EQUITABLE **RESOURCES**
ENERGY COMPANY

BALCRON OIL DIVISION

1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365 ☐
FAX: (406) 245-1361 ☒

March 10, 1995

-- VIA FEDERAL EXPRESS --

Mr. Mike Hebertson
State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Dear Mr. Hebertson:

RE: Cobra State #12-36
SW NW Section 36, T15S, R19W
Millard County, Utah

Enclosed is our Application for Permit to Drill (APD) the referenced well. This location replaces our Cobra State #1 for which an APD has already been approved. We moved the location after completing interpretation of our seismic data. Moving this location west should also satisfy the Bureau of Land Management and U.S. Fish and Wildlife.

After you have had an opportunity to review the APD, I would appreciate a call so we can set up an onsite.
If there are any questions or you need additional information, please let me know.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Regulatory and Environmental Specialist

/hs

Enclosure

Equitable Resources Energy Company
Balcron Oil Division
DRILLING PROGRAM

WELL NAME: Cobra State #12-36 **PROSPECT/FIELD:** Wildcat
LOCATION: (1700'FNL X 800'FWL Sec.36 Twn.15S Rge.19W
COUNTY: Millard **STATE:** Utah

TOTAL DEPTH: 5000'

HOLE SIZE	INTERVAL
12 1/4"	Surf to 600'
8 3/4"	600' to 5000'

CASING	INTERVAL		CASING		
STRING TYPE	FROM	TO	SIZE	WEIGHT	GRADE
Surface	0	600'	9 5/8"	36 #/Ft	J-55
Production	0	5000'	7"	20,23 #/Ft	K-55

(All casing will be ST&C, 8rd, New)

CEMENT PROGRAM

Surface	100 sacks Halliburton lite with 2% CaCl and 1/4#/Sk Flocele.(Yield = 1.97 Cu. Ft./Sx, Weight = 12.4 PPG) Tailed with 150 sacks Premium cement with 2% CaCl and 1/4#/Sk Flocele. (Yield = 1.15 Cu. Ft./Sx, Weight = 15.8 PPG) (Note: Cement Volumes are 100% Excess.)
Production	300 sacks of Premium Plus AG 250 with 35% SSA-1, 0.4% CFR-3, 0.5% Halad-24, and 0.2% HR-5. (Yield = 1.50 Cu. Ft./Sx, Weight = 15.8 PPG) (Note: Actual cement volumes will be calculated from caliper log. Cement top will be 3000')

PRELIMINARY
DRILLING FLUID PROGRAM

TYPE	FROM	TO	WEIGHT	PLAS. VIS	YIELD POINT
Spud Mud(Fresh Water)	0	600'	8.5-8.8	0	0
Fresh Mud (LSND)	600'	5000'	8.5-9.0	8-10	10-12

COMMENTS

1.) One possible test will be run in the Paleozoic Carbonates.

DMM
10/02/95

BALCRON OIL CO.

Operator: BALCRON OIL	Well Name: Cobra State #12-36
Project ID:	Location: Millard/Utah

Design Parameters:

Mud weight (9.00 ppg) : 0.468 psi/ft
Shut in surface pressure : 1838 psi
Internal gradient (burst) : 0.100 psi/ft
Annular gradient (burst) : 0.000 psi/ft
Tensile load is determined using air weight
Service rating is "Sweet"

Design Factors:

Collapse : 1.125
Burst : 1.00
8 Round : 1.80 (J)
Buttress : 1.60 (J)
Body Yield : 1.50 (B)
Overpull : 0 lbs.

	Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost
1	4,200	7"	20.00	K-55	ST&C	4,200	6.331	
2	800	7"	23.00	K-55	ST&C	5,000	6.250	

	Collapse Load (psi)	Collapse Strgth (psi)	Collapse S.F.	Burst Load (psi)	Min Int Yield Strgth (psi)	Burst S.F.	Tension Load (kips)	Tension Strgth (kips)	Tension S.F.
1	1964	2232	1.136	2258	3740	1.66	102.40	254	2.48 J
2	2338	3270	1.399	2338	4360	1.86	18.40	309	16.79 J

Prepared by : McCoskery, Billings, MT
Date : 03-10-1995
Remarks :

Minimum segment length for the 5,000 foot well is 1,500 feet.
The mud gradient and bottom hole pressures (for burst) are 0.468 psi/ft and 2,338 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.

Costs for this design are based on a 1990 pricing model. (Version 1.0G)

Barcron Oil Well Prognosis

Well Name Cobra-State #12-36 **Exploratory** X **Control Well** None
Location (1700' FNL; 800' FWL) SW NW Sec. 12, T15S,R19W **Development** **Operator**
County Millard **Field** Wildcat **KB**
State Utah **Section** 36 **Section**
Total Depth 5000 ft **Township** 15S **Township**
GL (Ung) 4823 **EST. KB** 4835 **Range** 19W **Range**

Formation Tops	Prognosis		Sample Top		Control Well	High/Low		
Formation	Depth	Datum	Depth	Datum	Datum	Prog	Cntl	Deviation
Valley Fill	Surface							
Paleozoic Carbonates (?)	1500	3335						
Total Depth	5000	-165						

Samples
30 ft samples to base of surface casing
10 ft samples surface casing to TD

DST,s
DST #1 Top of Paleozoic section
DST #2
DST #3
DST #4

Wellsite Geologist
Name: Undetermined
From: surface to: total depth
Address:
Phone # wk.
hm.
Fax #

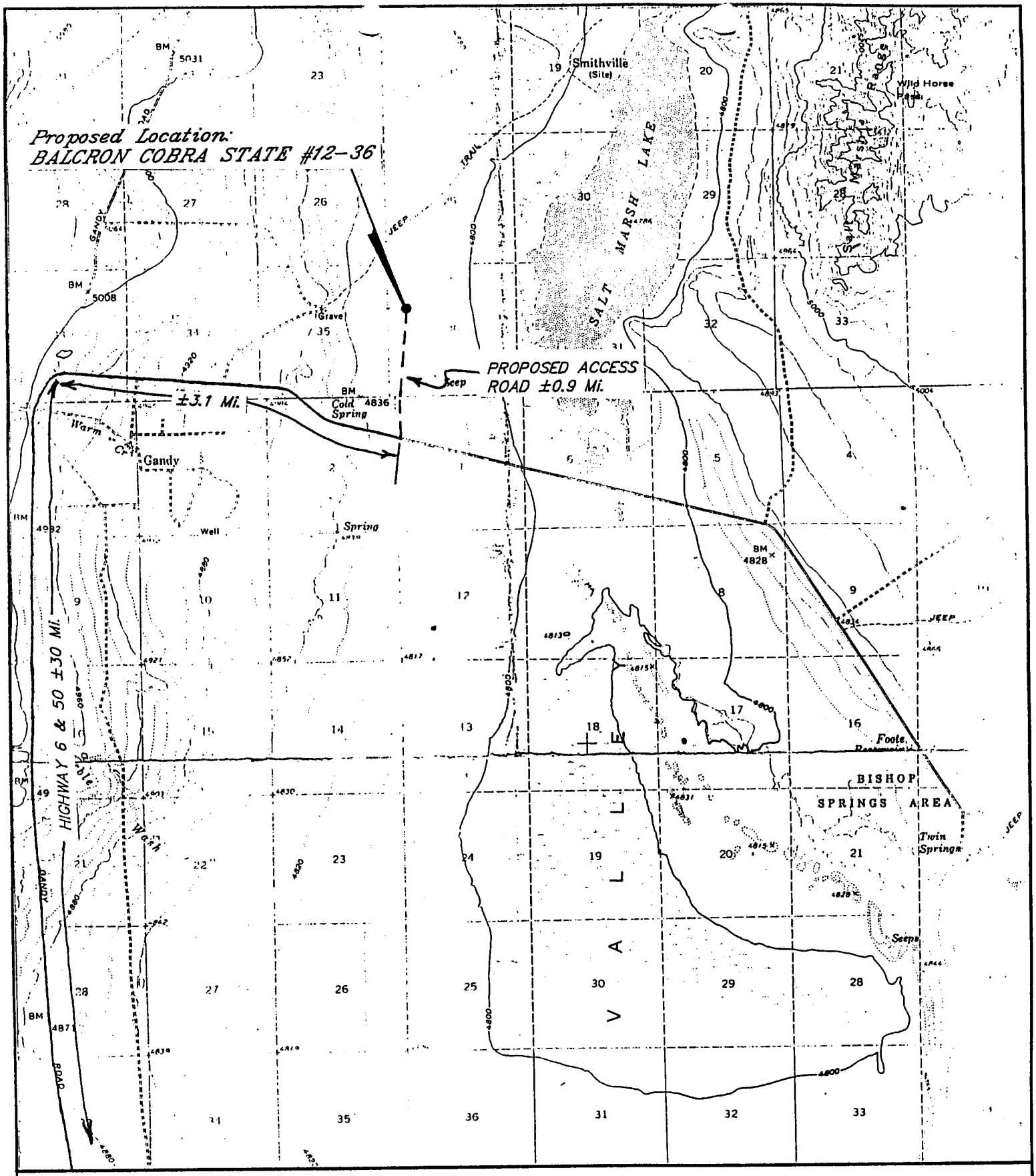
Logs
Dual Induction - SFL w/ GR
BHC Sonic w/ GR
Comp. Density - Neutron Porosity
Possible Dipmeter
Possible VSP

Cores
Core #1 Probably none
Core #2
Core #3
Core #4

Mud Logger/Hot Wire
Company: Undetermined
Required: (Yes/No) Yes
Type: 24 hr - two man unit
Logger:
Phone #
Fax #

Comments: Depths are estimates subject to change w/o notice

Report To: 1st Name: Phone # wk. hm.
2nd Name: Phone # wk. hm.
Prepared By: R. A. Schalla / E. H. Johnson Phone # wk. hm.

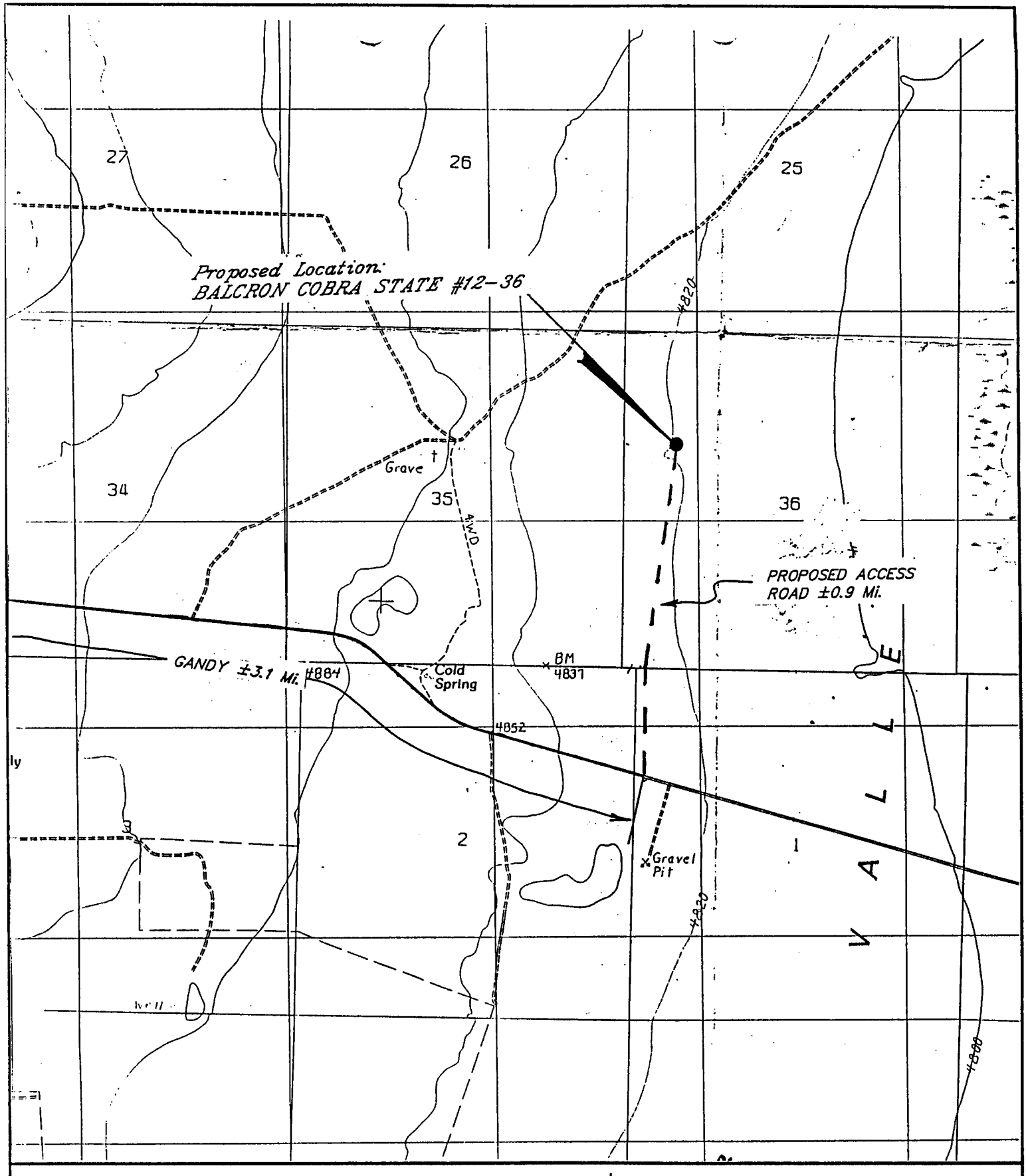


EQUITABLE RESOURCES CO.

BALCRON COBRA STATE #12-36
SECTION 36, T15S, R19W, S.L.B.&M.
TOPO "A"

N

Tri State
Land Surveying, Inc.
(801) 781-2501
38 WEST 100 NORTH VERNAL, UTAH 84078



EQUITABLE RESOURCES CO.

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SECTION 36, T15S, R19W, S.L.B.&M.
TOPO "B"

N

SCALE: 1" = 2000'

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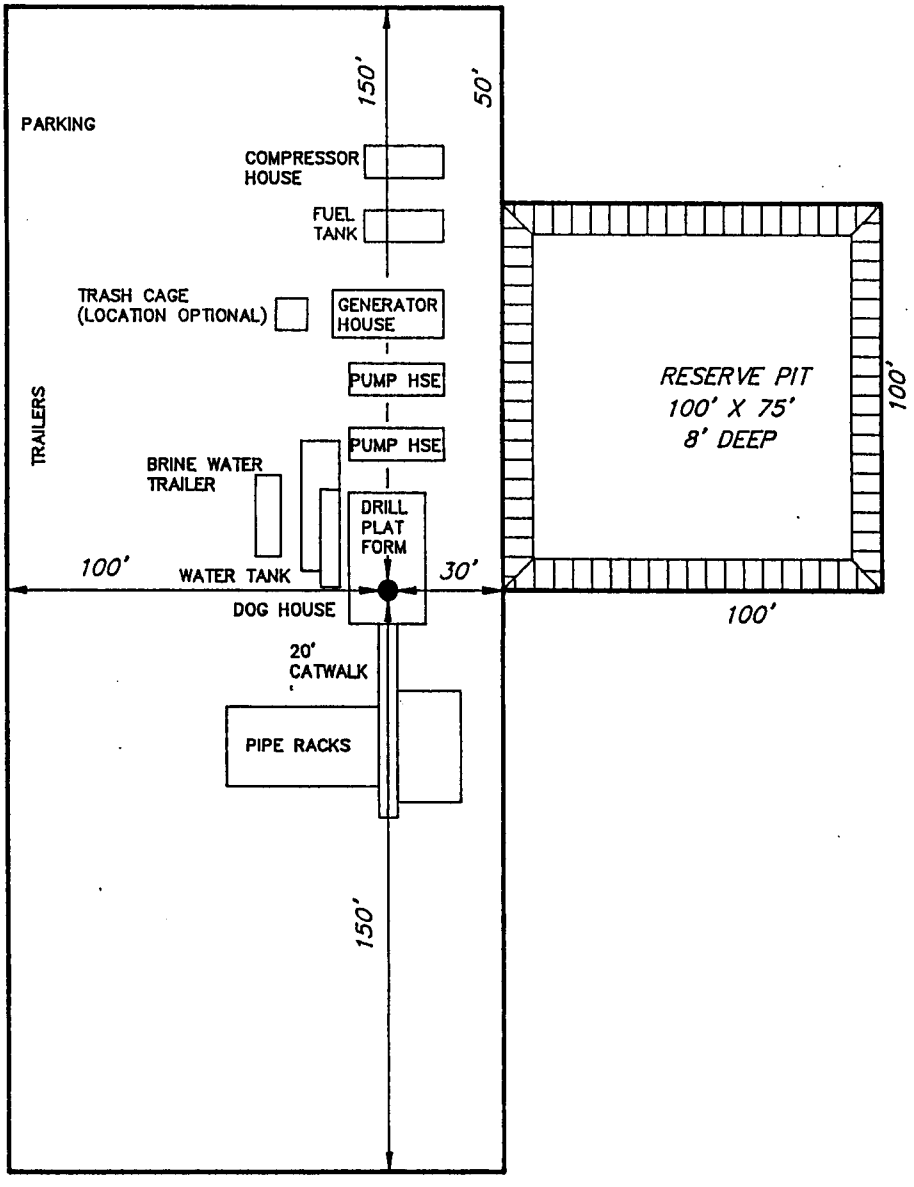
PLAT #2
RIG LAYOUT
COBRA STATE #12-36



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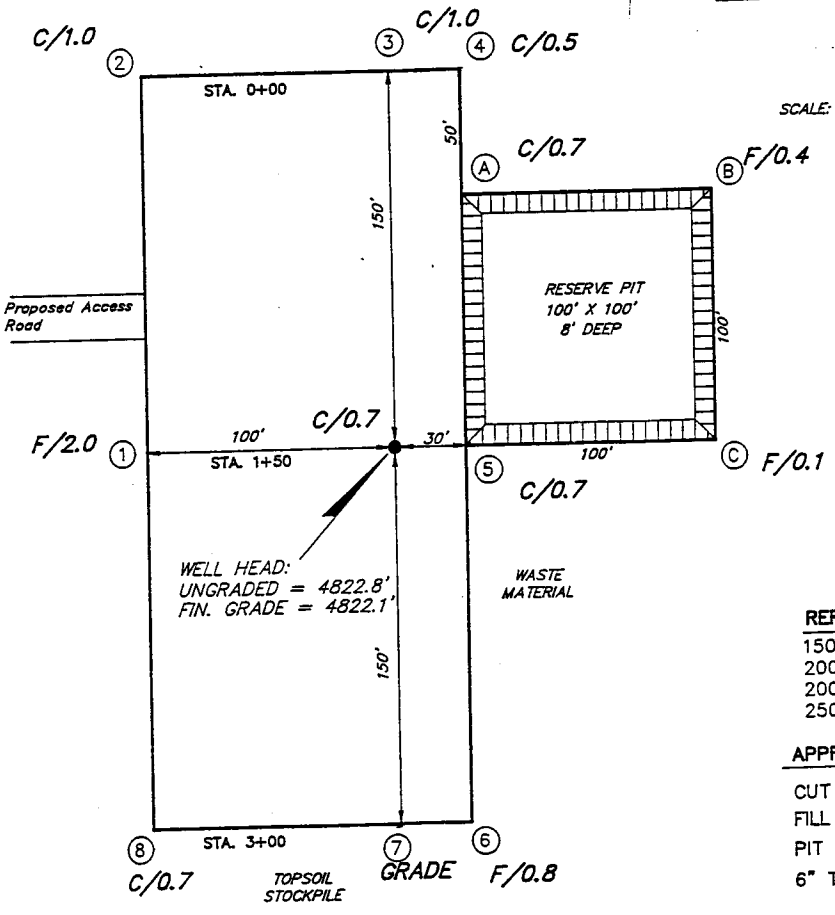
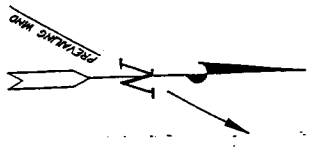
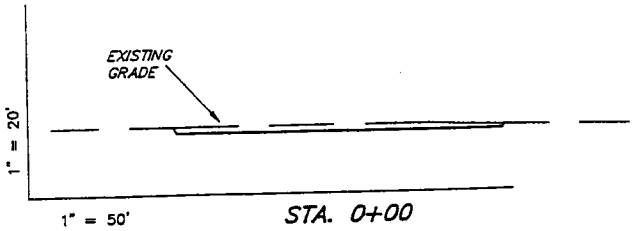
EQUITABLE RESOURCES ENERGY CO.

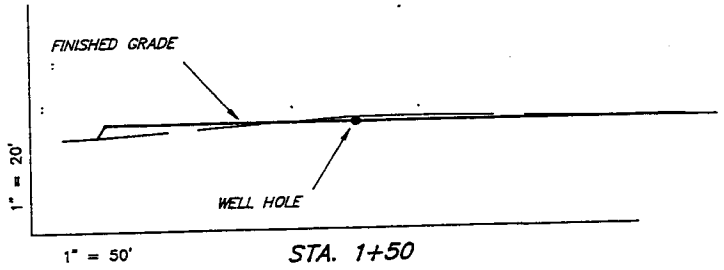
BALCRON COBRA STATE #12-36
SECTION 36, T15S, R19W, S.L.B.&M.

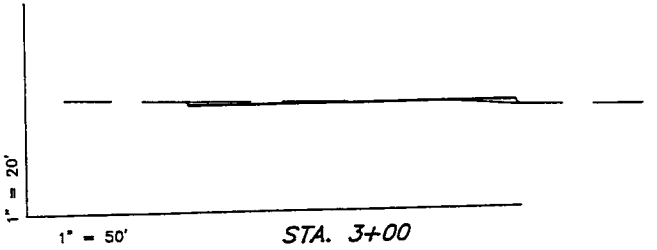




SCALE: 1" = 50'







REFERENCE POINTS

150' SOUTH 4820.5'
200' SOUTH 4821.0'
200' EAST 4821.5'
250' EAST 4820.8'

APPROXIMATE YARDAGES

CUT = 560 Cu. Yds.
FILL = 448 Cu. Yds.
PIT = 1,940 Cu. Yds.
6" TOPSOIL = 900 Cu. Yds.

SURVEYED BY: S.S. C.B.	
DRAWN BY: S.S.	
DATE: 3-6-95	
SCALE: 1" = 50'	
FILE: SV12-36C	

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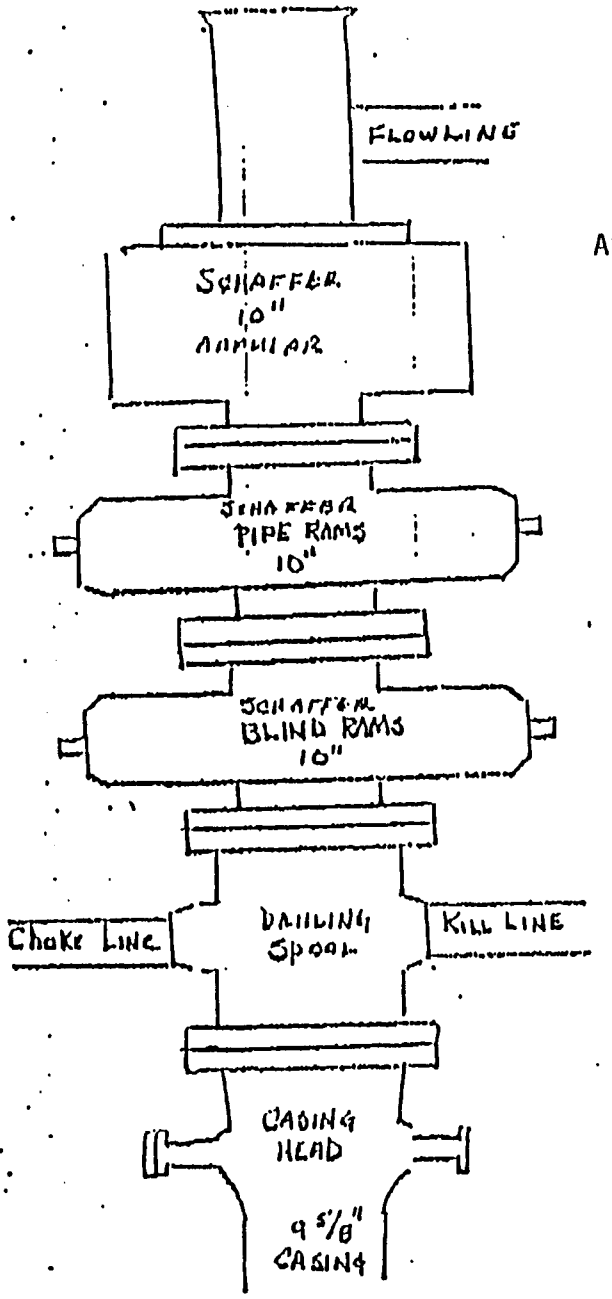


Annular preventer optional.

EXHIBIT "E"

BLOWOUT PREVENTER
EQUIPMENT

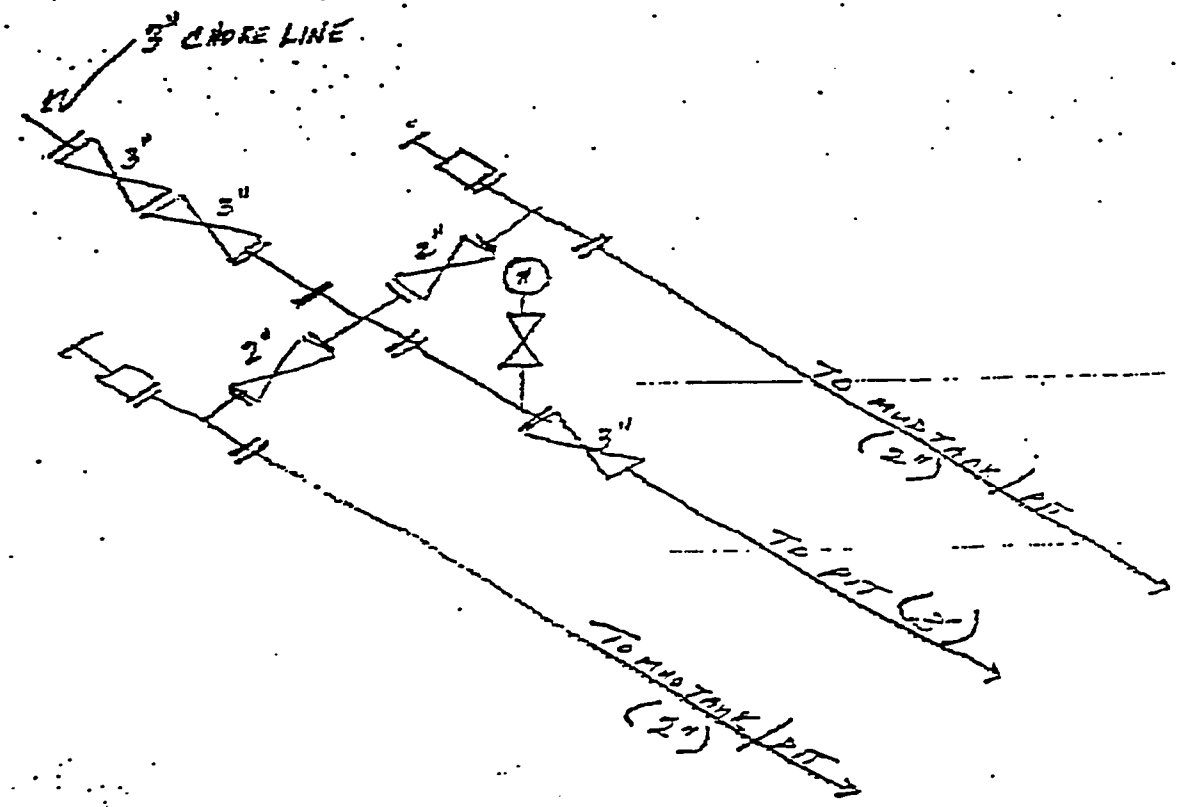


EXHIBIT "D"

CHOKE MANIFOLD EQUIPMENT
SKID MOUNTED
ENCLOSED IN STEEL BUILDING

H_2S CONTINGENCY PLAN
FOR
EQUITABLE RESOURCES ENERGY COMPANY,
BALCRON OIL DIVISION

COBRA STATE #12-36
SW NW SECTION 36, T15S, R19W
MILLARD COUNTY, UTAH

PURPOSE OF PROGRAM

It is the policy of Balcron Oil CO to provide for the safety of its employees as well as contractor's employees at the job site, and to provide for the protection of the environment and the public within a two mile radius of this well site. The primary purpose of this contingency plan is to guide location personnel in the responses expected of them in the event that hydrogen sulfide (H2S) is released to the atmosphere during the drilling program.

