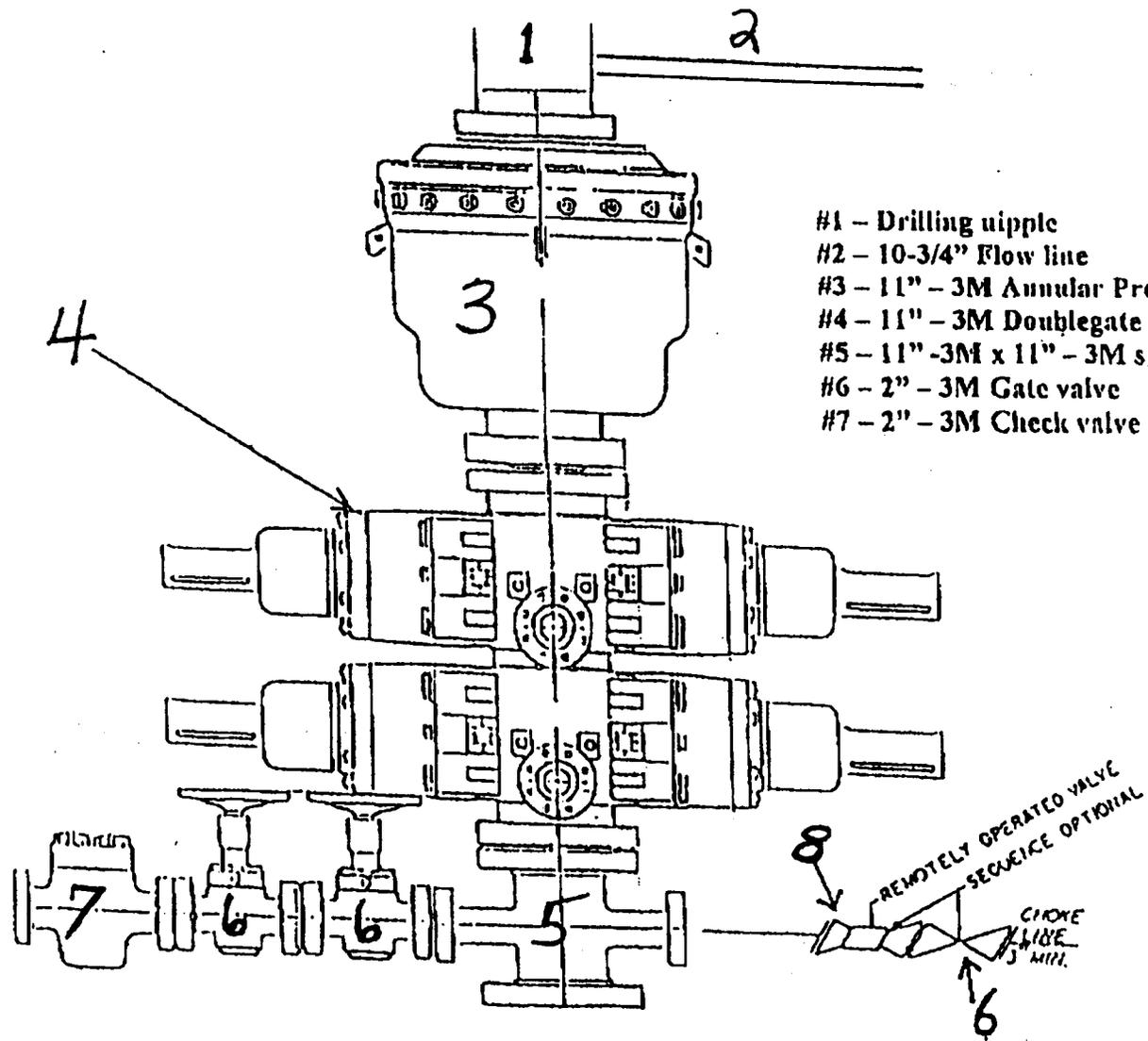
6. Mud Program and Circulating Medium – include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor, description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Well will be mud drilled with conventional 8.4# to 9.5# / gal. mud system from surf to 5,900' where 7" intermed csg will be set. 5,900' to 10,200' TD will be drilled with air. Details on air drilling system will be provided for specific drilling rig when drilling rig and air package contract is signed.
 Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

A - 3. The Operator's Minimum Specifications for Pressure Control

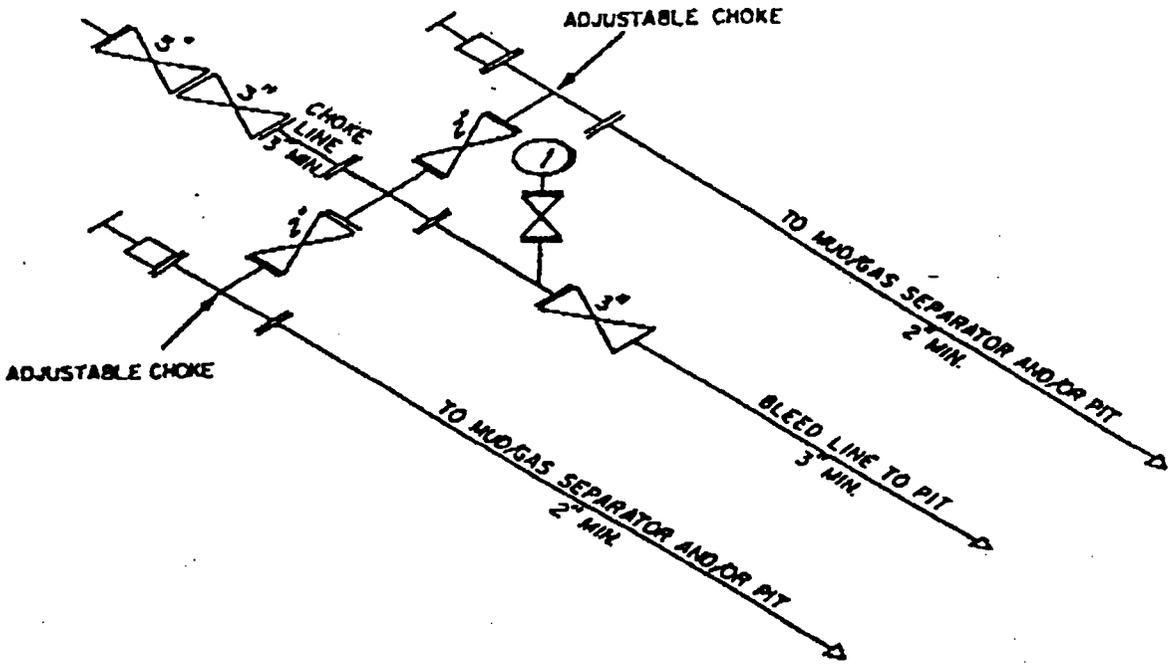
Attached to EXHIBIT TO A-3 are schematic diagrams of the blowout preventer equipment. A 3,000# blowout preventer will be installed, used, maintained and tested in accordance with all requirements specified in Section III.A-1 of Onshore Order 2, except where variations are presented in this application.

Minimum standards outlined in Onshore Order 2 will be met for BOP, choke, manifold, accumulator, and locking devices. Hydraulic controls will be located on the rig floor. Manual controls will be handwheels. Remote control for the accumulator will be 100'-200' from the drill hole. The kill line will not be used as a fill-up line.

Ram type preventers and associated equipment (choke manifold, kelly cocks, etc.) shall be pressure tested to 100% of their rated working pressure for a period of 10 minutes. Annular preventers shall be tested to 50% of their rated working pressure for a period of 10 minutes. Tests will be run after initial installation, prior to drilling out of each casing shoe and after use under pressure, or a minimum of once every 30 days. Pipe rams will be operationally checked each 24-hour period, as will blind rams and annular preventer each time pipe is pulled out of the hole. Annular preventers will be functionally operated at least weekly. Such checks of BOPE will be noted on daily drilling reports.



11" - 3M Doublegate with Annular Preventer



② 3M CHOKE MANIFOLD EQUIPMENT -- CONFIGURATION OF CHOKES MAY VARY

No chemicals subject to reporting under SARA Title III in an amount equal to, or greater than, 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of this well. No extremely hazardous substances, as defined in 40 CFR 355, in the threshold planning quantities will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of this well.

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

7. Coring, Logging and Testing Program: No DST or core anticipated. Air drilling gives good gas test while drilling. Logging program: DIL-focused w/GR & SP and CNL-FDC w/GR to be run from TD to base of surface csg. All good gas and/or oil shows will be tested by perfing production casing.

Initial opening of drill stem test tools will be restricted to daylight hours.

8. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards – include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: No abnormal conditions, pressures, temperatures or hazards anticipated or common in area. No H₂S anticipated or known in area. BHP expected to be max. 2,500# based on nearby wells.

9. Any Other Aspects of this Proposal that should be Addressed: Time frames for:

Construction – 3 to 5 days

Drilling – 21 to 25 days

Completion – 7 to 14 days (depending on results, this may be extended)

B. THIRTEEN POINT SURFACE USE PLAN

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

1. Existing Roads:

a. Proposed route to location.

See attached maps and plats from UELS.

b. Location of proposed well in relation to town or other reference point:

Approximately 70 miles WNW of Fruita, CO, 44 miles NW of Interstate 70, access from Harley Dome exit, exit 225; Grand Co. Road #193 (old hwy. 6 & 50), Grand Co. Rd. #194 to intersection of Hay Canyon and Middle Canyon Rds; West up Hay Canyon Rd. to Three Pines; west to Moon Ridge.

c. Contact the County Road Department for use of county roads.

d. Plans for improvement and/or maintenance of existing roads: Grand Co., UT, National Fuel, and other companies currently maintain existing roads regularly.

e. Other: Existing roads are adequate for transportation of drilling rig and associated activity.

