

COMPLETIONS

NID File _____ Checked by Chief _____
 Sheet _____ Copy NID to Field Office _____
 Map Pinned _____ Approval Letter
 Bond _____ Disapproval Letter _____
 State or Fee Land _____

COMPLETION DATA:

Date Well Completed 5-1-60 Location Inspected _____
 OW WW _____ TA _____ Bond released _____
 GW _____ OS _____ PA _____ State of Fee Land _____

LOGS FILED

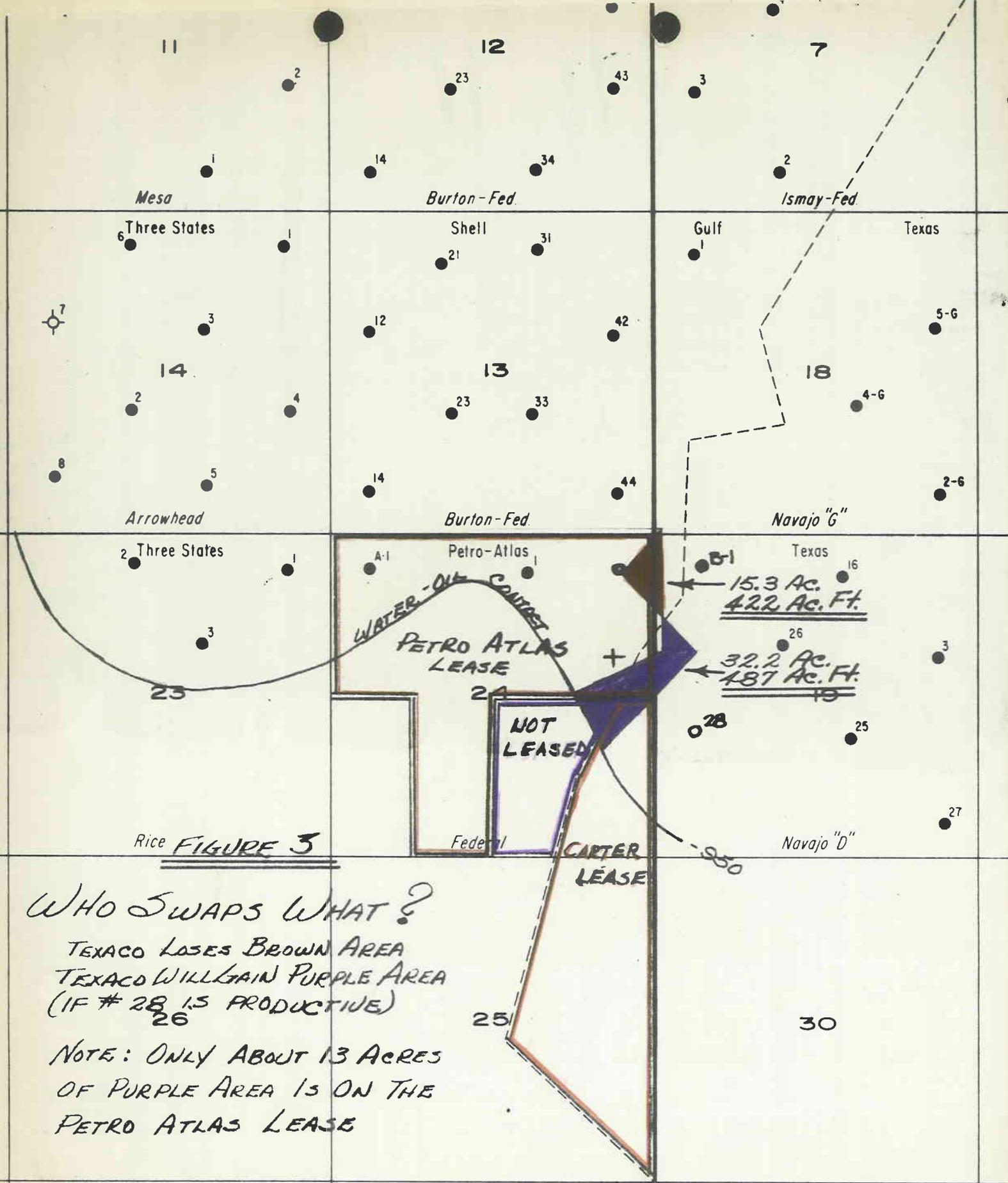
Driller's Log 7-11-60
 Electric Logs (No.) 1
 E _____ I _____ E-I _____ GR _____ GR-N Micro _____
 Lat _____ Mi-L _____ Sonic _____ Others _____

~~5-22-59~~

checked w/ Phil McBrath on this well
 He states that spacing is irregular anyway
 in this area. Thinks they should be allowed to
 drill on location requested. Would see better
 chance of getting a well.

MBT

See Course No 19 -



Rice FIGURE 3

WHO SWAPS WHAT?

TEXACO LOSES BROWN AREA
 TEXACO WILL GAIN PURPLE AREA
 (IF # 28 IS PRODUCTIVE)

NOTE: ONLY ABOUT 13 ACRES
 OF PURPLE AREA IS ON THE
 PETRO ATLAS LEASE

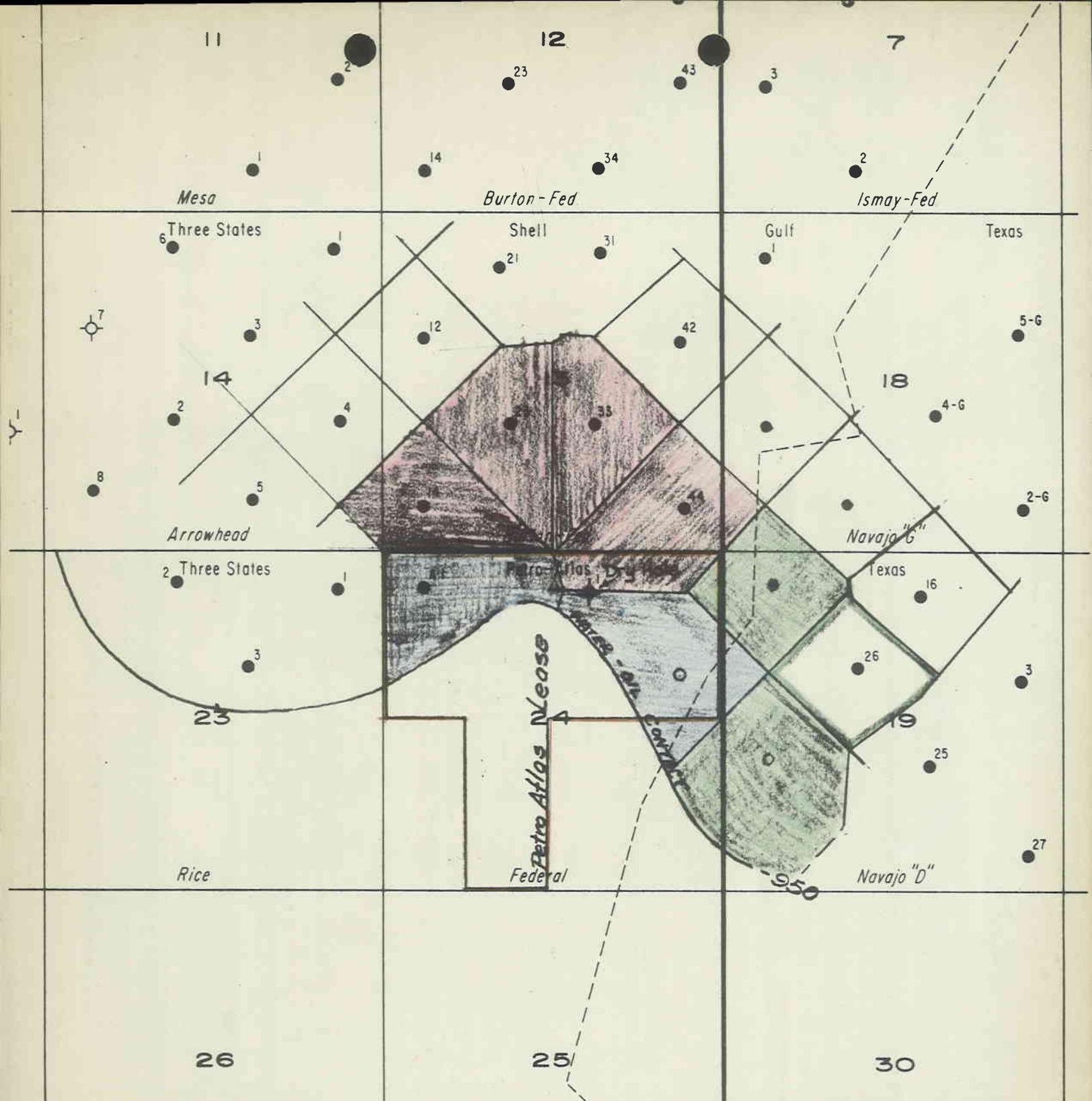


FIGURE 1

Drainage Pattern With Petro Atlas Well At
 Normal Location For 80-Acre Spacing
 (Assuming No Water Drive)

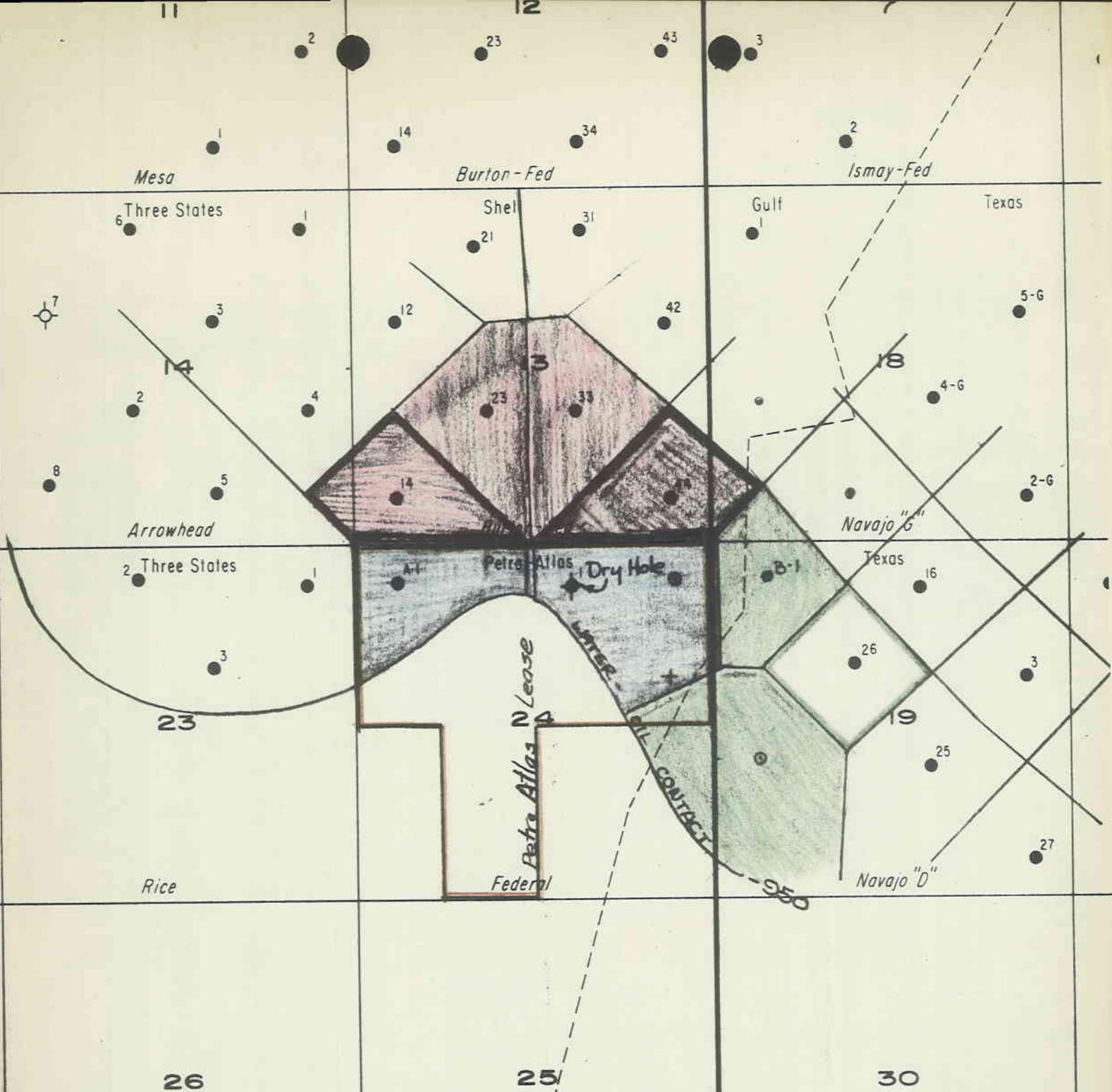


FIGURE 2.

Drainage Pattern With Petro Atlas Well At
 Location They Applied For
 (Assuming No Water Drive)

COMPANY **PETRO-ATLAS, INC.**

Well Name & No. **Federal B - 1**

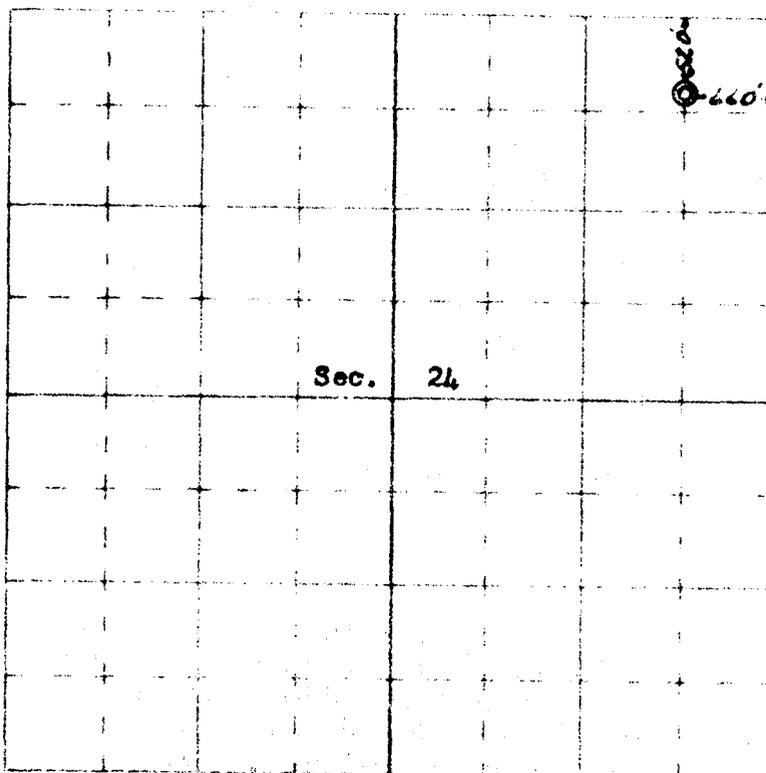
Lease No. **SL 0710106**

Location **520' FROM THE NORTH LINE & 660' FROM THE EAST LINE**

Being in **N $\frac{1}{2}$ NE NE**

Sec. **24** T **40 S**, R **23 E**, S.L.M., San Juan County, Utah

Ground Elevation **4733.1'** ungraded ground



Scale 4 inches equals 1 mile

Surveyed **29 December**

19 **59**

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.