Due to its capability of endangering life at very low concentrations and of potentially causing instantaneous failure of high strength metals, hydrogen sulfide is extremely hazardous to field operations. Drilling and production operations of hydrocarbons containing toxic gases, however, are routinely performed safely and without incident when the necessary precautions are taken and the outlined safety procedures are followed. It is imperative that sulfide resistant materials be used, that the appropriate support safety equipment be readily available, and that this equipment be properly maintained to provide an effective safety program during the drilling of this well.

DIRECTIONS TO COBRA STATE #12-36

From Highway 6 and 50 go east one mile and take the Gandy road north 30 miles. At the Warm Creek Ranch turn right and follow the dirt road for approximately 3.1 miles. Turn left at new access and follow proposed access road approximately 0.9 miles to location.

CHARACTERISTICS OF HYDROGEN SULFIDE

Hydrogen sulfide is a highly toxic gas which, when inhaled in relatively low concentrations, can rapidly cause death. It is also highly flammable, being classified by the U.S. Department of Transportation as a flammable compressed gas. Certain concentrations in the air can burn upon ignition.

Although at lower concentrations it has a characteristic odor of rotten eggs, at higher concentrations it cannot be smelled at all. Therefore, odor cannot be depended upon as a means of detection of the gas.

Hydrogen sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure according to the ACGIH and government standards is 10 PPM, which is .001 percent by volume.

Hydrogen sulfide is heavier than air (specific gravity = 1.19) and colorless. It forms flammable mixture with air between 4.3 and 46.0 percent by volume, and burns to produce Sulfur Dioxide (SO2). SO2 is considered by NIOSH to be a hazard to humans. It is a colorless, very irritating gas with a pungent odor and taste. It does not inhibit the sense of smell, but causes irritation to nose and throat which may result in choking and gagging. These symptoms are sufficiently disagreeable that most persons will not tolerate them for more than short periods. Exposure to higher concentrations of SO2 may lead to chemical pneumonia. The government standard for exposure to sulfur dioxide is 2 PPM for an 8-hour period. Whenever exposure to any concentration of these gases exceeding ACGIH or government standards is anticipated, the use of protective breathing equipment is required.

RESPIRATORY PROTECTIVE EQUIPMENT

When the H2S concentration in the work environment exceeds a minimum of 10 PPM during an 8-hour period of continuous exposure, respiratory protective equipment must be worn. If the H2S concentration reaches damage levels shown in the table, respiratory equipment is necessary to prevent injury for whatever exposure time. At higher concentration levels, a self-contained air breathing apparatus and a life line should be used.

TESTING FOR HYDROGEN SULFIDE

NEVER rely on the sense of smell to guess what the H2S concentration may be. A relatively small amount of H2S quickly impairs the sense of smell. Always use an approved H2S detector to test for H2S concentrations, and respiratory protection should always be used when testing for the presence of H2S.

FIRST AID TREATMENT OF HYDROGEN SULFIDE VICTIMS

A person who is overcome by hydrogen sulfide must be removed to an area clear of gas immediately and artificial respiration started at once. Any delay in the start of artificial respiration appreciably reduces the chance of recovery. Four minutes of delay reduces the chance for recovery to 50-50. The recommended method of artificial respiration is mouth-to-mouth using current techniques and barriers when available. Additional rescue procedures and first aid will be further described during the individual safety training of all personnel on location.

TREATMENT FOR HYDROGEN SULFIDE POISONING

Inhalation

As hydrogen sulfide in the blood oxidizes rapidly, symptoms of acute poisoning pass off when inhalation of the gas ceases. It is important, therefore, to get the victim of poisoning to fresh air as quickly as possible. He should be kept at rest and chilling should be prevented. If respiration is slow, labored, or impaired, artificial respiration may become necessary. Most persons overcome by hydrogen sulfide may be revived if artificial respiration is applied before the heart action ceases. Victims of poisoning should be under the care of a physician as soon as possible. Irritation due to subacute poisoning may lead to serious complications such as pneumonia. Under those conditions, treatment by a physician necessarily would be automatic. The patient should be kept in fresh air and hygienic conditions should be watched carefully.

Contact with Eyes

Eye contact with liquid and/or gas containing hydrogen sulfide will cause painful irritation (conjunctivitis). Keep patient in a darkened room, apply ice compresses to eyes, put ice on forehead, and send for a physician. Eye irritation caused by exposure to hydrogen sulfide requires treatment by a physician, preferably an eye specialist. The progress to recovery in these cases is usually good.

Contact with Skin

Skin absorption is very low. Skin discoloration is possible after contact with liquids containing hydrogen sulfide. If such skin contact is suspected, the area should be thoroughly washed.

TOXICITY OF HYDROGEN SULFIDE TO MAN

The following table describes the toxicity of H2S concentrations, expressed as parts of H2S per million parts of air(PPM).

10 PPM Obvious and obnoxious odor; has the characteristic odor of rotten eggs. Eye irritation begins in the range of 10 to 30 PPM. Safe for 8 hours exposure. Everyone must wear respiratory protective equipment at concentrations above this level.

20 PPM Former TLV or Safe Working Level

100 PPM Impairs the sense of smell after 2 to 15 minutes exposure; alters respiration, causes pain in eyes, and drowsiness after 15 to 30 minutes, and throat irritation after 1 hour.

200 PPM Quickly eliminates the sense of smell; may result in death after 8 to 48 hours of continuous exposure.

500 PPM Causes loss of sense of reasoning and balance produces respiratory paralysis in 30 to 45 minutes exposure, and death in exposures of 1 to 4 hours. Victim requires prompt artificial resuscitation.

600 PPM Causes death within 30 to 60 minutes, if not rescued and given immediate artificial resuscitation.

1000 PPM Causes immediate loss of consciousness; permanent brain damage may result if not rescued promptly and resuscitated.

RESUSCITATION CHART

DID YOU KNOW ?

THERE IS NOT TIME TO WASTE WHEN BREATHING STOPS!

ARTIFICIAL RESUSCITATION MUST BE STARTED IMMEDIATELY!!!

After Breathing is Stopped for:	The Chances for Life are:
1 Minute	98 out of 100
2 Minutes	92 out of 100
3 Minutes	72 out of 100
4 Minutes	50 out of 100
5 Minutes	25 out of 100 *
6 Minutes	11 out of 100 *
7 Minutes	8 out of 100 *
8 Minutes	5 out of 100 *
9 Minutes	2 out of 100 *
10 Minutes	1 out of 100 *
11 Minutes	1 out of 1,000 *
12 Minutes	1 out of 10,000 *

* Irreparable brain damage starts at about the fifth minute.

COOL-HEADED ACTION IN RESCUE IS CRITICAL !!!!

OPERATIONS

1) All respiratory protective equipment and H2S monitoring equipment will be rigged up after setting the surface casing. All personnel will be fully trained in H2S safety procedures at this time.

2) A 4 channel continuous H2S monitoring system will be used to constantly monitor for hydrogen sulfide. The monitor console will be located in an area that is easily accessible and controlled, with 1 alarm light and 1 siren situated so that they can be observed from any point on the location. Additional alarms and buzzers may be installed around the location as needed to ensure that everyone is cognizant of any H2S alarms. The monitor heads will placed at the following areas- 1) on the rig floor near the driller's console 2) in the substructure near the bell nipple, 3) at the shale shaker 4) in the mud mixing area. The sensor heads will be calibrated to activate a revolving red beacon should 10+ PPM H2S be detected by any single monitor head. Should 15+ PPM or higher H2S be detected, a loud siren will alarm. Personnel will be trained to take action to protect themselves, and for non-essential personnel to proceed to the upwind briefing area when alarms sound.

3) 2 Gastec/ Sensidyne pump-type hand-held gas detectors will be available on the drilling location. These detectors use colormetric tubes to detect the presence of H2S and SO2 at specific areas.

4) 3 windsocks will be strategically placed around the location to ensure that wind direction is easily determined by all personnel. One wind indicator will be mounted on or near the rig floor to be readily visible to rig crews when tripping. Windsocks will be in illuminated areas to be visible 24 hours a day.

5) At least two (2) Safe Briefing Areas (SBA) will be located on the location. These areas will be situated to ensure that at least one area will always be upwind. Each Safe Briefing Area will include 3-300 cu. ft. bottles of compressed breathing air cascaded together, 1-filler hose, and 1-Scott 30 minute rescue air pack.

6) No smoking areas will be established and "No Smoking" signs posted.

7) Reliable 24-hour radio communication will be established from the drilling rig and emergency call lists and contacts will be near this communication system.

8) Chalk-boards and writing markers will be provided for emergency communication purposes.

9) A well condition warning sign will be posted on the location entrance road and a three color flag system will be used to indicate current location status and potential hazard. Additionally, standby barricades will be placed at the location access road to control road access if needed.

10) Ten (10) Scott Ska-Paks (5 minute egress bottle) will be provided for the operation and placed to assure that all personnel have an emergency air mask available.

a) At least five (5) units on the rig floor
b) One (1) unit in the derrick with airline
c) One (1) unit at the shale shaker with airline
d) The remainder to be strategically placed around the location to provide emergency breathing air for service personnel.

11) Ten (10) Scott 30 minute rescue packs will be located for key personnel involved in emergency operations, including:

a) Two (2) on the rig floor or adjacent doghouse.
b) One (1) at each safe briefing area.
c) One (1) at rig toolpusher's quarters.
d) One (1) in Balcron drilling representative's quarters.
e) The remainder to be placed around the rig at stairway access areas.

12) Spectacle kits will be available for the Scott airpacks for personnel that require corrective lenses for adequate vision.

13) Battery powered voice mikes will be available for communication when wearing breathing equipment.

14) Safety meetings and training sessions will be held at frequent intervals. All persons required to work on location will be thoroughly familiar with the use, care and servicing of the safety equipment on location.

H2S SAFETY EQUIPMENT ON LOCATION

1. 1 electronic continuous H2S detector with 4 sensors, 1 light alarm and 1 siren alarm.
2. Ten (10) Scott Ska-Paks (5 minute egress units)
3. Ten (10) Scott 30 minute rescue SCBAs (positive pressure, NIOSH and MSHA approved)
4. Two Gastec/ Sensidyne portable hand operated pump type detectors with low and high range H2S detector tubes and SO2 detection tubes.
5. Three wind socks with poles.
6. At least two high pressure compressed air refill hoses.
7. One H2S well condition sign w/ three flag system
8. One battery powered bullhorn and writing board.
9. Three 300 cu. ft. refill cylinders with each Briefing Area station
10. Four battery powered voice mikes

NOTE: Additional equipment will be added if conditions require.

H2S SAFETY TRAINING

All personnel on the drilling rig, all support personnel, visitors will be trained in H2S safety procedures.

This training will include, but not be limited to:

1) The potential hazards and characteristics of H2S and SO2.

2) The effects of these gases on man and materials.

3) Operation and limitations of all types of respiratory protective equipment available on the location with thorough hands-on practice both for routine and emergency donning.

4) The different types of H2S and SO2 detection and alarm equipment available on the drill site and how to interpret this equipment.

5) Prevailing winds and safe briefing areas.

6) Rescue and H2S first aid procedures.

7) Working with the buddy system.

8) Emergency procedures to follow including company preferred well shut in procedures.

ACTION PLAN FOR H2S EMERGENCY

Should the H2S monitor alarms sound indicating the presence of hydrogen sulfide on location, the following actions will be taken:

1) All personnel on location must don protective breathing equipment and immediately follow the "buddy system" as prescribed during H2S training drills.

2) The Balcron drilling foreman will provide direction as to duties of drilling personnel depending on the current rig activity.

3) Monitor for hydrogen sulfide with portable gas detection equipment while following the directions of the Balcron drilling foreman.

4. Verify the drill site "head count" and search out and assist any missing or distressed personnel.

5. Ensure that all non-essential personnel are in a safe upwind briefing area and that no new visitors are allowed on location.

Public in Roe

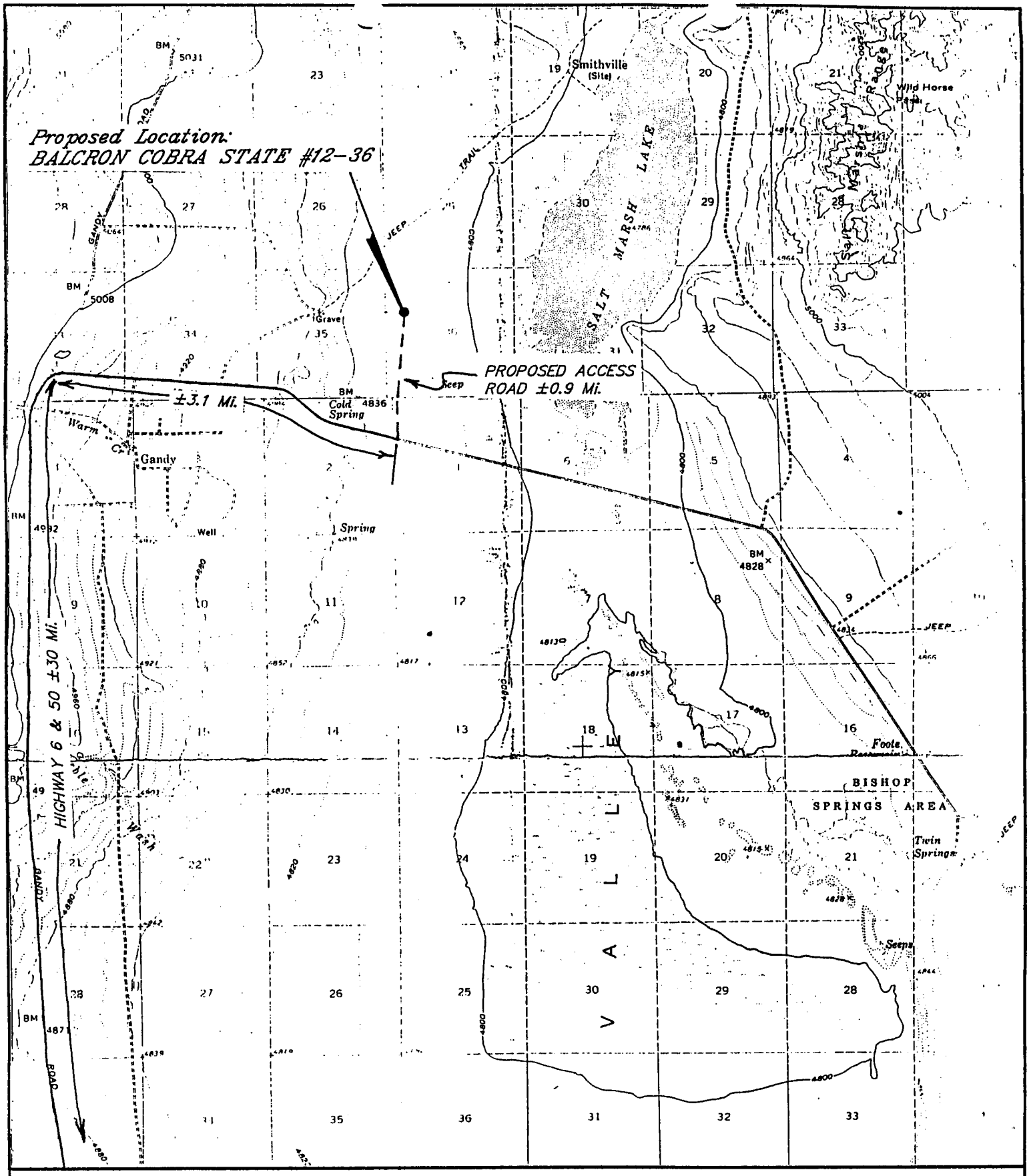
There are no permanent residents within a 2 mile area of the proposed well. Several ranch operations may be in this area as well as a federal agency. There are no identifying labels on the map for these groups as there is no defined area where they would be working.

1. Warm Springs Ranch.....(801) 693-3144

2. Gerald Bates Ranches.....(801) 693-3145

3. Brian Allred Ranches.....(801) 445-3528

4. U.S. Fish & Wildlife Service.... Doug Young - Mgr.....(801) 524-5001



EQUITABLE RESOURCES CO.

BALCRON COBRA STATE #12-36
SECTION 36, T15S, R19W, S.L.B.&M.
TOPO "A"

N

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Land Surveying, Inc.
(801) 781-2501
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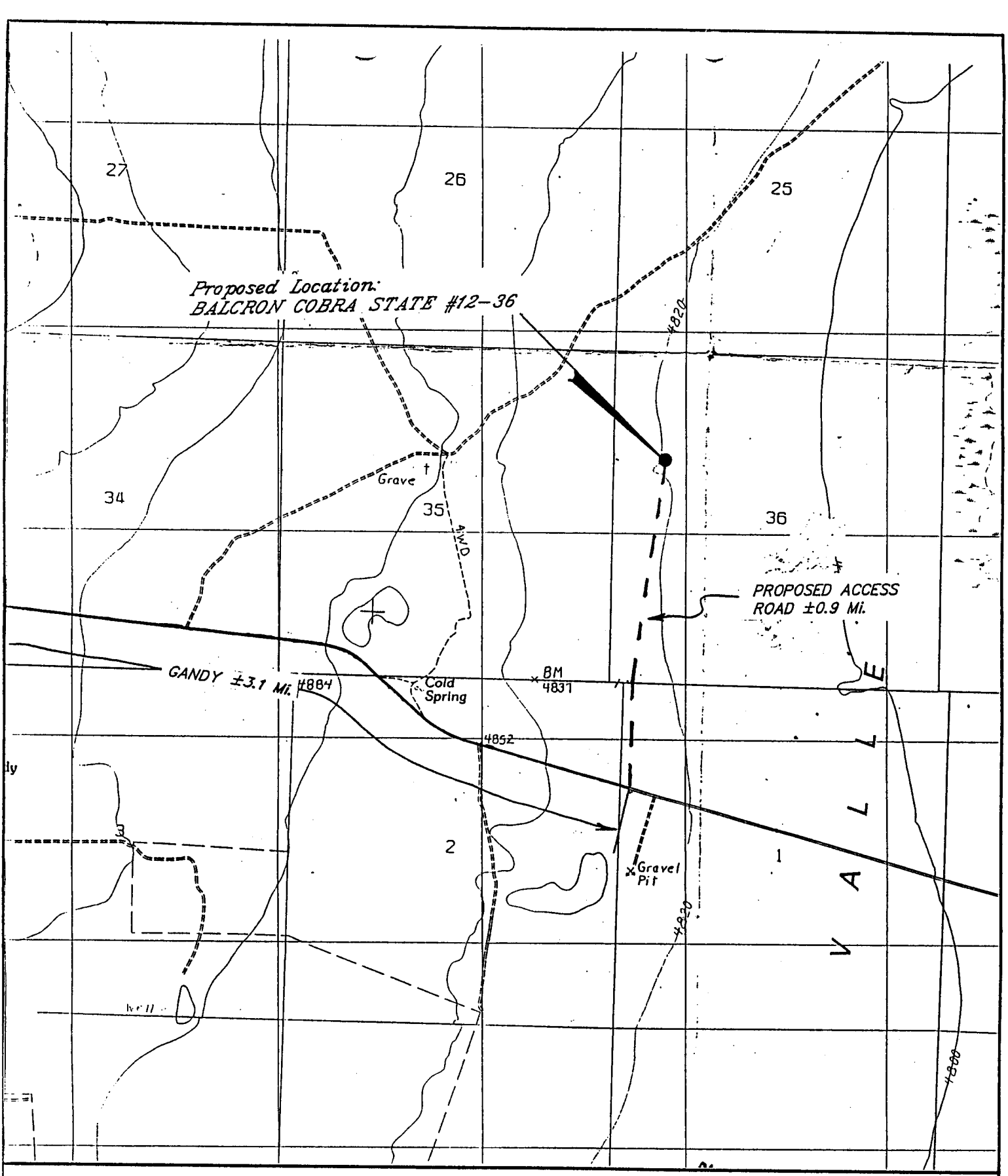


EQUITABLE RESOURCES CO.

BALCRON COBRA STATE #12-36
SECTION 36, T15S, R19W, S.L.B.&M.
TOPO "B"

N

SCALE: 1" = 2000'

Tri State
Land Surveying. Inc.
(801) 781-2501
38 WEST 100 NORTH VERNAL, UTAH 84078

EMERGENCY CALL LIST - OPERATIONS

A. Equitable Resources Energy Co
Balcron Oil Division (406) 259-7860
1601 Lewis Avenue
P.O. Box 21017
Billings, MT. 59104

Operations Manager
Dave McCoskery
Office.....(406) 259-7860
Home.....(406) 248-3864
Mobil .....(406) 698-6630

Production Engineer
John Zellitti
Office.....(406) 259-7860
Home.....(406) 652-5784

B. **Drilling Contractor**
To Be Determined

C. **Safety Contractor**
Inter-Mountain Safety Co, Inc.
66 Walker Rd.
Evanston, WY. 82930

Manager
Frank Kaunitz
Office.....(307) 789-3882
Home.....(307) 789-3882

Safety Supervisor
Ed Johannessen
Office.....(307) 789-3882
Home.....(307) 789-0341

Emergency Call List

Local Officials and Medical Contacts

Local Services are from Delta, Utah unless otherwise noted. There is a central emergency services for Millard County in Delta, Utah. (801)-864-2755. All emergency services are contacted from this number.

SHERIFF....Millard County, Utah .....(801)-864-2755

AMBULANCE....Delta, UT.....(801) 864-2755

HOSPITAL.....Delta Community Hospital .....(801) 864-5591

DOCTOR.....On Call At Hospital Emergency Room

HIGHWAY PATROL.....Utah.....Dial O

FIRE.....Delta, UT.....(801) 864-2755

Additional Notification Numbers

1. Bureau of Land Management.....(801) 896-8221
   Michael Jackson
   150 East 900 N
   Richfield, UT 84701

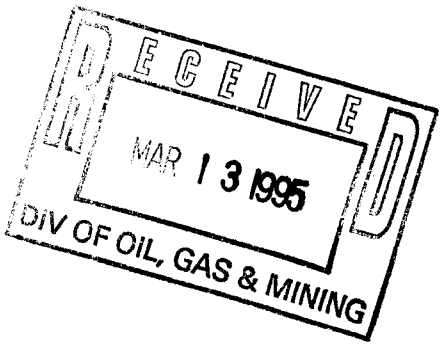
2. Bureau of Land Management.....Range office.....(801) 743-6811
   Rex Rowley Area Manager
   Filmore, Utah

EQUITABLE **RESOURCES**
ENERGY COMPANY

BALCRON OIL DIVISION

1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365 ☐
FAX: (406) 245-1361 ☒



March 10, 1995

Mr. Rex Rowley
Area Manager
House Range Resource Area
Bureau of Land Management
P.O. Box 778
Fillmore, UT 84631

Dear Mr. Rowley:

RE: Cobra State #12-36
SW NW Section 36, T15S, R19W
Millard County, Utah

This is to advise you that we have replaced the Cobra State #1 well with the referenced well. After interpretation of our seismic we found that moving the location west was the best prospect. We will be amending Right-of-Way #UTU-72963.

Moving the access and wellsite to the west should satisfy U.S. Fish and Wildlife concerns. Would you please notify them of this move. We hope to begin activity about April 15, if possible.

If there are any questions or you need additional information, please give me a call at (406) 259-7860).

Sincerely,

Bobbie Schuman

Bobbie Schuman
Regulatory and Environmental Specialist

/hs

Attachment

cc: Ron Firth, Utah Division of Oil, Gas and Mining
Mike Hebertson, Utah Division of Oil, Gas and Mining

FORM 3

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

RECEIVED
MAR 13 1995
DIV OF OIL, GAS & MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. Lease Designation and Serial Number: ML-43911

6. If Indian, Allottee or Tribe Name: n/a

7. Unit Agreement Name: n/a

1A. Type of Work: DRILL [X] DEEPEN [ ]

B. Type of Well: OIL [X] GAS [ ] OTHER: SINGLE ZONE [ ] MULTIPLE ZONE [ ]

8. Farm or Lease Name: Cobra State

2. Name of Operator: Equitable Resources Energy Company, Balcron Oil Division

9. Well Number: #12-36

3. Address and Telephone Number: 1601 Lewis Avenue; Billings, MT 59102 (406) 259-7860

10. Field and Pool, or Wildcat: Wildcat/Paleozoic

4. Location of Well (Footages)
At Surface: SW NW Section 36, T15S, R19W 1700' FNL, 800' FWL
At Proposed Producing Zone:

11. Qtr/Qtr, Section, Township, Range, Meridian: SW NW Sec. 36,T15S,R19W

14. Distance in miles and direction from nearest town or post office: Approximately 2.8 miles east of Warm Creek Ranch

12. County: Millard

13. State: UTAH UTAH

15. Distance to nearest property or lease line (feet):	16. Number of acres in lease:	17. Number of acres assigned to this well:

18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet):	19. Proposed Depth:	20. Rotary or cable tools:
	5,000'	Rotary

21. Elevations (show whether DF, RT, GR, etc.): 4822.8' GL

22. Approximate date work will start: 4/15/95

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	600'	250 sx
8-3/4"	7"	20# & 23#	5,000'	300 sx

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.

Operator intends to drill this well in accordance with the attached drilling program/ casing design. Also attached are: Geologic Prognosis, survey plat, cut and fill diagram, topo maps, rig layout, BOPE diagram and H_2S contingency plan.

A Federal right-of-way for access across section 1 is necessary and application for that has been made.

An archeological survey has been ordered and the report will be submitted shortly.

This location replaces our previously-permitted Cobra State #1 wellsite.

24.

