

Permitco

A Petroleum Permitting Company

September 22, 1982

State of Utah
Division of Oil, Gas & Mining
4241 State Office Bldg.
Salt Lake City, UT 84114

RE: Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

RECEIVED
SEP 24 1982

DIVISION OF
OIL, GAS & MINING

Gentlemen:

Tricentrol Resources Inc. proposes to drill a well at the above-mentioned location.

We realize that this location is a non-standard location, in accordance with the spacing rules for the State of Utah. This location was picked due to topography and extensive seismic work which was done in the immediate area.

Tricentrol Resources Inc. is the lease holder of all of Section 3, T38S-R25E. Therefore, no other lease holders will be affected by the drilling of the above-proposed well.

We, therefore, request your permission to drill this well at a non-standard location.

Sincerely,

PERMITCO

Lisa L. Green
Lisa L. Green
Consultant for
Tricentrol Resources Inc.

LLG/tjb

Enclosures

cc: MMS - Salt Lake City, Durango
BLM - Monticello
Tricentrol Resources Inc.

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

SUBMIT IN DUPLICATE*
(Other instructions on reverse side)

5. Lease Designation and Serial No.
U-40053
6. If Indian, Name of Tribe, Name of Unit Agreement No.
14-08-0001-20386
7. Unit Agreement Name
Little Nancy Unit ✓
8. Farm or Lease Name
Nancy Federal
9. Well No.
#3-44 ✓
10. Field and Pool, or Wildcat
Wildcat ✓
11. Sec., T., R., M., or Blk. and Survey or Area
Sec. 3, T38S-R25E

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
Tricentrol Resources Inc. c/o Permitco

3. Address of Operator
1020 - 15th St., Ste. 22E, Denver, CO 80202

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 920' FSL & 1050' FEL ✓

At proposed prod. zone Section 3, T38S-R25E

14. Distance in miles and direction from nearest town or post office*
Located approx. 28-1/2 miles SW of Dove Creek, CO

12. County or Parrish San Juan
13. State Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)
270'

16. No. of acres in lease 1921.56
17. No. of acres assigned to this well 40 acres

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.
3200'

19. Proposed depth 5800'
20. Rotary or cable tools Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
5356'

22. Approx. date work will start*

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4"	9-5/8"	32.3#	1300'	300sx or sufficient to circ.
8-3/4"	5-1/2"	15.5#	5800'	250sx or sufficient to cover zones of interest

We propose to drill a well to 5800' to test the Ismay and Desert Creek formations. If productive, we will run casing, and complete. If dry, we will plug and abandon as per Minerals Management Service and State of Utah requirements.

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 9-27-82
BY: *[Signature]*

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

24. Signed: R.P. Crist Title: Exploration Manager Date: 9-20-82
(This space for Federal or State office use)

Permit No. Approval Date

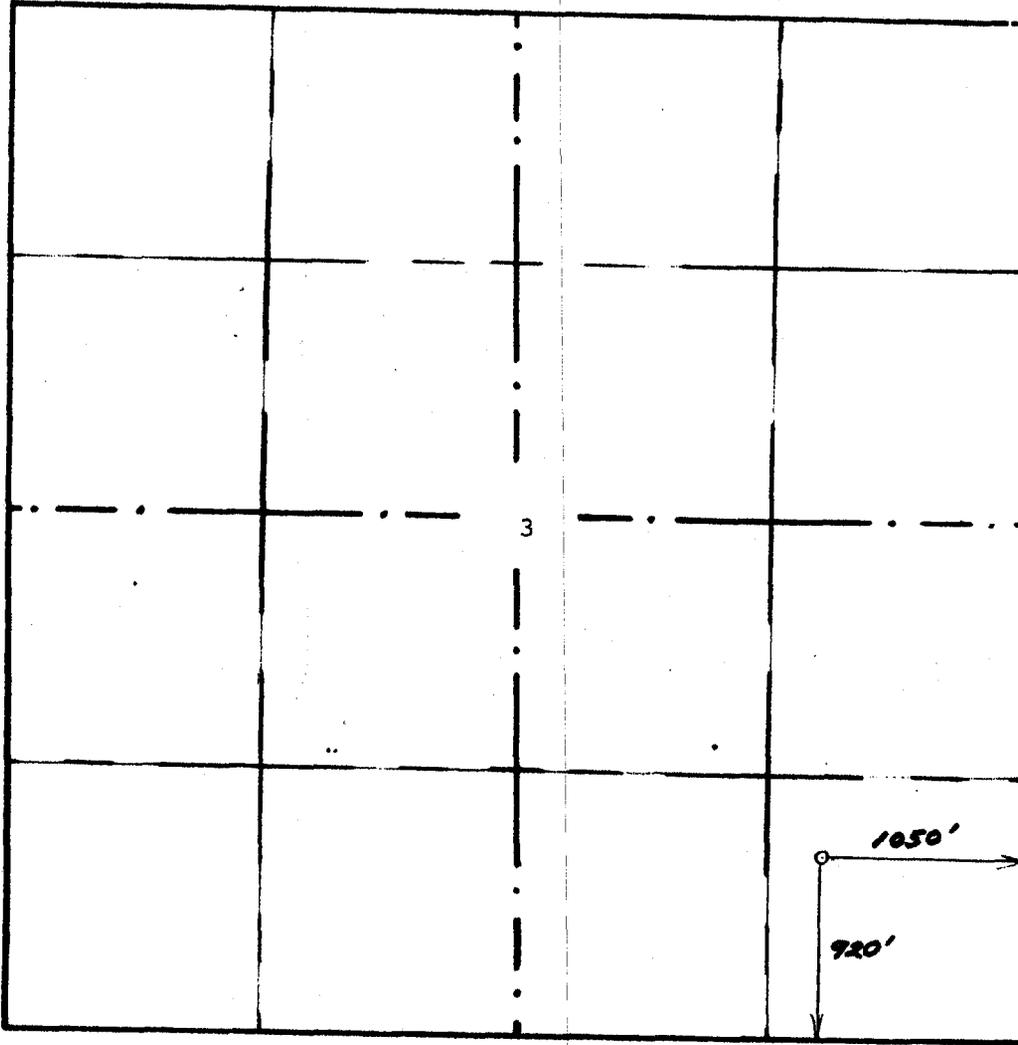
Approved by: Title: Date:
Conditions of approval, if any:



POWERS ELEVATION

PLAT #1

Well Location Plat



1"=1000'

Operator Tricentrol USA, Inc.		Well name 3-44 Nancy-Federal	
Section 3	Township 38 South	Range 25 East	Meridian Salt Lake
Footages 920' from the South & 1050' from the East			County/State San Juan, Utah
Elevation 5356'	Requested by Lisa Green		
The above plat is true and correct to the best of my knowledge and belief.			
14 Sept. 1982		 Gerald G. Huddleston, L.S. Utah Exception	

Tricentrol

RESOURCES INC.

Suite 200, Gateway Place
5675 South Tamarac Parkway
Englewood, Colorado 80111 U.S.A.
Telephone (303) 694-0988

September 13, 1982

Minerals Management Service
1745 W. 1700 S., Ste. 2000
Salt Lake City, Utah 84104

RE: NTL-6 Program

Nancy Federal #11-22
1400' FNL-1550' FWL, Sec. 11
T38S-R25E, San Juan Co., Utah

Nancy Federal #35-32
1350' FNL-1850' FEL, Sec. 35
T37S-R25E, San Juan Co., Utah

Nancy Federal #3-44
920' FSL-1050' FEL, Sec. 3
T38S-R25E, San Juan Co., Utah

Bull Canyon Federal #23-33
2130' FSL-1780' FEL, Sec. 23
T37S-R25E, San Juan Co., Utah

Gentlemen:

This letter is to inform you that Tricentrol hereby authorizes Permitco to prepare the above mentioned NTL-6 program and to attend to any other related matters.

If anything further is needed, please advise.

Sincerely,

TRICENTROL RESOURCES INC.

Richard P. Crist
Richard P. Crist
Area Exploration Manager

RPC:ram

NTL-6 PROGRAM

APPROVAL OF OPERATIONS

#3-44 NANCY FEDERAL
920' FSL and 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

Prepared for:

TRICENTROL RESOURCES, INC.

By:

PERMITCO
1020 Fifteenth Street, Suite 22E
Denver, Colorado 80202

Copies Sent To:

- 4 - MMS - Salt Lake City, Utah
- 1 - MMS - Durango, Colorado
- 1 - BLM - Monticello, Utah
- 1 - State of Utah - Minerals Division
- 5 - Tricentrol Resources Inc.

Permitco

A Petroleum Permitting Company

TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Tricentrol Resources, Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

1. The outcropping geologic formation is the Morrison.
2. The estimated formation tops to be encountered are as follows:

<u>Formation</u>	<u>Depth</u>
Entrada	425'
Chinle	1260'
Cutler	2525'
Hermosa	4480'
Ismay	5450'
Desert Creek	5700'
T.D.	5800'

3. The following depths are estimated for oil and gas bearing zones:

<u>Substances</u>	<u>Formation</u>	<u>Anticipated Depth</u>
Oil	Ismay	5450'
Oil & Gas	Desert Creek	5700'

4. a. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	
Surface	1300'	12-1/4"	9-5/8"	32.3	H	ST&C	New
Production	5800'	8-3/4"	5-1/2"	15.5	K	LT&C	New

- b. The cement program will be as follows:

<u>Surface</u> 0-1300'	<u>Type and Amount</u> 300 sx. Class "B" + 2% CaCl or sufficient to circulate.
<u>Production</u> 0-5800'	<u>Type and Amount</u> 250 sx. 50/50 poz mix - slurry - 1000' fill or sufficient to cover zones of interest.

5. Blowout preventer stack will consist of 10", 5000# BOP. See BOP Diagram. Equipment will be tested prior to drilling out from under surface and operational checks will be made daily thereafter.

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TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Tricentrol Resources Inc.
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

6. Drilling fluids will be as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-4100	Natural Gel	9.0-9.3	35	20	--
4100-5800	Low Solids	9.3-10.5	35	6-8	10.5

7. Auxiliary equipment to be used is as follows:

- a. Kelly cock
- b. Float above the bit
- c. Monitoring of the system will be done visually.
- d. A sub with a full opening valve will be on the floor when the kelly is not in use.

8. Testing, logging and coring will be as follows:

- a. A 60-foot core will be done at 5700' in the Desert Creek formation.
- b. Drill stem tests: 1) Ismay - 5450'; 2) Desert Creek - 5700'
- c. The logging program will consist of DIL-SFL; Bore Hole Sonic; Neutron Density; Dipmeter; and Velocity Survey.
- d. Stimulation will be determined after the evaluation of the logs and any DST's that are run. If treatment is needed, a sundry notice will be submitted.

9. No abnormal pressures or hydrogen sulfide gas are anticipated during the course of drilling to T.D. The maximum bottom hole pressure to be expected is 3500 psi.

10. Tricentrol Resources Inc. plans to spud the #3-44 Nancy Federal on January 1, 1983, and intends to complete the well within approximately one month after the well has reached T.D.

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A Petroleum Permitting Company

MULTI-POINT REQUIREMENTS TO ACCOMPANY A.P.D.

#3-44 Nancy Federal
Tricentrol Resources Inc.
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

Gentlemen:

We submit the following application and plats for permission to drill the #3-44 Nancy Federal.

1. Existing Roads

- a. The proposed well site and elevation plat is shown on Plat #1.
- b. Directions to the location from Dove Creek, Colorado, are as follows: Go southwest on Bug Point Road for 17 miles until it intersects with Nancy Patterson Road. Go south on Nancy Patterson Road for 10 miles. Turn east onto existing two-track. Go one-half mile and turn south and go one-half mile. Turn right and follow flagging to the location.
- c. All existing roads within a 3-mile radius are shown on Map #1.
- d. This is an exploratory well. All access roads within a one-mile radius of the well site are shown on Map #1.
- e. Improvement to existing access will not be necessary and will be limited to a total existing disturbed width. New construction will be limited to a total disturbed width of 20 feet. Surfacing material will not be placed on the access road or location without prior BLM approval.
- f. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

2. Planned Access Roads

- a. There will be approximately one quarter mile of new access road. It will be 20 feet wide.
- b. Maximum grade will be 5% or less.
- c. No turnouts are planned.
- d. There will be no ditching. Water bars will be constructed as directed by the Bureau of Land Management to control erosion. (To be done at a later date if production is established.)

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MULTI-POINT REQUIREMENTS
TO ACCOMPANY A.P.D.

Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

2. Planned Access Roads (cont.)

- e. No culverts are planned at this time. The maximum cut will be 11 feet. The maximum fill will be 27 feet.
- f. Only native materials will be used for construction of all roads.
- g. No gates, cattleguards, or fence cuts will be necessary.
- h. The last one quarter mile will be new access. It will be 20 feet wide (flat bladed only) with no grade to exceed 5%.

3. Location of Existing Wells within a Two-Mile Radius (See Map #2)

- a. Water wells - none
- b. Abandoned wells - three
- c. Temporarily abandoned wells - none
- d. Disposal wells - none
- e. Drilling wells - one
- f. Producing wells - two
- g. Shut in wells - none
- h. Injection wells - none

4. Location of Existing and/or Proposed Facilities

- a. There are one set of existing production facilities owned and controlled by Tricentrol Resources Inc. within a one-mile radius of the proposed well.
- b. New facilities contemplated in the event of production are shown on Diagram #1.
 - 1. Proposed tank battery will be located as shown on Diagram #1.
 - 2. All flowlines from well site to batter site will be buried below frost line depth.
 - 3. Dimensions of the facilities will be 185 feet long and 175 feet wide. See Diagram #1.
 - 4. Only native materials will be utilized.

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MULTI-POINT REQUIREMENTS
TO ACCOMPANY A.P.O.

Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

4. Location of Existing and/or Proposed Facilities (cont.)
 5. An earthen dike utilizing subsoil in the surrounding area will be built around the storage tanks and separator to contain oil should a leak occur. Any necessary pits will be properly fenced to prevent any wildlife entry. The production pit will be flagged overhead.
 6. The reserve pit will be fenced and allowed to dry. Then all pits will be backfilled. The location not needed for production will be leveled, contoured and reseeded as per BLM requirements.
 7. The access shall be upgraded to the following specifications (if production is established). The road shall be 20 feet wide crowned and ditched. Culverts will be installed as deemed necessary by the Bureau of Land Management.
5. Location and Type of Water Supply
 - a. The source of water will be the stockponds located on the Perkins Ranch, Section 7, T38S-R25E, all necessary permits will be filed.
 - b. Directions to the water source are shown on Map #1. Water will be trucked to the location on these roads. All necessary water permits will be filed with the State Engineer.
 - c. No water well is to be drilled on this lease.
6. Source of Construction Materials
 - a. Only native materials are to be utilized.
 - b. No construction materials will be taken off Federal land.
 - c. Surface and subsoil materials in the immediate area will be utilized. Any gravel will be purchased from a commercial source.
 - d. All major access roads are shown on Map #1.
7. Methods for Handling Waste Disposal
 - a. Drill cuttings are to be contained and buried in the reserve pit.
 - b. Drilling fluids are to be contained in the reserve pit.
 - c. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

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MULTI-POINT REQUIREMENTS
TO ACCOMPANY A.P.D.

Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

7. Methods for Handling Waste Disposal (cont.)

- d. A chemical porta-toilet will be furnished with the drilling rig.
- e. If a trash pit is used, it will be constructed near the mud tanks with steep sides and dug at least six feet into solid undisturbed material. It will be totally enclosed with fine mesh wire before the rig moves in.
- f. The reserve pit will be lined at the dirt contractor's discretion sufficient to prevent seepage. At least half of the capacity will be in cut.
- g. Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling operations begin. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.
- h. Trash will not be disposed of in the reserve pit. Garbage and non-flammable waste are to be contained in the trash pit. Flammable waste is to be contained in the burn pit. The trash is to be burned periodically and the remains buried when the well is completed. A burning permit will be obtained from the State Fire Warden before burning trash.
- i. All trash, garbage, etc. is to be gathered and buried at the end of drilling operations and covered with a minimum of two feet of earth. Immediately on completion of drilling, the location and surrounding area will be cleared of all debris resulting from the operations. Non-burnable debris will be hauled to a local town dump. Reserve and mud pits will be allowed to dry after drilling is completed and then adequately filled and leveled. All garbage and sewage pits will be filled as soon as the rig leaves the location.

8. Ancillary Facilities

- a. There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. See Diagram #2 for rig layout. See Diagram #3 for cross section of drill pad. See Diagram #4 for cuts and fills.

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A Petroleum Permitting Company

MULTI-POINT REQUIREMENTS
TO ACCOMPANY A.P.D.

Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

9. Well Site Layout (cont.)

- b. The location of mud tanks; reserve, burn and trash pits; pipe racks; living facilities and soil stockpiles will be shown on Diagram #2. The location will be laid out and constructed as discussed during the pre-drill conference.

10. Plans for Restoration of Surface

- a. Immediately upon completion of drilling, all trash and debris will be collected from the location and surrounding area. All trash and debris will be disposed of in the trash pit and will then be compacted and buried under a minimum of two feet of compacted soil.
- b. The operator or his contractor will contact the BLM office in Monticello, Utah, 801/587-2201, 48 hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.
- c. Before any dirt work to restore the location takes places, the reserve pit will be completely dry.
- d. All disturbed areas will be recontoured to blend as nearly as possible with the natural topography. This includes removing all berms and refilling all cuts.
- e. The stockpiled topsoil will be spread evenly over the disturbed area. All disturbed areas will be scarified with the contour to a depth of 12 inches.
- f. Water bars will be built as follows to control erosion:

<u>Grade</u>	<u>Spacing</u>
2%	Every 200 feet
2-4%	Every 100 feet
4-5%	Every 75 feet
5+%	Every 50 feet

- g. Seed will be broadcast between October 1 and February 28 with the following prescription. When broadcast seeding, a harrow or similar implement will be dragged over the seeded area to assure seed cover. Seed Mixture:

2 lbs./acre	- Indian Ricegrass
2 lbs./acre	- Fourwing Saltbush
1 lb./acre	- Alkali Sacaton
1 lb./acre	- Shadscale
1 lb./acre	- Curley Grass

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MULTI-POINT REQUIREMENTS
TO ACCOMPANY A.P.D.

Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

10. Plans for Restoration of Surface (cont.)

- g. After seeding is complete, the stockpiled trees will be scattered evenly over the disturbed areas. The access will be blocked to prevent vehicular access.
- h. The reserve pit and that portion of the location and access road not needed for production or production facilities will be kept to reclaim the remainder of the location at a future date. This remaining stockpile of topsoil will be seeded in place using the prescribed seed mixture.
- i. The access shall be upgraded to BLM Class III road specifications, if production is established.
- j. The top 6 inches of soil material will be removed from the location and stockpiled separate from the trees on the south and east sides of the location. Topsoil along the access will be reserved in place.

11. Other Information

- a. Topography: The well pad is located on a prominent knoll just south of an intermittent tributary of the Nancy Patterson Canyon Wash.
Soil: Sediments consist of a light tan, sandy mixture.
Vegetation: This area encompasses pinyon, juniper and various grasses.
Fauna: The animals are mostly burrowing animals. There is a possibility of livestock. However, none were seen at the pre-drill inspection.
- b. The surface in the area is owned by the Bureau of Land Management.
- c. The nearest water is 5 miles southwest of the location at Perkins Ranch.
- d. The nearest occupied dwelling is approximately 5 miles southwest of the location at the Perkins Ranch.
- e. An archeological study was performed. No significant cultural resources were found and clearance is recommended. See Archeological report attached.
- f. Drilling will begin approximately January 1, 1983.

Permitco

A Petroleum Permitting Company

MULTI-POINT REQUIREMENTS
TO ACCOMPANY A, P.D.

Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

11. Other Information (cont.)

- g. If subsurface cultural material is exposed during construction, work in that spot will stop immediately and the San Juan Resource Area Office will be contacted. All employees working in the area will be informed by the operator that they are subject to prosecution for disturbing archeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will only be done if damage occurs.
- h. The operator will notify the San Juan Resource Area BLM Office in Monticello, Utah 801/587-2201 48 hours prior to beginning any work on public land.
- i. The San Juan County Road Department in Monticello, Utah, will be contacted prior to use of county roads 801/587-2249.
- j. The operator will give the dirt contractor a copy of the Surface Use Plan and any additional BLM stipulations before any work is done.

12. Lessee's or Operator's Representatives

Lisa Green will be Tricentrol Resources Inc.'s representative. Miss Green can be reached by telephone in Denver, Colorado, at her office (303/595-4051).

13. Certification

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

Date

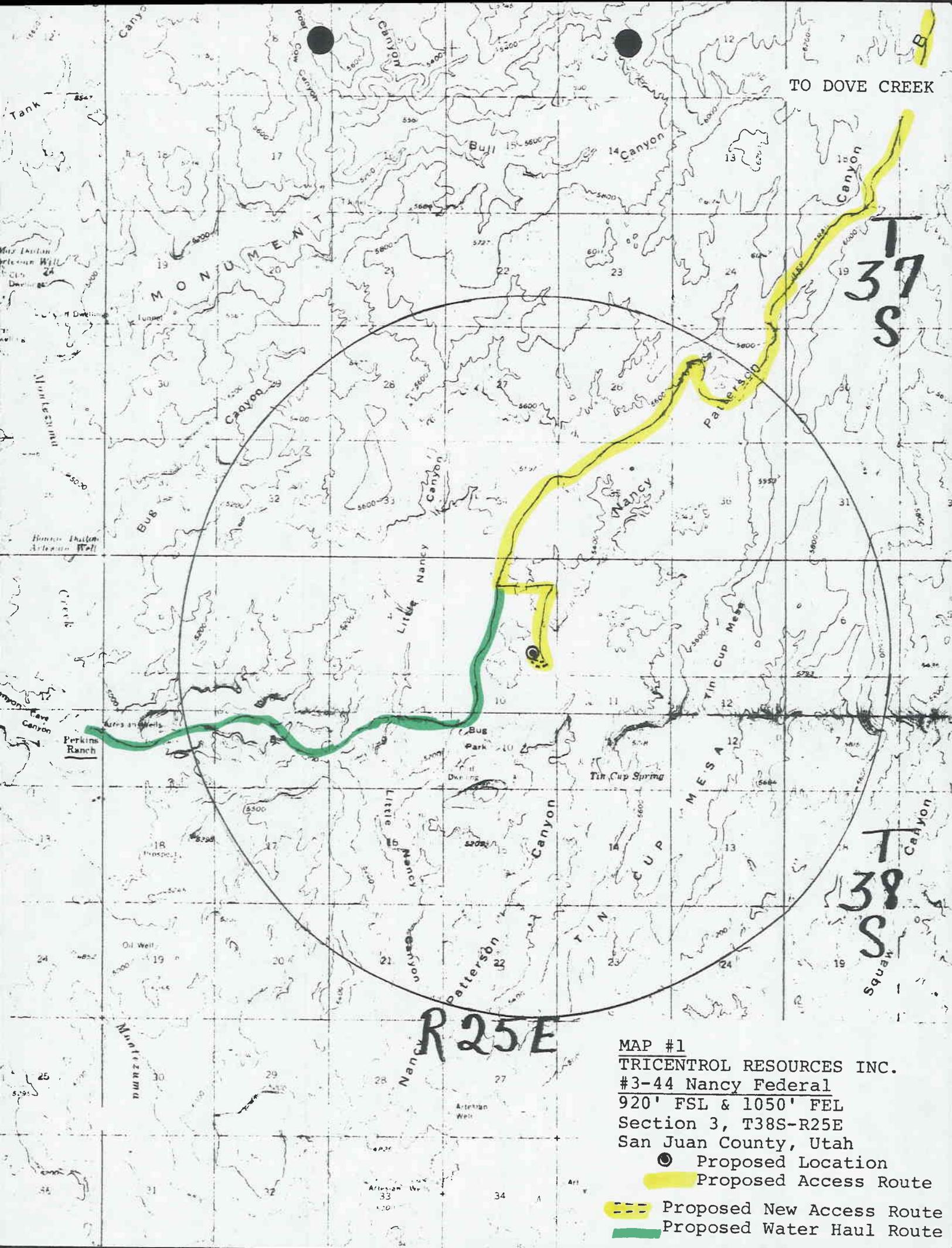
9/22/82

Lisa L. Green

Lisa L. Green - PERMITCO - Agent for
TRICENTROL RESOURCES INC.

Permitco

A Petroleum Permitting Company



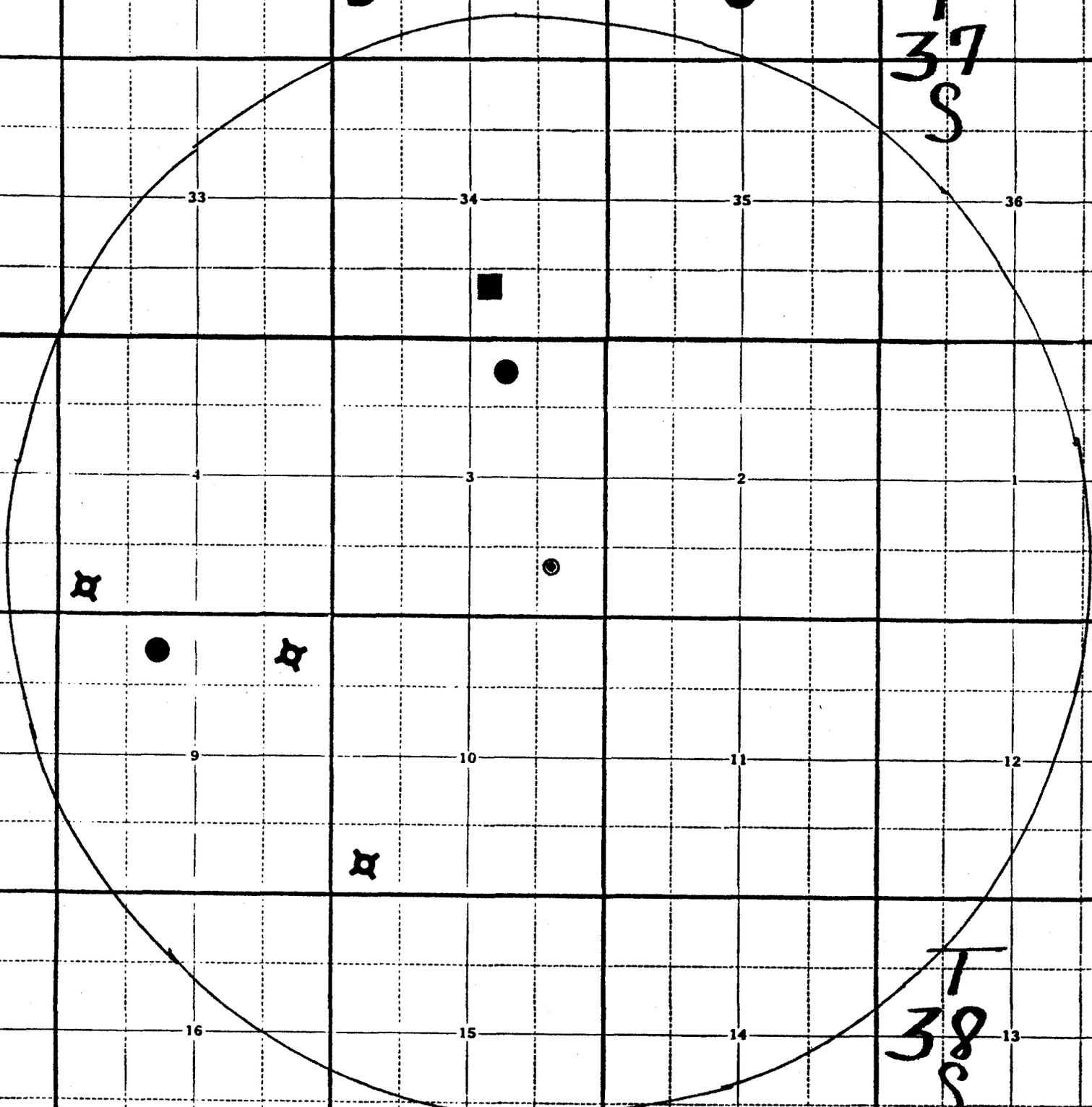
TO DOVE CREEK

MAP #1
 TRICENTROL RESOURCES INC.
 #3-44 Nancy Federal
 920' FSL & 1050' FEL
 Section 3, T38S-R25E
 San Juan County, Utah

