

UTAH DIVISION OF OIL, GAS AND MINING

REMARKS: WELL LOG ELECTRIC LOGS WATER SANDS LOCATION INSE ID SUB. REPORT/ABD.

* Operation name change 2-22-83 9/2/13 Approved Conv. to SDW:
 920723 Oper. by P.E.M. Refro. eff. 8-20-90
 Commenced Injection 10-3-91

DATE FILED 12-17-79

LAND: FEE & PATENTED STATE LEASE NO. PUBLIC LEASE NO. U-40743 INDIAN

DRILLING APPROVED 12-20-79

SPUDED IN: 2-28-80

COMPLETED: 5-30-80 OW PUT TO PRODUCING: 6-29-80

INITIAL PRODUCTION: 41 BOPD; 155 BWPD

GRAVITY A.P.I.

GOR: 63.3

PRODUCING ZONES: 5428' 3 holes, Lower Ismay Formation

TOTAL DEPTH: 5675'

WELL ELEVATION: 4497' GR

DATE ABANDONED:

FIELD: ~~Undesignated~~ *Juarez Bluff 4/87*

UNIT:

COUNTY: San Juan

WELL NO. McCracken Point Federal #1 API NO: 43-037-30521

LOCATION 2040' FT. FROM ~~XX~~ (S) LINE. 660' FT. FROM ~~XX~~ (W) LINE. NW SW 1/4-1/4 SEC. 19

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
40S	23E	19	<i>Home Petroleum Corp. May Hot Oil, Inc.</i>				

LOG TOPS:

Dakota- Surface

Chinle- 1347'

Shinarump- 2077'

Moenkopi- 2152'

Cutler- 2365'

Honaken Trail - 4362'

Ismay- 5273'

Lower Ismay- 5394'

Gothic Shale- 5457'

Desert Creek- 5497'

DAVIS OIL COMPANY

410 - 17TH STREET, SUITE 1400
DURANGO, COLORADO 80202
PHONE: 303-623-1000

NEW YORK
NEW ORLEANS
HOUSTON
TULSA



December 14, 1979

Mr. Carl Barrick
U. S. G. S.
701 Camino Del Rio
Durango, Colorado 81301

Re: #1 McCracken Point Federal
NW SW Sec. 19 T40S-R23E
San Juan, Utah

Dear Mr. Barrick:

Enclosed please find for your approval, an original and three copies of the Application for Permit to Drill, together with four copies of the Staking Plat covering the drilling of the captioned proposed test.

By carbon copy of this letter to the Utah State Oil & Gas Commission, we are furnishing them with a copy of our application and staking plat.

Your early attention to approval of said application will be appreciated.

Very truly yours,

DAVIS OIL COMPANY

A handwritten signature in cursive script that reads "Becky Creel".

Becky Creel
Geological Secretary

/bc

Enclosures

cc: Utah State Oil & Gas Commission

RECEIVED
DEC 17 1979

DIVISION OF
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 DAVIS OIL COMPANY

3. ADDRESS OF OPERATOR
 1424 10th Street, Rock Springs, Wyoming 82901

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: NWSW Sec. 19 T40S-R23E
 At proposed prod. zone: 2040' FSL & 660' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Bluff - 7 Miles west of drill site.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 660' FWL
 (Also to nearest drlg. unit line, if any)

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

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4497' GR.

5. LEASE DESIGNATION AND SERIAL NO.

U-40743

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

McCracken Point Federal

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Wildcat Undersaturated

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

19-T40S-R23E

12. COUNTY OR PARISH 13. STATE

San Juan Utah

16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL

19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS

5610' Rotary
Desert Creek

22. APPROX. DATE WORK WILL START*

Upon Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#, K55,	STC, New, 0-350'	150 sxs. Est.
7 7/8"	5 1/2"	15.5# K55,	LTC, New, 0-5610'	250 sxs. Est.

(SEE TEN POINT PROGRAM)

IRL
DEC 17 1979

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

24. SIGNED Ed Lafaye TITLE Chief Geologist DATE 12-13-79

(This space for Federal or State office use)

PERMIT NO. 43-037-30521 APPROVAL DATE Dec 20, 79

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

TEN POINT PROGRAM

- 1) SURFACE FORMATION: Dakota
- 2 & 3) ESTIMATED TOPS: (Water, Oil, Gas or Mineral bearing formations)

Dakota	Surface	
Chinle	1347'	No porosity - tite
Shinarup	2077'	No porosity - tite.
Moenkopi	2152'	No porosity - tite
Cutler	2365'	Salt Water were porous
Honaken Trail	4362'	Salt Water were porous
Ismay	5273'	Possible oil productive
Lower Ismay	5394'	Possible oil productive
Gothic Shale	5457'	Tite
Desert Creek	5497'	Possible oil productive
TD	5610'	

- 4) CASING PROGRAM: 8 5/8", 24#, K55, STC, New, 0-350' 150 sxs. Est.
5 1/2", 15.5#, K55, K55, LTC, New, 0-5610' 250 sxs. Est.

- 5) PRESSURE CONTROL EQUIPMENT: (See attached schematic diagram) BOP's and choke manifold will be installed and pressure tested before drilling out under surface casing and then will be checked daily as to mechanical operating condition.

- 6) MUD PROGRAM: 0-350' Spud Mud
350-3000' Treated Water
3000-5610' LSND 8.8-9.2 ppg (Mud wt. as required to control Formation Pressure) 35-45 vis., 15 cc W.L., PH 9.5.

Sufficient mud materials to maintain mud properties and to control minor lost circulation and blowout problems shall be maintained to wellsite.

- 7) AUXILLIARY EQUIPMENT:

- 1) Kelly Cock.
- 2) Drill Pipe Float (Except for lost circulation drilling conditions)
- 3) Monitoring of Mud System will be visual unless otherwise specified.
- 4) A sub on the floor with a full opening valve to be stabbed into drill pipe when Kelly is not in the string.

- 8) LOGGING: DIL from base of surface casing to total depth. GR-Sonic from base of surface casing to total depth. CNL-FDC over zones of interest.

CORING: No cores.

TESTING: No test.

STIMULATION: Desert Creek Fm. Approximately 40,000 gal, 29% HCL. Actual volume of treatment will be dependent upon thickness of pay and evaluation of zone of interest.

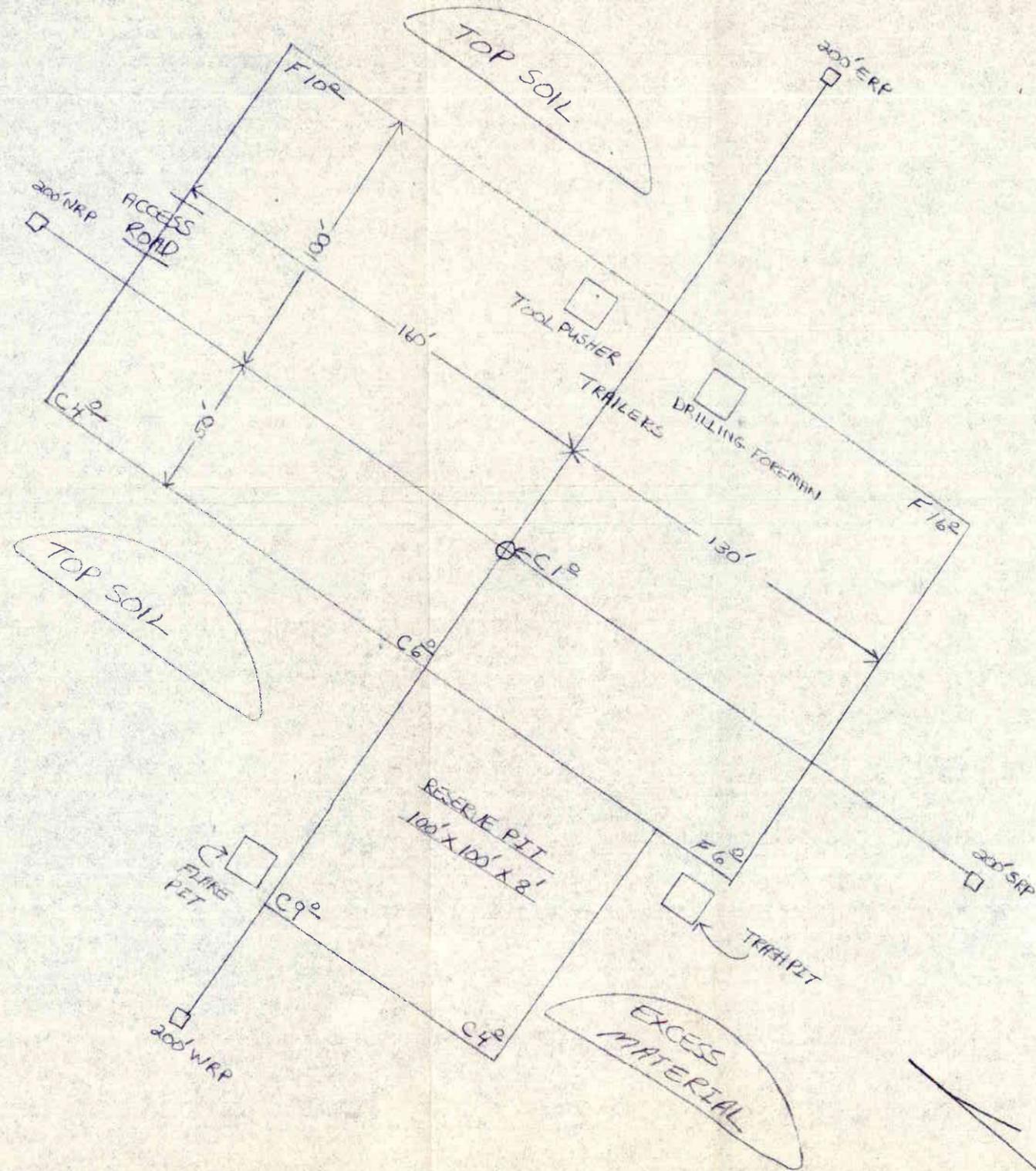
- 9) ABNORMAL PRESSURE: This firm does not anticipate any abnormal pressures or temperatures or any other hazards. This is based on previous geologic data from nearby wells.

ESTIMATED BOTTOMHOLE PRESSURE: 2500 psi

- 10) ANTICIPATED STARTING DATE: Within 30 to 45 days from date of Government approval.

DURATION OF OPERATION: 20-30 days.

LOCATION LAYOUT

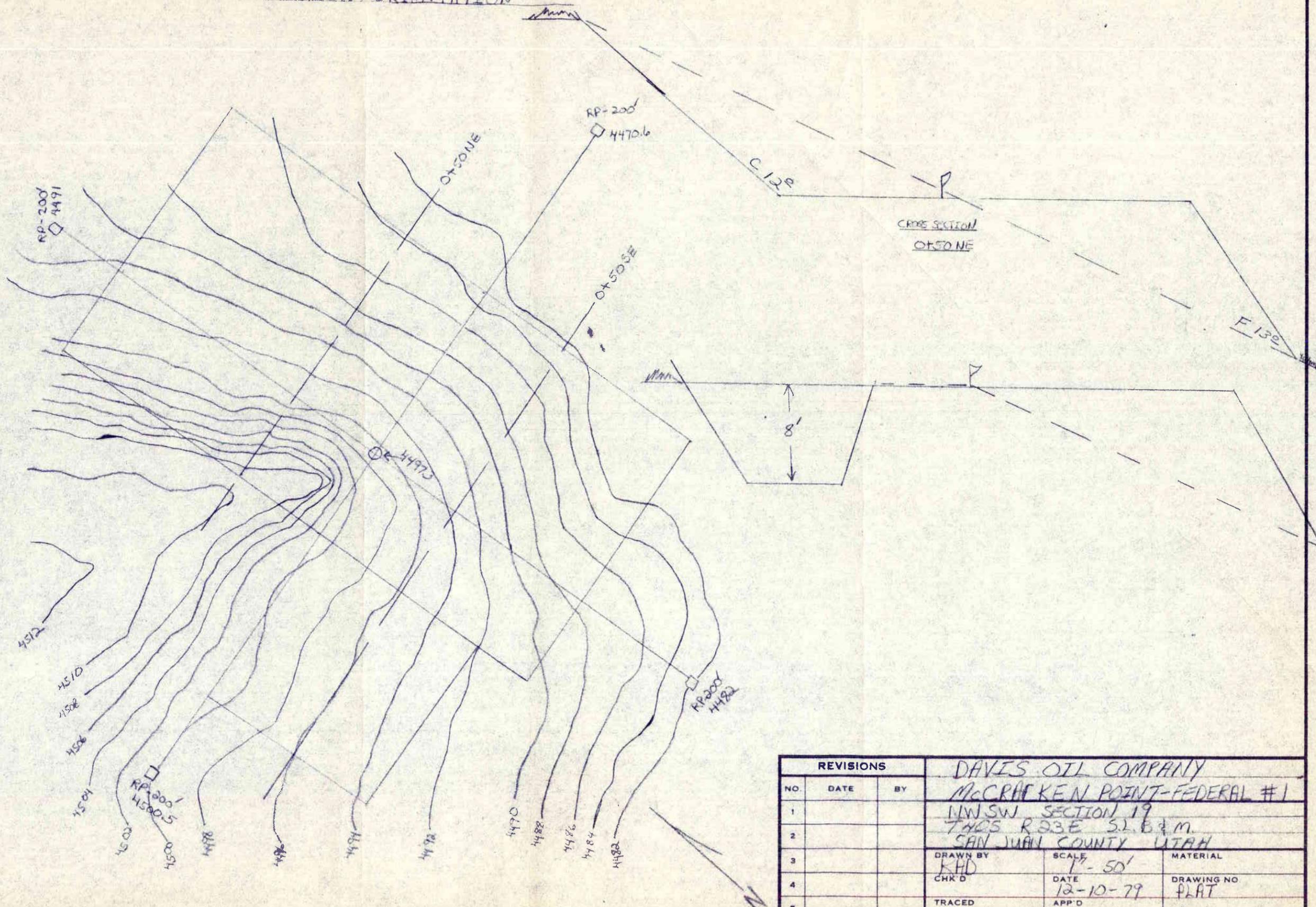


- 1) RESERVE Pit to be built 80% in cut, 20% Fill at toe. Reserve
- 2) Trash Pit to be totally enclosed.
- 3) Topsoil - 6" topsoil to be stripped from location and stockpiled before construction on actual location and pit can begin.
- 4) Condensate ERAC PAD to be cleared of brush off location adjacent to road 75' x 100' or larger if necessary.
- 5) Frac Pad will also be used for camp, if such is to be used.
- 6) Total location size will be no longer than 290' x 250'.
- 7) Flare Pit to be at least 125' from well site center.
- 8) Any questions concerning location, pertaining to size, camp, frac pad locations, or additional dirt work or construction will be addressed to KEITH DANA DAVIS OIL COMPANY BEFORE any changes or additions will be made.

REVISIONS			DAVIS OIL COMPANY		
NO.	DATE	BY	McCRACKEN POINT FEDERAL #1		
1			NW 3/4 SECTION 19		
2			T40S R23E S1B. & M		
3			SAN JUAN COUNTY UTAH		
3		DRAWN BY KAD	SCALE 1" = 50'	MATERIAL	
4		CHK'D	DATE 12-10-79	DRAWING NO. PLAT	
5		TRACED	APP'D	D-2	

GROUND CONTOURS (2')

LOCATION ORIENTATION



REVISIONS			DAVIS OIL COMPANY		
NO.	DATE	BY	MCCRAKEN POINT-FEDERAL #1		
1			NW SW SECTION 19		
2			T40S R03E S2.B & M.		
3			SAN JUAN COUNTY UTAH		
3			DRAWN BY KHD	SCALE 1" = 50'	MATERIAL
4			CHK'D	DATE 12-10-79	DRAWING NO PLAT
5			TRACED	APP'D	D-1

051-3469

** FILE NOTATIONS **

DATE: December 18, 1979

Operator: Davis Oil Company

Well No: Mc Cracken Point Federal #1

Location: Sec. 19 T. 40S R. 23E County: San Juan

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-037-30521

CHECKED BY:

Geological Engineer: _____

Petroleum Engineer: _____

Director: OK order in case 85 14 Feb 1963

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. 85 Feb 14, 1963

O.K. Rule C-3

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

Lease Designation Fed

Plotted on Map

Approval Letter Written
& sent 12/27/79

#3

NE
PI

December 24, 1979

Davis Oil Company
1424 10th Street
Rock Springs, Wyoming 82901

Re: Well No. McCracken Point Federal #1
Sec. 19, T. 40 S., R. 23 E.,
San Juan County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with the Order issued in Cause No. 85 Dated February 14, 1963.

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

MICHAEL T. MINDER
GEOLOGICAL ENGINEER
Office: 533-5771
Home: 876-3001

CLEON B. FEIGHT
DIRECTOR
Office: 533-5771
Home: 466-4455

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

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

The API number assigned to this well is 43-037-30581.

Sincerely,

DIVISION OF OIL, GAS, AND MINING

Michael T. Minder
Geological Engineer

NTM/pjf
cc: GS

DAVIS OIL COMPANY

410 7TH STREET, SUITE 1400
DENVER, COLORADO 80202
TELEPHONE: 303-623-1000



NEW YORK
NEW ORLEANS
HOUSTON
TULSA

*Bonnie-
check
duplicates*

December 14, 1979

Mr. Carl Barrick
U. S. G. S.
701 Camino Del Rio
Durango, Colorado 81301

Re: #1 McCracken Point Federal
NW SW Sec. 19 T40S-R23E
San Juan, Utah

Dear Mr. Barrick:

Enclosed please find for your approval, an original and three copies of the Application for Permit to Drill, together with four copies of the Staking Plat covering the drilling of the captioned proposed test.

By carbon copy of this letter to the Utah State Oil & Gas Commission, we are furnishing them with a copy of our application and staking plat.

Your early attention to approval of said application will be appreciated.

RECEIVED

DEC 31 1979

DIVISION OF
OIL, GAS & MINING

Very truly yours,

DAVIS OIL COMPANY

Becky Creel
Becky Creel
Geological Secretary

/bc

Enclosures

cc: Utah State Oil & Gas Commission

171

171

DAVIS OIL COMPANY

17TH STREET, SUITE 1400
DENVER, COLORADO 80202
TELEPHONE: 303-623-1000

Reply to:
Davis Oil Company
1424 Tenth Street
Rock Springs, Wyo. 82901



NEW YORK
NEW ORLEANS
HOUSTON
TULSA

STATUS OF DRILLING AND COMPLETING WELLS
MAY 23, 1980 6:00 A.M.
DAVIS OIL COMPANY - ROCK SPRINGS DISTRICT
1424 TENTH STREET - ROCK SPRINGS, WYOMING
(307) 382-2862

RECEIVED
MAY 27 1980

DIVISION OF
OIL, GAS & MINING

DURANGO DISTRICT - U.S.G.S.

Dugan Fee #1 - Fee Lease
NE-SE Sec. 31 T34N R12W
La Plata Co., Colorado
Depth: 5938' Set 1018' 9 5/8" casing 5-2-80
Present Operation - Drilling

✓Harris Federal #17-1 Fed. Lease #U-24641
NW-SE Sec. 17 T29S R26E
San Juan Co., Utah
Present Operation - Constructing location, waiting on rotary tools,
Cactus Rig #5

✓McCracken Point Federal #1 Fed. Lease #U-40743
NW-SW Sec. 19 T40S R23E
San Juan Co., Utah
T.D. 5675' PBD 5432'
Present Operation - Shut down for missile firing. Swab test Lower Ismay
Formation when operations resume

✓McCracken Point Federal #2 Fed. Lease #U-40743
SE-SW Sec. 19 T40S R23E
San Juan Co., Utah
Depth: 5656' Set 357' 8 5/8" casing 5-2-80
Present Operation - Shut down for missile firing. Will resume drilling.

ROCK SPRINGS DISTRICT - U.S.G.S.

Basin Well Unit #1 Fed. Lease #W-18474
SW-NE Sec. 20 T24N R98W
Sweetwater Co., Wyoming
Present Operation - Location built-waiting on rotary tools.

Cow Buttes #1 Fee Lease
C-SE Sec. 17 T19N R91W
Carbon Co., Wyoming
Present Operation - Rigging up rotary tools.

Gale Unit #2 Fed. Lease #W-59143
SW-SW Sec. 25 T23N R96W
Sweetwater Co., Wyoming
T.D. 10,731' Set 10,731' 5 1/2" casing 5-16-80.
Present Operation - Waiting to move off rotary tools.