Name & Signature: Bobbie Schuman
Bobbie Schuman

Title: Regulatory and Environmental Specialist Date: 3/10/95

(This space for State use only)

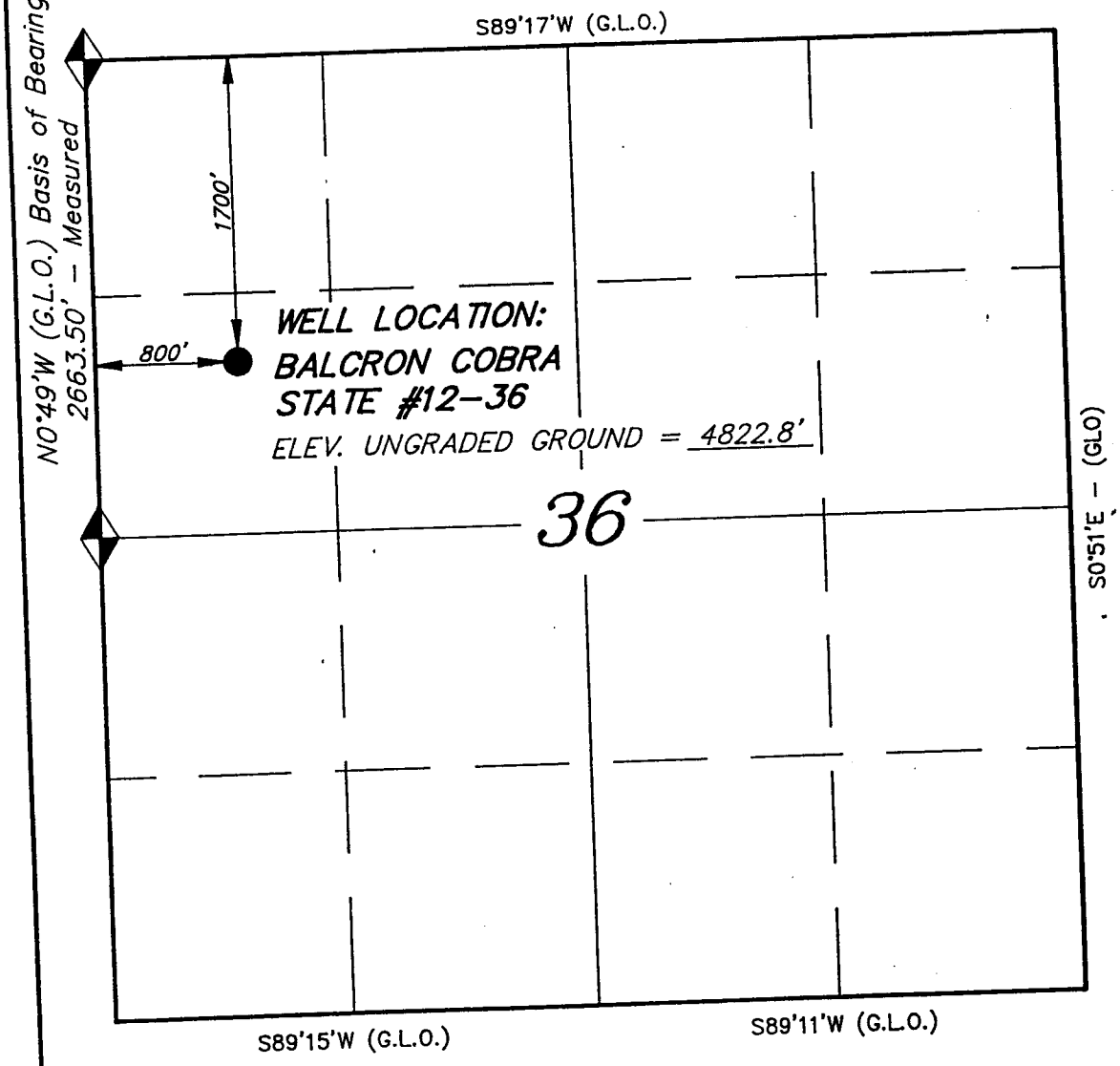
API Number Assigned: 43-027-30034

Approval:

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
DATE: 3-23-95
BY: [signature]

(1\93) (See Instructions on Reverse Side)

T15S, R19W, S.L.B.&M.



◆ = SECTION CORNERS LOCATED

BASIS OF BEARINGS; G.L.O. DATED 1965

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (GANDY)

EQUITABLE RESOURCES ENERGY CO.

WELL LOCATION, BALCRON COBRA STATE #12-36, LOCATED AS SHOWN IN THE SW 1/4 NW 1/4 OF SECTION 36, T15S, R19W, S.L.B.&M. MILLARD COUNTY, UTAH.

N

THIS IS TO CERTIFY THAT THE ABOVE PLAT 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.

REGISTERED LAND SURVEYOR
REGISTRATION No. 189377
STATE OF UTAH

REGISTERED LAND SURVEYOR
No. 189377
STACY W. STEWART
STATE OF UTAH

TRI STATE LAND SURVEYING & CONSULTING
38 EAST 100 NORTH, VERNAL, UTAH 84078
(801) 781-2501

SCALE: 1" = 1000'	SURVEYED BY: S.S. C.B.
DATE: 3-6-95	WEATHER: COOL
NOTES:	FILE SV12-36

KMH

STATE ACTIONS

Mail to:
RDCC Coordinator
116 State Capitol
Salt Lake City, Utah 84114

1. ADMINISTERING STATE AGENCY
OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

2. STATE APPLICATION IDENTIFIER NUMBER:
(assigned by State Clearinghouse)

3. APPROXIMATE DATE PROJECT WILL START:
Upon approval

4. AREAWIDE CLEARING HOUSE(s) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Six County Commissioners Organization

5. TYPE OF ACTION: /_/ Lease /X/ Permit /_/ License /_/ Land Acquisition
/_/ Land Sale /_/ Land Exchange /_/ Other _____

6. TITLE OF PROPOSED ACTION:
Application for Permit to Drill

7. DESCRIPTION:
Equitable Resources Energy Company, Balcron Oil Division proposes to drill the Cobra State #12-36 well (wildcat) on state lease ML-43911, Millard County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.

8. LAND AFFECTED (site location map required) (indicate county)
SW NW, Section 36, Township 15 South, Range 19 West, Millard County, Utah

9. HAS THE LOCAL GOVERNMENT(s) BEEN CONTACTED?

10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:
Degree of impact is based on the discovery of oil or gas in commercial quantities.

11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:

12. FOR FURTHER INFORMATION, CONTACT:
Frank R. Matthews
PHONE: 538-5340

13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL:
DATE: 3-14-95
Petroleum Engineer

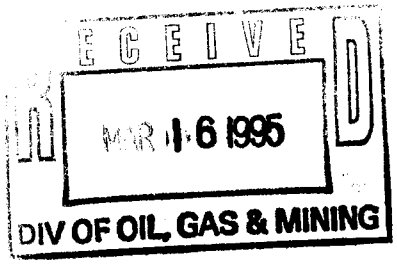
WOI187

EQUITABLE **RESOURCES**
ENERGY COMPANY

BALCRON OIL DIVISION

1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365 ☐
FAX: (406) 245-1361



March 13, 1995

Mr. Mike Hebertson
State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Dear Mr. Hebertson:

RE: Cobra State #12-36
SW NW Section 36, T15S, R19W
Millard County, Utah

As we discussed, attached is a copy of our proposted methods for handling ~~water~~ waste materials and disposal when drilling the referenced well. Please consider this as part of the Application for Permit to Drill.

If there are any questions or you need additional information, please let me know.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Regulatory and Environmental Specialist

/hs

Attachment

METHODS FOR HANDLING WASTE MATERIALS AND DISPOSAL:

a. Garbage will be stored in a dumpster and disposed of according to local and state regulations, at an approved facility. Disposal will not be allowed on location. No trash will be disposed of in the reserve pit.

b. Fluids produced during the completion operation will be collected in test tanks. Any spills of oil, gas, salt water or other noxious fluids will be cleaned up and hauled to an approved disposal site. Burning will not be allowed.

c. The reserve pit will be lined. If a plastic nylon reinforced liner is used, it will be torn and perforated before backfilling of the reserve pit.

d. Any produced water will be contained on site for a period not to exceed 90 days.

e. Sewage will be disposed of according to county and state requirements. Sealed chemical portable toilets will be on location during these drilling operations. Waste and chemicals will not be disposed of on location.

f. All drilling fluids will be allowed to evaporate in the reserve pit. The drill cuttings will then be buried in the reserve pit.

g. Immediately upon well completion, the location and surrounding areas will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

3/13/95

EQUITABLE **RESOURCES**
ENERGY COMPANY

BALCRON OIL DIVISION

1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365 ☐
FAX: (406) 245-1361 ☒

March 10, 1995

Mr. Mike Hebertson
State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Dear Mr. Hebertson:

RE: Cobra State #12-36
SW NW Section 36, T15S, R19W
Millard County, Utah

Our Application for Permit to Drill (APD) the referenced well was sent today. As operator, we hereby request that the status of this well be held tight for the maximum period allowed by Federal and State regulations.

To confirm, the onsite is scheduled for 12 noon March 22, 1995, on location.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Regulatory and Environmental Specialist

/hs

CULTURAL RESOURCE EVALUATION

OF PROPOSED COBRA STATE #12-36 AND ASSOCIATED ACCESS ROUTE IN THE SNAKE VALLEY LOCALITY OF MILLARD COUNTY, UTAH

Report Prepared for Balcron Oil Company

ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH
CORPORATION (AERC)

CULTURAL RESOURCE EVALUATION

OF PROPOSED COBRA STATE UNIT 12-36 AND ASSOCIATED

ACCESS ROUTE IN THE SNAKE VALLEY

LOCALITY OF MILLARD COUNTY, UTAH

Report Prepared for Balcron Oil Company

Dept. of Interior Permit No.: UT-95-54937
AERC Project 1475 (BLCR-95-4)

Utah State Project No.: UT-95-AF-107b,s

Principal Investigator
F. Richard Hauck, Ph.D.

Authors of the Report
F. Richard Hauck & Glade V Hadden

ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH
CORPORATION (AERC)

181 North 200 West, Suite 5
P.O. Box 853
Bountiful, Utah 84011-0853

March 20, 1995

ABSTRACT

An intensive cultural resource evaluation has been conducted for Balcron Oil Company of a re-location of proposed Cobra State #12-36 (formerly Cobra State No.1) and associated access route in the Snake Valley locality of Millard County, Utah. This evaluation involved a total of 20.9 acres, of which ten acres is associated with the proposed well pad, and an additional 10.9 acres associated with a .9 mile-long access corridor. These evaluations were conducted by Glade Hadden of AERC on March 17, 1995.

No previously recorded significant or National Register eligible cultural resources will be adversely affected by the proposed development.

No newly identified cultural resource activity loci or isolated artifacts were discovered or recorded during the examination.

AERC recommends project clearance based on adherence to the stipulations noted in the final section of this report.

TABLE OF CONTENTS

LIST OF MAPS OF THE PROJECT AREA

GENERAL INFORMATION

On March 17, 1995, AERC archaeologist Glade Hadden conducted an intensive cultural resource evaluation for Balcron Oil Company of Billings, Montana. This examination involved Balcron's proposed Cobra State #12-36 and an associated access route located in the Gandy/Snake Valley area of western Utah. This survey entails a re-location of the original Balcron Cobra State No.1 (re-named Cobra State #12-36). A 10 acre well pad and buffer zone along with some .9 miles of access right of way (10.9 acres) were examined for a total of 20.9 acres. The project is situated on Utah State public lands (17.23 acres) administered by the Utah Division of State Lands and Forestry and on federal lands (3.67 acres) administered by the Fillmore Office of the Bureau of Land Management (Richfield District, Warm Springs Resource Area).

The purpose of the field study and this report is to identify and document cultural site presence and assess National Register potential significance relative to established criteria (cf., Title 36 CFR 60.6). The proposed development of this well and access route requires archaeological evaluations in compliance with U.C.A. 9-8-404, the Federal Antiquities Act of 1906, the Reservoir Salvage Act of 1960-as amended by P.L. 93-291, Section 106 of the National Historic Preservation Act of 1966-as amended, the National Environmental Policy Act of 1969, the Federal Land Policy and Management Act of 1979, the Archaeological Resources Protection Act of 1979, the Native American Religious Freedom Act of 1978, the Historic Preservation Act of 1980, Executive Order 11593, and various Utah State regulations.

In addition to documenting cultural identity and significance, mitigation recommendations relative to the preservation of cultural data and materials can be directed to the Bureau of Land Management Richfield District Office and to the Utah State Antiquities Section. This work was done under U.S. Department of Interior Permit for Utah UT-95-54937 which expires on January 31, 1996.

Project Location

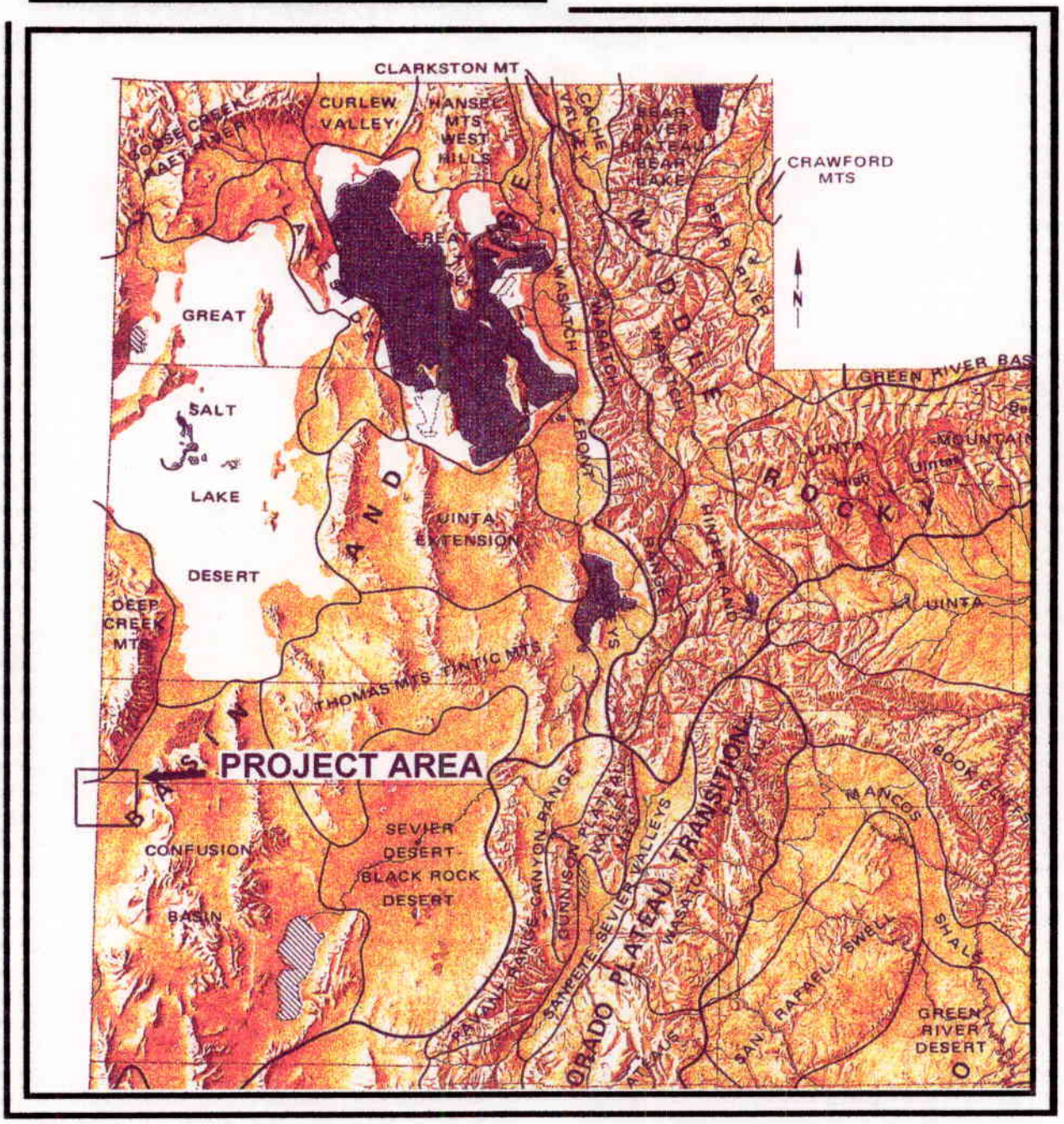
The project location is in the Snake Valley locality of Millard County, Utah. It is situated on the Gandy 7.5 minute topographic quad (see Maps).

The proposed 100 foot-wide access corridor begins at the existing roadway ca. 3 miles east of Gandy in the SW quarter of the NW quarter of Section 1, Township 16 South, Range 19 West, Salt Lake Meridian. It extends to the North ca. .9 miles, ending at Balcron Cobra State #12-36 located in the SW quarter of the NW corner of Section 36 (see Map 2).

MAP 1: GENERAL PROJECT LOCALITY IN MILLARD COUNTY, UTAH

N

PROJECT: BLCR - 95 - 4
SCALE: 2 cm. = 50 km.
QUAD: UG & MS Map 43
DATE: 3 - 20 - 95



(After PHYSIOGRAPHIC SUBDIVISIONS OF UTAH by W.L. Stokes)

T. multiple

R. multiple

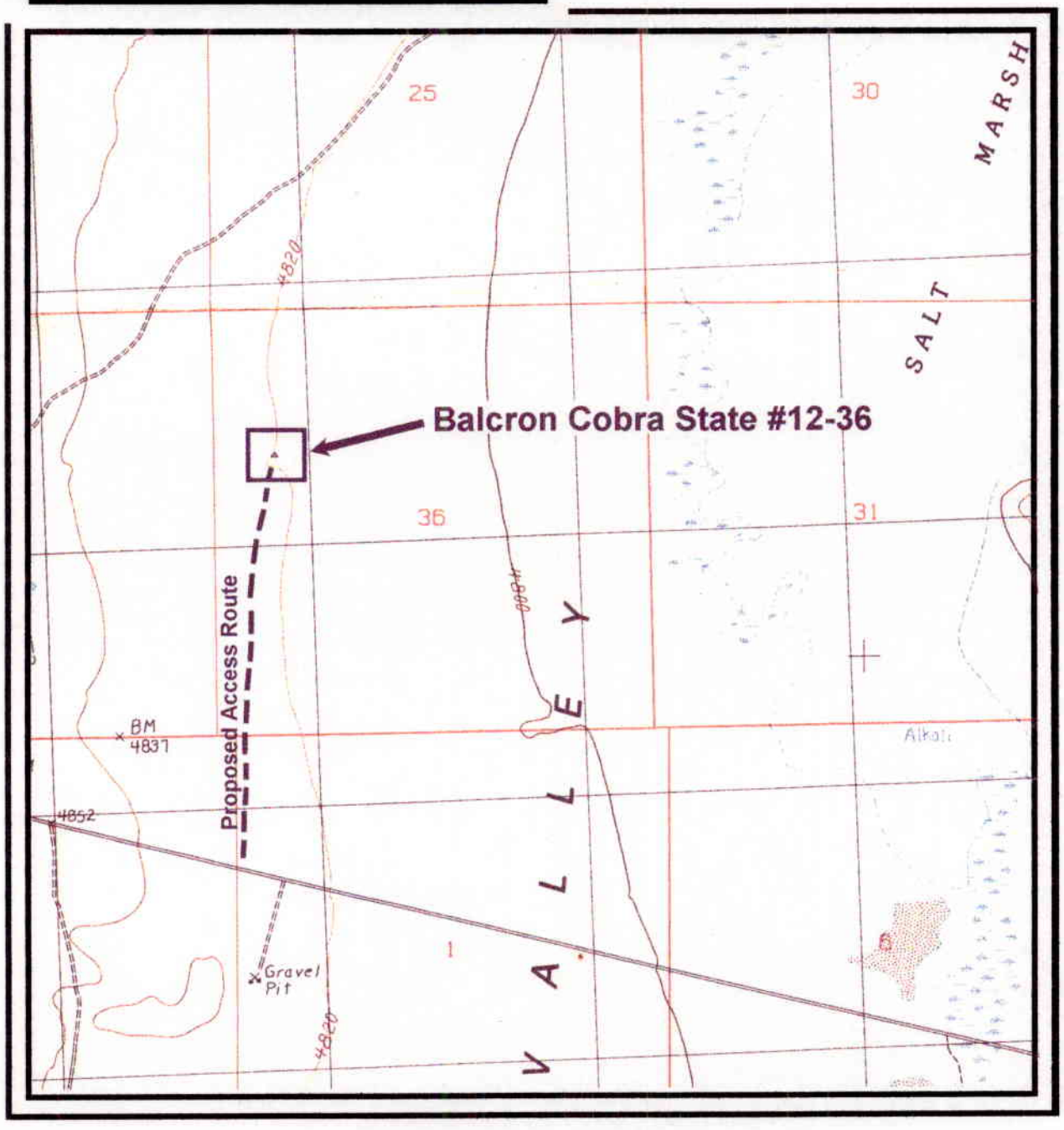
UTAH

Meridian: Salt Lake B & M

MAP 2: CULTURAL RESOURCE SURVEY OF BALCRON COBRA STATE UNIT NO. 12-36 RELOCATION IN THE GANDY LOCALITY OF MILLARD COUNTY, UTAH

N

PROJECT: BLCR - 95 - 4
SCALE: 1: 24,000
QUAD: Gandy, Utah
DATE: 3 - 20 - 95



LEGEND:

UTAH

T. 15 & 16 South

R. 19 West

Meridian: Salt Lake B & M

Ten Acre Survey Area

Access Route

Environmental Description

The project area is within the 4820 foot elevation zone above sea level. Open rangeland terrain is associated with the project area.

Vegetation in the general project area reflects a typical "Artemisian" or Saltbush biotic province (Dice 1943) which is the dominant pattern found in many lowland areas throughout the eastern Great Basin. Limited rainfall and harsh climate promote the growth of xeric, salt tolerant species over most of the area, interspersed with scattered oases where shallow sub-surface water allows marshland vegetation to occur. The sparse vegetation in the general project area includes Rabbitbrush, (*Chrysothamnus spp.*), Sagebrush (*Artemisia spp.*), Greasewood (*Sarcobatus vermiculatus*), Mormon Tea (*Ephedra viridis*), Four-Wing Saltbush (*Atriplex canescens*), and a variety of alkali resistant grasses and sedges (cf. *Distichlis spicatus*, *Sporobolus airoides*, *Scirpus maritimus*, *Bromus tectorum* and *Carex rostrata*).

The geological associations within the project area consist of Quaternary fluvial and lake deposits which correlate with the post-Pleistocene recession of Lake Bonneville.

PREVIOUS RESEARCH IN THE LOCALITY

File Search

A records search of the site files and maps at the Antiquities Section of the State Historic Preservation Office in Salt Lake City was conducted on October 5, 1994. A similar search was conducted in the Fillmore BLM Office on October 12, 1994. The National Register of Historic Places has been consulted and no registered historic or prehistoric properties will be affected by the proposed development.

Few known cultural sites are situated in the Snake Valley locality. During the years, several of these prehistoric resources in the Gandy locality (cf., 42MD 66 and 42MD 68) have been identified and recorded by archaeologists conducting surface evaluations in this valley. Ms. Nancy Shearin, the Area Archaeologist has conducted surface evaluations within the vicinity of this present project (Shearin 1992a 1992b, 1993, 1994a, 1994b). Site 42MD 1129, a significant resource, was recently recorded by that archaeologist (Shearin 1994a). In addition, Kristopher Corambelas with Desert West Research, Inc. has recently evaluated seismic line corridors which pass through the Gandy locality (Corambelas 1994a and 1994b). Corambelas documented two ineligible sites (42MD 1167 and 1168) during his inventories in this general locality. More Recently. AERC has conducted field inventories in the area for Balcron Oil Division (Hauck and Hadden 1994) and the initial inventories of the current project as Cobra State No.1 (Hauck 1994a, 1994b)

Prehistory and History of the Cultural Region

Currently available information indicates that the Great Basin Cultural Area has been occupied by a variety of cultures beginning perhaps as early as 10,000 B.C. These cultures, as identified by their material remains, demonstrate a cultural developmental process that begins with the earliest identified Paleoindian peoples (10,000 -- 7,000 B.C.) and extends through the Archaic (ca. 7,000 B.C. -- A.D. 300), and Formative (ca. A.D. 400 -- 1100) Stages, and the Late Prehistoric-Protohistoric periods (ca. A.D. 1200 -- 1850) to conclude in the Historic-Modern period which was initiated with the incursion of the Euro-American trappers, explorers, and settlers. Basically, each cultural stage -- with the exception of the Late Prehistoric hunting and gathering Shoshonean bands -- features a more complex life-way and social order than occurred during the earlier stage of development (cf., Jennings 1978, 1980). For a more definitive outline of the area's pre-history see "Prehistory of Southeastern Nevada" (Fowler et. al. 1973)

Site Potential in the Project Development Zone

Previous archaeological evaluations in the general project area have resulted in the identification and recording of few cultural resource sites having eligibility for potential nomination to the National Register of Historic Places (NRHP). These sites include occupations sometimes containing ceramic scatters, and lithic scatters containing reduction materials.

FIELD EVALUATIONS

Methodology

The intensive evaluation of the access route and ten acre parcel consisted of the archaeologist walking a 15 - 20 meter transect on each side of the staked right-of-way center line. Similar parallel transects were walked within the ten acre parcel . Thus, a 30 to 35 meter-wide or 100 foot-wide corridor (ca. 10.9 acres) was examined for the total ca. 4752 foot length (.9 mile) of the proposed access route.

Observation of cultural materials results in intensive examinations to determine the nature of the resource (isolate or activity locus). The analysis of each specific cultural site results in its subsequently being sketched, photographed, and appropriately recorded on standard IMACS forms. Cultural sites are then evaluated for significance utilizing the standards described below and mitigation recommendations are considered as a means of preserving significant resources which may be situated within the development zone.

Site Significance Criteria

Prehistoric and historic cultural sites which can be considered as eligible for nomination to the National Register of Historic Places have been outlined as follows in the National

Register's Criteria for Evaluation as established in Title 36 CFR 60.6:

> *The quality of significance in American ... archaeology ... and culture is present in ... sites ... that possess integrity of location, design, setting, materials, workmanship, feeling, and association and:*
> *a. That are associated with events that have made a significant contribution to the broad patterns of our history; or*
> *b. that are associated with the lives of persons significant in our past; or*
> *c. that embody the distinctive characteristics of a type, period, or method of construction ... ; or*
> *d. that have yielded, or may be likely to yield, information important in prehistory or history.*

In addition to satisfying one or more of these general conditions, a significant cultural resource site in Utah will generally be considered as being eligible for inclusion in the National Register if it should advance our current state of knowledge relating to chronology, cultural relationships, origins, and cultural life ways of prehistoric or historic groups in the area.

In a final review of any site's cultural significance, the site must possess integrity and at least one of the above criteria to be considered eligible for nomination to the National Record of Historic Places.

Results of the Inventory

No prehistoric cultural resource activity loci were observed or recorded during the archaeological evaluations.

No previously recorded sites are located within the proposed development zone.

No significant or National Register sites were noted or recorded during the survey.

No isolated artifacts were recorded or collected during the evaluation.

No paleontological loci were observed or recorded during the evaluation.

CONCLUSION AND RECOMMENDATIONS

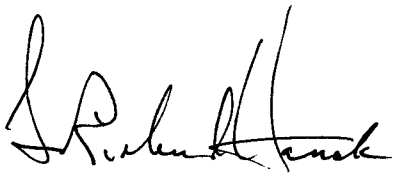
No known significant cultural or paleontological resources will be adversely impacted during the development and operation of the Balcron Oil Company's Cobra State #12-36 as evaluated during this project.

AERC recommends that a cultural resource clearance be granted to Balcron Oil Company relative to the proposed development of this well pad and access corridor based upon adherence to the following stipulations:

1. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the flagged areas and corridors examined as referenced in this report, and to the existing roadways.

2. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.

3. The authorized official should be consulted should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the development area.



F. Richard Hauck, Ph.D.
President and Principal
Investigator

REFERENCES

Corambelas, Kristopher

1994a "Class III Cultural and Paleontological Inventory for the Balcron 2-D Seismic Line in Millard County, Utah." Report prepared for Balcron Oil Division by Desert West Research, Inc. Salt Lake City.

1994b "Class III Cultural and Paleontological Inventory for the Snake Valley 2-D Seismic Line in Millard County, Utah." Report prepared for Balcron Oil Division by Desert West Research, Inc. Salt Lake City.

