

FILE #

Entire site

Entire tract \_\_\_\_\_

Lease to be Planned \_\_\_\_\_

Contract used

IWR for State or Fee Land \_\_\_\_\_

Checked by Chief \_\_\_\_\_

Copy NID to Field Office \_\_\_\_\_

Approval Letter \_\_\_\_\_

Disapproval Letter \_\_\_\_\_

**COMPLETION DATA:**

Date Well Completed \_\_\_\_\_

Location Inspected \_\_\_\_\_

OW \_\_\_\_\_ WW \_\_\_\_\_ TA \_\_\_\_\_

Bond released \_\_\_\_\_

GW \_\_\_\_\_ OS \_\_\_\_\_ PA \_\_\_\_\_

State of Fee Land \_\_\_\_\_

**LOGS FILED**

Drill Log \_\_\_\_\_

Electric Logs (No. ) \_\_\_\_\_

E \_\_\_\_\_ I \_\_\_\_\_ E-I \_\_\_\_\_ GR \_\_\_\_\_ GR-N \_\_\_\_\_ Micro \_\_\_\_\_

Lat \_\_\_\_\_ Mi-L \_\_\_\_\_ Sonic \_\_\_\_\_ Others \_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.  
SL 067701

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
Bluff Unit

8. FARM OR LEASE NAME  
Bluff

9. WELL NO.  
14

10. FIELD AND POOL, OR WILDCAT  
Bluff

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Sec 30 T39S R23E

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

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  
Dugan Production Corp.

3. ADDRESS OF OPERATOR  
Box 208, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)  
At surface  
1450' FSL - 330' FEL **NE SE**  
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
16 miles northwest of Montezuma Creek, Utah

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

16. NO. OF ACRES IN LEASE  
2547.48

17. NO. OF ACRES ASSIGNED TO THIS WELL  
80

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

19. PROPOSED DEPTH  
5650' **Desert Creek**

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
4811' GL

22. APPROX. DATE WORK WILL START\*  
1-15-80

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/2"	8-5/8"	24#	300'	200 sx
7-7/8"	4-1/2"	10.5#	5650'	1500 cu ft in two stages

Plan to drill to test the Ismay and Desert Creek formations. If zones are productive, plan to set 4-1/2" casing, cement in two stages, selectively perforate and acidize the Ismay and Desert Creek formation.

A 10" 900 series BOP will be used during drilling operations.

A 6" 900 series BOP will be used during completion operations.

STIPULATIONS  
ATTACHED

APPROVED FOR A PERIOD  
NOT TO EXCEED 1 YEAR.

"APPROVAL TO FLARE GRANTED  
WHILE DRILLING AND 1 ..."

**RECEIVED**  
13 1979

FEB 01 1980

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 measurements and depths. Give blowout preventer program, if any.

24. SIGNED Thomas A. Dugan TITLE Petroleum Engineer DATE 11-12-79

(This space for Federal or State office use)

PERMIT NO. 43-037-30533 APPROVAL DATE Feb 11 1980

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

**AS AMENDED**  
DATE JAN 17 1980  
JAMES F. SIMS  
DISTRICT ENGINEER

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

(Other Mineral Leases on reverse side) MINERAL MANAGEMENT SERVICE OIL & GAS OPERATIONS RECEIVED

LEASE DESIGNATION AND SERIAL NO. SL 067701

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

APR 29 1982

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 Dugan Production Corp.

3. ADDRESS OF OPERATOR Box 208, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*) At surface 1450' FSL - 330' FEL At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\* 16 miles northwest of Montezuma Creek, Utah

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

16. NO. OF ACRES IN LEASE 2547.48

17. NO. OF ACRES ASSIGNED TO THIS WELL 80

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

19. PROPOSED DEPTH 5650'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4811' GL

22. APPROX. DATE WORK WILL START\* 6-1-82

23. PROPOSED CASING AND CEMENTING PROGRAM

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows show 12-1/2" casing (24#) and 7-7/8" casing (10.5#).

Plan to drill to test the Ismay and Desert Creek formations. If zones are productive, plan to set 4-1/2" casing, cement in two stages, selectively perforate and acidize the Ismay and Desert Creek formation.

A 10" 900 series BOP will be used during drilling operations.

A 6" 900 series BOP will be used during completion operations.

THIS REAPPROVAL IS SUBJECT TO ALL OF THE CONDITIONS OF APPROVAL ORIGINALLY APPROVED ON JANUARY 11, 1980, AND ADDITIONAL STIPULATIONS ATTACHED.

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

SIGNED Thomas A. Dugan TITLE Petroleum Engineer DATE

PERMIT NO. APPROVED BY [Signature] APPROVAL DATE FOR E. W. GUYNN DISTRICT OIL & GAS SUPERVISOR DATE MAY 11 1982

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL State Oil & Gas CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY \*See Instructions On Reverse Side FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 1/1/80

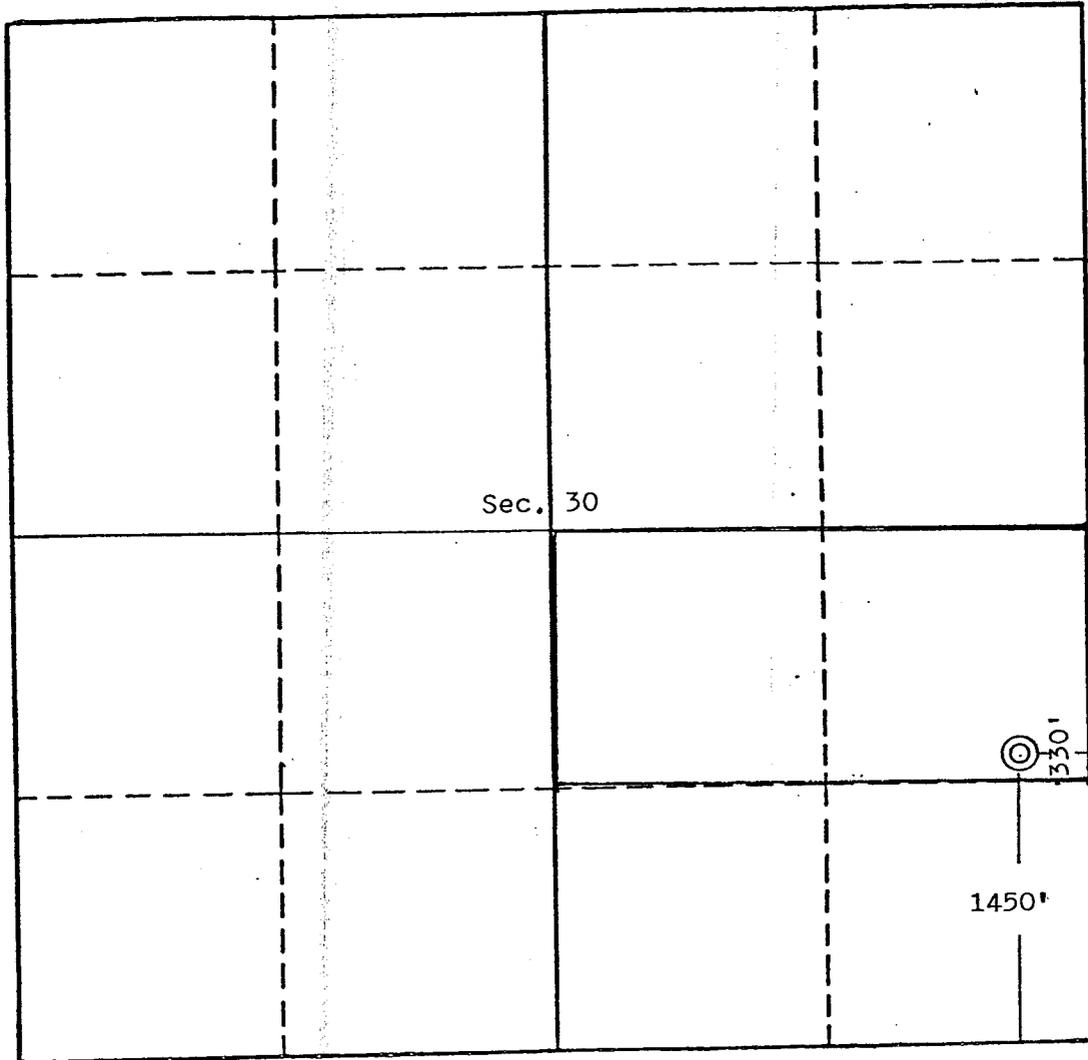
Company Dugan Production Corporation

Well Name & No. Bluff Unit #14

Location 1450 feet from South line and 330 feet from East line

Sec. 30, T. 39 S., R. 23 E., S. L. M., County San Juan, Utah

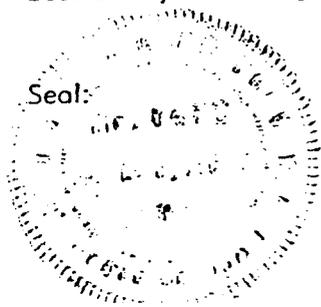
Ground Elevation 4811



Scale, 1 inch = 1,000 feet

Surveyed July 27, 1979

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.



*James P. Lease*  
James P. Lease  
Registered Land Surveyor  
Utah Registration No. 1472

## STIPULATIONS

Dugan Production Corporation  
Well No. 14  
1450' FSL, 330' FEL  
Sec. 30, T. 39 S., R. 23 E.  
San Juan County, Utah

Elevation: 4811'  
Soils: Very fine sand, very fine sandy loam  
Slope: 0-8% with north and east aspect

This site will require construction of the well pad, reserve pits, and approximately 300' of new road from an existing road.

### Special Stipulations:

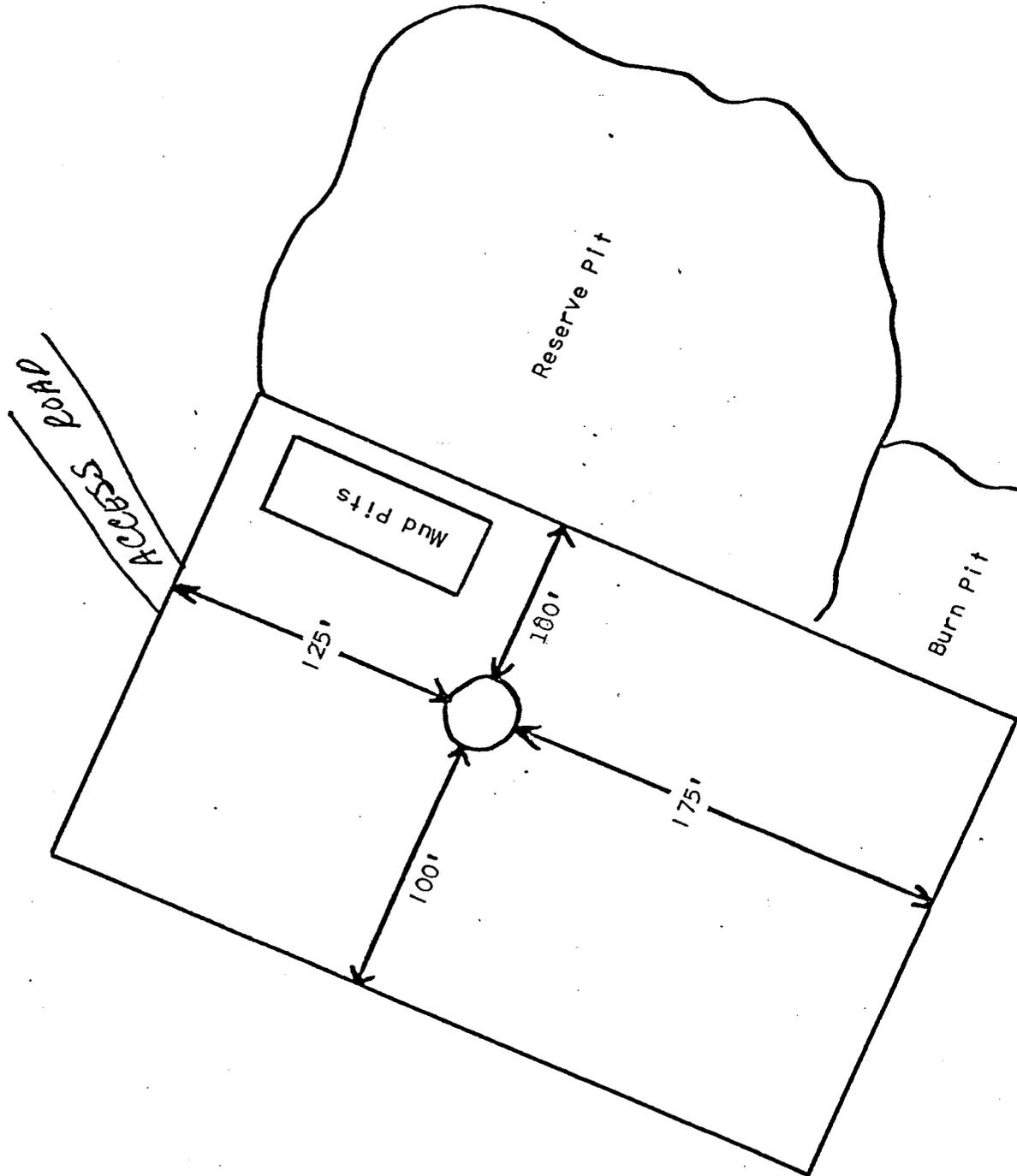
1. The 12' to 14' cut that will be made in constructing the pad will have a drain ditch above and below the cut to divert runoff and prevent accelerated erosion on the cut slope and pad.
2. After drilling is completed the cut slope, pad and other disturbed areas from construction will be seeded with the recommended seed mix. Seed will be drilled to a depth of not less than  $\frac{1}{4}$  inch and not more than  $\frac{3}{4}$  inch deep, followed by a drag or packer. Compacted areas will be plowed (disced) to a depth of 4-6 inches before seeding. Areas too steep to be drilled will be broadcast seeded with a "cyclone" hand held seeder or similar device, using 150% of the recommended drilled rate of seed per acre.
3. The access road will be limited to 20' in width.
4. Pits will be allowed to evaporate and will then be filled, leveled and seeded.
5. In the construction of the pits care will be taken to note any fractures or possible problems with fill material for their construction to avoid breakages that might occur. Fractures or fissures will be filled with a suitable material to prevent any leakages.
6. If abandoned, all disturbed areas will be leveled and reseeded. The access road will be reseeded and sufficiently barricaded to block normal traffic.

