

Permitco

A Petroleum Permitting Company

May 25, 1983

Bureau of Land Management
1745 W. 1700 S.
Suite 2000
Salt Lake City, UT 84104

ATTN: Kim

RE: Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, UT

RECEIVED
MAY 27 1983

DIVISION OF
OIL, GAS & MINING

Dear Kim:

Enclosed please find our Application for Permit to Drill on the above-mentioned well. This well is scheduled to be drilled second. The Nancy Federal #3-32 will be drilled first.

We are requesting that processing of this permit be done ahead of the other Nancy Federal applications which were previously submitted.

Should you have any questions, please feel free to contact me.

Sincerely,

PERMITCO

Lisa L. Green

Lisa L. Green
Consultant for
TRICENTROL RESOURCES INC.

LLG/tjb

Enclosure

cc: BLM - Monticello
Div. of Oil, Gas & Mining, SLC, UT
Tricentrol Resources Inc.

Permitco

A Petroleum Permitting Company

May 25, 1983

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

RE: Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

Gentlemen:

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

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

Tricentrol Resources Inc. is the lease holder of the following:

T38S-R25E: Section 3 - All
Section 10 - N/2
Section 11 - All
Section 14 - N/2

Therefore, no other lease holders will be affected by the drilling of the above-proposed well. We, therefore, request your permission to drill this well at a non-standard location.

Sincerely,

PERMITCO

Lisa L. Green

Lisa L. Green
Consultant for
Tricentrol Resources Inc.

RECEIVED

MAY 27 1983

DIVISION OF
OIL, GAS & MINING

LLG/tjb

Enclosures

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

(Other instructions on reverse side)

5. Lease Designation and Serial No.

U-40053

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

Little Nancy Unit

8. Farm or Lease Name

Nancy Federal

9. Well No.

#11-11

10. Field and Pool, of Wildcat

Unnamed

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 11, T38S-R25E

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

Tricentrol Resources Inc. c/o Permitco

3. Address of Operator

1020-15th St., Suite 22-E Denver, CO 80202

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

430' FNL & 420' FWL

At proposed prod. zone

NW/NW

14. Distance in miles and direction from nearest town or post office*

Located 28 miles southwest of Dove Creek, Colorado

15. Distance from proposed* location to nearest property or lease line, ft.

420'

16. No. of acres in lease

1921.56

17. No. of acres assigned to this well

40

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

1000'

19. Proposed depth

6000'

20. Rotary or cable tools

Rotary

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

5241' Gr.

22. Approx. date work will start*

Upon approval of A.P.D.

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4	8-5/8	24#	1325'	600 sx - circulated
7-7/8"	5-1/2"	15.5#	6000'	250 sx - or sufficient

to cover zones of interest

Tricentrol Resources Inc. proposes to drill a well to the depth of 6000' to test the Ismay and Desert Creek formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per B.L.M. and State of Utah requirements.

RECEIVED

MAY 27 1983

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.

David Howell

Signed

David Howell

Title

Petroleum Engineer

Date

5/25/83

(This space for Federal or State office use)

Permit No.

Approval

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

Approved by

Title

Conditions of approval, if any:

DATE: 6-1-83

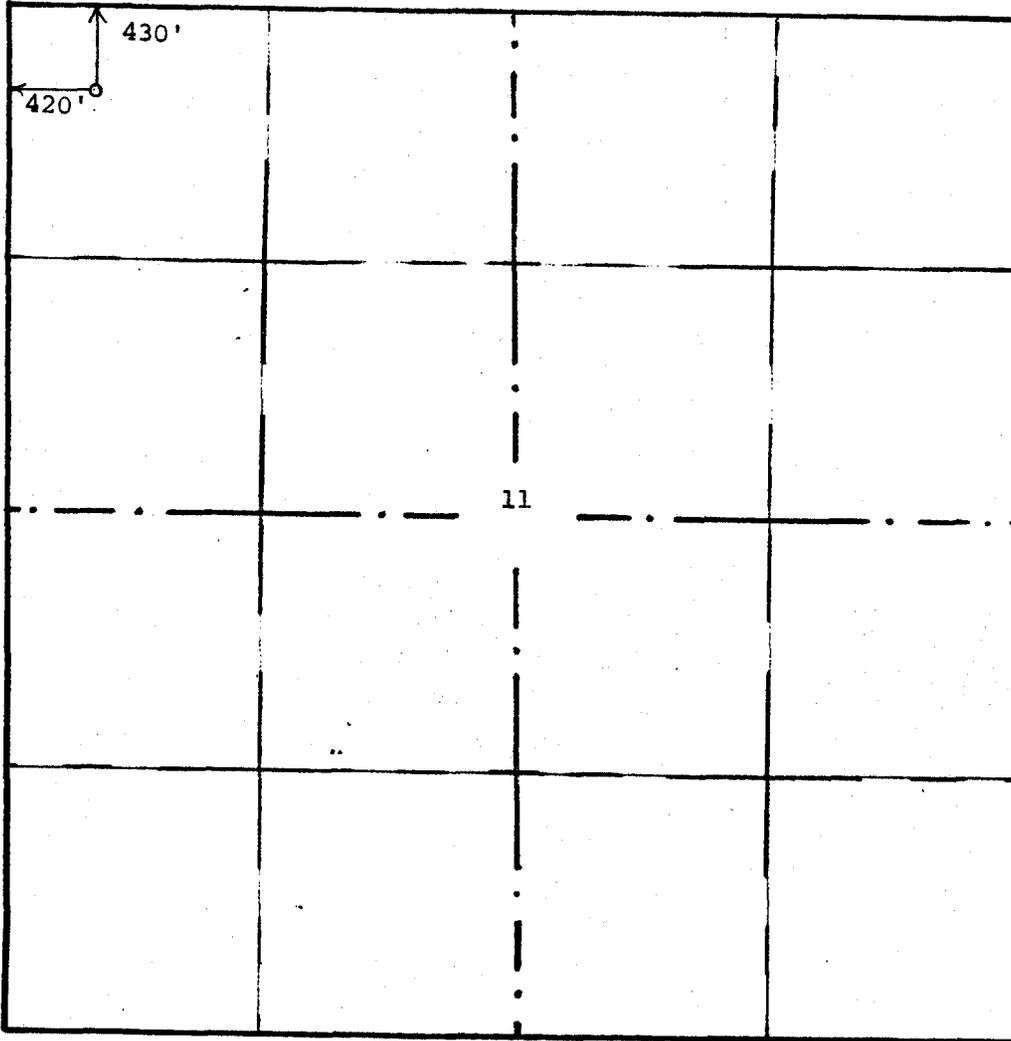
BY: *Norman Stout*

*See Instructions On Reverse Side

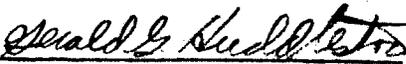


POWERS ELEVATION

Well Location Plat



1"=1000'

Operator Tricentrol U.S.A.		Well name Nancy Federal 11-11	
Section 11	Township 38 South	Range 25 East	Meridian SLPM
Footages 430' FNL & 420' FWL		County/State San Juan, Utah	
Elevation 5241'	Requested by Lisa Green		
The above plat is true and correct to the best of my knowledge and belief.			
9 May 1983		 Gerald G. Huddleston, L.S. Utah exception	

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

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

2. NAME OF OPERATOR
 Tricentrol Resources Inc. c/o Permitco

3. ADDRESS OF OPERATOR
 1020-15th St., Suite 22-E Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 430' FNL & 420' FWL
 At proposed prod. zone NW/NW

5. LEASE DESIGNATION AND SERIAL NO.
 U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 Little Nancy Unit

8. FARM OR LEASE NAME
 Nancy Federal

9. WELL NO.
 #11-11

10. FIELD AND POOL, OR WILDCAT
 Unnamed

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

12. COUNTY OR PARISH 13. STATE
 San Juan Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Located 28 miles southwest of Dove Creek, Colorado

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 420'

16. NO. OF ACRES IN LEASE
 1921.56

17. NO. OF ACRES ASSIGNED TO THIS WELL
 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 1000'

19. PROPOSED DEPTH
 6000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 5241' Gr.

22. APPROX. DATE WORK WILL START*
 Upon approval of APD

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	1325'	600 sx - circulated
7-7/8"	5-1/2"	15.5#	6000'	250 sx or sufficient to cover zones of interest

Tricentrol Resources Inc. proposes to drill a well to the depth of 6000 feet to test the Ismay and Desert Creek formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per B.L.M. and State of Utah requirements.

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

24. SIGNED David Howell TITLE Petroleum Engineer DATE 5/25/83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] TITLE E. W. Guynn DATE JUN 20 1983
 CONDITIONS OF APPROVAL, IF ANY: _____
 TITLE District Oil & Gas Supervisor

NOTICE OF APPROVAL

**CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY.**

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
DATED 1/1/80

State of CO

Tricentrol Resources, Inc.
Well No. 11-11
Section 11, T. 38 S., R. 25 E.
San Juan County, Utah
Little Nancy Unit
Lease U-40053

Supplemental Stipulations

- 1) Adequate and sufficient electric/radioactive logs will be run to locate and identify the saline minerals in the Paradox formation. Casing and cementing programs will be adjusted to eliminate any potential influence of the well bore or productive hydrocarbon zones on the saline minerals resource. Surface casing program may require adjustment for protection of fresh water aquifers.

ADDITIONAL STIPULATIONS FOR PRODUCTION FACILITIES

Your Application for Permit to Drill also included a submittal for production facilities. These production facilities are approved for the lessee and his designated operator under Section 1 of the Oil and Gas Lease with the following conditions:

(1) The oil and gas measurement facilities must be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy are to be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. Please provide this office with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports are to be submitted to the Salt Lake City District Oil and Gas Supervisor. Royalty payments will be made on all production volume as determined by the meter measurements or the tank measurements. All measurement facilities must conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

(2) Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs must be housed and/or fenced.

(3) All disturbed areas not required for operations will be rehabilitated.

(4) All produced liquids must be contained including the dehydrator vent/condensate line effluent. All production pits must be fenced.

(5) The well activity, the well status and the date the well is placed on production must be reported on Lessee's Monthly Report of Operations, Form 9-329.

(6) All off-lease storage, off-lease measurement, or commingling on lease or off-lease must have written approval.

(7) All product lines entering and leaving hydrocarbon storage tanks must be locked/sealed.

(8) You are reminded of the requirements for handling, storing, or disposing of water produced from oil and gas wells under NTL-2B.

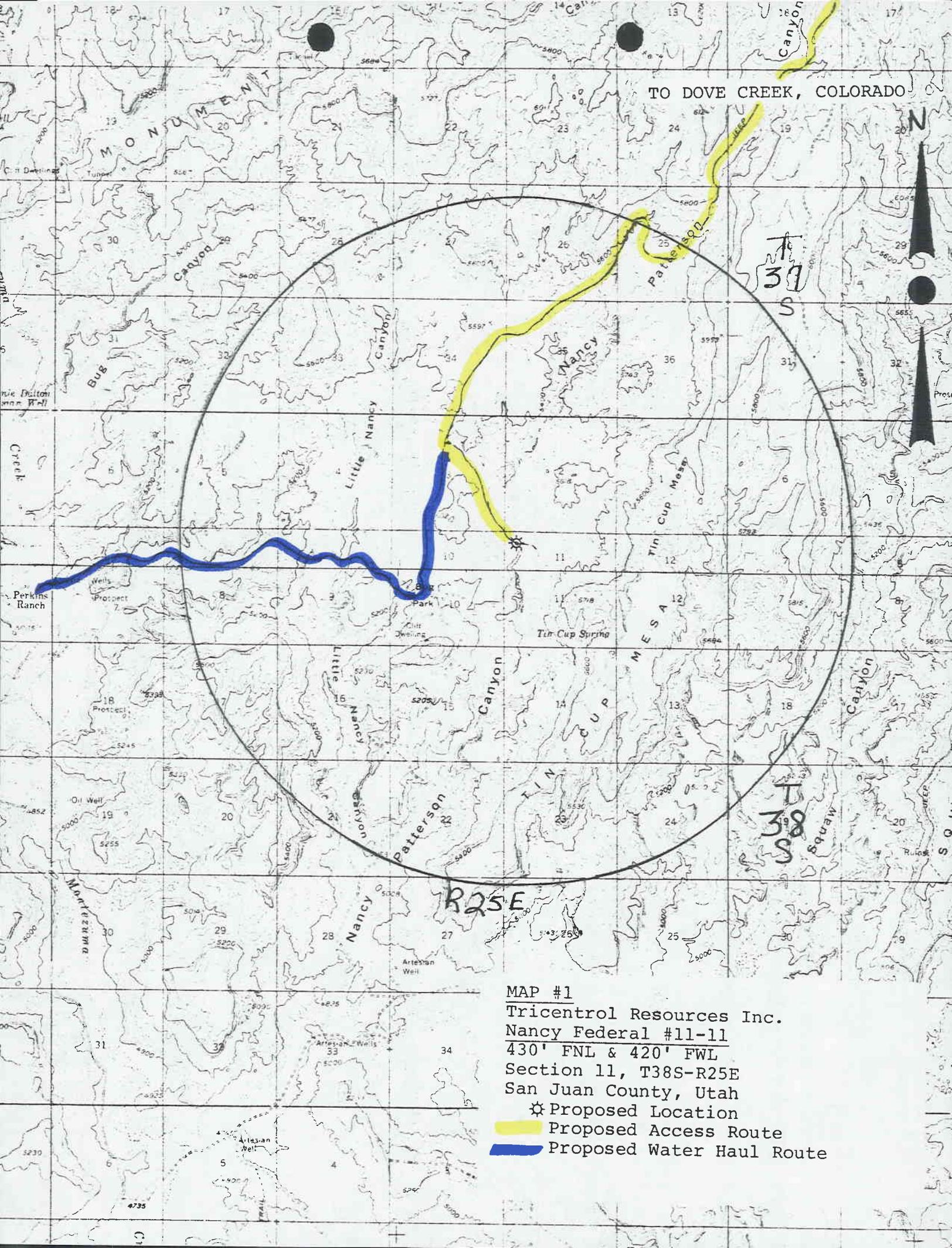
(9) All materials, trash, junk, debris, etc. not required for production must be removed from the well site and production facility site at the completion of these operations.

(10) A copy of the Gas Sales Contract will be provided to this office and the Royalty Accounting Department as directed.

(11) Construction and maintenance for surface use approved under this plan should be in accordance with the surface use standards as set forth in the BLM/GS Oil and Gas Brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development." This includes, but is not limited to, such items as road construction and maintenance, handling of top soil and rehabilitation.

(12) "Sundry Notice and Reports on Wells" (form 9-331) will be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained verbally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alternations of facilities, including roads, gathering lines, batteries, measurement facilities, etc., will require the filing of a suitable plan and prior approval by the survey.

TO DOVE CREEK, COLORADO



MAP #1
Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah
* Proposed Location
Yellow line Proposed Access Route
Blue line Proposed Water Haul Route

MAP #2

Tricentrol Resources Inc.

Nancy Federal #11-11

430' FNL & 420' FWL

Section 11, T38S-R25E

San Juan County, Utah

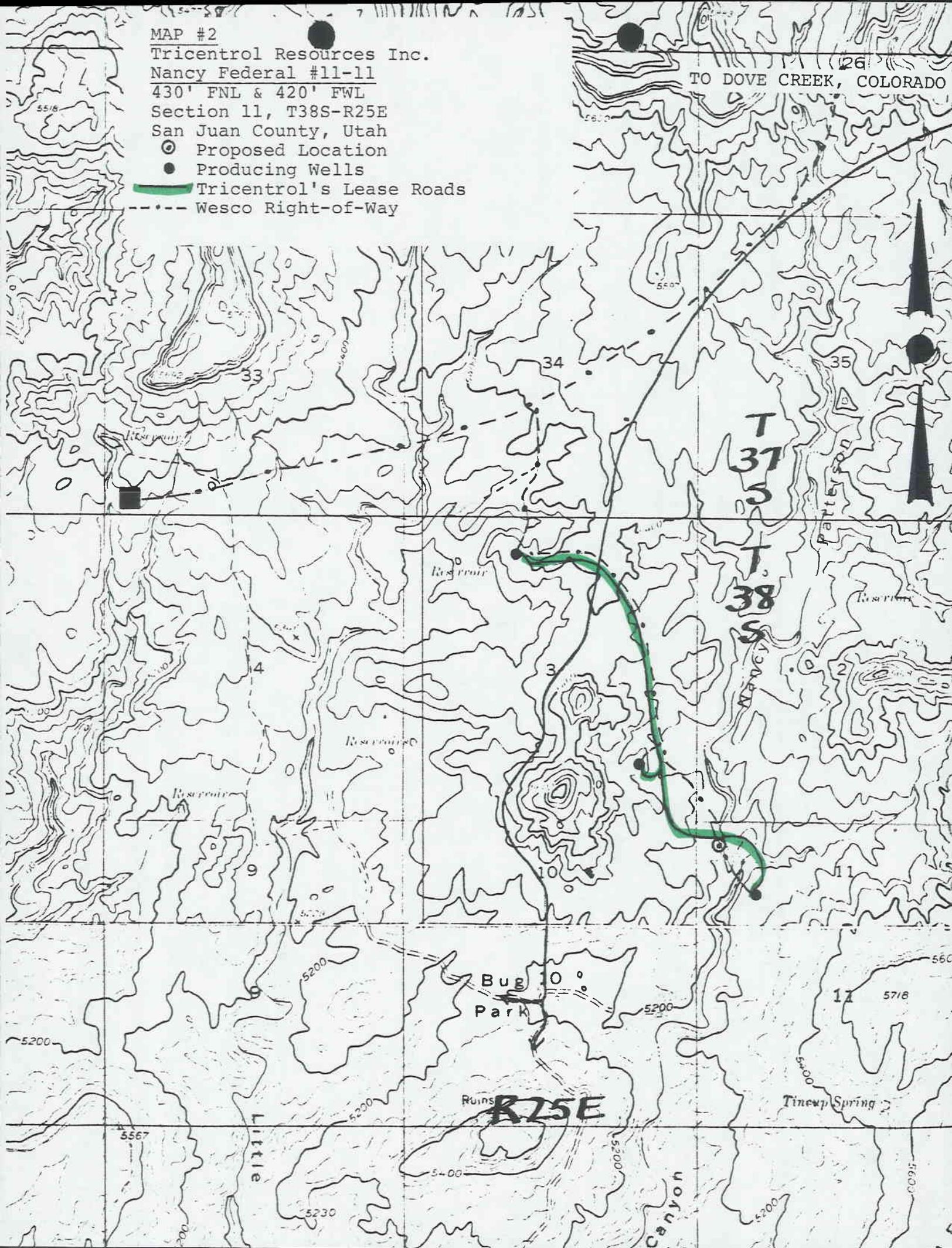
⊙ Proposed Location

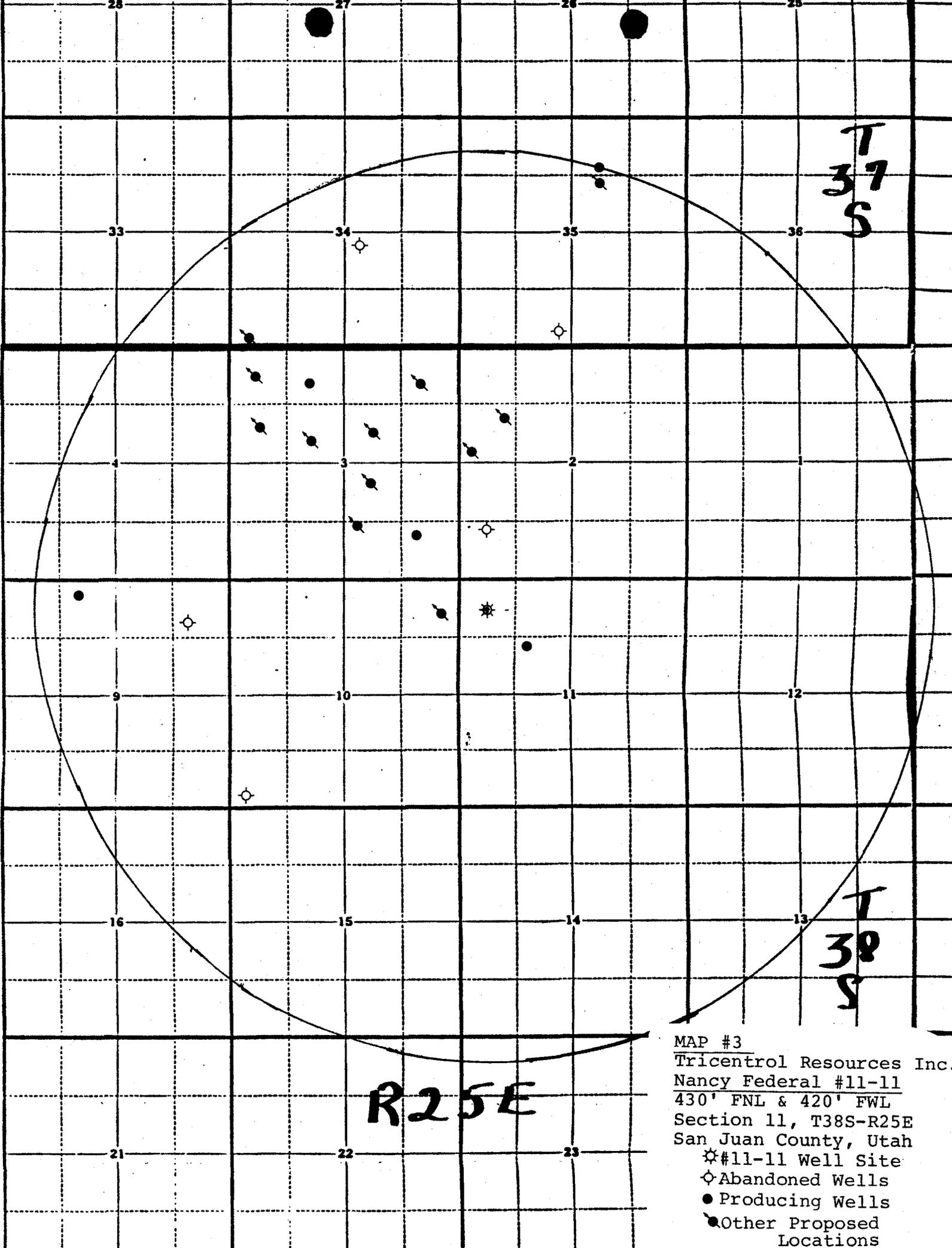
● Producing Wells

— Tricentrol's Lease Roads

- - - - Wesco Right-of-Way

TO DOVE CREEK, COLORADO





T
37
S

T
38
S

R25E

MAP #3
 Tricentrol Resources Inc.
 Nancy Federal #11-11
 430' FNL & 420' FWL
 Section 11, T38S-R25E
 San Juan County, Utah
 * #11-11 Well Site
 ◊ Abandoned Wells
 ● Producing Wells
 ● Other Proposed Locations

TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

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

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Entrada	440'	+ 4813'
Chinle	1275'	+ 3978'
Cutter	2540'	+ 2713'
Hermosa	4490'	+ 763'
Ismay	5465'	- 212'
Desert Creek	5720'	- 467'
T.D.	6000'	- 747'

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

<u>Substances</u>	<u>Formation</u>	<u>Anticipated Depth</u>
Oil	Ismay	5520'
Oil/Gas	Desert Creek	5720'

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

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	
Surface	1325'	12-1/4"	8-5/8"	24.0#	K-55	ST&C	NEW
Production	6000'	7-7/8"	5-1/2"	15.5#	K-55	LT&C	NEW

- b. The cement program will be as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-1325'	300 sx. Lite Cement + 300 sx. Class "B" w/2% CaCl ₂ Tail Slurry or sufficient to circulate.
<u>Production</u>	<u>Type and Amount</u>
0-6000'	250 sx. 50/50 poz mix slurry, 1000' fill or sufficient to cover zones of interest.

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

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TEN POINT COMPLIANCE PROGRAM
OF NTL-6 APPROVAL OF OPERATIONS

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

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>
0-4100'	Clear Water	8.5- 9.0	35	N/C
4100-6000'	Gel Chem	9.5-10.1	35	6-8

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. Drill stem tests will be run at all drilling breaks and shows in the Ismay and Desert Creek.
- c. The logging program will consist of Dual Induction-SFL; Neutron Density, Sonic Log, Dipmeter and Velocity Survey.
- d. The zones of interest will be perforated with two shots per foot through the native porosity. The well will be swabbed back. If the well does not begin to flow, the zones of interest will be acidized with 1500 to 3000 gallons 28% HCl acid.

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

10. Tricentrol Resources Inc. plans to spud the Nancy Federal #11-11 upon approval and intends to complete the well within approximately one month after the well has reached T.D.

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A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

Gentlemen:

We submit the following application and plats for permission to drill the Nancy Federal #11-11.

1. Existing Roads

- a. The proposed well site and elevation plat is shown on Plat #1.
- b. Directions to the location from Dove Creek, Colorado, are as follows: Go southwest on Bug Point Road for 17 miles until it intersects with the Nancy Patterson Road. Go 10.5 miles on Nancy Patterson Road. Turn southeast onto new pipeline road and go 1.1 miles. The location sits on the right-hand side of the road.
- c. For access roads, see Maps #1 and #2.
- 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 Maps #1 and #2.
- 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 not be necessary and will be limited to a total existing disturbed width. No new construction will be necessary.
- 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.
- i. The San Juan County Road Department in Monticello, Utah, will be contacted prior to use of county roads (801/587-2249).

