

Frank I. Pritchett, Jr.

532 Lorraine Ct.
Grand Junction, CO.

81504

(970) 434-9265

(970) 434-2435

geoknarf@acsol.net

May, 21, 2001

To: Utah Division of Oil and Gas.

1594 W. North Temple, Ste. 1210

Salt Lake City, Utah. 84114-5801

Gentlemen:

I herein request an exception approval for a location in Grand Co., Utah for reasons of topography. The on-site inspection by the Moab BLM office has been carried out and approved. I am the owner of all leases within 460 feet of the staked location.

I am also enclosing a copy of the APD which is has been submitted to the Moab office. Thanks for your attention to this matter.

Regards,


Frank I. Pritchett, Jr.

RECEIVED

MAY 25 2001

DIVISION OF
OIL, GAS AND MINING

ASSIGNMENT

The undersigned Obligor Frank I Pritchett Jr.
do hereby transfer, assign and set over to the Bureau of Land Management (BLM), Salt Lake City, Utah, all of the right, title, and interest of the undersigned Obligor in and to the following described account.

Certificate of Deposit (CD) # 0687724567 in the amount of \$10,000 in the name as stated above. Only an authorized officer of the BLM may collect the face amount of the CD or approve the redemption of the CD by any party.

Further, the BLM (or his/her delegate) has full authority to demand immediate payment in case of default in the performance of the terms and conditions of the bond with no expiration on the time in which this Certificate of Deposit may be collected by the BLM in case of default.

Obligor:

Frank Pritchett Jr.

5/14/2001
(Date)

We hereby acknowledge receipt of attached assignment wherein Frank J Pritchett Jr.
surrenders its right to redeem Certificate of Deposit No. 0687724567
without prior approval of the authorized officer of the Bureau of Land Management (BLM). We
further acknowledge that the BLM may redeem said Certificate without the approval of
Frank J Pritchett Jr. Accordingly, our records have been duly noted.

By Richard A. Harper
(Name)

Personal Banker
(Title)

5-11-01
(Date)

Attachment
Assignment

001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

UTU-79195

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
 Frank I. Pritchett, Jr.

3. ADDRESS AND TELEPHONE NO.
 532 Lorraine Ct. Grand Junction Co. 81504 Ph. 970-434-9265

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: 2490' from the west line, 853' from the south line
 At proposed prod. zone: Same Sec. 3, 18S-24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 35 miles ~~west~~ of Mack, CO. 4347499 N 651195 E

10. FIELD AND POOL, OR WILDCAT
 Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SE SW 3, 18S-24E

12. COUNTY OR PARISH
 Grand

13. STATE
 Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 853'

16. NO. OF ACRES IN LEASE
 1158

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 none

19. PROPOSED DEPTH
 3100'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 Gr. 5058.8

22. APPROX. DATE WORK WILL START*
 June 25, 01

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 3/8"	24# 155	200'	180 sks
7 7/8"	5 1/2"	15.5# 155	2860	500 sks.

RECEIVED

MAY 25 2001

DIVISION OF OIL, GAS AND MINING

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 5-31-01
By: [Signature]

Federal Approval of this
Action is Necessary

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

24. SIGNED [Signature] TITLE Owner operator DATE 5/7/2001

(This space for Federal or State office use)

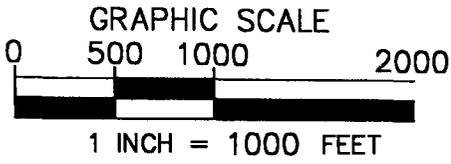
PERMIT NO. 43-019-31386 APPROVAL DATE _____

Application approval 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.
CONDITIONS OF APPROVAL, IF ANY:

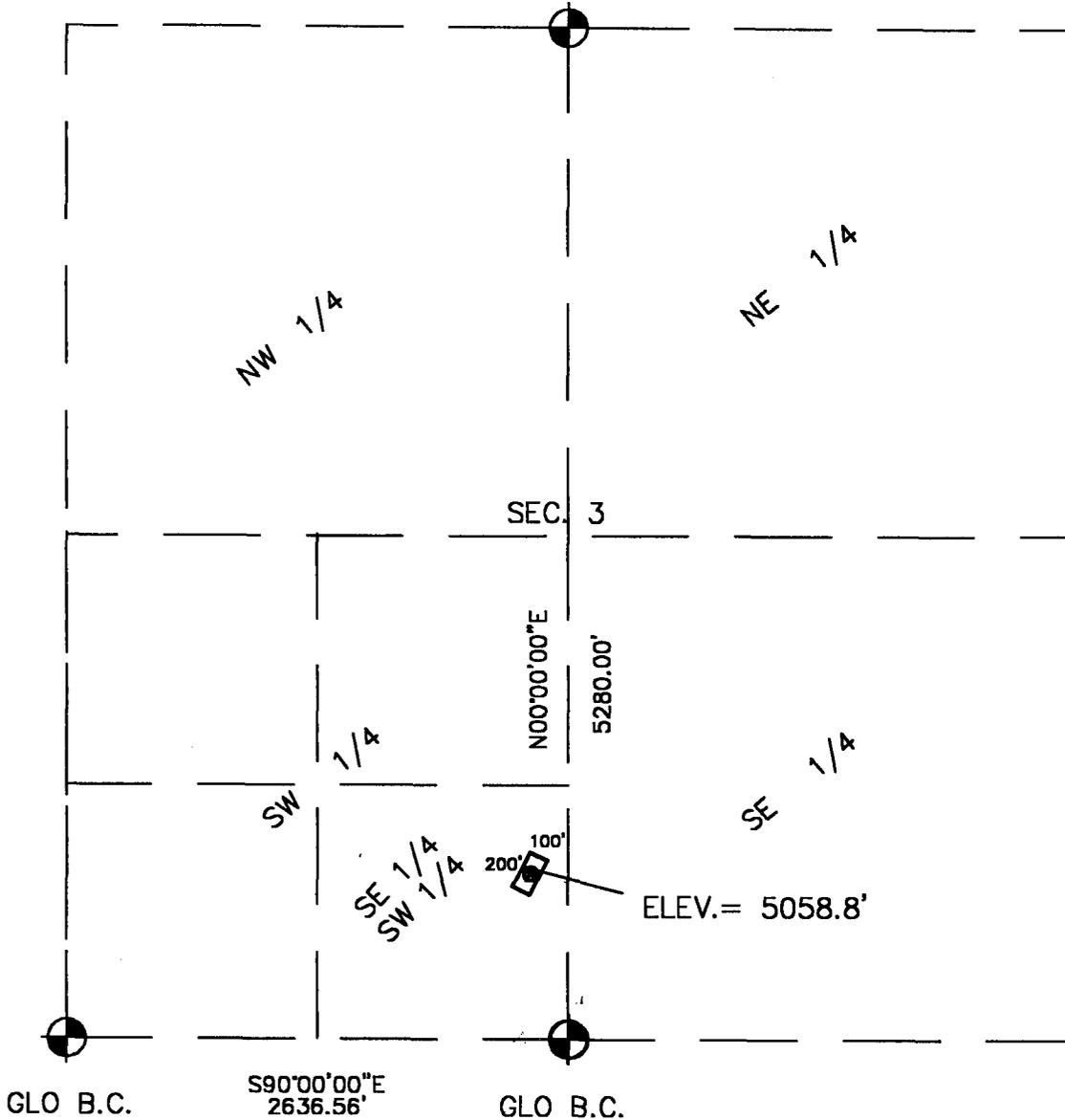
APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