### Recommended Seed Mixture:

<u>Species</u>	<u>Pounds/Acre</u>	<u>Minimum % of PLS Acceptable</u>
Alkali sacaton	1	76%
Sand dropseed	1	76%
Galleta	2	55%

Dugan Production Corp.  
Bluff #14

PROPOSED LOCATION LAYOUT



GEOLOGICAL DATA

Well Name: Bluff Unit #14

San Juan County, Utah

AFE Number:

Surface Location: 1450' FSL, 330' FEL, Sec. 30, T39S, R23E.

Estimated T.D.: 5650'

Estimated KB: 4821'

Estimated Formation Tops:

Entrada	210
Navajo	610
Wingate	1210
Chinle	1590
Coconino	2655
Organ Rock	2720
Hermosa	4525
Ismay	5315
L. Ismay	5445 (-625)
Desert Creek	5520 (-700)
II Ø	5580
III Ø	5600
Base D.C.	5620
T.D.	5650
(T/Salt)	(5660)

Logging Program: DIL with Micro SFL - Base sfc. csg. to T.D.  
GR/FDC - CNL W/F - 4525' to T.D.

Recommended D.S.T.'s: 1. L. Ismay  
2. Desert Creek II & III.

Unmanned Mudlogging Unit - 4000' to T.D.

Consulting Well-site Geologist - 4000' to T.D.

Sample Intervals:

30' - sfc. csg. to 5300'  
5' - 5300' to T.D.

11 8 1979

OPERATIONS PLAN

OPERATOR: Dugan Production Corp.  
WELL NAME: Bluff #14  
FIELD: Ismay and Desert Creek Fm.  
LOCATION: 1450' FSL - 330' FEL Section 30 T39S R23E  
ELEVATION: 4811' GL

EXPECTED FORMATION TOPS:	Entrada	210'	L. Ismay	5445 (-625)
	Navajo	610'	Desert Creek	5520
	Wingate	1210'	II Ø	5580
	Chinle	1590'	III Ø	5600
	Cocorino	2655'	Base DC	5620
	Organ Rock	2720'	TD	5650
	Hermosa	4525'	(T/Salt)	(5660)
	Ismay	5315'		

LOGGING PROGRAM: DIL with Micro SFL - Base sfc csg to TD  
SAMPLES: GR/FDC - CNL W/F 4525' to TD  
30' - sfc csg to 5300'  
5' - 5300' to TD

OASING PROGRAM

<u>Hole Size</u>	<u>Depth</u>	<u>Csg Size, Wt, Grade, &amp; Condition</u>	<u>Cementing Program</u>
12-1/4"	300'	8-5/8" 24# K New	175 sx class "B" w/2% CaCl
7-7/8"	5650'	4-1/2" 10.5# K . New	1500 cu ft cement in two stages

WELLHEAD EQUIPMENT

csg head 10" 900 series new  
tbg head 10" x 6" 900 series new w/flanged outlets.

Office - 325-0238  
Tom Dugan 325-5694  
Jim Jacobs 325-8353  
Kurt Fagrelus 334-3381  
Bill Donovan 325-5692  
James Hazen

18 1979



DEVELOPMENT PLAN

Dugan Production Corp.

Bluff #14

1. Existing roads and existing wells are shown on attached plat.
2. Planned access from existing road approximately 300' to new location. Will leave natural grass and small vegetation on roadway. Will remove large brush or trees from road. Do not plan to make road grade or bar ditches. Will bottom-out any arroyo we cross and not install culverts.
3. Location of well: 1450' FSL - 330' FEL  
Sec 30 T39S R23E  
San Juan County, Utah  
unit
4. One additional well(s) planned on this ~~XXXX~~ at this time.
5. Separator and flow line will be located within 50' of wellhead.
6. Water will be secured from San Juan River.
7. Waste materials will be buried on location or in reserve pit.
8. No permanent camp is planned; trailer house will be used on location while drilling.
9. Do not plan to build airstrip.
10. See attached plat for proposed location layout.
11. A general description of the topography, soil characteristics, geologic features, flora and fauna; other surface-use activities and surface ownership of involved lands, proximity of water, occupied dwellings, archeological, historical or cultural sites can be found in the archeologist's report.
12. Geologic name of surface formation: Dakota
13. Estimated tops of important geologic markers:  

See Operations Data Sheet
14. Estimated depths of anticipated water, oil, gas, or other mineral bearing formations which are expected to be encountered;
15. We do not anticipate to encounter any abnormal pressures or temperatures or any potential hazards such as those associated with hydrogen sulfide.
16. Will clean up location, fill and level pits, level ruts in road, reseed location and road with Seed Mixture #2 and paint equipment with Sandstone Brown.
17. Operator's Representative:  
Thomas A. Dugan  
Box 208  
Farmington, NM 87401
18. Certification: The following statement must be signed by the lessee's or operator's field representative who is identified in Item #17 of the Plan: DIVISION OF  
OIL, GAS & MINING

**RECEIVED**

FEB 01 1980

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 Dugan Production Corp. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Date: 11-12-79

  
Thomas A. Dugan

\*\* FILE NOTATIONS \*\*

DATE: February 1, 1980

Operator: Dugan Production Corp.

Well No: Bluff Unit #14

Location: Sec. 30 T. 39S R. 23E County: San Juan

File Prepared:

Entered on N.I.D.:

Card Indexed:

Completion Sheet:

API Number 43-037-30533

CHECKED BY:

Geological Engineer: \_\_\_\_\_  
\_\_\_\_\_

Petroleum Engineer: \_\_\_\_\_  
\_\_\_\_\_

Director: OK on Unit  
at least 500' from Unit boundary

APPROVAL LETTER:

Bond Required:

Survey Plat Required:

Order No. \_\_\_\_\_

O.K. Rule C-3

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

Lease Designation Sec 7 Unit

Plotted on Map

Approval Letter Written

blm

*Unit approved*

*hd  
PI*

February 8, 1980

Dugan Production Corporation  
Box 208  
Farmington, New Mexico 87401

Re: Well No. Bluff Unit #14, Sec. 30, T. 39S, R. 23E., San Juan County, Utah  
Well No. Bluff Unit #15, Sec. 28, T. 39S, R. 23E., San Juan County, Utah

Insofar as this office is concerned, approval to drill the above referred to oil wells is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-8, General Rules and Regulations and Rules of Practice and Procedure.

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

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

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 numbers assigned to these wells are #14 - 43-037-30533;  
#15 - 43-037-30534.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder  
Geological Engineer

/b.dm

cc: USGS

October 30, 1980

Dugan Production Corporation  
Box 208  
Farmington, New Mexico 87401

RE: Well No. Bluff Unit #14  
Sec. 30, T. 39S, R. 23E,  
San Juan County, Utah

Gentlemen:

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

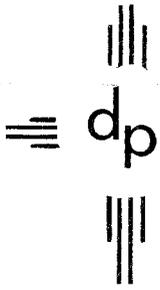
This office has not received any notification of spudding. If you do not intend to drill this well (these wells), please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan on drilling this location at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

DEBBIE BEAUREGARD  
CLERK-TYPIST



# dugan production corp.

---

November 5, 1980

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

Re: Bluff Unit #14 Well  
Sec. 30, T-39-S, R-23-E  
San Juan County, Utah

Gentlemen:

In response to your letter dated October 30, 1980, the delay of activity on the above referenced well is due to a lawsuit pending on the death of Sylvester Raymond Vigil. We plan to drill this well as soon as the lawsuit has been settled.

Thank you for your concern in this matter.

Sincerely,

Thomas A. Dugan

nw

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NOV 7 1980

DIVISION OF  
OIL, GAS & MINING



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

January 5, 1982

Dugan Production Corp.  
709 Bloomfeild Rd.  
P. O. Box 208  
Farmington, New Mexico 87401

Re: Well No. Bluff Unit #14  
Sec. 30, T. 39 S, R. 23E  
San Juan County, Utah

Gentlemen:

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

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

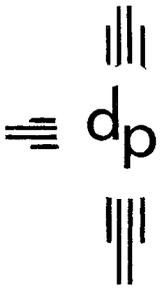
Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

A handwritten signature in cursive script that reads "Cari Furse".

Cari Furse  
Clerk Typist



# dugan production corp.

---

January 8, 1982

State of Utah  
Natural Resources and Energy  
Oil, Gas and Mining  
4241 State Office Bldg.  
Salt Lake City, UT 84114

Re: Dugan Production Corp.  
Bluff #14 Well  
T-39-S, R-23-E  
Sec. 30  
Bluff #15 Well  
T-39-S, R-23-E  
Sec. 28

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JAN 14 1982

DIVISION OF  
OIL, GAS & MINING

Gentlemen:

We plan to drill the above referenced wells within the next several months. Due to logistical problems in the past two years with the Indians and present rig availability, we have been delayed somewhat.

We will notify your office of spudding, etc. and will send along the necessary forms later.

Sincerely,  
Dugan Production Corp.

  
Jerry McHugh  
Wellsite Coordinator

JM:nw

June 82

Oil and Gas Operations  
2000 Administration Building  
1745 West 1700 South  
Salt Lake City, Utah 84104-3884

May 12, 1982

Dugan Production Corporation  
P.O. Box 208  
Farmington, New Mexico 87401

Re: Application for Permit to Drill  
Well Nos. 14 and 15  
Sections 30 and 28-T39S-R23E  
San Juan County, Utah  
Lease No. SL-067701

Gentlemen:

The Applications for Permit to Drill the referenced wells were approved on January 11, 1980. Under current District policy, applications for permit to drill are effective for a period of one year. Both permits have been given extensions of 1 year and 120 days.

In reviewing the recently submitted new 9-331C's, it is noted that you plan to drill Well No. 14 by approximately June 1, 1982. We will extend this permit to January 11, 1983. This is a final extension for this permit, and if the well has not been drilled by that time, the permit will be rescinded.

Since you do not plan to drill Well No. 15 until approximately March of 1983, we are rescinding the approval of this permit. If you again desire to drill at this location, it will be necessary for you to submit a new complete application.

