

UTAH DIVISION OF OIL, GAS AND MINING

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/ABD. _____

* OPERATOR NAME CHANGE 4-21-80

DATE FILED 10-10-79

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO. USA-U-25941

INDIAN

DRILLING APPROVED: 10-10-79

SPUDED IN:

COMPLETED:

PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: 9-29-80 (Location Abandoned)

FIELD: Wildcat 3/86

UNIT:

COUNTY: Millard

WELL NO. Federal #1

API NO: 43-027-30014

LOCATION 1320' FT. FROM ~~XX~~ (S) LINE. 1320' FT. FROM ~~XX~~ (W) LINE. C SW 1/4-1/4 SEC. 9

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				21S	15W	9	* AMERICAN QUASAR



POWERS ELEVATION

OIL WELL ELEVATIONS AND LOCATIONS
CHERRY CREEK PLAZA, SUITE 1201
600 SOUTH CHERRY STREET
DENVER, COLORADO 80222
PHONE NO. 303/321-2217

September 5, 1979

Mr. Cleon B. Feight, Director
Division of Oil, Gas & Mining
1588 West, North Temple
Salt Lake City, Utah 84116

RE: Filing Application for Permit to Drill
E.H. Stone Investment Company
#1 Federal
C SW $\frac{1}{4}$ Sec. 9 T21S R15W
1320'FSL & 1320'FWL
Millard County, Utah

Dear Mr. Feight:

Enclosed are three copies each of the Federal A.P.D. Form 9-331C and the location and elevation plat for the above-captioned well location.

Please return approved copies to:

Mr. Hunter Stone
E.H. Stone Investment Company
621 17th Street
Suite 1025
Denver, Colorado 80202

Very truly yours,

POWERS ELEVATION

Connie L. Frailey

Connie L. Frailey

CLF/cw
Enclosure

cc: Hunter Stone - E.H. Stone Investment Company - Denver, Colorado



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
 E. H. Stone Investment Co.

3. ADDRESS OF OPERATOR
 621 17th. St., Suite 1025, Denver, Co. 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1320' FSL & 1320' FWL (CSW)
 At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 66.8 Miles southwest of Hinckley, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1320'

16. NO. OF ACRES IN LEASE 2,568.92

17. NO. OF ACRES ASSIGNED TO THIS WELL 640

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2640'

19. PROPOSED DEPTH 15,390' *Please get Howell Limestone formation*

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 7909 GR

22. APPROX. DATE WORK WILL START* Oct. 1, 1979

5. LEASE DESIGNATION AND SERIAL NO.
 USA-U-25941

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

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME
 Federal

9. WELL NO.
 #1

10. FIELD AND POOL, OR WILDCAT
 WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 9 T21S R 15W

12. COUNTY OR PARISH
 Millard

13. STATE
 Utah

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15 1/2"	13 3/8" new	54.5 #K-55	500'	cement to surface
13 3/4"	9 5/8" new	40 #J-55	4000'	1500 sacks Class "G"
8 3/4"	7" new	32 #N-80	15,390'	500 sacks Class "G"

1. Drill 15 1/2" hole and set 13 3/8" surface casing to 500' with good returns.
2. Drill 13 3/4" hole and set 9 5/8" Intermediate casing to 4000' and cement.
3. Log B.O.P. checks in daily drill reports and drill 8 3/4" hole to 15,390'.
4. Run tests if warranted and run 7" casing if productive.
5. Run logs, as needed, and perforate and stimulate as needed.

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
- "B" The Ten-Point Compliance Program
- "C" The Blowout Preventer Diagram
- "D" The Multi-Point Requirements for A. P. D.
- "E" & "E1" Access Road Maps to Location
- "F" Radius Map of Field
- "G" & "G1" Drill Pad Layout, Production Facilities & Cut-Fill Cross-Section
- "H" Drill Rig Layout