Dice, L.R.

1943 The Biotic Provinces of North America. University of Michigan Press, Ann Arbor.

Fowler, D. D., D. B. Madsen and E. M. Hattori

1973 "Prehistory of Southeastern Nevada." Desert Research Institute Publications in the Social Sciences No. 6, Reno.

Grayson, D.K.

1993 The Desert's Past: A Natural Prehistory of the Great Basin. Smithsonian Institution Press, Washington.

Hauck, F.R.

1994a Cultural Resource Evaluation of Proposed Cobra State Unit No. 1 in the Snake Valley Locality of Millard County, Utah. Report prepared for Balcron Oil Division. Archaeological-Environmental Research Corporation, Bountiful.

1994b *Addendum to* Cultural Resource Evaluation of Proposed Cobra State Unit No. 1 in the Snake Valley Locality of Millard County, Utah. Report prepared for Balcron Oil Division. Archaeological-Environmental Research Corporation, Bountiful.

Hauck, F.R. and Glade V Hadden

1994 Cultural Resource Evaluation of Proposed ASP Federal No. 1 and Associated Access Route in the Snake Valley Locality of Millard County, Utah. Report prepared for Balcron Oil Division. Archaeological-Environmental Research Corporation, Bountiful.

Jennings, Jesse D.

1957 "Danger Cave." University of Utah Anthropological Papers, No. 27, University of Utah Press, Salt Lake City.

1978 "Prehistory of Utah and the Eastern Great Basin." University of Utah Anthropological Papers, No. 98, University of Utah Press, Salt Lake City.

Shearin, Nancy

1992a "Bureau of Land Management Report on the Moriah Pipeline in Millard County, Utah (U92-BL-278b)." Warm Springs Resource Area Office, Fillmore.

1992b "Bureau of Land Management Report on the Gandy Fence in Millard County, Utah (U92-BL-388b)." Warm Springs Resource Area Office, Fillmore.

1993 "Bureau of Land Management Report on the Gandy Middle Road in Millard County, Utah (U93-BL-096b)." Warm Springs Resource Area Office, Fillmore.

1994a "Bureau of Land Management Report on the Wild Horse Corrals in Millard County, Utah (U94-BL-246b)." Warm Springs Resource Area Office, Fillmore.

1994b "Bureau of Land Management Report on the Gandy Marsh Fences in Millard County, Utah (U94-BL-630b)." Warm Springs Resource Area Office, Fillmore.

Smith, Shelley J.

1994 "Fremont Subsistence Practices in Skull Valley, Northern Utah." Paper presented at the 24th Great Basin Anthropological Conference, Elko. (Manuscript on file.)

STATE OF UTAH
DIVISION OF OIL, GAS & MINING (OGM)

ON-SITE PREDRILL EVALUATION AND REVIEW

OPERATOR: EQUITABLE RESOURCES ENERGY COMPANY, BALCRON OIL

WELL NO: COBRA STATE 12-36 LEASE NO: ML-43911

API NUMBER: 43 - 027 - 30034 LEASE TYPE: STATE Y FEE ___

PROPOSED LOCATION: **C O N F I D E N T I A L**

SURFACE: 1700 FNL 800 FWL

SURFACE: QTR/QTR: SW NW SEC: 36 TWP: 15 S RNG: 19 W

BOTTOM HOLE: 1700 FNL 800 FWL

BOTTOM HOLE: QTR/QTR: SW NW SEC: 36 TWP: 15 S RNG: 19 W

COUNTY: MILLARD FIELD: CODE/NAME: 001 WILDCAT

GPS COORDINATES: 4372405 N 246892 E

SURFACE OWNER: STATE OF UTAH SURFACE AGREEMENT(Y/N): Y

LOCATION AND SITING:

Y Plat

Y Bond: State Y Fee ___

Number: _____

N Potash (Y/N)

N Oil Shale (Y/N)

N Water Permit _____

Y RDCC Review _____

___ R649-2-3. Unit: _____

___ R649-3-2. General

X R649-3-3. Exception

___ UCA 40-6-6. Drilling Unit

Cause No: _____

Date: _____

ARCHEOLOGICAL AND PALEONTOLOGY SURVEY RECEIVED: (Y/N) Y

SITE PROBLEMS: _____

CONFIDENTIAL PERIOD EXPIRED ON 8-24-96

Onsite Participants: DAVE McCOSKERY BALCRON, BOBBIE SCHUMAN BALCRON, LYNN ZUBECK STATE DIVISION OF WILDLIFE, MIKE HEBERTSON DIVISION OF OIL GAS & MINING

Regional Setting/Topography: BASIN AND RANGE OF EXTREME WESTERN UTAH. WELL SITE IS IN A VALLEY WEST OF THE FOOTE RANGE. THE VALLEY IS A PLUVIAL LAKE BED.

DRILLING PROGRAM:

1. Surface Formation and Estimated Tops/Geologic Markers

VALLEY FILL QUATERNARY ALLUVIUM	0 - 1,500
PALEOZOIC CARBONATES	1,500 - 3,335
UNKNOWN	3,335 - 5,000

2. Estimated Depths of Anticipated Water, Oil, Gas or other Mineral Bearing Zones

Substance	Formation	Depth
Oil/Gas	PALEOZOICS	600 - 3500
Oil		
Water	VALLEY FILL	0 - 600
Other		

All fresh water sands encountered during drilling shall be recorded and reported to the Division on Form 7.

3. Well Control Equipment & Testing Procedures
SHAFFER TYPE DOUBLE RAM 3,000 LB PREVENTOR, 1,500 LB HYDRIL AND MANIFOLD TESTED PRIOR TO DRILLING OUT FROM SURFACE AND ACTUATED DAILY.

4. Proposed Casing and Cementing Program

9 5/8"	J55 36#/FT 100 SX HALIBURTON LITE 2% CaCl 1/4#/SX FLOCELE 12.4 PPG, 150 SX G 2% CaCl 15.8 PPG 600'
7"	K55 20 & 23 #/FT 300 SX G PLUS AG 250 W/ 35% SSA-1, .4% CFR-3, .5% HALAD-24, .2% HR-5 15.8 PPG.

5. Mud Program and Circulating Medium - include mud components and weights, when drilling with air also include length and location of blooie line
FRESH WATER 0-600' 8.5-8.8 PPG 0 VIS 0 YIELD
FRESH MUD LSND 600-5000 8.5-9.0 PPG 8-10 VIS 10-12 YIELD.

6. Coring, Logging, and Testing Program
ONE TEST MAY BE POSSIBLE IN THE PALEOZOIC CARBONATE SECTION BASED ON SAMPLE ANALYSIS.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards, also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones
UNKNOWN, H2S PLAN HAS BEEN FILED FOR A WILDCAT WELL

SURFACE USE PLAN:

Current Surface Use: GRAZING OF CATTLE, OPEN RANGE. AREA IS ABOUT 1 MILE FROM A SALT MARSH THAT IS ACTIVE DURING NESTING SEASON, AND PART OF THE SUMMER

Proposed Surface Disturbance: 200 X 300 INCLUDING RESERVE PIT. ACCESS ROAD WILL CROSS FEDERAL GROUND AND IS ABOUT 3,000 FEET BY 16 FEET. LOCATION WILL NEED TO BE FILLED AND STABILIZED.

1. Existing Roads
COUNTY ROAD FROM GANDY TO THE CONGER RANGE RUNS EAST WEST. COUNTY ROAD TO GANDY FROM US HIGHWAY 50 & 6 RUNS GENERALLY NORTH-SOUTH.

2. Planned Access Roads - include length of new road, length of existing road to be upgraded, maximum disturbed and travel surface widths, maximum grades, turnouts, surface materials, drainage, cattleguards
THE ACCESS ROAD FOR THIS LOCATION IS STILL UNDER INVESTIGATION AND WILL BE REQUIRED BY SUNDRY PRIOR TO APPROVAL OF THE APD. THE PREFERRED ROUTE IS FROM COLD SPRINGS TO THE EAST-WEST SEISMIC LINE WHICH RUNS 1/4 MILE TO THE LOCATION AND CROSSES NO DRAINAGES. THE STAKED ACCESS ROAD IS NOT ACCEPTABLE AND THE PREFERRED ROUTE IS DOWN ONE OF THE EXISTING SEISMIC

RIGHTS-OF-WAY. TWO ALTERNATE ACCESSES WERE EXAMINED AND ONE WILL BE DECIDED UPON.

3. Location of existing wells within one-mile radius of proposed location, include water, injection, producing, drilling with present status of each well
NO WELLS WITHIN ONE MILE.

4. Location of Production Facilities and Pipelines
NO PRODUCTION FACILITIES PIPELINES OR PROCESSING PLANTS IN THIS AREA.

5. Location and Type of Water Supply (include Division of Water Rights approval or identifying number)
WATER WILL BE PURCHASED FROM GERALD BATES, NO AGREEMENT HAS BEEN REACHED AT THIS TIME. A SUNDRY WILL BE FILED PRIOR TO SPUD

6. Source of Construction Material
A SUNDRY WILL BE FILED PRIOR TO SPUD INDICATING THE SOURCE FOR ROAD BASE AND GRAVEL PAD FOR THE LOCATION

7. Waste Management Plan
SEE THE SUNDRY FILED AS PART OF THE APD.

8. Ancillary Facilities
NONE

9. Well Site Layout
SEE THE ATTACHED LAYOUT FOR THE DRILL RIG. PLAT #2

10. Surface Restoration Plans
AS STIPULATED BY STATE LANDS OR RESTORED TO CONDITION AS FOUND.

ENVIRONMENTAL PARAMETERS:

Affected Floodplain and/or Wetlands:
Is a 404 dredge and fill permit required? (Any activity which will change the bottom elevation of the "waters of the United States" including wetlands, natural and artificially created waters, and even some drainages may require a permit from the Army Corps of Engineers) THE LOCATION LIES IN AN ANCIENT DRY LAKE BED AND NEAR AN ACTIVE SALT MARSH. IT IS NOT CURRENTLY PART OF THE MARSH OR WETLANDS. IT MAY HAVE BEEN IN THE PAST. IF THE ACCESS ROAD CROSSES THE MAIN DRAINAGE FROM COLD SPRINGS A 404 PERMIT MAY BE REQUIRED.

Flora/Fauna:
Briefly describe the flora found on the proposed site and the fauna evidenced or sighted on or near the proposed location DUCKS, GEESE AND OTHER WATERFOWL, COYOTE, HAWK, RAVENS, AND OTHER INDIGENOUS BIRDS. SALT GRASS, SAGE BRUSH, WILD ROSE, AND GREASEWOOD

SURFACE GEOLOGY

Soil Type and Characteristics: SILT AND CLAY HIGH IN SALT CONTENT AND VERY FINE TO EXTREMELY FINE POWDER DRIES TO SALT CRUSTED CLAY.

Surface Formation & Characteristics: VALLEY FILL WITH GUMBO QUALITIES, VERY POOR SOILS WITH HIGH SALT CONTENT CLAY AND SILT FROM A PLUVIAL LAKE BOTTOM

Erosion/Sedimentation/Stability: EROSION FROM WIND BECAUSE OF THE FINE TEXTURE OF THE SOIL. STABILITY PROBLEMS WILL PRESENT A CHALLENGE BECAUSE OF THE LACK OF BASE SUPPORT.

Paleontological Potential Observed: NONE SEE THE REPORT FILED WITH THE APD

RESERVE PIT

Characteristics: 100 X 100 X 8 FEET CONSTRUCTED OF SITE MATERIALS. 8 FEET MAY NOT BE A REALISTIC DEPTH, DUE TO NATURE OF THE NEAR SURFACE WATERS AND POOR SOIL BASE. PIT WILL BE DUG A MAXIMUM OF 4' IN DEPTH AND SPOIL FROM THE PIT WILL BE USED TO BUILD A 4' BERM, TOTAL PIT DEPTH WILL BE 8'

Lining (Site ranking form attached): A LINER WILL BE REQUIRED 12-14 MILS.

OTHER OBSERVATIONS

Cultural Resources/Archaeology (if proposed location is on State land, has an archaeology clearance been obtained?): SEE THE ARCHEOLOGICAL REPORT FILED WITH THE APD

Comments: ROUND TRIP DISTANCE TO THIS LOCATION FROM DELTA IS 250 MILES. BAKER NEVADA IS 40 MILES FROM LOCATION AND HAS A CAFE, MOTEL AND GAS STATION. CELL PHONE DOES NOT WORK PAST DELTA AND IS THEREFORE USELESS

KMH
OGM Representative

22-MAR-1995, 12:30 PM
Date and Time

STATEMENTS OF BASIS

OGM Review of Application for Permit to Drill (APD)

ENGINEERING/LOCATION and SITING:

The proposed location is an exception to the normal state wide spacing due to the fact that seismic interpretation indicated that this location was preferred over any other. The application and proposed casing and drilling plan appear to be consistent with accepted industry standards of practice and sound engineering design. A casing design safety check is attached. Blow out prevention and H2S monitoring/contingency plans are adequate.

Signature F. R. Matthews Date 4/3/95

GEOLOGY/GROUND WATER:

The following information on ground water, surface water, and water wells was obtained through a search of records at the State Division of Water Rights and from the Utah State Engineers Technical report no. 14. The proposed location lies within the Snake Valley which is a north trending valley along the central Utah-Nevada border. Ground water occurs in the valley fill and the Paleozoic sediments throughout the region. The valley fill consists of interbedded sands and gravel with a considerable amount of clay. Permeability in the valley fill is moderate to very high depending on the amount of cementation of the grains. Paleozoic sediments consist of carbonates and clastics with low to very high permeability depending on the fractures and solution cavities. Ground water in the area occurs under both confined an unconfined conditions and is illustrated by abundant springs and flowing wells. The water quality of the shallow aquifers is generally very fresh and is used for domestic use, livestock watering and irrigation. Very little information is available on water wells in the immediate vicinity of the proposed oil well. However information that was obtained indicates that wells in the area produce water from depths of near surface to approximately 600 feet. The general direction of ground water flow is to the northeast to an ultimate discharge in the Great Salt lake Desert. This general routing includes recharge, discharge, upward leakage and possibly downward leakage into permeable zones in the carbonates.

Equitable Oil has proposed to set an 8 5/8" surface casing at a depth of 600 feet and to cement this casing to surface. A 7" production casing will be set at approximately 5000 feet and cemented with 250 sacks of

cement. The estimated top of cement will be 3000 feet. This proposed construction should adequately protect the near surface aquifers. There are concerns that if large water flows are encountered there may be an effect on nearby springs. It is recommended that if any water flows are encountered below the depth of surface casing, cement on the production casing be pumped to 500 feet above the water zone to prevent upward flow of poorer quality water into zones of higher quality.

There are numerous springs in the area of the proposed well and adequate care should be used to keep accesses away from them. Additionally it is recommended that Cold Spring located in section 2, township 16 south, range 19 west be sampled for water quality prior to spudding the well. This spring is the habitat for the spotted frog which has been of great concern for the U.S.F.& W Service.

Signature DJJ Date 3-28-95

SURFACE:

Surface is owned by the State of Utah and the agreement is part of the mineral lease. Access across BLM land is being obtained. The pre-site investigation of the surface has been performed by field personnel and deficiencies in the APD were discussed at that time. The review has been completed in accordance with division policy and the location and well can be built and drilled in an environmentally sound manner. Agreements for water, access across BLM land, and for construction materials will be filed by Balcron prior to location construction. Spacing issues will need to be addressed by Sundry Notice.

The per-site evaluation showed that several possible access routes to the location were possible. The staked access was deemed as unacceptable because of extra surface disturbance that would be required, and because it was a less direct route to the actual location than either of the seismic Rights-of-Way which already exist. In order to lessen the impact on the area and to cause less disturbance in the area. It is suggested that the access road follow the East-West seismic line from Cold Springs to the location. This route follows higher ground and does not cross the drainage from Cold Springs to the salt marsh. A good upgraded road already exists from Gandy to Cold Springs.

Signature K.M. HEBERTSON Date 3-23-95

STIPULATIONS for APD Approval:

1. PIT LINER OF MINIMUM 12 MIL thickness WILL BE REQUIRED
2. RIGHT-OF-WAY FROM THE BLM FOR ACCESS IS REQUIRED
3. WATER AGREEMENT AND SOURCE WILL BE REQUIRED PRIOR TO SPUD

4. SOURCE OF CONSTRUCTION NOTICED BY SUNDRY PRIOR TO SPUD
5. LOCATION WILL BE ENLARGED 50' ON THE NORTHEAST SIDE
6. ACCESS WILL BE ALONG ONE OF TWO EXISTING SEISMIC LINES. EAST WEST LINE IS PREFERED.
7. AN EXCEPTION SPACING REQUEST FOR THE LOCATION WILL BE REQUIRED
8. REQUIRE 500 FEET OF CEMENT ABOVE ANY WATER FLOWS ENCOUNTERED

ATTACHMENTS:

PICTURES ARE INCLUDED

Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements

Site-Specific Factors	Ranking Score	Final Ranking Score
Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75 <25 or recharge area	0 5 10 15 20	20
Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100	0 2 10 15 20	20
Distance to Nearest Municipal Well (feet) >5280 1320 to 5280 500 to 1320 <500	0 5 10 20	0
Distance to Other Wells (feet) >1320 300 to 1320 <300	0 10 20	0
Native Soil Type Low permeability Mod. permeability High permeability	0 10 20	10
Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	0 5 10 15 20	5

Drill Cuttings Normal Rock Salt or detrimental	 0 10	 0
Annual Precipitation (inches) <10 10 to 20 >20	 0 5 10	 3
Affected Populations <10 10 to 30 30 to 50 >50	 0 6 8 10	
Presence of Nearby Utility Conduits Not Present Unknown Present	 0 10 15	

Final Score	57

The summation of all of the above ranking scores will yield one value which shall be used to determine the appropriate type of containment, on a case-by-case basis. The sensitivity levels are as follows:

Level I Sensitivity: For scores totaling ≥20
Level II Sensitivity: For scores totaling 15 to 19
Level III Sensitivity: For scores totaling <15

Containment Requirements According to Sensitivity Level

Level I: Requires total containment by synthetic liner, concrete structure or other type of total containment structure or material.

Level II: Bentonite or other compatible lining is discretionary depending on the fluid to be contained and environmental sensitivity.

Level III: No specific lining requirements.

OTHER GUIDELINES FOR PITS

1. Unlined pits shall not be constructed on areas of fill materials.

2. A pit shall not be constructed in a drainages or floodplain of flowing or intermittent streams.

3. Synthetic liners used for lining reserve pits, shall be of 12 mil thickness or greater and shall be compatible with the fluid to be contained. Synthetic liners used for lining onsite pits with a longer expected life shall be a minimum of 30 mil thickness or as approved by the Division.

4. Synthetic liners shall be installed over smooth fill material which is free of pockets, loose rocks or other materials which could damage the liner.

5. Monitoring systems for pits or closed mud systems may be required for drilling in sensitive areas.

STATE OF UTAH

Operator: EQUITABLE RESOURCES	Well Name: CORBA STATE 12-36
Project ID: 43-027-30034	Location: SEC. 36 - T15S - 19W

Design Parameters:

Mud weight (9.00 ppg) : 0.468 psi/ft
Shut in surface pressure : 2082 psi
Internal gradient (burst) : 0.051 psi/ft
Annular gradient (burst) : 0.000 psi/ft
Tensile load is determined using buoyed weight
Service rating is "Sweet"

Design Factors:

Collapse : 1.125
Burst : 1.00
8 Round : 1.80 (J)
Buttress : 1.60 (J)
Other : 1.50 (J)
Body Yield : 1.50 (B)

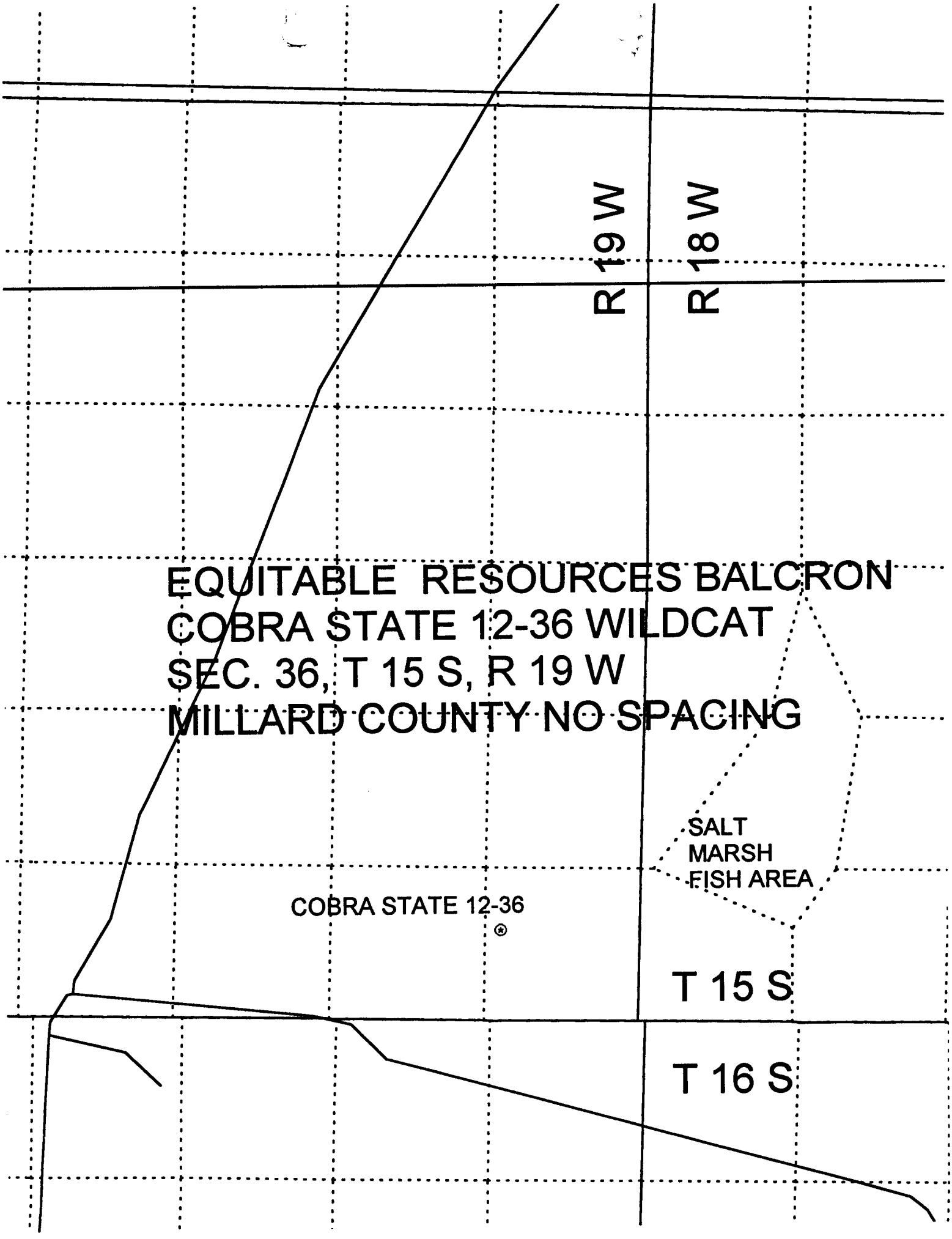
	Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost
1	4,200	7.000	20.00	K-55	ST&C	4,200	6.331	
2	800	7.000	23.00	K-55	ST&C	5,000	6.250	

	Collapse Load (psi)	Collapse Strgth (psi)	Collapse S.F.	Burst Load (psi)	Min Int Yield Strgth (psi)	Burst S.F.	Tension Load (kips)	Tension Strgth (kips)	Tension S.F.
1	1964	2238	1.140	2297	3740	1.63	88.31	254	2.88 J
2	2338	3270	1.399	2338	4360	1.87	15.87	309	19.47 J

Prepared by : FRM, Salt Lake City, UT
Date : 04-03-1995
Remarks :

Minimum segment length for the 5,000 foot well is 1,000 feet.
SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 99°F (Surface 74°F , BHT 124°F & temp. gradient 1.000°/100 ft.)
The mud gradient and bottom hole pressures (for burst) are 0.468 psi/ft and 2,338 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser. Costs for this design are based on a 1987 pricing model. (Version 1.06)


R 19 W
R 18 W
EQUITABLE RESOURCES BALCRON
COBRA STATE 12-36 WILDCAT
SEC. 36, T 15 S, R 19 W
MILLARD COUNTY NO SPACING
SALT
MARSH
FISH AREA
COBRA STATE 12-36
T 15 S
T 16 S

EQUITABLE RESOURCES
ENERGY COMPANY
BALCRON OIL DIVISION
1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365
FAX: (406) 245-1361

April 18, 1995

Mr. Mike Hebertson
State of Utah
Division of Oil, Gas & Mining
355 West North Temple
Salt Lake City, UT 84180

Dear Mr. Hebertson:

RE: Cobra State #12-36
SW NW Section 36, T15S, R19W
Millard County, Utah

Enclosed is a copy of the Certificate of Appropriation of Water for our intended water source for drilling the referenced well.

We hereby request an exception to location for this well due to geological reasons.

I received a call this afternoon from the Bureau of Land Management telling me that the Right-of-Way across Federal land is being sent to me today. This is the access from the south. I have submitted a Right-of-Way application for the access from the west which is our preferred access.

I believe the only thing we're lacking is giving you a description and source of our construction materials. That will be sent to you soon.

If there are any questions or you need additional information, please let me know.

Sincerely,

Bobbie Schuman

Bobbie Schuman
Regulatory and Environmental Specialist

/hs

Enclosure

(DUPLICATE)

CERTIFICATE OF APPROPRIATION OF WATER

STATE OF UTAH **TITLE CHANGE** 2-4-70

APPLICATION NO. 3490 CERTIFICATE NO. 1480

SEVIER RIVER WATER DIVISION Cecil R. Bates, Sandy, Utah

Whereas, *It has been made to appear to the satisfaction of the undersigned, State Engineer of the State of Utah, that the appropriation of water from* Warm Creek *in* Millard *County, made by* ~~Charles A. Phillips~~ *has been perfected in accordance with the application therefor, received in the office of the State Engineer on the* 6 *day of* September *1910, and recorded on page* 418 *in book* I-10 *of the record of applications to appropriate water;* Wherefore, *Be it known that I,* Geo. L. Bacon, *State Engineer of the State of Utah, under and by authority and direction of the provisions of the Compiled Laws of Utah, 1907, as amended by Chapter 62 of the Session Laws of Utah, 1909, on "Water Rights and Irrigation," do hereby certify that the said* Charles A. Phillips *of* Chicago *in* Cook *County, State of* Illinois, *is entitled to the use of* - - - 1.5 - - - - - - *cubic feet of water per second, subject to the following restrictions, to-wit:*

The water to be diverted from Warm Creek at a point 1320 ft. E. and 415 ft. S. of the NW Cor. Sec. 4, T. 16 S., R. 19 W., S.L.B.& M. The diverting works consist of a wooden and earthen dam and an earthen ditch, known as the Phillips Ditch being 4760 ft. long, 4 ft. wide on top, 2 ft. wide in the bottom and having an effective depth of 1¼ ft. The water is to be used from March 1st to October 15th of each year to irrigate 120 acres of land embraced in SE¼SE¼ Sec. 4, NE¼NE¼ Sec. 9, NW¼NW¼ Sec. 10, T. 16 S., R. 19 W., S.L.B.& M. and more particularly described as follows: Beg. NE cor. SE¼SE¼ Sec. 4, T. 16 S., R. 19 W., thence W. 620 ft., S. 960 ft., E. 290 ft., S. 360 ft., E. 330 ft., N. 1320 ft. to place of beginning containing 16 acres, also begin 620 ft. W. NE cor. SE¼SE¼ said Sec. 4, T. 16 S., R. 19 W; thence W. 469 ft., S. 1320 ft., E. 759 ft., N. 360 ft., W. 290 ft., N. 960 ft. to place of beginning containing 17 acres, also begin NW cor. SE¼SE¼ said Sec. 4, T. 16 S., R. 19 W., thence S. 1320 ft. E. 231 ft., N. 1320 ft., W. 231 ft. to place of beg. containing 7 acres, also beg. NW cor. NE¼NE¼ said Sec. 9, T. 16 S., R. 19 W., thence S. 330 ft., E. 594 ft., N. 330 ft., W. 594 ft. to place of beginning containing 4.5 acres, also beg. NE cor. NE¼ said Sec. 9, T. 16 S., R. 19 W., thence W. 726 ft., S. 330 ft., W. 594 ft., S. 361 ft., E. 1320 ft., N. 691 ft., to place of beginning containing 18 acres., also begin SE cor. NE¼NE¼ said Sec. 9, T. 16 S., R. 19 W., thence N. 629 ft., W. 1320 ft., S. 629 ft., E. 1320 ft., to place of beginning containing 17.5 acres, also beg. NW cor. NW¼NW¼ said Sec. 10, T. 16 S., R. 19 W., thence S. 300 ft., E. 590 ft., N. 300 ft., W. 590 ft., to place of beginning containing 4 acres, also beg. NE cor. NW¼NW¼ said Sec. 10, T. 16 S., R. 19 W., thence W. 730 ft., S. 300 ft., W. 590 ft., S. 1020 ft., E. 1320 ft., N. 1320 ft., to place of beginning containing 36 acres.