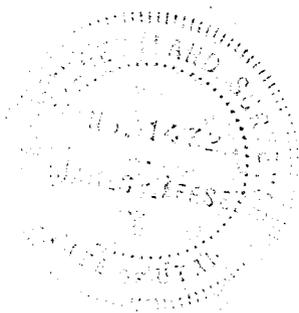
James P. Leese

Registered Land Surveyor.

James P. Leese

Utah Reg. No. **1472**

SAN JUAN ENGINEERING CO., FARMINGTON NEW MEXICO



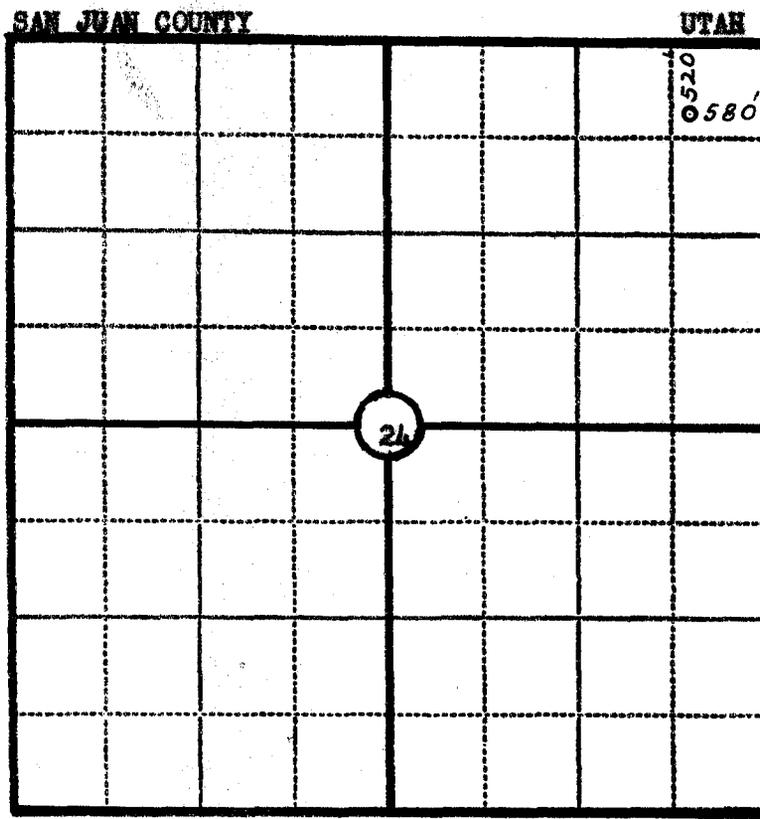
Company PETRO ATLAS, INCORPORATED

Lease NAVAJO FEDERAL B Well No. 2 1

Sec. 24, T. 40 SOUTH, R. 23 EAST, SIM

Location 520' FROM THE NORTH LINE AND 580' FROM THE EAST LINE

Elevation 4734.0 UNGRADED GROUND



Scale—4 inches equal 1 mile

This is to certify that the above plat was prepared from field note 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.

Seal: *James P. Leese*
Registered Land Surveyor.
Utah Reg. No. 1472

Surveyed 3 July, 1958

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF :
PETRO-ATLAS, INC. FOR AN ORDER :
GRANTING IT PERMISSION TO DRILL A : CAUSE NO. 19
WELL 520 FEET FROM THE NORTH LINE :
AND 660 FEET FROM THE EAST LINE OF : MEMORANDUM DECISION
SECTION 24, TOWNSHIP 40 SOUTH, RANGE :
23 EAST, SLBM, SAN JUAN COUNTY, UTAH :

This case came before the Commission on the application of Petro-Atlas, Inc. for permission to drill an off pattern well in the Aneth Oil Field. This field has been temporarily spaced by order of this Commission on 80-acre spacing. In the area covered by this application the established pattern is for the drilling of two wells in each quarter section -- one to be drilled in the approximate center of the northwest 40 acres and the other in the approximate center of the southeast 40 acres. The 80-acre tract here involved is described as the:

East Half of the Northeast Quarter (E $\frac{1}{2}$ NE $\frac{1}{4}$) of
Section 24, Township 40 South, Range 23 East, SLBM,
San Juan County, Utah.

The authorized location for this 80-acre tract would be in the approximate center of the south 40 of said tract. Petro-Atlas, Inc., by its amended application, seeks to drill the well in the north 40 acres at a point 520 feet from the north line of the section and 660 feet from the east line of the section, which would place the well approximately in the center of the north 40. The file reflects that notice has been given to all interested parties, as required by the rules of the Commission, and the controlling statutes, and it appears that the Commission has jurisdiction over the subject matter and the parties.

The 80 acres to the west of the 80-acre tract here involved is also owned by Petro-Atlas, Inc., and a dry hole has been drilled thereon. To the north, the off-set 80-acre tract is owned by the Shell Oil Company; Texaco, Inc. owns the diagonal 80-acre tract to the northeast and has other leased acreage east and south of the tract in question. The application has been protested by Texaco. The applicant argues that Section 40-6-6-(c), U. C. A., 1953, authorizes applicant to drill an off-pattern well merely upon the showing that the well in question is an edge well. The evidence shows, and the Commission finds, that a well drilled at the authorized location would be an

edge well within the meaning of the statute, but we do not believe that the statute requires the Commission automatically to grant the exception. The statute provides:

"Subject to the provisions of this act, the order establishing drilling units shall direct that no more than one (1) well shall be drilled for production from the common source of supply on any unit, and that the well shall be drilled at a location authorized by the order, with such exception as may be reasonably necessary where it is shown, upon application, notice and hearing, and the Commission finds, that the drilling unit is located on the edge of a pool or field and adjacent to a producing unit, or, for some other reason, the requirement to drill the well at the authorized location on the unit would be inequitable or unreasonable." (Emphasis added.)

To construe this language as requiring the Commission to grant authority for the operator to move up structure in every case where the drilling unit is located on the edge of the pool would produce a result which appears to be out of harmony with the legislative intent. The statute states that an exception may be granted "where reasonably necessary." It also refers to situations where "the requirement to drill the well at the authorized location on the unit would be inequitable or unreasonable." It should be noted that the language does not talk about "edge wells", but rather refers to drilling units located on the edge of the pool. In 80-acre spacing with the authorized location being on diagonal 40's, half of the authorized locations on the edge units will be up structure at a point comparable to the location sought by this application. If the statute is construed in the manner argued for by applicant, even a well drilled in the upstructure location would automatically be granted an exception to move still farther toward the center of the field. Even though such a well would be on an edge unit, it would not be an edge well. To permit such a well to be moved up structure would be out of harmony with the legislative intent which seems to contemplate the granting of an exception only where reasonably necessary.

As is argued by the applicant, there often exists in the case of an edge well uncompensated drainage. The theoretic drainage pattern on 80-acre spacing is described by the witnesses as being a diamond, which will drain the entire 40 acres on which the well is location, and 10 acres in each of four triangles made by the points of the diamond. Where the well is drilled on the south half of the 80, one of the points of the diamond would extend into the north 40 and the other three points would extend into adjacent units. The witnesses have described these triangles as containing 10 acres each. Thus, where the well is drilled on the south half of the 80-acre unit, it would theoretically only drain a 10-acre triangle in the north half of the 80-acre unit.

The other 30 acres would be drained by three offset wells, but this drainage of this 30 acres would normally be compensated for by three 10-acre triangles surrounding the 40-acre tract on which the well is drilled. In the case of an edge unit, where the authorized location is on the 40 acres nearest to the edge, the operator would usually lose some part of the three ten-acre triangles. The upstructure half of his 80-acre unit would be partially drained by other wells and the theoretic drainage pattern of his own well would not compensate him therefor. So, on such a well, this is one reason why it might be reasonably necessary or equitable to permit the operator to move up structure some distance to protect his correlative rights.

This situation of uncompensated drainage would not exist if the well were drilled in the half of the 80-acre unit which is up structure from the edge. It would still be a well drilled in a unit on the edge of a pool, within the language of the statute, but normally an exception ought not to be granted to permit a move still further toward the center of the field, at least not on this ground of uncompensated drainage.

Further, it will be noted that the statute does not purport to specify the extent to which the move may be permitted by the Commission, nor to control with any definiteness the conditions which the Commission should impose. We thus are of the opinion that the Commission is not required as to every well drilled in a unit on the edge of a pool to grant an exception, but the applicant must show that it would be inequitable or unreasonable to require him to drill in the authorized location.

Applicant urges that even if the statute does not absolutely authorize an exception from the authorized pattern or location in the case of wells on edge units, still applicant should be permitted to drill at the requested location in this case, because it would be inequitable and unreasonable to require applicant to drill at the authorized location. Applicant bases this contention on five grounds:

1. That there is a partial water drive operating on the edge of the field which would cause the flooding of a well located at the authorized location at an early date, and prior to the time the producible oil in place has been produced.

2. That attempting to complete the well at the authorized location would present unreasonable hazards because of the nearness of the pay interval to the water-oil contact.

3. That the pay section is relatively thin at the authorized location and production of the oil through that pay interval would be relatively slow, and this, together with the possible early water encroachment of the authorized location would make the well uneconomic and unprofitable.

4. That unless applicant is permitted to move up structure, there will be uncompensated drainage from applicant's lease.

5. If applicant is permitted to move up structure, it will not drain any oil from the Texaco lease for which Texaco is not more than compensated.

All of these contentions are denied by the protestant.

We do not believe that the evidence warrants a finding that there is an effective water drive, nor that the well at the authorized location would likely be flooded before the producible oil could be produced. We do believe, however, that even though protestant has completed two wells in a location on the structure similar to that involved in the authorized location, there are hazards in completing a well in the relatively thin pay section which is close to the water-oil contact. We also believe that because of the relatively thin strata of the pay section, which probably would be encountered at the authorized location, the well could be marginal from an economic standpoint, in that it would not produce the producible oil at a reasonably efficient rate and within a reasonable time. It also appears that there would be uncompensated drainage from applicant's lease.

We do not believe that the statute contemplates the granting of an exception from the authorized location only where it is impossible to complete a well at the authorized location, or where the well clearly would not be economic. The language used is "inequitable or unreasonable." The statute specifically mentions wells on edge units and clearly indicates that this factor should be considered by the Commission in determining this issue. We believe that the probability of a relatively thin pay interval, the nearness of the water-oil contact, the effect this might have in regard to a successful completion, the possible retarded rate at which the well could be produced, and the factor of uncompensated drainage, collectively meet the statutory requirements and justify the granting of the exception.

Having thus determined that an exception to the spacing pattern should be granted, we must next determine whether or not any restriction on production is necessary to protect the adjacent units from improper drainage. It is

admitted by all concerned that applicant's correlative rights will be fully protected if applicant is given a reasonable opportunity to produce the oil underlying applicant's 80-acre unit, or its equivalent. Evidence was adduced to show that the 80-acre unit to the west is likewise leased to the applicant, and although a dry hole has resulted from a well drilled thereon, nevertheless, the position of said tract on the structure, as shown by contour maps, indicates that part of that tract contains producible oil. The offset well to the north of this 80-acre tract is leased to the Shell Oil Company. Shell appeared through counsel at this hearing and indicated that it did not believe that a well located at the location requested by the applicant here would cause drainage from Shell's land to the north, and it, therefore, made no protest.

The protestant, Texaco, Inc., is the operator of the 80-acre unit directly to the east, and also of the diagonal 80-acre units to the northeast and to the southeast, and it contends that since applicant will be moving up structure into a thicker pay interval, and with a theoretic drainage pattern reaching out into better and different pay sections from the theoretic pattern of drainage at the authorized location, applicant will produce oil which under normal spacing would be produced by Texaco, Inc. Protestant also asserts that applicant will produce more than its correlative share of the oil unless some restriction is placed on production from the well at the proposed location.

It is conceded by both parties that the theoretic drainage pattern of a well at the proposed location will drain lands, which under normal spacing would be drained by the offset well of Texaco, Inc. It is also conceded by both parties that the Texaco loss will be compensated for to some extent by its gain of a portion of the reserves of the southeast corner of the Petro-Atlas tract. Texaco contends there would not be full compensation, due to the quality of the pay. It is further conceded that most of the land in the north 40 which will thus be theoretically drained by the proposed change is within the vertical extension of applicant's lease boundaries on this 80-acre unit. Texaco claims the right to drain this land because on the 80-acre spacing pattern throughout the field, the theoretic pattern of drainage in all instances embraces some land outside the particular 80-acre unit, but this is compensated for by the fact that a well on one end of the 80-acre unit will theoretically not drain approximately 30 acres on the opposite end of the 80. Thus, to hold Texaco, Inc. to the 80-acre spacing pattern elsewhere while taking from it the 10-acre triangle which would normally be within the theoretic drainage pattern of its offset well drilled at an authorized location, can have the

effect of distorting the correlative rights of Texaco, Inc., even though the oil in question underlies the 80-acre lease unit of the applicant, and even though Texaco would be at least partially compensated for its loss.

On the other hand, because the unit is on the edge, there is, as noted above, uncompensated drainage from a theoretic drainage pattern of a well located on the 80-acre unit in question at the authorized location. Applicant urges that it is entitled, as a matter of fundamental constitutional law, to a reasonable opportunity to produce the oil underlying its 80-acre unit, or its equivalent, and we agree. It is not, however, entitled to produce any more than this.

Because its unit is an edge unit, the average gross pay and the average net pay contained therein is far below the field average. If a well drilled on the 80-acre unit was capable of producing as much oil as the average well in the field, and the Commission gave it an allowable which permitted it to do so, there would necessarily be drainage of oil from adjacent lands. This is so, because the applicant's edge unit simply does not contain as much producible oil as is contained on an average 80-acre unit in the field. The Commission should not through regulation set up a situation under which an operator can produce more oil than the producible oil contained within his unit. In a report prepared for the Commission by Core Laboratories, Inc., the average gross acre feet of pay in the field is estimated to be 9792 acre feet for each 80-acre unit.* The gross pay under the 80-acre unit in question is estimated to be only 2403 acre feet, according to Petro-Atlas Exhibit 17. Even if we add thereto that part of the gross acre feet of pay in applicant's adjacent 80-acre unit to the west, which theoretically could be produced by this well, the gross pay falls far below the field average. This indicates that the oil simply isn't under the applicant's unit in quantities equal to the field average. If it is permitted to locate a well on the structure which is capable of producing as much oil as an average well for a substantial period of time and applicant were given a full allowable, there almost certainly would be drainage from adjacent lands.

It would, however, appear from the evidence that in all probability the well will not be capable of producing a maximum allowable, even if the Commission were to place no restriction on the well. For example, the Commission's files

*While this exact figure is not in evidence, there is evidence from which the Commission can determine that this unit is on the edge with a thin pay section and with gross pay below the field average.

show that applicant's Navajo A-1 well in the northwest quarter of Section 24 was completed in August of 1958. Because the authorized location for the 80-acre unit on which that well was located falls on the north end of the 80, it occupies a structural position comparable to that sought by applicant here. Because the well was drilled at an authorized location, it, of course, had a full allowable, even though the contour lines indicate that part of the 80-acre tract on which the well is located are not productive. Initially the well produced 225 barrels of oil per day, but it has fallen off in production. It has a gas/oil ratio of approximately 1300 and is producing only 70 barrels of oil per day after having had a cumulative production of only 20,000 barrels. Thus, even with a full allowable, the Navajo A-1 well is not going to have a cumulative production anywhere near equal to the field average. The witnesses have indicated that in the well proposed in this case the gas/oil ratio should rise rather rapidly. With the field being controlled by a gas allowable, the production of oil from this well will fall as the gas/oil ratio rises, and the well probably will not be capable of producing a maximum allowable for any substantial period of time even if it were not restricted.