This office requires a letter confirming that no surface disturbance has been made for Well No. 15 drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must then be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

E. W. Gynn  
District Oil & Gas Supervisor

bcc: SMA  
State O&G  
State BLM  
W&S Vernal  
Well File  
APD Control  
DH/cn

LA  
RECEIVED  
MAY 12 1982  
DIVISION OF  
OIL, GAS & MINING

NOTICE OF SPUD

Via Jerry Galloway  
Durango office

Company: Dugan Production

Caller: \_\_\_\_\_

Phone: \_\_\_\_\_

Well Number: #14 Bluff

Location: NE SE 30-39S-23E

County: San Juan State: Utah

Lease Number: 5L-067701

Lease Expiration Date: \_\_\_\_\_

Unit Name (If Applicable): \_\_\_\_\_

Date & Time Spudded: 6-3-82 before sundown

Dry Hole Spudder/Rotary: \_\_\_\_\_

Details of Spud (Hole, Casing, Cement, etc.) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Rotary Rig Name & Number: \_\_\_\_\_

Approximate Date Rotary Moves In: \_\_\_\_\_

FOLLOW WITH SUNDRY NOTICE

Call Received By: KR

Date: 6-3-82

**RECEIVED**

JUN 07 1982

DIVISION OF  
OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: DUGAN PRODUCTION CORPORATION

WELL NAME: Bluff Unit #14

SECTION NESE 30 TOWNSHIP 39 S RANGE 23 E COUNTY San Juan

DRILLING CONTRACTOR Four Corners Drilling Co.

RIG # 12

SPUDDED: DATE 6-4-82

TIME \_\_\_\_\_

How Rotary

DRILLING WILL COMMENCE \_\_\_\_\_

REPORTED BY Jim Jacobs

TELEPHONE # \_\_\_\_\_

9 5/8" surface casing set  
drilling @ 2935'

DATE 6-9-82 SIGNED RJF

5 MMS, SLC 1 Century 1 File

Form Approved. Budget Bureau No. 42-R1424

JUN 24 1982

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

5. LEASE SL 067701 SALT LAKE CITY, UTAH

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME Bluff Unit

8. FARM OR LEASE NAME Bluff

9. WELL NO. 14

10. FIELD OR WILDCAT NAME

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 30 T39S R23E

12. COUNTY OR PARISH San Juan 13. STATE UTAH

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD) 4811' GL

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 Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR DUGAN PRODUCTION CORP.

3. ADDRESS OF OPERATOR P O Box 208, Farmington, NM 87401

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
 AT SURFACE: 1450' FSL - 330' FEL  
 AT TOP PROD. INTERVAL:  
 AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

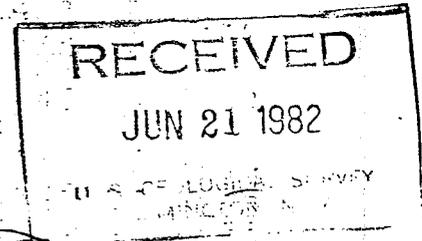
REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF	<input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>		<input checked="" type="checkbox"/> 4 1/2" casing
(other)		

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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.)\*

See reverse for report of 4 1/2" casing.

*from this should go to Salt Lake I think Tom*  
*Yes*



Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct  
 SIGNED Thomas A. Dugan TITLE Petroleum Engineer DATE 6-18-82

(This space for Federal or State office use)  
 APPROVED BY E. W. Gynn TITLE District Oil & Gas Supervisor DATE JUL 2 1982

6-17-82 Completed logging well. Went to 5508'. Circulated 3 hrs. Waiting on orders. Went to bottom and circulated additional 1½ hr. Laid down drill pipe and collars. Ran 130 jts. 4½" O.D., 11.6#, N-80, 8Rd, LT&C seamless casing set at 5690'.

Cemented as follows: Ran 10 bbls mud flush ahead of cement. Cemented first stage with 225 sx Halliburton lite followed by 200 sx Class B w/ 10% Salt, 1% CFR2, & 6½# Gilsonite per sk. Total slurry 682 cu. ft. Good circulation while cementing. Max cementing pressure 800 psi. Worked casing OK while cementing. P.O.B. at 2:15 a.m. 6-16-82. Opened stage tool at 2:45 a.m. Rig circulated hole 3 hrs. Cemented 2nd stage thru Halliburton stage tool at 2850 with 300 sx 65-35 plus 12% gel followed by 100 sx class B, all with ¼# Flocele per sk. Total slurry 904 cu. ft. Good mud circulation while cementing. Max cementing pressure 700 psi. Ran 10 bbls mud flush ahead of cement. Had some mud flush returns. P.O.B. at 6:10 a.m. 6-17-82.

Set slips, cut off casing and released rig at 7:30 a.m. 6-17-82.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R365.5

5. LEASE DESIGNATION AND SERIAL NO.

SL 067701

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Bluff Unit

8. FARM OR LEASE NAME

Bluff

9. WELL NO.

14

10. FIELD AND POOL, OR WILDCAT

Desert Creek

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

Sec 30 T39S R23E

12. COUNTY OR PARISH  
San Juan

13. STATE  
UT

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  
Dugan Production Corp.

3. ADDRESS OF OPERATOR  
P.O. Box 208, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 1450' FSL - 330' FEL  
At top prod. interval reported below  
At total depth

14. PERMIT NO. DATE ISSUED  
43-037-305331

15. DATE SPUNDED 6-4-82 16. DATE T.D. REACHED 6-16-82 17. DATE COMPL. (Ready to prod.) 6-29-82 18. ELEVATIONS (DF, REB, RT, GR, ETC.)\* 4811' GL 19. ELEV. CASINGHEAD 4811'

20. TOTAL DEPTH, MD & TVD 5690' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY\* single 23. INTERVALS DRILLED BY TD 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\* 5639' to 5651' Desert Creek 5626' to 5630' Desert Creek 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN OIL, CDI, CNL 27. WAS WELL CORED No

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

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	47#, 49#	279' RKB	12-1/4"	210 sx class B + 2% CaCl	
4-1/2"	11.6#	5690'	7-7/8"	See Reverse	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2-3/8"	5521'	5521'

31. PERFORATION RECORD (Interval, size and number)

5626' to 5630' - 8 holes (2 holes per ft.)  
5639' to 5651' - 24 holes  
Total 32 holes

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5626-5630	See Reverse
5639-5651	

33.\* PRODUCTION

DATE FIRST PRODUCTION \_\_\_\_\_ PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing WELL STATUS (Producing or shut-in) SI

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
7-5-82	24	18/64"	→	105	75	-	7/4
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
65 psi	480 psi	→	105 BOPD	75	----	38°	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented TEST WITNESSED BY T.A. Dugan

35. LIST OF ATTACHMENTS

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

SIGNED Thomas A. Dugan TITLE Petroleum Engineer DATE 7-7-82

\*(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	TRUE VERT. DEPTH
			<p><b>37. SUMMARY OF POROUS ZONES:</b> 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</p> <p>Cement for 4 1/2" csg:                      1st stage 225 sx Halliburton lite &amp; 200                      sx class B w/ 10% salt, 1% CFR2, &amp; 6 1/2#                      gilsonite/ sk (682 Cu Ft)                      2nd stage 300 sx 65-35 + 12% gel &amp; 100                      sx class B w/ 1/4# flocele/ sk (904 Cu Ft)</p> <p>Perf treated with:                      3000 gal. 28% HCL w/iron sequester XR2L                      (3 gal/1000), 9 gal CS-3 suspender(3/1000)                      12 gal I-15 Inhibitor(4/1000), 12 gal                      aquaflo de-impulsifier(4/1000), flushed                      w/ water</p>	Navajo Wingate Chinle Shinarump Moenkopi Cutler Coconino Organ Rock Hermosa Ismay Desert Creek	703' 1184 1318 2400 2494 2585 2740 2812 4580 5360 5563	

RECEIVED

JUL 12 1982

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

DIVISION OF  
OIL, GAS & MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING  
\*\*\*\*\*

Well Name & Number Bluff #14  
Operator Dugan Production Corp. Address P.O. Box 208  
Farmington, NM 87401 Phone 325-1821  
Contractor Four Corners Drlg. Co. Address P.O. Box 1067  
Farmington, NM 87401 Phone 505-326-3374  
Location NE 1/4 SE 1/4 Sec. 30 T. 39 N R. 23 E San Juan County, Utah.  
S W

Water Sands:

- |    | <u>Depth:</u>   | <u>Volume:</u>     | <u>Quality:</u> |
|----|---|--------------------|-----------------|
|    | From- To-   | Flow Rate or Head- | Fresh or Salty- |
| 1. | <u>9 5/8" Surface casing was set at 279' R.K.B.</u>                                 |                    |                 |
| 2. | <u>The well was drilled with very light weight drilling mud (9.0#/gal. or less)</u> |                    |                 |
| 3. | <u>and no water flows were encountered to total depth of 5690'.</u>                 |                    |                 |
| 4. | <u></u>   |                    |                 |
| 5. | <u></u>   |                    |                 |

(Continue on reverse side if necessary)

<u>Formation Tops:</u>		
	Navajo	703'
	Wingate	1184
	Chinle	1318
	Shinarump	2400
	Moenkopi	2494
	Cutler	2585
	Coconino	2740
<u>Remarks:</u>	Organ Rock	2812
	Hermosa	4580
	Ismay	5360
	Desert Creek	5563

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

M. Spine at Dugan said  
they will send W/C Report and  
everything in on this well...  
per phone # conversation on 2-22-83

This well has produced since June of  
1982 and we don't have any completion  
info...

Sandy

T  
O

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

F  
R  
O  
M

DUGAN PRODUCTION CORP.

P. O. BOX 208  
FARMINGTON, N. M. 87401  
(505) 325-1821

SUBJECT Dugan Production Corp. Bluff #14 Well  
Sec. 30, T39S, R23E, San Juan County, UT

DATE 2-23-83

MESSAGE

Enclosed per your request are copies of all logs, both sundries, and the  
the completion report which we filed on the subject well.

Sincerely,

*Fran Perrin*

Fran Perrin  
Drilling Secretary

MAR 6 9 1983  
DIVISION OF  
OIL GAS & MINING

SIGNED

SEND WHITE COPY      RETAIN YELLOW COPY



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

March 7, 1983

Dugan Production Corporation  
P. O. Box 208  
Farmington, New Mexico 87401  
Att: Maxine

Re: Well No. Bluff Unit # 14  
Sec. 30, T. 39S, R. 23E.  
San Juan County, Utah  
(July 1982- February 1982)

Gentlemen:

This letter is a follow up to your conversation with Sandy Bates of our office on February 22, 1983.

Our records indicate that you have not filed the monthly drilling reports for the months indicated above on the subject well nor have you completed the Well Completion for the above mentioned well.

Both of these reports are due since this well has been producing since June 1982 and can be filed on the forms enclosed (Form OGC-1B and Form OGC-3).

We will be happy to acknowledge receipt of 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 agency.

Your prompt attention to the above will be greatly appreciated.

Respectfully,

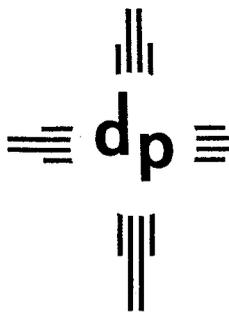
DIVISION OF OIL, GAS AND MINING

A handwritten signature in cursive script that reads "Cari Furse".

Cari Furse  
Well Records Specialist

CF/cf  
Enclosure

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



# dugan production corp.

RECEIVED

FEB 27 1992

DIVISION OF  
OIL GAS & MINING

February 24, 1992

Division of Oil, Gas and Mining  
3 Triad Center, Suite 350  
Salt Lake City, UT 87180-1203

Attn: Lisha Romero

RE: Assignment of Wells and Leases  
Bluff Unit  
T39 & 40S- R22 & 23E  
San Juan County, Utah

Dear Ms. Romero:

Pursuant to your phone call of February 21, 1992, this is to advise that Dugan Production Corp. (DPC) sold all of its interest in the wells and leases within the captioned unit in accordance with the enclosed assignment.