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

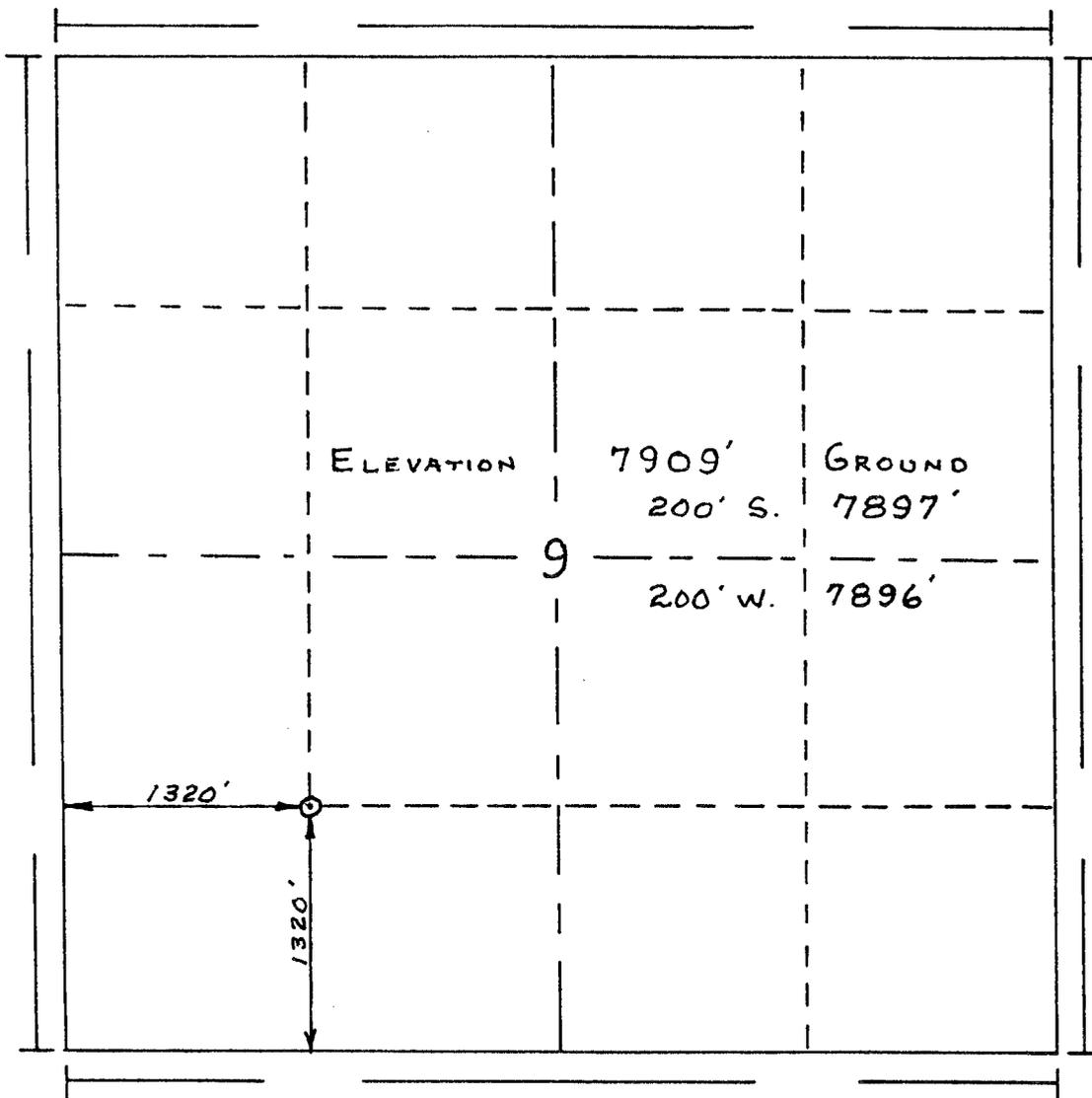
24. SIGNED [Signature] TITLE President DATE 5-30-79

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____



R. 15 W



T.
21
S.

Scale... 1" = 1000'

Powers Elevation Company, Inc. of Denver, Colorado
 has in accordance with a request from HUNTER STONE
 for E. H. STONE INVESTMENT COMPANY
 determined the location of #1 FEDERAL
 to be 1320' FSL & 1320' FWL Section 9 Township 21 S.
 Range 15 W of the SALT LAKE Meridian
 MILLARD County, UTAH

I hereby certify that this plat is an
 accurate representation of a correct
 survey showing the location of

#1 FEDERAL

Date: 7-1-79

T. Nelson
 Licensed Land Surveyor No. 2711
 State of UTAH

** FILE NOTATIONS **

DATE: Sept. 17, 1979

Operator: E. H. Stone Investment Co.