Exhibit 17 indicates that the volume of the gross pay contained within the applicant's 80-acre tract is only 82 per cent as large as the pay within the theoretic drainage pattern of the proposed well. The evidence also shows that the net pay on applicant's 80-acre tract is only 83 per cent as large as the pay within its theoretic drainage pattern. The fact that part of the drainage pattern falls into the 80-acre unit to the west which is also owned by applicant probably should be given some consideration here, for it is basically the drainage from other operators' lands with which we are concerned. If the gross pay which could theoretically be drained by this well from this adjacent unit is added, the evidence would indicate that about 90 per cent of the gross pay within the theoretic drainage pattern of the proposed well will fall within applicant's own land. The other approximately 10 per cent falls beyond it. This, coupled with the fact that the gross pay underlying the entire 80-acre tract is far below the field average convinces us that the well should not be permitted to operate under a full allowable and without restriction, unless initial results show it to be a low producer.

The amount of the restriction, however, should depend upon the confirmation through the drilling of the well of the acre feet of gross pay underlying

applicant's unit. It should also depend upon the actual production history of the well. Applicant should not be permitted ultimately to produce more oil than the estimated producible oil in place under its own 80-acre tract. Because the gas/oil ratio probably will rise rapidly and the well probably will not be capable of making a maximum allowable for any substantial period of time, the Commission is of the opinion that it should allow this proposed well 90 per cent of a full allowable, i. e. 90 per cent of the allowable or capacity of the well, whichever is the smaller. This figure is arrived at in light of several considerations. First, the theoretic drainage pattern of the well insofar as gross acre feet of pay is concerned falls approximately 90 per cent within applicant's own leasehold, even though only 82 per cent is within this unit. Second, Texaco and Shell, into whose land this drainage pattern goes, will not be fully compensated. Texaco gains some compensating acreage, but it is of poorer quality. There is no compensation for Shell. Shell has, perhaps, through its earlier well, drained some Petro-Atlas oil, but we cannot give consideration for this. Third, the gross acre feet of pay under applicant's unit is considerably below the field average. Fourth, unless the allowable is fixed fairly high at the beginning, the rapidly increasing gas/oil ratio could deprive applicant of its opportunity to obtain the producible oil underlying its leasehold unit or its equivalent.

The Commission should, however, retain jurisdiction so that upon its own motion or upon application from any interested party, the Commission can raise or lower the allowable, with the end objective in mind of permitting the applicant to produce a quantity of oil equal to the quantity of producible oil which underlies its own 80-acre tract. While this cannot be computed with mathematical exactness, it can for administrative purposes be estimated by computing the gross and/or net acre feet of pay underlying applicant's unit, and if because of a restriction on the allowable, it appears that applicant will be deprived of an opportunity to produce this quantity of oil, the allowable should be increased, even if this should require awarding to the well a full allowable. If the initial allowable proves to be too high, this can always be corrected by restriction later on. If, however, the initial allowable is fixed too low, and the production capacity of the well drops off sharply, there is no way the Commission can correct it, for at this stage it will do no good to increase the allowable.

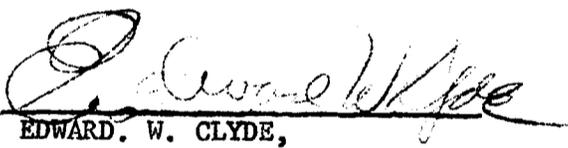
The exception is, therefore, granted. The well is initially granted 90 per cent of a full allowable. Upon completion of the well, the gross acre feet of pay underlying the 80-acre unit should be computed and reported to the Commission by both parties, and the amount of producible oil under this 80-acre unit should be estimated. The Commission should retain jurisdiction thereafter to increase or decrease the allowable so as to permit applicant an opportunity to produce a quantity of oil equal to the producible oil underlying its 80-acre unit, but to so restrict production that applicant will not be permitted to produce more oil than this. With the expected rapid increase in gas/oil ratio, it is not contemplated that it would be proper to ever restrict this well to less than 75 per cent.

In the absence of strong evidence to show that applicant will produce more than its share of the oil, the Commission would not be inclined, under the circumstances of this case, to cut the allowable below 75 per cent of the allowable or capacity whichever is the lesser, and we consider this to be a floor. Findings and an order in accordance with this Memorandum Decision should be prepared and served by applicant and will be entered by the Commission.

DATED this 4 day of Dec, 1959.

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

By


EDWARD. W. CLYDE,
Commissioner Presiding

MEMO TO THE COMMISSION

By H. G. Henderson
Petroleum Engineer

Cause No. 19
Net Pay and Allowables

In connection with Mr. Clyde's suggestion about the possibility of using an average net pay to weight allowables for wells drilled off the established spacing pattern as in Cause No 19, some computations have been made

After the Petro-Atlas and Texaco D-28 wells have been drilled, all of the figures in this memorandum may be changed slightly. Based on present information, however:

1. There are 1930 acre feet of net pay on the Petro-Atlas "B" lease, which includes all of the acreage in the NE $\frac{1}{4}$ of Section 24. Of course, this includes net pay under their temporarily abandoned hole, Federal No. 1 (NWNE Sec. 24). This acreage was included on the assumption that Federal No. 1 would never be completed as a producing well. In that case, it is assumed that Petro-Atlas would be entitled to drain those reserves with their new well.
2. Using Texaco Exhibit No. 7, (a net-pay isopach map of the immediate area) the net pay of five adjoining 80-acre tracts have been calculated. The average net pay per 80-acre location is 2783 acre-feet. The Petro-Atlas "B" lease total contains 1930 acre-feet, or 69.5% of the average.
3. Using Petro-Atlas Exhibit No. 5, (a contour map above the assumed water-oil contact at 950 subsea) the gross pay in the immediate area was calculated in the same manner. The average gross pay in the area is 5572 acre-feet per 80-acre location. The Petro-Atlas "B" lease total is 3080 acre-feet, or 55.5% of the average. This percentage is less than before because Texaco used (-960) for a water-oil contact, whereas Petro-Atlas used (-950). The Petro-Atlas map does not have a (-960) contour. If it did, the gross-pay percentage would be about the same as the net-pay percentage figured from Texaco's map.
4. Using the Core Lab Report, the average net pay in the Greater Aneth Area is 2610 acre-feet per 80-acre location. The net pay of the Petro-Atlas lease is 1930 acre-feet, or 74.0% of this average.

Drainage patterns for solution-gas drive have been sketched for the area with Petro-Atlas' well in both the normal and the applied*for location. (Ref. Figure 1 and 2). These sketches show, surprisingly enough, that Shell will lose more acreage than anyone else if the location is moved north. Of course, the acreage they will lose is mostly on the Petro-Atlas lease. Furthermore, they gained most of it by virtue of Petro-Atlas' dry hole to the west. They will suffer a loss of about 2.7 acres inside their lease line; however, referring to figure 3, Texaco will gain 32.2 acres at the south end (area colored purple) and will lose 15.3 acres at the north end (area colored brown). As a matter of fact they will gain in acre feet, too, since the purple area contains 487 acre-feet, while the brown area has only 422 acre-feet.

The difference is that the brown acreage is proven acreage, while the purple area is "high risk" or semi-proven acreage. Please note that only about 13 acres of the purple area is on the Petro-Atlas lease.

It is possible that (if Petro-Atlas is allowed to move north) Texaco might gain reserves. They could also lose reserves. For instance, if the proposed Texaco Navajo D-28 (NW SW Sec. 19) should be a dry hole, Texaco would lose 15.3 acres and not gain anything in return.

Looking at the thing from Petro-Atlas' point of view:

1. They may lose some net pay by moving north if their map is correct (they may lose 487 acre-feet and gain 422 acre-feet).
2. However, they know the north end will make a well good enough to repay their \$120,000 investment. They think the south end will make a well, but it might not.
3. If Texaco's D-28 is dry, they can drain 160 acres with a well in the north end, including all of their own lease plus a thin slice inside Shell and Texaco's lease line.
4. If they are not allowed to go north, Shell will drain them heavily on the north.
5. They said they would not take a chance on drilling the south end. If they mean this, they will really get drained on both the north and east.

It seems that, to protect Petro-Atlas from Shell and Texaco, the Commission must approve drilling on the north end.

If one should decide that the legal premise spoken of by Mr. Varity that "everything on a man's property is his from the center of the earth to the sky above" should be more important than the "physical" drainage pattern set up by the Commission, then the reserves in the brown area inside P-A's lease are indeed Petro-Atlas property, even though they were proved up by Texaco and would normally be produced by Texaco.

After allowing Petro-Atlas to move north and assuming Mr. Varity is correct, we must then protect Shell and Texaco from Petro-Atlas. In that event Petro-Atlas will be draining:

- (a) 2.7 acres inside Shell's line
- (b) 5.3 acres of brown area inside Texaco's line
- (c) 1.5 acres of white area inside Texaco's line

They may lose 13 acres on their own lease if Texaco D-28 is productive.

The acre feet of net pay can be used to weight the allowable in several ways:

- (1) Calculate allowable using GOR rule, then multiply the result by the ratio:
$$\frac{\text{net pay on lease}}{\text{net pay field wide average}}$$

(2) Calculate allowable using GOR rule, then multiply the result by the ratio: $\frac{\text{net pay on lease}}{\text{average net pay on adjoining leases}}$

(3) (a) Establish physical drainage pattern of well and find net pay under that area.

(b) Calculate allowable using GOR rule.

(c) Multiply result by ratio:

$$\frac{\text{net pay on lease}}{\text{net pay in drainage area.}}$$

This last method seems best, because it cuts the well back in the exact ratio of its production advantage.

The effect of this last method would be as follows:

(a) Net pay under physical drainage area is 2043 acre-feet

(b) Assume well has a 500 GOR

$$\text{Allowable} = \frac{175 \text{ MCF}}{500} = 350 \text{ BOPD}$$

(c) Allowable x $\frac{\text{net pay on lease}}{\text{net pay in drainage area}}$

$$= (350) \frac{(1930)}{(2043)}$$

$$= (350) (.935) = \underline{\underline{327 \text{ BOPD}}}$$

RECOMMENDATIONS

1. Allow Petro-Atlas to drill at the applied for location.
2. Adjust their allowable by the ratio of $\frac{\text{net pay on the lease}}{\text{net pay in drainage area.}}$
3. Adjust the allowable of Davis A-6 and future cases in the same manner.

Acre-feet of Net Pay (from TTCO Ex No. 7)

Petro-Atlas Federal "B" (E NE Sec.24)	-	1260	Acre Feet
Petro Atlas Federal No.1 (W NE Sec.24)	-	<u>670</u>	" "
		1930	" "
Shell Burton (33-13) (W SE Sec.13)	-	3420	" "
Shell Burton (44-13) (E SE Sec.13)	-	4020	" "
TTCO Nav. Federal Un.4 No.1(W SW Sec18)	-	4410	" "
TTCO Nav. Federal "B" No.1(W NW Sec.19)	-	2090	" "
TTCO Navajo "D" No.28 (W SW Sec. 19)	-	<u>830</u>	" "
		Total 16,700	" "

Average net pay per location = $\frac{16,700}{6}$ = 2783 acre feet

Ratio $\frac{\text{Petro-Atlas net pay}}{\text{Average net pay}} = \frac{1930}{2783} = 0.695$ or 69.5%

Acre-feet of Gross Pay (from Petro-Atlas Map)

Petro Atlas "B" Lease - E NE Sec.24	-	2580
Petro-Atlas "B" Lease - W NE Sec.24	-	<u>500</u>
		"B" Lease Total 3080
Shell Burton (33-13)-W SE Sec.13	-	4640
Shell Burton (44-13)-E SE Sec.13	-	6360
Texaco Nav. Federal Un.4 No.1-W SE Sec.18	-	8450
Texaco Navajo Federal B-1-W NW Sec.19	-	<u>5330</u>
		Total-27,860

Average per well = $\frac{27,860}{5}$ = 5572 acre feet

Ratio of Petro-Atlas Gross Pay to Average in Vicinity

$\frac{\text{Petro-Atlas}}{\text{Average}} = \frac{3080}{5572} = \underline{55.5\%}$

Average Net Pay per 80-acre Location in the Greater Aneth Area (from Core Lab Study)

Total acre-feet net pay = 1,799,430

Total productive acres = 55,195

$\frac{1,799,430 \times 80}{55,195} = \underline{2610}$ acre-feet net pay per well

Ratio Petro-Atlas net pay = $\frac{1930}{2610} = .74$ or 74.0%
Average net pay at Aneth

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF	:	
PETRO-ATLAS, INC. FOR AN ORDER GRANTING	:	
IT PERMISSION TO DRILL A WELL 520 FEET	:	CAUSE NO. 19
FROM THE NORTH LINE AND 660 FEET FROM	:	
THE EAST LINE OF SECTION 24, TOWNSHIP 40	:	<u>ORDER OF THE COMMISSION</u>
SOUTH, RANGE 23 EAST, SLBM, SAN JUAN	:	
COUNTY, UTAH	:	

ORDER OF THE COMMISSION

This cause having been filed before the Commission by the application, as amended, of Petro-Atlas, Inc., for an order granting it an exception to the spacing pattern established for the Aneth Pool and permission to drill an off-pattern well 520 feet from the north line and 660 feet from the east line of Section 24, Township 40 South, Range 23 East, SLBM, San Juan County, Utah, the granting of such application having been protested by Texaco, Inc., and hearing having been had upon the application on the 2nd day of June, 1959 and further hearing having been had on the application, as amended, on the 5th day of August, 1959, and the Commission, a quorum being present, having considered the application as amended, the evidence presented by the parties, the argument of counsel, and being fully advised in the premises, finds as follows:

1. That due notice has been given to all interested parties as required by the Rules of this Commission and the controlling statutes, and that the Commission has jurisdiction over the subject matter and the parties.

2. That in the area covered by this application the established pattern is for drilling two (2) wells to each quarter-section - - one (1) well to be drilled in the approximate center of the Northwest 40 acres and the other to be drilled in the approximate Center of the Southeast 40 acres; and that previous order of this Commission has established temporary drilling and spacing units so that the 80 acres here involved, to-wit:

TOWNSHIP 40 SOUTH, RANGE 23 EAST, SLBM

Section 24: E $\frac{1}{2}$ NE $\frac{1}{4}$

form one (1) drilling and spacing unit with the pattern location therefor being in the approximate center of the South 40 acres.

3. That the above described unit is located on the edge of the Aneth Pool and the pay section is thin at the established location for the above described 80-acre unit; and that the productive formation becomes progressively thicker and more productive from the South end to the North end of the unit.

4. That because of the relatively thin strata of pay section which would probably be encountered at the established location for the unit and the nearness of the water-oil contact, there are hazards in completing a well at such location and the well could be marginal from an economic standpoint in that it would not produce the producible oil attributed to the unit at a reasonably efficient rate and in a reasonable length of time. That if applicant were to drill at the pattern location there would be uncompensated drainage from applicant's lease.

5. That it would be inequitable and unreasonable to require applicant to drill a well at the pattern location.

6. That it appears proper to grant applicant an exception to the established spacing pattern and permission to drill a well at the requested location, in order to protect its correlative rights.

7. That Shell Oil Company owns the lease covering and is the operator of off-setting acreage to the North of the unit in question, and that it appeared through its counsel and represented that it did not object to granting the applicant permission to drill the requested well. That Texaco, Inc., is the operator of the 80-acre unit directly to the East of the 80-acres in question and also the diagonal 80-acre unit to the Northeast and to the Southeast, and that it protested the granting of the application.