2. Planned Access Roads:

a. Location (centerline): Approximately 1.2 miles +/- in length, in Sec. 15, 10, & 11, T16S, R21E. See detail on attached plat. A right-of-way will be needed for portions of the new access road and is requested in section 2 l. below

b. Length of new access to be constructed: 1.2 mile ±

c. Length of existing roads to be upgraded: none needed

d. Maximum total disturbed width: 30 feet

e. Maximum travel surface width: 18 feet

f. Maximum grades: 10% or less; proposed roadway is level.

g. Turnouts: As needed.

h. Surface materials: No off-site materials anticipated. Road to be constructed of on-site gravel, rock, and soil materials.

i. Drainage (crowning, ditching, culverts, etc.): The road will be constructed to take advantage of natural drainages along slopes wherever possible to route water across the road instead of using water bars. The road will be built in-sloped along hillsides instead of crowned, with a bar-ditch on the inside, uphill side of the road to channel water into the natural drainages. Culverts may be needed at crossings of the most intensely

entrenched drainages, but low-water crossings will be used wherever possible.

- j. Cattleguards: N/A
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM right-of-way is required: 1 mile approximately
- l. Other: A right-of-way for the road is requested as part of this APD package. The surface use plan for this APD provides pertinent information. See attached for B #2 l.

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.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate, shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

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

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells – on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: See attached map. Only applicable well is producing gas well, Moon Ridge Federal #31-15, in NE sec. 15, T16S, R21E.
4. Location of Production Facilities:
- a. On-site facilities: Well head, meter house, separator/heater treater and/or dehydrator, and fenced emergency water disposal pit. Pit to be lined with an artificial liner due to adverse soil conditions. Details of facilities will be submitted if well is completed for production.
- b. Off-site facilities: None

B. #2 l. attachment: Road Right-of-Way Request

A right-of-way for the road is requested as part of this APD package. The surface use plan for this APD provides pertinent information. No hazardous materials will be used or transported during the construction/maintenance of this right-of-way. Noxious weeds will be controlled along right-of-way as needed. The road will cross the following Federal leases all held by the applicant, National Fuel Corporation, and a right-of-way is requested to cross portions of each lease:

U 57097 ROW for existing road on which the requested new access road will start.

UTU 72635

MR U53996

MR U02992

MR U02891

Map attached.

R
21
E

Cancelled Location
MOON RIDGE #23-11

MR U 02981

New Proposed Location
Moon Ridge #13-11

PROPOSED PIPELINE

ROW for Existing Road - U57097

MR U 02992

PROPOSED ACCESS ROAD

MR U 53996

U 73899

UTU 72635

pipeline tie-in point

EXISTING PIPELINE

Lease Lines

T16S

APPROXIMATE TOTAL PIPELINE DISTANCE = 10,500' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS

N

NATIONAL FUEL CORPORATION

Moon Ridge #13-11

NW SW Section 11

T16S, R21E, S.L.B.&M.

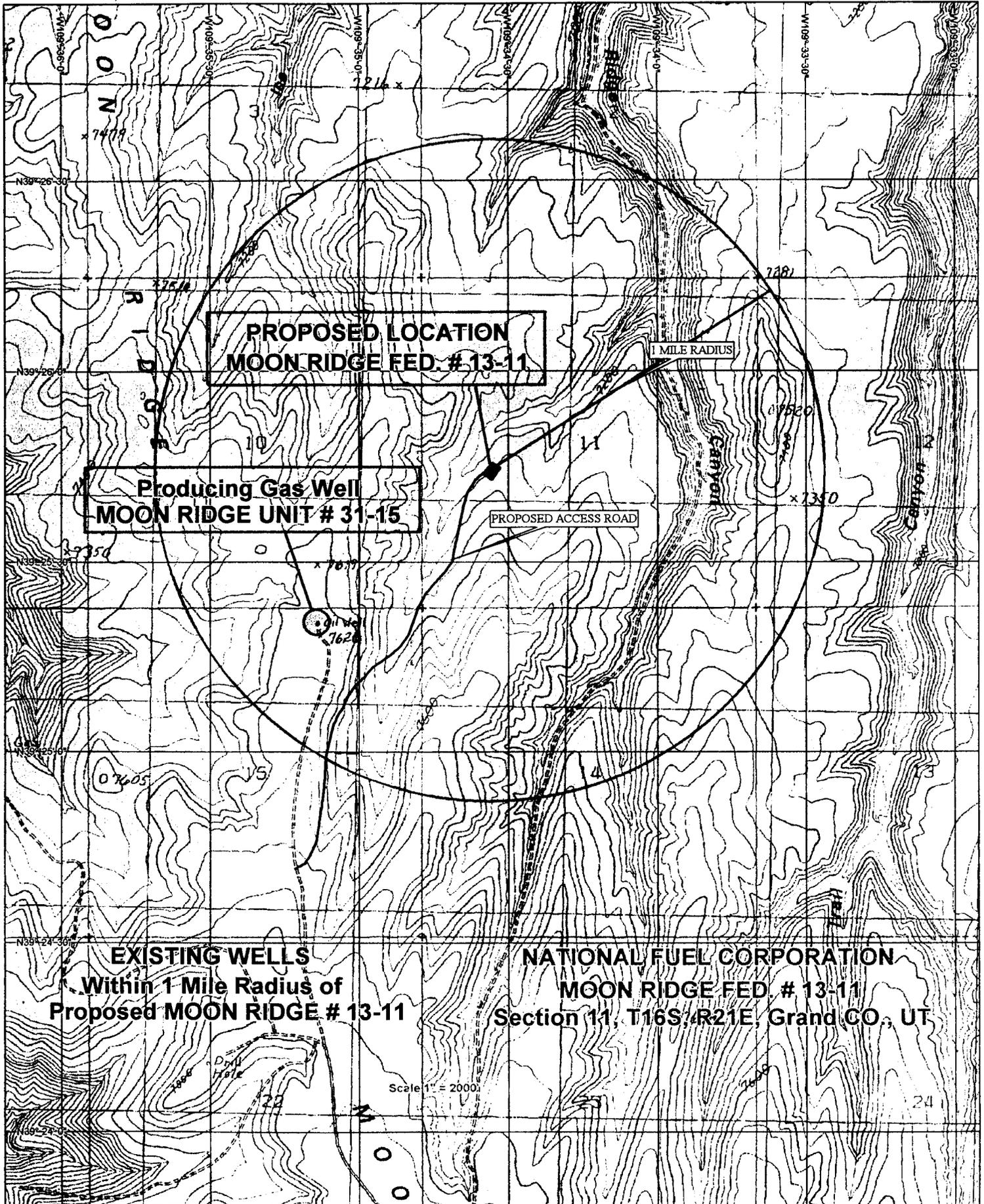
RIGHT - of - WAY REQUESTS

For ACCESS ROAD and PIPELINE

Proposed Moon Ridge #13-11

TOPOGRAPHIC	5	12	00
MAP	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: C.G.		REVISED: 00-00-00





EXISTING WELLS
Within 1 Mile Radius of
Proposed MOON RIDGE # 13-11

NATIONAL FUEL CORPORATION
MOON RIDGE FED. # 13-11
Section 11, T16S, R21E, Grand CO., UT

Scale 1" = 2000'

c. Pipelines: If gas production is established, a new gathering line to the existing field pipeline system will be needed/constructed parallel to the new access road. A pipeline right-of-way is requested as part of this APD package. See attached B #4 c.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months on installation. Facilities required by comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Juniper Green or per other BLM specifications to match surrounding trees and rocks as required.

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7-3 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Order #7. If water is produced from the well, an Onshore Order #7 application must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from: Water for drilling and completion operations will be purchased from a private pond, water rights owned by the rancher, located in Main Canyon in the center of the E ½, E ½ Section 31 - T15S - R23E, Uintah Co., UT. (See attached map).

A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah, at (801) 637-1303.