Well No: Federal #1

Location: Sec. 9 T. 21S R. 15W County: Millard

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-027-30014

CHECKED BY:

Geological Engineer: _____

Millard M. Howell Limestone

Petroleum Engineer: _____

Director: OK ~~OK~~

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. _____

O.K. Rule C-3

Rule C-3(c), Topographic Exception/company owns or controls acreage within a 660' radius of proposed site

Lease Designation Fed.

Plotted on Map

Approval Letter Written
utw

#2

PI hl



October 2, 1979

Mr. Cleon Feight
Utah State Division of Oil, Gas & Mining
1588 West North Temple
Salt Lake City, Utah 84116

Re: Drill Site Location
#1 Federal
C SW $\frac{1}{4}$ Sec.9 T21S R15W
1320' FSL & 1320' FWL
Millard County, Utah

Dear Mr. Feight:

As regards the above captioned drill site location; it was selected for geological reasons. Structural mapping of the geological formation indicates that the above noted drill site is necessary to effectively drill and test our deepest objective in the Middle Cambrian, known as the "Millard Member of the Howell Limestone", at a total projected depth of 15,390 feet. A photo copy of our structural mapping with the site noted on it has been included for your review.

The drill site location lies in Section 9, Township 21 South, Range 15 West and falls under BLM Lease No. U-25941 issued June 1, 1974 to Ewel H. Stone of E.H. Stone Investment Company. We have therefore leasehold rights to all surrounding acreage including a 660 foot radius. A copy of the lease has also been included for your information.

I do hope that this information complies with your needs.

Truly yours,

E. Hunter Stone, II
President

cc: Connie Frailey

encls: 2

e. h. stone investment company

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
 E. H. Stone Investment Co.

3. ADDRESS OF OPERATOR
 621 17th. St., Suite 1025, Denver, Co. 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface 1320' FSL & 1320' FWL (CSW)
 At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 66.8 Miles southwest of Hinckley, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1320'

16. NO. OF ACRES IN LEASE
 2,568.92

17. NO. OF ACRES ASSIGNED TO THIS WELL
 640

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2640'

19. PROPOSED DEPTH
 15,390'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7909 GR

22. APPROX. DATE WORK WILL START*
 Oct. 1, 1979

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15 1/2"	13 3/8" new	54.5 #K-55	500'	cement to surface
13 3/4"	9 5/8" new	40 #J-55	4000'	1500 sacks Class "G"
8 3/4"	7" new	32 #N-80	15,390'	500 sacks Class "G"

1. Drill 15 1/2" hole and set 13 3/8" surface casing to 500' with good returns.
2. Drill 13 3/4" hole and set 9 5/8" intermediate casing to 4000' and cement.
3. Log B.O.P. checks in daily drill reports and drill 8 3/4" hole to 15,390'.
4. Run tests if warranted and run 7" casing if productive.
5. Run logs, as needed, and perforate and stimulate as needed.

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
- "B" The Ten-Point Compliance Program
- "C" The Blowout Preventer Diagram
- "D" The Multi-Point Requirements for A. P. D.
- "E" & "E₁" Access Road Maps to Location
- "F" Radius Map of Field
- "G" & "G₁" Drill Pad Layout, Production Facilities & Cut-Fill Cross-Section

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.

SIGNED [Signature] TITLE President DATE 5-30-79

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 42-R1599

Serial No. 0-22-2

ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE
PART I

LAND OFFICE USE ONLY

New Serial No.

Earl H. Stone
Suite 2132, 621 - 17th Street
Denver, Colorado 80202

RECEIVED
UTAH STATE OFFICE
SALT LAKE CITY UTAH

1974 DEC 6 AM 10 00

DEPT. OF THE INTERIOR
BUREAU OF LAND MGMT

The undersigned, as owner of 100% percent of record title of the above-designated oil and gas lease issued effective (date) June 1, 1974, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment (43 CFR 3101.2-3)

Township 21 South, Range 15 West, SL#

Section 8: All
Section 9: All
Section 10: All
Section 15: Lots 1, 2, 3, , NW1, E1 (All)



3. What part of assignor(s) record title interest is being conveyed to assignee? (Give percentage or share)

4. What part of the record title interest is being retained by assignor(s)? None

5a. What overriding royalty or production payments is the assignor reserving herein? (See Item 4 of General Instructions; specify percentage.)

b. What overriding royalties or production payments, if any, were previously reserved or conveyed? (Percentage only) None

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 31st day of October, 1974.