8. That the applicant owns, in addition to the unit in question, the 80-acre unit to the West thereof. That a dry hole has been drilled thereon but that the North portion of such 80-acre unit is underlain by oil and will be drained in part by a well drilled by applicant at the requested location.

9. That the gross pay section underlying the 80 acres here in question is less than the average gross pay underlying an average 80-acre unit and that it appears that the volume of the gross pay contained within the unit here in question is only eighty-two per cent (82%) as large as the pay within the theoretic drainage pattern of the proposed well. That the net pay in the 80 acres here in question is only eighty-three per cent (83%) as large

as the pay within its theoretic drainage pattern; that the gas-oil ratio in a well drilled at the requested location will probably increase rapidly and the well probably will not be capable of making a maximum allowable for any substantial period of time; and that therefore the applicant should be allowed to produce the proposed well until further order of this commission at ninety per cent (90%) of full allowable or ninety per cent (90%) of capacity of the well, whichever is smaller.

10. That applicant should not be permitted ultimately to produce more than a quantity of oil equivalent to the estimated producible oil in place under its own tract and that the amount of gross and net pay, and, therefore, the amount of producible oil in place underlying applicant's 80-acres in question can be more definitely established after a well is drilled at the requested location; that, therefore, after the proposed well is drilled the applicant and protestant should compute and report to the Commission the gross acre feet of pay underlying the 80-acre unit in question and their respective estimates of the amount of producible oil thereunder, and the factors upon which such an estimate is based.

11. That the Commission should retain jurisdiction of this cause so that upon its own motion, or upon application of any interested party, after notice, it can increase or decrease the allowable with the end objective of permitting the applicant an opportunity to produce a quantity of oil equal to the quantity of producible oil which underlies its own 80-acre tract. That the Commission does not contemplate that it would ever be proper to restrict this well to less than seventy-five per cent (75%) of the allowable otherwise applicable thereto.

IT IS, THEREFORE ORDERED BY THE COMMISSION:

1. That applicant be allowed an exception to the established spacing pattern for the Aneth Pool and applicant is granted authority to drill a well for the above described 80-acre unit located as follows:

520 feet from the North line and 660 feet from
the East line of Section 24, Township 40 South,
Range 23 East, SLBM, San Juan County, Utah.

2. That such well be granted an allowable, until the further order of this Commission, of ninety per cent (90%) of the regular allowable otherwise applicable to such well, or its capacity, whichever is smaller.

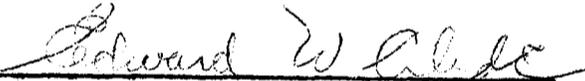
3. That after the proposed well has been drilled, applicant, Petro-Atlas, Inc., and protestant, Texaco, Inc., file a report with this Commission calculating the gross acre feet of pay and estimating the amount of producible oil underlying the unit here in question and the factors upon which such an estimate is based.

4. That the Commission retain jurisdiction of this cause so as to increase or decrease the allowable with the end objective of permitting the applicant an opportunity to produce a quantity of oil equal to the quantity of producible oil which underlies its own 80-acre tract.

5. That the Secretary of the Commission shall serve a copy of this order by mail on all parties who have entered an appearance herein.

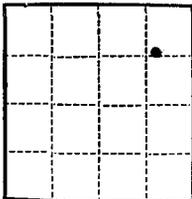
DATED THIS 15 day of December, 1959.

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION


E. W. CLYDE, Commissioner Presiding

APPROVED:

C. R. HENDERSON, Chairman
C. S. THOMSON, Commissioner
M. V. HATCH, Commissioner



(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office _____
Lease No. SL 0710106
Unit Federal B

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	<input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....		SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....		SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....		SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

..... May 13, 19 59

Well No. B-1 is located 520 ft. from $\begin{Bmatrix} N \\ S \end{Bmatrix}$ line and 580 ft. from $\begin{Bmatrix} E \\ W \end{Bmatrix}$ line of sec. 24
N 1/4 Sec. 24 408 27E S11
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Albany San Juan Utah
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 4,774.0. Ungraded

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Objective: Horizon - Paradox, expected at about 5,700'.

Surface String: 8 5/8", 2 1/2", J-55 at about 600'. Circulate cement to surface.

Oil String: 5 1/2", 15-50, J-55 at 5680'.

Mud Program: Wt. 9.3, Vis. 40-50, Fil. 8, Begin at 600'.

Cementing Intervals: 0 to 600', estimated 4,000' to T.D.

Coring Program: None anticipated.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Petro-Atlas, Inc.

Address 729 1/2 East Main

Farmington, New Mexico

By L. J. ...

Title Superintendent

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SF-1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

DUPLICATE OF TELEPHONED TELEGRAM

1959 MAY 25 PM 5 24

LA507

L JUM057 (D FWC230) DL PD FAX FORT WORTH TEX 25 402PMC

UTAH OIL AND GAS CONSERVATION COMMISSION

STATE CAPITOL BLDG SALT LAKE CITY UTAH (RTE FONES)

ATTN MR CLEON B FEIGHT: RE: PETRO- ATLAS APPLICATION FOR UNORTHODOX

LOCATION NE/4 NE/4 SECITON 24 T-40- S R -23-E SAN JUAN COUNTY

UTAH. TEXACO AGREEABLE TO WAIVING REQUIRED 10-DAY WAITING PERIOD

FOR HEARING PROVIDING IT SET NO EARLIER THAN WEEK OF JUNE 1

TEXACO INC O F SEBESTA

NE/3 NE /4 T-50-S R-23-E 10 1 PER CY

(27).

DA 2472 / CO 5/26

<i>825</i>	To	<i>Med</i>

F

Anderson

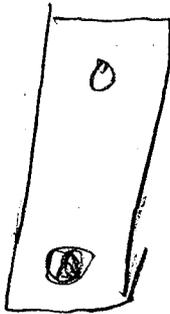
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May 23, 1959

MEMORANDUM TO THE COMMISSION ON THE APPLICATION OF PETRO-ATLAS TO DRILL
A WELL IN THE NE $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 24, TOWNSHIP 40 SOUTH, RANGE 23 EAST.

FINDINGS OF FACT:

1. That Petro-Atlas has a full 80-acre tract and is entitled to drill one well thereon.
2. That the proposed location (NE NE 24-40S-23E) is in conflict with the established 80-acre spacing pattern in this vicinity. That the proper location would be in the SE NE of Section 24.
3. Assuming a normal drainage pattern, the proposed well would produce oil and gas from the adjoining Shell and Texaco leases, thus involving the correlative rights of those parties.
4. That the 80-acre tract involved is on the fringe of proven productive acreage, in that drilling at the proper location may result in a dry hole or a marginal producer.
5. However, there is not positive evidence that such would be the case since no dry holes have been drilled in that direction.
6. That Petro-Atlas desires to move north is an indication that this company does not believe it has a full 80 acres of productive acreage and that they wish to obtain a full 80-acre allowable for a well ^{with} limited drainage area.
7. That if Petro-Atlas were to drill at the proper location and obtain a dry hole, they would then have semi-proven acreage to the north of the dry hole which they could not produce and then would be subject to drainage from Shell and Texaco.
8. If such should occur they would then apparently have the right to drill a 40-acre location (if they so desired) with a reduced allowable.
9. That the proposed location must be considered a 40-acre location and as such is in violation with the temporary spacing order.
10. That exceptions to the Commission's orders should not be granted lightly and certainly not without a hearing.
11. Since Petro-Atlas has the right to request a hearing ^(then) ~~(that)~~ their correlative rights would not be damaged by a refusal to ~~(grant the application)~~ ~~(drill the location)~~.
*approve the application
to drill at this time.*

T E L E G R A M

**REC'D 11:50 a.m.
Monday, May 25, 1959**

**From: R. R. Robison
Shell Oil Company
Farmington, New Mexico**

Message:

**Re: Petro-Atlas application to drill Well in NE NE Section 24,
20S-23E, Shell Oil Company waives notice of hearing and consents
to entry of order granting permission to drill said well without
hearing.**

Signed: R. R. Robison

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

.....

IN THE MATTER OF THE PETITION OF	:	
PETRO-ATLAS, INC. FOR AN ORDER	:	
GRANTING AN EXCEPTION TO THE	:	NOTICE OF HEARING
TEMPORARILY ESTABLISHED WELL SPACING	:	
PATTERN IN THE GREATER ANETH AREA,	:	Cause No. 19
SAN JUAN COUNTY, UTAH	:	
	:	

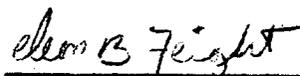
.....

Notice is hereby given that the Commission will convene on Tuesday, June 2, 1959 at 10:00 a.m. in Room 310 Newhouse Building, 10 Exchange Place, Salt Lake City, Utah, for the purpose of hearing the above mentioned cause.

Any and all persons having and claiming to have an interest therein should appear before the Commission on the above date, then and there, to present to the Commission their interest and the extent thereof.

Dated this 26th day of May, 1959.

UTAH OIL & GAS CONSERVATION COMMISSION



CLEON B. FEIGHT
EXECUTIVE SECRETARY

Note: Petro-Atlas desires to drill a well in the C NE NE of Section 24, Township 40 South, Range 23 East, SLBM, San Juan County, Utah.

TELEGRAM

From: Fort Worth, Texas

Attention: Mr. Cleon B. Feight

Re: Petro-Atlas Application for
Unorthodox Location NE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 24, Township 40 South,
Range 23 East, San Juan County

Texaco agrees to waive required 10-day waiting period for
hearing providing it is set no earlier than week of June 1.

Signed:

Texaco, Inc.
O. F. SEBESTA

Rec'd by phone
8:30 a.m. - Tuesday
May 26, 1959...co

NOTE:

December 16, 1959

**Petro-Atlas, Inc.
729 East Main Street
Farmington, New Mexico**

**Attention: Mr. Lonnie Kramer,
Superintendent**

Gentlemen:

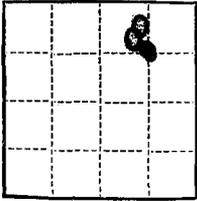
This letter is to advise you that approval is hereby granted to drill Well No. Federal B-1, which is to be located 520 feet from the north line and 660 feet from the east line of Section 24, Township 40 South, Range 23 East, S1E4, San Juan County, Utah, as set forth in the attached order issued in Cause No. 19 on December 15, 1959.

Yours very truly,

UTAH OIL & GAS CONSERVATION COMMISSION

**CLEON B. FREIGHT
EXECUTIVE SECRETARY**

**CBF:co
Enclosures - Order & Decision
cc: P. T. McGrath, Dist. Eng.
U. S. Geological Survey
Farmington, New Mexico**



(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Land Office _____
Lease No. **SL 0790106**
Unit **Federal B**

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	<input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....		SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....		SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....		SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

December 31, 1959

Well No. **B-1** is located **520'** ft. from **[N]** line and **660'** ft. from **[E]** line of sec. _____

NE 1/4 Sec. 24 (1/4 Sec. and Sec. No.) **40 S** (Twp.) **23 E** (Range) **SLM** (Meridian)
Aneth (Field) **San Juan** (County or Subdivision) **Utah** (State or Territory)

The elevation of the derrick floor above sea level is **4733.1** ft. **Ungraded**

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

Objective Horizon: **Paradox, @ About 5720'**
Surface String : **8 5/8" 24#, J-55, @ 600', Circulate cement to surface**
Oil String : **5 1/2", 15.50#, J-55, at 5680'**
Mud Program : **Wt. 9.8#, Vis. 40-50 cc, fill 8, Begin at 600'**
Cementing Intervals: **0 to 600', Estimated 4000' to T.D.**
Coring Program : **None anticipated**

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company **Petro Atlas Inc**

Address **P.O. Box 1956**

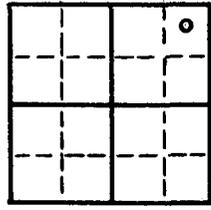
Farmington, New Mexico

By **Loonie Kramer**

Title **Superintendent**

(SUBMIT IN DUPLICATE)

LAND: *RLS*



STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION
STATE CAPITOL BUILDING
SALT LAKE CITY 14, UTAH

Fee and Patented.....
State.....
Lease No.
Public Domain.....
Lease No. **SL-071010-C**
Indian.....
Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....		Subsequent Report of Water Shut-off.....	
Notice of Intention to Change Plans.....		Subsequent Report of Altering Casing.....	
Notice of Intention to Redrill or Repair.....		Subsequent Report of Redrilling or Repair.....	
Notice of Intention to Pull or Alter Casing.....		Supplementary Well History.....	X
Notice of Intention to Abandon Well.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

FEDERAL "B" MARCH 30, 19 60

Well No. **1** is located **520** ft. from **{N}** line and **660** ft. from **{E}** line of Sec. **24**

NE **24** **40S** **23E** **SLM**

($\frac{1}{4}$ Sec. and Sec. No.) (Twp.) (Range) (Meridian)

ANETH **SAN JUAN** **UTAH**

(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is **4741** feet. (KB)
Bureau of Land Management
A drilling and plugging bond has been filed with **Salt Lake City, Utah**

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

- 3-27-60 Spudded.
- 3-30-60 Set 8-5/8" 24# J-55 casing @ 749' w/400 sacks containing 2% Gel. Cement circulated to surface.

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

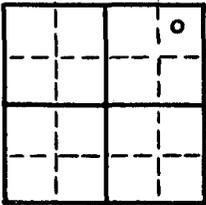
Company **PETRO-ATLAS, INC.**

Address **2000 NAT'L BANK TULSA BLDG.** By *N. B. Gove* **N. B. GOVE**

TULSA 3, OKLAHOMA Title **ENGINEER**

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

PPS



STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

STATE CAPITOL BUILDING
SALT LAKE CITY 14, UTAH

Fee and Patented.....
State
Lease No.
Public Domain
Lease No. **SL-071010-C**
Indian
Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....		Subsequent Report of Water Shut-off.....	
Notice of Intention to Change Plans.....		Subsequent Report of Altering Casing.....	
Notice of Intention to Redrill or Repair.....		Subsequent Report of Redrilling or Repair.....	
Notice of Intention to Pull or Alter Casing.....		Supplementary Well History.....	X
Notice of Intention to Abandon Well.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

APRIL 20, 19 60

Well No. **FEDERAL "B"** is located **520** ft. from **{N}** line and **660** ft. from **{E}** line of Sec. **24**

NE **24** **40S** **23E** **SLM**

(¼ Sec. and Sec. No.) (Twp.) (Range) (Meridian)

ANETH **SAN JUAN** **UTAH**

(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is **4741** feet. (KB)
Bureau of Land Management
A drilling and plugging bond has been filed with **Salt Lake City, Utah**

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

4-19-60 Acidized open hole interval 5650-5675' w/4000 gallons Dowell XFW acid.

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company **PETRO-ATLAS, INC.**

Address **2000 NAT'L BANK TULSA BLDG.** By **N. B. Gove**

TULSA 3, OKLAHOMA Title **ENGINEER** **N. B. GOVE**

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

SN

RP

		0

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

STATE CAPITOL BUILDING
SALT LAKE CITY 14, UTAH

Fee and Patented.....
 State.....
 Lease No.
 Public Domain.....
 Lease No. **SL-071010-C**
 Indian.....
 Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

Notice of Intention to Drill.....		Subsequent Report of Water Shut-off.....	
Notice of Intention to Change Plans.....		Subsequent Report of Altering Casing.....	
Notice of Intention to Redrill or Repair.....		Subsequent Report of Redrilling or Repair.....	
Notice of Intention to Pull or Alter Casing.....		Supplementary Well History.....	X
Notice of Intention to Abandon Well.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

APRIL 20, 19 60

FEDERAL "B"

Well No. 1 is located 520 ft. from ~~33~~^N line and 660 ft. from ~~33~~^E line of Sec. 24

NE 24 40S 23E SLM
 (¼ Sec. and Sec. No.) (Twp.) (Range) (Meridian)
ANETH SAN JUAN UTAH
 (Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 4741 feet. (KB)
 Bureau of Land Management

A drilling and plugging bond has been filed with Salt Lake City, Utah

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important work, surface formation, and date anticipate spudding-in.)