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

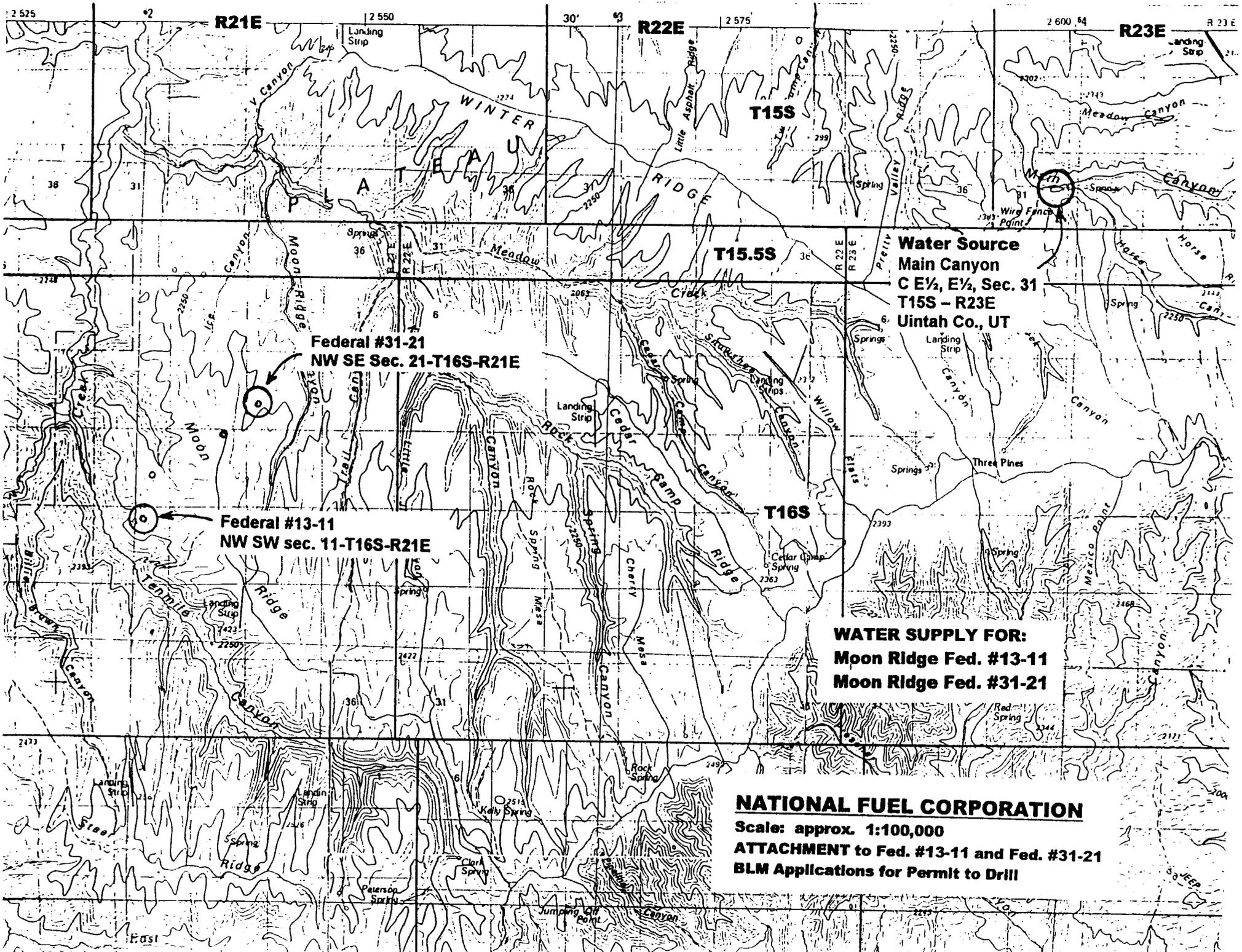
6. Source of Construction Material:

B. #4c. attachment: Pipeline Right-of-Way Request

A right-of-way for the pipeline is requested as part of this APD package. The surface use plan for this APD provides pertinent information. This 4" lateral gas gathering line will be constructed parallel to the new road. A right-of-way width of 15' is requested. The well access road will be used for access to and construction of the pipeline. The line will be welded on the road and boomed over into place to minimize surface disturbance. The line will be tied and staked and/or natural materials will be used to restrict line movement. The new line will be approx. 1.8 mi. maximum in length. All construction will be parallel to new or existing roads. Noxious weeds will be controlled along right-of-way as needed. Right-of-way for the pipeline is requested through the following Federal leases:

UTU 72635
MR U53996
MR U02992
MR U02981

See map w/road right-of-way request.



Federal #31-21
NW SE Sec. 21-T16S-R21E

Federal #13-11
NW SW sec. 11-T16S-R21E

Water Source
Main Canyon
C E 1/2, E 1/2, Sec. 31
T15S - R23E
Uintah Co., UT

WATER SUPPLY FOR:
Moon Ridge Fed. #13-11
Moon Ridge Fed. #31-21

NATIONAL FUEL CORPORATION

Scale: approx. 1:100,000

ATTACHMENT to Fed. #13-11 and Fed. #31-21

BLM Applications for Permit to Drill

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be lined with a synthetic liner due to soil/bedrock conditions. All waste materials will be disposed of in an approved manner in an approved disposal site. Cuttings and produced water will be contained in the pit and disposed of per BLM stipulations.

The reserve pit will be located: See attached pad diagram.

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.

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.

8. Ancillary Facilities: None required. Anticipate 1 to 3 trailers for drilling, logging equipment, personnel, etc. during drilling and completion operations only.

9. Well Site Layout – attached plat depicts the pit, rig, cut and fill, topsoil, etc., on a plat with a scale of 1" = 50'.

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

Access to the well pad: See pad layout diagram.

The blooie line will be located: Along the SE or pit side of the location and directed into the flare pit, at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: Blooie line will be directed into the base of the dirt embankment surrounding the flare pit.

10. Plans for Restoration of the Surface:

The top 3 inches of topsoil material will be removed from the location and stockpiled separately from vegetation at either end of the up-slope side of the well site. Topsoil stockpile will be windrowed, broadcast seeded, and walked in with a cat. Slash will be stacked on the down-slope side of the wellsite. As many trees as possible around the margins of the wellsite, especially on the down-slope side, will be left uncut and standing to provide a

screen around the location. After the reserve pit is reclaimed, a drainage will be constructed to route runoff water around the north end of the location instead of through the site.

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

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

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

Drainage will be altered or constructed to route runoff water around the location.

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

No road surfacing is anticipated, but if used all road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

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

Seed will be broadcast or drilled between Oct. 1 and Dec. 31, or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: 6 lbs./ac. True Mountain Mahogany; 6 lbs./ac. Needle and Thread grass (Stipa lettemanii); Both with pure live seed. Noxious weeds will be controlled on wellsite and along road / pipeline as needed.

The abandonment marker will be one of the following, as specified by the BLM:

- 1) at restored ground level, or
- 2) below ground level.

In any case, the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: _____

11. Surface and Mineral Ownership: Federal surface and mineral ownership.

12. Other Information:

- a. Archeological Concerns: Cultural resources inventory was completed by an archaeologist approved by BLM. See the attached report by Grand River Institute, Grand Junction, CO; Carl Conner, Administrator.

Note: MR #23-11 on the Archaeological Survey has been changed to MR #13-11 per this APD. This is a name change only on the Archaeological Survey map, not a change in location.

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

NOTE TO CLASS III CULTURAL RESOURCES INVENTORY – State Project No. U00-GB 0249b (GRI Proj. No. 2039)

The Moon Ridge #23-11 referenced in this inventory report has been **re-named the Moon Ridge #13-11**. This not a change in location from that shown on the map attached to the inventory report.

COVER PAGE for the
Utah Division of State History
Preservation Office

Project Name: Class III cultural resources inventory of the proposed Moon Ridge #31-21 and #23-11 well locations and short accesses in Grand County, Utah for National Fuel Corporation [GRI Proj. No. 2039]

State Proj. No.: U00-GB-0249b Report Date: 07/05/00

Principal Investigator: Carl E. Conner

Field Supervisor(s): Carl E. Conner

Acreage Surveyed

Intensive: 48.8 acres Recon/Intuitive: _____ acres

7.5' Series USGS Map Reference(s): Tenmile Canyon North

Sites Reported

Archaeological Sites

Revisits (no inventory form update) 0

Revisits (updated IMACS site inventory form attached) 0

New recordings (IMACS site inventory form attached) 0

Total Count of Archaeological Sites 0

Historic Structures (USHS 106 site info form attached) 0

Total National Register Eligible Sites 0

Paleontological Localities 0

Checklist of Required Items

1. X 1 Copy of the Final Reports
2. X Copy of 7.5' Series USGS Maps With Surveyed/Excavated Area Clearly Identified.
3. _____ Completed IMACS Site Inventory Forms, Including
_____ Parts A and B or C,
_____ the IMACS Encoding Form,
_____ Site Sketch Map,
_____ Photographs, and
_____ Copy of the Appropriate 7.5' Series USGS Map w/ the Site Location Clearly Marked and Labeled w/ the Smithsonian No.
4. _____ Paleontological locality form
5. X Completed "Cover Sheet" Accompanying Final Report and Survey Materials

U.S.
Department of the Interior
Bureau of Land Management
Utah State Office

Summary Report of
Inspection for Cultural Resources

Project U-0-G-B-0249b
Authorization No.

Report Acceptable Yes No

Mitigation Acceptable Yes No

Comments: _____

1. Report Title Proposed Moon Ridge Well 23-111 / Access

2. Development Company National Fuel Corporation

3. Report Date 05 July 2000 4. Antiquities Permit No. 00-UT-54939

5. Responsible Institution GRAND RIVER INS County Grand

6. Fieldwork Location: TWN 16S Range 21E Section(s) 10 _____
TWN 16S Range 21E Section(s) 11 _____
TWN 16S Range 21E Section(s) 15 _____

7. Resource Area BC
PO=Pony Express, BR=Bear River, WS=Warm Springs, BC=Book Cliffs, HR=House Range,
SE=Sevier River, HM=Henry Mountains, BE=Beaver River, DX=Dixie, KA=Kanab,
ES=Escalante, SJ=San Juan, GR=Grand, SR=San Raphael, DM=Diamond Mountain

8. Description of Examination Procedures: A 100 percent pedestrian cultural resources survey of the proposed well location was made by a two-person crew walking NE - SW transects spaced approximately 10-15 meters apart covering a total of 5 acres. The proposed access road was walked in zigzag transects centered on the flagged centerline to cover a swath 200 feet wide.

9. Linear Miles Surveyed 1.3 _____
and/or
Definable Acres Surveyed 5 _____
and/or
Legally Undefinable Acres Surveyed _____
10. Inventory Type I
I=Intensive
S=Statistical

11. Description of Findings (attach appendices, if appropriate)
See attached report.

12. Number Sites found 0 _____
(No sites = 0) 13. Collection N
(Y=Yes N=No)

14. Actual/Potential National Register Properties Affected: None.

15. Literature Search, Location/Date: BLM Vernal Field Office / May 31, 2000

16. Conclusion/Recommendations: No significant historic properties were identified.
Archaeological clearance is recommended.

17. Signature of Administrator & Field Supervisor: Administrator Carl E. Conner
Carl E. Conner

Field Supervisor _____

*For extra locations use additional 8100-3 forms

UT 8100-3
(2/85)

Tennile Canyon North Quadrangle
Provisional Edition 1991 / 7.5 min. Series
Contour interval 40 feet
T. 16 S., R. 21 E., S.L.B.M.