Neena H. Neudersa
(Assignor's Signature)

J. Crandall Building

(Assignor's Address)

Salt Lake City, Utah 84101

(City)

(State)

(Zip Code)

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

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below:

Same land as Item 2

Assignment approved effective JAN 1 1975

By /s/ DELL T. WADSWORTH
(Authorized Officer)

Chief, Branch of Realty Services

(Title)

DEC 11 1974

(Date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Office

Serial No. **25941**

Fill in on typewriter
or print plainly in ink
and sign in ink.

OFFER TO LEASE AND LEASE FOR OIL AND GAS
(Sec. 17 Noncompetitive Public Domain Lease)

The undersigned hereby offers to lease all or any of the lands described in item 2 that are available for lease, pursuant and subject to the terms and provisions of the Act of February 25, 1920 (41 Stat. 437, 30 U. S. C. sec. 181), as amended, hereinafter referred to as the Act and to all reasonable regulations of the Secretary of the Interior now or hereafter in force, when not inconsistent with any express and specific provisions herein, which are made a part hereof.

1. ~~Mr.~~
~~Mrs.~~
~~Miss~~
XX

Neva H. Henderson
(First Name, Middle Initial, Last Name)

607 Crandall Building
(Number and Street)

Salt Lake City, Utah 84101
(City, State, ZIP Code)

Please notify the
signing officer of any
change of address.

2. Land requested: State **Utah** County **Millard** T. **21S** : R. **15W** : **SL** Meridian

Section 8: All
Section 9: All
Section 10: All
Section 18: Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All)

Total Area **2568.92** Acres

3. Land included in lease: State _____ County _____ T. _____ : R. _____ : _____ Meridian

This lease embraces the land described in Item 2.

This lease is subject to the determination by the Geological Survey as to whether the lands herein described were on a known geologic structure of a producing oil or gas field as of the date of signing hereof by the authorized officer.

(Offeror does not fill in this block) Total Area **2568.92** Acres Rental retained \$ **1,284.50**

4. Amount remitted: Filing fee \$10, Rental **\$1284.50**, Total **\$1294.50**

5. Undersigned certifies as follows:
(a) Offeror is a citizen of the United States. Native born Naturalized _____ Corporation or other legal entity (specify what kind): _____

(b) Offeror's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options or 246,080 chargeable acres in options, offers to lease and leases in the same State, or 300,000 chargeable acres in leases, offers to lease and options in each leasing district in Alaska. (c) Offeror accepts as a part of this lease, to the extent applicable, the stipulations provided for in 43 CFR 3103.2. (d) Offeror is 21 years of age or over (or if a corporation or other legal entity, is duly qualified as shown by statements made or referred to herein). (e) Offeror has described all surveyed lands by legal subdivisions, all lands covered by protracted surveys by appropriate subdivisions thereof, or all unsurveyed lands not covered by protracted surveys by metes and bounds, and further states that there are no settlers on unsurveyed lands described herein.

6. Offeror is is not the sole party in interest in this offer and lease, if issued. (If not the sole party in interest, statements should be filed as prescribed in Item 6 of the Special Instructions.)

7. Offeror's signature to this offer shall also constitute offeror's signature to, and acceptance of, this lease and any amendment thereto that may cover any land described in this offer open to lease application at the time the offer was filed but omitted from this lease for any reason, or signature to, or acceptance of, any separate lease for such land. The offeror further agrees that (a) this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the land office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed in behalf of the United States, and (b) this offer and lease shall apply only to lands not within a known geologic structure of a producing oil or gas field.

8. If this lease form does not contain all of the terms and conditions of the lease form in effect at the date of filing, the offeror further agrees to be bound by the terms and conditions contained in that form.

9. It is hereby certified that the statements made herein are complete and correct to the best of offeror's knowledge and belief and are made in good faith.

Offeror duly executed this instrument this **16th** day of **April**, 1974

(Lessee signature)

Neva H. Henderson

(Lessee signature)

(Attorney-in-fact)

This lease for the lands described in item 3 above is hereby issued, subject to the provisions of the offer and on the reverse side hereof.