4-17-60 TD 5675'. Set 5-1/2" 15.5# J-55 casing @ 5650' w/225 sacks cement containing 2% Gel.

I understand that this plan of work must receive approval in writing by the Commission before operations may be commenced.

Company PETRO-ATLAS, INC.
 Address 2000 NAT'L BANK TULSA BLDG. By N. B. GOVE
TULSA 3, OKLAHOMA Title ENGINEER

INSTRUCTIONS: A plat or map must be attached to this form showing the location of all leases, property lines, drilling and producing wells, within an area of sufficient size so that the Commission may determine whether the location of the well conforms to applicable rules, regulations and orders.

Petro-Atlas, Inc.

A SUBSIDIARY OF ATLAS CORPORATION

2000 NATIONAL BANK OF TULSA BUILDING

TULSA 3, OKLAHOMA

June 24, 1960

Utah Oil & Gas Conservation Commission
310 Newhouse Building
Salt Lake City, Utah

Gentlemen:

This date we endeavored to file "Log Of Oil Or Gas Well" (your Form OGCC-3) on our Federal B-1 well, located in Section 24-40S-23E, San Juan County, Utah, however, we found that we did not have any of the proper forms.

Therefore, at your earliest convenience will you please forward an adequate supply of your Form OGCC-3 to this office, in order that we might file this form with your office.

Your helpfulness and cooperation in the above matter will be greatly appreciated.

Very truly yours,



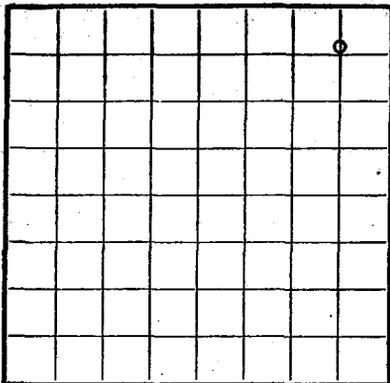
N. B. GOVE

NBG:jp

sent
JUN 25 1960
OO

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

Salt Lake City, Utah



LOCATE WELL CORRECTLY

To be kept Confidential until _____
(Not to exceed 4 months after filing date)

LOG OF OIL OR GAS WELL

2000 NATIONAL BANK OF TULSA BLDG.
TULSA 3, OKLAHOMA

Operating Company PETRO-ATLAS, INC. Address _____
Lease or Tract: FEDERAL "B" Field ANETH State UTAH
Well No. 1 Sec. 24 T. 40S R. 23E Meridian SLM County SAN JUAN
Location 520 ft. N. of N Line and 660 ft. E of E Line of Section 24 Elevation 4741' KB
(Derrick floor relative to sea level)

The information given herewith is a complete and correct record of the well and all work done thereon so far as can be determined from all available records.

Date JULY 6, 1960 Signed N. B. GOVE Title ENGINEER

The summary on this page is for the condition of the well at above date.

Commenced drilling MARCH 27, 1960 Finished drilling APRIL 17, 1960

OIL OR GAS SANDS OR ZONES

(Denote gas by G)

No. 1, from 5650 to 5681 No. 4, from _____ to _____
No. 2, from _____ to _____ No. 5, from _____ to _____
No. 3, from _____ to _____ No. 6, from _____ to _____

IMPORTANT WATER SANDS

No. 1, from _____ to _____ No. 3, from _____ to _____
No. 2, from _____ to _____ No. 4, from _____ to _____

CASING RECORD

Size casing	Weight per foot	Threads per inch	Make	Amount	Kind of shoe	Cut and pulled from	Perforated		Purpose
							From-	To-	
8-5/8"	24#	8 Rd.	Smless	737'	Texas	-	-	-	Surface
5-1/2"	15.5#	8 Rd.	Smless	5640'	Guide	-	-	-	Production

MUDDING AND CEMENTING RECORD

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used	
8-5/8"	749'	400 w/2% Gel	Pump	"	Cement Circulated	
5-1/2"	5650'	225 w/2% Gel	Pump	10.2#/gal.		

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____
Adapters—Material _____ Size _____

SHOOTING RECORD

FOLD MARK

FOLD MARK

Size casing	Where set	Number sacks of cement	Method used	Mud gravity	Amount of mud used
8-5/8"	749'	400 w/2% Gel	Pump	"	Cement Circulated
5-1/2"	5650'	225 w/2% Gel	Pump	10.2#/gal.	

PLUGS AND ADAPTERS

Heaving plug—Material _____ Length _____ Depth set _____
 Adapters—Material _____ Size _____

SHOOTING RECORD

Size	Shell used	Explosive used	Quantity	Date	Depth shot	Depth cleaned out

TOOLS USED

Rotary tools were used from **Surface** feet to **5675** feet, and from _____ feet to _____ feet
 Cable tools were used from **5675** feet to **5685** feet, and from _____ feet to _____ feet

DATES

Date P & A _____, 19____ Put to producing **May 1,** _____, 19**60**

The production for the first 24 hours was **45** barrels of fluid of which **100** % was oil; _____ % emulsion; _____ % water; and _____ % sediment. Gravity, °Bé. **40°**

If gas well, cu. ft. per 24 hours _____ Gallons gasoline per 1,000 cu. ft. of gas _____

Rock pressure, lbs. per sq. in. _____

EMPLOYEES

_____, Driller _____, Driller
 _____, Driller _____, Driller

FORMATION RECORD

FROM—	TO—	TOTAL FEET	FORMATION																						
			At the end of complete Driller's Log add Geologic Tops. State whether from Electric Logs or samples.																						
			FORMATION TOPS																						
			<table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">Morrison</td> <td style="text-align: right;">Surface</td> </tr> <tr> <td>Chinle</td> <td style="text-align: right;">1570'</td> </tr> <tr> <td>Shinarump</td> <td style="text-align: right;">2393'</td> </tr> <tr> <td>Moenkopi</td> <td style="text-align: right;">2481'</td> </tr> <tr> <td>Cutler</td> <td style="text-align: right;">2580'</td> </tr> <tr> <td>DeChelly</td> <td style="text-align: right;">2685'</td> </tr> <tr> <td>Hermosa</td> <td style="text-align: right;">4609'</td> </tr> <tr> <td>Ismay Zone</td> <td style="text-align: right;">5476'</td> </tr> <tr> <td>Paradox Shale</td> <td style="text-align: right;">5632'</td> </tr> <tr> <td>Paradox Lime</td> <td style="text-align: right;">5647'</td> </tr> <tr> <td>T.D.</td> <td style="text-align: right;">5685'</td> </tr> </table>	Morrison	Surface	Chinle	1570'	Shinarump	2393'	Moenkopi	2481'	Cutler	2580'	DeChelly	2685'	Hermosa	4609'	Ismay Zone	5476'	Paradox Shale	5632'	Paradox Lime	5647'	T.D.	5685'
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[OVER]

JUL 11 1960

ACCT NUM	COMPANY NAME	FLD NUM	FIELD NAME	TOWN SHIP	RANGE	SEC	QTR QTR	API NUMBER	PROD ZONE	WELL STATUS	ENTITY	WELL NAME			
NO980	TEXACO INC	365	GREATER ANETH	S400	E240	18	SWSW	4303730165	DSCR	POW	7000	ANETH U E418			
				S400	E230	13	NENE	4303730174	DSCR	WIW	7000	ANETH UNIT D113			
				S400	E240	7	SWSW	4303730175	DSCR	WIW	7000	ANETH U E407			
				S400	E240	8	NESE	4303730177	DSCR	POW	7000	ANETH U H308			
				S400	E240	21	NENE	4303730183	DSCR	POW	7000	ANETH U H121			
				S400	E240	21	SWSW	4303730188	IS-DC	POW	7000	ANETH U E421			
				S400	E240	19	NENW	4303730197	DSCR	POW	7000	ANETH U F119			
				S400	E240	11	SESW	4303730217	IS-DC	POW	7000	ANETH U F411			
				S400	E240	23	SWNW	4303730219	DSCR	POW	7000	ANETH U E223			
				S400	E240	23	SWNE	4303730226	IS-DC	POW	7000	ANETH U G223			
				S400	E240	14	NWSE	4303730230	DSCR	POW	7000	ANETH U G314			
				S400	E240	26	NESW	4303730232	IS-DC	POW	7000	ANETH U F326			
				S400	E240	25	SWNW	4303730233	IS-DC	POW	7000	ANETH U E225			
				S400	E240	25	NESW	4303730237	IS-DC	POW	7000	ANETH U F325			
				S400	E250	30	SWNE	4303730241	IS-DC	POW	7000	ANETH U L230			
				S400	E250	30	SWSW	4303730243	DSCR	TA	7000	ANETH U J430			
				S400	E240	23	SWSE	4303730311	DSCR	POW	7000	ANETH U G423			
				S400	E240	25	SWSW	4303730343	DSCR	POW	7000	ANETH U E425			
				S400	E240	26	NENE	4303730348	DSCR	POW	7000	ANETH U H126			
				S400	E240	23	SWSW	4303730370	DSCR	POW	7000	ANETH U E423			
				S400	E240	26	SWNW	4303730371	DSCR	POW	7000	ANETH U E226			
				S400	E240	22	SWSE	4303730375	DSCR	POW	7000	ANETH U G422			
				S400	E240	20	NENE	4303730404	IS-DC	POW	7000	ANETH U H120X			
				S400	E240	36	SWNE	4303730410	DSCR	POW	7000	ANETH U G236			
				S400	E240	21	SWNE	4303730516	DSCR	TA	7000	ANETH U G221X			
				S400	E230	14	NWNE	4303730636	DSCR	POW	7000	ANETH U C114			
				S400	E230	14	SENE	4303730638	DSCR	POW	7000	ANETH U D214			
				S400	E240	27	NENE	4303730643	DSCR	POW	7000	ANETH U H127			
				S400	E250	30	NENE	4303730649	DSCR	POW	7000	ANETH U M130			
				S400	E240	36	SWNW	4303730716	DSCR	POW	7000	ANETH U E236			
					1 WILDCAT	S280	E040	25	C-NW	4305511273		PA	99998		THOUSAND LAKE MTN UNIT #2
					380 ISMAY	S400	E260	16	SWSW	4303715544	ISMV	POW	7010		ST WOOLLEY 1 (S416)
					365 GREATER ANETH	S400	E230	24	NENE	4303715701	DSCR	POW	7000		FED B-1 (D124)
				S400		E230	12	NESE	4303715831	DSCR	POW	7000			BURTON 43-12 (D312)
				S400		E230	23	NENE	4303716036	DSCR	POW	7000			AW RICE 1 (D123)
				S400		E240	35	NWNW	4303716056	DSCR	TA	7000			NAV TRB Q-3 (E135)
				S400		E240	22	SWNW	4303716059	DSCR	POW	7000			NAV TRB D-9 (E222)
					380 ISMAY	S400	E240	19	NESW	4303716081	DSCR	POW	7000		NAV TRB D-29 (F319)
				S400		E260	21	SWNW	4303716172	ISMV	TA	7010			NAV TR J-11 (S221)
					365 GREATER ANETH	S400	E260	22	SWSE	4303716187	ISMV	POW	7010		NAV J-15 (U422)
				S400		E240	33	SESE	4303716229	DSCR	POW	7000			ANETH 33-D4 (H433)
				S400		E240	7	SWNW	4303716283	DSCR	WIW	99990			GULF-AZTEC FED 7 (ANETH)
				S400		E240	18	SWSE	4303730132	DSCR	POW	7000			ANETH U G418
				S400		E240	17	SWSW	4303730134	IS-DC	POW	7000			ANETH U E417
				S400		E240	20	NESE	4303730154	IS-DC	POW	7000			ANETH U H320
				S400		E240	17	SWNE	4303730166	IS-DC	POW	7000			ANETH U G217
				S400	E240	8	SWNE	4303730178	DSCR	POW	7000			ANETH U G208	



Texaco Exploration and Production Inc
Midland Producing Division

P O Box 3109
Midland TX 79702-3109

May 22, 1991

RECEIVED

MAY 28 1991

DIVISION OF
OIL GAS & MINING

Division of Oil, Gas, and Mining
Attn: Ms. Lisha Romero
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Gentlemen:

This is to advise that as a part of a reorganization of Texaco Inc., a Delaware corporation, the name of Texaco Producing Inc., a Delaware corporation and wholly owned subsidiary of Texaco Inc., has been changed to Texaco Exploration and Production Inc. Further, Texaco Exploration and Production Inc. will succeed to the rights, titles, interests and obligations of Texaco Inc.

This means that Texaco Exploration and Production Inc. will be the operator for all the oil and gas properties that were operated by Texaco Inc. and Texaco Producing Inc. We plan to abbreviate the name as Texaco E & P Inc. for purposes of submitting production reports, etc., via computer, and we suggest that for consistency you use that abbreviation also.

We have enclosed a Sundry Notice with a list of the wells which Texaco operates in Utah. Also attached is UIC Form 5 for transfer of injection authority. Please note that Texaco has two Divisions which operate wells in Utah. One is located in Denver, Colorado, and the other is in Midland, Texas. We have enclosed separate Sundry Notices and lists of wells for each Division. If you have questions concerning the Denver-operated wells, please call Roger Hadley at (303) 793-4833. If you have questions concerning the Midland-operated wells, please call Ken Miller at (915) 688-4834.

Please change any of your other records as necessary to reflect this change.

Yours very truly,

R. S. Lane
Assistant Division Manager

RKH/KMM-CC

Attachments

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		3. LEASE DESIGNATION AND SERIAL NO.
2. NAME OF OPERATOR Texaco Exploration and Production Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR P.O. Box 46510, Denver, CO 80201		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface		8. FARM OR LEASE NAME
14. PERMIT NO.		9. WELL NO.
15. ELEVATIONS (Show whether OF, FT, OR, ETC.)		10. FIELD AND POOL, OR WILDCAT
		11. SEC., T., R., M., OR S.E.K. AND SURVEY OR AREA
		12. COUNTY OR PARISH 13. STATE

RECEIVED

MAY 28 1991

DIVISION OF OIL GAS & MINING

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) Transfer of Owner/Operator <input type="checkbox"/>	
(Other) Transfer of Plugging Bond <input checked="" type="checkbox"/>		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

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

Texaco Inc. has assigned all its ownership rights in the subject well. As of January 1, 1991, Texaco Inc. is no longer the Operator of subject well. The New Operator Texaco Exploration and Production Inc. hereby accepts operating responsibility and liability under its good and sufficient bond or other security accepted by the Commission for proper plugging and surface restoration of the subject well.

Former Operator:

TEXACO INC.

Signed:

[Signature]
Attorney-In-Fact
for Texaco Inc.

Date:

3/1/91

New Operator:

Texaco Exploration and Production Inc.