Proposed Moon Ridge #23-11
well location study area

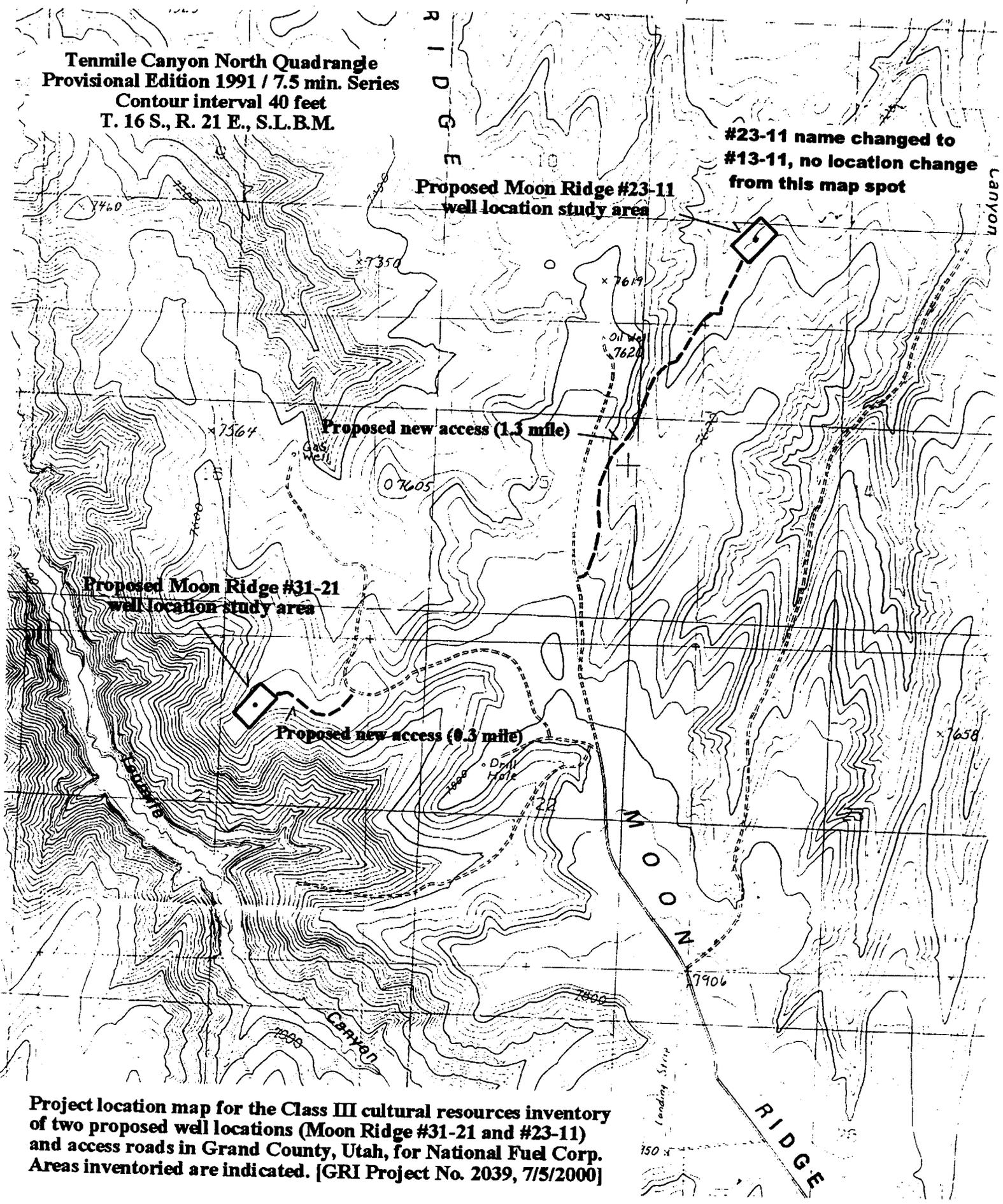
#23-11 name changed to
#13-11, no location change
from this map spot

Proposed new access (1.3 mile)

Proposed Moon Ridge #31-21
well location study area

Proposed new access (0.3 mile)

Project location map for the Class III cultural resources inventory
of two proposed well locations (Moon Ridge #31-21 and #23-11)
and access roads in Grand County, Utah, for National Fuel Corp.
Areas inventoried are indicated. [GRI Project No. 2039, 7/5/2000]



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

Representative:

Name: J. C. Brothers

Title: Sr. Geologist, National Fuel Corporation

Address: 5000 S. Quebec, Suite 640
Denver, CO 80237

Phone Number: (303) 220-7772

Certification:

National Fuel Corporation will serve as operator of the Moon Ridge Federal #13-11 well. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by National Fuel Corporation and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM Utah statewide bond no.04021517. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.

J. C. Brothers
Signature

Senior Geologist
Title

7/20/2000
Date

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Building Location – Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

Spud – The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports – Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations – In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, “Monthly Report of Operations,” starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices – There will be no deviation from the proposed drilling and/or workover program without prior approval. “Sundry Notices and reports 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.

Drilling Suspensions – 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.

Undesirable Events – 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 District Office 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 into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

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. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

Venting/Flaring of Gas – Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the District Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomical is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water – Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along a water analysis, if required, will be submitted to the District Office for approval pursuant Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling – Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment – If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A “Subsequent Report of Abandonment” (Form 3160-5) will be filed with the District Office, within thirty (30) days following plugging and abandonment of the well. 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.

NATIONAL FUELS CORPORATION

MOON RIDGE #13-11

LOCATED IN GRAND COUNTY, UTAH

SECTION 11, T16S, R21E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM END OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	5	12	00	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: G.S.	DRAWN BY: C.G.		REVISED: 7-20-00	

NATIONAL FUEL CORPORATION

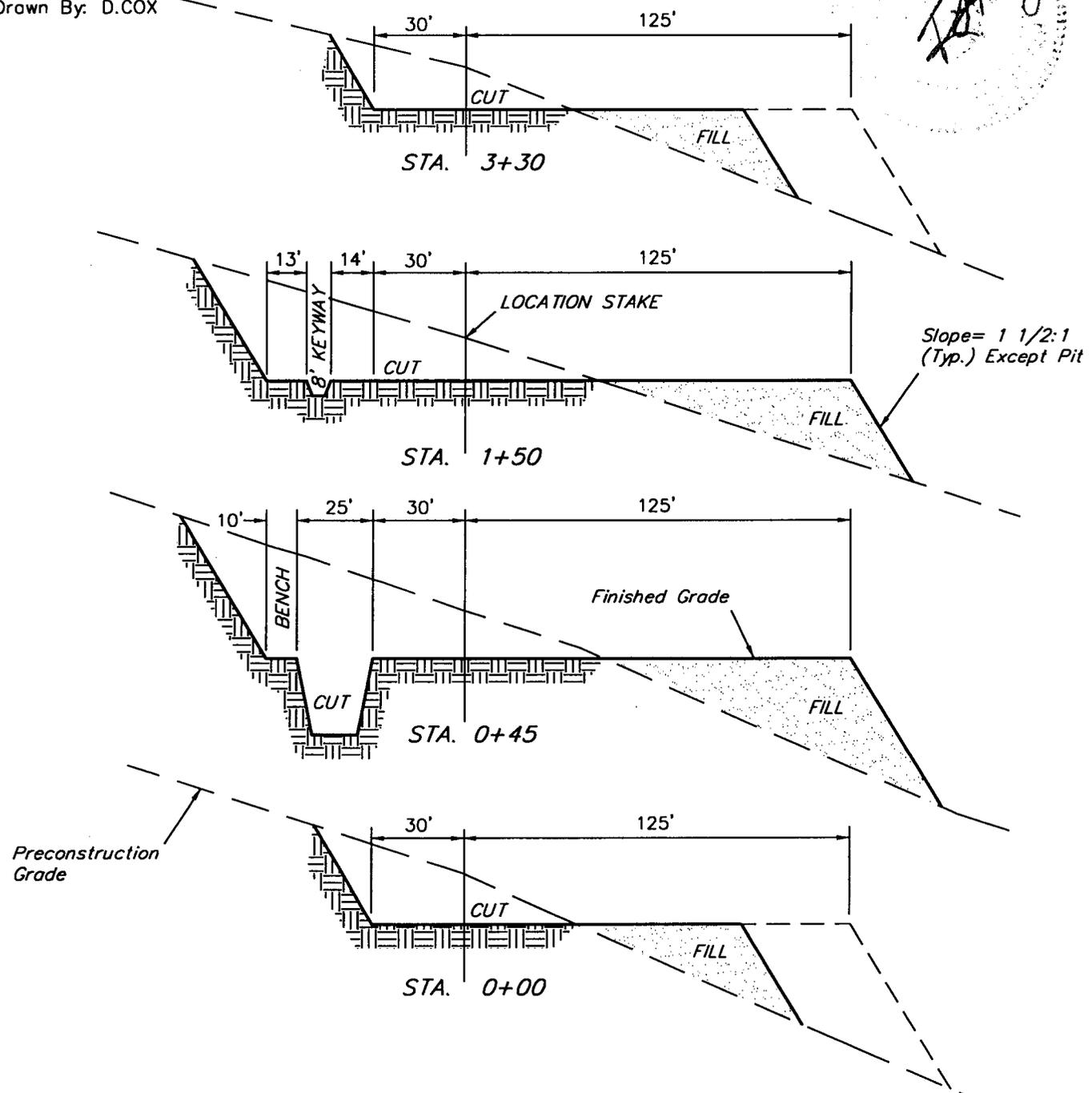
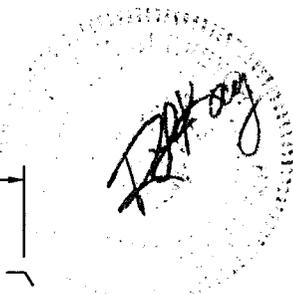
TYPICAL CROSS SECTIONS FOR

MOON RIDGE #13-11

SECTION 11, T16S, R21E, S.L.B.&M.