2. Planned Access Roads

- a. No new access road will be necessary.
- b. The grade will be 4% or less.
- c. No turnouts are planned.

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A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

2. Planned Access Roads (cont.)

- d. There will be no ditching. Water bars will be constructed as directed by the Bureau of Land Management to control erosion. (To be done at a later date if production is established.)
- e. Any additional drainage will be installed as deemed necessary by the dirt contractor.
- f. No culverts will be necessary. The maximum cut is 11'. The maximum fill is 8'.
- g. Only native materials will be utilized.
- h. No gates, cattle guards, or fence cuts will be necessary.

3. Location of Existing Wells (See Map #3)

- a. Water wells - none
- b. Abandoned wells - 5
- c. Temporarily abandoned wells - none
- d. Disposal wells - none
- e. Drilling wells - none
- f. Producing wells - 4
Tricentrol's producing wells are as follows:
 - (1) Nancy Federal #3-44
920' FSL & 1050' FEL
Sec. 3, T38S-R25E
 - (2) Nancy Federal #11-22
1400' FNL & 1550' FWL
Sec. 11, T38S-R25E
 - (3) Nancy Federal #1-3
710' FNL & 1960' FWL
Sec. 3, T38S-R25E
- g. Shut-in wells - none
- h. Injection wells - none
- i. Monitoring observation wells - none
- j. Proposed Locations - as follows:
 - (1) Nancy Federal #35-32
1350' FNL & 1850' FEL
Sec. 35, T37S-R25E
 - (2) Nancy State #2-21
1480' FNL & 1010' FWL
Sec. 2, T38S-R25E

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

3. Location of Existing Wells (See Map #3) (cont.)

j. Proposed Locations (cont.)

- (3) Nancy Federal #3-32
1960' FNL & 1780' FEL
Sec. 3, T38S-R25E
- (4) Nancy Federal #34-14
10' FSL & 840' FWL
Sec. 34, T37S-R25E
- (5) Nancy Federal #3-33
1940' FSL & 1760' FEL
Sec. 3, T38S-R25E
- (6) Nancy Federal #10-41
550' FNL & 330' FEL
Sec. 10, T38S-R25E
- (7) Nancy Federal #3-22
2100' FNL & 1860' FWL
Sec. 3, T38S-R25E
- (8) Nancy Federal #3-11
610' FNL & 610' FWL
Sec. 3, T38S-R25E
- (9) Nancy Federal #3-34
1370' FSL & 2635' FEL
Sec. 3, T38S-R25E
- (10) Nancy Federal #3-12
1930' FNL & 610' FWL
Sec. 3, T38S-R25E
- (11) Nancy Federal #3-41
1000' FNL & 880' FEL
Sec. 3, T38S-R25E
- (12) Nancy State #2-12
2450' FNL & 110' FWL
Sec. 2, T38S-R25E

4. Location of Existing and/or Proposed Facilities

- a. There are three sets of production facilities owned and controlled by Tricentrol Resources Inc. within a one-mile radius of the proposed well. Pipelines in the immediate area are shown on Map #2.

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
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. The 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 190 feet long and 170 feet wide. See Diagram #1.
 4. All above-ground production facilities will be painted a neutral color to be approved by the Bureau of Land Management.
 5. Only native materials will be utilized.
 6. An earthen dike utilizing subsoil in the surrounding area will be built around the storage tanks 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.
 7. The reserve pit will be fenced and allowed to dry. Then all pits will be backfilled. The location not needed for production will be leveled, contoured and reseeded as per BLM requirements.
 8. The access shall be upgraded to the following specifications (if production is established). The road shall be 20 feet wide, crowned and ditched. Culverts will be installed as deemed necessary by the Bureau of Land Management.

5. Location and Type of Water Supply

- a. The source of water will be the stockponds located at the Perkins Ranch in Sec. 7, T38S-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 Utah State Engineer (801/647-1303) before using this water source.

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
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 Federal land.
- c. Surface and subsoil materials in the immediate area will be utilized. Any gravel will be purchased from a commercial source.
- d. All major access roads are shown on Maps #1 and #2.
- e. The top 12 inches of soil material will be removed from the location and stockpiled separate from the trees on the southwest side of the location. Topsoil along the access will be reserved in place.

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. If a chemical porta-toilet is not furnished with the drilling rig, a sewage borehole will be used and its contents covered with a minimum of 4 feet of fill.
- 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 commercial bentonite to prevent seepage at the contractor's discretion. Rip-rap will be installed along the wash, if necessary. At least half of the capacity will be in cut.
- g. Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling operations begin. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.
- h. Trash will not be disposed of in the reserve pit. Garbage and nonflammable waste are to be contained in the trash pit. Flammable waste is to be contained in the burn pit. The trash is to be burned periodically and the remains buried when the well is completed. A burning permit will be obtained from the State Fire Warden (801/587-2705) before burning trash.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

7. Methods for Handling Waste Disposal (cont.)
 - i. All trash, garbage, etc. is to be gathered and buried at the end of drilling operations and covered with a minimum of 2 feet of earth. Immediately on completion of drilling, the location and surrounding area will be cleared of all debris resulting from the operation. Nonburnable debris will be hauled to a local town dump. Reserve and mud pits will be allowed to dry after drilling is completed and then adequately filled and leveled. All garbage and sewage pits will be filled as soon as the rig leaves the location.
8. Ancillary Facilities
 - a. There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.
9. Well Site Layout
 - a. See Diagram #2 for rig layout. See Diagram #3 for cross section of drill pad. See Diagram #4 for cuts and fills.
 - 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 predrill 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 2 feet of compacted soil.
 - b. The operator or his contractor will contact the BLM office in Monticello, Utah (801/587-2201) 48 hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.
 - c. Before any dirt work to restore the location takes 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.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

10. Plans for Restoration of Surface (cont.)

e. The stockpiled topsoil will be spread evenly over the disturbed area. All disturbed areas will be ripped with the contour to a depth of 12 inches.

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

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

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

Seed Mixture:

2 lbs./acre Indian Ricegrass
1 lb./acre Curleygrass
1 lb./acre Alkali Sacaton
2 lbs./acre Fourwing Saltbush
1 lb./acre Shadscale
1 lb./acre Wild Sunflower

After seeding is complete, the stockpiled trees will be scattered evenly over the disturbed areas. The access will be blocked to prevent vehicular access.

h. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed as described in the reclamation section. Enough topsoil will be kept to reclaim the remainder of the location at a future date. This remaining stockpile of topsoil will be seeded in place using the prescribed seed mixture.

i. The access shall be upgraded to BLM Class III road specifications, if production is established.

11. Other Information

a. 1. Topography - The well pad is located along a ridge slope west of a prominent knoll. A small drainage runs along the north side of the location.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

11. Other Information (cont.)

- a. 2. Soils - Consist of sandy loam and cobble-sized colluvium. Some bedrock is exposed.
3. Vegetation - bunchgrass, juniper, snakeweed, sagebrush, and yucca.
4. Fauna - consists of rabbits, small rodents and an occasional deer.
- b. Surface in the area is owned by the Bureau of Land Management and is used for cattle grazing and oil and gas exploration.
- c. The nearest water is in the Little Nancy Canyon which is west of the location.
- d. The nearest occupied dwelling is approximately 7 miles southwest at the Perkins Ranch.
- e. An archeological study was performed. No significant cultural resources were found and clearance is recommended. An Archeological report will be submitted directly by LaPlata Archeological Consultants.
- f. Drilling will begin immediately upon approval of this permit.
- g. If subsurface cultural material is exposed during construction, work in that spot will stop immediately and the San Juan Resource Area Office will be contacted. All employees working in the area will be informed by the operator that they are subject to prosecution for disturbing archeological sites or picking up artifacts. Salvage or excavation of identified archeological sites will only be done if damage occurs.
- h. The operator will notify the San Juan Resource Area BLM office in Monticello, Utah (801/587-2201) 48 hours prior to beginning any work on public land.
- i. The operator will give the dirt contractor a copy of the Surface Use Plan and any additional BLM stipulations before any work is done.

Permitco

A Petroleum Permitting Company

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

Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

12. Lessee's or Operator's Representative

PERMIT MATTERS

Permitco
Lisa Green
1020 - 15th Street
Suite 22E
Denver, CO 80202
(303/595-4051) (W)

DRILLING & COMPLETION MATTERS

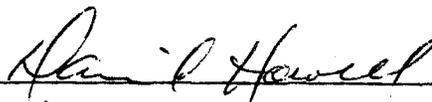
Tricentrol Resources Inc.
David Howell
5675 S. Tamarac Parkway
Suite 200
Englewood, CO 80111
(303/694-0988) (W)
(303/423-1025) (H)

13. Certification

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

5-24-83

Date



David Howell - Petroleum Engineer
TRICENTROL RESOURCES INC.

Permitco

A Petroleum Permitting Company



Scale: 1" = 50'

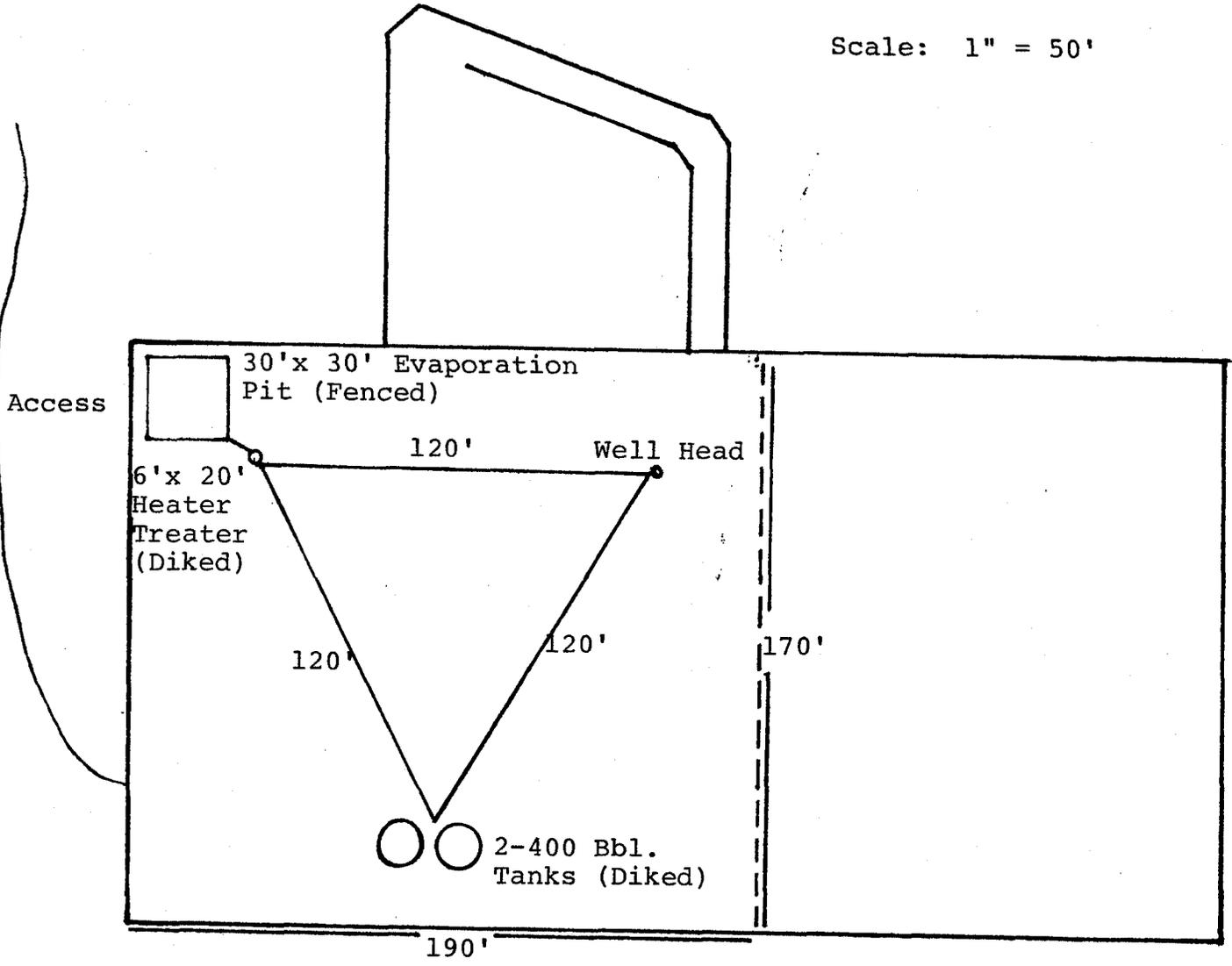


DIAGRAM #1
Production Facilities Layout
Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah



Scale: 1" = 50'

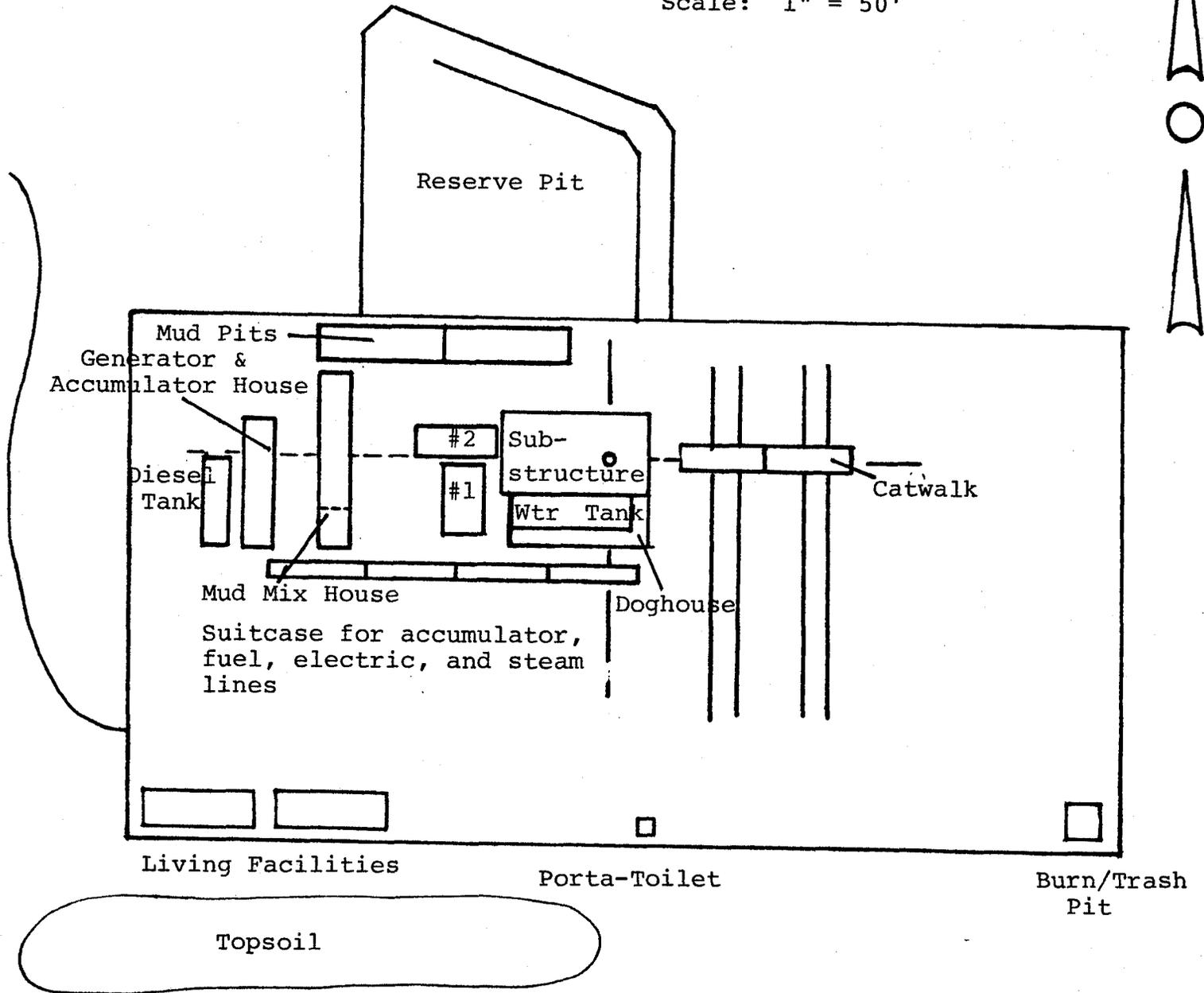


DIAGRAM #2
Rig Layout
Tricentrol Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah



POWERS ELEVATION

Well Nancy Federal 11-11

OIL WELL ELEVATIONS — LOCATIONS
ENVIRONMENTAL — ARCHAEOLOGICAL SERVICES
600 SOUTH CHERRY STREET, SUITE 1201
DENVER, COLORADO 80222
PHONE NO. 303/321-2217

Cut ///////////////
Fill: [stippled pattern]

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

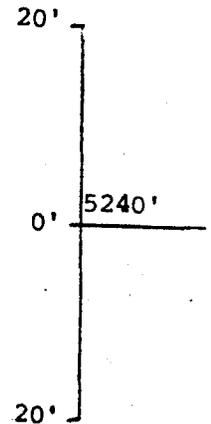
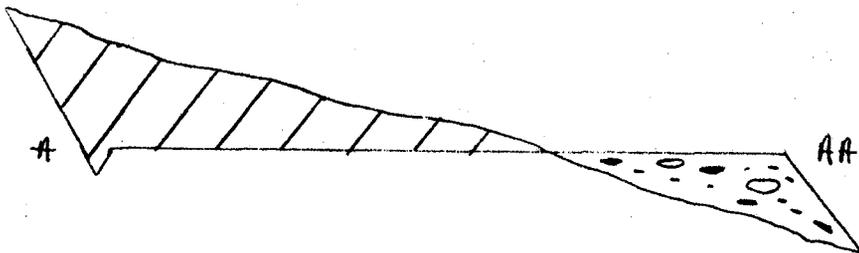
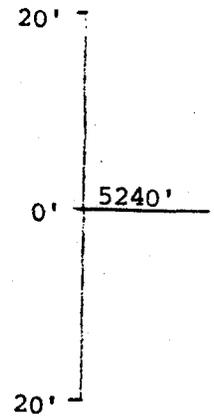
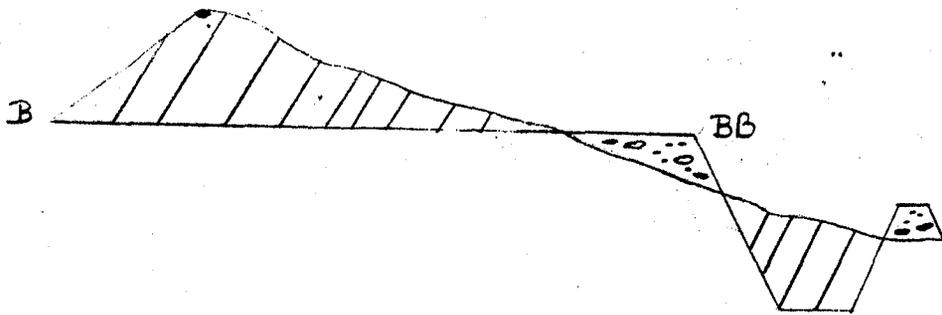
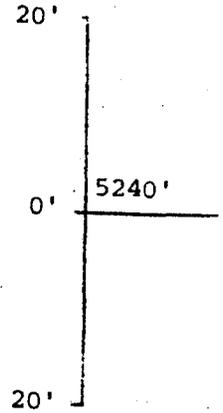
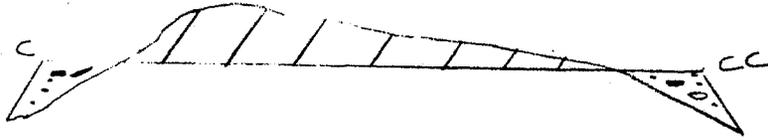


DIAGRAM #3
Cross Section Diagram
Tricentral Resources Inc.
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah



POWERS ELEVATION

1" = 50'

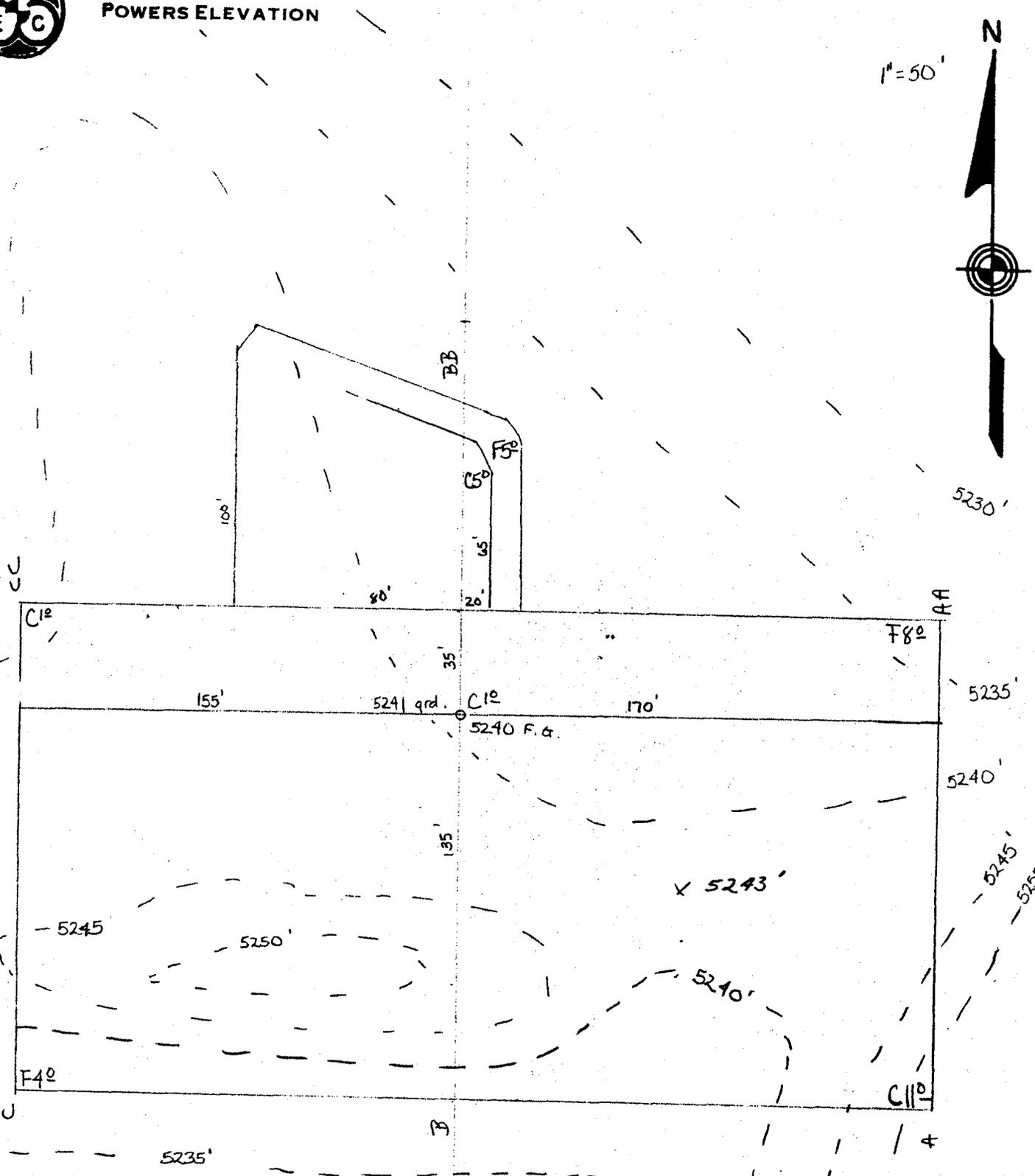
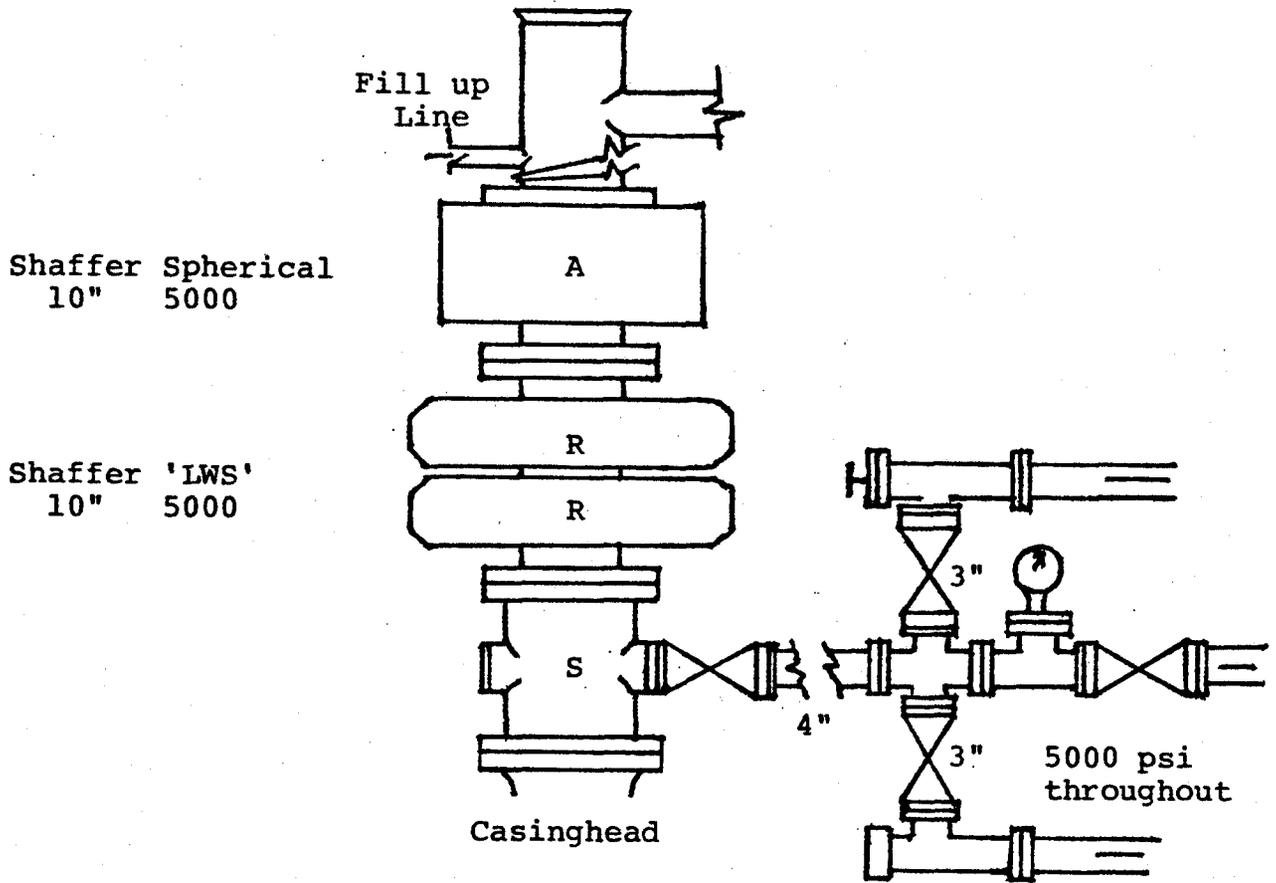


DIAGRAM #4
 Cut & Fill Diagram
 Tricentrol Resources Inc.
 Nancy Federal #11-11
 430' FNL & 420' FWL
 Section 11, T38S-R25E
 San Juan County, Utah

BOP DIAGRAM



May 25, 1983

Minerals Management Service

RE: NTL-6 Program
Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

Gentlemen:

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

If anything further is needed, please advise.