NEW YORK
NEW ORLEANS
HOUSTON
TULSASTATUS OF DRILLING AND COMPLETING WELLS
MARCH 24, 1980 6:00 A.M.
DAVIS OIL COMPANY - ROCK SPRINGS DISTRICT
1424 TENTH STREET; ROCK SPRINGS, WYOMING
(307)-382-2862

Casper District - U.S.G.S.

Riner Road Unit #1
SE-NW Sec 31 T21N R89W
Carbon Co., Wyoming - Fee Lease
T.D. - 11,200'
Plugged & Abandoned 2-27-80**RECEIVED**

MAR 26 1980

DIVISION OF
OIL, GAS & MINING

Durango District - U.S.G.S.

McCracken Point Federal #1
NW-SW Sec 19 T40S R23E
San Juan Co., Utah Federal Lease #U-40743
T.D. - 5,675'
Running Long String - 4½"

Texaco Ute #1
NE-SW Sec 28 T33½N R20W
Montezuma Co., Colorado Ute Lease #14-20-604-2399
Location constructed, waiting on rotary tools (Cactus Rig #20).

Rock Springs District - U.S.G.S.

Brown Buffalo Federal #1
NE-SW Sec 12 T24N R98W
Sweetwater Co., Wyoming Fed Lease #W-63909
T.D. - 6,660'
Drilling - 8 3/4" hole
Set 764' 9 5/8" casing 3-14-80

Horn Canyon Unit #6
SW-SE Sec 30 T24N R110W
Sweetwater Co., Wyoming Federal Lease #W-47394
T.D. - 9,420'
Drilling 8 3/4" hole
Set 2,518' 9 5/8" casing 3-4-80

Paparone Federal #2
C-NE Sec 26 T24N R111W
Sweetwater Co., Wyoming Federal Lease #W-37669
T.D. - 2,601'
Drilling 8 3/4" hole
Set 2,471' 9 5/8" casing 3-19-80

DAVIS OIL COMPANY

10 - 17TH STREET, SUITE 1400
DENVER, COLORADO 80202
TELEPHONE: 303-623-1000

NEW YORK
NEW ORLEANS
HOUSTON
TULSA



STATUS OF DRILLING AND COMPLETING WELLS
APRIL 24, 1980 6:00 A.M.
DAVIS OIL COMPANY - ROCK SPRINGS DISTRICT
1424 TENTH STREET - ROCK SPRINGS, WYOMING
(307) 382-2862

DURANGO DISTRICT - U.S.G.S.

Dugan Fee #1
NE-SE Sec. 31 T34N R12W
LaPlata Co., Colorado - Fee Lease
Waiting on rotary tools.
Waiting on road conditions to improve.
Expect to spud by 5-1-80

McCracken Point Federal #1
NW-SW Sec. 19 T40S R23E
San Juan Co., Utah Federal Lease #U-40743
T.D. - 5675' P.B.T.D. - 5560'
Swab test well - Lower Ismay Formation.
Set 5560' 5½" casing 3-25-80.

McCracken Point Federal #2
SE-SW Sec. 19 T40S R23E
San Juan Co., Utah Federal Lease #U-40743
Waiting on rotary tools-expect to spud by 5-2-80.

Texaco Ute #1
NE-SW Sec. 28 T33½N R20W
Montezuma Co., Colorado Ute Lease #14-20-604-2399
Plugged and abandoned 4-23-80

ROCK SPRINGS DISTRICT - U.S.G.S.

Basin Well Unit #1
SW-NE Sec. 20 T24N R98W
Sweetwater Co., Wyoming Federal Lease No. W-18474
Building location, waiting on rotary tools. Expect to spud by 5-15-80

Brown Buffalo Federal #1
NE-SW Sec. 12 T24N R98W
Sweetwater Co., Wyoming Federal Lease No. W-63909
T.D. - 10,840'
Plugged and abandoned 3-13-80

Gale Unit #2
SW-SW Sec. 25 T23N R96W
Sweetwater Co., Wyoming Federal Lease No. W-59143
T.D. - 5655'
Drilling 8 3/4", set 747' of 9 5/8" casing.

Rock Springs District - U.S.G.S. (con't)

Sun Unit #1
SE-NE Sec 4 T26N R97W
Sweetwater Co., Wyoming Wyo. Lease #69-14097
T.D. - 12,225'
Reaming @ 11,141' 6" hole
Set 10,342' 7" casing 2-19-80

Treasure Unit #1
NE-SW Sec 33 T24N R101W
Sweetwater Co., Wyoming Federal Lease #w-20937
T.D. - 14,134'
Drillpipe stuck, attempting to free pipe.

Thermopolis District - U.S.G.S.

Annie "B" #1
SW-SE Sec 28 T53N R100W
Park Co., Wyoming Federal Lease #W-22637
Rigging up rotary tools. Will commence operations
prior to March 31, 1980, probably 3-24-80 or 3-25-80

Buttercup Reservoir #1
SW-SW Sec 27 T53N R100W
Park Co., Wyoming Federal Lease #W-26209
PBSD 2,310' Meeteetse Fm.
Waiting on gas pipeline

Coulee Unit #2
SE-NE Sec 8 T55N R100W
Park Co., Wyoming Federal Lease #W-52752
PBSD 6,385' Lance Fm.
Present operation - pump test.


David F. Banko,
Permits Supervisor

•
tc

Back

COMPANY DAVIS OIL COMPANY

LEASE MCCRACKEN POINT-FEDERAL WELL No. 1

SECTION 19 T. 40 S. R. 23 E., S.L.B. & M.

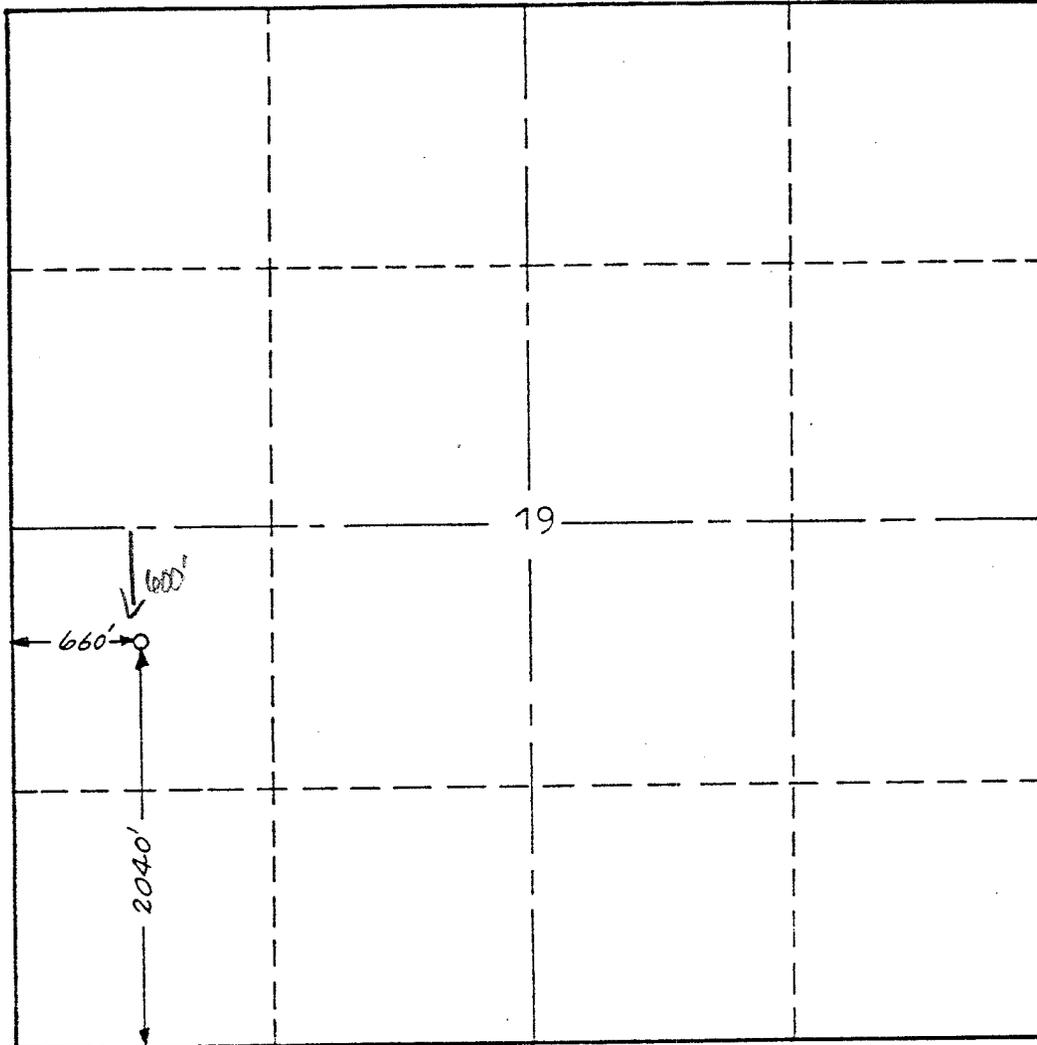
LOCATION 2040 FEET FROM THE SOUTH LINE

660 FEET FROM THE WEST LINE

ELEVATION 4497 (UNGRADED)

SAN JUAN COUNTY

UTAH



Scale: 1" = 1000'

The undersigned, KROEGER ENGINEERING COMPANY, hereby certifies that the above plat was prepared from field notes of actual surveys made by them, and that the same are true and correct to the best of their knowledge and belief.

DATE: DECEMBER 3, 1979

KROEGER ENGINEERING COMPANY

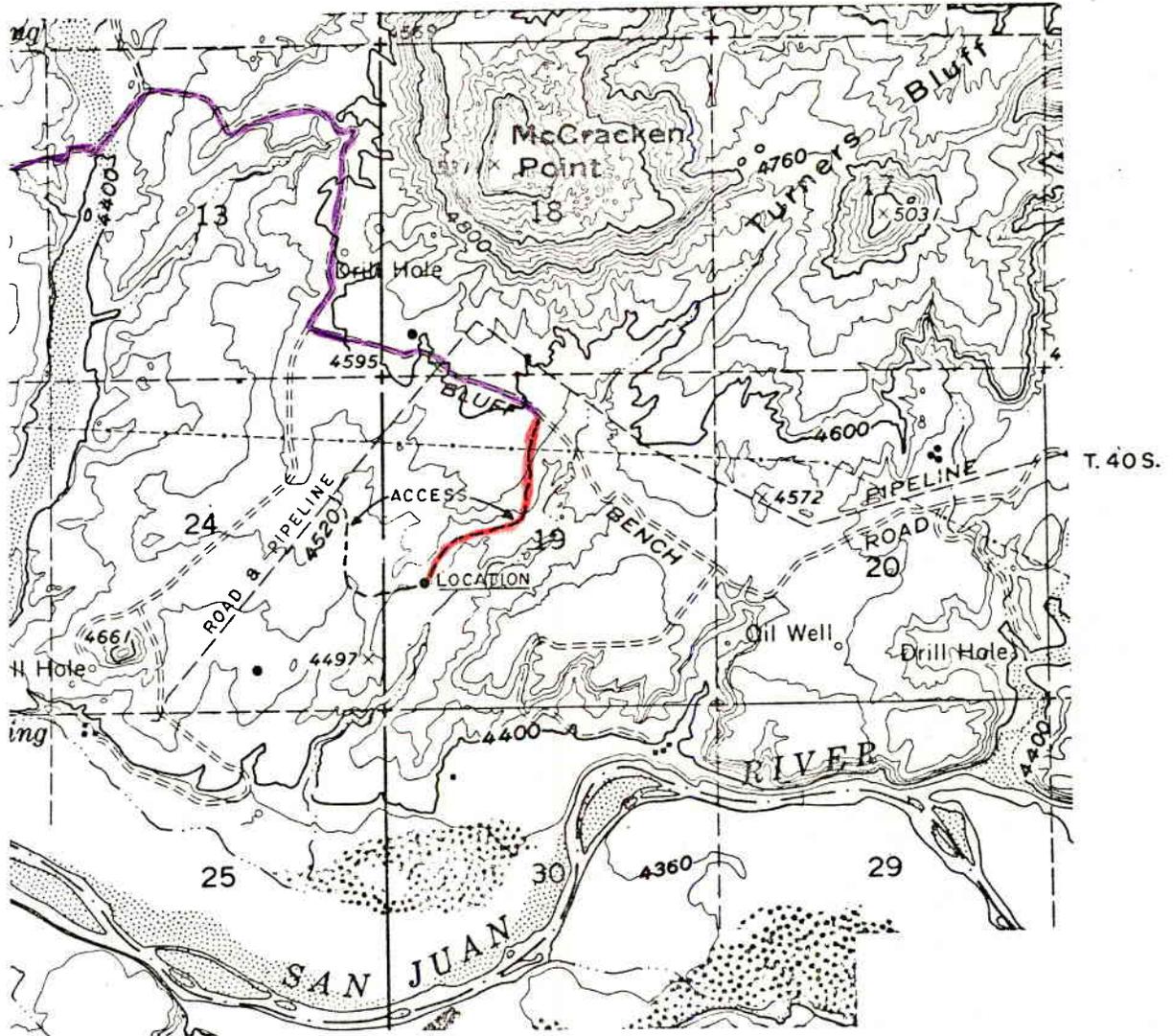
By: [Signature]

John A. Kroeger, President

UTAH REG. NO. 1648

R. 22 E.

R. 23 E.



DAVIS OIL COMPANY

**AREA MAP
McCRACKEN POINT
FEDERAL NO. 1**

NW/4 - SW/4 Sec. 19
T. 40S. R. 23E., SLB&M
San Juan County, Utah

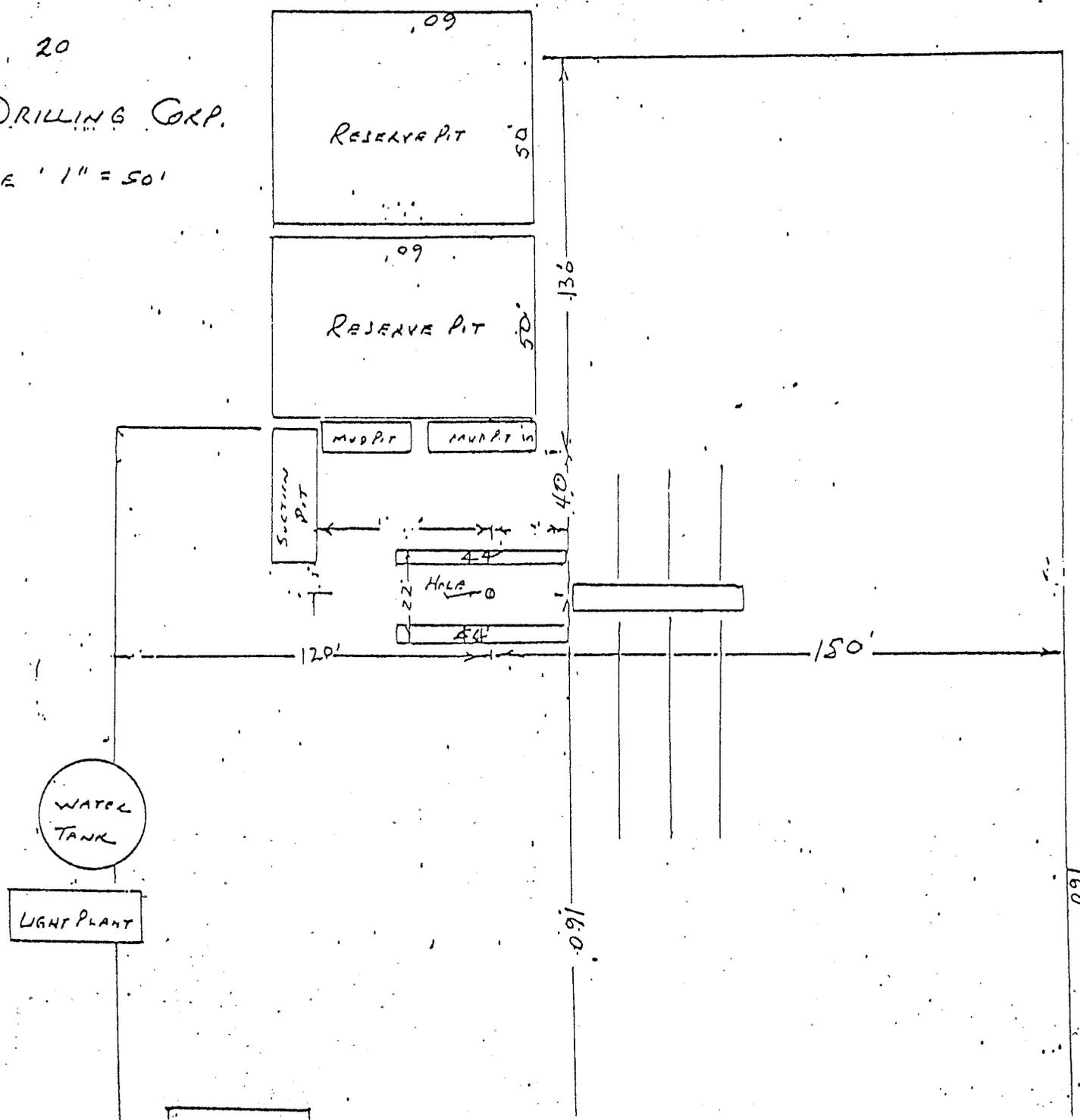
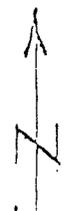
Date: Dec., 1979 Scale: 1" = 3000'

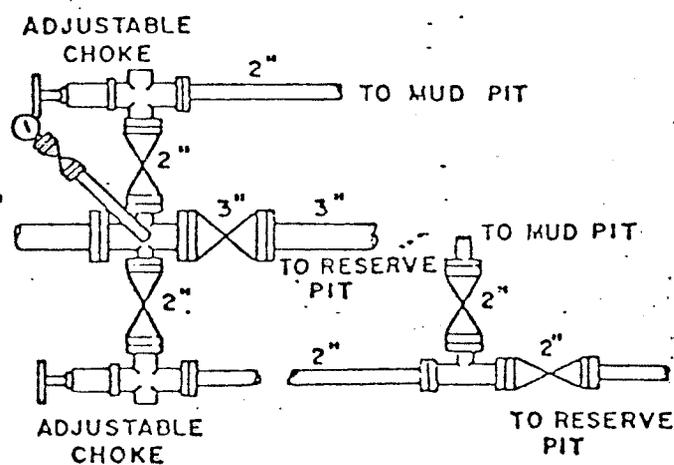
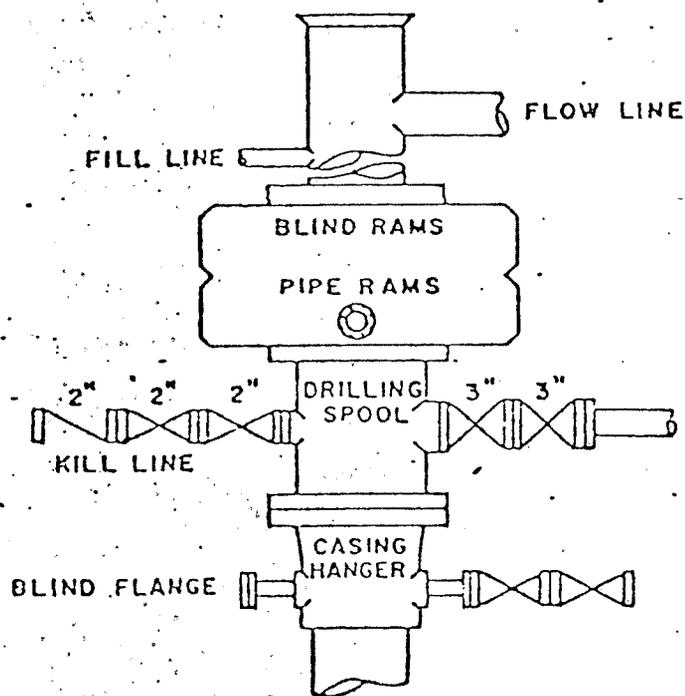
**KROEGER ENGINEERING
Durango, Colo.**

RIG No. 20

CACTUS DRILLING CORP.