The wells DPC operated within said unit consisted of the following:

Hermosa Penn "A" Participating Area

43-037-20236	Bluff Unit - State Well No. 1	NW NW 32, T39S, R23E
43-037-15327	Bluff Unit - Well No. 9	SW SE 30, T39S, R23E
43-037-30523	Bluff Unit - Well No. 14 (Tenneco)	NE SE 30, T39S, R23E

Wells outside P. A. - Operated on Lease Basis

43-037-11079	Bluff Unit - Underwood Well #1	SE NW 33, T39S, R23E
43-037-20989	Bluff Unit - Well No. 16	SW SE 29, T39S, R23E
43-037-15328	Bluff Unit Well No. 10*	SW SW 30, T39S, R23E
43-037-16538	BLUFF STATE #2	SE NW 32, T39S, R23E

\*Not currently capable of producing

Division of Oil, Gas and Mining  
Page 2  
February 24, 1992

Additional wells within the Unit operated by Sterling Energy Corporation:

Hermosa Penn Participating Area (Hickman Bluff)

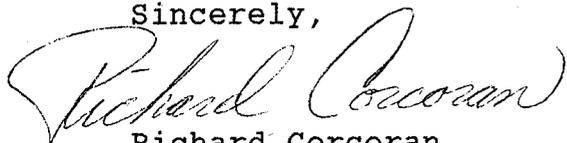
43-037-15864	Bluff Unit Well No. 3	NW NW 4, T40S, R23E
43-037-15865	Bluff Unit Well No. 24-5	SE SW 5, T40S, R23E
43-037-15867	Bluff Unit Well No. 44-5	SE SE 5, T40S, R23E
43-027-30726	Bluff Unit Well No. 13-4	NW SW 4, T40S, R23E
43-037-20866	Bluff Unit Well No. 42-5	SE NE 5, T40S, R23E

DPC submitted a Change in Unit Operator Agreement to the BLM (copy attached) which has not been approved, as the working interest owners have not elected a successor operator yet. Sterling Energy Corporation had been designated the operator for the Hermosa Penn Participating Area wells under an agreement previously approved by the BLM and Sunfield Energy Company is acting as a Sub-Operator for the remaining wells within the Unit until a Successor Operator is formally approved.

As soon as a Successor Operator has been approved, that operator will submit the necessary sundries.

Thank you for your cooperation with this matter and if there should be any questions, please contact me.

Sincerely,



Richard Corcoran  
Land Manager

RC/mmm

Enclosures

FEB 27 1992

**BILL OF SALE AND ASSIGNMENT:  
CONVEYANCE OF OIL, GAS AND MINERAL INTERESTS  
("Bill of Sale and Assignment")**

STATE OF UTAH  
COUNTY OF SAN JUAN

§  
§  
§  
KNOWN ALL MEN BY THESE PRESENTS:

- A. That Dugan Production Corp., (a/k/a Dugan Production Corporation) a New Mexico corporation, ("Assignor") whose business address is 709 East Murray Drive, P.O. Box 420, Farmington, New Mexico 87499-0420, for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, BARGAINED, SOLD, CONVEYED, ASSIGNED, TRANSFERRED, SET OVER and DELIVERED, and by these presents does GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER and DELIVER effective as of September 1, 1991, unto Sunfield Energy Company, a Nevada corporation ("Assignee"), whose address is 112 East Pecan St., Suite 800, San Antonio, Texas 78205, the following:
1. All of Assignor's rights, titles and interests in, to and under the Bluff Federal Unit in Utah (the "Unit", which is drawn on the map attached hereto and incorporated herein by reference as Exhibit A) and all oil, gas and/or mineral leases comprising or forming part of same, as more particularly described on Exhibit B attached hereto and incorporated herein by reference (the "Leases"). This conveyance includes, without limitation, all of Assignor's rights, titles and interests in, to and under all gas, oil, petroleum, other hydrocarbons and other minerals produced from the Unit and/or the Leases (together with the proceeds therefrom) and all wells located thereon, as well as all working, net revenue, royalty, and overriding royalty interests owned by Assignor (Assignor's share of such Unit, Leases, minerals, wells and interests collectively is referred to as the "Mineral Interests").
  2. All of Assignor's rights, titles and interests in and to all equipment, casing and improvements on the Unit and/or the Leases, including without limitation the following:
    - (i) All buildings, roads, fences, gas plants, and other improvements located thereon;
    - (ii) All other rights, titles and interests of Assignor of whatever kind or character (whether now owned or hereafter acquired by operation of law or otherwise), if any, in and to the lands, rights and interests described in Exhibit A and/or Exhibit B, even though such interests of Assignor may be incorrectly described in or omitted from such Exhibits, but only to the extent that such encompasses, covers or affects the Unit and/or the Leases;
  3. All of Assignor's interest, if any, in and rights under (including, but not limited to, rights to operate) all operating agreements, gas purchase contracts, residue gas sales contracts, oil sales contracts, letter agreements, gas products sales contracts, exchange and/or processing agreements, transportation agreements, easements, servitudes, rights-of-way, surface leases, other surface

rights agreements and other real estate interests and any other contracts and/or agreements which cover, affect or otherwise relate to the Unit and/or the Leases, as well as any renewals, extensions or amendments thereof or thereto, but only to the extent: 1) that such encompass, affect or cover the Unit and/or the Leases or the Mineral Interests; or 2) that such relate to or affect the exploration, drilling or operating of the Unit and/or the Leases or the Mineral Interests, or the treating, handling, storing, transporting or marketing of oil, gas or other minerals produced from (or allocated to) such Unit and/or Leases (all of such rights and agreements collectively the "Contract Rights");

4. All of Assignor's rights, titles and interests, if any, in and to all equipment (whether downhole or surface), machinery, appliances, materials, supplies, pumping units, pump jacks, tubing wellheads, pump tees, electric motors, electric boxes and lines, fittings, valves, pipelines, flow lines, gathering lines, buildings, casing, injection facilities, salt water disposal facilities, and all other personal property or fixtures used or held for use in or located on or otherwise used in connection with the exploration, drilling, handling, producing or marketing of oil and gas from, on, or through the Unit and/or the Mineral Interests or the Contract Rights (the "Equipment"), except that Dugan is not transferring that certain horizontal duplex gaso power pump, 2-1/2" - 5" x 10", serial no. 21306 with its gas Ajax 8-1/2" x 10" Model CMA horizontal single cylinder engine, serial no. 58625;
  5. All of Assignor's rights, titles and interests in the contents of all tanks, barrels, pipelines and other similar containers or receptacles located on the Unit and/or the Leases or used in conjunction with mineral production from the Unit and/or the Leases, including, without limitation, all oil, gas, casinghead gas, drip gasoline, natural gasoline, condensate, and other liquid or gaseous hydrocarbons produced from the Unit and/or the Leases or purchased by or for the benefit of Assignor subsequent to the Effective Date as hereafter defined (the "Residue").
  6. All of Assignor's rights, titles and interests in and to the Aneth Gas Plant located in Aneth, Utah, operated by Texaco, and to all associated pipelines, real property interests, fixtures, equipment, and personal property, including, but not limited to, easements and rights-of-way (all of the foregoing collectively, the "Aneth Gas Plant Interests").
  7. Copies of and co-ownership rights in all of Assignor's logs, DST's, other test results and raw geological and geophysical data (but in no event any of Dugan's interpretations of such data) related to the Mineral Interests, the Leases and/or the Unit (the "Data");
  8. Copies or originals of all contracts, agreements, run tickets, and other materials and files in Dugan's possession relating to the Mineral Interests, the Leases and/or the Unit.
- B. Assignor agrees to execute, acknowledge and deliver to Assignee all such other additional instruments, notices, division orders, transfer orders, letters in lieu of transfer orders and other documents, and to do all such other and further acts and things as may be necessary, to more fully and effectively grant, convey and assign the interests conveyed hereby to Assignee. Assignee shall not attempt to use this

Paragraph B to subsequently cause Assignor to convey interests not intended to be purchased by Assignee pursuant to this Bill of Sale and Assignment or the Agreement to Purchase and Sell between Assignor and Assignee dated September 16, 1991.

- C. This Bill of Sale and Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns to the fullest applicable extent.
- D. The rights assigned to Assignee hereunder are subject to the terms of the Leases and all contracts, assignments, rights-of-way, encumbrances, agreements, and other lease burdens of record which affect the interests in the Mineral Interests and Leases assigned herein; provided, however, that this Paragraph D. shall not reduce or impair the enforceability and validity of Assignor's representations and warranties about the Leases, the Mineral Interests, and such contracts, assignments, rights-of-way, and other matters contained in the Agreement to Purchase and Sell between Assignor and Assignee dated September 16, 1991.
- E. Assignee, in consideration of the Mineral Interests and other interests herein conveyed, by acceptance hereof, agrees to be responsible for and perform, at the sole expense of Assignee, all of the liabilities, obligations, and covenants of Assignor arising from or contained in the Leases and any and all other agreements hereby assigned or from operations thereunder, to the extent accruing after the date hereof; to plug and abandon any and all wells heretofore or hereafter drilled on the mineral interests with respect to which said Leases are assigned in accordance with all applicable laws, rules, and regulations; and to hold Assignor, its successors and assigns, harmless of and from any and all claims, demands, loss, cost, risk, or expense of whatsoever kind, including reasonable attorney's fees, resulting from (i) the performance of or failure to perform the plugging and abandonment obligations and covenants aforesaid, or (ii) any and all further operations by Assignee after the date hereof on or under the Leases so assigned or in the Mineral Interests, including but not limited to (to the extent on or after the date hereof) operations for or in connection with the production of oil and gas, the transportation, containment, or disposal of salt water or other deleterious substance across, thereon, therein, or therefrom, the abandonment or plugging of any well or wells thereon or the repair or removal of any material or equipment therefrom, from and after the effective date hereof.

THIS BILL OF SALE AND ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE EXPRESS OR IMPLIED, AND THE CONVEYANCE OF WELLS, PERSONAL PROPERTY, AND EQUIPMENT MADE HEREIN IS MADE "AS IS, WHERE IS", WITHOUT WARRANTY AS TO KIND, QUANTITY OR CONDITIONS (EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THE AGREEMENT TO PURCHASE AND SELL BETWEEN ASSIGNOR AND ASSIGNEE DATED SEPTEMBER 16, 1991). ASSIGNOR MAKES NO WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE PERSONAL PROPERTY AND FIXTURES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THE AGREEMENT TO PURCHASE AND SELL BETWEEN ASSIGNOR AND ASSIGNEE DATED SEPTEMBER 16, 1991).

TO HAVE AND TO HOLD THE MINERAL INTERESTS, THE EQUIPMENT, THE CONTRACT RIGHTS, THE RESIDUE, THE ANETH GAS PLANT INTERESTS, THE DATA, AND ALL OTHER PROPERTY ASSIGNED HEREIN, FOREVER.

This Bill of Sale and Assignment instrument is executed on October 17, 1991, but effective as of September 1, 1991 (the "Effective Date").

  
Sherman E. Dugan  
Sherman E. Dugan, Asst. Sec.

ASSIGNOR:  
DUGAN PRODUCTION CORP. (a/k/a DUGAN  
PRODUCTION CORPORATION)

BY: Thomas A. Dugan  
Thomas A. Dugan  
President

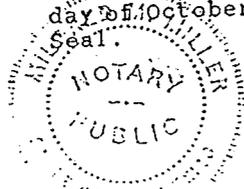
ASSIGNEE:  
SUNFIELD ENERGY COMPANY

BY: Daniel P. Neelon  
Daniel P. Neelon  
Executive Vice President

STATE OF NEW MEXICO §  
  §  
COUNTY OF SAN JUAN §

BEFORE ME, the undersigned authority, personally appeared THOMAS A. DUGAN, President of DUGAN PRODUCTION CORP., a New Mexico corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, who acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the fully authorized, official act and deed of said DUGAN PRODUCTION CORP.

ACKNOWLEDGED, SUBSCRIBED AND SWORN to before me on this 17th day of October, 1991, to certify which witness my hand and official Seal.

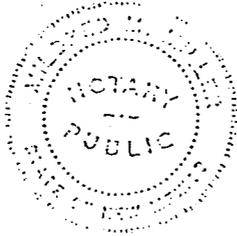


Mildred M. Miller  
Notary Public, State of New Mexico  
Printed Name: MILDRED M. MILLER  
Commission Expires: 1-30-93

STATE OF NEW MEXICO §  
  §  
COUNTY OF SAN JUAN §

BEFORE ME, the undersigned authority, personally appeared Daniel P. Neelon, Executive Vice President of SUNFIELD ENERGY COMPANY, a Nevada corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, who acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the fully authorized, official act and deed of said SUNFIELD ENERGY COMPANY.

ACKNOWLEDGED, SUBSCRIBED AND SWORN to before me on this 17th day of October, 1991, to certify which witness my hand and official Seal.