This certificate does not entitle the holder to use to exceed 3 acre feet of water per acre of land irrigated per annum.

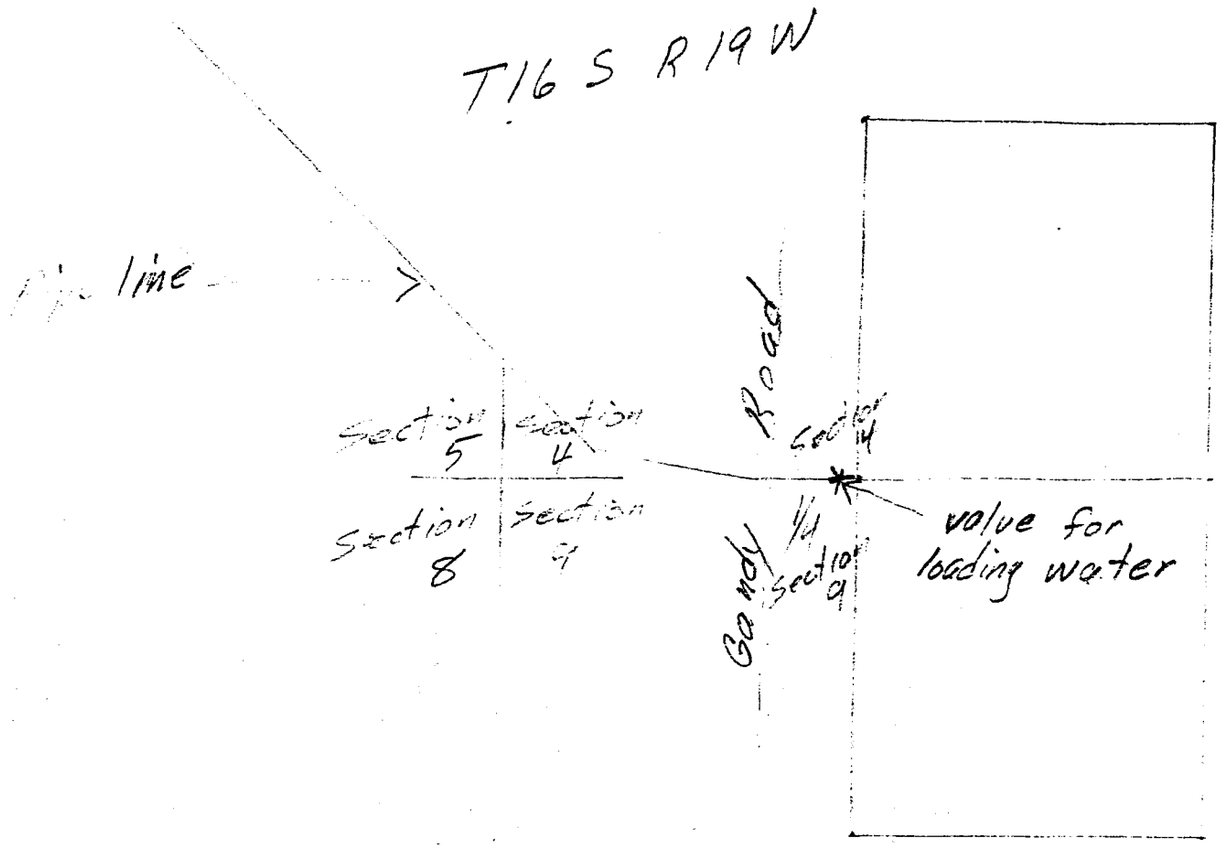
The diverting works must be maintained in such condition as will prevent an unreasonable loss of water.

The date of the appropriation is September 6 *1910*

In Witness Whereof, *I have hereunto set my hand and affixed the seal of my office this* TENTH *day of* AUGUST *A. D. 19* 26.

Geo. L. Bacon
STATE ENGINEER

DX-24


T16S R19W
Section 5
Section 4
Section 8
Section 9
Road
SE cor 4
valve for loading water

FORM 2800-14
(August 1985)

Issuing Office
Richfield District Office

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

SERIAL NUMBER UTU-72963

1. A right-of-way is hereby granted pursuant to Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761).

2. Nature of Interest:

a. By this instrument, the holder:

Equitable Resources Energy Company,
Balcron Oil Division
P.O. Box 21017
Billings, Montana 59104

receives a right to construct, operate, maintain, and terminate a(n) access road, on public lands described as follows:

Salt Lake Meridian
T. 16 S., R. 19 W.,
Sec. 1, Lots 4, 5, and 12.

b. The right-of-way or permit area granted herein is 30' feet wide, 1,800' feet long and contains 1.24 acres, more or less. If a site type facility, the facility contains _____ acres.

c. This instrument shall terminate on May 1, 2025, 30 years from the effective date of this grant unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

d. This instrument may be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.

e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Terms and Conditions:

a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2800.

b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 90 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.

c. Each grant issued for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer.

d. The stipulations, plans, maps, or designs set forth in Exhibit(s) **"A" and "B"**, dated **April 18, 1995**, attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.

e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.

f. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

Equitable Resources Energy Co.,
Balcron Oil Division

BY: Bobbie Schuman

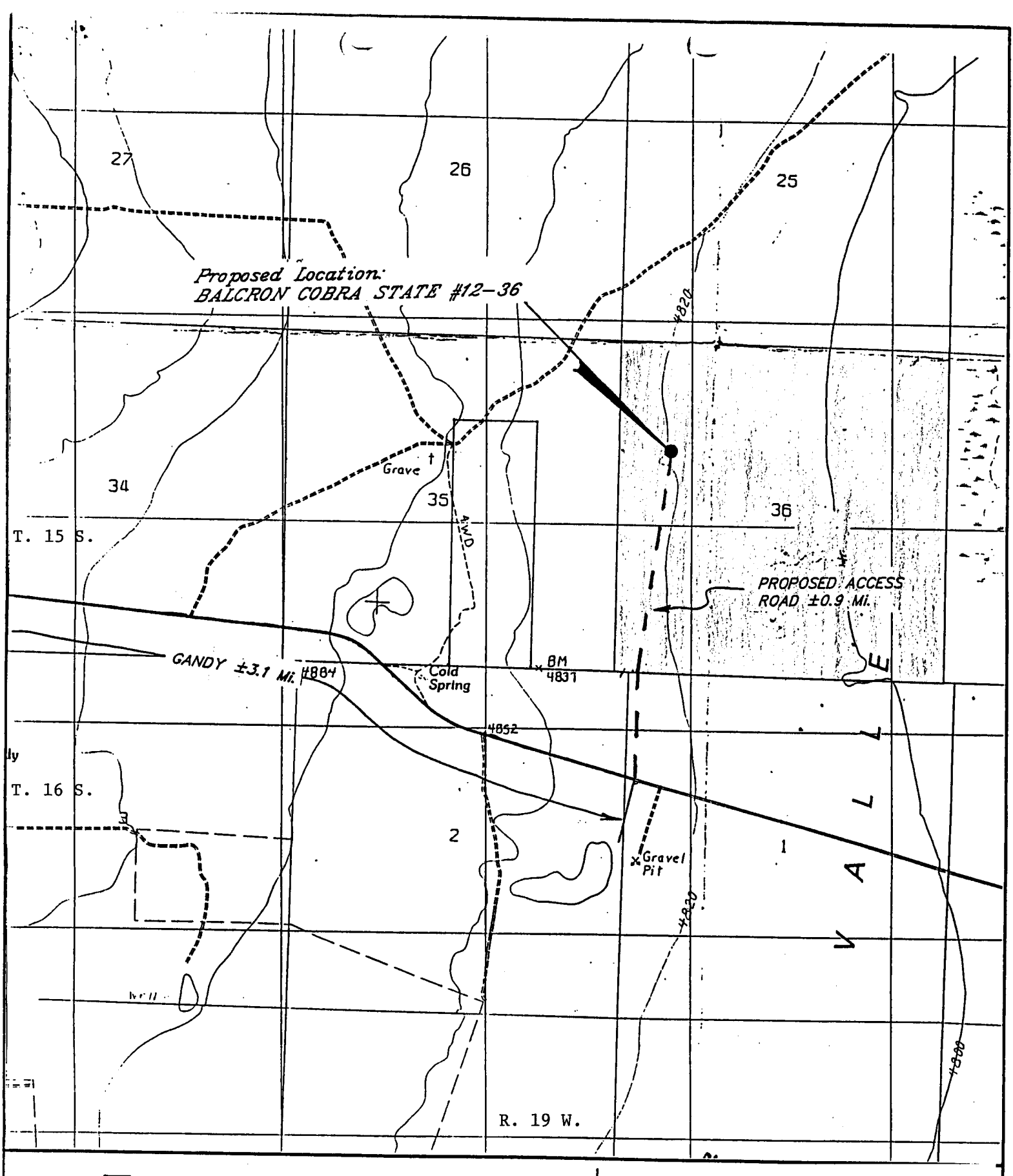
(Signature of Authorized Officer)

Regulatory and Environmental Specialist
(Title)

April 21, 1995
(Date)

Area Manager
(Title)

May 2, 1995
(Effective Date of Grant)



Access road on public land

Public Land

State Land

N

EXHIBIT "A"

APRIL 18, 1995
EQUITABLE RESOURCES ENERGY COMPANY
BALCRON OIL DIVISION
ACCESS ROAD RIGHT-OF-WAY UTU-72963

SCALE: 1" = 2000'

EXHIBIT "B"

April 18, 1995

TERMS AND CONDITIONS

EQUITABLE RESOURCES ENERGY COMPANY,
BALCRON OIL DIVISION
ACCESS ROAD RIGHT-OF-WAY UTU-72963

1. The Holder(s) of this right-of-way grant or the Holder's successor in interest shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and the regulations of the Secretary of the Interior issued pursuant thereto.

2. The Holder(s) shall indemnify and hold harmless the United States against any liability for damage to life or property arising from the occupancy or use of the public lands under authority of this right-of-way grant. In any case; where strict liability is imposed and the damage or injury was caused by a third party, the rules of subrogation shall apply in accordance with the laws of the jurisdiction in which the damage or injury occurred.

3. The Holder(s) shall furnish and apply water or use other means, satisfactory to the Authorized Officer, for dust control and shall meet federal, state, and local emission standards for air quality.

4. Water to be used for road construction and maintenance shall be acquired from a local water owner and no water will be taken from any spring. The Holder(s) shall submit to the Authorized Officer appropriate written agreements and/or permits as necessary for the acquisition and use of water.

5. No new surface disturbing activities shall occur within 100 meters of riparian areas unless it can be shown that there are no practical alternatives, all long-term impacts can be fully mitigated, or the activity will benefit and enhance the riparian area.

6. The right-of-way shall be issued subject to all valid existing rights including other authorized rights-of-way that may be located adjacent to or which may be affected by the construction of this subject right-of-way. Any existing facilities which may be damaged during operation, maintenance, or termination of this right-of-way shall be repaired or restored to the same condition as existed prior to the damage. Any costs for such damage or repair shall be the total responsibility of the Holder(s).

7. The Holder(s) shall permit free and unrestricted public access to and upon the right-of-way for all lawful purposes except for those specific areas designated as restricted by the Authorized Officer to protect the public, wildlife, livestock, or facilities constructed within the right-of-way.

8. No turn around areas are authorized outside the right-of-way area. All construction, operation, maintenance and termination activities shall be conducted within the authorized limits of the right-of-way and no additional access roads or cross-country vehicle travel shall be permitted unless prior written approval is given by the Authorized Officer.

9. If at any time hereafter, the Holder(s) wish to reconstruct, remodel, or relocate any portion of the right-of-way or change, modify, or add improvements or facilities thereon, the prior written approval of the Authorized Officer must be obtained. No such approval will be given unless the request is fully justified by the Holder(s).

10. Because of the sensitivity of the area, construction of the access road for drilling activities will be kept to a minimum and the ground will not be bladed nor graveled at that time. Approximately 12" of fill dirt will be used to construct the road on the surface of the ground. The fill dirt will be acquired from an approved source off site. If the well is not a producer, the Holder's shall return the fill material to the source pit and rehabilitate the surface disturbance as specified by the Authorized Officer.

11. If the well is a producer (oil and gas is found), the access road will be upgraded during completion operations to adequately insure the integrity and safety of the access road for long term use. Prior to upgrading the road the Holder(s) shall contact the Authorized Officer. Additional stipulations shall be required at that time as specified by the Authorized Officer. Road construction and maintenance activities shall conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989). The road shall be constructed to accommodate the anticipated traffic flow and all-weather road requirements. This would include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road.

12. Road signing for safety, traffic speeds or similar items, shall be done under the guidance and with the specific permission of the Authorized Officer.

13. The Holder(s) shall furnish and install a proper number of culverts, if needed, of the gauge, materials, diameter(s), and length(s), as indicated and approved by the Authorized Officer. Culverts shall be free of corrosion, dents, or other deleterious conditions and shall be placed on uniform beds which have been shaped to accept them and aligned to minimize erosion. Backfill shall be thoroughly compacted. No equipment shall be routed over a culvert until backfill depth is adequate to protect the culvert(s).

14. No construction or maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment without causing ruts.

15. The Holder(s) shall be responsible for the prevention, control, and rehabilitation of soil erosion and instability which occurs as a result of their operation or maintenance activities. Erosion control and revegetation measures shall be implemented by Holder(s) to insure that lands disturbed by construction, operation, maintenance and termination activities shall be restored to a stable, productive, and aesthetically acceptable condition, similar to preconstruction conditions as specified by the Authorized Officer.

16. Surface disturbances which are created on public land as a result of construction, maintenance, operation, and termination activities will be reshaped, recontoured, and seeded. The seed mixture specified below will be utilized. There will be no primary or secondary noxious weeds in the seed mixture. The seed will be certified seed. Where drilling is not possible, seed will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be doubled. Also, when broadcasting the seed, it must be covered with 1/2 to 1 inch of soil utilizing and appropriate method such as handraking or harrowing. If the seed is drilled, it should be planted to a depth of 1/2 to 1 inch. Seeding will be done between September 15 and November 30. Seeding will be repeated until a satisfactory stand is established as determined by the Authorized Officer. The

Authorized Officer is to be notified a minimum of 15 days prior to seeding of the project:

COMMON NAME	SEEDING RATE
Hycrest crested wheatgrass	3 lbs Pure Live Seed/Acre
Pubescent wheatgrass	2 lbs Pure Live Seed/Acre
Russian wildrye	2 lbs Pure Live Seed/Acre
Ladak alfalfa	1 lbs Pure Live Seed/Acre
Yellow sweetclover	½ lbs Pure Live Seed/Acre
TOTAL	**8½ lbs Pure Live Seed/Acre**

17. The Holder(s) shall be responsible for weed control within the limits of the proposed right-of-way. The Holder(s) shall also be responsible for consultation and coordination with the Authorized Officer for acceptable weed control methods (within limits imposed in the grant stipulations).

18. The right-of-way will be kept free of trash, litter, discarded materials, and debris which are generated as a result of the Holder's activities. The right-of-way site shall be maintained in a sanitary condition at all times; waste materials shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, pipe, oil, oil drums, grease, petroleum products, ashes, concrete, construction materials, equipment.

19. Any hazards to wildlife that may be created during construction or maintenance activities would be made inaccessible.

20. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the Holder(s), or any person working on their behalf, on federal land shall be immediately reported to the Authorized Officer. The Holder(s) shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The Holder(s) will be responsible for the cost of the evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the Holder(s).

21. The Holder(s) shall comply with all applicable Federal, State and local laws and regulations, existing or hereafter enacted or promulgated, with regard to any Hazardous Material, as defined in this paragraph, that will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the CERCLA of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the RCRA of 1976, as amended, 42 U.S.C. 6901 et seq. and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

22. The Holder(s) shall locate, handle, and store gas, diesel fuel, oil, lubricants, and other petroleum products in such a manner as to prevent them from entering into and contaminating soils on the public land.

23. When the authorized use is no longer needed, and prior to abandonment of the facilities, the Holder(s) or authorized representative shall contact the Authorized Officer to arrange a joint inspection of the right-of-way. The inspection shall be held to agree on an acceptable abandonment and rehabilitation plan. The Authorized Officer must approve the plan in writing prior to the Holder(s) commencing any abandonment and/or rehabilitation activities.

24. Upon termination or abandonment of the project, the Holder(s) shall recontour and regrade the disturbed areas to approximately resemble the existing contours of the surrounding area and shall re-seeded and restored them to a stable, productive, and aesthetically acceptable condition, similar to preconstruction conditions.

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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

May 3, 1995

Equitable Resources Energy Company
P.O. Box 21017
Billings, Montana 59104

Re: Cobra State #12-36 Well, 1700' FNL, 800' FWL, SW NW, Sec. 36, T. 15 S., R. 19 W., Millard 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.

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 43-027-30034.

Sincerely,

R. J. Firth
Associate Director

ldc
Enclosures
cc: Millard County Assessor
Bureau of Land Management, Richfield District Office
WAPD

Operator: Equitable Resources Energy Company

Well Name & Number: Cobra State #12-36

API Number: 43-027-30034

Lease: State ML-43911

Location: SW NW **Sec.** 36 **T.** 15 S., **R.** 19 W.

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 following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

   Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

   All required reports, forms and submittals shall 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.

EQUITABLE RESOURCES ENERGY COMPANY
BALCRON OIL DIVISION
1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365
FAX: (406) 245-1361

TELECOPIER TRANSMITTAL SHEET

Our telecopier number is: (406) 245-1361

DATE: 5/3/95

TO: Mike Hebertson

COMPANY: Utah Division of Oil, Gas and Mining

FROM: Bobbie Schuman

Total Number of Pages 3 **(Including this cover sheet)**

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CALL BACK AS SOON AS POSSIBLE AT (406) 259-7860.

TELECOMMUNICATOR:

SPECIAL INSTRUCTIONS: Here is our sundry notice reporting the gravel source for the Cobra State #12-36. I'll put the hard copy in today's mail.

This should be the only item holding up approval of the APD. If it is not and you need something else, I'd appreciate it if you'd call and let me know. We are planning to begin this well by the end of this month.

Thanks much for your help!

Bobbie Schuman

FORM 9

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number: ML-43911

6. If Indian, Allottee or Tribe Name: n/a

7. Unit Agreement Name: n/a

8. Well Name and Number: Cobra State #12-36

9. API Well Number:

10. Field and Pool, or Wildcat: Wildcat/Paleozoic

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☒ GAS ☐ OTHER:

2. Name of Operator: Equitable Resources Energy Company, Balcron Oil Division

3. Address and Telephone Number: 1601 Lewis Avenue; Billings, MT 59102 (406) 259 7860

4. Location of Well

Footages: 1700' FNL, 800' FWL County: Millard

QQ, Sec., T., R., M.: SW NW Section 36, T15S, R19W State: UTAH

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
☐ Abandon	☐ New Construction	☐ Abandon *	☐ New Construction
☐ Repair Casing	☐ Pull or Alter Casing	☐ Repair Casing	☐ Pull or Alter Casing
☐ Change of Plans	☐ Recomplete	☐ Change of Plans	☐ Reperforate
☐ Convert to Injection	☐ Reperforate	☐ Convert to Injection	☐ Vent or Flare
☐ Fracture Treat or Acidize	☐ Vent or Flare	☐ Fracture Treat or Acidize	☐ Water Shut-Off
☐ Multiple Completion	☐ Water Shut-Off	☐ Other _____	
☒ Other gravel source			

Approximate date work will start _____

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The source of gravel for construction of this location is in Sections 33 and 34, T15S,R19W in Millard County, UT. (See attached map) The gravel is on BLM surface.

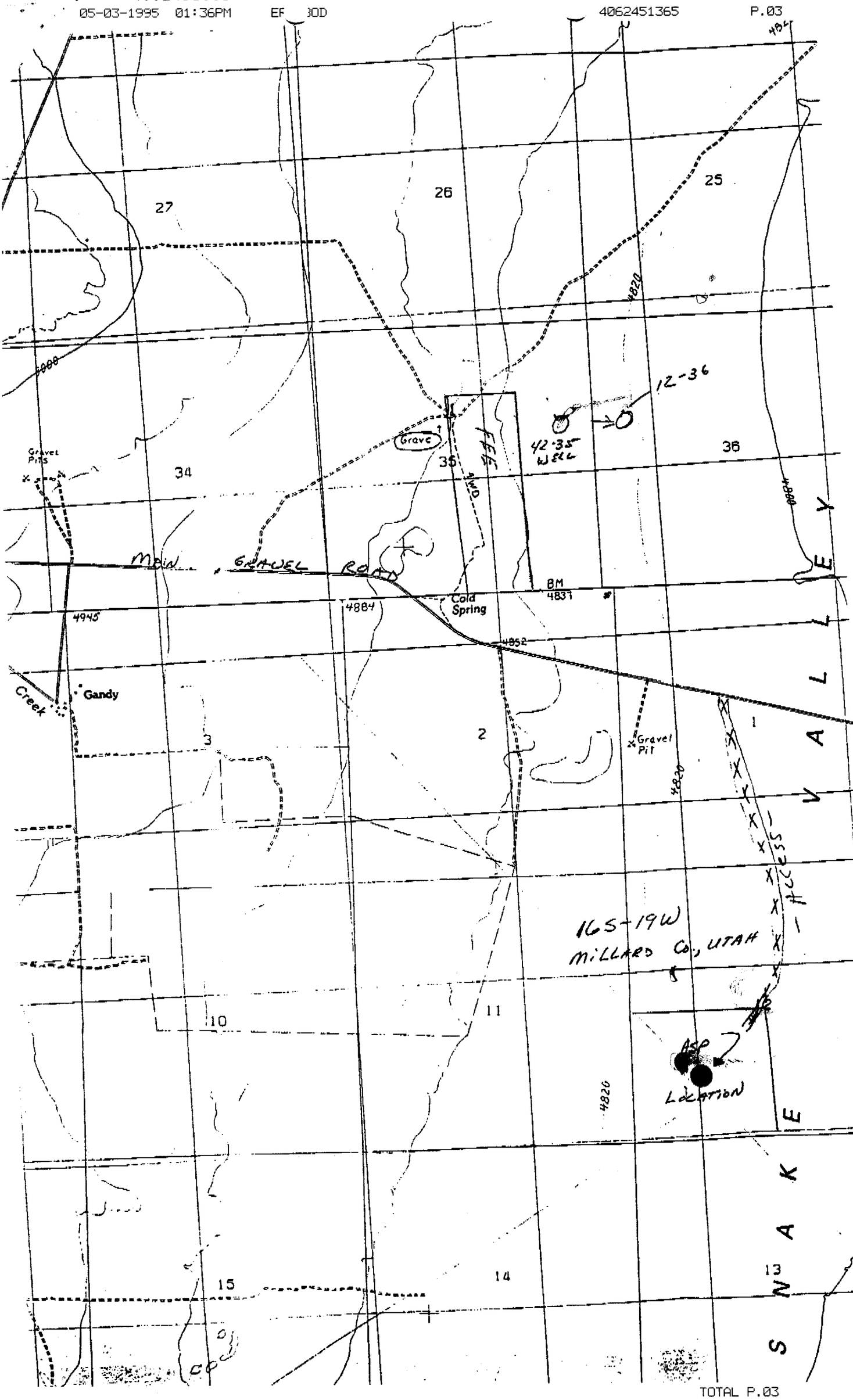
ORIGINAL: Utah Division of Oil, Gas and Mining (Mike Hebertson)

13.

Name & Signature: Bobbie Schuman Title: Regulatory and Environmental Specialist Date: May 3, 1995

(This space for State use only)

(4\94) (See Instructions on Reverse Side)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Grave
FEE
4WD
MAIN GRAVEL ROAD
BM 4837
Cold Spring
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4852
4820
4800
Gandy
Creek
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Gravel Pit
16S-19W
MILLARD CO, UTAH
10
11
ASP LOCATION
4826
15
14
13
SNAKE VALLEY

EQUITABLE RESOURCES
ENERGY COMPANY
BALCRON OIL DIVISION
1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365
FAX: (406) 245-1361

May 1, 1995

Ms. Nancy DeMille
Bureau of Land Management
35 East 500 North
Fillmore, UT 84631

Dear Nancy:

RE: Balcron State #12-36
SW NW Section 36, T15S, R19W
Millard County, Utah

43-027-30039

Thank you for your FAX dated today which states that you are returning our second Application for a Right-of-Way to access the referenced well.

This alternate route would take less surface disturbance and it is our opinion is that it is the more environmentally-sound alternative. This route was discovered after our initial Application was submitted and we felt justified in proposing this alternative after we determined that there would be less surface disturbance.

Since our second Application was denied, we will access the well from the south (ROW #UTU-72963).

Sincerely,

Bobbie Schuman

Bobbie Schuman
Regulatory and Environmental Specialist

/hs

cc: Utah Division of Oil, Gas and Mining (Mike Hebertson)

EQUITABLE **RESOURCES**
ENERGY COMPANY

BALCRON OIL DIVISION

1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365 ☐
(406) 245-1361 ☐

Mike - The ROW just came so I've included it. Will follow the seismic trail as we discussed on the onsite. Bobbie

TELECOPIER TRANSMITTAL SHEET

Our telecopier number is: (406) 245-1361

DATE: 5/3/95

TO: Mike Robertson

COMPANY: Utah Division of Oil, Gas and Mining

FROM: Bobbie Schuman

Total Number of Pages 3 **(Including this cover sheet)**

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TELECOMMUNICATOR: _____

SPECIAL INSTRUCTIONS: Here is our sundry notice reporting the gravel source for the Cobra State #12-36. I'll put the hard copy in today's mail.

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Thanks much for your help!