APPROX SCALE 1" = 50'

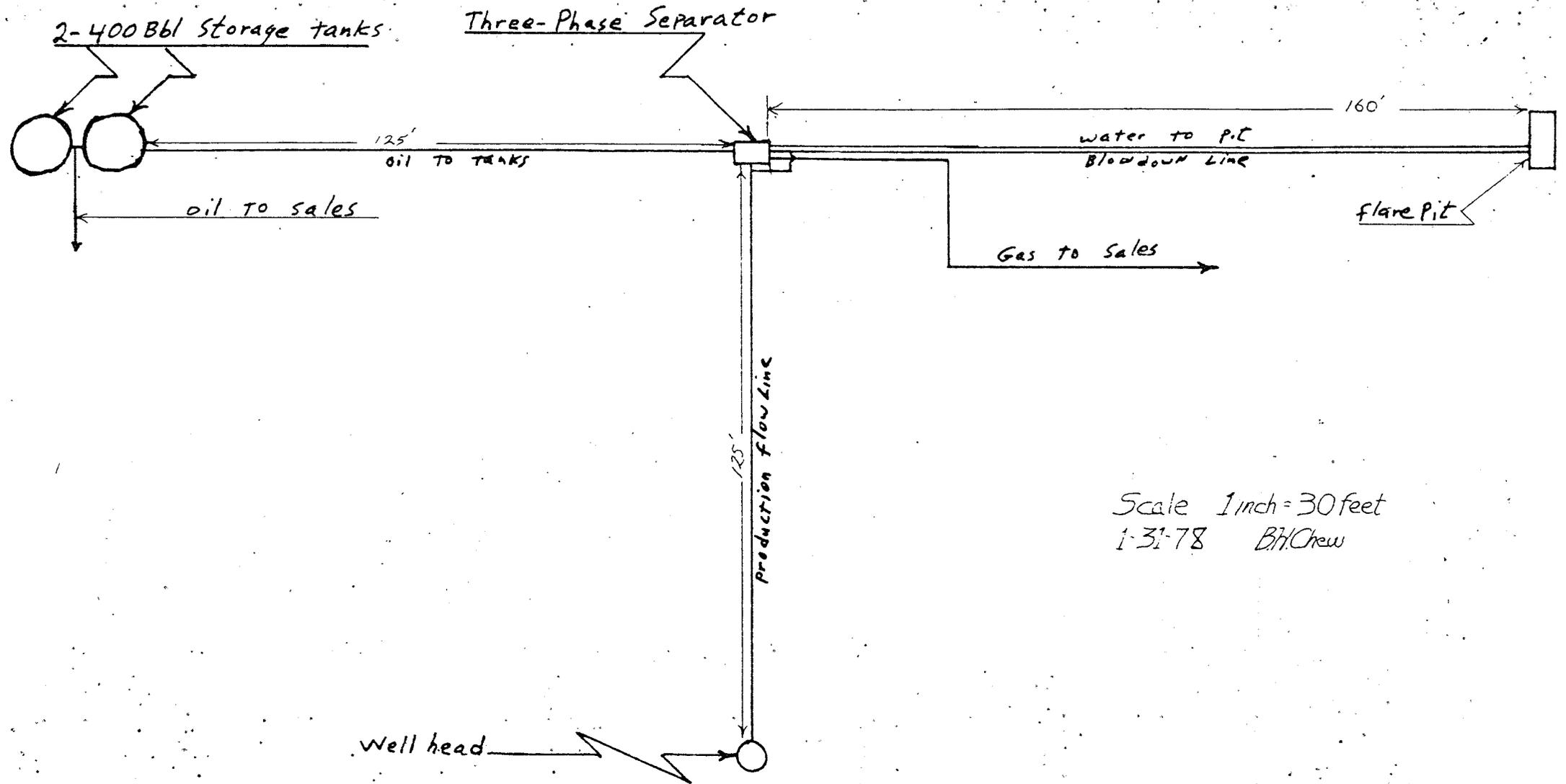




17" 900 series Shaffer type 48

Location of Tank Battery
Plat - C -

Davis Oil Company
Lease Mc Cracken Point Fed No. 1
Sec 19 Twp 40 S Rge 23 E
County San Juan State Utah



Scale 1 inch = 30 feet
1-31-78 B.H. Chew

DAVIS OIL COMPANY
MULTIPOINT SURFACE USE PLAN
(Per NTL 6)

LEASE NAME McCracken Point Federal WELL NUMBER 1, NW-SW SEC. 19 T 40SR 23E
FEDERAL LEASE NUMBER U-40743 COUNTY San Juan, STATE Utah

1. EXISTING ROADS:

A. PROPOSED WELL SITE: See Surveyors Plat and maps "A" and/or "B" attached.

B. DIRECTIONS TO LOCATION:

From Bluff, Utah travel north on U.S. 163 3 miles, then east on an upgraded dirt road (Bluff Bench Road) 7 miles then south 0.7 mi. along surveyors centerline stakes to location

C. ACCESS ROADS TO LOCATION: (See maps "A" and/or "B") Existing roads, No upgrading needed: Purple. Existing roads and/or trails requiring upgrading: Orange. Proposed New Road Construction: Red.

D. EXISTING ROADS WITHIN 3 MILES (IF EXPLORATORY WELL:) See maps "A" and/or "B" attached. Present surface and condition of existing roads:

N/A

E. EXISTING ROADS WITHIN 1 MILE (IF DEVELOPMENT WELL:) See maps "A" and/or "B" attached. Bluff Bench Road (upgraded dirt) within 0.7 mile of location.

F. PLANS FOR ROAD IMPROVEMENT AND/OR MAINTENANCE: All new construction and upgraded trails will be built with an 18' wide crowned running surface with bar-ditches on both sides. ___ culverts ___ inches diameter and ___ feet in length will be installed as indicated on the maps. Existing roads will be maintained to as good or better condition as found.

2. PLANNED ACCESS ROADS:

See maps "A" and/or "B" attached:

- (1) Width: 16' to 18' wide crowned running surface.
- (2) Maximum grades: 6 percent.
- (3) Turnouts: As needed - (See maps.)
- (4) Drainage: Bar-ditches both sides - culverts as needed (See maps)
- (5) Location and size of culverts:

None required, low water crossings will be used as necessary.

- (6) Surfacing material and source:

None Required.

- (7) Gates, cattleguards, fence cuts: (See maps)
- (8) Roads have been center-line flagged if practical. If serious doubts about alignment of road were present, center line will be flagged in the presence of U.S.G.S. and B.L.M. during predrill inspection.

3. LOCATION OF EXISTING WELLS: SEE MAPS "A" AND/OR "B".

Sec. 24 T40S R22E Whitley Oil Co.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

A. See maps "A" and/or "B" and Plat "C"

B. See maps "A" and/or "B" and Plat "C".

Reserve pit will be fenced on 3 sides prior to beginning of drilling operations. The 4th side will be fenced when the rig moves off. Pit will be over-head flagged if oil residue is left on surface. Good oilfield methods will be employed in all construction.

Reserve pit to be set uphill due to adverse conditions.

C. Plans for Restoration:

Topsoil will be stockpiled for reuse and disturbed areas no longer needed will be restored as requested by the Surface Management Agency and U.S.G.S.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. See maps "A" and/or "B" attached.

B. Method of transporting water:

Water to be trucked from San Juan River. Water trucking contractor will arrange all necessary permits prior to drilling of well

C. Water well to be drilled on lease ~~(yes)~~ (no)

6. SOURCE OF CONSTRUCTION MATERIALS:

A. See maps "A" and/or "B" attached.

B. Surface ownership (Federal) (Indian) (State) (Fee)

C. Type, source and point of use of construction materials:

N/A

D. Access roads needed to source of construction materials:

N/A

7. METHODS FOR HANDLING WASTE DISPOSAL:

(1) Cuttings will be buried in reserve pit.

(2) Drilling Fluid: Will be buried in reserve pit when pit is dry.

(3) Produced Fluid: Will be contained in reserve pit and/or will be burned in pit and buried when pit is dry.

(4) Sewage: Sanitation holes will be dug approximately 24" diameter by 20'-30' deep for each trailer and for rig " outhouses ".

(5) Garbage and other waste: Burnable garbage will be contained in trash pit and burned. Pit will be fenced with chicken wire. Unburnable trash will be buried upon completion of operations.

(6) Trash will be picked up if scattered and contained in trash pit as soon as practical after the rig is moved off. Trash pit will then be burned and fully enclosed until such time that it can be buried. Reserve pit will be fenced on all four sides and left until dry at which time it will be buried.

8. ANCILLARY FACILITIES: See maps "A" and/or "B" N/A

9. WELL SITE LAYOUT: See Plat "D" and/or Plat "E". Pits ~~(are)~~ (are not) to be lined.
If lined material will be _____.

10. PLANS FOR RESTORATION OF SURFACE:

(1) Backfilling, leveling, and contouring will be commenced as soon as practical after reserve pit is dry.

(2) Revegetation and rehabilitation will be commenced as soon as practical after backfilling and contouring are completed. Specific season and seeding will be determined by the Surface Management Agency.

(3) Pits will be fenced on three sides prior to beginning drilling operation. Fourth side will be fenced when rig is removed and so maintained until backfilling is commenced. (Five strands of barbed wire will be used.)

(4) Pits will be overhead flagged or covered with wire fencing material if oil is left on surface.

(5) Rehabilitation will normally commence within 1-2 years of completion of drilling operations and will be determined by the length of time required for reserve pit to dry adequately. The rehabilitation will normally be completed within 30-60 days (exclusive of seeding) from time work begins. Seeding will be done the fall following completion of rehabilitation work providing adequate men and equipment are available at this time.

11. OTHER INFORMATION:

(1) Topography, flora and fauna, soils and geology:

A. Topography:

South East facing slope with drainage south of site and small ridge north of site.

B. Vegetation:

Major Existing Species: Per-Cent

Saltbush	
Cactus	
Sagebrush	
Grasses	

Seed mix to be determined by Surface Management Agency.

C. Fauna:

Types Observed:

None observed - suspect coyotes, domestic graze, raptors.

D. Soils and Geology:

Sand and sandy clay underlain with sandstone

E. Water well desired by B.L.M.?

Conditions of Acceptance:

N/A

(2) Surface Ownership:

	ACCESS	DRILL SITE	MINERALS
Federal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
State	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(3) Proximity of surface water, dwellings, Archaeological, Historical, or Cultural sites:

San Juan River 1 mile south of well site. Refer to ARcheological Report by Grand River Consultants for Archeological Description. No other surface water, dwellings, Archeological, Historical or Cultural sites were noted upon inspection.

12. LESSEES OR OPERATIONS REPRESENTATIVES:

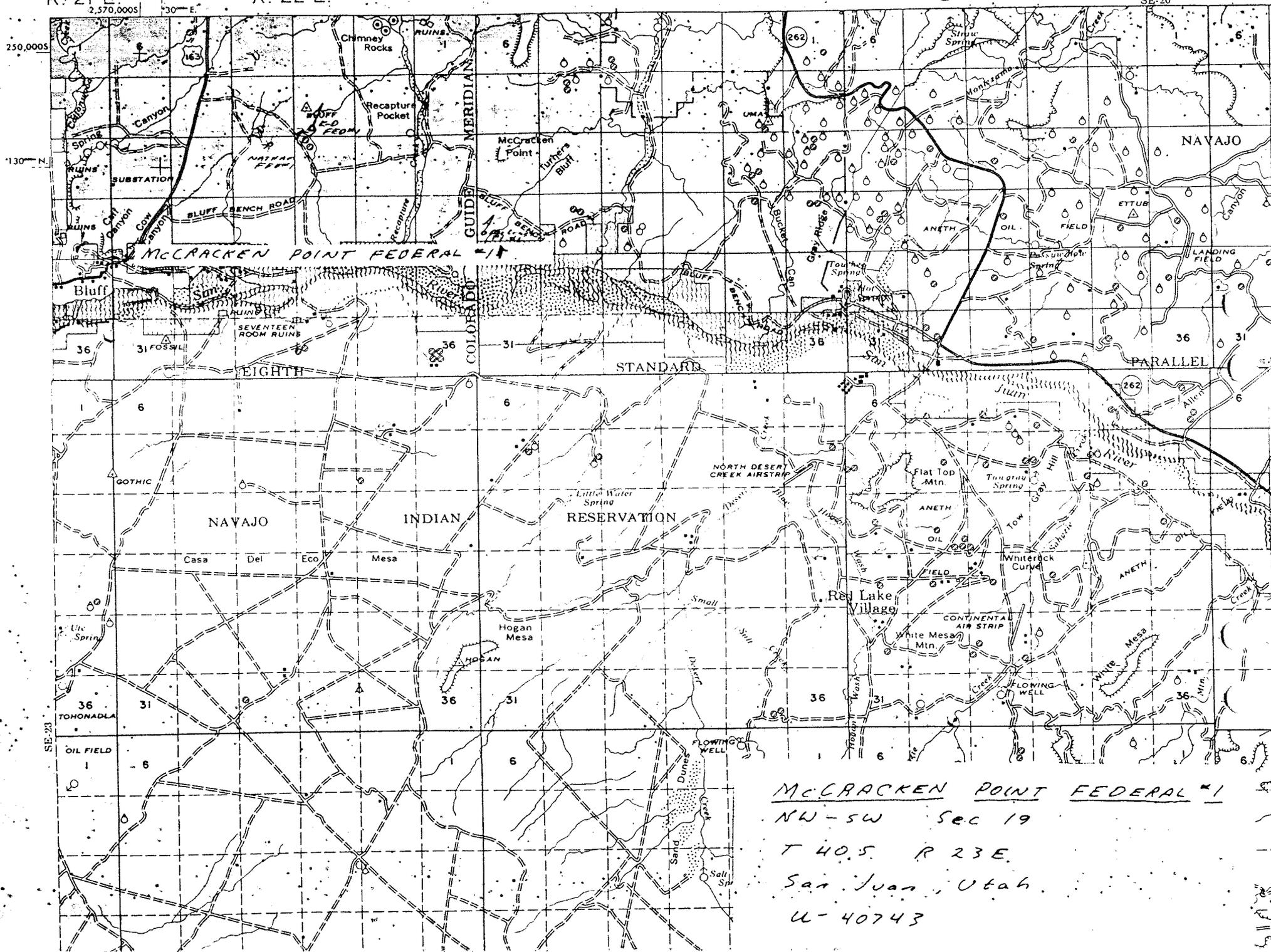
David F. Banko 307+ 362-5339
 Mark Cates 307+ 362-8779
 Keith Dana 307+ 362-5822
 Davis Oil Company 307+ 382-2862
 1424 Tenth Street
 Rock Springs, Wyoming 82901

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Davis Oil Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

December 28, 1979
Date

David F. Banko
Name and Title
Permit Supervisor



McCRACKEN POINT FEDERAL #1
 NW-SW Sec 19
 T 40.5 R 23 E.
 San Juan, Utah
 U-40743

FILE IN TRIPLICATE
FORM OGC-8-X

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number MCCRACKEN POINT FEDERAL #1
Operator Davis Oil Company Address 1424 Tenth St. Rock Springs, Wyo.
Contractor Cactus Address Farmington, N.M.
Location NE 1/4 NW 1/4 Sec. 19 T. 40 R. 23 County San Juan

Water Sands No fresh water noticed

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	5497'	Desert Creek	W.L. 4000'	Salt water
2.	5394'	Ismay		Salt water
3.				
4.				
5.				

(Continue on reverse side if necessary)

<u>Formation Tops</u>				
	Chinle	1347	Upper Ismay	5273
	Shinarup	2077	Lower Ismay	5394
	Moenkopi	2152	Gothic shale	5457
	Cutler	2365	Desert Creek	5497
	Honaken Trail	4362	T.D.	5675'

Remarks

jw

RECEIVED

JUN 2 1980

DIVISION OF
OIL, GAS & MINING

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
(b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

June 10, 1980

Lavis Oil Co.
1424 10th St.
Rock Springs, Wyoming 82901

Re: Well No. McCracken Point Fed. #1
Sec. 19, T. 40S, R. 23E.
San Juan County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3 and forward it to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS, & MINING



JANICE TABISH
CLERK-TYPIST

DAVIS OIL COMPAN

410 - 17TH STREET, SUITE 1400
DENVER, COLORADO 80202
TELEPHONE: 303-623-1000

Reply to:

Davis Oil Company
1424 Tenth St.
Rock Springs, Wyo. 82901



NEW YORK
NEW ORLEANS
HOUSTON
TULSA

June 25, 1980

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JUN 27 1980

State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
1588 West North Temple
Salt Lake City, Utah 84116

DIVISION OF
OIL, GAS & MINING

ATTENTION: Janice Tabish

RE: McCracken Point Fed. #1
Sec. 19 T40S R23E
San Juan Co., Utah

Dear Ms. Tabish:

We are in receipt of your letter requesting form OGC-3 to be completed and returned to you on the above referenced well.

As we are still working on setting the production unit and tanks on this well, we will forward form OGC-3 to you as soon as this has been completed.

Thank you.

Very truly yours,

DAVIS OIL COMPANY

A handwritten signature in cursive script, appearing to read 'B. R. Porter'.

B. R. Porter
District Superintendent

BRP:jw

DAVIS OIL COMPANY

17TH STREET, SUITE 1400
DENVER, COLORADO 80202
TELEPHONE: 303-623-1000

NEW YORK
NEW ORLEANS
HOUSTON
TULSA

Reply :
Davis Oil Company
1424 Tenth Street
Rock Springs, Wyo. 82901



STATUS OF DRILLING AND COMPLETING WELLS
JUNE 30, 1980 6:00 A.M.
DAVIS OIL COMPANY - ROCK SPRINGS DISTRICT
1424 TENTH STREET - ROCK SPRINGS, WYOMING
(307) 382-2862

RECEIVED
JUL 02 1980

DIVISION OF
OIL, GAS & MINING

BILLINGS DISTRICT - U.S.G.S.

Chambers Federal 1-22 - Fed. Lse #M-15683
NW-NE Sec. 22 T9S R22E
Carbon Co., Montana
Present Status - Davis Oil Company has relinquished Operator Status to
Jerry Chambers Oil Producers, effective 6-26-80

CASPER DISTRICT - U.S.G.S.

Harris Slough #1 - Fed. Lse #W-19536
SE-SE Sec. 34 T27N R99W
Fremont Co., Wyoming
Present Status - Waiting on government on-site inspection.

DURANGO DISTRICT - U.S.G.S.

Dugan Fee #1 - Fee Lease
NE-SE Sec. 31 T34N R12W
LaPlata Co., Colorado
Depth: 8370' Set 1018' 9 5/8" casing 5-2-80.
Present Status - Drill stem test.

Harris Federal #18-1 - Fed. Lse #U-24641
NW-SE Sec. 17 T29S R26E
San Juan Co., Utah
Present Status - Waiting on rotary tools. Cactus Rig #5.

McCracken Point Federal #1 - Fed. Lse #U-40743
NW-SW Sec. 19 T40S R23E
San Juan Co., Utah
PBD: 5532' Ismay Formation
Present Status - Set production facilities.

McCracken Point Federal #2 - Fed. Lse #U-40743
SE-SW Sec. 19 T40S R23E
San Juan Co., Utah
Depth: 5750'
Present Status - Plugged and abandoned - 5/26-80

ROCK SPRINGS DISTRICT - U.S.G.S.

Basin Well Unit #1 - Fed. Lse #W-18474
SW-NE Sec. 20 T24N R98W
Sweetwater Co., Wyoming
Present Status - Waiting on rotary tools.

SUBMIT IN DUPLICATE*

STATE OF UTAH

(See other instructions on reverse side)

OIL & GAS CONSERVATION COMMISSION

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

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

2. NAME OF OPERATOR
DAVIS OIL COMPANY

3. ADDRESS OF OPERATOR
1424 Tenth St. Rock Springs, Wyo. 82901

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface NW-SW Sec. 19 T40S R23E 2040' FSL & 660' FWL
At top prod. interval reported below
At total depth

14. PERMIT NO. 43-037-30521 | DATE ISSUED 12-20-79

5. LEASE DESIGNATION AND SERIAL NO.
U-40743

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
McCracken Pt. Fed.