● Proposed Location
 — Proposed Access Route

--- Proposed New Access Route
 — Proposed Water Haul Route

T
37
S



R25E

T
38
S

MAP #2
Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

- Proposed Location
- Producing Well
- Abandoned Well
- Drilling Well

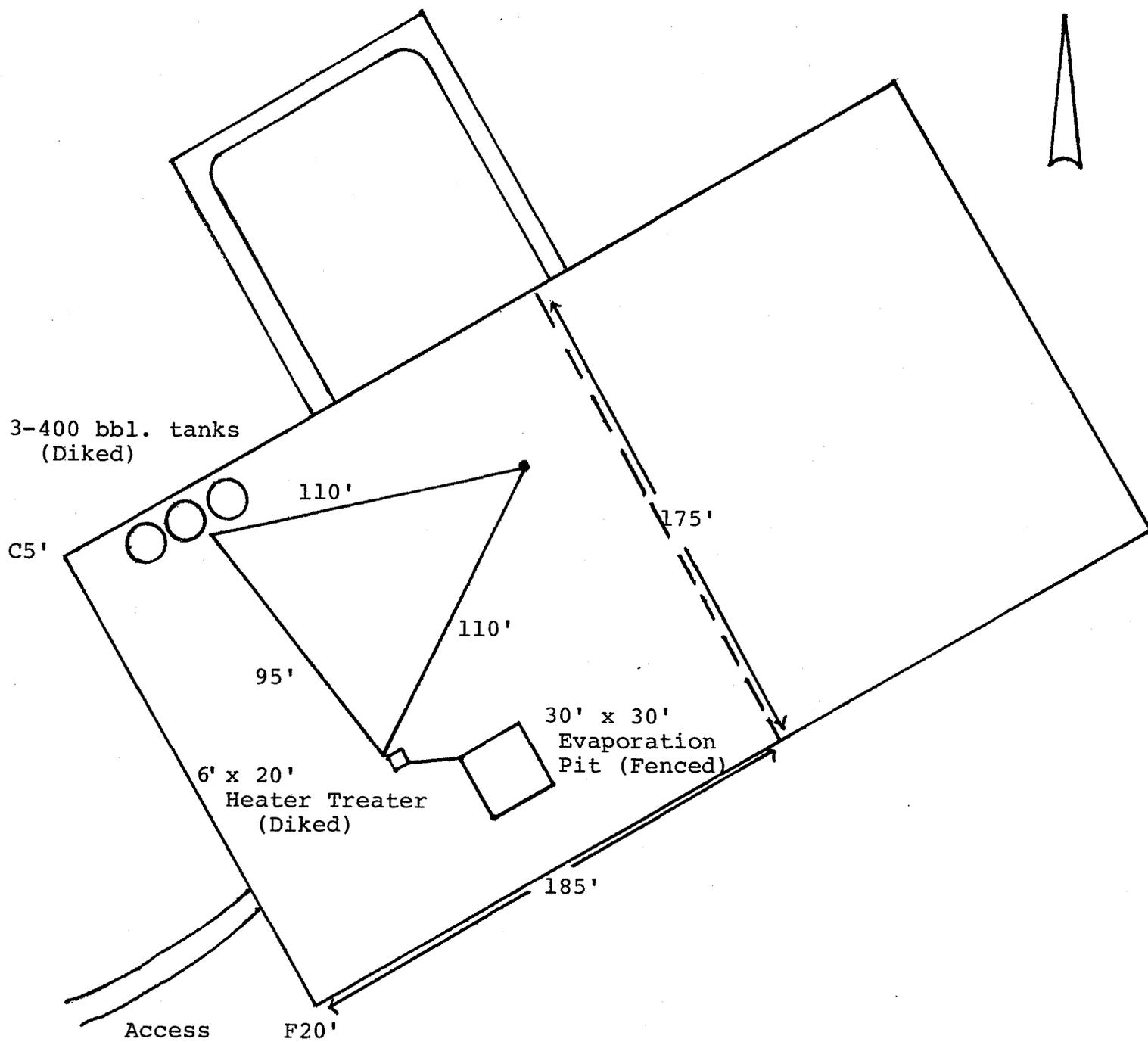


DIAGRAM #1
Production Facilities
TRICENTROL RESOURCES INC.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah

N

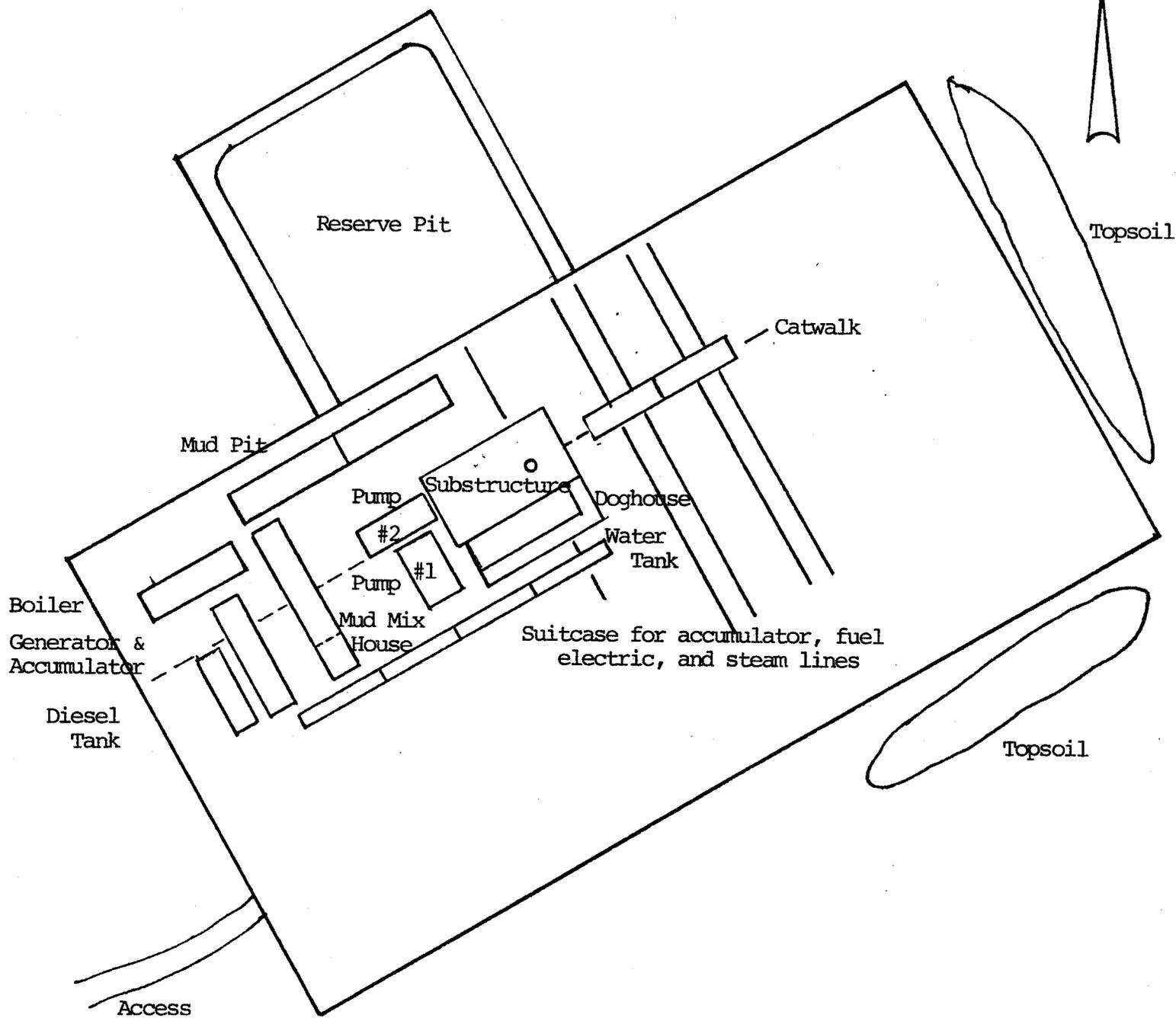


DIAGRAM #2
 Rig Layout
 TRICENTROL RESOURCES INC.
 #3-44 Nancy Federal
 920' FSL & 1050' FEL
 Section 3, T38S-R25E
 San Juan County, Utah



POWERS ELEVATION

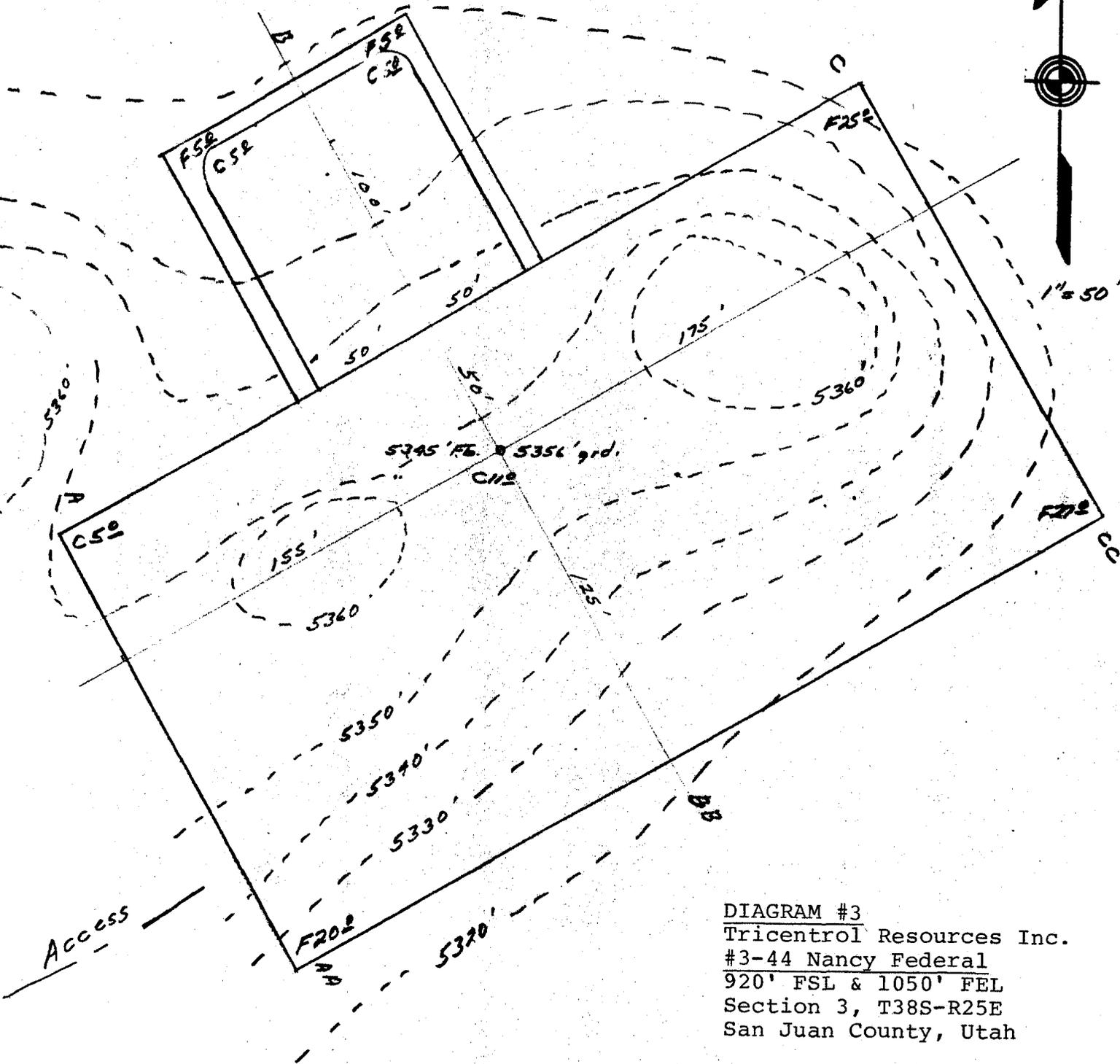


DIAGRAM #3
Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Section 3, T38S-R25E
San Juan County, Utah



POWERS ELEVATION

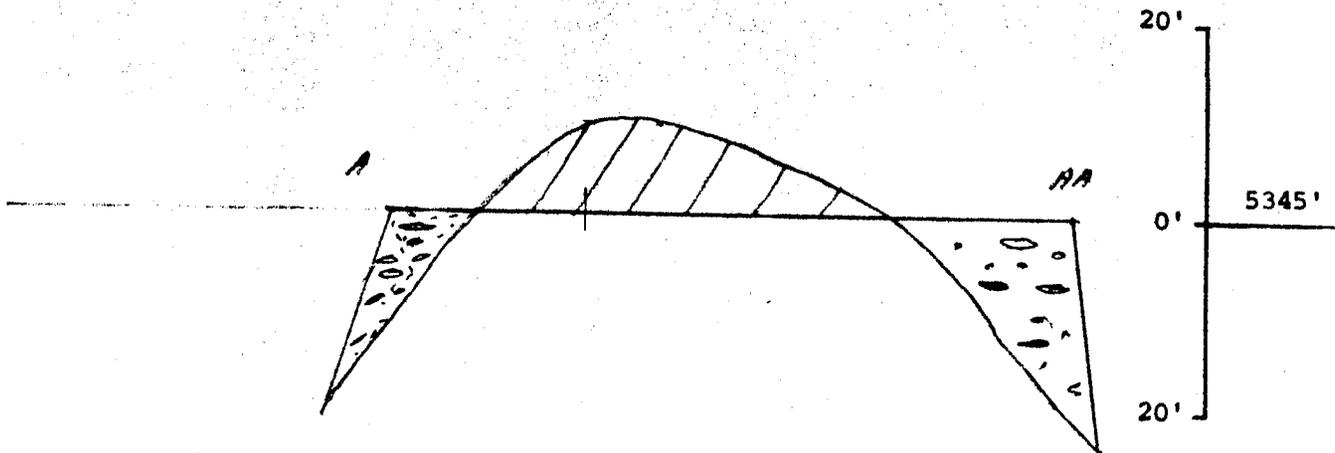
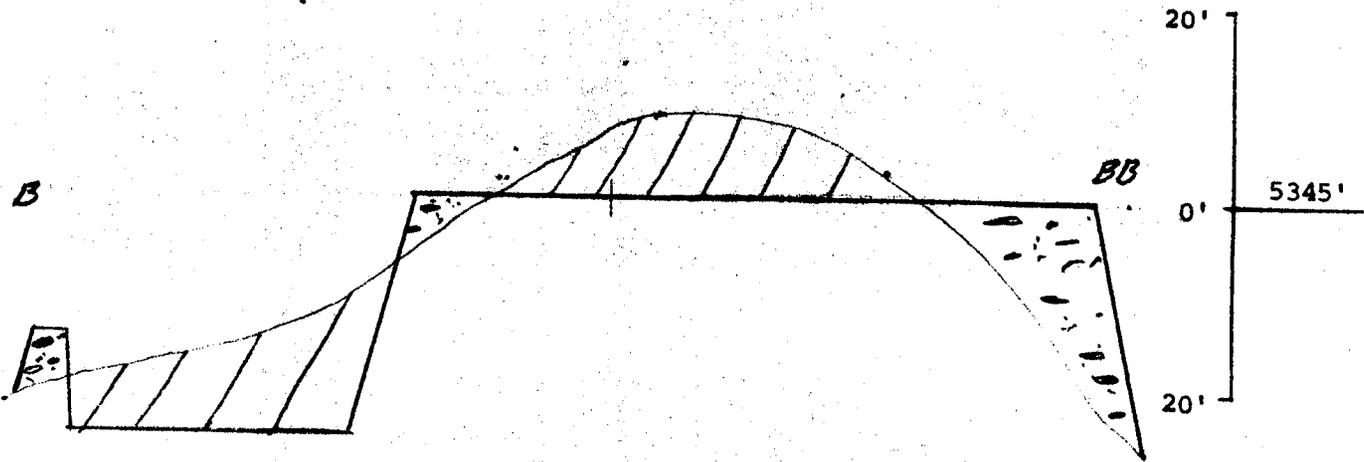
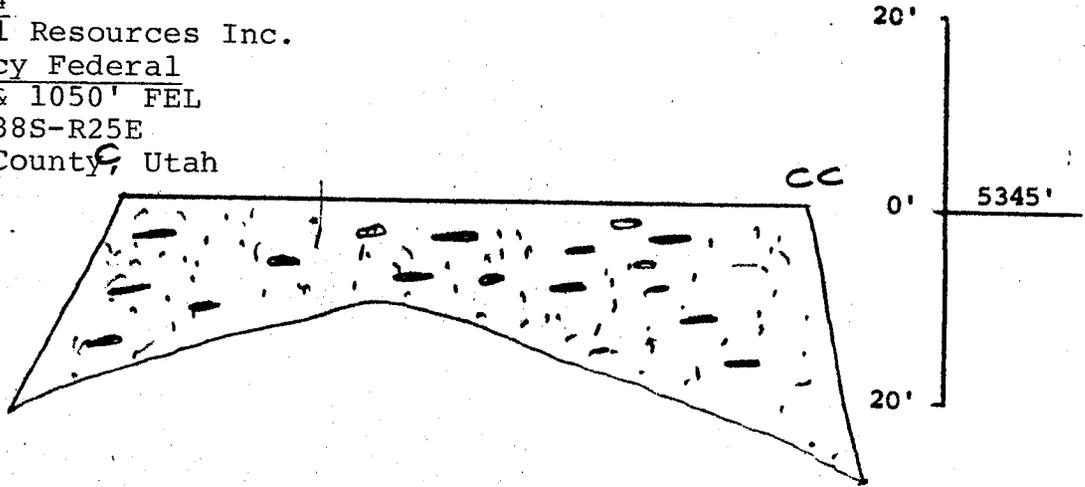
Well 3-44 Nancy Federal

OIL WELL ELEVATIONS -- LOCATIONS
ENVIRONMENTAL -- ARCHAEOLOGICAL SERVICES
888 SOUTH CHERRY STREET, SUITE 1201
DENVER, COLORADO 80222
PHONE NO. 333-221-2217

Cut // // // //
Fill: ~ ~ ~ ~

Scales: 1"=50'H.
1"=20'V.

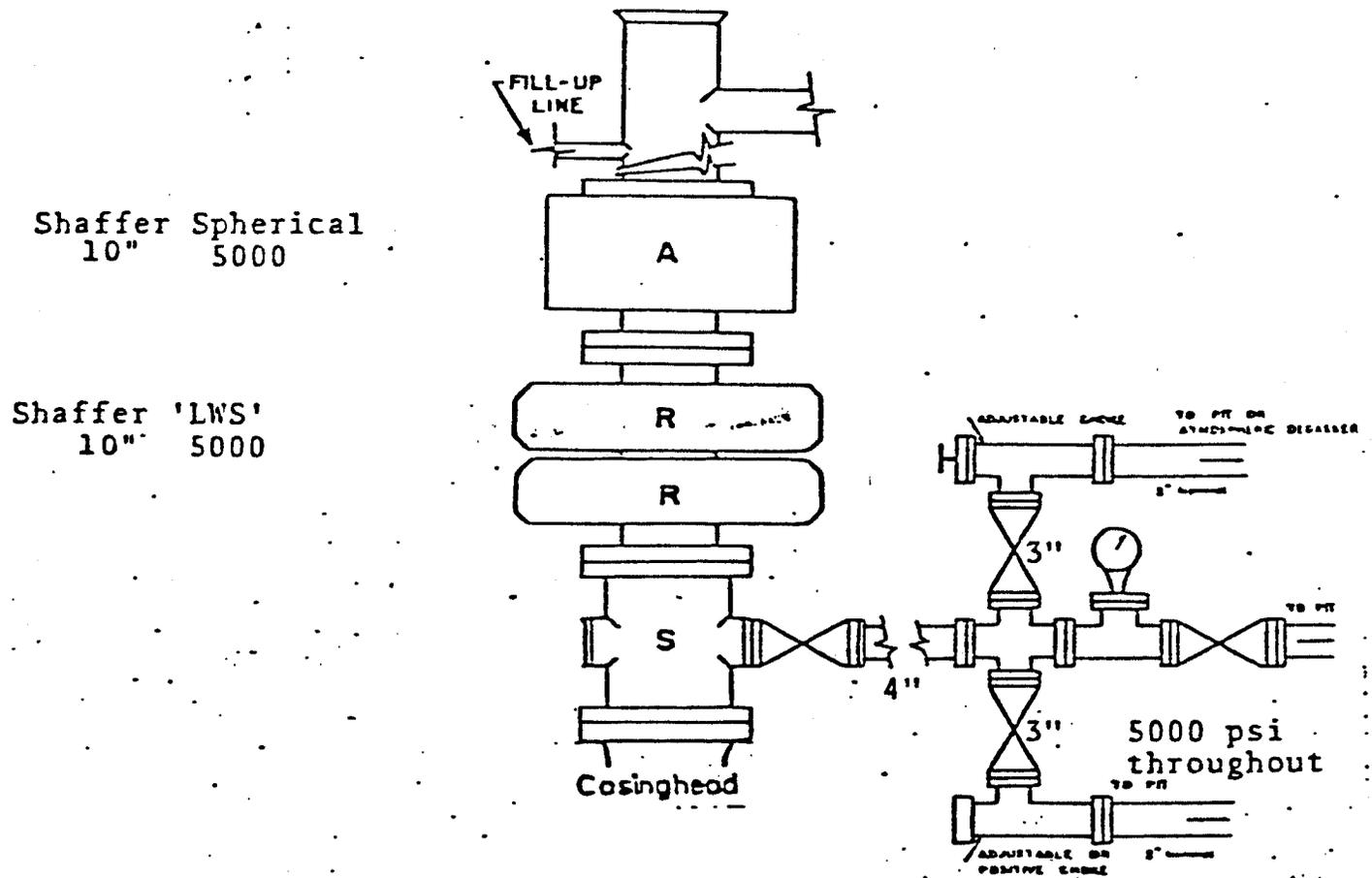
DIAGRAM #4
Tricentrol Resources Inc.
#3-44 Nancy Federal
920' FSL & 1050' FEL
Sec. 3, T38S-R25E
San Juan County, Utah



ANDERSON-MYERS DRILLING COMPANY

Blowout Preventer and Choke Manifold

RIG # 18



La Plata Archeological Consultants, Inc.

Post Office Box 783
Dolores, Colorado 81323
(303) 882-4933

September 8, 1982

Mr. Chas Cartwright
Area Archeologist
Bureau of Land Management
P.O. Box 7
Monticello, Utah 84535

Mr. Cartwright:

Please find enclosed four archeological survey reports prepared for Tricentral United States, Inc.'s Nancy Federal well pads #3-44, 11-22, and 35-32, and the Bull Canyon #23-33 well. All of the wells are located in San Juan County, Utah. Archeological clearance has been recommended for all of the projects.

Sincerely,



Patrick L. Harden
President

PLH/rjs

Distribution:

BLM - Moab
Salt Lake City
USGS - Salt Lake City (4)
Permitco, Denver, Colorado
Utah State Historical Society, Antiquities Section
Tricentral United States, Inc.
USGS - Durango

ARCHEOLOGICAL SURVEY OF
TRICENTROL UNITED STATES, INC.'S
NANCY FEDERAL #3-44 WELL PAD
AND ACCESS ROAD
SAN JUAN COUNTY, UTAH

LAC REPORT 8222

BY
PATRICK L. HARDEN

LA PLATA ARCHEOLOGICAL CONSULTANTS, INC.
P.O. BOX 783
DOLORES, COLORADO 81323
303-882-4933

SEPTEMBER 7, 1982

Federal Antiquities Permit
#82-UT-160

State Permit
#802

Prepared For:
Tricentrol United States, Inc.
Suite 200
5675 S. Tamarac Parkway
Englewood, Colorado 80111

ABSTRACT

An archeological survey of Tricentrol United States, Inc.'s Nancy Federal #3-44 well pad and approximately 2900 feet of access road was conducted on September 2nd and 3rd, 1982, by Patrick L. Harden of La Plata Archeological Consultants, Inc., Dolores, Colorado. The project is located on lands administered by the San Juan Resource Area of the Bureau of Land Management, as well as State owned properties (access road only), San Juan County, Utah. One isolated artifact and two small sites were found along the access route, but neither should receive adverse impact from road improvements. No cultural resources were found in the vicinity of the well pad. Archeological clearance is recommended for this project.

INTRODUCTION

The archeological survey for the Nancy Federal #3-44 well pad project was requested by Ms. Lisa Green, acting permit agent for Tricentrol. The survey was performed in conjunction with the pre-drill inspection conducted on September 2, 1982, and on September 3rd. Persons attending the pre-drill were Ms. Green (Permitco), Terry Simcoe and Jim Walters (Tricentrol), Brian Wood (BLM), Don Englishman (USGS), Gerald Huddleston (land surveyor), Jerry Husky (Urado Construction), and Patrick Harden (LAC).

The well pad is located in the NW $\frac{1}{4}$, SE $\frac{1}{4}$, SE $\frac{1}{4}$ of section 3, T38S, R25E, San Juan County, Utah. The area is included on the Monument Canyon, Utah-Colo. 15' series topographic map (1957).

PROJECT DESCRIPTION

The proposed project consists of the construction of a single well pad and ca. 400' of new access road, as well as improvement to ca. 2500' of existing road. The well pad will be ca. 250 x 330' in size. The well pad was moved 100' south and 50' east from its original staked location in order to facilitate pad construction. Both pad locations were staked and flagged prior to the archeological inspection. The access route was indicated by the BLM representative present on September 3rd.

The well pad is located on a prominent knoll just south of an intermittent tributary of Nancy Patterson Canyon wash. The area is situated along the lower southwest trending slopes of Bug Point in moderately dissected terrain. Vegetation consists of a pinyon-juniper plant community on ridge crests and sheltered draws, with an open grassland in areas of low relief. There are no sources of potable water presently in the immediate project vicinity.

EXAMINATION PROCEDURES

A file and literature review was conducted at the San Juan Resource Area office of the BLM on September 1st, prior to the field examination. None of the well pad area has been previously inventoried, and no significant cultural resources are in or near the project area. An area 600 x 600' surrounding the well pad center stake, and a 100' wide corridor along the access routes were surveyed for cultural resources. A series of tran-

sects spaced 15 meters apart were walked over the entire area.

RESULTS

No cultural resources were found on the well pad or new access route areas. Two archeological sites and an isolated artifact were found along the existing seismograph road. Neither of the sites should be adversely affected by road improvement activities.

Site 42SA11377

This site consists of a sparse and diffuse scatter of lithic debitage and one chert biface fragment. The site is located on a ridge crest which overlooks open grassland to the south. A sparse pinyon-juniper plant community covers the ridge. Artifacts consist of 92 flakes of quartzite, chert, jasper, chalcedony, silicified sandstone, and obsidian, with 89% of these being interior thinning flakes. The biface fragment is 2cm wide at the straight base, and has been percussion and pressure flaked.

The artifacts appear to be on a deflated surface, with bedrock exposed in a very shallow road cut which borders the scatter on the west. Artifacts have eroded down a small slope to the southeast (ca. 10m) onto an aggrading flat area on the ridge. The deflated surface and exposed bedrock indicate that site depth is probably minimal, although some subsurface deposits may be present on the lower flat.

The site was probably utilized as a temporary camping spot. The lack of diagnostic artifacts prohibits the determination of a time of occupation, although the lack of ceramics may indicate

an Archaic-BMII component.

CRM Comments: The site is adjacent to the existing seismograph road which is to be improved for access to Nancy Federal #3-44 well pad. The sparse and diffuse nature of the artifact scatter, and apparent ephemeral depth to the cultural deposits, indicates that the site is non-significant and not eligible for nomination to the National Register of Historic Places. However, the contractor has been alerted to the site's presence and any widening of the road in the site area, if necessary, will be to the west and away from the scatter limits.

Site 42SA11378

This site is the remains of what was evidently a sheep herders temporary habitation. The site consists of a 3 x 3m rock structure with wall outlines clearly evident. The structure is mostly collapsed, but the south wall is still four courses high in places. Relatively large (up to 1m in size) tabular sandstone blocks were used for the dry laid masonry shelter. The style of architecture suggests a Navajo affiliation. Since no artifacts or trash were present a specific time of occupation could not be determined; however, considering the degree of deterioration of the structure and amount of lichen growth on the diffuse rock, an estimated occupation during the later 1800's is suggested.

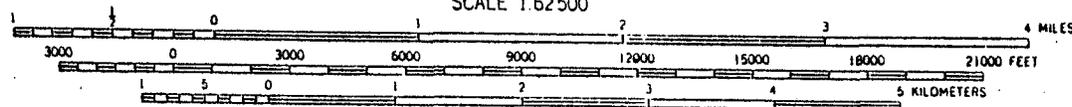
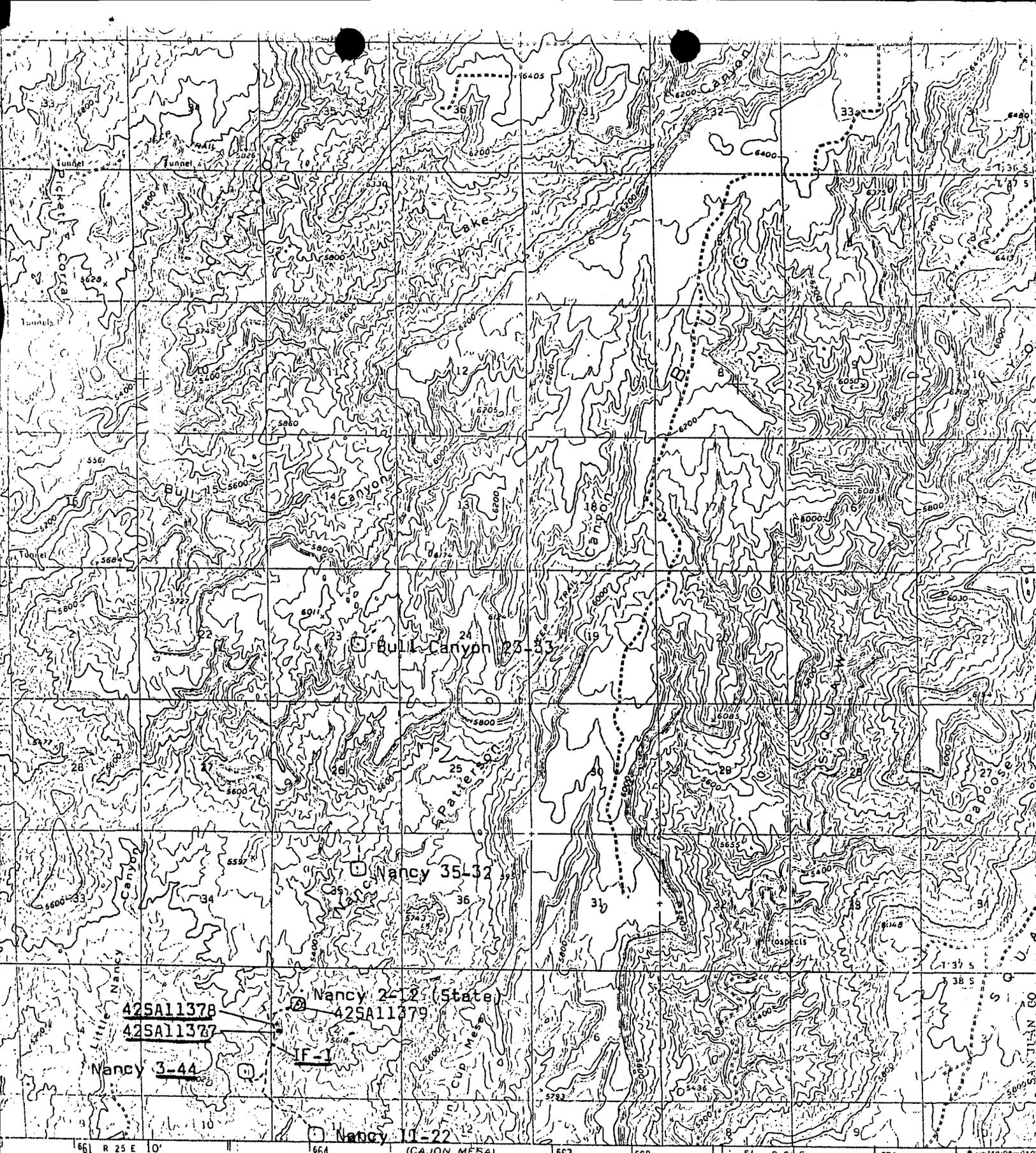
CRM Comments: The site is located 15m east of the access road which is to be improved and will receive no adverse impact from these activities.