Signed:

[Signature]
Title: Division Manager

Title:

Date:

3/1/91

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

SIGNED

[Signature]

TITLE

Division Manager

DATE

3/1/91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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

6. Lease Designation and Serial Number

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement

9. Well Name and Number

10. API Well Number

11. Field and Pool, or Wildcat

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— for such proposals

1. Type of Well
 Oil Well Gas Well Other (specify)

2. Name of Operator
 Texaco Exploration and Production Inc.

3. Address of Operator
 3300 North Butler, Farmington, NM 87401

4. Telephone Number
 (505) 325-4397

5. Location of Well
 Footage :
 QQ, Sec. T., R., M. : See Attached

County :
 State : UTAH

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandonment
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Multiple Completion
- Other Transfer of Plugging Bond
- New Construction
- Pull or Alter Casing
- Recompletion
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandonment *
- Casing Repair
- Change of Plans
- Conversion to Injection
- Fracture Treat
- Other Change of Operator/Operator Name
- New Construction
- Pull or Alter Casing
- Shoot or Acidize
- Vent or Flare
- Water Shut-Off

Date of Work Completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
 * Must be accompanied by a cement verification report.

13. 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.)

This submittal is for a change of operator (name change) for all of the attached wells. The new operator, Texaco Exploration and Production Inc., hereby accepts operating responsibility and liability under its good and sufficient bond or other security accepted by the Department for proper plugging and surface restoration of the attached wells. All contact personnel, office addresses and phone numbers will remain the same.

FORMER OPERATOR: TEXACO INC.

NEW OPERATOR: TEXACO EXPLORATION AND PRODUCTION INC.

SIGNED: [Signature]
 Attorney-in-Fact

SIGNED: [Signature]
 Assistant Division Manager

DATE: _____

DATE: _____

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

Name & Signature _____ Title Asst. Div. Manager Date _____
 (State Use Only)

1- LCR/GIL	✓
2- DTS	✓
3- VLC	✓
4- RJF	✓
5- RWM	✓
6- LCR	✓

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold) Designation of Agent
 Designation of Operator Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 1-1-91)

(TEXACO EXPLORATION AND PRODUCTION INC.)

TO (new operator)	<u>TEXACO E & P INC.</u>	FROM (former operator)	<u>TEXACO INC.</u>
(address)	<u>3300 NORTH BUTLER</u>	(address)	<u>3300 NORTH BUTLER</u>
	<u>FARMINGTON, NM 87401</u>		<u>FARMINGTON, NM 87401</u>
	<u>BRENT HELQUIST</u>		<u>FRANK</u>
	phone <u>(505) 325-4397</u>		phone <u>(505) 325-4397</u>
	account no. <u>N 5700 (6-5-91)</u>		account no. <u>N 0980</u>

Well(s) (attach additional page if needed):

Name: <u>(SEE ATTACHED)</u>	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- See 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (5-28-91)
- N/A 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form).
- See 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes) (no) ____ If yes, show company file number: #114097.
- See 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (6-11-91)
- See 6. Cardex file has been updated for each well listed above.
- See 7. Well file labels have been updated for each well listed above. (will update when listing)
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. # K0290791-4 80,000-Ins. Co. of N. America rec. 2-11-91.
- 2. A copy of this form has been placed in the new and former operators' bond files.
- 3. The former operator has requested a release of liability from their bond (yes/no) yes. Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____. # m157448 80,000-Ins. Co. of N. America

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State leases. 6-27-91

MICROFILMING

- 1. All attachments to this form have been microfilmed. Date: July 15 1991.

FILED

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

910606 Btm/Farmington N.M. - Duane Spencer (505) 327-5344 will follow up & call back.

910607 Btm/Farmington - Approved 4-2-91 "Company Merger" Includes Aneth Unit and Ismay Flodine Unit.

910607 St. Lands approved 4-15-91 "merger".

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT --" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well: OIL WELL GAS WELL OTHER

2. Name of Operator
TEXACO EXPLORATION & PRODUCTION, INC.

3. Address and Telephone No.
3300 N. Butler Ave., Suite 100 Farmington NM 87401 325-4397

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit Letter A : 520 Feet From The NORTH Line and 660 Feet From The
EAST Line Section 24 Township T40S Range R23E

5. Lease Designation and Serial No.
SL-0701010-C

6. If Indian, Alottee or Tribe Name
NAVAJO TRIBE

7. If Unit or CA, Agreement Designation
ANETH UNIT

8. Well Name and Number
ANETH UNIT
D124

9. API Well No.
4303715701

10. Field and Pool, Exploratory Area
DESERT CREEK

11. County or Parish, State
SAN JUAN , UTAH

12. Check Appropriate Box(s) To Indicate Nature of Notice, Report, or Other Data

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> OTHER: <u>ACIDIZED</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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

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

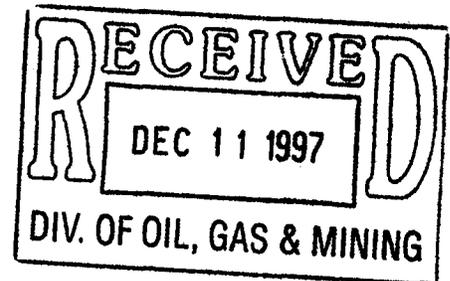
***** THIS SUNDRY REPORT IS FOR UTAH SEVERANCE TAX CALCULATION INFORMATION PURPOSES ONLY *****

TEXACO E&P INC. HAS ACIDIZED THE SUBJECT WELL

6-10-96 MIRU, POOH W/ ROD, PUMP & TBG

6-11-96 RIH W/ PKR & TBG, SET @ 5564', PUMPED 2000 GALS 28% HCL ACID, POOH

6-12-96 FINISHED POOH W/ PKR & TBG, RIH W/ TBG, RODS & PUMP, S/N @ 5631', PLACED WELL ON PRODUCTION, RDMO



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

SIGNATURE Rached Hindi TITLE Senior Engineer DATE 12/1/97

TYPE OR PRINT NAME Rached Hindi

(This space for Federal or State office use)

APPROVED

CONDITIONS OF APPROVAL, IF ANY: _____ TITLE _____ DATE _____

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

Wo tax credit 6/98



Chevron U.S.A. Production Company
Mid-Continent Business Unit
P.O. Box 36366
Houston, TX 77236
Phone 713 754 2000

April 9, 2002

Mr. John Baza,
Associate Director of Oil and Gas
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 W. North Temple St., Suite 1210
Salt Lake City, UT 84114-5801

RECEIVED

APR 12 2002

DIVISION OF
OIL, GAS AND MINING

Dear Mr. Baza:

As you may recall from our meeting last year, we planned to combine the assets of Chevron U.S.A. Inc. ("CUSA"), by merger, and Texaco Exploration and Production Inc. ("TEPI"), by assignment, into a new entity which we referred to as "Newco LP". Along the way, additional information came to light and it was decided that this proposed corporate restructure would not be preferable. Therefore, CUSA and TEPI have continued to operate as separate entities.

We are now planning a simpler restructuring process where TEPI will assign most of its assets/operatorship to CUSA effective May 1, 2002. We plan to use the existing CUSA bonds/letters of credit, operator identification numbers, etc., for the TEPI assets that will be assigned.

A task force of Land, Regulatory and Environmental Compliance personnel are finishing the work that was begun last year to assign TEPI's assets—using the same forms and procedures as before. We have "new faces" in this task force due to reassignments and departures. In some cases, it may be worthwhile to visit you and your staff in person where new people are involved or if we need to review/clarify your forms and procedures. Otherwise, we will endeavor to complete the work to assign TEPI's assets/operatorship to CUSA and deliver the requisite materials to you in a timely manner.

During discussions last year, our focus was on Land, Regulatory and Environmental matters. The Finance organization also desires to join in this effort. For State Tax, Royalty and Regulatory reporting purposes (applicable to production from May 2002 through December 2002), we intend to generate two reports and two payments.

However, the reporting company name and identification number will be CUSA's. Beginning with January 2003 production and thereafter, we will issue only one CUSA report and payment. We trust this plan meets with your approval. Any questions or comments should be directed to Rick Dunlavy (telephone 713/752-7411, rickdunlavy@chevrontexaco.com).

We appreciate the cooperation and guidance you provided us in the past, and we look forward to bringing these efforts to a conclusion.

Respectfully submitted,



Don R. Sellars

Sr. Environmental Specialist

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Operator Name Change</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>See Attached List of Wells</u>
2. NAME OF OPERATOR: <u>Chevron U.S.A. Inc.</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <u>Navajo Nation & State of Utah</u>
3. ADDRESS OF OPERATOR: <u>P.O. Box 1150</u> CITY <u>Midland</u> STATE <u>TX</u> ZIP <u>79702</u>		7. UNIT or CA AGREEMENT NAME: <u>Aneth Unit</u>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>See Attached List of Well Locations</u>		8. WELL NAME and NUMBER: <u>See Attached List of Wells</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:
		COUNTY: <u>San Juan</u>
		STATE: <u>UTAH</u>

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Effective May 1, 2002, Chevron U.S.A. Inc. is the new operator of the attached list of subject wells and leases that were previously operated by Texaco Exploration and Production Inc. The Aneth Unit and subject wells are located on both Navajo Nation and State of Utah lands, 4 1/2 miles North of Montezuma Creek, San Juan County, Utah. These wells will be protected by the following surety bonds.

STATE OF UTAH Bond #: 103521627-0016 in the amount of \$80,000. (This replaces United Pacific Insurance Company bond number U89-75-80-0059. We respectfully request this bond be released and returned.)

BLM Nationwide Bond #: U89-75-81-0034 in the amount of \$300,000.

BIA Nationwide Bond #: U89-75-81-0026 in the amount of \$150,000.

KEY CONTACTS:
Roger Atcity - Operations Supervisor - 435-651-3277 x103
Ron Wackowski - Operations Manager - 970-675-3714

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MAY 06 2002
DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT) Allen S. Robinson TITLE Attorney-In-Fact
SIGNATURE *Allen S. Robinson* DATE April 30, 2002

(This space for State use only)

Chevron U. S. A. Inc.
 Permian Business Unit
 Aneth Operations
 San Juan County, Utah

Name/Operatorship Change
 Texaco Exploration and Production Inc.
 to
 Chevron U. S. A. Inc.
 Aneth Unit Wells

Account Number	Section	Township	Range	API Number	Well Name	Lease Type	Well Status Main	Well Type Main
N5700	11	400S	230E	4303716037	MESA 2 (ANTH D311)	1	OW	S
N5700	12	400S	230E	4303715822	BURTON 14-12 (A412)	1	OW	P
N5700	12	400S	230E	4303715829	BURTON 34-12 (C412)	1	OW	P
N5700	12	400S	230E	4303715831	BURTON 43-12 (D312)	1	OW	P
N5700	12	400S	230E	4303731537	ANETH B412	1	OW	S
N5700	13	400S	230E	4303715821	BURTON 12-13 (A213)	1	OW	P
N5700	13	400S	230E	4303715823	BURTON 14-13 (A413)	1	OW	P
N5700	13	400S	230E	4303715824	BURTON 21-13 (B113)	1	OW	P
N5700	13	400S	230E	4303715826	ANETH UNIT B313	1	OW	P
N5700	13	400S	230E	4303730162	ANETH U D313	1	OW	S
N5700	13	400S	230E	4303730173	ANETH U C213	1	OW	P
N5700	13	400S	230E	4303730298	ANETH U C413	1	OW	S
N5700	13	400S	230E	4303731076	ANETH UNIT C313SE	1	OW	S
N5700	13	400S	230E	4303731383	ANETH UNIT D213SE	1	OW	P
N5700	14	400S	230E	4303716030	ARROWHEAD 7 (A214)	1	OW	P
N5700	14	400S	230E	4303716031	ARROWHEAD 8 (A414)	1	OW	S
N5700	14	400S	230E	4303730634	ANETH U A114	1	OW	S
N5700	14	400S	230E	4303730635	ANETH U B214	1	OW	P
N5700	14	400S	230E	4303730636	ANETH U C114	1	OW	S
N5700	14	400S	230E	4303730637	ANETH U C314	1	OW	P
N5700	14	400S	230E	4303730638	ANETH U D214	1	OW	P
N5700	14	400S	230E	4303730639	ANETH U D414	1	OW	S
N5700	18	400S	240E	4303730165	ANETH U E418	1	OW	S
N5700	18	400S	240E	4303731077	ANETH UNIT E118SE	1	OW	S
N5700	18	400S	240E	4303731385	ANETH UNIT E218SE	1	OW	P

N5700	18	400S	240E	4303731534	ANETH E407SE	1	OW	S
N5700	23	400S	230E	4303716036	AW RICE 1 (D123)	1	OW	P
N5700	24	400S	230E	4303715701	FED B-1 (D124)	1	OW	S
N5700	07	400S	240E	4303730115	ANETH U F307	1	OW	P
N5700	07	400S	240E	4303730151	ANETH U G407	1	OW	P
N5700	07	400S	240E	4303731386	ANETH UNIT E407SW	1	OW	P

**THE
NAVAJO
NATION****MINERALS DEPARTMENT**
Post Office Box 1910
Window Rock, Arizona 86515
Phone: (928) 871-6587 • Fax: (928) 871-7095**KELSEY A. BEGAYE**
PRESIDENT**TAYLOR MCKENZIE, M.D.**
VICE PRESIDENT

October 11, 2002

Mr. Don Sellars
Regulatory Specialist
ChevronTexaco
11111 S. Wilcrest
Houston, Texas 77099

Subject: Navajo Nation Assignment of Oil & Gas Lease

Dear Mr. Sellars:

Attached are fourteen (14) approved Navajo Nation Assignment of Oil and Gas Lease applications for assignment of interest from Texaco Exploration & Production, Inc. to Chevron U.S.A., Inc. (Chevron) for the following leases:

- | | | |
|---------------------|---------------------|----------------------|
| 1) I-149-IND-8834 | 6) I-149-IND-8839 | 11) 14-20-603-4035 |
| 2) I-149-IND-8835 | 7) 14-20-603-2057 | 12) 14-20-603-4037 |
| 3) I-149-IND-8836 | 8) 14-20-603-2059 | 13) 14-20-603-5043-A |
| 4) I-149-IND-8838 | 9) 14-20-603-4030-A | 14) 14-20-603-5446 |
| 5) I-149-IND-8839-A | 10) 14-20-603-4032 | |

If you have any questions, please call me or Mr. Brad Nesemeier at (928) 871-6587.