Mildred M. Miller  
Notary Public, State of New Mexico  
Printed Name: MILDRED M. MILLER  
Commission Expires: 1-30-93

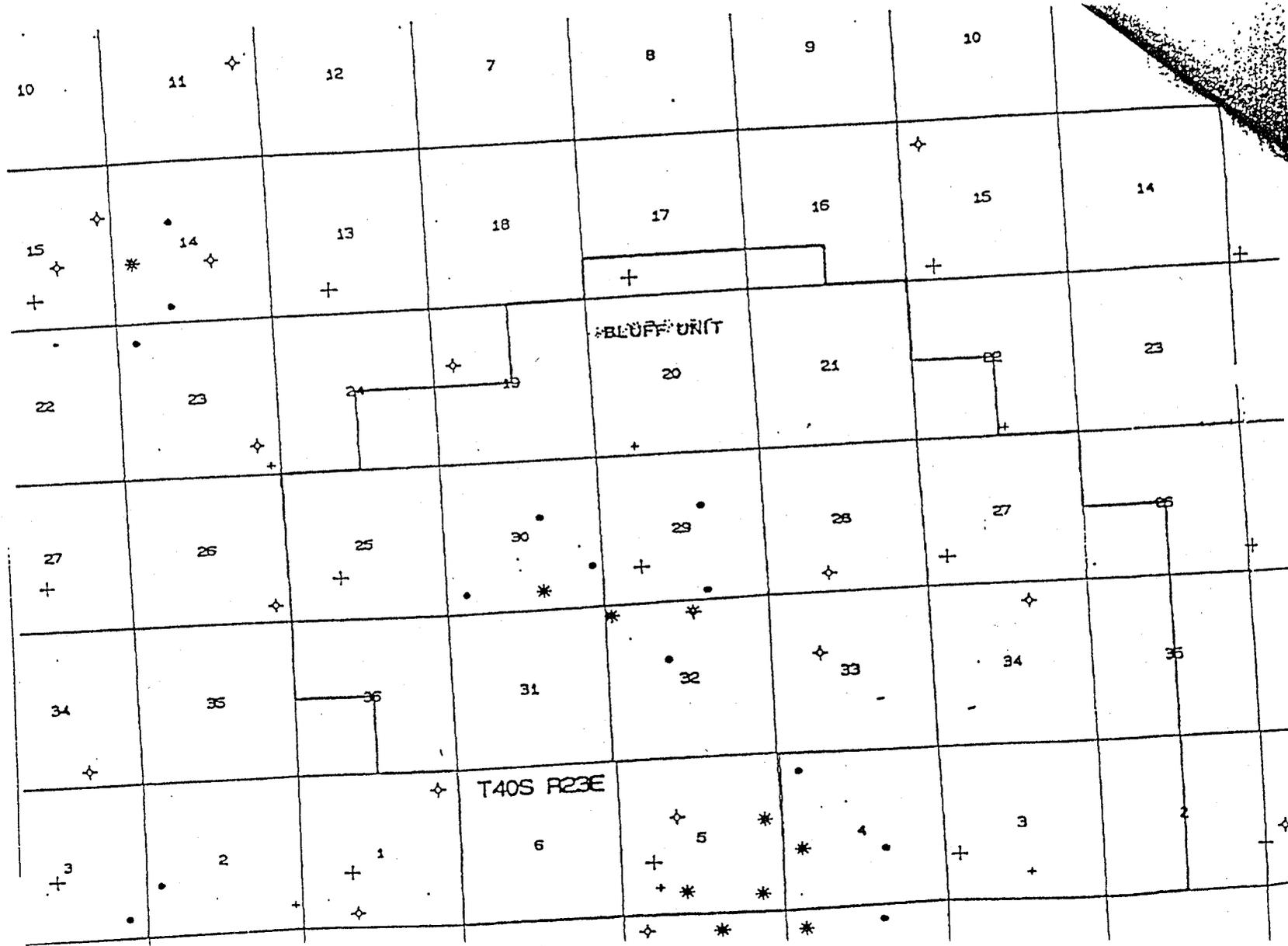


EXHIBIT "A"

Bluff Federal Unit  
San Juan County, Utah

LEASE NUMBER	DESCRIPTION	ACRES *
SL-067706-A	Township 39 South, Range 23 East Sec. 22: SW/4 Sec. 26: SW/4 Sec. 27: All	980.00
ML-4858	Township 39 South, Range 23 East Sec. 16: S/2 SW/4	80.00
SL-067699-A	Township 39 South, Range 23 East Sec. 17: S/2 SE/4	80.00
SL-067700-A	Township 39 South, Range 23 East Sec. 17: S/2 SW/4 Sec. 19: Lots 3, 4, E/2 SW/4, E/2 Sec. 20: All Sec. 21: N/2, SW/4	1876.13
SL-067691-A	Township 39 South, Range 22 East Sec. 24: SE/4	180.00
SL-067692-A	Township 39 South, Range 22 East Sec. 25: S/2, NW/4, S/2 NE/4, N/2 NE/4	600.00
ML-2004	Township 39 South, Range 22 East Sec. 25: NE/4 NE/4	40.00
SL-067701	Township 39 South, Range 23 East Sec. 21: SE/4 Sec. 28: All Sec. 29: All Sec. 30: All Sec. 31: N/2, SW/4	2547.48
ML-4857	Township 39 South, Range 22 East Sec. 36: N/2, SE/4	480.00
SL-067710-A	Township 39 South, Range 23 East Sec. 31: SE/4 Sec. 33: E/2, W/2 NW/4, SW/4 Sec. 34: All Sec. 35: W/2	1680.00

\*More or Less

\*More or Less

LEASE NUMBER	DESCRIPTION	ACRES *
SL-067710-C	Township 39 South, Range 23 East Sec. 33: E/2 NW/4	80.00
ML-2008	Township 39 South, Range 23 East Sec. 32: SE/4 SE/4 SE/4	10.00
ML-2008-A	Township 39 South, Range 23 East Sec. 32: N/2, SW/4, W/2 SE/4, NE/4 SE/4, N/2 SE/4 SE/4, SW/4 SE/4 SE/4	630.00
SL-071404-A	Township 40 South, Range 23 East Sec. 6: All	636.44
SL-071403-A	Township 40 South, Range 23 East Sec. 3: All Sec. 4: All Sec. 5: All	1920.00
ML-2780	Township 40 South, Range 23 East Sec. 2: W/2	320.00
TOTAL		11900.05

\*More or Less

# CHANGE IN UNIT OPERATOR

Bluff Unit Area  
County Of San Juan  
State of Utah  
No. 782

This indenture, dated as of the 14th day of October, 1991, by and between Dugan Production Corp., hereinafter designated as "First Party", and Sunfield Energy Company, hereinafter designated as "Second Party".

## WITNESSETH:

Whereas under the provisions of the Act of February 25, 1920, 41 Stat. 437 30 U.S.C. secs. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the 17th day of May, 1951, approved a Unit Agreement for the Bluff Unit Area, wherein the First Party is designated as Unit Operator; and

Whereas the First Party desires to transfer, assign, release, and quitclaim, and the Second Party desires to assume all the rights, duties and obligations of Unit Operator under the Unit Agreement; and

Whereas for sufficient and valuable consideration, the receipt whereof is hereby acknowledged, the First Party has transferred, conveyed, and assigned all its rights under certain operating agreements involving lands within the area set forth in said unit agreement unto the Second Party;

Now, therefore, in consideration of the premises hereinabove set forth, the First Party does hereby transfer, assign, release, and quitclaim unto Second Party all of First Party's rights, duties, and obligations as Unit Operator under said unit agreement; and

Second Party hereby accepts this assignment and hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of said unit agreement to the full extent set forth in this assignment, effective upon approval of this indenture by the Chief, Branch of Fluid Minerals, Bureau of Land Management, Robert A. Henricks; said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

In witness whereof, the parties hereto have executed this instrument as of the date hereinabove set forth.

WITNESS my hand and seal

this 17<sup>th</sup> of October, 1991.

Melved M. Miller  
Notary Public

My commission expires  
1-30-93

First Party:

DUGAN PRODUCTION CORP.

By: Thomas A. Dugan

Title: President

Second Party:

SUNFIELD ENERGY COMPANY

By: Samuel P. Neenan

Title: Executive Vice President

WITNESS my hand and seal

this 17<sup>th</sup> day of October, 1991.

Melved M. Miller  
Notary Public

My commission expires  
1-30-93

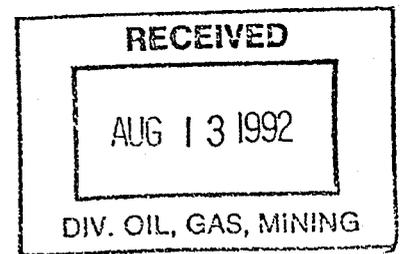
=====

I hereby approve the foregoing indenture designating Sunfield Energy Company as Unit Operator under the Unit Agreement for the Bluff Unit Area, this \_\_\_\_\_ day of \_\_\_\_\_, 1991.

Authorized officer of the Bureau of Land Management:

\_\_\_\_\_  
Robert A. Henricks  
Chief, Branch of Fluid Minerals

Bureau of Land Management  
Branch of Fluid Minerals (U-92)  
324 South State Street  
Salt Lake City, Utah 84111-2303



**COPY**

August 11, 1992

Sunfield Energy Company  
1775 Sherman, Suite 1800  
Denver, Colorado 80203

RE: Bluff Unit  
San Juan County, Utah

Gentlemen:

On August 11, 1992, we received an indenture whereby Dugan Production Corporation resigned as Unit Operator and Sunfield Energy Company was designated as Successor Unit Operator for the Bluff Unit, San Juan County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby accepted effective August 11, 1992. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Bluff Unit Agreement.

Your statewide (Utah) oil and gas bond No. 0888 will be used to cover all operations within the Bluff Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate Federal offices, with one copy returned herewith.

Sincerely,

(ORIG. SGD.) GEORGE DIWACHAK

*for* Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)  
Division of Oil, Gas & Mining  
Division of Lands and Mineral Operations U-942  
File - Bluff Unit (w/enclosure)  
MMS - Reference Data Branch  
Agr. Sec. Chron  
Fluid Chron.

U-922:TAThompson:tt:08-11-92

WELL STATUS REPORTS  
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM 8920007820									
8920007820	430373072600S1	13-4	NWSW	4	40S	23E	POW	UTSL071403A	STERLING ENE CORP
8920007820	430371586500S1	24-5	SESW	5	40S	23E	POW	UTSL071403A	STERLING ENE CORP
8920007820	430371586400S1	3	NWNW	4	40S	23E	POW	UTSL071403A	STERLING ENE CORP
8920007820	430373086600S1	42-5	SENE	5	40S	23E	POW	UTSL071403A	STERLING ENE CORP
8920007820	430371586700S1	44-5	SESE	5	40S	23E	POW	UTSL071403A	STERLING ENE CORP
** INSPECTION ITEM 892000782A									
892000782A	430372023600S1	1	NWNW	32	39S	23E	POW	STATE	DUGAN PROD CORP
892000782A	430373053300S1	14	NESE	30	39S	23E	POW	UTSL067701	DUGAN PROD CORP
892000782A	430371532700S1	9	SWSE	30	39S	23E	PGW	UTSL067701	DUGAN PROD CORP

Bureau of Land Management  
Branch of Fluid Minerals (U-922)  
324 South State Street  
Salt Lake City, Utah 84111-2303

January 3, 1992

Chuska Energy Company  
Attn: Nell Lindenmeyer  
3315 Bloomfield Highway  
Farmington, New Mexico 87401

Re: Successor of Unit Operator  
Bluff Unit  
San Juan County, Utah

*Wait for  
approval to  
change Sec.  
and lease,  
VR  
1/7/92*

Gentlemen:

We received your letter advising us that Dugan Production Corp. resigned as Unit Operator and that Sunfield Energy Company was nominated as the successor of unit operator for the Bluff Unit. We are returning the proposed change of unit operator unapproved.

The enclosed indenture must be executed by the required percentage of working interest owners within the unit agreement before approval can be granted (Section 6, Unit Agreement).

Please be advised effective June 17, 1988, regulations at 43 CFR 3104.2 were changed to state, "The Operator on the ground shall be covered by a bond in his/her own name as principal, or a bond in the name of the lessee or sublessee, provided that a consent of the surety or the obliger in the case of a personal bond, to include the operator under the coverage of the bond is furnished to the Bureau office maintaining the bond." (emphasis added).