Sincerely,

TRICENTROL RESOURCES INC.

Richard P. Crist
Richard P. Crist
Area Exploration Manager

RPC:ram

NTL-6 PROGRAM

APPROVAL OF OPERATIONS

NANCY FEDERAL #11-11
430' FNL and 420' FWL
Section 11, T38S-R25E
San Juan County, Utah

Prepared For:

TRICENTROL RESOURCES INC.

By:

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

Copies Sent To:

- 4 - BLM - Salt Lake City, UT
- 1 - BLM - Monticello, UT
- 1 - Div. of Oil, Gas & Mining, SLC, UT
- 6 - Tricentrol Resources Inc.

Permitco

A Petroleum Permitting Company

OPERATOR TRICENTRAL RESOURCES, INC.

DATE 6-1-83

WELL NAME NANCY FED 11-11

SEC NW 11 T 38S R 25E COUNTY SAN JUAN

43-037-30903
API NUMBER

FED
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

MAP

HL

NID

PI

PROCESSING COMMENTS:

CHIEF PETROLEUM ENGINEER REVIEW:

6/1/83.

APPROVAL LETTER:

SPACING:

A-3 LITTLE NANCY
UNIT

c-3-a

CAUSE NO. & DATE

c-3-b

c-3-c

SPECIAL LANGUAGE:

Approval is contingent upon submittal of a copy of the Utah Division of Water Rights approval for use of the drilling water.

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

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER _____

UNIT LITTLE NANCY

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

June 1, 1983

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

RE: Well No. Nancy Federal 11-11
NWNW Sec 11, T.38S, R.25E
430 FNL, 420 FWL
San Juan County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure. Approval contingent upon submittal of a copy of the Utah Division of Water Rights approval for use of the drilling water.

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 - Chief Petroleum Engineer
Office: 533-5771
Home: 571-6068

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 43-037-30903.

Sincerely,

Norman C. Stout
Administrative Assistant

NCS/as
cc: Oil & Gas Operations
Enclosure

Permitco

A Petroleum Permitting Company

May 31, 1983

Bureau of Land Management
1745 W. 1700 S., Ste. 2000
Salt Lake City, UT 84104

RE: Tricentrol Resources Inc.
✓ Nancy Federal #11-11
430' FNL & 420' FWL
Section 11, T38S-R25E
San Juan County, UT

Gentlemen:

Please find enclosed a copy of the Archeological Report for the subject location. If you should have any questions, please feel free to contact me.

Thank you.

Sincerely,

PERMITCO

Lisa L. Green
Consultant for
TRICENTROL RESOURCES INC.

LLG/tjb

Enclosure

cc: BLM - Monticello, UT
Div. of Oil, Gas & Mining- SLC, UT

RECEIVED
JUN 08 1983

DIVISION OF
OIL, GAS & MINING

21

AN ARCHEOLOGICAL SURVEY OF
TRICENTROL RESOURCES, INC.'S
NANCY FEDERAL #11-11 WELL PAD
SAN JUAN COUNTY, UTAH

LAC REPORT 8316

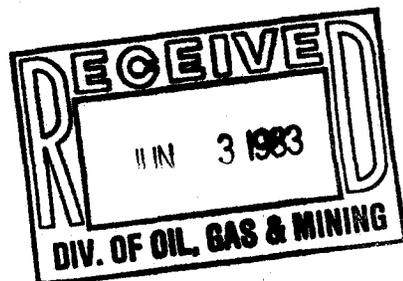
by
Patrick L. Harden

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

MAY 24, 1983

Federal Antiquities Permit
83-AZ/CO/NM/UT-006

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



ABSTRACT

An archeological survey of Tricentrol Resources, Inc.'s Nancy Federal #11-11 well pad was conducted on April 21 and 27, 1983 by personnel of La Plata Archeological Consultants, Inc. The project is located on lands administered by the Bureau of Land Management - San Juan Resource Area, Utah. An area 800 X 800 feet surrounding two potential well location center stakes was investigated, effectively covering a 600 X 600' area around each stake. The original well location had to be moved 180' north, and 190' west in order to avoid a previously recorded archeological site. No other cultural resources were located in the project area. The well is located adjacent to an existing improved road and will require no new access. Archeological clearance is recommended for this project.

INTRODUCTION

The archeological survey for Tricentrol Resources, Inc.'s Nancy Federal #11-11 well pad project was requested by Ms. Lisa Green, acting permit agent for Tricentrol. The survey was performed by Patrick Harden of La Plata Archeological Consultants, Inc. of Dolores, Colorado on April 21 and 27, 1983. The original well pad location was surveyed on the 21st and the currently selected location on April 27th in conjunction with the pre-drill on-site inspection. Persons attending the pre-drill were Ms. Green (Permitco), Dave Howell (Tricentrol),

Brian Wood (BLM), Al Heaton (Urado Construction), and Harden (LAC). The original pad location was staked and flagged prior to the archeological survey, and the subsequently selected location was staked during the pre-drill.

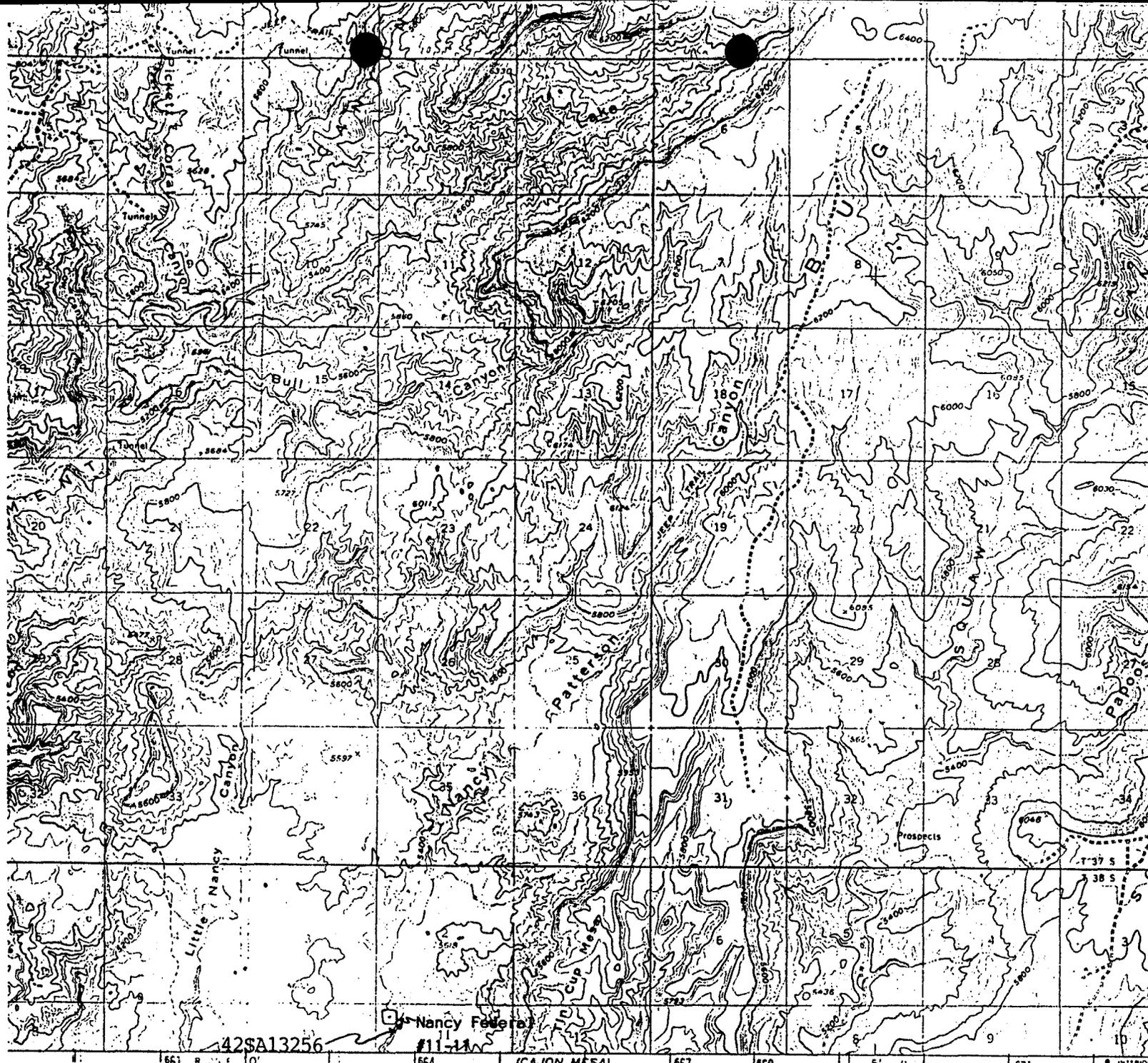
The well pad is located in the NW $\frac{1}{4}$, NW $\frac{1}{4}$, of section 11, T38S, R25E, San Juan County, Utah. The area is under the administration of the Bureau of Land Management - San Juan Resource Area, Monticello, Utah. It is included on the Monument Canyon, Utah-Colo. 15' series topographic map (1957).

PROJECT DESCRIPTION

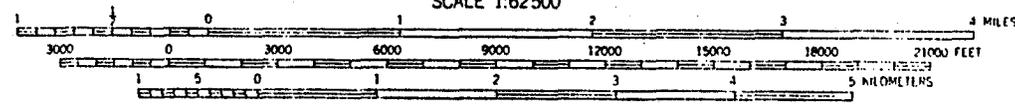
The proposed project consists of the construction of a single well pad ca. 275 X 300 feet in size. An existing road will be used for access. The well pad center stake is located 430' FNL and 420' FWL, a change of 180' north and 190' west of the originally requested location. The change was necessary because of the presence of an archeological site in the original location.

PHYSIOGRAPHY AND ENVIRONMENT

The project area is located in Bug Park, a large open valley along the central reaches of Nancy Patterson Canyon. The area is bordered on the east by Tin Cup Mesa, and on the west by Little Nancy Canyon. The terrain in Bug Park is gently undulating in most areas, although prominent steep isolated hills and ridges are scattered throughout the area. The #11-11 well



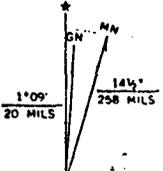
1661 1664 1667 1668 1671 1674
 42SA13256 #11-11 (CAJON MESA) 4158 I 97000



CONTOUR INTERVAL 40 FEET
 NATIONAL GEODETIC VERTICAL DATUM OF 1929

MONUMENT CANYON, UTAH-COLO.
1957

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
 FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER, COLORADO 80225, OR RESTON, VIRGINIA 22092
 A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST



UTM GRID AND 1957 MAGNETIC NORTH
 DECLINATION AT CENTER OF SHEET



pad is located just to the west of a relatively prominent knoll and on the crest and north slopes of a low broad ridge. Portions of the pad will be located adjacent to a terrace along Nancy Patterson Wash.

Sediments are somewhat varied in the pad area, but are primarily sand to cobble sized colluvium on the ridge slopes, with aeolian sandy silt on the ridge crest and alluvial sand on the terrace.

Vegetation is dominated by bunch grass, although juniper are located on the ridge crest and slopes, particularly to the east and north. Other species present include snakeweed, sagebrush, greasewood, and yucca. Fauna present is consistent with that of the Upper Sonoran Life Zone found throughout much of the Colorado Plateau. The nearest source of permanent water is Tin Cup Spring, located ca. 1 mile south. Current use of the area is primarily oriented toward livestock grazing.

EXAMINATION PROCEDURES

A file and literature review was conducted at the San Juan Resource Area office of the BLM in Monticello, Utah on April 4th, prior to the field investigations. A previous survey was conducted adjacent to the well pad (and included portions of the original location) for the Wesco pipeline which connects several of Tricentrol's wells in the area (Harden 1983). One historic archeological site (42SA13256) was recorded near the

center stake (50' east of the center stake) for the originally selected pad location. The site consists of an historic Navajo sweat lodge, area of fire cracked rock, and a hogan. The site is thought to be about 100-150 years old. No other archeological surveys or recorded sites were noted in the BLM files for the project area.

An area 800 X 800 feet was archeologically surveyed for the project. An area 600 X 600 feet surrounding each of the pad center stakes was investigated. The original pad location was staked prior to the survey, and the currently selected location was staked and flagged during the on-site pre-drill held on April 27th.

On-the-ground survey consisted of walking a series of transects spaced at 15 meter intervals across both well pad areas.

RESULTS

Besides the previously recorded site no other cultural resources were found during the archeological survey. The nature of the sediments in most of the project area make the possibility of buried cultural deposits being present unlikely.

CONCLUSION

The archeological survey of Tricentrol Resources, Inc.'s Nancy Federal #11-11 well pad was conducted by Patrick Harden of La Plata Archeological Consultants on April 21 and 27, 1983. One previously recorded historic archeological site was loca-

ted in the originally selected well pad area, thus requiring relocation of the pad. The pad was moved 180' north and 190' west in order to avoid the cultural resource. The site is now located a minimum of 100' to the southeast of the potential pad limits, separated from the pad by a relatively prominent knoll, and should be in no danger of disturbance from the project.

An area 800 X 800' was archeologically surveyed, or an area 600 X 600' surrounding each pad location center stake. No new archeological sites or other cultural resources were located in the project area. Archeological clearance is recommended for this project.

REFERENCE CITED

- Harden, Patrick L.
1983 An Archeological Survey of Wesco Pipeline Company's Proposed Oil and Gas Pipelines for Tricentrol United States' Nancy Federal Wells 1-3, 3-44, and 11-22, San Juan County, Utah. Manuscript on file with the Bureau of Land Management, Monticello.



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

January 4, 1984 ✓

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

Re: Well No. Nancy Fed. #11-11
API #43-037-30903
430' FNL, 420' FWL NW/NW
Sec. 11, T. 38S, R. 25E.
San Juan County, Utah

Gentlemen:

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

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

If spudding has not occurred within one year of the date of approval for this well, approval to drill is rescinded.

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,

Claudia Jones
Well Records Specialist

CJ/cj

Water well
by Mark
Page - water rights
3/2/84
K.S. 3/26/84

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: TRICENTRAL RESOURCES

WELL NAME: NANCY FEDERAL 11-11

SECTION NWNW 11 TOWNSHIP 38S RANGE 25E COUNTY SAN JUAN COUNTY

DRILLING CONTRACTOR COLEMAN

RIG # 3

SPUDDED: DATE 3-23-84

TIME 1:30 AM

HOW Rotary

DRILLING WILL COMMENCE _____

REPORTED BY David Howell

TELEPHONE # 303-694-0988

DATE 3-23-84 SIGNED AS

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Tricentrol Resources Inc.

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 430' FNL - 420' FSL
AT TOP PROD. INTERVAL: same
AT TOTAL DEPTH: same

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

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#11-11

10. FIELD OR WILDCAT NAME
Nancy

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

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

14. API NO.
43-037-30903

15. ELEVATIONS (SHOW DF, KDB, AND WD)
5241' GR; 5253' KB

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) Well status	<input checked="" type="checkbox"/>		<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.)*

Current well status: Waiting on completion unit.

Ran 144 jts, 5 1/2", 15.5#, J-55, LT&C production casing and set at 5667'. Cemented with 425 sxs Class H with 3% CaCl and .8% Halad 9 with 1/4# per sx of NFP. No cmt circulated to surface. Released rig at 2 p.m., 4/3/84.

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

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

SIGNED W. D. P. Howell TITLE Sr. Petro. Engineer DATE 4/6/84

(This space for Federal or State office use)

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

CC: Utah OGM

TRICENTROL RESOURCES INCORPORATED
#11-11 Nancy Federal
Sec. 11, T38S-R25E
San Juan County, Utah

GL 5241', KB 5253'

The #11-11 Nancy Federal was spudded on 3/23/84 and 133/8ths conductor pipe was set at a depth of 54'. A 95/8ths string casing was set at a depth of 1360' on 3/24 and 3/25/84.

Drilling was begun again on 3/25/84 and continued with only short delays for bit trips on 3/27 at 3615' and at 5430' on 3/31. There was also a short delay of 2 hours while the wash pipe was changed.

Due to water flows encountered under surface casing this well was mudded up at a depth of 2470' slowing the drill rate only very slightly.

Drilling went very smoothly to a depth of 5396' where a drilling break was encountered in the Upper Ismay. Approximately 33' of the porosity was drilled before circulating bottoms up for Dst#1.. Dst#1 recovered only 500' of fluid, 470' of oil and gas cut mud and 30' of free oil, although there was gas to surface at the first shut in.

On 4/01/84 drilling resumed and another 70' or more of porosity was drilled. Drilling continued without any other delays to a total depth of 5664' (mudlogger) or 5667' (Schlumberger) on 4/2/84 at 3:30 Am. Logging was begun at 9:00 AM and all logs and the velocity survey was completed by 6:00PM that day. Total days to drill and complete were 12 days.

DAVE MEADE
Geologist, IGT

TRICENTROL RESOURCES INCORPORATED
#11-11 Nancy Federal
SEC. 11, T38S-R25E
San Juan County, Utah

TABLE OF CONTENTS

1. SUMMARY OF DAILY ACTIVITY	1
2. BIT RECORD SHEET	2
3. DEVIATION RECORD SHEET	3
4. DST AND SHOW SHEETS	4-5

- (1) COPY, FINAL MUD LOG (5"=100')
- (1) COPY, FINAL MUD LOG (2.5"=100')

DRILLING CONTRACTOR: COLEMAN DRILLING RIG #3
FARMINGTON, NEW MEXICO

DRILLING FOREMAN: MR. KELTON MANN

PUSHER: MR. GLEN STORIE

GEO TECHNOLOGISTS: MR. DAVE MEADE
MR. NICK LARKIN
INTERMOUNTAIN GEO-TECH INC.
DELTA, COLORADO 81416

DRILLING FLUID: MR. JIMMY MORRIS
MR. JOHN HUNTER
DAVIS MUD AND CHEMICAL INC.
FARMINGTON, NEW MEXICO

DRILL STEM TEST: MR. JIM ROBINSON
HALLIBURTON
FARMINGTON, NEW MEXICO

WIRE LINE LOGS: MR. GEORGE BAINE
SCHLUMBERGER WELL SERVICE
FARMINGTON, NEW MEXICO

VELOCITY SURVEY: MR. JACK CAMERON
CAMERON EXPLORATION COMPANY
DENVER, COLORADO

OTHER (SPECIFY) MR. RIC KOPP
GEOLOGIST, TRICENTROL RESOURCES INC.
DENVER, COLORADO

TRICENTROL RESOURCES INCORPORATED
#11-11 Nancy Federal
Sec. 11, T38S-R25E
San Juan County, Utah

SUMMARY OF DAILY ACTIVITY

DATE	ACTIVITY	MIDNITE DEPTH	24 HOUR FOOTAGE
3/27/84	UNIT#3 ON LOCATION, RIGGING UP, TOH NB#5, SURVEY	-	-
3/28/84	RIGGING UP, TIH, DRLG, SURVEY	3615	627
3/29/84	DRLG, SURVEY	4242	495
3/30/84	DRLG, SURVEY	4737	418
3/31/84	DRLG, CIRC FOR DST#1, STRAPPED OUT, TIH	5155	274
4/01/84	TIH, DST#1, REVERSE, CIRC OUT, TIH, CIRC DRLG	5429	185
4/02/84	DRLG, CIRC, LOGGING (TD 5664')	5614	50

TRICENTROL RESOURCES INCORPORATED
#11-11 NANCY FEDERAL
SEC. 11, T38S-R25E
San Juan County, Utah

BIT RECORD SHEET

BIT	MAKE	SIZE	TYPE	DEPTH OUT	FOOTAGE USED	HOURS
1	HIC	17 ½	OSC 3 RR	54	54	4½
2	RTC	12 ½	HS51 RR	1181	1127	25
3	SEC	12 ½	S86 RR	1361	180	2½
4	HIC	7 7/8	J22	3615	2254	50
5	STC	7 7/8	F-3	5430	1815	81
6	HIC	7 7/8	J-33 RR	5667	237	12½

TRICENTROL RESOURCES INCORPORATED
#11-11 NANCY FEDERAL
SEC. 11, T38S-R25E
San Juan County, Utah

DEVIATION RECORD SHEET

<u>DEPTH</u>	<u>DEVIATION</u>
225	3/4o
715	1/4o
1181	1/2o
1361	3/4o
1900	3/4o
2500	1o
3024	1/2o
3485	1 1/2o
3615	1 3/4o
4211	1 1/4o
4727	3/4o
5430	1/4o
5667	1/4o

Intermountain GEO TECH
DST & SHOW SHEET

SHOW # 1 INTERVAL 5393 TO 5426 DATE 3/31/84
 COMPANY: TRICENTROL RESOURCES INC.
 WELL: #11-11 Nancy Federal
 FIELD: Nancy Canyon

	BEFORE SHOW	DURING SHOW	AFTER SHOW
DRILLING RATE	4-4½ Min./Ft.	1 Min./Ft.	2-3 Min./Ft.
TOTAL GAS UNITS	10	345	52
%METHANE	tr	1.05	.09
%ETHANE	tr	0.30	.01
%PROPANE		0.20	
%BUTANE (ISO)		0.19	
%BUTANE (NORM)		0.10	
%PENTANES			

SAMPLE LITHOLOGY: LS, BEE, WH, GYWH, DOL, IP, DOL, PREDLTPRN, LTBFF, SNDY IP, LMY IP
 ANHY, WH

SAMPLE FLUO-CUT: FAIR GRN YEL FLUO, FAIR STREAMING CUT

DST # 1	INTERVAL 5392	TO 5431	DATE 4/01/84
	TIME Min.	PRESSURE (psi) Top Chart	Bottom Chart
INITIAL HYDROSTATIC		2756.0	2798.2
INITIAL OPEN	15	53.4-266.7	80.3-267.4
INITIAL SHUT-IN	30	2291.3	2304.0
SECOND OPEN	60	186.7-638.9	200.6-667.2
SECOND SHUT-IN	120	2251.4	2264.0
FINAL HYDROSTATIC		2756.0	2798.2

BHT (°F): 127°

1ST FLOW: Open at 2PSI w/str blow to btm of buc, incr to 134 psi in 15 min, shut in, flared

2NE FLOW: Open at 20psi, flared, incr to 365psi in 60 min, shut in, flared

REMARKS 1st shut in had 20 to 30 after 10 min. flare, 2nd shut in had 40' flare

DRILL PIPE RECOVERY: 500' fluid, 470' gas, 70' oil cut mud, 30' free oil

SAMPLE CHAMBER REC: 1540psi, 6.72C/Ft gas, 880cc fluid, paraffin oil and condensate

	WT	R/W	NITRATES	CHLORIDES	CHROMATES
	ppm		ppm	ppm	ppm
Drill Pipe: Top:	/	/ 1.39 at . . . 42° F/	/	/	/
Middle:	/	/ at . . . ° F/	/	/	/
Bottom:	/	/ .32 at . . . 47° F/	/	/	/
SAMPLE CHMBR:	/	/ 1.58 at . . . 45° F/	/	/	/
PIT MUD:	/	/ at . . . ° F/	/	/	/

(GAUGED FLOW:)

GEO-TECHNOLOGIST: DAVE MEADE AND NICK LARKIN

Intermountain GEO TECH
DST & SHOW SHEET

SHOW # 2 INTERVAL 5576 TO DATE 4/01/84
 COMPANY: TRICENTROL RESOURCES INC.
 WELL: #11-11 Nancy Federal
 FIELD: Nancy Canyon

	BEFORE SHOW	DURING SHOW	AFTER SHOW
DRILLING RATE	4½ Min./Ft.	4 Min./Ft.	4 Min./Ft.
TOTAL GAS UNITS	2	32	4
%METHANE	Tr	0.28	TR
%ETHANE		0.08	
%PROPANE			
%BUTANE (ISO)			
%BUTANE (NORM)			
%PENTANES			

SAMPLE LITHOLOGY: Note a gas increase right before we hit the anhydrite.