Sincerely,

Akhtar Zaman
Akhtar Zaman, Director
Minerals Department

Attachments
AZ/GLB/cab

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH
2. CDW ✓
3. FILE

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change

X Merger

The operator of the well(s) listed below has changed, effective:		05-01-2002
FROM: (Old Operator):		TO: (New Operator):
TEXACO EXPLORATION & PRODUCTION INC		CHEVRON USA INC
Address: 3300 NORTH BUTLER, STE 100		Address: P O BOX 36366
FARMINGTON, NM 87401		HOUSTON, TX 79702
Phone: 1-(505)-325-4397		Phone: 1-(915)-687-2000
Account No. N5700		Account No. N0210

CA No. **Unit:** **ANETH**

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
ANETH U D214	14-40S-23E	43-037-30638	7000	FEDERAL	OW	P
ANETH U D414	14-40S-23E	43-037-30639	7000	FEDERAL	OW	S
A W RICE 1 (D123)	23-40S-23E	43-037-16036	7000	FEDERAL	OW	P
FEDERAL B-1 (D124)	24-40S-23E	43-037-15701	7000	FEDERAL	OW	S
ANETH U F307	07-40S-24E	43-037-30115	7000	FEDERAL	OW	P
ANETH U G407	07-40S-24E	43-037-30151	7000	FEDERAL	OW	P
ANETH UNIT E407SW	07-40S-24E	43-037-31386	7000	FEDERAL	OW	P
ANETH U E418	18-40S-24E	43-037-30165	7000	FEDERAL	OW	S
ANETH U E118SE	18-40S-24E	43-037-31077	7000	FEDERAL	OW	S
ANETH U E218SE	18-40S-24E	43-037-31385	7000	FEDERAL	OW	P
ANETH U E407SE	18-40S-24E	43-037-31534	7000	FEDERAL	OW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-2-10) Sundry or legal documentation was received from the **FORMER** operator on: 05/06/2002
2. (R649-2-10) Sundry or legal documentation was received from the **NEW** operator on: 04/12/2002
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 10/16/2002
4. Is the new operator registered in the State of Utah: YES Business Number: 564408-0143

5. If NO, the operator was contacted contacted on: N/A

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 10/11/2002

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 10/11/2002

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 10/21/2002

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 11/14/2002

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 11/14/2002

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: N/A

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 8975810026

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: N/A

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A

2. The **FORMER** operator has requested a release of liability from their bond on: N/A

The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS: Chevron USA Inc merged with Texaco Exploration & Production Inc to form ChevronTexaco Inc although all the Utah operations will be operated by Chevron USA Inc.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Injection wells</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>See Attachment</u>
2. NAME OF OPERATOR: <u>Resolute Natural Resources Company</u> <u>N2700</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <u>Navajo</u>
3. ADDRESS OF OPERATOR: <u>1675 Broadway, Suite 1950</u> CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		7. UNIT or CA AGREEMENT NAME: <u>Aneth Unit</u>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>See Attachment</u>		8. WELL NAME and NUMBER: <u>See Attachment</u>
PHONE NUMBER: <u>(303) 534-4600</u>		9. API NUMBER: <u>See Attach</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: <u>Desert Creek</u>
COUNTY: <u>San Juan</u>		STATE: <u>UTAH</u>

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

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

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

As of December 1, 2004, Chevron U.S.A. Inc. resigned as Operator of the Aneth Unit. The successor operator is Resolute Natural Resources Company.

NAME (PLEASE PRINT) <u>Janet Pasque</u>	TITLE <u>Vice President</u>
SIGNATURE <u>Janet Pasque</u>	DATE <u>11/30/04</u>

(This space for State use only)

APPROVED 12/29/2004
ER
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>See attached exhibit.</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>See attached exhibit.</u>
2. NAME OF OPERATOR: <u>Resolute Natural Resources Company</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <u>Navajo</u>
3. ADDRESS OF OPERATOR: <u>1675 Broadway, Suite 1950</u> CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		7. UNIT or CA AGREEMENT NAME: <u>Aneth Unit</u>
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: <u>San Juan</u> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: <u>UTAH</u>		8. WELL NAME and NUMBER: <u>See attached exhibit.</u>
PHONE NUMBER: <u>(303) 534-4600</u>		9. API NUMBER: <u>See attached exhibit.</u>
		10. FIELD AND POOL, OR WILDCAT: <u>Aneth</u>

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
As of December 1, 2004, Chevron U.S.A. Inc. resigned as operator of the Aneth Unit. Resolute Natural Resources Company has been elected the successor operator.

RECEIVED
DEC 22 2004
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Chevron U.S.A. Inc.</u> <u>NO210</u>	TITLE <u>A. E. Wacker, Attorney-in-Fact</u>
SIGNATURE <u>A. E. Wacker</u>	DATE <u>12/20/2004</u>

(This space for State use only)

APPROVED 12/29/2004
ER
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

Chevron USA to Resolute Natural Resources

Well No.	API Number	Type	Strat	O1	O2	SEC	Twp	Rng	Legal Description	Lease No.	Comment
D124	4303715701	SI Producer		NE	NE	24	T40S	R23E	520' FNL / 660' FEL	SL-0701010-C	See Attached SI and TA Well Status Spreadsheet
A213	4303715821	Producer		SW	NW	13	T40S	R23E	3287' FSL / 4631' FEL	SL-070968-A	
A412	4303715822	SI Producer		SW	SW	12	T40S	R23E	659' FSL / 4474' FEL	SL-070968-A	See Attached SI and TA Well Status Spreadsheet
A413	4303715823	Producer		SW	SW	13	T40S	R23E	657' FSL / 4631' FEL	SL-070968-A	
B113	4303715824	Producer		NE	NW	13	T40S	R23E	4602' FSL / 3311' FEL	SL-070968-A	
B313	4303715826	Producer		NE	SW	13	T40S	R23E	1972' FSL / 3302' FEL	SL-070968-A	
C412	4303715829	Producer		SW	SE	12	T40S	R23E	4606' FNL / 1980' FEL	SL-070968-A	
D312	4303715831	Producer		NE	SE	12	T40S	R23E	3290' FNL / 660' FEL	SL-070968-A	
E216	4303715833	Producer		SW	NW	16	T40S	R24E	2128' FNL / 662' FWL	NOG 99041323	
E416	4303715834	Producer		SW	SW	16	T40S	R24E	442' FSL / 721' FWL	NOG 99041323	
G216	4303715835	Producer		SW	NE	16	T40S	R24E	1975' FNL / 3304' FWL	NOG 99041323	
G416	4303715836	Producer		SW	SE	16	T40S	R24E	660' FSL / 1980' FEL	NOG 99041323	
H316	4303715837	Producer		NE	SE	16	T40S	R24E	1980' FSL / 662' FEL	NOG 99041323	
A214	4303716030	TA Producer		SW	NW	14	T40S	R23E	1980' FNL / 740' FWL	SL-070968	See Attached SI and TA Well Status Spreadsheet
A414	4303716031	SI Producer		SW	SW	14	40S	23E	820' FSL / 740' FWL	UTSL 070968	
D123	4303716036	Producer		NE	NE	23	T40S	R23E	660' FNL / 660' FEL	SL-0701010	
D311	4303716037	SI Producer		NE	SE	11	40S	23E	1980' FSL / 660' FEL	UTSL 070968B	
E123	4303716052	Producer		NW	NW	23	T40S	R24E	660' FNL / 660' FWL	I-149-IND-8838	
E135	4303716056	SI Producer		NW	NW	35	T40S	R24E	760 FNL / 703' FWL	14-20-603-2059	See Attached SI and TA Well Status Spreadsheet
E209	4303716057	Producer		SW	NW	9	T40S	R24E	2105' FNL / 670' FWL	I-149-IND-8834	
E215	4303716058	Producer		SW	NW	15	T40S	R24E	2109' FNL / 505' FWL	I-149-IND-8834	
E222	4303716059	Producer		SW	NW	22	T40S	R24E	1960' FNL / 770' FWL	I-149-IND-8836	
E335	4303716072	SI Producer		NW	SW	35	T40S	R24E	1900' FSL / 820' FWL	14-20-603-2059	See Attached SI and TA Well Status Spreadsheet
E415	4303716073	Producer		SW	SW	15	T40S	R24E	660' FSL / 660' FWL	I-149-IND-8834	
F122	4303716075	Producer		NE	NW	22	T40S	R24E	660' FNL / 1980' FWL	I-149-IND-8836	
F319	4303716081	Producer		NE	SW	19	T40S	R24E	1940' FSL / 2055' FWL	I-149-IND-8836	
G115	4303716088	Producer		NW	NE	15	T40S	R24E	660' FNL / 1980' FEL	I-149-IND-8834	
G222	4303716099	Producer		SW	NE	22	T40S	R24E	1890' FNL / 2140' FEL	I-149-IND-8836	
G309	4303716102	Producer		NW	SE	9	T40S	R24E	2080' FSL / 1990' FEL	I-149-IND-8834	
G329	4303716114	Producer		NW	SE	29	T40S	R24E	2045' FSL / 2125' FEL	14-20-603-5043	
G335	4303716115	Producer		NW	SE	35	T40S	R24E	1830' FSL / 1820' FEL	14-20-603-2059	
H415	4303716126	Producer		SE	SE	15	T40S	R24E	815' FSL / 812' FEL	I-149-IND-8834	
H435	4303716130	Producer		SE	SE	35	T40S	R24E	510' FSL / 725' FEL	14-20-603-2059	
L130	4303716138	Producer		NW	NE	30	T40S	R25E	745' FNL / 1900' FEL	I-149-IND-8839	
G134	4303716225	Producer		NW	NE	34	T40S	R24E	540' FNL / 2000' FEL	14-20-603-2056	S
G327	4303716226	Producer		NW	SE	27	T40S	R24E	2075' FSL / 1800' FEL	14-20-603-2056	
G334	4303716227	SI Producer		NW	SE	34	T40S	R24E	1980' FSL / 2130' FEL	14-20-603-2056	See Attached SI and TA Well Status Spreadsheet
H433	4303716229	SI Producer		SE	SE	33	T40S	R24E	745' FSL / 605' FEL	14-20-603-2056	See Attached SI and TA Well Status Spreadsheet
H434	4303716230	SI Producer		SE	SE	34	T40S	R24E	700' FSL / 500' FEL	14-20-603-2056	See Attached SI and TA Well Status Spreadsheet
H114	4303716310	Producer		NE	NE	14	T40S	R24E	730' FNL / 690' FEL	I-149-IND-8839	
H409	4303716324	Producer		SE	SE	9	T40S	R24E	660' FSL / 660' FEL	I-149-IND-8834	
G215	4303730066	SI Producer		SW	NE	15	T40S	R24E	2415' FNL / 1850' FEL	I-149-IND-8834	See Attached SI and TA Well Status Spreadsheet
E114	4303730093	Producer		NW	NW	14	T40S	R24E	500' FNL / 100' FWL	I-149-IND-8837	
F307	4303730115	SI Producer		NE	SW	7	T40S	R24E	2290' FSL / 1860' FWL	SL-067807	See Attached SI and TA Well Status Spreadsheet
F121	4303730117	Producer		NE	NW	21	T40S	R24E	50' FNL / 2150' FWL	I-149-IND-8836	
H307	4303730122	TA Producer		NE	SE	7	T40S	R24E	2120' FSL / 980' FEL	I-149-IND-8835	See Attached SI and TA Well Status Spreadsheet

Chevron USA to Resolute Natural Resources

Well No.	Well Number	Type / Status	Q1	Q2	SEC	Twp	Rng	Legal Description	Lease No.	Comment
H414	4303730123	Producer	SE	SE	14	40S	24E	300' FSL / 500' FEL	I-149-IND-8839	
G218	4303730131	Producer	SW	NE	18	T40S	R24E	1870' FNL / 2050' FEL	I-149-IND-8835	
G418	4303730132	Producer	SW	SE	18	T40S	R24E	760' FSL / 1950' FEL	I-149-IND-8835	
H119	4303730133	Producer	NE	NE	19	T40S	R24E	695' FNL / 570' FEL	I-149-IND-8836	
E417	4303730134	Producer	SW	SW	17	T40S	R24E	710' FSL / 630' FWL	I-149-IND-8835	
F120	4303730135	Producer	NE	NW	20	T40S	R24E	710' FNL / 1980' FWL	I-149-IND-8836	
H318	4303730136	Producer	NE	SE	18	T40S	R24E	1980' FSL / 610' FEL	I-149-IND-8835	
F317	4303730139	Producer	NE	SW	17	T40S	R24E	1980' FSL / 2140' FWL	I-149-IND-8835	
E217	4303730142	Producer	SW	NW	17	T40S	R24E	1980' FNL / 550' FWL	I-149-IND-8835	
G417	4303730144	Producer	SW	SE	17	T40S	R24E	660' FSL / 1980' FEL	I-149-IND-8835	
E220	4303730150	Producer	SW	NW	20	T40S	R24E	1956' FNL / 584' FWL	I-149-IND-8836	
G407	4303730151	Producer	SW	SE	7	T40S	R24E	650' FSL / 1960' FEL	SL-067807	
G408	4303730152	Producer	SW	SE	8	T40S	R24E	774' FSL / 1991' FEL	I-149-IND-8834	
H117	4303730153	Producer	NE	NE	17	T40S	R24E	866' FNL / 785' FEL	I-149-IND-8833	
H320	4303730154	Producer	NE	SE	20	T40S	R24E	2036 FSL / 650' FEL	I-149-IND-8836	
G220	4303730156	Producer	SW	NE	20	T40S	R24E	1860' FNL / 2086' FEL	I-149-IND-8833	
H118	4303730157	Producer	NE	NE	18	T40S	R24E	626' FNL / 650' FEL	I-149-IND-8835	
E408	4303730159	TA Producer	SW	SW	8	T40S	R24E	650' FSL / 626' FWL	I-149-IND-8833	See Attached SI and TA Well Status Spreadsheet
F117	4303730160	SI Producer	NE	NW	17	T40S	R24E	522' FNL / 1956' FWL	I-149-IND-8835	See Attached SI and TA Well Status Spreadsheet
D313	4303730162	TA Producer	NE	SE	13	T40S	R23E	1987' FSL / 782' FEL	SL-070968-A	See Attached SI and TA Well Status Spreadsheet
F320	4303730164	Producer	NE	SW	20	T40S	R24E	2130' FSL / 1950' FWL	I-149-IND-8836	
E418	4303730165	Producer	SW	SW	18	T40S	R24E	978' FSL / 216' FWL	SL-067807	
G217	4303730166	TA Producer	SW	NE	17	T40S	R24E	2170' FNL / 1860' FEL	I-149-IND-8835	See Attached SI and TA Well Status Spreadsheet
G219	4303730167	Producer	SW	NE	19	T40S	R24E	1989' FNL / 1923' FEL	I-149-IND-8836	
H319	4303730168	Producer	NE	SE	19	T40S	R24E	2086' FSL / 593' FEL	I-149-IND-8836	
F318	4303730169	Producer	NE	SW	18	T40S	R24E	1578' FSL / 1773' FWL	I-149-IND-8835	
C213	4303730173	Producer	SW	NE	13	T40S	R23E	1898' FNL / 1815' FEL	SL-070968-A	
F308	4303730176	Producer	NE	SW	8	T40S	R24E	1880' FSL / 1980' FWL	I-149-IND-8833	
H308	4303730177	TA Producer	NE	SE	8	T40S	R24E	1890' FSL / 660' FEL	I-149-IND-8834	See Attached SI and TA Well Status Spreadsheet
G208	4303730178	TA Producer	SW	NE	8	T40S	R24E	1939' FNL / 1939' FEL	I-149-IND-8833	See Attached SI and TA Well Status Spreadsheet
E221	4303730181	Producer	SW	NW	21	T40S	R24E	1898' FNL / 619' FWL	I-149-IND-8836	
H121	4303730183	Producer	NE	NE	21	T40S	R24E	520' FNL / 760' FEL	I-149-IND-8836	
F321	4303730185	Producer	NE	SW	21	T40S	R24E	1980' FSL / 1720' FWL	I-149-IND-8836	
F129	4303730187	Producer	NE	NW	29	T40S	R24E	550' FNL / 1690' FWL	I4-20-603-4030-A	
E421	4303730188	Producer	SW	SW	21	T40S	R24E	660' FSL / 660' FWL	I-149-IND-8836	
E409	4303730189	Producer	SW	SW	9	T40S	R24E	910' FSL / 330' FWL	I-149-IND-8834	
H317	4303730196	Producer	NE	SE	17	T40S	R24E	2230' FSL / 930' FEL	I-149-IND-8833	
F119	4303730197	TA Producer	NE	NW	19	T40S	R24E	350' FNL / 1960' FWL	I-149-IND-8836	See Attached SI and TA Well Status Spreadsheet
E313	4303730200	Producer	NW	SW	13	T40S	R24E	1815' FSL / 785' FWL	I-149-IND-8837	
F216	4303730212	TA Producer	SE	NW	16	T40S	R24E	1848 FNL / 2043' FWL	NOG 99041323	See Attached SI and TA Well Status Spreadsheet
G421	4303730214	Producer	SW	SE	21	T40S	R24E	380' FSL / 1980' FEL	I-149-IND-8836	
H321	4303730216	Producer	NE	SE	21	T40S	R24E	2043' FSL / 591' FEL	I-149-IND-8836	
F411	4303730217	Producer	SE	SW	11	T40S	R24E	561' FSL / 1798' FWL	I-149-IND-8837	
G114	4303730218	Producer	NW	NE	14	T40S	R24E	660' FNL / 2220' FEL	I-149-IND-8837	
E223	4303730219	Producer	SW	NW	23	T40S	R24E	2106' FNL / 660' FWL	I-149-IND-8838	
E426	4303730220	Producer	SW	SW	26	T40S	R24E	660' FSL / 660' FWL	I-149-IND-8838	