If you have any questions, please contact Teresa Thompson of this office at (801) 539-4047.

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: File - Bluff Unit  
DM - Moab  
Agr. Sec. Chron.  
Fluid Chron.

RECEIVED

FEB 07 1992

DIVISION OF  
OIL GAS & MINING

November 26, 1990

Sterling Energy Corp  
1801 Broadway, Suite 600  
Denver, Colorado 80202

Re: ~~Sub-Operating Agreement, Bluff Unit,~~  
Hermosa PA, San Juan County, Utah  
8920007820

Gentlemen:

We have received a copy of "Sub-Operating Agreement" executed by Dugan Production Corporation, unit operator of the Bluff Unit Agreement, San Juan County, Utah, and by Sterling Energy Corp., dated ~~October 1, 1990~~. ~~The agreement makes Sterling Energy Corp. the sub-operator of the Desert Creek Formation for the lands described therein.~~

Inasmuch as it appears that operations conducted under the terms of this sub-operating agreement will be conducted subject to the terms of the Bluff Unit and unit operating agreements, the sub-operating agreement is accepted for the record and is being distributed to the appropriate Federal offices. However, it is expressly understood and agreed that nothing in the sub-operating agreement shall be construed or shall operate to relieve Dugan Production as unit operator from it's obligations and responsibilities under the Bluff Unit Agreement. To the extent that the "Sub-Operating Agreement" is inconsistent with terms and conditions of the Bluff Unit Agreement, such terms and conditions of said unit agreement shall prevail.

The sub-operating agreement shall remain in affect so long as the sub-operating zone remains part of the unit area or it is terminated in accordance with Section 9 of the said agreement. In such case, it is expressly understood that the agreement is effective until notification of its termination is received by this office.

Pursuant to regulations issued and effective June 17, 1988, all operations within the "sub-operating zone" will be covered by your nationwide oil and gas bond No. 000944.

Sincerely,  
(Orig. Sgd.) R. A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

cc: Dugan Production Corp. w/enclosure

~~bcc: Unit No. 1 w/enclosure~~  
Bluff Unit File w/enclosure  
Agr. Sec. Chron.  
Fluid Chron

MCoulthard:jw:11/23/90  
0128V

cc: SJR  
AKS

have 1 min 10

P.

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:	
1- LCR	7- LCR
2- DTS	
3- VLC	
4- RJF	
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: 9-01-91)

TO (new operator) <u>SUNFIELD ENERGY COMPANY</u>	FROM (former operator) <u>DUGAN PRODUCTION CORP.</u>
(address) <u>3315 BLOOMFIELD HWY</u>	(address) <u>709 E MURRAY DRIVE</u>
<u>FARMINGTON, NM 87401</u>	<u>PO BOX 420</u>
	<u>FARMINGTON, NM 87499-0420</u>
phone <u>(505) 326-5525</u>	phone <u>(505) 325-1821</u>
account no. <u>N 1760</u>	account no. <u>N 2140</u>

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

**\*BLUFF UNIT (SUB-OPERATOR "STERLING ENERGY/HRMS P.A.")**

Name: <u>BLUFF U ST #1/DSCR</u>	API: <u>43-037-20236</u>	Entity: <u>625</u>	Sec <u>32</u> Twp <u>39S</u> Rng <u>23E</u>	Lease Type: <u>ML-2008</u>
Name: <u>BLUFF U #9/DSCR</u>	API: <u>43-037-15327</u>	Entity: <u>625</u>	Sec <u>30</u> Twp <u>39S</u> Rng <u>23E</u>	Lease Type: <u>SL067701</u>
Name: <u>BLUFF U #14/DSCR</u>	API: <u>43-037-30533</u>	Entity: <u>625</u>	Sec <u>30</u> Twp <u>39S</u> Rng <u>23E</u>	Lease Type: <u>SL067701</u>
Name: <u>BLUFF ST #2/IS-DC</u>	API: <u>43-037-16538</u>	Entity: <u>629</u>	Sec <u>32</u> Twp <u>39S</u> Rng <u>23E</u>	Lease Type: <u>ML-2008</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: _____

**OPERATOR CHANGE DOCUMENTATION**

1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 2-27-92)*
- \* 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *see BLM approval & Bill of Sale*
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: #154740.
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.
5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(8-24-92)*
6. Cardex file has been updated for each well listed above. *(8-24-92)*
7. Well file labels have been updated for each well listed above. *(8-24-92)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(8-24-92)*
9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- 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) no. Today's date 12/14/92 1992. If yes, division response was made by letter dated 12/14/92 1992.

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 12/14/92 1992, 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.  
*To Ed Bonner 12/14/92*

MICROFILMING

- 1. All attachments to this form have been microfilmed. Date: Dec 18 1992.

FILED

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

REMARKS

920302 B/m/S.Y. Not approved as of yet. (see B/m letter to Chuska dated 1-3-92)

920821 B/m/S.Y. Approved 8-11-92. (Bluff St. #1, #9 & #14) HRMS "A" P.A. (#2 Non P.A.)

\* Other lease wells have not been changed. Will be handled on separate change.  
(Includes Bluff #1, #16 & #10)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**  
JAN 09 1998  
DIV. OF OIL, GAS & MINING

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993  
Lease Designation and Serial No.  
SL 067701

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**SUBMIT IN TRIPLICATE**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	6. If Indian, Allottee or Tribe Name  N/A
2. Name of Operator Sunfield Energy Company	7. If Unit or CA, Agreement Designation Bluff 892000782A
3. Address and Telephone No. P. O. Box 612007, Dallas, TX 75261-2007 (972) 753-6900	8. Well Name and No. Bluff #14
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NE/SE Section 30-39S-23E	9. API Well No. 43-037-30533
	10. Field and Pool, or Exploratory Area Bluff
	11. County or Parish, State San Juan Co., Utah

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

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

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

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

Sunfield Energy plans to vent approximately 22 MCF/Day of associated gas in an endeavor to maintain oil production while the Aneth Gas Plant continues to experience repairs to the cooling towers.

Verbal notification of this intent was conveyed to Mr. Gary Torres by Sunfield's Field Supervisor, Steve Mansur prior to the Christmas holidays.

CC: State of Utah

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

Signature: R. Montgomery Title: Production Administrator Date: 12/31/97

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.

SL 067701

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Bluff 892000782A

8. Well Name and No.

Bluff #14

9. API Well No.

43-037-30533

10. Field and Pool, or Exploratory Area

Bluff

11. County or Parish, State

San Juan Co., UT

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Sunfield Energy Company

3. Address and Telephone No.

P.O. Box 612007, Dallas, TX 75261-2007 (972) 753-6900

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

NE/SE  
Section 30-39S-23E

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

TYPE OF SUBMISSION

- Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

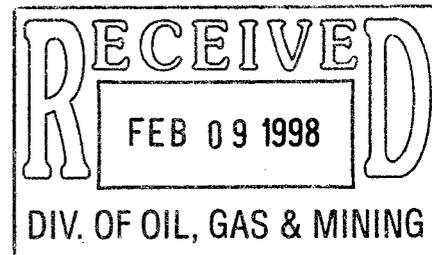
- Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other venting
- Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

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

Please be advised that the subject well was vented by Sunfield Energy during January, 1998 due to the explosion and subsequent problems at the Aneth Gas Plant. The total volume of gas vented during this period was 136 MCF.

cc: State of Utah



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

Signed Marie Caldera

Title Secretary

Date 2/6/98

(This space for Federal or State office use)

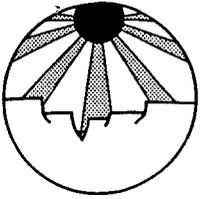
Approved by \_\_\_\_\_  
Conditions of approval, if any:

Title \_\_\_\_\_

Date \_\_\_\_\_

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

\*See Instruction on Reverse Side

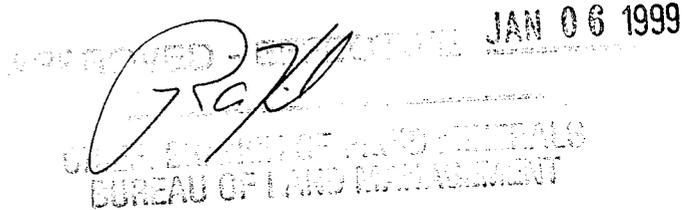


# SUNFIELD ENERGY COMPANY

*A subsidiary of Harken Energy Corporation*

December 28, 1998

Bureau of Land Management  
Utah State Office  
Branch of Fluid Minerals  
324 South State, Suite 310  
Salt Lake City, UT 84111-2303



RE: Bluff Unit - 1997/1998 Plan of Development  
Agreement No. 1 - Section 782  
San Juan County, Utah

Gentlemen:

On March 3, 1998, Sunfield Energy Company submitted its proposed Plan of Development for the Bluff Unit. However, due to the continued decline of oil prices during 1998 the Bluff #10 remains in a Temporarily Abandoned status and has not been permanently abandoned.

Sunfield Energy will permanently abandon the Bluff #10 wellbore located in Section 30-39S-23E, San Juan County, Utah, but wishes to postpone said plugging until such time that product prices rise above current levels. Therefore, Sunfield respectfully request an exception to the original Plan of Development as filed in March of 1998.

Sunfield Energy will address future proposals/plans for the Bluff Unit with the filing of the 1998/1999 Plan of Development.

Very truly yours,

SUNFIELD ENERGY COMPANY

Ms. Rachelle Whiteman  
Production Administrator

CC: Bruce Huff  
Mike Childers  
R. O. Cottle  
Steve Mansur

MacArthur Center II / 5605 N. MacArthur Blvd., Suite 400 / Irving, Texas 75038  
P.O. Drawer 612007 / Dallas, Texas 75261  
214-753-6900

NOGM



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:  
SL 067701

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:  
Bluff

1. Type of Well: OIL  GAS  OTHER:

8. Well Name and Number:  
Bluff Unit #14

2. Name of Operator:  
Sunfield Energy Company

9. API Well Number:  
43-037-30533

3. Address and Telephone Number:  
16285 Park Ten Place, Suite 600, Houston, Texas 77084

10. Field and Pool, or Wildcat:  
Desert Creek

4. Location of Well  
Footages: 1450' FSL & 330' FEL  
QQ, Sec., T., R., M.: Section 30-39S-23E

County: San Juan  
State: Utah

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

**NOTICE OF INTENT**  
(Submit in Duplicate)

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

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

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

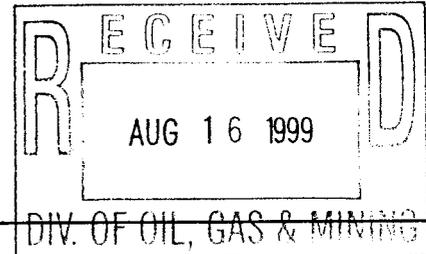
Date of work completion \_\_\_\_\_

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

\* Must be accompanied by a cement verification report.

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

Change of operator from Sunfield Energy Company to Basin Exploration, Inc. with effective date of transfer of operations being August 16, 1999



13. Name & Signature: Carolyn Bryant Carolyn Bryant Title: Regulatory Coordinator Date: 8-13-99

(This space for State use only)



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

IN REPLY REFER TO  
UT-931

September 15, 1999

Basin Exploration, Inc.  
370 17<sup>th</sup> Street, Suite 3400  
Denver, Colorado 80202

Re: Bluff Unit  
San Juan County, Utah

Gentlemen:

On September 10, 1999, we received an indenture dated August 13, 1999, whereby Sunfield Energy Company resigned as Unit Operator and Basin Exploration, Inc. was designated as Successor Unit Operator for the Bluff Unit, San Juan County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective September 15, 1999. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Bluff Unit Agreement.

Your nationwide (Wyoming) oil and gas bond No. 3181 will be used to cover all operations within the Bluff Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

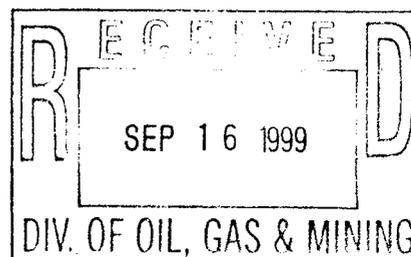
/s/ Robert A. Henricks

Robert A. Henricks  
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)  
~~Division of Oil, Gas & Mining~~  
Minerals Adjudication Group U-932  
File - Bluff Unit (w/enclosure)  
MMS - Data Management Division  
Agr. Sec. Chron  
Fluid Chron

UT931:TAThompson:tt:9/15/99



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. Lease Designation and Serial No.