Bobbie Schuman

FORM 9

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

RECEIVED
MAY — 5 1995
DIV. OF OIL, GAS & MINING

5. Lease Designation and Serial Number:
ML-43911

6. If Indian, Allottee or Tribe Name:
n/a

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name:
n/a

1. Type of Well: OIL ☒ GAS ☐ OTHER:

8. Well Name and Number:
Cobra State #12-36

2. Name of Operator:
Equitable Resources Energy Company, Balcron Oil Division

9. API Well Number:
43-027-30034

3. Address and Telephone Number:
1601 Lewis Avenue; Billings, MT 59102 (406) 259 7860

10. Field and Pool, or Wildcat:
Wildcat/Paleozoic

4. Location of Well
Footages: 1700' FNL, 800' FWL
QQ, Sec.,T.,R.,M.: SW NW Section 36, T15S, R19W

County: Millard
State: UTAH

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
☐ Abandon	☐ New Construction	☐ Abandon *	☐ New Construction
☐ Repair Casing	☐ Pull or Alter Casing	☐ Repair Casing	☐ Pull or Alter Casing
☐ Change of Plans	☐ Recomplete	☐ Change of Plans	☐ Reperforate
☐ Convert to Injection	☐ Reperforate	☐ Convert to Injection	☐ Vent or Flare
☐ Fracture Treat or Acidize	☐ Vent or Flare	☐ Fracture Treat or Acidize	☐ Water Shut-Off
☐ Multiple Completion	☐ Water Shut-Off	☐ Other _____	
☒ Other gravel source			

Approximate date work will start _____

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

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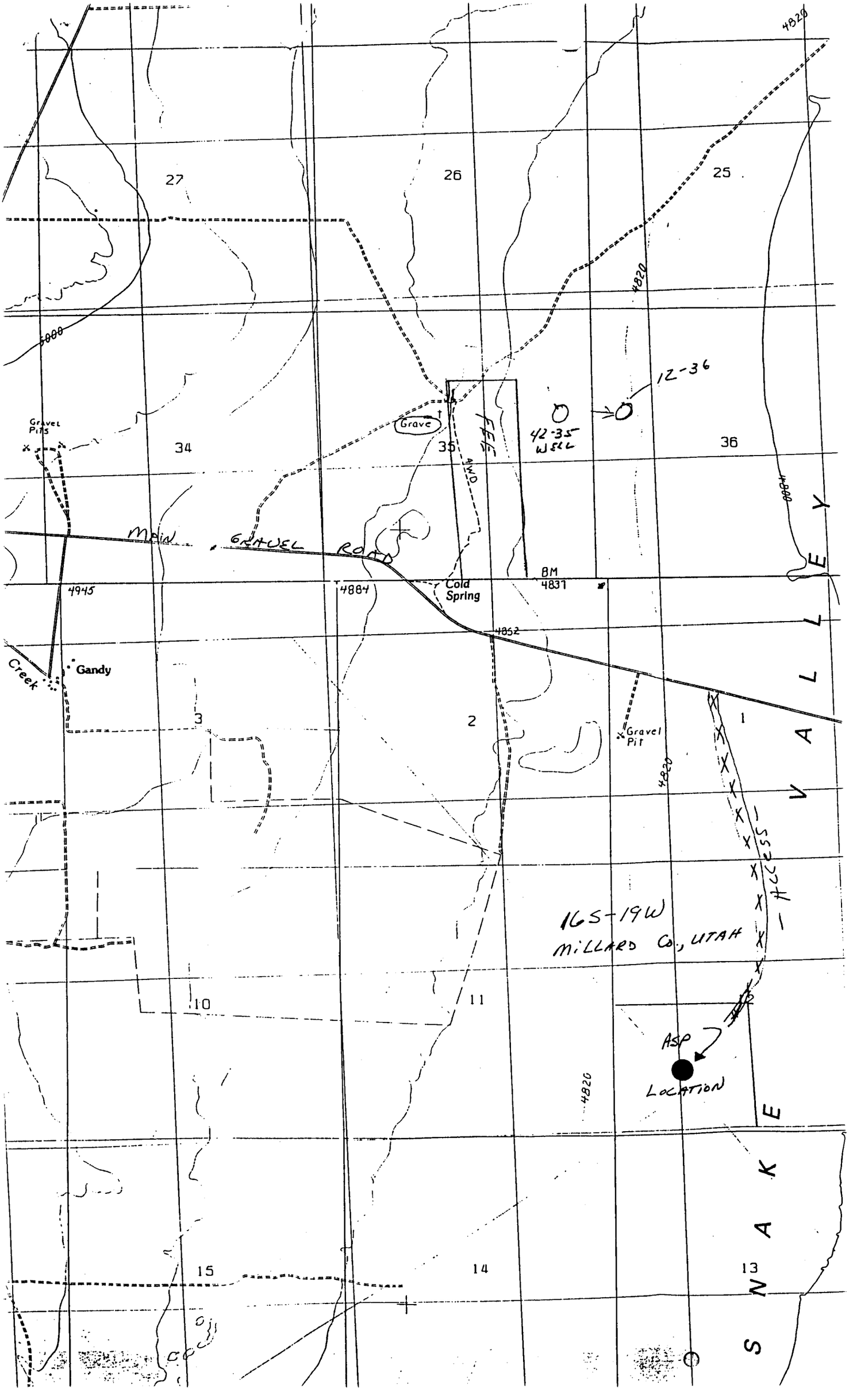
ORIGINAL: Utah Division of Oil, Gas and Mining (Mike Hebertson)

13.
Name & Signature: Bobbie Schuman
Title: Regulatory and Environmental Specialist
Date: May 3, 1995

(This space for State use only)

(4\94) (See Instructions on Reverse Side)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FORM 9

TE OF UTAH
DIVISION OF OIL, GAS AND MINING

RECEIVED
MAY 5 1995
DIV. OF OIL, GAS & MINING

5. Lease Designation and Serial Number: ML-43911

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name: n/a

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name: n/a

1. Type of Well: OIL [X] GAS [ ] OTHER:

8. Well Name and Number: Cobra State #12-36

2. Name of Operator: Equitable Resources Energy Company, Balcron Oil Division

9. API Well Number: 43-027-30034

3. Address and Telephone Number: 1601 Lewis Avenue; Billings, MT 59102 (406) 259 7860

10. Field and Pool, or Wildcat: Wildcat/Paleozoic

4. Location of Well
Footages: 1700' FNL, 800' FWL
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[ ] Multiple Completion	[ ] Water Shut-Off	[ ] Other	
[X] Other gravel source			
Approximate date work will start		Date of work completion	

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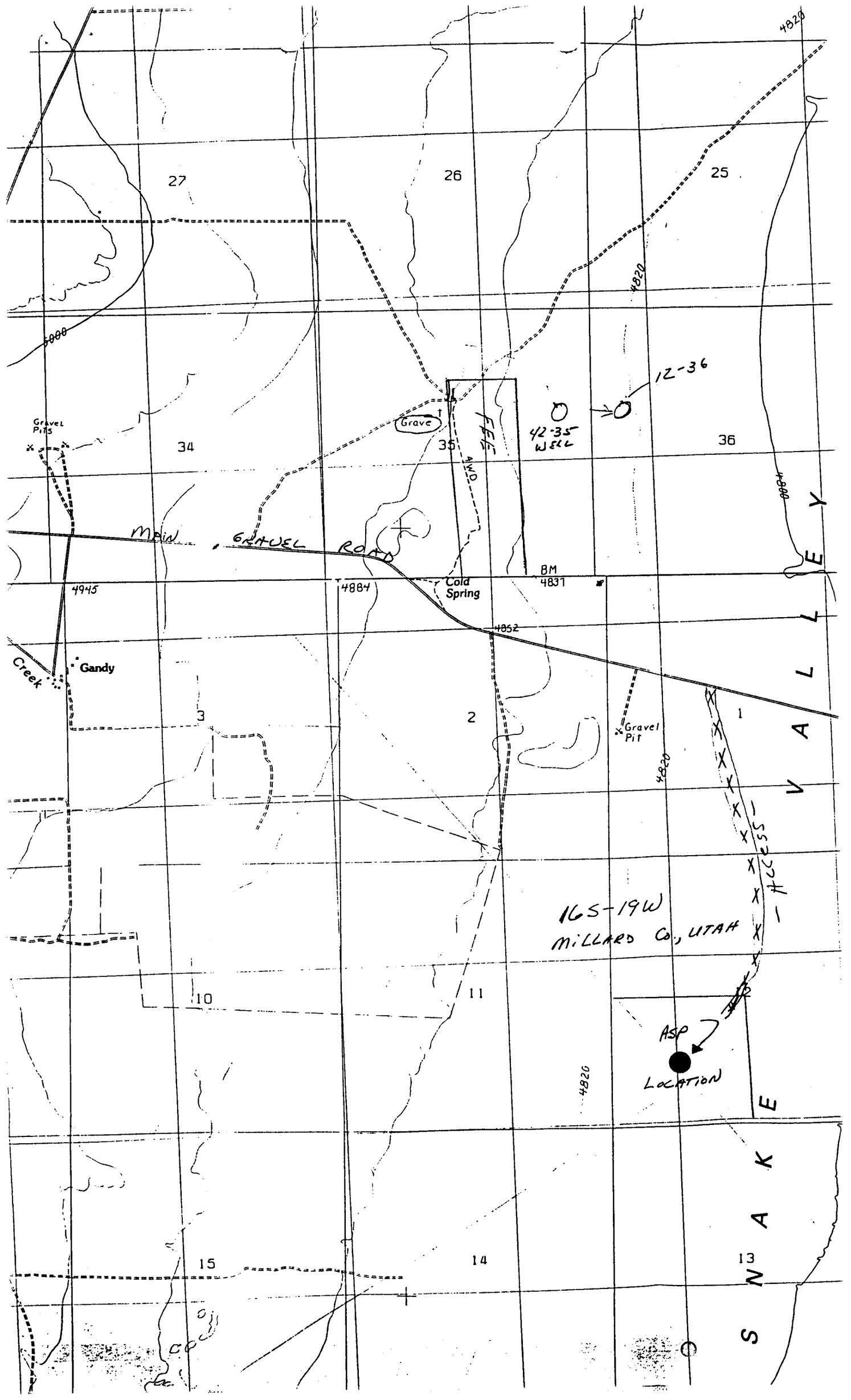
ORIGINAL: Utah Division of Oil, Gas and Mining (Mike Hebertson)

13.
Name & Signature: Bobbie Schuman
Title: Regulatory and Environmental Specialist
Date: May 3, 1995

(This space for State use only)

(4\94)

(See Instructions on Reverse Side)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Gravel Pits
Grave
FEE
42-35 WELL
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4WD
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4800
MAIN GRAVEL ROAD
4945
4884
Cold Spring
BM 4831
4852
Creek
Gandy
3
2
Gravel Pit
1
4820
VALLEY
16S-19W
MILLARD CO., UTAH
ACCESS
10
11
ASP LOCATION
4820
SNAKE
15
14
13

COBRA STATE #12-36 **Operator: EREC/Balcron**
BOD WI: 50%
Location: SW NW Section 36, T15S, R19W
Millard County, Utah
Prospect: Snake Valley/Wildcat

---TIGHT HOLE---

7/6/95 **Present operation: Building location**
Location should be finished today. Will drill conductor hole and rathole today. Rig to move in on Friday. Expect to spud Friday evening.

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EQUITABLE RESOURCES

Well Name: CORBA STATE 12-36

Api No. 43-027-30034

Section 36 Township 15S Range 19W County MILLARD

Drilling Contractor UNION

Rig # 17

SPUDDED: Date 7/7/95

Time 7:00 PM

How ROTARY

Drilling will commence

Reported by ODELL WILLIAMS

Telephone # 1-801-702-234-7300

Date: 7/5/95 Signed: JLT

COBRA STATE #12-36 **Operator: EREC/Balcron**
BOD WI: 50%
Location: SW NW Section 36, T15S, R19W
---TIGHT HOLE--- Millard County, Utah
Prospect: Snake Valley/Wildcat

7/7/95 **Present operation: MIRT**
Finish building location. Drill conductor hole and set 35' of 13-3/8" conductor pipe. Cement with 4 yards of ready mix. Drill rathole. Union Drilling rig #17 will move in and rig up today. Expect to spud this evening.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
CEMENTING OPERATIONS

WELL NAME: Coalbed State 12-36 API NO: 43-027-30034

QTR/QTR: SW/NW SECTION: 36 TOWNSHIP: 15S RANGE: 19W

COMPANY NAME: Equitable Resources COMPANY MAN Odell Williams

INSPECTOR: Frank Matthews DATE: 7/8/95

CASING INFORMATION: SURFACE CASING:

SIZE: 9 5/8 GRADE: 40# J-55 HOLE SIZE: 12 1/4 DEPTH: 629'

PIPE CENTRALIZED: Yes 4 on bottom jts

CEMENTING COMPANY: HOWCO

CEMENTING STAGES: 1

SLURRY INFORMATION:

1. CLASS: ADDITIVES:

LEAD : 100 sks. HOWCO Lite + 3% CaCl2 12.4 ppg TAIL: 150 sks Cl 'G' +2% CaCl2 + 1/4 #/sk Flocel

2. SLURRY WEIGHT LBS. PER GALLON:

LEAD: 12.4 ppg TAIL: 15.6 ppg

3. WATER (GAL/SX)

LEAD: 9.82 gal/sk TAIL: 5.2 gal/sk

CEMENT TO SURFACE: ✓ LOST RETURNS: ✓

Plug down @ 5:45 PM.

1 INCH INFORMATION: WEIGHT: CEMENT TO SURFACE:

FEET: SX: CLASS: CACL%: RETURNS:

ADDITIONAL COMMENTS: Lost returns 25 bbls in displacement regained returns @ 35 bbls displacement. Cement stayed at surface after bumping plug - plug held. Slowly started down and after 45 min was approx 15' below surface flange collar. Well full w/ cement to surface did not 1"

EQUITABLE **RESOURCES**
ENERGY COMPANY

BALCRON OIL DIVISION

1601 Lewis Avenue
Billings, MT 59102

Office: (406) 259-7860
FAX: (406) 245-1365 ☐
FAX: (406) 245-1361 ☐

July 12, 1995

State of Utah
Division of Oil, Gas, & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Gentlemen:

43-027-30034

RE: Cobra State #12-36
SW NW Section 36, T15S, R19W
Millard County, Utah

This letter is notice that the subject well was spud on 7-8-95 at 11:00 p.m. I have also enclose our Entity Action Form - 6.

Please feel free to contact me if you have any questions.

Sincerely,

Molly Conrad
Operations Secretary

/mc

cc: Mary Lou Dixon, Uintah Basin Health Dept. - VIA FAX
Bobbie Schuman
Lou Ann Carlson

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

OPERATOR Equitable Resources Energy Company
Balcron Oil Division

ADDRESS 1601 Lewis Avenue
Billings, MT 59102
(406) 259-7860

OPERATOR ACCT. NO. N 9890

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE
A	99999	11789	43-027-30034	Cobra State #12-36	SWNW	36	15S	19W	Millard	7-8-95	7-8-95

WELL 1 COMMENTS:
Spud of a new well. Entity added 7-17-95. Lee

WELL 2 COMMENTS:

WELL 3 COMMENTS:

WELL 4 COMMENTS:

WELL 5 COMMENTS:

ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

RECEIVED
JUL 14 1995
DIV. OF OIL, GAS & MINING

Molly Conrad
Signature
Operations Secretary
Title
7-12-95
Date
Phone No. (406) 259-7860

Phone (307) 682-9626

REBEL TESTING, INC.

Box 296
Gillette WY 82716

EQUITABLE RESOURCES ENERGY CO.
TICKET #1472
"TIGHT HOLE"

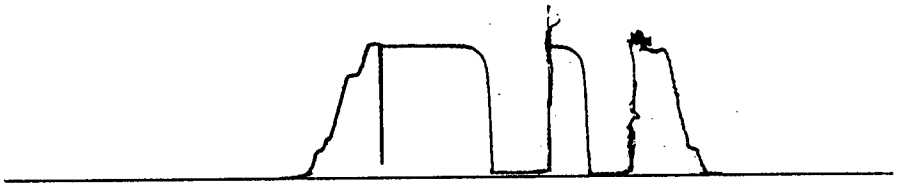
COBRA STATE #12-36
SIMONSON ~ 1670'- 1686'

DST #1
07-11-1995

Contractor	Union Drlg. Co.
Rig No.	17
Spot	SW/NW
Sec	36
Twp.	15 S
Rng.	19 W
Field	Wildcat
County	Millard
State	Utah
Elevation	4833' KB
Formation	Simonson

Surface Choke	1/4"
Bottom Choke	3/4"
Hole Size	8 3/4"
Core Hole Size	None
DP Size & Wt.	4 1/2" 16.60
Wt. Pipe	None
I.D. of DC	2 1/4"
Length of DC	521'
Total Depth	1686'
Type Test	Conventional
Interval	1670'- 1686'

Mud Type	--
Weight	8.8
Viscosity	39
Water Loss	17.0
Filter Cake	--
Resistivity	7.0 @ 80 °F
	659 Ppm. NaCi
B.H.T.	-- °F
Co. Rep.	Odell Williams
Tester	David Castelli



	REPORTED	CORRECTED	
Opened Tool @	19:13		hrs.
Flow No. 1	45	45	min.
Shut-in No. 1	45	45	min.
Flow No 2	60	60	min.
Shut-in No. 2	120	119	min.
Flow No. 3	None Taken		min.
Shut-in No. 3	"	"	min.

Recorder Type	Kuster AK-1		
No. 13745	Cap.	3900	psi
Depth		1650	feet
Inside x	Clock		
Outside	Range	18	hrs.

Initial Hydrostatic	A	724
Final Hydrostatic	K	722
Initial Flow	B	17
Final Initial Flow	C	11
Initial Shut-in	D	699
Second Initial Flow	E	32
Second Final Flow	F	23
Second Shut-in	G	711
Third Initial Flow	H	
Third Final Flow	I	
Third Shut-in	J	

Pipe Recovery 10' Mud = 0.05 bbl. (no shows)

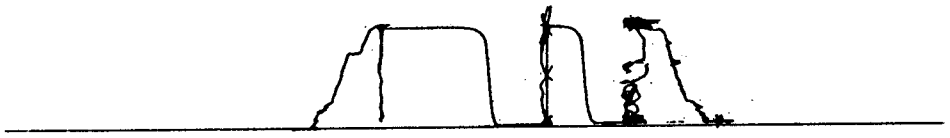
Resistivity: 5.0 @ 72 Deg F/1,038 ppm NaCl., 631 ppm Cl.

1st Flow: Tool opened with weak, intermittent surface bubbles and remained thru flow period.

2nd Flow: Tool opened with a weak surface blow, died in 5 minutes and remained thru flow period.

Company: Equitable Resources Energy Co.
Well: Cobra State #12-36
DST No: 1

07-11-1995



Recorder Type		Kuster AK-1	
No.	13820	Cap. 5400	psi
Depth		1655	feet
Inside	x	Clock	
Outside		Range 18	hrs.

Initial Hydrostatic	A	738
Final Hydrostatic	K	732
Initial Flow	B	10
Final Initial Flow	C	9
Initial Shut-In	D	696
Second Initial Flow	E	10
Second Final Flow	F	9
Second Shut-In	G	697
Third Inital Flow	H	
Third Final Flow	I	
Third Shut-In	J	

Recorder Type	--		
No.		Cap.	psi
Depth			feet
Inside		Clock	
Outside		Range	hrs.

Initial Hydrostatic	A
Final Hydrostatic	K
Initial Flow	B
Final Initial Flow	C
Initial Shut-In	D
Second Initial Flow	E
Second Final Flow	F
Second Shut-In	G
Third Inital Flow	H
Third Final Flow	I
Third Shut-In	J

D.R.S.

Company: Equitable Resources Energy Co.
Well: Cobra State #12-36
DST No: 1 07-11-1995

SAMPLER REPORT

Pressure in Sampler:	1	psig
Total Volume of Sampler:	2600	cc.
Total Volume of Sample:	2600	cc.
Oil:	None	cc.
Water:	None	cc.
Mud:	2600	cc.
Gas:	None	cu. ft.
Other:	None	

Sample RW: 5.0 @ 72 Deg F/1,038 ppm NaCl., 631 ppm Cl.

Resistivity

Make up Water		@		°F of Chloride Content		ppm.
Mud Pit Sample	7.0	@	80	°F of Chloride Content	659	ppm.
Gas / Oil Ratio			Gravity		°API @	°F

Where was sample drained: On Location.

Remarks:

D.R.S.

Company: Equitable Resources Energy Co.
Well: Cobra State #12-36, DST #1 [Tuesday: July 11, 1995]
Field: Wildcat

REC #	DAY	REAL TIME	DT (HRS)	BHP (PSIA)
		Gauge #13745 @ 1650 ft:		
1	0	19:13: 0	0.0000	44.83
5	0	19:15: 5	0.0348	45.01
9	0	19:17:13	0.0704	31.06
13	0	19:19:21	0.1059	19.69
17	0	19:21:27	0.1408	17.30
21	0	19:23:33	0.1757	14.91
25	0	19:25:38	0.2106	13.80
29	0	19:27:43	0.2453	13.98
33	0	19:29:48	0.2801	14.16
37	0	19:31:54	0.3151	10.49
41	0	19:34: 0	0.3499	10.67
45	0	19:36: 5	0.3847	10.85
49	0	19:38:10	0.4194	11.03
53	0	19:40:15	0.4542	11.21
57	0	19:42:20	0.4890	11.39
61	0	19:44:26	0.5238	11.57
65	0	19:46:31	0.5586	11.75
69	0	19:48:36	0.5933	11.93
73	0	19:50:41	0.6281	12.11
77	0	19:52:47	0.6629	11.00
80	0	19:57:44	0.7455	11.43
		Closed for shut-in #1:		
81	0	19:58:15	0.0000	12.76
85	0	20: 0: 3	0.0301	92.56
90	0	20: 2: 6	0.0641	326.53
94	0	20: 4:15	0.1001	524.96
99	0	20: 6:35	0.1389	602.10
104	0	20: 9: 3	0.1801	638.30
108	0	20:11: 6	0.2143	648.40
112	0	20:13: 9	0.2484	659.74
116	0	20:15:28	0.2870	668.62
120	0	20:17:32	0.3213	676.24
124	0	20:19:36	0.3558	681.38
128	0	20:21:40	0.3902	686.52
132	0	20:23:44	0.4248	690.41
136	0	20:25:49	0.4595	691.83
140	0	20:27:54	0.4941	694.48
144	0	20:29:59	0.5289	694.66
148	0	20:32: 4	0.5636	696.07
152	0	20:34: 9	0.5983	697.48
156	0	20:36:14	0.6331	697.66
160	0	20:38:19	0.6678	697.83
164	0	20:40:24	0.7025	699.25
168	0	20:42:29	0.7373	699.42

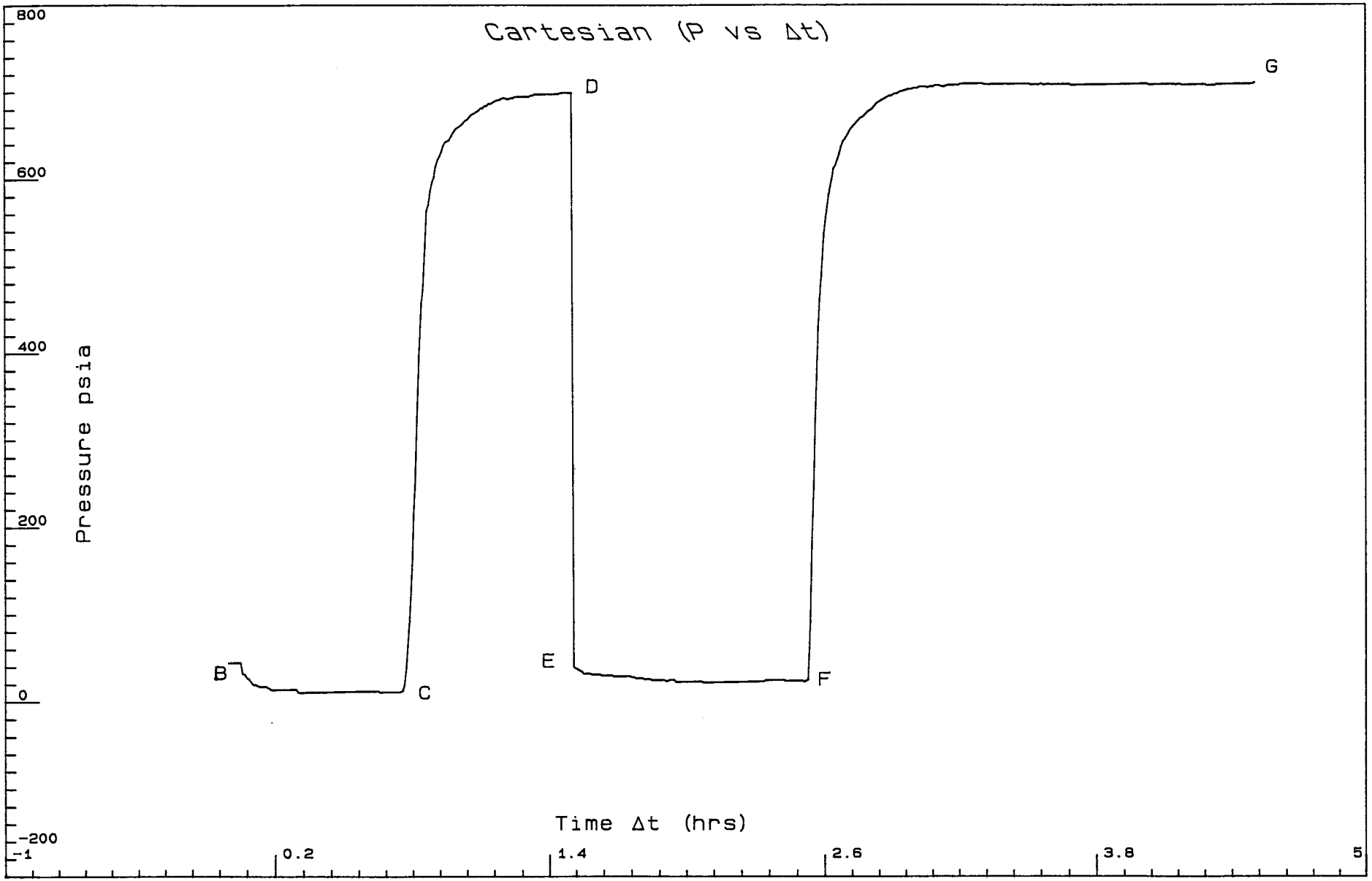
D.R.S.

REC #	DAY	REAL TIME	DT (HRS)	BHP (PSIA)
		Opened for flow #2:		
170	0	20:43:33	0.0000	39.78
172	0	20:44:36	0.0175	37.30
176	0	20:46:42	0.0526	32.34
180	0	20:48:48	0.0875	31.24
184	0	20:50:53	0.1223	30.13
188	0	20:52:59	0.1571	30.31
192	0	20:55: 4	0.1920	29.21
196	0	20:57: 9	0.2267	29.39
200	0	20:59:15	0.2616	28.28
204	0	21: 1:20	0.2964	27.18
208	0	21: 3:26	0.3313	26.07
212	0	21: 5:31	0.3661	24.97
216	0	21: 7:37	0.4010	23.87
220	0	21: 9:42	0.4357	25.33
224	0	21:11:47	0.4706	22.94
228	0	21:13:52	0.5054	23.12
232	0	21:15:58	0.5402	23.30
236	0	21:18: 3	0.5750	22.20
240	0	21:20: 8	0.6098	22.37
244	0	21:22:13	0.6446	22.55
248	0	21:24:19	0.6794	22.73
252	0	21:26:24	0.7141	22.91
256	0	21:28:29	0.7489	23.09
260	0	21:30:34	0.7837	23.27
264	0	21:32:40	0.8185	23.45
268	0	21:34:44	0.8532	24.92
272	0	21:36:50	0.8879	25.10
276	0	21:38:55	0.9228	23.99
280	0	21:41: 0	0.9576	24.17
284	0	21:43: 5	0.9923	24.35
		Closed for shut-in #2:		
286	0	21:44: 8	0.0000	24.44
288	0	21:45:12	0.0177	92.62
293	0	21:47:24	0.0543	429.37
298	0	21:49:46	0.0939	567.24
302	0	21:51:56	0.1300	615.83
307	0	21:54:26	0.1717	645.83
311	0	21:56:28	0.2056	659.65
315	0	21:58:31	0.2398	669.75
319	0	22: 0:35	0.2741	677.37
323	0	22: 2:38	0.3084	684.98
327	0	22: 4:42	0.3428	691.36
331	0	22: 6:47	0.3774	695.26
335	0	22: 8:51	0.4119	699.15

D.R.S.