Chevron USA to Resolute Natural Resources

Well No.	Well Number	Well Type	Dir	Comp	TL/C	Top	Cr	Legal Description	Lease No.	Comment
F125	4303730221	Producer	NE	NW	25	T40S	R24E	627' FNL / 1980' FWL	I-149-IND-8838	
G225	4303730222	Producer	SW	NE	25	T40S	R24E	1760' FNL / 2170' FEL	I-149-IND-8838	
H123	4303730223	Producer	NE	NE	23	T40S	R24E	660' FNL / 660' FEL	I-149-IND-8838	
K330	4303730224	Producer	NE	SW	30	T40S	R25E	2020' FSL / 2010' FWL	I-149-IND-8839	
M330	4303730225	Producer	NE	SE	30	T40S	R25E	2046' FSL / 726' FEL	I-149-IND-8839	
G223	4303730226	Producer	SW	NE	23	T40S	R24E	2012' FNL / 1914' FEL	I-149-IND-8838	
H136	4303730227	Producer	NE	NE	36	T40S	R24E	660' FNL / 620' FEL	14-20-603-5443	
G420	4303730228	Producer	SW	SE	20	T40S	R24E	770' FSL / 1900' FEL	I-149-IND-8836	
G314	4303730230	Producer	NW	SE	14	T40S	R24E	1940' FSL / 2020' FEL	I-149-IND-8837	
E224	4303730231	Producer	SW	NW	24	T40S	R24E	1850' FNL / 660' FWL	I-149-IND-8838	
F326	4303730232	Producer	NE	SW	26	T40S	R24E	1914' FSL / 1914' FWL	I-149-IND-8838	
E225	4303730233	SI Producer	SW	NW	25	T40S	R24E	2079' FNL / 790' FWL	I-149-IND-8838	See Attached SI and TA Well Status Spreadsheet
F323	4303730234	Producer	NE	SW	23	T40S	R24E	1914' FSL / 1980' FWL	I-149-IND-8838	
G426	4303730236	Producer	SW	SE	26	T40S	R24E	610' FSL / 1980' FEL	I-149-IND-8838	
F325	4303730237	Producer	NE	SW	25	T40S	R24E	1850' FSL / 1840' FWL	I-149-IND-8838	
G425	4303730238	Producer	SW	SE	25	T40S	R24E	480' FSL / 1840' FEL	I-149-IND-8838	
H325	4303730239	Producer	NE	SE	25	T40S	R24E	1914' FSL / 660' FEL	I-149-IND-8838	
J230	4303730240	Producer	SW	NW	30	T40S	R25E	1980' FNL / 660' FWL	I-149-IND-8839 A	
L230	4303730241	Producer	SW	NE	30	T40S	R25E	1930' FNL / 1898' FEL	I-149-IND-8839	
J430	4303730243	Producer	SW	SW	30	T40S	R25E	660' FSL / 660' FWL	I-149-IND-8839	
F214	4303730250	Producer	SE	NW	14	T40S	R24E	2030' FNL / 1881' FWL	I-149-IND-8837	
E314	4303730266	Producer	NW	SW	14	T40S	R24E	1930' FSL / 660' FWL	I-149-IND-8837	
F414	4303730274	Producer	SE	SW	14	T40S	R24E	593' FSL / 1771' FWL	I-149-IND-8837	
C413	4303730298	TA Producer	SW	SE	13	T40S	R23E	810' FSL / 1980' FEL	SL-070968-A	See Attached SI and TA Well Status Spreadsheet
H125	4303730308	Producer	NE	NE	25	T40S	R24E	660' FNL / 560' FEL	I-149-IND-8838	
F126	4303730310	Producer	NE	NW	26	T40S	R24E	560' FNL / 1940' FWL	I-149-IND-8838	
G423	4303730311	Producer	SW	SE	23	T40S	R24E	660' FSL / 1980' FEL	I-149-IND-8838	
H323	4303730316	Producer	NE	SE	23	T40S	R24E	1845' FSL / 507' FEL	I-149-IND-8838	
G424	4303730334	TA Producer	SW	SE	24	T40S	R24E	660' FSL / 1980' FEL	I-149-IND-8838	See Attached SI and TA Well Status Spreadsheet
E425	4303730343	Producer	SW	SW	25	T40S	R24E	760' FSL / 840' FWL	I-149-IND-8838	
F322	4303730345	Producer	NE	SW	22	T40S	R24E	2130' FSL / 1980' FWL	I-149-IND-8836	
E422	4303730346	Producer	SW	SW	22	T40S	R24E	890' FSL / 600' FWL	I-149-IND-8836	
H126	4303730348	Producer	NE	NE	26	T40S	R24E	660' FNL / 830' FEL	I-149-IND-8838	
F324	4303730349	SI Producer	NE	SW	24	T40S	R24E	1980' FSL / 2080' FWL	I-149-IND-8838	See Attached SI and TA Well Status Spreadsheet
E424	4303730350	TA Producer	SW	SW	24	T40S	R24E	540' FSL / 450' FWL	I-149-IND-8838	See Attached SI and TA Well Status Spreadsheet
H326	4303730368	Producer	NE	SE	26	T40S	R24E	1850' FSL / 520' FEL	I-149-IND-8838	
G226	4303730369	Producer	SW	NE	26	T40S	R24E	2080' FNL / 1950' FEL	I-149-IND-8838	
E423	4303730370	Producer	SW	SW	23	T40S	R24E	550' FSL / 580' FWL	I-149-IND-8838	
E226	4303730371	Producer	SW	NW	26	T40S	R24E	1980' FNL 660 FWL		
G325X	4303730374	Producer	NW	SE	25	T40S	R24E	1850' FSL / 1710' FEL	I-149-IND-8838	
G422	4303730375	Producer	SW	SE	22	T40S	R24E	500' FSL / 1950' FEL	I-149-IND-8836	
H120X	4303730404	Producer	NE	NE	20	T40S	R24E	280' FNL / 840' FEL	I-149-IND-8833	
H322	4303730407	Producer	NE	SE	22	T40S	R24E	2070' FSL / 770' FEL	I-149-IND-8836	
F136	4303730409	Producer	NE	NW	36	T40S	R24E	760' FNL / 2020' FWL	14-20-603-5444	
G236	4303730410	Producer	SW	NE	36	T40S	R24E	1950' FNL / 1980' FEL	14-20-603-5443	
H335	4303730412	Producer	NE	SE	35	T40S	R24E	1980' FSL / 700' FEL	14-20-603-2059	

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Well No.	Well Name	Well Status	Q1	Q2	SEC	Comp	Rwy	Legal Description	Lease No.	Comment
J231	4303730413	SI Producer	SW	NW	31	T40S	R25E	1850' FNL / 660' FWL	14-20-603-5443	See Attached SI and TA Well Status Spreadsheet
G221X	4303730516	Producer	SW	NE	21	T40S	R24E	1940' FNL / 1930' FEL	I-149-IND-8836	
A114	4303730634	SI Producer	NW	NW	14	40S	23E	735' FNL / 718' FWL	UTSL 070968	
B214	4303730635	Producer	SE	NW	14	T40S	R23E	1910' FNL / 1950' FWL	SL-070968	
C114	4303730636	SI Producer	NW	NE	14	T40S	R23E	820' FNL / 1920' FEL	SL-070968	See Attached SI and TA Well Status Spreadsheet
C314	4303730637	Producer	NW	SE	14	T40S	R23E	2140' FSL / 1870' FEL	SL-070968	
D214	4303730638	Producer	SE	NE	14	T40S	R23E	2090' FNL / 790' FEL	SL-070968	
D414	4303730639	Producer	SE	SE	14	T40S	R23E	570' FSL / 810' FEL	SL-070968	
H127	4303730643	Producer	NE	NE	27	T40S	R24E	660' FNL / 510' FEL	14-20-603-2056	
H128	4303716224	Injector	NE	NE	28	40S	24E	810' FNL / 510' FEL	14-20-603-2056	
J229	4303730645	SI Producer	SW	NW	29	40S	25E	1980' FNL / 510' FWL	I-149-IND-8839A	
K130	4303730646	Producer	NE	NW	30	T40S	R25E	660' FNL / 2010' FWL	I-149-IND-8839	
K131	4303730647	Producer	NE	NW	31	T40S	R25E	660' FNL / 1980' FWL	14-20-603-372-A	
L430	4303730648	Producer	SW	SE	30	T40S	R25E	660' FSL / 1980' FEL	I-149-IND-8839	
M130	4303730649	Producer	NE	NE	30	T40S	R25E	510' FNL / 780' FEL	I-149-IND-8839	
E236	4303730716	Producer	SW	NW	36	T40S	R24E	1930' FNL / 630' FWL	14-20-603-5444	
F127	4303730718	Producer	NE	NW	27	T40S	R24E	620' FNL / 1910' FWL	14-20-603-2056	
F128	4303730728	Producer	NE	NW	28	T40S	R24E	660' FNL / 1910' FWL	14-20-603-2056	
C313SE	4303731076	SI Producer	C	SE	13	40S	23E	1320' FSL / 1320' FEL	UTSL 070968A	
E118SE	4303731077	TA Producer	SW	NW	18	T40S	R24E	1340' FNL / 1140' FWL	SL-067807	See Attached SI and TA Well Status Spreadsheet
E121SE	4303731078	SI Producer	SW	NW	21	T40S	R24E	1400' FNL / 1320' FWL	I-149-IND-8836	See Attached SI and TA Well Status Spreadsheet
D113SE	4303731382	TA Producer	SE	NE	13	T40S	R23E	1330' FNL / 100' FEL	SL-070968-A	See Attached SI and TA Well Status Spreadsheet
D213SE	4303731383	TA Producer	NE	SE	13	T40S	R23E	2700' FNL / 150' FEL	SL-070968-A	See Attached SI and TA Well Status Spreadsheet
E218SE	4303731385	TA Producer	NW	SW	18	T40S	R24E	2660' FNL / 1220' FWL	SL-067807	See Attached SI and TA Well Status Spreadsheet
E407SW	4303731386	TA Producer	SW	SW	7	T40S	R24E	0' FSL / 70' FWL	SL-067807	See Attached SI and TA Well Status Spreadsheet
E115	4303731396	Producer	NW	NW	15	T40S	R24E	630' FNL / 660' FWL	I-149-IND-8834	
F215	4303731397	Producer	SE	NW	15	T40S	R24E	1900' FNL / 1990' FWL	I-149-IND-8834	
F415	4303731398	Producer	SE	SW	15	T40S	R24E	680' FSL / 1880' FWL	I-149-IND-8834	
G315X	4303731408	Producer	NW	SE	15	T40S	R24E	1880' FSL / 1980' FEL	I-149-IND-8834	
H116	4303731409	TA Producer	NE	NE	16	T40S	R24E	660' FNL / 900' FEL	NOG 99041323	
H129	4303731529	Producer	NE	NE	29	T40S	R24E	730' FNL / 730' FEL	14-20-603-4030	
H135	4303731531	Producer	NE	NE	35	T40S	R24E	503' FNL / 813' FEL	14-20-603-2059	
E407SE	4303731534	Producer	NE	NW	18	40S	24E	199' FNL / 1602' FWL	UTSL 067807	
B412	4303731537	TA Producer	SE	SW	12	T40S	R23E	901' FSL / 1600' FWL	SL-070968-A	
F214SE	4303731684	Producer	SE	NW	14	T40S	R24E	2580' FNL / 2350' FWL	I-149-IND-8837	

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH
2. CDW
3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: <u>12/1/2004</u>	
FROM: (Old Operator): N0210-Chevron USA, Inc. PO Box 4791 Houston, TX 77210-4791 Phone: 1-(713) 752-7431	TO: (New Operator): N2700-Resolute Natural Resources Company 1675 Broadway, Suite 1950 Denver, CO 80202 Phone: 1-(303) 534-4600

CA No.

Unit:

ANETH

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
MESA 2 (ANTH D311)	11	400S	230E	4303716037	7000	Federal	OW	S
BURTON 14-12 (A412)	12	400S	230E	4303715822	7000	Federal	OW	S
BURTON 34-12 (C412)	12	400S	230E	4303715829	7000	Federal	OW	P
BURTON 43-12 (D312)	12	400S	230E	4303715831	7000	Federal	OW	P
BURTON 12-13 (A213)	13	400S	230E	4303715821	7000	Federal	OW	P
BURTON 14-13 (A413)	13	400S	230E	4303715823	7000	Federal	OW	P
BURTON 21-13 (B113)	13	400S	230E	4303715824	7000	Federal	OW	P
ANETH UNIT B313	13	400S	230E	4303715826	7000	Federal	OW	P
ANETH U D313	13	400S	230E	4303730162	7000	Federal	OW	S
ANETH U C213	13	400S	230E	4303730173	7000	Federal	OW	P
ANETH U C413	13	400S	230E	4303730298	7000	Federal	OW	S
ARROWHEAD 7 (A214)	14	400S	230E	4303716030	7000	Federal	OW	S
ARROWHEAD 8 (A414)	14	400S	230E	4303716031	7000	Federal	OW	S
ANETH U A114	14	400S	230E	4303730634	7000	Federal	OW	S
ANETH U B214	14	400S	230E	4303730635	7000	Federal	OW	S
ANETH U C114	14	400S	230E	4303730636	7000	Federal	OW	S
ANETH U C314	14	400S	230E	4303730637	7000	Federal	OW	P
AW RICE 1 (D123)	23	400S	230E	4303716036	7000	Federal	OW	P
FED B-1 (D124)	24	400S	230E	4303715701	7000	Federal	OW	S
ANETH U F307	07	400S	240E	4303730115	7000	Federal	OW	S
ANETH U G407	07	400S	240E	4303730151	7000	Federal	OW	P
ANETH U E418	18	400S	240E	4303730165	7000	Federal	OW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/22/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 12/13/2004
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 11/22/2004
- Is the new operator registered in the State of Utah: YES Business Number: 5733505-0143
- If **NO**, the operator was contacted on:
- (R649-9-2) Waste Management Plan has been received on: _____ requested
- Inspections of LA PA state/fee well sites complete on: 12/20/2004

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA not yet

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 12/29/2004

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 12/29/2004

3. Bond information entered in RBDMS on: n/a

4. Fee/State wells attached to bond in RBDMS on: n/a

5. Injection Projects to new operator in RBDMS on: separate list

6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: B001263

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: B001264

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B001262

2. The **FORMER** operator has requested a release of liability from their bond on: not yet
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

COMMENTS:

