

Form OGC-1a

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

(Other instructions on reverse side)

5. Lease Designation and Serial No.
NOO-C-14-20-5117

6. If Indian, Allottee or Tribe Name
Navajo

7. Unit Agreement Name

8. Farm or Lease Name
Navajo

9. Well No.
#1-36

10. Field and Pool, or Wildcat
~~Wildcat~~ UNDESIGNATED

11. Sec., T., R., M., or Blk. and Survey or Area
Sec. 36, T41S-R24E

12. County or Parrish 13. State
San Juan Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL DEEPEN PLUG BACK

b. Type of Well
Oil Well Gas Well Other
Single Zone Multiple Zone

2. Name of Operator
Raymond T. Duncan

3. Address of Operator
1777 S. Harrison, Penthouse 1, Denver, CO 80210

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface 500' FSL & 2580' FEL

At proposed prod. zone Section 36, T41S-R24E

14. Distance in miles and direction from nearest town or post office*
5 miles southwest of Aneth, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 60'

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. none

21. Elevations (Show whether DF, RT, GR, etc.)
4603' GR

16. No. of acres in lease 404
17. No. of acres assigned to this well 160

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

22. Approx. date work will start*
January 15, 1983

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
17-1/2"	13-3/8"	48#	110'	Cement to Surface
12-1/4"	8-5/8"	24#	1300'	Cement to Surface
7-7/8"	5-1/2"	24#	5800'	300 sx or sufficient to cover zones of interest

Raymond T. Duncan proposes to drill a well to 5800' to test the Desert Creek Formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah, MMS and BIA requirements

RECEIVED
DEC 31 1982

DIVISION OF OIL GAS & MINING

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. John W. Dowry
Signed: *John W. Dowry* Title: District Drilling and Production Supervisor Date: 12/23/82
(This space for Federal or State office use)

Permit No. _____ Approval Date _____
Approved by _____ Title: APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING Date: _____
Conditions of approval, if any: _____

DATE: 1-4-83

*See Instructions On Reverse Side

SUPERVISOR, OIL AND GAS OPERATIONS:

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of oil and gas lease

DISTRICT LAND OFFICE: P.O. Box 146, Window Rock, Arizona 86515
SERIAL No.: NOO-C-14-20-5117

and hereby designates

NAME: Superior Oil Company
ADDRESS: 1860 Lincoln Street, 800 Lincoln Tower Bldg.
Denver, Colorado 80295

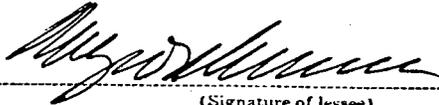
as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 41 South - Range 24 East, SIM
Section 36: E $\frac{1}{2}$, SW $\frac{1}{4}$ 'The S $\frac{1}{2}$ is fractional'
San Juan County, Utah

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the oil and gas supervisor of any change in the designated operator.



(Signature of lessee)

Raymond T. Duncan
1777 South Harrison, Penthouse One
Denver, Colorado 80210

(Address)

12/21/82

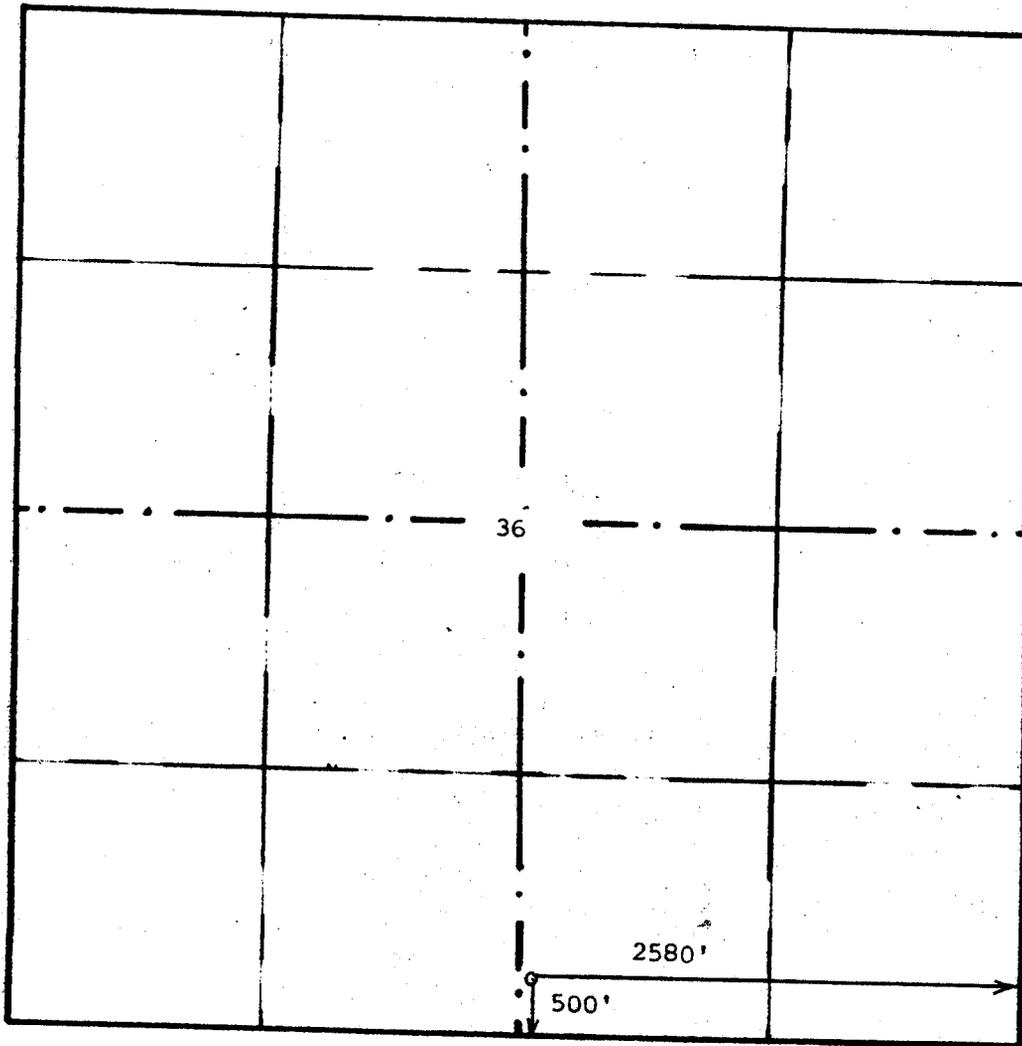
(Date)



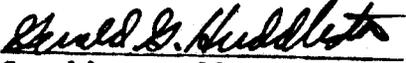
POWERS ELEVATION

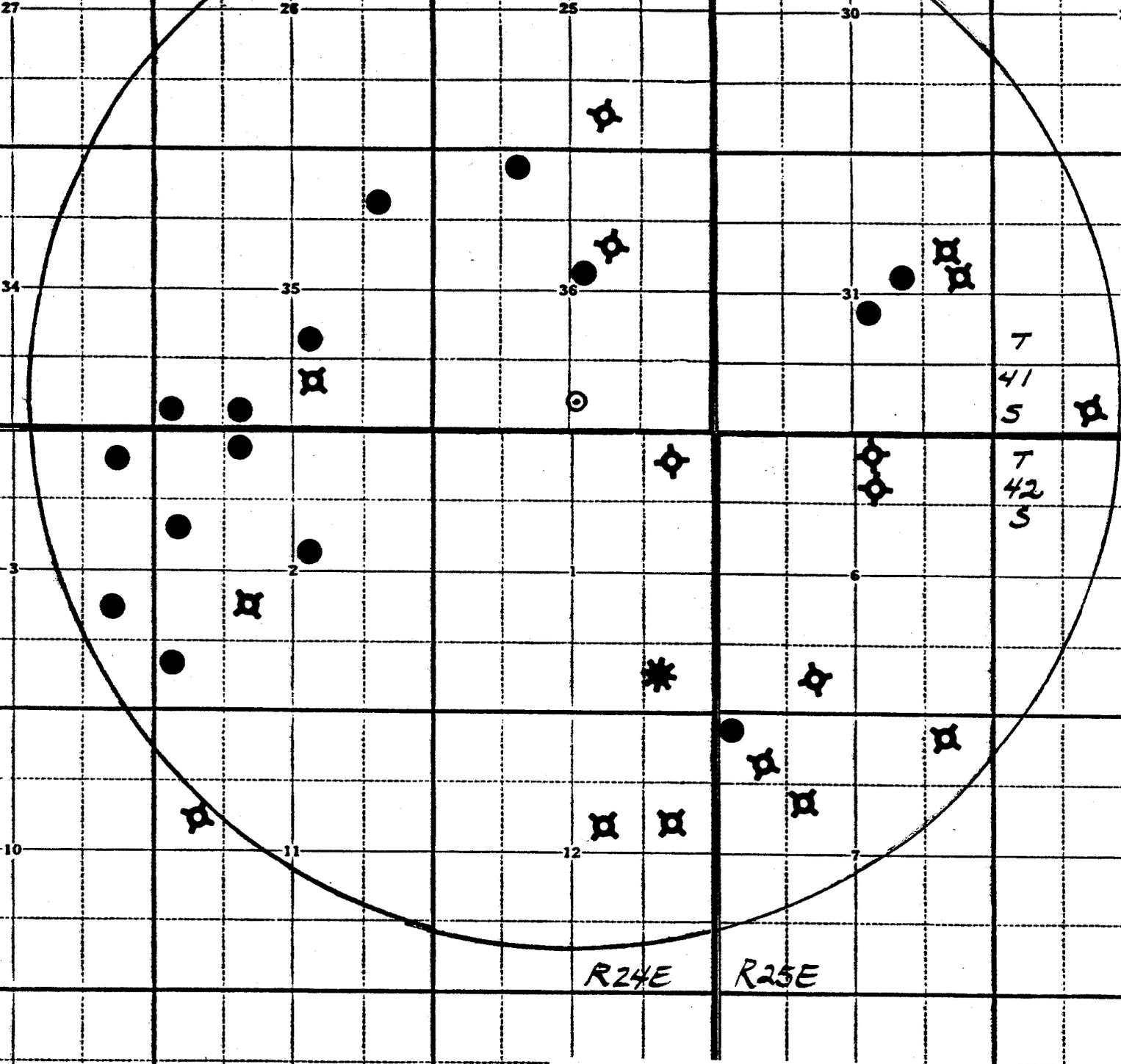
PLAT #1

Well Location Plat

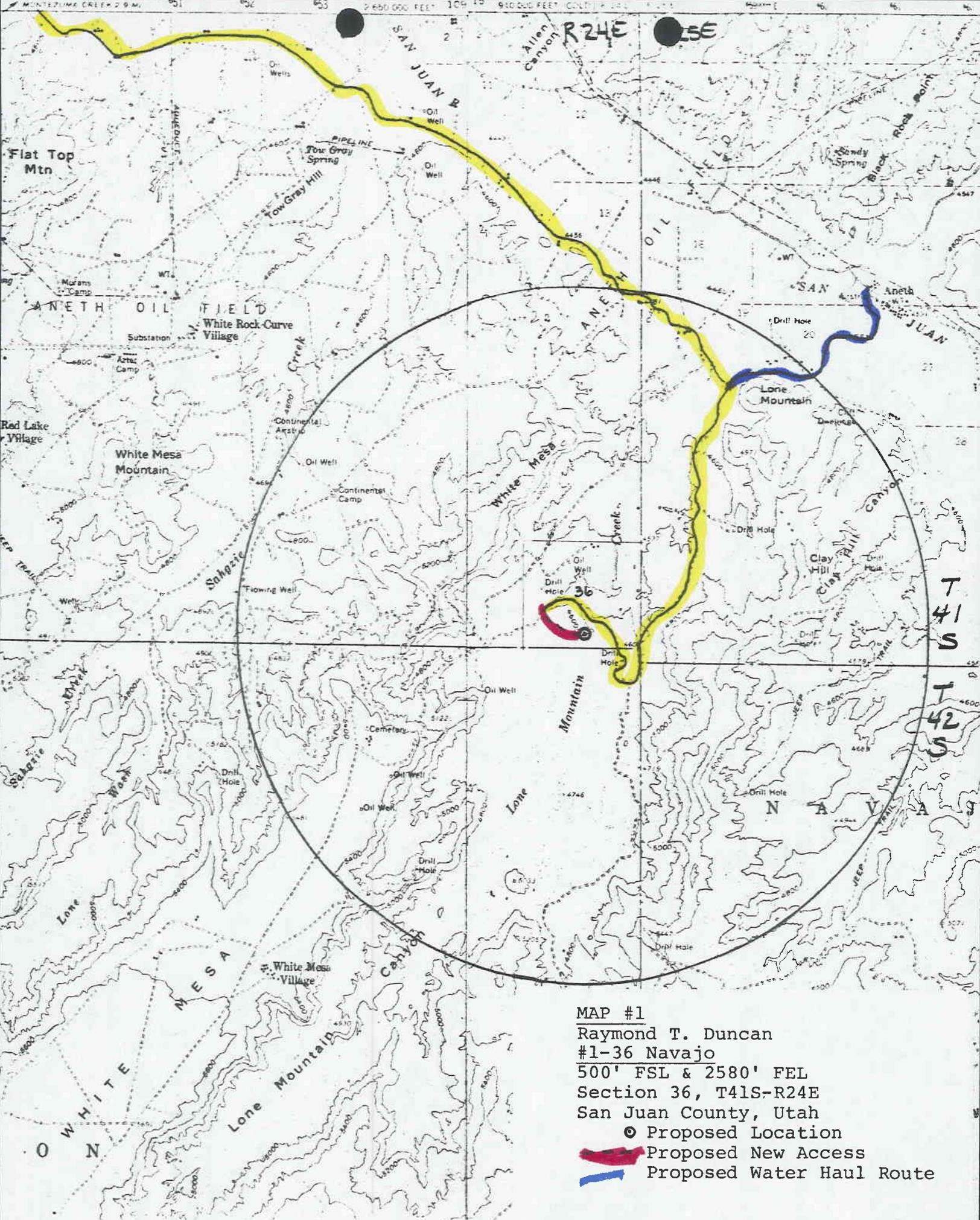


1"=1000'

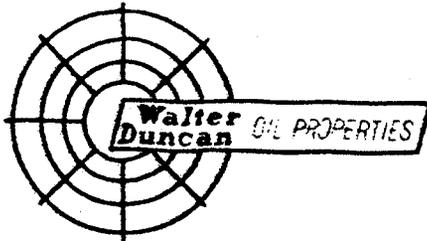
Operator R.T. Duncan		Well name Navajo 1-36	
Section 36	Township 41 South	Range 24 East	Meridian SLM
Footages 500'FSL & 2580'FEL			County/State San Juan, Utah
Elevation 4603'	Requested by Lisa Green		
The above plat is true and correct to the best of my knowledge and belief.			
21 December 1982		 Gerald G. Huddleston, L.S. Utah Exception	



MAP #2
 Raymond T. Duncan,
 #1-36 Navajo
 500' FSL & 2580' FEL
 Section 36, T41S-R24E
 San Juan County, Utah
 ● Proposed Location
 * Other Proposed Location by
 Raymond T. Duncan
 X Abandoned Wells
 ● Producing Wells



MAP #1
 Raymond T. Duncan
 #1-36 Navajo
 500' FSL & 2580' FEL
 Section 36, T41S-R24E
 San Juan County, Utah
 ● Proposed Location
 Proposed New Access
 Proposed Water Haul Route



1777 SOUTH HARRISON STREET - PENTHOUSE ONE
TELEPHONE (303) 759-3303 • DENVER, COLORADO 80210

October 18, 1982

TO WHOM IT MAY CONCERN

Permitco is authorized to act as agent on behalf of Raymond T. Duncan to file applications and necessary paperwork to obtain permits to drill oil and gas wells in the Rocky Mountain Area.

John W Lowry
RAYMOND T. DUNCAN

John W. Lowry
District Drilling and Production
Superintendent

TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

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

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
DeChelly	2570'	+2310'
Hermosa	4480'	+1400'
Ismay	5330'	-450'
Lower Ismay	5450'	-570'
Gothic Shale	5490'	-610'
Desert Creek	5510'	-630'
Chimney Rock Shale	5690'	-810'
T.D.	5800'	

- The following depths are estimated for oil, gas, coal and water bearing zones.

<u>Substances</u>	<u>Formation</u>	<u>Anticipated Depth</u>
Oil/Gas	Desert Creek	5510'

- 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>	
Conductor	0-110'	17-1/2"	13-3/8"	48#	K-55	ST&C	New
Surface	0-1300'	12-1/4"	8-5/8"	24#	K-55	ST&C	New
Production	0-5800'	7-7/8"	5-1/2"	15.5#	K-55	ST&C	New

The cement program will be as follows:

<u>Conductor</u> 0-110'	<u>Type and Amount</u> Cement to Surface
<u>Surface</u> 0-1300'	<u>Type and Amount</u> Cement to surface with Class "G" plus additives
<u>Production</u> 0-5800'	<u>Type and Amount</u> 300 sx Class "G" plus additives or sufficient to cover zones of interest.

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TEN POINT COMPLIANCE PROGRAM
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Raymond T. Duncan
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Section 36, T41S - R24E
San Juan County, Utah

5. Blowout preventer stack will consist of a 10", 3000# W.P. BOP. See BOP Diagram. Equipment will be tested prior to drilling out from under surface and operational checks will be made daily thereafter.

6. Drilling fluid will be as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>
0-4000'	Natural	8.5 - 9.0	35	20
4000' - T.D.	Chem Gel	9.5 - 10.0	45	10

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. No cores will be run.
- b. One drill stem test will be run in the Desert Creek.
- c. The logging program will consist of a Dual Induction from 4200' to T.D.; BHC Acoustic from 1800' to T.D. and a BHC Density/CNL from 4200' to T.D.
- 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.
- e. We request permission to flare the Desert Creek formation for a period of 120 days. This time period is necessary to adequately evaluate the extent of the reservoir and to analyze the decline rates.

9. No abnormal pressure or hydrogen sulfide gas are anticipated during the course of drilling to T.D. The maximum bottom hole pressure to be expected is 2500 psi.

10. Raymond T. Duncan plans to spud the #1-36 Navajo on January 15, 1982 and intends to complete the well within approximately one month after the well has reached T.D. This lease expires 3/5/83 and must be producing prior to that time.

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

Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

Gentlemen:

We submit the following application and plats for permission to drill the #1-36 Navajo.

1. Existing Roads

- a. The proposed well site and elevation plat is shown on Plat #1.
- b. Directions to the location from Montezuma Creek, Utah, are as follows: From the San Juan River Bridge go southerly on blacktop 0.4 miles to the Red Mesa Highway. Take Red Mesa Highway southeasterly 1.2 miles to gravel road. Proceed southeasterly on a two-lane gravel road parallel to the river for 6.3 miles to the wash. Cross wash, turn south and parallel the wash for 3 miles. Turn northwest and go 3/10 of a mile on existing road. Turn south and go approximately 1000 feet to the location.
- c. For access roads see Map #1.
- d. All existing roads within a 3-mile radius are shown on Map #1.
- e. This is a development well. All roads within a one-mile radius of the well site are shown on Map #1.
- f. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- g. Improvement to existing access will be necessary in spots and will be limited to a total existing disturbed width. No new construction will be necessary. Surfacing material will not be placed on the access road or location without prior BIA approval.
- h. 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 1000 feet of new access required.
- b. The grade will be 5% or less.

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

Raymond T. Duncan
#1-36 Navajo

500' FSL & 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

2. Planned Access Roads

- c. No turnouts are planned.
- d. There will be no ditching. Water bars will be constructed as directed by the Bureau of Indian Affairs to control erosion. (To be done at a later date if production is established.)
- e. An existing wash is located 125' west of the drill pad area. This wash will not be affected by drilling operations.
- f. No culverts will be installed. Low water crossings will be used as deemed necessary by the dirt contractor. Maximum cut is 18 feet. Maximum fill is 5 feet.
- g. Only native materials will be utilized.
- h. No gates, cattleguards, or fence cuts will be necessary.
- i. There will be 1000' of new access.