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
~~Wildcat~~ UNDESIGNATED

11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA
19 T40S R23E

12. COUNTY OR PARISH San Juan | 13. STATE Utah

15. DATE SPUDDED 2-28-80 | 16. DATE T.D. REACHED 3-22-80 | 17. DATE COMPL. (Ready to prod.) 5-30-80 | 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 4497' GR | 19. ELEV. CASINGHEAD 4497'

20. TOTAL DEPTH, MD & TVD 5675' | 21. PLUG, BACK T.D., MD & TVD 5532' | 22. IF MULTIPLE COMPL., HOW MANY* | 23. INTERVALS DRILLED BY | ROTARY TOOLS | CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
5428' 3 holes, Lower Ismay Formation
25. WAS DIRECTIONAL SURVEY MADE No

RECEIVED
JUL 10 1980

26. TYPE ELECTRIC AND OTHER LOGS RUN Electric | 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well) DIVISION OF OIL, GAS & MINING 1/4

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	AMOUNT PULLED
8 5/8"	24	397	12 1/4	300 sks. "G"-2% cal. flows
5 1/2	15.5	5675	7 7/8	200 " " 1# sugar

29. LINER RECORD | 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 7/8	5446.58'	None

31. PERFORATION RECORD (Interval, size and number) | 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5428	200 gals. 7 1/2% HCL
	500 gals. SRA 3

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
6-29-80	Pumping	Producing					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
5-22-80	9 hrs.	swab	→	15.8		47.5	63.3
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
SI 180	-0-	→	40.08		154.08		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
To be sold | TEST WITNESSED BY Bush Chancey

35. LIST OF ATTACHMENTS
Geological report previously supplied.

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

SIGNED [Signature] | TITLE District Superintendent | DATE 7-8-80

jw

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool. **Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP TRUE VERT. DEPTH
Lower Ismay	5426	5461	Gas to surface 15 min. 1959' mud 1375' water gas cut 2175' oil/water gas cut	Dakota Chinle Shinarup Moenkopi Cutler Honaken Trail Ismay Lower Ismay Gothic Shale Desert Creek	Surface 1347' 2077' 2152' 2365' 4362' 5273' 5394' 5457' 5497'	

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

38. GEOLOGIC MARKERS

NEW YORK
NEW ORLEANS
HOUSTON
TULSA

July 30, 1980

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

Attn: Mr. Cleon Feight

File: DLH-654-WF

Re: [REDACTED]

NW/SW, Sec. 19, T40S, R23E
San Juan County, Utah

Dear Mr. Feight:

Persuant to our conversation of July 28, 1980, we hereby request permission to comingle production from the Desert Creek and Ismay zones in the captioned well.

Pertinent data on each zone is as follows:

	<u>Desert Creek</u>	<u>L. Ismay</u>
Perforated Interval	5590-5600	5426-35 ³⁸⁶⁷⁴
Reservoir Pressure	2247 psi* ^{4016'}	2100 psi from dst
Water Salinity	139,000**	120,300**
Oil Production	20 bbl. in 6 hr.***	8 bbl./day ^{16.7%}
Water Production	130 bbl. in 6 hr. ^{15.4%}	48 bbl./day

* Calculated
** Lab analysis of swab samples
*** Swab test

**APPROVED BY THE DIVISION
OF OIL, GAS, AND MINING**

DATE: 10-7-80BY: M. J. Wender

Since this well was drilled and completed at a total cost of \$534,265 and is not economic in either zone individually, we cannot justify drilling a new well to be completed in either zone.

This well was completed in 5½" casing, which is not of sufficient size to dual complete.

Reservoir pressures are similar enough that we would not expect any degree of flow from one zone to the other.

DAVIS OIL COMPANY 410 - 17TH STREET, SUITE 1400
DENVER, COLORADO 80202
TELEPHONE: 303-623-1000

NEW YORK
NEW ORLEANS
HOUSTON
TULSA



If any further information is necessary regarding this request, please contact me at the above address.

Thank you,

A handwritten signature in black ink, appearing to read 'R. F. Reiner'. The signature is fluid and cursive, with a large initial 'R'.

R. F. Reiner
Rocky Mtn. Production Superintendent

RFR:ns

DAVIS OIL COMPANY

410 - 17TH STREET, SUITE 1400
DENVER, COLORADO 80202
TELEPHONE: 303-623-1000



NEW YORK
NEW ORLEANS
HOUSTON
TULSA

September 29, 1980

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



Attn: Bonnie

Re: McCracken Point Fed. #1
NW SW Sec. 19 T40S R23E
San Juan County, Utah

Dear Bonnie:

Persuant to our conversation of September 29, 1980,
here is a copy of the application for McCracken Point Fed-
eral #1. If any further information is necessary regarding
this request, please contact me at the above address.

Thank you,

A handwritten signature in cursive script that reads 'R.F. Reiner'.

R.F. Reiner
Rocky Mtn. Production Superintendent

RFR:cc



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

February 10, 1983

Home Petroleum Corporation
999 18th Street, Suite 801
Denver, Colorado 80202

Re: Well No. McCracken Point
Federal #1
Sec. 19, T. 40S, R. 23E.
San Juan County, Utah

Gentlemen:

According to production reports received from your company, this well is now operated by you. We have not received the proper information stating that your company is now operator of this well. If you have resumed operations on this well, it is your responsibility as current operator to submit those changes to this office. Please send in those changes stated on a Sundry Notice OGC-1b (enclosed). If your company has not taken over responsibility of this well, please explain why your office is sending in the reports for this well.

We will be happy to acknowledge receipt of your response to this notice if you will include an extra copy of the transmittal letter with a place for our signature, and a self addressed envelope for the return. Such acknowledgement should avoid unnecessary mailing of a firm second notice from our company.

Thank you for your prompt attention to the above matter.

Respectfully,

DIVISION OF OIL, GAS AND MINING

Cari Furse
Well Records Specialist

CF/cf

Enclosures

Board/Charles R. Henderson, Chairman • John L. Bell • E. Steele McIntyre • Edward T. Beck
Robert R. Norman • Margaret R. Bird • Herm Olsen

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> 2. NAME OF OPERATOR Home Petroleum Corporation 3. ADDRESS OF OPERATOR Drawer 900, Reliance, Wyoming 82943 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface NWSW, Section 19, T40S, R22E 2040 FSL 660 FWL 14. PERMIT NO. 43-037-30521		5. LEASE DESIGNATION AND SERIAL NO. U-40743 6. IF INDIAN, ALLOTTEE OR TRIBE NAME ----- 7. UNIT AGREEMENT NAME ----- 8. FARM OR LEASE NAME McCracken Point Federal 9. WELL NO. 1 10. FIELD AND POOL, OR WILDCAT Recapture Creek 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 9-40S-23E 12. COUNTY OR PARISH San Juan 13. STATE Utah
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 4497' GR		

RECEIVED
 FEB 24 1983
 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 checked="" type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input 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.)*

On April 1, 1981, the designated operator changed from Davis Oil Company to Home Petroleum Corporation.

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

SIGNED *M. J. Jones* TITLE District Superintendent DATE February 22, 1983

(This space for Federal or State office use)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN THE DATE
(Other instructions on reverse side)

Form approved
Budget Bureau No. 42-R1424.

6. LEASE DESIGNATION AND SERIAL NO.

U-40743

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

McCracken Federal

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Turner Bluff

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 19, T40S-R23E

12. COUNTY OR PARISH

San Juan

13. STATE

UT

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
P & M Petroleum Management

3. ADDRESS OF OPERATOR
1600 Broadway, #1700, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface

NW 1/4 SW 1/4 (2040' FSL & 660' FWL)

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, CR, etc.)

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other) P & A OR CONVERT TO DISPOSAL

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other) _____

(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.)*

The above referenced well is currently shut in. In 1984 P & M Petroleum Management attempted to drill a replacement well, the #1-19R McCracken Federal which was P & A'd 12/28/84. As was the intent upon approval to drill the #1-19R if the well was unsuccessful, we would either P & A the #1 McCracken or apply to convert to a water disposal well.

The original lease date for U-40743 is 9/1/78, indicating the lease to be in it's primary term. P & M Petroleum Management is paying minimum royalty @ \$1/acre on the entire lease.

With this Sundry Notice P & M Petroleum Management hereby notifies the BLM of our intent to either P & A the well or apply to covert the well to a water disposal well within the next 90 days.

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

SIGNED Robert W. Peterson TITLE Petroleum Engineer/Agent

DATE 7/18/85

(This space for Federal or State office use)

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



P & M

PETROLEUM MANAGEMENT

SUITE 1700 • 1600 BROADWAY • DENVER • COLORADO 80202 • PHONE (303) 861-2470

RECEIVED

JUL 22 1985

July 18, 1985

BUREAU OF LAND MANAGEMENT
DISTRICT OFFICE
P.O. BOX 970
Moab, UT 84532

DIVISION OF OIL
GAS & MINING

RE: P & M PETROLEUM MANAGEMENT, OPERATOR
#1 McCracken Federal
NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 19, T40S-R23E
San Juan County, UT

Federal Lease No. U-40743

Gentlemen:

Enclosed in quadruplicate please find a Sundry Notice of Intention to either P & A or convert the above referenced well to a water disposal well within the next 90 days. The subject well is currently shut in and the lease is in the primary term and the appropriate minimum royalty is being paid to the BLM.

Please advise as to any questions or further information required at this time.

Yours very truly,

Margo J. Medina

MM:s
Enclosure

cc: BLM
Box 7
Monticello, UT 84535

BLM
1745 W. 1700 S. #2000
Salt Lake City, UT 84104

State of Utah
4241 State Office Bldg.
Salt Lake City, UT 84114



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 1, 1985

Janet M. Korzan
P & M Petroleum Management N1570
Suite 1700 - 1600 Broadway
Denver, Colorado 80202

Dear Ms Korzan:

Re: McCracken Point Federal #1 API# 43-037-30521 T40S R23E SEC 19

In reviewing our records, we recognize that the above referenced well is operated by your company; however, we have never received proper notification concerning this change.

Please submit a "Sundry Notice", Form OGC-1b, for this well with the name, address and phone number of both the new and old operators and the date the change became effective. We have enclosed forms for your convenience.

Please send your reply with explanatory cover letter to
Attention: Suspense File - Pam Kenna.

Sincerely,

Vicky Carney
Production Specialist

PK/vlc

cc: Dianne R. Nielson
Ronald J. Firth
Norman C. Stout
Suspense File
File

031S-44

Routing:	
1-LCR/GJA	✓
2-DTS/ST-LCR	✓
3-VLC	✓
4-RVF	✓
5-RWM	✓
6-ADA	✓

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: 8-20-90)

TO (new operator)	<u>HAY HOT OIL, INC.</u>	FROM (former operator)	<u>P&M PETROLEUM MANAGEMENT</u>
(address)	<u>P. O. BOX 9</u>	(address)	<u>SUITE 1700, 1600 BROADWAY</u>
	<u>MONTEZUMA CREEK, UT 84534</u>		<u>DENVER, CO 80202</u>
	<u>phone (801)651-3469</u>		<u>phone (303)861-2470</u>
	<u>account no. N 2935</u>		<u>account no. N1570</u>

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

Name: <u>MCGRACKEN PT FED #1</u>	API: <u>4303730521</u>	Entity: <u>2890</u>	Sec <u>19</u> Twp <u>40S</u> Rng <u>23E</u>	Lease Type: <u>U-56514</u>
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: _____
Name: _____	API: _____	Entity: _____	Sec ___ Twp ___ Rng ___	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- YCP 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form).
- YCP 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form).
- N/A 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: .
- YCP * 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.
- YCP 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (7-23-92)
- YCP 6. Cardex file has been updated for each well listed above. (7-23-92)
- YCP 7. Well file labels have been updated for each well listed above. (7-23-92)
- YCP 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (7-23-92)
- YCP 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) (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) IDJOC #39 (20,000) First Nat'l Bank, Cortez

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. *X Upon completion of routing.*
- 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). Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

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.

RECORDING

- 1. All attachments to this form have been microfilmed. Date: Aug 7 1992.

INDEXING

- 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

901120 Bhm/Welene Not approved as of yet. Bonding being taken care of.

920723 Bhm/Welene Lease U-56514 terminated 6-3-91, OOGM will hold bond for this well.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

October 24, 1990

Mr. Chet Roach
Hay Hot Oil, Inc.
P. O. Box 9
Montezuma Creek, Utah 84534

Dear Mr. Roach:

Re: McCracken Point Fed. #1 Well, Sec. 19, T. 40S, R. 23E - San Juan County, Utah

On October 24, 1990, an onsite inspection was made of the referenced well by Glen Goodwin of this Division staff. It was reported that a cement squeeze job had been completed on the well. It was also reported that the well has been perforated in a proposed injection zone and that an injectivity test was being conducted.

As of this time the Division has not received any paperwork required for workover and testing, or an application for the conversion of this well to an injection well.

As per your phone conversation with Dan Jarvis on October 24, 1990, regarding this matter, all workover operations to convert the well to injection, or any further injection of water into this well should cease until a proper application has been filed, noticed and approved by the Division as required by R615-5 of the Oil and Gas Conservation General Rules. A copy of these rules are enclosed for your information.

If you have any questions regarding this matter please call Dan Jarvis or myself at (801)538-5340.

Sincerely,

Gil Hunt
UIC Manager

Enclosure

cc: Bureau of Land Management - Moab

RECEIVED NOT OWNED
- TESTING -

MONTHLY INJECTION REPORT UIC FORM 3
OCT 29 1990

OPERATOR Hay Hot Oil, Inc. DIVISION OF
ADDRESS P.O. Box 9 OIL, GAS & MINING
Montezuma Creek, Ut. 84534

OPERATIONS MONTH/YR 9/90

CORRECTED REPORT

Well name and number: Federal 23-57 McCRACKEN POINT 1-19
Field or Unit name: Turner's Bluff API no. 43-037-30575
Well location: QQ SWNE section 23 township 40s range 22e county San Juan

Date	Volume Disposed	Hours In Service	Maximum Pressure	Average Operating Pres.	Tubing/Casing Annulus Pres.
1	167 BBLs	6 1/4	2000	1400	---
2	162 BBLs	6	2000	1400	---
3	162 BBLs	6	2000	1400	---
4	203 BBLs	7 1/2	2500	1750	---
5	176 BBLs	6 1/2	2500	1750	---
6	122 BBLs	4 1/2	2500	1750	---
7	122 BBLs	4 1/2	2500	1750	---
8	136 BBLs	5	2500	1750	---
9	162 BBLs	6	2500	1750	---
10	216 "	8	2500	1750	---
11	121 "	4 1/2	2500	1750	---
12	162 "	6	2500	1750	---
13	108 "	4	2500	1750	---
14	81 "	3	2500	1750	---
15	81 "	3	2500	1750	---
16	54 "	2	2500	1750	---
17	162 "	6	2500	1750	---
18	54 "	2	2500	1750	---
19	539 "	11 1/2	2700	1850	---
20	1084 "	21 1/4	2700	1850	---
21	794 "	17	2700	1850	---
22	720 "	24	2400	2300	---
23	690 "	23	2700	1850	---
24	525 "	17 1/2	2700	1850	---
25	585 "	19 1/2	2700	1850	---
26	600 "	20	2700	1850	---
27	615 "	18 1/2	2600	1750	---
28	660 "	22	2600	1750	---
29	600 "	20	2600	1750	---
30	520 "	18	2600	1750	---
31					---

Total volume injected for month 10,385
All time cumulative volume injected _____

I certify that this report is true and complete to the best of my knowledge.
Name Jerry Howell Signature Jerry Howell
Title Manager Date 10-25-90
Phone No. (801) 651-3469

APPLICATION FOR INJECTION WELL - UIC FORM 1

OPERATOR Hay Hot Oil, Inc.
ADDRESS P.O. Box 9
Montezuma Creek, Utah 84534

Well name and number: McCracken Federal #1
Field or Unit name: Turner Bluff Lease no. U-56514
Well location: QQ NWSW section 19 township 40s range 23e county San Juan

Is this application for expansion of an existing project? . . . Yes No
Will the proposed well be used for: Enhanced Recovery? . . . Yes No
Disposal? Yes No
Storage? Yes No
Is this application for a new well to be drilled? Yes No
If this application is for an existing well,
has a casing test been performed on the well? Yes No
Date of test: October, 1990 (1500 psi for 30 min.)
API number: 43-037-30521

Proposed injection interval: from 5,549' to 5,570'
5,590' to 5,630'
Proposed maximum injection: rate 2400 bwpd pressure 3250 psig
Proposed injection zone contains oil, gas, and/or fresh water within 1/2 mile of the well.

IMPORTANT: Additional information as required by R615-5-2 should accompany this form.

7 pages of text, 2 pages of map, 8 pages of water analyses, & 1 Sundry Notice
List of Attachments: _____

I certify that this report is true and complete to the best of my knowledge.
Name Brian Wood Signature Brian Wood
Title Consultant Date 11-3-90
Phone No. (505) 984-8120

(State use only)
Application approved by _____ Title _____
Approval Date _____

Comments:

APPLICATION FOR INJECTION WELL - UIC FORM 1

OPERATOR Hay Hot Oil, Inc.
ADDRESS P.O. Box 9
Montezuma Creek, Utah 84534

Well name and number: McCracken Federal #1
Field or Unit name: Turner Bluff Lease no. U-56514
Well location: QQ NWSW section 19 township 40s range 23e county San Juan

Is this application for expansion of an existing project? . . . Yes No
Will the proposed well be used for: Enhanced Recovery? . . . Yes No
Disposal? Yes No
Storage? Yes No
Is this application for a new well to be drilled? Yes No
If this application is for an existing well,
has a casing test been performed on the well? Yes No
Date of test: October, 1990 (1500 psi for 30 min.)
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Proposed injection interval: from 5,549' to 5,570'
5,590' to 5,630'
Proposed maximum injection: rate 2400 bwpd pressure 3250 psig
Proposed injection zone contains oil, gas, and/or fresh water within 1/2 mile of the well.

IMPORTANT: Additional information as required by R615-5-2 should accompany this form.

List of Attachments: 7 pages of text, 2 pages of map, 8 pages of water analyses, & 1 Sundry Notice

I certify that this report is true and complete to the best of my knowledge.
Name Brian Wood Signature Brian Wood
Title Consultant Date 11-3-90
Phone No. (505) 984-8120

(State use only)
Application approved by _____ Title _____
Approval Date _____

Comments:

**Hay Hot Oil, Inc.
McCracken Federal #1 Disposal Well Application
2040' FSL & 660' FWL, Sec. 19, T. 40 S., R. 23 E.
San Juan County, Utah**

PAGE 1

**McCRACKEN PT. FEDERAL #1 WELL
2040' FSL & 660' FWL 19-40s-23e**

R615-5-1.

1. Operator: Hay Hot Oil, Inc.

Address: P.O. Box 9, Montezuma Creek, Ut. 84534

2. A plat is attached showing all wells within a half mile of the proposed disposal well. There are 3 wells, all are P&A:

P&M's 1-19R well is 302' away @ 2059 FS & 358 FW 19-40s-23e

Whiltey's 2-24 is 1,416' away @ 1900 FS & 750 FE 24-40s-22e

Davis' #2 is 1,855' away @ 660 FS & 1900 FW 19-40s-23e

A well is shown on the USGS map in NWSE 19-40s-23e, but it was never drilled. Location was built, abandoned, and reclaimed. No wells are known to be planned in the half mile radius.

3. Approval is requested to convert an existing oil well into a disposal well. The well is 2 miles east of Hay Hot Oil's state approved produced water evaporation ponds and 8 miles west of their office. Last year's closure of another company's pond and more produced water increased demand for disposal services. A disposal well would increase disposal capacity during winter when evaporation is minimal and at other peak loading times.

Water will be trucked from wells or Hay Hot Oil's ponds to the disposal well where it will be pumped into one of three existing tanks. It is possible three other tanks may added. From the tanks, water will pass through a cartridge type (50 to 125 size) filter unit and a pump. The skid mounted pump will be an internal combustion 100hp type 324 triplex pump with aluminum bronze fluid end. Tank level and pressure controls will be installed for safety. Only pipelines will be a suction line from the tanks to the pump and a discharge line from the pump to the wellhead.

The water will then be pumped down 2 7/8" EUE 6.4# tubing tested at 5,000 psi. A 5-1/2" X 2-7/8" Baker or Halliburton water injection type

Hay Hot Oil, Inc.
McCracken Federal #1 Disposal Well Application
2040' FSL & 660' FWL, Sec. 19, T. 40 S., R. 23 E.
San Juan County, Utah

PAGE 2

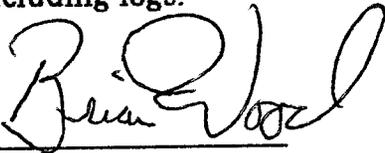
packer will be set around 5,500'. Water will then be injected into two Desert Creek zones (5,549'-5,570' and 5,590'-5,630').

4. The McCracken Pt. Federal #1 well was drilled by Davis Oil Company and produced from the Lower Ismay (3 perforations at 5,428') since 1980. It was acquired by P&M Petroleum Management in 1984. The other three wells within a half mile were P&A after Ismay or Desert Creek tests.
5. The Desert Creek pool will be affected. It is a known oil and gas producing limestone zone. Water is very saline. The Desert Creek is approximately 150' thick (5,497'-5,650').
6. A geologic report was submitted by Davis Oil prior to the completion report (7-8-80). Comparable data for the McCracken Federal 1-19R which was drilled just 302' away includes DIL, GR/FDC Neutron logs and a 16 page summary are part of state records. The summary lists equipment, tops, DST results, bits, chronology, and 7 pages of sample descriptions.
7. Water to be injected is trucked from oil and gas wells in the Paradox Basin. Eight analyses of water samples from six different wells within a 6,000' radius are attached. Water is slightly alkaline (5.75-6.6 pH), but very saline (chlorides are 112,000 to 161,000 mg/l, sulfates range from 220 to 900 mg/l, sodium from 55,400 mg/l to 93,840 mg/l, hardness from 4320 to 7200, and TDS are 188,091 to 259,012 mg/l). Dominant source and destination of the water are the same, i.e., water produced from the Ismay or Desert Creek will be injected into the Desert Creek.
8. With the exception of the McCracken Pt. Federal #1 well itself, there are no other operating wells within a half mile. Surface owner and lessor of all lands within a half mile is the Bureau of Land Management. Application is being made concurrently to BLM for a surface use site lease for the wellsite and road right-of-way. Lessees are:

**Hay Hot Oil, Inc.
McCracken Federal #1 Disposal Well Application
2040' FSL & 660' FWL, Sec. 19, T. 40 S., R. 23 E.
San Juan County, Utah**

<u>Legal Description</u>	<u>Lease</u>	<u>Lessee</u>
E2NW4 19-40s-23e	U-01058	Danneberg et al
W2NW4 & W2NE4 19-40s-23e	U-01058-B	Danneberg et al
E2SW4 19-40s-23e	U-40743	Davis Oil et al
W2SE4 19-40s-23e	U-44778	Expired. Not Reissued.
W2SW4 19-40s-23e	U-56514	P&M et al
N2NW4 30-40s-23e	U-65723	Gary-Williams
NE4 24-40s-22e	U-18433	P&M et al
SE4 24-40s-22e	U-42474	P&M et al
N2NE4 25-40s-22e	U-18433	P&M et al

9. I hereby certify that the aforementioned surface owners, lessees, and lessors have been sent by certified mail a copy of this application, excluding logs.



Brian Wood

11-3-90
Date

The foregoing was acknowledged before me this 3 day of November, 1990 by Brian Wood. Witness my hand and official seal.

My commission expires:
May 18, 1991


Notary Public



Hay Hot Oil, Inc.
McCracken Federal #1 Disposal Well Application
2040' FSL & 660' FWL, Sec. 19, T. 40 S., R. 23 E.
San Juan County, Utah

PAGE 4

R615-5-2

1. Plats showing the location of the injection well, all abandoned or active wells, surface owners, and producing leases are attached.
2. Logs were submitted with the completion report. See also the McCracken Federal 1-19R, drilled just 302' away, for more background data.
3. A cement bond log will be run before injection commences.
4. Logs were submitted with the completion report. See also the McCracken Federal 1-19R, drilled just 302' away, for more background data.
5. Two strings of casing were run and cemented as follows:
Surface Casing: 8-5/8" 24 lb in 12-1/4" hole
cemented from 397' to surface with 300 sx Class G
with 2% CaCl₂ and flowseal.
Production Casing: 5-1/2" 15.5 lb in 7-7/8" hole
cemented at 5675' with 200 sx Class G with sugar

In 1990 a packer was set at 1301' and 1500' of fillup (250 sx 50/50 poz with 2% gel and 90 sx Class G neat) was run to the surface.

Casing will be tested by running a 5-1/2" packer on 2-7/8" EUE tubing. Set the packer at approximately 5500', load the annulus between 5-1/2" casing and 2-7/8" EUE tubing and pressure test to 1,000 psi for 10 minutes. Casing was tested to and held at 1500 psi for 30 minutes during recent squeeze job.

6. Water to be injected is trucked from oil and gas wells in the Paradox Basin. Eight analyses of water samples from six different wells within a 6,000' radius are attached. Water is slightly alkaline (5.75-6.6 pH), but very saline (chlorides are 112,000 to 161,000 mg/l, sulfates range from 220 to 900 mg/l, sodium from 55,400 mg/l to 93,840 mg/l, hardness

from 4320 to 7200, and TDS are 188,091 to 259,012 mg/l). Dominant source and destination of the water are the same, i.e., water produced from the Ismay or Desert Creek will be injected into the Desert Creek.

Average injection rate will be 1,700 bwpd subject to weather and volume available. Maximum injection rate will be 2,400 bwpd.

7. Eight sample analyses of the fluid to be injected and the receiving fluid are attached.

8. Average injection pressure will be 2,800 psi. Maximum injection pressure will be 3,250 psi. Based on Dowell's experience, fracture gradient is higher in the Turner Bluff Field than the Aneth Field. Fracture gradient is estimated at 1.02. This allows a safety cushion of 2400 psi between maximum injection pressure and formation breakdown point.

9. Calculated cement top in the production casing annulus is about 4,800'. Cement would then be approximately 628' above the highest perforation (5,428') in the Lower Ismay formation. There is over 600' of cement to prevent injected water from going out of zone. Top of highest injection interval will be 100' lower, providing even more protection. Furthermore, the only fresh water aquifers (Bluff, Entrada, & Navajo) penetrated by the well are also protected by casing and cement. Base of the lowest fresh water sand is 1,346' or higher (cement was run from 1,500' to surface). That is 4,082' above the top perforation in the Lower Ismay formation and 4,203' above the Desert Creek injection interval.

Most of the 600' between the top of the cement and the top perforation in the Lower Ismay is dense limestone with short intervals of shale and tight limestone. This interval has practically no porosity or permeability. It would be nearly impossible to inject water or other fluids out of the porous disposal zones through the barren zones above the Lower Ismay porosity. Ten feet of the dense limestone would be an adequate barrier. At the low injection rates of two barrels per minute or less, any natural fractures would not extend far.

Hay Hot Oil, Inc.
McCracken Federal #1 Disposal Well Application
2040' FSL & 660' FWL, Sec. 19, T. 40 S., R. 23 E.
San Juan County, Utah

PAGE 6

10. Below is the lithology through which the well bore passes:

<u>FORMATION</u>	<u>TOP</u>
Morrison*	0'
Bluff Sandstone	50'
Summerville Ss, Silt, Mudst	350'
Entrada Sandstone	550'
Carmel Ss, Silt, Sh, Ls	950'
Navajo Sandstone	1000'
Kayenta Sandstone	1250'
Wingate Sandstone	1300'
Chinle Shale*	1347'
Shinarump Congl*	2077'
Moenkopi Sh, Silt, Ss, Ls*	2152'
Organ Rock Ss, Silt, Sh	2250'
DeChelly Sandstone	2300'
Cutler Ss, Congl, Sh, Ls*	2365'
Cedar Mesa Sandstone	3800'
Honaker Trail Sh, Ls, & Ss*	4362'
Ismay Dolo, Ls*	5273'
Lower Ismay Dolo, Ls*	5394'
Gothic Shale*	5,457'
Desert Creek Dolo, Ls*	5497'
Total Depth*	5675'

* Exact depths, others approximate

11. Only three existing wells are within a half mile of the McCracken Pt. Federal 1-19 well. All are P&A. The plugs insure there will be no communication among zones and wells.

The closest is P&M's 1-19R which is 302' away. It was drilled and plugged in 1984. Five plugs were set (50 sx from 5343' to 5293', 35 sx from 4455' to 4355', 60 sx from 2530' to 2330', 75 sx from 1330' to 1080', and 10 sx at surface).

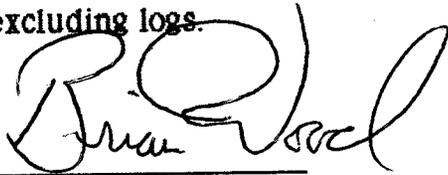
**Hay Hot Oil, Inc.
McCracken Federal #1 Disposal Well Application
2040' FSL & 660' FWL, Sec. 19, T. 40 S., R. 23 E.
San Juan County, Utah**

PAGE 7

Whitley's 2-24 is 1,416' away and was drilled and plugged in 1980. Whitley set six plugs (70 sx from 5550' to 5350', 35 sx from 4450' to 4350', 35 sx from 3500' to 3400', 70 sx from 2550' to 2350', 50 sx from 1400' to 1300', and 25 sx from 50' to surface).

Davis' #2 is 1,855' away and was drilled and plugged in 1980. Davis set seven plugs (60 sx from 5680' to 5480', 30 sx from 4530' to 4430', 30 sx from 3500' to 3400', 30 sx from 2520' to 2420', 30 sx from 1500' to 1400', 45 sx from 450' to 300', and 50 sx at surface).

12. I hereby certify that all operators, owners, and surface owners within a half mile have been sent by certified mail a copy of this application, excluding logs.



Brian Wood

11-3-90

Date

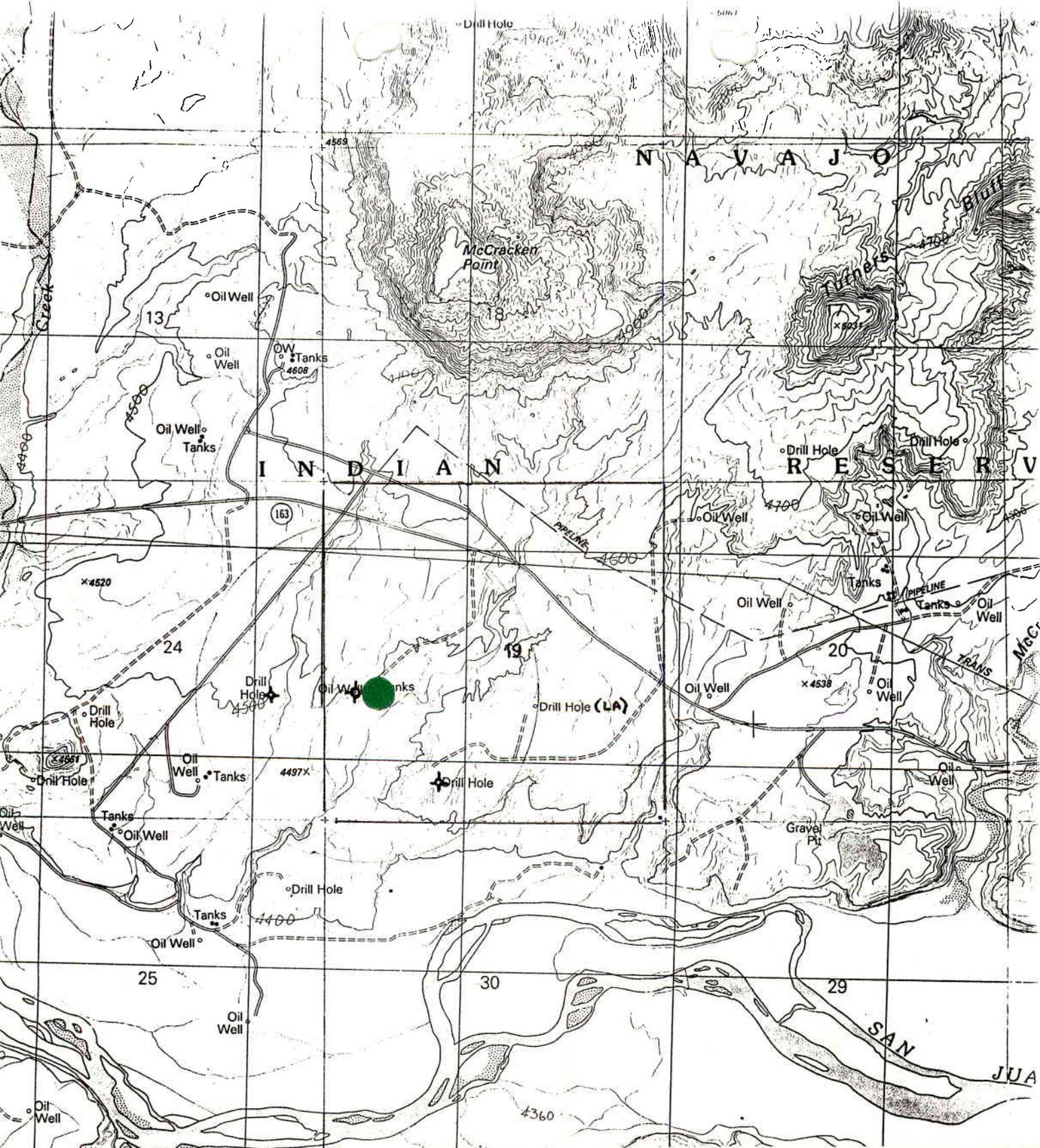
The foregoing was acknowledged before me this 3 day of November, 1990 by Brian Wood. Witness my hand and official seal.

My commission expires:

May 18, 1991

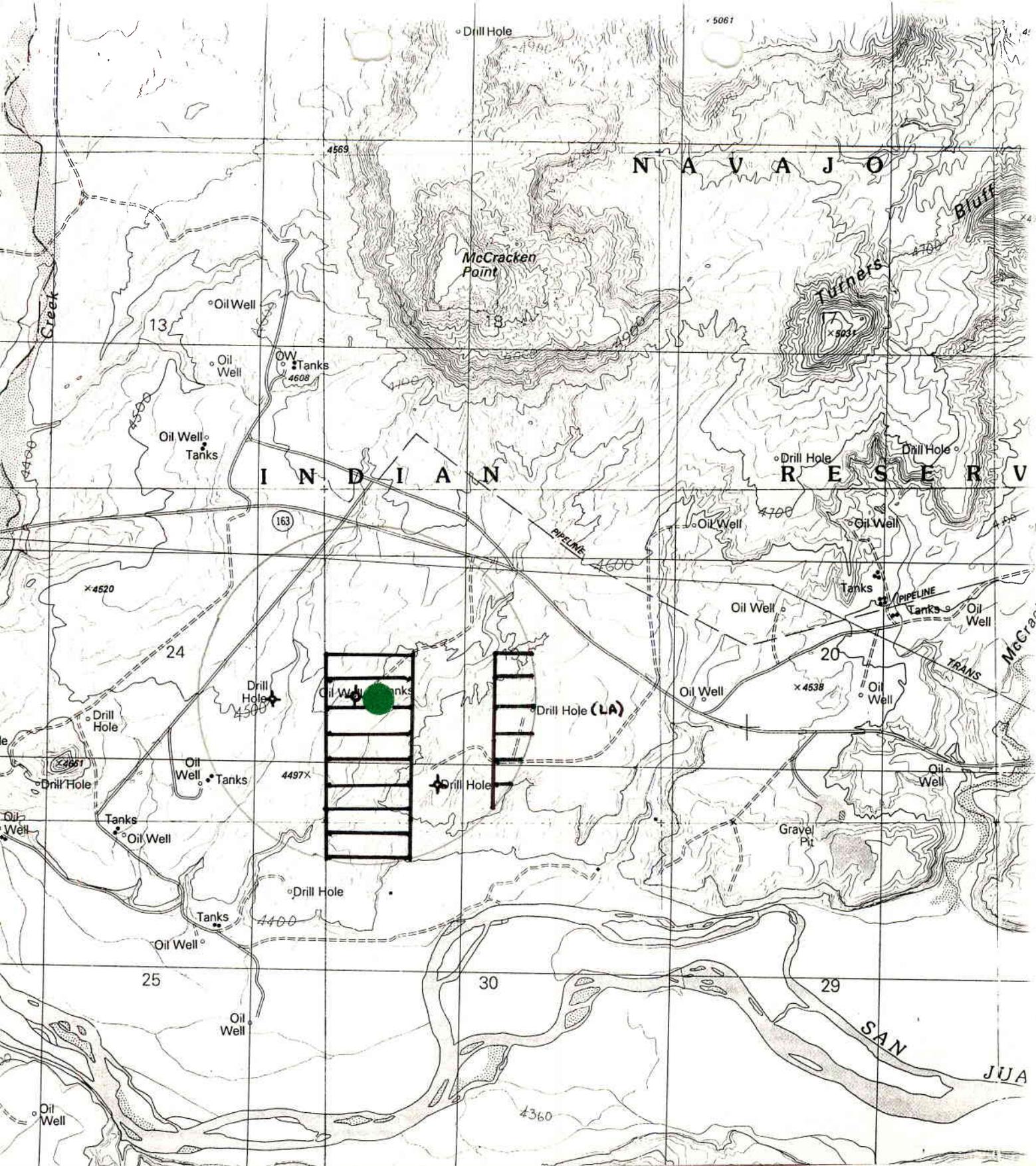

Notary Public





McCracken Federal #1 Well: ●

P&A Well: ✦



Leases within a half mile radius **NOT** held by production:



McCracken Federal #1 Well:



Chemical Consultants

All Types Oil Field Chemicals and Services

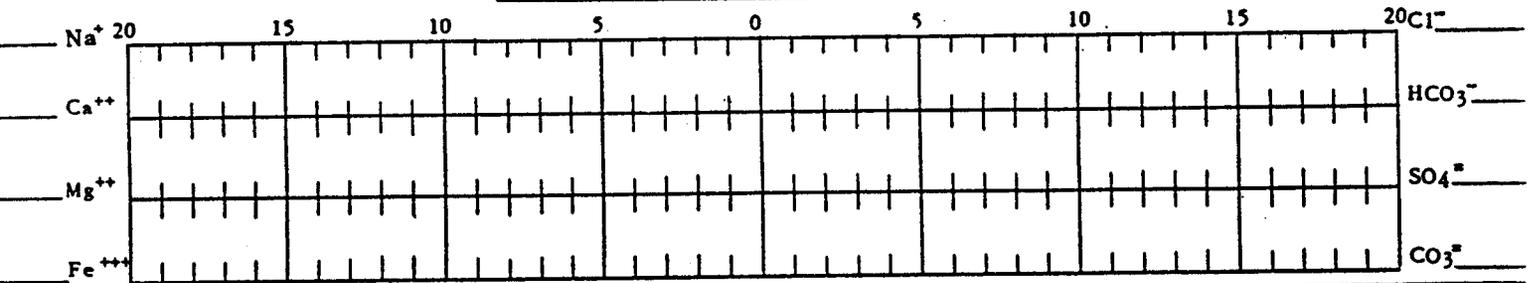
P.O. Box 421
Farmington, New Mexico 87401

WATER ANALYSIS TEST REPORT

Recent Creek

COMPANY P&M PETROLEUM MANAGEMENT							SHEET NUMBER			
FIELD							DATE 3-9-83			
LEASE OR UNIT W.W. WHITLEY				WELL(S) NAME OR NO. FED. 1-24		WATER SOURCE (FORMATION)				
DEPTH, FT.		BHT, F		SAMPLE SOURCE		TEMP. F		WATER, BBL/DAY	OIL, BBL/DAY	GAS, MMCF/DAY
TYPE OF OIL			API GRAVITY 0		TYPE OF WATER <input type="checkbox"/> PRODUCED WATER <input type="checkbox"/> INJECTION WATER OTHER _____					

WATER ANALYSIS PATTERN (NUMBER BESIDE ION SYMBOL INDICATES me/l* SCALE UNIT)



DISSOLVED SOLIDS

CATIONS

	me/l*	mg/l*
Total Hardness	144.0	7200.0
Sodium, Na ⁺ (calc.)	3951.	90865.0
Calcium, Ca ⁺⁺	104.0	2080.
Magnesium, Mg ⁺⁺	40.0	486.0
Iron (Total), Fe ⁺⁺⁺	.07	1.4

ANIONS

	me/l*	mg/l*
Chloride, Cl ⁻	4089.5	145000.0
Sulfate, SO ₄ ⁼⁼	4.6	220
Carbonate, CO ₃ ⁼⁼	0	0
Bicarbonate, HCO ₃ ⁻	.6	36.6
Hydroxyl, OH ⁻	0	0
Sulfide, S ⁼⁼		
Phosphate - Meta, PO ₃ ⁻		
Phosphate - Ortho, PO ₄ ⁼⁼		

DISSOLVED GASES

Hydrogen Sulfide, H ₂ S	_____	mg/l*
Carbon Dioxide, CO ₂	_____	mg/l*
Oxygen, O ₂	_____	mg/l*

PHYSICAL PROPERTIES

pH	6.34	
Eh (Redox Potential)	_____	MV
Specific Gravity	_____	
Turbidity, JTU Units	_____	
Total Dissolved Solids (Calc.)	243323.0	mg/l*
Stability Index	@ _____ F	
	@ _____ F	
CaSO ₄ Solubility	@ _____ F	mg/l*
	@ _____ F	mg/l*
Max. CaSO ₄ Possible (Calc.)	_____	mg/l*
Max. BaSO ₄ Possible (Calc.)	_____	mg/l*
Residual Hydrocarbons	_____	ppm (Vol/Vol)

SUSPENDED SOLIDS (QUALITATIVE)

Iron Sulfide Iron Oxide Calcium Carbonate Acid Insoluble

REMARKS AND RECOMMENDATIONS:

* NOTE: me/l and mg/l are commonly used interchangeably for epm and ppm respectively. Where epm and ppm are used, corrections should be made for specific gravity.

ENGINEER MIKE JONES	DIST. NO.	ADDRESS BOX 421 Farmington, N.M.	OFFICE PHONE 327-7775	HOME PHONE
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UNICHEM INTERNATIONAL

Desert Creek

707 NORTH LEECH

P.O. BOX 1499

HOBBS, NEW MEXICO 88240

COMPANY : P&M PETROLEUM
 DATE : 06/28/85
 FIELD, LEASE & WELL : WELL #1-24
 SAMPLING POINT:
 DATE SAMPLED : 06/20/85

SPECIFIC GRAVITY = 1.174
 TOTAL DISSOLVED SOLIDS = 259012
 PH = 6.18

		ME/L	MG/L
CATIONS			
CALCIUM	(CA)+2	980	19639.
MAGNESIUM	(MG)+2	300	3646.
SODIUM	(NA), CALC.	3229.	74251.
ANIONS			
BICARBONATE	(HCO3)-1	.4	24.4
CARBONATE	(CO3)-2	0	0
HYDROXIDE	(OH)-1	0	0
SULFATE	(SO4)-2	9.3	450
CHLORIDES	(CL)-1	4500	161000
DISSOLVED GASES			
CARBON DIOXIDE	(CO2)	NOT RUN	
HYDROGEN SULFIDE	(H2S)	NOT RUN	
OXYGEN	(O2)	NOT RUN	
IRON(TOTAL)	(FE)		1.1
BARIUM	(BA)+2	0	.66
MANGANESE	(MN)	NOT RUN	

IONIC STRENGTH (MOLAL) = 6.178

SCALING INDEX	TEMP	
	30C	48.8C
	86F	120F
CARBONATE INDEX	.629	1.49
CALCIUM CARBONATE SCALING	LIKELY	LIKELY
CALCIUM SULFATE INDEX	0.0	.116
CALCIUM SULFATE SCALING	UNLIKELY	LIKELY

IONIC STRENGTH IS TOO HIGH FOR SULFATE METHOD
 IONIC STRENGTH IS TOO HIGH FOR CARBONATE METHOD

Chemical Consultants

All Types Oil Field Chemicals and Services

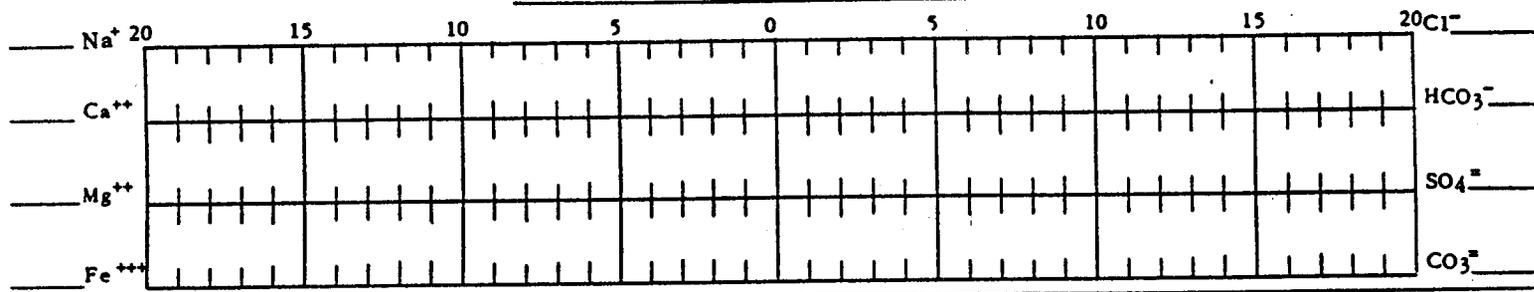
P.O. Box 421
Farmington, New Mexico 87401

WATER ANALYSIS TEST REPORT

W. W. Whitley & Son, Inc.

							SHEET NUMBER
COMPANY P&M PETROLEUM MANAGEMENT							DATE 3-9-83
FIELD				COUNTY OR PARISH		STATE	
LEASE OR UNIT W.W. WHITLEY			WELL(S) NAME OR NO. FED. 1-25		WATER SOURCE (FORMATION)		
DEPTH, FT.	BHT, F	SAMPLE SOURCE	TEMP, F	WATER, BBL/DAY	OIL, BBL/DAY	GAS, MMCF/DAY	
TYPE OF OIL		API GRAVITY 0	TYPE OF WATER <input type="checkbox"/> PRODUCED WATER <input type="checkbox"/> INJECTION WATER OTHER _____				

WATER ANALYSIS PATTERN (NUMBER BESIDE ION SYMBOL INDICATES me/l * SCALE UNIT)



DISSOLVED SOLIDS

CATIONS	me/l*	mg/l*
Total Hardness	108.0	5400.0
Sodium, Na ⁺ (calc.)	3118.0	71714.0
Calcium, Ca ⁺⁺	90.4	1808.0
Magnesium, Mg ⁺⁺	17.6	214.0
Iron (Total), Fe ⁺⁺⁺	.15	2.75
ANIONS		
Chloride, Cl ⁻	3215.2	114000.0
Sulfate, SO ₄ ⁼	10.5	505
Carbonate, CO ₃ ⁼	0	0
Bicarbonate, HCO ₃ ⁻	.6	36.6
Hydroxyl, OH ⁻	0	0
Sulfide, S ⁼		
Phosphate - Meta, PO ₃ ⁼		
Phosphate - Ortho, PO ₄ ⁼		

DISSOLVED GASES

Hydrogen Sulfide, H ₂ S	_____ mg/l *
Carbon Dioxide, CO ₂	_____ mg/l *
Oxygen, O ₂	_____ mg/l *

PHYSICAL PROPERTIES

pH	_____ 6.58
Eh (Redox Potential)	_____ MV
Specific Gravity	_____
Turbidity, JTU Units	_____
Total Dissolved Solids (Calc.)	191658.0 mg/l *
Stability Index @ _____ F	_____
CaSO ₄ Solubility @ _____ F	_____ mg/l *
Max. CaSO ₄ Possible (Calc.)	_____ mg/l *
Max. BaSO ₄ Possible (Calc.)	_____ mg/l *
Residual Hydrocarbons	_____ ppm (Vol/V)

SUSPENDED SOLIDS (QUALITATIVE)

Iron Sulfide Iron Oxide Calcium Carbonate Acid Insoluble

REMARKS AND RECOMMENDATIONS:

* NOTE: me/l and mg/l are commonly used interchangeably for epm and ppm respectively. Where epm and ppm are used, corrections should be made for specific gravity.

ENGINEER MIKE JONES	DIST. NO.	ADDRESS BOX 421 Farmington, N.M.	OFFICE PHONE 327-7775	HOME PHONE
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UNICHEM INTERNATIONAL

707 NORTH LEECH

P.O. BOX 1499

HOBBS, NEW MEXICO 88240

COMPANY : P&M PETROLEUM

DATE : 06/27/85

FIELD, LEASE & WELL : WELL #1-25 *1/2 mile from*

SAMPLING POINT:

DATE SAMPLED : 06/20/85

Desert Creek & Inman Isom

SPECIFIC GRAVITY = 1.132

TOTAL DISSOLVED SOLIDS = 196809

PH = 6.56

		ME/L	MG/L
CATIONS			
CALCIUM	(CA)+2	640	12825.
MAGNESIUM	(MG)+2	80	972.
SODIUM	(NA), CALC.	2699.	62061.
ANIONS			
BICARBONATE	(HCO3)-1	.8	48.8
CARBONATE	(CO3)-2	0	0
HYDROXIDE	(OH)-1	0	0
SULFATE	(SO4)-2	18.7	900
CHLORIDES	(CL)-1	3400	120000

DISSOLVED GASES		
CARBON DIOXIDE	(CO2)	NOT RUN
HYDROGEN SULFIDE	(H2S)	NOT RUN
OXYGEN	(O2)	NOT RUN
IRON(TOTAL)	(FE)	
BARIUM	(BA)+2	0
MANGANESE	(MN)	NOT RUN

IRON(TOTAL) 2.2

BARIUM .54

IONIC STRENGTH (MOLAL) = 4.319

SCALING INDEX	TEMP	
	30C	48.8C
	86F	120F
CARBONATE INDEX	.299	.813
CALCIUM CARBONATE SCALING	LIKELY	LIKELY
CALCIUM SULFATE INDEX	.282	.782
CALCIUM SULFATE SCALING	LIKELY	LIKELY

IONIC STRENGTH IS TOO HIGH FOR CARBONATE METHOD

Chemical Consultants

All Types Oil Field Chemicals and Services

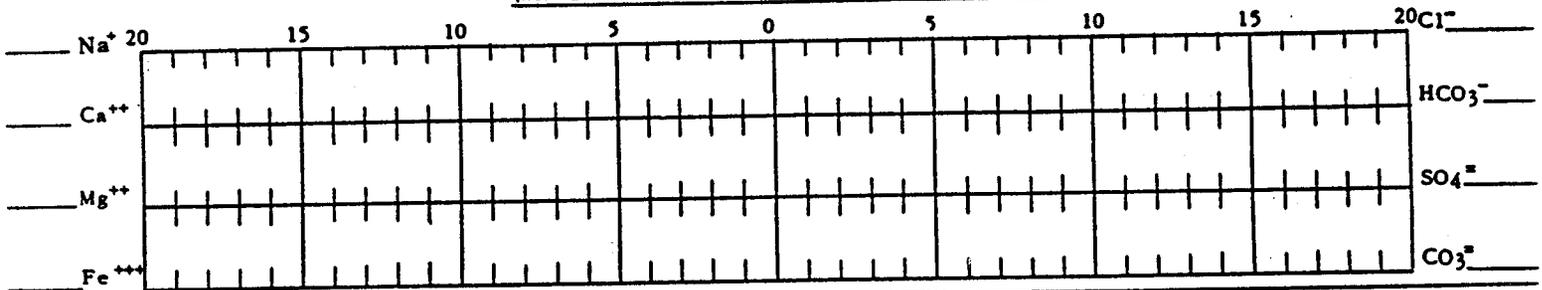
P.O. Box 421
Farmington, New Mexico 87401

WATER ANALYSIS TEST REPORT

Desert Creek

							SHEET NUMBER
COMPANY P&M PETROLEUM MANAGEMENT							DATE 3-9-83
FIELD				COUNTY OR PARISH		STATE	
LEASE OR UNIT W.W. WHITLEY			WELL(S) NAME OR NO. FED. 1-25-3E		WATER SOURCE (FORMATION)		
DEPTH, FT.	BHT, F	SAMPLE SOURCE	TEMP. F	WATER, BBL/DAY	OIL, BBL/DAY	GAS, MMCF/DAY	
TYPE OF OIL		API GRAVITY 0	TYPE OF WATER <input type="checkbox"/> PRODUCED WATER <input type="checkbox"/> INJECTION WATER OTHER _____				

WATER ANALYSIS PATTERN
(NUMBER BESIDE ION SYMBOL INDICATES me/l * SCALE UNIT)



DISSOLVED SOLIDS

	me/l *	mg/l *
CATIONS		
Total Hardness	86.4	4320.0
Sodium, Na ⁺ (calc.)	3088.0	71024.0
Calcium, Ca ⁺⁺	65.6	1312.0
Magnesium, Mg ⁺⁺	20.8	253.0
Iron (Total), Fe ⁺⁺⁺	.08	1.5
ANIONS		
Chloride, Cl ⁻	3159.0	112000.0
Sulfate, SO ₄ ⁼	14.9	715.0
Carbonate, CO ₃ ⁼	0	0
Bicarbonate, HCO ₃ ⁻	.5	30.5
Hydroxyl, OH ⁻	0	0
Sulfide, S ⁼	_____	_____
Phosphate - Meta, PO ₃ ⁼	_____	_____
Phosphate - Ortho, PO ₄ ⁼	_____	_____

DISSOLVED GASES

Hydrogen Sulfide, H ₂ S	_____ mg/l *
Carbon Dioxide, CO ₂	_____ mg/l *
Oxygen, O ₂	_____ mg/l *

PHYSICAL PROPERTIES

pH	_____ 6.6
Eh (Redox Potential)	_____ MV
Specific Gravity	_____
Turbidity, JTU Units	_____
Total Dissolved Solids (Calc.)	188091. mg/l *
Stability Index @ _____ F	_____
@ _____ F	_____
CaSO ₄ Solubility @ _____ F	_____ mg/l *
@ _____ F	_____ mg/l *
Max. CaSO ₄ Possible (Calc.)	_____ mg/l *
Max. BaSO ₄ Possible (Calc.)	_____ mg/l *
Residual Hydrocarbons	_____ ppm (Vol/Vol)

SUSPENDED SOLIDS (QUALITATIVE)

Iron Sulfide Iron Oxide Calcium Carbonate Acid Insoluble

REMARKS AND RECOMMENDATIONS:

* NOTE: me/l and mg/l are commonly used interchangeably for epm and ppm respectively. Where epm and ppm are used, corrections should be made for specific gravity.

ENGINEER MIKE JONES	DIST. NO.	ADDRESS Box 421 Farmington, N.M.	OFFICE PHONE 327-7775	HOME PHONE
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UNICHEM INTERNATIONAL

707 NORTH LEECH

P.O. BOX 1499

HOBBS, NEW MEXICO 88240

Resort Creek

COMPANY : P&M PETROLEUM
 DATE : 06/28/85
 FIELD, LEASE & WELL : WELL #2-25
 SAMPLING POINT:
 DATE SAMPLED : 06/20/85

SPECIFIC GRAVITY = 1.16
 TOTAL DISSOLVED SOLIDS = 236638
 PH = 5.75

		ME/L	MG/L
CATIONS			
CALCIUM	(CA)+2	800	16032
MAGNESIUM	(MG)+2	280	3403.
SODIUM	(NA), CALC.	3030.	69677.
ANIONS			
BICARBONATE	(HCO3)-1	.4	24.4
CARBONATE	(CO3)-2	0	0
HYDROXIDE	(OH)-1	0	0
SULFATE	(SO4)-2	10.4	500
CHLORIDES	(CL)-1	4100	147000
DISSOLVED GASES			
CARBON DIOXIDE	(CO2)	NOT RUN	
HYDROGEN SULFIDE	(H2S)	NOT RUN	
OXYGEN	(O2)	NOT RUN	
IRON(TOTAL)	(FE)		
BARIUM	(BA)+2	0	21
MANGANESE	(MN)	NOT RUN	.66

IONIC STRENGTH (MOLAL) = 5.492

SCALING INDEX	TEMP
	30C 48.8C
	86F 120F
CARBONATE INDEX	-0.25 .426
CALCIUM CARBONATE SCALING	UNLIKELY LIKELY
CALCIUM SULFATE INDEX	-2.3 -2.0
CALCIUM SULFATE SCALING	UNLIKELY UNLIKELY

IONIC STRENGTH IS TOO HIGH FOR SULFATE METHOD
 IONIC STRENGTH IS TOO HIGH FOR CARBONATE METHOD

Chemical Consultants

— All Types Oil Field Chemicals and Services —

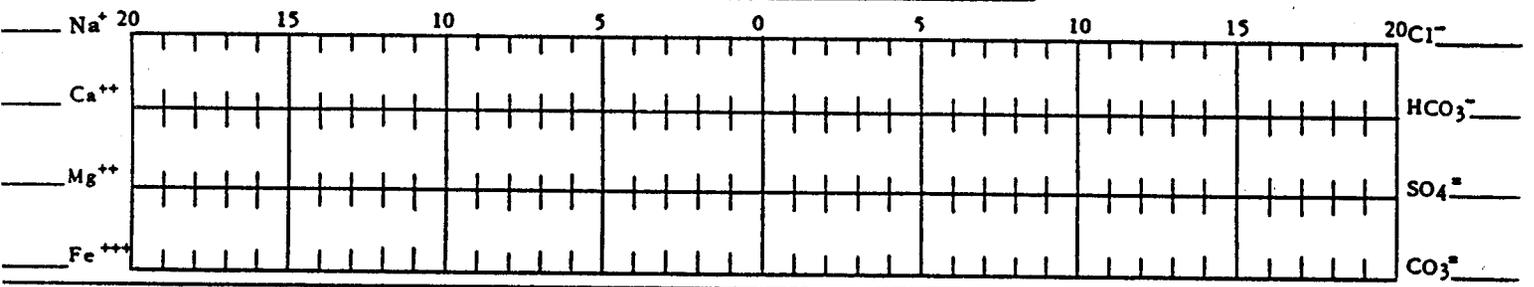
P.O. Box 421
Farmington, New Mexico 87401

WATER ANALYSIS TEST REPORT

Reservoir Creek

							SHEET NUMBER
COMPANY P&M PETROLEUM MANAGEMENT						DATE 3-9-83	
FIELD				COUNTY OR PARISH		STATE	
LEASE OR UNIT W.W. WHITLEY			WELL(S) NAME OR NO. Fed. 2-25-3E		WATER SOURCE (FORMATION)		
DEPTH, FT.	BHT, F	SAMPLE SOURCE	TEMP, F	WATER, BBL/DAY	OIL, BBL/DAY	GAS, MMCF/DAY	
TYPE OF OIL		API GRAVITY 0	TYPE OF WATER <input type="checkbox"/> PRODUCED WATER <input type="checkbox"/> INJECTION WATER OTHER _____				

WATER ANALYSIS PATTERN
(NUMBER BESIDE ION SYMBOL INDICATES mg/l * SCALE UNIT)



DISSOLVED SOLIDS

CATIONS

	me/l*	mg/l*
Total Hardness	130.4	6520.0
Sodium, Na ⁺ (calc.)	4080.0	93840.
Calcium, Ca ⁺⁺	96.0	1920.0
Magnesium, Mg ⁺⁺	34.4	418.0
Iron (Total), Fe ⁺⁺⁺	.2	3.5

ANIONS

Chloride, Cl ⁻	4202.0	149000.0
Sulfate, SO ₄ ⁼⁼	6.6	315.0
Carbonate, CO ₃ ⁼⁼	0	0
Bicarbonate, HCO ₃ ⁻	.7	43.0
Hydroxyl, OH ⁻	0	0
Sulfide, S ⁼⁼		
Phosphate - Meta, PO ₃ ⁻		
Phosphate - Ortho, PO ₄ ⁼⁼		

DISSOLVED GASES

Hydrogen Sulfide, H ₂ S	_____ mg/l *
Carbon Dioxide, CO ₂	_____ mg/l *
Oxygen, O ₂	_____ mg/l *

PHYSICAL PROPERTIES

pH	6.27
Eh (Redox Potential)	_____ MV
Specific Gravity	_____
Turbidity, JTU Units	_____
Total Dissolved Solids(Calc.)	249722.0mg/l *
Stability Index @ _____ F	_____
CaSO ₄ Solubility @ _____ F	_____ mg/l *
Max. CaSO ₄ Possible (Calc.)	_____ mg/l *
Max. BaSO ₄ Possible (Calc.)	_____ mg/l *
Residual Hydrocarbons	_____ ppm(Vol/V)

SUSPENDED SOLIDS (QUALITATIVE)

Iron Sulfide Iron Oxide Calcium Carbonate Acid Insoluble

REMARKS AND RECOMMENDATIONS:

* NOTE: me/l and mg/l are commonly used interchangeably for epm and ppm respectively. Where epm and ppm are used, corrections should be made for specific gravity.