1500' FSL 820' FWL

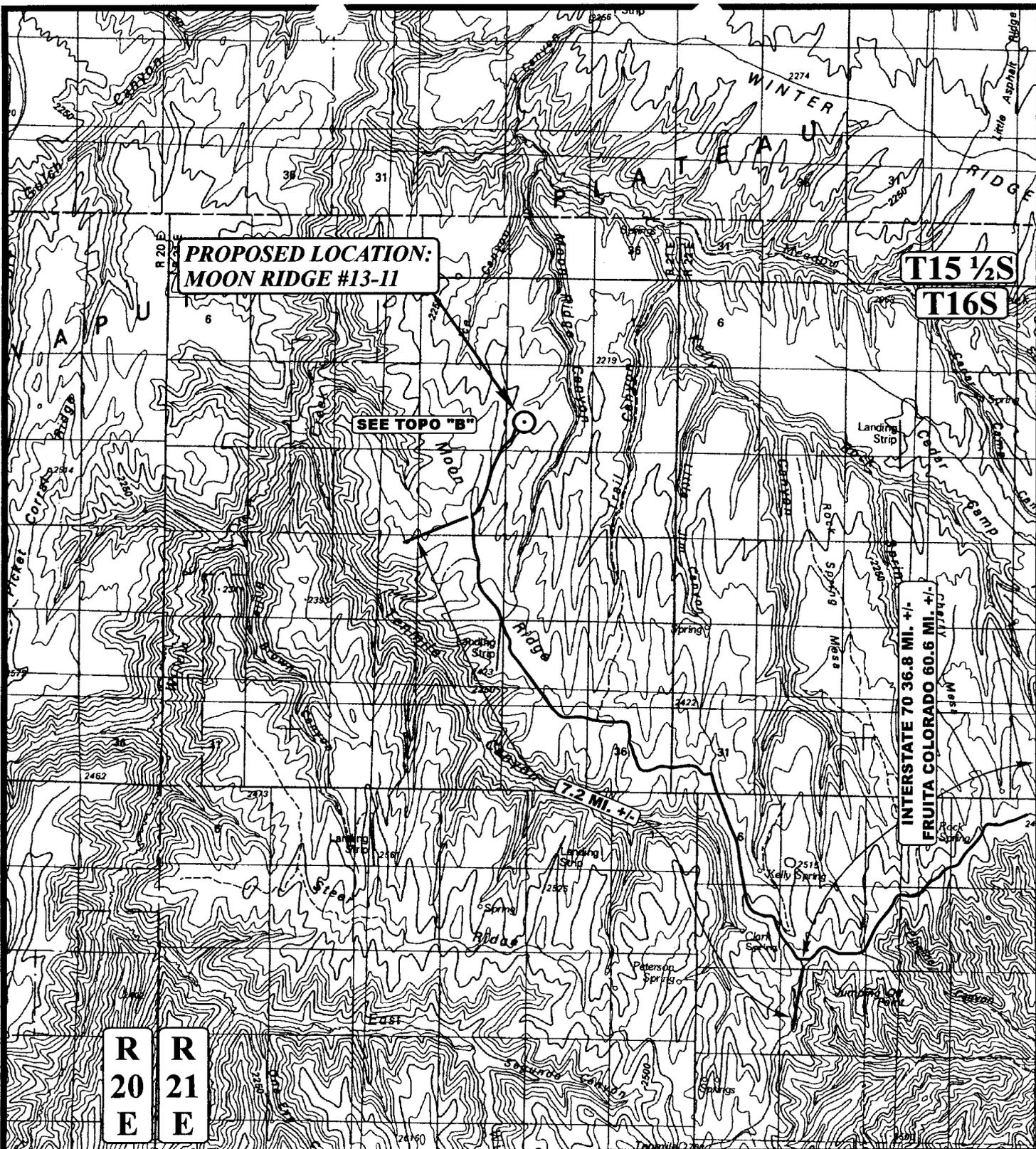
1" = 20'
X-Section Scale
1" = 50'
DATE: 7-20-00
Drawn By: D.COX



APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,140 Cu. Yds.
Remaining Location	=	10,970 Cu. Yds.
TOTAL CUT	=	12,110 CU.YDS.
FILL	=	9,590 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	2,020 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,020 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.



LEGEND:

○ PROPOSED LOCATION



NATIONAL FUEL CORPORATION

MOON RIDGE #13-11
SECTION 11, T16S, R21E, S.L.B.&M.
1500' FSL 820' FWL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

5	12	00
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: C.G. REVISED: 7-20-00



R
21
E

**PROPOSED LOCATION:
MOON RIDGE #13-11**

PROPOSED ACCESS 1.1 MI. +/-

**INTERSTATE 70 44.0 MI. +/-
FRUITA COLORADO 67.8 MI. +/-**

T16S

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



NATIONAL FUEL CORPORATION

**MOON RIDGE #13-11
SECTION 11, T16S, R21E, S.L.B.&M.
1500' FSL 820' FWL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

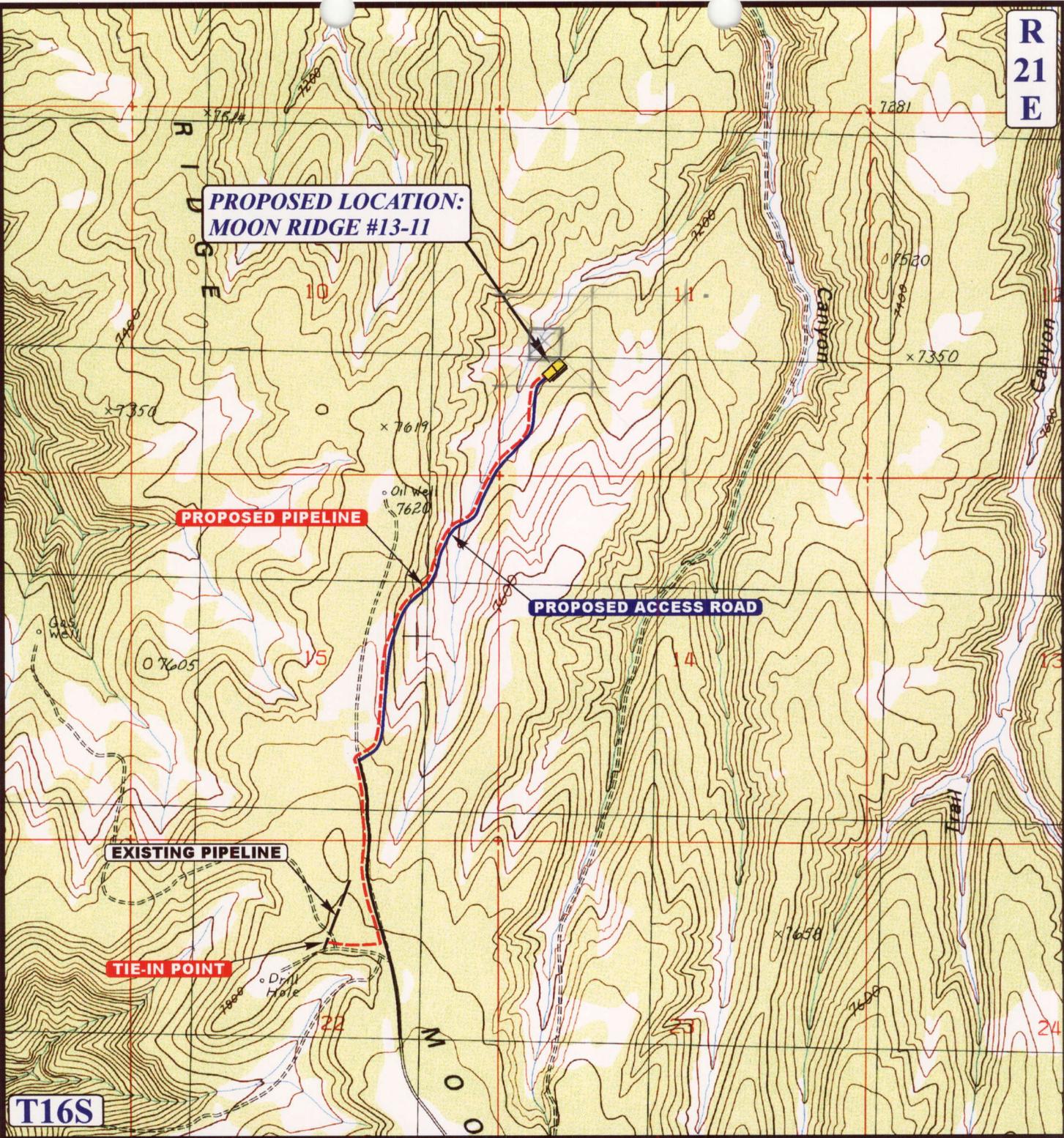
**TOPOGRAPHIC
MAP**

5 12 00
MONTH DAY YEAR

**B
TOPO**

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 7-20-00

R 21 E



T16S

APPROXIMATE TOTAL PIPELINE DISTANCE = 9,700' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS



NATIONAL FUEL CORPORATION

MOON RIDGE #13-11
 SECTION 11, T16S, R21E, S.L.B.&M.
 1500' FSL 820' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

5 12 00
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 7-20-00



AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

5000 SOUTH QUEBEC, SUITE 640
DENVER, COLORADO 80237



8/8/2000

State of Utah
Division of Oil, Gas, and Mining
1594 West north Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114 – 5801

RE: National Fuel Corporation, State of Utah Applications For Permits To Drill
Moon Ridge Federal #13-11, NW SW Sec. 11 – T16S – R21E
Moon Ridge Federal #31-21, NW NE Sec. 21 – T16S - R21E
Grand Co., UT.