THE UNITED STATES OF AMERICA

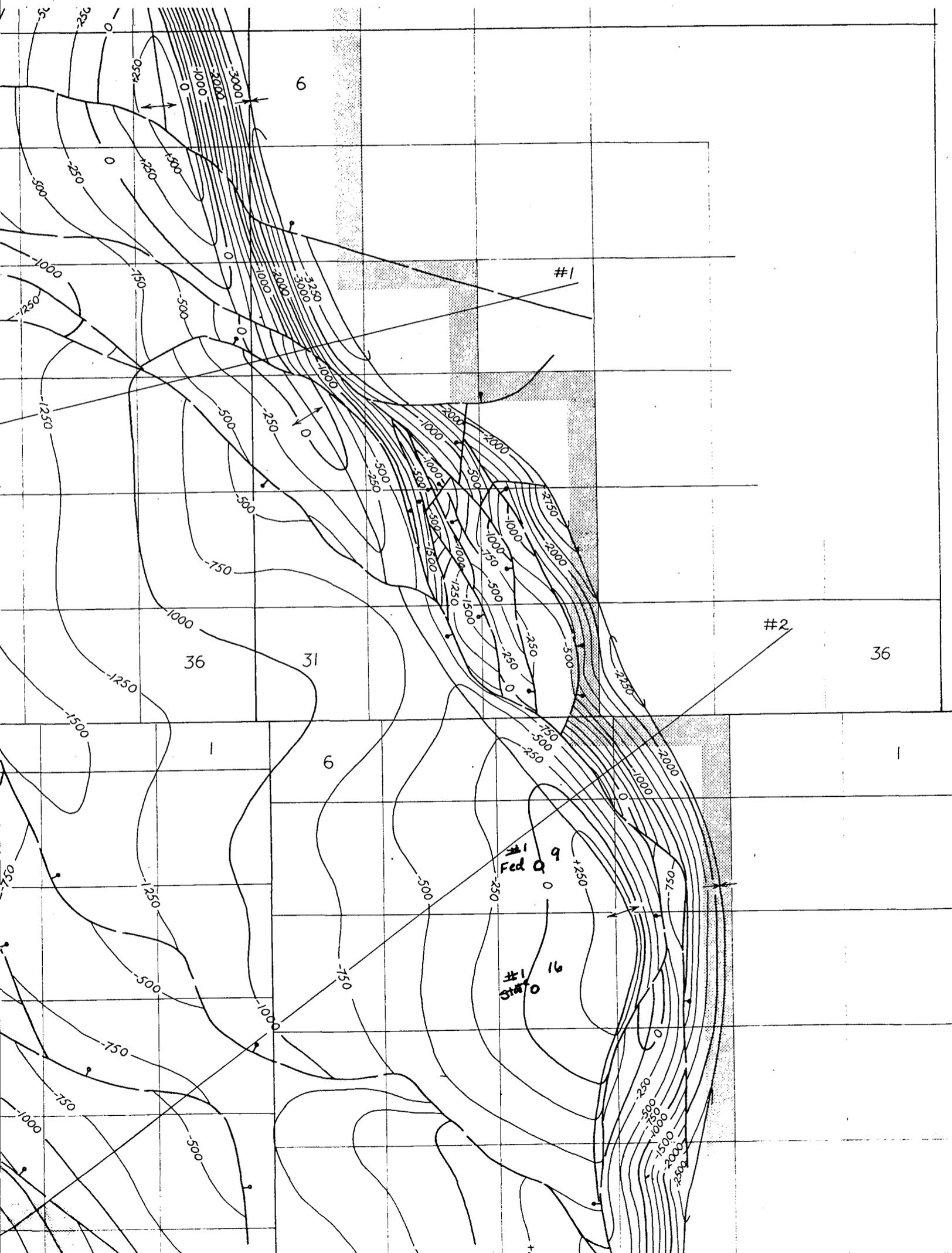
By *E. D. J. Cox*
(Signing officer)

Effective date of lease **June 1, 1974** Chief, Branch of Realty Services **May 7, 1974**

THIS OFFER MAY BE REJECTED AND RETURNED TO THE OFFEROR AND WILL AFFORD THE OFFEROR NO PRIORITY IF IT IS NOT PROPERLY FILLED IN AND EXECUTED OR IF IT IS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS OR PAYMENTS.

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

This form may be reproduced provided that the copies are exact reproductions on one sheet of both sides of this official form, in accordance with the provisions of 43 CFR 3123.1a.