PROPOSED WELL LOCATION



FOUND GLO BRASS CAP



LOCATED NORTH 853 FEET FROM THE SOUTH LINE
AND 150 FEET FROM THE NORTH AND SOUTH
CENTERLINE OF SECTION 3, T18S R24E, SLBM

? Pritchett #1 Federal.

SW 1/4 SEC. 3
T18S, R24E

APPLIED EARTH SCIENCES

734 MAIN STREET
Grand Junction, CO. 81506
970-248-3559 FAX 970-248-9069

SURVEYED BY: JLW

SURVEY DATE: MARCH 20, 2001

JOB No. 201020

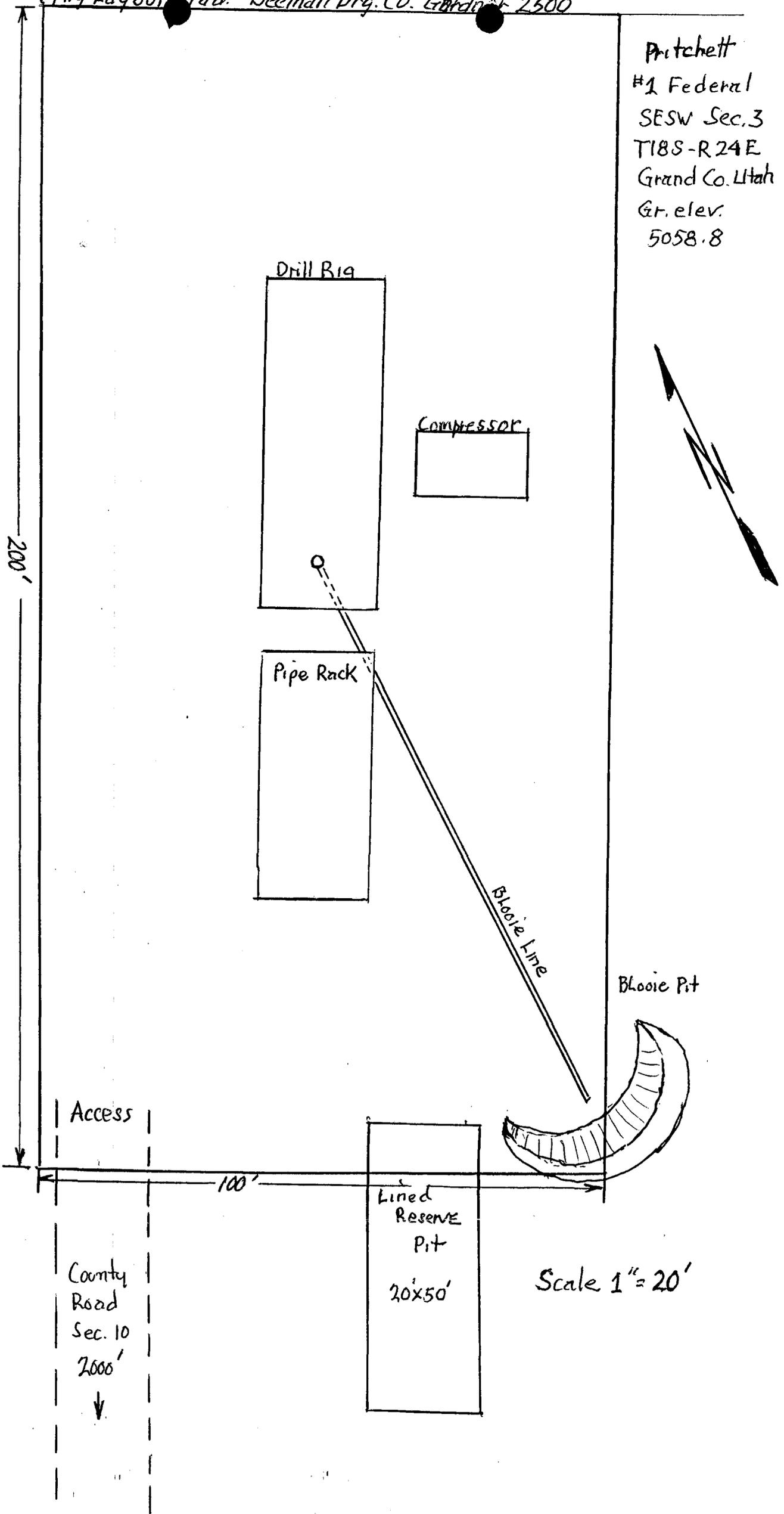
REQUESTED BY: FRANK PRITCHETT

REVISION:

SHEET 1 OF 1

Rig Layout Pad. Beeman Drg. CO. Gardner 2500

Pritchett
#1 Federal
SESW Sec. 3
T18S-R24E
Grand Co. Utah
Gr. elev.
5058.8



004

UT-060-3160-1
 March, 2001

Bureau of Land Management
 Price, Moab and Monticello Field Offices, Utah
 Application for Permit to Drill
 On-Site Inspection Checklist

Company_ PRITCHETT Well No. Federal #1

Location: Sec. 3, T.18S, R. 24E, Lease
 No. U7915

On-Site Inspection Date: 3/22/01

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:
 Mancos Shale surface, Dakota silt 2980, First Dakota
 ss. 3040
 Main Dakota ss, 3080.
 Total depth 3130.
2. Estimated Depth at Which Oil, Gas, Water or Other
 Mineral Bearing Zones are expected to be encountered

Depth/Formation:

Expected Oil Zones: 3040, Dakota ss.
 Expected Gas Zones: 3080, 2nd Dakota ss.
 Expected Water Zones: none
 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 sketch for Beeman rig

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): *8 7/8"*

Surface csg. ~~7 inch~~, New, J55
Set at 200 feet *w 160 SKS*

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- regular, plus 2% CaCl. *Cemented to surface.*

Surface 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: Air drilled hole- Blooie line will be at least 100 feet ESE of test hole Pilot light will be maintained at end of blooie line. Water mist at flare pit to control dust.

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases. 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: Gamma-neutron

log will be run at a

TD of approx.3130.

No DSTs

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 lost circ.in air drilled hole.

Bottom hole pressure < 100 PSI

9. Any Other Aspects of this Proposal that should be Addressed: None

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 (submit a map depicting access and well location).

(See attached map)

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

35 miles west of Mack, CO.

Well site in Grand CO., Utah

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

County roads will require an encroachment permit from the San Juan County Road Department.

d. Plans for improvement and/or maintenance of existing roads:

Access road will be graded for 2200 feet due north from county road in section 10,T18S-R24E,Grand CO.,Utah

e. Other: None

2. Planned Access Roads:

- a. Location (centerline): Follows old existing from the N1/2 of Sec.10, due North to SESW of section3 (see Dry Canyon topo.map)
- b. Length of new access to be constructed: 2200 feet.
- c. Length of existing roads to be upgraded: 2200 feet
- d. Maximum total disturbed width: 25 feet
- e. Maximum travel surface width: 25 feet with two turn-outs (by passes)
- f. Maximum grades: >1 degree
- g. Turnouts: Two: for vehicle convenience
- h. Surface materials: Dirt until completion, then gravel
- i. Drainage (crowning, ditching, culverts, etc): NA until completion
- j. Cattleguards: none needed
- 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: 1700 feet
- l. Other: None

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the Field Office 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 BLM.

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 Field Office 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:

Western Oil and Gas #1 Fed. NENW section 10, 18S-R24E

Pease #1 Federal, SWNE Sec. 10, 18S-24E, both dry holes, plugged and abandoned.

4. Location of Production Facilities:

- a. On-site facilities: 500 bbl test tank, during completion
- b. Off-site facilities: Two 500 bbl tanks by county road in sec.10
- c. Pipelines: From wellhead to tank battery in Sec.10.

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 of installation. Facilities required by compliance with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Beige or as directed.

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 1½ 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 Oil and Gas Order No. 7. If water is produced from the well, an application in conformance with Order No. 7 must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Mack, CO. 35 miles east.
Municipal source

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.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): Will haul gravel from commercial source in Co.

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 (native material, bentonite, synthetic material): Disposal will be on site in pit and covered.

The reserve pit will be located: NA
and the pit walls will be sloped at no greater than _____
to 1.

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 and 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: NA

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. (see attached plat)

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

Access to the well pad will be from: County road in section 10.

The blooie line will be located: SSE, 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 pit will be banked high enough to confine dust and spray.

10. Plans for Restoration of the Surface:

The top 6 inches of topsoil material will be removed from the location and stockpiled separately on: Edge of location

Topsoil along the access road will be reserved in 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.

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

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 _____ and _____, 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: 4#/acre, Crested wheatgrass, 4#/acre, Four wing salt bush

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

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) 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:

NA

11. Surface and Mineral Ownership: Federal Lease

12. Other Information:

a. Archeological Concerns: Survey by Montgomery Archeological Sevice has been submitted. Results were, "no historical properties affected". 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 BLM Field Office. Within five (5) working days, the BLM 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 BLM to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM 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 BLM 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 BLM will provide technical and procedural guidelines for the conduct of mitigation.

Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

b. Threatened and Endangered Species Concerns:
NA _____

c. Wildlife Seasonal Restrictions (yes/no):
No _____

d. Off Location Geophysical Testing:
None _____

e. Drainage crossings that require additional State or Federal approval: none

f. Other: none

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

Name: Frank I. Pritchett, Jr.

Title: Owner-operator

Address: 532 Lorraine Ct. Grand Junction, CO.

81504

Phone No.:

970-434-9265

Certification:

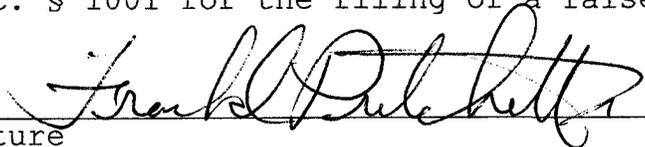
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by:

Beeman Drilling Company

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 bond no. (pending) \$10,000 CD dedicated to BLM. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.



Signature

Title Owner- Operator

Date

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Building Location- Contact the BLM, Natural Resource Protection

Specialist at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24 hours prior to spudding.

Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the BLM Moab Field 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 BLM Moab Field 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 with the BLM Moab Field Office for approval of all proposals, changes of plans and notifications 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. 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 local BLM Field Office 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 local BLM Field Office is to be notified.

First Production- Should the well be successfully completed for

production, the BLM Moab Field 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 local BLM Field Office. The BLM shall be notified prior to the first sale.

□

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a "Well Completion or Recompletion Report and Log" (Form

3160-4) will be submitted to the BLM Moab Field 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 BLM Moab Field 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 BLM Moab Field 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 the reserve 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 BLM Moab Field Office for approval pursuant Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the BLM Moab Field 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 BLM Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the BLM Moab Field 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 BLM, or the appropriate surface managing agency.

□

TABLE 1

NOTIFICATIONS

Notify _____ of the BLM _____ Field Office, at Moab, Utah
for the following:

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

1 day prior to spudding;

50 feet prior to reaching surface and intermediate casing depths;

3 hours prior to testing BOPE;

12 hours prior to reaching kickoff point depth (if applicable).

If the person at the above number cannot be reached, notify the BLM Moab Field Office at (435) 259-2100.

If unsuccessful, notify one of the people listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the BLM Moab Field Office (435) 259-2100. If approval is needed after work hours, you may contact the following:

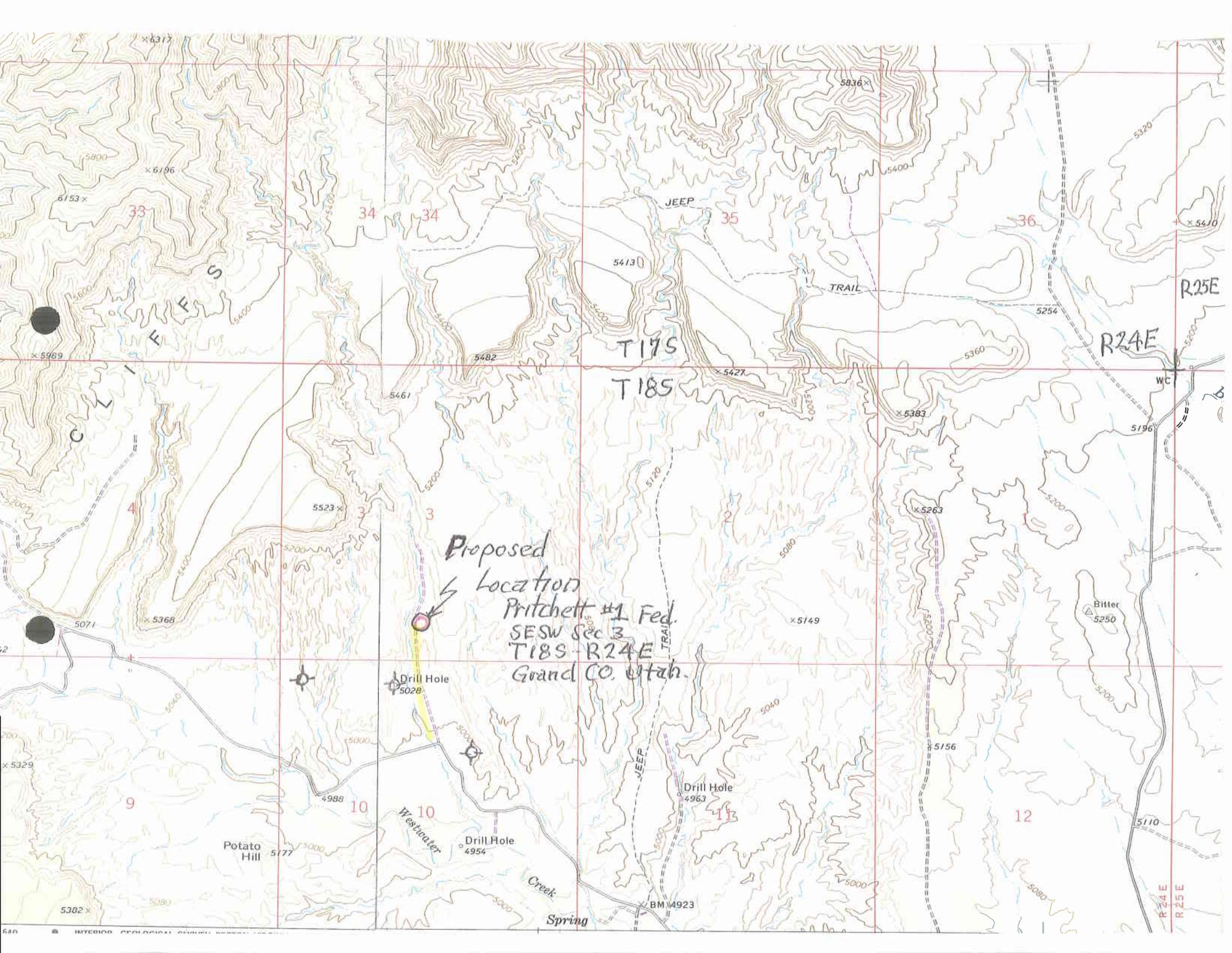
Eric Jones, Petroleum

Engineer

Office: (435) 259-2117

Home:

(435) 259-2214



Proposed
Location
Pritchett #1 Fed.
SESW Sec 3
T18S R24E
Grand Co. Utah.

Drill Hole
5028

Drill Hole
4963

Drill Hole
4954

BM 4923

Potato Hill
5177

Bitter
5250

5302 x

33

34

34

35

36

4

3

3

2

9

10

10

11

12

T17S

T18S

R25E

R24E

WC

R24E

R25E

JEEP

TRAIL

JEEP

JEEP

Spring

Westwater

Creek

C

L

E

S

L

E

S

C

L

E

S

S

S

S

S

Drill Hole

Drill Hole

Drill Hole

Drill Hole

BM 4923

Potato Hill

Bitter

5302 x

33

34

34

35

36

4

3

3

2

9

10

10

11

12

T17S

T18S

R25E

R24E

WC

R24E

R25E

JEEP

TRAIL

JEEP

JEEP

Spring

Westwater

Creek

C

L

E

S

L

E

S

C

L

E

S

S

S

S

S

Drill Hole

Drill Hole

Drill Hole

Drill Hole

BM 4923

Potato Hill

Bitter

5302 x

33

34

34

35

36

4

3

3

2

9

10

10

11

12

T17S

T18S

R25E

R24E

WC

R24E

R25E

JEEP

TRAIL

JEEP

JEEP

Spring

Westwater

Creek

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Drill Hole

Drill Hole

Drill Hole

Drill Hole

BM 4923

Potato Hill

Bitter

5302 x

33

34

34

35

36

4

3

3

2

9

10

10

11

12

T17S

T18S

R25E

R24E

WC

R24E

R25E

JEEP

TRAIL

JEEP

JEEP

Spring

Westwater

Creek

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Drill Hole

Drill Hole

Drill Hole

Drill Hole

BM 4923

Potato Hill

Bitter

5302 x

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36

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3

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T17S

T18S

R25E

R24E

WC

R24E

R25E

JEEP

TRAIL

JEEP

JEEP

Spring

Westwater

Creek

C

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Drill Hole

Drill Hole

Drill Hole

Drill Hole

BM 4923

Potato Hill

Bitter

5302 x

33

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34

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36

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T17S

T18S

R25E

R24E

WC

R24E

R25E

JEEP

TRAIL

JEEP

JEEP

Spring

Westwater

Creek

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Drill Hole

Drill Hole

Drill Hole

Drill Hole

BM 4923

Potato Hill

Bitter

5302 x

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36

4

3

3

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10

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T17S

T18S

R25E

R24E

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R24E

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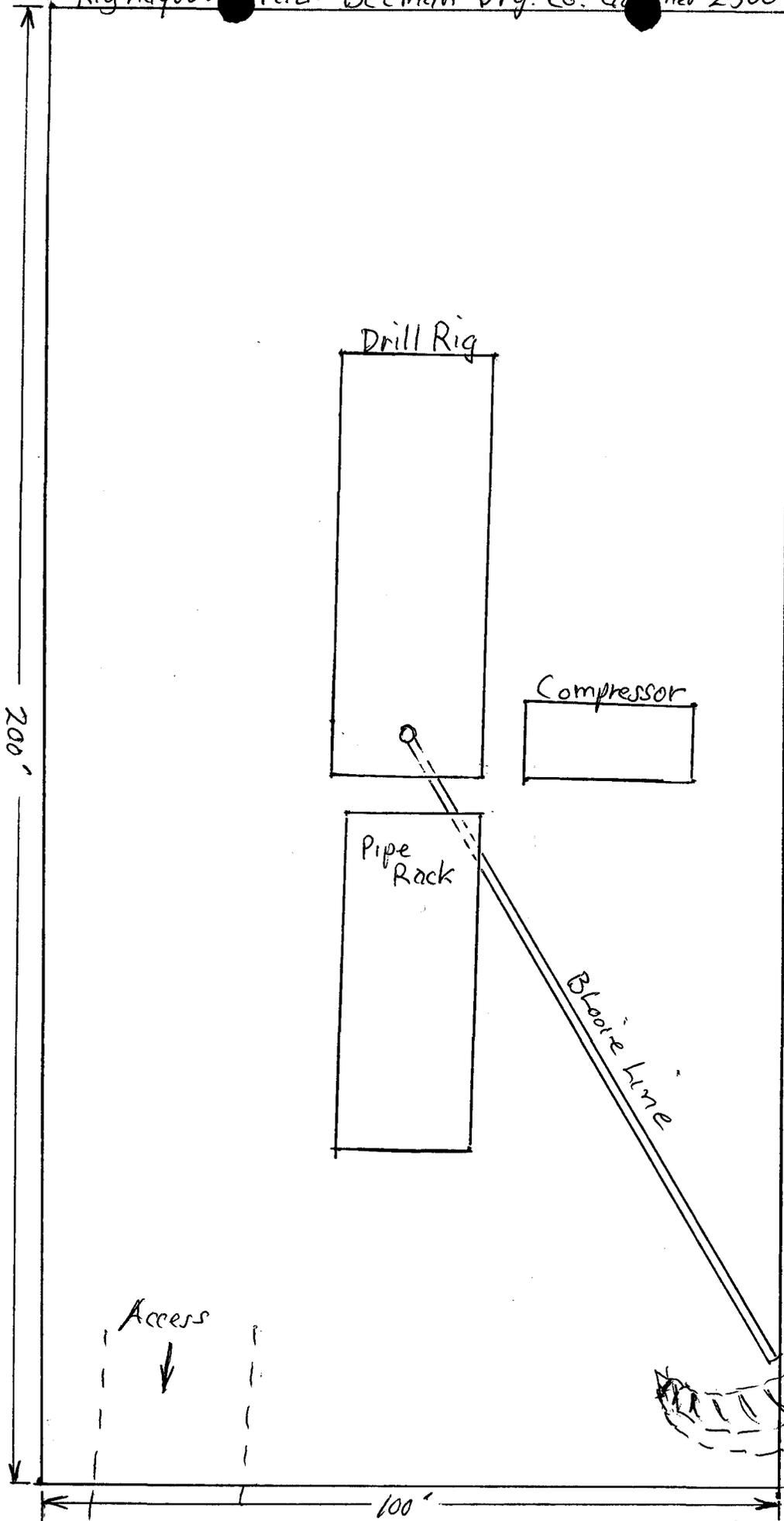
E

S

C

Rig Layout Pad. Beeman Drg. Co. Gardner 2500

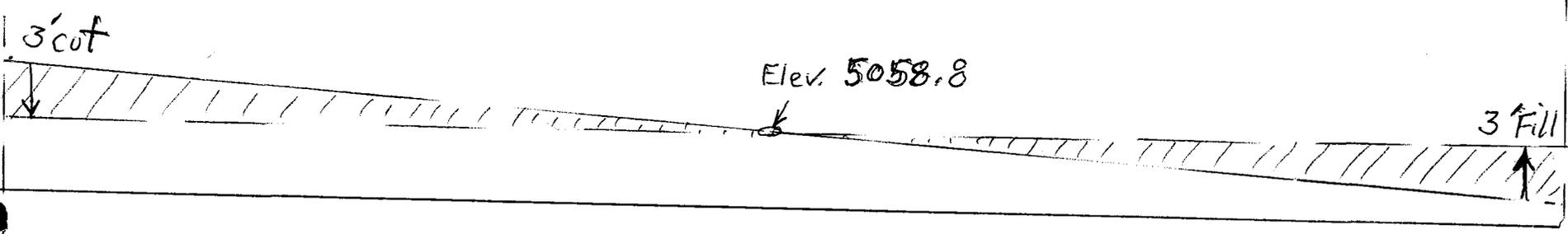
Pritchett
#1 Federal
SESW Sec 3
T18S R24E
Grand Co. Utah
Gr. elev:
5058.8



Scale 1" = 20"

NW

SE



3' cut

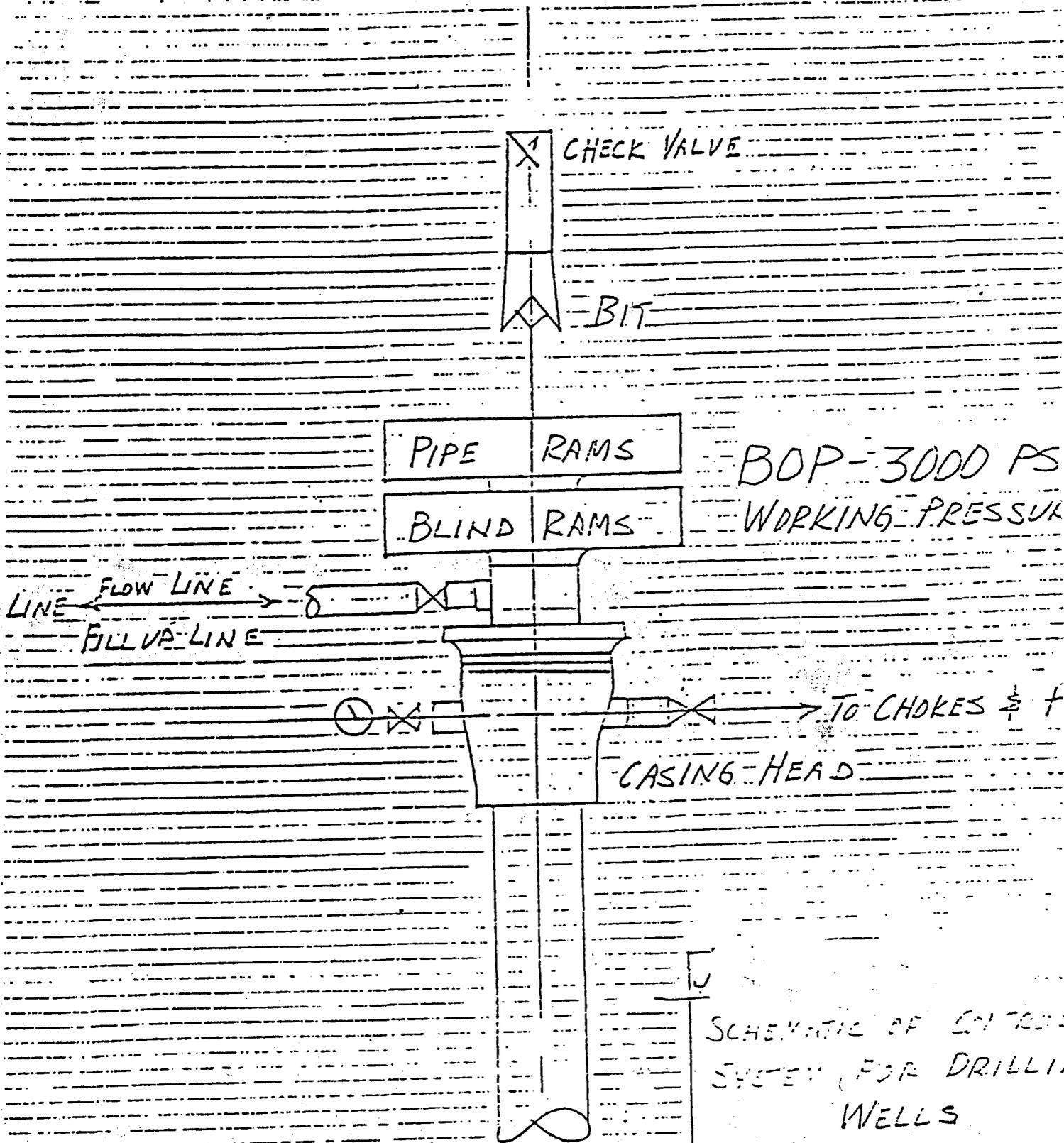
Elev. 5058.8

3' fill

Plot showing cut-fill North to South Pritchett #1 Federal.

Scale 1" = 20'

BOP Beeman Drg. Co.
for Pritchett #1 Federal



SCHEMATIC OF CONTROL
SYSTEM FOR DRILLING
WELLS

EXHIBIT "C"

005

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/25/2001

API NO. ASSIGNED: 43-019-31386

WELL NAME: PRITCHETT 1 FED
OPERATOR: PRITCHETT, FRANK JR (N1830)
CONTACT: FRANK PRITCHETT JR

PHONE NUMBER: 970-434-9265

PROPOSED LOCATION:

SESW 03 180S 240E
SURFACE: 0853 FSL 2490 FWL
BOTTOM: 0853 FSL 2490 FWL
GRAND
WILDCAT (1)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-79195
SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: DKTA

RECEIVED AND/OR REVIEWED:

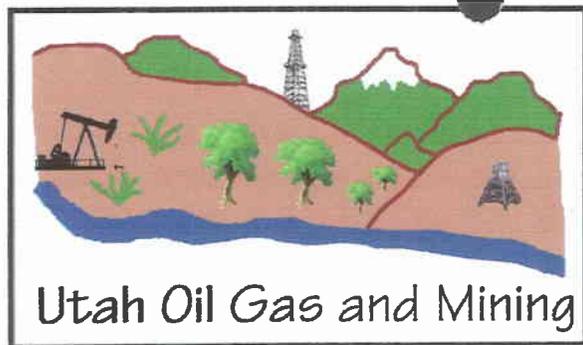
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 0687724567)
- Potash (Y/N)
- Oil Shale (Y/N) *190-5 (B) or 190-3
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

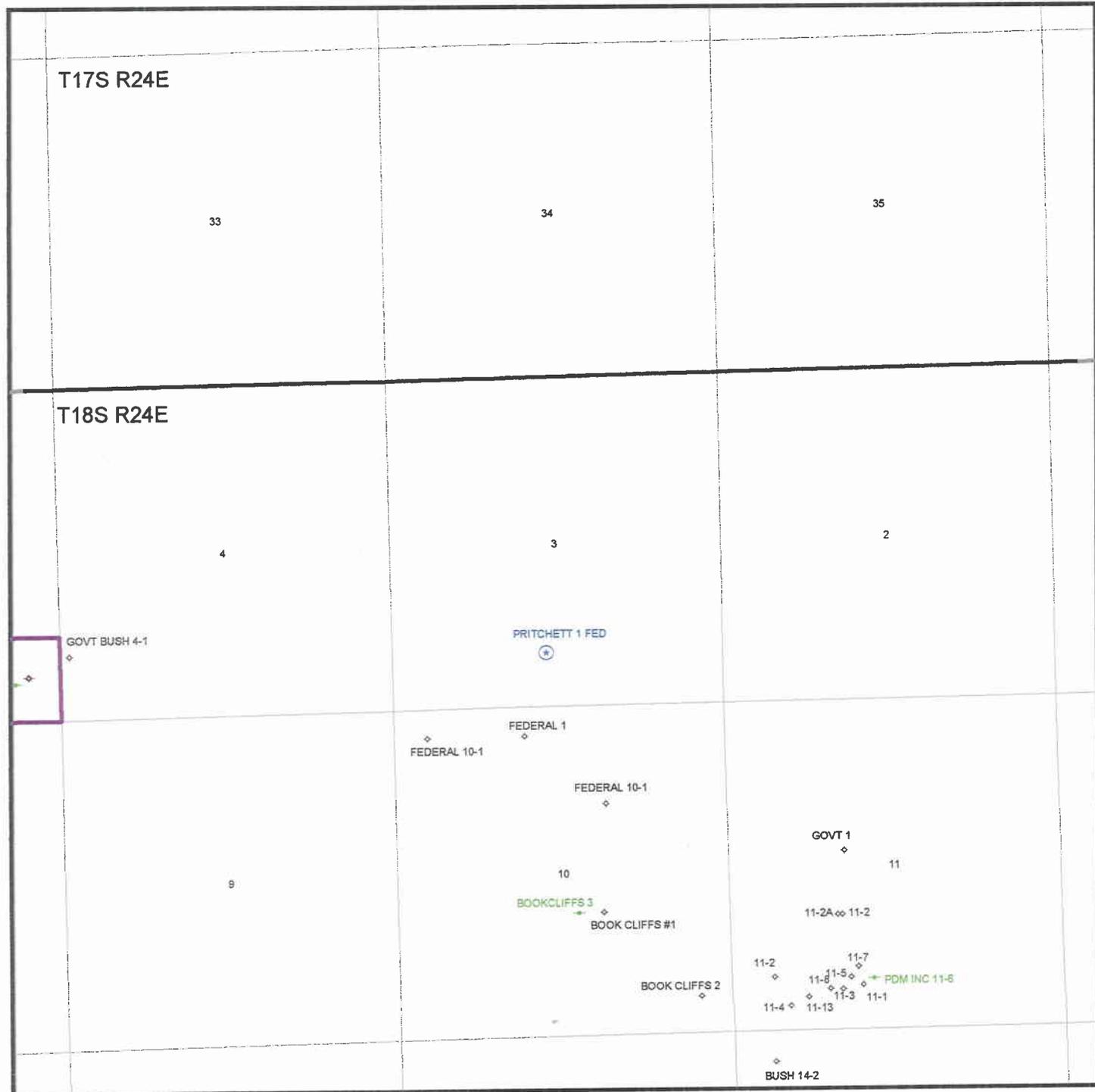
- R649-2-3. Unit
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

COMMENTS: *Exception Location*

STIPULATIONS: *Fed. Approval*



OPERATOR: PRITCHETT, FRANK JR (N1830)
 SEC. 3, T18S, R24E
 FIELD: WILDCAT (001)
 COUNTY: GRAND SPACING: R649-3-3/EX LOC





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)

May 31, 2001

Frank I. Pritchett, Jr.
532 Lorraine Ct
Grand Junction, CO 81504

Re: Pritchett 1 Federal Well, 853' FSL, 2490' FWL, SE SW, Sec. 3, T. 18 South, R. 24 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 43-019-31386.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

John R. Baza
Associate Director

er

Enclosures

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

Operator: Frank I. Pritchett, Jr.

Well Name & Number Pritchett 1 Federal

API Number: 43-019-31386

Lease: UTU 79195

Location: SE SW **Sec.** 3 **T.** 18 South **R.** 24 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

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

007

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

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

2. NAME OF OPERATOR
 Frank I. Pritchett, Jr.

3. ADDRESS AND TELEPHONE NO.
 532 Lorraine Ct. Grand Junction Co. Ph. 970-434-9265

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: 2490' from the west line, 853' from the south line
 At proposed prod. zone: same Sec. 3, 18S-24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 35 miles west of Mack, CO.

16. NO. OF ACRES IN LEASE: 1158
 17. NO. OF ACRES ASSIGNED TO THIS WELL: 40
 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.: none
 19. PROPOSED DEPTH: 3100'
 20. ROTARY OR CABLE TOOLS: Rotary
 21. ELEVATIONS (Show whether DF, RT, GR, etc.): Gr. 5058.8
 22. APPROX. DATE WORK WILL START*: June 25, 01

5. LEASE DESIGNATION AND SERIAL NO.
~~U79195~~ U79195

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO.
 Pritchett #1 Federal

9. AFWELL NO.
 43-019-31386

10. FIELD AND POOL, OR WILDCAT
 Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SE SW 3, 18S-24E

12. COUNTY OR PARISH | 13. STATE
 Grand | Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 3/8"	24# N55	200'	160 sks
7 7/8"	5 1/2"	15.5# N55	2860	500 sks

RECEIVED
MOAB FIELD OFFICE
2001 MAY 17 A 10:29
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT

RECEIVED
JUL 16 2001
DIVISION OF
OIL, GAS AND MINING

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

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 Frank I. Pritchett, Jr. TITLE Owner operator DATE 5/7/2001

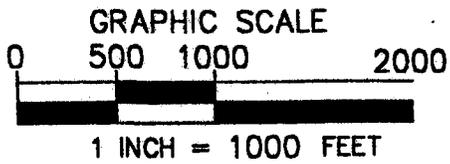
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval 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.
CONDITIONS OF APPROVAL, IF ANY:

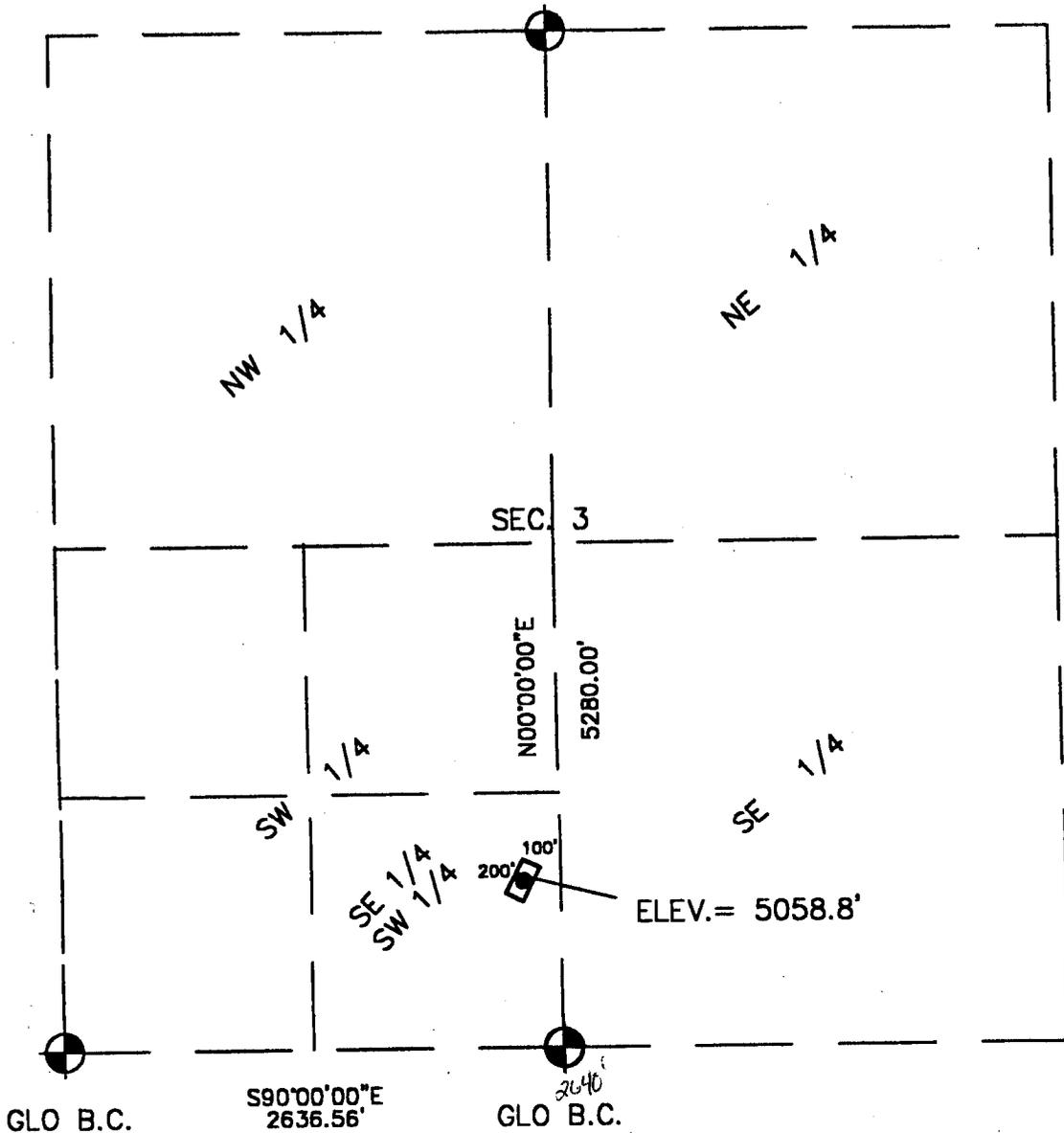
APPROVED BY /s/ WILLIAM C. STRINGER TITLE Assistant Field Manager, Division of Resources DATE JUL 11 2001

PROPOSED WELL LOCATION



FOUND GLO BRASS CAP
 GLO B.C.

NORTH



LOCATED NORTH 853 FEET FROM THE SOUTH LINE
 AND 150 FEET FROM THE NORTH AND SOUTH
 CENTERLINE OF SECTION 3, T18S R24E, SLBM

2490' from west line

*2640
 - 150

 2490*

? Pritchett #1 Federal.

SW 1/4 SEC. 3
 T18S, R24E

APPLIED EARTH SCIENCES

734 MAIN STREET
 Grand Junction, CO. 81506
 970-248-3559 FAX 970-248-9069

SURVEYED BY: JLW

SURVEY DATE: MARCH 20, 2001

JOB No. 201020

REQUESTED BY: FRANK PRITCHETT

REVISION:

Frank I. Pritchett, Jr.
Pritchett No. 1 Federal
Lease U79195
SESW Section 3, T18S, R24E
Grand County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

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

Be advised that Frank I. Pritchett, Jr. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT1228 (Principal - Frank I. Pritchett, Jr.) via surety consent as provided for in 43 CFR § 3104.2.

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

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed BOPE is in a 2M configuration, and is adequate for this depth in this area. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent APD approval from the State of Utah, Division of Oil, Gas & Mining is required before conducting any surface disturbing activities.
3. While air drilling, the requirements of Onshore Oil and Gas Order No. 2, Special Drilling Operations, shall be observed.

B. SURFACE

No surface use conditions of approval.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field 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 Moab Field 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, with the Moab Field Office, for approval of all changes of plans and subsequent 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 Moab Field Office. 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 BLM 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 Moab Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field 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 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 Moab Field Office. The Moab Field 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 Moab Field Office not later than thirty-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 Moab Field 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 Moab Field 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 uneconomic 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 water from a newly completed well may be temporarily disposed into the reserve pit for a period of up to 90 days if use of the pit was approved as part of an APD. An application for water disposal beyond this period shall be submitted to the Moab Field Office pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field 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 Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Moab Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Jack Johnson at 435-259-2129 or Rich McClure at 435-259-2127 of the Moab Field Office for the following:

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

1 day prior to spudding;

50 feet prior to reaching the surface casing setting depth

If the people above cannot be reached, notify the Moab Field Office at (435) 259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer Office: (435) 259-2117
Home: (435) 259-2214

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.

U 79195

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Frank J. Pritchett, Jr.

3. Address and Telephone No.

532 Homazine Ct. Grand Junction CO. 81504 Ph. (970) 4349265

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

*2490 FWL-853FSL Sec. 3, T18S-R2AE
Grand Co., Utah.*

8. Well Name and No.

Pritchett #1 Federal

9. API Well No.

43-019-31386

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Grand Co., Utah

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

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

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

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

Request 1 year extension from 5/31/02 to 5/31/03

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

Date: *06-25-02*
By: *[Signature]*

RECEIVED

JUN 24 2002

**DIVISION OF
OIL, GAS AND MINING**

COPY SENT TO OPERATOR

Date: *6-26-02*
Initials: *LDH*

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

Signed *Frank J. Pritchett, Jr.*

Title *Owner operator*

Date *6/20/02*

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

009

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

5. Lease Serial No. **U79195**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No. **Pritchett #1 Federal**

9. API Well No. **43-019-31386**

10. Field and Pool, or Exploratory Area **Mildcat**

11. County or Parish, State **Grand Co., Utah**

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Frank Pritchett

3a. Address **81504**
490 Mountain Dr. Granddenton

3b. Phone No. (include area code)
790-434-9265

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
853 FSL-2496FWL Sec 3 T18 S-R 24E

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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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.)

Request APD extension, Plan to spud Sept. 2003

Federal Approval of this Action is Necessary

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-21-02
By: *[Signature]*

RECEIVED
JUL 21 2003

DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR
Date: 7-22-03
Initials: CHD

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

Name (Printed/Typed) **Frank Pritchett** Title **Owner-Operator**

Signature *[Signature]* Date **7/17/03**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
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	

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-019-31386
Well Name: Pritchett #1 Federal
Location: 853 fsl-2490 fwl Sec. 3, T18S-R24E, Grand Co. Utah
Company Permit Issued to: Frank I. Pritchett, Jr
Date Original Permit Issued: 5/31/2001

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Frank Pritchett
Signature

7/17/03
Date

Title: Owner-Operator

Representing: Self

RECEIVED

JUL 21 2003

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

010

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No. ML-48733 Ufu-79195

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No. Pritchett #1 Federal

9. API Well No. 43-019-31386

10. Field and Pool, or Exploratory Area West Water Area

11. County or Parish, State Grand Co., Utah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Frank I. Pritchett, Jr.

3a. Address

490 Mt. Dr. Grand Junction CO. 81504

3b. Phone No. (include area code)

970-434-9265

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

853' FSL - 150' W. of N.S. Center Line
Sec 3. T18S - R24E, SLBM

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other <u>Request</u>
			<u>APD 1 yr. extension</u>
			<u>To July, 2005</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 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.)

Plans are to ^{air} drill 2850' Dakota Test. Set. 250' of 8 1/2" surface csg. Air drill 7 7/8" hole to TD IF warranted, will set & cement 4 1/2" production csg and put on pump. Plan Nov. spud date.

*** APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**
DATE: 11-30-04
BY: [Signature]

COPY SENT TO OPERATOR
Date: 12-1-04
Initials: CHD

RECEIVED
OCT 18 2004

DIV. OF OIL, GAS & MINING

* Extended to 7-11-05 to match BLM approval.

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

Name (Printed/Typed)

Frank I. Pritchett, Jr.

Title Owner-Operator

Signature

[Signature]

Date 10/15/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Federal Approval
is Necessary

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)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-019-31386
Well Name: Pritchett #1 Federal
Location: 853 FSL-2490 FWL, Sec 3, T18S-R24E, Grand Co., Utah
Company Permit Issued to:
Date Original Permit Issued: 6/1/2003
5/31/01

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Frank O Pritchett
Signature

11/22/04
Date

Title: Owner-Operator

Representing: Self

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 3, 2005

Frank Pritchett Jr.
490 Mountain Drive
Grand Junction, CO 81504

Re: APD Rescinded -Pritchett 1 Fed Sec. 3, T.18S, R. 24E
Grand County, Utah API No. 43-019-31386

Dear Mr. Pritchett:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 31, 2001. On June 25, 2002 and July 21, 2003, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 3, 2005.

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