Dear Sirs,

Enclosed are State of Utah applications for permits to drill (APD) for the Moon Ridge Federal #13-11, and the Moon Ridge Federal #31-21, National Fuel Corporation operator. Each APD package contains State of Utah APD Form 3, surveyor's plats and maps of the location, Division of Water Rights approval for the use of water, plus the full Federal APD package as filed with the Bureau of Land Management, Vernal Field Office. The Federal APD packages include a complete drilling plan, a surface use plan, and a cultural and archaeological resources survey. The Federal #13-11 package includes a request for exception to general state spacing due to topographic considerations.

The Federal APD's are in the final stages of approval, and the BLM expects final approve by the end of this week. A copy of the approved Federal APD will be forwarded to the State of Utah when available. Please contact me if there are any questions pertaining to these APD's or supporting materials.

Sincerely,

J. C. Brothers
Senior Geologist

RECEIVED

AUG 09 2000

DIVISION OF
OIL, GAS AND MINING

Title 18 U.S.C. Section 1001, makes it a crime for a 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.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/09/2000

API NO. ASSIGNED: 43-019-31380

WELL NAME: FEDERAL 13-11
 OPERATOR: NATIONAL FUEL (N8060)
 CONTACT: J C BROTHERS

PHONE NUMBER: 303-220-7772

PROPOSED LOCATION:
 NWSW 11 160S 210E
 SURFACE: 1500 FSL 0820 FWL
 BOTTOM: 1500 FSL 0820 FWL
 GRAND
 MOON RIDGE (225)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1-Federal
 LEASE NUMBER: U-73899
 SURFACE OWNER: 1-Federal

PROPOSED FORMATION: CDMTN

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Fed[] Ind[] Sta[] Fee[]
 (No. 04021517)

Potash (Y/N)
 Oil Shale (Y/N) *190 - 5 (B)
 Water Permit
 (No. 49-1223)

RDCC Review (Y/N)
 (Date: _____)

Fee Surf Agreement (Y/N)

LOCATION AND SITING:

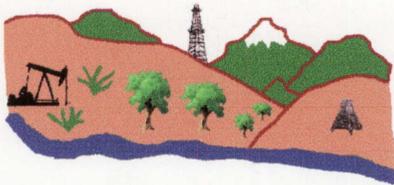
____ R649-2-3. Unit _____
 ____ R649-3-2. General
 Siting: _____
 R649-3-3. Exception

____ Drilling Unit
 Board Cause No: _____
 Eff Date: _____
 Siting: _____

____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: ① FEDERAL APPROVAL



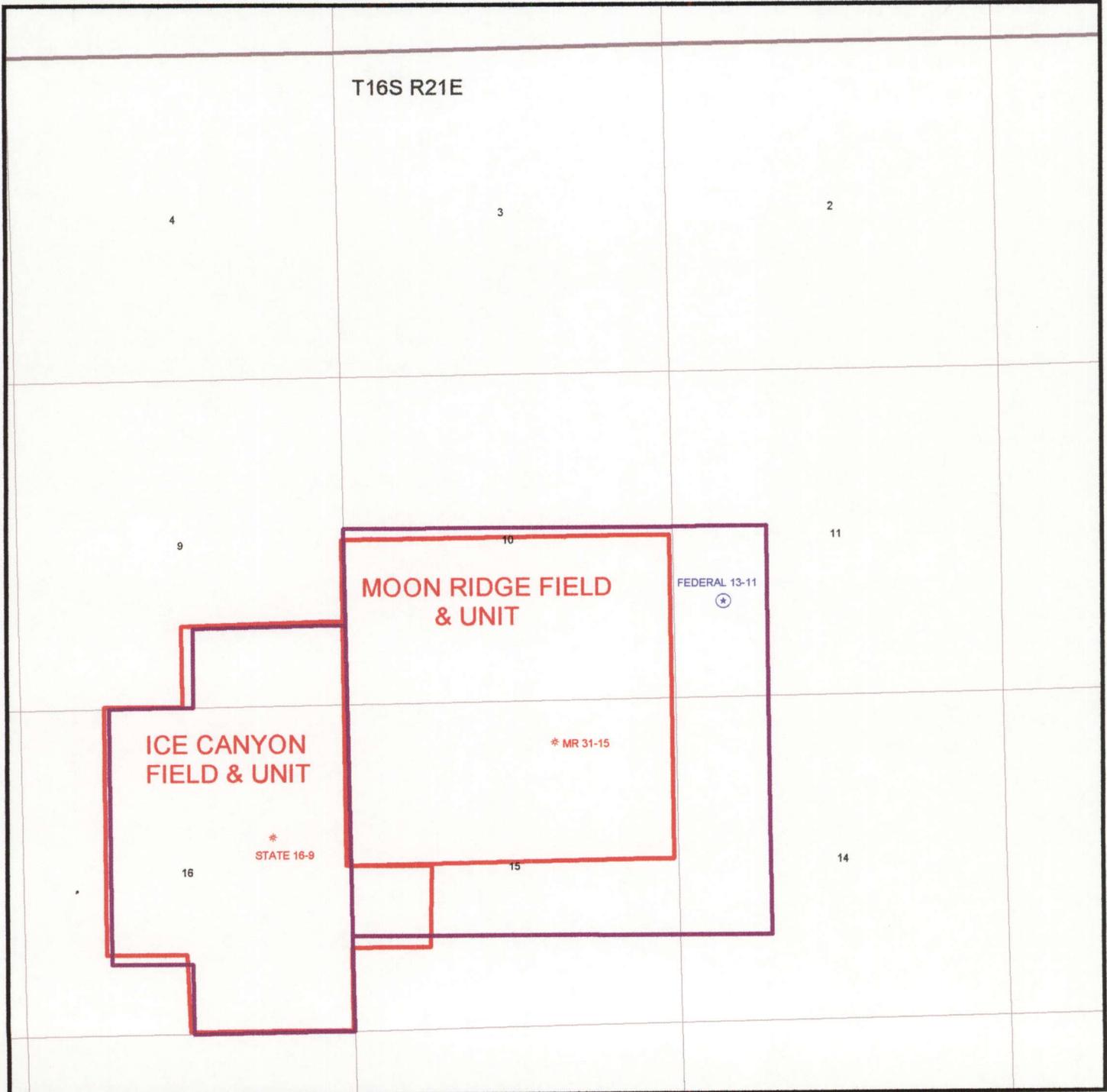
Utah Oil Gas and Mining

OPERATOR: NATIONAL FUEL CORP (N8060)

FIELD: MOON RIDGE (225)

SEC. 11, T16S, R21E,

COUNTY: GRAND SPACING: R649-3-3/EX LOC



AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

5000 SOUTH QUEBEC, SUITE 640
DENVER, COLORADO 80237



RECEIVED

AUG 14 2000

8/10/2000

Lisha Cordova
State of Utah
Division of Oil, Gas, and Mining
1594 West north Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114 - 5801

DIVISION OF
OIL, GAS AND MINING

RE: National Fuel Corporation, State of Utah Exception Location Requests:
✓ Moon Ridge Federal #13-11, NW SW Sec. 11 - T16S - R21E
Moon Ridge Federal #31-21, NW NE Sec. 21 - T16S - R21E
Grand Co., UT.

Dear Lisha,

Per our phone conversation of today, enclosed are new Requests for Exception to General State Spacing on the above referenced well applications. Each request includes wording as you suggested, and a new map that should be less confusing than the original. If these requests are as needed, please substitute these new sheets for the original exception request in the Federal #13-11 APD package and add this request to the Federal #31-21 APD package.

I should have water purchase agreements to you early next week. Previously, we have used verbal agreements with both water owners in question. Call me if you have any questions, and thank you for your help on these APD's.

Sincerely,

J. C. Brothers
Senior Geologist

Attached to:

MOON RIDGE FEDERAL #13-11
APPLICATION FOR PERMIT TO DRILL
State of Utah, Division of oil, Gas, and Mining Form 3

**Request for Exception to General State Spacing – MOON RIDGE FEDERAL #13-11,
NW SW Sec. 11 – T16S – R21E, Grand CO., Utah**

As part of the Application For Permit To Drill package for the Moon Ridge Federal #13-11, National Fuel Corporation requests an exception to general state spacing for the #13-11, NW SW Sec. 11 – T16S – R21E, Grand CO., Utah. The #13-11 is a proposed 10,200' gas well on Federal Lease # U 73899, in the Moon Ridge Field area. Topographic restraints on the physical well location force National Fuel Corporation to request this spacing exception. The 40-acre standard state spacing window for this well is in active drainage and at the beginning of steep down-cutting at the head of a side canyon to Moon Ridge Canyon.

The proposed well location is 500' from the nearest lease line, and National Fuel Corporation owns and operates all adjoining oil and gas leases. There are no other owners within 460' of the proposed well location. Based on historic production in the immediate area and in the event that production is established by the #13-11, National Fuel Corporation will apply for 320-acre spacing for that well. The subsequent spacing unit will include the nearest adjoining lease, that lease also being owned 100% by national Fuel Corporation..