October 10, 1979

E.H. Stone Investment Company
621 17th Street, Suite 1025
Denver, Colorado 80202

Re; Well No. Federal #1
Sec. 9, T. 21S, R. 15W.,
Millard County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil and gas well on said unorthodox location is hereby granted in accordance with Rule C-3(c), General Rules and Regulations and Rules of Practice and Procedure.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER
Geological Engineer
Office: 533-5771
Home: 876-3001

or

FRANK M. HAMNER
Chief Petroleum Engineer
Office: 533-5771
Home: 531-7827

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-027-30018.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder
Geological Engineer

/b:tm

cc: USGS



SCOTT M. MATHESON
Governor

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

CLEON B. FEIGHT
Director

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116
(801) 533-5771
April 18, 1980

OIL, GAS, AND MINING BOARD

CHARLES R. HENDERSON
Chairman

JOHN L. BELL
C. RAY JUVELIN
THADIS W. BOX
CONSTANCE K. LUNDBERG
EDWARD T. BECK
E. STEELE McINTYRE

E.H. Stone Investment Co.
621 17th St, Suite 1025
Denver, Colorado 80202

Re: Well No. Federal #1
Sec. 9, T. 21S, R. 15W,
Millard County, Utah

APR 22 1980

Gentlemen:

In reference to above mentioned well, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill this well, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If we do not hear from your company within fifteen (15) days, we will assume you do not intend to drill this well and action will be taken to terminate the application. If you plan on drilling this location at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

JANICE TABISH
CLERK-TYPIST

**ES
HS**

*E. H. Stone
Powers Elevation
not related*

*(Possibly
not) (submitting)*

*contact
Mr.
F.W. McWilliams*

*Cam. Quasar
Denver
Dean Mohr (Cam. Quasar)*

*any act or of in
fact you
do handle the
submitting
of drilling
records
to our
agency*

April 21, 1980

Mr. F.W. McWilliams
American Quasar Petroleum Co.
707 United Bank Tower
1700 Broadway
Denver, Colorado 80290

or →

QUASAR NOW

*Horse
Heaven
well*

**OPERATOR
OF THIS WELL**

Re: Well No. 1 Federal, Millard Co., Utah

Dear Mr. McWilliams:

Enclosed is a letter which we received from the State of Utah,
Department of Natural Resources, referring to spudding of the above
well on the Horse Heaven Prospect.

Mr. Stone asked me to send this to you for your handling.

Sincerely,

M. Collier

Maira Collier

/mc

encl:

cc: Division of Oil, Gas, Mining
Dept. of Natural Resources

RECEIVED
APR 24 1980

DIVISION OF
OIL, GAS & MINING

e. h. stone investment company

September 18, 1980

Mr. F. W. McWilliams
American Quasar Petroleum Company
707 United Bank Tower
1700 Broadway
Denver, Colorado 80290

RE: Well No. Federal #1
Sec. 9, T. 21S, R. 15W.,
Millard County, Utah

Gentlemen:

In reference to above mentioned well, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill this well, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan on drilling ~~this~~ location at a later date, please notify as such.

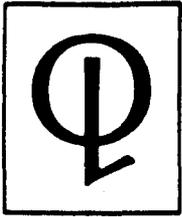
Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

BARBARA HILL
CLERK-TYPIST

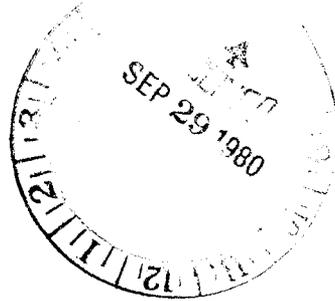
bjh/



AMERICAN QUASAR PETROLEUM CO. OF NEW MEXICO

707 UNITED BANK TOWER, 1700 BROADWAY, DENVER, COLORADO 80290, U.S.A.
TELEPHONE (303) 861-8437

September 25, 1980



7

L.A.

13

State of Utah
Department of Natural Resources
1588 West North Temple
Salt Lake City, Utah 84116

Attention: Mr. Cleon B. Feight

Subject: Federal #1 well
Section 9, T21S-R15W
Millard County, Utah

Gentlemen:

The captioned well was originally permitted by Stone Investment Co. The original well was on a Federal lease and was subsequently replaced by a well on a State lease to be drilled by American Quasar in Section 16, T21S-R15W. It now appears the Federal #1 will not be drilled, and the application can be cancelled. We regret any inconvenience caused by our failure to notify you of this change in plans. If further information is required, please contact our Denver office at your convenience.

Very truly yours,

W. R. Seidel
Division Operations Manager

KWL:sb