SAMPLE FLUO-CUT: _____

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

INITIAL HYDROSTATIC _____

INITIAL OPEN -----

INITIAL SHUT-IN -----

SECOND OPEN -----

SECOND SHUT-IN -----

FINAL HYDROSTATIC _____

BHT (°F): _____

1ST FLOW: _____

2NE FLOW: _____

REMARKS _____

DRILL PIPE RECOVERY: _____

SAMPLE CHAMBER REC: _____

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

(GAUGED FLOW:)

GEO-TECHNOLOGIST: Nick Larkin

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

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APR 6 1934

DIVISION OF
OIL, GAS & MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number NANCY FEDERAL #11-11
Operator Tricentrol Resources Inc. Address 5675 DTC Boulevard, Ste. 200
Englewood, CO 80111
Contractor Coleman Drilling Company Address Drawer 3337, Farmington, NM 87499
Location NW 1/4 NW 1/4 Sec. 11 T: 38S R. 25E County San Juan

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	4620-4645'	Honaker Trail	No gauge	Salty
2.				
3.				
4.				
5.				

(Continue of reverse side if necessary)

<u>Formation Tops</u>	Cutler 2472'	Upper Ismay 5372'
Chinle 1330'	Honaker Trail 4420'	"A" Shale 5508'
<u>Remarks</u>		Lower Ismay 5556'
		Gothic 5608'
		Desert Creek 5622'

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

RECEIVED

IGT

APR 9 1984

DIVISION OF
OIL, GAS & MINING

TRICENTROL RESOURCES INC.
#11-11 Nancy Federal
SEC. 11, T38S-R25E
San Juan, Utah

INTERMOUNTAIN GEO-TECH INCORPORATED
P.O. BOX 158
DELTA, COLORADO 81416
(303) 874-7762

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DIVISION OF OIL
GAS & MINING



TICKET NO. 71806500

04-APR-84

FARMINGTON

FORMATION TESTING SERVICE REPORT

511

NANCY FEDERAL
LEASE NAME

11-11
WELL NO.

1
TEST NO.

11-385-25E
FIELD AREA

WILLCAT
COUNTY

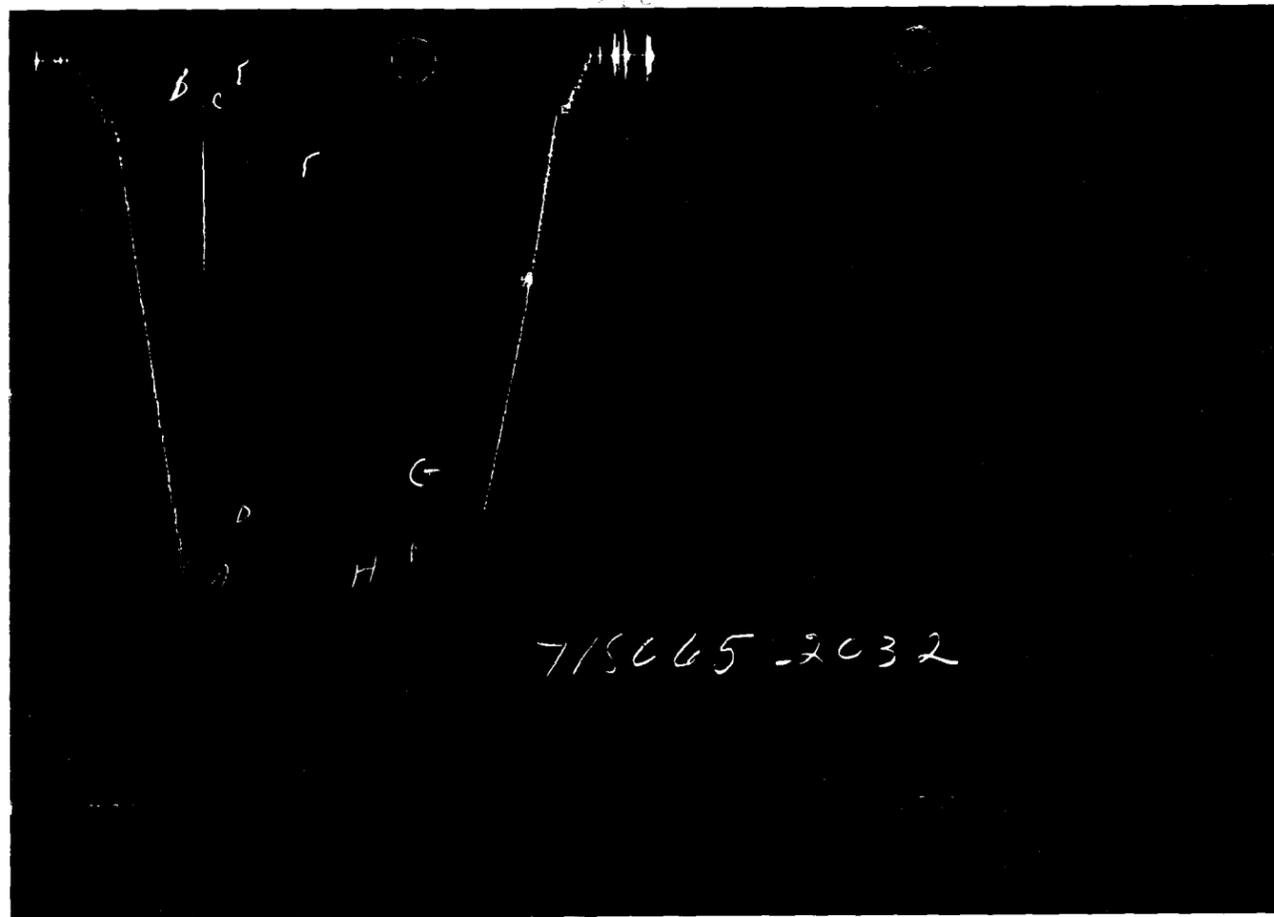
SRN JUAN
STATE

UTAH OR

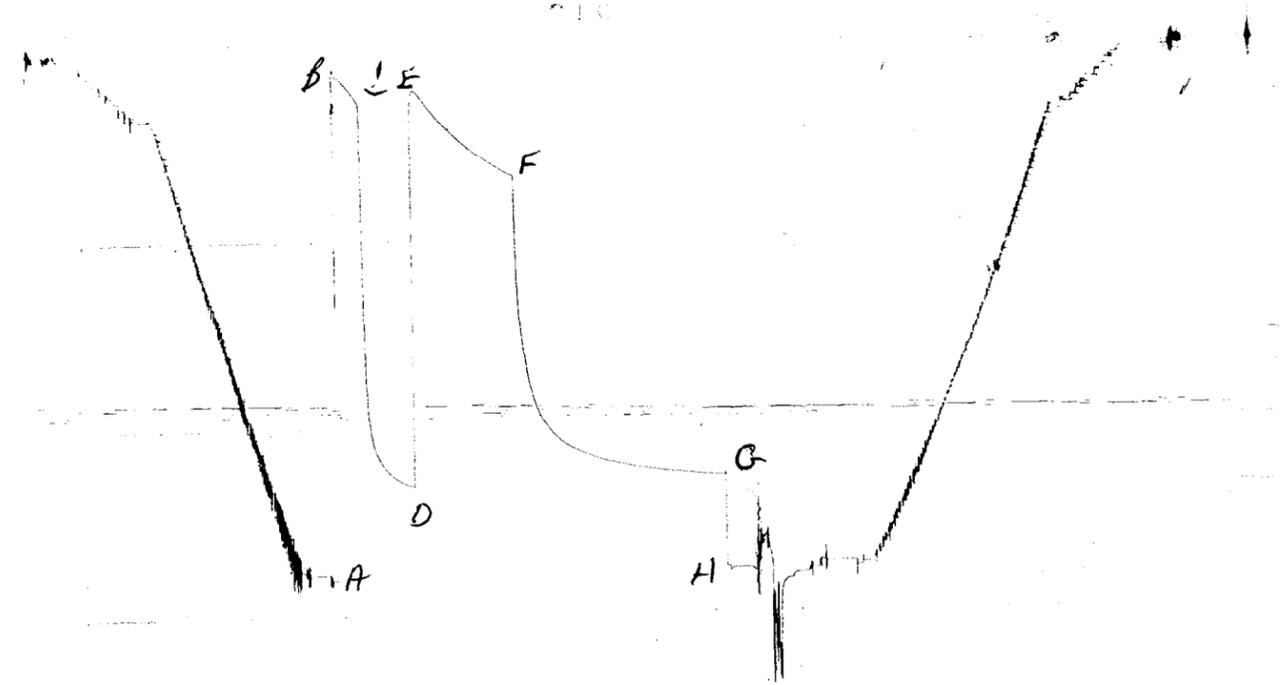
5392.1 - 5431.1
TESTED INTERVAL

TRICENTRAL RESOURCES INCORPORATED
LEASE OWNER/COMPANY NAME

LEGAL LOCATION
SEC. - TWP. - RANG.



715065-2032



718065-2033

GAUGE NO: 2032 DEPTH: 5371.0 BLANKED OFF: NO HOUR OF CLOCK: 24

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2756	2754.9			
B	INITIAL FIRST FLOW	53	63.5			
C	FINAL FIRST FLOW	267	267.9	15.0	14.2	F
C	INITIAL FIRST CLOSED-IN	267	267.9			
D	FINAL FIRST CLOSED-IN	2291	2300.0	30.0	29.6	C
E	INITIAL SECOND FLOW	187	188.5			
F	FINAL SECOND FLOW	639	660.6	60.0	60.5	F
F	INITIAL SECOND CLOSED-IN	639	660.6			
G	FINAL SECOND CLOSED-IN	2251	2259.4	120.0	120.7	C
H	FINAL HYDROSTATIC	2756	2745.0			

GAUGE NO: 2033 DEPTH: 5428.0 BLANKED OFF: YES HOUR OF CLOCK: 12

ID	DESCRIPTION	PRESSURE		TIME		TYPE
		REPORTED	CALCULATED	REPORTED	CALCULATED	
A	INITIAL HYDROSTATIC	2798	2775.1			
B	INITIAL FIRST FLOW	80	87.8			
C	FINAL FIRST FLOW	267	271.3	15.0	14.2	F
C	INITIAL FIRST CLOSED-IN	267	271.3			
D	FINAL FIRST CLOSED-IN	2304	2306.9	30.0	29.6	C
E	INITIAL SECOND FLOW	201	207.1			
F	FINAL SECOND FLOW	667	664.1	60.0	60.5	F
F	INITIAL SECOND CLOSED-IN	667	664.1			
G	FINAL SECOND CLOSED-IN	2264	2269.5	120.0	120.7	C
H	FINAL HYDROSTATIC	2798	2762.8			

EQUIPMENT & HOLE DATA
 FORMATION TESTED: ISMAY
 NET PAY (ft): 33.0
 GROSS TESTED FOOTAGE: 39.0
 ALL DEPTHS MEASURED FROM: KELLY BUSHING
 CASING PERFS. (ft): _____
 HOLE OR CASING SIZE (in): 7.875
 ELEVATION (ft): 5253
 TOTAL DEPTH (ft): 5431.0
 PACKER DEPTH(S) (ft): 5386, 5392
 FINAL SURFACE CHOKE (in): 0.250
 BOTTOM HOLE CHOKE (in): 0.750
 MUD WEIGHT (lb/gal): 10.00
 MUD VISCOSITY (sec): 37
 ESTIMATED HOLE TEMP. (°F): _____
 ACTUAL HOLE TEMP. (°F): 127 @ 5427.0 ft

TICKET NUMBER: 71806500
 DATE: 4-1-84 TEST NO: 1
 TYPE DST: OPEN HOLE
 HALLIBURTON CAMP: FARMINGTON
 TESTER: J.L. ROBINSON
 WITNESS: _____
 DRILLING CONTRACTOR: COLEMAN DRILLING #3

FLUID PROPERTIES FOR RECOVERED MUD & WATER

SOURCE	RESISTIVITY	CHLORIDES
MUD PIT	0.680 @ 46 °F	ppm
TOP RECOVERY	1.390 @ 42 °F	ppm
BOTTOM COLLAR	0.320 @ 47 °F	ppm
SAMPLER	1.580 @ 45 °F	ppm
	@ °F	ppm
	@ °F	ppm

SAMPLER DATA
 Pstg AT SURFACE: 1540
 cu.ft. OF GAS: 6.72
 cc OF OIL: 880
 cc OF WATER: 0
 cc OF MUD: 0
 TOTAL LIQUID cc: 880

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

CUSHION DATA
 TYPE AMOUNT WEIGHT

RECOVERED:
 30' OF OIL
 470' OF GAS AND OIL CUT MUD

MEASURED FROM
TESTER VALVE

REMARKS:
 GAUGE #2032 IS STAIR STEPPING DURING INITIAL CLOSED IN PRESSURE PERIOD.
 GROUND LEVEL IS AT 5241'
 OIL IN SAMPLER IS HIGHLY PARAFINED

TYPE & SIZE MEASURING DEVICE:					TICKET NO: 71806500
TIME	CHOKE SIZE	SURFACE PRESSURE PSI	GAS RATE MCF	LIQUID RATE BPD	REMARKS
3-31-84					
2200					ON LOCATION
2245					PICKED UP AND MADE UP TOOLS
2350					TRIPPED IN HOLE WITH DST #1
4-1-84					
0222					TAGGED BOTTOM AND SLACK OFF
0225	1/8BH	2			OPENED TOOL WITH A VERY STRONG BLOW
0227	"	10			VERY STRONG BLOW
0229	"	30			"
0231	"	50			"
0233	"	63			"
0235	"	83			"
0237	1/8"	102			OPENED TO PIT-NO GAS
0239	"	123			"
0240	"	134			SHUT IN-NO GAS
0250	"	130			GAS AT SURFACE-OPENED ON 1 1/2" BLEED OFF
0308	1.5				
0310	1/4	10			OPENED TOOL WITH IMMEDIATE FLARE
0312	"	48			GOOD FLARE-NO FLUID
0315	"	85			"
0320	"	135			"
0325	"	183			"
0330	"	220			"
0335	"	250			"
0340	"	275			"
0345	"	300			"
0350	"	320			"
0355	"	340			"
0400	"	350			"
0405	"	355			"
0410	"	365			SHUT IN-NO FLUID
0610					UNSEATED PACKERS-PULLED 1 JOINT
0629					REVERSING

TICKET NO: 71806500
 CLOCK NO: 14283 HOUR: 12



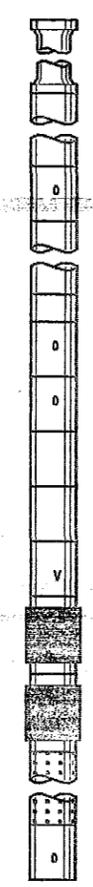
GAUGE NO: 2033
 DEPTH: 5428.0

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	87.8			
2	2.0	127.4	39.6		
3	4.0	136.5	9.1		
4	6.0	158.6	22.1		
5	8.0	183.8	25.3		
6	10.0	210.2	26.3		
7	12.0	241.7	31.6		
C 8	14.2	271.3	29.5		
FIRST CLOSED-IN					
C 1	0.0	271.3			
2	1.0	1351.9	1080.6	1.0	1.162
3	2.0	1723.1	1451.8	1.7	0.909
4	3.0	1904.1	1632.9	2.5	0.762
5	4.0	1989.6	1718.3	3.1	0.657
6	5.0	2041.7	1770.5	3.7	0.583
7	6.0	2085.2	1813.9	4.2	0.526
8	7.0	2115.9	1844.6	4.7	0.481
9	8.0	2139.9	1868.6	5.1	0.443
10	9.0	2159.5	1888.2	5.5	0.410
11	10.0	2176.8	1905.5	5.9	0.383
12	12.0	2204.8	1933.5	6.5	0.339
13	14.0	2227.5	1956.2	7.0	0.303
14	16.0	2243.1	1971.8	7.5	0.276
15	18.0	2259.2	1987.9	7.9	0.252
16	20.0	2270.8	1999.5	8.3	0.233
17	22.0	2279.2	2007.9	8.6	0.216
18	24.0	2288.7	2017.4	8.9	0.202
19	26.0	2296.4	2025.1	9.2	0.189
20	28.0	2302.8	2031.5	9.4	0.177
D 21	29.6	2306.9	2035.7	9.6	0.170
SECOND FLOW					
E 1	0.0	207.1			
2	10.0	284.2	77.1		
3	20.0	392.1	107.9		
4	30.0	479.8	87.7		
5	40.0	550.0	70.2		
6	50.0	609.8	59.8		
F 7	60.5	664.1	54.2		
SECOND CLOSED-IN					
F 1	0.0	664.1			
2	1.0	1212.2	548.2	1.0	1.891
3	2.0	1379.3	715.2	2.0	1.580
4	3.0	1489.0	824.9	2.9	1.410

REF	MINUTES	PRESSURE	ΔP	$\frac{t \times \Delta t}{t + \Delta t}$	$\log \frac{t + \Delta t}{\Delta t}$
SECOND CLOSED-IN - CONTINUED					
5	4.0	1553.9	889.8	3.8	1.298
6	5.0	1617.5	953.4	4.7	1.200
7	6.0	1675.3	1011.3	5.5	1.130
8	7.0	1729.3	1065.3	6.4	1.066
9	8.0	1776.1	1112.1	7.2	1.014
10	9.0	1816.5	1152.5	8.0	0.968
11	10.0	1844.7	1180.6	8.8	0.928
12	12.0	1896.1	1232.1	10.3	0.858
13	14.0	1941.2	1277.1	11.8	0.802
14	16.0	1971.1	1307.0	13.2	0.753
15	18.0	1997.2	1333.1	14.5	0.712
16	20.0	2019.2	1355.1	15.8	0.676
17	22.0	2040.7	1376.6	17.0	0.643
18	24.0	2058.3	1394.2	18.2	0.614
19	26.0	2073.3	1409.3	19.3	0.588
20	28.0	2086.4	1422.3	20.4	0.565
21	30.0	2098.4	1434.3	21.4	0.543
22	35.0	2123.1	1459.0	23.8	0.496
23	40.0	2144.7	1480.6	26.0	0.458
24	45.0	2162.0	1497.9	28.1	0.425
25	50.0	2175.3	1511.3	30.0	0.397
26	55.0	2188.1	1524.1	31.7	0.373
27	60.0	2199.3	1535.3	33.3	0.351
28	70.0	2218.0	1553.9	36.1	0.315
29	80.0	2231.3	1567.3	38.6	0.286
30	90.0	2242.5	1578.5	40.8	0.263
31	100.0	2253.2	1589.1	42.8	0.242
32	110.0	2262.1	1598.1	44.5	0.225
G 33	120.7	2269.5	1605.4	46.1	0.209

REMARKS:

		O.D.	I.D.	LENGTH	DEPTH
1	DRILL PIPE.....	4.500	3.826	4762.2	
3	DRILL COLLARS.....	6.250	2.375	549.3	
50	IMPACT REVERSING SUB.....	5.750	2.750	1.0	5292.3
3	DRILL COLLARS.....	6.250	2.375	64.2	
5	CROSSOVER.....	5.750	2.750	1.0	
13	DUAL CIP SAMPLER.....	5.750	0.870	7.0	
60	HYDROSPRING TESTER.....	5.000	0.750	5.0	5369.0
80	AP RUNNING CASE.....	5.000	2.250	4.0	5371.0
15	JAR.....	5.030	1.750	5.0	
16	VR SAFETY JOINT.....	5.000	1.000	3.0	
70	OPEN HOLE PACKER.....	6.750	1.530	6.0	5386.0
70	OPEN HOLE PACKER.....	6.750	1.530	6.0	5392.0
20	FLUSH JOINT ANCHOR.....	5.750	2.870	33.0	
81	BLANKED-OFF RUNNING CASE.....	5.750		4.0	5428.0
TOTAL DEPTH					5431.0



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
Tricentrol Resources Inc.

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 430' FNL - 420' FSL
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#11-11

10. FIELD OR WILDCAT NAME
Nancy

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

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

14. API NO.
45-037-30903

15. ELEVATIONS (SHOW DF, KDB, AND WD)
GR 5241'; KB 5253'

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) Well Status	<input type="checkbox"/>		<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.)*

Moved in completion unit on 4/14/84. Ran cement bond log across productive interval. Perforated the Upper Ismay from 5466-5476' with 2 spf. Acidized perfs with 200 gals, 15% HCl acid w/NE agent and 1000 gals, 28% HCl acid w/NE agent.

Perforated the Upper Ismay from 5392-5402' with 2 spf. Currently preparing to acidize these perfs.

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

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

SIGNED Alfred P. Howell TITLE Sr. Petro Engineer DATE 4/19/84

(This space for Federal or State office use)

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

cc: Utah OGM Division

RECEIVED
Dec. 1973

APR 30 1984

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DIVISION OF OIL
GAS & MINERAL

DRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Tricentrol Resources Inc.

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 430' FNL - 420' FNL^w
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#11-11

10. FIELD OR WILDCAT NAME
Nancy

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

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

14. API NO.
45-037-30903

15. ELEVATIONS (SHOW DF, KDB, AND WD)
GR 5241'; KB 5253'

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) Well Status		X

(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.)*

Current Operation as of 4/26/84: Waiting on production equipment installation and tie-in.

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

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

SIGNED Donald P. Howell TITLE Sr. Petro. Engineer DATE 4/26/84

(This space for Federal or State office use)

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

cc: Utah OGMD

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

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

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

4

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

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

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

2. NAME OF OPERATOR
Tricentrol Resources Inc.

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface **430' FNL - 420' FWL (NWNW)**

At top prod. interval reported below **Same**

At total depth **Same**

RECEIVED

**DIVISION OF OIL
GAS & MINING**

MAY 21 1984

14. PERMIT NO. **43-037-30903** DATE ISSUED _____

5. LEASE DESIGNATION AND SERIAL NO.
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#11-11

10. FIELD AND POOL, OR WILDCAT
Nancy

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

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

15. DATE SPUDDED **3/23/84** 16. DATE T.D. REACHED **4/2/84** 17. DATE COMPL. (Ready to prod.) **4/25/84** 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* **5241' GR; 5253' KB** 19. ELEV. CASINGHEAD **5243'**

20. TOTAL DEPTH, MD & TVD **5667'** 21. PLUG, BACK T.D., MD & TVD **5625'** 22. IF MULTIPLE COMPL., HOW MANY* **No** 23. INTERVALS DRILLED BY ROTARY TOOLS **0-5667'** CABLE TOOLS **None**

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*
5392-5410' - Upper Ismay

25. WAS DIRECTIONAL SURVEY MADE
No

26. TYPE ELECTRIC AND OTHER LOGS RUN
BIL/SEL; PDC/CND; BHC-Sonic

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#	40'	17-1/2"	50 SXS	--
9-5/8"	36#	1306'	12-1/4"	530 SXS	--
5-1/2"	15.5#	5667'	7-7/8"	425 SXS	--

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
		NONE		

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	5356'	5356'

31. PERFORATION RECORD (Interval, size and number)

5466-5476' 2 spf (set CIBP @ 5450')
5392-5402' 2 spf

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5466-5476'	200 gals, 15% HCl;
	1000 gals, 28% HCl
5392-5402'	1100 gals, 28% HCl

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
4/19/84	Flowing	Shut In

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
4/20/84	24	3/4"	→	190	250	0	1315

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
100	0	→	190	250	0	45°

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
Vented during test.

TEST WITNESSED BY
Ralph Sloan, Consultant

35. LIST OF ATTACHMENTS

DST #1 will be sent directly by Halliburton; Logs will be sent by Schlumberger.

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

SIGNED David P. Howell TITLE Senior Petro. Engineer DATE 5/17/84

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

cc: Utah OGMS

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: "Stacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Upper Ismay Desert Creek	5372' 5622'			Chinle Cutler Honaker Trail Gothic	1330' 2472' 4420' 5608'	
38. GEOLOGIC MARKERS						

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Tricentrol Resources Inc.

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 430' FNL - 420' FWL
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

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

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#11-11

10. FIELD OR WILDCAT NAME
Nancy

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

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

14. API NO.
43-037-30903

15. ELEVATIONS (SHOW DF, KDB, AND WD)
GR 5241'; KB 5253'

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:

RECEIVED

MAY 21 1984

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

DIVISION OF OIL
GAS & MINING

(other) Lay flowline and tie well into existing battery

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

The subject well was recently drilled and apparently will be commercially productive in the Ismay formation. Tricentrol would like to lay a flowline from the subject well to the Nancy Federal #11-22 well located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 11, T38S-R25E to utilize existing separation and excess tank storage capacity on that location. We will utilize existing access road and pipeline right-of-ways to lay flowline and no undisturbed surface will be involved. Utilizing the existing battery on the Nancy Fed. #11-22 will also enable us to tie into the oil and gas pipeline, which belongs to Getty Trading and Transportation Co., at existing tie-in facilities and will eliminate the need to build new tie-in facilities which would involve disturbing new surface area.

Attached is a sketch of the proposed flowline route and battery schematic after tie-in is complete.

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

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

SIGNED Daniel K. Hawell TITLE Sr. Petro. Engineer DATE 5/18/84

(This space for Federal or State office use)

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

cc: BLM; Moab, Utah

cc: Utah OGMA

RECEIVED

MAY 21 1984

DIVISION OF OIL
GAS & MINING

DRILLING PIT

WELL #11-11*

ACCESS ROAD

PROPOSED FLOWLINE
(BURIED 18")

* OIL + NATURAL GAS WILL
BE METERED AND STORED
SEPARATELY FROM THE NANCY
#11-22

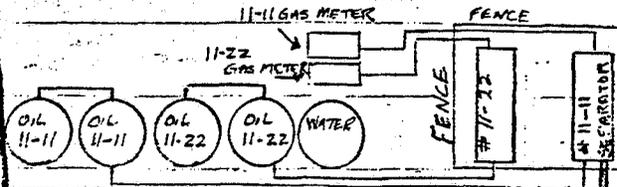
System
WAY &
PIPELINE
RIVE
OIL + NATURAL GAS
GETTY TRADING
TEANS PARTIAL

DRILLING PIT

PUMPING UNIT

WELL #11-22

ACCESS ROAD



PROPOSED FLOWLINE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Wintershall Oil and Gas Corporation

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

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 430' FNL - 420' FWL (NWNW)
AT TOP PROD. INTERVAL: Same
AT TOTAL DEPTH: Same

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

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

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
#11-11

10. FIELD OR WILDCAT NAME
Nancy

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

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

14. API NO.
43-037-30903

15. ELEVATIONS (SHOW DF, KDB, AND WD)
5241'GR; 5253'KB

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

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

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

RECEIVED

JUN 29 1984

DIVISION OF OIL
GAS & MINING

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

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

SIGNED Neil P. Hewell TITLE Operations Manager DATE 6/27/84

(This space for Federal or State office use)

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

cc: Utah OGM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well gas well other

2. NAME OF OPERATOR
Wintershall Oil and Gas Corporation

3. ADDRESS OF OPERATOR 80111

5675 DTC Blvd, Ste 200, Englewood, CO

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

AT SURFACE:
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

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

REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:

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

(other) Installation of sealable valves

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

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

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

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

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

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

(This space for Federal or State office use)

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

cc: Utah OGMD

*See Instructions on Reverse Side

RECEIVED

OCT 26 1984

DIVISION OF OIL

5. LEASE
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
None

7. UNIT AGREEMENT NAME
Little Nancy

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
See Below

10. FIELD OR WILDCAT NAME
Nancy

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

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

14. API NO.
See Below

15. ELEVATIONS (SHOW DF, KDB, AND WD)
--

SEP 25 1989

September 20, 1989

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

Reference: Change of Operating Name
Utah Account No. N9555

Gentlemen:

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

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

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

Yours very truly,

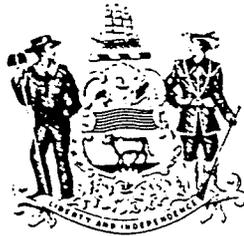
Charmaine Stone

Charmaine Stone
Regulatory & Production Analyst Supervisor

encls.

State of Delaware

4843



Office of Secretary of State

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

|||||



899236017

Michael Harkins
Michael Harkins, Secretary of State

AUTHENTICATION: 2314044

DATE: 08/24/1989

89214061

SEP 25 1989

0736-647

DIVISION OF
OIL, GAS & MINING

CERTIFICATE OF MERGER

FILED

MERGING

AUG 2 1989

WINTERSHALL CORPORATION

INTO

BASF CORPORATION

M. J. ...
SECRETARY OF STATE

10AM

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

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

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

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

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

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

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

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

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

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

BASF CORPORATION

J. Dieter Stein
J. Dieter Stein
President

(Seal)

ATTEST:

Helmuth Aldinger
Assistant Secretary
Helmuth Aldinger

ATTACHMENT B

SEP 25 1989

BASF CORPORATION

EFFECTIVE AUGUST 1, 1989

STATE	FIELD	WELL NAME	WELL NO.	API NO.
UT	NANCY	NANCY FEDERAL	01-03	430373074100S1
UT	NANCY	NANCY FEDERAL	03-11	430373090200D2
UT	NANCY	NANCY FEDERAL	03-22	430373090100S1
UT	NANCY	NANCY FEDERAL	03-32	430373089800S1
UT	NANCY	NANCY FEDERAL	03-44	430373081700S1
UT	NANCY	NANCY FEDERAL	11-11	430373090300S1
UT	NANCY	NANCY FEDERAL	11-22	430373081400S1
UT	NANCY	FEDERAL	34-32	430373082500S1
UT	House	Cyn 13-04		4303731085

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.)

5. LEASE DESIGNATION AND SERIAL NO.
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT AGREEMENT NAME
Little Nancy Unit

8. FARM OR LEASE NAME
Nancy Federal

9. WELL NO.
11-11

10. FIELD AND POOL, OR WILDCAT
Nancy

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 11, 38S, 25E

12. COUNTY OR PARISH
San Juan

13. STATE
UTAH

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
BASF Corporation

3. ADDRESS OF OPERATOR
5 Post Oak Park, Suite 800, Houston, TX 77027

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface
430' FNL & 420' FWL (NWNW)

14. PERMIT NO.
API 43-037-30903

15. ELEVATIONS (Show whether DF, KT, CR, etc.)
5241' GR

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)

PLUG OR ALTER CASING
MULTIPLE COMPLETION
ABANDON*
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING
(Other) Change of Operator

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.)

BASF Corporation has sold the above referenced property to:

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

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

RECEIVED
FEB 01 1991

COPY

Oil and Gas Mining

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

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

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

FORM 1000-1
(November 1983)
(Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-40053
2. NAME OF OPERATOR Ominex Petroleum, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---
3. ADDRESS OF OPERATOR 8055 E. Tufts Ave. Pkwy., #1060, Denver, CO 80237		7. UNIT AGREEMENT NAME Little Nancy Unit
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 430' FNL & 420' FWL NWNW		8. FARM OR LEASE NAME Nancy Federal
14. PERMIT NO. 43-037-30903	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5241' GR	9. WELL NO. 11-11
		10. FIELD AND POOL, OR WILDCAT Nancy
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 11-38S-25E
		12. COUNTY OR PARISH San Juan
		13. STATE Utah

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

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

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

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

RECEIVED

APR 22 1991

DIVISION OF
OIL GAS & MINING

18. I hereby certify that the foregoing is true and correct
SIGNED Patricia G. Blue TITLE Production Analyst DATE 4/18/91
(This space for Federal or State office use)

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

*See Instructions on Reverse Side

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.

Routing:

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

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

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

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 7-1-90)

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

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

Name: <u>LITTLE NANCY 3-32/ISMY</u>	API: <u>4303730898</u>	Entity: <u>99996</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>25E</u>	Lease Type: <u>U-40053</u>
Name: <u>NANCY FED 11-22/ISMY</u>	API: <u>4303730814</u>	Entity: <u>538</u>	Sec <u>11</u> Twp <u>38S</u> Rng <u>25E</u>	Lease Type: <u>U-40053</u>
Name: <u>NANCY FED 11-11/ISMY</u>	API: <u>4303730903</u>	Entity: <u>538</u>	Sec <u>11</u> Twp <u>38S</u> Rng <u>25E</u>	Lease Type: <u>U-40053</u>
Name: <u>NANCY FED 3-44/ISMY</u>	API: <u>4303730817</u>	Entity: <u>538</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>25E</u>	Lease Type: <u>U-40053</u>
Name: <u>NANCY FED 3-22/ISMY</u>	API: <u>4303730901</u>	Entity: <u>544</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>25E</u>	Lease Type: <u>U-40053</u>
Name: <u>NANCY FED 1-3/ISMY</u>	API: <u>4303730741</u>	Entity: <u>540</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>25E</u>	Lease Type: <u>U-40053</u>
Name: <u>NANCY FED 3-11/DSCR TA</u> <i>(ISMY)</i>	API: <u>4303730902</u>	Entity: <u>542</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>25E</u>	Lease Type: <u>U-40053</u>

OPERATOR CHANGE DOCUMENTATION

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

ENTITY REVIEW

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

BOND VERIFICATION (Fee wells only)

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

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

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

RECORDING

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

FILED

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

REMARKS

- 910306 Btm/S.L. No successor of unit operator has been filed as of yet. Will call when approved.
- 910418 Btm/S.L. BASF is still the Unit Operator. "Nothing has been filed as of yet." Omimex is responsible for filing the "Successor of Unit Operator" - Sundries have been received from BASF!
- 910510 Btm approved unit operator change from BASF Corp. to Omimex Petroleum eff. 5-7-91.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

891020386A

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name:

n/a

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

7. Unit Agreement Name:

Little Nancy B

1. Type of Well: OIL GAS OTHER:

8. Well Name and Number:

3 wells (see below)

2. Name of Operator:

OMIMEX PETROLEUM, INC.

9. API Well Number:

3 wells (see below)

3. Address and Telephone Number:

5608 MALVEY, PENTHOUSE SUITE, FT. WORTH, TX 76107 (817)735-1500

10. Field and Pool, or Wildcat:

Nancy

4. Location of Well

Footages: Sec 3, T38S, R25E

County: SAN JUAN

Sec 11, T38S, R25E

State: UTAH

QQ, Sec., T., R., M.:

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

NOTICE OF INTENT

(Submit in Duplicate)

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

Approximate date work will start October 10, 1996

SUBSEQUENT REPORT

(Submit Original Form Only)

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

Date of work completion _____

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

* Must be accompanied by a cement verification report.

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

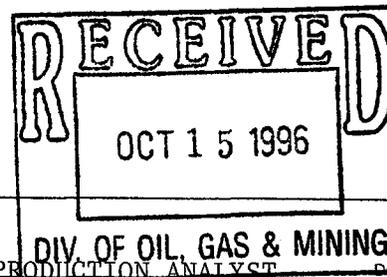
WELLS: API NUMBER:

* LITTLE NANCY 3-44 43-037-30817

LITTLE NANCY 11-11 43-037-30903

LITTLE NANCY 11-22 43-037-30814

Due to a fire at the processing plant, the gas purchaser has closed the plant for a couple of weeks. During this time we will need to vent the gas from these wells.



13.

Name & Signature: MARTLYN D. JACKSON

Marilyn D. Jackson

Title: PRODUCTION ANALYST

Date: 10/11/96

(This space for State use only)

FORM 9

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:
8910203860

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:
Little Nancy Unit

8. Well Name and Number:
Little Nancy 11-11

9. API Well Number:
43-037-30903-00

10. Field and Pool, or Wildcat:
Nancy

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: OIL GAS OTHER:

2. Name of Operator:
Omimex Petroleum, Inc.

3. Address and Telephone Number:
5608 Malvey, Penthouse Ste, Ft Worth TX 76107 (817)735-1500

4. Location of Well
Footage:
OO, Sec., T., R., M.: NWNW Sec. 11 T38S R25E

County: San Juan
State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other commingle production within lease
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start immediately

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion _____

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

* Must be accompanied by a cement verification report.

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

The separator for the LNU 11-11 needs replaced. Omimex intends to commingle production with the LNU 11-22 (API# 43-037-30814-00) and allocate the production based upon past production figures. These two wells are on the same lease. Omimex will shut in one of the wells every three months for 24 hrs. We will use the production from these tests to allocate production between the wells.

13.

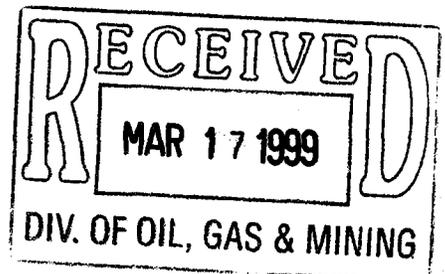
Name & Signature: Marilyn D. Jackson / Marilyn D. Jackson Production Analyst Date: 3/12/99

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 3/17/99
By: [Signature]

(See Instructions on Reverse Side)



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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
8910203860

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:
LITTLE NANCY

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
NANCY FEDERAL 11-11

2. NAME OF OPERATOR:
OMIMEX PETROLEUM, INC

9. APT NUMBER:
4303730903

3. ADDRESS OF OPERATOR:
5608 MALVEY PH STE CITY FORT WORTH STATE TX ZIP 76107

PHONE NUMBER:
(817) 735-1500

10. FIELD AND POOL, OR WILDCAT:
NANCY

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 430' FNL & 420' FZL

COUNTY: SAN JUAN

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 11 38S 25E

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 6/15/2003	<input checked="" type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input checked="" type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input checked="" type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

PROPOSE TO LOCATE AND REPAIR CASING LEAK, REPERFORATE CURRENT FORMATION AND ACIDIZE:

- 1) Move in well service unit, POH w/rods, pump and tubing.
- 2) Locate and cement squeeze casing leak, drill out and test casing for integrity.
- 3) Perforate @ 5402-14'
- 4) Acidize existing perfs @ 5392-5402' and new perfs @ 5402-14'.
- 5) Return to production.

COPY SENT TO OPERATOR
Date: 5-20-03
Initials: CJD

NAME (PLEASE PRINT) SAMMY D. JETER

TITLE OPERATIONS SUPERVISOR

SIGNATURE

DATE 5/16/2003

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
Action Is Necessary

RECEIVED

(5/2000)

Date: 5/27/03 (See Instructions on Reverse Side)

By: [Signature]

MAY 23 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

8910203860

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Little Nancy

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Nancy Fed 11-11

2. NAME OF OPERATOR:
OMIMEX PETROLEUM, INC.

9. API NUMBER:
4303730903

3. ADDRESS OF OPERATOR:
5608 Malvey CITY Fort Worth STATE Tx ZIP 76107

PHONE NUMBER:
(817) 735-1500

10. FIELD AND POOL, OR WILDCAT:
Nancy

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 430' FNL & 420' FWL (NWNW)

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 11 38S 25E

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input checked="" type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input checked="" type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input checked="" type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 7/10/2003	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

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

6/30-7/10/2003

- 1) MI wellservice unit
- 2) POH with rods and pump, POH with tubing
- 3) RIH with RBP and packer set RBP @ 5340', release BP
- 4) POH with 1 stand and pressure test BP, POH and test to locate casing leak.
- 5) Isolated hole in casing @ 2425-2491', Set packer @ 2230'
- 6) Squeezed casing with 150 sxs class g cement, SI with 950 psi
- 7) POH with packer and tubing, RIH with 43/4" bit and tubing, tag cement @ 2327'
- 8) Drill 180' of cement, circulate clean, pressure test squeeze to 1000 psi, held good
- 9) POH with tubing and bit, RIH and retrieve RBP, POH with RBP
- 10) RIH with WL casing gun and perf @ 5402-14', POH
- 11) RIH with packer and tubing, set @ 5330'
- 12) Acidize existing perfs @ 5392-5402' and new perfs @ 5402-14' with 2000 gals, 28% HCL
- 13) POH with packer and tubing, RIH with production string
- 14) RIH with pump and rods, hang off and return to production

RECEIVED

AUG 15 2003

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Samy D. Jeter

TITLE Operations Supervisor

SIGNATURE *Samy D. Jeter*

DATE 8/11/2003

(This space for State use only)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
U-40053

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Little Nancy Unit

7. UNIT or CA AGREEMENT NAME:
Little Nancy Unit

8. WELL NAME and NUMBER:
LNU 11-11

9. API NUMBER:
4303730903

10. FIELD AND POOL, OR WILDCAT:
Nancy

1. TYPE OF WELL: OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
ERG OPERATING COMPANY INC.

3. ADDRESS OF OPERATOR: 1100 LOUISIANA, STE 2650
CITY HOUSTON STATE TX ZIP 77002-5216 PHONE NUMBER: 713-812-1800

4. LOCATION OF WELL
FOOTAGES AT SURFACE: _____ COUNTY: San Juan
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 11 38S 25E STATE: UTAH

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

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

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

Change of Operator Effective March 1, 2005:

From - Omimex Petroleum, Inc.
2001 Beach St., Ste. 810 N0735
Fort Worth, Texas 76103


Clark P. Storms
Vice President-Land & Legal

Omimex Petroleum will transfer operations of the above referenced well to a new operator.

ERG OPERATING COMPANY INC. certifies that it is authorized by the proper lease interest owners to conduct operations associated with this lease.

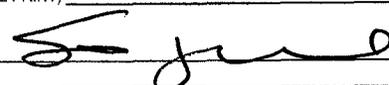
Bond coverage pursuant to 43CFR3104 for lease activities is being provided by ERG OPERATING COMPANY INC. with their BLM bond # RLB0007941.

RECEIVED

MAR 02 2005

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SCOTT Y. WOOD TITLE PRESIDENT

SIGNATURE  DATE JANUARY 26, 2005

(This space for State use only)

APPROVED 3129105



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

8. **Federal and Indian Units:**

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

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

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

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 3/3/2005

DATA ENTRY:

- Changes entered in the Oil and Gas Database on: 3/29/2005
- Changes have been entered on the Monthly Operator Change Spread Sheet on: 3/29/2005
- 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: 3/29/2005
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

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

FEE & STATE WELL(S) BOND VERIFICATION:

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

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: U-40053
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
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.		7. UNIT or CA AGREEMENT NAME: Little Nancy Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: LNU 11-11	
2. NAME OF OPERATOR: D. J. SIMMONS COMPANY LIMITED PARTNERSHIP INC N2520	9. API NUMBER: 4303730903	
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PLACE, SUITE 200 FARMINGTON, NM 87401	PHONE NUMBER: 505-326-3753	10. FIELD AND POOL, OR WILDCAT: Nancy
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 11 38S 25E	COUNTY: San Juan STATE: UTAH	

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

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

Change of Operator Effective July 1, 2005:

From - ERG Operating Company, Inc. *N2735*
1100 Louisiana, Suite 2650
Houston, TX 77002

Carl F. Pomeroy
Carl F. Pomeroy
Vice President Engineering

ERG Operating Company will transfer operations of the above referenced well to a new operator. D.J. SIMMONS COMPANY LIMITED ~~PARTNERSHIP~~ INC certifies that it is authorized by the proper lease interest owners to conduct operations associated with this lease. Bond coverage pursuant to 43CFR3104 for lease activities is being provided by D.J. SIMMONS COMPANY LIMITED ~~PARTNERSHIP~~ INC with their BLM \$25,000 LETTER OF CREDIT 05/09/05. *INC*

RECEIVED
JUL 26 2005

DIV OF OIL, GAS & MINING

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

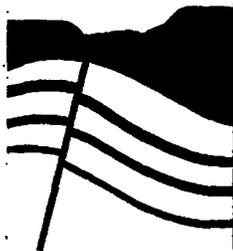
(This space for State use only)

APPROVED 7/29/05

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

(See Instructions on Reverse Side)

200c-22

**DJ SIMMONS, INC.**

1009 Ridgeway Place
Suite 200
Farmington,
New Mexico 87401

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

July 29, 2005

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

Re: Utah Account # N2520

Earlene Russell:

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

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

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

Sincerely,

Craig D. Starkey
Permitting

cc: Nancy Walden

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

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

8. **Federal and Indian Units:**

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

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

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

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 7/29/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 7/29/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 7/29/2005
3. Bond information entered in RBDMS on: n/a
4. Fee/State wells attached to bond in RBDMS on: n/a
5. Injection Projects to new operator in RBDMS on: 7/29/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

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

FEE & STATE WELL(S) BOND VERIFICATION:

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

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 28, 2013

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

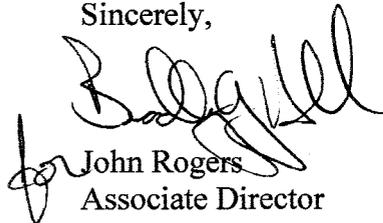
Subject: Nancy Federal 11-11 Well, 430' FNL, 420' FWL, NW NW, Sec. 11, T. 38 South, R. 25 East, Bottom Location: 531' FNL, 592' FEL, NW NW, Sec. 10, T. 38 South, R. 25 East, San Juan County, Utah

Ladies and Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-30903.

Sincerely,


for John Rogers
Associate Director

JR/BGH/js
Enclosures

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

Operator: _____ D J Simmons, Inc.
Well Name & Number _____ Nancy Federal 11-11
API Number: _____ 43-037-30903
Lease: _____ UTU-40053

Location: NW NW **Sec. 11** **T. 38 South** **R. 25 East**
Bottom Location: NW NW **Sec. 10** **T. 38 South** **R. 25 East**

Conditions of Approval

1. General

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

2. Notification Requirements

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

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

OR

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

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

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

3. Reporting Requirements

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

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

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

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/19/2013

API NO. ASSIGNED: 43-037-30903

WELL NAME: NANCY FEDERAL 11-11
 OPERATOR: D J SIMMONS, INC (N2520)
 CONTACT: CHRIS LOPEZ

PHONE NUMBER: 505-326-3753

PROPOSED LOCATION:

NWNW 11 380S 250E
 SURFACE: 0430 FNL 0420 FWL
Sta. 10 BOTTOM: 0531 FNL 0592 FEL
 COUNTY: SAN JUAN
 LATITUDE: 37.50396 LONGITUDE: -109.14892
 UTM SURF EASTINGS: 663616 NORTHINGS: 4152390
 FIELD NAME: LITTLE NANCY (390)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-40053
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: ISMY
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

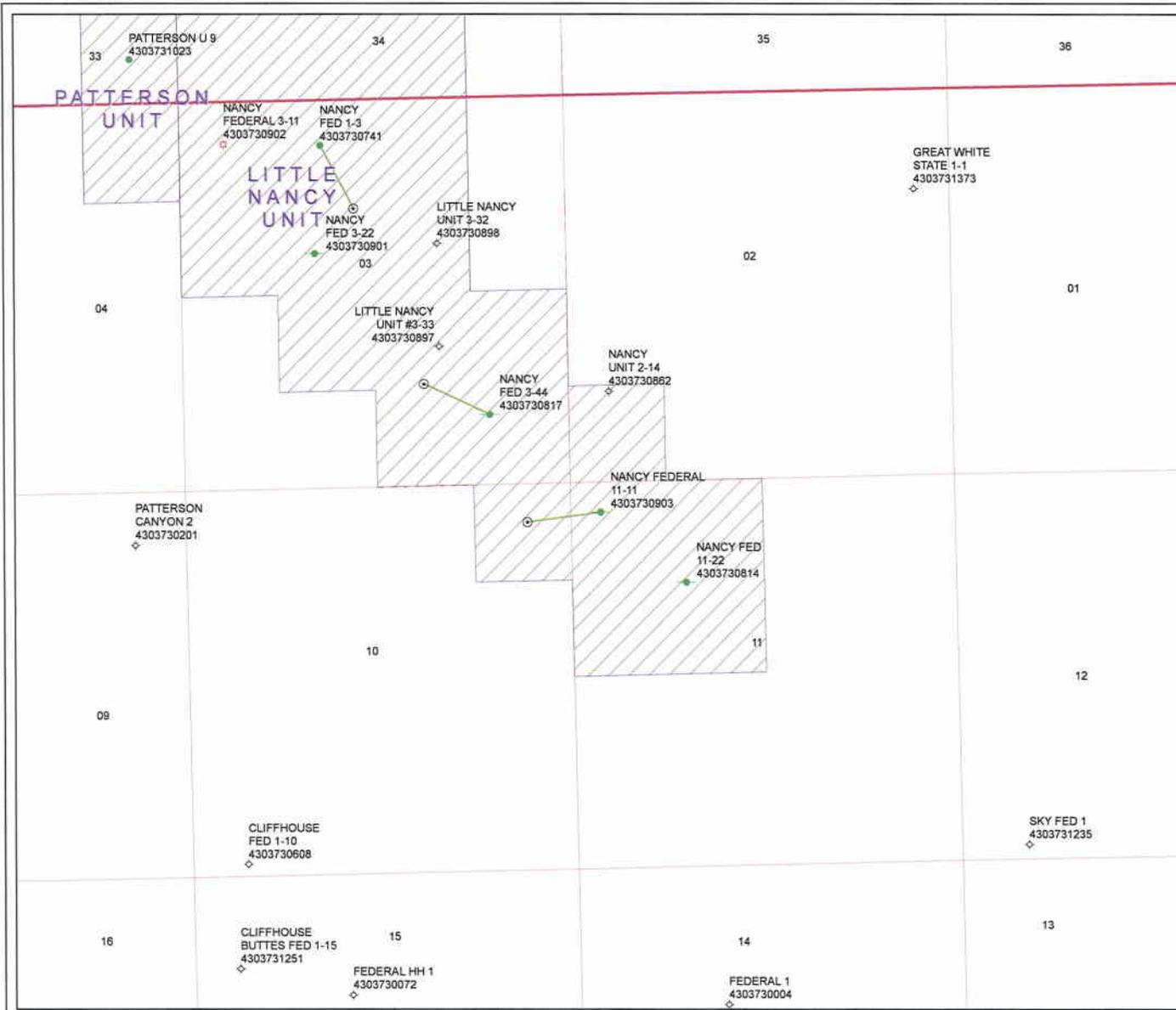
LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____

*1- Sean Approved
2- Spacing Stop*



API Number: 4303730903

Well Name: NANCY FEDERAL 11-11

Township: T38.0S Range: R25.0E Section: 11 Meridian: S

Operator: D J SIMMONS, INC

Map Prepared: 10/4/2013
Map Produced by Diana Mason

Wells Query

- Status**
- ◆ APD - Approved Permit
 - (*) DRL - Spudded (Drilling Commenced)
 - GW - Gas Injection
 - GS - Gas Storage
 - ⊕ LOC - New Location
 - ⊖ OPS - Operation Suspended
 - ⊘ PA - Plugged Abandoned
 - ⊙ PGW - Producing Gas Well
 - POW - Producing Oil Well
 - ⊙ SGW - Shut-in Gas Well
 - ⊙ SOW - Shut-in Oil Well
 - ⊘ TA - Temp. Abandoned
 - TW - Test Well
 - ⊘ WDW - Water Disposal
 - ⊘ WW - Water Injection Well
 - WWS - Water Supply Well

Units

- STATUS**
- ▨ ACTIVE
 - ▨ EXPLORATORY
 - ▨ GAS STORAGE
 - ▨ NF PP OIL
 - ▨ NF SECONDARY
 - ▨ PI OIL
 - ▨ PP GAS
 - ▨ PP GEOTHERMAL
 - ▨ PP OIL
 - ▨ SECONDARY
 - ▨ TERMINATED



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE NANCY
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: NANCY FEDERAL 11-11
2. NAME OF OPERATOR: D J SIMMONS, INC		9. API NUMBER: 43037309030000
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401		9. FIELD and POOL or WILDCAT: LITTLE NANCY
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0430 FNL 0420 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 11 Township: 38.0S Range: 25.0E Meridian: S		COUNTY: SAN JUAN STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/31/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: Sidetrack to Recomplete

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

D. J. Simmons, Inc. proposed to sidetrack from the existing Nancy Federal 11-11 wellbore to the following new bottom hole location: Heel: 500' FNL & 300 FEL, Sec. 10, T38S, R25E Toe: 531' FNL & 592' FEL, Sec. 10, T38S, R25E Please see attached Sidetrack Drilling Procedure, Sidetrack Drilling Program, 3,000psi Drilling Rig BOP System, Drilling Equipment Layout Plan, Utah Well Location Plat, Directional Drilling Letter & Approved BLM Sundry.

Surf

663 666x
415 2390 Y
37. 503 954
- 109. 148 915

BHL

663308X
4152351 Y
37. 503 664
-109. 152408

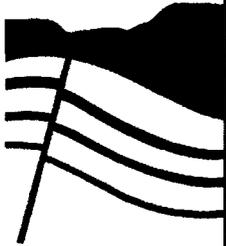
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-26-13

By:

Federal Approval of this Action is Necessary

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



DJ SIMMONS, INC.

1009 Ridgeway Place
Suite 200
Farmington,
New Mexico 87401

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

September 16, 2013

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

Re: Directional Drilling R649-3-11
Little Nancy 11-11S: 430' FNL & 420' FWL (Surface Hole), NW/NE
500' FNL & 300' FEL (Bottom Hole - Heel), NW/NW
531' FNL & 592' FEL (Bottom Hole - Toe), NW/NW
Section 10, T38S, R25E, SLM
San Juan County, UT

Dear Ms. Mason,

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

- The Little Nancy 11-11S is located within the Little Nancy Unit Area.
- DJS is requesting to sidetrack out of the existing Little Nancy 11-11 wellbore in order to minimize surface disturbance. Locating the well at the surface location and drilling directionally from this location, DJS will be able to utilize the existing wellpad, access road and pipelines in the area.
- Furthermore, DJS hereby certifies that it is the sole working interest owner within 460 feet of the entire directional wellbore.

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

Sincerely yours,

Chris S. Lopez
Regulatory Specialist

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

June 11, 2013

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

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

Pursuant to email between Eric Jones, Moab Field Office, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells will be re-entered and side tracked. Two of the wells will have 300 foot open hole laterals. Operations are planned for calendar year 2013 within the Little Nancy Unit, San Juan County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Ismay)		
43-037-30903	Little Nancy 11-11S Sec 11	T38S R25E 0430 FNL 0420 FWL
	Lateral 1 Sec 10	T38S R25E 0531 FNL 0592 FEL
43-037-30817	Little Nancy 03-44S Sec 03	T38S R25E ⁹⁴² 0920 FSL ¹⁰⁸⁰ 1050 FEL
	Lateral 1 Sec 03	T38S R25E 1386 FSL ¹⁹⁸⁰ 1980 FEL
43-037-30741	Little Nancy 01-03S Sec 03	T38S R25E ⁶²³ 0710 FNL ¹⁹⁶⁰ 1980 FWL
	BHL Sec 03	T38S R25E 1500 FNL 2400 FWL

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

From Survey 6/4/2013
Plehad 7/3/2013

Michael L. Coulthard

Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management, ou=Branch of Minerals, email=Michael_Coulthard@blm.gov, c=US
Date: 2013.06.11 12:58:12 -0700

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

MCoulthard:mc:6-11-13

D.J. SIMMONS INC.
Little Nancy Federal No. 11-11S
Surface Location: 430' FNL, 420' FWL, Sec 11,
Bottomhole Location (heel): 500' FNL, 300' FEL, Sec 10,
Bottomhole Location (toe): 531' FNL, 592' FEL, Sec 10,
T-38-S R-25-E,
San Juan County, Utah

Sidetrack Drilling Procedure

- Back drag and clean location for crew & rig safety. Build 70' x 40' x 8' reserve pit with 5' weir. Install plastic liner and fence around pit.
- Move in well service unit and rig up.
- Nipple down wellhead and nipple up BOP.
- Trip out of hole with tubing string of 2 7/8" tbg as follows 162 jts, TAC, 3 jts, SN, 1 jts, 10' sub, PS. Landed at 5440'.
- Round trip bit and scraper to top perf at 5392'.
- Set CIBP at 5350' with 10 sx, 11.8 cuft, 88ft of cement on top
- Load hole with water.
- Run cement bond log to find top of primary cement and top and bottom of cement squeeze repair of casing leak from 2425'-91' completed in July 2003.
- Rig down and move out well service rig. Move in and rig up drilling rig. We may start with drilling rig instead of well service rig depending on availability.
- Nipple up BOP, manifold and flowlines. Test blind rams, pipe, inside valves, outside valves, floor valve, kelly valve, fillup check valve and manifold valve to 250psi low and 1,500 psi high. Test casing to 500 psi for 30 minutes. Record test in IADC book and sign as witness.
- Cut and pull 5 1/2" casing at free point nearest top of squeeze repair cement.
- Sting into 5 1/2" casing stub and spot a 15.8ppg cement plug from 50' below top of primary cement to fill casing and open hole to 50' above 5 1/2" casing stub.
- Wait on cement and tag plug.
- If 5 1/2" casing stub is in open hole, set a hardened 250' cement kick off plug from 1600' up to 1350'. If 5 1/2" casing stub is in the 9 5/8" casing, set a whipstock tool to cut a window.
- Run survey to determine current wellbore position and orientation.
- Drill 7 7/8" hole with clear water using gel or paper sweeps as necessary.
- Establish a 300' radius turn to 11⁰ at 264⁰ from north. Maintain 11⁰ from vertical at 264⁰ from north. Continue drilling with a 300' radius build rate to achieve a total vertical displacement of 723' by 5415' TVD, 5715'+/- MD seeking 90⁰ entry to target zone at BHL of 500' FNL, 300' FEL, Sec 10.
- Mudlogging unit to be on location and running samples by 4400' TVD. Frequency of samples to be specified by on site geologist.

D.J. SIMMONS INC.
Little Nancy Federal No. 11-11S
Surface Location: 430' FNL, 420' FWL, Sec 11,
Bottomhole Location (heel): 500' FNL, 300' FEL, Sec 10,
Bottomhole Location (toe): 531' FNL, 592' FEL, Sec 10,
T-38-S R-25-E,
San Juan County, Utah

- At 4200' TVD, switch to clean mud pits and mix L_SND mud to 30-32 vis and 6 water loss. Maximize the use of shale shaker and desilter to control mud weight. Use dilution from reserve 1st and rig supply tank 2nd to maintain mud weight at 9.0 ppg or below.
- If hole conditions will allow logs, run Density, Neutron, Induction, Gamma Ray logging all tools up to surface casing shoe with the Neutron/Gamma Ray to surface as specified by prior arrangement w/ logging company. Mud log data may dictate logging interval adjustment. Schlumberger is the logging company at 325-5006.
- Run 5 1/2" N80 LTC casing to within 5' of bottom as follows:
 - a) Float shoe. (thread locked)
 - b) Shoe joint. (thread locked)
 - c) Latch down plug baffle in top of shoe joint.
 - d) Use 1 centralizer 10' from shoe w/ stop band and 1 centralizer on each joint for 6 more joints (7 total).
 - e) Run marker joints at 10 joints and 30 joints from shoe.
- **Production casing** will be cemented to ensure cement coverage inside the intermediate casing. **Lead cement:** ~ 1070 cu. ft. (535 sx) and **Tail cement:** ~ 127 cu.ft. (100 sx). Volumes are calculated at 50% excess. A wiper plug will be displaced to the float collar leaving the shoe joint full of cement. A cement bond log will be run during completion operations to insure cement coverage.

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

Cement recipe (**Tail**): Type III cmt or equivalent (1.27 ft³/sx yield, 15.2 ppg, & 5.8 gps) with 2% CaCl₂ and 1/4#/sx cellophane. Volume based on 50% excess.
- Nipple up BOP, manifold and flowlines. Test blind rams, pipe, inside valves, outside valves, floor valve, kelly valve, fillup check valve and manifold valve to 250psi low and 1,500 psi high. Test casing to 500 psi for 30 minutes. Record test in IADC book and sign as witness.
- Pressure test casing to 3,000psi and record for 30 minutes.
- Trip in hole with 4 3/4" bit and tools to drill lateral using clear mud at 90^o deviation from the heel for 294' to a toe location of 531' FNL, 592' FEL of section 10. Approximate azimuth is 264^o.
- Lateral will be completed as openhole with completion rig.

D.J. SIMMONS INC.
Little Nancy Federal No. 11-11S
 Surface Location: 430' FNL, 420' FWL, Sec 11,
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 T-38-S R-25-E,
 San Juan County, Utah

Sidetrack Drilling Program

1. **ESTIMATED FORMATION TOPS: (GL: 5,248, KB: 5,260)**

<u>Formation Name</u>	<u>Depth TVD</u>	<u>Sub Sea Depth TVD from KB</u>
Morrison Formation	Surface	5260
Entrada Sandstone	558	4702
Navajo Sandstone	746	4514
Chinle Formation	1424	3836
Moenkopi Formation	2482	2778
Cutler Group	2552	2708
Honaker Trail Formation	4337	923
Upper Ismay	5385	-125
Total Depth	5415	-155

2. **NOTABLE ZONES**

<u>Formation Name</u>	<u>Depth TVD</u>	<u>Contents</u>
Morrison Formation	Surface	Mixed sand, shale, siltstone
Entrada Sandstone	558	Sandstone, water possible
Navajo Sandstone	746	Sandstone, water possible
Chinle Formation	1424	Red/vari-color shale/siltstone
Moenkopi Formation	2482	Red-brown shale, siltstone
Cutler Group	2552	Red Arkose sandstone
Honaker Trail Formation	4337	Limestone, sandstone, gas and water possible
Upper Ismay	5385	Limestone, anhydrite, oil, gas, water possible
Total Depth	5415	Limestone, anhydrite, oil, gas, water possible

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

3. **PRESSURE CONTROL:**

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

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

D.J. SIMMONS INC.
Little Nancy Federal No. 11-11S
 Surface Location: 430' FNL, 420' FWL, Sec 11,
 Bottomhole Location (heel): 500' FNL, 300' FEL, Sec 10,
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 T-38-S R-25-E,
 San Juan County, Utah

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

4. CASING & CEMENT

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u> (lb/ft)	<u>Grade</u>	<u>Age</u>	<u>Connection</u>	<u>GL Setting Depth</u>
12 1/4"	9 5/8"	36#	J55	Existing	ST&C / LT&C	GL – 1306'
7 7/8"	5 1/2"	17#	N80	New	LT&C	GL – 5415'TVD

Production casing will be cemented to ensure cement coverage inside the intermediate casing. **Lead cement:** ~ 1070 cu. ft. (535 sx) and **Tail cement:** ~ 127 cu.ft. (100 sx). Volumes are calculated at 50% excess. A wiper plug will be displaced to the float collar leaving the shoe joint full of cement. A cement bond log will be run during completion operations to insure cement coverage. Casing will be pressure tested to 3000 psi for 30 minutes during completion operations.

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

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

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

5. MUD PROGRAM

<u>Depth TVD</u>	<u>Type</u>	<u>Wt./ppg.</u>	<u>Vis.</u>	<u>Fluid Loss</u>	<u>PH</u>
1306'-4200'+/-	FW gel/Polymer/LSND	8.3-8.9	30-55	as needed	9.5
4200'-5415'+/-	FW gel/Polymer/LSND	8.3-8.9	30-55	<10cc's	9.5

Lost circulation and absorption material will be on location.

D.J. SIMMONS INC.
Little Nancy Federal No. 11-11S
Surface Location: 430' FNL, 420' FWL, Sec 11,
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T-38-S R-25-E,
San Juan County, Utah

6. CORING, TESTING, & LOGGING

Drill stem tests may be run on Ismay and Desert Creek drilling breaks. Drill stem tests will be conducted during daylight hours only. Sidewall core samples may be taken from selected sections over productive sections from Honaker Trail to TD. Whole core may be taken across the Hovenweep and Gothic formations. A full suite of open hole logs may be run, possibly in multiple trips, from TD to 1306' with gamma ray and neutron to surface. This well will be mud logged from 4400' to TD.

7. DOWN HOLE CONDITIONS

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

8. OTHER INFORMATION

The anticipated spud date is January 31, 2014. It is expected it will take ~15 days to drill and ~20 days to complete the well. Completion will start about one month after the spud and may include hydraulic fracturing.

Prepared By:

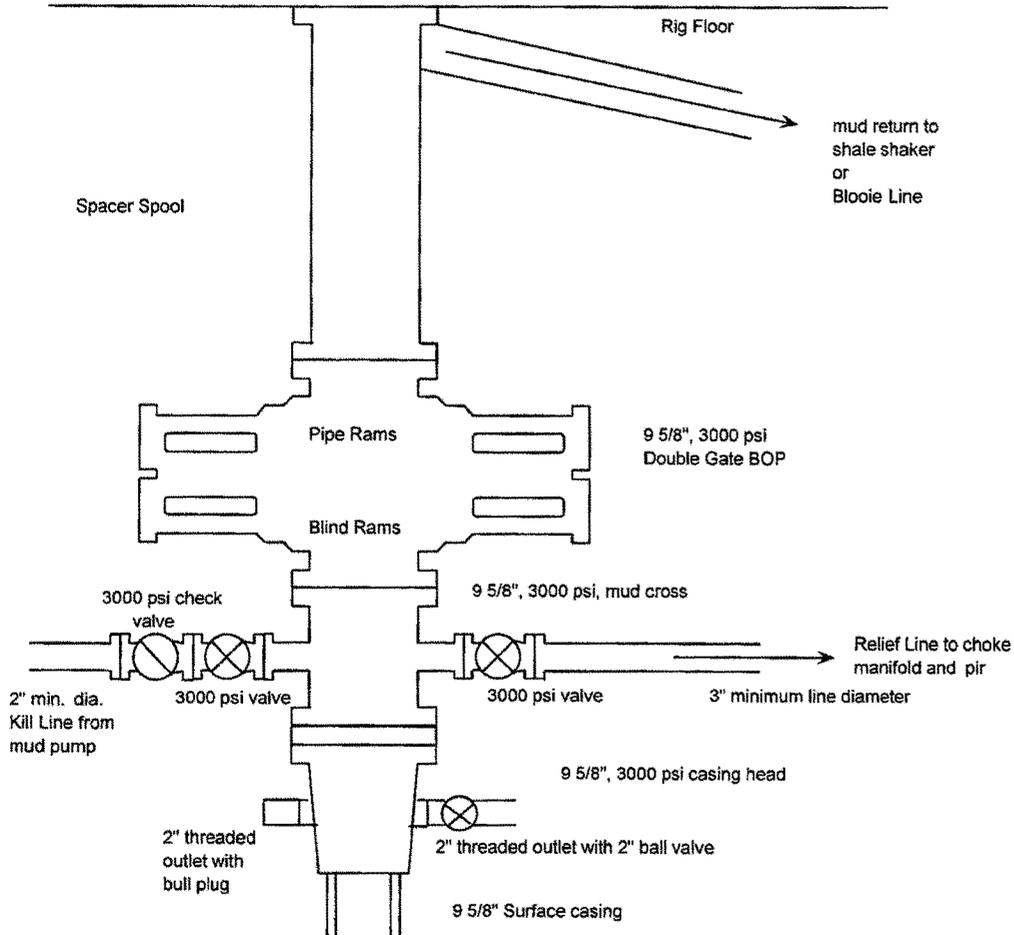


Rodney L. Seale
Operations Engineer

Date: September 7, 2013 ✓

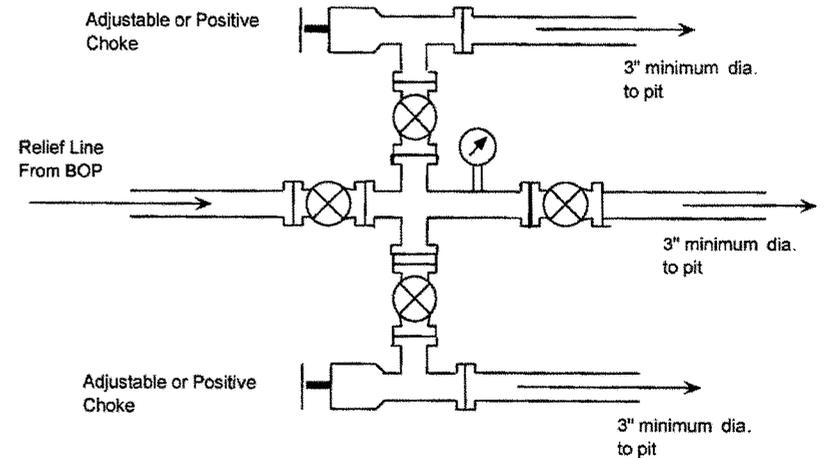
Little Nancy 11-11S 3,000 psi Drilling Rig BOP System

Figure 1 9 5/8", 3000 psi Drilling Rig BOP System

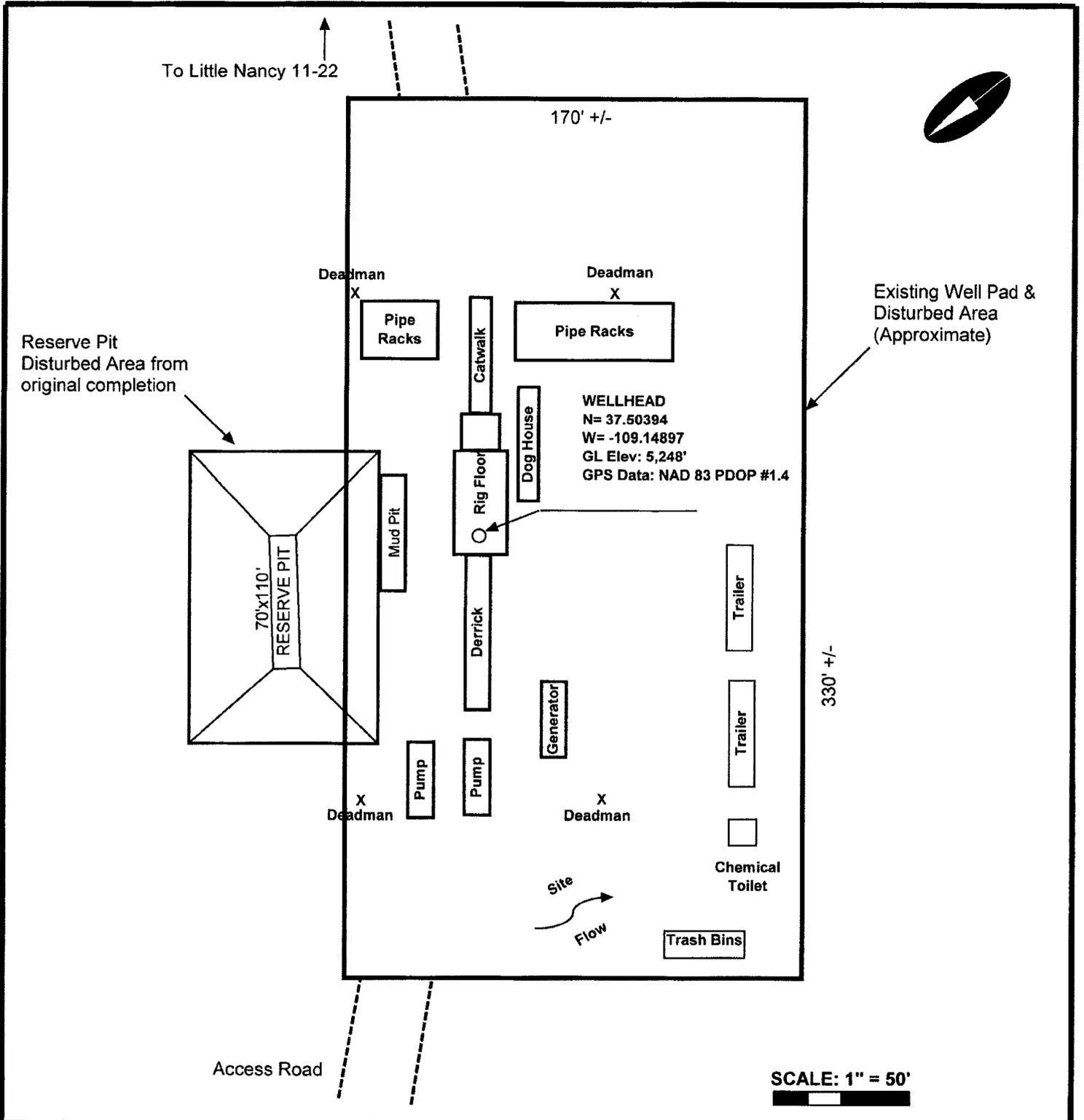


BOP Installation from Surface Casing to TD. 9 5/8", 3000 psi double gate BOP equipped with blind and pipe rams and rotating head. All equipment rated at 3000 psi or greater working pressure.

Figure 2



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




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

Reviewed By: Craig D. Starkey
 Drawn By: Chris S. Lopez
 Approved By: Rodney L. Seale
 Date: 5/30/2013

Little Nancy 11-11S
Drilling Equipment Layout Plan
430' FNL & 420' FWL
NW/NW Sec. 11, T38S, R25E
San Juan County, UT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No. U-40053
6. If Indian, Allottee or Tribe Name 2012 11-4 M 7:48
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. Little Nancy
2. Name of Operator D. J. Simmons, Inc.		8. Well Name and No. Little Nancy 11-11S
3a. Address 1009 Ridgeway Place, Suite 200 Farmington, NM 87401	3b. Phone No. (include area code) (505) 326-3753	9. API Well No. 43-037-30903
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface: 430' FNL & 420' FWL, NW/NW Section 11, T38S, R25E, SLM		10. Field and Pool or Exploratory Area Nancy
		11. County or Parish, State San Juan County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Sidetrack</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 recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

D. J. Simmons, Inc. proposes to sidetrack from the existing Little Nancy 11-11 wellbore to the following new bottom hole location:

Bottomhole Location (heel): 500' FNL, 300' FEL, Sec 10, T-38-S R-25-E
Bottomhole Location (toe): 531' FNL, 592' FEL, Sec 10, T-38-S R-25-E

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

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Chris S. Lopez		Title Regulatory Specialist
Signature <u>Chris S. Lopez</u>		Date 05/30/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <u>Boeth Ramsey</u>	Title <u>Field Manager</u>	Date <u>8/5/2013</u>
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 <u>Moab Field Manager</u>	

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

CONDITIONS OF APPROVAL ATTACHED

DJ Simmons, Inc.

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

Little Nancy 11-11S

Little Nancy Unit, UTU63078A

Lease UTU40053

Location, Surface: NW/NW Section 11, T38S, R25E

Bottom-Hole: NE/NE Section 10, T38S, R25E

San Juan County, Utah

CONDITIONS OF APPROVAL

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

Little Nancy 11-11S -- Conditions of Approval

9. During drilling operations, the reserve pit will be fenced on three sides. When drilling operations are complete the fourth side will be fenced. At a minimum, the fence will be constructed using steel T or wood line posts set 16.5 feet apart. Corner posts will be 6 inches or greater diameter wood, and anchored with a rock deadman. Woven wire will be placed from 0 to 32 inches, and twisted smooth or barbed wire will be placed at 4 and 16 inches above the woven wire. When fencing is completed, netting will be placed over the pit and fence, extending to below the ground level, to prevent birds and small animals from gaining access to and becoming trapped in the contents of the pit. The netting will be supported to maintain adequate clearance between the net and the contents of the pit. The fencing and netting will be maintained until the pit is closed and reclaimed.

10. The reserve pit shall be closed and reclaimed in accordance with Onshore Oil and Gas Order No. 1, XII, B. and the standards and guidelines contained in the Gold Book, 2007; which requires earthwork to be completed within six months of completion of drilling operations. If necessary, pit fluids shall be removed and properly disposed of to allow the pit solids adequate time to dry prior to pit closure.

REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

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

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

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

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

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

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

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

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

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

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

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will be approved when the Monticello Field Office determines that surface reclamation work has successfully restored desirable vegetation.

TABLE 1

NOTIFICATIONS

Notify Jeff Brown (435-587-1525), or Cliff Giffen (435-587-1524) of the BLM, Monticello Field Office for the following:

- 1 day prior to spud (Brown);
- 1 day prior to testing BOP (Brown);
- 1 day prior running casing (Brown);
- 2 days prior to starting reclamation dirt work (Giffen)

If the person at the above number cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact:

Eric Jones, Petroleum Engineer Office: (435) 259-2117
Home: (435) 259-2214

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053	
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
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.		7. UNIT or CA AGREEMENT NAME: LITTLE NANCY	
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: NANCY FEDERAL 11-11	
2. NAME OF OPERATOR: D J SIMMONS, INC		9. API NUMBER: 43037309030000	
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401	PHONE NUMBER: 505 326-3753 Ext	9. FIELD and POOL or WILDCAT: LITTLE NANCY	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0430 FNL 0420 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 11 Township: 38.0S Range: 25.0E Meridian: S		COUNTY: SAN JUAN	
		STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/15/2014	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
Please see attached Drilling Summary for the Nancy Federal 11-11S through 01/08/2014.			
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 15, 2014			
NAME (PLEASE PRINT) Chris S. Lopez	PHONE NUMBER 505 326-3753	TITLE Regulatory Socialist	
SIGNATURE N/A	DATE 1/15/2014		

Little Nancy 11-11S
Drilling Summary

Days On:	Date:	Outcome:
1	January 08	LEVEL & BLADE OFF LOC, MIRU 4-CORNERS RIG #7
2	January 09	HOT OIL TBG & RODS, TOH, L/D RODS & PUMP, N/D WELLHEAD, N/U BOP, TOH W/TBG
3	January 10	TIH W/STRING MILL & TBG T/5425', TOH, RUN GYRO SURVEY
4	January 11	RIH & SET 5.5" CIBP @ 5350', DUMP BAIL CMT ON TOP OF CIBP, LOAD HOLE W/10.3 PPG MUD, RUN CBL
5	January 13	TIH W/2.875" TBG OPENENDED T/4500', PUMP BAL CMT PLUG F/4500'T/4079', TOH, L/D TBG
6	January 14	WSI BUILT WELLHEAD SPOOL ADAPTOR TO ELIMINATE SCREW ON HEAD

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE NANCY
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: NANCY FEDERAL 11-11
2. NAME OF OPERATOR: D J SIMMONS, INC	9. API NUMBER: 43037309030000
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401	PHONE NUMBER: 505 326-3753 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0430 FNL 0420 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 11 Township: 38.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: LITTLE NANCY COUNTY: SAN JUAN STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/21/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Revise Directional Drilling Plat"/>

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

D. J. Simmons, Inc. proposes to revise their Directional Drilling plan to acquire a better azimuth and attain a longer horizontal lateral targeting the following new bottom hole footages: Surface location (same): 430' FNL & 420' FWL, Sec. 11, T38S, R25E, SLM Bottom Hole (Heel): 600' FNL & 265' FEL, Sec. 10, T38S, R25E, SLM Bottom Hole (Toe): 120' FNL & 540' FEL, Sec. 10, T38S, R25E, SLM The plan also includes the coring of the Hovenweep and Gothic formations to gather stratigraphic data, then plug-back this portion of the well bore. Please see attached Directional Drilling letter (per R649-3-11), a revised Utah Well Location Plat and proposed Directional Drilling Sketches.

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

Date: January 27, 2014

By: 

NAME (PLEASE PRINT) Chris S. Lopez	PHONE NUMBER 505 326-3753	TITLE Regulatory Socialist
SIGNATURE N/A		DATE 1/16/2014

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:

3160
(UT-922)

January 16, 2014

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2014 Plan of Development Little Nancy Unit,
San Juan County, Utah.

Pursuant to email between Eric Jones, Moab Field Office, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well will have a modified horizontal lateral (please see our memo dated June 11, 2013).

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

(Proposed PZ Ismay)

43-037-30903	Little Nancy 11-11S Sec 11 T38S R25E 0430 FNL 0420 FWL
	Lateral 1 Heel Sec 10 T38S R25E 0600 FNL 0265 FEL
	Lateral 1 Toe Sec 10 T38S R25E 0120 FNL 0540 FEL

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

Michael Coulthard

Digitally signed by Michael Coulthard
DN: cn=Michael Coulthard, o=Bureau of Land
Management, ou=Division of Minerals,
email=mcoultha@blm.gov, c=US
Date: 2014.01.16 09:39:32 -0700

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

MCoulthard:mc:1-16-14

RECEIVED: Jan. 16, 2014



Nancy Federal No. 11-11S

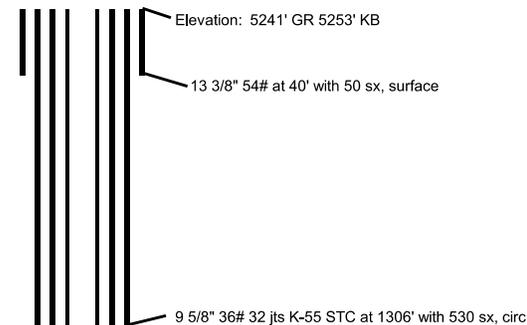
Location: Surface: 430' FNL, 420' FWL,
Sec 11, T38S, R25E, San Juan
County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

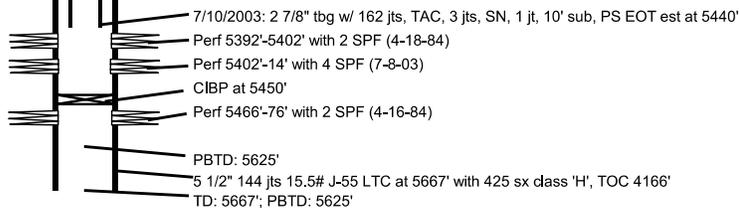
Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentral Resources Inc.



	SPUD: Salt Wash Member	0	5260	558
Entrada SS		558	4702	155
Carmel Fm/Dewey Bridge Mbr		713	4547	35
Navajo SS		748	4512	352
Kayenta Fm		1100	4160	68
Wingate Ss		1168	4092	256
Chinle Fm		1424	3836	884
Shinarump SS		2308	2952	102
Moenkopi Fm		2410	2850	30
CUTLER GROUP	De Chelly Ss	2440	2820	160
TOC 2310' by CBL 4166' (4-14-84)				
HONAKER TRAIL FM	HT 7	4324	936	122
	Cahone Ss Zone	4966	294	36
	La Sal Ss	5012	248	44
	La Sal Cycle	5056	204	142
	Hatch Ss	5198	62	18
	Hatch Cycle	5216	44	135
UPPER ISMAY	Substage V (Rabbit Ears Anhy)	5372	-112	16
	Substage II (Mound zone)	5440	-180	44
LOWER ISMAY	Hovenweep Shale	5510	-250	46
	Lower Ismay Stage	5556	-296	20
	Gothic Shale	5608	-348	14
DESERT CREEK	Desert Creek Stage	5622	-362	16
Total Depth			5667 TD mid-DC	

Squeeze
250sx cmt at
2425'-91' (7-2-

TOC: by CBL 4166' (4-14-84)





Nancy Federal No. 11-11S

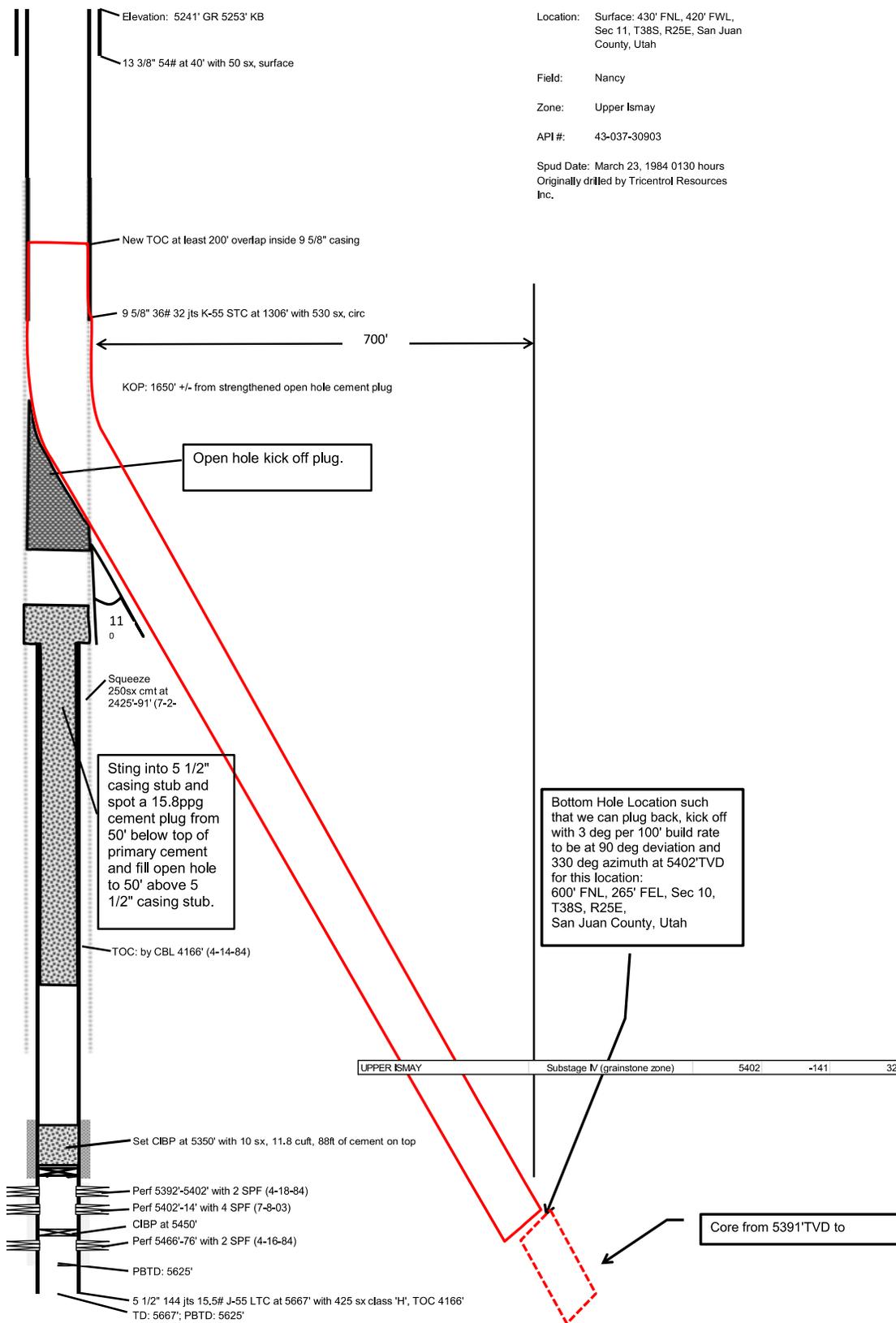
Location: Surface: 430' FNL, 420' FWL,
Sec 11, T38S, R25E, San Juan
County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
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Inc.





Nancy Federal No. 11-11S

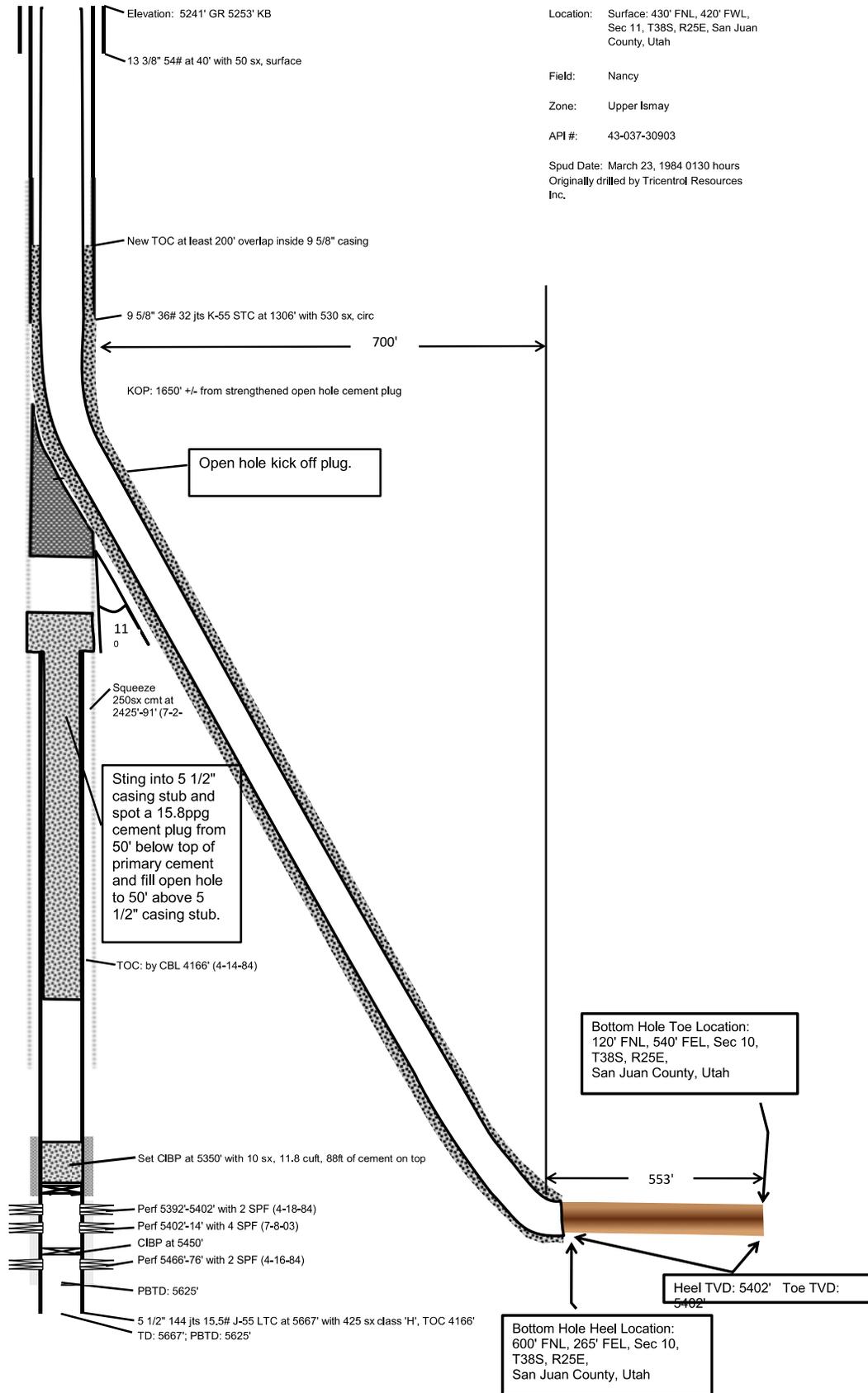
Location: Surface: 430' FNL, 420' FWL,
Sec 11, T38S, R25E, San Juan
County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentrol Resources
Inc.





Nancy Federal No. 11-11S

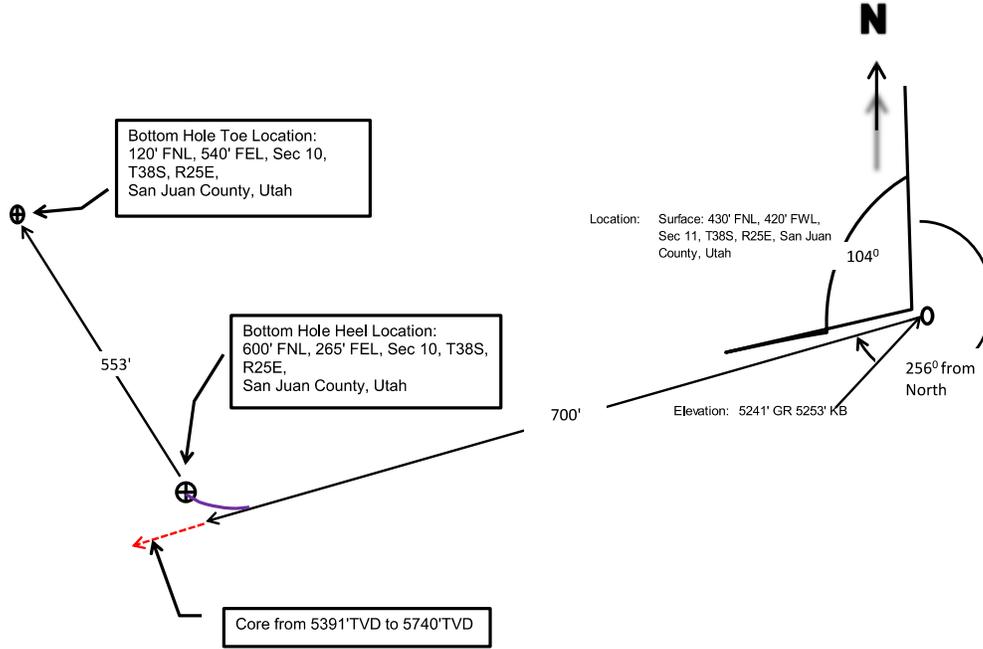
Surface See Below
Location:

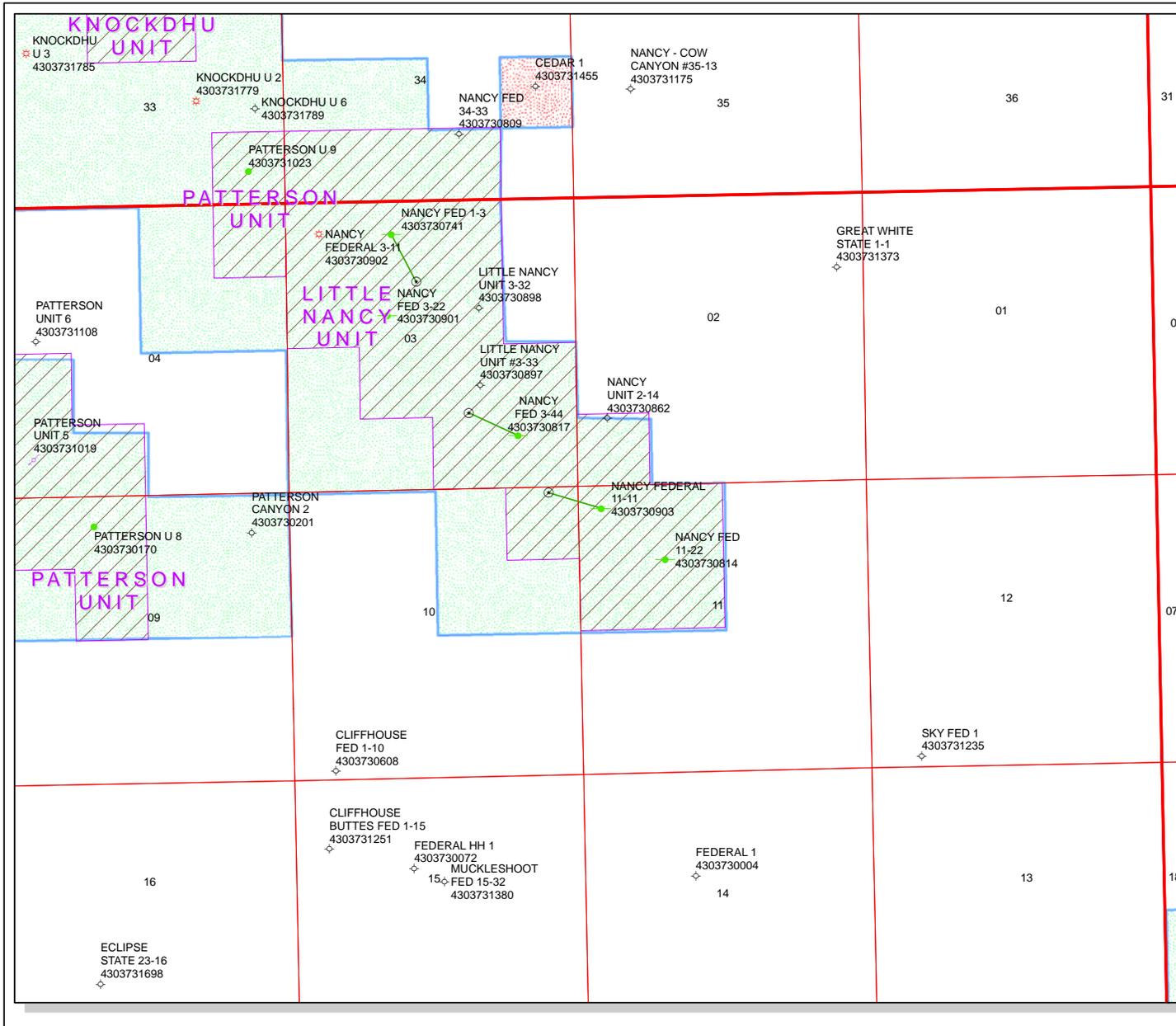
Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentral Resources Inc.





API Number: 4303730903

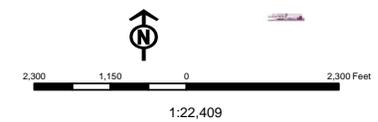
Well Name: NANCY FEDERAL 11-11

Township: T38.0S Range: R25.0E Section: 11 Meridian: S

Operator: D J SIMMONS, INC

Map Prepared: 1/17/2014
Map Produced by Diana Mason

Wells Query		Units	
Status	Symbol	Status	Symbol
APD - Approved Permit	◆	ACTIVE	▨
DRL - Spudded (Drilling Commenced)	○	EXPLORATORY	▨
GIW - Gas Injection	⚡	GAS STORAGE	▨
GS - Gas Storage	⚡	NF PP OIL	▨
LOC - New Location	⊕	PP SECONDARY	▨
OPS - Operation Suspended	⊖	PI OIL	▨
PA - Plugged Abandoned	⊖	PP GAS	▨
PGW - Producing Gas Well	⊕	PP GEOTHERML	▨
POW - Producing Oil Well	⊕	PP OIL	▨
SGW - Shut-in Gas Well	⊖	SECONDARY	▨
SGW - Shut-in Oil Well	⊖	TERMINATED	▨
TA - Temp. Abandoned	⊖	Fields	
TW - Test Well	○	Status	Symbol
WDW - Water Disposal	⊖	Unknown	▨
WW - Water Injection Well	⊕	ABANDONED	▨
WSW - Water Supply Well	●	ACTIVE	▨
		COMBINED	▨
		INACTIVE	▨
		STORAGE	▨
		TERMINATED	▨





DJ SIMMONS, INC.

1009 Ridgeway Place
Suite 200
Farmington,
New Mexico 87401

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

January 16, 2014

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

Re: Directional Drilling R649-3-11

Little Nancy 11-11S: 430' FNL & 420' FWL (Surface Hole), NW/NW Sec. 11
600' FNL & 265' FEL (Bottom Hole - Heel), NE/NW Sec. 10
120' FNL & 540' FEL (Bottom Hole - Toe), NE/NW Sec. 10
T38S, R25E, SLM, San Juan County, UT

Dear Ms. Mason,

Pursuant to the filing of a Notice of Intent Sundry regarding the above referenced well on January 16, 2014, D. J. Simmons, Inc. (DJS) is hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

- The Little Nancy 11-11S is located within the Little Nancy Unit Area.
- DJS is requesting to sidetrack out of the existing Little Nancy 11-11 wellbore in order to minimize surface disturbance. Locating the well at the surface location and drilling directionally from this location, DJS will be able to utilize the existing wellpad, access road and pipelines in the area.
- Furthermore, DJS hereby certifies that it is the sole working interest owner within 460 feet of the entire directional wellbore.