Isolated Artifact

The isolated find consists of one large jasper thinning flake and a jasper percussion flaked biface fragment.

SUMMARY

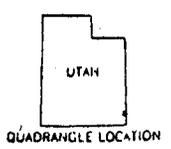
Two archeological sites were located along the access road leading to the Nancy Federal #3-44 well pad. Neither of the sites located are worthy of nomination to the National Register, nor will they be adversely impacted by construction activities. Archeological clearance is recommended for this project.



CONTOUR INTERVAL 40 FEET
 NATIONAL GEODETIC VERTICAL DATUM OF 1929

Monument Canyon, Utah-Colo.
 15' series 1957

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
 FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER, COLORADO 80225, OR RESTON, VIRGINIA 22092



1957 AND 1951 MAGNETIC NORTH
 INTERSECTION AT CENTER OF SHEET



P.O. BOX 84737
DALLAS, TEXAS 75284

DIRECT ANY CORRESPONDENCE TO
P.O. DRAWER 1431
DUNCAN, OKLAHOMA 73536

PAGE 1
2 PAGES

FIELD TICKET
NO. 196508

FORM 1806 R-6
A DIVISION OF HALLIBURTON COMPANY

WELL NO. AND FARM: Mansy Federal 3-44 COUNTY: Delaware STATE: Color. DATE: 1-1-82

CHARGE TO: Tri-Central Oil Co. OWNER: same DUNCAN USE ONLY

ADDRESS: 5675 So. Tamarac Parkway CONTRACTOR: Anderson Mfg. #10 LOCATION: Farmington CODE: 20330

CITY, STATE, ZIP: 200 Gateway Pl. Englewood, Color. 80111 SHIPPED VIA: Halliburton LOCATION: 2 CODE:

DUNCAN USE ONLY DELIVERED TO: Location LOCATION: 3 CODE:

ORDER NO. BULK MATERIAL DELIVERY TICKET NO.: B-204356

WELL TYPE: Wildcat CODE: WC

TYPE AND PURPOSE OF JOB: 2 1/2" surface casing 100'

TERMS: **NET** DUE BY THE 20TH OF FOLLOWING MONTH; INTEREST CHARGED AFTER 60 DAYS FROM DATE OF INVOICE.

PRICE REFERENCE	SECONDARY REF. OR PART NO.	CODE		DESCRIPTION	UNITS 1		UNITS 2		UNIT PRICE	AMOUNT	
		L	D		QTY.	MEAS.	QTY.	MEAS.			
200-117				MILEAGE on pump truck	111	mi			2.12	233	93
200-116				summit charge	1465	ft				1159	90
18 A	225-217		C	Guide shoe	1	ea				122	-
2 A	200-419			S.S. Pipe Collar	1	ea				530	-
4	17-91035		HC	centralizer	1	ea			534	265	-
5-5	20-10202			Well - A	3	ea			11.00	27	-
7	200-4123		HC	Auto-Fillup Unit	1	ea				41	-
				Bulk material #204356						15,252	2
				SERVICE CHARGE ON MATERIALS RETURNED							
				SERVICE CHARGE							
				TOTAL WEIGHT							
				LOADED MILES							

TAX REFERENCES

WAS JOB SATISFACTORILY COMPLETED? FAIR

WAS OPERATION OF EQUIPMENT SATISFACTORY? TRZE UD

WAS PERFORMANCE OF PERSONNEL SATISFACTORY? SB KPS LMC

x Dennis R Mann Customer or His Agent

Mike Welch Halliburton Operator

SUB TOTAL

TAX

TOTAL

THIS IS NOT AN INVOICE

CUSTOMER

TAXES, PRICE CHANGES, AND OTHER APPLICABLE DATA WILL BE SHOWN ON OUR INVOICE TO BE SUBMITTED FOR PAYMENT AT A LATER DATE.

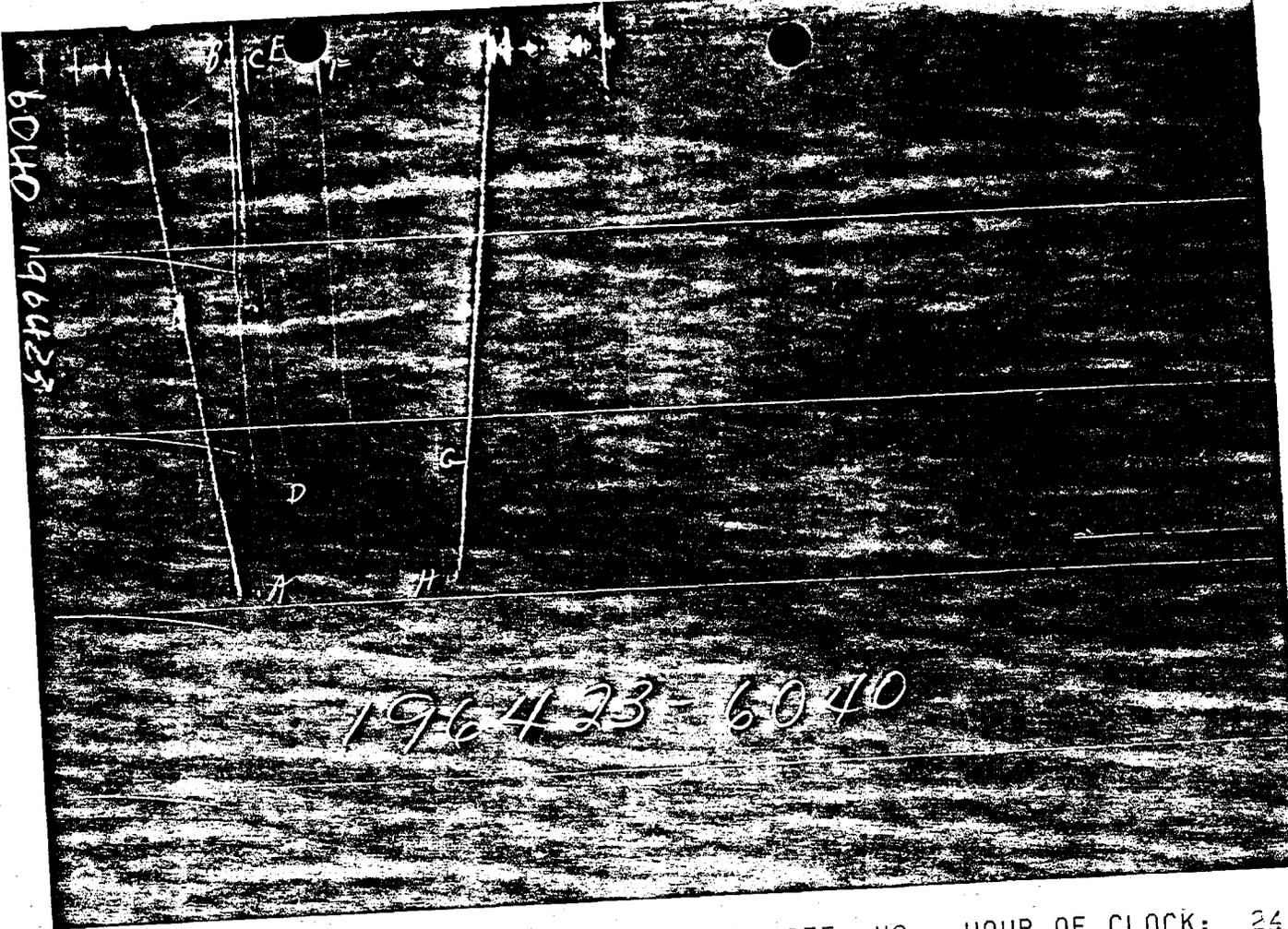


TICKET NO. 19642300
20-JAN-83
FARMINGTON

FORMATION TESTING SERVICE REPORT

LEGAL LOCATION	3-44	WELL NO.	1	TEST NO.	5497.1 - 5506.1	TRICENTRAL RESOURCES, INCORPORATED
SEC. - TWP. - RNG.					TESTED INTERVAL	LEASE OWNER/COMPANY NAME
	3-38S-25E			FIELD AREA	WILDCAT	COUNTY
						SN JUAN
						STATE
						UTAH

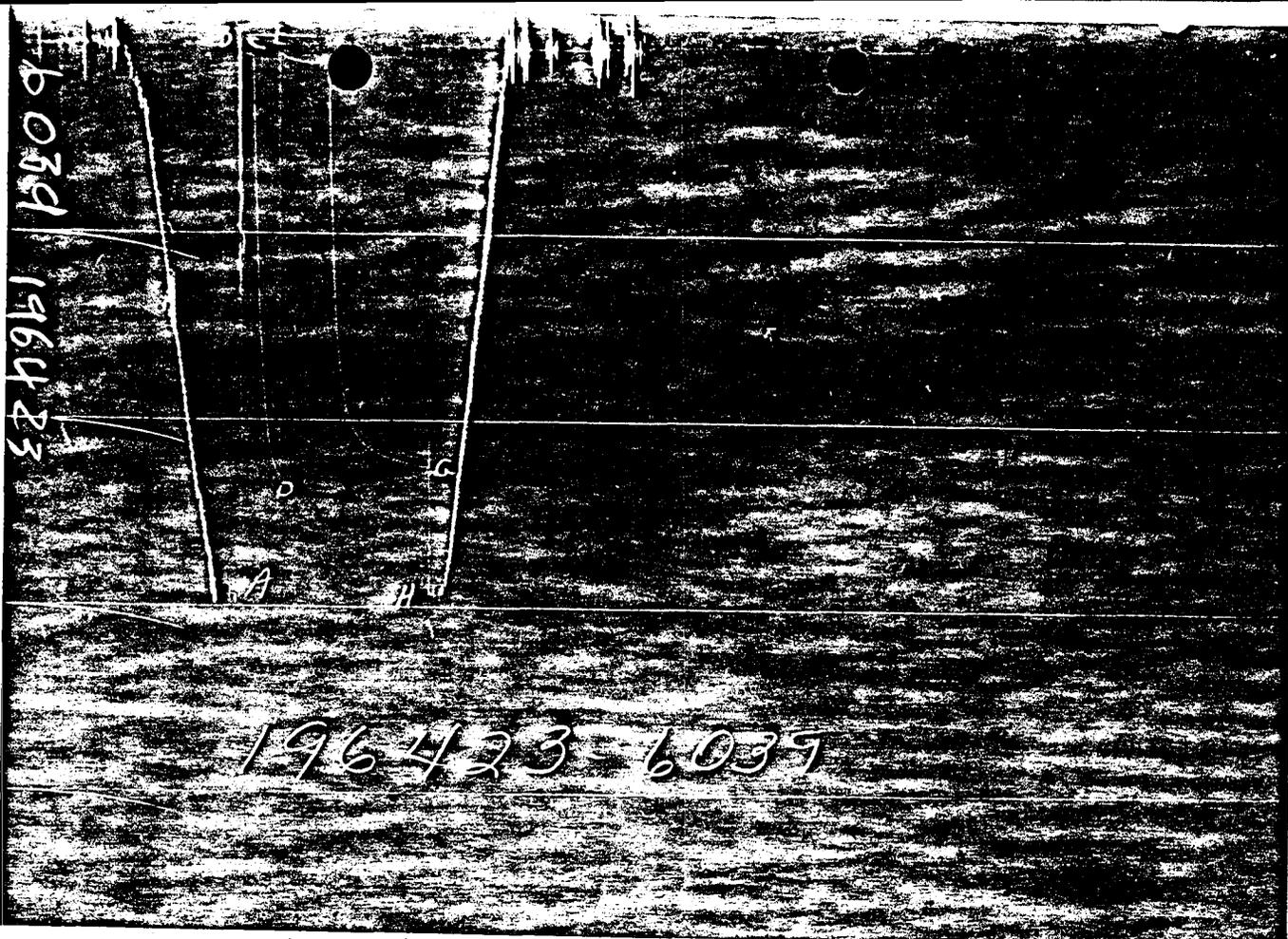
6040
196423



196423-6040

GAUGE NO: 6040 DEPTH: 5476.0 BLANKED OFF: NO HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2913	2926.4			
B	INITIAL FIRST FLOW	27	25.1	15.0	15.0	F
C	FINAL FIRST FLOW	40	40.3			
C	INITIAL FIRST CLOSED-IN	40	40.3	33.0	30.7	C
D	FINAL FIRST CLOSED-IN	2290	2296.9			
E	INITIAL SECOND FLOW	27	24.6	60.0	59.7	F
F	FINAL SECOND FLOW	81	82.1			
F	INITIAL SECOND CLOSED-IN	81	82.1	120.0	120.3	C
G	FINAL SECOND CLOSED-IN	2236	2243.9			
H	FINAL HYDROSTATIC	2913	2919.6			



GUAGE NO: 6039 DEPTH: 5503.0 BLANKED OFF: YES HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2942	2960.4			
B	INITIAL FIRST FLOW	41	46.9			
C	FINAL FIRST FLOW	54	60.1	15.0	15.0	F
C	INITIAL FIRST CLOSED-IN	54	60.1			
D	FINAL FIRST CLOSED-IN	2306	2317.6	33.0	30.7	C
E	INITIAL SECOND FLOW	41	50.8			
F	FINAL SECOND FLOW	95	103.4	60.0	59.7	F
F	INITIAL SECOND CLOSED-IN	95	103.4			
G	FINAL SECOND CLOSED-IN	2251	2269.1	120.0	120.3	C
H	FINAL HYDROSTATIC	2942	2953.7			

EQUIPMENT & HOLE DATA

FORMATION TESTED: ISMAY
 NET PAY (ft): 7.0
 GROSS TESTED FOOTAGE: 9.0
 ALL DEPTHS MEASURED FROM: KELLY BUSHING
 CASING PERFS. (ft): _____
 HOLE OR CASING SIZE (in): 7.875
 ELEVATION (ft): 5368
 TOTAL DEPTH (ft): 5506.0
 PACKER DEPTH(S) (ft): 5491, 5497
 FINAL SURFACE CHOKE (in): 0.250
 BOTTOM HOLE CHOKE (in): 0.750
 MUD WEIGHT (lb/gal): 10.00
 MUD VISCOSITY (sec): 37
 ESTIMATED HOLE TEMP. (°F): _____
 ACTUAL HOLE TEMP. (°F): 121 @ 5502.0 ft

TICKET NUMBER: 19642300
 DATE: 1-15-83 TEST NO: 1
 TYPE DST: OPEN HOLE
 HALLIBURTON CAMP: FARMINGTON
 TESTER: D. AULD
 WITNESS: MR. MANN
 DRILLING CONTRACTOR: ANDERSON - MAYERS #10

FLUID PROPERTIES FOR RECOVERED MUD & WATER

SOURCE	RESISTIVITY	CHLORIDES
<u>???????</u>	<u>0.128 @ 60 °F</u>	<u>34544 ppm</u>
_____	_____ °F	_____ ppm
_____	_____ °F	_____ ppm
_____	_____ °F	_____ ppm
_____	_____ °F	_____ ppm
_____	_____ °F	_____ ppm

SAMPLER DATA

Pstg AT SURFACE: 55
 cu.ft. OF GAS: 0.24
 cc OF OIL: 1050
 cc OF WATER: 0
 cc OF MUD: 250
 TOTAL LIQUID cc: 1300

HYDROCARBON PROPERTIES

OIL GRAVITY (°API): 42.7 @ 60 °F
 GAS/OIL RATIO (cu.ft. per bbl): _____
 GAS GRAVITY: _____

CUSHION DATA

TYPE AMOUNT WEIGHT

RECOVERED:

130 FEET OF MUD CUT OIL
 20 FEET OF OIL

MEASURED FROM
 TESTER VALVE

REMARKS:

GAUGE #6040 WAS STAIR-STEPPING DURING THE FINAL CLOSED IN PRESSURE.

TYPE & SIZE MEASURING DEVICE: _____

TICKET NO: 19642300

TIME	CHOKE SIZE	SURFACE PRESSURE PSI	GAS RATE MCF	LIQUID RATE BPD	REMARKS
1-14-83					
1930					ON LOCATION
2005					PICKED UP TOOL
2040					TOOL ON - TRIPPED IN
2131	BH				OPENED TOOL
2314	BH	6 OZ.			
2315	BH	10 OZ.			
2316	BH	17 OZ.			
2317	BH	25 OZ.			
2318	BH	32 OZ.			
2319	BH	2.5#			
2320	BH	3#			
2321	BH	3.25			
2322	BH	3.5			
2323	BH	4			
2324	BH	4.5			
2325	BH	4.75			
2326	BH	5.25			
2327	BH	5.5#			
2328	BH	6			CLOSED TOOL
1-15-83					
0001	BH	8 OZ.			OPENED TOOL
0002	BH	6.25#			
0003	BH	6.5#			
0004	BH	6.75#			
0005	BH	7.25			
0006	BH	7.75			
0011	BH	9.75			
0016	BH	11.5			
0021	BH	13.25			
0026	BH	15			
0031	BH	16.75			
0036	BH	18.25			OPENED 1/4" CHOKE
0041	BH	17.75			GAS TO SURFACE
0046	BH	17			
0051	BH	16			
0056	BH	15.25			

TICKET NO: 19642300

CLOCK NO: 13741 HOUR: 24



GAUGE NO: 6040

DEPTH: 5476.0

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
FIRST FLOW					
B	1	0.0	25.1		
	2	3.0	26.2	1.1	
	3	6.0	29.8	3.6	
	4	9.0	33.2	3.4	
	5	12.0	37.1	3.9	
C	6	15.0	40.3	3.2	
FIRST CLOSED-IN					
C	1	0.0	40.3		
	2	3.0	802.0	761.7	2.5 0.777
	3	6.0	1284.0	1243.7	4.3 0.541
	4	9.0	1609.9	1569.5	5.6 0.424
	5	12.0	1844.9	1804.5	6.7 0.352
	6	15.0	2008.1	1967.8	7.5 0.300
	7	18.0	2116.0	2075.7	8.2 0.262
	8	21.0	2184.6	2144.2	8.7 0.234
	9	24.0	2230.6	2190.3	9.2 0.211
	10	27.0	2266.5	2226.2	9.6 0.192
D	11	30.7	2296.9	2256.6	10.1 0.173
SECOND FLOW					
E	1	0.0	24.6		
	2	10.0	54.0	29.4	
	3	20.0	64.1	10.1	
	4	30.0	72.0	7.9	
	5	40.0	78.6	6.6	
	6	50.0	80.8	2.2	
F	7	59.7	82.1	1.3	
SECOND CLOSED-IN					
F	1	0.0	82.1		
<input type="checkbox"/>	2	8.8	1680.4	1598.3	7.9 0.977
<input type="checkbox"/>	3	14.5	1896.2	1814.1	12.1 0.789
<input type="checkbox"/>	4	19.3	2017.9	1935.8	15.3 0.688
	5	30.0	2095.1	2013.0	21.4 0.543
	6	40.0	2112.1	2029.9	26.0 0.458
	7	50.0	2149.6	2067.5	29.9 0.397
	8	60.0	2172.8	2090.6	33.3 0.351
	9	70.0	2190.9	2108.8	36.1 0.315
	10	80.0	2205.6	2123.4	38.6 0.286
	11	90.0	2217.1	2134.9	40.8 0.262
	12	100.0	2227.1	2145.0	42.7 0.242
	13	110.0	2235.6	2153.5	44.5 0.225
G	14	120.3	2243.9	2161.8	46.1 0.210

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
(Empty table area)					

LEGEND:

STAIR STEP (UNEQUAL INTERVAL)

REMARKS:

TICKET NO: 19642300

CLOCK NO: 9756 HOUR: 24



GAUGE NO: 6039

DEPTH: 5503.0

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$	REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
FIRST FLOW											
B	1	0.0	46.9								
	2	3.0	50.1	3.2							
	3	6.0	51.8	1.6							
	4	9.0	54.9	3.1							
	5	12.0	57.6	2.7							
C	6	15.0	60.1	2.6							
FIRST CLOSED-IN											
C	1	0.0	60.1								
	2	3.0	734.3	674.1	2.5	0.777					
	3	6.0	1245.4	1185.3	4.3	0.543					
	4	9.0	1611.1	1550.9	5.6	0.426					
	5	12.0	1848.2	1788.1	6.7	0.352					
	6	15.0	2015.8	1955.7	7.5	0.301					
	7	18.0	2129.7	2069.6	8.2	0.262					
	8	21.0	2202.8	2142.7	8.7	0.234					
	9	24.0	2250.8	2190.7	9.2	0.210					
	10	27.0	2286.6	2226.5	9.6	0.191					
D	11	30.7	2317.6	2257.4	10.1	0.173					
SECOND FLOW											
E	1	0.0	50.8								
	2	10.0	72.4	21.6							
	3	20.0	84.6	12.2							
	4	30.0	94.5	9.9							
	5	40.0	98.9	4.5							
	6	50.0	101.8	2.8							
F	7	59.7	103.4	1.6							
SECOND CLOSED-IN											
F	1	0.0	103.4								
	2	10.0	1611.5	1508.1	8.8	0.927					
	3	20.0	1948.9	1845.5	15.8	0.675					
	4	30.0	2072.8	1969.5	21.4	0.542					
	5	40.0	2136.6	2033.2	26.0	0.457					
	6	50.0	2175.3	2071.9	29.9	0.397					
	7	60.0	2199.5	2096.1	33.3	0.351					
	8	70.0	2217.0	2113.6	36.1	0.315					
	9	80.0	2231.4	2128.0	38.6	0.286					
	10	90.0	2243.4	2140.0	40.8	0.262					
	11	100.0	2253.6	2150.3	42.7	0.242					
	12	110.0	2262.4	2159.1	44.5	0.225					
G	13	120.3	2269.1	2165.7	46.1	0.210					

REMARKS:

		O.D.	I.D.	LENGTH	DEPTH	
1		DRILL PIPE.....	4.500	3.826	4920.0	
3		DRILL COLLARS.....	6.250	2.250	449.0	
50		IMPACT REVERSING SUB.....	6.000	3.000	1.0	5370.0
3		DRILL COLLARS.....	6.250	2.250	92.0	
5		CROSSOVER.....	6.000	3.000	1.0	
13		DUAL CIP SAMPLER.....	5.000	0.870	7.0	
60		HYDROSPRING TESTER.....	5.000	0.750	5.0	5475.0
80		AP RUNNING CASE.....	5.000	2.250	4.0	5476.0
15		JAR.....	5.000	1.750	5.0	
16		VR SAFETY JOINT.....	5.000	1.000	3.0	
70		OPEN HOLE PACKER.....	6.750	1.530	6.0	5491.0
70		OPEN HOLE PACKER.....	6.750	1.530	6.0	5497.0
90		SIDE WALL ANCHOR.....	5.750	3.000	3.0	
81		BLANKED-OFF RUNNING CASE.....	5.750		4.0	5503.0
TOTAL DEPTH						5506.0



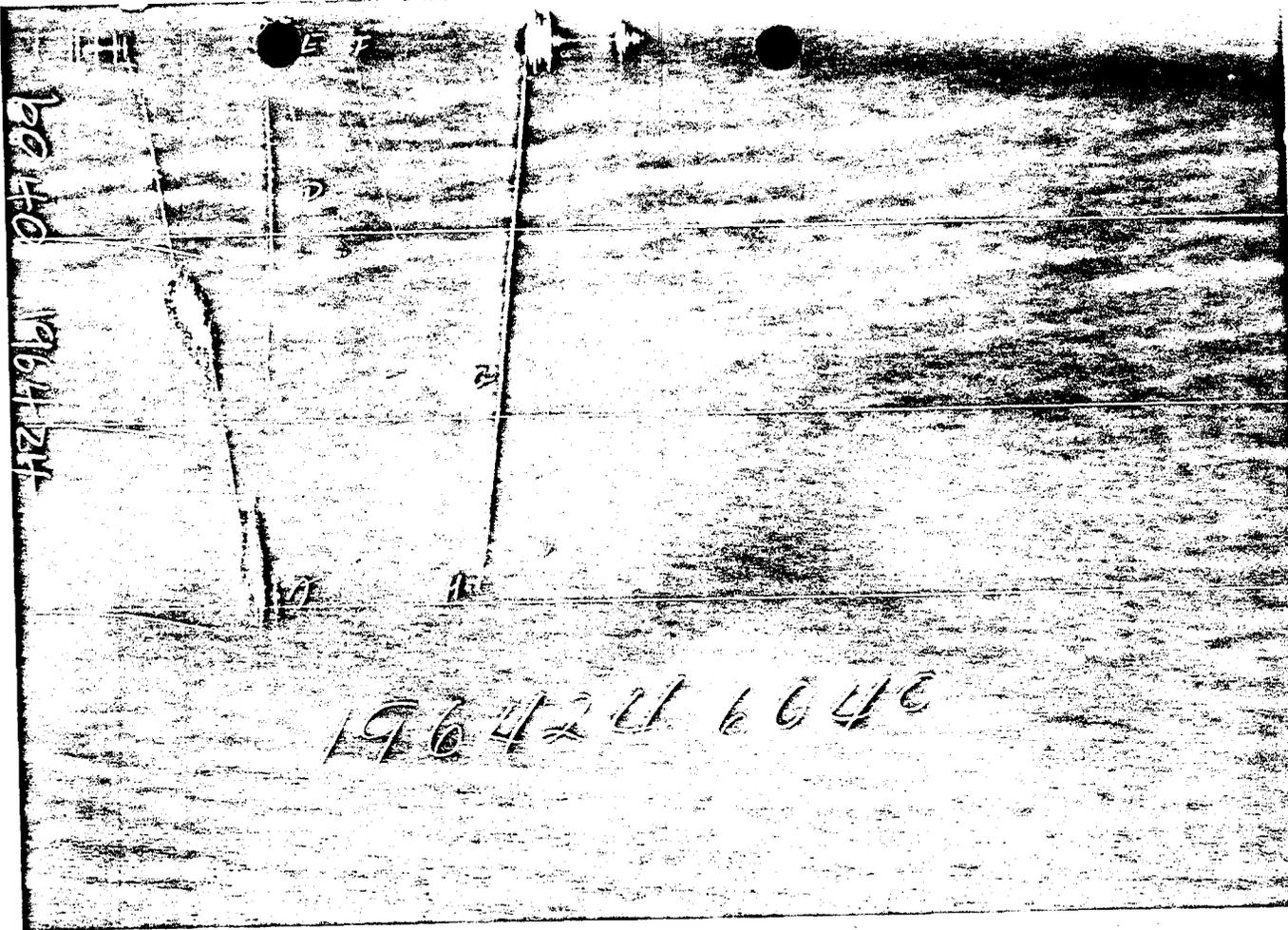
TICKET NO. 19642400

20-JAN-83

FARMINGTON

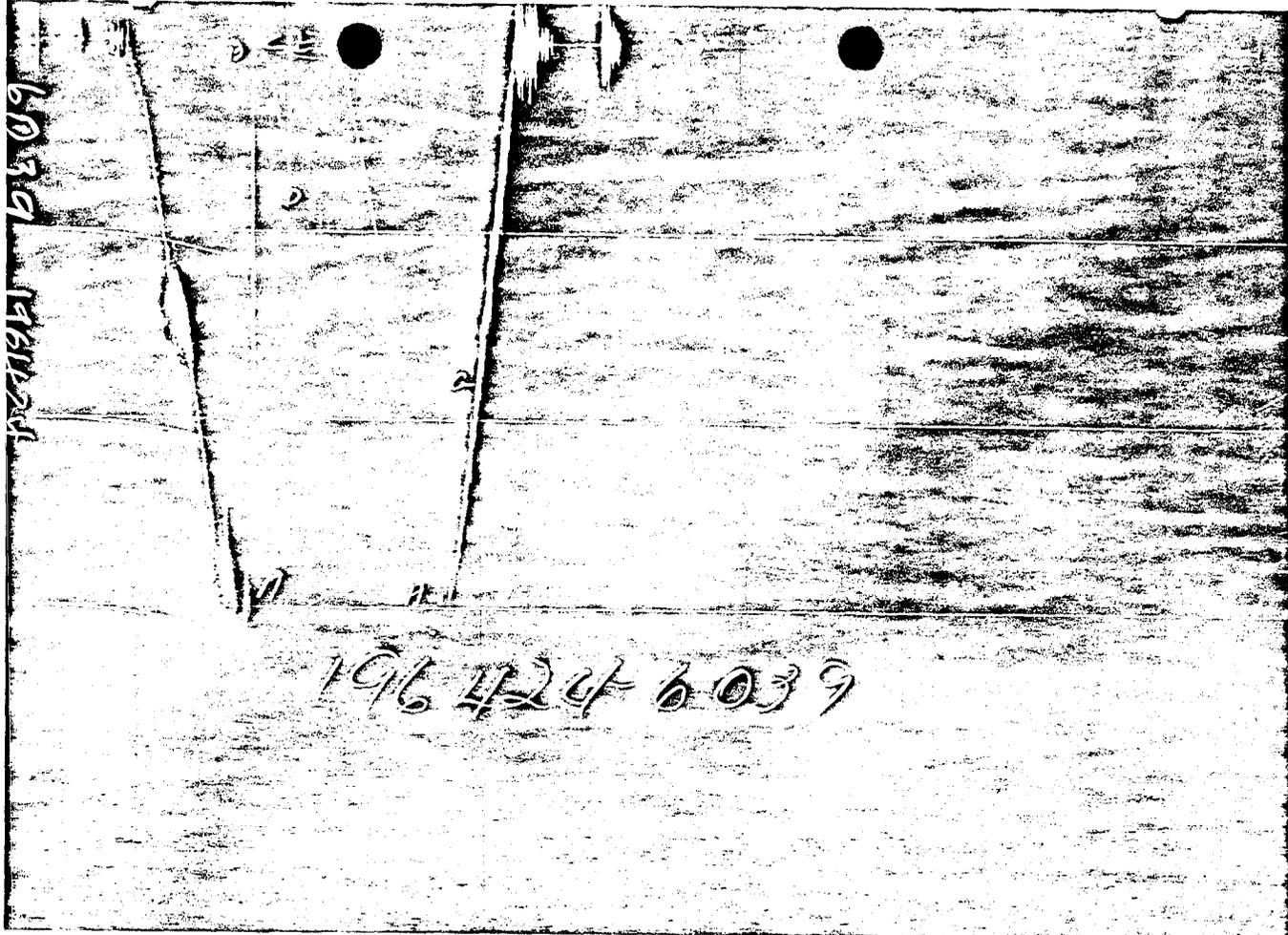
FORMATION TESTING SERVICE REPORT

NANCY FEDERAL
 LEASE NAME
 3-44
 WELL NO.
 2
 TEST NO.
 5599
 TESTED INTERVAL
 5559
 TRICENTROL RESOURCES, INC. UNCORPORATED
 LEASE OWNER/COMPANY NAME
 LEGAL LOCATION
 SEC. - TWP. - RNG. 3-385-25E
 FIELD AREA
 COUNTY
 SRN JURN
 STATE
 UTAH SM-DR



GAUGE NO: 6040 DEPTH: 5518.0 BLANKED OFF: NO HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2954	2962.3			
B	INITIAL FIRST FLOW	40	39.4	15.0	15.1	F
C	FINAL FIRST FLOW	54	57.7			
C	INITIAL FIRST CLOSED-IN	54	57.7	30.0	29.0	C
D	FINAL FIRST CLOSED-IN	699	709.5			
E	INITIAL SECOND FLOW	67	69.1	60.0	61.1	F
F	FINAL SECOND FLOW	81	87.1			
F	INITIAL SECOND CLOSED-IN	81	87.1	120.0	119.8	C
G	FINAL SECOND CLOSED-IN	1803	1812.2			
H	FINAL HYDROSTATIC	2940	2948.4			



GAUGE NO: 6039 DEPTH: 5556.0 BLANKED OFF: YES HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2982	2981.7			
B	INITIAL FIRST FLOW	54	53.4			
C	FINAL FIRST FLOW	68	66.6	15.0	15.1	F
C	INITIAL FIRST CLOSED-IN	68	66.6			
D	FINAL FIRST CLOSED-IN	715	722.8	30.0	29.0	C
E	INITIAL SECOND FLOW	81	72.3			
F	FINAL SECOND FLOW	95	100.7	60.0	61.1	F
F	INITIAL SECOND CLOSED-IN	95	100.7			
G	FINAL SECOND CLOSED-IN	1820	1830.2	120.0	119.8	C
H	FINAL HYDROSTATIC	2969	2973.6			

EQUIPMENT & HOLE DATA

FORMATION TESTED: ISMAV

NET PAY (ft): 10.0

GROSS TESTED FOOTAGE: 20.0

ALL DEPTHS MEASURED FROM: KELLY BUSHING

CASING PERFS. (ft): _____

HOLE OR CASING SIZE (in): 7.875

ELEVATION (ft): 5368

TOTAL DEPTH (ft): 5559.0

PACKER DEPTH(S) (ft): 5533, 5539

FINAL SURFACE CHOKE (in): _____

BOTTOM HOLE CHOKE (in): 0.750

MUD WEIGHT (lb/gal): 10.00

MUD VISCOSITY (sec): 37

ESTIMATED HOLE TEMP. (°F): _____

ACTUAL HOLE TEMP. (°F): 124 @ 5555.0 ft

TICKET NUMBER: 19642400

DATE: 1-16-83 TEST NO: 2

TYPE DST: OPEN HOLE

HALLIBURTON CAMP: FARMINGTON

TESTER: D. AULD

WITNESS: MR. MANN

DRILLING CONTRACTOR: ANDERSON MYERS

FLUID PROPERTIES FOR RECOVERED MUD & WATER

SOURCE	RESISTIVITY	CHLORIDES
<u>SAMPLER</u>	<u>0.115 @ 60 °F</u>	<u>36000</u> ppm
_____	_____ @ _____ °F	_____ ppm
_____	_____ @ _____ °F	_____ ppm
_____	_____ @ _____ °F	_____ ppm
_____	_____ @ _____ °F	_____ ppm
_____	_____ @ _____ °F	_____ ppm

SAMPLER DATA

Pstg AT SURFACE: 925

cu.ft. OF GAS: 2.37

cc OF OIL: 0

cc OF WATER: 1000

cc OF MUD: 500

TOTAL LIQUID cc: 0

HYDROCARBON PROPERTIES

OIL GRAVITY (°API): _____ @ _____ °F

GAS/OIL RATIO (cu.ft. per bbl): _____

GAS GRAVITY: _____

CUSHION DATA

TYPE	AMOUNT	WEIGHT
_____	_____	_____
_____	_____	_____

RECOVERED:

120' OF GAS AND OIL CUT MUD

MEASURED FROM TESTER VALVE

REMARKS:

GAUGE #6040 STAIR STEPPED DURING THE INITIAL CLOSED IN PRESSURE.

TYPE & SIZE MEASURING DEVICE: _____

TICKET NO: 19642400

TIME	CHOKE SIZE	SURFACE PRESSURE PSI	GAS RATE MCF	LIQUID RATE BPD	REMARKS
1-15-83					
1800					ON LOCATION
2053					PICKED UP TOOL
2135					TOOL DN-TRIPPED IN
1-16-83					
0004	BH	4 OZ.			OPENED TOOL
0005	"	30 OZ.			
0006	"	2.5#			
0007	"	2.75#			
0008	"	2.75#			
0009	"	3#			
0010	"	3#			
0011	"	3#			
0012	"	3#			
0013	"	3#			
0014	"	3.25#			
0015	"	3.25#			
0016	"	3.25#			
0017	"	3.25#			
0018	"	3.25#			
0019	"	3.25#			CLOSED TOOL
0049	"	4 OZ.			OPENED TOOL
0050	"	15 OZ.			
0051	"	17 OZ.			
0052	"	18.5 OZ.			
0053	"	19 OZ.			
0054	"	20 OZ.			
0059	"	21.75 OZ.			
0104	"	23.5 OZ.			
0109	"	24.75 OZ.			
0114	"	25.25 OZ.			
0119	"	25.25 OZ.			
0124	"	25 OZ.			
0129	"	24.75 OZ.			
0134	.75	24.25 OZ.			OPENED CHOKE
0139	.75	12 OZ.			
0144	"	6.25 OZ.			

TICKET NO: 19642400
 CLOCK NO: 9756 HOUR: 24



GAUGE NO: 6040
 DEPTH: 5518.0

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
FIRST FLOW					
B 1	0.0	39.4			
2	3.0	45.6	6.2		
3	6.0	50.4	4.8		
4	9.0	53.5	3.1		
5	12.0	56.6	3.1		
C 6	15.1	57.7	1.1		
FIRST CLOSED-IN					
C 1	0.0	57.7			
2	3.0	230.2	172.6	2.5	0.777
3	6.0	268.8	211.2	4.3	0.548
4	9.0	269.9	212.2	5.6	0.428
5	12.0	305.6	248.0	6.7	0.354
6	15.0	372.8	315.2	7.5	0.302
7	18.0	444.2	386.6	8.2	0.265
8	21.0	520.0	462.4	8.8	0.235
9	24.0	597.7	540.1	9.3	0.212
10	27.0	667.2	609.5	9.7	0.193
D 11	29.0	709.5	651.9	9.9	0.182
SECOND FLOW					
E 1	0.0	69.1			
2	10.0	70.2	1.1		
3	20.0	72.4	2.3		
4	30.0	77.3	4.8		
5	40.0	82.1	4.8		
6	50.0	84.5	2.4		
F 7	61.1	87.1	2.6		
SECOND CLOSED-IN					
F 1	0.0	87.1			
2	10.0	297.3	210.2	8.8	0.938
3	20.0	527.2	440.1	15.9	0.682
4	30.0	750.4	663.3	21.5	0.549
5	40.0	970.3	883.2	26.2	0.463
6	50.0	1166.5	1079.4	30.2	0.402
7	60.0	1321.8	1234.7	33.6	0.356
8	70.0	1448.5	1361.4	36.5	0.320
9	80.0	1548.6	1461.6	39.0	0.291
10	90.0	1632.2	1545.1	41.3	0.266
11	100.0	1703.0	1615.9	43.2	0.246
12	110.0	1764.9	1677.8	45.0	0.229
G 13	119.8	1812.2	1725.1	46.6	0.214

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
(Empty table)					

REMARKS:

TICKET NO: 19642400
 CLOCK NO: 13741 HOUR: 24



GAUGE NO: 6039
 DEPTH: 5556.0

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
FIRST FLOW					
B	1	0.0	53.4		
	2	3.0	58.1	4.7	
	3	6.0	58.5	0.4	
	4	9.0	61.5	3.0	
	5	12.0	63.6	2.2	
C	6	15.1	66.6	3.0	
FIRST CLOSED-IN					
C	1	0.0	66.6		
	2	3.0	129.6	63.0	2.5 0.784
	3	6.0	185.9	119.3	4.3 0.544
	4	9.0	252.0	185.4	5.7 0.427
	5	12.0	310.9	244.3	6.7 0.355
	6	15.0	379.7	313.1	7.5 0.303
	7	18.0	451.8	385.1	8.2 0.264
	8	21.0	520.8	454.2	8.8 0.235
	9	24.0	594.9	528.3	9.3 0.212
	10	27.0	672.4	605.8	9.7 0.193
D	11	29.0	722.8	656.2	9.9 0.182
SECOND FLOW					
E	1	0.0	72.3		
	2	10.0	80.4	8.1	
	3	20.0	85.0	4.6	
	4	30.0	90.4	5.4	
	5	40.0	95.3	4.9	
	6	50.0	97.8	2.6	
F	7	61.1	100.7	2.8	
SECOND CLOSED-IN					
F	1	0.0	100.7		
	2	10.0	320.3	219.6	8.8 0.936
	3	20.0	542.1	441.4	15.8 0.683
	4	30.0	764.1	663.4	21.5 0.549
	5	40.0	983.5	882.8	26.2 0.463
	6	50.0	1176.4	1075.7	30.2 0.402
	7	60.0	1329.2	1228.6	33.6 0.356
	8	70.0	1456.2	1355.5	36.5 0.320
	9	80.0	1560.5	1459.8	39.0 0.291
	10	90.0	1643.9	1543.3	41.3 0.267
	11	100.0	1717.4	1616.7	43.3 0.246
	12	110.0	1779.6	1679.0	45.0 0.229
G	13	119.8	1830.2	1729.5	46.6 0.214

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
(Empty table area)					

REMARKS:

		O.D.	I.D.	LENGTH	DEPTH	
1		DRILL PIPE.....	4.500	3.826	4962.0	
3		DRILL COLLARS.....	6.250	2.250	449.0	
50		IMPACT REVERSING SUB.....	6.000	3.000	1.0	5412.0
3		DRILL COLLARS.....	6.250	2.250	92.0	
5		CROSSOVER.....	6.000	3.000	1.0	
13		DUAL CIP SAMPLER.....	5.000	0.870	7.0	
60		HYDROSPRING TESTER.....	5.000	0.750	5.0	5517.0
80		AP RUNNING CASE.....	5.000	2.250	4.0	5518.0
15		JAR.....	5.000	1.750	5.0	
16		VR SAFETY JOINT.....	5.000	1.000	3.0	
70		OPEN HOLE PACKER.....	6.750	1.530	6.0	5533.0
70		OPEN HOLE PACKER.....	6.750	1.530	6.0	5539.0
20		FLUSH JOINT ANCHOR.....	5.750	2.250	14.0	
81		BLANKED-OFF RUNNING CASE.....	5.750		4.0	5556.0
TOTAL DEPTH						5559.0

EQUIPMENT DATA

OPERATOR TRICENTRAL RESOURCES INC

DATE 9-27-82

WELL NAME NANCY FEDERAL # 3-44

SEC SESE 3 T 385 R 25E COUNTY SAN JUAN

43-037-30817
API NUMBER

FED
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

HL

NID

PI

MAP

PROCESSING COMMENTS:

The Permittee request for spacing exception is not necessary due to unit agreement

APPROVAL LETTER:

3-25-82

SPACING:

A-3 LITTLE NANCY UNIT
UNIT

c-3-a

CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION *FED*

VERIFY ADEQUATE AND PROPER BONDING *FED*

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

*SW 1/4 OF SEC 4 IS IN
THE PATTERSON FIELD,
BUT THIS SITE IN SESE 3
IS WILDCAT*

APPLY SPACING CONSIDERATION

ORDER *NO*

UNIT *LITTLE NANCY UNIT AREA* - ALL FORMATIONS

c-3-b

c-3-c

OUTSTANDING OR OVERDUE REPORTS FOR OTHER WELLS OF THE OPERATOR.

September 27, 1982

Tricentrol Resources Inc.
c/o Permitco
1020 - 15th Street, Suite 22E
Denver, Colorado 80202

RE: Well No. Nancy Federal #3-44
SESE Sec. 3, T.38S,R.25E
San Juan County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure.

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

RONALD J. FIRTH - Engineer
Office: 533-5771
Home: 571-6068

OR

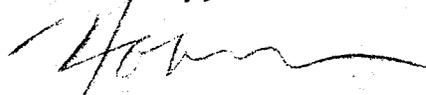
CLEON B. FEIGHT - Director
Office: 533-5771
Home: 466-4455

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

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

The API number assigned to this well is 43-037-30817.

Sincerely,



Norman C. Stout
Administrative Assistant

NCS/as
cc: Minerals Management Service
Enclosure

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: Tricentrol Resources

WELL NAME: 3-44 Nancy Federal

SECTION SESE 3 TOWNSHIP 38S RANGE 25E COUNTY San Juan

DRILLING CONTRACTOR Anderson Meyers

RIG # 10

SPUDDED: DATE 12-29-82

TIME 12:30 PM

How Rotary

DRILLING WILL COMMENCE _____

REPORTED BY David Howell

TELEPHONE # 303-694-0988

DATE 12-29-82 SIGNED AS

NOTICE OF SPUD

Company: Tricentrol Resources Inc.

Caller: David Howell

Phone: 303-694-0988

Well Number: # 3-44 Nancy Federal

Location: SESE Sec 3 T.38S, R.25E

County: San Juan State: Utah

Lease Number: U-40053

Lease Expiration Date: —

Unit Name (If Applicable): Little Nancy Unit

Date & Time Spudded: 12 30PM 12-29-82

Dry Hole Spudder Rotary: —

Details of Spud (Hole, Casing, Cement, etc.) —

Rotary Rig Name & Number: Anderson Myers Rig #10

Approximate Date Rotary Moves In: 12-20-82

FOLLOW WITH SUNDRY NOTICE

Call Received By: Becky G.

Date: 12-29-82

RECEIVED
DEC 30 1982

DIVISION OF
OIL, GAS & MINING

State O&G ✓
Vernal MMS
Teresa
Diane
File

REPORT OF OPERATIONS AND WELL STATUS REPORT

Wildcat

STATE Utah COUNTY San Juan FIELD/LEASE Nancy

The following is a correct report of operations and production (including drilling and producing wells) for the month of:
January, 19 83

Agent's Address
5675 So. Tamarac Pkwy, Ste. 200
Englewood, Colorado 80111-3290
Phone No. (303) 694-0988

Company Tricentrol Resources Inc.
Signed [Signature]
Title Operations Manager

Sec. and % of %	Twp.	Range	Well No.	Days Produced	Barrels of Oil	Gravity	Cu. Ft. of Gas (In thousands)	Gallons of Gasoline Recovered	Barrels of Water (if none, so state)	API NUMBER/REMARKS (If drilling, depth; if shut down, cause; date and result of test for gasoline content of gas)	
3, NENW	38S	25E	1-3	21	1687	44.9	1,890	-0-	96	API 43-038-30741	
[REDACTED]											
3, SESE	38S	25E	3-44	Drilled to TD 5840'. Ran 5-1/2" production casing. Released drilling rig 1/19/83. Moved in completion unit 1/26/83. Released completion unit 1/29/83. As of 1/31/83, will flow test well.							API 43-037-30817

GAS: (MCF)
Sold -0-
Flared/Vented 13,890 MCF
Used On/Off Lease -0-

OIL or CONDENSATE: (To be reported in Barrels)
On hand at beginning of month 353
Produced during month 6601
Sold during month 5436
Unavoidably lost -0-
Reason: _____
On hand at end of month 1518

DRILLING/PRODUCING WELLS: This report must be filed on or before the sixteenth day of the succeeding month following production for each well. Where a well is temporarily shut-in, a negative report must be filed. THIS REPORT MUST BE FILED IN DUPLICATE.

Note: The API number must be listed on each well.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Tricentrol Resources Inc.

3. ADDRESS OF OPERATOR 80111
5675 So. Tamarac Pkwy, Ste. 200, Englewood, CO

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 920' FSL & 1050' FEL
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Unit Agreement No. 14-08-0001-20386

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#3-44

10. FIELD OR WILDCAT NAME
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 3, T38S-R25E

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

14. API NO.
43-037-30817

15. ELEVATIONS (SHOW DF, KDB, AND WD)
5356' GR; 5369.25'

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

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

PULL OR ALTER CASING

MULTIPLE COMPLETE

CHANGE ZONES

ABANDON*

(other) Well Status

SUBSEQUENT REPORT OF

RECEIVED

JAN 06 1983

DIVISION OF OIL, GAS & MINING

(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.)*

Spudded well 12/29/82.

Ran 34 jts, 8-5/8", 24#, K-55, ST&C casing and set @ 1405'KB. Cemented with 850 sxs Class B cement. Circulated 13 bbls cement to surface. Good circulation.

Current status: Drilling @ 2409'.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED J. Walter TITLE Operations Manager DATE 1/4/83

(This space for Federal or State office use)

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

CEMENTING SERVICE REPORT



DOWELL DIVISION OF DOW CHEMICAL U.S.A.

MENT NUMBER 5-69-0247	DATE 19 JUN 63
WELL DISTRICT 11281	

DWL 496-K PRINTED IN U.S.A.

WELL NAME AND NO. Nancy Field 3-44	LOCATION-POOL-FIELD S23 25E 35S
FORMATION ...	DOWELL REPRESENTATIVE TERRY EAGLE
COUNTY ...	STATE Utah
NAME The Central ...	
AND	
ADDRESS	
ZIP CODE	

RIG. NAME: Anderson ...					
WELL DATA					
HOLE SIZE 1 1/2"	CASING OR LINER	A	B	C	D
DEPTH 1140	SIZE-WEIGHT 542	15.5			
<input type="checkbox"/> ROT <input type="checkbox"/> CABLE	TOP				
BHST	BOTTOM	4			
BHLT	GRADE & THREAD				
BHCT	CAPACITY	11281			

SPECIAL INSTRUCTIONS

...

MUD: TYPE	WT.	VISC.
SHOE FLOAT	TYPE	DEPTH
DEPTH	298	
TYPE	...	
DEPTH	540	

<input type="checkbox"/> TBG <input type="checkbox"/> D.P.	HEAD & PLUGS	SQUEEZE JOB	
SIZE	<input type="checkbox"/> DOUBLE	TOOL	TYPE
WEIGHT	<input type="checkbox"/> SINGLE	DEPTH	
GRADE	<input type="checkbox"/> SWAGE	TAIL PIPE:	IN. FT.
THREAD	<input type="checkbox"/> KNOCKOFF	PERF INTERVAL	FT.
<input type="checkbox"/> NEW <input type="checkbox"/> USED	TOP <input type="checkbox"/> R <input type="checkbox"/> W		TO
DEPTH	BOT <input type="checkbox"/> R <input type="checkbox"/> W		TO
CAPACITY	OTHER		TO

PRESSURE LIMIT

PSI BUMP PLUG TO / 150 PSI MIN

ROTATE RPM RECIPROCATE FT CENTRALIZERS NO

JOB SCHEDULED FOR TIME: 1940 DATE: 19 JUN	ARRIVED ON LOCATION TIME: 720 DATE: 19 JUN	LEFT LOCATION TIME: DATE:
---	--	---------------------------

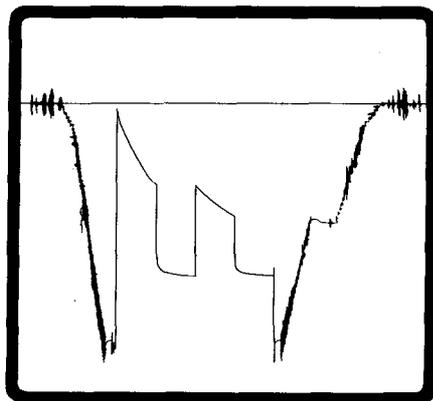
TIME	PRESSURE		VOLUME PUMPED	INJECT. RATE	SERVICE LOG DETAIL
	TBG. OR D.P.	CASING			
1512			270	4	Start cementing ...
1517			270	4	Start cementing ...
1526			270	4	Start cementing ...
1547			270	4	Start cementing ...
1551			270	6	Start displacement with H2O
1604			270	4	Stop cementing ...
1614			270	2	Stop cementing ...
1618			270		Running slurry to 500 PSI ...
1621			270		Running slurry to 500 PSI ...
1625			270		Running slurry to 500 PSI ...

REMARKS

SYSTEM CODE	NO. OF SACKS	YIELD CU. FT/SK	COMPOSITION OF CEMENTING SYSTEMS	SLURRY MIXED VOL.	WT.
1.	75	1.5	Self ...		4.5
2.					
3.					

BREAKDOWN FLUID	WT.	SACKS MIXED	PUMPED	PRESSURE MAX.	MIN.
<input type="checkbox"/> HESITATION SO.	<input type="checkbox"/> RUNNING SQ.	CIRCULATION LOST	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	CEMENT CIRCULATED TO SURF.	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
BREAKDOWN	PSI	FINAL	PSI	CEMENT LEFT IN PIPE:	FT.
WASHED THRU	<input type="checkbox"/> YES <input type="checkbox"/> NO	TO	FT	MEASURED	<input checked="" type="checkbox"/> DISPLACEMENT <input type="checkbox"/> WIRELINE
TYPE OF WELL	<input checked="" type="checkbox"/> OIL <input type="checkbox"/> STORAGE <input type="checkbox"/> BRINE/WATER <input type="checkbox"/> GAS <input type="checkbox"/> INJECTION <input type="checkbox"/> WILDCAT	CUSTOMER REPRESENTATIVE	DOES CUSTOMER CONSIDER SERVICE:		
		...	<input type="checkbox"/> SATISFACTORY <input type="checkbox"/> UNSATISFACTORY <input type="checkbox"/> UNKNOWN		

FORMATION TESTING SERVICE REPORT



Duncan, Oklahoma 73536



A Halliburton Company

NOMENCLATURE

B	= Formation Volume Factor (Res Vol / Std Vol)	—
c_t	= System Total Compressibility	(Vol / Vol) / psi
DR	= Damage Ratio	—
h	= Estimated Net Pay Thickness	Ft
k	= Permeability	md
m	{ = (Liquid) Slope Extrapolated Pressure Plot	psi/cycle
	(Gas) Slope Extrapolated m(P) Plot	MM psi ² / cp/cycle
m(P*)	= Real Gas Potential at P*	MM psi ² /cp
m(P_f)	= Real Gas Potential at P _f	MM psi ² /cp
AOF₁	= Maximum Indicated Absolute Open Flow at Test Conditions	MCFD
AOF₂	= Minimum Indicated Absolute Open Flow at Test Conditions ..	MCFD
P*	= Extrapolated Static Pressure	Psig
P_f	= Final Flow Pressure	Psig
Q	= Liquid Production Rate During Test	BPD
Q₁	= Theoretical Liquid Production w/ Damage Removed	BPD
Q_g	= Measured Gas Production Rate	MCFD
r_i	= Approximate Radius of Investigation	Ft
r_w	= Radius of Well Bore	Ft
S	= Skin Factor	
t	= Total Flow Time Previous to Closed-in	Minutes
Δt	= Closed-in Time at Data Point	Minutes
T	= Temperature Rankine	°R
φ	= Porosity	—
μ	= Viscosity of Gas or Liquid	cp
Log	= Common Log	

LEGAL LOCATION	3-44	1	5497.1 - 5506.1	TRICENTRAL RESOURCES, INCORPORATED
LEASE NAME	WELL NO.	TEST NO.	TESTED INTERVAL	LEASE OWNER/COMPANY NAME
SEC. TYP. - RMG.	3-385-25E			
		FIELD AREA	WILDCAH	COUNTY
				SN JURN
				STATE
				UTAH

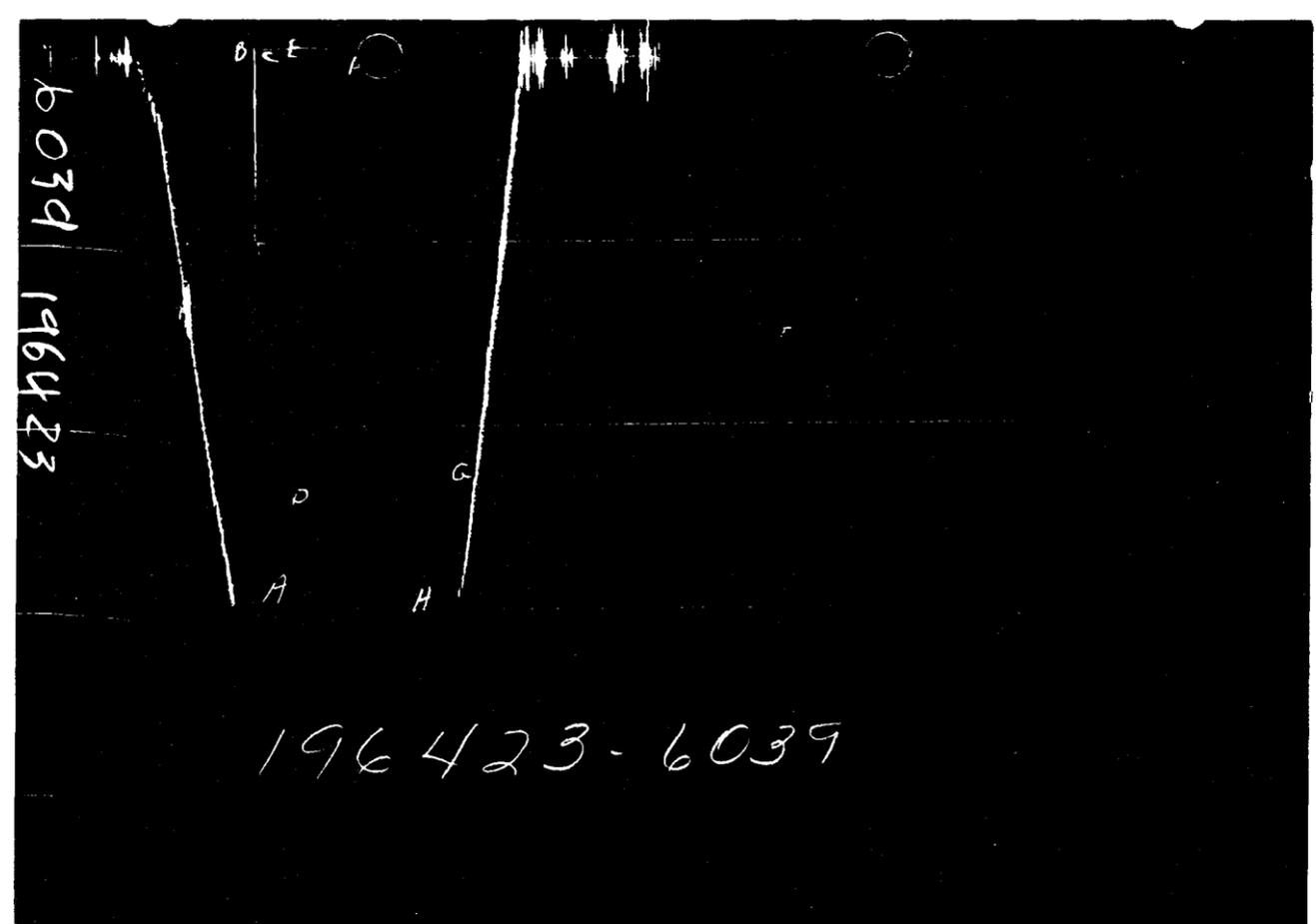
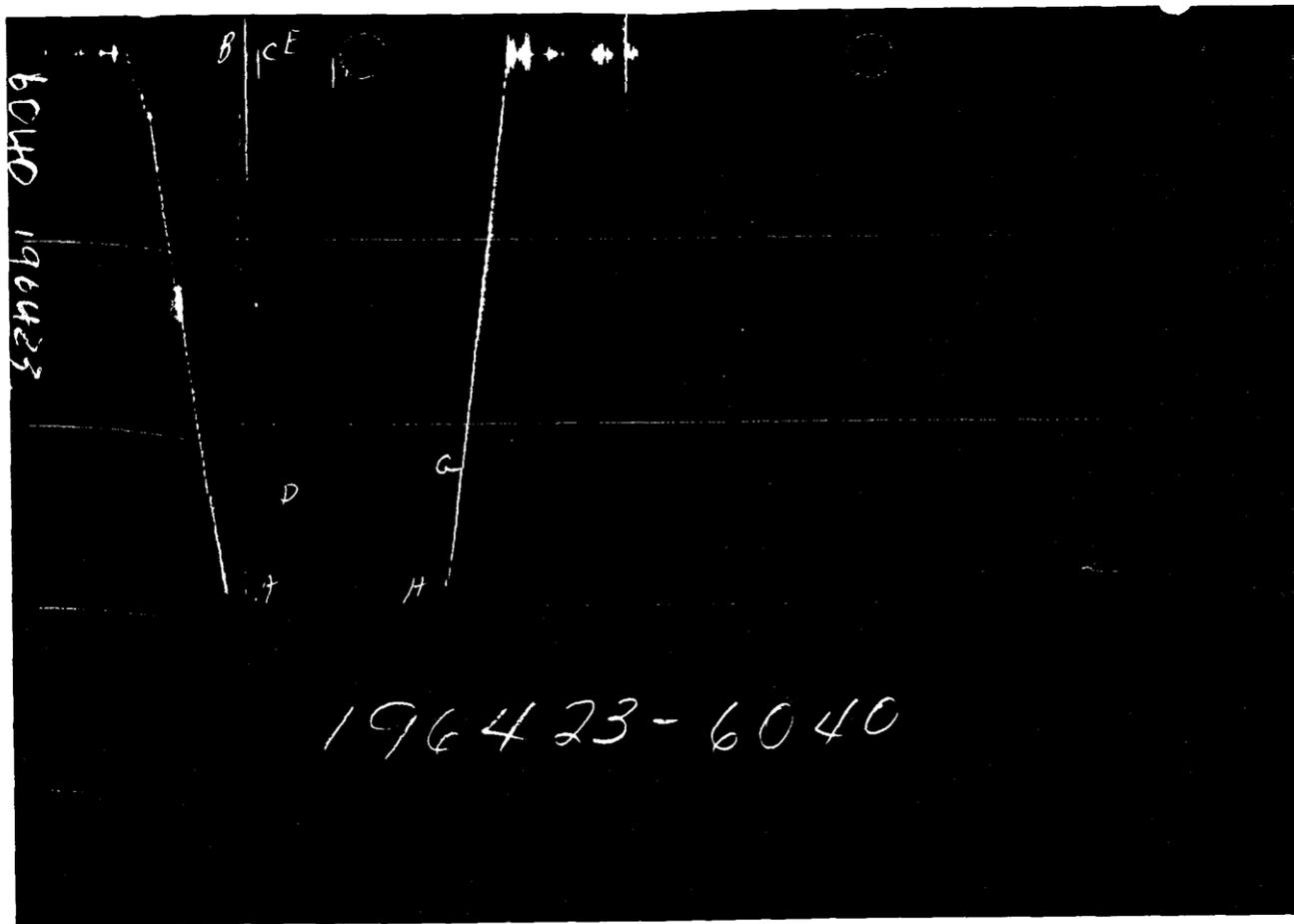


TICKET NO. 19642300
 20-JAN-83
 FARMINGTON

RECEIVED
 JAN 24 1983

DIVISION OF
 OIL GAS & MINING

FORMATION TESTING SERVICE REPORT



GAUGE NO: 6040 DEPTH: 5476.0 BLANKED OFF: NO HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2913	2926.4			
B	INITIAL FIRST FLOW	27	25.1			
C	FINAL FIRST FLOW	40	40.3	15.0	15.0	F
C	INITIAL FIRST CLOSED-IN	40	40.3			
D	FINAL FIRST CLOSED-IN	2290	2296.9	33.0	30.7	C
E	INITIAL SECOND FLOW	27	24.6			
F	FINAL SECOND FLOW	81	82.1	60.0	59.7	F
F	INITIAL SECOND CLOSED-IN	81	82.1			
G	FINAL SECOND CLOSED-IN	2236	2243.9	120.0	120.3	C
H	FINAL HYDROSTATIC	2913	2919.6			

GAUGE NO: 6039 DEPTH: 5503.0 BLANKED OFF: YES HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2942	2960.4			
B	INITIAL FIRST FLOW	41	46.9			
C	FINAL FIRST FLOW	54	60.1	15.0	15.0	F
C	INITIAL FIRST CLOSED-IN	54	60.1			
D	FINAL FIRST CLOSED-IN	2306	2317.6	33.0	30.7	C
E	INITIAL SECOND FLOW	41	50.8			
F	FINAL SECOND FLOW	95	103.4	60.0	59.7	F
F	INITIAL SECOND CLOSED-IN	95	103.4			
G	FINAL SECOND CLOSED-IN	2251	2269.1	120.0	120.3	C
H	FINAL HYDROSTATIC	2942	2953.7			

EQUIPMENT & HOLE DATA		TICKET NUMBER: <u>19642300</u>
FORMATION TESTED: <u>ISMAY</u>	NET PAY (ft): <u>7.0</u>	DATE: <u>1-15-83</u> TEST NO: <u>1</u>
GROSS TESTED FOOTAGE: <u>9.0</u>	ALL DEPTHS MEASURED FROM: <u>KELLY BUSHING</u>	TYPE DST: <u>OPEN HOLE</u>
CASING PERFS. (ft): _____	HOLE OR CASING SIZE (in): <u>7.875</u>	HALLIBURTON CAMP: <u>FARMINGTON</u>
ELEVATION (ft): <u>5368</u>	TOTAL DEPTH (ft): <u>5506.0</u>	TESTER: <u>D. AULD</u>
PACKER DEPTH(S) (ft): <u>5491.5497</u>	FINAL SURFACE CHOKE (in): <u>0.250</u>	WITNESS: <u>MR. MANN</u>
BOTTOM HOLE CHOKE (in): <u>0.750</u>	MUD WEIGHT (lb/gal): <u>10.00</u>	DRILLING CONTRACTOR: <u>ANDERSON - MAYERS #10</u>
MUD VISCOSITY (sec): <u>37</u>	ESTIMATED HOLE TEMP. (°F): _____	
ACTUAL HOLE TEMP. (°F): <u>121 @ 5502.0 ft</u>		

FLUID PROPERTIES FOR RECOVERED MUD & WATER			SAMPLER DATA		
SOURCE	RESISTIVITY	CHLORIDES	Pstg AT SURFACE:		
<u>??????</u>	<u>0.128 @ 60°F</u>	<u>34544 ppm</u>	cu.ft. OF GAS:	<u>0.24</u>	
	@ _____°F	_____ ppm	cc OF OIL:	<u>1050</u>	
	@ _____°F	_____ ppm	cc OF WATER:	<u>0</u>	
	@ _____°F	_____ ppm	cc OF MUD:	<u>250</u>	
	@ _____°F	_____ ppm	TOTAL LIQUID cc:	<u>1300</u>	

HYDROCARBON PROPERTIES		CUSHION DATA	
OIL GRAVITY (°API): <u>42.7 @ 60°F</u>	GAS/OIL RATIO (cu.ft. per bbl): _____	TYPE	AMOUNT WEIGHT
GAS GRAVITY: _____			

RECOVERED:	MEASURED FROM TESTER VALVE
130 FEET OF MUD CUT OIL 20 FEET OF OIL	

REMARKS:
GAUGE #6040 WAS STAIR-STEPPING DURING THE FINAL CLOSED IN PRESSURE.

TYPE & SIZE MEASURING DEVICE:					TICKET NO: 19642300
TIME	CHOKE SIZE	SURFACE PRESSURE PSI	GAS RATE MCF	LIQUID RATE BPD	REMARKS
1-14-83					
1930					ON LOCATION
2005					PICKED UP TOOL
2040					TOOL ON - TRIPPED IN
2131	BH				OPENED TOOL
2314	BH	6 OZ.			
2315	BH	10 OZ.			
2316	BH	17 OZ.			
2317	BH	25 OZ.			
2318	BH	32 OZ.			
2319	BH	2.5#			
2320	BH	3#			
2321	BH	3.25			
2322	BH	3.5			
2323	BH	4			
2324	BH	4.5			
2325	BH	4.75			
2326	BH	5.25			
2327	BH	5.5#			
2328	BH	6			CLOSED TOOL
1-15-83					
0001	BH	8 OZ.			OPENED TOOL
0002	BH	6.25#			
0003	BH	6.5#			
0004	BH	6.75#			
0005	BH	7.25			
0006	BH	7.75			
0011	BH	9.75			
0016	BH	11.5			
0021	BH	13.25			
0026	BH	15			
0031	BH	16.75			
0036	BH	18.25			OPENED 1/4" CHOKE
0041	BH	17.75			GAS TO SURFACE
0046	BH	17			
0051	BH	16			
0056	BH	15.25			

TICKET NO: 19642300
 CLOCK NO: 9756 HOUR: 24



GAUGE NO: 6039
 DEPTH: 5503.0

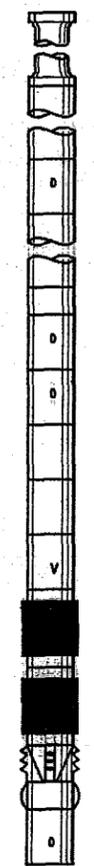
REF	MINUTES	PRESSURE	AP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
FIRST FLOW					
B 1	0.0	46.9			
2	3.0	50.1	3.2		
3	6.0	51.8	1.6		
4	9.0	54.9	3.1		
5	12.0	57.6	2.7		
C 6	15.0	60.1	2.6		
FIRST CLOSED-IN					
C 1	0.0	60.1			
2	3.0	734.3	674.1	2.5	0.777
3	6.0	1245.4	1185.3	4.3	0.543
4	9.0	1611.1	1550.9	5.6	0.426
5	12.0	1848.2	1788.1	6.7	0.352
6	15.0	2015.8	1955.7	7.5	0.301
7	18.0	2129.7	2069.6	8.2	0.262
8	21.0	2202.8	2142.7	8.7	0.234
9	24.0	2250.8	2190.7	9.2	0.210
10	27.0	2286.6	2226.5	9.6	0.191
D 11	30.7	2317.6	2257.4	10.1	0.173
SECOND FLOW					
E 1	0.0	50.8			
2	10.0	72.4	21.6		
3	20.0	84.6	12.2		
4	30.0	94.5	9.9		
5	40.0	98.9	4.5		
6	50.0	101.8	2.8		
F 7	59.7	103.4	1.6		
SECOND CLOSED-IN					
F 1	0.0	103.4			
2	10.0	1611.5	1508.1	8.8	0.927
3	20.0	1948.9	1845.5	15.8	0.675
4	30.0	2072.8	1969.5	21.4	0.542
5	40.0	2136.6	2033.2	26.0	0.457
6	50.0	2175.3	2071.9	29.9	0.397
7	60.0	2199.5	2096.1	33.3	0.351
8	70.0	2217.0	2113.6	36.1	0.315
9	80.0	2231.4	2128.0	38.6	0.286
10	90.0	2243.4	2140.0	40.8	0.262
11	100.0	2253.6	2150.3	42.7	0.242
12	110.0	2262.4	2159.1	44.5	0.225
G 13	120.3	2269.1	2165.7	46.1	0.210

REF	MINUTES	PRESSURE	AP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
(Empty table)					

REMARKS:

TICKET NO. 19642300

		O.D.	I.D.	LENGTH	DEPTH
1	DRILL PIPE.....	4.500	3.826	4920.0	
3	DRILL COLLARS.....	6.250	2.250	449.0	
50	IMPACT REVERSING SUB.....	6.000	3.000	1.0	5370.0
3	DRILL COLLARS.....	6.250	2.250	92.0	
5	CROSSOVER.....	6.000	3.000	1.0	
13	DUAL CIP SAMPLER.....	5.000	0.870	7.0	
60	HYDROSPRING TESTER.....	5.000	0.750	5.0	5475.0
80	AP RUNNING CASE.....	5.000	2.250	4.0	5476.0
15	JAR.....	5.000	1.750	5.0	
16	VR SAFETY JOINT.....	5.000	1.000	3.0	
70	OPEN HOLE PACKER.....	6.750	1.530	6.0	5491.0
70	OPEN HOLE PACKER.....	6.750	1.530	6.0	5497.0
90	SIDE WALL ANCHOR.....	5.750	3.000	3.0	
81	BLANKED-OFF RUNNING CASE.....	5.750		4.0	5503.0
TOTAL DEPTH					5506.0



EQUIPMENT DATA

EQUATIONS FOR DST LIQUID WELL ANALYSIS

Transmissibility	$\frac{kh}{\mu} = \frac{162.6 QB}{m}$	$\frac{\text{md-ft}}{\text{cp}}$
Indicated Flow Capacity	$kh = \frac{kh}{\mu} \mu$	md-ft
Average Effective Permeability	$k = \frac{kh}{h}$	md
Damage Ratio	$DR = .183 \frac{P^* - P_f}{m}$	—
Theoretical Potential w / Damage Removed	$Q_1 = Q DR$	BPD
Approx. Radius of Investigation	$r_i = 4.63 \sqrt{kt}$	ft

EQUATIONS FOR DST GAS WELL ANALYSIS

Indicated Flow Capacity	$kh = \frac{1637 Q_g T}{m}$	md-ft
Average Effective Permeability	$k = \frac{kh}{h}$	md
Skin Factor	$S = 1.151 \left[\frac{m(P^*) - m(P_f)}{m} - \text{LOG} \frac{kt}{\phi \mu c_i r_w^2} + 3.23 \right]$	—
Damage Ratio	$DR = \frac{m(P^*) - m(P_f)}{m(P^*) - m(P_f) - 0.87 mS}$	—
Indicated Flow Rate (Maximum)	$AOF_1 = \frac{Q_g m(P^*)}{m(P^*) - m(P_f)}$	MCFD
Indicated Flow Rate (Minimum)	$AOF_2 = Q_g \sqrt{\frac{m(P^*)}{m(P^*) - m(P_f)}}$	MCFD
Approx. Radius of Investigation	$r_i = 0.032 \sqrt{\frac{kt}{\phi \mu c_i}}$	ft

I.G.T.

TRICENTROL RESOURCES INC.
#3-44 Nancy Federal
Sec. 3, T38S, R25E
San Juan, Utah

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JAN 28 1983

**DIVISION OF
OIL, GAS & MINING**

Intermountain GEO TECH, INC.
P. O. Box 158
Delta, Colorado 81416



Intermountain

GEO. TECH.

Your Hydrocarbon Well Logging Specialists

361 PALMER, P.O. BOX 158 DELTA, CO. 81416

(303)874-8614

January 19, 1983

TRICENTROL RESOURCES, INC.
Nancy Federal #3-44
Sec. 3, T 38 S, R 25 E
San Juan County, Utah
G.L.-5356' K.B.-5368
Spud Date 12/29/83
Surface Casing Set At 1406'

The Nancy Federal #3-44 well was spudded on 12/29/82 and was drilled to 1406' with fresh water. Surface casing was then set on 12/31/82 and was drilled out on 1/2/83 with a 7 7/8 bit. On 1/4/83 a hole in the drill pipe was encountered, a trip was made at 2787' to replace the joint of pipe. Drilling continued on until the 6th of January, 9th day of drilling, when another hole in the drill pipe occurred, at a depth of 3897'. A trip to find and replace the joint of pipe was made and the drilling was resumed.

Mud loggers arrived on location on 1/6/83 were rigged up and logging at 4000' on 1/6/83. At 11:20 PM in the Culter formation. Drilling went fairly smooth for the next four days averaging 295' per day. A bit trip at 4359' on 1/7/83, the 10th day of drilling, and trips for holes in the pipe on 1/8/83 and 1/9/83 at depths of 4697' and 4916' respectively slowed drilling down some what. Also on 1/8/83 began to mud up slowing the penetration rate down some what, lowering the average daily footage down even more but then only slightly.

Drilling was brought to a halt on 1/10/83 at 4:30 PM at a depth of 5185' when one of the drill collars twisted off at approximately 450' above the bit. Twenty-five and a half (25½) hours were lost tripping and fishing. Drilling was resumed at 5:45 PM on 1/11/83. Then on 1/12/83 another hole in the pipe further delayed drilling at a depth of 5313' after making only 48'. The decision was made at that time to replace a major portion of the drill string. Drilling resumed again at 4:40 AM on 1/13/83 after being stopped for twenty-four (24) hours. Only to be stopped at 3:15 PM on the 1/13/83, the 16th day of the well, at a depth of 5438' for a trip when concern over a possible hole in the pipe developed. This time no hole in the pipe was discovered, problem was attributed to the mud pumps.

Drilling was again resumed at 2:05 AM on the 1/14/83 and was continued drilling break in the Upper Ismay formation occurred at 5501'. A sample was circulated up and checked. The another 5' was drilled to 5506' and circulated up. A gas peak of 96 units was noted and the decisions to run a drill stem test was made at that time. DST #1 showed good pressure, oil and gas was recovered from the sample chamber and oil, 20' approx, was recovered from the drill pipe. The pay zone was found to be about 20' thick after drilling was resumed at 9:15 AM on 1/15/83. Drilling continued to a depth of 5554' when another drilling break occurred. Again a sample was circulated up and analyzed, then 6' more was drilled to a depth of 5560' and circulated up and analyzed.

The decision to run a second drill stem test was made at about 3:00 PM on 1/15/83 and the hole was conditioned for DST #2. The zone was found to be very tight and only mud, water and a gas, oil and mud emulsion was recovered from the sample chamber and nothing recovered from the drill pipe.

Drilling began again on the 1/16/83, the 19th day of drilling at 10:10 PM and was continued without further stoppage, except to circulate up a sample of the upper Desert Creek at a depth of 5730' to check for possible gas zone and water flow on the 1/17/83. The well was drilled to a final depth of 5840' -41' on the 1/17/83 after twenty (20) days. The hole was conditioned for electric logs and a velocity survey which was on the 1/18/83 making a total of 20 days drilling plus about one (1) day to run logs and the velocity survey after which casing was run, making a total of twenty-two (22) days of drilling, logging and to set casing. A note should be made at this time that this well could have been finished in about 16 to 17 days if all the problems of the holes in the pipe and twisting off hadn't been encountered.

Dave Meade

Geologist - IGT

TRICENTROL RESOURCES INC.

#3-44 Nancy Federal
Sec. 3, T 38 S, R 25 E
San Juan, Utah

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2. Bit Record Sheet	2
3. Deviation Record Sheet	3
4. DST & Show Sheet	4-7
(1) Copy, Final Mud Log (5"=100')	
(1) Copy, Final Mud Log (2.5"=100')	
DRILLING CONTRACTOR:	Anderson Myers #10 Denver, Colorado
DRILLING FOREMAN:	Mr. Dennis Mann Mr. Kelton Mann
PUSHER:	Mr. Bob Oakes Mr. Walt Wright
GEO TECHNOLOGISTS:	Mr. Dave Meade Mr. Rod Moore Intermountain GEO TECH, INC. Delta, Colorado
DRILLING FLUID:	Mr. Don Bryant Drilling Mud, Inc. Cortez, Colorado
DRILL STEM TESTS:	Test #1 Mr. Don Auld Test #2 Mr. Don Auld Haliburton Farmington, New Mexico
COREING:	None
WIRE LINE LOGS:	Mr. Karl Schwarzenegger Schlumberger Well Service Farmington, New Mexico

TRICENTROL RESOURCES INC.
 #3-44 Nancy Federal
 Sec. 3, T 38 S, R 25 E
 San Juan, Utah

SUMMARY OF DAILY ACTIVITY

Date	ACTIVITY	MIDNITE DEPTH	24 HOUR FOOTAGE
1/06/83	Arrived on Location, rigged up & Logging 11:20 PM at 4000	4013	579
1/07/83	Drilling Survey-Trip for Bit-Replace Shaker Screen TIH	4356	343
1/08/83	Drilling Survey, Trip for hole in pipe, mud up	4748	392
1/09/83	Drilling working #1 pump trip for hole in pipe - Drilling	4970	232
1/10/83	Drilling - Fishing	5185	215
1/11/83	Fishing TOH -TIH drilling	5265	80
1/12/83	Drilling TOH for hole in pipe - lay down pipe for new string TIH	5313	48
1/13/83	TIH - Drilling TOH for poss hole in pipe	5445	132
1/14/83	TIH - Drilling - Cir Spl & TOH for DST #1	5506	61
1/15/83	DST #1 - TOH- TIH- Drilling Cir Spl & TDH for DST #2 - TIH	5559	53
1/16/83	DST #2 - TOH - TIH - Drilling	5678	119
1/17/83	Drilling - to TD 5840	5840	172
1/18/83	Released from Location	5840	

TRICENTROL RESOURCES, INC.
#3-44 Nancy Federal
Sec. 3, T 38 S, R 25 E
San Juan, Utah

BIT	MAKE	BIT RECORD		DEPTH OUT	FOOTAGE USED	HOURS
		SIZE	TYPE			
1-A	Sec	12 ¼	S4 T J	345	304	18 3/4
2-A	Stc	12 ¼	F-3	1408	1063	--
1	HTC	7 7/8	J-2	2082	677	21
2	Reed	7 7/8	HS 51-J	4354	2272	85 1/4
3	Sec	7 7/8	584 F	5185'	836	53 1/4
4	RTC	7 7/8	HPSM-J	5840	655	--

TRICENTROL RESOURCES INC.
#3-44 Nancy Federal
Sec. 3, T 38 S, R 25 E
San Juan, Utah

DEVIATION SHEET FOR WELL. . . .

DEPTH	DEVIATION (Dev)
165	1°
314	1°
436	2°
525	1/4°
556	1 1/2°
700	1 1/4°
820	1/2°
990	1 1/2°
1207	2°
1699	1/2°
2007	1/2°
2315	1/4°
2625	1 1/4°
2936	1°
3434	1°
4017	1°
4359	2°
4855	1°

Intermountain GEO TECH
DST & SHOW SHEET

SHOW # 2 INTERVAL 5506 TO 5620 DATE 1/15/83
 COMPANY: TRICENTROL RESOURCES
 WELL: Nancy Federal #3-44
 FIELD: Wildcat

	BEFORE SHOW	DURING SHOW	AFTER SHOW
DRILLING RATE	cont # 1 Show	1.5	5
TOTAL GAS UNITS	96	2000	17
%METHANE	.16	5.8	.02
%ETHANE	.07	3.05	.011
%PROPANE	.07	.77	.007
%BUTANE (ISO)	.008	.009	.002
%BUTANE (NORM)	.006	.006	.001
%PENTANES	TR	TR	TR

SAMPLE LITHOLOGY: LS CRM, BF, TAN, LT BN, FRM, HD MICXC, JUC FR INTRXL TO VUG
POB FR BN BLK STN

SAMPLE FLUO-CUT: FR BRI YEL FLOR, FR MOD STRM YEL CUT

DST #	INTERVAL	TIME	TO	DATE
		Min.	Top Chart	Bottom Chart

INITIAL HYDROSTATIC _____

INITIAL OPEN -----

INITIAL SHUT-IN -----

SECOND OPEN -----

SECOND SHUT-IN -----

FINAL HYDROSTATIC _____

BHT (°F): _____

1ST FLOW: _____

2NE FLOW: _____

REMARKS _____

DRILL PIPE RECOVERY: _____

SAMPLE CHAMBER REC: _____

	WT	R/W	NITRATES	CHLORIDES	CHROMATES
	ppg		ppm	ppm	ppm
Drill Pipe: Top:	/	at	°F/	/	/
Middle:	/	at	°F/	/	/
Bottom:	/	at	°F/	/	/
SAMPLE CHMBR:	/	at	°F/	/	/
PIT MUD:	/	at	°F/	/	/

(GAUGED FLOW:)

GEO-TECHNOLOGIST: Rod Moore

Intermountain GEO TECH
DST & SHOW SHEET

SHOW # 3 INTERVAL 5550 TO 5559 DATE 1/15/83
 COMPANY: TRICENTROL RESOURCES
 WELL: Nancy Federal #3-44
 FIELD: Wildcat

	BEFORE SHOW	DURING SHOW	AFTER SHOW
DRILLING RATE	4.5	1	4
TOTAL GAS UNITS	40	65	8
%METHANE	.064	.2	.016
%ETHANE	.02	.06	.004
%PROPANE	.012	.035	.004
%BUTANE (ISO)	.003	.002	TR
%BUTANE (NORM)	.002	.001	TR
%PENTANES	----	----	---

SAMPLE LITHOLOGY: DOL-LT, M GY BN FRI, FRM SUC, MICXL SLI LMY W/TR TO PR P.P. TO
INTRXL POR TR SP BLK TO FR LT BN, BN BLK STN

SAMPLE FLUO-CUT: GD GLD TO YEL FLOR W/FR MOD, FST STRMG YEL CUT

DST #	INTERVAL	5539	TO	5559	DATE
		TIME		PRESSURE (psi)	
		Min.	Top Chart		Bottom Chart
INITIAL HYDROSTATIC			2954		2982
INITIAL OPEN		15	40-54		54-68
INITIAL SHUT-IN		30	699		715
SECOND OPEN		60	67-81		81-95
SECOND SHUT-IN		120	1803		1820
FINAL HYDROSTATIC			2940		2969

BHT (°F): 124° F at 5555'

1ST FLOW: Op tool w/ 4 oz. incr to 3.25 lbs in 10 min and remained

2NE FLOW: Op tool w/ 4 oz. incr to 24.75 oz. in 20 min decr to 4 oz at close

REMARKS NGTS

DRILL PIPE RECOVERY: 120' gas & oil / dm

SAMPLE CHAMBER REC: 2240cc tot cap. 1000 cc H2O, 500cc DM W/ gs & O Emulsion 925 psig

	WT	R/W	NITRATES	CHLORIDES	CHROMATES
	ppg		ppm	ppm	ppm
Drill Pipe: Top:	/	/	at	°F/	/
Middle:	/	/	at	°F/	/
Bottom:	/	/	at	°F/	/
SAMPLE CHMBR:	/	/	at	°F/	/
PIT MUD:	/	/	at	°F/	/

(GAUGED FLOW:)

GEO-TECHNOLOGIST: Dave Meade

Intermountain GEO TECH
DST & SHOW SHEET

SHOW # 4 INTERVAL 5559 TO 5572 DATE 1/16/83

COMPANY: TRICENTROL RESOURCES

WELL: Nancy Federal #3-44

FIELD: Wildcat

	BEFORE SHOW	DURING SHOW	AFTER SHOW
DRILLING RATE	Show No. 3	260	10
TOTAL GAS UNITS		.6	.01
%METHANE		.24	.003
%ETHANE		.09	TR
%PROPANE		TR	TR
%BUTANE (ISO)			
%BUTANE (NORM)			
%PENTANES			

SAMPLE LITHOLOGY: LS - CRM, BF FRI, FRM VFXLN OCC SUC, MICXL, DOLO I.P. TR VUG, XLN POR TR, BN NLK STN

SAMPLE FLUO-CUT: GD BRI YEL FLOR, FR MLKY CUT

DST #	INTERVAL	TIME Min.	TO		DATE
			Top Chart	PRESSURE (psi)	

INITIAL HYDROSTATIC

INITIAL OPEN

INITIAL SHUT-IN

SECOND OPEN

SECOND SHUT-IN

FINAL HYDROSTATIC

BHT (°F):

1ST FLOW:

2NE FLOW:

REMARKS

DRILL PIPE RECOVERY:

SAMPLE CHAMBER REC:

	WT ppg	R/W	NITRATES ppm	CHLORIDES ppm	CHROMATES ppm
Drill Pipe: Top:	/	at	°F/	/	/
Middle:	/	at	°F/	/	/
Bottom:	/	at	°F/	/	/
SAMPLE CHMBR:	/	at	°F/	/	/
PIT MUD:	/	at	°F/	/	/
(GAUGED FLOW:)					

GEO-TECHNOLOGIST: Rod Moore

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Tricentrol Resources Inc.

3. ADDRESS OF OPERATOR 80111
5675 So. Tamarac Pkwy, Ste. 200, Englewood, CO

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 920' FSL & 1050' FEL
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Unit Agreement No. 14-08-0001-20386

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#3-44

10. FIELD OR WILDCAT NAME
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 3, T38S-R25E

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

14. API NO.
43-037-30817

15. ELEVATIONS (SHOW DF, KDB, AND WD)
5356' GR; 5369.25'

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

REQUEST FOR APPROVAL TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

PULL OR ALTER CASING

MULTIPLE COMPLETE

CHANGE ZONES

ABANDON*

(other) Well Status

RECEIVED
FEB 17 1983
DIVISION OF
OIL GAS & MINING

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.)*

Well status for 1/29-2/10/83: Completed well, released rig 1/29/83.
Date of 1st production 2/2/83. Flow tested well.
Well temporarily shut in due to bad weather and roads.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED William P. Powell TITLE Sr. Petro. Engineer DATE 2/15/83

(This space for Federal or State office use)

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

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

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number #3-44 Nancy Federal
 Operator Tricentrol Resources Inc. Address 5675 So. Tamarac Pkwy, Ste. 200
Englewood, CO 80111
 Contractor Anderson-Myers Address 1515 Arapahoe, Ste. 1075
Denver, CO 80202
 Location SE ¼ SE ¼ Sec. 3 T: 38S R. 25E County San Juan

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	<u>From</u>	<u>To</u>	<u>Flow Rate or Head</u>	<u>Fresh or Salty</u>
1.	3520'	3530'	Not measured	Salt water
2.				
3.				
4.				
5.				

(Continue of reverse side if necessary)

<u>Formation Tops</u>				
Morrison	surface	Hermosa	4330'	
Navajo	840'	Ismay	5480'	
Chinle	1385'	Desert Creek	5720'	
Cutler	2450'	Akah	5825'	

Remarks

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

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

3 Form approved.
Budget Bureau No. 42-R355.5

16

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
Tricentrol Resources Inc.

3. ADDRESS OF OPERATOR
5675 So. Tamarac Pkwy, Ste. 200, Englewood, CO 80111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
 At surface 920' FSL & 1050' FEL (SESE)
 At top prod. interval reported below Same
 At total depth Same

14. PERMIT NO. 43-037-30817 DATE ISSUED

5. LEASE DESIGNATION AND SERIAL NO.
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Unit #14-08-001-20386

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#3-44

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec. 3, T38S-R25E

12. COUNTY OR PARISH San Juan 13. STATE Utah

15. DATE SPUNDED 12/29/82 16. DATE T.D. REACHED 1/18/83 17. DATE COMPL. (Ready to prod.) 1/29/83 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5356'GR; 5369.25'KB 19. ELEV. CASINGHEAD ---

20. TOTAL DEPTH, MD & TVD 5840'KB 21. PLUG, BACK T.D., MD & TVD 5795' 22. IF MULTIPLE COMPL., HOW MANY* No 23. INTERVALS DRILLED BY → ROTARY TOOLS 0-5840' CABLE TOOLS ---

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 5504-5520' Upper Ismay 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN FDC/CND, DIL/SFL, HDT; CIS 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
8-5/8"	24#	1405'KB	12-1/4"	850 sxs Class B	None
5-1/2"	15.5#	5840'KB	7-7/8"	375 sxs Class H	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
		NONE			2-7/8"	5396'	5396'

31. PERFORATION RECORD (Interval, size and number) 5504-5520' w/2 spf 2" gun

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5504-5520'	3500 gals, 28% HCl, 300 gals 40# gel.

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
2/3/83	Flowing	Shut in					
DATE OF TEST	HOURS TESTED	CHOKES SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
2/8/83	22	24/64"	→	225	171	14	760/1
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
340	---	→	246	186	15	45°	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented during test period. TEST WITNESSED BY Dennis Mann

35. LIST OF ATTACHMENTS
DST #1 & #2., cementing affidavit.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
 SIGNED Stan H. Howell TITLE Sr. Petroleum Engineer DATE 3/2/83

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Wintershall Oil and Gas Corporation

3. ADDRESS OF OPERATOR
5675 DTC Blvd., Ste. 200, Englewood, CO 80111

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 920' FSL & 1050' FEL (SESE)
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

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 type="checkbox"/>
(other) Change of Operator <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#3-44

10. FIELD OR WILDCAT NAME
Nancy

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 3 ; T38S-R25E

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

14. API NO.
43-037-30817

15. ELEVATIONS (SHOW DF, KDB, AND WD)
5356'GR; 5369.25'KB

(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.)*

Wintershall Oil and Gas Corporation purchased Tricentrol Resources Inc. effective June 22, 1984 and has assumed operations of this property.

RECEIVED

JUN 29 1984

DIVISION OF OIL
GAS & MINING

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED David P. Howell TITLE Operations Manager DATE 6/27/84

(This space for Federal or State office use)

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

cc: Utah OGMD ✓

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
Wintershall Oil and Gas Corporation

3. ADDRESS OF OPERATOR 80111

5675 DTC Blvd, Ste 200, Englewood, CO

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)

AT SURFACE:
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 type="checkbox"/>
(other) Installation of sealable valves		

(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.)*

Nancy Fed. #1-3; API 43-037-30741 Nancy Fed. #11-22; API 43-037-30814
Nancy Fed. #3-22; API 43-037-30901 Nancy Fed. #11-11; API 43-037-30903
Nancy Fed. #3-11; API 43-037-30902 Nancy Fed. #3-44; API 43-037-30817

Sealable valves are being installed on the overflow and load lines of the oil storage tanks of these wells as discussed, on location 10/17/84, between Mike Wade of the BLM and myself. This work should be completed by November 17, 1984 barring any unforeseen difficulties.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

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

SIGNED Kim Laska TITLE Operations Engineer DATE 10/24/84

(This space for Federal or State office use)

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

cc: Utah OGMD

*See Instructions on Reverse Side

RECEIVED

OCT 26 1984

DIVISION OF OIL



SEP 25 1989

September 20, 1989

Utah, Natural Resource
Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Reference: Change of Operating Name
Utah Account No. N9555

Gentlemen:

As evidenced by the enclosed copy of Certificate of Merger, Attachment A, effective August 1, 1989, Wintershall Corporation was merged into BASF Corporation. Wells formerly operated in the name of Wintershall Corporation will now be operated in the name of BASF Corporation. Also enclosed as Attachment B is a listing of wells involved in the merger.

Because this transaction is a merger rather than change in ownership, it is requested that the Utah account number assigned to Wintershall Corporation be transferred to BASF Corporation. Your favorable consideration of this request would be greatly appreciated.

If you have any questions or if additional information is required, please contact me at (713) 850-2509.

Yours very truly,

Charmaine Stone
Regulatory & Production Analyst Supervisor

encls.

State of Delaware

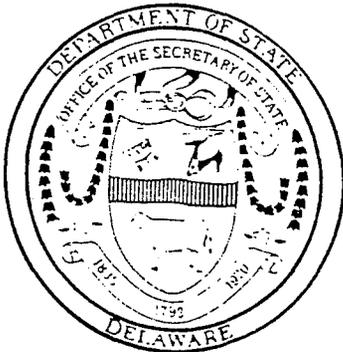
4843



Office of Secretary of State

I, MICHAEL HARKINS, SECRETARY OF STATE OF THE STATE OF DELAWARE DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER OF DELAWARE CORPORATIONS OF BASF CORPORATION FILED IN THIS OFFICE ON THE SECOND DAY OF AUGUST, A.D. 1989, AT 10 O'CLOCK A.M.

1 1 1 1 1 1 1 1 1



899236817

Michael Harkins
Michael Harkins, Secretary of State

AUTHENTICATION: 2314044

DATE: 08/24/1989

899214061

SEP 25 1989

0736 647

DIVISION OF
OIL, GAS & MINING

CERTIFICATE OF MERGER

FILED

MERGING

AUG 2 1989

WINTERSHALL CORPORATION

INTO

BASF CORPORATION

John J. ...
SECRETARY OF STATE

10AM

Pursuant to Section 251 of the General Corporation Law of the State of Delaware

BASF CORPORATION, a Delaware corporation, hereby certifies as follows:

FIRST: The constituent corporations are WINTERSHALL CORPORATION and BASF CORPORATION. Each corporation is incorporated in the State of Delaware.

SECOND: An Agreement of Merger dated as of July 31, 1989, has been approved, adopted, certified, executed, and acknowledged by each of the constituent corporations in accordance with Section 251(c) of the General Corporation Law of the State of Delaware.

THIRD: The name of the surviving corporation is BASF CORPORATION.

FOURTH: The Certificate of Incorporation of the surviving corporation shall be that of BASF CORPORATION.

FIFTH: The executed Agreement of Merger is on file at the principal place of business of the surviving corporation, which is located at 8 Campus Drive, Parsippany, N. J. 07054.

SIXTH: A copy of the Agreement of Merger will be furnished by the surviving corporation, on request and without cost, to any stockholder of the constituent corporations.

SEVENTH: This Certificate of Merger and the Agreement of Merger shall become effective on August 1, 1989 at 12:01 p.m.

IN WITNESS WHEREOF, BASF CORPORATION, the surviving corporation, has caused this statement to be signed by its officers thereunto duly authorized as of this 31st day of July, 1989.

BASF CORPORATION

J. Dieter Stein
J. Dieter Stein
President

(Seal)

ATTEST:

Helmuth Aldinger

Assistant Secretary
Helmuth Aldinger

ATTACHMENT B

BASF CORPORATION

EFFECTIVE AUGUST 1, 1989

SEP 25 1989

STATE	FIELD	WELL NAME	WELL NO.	API NO.
✓ UT	NANCY	NANCY FEDERAL	01-03	430373074100S1
✓ UT	NANCY	NANCY FEDERAL	03-11	430373090200D2
✓ UT	NANCY	NANCY FEDERAL	03-22	430373090100S1
✓ UT	NANCY	NANCY FEDERAL	03-32	430373089800S1
✓ UT	NANCY	NANCY FEDERAL	03-44	430373081700S1
✓ UT	NANCY	NANCY FEDERAL	11-11	430373090300S1
✓ UT	NANCY	NANCY FEDERAL	11-22	430373081400S1
✓ UT	NANCY	FEDERAL	34-32	430373082500S1
UT	House	Cyn	13.24	4303731085

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(Other instructions on reverse side)

Form approved
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-40053
2. NAME OF OPERATOR BASF Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
3. ADDRESS OF OPERATOR 5 Post Oak Park, Suite 800, Houston, TX 77027		7. UNIT AGREEMENT NAME Little Nancy Unit
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 920' FSL & 1050' FEL		8. FARM OR LEASE NAME Nancy Federal
14. PERMIT NO. API 43-037-30817	15. ELEVATIONS (Show whether DF, RT, CR, etc.) 5356' GR	9. WELL NO. 3-44
		10. FIELD AND POOL, OR WILDCAT Nancy
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 3, 38S, 25E
		12. COUNTY OR PARISH San Juan
		13. STATE UTAH

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

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

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

BASF Corporation has sold the above referenced property to:

Omimex Petroleum, Inc.
8055 E. Tufts Avenue Parkway, Suite 1080
Denver, Colorado 80237
(303)771-1661

Effective date of production reporting responsibilities transferral is July 1, 1990.
Actual sale date is March 1, 1990.

RECEIVED
FEB 01 1991

COPY

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

SIGNED Charmaine Stone TITLE Reg & Prod Analyst DATE 1/29/91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE*
(Other instructions on re-
verse side)

EXPIRES AUGUST 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-40053	
2. NAME OF OPERATOR Ominex Petroleum, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---	
3. ADDRESS OF OPERATOR 8055 E. Tufts Ave. Pkwy., #1060, Denver, CO 80237		7. UNIT AGREEMENT NAME Little Nancy Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 920' FSL & 1050' FEL SESE		8. FARM OR LEASE NAME Nancy Federal	
14. PERMIT NO. 43-037-30817		9. WELL NO. 3-44	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5356' GR		10. FIELD AND POOL, OR WILDCAT Nancy	
		11. SEC., T., R., M., OR B.L.K. AND SURVEY OR AREA Sec. 3-38S-25E	
		12. COUNTY OR PARISH San Juan	13. STATE Utah

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(Other)	<input type="checkbox"/>		<input type="checkbox"/>

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ABANDONMENT*	<input type="checkbox"/>
(Other) Change of Operator	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

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

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

Effective 7/1/90, OMIMEX PETROLEUM, INC. assumed operations of this property.

RECEIVED

APR 22 1991

DIVISION OF
OIL GAS & MINING

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

SIGNED

Patricia G. Blue
Patricia G. Blue

TITLE Production Analyst

DATE 4/18/91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

1- DR 2- GT	<input checked="" type="checkbox"/>
2- DR 3- DR	<input checked="" type="checkbox"/>
3-VLC	<input checked="" type="checkbox"/>
4-RJE	<input checked="" type="checkbox"/>
5-RWM	<input checked="" type="checkbox"/>
6-LCR	<input checked="" type="checkbox"/>

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: 7-1-90)

TO (new operator)	OMIMEX PETROLEUM, INC.	FROM (former operator)	BASF CORPORATION
(address)	8055 E. TUFTS AVENUE PARKWAY	(address)	5 POST OAK PARK, SUITE 800
	SUITE 1080		HOUSTON, TX 77027
	DENVER, CO 80237		
	phone (303) 771-1661		phone (713) 850-2509
	account no. N 0735		account no. N 9495

Well(s) (attach additional page if needed): *(All wells are Unit wells / Little Nancy)*

Name:	<u>LITTLE NANCY 3-32/ISMY</u>	API:	<u>4303730898</u>	Entity:	<u>99996</u>	Sec	<u>3</u>	Twp	<u>38SRng25E</u>	Lease Type:	<u>U-40053</u>
Name:	<u>NANCY FED 11-22/ISMY</u>	API:	<u>4303730814</u>	Entity:	<u>538</u>	Sec	<u>11</u>	Twp	<u>38SRng25E</u>	Lease Type:	<u>U-40053</u>
Name:	<u>NANCY FED 11-11/ISMY</u>	API:	<u>4303730903</u>	Entity:	<u>538</u>	Sec	<u>11</u>	Twp	<u>38SRng25E</u>	Lease Type:	<u>U-40053</u>
Name:	<u>NANCY FED 3-44/ISMY</u>	API:	<u>4303730817</u>	Entity:	<u>538</u>	Sec	<u>3</u>	Twp	<u>38SRng25E</u>	Lease Type:	<u>U-40053</u>
Name:	<u>NANCY FED 3-22/ISMY</u>	API:	<u>4303730901</u>	Entity:	<u>544</u>	Sec	<u>3</u>	Twp	<u>38SRng25E</u>	Lease Type:	<u>U-40053</u>
Name:	<u>NANCY FED 1-3/ISMY</u>	API:	<u>4303730741</u>	Entity:	<u>540</u>	Sec	<u>3</u>	Twp	<u>38SRng25E</u>	Lease Type:	<u>U-40053</u>
Name:	<u>NANCY FED 3-11/DSCR TA</u>	API:	<u>4303730902</u>	Entity:	<u>542</u>	Sec	<u>3</u>	Twp	<u>38SRng25E</u>	Lease Type:	<u>U-40053</u>
	<i>(ISMY)</i>										

OPERATOR CHANGE DOCUMENTATION

- See* 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(2-1-91)*
- See* 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(2-1-91 Reg. by VTE) (Reg. 3-6-91/Pat Blue) (Reg. 4-18-91/Pat Blue) (Rec. 4-22-91)*
- N/A* 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) If yes, show company file number: .
- See* 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below. *(5-8-91)*
- See* 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(5-14-91)*
- See* 6. Cardex file has been updated for each well listed above.
- See* 7. Well file labels have been updated for each well listed above.
- See* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See* 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) yes (If entity assignments were changed, attach copies of Form 5, 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) _____. Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

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

MICROFILMING

- 1. All attachments to this form have been microfilmed. Date: May 30 1991.

INDEXING

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

REMARKS

910306 Btm /S.Y. No successor of unit operator has been filed as of yet. Will call when approved.

Btm /S.Y. BASF is still the Unit Operator. "Nothing has been filed as of yet." is responsible for filing the "Successor of Unit Operator" - Sundries have been received from BASF!

Btm approved unit operator change from BASF Corp. to Ominex Petroleum eff. 5-7-91.

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 <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER: 8901203860
2. NAME OF OPERATOR: Ominex Petroleum, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 5608 Malvey, Penthouse Suite CITY Fort Worth STATE TX ZIP 76107		7. UNIT or CA AGREEMENT NAME: Little Nancy
4. LOCATION OF WELL FOOTAGES AT SURFACE: 920' FSL & 1050' FEL (SESE)		8. WELL NAME and NUMBER: 3-44 NANCY FED
COUNTY: TARRANT		9. API NUMBER: 13 037 30817
QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Sec 3, T38S, R25E		10. FIELD AND POOL, OR WILDCAT: Nancy
STATE: UTAH		

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 checked="" 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"/> COMINGLE 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.

Proposal: Acidize existing perms @ 5504-20'

COPY SENT TO OPERATOR
Date: 5-8-03
Initials: LHO

NAME (PLEASE PRINT) SAMMY D. JETER TITLE OPERATIONS SUPERVISOR
SIGNATURE [Signature] DATE 5/1/03

(This space for State use only)
**Accepted by the
Utah Division of
Oil, Gas and Mining**
Date: 5/8/2003
By: [Signature]

Federal Approval Of This
Action Is Necessary

RECEIVED
MAY 05 2003
DIV. OF OIL, GAS & MINING

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: 8910203860
2. NAME OF OPERATOR: OMIMEX PETROLEUM, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 5608 Malvey CITY Fort Worth STATE Tx ZIP 76107		7. UNIT or CA AGREEMENT NAME: Little Nancy
4. LOCATION OF WELL FOOTAGES AT SURFACE: 920' FSL & 1050' FEL (SESE) QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 3 38S 25E		8. WELL NAME and NUMBER: Nancy Fed 3-44
		9. API NUMBER: 4303730817
		10. FIELD AND POOL, OR WILDCAT: Nancy
		COUNTY: San Juan
		STATE: UTAH

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 checked="" type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 6/26/2003	<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.

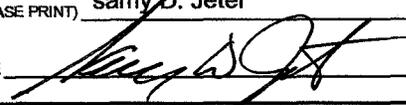
6/25-26/2003

- 1) MI wellservice unit
- 2) POH with rods and pump, POH with tubing
- 3) RIH with packer and tubing, set @ 5485'
- 4) Acidize perms @ 5504-20' with 1000 gals, 28% HCL
- 5) POH with packer and tubing, RIH with production string
- 6) RIH with pump and rods, hang off and return to production

RECEIVED

AUG 15 2003

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) samy D. Jeter TITLE Operations Supervisor
SIGNATURE  DATE 8/11/2003

(This space for State use only)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
U-40053

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Little Nancy Unit

8. WELL NAME and NUMBER:
LNU 3-44

9. API NUMBER:
4303730817

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
ERG OPERATING COMPANY INC.

3. ADDRESS OF OPERATOR: 1100 LOUISIANA, STE 2650
CITY HOUSTON STATE TX ZIP 77002-5216

PHONE NUMBER:
713-812-1800

10. FIELD AND POOL, OR WILDCAT:
Nancy

4. LOCATION OF WELL
FOOTAGES AT SURFACE: _____ COUNTY: San Juan
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 3 38S 25E STATE: UTAH

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

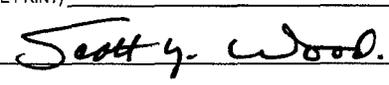
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Change of Operator
	<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.
Change of Operator Effective March 1, 2005:

From - Omimex Petroleum, Inc.
2001 Beach St., Ste. 810
Fort Worth, Texas 76103

Clark P. Storms
Vice President-Land & Legal

Omimex Petroleum will transfer operations of the above referenced well to a new operator.
ERG OPERATING COMPANY INC. certifies that it is authorized by the proper lease interest owners to conduct operations associated with this lease.
Bond coverage pursuant to 43CFR3104 for lease activities is being provided by ERG OPERATING COMPANY INC. with their BLM bond # RLB 6007941.

NAME (PLEASE PRINT) SCOTT Y. WOOD TITLE PRESIDENT
SIGNATURE  DATE JANUARY 26, 2005

(This space for State use only)
APPROVED 3 129 105

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAR 02 2005
DIV. OF OIL, GAS & MINING

Sale 198c
Lot 24

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

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: 3/3/2005

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 3/29/2005
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 3/29/2005
3. Bond information entered in RBDMS on: n/a
4. Fee/State wells attached to bond in RBDMS on: n/a
5. Injection Projects to new operator in RBDMS on: 3/29/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: RLB0007941

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a
2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: _____

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:

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

FORM 9

<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>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.</p>		<p>5. LEASE DESIGNATION AND SERIAL NUMBER: U-40053</p>
<p>1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____</p>		<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</p>
<p>2. NAME OF OPERATOR: D. J. SIMMONS COMPANY LIMITED INC PARTNERSHIP</p>		<p>7. UNIT or CA AGREEMENT NAME: Little Nancy Unit</p>
<p>3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PLACE, SUITE 200 FARMINGTON, NM 87403 STATE _____ ZIP _____</p>		<p>8. WELL NAME and NUMBER: LNU 3-44</p>
<p>4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 3 38S 25E</p>		<p>9. API NUMBER: 4303730817</p> <p>10. FIELD AND POOL, OR WILDCAT: Nancy</p> <p>COUNTY: San Juan STATE: UTAH</p>

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: Change of Operator
	<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.

Change of Operator Effective July 1, 2005:

From - ERG Operating Company, Inc.
1100 Louisiana, Suite 2650
Houston, TX 77002

N 2735 ERG Operating Company will transfer operations of the above referenced well to a new operator. **D.J. SIMMONS COMPANY LIMITED INC PARTNERSHIP** certifies that it is

Carl F. Pomeroy
Carl F. Pomeroy
Vice President Engineering

authorized by the proper lease interest owners to conduct operations associated with this lease.

Bond coverage pursuant to 43CFR3104 for lease activities is being provided by **D.J. SIMMONS COMPANY LIMITED PARTNERSHIP** with their BLM \$25,000 LETTER OF CREDIT 05/09/05.

INC

RECEIVED
JUL 26 2005

NAME (PLEASE PRINT) GARY C. GOLDSMITH	TITLE ATTORNEY IN FACT DIV OF OIL, GAS & MINING
SIGNATURE <i>[Signature]</i>	DATE JUNE 8, 2005

(This space for State use only)

APPROVED 7129105
Earlene Russell
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

200c-22

**DJ SIMMONS, INC.**

1009 Ridgeway Place
Suite 200
Farmington,
New Mexico 87401

505-326-3753
505-327-4659 FAX
info@djsimmonsinc.com
www.djsimmonsinc.com

July 29, 2005

Utah Division of Oil, Gas and Mining
1594 West Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84145-0155

Re: Utah Account # N2520

Earlene Russell:

The purpose of this letter is per our phone conversation July 29, 2005, to inform Utah Division of Oil and Gas and Mining, D. J. Simmons, Inc. (account #N2520) will operate the below mentioned wells affectively July 1, 2005.

Name	Location	API #	Lease
Nancy Federal 11-22	Sec 11, T38S R25E	43-037-30814	U 40053
Nancy Federal 3-44	Sec 03, T38S, R25E	43-037-30817	U 40053
Nancy Federal 11-11	Sec 11, T38S, R25E	43-037-30903	U 40053
Nancy Federal 1-3	Sec 03, T38S, R25E	43-037-30741	U 40053
Nancy Federal 3-22	Sec 03, T38S, R25E	43-037-30901	U 40053
Nancy Federal 3-11	Sec 03, T38S, R25E	43-037-30902	U 40053
Nancy Federal 3-32	Sec 03, T38S, R25E	43-037-30898	U 40053

Thank you for your attention regarding this matter. If you have any questions please call at 505 326-3753 ext. 14.

Sincerely,

Craig D. Starkey
Permitting

cc: Nancy Walden

RECEIVED
JUL 29 2005
DIV. OF OIL, GAS & MINING

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

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: 7/29/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 7/29/2005

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 7/29/2005

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

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

5. Injection Projects to new operator in RBDMS on: 7/29/2005

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

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000048

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

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

2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: _____

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:

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053
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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE NANCY
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: NANCY FED 3-44
2. NAME OF OPERATOR: D J SIMMONS, INC	9. API NUMBER: 43037308170000
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200 , FARMINGTON, NM, 87401	PHONE NUMBER: 505 326-3753 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0920 FSL 1050 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 03 Township: 38.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: LITTLE NANCY COUNTY: SAN JUAN STATE: UTAH

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 Approximate date work will start: 10/10/2012 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

DJ Simmons proposes to Temporarily Abandon the subject well: - Move in well service unit and rig up. - Trip out of hole with rods and pump. - Nipple down wellhead and nipple up BOP. - Unset TAC and trip out of hole with tubing and BHA. We can use the tubing for a workstring. - Set CIBP at 5450'+/- with wireline. Circulate hole clean with inhibited water and spot 10 sx, 11.8 cuft, 88 ft of cement on top to leave cement at 5362'+/-. - Test casing and wellhead to 1,000psi for 30min with recorder -After cement has cured, tag and report. -Land EOT 1 joint above tag. - Secure well and leave temporarily abandoned until redrill and recompletion plans are completed and approved. We intend to develop a plan to plug back the well to an extent allowing for whipstock and redrill to the northwest to a new completion target in the Ismay formation. A sundry of intent with details will be submitted.

Accepted by the Utah Division of Oil, Gas and Mining

Date: October 16, 2012

By: *Derek Quist*

NAME (PLEASE PRINT) Chris S. Lopez	PHONE NUMBER 505 326-3753	TITLE Regulatory Socialist
SIGNATURE N/A	DATE 10/11/2012	

Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.
891020386A

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No.
Little Nancy B

8. Well Name and No.
Little Nancy 3-44

2. Name of Operator
D. J. Simmons, Inc.

9. API Well No.
43-037-30817

3a. Address
1009 Ridgeway Place, Suite 200
Farmington, NM 87401

3b. Phone No. (include area code)
(505) 326-3753

10. Field and Pool or Exploratory Area
Nancy

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

Surface: 920' FSL & 1,050' FEL SE/SE Section 3, T38S, R25E, SLM

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

12. CHECK THE 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 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 checked="" 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

D. J. Simmons, Inc. proposes to Temporarily Abandon the subject well using the following procedure:

- Move in well service unit and rig up.
- Trip out of hole with rods and pump.
- Nipple down wellhead and nipple up BOP.
- Unset TAC and trip out of hole with tubing and BHA. We can use the tubing for a workstring.
- Set CIBP at 5450' +/- with wireline. Circulate hole clean with inhibited water and spot 10 sx, 11.8 cuft, 88 ft of cement on top to leave cement at 5362' +/-.
- Test casing and wellhead to 1,000psi for 30min with recorder
- After cement has cured, tag and report.
- Land EOT 1 joint above tag.
- Secure well and leave temporarily abandoned until redrill and recompleat plans are completed and approved.

We intend to develop a plan to plug back the well to an extent allowing for whipstock and redrill to the northwest to a new completion target in the Ismay formation. A sundry of intent with details will be submitted.

Please see attached Current Well Sketch and Temporarily Abandoned Well Sketch.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Chris S. Lopez

Title Regulatory Specialist

Signature

CHRIS S. LOPEZ

Date 10/11/2012

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)



Nancy Federal No. 3-44

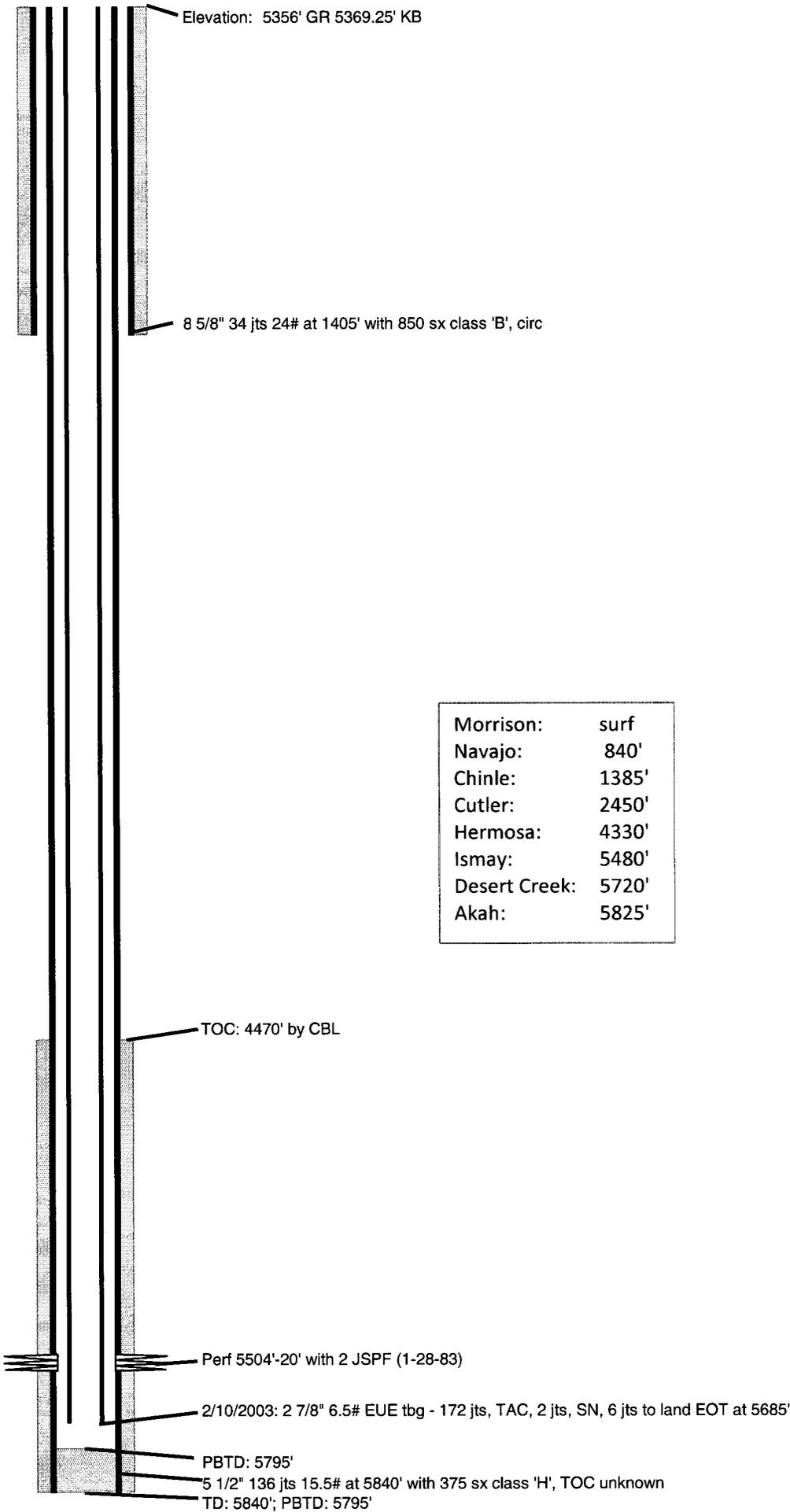
Location: Surface: 920' FSL, 1050' FEL,
Sec 3, T38S, R25E, San Juan
County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30817

Spud Date: December 29, 1982 1230 hours
Originally drilled by Tricentral Resources Inc.



Morrison:	surf
Navajo:	840'
Chinle:	1385'
Cutler:	2450'
Hermosa:	4330'
Ismay:	5480'
Desert Creek:	5720'
Akah:	5825'

- 1/16/1982 Install pump system
- 1/29/1983 Acidize 5504'-20' with 3500 gal 28% HCl and 3000 gal 40# gel
- 1/16/1986 Change production string
- 1/16/1986 Hot Oil
- 6/25/2003 Acidize 5422'-32' with 1000 gal 28% HCl @ 5-8 BPM
- 6/25/2003 Hot Oil
- Pump Change: 3/25/86, 6/27/91, 12/2/93, 6/20/96, 10/23/98
- Service Pump: 4/1/86, 12/8/00, 6/5/03



Nancy Federal No. 3-44

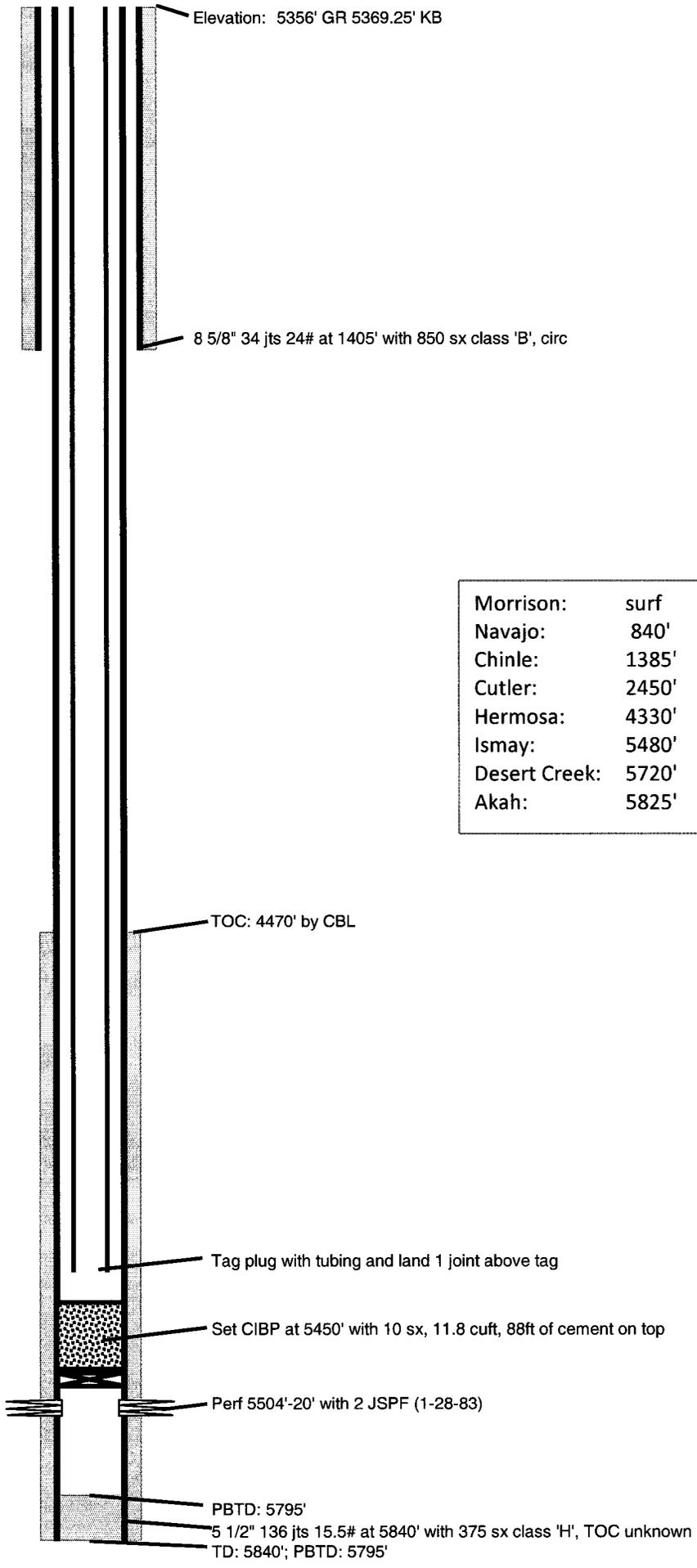
Location: Surface: 920' FSL, 1050' FEL,
Sec 3, T38S, R25E, San Juan
County, Utah

Field: Nancy

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Desert Creek:	5720'
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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.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: D J SIMMONS, INC		7. UNIT or CA AGREEMENT NAME: LITTLE NANCY
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401		8. WELL NAME and NUMBER: NANCY FED 3-44
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0941 FSL 1079 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 03 Township: 38.0S Range: 25.0E Meridian: S		9. API NUMBER: 43037308170000
		9. FIELD and POOL or WILDCAT: LITTLE NANCY
		COUNTY: SAN JUAN
		STATE: UTAH

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 Approximate date work will start: 12/31/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Sidetrack to Recomplete

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

D. J. Simmons, Inc. proposed to sidetrack from the existing Nancy Federal 3-44 wellbore to the following new bottom hole location: Heel: 1,250' FSL & 1,700 FEL, Sec. 3, T38S, R25E Toe: 1,386' FSL & 1,980 FEL, Sec. 3, T38S, R25E Please see attached Sidetrack Drilling Procedure, Sidetrack Drilling Program, 3,000psi Drilling Rig BOP System, Drilling Equipment Layout Plan, Utah Well Location Plat, Directional Drilling Letter & Approved BLM Sundry.

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

Surf
 663153X
 4152794Y
 37.507696
 -109.154070

**Federal Approval of this
 Action is Necessary**

662876X
 41529234
 37.508895
 -109.157172

Date: 10-28-13
 By: *[Signature]*

NAME (PLEASE PRINT) Chris S. Lopez	PHONE NUMBER 505 326-3753	TITLE Regulatory Specialist
SIGNATURE N/A	DATE 9/19/2013	

UTAH WELL LOCATION PLAT

OPERATOR DJ SIMMONS INC.

LEASE LITTLE NANCY WELL NO. 3-44S

SECTION 3 TOWNSHIP 38 SOUTH RANGE 25 EAST S.L.M.

COUNTY SAN JUAN UTAH

FOOTAGE LOCATION OF WELL: 941.78 FEET FROM THE SOUTH LINE and
1079.35 FEET FROM THE EAST LINE and

GROUND LEVEL ELEVATION: 5353.20'

SURFACE USE WITHIN 200' RADIUS: No Improvements Within 200'

BASIS OF BEARING: GPS Data

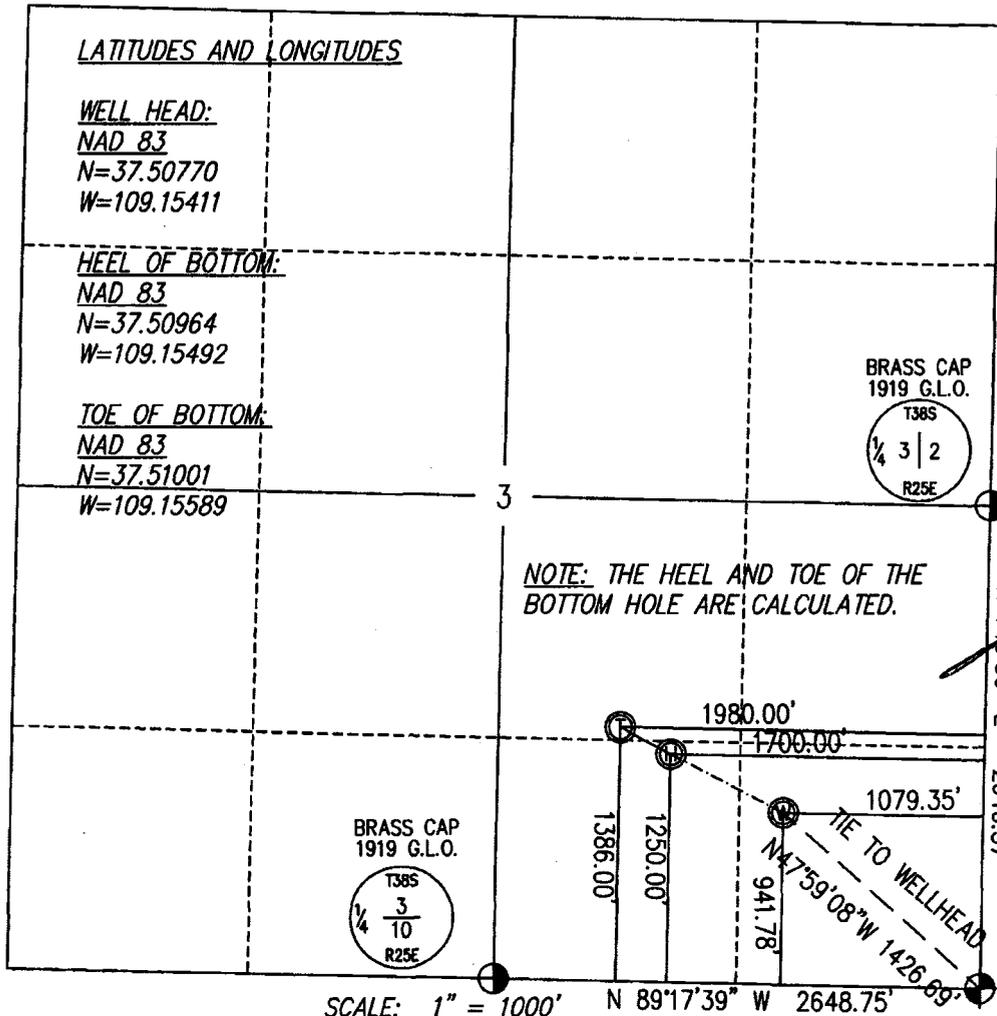
BASIS OF ELEVATION: GPS Data - NAD 83 - PDOP #1.4

500' 500'
1" = 1000'

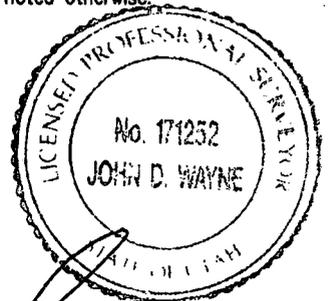
Some information on this plat is based on information taken from previous surveys, record information, or collateral evidence and may not reflect that which may be disclosed by a complete boundary survey. This plat is not to be relied on for the establishment of surface boundaries, fences, buildings, or other future improvements.

-  SECTION CORN
-  1/4 CORNER
-  WELL Location
-  TOE OF BOTTOM
-  HEEL OF BOTTOM

NOTE: THE HEEL AND TOE OF THE BOTTOM HOLE ARE CALCULATED.



I hereby certify that the proposed well location shown on this plat was prepared from field notes of an actual survey by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief, and that there are no visible improvements within 200 feet of this proposed wellhead, unless noted otherwise.



John D. Wayne
Professional L.S. #171252
State of Utah

JUNE 6, 2013
Date Surveyed:

AUGUST 21, 2013
Date Platted (Revised):



DJ SIMMONS, INC.

1009 Ridgeway Place
Suite 200
Farmington,
New Mexico 87401

505-326-3753
505-327-4659 FAX
info@djsimmonsinc.com
www.djsimmonsinc.com

September 16, 2013

Ms. Diana Mason
State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: Directional Drilling R649-3-11
Little Nancy 3-44S: 941' FSL & 1,079' FEL (Surface Hole), SE/SE
1,250' FSL & 1,700' FEL (Bottom Hole - Heel), SW/SE
1,386' FSL & 1,980' FEL (Bottom Hole - Toe), NW/SE
Section 3, T38S, R25E, SLM
San Juan County, UT

Dear Ms. Mason,

Pursuant to the filing of a Notice of Intent Sundry regarding the above referenced well on September 16, 2013, D. J. Simmons, Inc. (DJS) is hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

- The Little Nancy 3-44S is located within the Little Nancy Unit Area.
- DJS is requesting to sidetrack out of the existing Little Nancy 3-44 wellbore in order to minimize surface disturbance. Locating the well at the surface location and drilling directionally from this location, DJS will be able to utilize the existing wellpad, access road and pipelines in the area.
- Furthermore, DJS hereby certifies that it is the sole working interest owner within 460 feet of the entire directional wellbore.

Therefore, based on the above state information, DJS respectfully requests that the NOI Sundry be granted pursuant to 649-3-11.

Sincerely yours,

Chris S. Lopez
Regulatory Specialist

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101

IN REPLY REFER TO:

3160

(UT-922)

October 25, 2013

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2013 Plan of Development Little Nancy Unit,
San Juan County, Utah.

Pursuant to email between Eric Jones, Moab Field Office, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells have been resurveyed and the surface location adjusted (please see our memo dated June 11, 2013).

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Ismay)

43-037-30817	Little Nancy 03-44S Sec 03 T38S R25E 0942 FSL 1079 FEL	Lateral 1 Sec 03 T38S R25E 1386 FSL 1980 FEL
--------------	--	--

43-037-30741	Little Nancy 01-03S Sec 03 T38S R25E 0623 FNL 1956 FWL	BHL Sec 03 T38S R25E 1500 FNL 2400 FWL
--------------	--	--

This office has no objection to permitting the wells at this time.

bcc: File - Little Nancy Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-25-13

D.J. SIMMONS INC.
Little Nancy Federal No. 3-44S
Surface Location: 941' FSL, 1079' FEL,
Bottomhole Location (heel): 1250' FSL, 1700' FEL,
Bottomhole Location (toe): 1386' FSL, 1980' FEL,
Sec. 3 T-38-S R-25-E
San Juan County, Utah

Sidetrack Drilling Procedure

- Back drag and clean location for crew & rig safety. Build 70' x 40' x 8' reserve pit with 5' weir. Install plastic liner and fence around pit.
- Move in well service unit and rig up.
- Nipple down wellhead and nipple up BOP.
- Trip out of hole with tubing string of 2 7/8" tbg as follows 172 jts, TAC, 2 jts, SN, 6 jts. Landed at 5685'.
- Round trip bit and scraper to top perf at 5504'.
- Set CIBP at 5450' with 10 sx, 11.8 cuft, 88ft of cement on top
- Load hole with water.
- Rig down and move out well service rig. Move in and rig up drilling rig. We may start with drilling rig instead of well service rig depending on availability.
- Nipple up BOP, manifold and flowlines. Test blind rams, pipe, inside valves, outside valves, floor valve, kelly valve, fillup check valve and manifold valve to 250psi low and 1,500 psi high. Test casing to 500 psi for 30 minutes. Record test in IADC book and sign as witness.
- Cut and pull 5 1/2" casing at free point nearest top of primary cement.
- Sting into 5 1/2" casing stub and spot a 15.8ppg cement plug from 50' below top of cement to fill open hole to 50' above 5 1/2" casing stub.
- Wait on cement and tag plug.
- If 5 1/2" casing stub is in open hole, set a hardened 250' cement kick off plug from 2400' up to 2150'. If 5 1/2" casing stub is in the 8 5/8" casing, set a whipstock tool to cut a window.
- Run survey to determine current wellbore position and orientation.
- Drill 7 7/8" hole with clear water using gel or paper sweeps as necessary.
- Establish a 300' radius turn to 14° at 297° from north. Maintain 14° from vertical at 297° from north. Continue drilling with a 300' radius build rate to achieve a total vertical displacement of 729' by 5510' TVD, 5650'+- MD seeking 90° entry to target zone at BHL of 1250' FSL, 1700' FEL.
- Mudlogging unit to be on location and running samples by 4400' TVD. Frequency of samples to be specified by on site geologist.

D.J. SIMMONS INC.
Little Nancy Federal No. 3-44S
Surface Location: 941' FSL, 1079' FEL,
Bottomhole Location (heel): 1250' FSL, 1700' FEL,
Bottomhole Location (toe): 1386' FSL, 1980' FEL,
Sec. 3 T-38-S R-25-E
San Juan County, Utah

- At 4200' TVD, switch to clean mud pits and mix LSND mud to 30-32 vis and 6 water loss. Maximize the use of shale shaker and desilter to control mud weight. Use dilution from reserve 1st and rig supply tank 2nd to maintain mud weight at 9.0 ppg or below.
- If hole conditions will allow logs, run Density, Neutron, Induction, Gamma Ray logging all tools up to surface casing shoe with the Neutron/Gamma Ray to surface as specified by prior arrangement w/ logging company. Mud log data may dictate logging interval adjustment.
- Run 5 1/2" N80 LTC casing to within 5' of bottom as follows:
 - a) Float shoe. (thread locked)
 - b) Shoe joint. (thread locked)
 - c) Latch down plug baffle in top of shoe joint.
 - d) Use 1 centralizer 10' from shoe w/ stop band and 1 centralizer on each joint for 6 more joints (7 total).
 - e) Run marker joints at 10 joints and 30 joints from shoe.
- **Production casing** will be cemented to ensure cement coverage inside the intermediate casing. **Lead cement:** ~ 1166 cu. ft. (580 sx) and **Tail cement:** ~ 127 cu.ft. (100 sx). Volumes are calculated at 50% excess. A wiper plug will be displaced to the float collar leaving the shoe joint full of cement. A cement bond log will be run during completion operations to insure cement coverage.

Cement recipe (**Lead**): Premium Lite High Strength FM w/2% KCl, 1/4#/sx Cello flake, 0.2% CD-32, 3#/sx LCM-1, 0.5% FL-52, or equal, mixed at 10.32 gps, 12.5 ppg for a yield of 2.01 cu. ft. per sx. Volume based on 50% excess.

Cement recipe (**Tail**): Type III cmt or equivalent (1.27 ft³/sx yield, 15.2 ppg, & 5.8 gps) with 2% CaCl₂ and 1/4#/sx cellophane. Volume based on 50% excess.
- Nipple up BOP, manifold and flowlines. Test blind rams, pipe, inside valves, outside valves, floor valve, kelly valve, fillup check valve and manifold valve to 250psi low and 1,500 psi high. Test casing to 500 psi for 30 minutes. Record test in IADC book and sign as witness.
- Pressure test casing to 3,000psi and record for 30 minutes.
- Trip in hole with 4 3/4" bit and tools to drill lateral using clear mud at 90^o deviation from the heel for 300' to a toe location of 1386' FSL, 1980' FEL of section 3. Approximate azimuth is 297^o.
- Lateral will be completed as openhole with completion rig.

D.J. SIMMONS INC.
Little Nancy Federal No. 3-44S
 Surface Location: 941' FSL, 1079' FEL,
 Bottomhole Location (heel): 1250' FSL, 1700' FEL,
 Bottomhole Location (toe): 1386' FSL, 1980' FEL,
 Sec. 3 T-38-S R-25-E
 San Juan County, Utah

Sidetrack Drilling Program

1. **ESTIMATED FORMATION TOPS: (GL: 5,353', KB: 5,365')**

<u>Formation Name</u>	<u>Depth TVD</u>	<u>Sub Sea Depth TVD from KB</u>
Morrison Formation	Surface	5365
Entrada Sandstone	648	4717
Navajo Sandstone	840	4525
Chinle Formation	1516	3849
Moenkopi Formation	2554	2811
Cutler Group	2599	2766
Honaker Trail Formation	4433	932
Upper Ismay	5484	-119
Total Depth	5510	-145

2. **NOTABLE ZONES**

<u>Formation Name</u>	<u>Depth TVD</u>	<u>Contents</u>
Morrison Formation	Surface	Mixed sand, shale, siltstone
Entrada Sandstone	648	Sandstone, water possible
Navajo Sandstone	840	Sandstone, water possible
Chinle Formation	1516	Red/vari-color shale/siltstone
Moenkopi Formation	2554	Red-brown shale, siltstone
Cutler Group	2599	Red Arkose sandstone
Honaker Trail Formation	4433	Limestone, sandstone, gas and water possible
Upper Ismay	5484	Limestone, anhydrite, oil, gas, water possible
Total Depth	5510	Limestone, anhydrite, oil, gas, water possible

Water zones will be protected with casing, cement, and weighted mud. Fresh water found while drilling will be recorded. Oil or gas shows will be tested for commercial potential based on the evaluation of data recovered during drilling.

3. **PRESSURE CONTROL:**

Maximum expected pressure is 2800 psi. The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. A diagram of a typical 11" 3,000 psi model BOP is attached.

BOP equipment and all accessories will meet or exceed BLM requirements in 43 CFR Part 3160 for a 3000 psi system. A 3000 psi double ram hydraulic BOP. Accumulator system capacity will be sufficient to close all BOPE with a 50% safety factor. Fill, kill, and choke manifold lines will be 2". Accessories will include upper and lower Kelly cocks with handles, stabbing valve to

D.J. SIMMONS INC.
Little Nancy Federal No. 3-44S
 Surface Location: 941' FSL, 1079' FEL,
 Bottomhole Location (heel): 1250' FSL, 1700' FEL,
 Bottomhole Location (toe): 1386' FSL, 1980' FEL,
 Sec. 3 T-38-S R-25-E
 San Juan County, Utah.

fit drill pipe on floor at all times, 3000 psi choke manifold with 2" adjustable and 2" positive chokes, and pressure gauge (diagrams attached). BOP rams will be cycled every 24 hours. Tests will be recorded on IADC log.

4. CASING & CEMENT

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u> (lb/ft)	<u>Grade</u>	<u>Age</u>	<u>Connection</u>	<u>GL Setting Depth</u>
12 1/4"	8 5/8"	24#	J55	Existing	ST&C / LT&C	GL - 1405'
7 7/8"	5 1/2"	17#	N80	New	LT&C	GL - 5510'TVD

Production casing will be cemented to ensure cement coverage inside the intermediate casing. **Lead cement:** ~ 1166 cu. ft. (580 sx) and **Tail cement:** ~ 127 cu.ft. (100 sx). Volumes are calculated at 50% excess. A wiper plug will be displaced to the float collar leaving the shoe joint full of cement. A cement bond log will be run during completion operations to insure cement coverage. Casing will be pressure tested to 3000 psi for 30 minutes during completion operations.

Cement recipe (Lead): Premium Lite High Strength FM w/2% KCl, 1/4#/sx Cello flake, 0.2% CD-32, 3#/sx LCM-1, 0.5% FL-52, or equal, mixed at 10.32 gps, 12.5 ppg for a yield of 2.01 cu. ft. per sx. Volume based on 50% excess.

Cement recipe (Tail): Type III cmt or equivalent (1.27 ft³/sx yield, 15.2 ppg, & 5.8 gps) with 2% CaCl₂ and 1/4#/sx cellophane. Volume based on 50% excess.

Cementing equipment will include a float shoe, float collar and will be run with a centralized shoe joint and next five joints. Centralizers will also be run across the producing zones.

5. MUD PROGRAM

<u>Depth TVD</u>	<u>Type</u>	<u>Wt./ppg.</u>	<u>Vis.</u>	<u>Fluid Loss</u>	<u>PH</u>
1405'-4200'+/-	FW gel/Polymer/LSND	8.3-8.9	30-55	as needed	9.5
4200'-5510'+/-	FW gel/Polymer/LSND	8.3-8.9	30-55	<10cc's	9.5

Lost circulation and absorption material will be on location.

D.J. SIMMONS INC.
Little Nancy Federal No. 3-44S
Surface Location: 941' FSL, 1079' FEL,
Bottomhole Location (heel): 1250' FSL, 1700' FEL,
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Sec. 3 T-38-S R-25-E
San Juan County, Utah

6. CORING, TESTING, & LOGGING

Drill stem tests may be run on Ismay and Desert Creek drilling breaks. Drill stem tests will be conducted during daylight hours only. Sidewall core samples may be taken from selected sections over productive sections from Honaker Trail to TD. Whole core may be taken across the Hovenweep and Gothic formations. A full suite of open hole logs may be run, possibly in multiple trips, from TD to 1405' with gamma ray and neutron to surface. This well will be mud logged from 4400' to TD.

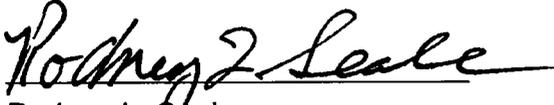
7. DOWN HOLE CONDITIONS

No abnormal pressures, temperatures, or hydrogen sulfide are expected. Maximum pressure will be 2800 psi.

8. OTHER INFORMATION

The anticipated spud date is December 31, 2013. It is expected it will take ~15 days to drill and ~20 days to complete the well. Completion will start about one month after the spud and may include hydraulic fracturing.

Prepared By:



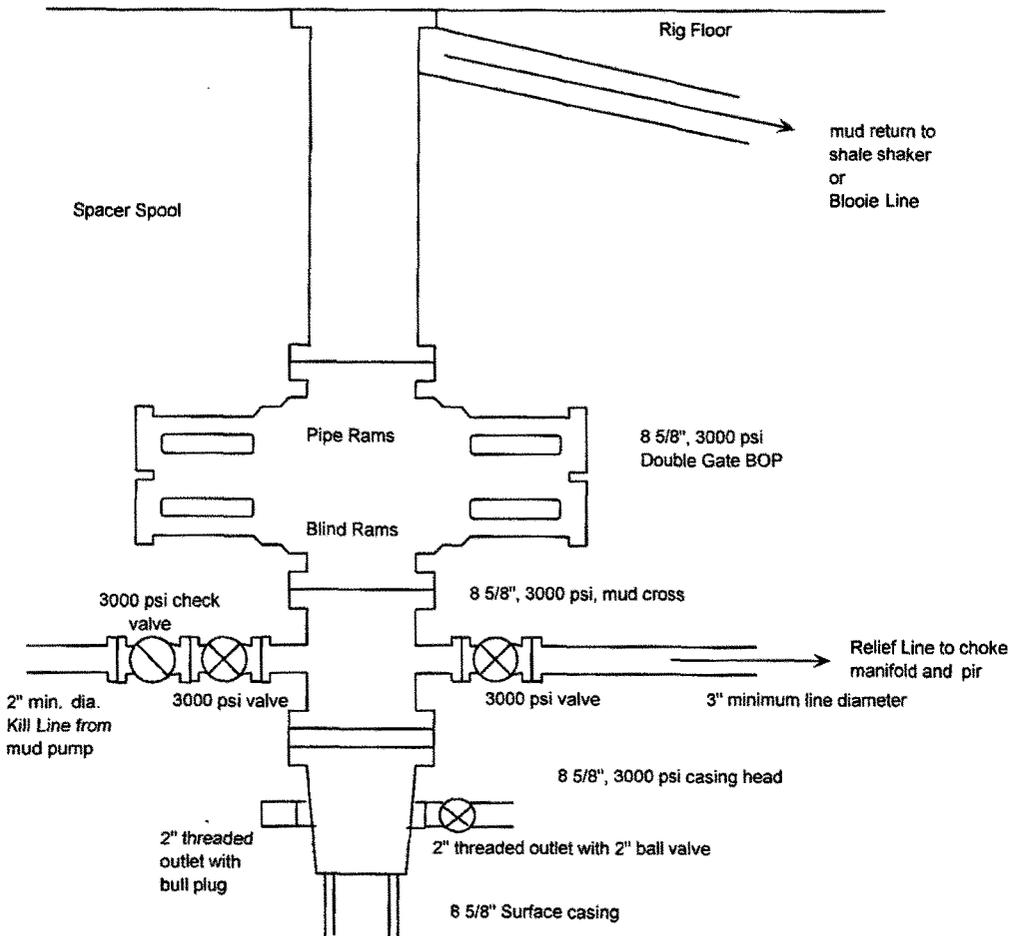
Rodney L. Seale
Operations Engineer

Date: September 7, 2013 ✓

Sundry Number: 42746 API Well Number: 43037308170000

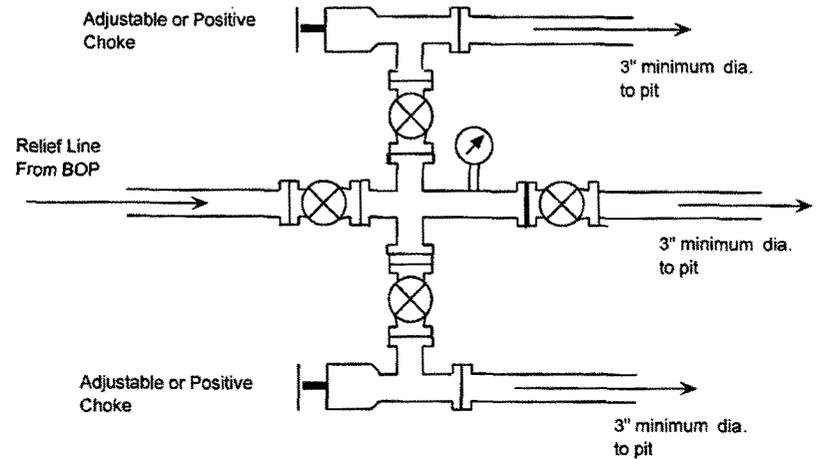
Little Nancy 3-44S 3,000 psi Drilling Rig BOP System

Figure 1 8 5/8", 3000 psi Drilling Rig BOP System

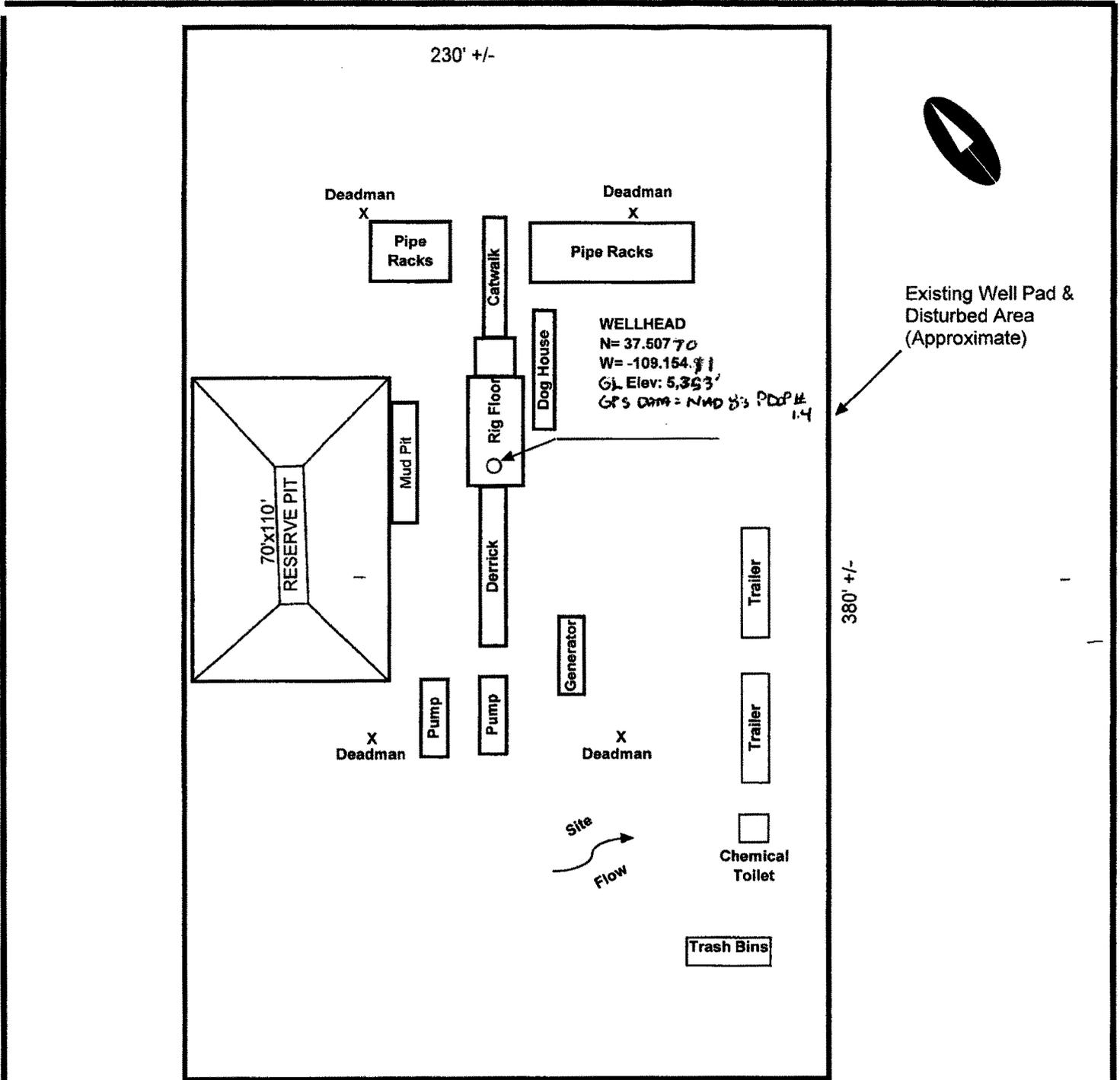


BOP Installation from Surface Casing to TD. 8 5/8", 3000 psi double gate BOP equipped with blind and pipe rams and rotating head. All equipment rated at 3000 psi or greater working pressure.