Attached are reference maps including:

Survey Plats of the proposed location

Topographic map showing the location, lease boundaries and lease ownership

AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

5000 SOUTH QUEBEC, SUITE 640
DENVER, COLORADO 80237



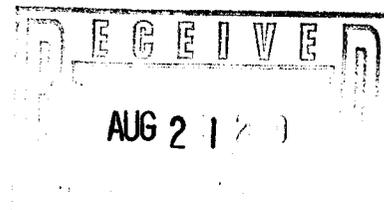
FACSIMILE TRANSMITTAL SHEET

DATE: 8/21/2000

TO: LISHA CORDOVA

FAX NO.: 801 - 359 - 3940

FROM: JIM BROTHERS
National Fuel Corporation
5000 South Quebec St., Suite. 640
Denver, CO 80237



FAX NO.: (303) 220-7773
VOICE: (303) 220-7772

SUBJECT: Water Purchase Agreements

NO. OF PAGES, INCLUDING THIS PAGE: 4

COMMENTS: Lisha,

Here are Water Purchase Agreements for APD's as follows:

National Fuel Corp. - MOON RIDGE FEDERAL #13-11 sec. 11-T16S-R21E
(operator) MOON RIDGE FEDERAL #31-21 sec. 21-T16S-R21E

Both in Grand Co., UT - administered by Vernal BLM office

J.C. Thompson - Middle Canyon Federal #42-24 sec. 24-T16S-R23E
(operator) Grand Co., UT - administered by Moab BLM office

This agreement will be applied to the Middle Canyon #18-19 when it is eventually drilled.

J.C. Thompson owns National Fuel Corp., & uses both J.C. Thompson & National Fuel as operating agents in Utah. I do geology & permitting, etc. for both.
Thanks for your help.

Jim Brothers

AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

5000 SOUTH QUEBEC, SUITE 640
DENVER, COLORADO 80237



8/14/2000

Lisha Cordova
State of Utah
Division of Oil, Gas, and Mining
1594 West north Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114 – 5801

RE: National Fuel Corporation, Water purchase agreements:
Moon Ridge Federal #13-11, NW SW Sec. 11 – T16S – R21E
Moon Ridge Federal #31-21, NW NE Sec. 21 – T16S - R21E
Grand Co., UT.

Dear Lisha,

Per our phone conversation of Thursday 8/10/2000, enclosed are water purchase agreements with Bert DeLambert to buy water from his pond for the drilling of our two wells at Moon Ridge. Previously, we used verbal agreements with DeLambert, and had to get these signed. Call me if you have any questions, and thank you for your help on these APD's.

Sincerely,

J. C. Brothers
Senior Geologist

RECEIVED

AUG 21 2000

DIVISION OF
OIL, GAS AND MINING

WATER PURCHASE AGREEMENT

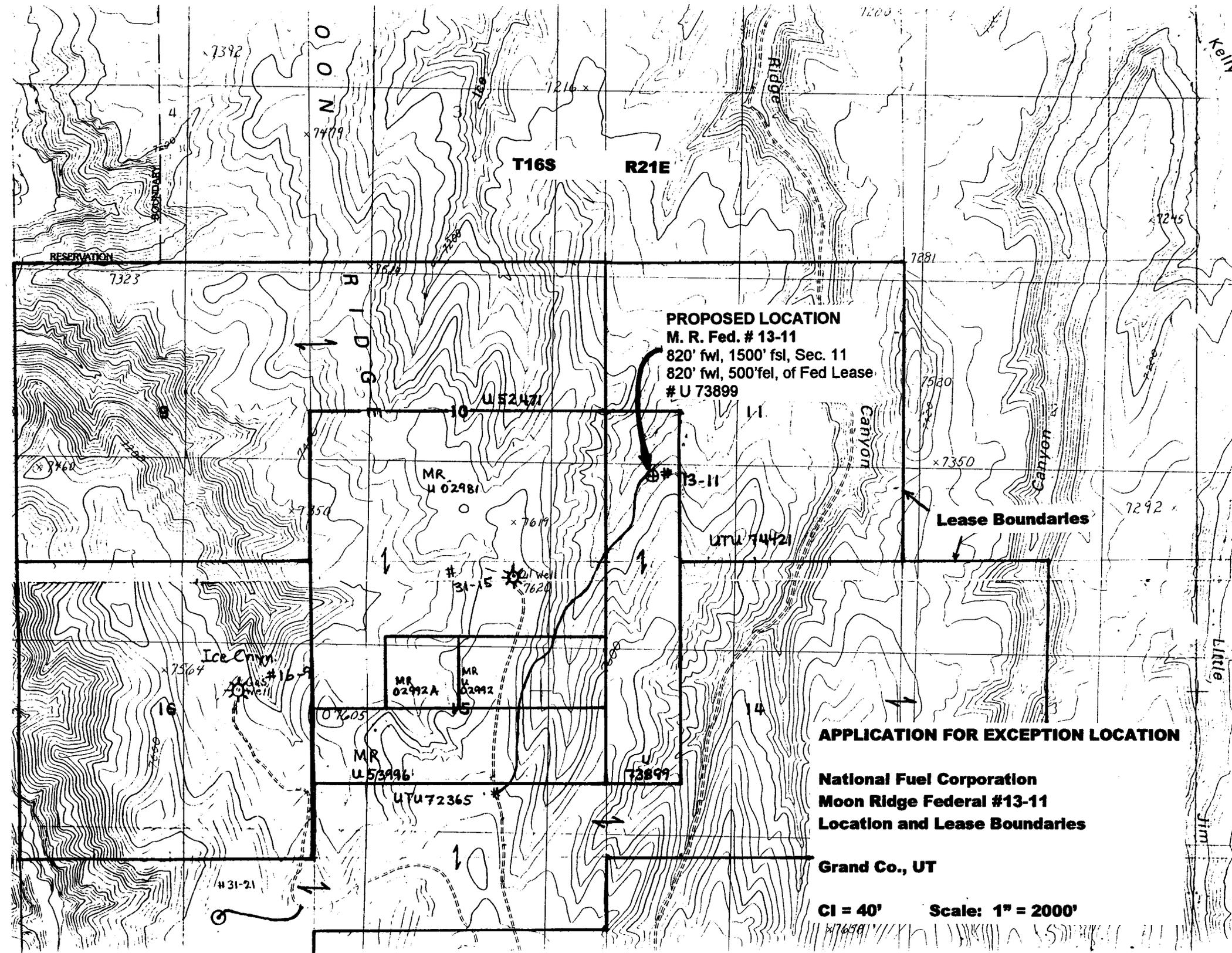
NATIONAL FUEL CORPORATION, 5000 So. Quebec, #640, Denver, CO 80237 agrees to pay Bert DeLambert, the sum of 2000⁰⁰ for water to be used for the drilling and 500⁰⁰ for completion of National Fuel's Moon Ridge Federal #13-11 well, located in the NW SW of Section 11, Township 16 South, Range 21 East, Grand County, Utah. Water will be hauled from a pond/tank owned by Bert DeLambert at National Fuel's Expense.

EXECUTED this 16th day of August, 2000

NATIONAL FUEL CORPORATION

By: Andy Bush
Andy Bush
Production Superintendent

By: Bert DeLambert
Bert DeLambert



T16S

R21E

PROPOSED LOCATION
M. R. Fed. # 13-11
820' fwl, 1500' fsl, Sec. 11
820' fwl, 500' fel, of Fed Lease
U 73899

Lease Boundaries

APPLICATION FOR EXCEPTION LOCATION

**National Fuel Corporation
Moon Ridge Federal #13-11
Location and Lease Boundaries**

Grand Co., UT

CI = 40' Scale: 1" = 2000'

7392

00 N
7479

1216 x

7323

R
I
D
G
E

U 52471

MR
U 02981

13-11

UTU 74421

7520

x 7350

7292

Ice Canyon

16

13-15
Well

MR
02992A

MR
U 02992

MR
U 53996

UTU 72365

U 73899

31-21

Little
Jim

RESERVATION

Ridge

Canyon

Canyon

Kelly



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

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 21, 2000

National Fuel Corporation
5000 S Quebec, Suite 640
Denver, CO 80237

Re: Federal 13-11 Well, 1500' FSL, 820' FWL, NW SW, Sec. 11, T. 16 South, R. 21 East,
Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted. Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31380.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

John R. Baza
Associate Director

er

Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab District Office

Operator: National Fuel Corporation
Well Name & Number Federal 13-11
API Number: 43-019-31380
Lease: Fed U-73899

Location: NW SW **Sec.** 11 **T.** 16 South **R.** 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

**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
 National Fuel Corporation

3. ADDRESS OF OPERATOR
 5000 S. Quebec, Suite 640, Denver, CO 80237

4. LOCATION OF WELL (Report location clearly and in accordance with any state requirements.)
 At surface: 1500' fsl, & 820' fwl (NW SW) Sec. 11, T16S, R21E
 At proposed prod. zone: Same as surface

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 60 miles +/- NW of Fruita, CO

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest city, well log, if any)
 500' (820' from MR U02891)

19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.
 None

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7327' GR

6. LEASE DENOMINATION AND SERIAL NO.
 U-73899
 U-73899 (Federal)

8. IF NEWMAN, ALLOTTEE OR TRUSTEE NAME

7. UNIT AGREEMENT NAME

9. FARM OR LEASE NAME
 Moon Ridge

8. WELL NO.
 Federal #13-11

10. FIELD AND POOL, OR WILDCAT
 Stepout, Moon Ridge, Cdr Mtn/Dakota

11. SEC., T., RL. N., OR BLK. AND SURVEY ON AREA
 NW SW Sec. 11, T16S, R21E

12. COUNTY OR PARISH
 Grand

13. STATE
 UT

**RECEIVED
JUL 24 2000**

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48# H40	300'	350 sx regular cement
12 1/4"	8 5/8"	32# J 55	5,900'	1,935 sx 50/50 pozmix cement
6 1/4"	4 1/2"	11.6# N80	10,200'	150 sx thixotropic cement

Move in rotary rig and drill 17 1/2" hole to 300' and run 300' of 13 3/8" surface casing set with 350 sx regular cement. Drill 12 1/4" hole to 5,900' or through Castlegate using mud. Run 5,900' of 8 5/8" intermediate casing set with 1,935 sx of 50/50 pozmix cement circulated to surface. Drill 6 1/4" hole to 10,200' TD using air. Run 10,200' of 4 1/2" production csg set with 150 sx thixotropic cement (cement top approx. 1,000' above top of Dakota Silt). Perforate and test Cedar Mountain/Dakota for production. May frac if necessary. Connect new gathering line to existing system in Moon Ridge Field.