ENGINEER MIKE JONES	DIST. NO.	ADDRESS BOX 421 Farmington, N.M.	OFFICE PHONE 327-7775	HOME PHONE
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**WESTERN
TECHNOLOGIES
INC.**

400 South Lorena Avenue
Farmington, New Mexico 87401
(505) 327-4966

LABORATORY REPORT

HAY HOT OIL, INC.

Client Permits West, Inc.
P.O. Box 1105
Monticello, Utah 84535
Attn: Brian Wood

Job No. 840573
Lab./Invoice No. 3170142
Date of Report 11/15/84

Project Brine Water Analyses
Location San Juan County, Utah

Reviewed By *Steven P. Hoppe*

Material/Specimen Brine Water
Source Holmes Federal 34-13 Well
Test Procedure Shown Below

Sampled By PWI/Personnel Date 9/18/84
Submitted By PWI/Personnel Date 9/18/84
Authorized By PWI/B. Wood Date 9/18/84

RESULTS

One sample was received and analyzed in accordance with requirements for the State of Utah Division of Environmental Health. The results of the analysis with a listing of the methods is shown below:

Sample # 840573

Method Number

	Brine Water		
Barium, mg/L	<1.	200.7,	EPA
Cadmium, mg/L	0.58	213.2,	EPA
Chromium, mg/L	<0.005	218.3,	EPA
Copper, mg/L	0.37	220.2,	EPA
Zinc, mg/L	0.60	200.7,	EPA
Boron, mg/L	35.	200.7,	EPA
Calcium mg/L	15000.	215.1,	EPA
Iron, mg/L	7.	200.7,	EPA
Magnesium, mg/L	3400.	242.1,	EPA
Potassium, mg/L	690.	258.1,	EPA
Sodium, mg/L	55400.	273.1,	EPA
Hexavalent Chromium, mg/L	<0.05	312 B,	Std. Method
pH, standard units	6.3	150.1,	EPA
Oil and Grease, mg/L	1.2	413.1,	EPA
Sulfate, mg/L	641.	375.4,	EPA
Chloride, mg/L	128,000.	325.3,	EPA
Ammonia, mg/L	430.	350.3,	EPA
Alkalinity, mg/L	64.3	310.1,	EPA
Fluoride, mg/L	1.2	340.2,	EPA
Total Dissolved Solids, mg/L	235,000.		
on Balance	0.95	160.1,	EPA

Copies to: Client (3)

RECEIVED
NOV 07 1990
~~TESTING~~

MONTHLY INJECTION REPORT - UIC FORM 3

DIVISION OF
OIL, GAS & MINING

OPERATOR Hay Hot Oil, Inc.
ADDRESS P.O. Box 9
Montezuma Creek, UT 84534

OPERATIONS MONTH/YR 10/90

CORRECTED REPORT []

Well name and number: Federal 23-32 McCracken Point 1-19
Field or Unit name: Turner's Bluff API no. 43-037-30575
Well location: QQ SWNE section 23 township 40s range 22e county San Juan

Date	Volume Disposed	Hours In Service	Maximum Pressure	Average Operating Pres.	Tubing/Casing Annulus Pres.
1	420 Bbls	15	2600 PSI	2000 PSI	---
2	696 "	24	2500 "	1900 "	---
3	330 "	11	2600 "	2000 "	---
4	554 "	19 1/2	2600 "	2000 "	---
5	560 "	20	2600 "	2000 "	---
6	476 "	17	2600 "	2000 "	---
7	462 "	16 1/2	2600 "	" "	---
8	551 "	19	" "	" "	---
9	536 "	18 1/2	" "	" "	---
10	449 "	15 1/2	" "	" "	---
11	397 "	13 1/2	" "	" "	---
12	466 "	14	" "	" "	---
13	203 "	7	" "	" "	---
14	378 "	13	" "	" "	---
15	551 "	19	" "	" "	---
16	492 "	13 1/2	" "	" "	---
17					
18					
19					
20					
21					
22	190 "	4	2950 "	2500 "	100
23	153 "	3 1/2	2950 "	2500 "	100
24	44 "	1 1/2	2950 "	2500 "	100
25	44 "	1 1/2	2950 "	" "	"
26	44 "	1 1/2	" "	" "	"
27	44 "	1 1/2	" "	" "	"
28	44 "	"	" "	" "	"
29	44 "	"	" "	" "	"
30	---	---	---	---	---
31	---	---	---	---	---

WELL DOWN
PERF'S SET
PACKED

WELL DOWN

Total volume injected for month 8062 Bbls
All time cumulative volume injected _____

I certify that this report is true and complete to the best of my knowledge.

Name CHARLES WILCOGGARD Signature Charles Wilcoggard
Title INJECTION OPERATOR Date 11-2-90
Phone No. (801) 678-3375

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

---oo0oo---

IN THE MATTER OF THE APPLICATION	:	NOTICE OF AGENCY ACTION
OF HAY HOT OIL, INC. FOR	:	
ADMINISTRATIVE APPROVAL OF THE	:	CAUSE NO. UIC-122
MCCRACKEN FEDERAL #1 WELL	:	
LOCATED IN SECTION 19, TOWNSHIP	:	
40 SOUTH, RANGE 23 EAST, S.L.B. & M.,	:	
SAN JUAN COUNTY, UTAH, AS A	:	
CLASS II INJECTION WELL	:	

---oo0oo---

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of Hay Hot Oil, Inc. for administrative approval of the McCracken Federal #1 Well, located in Section 19, Township 40 South, Range 23 East, San Juan County, Utah, for conversion to a Class II injection well. The proceeding will be conducted according to the provisions of the Administrative Procedures rules, R615-10.

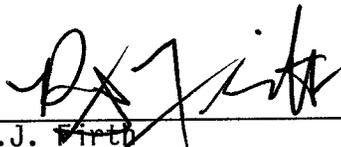
The operating data for the well is as follows:

Injection Interval: 5549' to 5630'
Maximum Injection Rate/Surface Pressure: To be determined after testing

Administrative approval of this application will be granted unless an objection is filed within fifteen days after publication of this notice by any person authorized to participate as a party in this proceeding. If an objection is received by the Division, a formal adjudicative proceeding will be scheduled before the Board of Oil, Gas and Mining.

DATED this 15th day of November, 1990.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



R.J. Firth
Associate Director, Oil and Gas



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

November 15, 1990

Newspaper Agency Corporation
Legal Advertising
157 Regent Street
Salt Lake City, Utah 84110

Gentlemen:

Re: Cause No. UIC-122

Enclosed is a Notice of Agency Action before the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah.

It is requested that this notice be published ONCE ONLY, as soon as possible.

Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Clement".

Lisa Clement
Administrative Secretary

Idc
Enclosure
HO15/3



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

November 15, 1990

San Juan Record
P.O. Box 879
937 East Highway 666
Monticello, Utah 84535

Gentlemen:

Re: Cause No. UIC-122

Enclosed is a Notice of Agency Action before the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah.

It is requested that this notice be published ONCE ONLY, as soon as possible.

Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Clement".

Lisa Clement
Administrative Secretary

Idc
Enclosure
HO15/2

**HAY HOT OIL, INC.
McCracken Federal #1
Cause No. UIC-122**

Publication Notices were sent to the following:

Newspaper Agency Corporation
Legal Advertising
157 Regent Street
Salt Lake City, Utah 84110

San Juan Record
P.O. Box 879
937 East Highway 666
Monticello, Utah 84535

Hay Hot Oil, Inc.
P.O. Box 9
Montezuma Creek, Utah 84534

Bureau of Land Management
P.O. Box 970
Moab, Utah 84532

Jim Walker
Environmental Protection Agency
999 18th Street, Suite 500
Denver, Colorado 80202

Ms. Sally Allen
Gary William Group
370, 17th Street, Suite 5300
Denver, Colorado 80202

Davis Oil Co.
410 17th Street, Suite 1610
Denver, Colorado 80202

P & M Petroleum Management
1600 Broadway, Suite 1700
Denver, Colorado 80202

Mr. Kenneth Danneberg
600 17th Street, Suite 650 N
Denver, Colorado 80202



Lisa Clement
Administrative Secretary
November 15, 1990

LEGAL ADVERTISING INVOICE

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	BILLING DATE
DIV. OF OIL, GAS/MINING ATTN: R.J. FIRTH 355 W NO TEMPLE, #350 SALT LAKE CITY, UT 84180	LE-5385340	11/20/90
FOR BILLING INFORMATION CALL (801) 237-2822		

AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY CORPORATION LEGAL BOOKKEEPER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF NOTICE OF AGENCY ACTION CAUSE NO. UIC-122BEFOR FOR DIV. OF OIL, GAS/MINING WAS PUBLISHED BY THE NEWSPAPER AGENCY CORPORATION, AGENT FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH.

PUBLISHED ON NOV 20 1990

SIGNATURE Kim Lubner

DATE 11/20/90



STATE OF UTAH
 COUNTY PUBLIC
 100 South Main
 Salt Lake City, Utah 84143
 My Commission Expires
 November 12, 1994

NOTICE OF AGENCY ACTION CAUSE NO. UIC-122 BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES, STATE OF UTAH IN THE MATTER OF THE APPLICATION OF HAY HOT OIL, INC. FOR ADMINISTRATIVE APPROVAL OF THE MCCracken FEDERAL #1 WELL LOCATED IN SECTION 19, TOWNSHIP 40 SOUTH, RANGE 23 EAST, S.L.B. & M., SAN JUAN COUNTY, UTAH, AS A CLASS II INJECTION WELL. THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER. Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of Hay Hot Oil, Inc. for administrative approval of the McCracken Federal #1 Well, located in Section 19, Township 40 South, Range 23 East, San Juan County, Utah, for conversion to a Class II injection well. The proceeding will be conducted according to the provisions of the Administrative Procedures rules, R615-10. The operating data for the well is as follows: Injection Interval: 5549' to 5630' Maximum Injection Rate/Surface Pressure: To be determined after testing. Administrative approval of this application will be granted unless an objection is filed within fifteen days after publication of this notice by any person authorized to participate as a party in this proceeding. If an objection is received by the Division, a formal adjudicative proceeding will be scheduled before the Board of Oil, Gas and Mining. DATED this 15th day of November, 1990. STATE OF UTAH DIVISION OF OIL, GAS AND MINING /s/ R. J. Firth Associate Director, Oil and Gas BG820050	ACCOUNT NAME		TELEPHONE
	MINING	801-538-5340	
	SCHEDULE		AD NUMBER
			BG820050
	CAPTION		MISC. CHARGES
	NOTICE OF AGENCY ACTION CAUSE NO. UIC-122BEFOR		.00
	TIMES	RATE	AD CHARGE
COLUMN	1	1.56	93.60
RECEIPT OF THIS INVOICE		TOTAL AMOUNT DUE	93.60

THANK YOU FOR USING LEGAL ADVERTISING.

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT IN THE ENCLOSED ENVELOPE **LEGAL ADVERTISING**

NUMBER	AD NUMBER	BILLING DATE	PAY THIS AMOUNT
	BG820050	11/20/90	93.60

LEGAL ADVERTISING
PLEASE REMIT TO:

MAKE CHECKS PAYABLE TO:
 NEWSPAPER AGENCY CORPORATION

NEWSPAPER AGENCY CORPORATION
 P.O. BOX 45838
 SALT LAKE CITY, UTAH 84145-0838

DIV. OF OIL, GAS/MINING
 ATTN: R.J. FIRTH
 355 W NO TEMPLE, #350
 SALT LAKE CITY, UT 84180

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
U-56514

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
McCracken Pt. Federal 1

9. API Well No.
43-037-30521

10. Field and Pool, or Exploratory Area

11. County or Parish, State
San Juan County, UT

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
P&M PETROLEUM MANAGEMENT

3. Address and Telephone No.
P.O. Box 9, Montezuma Creek, UT 84534

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/4SW/4 Sec. 19, T40S, R23E

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 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
	<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

CHANGE OF OPERATOR
(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.)*

EFFECTIVE AUGUST 20, 1990, HAY HOT OIL, INC. IS OPERATOR OF THE MCCRACKEN POINT FEDERAL #1-19 WELL. P&M PETROLEUM MANAGEMENT WAS THE PREVIOUS OPERATOR.

RECEIVED
NOV 09 1990

DIVISION OF
OIL, GAS & MINING

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

Signed Robert W. Peterson Title Petroleum Engineer Date 8-22-90

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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.

PERMITS WEST, INC.

PROVIDING PERMITS for the ENERGY INDUSTRY

37 Verano Loop, Santa Fe, New Mexico 87505

(505) 984-8120

November 3, 1990

Diane Nielson, Director
Ut. Div. of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Ut. 84180-1203

Dear Ms. Nielson:

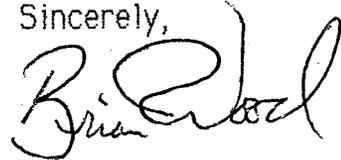
On behalf of Hay Hot Oil, Inc. I have enclosed 3 copies of UIC Form 1 and supporting documents. Hay Hot Oil bought P&M Petroleum Management's McCracken Federal #1 oil well and will convert it to a disposal well. Hay Hot Oil's bank will forward a \$20,000 letter of credit for the well.

Please call me if you have any questions.

RECEIVED
NOV 05 1990

DIVISION OF
OIL, GAS & MINING

Sincerely,



Brian Wood



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

December 13, 1990

Hay Hot Oil, Inc.
P.O. Box 9
Montezuma Creek, Utah 84534

Gentlemen:

Re: Conversion of the McCracken Federal #1 Well Section 19, Township 40 South, Range 23 East, San Juan County, Utah, to a Disposal Well 4303730521

In accordance with Rule R615-5-3(3), the Oil and Gas Conservation General Rules, administrative approval for conversion of the referenced well to a Class II injection well is granted.

The following actions are necessary to fully comply with this approval:

1. Compliance with the UIC requirements for operation, maintenance and reporting for Class II injection wells. Division approval is required prior to commencing any work on the well other than normal maintenance activities.
2. Run a cement bond log and submit a copy to the Division to determine adequacy of the cement squeeze performed outside the 5 1/2" casing.
3. A pressure test will be performed on the tubing-casing annulus after setting the packer and prior to commencing injection. Twenty-four hour advance notice to the Division is required to facilitate a Division representative witnessing the test.
4. A step-rate test will be performed to determine the appropriate maximum injection rate and pressure. Forty-eight hours advance notice is required to facilitate a Division representative witnessing the test.
5. Submit evidence of approval by the Bureau of Land Management of the bonding requirements for plugging the well and restoration of the well site.

Page 2
Hay Hot Oil
December 13, 1990

If you have any questions regarding this approval or the necessary requirements, please contact this office.

Best regards,

A handwritten signature in black ink, appearing to read "Dianne R. Nielson". The signature is fluid and cursive, with a large initial "D" and "N".

Dianne R. Nielson
Director

ldc
cc: BLM, Moab
Brian Wood
R.J. Firth
WUI229



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

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

March 11, 1991

Mr. Donald G. Haley, President
First National Bank, Cortez
140 West Main Street
P. O. Drawer A
Cortez, Colorado 81321

Dear Mr. Haley:

Re: Irrevocable Letter of Credit No. 39 (\$26,000) issued for the account C. W. Roach,
Hay Hot Oil, Inc.

The Division received the referenced Irrevocable Letter of Credit on March 1, 1991. We are unable to accept the document in its present form, therefore we are returning the original letter of credit to you. We are enclosing copies of Utah Admin. R.615-3-1, Bonding; Utah Admin. R.615-8, Reporting and Report Forms; and Form 4C for your information and use in resubmitting the letter of credit.

Should you have any questions regarding this matter, please contact me at (801)538-5340.

Sincerely,

R. J. Erith
Associate Director, Oil & Gas

lcr
Enclosures
cc: Hay Hot Oil, Inc.
Brian Wood, Consultant
Bond File
WE37/25



FIRST NATIONAL ¹st BANK, CORTEZ

(303) 565-3781 140 West Main Street P. O. Drawer A Cortez, Colorado 81321

RECEIVED
MAR 01 1991

UTAH DIVISION OF
OIL, GAS & MINING
Cortez, Colorado 81321

DONALD G. HALEY
PRESIDENT

February 25, 1991

IRREVOCABLE LETTER OF CREDIT NO. 39

UTAH DIVISION OF OIL & GAS
3 TREAD CENTER
SUITE 250
SALT LAKE CITY, UTAH 84180-1203

GENTLEMEN:

WE HEREBY ESTABLISH OUR IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR FOR THE ACCOUNT OF C.W. ROACH, HAY HOT OIL, INC., UP TO AN AGGREGATE AMOUNT OF TWENTY SIX THOUSAND AND NO/100 (ONLY) U.S. DOLLARS, AVAILABLE BY YOUR DRAFTS ON US AT SIGHT.

DRAFTS MAY BE DRAWN UNDER THIS CREDIT BY AND IN THE NAME OF C.W. ROACH, HAY HOT OIL, INC., AND ARE TO BE FOR THE FULL INVOICED COMMERCIAL VALUE OF PRODUCTS AND FOR SERVICES AND/OR CHARGES ARISING OR ACCRUING FROM ORDERS PLACED BY AND ACCEPTED FROM:

C.W. ROACH, HAY HOT OIL, INC.
DRAFTS DRAWN UNDER THIS CREDIT MUST BEAR THE CLAUSE "DRAWN UNDER THE FIRST NATIONAL BANK, CORTEZ, CO., LETTER OF CREDIT NO. 39 DATED FEBRUARY 25, 1991", ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

THIS LETTER OF CREDIT NO. 39 (Copies are not accepted)
YOUR INVOICE TO: _____

THIS LETTER OF CREDIT NO. 39 EXPIRES AT THIS OFFICE ON THE 25TH DAY OF FEBRUARY, 1992.

EXCEPT AS OTHERWISE EXPRESSLY STATED, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT (1983 Revision) INTERNATIONAL CHAMBER OF COMMERCE BROCHURE NO. 400, AND ANY SUBSEQUENT REVISIONS THERETO.

PARTIAL DRAWINGS ARE NOT PERMITTED.

BY: Donald G. Haley
Donald G. Haley, President
for First National Bank, Cortez

DATE: FEB 25 1991

RECEIVED
UNITED STATES
SAN JUAN DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1992 SEP 29 10:00 AM
RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

Issuing Office
San Juan Resource Area
Serial Number
UTU-66941

1. A (right-of-way) (permit) is hereby granted pursuant to:

- a. Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761);
- b. Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);
- c. Other (describe) _____

RECEIVED

SEP 28 1992

DIVISION OF
OIL GAS & MINING

2. Nature of Interest:

a. By this instrument, the holder Hay Hot Oil Service receives a right to construct, operate, maintain, and terminate a produced water injection well and access road on public lands (or Federal land for MLA Rights-of-Way) described as follows:

Salt Lake Meridian, Utah
T. 40 S., R. 23 E.
Section 19, E2NW, SWNW, NWSW
McCracken H. Fed. #1
43-037-30521

- b. The right-of-way or permit area granted herein is _____ feet wide, _____ feet long and contains _____ acres, more or less. If a site type facility, the facility contains 2.34 acres.
- c. This instrument shall terminate on June 2, 2021, 30 years from its effective date unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.
- d. This instrument may may not be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.
- e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

3. Rental:

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

4. Terms and Conditions:

- a. This grant or permit is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations parts 2800 and 2880.
- b. Upon grant termination by the authorized officer, all improvements shall be removed from the public lands within 90 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.
- c. Each grant issued pursuant to the authority of paragraph (1)(a) for a term of 20 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 20th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer.
- d. The stipulations, plans, maps, or designs set forth in Exhibit(s) A and B, dated individually attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.
- e. Failure of the holder to comply with applicable law or any provision of this right-of-way grant or permit shall constitute grounds for suspension or termination thereof.
- f. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.