REC #	DAY	REAL TIME	DT (HRS)	BHP (PSIA)
339	0	22:10:56	0.4465	701.81
343	0	22:13: 0	0.4811	704.46
347	0	22:15: 5	0.5158	705.88
351	0	22:17:10	0.5506	706.05
355	0	22:19:15	0.5853	707.47
359	0	22:21:21	0.6202	706.40
363	0	22:23:26	0.6549	707.81
367	0	22:25:30	0.6896	709.23
371	0	22:27:36	0.7243	709.40
375	0	22:29:41	0.7591	709.58
379	0	22:31:46	0.7940	708.51
383	0	22:33:52	0.8288	708.68
387	0	22:35:57	0.8635	708.86
391	0	22:38: 2	0.8983	709.03
395	0	22:40: 7	0.9331	709.20
399	0	22:42:12	0.9679	709.38
403	0	22:44:18	1.0027	708.31
407	0	22:46:23	1.0375	708.48
411	0	22:48:28	1.0723	708.66
415	0	22:50:33	1.1070	708.83
419	0	22:52:39	1.1418	709.00
423	0	22:54:44	1.1767	707.94
427	0	22:56:49	1.2114	708.11
431	0	22:58:54	1.2462	708.28
435	0	23: 1: 0	1.2810	708.46
439	0	23: 3: 5	1.3158	708.63
443	0	23: 5:10	1.3506	708.80
447	0	23: 7:15	1.3853	708.98
451	0	23: 9:20	1.4201	709.15
455	0	23:11:26	1.4549	709.32
459	0	23:13:31	1.4897	709.50
463	0	23:15:36	1.5245	708.43
467	0	23:17:41	1.5593	708.60
471	0	23:19:47	1.5941	708.78
475	0	23:21:52	1.6288	708.95
479	0	23:23:57	1.6637	707.88
483	0	23:26: 2	1.6985	708.06
487	0	23:28: 8	1.7332	708.23
491	0	23:30:13	1.7680	708.40
495	0	23:32:18	1.8029	707.34
499	0	23:34:23	1.8376	708.75
503	0	23:36:28	1.8723	708.92
507	0	23:38:34	1.9071	709.10
511	0	23:40:39	1.9419	709.27
515	0	23:42:44	1.9767	709.45

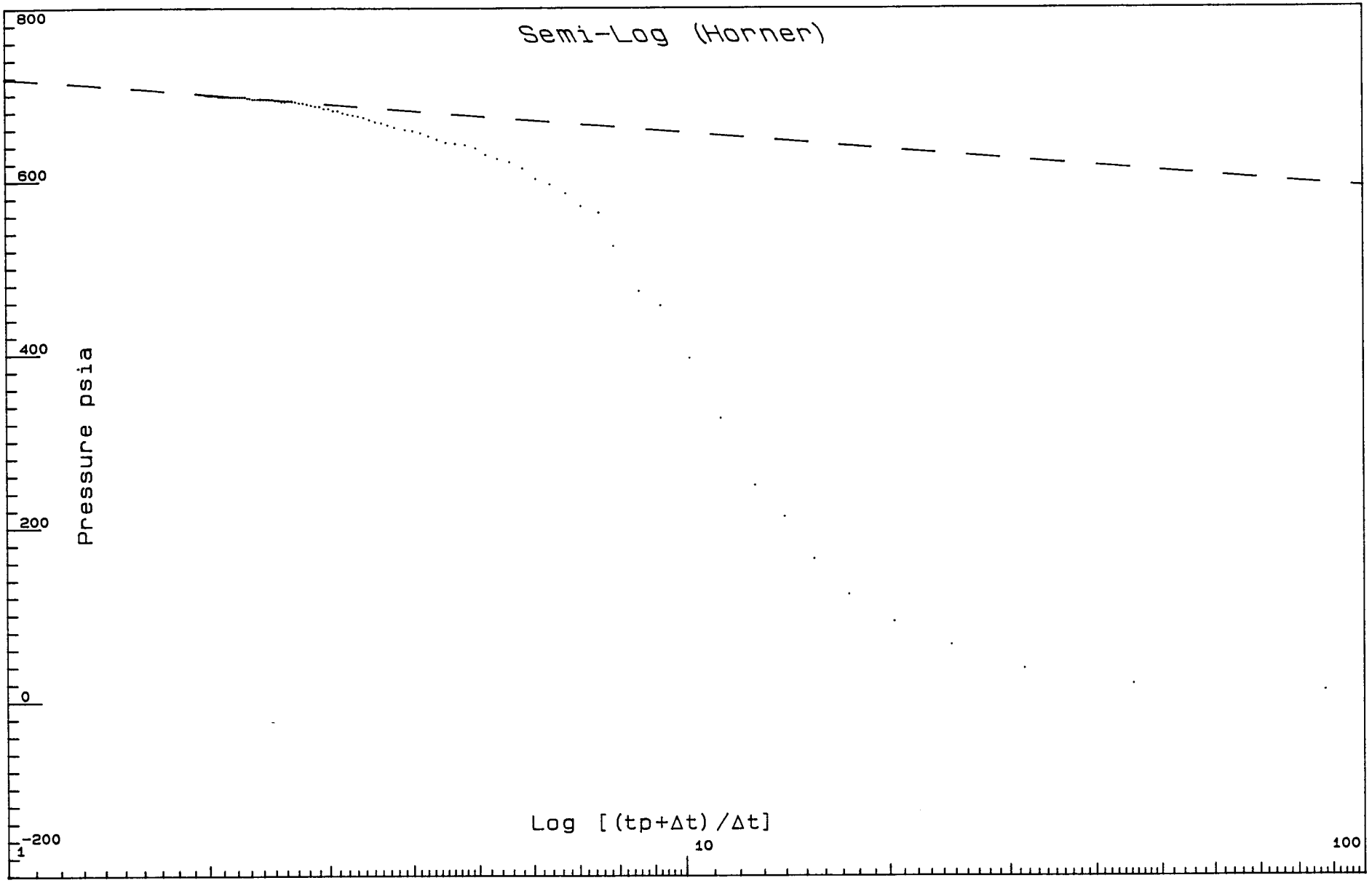
D.R.S.



Company: Equitable Resources Energy Co.
Well: Cobra State #12-36, DST #1
Field: Wildcat

Date: 07-11-1995

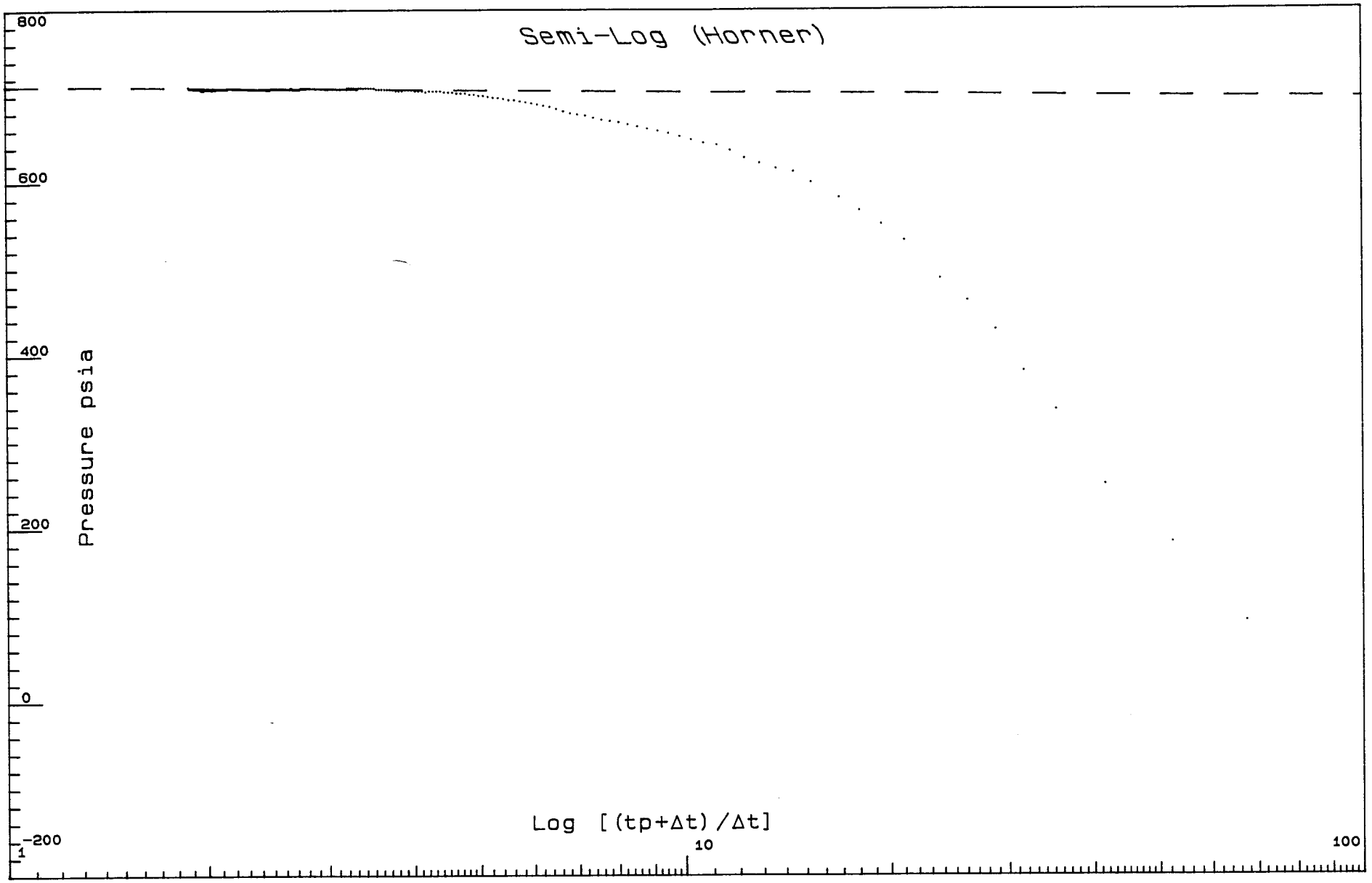
Chart digitized by DRS computerized scanning systems.



Company: Equitable Resources Energy Co.
Well: Cobra State #12-36, DST #1
Field: Wildcat

Date: 07-11-1995

Shut-in #1:
P* = 719 psi
M = -63.392 psi/cycle



Company: Equitable Resources Energy Co.
Well: Cobra State #12-36, DST #1
Field: Wildcat

Date: 07-11-1995

Shut-in #2:
P* = 712 psi
M = -7.52 psi/cycle

Company: Equitable Resources Energy Co.
Well: Cobra State #12-36

DISTRIBUTION OF FINAL REPORTS

Dave McCoskery [4]
Balcron Oil
Box 21017
Billings MT 59104

Wayne Keedwell [1]
Ocelot Energy
150-6th Ave SW, 30th Fl, W. Tower
Calgary, Alberta, CAN T2P 3Y7

State of Utah [2]
Division of Oil, Gas & Mining
355 W. North Temple, Ste 350
Salt Lake City UT 84180

0485T

ORAL APPROVAL TO PLUG AND ABANDON WELL

Operator Equitable Resources

Representative Dave McCoskery Telephone No.

Well Name and No. Cobra State 12-36

Location 1/4 1/4, Sec 36 T. 15S R 19W County Millard

Lease Type (Federal, Tribal, State or Private) State

Has operator obtained proper Federal or Tribal approval? NA

T. D. 3765 Open hole from 629 to 3765

Hole Size	Casing Size	Set at	TOC	Pull Casing?
12 1/4	9 5/8	629	Surface	No
8 3/4				

Formation	Top	Base	Shows?
Base Valley fill	1094		
Paleozoic	1094	3765	

Plugging procedure:

3200-3100' 100' cmt. plug.

1700'-1600' 100' cmt. plug. Tag.

680'-580' 100' cmt plug

Surface 10 sk plug

Remarks: (DST's, LCZ's, Water flows, etc.)

DST 1670'-1686'

DST 3165'-3205'

Porosity not tested 2425-35 1680-1725

R.J. said not necessary to send anyone to witness!

Approved by JRM Date 7/27/95 Time 10:10 AM

FORM 9

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

RECEIVED
JUL 31 1995
DIV. OF OIL, GAS & MINING

5. Lease Designation and Serial Number: ML-43911

6. If Indian, Allottee or Tribe Name: n/a

7. Unit Agreement Name: n/a

8. Well Name and Number: Cobra State #12-36

9. API Well Number: 43-027-30034

10. Field and Pool, or Wildcat: Wildcat/Paleozoic

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL [X] GAS [ ] OTHER:

2. Name of Operator: Equitable Resources Energy Company, Balcron Oil Division

3. Address and Telephone Number: 1601 Lewis Avenue, Billings, MT 59102 (406) 259-7860

4. Location of Well
Footages: 1700' FNL & 800' FWL SW NW Section 36, T15S, R19W
QQ, Sec.,T.,R.,M.:
County: Millard
State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
[X] Abandon	[ ] New Construction	[ ] Abandon *	[ ] New Construction
[ ] Repair Casing	[ ] Pull or Alter Casing	[ ] Repair Casing	[ ] Pull or Alter Casing
[ ] Change of Plans	[ ] Recomplete	[ ] Change of Plans	[ ] Reperforate
[ ] Convert to Injection	[ ] Reperforate	[ ] Convert to Injection	[ ] Vent or Flare
[ ] Fracture Treat or Acidize	[ ] Vent or Flare	[ ] Fracture Treat or Acidize	[ ] Water Shut-Off
[ ] Multiple Completion	[ ] Water Shut-Off	[ ] Other	
[ ] Other			

Approximate date work will start 7-24-95

Date of work completion

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Operator plugged and abandoned well as follows:

Plug #1:	3100' - 3200'	50 sacks cmt	
Plug #2	1700' - 1600'	135 sacks cmt	Tagged @ 1560'
Plug #3	680' - 580'	65 sacks cmt	
Plug #4	Surface	15 sacks cmt	

Well was plugged on 7-24-95.

13.

Name & Signature: Bobbie Schuman Bobbie Schuman Title: Regulatory and Environmental Specialist Date: 7-25-95

(This space for State use only)

(4\94) (See Instructions on Reverse Side)

CONFIDENTIAL

FORM

RECEIVED
JUL 31 1995
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NO.: ML-43911
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
7. UNIT AGREEMENT NAME: n/a
8. FARM OR LEASE NAME: Cobra State
9. WELL NO.: #12-36
10. FIELD AND POOL, OR WILDCAT: Wildcat/Paleozoic
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: SW NW Section 36, T15S, R19W

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

2. NAME OF OPERATOR: Equitable Resources Energy Company, Balcron Oil Division

3. ADDRESS OF OPERATOR: 1601 Lewis Avenue, Billings, MT 59102 (406) 259-7860

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface: 1700' FNL & 800' FWL
At top prod. interval reported below
At total depth

14. API NO.	DATE ISSUED	12. COUNTY	13. STATE
43-027-30034	5-3-95	Millard	Utah

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (Ready to prod. or Plug & Abd.)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)	19. ELEV. CASINGHEAD
7-8-95	7-21-95	7-24-95	4822.8' GL	n/a

20. TOTAL DEPTH, MD & TVD	21. PLUG BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
3765'	n/a	n/a	→	Sfc - TD	n/a

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD): n/a

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: ATT/BHC/LDT/CNL SHDT MUDLOG 7-31-95

27. WAS WELL CORED YES [X] NO [ ] (Submit analysis)
DRILL STEM TEST YES [X] NO [ ] (See reverse side)

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	40.68#	624' KB	12-1/4"	100 sxs PRemium w/additives	None
				150 sxs Premium Plus w/add.	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)
n/a				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
n/a		

31. PERFORATION RECORD (Interval, size and number): n/a

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
n/a	

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
n/a		P & A

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO

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

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): n/a
TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Bobbie Schuman TITLE Regulatory and Environmental Specialist DATE 7-25-95

See Spaces for Additional Data on Reverse Side

(3/89)

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producinginterval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.				38. GEOLOGIC MARKERS		
Formation	Top	Bottom	Description, contents, etc.	Name	Top	
					Meas. Depth	True Vert. Depth
DST report submitted separately.						

FORM 7

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

RECEIVED
JUL 31 1995
DIV. OF OIL, GAS & MINING

1. Well name and number: Cobra State #12-36

API number: 43-027-30034

2. Well Location: QQ SW NW Section 36 Township 15S Range 19W County Millard

3. Well operator: Equitable Resources Energy Company, Balcron Oil Division

Address: 1601 Lewis Avenue

Billings, MT 59102

Phone: (406) 259-7860

4. Drilling contractor: Union Drilling

Address: Drawer 40

Buckhannon, WV 26201

Phone: 304-472-4610

5. Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		No measurable water encountered	
		during drilling operations.	

6. Formation tops: See Geological Report submitted separately.

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge. Date: 7-25-95

Name & Signature: Bobbie Schuman Bobbie Schuman Title: Regulatory and Environmental Specialist

(7/93)

Donna M. Herring
Petroleum Geologist & Writer/Editor

• P.O. Box 13652, Reno NV 89507-3652 • (702) 786-5620 •

TRANSMITTAL

Division of Oil, Gas & Mining
Utah Department of Natural Resources
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

22 August 95

Cc: Attn. Bob Schalla
BALCRON Oil
P.O. Box 21017
Billings MT 59104

RE: **Drill cuttings samples: CONFIDENTIAL**
BALCRON Oil #12-36 Cobra State
Millard County, Utah

Attached is one set of dry drill cuttings samples from the BALCRON Oil #12-36 Cobra State, drilled in Millard County last month. These samples are delivered to you today as requested by the operator. Please keep these samples **CONFIDENTIAL** for the maximum time allowed.

Please sign all three copies of this transmittal; retain one copy for your files, and send one copy each to me and to BALCRON Oil, in the enclosed postage-paid envelopes.

Donna M. Herring
Petroleum Geologist

24 August 95
Delivery date

For Utah Div. Oil, Gas & Mng.

August 14, 1998
Receipt date

Samples transferred to
UGS 8/24/95 By K. M. Hebertson

BPS: g\cor\12-36spl.tra

TRANSMITTAL

Division of Oil, Gas & Mining
Utah Department of Natural Resources
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

14 October 95

Cc: Attn. Bob Schalla
BALCRON Oil
P.O. Box 21017
Billings MT 59104

RE: Wellsite Geology Report: CONFIDENTIAL
BALCRON Oil #12-36 Cobra State
Millard County, Utah

CONFIDENTIAL

Enclosed are two copies of the final Wellsite Geology Report from the BALCRON Oil #12-36 Cobra State, drilled in Millard County in July. These reports are delivered to you as requested previously by the operator. Please keep these reports CONFIDENTIAL for the maximum time allowed.

Please sign all three copies of this transmittal; retain one copy for your files, and send one copy each to me and to BALCRON Oil, in the enclosed postage-paid envelopes.

Done
10/20/95
DTS

Donna M. Herring
Petroleum Geologist

19 Oct 95
Delivery date

For Utah Div. Oil, Gas & Mng.

10/20/95
Receipt date

CC: Lee Allison - UGS
DTS
10/20/95

EPS: g\cor\12-36rpt.tra

• Donna M. Herring • P.O. Box 13652, Reno NV 89507-3652 • (702) 786-5620 •

BALCRON Oil
#12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

Wellsite Geology Report

Contents

CONFIDENTIAL

by
Donna M. Herring
Petroleum Geologist
August, 1995

BASIC INFORMATION

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

API number:	43-027-30034
Permitted depth:	5,000'
Elevations:	GL 4822.8'; KB 4832.8'
Spud:	7 July 95
Drilling complete:	20 July 95
Logging complete:	21 July 95
Total depth:	Driller 3764'; Logger 3765'
Well complete:	P&A, 22 July 95
Formation @TD:	Ordovician Eureka Quartzite
Sample intervals:	20'@44-1080'; 10'@1080-1280'; 20'@1280-1580'; 10'@1580-3765'
Hole sizes:	12.25"@44-629'; 8.75"@629-3765'
Casing:	conductor @44', set 35' of 13-3/8" 54.5# surface @622' Driller (625' Logger), 16 jts 9-5/8" 40.68# J-55
Wireline logging:	Schlumberger, Vernal UT; Field engineer: Mike Jardon AIT/BHC/LDT/CNL, 3765-625' SHDT-GR, 3765-625'
Formations penetrated: (Log tops)	Surface-910' Valley fill 910-1845' "Older valley fill" (1317-1625' Slide block of Devonian) 1845-2672' Limestone, probable oldest Tertiary (?Paleocene) 2672-3242' Silurian Laketown Dolomite 3242-3562' Ordovician Ely Springs Dolomite 3562-3765' Ordovician Eureka Quartzite
Mudlogging:	Chief Well Logging, Denver CO; Mudloggers: Bill Small, Stan Collins Two-man unit, spud to TD, hotwire and GC
Drilling consultant:	Odell Williams, Well Site Management, Casper WY
Rig:	Union Drilling, Rig #17, Vernal UT; Toolpusher: Dave Gray
Mud:	Baroid, Denver CO; Mud engineer: Dan Blaylock LSND gel/polymer system
Geologist:	Donna Herring, Consultant, Reno NV
Core:	Core#1 @1582-1588' (6') Baker-Hughes, Casper WY; Core service engineer: Chuck Ireland
Drillstem Tests:	DST#1 @1670-1686'(bottomhole); DST#2 @3165-3205'(straddle) Rebel Testing, Gillette WY; Tester: Dave Castelli
Hydrocarbon shows:	Common total background gas below 840' was 2-25 units, with most GC readings C_1 except rare minor C_2; maximum 50 units (trip gas @3485'). No in-place oil shows; possible emulsion on core barrel and test tool after DST#1, plus single unsaturated chip with heavy oil adhered (recovered after DST#2).

WELL SUMMARY & INTERPRETATION

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

The BALCRON #12-36 Cobra State was drilled in western Millard County, in the northern portion of Snake Valley about 30 miles north of U.S. Highway 6, and midway between the northern Snake Range (of White Pine County, Nevada) and the central Confusion Range. This rank wildcat was spudded 7 July 1995, in ?Recent valley fill sediments west of Salt Marsh Lake, and reached a total depth of 3765' in Ordovician quartzite after drilling a sequence including Recent and older valley fill (with a significant slide block of Devonian lithology), probable ?Paleocene lacustrine sediments, Silurian dolomite, and Ordovician dolomite. One core was cut in the slide block within older valley fill; six feet were cut and 5' of breccia and rubble of Devonian Simonson Dolomite lithology were recovered. Two DSTs were run: one bottomhole test in a lost circulation zone in older valley fill recovered mud, and one pre-abandonment straddle test of a drill break in Ordovician dolomite recovered fresh-water-cut mud. Gas increases were encountered in a few intervals above about 1600', and were common 2847-3765'TD. Possible oil shows included a green gel of possible emulsified heavy oil recovered from both the core barrel near 1588' and the test tool after DST#1 near 1686'. One globule of tarry oil adhered to a dolomite chip was recovered from inside the drill collar immediately above the test tool after DST#2. Deviation below about 900' was the only hole problem encountered, with maximum deviation of 8°@2600'. Gamma ray, induction, neutron and denisty porosity, sonic and dipmeter logs were run with no problems, after drilling to TD and before running DST#2. The hole was plugged and abandoned 22 July 1995.

The following detailed interpretative discussion is based on wellsite drill cuttings study and wireline logs only.

The "Older valley fill" drilled @910-1845' (935'), and including the Devonian slide block @1317-1625', is about twice the thickness of the same unit at its nearest outcrop. Deviation of the wellbore first occurred below 900', which suggests relatively steep dip of this moderately consolidated unit. Conceptually, this unit is equivalent to Miocene units in Nevada which are basal valley fill in the oil producing valleys, specifically the Horse Camp Formation in the vicinity of Railroad Valley, and the Humboldt and Hay Ranch formations in and near Pine Valley.

"?Paleocene equivalent" rocks drilled @1845-2672' (827') include an upper unit of 320' of pelletal/algal lacustrine limestone, a middle unit of 210' of probable lacustrine limestone, and a lower unit of about 300' of interbedded ?lacustrine limestone with dolomite-detrital sandstone and dolomite-pebble conglomerate. The limestones are very soft to firm, fine- to crypto-crystalline, and generally argillaceous; the pelletal/algal unit includes abundant seams and blebs of optically-clear calcite, and the underlying limestones are rarely medium-crystalline. These rocks are essentially equivalent stratigraphically to several Paleocene formations, none of which are mapped in Snake Valley. The nearest outcrops are the White Sage Formation 35 miles to the north-northwest in the Deep Creek Mountains, the Sheep Pass Formation 40 miles to the southwest in the Snake Range, and the Flagstaff and North Horn formations 40 miles to the east in the Cricket Mountains. Of these, the drilled section is most like the Flagstaff and upper North Horn intervals.

The upper 200' of the Silurian Laketown Dolomite drilled (2672-3242', 570' thick) was generally light-colored coarse-crystalline dolomitic limestone and calcareous dolomite, mottled in part, with common white fracture filling of dolomite and calcite. This weathered zone was underlain by darker and greyer dolomite, mottled and fossiliferous. Distinctive but poorly-preserved probable dasyclad algal remains are abundant, with some probable crinoids and shelly fragments common in part. Minor hydrothermal sulfide alteration is common, and one zone @3175-3198' is intensely altered. This intensely-altered zone was a fast 20' drill break, which was circulated up when drilled and was included in the DST#2 test interval.

The upper 210' of Ordovician Ely Springs Dolomite drilled (3242-3562', 320' thick) is fine- to crypto-crystalline, unfossiliferous, and irregularly alternating between light and dark brown grey; this is typical of the uppermost Ely Springs, though slightly thicker than adjacent outcrops. The lower Ely Springs drilled is brown unfossiliferous dolomite with common to abundant chert. Sulfidic alteration is common in the Ely Springs, as in the Laketown. The lower several hundred feet of Ely Springs is cut out by a fault which places the drilled interval on top of the uppermost Eureka Quartzite.

The top of the Ordovician Eureka Quartzite (3562-3765'TD, 203' drilled) is marked by a 20-foot sample interval with friable clean white quartzite disaggregated into frosted fine-size grains which are either nearly spherical or rarely elongate and ovoid, with rare sandy dolomite, and with white dolomitic gouge. The quartzite is generally hard and silica-cemented, but some hydrothermally altered zones are also friable; the alteration includes seams and coated fracture faces with arsenic sulfides.

TD was called after confirmation of the Eureka Quartzite. Schlumberger logs were run as noted above, with no fill and no problems. DST#2 was then made based on logs over the previously circulated drill break in a hydrothermally-altered zone in the Silurian Laketown Dolomite. Based on all results, the hole was then plugged and abandoned, 22 July 1995, fifteen days after spud.

August 1995

Donna M. Herring
Petroleum Geologist
Certified Professional
Earth Scientist

WELL HISTORY

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

(See also separately tabulated details on mud data, bit record, deviation record and hydrocarbon shows; core and DST details on Geologic Log in pocket.)

Sat. 8 July 95/6:00 a.m., 445' Valley fill. Made 401', NO SHOWS, presently drilling ahead, BGG 0-1 unit C_1. Move in and RU rotary rig, PU Bit#1 Smith 12-1/4" RT and drill collars, WO drilling mud. Mix spud mud, spud 11:00 p.m. 7 July. Work on pump, survey 1/4°@ 300', work on shale shaker. Pump liner 6", stroke length 14", drilling @54spm, PP550. Bottomhole lithology clay and sand, average ROP 0.3mpf 44-445'. Lithology: 40-80', gravel and sand; 80-360', 95-100% claystone, and 0-5% sand and sandstone; samples 360-445' unrecovered because of problems with shale shaker; sluice bucket was rigged up but ineffective.

Sun. 9 July 95/6:00 a.m., 629' Valley fill. Made 184', NO SHOWS, presently TIH, BGG 0-1.5un C_1. Drill 12-1/4" hole, circulate, wiper trip, circulate, survey 1/2°@580', TOOH to set casing. Run 16 jts 9-5/8" 40.68# J-55 casing, RU Halliburton and cmt csg, WOC. Screw on wellhead, NU & test BOP and csg, work on shale shaker, TIH w/Bit#2, Reed HP-11, 8-3/4". Bottomhole lithology claystone, avg ROP 0.3mpf 445-629'. Lithology: 445-480' unrecovered as above; 480-629' claystone.

Mon. 10 July 95/6:00 a.m., 1551' Paleozoic dolomite. Made 922', GAS INCREASES to max 28 units total, NO OIL SHOWS, presently drilling ahead, BGG 10-20un C_1, no trip gas. Finish TIH, drill plug insert & cmt, service rig, drill, service rig, survey 1/2°@927', clean pit, trip for Bit#3 Sec S84F, 8-3/4", drill, survey 2°@1236'. Bottomhole lithology dolomite.

SAMPLE TOPS: "Older valley fill" @900'; Paleozoic dolomite @1278'

Lithology and ROP: 629-820' claystone & rare limestone @.2-.4mpf; 820-900' claystone, sand & sandstone @.2-.4mpf; 900-1000' conglomerate, lithic volcanic & Paleozoic @.2-.4mpf; 1000-1040' tuffaceous sandstone and airfall tuff @.2-.4mpf; 1040-1080' tuffaceous ash @.2-.4mpf; 1080-1280' interbedded boulder & pebble conglomerate, lacustrine limestone, pebbly claystone and sandstone @.2-4.0mpf; 1280-1510' dominantly dolomite, dark brown, yellow brown, grey brown @.2-3.0mpf avg .5mpf.

Gas began increasing below 838', from formerly 1un C_1, to max 28un C_1 & including C_2. First C_2 occurred in upper "Older valley fill" 934-1028', recurring in interbedded conglomerate/limestone/claystone/sandstone 1170-1284'.

Tue. 11 July 95/5:30 a.m., 1588' Devonian Simonson Dolomite. Made 37', NO SHOWS (?possible green emulsified heavy oil), presently reaming @1555', BGG 10-12un C_1 while drilling & 2-3un C_1 while coring. Drilled 1551-1582', strapped out for core, no correction. PU core barrel w/Bit#4, RIH, cored 1582-1588' (6'), barrel jammed. With core barrel on bottom, ran wireline survey (misrun), ran wireline survey 3-1/2°@1578'. POOH w/core barrel, recovered estimated 5' dolomite breccia and rubble with no shows (interpret possible fault?); outside of barrel had slippery light to dark green gel, possible emulsified heavy oil. Stand back core barrel, PU reamers, TIH w/Bit#5-RR3 to 1181', ream 1181-1555'. Core picked up by TerraTek/Salt Lake City.

SAMPLE TOP: Confirm Devonian Simonson Dolomite @1278' from cored breccia & rubble plus drilled sequence.

Lithology & ROP: 1510-1588' dolomite, light brown, grey brown, yellow brown @.4-3.0mpf while drilling & 3.5-11.0mpf while coring.

Wed. 12 July 95/5:30 a.m., 1686' Simonson Dolomite. Made 98', NO SHOWS (?possible green emulsified heavy oil), presently TIH, BGG 4-5un C_1, no trip gas. Reamed 1555-1588', drilled 1588-1677' no problems, then lost 50bbls mud & all returns in drill break 1677-1686'; break was from

2-3mpf before to .3-.5mpf during, lithology lost to formation. Ran survey in preparation for DST#1, fluid level on wireline was about 300' below surface. TOOH for test tools, RU Rebel Testing tools, TIH for DST#1, 30/60/60/120 times, 1670-1686' interval tested. Opened IF with weak surface bubble, intermittent surface bubble throughout IF. Shut-in tool (ISI) with no blow, FF open with weak surface bubble which held for 5min then died, FSI no blow. When tool was pulled, green gel/possible emulsion (first seen on core barrel 11 July) was collected from drill collars and test tool packers. Pipe recovery 10' mud, sample chamber 2600cc (full) mud @1#psi, BHT 85°F. Received orders to drill ahead, begin TIH w/Bit#6-RR3.

Lithology & ROP: 1588-1670', dolomite, light brown, light yellow brown @.5-4.0mpf/1588-1618', 2.0-3.0mpf/1618-1677', .3-.5mpf/1677-1686'.

Thu, 13 July 95/5:30 a.m., 1911' Older valley fill. Made 225', NO SHOWS, presently drilling ahead, BGG 2-7un C_1, trip gas 8un C_1 @1686', ROP .3-8.0mpf. Bottomhole lithology 80-95% limestone, 5-20% tuff, chert, claystone & dolomite. Carbide lag 22min @1776' while losing mud, calculated lag 14min; carbide peak sharp, good hole conditions. Finish TIH w/Bit#6-RR3 after test, drill 1686-1714', losing 10-20% of mud @1698-1714', lost circulation on connection @1714'. Mix mud & LCM, drilled ahead with 40-50% returns, tripped for plugged bit @1755', work on pump, drilled ahead with 60% returns, survey 4-1/2°@1803', drilled ahead, returns improved to estimated 85% @1850-1911'. Lost total 1140bbls mud.

SAMPLE TOPS: "Older valley fill" @1677'; Slide block of Devonian @1278-1677' (re-interpretation)

Lithology: 1670-1680' lost to formation; 1680-1740', 20-60% volcanic ash, 10-30% claystone, 5-10% limestone, 2-10% chert, 5% tuff, 2-5% dolomite; 1740-1830', 60-90% lacustrine limestone, 2-10% claystone, 2-10% sandy limestone, traces chert and loose biotite & optical calcite; 1830-1900', 80-95% lacustrine limestone, 5-15% claystone, 5-15% tuff, trace tuffaceous ash, chert & dolomite.

Fri, 14 July 95/5:30 a.m., 2194' Older valley fill. Made 283', NO SHOWS, presently drilling ahead, BGG 1-3un C_1, trip gas 6un C_1 @2161'. Carbide lag 27min @2150', moderately sharp peak, ROP 1.5-7.5mpf. Bottomhole lithology limestone. Drill, service rig, survey 5-1/4°@2116', trip @2161' for Bit#7 Sec S82F, and PU shock sub, TIH no fill, circulate hole BU. Drill, service rig, survey 5-3/4°@2194'. Mud losses decreased from 190bbl/hr to 20bbl/hr, total mud lost 1938 bbls.

Lithology: 1900-2150', 97-100% lacustrine limestone, trace to 3% cavings of claystone & tuffaceous ash; 2150-2160' trip sample, 50% lacustrine limestone, 50% tuffaceous ash & LCM; 2160-2190', limestone ?lacustrine. Interpreted continued valley fill, correlative lithologically with lacustrine units in the Sheep Pass Formation and in overlying Tertiary valley fill of Railroad Valley, Nevada.

Sat, 15 July 95/5:30 a.m., 2565' Older valley fill. Made 371', NO SHOWS, presently drilling ahead, BGG 1-2un C_1, carbide lag time 25min @2225', ROP 1.0-7.0mpf. Bottomhole lithology dolomite. Drilled ahead, losing mud 16-20bbls/hr; deviation 5°@2289', 6°@2380', 6-3/4°@2503'.

Lithology: 2190-2550', 93-100% dolomitic limestone ?lacustrine, 0-5% dolomite/detrital in part, 0-5% chert, trace to 2% calcite fracture fill; 2550-2560', 99% dolomite ?detrital.

Sun, 16 July 95/5:30 a.m., 2787' Older valley fill. Made 222', NO SHOWS, presently drilling ahead, BGG 2-5un C_1, CG 12un C_1 @2752', maximum hotwire reading 12un C_1 @2748-2750'. Carbide lag time 28min @2566', ROP 2.0-10.0mpf. Drill, repair pump, losing 20bbl/hr, deviation 8°@2600', 7-1/2°@2691', 6-1/4°@2784'.

Lithology: 2560-2570', dolomitic limestone ?lacustrine; 2570-2780', interbedded dolomite-pebble comglomerate, limestone and tuffaceous ash.

LITHOLOGIC TOPS within Older Valley Fill: 900' interbedded conglomerate/sandstone/claystone/tuffaceous ash; 1278' slide block of Devonian; 1678' interbedded limestone/claystone/tuffaceous ash/pebble conglomerate; 1830' pelletal/algal limestone; 2150' ?lacustrine limestone; 2360' ?lacustrine limestone w/sparse interbedded detrital dolomite; 2570' interbedded ?lacustrine limestone/dolomite-pebble-conglomerate w/claystone matrix/tuffaceous ash.

Samples believed to be in-place and representative of drilled formation because: carbide lag checks return with sharp peak, no pipe drag is observed to be eroding deviated hole, sample

character is distinct between samples & not diluted by continuous cavings, and, minor gas peaks correlate directly to short drilling breaks. Units drilled below 1830' probably correlate to Paleocene rocks assigned to the Sheep Pass and White Sage formations in Nevada and to the Flagstaff Limestone and upper North Horn formations in Utah. Deviation in these soft to firm rocks indicates fairly steep dip.

Mon, 17 July 95/5:30 a.m., 2886' Older valley fill. Made 99', NO SHOWS, presently working on mud pump, BGG 5-8un C_1, CG 10un C_1 @2847', no trip gas. Carbide lag time 33min @2815', ROP 3.0-16.0mpf. Bottomhole lithology limestone. Drill, clean mud pit, service rig, drill, circulate BU, trip @2827' for Bit#8 Varel U537. Drill, check pump for pressure loss, trip @2863' for pressure loss, seal out on shock sub, lay down shock sub, TIH, drill, work on mud pump. Cumulative mud loss 5732bbls.

Lithology: 2780-2880', 78-98% brown and grey brown mottled dolomitic limestone and limy dolomite, 2-22% ?cavings of tuffaceous ash and claystone.

Tue, 18 July 95/5:30 a.m., 3101' Paleozoic. Made 215', GAS INCREASES, NO OIL SHOWS, presently drilling ahead, BGG 8-10un C_1, no trip gas. Carbide lag time 42min @3020' (pump spm reduced to 47 from 54), returned with broader peak (previous 7min @2815', this check is 12min broad @3020'), indicates some hole enlargement. Bottomhole lithology dolomite. Work on mud pump, trip @2886' for hole in pipe, drill, service rig, survey 5-1/2°@2925', drill, survey 5-1/2°@3010'. Cumulative mud lost to formation 3650bbls, mud dumped to control weight 600bbls, mud lost at surface from shaker and rotating head 2400bbls; total cumulative mud lost 6650bbls.

Gas increases: BGG averaging 5un above 2900'; 2900-2916' BGG 8un; 2916-2932' BGG 8-20un, avg 12un; 2932-2940' BGG 20-30un avg 28un; 2940-2952' BGG 20un; 2952-2985' BGG 12-18un, avg 15un; 2985-3000' 14-21un, avg 18un. All gas is probably C_1, but chromatograph was inoperable @2908-2972', so that interval is unconfirmed C_1.

SAMPLE TOP: Paleozoic dolomite @2898'. Picked on basis of minor but consistent change in lithology, minor change in drill rate, change in gas volume. Probable Silurian Laketown Dolomite (?poorly preserved dasyclad algae?), possible middle to lower Devonian Guilmette. Probably another slide block?

Lithology: 2880-3080', 50-100% dolomite/possible ?dasyclad algal forms (poorly preserved), trace to 25% dolomitic limestone as above, 1-10% claystone and tuffaceous ash cavings.

Wed, 19 July 95/5:30 a.m., 3378' Silurian Laketown Dolomite. Made 277', GAS INCREASES, NO OIL SHOWS, presently drilling ahead, BGG 5-15un C_1. Carbide lag time 45 min @3330', returned with 14min-broad peak, indicates some hole enlargement; ROP .4-8.0mpf. Bottomhole lithology dolomite. Drill, service rig, survey 4-1/2°@3115', drill, circulate samples @3188', drill, circulate samples @ 3198'. Drill, service rig, survey 5°@3235', drill, survey 5°@3320.

Gas increases: BGG 5-15un C_1, maximum hotwire readings 25un (all C_1) @3270-3272', @3316-3320', @3328-3330'. Drill break 3175-3198' had maximum 10 unit increase including C_1 and C_2.

Drilling break: Drill rate was steady @6-7mpf for the preceding 50', then the 5' before the break drilled slightly faster @3-4mpf. The first part of the break (3175-3188') drilled @0.4mpf until WOB was reduced from 20,000# to 12,000#, then went to 1.0mpf. Samples were circulated, collected at 15min, 30min, 45min and 60min (carbide lag @3020' was 42min), and consisted of hydrothermally altered carbonate (dolomite 60-90%, limestone 10-40%), gas increased from BGG 5un C_1 to maximum 15 units (500ppm C_1 and 572ppm C_2). Drilled ahead, and next 10' interval was also fast, averaging <1mpf. Samples were circulated for a second time @3198', collected @15/30/45/60min as above, and consisted of same lithology as above plus 3% cavings of claystone and tuffaceous ash, w/gas maximum 15un C_1 (no C_2). Drill rate after break returned to 3-5mpf with 18-20,000# WOB.

SAMPLE TOP: Silurian Laketown Dolomite @2898'. First 200' weathered and oxidized (relatively soft, brown colors, erratic drilling), subsequent 280' harder, greyer in color and steadier drilling except for scattered zones hydrothermal alteration.

Lithology: 3080-3270', 88-100% irregularly-alternating light grey brown/medium grey brown/medium grey fossiliferous (?algae, ?crinoids, ?shell fragments) dolomite and dolomitic limestone, 0-10% cavings claystone & tuffaceous ash (@3198-3270', 1-3% chert with inclusions dolomite & hydrothermal sulfides); 3270'-3300', 98-100% dolomite medium brown/dark to very dark

grey brown/black in part, trace-2% cavings claystone & tuffaceous ash; 3300-3360', 98-100% dolomite medium brown unfossiliferous, trace-2% cavings claystone & tuffaceous ash.

Thu, 20 July 95/5:30 a.m., 3695' Ordovician Eureka Quartzite. Made 317', GAS INCREASES, NO OIL SHOWS, presently drilling ahead, BGG 15-25un C_1, trip gas 50un C_1 @3485'. Carbide lag time 40min @3609' with 53spm, ROP 1.0-8.0mpf. Bottomhole lithology quartzite. Drill, service rig, survey 5°@3423', change rot head rubber, work on pump, TOOH for hole in pipe @3485'. TIH w/Bit#9-RR3 Sec S84F, drill, service rig, survey 5°@3536', drill, survey 4-1/2°@3629'.

Gas increases: BGG avg 10-25un; @3430-3475' gas increased from 20un to a peak of 45un; trip gas 50un @3485' was highest peak for period; all gas detected C_1.

SAMPLE TOPS: Ordovician Ely Springs Dolomite @3300'; Ordovician Eureka Quartzite @3558' (faulted contact, missing several hundred feet of lower Ely Springs).

Lithology: 3360-3550', 70-100% medium to dark unfossiliferous dolomite, trace-30% chert brown in part & hydrothermal red/yellow/pink in part; 3550-3570', 50-55% dolomite as above/rarely sandy, 50-55% clean quartzite/hydrothermal sulfide inclusions in part, 5% brown & pink chert, 2% white opaque dolomitic gouge; 3550-3660', 75-90% quartzite as above/decreasing alteration downsection, 10-20% dolomite as above, 2-15% gouge as above, trace-2% brown & pink chert.

Fri, 21 July 95/3:00 a.m., 3765' Ordovician Eureka Quartzite. Made 70', NO SHOWS, presently WO orders. BGG while drilling 15-20un C_1, ROP 1.0-9.0mpf. Bottomhole lithology quartzite. Drilled 3695-3765', clean pits, circulate & condition mud, TOOH to DC, wait & check for fluid loss in hole (10bbls). TIH no fill, drop survey (4-1/2°@3765'), TOOH for logs. RU Schlumberger & log two runs: GR/AIT/BHC/LDT/CNL on run one, and SHDT/GR on run two. No problems going in hole, no fill. Driller's TD 3764', loggers' TD 3765'; driller's casing depth 622', loggers' casing depth 625'; BHT 135°F. WOO, hole losing 10bbl/hr.

LOG TOPS: "Older valley fill" @910' (935' thk, slide block @1317-1625'(308" thk)); ?Paleocene equivalent @1845' (827" thk); Silurian Laketown Dolomite @2672' (570' thk); Ordovician Ely Springs Dolomite @3242' (320' thk); Ordovician Eureka Quartzite @3562' (203' drld).

Sat, 22 July 95/4:00 a.m., 3765' Ordovician Eureka Quartzite. Made 0', presently TOOH. WOO, LD core barrel, TIH, circ & cond mud, TOOH for DST#2. PU Rebel Testing tools, TIH, run DST#2 (see below), TOOH w/test tools.

DST#2 straddle test 3165-3205'(40') in Silurian Laketown Dolomite drill break interval (drilled 18 July). IF 15/ISI 60/FF 30/FSI 90, opened with immediate blow, maximum pressure IF 14-1/2# at shut-in. FF opened with immediate blow, maximum pressure 10# in 15min, decreased to weak surface blow at end of FF. Pipe recovery 2966' total fluid NSFOC, including 1180' mud and 1780' WCM. Sample chamber held 2600cc (full) WCM at 20#. Nitrate tracer in pipe recovery 15mg/l concentration in upper and middle pipe recovery samples, 8mg/l in bottom pipe recovery. Charts show bottom packer held with minor communication.

Two feet of coarse to very coarse sand-size drill cuttings were found in the drill collar immediately above the tool, probably settled out from the recovered fluid. These cuttings represented intervals from the top to the bottom of the hole, including 80% various dolomite & limestone types, and 20% white quartzite, ash, chert, loose biotite and loose quartz. One 2mm globule of tarry oil was found adhering to a dolomite chip; the oil did not fluoresce but had a slow streaming yellow cut and a residual ring that was very light yellow brown with dull yellow fluorescence. The dolomite chip was not saturated, and did not release any oil when dissolved in acid.

Sat, 22 July 95/11:00 a.m., 3765' Ordovician Eureka Quartzite. Finish TOOH w/test tools, break out & load out tools, WOO. Received orders to P&A at 10:30 a.m, geologist released.

HYDROCARBON SHOW SUMMARY, page 1 of 2.
Tabulated Gas Increases, Tabulated Possible Oil Shows

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

GAS INCREASES ≥10 units or including heavier than C_1

Depth	BGG	Increase	Gas type & measurement Before/during/after	Formation/Lithology
838-848'	1 unit	22 units	C_1: 50/1500/400ppm	"Older valley fill"/claystone, sandstone and sand
862-866'	5 units	10 units	C_1: 400/900/600-900ppm	As above
934-1028'	9-10 un	4-5 units	C_1: 800/500/400-600ppm C_2: 0/100-200/0ppm	"Older valley fill"/conglomerate, tuffaceous sandstone, airfall tuff
1100-1284'	5 units	10 units	C_1: 380/600-2500/500ppm C_2: 0/0-100/0ppm	"Older valley fill"/boulder & pebble conglomerate, lacustrine limestone, claystone
1310-1316'	5 units	15 units	C_1: 380/600-2500/500ppm	"Older valley fill" Slide block/dolomite
1339-1582'	6 units	10-24 un	C_1: 500-600/1000-2500/ 200-400ppm	As above
2752'	2-5 units	12 units	Connection gas	
2847'	5-8 units	10 units	Connection gas	
2898-2944'	3-5 units	5-35 units	C_1: 20/300-?1000/?1000 ppm (GC out 2908-2972')	Silurian Laketown Dolomite/dolomite
3176-3202'	5-7 units	10 units	C_1: 400/550-650/400ppm C_2: 0/0-400/0ppm	Silurian Laketown Dolomite/dolomite & limestone, altered, in drill break
3270-3272' 3316-3320' 3328-3330'	5-15 un	10 units	C_1: 800/650-1500/700-800 ppm	Ordovician Ely Springs Dolomite/ dolomite
3430-3475'	10-25 un	20-35 un	C_1: 400-700/900-4800/900-1500 ppm	As above
3485'	15-30 un	50 units	Trip gas	
3580-3586'	10-15 un	10-18 un	C_1: 800/2000-2500/1000-2000 ppm	Ordovician Eureka Quartzite/quartzite

HYDROCARBON SHOW SUMMARY, page 2 of 2.
Tabulated Gas Increases, Tabulated Possible Oil Shows

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

POSSIBLE OIL SHOWS

Samples	Description	Formation/Lithology
??1588'	Green slippery gel recovered on outside of core barrel, possible emulsified heavy oil? No fluorescence or cut, very faint odor	"Older valley fill" Slide block/dolomite
??1686'	As above, recovered from drill collars and test tool packers when DST#1 was pulled**	"Older valley fill"/claystone, lacustrine limestone, tuffaceous ash
DST#2	Drill cuttings found in drill collar immediately above the test tool included one chip of dolomite with TARRY OIL GLOBULE adhered. Globule did not fluoresce, but had SLOW STREAMING YELLOW CUT and a RESIDUAL RING that was very light yellow brown with DULL YELLOW FLUORESCENCE.	?/dolomite chip. The drill cuttings recovered were representative of all drilled lithologies, and probably accumulated in the wellbore at the test interval as the interval (which was a drill break) took fluid.

**Gel was collected and sent to lab; results not available for this report.

MUD DATA, page 1 of 2.

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

Date	Time	Gel	Vis	Wt.	sd	WL	pH	Cl	PV	YP	sol	cake	Ca	Depth
7/7	23:00		36	8.7										44'
7/8	03:15	7/17	36	8.9+	.5		9.6		12	15	9			316'
	05:20			9.0			10.0							377'
7/9	03:00	3/11	34	9.0	.75	37	8.0	800	7	10	11	2/32	1200	629'
	09:00	10/15	37	8.8					5	17				717'
	10:20		33	8.7+										
	11:40	3/11	30	8.8					5	7				
	13:30		32	9.0	3									1094'
	14:10	3/6	32	8.9+	3				7	5				1112'
	18:00		32	9.2+										1245'
	20:00		32	9.5	6	Dumping to control weight								1275'
7/10	02:00	2/8	33	8.8	.5				2	10				1356'
	04:19	4/8	35	9.1	3	27	7.5	350	8	9	9	3/32	800	1489'
	04:30	4/8	35	9.0		27	7.5		8	9	11			1490'
	12:30	5/9	37	8.9					10	10				1588'
7/11	04:30	8/12	39	8.8	1.5	17	7.5	500	7	18	8	2/32	840	1588'
	15:00		39	8.8										
7/12	04:00	6/10	37	8.9	2	20	7.5	500	6	14	8	2/32	800	1686'
	18:00		36	8.8										
	20:00	2/4	34	8.8			7.2		6	8	7			1777'
7/13	00:45	2/8	34	8.8	2				9	10				1859'
	04:15	2/6	33	8.9	2.5	23	8.0	350	6	10	6	2/32	600	1902'
	15:00		36	8.8+										
	19:00		33	8.8										
	21:00		32	8.8										
7/14	04:30	4/6	37	8.8	2	28	8.5	380	10	10	6	2/32	400	2180'
7/15	02:00		32	9.1+										
	04:15	2/5	32	9.0	2	21	8.0	400	6	8	7	2/32	600	2556'
	04:30	2/5	33	9.0	2				6	8	8			
	19:00	2/4	33	9.1					5	7				
7/16	04:00	2/5	33	9.0	2	24	8.5	480	7	8	7	2/32	600	2780'
	11:00		33	9.0										
	17:00		33	9.0										
7/17	04:00	3/7	35	8.9	2.5	18	7.5	400	8	11	7	2/32	400	2886'
	19:00		35	8.9										
	21:00		34	9.0										
7/18	03:00		36	9.0										
	04:00	2/5	34	9.0	1.5	20	8.8	450	6	9	8	2/32	800	3081'

MUD DATA, page 2 of 2.

	07:00		36	9.0+										
	09:00		35	9.0										
	11:00		33	8.8										
	13:00		34	8.9										
	16:00	2/5	34	8.9	1.5		8.8		6	9	8			
	20:00		37	9.0										
7/19	04:00	3/7	35	8.8+	1.5	11.4	8.3	360	6	12	6	2/32	400	3357'
	11:00		32	8.7										
	13:00		33	8.8										
	16:00	3/7	35	8.8+	1.5				6	12				
7/20	04:00	2/5	34	8.8	4.5	12.4	8.6	350	5	13	9	2/32	400	3664'
	10:00		33	8.4										
	13:00		34	8.4										
	13:00		34	8.8	4.5				5	13				
7/21	04:00	2/6	39	8.7+	1.5	12.8	8.4	320	5	17	6		440	3764'
7/22	04:00	3/5	37	8.7						14				3764'

Well P&A, 22 July 1995

BIT RECORD

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

Bit #	Size	Mfr.	Type	Serial#	On @	Off @	Made	Hours on btm	RPM	WOB	Condition
1	12.25"	Smith	RT	NR9014	44	629	585'	7.5	80	10-15K	1-1-I
2	8.75"	Reed	HP-11	EK4944	629	1285	656'	12.25	50-80	10-20K	4-1-I
3	8.75"	Sec	S84F	660382	1285	1582	297'	6.5	50-80	10-20K	1-1-I
4 (core)	7-7/8"	BH	C-201	0162140	1582	1588	6'	1.25	60	8-10K	
5-RR3	8.75"	Sec	S84F	660382	1588	1686	104'	6.5	60-100	10-25K	1-1-I
6-RR3	8.75"	Sec	S84F	660382	1686	2161	475'	43	60-100	10-20K	3-2-I
7	8.75"	Sec	S82F	560658	2161	2826	665'	48.75	80-100	10-25K	4-3-I
8	8.75"	Varel	U537	82091	2826	3485	659"	48.5	70-90	12-20K	7-4-1/4
9-RR3	8.75"	Sec	S84F	660382	3485	3765	280'	14.75	70-90	15-25K	7-4-1/8

DEVIATION TABLE

BALCRON Oil #12-36 Cobra State
1700 FNL 800 FWL, SW/NW Sec.36-T15S-R19W
Millard County, Utah

Depth	Deviation
300	1/4°
580	1/2°
927	1/2°
1236	2°
1535	3-1/2°
1578	3-1/2°
1686	5°
1803	4-1/2°
2116	5-1/4°
2194	5-3/4°
2289	5°
2380	6°
2503	6-3/4°
2600	8°
2691	7-1/2°
2784	6-1/4°
2925	5-1/2°
3010	5-1/2°
3115	4-1/2°
3235	5°
3320	5°
3423	5°
3536	5°
3629	4-1/2°
3765	4-1/2°