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

Sincerely yours,

Chris S. Lopez
Regulatory Specialist

UTAH WELL LOCATION PLAT

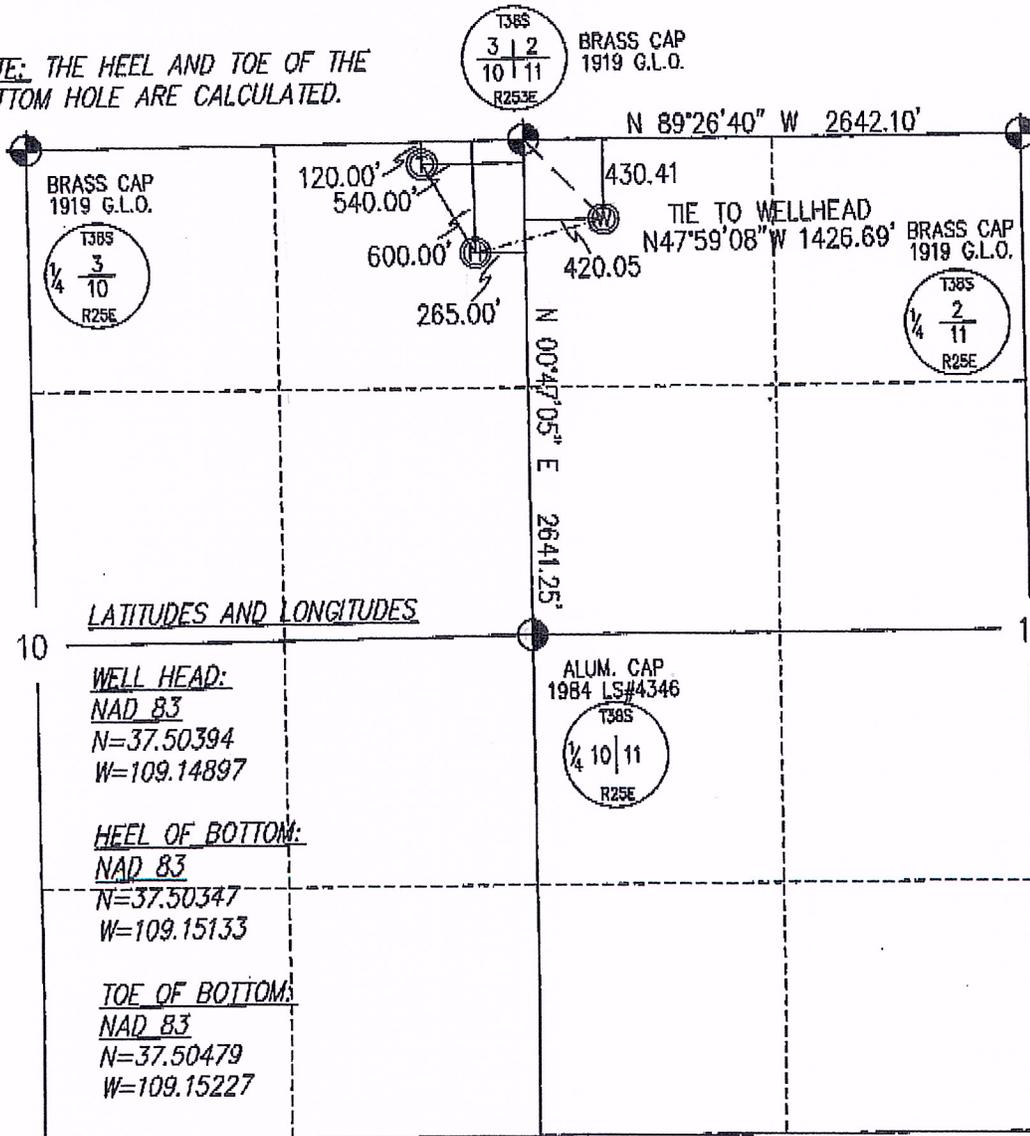
OPERATOR DJ SIMMONS INC.
 LEASE LITTLE NANCY WELL NO. 11-11S
 SECTION 11 TOWNSHIP 38 SOUTH RANGE 25 EAST S.L.M.
 COUNTY SAN JUAN UTAH
 FOOTAGE LOCATION OF WELL: 430.41 FEET FROM THE NORTH LINE and
420.05 FEET FROM THE WEST LINE and
 GROUND LEVEL ELEVATION: 5248.72'
 SURFACE USE WITHIN 200' RADIUS: No Improvements Within 200'
 BASIS OF BEARING: GPS Data
 BASIS OF ELEVATION: GPS Data - NAD 83 - PDOP #1.4

500' 500'
 1" = 1000'

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

-  BRASS CAP
-  ALUM. CAP
-  WELL Location
-  TOE OF BOTTOM
-  HEEL OF BOTTOM

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



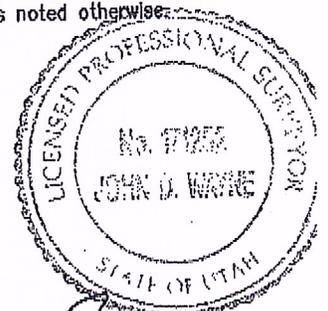
LATITUDES AND LONGITUDES

WELL HEAD:
 NAD 83
 N=37.50394
 W=109.14897

HEEL OF BOTTOM:
 NAD 83
 N=37.50347
 W=109.15133

TOE OF BOTTOM:
 NAD 83
 N=37.50479
 W=109.15227

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



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

JUNE 6, 2013

Date Surveyed:

JANUARY 15, 2014

Date Platted (Revised):

SCALE: 1" = 1000'



Nancy Federal No. 11-11S

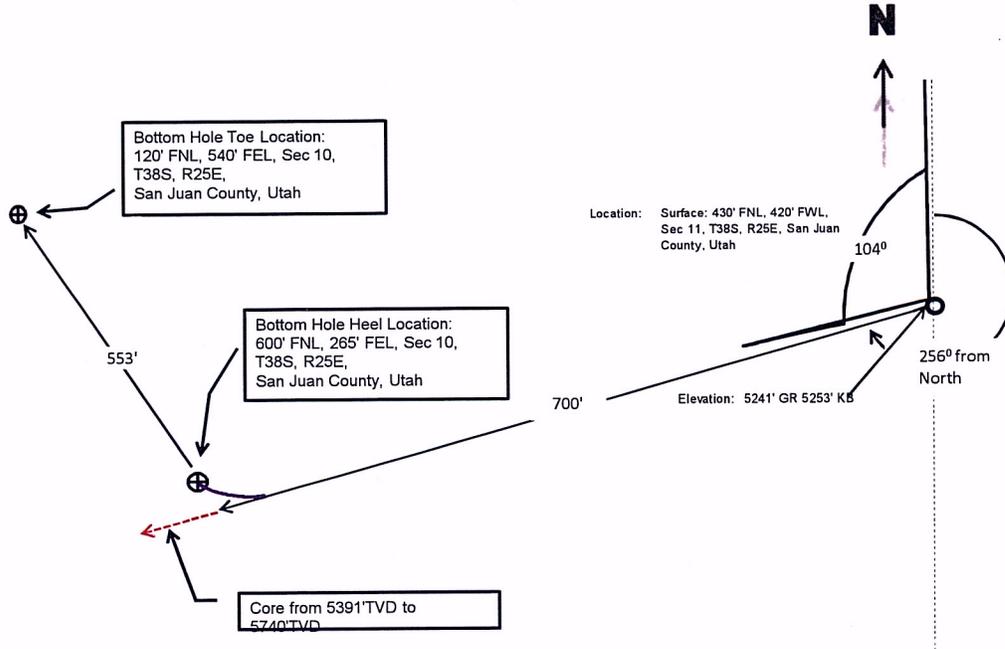
Surface See Below
Location:

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentral Resources Inc.





Nancy Federal No. 11-11S

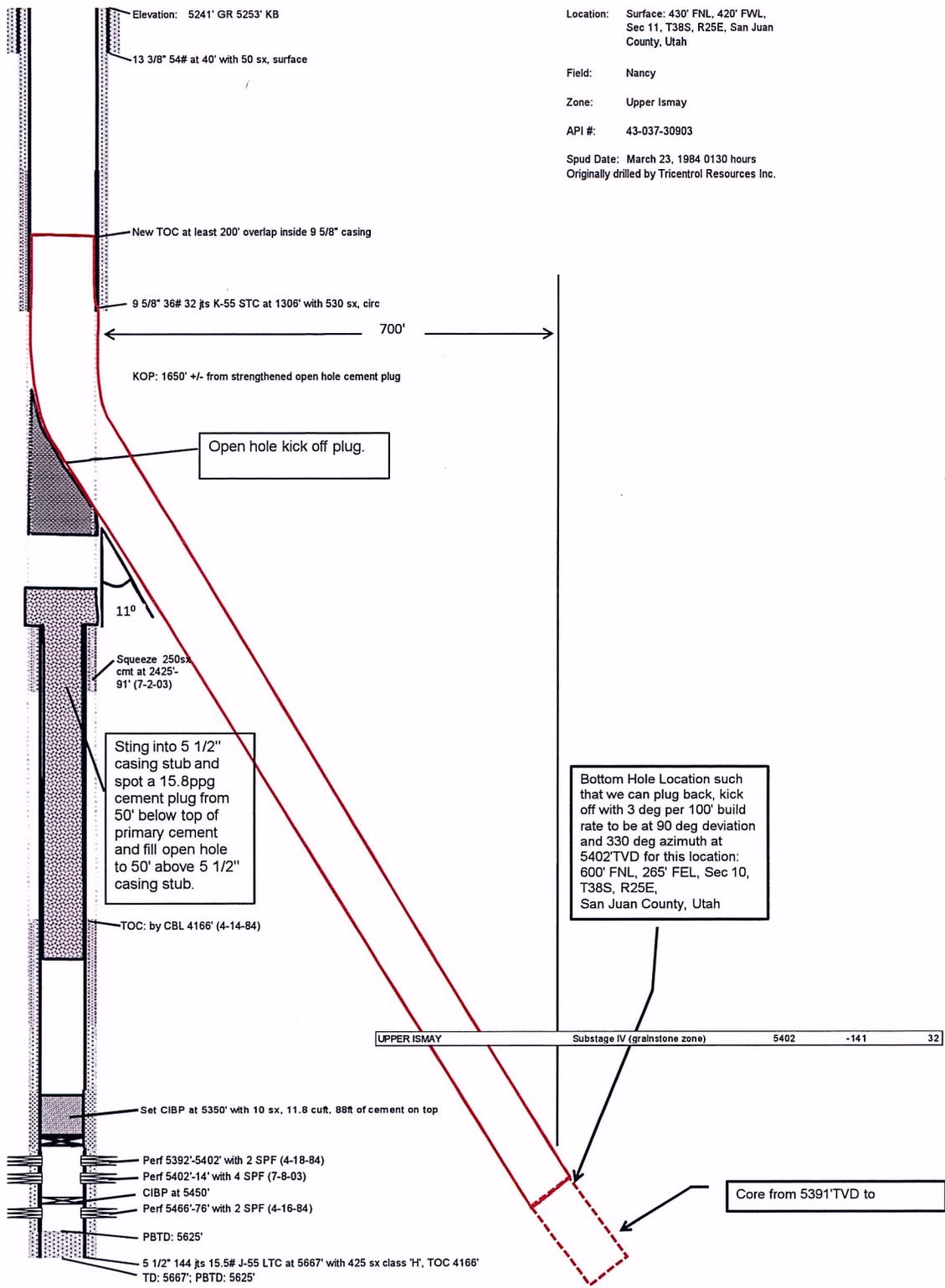
Location: Surface: 430' FNL, 420' FWL,
Sec 11, T38S, R25E, San Juan
County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentral Resources Inc.



Bottom Hole Location such that we can plug back, kick off with 3 deg per 100' build rate to be at 90 deg deviation and 330 deg azimuth at 5402'TVD for this location: 600' FNL, 265' FEL, Sec 10, T38S, R25E, San Juan County, Utah

Core from 5391'TVD to



Nancy Federal No. 11-11S

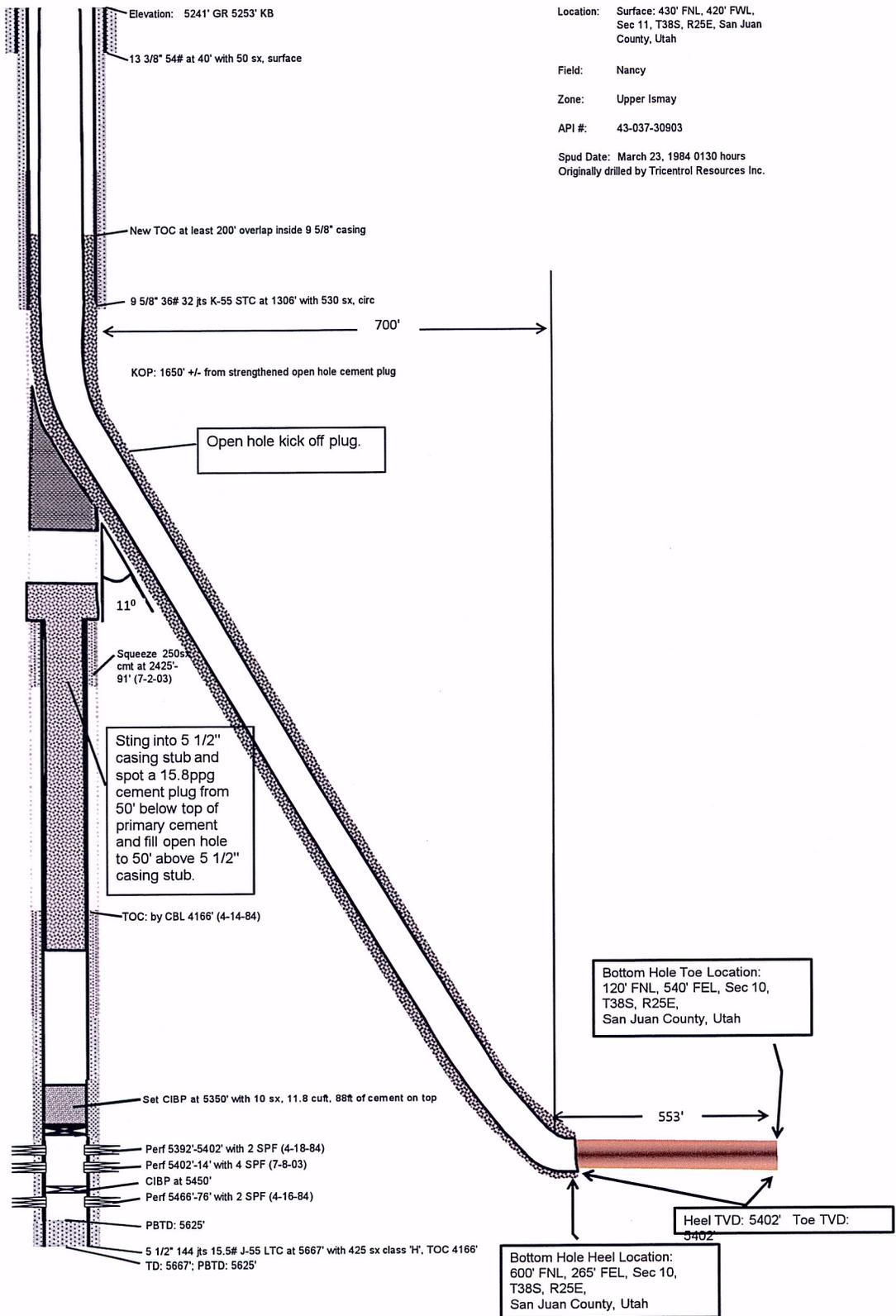
Location: Surface: 430' FNL, 420' FWL,
Sec 11, T38S, R25E, San Juan
County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentrol Resources Inc.



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE NANCY
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: NANCY FEDERAL 11-11
2. NAME OF OPERATOR: D J SIMMONS, INC	9. API NUMBER: 43037309030000
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401	PHONE NUMBER: 505 326-3753 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0430 FNL 0420 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 11 Township: 38.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: LITTLE NANCY COUNTY: SAN JUAN STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 2/3/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Attached is a sketch of DJ Simmons proposed plugs for the Little Nancy 11-11S plug-back procedure (highlighted in yellow) once we have obtained the core samples and prior to our lateral kick-off.

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

Date: January 30, 2014

By: *Dark Quif*

NAME (PLEASE PRINT) Chris S. Lopez	PHONE NUMBER 505 326-3753	TITLE Regulatory Socialist
SIGNATURE N/A	DATE 1/29/2014	



Nancy Federal No. 11-11S

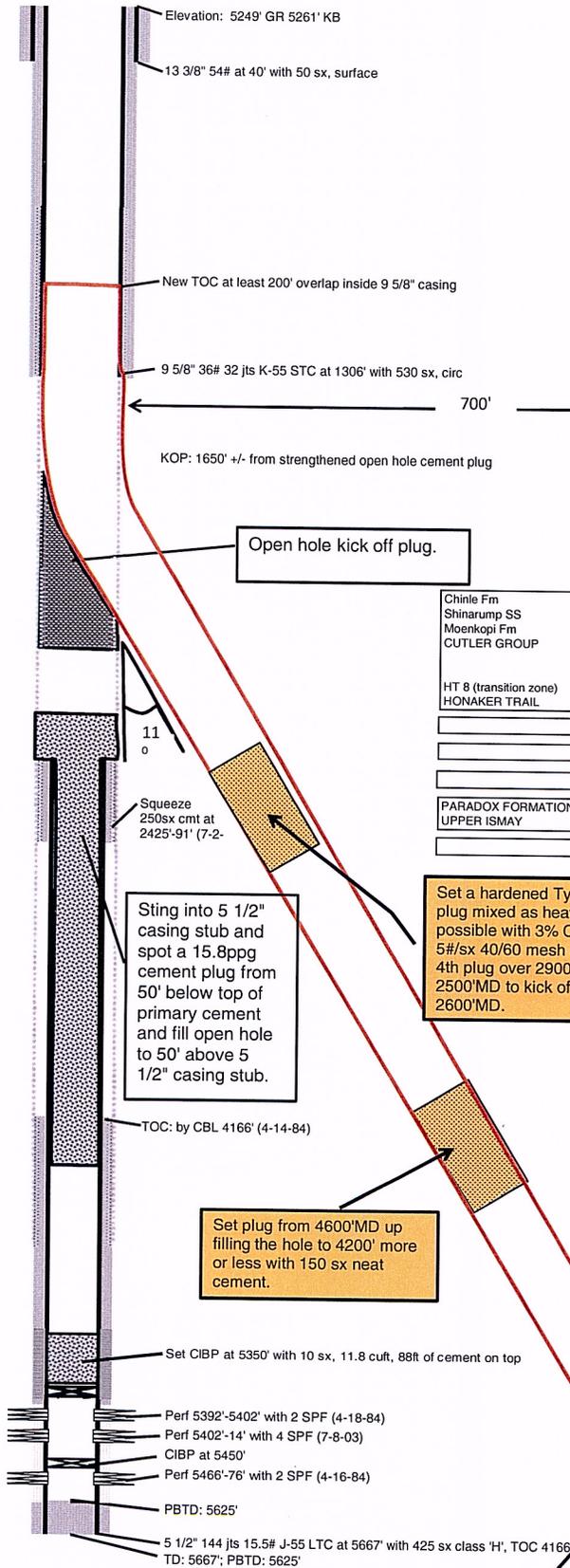
Location: Surface: 430' FNL, 420' FWL,
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County, Utah

Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentral Resources Inc.



Chinle Fm	1424	3837	890
Shinarump SS	2314	2947	168
Moenkopi Fm	2482	2779	70
CUTLER GROUP			
De Chelly Ss	2552	2709	80
Cutler undifferentiated	2632	2629	700
Cedar Mesa Ss	3332	1929	918
HT 8 (transition zone)	4250	1011	88
HONAKER TRAIL	4338	923	122
HT 7			
Cahone Ss Zone	4980	281	36
La Sal Ss	5026	235	44
Hatch Ss	5212	49	18
PARADOX FORMATION			
UPPER ISMAY			
Paradox Shale	5365	-104	21
Substage V (Rabbit Ears Anhy)	5386	-125	16
Substage II (Mound zone)	5454	-193	45

Sting into 5 1/2" casing stub and spot a 15.8ppg cement plug from 50' below top of primary cement and fill open hole to 50' above 5 1/2" casing stub.

Set a hardened Type G 150 sx plug mixed as heavy as possible with 3% CaCl2 and 5#/sx 40/60 mesh sand as the 4th plug over 2900' MD up to 2500' MD to kick off from at 2600' MD.

Bottom Hole Location such that we can plug back, kick off with 3 deg per 100' build rate to be at 90 deg deviation and 330 deg azimuth at 5402' TVD for this location:
600' FNL, 265' FEL, Sec 10, T38S, R25E, San Juan County, Utah

Set plug from 4600' MD up filling the hole to 4200' more or less with 150 sx neat cement.

Set 2 plugs from TD of 5848' MD up filling the hole to 5000' more or less with 300 sx neat cement on batch 1 and 2 at 150 sx each.

Core from 5391' TVD to 5740' TVD

TD: 322' FEL, 605' FNL

Core Pt: 256' FEL, 589' FNL

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40053
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2. NAME OF OPERATOR: D J SIMMONS, INC		8. WELL NAME and NUMBER: NANCY FEDERAL 11-11
3. ADDRESS OF OPERATOR: 1009 RIDGEWAY PL, STE 200, FARMINGTON, NM, 87401		9. API NUMBER: 43037309030000
PHONE NUMBER: 505 326-3753 Ext		9. FIELD and POOL or WILDCAT: LITTLE NANCY
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0430 FNL 0420 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 11 Township: 38.0S Range: 25.0E Meridian: S		COUNTY: SAN JUAN
		STATE: UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/12/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

D. J. Simmons, Inc. Plugged and Abandoned the subject well. Please see attached PXA well bore sketch.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
April 02, 2014**

NAME (PLEASE PRINT) Chris S. Lopez	PHONE NUMBER 505 326-3753	TITLE Regulatory Socialist
SIGNATURE N/A	DATE 3/27/2014	



Nancy Federal No. 11-11S

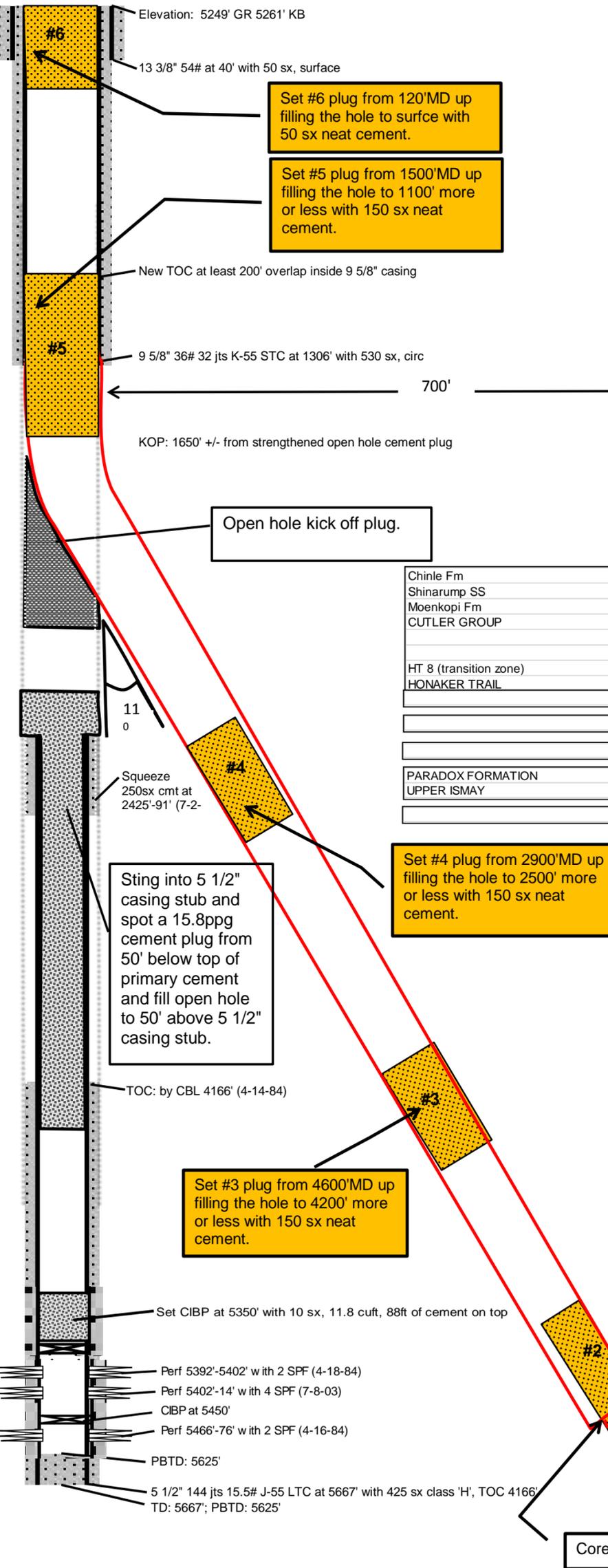
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Field: Nancy

Zone: Upper Ismay

API #: 43-037-30903

Spud Date: March 23, 1984 0130 hours
Originally drilled by Tricentral Resources Inc.



Set #1 & #2 plugs from TD of 5848' MD up filling the hole to 5000' more or less with 300 sx neat cement on batch 1 and 2 at 150 sx each.

Set #3 plug from 4600' MD up filling the hole to 4200' more or less with 150 sx neat cement.

Set #4 plug from 2900' MD up filling the hole to 2500' more or less with 150 sx neat cement.

Set #5 plug from 1500' MD up filling the hole to 1100' more or less with 150 sx neat cement.

Set #6 plug from 120' MD up filling the hole to surface with 50 sx neat cement.

Chinle Fm		1424	3837	890
Shinarump SS		2314	2947	168
Moenkopi Fm		2482	2779	70
CUTLER GROUP				
	De Chelly Ss	2552	2709	80
	Cutler undifferentiated	2632	2629	700
	Cedar Mesa Ss	3332	1929	918
HT 8 (transition zone)		4250	1011	88
HONAKER TRAIL	HT 7	4338	923	122
	Cahone Ss Zone	4980	281	36
	La Sal Ss	5026	235	44
	Hatch Ss	5212	49	18
PARADOX FORMATION				
	Paradox Shale	5365	-104	21
UPPER ISMAY	Substage V (Rabbit Ears Anhy)	5386	-125	16
	Substage II (Mound zone)	5454	-193	45

Bottom Hole Location such that we can plug back, kick off with 3 deg per 100' build rate to be at 90 deg deviation and 330 deg azimuth at 5402'TVD for this location:
600' FNL, 265' FEL, Sec 10, T38S, R25E, San Juan County, Utah

Set #1 & #2 plugs from TD of 5848' MD up filling the hole to 5000' more or less with 300 sx neat cement on batch 1 and 2 at 150 sx each.

Core from 5391'TVD to 5740'TVD

TD: 322'FEL, 605'FNL

Core Pt: 256'FEL, 589'FNL



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 8, 2015

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

Re: APD Rescinded – Nancy Federal 11-11 (DEEPENING),
Sec. 11, T. 38S, R. 25E, San Juan County, Utah API No. 43-037-30903

Ladies and Gentlemen:

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

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Monticello