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

Haystack Oil Inc c.w Roach
(Signature of Holder)

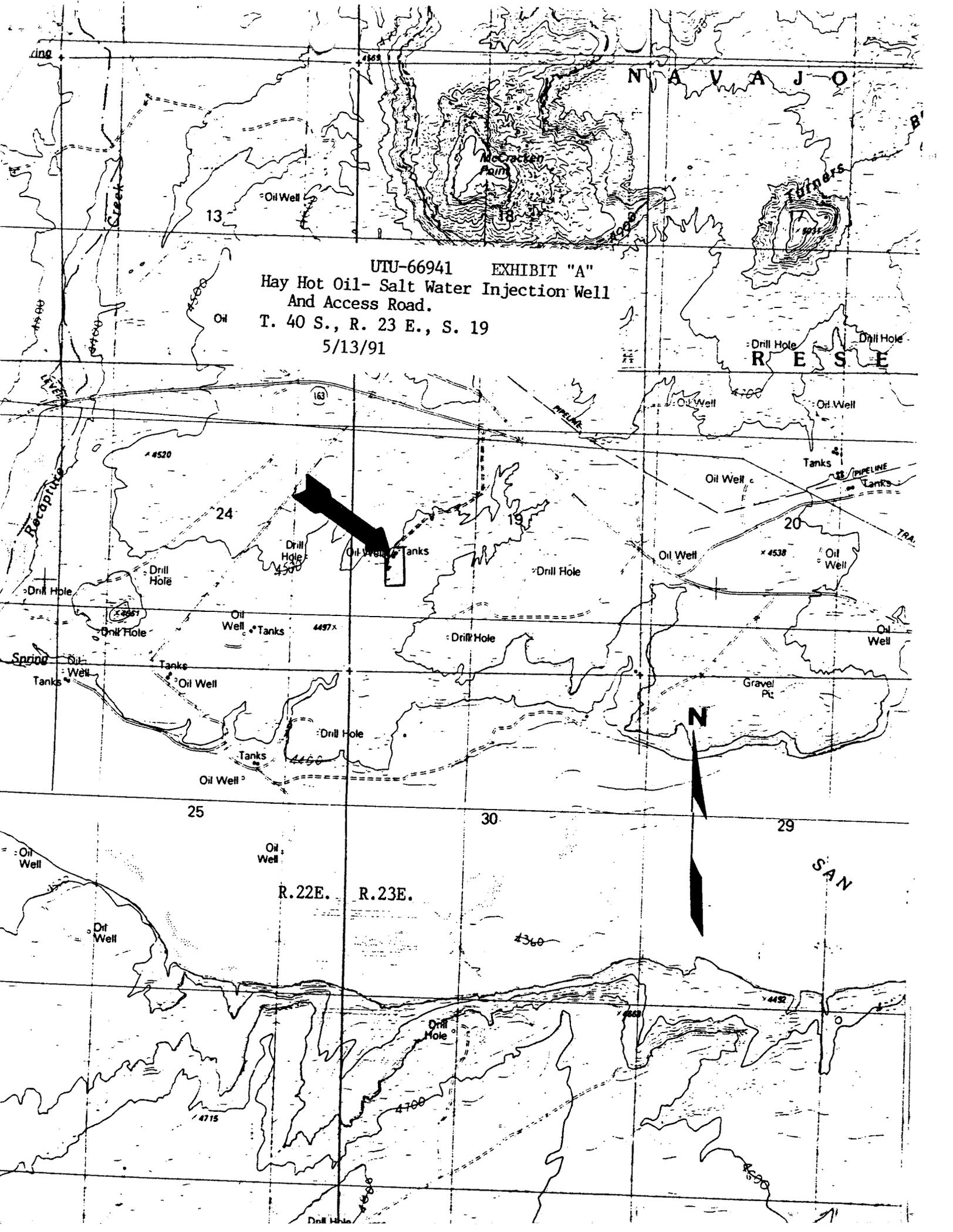
x President
(Title)

x 5-27-91
(Date)

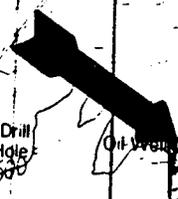
Robert Turri
(Signature of Authorized Officer)

Acting Area Manager
(Title)

6-3-91
(Effective Date of Grant)



UTU-66941 EXHIBIT "A"
Hay Hot Oil- Salt Water Injection Well
And Access Road.
T. 40 S., R. 23 E., S. 19
5/13/91





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

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

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

July 5, 1994

Hay Hot Oil
P.O. Box ii
Cortez, Colorado 81321

Re: Pressure Test for Mechanical Integrity, McCracken 1-19 and Federal 23-22, Injection Wells, Sec. 11 and 23, T. 40 S., R. 23 E., and T. 40 S., R. 23 E., San Juan County, Utah

Gentlemen:

The Underground Injection Control Program which the Division of Oil, Gas and Mining (DOGM) administers in Utah, requires that all Class II injection wells demonstrate mechanical integrity. Rule R649-5-5.3 of the Oil and Gas Conservation General Rules requires that the casing-tubing annulus above the packer be pressure tested at a pressure equal to the maximum authorized injection pressure or 1,000 psi, whichever is lesser, provided that no test pressure is less than 300 psi. This test shall be performed at least every five year period beginning October, 1982. Our records indicate the above referenced wells are due for testing. Please make arrangements and ready the wells for testing during the week of August 1, 1994 as outlined below:

1. Operator must furnish connections, and accurate pressure gauges, hot oil truck (or other means of pressuring annulus), as well as personnel to assist in opening valves etc.
2. The casing-tubing annulus shall be filled prior to the test date to expedite testing, as each well will be required to hold pressure for a minimum of 15 minutes.
3. If mechanical difficulties or workover operations make it impossible for the wells to be tested on this date the tests may be rescheduled.



Page 2
Pressure Test
July 5, 1994

4. Company personnel should meet DOGM representatives at the field office or other location as negotiated.
5. All bradenhead valves with exception of the tubing on the injection wells must be shut in 24 hours prior to testing.

Please contact Dan Jarvis at (801)538-5340 to arrange a meeting time and place or negotiate a different date if this one is unacceptable.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt", with a long horizontal flourish extending to the right.

Gil Hunt
UIC Program Manager

ldc
Attachment
WOI52

Temporary Form 3160-13
(June 1994)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
INSPECTION RECORD - ABANDONMENT**

Lease No./Unit/CA <i>U-562514</i>	State <i>Utah</i>	District <i>Moab</i>	Field Area <i>Turner Bluff</i>
API No. <i>43-039-30521</i>	Location 1/4, 1/4, S-T-R <i>NWSW 19, T.40S., R.23E</i>	Spud Date	Status <i>PLA</i>
Operator/Representative <i>Haw Hot Oil / Clint R. ...</i>	Rig/Contractor/Representative <i>Big A / Randy Blackman</i>	Type of Well* <i>WDW on ROW</i>	
Dry Hole, Depleted Product, Service Water Well, etc.			

INSP. NO.	INSPECTOR	ACT. CODE	OPEN DATE	CLOSE DATE	WELL INSPECTED NO.	OFFICE TIME	TRAVEL TIME	INSPECT. TIME	TRIPS
	<i>J Braun</i>		<i>9/6/03/26</i>	<i>9/6/03/27</i>	<i>#1</i>	<i>1</i>	<i>4</i>	<i>16</i>	<i>1</i>
			<i>9/1/03/24</i>	<i>9/6/03/27</i>					

PLUGGING OPERATIONS	WITNESSED		
	YES	NO	N/A
Plugs spotted across perforations if casing set? <i>set CIBP @ 5400' w/ 6sx 7ft³</i>		<i>X</i>	
Plugs spotted at casing stubs?			<i>X</i>
Open hole plugs spotted as specified?			<i>X</i>
Retainers, bridge plugs, or packers set as specified?	<i>X</i>		
Cement quantities as specified?	<i>X</i>		
Method of verifying and testing plugs as specified?	<i>X</i>		
Pipe withdrawal rate satisfactory after spotting plugs?	<i>X</i>		
All annular spaces plugged to surface?	<i>X</i>		
INC issued?			<i>X</i>

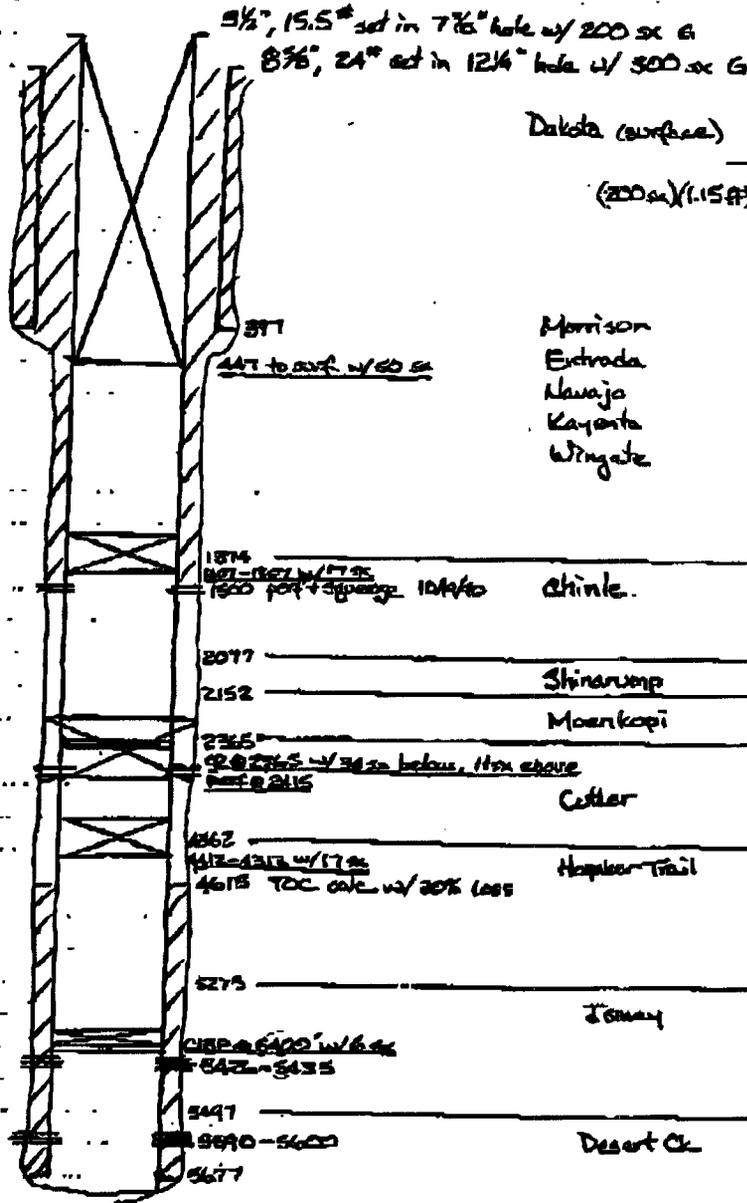
g Tested: No Pressured Tagged
 If tested, which plug(s): *100 LD*
 10m Plug: Type Plug *CIBP (Class B)* Depth(s) *5400' - 5347' ±* Amount of Cement *6sx / 7.06 ft³*
press test 500, 2sig. LD-33
 Plug: Type Plug *Class B* Depth(s) *4412' - 4262'* Amount of Cement *17 sx / 20.06 ft³*
147 d/130 24.5 b/s. Pll not est. rate 12.50 eq. pres.
 Intermediate Plug: Type Plug *Class B* Depth(s) *2440 - 2290'* Amount of Cement *17 sx*
115 in well 32' 2 holes @ 24/15 in. not est. rate 12.50 eq. pres.
 Shoe Plug: Amount of Cement *17 sx 20 ft³* Top of Plug *1425 - 1275'*
 r: Type of Plug *Class B* Depth(s) *440' - surface* Amount of Cement *51 + sx -*

and mechanical plug placement data (attach service company reports, if available): *NA*

Remarks: *Attached*
This well on ROW U-66941

COMPUTATION SHEET

BY edj DATE 3/22/96 PROJECT MCCracken Pt. #1 SHEET NO. _____ OF _____
 CHKD. BY _____ DATE _____ FEATURE Top Lease # 11-56514 ACTIVITY _____
 OFFICE _____ DETAIL ALW/SLY Sec 19 T405 R23E



Dakota (surface)

$$\text{Capacity } 5\frac{1}{2}'' = 7\frac{7}{8}''$$

$$= 5.7714 \text{ ft}^3/\text{ft}^3$$

$$(200 \text{ cu}) \times (1.15 \text{ ft}^3/\text{cu}) \times (5.7714 \text{ ft}^3/\text{ft}^3) \times (80) = 1062' \text{ cont.}$$

$$= 4615' \text{ total}$$

$$\text{Capacity } 5\frac{1}{2}'' = 7.168 \text{ ft}^3/\text{ft}^3$$

Morrison
 Entrada
 Navajo
 Kayenta
 Wingate

371
 447 to surf w/ 60 G

1814
 1500 feet + 300 G
 1000/60

2077
 2152
 Shinarump

2365
 2200 - 2300 w/ 30 to below, 1100 above
 2000 - 2115
 Cedar

4362
 4112 - 4312 w/ 17 G
 4015 TOC calc w/ 30% loss
 Harker-Trial

5275
 Tsmay

5427 - 5435
 5497

5690 - 5600
 5677
 Desert Cr.

BALANCE PLUG PROGRAM

CALCULATION

	Size	Weight	cf/ft	lb/ft	bb/ft	ft/bbl
Hole/Casing	5 1/2	15.50	.1349	7.463	.0283	42.01
Casing						
Tubing/D.P.	2 3/8	6.50			.00579	172.76
Annular Volume	5 1/2 / 2 3/8	15.50	.0886	11.292	.0158	63.40

Plug Set at _____ Size of Plug _____
 H₂O Ahead _____ bbl Cement Class **B⁴** Additions 0
 H₂O Req: 5.2 gal/sk .70 cf/sk
 Slurry Wt: 15.6 lbs/gal 117 lbs/cf
 Slurry Vol: 1.18 cf/sk

30 180 jts
 90 st-1s. 5400

CEMENT VOLUMES: _____ cf _____ bbls
 Hole cap (cf/ft) X size of plug = cf x .1781 = bbls

SACKS OF CEMENT: _____ sks
 Cmt vol (cf) ÷ slurry vol (cf/sk)

MIXING H₂O REQUIRED: _____ bbls
 Sks of cmt X H₂O req (gal/sk = gallons ÷ 42)

H₂O BEHIND: _____ bbls
 Annular vol (ft/bbl) X H₂O ahead = _____ x tubing/D.P. (bbl/ft)

DISPLACEMENT: _____ bbls
 Top of plug X tubing/D.P. (bbl/ft) = _____ tubing vol.

CALCULATION

	Size	Weight	cf/ft	lb/ft	bb/ft	ft/bbl
Hole/Casing						
Casing						
Tubing/D.P.						
Annular Volume						

Plug Set at _____ Size of Plug _____
 H₂O Ahead _____ bbl Cement Class _____ Additions _____
 H₂O Req: _____ gal/sk _____ cf/sk
 Slurry Wt: _____ lbs/gal _____ lbs/cf
 Slurry Vol: _____ cf/sk

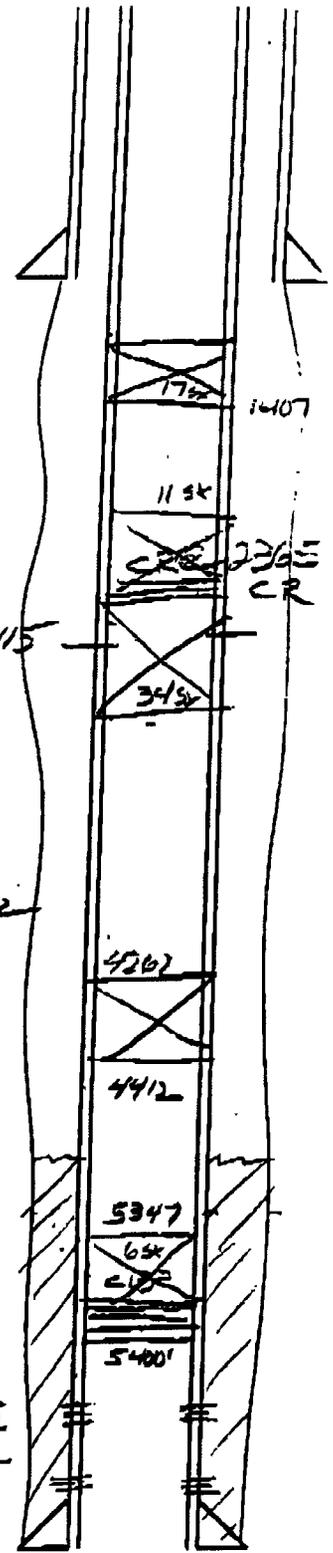
CEMENT VOLUMES: _____ cf _____ bbls
 Hole cap (cf/ft) X size of plug = cf x .1781 = bbls

SACKS OF CEMENT: _____ sks
 Cmt vol (cf) ÷ slurry vol (cf/sk)

MIXING H₂O REQUIRED: _____ bbls
 Sks of cmt X H₂O req (gal/sk = gallons ÷ 42)

H₂O BEHIND: _____ bbls
 Annular vol (ft/bbl) X H₂O ahead = _____ x tubing/D.P. (bbl/ft)

DISPLACEMENT: _____ bbls
 Top of plug X tubing/D.P. (bbl/ft) = _____ tubing vol.



Mankapi 2152

cutler

Honeker Tol.

est. Tol
 4615+

Jsmay 5273

5426
 5435
 5417
 5210
 5600
 5677

Desert Ck. 5210
 5600

35 = 41810

1250
1472
3160

3317

U-56514 T. 405, R. 23E sec 19, NW/3W 3-26-96

Hay not Oil is the ROW holder / original operator (P/A)
McCracken Pt. #1 well converted from an
oil & gas exploration well into a WDW but was
unsuccessful and P/A operations are underway.

on loc @ 910. (3-26-96 Big A P/A crew. MIREL
NU BOP pipes & blints TOOH w/ 80 stds.) P/A
crew on loc @ 910. Warm up rig and finish TOOH w/ 28
SD rig-operator & a crew member were gassed and obtained
headaches + upset stomach vomiting throat symptoms
call MDO for gas analysis or any reports of H₂S in
well, no info found. Call Montezuma Well service
for 2 loads of fresh water to circ well & kill gas
2nd load arrived @ 1300 well should take 120-130 bbls.

Personal monitor and tracer sample 4L tubes did not
detect any sign of H₂S. Pipe tally 91 stds = 5436'

1430 29.86 av. R/H w CIBP/WL set @ 5400'.
tagged up @ 5400' (ek) RDWL 1545. left loc. 1550
3-27-96

Finish R/H w/ 28 to 5400' mix of pump 65x. Pul out of
cement, test casing to 600 psi for 15 min. hold w/ no
pres lose. Mix of pump 9ppg mud. PU to 4412
34 out, mix of pump 125x plus (5.5ppg) 1270
mud. LD 6jts mix of pump 9ppg mud. TOOH w/ 58
R/WL part 2 holes @ 2415, est. in rate, could not
est. rate w/ 1250 pig @ sur. estm. HP approx 1900, burst 3810
close to 70% SD, call MDO for further instruction decided
to spnt 150 plus in 52 w/ 175x 82 2448 KB 2415 GL
2440 GL LD 6, mix (pump 9ppg) spacer @ 2261
LD 28 1425-1275' disp 7 bbls LD 6 mix of
pump 9ppg + spacer LD 27

Attachment "A"**McCracken Pt. Federal #1.**

1. **RIH w/CIBP set @ 5400'. Spot 6 sx cement plug on top of CIBP.**
2. **PU above cement and load hole with water. Pressure test casing to 500 psi.**
3. **PU to 4412'. Spot 17 sx balanced plug (4312' to 4412').**
4. **Perforate 2 holes @ 2415'. RIH w/Retainer set @ 2365'. Mix & pump 45 sx cement (34 sx below retainer & 11 sx above retainer).**
5. **PU to 1407'. Spot 17 sx balanced plug (1307' to 1407').**
6. **PU to 447'. Mix and pump cement until good returns are visible at surface (approximately 50 sx). WOC.**
7. **Cut off casing strings & top off as needed. Install dry hole marker.**
8. **Reclaim location as per BLM specifications.**

* Note: 9# mud will be placed between all plugs.

approved by ECJ 3/20/00 JRB

BLM, Monticello Field Office

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Monticello, Utah 84535
(435) 587-1500
Fax: (435) 587-1518

FAX TRANSMISSION COVER SHEET

Date: 2/22/00
To: Jim Thompson
Fax: 801359-3940
Re: McCracken Pt. #1 Hay Hot Oil
Sender: Jeff Brown

YOU SHOULD RECEIVE 6 PAGE(S), INCLUDING THIS COVER SHEET.
IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL (435) 587-1500.