**SL 067701**

6. If Indian, Allottee or Tribe Name

**N/A**

7. If Unit or CA, Agreement Designation

**Bluff**

8. Well Name and No.

**Bluff Unit 14**

9. API Well No.

**4303730533**

10. Field and Pool, or Exploratory Area

**Desert Creek**

11. County or Parish, State

**San Juan Co., Utah**

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well     Gas Well     Other

2. Name of Operator

**Basin Exploration Incorporated**

3. Address and Telephone No.

**370 17th St., Suite 3400 - Denver, Colorado 80202**

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

**1450' FSL & 330' FEL  
Section 30-T39S-R23E**

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

**TYPE OF SUBMISSION**

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

**TYPE OF ACTION**

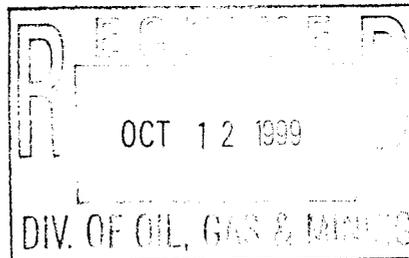
Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other **Change of Operator**

Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

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

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

Please be advised that effective August 16, 1999 Basin Exploration, Inc. assumed operatorship of the referenced well. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Basin Exploration, Incorporated under their Nationwide bond, BLM Bond Number WY3181. They will be responsible for compliance under the lease terms and conditions for that portion of the lease associated with this notice.



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

Signed *Jerry L. Hoffman*  
(This space for Federal or State office use)

Title **Engineering Technician**

Date **10/7/99**

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.

**\*See Instruction on Reverse Side**

**OPERATOR CHANGE WORKSHEET**

Routing:	
1-KDR ✓	6-KAS ✓
2-GLH	<del>7-SJ</del>
3-JRB	8-FILE
4-CDW ✓	
5-KDR ✓	

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: 8-16-99

<b>TO:</b> (new operator)	<u>BASIN EXPLORATION INC.</u>	<b>FROM:</b> (old operator)	<u>SUNFIELD ENERGY COMPANY</u>
(address)	<u>370 17TH STREET STE. 1800</u>	(address)	<u>16285 PARK TEN PL #600</u>
	<u>DENVER, CO 80202</u>		<u>HOUSTON, TX 77084</u>
			<u>CAROLYN BRYANT</u>
	Phone: <u>(303) 685-8000</u>		Phone: <u>(281) 717-1305</u>
	Account no. <u>N5070</u>		Account no. <u>N1760</u>

**WELL(S)** attach additional page if needed:                      **\*BLUFF UNIT**

Name: <u>BLUFF U #9 (SOW)</u>	API: <u>43-037-15327</u>	Entity: <u>00625</u>	S	30	T	39S	R	23E	Lease: <u>SL-067701</u>
Name: <u>BLUFF U ST #1 (SOW)</u>	API: <u>43-037-20236</u>	Entity: <u>00625</u>	S	32	T	39S	R	23E	Lease: <u>ML-2008</u>
Name: <u>BLUFF U #14 (POW)</u>	API: <u>43-037-30533</u>	Entity: <u>00625</u>	S	30	T	39S	R	23E	Lease: <u>SL-067701</u>
Name: <u>BLUFF 10 (SOW)</u>	API: <u>43-037-15328</u>	Entity: <u>00627</u>	S	30	T	39S	R	23E	Lease: <u>SL-067701</u>
Name: <u>BLUFF STATE 2 (SOW)</u>	API: <u>43-037-16538</u>	Entity: <u>00629</u>	S	32	T	39S	R	23E	Lease: <u>ML-2008</u>
Name: <u>BLUFF 16 (POW)</u>	API: <u>43-037-30989</u>	Entity: <u>00632</u>	S	29	T	39S	R	23E	Lease: <u>SL-067701</u>
Name:	API:	Entity:	S		T		R		Lease:

**OPERATOR CHANGE DOCUMENTATION**

- DR 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Rec'd 8.16.99)*
- DR 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 10.12.99)*
- N/A 3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) \_\_\_\_ If yes, show company file number: \_\_\_\_\_
- DR 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below. *(Rec'd 9.16.99)*
- DR 5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(12.10.99)*
- DR 6. **Cardex** file has been updated for each well listed above.
- N/A 7. Well **file labels** have been updated for each well listed above. *\*new filing system*
- DR 8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(12.10.99)*
- DR 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**

- KDR 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- KDR 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

**BOND VERIFICATION - (FEE WELLS ONLY)**

- N/A 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- + 2. A copy of this form has been placed in the new and former operator's bond files.
- + 3. The FORMER operator has requested a release of liability from their bond (yes/no) \_\_\_\_\_, as of today's date \_\_\_\_\_. If yes, division response was made to this request by letter dated \_\_\_\_\_.

**LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY**

- KDR 1. Copies of documents have been sent on email sent 10.27.99 to Ed Bonner at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- N/A 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated \_\_\_\_\_ 19 \_\_, of their responsibility to notify all interest owners of this change.

**FILMING**

- ✓ 1. All attachments to this form have been microfilmed. Today's date: APR. 13 2000.

**FILING**

- 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 are now being filed in the Operator Change file.

**COMMENTS**

991004 called Basin Expl. regarding Sundries from them. (left message)  
991008 rec'd fax from Terry Hoffman including Sundries fr. Basin Exploration.  
991008 Sent e-mail to Ed Bonner to check for bonding.

State of Delaware  
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CONVERSION OF "BASIN EXPLORATION, INC.", CHANGING ITS NAME FROM "BASIN EXPLORATION, INC." TO "STONE ENERGY, L.L.C.", FILED IN THIS OFFICE ON THE FIRST DAY OF FEBRUARY, A.D. 2001, AT 3:30 O'CLOCK P.M.



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

2289801 8100

AUTHENTICATION: 0958659

010060875

DATE: 02-06-01

CERTIFICATE OF CONVERSION  
OF  
BASIN EXPLORATION, INC.  
INTO  
STONE ENERGY, L.L.C.

February 1, 2001

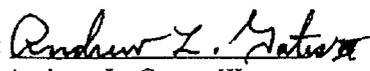
UNDER SECTION 266 OF THE GENERAL CORPORATION LAW  
OF THE STATE OF DELAWARE AND SECTION 18-214 OF THE  
DELAWARE LIMITED LIABILITY COMPANY ACT

Basin Exploration, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Company"), DOES HEREBY CERTIFY THAT:

1. *Name of Corporation to be Converted.* The name of the Company immediately prior to conversion is Basin Exploration, Inc., and the name under which the Company was originally incorporated was Basin Exploration, Inc.
2. *Original Date and Jurisdiction of Incorporation.* The original certificate of incorporation of the Company was filed on March 2, 1992 with the Secretary of the State of Delaware.
3. *Name of Limited Liability Company.* The name of the limited liability company into which the Company will be converted is Stone Energy, L.L.C.
4. *Approval of Conversion.* This conversion has been approved in accordance with the provisions of Section 266 of the General Corporation Law of Delaware and Section 18-214 of the Delaware Limited Liability Company Act.
5. *Effective Time.* The effective time of the conversion of the Company to a limited liability company contemplated hereby shall be February 1, 2001.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Conversion as of the date first written above.

BASIN EXPLORATION, INC.

By:   
Andrew L. Gates, III  
Attorney In Fact

CERTIFICATE OF FORMATION  
OF  
STONE ENERGY, L.L.C.

This Certificate of Formation, dated February 1, 2001, has been duly executed and is filed pursuant to Section 18-201 of the Delaware Limited Liability Company Act (the "Act") to form a limited liability company (the "Company") under the Act.

1. **Name.** The name of the Company is "Stone Energy, L.L.C."
2. **Registered Office; Registered Agent.** The address of the registered office required to be maintained by Section 18-104 of the Act is:

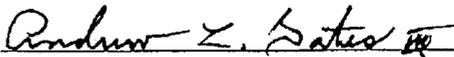
1209 Orange Street  
Wilmington, Delaware 19801

The name and address of the registered agent for service of process required to be maintained by Section 18-104 of the Act are:

The Corporation Trust Company  
1209 Orange Street  
Wilmington, Delaware 19801

3. **Effective Time.** The effective time of the formation of the Company contemplated hereby is February 1, 2001.

EXECUTED as of the date first written above.

  
\_\_\_\_\_  
Andrew L. Gates, III  
Authorized Person

State of Delaware  
Office of the Secretary of State

PAGE 2

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "STONE ENERGY, L.L.C." FILED IN THIS OFFICE ON THE FIRST DAY OF FEBRUARY, A.D. 2001, AT 3:30 O'CLOCK P.M.



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

2289801 8100V

AUTHENTICATION: 0950237

010053850

DATE: 02-01-01

**CERTIFICATE OF FORMATION  
OF  
STONE ENERGY, L.L.C.**

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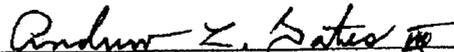
1209 Orange Street  
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The Corporation Trust Company  
1209 Orange Street  
Wilmington, Delaware 19801

3. **Effective Time.** The effective time of the formation of the Company contemplated hereby is February 1, 2001.

**EXECUTED** as of the date first written above.

  
\_\_\_\_\_  
Andrew L. Gates, III  
Authorized Person

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR:		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: CITY STATE ZIP		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: _____		8. WELL NAME and NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: <b>UTAH</b>		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

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

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

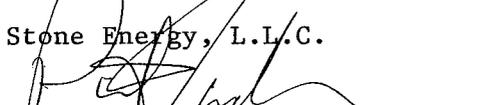
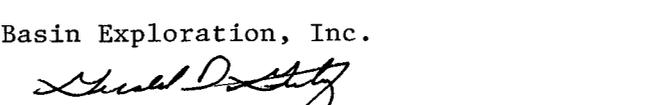
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

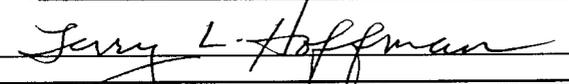
Effective 2/1/01 Basin Exploration, Incorporated merged with Stone Energy. The new name is as follows:

Stone Energy, L.L.C.  
1670 Broadway, Suite 2800  
Denver, CO 80202

Blanket Bond #RLB0002054

Attached is the list of wells that will be effected in the State of Utah. Also attached for your files is a copy of the merger documentation.

Stone Energy, L.L.C.	Basin Exploration, Inc.
	