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 J.C. Brothers **J.C. Brothers** **TITLE** Sr. Geologist **DATE** 7/20/00

**NOTICE OF APPROVAL
RECEIVED**

PERMIT NO. _____ **APPROVAL DATE** _____

APPROVED BY [Signature] **TITLE** Assistant Field Manager
Mineral Resources **DATE** SEP 18 2000
9/14/00

CONDITION OF APPROVAL, IF ANY: _____

*See Instructions On Reverse Side
CONDITIONS OF APPROVAL ATTACHED

DIVISION OF
OIL, GAS AND MINING

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: National Fuels Corporation

Well Name & Number: Moon Ridge Federal #13-11

API Number: 43-019-31380

Lease Number: U - 73899

Location: NWSW Sec. 11 T. 16S R. 21E

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

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SEP 18 2000

DIVISION OF
OIL, GAS AND MINING

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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 aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

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

Report ALL water shows and water-bearing sands to Tim Ingwell of this office prior to **setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

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

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxillary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water resources shall be isolated and/or protected by having a cement top for the intermediate casing at least 200 ft. above the top of the Wasatch formation, identified at 2,375 ft. The production casing will be cemented to at least 200 ft. above the top of the Dakota formation, identified at 9,610 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

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SEP 18 2000

DIVISION OF
OIL, GAS AND MINING

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

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

A cement bond log (CBL) will be run from the intermediate casing shoe to the top of the cement for the intermediate casing prior to running the production casing and shall be utilized to determine the bond quality for the intermediate casing. Also, a cement bond log (CBL) will be run and from the production casing shoe to the top of the cement for the production casing and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBLs to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

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SEP 18 2000

DIVISION OF
OIL, GAS AND MINING

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"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.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

RECEIVED

SEP 18 2000

DIVISION OF
OIL, GAS AND MINING

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 789-7077
Petroleum Engineer

Jerry Kenczka (435) 781-1190
Petroleum Engineer

BLM FAX Machine (435) 781-4410

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SEP 18 2000

DIVISION OF
OIL, GAS AND MINING

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

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SEP 18 2000

DIVISION OF
OIL, GAS AND MINING

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

- The reserve pit shall be constructed so as not to leak, break, or allow discharge. The reserve pit shall be lined with a plastic nylon reinforced liner to be a minimum of 12 mils in thickness. The liner will be bedded with sufficient dirt or straw to cover the rock. The liner will overlap the pit walls and be covered with dirt and or rocks to hold it in place.

- The reserve pit topsoil should be piled separately from the location topsoil.

- Once the reserve pit is dry, it should be filled, recontoured, topsoil spread, and seeded in the same manner discussed in the APD for the topsoil.

- Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

- If the well becomes a producing well, a sign shall be installed where the access road begins explaining that the road is a dead end well service road.

RECEIVED

SEP 18 2000

DIVISION OF
OIL, GAS AND MINING

AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

7720 EAST BELLEVIEW AVENUE, #B-300
ENGLEWOOD, COLORADO 80111



RECEIVED

AUG 27 2001

DIVISION OF
OIL, GAS AND MINING

August 24, 2001

Ms. Lisha Cordova
State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: Moonridge Federal #13-11
API 43-019-31380
Grand County, Utah

Dear Ms. Cordova,

This letter is to request a 1-year extension to drill the captioned well. The Utah Division of Oil, Gas and Mining approved the APD on August 21, 2000. Barring any unforeseen circumstances, we intend to drill this year before the wildlife restrictions. Thank you in advance for your consideration. Please indicate your approval by signing in the space below and returning one copy of this letter to me in the envelope provided.

Sincerely,
NATIONAL FUEL CORPORATION

Brenda K. Mayland
Treasurer

The State of Utah Division of Oil, Gas & Mining grants a 1-year extension, or until August 21, 2002 to drill the Moonridge Federal #13-11 well.

By: _____
Printed Name: _____
Title: _____
Date: _____

**Approved by the
Utah Division of
Oil, Gas and Mining**
Date: 08-29-01
By: [Signature]

COPY SENT TO OPERATOR
Date: 08-29-01
Initials: CHD

AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

7720 EAST BELLEVIEW AVENUE, #B-300
ENGLEWOOD, COLORADO 80111



August 24, 2001

Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, UT 84078-2799

Re: Moonridge Federal #13-11 43-019-31380
Grand County, Utah Sec. 11, 16S, 21E

Ladies and Gentlemen:

This letter is to request a 1-year extension to drill the captioned well. The BLM approved the APD on September 14, 2000. Barring any unforeseen circumstances, we intend to drill this year before the wildlife restrictions. Thank you in advance for your consideration. Please indicate your approval by signing in the space below and returning one copy of this letter to me in the envelope provided.

Sincerely,
NATIONAL FUEL CORPORATION

Brenda K Mayland

Brenda K. Mayland
Treasurer

The Bureau of Land Management grants a 1-year extension, or until September 14, 2002 to drill the Moonridge Federal #13-11 well.

By: *Kirk Fuztwoods*
Printed Name: KIRK FUZTWOODS
Title: Petroleum Engineer
Date: 9/12/01

RECEIVED

SEP 24 2001

DIVISION OF
OIL, GAS AND MINING

CONDITIONS OF APPROVAL ATTACHED

DOG M

National Fuels Company
APD Extension

Well: Moonridge Federal #13-11

Location: NWSW Sec. 11, T16S, R21E
Grand County, UT

Lease: UTU 73899

CONDITIONS OF APPROVAL

An extension for the referenced APD is granted with the following conditions:

1. The extension will expire 9/14/02
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood or Ed Forsman of this office at (435) 781-4400.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
U-73899

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT OR CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
Federal 13-11

9. API NUMBER:
43-019-31380

10. FIELD AND POOL, OR WILDCAT:
Stepout, Moon Ridge, Cdr Mtn/Dk

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
National Fuel Corporation

3. ADDRESS OF OPERATOR: PHONE NUMBER:
7720 E Belleview B300 CITY **Englewood** STATE **CO** ZIP **80111** **(303) 220-7772**

4. LOCATION OF WELL COUNTY: **Grand**
FOOTAGES AT SURFACE: **1500' fsl & 820' fwl**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 11 16S 21E** STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD extension - 1
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	year

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

We request a one-year extension on the APD from September 14, 2002 to September 14, 2003.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-12-02
By: [Signature]

COPY SENT TO OPERATOR
Date: 9-12-02
Initials: CHD

NAME (PLEASE PRINT) Brenda K. Mayland TITLE Treasurer
SIGNATURE [Signature] DATE 9/10/2002

(This space for State use only)

RECEIVED

SEP 11 2002

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3160

UT08300

October 4, 2002

National Fuel Corporation
7720 E. Belleview, B300
Englewood, Colorado 80111

Re: Notification of Expiration
Federal 13-11
NWSW, Sec. 11, T16S, R21E
GRAND Uintah County, Utah
Lease No. U-74899

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on September 14, 2000. National Fuel Corporation requested an extension of the original APD approval for an additional year. The request was reviewed and the extension approved until September 14, 2002. Since that date, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Walker
Legal Instruments Examiner

cc: UDOGM

RECEIVED

OCT 09 2002

DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
National Fuel Corporation

3a. Address **7720 E Belleview B300**
Englewood CO 80111

3b. Phone No. (include area code)
303-220-7772

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1500' fsl & 820' fwl
NWSW Sec11-T16S-R21E

5. Lease Serial No.
U-73899

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Federal 13-11

9. API Well No.
43 019 21380

10. Field and Pool, or Exploratory Area
Stepout, Moon Ridge, Cdr

11. County or Parish, State
Grand, UT

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SEP 16 2002

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>APD extension</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>1 year</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

We hereby request a one-year extension on the APD from September 14, 2002 to September 14, 2003.

SEE ATTACHMENT

RECEIVED
OCT 09 2002
DIVISION OF OIL, GAS AND MINING
RECEIVED
2002 SEP 11 P 3:31
MOAB FIELD OFFICE

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

Name (Printed/Typed) **Brenda K. Mayland** Title **Treasurer**

Signature *Brenda K Mayland* Date **9/10/2002**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **DENIED** Title _____ Date **SEP 18 2002**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

uDO6m

National Fuels Company
APD Extension

Well: Federal 13-11

Location: NWSW Sec. 11, T16S, R21E
Grand County

Lease: UTU 73899

REASON FOR DENIAL

An extension for the referenced APD is denied for the following reason:

1. In the conditions of approval for a Sundry Notice received by this office on August 27, 2001 and approved September 12, 2001 you were informed that the APD for the above referenced well would be extended until September 14, 2002, one year from the original approval date. You were also informed at that time that no additional extension would be granted.

If you have any other questions concerning this matter, please contact Kirk Fleetwood or Ed Forsman of this office at (435) 781-4400.



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

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

November 19, 2003

Andrew Busch
National Fuel Corporation
7979 East Tufts Ave. Pkwy 815
Denver CO 80237

Re: APD Rescinded – Federal 13-11, Sec.11, T.16S, R.21E Grand County, Utah
API No. 43-019-31380

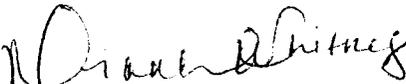
Dear Mr. Busch:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 21, 2000. On August 29, 2001 and on September 12, 2002 the Division granted a one-year APD extension. On November 17, 2003, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective November 17, 2003.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Moab