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

- a. Water wells - none
- b. Abandoned wells - nineteen
- c. Temporarily abandoned wells - none
- d. Disposal wells - none
- e. Drilling wells - A location one mile south in Section 1, T42S - R24E is proposed by Raymond T. Duncan but is not drilling at this time.
- f. Producing wells - sixteen
- g. Shut in wells - none
- h. Injection wells - none
- i. Monitoring observation wells - none

4. Location of Existing and/or Proposed Facilities

- a. There is one set of production facilities owned or controlled by Raymond T. Duncan within a one-mile radius of the proposed well.

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Raymond T. Duncan
#1-36 Navajo
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Section 36, T41S - R24E
San Juan County, Utah

4. Location of Existing and/or Proposed Facilities (cont.)

- 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 flow lines from well site to battery site will be buried below frost line depth.
 3. Dimensions of the facilities will be 215 feet long and 160 feet wide. See Diagram #1.
 4. All above ground facilities will be painted with the following non-glare color: Sand - Federal Standard, 595a - 30277.
 5. Only native materials will be utilized.
 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 BIA requirements.
 7. An earthen dike utilizing subsoil in the surrounding area will be built around the storage tanks, separator and heater treater 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.
 8. If production is established, the road will be up-graded to an all-weather road as per BIA requirements.

5. Location and Type of Water Supply

- a. The source of water will be the San Juan River which is located in Section 13, T41S - R24E. Directions to the water source are shown on Map #1.
- b. Water will be trucked to location over the roads marked on Map #1.
- c. No water well is to be drilled on this lease.
- d. A temporary use permit will be obtained from the Navajo Division of Water and Sanitation before using this water source.

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MULTI-POINT REQUIREMENTS
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Raymond T. Duncan
#1-36 Navajo

500' FSL & 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

6. Source of Construction Materials

- a. Only native materials are to be utilized.
- b. No construction materials will be taken off Indian 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.
- 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 with bentonite as per the recommendation of the dirt contractor. At least half the capacity will be in cut.
- g. Three sides of the reserve pit will be fenced with five 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.

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MULTI-POINT REQUIREMENTS
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Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

7. Methods for Handling Waste Disposal

- 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 operation. 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

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.
- 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 BIA office in Shiprock, New Mexico (505/368-4427), 48 hours before starting reclamation work that involves earth moving equipment and upon completion of restoration measures.
- c. Before any dirt work to restore the location takes place, 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.

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MULTI-POINT REQUIREMENTS

Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

10. Plans for Restoration of Surface (cont.)

- e. Eight to ten inches of topsoil will be removed and stockpiled for use in revegetating the site. During restoration, this topsoil will be spread evenly over the disturbed area. All compacted areas will be plowed or ripped to a depth of 4-6 inches before reseeding. Seed will be drilled to a depth of .5 to .75 inch or broadcast and followed by a drag or packer. If broadcast, the recommended seed mix will be applied at 150% of the recommended rate. The following seed mix will be used.

<u>Seed Mix #8</u>	<u>(Purity x Germination = PLS)</u>	<u>Ibs/acre/PLS</u>
Alkali Sacaton		1
Sand Dropseed		1
Indian Ricegrass		2
Four-Wing Saltbush		1

- f. Water bars will be built as follows to control erosion.

<u>% Slope</u>	<u>Slope Distance</u>
Less than 1%	400 feet
1% - 5%	300 feet
5% - 15%	200 feet
15% - 25%	100 feet
Greater than 25%	50 feet

- g. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed as described above. Enough topsoil will be kept to reclaim the remainder of the location at a future date. This remaining stockpile of topsoil will be reseeded in place using the prescribed seed mixture.
- h. Upon abandonment, the well pad will be fenced with a standard five-strand barbed wire fence, or the equivalent and will have no gates. The fence will be maintained for two years to allow for seeding establishment and will then be removed.
- i. Access roads not needed for through traffic will be barricaded and reseeded in accordance with 10e above.

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

Raymond T. Duncan
#1-36 Navajo
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Section 36, T41S - R24E
San Juan County, Utah

11. Other Information

- a. Topography - characterized by highly eroded badlands, large precipitous ridges are in the general vicinity. The project area is situated between a wash that runs from the south along the west side of the location and some small sand dunes and Lone Mountain Creek to the east of the location.
Soils - sandy to gravelly with areas of dense gravel appearing on deflated surfaces. Numerous dunes are also present - formed by aeolian fine to medium grain deposited sand.
Vegetation - is sparse. It includes saltbush, snakeweed, morman tea and bunch grass.
Fauna - rabbits, snakes and other burrowing animals.
- b. The surface in the area is owned by the Navajo Reservation and is used for restricted occasional sheep grazing.
- c. The nearest water is the San Juan River, Section 13, T41S - R24E.
- d. The nearest occupied dwelling is approximately 3-4 miles northeast of the location in Aneth, Utah.
- e. An archeological study was performed by LaPlata Archeological Consultants. No significant cultural resources were found and clearance is recommended. This report will be submitted directly by LaPlata.
- f. Drilling will begin approximately January 15, 1982. Due to a lease expiration of March 5, 1983, this well must be drilled, completed and producing prior to that date.
- g. If subsurface cultural material is exposed during construction, work in that spot will stop immediately and the BIA office in Shiprock, NM 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 archeological sites will only be done if damage occurs.
- h. The operator will notify the BIA office in Shiprock, NM (505/368-4427) 48 hours prior to beginning any work on public land.

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TO ACCOMPANY A.P.D.

Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

11. Other Information (cont.)

- i. The operator will give the dirt contractor a copy of the Surface Use Plan and any additional BIA stipulations before any work is done.

12. Lessee's or Operator's Representative

Drilling & Completion Matters

Mr. John W. Lowry
1777 S. Harrison
Penthouse 1
Denver, CO 80210

(303/759-3303)

Permit Matters

Lisa L. Green/PERMITCO
1020-15th Street
Suite 22-E
Denver, CO 80202

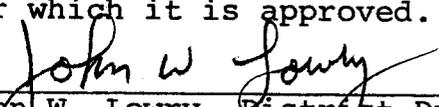
(303/595-4051)

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 Raymond T. Duncan and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

December 23, 1982

Date



John W. Lowry, District Drilling and
Production Supervisor for:
RAYMOND T. DUNCAN

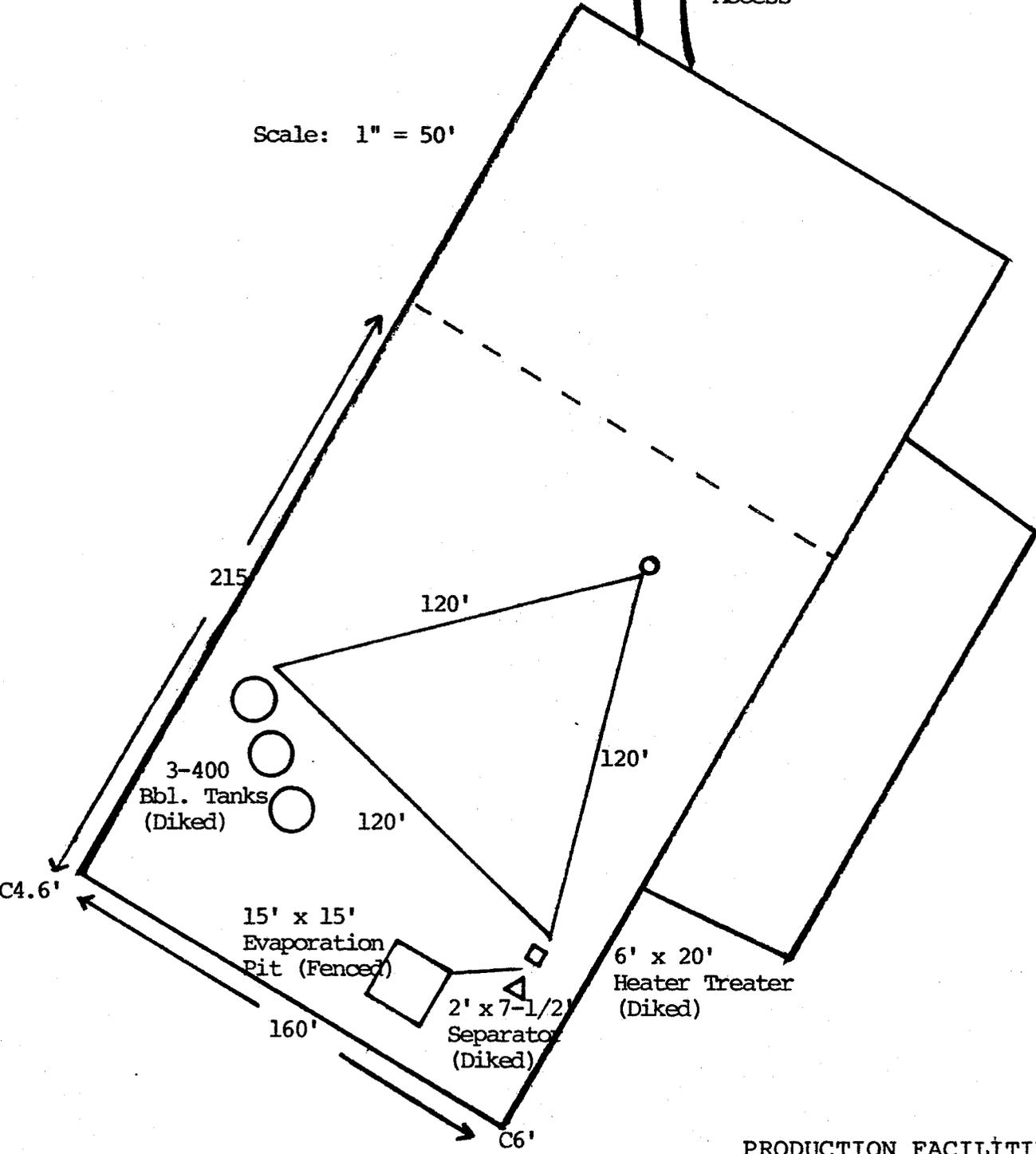
Permitco

A Petroleum Permitting Company



Access

Scale: 1" = 50'



PRODUCTION FACILITIES LAYOUT

DIAGRAM #1
Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S-R24E
San Juan County, Utah

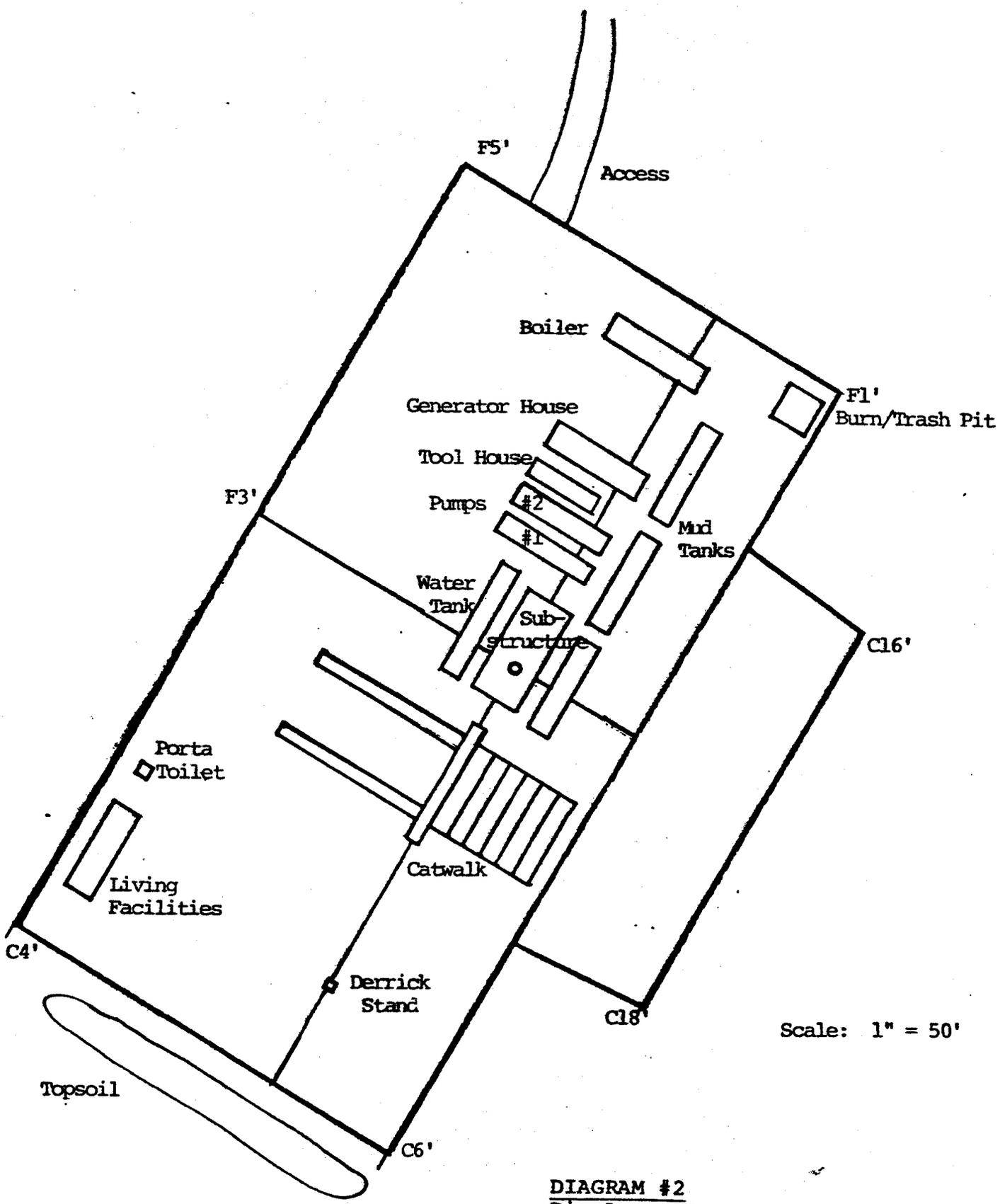


DIAGRAM #2
Rig Layout
Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S-R24E
San Juan County, Utah



POWERS ELEVATION

Well Navajo 1-36

OIL WELL ELEVATIONS - LOCATIONS
ENVIRONMENTAL - ARCHAEOLOGICAL SERVICES
990 SOUTH CHERRY STREET, SUITE 1201
DENVER, COLORADO 80222
PHONE NO. 303/321-3217

Cut 
Fill 

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

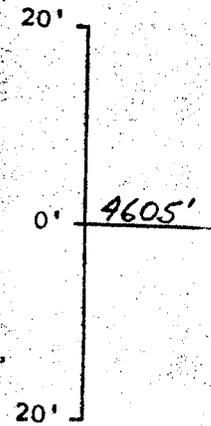
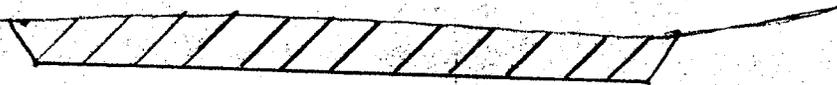
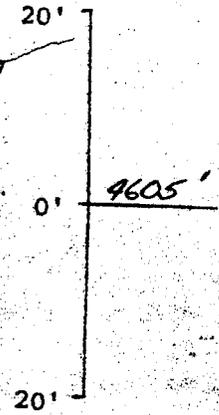
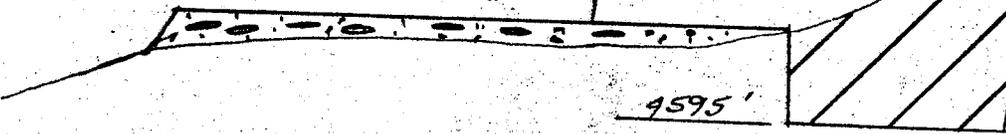
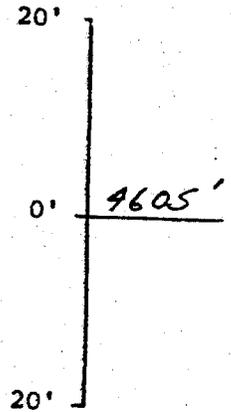
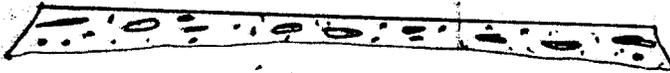


DIAGRAM #3
Raymond T. Duncan
#1-36 Navajo
500' FSL & 2580' FEL
Section 36, T41S-R24E
San Juan County, Utah

WELL NAME: _____

LOCATION : _____

9-5/8"
Drilling Nipple / "

7 "Circulating Line

B.O.P. Bld Rams 10 "x 3000 W.P.

B.O.P. D.P. Rams 10 "x 3000 W.P.

Not Required

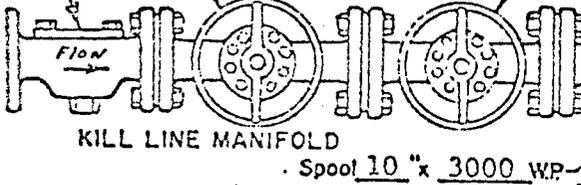
Hyd. Valve - - " - - W.P. (Omit)

Check Valve 2 "x 3000 W.P.

Valve 2 " 3000 W.P.

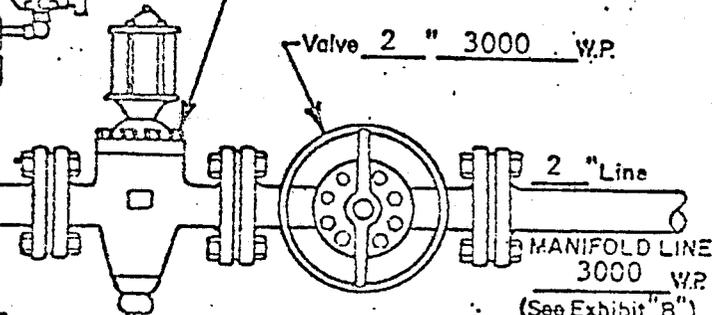
Valve 2 " 3000 W.P.

Valve 2 " 3000 W.P.



KILL LINE MANIFOLD

Spool 10 "x 3000 W.P.



2 "Line
MANIFOLD LINE
3000 W.P.
(See Exhibit "B")

Ground Level

WELL HEAD B.O.P.
3000 #W.P.

Hydraulic

OPERATOR RAYMOND T DUNCAN

DATE 1-4-83

WELL NAME NAVAJO #1-36

SEC SW SE 36 T 41 S R 24 E COUNTY SAN JUAN

43-037-30864
API NUMBER

INDIAN
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

HL

NID

PI

MAP

PROCESSING COMMENTS:

NO WELLS WITHIN 1000'

LOCATION IS ONLY 60' FROM Q/Q LINE, BUT

C-3-C IS REQUESTED, AND LOCATION IS

ON INDIAN LEASE OVER WHICH THIS AGENCY
HAS NO CONSTITUTIONAL JURISDICTION

RJR ✓

APPROVAL LETTER:

SPACING: A-3 _____ 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

VERIFY ADEQUATE AND PROPER BONDING *NOIAN*

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

should another?

APPLY SPACING CONSIDERATION

ORDER NO

UNIT NO

c-3-b

c-3-c

OUTSTANDING OR OVERDUE REPORTS FOR OTHER WELLS OF THE OPERATOR.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

January 4, 1983

Raymond T. Duncan
1777 So. Harrison, Penthouse 1
Denver, Colorado 80210

RE: Well No. Navajo 1-36
SWSE Sec. 36, T.41S, R.24 E
San Juan County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to oil well on said unorthodox location is hereby granted in accordance with Rule C-3(c), 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

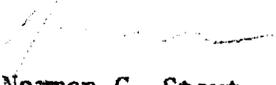
CLEON B. FEIGHT - Director
Office: 533-5771
Home: 466-4455

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 43-037-30864.

Sincerely,


Norman C. Stout
Administrative Assistant

NCS/as
cc: MMS (Salt Lake, New Mexico)
BIA
Enclosure

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER "G", CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL SEC. 36
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

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

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
LONE MOUNTAIN CANYON

9. WELL NO.
#36-34

10. FIELD OR WILDCAT NAME
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 36, T41S, R24E

12. COUNTY OR PARISH | 13. STATE
SAN JUAN | UTAH

14. API NO.
43-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
4603' GR.

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 designation of operator

RECEIVED
JAN 20 1983

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

DIVISION OF
OIL, GAS & MINING

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.)*

Change of Operator from Raymond T. Duncan to Superior Oil Company.
Superior Oil Company accepts the 10 point drilling program, the 12 point Surface Use Plan and stipulations of the APD.
Attached is a copy of Superior Oil's "Designation of Operator" for the surface well. Also attached is a certification.
Change of lease name from Navajo #1-36 to Lone Mountain Canyon #36-34 to conform to State requests in naming wells according to surrounding topography. Also in order to better coordinate naming and numbering of wells on the Navajo Reservation.

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

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

SIGNED James S. Andres TITLE Petroleum Engineer DATE 1-24-83
JAMES S. ANDRES

(This space for Federal or State office use)

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

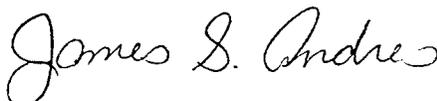
SUPERIOR OIL

Superior's representatives:

Permitting - W. H. Edwards
Construction - J. A. Calhoon
Drilling - J. E. Gagneaux
Production - K. R. Johnson
Superintendent - C. L. Hill
24 hour telephone - 303-565-3733

Respectfully submitted,

SUPERIOR OIL COMPANY



James S. Andres
Petroleum Engineer

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 the SUPERIOR OIL COMPANY and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

1/24/83
Date


Charles L. Hill
Area Production Superintendent

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER "G", CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL SEC. 36
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

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

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
LONE MOUNTAIN CANYON

9. WELL NO.
#36-34

10. FIELD OR WILDCAT NAME
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 36, T41S, R24E

12. COUNTY OR PARISH
SAN JUAN

13. STATE
UTAH

14. API NO.
43-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
4503' GR

REQUEST FOR APPROVAL TO:

- TEST WATER SHUT-OFF
- FRACTURE TREAT
- SHOOT OR ACIDIZE
- REPAIR WELL
- PULL OR ALTER CASING
- MULTIPLE COMPLETE
- CHANGE ZONES
- ABANDON*

SUBSEQUENT REPORT OF:

-
-
-
-
-
-
-
-

JAN 31 1983

DIVISION OF
OIL GAS & MINING

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

(other) Change surface & production casing

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.)*

9-5/8", 36#, K-55, ST&C surface casing and 7", 26#, K-55, LT&C production casing will be run instead of 8-5/8" and 5-1/2" casing due to the shortage of tubular goods.

Orig + 5 - BLM, (MMS), State - 2, Duncan Oil, Files

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

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

SIGNED James S. Andres TITLE Petroleum Engineer DATE 1-26-83

(This space for Federal or State office use)

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: Superior Oil

WELL NAME: Lone Mt. Canyon 36-34

SECTION SWSE 36 TOWNSHIP 41S RANGE 24E COUNTY San Juan

DRILLING CONTRACTOR Bayless

RIG # 1

SPUDDED: DATE 1-31-83

TIME 12:30 AM

HOW Rotary

DRILLING WILL COMMENCE _____

REPORTED BY Bill Edwards

TELEPHONE # 303-565-3733

DATE 2-1-83

SIGNED Norm

LONE MOUNTAIN CANYON

LEASE NAME

36-34 WELL NO.

1 TEST NO.

5180. - 5340. TESTED INTERVAL

SUPERIOR OIL COMPANY
LEASE OWNER/COMPANY NAME

LEGAL LOCATION
SEC. - TWP. - RMC.

36 41S 24E

FIELD
AREA

WILDCAT

COUNTY

SRN JURN

STATE UTAH

J/J

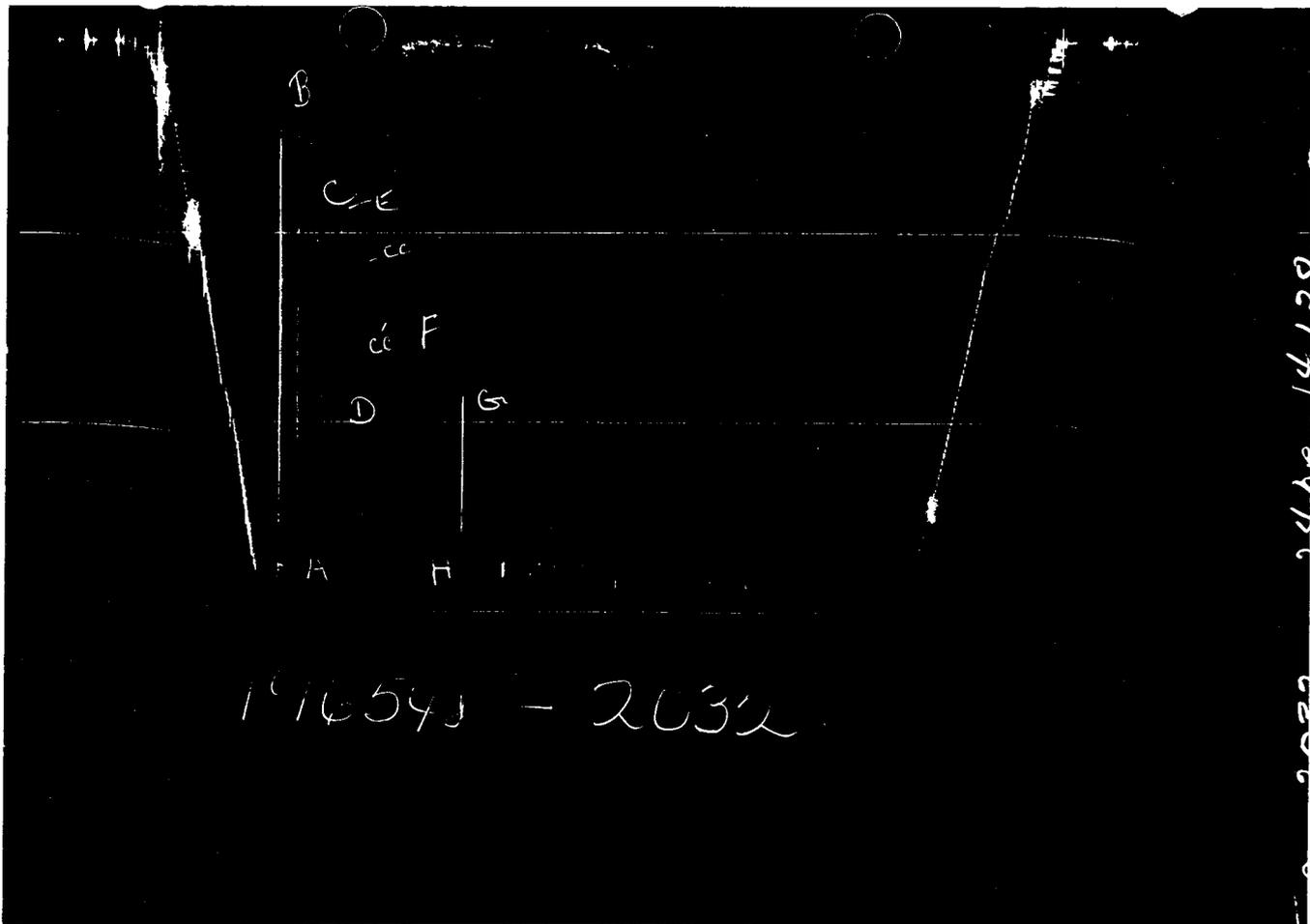


TICKET NO. 19654800
 21-FEB-83
 FARMINGTON

RECEIVED
 FEB 28 1983

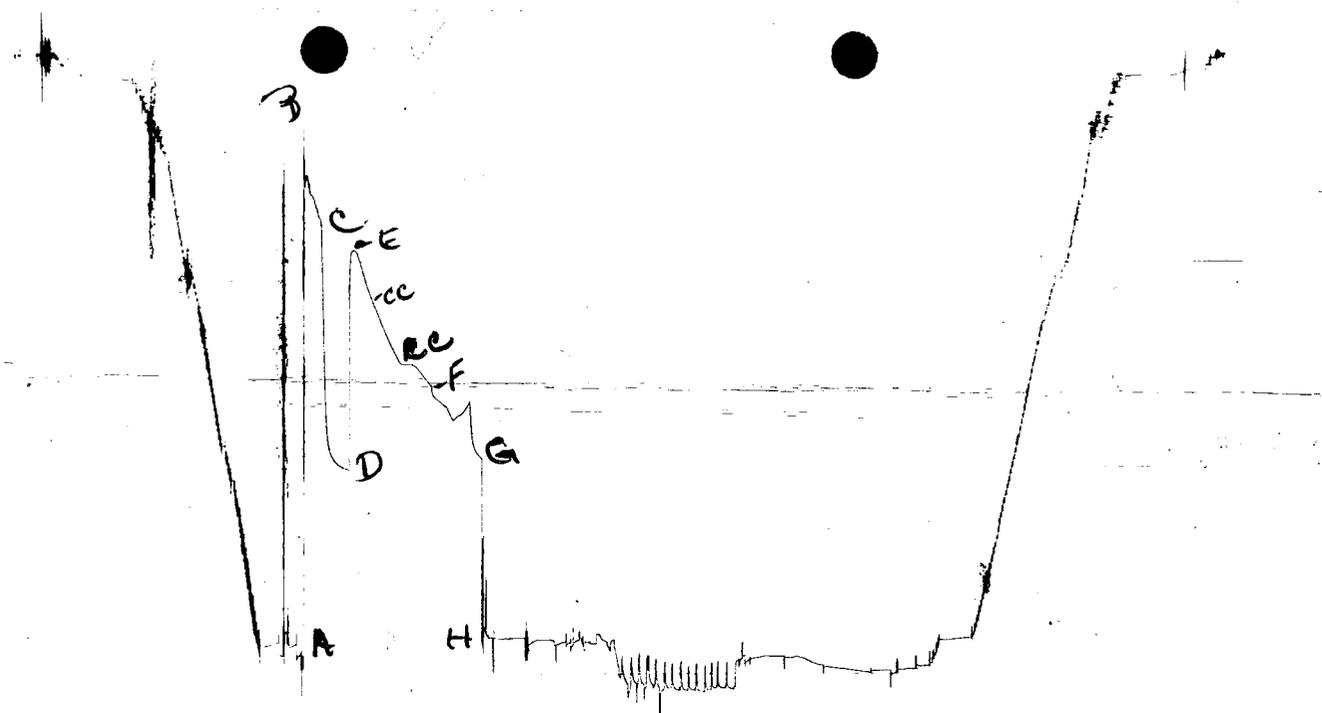
DIVISION OF
 OIL GAS & MINING

FORMATION TESTING SERVICE REPORT



GAUGE NO: 2032 DEPTH: 5156.0 BLANKED OFF: NO HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2802	2777.7			
B	INITIAL FIRST FLOW	501	364.1			
C	FINAL FIRST FLOW	738	759.3	19.0	18.9	F
C	INITIAL FIRST CLOSED-IN	738	759.3			
D	FINAL FIRST CLOSED-IN	1952	1960.3	30.0	30.6	C
E	INITIAL SECOND FLOW	869	879.8			
F	FINAL SECOND FLOW	1595	1553.3	90.0	89.6	F
F	INITIAL SECOND CLOSED-IN	1595	1553.3			
G	FINAL SECOND CLOSED-IN	1886	1910.2	66.0	55.4	C
H	FINAL HYDROSTATIC	2775	2773.9			



196548 - 2033

GAUGE NO: 2033 DEPTH: 5336.0 BLANKED OFF: YES HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2869	2865.7			
B	INITIAL FIRST FLOW	574	329.1			
C	FINAL FIRST FLOW	799	823.9	19.0	18.9	F
C	INITIAL FIRST CLOSED-IN	799	823.9			
D	FINAL FIRST CLOSED-IN	2019	2019.1	30.0	30.6	C
E	INITIAL SECOND FLOW	945	949.2			
F	FINAL SECOND FLOW	1647	1608.6	90.0	89.6	F
F	INITIAL SECOND CLOSED-IN	1647	1608.6			
G	FINAL SECOND CLOSED-IN	1952	1961.7	66.0	55.4	C
H	FINAL HYDROSTATIC	2843	2836.1			

EQUIPMENT & HOLE DATA

FORMATION TESTED: UPPER DESERT CREEK
 NET PAY (ft): _____
 GROSS TESTED FOOTAGE: 160.0
 ALL DEPTHS MEASURED FROM: R. KELLY BUSHING
 CASING PERFS. (ft): _____
 HOLE OR CASING SIZE (in): 8.500
 ELEVATION (ft): 4603
 TOTAL DEPTH (ft): 5340.0
 PACKER DEPTH(S) (ft): 5174, 5180
 FINAL SURFACE CHOKE (in): 0.250
 BOTTOM HOLE CHOKE (in): 0.750
 MUD WEIGHT (lb/gal): 10.40
 MUD VISCOSITY (sec): 38
 ESTIMATED HOLE TEMP. (°F): 130
 ACTUAL HOLE TEMP. (°F): 124 @ 5340.0 ft

TICKET NUMBER: 19654800
 DATE: 2-15-83 TEST NO: 1
 TYPE DST: OPEN HOLE
 HALLIBURTON CAMP: FARMINGTON
 TESTER: GENE ROBERTS
 WITNESS: BOB SPARKY
 DRILLING CONTRACTOR: BAYLESS #1

FLUID PROPERTIES FOR RECOVERED MUD & WATER

SOURCE	RESISTIVITY	CHLORIDES
<u>PIT SAMPLE</u>	<u>2.530 @ 76 °F</u>	<u>1212 ppm</u>
<u>BOTTOM SAMPLE</u>	<u>1.180 @ 70 °F</u>	<u>3212 ppm</u>
_____	_____ @ _____ °F	_____ ppm
_____	_____ @ _____ °F	_____ ppm
_____	_____ @ _____ °F	_____ ppm
_____	_____ @ _____ °F	_____ ppm

SAMPLER DATA

Pstg AT SURFACE: 900
 cu.ft. OF GAS: 1.50
 cc OF OIL: 1500
 cc OF WATER: 0
 cc OF MUD: 0
 TOTAL LIQUID cc: 1500

HYDROCARBON PROPERTIES

OIL GRAVITY (°API): 49.2 @ 60 °F
 GAS/OIL RATIO (cu.ft. per bbl): 159
 GAS GRAVITY: _____

CUSHION DATA

TYPE	AMOUNT	WEIGHT
_____	_____	_____
_____	_____	_____

RECOVERED:

REVERSED OUT OIL AND GAS AND GAS AND OIL CUT MUD.
 33 TO 40 BARRELS OF OIL.

MEASURED FROM
 TESTER VALVE

REMARKS:

REPORTED ELEVATION IS AT GROUND LEVEL.
 CHARTS INDICATE LEAKAGE DURING THE FINAL CIP BUILDUP.

TYPE & SIZE MEASURING DEVICE: _____					TICKET NO: 19654800
TIME	CHOKE SIZE	SURFACE PRESSURE PSI	GAS RATE MCF	LIQUID RATE BPD	REMARKS
2-15-83					
0145					ON LOCATION.
0332					PICKED UP AND MADE UP TOOLS.
0545					TRIPPED IN HOLE WITH TOOLS.
0905	BH	4 OZ			OPENED TOOL WITH A STRONG BLOW-10" IN BUCKET.
0910		19#			STRONG BLOW TO BOTTOM OF BUCKET.
0914		55#			STRONG BLOW.
0918		70#			GAS TO SURFACE.
0924					CLOSED TOOL.
0954	BH	30#			OPENED TOOL.
1005		45#			STRONG BLOW.
1015		64#			SWITCHED TO 1/8" CHOKE IN MANIFOLD.
1024	1/8"	80#			SWITCHED TO 1/8" CHOKE IN MANIFOLD.
1034		98#			
1044		114#			
1050	1/4"	115#			SWITCHED TO 1/4" CHOKE.
1059		65#			
1109		35#			
1112		30#			
1119		30#			
1124		30#			CLOSED TOOL.
1230					OPENED BYPASS AND TRIED TO BLEED OFF PSI.
1350					REVERSED TO GET MUD WEIGHT BACK TO 10.4
2000					STARTED TO TRIP OUT OF HOLE.
2020					RIG LIGHTS WENT OUT, SHUT DOWN TO REPAIR.
0250					OUT OF HOLE, TOOLS LOADED.
0345					JOB COMPLETED.
					BH = BUBBLE HOSE.

TICKET NO: 19654800
 CLOCK NO: 14128 HOUR: 24



GAUGE NO: 2032
 DEPTH: 5156.0

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	364.1			
2	3.0	511.2	147.0		
3	6.0	528.9	17.7		
4	9.0	621.5	92.7		
5	12.0	657.9	36.4		
6	15.0	697.9	40.0		
C 7	18.9	759.3	61.4		
FIRST CLOSED-IN					
C 1	0.0	759.3			
2	1.0	971.8	212.5	0.9	1.311
3	2.0	1192.7	433.4	1.8	1.024
4	3.0	1439.9	680.6	2.6	0.859
5	4.0	1599.9	840.6	3.3	0.757
6	5.0	1729.5	970.2	4.0	0.677
7	6.0	1791.0	1031.7	4.5	0.618
8	7.0	1834.0	1074.7	5.1	0.569
9	8.0	1858.1	1098.8	5.6	0.527
10	9.0	1878.0	1118.7	6.1	0.491
11	10.0	1888.1	1128.8	6.5	0.461
12	12.0	1906.0	1146.6	7.3	0.411
13	14.0	1918.0	1158.7	8.0	0.371
14	16.0	1926.6	1167.3	8.7	0.338
15	18.0	1933.5	1174.1	9.2	0.312
16	20.0	1939.4	1180.1	9.7	0.289
17	22.0	1944.7	1185.4	10.1	0.269
18	24.0	1949.1	1189.8	10.6	0.252
19	26.0	1953.0	1193.7	10.9	0.237
20	28.0	1956.2	1196.9	11.3	0.224
D 21	30.6	1960.3	1201.0	11.7	0.209
SECOND FLOW					
E 1	0.0	879.8			
2	5.0	880.3	0.5		
3	10.0	923.8	43.4		
4	15.0	996.3	72.6		
5	20.0	1069.2	72.9		
6	25.0	1131.2	62.0		
7	30.0	1183.6	52.4		
1 8	31.2	1194.7	11.1		
9	35.0	1242.7	48.0		
10	40.0	1300.4	57.7		
11	45.0	1353.4	53.0		
12	50.0	1401.3	47.9		
13	55.0	1441.8	40.5		
1 14	56.0	1446.3	4.5		
15	60.0	1443.1	-3.2		

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
SECOND FLOW - CONTINUED					
16	65.0	1441.8	-1.3		
17	70.0	1451.6	9.8		
18	75.0	1475.1	23.5		
19	80.0	1502.6	27.5		
20	85.0	1530.4	27.8		
F 21	89.6	1553.3	22.9		
SECOND CLOSED-IN					
F 1	0.0	1553.3			
G 2	55.4	1910.2	356.9	36.7	0.471

LEGEND:
 CHOKE CHANGE
 REMARKS:

TICKET NO: 19654800
 CLOCK NO: 12118 HOUR: 24



GAUGE NO: 2033
 DEPTH: 5336.0

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	329.1			
2	3.0	587.3	258.2		
3	6.0	650.8	63.5		
4	9.0	682.7	31.9		
5	12.0	727.5	44.8		
6	15.0	773.5	46.0		
C 7	18.9	823.9	50.4		
FIRST CLOSED-IN					
C 1	0.0	823.9			
2	1.0	1073.1	249.1	0.9	1.299
3	2.0	1297.9	473.9	1.8	1.025
4	3.0	1495.5	671.5	2.6	0.860
5	4.0	1652.3	828.3	3.3	0.758
6	5.0	1772.1	948.2	4.0	0.677
7	6.0	1835.7	1011.7	4.6	0.616
8	7.0	1874.3	1050.3	5.1	0.567
9	8.0	1903.8	1079.9	5.6	0.526
10	9.0	1924.8	1100.9	6.1	0.490
11	10.0	1936.6	1112.7	6.5	0.461
12	12.0	1955.0	1131.1	7.3	0.411
13	14.0	1970.6	1146.6	8.0	0.370
14	16.0	1981.6	1157.6	8.7	0.338
15	18.0	1990.1	1166.1	9.2	0.311
16	20.0	1995.9	1171.9	9.7	0.289
17	22.0	2000.7	1176.7	10.2	0.269
18	24.0	2008.1	1182.2	10.6	0.252
19	26.0	2009.9	1186.0	10.9	0.237
20	28.0	2013.3	1189.3	11.3	0.224
D 21	30.6	2019.1	1195.2	11.7	0.209
SECOND FLOW					
E 1	0.0	949.2			
2	5.0	949.7	0.5		
3	10.0	985.6	35.8		
4	15.0	1060.7	75.2		
5	20.0	1131.3	70.6		
6	25.0	1195.6	64.3		
7	30.0	1247.1	51.5		
1 8	31.2	1260.1	13.0		
9	35.0	1303.7	43.6		
10	40.0	1358.4	54.6		
11	45.0	1406.4	48.0		
12	50.0	1451.6	45.2		
13	55.0	1494.7	43.1		
1 14	56.0	1505.3	10.6		
15	60.0	1505.3	0.0		

REF	MINUTES	PRESSURE	AP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
SECOND FLOW - CONTINUED					
16	65.0	1504.5	-0.8		
17	70.0	1509.2	4.6		
18	75.0	1529.7	20.6		
19	80.0	1558.2	28.5		
20	85.0	1587.0	28.8		
F 21	89.6	1608.6	21.6		
SECOND CLOSED-IN					
F 1	0.0	1608.6			
G 2	55.4	1961.7	353.1	36.7	0.471

LEGEND:
 1 CHOKE CHANGE
 REMARKS:

		O.D.	I.D.	LENGTH	DEPTH	
1		DRILL PIPE.....	4.500	3.826	4462.0	
3		DRILL COLLARS.....	6.000	2.375	648.0	
51		PUMP OUT REVERSING SUB.....	6.000	3.000	1.0	5110.0
50		IMPACT REVERSING SUB.....	6.000	3.000	1.0	5111.0
3		DRILL COLLARS.....	6.000	2.375	31.0	
5		CROSSOVER.....	6.000	3.000	1.0	
13		DUAL CIP SAMPLER.....	5.030	0.870	7.0	
60		HYDROSPRING TESTER.....	5.000	0.750	5.0	5151.0
80		AP RUNNING CASE.....	5.000	2.225	4.0	5156.0
15		JAR.....	5.030	1.750	5.0	
16		VR SAFETY JOINT.....	5.000	1.000	3.0	
70		OPEN HOLE PACKER.....	7.750	1.530	6.0	5174.0
70		OPEN HOLE PACKER.....	7.750	1.530	6.0	5180.0
5		CROSSOVER.....	6.000	3.000	1.0	
3		DRILL COLLARS.....	6.000	2.375	119.0	
5		CROSSOVER.....	6.000	3.000	1.0	
20		FLUSH JOINT ANCHOR.....	5.750	3.000	35.0	
81		BLANKED-OFF RUNNING CASE.....	5.750		4.0	5336.0
TOTAL DEPTH						5340.0

EQUIPMENT DATA

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER "G", CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL Sec. 36
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
LONE MOUNTAIN CANYON

9. WELL NO.
#36-34

10. FIELD OR WILDCAT NAME
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 36, T41S, R24E

12. COUNTY OR PARISH | 13. STATE
SAN JUAN | UTAH

14. API NO.
43-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
KB: 4616'

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) First report of production	

(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.)*

On 2-24-83 Superior Oil produced salable oil from Lone Mountain Canyon #36-34.

RECEIVED
MAR 01 1983

DIVISION OF
OIL, GAS & MINING

Orig + 4 - BLM, State - 2, Navajo Tribe, Duncan Oil, Reg. Group, Joint Interest, Files-H,D,C

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

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

SIGNED James S. Andres TITLE Petroleum Engineer DATE February 25, 1983

(This space for Federal or State office use)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER "G", CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL SEC. 36
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) <u>Drilling operations</u>			

5. LEASE N00-C-14-20-5117	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NAVAJO	
7. UNIT AGREEMENT NAME LONE MOUNTAIN CANYON	
8. FARM OR LEASE NAME	
9. WELL NO. #36-34	
10. FIELD OR WILDCAT NAME WILDCAT	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 36, T41S, R24E	
12. COUNTY OR PARISH SAN JUAN	13. STATE UTAH
14. API NO. 43-037-30864	
15. ELEVATIONS (SHOW DF, KDB, AND WD) KB: 4616'	

(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.)*

- 1-31-83: Drill 17-1/2" hole to 140'
- 2-1-83: Drilled 17-1/2" hole to 152'. RIH w/ 13-3/8", 54.5# conductor pipe and cmt'd to surface w/ 175 sx (205 cu ft) Class 'B' neat cmt w/ 2% CaCl. Drilled out plug and shoe.
- 2-2/3-83: Drilled 12-1/4" hole to 1345'. RIH w/ 9-5/8", 47# surface casing and cmt'd w/ 375 sx (578 cu ft) B.J. Lite cmt w/ .04% Lodense & 10#/sk Gilsonite & 200 sx (234 cu ft) Class 'B' cmt w/ 2% CaCl. Did not circulate cmt. Pumped 150 sx (176 cu ft) Class 'B' cmt w/ 3% CaCl down annulus. Drilled out plug & shoe.
- 2-4/17/83: Drilled 8-1/2" hole to 5499'. RIH w/ 7", 23# csg, cmt'd w/ 205 sx (246 cu ft) Class 'B' cmt w/ 5#/sk salt & .75% Turbo-mix.

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

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

SIGNED James S. Andres TITLE Petroleum Engineer DATE March 2, 1983

(This space for Federal or State office use)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

3
Form approved.
Budget Bureau No. 42-R355.5
15

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER "G", CORTEZ, COLORADO 81321

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
 At surface 500' FSL, 2580' FEL, SEC. 36
 At top prod. interval reported below Same
 At total depth Same

14. PERMIT NO. 43-037-30804 DATE ISSUED

5. LEASE DESIGNATION AND SERIAL NO.
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME
LONE MOUNTAIN CANYON

8. FARM OR LEASE NAME

9. WELL NO.
#36-34

10. FIELD AND POOL, OR WILDCAT
WILDCAT

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
SEC. 36, T41S, R24E

12. COUNTY OR PARISH SAN JUAN 13. STATE UTAH

15. DATE SPUDDED 1-31-83 16. DATE T.D. REACHED 2-17-83 17. DATE COMPL. (Ready to prod.) 2-24-83 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* RKB: 4616' 19. ELEV. CASINGHEAD 4604'

20. TOTAL DEPTH, MD & TVD 5499' 21. PLUG. BACK T.D., MD & TVD 5487' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY Rotary 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 5290' - 5320' (Desert Creek Zone I) 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN DIL-SFL-GR, FDC-CNL-GR-CAL, BHC-GR-CAL, GR-CCL-VDL-CBL 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
13-3/8"	54.5#	152'	17-1/2"	cmt'd to surface w/ 175 sx	(205cuft) Cl 'B' cmt
9-5/8"	47#	1345'	12-1/4"	cmt'd to surface w/ 350 sx	(410cuft) Cl 'B' cmt & 375 sx (578cuft) B.J. Lite cmt.
7"	23#	5499'	8-1/2"	205 sx (246 cuft)	Class 'B' cmt.

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	30. TUBING RECORD
					SIZE 2-7/8" DEPTH SET (MD) 5320' PACKER SET (MD) 5238'

31. PERFORATION RECORD (Interval, size and number) 5290' - 5320' (31 holes)

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5290'-5320'	6000 gal 28% HCL

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
2-24-83	Flowing	Producing					
DATE OF TEST	HOURS TESTED	CHOKES SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
2-24-83	16	22/64	→	355	N/A	6	N/A
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
385		→	523	N/A	10	49.2	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented for test, will be sold at end of test period. TEST WITNESSED BY M. Miller

35. LIST OF ATTACHMENTS

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

SIGNED James S. Andres TITLE Petroleum Engineer DATE 3-2-83

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

INSTRUCTIONS

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

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

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

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

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

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	GEOLOGIC MARKERS																																													
Desert Creek	5290'	5320'	Limestone & Dolomite - Oil & Gas DST: 5180' - 5340' Cushion: 60' PRESSURE DATA 2-15-83 @ 9:00 A.M.: Open tool Initial Pressure 1st flow: 574 Final Pressure 1st flow: 799 Initial Pressure 1st shut-in: 799 Final Pressure 1st shut-in: 2019 Initial Pressure 2nd flow: 945 Final Pressure 2nd flow: 1647 Initial Pressure 2nd shut-in: 1647 Final Pressure 2nd shut-in: 1952 Total fluid recovery - 33-40 bbls oil & heavy gas cut mud.	38.																																													
				<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">NAME</th> <th style="width: 25%;">ASAS. DEPTH</th> <th style="width: 25%;">TOP</th> </tr> </thead> <tbody> <tr> <td>Dakota</td> <td>Surface</td> <td></td> </tr> <tr> <td>Morrison</td> <td>340' est</td> <td></td> </tr> <tr> <td>Entrada</td> <td>360' est</td> <td></td> </tr> <tr> <td>Navajo</td> <td>610' est</td> <td></td> </tr> <tr> <td>Wingate</td> <td>955' est</td> <td></td> </tr> <tr> <td>Chinle</td> <td>1952'</td> <td></td> </tr> <tr> <td>DeChelly</td> <td>2315'</td> <td></td> </tr> <tr> <td>Organ Rock</td> <td>2590'</td> <td></td> </tr> <tr> <td>Hermosa</td> <td>4292'</td> <td></td> </tr> <tr> <td>Ismay</td> <td>5122'</td> <td></td> </tr> <tr> <td>L. Ismay</td> <td>5240'</td> <td></td> </tr> <tr> <td>Gothic Shale</td> <td>5272'</td> <td></td> </tr> <tr> <td>Desert Creek</td> <td>5290'</td> <td></td> </tr> <tr> <td>Chimney Rock</td> <td>5462'</td> <td></td> </tr> </tbody> </table>	NAME	ASAS. DEPTH	TOP	Dakota	Surface		Morrison	340' est		Entrada	360' est		Navajo	610' est		Wingate	955' est		Chinle	1952'		DeChelly	2315'		Organ Rock	2590'		Hermosa	4292'		Ismay	5122'		L. Ismay	5240'		Gothic Shale	5272'		Desert Creek	5290'		Chimney Rock	5462'	
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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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER 'G', CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL Sec. 36
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

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

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
LONE MOUNTAIN CANYON

9. WELL NO.
#36-34

10. FIELD OR WILDCAT NAME
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 36, T41S, R24E

12. COUNTY OR PARISH
SAN JUAN

13. STATE
UTAH

14. API NO.
43-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
4603' GR

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) Extension of 30-day flare period. <input checked="" type="checkbox"/>	

(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.)*

Your approval is requested to continue flaring the subject well for an additional 30 days (March 26 thru April 26) past the original 30-day flare period. At present Superior is awaiting the review and approval of "Archaeological Clearance" from the BIA to lay oil, gas and water lines.

The subject well produces 300 MCFPD (9 MMCF per month) which will be flared during additional testing period.

Orig + 4 - BLM, State - 2, Navajo Tribe, Duncan Oil, Reg. Group, Joint Interest, Files H,D,C

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

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

SIGNED James S. Andres TITLE Pet. Engineer DATE 3-21-83

(This space for Federal or State office use)

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

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P. O. DRAWER G, CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL, Sec. 36
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"/>
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MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) <u>Extension of 30-day flare period</u>	

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
LONE MOUNTAIN CANYON

9. WELL NO.
#36-34

10. FIELD OR WILDCAT NAME
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 36, T41S, R24E

12. COUNTY OR PARISH | 13. STATE
SAN JUAN | UTAH

14. API NO.
43-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
4603' GR

(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.)*

Your approval is requested to continue flaring the subject well for an additional 30 days (April 27 through May 26). At present, Superior is awaiting the review and approval of "Archaeological Clearance" from the BIA to lay oil, gas and water lines.

The subject well produces 200 MCFPD (600 MMCF per month) which will be flared during additional flaring period.

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

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

SIGNED James S. Andres TITLE Petroleum Engineer DATE April 19, 1983
James S. Andres

(This space for Federal or State office use)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P. O. DRAWER G, CORTEZ, CO. 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL, Sec. 36
AT TOP PROD. INTERVAL: same
AT TOTAL DEPTH: same

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

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
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WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 36, T41S, R24E

12. COUNTY OR PARISH 13. STATE
SAN JUAN UTAH

14. API NO.
16-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
4603' GR

- 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) Extension of 30 day flare period

SUBSEQUENT REPORT

RECEIVED
MAY 24 1983
U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

RECEIVED
MAY 25 1983
OIL CON. DIV.

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.)*

Due to the extended length of time and delays involved to approve the "ARCHAEOLOGICAL CLEARANCE" from the BIA, Your approval is requested to continue flaring the subject well for an additional 30 days, in order to lay oil, gas, and water lines. (May 27-June 25.)

The subject well produces 200 MCFPD (6 MMCF per month) which will be flared during additional flaring period.

This Approval Or Temporary Abandonment Expires 7/1/83

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

18. I hereby certify that the foregoing is true and correct
SIGNED James S. Andres TITLE Petroleum Engineer DATE May 20, 1983

(This space for Federal or State office use)
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

MAY 24 1983
[Signature]
FOR JAMES F. SIMS
DISTRICT OIL & GAS SUPERVISOR
Acting Asst. Area Mgr.

WOCC
*See Instructions on Reverse Side

~~OPERATOR~~

RECEIVED
JUN 2 1983
DIV. OF OIL, GAS & MINING

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER "G", CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL, Sec. 36
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) Extension of flare period.	

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
LONE MOUNTAIN CANYON

9. WELL NO.
#36-34

10. FIELD OR WILDCAT NAME
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 36, T41S, R24E

12. COUNTY OR PARISH | 13. STATE
SAN JUAN | UTAH

14. API NO.
43-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
4603' GR

(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.)*

Due to the extended length of time and delays involved to obtain approval of "Archaeological Clearance" from the BIA, your approval is requested to continue flaring the subject well, in order to tie into El Paso pipeline.

The subject well produces 200 MCFPD (6 MMCF per month) which will be flared during additional flare period.

Orig + 5 - BLM, State - 2, Navajo Tribe, Compliance Office, Larry Novacek, Reg. Group Woodlands, Dick Rosprim, Files - H, D, C

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

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

SIGNED James S. Andres TITLE Petroleum Engineer DATE 6-27-83

(This space for Federal or State office use)

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

RECEIVED

JUL 05 1983

*See Instructions on Reverse Side

DIVISION OF
OIL, GAS & MINING

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
SUPERIOR OIL COMPANY

3. ADDRESS OF OPERATOR
P.O. DRAWER 'G', CORTEZ, COLORADO 81321

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 500' FSL, 2580' FEL, Sec. 36
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)	<u>Report of first sale of gas</u>	

5. LEASE
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
LONE MOUNTAIN CANYON

9. WELL NO.
#36-34

10. FIELD OR WILDCAT NAME
WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 36, T41S, R24E

12. COUNTY OR PARISH | 13. STATE
SAN JUAN | UTAH

14. API NO.
43-037-30864

15. ELEVATIONS (SHOW DF, KDB, AND WD)
GL: 4603'

(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.)*

On 8/2/83 Superior Oil first sold gas from the subject well. The well produces approximately 190 MCFPD.

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

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

SIGNED T. Greg Merrion TITLE Production Engineer DATE 8/3/83
T. Greg Merrion

(This space for Federal or State office use)

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

Permitco

A Petroleum Permitting Company

December 23, 1983

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

Re: Raymond T. Duncan
#1-36 Navajo
500' FSL and 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

Gentlemen:

Raymond T. Duncan proposes to drill a well at the above mentioned location.

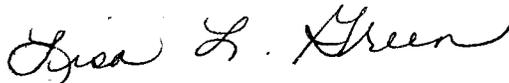
We realize that this location is a non-standard location in accordance with the spacing rules for the State of Utah. This location was picked due to topography and extensive seismic work which was done in the immediate area.

Raymond T. Duncan is the lease holder of all of the E/2 and SW/4 of Section 36, T41S - R24E and all of Section 1, T42S - R24E. 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
Consultant for
Raymond T. Duncan

/llg

cc: MMS - Farmington, NM
BIA - Shiprock, NM
Raymond T. Duncan

NTL-6 PROGRAM

APPROVAL OF OPERATIONS

#1-36 NAVAJO
500' FSL and 2580' FEL
Section 36, T41S - R24E
San Juan County, Utah

Prepared For:

RAYMOND T. DUNCAN

By:

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

Copies Sent To:

- 5 - MMS - Farmington, NM
- 3 - BIA - Shiprock, NM
- 2 - Tribal Compliance Office
(Aneth, Utah)
- 1 - State of Utah, Minerals Division
- 1 - Raymond T. Duncan - Denver, Colorado

Permitco

A Petroleum Permitting Company



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

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

November 8, 1983

Superior Oil Company
P.O. Drawer "G"
Cortez, Colorado 81321

RE: See Attached Sheet

Gentlemen:

According to our records, "Well Completion Reports" filed with this office February 15, 1983 and March 2, 1982 from the above referred to wells, indicate the following electric logs were run: LMC #1-44 : GR-FDC-CN, GR-BCS, GR-SP-SIL-SFL, GR-CCL-VDL-CBL; LMC #36-34: CIL-SFL-GR, FDC-CNL-GR-CAL, GHC-GR-CAL, GR-CCL-VCL-CBL; HP #18-44: DIL-SFL-GR, LDT-CNL, BHC NGS: 4397-1624' DIL-SFL,GR, LDT-CNL, BHC, NGS: 5936-5436'. As of todays date, this office has not received these logs: LMC #1-44 GR-CCL-BDL-CBL; #36-34: GR-CCL-BDL-CBL; HP #18-44 All.

Rule C-5, General Rules and Regulations and Rules of Practice and Procedure, requires that a well log shall be filed with the Commission together with a copy of the electric and radioactivity logs.

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

Your prompt attention to the above will be greatly appreciated.

Respectfully,

DIVISION OF OIL, GAS AND MINING

Claudia Jones
Well Records Specialist

CJ/cj

Attachment

Well No. Lone Mountain Canyon #1-44
API # 43-037-30847
San Juan County, Utah

Well No. Lone Mountain Cyn. #36-34
API # 43-037-30864
Sec. 36, T. 42S, R. 24E.
San Juan County, Utah

Well No. Horsehead Point #18-44
API # 43-037-30909
Sec. 18, T 36S, R. 25E.
San Juan County, Utah.



STATE OF UTAH
 NATURAL RESOURCES
 Oil, Gas & Mining

Scott W. Matheson, Governor
 Temple A. Reynolds, Executive Director
 Dianne R. Nielson, Ph.D., Division Director

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

March 28, 1984

Superior Oil Company
 Western Division
 P.O. Drawer "G"
 Cortez, CO 81321

2nd NOTICE

RE: Well No. Lone Mtn. Cyn 36-34
 API #43-037-30864
 Sec. 36, T. 41S, R. 24E.
 San Juan County, Utah

Gentlemen:

Our office contacted you on November 80, 1983 requesting that you send in the electric logs for the above referred to well.

According to our records, a "Well Completion Report" filed with this office March 2, 1982 from above referred to well, indicates the following electric logs were run: CIL-SFL-GR, FDC-CNL-GR-CAL, GHC-GR-CAL, and GR-CCL-VDL-CBL. As of of todays date, this office has not received this log: GR-CCL-VDL-CBL.

Rule C-5, General Rules and Regulations and Rules of Practice and Procedure, requires that a well log shall be filed with the Commission together with a copy of the electric and radioactivity logs.

**You are in violation of the above rule. If you wish to continue developing business in the State of Utah, compliance with pertinent rules and regulations is essential. Further delay in your attention to this matter may result in punitive action. Please submit the required information as stated above within fifteen (15) days.

Respectfully,

Norman C. Stout
 Administrative Assistant

Please call me if there is a problem with compliance.

Thank's

NCS/cj
 cc: Dianne R. Nielson, Director
 Ronald J. Firth, Associate Director

SUPERIOR OIL

RECEIVED

APR 13 1984

April 11, 1984

**DIVISION OF OIL
GAS & MINING**

State Of Utah
Natural Resources
Oil, Gas & Mining
4241 State Office Bldg
Salt Lake City, Utah 84114

Re: Well - Lone Mountain Canyon 36-34
API #43-037-30864
Sec. 36, T41S, R24E
San Juan County, Utah
and
Well - Lone Mountain Canyon 1-44
API #43-037-30847
Sec. 1, T42S, R24E
San Juan County, Utah

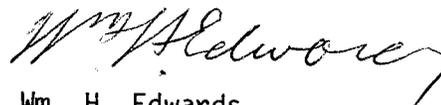
Gentlemen:

Letters were received from your office on April 6 indicating you had not received the open hole logs for the referenced wells. Superior's Geologist, Jeanette Bauman, responsible for these wells in talking to Claudia Jones of your office has determined that all logs but the Cement Bond Log for 36-34 are on file in your office. A copy of the Cement Bond Log for Lone Mountain Canyon #36-34 is attached.

If this is incorrect or if there is a further problem please contact Jeanette Bauman in our Denver Office 303-863-2614 or myself in Cortez at 303-565-3733.

Respectfully submitted,

SUPERIOR OIL COMPANY



Wm. H. Edwards
Special Projects Superintendent

WHE/th
Attach.

Mobil Oil Corporation

P.O. BOX 5444
DENVER, COLORADO 80217

January 14, 1985

Utah Division of Oil, Gas and Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attention: Ms. Dianne Nielson, Director

RECEIVED

FEB 01

DIVISION OF OIL
GAS & MINING

RE: NOTICES TO SUPERIOR OIL COMPANY

Dear Ms. Nielson:

As a result of the merger which became effective on September 28, 1984, The Superior Oil Companies ("Superior") is now a wholly owned subsidiary of Mobil Corporation.

Effective January 1, 1985, ~~Mobil Oil Corporation began acting on behalf of the Superior Oil Companies as service contractor, for the purpose of performing comprehensive business management and related administrative services.~~ To this end, Superior has entered into a Services Agreement with Mobil and has issued Powers of Attorney to certain Mobil employees, whereby Mobil has agreed to perform all of Superior's obligations and duties, and shall be entitled to enforce all of Superior's rights and privileges, including but not limited to all applicable Operating Agreements and leases (see attached). This shall include, without limitation, the making and receiving of payments, the giving and receiving of notices and other information, and the performance of all other related functions. Therefore, after December 31, 1984, notices to Superior or relative to its interests, assets or obligations should designate Mobil and be mailed to:

Mobil Oil Corporation
P.O. Box 5444
Denver, Colorado 80217-5444
Attention: R. D. Baker

PERMITS ONLY

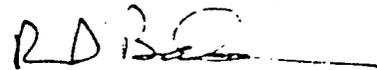
(303) 298-2577

RON

Enclosed is a list of all Superior wells. This list includes the well names, locations, API numbers and producing zone (if applicable).

We appreciate your consideration and cooperation. If you have any questions, please direct them to the undersigned.

Very truly yours,



R. D. Baker
Environmental & Regulatory Manager - West

Enclosure

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

SUBMIT IN TRIPLICATE*
(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. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER CATHODIC PROTECTION		5. LEASE DESIGNATION AND SERIAL NO. N00-C-14-20-5117
2. NAME OF OPERATOR SUPERIOR OIL COMPANY, through its Agent, MOBIL OIL CORP.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NAVAJO
3. ADDRESS OF OPERATOR P. O. DRAWER 'G', CORTEZ, COLORADO 81321		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 500' FSL, 2580' FEL		8. FARM OR LEASE NAME LONE MOUNTAIN CANYON
14. PERMIT NO. 43-037-30864		9. WELL NO. 36-34
15. ELEVATIONS (Show whether DF, RT, or GL) 4603' GL		10. FIELD AND POOL, OR WILDCAT LONE MOUNTAIN CANYON
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 36, T41S, R24E, SLM
		12. COUNTY OR PARISH SAN JUAN
		13. STATE UTAH

RECEIVED
SEP 09 1985
DIVISION OF OIL & GAS MINING

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
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"/>	

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) <input type="checkbox"/>	

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

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Include 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.)*

Construct Cathodic Protection System

To maximize effective corrosion control of metallic piping and structures down hole and above ground, Mobil Oil Corporation, Agent for Superior Oil Company, proposes to construct an electrified cathodic protection system consisting of a subsurface graphite anode bed connected to an above ground rectifier which has a lead connected to the well casing.

The construction will consist of a trench, 140' long, 6' deep and 2' wide in the old reserve pit area of the well location. All construction will be confined to existing disturbed area of well location. Existing electrical power to the well will be used for this cathodic protection system.

The construction area has previously been cleared archaeologically by the Bureau of Indian Affairs per clearance number BIA NAO-83-378, date unknown.

I hereby certify that the foregoing is true and correct

SIGNED *Charles J. Benally* Sr. Regulatory Coordinator DATE 9/4/85
C. J. Benally TITLE DATE
(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 THE MANNER INDICATED
(Other instructions on reverse side)

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

5. LEASE DESIGNATION AND SERIAL NO.
NOO-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

NAVAJO

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

LONE MOUNTAIN CANYON

9. WELL NO.

36-34

10. FIELD AND POOL, OR WILDCAT

LONE MOUNTAIN CANYON

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

Sec. 36, T4S., R.24 E.

12. COUNTY OR PARISH

SAN JUAN

13. STATE

UTAH

1.

OIL WELL GAS WELL OTHER

flaring

2. NAME OF OPERATOR

MOBIL OIL CORPORATION, Agent for MESA

3. ADDRESS OF OPERATOR

P. O. DRAWER G, CORTEZ, COLORADO 81321

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

DIVISION OF
OIL, GAS & MINING

14. PERMIT NO.

43-037-30864

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

16.

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other) - FLARE

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(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.)*

Due to the annual shut-down for inspections and repairs of El Paso Natural Gas Company's Aneth Plant, Mobil Oil will be flaring (burning) produced gas from the battery at the well for a period of ten (10) days and/or for the duration of the El Paso plant shut down. The flaring to start on June 2, 1986.

Gas volumes flared will be reported at the conclusion of the flaring.

This confirms verbal notification to and approval from BLM in telephone conversation with Jim Lavato on May 30, 1986.

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

SIGNED

Clyde J. Benally
C. J. Benally

TITLE

Sr. Environ. Engin.

DATE

6/2/86

(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 TRIPLICATE*
(Other instructions on re-
verse side)

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 GAS WELL OTHER

2. NAME OF OPERATOR
A.P.A. Development Inc.

3. ADDRESS OF OPERATOR
P. O. Box 215, Cortez, CO 81321

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

5. LEASE DESIGNATION AND SERIAL NO.
N00-C-14-20-5117

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Lone Mtn. Canyon

9. WELL NO.
36-34

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
Sec. 36 T41S R24E

12. COUNTY OR PARISH
San Juan

13. STATE
UT

14. PERMIT NO.
42-027-30864

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

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) <input type="checkbox"/>	(Other) <input type="checkbox"/>
(Other) Change of Operator		(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.)

Change of Operator from Mobil to A,P,A, Development Inc.

RECEIVED
FEB 07 1991
DIVISION OF
OIL, GAS & MINING

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

SIGNED *Patricia B. Wolz* TITLE Supervisor DATE 1/21/91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

*See Instructions on Reverse Side

Mobil Oil Corporation

P.O. BOX 219031
DALLAS, TEXAS 75221-9031

February 15, 1991

RECEIVED
FEB 19 1991

DIVISION OF
OIL, GAS & MINING

Utah Oil & Gas
Att: Steve Schneider
355 West N Temple Suite 350
Salt Lake City UT 84180

CHANGE OF OPERATOR
(LONE MOUNTAIN CANYON)

API NO. 1-11 4303731083 - 42S, 24E, Sec. 1
1-33 4303730908 - 42S, 24E, Sec. 1
1-44 4303730847 - 42S, 24E, Sec. 1
36-34 4303730864 - 42S, 24E, Sec. 36

This letter is to inform Utah Oil & Gas that MEPNA is no longer the operator of Lone Mountain Canyon. These properties were sold to APA Development effective date June 1, 1989 closing date December 6, 1989. Our report still indicate MEPNA as operator. To ensure accuracy please send newly corrected Oil and Gas Monthly Reports to:

Mobil Oil Corporation
Hobbs Asset Team
Att: Tangela Shavers
P O Box 219031
Dallas TX 75221-9031

Any questions call (214)658-2729. Your cooperation is well appreciated.

Sincerely,

TRS:llc

T. R. Shavers
Hobbs Asset Team Accounting
Dallas Accounting Center

1- LCR
2- DPS
3- VLC
4- RJF
5- RWM
6- LCR

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 6-1-89)

TO (new operator) APA DEVELOPMENT, INC.
 (address) P. O. BOX 215
CORTEZ, CO 81321
 phone (303) 565-8245
 account no. N-7185

FROM (former operator) M E P N A
 (address) P. O. BOX 219031
DALLAS, TX 75221-9031
 phone (214) 658-2690
 account no. N7370

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

Name: <u>LONE MTN CYN 1-11/DSCR</u>	API: <u>4303731083</u>	Entity: <u>6030</u>	Sec <u>1</u> Twp <u>42S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: <u>LONE MTN CYN 1-33/TA</u>	API: <u>4303730908</u>	Entity: <u>11175</u>	Sec <u>1</u> Twp <u>42S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: <u>LONE MTN CYN 1-44/DSCR</u>	API: <u>4303730847</u>	Entity: <u>6030</u>	Sec <u>1</u> Twp <u>42S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: <u>LONE MTN CYN 36-34/DSCR</u>	API: <u>4303730864</u>	Entity: <u>5985</u>	Sec <u>36</u> Twp <u>41S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Reg. Amended Letter 2-13-91) (Rec. 2-19-91)*
2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Reg. 2-5-91 by Steve S.) (Rec. 2-7-91)*
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) Yes* If yes, show company file number: #138468.
4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-14-91)*
6. Cardex file has been updated for each well listed above.
7. Well file labels have been updated for each well listed above.
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-14-91)*
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.

Y REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) NO (If entity assignments were changed, attach copies of Form 5, Entity Action Form).
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

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____.

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.

HING
RJM
1. All attachments to this form have been microfilmed. Date: March 20 1991.

- NG
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.

ENTS

910311 Errol Beecher / Bfm Farmington N.M. "Says that the Navajo Tribe does not want any information regarding their leases, particularly the state, given out without their consent. Says that if we can obtain that consent from the Navajo Tribe they will be happy to give out that info." I asked if he had anything in writing to that effect, and if he could mail that info. to our office. "He said he would check."

MAY 16 1994

UTAH OIL, GAS & MINING

A.P.A. DEVELOPMENT, INC. /N7185
P.O. Box 215
Cortez, CO 81321-0215

May 12, 1994

Utah Oil, Gas and Mining
355 West North Temple St., Suite 350
Salt Lake City, Utah 84180-1203

Gentlemen:

Enclosed please find copies of "Designation of Operator" to verify that ownership and operation of NOO-C-14-20-5117 and NOO-C-14-20-5119 have been changed from A.P.A. Development, Inc. to Colorado Pica Petroleum Corporation.

Yours truly,

A.P.A. DEVELOPMENT, INC.



Patrick B. Woosley, President

PBW:jm

Enclosures as stated

DESIGNATION OF OPERATOR

MAY 16 1994

RECEIVED
BLM
50 DEC 15 11:06
CITY OF SANTA FE, NM

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Santa Fe, New Mexico
SERIAL No.: N00-C-14-20-5117

and hereby designates

NAME: Colorado PICA Petroleum Corporation
ADDRESS: 2002 Rolling Road, Cortez, CO 81321

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

Legal description is contained on Exhibit A attached hereto and incorporated herein by this reference.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

(Signature of lessee)

Patrick B. Woosley, President
A.P.A. Development, Inc.

P.O. Box 215, Cortez, CO 81321

(Address)

December 1, 1993

(Date)

U.S. GOVERNMENT PRINTING OFFICE: 1964-O-726-354

9 10 - 5 36

Pursuant to Secretarial Redlegation
Order 209 DM 8, Secretary's Order No.
3150, as amended, and 10 BIAM
Bulletin 13, as amended.

ACTING Navajo Area Director

APR 25 1994

EXHIBIT A

Lands located in San Juan County, Utah:

Township 41 South, Range 24 East, S.L.M.

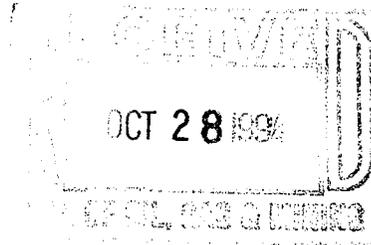
Section 36: NE/4, S/2 (S/2 is fractional)

San Juan County, Utah

43-037-30864 / 36-34 SWSE

COLORADO PICA PETROLEUM CORPORATION

2002 Rolling Road Cortez, Colorado 81321 (303) 565-4993



October 26, 1994

Att: Lisha Cordova
State of Utah
Division of Oil, Gas and Mining
355 West North Temple St., Suite 350
Salt Lake City, Utah 84180-1203

Dear Ms. Cordova,

Enclosed please find copies of the Navajo Nation assignment of Mining Lease for Lone Mountain Lease No. NOO-C-14-20-5117 and Lease No. NOO-C-14-20-5119.

Enclosed also are approved copies of Designation of Operator from the BLM for the above named leases.

We have not received BIA forms as they have written that they have a backlog.

I hope this will enable you to send to me the report forms 10 and 11 for monthly oil and gas production and disposition reports.

Yours truly,

V. Joyce Mari

Enclosures as stated

THE NAVAJO NATION
MINERALS DEPARTMENT
DIVISION OF NATURAL RESOURCES
ASSIGNMENT OF MINING LEASE

OCT 28 1994

DEPT. OF OIL, GAS & MINING

Lease No. NOO-C-14-20-5117

1. Original Lessee: Raymond T. Duncan
2. Date of Approval of Original Lease: March 5, 1973
3. Royalty Rate: 16.67%
4. Current Lease Description: T41S-R24E, S.L.M. Section 36: E/2, SW/4 (S/2 is fractional), San Juan County, Utah.
Containing 404.00 acres, more or less.
5. Description of Land Being Assigned: T41S-R24E, S.L.M. Section 36: E/2, SW/4 (S/2 is fractional), San Juan County, Utah
Containing 404.00 acres, more or less.
6. Assignor: A.P.A. Development, Inc.
7. Assignee: Colorado PICA Petroleum Corporation
8. Portion of Rights/Title Under Transfer: 60% operating rights from surface down to the stratigraphic equivalent of 5,499', being all of Assignor's interest.
9. Reserved Overriding Royalties: 3.33%
10. Previous Assignments and Portion of rights/title transferred:
 - (1) Conveyance of 100% operating rights from surface to the stratigraphic equivalent of 5,582' in the W/2NE/4 of Section 36 from Raymond T. Duncan to J. M. Huber Corporation dated 3/16/76. Approved 10/12/76.
 - (2) Conveyance of 50% operating rights from surface to the stratigraphic equivalent of 5,582' in the E/2NE/4 of Section 36 from Raymond T. Duncan to J. M. Huber Corporation dated 3/16/76. Approved 10/13/76.
 - (3) Assignment of all operating rights of J. M. Huber Corporation from surface down to the stratigraphic equivalent of 5,582' in the NE/4 of Section 36 from J. M. Huber Corporation to Raymond T. Duncan 12/21/82. Approved 3/30/88.

If there have been more than three (3) previous assignments, please use continuation form(s).

The assignee shall furnish to the lessor (The Navajo Nation, c/o the Minerals Department, P.O. Box 146, Window Rock, AZ 86515), all copies of all reports filed with the Minerals Management Service and the Bureau of Land Management subsequent to federal laws and regulations, when filed. The assignee shall furnish also all oil and gas run tickets, copies of drillstem tests, pressure tests, core analyses, seismic data and any other information required by the Minerals Department for this lease.

COLORADO PICA PETROLEUM CORPORATION

July 27, 1994

Date

Raymond Duncan
Assignee's Signature

=====
President's Office - Approval

This assignment has been reviewed by the appropriate Departments of the Navajo Nation and is hereby approved.

SEP 28 1994

Date

[Signature]
President
The Navajo Nation

CONTINUATION SHEET

Lease No. NOO-C 14-20-5117

(4) Assignment of 2% of 8/8ths overriding royalty from Raymond T. Duncan to D-T Company dated 2/9/83.

(5) Assignment of a 1.33% of 8/8ths overriding royalty from Raymond T. Duncan to Raymond T. Duncan dated 2/9/83.

(6) Assignment of 30% interest from Raymond T. Duncan to Vincent J. Duncan dated 2/10/83. Approved on 3/31/88.

(7) Assignment of 25% interest from Raymond T. Duncan to Walter Duncan dated 2/10/83. Approved on 3/31/88.

(8) Assignment of 27% operating rights from surface down to the stratigraphic equivalent of 5,499' from Raymond T. Duncan to the Superior Oil Company dated 2/11/83. Approved 3/30/88.

(9) Assignment of 18% operating rights from surface down to the stratigraphic equivalent of 5,499' from Vincent J. Duncan to the Superior Oil Company. Dated 2/11/83. Approved 3/30/88.

(10) Assignment of 15% operating rights from surface down to the stratigraphic equivalent of 5,499' from J. Walter Duncan to the Superior Oil Company dated 2/11/83. Approved 3/30/88.

(11) Merger of Superior Oil Company into Mobil Oil Company.

(12) Assignment of 60% operating rights from surface down to stratigraphic equivalent of 5449' from Mobil Exploration and Producing North America, Incorporated to A.P.A. Development, Navajo Nation approved on January 19, 1990. Bureau of Indian Affairs approval pending.

() _____

() _____

() _____

() _____

RECEIVED
OCT 28
BUREAU OF LAND MANAGEMENT

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Santa Fe, New Mexico
SERIAL No.: NOO-C-14-20-5117

Area Director
DEC 17 1993 9:03a

and hereby designates

NAME: Colorado PICA Petroleum Corporation
ADDRESS: 2002 Rolling Road, Cortez, CO 81321

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

Legal description is contained on Exhibit A attached hereto and incorporated herein by this reference.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

Patrick B. Woosley
.....
(Signature of lessee)

Patrick B. Woosley, President
A.P.A. Development, Inc.

P.O. Box 215, Cortez, CO 81321
.....
(Address)

December 1, 1993
.....
(Date)

U.S. GOVERNMENT PRINTING OFFICE: 1964-O-726-354

Pursuant to Secretarial
Redelegation Order 209
DM:8, Secretary's Order
No. 3150, as amended, and 10
BIAM Bulletin 13, as amended.

ACTING Navajo Area Director

DEC 20 1993

RECEIVED
DEC 20 1993

NAVJO AREA OFFICE
Branch of Real Estate Services

ASSISTANT AREA DIRECTOR
(PROGRAMS)

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1- VLC 7-PL
2- LWP 8-SA
3- DTS 9-FILE
4- VLC
5- RJF
6- LWP

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: 4-25-94)

TO (new operator)	<u>COLORADO PICA PETRO. CORP.</u>	FROM (former operator)	<u>APA DEVELOPMENT INC</u>
(address)	<u>2002 ROLLING RD</u>	(address)	<u>PO BOX 215</u>
	<u>CORTEZ CO 81321</u>		<u>CORTEZ CO 81321</u>
	<u>V JOYCE MARI</u>		<u>PAT WOOSLEY, PRES.</u>
	phone (<u>303</u>) <u>565-4993</u>		phone (<u>303</u>) <u>565-2458</u>
	account no. <u>N 3500 (10-31-94)</u>		account no. <u>N 7185</u>

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

Name: <u>LONE MT CYN 36-34/DSCR</u>	API: <u>(43-037-30864)</u>	Entity: <u>5985</u>	Sec <u>36</u> Twp <u>41S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: <u>LONE MT CYN 1-11/DSCR</u>	API: <u>43-037-31083</u>	Entity: <u>6030</u>	Sec <u>1</u> Twp <u>42S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: <u>LONE MT CYN 1-33/TA</u>	API: <u>43-037-30908</u>	Entity: <u>11175</u>	Sec <u>1</u> Twp <u>42S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: <u>LONE MT CYN 1-44/DSCR</u>	API: <u>43-037-30847</u>	Entity: <u>6030</u>	Sec <u>1</u> Twp <u>42S</u> Rng <u>24E</u>	Lease Type: <u>INDIAN</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- Sec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 5-16-94)*
- Sec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 10-28-94)*
- Sec 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: #138522 (Eff. 8-25-89)
- Sec 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.
- LWP 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *10-31-94*
- LWP 6. Cardex file has been updated for each well listed above. *10-31-94*
- LWP 7. Well file labels have been updated for each well listed above. *11-1-94*
- Sec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(10-31-94)*
- Sec 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

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

BOND VERIFICATION (Fee wells only)

- N/A* 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- ec* 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

- N/A* 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.
- ec* 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- ec* 1. All attachments to this form have been microfilmed. Date: November 4 1994.

FILING

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

COMMENTS

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

THIS, R24E, NE/4, S/2
Sec. 36

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL DEEPEN
B. Type of Well: OIL GAS OTHER: SINGLE ZONE MULTIPLE ZONE

5. Lease Designation and Serial Number:
ARI 43-037-30864

6. If Indian, Allottee or Tribe Name:
Navajo Lease

7. Unit Agreement Name:
N00-C-1420-5117

8. Farm or Lease Name:
Lone Mtn Canyon

2. Name of Operator:
Colorado Pica Petroleum Corporation

9. Well Number:
36-34

3. Address and Telephone Number:
2002 Rolling Road (970) 565-4993

10. Field and Pool, or Wildcat:
LMC - Desert Creek #1

4. Location of Well (Footages) T41S, R24E, Sec 36 SWSE SLBM' 500' FSL - 2580' FEL
At Surface: Elevation 4603
At Proposed Producing Zone: Desert Creek 5290' - 5320'

11. Ctr/Ctr, Section, Township, Range, Meridian:
SW1/4 - SE1/4, Sec 36
T41S, R24E

14. Distance in miles and direction from nearest town or post office:
17 miles Southeast of Montezuma Creek, Utah

12. County: San Juan
13. State: UTAH

15. Distance to nearest property or lease line (feet): 820'

16. Number of acres in lease:
40 Acres

17. Number of acres assigned to this well:
40 Acres

18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 0

19. Proposed Depth: 1000' to NE, 5290' - 5320, 53 degrees E of N

20. Rotary or cable tools:
None

21. Elevations (show whether DF, RT, GR, etc.):
TZ 5290', BTM 5320', DF 4615, GI 4603

22. Approximate date work will start:
June 1, 2000

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

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

We will be in the Desert Creek Zone #1. We will have B.O.P.'s.
Will use polymers in the water.
Expecting near normal pressures as original drilling, not expecting any hydrogen sulfide as the well has none.

RECEIVED

APR 21 2000

DIVISION OF
OIL, GAS AND MINING

24. Name & Signature: Raymond C. Mason Title: President Date: 4-17-00

(This space for State use only)

API Number Assigned 43-037-30864

Approval

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 6/19/00
By: [Signature]

Federal Approval of this
Action is Necessary

(See Instructions on Reverse Side)

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/21/2000

API NO. ASSIGNED: 43-037-30864

WELL NAME: LONE MT CYN 36-34
 OPERATOR: COLORADO PICA PETRO (N3500)
 CONTACT: RAYMOND MARI

PHONE NUMBER: 970-565-4993

PROPOSED LOCATION:
 SWSE 36 410S 240E
 SURFACE: 0500 FSL 2580 FEL
 BOTTOM: 1071 FSL 1831 FEL
 SAN JUAN
 GREATER ANETH (365)

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

LEASE TYPE: 2-Indian
 LEASE NUMBER: N00C-14205117
 SURFACE OWNER: 2-Indian

PROPOSED FORMATION: DSCR

RECEIVED AND/OR REVIEWED:
N Plat **Blm did not reg. (see DO6m map)*
 Bond: Fed[] Ind[2] Sta[] Fee[]
 (No. 9009223 per BIA) 5/5/00
N Potash (Y/N)
N Oil Shale (Y/N) *190 - 5 (B)
 Water Permit
 (No. MUNICIPAL prop.)
N RDCC Review (Y/N)
 (Date: _____)
N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:
 _____ R649-2-3. Unit _____
 ~~R649-3-2. General~~
 Siting: * Horiz.
 R649-3-3. Exception
 _____ Drilling Unit
 Board Cause No: _____
 Eff Date: _____
 Siting: _____
 R649-3-11. Directional Drill

COMMENTS: * Blm Aprv. 4/24/00.

STIPULATIONS: ① FEDERAL APPROVAL



Utah Oil Gas and Mining

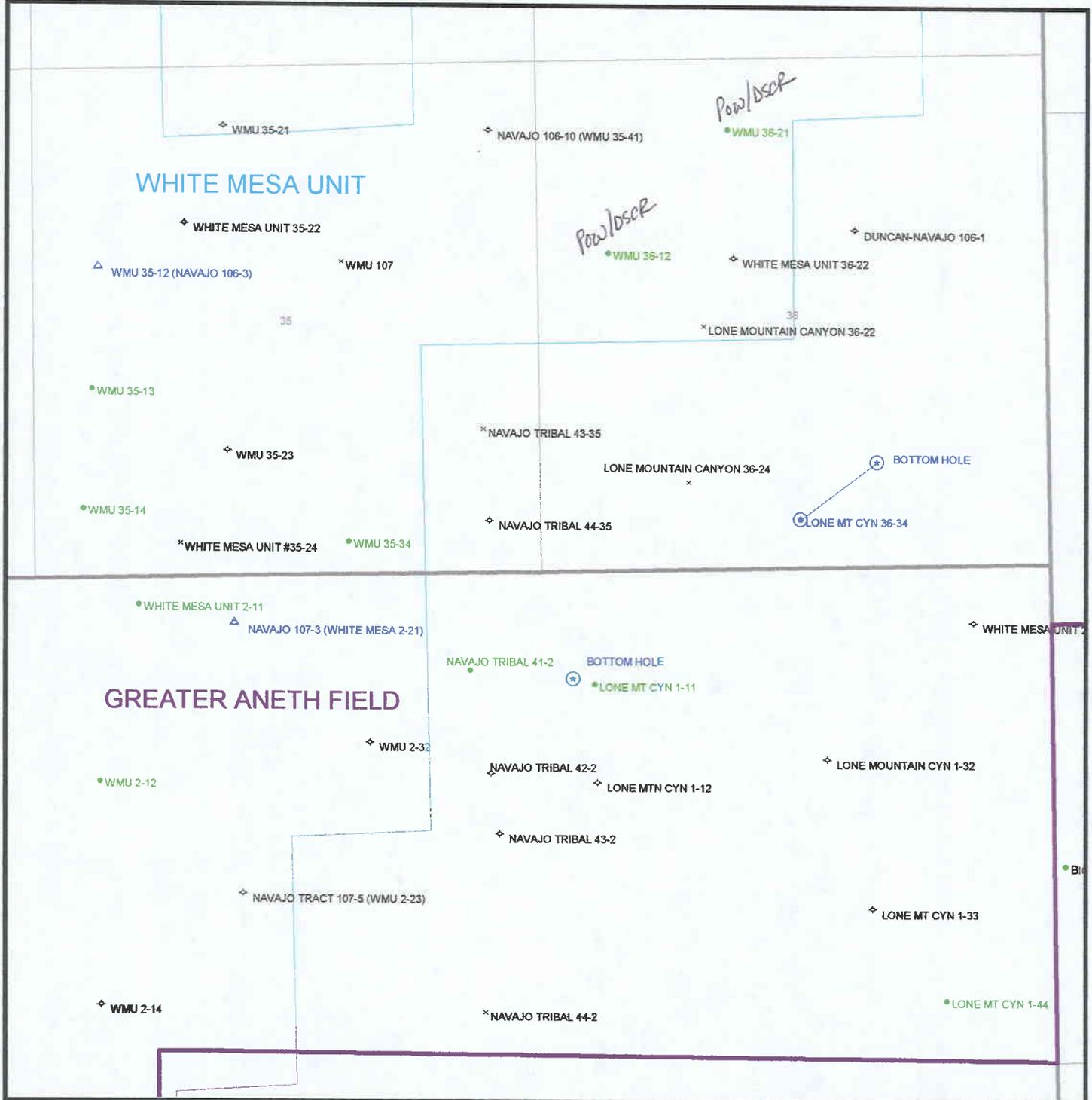
Serving the Industry, Protecting the Environment

OPERATOR: COLORADO PICA PETROLEUM (N3500)

FIELD: GREATER ANETH (365)

SEC. 36, T 41 S, R 24 E,

COUNTY: SAN JUAN CAUSE NO:



PREPARED
DATE: 5-MAY-2000

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

MAY 19 PM 12:36
070-111-1111

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. ARI 43-037-30864
2. Name of Operator Colorado Pica Petroleum Corporation	6. If Indian, Allottee or Tribe Name Navajo Lease
3. Address and Telephone No. 2002 Rolling Road, Cortez, CO 81321 970-565-4993	7. If Unit or CA, Agreement Designation NOO-C-14-20-5117
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) T41S R24E Sec 36 SWSE S1bm 500' FSL - 2580' FEL Elevation 4603' Desert Creek 5290' - 5320'	8. Well Name and No. IMC 36-34
	9. API Well No. 43037 30864
	10. Field and Pool, or Exploratory Area NOO-C-14-20-5117
	11. County or Parish, State IMC - Desert Creek #1 San Juan, Utah

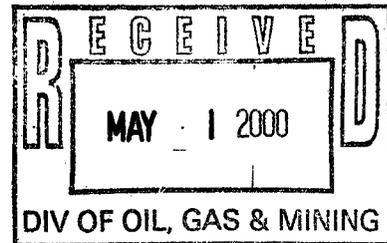
13 CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

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

We plan to horizontal drill 36-34 well.
Location 500' fsl - 2580' FEL
We plan to cut window and drill 1000', 53 degrees east of true north, in the Desert Creek at 5290' to 5320', 30'.
We plan to start in May.



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

Signed <i>Raymond C. May</i>	Title <u>President</u>	Date <u>4/17/00</u>
(This space for Federal or State official use)		
Approved by <i>Charlie Cochran</i>	Title <u>PMT Team lead</u>	Date <u>4/24/00</u>
Conditions of approval, if any: <u>ACTING</u>		

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

*See instruction on Reverse Side

OPERATOR

THIS, R24E, NE 1/4, S1/2

Sec 36

FORM 3

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/>		5. Lease Designation and Serial Number: ART 43-037-30864	
8. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name: Navajo Lease	
2. Name of Operator: Colorado Pica Petroleum Corporation		7. Unit Agreement Name: NOO-C-1420-5117	
3. Address and Telephone Number: 2002 Rolling Road (970) 565-4993		8. Farm or Lease Name: Lone Mtn Canyon	
4. Location of Well (Footages) T41S, R24E, Sec 36 SWSE S1/4 500' PSL - 2580' FEL At Surface: Elevation 4603 At Proposed Producing Zone: Desert Creek 5290' - 5320'		9. Well Number: 36-34	
14. Distance in miles and direction from nearest town or post office: 17 miles Southeast of Montezuma Creek, Utah		10. Field and Pool, or Wildcat: LMC - Desert Creek #1	
15. Distance to nearest property or lease line (feet): 820'		11. Co./Co., Section, Township, Range, Meridian: SW1/4 - SE1/4, Sec 36 T41S, R24E,	
16. Number of acres in lease: 40 Acres		12. County: San Juan	
17. Number of acres assigned to this well: 40 Acres		13. State: UTAH	
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): 0		19. Proposed Depth: 1000' to NE, 5290' - 5320, 53 degrees E of N	
20. Rotary or cable tools: None		21. Elevation (show whether DF, RT, GR, etc.): TZ 5290', BTM 5320', DF 4615, GI 4603	
22. Approximate date work will start: June 1, 2000			

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

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

Set bridge plug, mill window, drill 100' from vertical to horizontal in zone for approximately 1000'.

24. Name & Signature: _____ Title: _____ Date: _____

(This space for State use only)

API Number Assigned: _____ Approval: _____

Fax Cover Sheet

The Mail Room

And Copy Center

2236 E. Main St.

Cortez, CO 81321

Phone(970)565-1100 Fax(970)565-6222

To Mike Hebertson

Date 5/1/00

Fax 801-359-3940

Department Utah Oil, Gas and Mining

From Ray Mari - Colorado Pica
Petroleum Corp.

#of pages including cover 3

- Urgent
- For Review
- Please Comment
- Please Reply

Message:

* (505) 599-6364

Fax Cover Sheet

The Mail Room

And Copy Center

2236 E. Main St.

Cortez, CO 81321

Phone(970)565-1100 Fax(970)565-6222

To Mike Hebertson

Date 5/8/00

Fax 801-359-3940

Department Utah Oil, Gas and Mining

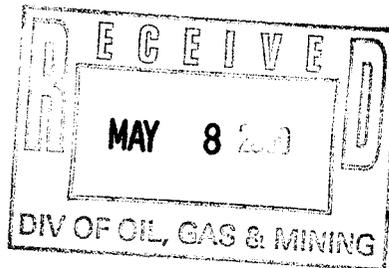
From Ray Mari - Colorado Pica
Petroleum Corp.

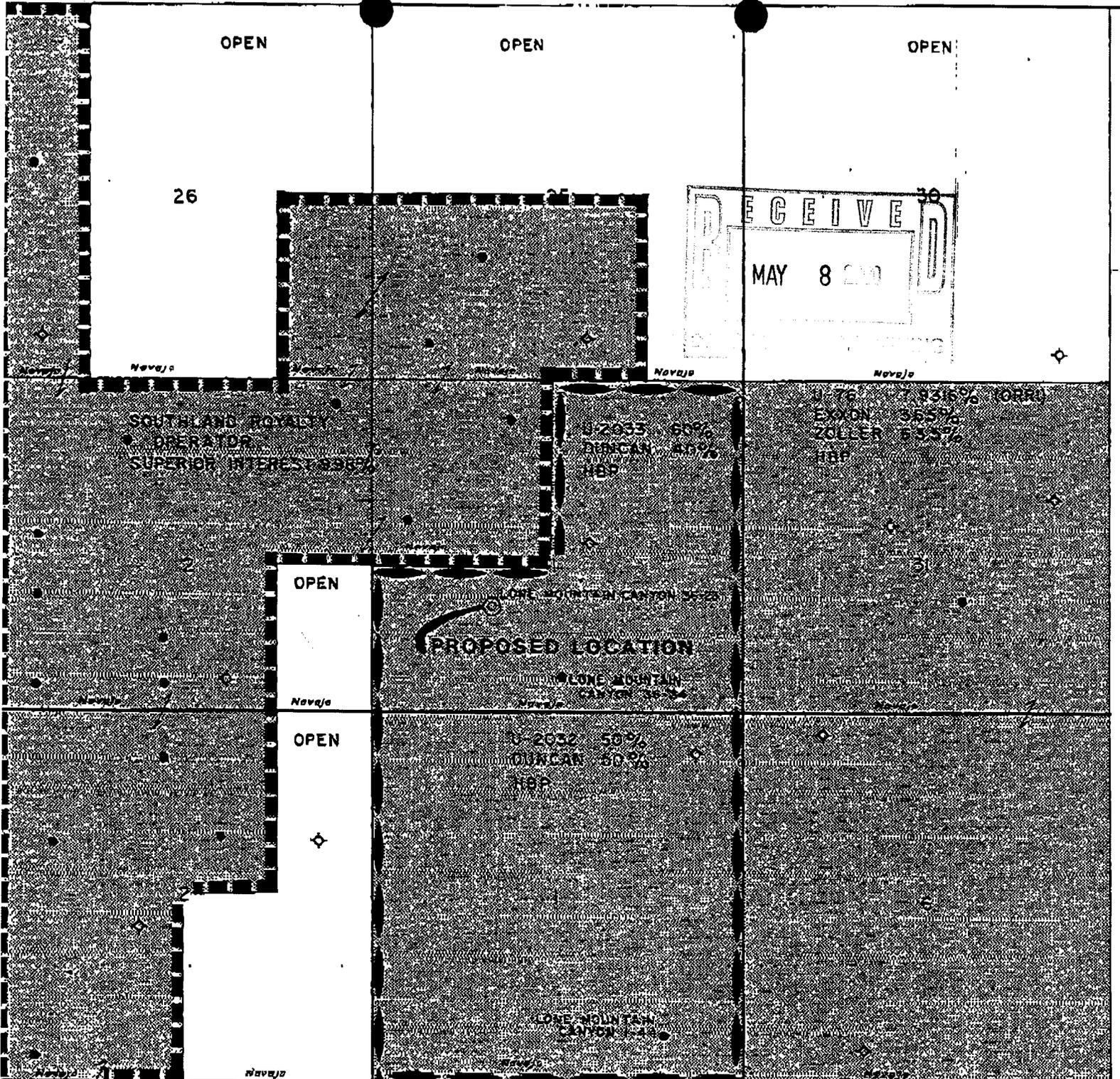
#of pages including cover 10

- Urgent
- For Review
- Please Comment
- Please Reply

Message:

Enclosed: Location Ownership Map
 Non-Consent Letter- Duncan Oil Co.
 Non-Consent Letter- Anderson Management Co. for Plaza Resources Co.
 General Indemnity Agreement - Far West Insurance Co. - 6 Pages

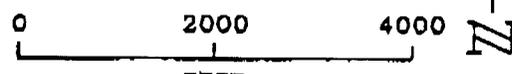




T 42 S-R 24 E

T 42 S-R 25 E

-  SUPERIOR PARTIAL ACREAGE.
-  WHITE MESA UNIT (UNDIVIDED)
(43-28-2-31)
-  SUBJECT TO DUNCAN FARMOUT &
OPERATING AGREEMENT DATED
12-17-82 (43-3-22)



SUPERIOR OIL
DENVER EXPLORATION

ANETH 8
SAN JUAN CO., UTAH

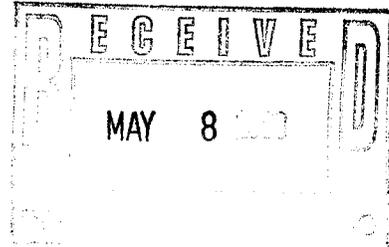
OWNERSHIP MAP

MAP BASE	DATE	REVIEWED BY	DATE
DRAWN BY	DATE	CHECKED BY	DATE
APPROVED BY	DATE	FILE NO.	5-83

DUNCAN OIL, INC.
1777 So. Harrison St., PT 1
Denver, CO 80210
(303) 759-3303
Fax: (303) 782-0849

April 13, 2000

Mr. Ray Mari
Colorado Pica Petroleum Corp.
2002 Rolling Road
Cortez, CO 81321



RE: Horizontal Drilling AFE
Lone Mountain Canyon #36-34
SW SE Section 36, T41S-R24E
San Juan County, Utah

Dear Ray:

This is to advise that Duncan Oil (22.216%) including Club Oil & Gas, J. Walter Duncan Jr. and Raymond T. Duncan, are going non-consent under the 100/250% non-consent penalty clause in the operating agreement on your horizontal drilling AFE dated March 31, 2000. It is requested that we be given the drilling reports and cost information once you have completed your operations. I would also appreciate getting copies of the State, Indian and Federal permits that might be required.

Even though we are going non-consent, Ray, I do wish you the best of luck in completing the well.

Sincerely,

A handwritten signature in cursive script that reads "W. S. Fallin".

W. S. Fallin
Production Manager

WSF/js
(g:\eng\jms\fallin\LMC #36-34 AFE Ltr)

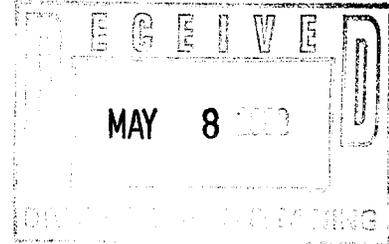
ANDERSON MANAGEMENT COMPANY

OIL AND GAS ASSET MANAGEMENT
650 SOUTH CHERRY ST., SUITE 400
DENVER, CO 80222

(303) 388-3322

April 28, 2000

Mr. Raymond Mari
President
Colorado Pica Petroleum Corporation
2002 Rolling Road
Cortez, CO 81321



Dear Mr. Mari:

We have received your letter of March 31, 2000 concerning the proposed horizontal drilling of the Lone Mountain Canyon 36-34. We have researched this proposal and have concluded that the potential rewards are not sufficient to justify the investment. We also have concerns about your ability to secure regulatory approval under existing regulations. For those reasons, please accept this letter as our notice that we wish to be non-constant on the proposed horizontal drilling.

I am sorry that we are unable to participate in this operation. I know that you have wanted to do this for a long time. We wish you good luck.

If you are able to get a drilling permit, we would appreciate receiving a copy.

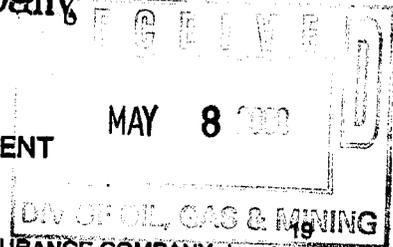
Sincerely,

Truman Anderson
Attorney-in-Fact
Plaza Resources Company



Far West Insurance Company

WOODLAND HILLS, CALIFORNIA



GENERAL INDEMNITY AGREEMENT

This Agreement of Indemnity, made and entered into this _____ day of _____ is executed by the Undersigned for the purpose of indemnifying FAR WEST INSURANCE COMPANY, herein referred to as "Surety", in connection with any Bonds written on behalf of

Colorado Pica Petroleum Corporation

herein referred to as "Principal."

1. DEFINITIONS — The following definitions apply in this Agreement:

Bond — Any contractual obligation undertaken by Surety for Principal, before or after the date of this Agreement and any renewal or extension of said obligation.

Principal — The person(s) or entity(ies) set forth above or any one of them or any combination thereof, or their successors in interest, whether alone or joint venture with others named herein or not.

Surety — FAR WEST INSURANCE COMPANY, its reinsurers, and any other person(s) or entity(ies) which the Surety may procure to act as a Surety or as a Co-Surety on any Bond, or any other person or entity who executes a Bond at the request of Surety.

Contract — Any agreement of Principal, including that which is bonded by the Surety.

2. INDEMNITY — In consideration of the execution and delivery by the Surety of a Bond or any Bonds on behalf of the Principal, the Undersigned agree to indemnify and hold the Surety harmless from and against any and all demands, liabilities, losses, costs, damages, attorneys' fees and expenses of whatever kind or nature which arise by reason of, or in consequence of, the execution by the Surety of any Bond on behalf of the Principal and whether or not the Surety shall have paid any sums in partial or complete payment thereof, including but not limited to: sums paid including interest, or liabilities incurred in settlement of claim; expenses paid or incurred in connection with claims, suits, or judgments under such Bonds; expenses paid or incurred in enforcing the terms of this Agreement; expenses paid or incurred in procuring or attempting to procure release from liability under its Bond by Surety; expenses incurred in recovering or attempting to recover losses or expenses paid or incurred; attorneys fees and all legal expenses related to any items herein: including in-house attorney fees, costs and expenses; investigation, accounting or engineering services; adjustment of claims; premiums on Bonds issued by Surety on behalf of the Principal; monies advanced or loaned in accordance with Section 4(d) of this Agreement. In furtherance of such indemnity:

A. The liability of the undersigned shall extend to and include all amounts paid by the surety in good faith under the belief that 1) principal was in default as hereinafter described in Section 3 of this agreement; 2) surety was or might be liable therefor; 3) such payments were necessary or advisable to protect any of surety's rights as to avoid or lessen surety's liability or alleged liability.

B. Surety shall have the right to incur such expenses in handling a claim as it shall deem necessary, including but not limited to the expense for investigative, accounting, engineering and legal services.

C. Surety shall have the foregoing rights, irrespective of the fact that the Undersigned may have assumed, or offered to assume, the defense of the Surety upon such claim.

D. In any claim or suit hereunder, an itemized statement of the aforesaid losses and expenses, sworn to by an officer of Surety, or the vouchers or other evidence of disbursement by Surety; shall be prima facie evidence of the fact and extent of the liability hereunder of the Undersigned.

E. Surety shall have the right to reimbursement of its expenses, premiums and attorneys' fees, including in-house attorneys' fees, costs and expenses hereunder, irrespective of whether any Bond loss payment has been made by Surety. In any suit on this Agreement, Surety may recover its further expenses and attorneys' fees, including in-house attorneys' fees, costs and expenses incurred in suit.

F. If the principal advises the surety in a timely manner of its defenses relating to any claim arising out of any bond written pursuant to this agreement, and instructs the surety not to pay or otherwise perform thereunder, based upon such defenses, the undersigned agrees to indemnify, hold harmless and reimburse the surety for any consequential or other damages — including but not limited to attorneys' fees (whether for outside attorneys or in-house counsel), legal costs, bad faith judgments, etc. — which thereafter may arise.

3. DEFAULT — Principal shall be in Default with respect to a Contract and hereunder if any of the following occur:

A. Principal breaches, abandons or repudiates any Contract.

B. Any Obligor declares Principal to be in Default.

C. Principal fails to pay for any labor or materials when such payment is due.

D. Principal diverts any Contract funds from one Contract to another, prior to the complete discharge of Surety.

E. Principal, or any of the Undersigned, breaches any provision of this Agreement.

F. Principal, or any one of the Undersigned, becomes the subject of any Agreement or proceedings of composition, insolvency, bankruptcy, receivership, trusteeship, or assignment for creditors.

G. Principal, or any one of the undersigned, becomes actually insolvent.

H. Principal (if an individual) dies, is adjudged mentally incompetent, convicted of a felony, becomes a fugitive from justice or disappears and cannot be located with the usual methods.

- 4. REMEDIES UPON DEFAULT — In the event of a Default, as defined above, Surety may at its option and sole discretion:
 - A. Take over any Contract and arrange for its completion.
 - B. Take possession of the Principal's equipment, materials and supplies at the site of the work or elsewhere, and utilize the same for Completion of any Contract.
 - C. Take possession of the office equipment, books and records of Principal as are necessary for completion of any Contract.
 - D. Loan such funds or guarantee a loan for such funds (prior to or after default), as Surety shall deem necessary for the completion of any Contract and for the discharge of Surety in connection with any Contract. Repayment of such loan shall be the responsibility of the Undersigned.
 - E. File an immediate suit to enforce the provisions of this Agreement.

- 5. COLLATERAL SECURITY — If a claim is made against Surety, whether disputed or not, or if Surety deems it necessary to establish a reserve for potential claims, and upon demand from Surety, the Undersigned shall deposit with Surety cash or other property acceptable to Surety, as collateral security, in sufficient amount to protect Surety with respect to such claim or potential claims and any expense or attorneys' fees. Such collateral may be held or utilized by Surety until it has received evidence of its complete discharge from such claim or potential claims, and until it has been fully reimbursed for all loss, expense, attorneys' fees and unpaid premiums. If said Collateral, or collateral previously deposited with Surety, is deemed insufficient by Surety, the Undersigned agree to deposit additional or substitute collateral in an amount and type acceptable to Surety. This may include the Surety's demand for cash collateral in substitution for trust deed collateral. The Undersigned further agrees to reimburse the Surety for all attorneys' fees, costs, expenses, etc. including any in-house attorneys' fees, in the Surety's defense of any action brought by the Principal or Indemnitors to effect the return of their collateral, if the Court subsequently upholds the Surety's position in retaining that collateral.

- 6. ASSIGNMENT — As security for the performance of all of the provisions of this Agreement, the Undersigned hereby assign, transfer, pledge and convey to the Surety (effective as of the date of each such Bond or Bonds, but only in the event of Default referred to in preceding Section 3):
 - A. All rights in connection with any Contract, including but not limited thereto:
 - 1. All subcontracts let in connection therewith and such subcontractors' Surety Bonds.
 - 2. All machinery, plant, equipment, or tools which shall be upon the site or sites of the work or elsewhere for the purpose of any Contract, including all material ordered for any Contract.
 - 3. Any and all sums due or which may thereafter become due under any Contract and all other sum or sums due or to become due on all other contracts, bonded or unbonded, in which any of the Undersigned have an interest.
 - 4. All rights arising out of insurance policies, notes and accounts receivable, and choses in action.

- 7. POWER OF ATTORNEY — The Undersigned hereby irrevocably nominate, constitute, appoint and designate the Surety or its designee as their attorney-in-fact with the power, but not the obligation, to exercise all of the rights assigned, transferred and set over to the Surety by the Undersigned in this Agreement, and to make, execute and deliver any and all additional or other assignments, documents or papers, including but not limited to: the execution of instruments referred to in Section 6, the endorsement of checks or other instruments payable to any of the Undersigned deemed necessary and proper by the Surety in order to give full effect to the intent and meaning of the within assignment for the full protection intended to be given to the Surety under all other provisions of this Agreement. The Undersigned hereby ratify and affirm all acts and actions taken and done by the Surety or its designee as attorney-in-fact.

- 8. GENERAL PROVISIONS
 - A. The obligations of the Undersigned hereunder are joint and several. Surety may bring separate suits hereunder against any or all of the Undersigned as causes of action may accrue hereunder. Surety need not proceed first against the Principal.
 - B. Undersigned will, on request to Surety, procure the discharge of Surety from any Bond, and all liability by reason thereof.
 - C. Undersigned warrant that each of them is specifically and beneficially interested in obtaining each Bond and agree to pay the initial, renewal, and additional premiums thereon, including premiums based on overrun in contract price according to the Companies current rate manual recognizing that the initial premium is fully earned upon execution of said Bond.
 - D. Undersigned waive notice of: any Default, the making of a claim against Surety, or Surety's loaning funds to Principal.
 - E. Undersigned agree to give to Surety prompt notice of any facts which might give rise to any claims or suits against Surety upon any Bond.
 - F. Surety shall have the right, at its option and in its sole discretion, to issue or cancel or decline the execution of any Bond, or renewal thereof, including a final Bond when it has furnished a bid Bond.
 - G. Surety may consent to any changes or alterations in a Contract or Bond, without affecting the liability hereunder of the Undersigned, including but not limited to riders extending the time of completion, or increases or decreases in the penal sum of the bond, who hereby agree to pay any additional premium resulting from said changes or alterations, without giving notice thereof to the indemnitors.
 - H. Surety shall have every right, defense, or remedy which a personal Surety without compensation would have, including the right of exoneration.
 - I. Until Surety shall have been furnished with conclusive evidence of its discharge without loss from any Bonds, and until Surety has been otherwise fully indemnified as hereunder provided, Surety shall have right of free access to the books, records and accounts of the Undersigned for the purpose of examining and copying them. The Undersigned hereby authorize third parties, including but not limited to depositories of funds of the Undersigned, to furnish to Surety any information requested by Surety in connection with any transaction. Surety may furnish any information, which it now has or may hereafter acquire concerning the Undersigned, to other persons, firms or entities for the purpose of procuring co-suretyship or reinsurance or of advising such persons, firms or entities as it may deem appropriate.

RECEIVED
MAY 8 2000
SURETY

- J. If the execution of this Agreement by any of the Undersigned be found defective or invalid for any reason, such defect or invalidity shall not affect the validity of this Agreement with respect to any other of the Undersigned. The invalidity of any provision of this Agreement by reason of the law of any state or by any other reason shall not affect the validity of any other provision of this Agreement.
- K. The Surety may, at its option, file or record this Agreement or any other document executed by any or all of the Undersigned, individually or jointly, in connection with the application, issuance or execution of any Bond or Bonds, or renewal thereof, coming within the scope of this instrument as: a security agreement or as part of a financing statement or, as notice of its prior interest and assignment under the provisions of the Uniform Commercial Code or any other statute, ordinance or regulation of any jurisdiction or agency. The filing or recording of such document shall be solely at the option of the Surety. The failure to so file shall not release or discharge any of the obligations of the Undersigned under this Agreement.
- L. The Surety shall have the right to fill in any blanks left herein and to correct any errors in filling in any blanks herein.
- M. The Undersigned waive any defense that this instrument was executed subsequent to the date of any such Bond, admitting and covenanting that such Bond was executed pursuant to the Undersigneds' request and in reliance on the Undersigneds' promise to execute this instrument.
- N. This Agreement may not be changed or modified orally. No change or modification shall be effective unless specifically agreed to in writing.
- O. In the event any of the Undersigned shall fail to execute this instrument or become insolvent, or in the event any of the Undersigned who execute this Agreement, shall not be bound for any reason, the other Undersigned shall, nevertheless, be bound hereunder for the full amount of the liability as aforesaid.
- P. Repeated actions may be maintained by Surety on this instrument as breaches of it occur without any former action operating as a bar to any subsequent action.
- Q. Wherever used in this instrument, the plural shall include the singular, the singular shall include the plural, and the neuter shall include both genders as the circumstances require.
- R. The liability of the Undersigned hereunder shall not be affected by: (a) the failure of the Principal to sign any bond (b) any claim that other indemnity or security was to have been obtained, (c) the release of any indemnity, (d) the return or exchange of any collateral that may have been obtained.
- S. The Undersigned and their successors, executors and administrators agree to hold all money or other proceeds of a Contract, however received, as a trust for the benefit of Surety and to use such money or other proceeds for the purpose of performing the Contract and discharging the obligations of the Bond, and for no other purpose until the Bond is completely exonerated.

9. **WAIVER OF NOTICE** — We agree that the Company need not give us, or any of us, notice of any act, fact or information coming to the notice or knowledge of the Company concerning or affecting its rights or liabilities under any such bond or our rights or liabilities hereunder, notice of all such being hereby expressly waived.

10. **CREDIT RELATIONSHIP** — Each of the Undersigned further affirms that he understands bonds are a credit relationship and hereby authorizes Far West Insurance Company, or its authorized agent, Amwest General Agency Inc. to gather such credit information it considers necessary and appropriate for purposes of evaluating whether such credit should be effected or continued.

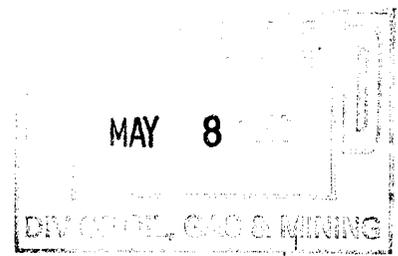
11. **TERMINATION** — This Agreement is a continuing obligation of the Undersigned unless terminated by written notice to Surety as hereinafter provided, and such termination by a particular Undersigned shall in no way affect the obligation of any other Undersigned who has not given such notice. The liability of the Undersigned hereunder as to the future Bonds of Principal shall not terminate by reason of the failure of Surety to disclose facts known about the Principal, even though such facts materially increase the risk beyond that which the Undersigned might intend to assume. Whether Surety may have reason to believe such facts are unknown to the Undersigned, or whether Surety may have reasonable opportunity to communicate such facts to the Undersigned, the Undersigned hereby waive notice of such facts. In order to terminate liability as to future Bonds of Principal, an Undersigned must:

- A. Give written notice by means of certified mail to Surety at its office at P.O. Box 4500, Woodland Hills, California 91365-4500 of such termination; and
- B. State in such notice the effective date (not less than thirty days after receipt thereof by Surety) of termination of such Undersigneds' liability for future Bonds.

After the effective date of such termination by giving notice, the Undersigned shall nonetheless be liable hereunder for:

- A. Bonds executed or authorized prior to such date, and renewals, substitutions and extensions thereof; and
- B. Bonds executed pursuant to a bid or proposal Bond executed or authorized prior to such date, and renewals, substitutions and extensions thereof; and
- C. Any maintenance or guarantee Bonds executed incidental to any other Bond executed prior to such date, and renewals, substitutions and extensions thereof.

12.



PRINCIPAL(S)

CORPORATE SEAL

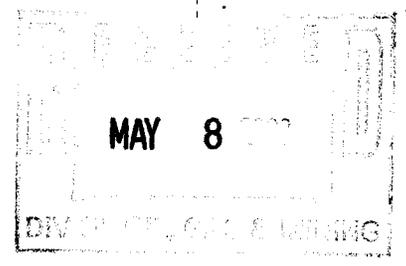
Principal(s) Name _____

By Raymond C. Mari
Corporate President Title

By V. Joyce Mari
Corporate Secretary Title

By _____
Title

By _____
Title



INDEMNITOR(S)

Raymond C. Mari
Signature
Raymond C. Mari
Name Typed

X
Residence Address

X
Res. Phone # SS #

Signature

Name Typed

Residence Address

Res. Phone # SS #

Signature

Name Typed

Residence Address

Res. Phone # SS #

Signature

Name Typed

Residence Address

Res. Phone # SS #

V. Joyce Mari
Signature
V. Joyce Mari
Name Typed

X
Residence Address

X
Res. Phone # SS #

Signature

Name Typed

Residence Address

Res. Phone # SS #

Signature

Name Typed

Residence Address

Res. Phone # SS #

Signature

Name Typed

Residence Address

Res. Phone # SS #

deem appropriate.

RECEIVED
MAY 8 1993

INDIVIDUAL ACKNOWLEDGMENTS

STATE OF Colorado
COUNTY OF Montezuma ss.

On this 11th day of February, 19 93, before me personally appeared V. Joyce Mari Raymond C. Mari personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed the same.

Jessie M. Dannelley
Notary Public
Commission Expires: 1/22/94

STATE OF _____
COUNTY OF _____ ss.

On this _____ day of _____, 19____, before me personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that _____ he _____ executed the same.

Notary Public

STATE OF _____
COUNTY OF _____ ss.

On this _____ day of _____, 19____, before me personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged to me that _____ he _____ executed the same.

Notary Public

PARTNER(S) ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____ ss.

On this _____ day of _____, 19____, before me personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) that executed this instrument on behalf of the partnership known as _____ and acknowledged to me that the partnership executed it.

Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF Colorado
COUNTY OF Montezuma ss.

On this 11th day of February, 19 93, before me personally appeared V. Joyce Mari and Raymond C. Mari personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as President of the corporation therein named and acknowledged to me that the corporation executed it.

Jessie M. Dannelley

OIL & GAS BOND ADDENDUM

THIS ADDENDUM, executed simultaneously with a certain GENERAL INDEMNITY AGREEMENT dated _____, 19____ (General Indemnity Agreement) between the Undersigned and Surety, forms a part of that General Indemnity Agreement and is incorporated therein as though fully set forth. Nothing herein should be construed as a limitation upon the rights conferred upon the Surety under the General Indemnity Agreement which shall remain in full force and effect.

1. SUPPLEMENTAL DEFINITIONS. "Contract" shall include oil and gas lease(s) and interests therein, including those which are bonded by Surety, and operating agreement(s).

2. COLLATERAL. The rights assigned, transferred, pledged, and covered in Paragraph 4 of the General Indemnity Agreement notwithstanding, the undersigned, in further consideration of the surety's issuance of bond(s) pursuant to the General Indemnity Agreement relating to oil and gas leases and/or other oil and gas industry undertakings, hereby grants to Surety a security interest with respect to the real property, leases and/or mineral interests described on EXHIBIT "A" (which is attached hereto and made part hereof), as follows:

- a. Any and all rights, title, interests, leasehold interests and working interests, the undersigned may now have or hereafter acquire with respect to the minerals (including but not limited to oil and gas), and other substances of value which may be extracted from the earth, and in account(s) resulting from the sale thereof at the well head or elsewhere, and all proceeds therefrom, and inventory.
- b. All equipment, including, but not limited to, any and all pipe, casing, rod, tubing, bits, pumping units, tanks, tank batteries, treaters, separators, well head equipment and fixtures appurtenant thereto.

3. UNIFORM COMMERCIAL CODE REMEDIES. The surety shall be entitled to exercise all rights and remedies of a secured party under the Uniform Commercial Code.

4. REAL ESTATE RECORDS. It is intended that the General Indemnity Agreement, this Oil & Gas Bond Addendum and Exhibits thereto be filed as real estate records. The undersigned further agree(s):

- a. To provide Surety with an accurate legal description, in writing, of any and all real property encompassed by oil and gas leaseholds in which the undersigned has or may hereafter have an interest.
- b. To provide Surety with accurate information concerning the identities of fee owners of any and all real property encompassed by oil and gas leaseholds in which the undersigned has or may hereafter have an interest.
- c. Surety may make multiple Uniform Commercial Code and Real Estate record filings of this General Indemnity Agreement and Addendum which filings may attach different, multiple or substituted exhibits describing collateral.

5. PHOTOCOPIES AND FACSIMILES. Photocopies or facsimiles of the General Indemnity Agreement, this Oil & Gas Bond Addendum and Exhibits thereto, and all counterparts thereof, may be used in lieu of originals for any and all Uniform Commercial Code and real estate record filings.

6. NON-ELECTION OF REMEDIES. Neither the bringing of suit nor the obtaining of judgment by Surety with respect to any secured indebtedness shall be deemed an election of remedies or otherwise affect the security interests or lien rights held by Surety as security for the payment of any indebtedness under the General Indemnity Agreement.

7. GENERAL INDEMNITY AGREEMENT RIGHTS EFFECTUATED. All rights conferred upon Surety by the General Indemnity Agreement, including by way of example but not limited to, POWERS OF ATTORNEY (paragraph 7), GENERAL PROVISIONS (paragraph 8), WAIVER OF NOTICE (paragraph 9), and CREDIT RELATIONSHIP (paragraph 10) are available to Surety to effectuate the purposes of this Oil and Gas Bond Addendum.

8. EXTENDED POWER OF ATTORNEY. Pursuant to the power of attorney granted under paragraph 7 of the General Indemnity Agreement, Surety, as it deems necessary, is authorized and empowered: (a) To attach, withdraw and/or substitute Exhibit(s) hereto describing or further identifying collateral, and (b) to execute debtor's signature(s) to effectuate UCC and Real Estate Filings herof, including but not limited to the execution of OCR cover sheets, financing statements, and any and all other documents necessary to perfect its security interest in said collateral.

PRINCIPAL: Colorado Pica Petroleum Corporation	ADDRESS OF PRINCIPAL:
By: <u>Raymond C. Mari</u> Date: <u>Feb 11-93</u>	2002 Rolling Road
Typed Name & Title: <u>Raymond C. Mari, President</u>	Cortez, CO 81321
Social Security or E.I.N Number: _____	

INDEMNITORS:

X Raymond C. Mari Date: X _____
 Typed Name: Raymond C. Mari
 Social Security or E.I.N Number: X 524-34-1826

X V. Joyce Mari Date: X _____
 Typed Name: V. Joyce Mari
 Social Security or E.I.N Number: X 523-36-7206

Typed Name: _____ Date: _____
 Social Security or E.I.N Number: _____ MAY 8

Typed Name: _____ Date: _____
 Social Security or E.I.N Number: _____

Typed Name: _____ Date: _____
 Social Security or E.I.N Number: _____

Typed Name: _____ Date: _____
 Social Security or E.I.N Number: _____

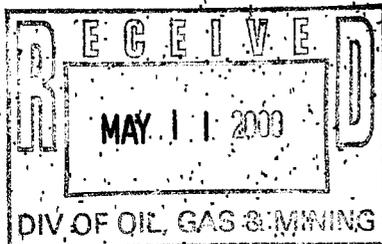
**US OIL & GAS, INC.**

State of Utah
Division of Oil, Gas and Mining
1395 west north temple
Suite 1210
Salt Lake City, UT 84114-5801

Re: Lone Mountain Canyon Well # 36-34
Horizontal Proposal

Dear Sir or Madam:

US OIL & GAS, INC. has been contacted by Mr. Ray Mari of Colorado PICA Petroleum in regards to the above mentioned well and proposed horizontal. US OIL & GAS, INC. has no reason to object to the proposed horizontal and can not see where it would cause any negative affects on the production of the White Mesa Unit's offset production.



Sincerely

Patrick Woosley
VP US OIL & GAS, INC.

2236 East Main
Cortez, CO 81321
Phone (970) 565-1100 FAX (970) 565-6222

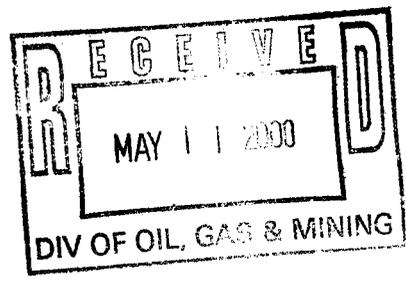
**The Mail Room and
Copy Center**

Fax

To: Utah Oil, Gas And Mining Mike Hebertson	From: Colorado Pica Petroleum Corporation Raymond G. Mari
Fax: 801-359-3940	Pages: 2
Phone: 801-538-5277	Date: 5/11/2000
Re: Well 36-34	CC:

Urgent
 For Review
 Please Comment
 Please Reply
 Please Recycle

● **Comments:**



COLORADO PICA PETROLEUM CORPORATION

2002 Rolling Road Cortez, Colorado 81321 970-565-4993

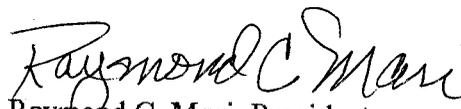
May 8, 2000

Att: Lisha Cordova
Utah Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Dear Ms. Cordova,

As per your request we wish to state there are no other owners within a 460 foot radius of the proposed well location of 36-34 other than Duncan Oil Co. and Plaza Resources Co.

Yours truly,


Raymond C. Mari, President

RECEIVED
MAY 11 2000
DIVISION OF
OIL, GAS AND MINING

DUNCAN OIL, INC.
1777 So. Harrison St., Penthouse I
Denver, CO 80210
(303) 759-3303
Fax: (303) 782-0649

May 23, 2000

Mr. James W. Carter
Director
Division of Oil, Gas & Mining
State of Utah
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Horizontal Drilling
Lone Mountain Canyon #36-34 Well
SWSE Section 36, T41S-R24E
San Juan County, Utah

Dear Mr. Carter:

This is to inform the State of Utah that we have no opposition to Colorado Pica Petroleum Corporation drilling a 1000' horizontal lateral in a northeasterly direction from the Lone Mountain Canyon #36-34 wellbore. I assume that the State will require the proper setback for the spacing of the well.

If you need any other assurances or would like to call, please do so.

Sincerely,



W. S. Fallin
Production Manager

WSF/js
(g:\eng\jms\fallin\LMC#36-34 Ltr#2)

cc: Ray Mari - Colorado Pica Corporation
2000 Rolling Road
Cortez, CO 81321

RECEIVED

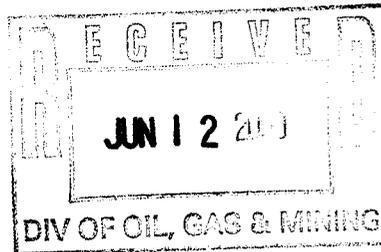
MAY 30 2000

**DIVISION OF
OIL, GAS AND MINING**

COLORADO PICA PETROLEUM CORPORATION

2002 Rolling Road Cortez, Colorado 81321 970-565-4993

June 12, 2000



Att: Lisha Cordova
Utah Division of Oil, Gas and Mining
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Dear Ms. Cordova,

As per your request we wish to state that there are no other owners within 460 foot radius of the proposed well location of 36-34 and all points along the intended well bore other than Duncan Oil Co. and Plaza Resources Co..

Yours truly,

Raymond C. Mari
Raymond C. Mari, President

2236 East Main
Cortez, CO 81321
Phone (970) 565-1100 FAX (970) 565-6222

**The Mail Room and
Copy Center**

Fax

Utah Oil, Gas and Mining	Colorado Pica Petroleum Corporation
To: Lisha Cordova	From: Raymond C. Mari
Fax: 801-359-3940	Pages: 2 including cover
Phone: 801-538-5277	Date: June 12, 2000
Re: Well 36-34	CC:

Urgent For Review Please Comment Please Reply Please Recycle

● **Comments:**



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

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

June 19, 2000

Colorado Pica Petroleum Corporation
2002 Rolling Road
Cortez, CO 81321

Re: Lone Mtn Canyon Well, 1071' FSL, 1831' FEL, SW SE, Sec. 36, T. 41 South, R. 24 East,
San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-30864.

Sincerely,

John R. Baza
Associate Director

er

Enclosures

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

Operator: Colorado Pica Petroleum Corporation

Well Name & Number Lone Mtn Canyon

API Number: 43-037-30864

Lease: ARI 43-037-30864 NOOC-14205117

Location: SW SE Sec. 36 T. 41 South R. 24 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

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

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

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORMAL ID
Budget Bureau 004-0135
Expires: May 1, 1993
5. Lease Designation and Serial No.
NOO-5117
6. If Indian, Allotted or Name
Navajo

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Colorado Pica Petroleum Corp.

3. Address and Telephone No.
 2002 Rolling Road Cortez, CO (970) 565-4993

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 500' FSL & 2580' FEL
 Section 36, T41S, R24E

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Lone Mountain Canyon 36-34

9. API Well No.
 43-037-30864

10. Field and Pool, or Exploratory Area

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

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

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

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

Colorado Pica proposes to stimulate this well by jet-cutting four 1" perforations at 5315'. The perforations will be phased at 90 degrees and are expected to penetrate the Desert Creek a maximum of 400' from the wellbore.

Note: This well was originally completed in the Desert Creek from 5290' - 5320' using 31 shots followed by 6000 gal. of 28% HCL in 1983.

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

Date: 5/30/01 MAY 24 2001

By: RAIMY DIVISION OF OIL, GAS AND MINING

5-30-01
CHD

Federal Approval Of This
Action Is Necessary

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

Signed John C. Corbett Title Agent Date May 2, 2001

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

NORTHSTAR OIL AND GAS

P.O. Box 93

Farmington, NM 87499

(505) 327-5751

December 19, 2002

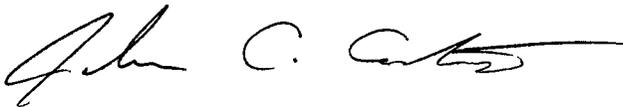
Ms. Carol Daniels
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Subject: Lone Mountain Federal 36-34
Sec. 36, T41S, R24E
San Juan county, Utah

Dear Ms. Daniels:

Enclosed per our conversation is a subsequent report of the stimulation work performed on the subject well. If you have questions, please do not hesitate to call me at 327-5751.

Very truly yours,
Northstar Oil and Gas Corp.



John C. Corbett
President

enclosure

Cc: Mr. Ray Mari
Colorado Pica Petroleum

RECEIVED

DEC 23 2002

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Designation and Serial No.
NOO-C-20-5117

6. If Indian, Allotted or Tribe Name
Navajo

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Lone Mountain Canyon 36-34

2. Name of Operator
Colorado Pica Petroleum Corp.

9. API Well No.
43-037-30864

3. Address and Telephone No.
2002 Rolling Road Cortez, CO (970) 565-4993

10. Field and Pool, or Exploratory Area

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
500' FSL & 2580' FEL
Section 36, T41S, R24E

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

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

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

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

Sideways, LLC was contracted to cut four 1' holes in the casing and jet cut laterals phased 90 degrees apart. On July 16, 2001 a casing cutter was set at 5300'. Per Sideways, laterals of 500', 130', 380' and 490' were cut. Orientation of laterals is not available. No further stimulation was attempted. Load fluid was swabbed back and well was hung on.

Note: This well was originally completed in the Desert Creek from 5290' - 5320' using 31 shots followed by 6000 gal. of 28% HCL in 1983.

RECEIVED

DIV. OF OIL, GAS & MINING

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

Signed [Signature] Title Agent Date December 18, 2002

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

5/1/2007

FROM: (Old Operator): N3500-Colorado Pica Petroleum Corporation 2002 Rolling Rd Cortez, CO 81321 Phone: 1 (303) 565-4993	TO: (New Operator): N1715-RIM Southwest Corporation 5 Inverness Dr E Englewood, CO 80112 Phone: 1 (303) 799-9828
---	---

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
LONE MT CYN 1-44	01	420S	240E	4303730847	6030	Indian	OW	P
LONE MT CYN 36-34	36	410S	240E	4303730864	5985	Indian	OW	P
LONE MT CYN 1-11	01	420S	240E	4303731083	6030	Indian	OW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/2/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/2/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 5/31/2007
- a. Is the new operator registered in the State of Utah: Business Number: 794466-0143
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: OK
- 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 n/a BIA not yet
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/31/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/31/2007
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: n/a
- Indian well(s) covered by Bond Number: RLB0001937
- a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number: n/a
- b. The **FORMER** operator has requested a release of liability from their bond on: n/a

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: NOO-C-14-20-5117
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: Navajo
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: RIM Southwest Corporation <i>N1715</i>		8. WELL NAME and NUMBER: Lone Mountain Canyon #36-34
3. ADDRESS OF OPERATOR: 5 Inverness Drive East CITY Englewood STATE CO ZIP 80112		9. API NUMBER: 43-037-30864
PHONE NUMBER: 303-799-9828		10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 500' FSL - 2580' FEL		COUNTY: San Juan
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 36 41S 24E		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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 05/01/07	<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.

RIM Southwest Corporation certifies that it is authorized by the proper lease interest owners to conduct operations associated with this application. Bond coverage pursuant to 43CFR3104 for lease activities is being provided by RIM Southwest Corporation with their BIA Bond RLB0001937.

Colorado Pica Petroleum Corporation, the previous operator, hereby names RIM as successor operator effective May 1, 2007.

RECEIVED
MAY 02 2007

COLORADO PICA PETROLEUM CORPORATION

Joyce Mari *N3500*

JOYCE MARI, PRESIDENT

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) RENE' MORIN	TITLE VICE PRESIDENT
SIGNATURE <i>René Morin</i>	DATE 4/25/2007

(This space for State use only)

APPROVED *5/31/07*

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

5. Lease Serial No. 44
NOO-C-14-20-5117

6. If Indian, Allottee, or Tribe Name
Navajo

7. If Unit or CA, Agreement Designation
WILDCAT

8. Well Name and No.
LONE MOUNTAIN CANYON #36-34

9. API Well No.
43-037-30864

10. Field and Pool, or Exploratory Area
WILDCAT

11. County or Parish, State
SAN JUAN, UTAH

2007 MAY - 2

RECEIVED
RIM

SUBMIT IN ORIGINAL AND WITH INSTRUCTIONS ON REVERSE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
RIM Southwest Corporation

3a. Address
5 Inverness Drive East Englewood, CO 80112

3b. Phone No. (include area code)
303-799-9828

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
500' FSL 2580' FEL SW SE 36 T41S R24E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering 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 <u>CHANGE OF OPERATOR</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

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

RIM Southwest Corporation certifies that it is authorized by the proper lease interest owners to conduct operations associated with this application. Bond coverage pursuant to 43CFR3104 for lease activities is being provided by RIM Southwest Corporation with their BIA Bond RLB0001937.

Colorado Pica Petroleum Corporation, the previous operator, hereby names RIM as successor operator effective May 1, 2007.

COLORADO PICA PETROLEUM CORPORATION

Joyce Mari
JOYCE MARI, PRESIDENT

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

RENE' MORIN Title VICE PRESIDENT

Signature Rene Morin Date 4/25/2007

RECEIVED FOR RECORD
AUG 06 2006

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 _____ BY [Signature]

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 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 reverse)

NMOCD - Utah

RECEIVED
AUG 18 2006
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135

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.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NOO-C-14-20-5117
2. Name of Operator RIM Southwest Corporation		6. If Indian, Allottee, or Tribe Name The Navajo Nation
3a. Address 5 Inverness Drive East, Englewood CO 80112	3b. Phone No. (include area code) 303-799-9828	7. If Unit or CA. Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SW SE sec 36 T 41S R 24E		8. Well Name and No. Lone Mtn. Canyon 36-34
		9. API Well No. 43-037-30864
		10. Field and Pool, or Exploratory Area Clay Hill
		11. County or Parish, State San Juan Co., Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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"/> Altering 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	Return to production
	<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 or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Returned to sales on Friday, August 29, 2008.

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

Name (Printed/ Typed) Kenneth J Kundrik	Title Operations Engineer
Signature <i>Kenneth Kundrik</i>	Date 9/2/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

SEP 09 2008

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	

STONFIELD 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 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 reverse)

FARMINGTON
Wah-ocd

RECEIVED

SEP 25 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0135
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 RIM Southwest Corp.

3a. Address
 5 Inverness Drive East, Englewood CO 80112

3b. Phone No. (include area code)
 303-799-9828

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 SW SE Sec 36 T 41S R 24E

5. Lease Serial No.
 NOOC-14-205117

6. If Indian, Allottee, or Tribe Name
 The Navajo Nation

7. If Unit or CA. Agreement Designation

8. Well Name and No.
 Lone Mtn. Canyon 36-34

9. API Well No.
 43-037-31472 30864

10. Field and Pool, or Exploratory Area
 Clay Hill

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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"/> Altering 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	Returned to sales
	<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 or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

Returned to sales on Friday, February 27, 2009.

RECEIVED

MAR 12 2009

DIV. OF OIL, GAS & MINING

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

Name (Printed/ Typed) Kenneth J Kundrik Title Operations Engineer

Signature *Kenneth J Kundrik* Date 3/2/2009

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 **ACCEPTED FOR RECORD**

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(Instructions on reverse)

MAR 09 2009

FARMINGTON FIELD OFFICE

Utah

TOCD

JUN 09 2009

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 RIM Southwest Corp.

3a. Address
 5 Inverness Drive East, Englewood CO 80112

3b. Phone No. (include area code)
 303-799-9828

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 SWSE sec 36 T 41S R 24E

FORM APPROVED
 OMB No. 1004-0135
 Expires: July 31, 2010

5. Lease Serial No.
 NOOC-14-20-5117

6. If Indian, Allottee, or Tribe Name
 The Navajo Nation

7. If Unit or CA. Agreement Designation

8. Well Name and No.
 Lone Mountain Canyon 36-34

9. API Well No.
 43-037-31472 **30864**

10. Field and Pool, or Exploratory Area
 Clay Hill

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

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<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 <u>Venting</u>
	<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	

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Resolute Natural Resouces will be shutting in gasline for repairs on Thursday, May 28, 2009 thru Monday, June 1, 2009. We will be venting during this time.

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

Name (Printed/ Typed) **Kenneth J Kundrik** Title **Operations Engineer**

Signature *Kenneth J. Kundrik* Date **5/28/2009**

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date **JUN - 4 2009**

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 _____

FARMINGTON FIELD OFFICE
BY *[Signature]*

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(Instructions on reverse)

NMOCD

RECEIVED

JUN 09 2009

DIV. OF OIL, GAS & MINING