Pat Jackson - Denver District Manager	Gerald D. Gentry Operations Manager

NAME (PLEASE PRINT) Terry L. Hoffman	TITLE Engineering Technician
SIGNATURE 	DATE 2/1/01

(This space for State use only)

**RECEIVED**  
MAR 05 2001  
DIVISION OF  
OIL, GAS AND MINING

<b>Lease #</b>	<b>Well Name &amp; Number</b>	<b>API Number</b>	<b>Field</b>	<b>Legal Location</b>	<b>County</b>
<del>UTU 75140</del>	<del>Bierstat #21-13</del> 11-13	<del>4303731793</del>	<del>Wildcat</del>	<del>NE NW 13-T40S-R22E</del>	<del>San Juan</del>
SL 067701	Bluff #10	4303715328	Desert Creek	SW SW 30-T39S-R23E	San Juan
SL 071403A	Bluff #13-4	4303730726	Bluff	NW SE 4-T40S-R23E	San Juan
SL 067701	Bluff #16	4303730989	Desert Creek	SW SE 29-T39S-R23E	San Juan
ML 2008	Bluff #2	4303716538	Desert Creek	SE NW 32-T39S-R23E	San Juan
SL 071403A	Bluff #42-5	4303730866	Desert Creek	SE NE 5-T40S-R23E	San Juan
SL 071403A	Bluff #44-5	4303715867	Bluff	SE SE 5-T40S-R23E	San Juan
892000782A	Bluff #9	4303715327	Desert Creek	NE SE 30-T-39S-T23E	San Juan
892000782A	Bluff State #1	4303720236	Desert Creek	NW NW 32-T39S-R23E	San Juan
SL 067701	Bluff Unit #14	4303730533	Desert Creek	NE SE 30-T-39S-T23E	San Juan
1420603248	Desert Creek #11-35	4303731806	Wildcat	NW NE 35-T41S-R23E	San Juan
1420603248	Desert Creek #2	4303715868	Desert Creek	SE SE 35-T41S-R23E	San Juan
1420603270	Navajo Tribal #23-1	4303710535	Tohonadla	NE NE 2-T42S-21E	San Juan
U-01890	Recapture Creek #1	4303715871	Recapture Creek	SE SE 21-T40S-R23E	San Juan
U-01890	Recapture Creek #2	4303730727	Recapture Creek	NW SW 21-T40S-R23E	San Juan
U-01890	Recapture Creek #3	4303730926	Recapture Creek	NW SE 21-T40S-R23E	San Juan
1420603229	Tohonadla #1	4303715872	Tohonadla	SW SE 35-T41S-R21E	San Juan
1420603229	Tohonadla #23-35	4303715874	Tohonadla	NE SW 35-T41S-R21E	San Juan
1420603229	Tohonadla #2-35	4303731568	Tohonadla	N2 S2 35-T41S-R21E	San Juan



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

In Reply Refer To:  
3100  
SL-067701 et al  
(UT-932)

MAR 23 2001

### NOTICE

Stone Energy, L.L.C. : Oil and Gas Leases  
1670 Broadway, #2800 :  
Denver, CO 80202 :

#### Name Change Recognized

Acceptable evidence has been received in this office concerning the change of name of Basin Exploration, Inc. to Stone Energy, L.L.C. on Federal oil and gas leases.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our automated records system. We have not abstracted the lease files to determine if the entity affected by the name change holds an interest in the leases identified nor have we attempted to identify leases where the entity is the operator on the ground maintaining no vested record title or operating rights interests. We are notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the name change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

Due to the name change, the name of the principal on oil and gas bond WY3181 is required to be changed from Basin Exploration, Inc. to Stone Energy, L.L.C. You may accomplish this change either by consent of the surety on the original bond or by a rider to the original bond. The rider should be submitted to the Wyoming State Office.

**ROBERT LOPEZ**

Robert Lopez  
Chief, Branch of  
Minerals Adjudication

Enclosure  
Exhibit of Leases

**RECEIVED**

MAR 27 2001

DIVISION OF  
OIL, GAS AND MINING

EXHIBIT A  
LEASES AFFECTED BY NAME CHANGE

SL-067701	SL-067710A	SL-071403A
U-01058	U-01890	U-056794
U-23147	U-37841	UTU-72671
UTU-73064	UTU-73734	UTU-74461
UTU-75000	UTU-75013	UTU-75140
UTU-75501	UTU-76062	UTU-76303
UTU-76304	UTU-76728	UTU-76865
UTU-76957	UTU-77288	UTU-77289
UTU-77299	UTU-77528	UTU-77529
UTU-77536	UTU-78027	UTU-78226
UTU-78227	UTU-78230	UTU-78441
UTU-78522	UTU-78730	UTU-79006
UTU-79007	UTU-79008	UTU-79009
UTU-79131	UTU-79182	UTU-79183
UTU-79148	U-63011X (Bluff Unit)	U-63020X (Recapture Creek)

cc: MMS-Reference Dr. Branch, MS 3130, Box 5860, Denver, CO 80217  
State of Utah, DOWM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC, UT 84114-5801  
Teresa Thompson (UT-931)  
Rhonda Flynn/Angela Williams (UT-942)  
Vernal Field Office  
Moab Field Office  
Price Field Office  
San Juan Field Office

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH		4-KAS	<input checked="" type="checkbox"/>
2. CDW	<input checked="" type="checkbox"/>	5-S	<input checked="" type="checkbox"/>
3. JLT		6-FILE	

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

**X Operator Name Change (Only)**

Merger

The operator of the well(s) listed below has changed, effective: **2/1/2001**

<b>FROM:</b> (Old Operator):
BASIN EXPLORATION INC
Address: 1670 BROADWAY, STE 2800
DENVER, CO 80202
Phone: 1-(303)-685-8000
Account No. N5070

<b>TO:</b> ( New Operator):
STONE ENERGY LLC
Address: 1670 BROADWAY, STE 2800
DENVER, CO 80202
Phone: 1-(303)-685-8000
Account No. N1555

**CA No.** **Unit: BLUFF**

**WELL(S)**

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
BLUFF 9	43-037-15327	625	30-39S-23E	FEDERAL	OW	S
BLUFF 14	43-037-30533	625	30-39S-23E	FEDERAL	OW	P
BLUFF STATE 1	43-037-20236	625	32-39S-23E	STATE	OW	S
BLUFF 13-4	43-037-30726	11146	04-40S-23E	FEDERAL	OW	P
BLUFF 42-5	43-037-30866	11146	05-40S-23E	FEDERAL	OW	P
BLUFF 44-5	43-037-15867	11146	05-40S-23E	FEDERAL	OW	S

**OPERATOR CHANGES DOCUMENTATION**

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 03/05/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/05/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/28/2001
- Is the new operator registered in the State of Utah: YES Business Number: 4874937-0161
- If **NO**, the operator was contacted on: N/A
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 03/23/2001
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 03/23/2001

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A

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

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**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 03/29/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/29/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

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**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: N/A

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

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**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: APR. 25 2001

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**FILING:**

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: \_\_\_\_\_

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**COMMENTS:**

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____			5. LEASE DESIGNATION AND SERIAL NUMBER: SL 067701
2. NAME OF OPERATOR: Stone Energy, L.L.C. <i>N1555</i>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 1801 Broadway, St. 700 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 685-8000	7. UNIT or CA AGREEMENT NAME: <del>892000782A</del> <i>BLUFF</i>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <i>1450 FSL and 330 FEL</i>			8. WELL NAME and NUMBER: Bluff Unit #14
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <i>NESE 30 39S 23E</i>			9. API NUMBER: 4303730533
COUNTY: <i>San Juan</i>			10. FIELD AND POOL, OR WILDCAT: Bluff
STATE: <b>UTAH</b>			

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

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

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

Effective June 1, 2004, Stone Energy, L.L.C. is transferring title interest and operations of this well to Matrix Production Company, whose address is 5725 Commonwealth Blvd., Sugar Land, Texas 77479, Tele: 281-265-1212. The Matrix bonding is as follows: (1) BIA lands *U.S. Specialty* Insurance Company Bond No. *B001183* for \$*120,000.00* (2) State of Utah Trust lands, *U.S. Specialty* Insurance Company Bond No. *B001043* for \$*10,000.00* and (3) BLM lands *U.S. Specialty* Insurance Company Bond No. *B001041* for \$*25,000.00*.

MATRIX PRODUCTION COMPANY *N2660*

By: *[Signature]* Title: Vice President  
(Signature)  
Name: Larry W. Lathrop Date: 6/30/2004

---

NAME (PLEASE PRINT) Michael E. Cuba TITLE Denver District Manager

SIGNATURE *[Signature]* DATE \_\_\_\_\_

(This space for State use only)

APPROVED *10127104*  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED  
OCT 04 2004  
DIV. OF OIL, GAS & MINING

**OPERATOR CHANGE WORKSHEET**

<b>ROUTING</b>
1. GLH
2. CDW
3. FILE

**X Change of Operator (Well Sold)**

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: 6/1/2004

<b>FROM:</b> (Old Operator): N1555-Stone Energy, LLC 1801 Broadway, Suite 700 Denver, CO 80202 Phone: 1-(303) 685-8000	<b>TO:</b> ( New Operator): N2660-Matrix Production Company 5725 Commonwealth Blvd Sugar Land, TX 77479 Phone: 1-(281) 265-1212
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**CA No.** see below **Unit:** see below

<b>WELL(S)</b>								
NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
BLUFF 16	29	390S	230E	4303730989	632	Federal	OW	P
BLUFF ST 2	32	390S	230E	4303716538	629	State	OW	S
RECAPTURE CREEK 2	21	400S	230E	4303730727	6255	Federal	OW	P
RECAPTURE CREEK 3	21	400S	230E	4303730926	8450	Federal	OW	S
TOHONADLA 1	35	410S	210E	4303715872	11202	Indian	OW	P
TOHONADLA 23-35	35	410S	210E	4303715874	11202	Indian	OW	P
TOHONADLA 2-35	35	410S	210E	4303731568	11202	Indian	OW	P
DESERT CREEK 2	35	410S	230E	4303715868	6270	Indian	OW	P
NAVAJO TR 23-1	02	420S	210E	4303715540	6230	Indian	OW	P
<b>RECAPTURE UNIT</b>								
RECAPTURE CREEK 1	21	400S	230E	4303715871	6265	Federal	OW	S
<b>BLUFF UNIT</b>								
BLUFF U 9	30	390S	230E	4303715327	625	Federal	OW	S
BLUFF U 14	30	390S	230E	4303730533	625	Federal	OW	P
BLUFF U ST 1	32	390S	230E	4303720236	625	State	OW	S
BLUFF 13-4	04	400S	230E	4303730726	11146	Federal	OW	P
BLUFF 44-5	05	400S	230E	4303715867	11146	Federal	OW	P
BLUFF 42-5	05	400S	230E	4303730866	11146	Federal	OW	P

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/4/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/4/2004
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/26/2004
- Is the new operator registered in the State of Utah: YES Business Number: 5681279-0143
- If **NO**, the operator was contacted on:
- (R649-9-2) Waste Management Plan has been received on: n/a
- Inspections of LA PA state/fee well sites complete on: n/a

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

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: not yet

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

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

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

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 10/27/2004
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/27/2004
- Bond information entered in RBDMS on: 10/27/2004
- Fee/State wells attached to bond in RBDMS on: 10/27/2004
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: B001041

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: B001183

**FEE & STATE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B001044 and B001045

2. The **FORMER** operator has requested a release of liability from their bond on: held at TLA

The Division sent response by letter on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

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

5. Lease Serial No.  
**SL 067701**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Bluff #14**

9. API Well No.  
**43-037-30533**

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

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

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**Matrix Production Company**

3a. Address  
**5725 Commonwealth, Sugar Land, TX 77479**

3b. Phone No. (include area code)  
**281-265-1212**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1450' FSL & 330' FEL Sec 30-T39S-R23E**

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**The subject well is believed to have developed a hole in the casing. Operator proposes to locate the hole and repair by means of squeeze cementing.**

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

Federal Approval Of This  
Action Is Necessary

Date: 4/25/06  
By: [Signature]

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

Name (Printed/Typed)  
**Fred C. Bryla**

Title **Vice President**

Signature [Signature]

Date **4-20-06**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**  
**APR 24 2006**



**MATRIX**  
PRODUCTION  
COMPANY

5725 Commonwealth Boulevard  
Sugar Land, Texas 77479  
Phone 281-265-1212  
Fax 281-265-1778

April 20, 2006

Mr. Eric Jones  
Bureau of Land Management  
Moab District  
82 East Dogwood  
Moab, UT 84532

Re: Sundry Notice  
Bluff #14  
San Juan County, Utah

Dear Eric,

Please find enclosed for your review a Notice of Intent related to the subject well. Let me know if you have any questions.

Yours truly,

A handwritten signature in black ink, appearing to read "Fred Bryla", written over a white background.

Fred Bryla  
Vice President

cc: Mr. Dustin Doucet  
State of Utah, Division of Oil, Gas and Mining

RECEIVED

APR 24 2006

DIV. OF OIL, GAS & MINING

Form 3160-5  
(April 2004)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No.  
**SL 067701**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Bluff #14**

9. API Well No.  
**43-037-30533**

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

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

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**Matrix Production Company**

3a. Address  
**5725 Commonwealth, Sugar Land, TX 77479**

3b. Phone No. (include area code)  
**281-265-1212**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1450' FSL & 330' FEL Sec 30-T39S-R23E**

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

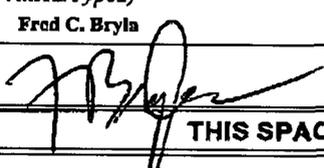
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**Tested 4-1/2" casing for leak. Found slight leak between +/-2500' and +/-2623'. RU Halliburton and squeeze to 800 psi with Permseal 600. SI 24 hrs. Clean out well & test squeeze. Return to production June 20, 2006.**

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

Name (Printed/Typed) **Fred C. Bryla** Title **Vice President**

Signature  Date **10-20-08**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to the Department of the Interior any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**OCT 20 2008**

DIV. OF OIL, GAS & MINING