Figure 2



Choke manifold for BOP system shown in Figure 3.
All equipment to be rated at 3000 psi or greater.



Access Road

SCALE: 1" = 50'



DJ SIMMONS, INC.

D. J. SIMMONS, Inc.
 1009 Ridgeway Place, Ste. 200
 Farmington, NM 87401
 Phone (505) 326-3753
 Fax (505) 327-4659

Reviewed By: Craig D. Starkey

Drawn By: Chris S. Lopez

Approved By: Rodney L. Seale

Date: 5/30/2013

Little Nancy 3-44S
Drilling Equipment Layout Plan
 941' FSL & 1,079' FEL
 SE/SE Sec. 3, T38S, R25E
 San Juan County, UT

Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014
OFFICE

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. U-40053
2013 JUN -4 AM 7:48

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No.
Little Nancy B

8. Well Name and No.
Little Nancy 3-44S

2. Name of Operator
D. J. Simmons, Inc.

9. API Well No.
43-037-30817

3a. Address
1009 Ridgeway Place, Suite 200
Farmington, NM 87401

3b. Phone No. (include area code)
(505) 326-3753

10. Field and Pool or Exploratory Area
Nancy

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

Surface: 920' FSL & 1,050' FEL SE/SE Section 3, T38S, R25E, SLM

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

12. CHECK THE 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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Sidetrack
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

D. J. Simmons, Inc. proposes to sidetrack from the existing Little Nancy 3-44 wellbore to the following new bottom hole location:

Bottomhole Location (heel): 1250' FSL, 1700' FEL,
Bottomhole Location (toe): 1386' FSL, 1980' FEL

Please see attached Sidetrack Drilling Procedure, Sidetrack Drilling Program, 3,000 psi Drilling Rig BOP System, Wellbore Sketches, and Drilling Equipment Layout Plan.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Chris S. Lopez

Title Regulatory Specialist

Signature

Chris S. Lopez

Date 05/31/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Krista Bryant

Title Acting Field Manager

Date

7/25/2013

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 Moab Field 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)

CONDITIONS OF APPROVAL ATTACHED

RECEIVED: Sep. 19, 2013

DJ Simmons, Inc.

Re-Entry: Plug-Back, Sidetrack, Directionally Drill to a New Bottom-Hole Location

Little Nancy 3-44S

Little Nancy Unit, UTU63078A

Lease UTU40053

Location, Surface: SE/SE Section 3, T38S, R25E

Bottom-Hole: NW/SE Section 3, T38S, R25E

San Juan County, Utah

CONDITIONS OF APPROVAL

1. Notify Jeff Brown (435-459-4886 cell, or 435-587-1525 office) of the BLM Monticello Field Office at least 24 hours prior to initiating well operations.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOG M) is required before conducting any surface disturbing activities.
3. Gelled water spacer, mixed at 9 pounds-per-gallon, must be placed between the plugs in the portion of the well bore being plugged-back. This may be done after the bridge plug is set
4. The proposed well control equipment is appropriate for anticipated conditions. Well control equipment for the production section of the well shall meet or exceed 2M standards. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
5. Drilling reports, which describe the activities of each day, shall be submitted to the BLM Moab Field Office on a weekly, or more frequent, basis. In addition to a daily summary of activities, drilling reports shall include the drilling fluid weight, details of casing and cement, water flows, lost circulation zones and any other information that would contribute to our understanding of drilling conditions.
6. A cement bond log, or other appropriate tool, shall be used to verify the top of cement behind the production casing. If cementing objectives are not met, remedial cementing may be necessary.
7. If a well control issue arises (e.g. kick, blowout, or water flow), casing failure occurs, or an increase in bradenhead pressure occurs during fracturing operations, the BLM shall be notified within 24 hours from the time of the event.
8. Moab Field Office petroleum engineer, Eric Jones (435-259-2117), shall be contacted for verbal approval prior to commencing remedial cementing, plugging operations on newly drilled boreholes, changes within the drilling plan, changes or variances to the BOPE, deviating from conditions of approval, and conducting other operations not specified within the APD. As a secondary contact: Marie McGann (435-259-2135).

Little Nancy 3-44S -- Conditions of Approval

9. Surface use shall be limited to the existing well pad. No new surface disturbance is authorized.
10. During drilling operations, the reserve pit will be fenced on three sides. When drilling operations are complete the fourth side will be fenced. At a minimum, the fence will be constructed using steel T or wood line posts set 16.5 feet apart. Corner posts will be 6 inches or greater diameter wood, and anchored with a rock deadman. Woven wire will be placed from 0 to 32 inches, and twisted smooth or barbed wire will be placed at 4 and 16 inches above the woven wire. When fencing is completed, netting will be placed over the pit and fence, extending to below the ground level, to prevent birds and small animals from gaining access to and becoming trapped in the contents of the pit. The netting will be supported to maintain adequate clearance between the net and the contents of the pit. The fencing and netting will be maintained until the pit is closed and reclaimed.
11. The reserve pit shall be closed and reclaimed in accordance with Onshore Oil and Gas Order No. 1, XII, B. and the standards and guidelines contained in the Gold Book, 2007; which requires earthwork to be completed within six months of completion of drilling operations. If necessary, pit fluids shall be removed and properly disposed of to allow the pit solids adequate time to dry prior to pit closure.

REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Spud- The spud date will be reported to BLM 24-hours prior to spud. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spud, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed, with the Moab Field Office, for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Monticello Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled through the Monticello Field Office as soon as the productivity of the well is apparent.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion or Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/19/2013

API NO. ASSIGNED: 43-037-30817

WELL NAME: NANCY FED 3-44

OPERATOR: D J SIMMONS, INC (N2520)

PHONE NUMBER: 505-326-3753

CONTACT: CHRIS LOPEZ

PROPOSED LOCATION:

SESE 03 380S 250E

SURFACE: 0941 FSL 1079 FEL

BOTTOM: 1386 FSL 1980 FEL

COUNTY: SAN JUAN

LATITUDE: 37.50770 LONGITUDE: -109.15407

UTM SURF EASTINGS: 663153 NORTHINGS: 4152796

FIELD NAME: LITTLE NANCY (390)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-40053

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: ISMY

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB000048)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

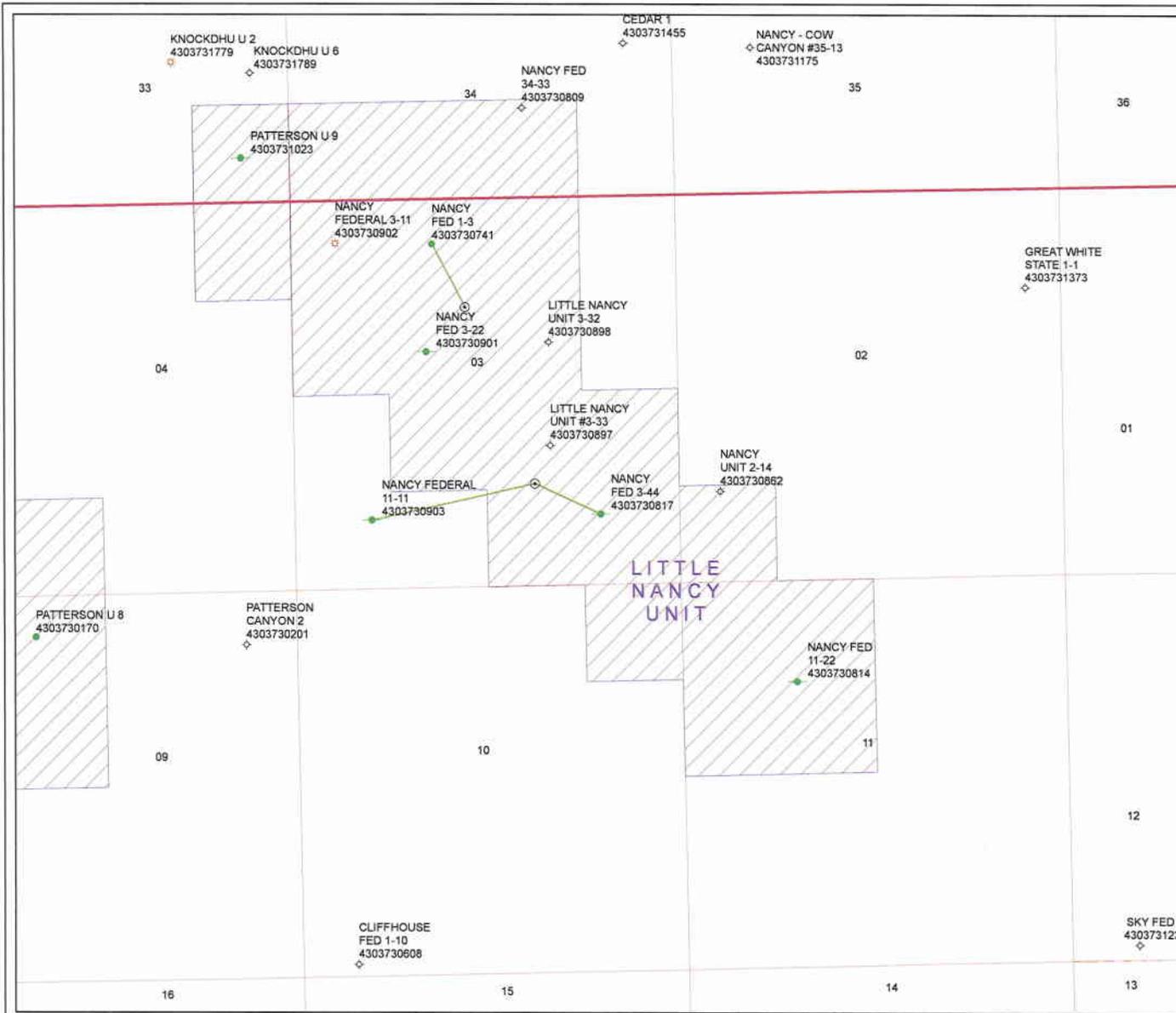
- _____ R649-2-3.
- Unit: LITTLE NANCY
- _____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- _____ R649-3-3. Exception
- _____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Land Approval

2- Spacing Strip



API Number: 4303730817

Well Name: NANCY FED 3-44

Township: T38.0S Range: R25.0E Section: 03 Meridian: S

Operator: D J SIMMONS, INC

Map Prepared: 9/25/2013
Map Produced by Diana Mason

Wells Query Status	Units STATUS
APD - Approved Permit	ACTIVE
DRL - Spurred (Drilling Commenced)	EXPLORATORY
GIW - Gas Injection	GAS STORAGE
GS - Gas Storage	NF PP OIL
LOC - New Location	NF SECONDARY
OPS - Operation Suspended	PI OIL
PA - Plugged Abandoned	PP GAS
PQW - Producing Gas Well	PP GEOTHERMAL
POW - Producing Oil Well	PP OIL
SOW - Shut-In Gas Well	SECONDARY
SOW - Shut-In Oil Well	TERMINATED
TA - Temp Abandoned	
TW - Test Well	
WDW - Water Disposal	
WW - Water Injection Well	
WSW - Water Supply Well	





GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 28, 2013

D J Simmons, Inc.
1009 Ridgeway Pl, Ste 200
Farmington, NM 87401

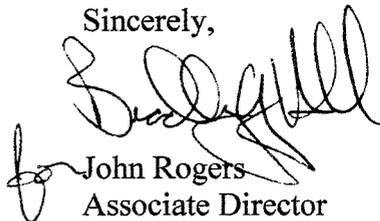
Subject: Nancy Fed 3-44 Well, 941' FSL, 1079' FEL, SE SE, Sec. 3, T. 38 South, R. 25 East,
Bottom Location: 1386' FSL, 1980' FEL, NW SE, Sec. 3, T. 38 South, R. 25 East, San
Juan County, Utah

Ladies and Gentlemen:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the ISMAY Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-30817.

Sincerely,



for John Rogers
Associate Director

JR/BGH/js
Enclosures

cc: San Juan County Assessor
Bureau of Land Management, Monticello Office

Operator: D J Simmons, Inc.
Well Name & Number Nancy Fed 3-44
API Number: 43-037-30817
Lease: UTU-40053

Location: SE SE **Sec. 3** **T. 38 South** **R. 25 East**
Bottom Location: NW SE **Sec. 3** **T. 38 South** **R. 25 East**

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please let a voicemail message if not available)

OR

Submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office
(801) 733-0983 after office hours

3. Reporting Requirements

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

- #### 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
6. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 8, 2015

DJ Simmons, Inc.
1009 Ridgeway Place, Suite 200
Farmington, NM 87401

Re: APD Rescinded – Nancy Fed 3-44 (DEEPENING),
Sec. 3, T. 38S, R. 25E, San Juan County, Utah API No. 43-037-30817

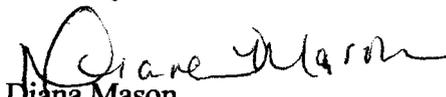
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 28, 2013. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 8, 2015.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Monticello

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053
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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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE NANCY
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1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: NANCY FED 3-44
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2. NAME OF OPERATOR: D J SIMMONS, INC	9. API NUMBER: 43037308170000
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3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401	PHONE NUMBER: 505 326-3753 Ext	9. FIELD and POOL or WILDCAT: LITTLE NANCY
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 0941 FSL 1079 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 03 Township: 38.0S Range: 25.0E Meridian: S	COUNTY: SAN JUAN STATE: UTAH
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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 Approximate date work will start: 7/1/2017 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

This is a BLM well. Our intent is to plug the well with BLM approval. The attached file contains a current status well sketch, a proposed status sketch and the step by step plugging procedure.

Accepted by the Utah Division of Oil, Gas and Mining

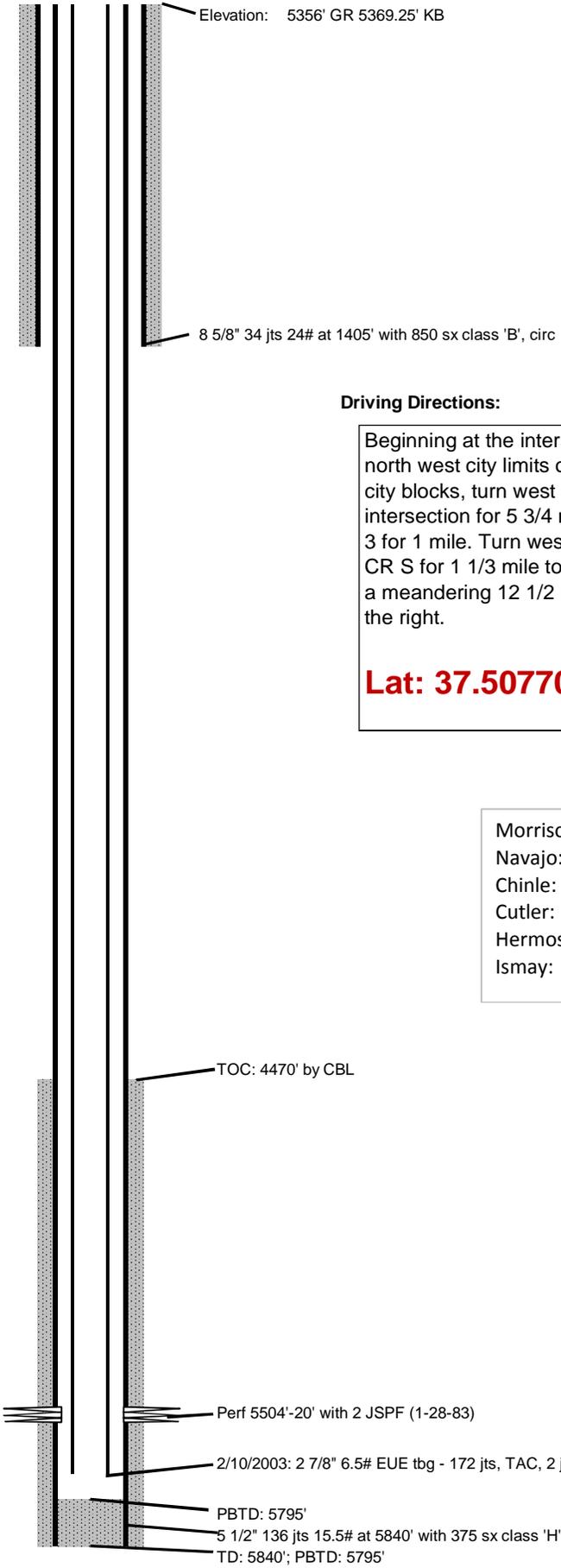
Date: August 23, 2016

By: *Derek Duff*

NAME (PLEASE PRINT) Rod Seale	PHONE NUMBER 505 486-9710	TITLE Engineer
SIGNATURE N/A		DATE 7/15/2016



Nancy Federal No. 3-44



Location: Surface: 920' FSL, 1050' FEL, Sec 3, T38S, R25E, San Juan County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30817

Spud Date: December 29, 1982 1230 hours
Originally drilled by Tricentrol Resources Inc.

Driving Directions:

Beginning at the intersection of Colorado State Highway 491 and CR 7 located at the north west city limits of Dove Creek Colorado. Turn south on CR 7 travel approximately 2 city blocks, turn west on CR 6 and travel approximately 1 mile. Turn south at "T" intersection for 5 3/4 miles on CR 6. Turn west on CR P for 3 1/4 miles. Turn south on CR 3 for 1 mile. Turn west on CR R for 1 mile. Turn south on CR 2 for 1 mile. Turn west on CR S for 1 1/3 mile to Utah. Dogleg west on CR 349 for 1 mile. Turn south on CR 347 for a meandering 12 1/2 miles to lease road to left. Continue southerly 3/4 mile to location on the right.

Lat: 37.507704⁰, Long: -109.154121⁰

Morrison:	surf
Navajo:	840'
Chinle:	1516'
Cutler:	2603'
Hermosa:	4437'
Ismay:	5588'

TOC: 4470' by CBL

Perf 5504'-20' with 2 JSPF (1-28-83)

2/10/2003: 2 7/8" 6.5# EUE tbg - 172 jts, TAC, 2 jts, SN, 6 jts to land EOT at 5685'

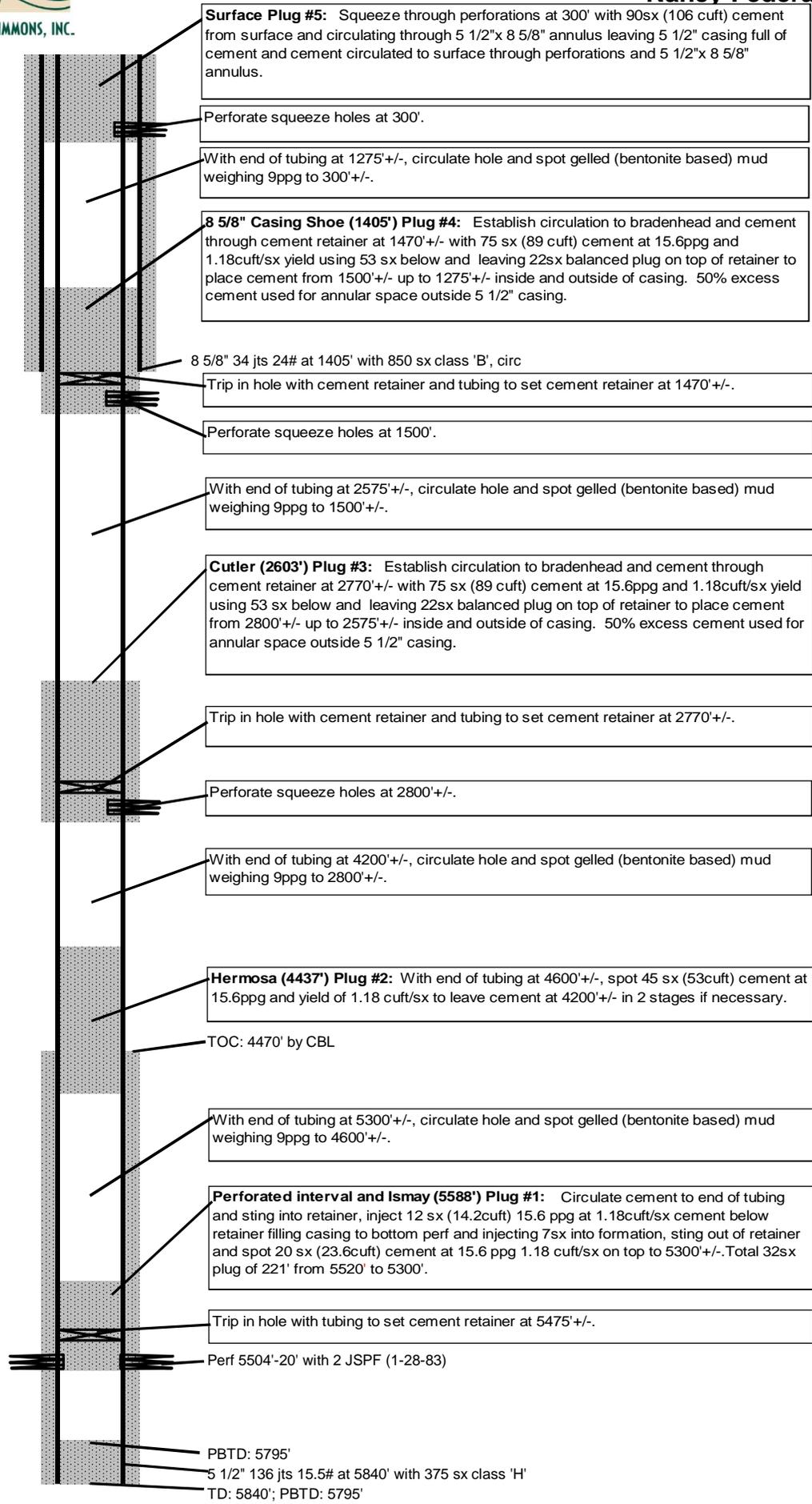
PBTD: 5795'

5 1/2" 136 jts 15.5# at 5840' with 375 sx class 'H'

TD: 5840'; PBTD: 5795'



Nancy Federal No. 3-44



Location: Surface: 920' FSL, 1050' FEL, Sec 3, T38S, R25E, San Juan County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30817

Spud Date: December 29, 1982 1230 hours
Originally drilled by Tricentral Resources Inc.

Morrison:	surf
Navajo:	840'
Chinle:	1516'
Cutler:	2603'
Hermosa:	4437'
Ismay:	5588'

Nancy Federal No. 3-44

Plug to Abandon Procedure:

- 1) Back drag and clean location for crew & rig safety. Find anchors and have them tested and certified.

Regulatory notice:

From COA's

- 2) Move in well service unit and rig up with associated plugging equipment.
- 3) Trip out of hole with 8-7/8" guided sucker rods & 217-3/4" guided rods, PR/liner, stuffing box
- 4) Bleed pressure off well. Nipple down wellhead and nipple up BOP.
- 5) Trip out of hole with 2.875" tbg opened & landed at 5685'
- 6) Trip in with 4 3/4" bit and casing scraper for 5 1/2" 15.5# casing through perforations to bottom shot at 5520' circulating well clean in the process.
- 7) Trip out of hole.
- 8) Trip in hole with tubing to set cement retainer at 5475'+/-.
- 9) Test tubing to check integrity.
- 10) Test casing to 500psi to establish integrity.
- 11) **Perforated interval and Ismay (5588') Plug #1:** Circulate cement to end of tubing and sting into retainer, inject 12 sx (14.2cuft) 15.6 ppg at 1.18cuft/sx cement below retainer filling casing to bottom perf and injecting 7sx into formation, sting out of retainer and spot 20 sx (23.6cuft) cement at 15.6 ppg 1.18 cuft/sx on top to 5300'+/-. Total 32sx plug of 221' from 5520' to 5300'.
- 12) Trip out laying down tubing to land at 5300'+/-.
- 13) With end of tubing at 5300'+/-, circulate hole and spot gelled (bentonite based) mud weighing 9ppg to 4600'+/-.
- 14) Trip out of hole laying down pipe to land end of tubing at 4600'+/-.
- 15) **Hermosa (4437') Plug #2:** With end of tubing at 4600'+/-, spot 45 sx (53cuft) cement at 15.6ppg and yield of 1.18 cuft/sx to leave cement at 4200'+/- in 2 stages if necessary.
- 16) Trip out of hole laying down excess tubing beyond 4200'+/-.
- 17) With end of tubing at 4200'+/-, circulate hole and spot gelled (bentonite based) mud weighing 9ppg to 2800'+/-.
- 18) Trip out of hole laying down excess tubing beyond 2800'+/-.
- 19) Perforate squeeze holes at 2800'+/-.
- 20) Trip in hole with cement retainer and tubing to set cement retainer at 2770'+/-.

Nancy Federal No. 3-44

Plug to Abandon Procedure:

- 21) **Cutler (2603') Plug #3:** Establish circulation to bradenhead and cement through cement retainer at 2770'+/- with 75 sx (89 cuft) cement at 15.6ppg and 1.18cuft/sx yield using 53 sx below and leaving 22sx balanced plug on top of retainer to place cement from 2800'+/- up to 2575'+/- inside and outside of casing. 50% excess cement used for annular space outside 5 1/2" casing.
- 22) Trip out of hole laying down tubing to land at 2575'+/-.
- 23) With end of tubing at 2575'+/-, circulate hole and spot gelled (bentonite based) mud weighing 9ppg to 1500'+/-.
- 24) Trip out of hole laying down tubing to land at 1500'+/-.
- 25) Perforate squeeze holes at 1500'.
- 26) Trip in hole with cement retainer and tubing to set cement retainer at 1470'+/-.
- 27) **8 5/8" Casing Shoe (1405') Plug #4:** Establish circulation to bradenhead and cement through cement retainer at 1470'+/- with 75 sx (89 cuft) cement at 15.6ppg and 1.18cuft/sx yield using 53 sx below and leaving 22sx balanced plug on top of retainer to place cement from 1500'+/- up to 1275'+/- inside and outside of casing. 50% excess cement used for annular space outside 5 1/2" casing.
- 28) Trip out of hole laying down tubing to land at 1275'+/-.
- 29) With end of tubing at 1275'+/-, circulate hole and spot gelled (bentonite based) mud weighing 9ppg to 300'+/-.
- 30) Trip out of hole laying down tubing.
- 31) Perforate squeeze holes at 300'.
- 32) **Surface Plug #5:** Squeeze through perforations at 300' with 90sx (106 cuft) cement from surface and circulating through 5 1/2"x 8 5/8" annulus leaving 5 1/2" casing full of cement and cement circulated to surface through perforations and 5 1/2"x 8 5/8" annulus.
- 33) Cut off casing, top off all annuli and bell hole with cement and install marker as indicated in stipulations.
- 34) Remove equipment and remediate location as indicated in lease agreements, conditions of approval and stipulations.